



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

**WORKERS' COMPENSATION
INSURANCE RATE FILING**

Volume 1 of 2

MAIN RATE FILING

Proposed Effective Date: September 1, 2008
Filing Date: March 1, 2008



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

February 29, 2008

The Honorable Nonnie 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 am submitting, 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 increase in average rates of 2.3%. 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, 2008, 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

The Workers' Compensation Rating and Inspection Bureau of Massachusetts

101 ARCH STREET • 5TH FLOOR • BOSTON, MA 02110
617-439-9030 • FAX 617-439-6055 • www.wcribma.org

**COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE**

Docket No. 08-

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, 2008**

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, 2008.

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 VII of the WCRIB'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 VII of the filing are complete and accurate, and the narrative statements offered in support of Section VII 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 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 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 VII-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 VII 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 the target return higher, a higher underwriting profit would have been indicated as well.

Signed this 27th day of February 2008 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

Pinehurst, North Carolina, May 21, 2007
Workers Compensation Insurance Organizations Annual Meeting
“Enterprise Risk Management: What Is It and Why Is It Important?”

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

San Francisco, CA, November 29, 2007
Explorer Insurance Company Automobile Rate Hearing

Santa Fe, New Mexico, November 19, 2007
Annual Title Insurance Rate Hearing

Reno, Nevada, June 14, 2007
Public Hearing Regarding Merger Between UnitedHealth Group and Sierra Health Systems

Austin, Texas, May 31, 2007
State Farm Lloyds Homeowners Rate Hearing

Reno, Nevada, October 26, 2006
Public Hearing Regarding Demutualization of Employers Insurance Group

San Francisco, CA, August 30, 2006
Hearing on Proposed Title Insurance Rate Regulations

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. 08-

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, 2008**

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, 2008.

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 insurance consulting business of Towers Perrin. My consulting practice at Towers Perrin 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 Towers Perrin 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. Currently, I serve on the Board of Trustees of the Actuarial Foundation.

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 VII (underwriting profit) and Section XIII (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 increase in average rates of 2.3% for workers' compensation, effective September 1, 2008.

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.

Pre-Filed Direct Testimony
Robert F. Conger

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 26th day of February 2008 under the pains and penalties of perjury.


Robert F. Conger, FCAS, FCIA, MAAA

ROBERT F. CONGER

Mr. Conger is a consulting actuary with the Tillinghast insurance consulting practice 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, and currently is serving on the Board of Trustees of The Actuarial Foundation.

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
DIVISION OF INSURANCE

Docket No. 08-

In re:

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COMPENSATION RATING AND INSPECTION
BUREAU OF MASSACHUSETTS FOR APPROVAL
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EFFECTIVE ON AND AFTER SEPTEMBER 1, 2008

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, 2008.

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) and III (Premium). 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 27th day of February 2008 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

2/00 – present

8/01 – 9/03

10/03 – present

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.

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

COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE

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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, 2008.

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), X (Experience Rating), XI (Small Deductible Credits), XII (Retrospective Rating) and I am also testifying in support of Section VII (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 increase in average rates of 2.3% for workers' compensation, effective September 1, 2008.

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 you 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 27th day of February 2008 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 1993 – May 1995), **Assistant Actuary** (Jan 1991 – May 1993), and **Actuarial Trainee** (Dec 1989 – Jan 1991)

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

Masters of Science ♦ Insurance Management ♦ [Boston University](#) ♦ 2008

**COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE**

Docket No. 08-

In re:

**APPLICATION OF THE WORKERS'
COMPENSATION RATING AND INSPECTION
BUREAU OF MASSACHUSETTS FOR APPROVAL
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EFFECTIVE ON AND AFTER SEPTEMBER 1, 2008**

PRE-FILED DIRECT TESTIMONY OF ANTHONY SALIDO

The Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB") submits the following direct testimony of Anthony Salido in support of Section VIII and Section IX of its filing for a general rate revision to be effective on and after September 1, 2008.

Q. Please state your full name.

A. Anthony Salido.

Q. Mr. Salido, please describe your current employment and your educational and professional experience.

A. I am presently employed as a Sr. Actuarial Analyst / Data Administrator at the Workers' Compensation Rating and Inspection Bureau of Massachusetts, 101 Arch Street, Boston, Massachusetts. My educational background includes a Bachelors degree in Mathematics and Economics from Boston College. I joined the WCRIB in June 1998. A copy of my resume is attached to this testimony.

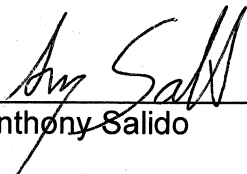
Q. What was your role in the preparation of the current WCRIB filing?

A. I had principal responsibility for the preparation of the following sections of the filing, which I am sponsoring: Sections VIII (F-Class) and IX (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 in the text and accompanying exhibits found in Sections VIII and IX?

A. Yes, and to the best of my knowledge, information and belief, the data and calculations underlying Sections VIII and IX are complete and accurate, and the narrative statements are also accurate and correct.

Signed this 26th day of February, 2008 under the pains and penalties of perjury.



Anthony Salido

Anthony D. Salido
Workers' Compensation Rating and Inspection Bureau of MA
101 Arch St. 5th Floor
Boston, MA 02110

Work experience	The Workers' Compensation Rating and Inspection Bureau of MA Boston, MA June 1998 - Present <i>Senior Actuarial Analyst</i> January 2004 - Present <ul style="list-style-type: none">• Responsible for the preparation of various sections contained in the WCRIB's rate filings over the last 9 years, including loss development, premiums, benefit level adjustments, trend, expenses, experience rating, retrospective rating, class rates, and F-Class rates.• Maintains the data structures and associated metadata for the Actuarial Department's Financial Call and Unit Stat plan databases.• Responsible for the maintenance of the nightly batch process that populates the Actuarial Department's databases, runs the Actuarial Department's data edits, and creates content for the WCRIB's intranet and web site.• Formalized and directs the process employed by the WCRIB for the data reconciliations mandated by the Massachusetts Workers Compensation Statistical Plan. Work with other WCRIB departments and data reporters to explain and/or correct anomalies identified by the reconciliation process.• Developed and maintains Actuarial Department's intranet site which includes a history of Massachusetts workers compensation rate filing activity, reconciliation reports, edit reports, and other content to support the WCRIB's rate filing efforts.• Prepares Circular Letters and Special Bulletins.• Responds to information requests from members, regulators, etc.
Actuarial Exams	Passed CAS Parts 1-6
Computer Skills	Software: Microsoft Excel , Microsoft Access, Microsoft Word, Power Point Programming Languages: SQL, SAS
Education	Boston College, Chestnut Hill MA, May 1998 B.A. in Mathematics and Economics

COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE

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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 Section XIII (Cost Containment) of its application for a general rate revision to be effective on and after September 1, 2008.

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 26th day of February 2008 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 and 2008 rate filing as well as the loss development, small deductible, and experience rating sections of the 2008 filing. Compile exhibits for NCCI Annual Statistical Bulletin, create model for premium algorithm in SAS as well as in Excel, update Pension Tables. 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 increased by 2.3% for the policies effective on and after September 1, 2008. The rates for workers' compensation insurance were most recently revised last year, when a large rate decrease of 16.9% took effect on September 1, 2007. If the WCRIB's filing for a modest increase of 2.3% is approved, the cumulative rate decrease since 1991 – when the most recent reform legislation was enacted – would still be more than 64.8%.

The WCRIB's filing for 2008 rates has the overriding benefit of stability, both in methodology and in rate indication. This filing does not introduce new methodologies to the core rate-setting issues. Methodological consistency over time contributes to unbiased rates. By incorporating actual experience data over time in the same way each year, such a consistent methodological approach provides for significant self-correction from year to year of the inevitable deviations between the projections that must be the basis of prospective rates and actual experience, once known. In other words, a rate that may turn out, in retrospect, to be "too low" or "too high" in one year will tend to be remedied in the following years as accumulating experience is reflected in the rate indication.

Rate stability is also desirable. It benefits both insureds and insurers. Abrupt changes in rate level can impede business planning, both for insureds (especially when

rates increase greatly from year to year) and for insurers (especially when revenues drop precipitously from one year to the next). The stability and predictability of rates from year to year also fosters competitive behavior and, when rates are adequate, can relieve pressure on the residual market. While these considerations do not, of course, override the need for rate changes when they are warranted by the data, they do counsel against unnecessarily wide swings in approved rates.

Turning to the specifics of this filing, the WCRIB has given careful 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 "Unit Statistical Plan" (or "Schedule Z") 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 2005 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 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” review of the data reported by selected insurers, following Agreed Upon Procedures Engagement (“AUPs”), when questions arise about the reliability of their submissions. The WCRIB also takes into account the findings made by the independent auditing firms selected by insurers to perform on-site triennial reviews, following AUPs, to test the Aggregate Financial data they have reported. These AUPs are prescribed by the WCRIB and the Division of Insurance.

In our filings for 2005 and 2007 rates, the WCRIB was compelled to exclude the Aggregate Financial data reported by a major carrier in Massachusetts, AIG. AIG has become the largest writer of workers’ compensation insurance in the Commonwealth and currently accounts for about 28% of the workers’ compensation premiums written here. We are pleased to be able to report that as a result of concerted efforts by the Bureau and AIG to remedy the past problems with AIG’s data, the WCRIB believes that AIG’s Aggregate Financial data are now suitable for ratemaking. These data have been the subject of mandated reconciliations and both a targeted AUP and a triennial AUP conducted by independent audit firms in accordance with Massachusetts Workers Compensation Statistical Plan. AIG’s Aggregate Financial data are used throughout the WCRIB’s rate filing, except for purposes of estimating premium development factors.¹

In reviewing our filing, the Commissioner should be mindful that the Massachusetts Residual Market remains one of the largest in the country, with approximately 13.9% of the market, making it the second largest provider of workers’

¹ See the Appendix for Aggregate Financial Data exclusions.

compensation coverage in the state. The WCRIB urges the Commissioner to approve its rate filing, which calls for a 2.3% increase 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 and the rate level indication for Federal Classifications. The second part contains the revised experience and retrospective rating plan parameters, small deductible program parameters, and the industry group and classification rate displays. The third part deals with cost containment. The pre-filed testimony of the four WCRIB actuaries supporting this filing (Robert McCarthy, Claudia Cunniff, Anthony Salido 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; they are not 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 2004 data and the other from policy year 2005 data. Policy year 2004 data consist of premium and loss experience generated by policies written during 2004. Policy year 2005 data consist of premium and loss experience generated by policies written during 2005. 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 are expected to be in effect (here 9/1/08-8/31/09). 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 2004 and policy year 2005 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 primarily 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 (used as a proxy for exposure because payroll is the predominant exposure base). 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 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 VII 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.

Longshore and Harbor Workers

Section VIII describes the derivation of rate recommendations for the risks that have considerable exposure to the benefits and risks that apply under the United States Longshore and Harbor Workers Act, known as the F-Classes.

Classifications and Rating Plan Parameters

Section IX describes how the overall rate change is distributed among the more than four hundred classifications for which workers’ compensation policies are written in Massachusetts. Section X 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. Section XI details the derivation of factors both the Massachusetts Benefits Deductible Program and the Massachusetts Benefits Claim and Aggregate Deductible

Program used to calculate premium credits for insureds electing to retain a portion of their losses via a small deductible. Section XII includes the calculation of various retrospective rating parameters, including updated expected loss groups and a revision of state and hazard group relativities.

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
9/1/2008

Section I - A
Exhibit 1

RATE INDICATION SUMMARY

Statewide Rate Change Summary		
<i>Indication Effective Date: 9/01/08</i>		
(1)	Indicated Rate Change Based on Policy Year 2004 Data (Section I-B, Exhibit 1)	2.1%
(2)	Indicated Rate Change Based on Policy Year 2005 Data (Section I-B, Exhibit 1)	2.4%
(3)	Average Indicated Rate Change [(1) + (2)] / 2.0	2.3%

Expense Constants			
	Current	Proposed	
(4)	For Risks developing at least \$200 in Standard Premium (Section VI-E, Exhibit 1)	\$318	\$338
(5)	For Risks developing less than \$200 in Standard Premium (Section VI-E, Exhibit 1)	\$159	\$169
(6)	Per Capita Risks (for each exposure, up to a maximum of 4)	\$64	\$68

Calculation of Indicated Rate Change

	Policy Year <u>2004</u>	Policy Year <u>2005</u>
(1) Standard Earned Premium + ARAP (Section III-A)	971,431,284	986,745,832
(2) Composite Adjustment Factor (Section III-A)	1.045	1.032
(3) Adjusted Standard Earned Premium plus ARAP [(1) x (2)]	1,015,307,129	1,017,877,827
(4) Development Factor to Ultimate (Section III-A)	0.996	1.001
(5) Factor to Adjust Premium to Current Rate Level (Section III-F)	0.779	0.786
(6) Adjusted On-Level Standard Earned Premium at Ultimate = (3) x (4) x (5)	787,950,755	800,468,822
(7) Wage Trend Factor to 09/01/09 (Section V-A)	1.214	1.165
(8) Standard Earned Premium Projected to Policy Effective Period = (6) x (7)	956,691,567	932,321,896
(9) Incurred Losses Projected to Policy Effective Period (Section I-C Exhibit I, Page 1 Item (26), Page 2 Item (26))	627,894,296	614,866,427
(10) Loss Ratio Projected to Policy Effective Period [(9) / (8)]	0.656	0.660
(11) Factor to Remove the Large Deductible Contribution to the Residual Market Subsidy (Section I-D)	0.997	0.997
(12) Loss Adjustment Expense Factor (Section VI-D)	1.201	1.201
(13) Fixed Expense Ratio (Section VI-B)	0.067	0.067
(14) Indicated Policy Year Loss, LAE, and Fixed Expense Ratio = {[(10) x (12)] + (13)} x (11)	0.853	0.856
(15) Commission and Other Acquisition Expense (Section VI-K)	0.114	0.114
(16) Premium Tax Ratio (Section VI-A)	0.022	0.022
(17) Premium Discount (Section VI-I)	0.040	0.040
(18) Variable Expense Ratio [(15) + (16) + (17)]	0.176	0.176
(19) Underwriting Profit Provision (Section VII)	-0.012	-0.012
(20) Permissible Loss, LAE, and Fixed Expense Ratio [1.0 - (18) - (19)]	0.836	0.836
(21) Indicated Rate Change (14) / (20) - 1.0	2.1%	2.4%
(22) Overall Indicated Rate Change [(21) PY2004 + (21) PY2005] / 2.0	2.3%	

Policy Year 2004

	<u>Paid Method</u>	<u>Paid + Case Method</u>
Indemnity Losses		
(1) Indemnity Losses at Latest Month - Industry Total (Section II-A)	190,425,278	273,524,357
(2) Indemnity Loss Development Factor to 252 months (Section II-B)	1.812	1.220
(3) Tail Factor 252 to ultimate (Section II-C)	1.039	1.023
(4) Factor to Adjust for Escalated Benefits (Section II-D)	1.030	1.010
(5) Estimated Ultimate Indemnity Loss = [(1) x (2) x (3) x (4)]	369,233,154	344,767,416
(6) Annual Indemnity Loss Trend (Section V-A)	-0.009	-0.009
(7) Indemnity Loss Trend Factor to 09/01/09	0.959	0.959
(8) Estimated Indemnity Losses Trended = [(5) x (7)]	354,153,807	330,687,241
(9) Estimated Benefit Change Factor Prior to 1/1/2008 (Section IV-A)	1.036	1.036
(10) On Level Losses = [(8) x (9)]	366,840,669	342,533,459
(11) Estimated Benefit Change Factor Subsequent to 1/1/2008 (Section IV-A)	1.015	1.015
(12) Incurred Losses Projected to Policy Effective Period [(10) x (11)]	372,468,277	347,788,177
Medical Losses		
(13) Medical Losses at Latest Month - Industry Total (Section II-A)	140,799,582	185,591,835
(14) Medical Loss Development Factor to 252 months (Section II-B)	1.378	1.256
(15) Tail Factor 252 months to ultimate (Section II-C)	1.075	1.053
(16) Factor to Adjust for Escalated Benefits	1.000	1.000
(17) Estimated Ultimate Medical Loss = [(13) x (14) x (15) x (16)]	208,638,977	245,509,316
(18) Annual Medical Loss Trend (Section V-A)	0.035	0.035
(19) Medical Loss Trend Factor to 09/01/09	1.176	1.176
(20) Estimated Medical Losses Trended = [(17) x (19)]	245,258,394	288,600,057
(21) Estimated Benefit Change Factor Prior to 1/1/2008 (Section IV-A)	1.003	1.003
(22) On Level Losses = [(20) x (21)]	246,027,298	289,504,840
(23) Estimated Benefit Change Factor Subsequent to 1/1/2008 (Section IV-A)	1.000	1.000
(24) Incurred Losses Projected to Policy Effective Period = [(22) x (23)]	246,027,298	289,504,840
Total Combined Medical and Indemnity Losses		
(25) Total Estimated Ultimate Losses Trended and On Level = [(12) + (24)]	618,495,575	637,293,016
(26) Average Incurred Losses Projected to Policy Effective Period	627,894,296	

Policy Year 2005

	<u>Paid Method</u>	<u>Paid + Case Method</u>
Indemnity Losses		
(1) Indemnity Losses at Latest Month - Industry Total (Section II-A)	103,481,183	196,185,368
(2) Indemnity Loss Development Factor to 252 months (Section II-B)	3.273	1.623
(3) Tail Factor 252 to ultimate (Section II-C)	1.039	1.023
(4) Factor to Adjust for Escalated Benefits (Section II-D)	1.030	1.010
(5) Estimated Ultimate Indemnity Loss = [(1) x (2) x (3) x (4)]	362,451,093	329,018,410
(6) Annual Indemnity Loss Trend (Section V-A)	-0.009	-0.009
(7) Indemnity Loss Trend Factor to 09/01/09	0.968	0.968
(8) Estimated Indemnity Losses Trended = [(5) x (7)]	350,767,681	318,412,683
(9) Estimated Benefit Change Factor Prior to 1/1/2008 (Section IV-A)	1.025	1.025
(10) On Level Losses (8) x (9)	359,490,911	326,331,277
(11) Estimated Benefit Change Factor Subsequent to 1/1/2008 (Section IV-A)	1.015	1.015
(12) Incurred Losses Projected to Policy Effective Period = [(10) x (11)]	365,005,768	331,337,441
Medical Losses		
(13) Medical Losses at Latest Month - Industry Total (Section II-A)	110,318,642	171,978,064
(14) Medical Loss Development Factor to 252 months (Section II-B)	1.855	1.379
(15) Tail Factor 252 months to ultimate (Section II-C)	1.075	1.053
(16) Factor to Adjust for Escalated Benefits	1.000	1.000
(17) Estimated Ultimate Medical Loss = [(13) x (14) x (15) x (16)]	219,988,775	249,753,026
(18) Annual Medical Loss Trend (Section V-A)	0.035	0.035
(19) Medical Loss Trend Factor to 09/01/09	1.135	1.135
(20) Estimated Medical Losses Trended = [(17) x (19)]	249,796,238	283,593,408
(21) Estimated Benefit Change Factor Prior to 1/1/2008 (Section IV-A)	1.000	1.000
(22) On Level Losses = [(20) x (21)]	249,796,238	283,593,408
(23) Estimated Benefit Change Factor Subsequent to 1/1/2008 (Section IV-A)	1.000	1.000
(24) Incurred Losses Projected to Policy Effective Period = [(22) x (23)]	249,796,238	283,593,408
Total Combined Medical and Indemnity Losses		
(25) Total Estimated Ultimate Losses Trended and On Level = [(12) + (24)]	614,802,006	614,930,849
(26) Average Incurred Losses Projected to Policy Effective Period	614,866,427	

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, the WCRIB must estimate the residual market subsidy that is attributable to large deductibles, and then treat this estimate as an offset in the calculation of the indicated average 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 .

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

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

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

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

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 the average rate equivalent for the total market is 1.00, such that:

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

.

Then the factor 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:

$$(8) d = Q_r / Q_v$$

$$(9) Q_v (w_1 + w_2 d) = 1.00$$

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

Similarly:

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

Given (5) and (7):

$$(12) Q_{oa-1} = 1.0 - (1 - u) w_2 (Q_r - Q_{oa-1})$$

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

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:

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

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

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

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
	P	- Profit provision relative to the sum of Standard Premium plus ARAP

I 000017

w_1 - Proportion of Voluntary Non-Large Deductible Exposure to the sum of Voluntary Non-Large Deductible Exposure plus Residual Market Exposure

w_2 - $1 - w_1$

r - L_r / L_v

$$(17) w_1 L_v + w_2 r L_v = L_f$$

$$(18) L_v = L_f / (w_1 + w_2 r)$$

$$(19) w_1 L_r / r + w_2 L_r = L_f$$

$$(20) L_r = L_f r / (w_1 + w_2 r)$$

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 :

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

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

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:

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

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

where C_v - Commission Ratio relative to the sum of Standard Premium plus ARAP for the Voluntary Market

C_r - Commission Ratio relative to the sum of Standard Premium plus ARAP for the Residual Market

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

D_v - Premium Discount relative to the sum of Standard Premium plus ARAP for the voluntary market

Then the second term in (22) becomes:

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

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, the commission ratio differential between the Residual Market and the Voluntary Market, such that:

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

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. Given we have C_f as a known and we can solve for C_v and C_r, we now have all the variables needed to solve equation (13).

The detailed calculations for solving equation (13), the Factor to Remove the Large Deductible Contribution to the Residual Market Subsidy, are located in Section I-D, Exhibit 1, Page 1. The resulting adjustment factor is 0.997.

I 000019

Section I - Rate Recommendation
 Subsection D - Reflecting the Impact of Large Deductibles
 9/1/2008

Section I - D
 Exhibit 1
 Page 1

Factor to Remove the Large Deductible Contribution to the Residual Market Subsidy

		Total Market	Residual Market	Voluntary Market
(1)	Permissible Loss, LAE, and Fixed Expense Ratio	83.6%		
(2)	Fixed Expense Ratio (Section VI-B)	6.7%		
(3)	Permissible Loss and LAE Ratio [(1) - (2)]	76.9%		
(4)	Loss Ratio Differential, r	1.143		
(5)	Market Weight - w_x		21%	79%
(6)	Implied Loss and LAE Ratio		0.853	0.747
(7)	Implied Loss, LAE, and Fixed Expense Ratio		0.920	0.814
(8)	Loss, LAE, and Fixed Expense Ratio Differential	1.131		
(9)	Variable Expense Ratio	17.6%	12.9%	18.8%
(10)	Underwriting Profit Provision	-1.2%		
(11)	Implied Rate Factor equivalent		1.043	0.988
(12)	Implied Rate Differential, d	1.055		
(13)	Residual Market Rate equivalent, Q_r	1.043		
(14)	Proportion of Total Voluntary Assessable Premium not from Large Deductibles, u	0.737		
(15)	Adjustment Factor	0.997		

Notes

- (1): Consistent with Section VI-A Exhibit 1.
- (2): Section VI-B, Exhibit 1, average of column (18).
- (4): Loss Ratio Differential from Page 2, assumes LAE as % of loss is the same for Residual and Voluntary Market.
- (5): Residual Market weight, w_2 , from Section I-D, Exhibit 2, Voluntary Market weight, $w_1 = 1.0 - w_2$
- (6): Voluntary Market Implied Loss and LAE Ratio = $(3) / \{(w_2) \times (4) + (w_1)\}$
- (7) = (2) + (6)
- (8) = $(7)_{\text{Residual Market}} / (7)_{\text{Voluntary Market}}$
- (9): Section VI-A, Exhibit 1, Total Market; Residual Market commission calculated based on the Producer Fee Schedule
- (10): Section VII-A, Exhibit 1.
- (11) = $(7) / [1.0 - (9) - (10)]$
- (12) = $(11)_{\text{Residual Market}} / (11)_{\text{Voluntary Market}}$
- (13) = $d / [w_1 + (w_2 \times d)]$
- (14): Exhibit 2.
- (15) = $[1.0 - w_2 \times Q_r \times (1.0 - u)] / [1.0 - w_2 \times (1.0 - u)]$

I 000020

Calculation of Loss Ratio Differential

Policy Year	Total Market			Residual Market			Voluntary Market			Loss Ratio Differential LR _{RM} / LR _{VOL} = (7) / (10) (11)
	Standard Earned Premium plus ARAP (\$millions) (2)	Paid Losses and Case Reserves (\$millions) (3)	Loss Ratio = (3) / (2) (4)	Standard Earned Premium Plus ARAP (\$millions) (5)	Paid Losses and Case Reserves (\$millions) (6)	Loss Ratio = (6) / (5) (7)	Standard Earned Premium Plus ARAP (\$millions) (8)	Paid Losses and Case Reserves (\$millions) (9)	Loss Ratio = (9) / (8) (10)	
1999	811.6	429.4	52.9%	48.2	22.6	47.0%	763.4	406.8	53.3%	0.881
2000	784.0	476.8	60.8%	60.0	36.1	60.3%	724.0	440.7	60.9%	0.990
2001	840.0	451.8	53.8%	112.5	61.6	54.8%	727.5	390.2	53.6%	1.021
2002	942.9	473.2	50.2%	179.3	90.9	50.7%	763.5	382.3	50.1%	1.012
2003	980.8	469.1	47.8%	205.2	99.7	48.6%	775.6	369.4	47.6%	1.020
2004	971.4	459.1	47.3%	229.9	134.7	58.6%	741.5	324.4	43.8%	1.339
2005	986.7	368.2	37.3%	228.6	94.7	41.4%	758.2	273.5	36.1%	1.148
(12) Average Last 2 Years				229.3	114.7	50.0%	749.8	299.0	39.9%	1.254
(13) Average All Years				152.0	77.2	50.8%	750.5	369.6	49.2%	1.031
(14) Selected Loss Ratio Differential										1.143

Notes:
 Data as of 12/31/06 from Financial Aggregate Database, excluding large deductible policies.
 ARAP was effective 1/1/90. Premium discounts were discontinued in the Residual Market effective 1/1/91.
 (14) = Average of (12) and (13)

Calendar Year (1)	Residual Market Weight "w ₂ " Proportion of Voluntary Assessable Premium Not from Large Deductibles "u"					Residual Market Weight "w ₂ " = (2) / [(2) + (3) + (4)] (6)	"u" -- Proportion of Assessable Premium Not from Large Deductibles = (4) / [(4) + (5)] (7)
	Residual Market Written Premium (\$millions) (2)	Take-Out Program Written Premium (\$millions) (3)	Voluntary Full Coverage Not in Take-Out Program Written Premium (\$millions) (4)	Large Deductible Standard + ARAP Written Premium (\$millions) (5)			
2005	238	49	779	267	0.223	0.745	
2006	210	68	783	292	0.198	0.728	
Proposed Effective Policy Period	224	59	781	279	0.210	0.737	

Note:

Refers to the proposed effective policy period from 9/01/08 through 9/01/09.

(2),(3),(4),(5): Proposed Effective Policy Period premium based on two-year average of Calendar Year 2005 and 2006.

(1),(2),(3),(5): Massachusetts Workers' Compensation Assigned Risk Pool Special Bulletin No. 12-06 and No. 12-07

(4): Voluntary Assessable Premium + (5) - (3) + Take-Out Credit.

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 assessment loading is done as in previous years and the result flows through to Section IX-K.

Section IX-A 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 Insolvency Fund assessments. We continue to calculate these offsets in Section IX-K.

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, 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 recoup prior year assessments consistent with the Fund Statute, Massachusetts General Laws Chapter 175D: Massachusetts Insurers Insolvency Fund.

I 000023

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 estimate 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 2008 expected written premium to arrive at the factor to load the assessment.

The Fund assessed carriers on 12/2/07. 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 2007 assessment is 0.9995 (Section I-E, Exhibit 1, Page 1). Since this factor is less than 1.000, the recoupment is negative.

I 000024

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Subsection E - Calculation of Loading for Recoupment of Insolvency Fund Assessments
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Page 1

Loading for Recoupment of Insolvency Fund Assessments

(1) Net Assessments	(585,004)
(2) Expected Written Premium from 09/01/2007 to 08/31/2008 Absent Insolvency Assessments	1,072,491,687
(3) Assessment rate as a % of Premium absent Insolvency Fund 09/01/2007 to 08/31/2008 additional year	0.0%
(4) Assessment Collected 09/01/2007 to 08/31/2008 additional year	0
(5) Factor for Interest to the Prospective Period	1.038
(6) Assessment Collected Adjusted to Prospective Period	0
(7) Projected Written Premium in the Prospective Period	1,079,524,481
(8) Net Assessment to be Recouped	(585,004)
(9) Loading for Recoupment of Insolvency Fund Assessments	-0.05%

Notes:

(1): Exhibit 2 Page 2.

(2): Exhibit 2 Page 1.

(4) = (2) x (3)

(5): Section VII-H, Exhibit 1, 3.81%.

(6) = (4) x (5)

(7): Exhibit 2 Page 1.

(8) = (1) - (6)

(9) = (8) / [(8) + (7)]

I 000025

Section I - Rate Recommendation
Subsection E - Calculation of Loading for Recoupment of Insolvency Fund Assessments
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Section I-E
Exhibit 2
Page 1

2008 Loading for Recoupment of Insolvency Fund Assessments

(1) 2006 Calendar Year Written Premium Absent Insolvency Assessments	1,324,891,293
(2) Expected Exposure Growth to 02/29/2008	0.974
(3) Rate Change from Calendar Year 2006 Written to 08/31/2008	-16.9%
(4) Expected Written Premium from 09/01/2007 to 08/31/2008 = (1) x (2) x [1.0 + (3)]	1,072,491,687
(5) Expected Exposure Growth from 09/01/2008 to 08/31/2009	0.984
(6) Average Indicated Rate Change	2.3%
(7) Expected Written Premium in Prospective Period = (4) x (5) x [1.0 + (6)]	1,079,524,481

Notes:

- (1): The adjustment factor for the loading for recoupment of insolvency fund assessments of 2.3% in the 9/1/2005 rates is 0.977.
- (2): Assumes a -1.6% annual change trended for 20 months.
- (3): The 09/01/07 Rate Change was -16.9%.
- (5): Assumes a -1.6% annual change. From Section VI-H.
- (6): Section I-A, Exhibit 1.

I 000026

2008 Loading for 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)	12/2/2007	
				Assessment (5)	Assessment Charged to Workers' Compensation = (4) x (5) (6)
1988	1,192,120,104	6,766,445,953	17.62%		
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%		
1993	1,395,560,326	7,233,247,733	19.29%		
1994	1,175,326,757	7,224,575,261	16.27%	(3,000,000)	(488,054)
1995	1,043,750,298	7,139,153,644	14.62%		
1996	981,758,872	6,855,906,608	14.32%		
1997	914,971,260	6,781,202,666	13.49%	(588,052)	(79,344)
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)
2000	873,456,717	7,642,598,776	11.43%		
2001	877,204,341	8,497,773,752	10.32%	(7,000,000)	(722,593)
2002	1,270,355,928	9,481,535,538	13.40%		
2003	1,248,676,750	10,132,906,831	12.32%		
2004	1,222,962,359	10,622,095,884	11.51%		
2005	1,335,681,276	10,811,968,111	12.35%		
2006	1,355,363,793	10,785,092,254	12.57%	12,150,000	1,526,892
(7)	Total				(495,641)
(8)	Interest to Average Date				1.061
(9)	Interest-Adjusted Assessment = (7) x (8)				(525,682)
(10)	Adjusted Total Assessments = sum (9)				(525,682)
(11)	Premium Tax Rate				2.2%
(12)	Commission Rate				8.0%
(13)	Net Assessment = (10) / [1.0 - (11) - (12)]				(585,004)

Notes:

- (1),(3): Assessment Base Years 2002 and beyond from the Guaranty Fund Management Systems. Remaining years bases on a compilation of Statutory Page 14s. 1988 was the first year that Workers' Compensation was included in the assessment.
 - (2),(5): Information from Guaranty Fund Management Services; see Page 3.
 - (7) = Sum (6)
 - (8): 3.81% is the risk-free rate of interest, shown in Section VII-H, trended to the average earned date.
 - (11): Section VI-A, Exhibit 1.
 - (12): The average commission is 7.64%, consistent with Section VI-K.
- Since the average premium discount is 3.96% (Sec VI-I, Exhibit1), the average commission as a percent of net premium is 7.64%/(1.0 - 3.96%) = 8.0%
 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 000027

Section I - Rate Recommendation
 Subsection E - Calculation of Loading for Recoupment of Insolvency Fund Assessments
 9/1/2008

Section I-E
 Exhibit 2
 Page 3

2008 Loading for Recoupment of Insolvency Fund Assessments

Assessment Date	Insolvent Company	Assessment by Base Year				
		1994	1997	1999	2001	2006
12/2/2007	Abington Mutual Insurance Company	(3,000,000)	0	0	0	0
	American Eagle Insurance Company	0	(588,052)	0	0	0
	Casualty Reciprocal Exchange	0	0	0	0	400,000
	Midland Insurance Company	0	0	0	0	7,750,000
	New England Fidelity Insurance Company	0	0	(5,000,000)	(7,000,000)	0
	Shelby Casualty Insurance	0	0	0	0	1,500,000
	Shelby Insurance	0	0	0	0	600,000
	Trust Insurance Company	0	0	(1,000,000)	0	0
	Vesta Fire	0	0	0	0	400,000
	Villanova Insurance	0	0	0	0	1,500,000
12/2/2007 Total		(3,000,000)	(588,052)	(6,000,000)	(7,000,000)	12,150,000

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

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 “reported losses”¹ and historical patterns of development, i.e. 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 time 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 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, the term reported losses refers to either paid loss or paid loss plus case reserves.

II 000002

In this section of the filing, reported losses for policy years 2004 and 2005 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 and 2007 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 claim-specific 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 and ongoing 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 2004 policy year and 2005 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”) of development forward to the point at which we expect no further development.

As in the three 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.

As in past years, 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 loss development triangle do not reflect the change in the law that introduced inflation-based increases in indemnity benefits or lost wages. See St. 1986, c. 572. The development pattern of indemnity losses that are subject to escalation will differ from that of indemnity

II 000004

Section II - Loss Development
Subsection A - Summary
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Section II - A
Page 4

losses not subject to escalation (unless escalation is zero). 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 the level of ultimate losses 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 1986 had the same level of ultimate losses as policy year 1986 – a fact known to be false. Stated mathematically, if the ratios used to calculate the tail factor reflect losses in the numerator that relate to a different level of ultimate losses than do 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, 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 1986, into individual policy year components, and then adjusts each year individually based on its estimated 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
 9/1/2008

Section II - A
 Exhibit 1

Summary of Estimated Ultimate Losses

Paid Loss Development Method

Policy Year (1)	Benefit Type (2)	Paid Losses at 12/31/06 (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)
2004	Indemnity	190,425,278	1.812	1.039	1.030	369,233,154
2004	Medical	140,799,582	1.378	1.075	1.000	208,638,977
2004	Total	331,224,860				577,872,131
2005	Indemnity	103,481,183	3.273	1.039	1.030	362,451,093
2005	Medical	110,318,642	1.855	1.075	1.000	219,988,775
2005	Total	213,799,825				582,439,867

Paid Plus Case Loss Development Method

Policy Year (8)	Benefit Type (9)	Paid Plus Case Losses at 12/31/06 (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)
2004	Indemnity	273,524,357	1.220	1.023	1.010	344,767,416
2004	Medical	185,591,835	1.256	1.053	1.000	245,509,316
2004	Total	459,116,192				590,276,732
2005	Indemnity	196,185,368	1.623	1.023	1.010	329,018,410
2005	Medical	171,978,064	1.379	1.053	1.000	249,753,026
2005	Total	368,163,432				578,771,436

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

Months of Development	Loss Development Factors From																	
	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

(1) Indemnity Paid Losses

2 Year Average	1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.003	1.002	1.003
Cumulative Factor to 252	3.273	1.812	1.384	1.209	1.131	1.094	1.073	1.057	1.046	1.042	1.030	1.025	1.021	1.017	1.014	1.012	1.008	1.005	1.005	1.003

(2) Medical Paid Losses

2 Year Average	1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005	1.005
Cumulative Factor to 252	1.855	1.378	1.242	1.180	1.146	1.125	1.109	1.097	1.084	1.072	1.060	1.050	1.043	1.036	1.029	1.023	1.016	1.011	1.011	1.005

(3) Indemnity Paid Plus Case Losses

2 Year Average	1.331	1.105	1.052	1.020	1.010	1.003	1.002	1.009	0.998	0.995	1.003	1.000	1.001	1.002	1.001	0.999	0.999	0.999	1.003	1.003
Cumulative Factor to 252	1.623	1.220	1.104	1.049	1.029	1.019	1.016	1.013	1.004	1.006	1.011	1.008	1.008	1.007	1.005	1.005	1.006	1.006	1.006	1.006

(4) Medical Paid Plus Case Losses

2 Year Average	1.098	1.058	1.061	1.013	1.013	1.019	1.013	1.007	1.018	1.012	0.993	0.999	1.000	1.009	1.006	1.001	1.002	1.002	1.004	1.004
Cumulative Factor to 252	1.379	1.256	1.187	1.119	1.105	1.090	1.070	1.056	1.048	1.029	1.017	1.025	1.026	1.026	1.017	1.011	1.010	1.010	1.009	1.004

Notes:

- (1): Exhibit 2, Page 1.
- (2): Exhibit 2, Page 2.
- (3): Exhibit 3, Page 1.
- (4): Exhibit 3, Page 2.

II 000010

Section II - Loss Development
 Subsection B - Policy Year Data
 9/1/2008

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	
2003	99,828,005	178,604,644	1.789	1993	243,047,710	244,118,165	1.004
2004	104,419,298	190,425,278	1.824	1994	201,072,313	202,328,034	1.006
Average			1.806	Average			1.005
	36	48			156	168	
2002	175,817,719	228,391,410	1.299	1992	294,940,985	295,805,740	1.003
2003	178,604,644	235,653,060	1.319	1993	244,118,165	245,377,868	1.005
Average			1.309	Average			1.004
	48	60			168	180	
2001	221,006,629	252,149,866	1.141	1991	486,472,173	488,644,966	1.004
2002	228,391,410	262,398,216	1.149	1992	295,805,740	296,526,867	1.002
Average			1.145	Average			1.003
	60	72			180	192	
2000	256,646,821	274,170,205	1.068	1990	741,990,009	744,017,067	1.003
2001	252,149,866	269,816,624	1.070	1991	488,644,966	490,635,412	1.004
Average			1.069	Average			1.003
	72	84			192	204	
1999	248,864,165	256,826,929	1.032	1989	825,760,213	827,380,392	1.002
2000	274,170,205	283,585,641	1.034	1990	744,017,067	745,571,424	1.002
Average			1.033	Average			1.002
	84	96			204	216	
1998	233,063,902	237,598,830	1.019	1988	803,688,782	806,879,177	1.004
1999	256,826,929	261,810,617	1.019	1989	827,380,392	829,931,268	1.003
Average			1.019	Average			1.004
	96	108			216	228	
1997	210,603,373	214,116,266	1.017	1987	739,887,331	742,329,721	1.003
1998	237,598,830	240,933,267	1.014	1988	806,879,177	808,572,073	1.002
Average			1.015	Average			1.003
	108	120			228	240	
1996	199,646,851	202,065,180	1.012	1986	599,801,688	601,216,383	1.002
1997	214,116,266	216,184,585	1.010	1987	742,329,721	743,695,411	1.002
Average			1.011	Average			1.002
	120	132			240	252	
1995	211,915,485	213,246,558	1.006	1986	601,216,383	603,247,422	1.003
1996	202,065,180	202,438,563	1.002	Average			1.003
Average			1.004				
	132	144					
1994	199,070,631	201,072,313	1.010				
1995	213,246,558	215,752,426	1.012				
Average			1.011				

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Section II - Loss Development
 Subsection B - Policy Year Data
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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	
2003	96,953,313	129,920,701	1.340	1993	111,123,640	111,901,993	1.007
2004	104,186,099	140,799,582	1.351	1994	98,345,990	99,639,915	1.013
Average			1.346	Average			1.010
	36	48			156	168	
2002	121,549,221	135,905,293	1.118	1992	134,250,331	135,264,785	1.008
2003	129,920,701	143,087,439	1.101	1993	111,901,993	112,552,086	1.006
Average			1.110	Average			1.007
	48	60			168	180	
2001	118,400,906	125,906,849	1.063	1991	174,392,126	175,673,558	1.007
2002	135,905,293	141,607,621	1.042	1992	135,264,785	136,140,603	1.006
Average			1.053	Average			1.007
	60	72			180	192	
2000	124,814,416	128,052,202	1.026	1990	210,532,944	212,069,068	1.007
2001	125,906,849	130,106,203	1.033	1991	175,673,558	176,840,001	1.007
Average			1.030	Average			1.007
	72	84			192	204	
1999	121,897,377	124,776,705	1.024	1989	225,454,086	226,514,019	1.005
2000	128,052,202	129,687,785	1.013	1990	212,069,068	213,522,914	1.007
Average			1.018	Average			1.006
	84	96			204	216	
1998	113,231,057	114,696,965	1.013	1988	214,616,091	216,248,570	1.008
1999	124,776,705	126,852,044	1.017	1989	226,514,019	227,690,914	1.005
Average			1.015	Average			1.006
	96	108			216	228	
1997	101,018,103	102,274,717	1.012	1987	188,671,027	189,946,010	1.007
1998	114,696,965	115,874,705	1.010	1988	216,248,570	217,150,370	1.004
Average			1.011	Average			1.005
	108	120			228	240	
1996	94,328,216	95,495,303	1.012	1986	161,297,632	162,017,967	1.004
1997	102,274,717	103,457,688	1.012	1987	189,946,010	191,152,837	1.006
Average			1.012	Average			1.005
	120	132			240	252	
1995	95,394,618	96,425,653	1.011	1986	162,017,967	162,854,999	1.005
1996	95,495,303	96,585,104	1.011	Average			1.005
Average			1.011				
	132	144					
1994	97,020,651	98,345,990	1.014				
1995	96,425,653	97,169,181	1.008				
Average			1.011				

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Section II - Loss Development
 Subsection B - Policy Year Data
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 Exhibit 3
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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	
2003	203,383,713	259,284,295	1.275	1993	254,083,956	254,348,982	1.001
2004	197,319,650	273,524,357	1.386	1994	212,958,352	213,837,298	1.004
Average			1.331	Average			1.003
	36	48			156	168	
2002	263,105,684	285,670,372	1.086	1992	305,747,492	305,985,296	1.001
2003	259,284,295	291,432,081	1.124	1993	254,348,982	254,254,700	1.000
Average			1.105	Average			1.000
	48	60			168	180	
2001	278,967,117	292,141,531	1.047	1991	505,583,855	505,366,461	1.000
2002	285,670,372	301,962,432	1.057	1992	305,985,296	306,501,860	1.002
Average			1.052	Average			1.001
	60	72			180	192	
2000	291,919,266	299,298,672	1.025	1990	764,470,174	766,738,198	1.003
2001	292,141,531	296,416,272	1.015	1991	505,366,461	505,772,037	1.001
Average			1.020	Average			1.002
	72	84			192	204	
1999	275,669,821	276,479,236	1.003	1989	853,748,192	855,121,006	1.002
2000	299,298,672	304,264,470	1.017	1990	766,738,198	766,465,613	1.000
Average			1.010	Average			1.001
	84	96			204	216	
1998	250,124,361	251,578,918	1.006	1988	833,773,630	833,180,623	0.999
1999	276,479,236	276,718,107	1.001	1989	855,121,006	853,975,901	0.999
Average			1.003	Average			0.999
	96	108			216	228	
1997	226,154,935	227,279,489	1.005	1987	761,658,062	761,054,684	0.999
1998	251,578,918	251,571,375	1.000	1988	833,180,623	832,650,681	0.999
Average			1.002	Average			0.999
	108	120			228	240	
1996	209,364,070	211,719,025	1.011	1986	616,260,957	619,755,903	1.006
1997	227,279,489	228,901,608	1.007	1987	761,054,684	761,974,970	1.001
Average			1.009	Average			1.003
	120	132			240	252	
1995	227,850,335	227,507,216	0.998	1986	619,755,903	621,585,902	1.003
1996	211,719,025	211,126,584	0.997	Average			1.003
Average			0.998				
	132	144					
1994	213,569,843	212,958,352	0.997				
1995	227,507,216	226,095,196	0.994				
Average			0.995				

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 Exhibit 3
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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	
2003	154,845,471	166,215,093	1.073	1993	125,868,681	124,062,354	0.986
2004	165,381,913	185,591,835	1.122	1994	115,688,303	115,654,271	1.000
Average			1.098	Average			0.993
	36	48			156	168	
2002	156,379,865	163,776,762	1.047	1992	152,540,644	152,265,574	0.998
2003	166,215,093	177,628,580	1.069	1993	124,062,354	123,982,213	0.999
Average			1.058	Average			0.999
	48	60			168	180	
2001	144,948,263	155,920,637	1.076	1991	192,192,308	193,183,522	1.005
2002	163,776,762	171,236,448	1.046	1992	152,265,574	151,547,485	0.995
Average			1.061	Average			1.000
	60	72			180	192	
2000	166,149,364	171,211,476	1.030	1990	230,131,702	233,103,936	1.013
2001	155,920,637	155,375,362	0.997	1991	193,183,522	194,090,400	1.005
Average			1.013	Average			1.009
	72	84			192	204	
1999	149,706,668	152,446,824	1.018	1989	247,880,945	249,585,599	1.007
2000	171,211,476	172,568,319	1.008	1990	233,103,936	234,177,360	1.005
Average			1.013	Average			1.006
	84	96			204	216	
1998	141,141,815	146,197,478	1.036	1988	238,345,316	238,340,698	1.000
1999	152,446,824	152,731,555	1.002	1989	249,585,599	249,958,714	1.001
Average			1.019	Average			1.001
	96	108			216	228	
1997	113,000,859	116,183,272	1.028	1987	203,600,126	205,591,541	1.010
1998	146,197,478	145,978,602	0.999	1988	238,340,698	236,802,870	0.994
Average			1.013	Average			1.002
	108	120			228	240	
1996	108,480,234	108,720,119	1.002	1986	174,219,242	174,773,264	1.003
1997	116,183,272	117,650,602	1.013	1987	205,591,541	206,742,944	1.006
Average			1.007	Average			1.004
	120	132			240	252	
1995	108,214,022	109,142,261	1.009	1986	174,773,264	175,515,996	1.004
1996	108,720,119	111,780,918	1.028	Average			1.004
Average			1.018				
	132	144					
1994	113,042,469	115,688,303	1.023				
1995	109,142,261	109,157,739	1.000				
Average			1.012				

II 000014

Paid Loss Tail Factors

Indemnity 252nd Month to Ultimate Loss Tail Development Factor

(1) Valuation Date [Y]	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006
(2) Prior to Policy Year 1986 at [Y]	3,904,251,426	3,915,140,060	3,929,768,356	3,931,691,365	3,941,591,231
(3) Prior to Policy Year 1986 at [Y]-1	3,893,169,576	3,904,251,426	3,915,140,060	3,929,768,356	3,931,691,365
(4) Difference = (2) - (3)	11,081,850	10,888,634	14,628,296	1,923,009	9,899,866
(5) Policy Year 1986 at [Y]	595,872,950	597,205,870	599,801,688	601,216,383	603,247,422
(6) Ratio = (4) / (5)	0.019	0.018	0.024	0.003	0.016
(7) Growth Factor	2.800	2.800	2.800	2.800	2.800
(8) Product = (6) x (7)	0.052	0.051	0.068	0.009	0.046
(9) Factor to Ultimate = 1.000 + (8)	1.052	1.051	1.068	1.009	1.046
(10) Month [M]	204	216	228	240	252
(11) Factor to Ultimate = (9)	1.052	1.051	1.068	1.009	1.046
(12) Factor from [252] to [M]	0.988	0.992	0.995	0.997	1.000
(13) Indicated [252] to Ultimate Tail Factor = (11) x (12)	1.040	1.043	1.062	1.006	1.046
(14) Five Year Average					1.039

Medical 252nd Month to Ultimate Loss Tail Development Factor

(15) Valuation Date [Y]	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006
(16) Prior to Policy Year 1986 at [Y]	1,203,973,223	1,209,662,821	1,214,218,407	1,218,841,161	1,223,826,896
(17) Prior to Policy Year 1986 at [Y]-1	1,198,849,444	1,203,973,223	1,209,662,821	1,214,218,407	1,218,841,161
(18) Difference = (16) - (17)	5,123,779	5,689,598	4,555,586	4,622,754	4,985,735
(19) Policy Year 1986 at [Y]	159,846,043	160,596,699	161,297,632	162,017,967	162,854,999
(20) Ratio = (18) / (19)	0.032	0.035	0.028	0.029	0.031
(21) Growth Factor	2.800	2.800	2.800	2.800	2.800
(22) Product = (20) x (21)	0.090	0.099	0.079	0.080	0.086
(23) Factor to Ultimate = 1.000 + (22)	1.090	1.099	1.079	1.080	1.086
(24) Month [M]	204	216	228	240	252
(25) Factor to Ultimate = (23)	1.090	1.099	1.079	1.080	1.086
(26) Factor from [252] to [M]	0.978	0.984	0.990	0.995	1.000
(27) Indicated [252] to Ultimate Tail Factor = (25) x (26)	1.066	1.082	1.068	1.074	1.086
(28) Five Year Average					1.075

Notes:

(7), (21): Exhibit 1, Page 2.

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

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Section II - Loss Development
 Subsection C - Tail Factor Calculation
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Section II - C
 Exhibit 1
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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 1986 Dollar Development (7)	On-Level Prior to 1986 Dollar Development (8)
1986			1,000,000				
1985	1.287	1.287	777,033	85 - 88	0.258%	2,007	2,583
1984	1.162	1.495	668,756	89 - 92	0.248%	1,658	2,479
1983	1.218	1.821	549,019	93 - 96	0.238%	1,304	2,376
1982	1.110	2.021	494,724	97 - 100	0.227%	1,124	2,273
1981	0.989	2.000	500,084	101 - 104	0.217%	1,085	2,169
1980	1.090	2.179	458,959	105 - 108	0.207%	948	2,066
1979	1.208	2.633	379,792	109 - 112	0.196%	745	1,963
1978	1.134	2.987	334,814	113 - 116	0.186%	623	1,860
1977	1.248	3.729	268,173	117 - 120	0.176%	471	1,756
1976	1.259	4.696	212,955	121 - 124	0.165%	352	1,653
1975	1.137	5.337	187,356	125 - 128	0.155%	290	1,550
1974	1.055	5.634	177,506	129 - 132	0.145%	257	1,446
1973	1.133	6.382	156,687	133 - 136	0.134%	210	1,343
1972	1.037	6.618	151,112	137 - 140	0.124%	187	1,240
1971	1.054	6.972	143,421	141 - 144	0.114%	163	1,136
1970	1.152	8.034	124,476	145 - 148	0.103%	129	1,033
1969	1.082	8.690	115,079	149 - 152	0.093%	107	930
1968	1.052	9.139	109,422	153 - 156	0.083%	90	826
1967	1.049	9.591	104,262	157 - 160	0.072%	75	723
1966	1.124	10.785	92,719	161 - 164	0.062%	57	620
1965	1.139	12.280	81,433	165 - 168	0.052%	42	517
1964	1.052	12.916	77,425	169 - 172	0.041%	32	413
1963	1.116	14.419	69,351	173 - 176	0.031%	21	310
1962	1.060	15.287	65,414	177 - 180	0.021%	14	207
1961	1.066	16.296	61,365	181 - 184	0.010%	6	103
						12,000	33,574
(9) Indicated Growth Factor:							2.798
(10) Selected Growth Factor:							2.800

Notes:

Assume 1986 losses of \$1,000,000. This produces a tail of 1.20% = 12,000 / \$1,000,000 (with no growth). However, putting Prior to 1986 Losses on-level produces a tail of 3.36% = 2.798 x 1.20%. Therefore, a growth factor of 2.800 has been selected.

(3): Cumulative product of (2), beginning at top of column.

(4) = \$1,000,000 / (3).

The equivalent of what \$1,000,000 of paid losses in 1986 would be in each prior policy year (1961-1985) given the on-level cumulative growth factors in (3).

(5): Quarters that correspond to the policy years.

(6): Change in paid losses during the quarters displayed in (5).

(7) = (4) x (6)

(8) = (3) x (7)

(9) = Sum of (8) / Sum of (7)

II 000016

Paid Plus Case Loss Tail Factors

Indemnity 252nd Month to Ultimate Loss Tail Development Factor

(1)	Valuation Date [Y]	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006
(2)	Prior to Policy Year 1986 at [Y]	3,959,235,401	3,966,282,671	3,980,450,107	3,984,633,545	3,984,686,592
(3)	Prior to Policy Year 1986 at [Y]-1	3,951,137,220	3,959,235,401	3,966,282,671	3,980,450,107	3,984,633,545
(4)	Difference = (2) - (3)	8,098,181	7,047,270	14,167,436	4,183,438	53,047
(5)	Policy Year 1986 at [Y]	613,112,237	612,002,804	616,260,957	619,755,903	621,585,902
(6)	Ratio = (4) / (5)	0.013	0.012	0.023	0.007	0.000
(7)	Growth Factor	2.500	2.500	2.500	2.500	2.500
(8)	Product = (6) x (7)	0.033	0.029	0.057	0.017	0.000
(9)	Factor to Ultimate = 1.000 + (8)	1.033	1.029	1.057	1.017	1.000
(10)	Month [M]	204	216	228	240	252
(11)	Factor to Ultimate = (9)	1.033	1.029	1.057	1.017	1.000
(12)	Factor from [252] to [M]	0.995	0.994	0.994	0.997	1.000
(13)	Indicated [252] to Ultimate Tail Factor = (11) x (12)	1.028	1.023	1.051	1.014	1.000
(14)	Five Year Average					1.023

Medical 252nd Month to Ultimate Loss Tail Development Factor

(15)	Valuation Date [Y]	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006
(16)	Prior to Policy Year 1986 at [Y]	1,251,540,756	1,256,192,819	1,257,192,201	1,258,629,938	1,267,651,959
(17)	Prior to Policy Year 1986 at [Y]-1	1,246,670,861	1,251,540,756	1,256,192,819	1,257,192,201	1,258,629,938
(18)	Difference = (16) - (17)	4,869,895	4,652,063	999,382	1,437,737	9,022,021
(19)	Policy Year 1986 at [Y]	171,714,755	173,480,284	174,219,242	174,773,264	175,515,996
(20)	Ratio = (18) / (19)	0.028	0.027	0.006	0.008	0.051
(21)	Growth Factor	2.500	2.500	2.500	2.500	2.500
(22)	Product = (20) x (21)	0.071	0.067	0.014	0.021	0.129
(23)	Factor to Ultimate = 1.000 + (22)	1.071	1.067	1.014	1.021	1.129
(24)	Month [M]	204	216	228	240	252
(25)	Factor to Ultimate = (23)	1.071	1.067	1.014	1.021	1.129
(26)	Factor from [252] to [M]	0.989	0.990	0.991	0.996	1.000
(27)	Indicated [252] to Ultimate Tail Factor = (25) x (26)	1.059	1.056	1.006	1.016	1.129
(28)	Five Year Average					1.053

Notes:

(7), (21): Exhibit 2, Page 2.

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

II 000017

Section II - Loss Development
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 Exhibit 2
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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 1986 Dollar Development (7)	On-Level Prior to 1986 Dollar Development (8)
1986			1,000,000				
1985	1.287	1.287	777,033	85 - 88	0.212%	1,645	2,117
1984	1.162	1.495	668,756	89 - 92	0.201%	1,345	2,012
1983	1.218	1.821	549,019	93 - 96	0.191%	1,046	1,906
1982	1.110	2.021	494,724	97 - 100	0.180%	890	1,800
1981	0.989	2.000	500,084	101 - 104	0.169%	847	1,694
1980	1.090	2.179	458,959	105 - 108	0.159%	729	1,588
1979	1.208	2.633	379,792	109 - 112	0.148%	563	1,482
1978	1.134	2.987	334,814	113 - 116	0.138%	461	1,376
1977	1.248	3.729	268,173	117 - 120	0.127%	341	1,270
1976	1.259	4.696	212,955	121 - 124	0.116%	248	1,165
1975	1.137	5.337	187,356	125 - 128	0.106%	198	1,059
1974	1.055	5.634	177,506	129 - 132	0.095%	169	953
1973	1.133	6.382	156,687	133 - 136	0.085%	133	847
1972	1.037	6.618	151,112	137 - 140	0.074%	112	741
1971	1.054	6.972	143,421	141 - 144	0.064%	91	635
1970	1.152	8.034	124,476	145 - 148	0.053%	66	529
1969	1.082	8.690	115,079	149 - 152	0.042%	49	423
1968	1.052	9.139	109,422	153 - 156	0.032%	35	318
1967	1.049	9.591	104,262	157 - 160	0.021%	22	212
1966	1.124	10.785	92,719	161 - 164	0.011%	10	106
						9,000	22,232
(9) Indicated Growth Factor:							2.470
(10) Selected Growth Factor:							2.500

Notes:

Assume 1986 losses of \$1,000,000. This produces a tail of 0.90% = 9,000 / \$1,000,000 (with no growth). However, putting Prior to 1986 Losses on-level produces a tail of 2.22% = 2.470 x 0.90%. Therefore, a growth factor of 2.500 has been selected.

(3): Cumulative product of (2), beginning at top of column.

(4) = \$1,000,000 / (3).

The equivalent of what \$1,000,000 of paid plus case losses in 1986 would be in each prior policy year (1966-1985) given the on-level cumulative growth factors in (3).

(5): Quarters that correspond to the policy years.

(6): Change in paid plus case losses during the quarters displayed in (5).

(7) = (4) x (6)

(8) = (3) x (7)

(9) = Sum of (8) / Sum of (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 240 months. Beyond 240 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 its 9/1/03 filing, 9/1/05 filing, and 9/1/07 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. The resulting factors are the basis for the selected escalation factor used in the estimation of ultimate losses.

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Section II - Loss Development
 Subsection D - Adjustment for Escalation of Benefits
 9/1/2008

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	3.036	2.859	2.703	2.562	2.433
Escalated	Permanent Total	4.073	3.719	3.417	3.157	2.929
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.057	1.055	1.053	1.051	1.049
Unescalated	Fatal	1.942	1.861	1.789	1.725	1.668
Unescalated	Permanent Total	2.452	2.295	2.160	2.043	1.941
Unescalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Unescalated	Total Indemnity	1.022	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	1.563	1.536	1.511	1.485	1.459
Escalated	Permanent Total	1.661	1.620	1.582	1.545	1.509
Escalated	Other Indemnity	1.000	1.000	1.000	1.000	1.000
Escalated	Total Indemnity	1.034	1.033	1.032	1.032	1.031

Selected Differential in Loss Development at Month 240 **1.030**

Notes:

(3) = [(8) Exhibit 1, Page 2] / [(9) 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
 9/1/2008

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	288,217	306,023	323,680	341,550	359,626	1.61%
Escalated	Permanent Total	1,668,738	409,709	448,697	488,350	528,641	569,759	3.05%
Escalated	Other Indemnity							58.26%
Escalated	Total Indemnity							62.92%
Unescalated	Fatal	465,615	239,708	250,218	260,195	269,862	279,221	0.86%
Unescalated	Permanent Total	824,906	336,400	359,427	381,858	403,713	424,987	1.51%
Unescalated	Other Indemnity							58.26%
Unescalated	Total Indemnity							60.62%

Escalated or Unescalated (6)	Injury Type (7)	Estimated Losses at Month					
		Ultimate (8)	168	180	192 (9)	204	216
Escalated	Fatal	1,612	531	564	596	629	662
Escalated	Permanent Total	3,046	748	819	891	965	1,040
Escalated	Other Indemnity	58,262	58,262	58,262	58,262	58,262	58,262
Escalated	Total Indemnity	62,919	59,540	59,644	59,749	59,856	59,964
Unescalated	Fatal	858	442	461	479	497	514
Unescalated	Permanent Total	1,506	614	656	697	737	776
Unescalated	Other Indemnity	58,262	58,262	58,262	58,262	58,262	58,262
Unescalated	Total Indemnity	60,625	59,317	59,379	59,438	59,496	59,552

Notes:

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

(5): Escalated: From Section IV-F, 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
 9/1/2008

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

Selected Differential in Loss Development at Month 240 **1.010**

Notes:

(3) = [(8) Exhibit 2, Page 2] / [(9) 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
 9/1/2008

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	1.61%
Escalated	Permanent Total	1,668,738	1,193,905	1,219,988	1,245,595	1,270,688	1,295,221	3.05%
Escalated	Other Indemnity							58.26%
Escalated	Total Indemnity							62.92%
Unescalated	Fatal	465,615	384,035	388,719	393,217	397,535	401,676	0.86%
Unescalated	Permanent Total	824,906	658,201	668,658	678,696	688,321	697,538	1.51%
Unescalated	Other Indemnity							58.26%
Unescalated	Total Indemnity							60.62%

Escalated or Unescalated (6)	Injury Type (7)	Estimated Losses at Month					
		Ultimate (8)	168	180	192 (9)	204	216
Escalated	Fatal	1,612	1,181	1,203	1,224	1,245	1,265
Escalated	Permanent Total	3,046	2,179	2,227	2,274	2,319	2,364
Escalated	Other Indemnity	58,262	58,262	58,262	58,262	58,262	58,262
Escalated	Total Indemnity	62,919	61,622	61,691	61,759	61,826	61,891
Unescalated	Fatal	858	707	716	724	732	740
Unescalated	Permanent Total	1,506	1,201	1,220	1,239	1,256	1,273
Unescalated	Other Indemnity	58,262	58,262	58,262	58,262	58,262	58,262
Unescalated	Total Indemnity	60,625	60,170	60,198	60,225	60,250	60,275

Notes:

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

(5): Escalated: From Section IV-F, 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)]

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 2004 and 2005 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 average 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 9/1/2005 and 9/1/2007 filings. 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 and 2007 filings 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 reflected 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 Section III-B.

ARAP

The All Risk Adjustment Program ("ARAP") was introduced in Massachusetts for policies effective 1/1/1990 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 2004 and policy year 2005 were not precisely in balance with the ARAP surcharge anticipated by the offset in the rates. These adjustments are derived in Section III-C.

Construction Credit

An adjustment for the Construction Credit offset is included because the extent to which Construction Credits were actually applied to policy year 2004 and policy year 2005 differed from that anticipated in the rates. Adjustment factors applicable to policy year 2004 and policy year 2005 are calculated in Section III-D.

Loading for Recoupment of Insolvency Fund Assessments

In Section III-E, factors are calculated to adjust the policy year 2004 and policy year 2005 premiums so that the one-time loading for recoupment of Insolvency Fund assessments 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 3.0% rate decrease (effective 9/1/2005) and a 16.9% rate decrease (effective 9/1/2007). 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 Section III-F.

Premium Adjustment Factors

A premium adjustment factor is intended to bring historical standard premium data to the level applicable for a different policy period. They are used to determine the percentage of premium eligible for experience rating, adjust the layers of standard premium for premium discount and expense constant calculations, and determine weights used in calculating the weighted average premium collection pattern used to estimate the profit provision. Premium adjustment factors are composite factors that meld adjustments related to exposure growth and trend, premium on-leveling, changes in rating programs and the proposed rate change. These adjustments are calculated in Section III-G.

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Section III - Premiums
 Subsection A - Summary
 9/1/2008

Section III-A
 Exhibit 1

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

Policy Year	Premiums Evaluated at Month (in 000's):		Premium Development Factors
	24	36	
2003	785,121	788,872	1.005
2004	736,585	740,207	1.005
Average			1.005
	36	48	
2002	789,864	787,336	0.997
2003	788,872	787,705	0.999
Average			0.998
	48	60	
2001	730,509	726,721	0.995
2002	787,336	788,603	1.002
Average			0.998

Summary of Premium Development Factors
 Premium Development Factors From:

	24-36	36-48	48-60
2 Yr average	1.005	0.998	0.998
Cumulative	1.001	0.996	0.998

Summary Exhibit

	Policy Year as of 12/31/2006	
	2004	2005
(1) Standard Earned Premium plus ARAP Premium	971,431,284	986,745,832
(2) Adjustment for Experience and Merit Rating Offbalance (Section III-B, Exhibit 1)	1.025	1.022
(3) Adjustment for ARAP Offbalance (Section III-C, Exhibit 1)	1.007	1.005
(4) Adjustment for Construction Credit Offbalance (Section III-D, Exhibit 1)	1.004	1.005
(5) Adjustment for Insolvency Fund Recoupment Loading (Section III-E, Exhibit 1)	1.009	0.999
(6) Composite Adjustment Factor = (2) x (3) x (4) x (5)	1.045	1.032
(7) Adjusted Standard Earned Premium plus ARAP = (1) x (6)	1,015,307,129	1,017,877,827
(8) Development Factor to Ultimate (Development Factors above)	0.996	1.001
(9) Premium On-Level Factor (Section III-F, Exhibit 1)	0.779	0.786
(10) Adjusted On-Level Earned Premium at Ultimate = (7) x (8) x (9)	787,950,755	800,468,822

Notes:

(1): 2006 Aggregate Financial Policy Year Call.

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		Policy Year Weights	
	Anticipated in Rates (2)	Percentage of Premium (3)	Anticipated in Rates (4)	Percentage of Premium (5)	(6)	(7)	2004	2005
9/1/2003	1.000	0.895	-0.042	0.105	0.996	100.0%	70.0%	
9/1/2005	1.000	0.880	-0.027	0.120	0.997	0.0%	30.0%	
9/1/2007	1.000	0.880	-0.027	0.120	0.997	0.0%	0.0%	(8)

Policy Year	
2004	2005
0.996	0.996

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

(10) Standard Premium

(11) Manual Premium

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

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

964,242,727	1,002,175,660
992,243,004	1,028,116,064
0.972	0.975
1.025	1.022

Notes:

(3) = 1.0 - (5)

(4), (5): Previous filings.

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

(7), (8): Section III-F, Exhibit 1.

(9) = Sum [(6) x (7) or (6) x (8)]

(10), (11): Unit Statistical Plan Data, Excluding Large Deductible Policies and SIGs.

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Section III - Premiums
 Subsection C - Adjustment for ARAP Offbalance
 9/1/2008

Section III - C
 Exhibit 1

Adjustment for ARAP Offbalance

Rate Level Effective Date (1)	ARAP Charge in Rates (2)	Policy Year Weights	
		2004 (3)	2005 (4)
9/1/2003	5.1%	100.0%	70.0%
9/1/2005	6.1%	0.0%	30.0%
9/1/2007	4.6%	0.0%	0.0%

Policy Year	
2004	2005

(5) Weighted ARAP Charge in Anticipated Rates	0.051	0.054
(6) Standard Premium	964,242,727	1,002,175,660
(7) ARAP Premium	42,226,851	49,005,922
(8) Actual Average ARAP Surcharge = (7) / (6)	0.044	0.049
(9) Adjustment Factor = [1.0 + (5)] / [1.0 + (8)]	1.007	1.005

Notes:

(2): Previous filings.

(3), (4): Section III-F, Exhibit 1.

(5) = Sum [(2) x (3) or (2) x (4)]

(6), (7): Unit Statistical Plan Data, Excluding Large Deductible Policies and SIGs.

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Section III - Premiums
 Subsection D - Adjustment for Construction Credit Offbalance
 9/1/2008

Section III-D
 Exhibit 1

Adjustment for Construction Credit Offbalance

Rate Level Effective Date (1)	Construction Credit in Rates (2)	Policy Year Weights	
		2004 (3)	2005 (4)
9/1/2003	-2.3%	100.0%	70.0%
9/1/2005	-2.5%	0.0%	30.0%
9/1/2007	-3.4%	0.0%	0.0%

Policy Year	
2004	2005

(5) Weighted Average Construction Credit in Anticipated Rates (For Construction Credit eligible risks)	-0.023	-0.024
(6) Actual Average Construction Credit	-0.035	-0.039
(7) Percentage of Premium for Eligible Classes	0.342	0.349
(8) Adjustment Factor	1.004	1.005
$= \frac{(7) \times [1.0 + (5)] + [1.0 - (7)] \times 1.0}{(7) \times [1.0 + (6)] + [1.0 - (7)] \times 1.0}$		

Notes:

- (2): Previous filings.
- (3), (4): Section III-F, Exhibit 1.
- (5) = Sum [(2) x (3) or (2) x (4)]

III 000010

Section III - Premiums
 Subsection E - Impact of the Loading for Recoupment of Insolvency Fund Assessments
 9/1/2008

Section III-E
 Exhibit 1

Factor to Remove the Impact of Loading for Recoupment of Insolvency Fund Assessments

Rate Level Effective Date (1)	Loading for Recoupment of Insolvency Fund Assessments (2)	Policy Year Weights	
		2004 (3)	2005 (4)
9/1/2003	-0.90%	100.0%	70.0%
9/1/2005	2.33%	0.0%	30.0%
9/1/2007	-3.11%	0.0%	0.0%

Policy Year	
2004	2005

(5) Weighted Average Loading for Recoupment of Insolvency Fund in the Rates	-0.009	0.001
(6) Adjustment Factor to be Applied to Premiums = 1.0 / [1.0 + (5)]	1.009	0.999

Notes:

- (2): Previous filings.
- (3), (4): Section III-F, Exhibit 1.
- (5) = Sum [(2) x (3) or (2) x (4)]

III 000011

Section III - Premiums
 Subsection F - Premium On-Level Factors
 9/1/2008

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:	
				9/1/2003 (5)	9/1/2005 (6)
2004	1	164,342,622	17.0%	17.0%	0.0%
2004	2	61,305,568	6.4%	6.4%	0.0%
2004	3	62,462,773	6.5%	6.5%	0.0%
2004	4	93,273,196	9.7%	9.7%	0.0%
2004	5	69,205,446	7.2%	7.2%	0.0%
2004	6	75,061,675	7.8%	7.8%	0.0%
2004	7	84,472,907	8.8%	8.8%	0.0%
2004	8	63,699,043	6.6%	6.6%	0.0%
2004	9	66,552,183	6.9%	6.9%	0.0%
2004	10	71,441,056	7.4%	7.4%	0.0%
2004	11	66,131,510	6.9%	6.9%	0.0%
2004	12	86,294,748	8.9%	8.9%	0.0%
2004	Total	964,242,727	100.0%	100.0%	0.0%
2005	1	165,280,949	16.5%	16.5%	0.0%
2005	2	64,104,104	6.4%	6.4%	0.0%
2005	3	67,590,510	6.7%	6.7%	0.0%
2005	4	96,216,459	9.6%	9.6%	0.0%
2005	5	74,108,669	7.4%	7.4%	0.0%
2005	6	82,344,380	8.2%	8.2%	0.0%
2005	7	87,245,081	8.7%	8.7%	0.0%
2005	8	64,640,955	6.5%	6.5%	0.0%
2005	9	70,556,992	7.0%	0.0%	7.0%
2005	10	73,048,541	7.3%	0.0%	7.3%
2005	11	63,931,697	6.4%	0.0%	6.4%
2005	12	93,107,323	9.3%	0.0%	9.3%
2005	Total	1,002,175,660	100.0%	70.0%	30.0%

Rate Level Effective Date (7)	Rate Change (8)	Cumulative Rate Level Change (9)	Factor to Current Rate Level (10)	Policy Year Weights	
				2004 (11)	2005 (12)
9/1/2003		1.000	0.806	100.0%	70.0%
9/1/2005	0.970	0.970	0.831	0.0%	30.0%
9/1/2007	0.831	0.806	1.000		

		Policy Year	
		2004	2005
(13)	Weighted Average Factor	0.806	0.814
(14)	Factor to Remove Expense Constant	0.967	0.966
(15)	Premium On-Level Factors = (13) x (14)	0.779	0.786

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

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Section III - Premiums
Subsection G - Premium Adjustment Factors
9/1/2008

Section III-G
Exhibit 1

Calculation of Premium Adjustment Factor CPY 2004/2005 to Policy Effective Period 9/1/2008 - 8/31/2009

(1)	Average Wage Trend from CPY 2004/2005 to Policy Effective Period 9/1/2008 - 8/31/2009	1.190
(2)	Exposure Growth	0.937
(3)	Rate Level Changes	0.806
(4)	Estimated Rate Changes for policies effective 9/1/2008	1.023
(5)	Balance Experience Rating	1.030
(6)	Balance Construction Credit Program	1.004
(7)	Balance ARAP	1.008
(8)	Impact of Change in Loading for Recoupment of Insolvency Fund Assessments	1.008
(9)	Adjustment Factor = (1) x (2) x (3) x (4) x (5) x (6) x (7) x (8)	0.967
(10)	Selected Factor	0.95

Notes:

(1):	Statewide Average Weekly Wage for CPY 2004/2005 (Section V-G, Exhibit 2)	989.97
	Statewide Average Weekly Wage for 10/01/2006 (Section V-G, Exhibit 2)	1,043.54
	Statewide Average Weekly Wage at 9/1/2009 (using wage trend of 4.2%, Section V-A, Exhibit 3)	1,178.14
(2):	Exposure growth from CPY 2004/2005 to Policy Effective Period (Section VI-H, exhibit 1)	0.937
(3):	Rate change effective 9/1/2003	-0.040
	Rate change effective 9/1/2005	-0.030
	Rate change effective 9/1/2007	-0.169
(5),(6),(7):	Section III-G, Exhibit 4.	
(8):	CPY 2004/2005 Loading for Recoupment of Insolvency Fund Assessments	0.991
	Policy Effective Loading for Recoupment of Insolvency Fund Assessments(Section I-E, Exhibit 1, Page 1)	0.999

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Section III - Premiums
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9/1/2008

Section III-G
Exhibit 2

Calculation of Premium Adjustment Factor CPY 2004/2005 to PY 2004

(1) Average Wage Trend from CPY 2004/2005 to 1/1/2005	0.979
(2) Exposure Growth	1.008
(3) Rate Level Changes	1.000
(4) Balance Experience Rating	1.006
(5) Balance Construction Credit Program	1.000
(6) Balance ARAP	1.001
(7) Impact of Change in Loading for Recoupment of Insolvency Fund Assessments	1.000
(8) Adjustment Factor = (1) x (2) x (3) x (4) x (5) x (6) x (7)	0.994
(9) Selected Factor	1.00

Notes:

(1): Statewide Average Weekly Wage for CPY 2004/2005 (Section V-G, Exhibit 2)	989.97
Statewide Average Weekly Wage at 1/1/2005 (Section V-G, Exhibit 2)	969.30
(2): Exposure growth from CPY 2004/2005 to PY 2004 (Section VI-H, Exhibit 1)	1.008
(3): Rate change effective 9/1/2003	-0.040
Rate change effective 9/1/2005	-0.030
Rate change effective 9/1/2007	-0.169
(4),(5),(6): Section III-G, Exhibit 4.	
(7): CPY 2004/2005 Loading for Recoupment of Insolvency Fund Assessments (Exhibit 1)	0.991
PY 2004 Loading for Recoupment of Insolvency Fund Assessments (Section III-E, Exhibit 1)	0.991

III 000014

Section III - Premiums
Subsection G - Premium Adjustment Factors
9/1/2008

Section III-G
Exhibit 3

Calculation of Premium Adjustment Factor CPY 2004/2005 to PY 2005

(1) Average Wage Trend from CPY 2004/2005 to 1/1/2006	1.022
(2) Exposure Growth	0.992
(3) Rate Level Changes	0.990
(4) Balance Experience Rating	1.009
(5) Balance Construction Credit Program	0.999
(6) Balance ARAP	1.003
(7) Impact of Change in Loading for Recoupment of Insolvency Fund Assessments	1.010
(8) Adjustment Factor = (1) x (2) x (3) x (4) x (5) x (6) x (7)	1.024
(9) Selected Factor	1.00

Notes:

(1): Statewide Average Weekly Wage for CPY 2004/2005 (Section V-G, Exhibit 2)	989.97
Statewide Average Weekly Wage at 1/1/2006 (Section V-G, Exhibit 2)	1,011.37
(2): Exposure growth from CPY 2004/2005 to PY 2005 (Section VI-H, Exhibit 1)	0.992
(3): Rate change effective 9/1/2003	-0.040
Rate change effective 9/1/2005	-0.030
Rate change effective 9/1/2007	-0.169
(4),(5),(6): Section III-G, Exhibit 4.	
(7): CPY 2004/2005 Loading for Recoupment of Insolvency Fund Assessments (Exhibit 1)	0.991
PY 2005 Loading for Recoupment of Insolvency Fund Assessments (Section III-E, Exhibit 1)	1.001

Calculation of Premium Adjustment Factor

Beginning of Period (1) Expected Offset Loaded into the Rates (2) Actual (3) Ratio of Expected to Actual (= (1) / (2))	CPY 2004/2005 to Policy Effective Period 9/1/2008 - 8/31/2009			CPY 2004/2005 to PY 2004			CPY 2004/2005 to PY 2005		
	Experience Rating	ARAP	Construction Credit	Experience Rating	ARAP	Construction Credit	Experience Rating	ARAP	Construction Credit
Ending of Period (4) Expected Offset Loaded into the Rates (5) Actual (6) Ratio of Expected to Actual (= (4) / (5))	0.996 0.967 1.030	1.051 1.043 1.008	0.992 0.988 1.004	0.996 0.967 1.030	1.051 1.043 1.008	0.992 0.988 1.004	0.996 0.967 1.030	1.051 1.043 1.008	0.992 0.988 1.004
(7) Adjustment Factor (= (3) / (6))	0.997 0.997 1.000	1.045 1.045 1.000	0.964 0.964 1.000	0.996 0.972 1.025	1.051 1.044 1.007	0.992 0.988 1.004	0.996 0.975 1.022	1.054 1.049 1.005	0.992 0.986 1.005
	1.030	1.008	1.004	1.006	1.001	1.000	1.009	1.003	0.999

Unit Statistical Plan Data:
 Standard Premium for CPY 2004/2005 988,236,518
 Manual Premium for CPY 2004/2006 1,022,390,230
 ARAP Premium for CPY 2004/2005 42,382,697

Notes:
 (1): prior filings.
 (2): based on Unit Statistical Plan data.
 (4),(5): Policy Effective Period, Section IX-K, Exhibit 1.
 (4),(5): PY 2004, PY 2005 Avg. Experience and Merit Rating, excluding large deductibles, Section III-B, Exhibit 1.
 (4),(5): PY 2004, PY 2005 Construction Credit, Section III-D, Exhibit 1.
 (4),(5): PY 2004, PY 2005 ARAP surcharge, Section III-C, Exhibit 1.

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, and we are not yet able to estimate the impact of any upcoming changes in the Medical Fee Schedule, as discussed below.

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 2004 and 2005 to the 1/1/2008 benefit level, and additional adjustments to bring losses from the 1/1/2008 benefit level to the projected benefit level for the period the rates will be in effect. These benefit change adjustments are used in Section I of the filing. In the same exhibit we also present additional benefit level adjustments used in other sections of the filing.

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

In Section IV-B, we display in detail the derivation of our estimates of the effects of the changes in the SAWW announced in 2007 and projected for 2008 and 2009. Section IV-C summarizes the provisions of Chapter 398, showing benefits that are tied to the SAWW. Section IV-D 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.

Section IV-B details the estimation of changes in the costs of benefits arising from changes in the SAWW effective October 1, 2007, and the projected SAWW changes of October 1, 2008 and October 1, 2009. Exhibit 1, pages 1 and 2 estimates the effect on fatal benefits. Exhibit 2 evaluates the effect on permanent total benefits. Exhibit 3 evaluates the effect on permanent partial benefits. Exhibit 4 looks at temporary total benefits.

Section IV-B, Exhibit 1 – Benefits for Fatal Claims

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. Expected dependent survivor payments are valued on page 1. 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 3.0%. 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 page 2. 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-D Exhibit 1, the

Wage Table is based on Massachusetts workers' compensation data from accident years 1987 to 1994.

Section IV-B, Exhibit 2 – Benefits for Permanent Total Cases

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. 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. 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.

Section IV-B, Exhibit 3 – Benefits for Permanent Partial Cases

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

Section IV-B, Exhibit 4 – Benefits for Temporary Total Cases

We evaluate the effect on temporary total benefits in Exhibit 4. 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.

Section IV-E – Medical Fee Schedules

There have been no recent changes in the Medical Fee Schedule. However, at the time of preparation of this filing, the Division of Health Care Finance and Policy is considering a possible change to the Medical Fee Schedule in the coming year. The timing and magnitude of any future change is impossible to predict at this time. Therefore, no estimate of any upcoming Medical Fee Schedule changes has been included. Should such a change occur, to be effective during the proposed effective period of the new rates, we would likely make a new filing to reflect this legal development. Exhibit 1 displays the estimated impacts of prior changes in the Medical Fee Schedule.

Section IV-F – Injury Type Weights

The Unit Statistical Plan Data is used in Section IV-F to calculate the relative weights for indemnity and medical benefits for the various injury types. Injury type weights are estimated at two valuation points, ultimate and at 5th USR report.

Section IV-G – Effects of USL&HW Benefit Changes

Section IV-G contains the derivation of benefit change adjustments related to claims paid or payable under the USL&HW Act. The calculations are analogous to those for state workers' compensation benefits in Section IV-A. The assumed changes in benefit levels used in Section IV-G are from NCCI's Annual Statistical Bulletin.

Benefit Level Factors
All Injury Types

Time Period		Indemnity							Medical	Total
Beginning Period	Ending Period	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Types 3&4	Injury Type 5	All Injury Types	All Injury Types	
PY 2004	1/1/2008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
PY 2005	1/1/2008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
CPY 2000/2001	10/1/2007	1.067	1.067	1.067	1.067	1.067	1.067	1.067	1.060	
CPY 2001/2002	10/1/2007	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	
CPY 2002/2003	10/1/2007	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	
CPY 2003/2004	10/1/2007	1.041	1.041	1.041	1.041	1.041	1.041	1.041	1.029	
CPY 2004/2005	10/1/2007	1.031	1.031	1.031	1.031	1.031	1.031	1.031	1.019	
CPY 1995/1996	Pros. Eff. Period	1.168	1.130	1.214	1.304	1.071	1.071	1.110	1.110	
CPY 1996/1997	Pros. Eff. Period	1.149	1.119	1.196	1.271	1.065	1.065	1.100	1.100	
CPY 1997/1998	Pros. Eff. Period	1.127	1.107	1.175	1.235	1.058	1.058	1.100	1.100	
CPY 1998/1999	Pros. Eff. Period	1.104	1.094	1.155	1.197	1.051	1.051	1.100	1.100	
CPY 1999/2000	Pros. Eff. Period	1.071	1.075	1.126	1.146	1.041	1.041	1.088	1.088	
CPY 2000/2001	Pros. Eff. Period	1.038	1.052	1.093	1.094	1.028	1.028	1.067	1.067	
CPY 2001/2002	Pros. Eff. Period	1.031	1.043	1.077	1.077	1.024	1.024	1.058	1.058	
CPY 2002/2003	Pros. Eff. Period	1.031	1.044	1.078	1.078	1.025	1.025	1.019	1.019	
CPY 2003/2004	Pros. Eff. Period	1.030	1.041	1.074	1.074	1.023	1.023	1.009	1.009	
CPY 2004/2005	Pros. Eff. Period	1.024	1.034	1.061	1.061	1.019	1.019	1.000	1.000	
Prior Eff. Period	Pros. Eff. Period	1.006	1.008	1.014	1.014	1.005	1.005	1.000	1.000	
CPY 2002/2003	9/1/2004	1.008	1.011	1.019	1.019	1.019	1.006	1.019	1.019	
CPY 2003/2004	9/1/2005	1.011	1.016	1.030	1.030	1.030	1.009	1.009	1.009	
CPY 2004/2005	9/1/2006	1.012	1.016	1.032	1.032	1.032	1.009	1.000	1.000	
9/1/2004	Pros. Eff. Period	1.028	1.028	1.028	1.028	1.028	1.028	1.028	1.028	
9/1/2005	Pros. Eff. Period	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	
9/1/2006	Pros. Eff. Period	1.014	1.014	1.014	1.014	1.014	1.014	1.014	1.014	
Prior Eff. Period (using benefit level projections from prior filing)	Pros. Eff. Period	1.009	1.009	1.009	1.009	1.009	1.009	1.009	1.009	

Note:
1/1/2008 and 10/1/2007 refer to points in time. All other time periods refer to Policy Years or Composite Policy Years.
Example: CPY 2004/2005 to 10/1/2007 for Indemnity Injury Type 4 = 1.040 = 1.366 / 1.313
where 1.366 is the Index Factor of 10/1/2007 and 1.313 is the Index Factor of CPY 2004/2005 for Indemnity Injury Type 4, from Exhibit 2.

Benefit Level Changes and Weights

Date of Change Benefit Level Change	Injury Type 1																	Weighted Average Benefit Level					
	7/1/1993	10/1/1993	10/1/1993	2/1/1995	10/1/1995	7/1/1996	10/1/1996	10/1/1997	10/1/1997	9/1/1999	10/1/2000	10/1/2001	10/1/2002	12/1/2002	10/1/2003	9/1/2004	10/1/2004		10/1/2004	10/1/2005	10/1/2006	10/1/2007	10/1/2008
Cumulative Benefit Level Change	1.000	1.015	1.012	1.000	1.010	1.000	1.016	1.019	1.019	1.027	1.000	1.042	1.008	0.999	1.000	1.000	1.000	1.005	1.005	1.006	1.006	1.006	1.006
Time Period	1.000	1.015	1.027	1.027	1.037	1.037	1.054	1.074	1.074	1.094	1.124	1.124	1.171	1.181	1.179	1.180	1.186	1.192	1.198	1.206	1.213	1.221	
1993/1994	0.032	0.689	0.195	0.084																			
1994/1995		0.032	0.142	0.546	0.280																		
1995/1996				0.032	0.468	0.220	0.280																
1996/1997						0.032	0.689	0.280															
1997/1998							0.032	0.688	0.689	0.280													
1998/1999								0.032	0.688	0.624	0.065	0.280	0.280	0.689	0.632	0.280							
1999/2000									0.032	0.624	0.014	0.017	0.032	0.689	0.632	0.624							
2000/2001										0.032	0.014	0.017	0.032	0.689	0.632	0.624							
2001/2002											0.014	0.017	0.032	0.689	0.632	0.624							
2002/2003												0.014	0.017	0.032	0.689	0.632	0.624						
2003/2004													0.014	0.017	0.032	0.689	0.632	0.624					
2004/2005														0.014	0.017	0.032	0.689	0.632	0.624				
PY 2004															0.003	0.003	0.003	0.421	0.421	0.421	0.421	0.421	
PY 2005																0.003	0.003	0.003	0.421	0.421	0.421	0.421	
9/1/2006																	0.003	0.003	0.003	0.421	0.421	0.421	
Prior Eff Period																					0.421	0.421	
Pros. Eff. Period																					0.575	0.575	
1/1/2008																					1.000	1.000	
10/1/2007																					1.000	1.000	

Time Period	Index Factors for All Injury Types											Total		
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Injury Type 3	Medical All Injury Types	All Injury Types
CPY 1993/1994	1.018	1.010	1.016	1.028	1.016	1.028	1.016	1.016	1.007	1.014	1.002	1.014	1.014	1.011
CPY 1994/1995	1.030	1.016	1.027	1.047	1.027	1.047	1.027	1.010	1.022	1.016	1.016	1.021	1.021	1.021
CPY 1995/1996	1.042	1.023	1.038	1.068	1.038	1.068	1.038	1.013	1.031	1.028	1.028	1.031	1.031	1.031
CPY 1996/1997	1.059	1.032	1.054	1.096	1.054	1.096	1.054	1.019	1.043	1.037	1.037	1.043	1.043	1.043
CPY 1997/1998	1.079	1.043	1.072	1.128	1.072	1.128	1.072	1.026	1.057	1.037	1.037	1.053	1.053	1.053
CPY 1998/1999	1.102	1.056	1.091	1.163	1.091	1.163	1.091	1.032	1.073	1.037	1.037	1.064	1.064	1.064
CPY 1999/2000	1.136	1.075	1.118	1.215	1.118	1.215	1.118	1.043	1.096	1.048	1.048	1.083	1.083	1.083
CPY 2000/2001	1.172	1.097	1.152	1.273	1.152	1.273	1.152	1.060	1.123	1.069	1.069	1.109	1.109	1.109
CPY 2001/2002	1.180	1.107	1.170	1.293	1.170	1.293	1.170	1.060	1.135	1.079	1.079	1.120	1.120	1.120
CPY 2002/2003	1.180	1.107	1.168	1.292	1.168	1.292	1.168	1.061	1.134	1.079	1.079	1.136	1.136	1.136
CPY 2003/2004	1.182	1.109	1.173	1.297	1.173	1.297	1.173	1.061	1.134	1.079	1.079	1.142	1.142	1.142
CPY 2004/2005	1.188	1.117	1.188	1.313	1.188	1.313	1.188	1.065	1.149	1.083	1.083	1.153	1.153	1.153
PY 2004	1.184	1.113	1.180	1.304	1.180	1.304	1.180	1.063	1.143	1.079	1.079	1.148	1.148	1.148
PY 2005	1.191	1.122	1.197	1.323	1.197	1.323	1.197	1.067	1.155	1.083	1.083	1.157	1.157	1.157
9/1/2004	1.189	1.119	1.191	1.316	1.191	1.316	1.191	1.066	1.151	1.083	1.083	1.155	1.155	1.155
9/1/2005	1.195	1.127	1.208	1.336	1.208	1.336	1.208	1.066	1.151	1.083	1.083	1.163	1.163	1.163
9/1/2006	1.202	1.136	1.226	1.355	1.226	1.355	1.226	1.066	1.151	1.083	1.083	1.171	1.171	1.171
Prior Eff Period	1.209	1.145	1.243	1.374	1.243	1.374	1.243	1.066	1.151	1.083	1.083	1.179	1.179	1.179
Pros. Eff. Period	1.217	1.155	1.260	1.393	1.260	1.393	1.260	1.066	1.151	1.083	1.083	1.187	1.187	1.187
1/1/2008	1.206	1.141	1.236	1.366	1.236	1.366	1.236	1.066	1.151	1.083	1.083	1.175	1.175	1.175
10/1/2007	1.206	1.141	1.236	1.366	1.236	1.366	1.236	1.066	1.151	1.083	1.083	1.175	1.175	1.175

Notes:
1/1/2008 and 10/1/2007 refer to points in time. All other time periods refer to Policy Years or Composite Policy Years.
Index Factors for All Injury Types Table is a Data Table that repeats the calculation of the Weighted Average Benefit Level for all Injury Types.

IV 000009

Section IV - Benefit Change Adjustments
 Subsection A - Summary
 9/1/2008

Section IV - A
 Exhibit 3

Historical and Estimated 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)
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	0.5%	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	0.6%	0.9%	1.4%	1.4%	1.4%	0.5%	1.1%	0.0%	0.7%
10/1/2008	0.6%	0.8%	1.4%	1.4%	1.4%	0.5%	1.1%	0.0%	0.7%
10/1/2009	0.6%	0.8%	1.4%	1.4%	1.4%	0.5%	1.1%	0.0%	0.7%

Notes:

Historical changes are from Section IV-A, Exhibit 4 of the 9/1/2007 filing.
 Changes for 10/1/2008 - 10/1/2009 are estimated.

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

Number of Cases (1)	Person(s) Receiving Benefits (2)	Average Number of Dependents (3)	Average Arithmetic Age (4)	Annuity Symbol (5)	Annuity Value (6)	Effects of SAWW Change of 10/1/2007		Effects of SAWW Change of 10/1/2008		Effects of SAWW Change of 10/1/2009	
						cost (7)	cost (8)	cost (9)	cost (10)	cost (11)	cost (12)
204	None	0	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
212	Widow Alone	1	40	a 40 : Life	30.74	200,216,091	201,535,498	208,733,082	210,088,451	217,591,471	219,004,402
407	Widow with Child(ren)	1 2	38 10	a 38 : Life a 416	30.77 7.73	384,748,129	387,283,587	401,114,928	403,719,491	418,137,778	420,852,958
21	Orphan	1	13	a 13 : 5	4.83	3,118,225	3,138,774	3,250,872	3,271,980	3,388,835	3,410,840
15	Orphans	3	12	a 312	5.81	2,676,750	2,694,389	2,790,616	2,808,736	2,909,047	2,927,936
141	Other Dependents	1.7	58	a 58 : Life	22.03	21,423,103	21,423,103	21,425,928	21,425,928	21,423,412	21,423,412
(13) Total		1,000				612,182,298	616,075,353	637,315,426	641,314,566	663,450,543	667,619,549
(14) Cost of Burial (1,000 cases)						4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
(15) Total Monetary Cost [= (13) + (14)]						616,182,298	620,075,353	641,315,426	645,314,566	667,450,543	671,619,549
(16) Fatal Benefit Change Factors							1.006		1.006		1.006

Notes:
 (1), (3), (4): Section IV-D, Exhibit 2.
 (5): For two or more dependents, benefits are last-survivor contingent. An annuity certain is used to approximate the joint-survivor annuity.
 (6): Calculated using the Pension Tables (see text).
 (7), (9), (11) = (1) x (6) x 52 x [Page 2, (14)] for Widows and Orphans and = (1) x (3) x (6) x 52 x [Page 2, (30)] for All Others Dependents
 (8), (10), (12) = (1) x (6) x 52 x [Page 2, (15)] for Widows and Orphans and = (1) x (3) x (6) x 52 x [Page 2, (31)] for All Others Dependents

IV 000011

Determination of the Average Weekly Benefit for Fatalities

Fatal: Widows and Orphans - Effective 10/1/2006

(1)	Nominal Rate of Compensation Based on Gross Wages	66.67%
(2)	Min Weekly Compensation	110.00
(3)	Max Weekly Compensation	1,000.43
(4)	Average Injured Worker Weekly Wage for 12 months starting 10/1/2007	918.76

Wage Intervals (5)	Benefit (6)	= (5) / (4) (7)		Percentage in Interval		Average Wage in Interval = (9)/(8)x(4) (10)	Average Benefit in Interval (11)
				Workers (8)	Wages (9)		
0.00 165.00	Statutory Minimum	0.00	0.20	0.9257	0.1319	130.91	110.00
165.00 1,500.65	Wage times Comp. Rate	0.20	1.65	89.5388	80.7159	828.23	552.15
1,500.65 over	Statutory Maximum	1.65	over	9.5355	19.1522	1,845.35	1,000.43

(12) Average Weekly Benefit **590.81**

	Effects of SAWW Change		
	10/1/2007	10/1/2008	10/1/2009
(13) Starting date of 12 month period for AIWW	10/1/2007	10/1/2008	10/1/2009
(14) Benefits Effective Average Weekly Benefits	10/1/2006 590.81	10/1/2007 615.94	10/1/2008 642.08
(15) Benefits Effective Average Weekly Benefits	10/1/2007 594.70	10/1/2008 619.94	10/1/2009 646.25
(16) Fatal: Widows and Orphans Benefit Change Factors	1.007	1.006	1.006

Fatal: All Others - Effective 10/1/2006

(17)	Nominal Rate of Compensation Based on Gross Wages	66.67%
(18)	Min Weekly Compensation	0.00
(19)	Max Weekly Compensation	80.00
(20)	Average Injured Worker Weekly Wage for 12 months starting 10/1/2007	918.76

Wage Intervals (21)	Benefit (22)	= (21) / (20) (23)		Percentage in Interval		Average Wage in Interval = (25)/(24)x(20) (26)	Average Benefit in Interval (27)
				Workers (24)	Wages (25)		
0.00 0.00	Statutory Minimum	0.00	0.00	0.0000	0.0000	0.00	0.00
0.00 120.00	Wage times Comp. Rate	0.00	0.15	0.4174	0.0405	89.15	59.43
120.00 over	Statutory Maximum	0.15	over	99.5826	99.9595	922.24	80.00

(28) Average Weekly Benefit **79.91**

	Effects of SAWW Change		
	10/1/2007	10/1/2008	10/1/2009
(29) Starting date of 12 month period for AIWW	10/1/2007	10/1/2008	10/1/2009
(30) Benefits Effective Average Weekly Benefits	10/1/2006 79.91	10/1/2007 79.92	10/1/2008 79.92
(31) Benefits Effective Average Weekly Benefits	10/1/2007 79.91	10/1/2008 79.92	10/1/2009 79.92
(32) Fatal: All Others Benefit Change Factors	1.000	1.000	1.000

Notes:

- (1)-(3), (17)-(19): Section IV-C, Exhibit 1.
- (4), (20): Section IV-D, Exhibit 3.
- (7), (23): Rounded to nearest 0.05.
- (8), (24): Section IV-D, Exhibit 1, column (2).
- (9), (25): Section IV-D, Exhibit 1, column (3).
- (12) = Sum [(8) x (11)]
- (28) = Sum [(24) x (27)]
- (14), (15): Average Weekly Benefits results from a data table that repeats the calculation of (12) for different dates.
- (16) = (15) / (14)
- (30), (31): Average Weekly Benefits results from a data table that repeats the calculation of (28) for different dates.
- (32) = (31) / (30)

IV 000012

Section IV - Benefit Change Adjustments
 Subsection B - Effects of SAWW Change
 9/1/2008

Section IV-B
 Exhibit 2

Determination of the Average Weekly Benefit for Permanent Totals

Permanent Total - Effective 10/1/2006

(1)	Nominal Rate of Compensation Based on Gross Wages	66.67%
(2)	Min Weekly Compensation	200.09
(3)	Max Weekly Compensation	1,000.43
(4)	Average Injured Worker Weekly Wage for 12 months starting 10/1/2007	918.76

Wage Intervals (5)	Benefit (6)	= (5) / (4) (7)	Percentage in Interval		Average Wage in Interval = (9)/(8)x(4) (10)	Average Benefit in Interval (11)
			Workers (8)	Wages (9)		
0.00 - 300.13	Statutory Minimum	0.00 - 0.35	5.0674	1.2884	233.60	200.09
300.13 - 1,500.65	Wage times Comp. Rate	0.35 - 1.65	85.3971	79.5594	855.96	570.64
1,500.65 - over	Statutory Maximum	1.65 - over	9.5355	19.1522	1,845.35	1000.43

(12) Average Weekly Benefit **592.84**

	Effects of SAWW Change		
	10/1/2007	10/1/2008	10/1/2009
(13) Starting date of 12 month period for AIWW	10/1/2007	10/1/2008	10/1/2009
(14) Benefits Effective Average Weekly Benefits	10/1/2006 592.84	10/1/2007 618.09	10/1/2008 644.34
(15) Benefits Effective Average Weekly Benefits	10/1/2007 597.17	10/1/2008 622.54	10/1/2009 648.98
(16) Permanent Total Benefit Change Factors	1.007	1.007	1.007
(17) Specific Injury Payments SAWW Effect on Specific Injuries	1.043	1.042	1.042
(18) Total Effect			
(a) Wage Loss Benefits as a Proportion of P.T. Cost	96.50%	96.50%	96.50%
(b) Specific Injury Payment as a Proportion of P.T. Cost	3.50%	3.50%	3.50%
(19) Permanent Total Benefit Change Factors = [(16) x (18a)] + [(17) x (18b)]	1.009	1.008	1.008

Notes:

- (1), (2), (3): Section IV-C, Exhibit 1.
- (4): Section IV-D, Exhibit 3.
- (7): Rounded to nearest 0.05.
- (8): Section IV-D, Exhibit 1, column (2).
- (9): Section IV-D, Exhibit 1, column (3).
- (12) = Sum [(8) x (11)]
- (14), (15): Average Weekly Benefits results from a data table that repeats the calculation of (12) for different dates.
- (16) = (15) / (14)
- (17): Ratio of SAWW from Section IV-D, Exhibit 3.
 Example: Effect of SAWW Change of 10/1/2007 = 1.043 = 1,043.54 / 1,000.43
- (18): Estimated Average Schedule Benefit compared to Average Indemnity Cost per Claim.
 From the Filing for 9/1/2007 Rates, Section IV-E, Exhibit 2, Page 1.

IV 000013

Section IV - Benefit Change Adjustments
 Subsection B - Effects of SAWW Change
 9/1/2008

Section IV-B
 Exhibit 3

Determination of the Average Weekly Benefit for Permanent Partial

Permanent Partial - Effective 10/1/2006

(1)	Nominal Rate of Compensation Based on Gross Wages	37.20%
(2)	Min Weekly Compensation	0.00
(3)	Max Weekly Compensation	750.32
(4)	Average Injured Worker Weekly Wage for 12 months starting 10/1/2007	918.76
(5)	SAWW effective 10/1/2006	1,000.43

Wage Intervals (6)	Benefit (7)	= (6) / (4) (8)	Percentage in Interval		Average Wage in Interval =(10)/(9)x(4) (11)	Average Benefit in Interval (12)
			Workers (9)	Wages (10)		
0.00 - 2,017.00	Wage times compensation rate	0.00 - 2.20	98.5368	95.8679	893.88	332.52
2,017.00 - 5,265.42	Statutory Maximum	2.20 - 5.75	1.4190	3.8610	2,499.88	750.32
5,265.42 over	Statutory Limitation	5.75 over	0.0442	0.2711	5,635.11	0.00

(13) Average Weekly Benefit **338.30**

	Effects of SAWW Change		
	10/1/2007	10/1/2008	10/1/2009
(14) Starting date of 12 month period for AIWW	10/1/2007	10/1/2008	10/1/2009
(15) Benefits Effective	10/1/2006	10/1/2007	10/1/2008
Average Weekly Benefits	338.30	352.68	367.66
(16) Benefits Effective	10/1/2007	10/1/2008	10/1/2009
Average Weekly Benefits	338.75	353.14	368.14
(17) Permanent Partial Total Benefit Change Factors	1.001	1.001	1.001
(18) Specific Injury Payments			
SAWW Effect on Specific Injuries	1.043	1.042	1.042
(19) Permanent Partial Healing Period			
Effect on Healing Period	1.005	1.005	1.005
(20) Total Effect			
(a) Wage Loss Benefits as a Proportion of P.P. Cost	27%	27%	27%
(b) Specific Injury Payment as a Proportion of P.P. Cost	26%	26%	26%
(c) Healing Period Cost as a Proportion of P.P. Cost	47%	47%	47%
(21) Permanent Partial Benefit Change Factors	1.014	1.014	1.014
= [(17) x (20a)] + [(18) x (20b)] + [(19) x (20c)]			

Notes:

- (1), (2), (3): Section IV-C, Exhibit 1.
- (4), (5): Section IV-D, Exhibit 3.
- (7): Statutory Maximum: Insurer may reduce benefit to level at which benefits + earnings = 2 x SAWW.
- (8): Rounded to nearest 0.05.
- (9): Section IV-D, Exhibit 1, column (2).
- (10): Section IV-D, Exhibit 1, column (3).
- (13) = Sum [(9) x (12)]
- (15), (16): Average Weekly Benefits results from a data table that repeats the calculation of (13) for different dates.
- (17) = (16) / (15)
- (18): Ratio of SAWW from Section IV-D, Exhibit 3.
 Example: Effect of SAWW Change of 10/1/2007 = 1.043 = 1,043.54 / 1,000.43
- (19): Temporary Total Benefit Change Factors, Exhibit 4.
- (20): DCI for Permanent Partial Claims in Massachusetts.

IV 000014

Section IV - Benefit Change Adjustments
 Subsection B - Effects of SAWW Change
 9/1/2008

Section IV-B
 Exhibit 4

Determination of the Average Weekly Benefit for Temporary Totals

Temporary Total - Effective 10/1/2006

(1)	Nominal Rate of Compensation Based on Gross Wages	60.00%
(2)	Min Weekly Compensation	200.09
(3)	Max Weekly Compensation	1,000.43
(4)	Average Injured Worker Weekly Wage for 12 months starting 10/1/2007	918.76

Wage Intervals (5)	Benefit (6)	= (5) / (4) (7)		Percentage in Interval		Average Wage in Interval = (9)/(8)x(4) (10)	Average Benefit in Interval (11)	
				Workers (8)	Wages (9)			
0.00	200.09	Actual Wage	0.00	0.20	0.9257	0.1319	130.91	130.91
200.09	333.48	Statutory Minimum	0.20	0.35	4.1417	1.1565	256.55	200.09
333.48	1,667.38	Wage times compensation rate	0.35	1.80	88.8003	85.4173	883.76	530.26
1,667.38	over	Statutory Maximum	1.80	over	6.1323	13.2943	1,991.80	1,000.43

(12) Average Weekly Benefit

541.72

	Effects of SAWW Change		
	10/1/2007	10/1/2008	10/1/2009
(13) Starting date of 12 month period for AIWW	10/1/2007	10/1/2008	10/1/2009
(14) Benefits Effective	10/1/2006	10/1/2007	10/1/2008
Average Weekly Benefits	541.72	564.77	588.75
(15) Benefits Effective	10/1/2007	10/1/2008	10/1/2009
Average Weekly Benefits	544.39	567.51	591.61
(16) Temporary Total Benefit Change Factors	1.005	1.005	1.005

Notes:

- (1), (2), (3): Section IV-C, Exhibit 1.
- (4): Section IV-D, Exhibit 3.
- (7): Rounded to nearest 0.05.
- (8): Section IV-D, Exhibit 1, column (2).
- (9): Section IV-D, Exhibit 1, column (3).
- (12) = Sum [(8) x (11)]
- (14), (15): Average Weekly Benefits results from a data table that repeats the calculation of (12) for different dates.
- (16) = (15) / (14)

Summary of Principal Benefit Changes Due to the Increase in the Maximum and Minimum Weekly Benefits

	10/1/2006	10/1/2007	10/1/2008	10/1/2009
(1) Fatal				
% Rate of Compensation	66.67%	66.67%	66.67%	66.67%
Minimum Weekly Benefit	\$110.00	\$110.00	\$110.00	\$110.00
Widow/Orphan	\$0.00	\$0.00	\$0.00	\$0.00
Maximum Weekly Benefit	\$1,000.43	\$1,043.54	\$1,087.86	\$1,134.06
Widow/Orphan	\$80.00	\$80.00	\$80.00	\$80.00
Each Additional Child	\$6.00, if benefit under \$150.00	Same as 10/1/2006	Same as 10/1/2006	Same as 10/1/2006
Maximum Aggregate Payable	250 x SAWW	250 x SAWW	250 x SAWW	250 x SAWW
Burial Allowance	\$4,000	\$4,000	\$4,000	\$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	Same as 10/1/2006	Same as 10/1/2006	Same as 10/1/2006
(2) Total Disability				
Permanent Total				
% Rate of Compensation	66.67%	66.67%	66.67%	66.67%
Minimum Weekly Benefit	\$200.09	\$208.71	\$217.57	\$226.81
Maximum Weekly Benefit	\$1,000.43	\$1,043.54	\$1,087.86	\$1,134.06
Duration	Lifetime	Lifetime	Lifetime	Lifetime
Cost of Living Adjustment - benefits increase annually by:	Same as Fatal	Same as Fatal	Same as Fatal	Same as Fatal
Temporary Total				
% Rate of Compensation	60.00%	60.00%	60.00%	60.00%
Minimum Weekly Benefit	\$200.09	\$208.71	\$217.57	\$226.81
Maximum Weekly Benefit	\$1,000.43	\$1,043.54	\$1,087.86	\$1,134.06
Waiting Period/Retroactive After	5 days/21 days	5 days/21 days	5 days/21 days	5 days/21 days
(3) Permanent Partial Disability				
% Rate of Compensation	37.20%	37.20%	37.20%	37.20%
Minimum Weekly Benefit	\$0.00	\$0.00	\$0.00	\$0.00
Maximum Weekly Benefit	\$750.32	\$782.66	\$815.89	\$850.55
(4) Specific Injury Payments				
Scheduled Injuries	According to the injury, a scheduled number multiplied by the SAWW	Same as 10/1/2006	Same as 10/1/2006	Same as 10/1/2006
Non-Scheduled Injuries	32 x SAWW	32 x SAWW	32 x SAWW	32 x SAWW
Disfigurement				
Maximum Benefit	\$15,000	\$15,000	\$15,000	\$15,000
Benefit	As determined by the reviewing board	Same as 10/1/2006	Same as 10/1/2006	Same as 10/1/2006

Notes:

Source: The General Laws of Massachusetts, Chapter 152, Sections 31-36.

(1), (2): Maximum Weekly Benefit for Fatalities and Total Disabilities is 100% of the SAWW.

(2): Minimum Weekly Benefit for Total Disability is 20% of the SAWW.

(3): Maximum Weekly Benefit for Permanent Partial is 75% of the SAWW.

(3): Percent Rate of Compensation is 60% of 62%, the lost wage-earning capacity, Section IV-D, Exhibit 4.

IV 000016

Section IV - Benefit Change Adjustments
 Subsection D - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2008

Section IV-D
 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:

Based on Massachusetts workers' compensation data from accident years 1987 to 1994.
 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 000017

Section IV - Benefit Change Adjustments
 Subsection D - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2008

Section IV-D
 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:

Source: NCCI, CPS data, 1989-1993, reweighted using DCI Data for Fatalities, 1984-1993.

(2): Dependent count includes working adult household members standardized to a total of 1,000 cases.

IV 000018

Section IV - Benefit Change Adjustments
 Subsection D - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2008

Section IV- D
 Exhibit 3

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)
10/1/2006	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	1043.54	= as promulgated
10/1/2008	4/1/07 to 4/1/08	10/1/2007	1087.86	= 1043.54 x 1.042
10/1/2009	4/1/08 to 4/1/09	10/1/2008	1134.06	= 1087.86 x 1.042

Derivation of AIWW (Average Injured Worker Wage)

SAWW Promulgation Date (1)	Based on Data (2)	AIWW Average Date (6)	AIWW (7)	Calculation (8)
10/1/2007	10/1/2007 - 10/1/2008	4/1/2008	918.76	= .827 x {(1087.86 + 1134.06) / 2}
10/1/2008	10/1/2008 - 10/1/2009	4/1/2009	957.78	= 918.76 x 1.042
10/1/2009	10/1/2009 - 10/1/2010	4/1/2010	998.46	= 957.78 x 1.042

Notes:

(4): Section V-G, Exhibit 2.

(5), (8): 4.2% Payroll Trend, Section V-A, Exhibit 1.

(8): Historical Relationship of .827 for the ratio of AIWW to SAWW is selected based on DCI data.

4/1/1996: SAWW = 648.29, AIWW = 536.40

4/1/1994: SAWW = 594.85, AIWW = 492.23

4/1/1993: SAWW = 575.80, AIWW = 479.68

IV 000019

Section IV - Benefit Change Adjustments
 Subsection D - Massachusetts Inputs and Backup Data for Oct. 1 Evaluations
 9/1/2008

Section IV-D
 Exhibit 4

Average Wage Loss for Permanent Partial Claimants

Report	(Pre-Injury - Post-Injury) / Pre-Injury Wage					Average
	1979 (1)	1980 (2)	1981 (3)	1982 (4)	1983 (5)	
Average Wage Loss for Major Permanent Partial Claimants						
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 Wage Loss for Major Permanent Partial Claimants						0.62

Average Wage Loss for Minor Permanent Partial Claimants						
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
(7) Selected Average Wage Loss for Minor Permanent Partial Claimants						0.62

Notes:

Source: Detail Claim Call, compiled as of 10/1/1985.

(6), (7): 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.

IV 000020

Section IV - Benefit Change Adjustments
Subsection E - Medical Fee Schedules
9/1/2008

Section IV-E
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 9/1/2001 rates.
- 12/1/2002 from the filing for 9/1/2003 rates.
- 9/1/2004 from the filing for 9/1/2005 rates.

IV 000021

Section IV - Benefit Change Adjustments
 Subsection F - Injury Type Weights
 9/1/2008

Section IV - F
 Exhibit 1

Post-Chapter 398 Injury Type Weights

Injury Type (1)	Composite Policy Year (2)	Losses at Fifth Report (3)	On-Level Factor to 10/1/2007 (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)
Indemnity								
1	1996/1997	9,196,824	1.139	10,471,747		1.087	11,381,923	
1	1997/1998	7,664,599	1.117	8,565,176		1.087	9,309,639	
1	1998/1999	7,923,459	1.094	8,669,924		1.087	9,423,491	
1	1999/2000	6,787,217	1.061	7,203,181		1.087	7,829,263	
1	2000/2001	9,865,796	1.029	10,148,389		1.087	11,030,460	
Total		41,437,895		45,058,417	1.62%		48,974,776	1.61%
2	1996/1997	12,060,688	1.106	13,335,600		1.087	14,494,695	
2	1997/1998	18,309,629	1.094	20,026,075		1.087	21,766,689	
2	1998/1999	17,791,806	1.081	19,226,380		1.087	20,897,486	
2	1999/2000	9,908,772	1.062	10,521,521		1.087	11,436,024	
2	2000/2001	21,194,595	1.040	22,042,715		1.087	23,958,610	
Total		79,265,490		85,152,290	3.06%		92,553,504	3.05%
3	1996/1997	143,478,238	1.173	168,281,354		1.087	182,907,929	
3	1997/1998	157,152,969	1.153	181,184,037		1.087	196,932,079	
3	1998/1999	165,619,464	1.133	187,610,945		1.087	203,917,597	
3	1999/2000	207,674,686	1.105	229,464,048		1.087	249,408,462	
3	2000/2001	210,735,700	1.073	226,023,441		1.087	245,668,807	
Total		884,661,057		992,563,825	35.66%		1,078,834,875	35.50%
4	1996/1997	16,660,283	1.246	20,766,223		1.000	20,766,223	
4	1997/1998	29,725,173	1.211	35,997,171		1.000	35,997,171	
4	1998/1999	26,189,095	1.174	30,754,725		1.000	30,754,725	
4	1999/2000	29,685,788	1.124	33,378,854		1.000	33,378,854	
4	2000/2001	37,908,551	1.073	40,687,971		1.000	40,687,971	
Total		140,168,890		161,584,944	5.81%		161,584,944	5.32%
5	1996/1997	93,066,961	1.058	98,471,935		1.000	98,471,935	
5	1997/1998	107,643,161	1.051	113,141,625		1.000	113,141,625	
5	1998/1999	111,692,674	1.044	116,628,520		1.000	116,628,520	
5	1999/2000	107,074,856	1.034	110,710,182		1.000	110,710,182	
5	2000/2001	89,092,982	1.021	91,004,474		1.000	91,004,474	
Total		508,570,634		529,956,736	19.04%		529,956,736	17.44%
(10) Total Indemnity		1,654,103,966		1,814,316,212	65.19%		1,911,904,836	62.92%
Medical								
1	1996/1997	81,309	1.100	89,447		1.000	89,447	
1	1997/1998	121,392	1.100	133,541		1.000	133,541	
1	1998/1999	709,478	1.100	780,485		1.000	780,485	
1	1999/2000	376,040	1.088	409,303		1.000	409,303	
1	2000/2001	366,709	1.067	391,451		1.000	391,451	
Total		1,654,928		1,804,227	0.06%		1,804,227	0.06%
2	1996/1997	5,476,977	1.100	6,025,131		1.376	8,292,958	
2	1997/1998	13,457,771	1.100	14,804,669		1.376	20,377,068	
2	1998/1999	10,735,935	1.100	11,810,423		1.376	16,255,803	
2	1999/2000	21,834,059	1.088	23,765,434		1.376	32,710,616	
2	2000/2001	10,064,822	1.067	10,743,887		1.376	14,787,829	
Total		61,569,564		67,149,544	2.41%		92,424,274	3.04%
3	1996/1997	48,157,614	1.100	52,977,387		1.376	72,917,793	
3	1997/1998	52,996,398	1.100	58,300,452		1.376	80,244,432	
3	1998/1999	53,963,775	1.100	59,364,647		1.376	81,709,185	
3	1999/2000	90,212,813	1.088	98,192,765		1.376	135,151,999	
3	2000/2001	78,376,764	1.067	83,664,778		1.376	115,155,755	
Total		323,707,364		352,500,030	12.67%		485,179,164	15.97%
4	1996/1997	11,931,594	1.100	13,125,747		1.000	13,125,747	
4	1997/1998	18,924,312	1.100	20,818,320		1.000	20,818,320	
4	1998/1999	17,736,460	1.100	19,511,583		1.000	19,511,583	
4	1999/2000	19,020,901	1.088	20,703,432		1.000	20,703,432	
4	2000/2001	20,461,199	1.067	21,841,699		1.000	21,841,699	
Total		88,074,466		96,000,781	3.45%		96,000,781	3.16%
5	1996/1997	53,809,936	1.100	59,195,412		1.000	59,195,412	
5	1997/1998	57,342,292	1.100	63,081,298		1.000	63,081,298	
5	1998/1999	64,683,072	1.100	71,156,767		1.000	71,156,767	
5	1999/2000	60,201,186	1.088	65,526,401		1.000	65,526,401	
5	2000/2001	54,770,319	1.067	58,465,626		1.000	58,465,626	
Total		290,806,805		317,425,503	11.41%		317,425,503	10.45%
6	1996/1997	21,397,388	1.100	23,538,909		1.000	23,538,909	
6	1997/1998	23,780,684	1.100	26,160,733		1.000	26,160,733	
6	1998/1999	24,616,308	1.100	27,079,989		1.000	27,079,989	
6	1999/2000	26,773,941	1.088	29,142,283		1.000	29,142,283	
6	2000/2001	26,239,243	1.067	28,009,583		1.000	28,009,583	
Total		122,807,564		133,931,497	4.81%		133,931,497	4.41%
(10) Total Medical		888,620,691		968,811,581	34.81%		1,126,765,446	37.08%
(11) Medical Only fraction of Total Medical					13.82%			11.89%

Notes:

- (3): Unit Statistical Plan Data, 2003 - 2007 Review, Excluding Large Deductibles and SIGs.
- (4): Section IV-A, Exhibit 1.
- (6): Total On-Level Losses at Fifth Report for Injury Type divided by Total On-Level Losses at Fifth Report.
- (7): Exhibit 2.
- (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)
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	6,787,217	9,908,772	207,674,686	29,685,788	107,074,856	62.1%
2000/2001	9,865,796	21,194,595	210,735,700	37,908,551	89,092,982	65.6%

(8) Serious Losses (Injury Types 1, 2, and 3) divided by Total Losses

(9) Aggregate Financial Policy Year Call, Indemnity Fifth to Ultimate Development Factor

(10) Serious Indemnity Fifth to Ultimate Development Factor

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)
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	376,040	21,834,059	90,212,813	19,020,901	60,201,186	26,773,941	51.3%
2000/2001	366,709	10,064,822	78,376,764	20,461,199	54,770,319	26,239,243	46.5%

(19) Injury Type 2 and 3 Losses divided by Total Losses

(20) Aggregate Financial Policy Year Call, Medical Fifth to Ultimate Development Factor

(21) Injury Types 2 and 3 Medical Fifth to Ultimate Development Factor

Notes:

(2)-(6), (12)-(17): Unit Statistical Plan Data, 2003 - 2007 Review, Excluding Large Deductibles and SIGs.

(7) = $[(2) + (3) + (4)] / [(2) + (3) + (4) + (5) + (6)]$

(8) = $\text{Total} [(2) + (3) + (4)] / \text{Total} [(2) + (3) + (4) + (5) + (6)]$

(9), (20): Section II-B, Exhibit 1 and Section II-C, Exhibit 2, Page 1.

(10) = $1.0 + \{[(9) - 1.0] / (8)\}$

(18) = $[(13) + (14)] / [(12) + (13) + (14) + (15) + (16) + (17)]$

(19) = $\text{Total} [(13) + (14)] / \text{Total} [(12) + (13) + (14) + (15) + (16) + (17)]$

(21) = $1.0 + \{[(20) - 1.0] / (19)\}$

43.4%

1.163

1.376

USL&HW Benefit Level Factors

All Injury Types

Time Period		Indemnity					Medical	Total	
Beginning Period	Ending Period	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Types 3&4	Injury Type 5	All Injury Types	All Injury Types
CPY 2000/2001	Prosp. Eff. Period	1.061	1.031	1.007	1.007	1.007	1.031	1.016	1.009
CPY 2001/2002	Prosp. Eff. Period	1.050	1.025	1.006	1.006	1.006	1.025	1.013	1.007
CPY 2002/2003	Prosp. Eff. Period	1.039	1.019	1.005	1.005	1.005	1.019	1.010	1.005
CPY 2003/2004	Prosp. Eff. Period	1.031	1.015	1.004	1.004	1.004	1.015	1.008	1.004
CPY 2004/2005	Prosp. Eff. Period	1.023	1.011	1.003	1.003	1.003	1.011	1.007	1.003
Prior Eff. Period	Prosp. Eff. Period	1.006	1.003	1.001	1.001	1.001	1.003	1.002	1.001

Note:

Example: $CPY\ 2004/2005\ to\ Prosp.\ Eff.\ Period\ for\ Indemnity\ Injury\ Type\ 4 = 1.003 = 1.009 / 1.006$

where 1.009 is the Index Factor of Prosp. Eff. Period and 1.006 is the Index Factor of Prior Eff. Period for Indemnity Injury Type 4, from Exhibit 2.

Section IV - Benefit Change Adjustments
Subsection G - Effects of USL&HW Benefit Changes
9/1/2008

USL&HW Benefit Level Changes and Weights

Benefit Level Change	Injury Type 1										Weighted Average Benefit Level	
	10/1/1999	10/1/2000	10/1/2001	10/1/2002	10/1/2003	10/1/2004	10/1/2005	10/1/2006	10/1/2007	10/1/2008		10/1/2009
Cumulative Benefit Level Change	1.009	1.018	1.029	1.041	1.049	1.058	1.062	1.068	1.074	1.081	1.087	
Time Period												
2000/2001	0.032	0.689	0.280									1.021
2001/2002		0.032	0.689	0.280								1.032
2002/2003			0.032	0.688	0.280							1.043
2003/2004				0.032	0.689	0.280						1.051
2004/2005					0.032	0.689	0.280					1.059
Prior Eff. Period								0.003	0.575	0.421		1.077
Prosp. Eff. Period									0.003	0.575	0.421	1.083

Index Factors for All Injury Types

Time Period	Indemnity										Medical All Injury Types	Total All Injury Types
	Injury Type 1	Injury Type 2	Injury Type 3	Injury Type 4	Injury Type 5	Injury Types 3&4	Injury Type 5	All Injury Types				
CPY 2000/2001	1.021	1.012	1.002	1.002	1.012	1.002	1.002	1.002	1.012	1.006	1.000	1.003
CPY 2001/2002	1.032	1.018	1.003	1.003	1.018	1.003	1.003	1.003	1.018	1.009	1.000	1.006
CPY 2002/2003	1.043	1.023	1.004	1.004	1.023	1.004	1.004	1.004	1.023	1.012	1.000	1.007
CPY 2003/2004	1.051	1.028	1.005	1.005	1.028	1.005	1.005	1.005	1.028	1.014	1.000	1.008
CPY 2004/2005	1.059	1.032	1.006	1.006	1.032	1.006	1.006	1.006	1.032	1.015	1.000	1.009
Prior Eff. Period	1.077	1.040	1.008	1.008	1.040	1.008	1.008	1.008	1.040	1.020	1.000	1.011
Prosp. Eff. Period	1.083	1.043	1.009	1.009	1.043	1.009	1.009	1.009	1.043	1.022	1.000	1.012

Note:
Index Factors for All Injury Types Table is a Data Table that repeats the calculation of the Weighted Average Benefit Level for all Injury Types.

IV 000025

Section IV - Benefit Change Adjustments
 Subsection G - Effects of USL&HW Benefit Changes
 9/1/2008

Section IV - G
 Exhibit 3

USL&HW Historical and Estimated 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	1.1%	0.4%	0.1%	0.1%	0.1%	0.4%	0.2%	0.0%	0.2%
10/1/1991	1.0%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%	0.0%	0.1%
10/1/1992	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/1993	0.7%	0.4%	0.1%	0.1%	0.1%	0.4%	0.2%	0.0%	0.1%
10/1/1994	0.5%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/1995	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/1996	0.8%	0.4%	0.1%	0.1%	0.1%	0.4%	0.2%	0.0%	0.1%
10/1/1997	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/1998	0.7%	0.4%	0.1%	0.1%	0.1%	0.4%	0.2%	0.0%	0.1%
10/1/1999	0.9%	0.5%	0.1%	0.1%	0.1%	0.5%	0.2%	0.0%	0.1%
10/1/2000	0.9%	0.5%	0.1%	0.1%	0.1%	0.5%	0.3%	0.0%	0.2%
10/1/2001	1.1%	0.6%	0.1%	0.1%	0.1%	0.6%	0.3%	0.0%	0.2%
10/1/2002	1.1%	0.6%	0.1%	0.1%	0.1%	0.6%	0.3%	0.0%	0.2%
10/1/2003	0.8%	0.4%	0.1%	0.1%	0.1%	0.4%	0.2%	0.0%	0.1%
10/1/2004	0.9%	0.5%	0.1%	0.1%	0.1%	0.5%	0.2%	0.0%	0.1%
10/1/2005	0.3%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
10/1/2006	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/2007	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/2008	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%
10/1/2009	0.6%	0.3%	0.1%	0.1%	0.1%	0.3%	0.2%	0.0%	0.1%

Notes:

Historical changes are from NCCI's Annual Statistical Bulletin.

Changes for 10/1/2007 - 10/1/2009 are estimated to be the same as 10/1/2006.

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 9/1/08, 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 2004 and 2005) to September 1, 2009, 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 (also called “severity”) and payroll levels (which 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 -4.9% per year for indemnity losses, and -0.7% per year for medical losses.

The indicated trend factors and their key components are summarized on Section V-A Exhibit 1.

Indemnity Net Trend	-4.9%
Medical Net Trend	-0.7%

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 4% to 8.4% for indemnity and medical benefits, respectively. We are projecting downward movement in claim frequency per worker week, at a pace of 4.6% annually for lost time claims and 4.5% for medical only claims. Finally, we are projecting an increase of 4.2% annually in average wages.

<u>Trend</u>	<u>Indemnity</u>	<u>Medical</u>
Severity	3.9%	8.4%
Frequency	-4.6%	-4.5%
AWW	4.2%	
Net	-4.9%	-0.7%

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 by 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 and subsequently used in the 2007 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 each component. 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 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

¹ Venter, Gary, "Classical Partial Credibility with Application to Trend," *PCAS LXXIII*, 1986, pp. 27-51.

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, claim frequency, and average weekly wage.

	Empirical Trend	Credibility	Complement of Credibility	Selected Trend
SEVERITY				
Indemnity	2.7%	51%	5.1%	3.9%
Medical on Lost Time	7.1%	51%	9.9%	8.5%
Medical Only	7.4%	100%	9.8%	7.4%
FREQUENCY				
Lost Time Claims	-4.5%	72%	-4.7%	-4.6%
Medical	-5.0%	28%	-3.4%	-3.9%
Average Weekly Wage	4.2%	100%	4.7%	4.2%

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 and unbiased results in future years.

We recommend that the Commissioner accept the WCRIB's net trend factors in this filing, and that the Commissioner explicitly 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 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 Venter's paper, actuarial 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 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 wages, 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 2000/2001, for example, includes all policies with inception dates between July 1, 2000 and June 30, 2001. The average policy of this composite policy has an inception date of January 1, 2001 and the average accident date is June 30, 2001.

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 have historically been 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 use the data for all 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.

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 2000/2001 composite policy year were handled and are reported based on the benefits in effect at that time. Similarly, claims from the 2004/2005 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.

As with claim counts and frequency, 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 2004/2005 distribution of payrolls by classification, the weighted average of the current rates is \$1.066, while using the 1990/1991 distribution of payrolls by classification against the same current rates produces an average rate of \$1.083. 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.

Trend Summary

		Indemnity		Medical				SAWW
		Severity	Frequency	Lost Time Medical		Medical Only		
				Severity	Frequency	Severity	Frequency	
(1)	Trend	2.7%	-4.5%	7.1%	-4.5%	7.4%	-5.0%	4.2%
(2)	Credibility	51%	72%	51%	72%	100%	28%	100%
(3)	Complement of Credibility	5.1%	-4.7%	9.9%	-4.7%	9.8%	-3.4%	4.7%
(4)	Credibility Weighted Trend	3.9%	-4.6%	8.5%	-4.6%	7.4%	-3.9%	4.2%

		Lost Time Medical		Medical Only	
(5)	Medical Loss Trend	3.6%		3.3%	
(6)	Fraction of Total	88.1%		11.9%	
(7)	Total Medical Trend	3.5%			

		Indemnity	Medical
(8)	Total Loss Trend	-0.9%	3.5%
(9)	SAWW Trend	4.2%	4.2%
(10)	Total Net Trend	-4.9%	-0.7%

Notes:

- (1),(2),(3): 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-F, Exhibit 1
- (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): 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			
2000/2001	17,181	16,716	216,357	7,740	7,652	7,713	502	498	16			
2001/2002	16,828	17,170	116,757	8,205	8,198	38	532	535	9			
2002/2003	17,264	17,636	137,808	8,417	8,784	134,219	569	575	37			
2003/2004	17,989	18,114	15,651	9,768	9,410	127,921	622	618	17			
2004/2005	18,998	18,606	153,826	10,013	10,082	4,755	665	664	1			
(1)	MA Trend based on Five Year Exponential Fit			Indemnity 2.7%			Lost Time Medical 7.1%			Medical Only 7.4%		
(2)	s		462.02			302.57			5.17			
(3)	t		2.35			2.35			2.35			
(4)	m		6.17			6.17			6.17			
(5)	[1 + 1/n + 12 x m^2/(n^3-n)]^0.5					2.24			2.24			
(6)	Confidence Interval					2,434			1,594		27.25	
(7)	Projected Severity					20,806			13,442		895	
(8)	CI/Projected Severity					0.12			0.12		0.03	
(9)	Credibility assigned to MA (Z)					51%			51%		100%	
NCCI Annual Statistical Bulletin	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			
2003	14,782	1.075	15,891	16,392	1.017	16,674	569	1.017	579			
2004	16,315	1.050	17,134	18,394	1.017	18,701	626	1.017	636			
2005	17,337	1.029	17,840	20,559	1.011	20,779	689	1.011	696			
2006	18,271	1.016	18,558	22,290	1.007	22,446	761	1.007	766			
2007	18,996	1.031	19,575	24,208	1.013	24,525	832	1.013	843			
(10)	Complement of Credibility (Annual Countrywide Severity Trend)			5.1%			9.9%			9.8%		
(11)	Credibility Weighted severity trend			3.9%			8.5%			7.4%		

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 3 degrees of freedom.
- (4): Number of years between midpoint of data and projected point.
- (5): n = number of years of data used (five).
- (6) = (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
	2000/2001	289.18	286.52	7.05	715.07	707.26	61.03	4/1/02 to 4/1/03	884.46	882.91
2001/2002	269.08	273.53	19.80	682.45	671.56	118.69	4/1/03 to 4/1/04	918.78	920.40	2.64
2002/2003	262.60	261.13	2.15	611.64	637.66	676.72	4/1/04 to 4/1/05	958.58	959.49	0.84
2003/2004	249.57	249.30	0.08	600.09	605.46	28.89	4/1/05 to 4/1/06	1,000.43	1,000.25	0.03
2004/2005	238.11	238.00	0.01	588.56	574.90	186.71	4/1/06 to 4/1/07	1,043.54	1,042.73	0.66
(1)	MA Trend based on Five Year Exponential Fits		-4.5%	Medical Only		-5.0%	SAWW			
(2)	s		3.11			18.90	1.48			
(3)	t		2.35			2.35	2.35			
(4)	m		6.17			6.17	4.92			
(5)	[1 + 1/n + 12 x m^2/(n^3-n)]^0.5		2.24			2.24	1.90			
(6)	Confidence Interval		16.40			99.58	6.63			
(7)	Projected Frequency		196.11			463.15	1,177.22			
(8)	CI/Projected Frequency		0.08			0.21	0.01			
(9)	Credibility assigned to MA (Z)		72%			28%	100%			
(10)	Complement of Credibility		-4.7%			-3.4%	4.7%			
(11)	Credibility Weighted Trend		-4.6%			-3.9%	4.2%			

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 p of 90% (confidence interval) and 3 degrees of freedom.

(4): Number of years between midpoint of data and projected point.

(5): n = number of years of data used (five).

(6) = (2) x (3) x (5)

(7): Frequency, SAWW projected to policy effective period using exponential fit to data.

(8) = (6) / (7)

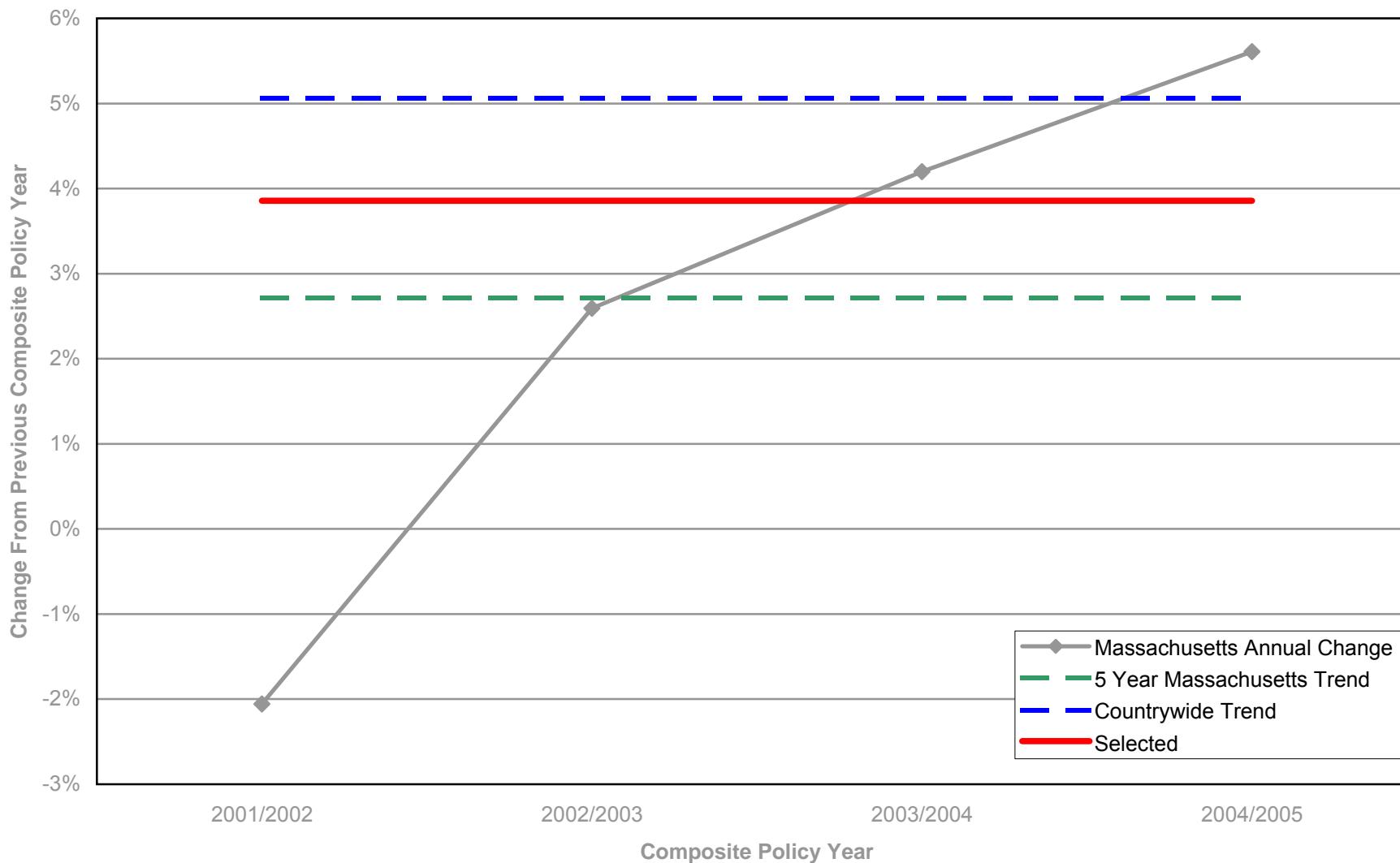
(9): The credibility is the ratio of the target value k to the confidence interval divided by the projected frequency, capped at 100%. Numerically, (9) = the minimum of k / (8) and 100%.

(10): Trend from fifteen-year exponential fit to on-level Massachusetts claim frequency (industrywide) from Section V-B, Exhibits 1 and 2, SAWW from Section V-G, Exhibit 2.

(11) = (9) x (1) + [1.0 - (9)] x (10)

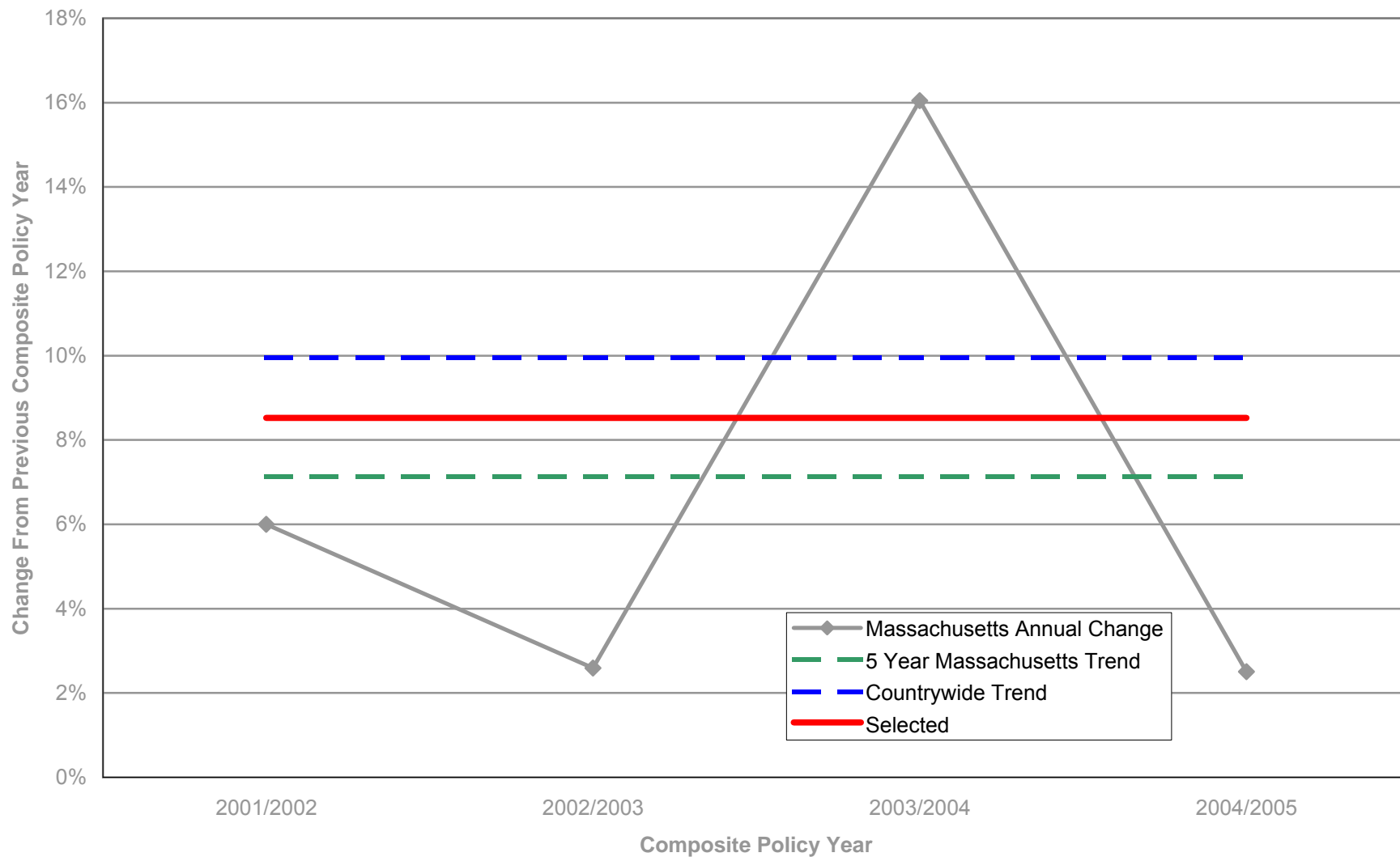
V 000020

Indemnity Severity Trend



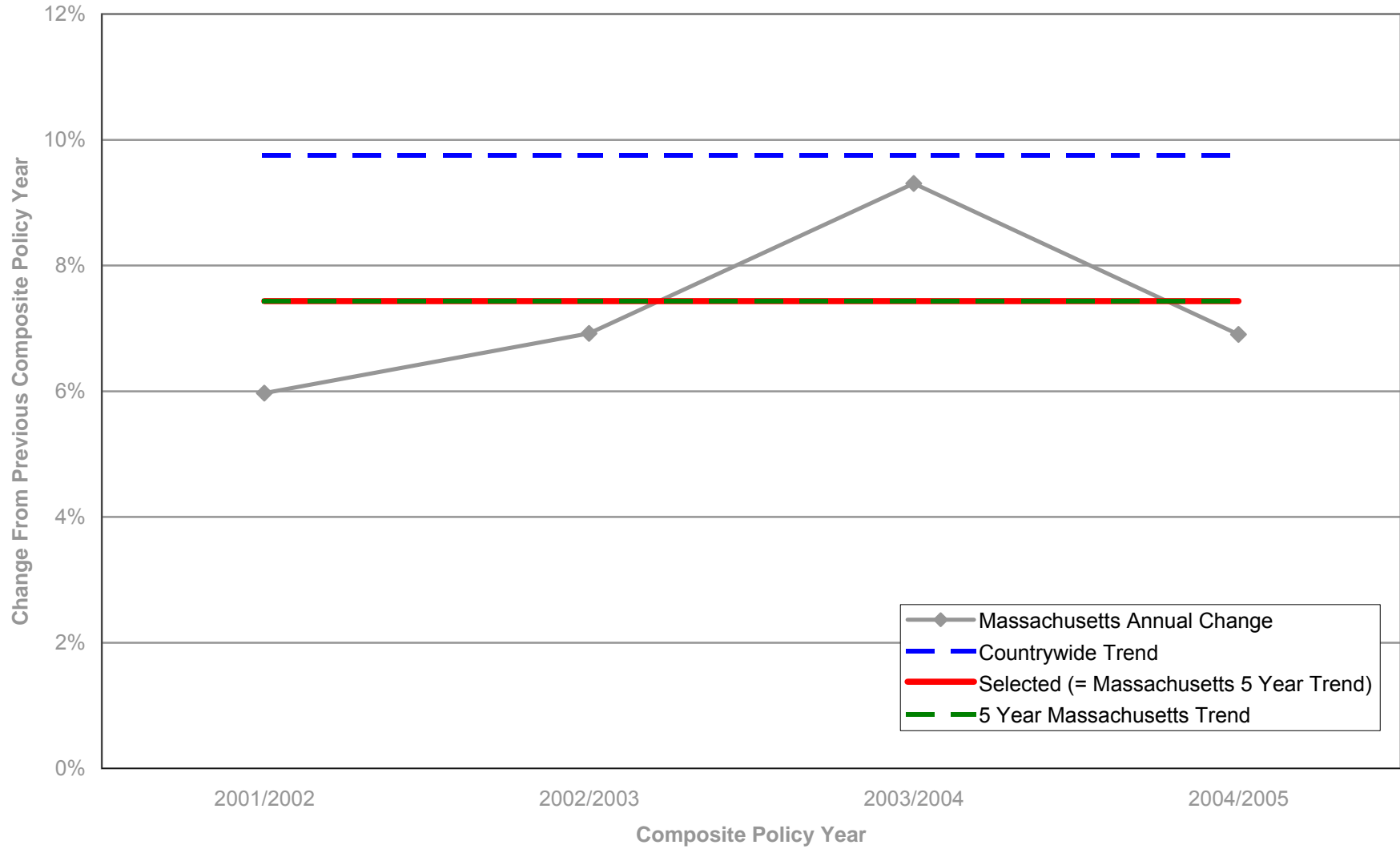
V 000021

Medical Lost Time Severity Trend



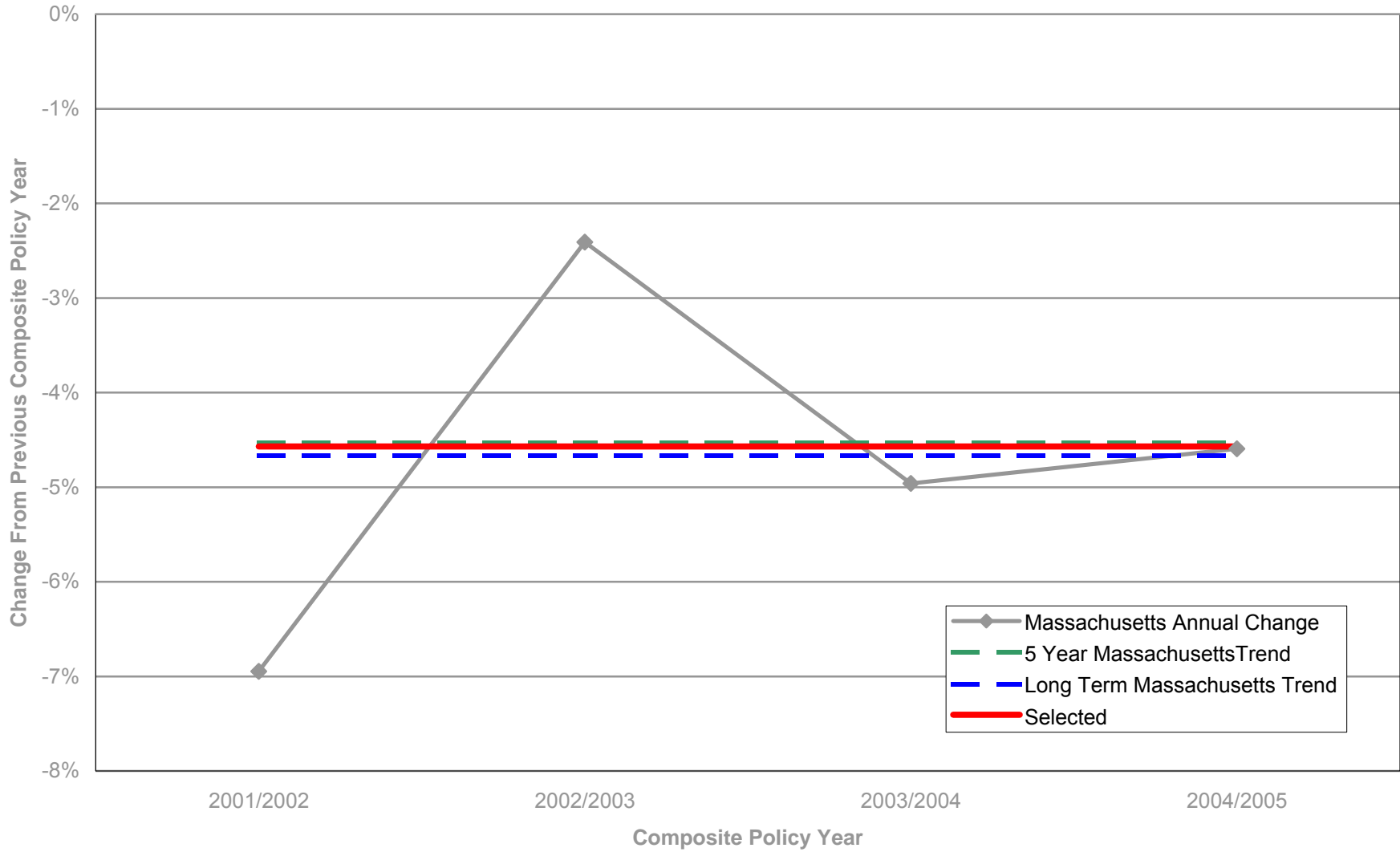
V 000022

Medical Only Severity Trend



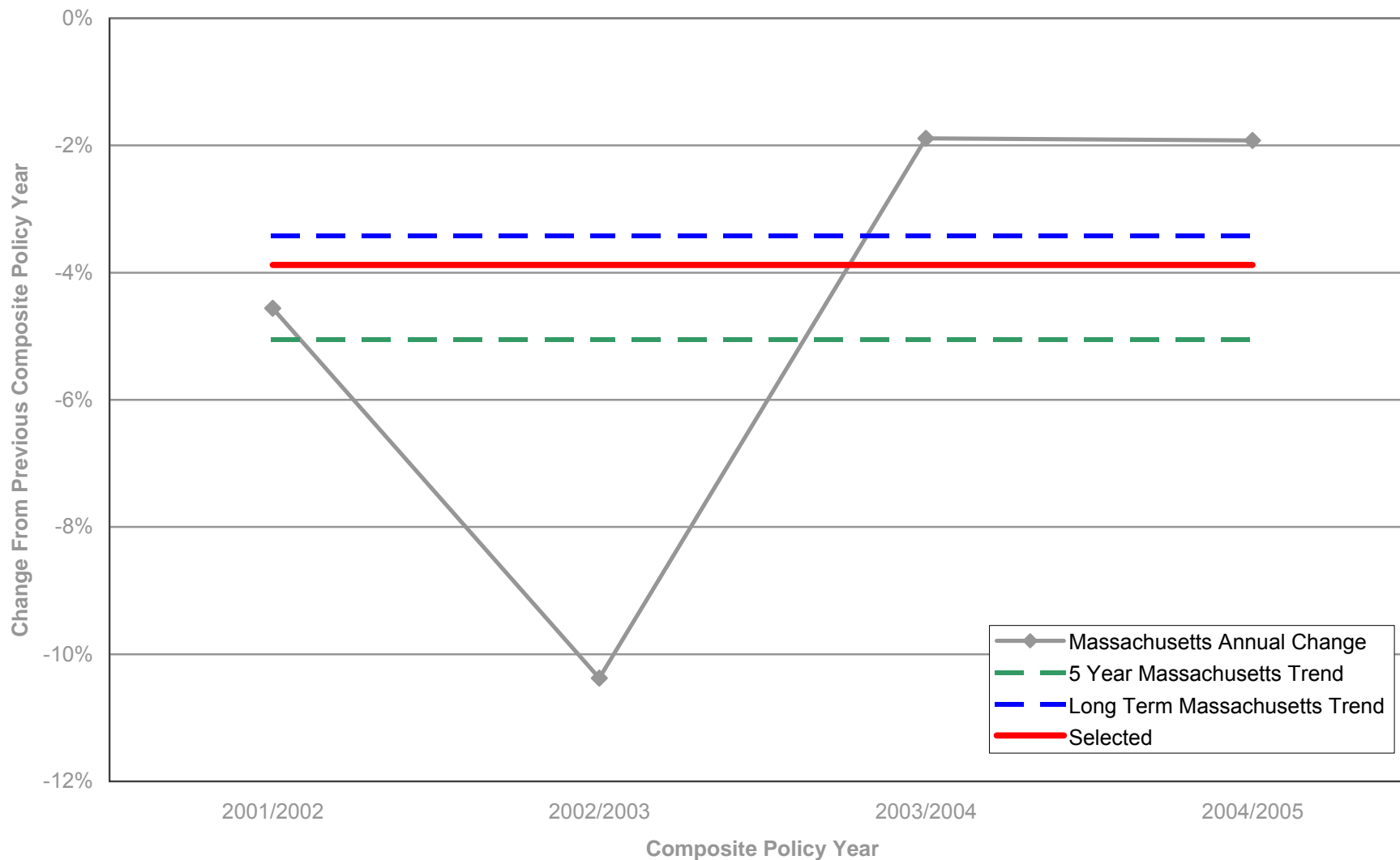
V 000023

Lost Time Frequency Trend



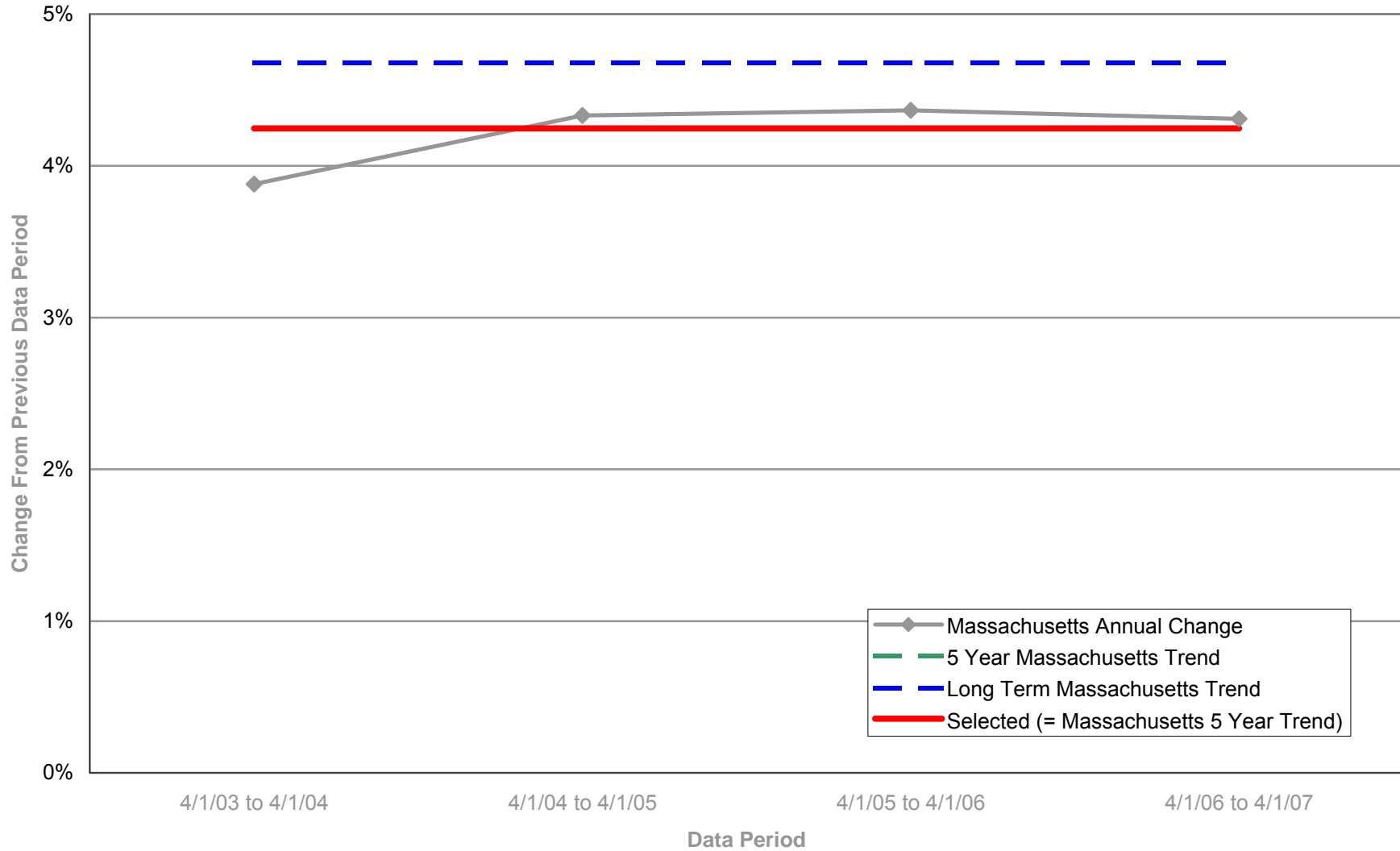
V 000024

Medical Only Frequency Trend



V 000025

SAWW Trend



V 000026

Lost Time Reported Claim Counts

Composite Policy Year (1)	Report					Claims Counts Developed to Fifth Report (3)	Estimated Million Worker-Weeks (4)	Unadjusted Claim Frequency = (3)/(4) (5)	Class Mix Adjustment (6)	Adjusted Claim Frequency = (5)x(6) (7)
	1	2	3	4	5					
1990/1991						48,299	92.11	524.38	0.985	516.46
1991/1992						33,695	76.89	438.23	0.998	437.26
1992/1993						27,007	64.47	418.90	0.982	411.34
1993/1994					24,812	24,812	64.36	385.49	1.001	385.71
1994/1995				24,788	24,793	24,793	66.81	371.08	0.982	364.37
1995/1996			24,528	24,693	25,210	25,210	72.02	350.03	1.010	353.41
1996/1997		24,361	24,779	24,908	24,953	24,953	74.02	337.11	1.032	347.76
1997/1998	24,337	25,317	25,001	25,655	25,263	25,263	72.97	346.19	0.975	337.39
1998/1999	24,003	24,713	24,867	24,614	24,619	24,619	73.10	336.79	0.991	333.77
1999/2000	24,656	25,318	25,230	25,279	25,285	25,285	77.49	326.32	0.989	322.79
2000/2001	22,247	22,418	22,590	22,628	22,631	22,631	78.95	286.67	1.009	289.18
2001/2002	20,433	20,751	20,788	20,837		20,841	76.75	271.55	0.991	269.08
2002/2003	20,092	20,301	20,372			20,417	76.19	267.96	0.980	262.60
2003/2004	17,978	18,194				18,282	71.62	255.27	0.978	249.57
2004/2005	17,239					17,516	73.56	238.11	1.000	238.11

Development Factors

15 year Lost Time Frequency trend

-4.7%

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.011	1.003	1.002	1.000
Selected	1.011	1.003	1.002	1.000
Cumulative	1.016	1.005	1.002	1.000

Notes:

Development factors are claim count weighted average from latest two years.

(4): Section V-E, Exhibit 1

(5) = (3) / (4)

(6): Section V-F, Exhibit 1

(7) = (5) x (6)

Section V - Trend
 Subsection B - Medical Only Claim Count Development
 9/1/2008

Section V - B
 Exhibit 2

Medical Only Reported Claim Counts

Composite Policy Year (1)	Report					Claims Counts Developed to Fifth Report (3)	Estimated Million Worker-Weeks (4)	Unadjusted Claim Frequency =(3)/(4) (5)	Class Mix Adjustment (6)	Adjusted Claim Frequency =(5)x(6) (7)
	1	2	3	4	5					
1990/1991						85,978	92.11	933.47	0.985	919.35
1991/1992						72,119	76.89	937.97	0.998	935.89
1992/1993						61,114	64.47	947.94	0.982	930.81
1993/1994					57,979	57,979	64.36	900.80	1.001	901.31
1994/1995				59,389	59,540	59,540	66.81	891.15	0.982	875.02
1995/1996			58,272	58,372	60,083	60,083	72.02	834.22	1.010	842.29
1996/1997		59,273	59,588	60,103	60,530	60,530	74.02	817.74	1.032	843.58
1997/1998	58,517	60,551	61,685	62,650	62,471	62,471	72.97	856.07	0.975	834.30
1998/1999	56,950	59,575	60,376	60,839	60,987	60,987	73.10	834.30	0.991	826.82
1999/2000	57,330	60,592	61,576	61,668	61,899	61,899	77.49	798.84	0.989	790.21
2000/2001	53,425	55,120	55,718	55,903	55,962	55,962	78.95	708.87	1.009	715.07
2001/2002	50,324	52,299	52,582	52,727		52,857	76.75	688.70	0.991	682.45
2002/2003	45,937	47,049	47,293			47,554	76.19	624.13	0.980	611.64
2003/2004	42,254	43,486				43,958	71.62	613.78	0.978	600.09
2004/2005	41,722					43,296	73.56	588.56	1.000	588.56

Development Factors

15 year Medical Only Frequency trend

-3.4%

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.027	1.005	1.003	1.002
Selected	1.027	1.005	1.003	1.002
Cumulative	1.038	1.011	1.006	1.002

Notes:

Development factors are claim count weighted average from latest two years.

(4): Section V-E, Exhibit 1

(5) = (3) / (4)

(6): Section V-F, Exhibit 1

(7) = (5) x (6)

V 000028

Indemnity Paid + Case Losses

Composite Policy Year	Report				
	1	2	3	4	5
1999/2000	227,085,956	319,699,906	355,552,995	356,585,612	361,131,319
2000/2001	270,629,361	336,953,611	346,683,435	360,365,020	368,932,399
2001/2002	234,758,862	291,656,496	315,316,975	330,271,113	
2002/2003	215,912,999	289,834,516	317,935,733		
2003/2004	200,683,049	273,201,159			
2004/2005	206,514,072				

Development Factors

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.352	1.089	1.043	1.018
Selected	1.352	1.089	1.043	1.018
Cumulative	1.564	1.157	1.062	1.018

Composite Policy Year (1)	Indemnity Losses Developed to Fifth Report (2)	On-Level Indemnity Losses Developed to Fifth Report (3)	Developed Claim Counts (4)	Severity = (3)/(4) (5)	Cost Containment Adjustment (6)	Adjusted Severity = (5)x(6) (7)
2000/2001	368,932,399	388,821,543	22,631	17,181	1.00	17,181
2001/2002	336,311,799	350,707,188	20,841	16,828	1.00	16,828
2002/2003	337,755,083	352,480,781	20,417	17,264	1.00	17,264
2003/2004	316,066,988	328,875,828	18,282	17,989	1.00	17,989
2004/2005	322,899,237	332,765,277	17,516	18,998	1.00	18,998

Notes:

Development factors are loss weighted average from latest two years.

(3): On-Level Factors are from Section IV-A, Exhibit 1.

(4): 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)

Lost Time Medical Paid + Case Losses

Composite Policy Year	Report				
	1	2	3	4	5
1999/2000	137,601,643	162,752,466	173,617,841	187,121,931	191,644,999
2000/2001	140,537,612	148,376,228	153,875,650	163,715,590	164,096,898
2001/2002	136,025,211	142,498,438	148,120,504	159,431,644	
2002/2003	136,645,637	145,336,822	155,483,369		
2003/2004	142,996,347	154,602,322			
2004/2005	142,850,146				

Development Factors

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.073	1.055	1.070	1.014
Selected	1.073	1.055	1.070	1.014
Cumulative	1.228	1.144	1.085	1.014

Composite Policy Year	On-Level		Developed Claim Counts (4)	Severity =(3)/(4) (5)	Cost Containment Adjustment (6)	Adjusted Severity =(5)x(6) (7)
	Lost Time Medical Losses Developed to Fifth Report (2)	Lost Time Medical Losses Developed to Fifth Report (3)				
2000/2001	164,096,898	175,168,377	22,631	7,740	1.00	7,740
2001/2002	161,660,347	170,992,765	20,841	8,205	1.00	8,205
2002/2003	168,698,786	171,851,456	20,417	8,417	1.00	8,417
2003/2004	176,932,388	178,578,506	18,282	9,768	1.00	9,768
2004/2005	175,348,796	175,384,381	17,516	10,013	1.00	10,013

Notes:

Development factors are loss weighted average from latest two years.

(3): On-Level Factors are from Section IV-A, Exhibit 1.

(4): 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 Paid + Case Losses

Composite Policy Year	Report				
	1	2	3	4	5
1999/2000	23,984,000	25,778,819	26,638,933	26,965,122	27,009,014
2000/2001	24,369,725	25,629,802	26,273,451	26,311,780	26,329,797
2001/2002	24,635,915	26,494,571	26,836,735	26,565,638	
2002/2003	26,175,179	26,595,712	26,649,955		
2003/2004	25,697,788	26,975,384			
2004/2005	27,753,294				

Development Factors

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
Two year weighted average	1.033	1.007	0.996	1.001
Selected	1.033	1.007	0.996	1.001
Cumulative	1.037	1.004	0.997	1.001

Composite Policy Year (1)	Medical Only Losses Developed to Fifth Report (2)	On-Level Medical Only Losses Developed to Fifth Report (3)	Developed Claim Counts (4)	Severity =(3)/(4) (5)	Cost Containment Adjustment (6)	Adjusted Severity =(5)x(6) (7)
2000/2001	26,329,797	28,106,246	55,962	502	1.00	502
2001/2002	26,596,508	28,131,886	52,857	532	1.00	532
2002/2003	26,563,987	27,060,420	47,554	569	1.00	569
2003/2004	27,089,133	27,341,161	43,958	622	1.00	622
2004/2005	28,782,694	28,788,535	43,296	665	1.00	665

Notes:

Development factors are loss weighted average from latest two years.

(3): On-Level Factors are from Section IV-A, Exhibit 1.

(4): 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)

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)	Estimated Million Worker-Weeks = (3) / (5) (6)
	1	2	3	4	5				
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	38,714	1994	601.48	64.36
1994/1995				41,870	41,884	41,884	1995	626.88	66.81
1995/1996			45,685	45,724	47,356	47,356	1996	657.51	72.02
1996/1997		51,011	51,309	51,413	51,457	51,457	1997	695.16	74.02
1997/1998	53,735	54,159	54,308	54,482	54,467	54,467	1998	746.39	72.97
1998/1999	58,032	58,951	59,256	59,224	59,059	59,059	1999	807.92	73.10
1999/2000	66,200	66,378	66,542	66,679	66,410	66,410	2000	857.06	77.49
2000/2001	70,125	70,387	70,601	69,587	69,592	69,592	2001	881.53	78.95
2001/2002	68,420	68,848	68,565	68,533		68,533	2002	892.95	76.75
2002/2003	69,559	69,755	69,661			69,661	2003	914.27	76.19
2003/2004	68,014	68,009				68,009	2004	949.60	71.62
2004/2005	72,758					72,860	2005	990.45	73.56

Development Factors

	Report			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
2 Yr Weighted Average	1.001	0.997	0.992	0.998
Selected	1.001	1.000	1.000	1.000
Cumulative	1.001	1.000	1.000	1.000

Notes:

Development factors are payroll weighted average from latest two years.

(5): Section V-G, Exhibit 2. The smoothed SAWW is the average of the calendar year SAWW with the preceding and following calendar year SAWW.

(6): Estimated Million Worker-Weeks is the Developed Payroll divided by the Statewide Average Weekly Wage.

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.

V 000033

Section V - Trend
Subsection F - Calculation of Adjustment Factor
9/1/2008

Section V - F
Exhibit 1

Class Mix Adjustment Factors

Composite Policy Year	Average Manual Rates Based on Rates Effective 9/01/07	Class Mix Adjustment Factor = 1.066 / (2) (3)
(1)	(2)	(3)
1990/1991	1.083	0.985
1991/1992	1.069	0.998
1992/1993	1.086	0.982
1993/1994	1.066	1.001
1994/1995	1.086	0.982
1995/1996	1.056	1.010
1996/1997	1.034	1.032
1997/1998	1.094	0.975
1998/1999	1.076	0.991
1999/2000	1.078	0.989
2000/2001	1.057	1.009
2001/2002	1.076	0.991
2002/2003	1.088	0.980
2003/2004	1.091	0.978
2004/2005	1.066	1.000

Notes:

(2): Current rates (Effective 9/01/07) averaged over class payrolls (excluding large deductibles) by Composite Policy Year.

(3): Adjustment to 2004/2005 level.

V 000034

Section V - Trend
 Subsection G - External Data
 9/1/2008

Section V - G
 Exhibit 1

External Data

Periods from which NCCI data is taken

State	Weights	Annual Statistical Bulletin				
		2003	2004	2005	2006	2007
Alabama	1.8%	5/1/1999	5/1/2000	5/1/2001	5/1/2002	5/1/2003
Alaska	0.8%	4/1/1999	4/1/2000	4/1/2001	4/1/2002	4/1/2003
Arizona	2.5%	3/1/1999	3/1/2000	3/1/2001	3/1/2002	3/1/2003
Arkansas	0.8%	2/1/1999	2/1/2000	2/1/2001	2/1/2002	2/1/2003
Colorado	2.6%	3/1/1999	3/1/2000	3/1/2001	3/1/2002	3/1/2003
Connecticut	2.2%	8/1/1999	8/1/2000	8/1/2001	8/1/2002	8/1/2003
District Of Columbia	0.3%	2/1/1999	2/1/2000	2/1/2001	2/1/2002	2/1/2003
Florida	11.6%	10/1/1998	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Georgia	4.4%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Hawaii	0.8%	6/1/1999	6/1/2000	6/1/2001	6/1/2002	6/1/2003
Idaho	0.7%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Illinois	8.3%	4/1/1999	4/1/2000	4/1/2001	4/1/2002	4/1/2003
Indiana	2.4%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Iowa	1.7%	3/1/1999	3/1/2000	3/1/2001	3/1/2002	3/1/2003
Kansas	1.3%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Kentucky	2.4%	5/1/1999	5/1/2000	5/1/2001	5/1/2002	5/1/2003
Louisiana	2.1%	9/1/1999	9/1/2000	9/1/2001	9/1/2002	9/1/2003
Maine	1.2%	6/1/1999	6/1/2000	6/1/2001	6/1/2002	6/1/2003
Maryland	2.6%	4/1/1999	4/1/2000	4/1/2001	4/1/2002	4/1/2003
Michigan	2.9%	4/1/1999	4/1/2000	4/1/2001	4/1/2002	4/1/2003
Mississippi	1.2%	9/1/1999	9/1/2000	9/1/2001	9/1/2002	9/1/2003
Missouri	3.4%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Montana	1.0%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Nebraska	1.2%	8/1/1999	8/1/2000	8/1/2001	8/1/2002	8/1/2003
Nevada	1.1%	7/1/1998	7/1/1999	1/1/2001	1/1/2002	1/1/2003
New Hampshire	1.1%	4/1/1999	4/1/2000	4/1/2001	4/1/2002	4/1/2003
New Mexico	0.7%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
North Carolina	4.7%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Oklahoma	2.4%	6/1/1999	6/1/2000	6/1/2001	6/1/2002	6/1/2003
Oregon	2.4%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Rhode Island	0.4%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
South Carolina	2.4%	5/1/1999	5/1/2000	5/1/2001	5/1/2002	5/1/2003
South Dakota	0.3%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Tennessee	3.8%	6/1/1999	8/1/2000	6/1/2001	6/1/2002	6/1/2003
Texas	12.1%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
Utah	0.9%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Vermont	0.5%	7/1/1999	7/1/2000	7/1/2001	7/1/2002	7/1/2003
Virginia	3.2%	2/1/1999	2/1/2000	2/1/2001	2/1/2002	2/1/2003
Wisconsin	4.0%	1/1/1999	1/1/2000	1/1/2001	1/1/2002	1/1/2003
TOTAL	100.0%					

Policy Period Start Date	3/10/1999	3/22/2000	3/22/2001	3/22/2002	3/22/2003
Average Written Date	9/10/1999	9/22/2000	9/22/2001	9/22/2002	9/22/2003
Average Earned Date	3/10/2000	3/22/2001	3/22/2002	3/22/2003	3/22/2004
Years	8.19	9.23	10.23	11.23	12.23

Time = 0 corresponds to 1/1/1992

Weights are derived from data obtained from NCCI that underlies the 2007 NCCI Annual Statistical Bulletin.

V 000035

Section V - Trend
 Subsection G - External Data
 9/1/2008

Section V - G
 Exhibit 2

Summary of Statewide Average Weekly Wage (SAWW) Data

Date Promulgated by DUA (1)	Period of Data Used by DUA (2)	SAWW (3)
10/1/85	4/1/84 to 4/1/85	360.50
10/1/86	4/1/85 to 4/1/86	383.57
10/1/87	4/1/86 to 4/1/87	411.00
10/1/88	4/1/87 to 4/1/88	444.20
10/1/89	4/1/88 to 4/1/89	474.47
10/1/90	4/1/89 to 4/1/90	490.57
10/1/91	4/1/90 to 4/1/91	515.52
10/1/92	4/1/91 to 4/1/92	543.30
10/1/93	4/1/92 to 4/1/93	565.94
10/1/94	4/1/93 to 4/1/94	585.66
10/1/95	4/1/94 to 4/1/95	604.03
10/1/96	4/1/95 to 4/1/96	631.03
10/1/97	4/1/96 to 4/1/97	665.55
10/1/98	4/1/97 to 4/1/98	699.91
10/1/99	4/1/98 to 4/1/99	749.69
10/1/00	4/1/99 to 4/1/00	830.89
10/1/01	4/1/00 to 4/1/01	890.94
10/1/02	4/1/01 to 4/1/02	882.57
10/1/03	4/1/02 to 4/1/03	884.46
10/1/04	4/1/03 to 4/1/04	918.78
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
10/1/07	4/1/06 to 4/1/07	1,043.54
15 Year Exponential Fit, Trend =		4.7%

Composite Policy Year (4)	Corresponding Calendar Year (5)	SAWW (6)
1985/1986	1986	404.14
1986/1987	1987	435.90
1987/1988	1988	466.90
1988/1989	1989	486.55
1989/1990	1990	509.28
1990/1991	1991	536.36
1991/1992	1992	560.28
1992/1993	1993	580.73
1993/1994	1994	599.44
1994/1995	1995	624.28
1995/1996	1996	656.92
1996/1997	1997	691.32
1997/1998	1998	737.25
1998/1999	1999	810.59
1999/2000	2000	875.93
2000/2001	2001	884.66
2001/2002	2002	883.99
2002/2003	2003	910.20
2003/2004	2004	948.63
2004/2005	2005	989.97
2005/2006	2006	1,032.76

Notes:

(6): SAWW for Calendar Year $i = [.25 \times \text{AWW during period } 4/1/(i-1) \text{ to } 4/1/i] + [.75 \times \text{AWW during period } 4/1/i \text{ to } 4/1/(i+1)]$
 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 9/1/07 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 calendar 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 two carrier groups 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.

VI 000002

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 (2006) 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 2006 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 (2006). 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. As in the 9/1/2005 and 9/1/2007 filings, the WCRIB has also considered two additional variable expenses: earned but uncollected premium net of 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 9/1/1999 Rates and in the WCRIB's 9/1/2001, 9/1/2003, 9/1/2005 and 9/1/2007 rate filings. Carriers in Massachusetts may elect to use either the Type A or the Type B premium discount table. Based on the projected distribution of policy size and the two available premium discount tables, the WCRIB estimated an average premium discount for the Type A and Type B tables separately. 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 selected net effect of accounting for both incidental income and EBUP, based upon a three-year average of the experience reported for calendar years 2004, 2005 and 2006, is no adjustment at all (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 \$159 and \$318 for risk sizes less than and exceeding \$200, respectively. The indicated expense constants of \$169 and \$338 for risk sizes less than and exceeding \$200, respectively, are calculated in the same manner as in the WCRIB's Filings for 9/1/2005 and 9/1/2007 Rates.

The WCRIB calculated a trend factor to bring the current expense constants from 9/1/2008 expense levels to those of 9/1/2009, the average earned 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
9/1/2008

Section VI - A
Exhibit 1

Loss Ratios Underlying the Proposed Rates

	<u>As a % of Standard Premium plus ARAP</u>
(1) Acquisition Expenses	11.4%
(2) Premium Discount	4.0%
(3) Premium Taxes = 2.28% x [1.0 - (2)]	2.2%
(4) Variable Expense Ratio = (1) + (2) + (3)	17.6%
(5) Profit and Contingencies	-1.2%
(6) Permissible Loss, LAE, and Fixed Expense Ratio = 1.0 - [(4) + (5)]	83.6%
(7) Fixed Expense Ratio	6.5%
(8) Insolvency Fund Assessment	-0.1%
(9) Expected Loss and Loss Adjustment Expense Ratio = (6) - [(7) + (8)]	77.1%
(10) Loss Adjustment Expenses (as a percent of losses)	20.1%
(11) Expected Loss Ratio without Loss Adjustment Expense = (9) / [1.0 + (10)]	64.2%

Notes:

- (1): Section VI-K, Exhibit 1.
- (2): Section VI-I, Exhibit 1.
- (3): Section VI-B, Exhibit 3.
- (5): Section VII-B, Exhibit 1.
- (6): Used in Section I.
- (7): Section VI-B, Exhibit 1. The Fixed Expense Ratio for Policy Year 2004 is 6.7%. The Fixed Expense Ratio for Policy Year 2005 is 6.7%. The average of these two ratios is divided by the [1.0 + indicated rate change], 2.3%, 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 XII-B, Exhibit 1.

Calculation of Fixed Expenses

Calendar Year	General Expense			Projected to PY2004			Projected to PY2005		
	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)
2004	32,857,450	5,517,784	38,375,234	1.060	0.992	40,366,039	1.108	0.977	41,522,603
2005	37,174,604	5,343,799	42,518,403	0.946	1.008	40,552,128	0.989	0.992	41,714,024
2006	34,253,398	6,203,569	40,456,967	0.968	1.024	40,093,611	1.011	1.008	41,242,370
Average			40,450,202			40,337,259			41,492,999

Policy Year	Three Year Average Projected General Expense	Provision for Other Taxes	Provision for Fixed Expenses = (12) + (13)	Expense Trends from PYs to Pol Eff Period 9/1/2008	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)
2004	40,337,259	4,719,470	45,056,729	1.244	56,072,286	831,899,675	6.7%
2005	41,492,999	4,854,691	46,347,691	1.191	55,197,049	829,842,703	6.7%

Notes:

(2): Exhibit 2, Page 1.

(3): Massachusetts Workers' Compensation Assigned Risk Pool Annual Report and WCRI Financial Statements and Expense Analysis Report.

(5), (8): Section VI-G, Exhibit 1.

(6),(9): -1.6% annual growth in worker-weeks, from Section VI-H, Exhibit 1; 0.5 years from CY 2004 to PY 2004, 1.5 years from CY 2004 to PY 2005, 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 shown in Section I and off-balance factors shown in Section III.

VI 000010

VI 000011

Section VI - Expenses
 Subsection B - Fixed Expenses
 9/1/2008

Section VI - B
 Exhibit 2
 Page 1

General Expense Exclusive of Proposed Expense Constant

	Calendar Year		
	2004	2005	2006
(1) Standard Earned Premium plus ARAP Including Expense Constant Revenue	833,785,321	858,332,389	915,815,513
(2) Expense Constant Offset	0.967	0.966	0.965
(3) Standard Earned Premium plus ARAP Excluding Expense Constant Revenue = (1) x (2)	806,410,570	829,462,711	883,653,581
(4) Ratio of General Expense to Standard + ARAP Premium	5.6%	6.2%	5.5%
(5) General Expenses = (1) x (4)	46,629,725	53,106,251	50,708,778
(6) Historical Expense Constant Revenue = (1) - (3)	27,374,751	28,869,678	32,161,932
(7) General Expense Portion of Expense Constant	51.0%	51.0%	51.0%
(8) Average Expense Constant in Effect	223.56	228.35	240.79
(9) Proposed Average Expense Constant	291.13	291.13	291.13
(10) Trend Factor to Adjust Proposed Average Expense Constant to Calendar Year	1.319	1.178	1.205
(11) Adjusted Proposed Average Expense Constant = (9) / (10)	220.66	247.21	241.69
(12) Adjusted General Expenses Generated by the Expense Constant = [(6) x (7)] x [(11) / (8)]	13,772,275	15,931,646	16,455,379
(13) General Expenses Exclusive of Expense Constant Revenue = (5) - (12)	32,857,450	37,174,604	34,253,398
(14) General Expense Percent Exclusive of Expense Constant = (13) / (3)	4.1%	4.5%	3.9%

Notes:

- (1): Aggregate Financial Policy Year Call.
- (2): 2004 and 2005 values: Section VI-J, Exhibit 2. CPY03/04 corresponds to CY2004, CPY04/05 corresponds to CY2005. 2006 value: Section VI-J, Exhibit 1.
- (4): Page 2.
- (7): 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
 9/1/2008

Section VI - B
 Exhibit 2
 Page 2

Calculation of General Expense

		Calendar Year		
		2004	2005	2006
(1)	Direct Standard Earned Premium	931,793,664	922,459,034	987,831,481
(2)	Factor to include ARAP	1.047	1.046	1.069
(3)	Standard Earned Premium plus ARAP = (1) x (2)	975,272,389	964,469,252	1,056,356,532
(4)	Actual Bureau Expenses	8,761,270	9,361,002	10,032,510
(5)	Audit, Inspection and Other General Expenses	45,781,167	50,312,088	48,458,035
(6)	General Expense = (4) + (5)	54,542,437	59,673,090	58,490,545
(7)	Ratio of General Expense to Standard + ARAP Premium = (6) / (3)	5.6%	6.2%	5.5%

Notes:

(1),(5): Aggregate Financial Expense Calls, 2004 - 2006.

(1): Reported premium excludes ARAP and includes large deductible policies at Standard premium.

(2): Estimated using Unit Statistical Plan Data for Composite Policy Years 03/04, 04/05 and 05/06.

(4): WCRIB Financial Statements and Expense Analysis Report. Excludes Workers' Compensation Bureau Pool Expenses.

VI 000013

Section VI - Expenses
Subsection B - Fixed Expenses
9/1/2008

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 [1.0 - (2)]	51.0%
(4)	Other Acquisition Portion of Expense Constant = [1.0 - (1)] x [1.0 - (2)]	46.7%

Note:

- (1): NCCI 1991 Calendar Year Expense database.
- (2): MA Department of Revenue, 2007 Form 63-23P.
2.28% is Premium Tax as % of Net Premium.

VI 000014

Section VI - Expenses
Subsection C - Other Taxes
9/1/2008

Section VI - C
Exhibit 1

Calculation of Other Taxes

(1)	2006 Calendar Year Massachusetts Standard Earned Premium plus ARAP	915,815,513
(2)	2006 Other Tax Allowance	0.52%
(3)	2006 Massachusetts Other Taxes = (1) x (2)	4,762,241
(4A)	Other Tax Trend Factor, CY 2006 to PY 2004	0.968
(4B)	Other Tax Trend Factor, CY 2006 to PY 2005	1.011
(5A)	Exposure Growth from CY 2006 to PY 2004	1.024
(5B)	Exposure Growth from CY 2006 to PY 2005	1.008
(6A)	Massachusetts Other Taxes for PY 2004 = (3) x (4A) x (5A)	4,719,470
(6B)	Massachusetts Other Taxes for PY 2005 = (3) x (4B) x (5B)	4,854,691

Notes:

(1): Aggregate Financial Policy Year Call.

(2): 2007 Best's Aggregates and Averages. Pages 706-707.

(4A),(4B): Section VI-G, Exhibit 1.

(5A),(5B): -1.6% per year (Section VI - H, Exhibit 1); -0.5 years from CY 2006 to PY 2005,
-1.5 years from CY 2006 to PY 2004.

VI 000015

Section VI - Expenses
 Subsection D - Loss Adjustment Expense
 9/1/2008

Section VI - D
 Exhibit 1

Loss Adjustment Expense

		Calendar Year		
		2004	2005	2006
(1)	Direct Incurred Losses (\$000)	616,287	640,934	612,838
(2)	Direct Incurred Defense and Cost Containment Expense (\$000)	58,669	61,953	80,996
(3)	Average Provision for Defense and Cost Containment Expense = (2) / (1)	9.5%	9.7%	13.2%
(4)	Three Year Average Provision for Defense and Cost Containment Expense = Average of (3)	10.8%		
(5)	Direct Incurred Adjusting and Other Expense (\$000)	61,179	63,651	60,314
(6)	Average Provision for Adjusting and Other Expense = (5) / (1)	9.9%	9.9%	9.8%
(7)	Factor to adjust for effect of Large Deductible policies	0.934	0.941	0.941
(8)	Adjusted Provision for Adjusting and Other Expense = (6) x (7)	9.3%	9.3%	9.3%
(9)	Three Year Average Provision for Adjusting and Other Expense = Average of (8)	9.3%		
(10) Adjusted Provision for Total Loss Adjustment Expense = (4) + (9)		20.1%		

Notes:

- (1),(2),(5): Aggregate Financial Expense Calls, 2004 - 2006.
 (7): Section VI - L, Exhibit 1, Page 1.

VI 000016

Section VI - Expenses
 Subsection E - Expense Constant
 9/1/2008

Section VI - E
 Exhibit 1

Calculation of Revised Expense Constant

Risk Size Intervals		CPY 04/05 Policy Count		Policy Distribution	Current Expense Constant	Trend Factor from 9/1/2008 to 9/1/2009	Calculated Expense Constant (6) x (7) (8)
Unadjusted (1)	Adjusted (2)	Interstate (3)	Intrastate (4)				
Less than \$200	Less Than \$210.53	-	39,760	28%	\$159.00	1.061	\$169.00
\$200 or more	\$210.53 or more	12,141	91,456	72%	\$318.00	1.061	\$338.00
TOTAL		12,141	131,216	100%	\$273.90		\$291.13

Notes:

Unit Statistical Plan Data Composite PY 04/05 (excluding Large Deductible policies).

Risk sizes in terms of Standard Premium

(2): Intervals have been adjusted by a factor of 0.95. See Section III - G, Exhibit 1.

(5) = [(3) + (4)] / [Total for {(3) + (4)}]

(7): Section VI - G, Exhibit 1.

VI 000017

Section VI - Expenses
 Subsection F- Expense Trends
 9/1/2008

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	6.44	62.6%	Average Weekly Earnings Covered Employment and Wages; Private Fire, Marine, Casualty Massachusetts	80.9%
Payroll Taxes	0.37	3.6%		
Employee Relations	1.51	14.7%		
<hr/>				
Travel & Travel Items	0.44	4.3%	Food Away From Home-CPI-US	2.1%
			Private Transportation-CPI-US	2.1%
<hr/>				
Postage & Telephone	0.37	3.6%	Postage-CPI-US	1.8%
			Telephone-CPI-US	1.8%
<hr/>				
Equipment	0.96	9.3%	Office & Stores Machines & Equipment-PPI	9.3%
<hr/>				
Printing & Stationery	0.19	1.8%	Paper-PPI	1.8%
<hr/>				
Total	10.28	100.0%		100.0%

Note:

(2): 2007 Best's Aggregates and Averages, Property-Casualty, Totals for Predominately Commercial Casualty Companies with Written Premium Net of Reinsurance Ceded over \$15 million.

(5) = (3) based on (4)

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)
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
2006	1,559.00	199.10	177.50	95.90	201.90	114.70	167.40

Economic Indices, Normalized to Calendar Year 2006 Index of 100

Calendar Year (9)	Average Weekly Earnings (10)	Food (11)	Private Transportation (12)	Phone (13)	Postage (14)	Machines & Equipment (15)	Paper (16)
2000	68.95	84.88	84.56	102.92	82.02	98.26	89.49
2001	72.67	87.29	84.96	103.65	85.24	98.26	89.96
2002	74.79	89.50	83.94	104.17	90.44	98.08	86.44
2003	81.14	91.41	86.48	102.71	94.95	97.91	87.28
2004	90.19	94.12	89.46	100.10	94.95	98.69	89.25
2005	103.21	97.09	95.94	99.06	94.95	100.35	95.34
2006	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(17) Weight 80.9% 2.1% 2.1% 1.8% 1.8% 9.3% 1.8%

Calendar Year (18)	Expense Trend Index (19)	Using Actual Values			Exponential Fit (23)	Trend to 9/1/2009 (24)
		Trend to Latest Calendar Year (20)	Trend to PY2004 (21)	Trend to PY2005 (22)		
2000	73.59	1.359	1.315	1.374	72.07	1.637
2001	76.74	1.303	1.261	1.318	76.43	1.570
2002	78.50	1.274	1.233	1.288	81.06	1.534
2003	83.79	1.193	1.155	1.207	85.96	1.438
2004	91.30	1.095	1.060	1.108	91.17	1.319
2005	102.29	0.978	0.946	0.989	96.69	1.178
2006	100.00	1.000	0.968	1.011	102.54	1.205
				PY2004		1.244
				PY2005		1.191
				9/1/2008	116.46	1.061
				9/1/2009	123.51	1.000

Notes:

- (2): Average Weekly Earnings, Covered Employment and Wages, Private Fire, Marine, and Casualty Insurers - Massachusetts Unadjusted for Seasonality
 Years 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 - 2006: 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) through (16) weighted by (17)
- (20) = [(19) for CY 2006] / (19)
- (21) = [(19) for PY 2004] / (19). Index for PY 2004 is computed as average of indices for CY 2004 - 2005.
- (22) = [(19) for PY 2005] / (19). Index for PY 2005 is computed as average of indices for CY 2005 - 2006.
- (24) For CYs = (20) x { [(23) for projected date] / [(23) for CY 2006]
- For PYs = [(19) for CY 2006] / [Average of (19) for Year and Year+1] x { [(23) for projected date] / [(23) for CY 2006]

VI 000019

Section VI - Expenses
Subsection H - Exposure Growth
9/1/2008

Section VI - H
Exhibit 1

Growth in Worker-Weeks

		Annual Change in Worker-Weeks
(1)	<u>Composite Policy Years</u>	
	2000/2001 to 2001/2002	-2.8%
	2001/2002 to 2002/2003	-0.7%
	2002/2003 to 2003/2004	-6.0%
	2003/2004 to 2004/2005	2.7%
(2)	Average of latest 4 annual changes	-1.7%
	Average of latest 3 annual changes	-1.3%
	Average of latest 2 annual changes	-1.6%
(3)	Selected for overall exposure growth	-1.6%

Notes:

- (1): Worker-weeks data from Section V-E, Exhibit 1.
- (3): The selected number is the average of the three entries in (2) above for Unit Statistical Plan Data exposure growth rates.

VI 000020

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

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	6.4%	3.6%
(2)	% of Voluntary Premium using Discount Table	42.5%	57.5%
(3)	Weighted Average Premium Discount in Voluntary Market = (1) weighted by (2)	4.8%	
(4)	Voluntary Market Share	86.1%	
(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	4.5%	
(7) Average Premium Discount as a percent of Standard Premium + ARAP = (5) / [1.0 + (6)]		4.0%	

Notes:

- (1): Exhibit 2.
- (2): Exhibit 4.
- (4): Special Bulletin 02-08. Market Share is estimated using Standard Premium plus ARAP.
- (6): Section IX - K, Exhibit 3.

VI 000021

Section VI - Expenses
Subsection I - Expenses Net of Premium Discount
9/1/2008

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	226,326,535	0.342	
Next	190,000	323,837,213	0.489	
Next	1,550,000	89,965,645	0.136	
Over	1,750,000	21,898,870	0.033	
TOTAL		662,028,263	1.000	

Note:

(1), (4), (5): Page RA-5, Miscellaneous Values, from MA WC & EL Manual.

(2): Exhibit 3, Page 1.

(3) = (2) / [(2) for Total]

VI 000022

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 3
 Page 1

Standard Premium by Layer Voluntary Market Risks

04/05 Policy Year Layer of Standard Premium (1)	Standard Premium in Layer		Standard Premium = [(2) + (3)] (4)
	Intrastate (2)	Interstate (3)	
0 - 10,526	204,945,359	21,381,176	226,326,535
10,526 - 210,526	233,583,135	90,254,079	323,837,213
210,526 - 1,842,105	30,276,860	59,688,785	89,965,645
1,842,105 & Over	855,962	21,042,908	21,898,870
TOTAL	469,661,316	192,366,947	662,028,263

Notes:

(1): Corresponds to first 10,000, next 190,000, next 1,550,000, and over 1,750,000 with 0.95 premium adjustment. See Section III - G, Exhibit 1.

(2),(3): Exhibit 3, Page 2.

VI 000023

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
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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 - 10,526	10,526 - 210,526	210,526 - 1,842,105 (2)	1,842,105 & Over			
0 - 10,526	110,240,096	92,778,947	1,915,789	10,526	204,945,359		
10,526 - 210,526		196,983,135	36,400,000	200,000	233,583,135		
210,526 - 1,842,105			28,645,282	1,631,579	30,276,860		
1,842,105 & Over				855,962	855,962		
Total	110,240,096	289,762,082	66,961,071	2,698,067	469,661,316		

Interstate Intervals					
Layer of Standard Premium (4)	Standard Premium Sizes				Total = [Sum of (5)] (6)
	0 - 4,211	4,211 - 84,211	33,684 - 736,842 (5)	736,842 & Over	
0 - 4,211	6,551,702	12,842,105	1,907,368	80,000	21,381,176
4,211 - 84,211		52,494,079	36,240,000	1,520,000	90,254,079
33,684 - 736,842			47,288,785	12,400,000	59,688,785
736,842 & Over				21,042,908	21,042,908
Total	6,551,702	65,336,184	85,436,153	35,042,908	192,366,947

Notes:

Unit Statistical Plan Data, 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.

(1): Corresponds to first 10,000, next 190,000, next 1,550,000, and over 1,750,000 with 0.95 premium adjustment. See 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
9/1/2008

Section VI - I
Exhibit 4

Calculation of Calendar Year 2006 Voluntary Premium: Type A vs. Type B Table Elected Premium Discount Schedule as of 2/19/08

(1)	Adjusted Voluntary Premium for Companies electing Type A Premium Discount Schedule (\$000)	353,053
(2)	Adjusted Voluntary Premium for Companies electing Type B Premium Discount Schedule (\$000)	478,155
(3)	Percentage of Voluntary Premium electing Type A Discount = (1) / [(1) + (2)]	42.5%
(4)	Percentage of Voluntary Premium electing Type B Discount = (2) / [(1) + (2)]	57.5%

Notes:

The total market premiums are from the 2006 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.

VI 000025

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)
13781	American Home Assurance Company	B	139,584	0	139,584	0	139,584	0
26158	Associated Industries of Mass. Mutu	A	107,180	46,272	60,908	60,908	0	0
13889	Insurance Company of the State of P	B	64,708	0	64,708	0	64,708	0
13102	Granite State Insurance Company	B	56,144	53,332	2,813	0	2,813	0
15172	Commerce and Industry Insurance Com	B	44,536	0	44,536	0	44,536	0
16586	Liberty Mutual Fire Insurance Compa	B	41,637	34,119	7,517	0	7,517	0
14974	Twin City Fire Insurance Company	B	40,893	0	40,893	0	40,893	0
21814	Liberty Insurance Corporation	B	37,696	0	37,696	0	37,696	0
29211	Atlantic Charter Insurance Company	A	32,803	8,648	24,154	24,154	0	0
10863	Zurich American Insurance Company	A	26,823	0	26,823	26,823	0	0
10456	Hartford Underwriters Insurance Com	B	21,626	15,311	6,315	0	6,315	0
40959	Associated Employers Insurance Comp	B	20,317	0	20,317	0	20,317	0
25844	NorGuard Insurance Company	A	20,099	0	20,099	20,099	0	0
10243	Continental Casualty Company	B	16,493	8,333	8,160	0	8,160	0
17965	American Zurich Insurance Company	A	15,546	10,098	5,448	5,448	0	0
14397	Hartford Casualty Insurance Company	B	14,181	0	14,181	0	14,181	0
12890	Federal Insurance Company	A	14,060	0	14,060	14,060	0	0
20605	Hartford Insurance Company of the M	B	11,436	0	11,436	0	11,436	0
13269	Hartford Fire Insurance Company	B	11,097	0	11,097	0	11,097	0
13080	New Hampshire Insurance Company	B	10,333	0	10,333	0	10,333	0
27723	Firemen's Insurance Company of Wash	A	10,090	0	10,090	10,090	0	0
35718	Endeavour Insurance Company	B	10,065	0	10,065	0	10,065	0
35165	Arbella Protection Insurance Compan	A	9,683	0	9,683	9,683	0	0
12408	Transportation Insurance Company	B	9,342	0	9,342	0	9,342	0
12491	Illinois National Insurance Company	B	7,982	0	7,982	0	7,982	0
13633	Hanover Insurance Company	A	6,861	0	6,861	6,861	0	0
15032	Valley Forge Insurance Company	B	6,665	0	6,665	0	6,665	0
36835	Independence Casualty Insurance Com	A	6,517	0	6,517	6,517	0	0
16721	Farm Family Casualty Insurance Comp	A	6,453	0	6,453	6,453	0	0
15628	Liberty Mutual Insurance Company	B	6,382	(651)	7,033	0	7,033	0
24562	Star Insurance Company	A	6,334	0	6,334	6,334	0	0
31771	Savers Property and Casualty Insura	A	6,229	0	6,229	6,229	0	0
10545	Maryland Casualty Company	A	5,605	0	5,605	5,605	0	0
16993	Central Mutual Insurance Company	A	5,543	0	5,543	5,543	0	0
16640	Arrow Mutual Liability Insurance Co	B	5,509	0	5,509	0	5,509	0
16152	Public Service Mutual Insurance Com	A	5,506	0	5,506	5,506	0	0
15571	Sentry Insurance A Mutual Company	A	5,239	0	5,239	5,239	0	0
16322	NGM Insurance Company	A	4,754	0	4,754	4,754	0	0
21873	AmGUARD Insurance Company	A	4,715	0	4,715	4,715	0	0
15555	Employers Insurance Company of Waus	A	4,616	0	4,616	4,616	0	0
12629	Electric Insurance Company	A	4,384	0	4,384	4,384	0	0
12238	National Fire Insurance Company of	A	3,891	0	3,891	3,891	0	0
18996	Wausau Underwriters Insurance Compa	A	3,851	0	3,851	3,851	0	0
12777	United States Fire Insurance Compan	A	3,843	0	3,843	3,843	0	0
11355	Peerless Insurance Company	A	3,768	0	3,768	3,768	0	0
31879	Arbella Indemnity Insurance Company	A	3,742	0	3,742	3,742	0	0
21644	Harleysville Worcester Insurance Co	B	3,546	0	3,546	0	3,546	0
21059	Norfolk & Dedham Mutual Fire Insura	A	3,457	0	3,457	3,457	0	0
33391	Acadia Insurance Company	A	3,452	0	3,452	3,452	0	0
11053	Continental Western Insurance Co	A	3,435	0	3,435	3,435	0	0
27332	Wausau Business Insurance Company	A	3,415	0	3,415	3,415	0	0
10448	Hartford Accident and Indemnity Com	B	3,286	0	3,286	0	3,286	0
12300	Employers' Fire Insurance Company	A	2,942	0	2,942	2,942	0	0

VI 000026

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
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Section VI - I
 Exhibit 5

Calendar Year 2006 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)
13838	All America Insurance Company	A	2,838	0	2,838	2,838	0	0
28355	Arch Insurance Company	A	2,621	0	2,621	2,621	0	0
30406	State National Insurance Company In	A	2,448	0	2,448	2,448	0	0
27359	First Liberty Insurance Corporation	B	2,424	0	2,424	0	2,424	0
27103	Main Street America Assurance Compa	A	2,417	0	2,417	2,417	0	0
15822	Graphic Arts Mutual Insurance Compa	A	2,195	0	2,195	2,195	0	0
23922	Paramount Insurance Company	A	2,188	0	2,188	2,188	0	0
16446	Federated Mutual Insurance Company	A	2,106	0	2,106	2,106	0	0
14540	One Beacon America Insurance Compan	A	2,083	0	2,083	2,083	0	0
33936	EastGUARD Insurance Company	A	1,912	0	1,912	1,912	0	0
39071	Technology Insurance Company	A	1,858	0	1,858	1,858	0	0
11509	Old Republic Insurance Company	A	1,821	0	1,821	1,821	0	0
14508	North River Insurance Company	A	1,814	0	1,814	1,814	0	0
15717	Utica Mutual Insurance Company	A	1,744	0	1,744	1,744	0	0
19879	Virginia Surety Company, Inc.	A	1,712	0	1,712	1,712	0	0
11916	Pennsylvania Manufacturers' Associa	A	1,622	0	1,622	1,622	0	0
10693	Vigilant Insurance Company	A	1,601	0	1,601	1,601	0	0
12289	American Insurance Company, (The)	A	1,548	0	1,548	1,548	0	0
10685	Pacific Indemnity Company	A	1,449	0	1,449	1,449	0	0
10030	American Casualty Company of Readin	A	1,407	0	1,407	1,407	0	0
11363	Ohio Casualty Insurance Company	A	1,379	0	1,379	1,379	0	0
27944	XL Specialty Insurance Company	A	1,372	0	1,372	1,372	0	0
21172	Praetorian Ins Co	A	1,356	0	1,356	1,356	0	0
10359	OneBeacon Insurance Company	A	1,351	102	1,249	1,249	0	0
14567	Great Northern Insurance Company	A	1,334	0	1,334	1,334	0	0
12440	General Casualty Company of Wiscons	A	1,330	0	1,330	1,330	0	0
26565	Dorchester Mutual Insurance Company	A	1,326	0	1,326	1,326	0	0
25461	Clarendon National Insurance Compan	A	1,293	0	1,293	1,293	0	0
14281	Tokio Marine & Nichido Fire Insuran	A	1,277	0	1,277	1,277	0	0
17507	Florists' Mutual Insurance Company	A	1,244	0	1,244	1,244	0	0
13668	Sentry Select Insurance Company	A	1,188	0	1,188	1,188	0	0
14184	Netherlands Insurance Company (The)	A	1,155	0	1,155	1,155	0	0
11452	American Guarantee and Liability In	A	1,153	0	1,153	1,153	0	0
14095	Argonaut Insurance Company	A	1,123	0	1,123	1,123	0	0
11495	American States Insurance Company	A	1,027	0	1,027	1,027	0	0
38563	MEMIC Indemnity Company	A	970	0	970	970	0	0
24023	Vanliner Insurance Company	A	931	0	931	931	0	0
41068	Alea North America Insurance Compan	A	865	0	865	865	0	0
34681	Great Divide Insurance Company	A	832	0	832	832	0	0
19089	Mitsui Sumitomo Insurance Company o	A	819	0	819	819	0	0
15652	Merchants Mutual Insurance Company	A	721	0	721	721	0	0
61417	Atlantic Specialty Insurance Compan	A	706	0	706	706	0	0
31097	Transguard Insurance Company of Ame	A	700	0	700	700	0	0
10650	Excelsior Insurance Company	A	690	0	690	690	0	0
16853	Church Mutual Insurance Company	B	658	0	658	0	658	0
16349	Safety National Casualty Corporatio	A	587	0	587	587	0	0
10510	Fidelity and Deposit Company of Mar	A	556	0	556	556	0	0
27243	LM Insurance Corporation	B	510	(191)	701	0	701	0
17604	Pharmacists Mutual Insurance Compan	A	504	0	504	504	0	0
12416	Fireman's Fund Insurance Company	A	500	0	500	500	0	0
11770	Patriot General Insurance Company	A	487	0	487	487	0	0
20575	Harleysville Preferred Insurance Co	B	474	0	474	0	474	0
31720	Chubb Indemnity Insurance Company	A	431	0	431	431	0	0

VI 000027

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)
12297	Universal Underwriters Insurance Co	A	372	0	372	372	0	0
13897	Great American Insurance Company of	A	337	0	337	337	0	0
10111	Republic Franklin Insurance Company	A	335	0	335	335	0	0
10960	Middlesex Insurance Company	A	333	0	333	333	0	0
31607	National Interstate Insurance Compa	A	320	0	320	320	0	0
17027	Penn Millers Insurance Company	A	286	0	286	286	0	0
12688	Transcontinental Insurance Company	A	285	0	285	285	0	0
12246	Wausau General Insurance Company	A	249	0	249	249	0	0
14869	Merchants Insurance Company of New	A	235	0	235	235	0	0
10006	Massachusetts Bay Insurance Company	A	230	0	230	230	0	0
19399	American Alternative Insurance Corp	A	224	0	224	224	0	0
19321	Sompo Japan Insurance Company of Am	A	217	0	217	217	0	0
10561	American Economy Insurance Company	A	211	0	211	211	0	0
28312	Everest National Insurance Company	A	208	0	208	208	0	0
15539	Employers Mutual Casualty Company	A	206	0	206	206	0	0
14354	AIU Insurance Company	B	204	0	204	0	204	0
21830	Fitchburg Mutual Insurance Company	A	204	0	204	204	0	0
15385	Cincinnati Insurance Company	A	201	0	201	201	0	0
11002	Citizens Insurance Company of Ameri	A	193	0	193	193	0	0
18376	Lumbermen's Underwriting Alliance	B	173	0	173	0	173	0
33790	Mountain Valley Indemnity Company	A	164	0	164	164	0	0
14311	Union Insurance Company	A	137	0	137	137	0	0
14788	Protective Insurance Company	A	133	0	133	133	0	0
25992	Midwest Employers Casualty Company	A	132	0	132	132	0	0
22055	Ullico Casualty Company	A	130	0	130	130	0	0
10103	Associated Indemnity Corporation	B	128	0	128	0	128	0
15660	Amerisure Mutual Insurance Company	B	119	0	119	0	119	0
13714	Westport Insurance Corporation	A	118	0	118	118	0	0
13765	Northern Insurance Company of New Y	A	105	0	105	105	0	0
16772	Greater New York Mutual Insurance C	B	103	0	103	0	103	0
14028	Geat American Alliance Insurance Co	A	95	0	95	95	0	0
13145	Zenith Insurance Company	A	89	0	89	89	0	0
14591	Greenwich Insurance Company	A	88	0	88	88	0	0
11037	Great West Casualty Company	A	80	0	80	80	0	0
12173	Assurance Company of America	A	78	0	78	78	0	0
11266	American Fire and Casualty Company	A	69	0	69	69	0	0
20583	Selective Insurance Company of the	A	67	0	67	67	0	0
10316	Employers Reinsurance Corporation	A	62	0	62	62	0	0
13226	Peerless Indemnity Insurance Compan	A	59	0	59	59	0	0
17299	GuideOne Mutual Insurance Company	A	57	0	57	57	0	0
15644	Lumbermens Mutual Casualty Company	B	55	0	55	0	55	0
40851	T.H.E Insurance Company	B	52	0	52	0	52	0
11126	Petroleum Casualty Company	A	47	0	47	47	0	0
14842	State Farm Fire and Casualty Compan	A	45	0	45	45	0	0
11061	Regent Insurance Company	A	41	0	41	41	0	0
19968	Accident Fund Insurance Company of	A	40	0	40	40	0	0
17116	American Manufacturers Mutual Insur	A	38	0	38	38	0	0
20052	Trans Pacific Insurance Company	A	38	0	38	38	0	0
13978	ALG Casualty Company	B	33	0	33	0	33	0
14176	Great American Insurance Company	A	30	0	30	30	0	0
12149	Centennial Insurance Company	A	21	0	21	21	0	0
19291	Ohio Security Insurance Company	A	20	0	20	20	0	0
40991	Safety First Insurance Company	A	20	0	20	20	0	0

VI 000028

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)
10022	American Automobile Insurance Compa	A	17	0	17	17	0	0
11614	Harco National Insurance Company	B	17	0	17	0	17	0
19283	NIPPONKOA Insurance Company, Limite	A	14	0	14	14	0	0
11576	West American Insurance Company	A	13	0	13	13	0	0
15113	Continental Insurance Company, (The	A	12	0	12	12	0	0
12742	Argonaut-Midwest Insurance Company	A	12	0	12	12	0	0
13307	Great American Assurance Company	A	12	0	12	12	0	0
13404	General Insurance Company of Americ	A	8	0	8	8	0	0
11029	Insurance Company of Greater New Yo	A	5	0	5	5	0	0
16519	American Hardware Mutual Insurance	A	2	0	2	2	0	0
11525	Amerisure Insurance Company	B	1	0	1	0	1	0
15849	Pennsylvania National Mutual Casual	B	1	0	1	0	1	0
27863	Dallas National Insurance Company	A	1	0	1	1	0	0
18198	ALG Centennial 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
21237	Frontier Insurance Company	A	0	0	0	0	0	0
17205	Seaton Insurance Company	A	0	0	0	0	0	0
17388	Frankenmuth Mutual Insurance Compan	A	0	0	0	0	0	0
20117	Massachusetts Homeland Insurance Co	A	0	0	0	0	0	0
18937	Professional Liability Insurance Co	A	0	0	0	0	0	0
20354	TIG Indemnity Company	A	0	0	0	0	0	0
15806	Merrimack Mutual Fire Insurance Com	N/A	0	0	0	0	0	0
16411	Pennsylvania Lumbermens Mutual Insu	A	0	0	0	0	0	0
12718	Transport Insurance Company	A	0	0	0	0	0	0
20656	AXIS Insurance Company	A	0	0	0	0	0	0
20699	Northbrook Indemnity Company	A	0	0	0	0	0	0
10049	American Employers' Insurance Compa	A	0	0	0	0	0	0
14710	Fairmont Specialty Insurance Compan	A	0	0	0	0	0	0
13420	Seneca Insurance Company, Inc.	A	0	0	0	0	0	0
13129	Federated Service Insurance Company	N/A	0	0	0	0	0	0
21733	Liberty Northwest Insurance Corpora	A	0	0	0	0	0	0
10138	Bituminous Casualty Corporation	A	0	0	0	0	0	0
15741	Selective Insurance Company of New	A	0	0	0	0	0	0
15792	Cambridge Mutual Fire Insurance Com	N/A	0	0	0	0	0	0
16284	Country Mutual Insurance Company	B	0	0	0	0	0	0
22063	Vermont Mutual Insurance Company	N/A	0	0	0	0	0	0
22098	Blue Ridge Insurance Company	A	0	0	0	0	0	0
22373	Plymouth Rock Assurance Corporation	B	0	0	0	0	0	0
22438	Nationwide Property & Casualty Comp	B	0	0	0	0	0	0
22551	Patrons Mutual Insurance Company of	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
17612	Union Insurance Co of Providence	A	0	0	0	0	0	0
23957	Selective Insurance Company of Sout	A	0	0	0	0	0	0
24015	Rampart Insurance Company	A	0	0	0	0	0	0
19224	AXA Insurance Company	B	0	0	0	0	0	0
11983	American International Pacific Insu	B	0	0	0	0	0	0
24201	NIPPONKOA Insurance Company of Amer	A	0	0	0	0	0	0
24252	Colonial American Casualty and Sure	A	0	0	0	0	0	0
24295	Insurance Corporation of New York (N/A	0	0	0	0	0	0
24430	BancInsure, Inc.	A	0	0	0	0	0	0
15326	Affiliated FM Insurance Company	B	0	0	0	0	0	0

VI 000029

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)
13234	ProSelect Insurance Company	N/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
16381	Empire Insurance Company	B	0	0	0	0	0	0
25585	Liberty Mutual Mid-Atlantic Insuran	N/A	0	0	0	0	0	0
25631	Stonington Insurance Company	B	0	0	0	0	0	0
13552	Allstate Indemnity Company	A	0	0	0	0	0	0
16195	Nationwide Mutual Insurance Company	B	0	0	0	0	0	0
26107	Warner Insurance Company	A	0	0	0	0	0	0
17906	Citation Insurance Company	B	0	0	0	0	0	0
16357	Preferred Mutual Insurance Company	A	0	0	0	0	0	0
26689	York Insurance Co of Maine	N/A	0	0	0	0	0	0
17442	Montgomery Mutual Insurance Company	A	0	0	0	0	0	0
33766	Crum & Forster Indemnity Company	N/A	0	0	0	0	0	0
14680	CUMIS Insurance Society, Inc.	B	0	0	0	0	0	0
27308	Genesis Insurance Company	A	0	0	0	0	0	0
50879	Endurance Reinsurance Corporation o	N/A	0	0	0	0	0	0
13854	TIG 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
14338	Integon National Insurance Company	N/A	0	0	0	0	0	0
27871	Commercial Casualty Insurance Compa	A	0	0	0	0	0	0
19143	Commerce Insurance Company	B	0	0	0	0	0	0
11169	Selective Insurance Company of Amer	A	0	0	0	0	0	0
10928	Nationwide Affinity Insurance Compa	A	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
10480	XL Insurance America, Inc.	A	0	0	0	0	0	0
29386	North American Elite Insurance Compa	A	0	0	0	0	0	0
29432	Pilgrim Insurance Company	B	0	0	0	0	0	0
29637	One Beacon Midwest Insurance Co	N/A	0	0	0	0	0	0
29661	Allmerica Financial Benefit Insuran	A	0	0	0	0	0	0
29734	American Compensation Insurance Com	A	0	0	0	0	0	0
29866	Converium Insurance (North America)	N/A	0	0	0	0	0	0
30147	Property and Casualty Insurance Co.	A	0	0	0	0	0	0
30325	Beacon Mutual Insurance Company (Th	B	0	0	0	0	0	0
11746	Carolina Casualty Insurance Company	B	0	0	0	0	0	0
30449	Maine Employer's Mutual Insurance C	A	0	0	0	0	0	0
30732	Delos Insurance Company	B	0	0	0	0	0	0
30937	Hanover American Insurance Company	A	0	0	0	0	0	0
12602	Bituminous Fire and Marine Insuranc	B	0	0	0	0	0	0
15156	Atlanta International Insurance Com	N/A	0	0	0	0	0	0
15067	Allstate Insurance Company	A	0	0	0	0	0	0
11142	Houston General Insurance Company	A	0	0	0	0	0	0
17051	American Country Insurance Company	A	0	0	0	0	0	0
32239	Preferred Professionals Insurance C	A	0	0	0	0	0	0
32247	Quincy Mutual Fire Insurance Compan	A	0	0	0	0	0	0
11648	Housing Authority Property Insuranc	N/A	0	0	0	0	0	0
32873	AXIS Reinsurance Company	N/A	0	0	0	0	0	0
11339	Countryway Insurance Company	A	0	0	0	0	0	0
33480	Tower Insurance Company of New York	A	0	0	0	0	0	0
33499	Executive Risk Indemnity Inc.	N/A	0	0	0	0	0	0

VI 000030

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)
16942	Eastern Casualty Insurance Company	A	0	0	0	0	0	0
18244	Truck Insurance Exchange	A	0	0	0	0	0	0
15997	Nationwide Mutual Fire Insurance Co	B	0	0	0	0	0	0
34738	Allmerica Financial Alliance Insura	A	0	0	0	0	0	0
10871	Allianz Global Risks US Insurance C	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
14559	Fairmont Premier Insurance Company	A	0	0	0	0	0	0
36196	Everest Reinsurance Company	A	0	0	0	0	0	0
13935	Country Casualty Insurance Company	B	0	0	0	0	0	0
37834	StarNet Insurance Company	N/A	0	0	0	0	0	0
38199	Centre Insurance Company	A	0	0	0	0	0	0
15016	Northwestern National Ins. Co. of M	A	0	0	0	0	0	0
39055	Caterpillar Insurance Company	N/A	0	0	0	0	0	0
17013	Tower National Insurance Company	A	0	0	0	0	0	0
16926	Harleysville Mutual Insurance Compa	A	0	0	0	0	0	0
17698	Republic Western Insurance Company	A	0	0	0	0	0	0
13773	Northern Assurance Company of Ameri	A	0	0	0	0	0	0
41270	Strathmore Insurance Company	N/A	0	0	0	0	0	0
51225	United National Casualty Insurance	N/A	0	0	0	0	0	0
14427	New England Insurance Company	A	0	0	0	0	0	0
11665	Capitol Idemnity Corporation	N/A	0	0	0	0	0	0
36099	Cherokee Insurance Company	N/A	0	0	0	0	0	0
58557	SeaBright Insurance Company	N/A	0	0	0	0	0	0
72836	Darwin National Assurance Company	N/A	0	0	0	0	0	0
30694	Lincoln General Insurance Company	N/A	0	0	0	0	0	0
24694	Gray Insurance Company (The)	N/A	0	0	0	0	0	0
22381	Advantage Workers Compensation Insu	N/A	0	0	0	0	0	0
28746	New York Marine and General Insuran	N/A	0	0	0	0	0	0
29718	American Fuji Fire and Marine Insur	N/A	0	0	0	0	0	0
23582	Univervsal Underwriters of Texas In	N/A	0	0	0	0	0	0
14191	Nova Casualty Company	N/A	0	0	0	0	0	0
20273	Coregis Insurance Company	A	(0)	0	0	0	0	0
20907	York Insurance Company	A	(0)	0	0	0	0	0
15407	Pennsylvania General Insurance Comp	A	(0)	0	0	0	0	0
12939	Providence Washington Insurance Com	A	(0)	0	0	0	0	0
12963	Maine Bonding and Casualty Company	A	(1)	0	0	0	0	0
24147	North American Specialty Insurance	A	(4)	0	0	0	0	0
27154	ACIG Insurance Company	B	(16)	0	0	0	0	0
12572	Security Insurance Company of Hartf	A	(24)	0	0	0	0	0
36889	MassWest Insurance Company, Inc.	A	(51)	0	0	0	0	0
12866	National Surety Corporation	A	(61)	0	0	0	0	0
32530	Fairfield Insurance Company	A	(67)	0	0	0	0	0
24759	American Interstate Insurance Compa	A	(72)	0	0	0	0	0
10723	Royal Indemnity Company	A	(178)	8	0	0	0	0
10065	American Motorists Insurance Compan	A	(191)	0	0	0	0	0
16470	Atlantic Mutual Insurance Company	A	(211)	0	0	0	0	0
13072	National Union Fire Ins. Co. of Pit	B	(7,211)	0	0	0	0	0
Total			998,491	175,381	831,207	353,053	478,155	0

Percentage of Voluntary premium electing Type A Discount: 42.5%

VI 000031

Section VI - Expenses
 Subsection I - Expenses Net of Premium Discount
 9/1/2008

Section VI - I
 Exhibit 5

Calendar Year 2006 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)

Percentage of Voluntary premium electing Type B Discount: 57.5%
 Percentage of Voluntary premium electing no Discount: 0.0%

Note:

(6) = (4) - (5), floor of 0

VI 000032

Section VI - Expenses
 Subsection J - Expense Constant Offset
 9/1/2008

Section VI - J
 Exhibit 1

Calculation of Expense Constant Offset for Policy Effective Period

- (1) Expense Constant Offset for Composite Policy Year 04/05
0.966
- (2) Expense Constant as percent of premium for Composite Policy Year 04/05
= 1.0 - (1)
3.4%
- (3) Expense Constant for Composite Policy Year 04/05
\$230.26

(4) Period

Policy Effective Period	Policy Year 2004	Policy Year 2005	Calendar Year 2006
-------------------------	------------------	------------------	--------------------

- (5) Factor to bring Composite Policy Year 04/05 premium to premium level of (4)
0.95
1.00
1.00
1.00
- (6) Expense Constant for (4)
\$291.13
\$227.39
\$233.13
\$240.79
- (7) Expense Constant as percent of premium for policy effective period
= [(2) x { (6) / (3) }] / { ((5) x (1)) + [(2) x ((6) / (3))] }
4.4%
3.3%
3.4%
3.5%
- (8) Expense Constant Offset
= 1.0 - (7)
0.956
0.967
0.966
0.965

Notes:

- (1): Exhibit 2.
- (3): Average of the Expense Constants for Policy Years 2004 and 2005.
- (5): Section III - G, Exhibit 1, Exhibit 2, Exhibit 3.
- (6): For the Policy Effective Period: Section VI - E, Exhibit 1.

VI 000033

Section VI - Expenses
Subsection J - Expense Constant Offset
9/1/2008

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 03/04 Second Report	821,077,320	27,872,635	0.967
Policy Year 04/05 First Report	865,384,905	30,119,960	0.966

Note: Unit Statistical Plan Data. Excluding large deductible policies.

VI 000034

Section VI - Expenses
Subsection K - Acquisition Expenses
9/1/2008

Section VI - K
Exhibit 1

Provision for Acquisition Expense including Reinsurer's Expenses

(1)	Other Acquisition Expense (exclusive of Expense Constant)	3.2%
(2)	Average Commission (exclusive of Expense Constant)	7.2%
(3)	Average Frictional Reinsurance Cost	1.0%
(4)	Incidental Income and Earned but Uncollected Premium	0.0%

(5)	Acquisition Expense = (1) + (2) + (3) + (4)	11.4%
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Notes:

- (1): Exhibit 2.
- (2): Exhibit 3.
- (3): Exhibit 4, Page 1.
- (4): Exhibit 5.

VI 000035

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2008

Section VI - K
 Exhibit 2

Calculation of Other Acquisition Expense All Companies Combined

		Calendar Year							
		2004	2005	2006					
(1)	Direct Standard Earned Premium	931,793,664	922,459,034	987,831,481					
(2)	Factor to include ARAP	1.047	1.046	1.069					
(3)	Standard Earned Premium plus ARAP = (1) x (2)	975,272,389	964,469,252	1,056,356,532					
(4)	Other Acquisition, Field Supervision, Collection Expenses for Home Office and Branch Office, excluding Commissions	49,097,195	51,695,278	51,967,062					
(5)	Percentage for Other Acquisition Expense = (4) / (3)	5.0%	5.4%	4.9%					
(6)	Three Year Average		5.1%						
(7)	Expense Constant as a percent of Premium		4.4%						
(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)		2.1%						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">(10)</td> <td style="width: 45%;">Other Acquisition Expense and Field Supervision exclusive of Expense Constant = [(6) - (9)] / [1.0 - (7)]</td> <td></td> <td style="text-align: right;">3.2%</td> <td></td> </tr> </table>					(10)	Other Acquisition Expense and Field Supervision exclusive of Expense Constant = [(6) - (9)] / [1.0 - (7)]		3.2%	
(10)	Other Acquisition Expense and Field Supervision exclusive of Expense Constant = [(6) - (9)] / [1.0 - (7)]		3.2%						

Notes:

- (1),(4): Aggregate Financial Expense Calls, Calendar Years 2004 - 2006.
- (1): Reported premium excludes ARAP and includes large deductible policies at Standard premium.
- (2): Estimated using Unit Statistical Plan Data for Composite Policy Years 03/04, 04/05 and 05/06.
- (7): Section VI - J, Exhibit 1.
- (8): Section VI - B, Exhibit 3.

VI 000036

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2008

Section VI - K
 Exhibit 3

Calculation of Average Commission All Companies Combined

		Calendar Year		
		2004	2005	2006
(1)	Expense Call Written Premium	932,785,879	1,020,315,771	998,591,951
(2)	Total Commissions for Agents and Brokers	67,236,522	66,687,288	70,302,258
(3)	Percentage for Commissions = (2) / (1)	7.2%	6.5%	7.0%
(4)	Three Year Average		6.9%	
(5)	Expense Constant as a Percent of Premium		4.4%	
(6) Commission Exclusive of Expense Constant = (4) / [1.0 - (5)]			7.2%	

Notes:

(1),(2): Aggregate Financial Expense Calls, Calendar Years 2004 - 2006.

(5): Section VI-J, Exhibit 1.

VI 000037

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2008

Section VI - K
 Exhibit 4
 Page 1

Frictional Reinsurance Expenses

Calendar Year (1)	Reinsurer Expense as Percentage of Net Premium Written				
	Commission and Brokerage (2)	Other Acq. (3)	General Expenses (4)	Taxes (5)	Total Underwriting Expenses (2) + (3) + (4) + (5) (6)
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%
2006	13.3%	4.6%	4.4%	0.5%	22.8%
(7) Average	19.7%	4.1%	3.1%	0.4%	27.2%
(8) Ceding Commissions Offset	12.7%				
(9) Adjusted Average	7.0%	4.1%	3.1%	0.4%	14.5%
(10) Est. % of Direct Premium Ceded for Non-Proportional Reinsurance					11.5%
(11) Implied Frictional Reinsurance Costs Relative to Direct Premiums (as a %)					1.67%
(12) Selected Frictional Reinsurance Costs Relative to Standard plus ARAP Premiums					1.0%

Notes:

(2)-(5): Insurance Expense Exhibit database - By Line Underwriting Experience from Best's Aggregates & Averages, Editions 1993 - 2007.

(8): Page 2, (10)

(9) = (7) - (8)

(10): Page 2, (11)

(11) = (9) 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)
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
2006	50,942,134	45,033,012	5,909,122	0.072	0.069	3,667,834	3,107,278	560,556
Total	542,882,529	480,709,422	62,173,107	0.071	0.063	38,388,915	30,504,147	7,884,768

(10) Estimated Ceding Commission & Brokerage Ratio - Total (9) / Total (4) 12.7%

(11) Est. % of Direct Premium Ceded for Non-Proportional Reinsurance - Total (4) / Total (2) 11.5%

Notes:

(2), (3), (5), (6): Insurance Expense Exhibit database - By Line Underwriting Experience from Best's Aggregates & Averages.

VI 000038

VI 000039

Section VI - Expenses
 Subsection K - Acquisition Expenses
 9/1/2008

Section VI - K
 Exhibit 5

Effect of Incidental Income and Earned but Uncollected Premium

		Calendar Year							
		2004	2005	2006					
(1)	Direct Standard Earned Premium	931,793,664	922,459,034	987,831,481					
(2)	Factor to include ARAP	1.047	1.046	1.069					
(3)	Standard Earned Premium plus ARAP = (1) x (2)	975,272,389	964,469,252	1,056,356,532					
(4)	Incidental Income	(1,797,616)	134,368	222,897					
(5)	Earned But Uncollected Premium	9,467,441	(6,252,653)	5,888,055					
(6)	Net Effect of Incidental Income and Earned but Uncollected Premium = [(4) + (5)] / (3)	0.8%	-0.6%	0.6%					
(7)	Three Year Average		0.2%						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">(8)</td> <td style="width: 55%;">Selected Effect of Incidental Income and Earned but Uncollected Premium</td> <td></td> <td style="text-align: right;">0.0%</td> <td></td> </tr> </table>					(8)	Selected Effect of Incidental Income and Earned but Uncollected Premium		0.0%	
(8)	Selected Effect of Incidental Income and Earned but Uncollected Premium		0.0%						

Notes:

- (1): Aggregate Financial Expense Calls, Calendar Years 2004 - 2006.
 Reported premium excludes ARAP and includes large deductible policies at Standard premium.
- (2): Estimated using Unit Statistical Plan Data for Composite Policy Years 03/04, 04/05 and 05/06.
- (4),(5): Aggregate Financial Call #25 for Calendar Years 2004-2005, Aggregate Financial Expense Call for Calendar Year 2006.

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Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2008

Section VI - L
 Exhibit 1
 Page 1

Adjustment to the Adjusting and Other Expense Provision

	Calendar Year		
	2004	2005	2006
(1) Average premium reduction for Large Deductible policies	78.8%	76.2%	77.9%
(2) Loss Elimination Ratio (LER) for Large Deductible policies = (1) x 1.14	89.8%	86.9%	88.8%
(3) Market share (Standard Premium basis) of Large Deductible policies	13.8%	12.7%	12.5%
(4) LER for Full Coverage plus Large Deductible policies = [(2) x (3)] + { 0 x [1.0 - (3)] }	12.4%	11.1%	11.1%
(5) Factor to adjust the Direct Losses = 1.0 / [1.0 - (4)]	1.141	1.124	1.125
(6) Factor to adjust the Adjusting and Other Expense provision = 1.0 / [1.0 - {.5 x (4)}]	1.066	1.059	1.059
(7) Factor to adjust the Ratio of Direct Adjusting and Other Expense to Direct Losses = (6) / (5)	0.934	0.941	0.941

Notes:

- (1),(3): Exhibit 2.
- (2): Exhibit 1, Page 2.
- (6): Assumes 50% of AO vary directly with losses.

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Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2008

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 = (Portion of Expected Loss + LAE Ratio that varies with deductible)

assume to be: $Loss + DCC + (1/2 \times AO)$

$D = [LER \times ELARD] / [100\% - (Variable Expense)]$

$LER = D \times [100\% - (Variable Expense)] / ELARD$

Provisions Underlying the Adjustment of the Adjusting and Other Expense Ratio

Expense Provisions: Provisions approved for rates effective 9/1/07, for Voluntary (Retrospectively Rated) policies.	Percentage of Standard Premium <u>plus ARAP</u>
Variable Expenses (VE):	
Acquisition	11.3%
Premium Discount	4.5%
Premium Taxes	2.2%
Profit	-3.2%
Insolvency Fund Assessment	-3.1%
Residual Market Subsidy	1.1%
	12.8%
Fixed Expenses (FE):	
General + Misc. Tax	7.8%
Fixed Adjusting and Other Expenses	3.1%
Assumes that half of AO is fixed and half varies with losses	
$= LAE \times ELR \times 50\% \times 50\% = 18.2\% \times 67.3\% \times 50.0\% \times 50.0\%$	50.0%
	10.9%
Expected Loss and DCC Ratio (ELARD):	
ELR without LAE	67.3%
Defense and Cost Containment Expense	6.1%
Assumes LAE split into DCC and AO evenly	
$= LAE \times ELR \times 50\% = 18.2\% \times 67.3\% \times 50.0\%$	
Variable Adjusting and Other Expense	3.1%
see above note for Fixed AO	
	76.5%

100% - Variable Expenses = 87.2%

ELARD = 76.5%

LER = D x **1.140**

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Section VI - Expenses
 Subsection L - Adjustment for Large Deductible Policies
 9/1/2008

Section VI - L
 Exhibit 2

Average Large Deductible Premium Reduction and Large Deductible Market Share (Amounts in \$000)

	Policy Year			
	2003	2004	2005	2006
(1) Standard Earned Premium excluding Large Deductible policies	804,703	807,687	834,413	476,217
(2) Earned Premium Net of Deductible Credit for Large Deductible policies	24,074	29,844	27,163	14,558
(3) Standard Earned Premium for Large Deductible policies	137,958	119,434	119,978	67,628
(4) Standard Earned Premium for all policies = (1) + (3)	942,661	927,121	954,391	543,845
(5) Average premium reduction for Large Deductible policies = 1.0 - (2) / (3)	82.6%	75.0%	77.4%	78.5%
(6) Market share (Standard Premium basis) of Large Deductible policies = (3) / (4)	14.6%	12.9%	12.6%	12.4%

	Calendar Year		
	2004	2005	2006
(7) Average premium reduction for Large Deductible policies = Average of PY-1 and PY	78.8%	76.2%	77.9%
(8) Market share (Standard Premium basis) of Large Deductible policies = Average of PY-1 and PY	13.8%	12.7%	12.5%

Notes:

For Calendar Years 2004 - 2006, premium reported on Aggregate Financial Expense Call includes large deductible policies at Standard premium.

(1): Aggregate Financial Policy Year Call.

(2),(3): Aggregate Financial Large Deductible Policy Year Call.

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.

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).

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.

In this filing, the calculated underwriting profit provision is -1.18%. Section VII-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.

VII-B and VII-C – Internal Rate of Return and Cost of Capital

In Section VII-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 VII-C we present Dr. Appel's analysis of the cost of capital, with a detailed appendix describing the methods he used.

VII-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.

VII-E - Premium Flow

In an effort to improve the accuracy of the profit model, the Bureau has updated the premium cash flow pattern. 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 2004 that include premiums related to Massachusetts' workers' compensation exposures. The premium flow used in the profit model is shown in Exhibit 1.

VII-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 2004 and policy year 2005 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 VII-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 frictional costs of reinsurance to insurers. We assume that the reinsurance expense flow pattern coincide with the earned premium flow.

Loss Adjustment Expense

The Defense and Cost Containment Expense (DCC) flow is assumed to have the same pattern as the loss flow as shown in Section VII-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.

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.

VII-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 VII-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 2). 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 21st 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 3.

Exhibit 1 shows the final combined medical and indemnity loss flow.

VII-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, 2007 edition for total US Property and Casualty Industry (Exhibit 1, page 2). The weights are shown in the column (2) 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 1926-2007 to calculate the short term, intermediate term and long term market risk premiums used to calculate the yield on stocks. (As discussed in Section VII-C, these are the same risk premiums used to calculate the cost of capital, which is required for internal consistency in the rate filing.) The calculation, shown on Exhibit 4, uses data drawn from the 2007 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 VII-H, Exhibit 1, page 1 is 0.44%.

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 VII-C, Exhibit 1 as opposed to the risk free rate we used in the 2005 rate filing.

Combining a tax rate of 14.18% for common stock dividends and of 30.19% on capital gains, we derive an overall average tax rate of 26.54% (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 3.86%.

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Section VII - Profit
Subsection A - Summary
9/1/2008

Section VII - A
Exhibit 1

Summary Exhibit

(1) IRR Profit Provision	-1.18%
Cost of Capital:	
(2) Equity DCF	10.45%
(3) Equity CAPM	11.03%
(4) Debt Cost	5.67%
(5) Debt / Equity Ratios	18% / 82%
(6) Weighted Cost of Capital	9.85%
Portfolio Rate of Return:	
(7) Investment Expense	0.44%
(8) Pretax Return on Assets	5.05%
(9) Tax Rate	23.52%
(10) After-Tax Return on Assets	3.86%
Leverage Ratio:	
(11) Reserves to Surplus	2.41

Notes:

- (1): Section VII-B, Exhibit 1.
- (2) - (6): Section VII-C, Exhibit 1.
- (7): Section VII-H, Exhibit 1, page 5.
- (8) - (10): Section VII-H, Exhibit 1, page 1.
- (11): Section VII-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

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 VII-B, the rates are set such that with a model underwriting profit of -1.18%, insurers can expect to earn a return of 9.85%, exactly equal to the cost of capital.

The WCRIB estimated the IRR with information available as of January 1, 2008, 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 VII-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 -1.18%, 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 9.85%. 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.

VII 000023

Section VII - Profit
 Subsection B - Internal Rate of Return Model
 9/1/2008

Section VII-B
 Exhibit 1

Internal Rate of Return Analysis

INTERNAL RATE OF RETURN ANALYSIS WCRIB OF MA		
TABLE I: ASSUMPTIONS AND INTERNAL RATE OF RETURN		
ASSUMPTIONS		
(1)	LOSS AND LAE RATIO	77.08%
(2)	COMMISSIONS	7.25%
(3)	GENERAL EXPENSES	5.85%
(4)	OTHER ACQUISITION EXPENSES	3.18%
(5)	PREMIUM TAXES	2.19%
(6)	MISCELLANEOUS AND OTHER TAXES	0.68%
(7)	REINSURANCE EXPENSES	1.00%
(8)	PREMIUM DISCOUNT	3.96%
(9)	PROFIT	-1.18%
(10)	INVESTMENT INCOME	
	(A) PRE-TAX RETURN ON ASSETS	5.05%
	(B) POST-TAX RETURN ON ASSETS	3.86%
(11)	LOSS RESERVE TO SURPLUS RATIO	2.41
(12)	PREMIUMS WRITTEN	1,000
(13)	COLLECTED PREMIUM	1,000
(14)	FEDERAL DISCOUNT RATE FOR TAXES	3.97%
	PROFIT PROVISION	-1.18%
	INTERNAL RATE OF RETURN	9.85%

Notes:

(1) - (8): Section VII-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 VII-H, Exhibit 1, Page1.

(11): From Section VII-D, Exhibit 1.

(14): Current Rate specified in IRS regulations (Internal Revenue Bulletin: 2008-3)

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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)										
09/01/07	11/30/07		0.00%	0.00%	0.00%	0.11%	0.21%	0.00%	0.11%	0.00%	0.00%
12/01/07	02/29/08		0.00%	0.00%	0.00%	0.38%	1.17%	0.00%	0.48%	0.00%	0.00%
03/01/08	05/31/08		0.00%	0.00%	0.00%	2.15%	3.49%	0.00%	2.32%	0.00%	0.00%
06/01/08	08/31/08		0.48%	0.00%	0.48%	7.09%	10.09%	0.00%	7.72%	0.00%	0.48%
09/01/08	11/30/08	20.94%	5.04%	0.62%	5.04%	12.84%	20.03%	10.59%	14.66%	2.65%	5.04%
12/01/08	02/28/09	32.27%	13.46%	2.18%	13.46%	16.48%	23.49%	27.01%	18.28%	9.34%	13.46%
03/01/09	05/31/09	23.53%	19.77%	3.85%	19.77%	16.82%	21.00%	27.27%	17.96%	16.45%	19.77%
06/01/09	08/31/09	23.26%	21.57%	5.20%	21.57%	13.70%	13.00%	24.11%	13.55%	22.25%	21.57%
09/01/09	11/30/09		16.68%	5.90%	16.68%	10.62%	4.53%	11.01%	9.07%	22.22%	16.68%
12/01/09	02/28/10		9.77%	6.06%	9.77%	8.45%	1.27%	0.00%	6.68%	15.36%	9.77%
03/01/10	05/31/10		5.50%	6.45%	5.50%	6.24%	0.90%	0.00%	4.98%	8.98%	5.50%
06/01/10	08/31/10		2.91%	6.53%	2.91%	3.67%	0.59%	0.00%	2.97%	2.75%	2.91%
09/01/10	11/30/10		2.16%	6.31%	2.16%	1.34%	0.22%	0.00%	1.12%	0.00%	2.16%
12/01/10	02/28/11		1.47%	5.61%	1.47%	0.11%	0.00%	0.00%	0.11%	0.00%	1.47%
03/01/11	05/31/11		0.75%	5.10%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.75%
06/01/11	08/31/11		0.33%	4.41%	0.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.33%
09/01/11	11/30/11		0.09%	3.93%	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%
12/01/11	02/29/12		0.00%	3.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
03/01/12	05/31/12		0.00%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/12	08/31/12		0.00%	2.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/12	11/30/12		0.00%	2.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12/01/12	02/28/13		0.00%	1.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
03/01/13	05/31/13		0.00%	1.71%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/13	08/31/13		0.00%	1.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/13	11/30/13		0.00%	1.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12/01/13	02/28/14		0.00%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
03/01/14	05/31/14		0.00%	0.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
06/01/14	08/31/14		0.00%	0.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/14	08/31/15		0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/15	08/31/16		0.00%	1.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/16	08/31/17		0.00%	1.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/17	08/31/18		0.00%	0.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/18	08/31/19		0.00%	0.80%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/19	08/31/20		0.00%	0.76%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/20	08/31/21		0.00%	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/21	08/31/22		0.00%	0.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/22	08/31/23		0.00%	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/23	08/31/24		0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/24	08/31/25		0.00%	0.41%	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%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/27	08/31/28		0.00%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/28	08/31/29		0.00%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/29	08/31/30		0.00%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/30	08/31/31		0.00%	0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/31	08/31/32		0.00%	0.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/32	08/31/33		0.00%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/33	08/31/34		0.00%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/34	08/31/35		0.00%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/35	08/31/36		0.00%	0.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/36	08/31/37		0.00%	0.41%	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%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/39	08/31/40		0.00%	0.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/40	08/31/41		0.00%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/41	08/31/42		0.00%	0.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/42	08/31/43		0.00%	0.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
09/01/43	08/31/44		0.00%	0.28%	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): Section III-F, Exhibit 1 (average of the two policy years) .
- (4): The premium collection pattern for a single policy from Section VII-E, Exhibit 1, converted to a full policy year basis.
- (5): The loss and LAE payout pattern for a single policy from Section VII-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 VII-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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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)									
9/1/2007	11/30/2007	0.00	0.00	0.00	0.06	0.07	0.00	0.01	0.00	0.00
12/1/2007	2/29/2008	0.00	0.00	0.00	0.22	0.37	0.00	0.03	0.00	0.00
3/1/2008	5/31/2008	0.00	0.00	0.00	1.26	1.11	0.00	0.16	0.00	0.00
6/1/2008	8/31/2008	4.79	0.00	0.35	4.14	3.20	0.00	0.53	0.00	0.19
9/1/2008	11/30/2008	50.43	4.77	3.66	7.51	6.36	2.32	1.00	0.26	1.99
12/1/2008	2/28/2009	134.58	16.83	9.76	9.64	7.46	5.92	1.25	0.93	5.32
3/1/2009	5/31/2009	197.75	29.65	14.33	9.84	6.67	5.97	1.23	1.64	7.82
6/1/2009	8/31/2009	215.72	40.10	15.64	8.01	4.13	5.28	0.93	2.22	8.53
9/1/2009	11/30/2009	166.84	45.45	12.09	6.21	1.44	2.41	0.62	2.22	6.60
12/1/2009	2/28/2010	97.74	46.72	7.08	4.94	0.40	0.00	0.46	1.54	3.87
3/1/2010	5/31/2010	55.01	49.71	3.99	3.65	0.29	0.00	0.34	0.90	2.18
6/1/2010	8/31/2010	29.13	50.30	2.11	2.15	0.19	0.00	0.20	0.28	1.15
9/1/2010	11/30/2010	21.64	48.65	1.57	0.78	0.07	0.00	0.08	0.00	0.86
12/1/2010	2/28/2011	14.75	43.23	1.07	0.07	0.00	0.00	0.01	0.00	0.58
3/1/2011	5/31/2011	7.48	39.30	0.54	0.00	0.00	0.00	0.00	0.00	0.30
6/1/2011	8/31/2011	3.26	34.01	0.24	0.00	0.00	0.00	0.00	0.00	0.13
9/1/2011	11/30/2011	0.89	30.26	0.06	0.00	0.00	0.00	0.00	0.00	0.04
12/1/2011	2/29/2012	0.00	26.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2012	5/31/2012	0.00	23.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2012	8/31/2012	0.00	19.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2012	11/30/2012	0.00	17.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2012	2/28/2013	0.00	14.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2013	5/31/2013	0.00	13.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2013	8/31/2013	0.00	11.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2013	11/30/2013	0.00	9.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2013	2/28/2014	0.00	8.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2014	5/31/2014	0.00	7.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2014	8/31/2014	0.00	6.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2014	8/31/2015	0.00	17.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2015	8/31/2016	0.00	11.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2016	8/31/2017	0.00	8.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2017	8/31/2018	0.00	6.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2018	8/31/2019	0.00	6.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2019	8/31/2020	0.00	5.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2020	8/31/2021	0.00	4.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2021	8/31/2022	0.00	3.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2022	8/31/2023	0.00	3.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2023	8/31/2024	0.00	3.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2024	8/31/2025	0.00	3.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2025	8/31/2026	0.00	3.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2026	8/31/2027	0.00	3.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2027	8/31/2028	0.00	2.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2028	8/31/2029	0.00	2.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2029	8/31/2030	0.00	2.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2030	8/31/2031	0.00	2.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2031	8/31/2032	0.00	2.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2032	8/31/2033	0.00	2.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2033	8/31/2034	0.00	2.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2034	8/31/2035	0.00	2.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2035	8/31/2036	0.00	3.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2036	8/31/2037	0.00	3.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2037	8/31/2038	0.00	3.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2038	8/31/2039	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2039	8/31/2040	0.00	3.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2040	8/31/2041	0.00	3.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2041	8/31/2042	0.00	4.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2042	8/31/2043	0.00	4.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/1/2043	8/31/2044	0.00	2.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL		1,000.00	770.76	72.49	58.48	31.76	21.90	6.84	10.00	39.56

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, (12) 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, (12) x Table II-A, (12)

VII 000026

Section VII - Profit
 Subsection B - Internal Rate of Return Model
 9/1/2008

Section VII-B
 Exhibit 3

INTERNAL RATE OF RETURN ANALYSIS WCRI 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 INCURRED (6)	UNEARNED PREMIUMS (7)	TOTAL PREM NET OF RESERVES (8)	PREMIUM NET OF RESERVES (9)
FROM (1)	TO (2)							
9/1/2007	11/30/2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2007	2/29/2008	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2008	5/31/2008	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2008	8/31/2008	4.79	(4.79)	(4.79)	0.00	0.00	0.00	0.00
9/1/2008	11/30/2008	55.22	154.17	170.74	20.40	182.92	22.63	22.63
12/1/2008	2/28/2009	189.80	342.24	360.79	92.37	412.19	46.02	23.39
3/1/2009	5/31/2009	387.55	379.83	399.10	219.15	483.05	84.45	38.42
6/1/2009	8/31/2009	603.26	396.74	416.72	390.62	493.21	136.16	51.71
9/1/2009	11/30/2009	770.11	229.89	250.60	561.87	271.02	187.81	51.65
12/1/2009	2/28/2010	867.84	132.16	150.53	680.29	117.38	220.71	32.89
3/1/2010	5/31/2010	922.85	77.15	91.67	749.54	27.54	237.45	16.75
6/1/2010	8/31/2010	951.98	48.02	58.69	770.76	0.00	239.91	2.46
9/1/2010	11/30/2010	973.62	26.38	33.21	770.76	0.00	236.06	(3.85)
12/1/2010	2/28/2011	988.37	11.63	16.81	770.76	0.00	234.41	(1.65)
3/1/2011	5/31/2011	995.84	4.16	8.78	770.76	0.00	233.86	(0.55)
6/1/2011	8/31/2011	999.11	0.89	4.96	770.76	0.00	233.31	(0.55)
9/1/2011	11/30/2011	1,000.00	0.00	3.52	770.76	0.00	232.76	(0.55)
12/1/2011	2/29/2012	1,000.00	0.00	3.08	770.76	0.00	232.32	(0.43)
3/1/2012	5/31/2012	1,000.00	0.00	2.71	770.76	0.00	231.95	(0.38)
6/1/2012	8/31/2012	1,000.00	0.00	2.33	770.76	0.00	231.57	(0.38)
9/1/2012	11/30/2012	1,000.00	0.00	1.96	770.76	0.00	231.20	(0.38)
12/1/2012	2/28/2013	1,000.00	0.00	1.73	770.76	0.00	230.97	(0.22)
3/1/2013	5/31/2013	1,000.00	0.00	1.58	770.76	0.00	230.82	(0.15)
6/1/2013	8/31/2013	1,000.00	0.00	1.44	770.76	0.00	230.68	(0.15)
9/1/2013	11/30/2013	1,000.00	0.00	1.29	770.76	0.00	230.53	(0.15)
12/1/2013	2/28/2014	1,000.00	0.00	1.23	770.76	0.00	230.47	(0.06)
3/1/2014	5/31/2014	1,000.00	0.00	1.22	770.76	0.00	230.46	(0.01)
6/1/2014	8/31/2014	1,000.00	0.00	1.21	770.76	0.00	230.45	(0.01)
9/1/2014	8/31/2015	1,000.00	0.00	1.03	770.76	0.00	230.26	(0.19)
9/1/2015	8/31/2016	1,000.00	0.00	0.98	770.76	0.00	230.22	(0.04)
9/1/2016	8/31/2017	1,000.00	0.00	1.07	770.76	0.00	230.30	0.08
9/1/2017	8/31/2018	1,000.00	0.00	1.06	770.76	0.00	230.30	(0.01)
9/1/2018	8/31/2019	1,000.00	0.00	1.00	770.76	0.00	230.24	(0.06)
9/1/2019	8/31/2020	1,000.00	0.00	0.91	770.76	0.00	230.15	(0.09)
9/1/2020	8/31/2021	1,000.00	0.00	0.87	770.76	0.00	230.10	(0.05)
9/1/2021	8/31/2022	1,000.00	0.00	0.83	770.76	0.00	230.07	(0.03)
9/1/2022	8/31/2023	1,000.00	0.00	0.40	770.76	0.00	229.64	(0.43)
9/1/2023	8/31/2024	1,000.00	0.00	0.08	770.76	0.00	229.32	(0.32)
9/1/2024	8/31/2025	1,000.00	0.00	0.03	770.76	0.00	229.26	(0.05)
9/1/2025	8/31/2026	1,000.00	0.00	0.02	770.76	0.00	229.26	(0.00)
9/1/2026	8/31/2027	1,000.00	0.00	0.02	770.76	0.00	229.26	(0.01)
9/1/2027	8/31/2028	1,000.00	0.00	0.02	770.76	0.00	229.26	(0.00)
9/1/2028	8/31/2029	1,000.00	0.00	0.02	770.76	0.00	229.25	(0.00)
9/1/2029	8/31/2030	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2030	8/31/2031	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2031	8/31/2032	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2032	8/31/2033	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2033	8/31/2034	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2034	8/31/2035	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2035	8/31/2036	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2036	8/31/2037	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2037	8/31/2038	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2038	8/31/2039	1,000.00	0.00	0.02	770.76	0.00	229.26	0.00
9/1/2039	8/31/2040	1,000.00	0.00	0.03	770.76	0.00	229.27	0.00
9/1/2040	8/31/2041	1,000.00	0.00	0.03	770.76	0.00	229.27	0.00
9/1/2041	8/31/2042	1,000.00	0.00	0.03	770.76	0.00	229.27	0.00
9/1/2042	8/31/2043	1,000.00	0.00	0.01	770.76	0.00	229.25	(0.02)
9/1/2043	8/31/2044	1,000.00	0.00	0.00	770.76	0.00	229.24	(0.01)

Notes:

- (3) = Table II-B, (3), cumulative
- (4) = Table II-A, (3), cumulative x Table I, (13) - Table III, (3)
- (5) = Table III, (4) + Table IV, (14) for different time intervals
- (6) = Table I, (1) x Table I, (12) x earned premium, cumulative
- (7) = Table II-A, (3), cumulative x Table I, (12) - earned premium, cumulative
- (8) = (3) + (5) - (6) - (7)
- (9) = (8) current period - (8) previous period

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INTERNAL RATE OF RETURN ANALYSIS
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TABLE IV: TAX CREDITS AVAILABLE FROM UNDERWRITING OPERATIONS

TIME INTERVAL		PREMIUM WRITTEN (3)	CHANGE IN UNEARNED PREMIUMS (4)	EXPENSES (5)	LOSSES PAID			CHANGE IN DISCOUNTED LOSSES			DEBT INTEREST (12)	TAX CREDITS (13)	DEFERRED TAX ASSET (14)
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)			
1/1/2007	12/31/2007	0.00	0.00	0.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09	0.00
1/1/2008	12/31/2008	300.59	252.83	46.46	5.18	0.00	0.00	27.29	0.00	0.00	0.21	(6.71)	18.07
1/1/2009	12/31/2009	699.41	(47.86)	159.40	9.29	127.00	0.00	(8.22)	387.35	0.00	2.49	(21.14)	20.94
1/1/2010	12/31/2010	0.00	(204.97)	32.60	7.55	151.27	48.71	(6.71)	(133.27)	94.27	2.14	11.40	5.54
1/1/2011	12/31/2011	0.00	0.00	2.29	4.49	98.65	37.37	(3.93)	(87.84)	(32.91)	1.40	6.83	3.33
1/1/2012	12/31/2012	0.00	0.00	0.00	2.54	56.00	22.94	(2.24)	(49.24)	(20.47)	0.95	3.67	1.83
1/1/2013	12/31/2013	0.00	0.00	0.00	1.45	31.90	12.92	(1.24)	(28.39)	(11.42)	0.70	2.08	1.24
1/1/2014	12/31/2014	0.00	0.00	0.00	0.81	18.29	7.38	(0.59)	(15.72)	(6.63)	0.56	1.43	1.20
1/1/2015	12/31/2015	0.00	0.00	0.00	0.53	9.91	4.19	(0.40)	(7.15)	(3.64)	0.50	1.38	0.94
1/1/2016	12/31/2016	0.00	0.00	0.00	0.39	7.53	2.43	(0.23)	(5.69)	(1.74)	0.44	1.09	1.00
1/1/2017	12/31/2017	0.00	0.00	0.00	0.32	5.27	1.86	(0.16)	(3.02)	(1.40)	0.41	1.15	1.10
1/1/2018	12/31/2018	0.00	0.00	0.00	0.29	4.90	1.39	(0.15)	(2.51)	(0.79)	0.38	1.23	1.04
1/1/2019	12/31/2019	0.00	0.00	0.00	0.28	4.37	1.30	(0.14)	(2.18)	(0.66)	0.35	1.16	0.98
1/1/2020	12/31/2020	0.00	0.00	0.00	0.21	4.37	1.19	(0.08)	(2.28)	(0.60)	0.33	1.10	0.88
1/1/2021	12/31/2021	0.00	0.00	0.00	0.17	2.61	1.06	(0.05)	(0.78)	(0.51)	0.31	0.98	0.86
1/1/2022	12/31/2022	0.00	0.00	0.00	0.19	2.82	0.71	(0.07)	(0.98)	(0.22)	0.29	0.96	0.82
1/1/2023	12/31/2023	0.00	0.00	0.00	0.17	3.07	0.80	(0.17)	(1.23)	(0.30)	0.28	0.91	0.19
1/1/2024	12/31/2024	0.00	0.00	0.00	0.15	2.45	0.79	(0.15)	(2.40)	(0.30)	0.26	0.28	0.02
1/1/2025	12/31/2025	0.00	0.00	0.00	0.18	2.35	0.66	(0.18)	(2.30)	(0.64)	0.25	0.11	0.03
1/1/2026	12/31/2026	0.00	0.00	0.00	0.17	3.20	0.71	(0.16)	(3.14)	(0.70)	0.23	0.11	0.02
1/1/2027	12/31/2027	0.00	0.00	0.00	0.12	2.26	0.81	(0.12)	(2.21)	(0.79)	0.22	0.10	0.02
1/1/2028	12/31/2028	0.00	0.00	0.00	0.11	1.81	0.57	(0.11)	(1.77)	(0.56)	0.21	0.09	0.02
1/1/2029	12/31/2029	0.00	0.00	0.00	0.11	1.72	0.48	(0.11)	(1.69)	(0.47)	0.19	0.08	0.02
1/1/2030	12/31/2030	0.00	0.00	0.00	0.12	1.79	0.48	(0.12)	(1.75)	(0.47)	0.19	0.08	0.02
1/1/2031	12/31/2031	0.00	0.00	0.00	0.12	1.86	0.50	(0.12)	(1.83)	(0.49)	0.18	0.08	0.02
1/1/2032	12/31/2032	0.00	0.00	0.00	0.13	1.94	0.52	(0.13)	(1.90)	(0.51)	0.16	0.08	0.02
1/1/2033	12/31/2033	0.00	0.00	0.00	0.13	2.03	0.54	(0.13)	(1.99)	(0.53)	0.15	0.07	0.02
1/1/2034	12/31/2034	0.00	0.00	0.00	0.14	2.12	0.56	(0.14)	(2.08)	(0.55)	0.14	0.07	0.02
1/1/2035	12/31/2035	0.00	0.00	0.00	0.15	2.22	0.59	(0.14)	(2.17)	(0.58)	0.13	0.07	0.02
1/1/2036	12/31/2036	0.00	0.00	0.00	0.15	2.32	0.62	(0.15)	(2.27)	(0.61)	0.12	0.06	0.02
1/1/2037	12/31/2037	0.00	0.00	0.00	0.16	2.43	0.65	(0.16)	(2.38)	(0.63)	0.10	0.06	0.02
1/1/2038	12/31/2038	0.00	0.00	0.00	0.17	2.55	0.68	(0.16)	(2.50)	(0.66)	0.09	0.05	0.02
1/1/2039	12/31/2039	0.00	0.00	0.00	0.18	2.67	0.71	(0.17)	(2.62)	(0.70)	0.08	0.05	0.03
1/1/2040	12/31/2040	0.00	0.00	0.00	0.19	2.81	0.75	(0.18)	(2.75)	(0.73)	0.06	0.05	0.03
1/1/2041	12/31/2041	0.00	0.00	0.00	0.19	2.95	0.78	(0.19)	(2.89)	(0.77)	0.05	0.04	0.03
1/1/2042	12/31/2042	0.00	0.00	0.00	0.21	3.10	0.82	(0.20)	(3.04)	(0.81)	0.03	0.04	0.03
1/1/2043	12/31/2043	0.00	0.00	0.00	0.08	3.27	0.87	(0.08)	(3.20)	(0.85)	0.01	0.03	0.01
1/1/2044	12/31/2044	0.00	0.00	0.00	0.00	0.19	0.65	0.00	(0.18)	(0.63)	0.01	0.01	0.00

Notes:

- (3) = Table I, (12) x Percentage of Premium written in corresponding year
- (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 VII-F, Exhibit 3) for each CY
- (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)] for each CY where debt share = 18% and debt cost = 5.67% from Section VII-C, Exhibit 5 and Section VII-C, Exhibit 4, respectively.
- (13) = - 0.35 x [(3) - 0.8 x (4) - (5) - (6) - (7) - (8) - (9) - (10) - (11) - (12)]
- (14) = 0.35 x { Table IV, (4), cumulative x 0.2 + [Table IV-A, (10) + Table IV-B, (10) + Table IV-C, (10)] for subsequent time interval }

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Section VII - Profit
 Subsection B - Internal Rate of Return Model
 9/1/2008

Section VII-B
 Exhibit 4
 Page 2

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
			UNPAID LOSSES BEG OF YEAR	UNPAID LOSSES END OF YEAR	UNPAID LOSSES BEG OF YEAR	UNPAID LOSSES END OF YEAR			
FROM (1)	TO (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1/1/2008	12/31/2008	0.862765	0.00	31.64	0.00	27.29	27.29		
1/1/2009	12/31/2009	0.853500	31.64	22.35	27.29	19.08	(8.22)	9.29	1.07
1/1/2010	12/31/2010	0.835198	22.35	14.80	19.08	12.36	(6.71)	7.55	0.83
1/1/2011	12/31/2011	0.817936	14.80	10.31	12.36	8.44	(3.93)	4.49	0.56
1/1/2012	12/31/2012	0.797269	10.31	7.77	8.44	6.20	(2.24)	2.54	0.30
1/1/2013	12/31/2013	0.785028	7.77	6.32	6.20	4.96	(1.24)	1.45	0.22
1/1/2014	12/31/2014	0.792587	6.32	5.51	4.96	4.37	(0.59)	0.81	0.22
1/1/2015	12/31/2015	0.796188	5.51	4.98	4.37	3.97	(0.40)	0.53	0.13
1/1/2016	12/31/2016	0.813024	4.98	4.60	3.97	3.74	(0.23)	0.39	0.16
1/1/2017	12/31/2017	0.835562	4.60	4.28	3.74	3.57	(0.16)	0.32	0.16
1/1/2018	12/31/2018	0.859805	4.28	3.99	3.57	3.43	(0.15)	0.29	0.14
1/1/2019	12/31/2019	0.886033	3.99	3.71	3.43	3.29	(0.14)	0.28	0.14
1/1/2020	12/31/2020	0.914603	3.71	3.50	3.29	3.20	(0.08)	0.21	0.12
1/1/2021	12/31/2021	0.945968	3.50	3.33	3.20	3.15	(0.05)	0.17	0.12
1/1/2022	12/31/2022	0.980722	3.33	3.14	3.15	3.08	(0.07)	0.19	0.12
1/1/2023	12/31/2023	0.980722	3.14	2.97	3.08	2.91	(0.17)	0.17	0.00
1/1/2024	12/31/2024	0.980722	2.97	2.81	2.91	2.76	(0.15)	0.15	0.00
1/1/2025	12/31/2025	0.980722	2.81	2.63	2.76	2.58	(0.18)	0.18	0.00
1/1/2026	12/31/2026	0.980722	2.63	2.46	2.58	2.41	(0.16)	0.17	0.00
1/1/2027	12/31/2027	0.980722	2.46	2.34	2.41	2.29	(0.12)	0.12	0.00
1/1/2028	12/31/2028	0.980722	2.34	2.23	2.29	2.18	(0.11)	0.11	0.00
1/1/2029	12/31/2029	0.980722	2.23	2.11	2.18	2.07	(0.11)	0.11	0.00
1/1/2030	12/31/2030	0.980722	2.11	2.00	2.07	1.96	(0.12)	0.12	0.00
1/1/2031	12/31/2031	0.980722	2.00	1.87	1.96	1.84	(0.12)	0.12	0.00
1/1/2032	12/31/2032	0.980722	1.87	1.75	1.84	1.71	(0.13)	0.13	0.00
1/1/2033	12/31/2033	0.980722	1.75	1.61	1.71	1.58	(0.13)	0.13	0.00
1/1/2034	12/31/2034	0.980722	1.61	1.47	1.58	1.44	(0.14)	0.14	0.00
1/1/2035	12/31/2035	0.980722	1.47	1.33	1.44	1.30	(0.14)	0.15	0.00
1/1/2036	12/31/2036	0.980722	1.33	1.17	1.30	1.15	(0.15)	0.15	0.00
1/1/2037	12/31/2037	0.980722	1.17	1.01	1.15	0.99	(0.16)	0.16	0.00
1/1/2038	12/31/2038	0.980722	1.01	0.85	0.99	0.83	(0.16)	0.17	0.00
1/1/2039	12/31/2039	0.980722	0.85	0.67	0.83	0.66	(0.17)	0.18	0.00
1/1/2040	12/31/2040	0.980722	0.67	0.48	0.66	0.47	(0.18)	0.19	0.00
1/1/2041	12/31/2041	0.980722	0.48	0.29	0.47	0.28	(0.19)	0.19	0.00
1/1/2042	12/31/2042	0.980722	0.29	0.08	0.28	0.08	(0.20)	0.21	0.00
1/1/2043	12/31/2043	0.980722	0.08	0.00	0.08	0.00	(0.08)	0.08	0.00
1/1/2044	12/31/2044	0.980722	0.00	0.00	0.00	0.00	0.00	0.00	0.00

- Notes:
- (3): Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2008-3).
 - (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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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)	(2)								
1/1/2008	12/31/2008	N/A	0.00	0.00	0.00	0.00	0.00		0.00
1/1/2009	12/31/2009	0.8628	0.00	448.97	0.00	387.35	387.35		0.00
1/1/2010	12/31/2010	0.8535	448.97	297.70	387.35	254.09	(133.27)	151.27	18.00
1/1/2011	12/31/2011	0.8352	297.70	199.05	254.09	166.25	(87.84)	98.65	10.81
1/1/2012	12/31/2012	0.8179	199.05	143.06	166.25	117.01	(49.24)	56.00	6.76
1/1/2013	12/31/2013	0.7973	143.06	111.16	117.01	88.62	(28.39)	31.90	3.51
1/1/2014	12/31/2014	0.7850	111.16	92.87	88.62	72.90	(15.72)	18.29	2.57
1/1/2015	12/31/2015	0.7926	92.87	82.96	72.90	65.75	(7.15)	9.91	2.76
1/1/2016	12/31/2016	0.7962	82.96	75.43	65.75	60.06	(5.69)	7.53	1.83
1/1/2017	12/31/2017	0.8130	75.43	70.16	60.06	57.04	(3.02)	5.27	2.26
1/1/2018	12/31/2018	0.8356	70.16	65.26	57.04	54.53	(2.51)	4.90	2.39
1/1/2019	12/31/2019	0.8598	65.26	60.89	54.53	52.35	(2.18)	4.37	2.20
1/1/2020	12/31/2020	0.8860	60.89	56.51	52.35	50.07	(2.28)	4.37	2.10
1/1/2021	12/31/2021	0.9146	56.51	53.90	50.07	49.30	(0.78)	2.61	1.84
1/1/2022	12/31/2022	0.9460	53.90	51.08	49.30	48.32	(0.98)	2.82	1.84
1/1/2023	12/31/2023	0.9807	51.08	48.01	48.32	47.09	(1.23)	3.07	1.83
1/1/2024	12/31/2024	0.9807	48.01	45.57	47.09	44.69	(2.40)	2.45	0.05
1/1/2025	12/31/2025	0.9807	45.57	43.22	44.69	42.39	(2.30)	2.35	0.05
1/1/2026	12/31/2026	0.9807	43.22	40.02	42.39	39.25	(3.14)	3.20	0.06
1/1/2027	12/31/2027	0.9807	40.02	37.76	39.25	37.04	(2.21)	2.26	0.04
1/1/2028	12/31/2028	0.9807	37.76	35.96	37.04	35.26	(1.77)	1.81	0.03
1/1/2029	12/31/2029	0.9807	35.96	34.23	35.26	33.57	(1.69)	1.72	0.03
1/1/2030	12/31/2030	0.9807	34.23	32.45	33.57	31.82	(1.75)	1.79	0.03
1/1/2031	12/31/2031	0.9807	32.45	30.59	31.82	30.00	(1.83)	1.86	0.04
1/1/2032	12/31/2032	0.9807	30.59	28.64	30.00	28.09	(1.90)	1.94	0.04
1/1/2033	12/31/2033	0.9807	28.64	26.62	28.09	26.10	(1.99)	2.03	0.04
1/1/2034	12/31/2034	0.9807	26.62	24.50	26.10	24.02	(2.08)	2.12	0.04
1/1/2035	12/31/2035	0.9807	24.50	22.28	24.02	21.85	(2.17)	2.22	0.04
1/1/2036	12/31/2036	0.9807	22.28	19.96	21.85	19.58	(2.27)	2.32	0.04
1/1/2037	12/31/2037	0.9807	19.96	17.53	19.58	17.19	(2.38)	2.43	0.05
1/1/2038	12/31/2038	0.9807	17.53	14.98	17.19	14.70	(2.50)	2.55	0.05
1/1/2039	12/31/2039	0.9807	14.98	12.31	14.70	12.07	(2.62)	2.67	0.05
1/1/2040	12/31/2040	0.9807	12.31	9.51	12.07	9.32	(2.75)	2.81	0.05
1/1/2041	12/31/2041	0.9807	9.51	6.56	9.32	6.43	(2.89)	2.95	0.06
1/1/2042	12/31/2042	0.9807	6.56	3.45	6.43	3.39	(3.04)	3.10	0.06
1/1/2043	12/31/2043	0.9807	3.45	0.19	3.39	0.18	(3.20)	3.27	0.06
1/1/2044	12/31/2044	0.9807	0.19	0.00	0.18	0.00	(0.18)	0.19	0.00

- Notes:
- (3): Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2008-3).
 - (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	UNDISCOUNTED		DISCOUNTED		CHANGE IN DISCOUNTED LOSSES	PAID LOSSES	PAID + CHANGE IN DISCOUNTED LOSSES AY3
			UNPAID LOSSES BEG OF YEAR	UNPAID LOSSES END OF YEAR	UNPAID LOSSES BEG OF YEAR	UNPAID LOSSES END OF YEAR			
FROM	TO	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1/1/2008	12/31/2008	N/A	0.00	0.00	0.00	0.00	0.00		0.00
1/1/2009	12/31/2009	N/A	0.00	0.00	0.00	0.00	0.00		0.00
1/1/2010	12/31/2010	0.8628	0.00	109.27	0.00	94.27	94.27		0.00
1/1/2011	12/31/2011	0.8535	109.27	71.90	94.27	61.36	(32.91)	37.37	4.46
1/1/2012	12/31/2012	0.8352	71.90	48.96	61.36	40.89	(20.47)	22.94	2.46
1/1/2013	12/31/2013	0.8179	48.96	36.03	40.89	29.47	(11.42)	12.92	1.51
1/1/2014	12/31/2014	0.7973	36.03	28.65	29.47	22.84	(6.63)	7.38	0.75
1/1/2015	12/31/2015	0.7850	28.65	24.47	22.84	19.21	(3.64)	4.19	0.55
1/1/2016	12/31/2016	0.7926	24.47	22.03	19.21	17.46	(1.74)	2.43	0.69
1/1/2017	12/31/2017	0.7962	22.03	20.18	17.46	16.06	(1.40)	1.86	0.46
1/1/2018	12/31/2018	0.8130	20.18	18.79	16.06	15.27	(0.79)	1.39	0.60
1/1/2019	12/31/2019	0.8356	18.79	17.49	15.27	14.61	(0.66)	1.30	0.64
1/1/2020	12/31/2020	0.8598	17.49	16.29	14.61	14.01	(0.60)	1.19	0.59
1/1/2021	12/31/2021	0.8860	16.29	15.24	14.01	13.50	(0.51)	1.06	0.55
1/1/2022	12/31/2022	0.9146	15.24	14.53	13.50	13.29	(0.22)	0.71	0.50
1/1/2023	12/31/2023	0.9460	14.53	13.73	13.29	12.99	(0.30)	0.80	0.50
1/1/2024	12/31/2024	0.9807	13.73	12.94	12.99	12.69	(0.30)	0.79	0.49
1/1/2025	12/31/2025	0.9807	12.94	12.28	12.69	12.04	(0.64)	0.66	0.01
1/1/2026	12/31/2026	0.9807	12.28	11.57	12.04	11.34	(0.70)	0.71	0.01
1/1/2027	12/31/2027	0.9807	11.57	10.76	11.34	10.55	(0.79)	0.81	0.02
1/1/2028	12/31/2028	0.9807	10.76	10.19	10.55	9.99	(0.56)	0.57	0.01
1/1/2029	12/31/2029	0.9807	10.19	9.70	9.99	9.51	(0.47)	0.48	0.01
1/1/2030	12/31/2030	0.9807	9.70	9.22	9.51	9.05	(0.47)	0.48	0.01
1/1/2031	12/31/2031	0.9807	9.22	8.73	9.05	8.56	(0.49)	0.50	0.01
1/1/2032	12/31/2032	0.9807	8.73	8.21	8.56	8.05	(0.51)	0.52	0.01
1/1/2033	12/31/2033	0.9807	8.21	7.67	8.05	7.52	(0.53)	0.54	0.01
1/1/2034	12/31/2034	0.9807	7.67	7.10	7.52	6.97	(0.55)	0.56	0.01
1/1/2035	12/31/2035	0.9807	7.10	6.51	6.97	6.39	(0.58)	0.59	0.01
1/1/2036	12/31/2036	0.9807	6.51	5.90	6.39	5.78	(0.61)	0.62	0.01
1/1/2037	12/31/2037	0.9807	5.90	5.25	5.78	5.15	(0.63)	0.65	0.01
1/1/2038	12/31/2038	0.9807	5.25	4.57	5.15	4.49	(0.66)	0.68	0.01
1/1/2039	12/31/2039	0.9807	4.57	3.86	4.49	3.79	(0.70)	0.71	0.01
1/1/2040	12/31/2040	0.9807	3.86	3.12	3.79	3.06	(0.73)	0.75	0.01
1/1/2041	12/31/2041	0.9807	3.12	2.33	3.06	2.29	(0.77)	0.78	0.02
1/1/2042	12/31/2042	0.9807	2.33	1.51	2.29	1.48	(0.81)	0.82	0.02
1/1/2043	12/31/2043	0.9807	1.51	0.65	1.48	0.63	(0.85)	0.87	0.02
1/1/2044	12/31/2044	0.9807	0.65	0.00	0.63	0.00	(0.63)	0.65	0.01

- Notes:
- (3): Discount factors specified in IRS regulations (Internal Revenue Bulletin: 2008-3).
 - (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)					
9/1/2007	11/30/2007	0.00	0.07	0.14		(0.07)
12/1/2007	2/29/2008	0.00	(1.10)	0.63		(1.72)
3/1/2008	5/31/2008	0.00	(1.68)	2.52		(4.20)
6/1/2008	8/31/2008	0.00	(1.68)	8.41		(10.09)
9/1/2008	11/30/2008	22.63	(1.68)	23.10		(2.15)
12/1/2008	2/28/2009	23.39	(4.08)	40.28		(20.97)
3/1/2009	5/31/2009	38.42	(5.28)	47.51		(14.37)
6/1/2009	8/31/2009	51.71	(5.28)	44.74		1.69
9/1/2009	11/30/2009	51.65	(5.28)	31.60		14.77
12/1/2009	2/28/2010	32.89	0.14	18.29		14.75
3/1/2010	5/31/2010	16.75	2.85	11.34		8.26
6/1/2010	8/31/2010	2.46	2.85	6.08		(0.76)
9/1/2010	11/30/2010	(3.85)	2.85	3.36		(4.35)
12/1/2010	2/28/2011	(1.65)	2.09	1.73		(1.29)
3/1/2011	5/31/2011	(0.55)	1.71	0.84		0.32
6/1/2011	8/31/2011	(0.55)	1.71	0.37		0.79
9/1/2011	11/30/2011	(0.55)	1.71	0.10		1.06
12/1/2011	2/29/2012	(0.43)	1.18	0.00		0.75
3/1/2012	5/31/2012	(0.38)	0.92	0.00		0.54
6/1/2012	8/31/2012	(0.38)	0.92	0.00		0.54
9/1/2012	11/30/2012	(0.38)	0.92	0.00		0.54
12/1/2012	2/28/2013	(0.22)	0.65	0.00		0.43
3/1/2013	5/31/2013	(0.15)	0.52	0.00		0.37
6/1/2013	8/31/2013	(0.15)	0.52	0.00		0.37
9/1/2013	11/30/2013	(0.15)	0.52	0.00		0.37
12/1/2013	2/28/2014	(0.06)	0.41	0.00		0.36
3/1/2014	5/31/2014	(0.01)	0.36	0.00		0.35
6/1/2014	8/31/2014	(0.01)	0.36	0.00		0.35
9/1/2014	8/31/2015	(0.19)	1.40	0.00		1.21
9/1/2015	8/31/2016	(0.04)	1.19	0.00		1.14
9/1/2016	8/31/2017	0.08	1.13	0.00		1.21
9/1/2017	8/31/2018	(0.01)	1.20	0.00		1.19
9/1/2018	8/31/2019	(0.06)	1.18	0.00		1.13
9/1/2019	8/31/2020	(0.09)	1.12	0.00		1.03
9/1/2020	8/31/2021	(0.05)	1.02	0.00		0.98
9/1/2021	8/31/2022	(0.03)	0.97	0.00		0.94
9/1/2022	8/31/2023	(0.43)	0.93	0.00		0.50
9/1/2023	8/31/2024	(0.32)	0.49	0.00		0.17
9/1/2024	8/31/2025	(0.05)	0.17	0.00		0.11
9/1/2025	8/31/2026	(0.00)	0.11	0.00		0.11
9/1/2026	8/31/2027	(0.01)	0.10	0.00		0.10
9/1/2027	8/31/2028	(0.00)	0.09	0.00		0.09
9/1/2028	8/31/2029	(0.00)	0.09	0.00		0.09
9/1/2029	8/31/2030	0.00	0.08	0.00		0.08
9/1/2030	8/31/2031	0.00	0.08	0.00		0.08
9/1/2031	8/31/2032	0.00	0.08	0.00		0.08
9/1/2032	8/31/2033	0.00	0.07	0.00		0.07
9/1/2033	8/31/2034	0.00	0.07	0.00		0.07
9/1/2034	8/31/2035	0.00	0.07	0.00		0.07
9/1/2035	8/31/2036	0.00	0.06	0.00		0.06
9/1/2036	8/31/2037	0.00	0.06	0.00		0.06
9/1/2037	8/31/2038	0.00	0.06	0.00		0.06
9/1/2038	8/31/2039	0.00	0.05	0.00		0.05
9/1/2039	8/31/2040	0.00	0.05	0.00		0.05
9/1/2040	8/31/2041	0.00	0.04	0.00		0.05
9/1/2041	8/31/2042	0.00	0.04	0.00		0.04
9/1/2042	8/31/2043	(0.02)	0.03	0.00		0.02
9/1/2043	8/31/2044	(0.01)	0.02	0.00		0.01

Notes:

(3) = Table III, (9)

(4) = Based on Table IV, (13).

(5) = Table II-B, [(5) + (6) + (7) + (8) + (9) + (10) + (11)]

(6) = (3) + (4) - (5)

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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)						
9/1/2007	11/30/2007	0.00	0.00	0.00	0.00	0.00	0.00
12/1/2007	2/29/2008	0.00	0.00	0.00	0.00	0.00	0.00
3/1/2008	5/31/2008	0.00	0.00	0.00	0.00	0.00	0.00
6/1/2008	8/31/2008	0.00	0.00	(4.79)	4.79	0.00	0.00
9/1/2008	11/30/2008	15.63	182.92	170.74	27.82	2.41	82.29
12/1/2008	2/28/2009	70.77	412.19	360.79	122.17	2.41	200.16
3/1/2009	5/31/2009	167.90	483.05	399.10	251.85	2.41	269.78
6/1/2009	8/31/2009	299.26	493.21	416.72	375.75	2.41	328.43
9/1/2009	11/30/2009	425.07	271.02	250.60	445.49	2.41	288.49
12/1/2009	2/28/2010	496.77	117.38	150.53	463.61	2.41	254.53
3/1/2010	5/31/2010	516.30	27.54	91.67	452.17	2.41	225.39
6/1/2010	8/31/2010	487.23	0.00	58.69	428.54	2.41	201.93
9/1/2010	11/30/2010	438.57	0.00	33.21	405.37	2.41	181.76
12/1/2010	2/28/2011	395.35	0.00	16.81	378.54	2.41	163.85
3/1/2011	5/31/2011	356.04	0.00	8.78	347.26	2.41	147.56
6/1/2011	8/31/2011	322.03	0.00	4.96	317.07	2.41	133.46
9/1/2011	11/30/2011	291.77	0.00	3.52	288.25	2.41	120.92
12/1/2011	2/29/2012	265.31	0.00	3.08	262.22	2.41	109.95
3/1/2012	5/31/2012	242.19	0.00	2.71	239.48	2.41	100.37
6/1/2012	8/31/2012	222.71	0.00	2.33	220.38	2.41	92.30
9/1/2012	11/30/2012	205.69	0.00	1.96	203.73	2.41	85.25
12/1/2012	2/28/2013	190.85	0.00	1.73	189.12	2.41	79.10
3/1/2013	5/31/2013	177.67	0.00	1.58	176.09	2.41	73.64
6/1/2013	8/31/2013	166.59	0.00	1.44	165.16	2.41	69.04
9/1/2013	11/30/2013	156.88	0.00	1.29	155.59	2.41	65.02
12/1/2013	2/28/2014	148.40	0.00	1.23	147.17	2.41	61.50
3/1/2014	5/31/2014	140.86	0.00	1.22	139.64	2.41	58.38
6/1/2014	8/31/2014	134.51	0.00	1.21	133.30	2.41	55.75
9/1/2014	8/31/2015	116.53	0.00	1.03	115.50	2.41	48.29
9/1/2015	8/31/2016	105.27	0.00	0.98	104.28	2.41	43.63
9/1/2016	8/31/2017	96.89	0.00	1.07	95.82	2.41	40.15
9/1/2017	8/31/2018	90.18	0.00	1.06	89.12	2.41	37.37
9/1/2018	8/31/2019	84.01	0.00	1.00	83.01	2.41	34.82
9/1/2019	8/31/2020	78.18	0.00	0.91	77.27	2.41	32.40
9/1/2020	8/31/2021	73.59	0.00	0.87	72.73	2.41	30.50
9/1/2021	8/31/2022	70.01	0.00	0.83	69.18	2.41	29.02
9/1/2022	8/31/2023	66.05	0.00	0.40	65.65	2.41	27.37
9/1/2023	8/31/2024	62.38	0.00	0.08	62.31	2.41	25.85
9/1/2024	8/31/2025	59.21	0.00	0.03	59.18	2.41	24.54
9/1/2025	8/31/2026	55.45	0.00	0.02	55.43	2.41	22.98
9/1/2026	8/31/2027	51.82	0.00	0.02	51.80	2.41	21.48
9/1/2027	8/31/2028	49.16	0.00	0.02	49.14	2.41	20.37
9/1/2028	8/31/2029	46.81	0.00	0.02	46.80	2.41	19.40
9/1/2029	8/31/2030	44.47	0.00	0.02	44.45	2.41	18.43
9/1/2030	8/31/2031	42.02	0.00	0.02	42.00	2.41	17.41
9/1/2031	8/31/2032	39.47	0.00	0.02	39.45	2.41	16.36
9/1/2032	8/31/2033	36.80	0.00	0.02	36.78	2.41	15.25
9/1/2033	8/31/2034	34.02	0.00	0.02	34.00	2.41	14.10
9/1/2034	8/31/2035	31.11	0.00	0.02	31.09	2.41	12.89
9/1/2035	8/31/2036	28.07	0.00	0.02	28.05	2.41	11.63
9/1/2036	8/31/2037	24.88	0.00	0.02	24.86	2.41	10.31
9/1/2037	8/31/2038	21.54	0.00	0.02	21.52	2.41	8.93
9/1/2038	8/31/2039	18.04	0.00	0.02	18.01	2.41	7.48
9/1/2039	8/31/2040	14.36	0.00	0.03	14.34	2.41	5.95
9/1/2040	8/31/2041	10.50	0.00	0.03	10.47	2.41	4.35
9/1/2041	8/31/2042	6.44	0.00	0.03	6.41	2.41	2.67
9/1/2042	8/31/2043	2.16	0.00	0.01	2.15	2.41	0.90
9/1/2043	8/31/2044	(0.00)	0.00	0.00	0.00	2.41	(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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Section VII - Profit
 Subsection B - Internal Rate of Return Model
 9/1/2008

Section VII-B
 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)						
9/1/2007	11/30/2007	(0.07)	0.00	0.00	0.00	(0.07)	
12/1/2007	2/29/2008	(1.72)	0.00	0.00	0.00	(1.72)	
3/1/2008	5/31/2008	(4.20)	0.00	0.00	0.00	(4.20)	
6/1/2008	8/31/2008	(10.09)	0.05	0.00	0.00	(10.05)	
9/1/2008	11/30/2008	(2.15)	0.26	(82.29)	0.77	(83.41)	
12/1/2008	2/28/2009	(20.97)	1.13	(117.87)	1.85	(135.86)	
3/1/2009	5/31/2009	(14.37)	2.39	(69.62)	2.56	(79.04)	
6/1/2009	8/31/2009	1.69	3.57	(58.65)	3.12	(50.28)	
9/1/2009	11/30/2009	14.77	4.18	39.94	2.71	61.61	
12/1/2009	2/28/2010	14.75	4.30	33.96	2.36	55.38	
3/1/2010	5/31/2010	8.26	4.29	29.14	2.14	43.83	
6/1/2010	8/31/2010	(0.76)	4.07	23.46	1.92	28.69	
9/1/2010	11/30/2010	(4.35)	3.81	20.16	1.71	21.32	
12/1/2010	2/28/2011	(1.29)	3.51	17.92	1.52	21.67	
3/1/2011	5/31/2011	0.32	3.30	16.29	1.40	21.31	
6/1/2011	8/31/2011	0.79	3.01	14.10	1.27	19.16	
9/1/2011	11/30/2011	1.06	2.71	12.54	1.14	17.44	
12/1/2011	2/29/2012	0.75	2.46	10.97	1.03	15.21	
3/1/2012	5/31/2012	0.54	2.27	9.58	0.95	13.34	
6/1/2012	8/31/2012	0.54	2.09	8.07	0.87	11.57	
9/1/2012	11/30/2012	0.54	1.91	7.05	0.80	10.30	
12/1/2012	2/28/2013	0.43	1.75	6.15	0.73	9.06	
3/1/2013	5/31/2013	0.37	1.67	5.46	0.70	8.20	
6/1/2013	8/31/2013	0.37	1.57	4.59	0.66	7.19	
9/1/2013	11/30/2013	0.37	1.46	4.03	0.61	6.47	
12/1/2013	2/28/2014	0.36	1.37	3.51	0.57	5.81	
3/1/2014	5/31/2014	0.35	1.33	3.12	0.55	5.35	
6/1/2014	8/31/2014	0.35	1.27	2.63	0.53	4.78	
9/1/2014	8/31/2015	1.21	4.45	7.45	1.86	14.97	
9/1/2015	8/31/2016	1.14	4.03	4.67	1.69	11.52	
9/1/2016	8/31/2017	1.21	3.68	3.47	1.54	9.91	
9/1/2017	8/31/2018	1.19	3.43	2.78	1.44	8.85	
9/1/2018	8/31/2019	1.13	3.20	2.56	1.34	8.22	
9/1/2019	8/31/2020	1.03	2.99	2.42	1.25	7.68	
9/1/2020	8/31/2021	0.98	2.79	1.90	1.17	6.84	
9/1/2021	8/31/2022	0.94	2.67	1.48	1.12	6.20	
9/1/2022	8/31/2023	0.50	2.53	1.64	1.05	5.72	
9/1/2023	8/31/2024	0.17	2.41	1.52	1.00	5.10	
9/1/2024	8/31/2025	0.11	2.27	1.32	0.94	4.65	
9/1/2025	8/31/2026	0.11	2.14	1.55	0.89	4.68	
9/1/2026	8/31/2027	0.10	2.00	1.51	0.83	4.43	
9/1/2027	8/31/2028	0.09	1.90	1.10	0.79	3.88	
9/1/2028	8/31/2029	0.09	1.80	0.97	0.75	3.60	
9/1/2029	8/31/2030	0.08	1.71	0.97	0.71	3.48	
9/1/2030	8/31/2031	0.08	1.62	1.01	0.67	3.38	
9/1/2031	8/31/2032	0.08	1.52	1.06	0.63	3.29	
9/1/2032	8/31/2033	0.07	1.41	1.10	0.59	3.18	
9/1/2033	8/31/2034	0.07	1.31	1.15	0.54	3.08	
9/1/2034	8/31/2035	0.07	1.20	1.21	0.50	2.97	
9/1/2035	8/31/2036	0.06	1.08	1.26	0.45	2.86	
9/1/2036	8/31/2037	0.06	0.96	1.32	0.40	2.73	
9/1/2037	8/31/2038	0.06	0.83	1.38	0.34	2.61	
9/1/2038	8/31/2039	0.05	0.69	1.45	0.29	2.49	
9/1/2039	8/31/2040	0.05	0.55	1.52	0.23	2.36	
9/1/2040	8/31/2041	0.05	0.40	1.60	0.17	2.22	
9/1/2041	8/31/2042	0.04	0.25	1.68	0.10	2.07	
9/1/2042	8/31/2043	0.02	0.08	1.77	0.03	1.91	
9/1/2043	8/31/2044	0.01	0.00	0.90	0.00	0.90	

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 that substantially exceeds the 11.0% value produced by the single factor (i.e., traditional) CAPM cost of equity 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 22 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.

Based on these data, Dr. Appel calculated the cost of equity capital for the full sample of 22 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 10.74% for bearing the risk of underwriting property/casualty insurance, based on the average of the DCF and CAPM results shown below.

DCF	10.45%
CAPM	11.03%
Average	10.74%

Given these results, the WCRIB has used a cost of equity capital of 10.74% 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 22 insurers, the average interest cost on long

term debt is 5.67%, and the share of non-equity capital in the corporate capital structure is 18%.⁴ Thus, the weighted average cost of capital is 9.85%, as shown below:

$$(18\% \times 5.67\%) + (82\% \times 10.74\%) = 9.85\%$$

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.

⁴ The cost of debt is based on Value Line's reporting of the amounts of debt and debt interest. In reviewing these data, several values appeared anomalous, including those for Progressive and PMI (where the costs of debt were very low - 1.84% and 3.42% respectively) and for Hanover (where the reported cost was high, at 8.17%). Upon review of the 10-K filings of these companies, it is apparent that Value Line has mistakenly reported the values for Progressive and PMI (the average debt cost for these companies is approximately 6.4%), however the values for Hanover appear to be correct. Although the Bureau has decided to rely on the Value Line data in the filing, Dr. Appel notes that correcting the erroneous values would increase the cost of capital by approximately 11 basis points, and ultimately increase the rate indication by approximately 12 basis points.

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.
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.

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Section VII – Profit
Subsection C – Cost of Capital
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Section VII - C
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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.

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).⁵

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.

⁵ 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.

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

$$k = (D_1 / P_0) + g,$$

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 - 2007 a diversified portfolio of common stocks earned an annual return which averaged 8.48 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 8.48 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 2008.

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.

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)

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 VII-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 10.45%.

To illustrate the calculation, consider the model shown in section VII-C, Exhibit 2, page 1. In this model, the first-year dividend yield is 1.95%, and the expected growth rate in dividends is 8.51%. Accordingly, the required rate of return (k) in this DCF model is equal to:

$$k = (D_1 / P_0) + g, \text{ or}$$
$$10.45\% = 1.95\% + 8.51\%$$

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 22 property/casualty insurers, the beta coefficient for this sample of companies ranges from 0.55 to 1.30, and averages 0.92. This is shown on Section VII-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 2007. 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 3.45%, while the yields on 5- and 20-year Treasuries averaged 3.79% and 4.65% respectively.

Combining the information concerning the recent yields on U.S. Treasury securities, beta coefficients for the property/casualty insurance industry, and the

historical differential between risk-free and equity investments, Dr. Appel's best estimate of investors' required return is 11.03%.

To illustrate this calculation, consider the results for the short term CAPM below:

$$K = r_f + (\beta \times r_d) , \text{ or}$$
$$11.25\% = 3.45\% + (0.92 \times 8.48\%)$$

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 11.03% 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 10.74%, 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 VII-C, Exhibits 4 and 5. As these exhibits show,

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debt accounts for approximately 18% of insurer capital, while common equity accounts for 82% of capital. Given the equity cost, as shown above, of 10.74%, and the debt cost estimated in Exhibit 4 of 5.67%, the weighted average cost of capital is 9.85%, as shown below:

$$(18\% \times 5.67\%) + (82\% \times 10.74\%) = 9.85\%$$

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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)	10.45
(2) Capital Asset Pricing Model (from Exhibit 3, page 1)	<u>11.03</u>
(3) Cost of Equity ($=[(1)+(2)] / 2.0$)	10.74
(4) Cost of Debt (from Exhibit 4)	5.67
(5) Capital Structure (from Exhibit 5):	
(a) Equity	82%
(b) Debt	18%
(6) Weighted Average Cost of Capital $[= (3) \times (5a) + (4) \times (5b)]$	9.85

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Exhibit 2
Page 1

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)	1.95
(2) Growth Forecast { = [(a) + (b)] / 2.0 }	8.10
(a) Dividend Component [= Page 2, average of columns (3) through (5)]	6.45
(b) Earnings Component [= Page 2, average of columns (6) through (8)]	9.76
(3) Fundamental Analysis [= (a) + (b)]	8.91
(a) Retention to book [= Page 2, average of columns (9) through (11)]	9.27
(b) Stock issuance factor [= Page 2, column (15)]	-0.35
(4) Dividend Growth Rate { = [(2) + (3)] / 2.0 }	8.51
(5) Cost of Capital [= (1) + (4)]	10.45

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			2008 Shares (12)	2010-2012 Shares (13)	2010-2012 Market/ Book (14)	Stock Issuance Adjustment Factor (15)
		Past 10 Years (3)	Past 5 Years (4)	Forecast 2010-2012 (5)	Past 10 Years (6)	Past 5 Years (7)	Forecast 2010-2012 (8)	Past 10 Years (9)	Past 5 Years (10)	Forecast 2010-2012 (11)				
ACE LTD.	1.90	18.00	12.50	7.50	15.00	30.50	10.50	9.4	10.1	8.5	330.00	330.00	1.15	0.00
Alleghany Corp.	Nil	NA	NA	Nil	NA	NA	25.00	6.5	5.7	8.5	8.30	8.40	1.20	0.08
Allstate Corp	2.90	12.50	13.00	8.00	11.00	12.50	9.00	11.5	10.5	13.5	550.00	525.00	1.40	-0.62
American Finan	1.40	-6.00	-12.50	6.50	-1.00	22.00	12.50	5.9	7.7	11.5	115.00	115.00	1.25	0.00
Berkley (W.R.)	0.60	8.00	6.00	17.00	22.50	NA	9.00	10.1	16.7	11.0	175.00	175.00	1.45	0.00
Berkshire Hath. 'A'	Nil	NA	NA	Nil	24.00	25.00	7.00	6.6	9.0	8.5	1.54	1.54	1.30	0.00
CNA Financial	1.70	NA	NA	Nil	-3.50	NA	15.00	5.1	4.6	7.5	270.00	270.00	0.90	0.00
Chubb	2.20	6.00	6.00	6.00	10.50	26.00	4.00	7.3	8.2	9.0	370.00	375.00	1.45	0.20
Cincinnati Fin	3.70	11.50	11.50	6.00	10.00	23.50	1.50	3.3	4.4	3.5	163.00	160.00	1.20	-0.12
Erie Indemnity	3.50	13.50	18.00	10.00	8.50	11.00	3.50	13.5	12.3	10.0	52.00	49.00	2.80	-3.53
HCC Ins Hldngs	1.50	NA	13.50	14.00	13.00	22.50	11.50	11.2	11.5	10.0	115.00	115.00	1.45	0.00
Hanover Ins. Group	0.90	6.50	-6.00	22.00	-0.50	-11.00	13.50	6.9	4.5	7.0	48.00	45.00	1.10	-0.21
Markel Corp.	Nil	NA	NA	Nil	15.00	NA	12.50	8.2	8.6	11.5	10.00	10.00	1.50	0.00
Mercury General	4.00	15.50	12.50	4.50	10.50	15.50	11.00	9.1	8.1	8.0	55.00	55.00	1.10	0.00
Old Republic	4.50	14.00	11.50	10.00	9.50	8.50	1.50	9.4	8.8	5.0	231.50	232.00	1.05	0.00
PMI Group, Inc.	1.40	14.00	19.50	12.00	11.50	8.00	7.50	14.5	12.2	10.0	80.00	80.00	1.05	0.00
Progressive	1.10	5.00	5.50	NMF	20.50	NMF	1.00	17.8	23.9	21.0	650.00	600.00	1.85	-2.24
RLI Corp	1.60	11.50	15.50	12.00	22.00	18.50	7.50	8.9	9.6	10.0	22.00	20.00	1.35	-1.09
SAFECO	2.90	-1.00	-6.00	11.50	5.50	NMF	5.50	5.9	10.1	9.0	90.00	90.00	1.40	0.00
Selective	2.20	3.50	6.00	6.00	9.50	26.50	6.50	6.9	8.6	10.0	52.00	52.00	1.30	0.00
The Travelers	2.20	2.00	-2.00	5.00	2.50	NMF	12.00	6.6	5.9	9.0	635.00	600.00	1.10	-0.19
XL Capital Lmtd	2.60	9.50	0.50	-1.50	-7.00	9.00	NMF	7.2	6.1	11.0	177.00	175.00	1.20	-0.08
Average	1.95	6.55	5.68	7.11	9.50	11.27	8.50	8.71	9.41	9.68				-0.35

Notes:
 Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 21, 2007.
 All companies with Nil values pay no dividends
 NMF = Not a Meaningful Figure
 $(15) = [(14) - 1.0] \times \{[(13) / (12)]^t - 1.0\} \times 100$, where t is 0.333 for the years between midyear 2010 and midyear 2012.

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Section VII - C
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	3.45	8.48	0.92	11.25
Intermediate-Term	3.79	7.51	0.92	10.70
Long-Term	4.65	7.05	0.92	11.14
Average	3.96	7.68	0.92	11.03

where for β : = average beta coefficient (Page 2).

where for r_f : (Section VII-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 : (Section VII-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

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Section VII - C
Exhibit 3
Page 2

Capital Asset Pricing Model - Beta Coefficient

<u>Property/Casualty Insurance Companies</u>	<u>Beta Coefficients</u>
ACE LTD.	1.25
Alleghany Corp.	0.65
Allstate Corp	0.95
American Finan	1.00
Berkley (W.R.)	1.00
Berkshire Hath. 'A'	0.55
CNA Financial	0.90
Chubb	1.05
Cincinnati Fin	0.85
Erie Indemnity	0.65
HCC Ins Hldngs	0.85
Hanover Ins. Group	1.30
Markel Corp.	0.80
Mercury General	0.85
Old Republic	0.95
PMI Group, Inc.	1.30
Progressive	0.80
RLI Corp	0.80
SAFECO	0.80
Selective	0.95
The Travelers	1.00
XL Capital Lmtd	1.05
Average	<u><u>0.92</u></u>

Note:

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 21, 2007.

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Section VII - 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 LTD.			
Alleghany Corp.			
Allstate Corp	300.0	5,640.0	5.32%
American Finan			
Berkley (W.R.)	88.0	1,363.8	6.45%
Berkshire Hath. 'A'			
CNA Financial	125.0	2,007.0	6.23%
Chubb	250.0	4,135.0	6.05%
Cincinnati Fin	52.0	860.0	6.05%
Erie Indemnity			
HCC Ins Hldngs			
Hanover Ins. Group	42.0	514.0	8.17%
Markel Corp.			
Mercury General	8.4	131.0	6.41%
Old Republic	6.0	93.8	6.40%
PMI Group, Inc.	17.0	496.6	3.42%
Progressive	40.0	2,173.1	1.84%
RLI Corp			
SAFECO			
Selective	19.8	332.7	5.95%
The Travelers			
XL Capital Lmted	165.0	2,866.4	5.76%
Average			5.67%

Note:

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 21, 2007.

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 LTD.	2,155.0	2,068.0	87.0	309.0	2,464.0	20,183.9
Alleghany Corp.	0.0	0.0	0.0	299.5	299.5	3,244.2
Allstate Corp	5,640.0	5,640.0	0.0	0.0	5,640.0	29,399.1
American Finan	897.2	0.0	897.2	0.0	897.2	3,312.4
Berkley (W.R.)	1,363.8	1,363.8	0.0	0.0	1,363.8	5,443.4
Berkshire Hath. 'A'	36,488.0	36,488.0	0.0	0.0	36,488.0	147,437.0
CNA Financial	2,157.0	2,007.0	150.0	0.0	2,157.0	8,949.2
Chubb	4,135.0	4,135.0	0.0	0.0	4,135.0	20,597.2
Cincinnati Fin	860.0	860.0	0.0	0.0	860.0	6,425.3
Erie Indemnity	0.0	0.0	0.0	0.0	0.0	2,781.2
HCC Ins Hldngs	304.1	0.0	304.1	0.0	304.1	3,268.5
Hanover Ins. Group	514.0	514.0	0.0	0.0	514.0	2,316.2
Markel Corp.	680.4	0.0	680.4	0.0	680.4	4,658.5
Mercury General	131.0	131.0	0.0	0.0	131.0	2,694.7
Old Republic	93.8	93.8	0.0	0.0	93.8	3,434.1
PMI Group, Inc.	496.6	496.6	0.0	0.0	496.6	962.8
Progressive	2,173.1	2,173.1	0.0	0.0	2,173.1	13,018.5
RLI Corp	152.6	0.0	152.6	0.0	152.6	1,304.0
SAFECO	704.0	0.0	704.0	0.0	704.0	5,097.4
Selective	332.7	332.7	0.0	0.0	332.7	1,201.7
The Travelers	6,243.0	0.0	6,243.0	0.0	6,243.0	33,943.1
XL Capital Lmtd	2,866.4	2,866.4	0.0	1,287.5	4,153.9	9,024.8
Total	68,387.7	59,169.4	9,218.3	1,896.0	70,283.7	328,697.2
Capital Structure Ratios					0.18	0.82

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Notes:

Source: Value Line Investment Survey, Part 3, The Ratings & Reports, December 21, 2007.

(7) = (outstanding shares) * (one month average share price)

One month (Dec 15, 2007 - Jan 14, 2008) 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.

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Section VII - Profit
Subsection D - Leverage Ratio
9/1/2008

Section VII - 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)
2002	179,791	56,946	90,723	2.61
2003	199,804	64,979	106,528	2.49
2004	227,053	69,513	120,056	2.47
2005	251,807	72,853	135,918	2.39
2006	263,055	76,343	160,813	2.11
Average				2.41

Notes:

Source: Best's Aggregates and Averages, 2007 edition, page 137

(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	0.0%	0.0%	25.1%	0.1%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
-3	0.0%	0.0%	25.1%	0.0%	0.0%	53.9%	0.2%	0.0%	21.0%	0.0%
-2	0.1%	0.0%	25.1%	0.1%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
-1	11.2%	11.2%	25.1%	2.7%	2.7%	53.9%	1.1%	1.0%	21.0%	4.5%
0	38.1%	38.1%	25.1%	34.5%	34.5%	53.9%	37.8%	37.8%	21.0%	36.1%
1	22.6%	22.6%	25.1%	26.0%	26.0%	53.9%	22.4%	22.4%	21.0%	24.4%
2	15.4%	15.4%	25.1%	20.5%	20.5%	53.9%	20.1%	20.1%	21.0%	19.1%
3	4.0%	4.0%	25.1%	5.7%	5.7%	53.9%	7.4%	7.5%	21.0%	5.7%
4	2.2%	2.2%	25.1%	1.8%	1.8%	53.9%	3.1%	3.0%	21.0%	2.2%
5	2.8%	2.8%	25.1%	4.0%	4.0%	53.9%	5.6%	5.6%	21.0%	4.0%
6	1.9%	1.9%	25.1%	2.2%	2.2%	53.9%	1.9%	1.9%	21.0%	2.1%
7	1.1%	1.1%	25.1%	1.2%	1.5%	53.9%	0.2%	0.5%	21.0%	1.2%
8	0.1%	0.7%	25.1%	0.2%	1.1%	53.9%	0.0%	0.2%	21.0%	0.8%
9	0.0%	0.0%	25.1%	0.1%	0.0%	53.9%	0.1%	0.0%	21.0%	0.0%
10	0.0%	0.0%	25.1%	0.0%	0.0%	53.9%	0.1%	0.0%	21.0%	0.0%
11	0.0%	0.0%	25.1%	0.0%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
12	0.2%	0.0%	25.1%	0.2%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
13	0.2%	0.0%	25.1%	0.4%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
14	0.1%	0.0%	25.1%	0.3%	0.0%	53.9%	0.0%	0.0%	21.0%	0.0%
Total										100.0%

Notes:

(4), (7), (10) are calculated using Unit Statistical Plan data for CPY 04/05.

(2), (5), (8) are from the premium collection call.

(11) = [(3) x (4)] + [(6) x (7)] + [(9) x (10)]

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Section VII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2008

Section VII - F
 Exhibit 1

Cash Flow Weights

Item of Expense Allowance (% of Standard Premium plus ARAP)	Policy Year		Average
	2004	2005	
(1) Expected Losses	65.47%	65.78%	65.62%
(2) Expected Loss Adjustment Expense:	13.16%	13.22%	13.19%
(a) Defense and Cost Containment Expense	7.07%	7.11%	7.09%
(b) Adjusting and Other Expense	6.09%	6.11%	6.10%
(3) Expected Losses + LAE [= (1) + (2)]	78.62%	79.00%	78.81%
(4) Fixed Expenses	6.72%	6.63%	6.68%
(a) General Expenses	6.02%	5.94%	5.98%
(b) Miscellaneous and Other Taxes	0.70%	0.69%	0.70%
(5) Variable Expenses [= (5a) + (5b) + (5c)]	17.57%	17.57%	17.57%
(a) Total Acquisition	11.42%	11.42%	11.42%
(i) Commissions	7.25%	7.25%	7.25%
(ii) Other Acquisition	3.18%	3.18%	3.18%
(iii) Reinsurance Expenses	1.00%	1.00%	1.00%
(iv) Incidental Income and Earned but Uncollected Premium	0.00%	0.00%	0.00%
(b) Premium Tax	2.19%	2.19%	2.19%
(c) Premium Discount	3.96%	3.96%	3.96%
(6) Total Expenses [= (4) + (5)]	24.29%	24.20%	24.25%

Notes:

- (1): Policy year 2004 basis Expected Losses = 0.656 x 0.997 from Section I-B, Exhibit 1. Policy year 2005 basis Expected Losses = 0.66 x 0.997 from Section I-B, Exhibit 1. Where 0.997 is the factor to reflect the impact of large deductible policies, and 0.656, 0.66 are the loss ratios projected to policy effective period.
- (2): Expected LAE = Expected Losses x 0.201 where 0.201 is the LAE ratio calculated in VI-D, Exhibit 1.
- (2a), (2b): Loss Adjustment Expense split between DCC and AO is 0.537 = 0.108 / 0.201 and 0.463 = 1 - 0.537 where 0.108 is three year average provision for DCC from Section VI-D, Exhibit 1, line (4) and LAE ratio = 0.201 from Section VI-D, Exhibit 1, line (10).
- (4): 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 2004 Fixed Expenses split between General Expenses and Other Taxes based on \$40,337,259 General Expenses and \$4,719,470 Other Taxes. Policy Year 2005 General Expenses split based on \$41,492,999 General Expenses and \$4,854,691 Other Taxes. See VI-B, Exhibit 1, columns (12) & (13).
- (5a): Section VI-K, Exhibit 1.
- (5b), (5c): Section VI-A, Exhibit 1.

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Section VII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2008

Section VII - 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)
09/01/07	11/30/07	1	2	0	1
12/01/07	02/29/08	1	6	0	2
03/01/08	05/31/08	15	12	0	14
06/01/08	08/31/08	23	44	0	29
09/01/08	11/30/08	21	30	100	23
12/01/08	02/28/09	10	2	0	8
03/01/09	05/31/09	9	1	0	7
06/01/09	08/31/09	9	1	0	7
09/01/09	11/30/09	10	2	0	8
12/01/09	02/28/10	1	0	0	1
Total		100	100	100	100

Notes:

(3): 1977 Filing, Exhibit 20.

(4) & (6): 1977 Filing, Exhibit 21.

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Section VII - Profit
 Subsection F - Expense Flows and Weights
 9/1/2008

Section VII - 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)					
09/01/07	11/30/07	0.0000	0.0000	0.0000	0.0000	0.0000
12/01/07	02/29/08	0.0000	0.0000	0.0000	0.0000	0.0000
03/01/08	05/31/08	0.0000	0.0000	0.0000	0.0000	0.0000
06/01/08	08/31/08	0.0000	0.0000	0.0000	0.0000	0.0000
09/01/08	11/30/08	0.2500	0.0508	0.0508	0.1504	0.0585
12/01/08	02/28/09	0.2500	0.0508	0.0508	0.1504	0.0585
03/01/09	05/31/09	0.2500	0.0508	0.0508	0.1504	0.0585
06/01/09	08/31/09	0.2500	0.0508	0.0508	0.1504	0.0585
09/01/09	11/30/09	0.0000	0.0688	0.0688	0.0344	0.0661
12/01/09	02/28/10	0.0000	0.0688	0.0688	0.0344	0.0661
03/01/10	05/31/10	0.0000	0.0688	0.0688	0.0344	0.0661
06/01/10	08/31/10	0.0000	0.0688	0.0688	0.0344	0.0661
09/01/10	11/30/10	0.0000	0.0431	0.0431	0.0215	0.0414
12/01/10	02/28/11	0.0000	0.0431	0.0431	0.0215	0.0414
03/01/11	05/31/11	0.0000	0.0431	0.0431	0.0215	0.0414
06/01/11	08/31/11	0.0000	0.0431	0.0431	0.0215	0.0414
09/01/11	11/30/11	0.0000	0.0242	0.0242	0.0121	0.0233
12/01/11	02/29/12	0.0000	0.0242	0.0242	0.0121	0.0233
03/01/12	05/31/12	0.0000	0.0242	0.0242	0.0121	0.0233
06/01/12	08/31/12	0.0000	0.0242	0.0242	0.0121	0.0233
09/01/12	11/30/12	0.0000	0.0138	0.0138	0.0069	0.0133
12/01/12	02/28/13	0.0000	0.0138	0.0138	0.0069	0.0133
03/01/13	05/31/13	0.0000	0.0138	0.0138	0.0069	0.0133
06/01/13	08/31/13	0.0000	0.0138	0.0138	0.0069	0.0133
09/01/13	11/30/13	0.0000	0.0079	0.0079	0.0040	0.0076
12/01/13	02/28/14	0.0000	0.0079	0.0079	0.0040	0.0076
03/01/14	05/31/14	0.0000	0.0079	0.0079	0.0040	0.0076
06/01/14	08/31/14	0.0000	0.0079	0.0079	0.0040	0.0076
09/01/14	08/31/15	0.0000	0.0171	0.0171	0.0085	0.0164
09/01/15	08/31/16	0.0000	0.0134	0.0134	0.0067	0.0129
09/01/16	08/31/17	0.0000	0.0093	0.0093	0.0046	0.0089
09/01/17	08/31/18	0.0000	0.0088	0.0088	0.0044	0.0085
09/01/18	08/31/19	0.0000	0.0078	0.0078	0.0039	0.0075
09/01/19	08/31/20	0.0000	0.0079	0.0079	0.0039	0.0076
09/01/20	08/31/21	0.0000	0.0045	0.0045	0.0023	0.0044
09/01/21	08/31/22	0.0000	0.0051	0.0051	0.0026	0.0049
09/01/22	08/31/23	0.0000	0.0056	0.0056	0.0028	0.0054
09/01/23	08/31/24	0.0000	0.0043	0.0043	0.0022	0.0042
09/01/24	08/31/25	0.0000	0.0042	0.0042	0.0021	0.0041
09/01/25	08/31/26	0.0000	0.0059	0.0059	0.0029	0.0056
09/01/26	08/31/27	0.0000	0.0040	0.0040	0.0020	0.0038
09/01/27	08/31/28	0.0000	0.0032	0.0032	0.0016	0.0031
09/01/28	08/31/29	0.0000	0.0031	0.0031	0.0016	0.0030
09/01/29	08/31/30	0.0000	0.0032	0.0032	0.0016	0.0031
09/01/30	08/31/31	0.0000	0.0034	0.0034	0.0017	0.0032
09/01/31	08/31/32	0.0000	0.0035	0.0035	0.0018	0.0034
09/01/32	08/31/33	0.0000	0.0037	0.0037	0.0018	0.0035
09/01/33	08/31/34	0.0000	0.0038	0.0038	0.0019	0.0037
09/01/34	08/31/35	0.0000	0.0040	0.0040	0.0020	0.0039
09/01/35	08/31/36	0.0000	0.0042	0.0042	0.0021	0.0040
09/01/36	08/31/37	0.0000	0.0044	0.0044	0.0022	0.0042
09/01/37	08/31/38	0.0000	0.0046	0.0046	0.0023	0.0044
09/01/38	08/31/39	0.0000	0.0048	0.0048	0.0024	0.0047
09/01/39	08/31/40	0.0000	0.0051	0.0051	0.0025	0.0049
09/01/40	08/31/41	0.0000	0.0053	0.0053	0.0027	0.0051
09/01/41	08/31/42	0.0000	0.0056	0.0056	0.0028	0.0054
09/01/42	08/31/43	0.0000	0.0059	0.0059	0.0030	0.0057
(8) Relative Weights			1.0000	0.1080	0.0930	

Notes:

(4): Section VII-G, Exhibit 1.

(7): Loss and LAE flow = (1.000 x (4) + 0.108 x (5) + 0.093 x (6)) / (1.000 + 0.108 + 0.093)

(8): DCC relative weight = 1.000 x 0.201 x 0.537; AO relative weight = 1.000 x 0.201 x 0.463
 where 0.201 is the LAE factor calculated in Section VI-D, Exhibit 1 and 0.537, 0.463
 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	6.781	14.75%	14.75%				14.75%	14.31%	3.385	29.54%	29.54%	20.30%
24	2.482	40.29%	25.54%				25.54%	24.78%	1.633	61.23%	31.70%	27.50%
36	1.608	62.20%	21.91%				21.91%	21.26%	1.384	72.26%	11.02%	17.23%
48	1.333	75.02%	12.83%				12.83%	12.45%	1.287	77.68%	5.43%	9.68%
60	1.210	82.62%	7.60%				7.60%	7.37%	1.244	80.36%	2.67%	5.52%
72	1.151	86.91%	4.28%				4.28%	4.15%	1.219	82.01%	1.65%	3.17%
84	1.125	88.92%	2.02%				2.02%	1.96%	1.200	83.33%	1.32%	1.71%
96	1.105	90.52%	1.59%				1.59%	1.54%	1.186	84.35%	1.02%	1.34%
108	1.094	91.41%	0.90%				0.90%	0.87%	1.171	85.37%	1.02%	0.93%
120	1.084	92.22%	0.81%				0.81%	0.78%	1.157	86.40%	1.03%	0.88%
132	1.076	92.95%	0.73%				0.73%	0.71%	1.145	87.31%	0.91%	0.78%
144	1.067	93.70%	0.75%				0.75%	0.73%	1.134	88.19%	0.88%	0.79%
156	1.063	94.05%	0.35%				0.35%	0.34%	1.126	88.81%	0.63%	0.45%
168	1.059	94.42%	0.37%	0.480	0.0018	0.09%	0.46%	0.45%	1.118	89.43%	0.62%	0.51%
180	1.055	94.78%	0.36%	0.960	0.0035	0.18%	0.55%	0.53%	1.111	90.02%	0.60%	0.56%
192	1.053	94.99%	0.21%	0.960	0.0020	0.10%	0.31%	0.30%	1.103	90.67%	0.64%	0.43%
204	1.050	95.22%	0.23%	1.031	0.0024	0.13%	0.36%	0.35%	1.096	91.21%	0.54%	0.42%
216	1.046	95.64%	0.42%	1.031	0.0043	0.22%	0.64%	0.62%	1.090	91.74%	0.53%	0.59%
228	1.044	95.83%	0.19%	1.031	0.0019	0.10%	0.29%	0.28%	1.083	92.32%	0.58%	0.40%
240	1.042	95.99%	0.16%	1.031	0.0017	0.09%	0.25%	0.25%	1.078	92.76%	0.44%	0.32%
252	1.039	96.22%	0.23%	1.031	0.0024	0.12%	0.35%	0.34%	1.075	93.02%	0.26%	0.31%
264	1.037	96.46%	0.23%	1.031	0.0024	0.13%	0.36%	0.35%	1.072	93.30%	0.28%	0.32%
276	1.034	96.70%	0.24%	1.031	0.0025	0.13%	0.37%	0.36%	1.068	93.61%	0.31%	0.34%
288	1.032	96.94%	0.24%	1.031	0.0025	0.13%	0.38%	0.36%	1.065	93.94%	0.33%	0.35%
300	1.029	97.19%	0.25%	1.031	0.0026	0.13%	0.38%	0.37%	1.060	94.30%	0.36%	0.37%
312	1.026	97.44%	0.26%	1.031	0.0026	0.14%	0.39%	0.38%	1.056	94.69%	0.39%	0.38%
324	1.023	97.71%	0.26%	1.031	0.0027	0.14%	0.40%	0.39%	1.051	95.11%	0.42%	0.40%
336	1.021	97.97%	0.27%	1.031	0.0027	0.14%	0.41%	0.40%	1.046	95.56%	0.46%	0.42%
348	1.018	98.24%	0.27%	1.031	0.0028	0.15%	0.42%	0.41%	1.041	96.06%	0.49%	0.44%
360	1.015	98.52%	0.28%	1.031	0.0029	0.15%	0.43%	0.41%	1.035	96.59%	0.53%	0.46%
372	1.012	98.80%	0.28%	1.031	0.0029	0.15%	0.44%	0.42%	1.029	97.17%	0.58%	0.48%
384	1.009	99.09%	0.29%	1.031	0.0030	0.16%	0.45%	0.43%	1.023	97.80%	0.63%	0.51%
396	1.006	99.39%	0.30%	1.031	0.0030	0.16%	0.45%	0.44%	1.016	98.47%	0.68%	0.53%
408	1.003	99.69%	0.30%	1.031	0.0031	0.16%	0.46%	0.45%	1.008	99.21%	0.73%	0.56%
420	1.000	100.00%	0.31%	1.031	0.0032	0.17%	0.47%	0.46%	1.000	100.00%	0.79%	0.59%
Total			100.00%			5.89%	3.07%	103.07%			100.00%	100.00%

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Notes:

(2), (10): Section VII-G, Exhibit 2, Page 1.

(5): For months greater than 204 the escalation factor was taken from Section II-D, Exhibit 1, Page 1. For months 180-192 an escalation factor of 0.96 was judgmentally selected. Month-age=168 is the half of month-age=180.

(13): Medical and Indemnity flows weighted by AY 2006 Paid Losses Developed to Ultimate. See Exhibit 2, pages 2 and 3.

Medical flow weight = (63,950 x 3.385) / (63,950 x 3.385 + 49,169 x 6.781) = 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		2.073	1.180	1.075	1.034	1.021	1.016	1.012	1.012	1.012	1.010	1.010	1.007	1.007	1.007	1.007	1.006	1.006	1.006	1.005	1.003	1.075
Cumulative		3.385	1.633	1.384	1.287	1.244	1.219	1.200	1.186	1.171	1.157	1.145	1.134	1.126	1.118	1.111	1.103	1.096	1.090	1.083	1.078	1.075
<u>(2) Indemnity Paid Losses</u>																						
2 Yr Average		2.732	1.544	1.206	1.101	1.052	1.023	1.018	1.010	1.009	1.008	1.008	1.004	1.004	1.004	1.002	1.002	1.004	1.002	1.002	1.002	1.039
Cumulative		6.781	2.482	1.608	1.333	1.210	1.151	1.125	1.105	1.094	1.084	1.076	1.067	1.063	1.059	1.055	1.053	1.050	1.046	1.044	1.042	1.039

Note:

Tail Factor from Section II-A, Exhibit 1, page 1.

(Instead of estimating an accident year tail factor, we apply a policy year tail factor from Section II to the accident year data. This should not have a material impact on the profit load.)

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Section VII - Profit
 Subsection G - Loss Flows
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Section VII - G
 Exhibit 2
 Page 2

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	
2006	63,950						
2005	64,685	129,673	2.005	1995	95,395	96,517	1.012
2004	57,773	123,717	2.141	1994	99,003	99,836	1.008
Average			2.073	Average			1.010
	24	36			144	156	
2004	123,717	146,393	1.183	1994	99,836	100,578	1.007
2003	117,286	138,018	1.177	1993	121,538	122,362	1.007
Average			1.180	Average			1.007
	36	48			156	168	
2003	138,018	146,953	1.065	1993	122,362	123,163	1.007
2002	121,386	131,758	1.085	1992	141,870	142,907	1.007
Average			1.075	Average			1.007
	48	60			168	180	
2002	131,758	136,087	1.033	1992	142,907	143,671	1.005
2001	119,295	123,586	1.036	1991	195,414	196,974	1.008
Average			1.034	Average			1.007
	60	72			180	192	
2001	123,586	125,714	1.017	1991	196,974	198,565	1.008
2000	124,728	127,709	1.024	1990	217,548	218,895	1.006
Average			1.021	Average			1.007
	72	84			192	204	
2000	127,709	129,472	1.014	1990	218,895	220,276	1.006
1999	119,946	122,140	1.018	1989	222,476	223,722	1.006
Average			1.016	Average			1.006
	84	96			204	216	
1999	122,140	123,814	1.014	1989	223,722	224,518	1.004
1998	108,373	109,543	1.011	1988	203,483	205,138	1.008
Average			1.012	Average			1.006
	96	108			216	228	
1998	109,543	110,783	1.011	1988	205,138	206,509	1.007
1997	93,855	95,065	1.013	1987	182,786	183,872	1.006
Average			1.012	Average			1.006
	108	120			228	240	
1997	95,065	96,303	1.013	1987	183,872	185,118	1.007
1996	96,306	97,379	1.011	1986	141,900	142,290	1.003
Average			1.012	Average			1.005
	120	132			240	252	
1996	97,379	98,328	1.010	1986	142,290	142,691	1.003
1995	94,335	95,395	1.011	Average			1.003
Average			1.010				

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Subsection G - Loss Flows
9/1/2008

Section VII - G
Exhibit 2
Page 3

Accident Year Financial Aggregate Data Calculation of Indemnity 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	
2006	49,169							
2005	53,039	142,369	2.684		1995	201,077	202,373	1.006
2004	50,435	140,185	2.780		1994	217,317	219,439	1.010
Average			2.732		Average			1.008
2004	140,185	219,164	1.563		1994	219,439	220,584	1.005
2003	138,823	211,622	1.524		1993	262,111	262,703	1.002
Average			1.544		Average			1.004
2003	211,622	257,872	1.219		1993	262,703	263,722	1.004
2002	202,670	241,973	1.194		1992	309,074	310,291	1.004
Average			1.206		Average			1.004
2002	241,973	267,118	1.104		1992	310,291	311,286	1.003
2001	232,778	255,750	1.099		1991	617,652	620,444	1.005
Average			1.101		Average			1.004
2001	255,750	269,610	1.054		1991	620,444	622,285	1.003
2000	260,966	273,867	1.049		1990	801,117	802,228	1.001
Average			1.052		Average			1.002
2000	273,867	279,617	1.021		1990	802,228	804,444	1.003
1999	237,983	244,043	1.025		1989	820,944	822,698	1.002
Average			1.023		Average			1.002
1999	244,043	248,402	1.018		1989	822,698	825,257	1.003
1998	231,457	235,612	1.018		1988	785,656	790,098	1.006
Average			1.018		Average			1.004
1998	235,612	237,943	1.010		1988	790,098	791,388	1.002
1997	195,526	197,463	1.010		1987	677,340	678,879	1.002
Average			1.010		Average			1.002
1997	197,463	198,727	1.006		1987	678,879	680,660	1.003
1996	206,890	209,226	1.011		1986	537,563	538,004	1.001
Average			1.009		Average			1.002
1996	209,226	211,173	1.009		1986	538,004	539,290	1.002
1995	199,786	201,077	1.006		Average			1.002
Average			1.008					

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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	8.31%	3.39%	35.00%	2.20%
Governments	13.46%	3.81%	35.00%	2.48%
Public Utilities	1.39%	5.17%	35.00%	3.36%
Industrials	20.83%	5.04%	35.00%	3.27%
States & Territories	13.41%	3.55%	5.25%	3.36%
Special Revenue	21.96%	3.66%	5.25%	3.46%
Stocks	18.47%	11.65%	26.54%	8.56%
Real Estate	0.84%	7.41%	35.00%	4.82%
Preferred	1.34%	6.18%	14.18%	5.31%
(6) Total	100.00%	5.49%	24.44%	4.15%
(7) Investment Expenses		0.44%	35.00%	0.29%
(8) Portfolio Rate of Return		5.05%	23.52%	3.86%

Notes:

- (2): Page 2, Total US Property/Casualty Industry.
- (3): Pretax bond returns are from Exhibit 2, page 1.
 Cash and short term investments: using short horizon CAPM with beta=0.00. Exhibit 2, Page 3, line (2).
 Common stock return: $r_f + b \times \text{MRP}$ with $b=1.00$ and three horizons. MRP from 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.
 $11.65\% = \text{average} (8.48\% + 3.47\%, 7.51\% + 3.79\%, 7.05\% + 4.65\%)$
 Real Estate: 3 month treasury rate, 3.47% 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 (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 Exhibit 6, page 1.
- (5) = (3) x (1.0 - (4))
- (7): Exhibit 5.

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 Exhibit 1
 Page 2

Asset Distribution for Property-Casualty Industry

Assets (1)	Net Admitted Assets (\$000) (2)	Share =(2) / (5) (3)	Adjusted Share =(3) / (6) (4)
Bonds:	853,846,300	68.13%	71.04%
Governments			13.46%
States & Territories			13.41%
Special Revenue			21.96%
Public Utilities			1.39%
Industrials			20.83%
Preferred Stocks	16,162,010	1.29%	1.34%
Common Stocks	221,983,343	17.71%	18.47%
Cash and Short Term Investments	99,814,310	7.96%	8.31%
Real Estate	10,051,814	0.80%	0.84%
Other Invested Assets	51,464,502	4.11%	

(5) Total 1,253,322,279 100.00% 100.00%

(6) Total excluding Other Invested Assets 95.89%

Notes:

Source: Best's Aggregates and Averages Property Casualty, 2007 Edition, page 156.

(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 71.04%.

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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	4.31%	0.28%	1.15%	0.10%	3.61%
3	7.34%	3.45%	7.35%	0.77%	12.39%
7	4.50%	9.99%	13.05%	0.77%	8.75%
15	1.59%	4.57%	6.31%	0.12%	1.56%
25	1.21%	0.59%	3.04%	0.18%	3.00%
Total	18.94%	18.88%	30.91%	1.95%	29.32%

As of	Term to Maturity in years	Yield Data				
		Governments	States and Territories	Special Revenue	Public Utilities	Industrials
Oct-07	0.5	4.16%	3.42%	3.41%	5.17%	5.17%
	3	4.01%	3.27%	3.30%	5.06%	4.99%
	7	4.33%	3.59%	3.67%	5.44%	5.26%
	15	4.68%	4.02%	4.13%	5.85%	5.66%
	25	4.80%	4.31%	4.38%	6.04%	5.84%
Nov-07	0.5	3.58%	3.38%	3.36%	5.05%	5.04%
	3	3.35%	3.10%	3.15%	4.72%	4.65%
	7	3.87%	3.54%	3.69%	5.07%	4.90%
	15	4.36%	4.05%	4.23%	5.61%	5.43%
	25	4.54%	4.41%	4.47%	5.86%	5.66%
Dec-07	0.5	3.34%	3.00%	2.99%	5.09%	5.08%
	3	3.13%	2.75%	2.80%	4.76%	4.67%
	7	3.74%	3.30%	3.44%	5.19%	4.97%
	15	4.34%	3.92%	4.09%	5.80%	5.57%
	25	4.55%	4.28%	4.39%	6.04%	5.80%
		Weighted Yields				
Oct-07	All	4.23%	3.65%	3.73%	5.35%	5.21%
Nov-07	All	3.69%	3.60%	3.74%	5.03%	4.92%
Dec-07	All	3.51%	3.38%	3.50%	5.13%	4.98%
	Average	3.81%	3.55%	3.66%	5.17%	5.04%

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: $3.65 = (3.42 \times 0.28 + 3.27 \times 3.45 + 3.59 \times 9.99 + 4.02 \times 4.57 + 4.31 \times 0.59) / 18.88$

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Calculation of Yield Data

Term to Maturity in Years	Oct-07	Nov-07	Dec-07	Formulas used to derive the yields (reference to data on page 3)
Governments				
0.5	4.16%	3.58%	3.34%	=(5)
3	4.01%	3.35%	3.13%	=(8)
7	4.33%	3.87%	3.74%	=(10)
10	4.53%	4.15%	4.10%	=(11)
20	4.83%	4.56%	4.57%	=(12)
30	4.77%	4.52%	4.53%	=(13)
States and Territories				
0.5	3.42%	3.38%	3.00%	=(5) + 9.5/9.0 x [(25) - (6)] - 0.5/9.0 x [(26) - (11)]
3	3.27%	3.10%	2.75%	=(8) + 7.0/9.0 x [(25) - (6)] + 2.0/9.0 x [(26) - (11)]
7	3.59%	3.54%	3.30%	=(10) + 1.0/3.0 x [(25) - (6)] + 2.0/3.0 x [(26) - (11)]
10	3.78%	3.76%	3.62%	=(26)
20	4.26%	4.34%	4.23%	=(12) + 0.5 x [(26) - (11)] + 0.5 x [(27) - (13)]
30	4.37%	4.48%	4.34%	=(27)
Special Revenue				
0.5	3.41%	3.36%	2.99%	=(5) + 29.5/29.0 x [(25) - (6)] - 0.5/29.0 x [(24) - (13)]
3	3.30%	3.15%	2.80%	=(8) + 27.0/29.0 x [(25) - (6)] + 2.0/29.0 x [(24) - (13)]
7	3.67%	3.69%	3.44%	=(10) + 23.0/29.0 x [(25) - (6)] + 6.0/29.0 x [(24) - (13)]
10	3.91%	3.99%	3.82%	=(11) + 20.0/29.0 x [(25) - (6)] + 9.0/29.0 x [(24) - (13)]
20	4.34%	4.46%	4.37%	=(12) + 10.0/29.0 x [(25) - (6)] + 19.0/29.0 x [(24) - (13)]
30	4.42%	4.48%	4.41%	=(24)
Public Utilities				
0.5	5.17%	5.05%	5.09%	=(5) + 26.0/27.0 x [(1) - (2)] + 1.0/27.0 x [(22) - (10)]
3	5.06%	4.72%	4.76%	=(8) + 16.0/27.0 x [(1) - (2)] + 11.0/27.0 x [(22) - (10)]
7	5.44%	5.07%	5.19%	=(22)
10	5.66%	5.37%	5.55%	=(11) + 20.0/23.0 x [(22) - (10)] + 3.0/23.0 x [(16) - (13)]
20	6.03%	5.85%	6.05%	=(12) + 10.0/23.0 x [(22) - (10)] + 13.0/23.0 x [(16) - (13)]
30	6.04%	5.87%	6.03%	=(16)
Industrial				
0.5	5.17%	5.04%	5.08%	=(5) + 26.0/27.0 x [(1) - (2)] + 1.0/27.0 x [(19) - (10)]
3	4.99%	4.65%	4.67%	=(8) + 16.0/27.0 x [(1) - (2)] + 11.0/27.0 x [(19) - (10)]
7	5.26%	4.90%	4.97%	=(19)
10	5.48%	5.20%	5.33%	=(11) + 20.0/23.0 x [(19) - (10)] + 3.0/23.0 x [(15) - (13)]
20	5.84%	5.66%	5.81%	=(12) + 10.0/23.0 x [(19) - (10)] + 13.0/23.0 x [(15) - (13)]
30	5.84%	5.67%	5.78%	=(15)

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Yield Data

	Oct-07	Nov-07	Dec-07	Average
FEDERAL RESERVE STATISTICAL RELEASE				
Commercial Paper				
(1) 3-month	4.91%	4.75%	4.76%	4.81%
U.S. Govt Securities - Secondary Market				
(2) 3-month	3.90%	3.27%	3.00%	3.39%
Treasury Constant Maturities				
(3) 1-month	3.81%	3.68%	2.86%	3.45%
(4) 3-month	4.00%	3.35%	3.07%	3.47%
(5) 6-month	4.16%	3.58%	3.34%	3.69%
(6) 1-year	4.10%	3.50%	3.26%	3.62%
(7) 2-year	3.97%	3.34%	3.12%	3.48%
(8) 3-year	4.01%	3.35%	3.13%	3.50%
(9) 5-year	4.20%	3.67%	3.49%	3.79%
(10) 7-year	4.33%	3.87%	3.74%	3.98%
(11) 10-year	4.53%	4.15%	4.10%	4.26%
(12) 20-year	4.83%	4.56%	4.57%	4.65%
(13) 30-year	4.77%	4.52%	4.53%	4.61%
Corporate Bonds - Moody's Seasoned				
(14) Conventional Mortgages	6.38%	6.21%	6.10%	6.23%
MERGENT BOND RECORD				
Long-Term Corporate Bond Yields (avg maturity at least 20 yrs)				
(15) Aa Industrial	5.84%	5.67%	5.78%	5.76%
(16) Aa Public Utility	6.04%	5.87%	6.03%	5.98%
Moody's Preferred Stock Ratings				
(17) Pub Util Pref Stock ("a")	6.18%	6.17%	6.20%	6.18%
S&P's CREDIT WEEK				
Aa Industrial				
(18) 5-year to maturity	5.10%	4.60%	4.72%	4.81%
(19) 7-year to maturity (= (18) + 0.4 x [(20) - (18)])	5.26%	4.90%	4.97%	5.04%
(20) 10-year to maturity	5.50%	5.35%	5.35%	5.40%
(21) 30-year to maturity (= (15))	5.84%	5.67%	5.78%	5.76%
A Public Utility				
(22) 7-year to maturity (= [(19) / (21)] x (23)])	5.44%	5.07%	5.19%	5.23%
(23) 30-year to maturity (= (16))	6.04%	5.87%	6.03%	5.98%
VALUE LINE INVESTMENT SURVEY (Part II)				
Municipal Bond Yields				
Bond Buyer Indexes				
(24) 20-Bond Index (GOs)	4.42%	4.48%	4.41%	4.44%
General Obligation Bonds (GOs)				
(25) 1-year Aaa	3.36%	3.29%	2.91%	3.19%
(26) 10-year Aaa	3.78%	3.76%	3.62%	3.72%
(27) 25/30-year Aaa	4.37%	4.48%	4.34%	4.40%

Note:

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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Bond Distribution by Class and by Maturity for Property-Casualty Industry

2006 Industry Totals (\$000)

Term to Maturity in Years	Governments	States and Territories	Special Revenue	Public Utilities	Industrials	Other Bonds	Total Bonds
0.5	36,961,610	2,368,608	9,897,974	889,080	30,965,946	46,655	81,129,874
3	62,897,405	29,616,862	63,037,804	6,638,335	106,276,946	6,593,758	275,061,110
7.5	38,564,727	85,686,157	111,901,526	6,631,837	75,044,733	244,773	318,073,753
15	13,648,944	39,152,523	54,111,381	1,046,477	13,401,493	282,777	121,643,595
25	10,354,589	5,037,860	26,108,975	1,511,441	25,739,860	15,020	68,767,745
Total	162,427,275	161,862,010	265,057,660	16,717,170	251,428,978	7,182,983	864,676,077

% 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	4.27%	0.27%	1.14%	0.10%	3.58%	0.01%	9.38%
3	7.27%	3.43%	7.29%	0.77%	12.29%	0.76%	31.81%
7.5	4.46%	9.91%	12.94%	0.77%	8.68%	0.03%	36.79%
15	1.58%	4.53%	6.26%	0.12%	1.55%	0.03%	14.07%
25	1.20%	0.58%	3.02%	0.17%	2.98%	0.00%	7.95%
Total	18.78%	18.72%	30.65%	1.93%	29.08%	0.83%	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	4.31%	0.28%	1.15%	0.10%	3.61%	9.46%
3	7.34%	3.45%	7.35%	0.77%	12.39%	31.31%
7.5	4.50%	9.99%	13.05%	0.77%	8.75%	37.06%
15	1.59%	4.57%	6.31%	0.12%	1.56%	14.15%
25	1.21%	0.59%	3.04%	0.18%	3.00%	8.02%
Total	18.94%	18.88%	30.91%	1.95%	29.32%	100.00%

Notes:

Source: Best's Aggregates and Averages - Property-Casualty, 2007, pp. 171-172.
 Bonds less than a year adjusted to remove cash and short term investments.

Market Risk Premium

Year	Large Company Stocks Total Returns	Long-Term Government Bonds Income Returns	Interm.-Term Government Bonds Income Returns	Short - Term Total Returns	Long Term Risk Premium =(2) - (3)	Interm. 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	4.54	4.80	11.12	11.26	11.00
2007	5.49	4.86	4.44	4.66	0.63	1.05	0.83
Average	12.26	5.21	4.75	3.78	7.05	7.51	8.48

Long-Term Equity Risk Premium **7.05**
 Intermediate-Term Equity Risk Premium **7.51**
 Short-Term Equity Risk Premium **8.48**

Notes:

Source: SBBI, 2007 Yearbook from Ibbotson Associates (years 1926 - 2006) and SBBI December 2007 Year End Report (year 2007) .

(2): Table B-1: Large Company Stocks, Total Returns, page 229.

(3): Table B-7: Long Term Government stocks, Income Returns, page 240.

(4): Table B-11: Intermediate Term Government stocks, Income Returns, page 248.

(5): Table B-14: US Treasury Bills, Total Returns stocks, Income Returns, page 254.

Investment Expense to Assets Ratio

Year	Total Investment Expense Incurred (\$000) (1)	Interest Expense (\$000) (2)	Depreciation of Real Estate (\$000) (3)	Aggregate Write-ins (\$000) (4)	Total Deductions =(1)+(2)+(3)+(4) (5)	Total Cash and Invested Assets (\$000) (6)	Ratio = (5) / (6) (7)
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	781,730,299	0.54%
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%
2006	2,738,201	780,924	400,014	654,734	4,573,873	1,264,555,809	0.36%
Average	2,463,404	707,278	368,426	531,364	4,070,472	927,018,972	0.44%

Notes:

Source: Best's Aggregates and Averages.

(1) - (4): Exhibit of Net Investment Income, page 166 (year 2006).

(6): Exhibit of Assets, page 156 (year 2006).

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Section VII - Profit
 Subsection H - Portfolio Rate of Return
 9/1/2008

Section VII - H
 Exhibit 6
 Page 1

Calculation of Common Stock Total Return Tax Rate

Year (1)	Income Returns (2)	Capital Appreciation Returns (3)
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%
2007	1.96%	3.53%
Average	1.63%	5.52%

	Dividend	Capital Gains
(4) Weights	22.77%	77.23%
(5) Tax Rate	14.18%	30.19%
(6) Common Stock Tax Rate		26.54%

Notes:

Source: SBBI, 2007 Yearbook from Ibbotson Associates (years 1998 - 2006) and SBBI December 2007 Year End Report (year 2007).

(2): Table B-2 - Large Company Stocks: Income Returns, page 230.

(3): Table B-3 - Large Company Stocks: Capital Appreciation Returns, page 232.

(5) = Dividend Tax Rate = $0.3 \times 0.35 + 0.7 \times 0.35 \times 0.15$
 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)] ⁻ - [(1) - 1.0] (4)
1	0.360	0.126	0.126
2	0.230	0.081	0.073
3	0.147	0.052	0.043
4	0.094	0.033	0.025
5	0.060	0.021	0.015
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	0.302

(5)	Turnover Rate	0.360
(6)	Interest Rate used in calculating the present value	0.098
(7)	Marginal Tax Rate	0.350

Notes:

(2) = Realized Capital Gains = $RCG_t = \text{Turnover Rate} \times (1.0 - \sum(RCG_{t-i}))$

$$RCG_t = 0.36 \times (1.0 - \sum(RCG_{t-i})), i=1,2,\dots,t-1$$

(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, Section VII - 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	22.19%	21.28%	20.46%	19.71%	19.02%	18.40%	17.83%	17.30%	16.82%	16.37%	15.95%	15.57%
	0.15	25.03%	24.20%	23.45%	22.75%	22.11%	21.51%	20.96%	20.45%	19.98%	19.54%	19.12%	18.73%
	0.20	26.53%	25.83%	25.19%	24.59%	24.03%	23.50%	23.02%	22.56%	22.13%	21.72%	21.34%	20.98%
	0.25	27.43%	26.85%	26.31%	25.80%	25.33%	24.88%	24.46%	24.05%	23.68%	23.32%	22.98%	22.65%
	0.30	28.02%	27.55%	27.10%	26.67%	26.27%	25.89%	25.52%	25.18%	24.85%	24.54%	24.24%	23.95%
	0.35	28.45%	28.06%	27.68%	27.33%	26.99%	26.66%	26.35%	26.06%	25.77%	25.50%	25.24%	24.99%
	0.40	28.78%	28.45%	28.14%	27.84%	27.55%	27.28%	27.01%	26.76%	26.51%	26.28%	26.05%	25.83%
	0.45	29.04%	28.77%	28.51%	28.26%	28.01%	27.78%	27.55%	27.34%	27.13%	26.93%	26.73%	26.54%
	0.50	29.26%	29.03%	28.81%	28.60%	28.39%	28.20%	28.00%	27.82%	27.64%	27.47%	27.30%	27.14%
	0.55	29.43%	29.24%	29.06%	28.88%	28.71%	28.55%	28.39%	28.23%	28.08%	27.93%	27.79%	27.65%
	0.60	29.58%	29.43%	29.27%	29.13%	28.99%	28.85%	28.71%	28.58%	28.46%	28.33%	28.21%	28.09%
	0.65	29.71%	29.58%	29.46%	29.34%	29.22%	29.11%	29.00%	28.89%	28.78%	28.68%	28.58%	28.48%
0.70	29.82%	29.72%	29.62%	29.52%	29.43%	29.33%	29.24%	29.16%	29.07%	28.99%	28.91%	28.83%	

F-CLASS RATE RECOMMENDATION**Background and Summary**

The United States Longshore and Harbor Workers (USL&HW) Act is a federal law that offers benefits to longshoremen, harbor workers, and other employees engaged in loading, unloading, repairing and building a vessel while working on the vessel or any adjoining navigable waters. F-Classes were created for risks that have considerable USL&HW exposure. Since the benefit provisions for F-Classes are different than for Massachusetts workers compensation law, rates for these classifications are calculated separately from Massachusetts state class codes.

This section of the filing recommends that average rates for F-Class classifications be increased by 18.1% for the policy period beginning September 1, 2008. Because there is relatively little exposure in the F-Classes, the impact of the proposed increase in rates for the F-Classes on the overall premiums to be paid in Massachusetts for workers' compensation coverage is less than 0.1%.

Overall Rate Indication

The ratemaking methodology used for F-Classes is similar to that used in the statewide rate indication; we compare an indicated loss, LAE, loss based assessment, and fixed expense ratio to a permissible loss, LAE, loss based assessment, and fixed expense ratio. Consistent with prior F-Class filings, the indication is derived using the latest five years of unit statistical plan data. The premium and losses are adjusted for the effects of trend, development, changes in benefits, and changes in rates. The

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resulting indicated adjusted loss ratio is loaded for loss adjustment expenses, loss based assessments associated with the USL&HW Act Special Fund (“Special Fund Assessment”), and fixed expenses. The expense provisions, with the exception of the Special Fund Assessment, are taken from Section I. The Special Fund Assessment is currently calculated by the NCCI as 26.6% of incurred indemnity losses covered under the USL&HW Act.

Calculation of Adjusted Standard Earned Premium

To derive an indicated loss ratio, the premiums from composite policy years (CPYs) 2000/2001 - 2004/2005 must be projected to the level expected to prevail during the proposed effective period. This is done by first extending the reported exposures using the currently effective rates. Since the reported exposures may be subject to further development as a consequence of delayed premium audits, premium development factors are applied. Next, factors are applied to reflect the expected impacts of experience rating, merit rating and ARAP. Note that no wage trend adjustment is made to premiums because the trend applied in the calculation of adjusted losses is net of the impact of estimated wage trend.

In Section VIII-B, each composite policy year’s premium is adjusted to the prevailing level and then all five years are summed to a five year total. This total will be used with the five year total of adjusted losses calculated in Section VIII-C to calculate the indicated loss ratio in Section VIII-A.

Calculation of Adjusted Total Losses

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Within Section VIII-C, the losses from composite policy years (CPYs) 2000/2001 - 2004/2005 are converted to the level expected to prevail during the proposed effective period. Given the differences in benefits and the applicability of the Special Fund Assessment, claims associated with the USL&HW Act and claims associated with the Massachusetts workers' compensation law are adjusted separately. Moreover, indemnity and medical loss data are adjusted separately because of differences in loss development and trend. Losses are adjusted for changes in benefit levels, loss development to ultimate, and trend (in excess of expected wage trend). Factors are also applied for the loading of loss adjustment expenses and the Special Fund Assessment resulting in estimates of the sum of loss, LAE and loss based assessments. Note that the conversion factors used to adjust F-Class losses related to the state workers compensation law are the same ones used in the development of class rates in Section IX.

Calculation of Law Amendment Factors

Injured workers in the F-Classes can receive benefits paid under either state law or federal law. Therefore, law amendment factors for both are needed in the derivation of the conversion factors used in Section VIII-C. Law amendment factors related to the USL&HW Act are taken from Section IV-G. (These were derived from the estimated effects of federal law amendments reported in NCCI's Annual Statistical Bulletin.) The law amendment factors related to state workers compensation benefits (and reflected in the conversion factors taken from Section IX) are derived in Section IV-A.

Calculation of Loss Development Factors

The reported losses used in the indication include losses paid and payable under the state workers compensation law and under the USL&HW Act. Since the differing benefit levels can affect development patterns, the losses related to the state workers compensation law are developed separately from losses related to the USL&HW Act. For USL&HW Act claims, NCCI loss development factors were utilized in Section VIII-E. For state workers compensation claims, the development factors are consistent with those used in Section IX.

Calculation of Trend Factors

Trend factors adjust for changes in wage levels, claim frequency, and average claim size between the historical period and the proposed effective period. The 7/1/94 F-Class filing, for 1/1/95 rates, used trend factors that were consistent with the trend methodology used in the main rate filing. The trend factors use in developing the F-Class indication maintain that relationship to the main rate indication and are consistent with the premium and loss trends selected in Section IX-B, Exhibit 3.

Calculation of Class Rates

There are 14 F-Classes in Massachusetts for which we update class pure premium relativities in a manner similar to that used in Section IX.

The Massachusetts indicated pure premiums are derived from the latest five years of unit statistical plan loss and payroll data. This is the same loss data that underlies the F-Class indication in Subsection A. The losses are adjusted for the

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appropriate law level changes, development to ultimate, the proposed 20.1% loss adjustment expense factor, and the Special Federal Fund Assessment. These adjustment factors are shown in Section VIII-E.

The countrywide relativities are calculated using the same countrywide data set used in Section IX. Pitch Factors are used to adjust the countrywide data to the same law level, LAE and Special Federal Fund Assessment level as the Massachusetts indicated pure premiums. The calculation of Pitch Factors is described in Section IX-A.

The pure premium underlying present rates relate to the 1/1/90 decision and the 2007 Rate Stipulation. In 1995, rates were increased across the board by 2.5%. In the 2007 Rate Stipulation, rates were decreased across the board by 19.4% for 12 of the 14 F-Class classifications. The average rates for the two remaining classes were not changed. Consequently, the underlying pure premium relativities are based on the 1/1/90 decision adjusted for the impact of the 2007 Rate Stipulation. These pure premiums underlying present rates are adjusted to bring them to the same law, development, LAE and Special Federal Fund Assessment level as the Massachusetts indicated pure premiums. These adjustment factors are shown on Exhibit 3 of Subsection F.

This section uses the same classical credibility method and parameters as used in Section IX. The Massachusetts full credibility standards come from Section IX-D and are expected losses of \$15,000,000, \$1,800,000 and \$2,800,000 for serious, non-serious and medical losses respectively. The countrywide full credibility standards also

come from Section IX-D and are countrywide claim counts of 450, 900 and 600 for serious, non-serious and medical losses respectively.

After the formula pure premium relativity is calculated, the proposed manual rates are calculated. Proposed manual rates are subject to swing limits of $\pm 20\%$ surrounding the benefit change and half the experience change (see Section VIII-H). This is similar to the method used by NCCI and the same as the method used for Massachusetts state classes, as outlined in Section IX-H.

Proposed F-Class Rates and Rating Values

Minimum Premium, Expected Loss Rates and D-Ratios are calculated using the methodology and factors from Section IX and X.

Pricing Example

Section VIII-I contains a sample rate calculation for Class 6824, Boat Building Construction or Repair. Exhibit 1 of Section VIII-I details the calculation of the Massachusetts indicated pure premium and relativity. Exhibit 2 of Section VIII-I details the calculation of the countrywide relativity. Exhibit 3 of Section VIII-I shows the calculation of the credibilities and the formula relativities. Exhibit 4 of Section VIII-I shows the derivation of the proposed manual rate and rating values.

USL&HW Coverage Percentage

The USL&HW Coverage Percentage is a factor applied to rates of those classifications which do not anticipate operations subject to the USL&HW Act. If

operations under such classifications involve some employees subject to the USL&HW Act, the manual rate and minimum premium are increased by the USL&HW Coverage Percentage.

The calculation of the proposed USL&HW Coverage Percentage is shown in Section VIII-J. The “Differential in Benefits” from the approved 1/1/95 USL&HW Coverage Percentage is the starting point. State and federal benefit level changes which have occurred since then are applied to derive the revised differential in benefits on line (4) of Section VIII-J. The impact of the differential in benefits is then combined with the impact of the Special Fund Assessment to derive the USL&HW Coverage Percentage on line (10) of Section VIII-J.

Federal Tax Multiplier

The Federal Tax Multiplier is to be used in retrospective rating for those classes subject to the USL&HW Act. A Federal Tax Multiplier is needed to reflect the impact of the Special Fund Assessment applicable to indemnity losses paid under the USL&HW Act. This filing proposes a Federal Tax Multiplier of 1.167. The calculation is shown in Section VIII-K.

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Section VIII - F-Class Recommendation
Subsection A - Indicated Rate Change
9/1/2008

Section VIII-A
Exhibit 1

F-Class Rate Review Overall Indicated Rate Change

(1)	5-Year Adjusted Standard Plus ARAP Earned Premium	14,782,609
(2)	5-Year Adjusted Losses, LAE, and LBA	13,602,901
(3)	5-Year Adjusted Loss, LAE, and LBA Ratio =(2) / (1)	92.0%
(4)	Fixed Expense Ratio	6.7%
(5)	Indicated Policy Year 9/1/2008 Loss, LAE, Fixed Expense Ratio = (3) + (4)	98.7%
(6)	Variable Expense Ratio	17.6%
(7)	Profit and Contingencies	-1.2%
(8)	Permissible Loss, LAE, LBA, and Fixed Expense Ratio = 1.000 - [(6) + (7)]	83.6%
(9)	Indicated Average Rate Change = [(5) / (8)] - 1.000	18.1%

Notes:

(1): Section VIII-B, Exhibit 1.

(2): Section VIII-C, Exhibit 1, Page 2 and Section VIII-C, Exhibit 1, Page 4.

(4): Average of Fixed Expense Ratios for 2 PYs from Section VI-B, Exhibit 1.

(6): Section VI-A, Exhibit 1.

(7): Section VI-A, Exhibit 1.

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Section VIII - F-Class Recommendation
Subsection B - Adjusted Premium
9/1/2008

Section VIII-B
Exhibit 1

5 Year Adjusted Standard Plus ARAP Earned Premium

Composite Policy Year (1)	Manual Premium (2)	Premium Development Factor (3)	Experience & Merit Rating Adjustment (4)	ARAP Adjustment (5)	Total Adj Standard Plus ARAP Premium (6)
2000/2001	1,813,691	1.000	0.997	1.046	1,891,429
2001/2002	1,644,267	1.000	0.997	1.046	1,714,743
2002/2003	3,195,562	1.000	0.997	1.046	3,332,530
2003/2004	3,433,033	1.000	0.997	1.046	3,580,180
2004/2005	4,082,806	1.001	0.997	1.046	4,263,726
Total	14,169,359				14,782,609

Notes:

(2): Section VIII-F, Exhibit 1, Page 3.

(3): Section V-E, Exhibit 1.

(4): The offset for Merit Rating and Average Experience Modification from the 9/1/2007 Stipulation.

(5): The offset for ARAP from the 9/1/2007 Stipulation.

(6) = (2) x (3) x (4) x (5)

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Section VIII - F-Class Recommendation
 Subsection C - Adjusted Losses
 9/1/2008

Section VIII-C
 Exhibit 1
 Page 1

Calculation of Adjusted Indemnity and Medical Losses Federal Losses

A. Unit Statistical Plan Reported Losses:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(1) Fatal	0	0	0	0	0
(2) Permanent Total	0	575,435	0	0	0
(3) Major Permanent Partial	291,516	479,526	1,060,193	1,381,587	246,505
(4) Minor Permanent Partial	8,959	0	42,338	128,882	83,248
(5) Temporary Total	32,285	35,250	378,775	297,326	425,318
Medical					
(6) Fatal	0	0	0	0	0
(7) Permanent Total	0	152,068	0	0	0
(8) Major Permanent Partial	50,211	71,320	386,352	444,209	145,176
(9) Minor Permanent Partial	4,024	0	50,805	104,394	53,010
(10) Temporary Total	20,869	20,246	122,314	108,417	220,303
(11) Medical Only	20,347	11,748	32,853	32,166	24,321

B. Federal Conversion Factors:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(12) Fatal	0.788	0.914	1.000	1.260	2.053
(13) Permanent Total	0.683	0.797	0.876	1.108	1.811
(14) Major Permanent Partial	1.107	1.297	1.432	1.818	2.981
(15) Minor Permanent Partial	1.035	1.123	1.156	1.179	1.171
(16) Temporary Total	1.035	1.117	1.145	1.164	1.152
Medical					
(17) Fatal	2.183	2.283	2.506	2.640	4.611
(18) Permanent Total	1.353	1.415	1.554	1.636	2.858
(19) Major Permanent Partial	2.244	2.347	2.577	2.714	4.740
(20) Minor Permanent Partial	1.191	1.191	1.205	1.063	1.031
(21) Temporary Total	1.164	1.164	1.177	1.038	1.007
(22) Medical Only	1.124	1.096	1.159	1.051	0.951

Notes:

- (1) - (11): Unit Statistical Plan loss data.
- (12) - (22): Section VIII-E, Exhibit 1, Page 2.

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Section VIII - F-Class Recommendation
 Subsection C - Adjusted Losses
 9/1/2008

Section VIII-C
 Exhibit 1
 Page 2

Calculation of Adjusted Indemnity and Medical Losses Federal Losses

C. Investment Income Offset Factor:

The impact from this factor needs to be removed from the Federal Conversion Factors.

Indemnity	Investment Income Offset Factor
(23) Fatal	0.689
(24) Permanent Total	0.615
(25) Major Permanent Partial	1.019
(26) Minor Permanent Partial	1.062
(27) Temporary Total	1.038

Medical	
(28) Fatal	1.000
(29) Permanent Total	0.620
(30) Major Permanent Partial	1.028
(31) Minor Permanent Partial	1.071
(32) Temporary Total	1.046
(33) Medical Only	1.000

D. Adjusted Reported Losses (D) = (A) x [(B) / (C)]:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(34) Fatal	0	0	0	0	0
(35) Permanent Total	0	746,146	0	0	0
(36) Major Permanent Partial	316,569	610,114	1,489,316	2,463,945	720,853
(37) Minor Permanent Partial	8,729	0	46,072	143,040	91,766
(38) Temporary Total	32,204	37,947	417,976	333,542	472,206
Medical					
(39) Fatal	0	0	0	0	0
(40) Permanent Total	0	347,150	0	0	0
(41) Major Permanent Partial	109,606	162,831	968,523	1,172,761	669,399
(42) Minor Permanent Partial	4,474	0	57,148	103,589	51,018
(43) Temporary Total	23,215	22,522	137,585	107,551	212,016
(44) Medical Only	22,870	12,876	38,077	33,806	23,129
(45) Adjusted Losses, LAE, LBA	12,210,571				

Notes:

(23) - (33): Section IX - B, Exhibit 4.

(45): Sum of lines (34) through (44) for all composite policy years.

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Section VIII - F-Class Recommendation
 Subsection C - Adjusted Losses
 9/1/2008

Section VIII-C
 Exhibit 1
 Page 3

Calculation of Adjusted Indemnity and Medical Losses State Losses

A. Unit Statistical Plan Reported Losses:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(1) Fatal	0	0	0	0	0
(2) Permanent Total	0	0	0	0	0
(3) Major Permanent Partial	329,362	405,680	0	0	0
(4) Minor Permanent Partial	0	32,041	0	0	0
(5) Temporary Total	88,045	18,009	29,621	4,684	0
Medical					
(6) Fatal	0	0	0	0	0
(7) Permanent Total	0	0	0	0	0
(8) Major Permanent Partial	39,221	139,079	0	0	0
(9) Minor Permanent Partial	0	33,622	0	0	0
(10) Temporary Total	13,457	27,205	80,079	5,238	0
(11) Medical Only	4,724	12,149	477	55	0

B. State Conversion Factors:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(12) Fatal	0.615	0.714	0.670	0.684	0.774
(13) Permanent Total	0.557	0.844	1.510	3.462	4.546
(14) Major Permanent Partial	0.959	1.078	1.207	1.506	2.656
(15) Minor Permanent Partial	0.920	1.034	1.157	1.444	2.547
(16) Temporary Total	0.845	0.884	0.863	0.861	0.908
Medical					
(17) Fatal	1.187	1.192	1.180	1.258	1.330
(18) Permanent Total	1.013	1.087	2.076	4.704	5.613
(19) Major Permanent Partial	1.680	1.767	1.882	1.976	2.972
(20) Minor Permanent Partial	1.272	1.337	1.425	1.496	2.251
(21) Temporary Total	1.242	1.231	1.149	1.009	0.949
(22) Medical Only	1.200	1.179	1.215	1.182	1.201

Notes:

- (1) - (11): Unit Statistical Plan loss data.
- (12) - (22): Section VIII-E, Exhibit 1, Page 3.

VIII 000013

Section VIII - F-Class Recommendation
 Subsection C - Adjusted Losses
 9/1/2008

Section VIII-C
 Exhibit 1
 Page 4

Calculation of Adjusted Indemnity and Medical Losses State Losses

C. Investment Income Offset Factor:

The impact from this factor needs to be removed from the State Conversion Factors.

Indemnity	Investment Income Offset Factor
(23) Fatal	0.689
(24) Permanent Total	0.615
(25) Major Permanent Partial	1.019
(26) Minor Permanent Partial	1.062
(27) Temporary Total	1.038

Medical	
(28) Fatal	1.000
(29) Permanent Total	0.620
(30) Major Permanent Partial	1.028
(31) Minor Permanent Partial	1.071
(32) Temporary Total	1.046
(33) Medical Only	1.000

D. Adjusted Reported Losses (D) = (A) x [(B) / (C)]:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(34) Fatal	0	0	0	0	0
(35) Permanent Total	0	0	0	0	0
(36) Major Permanent Partial	309,850	429,004	0	0	0
(37) Minor Permanent Partial	0	31,187	0	0	0
(38) Temporary Total	71,701	15,343	24,636	3,887	0
Medical					
(39) Fatal	0	0	0	0	0
(40) Permanent Total	0	0	0	0	0
(41) Major Permanent Partial	64,097	239,062	0	0	0
(42) Minor Permanent Partial	0	41,962	0	0	0
(43) Temporary Total	15,973	32,006	87,934	5,051	0
(44) Medical Only	5,669	14,324	580	65	0
(45) Adjusted Losses, LAE, LBA	1,392,330				

Notes:

(23) - (33): Section IX-B, Exhibit 4.

(45): Sum of lines (34) through (44) for all composite policy years.

VIII 000014

Section VIII - F-Class Recommendation
Subsection D - Proposed Rates and Rating Values
9/1/2008

Section VIII-D
Exhibit 1

Proposed Rates and Rating Values to be Effective 9/1/2008

Class Code (1)	Manual Rate (2)	Minimum Premium (3)	Loss Constant (4)	Expected Loss Rate (5)	D-Ratio (6)
6801	10.10	500	0	4.60	0.20
6824	10.31	500	0	4.70	0.14
6826	10.06	500	0	4.58	0.16
6843	11.46	500	0	4.85	0.14
6872	29.00	500	0	12.27	0.13
6874	31.96	500	0	13.52	0.12
7309	32.14	500	0	13.60	0.12
7313	12.25	500	0	5.19	0.13
7317	11.71	500	0	4.96	0.14
7327	27.05	500	0	11.45	0.23
7350	14.01	500	0	6.38	0.14
8709	5.71	369	0	2.42	0.16
8726	8.77	500	0	3.99	0.14
9077	3.82	303	0	1.92	0.17

Notes:

- (2): Calculated as per Section VIII-I, Exhibit 4.
- (3): Calculated as per Section VIII-I, Exhibit 4.
- (4): F-Classes have no loss constant.
- (5),(6): Calculated as per Section X.

VIII 000015

Section VIII - F-Class Recommendation
 Subsection E - Conversion/Excess Loss Factors
 9/1/2008

Section VIII-E
 Exhibit 1
 Page 1

Calculation of Indemnity and Medical Conversion Factors Federal Losses

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				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(1) Fatal	1.061	1.050	1.039	1.031	1.023
(2) Permanent Total	1.031	1.025	1.019	1.015	1.011
(3) Major Permanent Partial	1.007	1.006	1.005	1.004	1.003
(4) Minor Permanent Partial	1.007	1.006	1.005	1.004	1.003
(5) Temporary Total	1.031	1.025	1.019	1.015	1.011
Medical					
(6) All Injury Types	1.000	1.000	1.000	1.000	1.000

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				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(7) Fatal	1.115	1.193	1.282	1.548	2.452
(8) Permanent Total	1.115	1.193	1.282	1.548	2.452
(9) Major Permanent Partial	1.115	1.193	1.282	1.548	2.452
(10) Minor Permanent Partial	1.000	0.991	0.993	0.963	0.924
(11) Temporary Total	1.000	0.991	0.993	0.963	0.924
Medical					
(12) Fatal	1.963	2.026	2.163	2.411	3.946
(13) Permanent Total	1.963	2.026	2.163	2.411	3.946
(14) Major Permanent Partial	1.963	2.026	2.163	2.411	3.946
(15) Minor Permanent Partial	1.000	0.987	0.971	0.906	0.824
(16) Temporary Total	1.000	0.987	0.971	0.906	0.824
(17) Medical Only	1.000	0.987	0.971	0.906	0.824

C. Trend Factors:

The following factors trend the MA Unit Statistical Plan losses from the reported period to the proposed effective period for new rates.

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(18) All Injury Types	0.659	0.723	0.743	0.782	0.810
Medical					
(19) Lost Time Medical	0.926	0.938	0.965	0.912	0.973
(20) Medical Only	0.936	0.925	0.994	0.966	0.961

D. Loss Adjustment Expense Factor:

The following factor is applied to include the proposed loss adjustment expense.

(21) Loss Adjustment Expense Factor 1.201

Notes:

- (1) - (6): Section IV-G, Exhibit 1.
- (7) - (17): NCCI.
- (18) - (20): Section IX-B, Exhibit 3.
- (21): Section VI-A, Exhibit 1.

VIII 000016

Section VIII - F-Class Recommendation
 Subsection E - Conversion/Excess Loss Factors
 9/1/2008

Section VIII-E
 Exhibit 1
 Page 2

Calculation of Indemnity and Medical Conversion Factors Federal Losses

E. Loss Based Assessments (Special Fund Assessment):

	Indemnity	Medical
(22) Loss Based Assessments	0.266	0.000

F. Investment Income Offset Factor:

The following factor is applied to adjust for investment income.

Indemnity	Investment Income Offset Factor
(23) Fatal	0.689
(24) Permanent Total	0.615
(25) Major Permanent Partial	1.019
(26) Minor Permanent Partial	1.062
(27) Temporary Total	1.038

Medical

(28) Fatal	1.000
(29) Permanent Total	0.620
(30) Major Permanent Partial	1.028
(31) Minor Permanent Partial	1.071
(32) Temporary Total	1.046
(33) Medical Only	1.000

G. Federal Conversion Factors (A) x (B) x (C) x [(D) + (E)] x (F):

The factors above are combined multiplicatively, resulting in the following conversion factors.

	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(34) Fatal	0.788	0.914	1.000	1.260	2.053
(35) Permanent Total	0.683	0.797	0.876	1.108	1.811
(36) Major Permanent Partial	1.107	1.297	1.432	1.818	2.981
(37) Minor Permanent Partial	1.035	1.123	1.156	1.179	1.171
(38) Temporary Total	1.035	1.117	1.145	1.164	1.152
<u>Medical</u>					
(39) Fatal	2.183	2.283	2.506	2.640	4.611
(40) Permanent Total	1.353	1.415	1.554	1.636	2.858
(41) Major Permanent Partial	2.244	2.347	2.577	2.714	4.740
(42) Minor Permanent Partial	1.191	1.191	1.205	1.063	1.031
(43) Temporary Total	1.164	1.164	1.177	1.038	1.007
(44) Medical Only	1.124	1.096	1.159	1.051	0.951

Notes:

(22): NCCI Tax and Assessment Directory.

(23) - (33): Section IX-B, Exhibit 4.

VIII 000017

Section VIII - F-Class Recommendation
 Subsection E - Conversion/Excess Loss Factors
 9/1/2008

Section VIII-E
 Exhibit 1
 Page 3

Calculation of Indemnity and Medical Conversion Factors State Losses

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. State Conversion Factors:

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(1) Fatal	0.615	0.714	0.670	0.684	0.774
(2) Permanent Total	0.557	0.844	1.510	3.462	4.546
(3) Major Permanent Partial	0.959	1.078	1.207	1.506	2.656
(4) Minor Permanent Partial	0.920	1.034	1.157	1.444	2.547
(5) Temporary Total	0.845	0.884	0.863	0.861	0.908
Medical					
(6) Fatal	1.187	1.192	1.180	1.258	1.330
(7) Permanent Total	1.013	1.087	2.076	4.704	5.613
(8) Major Permanent Partial	1.680	1.767	1.882	1.976	2.972
(9) Minor Permanent Partial	1.272	1.337	1.425	1.496	2.251
(10) Temporary Total	1.242	1.231	1.149	1.009	0.949
(11) Medical Only	1.200	1.179	1.215	1.182	1.201

Notes:

(1) - (11): Section IX-B, Exhibit 1, Page 2.

VIII 000018

Section VIII - F-Class Recommendation
 Subsection E - Conversion/Excess Loss Factors
 9/1/2008

Section VIII-E
 Exhibit 1
 Page 4

Calculation of Excess Loss Factors For Five Composite Policy Years, 2004/2005 through 2000/2001

Hazard Group	Injury Type		
	Serious	Non-Serious	Medical
(1) Converted Excess Losses			
1	0	0	0
2	0	0	0
3	126,430	0	69,658
4	986,997	0	416,205
Total	1,113,427	0	485,863
(2) Converted Limited Losses			
1	0	0	0
2	0	0	0
3	1,516,689	545,318	1,771,214
4	4,291,093	1,257,918	2,540,838
Total	5,807,782	1,803,236	4,312,052
(3) Excess Ratios = 1.000 + [(1) / (2)]			
1	1.000	1.000	1.000
2	1.000	1.000	1.000
3	1.083	1.000	1.039
4	1.230	1.000	1.164
Total	1.192	1.000	1.113

Notes:

- (1): Unit Statistical Plan data. Excess Losses = Losses in excess of \$200,000 for combined indemnity and medical, per claim. Converted Losses = Excess Losses x Conversion factors from Exhibit 1, applied at the claim level.
- (2): Reported losses from Unit Statistical Plan data, capped at \$200,000 for combined indemnity and medical, per claim x Conversion factors from Exhibit 1.

Calculation of Adjusted On-Level Losses by Serious/Non-Serious/Medical
 Federal Industry Group
 All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Limited Losses				Converted Limited Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total = (4) + (5) + (6) (7)	Serious (8)	Non-Serious (9)	Medical (10)	Total = (8) + (9) + (10) (11)
2000/2001	5	1	0	0	0	0	0	0	0	0
2000/2001	5	2	0	0	0	0	0	0	0	0
2000/2001	5	3	526,065	0	78,993	605,058	539,589	0	157,959	697,548
2000/2001	5	4	0	8,959	4,024	12,983	0	9,273	4,797	14,069
2000/2001	5	5	0	120,330	34,326	154,656	0	107,813	41,005	148,818
2000/2001	5	6	0	0	25,071	25,071	0	0	28,539	28,539
2001/2002	4	1	0	0	0	0	0	0	0	0
2001/2002	4	2	158,195	0	41,805	200,000	126,081	0	59,155	185,236
2001/2002	4	3	753,853	0	179,493	933,346	914,146	0	357,713	1,271,859
2001/2002	4	4	0	32,041	33,622	65,663	0	33,130	44,953	78,083
2001/2002	4	5	0	53,259	47,451	100,710	0	55,294	57,056	112,350
2001/2002	4	6	0	0	23,897	23,897	0	0	27,211	27,211
2002/2003	3	1	0	0	0	0	0	0	0	0
2002/2003	3	2	0	0	0	0	0	0	0	0
2002/2003	3	3	1,007,151	0	373,081	1,380,232	1,442,240	0	961,431	2,403,670
2002/2003	3	4	0	42,338	50,805	93,143	0	48,943	61,220	110,163
2002/2003	3	5	0	408,396	202,393	610,789	0	459,260	235,974	695,235
2002/2003	3	6	0	0	33,330	33,330	0	0	38,656	38,656
2003/2004	2	1	0	0	0	0	0	0	0	0
2003/2004	2	2	0	0	0	0	0	0	0	0
2003/2004	2	3	1,143,385	0	377,170	1,520,555	2,078,674	0	1,023,640	3,102,313
2003/2004	2	4	0	128,882	104,394	233,276	0	151,952	110,971	262,923
2003/2004	2	5	0	302,010	113,655	415,665	0	350,120	117,822	467,942
2003/2004	2	6	0	0	32,221	32,221	0	0	33,871	33,871
2004/2005	1	1	0	0	0	0	0	0	0	0
2004/2005	1	2	0	0	0	0	0	0	0	0
2004/2005	1	3	237,187	0	137,229	374,416	707,053	0	650,468	1,357,521
2004/2005	1	4	0	83,248	53,010	136,258	0	97,483	54,653	152,137
2004/2005	1	5	0	425,318	220,303	645,621	0	489,966	221,845	711,811
2004/2005	1	6	0	0	24,321	24,321	0	0	23,154	23,154
All Years, All Injury Types			3,825,835	1,604,781	2,190,595	7,621,211	5,807,782	1,803,235	4,312,092	11,923,109

Notes:

- (4),(5),(6): Unit Statistical Plan data, excluding Large Deductibles.
- (8) = (4) x Conversion Factors from Section VIII-E, Exhibit 1, Pages 2 & 3.
- (9) = (5) x Conversion Factors from Section VIII-E, Exhibit 1, Pages 2 & 3.
- (10) = (6) x Conversion Factors from Section VIII-E, Exhibit 1, Pages 2 & 3.

VIII 000020

Section VIII - F-Class Recommendation
 Subsection F - Proposed Pure Premium Relativities
 9/1/2008

Section VIII-F
 Exhibit 1
 Page 2

Calculation of Adjusted On-Level Losses by Serious/Non-Serious/Medical Federal Industry Group All Classes

Composite Policy Year (1)	Report (2)	Injury Type (3)	Adjusted Converted Losses			
			Serious (4)	Non-Serious (5)	Medical (6)	Total = (4) + (5) + (6) (7)
2000/2001	5	1	0	0	0	0
2000/2001	5	2	0	0	0	0
2000/2001	5	3	634,183	0	178,756	812,939
2000/2001	5	4	0	9,273	4,985	14,258
2000/2001	5	5	0	107,813	43,318	151,131
2000/2001	5	6	0	0	30,072	30,072
2001/2002	4	1	0	0	0	0
2001/2002	4	2	155,081	0	68,845	223,926
2001/2002	4	3	1,063,831	0	387,217	1,451,047
2001/2002	4	4	0	33,130	46,720	79,851
2001/2002	4	5	0	55,294	62,960	118,254
2001/2002	4	6	0	0	28,525	28,525
2002/2003	3	1	0	0	0	0
2002/2003	3	2	0	0	0	0
2002/2003	3	3	1,716,271	0	1,047,301	2,763,572
2002/2003	3	4	0	48,943	63,628	112,570
2002/2003	3	5	0	459,260	262,214	721,474
2002/2003	3	6	0	0	43,645	43,645
2003/2004	2	1	0	0	0	0
2003/2004	2	2	0	0	0	0
2003/2004	2	3	2,482,161	0	1,148,872	3,631,033
2003/2004	2	4	0	151,952	115,865	267,817
2003/2004	2	5	0	350,120	134,458	484,578
2003/2004	2	6	0	0	37,324	37,324
2004/2005	1	1	0	0	0	0
2004/2005	1	2	0	0	0	0
2004/2005	1	3	869,683	0	757,018	1,626,701
2004/2005	1	4	0	97,483	63,606	161,089
2004/2005	1	5	0	489,966	247,346	737,312
2004/2005	1	6	0	0	25,281	25,281
(8) All Years, All Injury Types			6,921,209	1,803,235	4,797,955	13,522,400
(9) Pure Premium			6.125	1.596	4.246	11.968

Notes:

(4),(5),(6) = Converted Limited Losses from Page 1 x Excess Loss Factors from Section VIII-E, Exhibit 1, Pages 4.

(9): Pure Premium calculated as the All Years, All Injury Types Adjusted Converted Losses divided by the All Years, All Injury Types Exposure.

Calculation of Manual Premium by Extension of Exposures
 Federal Industry Group
 All Classes

Class Code (1)	Exposure By Composite Policy Year						Current Rate (8)	Manual Premium					Total (14)	
	2000/2001 (2)	2001/2002 (3)	2002/2003 (4)	2003/2004 (5)	2004/2005 (6)	Total (7)		2000/2001 = (2) x (8) (9)	2001/2002 = (3) x (8) (10)	2002/2003 = (4) x (8) (11)	2003/2004 = (5) x (8) (12)	2004/2005 = (6) x (8) (13)		
	6801	1	0	0	0	0		1	7.58	8	0	0		0
6824	36,371	41,781	41,303	43,487	43,548	206,490	7.74	281,512	323,385	319,685	336,589	337,062	1,598,233	
6826	7,615	3,332	1,107	825	3,705	16,584	7.55	57,493	25,157	8,358	6,229	27,973	125,209	
6843	0	0	1,683	1,520	0	3,203	8.60	0	0	14,474	13,072	0	27,546	
6872	10,526	19,863	29,390	38,712	40,233	138,724	21.77	229,151	432,418	639,820	842,760	875,872	3,020,021	
6874	0	140	22	16	789	967	24.98	0	3,497	550	400	19,709	24,156	
7309	11,365	11,062	8,559	12,172	15,897	59,055	29.37	333,790	324,891	251,378	357,492	466,895	1,734,445	
7313	0	0	0	0	0	0	9.20	0	0	0	0	0	0	
7317	349	823	3,253	1,210	727	6,362	8.79	3,068	7,234	28,594	10,636	6,390	55,922	
7327	60	0	38,828	30,973	41,928	111,789	25.44	1,526	0	987,784	787,953	1,066,648	2,843,912	
7350	48,232	11,974	40,513	50,114	50,540	201,373	10.86	523,800	130,038	439,971	544,238	548,864	2,186,911	
8709	1,800	1,060	22,228	30,747	49,340	105,175	4.56	8,208	4,834	101,360	140,206	224,990	479,598	
8726	50,694	53,083	54,539	53,170	68,703	280,189	7.40	375,136	392,814	403,589	393,458	508,402	2,073,399	
9077	0	0	0	0	0	0	2.87	0	0	0	0	0	0	
Total	167,013	143,118	241,425	262,946	315,410	1,129,912		1,813,691	1,644,267	3,195,562	3,433,033	4,082,806	14,169,359	

Notes:
 (2) - (7): Unit Statistical Plan data.

VIII 000021

VIII 000022

Section VIII - F-Class Recommendation
 Subsection F - Proposed Pure Premium Relativities
 9/1/2008

Section VIII-F
 Exhibit 2

Calculation of Pure Premium Underlying Present Rate Factor

Industry Group	Injury Type	Uncapped Rate Level Factor	Industry Group Pure Premium From Previous Revision	Percent of Pure Premium =(4) / [Total of (4)]	Expected Loss and LAE Ratio	Benefit Level Change Factor	Trend	Pure Premium Underlying Present Rate Factor = (3) x (5) x (6) x (7) x (8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Federal	Serious	13.484	4.267	0.502	0.814	1.003	0.951	5.256
	Non-Serious	13.484	2.861	0.337	0.814	1.003	0.951	3.525
	Medical	13.484	1.367	0.161	0.814	1.000	0.993	1.754
	Total		8.495					

Notes:

- (3): Since the 9/1/2007 Stipulation included changes to F-Class rates that were not contemplated in the rate filing, the present average rate from Section VIII-H Exhibit 1 is a proxy for the uncapped rate level factor.
- (4): Based on the most recently filed pure premium relativities for F-Class.
- (6): Section VI-A of 09/01/07 Stipulation.
- (7): Weighted average of Section IV-A, Exhibit 1 and Section IV-G, Exhibit 1.
- (8): Section V-A, Exhibit 1.

VIII 000023

Section VIII - F-Class Recommendation
 Subsection F - Proposed Pure Premium Relativities
 9/1/2008

Section VIII-F
 Exhibit 3

Calculation of Pure Premiums Underlying Present Rate Federal Industry Group

Class Code	Adopted Relativities			Pure Premiums Underlying Present Rate			
	Serious	Non-Serious	Medical	Serious	Non-Serious	Medical	Total = (5) + (6) + (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
6801	0.582	0.491	1.826	3.060	1.732	3.203	7.995
6824	0.677	0.305	0.914	3.560	1.076	1.604	6.240
6826	0.521	0.432	1.046	2.740	1.523	1.835	6.099
6843	0.922	0.646	0.848	4.846	2.276	1.487	8.609
6872	1.826	1.147	2.311	9.598	4.042	4.053	17.693
6874	2.546	1.285	1.196	13.383	4.528	2.098	20.009
7309	2.960	1.404	1.743	15.558	4.950	3.058	23.566
7313	0.692	0.683	0.775	3.638	2.407	1.360	7.405
7317	0.856	0.403	0.647	4.501	1.421	1.135	7.057
7327	0.856	4.050	0.905	4.500	14.278	1.588	20.366
7350	1.167	1.052	0.743	6.136	3.708	1.304	11.148
8709	0.331	0.279	0.547	1.738	0.983	0.960	3.680
8726	0.631	0.421	0.656	3.317	1.483	1.151	5.951
9077	0.189	0.343	1.214	0.994	1.209	2.129	4.332

Notes:

(2)-(4): Based on 1/1/1990 decision, adjusted for the 9/1/2007 Stipulation

(5),(6),(7) = (1),(2),(3) x Pure Premium Underlying Present Rate Factors from Exhibit 2.

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Section VIII - F-Class Recommendation
 Subsection G - Class Relativities
 9/1/2008

Section VIII-G
 Exhibit 1

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal	
6801 BOAT BUILDING - WOOD - NOC & DRIVERS: US ACT									
Policy Period	Exposure	Claim Count		Amount					
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total		
2000/2001	1	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	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	1	0	0	0	0	0	0	0	
				MA Indicated Pure Premiums					
2000/2001				0.00	0.00	0.00	0.00	0.00	
2001/2002				0.00	0.00	0.00	0.00	0.00	
2002/2003				0.00	0.00	0.00	0.00	0.00	
2003/2004				0.00	0.00	0.00	0.00	0.00	
2004/2005				0.00	0.00	0.00	0.00	0.00	
MA Total Pure Premium:				0.00	0.00	0.00	0.00	0.00	
				Pure Premium Relativities					
Massachusetts Indicated Relativity:				0.000	0.000	0.000			
Massachusetts Credibility:				0.00	0.00	0.00			
Countrywide Pure Premium:				0.00	6.33	0.24		6.57	
Countrywide Indicated Relativity:				0.000	5.951	0.071			
Countrywide Credibility:				0.00	0.22	0.26			
Countrywide Lost-time Claims:				0	20				
Pure Premium Underlying Present Rate:				3.06	1.73	3.20		8.00	
Relativity to Underlying Present Rate:				0.582	0.491	1.826			
Credibility to Underlying Relativity:				1.00	0.78	0.74			
Industry Group Adjusted On-Level Pure Premium:				6.125	1.596	4.246		11.968	
Formula Relativity:				0.582	1.692	1.370			
Balanced Formula Relativity:				0.579	1.556	1.406		1.003	

Class(es):		Effective: 9/1/2008						Federal	
6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT									
Policy Period	Exposure	Claim Count		Amount					
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total		
2000/2001	36,371	0	6	0	74,452	27,820	102,272		
2001/2002	41,781	2	3	319,347	10,884	112,236	442,466		
2002/2003	41,303	1	4	92,241	48,784	438,778	579,804		
2003/2004	43,487	0	4	0	25,820	41,363	67,183		
2004/2005	43,548	0	3	0	2,432	16,853	19,285		
MA Total	206,490	3	20	411,588	162,373	637,049	1,211,011		
				MA Indicated Pure Premiums					
2000/2001				0.00	2.05	0.76	2.81		
2001/2002				7.64	0.26	2.69	10.59		
2002/2003				2.23	1.18	10.62	14.04		
2003/2004				0.00	0.59	0.95	1.54		
2004/2005				0.00	0.06	0.39	0.44		
MA Total Pure Premium:				1.99	0.79	3.09	5.86		
				Pure Premium Relativities					
Massachusetts Indicated Relativity:				0.325	0.493	0.727			
Massachusetts Credibility:				0.30	0.43	0.43			
Countrywide Pure Premium:				5.52	1.11	4.38	11.00		
Countrywide Indicated Relativity:				1.211	1.039	1.309			
Countrywide Credibility:				0.31	0.29	0.29			
Countrywide Lost-time Claims:				25	314				
Pure Premium Underlying Present Rate:				3.56	1.08	1.60	6.24		
Relativity to Underlying Present Rate:				0.677	0.305	0.914			
Credibility to Underlying Relativity:				0.39	0.28	0.28			
Industry Group Adjusted On-Level Pure Premium:				6.125	1.596	4.246	11.968		
Formula Relativity:				0.737	0.599	0.948			
Balanced Formula Relativity:				0.733	0.550	0.973	0.794		

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 Subsection G - Class Relativities
 9/1/2008

Section VIII-G
 Exhibit 2

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal
6826 MARINA & DRIVERS: US ACT								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	7,615	0	0	0	0	85	85	
2001/2002	3,332	0	1	0	18,285	5,809	24,094	
2002/2003	1,107	0	0	0	0	0	0	
2003/2004	825	0	0	0	0	0	0	
2004/2005	3,705	0	0	0	0	0	0	
MA Total	16,584	0	1	0	18,285	5,894	24,179	
		MA Indicated Pure Premiums						
				0.00	0.00	0.01	0.01	
				0.00	5.49	1.74	7.23	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	1.10	0.36	1.46	
		Pure Premium Relativities						
	Massachusetts Indicated Relativity:			0.000	0.691	0.084		
	Massachusetts Credibility:			0.10	0.18	0.16		
	Countrywide Pure Premium:			5.03	1.03	4.62	10.68	
	Countrywide Indicated Relativity:			1.104	0.970	1.381		
	Countrywide Credibility:			0.22	0.41	0.42		
	Countrywide Lost-time Claims:			10	116			
	Pure Premium Underlying Present Rate:			2.74	1.52	1.84	6.10	
	Relativity to Underlying Present Rate:			0.521	0.432	1.046		
	Credibility to Underlying Relativity:			0.68	0.41	0.42		
	Industry Group Adjusted On-Level Pure Premium:			6.125	1.596	4.246	11.968	
	Formula Relativity:			0.597	0.699	1.033		
	Balanced Formula Relativity:			0.594	0.643	1.060	0.766	

Class(es):		Effective: 9/1/2008						Federal
6843 SHIP BUILDING-IRON OR STEEL-NOC & DRIVERS: US ACT								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	0	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	1,683	0	0	0	0	0	0	
2003/2004	1,520	0	0	0	0	0	0	
2004/2005	0	0	0	0	0	0	0	
MA Total	3,203	0	0	0	0	0	0	
		MA Indicated Pure Premiums						
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
				0.00	0.00	0.00	0.00	
		Pure Premium Relativities						
	Massachusetts Indicated Relativity:			0.000	0.000	0.000		
	Massachusetts Credibility:			0.06	0.11	0.08		
	Countrywide Pure Premium:			4.71	1.32	3.01	9.04	
	Countrywide Indicated Relativity:			1.034	1.240	0.899		
	Countrywide Credibility:			0.38	0.45	0.46		
	Countrywide Lost-time Claims:			40	289			
	Pure Premium Underlying Present Rate:			4.85	2.28	1.49	8.61	
	Relativity to Underlying Present Rate:			0.922	0.646	0.848		
	Credibility to Underlying Relativity:			0.56	0.44	0.46		
	Industry Group Adjusted On-Level Pure Premium:			6.125	1.596	4.246	11.968	
	Formula Relativity:			0.909	0.842	0.803		
	Balanced Formula Relativity:			0.904	0.774	0.824	0.858	

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 Subsection G - Class Relativities
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Section VIII-G
 Exhibit 3

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal
6872 SHIP REPAIR CONVERSION- ALL OP & DR: US ACT								
Policy Period	Exposure	Adjusted On-Level Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	10,526	0	1	0	761	4,262	5,023	
2001/2002	19,863	4	5	771,402	36,331	246,138	1,053,872	
2002/2003	29,390	0	9	0	67,690	42,438	110,128	
2003/2004	38,712	5	9	1,648,493	67,216	583,846	2,299,555	
2004/2005	40,233	1	14	245,699	202,378	330,478	778,555	
MA Total	138,724	10	38	2,665,594	374,377	1,207,162	4,247,132	
MA Indicated Pure Premiums								
		2000/2001		0.00	0.07	0.40	0.48	
		2001/2002		38.84	1.83	12.39	53.06	
		2002/2003		0.00	2.30	1.44	3.75	
		2003/2004		42.58	1.74	15.08	59.40	
		2004/2005		6.11	5.03	8.21	19.35	
		MA Total Pure Premium:		19.22	2.70	8.70	30.62	
Pure Premium Relativities								
		Massachusetts Indicated Relativity:		3.137	1.691	2.049		
		Massachusetts Credibility:		0.38	0.63	0.53		
		Countrywide Pure Premium:		8.99	1.74	6.23	16.96	
		Countrywide Indicated Relativity:		1.971	1.635	1.863		
		Countrywide Credibility:		0.31	0.19	0.24		
		Countrywide Lost-time Claims:		74	400			
		Pure Premium Underlying Present Rate:		9.60	4.04	4.05	17.69	
		Relativity to Underlying Present Rate:		1.826	1.147	2.311		
		Credibility to Underlying Relativity:		0.31	0.18	0.23		
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246	11.968	
		Formula Relativity:		2.369	1.582	2.065		
		Balanced Formula Relativity:		2.356	1.455	2.119	2.152	

Class(es):		Effective: 9/1/2008						Federal
6874 PAINTING: SHIP HULLS - US ACT								
Policy Period	Exposure	Adjusted On-Level Loss and Loss Adjustment Expense						
		Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	0	0	0	0	0	0	0	
2001/2002	140	0	0	0	0	0	0	
2002/2003	22	0	0	0	0	0	0	
2003/2004	16	0	0	0	0	0	0	
2004/2005	789	0	0	0	0	0	0	
MA Total	967	0	0	0	0	0	0	
MA Indicated Pure Premiums								
		2000/2001		0.00	0.00	0.00	0.00	
		2001/2002		0.00	0.00	0.00	0.00	
		2002/2003		0.00	0.00	0.00	0.00	
		2003/2004		0.00	0.00	0.00	0.00	
		2004/2005		0.00	0.00	0.00	0.00	
		MA Total Pure Premium:		0.00	0.00	0.00	0.00	
Pure Premium Relativities								
		Massachusetts Indicated Relativity:		0.000	0.000	0.000		
		Massachusetts Credibility:		0.06	0.09	0.06		
		Countrywide Pure Premium:		12.58	2.20	6.51	21.29	
		Countrywide Indicated Relativity:		2.761	2.067	1.945		
		Countrywide Credibility:		0.20	0.20	0.28		
		Countrywide Lost-time Claims:		8	17			
		Pure Premium Underlying Present Rate:		13.38	4.53	2.10	20.01	
		Relativity to Underlying Present Rate:		2.546	1.285	1.196		
		Credibility to Underlying Relativity:		0.74	0.71	0.66		
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246	11.968	
		Formula Relativity:		2.436	1.325	1.334		
		Balanced Formula Relativity:		2.423	1.219	1.369	1.888	

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Section VIII - F-Class Recommendation
 Subsection G - Class Relativities
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Section VIII-G
 Exhibit 4

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal	
7309 STEVEDORING: NOC - US ACT									
		Adjusted On-Level Loss and Loss Adjustment Expense							
Policy Period	Exposure	Claim Count		Amount				Total	
		Serious	Non-Serious	Serious	Non-Serious	Medical			
2000/2001	11,365	2	2	340,843	2,344	68,884		412,071	
2001/2002	11,062	0	2	0	3,043	3,525		6,567	
2002/2003	8,559	1	1	186,951	16,233	131,615		334,799	
2003/2004	12,172	0	3	0	15,704	25,181		40,885	
2004/2005	15,897	0	1	0	27,583	17,018		44,601	
MA Total	59,055	3	9	527,793	64,907	246,222		838,923	
		MA Indicated Pure Premiums							
		2000/2001		29.99	0.21	6.06		36.26	
		2001/2002		0.00	0.28	0.32		0.59	
		2002/2003		21.84	1.90	15.38		39.12	
		2003/2004		0.00	1.29	2.07		3.36	
		2004/2005		0.00	1.74	1.07		2.81	
		MA Total Pure Premium:		8.94	1.10	4.17		14.21	
		Pure Premium Relativities							
		Massachusetts Indicated Relativity:		1.459	0.689	0.982			
		Massachusetts Credibility:		0.33	0.48	0.33			
		Countrywide Pure Premium:		12.82	1.76	5.53		20.11	
		Countrywide Indicated Relativity:		2.813	1.650	1.654			
		Countrywide Credibility:		0.34	0.26	0.34			
		Countrywide Lost-time Claims:		36	128				
		Pure Premium Underlying Present Rate:		15.56	4.95	3.06		23.57	
		Relativity to Underlying Present Rate:		2.960	1.404	1.743			
		Credibility to Underlying Relativity:		0.33	0.26	0.33			
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246		11.968	
		Formula Relativity:		2.415	1.125	1.462			
		Balanced Formula Relativity:		2.401	1.034	1.500		1.899	

Class(es):		Effective: 9/1/2008						Federal	
7313 COAL DOCK OPERATION & STEVEDORING: US ACT									
		Adjusted On-Level Loss and Loss Adjustment Expense							
Policy Period	Exposure	Claim Count		Amount				Total	
		Serious	Non-Serious	Serious	Non-Serious	Medical			
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	
2004/2005	0	0	0	0	0	0		0	
MA Total	0	0	0	0	0	0		0	
		MA Indicated Pure Premiums							
		2000/2001		0.00	0.00	0.00		0.00	
		2001/2002		0.00	0.00	0.00		0.00	
		2002/2003		0.00	0.00	0.00		0.00	
		2003/2004		0.00	0.00	0.00		0.00	
		2004/2005		0.00	0.00	0.00		0.00	
		MA Total Pure Premium:		0.00	0.00	0.00		0.00	
		Pure Premium Relativities							
		Massachusetts Indicated Relativity:		0.000	0.000	0.000			
		Massachusetts Credibility:		0.00	0.00	0.00			
		Countrywide Pure Premium:		9.98	0.77	2.69		13.44	
		Countrywide Indicated Relativity:		2.190	0.725	0.804			
		Countrywide Credibility:		0.21	0.29	0.37			
		Countrywide Lost-time Claims:		9	42				
		Pure Premium Underlying Present Rate:		3.64	2.41	1.36		7.41	
		Relativity to Underlying Present Rate:		0.692	0.683	0.775			
		Credibility to Underlying Relativity:		0.79	0.71	0.63			
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246		11.968	
		Formula Relativity:		1.007	0.695	0.786			
		Balanced Formula Relativity:		1.001	0.639	0.807		0.884	

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 Subsection G - Class Relativities
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Section VIII-G
 Exhibit 5

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal
7317 STEVEDORING: BY HAND OR HAND TRUCKS: US ACT								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	349	1	1	75,287	3,464	73,602	152,353	
2001/2002	823	0	0	0	0	0	0	
2002/2003	3,253	1	0	115,340	0	157,193	272,533	
2003/2004	1,210	1	2	137,001	3,969	225,756	366,726	
2004/2005	727	0	0	0	0	0	0	
MA Total	6,362	3	3	327,627	7,433	456,551	791,612	
		MA Indicated Pure Premiums						
		2000/2001		215.72	9.93	210.89	436.54	
		2001/2002		0.00	0.00	0.00	0.00	
		2002/2003		35.46	0.00	48.32	83.78	
		2003/2004		113.22	3.28	186.58	303.08	
		2004/2005		0.00	0.00	0.00	0.00	
		MA Total Pure Premium:		51.50	1.17	71.76	124.43	
		Pure Premium Relativities						
		Massachusetts Indicated Relativity:		8.407	0.732	16.899		
		Massachusetts Credibility:		0.08	0.12	0.09		
		Countrywide Pure Premium:		7.53	2.69	3.88	14.11	
		Countrywide Indicated Relativity:		1.652	2.531	1.161		
		Countrywide Credibility:		0.30	0.44	0.46		
		Countrywide Lost-time Claims:		22	174			
		Pure Premium Underlying Present Rate:		4.50	1.42	1.14	7.06	
		Relativity to Underlying Present Rate:		0.856	0.403	0.647		
		Credibility to Underlying Relativity:		0.62	0.44	0.45		
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246	11.968	
		Formula Relativity:		1.699	1.379	2.346		
		Balanced Formula Relativity:		1.690	1.268	2.408	1.888	

Class(es):		Effective: 9/1/2008						Federal
7327 STEVEDORING: CONTAINERIZED FREIGHT & DRIVERS: US ACT								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	60	0	0	0	0	0	0	
2001/2002	0	0	0	0	0	0	0	
2002/2003	38,828	4	14	987,742	285,573	309,068	1,582,383	
2003/2004	30,973	0	17	0	214,916	76,925	291,841	
2004/2005	41,928	2	18	623,983	294,617	640,924	1,559,524	
MA Total	111,789	6	49	1,611,725	795,107	1,026,917	3,433,748	
		MA Indicated Pure Premiums						
		2000/2001		0.00	0.00	0.00	0.00	
		2001/2002		0.00	0.00	0.00	0.00	
		2002/2003		25.44	7.35	7.96	40.75	
		2003/2004		0.00	6.94	2.48	9.42	
		2004/2005		14.88	7.03	15.29	37.20	
		MA Total Pure Premium:		14.42	7.11	9.19	30.72	
		Pure Premium Relativities						
		Massachusetts Indicated Relativity:		2.354	4.457	2.163		
		Massachusetts Credibility:		0.26	0.95	0.33		
		Countrywide Pure Premium:		1.36	0.87	2.60	4.84	
		Countrywide Indicated Relativity:		0.299	0.822	0.778		
		Countrywide Credibility:		0.13	0.03	0.25		
		Countrywide Lost-time Claims:		3	15			
		Pure Premium Underlying Present Rate:		4.50	14.28	1.59	20.37	
		Relativity to Underlying Present Rate:		0.856	4.050	0.905		
		Credibility to Underlying Relativity:		0.61	0.02	0.42		
		Industry Group Adjusted On-Level Pure Premium:		6.125	1.596	4.246	11.968	
		Formula Relativity:		1.173	4.340	1.289		
		Balanced Formula Relativity:		1.166	3.991	1.322	1.598	

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 Subsection G - Class Relativities
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Section VIII-G
 Exhibit 6

Calculation of Class Relativities

Class(es): 7350 FREIGHT HANDLING NOC: US ACT		Effective: 9/1/2008				Federal		
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	48,232	0	4	0	25,588	17,209	42,797	
2001/2002	11,974	0	0	0	0	2,355	2,355	
2002/2003	40,513	1	2	141,626	36,350	160,840	338,816	
2003/2004	50,114	3	4	551,317	89,238	400,619	1,041,174	
2004/2005	50,540	0	3	0	55,378	78,501	133,879	
MA Total	201,373	4	13	692,943	206,554	659,525	1,559,022	
		MA Indicated Pure Premiums						
				2000/2001	0.00	0.53	0.36	0.89
				2001/2002	0.00	0.00	0.20	0.20
				2002/2003	3.50	0.90	3.97	8.36
				2003/2004	11.00	1.78	7.99	20.78
				2004/2005	0.00	1.10	1.55	2.65
				MA Total Pure Premium:	3.44	1.03	3.28	7.74
		Pure Premium Relativities						
				Massachusetts Indicated Relativity:	0.562	0.643	0.771	
				Massachusetts Credibility:	0.37	0.70	0.39	
				Countrywide Pure Premium:	4.55	1.09	2.46	8.09
				Countrywide Indicated Relativity:	0.998	1.020	0.734	
				Countrywide Credibility:	0.22	0.15	0.31	
				Countrywide Lost-time Claims:	10	51		
				Pure Premium Underlying Present Rate:	6.14	3.71	1.30	11.15
				Relativity to Underlying Present Rate:	1.167	1.052	0.743	
				Credibility to Underlying Relativity:	0.41	0.15	0.30	
				Industry Group Adjusted On-Level Pure Premium:	6.125	1.596	4.246	11.968
				Formula Relativity:	0.906	0.761	0.751	
				Balanced Formula Relativity:	0.901	0.700	0.771	0.828

Class(es): 8709 STEVEDORING:TALLIERS & CHECKING CLERKS: US ACT		Effective: 9/1/2008				Federal		
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	1,800	0	0	0	0	0	0	
2001/2002	1,060	0	0	0	0	0	0	
2002/2003	22,228	0	0	0	0	0	0	
2003/2004	30,747	1	2	145,350	13,667	19,770	178,787	
2004/2005	49,340	0	2	0	2,427	421	2,848	
MA Total	105,175	1	4	145,350	16,094	20,191	181,635	
		MA Indicated Pure Premiums						
				2000/2001	0.00	0.00	0.00	0.00
				2001/2002	0.00	0.00	0.00	0.00
				2002/2003	0.00	0.00	0.00	0.00
				2003/2004	4.73	0.44	0.64	5.81
				2004/2005	0.00	0.05	0.01	0.06
				MA Total Pure Premium:	1.38	0.15	0.19	1.73
		Pure Premium Relativities						
				Massachusetts Indicated Relativity:	0.226	0.096	0.045	
				Massachusetts Credibility:	0.17	0.32	0.26	
				Countrywide Pure Premium:	0.78	1.03	1.51	3.31
				Countrywide Indicated Relativity:	0.170	0.963	0.451	
				Countrywide Credibility:	0.13	0.25	0.31	
				Countrywide Lost-time Claims:	3	28		
				Pure Premium Underlying Present Rate:	1.74	0.98	0.96	3.68
				Relativity to Underlying Present Rate:	0.331	0.279	0.547	
				Credibility to Underlying Relativity:	0.70	0.43	0.43	
				Industry Group Adjusted On-Level Pure Premium:	6.125	1.596	4.246	11.968
				Formula Relativity:	0.292	0.391	0.387	
				Balanced Formula Relativity:	0.290	0.360	0.397	0.337

VIII 000030

Section VIII - F-Class Recommendation
 Subsection G - Class Relativities
 9/1/2008

Section VIII-G
 Exhibit 7

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Federal
8726 STEAMSHIP LINE OR AGENCY-PORT EMP: SPRVRSR, CAPTNS, ENGRS, STWR								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
2000/2001	50,694	1	2	218,054	10,476	65,266	293,795	
2001/2002	53,083	1	6	128,163	19,881	224,192	372,237	
2002/2003	54,539	1	5	192,372	53,572	176,855	422,799	
2003/2004	53,170	0	6	0	71,541	63,061	134,602	
2004/2005	68,703	0	1	0	2,635	9,030	11,665	
MA Total	280,189	3	20	538,588	158,105	538,404	1,235,098	
		MA Indicated Pure Premiums						
				2000/2001	4.30	0.21	1.29	5.80
				2001/2002	2.41	0.37	4.22	7.01
				2002/2003	3.53	0.98	3.24	7.75
				2003/2004	0.00	1.35	1.19	2.53
				2004/2005	0.00	0.04	0.13	0.17
				MA Total Pure Premium:	1.92	0.56	1.92	4.41
		Pure Premium Relativities						
				Massachusetts Indicated Relativity:	0.314	0.354	0.453	
				Massachusetts Credibility:	0.33	0.56	0.42	
				Countrywide Pure Premium:	2.49	0.59	2.22	5.30
				Countrywide Indicated Relativity:	0.547	0.551	0.665	
				Countrywide Credibility:	0.21	0.22	0.29	
				Countrywide Lost-time Claims:	9	59		
				Pure Premium Underlying Present Rate:	3.32	1.48	1.15	5.95
				Relativity to Underlying Present Rate:	0.631	0.421	0.656	
				Credibility to Underlying Relativity:	0.46	0.22	0.29	
				Industry Group Adjusted On-Level Pure Premium:	6.125	1.596	4.246	11.968
				Formula Relativity:	0.509	0.412	0.573	
				Balanced Formula Relativity:	0.506	0.379	0.588	0.518

Class(es):		Effective: 9/1/2008						Federal
9077 UNITED STATES ARMED SERVICE RISK-ALL EMPLOYEES & DRIVERS								
		Adjusted On-Level Loss and Loss Adjustment Expense						
Policy Period	Exposure	Claim Count		Amount				
		Serious	Non-Serious	Serious	Non-Serious	Medical	Total	
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	
2004/2005	0	0	0	0	0	0	0	
MA Total	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums						
				2000/2001	0.00	0.00	0.00	0.00
				2001/2002	0.00	0.00	0.00	0.00
				2002/2003	0.00	0.00	0.00	0.00
				2003/2004	0.00	0.00	0.00	0.00
				2004/2005	0.00	0.00	0.00	0.00
				MA Total Pure Premium:	0.00	0.00	0.00	0.00
		Pure Premium Relativities						
				Massachusetts Indicated Relativity:	0.000	0.000	0.000	
				Massachusetts Credibility:	0.00	0.00	0.00	
				Countrywide Pure Premium:	0.00	0.00	0.03	0.03
				Countrywide Indicated Relativity:	0.000	0.000	0.010	
				Countrywide Credibility:	0.00	0.07	0.08	
				Countrywide Lost-time Claims:	0	1		
				Pure Premium Underlying Present Rate:	0.99	1.21	2.13	4.33
				Relativity to Underlying Present Rate:	0.189	0.343	1.214	
				Credibility to Underlying Relativity:	1.00	0.93	0.92	
				Industry Group Adjusted On-Level Pure Premium:	6.125	1.596	4.246	11.968
				Formula Relativity:	0.189	0.319	1.118	
				Balanced Formula Relativity:	0.188	0.293	1.147	0.542

VIII 000031

Section VIII - F-Class Recommendation
Subsection H - Average Rates and Proposed Premium Change
9/1/2008

Section VIII-H
Exhibit 1

Calculation of Federal Industry Group Rate Change and Limits

(1) Industry Group Differential	1.000
(2) Experience and Benefit Level Change - Overall	18.1%
(3) Target Rate Change = (1) x [1.000 + (2)] - 1.000	18.1%
(4) State Benefit Level Change	0.9%
(5) Federal Benefit Level Change	0.1%
(6) Federal Losses as % of Total Losses	85.7%
(7) Weighted Average Benefit Level Change = [(5) x (6)] + {(4) x [1.000 - (6)]}	0.2%
(8) Experience Change - Overall = {[1.000 + (2)] / [1.000 + (7)]} - 1.000	17.9%
(9) Experience Change - by Group = {(1) x [1.000 + (8)]} - 1.000	17.9%
(10) 1/2 Experience Change - by Group = (9) / 2.000	8.9%
(11) Maximum Rate Change = (7) + (10) + 20.0%	29.1%
(12) Minimum Rate Change = (7) + (10) - 20.0%	-10.9%
(13) Present Average Rate	13.484
(14) Uncapped Rate Level Factor = [1.000 + (3)] x (13)	15.925
(15) Capped Rate Level Factor	17.641

In addition, the WCRIB is limiting the increase in average rates for any class to \$15 and no average rate shall exceed \$90 per \$100 of payroll.

Notes:

- (1): Federal Industry Group is the only group being evaluated.
- (2): Indicated Rate Change, from Section VIII-A, Exhibit 1.
- (4): Section IV-A, Exhibit 1.
- (5): Section IV-G, Exhibit 1.
- (6): Based on ratio of Federal losses to sum of Federal and State losses from Section VIII-C, Exhibit 1, Page 1 & 3.
- (13): Rates by class consistent with the 09/01/07 stipulation, weighted by five years of exposure.
- (15): Proposed average uncapped rates are capped by an iterative process using rate levels to determine if the required change is achieved.

VIII 000032

Section VIII - F-Class Recommendation
 Subsection H - Average Rates and Proposed Premium Change
 9/1/2008

Section VIII-H
 Exhibit 2

Calculation of Average Uncapped Rates

Class Code	Balanced Formula Relativity				Uncapped Rate Level Factor	Proposed Average Uncapped Rate = (5) x (6)
	Serious	Non-Serious	Medical	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
6801	0.579	1.556	1.406	1.003	15.925	15.97
6824	0.733	0.550	0.973	0.794	15.925	12.64
6826	0.594	0.643	1.060	0.766	15.925	12.20
6843	0.904	0.774	0.824	0.858	15.925	13.67
6872	2.356	1.455	2.119	2.152	15.925	34.26
6874	2.423	1.219	1.369	1.888	15.925	30.07
7309	2.401	1.034	1.500	1.899	15.925	30.24
7313	1.001	0.639	0.807	0.884	15.925	14.07
7317	1.690	1.268	2.408	1.888	15.925	30.07
7327	1.166	3.991	1.322	1.598	15.925	25.45
7350	0.901	0.700	0.771	0.828	15.925	13.19
8709	0.290	0.360	0.397	0.337	15.925	5.37
8726	0.506	0.379	0.588	0.518	15.925	8.25
9077	0.188	0.293	1.147	0.542	15.925	8.64

Notes:

(2),(3),(4),(5): Section VIII-G.

(6): Exhibit 1.

VIII 000033

Section VIII - F-Class Recommendation
Subsection H - Average Rates and Proposed Premium Change
9/1/2008

Section VIII-H
Exhibit 3

Comparison of Average Rates

Class Code (1)	Present Average Capped Rate (2)	Proposed Average Uncapped Rate (3)	Proposed Average Capped Rate (4)
6801	8.15	15.97	10.53
6824	8.32	12.64	10.75
6826	8.12	12.20	10.48
6843	9.25	13.67	11.94
6872	23.41	34.26	30.23
6874	26.86	30.07	33.31
7309	31.58	30.24	33.50
7313	9.89	14.07	12.77
7317	9.45	30.07	12.21
7327	27.35	25.45	28.20
7350	11.68	13.19	14.61
8709	4.90	5.37	5.95
8726	7.96	8.25	9.14
9077	3.09	8.64	3.99

Notes:

(2): 9/1/2007 Stipulated Manual Rates adjusted by 9/1/2007 stipulated offsets from Section IX-K, Exhibit 1.

(3): Exhibit 2.

(4) = Total Balanced Formula Relativity (Section VIII-G) x Capped Rate Level Factor
Subject to maximum and minimum caps (Exhibit 1).

VIII 000034

Section VIII - F-Class Recommendation
Subsection H - Average Rates and Proposed Premium Change
9/1/2008

Section VIII-H
Exhibit 4

Summary of Proposed Premium Change

Industry Group (1)	Present Premium (2)	Proposed Premium (3)	Proposed Change (4)	Target Change (5)	Capped Rate Level Factor (6)
Federal	15,235,989	17,993,706	18.1%	18.1%	17.64

Notes:

(2): Exposure x Current Average Rates.

(3): Exposure x Proposed Average Rates.

(4) = [(3) - (2)] / (2)

(5), (6): Exhibit 1.

VIII 000035

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

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.

Federal Benefits - 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	2004/2005			0	0	2,111	
	2003/2004			0	17,642	4,313	
	2002/2003			59,458	0	34,458	
	2001/2002			227,274	0	9,744	
	2000/2001			0	0	12,788	
Medical	2004/2005			0	0	9,267	7,238
	2003/2004			0	23,764	8,297	5,637
	2002/2003			138,905	0	35,474	2,517
	2001/2002			31,625	0	16,952	10,579
	2000/2001			0	0	8,824	3,713

Federal Benefits Conversion Factors (Section VIII-E, 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	2004/2005	2.053	1.811	2.981	1.171	1.152	
	2003/2004	1.260	1.108	1.818	1.179	1.164	
	2002/2003	1.000	0.876	1.432	1.156	1.145	
	2001/2002	0.914	0.797	1.297	1.123	1.117	
	2000/2001	0.788	0.683	1.107	1.035	1.035	
Medical	2004/2005	4.611	2.858	4.740	1.031	1.007	0.951
	2003/2004	2.640	1.636	2.714	1.063	1.038	1.051
	2002/2003	2.506	1.554	2.577	1.205	1.177	1.159
	2001/2002	2.283	1.415	2.347	1.191	1.164	1.096
	2000/2001	2.183	1.353	2.244	1.191	1.164	1.124

Excess Loss Factors (Section VIII-E, Exhibit 1, Page 4)			
Hazard Group (15)	Injury Type		
	Serious (16)	Non-Serious (17)	Medical (18)
3	1.083	1.000	1.039

Federal Adjusted Converted Losses			
Composite Policy Year (19)	Serious (20)	Non-Serious (21)	Medical (22)
2004/2005	0	2,432	16,853
2003/2004	0	25,820	41,363
2002/2003	92,241	39,454	418,463
2001/2002	319,347	10,884	109,702
2000/2001	0	13,236	15,013
Total	411,588	91,826	601,393

Notes:

(20), (21), (22): Adjusted Converted Losses = [Limited Losses] x [Conversion Factors] x [Excess Loss Factors].

VIII 000036

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

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.

State Benefits - 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	2004/2005						
	2003/2004						
	2002/2003			0	0	10,811	
	2001/2002			0	0	0	
	2000/2001			0	0	72,446	
Medical	2004/2005						
	2003/2004						
	2002/2003			0	0	16,703	292
	2001/2002			0	0	0	2,068
	2000/2001			0	0	9,593	340

State Benefits Conversion Factors (Section VIII-E, Exhibit 1, Page 3)							
	Composite Policy Year (8)	Fatal (9)	Permanent Total (10)	Major Permanent Partial (11)	Minor Permanent Partial (12)	Temporary Total (13)	Medical Only (14)
Indemnity	2004/2005	0.774	4.546	2.656	2.547	0.908	
	2003/2004	0.684	3.462	1.506	1.444	0.861	
	2002/2003	0.670	1.510	1.207	1.157	0.863	
	2001/2002	0.714	0.844	1.078	1.034	0.884	
	2000/2001	0.615	0.557	0.959	0.920	0.845	
Medical	2004/2005	1.330	5.613	2.972	2.251	0.949	1.201
	2003/2004	1.258	4.704	1.976	1.496	1.009	1.182
	2002/2003	1.180	2.076	1.882	1.425	1.149	1.215
	2001/2002	1.192	1.087	1.767	1.337	1.231	1.179
	2000/2001	1.187	1.013	1.680	1.272	1.242	1.200

Excess Loss Factors (Section VIII-E, Exhibit 1, Page 4)			
Hazard Group (15)	Injury Type		
	Serious (16)	Non-Serious (17)	Medical (18)
3	1.083	1.000	1.039

State Adjusted Converted Losses			
Composite Policy Year (19)	Serious (20)	Non-Serious (21)	Medical (22)
2004/2005	0	0	0
2003/2004	0	0	0
2002/2003	0	9,330	20,315
2001/2002	0	0	2,534
2000/2001	0	61,217	12,807
Total	0	70,547	35,656

Notes:

(20), (21), (22): Adjusted Converted Losses = [Limited Losses] x [Conversion Factors] x [Excess Loss Factors].

VIII 000037

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

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 Premium

Exposure, Adjusted Converted Losses (Both Federal & State)				
Composite Policy Year (23)	Exposure (24)	Serious (25)	Non-Serious (26)	Medical (27)
2004/2005	43,548	0	2,432	16,853
2003/2004	43,487	0	25,820	41,363
2002/2003	41,303	92,241	48,784	438,778
2001/2002	41,781	319,347	10,884	112,236
2000/2001	36,371	0	74,452	27,820
Total	206,490	411,588	162,373	637,049
(28)	Indicated Pure Premium	1.993	0.786	3.085
(29)	Federal Class Codes Industry Group Pure Premium	6.125	1.596	4.246
(30)	MA Indicated Relativity	0.325	0.493	0.727

Notes:

(24) Schedule Z excluding Large Deductibles

(25), (26), (27): Adjusted Converted Losses = [Limited Losses] x [Conversion Factors] x [Excess Loss Factors]

(28): Totals of (25), (26), and (27), divided by Total of (24), respectively.

(29): Section VIII-F, Exhibit 1, Page 2.

(30) = (28) / (29)

VIII 000038

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

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	0	758	0	0	1,182,450
2	Arizona	0	0	0	0	0	69,200
3	Arkansas	0	0	701	0	0	20,829
4	California	0	0	0	0	0	0
5	Colorado	0	0	0	0	0	0
6	Connecticut	0	57,498	28,214	0	4	483,692
7	Delaware	0	0	0	0	0	0
8	District of Columbia	0	0	0	0	0	0
9	Florida	66,138	187,805	375,322	1	23	27,299,858
10	Georgia	110,680	22,272	78,839	1	3	8,643,063
11	Idaho	0	0	0	0	0	0
12	Illinois	0	50,166	53,679	0	6	1,819,895
13	Indiana	0	0	0	0	0	106,064
14	Iowa	60,455	342	26,322	1	1	1,107,532
15	Kansas	0	0	0	0	0	4,554
16	Kentucky	0	1,562	5,009	0	1	1,045,771
17	Louisiana	226,426	91,677	355,459	3	24	28,824,353
18	Maine	881,229	193,883	1,451,398	4	37	44,691,493
19	Maryland	0	0	378	0	0	236,688
22	Minnesota	0	0	0	0	0	47,619
23	Mississippi	0	4,387	24,862	0	1	1,311,175
24	Missouri	0	40,047	71,476	0	3	5,485,044
25	Montana	0	0	0	0	0	0
26	Nebraska	0	0	0	0	0	0
27	Nevada	0	0	0	0	0	371,934
28	New Hampshire	0	0	0	0	0	559,208
29	New Jersey	310,901	1,349,197	1,855,040	3	117	188,560,351
30	New Mexico	0	0	0	0	0	0
31	New York	0	8,684	36,622	0	3	5,473,705
32	North Carolina	164,836	24,760	151,756	2	7	11,666,375
35	Oklahoma	0	0	0	0	0	0
36	Oregon	317,345	174,900	480,724	3	23	9,374,336
37	Pennsylvania	0	0	0	0	0	0
38	Rhode Island	249,233	231,092	338,644	4	43	14,265,577
39	South Carolina	0	27,968	27,518	0	1	198,368
40	South Dakota	0	0	0	0	0	14,767
41	Tennessee	220,626	14,008	802,663	1	2	1,971,009
43	Utah	0	0	0	0	0	0
44	Vermont	0	0	0	0	0	244,622
45	Virginia	0	14,847	45,896	0	4	3,482,371
52	Hawaii	82,302	9,373	98,760	1	6	3,796,458
54	Alaska	47,500	75,251	137,927	1	5	3,452,042
	Total	2,737,671	2,579,719	6,447,967	25	314	365,810,403

Notes:

(3), (4), (5): Data are total for latest three policy years. See Section IX-D, Exhibit 3.
 (6), (7): Used in calculating countrywide credibilities. See Section IX-D, Exhibit 1, Page 1.

VIII 000039

Pricing Example for Class 6824
 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

Calculation of Countrywide Relativity

State Code (1)	State (2)	Federal Class Codes 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	1.560	1.279	1.037	0.000	0.000	0.066	
2	Arizona	0.000	0.000	0.000	0.000	0.000	0.000	
3	Arkansas	0.544	11.926	0.212	0.000	0.000	0.714	
4	California				0.000	0.000	0.000	
5	Colorado	0.000	0.000	0.000	0.000	0.000	0.000	
6	Connecticut	0.000	0.124	0.559	0.000	1.470	3.259	
7	Delaware				0.000	0.000	0.000	
8	District of Columbia	0.000	0.000	0.000	0.000	0.000	0.000	
9	Florida	7.392	2.071	1.098	1.791	1.424	1.509	
10	Georgia	8.806	9.368	0.749	11.277	2.414	0.683	
11	Idaho	0.000	0.000	0.000	0.000	0.000	0.000	
12	Illinois	3.135	1.359	0.830	0.000	3.747	2.447	
13	Indiana	0.000	4.896	2.878	0.000	0.000	0.000	
14	Iowa	0.019	23.669	0.854	0.106	0.731	2.030	
15	Kansas	0.000	0.000	0.000	0.000	0.000	0.000	
16	Kentucky	9.450	4.413	1.724	0.000	0.659	0.826	
17	Louisiana	1.132	1.406	0.772	0.890	0.447	0.952	
18	Maine	4.054	0.990	0.906	7.994	0.430	2.942	
19	Maryland	5.226	1.128	1.538	0.000	0.000	0.246	
22	Minnesota	0.137	1.237	0.063	0.000	0.000	0.000	
23	Mississippi	1.404	1.214	0.271	0.000	0.406	0.513	
24	Missouri	1.078	1.221	1.292	0.000	0.891	1.684	
25	Montana	0.000	0.000	0.000	0.000	0.000	0.000	
26	Nebraska	0.000	0.000	17.162	0.000	0.000	0.000	
27	Nevada	0.000	0.000	0.000	0.000	0.000	0.000	
28	New Hampshire	0.000	0.000	0.899	0.000	0.000	0.000	
29	New Jersey	7.562	1.134	1.486	1.247	0.812	1.461	
30	New Mexico	0.000	0.000	0.000	0.000	0.000	0.000	
31	New York	1.756	2.484	2.173	0.000	0.394	1.454	
32	North Carolina	4.456	2.156	2.874	6.296	0.458	3.739	
35	Oklahoma	0.499	0.280	0.206	0.000	0.000	0.000	
36	Oregon	1.145	1.076	0.925	3.876	2.008	4.744	
37	Pennsylvania				0.000	0.000	0.000	
38	Rhode Island	6.358	2.101	2.066	11.108	3.403	4.905	
39	South Carolina	4.247	0.168	0.325	0.000	2.375	4.506	
40	South Dakota	0.000	0.000	0.000	0.000	0.000	0.000	
41	Tennessee	1.130	2.693	0.201	12.649	1.914	8.168	
43	Utah	0.000	0.000	0.000	0.000	0.000	0.000	
44	Vermont	0.000	0.000	0.000	0.000	0.000	0.000	
45	Virginia	9.421	5.698	3.427	0.000	2.429	4.517	
52	Hawaii	6.094	3.097	1.759	13.210	0.765	4.576	
54	Alaska	1.656	1.338	1.035	2.279	2.917	4.135	
(10)	Average of (6), (7), (8) weighted by Payroll from Page 1, respectively				3.050	0.984	1.999	
(11)	Conversion and Excess Loss Adjustment Factor				1.809	1.124	2.190	
(12)	CW Pure Premium = (10) x (11)				5.518	1.105	4.378	11.001
(13)	CW Federal Class Codes Pure Premium				4.558	1.064	3.345	8.968
(14)	CW Relativity = (12) / (13)				1.211	1.039	1.309	1.227
(15)	CW Relativity, balanced to unity				1.211	1.039	1.309	

Notes:

(11) = (MA Total Federal Class Codes Adjusted Converted Losses) / (MA Federal Class Codes Limited Losses). See Section VIII-F, Exhibit 1, Pages 1-2.

(13) = (12) weighted by MA five year Federal Class Codes Exposure

(15): Relativities balanced to unity (weighted by MA exposure) over Federal Class Codes Industry Group

VIII 000040

Section VIII - F-Class Recommendation
 Subsection I - Pricing Example
 9/1/2008

Section VIII-I
 Exhibit 3

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

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
0.325	0.493	0.727
1.211	1.039	1.309
0.677	0.305	0.914

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
0.677	0.305	0.914
5.256	3.525	1.754
3.560	1.076	1.604
735,028	222,272	331,158
15,000,000	1,800,000	2,800,000
30.0%	43.0%	43.0%

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
25	314	339
450	900	600
31%	29%	29%
39%	28%	28%
0.737	0.598	0.948
1.006	1.087	0.974

- (16) Balanced Formula Relativity

Injury Type			
Serious	Non-Serious	Medical	Total
0.733	0.550	0.973	0.794

Notes:

- (1): Exhibit 1, Page 3.
- (2): Exhibit 2, Page 2.
- (3): Relativity of (6) to Industry Group average, using 5 year Schedule Z exposure as weights.
- (4): Section VIII-F, Exhibit 3.
- (5): Section VIII-F, Exhibit 2.
- (8), (11): Section IX-D, Exhibit 1, Page 1.
- (10): Exhibit 2, 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.

VIII 000041

Section VIII - F-Class Recommendation
Subsection I - Pricing Example
9/1/2008

Section VIII-I
Exhibit 4

Pricing Example for Class 6824 BOAT BUILDING OR REPAIRING & DRIVERS: US ACT

Calculation of Proposed Average Rate and Proposed Manual Rate:

(1) Present Average Rate	8.32
(2) Total Balanced Formula Relativity	0.794
(3) Capped Rate Level Factor	17.641
(4) Maximum Average Rate	10.75
(5) Minimum Average Rate	7.42
(6) Proposed Average Capped Rate = (2) x (3), Subject to Caps (4), (5)	10.75
(7) Offset for Merit Rating	0.997
(8) Offset for ARAP	1.045
(9) Offset for Construction Classification Premium Adjustment Program	1.000
(10) Loading for Recoupment of Insolvency Fund Assessments	-0.0005
(11) Proposed Manual Rate = {(6) / [(7) x (8) x (9)]} x {1.000 / [1.000 - (10)]}	10.31
(12) Minimum Premium	500
(13) Loss Constant	0
(14) Expected Loss Rate	4.70
(15) D-Ratio	0.14

Notes:

(1): Section VIII-H, Page 3.

(2): Exhibit 3.

(3): Section 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 6824 is in the Federal Class Codes Industry Group.

(4): Multiple caps apply including the maximum increase for any class within the industry group, a maximum absolute dollar change of \$15, and a maximum absolute average rate of \$90.

(5): Based on the minimum decrease for any class within the industry group.

(7), (8), (9), (10): Section IX - K. Class 6824 is not eligible for the Construction Credit program.

(12) = {[(11) x 35.0] + (13) + Expense Constant} subject to a maximum of \$500
Where Expense Constant equals 169 if (8) x 35 + (10) < 200, else the Expense Constant equals 338.

(13): No loss constant for Federal classes.

(14) = (6) x Ratio of Experience Rating ELR to Average Rate, from Section X-A, Exhibit 1.
Class 6824 is in Hazard Group 3.

(15): Section X. See text of this section for an explanation of the calculation of D-Ratios.

VIII 000042

Section VIII - F-Class Recommendation
Subsection J - U.S.L.H. & H.W. Coverage Percentage
9/1/2008

Section VIII-J
Exhibit 1

Calculation of USL&HW Compensation Coverage Percentage

(1)	Benefits Differential Underlying Current USL&HW Coverage Percentage	1.409
(2)	State Benefit Level Adjustments Since Last Approval	1.165
(3)	Federal Benefit Level Adjustments Since Last Approval	1.016
(4)	Revised Benefits Differential = (1) x [(3) / (2)]	1.229
(5)	Federal Indemnity Losses as % of Total Federal Losses	72.5%
(6)	Expected Loss Ratio for State Classes	64.2%
(7)	Fixed Expense Ratio	6.7%
(8)	Special Fund Assessment Rate as % of Federal Indemnity Losses	0.266
(9)	Loss Adjustment Expense Factor (Applies to Losses)	1.201
(10)	USLH Coverage Percentage	1.392

Notes:

(1): Section X, Exhibit 1 of 7/1/94 F-Class Filing, Coverage Percentage approved to be effective 1/1/95.

(2): Cumulative effect of 10/1/94-10/1/07 Total Benefit Level Changes from Section IV-A, Exhibit 3.

(3): Cumulative effect of 10/1/94-10/1/07 Total Benefit Level Changes from Section IV-G, Exhibit 3.

(5): Based on ratio of indemnity losses to total losses from Section VIII-C, Exhibit 1, Page 1.

(6): Section VI-A, Exhibit 1.

(7): Average of Fixed Expense Ratios for 2 PYs from Section VI-B, Exhibit 1.

(8): NCCI's Tax & Assessment Directory.

(9): Section VIII-E, Exhibit 1, Page 1.

(10) = $\{[(6) \times (4) \times (9)] + [(6) \times (4) \times (5) \times (8)] + (7)\} / \{[(6) \times (9)] + (7)\}$

VIII 000043

Section VIII - F-Class Recommendation
Subsection K - Federal Tax Multiplier
9/1/2008

Section VIII-K
Exhibit 1

Calculation of Federal Tax Multiplier

(1)	State Tax Multiplier	1.041
(2)	Loading for Taxes and Residual Market Subsidy = $1.0 - 1.0 / (1)$	3.9%
(3)	Expected Loss Ratio (no LAE)	62.8%
(4)	Federal Special Funds Assessment	26.6%
(5)	Federal Indemnity Losses as % of Total Losses	62.1%
(6)	Loading for Federal Funds Assessment = $(3) \times (4) \times (5)$	10.4%
(7)	Federal Tax Multiplier = $1.0 / [1.0 - (2) - (6)]$	1.167

Notes:

(1),(3): Section XII-A, Exhibit 4.

(4): NCCI Tax and Assessment Directory.

(5): Based on ratio of indemnity losses to total losses from Section VIII-C, Exhibit 1.



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

WORKERS' COMPENSATION INSURANCE RATE FILING

Volume 2 of 2

- Section IX Classification Pricing**
- Section X Miscellaneous Rating Factors for Experience Rating**
- Section XI Small Deductible Credits**
- Section XII Retrospective Rating Plans**

Proposed Effective Date: September 1, 2008
Filing Date: March 1, 2008

MASSACHUSETTS WORKERS' COMPENSATION

VOLUME II: INDEX 9/1/08

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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 established in the 9/1/2003 rate decision, and used in the 9/1/2005 and 9/1/2007 rates. Finally, proposed manual rates are determined by applying offsets to the proposed average capped rates. Since ARAP, Merit and Experience 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, 7/1/00-6/30/01 through 7/1/04-6/30/05.

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 IX - 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 serious, non-serious and medical excess loss factors are calculated by adding unity to the quotient of converted excess losses and converted limited losses by hazard group.

The product of the converted limited losses and the excess loss factors is referred to as the adjusted converted losses.

The serious, non-serious and medical adjusted converted losses are then summed by composite policy year. They are displayed by classification or class combination in Section IX - 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. Countrywide relativities are based upon the latest available three composite policy years, although the specific years vary by state (see Section IX - 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 level. 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.

IX 000005

2. Sum the serious, non-serious and medical losses by state and industry group 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 IX - 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, 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 rates (which have been adjusted to reflect the impact of benefit changes and trend to the proposed effective period) to unity, based on the five most recent years of payroll.

Formula Relativities

Once we have the separate (MA Indicated, CW 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 serious, non-serious and medical relativities, using the Industry Group serious, non-serious and medical pure premiums 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 9/1/2007 filing's use of the classical credibility method based on the formula

$$Z = (E/F)^{0.4}$$

Where Z= Credibility assigned to MA or CW 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 9/1/2007 rates:

Serious	Non-Serious	Medical
100	200	200

The average claim costs have been updated in Section IX - D, Exhibit 1, Pages 2 & 3 of this filing.

Credibility is a function of the volume of serious, non-serious and medical expected losses. 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 IX - 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 (1.0 - Massachusetts credibility).

Countrywide Credibility

The credibility of adjusted countrywide pure premiums is determined based on claim counts for serious, non-serious and total lost time claims (Section IX - 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 maximums and minimums (Section IX – 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 industry group 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 20%. The

minimum rate change equals the benefit level change plus 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 IX - 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 IX - 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 anticipated 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 1.25. The offset factor for ARAP, calculated in Section IX – K, Exhibit 3, is 1.045.

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 is not eligible for experience rating and 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 merit rating credit weighted by the percentage of premium eligible for merit rating. Section IX - 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 IX - K, Exhibit 4 shows the derivation our selection of the 3.6% 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") assesses carriers (that write policies in Massachusetts on the lines of insurance protected by the Fund) to cover the Fund's expenses. Beginning in 1988, workers' compensation insurance was covered by the Fund. The loading included in this filing is a recoupment of the assessments made by the Fund in 2007 that have not yet been recouped. The proposed factor is a loading of -.05%.

Pricing Example

Section IX - 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 1/1/1990.
- The rates and rating values for 6811, 6854, 6882, and 6884 are assigned 71.8% (= 1.0 / Proposed USL&H Coverage % Factor) 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 8/15/1997.
- 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

IX 000014

- Established 6/1/2002.
- 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 7/1/2004.
- 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.

IX 000015

MASSACHUSETTS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE MANUAL (2008 Edition) RATES

Draft Proposed Effective September 1, 2008 Page RA-1

RATES

LEGEND

- | | |
|--|---|
| (a) Rate for each individual risk must be obtained by Home Office from the MA Bureau.
D Supplement Disease Loading. Refer to Section IV of the Manual Supplement - Treatment of Disease Coverage. | F Rate provides for coverage under the United States Longshore and Harbor Workers' Compensation Act.
z Classifications potentially available. If needed, Home Office should contact the MA Bureau. |
|--|---|

CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST
0005	3.14	299.	20.	1005	z	z	z	2111	2.26	248.	--	2587	2.43	274.	20.
0008	2.25	268.	20.	1164	z	z	z	2114	2.87	269.	--	2600	z	z	z
0016	3.11	298.	20.	1165	z	z	z	2115	2.91	271.	--	2623	2.93	272.	--
0034	3.17	300.	20.	1430	13.71	500.	--	2121	2.78	266.	--	2640	2.54	258.	--
0035	1.74	250.	20.	1438	2.78	266.	--	2130	2.79	267.	--	2651	2.54	258.	--
0036	3.17	300.	20.	1452	z	z	z	2131	2.18	245.	--	2660	2.17	245.	--
0037	2.25	268.	20.	1463	6.27	500.	--	2143	2.89	270.	--	2683	2.16	245.	--
0042	4.37	342.	20.	1624D	4.94	362.	20.	2150	4.12	313.	--	2688	3.01	274.	--
0046	2.82	288.	20.	1655	5.08	367.	20.	2156	6.90	500.	--	2702	19.06	500.	20.
0050	5.09	500.	50.	1701	4.15	314.	--	2157	4.95	342.	--	2710	6.34	500.	--
0059D	0.30	--	--	1710D	4.94	362.	20.	2172	1.40	218.	--	2714	z	z	z
0065D	0.13	--	--	1741	z	z	z	2174	5.31	355.	--	2731	4.93	342.	--
0066D	0.11	--	--	1747	3.95	307.	--	2177	z	z	z	2741	5.71	369.	--
0067D	0.11	--	--	1748	3.47	290.	--	2211	5.23	352.	--	2747	8.32	500.	--
0079	3.46	310.	20.	1852	7.79	500.	--	2220	3.15	279.	--	2790	2.13	244.	--
0083	4.59	350.	20.	1853	1.89	235.	--	2260	5.25	353.	--	2802	4.50	327.	--
0106	13.98	500.	20.	1860	2.26	248.	--	2286	3.15	279.	--	2835	2.44	254.	--
0113	3.17	300.	20.	1924	2.38	252.	--	2288	2.20	246.	--	2836	3.49	291.	--
0170	3.17	300.	20.	1925	3.93	307.	--	2300	z	z	z	2841	3.25	283.	--
0251	3.41	308.	20.	2001	2.85	269.	--	2302	3.15	279.	--	2883	3.39	288.	--
0400	(a)	(a)	(a)	2002	3.16	280.	--	2305	1.98	238.	--	2915	z	z	z
0401*	(a)	(a)	(a)	2003	2.85	269.	--	2362	2.16	245.	--	2916	z	z	z
0770b	1.50	--	--	2014	3.30	285.	--	2380	2.66	262.	--	2923	2.00	239.	--
0773c	3.97	--	--	2016	z	z	z	2402	2.95	272.	--	2942	1.93	237.	--
0774d	2.91	--	--	2021	2.87	269.	--	2413	3.60	295.	--	2960	z	z	z
0775e	2.09	--	--	2030	z	z	z	2416	3.20	281.	--	3004	z	z	z
0776f	2.68	--	--	2039	3.11	278.	--	2417	3.12	278.	--	3018	3.53	293.	--
0779g	2.28	--	--	2041	2.41	253.	--	2501	2.59	260.	--	3022	4.46	325.	--
0799h	8.95	--	--	2065	z	z	z	2503	0.86	199.	--	3027	5.25	353.	--
0908	85.00	153.	--	2070	4.26	318.	--	2534	2.59	260.	--	3028	4.36	322.	--
0909	122.00	190.	--	2081	3.73	300.	--	2570	4.11	313.	--	3030	7.60	500.	--
0912	245.00	313.	--	2089	2.87	269.	--	2576	2.80	267.	--	3040	9.32	500.	--
0913	169.00	237.	--	2095	5.08	347.	--	2578	2.80	267.	--	3041	5.34	356.	--
0917	2.57	279.	20.	2101	2.87	269.	--	2585	2.84	268.	--	3042	3.93	307.	--
0918	0.82	218.	20.	2105	(a)	(a)	(a)	2586	1.31	215.	--	3064	3.15	279.	--

*0401 - Minimum Premium \$100 per ginning location.

Non-Ratable Code and Rate to be used with the following classifications:

- b 4770 d 4774 f 4776 h 4799
 c 4773 e 4775 g 4779

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Section IX - Classification Pricing
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MASSACHUSETTS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE MANUAL (2008 Edition) **RATES**

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RATES

CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST
3066	3.15	279.	--	3373	3.75	300.	--	3851	Z	Z	Z	4362	0.82	218.	20.
3076	2.46	255.	--	3381	3.35	286.	--	3881	Z	Z	Z	4410	4.35	321.	--
3081D	7.16	500.	--	3383	1.50	222.	--	4000	5.49	500.	20.	4417	5.11	348.	--
3082D	7.16	500.	--	3385	0.73	195.	--	4021	3.34	286.	--	4420	Z	Z	Z
3085D	4.82	338.	--	3400	4.43	324.	--	4024	3.29	284.	--	4431	Z	Z	Z
3110	7.91	500.	--	3507	2.88	270.	--	4034	5.71	369.	--	4432	1.27	213.	--
3111	2.20	246.	--	3515	2.65	262.	--	4036	2.36	252.	--	4439	2.05	241.	--
3113	2.23	247.	--	3548	2.07	241.	--	4038	2.17	245.	--	4452	3.01	274.	--
3114	3.46	290.	--	3558	0.52	187.	--	4053	1.77	231.	--	4459	3.01	274.	--
3118	2.23	247.	--	3559	2.07	241.	--	4054	Z	Z	Z	4470	2.50	257.	--
3119	0.88	200.	--	3565	Z	Z	Z	4061	2.66	262.	--	4484	2.52	257.	--
3120	1.93	237.	--	3571	1.12	208.	--	4062	2.66	262.	--	4493	3.31	285.	--
3122	2.23	247.	--	3574	2.07	241.	--	4101	Z	Z	Z	4511	0.43	204.	20.
3126	Z	Z	Z	3580	Z	Z	Z	4112	0.65	192.	--	4512	0.17	195.	20.
3127	0.77	196.	--	3581	Z	Z	Z	4113	1.77	231.	--	4557	1.37	217.	--
3131	2.58	259.	--	3612	1.81	232.	--	4114	2.30	250.	--	4558	2.26	248.	--
3132	2.28	249.	--	3620	4.44	324.	--	4130	4.42	324.	--	4561	2.05	241.	--
3145	1.66	227.	--	3629	2.07	241.	--	4133	1.96	238.	--	4568	Z	Z	Z
3146	2.58	259.	--	3632	2.07	241.	--	4150	0.96	203.	--	4581	Z	Z	Z
3169	4.43	324.	--	3634	2.38	252.	--	4206	Z	Z	Z	4583	3.30	285.	--
3175	Z	Z	Z	3635	3.42	289.	--	4207	Z	Z	Z	4611	1.38	217.	--
3179	1.96	238.	--	3638	2.07	241.	--	4239	4.00	309.	--	4635	2.86	269.	--
3180	2.77	266.	--	3639	Z	Z	Z	4243	3.17	280.	--	4653	3.73	300.	--
3188	2.93	272.	--	3642	1.12	208.	--	4244	3.82	303.	--	4665	7.45	500.	--
3200	3.45	290.	--	3643	1.96	238.	--	4250	2.41	253.	--	4670	Z	Z	Z
3220	1.78	231.	--	3647	2.88	270.	--	4251	2.01	239.	--	4673	Z	Z	Z
3223	(a)	(a)	(a)	3648	1.82	233.	--	4273	3.73	300.	--	4683	Z	Z	Z
3227	4.43	324.	--	3681	0.79	197.	--	4279	3.54	293.	--	4686	Z	Z	Z
3241	2.38	252.	--	3685	0.79	197.	--	4282	0.69	193.	--	4692	0.49	186.	--
3255	2.92	271.	--	3724	7.18	500.	50	4283	2.83	268.	--	4693	0.84	198.	--
3257	2.62	261.	--	3726	13.16	500.	50.	4299	1.89	235.	--	4703	Z	Z	Z
3270	1.72	229.	--	3803	Z	Z	Z	4301	3.48	291.	--	4716	Z	Z	Z
3300	7.45	500.	--	3807	4.43	324.	--	4304	3.72	299.	--	4717	Z	Z	Z
3303	Z	Z	Z	3808	3.31	285.	--	4307	1.53	223.	--	4720	2.21	246.	--
3305	(a)	(a)	(a)	3821	4.67	352.	20.	4308	0.80	197.	--	4740	1.49	221.	--
3315	2.38	252.	--	3822	Z	Z	Z	4350	0.61	190.	--	4741	2.91	271.	--
3334	(a)	(a)	(a)	3826	1.98	238.	--	4351	0.82	198.	--	4770b	10.07	500.	--
3336	3.67	297.	--	3827	Z	Z	Z	4352	1.00	204.	--	4773c	19.39	500.	--
3365	10.05	500.	50.	3830	2.07	241.	--	4360	1.20	211.	--	4774d	16.47	500.	--
3372	2.23	247.	--	3841	1.52	222.	--	4361	0.51	207.	20.	4775e	12.83	500.	--

For Non-Ratable portion of Rate, refer to:

- | | |
|--------|--------|
| b 0770 | d 0774 |
| c 0773 | e 0775 |

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MASSACHUSETTS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE MANUAL (2008 Edition) **RATES**

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RATES															
CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST	CLASS CODE	MIN RATE	LOSS PREM	LOSS CONST
4776f	14.06	500.	--	5479	8.59	500.	50.	6843F	11.46	500.	--	7720	1.55	243.	20.
4777	3.30	285.	--	5480	5.06	500.	50.	6845F	z	z	z	7855	7.34	500.	50.
4779g	12.93	500.	--	5506	7.25	500.	50.	6854	8.23	500.	20.	8001	1.27	233.	20.
4799h	33.66	500.	--	5507	6.47	500.	50.	6872F	29.00	500.	--	8002	2.33	271.	20.
4825	0.52	187.	--	5508D	5.28	500.	50.	6874F	31.96	500.	--	8006	1.42	239.	20.
4828	1.52	222.	--	5509	4.40	500.	50.	6882	20.83	500.	20.	8008	0.81	217.	20.
4829	1.52	222.	--	5538	5.94	500.	50.	6884	22.96	500.	20.	8010	1.72	249.	20.
4902	1.93	237.	--	5545	31.41	500.	50.	7133	(a)	(a)	(a)	8013	0.45	205.	20.
4923	1.20	211.	--	5547	14.57	500.	50.	7219	7.95	500.	20.	8017	1.12	228.	20.
5020	5.82	500.	50.	5606	1.82	283.	50.	7230	7.68	500.	20.	8018	3.50	312.	20.
5022	12.02	500.	50.	5610	6.03	500.	50.	7231	5.28	500.	20.	8021	3.51	312.	20.
5037	26.42	500.	50.	5645	7.76	500.	50.	7309F	32.14	500.	--	8031	2.73	285.	20.
5040	46.16	500.	50.	5651	7.76	500.	50.	7313F	12.25	500.	--	8032	1.45	240.	20.
5057	41.36	500.	50.	5701	30.48	500.	50.	7317F	11.71	500.	--	8033	2.07	261.	20.
5059	41.36	500.	50.	5703	28.11	500.	50.	7327F	27.05	500.	--	8034	4.10	333.	20.
5069	41.36	500.	50.	5705	10.15	500.	50.	7350F	14.01	500.	--	8039	1.88	255.	20.
5102	6.50	500.	50.	5951	z	z	z	7360	4.38	342.	20.	8044	3.53	313.	20.
5146	5.34	500.	50.	6003	15.52	500.	50.	7370	4.08	332.	20.	8046	2.12	263.	20.
5160	3.59	345.	50.	6005	5.28	500.	50.	7380	5.75	500.	20.	8048	3.34	306.	20.
5183	4.02	360.	50.	6017	z	z	z	7382	3.77	321.	20.	8050	1.55	243.	20.
5188	4.84	500.	50.	6018	z	z	z	7403	5.00	364.	20.	8058	3.61	315.	20.
5190	3.28	334.	50.	6204	10.04	500.	50.	7405i	0.77	216.	20.	8103	2.96	293.	20.
5191	1.24	232.	20.	6217	4.31	500.	50.	7420	6.64	500.	20.	8105	4.90	361.	20.
5192	5.30	500.	20.	6229	4.31	500.	50.	7421*	2.26	268.	20.	8106	7.58	500.	20.
5213	22.19	500.	50.	6233	4.56	500.	50.	7422	2.26	268.	20.	8107	3.48	311.	20.
5215	5.24	500.	50.	6251D	6.16	500.	50.	7425	2.86	289.	20.	8111	3.61	315.	20.
5221	6.85	500.	50.	6252D	7.01	500.	50.	7431j	1.70	249.	20.	8116	3.48	311.	20.
5222	8.72	500.	50.	6257	z	z	z	7445k	0.26	--	--	8203	5.26	500.	20.
5223	5.24	500.	50.	6260	z	z	z	7453l	0.56	--	--	8204	6.62	500.	20.
5348	6.67	500.	50.	6306	6.50	500.	50.	7502	3.82	323.	20.	8215	4.06	331.	20.
5402	13.70	500.	50.	6319	5.32	500.	50.	7515	2.23	267.	20.	8227	3.36	337.	50.
5403	12.34	500.	50.	6325	3.74	350.	50.	7520	3.41	308.	20.	8232	5.03	365.	20.
5437	6.13	500.	50.	6400	6.55	500.	50.	7538	4.60	500.	50.	8233	11.30	500.	20.
5443	6.76	500.	50.	6504	2.87	269.	--	7539	1.31	235.	20.	8235	4.67	352.	20.
5445	7.38	500.	50.	6801F	10.10	500.	--	7580	2.46	275.	20.	8263	5.17	500.	20.
5462	9.24	500.	50.	6811	7.26	500.	20.	7590	6.80	500.	20.	8264	4.68	353.	20.
5472	7.47	500.	50.	6824F	10.31	500.	--	7600	3.13	299.	20.	8265	11.30	500.	20.
5473	12.92	500.	50.	6826F	10.06	500.	--	7601	4.60	500.	50.	8279	5.72	500.	20.
5474	5.18	500.	50.	6834	3.55	313.	20.	7610	0.18	195.	20.	8291	4.56	349.	20.
5478	4.37	500.	50.	6836	2.51	277.	20.	7704	2.27	268.	20.	8292	4.52	347.	20.

*7421--A policy surcharge of \$100 per passenger seat, subject to a maximum surcharge of \$1,000 per aircraft, shall be charged in addition to the premium otherwise determined under this classification. These surcharges shall not be cumulative in the event of substitution of aircraft during the policy period; but these surcharges shall be cumulative in the event more than one aircraft is owned or operated during the same policy period. These surcharges and losses to employees other than members of flying crew are to be reported under Code 0088.

For Non-Ratable portion of Rate, refer to: Non-Ratable Code and Rate to be used with:

f 776 g 779 h 799 i 7445 j 7453 k 7405 l 7431

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 Subsection A - Summary
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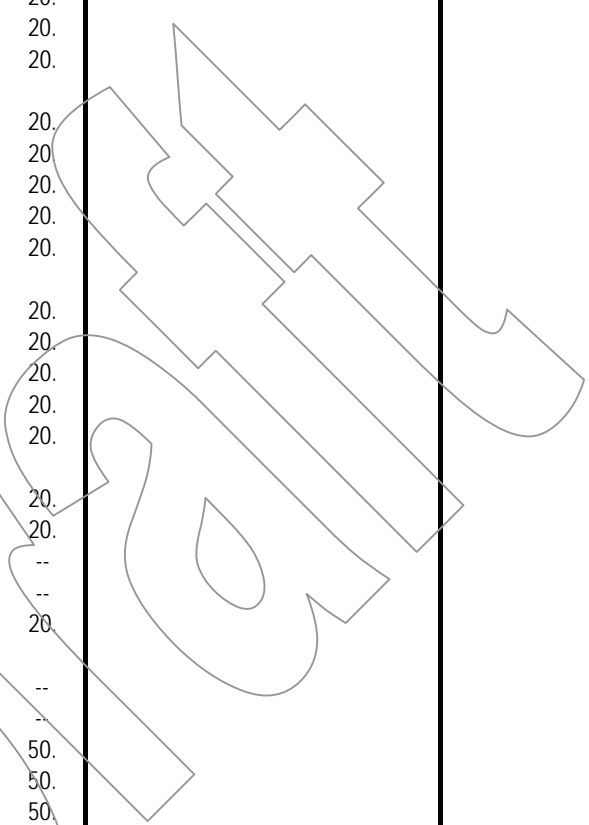
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MASSACHUSETTS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE MANUAL (2008 Edition) **RATES**

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RATES

CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST	CLASS CODE	RATE	MIN PREM	LOSS CONST
8293	9.55	500.	20.	9058	1.62	246.	20.								
8304	z	z	z	9060	1.35	236.	20.								
8350	5.42	500.	20.	9061	0.88	220.	20.								
8380	2.56	279.	20.	9063	0.64	211.	20.								
8381	1.65	247.	20.	9077F	3.82	303.	--								
8385	3.00	294.	20.	9079	1.14	229.	20.								
8392	1.29	234.	20.	9088	(a)	(a)	(a)								
8393	2.20	266.	20.	9089	1.15	229.	20.								
8500	11.30	500.	20.	9093	1.43	239.	20.								
8601	0.35	201.	20.	9101	3.31	305.	20.								
8606	z	z	z	9102	2.04	260.	20.								
8709F	5.71	369.	--	9154	1.14	229.	20.								
8710	1.98	258.	20.	9156	1.04	225.	20.								
8719	1.98	258.	20.	9178	21.78	500.	20.								
8720	0.99	224.	20.	9179	23.89	500.	20.								
8721	0.21	196.	20.	9180	4.67	352.	20.								
8726F	8.77	500.	--	9182	3.41	308.	20.								
8742	0.21	196.	20.	9186	4.67	352.	20.								
8745	3.64	316.	20.	9220	3.29	304.	20.								
8747	1.12	228.	20.	9402	5.68	500.	20.								
8748	0.55	208.	20.	9403	6.48	500.	20.								
8800	0.69	213.	20.	9410	1.69	248.	20.								
8803	0.06	191.	20.	9501	2.75	265.	--								
8810	0.13	194.	20.	9505	2.75	265.	--								
8820	0.11	193.	20.	9519	2.86	289.	20.								
8829	2.42	274.	20.	9521	4.72	334.	--								
8831	1.19	231.	20.	9522	1.64	226.	--								
8832	0.25	198.	20.	9533	26.85	500.	50.								
8833	1.23	232.	20.	9534	7.19	500.	50.								
8835	2.32	270.	20.	9545	4.07	361.	50.								
8837	(a)	(a)	(a)	9549	4.21	366.	50.								
8868	0.56	209.	20.	9552	8.66	500.	50.								
8901	0.13	194.	20.	9553	8.66	500.	50.								
9014	2.64	281.	20.	9586	0.46	205.	20.								
9015	3.04	295.	20.	9620	0.71	214.	20.								
9016	1.96	258.	20.												
9019	4.13	334.	20.												
9033	4.07	331.	20.												
9040	2.89	290.	20.												
9052	1.62	246.	20.												



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 and LAE Ratio (6)	Pure Premium Underlying Proposed Rate Factor = (3) x (5) x (6) (7)
Manufacturing	Serious	2.336	0.644	0.346	0.771	0.623
	Non-Serious	2.336	0.374	0.201	0.771	0.362
	Medical	2.336	0.844	0.453	0.771	0.816
	Total		1.862			
Construction	Serious	6.095	2.115	0.454	0.771	2.134
	Non-Serious	6.095	0.666	0.143	0.771	0.672
	Medical	6.095	1.876	0.403	0.771	1.893
	Total		4.657			
Office and Clerical	Serious	0.205	0.048	0.296	0.771	0.047
	Non-Serious	0.205	0.034	0.208	0.771	0.033
	Medical	0.205	0.081	0.496	0.771	0.078
	Total		0.163			
Goods and Services	Serious	2.049	0.488	0.315	0.771	0.497
	Non-Serious	2.049	0.328	0.211	0.771	0.334
	Medical	2.049	0.736	0.474	0.771	0.749
	Total		1.552			
Miscellaneous	Serious	4.930	1.370	0.365	0.771	1.387
	Non-Serious	4.930	0.692	0.184	0.771	0.701
	Medical	4.930	1.691	0.451	0.771	1.713
	Total		3.753			

Notes:

- (3): Section IX - H, Exhibit 1
- (4): Section IX - C.
- (6): Section VI - A, Exhibit 1.

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Section IX - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
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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				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(1) Fatal	1.038	1.031	1.031	1.030	1.024
(2) Permanent Total	1.052	1.043	1.044	1.041	1.034
(3) Major Permanent Partial	1.093	1.077	1.078	1.074	1.061
(4) Minor Permanent Partial	1.094	1.077	1.078	1.074	1.061
(5) Temporary Total	1.028	1.024	1.025	1.023	1.019
Medical					
(6) All Injury Types	1.067	1.058	1.019	1.009	1.000

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				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(7) Fatal	1.087	1.159	1.056	1.026	1.127
(8) Permanent Total	1.087	1.517	2.637	5.758	7.354
(9) Major Permanent Partial	1.087	1.131	1.230	1.464	2.525
(10) Minor Permanent Partial	1.000	1.041	1.132	1.347	2.323
(11) Temporary Total	1.000	0.959	0.909	0.863	0.883
Medical					
(12) Fatal	1.000	1.000	1.000	1.138	1.138
(13) Permanent Total	1.376	1.472	2.838	6.866	7.748
(14) Major Permanent Partial	1.376	1.442	1.551	1.739	2.474
(15) Minor Permanent Partial	1.000	1.048	1.127	1.264	1.798
(16) Temporary Total	1.000	0.987	0.930	0.872	0.776
(17) Medical Only	1.000	1.003	0.999	1.010	1.040

C. Trend Factors:

The following factors trend the reported pure premiums from the reported period to the proposed effective period for new rates.

Indemnity	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
(18) All Injury Types	0.659	0.723	0.743	0.782	0.810
Medical					
(19) Lost Time Medical	0.926	0.938	0.965	0.912	0.973
(20) Medical Only	0.936	0.925	0.994	0.966	0.961

Notes:

(A): Section IV - A Exhibit 1.

(B): Development to 5th report (Exhibit 2, Pages 1 through 5) x Development from 5th to ultimate (Section IV - F, Exhibit 2.)

(C): Exhibit 3. Frequency x Severity Trends / Wage Trends

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Section IX - Classification Pricing
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Calculation of Indemnity and Medical Conversion Factors

D. Loss Adjustment Expense Factor:

The following factor is applied to include the proposed loss adjustment expense.

	Indemnity	Medical
(1) Loss Adjustment Expense	1.201	1.201

E. 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	1.019
(5) Minor Permanent Partial	1.062
(6) Temporary Total	1.038
Medical	
(7) Fatal	1.000
(8) Permanent Total	0.620
(9) Major Permanent Partial	1.028
(10) Minor Permanent Partial	1.071
(11) Temporary Total	1.046
(12) Medical Only	1.000

F. Conversion Factors:

The factors above are combined multiplicatively, resulting in the following conversion factors.

	Composite Policy Year				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Indemnity					
(13) Fatal	0.615	0.714	0.670	0.684	0.774
(14) Permanent Total	0.557	0.844	1.510	3.462	4.546
(15) Major Permanent Partial	0.959	1.078	1.207	1.506	2.656
(16) Minor Permanent Partial	0.920	1.034	1.157	1.444	2.547
(17) Temporary Total	0.845	0.884	0.863	0.861	0.908
Medical					
(18) Fatal	1.187	1.192	1.180	1.258	1.330
(19) Permanent Total	1.013	1.087	2.076	4.704	5.613
(20) Major Permanent Partial	1.680	1.767	1.882	1.976	2.972
(21) Minor Permanent Partial	1.272	1.337	1.425	1.496	2.251
(22) Temporary Total	1.242	1.231	1.149	1.009	0.949
(23) Medical Only	1.200	1.179	1.215	1.182	1.201

Notes:

- (D): Section VI - D, Exhibit 1.
- (E): Section IX - B, Exhibit 4.
- (F)= (A) x (B) x (C) x (D) x (E)

IX 000022

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	
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	6,787,217	
2000/2001	17,598,453	11,312,138	10,582,931	9,452,936	9,865,796	
2001/2002	12,630,626	11,954,632	11,728,312	8,848,311		
2002/2003	11,141,798	13,084,059	12,398,430			
2003/2004	5,314,556	5,633,892				
2004/2005	9,242,773					9,735,096

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.098	0.972	0.912	1.066
(5) Selected	1.098	0.972	0.912	1.066
(6) Cumulative	1.037	0.944	0.972	1.066

Composite Policy Year (7)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
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	376,040	
2000/2001	200,006	253,319	380,611	489,834	366,709	
2001/2002	441,507	629,887	641,697	1,673,899		
2002/2003	1,070,087	588,948	536,224			
2003/2004	221,607	216,299				
2004/2005	316,156					359,843

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	1.248	1.138	1.458	1.029
(11) Selected	1.000	1.138	1.000	1.000
(12) Cumulative	1.138	1.138	1.000	1.000

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
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	28	
2000/2001	23	29	32	34	34	34
2001/2002	28	37	37	37		37
2002/2003	33	32	32			33
2003/2004	23	27				30
2004/2005	33					44

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	1.182	1.079	1.038	1.006
(17) Selected	1.182	1.079	1.038	1.006
(18) Cumulative	1.333	1.128	1.045	1.006

Notes:
 Development factors are a five year weighted average.
 On-Level factors are from Section IV - A, Exhibit 1.

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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	
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	15,559,827	21,205,331	
2001/2002	3,048,480	4,128,655	5,903,689	11,966,518		
2002/2003	632,072	2,894,693	6,071,166			
2003/2004	3,341,275	2,864,579				
2004/2005	2,726,208					18,841,433

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.277	2.184	1.738	1.396
(5) Selected	1.277	2.184	1.738	1.396
(6) Cumulative	6.766	5.298	2.426	1.396

Composite Policy Year (7)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
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	16,265,937	10,065,981	
2001/2002	2,325,905	1,586,635	2,481,252	8,296,230		
2002/2003	673,976	2,558,849	5,272,576			
2003/2004	9,895,100	9,159,084				
2004/2005	8,606,616					48,457,556

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	1.128	2.420	1.928	1.069
(11) Selected	1.128	2.420	1.928	1.069
(12) Cumulative	5.629	4.989	2.062	1.069

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
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	
2000/2001	3	8	14	35	54	54
2001/2002	4	7	15	38		47
2002/2003	5	8	17			34
2003/2004	8	8				37
2004/2005	6					49

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	1.760	2.341	1.588	1.246
(17) Selected	1.760	2.341	1.588	1.246
(18) Cumulative	8.152	4.632	1.979	1.246

Notes:
 Development factors are a five year weighted average.
 On-Level factors are from Section IV - A, Exhibit 1.

IX 000024

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)
	Report (2)								
	First	Second	Third	Fourth	Fifth				
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	237,360,474				
2000/2001	92,475,741	144,810,518	199,147,168	238,897,513	248,469,563				
2001/2002	92,489,275	159,019,752	214,852,651	230,141,460					
2002/2003	80,369,422	203,412,214	221,751,797						
2003/2004	90,855,543	198,414,583							
2004/2005	91,967,661					71,131,085	171,929,351	20,836,576	50,363,621

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(7) Average	1.724	1.191	1.087	1.041
(8) Selected	1.724	1.191	1.087	1.041
(9) Cumulative	2.323	1.347	1.132	1.041

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)
	Report (11)								
	First	Second	Third	Fourth	Fifth				
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	109,233,714				
2000/2001	47,061,575	57,159,969	71,585,977	91,326,463	98,798,249				
2001/2002	49,165,807	67,769,974	88,701,497	96,467,405					
2002/2003	42,733,873	87,617,461	91,788,396						
2003/2004	48,849,203	92,472,482							
2004/2005	50,660,100					34,915,121	62,775,961	15,744,979	28,308,829

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	1.423	1.122	1.076	1.048
(17) Selected	1.423	1.122	1.076	1.048
(18) Cumulative	1.798	1.264	1.127	1.048

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)
	Report (20)								
	First	Second	Third	Fourth	Fifth				
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	5,857				
2000/2001	3,269	3,827	4,583	5,289	5,350	1,919	1,919	3,431	3,431
2001/2002	3,156	4,100	4,832	4,848		1,772	1,830	3,076	3,177
2002/2003	2,409	4,836	4,610			1,804	1,975	2,806	3,072
2003/2004	2,498	4,227				1,726	2,030	2,501	2,942
2004/2005	2,332					821	1,372	1,511	2,525

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(25) Average	1.421	1.074	1.060	1.033
(26) Selected	1.421	1.074	1.060	1.033
(27) Cumulative	1.671	1.176	1.095	1.033

Notes:
 Development factors are a five year weighted average.
 On-Level factors are from Section IV - A, Exhibit 1.

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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	
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	107,074,856	
2000/2001	159,421,031	178,887,456	132,116,233	96,454,744	89,391,709	
2001/2002	126,590,481	116,606,381	82,832,323	79,314,824		
2002/2003	123,836,603	70,443,550	77,714,340			
2003/2004	101,171,675	66,288,105				
2004/2005	102,577,430					91,668,890

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.023	0.950	0.948	0.959
(5) Selected	1.023	0.950	0.948	0.959
(6) Cumulative	0.883	0.863	0.909	0.959

Composite Policy Year (17)	Medical Losses					On-Level Medical Losses Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
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	60,201,186	
2000/2001	91,110,032	88,709,028	71,915,308	55,633,356	54,865,959	
2001/2002	84,091,992	72,565,252	56,296,058	52,994,110		
2002/2003	92,205,967	54,571,564	57,886,173			
2003/2004	84,030,437	52,754,457				
2004/2005	83,267,274					64,666,057

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	0.890	0.938	0.942	0.987
(11) Selected	0.890	0.938	0.942	0.987
(12) Cumulative	0.776	0.872	0.930	0.987

Composite Policy Year (13)	Claim Counts					Claims Counts Developed to Fifth Report (15)
	First	Second	Report (14) Third	Fourth	Fifth	
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	19,370	
2000/2001	18,952	18,554	17,963	17,270	17,193	17,193
2001/2002	17,245	16,608	15,904	15,914		15,710
2002/2003	17,649	15,425	15,713			15,341
2003/2004	15,449	13,932				13,394
2004/2005	14,868					13,515

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(16) Average	0.945	0.985	0.989	0.987
(17) Selected	0.945	0.985	0.989	0.987
(18) Cumulative	0.909	0.961	0.976	0.987

Notes:
 Development factors are a five year weighted average.
 On-Level factors are from Section IV - A, Exhibit 1.

IX 000026

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	
1999/2000	23,983,467	25,778,286	26,638,400	26,737,684	26,773,941	
2000/2001	24,369,675	25,629,104	26,083,118	26,120,912	26,237,837	
2001/2002	24,556,773	26,285,413	26,621,971	26,390,260		
2002/2003	26,020,225	26,437,151	26,646,756			
2003/2004	25,662,123	26,803,822				
2004/2005	27,610,132					28,720,504

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(4) Average	1.030	1.010	0.996	1.003
(5) Selected	1.030	1.010	0.996	1.003
(6) Cumulative	1.040	1.010	0.999	1.003

Composite Policy Year (7)	Claim Counts					Claims Counts Developed to Fifth Report (9)
	First	Second	Report (8) Third	Fourth	Fifth	
1999/2000	57,330	60,592	61,576	61,678	61,899	
2000/2001	53,425	55,120	55,718	55,903	55,962	55,962
2001/2002	50,324	52,302	52,582	52,727		52,853
2002/2003	45,945	47,049	47,293			47,550
2003/2004	42,254	43,486				43,953
2004/2005	41,722					43,287

	Development Factors from			
	1st - 2nd	2nd - 3rd	3rd - 4th	4th - 5th
(10) Average	1.026	1.005	1.003	1.002
(11) Selected	1.026	1.005	1.003	1.002
(12) Cumulative	1.038	1.011	1.005	1.002

Notes:
 Development factors are a two year weighted average.
 On-Level factors are from Section IV - A, Exhibit 1.

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 Exhibit 3

Trend Factors

Composite Policy Year	Statewide Average Weekly Wage	Indemnity Severity	Lost Time Medical Severity	Medical Only Severity	Lost Time Claim Frequency	Medical Only Claim Frequency
(1) Historical Values						
2000/2001	884.66	17,181	7,740	502	289	715
2001/2002	883.99	16,828	8,205	532	269	682
2002/2003	910.20	17,264	8,417	569	263	612
2003/2004	948.63	17,989	9,768	622	250	600
2004/2005	989.97	18,998	10,013	665	238	589
(2) Trend to CPY2004/2005						
2000/2001	1.1190	1.1058	1.2936	1.3239	0.8234	0.8231
2001/2002	1.1199	1.1290	1.2204	1.2493	0.8849	0.8624
2002/2003	1.0876	1.1004	1.1896	1.1685	0.9067	0.9623
2003/2004	1.0436	1.0561	1.0251	1.0690	0.9541	0.9808
2004/2005	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(3) Projected Trend from CPY 2004/2005 to Policy Effective Period						
Selected Annual Trend	4.2%	3.9%	8.5%	7.4%	-4.6%	-3.9%
Trend Factor	1.1892	1.1708	1.4060	1.3482	0.8229	0.8481
(4) Trend Factors from CPY 2004/2005 to Policy Effective Period						
Composite Policy Year	Statewide Average Weekly Wage	Indemnity Severity	Lost Time Medical Severity	Medical Only Severity	Lost Time Claim Frequency	Medical Only Claim Frequency
2000/2001	1.331	1.295	1.819	1.785	0.678	0.698
2001/2002	1.332	1.322	1.716	1.684	0.728	0.731
2002/2003	1.293	1.288	1.673	1.575	0.746	0.816
2003/2004	1.241	1.236	1.441	1.441	0.785	0.832
2004/2005	1.189	1.171	1.406	1.348	0.823	0.848

Notes:

- (1): Weekly Wage From Section V-G, Exhibit 2.
 Indemnity Severity from Section V-C, Exhibit 1.
 Lost Time Medical Severity from Section V-D, Exhibit 1.
 Medical Only Severity from Section V-D, Exhibit 2.
 Lost Time Medical Frequency from Section V-B, Exhibit 1.
 Medical Only Frequency from Section V-B, Exhibit 2.
- (3): Selected Annual Trend from Section V-A, Exhibit 1.
 Trend Factor from CPY2000/2001 to 9/1/08 - 8/31/09 = (1.000 + Selected Annual Trend) ^ [4.000 + (2.000 / 12.000)]
- (4) = (2) x (3)

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Section IX - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
 9/1/2008

Section IX - B
 Exhibit 4

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	1.61%	0.689
Permanent Total	0.570	3.05%	0.615
Major Permanent Partial	0.946	35.50%	1.019
Minor Permanent Partial	0.985	5.32%	1.062
Temporary Total	0.962	17.44%	1.038
Total Indemnity			0.928

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	3.04%	0.620
Major Permanent Partial	0.946	15.97%	1.028
Minor Permanent Partial	0.985	3.16%	1.071
Temporary Total	0.962	10.45%	1.046
Medical Only		4.41%	1.000
Total Medical			0.920

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),(7): Section IV - F, Exhibit 1.

(4)= (2) / 0.928, which is the weighted average of (2) and (3).

(8)= (6) / 0.920, 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.

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Section IX - Classification Pricing
 Subsection B - Conversion/Excess Loss Factors
 9/1/2008

Section IX - B
 Exhibit 5

Calculation of Excess Loss Factors For Five Composite Policy Years, 2000/2001 through 2004/2005

Hazard Group	Injury Type		
	Serious	Non-Serious	Medical
(1) Converted Excess Losses			
1	9,564,437	420,915	12,650,938
2	46,531,631	2,627,871	108,386,083
3	104,738,537	3,223,375	129,487,923
4	13,687,595	109,081	19,666,979
Total	174,522,200	6,381,242	270,191,923

(2) Converted Limited Losses			
1	116,326,172	107,882,252	209,652,167
2	357,995,948	245,945,511	470,374,929
3	452,892,543	200,411,029	417,173,829
4	47,390,607	13,133,951	33,969,863
Total	974,605,270	567,372,743	1,131,170,788

(3) Excess Ratios = (1) / [(1) + (2)]			
1	0.076	0.004	0.057
2	0.115	0.011	0.187
3	0.188	0.016	0.237
1-3	0.148	0.011	0.186
4	0.224	0.008	0.367
4 Selected	0.239	0.018	0.300

	Retrospective Rating Excess Loss Factors (4)	Relativity to HG1-3 = (4) / [(4) for HG1-3] (5)
1	0.143	0.6959
2	0.192	0.9344
3	0.240	1.1680
1-3	0.205	1.0000
4	0.332	1.6157

(6) Selected Excess Loss Factors = 1.000 + {(3) / [1.000 - (3)]}			
1	1.082	1.004	1.060
2	1.130	1.011	1.230
3	1.231	1.016	1.310
4	1.314	1.018	1.429

Notes:

- (1): Unit Statistical Plan data. Excess Losses = Losses in excess of \$200,000 for combined indemnity and medical, per claim. Converted Losses = Excess Losses x Conversion factors from Exhibit 1, applied at the claim level.
- (2): Reported losses from Unit Statistical Plan data, capped at \$200,000 for combined indemnity and medical, per claim x Conversion factors from Exhibit 1.
- (3): for 4 Selected = [(3) for 1-3] x [(5) for HG4]
- (4): Section IX-F, Exhibit 1, Page 1 of 9/1/2007 Stipulation, for limit of \$200,000.
- (6): HG4 uses (3) for 4 Selected.

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)
2000/2001	5	1	306,462	0	2,339	308,801	188,474	0	2,776	191,250
		2	677,228	0	353,294	1,030,522	377,216	0	357,887	735,103
		3	32,626,308	0	10,440,611	43,066,919	31,288,629	0	17,540,226	48,828,856
		4	0	7,779,656	3,640,138	11,419,794	0	7,157,283	4,630,256	11,787,539
		5	0	14,143,644	8,613,607	22,757,251	0	11,951,379	10,698,100	22,649,479
		6	0	0	5,243,614	5,243,614	0	0	6,292,337	6,292,337
2001/2002	4	1	981,524	0	4,737	986,261	700,808	0	5,647	706,455
		2	693,712	0	211,189	904,901	585,493	0	229,563	815,055
		3	27,219,286	0	8,835,674	36,054,960	29,342,390	0	15,612,636	44,955,026
		4	0	6,505,902	3,553,135	10,059,037	0	6,727,103	4,750,541	11,477,644
		5	0	11,854,290	8,039,377	19,893,667	0	10,479,193	9,896,473	20,375,665
		6	0	0	5,097,542	5,097,542	0	0	6,010,002	6,010,002
2002/2003	3	1	493,721	0	46,557	540,278	330,793	0	54,937	385,730
		2	66,320	0	14,855	81,175	100,143	0	30,839	130,982
		3	23,217,103	0	7,434,705	30,651,808	28,023,044	0	13,992,114	42,015,158
		4	0	6,979,604	4,072,932	11,052,536	0	8,075,402	5,803,928	13,879,330
		5	0	10,522,447	8,501,528	19,023,975	0	9,080,872	9,768,256	18,849,127
		6	0	0	4,751,061	4,751,061	0	0	5,772,539	5,772,539
2003/2004	2	1	357,421	0	1	357,422	244,476	0	2	244,477
		2	275,267	0	124,733	400,000	952,973	0	586,746	1,539,719
		3	21,692,180	0	7,886,315	29,578,495	32,668,422	0	15,583,359	48,251,782
		4	0	7,405,326	4,732,584	12,137,910	0	10,693,291	7,079,946	17,773,236
		5	0	9,188,560	7,468,053	16,656,613	0	7,911,350	7,535,266	15,446,616
		6	0	0	4,930,672	4,930,672	0	0	5,828,054	5,828,054
2004/2005	1	1	1,104,078	0	95,922	1,200,000	854,556	0	127,577	982,133
		2	131,764	0	68,236	200,000	598,997	0	383,011	982,008
		3	7,000,591	0	2,887,946	9,888,537	18,593,570	0	8,582,975	27,176,545
		4	0	3,614,991	2,741,910	6,356,901	0	9,207,382	6,172,039	15,379,421
		5	0	14,588,492	12,153,671	26,742,163	0	13,246,350	11,533,834	24,780,185
		6	0	0	4,547,075	4,547,075	0	0	5,461,037	5,461,037
(12) All Years, All Injury Types			116,842,963	92,582,911	126,494,016	335,919,890	144,849,985	94,529,604	180,322,904	419,702,493

Notes:

- (4), (5), (6): From Unit Statistical Plan data, excluding Large Deductibles.
- (8)= (4) x Conversion Factors from Section IX - B, Exhibit 1
- (9)= (5) x Conversion Factors from Section IX - B, Exhibit 1
- (10)= (6) x Conversion Factors from Section IX - B, Exhibit 1
- (11)= (8) + (9) + (10)

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Section IX - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2008

Section IX - 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)	
2000/2001	5	1	219,548	0	3,509	223,057	54,211,659
		2	425,033	0	433,215	858,248	
		3	35,345,561	0	21,039,022	56,384,583	
		4	0	7,221,316	5,476,663	12,697,978	
		5	0	12,061,502	12,656,827	24,718,329	
		6	0	0	7,434,016	7,434,016	
2001/2002	4	1	798,021	0	6,274	804,296	50,876,068
		2	642,357	0	260,535	902,891	
		3	33,450,218	0	18,858,762	52,308,980	
		4	0	6,791,159	5,649,231	12,440,390	
		5	0	10,582,049	11,774,465	22,356,513	
		6	0	0	7,142,639	7,142,639	
2002/2003	3	1	384,551	0	67,757	452,308	50,923,765
		2	113,160	0	37,945	151,105	
		3	31,671,633	0	16,731,846	48,403,479	
		4	0	8,148,847	6,889,956	15,038,803	
		5	0	9,167,466	11,618,694	20,786,160	
		6	0	0	6,826,908	6,826,908	
2003/2004	2	1	276,252	0	2	276,254	49,148,047
		2	1,076,839	0	721,946	1,798,785	
		3	37,133,220	0	18,790,324	55,923,545	
		4	0	10,794,463	8,474,000	19,268,463	
		5	0	7,982,476	8,945,391	16,927,867	
		6	0	0	6,883,453	6,883,453	
2004/2005	1	1	979,411	0	159,549	1,138,960	49,644,689
		2	676,854	0	471,266	1,148,120	
		3	20,873,778	0	10,233,626	31,107,404	
		4	0	9,289,847	7,277,381	16,567,228	
		5	0	13,367,297	13,707,636	27,074,933	
		6	0	0	6,479,613	6,479,613	
(9) All Years, All Injury Types			164,066,436	95,406,421	215,052,453	474,525,309	254,804,228
(10) Pure Premium			0.644	0.374	0.844	1.862	

Notes:

(4), (5), (6): Converted Limited Losses from Page 1 x Excess Loss Factors from Section IX - B, Exhibit 5.

(7)= (4) + (5) + (6)

(8): 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)
2000/2001	5	1	1,334,250	0	138,472	1,472,722	820,564	0	164,367	984,930
		2	4,133,993	0	1,466,007	5,600,000	2,302,634	0	1,485,065	3,787,699
		3	69,693,577	0	19,856,620	89,550,197	66,836,141	0	33,359,121	100,195,262
		4	0	8,152,470	4,570,640	12,723,110	0	7,500,272	5,813,854	13,314,126
		5	0	24,611,702	12,554,737	37,166,439	0	20,796,888	15,592,983	36,389,872
		6	0	0	4,117,195	4,117,195	0	0	4,940,634	4,940,634
2001/2002	4	1	990,603	0	123,199	1,113,802	707,291	0	146,853	854,144
		2	1,678,453	0	521,547	2,200,000	1,416,615	0	566,921	1,983,536
		3	63,601,711	0	18,674,427	82,276,138	68,562,644	0	32,997,713	101,560,357
		4	0	6,963,097	3,597,484	10,560,581	0	7,199,842	4,809,836	12,009,678
		5	0	21,990,044	11,330,411	33,320,455	0	19,439,199	13,947,736	33,386,935
		6	0	0	4,102,512	4,102,512	0	0	4,836,862	4,836,862
2002/2003	3	1	1,579,711	0	85,009	1,664,720	1,058,407	0	100,310	1,158,717
		2	1,017,009	0	782,991	1,800,000	1,535,683	0	1,625,490	3,161,173
		3	57,578,144	0	16,964,760	74,542,904	69,496,819	0	31,927,679	101,424,498
		4	0	6,492,388	3,957,667	10,450,055	0	7,511,693	5,639,675	13,151,368
		5	0	20,436,364	12,964,777	33,401,141	0	17,636,582	14,896,528	32,533,111
		6	0	0	4,293,464	4,293,464	0	0	5,216,559	5,216,559
2003/2004	2	1	1,558,636	0	82,186	1,640,822	1,066,107	0	103,390	1,169,497
		2	158,069	0	241,931	400,000	547,235	0	1,138,044	1,685,278
		3	60,340,266	0	20,965,133	81,305,399	90,872,441	0	41,427,103	132,299,543
		4	0	6,438,455	4,252,734	10,691,189	0	9,297,129	6,362,090	15,659,219
		5	0	18,105,268	12,448,735	30,554,003	0	15,588,636	12,560,774	28,149,409
		6	0	0	4,628,427	4,628,427	0	0	5,470,801	5,470,801
2004/2005	1	1	1,028,283	0	35,440	1,063,723	795,891	0	47,136	843,026
		2	164,338	0	435,662	600,000	747,079	0	2,445,373	3,192,452
		3	27,725,399	0	10,679,799	38,405,198	73,638,658	0	31,740,364	105,379,023
		4	0	5,465,343	4,118,225	9,583,568	0	13,920,229	9,270,124	23,190,353
		5	0	29,990,439	22,804,400	52,794,839	0	27,231,318	21,641,376	48,872,694
		6	0	0	5,284,354	5,284,354	0	0	6,346,509	6,346,509
(12) All Years, All Injury Types			292,582,441	148,645,570	206,078,946	647,306,957	380,404,207	146,121,789	316,621,270	843,147,266

Notes:

- (4), (5), (6): Unit Statistical Plan data, excluding Large Deductibles.
- (8)= (4) x Conversion Factors from Section IX - B, Exhibit 1
- (9)= (5) x Conversion Factors from Section IX - B, Exhibit 1
- (10)= (6) x Conversion Factors from Section IX - B, Exhibit 1
- (11)= (8) + (9) + (10)

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Section IX - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2008

Section IX - 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)	
2000/2001	5	1	1,020,462	0	215,432	1,235,894	41,880,960
		2	2,840,942	0	1,953,277	4,794,219	
		3	82,695,468	0	44,097,561	126,793,029	
		4	0	7,622,185	7,682,442	15,304,627	
		5	0	21,132,614	20,547,553	41,680,167	
		6	0	0	6,511,881	6,511,881	
2001/2002	4	1	886,538	0	209,474	1,096,012	42,507,944
		2	1,787,129	0	766,645	2,553,774	
		3	84,986,222	0	43,611,024	128,597,246	
		4	0	7,315,008	6,321,083	13,636,091	
		5	0	19,754,062	18,367,191	38,121,253	
		6	0	0	6,362,292	6,362,292	
2002/2003	3	1	1,335,170	0	133,412	1,468,582	44,365,776
		2	1,890,834	0	2,130,031	4,020,865	
		3	86,571,395	0	42,389,380	128,960,775	
		4	0	7,632,462	7,409,159	15,041,621	
		5	0	17,922,158	19,654,392	37,576,549	
		6	0	0	6,885,852	6,885,852	
2003/2004	2	1	1,342,415	0	137,403	1,479,818	45,663,761
		2	673,791	0	1,491,285	2,165,076	
		3	112,157,394	0	54,706,466	166,863,860	
		4	0	9,447,803	8,379,858	17,827,661	
		5	0	15,837,907	16,479,526	32,317,433	
		6	0	0	7,195,626	7,195,626	
2004/2005	1	1	1,008,383	0	62,518	1,070,901	48,418,388
		2	931,384	0	3,317,315	4,248,700	
		3	91,109,129	0	41,865,628	132,974,757	
		4	0	14,144,934	12,212,098	26,357,033	
		5	0	27,671,920	28,600,468	56,272,389	
		6	0	0	8,345,742	8,345,742	
(9) All Years, All Injury Types			471,236,656	148,481,054	418,042,014	1,037,759,723	222,836,828
(10) Pure Premium			2.115	0.666	1.876	4.657	

Notes:

- (4), (5), (6): Converted Limited Losses from Page 1 x Excess Loss Factors from Section IX - B, Exhibit 5.
- (7)= (4) + (5) + (6)
- (8): 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)
2000/2001	5	1	456,748	0	16,226	472,974	280,900	0	19,260	300,160
		2	880,133	0	217,796	1,097,929	490,234	0	220,628	710,862
		3	18,529,743	0	5,814,897	24,344,640	17,770,023	0	9,769,027	27,539,051
		4	0	5,250,910	2,906,865	8,157,775	0	4,830,837	3,697,532	8,528,369
		5	0	12,275,064	7,874,065	20,149,129	0	10,372,429	9,779,589	20,152,018
		6	0	0	5,197,874	5,197,874	0	0	6,237,449	6,237,449
2001/2002	4	1	364,619	0	32,500	397,119	260,338	0	38,740	299,078
		2	750,140	0	249,860	1,000,000	633,118	0	271,598	904,716
		3	17,727,532	0	6,056,403	23,783,935	19,110,279	0	10,701,664	29,811,944
		4	0	5,160,430	3,822,137	8,982,567	0	5,335,885	5,110,197	10,446,082
		5	0	11,026,716	7,773,187	18,799,903	0	9,747,617	9,568,793	19,316,410
		6	0	0	5,202,335	5,202,335	0	0	6,133,553	6,133,553
2002/2003	3	1	396,111	0	6,361	402,472	265,395	0	7,506	272,900
		2	404,062	0	195,938	600,000	610,133	0	406,768	1,016,901
		3	18,496,224	0	6,645,432	25,141,656	22,324,942	0	12,506,703	34,831,645
		4	0	5,410,214	3,756,811	9,167,025	0	6,259,618	5,353,456	11,613,073
		5	0	11,173,757	8,772,597	19,946,354	0	9,642,952	10,079,714	19,722,666
		6	0	0	5,355,282	5,355,282	0	0	6,506,668	6,506,668
2003/2004	2	1	99,164	0	0	99,164	67,828	0	0	67,828
		2	117,820	0	82,180	200,000	407,894	0	386,573	794,467
		3	14,134,712	0	5,599,536	19,734,248	21,286,876	0	11,064,683	32,351,559
		4	0	4,837,455	4,018,836	8,856,291	0	6,985,285	6,012,179	12,997,464
		5	0	8,446,753	7,890,892	16,337,645	0	7,272,654	7,961,910	15,234,564
		6	0	0	5,238,395	5,238,395	0	0	6,191,783	6,191,783
2004/2005	1	1	412,738	0	35,714	448,452	319,459	0	47,500	366,959
		2	30,796	0	169,204	200,000	140,000	0	949,741	1,089,740
		3	5,454,882	0	2,078,433	7,533,315	14,488,165	0	6,177,104	20,665,270
		4	0	2,527,791	1,992,886	4,520,677	0	6,438,284	4,485,986	10,924,270
		5	0	12,492,146	10,426,018	22,918,164	0	11,342,869	9,894,291	21,237,160
		6	0	0	5,107,027	5,107,027	0	0	6,133,539	6,133,539
(12) All Years, All Injury Types			78,255,423	78,601,236	112,535,688	269,392,347	98,455,586	78,228,429	155,714,134	332,398,149

Notes:

- (4), (5), (6): Unit Statistical Plan data, excluding Large Deductibles.
- (8)= (4) x Conversion Factors from Section IX - B, Exhibit 1
- (9)= (5) x Conversion Factors from Section IX - B, Exhibit 1
- (10)= (6) x Conversion Factors from Section IX - B, Exhibit 1
- (11)= (8) + (9) + (10)

IX 000034

IX 000035

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)	
2000/2001	5	1	329,785	0	23,826	353,612	471,635,380
		2	561,355	0	277,039	838,395	
		3	20,299,453	0	11,939,193	32,238,646	
		4	0	4,880,542	4,496,829	9,377,371	
		5	0	10,485,219	11,882,288	22,367,507	
		6	0	0	7,513,496	7,513,496	
2001/2002	4	1	317,652	0	50,550	368,202	457,367,680
		2	708,136	0	330,566	1,038,703	
		3	21,818,940	0	13,050,425	34,869,365	
		4	0	5,389,357	6,194,513	11,583,869	
		5	0	9,853,105	11,607,085	21,460,190	
		6	0	0	7,386,612	7,386,612	
2002/2003	3	1	313,463	0	9,235	322,698	464,034,958
		2	715,320	0	505,606	1,220,925	
		3	25,439,142	0	15,340,244	40,779,385	
		4	0	6,323,605	6,447,148	12,770,753	
		5	0	9,738,722	12,092,002	21,830,724	
		6	0	0	7,791,315	7,791,315	
2003/2004	2	1	83,515	0	0	83,515	451,088,810
		2	460,912	0	475,649	936,560	
		3	24,099,370	0	13,342,640	37,442,010	
		4	0	7,053,604	7,218,436	14,272,040	
		5	0	7,347,736	9,523,690	16,871,426	
		6	0	0	7,377,465	7,377,465	
2004/2005	1	1	354,858	0	56,862	411,720	489,759,542
		2	158,197	0	1,168,585	1,326,781	
		3	16,533,238	0	7,495,010	24,028,248	
		4	0	6,507,182	5,462,989	11,970,171	
		5	0	11,459,204	11,876,692	23,335,897	
		6	0	0	7,342,835	7,342,835	
(9) All Years, All Injury Types			112,193,335	79,038,275	188,278,825	379,510,435	2,333,886,370
(10) Pure Premium			0.048	0.034	0.081	0.163	

Notes:

(4), (5), (6): Converted Limited Losses from Page 1 x Excess Loss Factors from Section IX - B, Exhibit 5.

(7)= (4) + (5) + (6)

(8): 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)
2000/2001	5	1	1,114,608	0	30,191	1,144,799	685,484	0	35,837	721,321
		2	1,193,582	0	179,067	1,372,649	664,825	0	181,395	846,220
		3	41,091,724	0	14,856,458	55,948,182	39,406,963	0	24,958,849	64,365,813
		4	0	13,498,744	7,153,241	20,651,985	0	12,418,844	9,098,923	21,517,767
		5	0	27,144,945	17,917,192	45,062,137	0	22,937,479	22,253,152	45,190,631
		6	0	0	9,495,849	9,495,849	0	0	11,395,019	11,395,019
2001/2002	4	1	1,507,291	0	96,706	1,603,997	1,076,205	0	115,274	1,191,480
		2	1,382,792	0	606,369	1,989,161	1,167,076	0	659,123	1,826,200
		3	41,963,549	0	15,297,333	57,260,882	45,236,706	0	27,030,387	72,267,093
		4	0	12,701,533	6,559,382	19,260,915	0	13,133,385	8,769,894	21,903,279
		5	0	25,598,339	19,142,842	44,741,181	0	22,628,932	23,564,838	46,193,770
		6	0	0	9,670,498	9,670,498	0	0	11,401,517	11,401,517
2002/2003	3	1	1,248,336	0	53,721	1,302,057	836,385	0	63,391	899,776
		2	262,090	0	137,910	400,000	395,755	0	286,302	682,057
		3	45,911,847	0	17,282,556	63,194,403	55,415,599	0	32,525,771	87,941,370
		4	0	12,875,613	7,044,046	19,919,659	0	14,897,085	10,037,765	24,934,850
		5	0	24,854,751	19,866,496	44,721,247	0	21,449,650	22,826,604	44,276,254
		6	0	0	9,758,205	9,758,205	0	0	11,856,219	11,856,219
2003/2004	2	1	858,215	0	62,602	920,817	587,019	0	78,753	665,772
		2	222,242	0	377,758	600,000	769,403	0	1,776,972	2,546,375
		3	38,834,827	0	15,115,643	53,950,470	58,485,249	0	29,868,511	88,353,760
		4	0	12,212,074	8,582,755	20,794,829	0	17,634,235	12,839,801	30,474,036
		5	0	21,864,624	18,118,944	39,983,568	0	18,825,441	18,282,014	37,107,456
		6	0	0	9,664,883	9,664,883	0	0	11,423,892	11,423,892
2004/2005	1	1	1,250,060	0	26,483	1,276,543	967,547	0	35,222	1,002,769
		2	134,306	0	65,694	200,000	610,553	0	368,743	979,296
		3	17,367,307	0	7,701,664	25,068,971	46,127,566	0	22,889,347	69,016,913
		4	0	7,173,308	5,460,540	12,633,848	0	18,270,415	12,291,676	30,562,091
		5	0	30,605,855	26,508,088	57,113,943	0	27,790,116	25,156,175	52,946,292
		6	0	0	10,326,639	10,326,639	0	0	12,402,293	12,402,293
(12) All Years, All Injury Types			194,342,774	188,529,787	257,159,756	640,032,317	252,432,337	189,985,583	364,473,661	806,891,580

Notes:

- (4), (5), (6): Unit Statistical Plan data, excluding Large Deductibles.
- (8)= (4) x Conversion Factors from Section IX - B, Exhibit 1
- (9)= (5) x Conversion Factors from Section IX - B, Exhibit 1
- (10)= (6) x Conversion Factors from Section IX - B, Exhibit 1
- (11)= (8) + (9) + (10)

IX 000036

IX 000037

Section IX - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2008

Section IX - 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)	
2000/2001	5	1	765,038	0	39,720	804,758	111,494,243
		2	779,373	0	227,602	1,006,974	
		3	44,521,689	0	29,643,101	74,164,791	
		4	0	12,525,434	10,678,113	23,203,547	
		5	0	23,142,397	26,154,085	49,296,482	
		6	0	0	13,239,017	13,239,017	
2001/2002	4	1	1,230,330	0	130,667	1,360,998	117,555,066
		2	1,297,476	0	774,472	2,071,949	
		3	51,124,921	0	31,897,918	83,022,840	
		4	0	13,247,371	10,307,905	23,555,276	
		5	0	22,831,451	27,584,326	50,415,777	
		6	0	0	13,210,895	13,210,895	
2002/2003	3	1	959,577	0	78,300	1,037,877	118,106,422
		2	487,280	0	375,168	862,448	
		3	62,610,174	0	38,857,788	101,467,962	
		4	0	15,019,733	11,682,063	26,701,796	
		5	0	21,651,419	26,913,470	48,564,889	
		6	0	0	13,848,685	13,848,685	
2003/2004	2	1	650,429	0	91,079	741,508	116,383,231
		2	880,106	0	2,250,189	3,130,295	
		3	66,175,436	0	35,730,508	101,905,944	
		4	0	17,785,811	14,935,888	32,721,699	
		5	0	19,000,939	21,570,787	40,571,726	
		6	0	0	13,329,434	13,329,434	
2004/2005	1	1	1,092,885	0	43,338	1,136,223	120,972,820
		2	689,912	0	453,710	1,143,622	
		3	52,212,236	0	27,566,413	79,778,649	
		4	0	18,428,543	14,420,263	32,848,807	
		5	0	28,045,668	29,616,479	57,662,147	
		6	0	0	14,408,251	14,408,251	
(9) All Years, All Injury Types			285,476,864	191,678,766	430,059,635	907,215,265	584,511,782
(10) Pure Premium			0.488	0.328	0.736	1.552	

Notes:

(4), (5), (6): Converted Limited Losses from Page 1 x Excess Loss Factors from Section IX - B, Exhibit 5.

(7)= (4) + (5) + (6)

(8): 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)
2000/2001	5	1	563,581	0	1,844	565,425	346,602	0	2,189	348,791
		2	689,671	0	618,536	1,308,207	384,147	0	626,577	1,010,724
		3	17,974,820	0	5,355,139	23,329,959	17,237,852	0	8,996,634	26,234,486
		4	0	2,947,066	1,560,822	4,507,888	0	2,711,301	1,985,366	4,696,666
		5	0	8,730,208	4,826,992	13,557,200	0	7,377,025	5,995,125	13,372,150
		6	0	0	2,215,076	2,215,076	0	0	2,658,091	2,658,091
2001/2002	4	1	554,483	0	183,552	738,035	395,901	0	218,794	614,695
		2	407,507	0	392,493	800,000	343,936	0	426,640	770,576
		3	16,545,753	0	5,293,231	21,838,984	17,836,322	0	9,353,139	27,189,461
		4	0	3,338,431	2,046,177	5,384,608	0	3,451,938	2,735,739	6,187,676
		5	0	7,153,875	5,237,470	12,391,345	0	6,324,025	6,447,326	12,771,351
		6	0	0	2,402,143	2,402,143	0	0	2,832,127	2,832,127
2002/2003	3	1	600,582	0	3,418	604,000	402,390	0	4,033	406,423
		2	191,175	0	8,825	200,000	288,675	0	18,320	306,995
		3	19,695,625	0	6,703,699	26,399,324	23,772,619	0	12,616,361	36,388,981
		4	0	2,762,099	2,413,262	5,175,361	0	3,195,748	3,438,898	6,634,647
		5	0	8,941,504	6,369,798	15,311,302	0	7,716,518	7,318,898	15,035,416
		6	0	0	2,416,019	2,416,019	0	0	2,935,463	2,935,463
2003/2004	2	1	415,624	0	8,776	424,400	284,287	0	11,040	295,327
		2	0	0	0	0	0	0	0	0
		3	12,439,869	0	4,572,937	17,012,806	18,734,443	0	9,036,123	27,770,566
		4	0	3,409,150	2,682,809	6,091,959	0	4,922,813	4,013,482	8,936,295
		5	0	7,603,450	5,775,205	13,378,655	0	6,546,571	5,827,181	12,373,752
		6	0	0	2,240,321	2,240,321	0	0	2,648,059	2,648,059
2004/2005	1	1	505,832	0	705	506,537	391,514	0	938	392,452
		2	0	0	0	0	0	0	0	0
		3	6,793,850	0	2,859,834	9,653,684	18,044,466	0	8,499,426	26,543,892
		4	0	1,909,809	1,277,165	3,186,974	0	4,864,284	2,874,898	7,739,182
		5	0	12,551,890	10,146,718	22,698,608	0	11,397,116	9,629,235	21,026,352
		6	0	0	2,405,260	2,405,260	0	0	2,888,717	2,888,717
(12) All Years, All Injury Types			77,378,374	59,347,482	80,018,225	216,744,080	98,463,155	58,507,338	114,038,819	271,009,312

Notes:

- (4), (5), (6): Unit Statistical Plan data, excluding Large Deductibles.
- (8)= (4) x Conversion Factors from Section IX - B, Exhibit 1
- (9)= (5) x Conversion Factors from Section IX - B, Exhibit 1
- (10)= (6) x Conversion Factors from Section IX - B, Exhibit 1
- (11)= (8) + (9) + (10)

IX 000038

IX 000039

Section IX - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2008

Section IX - 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)	
2000/2001	5	1	425,074	0	2,868	427,942	15,982,504
		2	447,467	0	816,536	1,264,003	
		3	20,516,116	0	11,544,642	32,060,757	
		4	0	2,747,272	2,513,731	5,261,002	
		5	0	7,474,244	7,599,049	15,073,293	
		6	0	0	3,256,275	3,256,275	
2001/2002	4	1	461,823	0	269,209	731,033	16,317,325
		2	412,651	0	552,688	965,340	
		3	21,266,123	0	11,944,661	33,210,784	
		4	0	3,497,655	3,477,040	6,974,695	
		5	0	6,406,526	8,136,328	14,542,854	
		6	0	0	3,463,245	3,463,245	
2002/2003	3	1	506,504	0	5,285	511,789	18,450,122
		2	326,196	0	22,541	348,737	
		3	28,398,171	0	16,094,667	44,492,838	
		4	0	3,238,663	4,394,515	7,633,178	
		5	0	7,820,733	9,308,140	17,128,873	
		6	0	0	3,647,130	3,647,130	
2003/2004	2	1	350,033	0	14,467	364,499	17,032,409
		2	0	0	0	0	
		3	22,146,580	0	11,477,885	33,624,465	
		4	0	4,989,111	5,148,233	10,137,345	
		5	0	6,633,838	7,424,518	14,058,356	
		6	0	0	3,307,202	3,307,202	
2004/2005	1	1	482,058	0	1,229	483,286	17,873,239
		2	0	0	0	0	
		3	21,597,175	0	10,923,604	32,520,779	
		4	0	4,927,897	3,643,391	8,571,289	
		5	0	11,546,277	12,234,425	23,780,703	
		6	0	0	3,620,893	3,620,893	
(9) All Years, All Injury Types			117,335,971	59,282,215	144,844,399	321,462,586	85,655,599
(10) Pure Premium			1.370	0.692	1.691	3.753	

Notes:

(4), (5), (6): Converted Limited Losses from Page 1 x Excess Loss Factors from Section IX - B, Exhibit 5.

(7)= (4) + (5) + (6)

(8): 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 (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)
2000/2001	5	1	3,775,649	0	189,072	3,964,721	2,322,024	0	224,428	2,546,453
		2	7,574,606	0	2,834,701	10,409,307	4,219,056	0	2,871,552	7,090,607
		3	179,916,172	0	56,323,725	236,239,897	172,539,609	0	94,623,859	267,163,467
		4	0	37,628,846	19,831,706	57,460,552	0	34,618,538	25,225,931	59,844,469
		5	0	86,905,562	51,786,594	138,692,156	0	73,435,200	64,318,950	137,754,150
		6	0	0	26,269,608	26,269,608	0	0	31,523,530	31,523,530
2001/2002	4	1	4,398,520	0	440,694	4,839,214	3,140,543	0	525,308	3,665,851
		2	4,912,604	0	1,981,458	6,894,062	4,146,238	0	2,153,845	6,300,083
		3	167,057,831	0	54,157,068	221,214,899	180,088,341	0	95,695,540	275,783,881
		4	0	34,669,393	19,578,315	54,247,708	0	35,848,152	26,176,207	62,024,360
		5	0	77,623,264	51,523,287	129,146,551	0	68,618,965	63,425,167	132,044,132
		6	0	0	26,475,030	26,475,030	0	0	31,214,060	31,214,060
2002/2003	3	1	4,318,462	0	195,065	4,513,527	2,893,369	0	230,177	3,123,546
		2	1,940,656	0	1,140,519	3,081,175	2,930,390	0	2,367,718	5,298,108
		3	164,898,943	0	55,031,152	219,930,095	199,033,024	0	103,568,629	302,601,652
		4	0	34,519,918	21,244,718	55,764,636	0	39,939,545	30,273,723	70,213,268
		5	0	75,928,824	56,475,195	132,404,019	0	65,526,575	64,889,999	130,416,574
		6	0	0	26,574,031	26,574,031	0	0	32,287,448	32,287,448
2003/2004	2	1	3,289,060	0	153,565	3,442,625	2,249,717	0	193,184	2,442,902
		2	773,398	0	826,602	1,600,000	2,677,505	0	3,888,335	6,565,839
		3	147,441,854	0	54,139,564	201,581,418	222,047,432	0	106,979,779	329,027,211
		4	0	34,302,460	24,269,718	58,572,178	0	49,532,752	36,307,498	85,840,250
		5	0	65,208,655	51,701,829	116,910,484	0	56,144,652	52,167,145	108,311,797
		6	0	0	26,702,698	26,702,698	0	0	31,562,589	31,562,589
2004/2005	1	1	4,300,990	0	194,265	4,495,255	3,328,966	0	258,372	3,587,339
		2	461,203	0	738,797	1,200,000	2,096,629	0	4,146,867	6,243,496
		3	64,342,028	0	26,207,677	90,549,705	170,892,427	0	77,889,216	248,781,642
		4	0	20,691,242	15,590,726	36,281,968	0	52,700,593	35,094,724	87,795,318
		5	0	100,228,821	82,038,896	182,267,717	0	91,007,770	77,854,912	168,862,682
		6	0	0	27,670,355	27,670,355	0	0	33,232,096	33,232,096
(12) All Years, All Injury Types			759,401,975	567,706,985	782,286,631	2,109,395,591	974,605,270	567,372,743	1,131,170,787	2,673,148,800

Notes:

(4) - (10): Total of Section IX - C, Page 1 of Exhibits 1 through 5.

IX 000040

IX 000041

Section IX - Classification Pricing
 Subsection C - Losses by Injury Type
 9/1/2008

Section IX - 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)	
2000/2001	5	1	2,759,908	0	285,355	3,045,262	695,204,746
		2	5,054,170	0	3,707,669	8,761,839	
		3	203,378,287	0	118,263,519	321,641,806	
		4	0	34,996,748	30,847,777	65,844,525	
		5	0	74,295,975	78,839,802	153,135,777	
		6	0	0	37,954,686	37,954,686	
2001/2002	4	1	3,694,365	0	666,175	4,360,540	684,624,083
		2	4,847,749	0	2,684,907	7,532,656	
		3	212,646,424	0	119,362,791	332,009,216	
		4	0	36,240,550	31,949,772	68,190,322	
		5	0	69,427,193	77,469,395	146,896,588	
		6	0	0	37,565,684	37,565,684	
2002/2003	3	1	3,499,264	0	293,989	3,793,253	695,881,043
		2	3,532,790	0	3,071,291	6,604,081	
		3	234,690,515	0	129,413,924	364,104,440	
		4	0	40,363,310	36,822,842	77,186,152	
		5	0	66,300,498	79,586,698	145,887,196	
		6	0	0	38,999,891	38,999,891	
2003/2004	2	1	2,702,644	0	242,950	2,945,595	679,316,259
		2	3,091,648	0	4,939,069	8,030,717	
		3	261,712,000	0	134,047,824	395,759,824	
		4	0	50,070,791	44,156,415	94,227,206	
		5	0	56,802,896	63,943,912	120,746,807	
		6	0	0	38,093,180	38,093,180	
2004/2005	1	1	3,917,594	0	323,495	4,241,090	726,668,677
		2	2,456,347	0	5,410,876	7,867,223	
		3	202,325,556	0	98,084,280	300,409,836	
		4	0	53,298,404	43,016,123	96,314,526	
		5	0	92,090,367	96,035,702	188,126,068	
		6	0	0	40,197,333	40,197,333	
(9) All Years, All Injury Types			1,150,309,262	573,886,731	1,396,277,326	3,120,473,318	3,481,694,808
(10) Pure Premium			0.330	0.165	0.401	0.896	

Notes:

(4) - (6), (8): Total of Section IX - 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.

IX 000042

Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

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 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	9,000	14,000
(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	1,800,000	2,800,000

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.

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Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - D
 Exhibit 1
 Page 2

Selection of Average Massachusetts Indemnity Claim Costs

Composite Policy Year 2004/2005 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	9,735,096	18,841,433	171,929,351	50,363,621	91,668,890
(2) Loss Development from Fifth Report to Ultimate	1.087	1.087	1.087	1.000	1.000
(3) On-Level Ultimate Losses = (1) x (2)	10,581,245	20,479,081	186,873,000	50,363,621	91,668,890
(4) Claim Count Developed to Fifth Report	44	49	1,372	2,525	13,515
Summary:		Serious		Non-Serious	
(5) Ultimate Losses		217,933,326		142,032,511	
(6) Ultimate Claim Count		1,465		16,040	
(7) Average Claim Cost = (5) / (6)		148,767		8,855	
(8) Previous Selected Average Claim Cost		150,000		8,000	
(9) Selected Average Claim Cost		150,000		9,000	

Notes:

- (1): Section IX - B, Exhibit 2, Pages 1 - 4.
- (2): Section IV - F, Exhibit 2.
- (4): Section IX - B, Exhibit 2, Pages 1 - 4.
- (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): Section X - E, Exhibit 1, Page 1 of 09/01/07 rate filing.

IX 000044

Selection of Average Massachusetts Lost Time Medical Claim Costs

Composite Policy Year 2004/2005 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	359,843	48,457,556	62,775,961	28,308,829	64,666,057
(2) Loss Development from Fifth Report to Ultimate	1.000	1.376	1.376	1.000	1.000
(3) On-Level Ultimate Losses = (1) x (2)	359,843	66,696,722	86,404,499	28,308,829	64,666,057
(4) Claim Count Developed to Fifth Report	44	49	1,372	2,525	13,515
Summary:			<u>Medical</u>		
(5) Ultimate Losses			246,435,950		
(6) Ultimate Claim Count			17,505		
(7) Average Claim Cost = (5) / (6)			14,078		
(8) Previous Selected Average Claim Cost			12,000		
(9) Selected Average Claim Cost			14,000		

Notes:

- (1): Section IX - B, Exhibit 2, Pages 1 - 4.
- (2): Section IV - F, Exhibit 2.
- (4): Section IX - B, Exhibit 2, Pages 1 - 4.
- (5) = Sum of (3)
- (6) = Sum of (4)
- (8): Section X - E, Exhibit 1, Page 1 of 09/01/07 rate filing.

IX 000045

Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	3.272	1.232	0.454
		Construction	2	2.249	0.983	0.508
		Office and Clerical	3	1.271	0.742	0.404
		Goods and Services	9	1.710	0.938	0.470
		Miscellaneous	0	1.842	1.074	0.567
Arizona	2	Manufacturing	1	3.131	4.157	0.784
		Construction	2	2.541	3.329	0.646
		Office and Clerical	3	1.653	2.578	0.536
		Goods and Services	9	1.695	3.172	0.657
		Miscellaneous	0	1.562	3.076	0.661
Arkansas	3	Manufacturing	1	3.453	1.662	0.747
		Construction	2	3.344	1.676	0.751
		Office and Clerical	3	1.481	1.255	0.533
		Goods and Services	9	2.405	1.531	0.645
		Miscellaneous	0	3.771	1.854	0.908
California	4	Manufacturing	1	0.516	0.527	0.280
		Construction	2	0.855	0.701	0.396
		Office and Clerical	3	0.270	0.309	0.189
		Goods and Services	9	0.443	0.502	0.287
		Miscellaneous	0	0.656	0.644	0.368
Colorado	5	Manufacturing	1	3.862	0.717	0.586
		Construction	2	2.624	0.639	0.638
		Office and Clerical	3	1.785	0.505	0.388
		Goods and Services	9	2.590	0.579	0.503
		Miscellaneous	0	2.181	0.718	0.614
Connecticut	6	Manufacturing	1	1.495	0.694	0.534
		Construction	2	1.159	0.771	0.555
		Office and Clerical	3	0.998	0.645	0.541
		Goods and Services	9	1.273	0.725	0.547
		Miscellaneous	0	1.130	0.791	0.555
Delaware	7	Manufacturing	1	1.745	0.696	0.441
		Construction	2	1.702	0.337	0.271
		Office and Clerical	3	0.822	0.104	0.084
		Goods and Services	9	1.301	0.152	0.114
		Miscellaneous	0	1.235	0.228	0.205
District of Columbia	8	Manufacturing	1	1.529	1.093	0.917
		Construction	2	1.287	1.659	1.182
		Office and Clerical	3	1.722	1.778	1.452
		Goods and Services	9	1.699	1.614	1.125
		Miscellaneous	0	1.457	1.139	1.129
Florida	9	Manufacturing	1	2.104	0.709	0.413
		Construction	2	2.026	0.686	0.387
		Office and Clerical	3	1.330	0.587	0.336
		Goods and Services	9	1.629	0.669	0.394
		Miscellaneous	0	1.693	0.795	0.462

IX 000046

Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	1.250	0.895	0.590
		Construction	2	1.283	0.938	0.637
		Office and Clerical	3	0.980	0.930	0.588
		Goods and Services	9	1.147	1.009	0.650
		Miscellaneous	0	1.374	1.226	0.816
Idaho	11	Manufacturing	1	1.783	0.723	0.358
		Construction	2	3.918	0.706	0.506
		Office and Clerical	3	2.414	0.653	0.351
		Goods and Services	9	2.505	0.703	0.416
		Miscellaneous	0	3.309	0.851	0.529
Illinois	12	Manufacturing	1	1.318	0.425	0.363
		Construction	2	0.725	0.576	0.421
		Office and Clerical	3	0.929	0.535	0.471
		Goods and Services	9	1.317	0.570	0.423
		Miscellaneous	0	1.007	0.580	0.461
Indiana	13	Manufacturing	1	6.280	1.427	0.637
		Construction	2	6.715	1.492	0.770
		Office and Clerical	3	3.962	1.266	0.526
		Goods and Services	9	5.507	1.413	0.636
		Miscellaneous	0	4.775	1.676	0.788
Iowa	14	Manufacturing	1	1.222	0.713	0.459
		Construction	2	1.366	0.915	0.581
		Office and Clerical	3	0.858	0.582	0.384
		Goods and Services	9	1.490	0.861	0.563
		Miscellaneous	0	1.434	0.995	0.607
Kansas	15	Manufacturing	1	2.077	0.695	0.487
		Construction	2	2.129	0.984	0.618
		Office and Clerical	3	1.118	0.610	0.421
		Goods and Services	9	1.455	0.788	0.489
		Miscellaneous	0	1.897	1.061	0.545
Kentucky	16	Manufacturing	1	1.784	1.182	0.644
		Construction	2	1.213	1.196	0.623
		Office and Clerical	3	0.831	0.891	0.442
		Goods and Services	9	1.142	0.953	0.535
		Miscellaneous	0	1.496	1.184	0.627
Louisiana	17	Manufacturing	1	0.751	1.274	0.482
		Construction	2	1.009	1.230	0.453
		Office and Clerical	3	0.606	1.025	0.370
		Goods and Services	9	0.992	1.087	0.462
		Miscellaneous	0	1.027	1.345	0.578
Maine	18	Manufacturing	1	1.341	0.675	0.494
		Construction	2	1.377	0.980	0.624
		Office and Clerical	3	1.064	0.559	0.307
		Goods and Services	9	1.332	0.817	0.490
		Miscellaneous	0	1.169	1.148	0.601

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Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	2.444	0.887	0.942
		Construction	2	1.859	0.850	0.726
		Office and Clerical	3	1.188	0.753	0.821
		Goods and Services	9	1.763	0.798	0.861
		Miscellaneous	0	1.977	0.819	0.901
Minnesota	22	Manufacturing	1	1.311	0.362	0.364
		Construction	2	1.346	2.017	0.619
		Office and Clerical	3	1.126	1.611	0.541
		Goods and Services	9	1.194	1.901	0.563
		Miscellaneous	0	1.148	2.230	0.688
Mississippi	23	Manufacturing	1	1.932	0.895	0.536
		Construction	2	1.390	1.030	0.493
		Office and Clerical	3	0.621	0.635	0.284
		Goods and Services	9	1.226	0.887	0.461
		Miscellaneous	0	1.374	1.382	0.663
Missouri	24	Manufacturing	1	3.030	0.473	0.442
		Construction	2	1.782	0.678	0.538
		Office and Clerical	3	1.253	0.414	0.375
		Goods and Services	9	2.135	0.656	0.523
		Miscellaneous	0	1.731	0.642	0.564
Montana	25	Manufacturing	1	0.947	0.542	0.337
		Construction	2	1.208	0.660	0.416
		Office and Clerical	3	0.603	0.313	0.166
		Goods and Services	9	1.109	0.478	0.288
		Miscellaneous	0	1.360	0.739	0.454
Nebraska	26	Manufacturing	1	2.569	0.838	0.444
		Construction	2	1.733	1.069	0.498
		Office and Clerical	3	1.048	0.720	0.370
		Goods and Services	9	1.769	1.012	0.452
		Miscellaneous	0	2.062	1.201	0.577
Nevada	27	Manufacturing	1	0.767	0.862	0.539
		Construction	2	1.396	1.182	0.937
		Office and Clerical	3	0.394	0.479	0.336
		Goods and Services	9	1.167	0.943	0.681
		Miscellaneous	0	0.788	0.913	0.769
New Hampshire	28	Manufacturing	1	1.557	1.267	0.520
		Construction	2	1.286	1.176	0.470
		Office and Clerical	3	0.752	1.093	0.389
		Goods and Services	9	1.056	1.110	0.430
		Miscellaneous	0	1.246	1.453	0.578

IX 000048

Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	2.321	0.498	0.598
		Construction	2	2.423	0.633	0.606
		Office and Clerical	3	1.567	0.485	0.536
		Goods and Services	9	1.923	0.529	0.550
		Miscellaneous	0	1.653	0.525	0.588
New Mexico	30	Manufacturing	1	1.653	1.473	0.622
		Construction	2	1.458	1.308	0.611
		Office and Clerical	3	0.564	0.642	0.283
		Goods and Services	9	0.938	1.200	0.491
		Miscellaneous	0	1.399	1.348	0.637
New York	31	Manufacturing	1	0.558	1.203	0.694
		Construction	2	0.663	1.771	0.777
		Office and Clerical	3	0.508	1.392	0.768
		Goods and Services	9	0.545	1.417	0.801
		Miscellaneous	0	0.000	0.001	0.000
North Carolina	32	Manufacturing	1	1.291	0.948	0.696
		Construction	2	0.820	1.025	0.343
		Office and Clerical	3	0.627	0.695	0.468
		Goods and Services	9	1.076	1.059	0.679
		Miscellaneous	0	0.913	1.055	0.658
Oklahoma	35	Manufacturing	1	0.817	0.563	0.448
		Construction	2	0.874	0.527	0.432
		Office and Clerical	3	0.357	0.400	0.295
		Goods and Services	9	0.584	0.510	0.360
		Miscellaneous	0	0.735	0.859	0.548
Oregon	36	Manufacturing	1	2.044	0.943	0.655
		Construction	2	1.729	0.851	0.638
		Office and Clerical	3	1.600	0.698	0.494
		Goods and Services	9	1.571	0.742	0.519
		Miscellaneous	0	1.556	0.957	0.677
Pennsylvania	37	Manufacturing	1	1.313	0.099	0.114
		Construction	2	1.317	0.095	0.115
		Office and Clerical	3	0.577	0.058	0.065
		Goods and Services	9	1.022	0.066	0.076
		Miscellaneous	0	0.975	0.087	0.100
Rhode Island	38	Manufacturing	1	0.617	0.714	0.709
		Construction	2	0.946	0.998	0.883
		Office and Clerical	3	0.489	0.768	0.697
		Goods and Services	9	0.569	0.764	0.698
		Miscellaneous	0	0.777	0.927	0.878
South Carolina	39	Manufacturing	1	1.244	0.516	0.603
		Construction	2	1.223	0.686	0.559
		Office and Clerical	3	0.449	0.387	0.350
		Goods and Services	9	1.027	0.682	0.565
		Miscellaneous	0	0.977	0.820	0.651

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Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	5.575	1.229	0.569
		Construction	2	1.965	1.034	0.482
		Office and Clerical	3	1.070	0.757	0.373
		Goods and Services	9	3.107	1.137	0.474
		Miscellaneous	0	1.872	1.412	0.600
Tennessee	41	Manufacturing	1	1.508	0.627	0.488
		Construction	2	1.256	0.767	0.453
		Office and Clerical	3	0.663	0.530	0.378
		Goods and Services	9	1.642	0.853	0.557
		Miscellaneous	0	1.302	1.011	0.648
Utah	43	Manufacturing	1	5.125	2.004	0.751
		Construction	2	2.921	1.636	0.650
		Office and Clerical	3	2.053	1.498	0.580
		Goods and Services	9	3.503	1.757	0.648
		Miscellaneous	0	3.391	1.676	0.784
Vermont	44	Manufacturing	1	1.693	0.482	0.426
		Construction	2	1.413	0.684	0.563
		Office and Clerical	3	0.722	0.455	0.344
		Goods and Services	9	1.312	0.567	0.454
		Miscellaneous	0	1.332	0.764	0.672
Virginia	45	Manufacturing	1	2.069	2.052	0.864
		Construction	2	2.129	1.591	0.716
		Office and Clerical	3	1.359	1.883	0.746
		Goods and Services	9	1.754	1.808	0.713
		Miscellaneous	0	1.709	1.983	0.857
Hawaii	52	Manufacturing	1	0.944	0.456	0.489
		Construction	2	1.471	0.888	0.950
		Office and Clerical	3	0.697	0.397	0.445
		Goods and Services	9	1.158	0.547	0.539
		Miscellaneous	0	1.022	0.598	0.638
Alaska	54	Manufacturing	1	0.696	0.726	0.373
		Construction	2	1.056	0.907	0.458
		Office and Clerical	3	0.752	0.424	0.210
		Goods and Services	9	0.712	0.683	0.294
		Miscellaneous	0	1.211	0.959	0.498

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 IX - L, Exhibit 2.

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Section IX - Classification Pricing
 Subsection D - Credibility/Countrywide Data
 9/1/2008

Section IX - 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	5/1/2004	- 4/30/2005	5/1/2003	- 4/30/2004	5/1/2002	- 4/30/2003
Arizona	2	3/1/2004	- 2/28/2005	3/1/2003	- 2/29/2004	3/1/2002	- 2/28/2003
Arkansas	3	2/1/2004	- 1/31/2005	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003
California	4	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Colorado	5	3/1/2004	- 2/28/2005	3/1/2003	- 2/29/2004	3/1/2002	- 2/28/2003
Connecticut	6	8/1/2004	- 7/31/2005	8/1/2003	- 7/31/2004	8/1/2002	- 7/31/2003
Delaware	7	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
District of Columbia	8	2/1/2004	- 1/31/2005	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003
Florida	9	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Georgia	10	7/1/2001	- 6/30/2002	7/1/2000	- 6/30/2001	7/1/1999	- 6/30/2000
Idaho	11	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
Illinois	12	4/1/2004	- 3/31/2005	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003
Indiana	13	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
Iowa	14	3/1/2004	- 2/28/2005	3/1/2003	- 2/29/2004	3/1/2002	- 2/28/2003
Kansas	15	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
Kentucky	16	5/1/2004	- 4/30/2005	5/1/2003	- 4/30/2004	5/1/2002	- 4/30/2003
Louisiana	17	9/1/2003	- 8/31/2004	9/1/2002	- 8/31/2003	9/1/2001	- 8/31/2002
Maine	18	6/1/2004	- 5/31/2005	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003
Maryland	19	4/1/2004	- 3/31/2005	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003
Michigan	21	4/1/2004	- 3/31/2005	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003
Minnesota	22	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Mississippi	23	9/1/2003	- 8/31/2004	9/1/2002	- 8/31/2003	9/1/2001	- 8/31/2002
Missouri	24	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
Montana	25	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Nebraska	26	8/1/2004	- 7/31/2005	8/1/2003	- 7/31/2004	8/1/2002	- 7/31/2003
Nevada	27	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002	1/1/2001	- 12/31/2001
New Hampshire	28	4/1/2004	- 3/31/2005	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003
New Jersey	29	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
New Mexico	30	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
New York	31	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
North Carolina	32	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Oklahoma	35	6/1/2004	- 5/31/2005	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003
Oregon	36	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Pennsylvania	37	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
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	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Tennessee	41	6/1/2004	- 5/31/2005	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003
Utah	43	7/1/2004	- 6/30/2005	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003
Vermont	44	7/1/2003	- 6/30/2004	7/1/2002	- 6/30/2003	7/1/2001	- 6/30/2002
Virginia	45	2/1/2004	- 1/31/2005	2/1/2003	- 1/31/2004	2/1/2002	- 1/31/2003
Wisconsin	48	1/1/2004	- 12/31/2004	1/1/2003	- 12/31/2003	1/1/2002	- 12/31/2002
Hawaii	52	6/1/2004	- 5/31/2005	6/1/2003	- 5/31/2004	6/1/2002	- 5/31/2003
Alaska	54	4/1/2004	- 3/31/2005	4/1/2003	- 3/31/2004	4/1/2002	- 3/31/2003

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)	Trend Factor (8)	Pure Premium Underlying Present Rate Factor = (3) x (5) x (6) x (7) x (8) (9)
Manufacturing	Serious	2.288	0.888	0.390	0.814	1.013	0.951	0.699
	Non-Serious	2.288	0.496	0.218	0.814	1.007	0.951	0.388
	Medical	2.288	0.895	0.393	0.814	1.000	0.993	0.726
	Total		2.278					
Construction	Serious	5.914	2.976	0.506	0.814	1.013	0.951	2.348
	Non-Serious	5.914	0.914	0.156	0.814	1.007	0.951	0.717
	Medical	5.914	1.985	0.338	0.814	1.000	0.993	1.615
	Total		5.876					
Office and Clerical	Serious	0.203	0.073	0.356	0.814	1.013	0.951	0.057
	Non-Serious	0.203	0.046	0.225	0.814	1.007	0.951	0.036
	Medical	0.203	0.086	0.419	0.814	1.000	0.993	0.069
	Total		0.206					
Goods and Services	Serious	1.990	0.695	0.358	0.814	1.013	0.951	0.558
	Non-Serious	1.990	0.441	0.227	0.814	1.007	0.951	0.352
	Medical	1.990	0.807	0.415	0.814	1.000	0.993	0.668
	Total		1.943					
Miscellaneous	Serious	5.132	2.101	0.436	0.814	1.013	0.951	1.754
	Non-Serious	5.132	0.876	0.182	0.814	1.007	0.951	0.727
	Medical	5.132	1.842	0.382	0.814	1.000	0.993	1.586
	Total		4.819					

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Notes:

(3): Section X - I, Exhibit 1 of 09/01/07 stipulation.

(4): Section X - G of 09/01/07 stipulation.

(6): Section VI - A of 09/01/07 stipulation.

(7): Section IV - A, Exhibit 1.

(8): Net Indemnity and Medical Trends from Section V - A, Exhibit 1.

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Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	4.422	11.687	2.211	3.091	4.534	1.605	9.231
1438	1.645	0.939	1.528	1.150	0.364	1.110	2.624
1463	4.276	1.812	2.201	2.989	0.703	1.598	5.290
1701	1.721	2.406	1.455	1.203	0.933	1.057	3.193
1747	1.942	1.211	1.965	1.358	0.470	1.427	3.254
1748	1.820	1.075	1.372	1.272	0.417	0.996	2.685
1852	7.807	1.151	1.693	5.457	0.446	1.229	7.132
1853	1.267	0.783	0.806	0.886	0.304	0.585	1.774
1860	1.615	0.567	0.674	1.129	0.220	0.489	1.838
1924	1.350	1.169	1.008	0.944	0.453	0.732	2.129
1925	2.365	1.552	1.641	1.653	0.602	1.191	3.446
2001	1.135	1.542	1.377	0.793	0.598	1.000	2.391
2002	1.637	1.434	1.259	1.144	0.557	0.914	2.615
2003	1.135	1.542	1.377	0.793	0.598	1.000	2.391
2014	1.988	1.228	1.293	1.390	0.476	0.939	2.804
2021	1.879	0.936	0.961	1.314	0.363	0.698	2.375
2039	1.780	1.404	1.292	1.244	0.545	0.938	2.727
2041	0.908	1.095	1.047	0.635	0.425	0.760	1.820
2070	2.081	1.707	1.840	1.455	0.662	1.336	3.453
2081	1.827	1.935	1.911	1.277	0.751	1.388	3.415
2089	1.464	1.053	1.393	1.023	0.408	1.011	2.443
2095	2.215	1.927	2.091	1.548	0.748	1.518	3.814
2101	1.464	1.053	1.393	1.023	0.408	1.011	2.443
2111	1.095	1.118	1.145	0.765	0.434	0.832	2.031
2114	1.464	1.053	1.393	1.023	0.408	1.011	2.443
2115	1.293	1.350	1.110	0.904	0.524	0.806	2.233
2121	1.236	0.771	1.175	0.864	0.299	0.853	2.016
2130	1.649	1.203	1.361	1.153	0.467	0.988	2.607
2131	0.962	0.988	0.920	0.672	0.383	0.668	1.723
2143	1.007	0.831	1.661	0.704	0.323	1.206	2.232
2150	2.005	2.205	1.363	1.401	0.855	0.990	3.247
2156	2.842	1.923	2.806	1.987	0.746	2.037	4.770
2157	2.499	2.007	1.632	1.747	0.779	1.185	3.711
2172	1.090	0.691	0.584	0.762	0.268	0.424	1.454
2174	3.270	1.746	2.189	2.286	0.677	1.590	4.553
2211	2.877	1.886	1.922	2.011	0.732	1.395	4.138
2220	1.378	1.061	1.763	0.963	0.412	1.280	2.655
2260	4.367	1.850	1.519	3.052	0.718	1.103	4.873
2286	1.378	1.061	1.763	0.963	0.412	1.280	2.655
2288	1.176	1.407	1.019	0.822	0.546	0.740	2.108
2302	1.378	1.061	1.763	0.963	0.412	1.280	2.655
2305	1.035	0.754	0.760	0.723	0.293	0.552	1.568
2362	1.127	0.902	0.890	0.788	0.350	0.646	1.784
2380	1.006	1.557	1.065	0.703	0.604	0.773	2.080
2402	1.432	0.919	1.226	1.001	0.357	0.890	2.247
2413	2.520	1.194	1.476	1.761	0.463	1.071	3.296
2416	1.496	3.032	1.386	1.046	1.176	1.006	3.228
2417	1.467	1.140	1.311	1.025	0.442	0.952	2.420

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Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	1.131	1.211	1.045	0.791	0.470	0.758	2.019
2503	0.428	0.501	0.319	0.299	0.195	0.231	0.725
2534	1.131	1.211	1.045	0.791	0.470	0.758	2.019
2570	2.426	1.804	2.041	1.696	0.700	1.482	3.878
2576	1.177	1.106	1.481	0.822	0.429	1.075	2.326
2578	1.177	1.106	1.481	0.822	0.429	1.075	2.326
2585	1.281	1.524	1.398	0.895	0.591	1.015	2.502
2586	0.622	0.531	0.468	0.435	0.206	0.340	0.981
2623	1.524	1.017	0.831	1.065	0.395	0.603	2.063
2640	1.601	1.053	1.418	1.119	0.409	1.029	2.557
2651	1.601	1.053	1.418	1.119	0.409	1.029	2.557
2660	0.498	1.032	1.226	0.348	0.400	0.890	1.638
2683	1.101	0.949	1.044	0.770	0.368	0.758	1.895
2688	1.297	1.149	1.217	0.906	0.446	0.884	2.236
2710	3.447	3.005	2.901	2.409	1.166	2.106	5.682
2731	2.137	2.000	2.320	1.494	0.776	1.685	3.954
2741	2.727	3.733	2.142	1.906	1.448	1.555	4.909
2747	4.377	2.676	3.618	3.060	1.038	2.627	6.725
2790	0.928	1.023	0.959	0.649	0.397	0.696	1.742
2802	2.045	1.747	2.189	1.429	0.678	1.589	3.697
2835	0.865	0.917	0.869	0.605	0.356	0.631	1.591
2836	2.367	1.568	1.589	1.655	0.609	1.154	3.417
2841	1.064	1.081	1.495	0.744	0.419	1.085	2.248
2883	1.276	1.281	1.307	0.892	0.497	0.949	2.338
2923	0.726	0.783	0.920	0.507	0.304	0.668	1.479
2942	0.747	0.637	0.988	0.522	0.247	0.717	1.487
3018	1.520	0.892	1.785	1.063	0.346	1.296	2.704
3022	1.584	1.445	2.522	1.107	0.561	1.831	3.499
3027	1.759	1.542	2.493	1.229	0.598	1.810	3.637
3028	1.282	2.734	2.328	0.896	1.061	1.690	3.648
3030	3.838	2.551	3.245	2.683	0.990	2.356	6.028
3040	4.197	4.089	4.340	2.934	1.587	3.151	7.671
3041	2.578	1.167	2.547	1.802	0.453	1.849	4.104
3042	1.524	1.760	1.320	1.065	0.683	0.958	2.706
3064	1.484	1.194	1.351	1.038	0.463	0.981	2.482
3066	1.484	1.194	1.351	1.038	0.463	0.981	2.482
3076	1.175	1.160	1.185	0.821	0.450	0.860	2.131
3081	3.669	3.471	3.617	2.565	1.347	2.626	6.538
3082	3.669	3.471	3.617	2.565	1.347	2.626	6.538
3085	2.279	2.184	2.078	1.593	0.847	1.509	3.949
3110	3.353	5.059	2.771	2.344	1.963	2.012	6.319
3111	1.143	0.758	1.053	0.799	0.294	0.765	1.858
3113	0.841	0.957	0.812	0.588	0.371	0.589	1.549
3114	1.923	1.644	1.736	1.344	0.638	1.260	3.242
3118	0.841	0.957	0.812	0.588	0.371	0.589	1.549
3119	0.449	0.364	0.386	0.314	0.141	0.280	0.736
3120	0.656	1.360	0.580	0.458	0.528	0.421	1.407
3122	1.297	0.505	1.139	0.906	0.196	0.827	1.929

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Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	0.244	0.409	0.303	0.171	0.159	0.220	0.549
3131	1.545	1.190	0.885	1.080	0.462	0.642	2.184
3132	0.795	1.318	1.067	0.556	0.511	0.775	1.842
3145	0.673	0.727	0.726	0.470	0.282	0.527	1.280
3146	1.218	1.163	0.945	0.852	0.451	0.686	1.989
3169	1.648	2.239	2.091	1.152	0.869	1.518	3.539
3179	0.989	1.046	0.913	0.692	0.406	0.663	1.761
3180	1.299	1.956	1.528	0.908	0.759	1.109	2.776
3188	0.973	1.410	1.894	0.680	0.547	1.375	2.602
3200	1.082	1.219	1.595	0.756	0.473	1.158	2.387
3220	0.881	0.730	0.725	0.616	0.283	0.526	1.425
3227	1.648	2.239	2.091	1.152	0.869	1.518	3.539
3241	1.350	1.169	1.008	0.944	0.453	0.732	2.129
3255	1.411	1.433	1.148	0.987	0.556	0.833	2.376
3257	1.106	1.569	1.028	0.773	0.609	0.746	2.128
3270	0.942	0.815	0.721	0.659	0.316	0.523	1.498
3300	4.137	2.663	2.895	2.891	1.033	2.102	6.027
3315	0.866	0.967	0.915	0.605	0.375	0.664	1.645
3336	1.203	1.861	1.763	0.841	0.722	1.280	2.843
3372	1.249	0.874	1.063	0.873	0.339	0.772	1.984
3373	2.804	1.587	1.644	1.960	0.616	1.193	3.769
3381	1.081	1.729	1.678	0.755	0.671	1.218	2.645
3383	0.610	0.738	0.687	0.426	0.286	0.499	1.211
3385	0.382	0.371	0.341	0.267	0.144	0.248	0.658
3400	1.648	2.239	2.091	1.152	0.869	1.518	3.539
3507	1.558	1.353	1.182	1.089	0.525	0.858	2.473
3515	1.252	1.316	1.277	0.875	0.511	0.927	2.313
3548	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3558	0.256	0.180	0.278	0.179	0.070	0.202	0.451
3559	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3571	0.636	0.543	0.478	0.444	0.211	0.347	1.002
3574	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3612	0.750	0.792	0.792	0.524	0.307	0.575	1.406
3620	1.989	2.013	1.948	1.390	0.781	1.414	3.585
3629	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3632	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3634	1.212	1.131	1.349	0.847	0.439	0.979	2.265
3635	1.212	1.605	1.705	0.847	0.623	1.238	2.707
3638	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3642	0.475	0.475	0.357	0.332	0.184	0.259	0.775
3643	0.989	1.046	0.913	0.692	0.406	0.663	1.761
3647	0.871	1.741	1.570	0.609	0.676	1.140	2.425
3648	0.641	0.795	0.996	0.448	0.309	0.723	1.480
3681	0.339	0.362	0.378	0.237	0.140	0.274	0.651
3685	0.339	0.362	0.378	0.237	0.140	0.274	0.651
3807	1.648	2.239	2.091	1.152	0.869	1.518	3.539
3808	1.042	1.494	1.424	0.729	0.580	1.034	2.342
3826	1.064	1.265	0.971	0.744	0.491	0.705	1.939

IX 000055

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	0.906	0.901	0.904	0.634	0.350	0.656	1.639
3841	0.693	0.844	0.859	0.484	0.328	0.623	1.435
4021	1.705	1.181	1.435	1.192	0.458	1.042	2.692
4024	2.297	1.438	1.270	1.606	0.558	0.922	3.086
4034	3.384	2.194	3.025	2.365	0.851	2.196	5.413
4036	1.328	1.220	1.026	0.929	0.473	0.745	2.147
4038	0.934	0.758	0.757	0.653	0.294	0.550	1.497
4053	0.819	0.648	0.695	0.573	0.251	0.504	1.328
4061	1.023	1.067	0.966	0.715	0.414	0.702	1.831
4062	1.023	1.067	0.966	0.715	0.414	0.702	1.831
4112	0.289	0.388	0.275	0.202	0.151	0.199	0.552
4113	0.819	0.648	0.695	0.573	0.251	0.504	1.328
4114	1.026	0.786	0.813	0.717	0.305	0.590	1.612
4130	1.832	1.909	1.461	1.280	0.741	1.061	3.082
4133	0.901	0.781	0.881	0.630	0.303	0.640	1.572
4150	0.428	0.376	0.427	0.300	0.146	0.310	0.755
4239	2.030	2.035	1.901	1.419	0.790	1.380	3.589
4243	1.338	2.066	1.861	0.935	0.802	1.351	3.088
4244	1.597	1.784	1.533	1.116	0.692	1.113	2.922
4250	1.401	0.980	1.178	0.979	0.380	0.855	2.214
4251	1.080	0.908	0.931	0.755	0.352	0.676	1.784
4273	1.130	1.870	1.915	0.790	0.725	1.390	2.905
4279	1.517	1.297	2.285	1.060	0.503	1.659	3.222
4282	0.274	0.365	0.349	0.191	0.142	0.253	0.587
4283	1.526	1.889	1.073	1.066	0.733	0.779	2.578
4299	0.897	0.888	0.851	0.627	0.344	0.618	1.589
4301	1.824	1.157	1.533	1.275	0.449	1.113	2.837
4304	1.053	1.475	1.936	0.736	0.572	1.406	2.714
4307	0.719	0.757	0.776	0.502	0.294	0.564	1.360
4308	0.318	0.397	0.381	0.223	0.154	0.277	0.653
4350	0.247	0.392	0.244	0.173	0.152	0.177	0.502
4351	0.468	0.408	0.305	0.327	0.158	0.222	0.707
4352	0.448	0.432	0.461	0.313	0.168	0.335	0.815
4360	0.682	0.438	0.484	0.477	0.170	0.351	0.998
4410	1.589	1.884	2.021	1.111	0.731	1.467	3.309
4417	1.638	2.127	2.146	1.145	0.825	1.558	3.528
4432	0.607	0.682	0.655	0.425	0.265	0.476	1.165
4439	0.999	0.843	0.957	0.699	0.327	0.695	1.721
4452	1.154	1.293	1.416	0.807	0.502	1.028	2.336
4459	1.100	1.539	1.064	0.769	0.597	0.772	2.139
4470	1.343	1.291	1.210	0.939	0.501	0.878	2.318
4484	1.043	1.354	1.134	0.729	0.526	0.823	2.078
4493	1.361	1.436	1.519	0.951	0.557	1.103	2.611
4557	0.735	0.560	0.553	0.514	0.217	0.401	1.132
4558	1.092	1.222	1.080	0.763	0.474	0.784	2.022
4561	0.999	0.843	0.957	0.699	0.327	0.695	1.721
4583	2.019	0.890	1.193	1.411	0.345	0.866	2.623
4611	0.564	0.726	0.597	0.394	0.282	0.433	1.109

IX 000056

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	1.330	1.179	1.069	0.930	0.457	0.776	2.163
4653	0.794	2.025	0.991	0.555	0.786	0.720	2.060
4665	3.049	2.464	3.332	2.132	0.956	2.419	5.507
4692	0.212	0.269	0.240	0.148	0.104	0.174	0.427
4693	0.302	0.738	0.446	0.211	0.286	0.324	0.821
4720	1.002	0.812	0.913	0.700	0.315	0.663	1.678
4740	0.769	0.418	0.506	0.537	0.162	0.368	1.067
4741	1.321	2.230	0.758	0.923	0.865	0.551	2.339
4770	12.227	2.124	1.267	8.547	0.824	0.920	10.291
4773	25.166	3.868	2.379	17.591	1.501	1.727	20.819
4774	20.151	3.925	2.210	14.085	1.523	1.605	17.213
4775	11.154	2.012	2.274	7.797	0.781	1.651	10.228
4776	18.903	2.363	1.215	13.213	0.917	0.882	15.012
4777	2.019	0.890	1.193	1.411	0.345	0.866	2.623
4779	14.910	2.517	2.682	10.422	0.977	1.947	13.346
4799	44.980	7.892	4.673	31.441	3.062	3.393	37.896
4825	0.226	0.179	0.237	0.158	0.069	0.172	0.400
4828	0.558	0.294	0.367	0.390	0.114	0.267	0.771
4829	0.558	0.294	0.367	0.390	0.114	0.267	0.771
4902	0.747	0.637	0.988	0.522	0.247	0.717	1.487
4923	0.682	0.438	0.484	0.477	0.170	0.351	0.998
6504	1.464	1.053	1.393	1.023	0.408	1.011	2.443
9501	1.262	1.163	1.331	0.882	0.451	0.966	2.299
9505	1.262	1.163	1.331	0.882	0.451	0.966	2.299
9521	2.648	2.400	1.628	1.851	0.931	1.182	3.965
9522	0.789	0.631	0.737	0.552	0.245	0.535	1.332

Notes:

- (2), (3), (4): Section X - I of 09/01/2007 stipulation.
- (5) = (2) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (6) = (3) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (7) = (4) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
 (Serious = 0.699, Non-Serious = 0.388, Medical = 0.726).

IX 000057

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	0.777	0.651	0.762	1.825	0.467	1.230	3.522
3365	1.614	1.562	2.087	3.790	1.120	3.370	8.280
3724	0.973	1.004	1.048	2.286	0.720	1.693	4.699
3726	3.093	1.211	2.079	7.263	0.868	3.358	11.490
5020	1.046	0.892	0.844	2.457	0.640	1.363	4.459
5022	1.981	1.773	1.709	4.651	1.271	2.760	8.682
5037	4.241	1.751	2.805	9.959	1.255	4.530	15.744
5040	9.824	4.685	7.063	23.067	3.359	11.407	37.834
5057	8.471	3.598	6.219	19.890	2.580	10.044	32.515
5059	8.471	3.598	6.219	19.890	2.580	10.044	32.515
5069	8.471	3.598	6.219	19.890	2.580	10.044	32.515
5102	1.284	1.376	0.933	3.014	0.986	1.507	5.507
5146	0.801	1.233	0.868	1.880	0.884	1.401	4.165
5160	0.500	0.818	0.616	1.173	0.587	0.994	2.754
5183	0.674	0.808	0.702	1.584	0.579	1.133	3.296
5188	0.623	1.210	0.639	1.464	0.867	1.031	3.363
5190	0.514	0.665	0.599	1.208	0.476	0.968	2.652
5213	4.391	2.051	2.695	10.310	1.471	4.352	16.133
5215	0.723	1.063	0.961	1.698	0.762	1.553	4.013
5221	1.236	0.986	1.135	2.903	0.707	1.833	5.443
5222	1.855	0.866	1.334	4.356	0.621	2.154	7.131
5223	0.723	1.063	0.961	1.698	0.762	1.553	4.013
5348	1.075	1.532	0.937	2.525	1.099	1.513	5.136
5402	1.635	1.001	5.495	3.839	0.718	8.875	13.431
5403	1.996	2.355	1.929	4.687	1.689	3.115	9.491
5437	0.987	1.022	0.981	2.318	0.733	1.584	4.635
5443	1.458	0.908	2.151	3.424	0.651	3.473	7.549
5445	1.241	1.415	0.996	2.913	1.015	1.608	5.536
5462	1.643	1.313	1.626	3.859	0.941	2.626	7.426
5472	1.100	1.949	1.232	2.584	1.398	1.989	5.971
5473	2.764	1.054	2.083	6.490	0.756	3.365	10.610
5474	0.714	1.023	0.970	1.677	0.733	1.567	3.977
5478	0.876	1.311	0.631	2.057	0.940	1.018	4.015
5479	1.493	1.881	1.852	3.505	1.349	2.990	7.844
5480	0.965	0.851	0.822	2.266	0.610	1.328	4.204
5506	1.043	1.032	1.004	2.448	0.740	1.622	4.810
5507	1.248	1.008	0.990	2.930	0.723	1.600	5.253
5508	0.777	0.651	0.762	1.825	0.467	1.230	3.522
5509	0.585	0.762	0.793	1.373	0.546	1.281	3.200
5538	0.832	1.101	0.942	1.954	0.790	1.521	4.264
5545	4.312	2.067	5.561	10.124	1.482	8.982	20.587
5547	2.393	1.981	2.621	5.620	1.421	4.233	11.273
5606	0.271	0.349	0.323	0.636	0.250	0.522	1.408
5610	0.947	1.026	0.872	2.224	0.735	1.408	4.367
5645	0.975	1.311	1.494	2.290	0.940	2.413	5.643
5651	0.975	1.311	1.494	2.290	0.940	2.413	5.643
5701	6.620	1.618	4.899	15.544	1.160	7.911	24.616
5703	9.275	3.245	6.638	21.778	2.326	10.720	34.825

IX 000058

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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)
5705	2.456	1.289	1.178	5.766	0.924	1.903	8.593
6003	2.762	2.236	2.521	6.486	1.603	4.072	12.161
6005	0.777	0.651	0.762	1.825	0.467	1.230	3.522
6204	2.086	1.625	1.913	4.899	1.165	3.090	9.154
6217	0.612	0.800	0.773	1.437	0.574	1.248	3.259
6229	0.612	0.800	0.773	1.437	0.574	1.248	3.259
6233	0.922	0.885	0.592	2.166	0.635	0.956	3.756
6251	1.588	0.615	0.773	3.729	0.441	1.249	5.419
6252	2.019	0.648	1.045	4.742	0.464	1.687	6.893
6306	0.871	0.834	0.818	2.045	0.598	1.321	3.964
6319	0.964	0.915	0.967	2.263	0.656	1.562	4.482
6325	0.573	0.860	0.523	1.346	0.617	0.845	2.807
6400	1.080	0.890	1.150	2.536	0.638	1.857	5.031
7538	0.672	0.931	0.683	1.578	0.667	1.103	3.348
7601	0.672	0.931	0.683	1.578	0.667	1.103	3.348
7855	1.327	1.452	1.848	3.116	1.041	2.985	7.142
8227	0.557	0.459	0.551	1.307	0.329	0.890	2.527
9534	1.148	0.970	1.007	2.695	0.696	1.626	5.017
9545	0.704	0.763	0.767	1.652	0.547	1.238	3.437
9549	0.755	0.648	0.599	1.773	0.465	0.968	3.205
9552	1.230	1.110	1.406	2.889	0.796	2.271	5.955
9553	1.230	1.110	1.406	2.889	0.796	2.271	5.955

Notes:

- (2), (3), (4): Section X - I of 09/01/2007 stipulation.
- (5) = (2) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (6) = (3) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (7) = (4) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
 (Serious = 2.348, Non-Serious = 0.717, Medical = 1.615).

IX 000059

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	2.757	1.790	2.158	0.157	0.064	0.149	0.370
7610	0.937	0.738	0.860	0.053	0.027	0.059	0.139
8601	2.070	1.156	1.504	0.118	0.042	0.104	0.263
8721	1.328	1.531	1.040	0.076	0.055	0.072	0.203
8742	1.137	0.950	1.092	0.065	0.034	0.075	0.174
8748	3.085	2.474	3.085	0.176	0.089	0.213	0.478
8800	4.075	2.927	3.011	0.232	0.105	0.208	0.545
8803	0.426	0.202	0.271	0.024	0.007	0.019	0.050
8810	0.641	0.712	0.634	0.037	0.026	0.044	0.106
8820	0.759	0.409	0.479	0.043	0.015	0.033	0.091
8832	1.611	1.292	1.355	0.092	0.047	0.094	0.232
8833	6.104	6.695	6.158	0.348	0.241	0.425	1.014
8868	2.007	2.867	3.196	0.114	0.103	0.221	0.438
8901	0.641	0.712	0.634	0.037	0.026	0.044	0.106
9156	4.031	5.038	5.670	0.230	0.181	0.391	0.802

Notes:

- (2), (3), (4): Section X - I of 09/01/2007 stipulation.
- (5) = (2) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (6) = (3) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (7) = (4) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
 (Serious = 0.057, Non-Serious = 0.036, Medical = 0.069).

IX 000060

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	1.285	1.471	1.827	0.717	0.518	1.221	2.455
0008	1.229	0.911	0.963	0.686	0.321	0.643	1.649
0016	2.072	1.227	1.275	1.156	0.432	0.852	2.440
0034	1.620	1.254	1.542	0.904	0.441	1.030	2.375
0035	0.765	1.052	0.986	0.427	0.370	0.658	1.455
0036	1.620	1.254	1.542	0.904	0.441	1.030	2.375
0037	1.229	0.911	0.963	0.686	0.321	0.643	1.649
0042	2.178	1.934	2.073	1.215	0.681	1.385	3.281
0079	2.058	1.656	1.979	1.149	0.583	1.322	3.054
0083	3.211	1.503	1.742	1.792	0.529	1.164	3.485
0113	1.620	1.254	1.542	0.904	0.441	1.030	2.375
0170	1.620	1.254	1.542	0.904	0.441	1.030	2.375
0908	46.233	34.810	28.654	25.798	12.253	19.141	57.192
0909	33.401	55.979	96.044	18.638	19.705	64.158	102.500
0912	66.803	111.958	192.089	37.276	39.409	128.315	205.000
0913	92.466	69.619	57.309	51.596	24.506	38.282	114.385
0917	1.034	1.377	1.096	0.577	0.485	0.732	1.794
0918	0.689	0.531	0.292	0.385	0.187	0.195	0.767
2587	0.885	1.064	1.167	0.494	0.375	0.779	1.648
3821	2.549	1.753	2.520	1.423	0.617	1.683	3.723
4362	0.422	0.473	0.471	0.236	0.167	0.314	0.717
4511	0.307	0.158	0.211	0.171	0.056	0.141	0.368
4512	0.085	0.087	0.083	0.048	0.031	0.056	0.134
5191	0.694	0.428	0.715	0.387	0.151	0.478	1.016
5192	2.392	3.183	2.588	1.335	1.120	1.729	4.184
8001	0.540	0.649	0.750	0.302	0.228	0.501	1.031
8002	1.406	1.057	1.690	0.784	0.372	1.129	2.286
8006	0.687	0.648	0.647	0.383	0.228	0.432	1.043
8008	0.441	0.447	0.439	0.246	0.157	0.293	0.697
8010	0.793	0.791	0.896	0.443	0.279	0.598	1.319
8013	0.315	0.223	0.225	0.176	0.078	0.150	0.404
8017	0.590	0.610	0.701	0.329	0.215	0.468	1.012
8018	1.622	2.076	1.974	0.905	0.731	1.319	2.954
8021	2.347	1.499	1.856	1.309	0.528	1.240	3.077
8031	1.423	1.125	0.980	0.794	0.396	0.655	1.845
8032	0.908	1.075	0.867	0.507	0.378	0.579	1.464
8033	0.829	1.355	0.994	0.463	0.477	0.664	1.603
8034	2.429	1.821	2.096	1.356	0.641	1.400	3.397
8039	0.793	1.390	1.447	0.443	0.489	0.967	1.899
8044	1.923	1.735	1.575	1.073	0.611	1.052	2.736
8046	1.096	1.233	1.056	0.611	0.434	0.706	1.751
8048	2.403	1.320	1.268	1.341	0.465	0.847	2.653
8050	0.698	0.728	1.194	0.389	0.256	0.797	1.443
8058	1.150	1.558	1.929	0.642	0.548	1.289	2.479
8103	1.802	1.074	1.818	1.006	0.378	1.214	2.598
8105	3.221	0.790	1.866	1.797	0.278	1.246	3.322

IX 000061

Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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)
8106	3.582	4.807	4.211	1.999	1.692	2.813	6.504
8107	1.757	1.801	1.943	0.980	0.634	1.298	2.912
8111	1.556	1.828	1.770	0.868	0.643	1.182	2.694
8116	1.757	1.801	1.943	0.980	0.634	1.298	2.912
8203	2.643	2.215	2.309	1.475	0.780	1.543	3.797
8204	5.697	1.719	1.999	3.179	0.605	1.335	5.119
8215	1.635	2.383	2.024	0.912	0.839	1.352	3.103
8232	2.482	2.648	2.647	1.385	0.932	1.768	4.085
8233	4.871	2.954	6.821	2.718	1.040	4.556	8.314
8235	2.367	2.285	2.239	1.321	0.804	1.495	3.620
8263	3.733	1.672	2.759	2.083	0.589	1.843	4.515
8264	2.804	2.748	2.262	1.564	0.967	1.511	4.042
8265	4.871	2.954	6.821	2.718	1.040	4.556	8.314
8279	3.333	2.070	2.973	1.860	0.729	1.986	4.574
8291	1.632	2.108	2.159	0.911	0.742	1.442	3.095
8292	1.730	2.475	1.829	0.966	0.871	1.222	3.059
8293	5.078	3.371	3.936	2.833	1.187	2.629	6.650
8350	3.036	2.635	2.332	1.694	0.927	1.558	4.179
8380	1.507	1.247	1.310	0.841	0.439	0.875	2.155
8381	0.683	0.833	0.864	0.381	0.293	0.577	1.252
8385	1.816	1.394	1.226	1.013	0.491	0.819	2.323
8392	0.887	0.619	0.704	0.495	0.218	0.470	1.183
8393	1.280	1.036	0.906	0.714	0.365	0.605	1.684
8500	4.871	2.954	6.821	2.718	1.040	4.556	8.314
8710	1.127	0.855	0.898	0.629	0.301	0.600	1.530
8719	1.127	0.855	0.898	0.629	0.301	0.600	1.530
8720	0.653	0.337	0.452	0.365	0.119	0.302	0.785
8745	1.515	1.789	1.285	0.845	0.630	0.858	2.333
8829	1.054	1.451	1.167	0.588	0.511	0.779	1.879
8831	0.357	0.394	0.705	0.199	0.139	0.471	0.809
8835	0.986	1.367	1.048	0.550	0.481	0.700	1.731
9014	1.256	0.975	1.022	0.701	0.343	0.683	1.727
9015	1.658	1.115	1.466	0.925	0.392	0.979	2.297
9016	0.793	0.897	1.144	0.442	0.316	0.764	1.522
9033	2.373	2.215	1.329	1.324	0.780	0.888	2.992
9040	1.439	1.699	1.751	0.803	0.598	1.170	2.571
9052	0.750	0.993	0.930	0.419	0.349	0.621	1.389
9058	0.750	0.993	0.930	0.419	0.349	0.621	1.389
9060	0.627	0.675	0.714	0.350	0.237	0.477	1.064
9061	0.551	0.550	0.448	0.307	0.193	0.299	0.800
9063	0.211	0.397	0.425	0.118	0.140	0.284	0.541
9079	0.541	0.653	0.669	0.302	0.230	0.447	0.979
9089	0.537	0.395	0.509	0.300	0.139	0.340	0.779
9093	0.499	0.681	1.290	0.278	0.240	0.861	1.379
9101	1.305	1.626	1.740	0.728	0.572	1.162	2.463
9220	1.894	2.760	1.735	1.057	0.972	1.159	3.187

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Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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)
9410	1.042	0.780	0.926	0.581	0.274	0.618	1.474
9519	1.771	1.100	1.096	0.988	0.387	0.732	2.107
9586	0.291	0.254	0.258	0.162	0.089	0.172	0.424
9620	0.425	0.311	0.355	0.237	0.109	0.237	0.584

Notes:

(2), (3), (4): Section X - I of 09/01/2007 stipulation.

(5) = (2) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1

(6) = (3) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1

(7) = (4) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1

(Serious = 0.558, Non-Serious = 0.352, Medical = 0.668).

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Section IX - Classification Pricing
 Subsection F - Underlying Pure Premiums
 9/1/2008

Section IX - 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	2.955	2.118	3.756	5.183	1.540	5.956	12.679
0251	0.938	0.627	0.951	1.646	0.456	1.509	3.610
1624	1.081	0.490	0.802	1.895	0.357	1.271	3.523
1655	1.011	0.610	1.152	1.773	0.443	1.826	4.042
1710	1.081	0.490	0.802	1.895	0.357	1.271	3.523
2702	3.987	2.547	4.342	6.992	1.852	6.887	15.731
4000	1.152	1.201	1.200	2.020	0.873	1.904	4.797
6834	0.731	0.567	0.847	1.282	0.412	1.343	3.038
6836	0.555	0.474	0.596	0.974	0.345	0.945	2.264
7219	1.686	1.404	1.319	2.957	1.021	2.092	6.070
7230	1.825	1.113	1.701	3.201	0.809	2.698	6.708
7231	1.138	1.200	1.214	1.997	0.873	1.926	4.795
7360	1.104	1.128	0.977	1.936	0.820	1.549	4.305
7370	0.584	0.993	0.814	1.024	0.722	1.292	3.038
7380	1.249	1.492	1.281	2.190	1.085	2.032	5.307
7382	0.700	0.849	0.927	1.228	0.617	1.470	3.315
7403	0.800	0.804	0.959	1.403	0.584	1.521	3.508
7405	0.225	0.233	0.206	0.395	0.169	0.327	0.890
7420	1.615	0.417	0.520	2.833	0.303	0.824	3.960
7421	0.691	0.186	0.354	1.212	0.135	0.562	1.909
7422	0.691	0.186	0.354	1.212	0.135	0.562	1.909
7425	0.703	0.189	0.356	1.234	0.138	0.565	1.936
7431	0.691	0.186	0.354	1.212	0.135	0.562	1.909
7502	0.693	0.818	0.956	1.216	0.594	1.516	3.326
7515	0.645	0.495	0.601	1.131	0.360	0.952	2.443
7520	0.938	0.627	0.951	1.646	0.456	1.509	3.610
7539	0.295	0.212	0.227	0.517	0.154	0.360	1.030
7580	0.469	0.469	0.557	0.822	0.341	0.884	2.047
7590	1.627	1.935	1.778	2.854	1.407	2.820	7.081
7600	0.703	0.606	0.628	1.233	0.441	0.996	2.669
7704	0.170	0.208	0.259	0.299	0.151	0.411	0.861
7720	0.309	0.282	0.291	0.543	0.205	0.462	1.210
9019	1.354	0.835	0.829	2.375	0.607	1.315	4.297
9102	0.363	0.698	0.471	0.637	0.508	0.747	1.891
9154	0.228	0.259	0.278	0.399	0.188	0.440	1.027
9178	0.722	4.484	10.075	1.266	3.260	15.978	20.503
9179	3.856	6.282	4.985	6.763	4.567	7.906	19.236
9180	0.621	0.933	1.091	1.090	0.678	1.730	3.498
9182	0.569	0.760	0.778	0.998	0.552	1.234	2.785
9186	0.621	0.933	1.091	1.090	0.678	1.730	3.498
9402	1.244	1.087	0.939	2.182	0.790	1.489	4.461
9403	1.420	1.316	1.396	2.490	0.956	2.214	5.660

Notes:

- (2), (3), (4): Section X - I of 09/01/2007 stipulation.
- (5) = (2) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (6) = (3) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
- (7) = (4) x Pure Premium Underlying Present Rate Factors from Section IX - E, Exhibit 1
 (Serious = 1.754, Non-Serious = 0.727, Medical = 1.586).

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 1

A-Sheet Table of Contents

Class	To find the A-Sheet for: Description	Class	Look at the A-Sheet for: Exhibit
0005	FARM: NURSERY EMP & DRIVERS	0005	Section IX - G, Exhibit 2
0008	FARM: GARDENING-MARKET OR TRUCK & DRIVERS	0008	Section IX - G, Exhibit 2
0016	FARM: ORCHARDS & DRIVERS	0016	Section IX - G, Exhibit 3
0034	FARM: POULTRY OR EGG PRODUCERS & DRIVERS	0034	Section IX - G, Exhibit 3
0035	FARM: FLORIST & DRIVERS	0035	Section IX - G, Exhibit 4
0036	FARM: DAIRY & DRIVERS	0034	Section IX - G, Exhibit 3
0037	FARM: FIELD CROPS & DRIVERS	0008	Section IX - G, Exhibit 2
0042	LANDSCAPE GARDENING & DRIVERS	0042	Section IX - G, Exhibit 4
0050	FARM MACHINERY OPERATION-BY CONTRACTOR & DRIVERS	0050	Section IX - G, Exhibit 5
0079	FARM: BERRY OR VINEYARD & DRIVERS	0079	Section IX - G, Exhibit 5
0083	FARM: CATTLE OR LIVESTOCK RAISING NOC & DRIVERS	0083	Section IX - G, Exhibit 6
0106	TREE PRUNING, SPRAYING, REPAIRING & DRIVERS	0106	Section IX - G, Exhibit 6
0113	FARM: FISH HATCHERY & DRIVERS	0034	Section IX - G, Exhibit 3
0170	FARM: ANIMAL RAISING & DRIVERS	0034	Section IX - G, Exhibit 3
0251	IRRIGATION WORKS OPERATION & DRIVERS	0251	Section IX - G, Exhibit 7
0908	DOMESTIC WORKERS-INSIDE-OCCASIONAL-NOC	0908	Section IX - G, Exhibit 7
0909	DOMESTIC WORKERS-OUTSIDE-OCCASIONAL-INCL OCCASNL PRIV CHAUFF	0909	Section IX - G, Exhibit 8
0912	DOMESTIC WORKERS-OUTSIDE-INCL PRIVATE CHAUFFERS	0909	Section IX - G, Exhibit 8
0913	DOMESTIC WORKERS-INSIDE-NOC	0908	Section IX - G, Exhibit 7
0917	DOMESTIC SERVICE CONTRACTOR-INSIDE	0917	Section IX - G, Exhibit 8
0918	DOMESTIC WORKERS-INSIDE-PHYSICAL ASSISTANCE	0918	Section IX - G, Exhibit 9
1430	SMELTING, SINTERING OR REFINING-LEAD & DRIVERS	1430	Section IX - G, Exhibit 9
1438	SMELTING, SINTERING OR REFINING-METALS-NOT IRON OR LEAD-NOC & D	1438	Section IX - G, Exhibit 10
1463	ASPHALT WORKS & DRIVERS	1463	Section IX - G, Exhibit 10
1624	QUARRY NOC & DRIVERS	1624	Section IX - G, Exhibit 11
1655	LIME MFG-QUARRY-SURFACE & DRIVERS	1655	Section IX - G, Exhibit 11
1701	CEMENT MFG	1701	Section IX - G, Exhibit 12
1710	STONE CRUSHING & DRIVERS	1624	Section IX - G, Exhibit 11
1747	EMERY WORKS & DRIVERS	1747	Section IX - G, Exhibit 12
1748	ABRASIVE WHEEL MFG & DRIVERS	1748	Section IX - G, Exhibit 13
1852	ASBESTOS GOODS MFG	1852	Section IX - G, Exhibit 13
1853	MICA GOODS MFG & MICA PREPARING	1853	Section IX - G, Exhibit 14
1860	ABRASIVE PAPER OR CLOTH PREPARATION	1860	Section IX - G, Exhibit 14
1924	WIRE DRAWING OR CABLE MFG-NOT IRON OR STEEL	1924	Section IX - G, Exhibit 15
1925	DIE CASTING MFG	1925	Section IX - G, Exhibit 15
2001	CRACKER MFG	2001	Section IX - G, Exhibit 16
2002	MACARONI MFG	2002	Section IX - G, Exhibit 16
2003	BAKERY & DRIVERS, ROUTE SUPERVISORS	2001	Section IX - G, Exhibit 16
2014	GRAIN MILLING	2014	Section IX - G, Exhibit 17
2021	SUGAR REFINING-ALL OPERATIONS & DRIVERS	2021	Section IX - G, Exhibit 17
2039	ICE CREAM MFG & DRIVERS	2039	Section IX - G, Exhibit 18
2041	CONFECTION MFG	2041	Section IX - G, Exhibit 18
2070	CREAMERY OR DAIRY & ROUTE SUPERVISORS, DRIVERS	2070	Section IX - G, Exhibit 19
2081	BUTCHERING	2081	Section IX - G, Exhibit 19
2089	PACKING HOUSE- ALL OPERATIONS	2089	Section IX - G, Exhibit 20
2095	MEAT PRODUCTS MFG-NOC	2095	Section IX - G, Exhibit 20
2101	FISH CURING	2089	Section IX - G, Exhibit 20
2111	CANNERY NOC	2111	Section IX - G, Exhibit 21
2114	OYSTERMEN	2089	Section IX - G, Exhibit 20
2115	SEAFOOD PRODUCTS MFG-NOC	2115	Section IX - G, Exhibit 21
2121	BREWERY & DRIVERS	2121	Section IX - G, Exhibit 22
2130	SPIRITUOUS LIQUOR DISTILLERY	2130	Section IX - G, Exhibit 22
2131	SPIRITUOUS LIQUOR BOTTLING	2131	Section IX - G, Exhibit 23
2143	FRUIT JUICE MFG	2143	Section IX - G, Exhibit 23
2150	ICE MFG	2150	Section IX - G, Exhibit 24
2156	BOTTLING-NOT CARBONATED LIQUIDS OR SPIRIT LIQRS & RTE SUP,DR	2156	Section IX - G, Exhibit 24
2157	BOTTLING NOC & ROUTE SUPERVISORS, DRIVERS	2157	Section IX - G, Exhibit 25
2172	CIGARETTE MFG	2172	Section IX - G, Exhibit 25
2174	TOBACCO REHANDLING OR WAREHOUSING	2174	Section IX - G, Exhibit 26
2211	COTTON BATTING,WADDING OR WASTE MFG	2211	Section IX - G, Exhibit 26
2220	YARN OR THREAD MFG-COTTON	2220	Section IX - G, Exhibit 27
2260	WOOL COMBING OR SCOURING	2260	Section IX - G, Exhibit 27
2286	WOOL SPINNING & WEAVING	2220	Section IX - G, Exhibit 27
2288	FELTING MFG	2288	Section IX - G, Exhibit 28
2302	SILK THREAD OR YARN MFG	2220	Section IX - G, Exhibit 27
2305	TEXTILE FIBER MFG-SYNTHETIC	2305	Section IX - G, Exhibit 28
2362	KNIT GOODS MFG NOC	2362	Section IX - G, Exhibit 29

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Section IX - Classification Pricing
 Subsection G - Class Relativities
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Section IX - G
 Exhibit 1

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Class	To find the A-Sheet for: Description	Class	Look at the A-Sheet for: Exhibit
2380	WEBBING MFG	2380	Section IX - G, Exhibit 29
2402	CARPET OR RUG MFG NOC	2402	Section IX - G, Exhibit 30
2413	TEXTILE - BLEACHING, DYEING, MERCERZNG, FINISH	2413	Section IX - G, Exhibit 30
2416	YARN OR THREAD DYEING OR FINISHING	2416	Section IX - G, Exhibit 31
2417	CLOTH PRINTING	2417	Section IX - G, Exhibit 31
2501	CLOTHING MFG	2501	Section IX - G, Exhibit 32
2503	DRESSMAKING OR TAILORING-CUSTOM EXCLUSIVELY	2503	Section IX - G, Exhibit 32
2534	FEATHER OR FLOWER MFG-ARTIFICIAL	2501	Section IX - G, Exhibit 32
2570	MATTRESS OR BOX SPRING MFG	2570	Section IX - G, Exhibit 33
2576	CANVAS GOODS MFG NOC-SHOP	2576	Section IX - G, Exhibit 33
2578	BAG OR SACK MFG-CLOTH	2576	Section IX - G, Exhibit 33
2585	LAUNDRY NOC & ROUTE SUPERVISORS, DRIVERS	2585	Section IX - G, Exhibit 34
2586	CLEANING OR DYEING & ROUTE SUPERVISORS, DRIVERS	2586	Section IX - G, Exhibit 34
2587	TOWEL OR TOILET SUPPLY CO & RTE SUPERVISORS, DR	2587	Section IX - G, Exhibit 35
2623	TANNING	2623	Section IX - G, Exhibit 35
2640	LEATHER EMBOSsing	2640	Section IX - G, Exhibit 36
2651	SHOE STOCK MFG	2640	Section IX - G, Exhibit 36
2660	BOOT OR SHOE MFG NOC	2660	Section IX - G, Exhibit 36
2683	LUGGAGE MFG	2683	Section IX - G, Exhibit 37
2688	LEATHER GOODS MFG NOC	2688	Section IX - G, Exhibit 37
2702	LOGGING OR LUMBERING & DRIVERS	2702	Section IX - G, Exhibit 38
2710	SAWMILLS	2710	Section IX - G, Exhibit 38
2731	PLANING OR MOLDING MILL	2731	Section IX - G, Exhibit 39
2741	COOPERAGE STOCK MFG	2741	Section IX - G, Exhibit 39
2747	COOPERAGE ASSEMBLY	2747	Section IX - G, Exhibit 40
2790	PATTERN MAKING NOC	2790	Section IX - G, Exhibit 40
2802	CARPENTRY-SHOP ONLY & DRIVERS	2802	Section IX - G, Exhibit 41
2835	BRUSH OR BROOM ASSEMBLY	2835	Section IX - G, Exhibit 41
2836	BRUSH OR BROOM MFG NOC	2836	Section IX - G, Exhibit 42
2841	WOODENWARE MFG NOC	2841	Section IX - G, Exhibit 42
2883	FURNITURE MFG-WOOD-NOC	2883	Section IX - G, Exhibit 43
2923	PIANO MFG	2923	Section IX - G, Exhibit 43
2942	PENCIL, PENHOLDER OR CRAYON MFG	2942	Section IX - G, Exhibit 44
3018	IRON OR STEEL: MFG: ROLLING MILL & DRIVERS	3018	Section IX - G, Exhibit 44
3022	PIPE OR TUBE MFG NOC & DRIVERS	3022	Section IX - G, Exhibit 45
3027	ROLLING MILL NOC & DRIVERS	3027	Section IX - G, Exhibit 45
3028	PIPE OR TUBE MFG - IRON OR STEEL & DRIVERS	3028	Section IX - G, Exhibit 46
3030	IRON OR STEEL: FABRICATION: IRON/STEEL WORK-SHOP-STRUCT & DR	3030	Section IX - G, Exhibit 46
3040	IRON OR STEEL: FABRICATION: IRON WORKS-SHOP-ORNAMENTAL & DR	3040	Section IX - G, Exhibit 47
3041	IRON OR STEEL: FABRICATION: IRON WORKS-SHP-DEC/ART &FNDRS,DR	3041	Section IX - G, Exhibit 47
3042	ELEVATOR OR ESCALATOR MFG	3042	Section IX - G, Exhibit 48
3064	SIGN MFG-METAL	3064	Section IX - G, Exhibit 48
3066	SHEET METAL WORK - SHOP	3064	Section IX - G, Exhibit 48
3076	FIREPROOF EQUIPMENT MFG	3076	Section IX - G, Exhibit 49
3081	FOUNDRY-FERROUS-NOC	3081	Section IX - G, Exhibit 49
3082	FOUNDRY-STEEL CASTINGS	3081	Section IX - G, Exhibit 49
3085	FOUNDRY-NON FERROUS	3085	Section IX - G, Exhibit 50
3110	FORGING WORK - DROP OR MACHINE	3110	Section IX - G, Exhibit 50
3111	BLACKSMITH	3111	Section IX - G, Exhibit 51
3113	TOOL MFG-NOT DROP OR MACHINE FORGED-NOC	3113	Section IX - G, Exhibit 51
3114	TOOL MFG-DROP OR MACHINE FORGED-NOC: MACHINING OR FINISHING	3114	Section IX - G, Exhibit 52
3118	SAW MFG	3113	Section IX - G, Exhibit 51
3119	NEEDLE MFG	3119	Section IX - G, Exhibit 52
3120	RAZOR MFG-SAFETY	3120	Section IX - G, Exhibit 53
3122	CUTLERY MFG-NOC	3122	Section IX - G, Exhibit 53
3127	PRECISION MEASURING TOOL MFG-NOC	3127	Section IX - G, Exhibit 54
3131	BUTTON OR FASTENER MFG-METAL	3131	Section IX - G, Exhibit 54
3132	NUT OR BOLT MFG	3132	Section IX - G, Exhibit 55
3145	SCREW MFG	3145	Section IX - G, Exhibit 55
3146	HARDWARE MFG-NOC	3146	Section IX - G, Exhibit 56
3169	STOVE MFG	3169	Section IX - G, Exhibit 56
3179	ELECTRICAL APPARATUS MFG-NOC	3179	Section IX - G, Exhibit 57
3180	ELECTRIC OR GAS LIGHTING FIXTURES MFG	3180	Section IX - G, Exhibit 57
3188	PLUMBERS SUPPLIES MFG-NOC	3188	Section IX - G, Exhibit 58
3200	ARMS MFG-SMALL	3200	Section IX - G, Exhibit 58
3220	CAN MFG	3220	Section IX - G, Exhibit 59
3227	ALUMINUM WARE MFG	3169	Section IX - G, Exhibit 56

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Section IX - Classification Pricing
 Subsection G - Class Relativities
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Section IX - G
 Exhibit 1

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Class	To find the A-Sheet for: Description	Class	Look at the A-Sheet for: Exhibit
3241	WIRE DRAWING - IRON OR STEEL	1924	Section IX - G, Exhibit 15
3255	WIRE CLOTH MFG	3255	Section IX - G, Exhibit 59
3257	WIRE GOODS MFG - NOC	3257	Section IX - G, Exhibit 60
3270	EYELET MFG	3270	Section IX - G, Exhibit 60
3300	BED SPRING OR WIRE MATTRESS MFG	3300	Section IX - G, Exhibit 61
3315	BRASS OR COPPER GOODS MFG	3315	Section IX - G, Exhibit 61
3336	TYPE FOUNDRY	3336	Section IX - G, Exhibit 62
3365	WELDING OR CUTTING - NOC & DRIVERS	3365	Section IX - G, Exhibit 62
3372	ELECTROPLATING	3372	Section IX - G, Exhibit 63
3373	GALVANIZING OR TINNING - NOT ELECTROLYTIC	3373	Section IX - G, Exhibit 63
3381	SILVERWARE MFG	3381	Section IX - G, Exhibit 64
3383	JEWELRY MFG	3383	Section IX - G, Exhibit 64
3385	WATCH MFG	3385	Section IX - G, Exhibit 65
3400	METAL GOODS MFG-NOC	3169	Section IX - G, Exhibit 56
3507	CONSTRUCTION OR AGRICULTURAL MACHINERY MFG	3507	Section IX - G, Exhibit 65
3515	TEXTILE MACHINERY MFG	3515	Section IX - G, Exhibit 66
3548	PRINTING OR BOOKBINDING MACHINE MFG	3548	Section IX - G, Exhibit 66
3558	BOOT OR SHOE MACHINERY MFG	3558	Section IX - G, Exhibit 67
3559	CONFECTION MACHINE MFG	3548	Section IX - G, Exhibit 66
3571	STEAM OR AIR PRESSURE GAUGE MFG	3571	Section IX - G, Exhibit 67
3574	CASH REGISTER MFG	3548	Section IX - G, Exhibit 66
3612	PUMP MFG	3612	Section IX - G, Exhibit 68
3620	BOILERMAKING	3620	Section IX - G, Exhibit 68
3629	PRECISION MACHINED PARTS MFG-NOC	3548	Section IX - G, Exhibit 66
3632	MACHINE SHOP-NOC	3548	Section IX - G, Exhibit 66
3634	VALVE MFG	3634	Section IX - G, Exhibit 69
3635	GEAR MFG OR GRINDING	3635	Section IX - G, Exhibit 69
3638	BALL OR ROLLER BEARING MFG	3548	Section IX - G, Exhibit 66
3642	BATTERY MFG-DRY	3642	Section IX - G, Exhibit 70
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9016	AMUSEMENT PARK OR EXHIBITION OPERATION & DR	9016	Section IX - G, Exhibit 177
9019	BRIDGE OR VEHICULAR TUNNEL OPERATION & DRIVERS	9019	Section IX - G, Exhibit 177
9033	HOUSING AUTHORITY & CLERICAL, SALES, DRIVERS	9033	Section IX - G, Exhibit 178
9040	HOSPITAL: ALL OTHER EMPLOYEES	9040	Section IX - G, Exhibit 178
9052	HOTEL: ALL OTHER EMPLOYEES & SALES, DRIVERS	9052	Section IX - G, Exhibit 179
9058	HOTEL: RESTAURANT EMPLOYEES	9052	Section IX - G, Exhibit 179
9060	CLUB-COUNTRY, GOLF, FISHING OR YACHT & CLERICAL	9060	Section IX - G, Exhibit 179
9061	CLUB NOC & CLERICAL	9061	Section IX - G, Exhibit 180
9063	YMCA, YWCA, YMHA OR YWHA, INSTITUTION-ALL EMPLOYEES & CLERICAL	9063	Section IX - G, Exhibit 180
9079	RESTAURANT NOC	9079	Section IX - G, Exhibit 181
9089	BILLIARD HALL	9089	Section IX - G, Exhibit 181
9093	BOWLING LANE	9093	Section IX - G, Exhibit 182
9101	COLLEGE: ALL OTHER EMPLOYEES	9101	Section IX - G, Exhibit 182
9102	PARK NOC- ALL EMPLOYEES & DRIVERS	9102	Section IX - G, Exhibit 183
9154	THEATER NOC: ALL OTHER EMPLOYEES	9154	Section IX - G, Exhibit 183
9156	THEATER NOC: PLAYERS, ENTERTAINERS OR MUSICIANS	9156	Section IX - G, Exhibit 184
9178	ATHLETIC TEAM OR PARK: NON-CONTACT SPORTS	9178	Section IX - G, Exhibit 184
9179	ATHLETIC TEAM OR PARK: CONTACT SPORTS	9179	Section IX - G, Exhibit 185
9180	AMUSEMENT DEVICE OPERATION NOC-NOT TRAV & DR	9180	Section IX - G, Exhibit 185
9182	ATHLETIC TEAM OR PARK: OPERATIONS & DRIVERS	9182	Section IX - G, Exhibit 186
9186	CARNIVAL, CIRCUS OR AMUSEMENT DEVICE OP-TRAV-ALL EMP & DR	9180	Section IX - G, Exhibit 185
9220	CEMETERY OPERATION & DRIVERS	9220	Section IX - G, Exhibit 186
9402	STREET CLEANING & DRIVERS	9402	Section IX - G, Exhibit 187
9403	GARBAGE, ASHES OR REFUSE COLLECTION & DRIVERS	9403	Section IX - G, Exhibit 187
9410	MUNICIPAL, TOWN, COUNTY OR STATE EMP NOC	9410	Section IX - G, Exhibit 188
9501	SIGN PAINTING OR LETTERING-INSIDE & DRIVERS	9501	Section IX - G, Exhibit 188
9505	PAINTING: AUTO OR CARRIAGE BODIES	9501	Section IX - G, Exhibit 188
9519	HOUSEHOLD APPLIANCES-ELECTRICAL-INSTALL, SERV OR REPAIR & DR	9519	Section IX - G, Exhibit 189
9521	HOUSE FURNISHINGS INSTALLATION-NOC	9521	Section IX - G, Exhibit 189
9522	UPHOLSTERING	9522	Section IX - G, Exhibit 190
9534	MOBILE CRANE & HOIST SERV CONTR-NOC-ALL OP -INCL YRD EMP &DR	9534	Section IX - G, Exhibit 190
9545	BILL POSTING & DRIVERS	9545	Section IX - G, Exhibit 191
9549	ADVERTISING CO & DRIVERS	9549	Section IX - G, Exhibit 191
9552	SIGN MFG-ERECTION, REPAIR OR MAINT & SHOP, DR	9552	Section IX - G, Exhibit 192
9553	SIGN PAINTING OR LETTERING-OUTSIDE OF BLDGS OR STRUCT & DR	9552	Section IX - G, Exhibit 192
9586	BARBER SHOP, BEAUTY PARLOR, HAIR STYLING SALON	9586	Section IX - G, Exhibit 192
9620	FUNERAL DIRECTOR & DRIVERS	9620	Section IX - G, Exhibit 193

IX 000071

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 2

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	149,320	1	35	47,605	242,488	313,600	603,693		
2001/2002	148,849	0	11	0	9,058	50,893	59,951		
2002/2003	142,888	1	24	82,786	146,063	256,056	484,906		
2003/2004	151,846	0	20	0	76,029	199,989	276,018		
2004/2005	141,278	1	13	171,184	66,904	169,423	407,511		
MA Total	734,181	3	103	301,575	540,542	989,962	1,832,078		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.319	1.624	2.100	4.043		
			2001/2002	0.000	0.061	0.342	0.403		
			2002/2003	0.579	1.022	1.792	3.394		
			2003/2004	0.000	0.501	1.317	1.818		
			2004/2005	1.212	0.474	1.199	2.884		
			MA Total Pure Premium:	0.411	0.736	1.348	2.495		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.841	2.245	1.833			
			(14) Massachusetts Credibility:	0.26	0.54	0.63			
			(15) Countrywide Pure Premium:	0.699	0.430	1.073	2.202		
			(16) Countrywide Indicated Relativity:	1.397	1.278	1.416			
			(17) Countrywide Credibility:	0.37	0.23	0.19			
			(18) Countrywide Lost-time Claims:	505	4,277				
			(19) Pure Premium Underlying Present Rate:	0.717	0.518	1.221	2.455		
			(20) Relativity to Underlying Present Rate:	1.287	1.480	1.834			
			(21) Credibility to Underlying Relativity:	0.370	0.230	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.212	1.847	1.754			
			(24) Balanced Formula Relativity:	1.199	1.842	1.746	1.594		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	194,887	1	15	77,483	264,070	213,223	554,775		
2001/2002	195,115	0	20	0	77,205	167,443	244,649		
2002/2003	204,355	1	6	80,180	24,534	141,684	246,398		
2003/2004	250,631	0	15	0	6,034	52,149	58,183		
2004/2005	211,889	0	9	0	37,578	79,986	117,565		
MA Total	1,056,877	2	65	157,663	409,422	654,485	1,221,570		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.398	1.355	1.094	2.847		
			2001/2002	0.000	0.396	0.858	1.254		
			2002/2003	0.392	0.120	0.693	1.206		
			2003/2004	0.000	0.024	0.208	0.232		
			2004/2005	0.000	0.177	0.377	0.555		
			MA Total Pure Premium:	0.149	0.387	0.619	1.156		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.305	1.181	0.842			
			(14) Massachusetts Credibility:	0.30	0.51	0.57			
			(15) Countrywide Pure Premium:	1.227	0.414	1.109	2.750		
			(16) Countrywide Indicated Relativity:	2.453	1.231	1.463			
			(17) Countrywide Credibility:	0.35	0.25	0.22			
			(18) Countrywide Lost-time Claims:	249	4,083				
			(19) Pure Premium Underlying Present Rate:	0.686	0.321	0.643	1.649		
			(20) Relativity to Underlying Present Rate:	1.231	0.916	0.966			
			(21) Credibility to Underlying Relativity:	0.350	0.240	0.210			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.381	1.130	1.004			
			(24) Balanced Formula Relativity:	1.366	1.127	1.000	1.142		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000072

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 3

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	49,270	0	4	0	8,943	29,909	38,852		
2001/2002	46,963	1	3	132,730	2,055	38,864	173,649		
2002/2003	50,801	0	3	0	1,668	11,677	13,345		
2003/2004	50,934	1	2	96,410	55,771	79,890	232,071		
2004/2005	62,874	0	0	0	0	15,135	15,135		
MA Total	260,842	2	12	229,140	68,437	175,475	473,052		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.182	0.607	0.789			
		2001/2002	2.826	0.044	0.828	3.698			
		2002/2003	0.000	0.033	0.230	0.263			
		2003/2004	1.893	1.095	1.569	4.556			
		2004/2005	0.000	0.000	0.241	0.241			
		MA Total Pure Premium:	0.878	0.262	0.673	1.814			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.799	0.800	0.914				
		(14) Massachusetts Credibility:	0.21	0.33	0.36				
		(15) Countrywide Pure Premium:	1.288	0.525	1.433	3.246			
		(16) Countrywide Indicated Relativity:	2.575	1.561	1.891				
		(17) Countrywide Credibility:	0.40	0.34	0.32				
		(18) Countrywide Lost-time Claims:	826	3,945					
		(19) Pure Premium Underlying Present Rate:	1.156	0.432	0.852	2.440			
		(20) Relativity to Underlying Present Rate:	2.076	1.235	1.280				
		(21) Credibility to Underlying Relativity:	0.390	0.330	0.320				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	2.217	1.202	1.344				
		(24) Balanced Formula Relativity:	2.193	1.199	1.338	1.578			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	102,070	0	15	0	82,437	189,875	272,311		
2001/2002	99,087	0	14	0	105,914	81,628	187,543		
2002/2003	92,781	1	7	81,882	30,215	159,587	271,683		
2003/2004	95,721	0	8	0	67,176	157,001	224,177		
2004/2005	97,359	0	9	0	30,663	49,675	80,338		
MA Total	487,018	1	53	81,882	316,405	637,765	1,036,053		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.808	1.860	2.668			
		2001/2002	0.000	1.069	0.824	1.893			
		2002/2003	0.883	0.326	1.720	2.928			
		2003/2004	0.000	0.702	1.640	2.342			
		2004/2005	0.000	0.315	0.510	0.825			
		MA Total Pure Premium:	0.168	0.650	1.310	2.127			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.344	1.981	1.780				
		(14) Massachusetts Credibility:	0.24	0.43	0.50				
		(15) Countrywide Pure Premium:	1.042	0.522	1.250	2.815			
		(16) Countrywide Indicated Relativity:	2.083	1.554	1.649				
		(17) Countrywide Credibility:	0.38	0.29	0.25				
		(18) Countrywide Lost-time Claims:	635	5,453					
		(19) Pure Premium Underlying Present Rate:	0.904	0.441	1.030	2.375			
		(20) Relativity to Underlying Present Rate:	1.623	1.261	1.547				
		(21) Credibility to Underlying Relativity:	0.380	0.280	0.250				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	1.491	1.656	1.689				
		(24) Balanced Formula Relativity:	1.475	1.652	1.682	1.610			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000073

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 4

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	381,617	0	26	0	133,097	110,317	243,414		
2001/2002	373,899	0	20	0	30,547	111,676	142,222		
2002/2003	365,493	1	34	74,443	190,482	369,125	634,050		
2003/2004	361,143	2	15	124,432	116,030	211,383	451,844		
2004/2005	360,068	0	29	0	268,708	286,150	554,858		
MA Total	1,842,220	3	124	198,874	738,864	1,088,650	2,026,388		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.000	0.349	0.289	0.638		
		2001/2002		0.000	0.082	0.299	0.380		
		2002/2003		0.204	0.521	1.010	1.735		
		2003/2004		0.345	0.321	0.585	1.251		
		2004/2005		0.000	0.746	0.795	1.541		
		MA Total Pure Premium:		0.108	0.401	0.591	1.100		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.221	1.223	0.803			
		(14) Massachusetts Credibility:		0.31	0.68	0.72			
		(15) Countrywide Pure Premium:		0.528	0.389	0.873	1.790		
		(16) Countrywide Indicated Relativity:		1.055	1.158	1.152			
		(17) Countrywide Credibility:		0.35	0.16	0.14			
		(18) Countrywide Lost-time Claims:		202	2,420				
		(19) Pure Premium Underlying Present Rate:		0.427	0.370	0.658	1.455		
		(20) Relativity to Underlying Present Rate:		0.767	1.058	0.989			
		(21) Credibility to Underlying Relativity:		0.340	0.160	0.140			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.698	1.186	0.878			
		(24) Balanced Formula Relativity:		0.691	1.183	0.874	0.882		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,230,283	15	310	1,067,259	1,164,706	2,330,389	4,562,353		
2001/2002	2,387,407	24	357	2,385,665	1,422,368	4,311,396	8,119,429		
2002/2003	2,636,954	33	334	3,943,187	1,925,774	5,209,278	11,078,239		
2003/2004	2,893,259	32	291	3,888,527	1,924,234	4,845,833	10,658,593		
2004/2005	3,196,697	18	329	4,130,441	2,370,584	5,321,263	11,822,287		
MA Total	13,344,600	122	1,621	15,415,078	8,807,665	22,018,158	46,240,901		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.479	0.522	1.045	2.046		
		2001/2002		0.999	0.596	1.806	3.401		
		2002/2003		1.495	0.730	1.975	4.201		
		2003/2004		1.344	0.665	1.675	3.684		
		2004/2005		1.292	0.742	1.665	3.698		
		MA Total Pure Premium:		1.155	0.660	1.650	3.465		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.365	2.013	2.243			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.933	0.584	1.371	2.889		
		(16) Countrywide Indicated Relativity:		1.866	1.737	1.809			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,619	13,356				
		(19) Pure Premium Underlying Present Rate:		1.215	0.681	1.385	3.281		
		(20) Relativity to Underlying Present Rate:		2.183	1.946	2.081			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.365	2.013	2.243			
		(24) Balanced Formula Relativity:		2.340	2.008	2.233	2.219		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000074

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 5

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction
0050 FARM MACHINERY OPERATION-BY CONTRACTOR & 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)	
2000/2001	4,166	0	0	0	0	0	0	
2001/2002	3,781	0	0	0	0	209	209	
2002/2003	9,391	0	0	0	0	0	0	
2003/2004	12,517	0	1	0	87	561	648	
2004/2005	11,233	0	3	0	45,916	20,104	66,020	
MA Total	41,088	0	4	0	46,003	20,874	66,877	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.000	0.000	0.000		
		2001/2002	0.000	0.000	0.055	0.055		
		2002/2003	0.000	0.000	0.000	0.000		
		2003/2004	0.000	0.007	0.045	0.052		
		2004/2005	0.000	4.088	1.790	5.877		
		MA Total Pure Premium:	0.000	1.120	0.508	1.628		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.000	1.680	0.271			
		(14) Massachusetts Credibility:	0.12	0.16	0.20			
		(15) Countrywide Pure Premium:	2.414	0.601	2.125	5.140		
		(16) Countrywide Indicated Relativity:	1.199	0.925	1.188			
		(17) Countrywide Credibility:	0.44	0.42	0.40			
		(18) Countrywide Lost-time Claims:	210	1,321				
		(19) Pure Premium Underlying Present Rate:	1.825	0.467	1.230	3.522		
		(20) Relativity to Underlying Present Rate:	0.793	0.652	0.766			
		(21) Credibility to Underlying Relativity:	0.440	0.420	0.400			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	0.877	0.931	0.836			
		(24) Balanced Formula Relativity:	0.878	0.932	0.836	0.869		

Class(es):		Effective: 9/1/2008						Goods & Services
0079 FARM: BERRY OR VINEYARD & 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)	
2000/2001	109,964	0	10	0	64,155	86,291	150,446	
2001/2002	115,462	3	13	507,983	108,388	459,627	1,075,998	
2002/2003	109,348	1	6	12,024	100,952	157,463	270,439	
2003/2004	114,849	0	5	0	23,083	30,758	53,841	
2004/2005	113,469	0	0	0	0	12,043	12,043	
MA Total	563,092	4	34	520,007	296,578	746,182	1,562,766	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.583	0.785	1.368		
		2001/2002	4.400	0.939	3.981	9.319		
		2002/2003	0.110	0.923	1.440	2.473		
		2003/2004	0.000	0.201	0.268	0.469		
		2004/2005	0.000	0.000	0.106	0.106		
		MA Total Pure Premium:	0.923	0.527	1.325	2.775		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	1.891	1.606	1.801			
		(14) Massachusetts Credibility:	0.28	0.51	0.59			
		(15) Countrywide Pure Premium:	0.777	0.253	0.809	1.840		
		(16) Countrywide Indicated Relativity:	1.553	0.753	1.068			
		(17) Countrywide Credibility:	0.36	0.25	0.21			
		(18) Countrywide Lost-time Claims:	409	926				
		(19) Pure Premium Underlying Present Rate:	1.149	0.583	1.322	3.054		
		(20) Relativity to Underlying Present Rate:	2.063	1.667	1.986			
		(21) Credibility to Underlying Relativity:	0.360	0.240	0.200			
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
		(23) Formula Relativity:	1.831	1.407	1.684			
		(24) Balanced Formula Relativity:	1.811	1.404	1.677	1.661		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000075

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 6

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	23,048	0	0	0	0	6,759	6,759		
2001/2002	38,904	1	3	86,603	8,986	31,356	126,946		
2002/2003	57,544	1	5	80,465	8,113	51,599	140,176		
2003/2004	52,503	0	6	0	10,914	44,386	55,300		
2004/2005	48,688	1	1	198,069	338	139,588	337,995		
MA Total	220,687	3	15	365,137	28,351	273,689	667,176		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.293	0.293			
		2001/2002	2.226	0.231	0.806	3.263			
		2002/2003	1.398	0.141	0.897	2.436			
		2003/2004	0.000	0.208	0.845	1.053			
		2004/2005	4.068	0.007	2.867	6.942			
		MA Total Pure Premium:	1.655	0.128	1.240	3.023			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.388	0.392	1.686				
		(14) Massachusetts Credibility:	0.23	0.33	0.38				
		(15) Countrywide Pure Premium:	1.894	0.767	2.032	4.692			
		(16) Countrywide Indicated Relativity:	3.786	2.281	2.680				
		(17) Countrywide Credibility:	0.39	0.34	0.31				
		(18) Countrywide Lost-time Claims:	174	3,256					
		(19) Pure Premium Underlying Present Rate:	1.792	0.529	1.164	3.485			
		(20) Relativity to Underlying Present Rate:	3.218	1.512	1.748				
		(21) Credibility to Underlying Relativity:	0.380	0.330	0.310				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	3.478	1.404	2.013				
		(24) Balanced Formula Relativity:	3.441	1.400	2.005	2.329			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	155,386	7	44	584,260	156,053	946,000	1,686,314		
2001/2002	150,279	4	32	300,284	233,494	795,493	1,329,271		
2002/2003	156,395	8	43	1,093,793	401,276	1,027,514	2,522,583		
2003/2004	164,941	2	41	254,141	250,554	888,849	1,393,544		
2004/2005	189,713	3	37	593,380	323,048	1,033,741	1,950,169		
MA Total	816,714	24	197	2,825,858	1,364,425	4,691,598	8,881,881		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	3.760	1.004	6.088	10.852			
		2001/2002	1.998	1.554	5.293	8.845			
		2002/2003	6.994	2.566	6.570	16.130			
		2003/2004	1.541	1.519	5.389	8.449			
		2004/2005	3.128	1.703	5.449	10.280			
		MA Total Pure Premium:	3.460	1.671	5.744	10.875			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.526	2.414	3.397				
		(14) Massachusetts Credibility:	0.60	0.87	1.00				
		(15) Countrywide Pure Premium:	3.800	1.393	4.426	9.619			
		(16) Countrywide Indicated Relativity:	3.071	2.245	2.869				
		(17) Countrywide Credibility:	0.20	0.07	0.00				
		(18) Countrywide Lost-time Claims:	531	3,826					
		(19) Pure Premium Underlying Present Rate:	5.183	1.540	5.956	12.679			
		(20) Relativity to Underlying Present Rate:	3.022	2.151	3.819				
		(21) Credibility to Underlying Relativity:	0.200	0.060	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	2.734	2.386	3.397				
		(24) Balanced Formula Relativity:	2.719	2.379	3.386	2.957			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000076

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 7

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous	
0251 IRRIGATION WORKS 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)			
2000/2001	211,336	2	18	296,870	118,241	210,049	625,161		
2001/2002	219,046	1	12	52,342	58,330	114,667	225,339		
2002/2003	111,295	3	7	410,942	16,107	378,671	805,720		
2003/2004	126,363	0	11	0	66,372	89,322	155,693		
2004/2005	126,118	0	5	0	100,946	56,665	157,612		
MA Total	794,158	6	53	760,155	359,996	849,374	1,969,525		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.405	0.559	0.994	2.958		
			2001/2002	0.239	0.266	0.523	1.029		
			2002/2003	3.692	0.145	3.402	7.240		
			2003/2004	0.000	0.525	0.707	1.232		
			2004/2005	0.000	0.800	0.449	1.250		
			MA Total Pure Premium:	0.957	0.453	1.070	2.480		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.699	0.655	0.632			
			(14) Massachusetts Credibility:	0.38	0.53	0.71			
			(15) Countrywide Pure Premium:	0.799	0.481	1.274	2.554		
			(16) Countrywide Indicated Relativity:	0.646	0.775	0.826			
			(17) Countrywide Credibility:	0.31	0.24	0.15			
			(18) Countrywide Lost-time Claims:	295	3,660				
			(19) Pure Premium Underlying Present Rate:	1.646	0.456	1.509	3.610		
			(20) Relativity to Underlying Present Rate:	0.959	0.637	0.967			
			(21) Credibility to Underlying Relativity:	0.310	0.230	0.140			
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
			(23) Formula Relativity:	0.763	0.680	0.708			
			(24) Balanced Formula Relativity:	0.759	0.677	0.706	0.720		

Class(es):		Effective: 9/1/2008						Goods & Services	
0908 DOMESTIC WORKERS-INSIDE-OCCASIONAL-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)			
2000/2001	3,001	2	10	186,610	56,414	132,309	375,333		
2001/2002	2,851	0	7	0	89,622	49,080	138,702		
2002/2003	2,802	0	10	0	62,519	94,390	156,908		
2003/2004	2,578	2	5	276,017	22,497	99,685	398,199		
2004/2005	2,527	3	9	868,314	44,998	831,234	1,744,546		
MA Total	13,759	7	41	1,330,941	276,050	1,206,698	2,813,689		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	62.192	18.801	44.095	125.088		
			2001/2002	0.000	31.438	17.216	48.654		
			2002/2003	0.000	22.309	33.682	55.991		
			2003/2004	107.087	8.728	38.675	154.490		
			2004/2005	343.587	17.805	328.915	690.308		
			MA Total Pure Premium:	96.732	20.063	87.702	204.498		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	198.070	61.184	119.200			
			(14) Massachusetts Credibility:	0.30	0.51	0.51			
			(15) Countrywide Pure Premium:	0.125	0.067	0.139	0.331		
			(16) Countrywide Indicated Relativity:	92.434	69.907	57.390			
			(17) Countrywide Credibility:	0.35	0.25	0.25			
			(18) Countrywide Lost-time Claims:	89	783				
			(19) Pure Premium Underlying Present Rate:	51.596	24.506	38.282	114.385		
			(20) Relativity to Underlying Present Rate:	92.659	70.052	57.510			
			(21) Credibility to Underlying Relativity:	0.350	0.240	0.240			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	124.202	65.493	88.944			
			(24) Balanced Formula Relativity:	122.860	65.325	88.551	94.440		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000077

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 8

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	468	0	2	0	17,872	13,578	31,450		
2001/2002	471	0	0	0	0	3,374	3,374		
2002/2003	421	0	2	0	1,422	35,596	37,018		
2003/2004	432	1	2	142,455	20,571	89,501	252,527		
2004/2005	417	0	6	0	29,714	62,520	92,234		
MA Total	2,209	1	12	142,455	69,580	204,569	416,604		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	38.163	28.994	67.158				
	2001/2002	0.000	0.000	7.168	7.168				
	2002/2003	0.000	3.380	84.581	87.961				
	2003/2004	329.451	47.574	206.987	584.012				
	2004/2005	0.000	71.309	150.036	221.345				
	MA Total Pure Premium:	64.488	31.498	92.607	188.594				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	132.040	96.054	125.870					
	(14) Massachusetts Credibility:	0.12	0.30	0.40					
	(15) Countrywide Pure Premium:	0.181	0.093	0.245	0.518				
	(16) Countrywide Indicated Relativity:	66.779	112.421	192.363					
	(17) Countrywide Credibility:	0.28	0.35	0.30					
	(18) Countrywide Lost-time Claims:	19	128						
	(19) Pure Premium Underlying Present Rate:	37.276	39.409	128.315	205.000				
	(20) Relativity to Underlying Present Rate:	66.942	112.654	192.763					
	(21) Credibility to Underlying Relativity:	0.600	0.350	0.300					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	74.708	107.592	165.885					
	(24) Balanced Formula Relativity:	73.901	107.317	165.153	124.218				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	111,335	0	14	0	83,847	33,700	117,547		
2001/2002	110,298	0	10	0	12,565	44,305	56,869		
2002/2003	122,576	0	14	0	74,250	51,702	125,953		
2003/2004	149,225	1	18	79,431	63,517	69,677	212,625		
2004/2005	172,664	0	28	0	297,501	288,919	586,420		
MA Total	666,098	1	84	79,431	531,680	488,303	1,099,414		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.753	0.303	1.056				
	2001/2002	0.000	0.114	0.402	0.516				
	2002/2003	0.000	0.606	0.422	1.028				
	2003/2004	0.532	0.426	0.467	1.425				
	2004/2005	0.000	1.723	1.673	3.396				
	MA Total Pure Premium:	0.119	0.798	0.733	1.651				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.244	2.434	0.996					
	(14) Massachusetts Credibility:	0.23	0.50	0.50					
	(15) Countrywide Pure Premium:	0.536	0.745	1.460	2.740				
	(16) Countrywide Indicated Relativity:	1.071	2.216	1.926					
	(17) Countrywide Credibility:	0.30	0.25	0.25					
	(18) Countrywide Lost-time Claims:	22	633						
	(19) Pure Premium Underlying Present Rate:	0.577	0.485	0.732	1.794				
	(20) Relativity to Underlying Present Rate:	1.036	1.385	1.100					
	(21) Credibility to Underlying Relativity:	0.470	0.250	0.250					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.864	2.117	1.255					
	(24) Balanced Formula Relativity:	0.855	2.112	1.249	1.307				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000078

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 9

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,424,230	1	41	79,358	167,544	118,479	365,380		
2001/2002	1,450,394	4	58	572,547	305,403	442,168	1,320,119		
2002/2003	1,693,911	1	41	84,338	201,329	161,472	447,140		
2003/2004	2,313,768	1	42	168,966	396,437	333,961	899,365		
2004/2005	2,594,027	1	39	167,915	489,222	353,155	1,010,292		
MA Total	9,476,330	8	221	1,073,125	1,559,936	1,409,234	4,042,296		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.056	0.118	0.083	0.257		
			2001/2002	0.395	0.211	0.305	0.910		
			2002/2003	0.050	0.119	0.095	0.264		
			2003/2004	0.073	0.171	0.144	0.389		
			2004/2005	0.065	0.189	0.136	0.389		
			MA Total Pure Premium:	0.113	0.165	0.149	0.427		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.232	0.502	0.202			
			(14) Massachusetts Credibility:	0.57	0.99	0.85			
			(15) Countrywide Pure Premium:	0.598	0.503	1.036	2.136		
			(16) Countrywide Indicated Relativity:	1.196	1.495	1.366			
			(17) Countrywide Credibility:	0.22	0.01	0.08			
			(18) Countrywide Lost-time Claims:	47	1,334				
			(19) Pure Premium Underlying Present Rate:	0.385	0.187	0.195	0.767		
			(20) Relativity to Underlying Present Rate:	0.691	0.535	0.293			
			(21) Credibility to Underlying Relativity:	0.210	0.000	0.070			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.540	0.512	0.302			
			(24) Balanced Formula Relativity:	0.534	0.511	0.300	0.418		

Class(es):		Effective: 9/1/2008						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)			
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		
2004/2005	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)		
			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		
			2004/2005	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:	1.223	0.710	0.990	2.923		
			(16) Countrywide Indicated Relativity:	2.011	2.081	1.258			
			(17) Countrywide Credibility:	0.23	0.48	0.50			
			(18) Countrywide Lost-time Claims:	11	142				
			(19) Pure Premium Underlying Present Rate:	3.091	4.534	1.605	9.231		
			(20) Relativity to Underlying Present Rate:	4.371	11.563	2.186			
			(21) Credibility to Underlying Relativity:	0.770	0.520	0.500			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	3.828	7.012	1.722			
			(24) Balanced Formula Relativity:	3.838	7.020	1.716	3.516		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000079

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 10

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	81,611	0	3	0	23,300	30,790	54,089	
2001/2002	79,469	0	1	0	2,279	10,644	12,923	
2002/2003	79,357	0	5	0	4,893	52,860	57,753	
2003/2004	69,587	1	1	197,017	1,856	255,043	453,916	
2004/2005	69,989	0	4	0	34,613	26,176	60,789	
MA Total	380,013	1	14	197,017	66,940	375,513	639,470	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.286	0.377	0.663		
		2001/2002	0.000	0.029	0.134	0.163		
		2002/2003	0.000	0.062	0.666	0.728		
		2003/2004	2.831	0.027	3.665	6.523		
		2004/2005	0.000	0.495	0.374	0.869		
		MA Total Pure Premium:	0.518	0.176	0.988	1.683		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.805	0.470	1.171			
		(14) Massachusetts Credibility:	0.24	0.36	0.47			
		(15) Countrywide Pure Premium:	0.852	0.515	1.037	2.403		
		(16) Countrywide Indicated Relativity:	1.401	1.509	1.317			
		(17) Countrywide Credibility:	0.38	0.32	0.27			
		(18) Countrywide Lost-time Claims:	109	1,280				
		(19) Pure Premium Underlying Present Rate:	1.150	0.364	1.110	2.624		
		(20) Relativity to Underlying Present Rate:	1.626	0.929	1.511			
		(21) Credibility to Underlying Relativity:	0.380	0.320	0.260			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	1.343	0.950	1.299			
		(24) Balanced Formula Relativity:	1.347	0.951	1.295	1.243		

Class(es):		Effective: 9/1/2008						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)	
2000/2001	81,997	1	13	85,358	76,376	161,492	323,225	
2001/2002	79,496	0	5	0	10,146	27,239	37,385	
2002/2003	130,384	0	13	0	99,891	88,407	188,298	
2003/2004	53,053	1	7	100,443	26,314	53,749	180,506	
2004/2005	59,467	0	5	0	76,790	50,287	127,077	
MA Total	404,397	2	43	185,801	289,517	381,174	856,492	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	1.041	0.931	1.969	3.942		
		2001/2002	0.000	0.128	0.343	0.470		
		2002/2003	0.000	0.766	0.678	1.444		
		2003/2004	1.893	0.496	1.013	3.402		
		2004/2005	0.000	1.291	0.846	2.137		
		MA Total Pure Premium:	0.459	0.716	0.943	2.118		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.714	1.912	1.117			
		(14) Massachusetts Credibility:	0.37	0.48	0.56			
		(15) Countrywide Pure Premium:	4.964	1.185	3.131	9.281		
		(16) Countrywide Indicated Relativity:	8.164	3.475	3.977			
		(17) Countrywide Credibility:	0.32	0.26	0.22			
		(18) Countrywide Lost-time Claims:	203	1,458				
		(19) Pure Premium Underlying Present Rate:	2.989	0.703	1.598	5.290		
		(20) Relativity to Underlying Present Rate:	4.227	1.793	2.176			
		(21) Credibility to Underlying Relativity:	0.310	0.260	0.220			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	4.187	2.287	1.979			
		(24) Balanced Formula Relativity:	4.197	2.290	1.973	2.806		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000080

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 11

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	327,116	6	14	878,667	47,389	546,133	1,472,189		
2001/2002	379,867	2	31	303,145	117,985	513,360	934,490		
2002/2003	451,518	4	27	771,998	166,793	497,612	1,436,403		
2003/2004	425,143	4	20	707,835	143,215	314,583	1,165,633		
2004/2005	450,132	5	29	1,274,377	597,290	1,510,525	3,382,192		
MA Total	2,033,776	21	121	3,936,021	1,072,673	3,382,213	8,390,906		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.686	0.145	1.670	4.501		
			2001/2002	0.798	0.311	1.351	2.460		
			2002/2003	1.710	0.369	1.102	3.181		
			2003/2004	1.665	0.337	0.740	2.742		
			2004/2005	2.831	1.327	3.356	7.514		
			MA Total Pure Premium:	1.935	0.527	1.663	4.126		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.413	0.762	0.983			
			(14) Massachusetts Credibility:	0.58	0.70	0.97			
			(15) Countrywide Pure Premium:	1.406	0.531	1.429	3.365		
			(16) Countrywide Indicated Relativity:	1.136	0.855	0.927			
			(17) Countrywide Credibility:	0.21	0.15	0.02			
			(18) Countrywide Lost-time Claims:	300	2,424				
			(19) Pure Premium Underlying Present Rate:	1.895	0.357	1.271	3.523		
			(20) Relativity to Underlying Present Rate:	1.105	0.498	0.815			
			(21) Credibility to Underlying Relativity:	0.210	0.150	0.010			
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
			(23) Formula Relativity:	1.290	0.736	0.981			
			(24) Balanced Formula Relativity:	1.283	0.734	0.977	1.044		

Class(es):		Effective: 9/1/2008						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)			
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		
2004/2005	441	0	0	0	0	0	0		
MA Total	1,664	0	0	0	0	0	0		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			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		
			2004/2005	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	0.04	0.07			
			(15) Countrywide Pure Premium:	2.485	0.497	2.034	5.016		
			(16) Countrywide Indicated Relativity:	2.008	0.801	1.319			
			(17) Countrywide Credibility:	0.20	0.36	0.44			
			(18) Countrywide Lost-time Claims:	8	70				
			(19) Pure Premium Underlying Present Rate:	1.773	0.443	1.826	4.042		
			(20) Relativity to Underlying Present Rate:	1.034	0.619	1.171			
			(21) Credibility to Underlying Relativity:	0.770	0.600	0.490			
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
			(23) Formula Relativity:	1.197	0.660	1.154			
			(24) Balanced Formula Relativity:	1.191	0.657	1.150	1.074		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000081

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 12

Calculation of Class Relativities

Class(es): 1701 CEMENT MFG		Effective: 9/1/2008						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)			
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	55,021	4,973	59,994		
2004/2005	530	0	0	0	0	0	0	0	
MA Total	12,954	0	1	0	55,021	4,973	59,994		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			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	92.283	8.342	100.625		
			2004/2005	0.000	0.000	0.000	0.000		
			MA Total Pure Premium:	0.000	4.247	0.384	4.631		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	11.343	0.455			
		(14) Massachusetts Credibility:		0.06	0.14	0.12			
		(15) Countrywide Pure Premium:		1.165	0.507	1.203	2.875		
		(16) Countrywide Indicated Relativity:		1.916	1.487	1.528			
		(17) Countrywide Credibility:		0.47	0.43	0.44			
		(18) Countrywide Lost-time Claims:		188	1,166				
		(19) Pure Premium Underlying Present Rate:		1.203	0.933	1.057	3.193		
		(20) Relativity to Underlying Present Rate:		1.701	2.380	1.438			
		(21) Credibility to Underlying Relativity:		0.470	0.430	0.440			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.700	3.251	1.360			
		(24) Balanced Formula Relativity:		1.704	3.254	1.356	1.858		

Class(es): 1747 EMERY WORKS & DRIVERS		Effective: 9/1/2008						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)			
2000/2001	38,979	1	2	147,779	2,290	148,743	298,811		
2001/2002	40,526	0	1	0	287	11,239	11,525		
2002/2003	42,709	0	8	0	5,652	20,371	26,024		
2003/2004	42,214	1	11	179,224	42,525	322,144	543,892		
2004/2005	42,315	0	8	0	5,461	16,009	21,470		
MA Total	206,743	2	30	327,003	56,214	518,506	901,723		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	3.791	0.059	3.816	7.666		
			2001/2002	0.000	0.007	0.277	0.284		
			2002/2003	0.000	0.132	0.477	0.609		
			2003/2004	4.246	1.007	7.631	12.884		
			2004/2005	0.000	0.129	0.378	0.507		
			MA Total Pure Premium:	1.582	0.272	2.508	4.362		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.456	0.726	2.972			
		(14) Massachusetts Credibility:		0.20	0.31	0.41			
		(15) Countrywide Pure Premium:		0.824	0.327	0.671	1.822		
		(16) Countrywide Indicated Relativity:		1.355	0.960	0.852			
		(17) Countrywide Credibility:		0.25	0.35	0.30			
		(18) Countrywide Lost-time Claims:		14	138				
		(19) Pure Premium Underlying Present Rate:		1.358	0.470	1.427	3.254		
		(20) Relativity to Underlying Present Rate:		1.920	1.198	1.942			
		(21) Credibility to Underlying Relativity:		0.550	0.340	0.290			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.886	0.968	2.037			
		(24) Balanced Formula Relativity:		1.890	0.969	2.031	1.769		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000082

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 13

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
1748 ABRASIVE WHEEL 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)			
2000/2001	125,206	2	11	229,456	55,529	106,500	391,484		
2001/2002	94,969	2	10	215,575	13,433	95,240	324,249		
2002/2003	72,014	1	6	73,761	14,936	67,424	156,121		
2003/2004	87,968	0	5	0	14,901	30,192	45,093		
2004/2005	85,007	1	3	155,552	30,817	100,538	286,907		
MA Total	465,164	6	35	674,345	129,616	399,894	1,203,855		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.833	0.443	0.851	3.127		
			2001/2002	2.270	0.141	1.003	3.414		
			2002/2003	1.024	0.207	0.936	2.168		
			2003/2004	0.000	0.169	0.343	0.513		
			2004/2005	1.830	0.363	1.183	3.375		
			MA Total Pure Premium:	1.450	0.279	0.860	2.588		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.251	0.744	1.019			
			(14) Massachusetts Credibility:	0.27	0.41	0.49			
			(15) Countrywide Pure Premium:	1.365	0.621	1.622	3.607		
			(16) Countrywide Indicated Relativity:	2.245	1.820	2.060			
			(17) Countrywide Credibility:	0.20	0.30	0.26			
			(18) Countrywide Lost-time Claims:	8	99				
			(19) Pure Premium Underlying Present Rate:	1.272	0.417	0.996	2.685		
			(20) Relativity to Underlying Present Rate:	1.799	1.064	1.356			
			(21) Credibility to Underlying Relativity:	0.530	0.290	0.250			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	2.010	1.160	1.374			
			(24) Balanced Formula Relativity:	2.015	1.161	1.369	1.551		

Class(es):		Effective: 9/1/2008						Manufacturing	
1852 ASBESTOS 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)			
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		
2004/2005	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)		
			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		
			2004/2005	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:	0.831	0.344	1.518	2.694		
			(16) Countrywide Indicated Relativity:	1.367	1.010	1.928			
			(17) Countrywide Credibility:	0.09	0.23	0.28			
			(18) Countrywide Lost-time Claims:	1	24				
			(19) Pure Premium Underlying Present Rate:	5.457	0.446	1.229	7.132		
			(20) Relativity to Underlying Present Rate:	7.716	1.138	1.673			
			(21) Credibility to Underlying Relativity:	0.910	0.770	0.720			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	7.145	1.109	1.745			
			(24) Balanced Formula Relativity:	7.162	1.110	1.739	3.488		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000083

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 14

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	327	0	0	0	0	0	0	0	
MA Total	4,275	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		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			
		2004/2005	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	0.06	0.06				
		(15) Countrywide Pure Premium:	0.000	0.193	0.259	0.452			
		(16) Countrywide Indicated Relativity:	0.000	0.567	0.328				
		(17) Countrywide Credibility:	0.00	0.18	0.22				
		(18) Countrywide Lost-time Claims:	0	13					
		(19) Pure Premium Underlying Present Rate:	0.886	0.304	0.585	1.774			
		(20) Relativity to Underlying Present Rate:	1.252	0.774	0.796				
		(21) Credibility to Underlying Relativity:	0.960	0.760	0.720				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.202	0.690	0.646				
		(24) Balanced Formula Relativity:	1.205	0.691	0.644	0.847			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	24,083	0	0	0	0	697	697	697	
2001/2002	22,331	0	0	0	0	1,323	1,323	1,323	
2002/2003	3,363	0	0	0	0	839	839	839	
2003/2004	16,269	0	1	0	43,218	4,024	47,242	47,242	
2004/2005	1,822	0	1	0	8,404	10,939	19,344	19,344	
MA Total	67,868	0	2	0	51,622	17,822	69,445	69,445	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.029	0.029			
		2001/2002	0.000	0.000	0.059	0.059			
		2002/2003	0.000	0.000	0.249	0.249			
		2003/2004	0.000	2.656	0.247	2.904			
		2004/2005	0.000	4.613	6.004	10.616			
		MA Total Pure Premium:	0.000	0.761	0.263	1.023			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.031	0.311	1.865			
		(14) Massachusetts Credibility:	0.12	0.15	0.17				
		(15) Countrywide Pure Premium:	0.577	0.246	1.042	1.865			
		(16) Countrywide Indicated Relativity:	0.948	0.722	1.324				
		(17) Countrywide Credibility:	0.19	0.38	0.42				
		(18) Countrywide Lost-time Claims:	7	78					
		(19) Pure Premium Underlying Present Rate:	1.129	0.220	0.489	1.838			
		(20) Relativity to Underlying Present Rate:	1.596	0.561	0.666				
		(21) Credibility to Underlying Relativity:	0.690	0.470	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.281	0.843	0.882				
		(24) Balanced Formula Relativity:	1.285	0.844	0.879	1.012			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000084

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 15

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	104,338	1	11	45,667	17,465	86,425	149,557	
2001/2002	83,379	0	6	0	28,074	36,081	64,155	
2002/2003	141,373	0	6	0	18,352	34,221	52,573	
2003/2004	136,118	0	9	0	104,925	104,984	209,909	
2004/2005	126,346	0	16	0	48,480	65,425	113,905	
MA Total	591,554	1	48	45,667	217,296	327,137	590,100	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	0.438	0.167	0.828	1.433	
			2001/2002	0.000	0.337	0.433	0.769	
			2002/2003	0.000	0.130	0.242	0.372	
			2003/2004	0.000	0.771	0.771	1.542	
			2004/2005	0.000	0.384	0.518	0.902	
			MA Total Pure Premium:	0.077	0.367	0.553	0.998	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.120	0.981	0.655		
			(14) Massachusetts Credibility:	0.27	0.47	0.47		
			(15) Countrywide Pure Premium:	1.076	0.467	1.130	2.674	
			(16) Countrywide Indicated Relativity:	1.770	1.371	1.435		
			(17) Countrywide Credibility:	0.37	0.27	0.27		
			(18) Countrywide Lost-time Claims:	131	1,375			
			(19) Pure Premium Underlying Present Rate:	0.944	0.453	0.732	2.129	
			(20) Relativity to Underlying Present Rate:	1.335	1.156	0.996		
			(21) Credibility to Underlying Relativity:	0.360	0.260	0.260		
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862	
			(23) Formula Relativity:	1.168	1.132	0.954		
			(24) Balanced Formula Relativity:	1.171	1.133	0.951	1.064	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	29,826	1	2	129,583	649	21,580	151,812	
2001/2002	29,871	0	2	0	732	2,623	3,354	
2002/2003	38,050	0	5	0	11,458	22,506	33,964	
2003/2004	39,455	2	7	211,968	24,265	148,248	384,481	
2004/2005	19,167	0	1	0	9,167	6,717	15,884	
MA Total	156,369	3	17	341,551	46,271	201,674	589,495	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	4.345	0.022	0.724	5.090	
			2001/2002	0.000	0.024	0.088	0.112	
			2002/2003	0.000	0.301	0.591	0.893	
			2003/2004	5.372	0.615	3.757	9.745	
			2004/2005	0.000	0.478	0.350	0.829	
			MA Total Pure Premium:	2.184	0.296	1.290	3.770	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	3.392	0.790	1.528		
			(14) Massachusetts Credibility:	0.20	0.31	0.34		
			(15) Countrywide Pure Premium:	0.803	0.576	1.410	2.789	
			(16) Countrywide Indicated Relativity:	1.321	1.689	1.790		
			(17) Countrywide Credibility:	0.40	0.35	0.33		
			(18) Countrywide Lost-time Claims:	92	1,324			
			(19) Pure Premium Underlying Present Rate:	1.653	0.602	1.191	3.446	
			(20) Relativity to Underlying Present Rate:	2.337	1.536	1.622		
			(21) Credibility to Underlying Relativity:	0.400	0.340	0.330		
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862	
			(23) Formula Relativity:	2.142	1.358	1.646		
			(24) Balanced Formula Relativity:	2.147	1.360	1.641	1.759	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000085

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 16

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	973,162	6	108	388,003	490,138	749,870	1,628,011		
2001/2002	1,174,245	8	129	651,841	691,000	1,450,040	2,792,881		
2002/2003	1,248,875	8	155	840,328	746,791	1,669,525	3,256,644		
2003/2004	1,262,556	7	122	1,032,220	781,135	1,383,580	3,196,936		
2004/2005	1,322,523	1	150	200,858	904,095	1,382,512	2,487,465		
MA Total	5,981,361	30	664	3,113,250	3,613,160	6,635,526	13,361,937		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.399	0.504	0.771	1.673				
	2001/2002	0.555	0.588	1.235	2.378				
	2002/2003	0.673	0.598	1.337	2.608				
	2003/2004	0.818	0.619	1.096	2.532				
	2004/2005	0.152	0.684	1.045	1.881				
	MA Total Pure Premium:	0.520	0.604	1.109	2.234				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.808	1.613	1.314					
	(14) Massachusetts Credibility:	0.63	1.00	1.00					
	(15) Countrywide Pure Premium:	1.003	0.507	1.207	2.718				
	(16) Countrywide Indicated Relativity:	1.650	1.488	1.533					
	(17) Countrywide Credibility:	0.19	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1.476	11.626						
	(19) Pure Premium Underlying Present Rate:	0.793	0.598	1.000	2.391				
	(20) Relativity to Underlying Present Rate:	1.122	1.526	1.361					
	(21) Credibility to Underlying Relativity:	0.180	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.025	1.613	1.314					
	(24) Balanced Formula Relativity:	1.027	1.615	1.310	1.274				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	9,420	0	0	0	0	0	0		
2001/2002	8,284	0	0	0	0	609	609		
2002/2003	10,917	0	0	0	0	242	242		
2003/2004	11,272	0	1	0	3,340	8,749	12,089		
2004/2005	6,934	0	2	0	38,301	27,838	66,140		
MA Total	46,827	0	3	0	41,641	37,438	79,080		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.000	0.000	0.000				
	2001/2002	0.000	0.000	0.073	0.073				
	2002/2003	0.000	0.000	0.022	0.022				
	2003/2004	0.000	0.296	0.776	1.072				
	2004/2005	0.000	5.524	4.015	9.538				
	MA Total Pure Premium:	0.000	0.889	0.800	1.689				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	2.375	0.947					
	(14) Massachusetts Credibility:	0.10	0.18	0.19					
	(15) Countrywide Pure Premium:	0.776	0.595	1.298	2.668				
	(16) Countrywide Indicated Relativity:	1.275	1.744	1.648					
	(17) Countrywide Credibility:	0.41	0.41	0.41					
	(18) Countrywide Lost-time Claims:	49	472						
	(19) Pure Premium Underlying Present Rate:	1.144	0.557	0.914	2.615				
	(20) Relativity to Underlying Present Rate:	1.618	1.419	1.245					
	(21) Credibility to Underlying Relativity:	0.490	0.410	0.400					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.316	1.724	1.354					
	(24) Balanced Formula Relativity:	1.319	1.726	1.349	1.415				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 17

Calculation of Class Relativities

Class(es): 2014 GRAIN MILLING		Effective: 9/1/2008						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)			
2000/2001	27,984	0	2	0	27,117	28,469	55,586		
2001/2002	28,760	0	3	0	1,217	8,038	9,255		
2002/2003	26,459	0	2	0	136	6,648	6,784		
2003/2004	15,953	0	0	0	0	4,453	4,453		
2004/2005	4,938	0	0	0	0	691	691		
MA Total	104,094	0	7	0	28,470	48,298	76,769		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.969	1.017	1.986			
		2001/2002	0.000	0.042	0.279	0.322			
		2002/2003	0.000	0.005	0.251	0.256			
		2003/2004	0.000	0.000	0.279	0.279			
		2004/2005	0.000	0.000	0.140	0.140			
		MA Total Pure Premium:	0.000	0.274	0.464	0.737			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.730	0.550				
		(14) Massachusetts Credibility:	0.16	0.24	0.26				
		(15) Countrywide Pure Premium:	1.353	0.580	1.561	3.493			
		(16) Countrywide Indicated Relativity:	2.225	1.700	1.982				
		(17) Countrywide Credibility:	0.42	0.38	0.37				
		(18) Countrywide Lost-time Claims:	200	1,871					
		(19) Pure Premium Underlying Present Rate:	1.390	0.476	0.939	2.804			
		(20) Relativity to Underlying Present Rate:	1.965	1.215	1.278				
		(21) Credibility to Underlying Relativity:	0.420	0.380	0.370				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.760	1.283	1.349				
		(24) Balanced Formula Relativity:	1.764	1.284	1.345	1.478			

Class(es): 2021 SUGAR REFINING-ALL OPERATIONS & DRIVERS		Effective: 9/1/2008						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)			
2000/2001	3,459	0	0	0	0	408	408		
2001/2002	2,093	0	1	0	2,204	4,706	6,910		
2002/2003	1,405	0	0	0	0	145	145		
2003/2004	1,279	0	0	0	0	0	0		
2004/2005	1,393	0	0	0	0	0	0		
MA Total	9,629	0	1	0	2,204	5,259	7,463		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.118	0.118			
		2001/2002	0.000	1.053	2.249	3.302			
		2002/2003	0.000	0.000	0.103	0.103			
		2003/2004	0.000	0.000	0.000	0.000			
		2004/2005	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.229	0.546	0.775			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.611	0.647				
		(14) Massachusetts Credibility:	0.06	0.08	0.09				
		(15) Countrywide Pure Premium:	1.843	0.461	1.268	3.571			
		(16) Countrywide Indicated Relativity:	3.031	1.350	1.610				
		(17) Countrywide Credibility:	0.38	0.46	0.46				
		(18) Countrywide Lost-time Claims:	39	332					
		(19) Pure Premium Underlying Present Rate:	1.314	0.363	0.698	2.375			
		(20) Relativity to Underlying Present Rate:	1.858	0.926	0.950				
		(21) Credibility to Underlying Relativity:	0.560	0.460	0.450				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.192	1.096	1.226				
		(24) Balanced Formula Relativity:	2.197	1.097	1.222	1.534			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000087

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 18

Calculation of Class Relativities

Class(es): 2039 ICE CREAM MFG & DRIVERS		Effective: 9/1/2008						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)			
2000/2001	32,052	1	4	51,351	29,665	55,437	136,453		
2001/2002	48,210	0	3	0	87,323	32,305	119,629		
2002/2003	27,465	0	1	0	10,616	14,463	25,079		
2003/2004	34,551	1	2	119,456	1,360	16,186	137,002		
2004/2005	67,350	0	6	0	8,050	30,960	39,009		
MA Total	209,628	2	16	170,807	137,013	149,352	457,173		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.602	0.926	1.730	4.257				
	2001/2002	0.000	1.811	0.670	2.481				
	2002/2003	0.000	0.387	0.527	0.913				
	2003/2004	3.457	0.039	0.468	3.965				
	2004/2005	0.000	0.120	0.460	0.579				
	MA Total Pure Premium:	0.815	0.654	0.712	2.181				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.265	1.746	0.844					
	(14) Massachusetts Credibility:	0.20	0.33	0.35					
	(15) Countrywide Pure Premium:	1.090	0.450	1.020	2.560				
	(16) Countrywide Indicated Relativity:	1.793	1.320	1.295					
	(17) Countrywide Credibility:	0.40	0.34	0.33					
	(18) Countrywide Lost-time Claims:	58	692						
	(19) Pure Premium Underlying Present Rate:	1.244	0.545	0.938	2.727				
	(20) Relativity to Underlying Present Rate:	1.760	1.389	1.277					
	(21) Credibility to Underlying Relativity:	0.400	0.330	0.320					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.674	1.483	1.131					
	(24) Balanced Formula Relativity:	1.678	1.485	1.128	1.390				

Class(es): 2041 CONFECTION MFG		Effective: 9/1/2008						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)			
2000/2001	75,635	0	5	0	14,406	12,861	27,267		
2001/2002	90,051	0	8	0	17,058	33,968	51,025		
2002/2003	66,993	0	4	0	9,991	10,206	20,198		
2003/2004	185,003	2	8	174,784	43,289	182,740	400,813		
2004/2005	177,546	2	9	349,737	114,008	285,822	749,567		
MA Total	595,228	4	34	524,521	198,751	525,597	1,248,869		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.190	0.170	0.361				
	2001/2002	0.000	0.189	0.377	0.567				
	2002/2003	0.000	0.149	0.152	0.301				
	2003/2004	0.945	0.234	0.988	2.167				
	2004/2005	1.970	0.642	1.610	4.222				
	MA Total Pure Premium:	0.881	0.334	0.883	2.098				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.369	0.892	1.046					
	(14) Massachusetts Credibility:	0.23	0.46	0.48					
	(15) Countrywide Pure Premium:	0.680	0.432	0.947	2.060				
	(16) Countrywide Indicated Relativity:	1.118	1.267	1.203					
	(17) Countrywide Credibility:	0.39	0.27	0.26					
	(18) Countrywide Lost-time Claims:	73	1,570						
	(19) Pure Premium Underlying Present Rate:	0.635	0.425	0.760	1.820				
	(20) Relativity to Underlying Present Rate:	0.898	1.083	1.035					
	(21) Credibility to Underlying Relativity:	0.380	0.270	0.260					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.092	1.045	1.084					
	(24) Balanced Formula Relativity:	1.095	1.046	1.081	1.079				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 19

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	248,019	3	43	277,814	215,051	279,200	772,065	
2001/2002	245,132	3	39	341,808	116,092	463,124	921,025	
2002/2003	227,894	4	39	413,152	124,896	570,070	1,108,118	
2003/2004	290,050	3	28	422,049	87,576	578,198	1,087,823	
2004/2005	159,170	0	6	0	40,657	53,918	94,575	
MA Total	1,170,265	13	155	1,454,823	584,272	1,944,511	3,983,606	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	1.120	0.867	1.126	3.113	
			2001/2002	1.394	0.474	1.889	3.757	
			2002/2003	1.813	0.548	2.501	4.862	
			2003/2004	1.455	0.302	1.993	3.750	
			2004/2005	0.000	0.255	0.339	0.594	
			MA Total Pure Premium:	1.243	0.499	1.662	3.404	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.931	1.333	1.969		
			(14) Massachusetts Credibility:	0.42	0.71	0.79		
			(15) Countrywide Pure Premium:	1.486	0.667	1.455	3.608	
			(16) Countrywide Indicated Relativity:	2.444	1.955	1.848		
			(17) Countrywide Credibility:	0.29	0.15	0.11		
			(18) Countrywide Lost-time Claims:	297	4,291			
			(19) Pure Premium Underlying Present Rate:	1.455	0.662	1.336	3.453	
			(20) Relativity to Underlying Present Rate:	2.057	1.689	1.818		
			(21) Credibility to Underlying Relativity:	0.290	0.140	0.100		
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862	
			(23) Formula Relativity:	2.116	1.476	1.940		
			(24) Balanced Formula Relativity:	2.121	1.478	1.934	1.907	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	5,063	0	2	0	5,354	6,978	12,331	
2001/2002	5,603	0	1	0	219	613	832	
2002/2003	6,323	0	3	0	4,985	3,790	8,775	
2003/2004	4,956	0	2	0	3,095	13,503	16,598	
2004/2005	3,860	0	2	0	2,937	3,250	6,186	
MA Total	25,805	0	10	0	16,589	28,133	44,723	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	0.000	1.057	1.378	2.436	
			2001/2002	0.000	0.039	0.109	0.149	
			2002/2003	0.000	0.788	0.599	1.388	
			2003/2004	0.000	0.625	2.724	3.349	
			2004/2005	0.000	0.761	0.842	1.603	
			MA Total Pure Premium:	0.000	0.643	1.090	1.733	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.000	1.717	1.292		
			(14) Massachusetts Credibility:	0.09	0.16	0.17		
			(15) Countrywide Pure Premium:	0.827	0.603	1.466	2.895	
			(16) Countrywide Indicated Relativity:	1.360	1.767	1.861		
			(17) Countrywide Credibility:	0.46	0.42	0.42		
			(18) Countrywide Lost-time Claims:	88	1,171			
			(19) Pure Premium Underlying Present Rate:	1.277	0.751	1.388	3.415	
			(20) Relativity to Underlying Present Rate:	1.806	1.914	1.889		
			(21) Credibility to Underlying Relativity:	0.450	0.420	0.410		
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862	
			(23) Formula Relativity:	1.438	1.821	1.776		
			(24) Balanced Formula Relativity:	1.442	1.823	1.770	1.667	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000089

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 20

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	624,198	4	86	405,204	467,898	650,949	1,524,050		
2001/2002	653,799	7	58	639,061	246,761	1,039,263	1,925,085		
2002/2003	689,494	9	71	817,836	262,257	825,822	1,905,916		
2003/2004	677,499	2	47	281,008	255,536	439,873	976,417		
2004/2005	640,220	2	39	424,597	417,951	595,883	1,438,431		
MA Total	3,285,210	24	301	2,567,707	1,650,403	3,551,789	7,769,899		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.649	0.750	1.043	2.442		
			2001/2002	0.977	0.377	1.590	2.944		
			2002/2003	1.186	0.380	1.198	2.764		
			2003/2004	0.415	0.377	0.649	1.441		
			2004/2005	0.663	0.653	0.931	2.247		
			MA Total Pure Premium:	0.782	0.502	1.081	2.365		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.214	1.342	1.281			
			(14) Massachusetts Credibility:	0.55	0.89	1.00			
			(15) Countrywide Pure Premium:	0.748	0.464	1.059	2.271		
			(16) Countrywide Indicated Relativity:	1.230	1.360	1.345			
			(17) Countrywide Credibility:	0.23	0.06	0.00			
			(18) Countrywide Lost-time Claims:	1,245	12,343				
			(19) Pure Premium Underlying Present Rate:	1.023	0.408	1.011	2.443		
			(20) Relativity to Underlying Present Rate:	1.447	1.042	1.377			
			(21) Credibility to Underlying Relativity:	0.220	0.050	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.269	1.328	1.281			
			(24) Balanced Formula Relativity:	1.272	1.329	1.277	1.286		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	240,445	7	63	728,630	191,413	624,181	1,544,224		
2001/2002	285,610	4	73	476,262	220,539	518,906	1,215,707		
2002/2003	361,351	11	41	1,195,193	243,689	1,069,183	2,508,066		
2003/2004	401,891	7	47	826,864	277,277	703,481	1,807,621		
2004/2005	320,248	1	29	127,333	298,308	190,648	616,289		
MA Total	1,609,545	30	253	3,354,281	1,231,227	3,106,399	7,691,907		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	3.030	0.796	2.596	6.422		
			2001/2002	1.668	0.772	1.817	4.257		
			2002/2003	3.308	0.674	2.959	6.941		
			2003/2004	2.057	0.690	1.750	4.498		
			2004/2005	0.398	0.931	0.595	1.924		
			MA Total Pure Premium:	2.084	0.765	1.930	4.779		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.237	2.043	2.287			
			(14) Massachusetts Credibility:	0.49	0.85	0.95			
			(15) Countrywide Pure Premium:	0.741	0.560	1.310	2.612		
			(16) Countrywide Indicated Relativity:	1.219	1.643	1.664			
			(17) Countrywide Credibility:	0.26	0.08	0.03			
			(18) Countrywide Lost-time Claims:	288	3,585				
			(19) Pure Premium Underlying Present Rate:	1.548	0.748	1.518	3.814		
			(20) Relativity to Underlying Present Rate:	2.189	1.906	2.067			
			(21) Credibility to Underlying Relativity:	0.250	0.070	0.020			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	2.450	2.001	2.264			
			(24) Balanced Formula Relativity:	2.456	2.004	2.257	2.275		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000090

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 21

Calculation of Class Relativities

Class(es): 2111 CANNERY NOC		Effective: 9/1/2008						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)			
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	20,659	0	0	0	0	1,128	1,128	1,128	
2004/2005	29,063	0	0	0	0	0	0	0	
MA Total	50,961	0	0	0	0	1,128	1,128	1,128	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	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	0.055	0.055				
	2004/2005	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	0.000	0.022	0.022				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.026					
	(14) Massachusetts Credibility:	0.09	0.17	0.19					
	(15) Countrywide Pure Premium:	0.638	0.482	1.101	2.221				
	(16) Countrywide Indicated Relativity:	1.049	1.415	1.398					
	(17) Countrywide Credibility:	0.46	0.42	0.41					
	(18) Countrywide Lost-time Claims:	302	2,524						
	(19) Pure Premium Underlying Present Rate:	0.765	0.434	0.832	2.031				
	(20) Relativity to Underlying Present Rate:	1.082	1.106	1.132					
	(21) Credibility to Underlying Relativity:	0.450	0.410	0.400					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.969	1.048	1.031					
	(24) Balanced Formula Relativity:	0.972	1.049	1.028	1.013				

Class(es): 2115 SEAFOOD PRODUCTS MFG-NOC		Effective: 9/1/2008						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)			
2000/2001	201,646	0	11	0	92,896	75,553	168,450	168,450	
2001/2002	220,886	3	12	404,809	59,713	101,695	566,217	566,217	
2002/2003	227,541	4	13	497,704	64,290	318,599	880,594	880,594	
2003/2004	225,391	4	14	676,870	73,070	549,315	1,299,254	1,299,254	
2004/2005	233,763	0	17	0	76,524	130,691	207,215	207,215	
MA Total	1,109,227	11	67	1,579,384	366,493	1,175,854	3,121,730	3,121,730	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.461	0.375	0.835				
	2001/2002	1.833	0.270	0.460	2.563				
	2002/2003	2.187	0.283	1.400	3.870				
	2003/2004	3.003	0.324	2.437	5.764				
	2004/2005	0.000	0.327	0.559	0.886				
	MA Total Pure Premium:	1.424	0.330	1.060	2.814				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.211	0.882	1.256					
	(14) Massachusetts Credibility:	0.34	0.64	0.63					
	(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000				
	(16) Countrywide Indicated Relativity:	1.270	1.327	1.091					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	0	0						
	(19) Pure Premium Underlying Present Rate:	0.904	0.524	0.806	2.233				
	(20) Relativity to Underlying Present Rate:	1.278	1.336	1.097					
	(21) Credibility to Underlying Relativity:	0.660	0.360	0.370					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.595	1.046	1.197					
	(24) Balanced Formula Relativity:	1.599	1.047	1.194	1.304				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000091

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 22

Calculation of Class Relativities

Class(es): 2121 BREWERY & DRIVERS		Effective: 9/1/2008						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)			
2000/2001	27,506	0	2	0	10,747	17,288	28,035		
2001/2002	28,236	1	0	107,239	0	246,621	353,860		
2002/2003	23,428	0	5	0	9,862	28,762	38,624		
2003/2004	30,081	0	0	0	0	3,904	3,904		
2004/2005	32,479	0	1	0	338	4,580	4,918		
MA Total	141,730	1	8	107,239	20,946	301,154	429,339		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.391	0.629	1.019				
	2001/2002	3.798	0.000	8.734	12.532				
	2002/2003	0.000	0.421	1.228	1.649				
	2003/2004	0.000	0.000	0.130	0.130				
	2004/2005	0.000	0.010	0.141	0.151				
	MA Total Pure Premium:	0.757	0.148	2.125	3.029				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.175	0.395	2.518					
	(14) Massachusetts Credibility:	0.15	0.22	0.28					
	(15) Countrywide Pure Premium:	0.833	0.342	0.736	1.911				
	(16) Countrywide Indicated Relativity:	1.370	1.002	0.935					
	(17) Countrywide Credibility:	0.43	0.39	0.36					
	(18) Countrywide Lost-time Claims:	68	641						
	(19) Pure Premium Underlying Present Rate:	0.864	0.299	0.853	2.016				
	(20) Relativity to Underlying Present Rate:	1.222	0.763	1.161					
	(21) Credibility to Underlying Relativity:	0.420	0.390	0.360					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.279	0.775	1.460					
	(24) Balanced Formula Relativity:	1.282	0.776	1.455	1.259				

Class(es): 2130 SPIRITUOUS LIQUOR DISTILLERY		Effective: 9/1/2008						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)			
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		
2004/2005	1,150	0	0	0	0	0	0		
MA Total	1,150	0	0	0	0	0	0		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	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				
	2004/2005	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:	0.02	0.04	0.04					
	(15) Countrywide Pure Premium:	0.572	0.368	0.822	1.762				
	(16) Countrywide Indicated Relativity:	0.941	1.078	1.044					
	(17) Countrywide Credibility:	0.18	0.46	0.48					
	(18) Countrywide Lost-time Claims:	6	131						
	(19) Pure Premium Underlying Present Rate:	1.153	0.467	0.988	2.607				
	(20) Relativity to Underlying Present Rate:	1.630	1.190	1.345					
	(21) Credibility to Underlying Relativity:	0.800	0.500	0.480					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.473	1.091	1.147					
	(24) Balanced Formula Relativity:	1.477	1.092	1.143	1.248				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000092

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 23

Calculation of Class Relativities

Class(es): 2131 SPIRITUOUS LIQUOR BOTTLING		Effective: 9/1/2008						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)			
2000/2001	29,728	0	0	0	0	4,159		4,159	
2001/2002	31,719	0	4	0	38,944	25,166		64,110	
2002/2003	31,980	1	2	57,507	5,904	33,167		96,578	
2003/2004	33,717	0	1	0	312	6,453		6,766	
2004/2005	37,265	0	3	0	10,587	26,125		36,711	
MA Total	164,409	1	10	57,507	55,747	95,070		208,324	
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)		Total (12)	
			2000/2001	0.000	0.000	0.140		0.140	
			2001/2002	0.000	1.228	0.793		2.021	
			2002/2003	1.798	0.185	1.037		3.020	
			2003/2004	0.000	0.009	0.191		0.201	
			2004/2005	0.000	0.284	0.701		0.985	
			MA Total Pure Premium:	0.350	0.339	0.578		1.267	
Pure Premium Relativities									
				Serious	Non-Serious	Medical		Total	
		(13) Massachusetts Indicated Relativity:		0.543	0.906	0.685			
		(14) Massachusetts Credibility:		0.14	0.26	0.27			
		(15) Countrywide Pure Premium:		0.537	0.462	1.024		2.022	
		(16) Countrywide Indicated Relativity:		0.883	1.355	1.300			
		(17) Countrywide Credibility:		0.17	0.37	0.37			
		(18) Countrywide Lost-time Claims:		5	156				
		(19) Pure Premium Underlying Present Rate:		0.672	0.383	0.668		1.723	
		(20) Relativity to Underlying Present Rate:		0.951	0.977	0.909			
		(21) Credibility to Underlying Relativity:		0.690	0.370	0.360			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844		1.862	
		(23) Formula Relativity:		0.882	1.098	0.993			
		(24) Balanced Formula Relativity:		0.884	1.100	0.990		0.976	

Class(es): 2143 FRUIT JUICE MFG		Effective: 9/1/2008						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)			
2000/2001	156,572	0	10	0	79,547	88,911		168,458	
2001/2002	166,464	1	20	127,953	92,491	280,812		501,256	
2002/2003	108,034	3	12	499,959	48,568	301,041		849,568	
2003/2004	89,752	0	1	0	2,441	22,524		24,965	
2004/2005	50,760	0	3	0	28,119	16,066		44,185	
MA Total	571,582	4	46	627,912	251,166	709,353		1,588,431	
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)		Total (12)	
			2000/2001	0.000	0.508	0.568		1.076	
			2001/2002	0.769	0.556	1.687		3.011	
			2002/2003	4.628	0.450	2.787		7.864	
			2003/2004	0.000	0.027	0.251		0.278	
			2004/2005	0.000	0.554	0.317		0.870	
			MA Total Pure Premium:	1.099	0.439	1.241		2.779	
Pure Premium Relativities									
				Serious	Non-Serious	Medical		Total	
		(13) Massachusetts Indicated Relativity:		1.706	1.174	1.470			
		(14) Massachusetts Credibility:		0.24	0.40	0.57			
		(15) Countrywide Pure Premium:		0.690	0.379	1.029		2.098	
		(16) Countrywide Indicated Relativity:		1.134	1.113	1.307			
		(17) Countrywide Credibility:		0.32	0.30	0.22			
		(18) Countrywide Lost-time Claims:		27	272				
		(19) Pure Premium Underlying Present Rate:		0.704	0.323	1.206		2.232	
		(20) Relativity to Underlying Present Rate:		0.995	0.822	1.642			
		(21) Credibility to Underlying Relativity:		0.440	0.300	0.210			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844		1.862	
		(23) Formula Relativity:		1.210	1.050	1.470			
		(24) Balanced Formula Relativity:		1.213	1.051	1.466		1.295	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000093

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 24

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
2150 ICE 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)			
2000/2001	5,623	0	0	0	0	2,585	2,585		
2001/2002	5,738	0	2	0	32,290	9,364	41,654		
2002/2003	6,702	0	0	0	0	0	0		
2003/2004	6,586	0	0	0	0	0	0		
2004/2005	4,955	0	3	0	127	3,393	3,520		
MA Total	29,604	0	5	0	32,417	15,342	47,759		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.460	0.460			
		2001/2002	0.000	5.628	1.632	7.259			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.000	0.000			
		2004/2005	0.000	0.026	0.685	0.710			
		MA Total Pure Premium:	0.000	1.095	0.518	1.613			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.924	0.614				
		(14) Massachusetts Credibility:	0.09	0.18	0.16				
		(15) Countrywide Pure Premium:	0.838	0.791	1.366	2.995			
		(16) Countrywide Indicated Relativity:	1.378	2.320	1.734				
		(17) Countrywide Credibility:	0.25	0.39	0.42				
		(18) Countrywide Lost-time Claims:	14	86					
		(19) Pure Premium Underlying Present Rate:	1.401	0.855	0.990	3.247			
		(20) Relativity to Underlying Present Rate:	1.982	2.181	1.347				
		(21) Credibility to Underlying Relativity:	0.660	0.430	0.420				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.652	2.369	1.393				
		(24) Balanced Formula Relativity:	1.657	2.372	1.388	1.679			

Class(es):		Effective: 9/1/2008						Manufacturing	
2156 BOTTLING-NOT CARBONATED LIQUIDS OR SPIRIT LIQRS & RTE SUP,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)			
2000/2001	53,470	2	5	199,532	15,722	179,069	394,323		
2001/2002	50,902	3	10	411,611	75,219	171,843	658,674		
2002/2003	60,153	0	11	0	59,950	127,956	187,906		
2003/2004	47,138	1	4	187,141	8,905	91,841	287,887		
2004/2005	57,811	1	19	173,279	339,830	295,138	808,246		
MA Total	269,474	7	49	971,563	499,626	865,847	2,337,036		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	3.732	0.294	3.349	7.375			
		2001/2002	8.086	1.478	3.376	12.940			
		2002/2003	0.000	0.997	2.127	3.124			
		2003/2004	3.970	0.189	1.948	6.107			
		2004/2005	2.997	5.878	5.105	13.981			
		MA Total Pure Premium:	3.605	1.854	3.213	8.673			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	5.599	4.952	3.807				
		(14) Massachusetts Credibility:	0.26	0.42	0.52				
		(15) Countrywide Pure Premium:	1.609	0.692	1.405	3.706			
		(16) Countrywide Indicated Relativity:	2.647	2.029	1.784				
		(17) Countrywide Credibility:	0.28	0.29	0.24				
		(18) Countrywide Lost-time Claims:	19	393					
		(19) Pure Premium Underlying Present Rate:	1.987	0.746	2.037	4.770			
		(20) Relativity to Underlying Present Rate:	2.809	1.903	2.774				
		(21) Credibility to Underlying Relativity:	0.460	0.290	0.240				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	3.489	3.220	3.073				
		(24) Balanced Formula Relativity:	3.498	3.224	3.064	3.246			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000094

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 25

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	86,823	1	10	109,284	58,955	276,403	444,643	
2001/2002	91,931	0	10	0	51,795	46,336	98,131	
2002/2003	197,721	1	34	152,291	186,109	294,695	633,094	
2003/2004	93,273	1	9	312,653	113,954	139,831	566,438	
2004/2005	194,289	1	7	147,252	238,817	222,575	608,644	
MA Total	664,037	4	70	721,481	649,629	979,839	2,350,949	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.259	0.679	3.184	5.121			
	2001/2002	0.000	0.563	0.504	1.067			
	2002/2003	0.770	0.941	1.490	3.202			
	2003/2004	3.352	1.222	1.499	6.073			
	2004/2005	0.758	1.229	1.146	3.133			
	MA Total Pure Premium:	1.087	0.978	1.476	3.540			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.687	2.613	1.748				
	(14) Massachusetts Credibility:	0.36	0.61	0.60				
	(15) Countrywide Pure Premium:	2.099	0.903	1.947	4.949			
	(16) Countrywide Indicated Relativity:	3.452	2.648	2.473				
	(17) Countrywide Credibility:	0.32	0.20	0.20				
	(18) Countrywide Lost-time Claims:	508	8,314					
	(19) Pure Premium Underlying Present Rate:	1.747	0.779	1.185	3.711			
	(20) Relativity to Underlying Present Rate:	2.470	1.986	1.614				
	(21) Credibility to Underlying Relativity:	0.320	0.190	0.200				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	2.503	2.501	1.866				
	(24) Balanced Formula Relativity:	2.509	2.503	1.860	2.214			

Class(es):		Effective: 9/1/2008						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)	
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	
2004/2005	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)			
	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			
	2004/2005	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:	0.686	0.292	0.471	1.449			
	(16) Countrywide Indicated Relativity:	1.128	0.857	0.598				
	(17) Countrywide Credibility:	0.39	0.49	0.49				
	(18) Countrywide Lost-time Claims:	42	504					
	(19) Pure Premium Underlying Present Rate:	0.762	0.268	0.424	1.454			
	(20) Relativity to Underlying Present Rate:	1.077	0.683	0.578				
	(21) Credibility to Underlying Relativity:	0.600	0.490	0.490				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	1.086	0.755	0.576				
	(24) Balanced Formula Relativity:	1.089	0.756	0.574	0.789			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000095

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 26

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	1,650	0	0	0	0	500	500	500	
MA Total	6,399	0	0	0	0	500	500	500	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			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		
			2004/2005	0.000	0.000	0.303	0.303		
			MA Total Pure Premium:	0.000	0.000	0.078	0.078		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.093			
		(14) Massachusetts Credibility:		0.06	0.09	0.11			
		(15) Countrywide Pure Premium:		0.667	0.397	0.773	1.836		
		(16) Countrywide Indicated Relativity:		1.096	1.165	0.981			
		(17) Countrywide Credibility:		0.21	0.45	0.45			
		(18) Countrywide Lost-time Claims:		9	124				
		(19) Pure Premium Underlying Present Rate:		2.286	0.677	1.590	4.553		
		(20) Relativity to Underlying Present Rate:		3.232	1.727	2.164			
		(21) Credibility to Underlying Relativity:		0.730	0.460	0.440			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		2.590	1.319	1.404			
		(24) Balanced Formula Relativity:		2.596	1.320	1.400	1.797		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,089	0	0	0	0	0	0	0	
2001/2002	1,518	0	1	0	180	579	759	759	
2002/2003	1,533	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	6,140	0	1	0	180	579	759	759	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.000	0.000		
			2001/2002	0.000	0.118	0.381	0.500		
			2002/2003	0.000	0.000	0.000	0.000		
			2003/2004	0.000	0.000	0.000	0.000		
			2004/2005	0.000	0.000	0.000	0.000		
			MA Total Pure Premium:	0.000	0.029	0.094	0.124		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.078	0.112			
		(14) Massachusetts Credibility:		0.06	0.09	0.10			
		(15) Countrywide Pure Premium:		2.417	0.625	2.185	5.228		
		(16) Countrywide Indicated Relativity:		3.976	1.832	2.775			
		(17) Countrywide Credibility:		0.30	0.46	0.45			
		(18) Countrywide Lost-time Claims:		23	128				
		(19) Pure Premium Underlying Present Rate:		2.011	0.732	1.395	4.138		
		(20) Relativity to Underlying Present Rate:		2.843	1.866	1.900			
		(21) Credibility to Underlying Relativity:		0.640	0.450	0.450			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		3.012	1.690	2.115			
		(24) Balanced Formula Relativity:		3.020	1.692	2.108	2.340		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000096

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 27

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
2220 YARN OR THREAD MFG-COTTON*									
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)			
2000/2001	135,608	4	10	243,579	19,398	125,506	388,483		
2001/2002	127,170	2	10	184,130	20,444	263,420	467,995		
2002/2003	126,712	2	7	204,912	63,421	170,295	438,628		
2003/2004	131,272	1	7	215,441	79,052	209,621	504,114		
2004/2005	132,537	0	10	0	75,440	134,586	210,026		
MA Total	653,299	9	44	848,063	257,755	903,429	2,009,247		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.796	0.143	0.926	2.865		
			2001/2002	1.448	0.161	2.071	3.680		
			2002/2003	1.617	0.501	1.344	3.462		
			2003/2004	1.641	0.602	1.597	3.840		
			2004/2005	0.000	0.569	1.015	1.585		
			MA Total Pure Premium:	1.298	0.395	1.383	3.076		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.016	1.054	1.638			
		(14) Massachusetts Credibility:		0.28	0.47	0.62			
		(15) Countrywide Pure Premium:		0.688	0.332	0.797	1.818		
		(16) Countrywide Indicated Relativity:		1.132	0.974	1.013			
		(17) Countrywide Credibility:		0.36	0.27	0.19			
		(18) Countrywide Lost-time Claims:		187	2,009				
		(19) Pure Premium Underlying Present Rate:		0.963	0.412	1.280	2.655		
		(20) Relativity to Underlying Present Rate:		1.362	1.050	1.743			
		(21) Credibility to Underlying Relativity:		0.360	0.260	0.190			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.462	1.031	1.539			
		(24) Balanced Formula Relativity:		1.466	1.032	1.535	1.410		

Class(es):		Effective: 9/1/2008						Manufacturing	
2260 WOOL COMBING OR SCOURING									
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)			
2000/2001	3,512	0	0	0	0	0	0		
2001/2002	3,108	0	0	0	0	2,168	2,168		
2002/2003	1,882	0	0	0	0	0	0		
2003/2004	1,604	0	0	0	0	0	0		
2004/2005	1,611	0	0	0	0	1,040	1,040		
MA Total	11,717	0	0	0	0	3,208	3,208		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.000	0.000		
			2001/2002	0.000	0.000	0.698	0.698		
			2002/2003	0.000	0.000	0.000	0.000		
			2003/2004	0.000	0.000	0.000	0.000		
			2004/2005	0.000	0.000	0.646	0.646		
			MA Total Pure Premium:	0.000	0.000	0.274	0.274		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.324			
		(14) Massachusetts Credibility:		0.09	0.12	0.12			
		(15) Countrywide Pure Premium:		0.000	0.984	1.382	2.366		
		(16) Countrywide Indicated Relativity:		0.000	2.885	1.755			
		(17) Countrywide Credibility:		0.00	0.14	0.17			
		(18) Countrywide Lost-time Claims:		0	7				
		(19) Pure Premium Underlying Present Rate:		3.052	0.718	1.103	4.873		
		(20) Relativity to Underlying Present Rate:		4.316	1.831	1.501			
		(21) Credibility to Underlying Relativity:		0.910	0.740	0.710			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		3.928	1.759	1.403			
		(24) Balanced Formula Relativity:		3.937	1.761	1.399	2.349		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000097

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 28

Calculation of Class Relativities

Class(es): 2288 FELTING MFG		Effective: 9/1/2008						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)		
2000/2001	109,522	1	8	52,545	43,588	60,655	156,788		
2001/2002	114,637	0	6	0	79,722	99,257	178,979		
2002/2003	112,354	1	12	77,434	28,355	48,073	153,861		
2003/2004	144,824	1	13	89,438	41,526	79,370	210,334		
2004/2005	123,151	0	10	0	22,708	39,836	62,544		
MA Total	604,488	3	49	219,417	215,899	327,190	762,506		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.480	0.398	0.554	1.432				
	2001/2002	0.000	0.695	0.866	1.561				
	2002/2003	0.689	0.252	0.428	1.369				
	2003/2004	0.618	0.287	0.548	1.452				
	2004/2005	0.000	0.184	0.323	0.508				
	MA Total Pure Premium:	0.363	0.357	0.541	1.261				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.564	0.954	0.641					
	(14) Massachusetts Credibility:	0.26	0.51	0.48					
	(15) Countrywide Pure Premium:	0.779	0.366	0.992	2.136				
	(16) Countrywide Indicated Relativity:	1.280	1.074	1.259					
	(17) Countrywide Credibility:	0.23	0.25	0.26					
	(18) Countrywide Lost-time Claims:	11	179						
	(19) Pure Premium Underlying Present Rate:	0.822	0.546	0.740	2.108				
	(20) Relativity to Underlying Present Rate:	1.163	1.392	1.007					
	(21) Credibility to Underlying Relativity:	0.510	0.240	0.260					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.034	1.089	0.897					
	(24) Balanced Formula Relativity:	1.037	1.090	0.894	0.983				

Class(es): 2305 TEXTILE FIBER MFG-SYNTHETIC		Effective: 9/1/2008						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)		
2000/2001	24,603	0	0	0	0	2,159	2,159		
2001/2002	4,808	0	1	0	1,311	1,663	2,973		
2002/2003	25,775	0	0	0	0	1,555	1,555		
2003/2004	20,398	0	0	0	0	535	535		
2004/2005	18,745	0	0	0	0	2,889	2,889		
MA Total	94,329	0	1	0	1,311	8,800	10,111		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.000	0.088	0.088				
	2001/2002	0.000	0.273	0.346	0.618				
	2002/2003	0.000	0.000	0.060	0.060				
	2003/2004	0.000	0.000	0.026	0.026				
	2004/2005	0.000	0.000	0.154	0.154				
	MA Total Pure Premium:	0.000	0.014	0.093	0.107				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.037	0.111					
	(14) Massachusetts Credibility:	0.12	0.19	0.20					
	(15) Countrywide Pure Premium:	0.750	0.283	0.624	1.657				
	(16) Countrywide Indicated Relativity:	1.233	0.830	0.793					
	(17) Countrywide Credibility:	0.44	0.41	0.40					
	(18) Countrywide Lost-time Claims:	91	979						
	(19) Pure Premium Underlying Present Rate:	0.723	0.293	0.552	1.568				
	(20) Relativity to Underlying Present Rate:	1.023	0.746	0.751					
	(21) Credibility to Underlying Relativity:	0.440	0.400	0.400					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.993	0.646	0.640					
	(24) Balanced Formula Relativity:	0.995	0.646	0.638	0.763				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000098

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 29

Calculation of Class Relativities

Class(es): 2362 KNIT GOODS MFG NOC		Effective: 9/1/2008						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)			
2000/2001	64,574	1	4	101,600	23,161	130,189	254,950		
2001/2002	61,458	0	7	0	33,567	23,481	57,049		
2002/2003	38,225	0	2	0	2,525	4,069	6,594		
2003/2004	34,547	0	3	0	3,664	18,685	22,349		
2004/2005	30,052	0	1	0	2,433	4,335	6,768		
MA Total	228,856	1	17	101,600	65,351	180,759	347,710		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.573	0.359	2.016	3.948		
			2001/2002	0.000	0.546	0.382	0.928		
			2002/2003	0.000	0.066	0.106	0.173		
			2003/2004	0.000	0.106	0.541	0.647		
			2004/2005	0.000	0.081	0.144	0.225		
			MA Total Pure Premium:	0.444	0.286	0.790	1.519		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.689	0.763	0.936			
			(14) Massachusetts Credibility:	0.17	0.29	0.31			
			(15) Countrywide Pure Premium:	0.653	0.356	0.797	1.806		
			(16) Countrywide Indicated Relativity:	1.074	1.043	1.012			
			(17) Countrywide Credibility:	0.42	0.36	0.35			
			(18) Countrywide Lost-time Claims:	109	647				
			(19) Pure Premium Underlying Present Rate:	0.788	0.350	0.646	1.784		
			(20) Relativity to Underlying Present Rate:	1.114	0.893	0.880			
			(21) Credibility to Underlying Relativity:	0.410	0.350	0.340			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.025	0.909	0.944			
			(24) Balanced Formula Relativity:	1.027	0.910	0.941	0.964		

Class(es): 2380 WEBBING MFG		Effective: 9/1/2008						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)			
2000/2001	103,630	0	13	0	68,006	76,247	144,253		
2001/2002	102,854	1	18	65,256	54,289	122,181	241,726		
2002/2003	94,512	0	13	0	123,037	82,347	205,385		
2003/2004	93,405	1	9	68,097	58,936	91,360	218,393		
2004/2005	84,175	0	8	0	135,021	186,182	321,203		
MA Total	478,576	2	61	133,353	439,290	558,316	1,130,959		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.656	0.736	1.392		
			2001/2002	0.634	0.528	1.188	2.350		
			2002/2003	0.000	1.302	0.871	2.173		
			2003/2004	0.729	0.631	0.978	2.338		
			2004/2005	0.000	1.604	2.212	3.816		
			MA Total Pure Premium:	0.279	0.918	1.167	2.363		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.433	2.451	1.382			
			(14) Massachusetts Credibility:	0.22	0.48	0.45			
			(15) Countrywide Pure Premium:	0.606	0.292	0.721	1.619		
			(16) Countrywide Indicated Relativity:	0.996	0.856	0.916			
			(17) Countrywide Credibility:	0.34	0.26	0.28			
			(18) Countrywide Lost-time Claims:	31	349				
			(19) Pure Premium Underlying Present Rate:	0.703	0.604	0.773	2.080		
			(20) Relativity to Underlying Present Rate:	0.994	1.541	1.053			
			(21) Credibility to Underlying Relativity:	0.440	0.260	0.270			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.871	1.800	1.163			
			(24) Balanced Formula Relativity:	0.873	1.802	1.159	1.190		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000099

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 30

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	5,928	0	1	0	3,198	4,603	7,802		
2001/2002	5,136	0	1	0	2,128	8,680	10,808		
2002/2003	4,470	1	0	80,348	0	5,386	85,734		
2003/2004	4,297	0	0	0	0	0	0		
2004/2005	5,926	0	1	0	556	439	995		
MA Total	25,757	1	3	80,348	5,882	19,108	105,339		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.540	0.777	1.316			
		2001/2002	0.000	0.414	1.690	2.104			
		2002/2003	17.977	0.000	1.205	19.182			
		2003/2004	0.000	0.000	0.000	0.000			
		2004/2005	0.000	0.094	0.074	0.168			
		MA Total Pure Premium:	3.119	0.228	0.742	4.090			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	4.845	0.610	0.879				
		(14) Massachusetts Credibility:	0.08	0.12	0.15				
		(15) Countrywide Pure Premium:	0.843	0.407	1.005	2.255			
		(16) Countrywide Indicated Relativity:	1.386	1.195	1.276				
		(17) Countrywide Credibility:	0.46	0.44	0.43				
		(18) Countrywide Lost-time Claims:	73	507					
		(19) Pure Premium Underlying Present Rate:	1.001	0.357	0.890	2.247			
		(20) Relativity to Underlying Present Rate:	1.416	0.909	1.211				
		(21) Credibility to Underlying Relativity:	0.460	0.440	0.420				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.676	0.999	1.189				
		(24) Balanced Formula Relativity:	1.681	1.000	1.186	1.319			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	250,726	5	29	438,392	170,840	253,613	862,845		
2001/2002	212,751	2	15	233,590	30,635	193,819	458,044		
2002/2003	218,506	4	23	519,700	157,109	369,233	1,046,041		
2003/2004	144,660	2	11	236,970	70,084	141,820	448,873		
2004/2005	212,538	1	16	185,001	144,380	288,596	617,978		
MA Total	1,039,181	14	94	1,613,653	573,047	1,247,080	3,433,781		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	1.748	0.681	1.012	3.441			
		2001/2002	1.098	0.144	0.911	2.153			
		2002/2003	2.378	0.719	1.690	4.787			
		2003/2004	1.638	0.484	0.980	3.103			
		2004/2005	0.870	0.679	1.358	2.908			
		MA Total Pure Premium:	1.553	0.551	1.200	3.304			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.412	1.473	1.422				
		(14) Massachusetts Credibility:	0.43	0.59	0.69				
		(15) Countrywide Pure Premium:	0.724	0.375	0.846	1.945			
		(16) Countrywide Indicated Relativity:	1.190	1.100	1.074				
		(17) Countrywide Credibility:	0.29	0.21	0.16				
		(18) Countrywide Lost-time Claims:	104	785					
		(19) Pure Premium Underlying Present Rate:	1.761	0.463	1.071	3.296			
		(20) Relativity to Underlying Present Rate:	2.491	1.181	1.459				
		(21) Credibility to Underlying Relativity:	0.280	0.200	0.150				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.080	1.336	1.372				
		(24) Balanced Formula Relativity:	2.085	1.338	1.368	1.609			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000100

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 31

Calculation of Class Relativities

Class(es): 2416 YARN OR THREAD DYEING OR FINISHING		Effective: 9/1/2008						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)			
2000/2001	36,267	1	5	69,076	7,239	64,423	140,738		
2001/2002	32,627	1	2	129,794	2,740	21,197	153,731		
2002/2003	27,669	0	3	0	3,099	24,801	27,900		
2003/2004	27,916	0	1	0	352	14,610	14,962		
2004/2005	21,921	0	6	0	83,157	48,092	131,250		
MA Total	146,400	2	17	198,870	96,587	173,124	468,581		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.905	0.200	1.776	3.881		
			2001/2002	3.978	0.084	0.650	4.712		
			2002/2003	0.000	0.112	0.896	1.008		
			2003/2004	0.000	0.013	0.523	0.536		
			2004/2005	0.000	3.793	2.194	5.987		
			MA Total Pure Premium:	1.358	0.660	1.183	3.201		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.110	1.762	1.401			
			(14) Massachusetts Credibility:	0.16	0.39	0.31			
			(15) Countrywide Pure Premium:	0.305	0.343	0.695	1.343		
			(16) Countrywide Indicated Relativity:	0.501	1.006	0.882			
			(17) Countrywide Credibility:	0.13	0.31	0.35			
			(18) Countrywide Lost-time Claims:	3	76				
			(19) Pure Premium Underlying Present Rate:	1.046	1.176	1.006	3.228		
			(20) Relativity to Underlying Present Rate:	1.479	3.000	1.370			
			(21) Credibility to Underlying Relativity:	0.710	0.300	0.340			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.453	1.899	1.209			
			(24) Balanced Formula Relativity:	1.456	1.901	1.205	1.432		

Class(es): 2417 CLOTH PRINTING		Effective: 9/1/2008						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)			
2000/2001	151,921	1	16	81,365	117,496	136,916	335,777		
2001/2002	123,143	3	18	337,377	62,759	209,935	610,070		
2002/2003	132,414	1	13	193,205	51,201	212,294	456,700		
2003/2004	131,720	0	12	0	149,254	73,215	222,469		
2004/2005	126,334	1	16	326,038	53,806	149,408	529,252		
MA Total	665,532	6	75	937,984	434,516	781,768	2,154,268		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.536	0.773	0.901	2.210		
			2001/2002	2.740	0.510	1.705	4.954		
			2002/2003	1.459	0.387	1.603	3.449		
			2003/2004	0.000	1.133	0.556	1.689		
			2004/2005	2.581	0.426	1.183	4.189		
			MA Total Pure Premium:	1.409	0.653	1.175	3.237		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.189	1.744	1.392			
			(14) Massachusetts Credibility:	0.29	0.48	0.55			
			(15) Countrywide Pure Premium:	0.649	0.311	0.725	1.685		
			(16) Countrywide Indicated Relativity:	1.068	0.911	0.920			
			(17) Countrywide Credibility:	0.21	0.26	0.23			
			(18) Countrywide Lost-time Claims:	9	91				
			(19) Pure Premium Underlying Present Rate:	1.025	0.442	0.952	2.420		
			(20) Relativity to Underlying Present Rate:	1.450	1.128	1.296			
			(21) Credibility to Underlying Relativity:	0.500	0.260	0.220			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.584	1.367	1.262			
			(24) Balanced Formula Relativity:	1.588	1.369	1.258	1.394		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000101

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 32

Calculation of Class Relativities

Class(es): 2501 CLOTHING MFG*		Effective: 9/1/2008						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)			
2000/2001	1,518,171	11	99	1,025,736	581,285	1,065,536	2,672,557		
2001/2002	1,344,228	13	94	1,703,262	643,645	1,699,808	4,046,715		
2002/2003	1,331,190	10	97	923,791	588,975	1,410,670	2,923,436		
2003/2004	1,363,706	8	75	763,756	868,680	1,020,838	2,653,274		
2004/2005	1,274,507	2	71	440,577	881,721	1,375,510	2,697,807		
MA Total	6,831,802	44	436	4,857,122	3,564,306	6,572,361	14,993,789		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.676	0.383	0.702	1.760		
		2001/2002		1.267	0.479	1.265	3.010		
		2002/2003		0.694	0.442	1.060	2.196		
		2003/2004		0.560	0.637	0.749	1.946		
		2004/2005		0.346	0.692	1.079	2.117		
		MA Total Pure Premium:		0.711	0.522	0.962	2.195		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.104	1.393	1.140			
		(14) Massachusetts Credibility:		0.66	1.00	1.00			
		(15) Countrywide Pure Premium:		0.483	0.371	0.819	1.673		
		(16) Countrywide Indicated Relativity:		0.795	1.087	1.040			
		(17) Countrywide Credibility:		0.17	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,142	9,672				
		(19) Pure Premium Underlying Present Rate:		0.791	0.470	0.758	2.019		
		(20) Relativity to Underlying Present Rate:		1.118	1.199	1.033			
		(21) Credibility to Underlying Relativity:		0.170	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.054	1.393	1.140			
		(24) Balanced Formula Relativity:		1.057	1.395	1.136	1.161		

Class(es): 2503 DRESSMAKING OR TAILORING-CUSTOM EXCLUSIVELY		Effective: 9/1/2008						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)			
2000/2001	58,013	1	1	144,345	1,218	4,989	150,552		
2001/2002	62,727	0	1	0	23,362	9,972	33,335		
2002/2003	67,660	0	3	0	17,168	10,572	27,740		
2003/2004	69,334	0	2	0	2,415	9,538	11,953		
2004/2005	66,739	0	0	0	0	2,328	2,328		
MA Total	324,473	1	7	144,345	44,163	37,399	225,908		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		2.488	0.021	0.086	2.595		
		2001/2002		0.000	0.372	0.159	0.531		
		2002/2003		0.000	0.254	0.156	0.410		
		2003/2004		0.000	0.035	0.138	0.172		
		2004/2005		0.000	0.000	0.035	0.035		
		MA Total Pure Premium:		0.445	0.136	0.115	0.696		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.691	0.364	0.137			
		(14) Massachusetts Credibility:		0.13	0.26	0.24			
		(15) Countrywide Pure Premium:		0.067	0.183	0.336	0.586		
		(16) Countrywide Indicated Relativity:		0.111	0.536	0.427			
		(17) Countrywide Credibility:		0.11	0.37	0.38			
		(18) Countrywide Lost-time Claims:		2	83				
		(19) Pure Premium Underlying Present Rate:		0.299	0.195	0.231	0.725		
		(20) Relativity to Underlying Present Rate:		0.423	0.496	0.315			
		(21) Credibility to Underlying Relativity:		0.760	0.370	0.380			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.423	0.476	0.315			
		(24) Balanced Formula Relativity:		0.424	0.477	0.314	0.385		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000102

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 33

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	58,483	3	4	251,415	2,084	92,470	345,969		
2001/2002	73,252	2	15	129,288	82,456	138,244	349,987		
2002/2003	33,203	0	3	0	4,759	9,805	14,564		
2003/2004	14,970	0	3	0	2,162	2,702	4,863		
2004/2005	17,479	0	2	0	6,880	22,353	29,234		
MA Total	197,387	5	27	380,703	98,340	265,574	744,617		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	4.299	0.036	1.581	5.916		
			2001/2002	1.765	1.126	1.887	4.778		
			2002/2003	0.000	0.143	0.295	0.439		
			2003/2004	0.000	0.144	0.180	0.325		
			2004/2005	0.000	0.394	1.279	1.673		
			MA Total Pure Premium:	1.929	0.498	1.345	3.772		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.995	1.331	1.594			
			(14) Massachusetts Credibility:	0.22	0.36	0.41			
			(15) Countrywide Pure Premium:	0.925	0.603	1.130	2.658		
			(16) Countrywide Indicated Relativity:	1.522	1.767	1.435			
			(17) Countrywide Credibility:	0.39	0.32	0.30			
			(18) Countrywide Lost-time Claims:	90	1,233				
			(19) Pure Premium Underlying Present Rate:	1.696	0.700	1.482	3.878		
			(20) Relativity to Underlying Present Rate:	2.398	1.785	2.018			
			(21) Credibility to Underlying Relativity:	0.390	0.320	0.290			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	2.188	1.616	1.669			
			(24) Balanced Formula Relativity:	2.193	1.618	1.664	1.838		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	69,940	1	8	60,537	40,802	96,786	198,125		
2001/2002	68,201	1	5	47,355	8,740	58,799	114,895		
2002/2003	75,834	0	7	0	9,880	27,303	37,183		
2003/2004	68,874	1	5	113,770	12,614	162,753	289,138		
2004/2005	77,573	0	5	0	72,641	35,330	107,970		
MA Total	360,422	3	30	221,661	144,678	380,971	747,311		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.866	0.583	1.384	2.833		
			2001/2002	0.694	0.128	0.862	1.685		
			2002/2003	0.000	0.130	0.360	0.490		
			2003/2004	1.652	0.183	2.363	4.198		
			2004/2005	0.000	0.936	0.455	1.392		
			MA Total Pure Premium:	0.615	0.401	1.057	2.073		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.955	1.072	1.252			
			(14) Massachusetts Credibility:	0.21	0.37	0.45			
			(15) Countrywide Pure Premium:	0.848	0.426	1.080	2.354		
			(16) Countrywide Indicated Relativity:	1.395	1.249	1.372			
			(17) Countrywide Credibility:	0.37	0.32	0.28			
			(18) Countrywide Lost-time Claims:	38	251				
			(19) Pure Premium Underlying Present Rate:	0.822	0.429	1.075	2.326		
			(20) Relativity to Underlying Present Rate:	1.163	1.094	1.464			
			(21) Credibility to Underlying Relativity:	0.420	0.310	0.270			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.205	1.135	1.343			
			(24) Balanced Formula Relativity:	1.208	1.137	1.339	1.253		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000103

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 34

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
2585 LAUNDRY NOC & ROUTE SUPERVISORS, 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)			
2000/2001	600,134	5	60	334,020	188,720	631,586	1,154,326		
2001/2002	607,159	6	67	539,747	299,708	518,951	1,358,405		
2002/2003	523,286	3	52	356,691	362,730	533,891	1,253,312		
2003/2004	604,473	3	41	353,262	364,481	625,247	1,342,990		
2004/2005	549,369	2	51	403,750	378,198	542,069	1,324,016		
MA Total	2,884,421	19	271	1,987,469	1,593,836	2,851,744	6,433,049		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.557	0.314	1.052	1.923				
	2001/2002	0.889	0.494	0.855	2.237				
	2002/2003	0.682	0.693	1.020	2.395				
	2003/2004	0.584	0.603	1.034	2.222				
	2004/2005	0.735	0.688	0.987	2.410				
	MA Total Pure Premium:	0.689	0.553	0.989	2.230				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.070	1.476	1.171					
	(14) Massachusetts Credibility:	0.49	0.98	1.00					
	(15) Countrywide Pure Premium:	1.035	0.594	1.424	3.053				
	(16) Countrywide Indicated Relativity:	1.702	1.743	1.808					
	(17) Countrywide Credibility:	0.26	0.01	0.00					
	(18) Countrywide Lost-time Claims:	577	5,744						
	(19) Pure Premium Underlying Present Rate:	0.895	0.591	1.015	2.502				
	(20) Relativity to Underlying Present Rate:	1.266	1.508	1.382					
	(21) Credibility to Underlying Relativity:	0.250	0.010	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.283	1.479	1.171					
	(24) Balanced Formula Relativity:	1.287	1.480	1.168	1.272				

Class(es):		Effective: 9/1/2008						Manufacturing	
2586 CLEANING OR DYEING & ROUTE SUPERVISORS, 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)			
2000/2001	493,012	1	16	100,090	109,950	133,093	343,134		
2001/2002	486,952	4	14	315,918	37,267	196,165	549,351		
2002/2003	466,102	1	12	65,499	121,452	172,536	359,487		
2003/2004	477,686	0	11	0	169,483	168,461	337,943		
2004/2005	460,946	0	13	0	216,157	212,818	428,976		
MA Total	2,384,698	6	66	481,508	654,309	883,073	2,018,890		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.203	0.223	0.270	0.696				
	2001/2002	0.649	0.077	0.403	1.128				
	2002/2003	0.141	0.261	0.370	0.771				
	2003/2004	0.000	0.355	0.353	0.707				
	2004/2005	0.000	0.469	0.462	0.931				
	MA Total Pure Premium:	0.202	0.274	0.370	0.847				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.314	0.733	0.439					
	(14) Massachusetts Credibility:	0.34	0.60	0.61					
	(15) Countrywide Pure Premium:	0.485	0.315	0.682	1.482				
	(16) Countrywide Indicated Relativity:	0.798	0.922	0.866					
	(17) Countrywide Credibility:	0.33	0.20	0.20					
	(18) Countrywide Lost-time Claims:	61	652						
	(19) Pure Premium Underlying Present Rate:	0.435	0.206	0.340	0.981				
	(20) Relativity to Underlying Present Rate:	0.615	0.526	0.463					
	(21) Credibility to Underlying Relativity:	0.330	0.200	0.190					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.573	0.729	0.529					
	(24) Balanced Formula Relativity:	0.574	0.730	0.527	0.584				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000104

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 35

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	9,103	0	1	0	2,990	8,646	11,635		
2001/2002	13,572	0	1	0	1,097	3,543	4,640		
2002/2003	6,910	0	0	0	0	0	0		
2003/2004	12,482	0	0	0	0	0	0		
2004/2005	14,592	0	0	0	0	0	0		
MA Total	56,659	0	2	0	4,087	12,189	16,275		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
2000/2001		0.000	0.328	0.950	1.278				
2001/2002		0.000	0.081	0.261	0.342				
2002/2003		0.000	0.000	0.000	0.000				
2003/2004		0.000	0.000	0.000	0.000				
2004/2005		0.000	0.000	0.000	0.000				
MA Total Pure Premium:		0.000	0.072	0.215	0.287				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
(13) Massachusetts Indicated Relativity:		0.000	0.220	0.292					
(14) Massachusetts Credibility:		0.08	0.17	0.19					
(15) Countrywide Pure Premium:		1.202	0.681	1.713	3.596				
(16) Countrywide Indicated Relativity:		2.403	2.025	2.260					
(17) Countrywide Credibility:		0.22	0.42	0.41					
(18) Countrywide Lost-time Claims:		10	197						
(19) Pure Premium Underlying Present Rate:		0.494	0.375	0.779	1.648				
(20) Relativity to Underlying Present Rate:		0.887	1.071	1.171					
(21) Credibility to Underlying Relativity:		0.700	0.410	0.400					
(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552				
(23) Formula Relativity:		1.149	1.327	1.450					
(24) Balanced Formula Relativity:		1.137	1.324	1.444	1.322				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	10,567	0	0	0	0	661	661		
2001/2002	8,558	0	0	0	0	2,808	2,808		
2002/2003	5,763	0	0	0	0	0	0		
2003/2004	5,648	0	0	0	0	0	0		
2004/2005	4,763	0	0	0	0	0	0		
MA Total	35,299	0	0	0	0	3,470	3,470		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
2000/2001		0.000	0.000	0.063	0.063				
2001/2002		0.000	0.000	0.328	0.328				
2002/2003		0.000	0.000	0.000	0.000				
2003/2004		0.000	0.000	0.000	0.000				
2004/2005		0.000	0.000	0.000	0.000				
MA Total Pure Premium:		0.000	0.000	0.098	0.098				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
(13) Massachusetts Indicated Relativity:		0.000	0.000	0.116					
(14) Massachusetts Credibility:		0.09	0.14	0.14					
(15) Countrywide Pure Premium:		1.844	0.714	1.125	3.683				
(16) Countrywide Indicated Relativity:		3.033	2.095	1.428					
(17) Countrywide Credibility:		0.23	0.43	0.43					
(18) Countrywide Lost-time Claims:		12	291						
(19) Pure Premium Underlying Present Rate:		1.065	0.395	0.603	2.063				
(20) Relativity to Underlying Present Rate:		1.506	1.006	0.821					
(21) Credibility to Underlying Relativity:		0.680	0.430	0.430					
(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862				
(23) Formula Relativity:		1.722	1.333	0.984					
(24) Balanced Formula Relativity:		1.726	1.335	0.981	1.309				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000105

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 36

Calculation of Class Relativities

Class(es): 2640 LEATHER EMBOSSING*		Effective: 9/1/2008						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)			
2000/2001	71,767	1	5	91,344	47,537	83,203	222,084		
2001/2002	65,009	0	5	0	42,046	49,241	91,287		
2002/2003	63,340	0	5	0	9,245	20,006	29,251		
2003/2004	69,324	0	4	0	64,208	38,512	102,719		
2004/2005	64,605	0	2	0	18,075	14,000	32,075		
MA Total	334,045	1	21	91,344	181,110	204,962	477,416		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.273	0.662	1.159	3.094		
			2001/2002	0.000	0.647	0.757	1.404		
			2002/2003	0.000	0.146	0.316	0.462		
			2003/2004	0.000	0.926	0.556	1.482		
			2004/2005	0.000	0.280	0.217	0.496		
			MA Total Pure Premium:	0.273	0.542	0.614	1.429		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.425	1.448	0.727			
			(14) Massachusetts Credibility:	0.23	0.36	0.43			
			(15) Countrywide Pure Premium:	0.631	0.332	1.041	2.004		
			(16) Countrywide Indicated Relativity:	1.038	0.972	1.323			
			(17) Countrywide Credibility:	0.25	0.32	0.29			
			(18) Countrywide Lost-time Claims:	14	195				
			(19) Pure Premium Underlying Present Rate:	1.119	0.409	1.029	2.557		
			(20) Relativity to Underlying Present Rate:	1.583	1.042	1.402			
			(21) Credibility to Underlying Relativity:	0.520	0.320	0.280			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.180	1.166	1.089			
			(24) Balanced Formula Relativity:	1.183	1.167	1.085	1.135		

Class(es): 2660 BOOT OR SHOE MFG NOC		Effective: 9/1/2008						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)			
2000/2001	213,100	1	27	62,134	176,275	485,725	724,134		
2001/2002	160,701	0	14	0	110,163	100,888	211,052		
2002/2003	252,181	0	12	0	79,724	210,756	290,480		
2003/2004	182,653	1	8	168,749	25,213	181,822	375,784		
2004/2005	200,279	0	18	0	47,837	121,903	169,740		
MA Total	1,008,914	2	79	230,883	439,213	1,101,095	1,771,191		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.292	0.827	2.279	3.398		
			2001/2002	0.000	0.686	0.628	1.313		
			2002/2003	0.000	0.316	0.836	1.152		
			2003/2004	0.924	0.138	0.995	2.057		
			2004/2005	0.000	0.239	0.609	0.848		
			MA Total Pure Premium:	0.229	0.435	1.091	1.756		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.355	1.163	1.293			
			(14) Massachusetts Credibility:	0.22	0.55	0.63			
			(15) Countrywide Pure Premium:	0.362	0.430	0.923	1.715		
			(16) Countrywide Indicated Relativity:	0.596	1.261	1.172			
			(17) Countrywide Credibility:	0.28	0.23	0.19			
			(18) Countrywide Lost-time Claims:	19	455				
			(19) Pure Premium Underlying Present Rate:	0.348	0.400	0.890	1.638		
			(20) Relativity to Underlying Present Rate:	0.493	1.021	1.211			
			(21) Credibility to Underlying Relativity:	0.500	0.220	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.491	1.154	1.255			
			(24) Balanced Formula Relativity:	0.492	1.155	1.251	0.970		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000106

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 37

Calculation of Class Relativities

Class(es): 2683 LUGGAGE MFG		Effective: 9/1/2008						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)			
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	
2004/2005	60,861	0	3	0	2,145	16,431	18,576	18,576	
MA Total	80,281	0	3	0	2,145	16,431	18,576	18,576	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	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				
	2004/2005	0.000	0.035	0.270	0.305				
	MA Total Pure Premium:	0.000	0.027	0.205	0.231				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.071	0.243					
	(14) Massachusetts Credibility:	0.11	0.19	0.22					
	(15) Countrywide Pure Premium:	0.867	0.468	0.899	2.233				
	(16) Countrywide Indicated Relativity:	1.425	1.372	1.142					
	(17) Countrywide Credibility:	0.27	0.41	0.39					
	(18) Countrywide Lost-time Claims:	17	102						
	(19) Pure Premium Underlying Present Rate:	0.770	0.368	0.758	1.895				
	(20) Relativity to Underlying Present Rate:	1.088	0.939	1.032					
	(21) Credibility to Underlying Relativity:	0.620	0.400	0.390					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.059	0.952	0.901					
	(24) Balanced Formula Relativity:	1.062	0.953	0.898	0.966				

Class(es): 2688 LEATHER GOODS MFG NOC		Effective: 9/1/2008						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)			
2000/2001	181,752	3	22	241,540	55,057	367,256	663,853	663,853	
2001/2002	157,770	2	18	130,301	188,635	376,289	695,226	695,226	
2002/2003	116,916	1	2	118,645	1,190	78,863	198,698	198,698	
2003/2004	116,153	0	6	0	14,492	23,716	38,208	38,208	
2004/2005	88,204	0	7	0	27,095	40,174	67,269	67,269	
MA Total	660,795	6	55	490,486	286,469	886,298	1,663,253	1,663,253	
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.329	0.303	2.021	3.653				
	2001/2002	0.826	1.196	2.385	4.407				
	2002/2003	1.015	0.010	0.675	1.699				
	2003/2004	0.000	0.125	0.204	0.329				
	2004/2005	0.000	0.307	0.455	0.763				
	MA Total Pure Premium:	0.742	0.434	1.341	2.517				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.153	1.158	1.589					
	(14) Massachusetts Credibility:	0.28	0.48	0.53					
	(15) Countrywide Pure Premium:	0.836	0.489	1.087	2.412				
	(16) Countrywide Indicated Relativity:	1.374	1.435	1.380					
	(17) Countrywide Credibility:	0.36	0.26	0.24					
	(18) Countrywide Lost-time Claims:	56	488						
	(19) Pure Premium Underlying Present Rate:	0.906	0.446	0.884	2.236				
	(20) Relativity to Underlying Present Rate:	1.282	1.137	1.203					
	(21) Credibility to Underlying Relativity:	0.360	0.260	0.230					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.279	1.224	1.450					
	(24) Balanced Formula Relativity:	1.282	1.226	1.446	1.345				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000107

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 38

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous	
2702 LOGGING OR LUMBERING & 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)			
2000/2001	19,546	2	5	262,689	9,131	484,915	756,735		
2001/2002	19,812	1	2	91,645	1,007	23,193	115,845		
2002/2003	22,267	0	5	0	33,828	26,276	60,104		
2003/2004	30,134	1	3	119,701	75,607	444,646	639,954		
2004/2005	45,376	0	6	0	78,252	116,570	194,822		
MA Total	137,135	4	21	474,034	197,826	1,095,602	1,767,461		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	13.440	0.467	24.809	38.716		
			2001/2002	4.626	0.051	1.171	5.847		
			2002/2003	0.000	1.519	1.180	2.699		
			2003/2004	3.972	2.509	14.755	21.237		
			2004/2005	0.000	1.725	2.569	4.294		
			MA Total Pure Premium:	3.457	1.443	7.989	12.888		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.523	2.084	4.725			
			(14) Massachusetts Credibility:	0.33	0.46	0.65			
			(15) Countrywide Pure Premium:	7.762	1.971	5.468	15.201		
			(16) Countrywide Indicated Relativity:	6.272	3.175	3.545			
			(17) Countrywide Credibility:	0.34	0.27	0.18			
			(18) Countrywide Lost-time Claims:	532	3,778				
			(19) Pure Premium Underlying Present Rate:	6.992	1.852	6.887	15.731		
			(20) Relativity to Underlying Present Rate:	4.077	2.586	4.416			
			(21) Credibility to Underlying Relativity:	0.330	0.270	0.170			
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
			(23) Formula Relativity:	4.311	2.514	4.460			
			(24) Balanced Formula Relativity:	4.287	2.507	4.445	4.030		

Class(es):		Effective: 9/1/2008						Manufacturing	
2710 SAWMILLS									
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)			
2000/2001	29,435	0	10	0	35,504	42,063	77,567		
2001/2002	30,030	1	5	151,481	18,581	72,783	242,845		
2002/2003	29,358	0	7	0	37,261	44,520	81,782		
2003/2004	27,803	0	1	0	1,103	17,857	18,960		
2004/2005	25,855	0	5	0	11,799	51,739	63,538		
MA Total	142,481	1	28	151,481	104,249	228,962	484,692		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	1.206	1.429	2.635		
			2001/2002	5.044	0.619	2.424	8.087		
			2002/2003	0.000	1.269	1.516	2.786		
			2003/2004	0.000	0.040	0.642	0.682		
			2004/2005	0.000	0.456	2.001	2.458		
			MA Total Pure Premium:	1.063	0.732	1.607	3.402		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.651	1.954	1.904			
			(14) Massachusetts Credibility:	0.22	0.39	0.41			
			(15) Countrywide Pure Premium:	2.430	1.024	2.675	6.129		
			(16) Countrywide Indicated Relativity:	3.996	3.003	3.397			
			(17) Countrywide Credibility:	0.39	0.31	0.30			
			(18) Countrywide Lost-time Claims:	234	3,048				
			(19) Pure Premium Underlying Present Rate:	2.409	1.166	2.106	5.682		
			(20) Relativity to Underlying Present Rate:	3.407	2.973	2.868			
			(21) Credibility to Underlying Relativity:	0.390	0.300	0.290			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	3.251	2.585	2.631			
			(24) Balanced Formula Relativity:	3.258	2.588	2.623	2.836		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000108

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 39

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	33,784	0	9	0	12,646	22,971	35,617		
2001/2002	48,604	4	12	413,092	25,390	328,904	767,385		
2002/2003	48,507	0	12	0	89,803	53,621	143,424		
2003/2004	54,751	0	6	0	19,937	24,738	44,675		
2004/2005	55,081	0	6	0	59,913	105,904	165,816		
MA Total	240,727	4	45	413,092	207,689	536,137	1,156,918		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.374	0.680	1.054			
		2001/2002	8.499	0.522	6.767	15.789			
		2002/2003	0.000	1.851	1.105	2.957			
		2003/2004	0.000	0.364	0.452	0.816			
		2004/2005	0.000	1.088	1.923	3.010			
		MA Total Pure Premium:	1.716	0.863	2.227	4.806			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.665	2.304	2.639				
		(14) Massachusetts Credibility:	0.22	0.40	0.46				
		(15) Countrywide Pure Premium:	1.030	0.633	1.577	3.240			
		(16) Countrywide Indicated Relativity:	1.695	1.855	2.002				
		(17) Countrywide Credibility:	0.39	0.30	0.27				
		(18) Countrywide Lost-time Claims:	188	2.428					
		(19) Pure Premium Underlying Present Rate:	1.494	0.776	1.685	3.954			
		(20) Relativity to Underlying Present Rate:	2.112	1.979	2.294				
		(21) Credibility to Underlying Relativity:	0.390	0.300	0.270				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.071	2.072	2.374				
		(24) Balanced Formula Relativity:	2.076	2.074	2.366	2.207			

Class(es):		Effective: 9/1/2008						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)			
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		
2004/2005	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)				
		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			
		2004/2005	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	0.909	1.213	2.121			
		(16) Countrywide Indicated Relativity:	0.000	2.664	1.540				
		(17) Countrywide Credibility:	0.00	0.15	0.18				
		(18) Countrywide Lost-time Claims:	0	8					
		(19) Pure Premium Underlying Present Rate:	1.906	1.448	1.555	4.909			
		(20) Relativity to Underlying Present Rate:	2.695	3.693	2.117				
		(21) Credibility to Underlying Relativity:	1.000	0.850	0.820				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.695	3.539	2.013				
		(24) Balanced Formula Relativity:	2.702	3.543	2.007	2.556			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000109

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 40

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	176	0	0	0	0	0	0	0	
MA Total	214	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		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			
		2004/2005	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:	0.02	0.03	0.03				
		(15) Countrywide Pure Premium:	0.000	0.795	4.771	5.565			
		(16) Countrywide Indicated Relativity:	0.000	2.330	6.058				
		(17) Countrywide Credibility:	0.00	0.13	0.16				
		(18) Countrywide Lost-time Claims:	0	6					
		(19) Pure Premium Underlying Present Rate:	3.060	1.038	2.627	6.725			
		(20) Relativity to Underlying Present Rate:	4.327	2.648	3.576				
		(21) Credibility to Underlying Relativity:	0.980	0.840	0.810				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	4.240	2.527	3.866				
		(24) Balanced Formula Relativity:	4.250	2.530	3.854	3.725			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	85,298	0	7	0	27,576	30,666	58,242		
2001/2002	72,698	1	9	107,217	72,966	141,324	321,507		
2002/2003	61,436	0	2	0	5,527	15,269	20,795		
2003/2004	64,494	0	7	0	27,652	69,311	96,962		
2004/2005	61,060	0	2	0	3,973	18,461	22,433		
MA Total	344,986	1	27	107,217	137,693	275,030	519,940		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.323	0.360	0.683			
		2001/2002	1.475	1.004	1.944	4.422			
		2002/2003	0.000	0.090	0.249	0.338			
		2003/2004	0.000	0.429	1.075	1.503			
		2004/2005	0.000	0.065	0.302	0.367			
		MA Total Pure Premium:	0.311	0.399	0.797	1.507			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.483	1.066	0.945				
		(14) Massachusetts Credibility:	0.19	0.36	0.37				
		(15) Countrywide Pure Premium:	0.662	0.329	0.794	1.785			
		(16) Countrywide Indicated Relativity:	1.089	0.965	1.008				
		(17) Countrywide Credibility:	0.41	0.32	0.32				
		(18) Countrywide Lost-time Claims:	66	473					
		(19) Pure Premium Underlying Present Rate:	0.649	0.397	0.696	1.742			
		(20) Relativity to Underlying Present Rate:	0.917	1.012	0.948				
		(21) Credibility to Underlying Relativity:	0.400	0.320	0.310				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.905	1.017	0.966				
		(24) Balanced Formula Relativity:	0.907	1.018	0.963	0.955			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000110

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 41

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,084,359	16	161	1,631,996	645,158	2,537,737	4,814,891		
2001/2002	1,118,647	10	135	1,286,431	487,149	1,571,457	3,345,036		
2002/2003	1,145,261	20	135	2,174,406	595,911	2,348,995	5,119,312		
2003/2004	1,113,687	8	136	1,255,785	896,947	1,747,767	3,900,500		
2004/2005	1,130,717	5	143	1,350,823	926,783	1,696,473	3,974,079		
MA Total	5,592,671	59	710	7,699,441	3,551,947	9,902,431	21,153,819		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.505	0.595	2.340	4.440		
			2001/2002	1.150	0.435	1.405	2.990		
			2002/2003	1.899	0.520	2.051	4.470		
			2003/2004	1.128	0.805	1.569	3.502		
			2004/2005	1.195	0.820	1.500	3.515		
			MA Total Pure Premium:	1.377	0.635	1.771	3.782		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.138	1.696	2.098			
		(14) Massachusetts Credibility:		0.78	1.00	1.00			
		(15) Countrywide Pure Premium:		1.115	0.784	1.889	3.788		
		(16) Countrywide Indicated Relativity:		1.833	2.298	2.399			
		(17) Countrywide Credibility:		0.11	0.00	0.00			
		(18) Countrywide Lost-time Claims:		470	9,727				
		(19) Pure Premium Underlying Present Rate:		1.429	0.678	1.589	3.697		
		(20) Relativity to Underlying Present Rate:		2.021	1.729	2.164			
		(21) Credibility to Underlying Relativity:		0.110	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		2.092	1.696	2.098			
		(24) Balanced Formula Relativity:		2.097	1.698	2.091	2.014		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	38,987	0	0	0	0	6,372	6,372		
2001/2002	48,170	0	0	0	0	838	838		
2002/2003	15,473	0	1	0	1,203	2,004	3,206		
2003/2004	13,855	0	2	0	33,314	11,902	45,216		
2004/2005	15,592	0	0	0	0	120	120		
MA Total	132,077	0	3	0	34,517	21,235	55,752		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.163	0.163		
			2001/2002	0.000	0.000	0.017	0.017		
			2002/2003	0.000	0.078	0.130	0.207		
			2003/2004	0.000	2.405	0.859	3.264		
			2004/2005	0.000	0.000	0.008	0.008		
			MA Total Pure Premium:	0.000	0.261	0.161	0.422		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.698	0.190			
		(14) Massachusetts Credibility:		0.12	0.23	0.25			
		(15) Countrywide Pure Premium:		0.363	0.377	0.963	1.703		
		(16) Countrywide Indicated Relativity:		0.597	1.105	1.224			
		(17) Countrywide Credibility:		0.22	0.39	0.38			
		(18) Countrywide Lost-time Claims:		10	173				
		(19) Pure Premium Underlying Present Rate:		0.605	0.356	0.631	1.591		
		(20) Relativity to Underlying Present Rate:		0.855	0.908	0.859			
		(21) Credibility to Underlying Relativity:		0.660	0.380	0.370			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.696	0.936	0.830			
		(24) Balanced Formula Relativity:		0.697	0.937	0.828	0.805		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000111

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 42

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	20,453	0	4	0	13,624	26,730	40,353		
2001/2002	12,642	0	9	0	14,812	27,405	42,217		
2002/2003	12,061	0	2	0	22,698	13,916	36,614		
2003/2004	10,465	0	2	0	4,394	3,362	7,756		
2004/2005	9,769	0	1	0	1,075	1,461	2,536		
MA Total	65,390	0	18	0	56,602	72,874	129,476		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.666	1.307	1.973			
		2001/2002	0.000	1.172	2.168	3.340			
		2002/2003	0.000	1.882	1.154	3.036			
		2003/2004	0.000	0.420	0.321	0.741			
		2004/2005	0.000	0.110	0.150	0.260			
		MA Total Pure Premium:	0.000	0.866	1.114	1.980			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.312	1.320				
		(14) Massachusetts Credibility:	0.14	0.22	0.24				
		(15) Countrywide Pure Premium:	0.780	0.342	0.835	1.957			
		(16) Countrywide Indicated Relativity:	1.283	1.002	1.061				
		(17) Countrywide Credibility:	0.09	0.39	0.38				
		(18) Countrywide Lost-time Claims:	1	86					
		(19) Pure Premium Underlying Present Rate:	1.655	0.609	1.154	3.417			
		(20) Relativity to Underlying Present Rate:	2.340	1.552	1.571				
		(21) Credibility to Underlying Relativity:	0.770	0.390	0.380				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.917	1.505	1.317				
		(24) Balanced Formula Relativity:	1.922	1.506	1.313	1.562			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	13,596	1	0	159,030	0	84,079	243,109		
2001/2002	14,325	0	1	0	2,506	2,417	4,924		
2002/2003	15,276	0	3	0	10,292	4,442	14,734		
2003/2004	14,509	0	0	0	0	1,949	1,949		
2004/2005	14,552	0	1	0	21,683	9,777	31,459		
MA Total	72,258	1	5	159,030	34,481	102,663	296,175		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	11.696	0.000	6.184	17.880			
		2001/2002	0.000	0.175	0.169	0.344			
		2002/2003	0.000	0.674	0.291	0.964			
		2003/2004	0.000	0.000	0.134	0.134			
		2004/2005	0.000	1.490	0.672	2.162			
		MA Total Pure Premium:	2.201	0.477	1.421	4.099			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.418	1.274	1.683				
		(14) Massachusetts Credibility:	0.11	0.20	0.24				
		(15) Countrywide Pure Premium:	0.881	0.620	1.387	2.888			
		(16) Countrywide Indicated Relativity:	1.448	1.817	1.762				
		(17) Countrywide Credibility:	0.31	0.40	0.38				
		(18) Countrywide Lost-time Claims:	25	432					
		(19) Pure Premium Underlying Present Rate:	0.744	0.419	1.085	2.248			
		(20) Relativity to Underlying Present Rate:	1.052	1.070	1.477				
		(21) Credibility to Underlying Relativity:	0.580	0.400	0.380				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.435	1.410	1.635				
		(24) Balanced Formula Relativity:	1.438	1.411	1.630	1.520			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000112

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 43

Calculation of Class Relativities

Class(es): 2883 FURNITURE MFG-WOOD-NOC		Effective: 9/1/2008				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)
2000/2001	549,999	8	66	638,943	250,296	736,782	1,626,021
2001/2002	535,500	6	61	459,293	268,889	818,318	1,546,500
2002/2003	498,642	2	59	211,364	369,873	620,597	1,201,834
2003/2004	506,354	6	47	750,751	121,524	615,765	1,488,040
2004/2005	540,035	3	55	535,421	522,328	1,049,297	2,107,046
MA Total	2,630,530	25	288	2,595,772	1,532,910	3,840,759	7,969,441
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	1.162	0.455	1.340	2.956		
	2001/2002	0.858	0.502	1.528	2.888		
	2002/2003	0.424	0.742	1.245	2.410		
	2003/2004	1.483	0.240	1.216	2.939		
	2004/2005	0.991	0.967	1.943	3.902		
	MA Total Pure Premium:	0.987	0.583	1.460	3.030		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.533	1.556	1.730			
	(14) Massachusetts Credibility:	0.48	0.88	0.95			
	(15) Countrywide Pure Premium:	0.864	0.575	1.348	2.787		
	(16) Countrywide Indicated Relativity:	1.422	1.686	1.712			
	(17) Countrywide Credibility:	0.26	0.06	0.03			
	(18) Countrywide Lost-time Claims:	445	4,805				
	(19) Pure Premium Underlying Present Rate:	0.892	0.497	0.949	2.338		
	(20) Relativity to Underlying Present Rate:	1.261	1.267	1.292			
	(21) Credibility to Underlying Relativity:	0.260	0.060	0.020			
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
	(23) Formula Relativity:	1.433	1.547	1.721			
	(24) Balanced Formula Relativity:	1.437	1.548	1.715	1.585		

Class(es): 2923 PIANO MFG		Effective: 9/1/2008				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)
2000/2001	53,897	1	4	52,179	1,434	79,943	133,555
2001/2002	62,108	0	3	0	12,580	32,653	45,233
2002/2003	65,275	0	4	0	5,019	28,523	33,542
2003/2004	68,028	0	4	0	22,554	18,765	41,320
2004/2005	61,515	0	2	0	650	10,292	10,942
MA Total	310,823	1	17	52,179	42,237	170,177	264,593
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.968	0.027	1.483	2.478		
	2001/2002	0.000	0.203	0.526	0.728		
	2002/2003	0.000	0.077	0.437	0.514		
	2003/2004	0.000	0.332	0.276	0.607		
	2004/2005	0.000	0.011	0.167	0.178		
	MA Total Pure Premium:	0.168	0.136	0.548	0.851		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.261	0.363	0.649			
	(14) Massachusetts Credibility:	0.16	0.31	0.35			
	(15) Countrywide Pure Premium:	0.830	0.425	0.947	2.202		
	(16) Countrywide Indicated Relativity:	1.365	1.246	1.203			
	(17) Countrywide Credibility:	0.42	0.35	0.33			
	(18) Countrywide Lost-time Claims:	52	315				
	(19) Pure Premium Underlying Present Rate:	0.507	0.304	0.668	1.479		
	(20) Relativity to Underlying Present Rate:	0.717	0.775	0.910			
	(21) Credibility to Underlying Relativity:	0.420	0.340	0.320			
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
	(23) Formula Relativity:	0.916	0.812	0.915			
	(24) Balanced Formula Relativity:	0.918	0.813	0.912	0.894		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000113

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 44

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
2942 PENCIL, PENHOLDER OR CRAYON MFG*									
		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)			
2000/2001	848,835	1	27	105,870	95,743	365,891	567,504		
2001/2002	250,929	1	20	94,129	82,722	383,133	559,985		
2002/2003	964,652	4	41	359,046	305,728	814,134	1,478,908		
2003/2004	234,015	1	29	197,209	251,971	316,399	765,579		
2004/2005	251,815	0	29	0	336,048	391,702	727,749		
MA Total	2,550,246	7	146	756,254	1,072,211	2,271,259	4,099,725		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.125	0.113	0.431	0.669			
		2001/2002	0.375	0.330	1.527	2.232			
		2002/2003	0.372	0.317	0.844	1.533			
		2003/2004	0.843	1.077	1.352	3.271			
		2004/2005	0.000	1.335	1.556	2.890			
		MA Total Pure Premium:	0.297	0.420	0.891	1.608			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.461	1.123	1.055				
		(14) Massachusetts Credibility:	0.38	0.66	0.84				
		(15) Countrywide Pure Premium:	0.256	0.359	0.757	1.372			
		(16) Countrywide Indicated Relativity:	0.421	1.054	0.961				
		(17) Countrywide Credibility:	0.31	0.17	0.08				
		(18) Countrywide Lost-time Claims:	25	811					
		(19) Pure Premium Underlying Present Rate:	0.522	0.247	0.717	1.487			
		(20) Relativity to Underlying Present Rate:	0.738	0.631	0.977				
		(21) Credibility to Underlying Relativity:	0.310	0.170	0.080				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.534	1.027	1.041				
		(24) Balanced Formula Relativity:	0.536	1.029	1.038	0.863			

Class(es):		Effective: 9/1/2008						Manufacturing	
3018 IRON OR STEEL: MFG: ROLLING MILL & 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)			
2000/2001	163,417	2	13	198,974	24,174	585,382	808,530		
2001/2002	137,737	3	6	489,018	22,074	220,426	731,517		
2002/2003	162,134	0	5	0	23,948	58,841	82,789		
2003/2004	150,594	3	3	397,192	70,377	668,781	1,136,350		
2004/2005	215,776	0	3	0	23,083	25,416	48,499		
MA Total	829,658	8	30	1,085,184	163,655	1,558,846	2,807,684		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	1.218	0.148	3.582	4.948			
		2001/2002	3.550	0.160	1.600	5.311			
		2002/2003	0.000	0.148	0.363	0.511			
		2003/2004	2.638	0.467	4.441	7.546			
		2004/2005	0.000	0.107	0.118	0.225			
		MA Total Pure Premium:	1.308	0.197	1.879	3.384			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.031	0.527	2.226				
		(14) Massachusetts Credibility:	0.32	0.48	0.68				
		(15) Countrywide Pure Premium:	0.613	0.398	0.978	1.989			
		(16) Countrywide Indicated Relativity:	1.009	1.166	1.242				
		(17) Countrywide Credibility:	0.34	0.26	0.16				
		(18) Countrywide Lost-time Claims:	109	1,184					
		(19) Pure Premium Underlying Present Rate:	1.063	0.346	1.296	2.704			
		(20) Relativity to Underlying Present Rate:	1.502	0.883	1.764				
		(21) Credibility to Underlying Relativity:	0.340	0.260	0.160				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.504	0.785	1.995				
		(24) Balanced Formula Relativity:	1.507	0.786	1.989	1.581			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000114

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 45

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	0	0	0	0	0	0	0	0	
2001/2002	5,687	0	3	0	40,134	51,551	91,685		
2002/2003	5,106	0	0	0	0	617	617		
2003/2004	5,426	0	0	0	0	808	808		
2004/2005	7,477	0	1	0	1,083	1,859	2,942		
MA Total	23,696	0	4	0	41,217	54,836	96,053		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	7.058	9.065	16.123			
		2002/2003	0.000	0.000	0.121	0.121			
		2003/2004	0.000	0.000	0.149	0.149			
		2004/2005	0.000	0.145	0.249	0.394			
		MA Total Pure Premium:	0.000	1.739	2.314	4.054			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	4.646	2.742				
		(14) Massachusetts Credibility:	0.08	0.14	0.19				
		(15) Countrywide Pure Premium:	1.258	0.575	1.399	3.232			
		(16) Countrywide Indicated Relativity:	2.070	1.687	1.776				
		(17) Countrywide Credibility:	0.46	0.43	0.41				
		(18) Countrywide Lost-time Claims:	154	1,111					
		(19) Pure Premium Underlying Present Rate:	1.107	0.561	1.831	3.499			
		(20) Relativity to Underlying Present Rate:	1.566	1.430	2.493				
		(21) Credibility to Underlying Relativity:	0.460	0.430	0.400				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.672	1.990	2.247				
		(24) Balanced Formula Relativity:	1.676	1.993	2.240	1.995			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	52,098	5	5	459,010	29,103	599,959	1,088,072		
2001/2002	54,032	0	13	0	59,726	69,500	129,225		
2002/2003	75,365	1	9	60,333	31,759	92,081	184,173		
2003/2004	74,700	0	8	0	66,169	77,365	143,533		
2004/2005	72,503	1	12	282,771	92,993	197,878	573,643		
MA Total	328,698	7	47	802,114	279,749	1,036,783	2,118,646		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	8.811	0.559	11.516	20.885			
		2001/2002	0.000	1.105	1.286	2.392			
		2002/2003	0.801	0.421	1.222	2.444			
		2003/2004	0.000	0.886	1.036	1.921			
		2004/2005	3.900	1.283	2.729	7.912			
		MA Total Pure Premium:	2.440	0.851	3.154	6.446			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.790	2.273	3.737				
		(14) Massachusetts Credibility:	0.24	0.41	0.54				
		(15) Countrywide Pure Premium:	0.946	0.350	0.930	2.226			
		(16) Countrywide Indicated Relativity:	1.556	1.026	1.181				
		(17) Countrywide Credibility:	0.38	0.30	0.23				
		(18) Countrywide Lost-time Claims:	42	460					
		(19) Pure Premium Underlying Present Rate:	1.229	0.598	1.810	3.637			
		(20) Relativity to Underlying Present Rate:	1.738	1.525	2.464				
		(21) Credibility to Underlying Relativity:	0.380	0.290	0.230				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.161	1.682	2.856				
		(24) Balanced Formula Relativity:	2.167	1.684	2.848	2.378			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000115

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 46

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	9,487	0	6	0	4,427	6,279	10,705	
2001/2002	8,802	0	7	0	13,658	8,943	22,601	
2002/2003	13,642	0	5	0	35,637	70,675	106,312	
2003/2004	13,013	0	4	0	33,933	42,203	76,136	
2004/2005	13,745	0	1	0	1,495	11,301	12,796	
MA Total	58,689	0	23	0	89,150	139,401	228,550	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.467	0.662	1.128		
		2001/2002	0.000	1.552	1.016	2.568		
		2002/2003	0.000	2.612	5.181	7.793		
		2003/2004	0.000	2.608	3.243	5.851		
		2004/2005	0.000	0.109	0.822	0.931		
		MA Total Pure Premium:	0.000	1.519	2.375	3.894		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.000	4.057	2.814			
		(14) Massachusetts Credibility:	0.10	0.26	0.26			
		(15) Countrywide Pure Premium:	0.818	0.606	1.341	2.765		
		(16) Countrywide Indicated Relativity:	1.345	1.776	1.704			
		(17) Countrywide Credibility:	0.44	0.37	0.37			
		(18) Countrywide Lost-time Claims:	57	1,177				
		(19) Pure Premium Underlying Present Rate:	0.896	1.061	1.690	3.648		
		(20) Relativity to Underlying Present Rate:	1.268	2.705	2.301			
		(21) Credibility to Underlying Relativity:	0.460	0.370	0.370			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	1.175	2.713	2.214			
		(24) Balanced Formula Relativity:	1.178	2.716	2.207	1.953		

Class(es):		Effective: 9/1/2008						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)	
2000/2001	91,016	4	11	422,100	49,561	496,457	968,118	
2001/2002	91,672	2	11	189,442	41,928	109,649	341,019	
2002/2003	79,691	3	12	586,272	88,545	468,579	1,143,395	
2003/2004	106,359	1	13	244,033	30,144	135,464	409,641	
2004/2005	102,788	1	12	167,522	114,221	225,406	507,149	
MA Total	471,526	11	59	1,609,369	324,399	1,435,554	3,369,323	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	4.638	0.545	5.455	10.637		
		2001/2002	2.067	0.457	1.196	3.720		
		2002/2003	7.357	1.111	5.880	14.348		
		2003/2004	2.294	0.283	1.274	3.852		
		2004/2005	1.630	1.111	2.193	4.934		
		MA Total Pure Premium:	3.413	0.688	3.044	7.146		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	5.301	1.837	3.607			
		(14) Massachusetts Credibility:	0.37	0.58	0.69			
		(15) Countrywide Pure Premium:	2.060	0.777	1.927	4.764		
		(16) Countrywide Indicated Relativity:	3.388	2.277	2.448			
		(17) Countrywide Credibility:	0.32	0.21	0.16			
		(18) Countrywide Lost-time Claims:	420	3,889				
		(19) Pure Premium Underlying Present Rate:	2.683	0.990	2.356	6.028		
		(20) Relativity to Underlying Present Rate:	3.793	2.524	3.208			
		(21) Credibility to Underlying Relativity:	0.310	0.210	0.150			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	4.221	2.074	3.362			
		(24) Balanced Formula Relativity:	4.232	2.076	3.351	3.399		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000116

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 47

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing
3040 IRON OR STEEL: FABRICATION: IRON WORKS-SHOP-ORNAMENTAL & 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)	
2000/2001	143,727	7	34	879,911	158,372	656,604	1,694,888	
2001/2002	157,509	4	27	594,077	220,822	473,291	1,288,190	
2002/2003	136,365	3	19	460,762	108,699	391,801	961,262	
2003/2004	160,747	7	22	989,736	164,903	727,821	1,882,460	
2004/2005	133,513	0	11	0	281,388	353,005	634,393	
MA Total	731,861	21	113	2,924,486	934,184	2,602,522	6,461,193	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	6.122	1.102	4.568	11.792		
		2001/2002	3.772	1.402	3.005	8.179		
		2002/2003	3.379	0.797	2.873	7.049		
		2003/2004	6.157	1.026	4.528	11.711		
		2004/2005	0.000	2.108	2.644	4.752		
		MA Total Pure Premium:	3.996	1.276	3.556	8.828		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	6.206	3.409	4.213			
		(14) Massachusetts Credibility:	0.46	0.84	0.93			
		(15) Countrywide Pure Premium:	1.617	0.737	1.723	4.078		
		(16) Countrywide Indicated Relativity:	2.660	2.161	2.189			
		(17) Countrywide Credibility:	0.27	0.08	0.04			
		(18) Countrywide Lost-time Claims:	277	2,747				
		(19) Pure Premium Underlying Present Rate:	2.934	1.587	3.151	7.671		
		(20) Relativity to Underlying Present Rate:	4.149	4.046	4.289			
		(21) Credibility to Underlying Relativity:	0.270	0.080	0.030			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	4.693	3.360	4.135			
		(24) Balanced Formula Relativity:	4.704	3.364	4.122	4.171		

Class(es):		Effective: 9/1/2008						Manufacturing
3041 IRON OR STEEL: FABRICATION: IRON WORKS-SHP-DEC/ART &FNDRS,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)	
2000/2001	26,004	0	3	0	1,988	12,829	14,818	
2001/2002	29,766	2	5	310,746	15,806	241,988	568,541	
2002/2003	36,064	0	0	0	0	19,636	19,636	
2003/2004	33,438	0	3	0	7,049	21,276	28,325	
2004/2005	32,120	0	1	0	91,243	53,602	144,845	
MA Total	157,392	2	12	310,746	116,087	349,332	776,165	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.076	0.493	0.570		
		2001/2002	10.440	0.531	8.130	19.101		
		2002/2003	0.000	0.000	0.544	0.544		
		2003/2004	0.000	0.211	0.636	0.847		
		2004/2005	0.000	2.841	1.669	4.510		
		MA Total Pure Premium:	1.974	0.738	2.220	4.931		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	3.066	1.970	2.630			
		(14) Massachusetts Credibility:	0.20	0.27	0.40			
		(15) Countrywide Pure Premium:	2.104	0.539	1.389	4.032		
		(16) Countrywide Indicated Relativity:	3.460	1.579	1.765			
		(17) Countrywide Credibility:	0.34	0.37	0.30			
		(18) Countrywide Lost-time Claims:	30	276				
		(19) Pure Premium Underlying Present Rate:	1.802	0.453	1.849	4.104		
		(20) Relativity to Underlying Present Rate:	2.548	1.155	2.518			
		(21) Credibility to Underlying Relativity:	0.460	0.360	0.300			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	2.962	1.532	2.337			
		(24) Balanced Formula Relativity:	2.969	1.534	2.329	2.391		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000117

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 48

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
3042 ELEVATOR OR ESCALATOR 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)			
2000/2001	8,312	0	1	0	342	5,746	6,089		
2001/2002	7,092	0	0	0	0	3,123	3,123		
2002/2003	6,769	0	0	0	0	2,666	2,666		
2003/2004	7,207	2	0	241,328	0	72,213	313,542		
2004/2005	6,300	2	1	612,094	3,212	119,975	735,281		
MA Total	35,680	4	2	853,422	3,554	203,723	1,060,700		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.041	0.691	0.732			
		2001/2002	0.000	0.000	0.440	0.440			
		2002/2003	0.000	0.000	0.394	0.394			
		2003/2004	33.485	0.000	10.020	43.505			
		2004/2005	97.162	0.510	19.044	116.716			
		MA Total Pure Premium:	23.919	0.100	5.710	29.728			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	37.147	0.266	6.765				
		(14) Massachusetts Credibility:	0.09	0.18	0.17				
		(15) Countrywide Pure Premium:	0.767	0.473	0.918	2.158			
		(16) Countrywide Indicated Relativity:	1.261	1.387	1.166				
		(17) Countrywide Credibility:	0.26	0.41	0.42				
		(18) Countrywide Lost-time Claims:	16	285					
		(19) Pure Premium Underlying Present Rate:	1.065	0.683	0.958	2.706			
		(20) Relativity to Underlying Present Rate:	1.506	1.742	1.305				
		(21) Credibility to Underlying Relativity:	0.650	0.410	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	4.650	1.331	2.175				
		(24) Balanced Formula Relativity:	4.661	1.332	2.168	2.862			

Class(es):		Effective: 9/1/2008						Manufacturing	
3064 SIGN 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)			
2000/2001	1,259,199	10	124	904,538	468,701	1,371,888	2,745,126		
2001/2002	1,143,964	11	88	1,259,599	361,429	1,097,531	2,718,559		
2002/2003	1,144,419	10	88	1,266,566	494,922	1,505,543	3,267,031		
2003/2004	1,119,828	6	102	1,109,767	568,442	1,268,503	2,946,711		
2004/2005	1,304,542	5	85	1,669,961	675,606	1,746,846	4,092,413		
MA Total	5,971,952	42	487	6,210,431	2,569,099	6,990,311	15,769,841		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.718	0.372	1.089	2.180			
		2001/2002	1.101	0.316	0.959	2.376			
		2002/2003	1.107	0.432	1.316	2.855			
		2003/2004	0.991	0.508	1.133	2.631			
		2004/2005	1.280	0.518	1.339	3.137			
		MA Total Pure Premium:	1.040	0.430	1.171	2.641			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.615	1.149	1.387				
		(14) Massachusetts Credibility:	0.70	1.00	1.00				
		(15) Countrywide Pure Premium:	0.952	0.557	1.308	2.817			
		(16) Countrywide Indicated Relativity:	1.566	1.633	1.661				
		(17) Countrywide Credibility:	0.15	0.00	0.00				
		(18) Countrywide Lost-time Claims:	543	5,474					
		(19) Pure Premium Underlying Present Rate:	1.038	0.463	0.981	2.482			
		(20) Relativity to Underlying Present Rate:	1.467	1.181	1.336				
		(21) Credibility to Underlying Relativity:	0.150	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.586	1.149	1.387				
		(24) Balanced Formula Relativity:	1.589	1.150	1.383	1.407			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000118

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 49

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing
3076 FIREPROOF EQUIPMENT 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)	
2000/2001	274,547	3	33	222,264	189,781	258,855	670,900	
2001/2002	338,389	3	25	207,036	70,361	270,988	548,385	
2002/2003	374,361	2	33	286,229	325,006	364,623	975,858	
2003/2004	416,183	1	33	101,864	177,920	251,509	531,294	
2004/2005	367,900	1	11	182,227	80,016	175,649	437,892	
MA Total	1,771,380	10	135	999,619	843,084	1,321,626	3,164,328	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.810	0.691	0.943	2.444		
		2001/2002	0.612	0.208	0.801	1.621		
		2002/2003	0.765	0.868	0.974	2.607		
		2003/2004	0.245	0.428	0.604	1.277		
		2004/2005	0.495	0.217	0.477	1.190		
		MA Total Pure Premium:	0.564	0.476	0.746	1.786		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.876	1.271	0.884			
		(14) Massachusetts Credibility:	0.39	0.72	0.78			
		(15) Countrywide Pure Premium:	0.916	0.509	1.157	2.582		
		(16) Countrywide Indicated Relativity:	1.506	1.492	1.469			
		(17) Countrywide Credibility:	0.31	0.14	0.11			
		(18) Countrywide Lost-time Claims:	707	9,530				
		(19) Pure Premium Underlying Present Rate:	0.821	0.450	0.860	2.131		
		(20) Relativity to Underlying Present Rate:	1.161	1.147	1.171			
		(21) Credibility to Underlying Relativity:	0.300	0.140	0.110			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	1.157	1.285	0.980			
		(24) Balanced Formula Relativity:	1.160	1.286	0.977	1.102		

Class(es):		Effective: 9/1/2008						Manufacturing
3081 FOUNDRY-FERROUS-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)	
2000/2001	144,778	3	40	243,593	230,231	358,650	832,474	
2001/2002	144,985	4	52	530,045	244,787	464,154	1,238,986	
2002/2003	107,147	4	18	602,957	77,440	565,992	1,246,389	
2003/2004	121,767	1	26	91,298	111,183	239,357	441,838	
2004/2005	111,596	0	30	0	160,887	146,797	307,685	
MA Total	630,273	12	166	1,467,893	824,528	1,774,951	4,067,372	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	1.683	1.590	2.477	5.750		
		2001/2002	3.656	1.688	3.201	8.546		
		2002/2003	5.627	0.723	5.282	11.632		
		2003/2004	0.750	0.913	1.966	3.629		
		2004/2005	0.000	1.442	1.315	2.757		
		MA Total Pure Premium:	2.329	1.308	2.816	6.453		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	3.617	3.494	3.337			
		(14) Massachusetts Credibility:	0.41	0.74	0.81			
		(15) Countrywide Pure Premium:	1.222	0.667	1.582	3.471		
		(16) Countrywide Indicated Relativity:	2.010	1.955	2.009			
		(17) Countrywide Credibility:	0.30	0.13	0.10			
		(18) Countrywide Lost-time Claims:	176	2,654				
		(19) Pure Premium Underlying Present Rate:	2.565	1.347	2.626	6.538		
		(20) Relativity to Underlying Present Rate:	3.627	3.435	3.576			
		(21) Credibility to Underlying Relativity:	0.290	0.130	0.090			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
		(23) Formula Relativity:	3.138	3.286	3.225			
		(24) Balanced Formula Relativity:	3.145	3.290	3.216	3.206		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000119

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 50

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	137,300	4	15	375,845	20,220	167,237	563,302		
2001/2002	125,132	2	17	108,842	289,236	253,708	651,786		
2002/2003	106,324	1	11	69,798	60,454	175,633	305,885		
2003/2004	114,038	2	9	360,314	154,695	338,423	853,432		
2004/2005	111,049	0	7	0	71,752	116,774	188,526		
MA Total	593,843	9	59	914,799	596,357	1,051,776	2,562,932		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.737	0.147	1.218	4.103		
			2001/2002	0.870	2.311	2.028	5.209		
			2002/2003	0.656	0.569	1.652	2.877		
			2003/2004	3.160	1.357	2.968	7.484		
			2004/2005	0.000	0.646	1.052	1.698		
			MA Total Pure Premium:	1.540	1.004	1.771	4.316		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.392	2.682	2.099			
			(14) Massachusetts Credibility:	0.33	0.60	0.63			
			(15) Countrywide Pure Premium:	1.051	0.643	1.570	3.263		
			(16) Countrywide Indicated Relativity:	1.729	1.884	1.993			
			(17) Countrywide Credibility:	0.34	0.20	0.19			
			(18) Countrywide Lost-time Claims:	156	1,591				
			(19) Pure Premium Underlying Present Rate:	1.593	0.847	1.509	3.949		
			(20) Relativity to Underlying Present Rate:	2.253	2.160	2.054			
			(21) Credibility to Underlying Relativity:	0.330	0.200	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	2.121	2.418	2.071			
			(24) Balanced Formula Relativity:	2.126	2.421	2.064	2.157		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	30,545	1	6	209,254	11,540	29,339	250,133		
2001/2002	108,034	1	30	133,798	306,892	423,623	864,313		
2002/2003	15,038	1	3	130,722	64,312	286,298	481,332		
2003/2004	10,699	0	0	0	0	11,716	11,716		
2004/2005	9,087	0	4	0	10,811	24,480	35,290		
MA Total	173,403	3	43	473,775	393,555	775,456	1,642,785		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	6.851	0.378	0.961	8.189		
			2001/2002	1.238	2.841	3.921	8.000		
			2002/2003	8.693	4.277	19.038	32.008		
			2003/2004	0.000	0.000	1.095	1.095		
			2004/2005	0.000	1.190	2.694	3.884		
			MA Total Pure Premium:	2.732	2.270	4.472	9.474		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	4.243	6.061	5.299			
			(14) Massachusetts Credibility:	0.24	0.51	0.43			
			(15) Countrywide Pure Premium:	1.167	0.470	1.124	2.761		
			(16) Countrywide Indicated Relativity:	1.920	1.378	1.427			
			(17) Countrywide Credibility:	0.38	0.25	0.29			
			(18) Countrywide Lost-time Claims:	88	760				
			(19) Pure Premium Underlying Present Rate:	2.344	1.963	2.012	6.319		
			(20) Relativity to Underlying Present Rate:	3.315	5.005	2.739			
			(21) Credibility to Underlying Relativity:	0.380	0.240	0.280			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	3.008	4.637	3.459			
			(24) Balanced Formula Relativity:	3.015	4.642	3.448	3.539		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000120

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 51

Calculation of Class Relativities

Class(es): 3111 BLACKSMITH		Effective: 9/1/2008						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)			
2000/2001	38,928	0	2	0	5,737	21,145	26,882		
2001/2002	32,351	0	0	0	0	7,323	7,323		
2002/2003	45,207	0	2	0	472	12,275	12,747		
2003/2004	70,275	0	7	0	62,777	39,512	102,289		
2004/2005	64,177	0	3	0	54,720	53,913	108,633		
MA Total	250,938	0	14	0	123,706	134,167	257,874		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.147	0.543	0.691			
		2001/2002	0.000	0.000	0.226	0.226			
		2002/2003	0.000	0.010	0.272	0.282			
		2003/2004	0.000	0.893	0.562	1.456			
		2004/2005	0.000	0.853	0.840	1.693			
		MA Total Pure Premium:	0.000	0.493	0.535	1.028			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	1.317	0.633				
		(14) Massachusetts Credibility:	0.18	0.28	0.34				
		(15) Countrywide Pure Premium:	0.780	0.368	0.982	2.130			
		(16) Countrywide Indicated Relativity:	1.283	1.079	1.247				
		(17) Countrywide Credibility:	0.33	0.36	0.33				
		(18) Countrywide Lost-time Claims:	29	277					
		(19) Pure Premium Underlying Present Rate:	0.799	0.294	0.765	1.858			
		(20) Relativity to Underlying Present Rate:	1.130	0.750	1.041				
		(21) Credibility to Underlying Relativity:	0.490	0.360	0.330				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.977	1.027	0.970				
		(24) Balanced Formula Relativity:	0.979	1.028	0.967	0.984			

Class(es): 3113 TOOL MFG-NOT DROP OR MACHINE FORGED-NOC*		Effective: 9/1/2008						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)			
2000/2001	1,380,029	10	79	973,318	385,251	1,039,624	2,398,193		
2001/2002	1,046,109	1	83	113,811	494,814	800,825	1,409,450		
2002/2003	1,066,650	7	57	793,598	270,777	1,018,868	2,083,244		
2003/2004	1,137,323	5	74	1,015,881	598,932	979,585	2,594,399		
2004/2005	1,065,084	6	40	1,480,358	385,280	957,683	2,823,321		
MA Total	5,695,195	29	333	4,376,967	2,135,055	4,796,585	11,308,607		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.705	0.279	0.753	1.738			
		2001/2002	0.109	0.473	0.766	1.347			
		2002/2003	0.744	0.254	0.955	1.953			
		2003/2004	0.893	0.527	0.861	2.281			
		2004/2005	1.390	0.362	0.899	2.651			
		MA Total Pure Premium:	0.769	0.375	0.842	1.986			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.194	1.001	0.998				
		(14) Massachusetts Credibility:	0.55	1.00	1.00				
		(15) Countrywide Pure Premium:	0.430	0.270	0.655	1.355			
		(16) Countrywide Indicated Relativity:	0.707	0.793	0.831				
		(17) Countrywide Credibility:	0.23	0.00	0.00				
		(18) Countrywide Lost-time Claims:	155	3,112					
		(19) Pure Premium Underlying Present Rate:	0.588	0.371	0.589	1.549			
		(20) Relativity to Underlying Present Rate:	0.832	0.947	0.803				
		(21) Credibility to Underlying Relativity:	0.220	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.002	1.001	0.998				
		(24) Balanced Formula Relativity:	1.005	1.002	0.995	1.000			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000121

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 52

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing
3114 TOOL MFG-DROP OR MACHINE FORGED-NOC: MACHINING 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)	
2000/2001	40,247	1	5	56,953	61,728	86,832	205,514	
2001/2002	41,911	0	5	0	30,291	89,211	119,502	
2002/2003	37,068	1	0	65,806	0	24,935	90,741	
2003/2004	30,759	0	3	0	26,670	34,324	60,994	
2004/2005	26,683	0	2	0	26,367	3,593	29,961	
MA Total	176,668	2	15	122,759	145,056	238,896	506,711	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.415	1.534	2.157	5.106			
	2001/2002	0.000	0.723	2.129	2.851			
	2002/2003	1.775	0.000	0.673	2.448			
	2003/2004	0.000	0.867	1.116	1.983			
	2004/2005	0.000	0.988	0.135	1.123			
	MA Total Pure Premium:	0.695	0.821	1.352	2.868			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.079	2.193	1.602				
	(14) Massachusetts Credibility:	0.19	0.33	0.36				
	(15) Countrywide Pure Premium:	0.738	0.432	0.951	2.121			
	(16) Countrywide Indicated Relativity:	1.213	1.267	1.208				
	(17) Countrywide Credibility:	0.34	0.34	0.32				
	(18) Countrywide Lost-time Claims:	30	544					
	(19) Pure Premium Underlying Present Rate:	1.344	0.638	1.260	3.242			
	(20) Relativity to Underlying Present Rate:	1.900	1.626	1.716				
	(21) Credibility to Underlying Relativity:	0.470	0.330	0.320				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	1.511	1.691	1.512				
	(24) Balanced Formula Relativity:	1.514	1.693	1.508	1.547			

Class(es):		Effective: 9/1/2008						Manufacturing
3119 NEEDLE 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)	
2000/2001	14,997	0	1	0	3,233	579	3,812	
2001/2002	15,672	0	2	0	264	7,073	7,336	
2002/2003	16,469	0	1	0	82	2,046	2,128	
2003/2004	52,555	0	3	0	3,412	31,416	34,828	
2004/2005	56,378	0	0	0	0	7,367	7,367	
MA Total	156,071	0	7	0	6,990	48,480	55,470	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.216	0.039	0.254			
	2001/2002	0.000	0.017	0.451	0.468			
	2002/2003	0.000	0.005	0.124	0.129			
	2003/2004	0.000	0.065	0.598	0.663			
	2004/2005	0.000	0.000	0.131	0.131			
	MA Total Pure Premium:	0.000	0.045	0.311	0.355			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.120	0.368				
	(14) Massachusetts Credibility:	0.10	0.17	0.19				
	(15) Countrywide Pure Premium:	0.000	0.229	0.361	0.590			
	(16) Countrywide Indicated Relativity:	0.000	0.670	0.459				
	(17) Countrywide Credibility:	0.00	0.21	0.25				
	(18) Countrywide Lost-time Claims:	0	19					
	(19) Pure Premium Underlying Present Rate:	0.314	0.141	0.280	0.736			
	(20) Relativity to Underlying Present Rate:	0.444	0.360	0.382				
	(21) Credibility to Underlying Relativity:	0.900	0.620	0.560				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	0.400	0.384	0.398				
	(24) Balanced Formula Relativity:	0.401	0.385	0.397	0.396			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 53

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)		
		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	
		2004/2005	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:	1.916	0.206	1.021			3.143	
		(16) Countrywide Indicated Relativity:	3.150	0.605	1.296				
		(17) Countrywide Credibility:	0.09	0.13	0.16				
		(18) Countrywide Lost-time Claims:	1	5					
		(19) Pure Premium Underlying Present Rate:	0.458	0.528	0.421			1.407	
		(20) Relativity to Underlying Present Rate:	0.648	1.345	0.573				
		(21) Credibility to Underlying Relativity:	0.910	0.870	0.840				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	0.873	1.249	0.689				
		(24) Balanced Formula Relativity:	0.876	1.251	0.687			0.865	

Class(es):		Effective: 9/1/2008						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)			
2000/2001	74,858	1	6	174,936	17,429	61,849	254,214		
2001/2002	74,993	0	3	0	10,099	51,295	61,394		
2002/2003	65,868	0	3	0	6,279	17,696	23,975		
2003/2004	71,357	0	1	0	5,882	21,357	27,239		
2004/2005	136,454	0	7	0	46,858	94,653	141,511		
MA Total	423,530	1	20	174,936	86,547	246,851	508,333		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	2.337	0.233	0.826			3.396	
		2001/2002	0.000	0.135	0.684			0.819	
		2002/2003	0.000	0.095	0.269			0.364	
		2003/2004	0.000	0.082	0.299			0.382	
		2004/2005	0.000	0.343	0.694			1.037	
		MA Total Pure Premium:	0.413	0.204	0.583			1.200	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.641	0.546	0.691				
		(14) Massachusetts Credibility:	0.23	0.29	0.44				
		(15) Countrywide Pure Premium:	0.714	0.524	1.007			2.245	
		(16) Countrywide Indicated Relativity:	1.175	1.535	1.279				
		(17) Countrywide Credibility:	0.36	0.36	0.28				
		(18) Countrywide Lost-time Claims:	36	200					
		(19) Pure Premium Underlying Present Rate:	0.906	0.196	0.827			1.929	
		(20) Relativity to Underlying Present Rate:	1.282	0.500	1.126				
		(21) Credibility to Underlying Relativity:	0.410	0.350	0.280				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	1.096	0.886	0.977				
		(24) Balanced Formula Relativity:	1.099	0.887	0.974			1.000	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 54

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	221,187	1	9	179,486	34,813	95,039	309,339		
2001/2002	180,341	0	5	0	3,332	8,847	12,179		
2002/2003	153,894	0	4	0	10,044	28,967	39,011		
2003/2004	149,197	1	10	81,020	30,615	183,311	294,945		
2004/2005	2,831	0	0	0	0	0	0		
MA Total	707,450	2	28	260,506	78,804	316,164	655,474		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.811	0.157	0.430	1.399				
	2001/2002	0.000	0.018	0.049	0.068				
	2002/2003	0.000	0.065	0.188	0.253				
	2003/2004	0.543	0.205	1.229	1.977				
	2004/2005	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.368	0.111	0.447	0.927				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
(13)	Massachusetts Indicated Relativity:	0.572	0.297	0.530					
(14)	Massachusetts Credibility:	0.15	0.33	0.31					
(15)	Countrywide Pure Premium:	0.000	0.000	0.000	0.000				
(16)	Countrywide Indicated Relativity:	0.240	0.402	0.298					
(17)	Countrywide Credibility:	0.00	0.00	0.00					
(18)	Countrywide Lost-time Claims:	0	0						
(19)	Pure Premium Underlying Present Rate:	0.171	0.159	0.220	0.549				
(20)	Relativity to Underlying Present Rate:	0.241	0.404	0.299					
(21)	Credibility to Underlying Relativity:	0.850	0.670	0.690					
(22)	Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
(23)	Formula Relativity:	0.291	0.369	0.371					
(24)	Balanced Formula Relativity:	0.291	0.369	0.369	0.342				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	43,182	1	3	164,181	2,230	40,433	206,844		
2001/2002	54,049	1	8	172,188	37,412	72,800	282,400		
2002/2003	12,371	0	1	0	93	453	546		
2003/2004	12,982	0	1	0	224	2,501	2,725		
2004/2005	10,734	0	0	0	0	2,554	2,554		
MA Total	133,318	2	13	336,370	39,959	118,741	495,069		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	3.802	0.052	0.936	4.790				
	2001/2002	3.186	0.692	1.347	5.225				
	2002/2003	0.000	0.008	0.037	0.044				
	2003/2004	0.000	0.017	0.193	0.210				
	2004/2005	0.000	0.000	0.238	0.238				
	MA Total Pure Premium:	2.523	0.300	0.891	3.713				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
(13)	Massachusetts Indicated Relativity:	3.918	0.800	1.055					
(14)	Massachusetts Credibility:	0.16	0.26	0.25					
(15)	Countrywide Pure Premium:	0.373	0.284	0.623	1.280				
(16)	Countrywide Indicated Relativity:	0.614	0.833	0.791					
(17)	Countrywide Credibility:	0.32	0.37	0.38					
(18)	Countrywide Lost-time Claims:	27	240						
(19)	Pure Premium Underlying Present Rate:	1.080	0.462	0.642	2.184				
(20)	Relativity to Underlying Present Rate:	1.527	1.177	0.875					
(21)	Credibility to Underlying Relativity:	0.520	0.370	0.370					
(22)	Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
(23)	Formula Relativity:	1.617	0.952	0.888					
(24)	Balanced Formula Relativity:	1.621	0.953	0.885	1.153				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000124

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 55

Calculation of Class Relativities

Class(es): 3132 NUT OR BOLT MFG		Effective: 9/1/2008						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)			
2000/2001	10,253	0	1	0	2,596	1,904	4,501		
2001/2002	27,787	0	1	0	214	2,607	2,822		
2002/2003	8,458	0	1	0	14,886	15,643	30,529		
2003/2004	6,034	0	0	0	0	0	0		
2004/2005	7,805	0	0	0	0	700	700		
MA Total	60,337	0	3	0	17,697	20,855	38,551		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.253	0.186	0.439				
	2001/2002	0.000	0.008	0.094	0.102				
	2002/2003	0.000	1.760	1.849	3.609				
	2003/2004	0.000	0.000	0.000	0.000				
	2004/2005	0.000	0.000	0.090	0.090				
	MA Total Pure Premium:	0.000	0.293	0.346	0.639				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.783	0.410					
	(14) Massachusetts Credibility:	0.09	0.20	0.19					
	(15) Countrywide Pure Premium:	0.727	0.456	1.125	2.307				
	(16) Countrywide Indicated Relativity:	1.195	1.337	1.428					
	(17) Countrywide Credibility:	0.26	0.40	0.41					
	(18) Countrywide Lost-time Claims:	15	264						
	(19) Pure Premium Underlying Present Rate:	0.556	0.511	0.775	1.842				
	(20) Relativity to Underlying Present Rate:	0.786	1.304	1.055					
	(21) Credibility to Underlying Relativity:	0.650	0.400	0.400					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.821	1.213	1.085					
	(24) Balanced Formula Relativity:	0.823	1.214	1.082	1.019				

Class(es): 3145 SCREW MFG		Effective: 9/1/2008						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)			
2000/2001	268,761	0	9	0	30,868	73,547	104,414		
2001/2002	223,460	0	11	0	29,256	71,936	101,192		
2002/2003	237,876	1	10	160,926	20,761	152,693	334,380		
2003/2004	234,659	0	16	0	238,141	149,606	387,747		
2004/2005	198,944	1	14	121,129	58,302	226,961	406,393		
MA Total	1,163,700	2	60	282,055	377,329	674,742	1,334,126		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.115	0.274	0.389				
	2001/2002	0.000	0.131	0.322	0.453				
	2002/2003	0.677	0.087	0.642	1.406				
	2003/2004	0.000	1.015	0.638	1.652				
	2004/2005	0.609	0.293	1.141	2.043				
	MA Total Pure Premium:	0.242	0.324	0.580	1.146				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.376	0.866	0.687					
	(14) Massachusetts Credibility:	0.27	0.51	0.54					
	(15) Countrywide Pure Premium:	0.516	0.327	0.780	1.623				
	(16) Countrywide Indicated Relativity:	0.848	0.959	0.990					
	(17) Countrywide Credibility:	0.37	0.25	0.23					
	(18) Countrywide Lost-time Claims:	50	991						
	(19) Pure Premium Underlying Present Rate:	0.470	0.282	0.527	1.280				
	(20) Relativity to Underlying Present Rate:	0.665	0.720	0.718					
	(21) Credibility to Underlying Relativity:	0.360	0.240	0.230					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.655	0.854	0.764					
	(24) Balanced Formula Relativity:	0.656	0.855	0.761	0.744				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000125

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 56

Calculation of Class Relativities

Class(es): 3146 HARDWARE MFG-NOC		Effective: 9/1/2008						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)			
2000/2001	203,699	4	24	680,227	116,394	282,352	1,078,973		
2001/2002	174,853	0	13	0	85,340	109,182	194,522		
2002/2003	160,925	0	10	0	61,744	109,412	171,156		
2003/2004	113,936	3	6	310,919	10,906	121,442	443,268		
2004/2005	148,988	0	0	0	0	20,858	20,858		
MA Total	802,401	7	53	991,146	274,385	643,246	1,908,776		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	3.339	0.571	1.386	5.297				
	2001/2002	0.000	0.488	0.624	1.112				
	2002/2003	0.000	0.384	0.680	1.064				
	2003/2004	2.729	0.096	1.066	3.891				
	2004/2005	0.000	0.000	0.140	0.140				
	MA Total Pure Premium:	1.235	0.342	0.802	2.379				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.918	0.913	0.950					
	(14) Massachusetts Credibility:	0.29	0.53	0.52					
	(15) Countrywide Pure Premium:	0.673	0.449	1.022	2.144				
	(16) Countrywide Indicated Relativity:	1.107	1.316	1.299					
	(17) Countrywide Credibility:	0.36	0.24	0.24					
	(18) Countrywide Lost-time Claims:	277	3,474						
	(19) Pure Premium Underlying Present Rate:	0.852	0.451	0.686	1.989				
	(20) Relativity to Underlying Present Rate:	1.204	1.150	0.935					
	(21) Credibility to Underlying Relativity:	0.350	0.230	0.240					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.376	1.064	1.030					
	(24) Balanced Formula Relativity:	1.380	1.066	1.027	1.157				

Class(es): 3169 STOVE MFG*		Effective: 9/1/2008						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)			
2000/2001	480,078	4	74	399,283	363,440	1,236,804	1,999,526		
2001/2002	398,274	6	38	657,962	324,023	710,035	1,692,021		
2002/2003	447,680	3	39	387,087	282,703	594,726	1,264,515		
2003/2004	389,091	5	29	1,070,368	265,132	1,283,246	2,618,746		
2004/2005	392,689	0	31	0	194,796	238,739	433,535		
MA Total	2,107,812	18	211	2,514,700	1,430,094	4,063,548	8,008,342		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.832	0.757	2.576	4.165				
	2001/2002	1.652	0.814	1.783	4.248				
	2002/2003	0.865	0.631	1.328	2.825				
	2003/2004	2.751	0.681	3.298	6.730				
	2004/2005	0.000	0.496	0.608	1.104				
	MA Total Pure Premium:	1.193	0.678	1.928	3.799				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.853	1.812	2.284					
	(14) Massachusetts Credibility:	0.48	1.00	1.00					
	(15) Countrywide Pure Premium:	0.868	0.499	1.157	2.524				
	(16) Countrywide Indicated Relativity:	1.428	1.463	1.469					
	(17) Countrywide Credibility:	0.26	0.00	0.00					
	(18) Countrywide Lost-time Claims:	689	9,526						
	(19) Pure Premium Underlying Present Rate:	1.152	0.869	1.518	3.539				
	(20) Relativity to Underlying Present Rate:	1.628	2.215	2.067					
	(21) Credibility to Underlying Relativity:	0.260	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.684	1.812	2.284					
	(24) Balanced Formula Relativity:	1.688	1.814	2.277	1.980				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000126

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 57

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,318,255	6	91	452,308	463,485	965,860	1,881,654		
2001/2002	1,289,101	7	79	550,377	439,365	990,687	1,980,429		
2002/2003	1,452,106	8	79	809,144	446,869	964,043	2,220,055		
2003/2004	1,621,336	13	78	2,227,078	760,671	1,372,840	4,360,589		
2004/2005	1,747,497	1	61	325,332	588,882	697,326	1,611,540		
MA Total	7,428,295	35	388	4,364,240	2,699,272	4,990,756	12,054,267		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.343	0.352	0.733	1.427		
		2001/2002		0.427	0.341	0.769	1.536		
		2002/2003		0.557	0.308	0.664	1.529		
		2003/2004		1.374	0.469	0.847	2.690		
		2004/2005		0.186	0.337	0.399	0.922		
		MA Total Pure Premium:		0.588	0.363	0.672	1.623		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.912	0.970	0.796			
		(14) Massachusetts Credibility:		0.65	1.00	1.00			
		(15) Countrywide Pure Premium:		0.569	0.376	0.786	1.730		
		(16) Countrywide Indicated Relativity:		0.936	1.102	0.998			
		(17) Countrywide Credibility:		0.18	0.00	0.00			
		(18) Countrywide Lost-time Claims:		791	12,025				
		(19) Pure Premium Underlying Present Rate:		0.692	0.406	0.663	1.761		
		(20) Relativity to Underlying Present Rate:		0.978	1.035	0.903			
		(21) Credibility to Underlying Relativity:		0.170	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.928	0.970	0.796			
		(24) Balanced Formula Relativity:		0.930	0.972	0.794	0.877		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	119,896	4	13	285,778	11,454	277,910	575,141		
2001/2002	113,680	3	6	208,657	20,634	93,794	323,085		
2002/2003	306,134	2	30	265,713	208,498	222,283	696,494		
2003/2004	323,362	3	37	513,012	269,183	409,557	1,191,751		
2004/2005	315,397	0	20	87,864	0	121,647	209,511		
MA Total	1,178,469	12	106	1,273,159	597,633	1,125,190	2,995,983		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		2.384	0.096	2.318	4.797		
		2001/2002		1.835	0.182	0.825	2.842		
		2002/2003		0.868	0.681	0.726	2.275		
		2003/2004		1.586	0.832	1.267	3.686		
		2004/2005		0.000	0.279	0.386	0.664		
		MA Total Pure Premium:		1.080	0.507	0.955	2.542		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.678	1.354	1.131			
		(14) Massachusetts Credibility:		0.35	0.76	0.74			
		(15) Countrywide Pure Premium:		0.413	0.390	0.891	1.693		
		(16) Countrywide Indicated Relativity:		0.679	1.143	1.131			
		(17) Countrywide Credibility:		0.33	0.12	0.13			
		(18) Countrywide Lost-time Claims:		80	679				
		(19) Pure Premium Underlying Present Rate:		0.908	0.759	1.109	2.776		
		(20) Relativity to Underlying Present Rate:		1.284	1.936	1.510			
		(21) Credibility to Underlying Relativity:		0.320	0.120	0.130			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.222	1.399	1.181			
		(24) Balanced Formula Relativity:		1.225	1.400	1.177	1.238		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 58

Calculation of Class Relativities

Class(es): 3188 PLUMBERS SUPPLIES MFG-NOC		Effective: 9/1/2008						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)			
2000/2001	30,966	0	1	0	737	6,877	7,614		
2001/2002	13,710	0	0	0	0	1,729	1,729		
2002/2003	18,899	0	0	0	0	7,351	7,351		
2003/2004	16,881	1	3	159,397	44,260	86,076	289,733		
2004/2005	10,812	0	1	0	5,920	7,056	12,976		
MA Total	91,268	1	5	159,397	50,917	109,089	319,403		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.024	0.222	0.246				
	2001/2002	0.000	0.000	0.126	0.126				
	2002/2003	0.000	0.000	0.389	0.389				
	2003/2004	9.442	2.622	5.099	17.163				
	2004/2005	0.000	0.548	0.653	1.200				
	MA Total Pure Premium:	1.746	0.558	1.195	3.500				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.712	1.490	1.416					
	(14) Massachusetts Credibility:	0.11	0.24	0.29					
	(15) Countrywide Pure Premium:	0.550	0.377	0.844	1.771				
	(16) Countrywide Indicated Relativity:	0.905	1.106	1.072					
	(17) Countrywide Credibility:	0.45	0.38	0.36					
	(18) Countrywide Lost-time Claims:	66	730						
	(19) Pure Premium Underlying Present Rate:	0.680	0.547	1.375	2.602				
	(20) Relativity to Underlying Present Rate:	0.962	1.395	1.872					
	(21) Credibility to Underlying Relativity:	0.440	0.380	0.350					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.129	1.308	1.452					
	(24) Balanced Formula Relativity:	1.131	1.309	1.447	1.310				

Class(es): 3200 ARMS MFG-SMALL		Effective: 9/1/2008						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)			
2000/2001	97,037	0	6	0	12,313	77,549	89,862		
2001/2002	80,863	2	6	173,824	67,708	358,632	600,163		
2002/2003	39,863	1	7	59,700	14,180	92,045	165,925		
2003/2004	82,638	1	9	131,424	86,526	280,270	498,221		
2004/2005	101,151	1	8	245,464	105,927	216,476	567,867		
MA Total	401,552	5	36	610,412	286,654	1,024,972	1,922,038		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.127	0.799	0.926				
	2001/2002	2.150	0.837	4.435	7.422				
	2002/2003	1.498	0.356	2.309	4.162				
	2003/2004	1.590	1.047	3.392	6.029				
	2004/2005	2.427	1.047	2.140	5.614				
	MA Total Pure Premium:	1.520	0.714	2.553	4.787				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.361	1.907	3.024					
	(14) Massachusetts Credibility:	0.21	0.41	0.49					
	(15) Countrywide Pure Premium:	0.425	0.148	0.437	1.011				
	(16) Countrywide Indicated Relativity:	0.700	0.434	0.556					
	(17) Countrywide Credibility:	0.17	0.18	0.24					
	(18) Countrywide Lost-time Claims:	5	12						
	(19) Pure Premium Underlying Present Rate:	0.756	0.473	1.158	2.387				
	(20) Relativity to Underlying Present Rate:	1.069	1.206	1.576					
	(21) Credibility to Underlying Relativity:	0.620	0.410	0.270					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.278	1.354	2.041					
	(24) Balanced Formula Relativity:	1.281	1.356	2.035	1.637				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000128

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 59

Calculation of Class Relativities

Class(es): 3220 CAN MFG		Effective: 9/1/2008						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)			
2000/2001	59,944	0	4	0	17,046	47,107	64,153		
2001/2002	0	0	0	0	0	0	0		
2002/2003	63,807	0	3	0	15,397	20,575	35,972		
2003/2004	0	0	0	0	0	0	0		
2004/2005	0	0	0	0	0	0	0		
MA Total	123,751	0	7	0	32,444	67,682	100,126		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
2000/2001				0.000	0.284	0.786	1.070		
2001/2002				0.000	0.000	0.000	0.000		
2002/2003				0.000	0.241	0.322	0.564		
2003/2004				0.000	0.000	0.000	0.000		
2004/2005				0.000	0.000	0.000	0.000		
MA Total Pure Premium:				0.000	0.262	0.547	0.809		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.000	0.700	0.648			
(14) Massachusetts Credibility:				0.12	0.21	0.22			
(15) Countrywide Pure Premium:				0.574	0.348	0.711	1.633		
(16) Countrywide Indicated Relativity:				0.945	1.019	0.903			
(17) Countrywide Credibility:				0.44	0.40	0.39			
(18) Countrywide Lost-time Claims:				64	692				
(19) Pure Premium Underlying Present Rate:				0.616	0.283	0.526	1.425		
(20) Relativity to Underlying Present Rate:				0.871	0.722	0.716			
(21) Credibility to Underlying Relativity:				0.440	0.390	0.390			
(22) Industry Group Adjusted Converted Pure Premium:				0.644	0.374	0.844	1.862		
(23) Formula Relativity:				0.799	0.836	0.774			
(24) Balanced Formula Relativity:				0.801	0.837	0.772	0.795		

Class(es): 3255 WIRE CLOTH MFG		Effective: 9/1/2008						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)			
2000/2001	31,840	0	0	0	0	1,171	1,171		
2001/2002	24,753	0	3	0	2,675	3,165	5,840		
2002/2003	26,045	0	1	0	14,247	3,003	17,251		
2003/2004	25,637	0	7	0	62,930	76,219	139,150		
2004/2005	28,183	0	5	0	63,724	60,217	123,941		
MA Total	136,458	0	16	0	143,576	143,775	287,352		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
2000/2001				0.000	0.000	0.037	0.037		
2001/2002				0.000	0.108	0.128	0.236		
2002/2003				0.000	0.547	0.115	0.662		
2003/2004				0.000	2.455	2.973	5.428		
2004/2005				0.000	2.261	2.137	4.398		
MA Total Pure Premium:				0.000	1.052	1.054	2.106		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.000	2.810	1.248			
(14) Massachusetts Credibility:				0.15	0.28	0.28			
(15) Countrywide Pure Premium:				0.757	0.411	1.039	2.207		
(16) Countrywide Indicated Relativity:				1.246	1.204	1.320			
(17) Countrywide Credibility:				0.20	0.36	0.36			
(18) Countrywide Lost-time Claims:				8	101				
(19) Pure Premium Underlying Present Rate:				0.987	0.556	0.833	2.376		
(20) Relativity to Underlying Present Rate:				1.395	1.418	1.134			
(21) Credibility to Underlying Relativity:				0.650	0.360	0.360			
(22) Industry Group Adjusted Converted Pure Premium:				0.644	0.374	0.844	1.862		
(23) Formula Relativity:				1.156	1.731	1.233			
(24) Balanced Formula Relativity:				1.159	1.733	1.229	1.306		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000129

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 60

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
3257 WIRE 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)			
2000/2001	177,990	2	23	252,586	95,256	129,773	477,615		
2001/2002	113,392	1	9	80,341	46,824	122,109	249,274		
2002/2003	115,393	1	16	64,501	53,924	120,713	239,138		
2003/2004	96,233	0	5	0	58,415	41,979	100,394		
2004/2005	112,600	0	8	0	14,399	31,506	45,905		
MA Total	615,608	4	61	397,428	268,818	446,081	1,112,327		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.419	0.535	0.729	2.683		
			2001/2002	0.709	0.413	1.077	2.198		
			2002/2003	0.559	0.467	1.046	2.072		
			2003/2004	0.000	0.607	0.436	1.043		
			2004/2005	0.000	0.128	0.280	0.408		
			MA Total Pure Premium:	0.646	0.437	0.725	1.807		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.003	1.166	0.859			
			(14) Massachusetts Credibility:	0.25	0.53	0.49			
			(15) Countrywide Pure Premium:	0.859	0.532	1.231	2.623		
			(16) Countrywide Indicated Relativity:	1.413	1.561	1.564			
			(17) Countrywide Credibility:	0.38	0.24	0.26			
			(18) Countrywide Lost-time Claims:	191	2,640				
			(19) Pure Premium Underlying Present Rate:	0.773	0.609	0.746	2.128		
			(20) Relativity to Underlying Present Rate:	1.093	1.553	1.016			
			(21) Credibility to Underlying Relativity:	0.370	0.230	0.250			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.192	1.350	1.081			
			(24) Balanced Formula Relativity:	1.195	1.351	1.078	1.173		

Class(es):		Effective: 9/1/2008						Manufacturing	
3270 EYELET 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)			
2000/2001	20,038	0	1	0	465	4,273	4,738		
2001/2002	24,191	0	1	0	36,577	47,179	83,756		
2002/2003	26,798	0	1	0	87	8,562	8,650		
2003/2004	26,236	0	1	0	20,593	17,512	38,105		
2004/2005	23,504	0	2	0	3,301	13,595	16,896		
MA Total	120,767	0	6	0	61,023	91,122	152,145		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.023	0.213	0.236		
			2001/2002	0.000	1.512	1.950	3.462		
			2002/2003	0.000	0.003	0.320	0.323		
			2003/2004	0.000	0.785	0.667	1.452		
			2004/2005	0.000	0.140	0.578	0.719		
			MA Total Pure Premium:	0.000	0.505	0.755	1.260		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.000	1.350	0.894			
			(14) Massachusetts Credibility:	0.12	0.21	0.22			
			(15) Countrywide Pure Premium:	0.589	0.193	0.461	1.243		
			(16) Countrywide Indicated Relativity:	0.968	0.565	0.586			
			(17) Countrywide Credibility:	0.30	0.40	0.39			
			(18) Countrywide Lost-time Claims:	22	328				
			(19) Pure Premium Underlying Present Rate:	0.659	0.316	0.523	1.498		
			(20) Relativity to Underlying Present Rate:	0.932	0.807	0.712			
			(21) Credibility to Underlying Relativity:	0.580	0.390	0.390			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.831	0.824	0.703			
			(24) Balanced Formula Relativity:	0.833	0.825	0.701	0.771		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000130

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 61

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)		
			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		
			2004/2005	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:		2.578	1.115	2.268	5.961		
		(16) Countrywide Indicated Relativity:		4.240	3.269	2.880			
		(17) Countrywide Credibility:		0.46	0.50	0.50			
		(18) Countrywide Lost-time Claims:		64	871				
		(19) Pure Premium Underlying Present Rate:		2.891	1.033	2.102	6.027		
		(20) Relativity to Underlying Present Rate:		4.089	2.634	2.862			
		(21) Credibility to Underlying Relativity:		0.540	0.500	0.500			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		4.158	2.951	2.871			
		(24) Balanced Formula Relativity:		4.168	2.955	2.862	3.332		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	204,001	0	20	0	109,706	135,248	244,954		
2001/2002	193,601	0	10	0	42,581	74,681	117,262		
2002/2003	184,037	0	9	0	24,646	39,126	63,771		
2003/2004	174,659	0	8	0	90,250	77,643	167,893		
2004/2005	185,150	0	7	0	159,960	164,951	324,911		
MA Total	941,448	0	54	0	427,143	491,648	918,791		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.538	0.663	1.201		
			2001/2002	0.000	0.220	0.386	0.606		
			2002/2003	0.000	0.134	0.213	0.347		
			2003/2004	0.000	0.517	0.445	0.961		
			2004/2005	0.000	0.864	0.891	1.755		
			MA Total Pure Premium:	0.000	0.454	0.522	0.976		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	1.212	0.619			
		(14) Massachusetts Credibility:		0.27	0.52	0.55			
		(15) Countrywide Pure Premium:		1.340	0.612	1.552	3.504		
		(16) Countrywide Indicated Relativity:		2.204	1.794	1.970			
		(17) Countrywide Credibility:		0.30	0.24	0.23			
		(18) Countrywide Lost-time Claims:		23	330				
		(19) Pure Premium Underlying Present Rate:		0.605	0.375	0.664	1.645		
		(20) Relativity to Underlying Present Rate:		0.856	0.957	0.904			
		(21) Credibility to Underlying Relativity:		0.430	0.240	0.220			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.029	1.290	0.992			
		(24) Balanced Formula Relativity:		1.032	1.292	0.989	1.065		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000131

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 62

Calculation of Class Relativities

Class(es): 3336 TYPE FOUNDRY		Effective: 9/1/2008						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)		
2000/2001	4,508	0	0	0	0	5,725	5,725		
2001/2002	5,266	0	3	0	65,415	73,351	138,766		
2002/2003	5,044	0	0	0	0	1,610	1,610		
2003/2004	6,425	0	0	0	0	1,682	1,682		
2004/2005	6,016	0	0	0	0	0	0		
MA Total	27,259	0	3	0	65,415	82,368	147,783		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	1.270	1.270			
		2001/2002	0.000	12.421	13.928	26.349			
		2002/2003	0.000	0.000	0.319	0.319			
		2003/2004	0.000	0.000	0.262	0.262			
		2004/2005	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	2.400	3.022	5.421			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	6.409	3.580				
		(14) Massachusetts Credibility:	0.07	0.16	0.17				
		(15) Countrywide Pure Premium:	0.959	0.345	0.940	2.245			
		(16) Countrywide Indicated Relativity:	1.578	1.012	1.194				
		(17) Countrywide Credibility:	0.30	0.42	0.42				
		(18) Countrywide Lost-time Claims:	23	288					
		(19) Pure Premium Underlying Present Rate:	0.841	0.722	1.280	2.843			
		(20) Relativity to Underlying Present Rate:	1.189	1.841	1.743				
		(21) Credibility to Underlying Relativity:	0.630	0.420	0.410				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.222	2.224	1.825				
		(24) Balanced Formula Relativity:	1.225	2.226	1.819	1.696			

Class(es): 3365 WELDING OR CUTTING - NOC & DRIVERS		Effective: 9/1/2008						Construction	
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)		
2000/2001	127,763	6	13	538,632	140,915	712,785	1,392,333		
2001/2002	139,681	3	14	278,040	60,169	282,723	620,932		
2002/2003	122,693	3	19	418,963	216,142	408,330	1,043,435		
2003/2004	109,970	3	11	693,475	78,481	338,941	1,110,897		
2004/2005	102,412	1	21	189,998	130,893	268,448	589,338		
MA Total	602,519	16	78	2,119,108	626,600	2,011,227	4,756,935		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	4.216	1.103	5.579	10.898			
		2001/2002	1.991	0.431	2.024	4.445			
		2002/2003	3.415	1.762	3.328	8.504			
		2003/2004	6.306	0.714	3.082	10.102			
		2004/2005	1.855	1.278	2.621	5.755			
		MA Total Pure Premium:	3.517	1.040	3.338	7.895			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.663	1.561	1.779				
		(14) Massachusetts Credibility:	0.47	0.68	0.88				
		(15) Countrywide Pure Premium:	2.806	0.821	2.539	6.166			
		(16) Countrywide Indicated Relativity:	1.393	1.264	1.420				
		(17) Countrywide Credibility:	0.27	0.16	0.06				
		(18) Countrywide Lost-time Claims:	186	1,428					
		(19) Pure Premium Underlying Present Rate:	3.790	1.120	3.370	8.280			
		(20) Relativity to Underlying Present Rate:	1.647	1.565	2.097				
		(21) Credibility to Underlying Relativity:	0.260	0.160	0.060				
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
		(23) Formula Relativity:	1.586	1.514	1.777				
		(24) Balanced Formula Relativity:	1.589	1.516	1.777	1.654			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000132

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 63

Calculation of Class Relativities

Class(es): 3372 ELECTROPLATING		Effective: 9/1/2008				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)
2000/2001	450,942	3	32	199,930	144,526	290,692	635,148
2001/2002	383,826	3	19	321,966	53,521	410,335	785,823
2002/2003	419,336	0	19	0	65,517	128,887	194,404
2003/2004	463,866	3	22	414,675	80,682	342,354	837,711
2004/2005	459,697	2	19	395,759	212,554	517,827	1,126,140
MA Total	2,177,667	11	111	1,332,330	556,799	1,690,095	3,579,225
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.443	0.320	0.645	1.408		
	2001/2002	0.839	0.139	1.069	2.047		
	2002/2003	0.000	0.156	0.307	0.464		
	2003/2004	0.894	0.174	0.738	1.806		
	2004/2005	0.861	0.462	1.126	2.450		
	MA Total Pure Premium:	0.612	0.256	0.776	1.644		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.950	0.683	0.920			
	(14) Massachusetts Credibility:	0.44	0.70	0.82			
	(15) Countrywide Pure Premium:	0.845	0.436	1.081	2.363		
	(16) Countrywide Indicated Relativity:	1.390	1.280	1.373			
	(17) Countrywide Credibility:	0.28	0.15	0.09			
	(18) Countrywide Lost-time Claims:	279	1,959				
	(19) Pure Premium Underlying Present Rate:	0.873	0.339	0.772	1.984		
	(20) Relativity to Underlying Present Rate:	1.234	0.865	1.051			
	(21) Credibility to Underlying Relativity:	0.280	0.150	0.090			
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
	(23) Formula Relativity:	1.153	0.800	0.972			
	(24) Balanced Formula Relativity:	1.156	0.801	0.969	1.000		

Class(es): 3373 GALVANIZING OR TINNING - NOT ELECTROLYTIC		Effective: 9/1/2008				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)
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	354	354
2003/2004	4,355	0	2	0	2,429	5,635	8,064
2004/2005	5,769	0	1	0	1,857	2,354	4,211
MA Total	18,375	0	3	0	4,285	8,343	12,629
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	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	0.123	0.123		
	2003/2004	0.000	0.558	1.294	1.852		
	2004/2005	0.000	0.322	0.408	0.730		
	MA Total Pure Premium:	0.000	0.233	0.454	0.687		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.000	0.623	0.538			
	(14) Massachusetts Credibility:	0.09	0.13	0.14			
	(15) Countrywide Pure Premium:	0.547	0.490	1.026	2.062		
	(16) Countrywide Indicated Relativity:	0.899	1.435	1.303			
	(17) Countrywide Credibility:	0.17	0.44	0.43			
	(18) Countrywide Lost-time Claims:	5	162				
	(19) Pure Premium Underlying Present Rate:	1.960	0.616	1.193	3.769		
	(20) Relativity to Underlying Present Rate:	2.771	1.570	1.625			
	(21) Credibility to Underlying Relativity:	0.740	0.430	0.430			
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
	(23) Formula Relativity:	2.204	1.388	1.334			
	(24) Balanced Formula Relativity:	2.209	1.389	1.330	1.646		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000133

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 64

Calculation of Class Relativities

Class(es): 3381 SILVERWARE MFG		Effective: 9/1/2008						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)			
2000/2001	108,514	0	6	0	18,191	75,955	94,146		
2001/2002	78,762	1	11	67,820	101,248	262,681	431,749		
2002/2003	78,193	0	12	0	52,196	116,726	168,922		
2003/2004	68,464	0	6	0	78,756	48,253	127,009		
2004/2005	68,253	0	5	0	62,479	69,811	132,290		
MA Total	402,186	1	40	67,820	312,869	573,427	954,115		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.168	0.700	0.868			
		2001/2002	0.861	1.285	3.335	5.482			
		2002/2003	0.000	0.668	1.493	2.160			
		2003/2004	0.000	1.150	0.705	1.855			
		2004/2005	0.000	0.915	1.023	1.938			
		MA Total Pure Premium:	0.169	0.778	1.426	2.372			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.262	2.078	1.689				
		(14) Massachusetts Credibility:	0.21	0.47	0.50				
		(15) Countrywide Pure Premium:	2.015	0.295	0.980	3.290			
		(16) Countrywide Indicated Relativity:	3.314	0.866	1.244				
		(17) Countrywide Credibility:	0.18	0.25	0.25				
		(18) Countrywide Lost-time Claims:	6	29					
		(19) Pure Premium Underlying Present Rate:	0.755	0.671	1.218	2.645			
		(20) Relativity to Underlying Present Rate:	1.068	1.711	1.659				
		(21) Credibility to Underlying Relativity:	0.610	0.280	0.250				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.303	1.672	1.570				
		(24) Balanced Formula Relativity:	1.306	1.674	1.565	1.498			

Class(es): 3383 JEWELRY MFG		Effective: 9/1/2008						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)			
2000/2001	738,704	4	30	258,617	115,439	433,346	807,401		
2001/2002	694,738	0	30	0	232,073	209,609	441,682		
2002/2003	624,343	7	32	607,071	237,111	440,650	1,284,832		
2003/2004	612,361	1	28	71,971	234,813	245,724	552,509		
2004/2005	635,366	1	30	171,028	457,242	492,044	1,120,315		
MA Total	3,305,512	13	150	1,108,687	1,276,678	1,821,373	4,206,739		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.350	0.156	0.587	1.093			
		2001/2002	0.000	0.334	0.302	0.636			
		2002/2003	0.972	0.380	0.706	2.058			
		2003/2004	0.118	0.383	0.401	0.902			
		2004/2005	0.269	0.720	0.774	1.763			
		MA Total Pure Premium:	0.335	0.386	0.551	1.273			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.521	1.032	0.653				
		(14) Massachusetts Credibility:	0.39	0.77	0.81				
		(15) Countrywide Pure Premium:	0.312	0.197	0.452	0.961			
		(16) Countrywide Indicated Relativity:	0.514	0.577	0.574				
		(17) Countrywide Credibility:	0.31	0.12	0.10				
		(18) Countrywide Lost-time Claims:	103	894					
		(19) Pure Premium Underlying Present Rate:	0.426	0.286	0.499	1.211			
		(20) Relativity to Underlying Present Rate:	0.603	0.730	0.679				
		(21) Credibility to Underlying Relativity:	0.300	0.110	0.090				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.543	0.944	0.647				
		(24) Balanced Formula Relativity:	0.545	0.945	0.645	0.671			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000134

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 65

Calculation of Class Relativities

Class(es): 3385 WATCH MFG		Effective: 9/1/2008						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)			
2000/2001	38,017	0	2	0	14,611	4,015	18,626		
2001/2002	37,120	0	0	0	0	320	320		
2002/2003	39,910	0	1	0	8,259	27,941	36,200		
2003/2004	27,725	0	1	0	2,277	378	2,654		
2004/2005	24,808	0	1	0	1,923	1,349	3,273		
MA Total	167,580	0	5	0	27,070	34,003	61,073		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.384	0.106	0.490			
		2001/2002	0.000	0.000	0.009	0.009			
		2002/2003	0.000	0.207	0.700	0.907			
		2003/2004	0.000	0.082	0.014	0.096			
		2004/2005	0.000	0.078	0.054	0.132			
		MA Total Pure Premium:	0.000	0.162	0.203	0.364			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.431	0.240				
		(14) Massachusetts Credibility:	0.10	0.18	0.19				
		(15) Countrywide Pure Premium:	0.044	0.108	0.270	0.422			
		(16) Countrywide Indicated Relativity:	0.073	0.316	0.342				
		(17) Countrywide Credibility:	0.09	0.29	0.35				
		(18) Countrywide Lost-time Claims:	1	42					
		(19) Pure Premium Underlying Present Rate:	0.267	0.144	0.248	0.658			
		(20) Relativity to Underlying Present Rate:	0.377	0.367	0.337				
		(21) Credibility to Underlying Relativity:	0.810	0.530	0.460				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.312	0.364	0.321				
		(24) Balanced Formula Relativity:	0.313	0.364	0.320	0.326			

Class(es): 3507 CONSTRUCTION OR AGRICULTURAL MACHINERY MFG		Effective: 9/1/2008						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)			
2000/2001	37,419	1	4	67,252	18,175	55,933	141,361		
2001/2002	57,499	0	4	0	9,664	17,241	26,905		
2002/2003	68,766	0	6	0	97,948	49,320	147,269		
2003/2004	54,005	0	2	0	53,511	23,280	76,792		
2004/2005	66,015	0	9	0	48,169	53,179	101,348		
MA Total	283,704	1	25	67,252	227,469	198,954	493,675		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	1.797	0.486	1.495	3.778			
		2001/2002	0.000	0.168	0.300	0.468			
		2002/2003	0.000	1.424	0.717	2.142			
		2003/2004	0.000	0.991	0.431	1.422			
		2004/2005	0.000	0.730	0.806	1.535			
		MA Total Pure Premium:	0.237	0.802	0.701	1.740			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.368	2.141	0.831				
		(14) Massachusetts Credibility:	0.21	0.37	0.38				
		(15) Countrywide Pure Premium:	0.995	0.462	1.080	2.537			
		(16) Countrywide Indicated Relativity:	1.636	1.354	1.372				
		(17) Countrywide Credibility:	0.40	0.32	0.31				
		(18) Countrywide Lost-time Claims:	373	5,197					
		(19) Pure Premium Underlying Present Rate:	1.089	0.525	0.858	2.473			
		(20) Relativity to Underlying Present Rate:	1.540	1.339	1.169				
		(21) Credibility to Underlying Relativity:	0.390	0.310	0.310				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.333	1.641	1.103				
		(24) Balanced Formula Relativity:	1.336	1.642	1.100	1.291			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000135

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 66

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
3515 TEXTILE 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)			
2000/2001	22,964	0	5	0	38,631	49,237	87,868		
2001/2002	21,287	0	4	0	15,837	29,824	45,662		
2002/2003	19,171	0	1	0	6,367	39,671	46,038		
2003/2004	22,512	0	3	0	28,268	42,908	71,176		
2004/2005	27,275	0	1	0	1,701	7,213	8,914		
MA Total	113,209	0	14	0	90,804	168,854	259,658		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	1.682	2.144	3.826			
		2001/2002	0.000	0.744	1.401	2.145			
		2002/2003	0.000	0.332	2.069	2.402			
		2003/2004	0.000	1.256	1.906	3.162			
		2004/2005	0.000	0.062	0.264	0.327			
		MA Total Pure Premium:	0.000	0.802	1.492	2.294			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.142	1.767				
		(14) Massachusetts Credibility:	0.13	0.25	0.27				
		(15) Countrywide Pure Premium:	0.556	0.283	0.683	1.522			
		(16) Countrywide Indicated Relativity:	0.915	0.829	0.867				
		(17) Countrywide Credibility:	0.19	0.38	0.37				
		(18) Countrywide Lost-time Claims:	7	90					
		(19) Pure Premium Underlying Present Rate:	0.875	0.511	0.927	2.313			
		(20) Relativity to Underlying Present Rate:	1.238	1.302	1.263				
		(21) Credibility to Underlying Relativity:	0.680	0.370	0.360				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.016	1.332	1.253				
		(24) Balanced Formula Relativity:	1.018	1.334	1.249	1.186			

Class(es):		Effective: 9/1/2008						Manufacturing	
3548 PRINTING OR BOOKBINDING MACHINE 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)			
2000/2001	5,105,393	28	304	2,735,265	1,556,004	4,043,898	8,335,166		
2001/2002	4,753,712	25	273	3,203,243	1,482,872	4,636,242	9,322,357		
2002/2003	4,495,015	22	220	2,291,959	1,155,758	3,224,013	6,671,730		
2003/2004	4,752,365	28	265	3,903,829	1,624,841	4,859,629	10,388,299		
2004/2005	4,885,474	4	247	1,266,519	2,135,945	3,305,513	6,707,976		
MA Total	23,991,959	107	1,309	13,400,814	7,955,419	20,069,295	41,425,529		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.536	0.305	0.792	1.633			
		2001/2002	0.674	0.312	0.975	1.961			
		2002/2003	0.510	0.257	0.717	1.484			
		2003/2004	0.821	0.342	1.023	2.186			
		2004/2005	0.259	0.437	0.677	1.373			
		MA Total Pure Premium:	0.559	0.332	0.837	1.727			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.867	0.886	0.991				
		(14) Massachusetts Credibility:	1.00	1.00	1.00				
		(15) Countrywide Pure Premium:	0.679	0.343	0.775	1.797			
		(16) Countrywide Indicated Relativity:	1.117	1.005	0.985				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	3,173	32,695					
		(19) Pure Premium Underlying Present Rate:	0.634	0.350	0.656	1.639			
		(20) Relativity to Underlying Present Rate:	0.896	0.892	0.893				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.867	0.886	0.991				
		(24) Balanced Formula Relativity:	0.870	0.887	0.988	0.927			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 67

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,779	0	0	0	0	0	0	0	
2001/2002	3,831	0	0	0	0	274	274	274	
2002/2003	12,668	0	0	0	0	0	0	0	
2003/2004	12,577	0	1	0	1,202	1,052	2,253	2,253	
2004/2005	11,084	0	0	0	0	723	723	723	
MA Total	43,939	0	1	0	1,202	2,048	3,250	3,250	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.072	0.072			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.096	0.084	0.179			
		2004/2005	0.000	0.000	0.065	0.065			
		MA Total Pure Premium:	0.000	0.027	0.047	0.074			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.073	0.055	0.100			
		(14) Massachusetts Credibility:	0.05	0.08	0.10	0.073			
		(15) Countrywide Pure Premium:	0.000	0.000	0.000	0.000			
		(16) Countrywide Indicated Relativity:	0.252	0.177	0.273	0.179			
		(17) Countrywide Credibility:	0.00	0.00	0.00	0.000			
		(18) Countrywide Lost-time Claims:	0	0	0	0			
		(19) Pure Premium Underlying Present Rate:	0.179	0.070	0.202	0.451			
		(20) Relativity to Underlying Present Rate:	0.253	0.178	0.275	0.253			
		(21) Credibility to Underlying Relativity:	0.950	0.920	0.900	0.950			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.241	0.170	0.253	0.241			
		(24) Balanced Formula Relativity:	0.241	0.170	0.252	0.232			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	9,934	0	0	0	0	0	0	0	
2001/2002	7,262	0	0	0	0	0	0	0	
2002/2003	10,290	0	0	0	0	0	0	0	
2003/2004	7,672	0	0	0	0	0	0	0	
2004/2005	7,840	0	0	0	0	686	686	686	
MA Total	42,998	0	0	0	0	686	686	686	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		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			
		2004/2005	0.000	0.000	0.088	0.088			
		MA Total Pure Premium:	0.000	0.000	0.016	0.016			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.019	0.019			
		(14) Massachusetts Credibility:	0.07	0.12	0.12	0.073			
		(15) Countrywide Pure Premium:	0.000	0.197	0.521	0.719			
		(16) Countrywide Indicated Relativity:	0.000	0.579	0.662	0.662			
		(17) Countrywide Credibility:	0.00	0.13	0.16	0.16			
		(18) Countrywide Lost-time Claims:	0	6	0	6			
		(19) Pure Premium Underlying Present Rate:	0.444	0.211	0.347	1.002			
		(20) Relativity to Underlying Present Rate:	0.628	0.537	0.472	0.628			
		(21) Credibility to Underlying Relativity:	0.930	0.750	0.720	0.930			
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.584	0.478	0.448	0.584			
		(24) Balanced Formula Relativity:	0.586	0.479	0.447	0.501			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

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 Exhibit 68

Calculation of Class Relativities

Class(es): 3612 PUMP MFG		Effective: 9/1/2008						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)			
2000/2001	148,447	0	16	0	47,519	87,763	135,282		
2001/2002	158,008	1	9	62,978	58,717	91,726	213,421		
2002/2003	156,517	0	7	0	9,831	35,994	45,825		
2003/2004	150,037	1	7	99,362	9,208	143,633	252,203		
2004/2005	154,688	2	3	303,738	12,365	148,154	464,256		
MA Total	767,697	4	42	466,077	137,640	507,270	1,110,987		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.320	0.591	0.911				
	2001/2002	0.399	0.372	0.581	1.351				
	2002/2003	0.000	0.063	0.230	0.293				
	2003/2004	0.662	0.061	0.957	1.681				
	2004/2005	1.964	0.080	0.958	3.001				
	MA Total Pure Premium:	0.607	0.179	0.661	1.447				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.943	0.479	0.783					
	(14) Massachusetts Credibility:	0.24	0.44	0.48					
	(15) Countrywide Pure Premium:	0.490	0.363	0.802	1.654				
	(16) Countrywide Indicated Relativity:	0.806	1.063	1.018					
	(17) Countrywide Credibility:	0.38	0.28	0.26					
	(18) Countrywide Lost-time Claims:	118	1,794						
	(19) Pure Premium Underlying Present Rate:	0.524	0.307	0.575	1.406				
	(20) Relativity to Underlying Present Rate:	0.741	0.784	0.783					
	(21) Credibility to Underlying Relativity:	0.380	0.280	0.260					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.814	0.728	0.844					
	(24) Balanced Formula Relativity:	0.816	0.729	0.841	0.810				

Class(es): 3620 BOILERMAKING		Effective: 9/1/2008						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)			
2000/2001	164,179	3	20	201,706	88,933	265,759	556,399		
2001/2002	150,791	1	10	115,453	99,240	261,693	476,385		
2002/2003	117,467	0	20	0	262,922	297,592	560,515		
2003/2004	125,247	0	15	0	68,923	104,644	173,567		
2004/2005	108,745	0	8	0	177,010	197,753	374,763		
MA Total	666,429	4	73	317,159	697,028	1,127,442	2,141,629		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.229	0.542	1.619	3.389				
	2001/2002	0.766	0.658	1.735	3.159				
	2002/2003	0.000	2.238	2.533	4.772				
	2003/2004	0.000	0.550	0.836	1.386				
	2004/2005	0.000	1.628	1.818	3.446				
	MA Total Pure Premium:	0.476	1.046	1.692	3.214				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.739	2.793	2.004					
	(14) Massachusetts Credibility:	0.33	0.61	0.65					
	(15) Countrywide Pure Premium:	1.637	0.549	1.334	3.520				
	(16) Countrywide Indicated Relativity:	2.692	1.611	1.694					
	(17) Countrywide Credibility:	0.34	0.20	0.18					
	(18) Countrywide Lost-time Claims:	263	2,349						
	(19) Pure Premium Underlying Present Rate:	1.390	0.781	1.414	3.585				
	(20) Relativity to Underlying Present Rate:	1.966	1.991	1.926					
	(21) Credibility to Underlying Relativity:	0.330	0.190	0.170					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.808	2.405	1.935					
	(24) Balanced Formula Relativity:	1.812	2.407	1.929	1.985				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

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Calculation of Class Relativities

Class(es): 3634 VALVE MFG		Effective: 9/1/2008						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)			
2000/2001	196,093	4	13	464,770	34,393	430,084	929,248		
2001/2002	198,968	1	10	71,013	60,060	226,517	357,590		
2002/2003	204,052	1	11	61,397	58,172	101,756	221,325		
2003/2004	190,606	1	7	88,804	60,718	71,465	220,987		
2004/2005	203,697	0	9	0	159,201	121,337	280,539		
MA Total	993,416	7	50	685,985	372,545	951,160	2,009,689		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.370	0.175	2.193	4.739		
			2001/2002	0.357	0.302	1.138	1.797		
			2002/2003	0.301	0.285	0.499	1.085		
			2003/2004	0.466	0.319	0.375	1.159		
			2004/2005	0.000	0.782	0.596	1.377		
			MA Total Pure Premium:	0.691	0.375	0.957	2.023		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.072	1.002	1.134			
			(14) Massachusetts Credibility:	0.32	0.57	0.66			
			(15) Countrywide Pure Premium:	0.480	0.317	0.689	1.486		
			(16) Countrywide Indicated Relativity:	0.789	0.931	0.875			
			(17) Countrywide Credibility:	0.34	0.22	0.17			
			(18) Countrywide Lost-time Claims:	134	1,399				
			(19) Pure Premium Underlying Present Rate:	0.847	0.439	0.979	2.265		
			(20) Relativity to Underlying Present Rate:	1.198	1.119	1.333			
			(21) Credibility to Underlying Relativity:	0.340	0.210	0.170			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.019	1.011	1.124			
			(24) Balanced Formula Relativity:	1.021	1.012	1.121	1.064		

Class(es): 3635 GEAR MFG OR GRINDING		Effective: 9/1/2008						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)			
2000/2001	143,617	1	13	46,968	164,648	220,413	432,029		
2001/2002	89,802	1	14	208,803	132,006	255,006	595,814		
2002/2003	145,129	0	12	0	95,057	250,148	345,205		
2003/2004	174,177	0	12	0	49,585	158,796	208,381		
2004/2005	187,324	1	19	263,672	112,910	372,065	748,648		
MA Total	740,049	3	70	519,442	554,207	1,256,428	2,330,077		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.327	1.146	1.535	3.008		
			2001/2002	2.325	1.470	2.840	6.635		
			2002/2003	0.000	0.655	1.724	2.379		
			2003/2004	0.000	0.285	0.912	1.196		
			2004/2005	1.408	0.603	1.986	3.997		
			MA Total Pure Premium:	0.702	0.749	1.698	3.149		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.090	2.000	2.012			
			(14) Massachusetts Credibility:	0.28	0.58	0.64			
			(15) Countrywide Pure Premium:	0.800	0.359	0.849	2.008		
			(16) Countrywide Indicated Relativity:	1.316	1.052	1.078			
			(17) Countrywide Credibility:	0.36	0.21	0.18			
			(18) Countrywide Lost-time Claims:	38	638				
			(19) Pure Premium Underlying Present Rate:	0.847	0.623	1.238	2.707		
			(20) Relativity to Underlying Present Rate:	1.198	1.588	1.685			
			(21) Credibility to Underlying Relativity:	0.360	0.210	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.210	1.714	1.785			
			(24) Balanced Formula Relativity:	1.213	1.716	1.779	1.571		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
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Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	28,826	0	0	0	0	0	0	0	
2001/2002	27,793	0	1	0	1,233	68	1,301		
2002/2003	44,528	0	1	0	42,460	6,471	48,930		
2003/2004	48,961	0	0	0	0	0	0		
2004/2005	60,064	1	2	274,852	16,594	120,523	411,969		
MA Total	210,172	1	4	274,852	60,286	127,062	462,200		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.044	0.002	0.047			
		2002/2003	0.000	0.954	0.145	1.099			
		2003/2004	0.000	0.000	0.000	0.000			
		2004/2005	4.576	0.276	2.007	6.859			
		MA Total Pure Premium:	1.308	0.287	0.605	2.199			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.031	0.766	0.716				
		(14) Massachusetts Credibility:	0.12	0.22	0.21				
		(15) Countrywide Pure Premium:	0.140	0.134	0.254	0.528			
		(16) Countrywide Indicated Relativity:	0.230	0.392	0.322				
		(17) Countrywide Credibility:	0.18	0.39	0.40				
		(18) Countrywide Lost-time Claims:	6	138					
		(19) Pure Premium Underlying Present Rate:	0.332	0.184	0.259	0.775			
		(20) Relativity to Underlying Present Rate:	0.469	0.470	0.353				
		(21) Credibility to Underlying Relativity:	0.700	0.390	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.614	0.505	0.417				
		(24) Balanced Formula Relativity:	0.615	0.505	0.416	0.503			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	25	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	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	25	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		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			
		2004/2005	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	0.01				
		(15) Countrywide Pure Premium:	0.806	0.438	0.929	2.172			
		(16) Countrywide Indicated Relativity:	1.326	1.284	1.179				
		(17) Countrywide Credibility:	0.50	0.50	0.50				
		(18) Countrywide Lost-time Claims:	82	896					
		(19) Pure Premium Underlying Present Rate:	0.609	0.676	1.140	2.425			
		(20) Relativity to Underlying Present Rate:	0.861	1.723	1.552				
		(21) Credibility to Underlying Relativity:	0.500	0.490	0.490				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.093	1.486	1.350				
		(24) Balanced Formula Relativity:	1.096	1.488	1.346	1.288			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

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 Exhibit 71

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,725	0	0	0	0	0	0	0	
2001/2002	1,609	0	0	0	0	713	713	713	
2002/2003	3,997	0	0	0	0	1,634	1,634	1,634	
2003/2004	1,185	0	0	0	0	0	0	0	
2004/2005	3,345	0	0	0	0	0	0	0	
MA Total	11,861	0	0	0	0	2,346	2,346	2,346	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.000	0.000		
			2001/2002	0.000	0.000	0.443	0.443		
			2002/2003	0.000	0.000	0.409	0.409		
			2003/2004	0.000	0.000	0.000	0.000		
			2004/2005	0.000	0.000	0.000	0.000		
			MA Total Pure Premium:	0.000	0.000	0.198	0.198		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	0.000	0.234			
		(14) Massachusetts Credibility:		0.04	0.08	0.10			
		(15) Countrywide Pure Premium:		0.439	0.356	0.809	1.604		
		(16) Countrywide Indicated Relativity:		0.722	1.045	1.027			
		(17) Countrywide Credibility:		0.42	0.46	0.45			
		(18) Countrywide Lost-time Claims:		51	1,160				
		(19) Pure Premium Underlying Present Rate:		0.448	0.309	0.723	1.480		
		(20) Relativity to Underlying Present Rate:		0.633	0.787	0.985			
		(21) Credibility to Underlying Relativity:		0.540	0.460	0.450			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.645	0.843	0.929			
		(24) Balanced Formula Relativity:		0.647	0.844	0.926	0.813		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	11,210,885	28	266	2,504,589	2,005,151	3,314,548	7,824,287	7,824,287	
2001/2002	9,113,701	24	180	2,167,143	860,780	2,402,403	5,430,326	5,430,326	
2002/2003	9,655,233	16	182	1,668,313	959,415	2,580,549	5,208,277	5,208,277	
2003/2004	8,325,213	14	172	1,775,165	1,119,750	2,918,851	5,813,766	5,813,766	
2004/2005	8,918,742	10	173	2,153,476	1,748,161	2,939,270	6,840,907	6,840,907	
MA Total	47,223,774	92	973	10,268,685	6,693,257	14,155,621	31,117,563	31,117,563	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.223	0.179	0.296	0.698		
			2001/2002	0.238	0.094	0.264	0.596		
			2002/2003	0.173	0.099	0.267	0.539		
			2003/2004	0.213	0.135	0.351	0.698		
			2004/2005	0.241	0.196	0.330	0.767		
			MA Total Pure Premium:	0.217	0.142	0.300	0.659		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.338	0.379	0.355			
		(14) Massachusetts Credibility:		0.89	1.00	1.00			
		(15) Countrywide Pure Premium:		0.235	0.173	0.376	0.784		
		(16) Countrywide Indicated Relativity:		0.387	0.506	0.478			
		(17) Countrywide Credibility:		0.06	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,062	11,470				
		(19) Pure Premium Underlying Present Rate:		0.237	0.140	0.274	0.651		
		(20) Relativity to Underlying Present Rate:		0.335	0.358	0.373			
		(21) Credibility to Underlying Relativity:		0.050	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.341	0.379	0.355			
		(24) Balanced Formula Relativity:		0.341	0.379	0.354	0.355		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000141

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 72

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	1,694,247	31	158	3,561,052	1,092,491	4,159,132	8,812,676	
2001/2002	1,908,360	24	148	3,198,472	1,006,561	3,280,302	7,485,335	
2002/2003	1,835,408	27	148	4,949,708	963,475	3,071,296	8,984,479	
2003/2004	1,743,530	31	161	5,523,787	1,404,702	4,034,687	10,963,176	
2004/2005	1,994,355	20	269	4,062,855	4,418,266	7,081,506	15,562,628	
MA Total	9,175,900	133	884	21,295,874	8,885,496	21,626,923	51,808,294	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	2.102	0.645	2.455	5.202	
			2001/2002	1.676	0.527	1.719	3.922	
			2002/2003	2.697	0.525	1.673	4.895	
			2003/2004	3.168	0.806	2.314	6.288	
			2004/2005	2.037	2.215	3.551	7.803	
			MA Total Pure Premium:	2.321	0.968	2.357	5.646	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.097	1.453	1.256		
			(14) Massachusetts Credibility:	1.00	1.00	1.00		
			(15) Countrywide Pure Premium:	1.754	0.546	1.463	3.763	
			(16) Countrywide Indicated Relativity:	0.871	0.840	0.818		
			(17) Countrywide Credibility:	0.00	0.00	0.00		
			(18) Countrywide Lost-time Claims:	1,743	14,097			
			(19) Pure Premium Underlying Present Rate:	2.286	0.720	1.693	4.699	
			(20) Relativity to Underlying Present Rate:	0.993	1.005	1.053		
			(21) Credibility to Underlying Relativity:	0.000	0.000	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	1.097	1.453	1.256		
			(24) Balanced Formula Relativity:	1.100	1.455	1.256	1.214	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	46,033	2	3	283,258	33,099	125,941	442,298	
2001/2002	108,282	1	5	112,659	74,874	199,982	387,515	
2002/2003	222,500	12	12	2,744,716	116,556	899,599	3,760,871	
2003/2004	50,167	0	9	0	51,616	56,754	108,370	
2004/2005	47,610	1	4	584,969	63,441	137,571	785,982	
MA Total	474,592	16	33	3,725,602	339,586	1,419,848	5,485,036	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	6.153	0.719	2.736	9.608	
			2001/2002	1.040	0.691	1.847	3.579	
			2002/2003	12.336	0.524	4.043	16.903	
			2003/2004	0.000	1.029	1.131	2.160	
			2004/2005	12.287	1.333	2.890	16.509	
			MA Total Pure Premium:	7.850	0.716	2.992	11.557	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	3.712	1.074	1.595		
			(14) Massachusetts Credibility:	0.56	0.55	0.80		
			(15) Countrywide Pure Premium:	2.473	0.571	1.382	4.426	
			(16) Countrywide Indicated Relativity:	1.228	0.879	0.773		
			(17) Countrywide Credibility:	0.22	0.23	0.10		
			(18) Countrywide Lost-time Claims:	209	965			
			(19) Pure Premium Underlying Present Rate:	7.263	0.868	3.358	11.490	
			(20) Relativity to Underlying Present Rate:	3.156	1.213	2.089		
			(21) Credibility to Underlying Relativity:	0.220	0.220	0.100		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	3.043	1.060	1.562		
			(24) Balanced Formula Relativity:	3.050	1.061	1.562	2.166	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000142

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 73

Calculation of Class Relativities

Class(es): 3808 AUTOMOBILE MFG OR ASSEMBLY		Effective: 9/1/2008				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)
2000/2001	50,696	0	10	0	29,514	45,956	75,470
2001/2002	58,681	1	5	142,957	26,730	226,773	396,460
2002/2003	68,358	1	14	151,107	13,246	91,643	255,997
2003/2004	94,145	1	5	91,253	40,633	36,119	168,005
2004/2005	107,760	2	9	382,146	16,004	217,914	616,063
MA Total	379,640	5	43	767,463	126,128	618,404	1,511,995
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.000	0.582	0.906	1.489		
	2001/2002	2.436	0.456	3.865	6.756		
	2002/2003	2.211	0.194	1.341	3.745		
	2003/2004	0.969	0.432	0.384	1.785		
	2004/2005	3.546	0.149	2.022	5.717		
	MA Total Pure Premium:	2.022	0.332	1.629	3.983		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	3.140	0.887	1.930			
	(14) Massachusetts Credibility:	0.20	0.43	0.46			
	(15) Countrywide Pure Premium:	0.634	0.531	0.982	2.147		
	(16) Countrywide Indicated Relativity:	1.042	1.557	1.247			
	(17) Countrywide Credibility:	0.40	0.29	0.27			
	(18) Countrywide Lost-time Claims:	209	4,347				
	(19) Pure Premium Underlying Present Rate:	0.729	0.580	1.034	2.342		
	(20) Relativity to Underlying Present Rate:	1.030	1.478	1.408			
	(21) Credibility to Underlying Relativity:	0.400	0.280	0.270			
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
	(23) Formula Relativity:	1.457	1.247	1.604			
	(24) Balanced Formula Relativity:	1.460	1.248	1.600	1.481		

Class(es): 3821 AUTOMOBILE DISMANTLING & DRIVERS		Effective: 9/1/2008				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)
2000/2001	139,029	4	18	181,527	57,222	494,482	733,232
2001/2002	159,774	2	14	155,719	117,438	306,710	579,867
2002/2003	171,323	1	16	63,639	148,497	232,669	444,804
2003/2004	176,909	2	14	485,126	50,857	195,314	731,296
2004/2005	186,150	2	14	195,273	113,291	248,663	557,227
MA Total	833,185	11	76	1,081,284	487,305	1,477,838	3,046,427
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	1.306	0.412	3.557	5.274		
	2001/2002	0.975	0.735	1.920	3.629		
	2002/2003	0.371	0.867	1.358	2.596		
	2003/2004	2.742	0.287	1.104	4.134		
	2004/2005	1.049	0.609	1.336	2.993		
	MA Total Pure Premium:	1.298	0.585	1.774	3.656		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	2.657	1.784	2.411			
	(14) Massachusetts Credibility:	0.36	0.61	0.76			
	(15) Countrywide Pure Premium:	1.482	0.664	1.760	3.906		
	(16) Countrywide Indicated Relativity:	2.963	1.975	2.322			
	(17) Countrywide Credibility:	0.32	0.20	0.12			
	(18) Countrywide Lost-time Claims:	159	1,301				
	(19) Pure Premium Underlying Present Rate:	1.423	0.617	1.683	3.723		
	(20) Relativity to Underlying Present Rate:	2.555	1.764	2.529			
	(21) Credibility to Underlying Relativity:	0.320	0.190	0.120			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	2.722	1.818	2.414			
	(24) Balanced Formula Relativity:	2.693	1.813	2.404	2.370		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000143

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 74

Calculation of Class Relativities

Class(es): 3826 AIRCRAFT ENGINE MFG		Effective: 9/1/2008						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)			
2000/2001	1,771,807	17	102	1,747,200	788,716	1,611,512	4,147,428		
2001/2002	1,775,489	9	88	1,323,458	780,557	1,518,083	3,622,097		
2002/2003	1,766,073	11	97	1,402,803	1,048,606	1,455,512	3,906,922		
2003/2004	1,260,136	1	29	295,380	335,977	680,890	1,312,246		
2004/2005	1,200,519	0	0	0	0	554	554		
MA Total	7,774,024	38	316	4,768,841	2,953,856	5,266,551	12,989,248		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.986	0.445	0.910	2.341				
	2001/2002	0.745	0.440	0.855	2.040				
	2002/2003	0.794	0.594	0.824	2.212				
	2003/2004	0.234	0.267	0.540	1.041				
	2004/2005	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.613	0.380	0.677	1.671				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.953	1.015	0.803					
	(14) Massachusetts Credibility:	0.68	1.00	1.00					
	(15) Countrywide Pure Premium:	0.408	0.143	0.327	0.878				
	(16) Countrywide Indicated Relativity:	0.671	0.420	0.415					
	(17) Countrywide Credibility:	0.16	0.00	0.00					
	(18) Countrywide Lost-time Claims:	33	382						
	(19) Pure Premium Underlying Present Rate:	0.744	0.491	0.705	1.939				
	(20) Relativity to Underlying Present Rate:	1.051	1.251	0.960					
	(21) Credibility to Underlying Relativity:	0.160	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.923	1.015	0.803					
	(24) Balanced Formula Relativity:	0.926	1.016	0.800	0.887				

Class(es): 3841 TUBULAR METAL PRODUCTS MFG OR ASSEMBLY		Effective: 9/1/2008						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)			
2000/2001	63,744	0	1	0	1,221	15,514	16,735		
2001/2002	71,686	0	4	0	3,344	16,967	20,311		
2002/2003	75,158	0	3	0	6,993	18,316	25,309		
2003/2004	78,314	0	5	0	54,805	33,815	88,620		
2004/2005	83,188	0	5	0	10,129	47,437	57,566		
MA Total	372,090	0	18	0	76,491	132,049	208,540		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.019	0.243	0.263				
	2001/2002	0.000	0.047	0.237	0.283				
	2002/2003	0.000	0.093	0.244	0.337				
	2003/2004	0.000	0.700	0.432	1.132				
	2004/2005	0.000	0.122	0.570	0.692				
	MA Total Pure Premium:	0.000	0.206	0.355	0.560				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.549	0.420					
	(14) Massachusetts Credibility:	0.17	0.34	0.37					
	(15) Countrywide Pure Premium:	0.416	0.350	0.677	1.443				
	(16) Countrywide Indicated Relativity:	0.684	1.027	0.860					
	(17) Countrywide Credibility:	0.11	0.31	0.32					
	(18) Countrywide Lost-time Claims:	2	48						
	(19) Pure Premium Underlying Present Rate:	0.484	0.328	0.623	1.435				
	(20) Relativity to Underlying Present Rate:	0.685	0.835	0.849					
	(21) Credibility to Underlying Relativity:	0.720	0.350	0.310					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.568	0.797	0.694					
	(24) Balanced Formula Relativity:	0.570	0.798	0.692	0.671				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000144

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 75

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	383,856	7	53	701,941	514,744	1,099,274	2,315,959	
2001/2002	367,244	6	31	766,797	208,119	885,255	1,860,171	
2002/2003	382,180	5	43	708,778	414,479	797,100	1,920,356	
2003/2004	408,781	4	33	659,679	181,491	514,316	1,355,487	
2004/2005	402,746	2	24	464,011	171,941	436,044	1,071,996	
MA Total	1,944,807	24	184	3,301,206	1,490,774	3,731,990	8,523,970	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.829	1.341	2.864	6.033			
	2001/2002	2.088	0.567	2.411	5.065			
	2002/2003	1.855	1.085	2.086	5.025			
	2003/2004	1.614	0.444	1.258	3.316			
	2004/2005	1.152	0.427	1.083	2.662			
	MA Total Pure Premium:	1.697	0.767	1.919	4.383			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.239	1.108	1.135				
	(14) Massachusetts Credibility:	0.59	0.98	1.00				
	(15) Countrywide Pure Premium:	1.575	0.678	1.609	3.862			
	(16) Countrywide Indicated Relativity:	1.273	1.093	1.043				
	(17) Countrywide Credibility:	0.21	0.01	0.00				
	(18) Countrywide Lost-time Claims:	224	1,844					
	(19) Pure Premium Underlying Present Rate:	2.020	0.873	1.904	4.797			
	(20) Relativity to Underlying Present Rate:	1.178	1.220	1.221				
	(21) Credibility to Underlying Relativity:	0.200	0.010	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	1.234	1.109	1.135				
	(24) Balanced Formula Relativity:	1.227	1.105	1.131	1.161			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	12,717	0	2	0	1,833	5,986	7,820	
2001/2002	15,251	0	1	0	346	36,793	37,139	
2002/2003	11,369	0	3	0	12,247	12,401	24,648	
2003/2004	14,781	0	2	0	5,656	9,500	15,156	
2004/2005	15,946	0	1	0	13,935	12,381	26,316	
MA Total	70,064	0	9	0	34,016	77,062	111,079	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.144	0.471	0.615			
	2001/2002	0.000	0.023	2.412	2.435			
	2002/2003	0.000	1.077	1.091	2.168			
	2003/2004	0.000	0.383	0.643	1.025			
	2004/2005	0.000	0.874	0.776	1.650			
	MA Total Pure Premium:	0.000	0.486	1.100	1.585			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	1.297	1.303				
	(14) Massachusetts Credibility:	0.13	0.20	0.23				
	(15) Countrywide Pure Premium:	1.284	0.466	1.296	3.046			
	(16) Countrywide Indicated Relativity:	2.112	1.365	1.646				
	(17) Countrywide Credibility:	0.42	0.40	0.39				
	(18) Countrywide Lost-time Claims:	51	609					
	(19) Pure Premium Underlying Present Rate:	1.192	0.458	1.042	2.692			
	(20) Relativity to Underlying Present Rate:	1.685	1.169	1.419				
	(21) Credibility to Underlying Relativity:	0.450	0.400	0.380				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	1.645	1.273	1.481				
	(24) Balanced Formula Relativity:	1.649	1.274	1.476	1.495			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000145

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 76

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	1,142	0	0	0	0	434	434	434	
MA Total	2,235	0	0	0	0	434	434	434	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		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			
		2004/2005	0.000	0.000	0.380	0.380			
		MA Total Pure Premium:	0.000	0.000	0.194	0.194			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.230				
		(14) Massachusetts Credibility:	0.04	0.05	0.06				
		(15) Countrywide Pure Premium:	1.172	0.383	0.872	2.428			
		(16) Countrywide Indicated Relativity:	1.927	1.124	1.108				
		(17) Countrywide Credibility:	0.28	0.48	0.47				
		(18) Countrywide Lost-time Claims:	19	257					
		(19) Pure Premium Underlying Present Rate:	1.606	0.558	0.922	3.086			
		(20) Relativity to Underlying Present Rate:	2.271	1.422	1.255				
		(21) Credibility to Underlying Relativity:	0.680	0.470	0.470				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.084	1.208	1.124				
		(24) Balanced Formula Relativity:	2.089	1.210	1.121	1.473			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	270,057	4	38	207,233	238,534	314,269	760,036		
2001/2002	283,370	9	56	1,092,614	382,697	1,027,948	2,503,260		
2002/2003	252,623	4	27	399,917	85,544	383,336	868,796		
2003/2004	246,177	1	33	131,185	234,818	385,757	751,760		
2004/2005	273,998	0	28	0	305,129	754,007	1,059,136		
MA Total	1,326,225	18	182	1,830,950	1,246,722	2,865,317	5,942,989		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.767	0.883	1.164	2.814			
		2001/2002	3.856	1.351	3.628	8.834			
		2002/2003	1.583	0.339	1.517	3.439			
		2003/2004	0.533	0.954	1.567	3.054			
		2004/2005	0.000	1.114	2.752	3.865			
		MA Total Pure Premium:	1.381	0.940	2.161	4.481			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.144	2.511	2.560				
		(14) Massachusetts Credibility:	0.53	0.83	1.00				
		(15) Countrywide Pure Premium:	1.793	0.741	1.859	4.392			
		(16) Countrywide Indicated Relativity:	2.948	2.172	2.360				
		(17) Countrywide Credibility:	0.24	0.09	0.00				
		(18) Countrywide Lost-time Claims:	505	5,417					
		(19) Pure Premium Underlying Present Rate:	2.365	0.851	2.196	5.413			
		(20) Relativity to Underlying Present Rate:	3.345	2.171	2.990				
		(21) Credibility to Underlying Relativity:	0.230	0.080	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.613	2.453	2.560				
		(24) Balanced Formula Relativity:	2.620	2.456	2.552	2.556			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000146

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 77

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	8,933	0	2	0	2,873	4,217	7,090		
2001/2002	16,017	0	3	0	22,425	15,294	37,719		
2002/2003	16,773	0	0	0	0	1,594	1,594		
2003/2004	60,919	0	3	0	60,849	32,003	92,852		
2004/2005	58,387	0	1	0	1,971	2,696	4,667		
MA Total	161,029	0	9	0	88,118	55,803	143,921		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.322	0.472	0.794		
			2001/2002	0.000	1.400	0.955	2.355		
			2002/2003	0.000	0.000	0.095	0.095		
			2003/2004	0.000	0.999	0.525	1.524		
			2004/2005	0.000	0.034	0.046	0.080		
			MA Total Pure Premium:	0.000	0.547	0.347	0.894		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	1.461	0.411			
		(14) Massachusetts Credibility:		0.16	0.28	0.28			
		(15) Countrywide Pure Premium:		0.915	0.407	0.826	2.147		
		(16) Countrywide Indicated Relativity:		1.504	1.192	1.049			
		(17) Countrywide Credibility:		0.42	0.36	0.36			
		(18) Countrywide Lost-time Claims:		55	616				
		(19) Pure Premium Underlying Present Rate:		0.929	0.473	0.745	2.147		
		(20) Relativity to Underlying Present Rate:		1.313	1.207	1.015			
		(21) Credibility to Underlying Relativity:		0.420	0.360	0.360			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.183	1.273	0.858			
		(24) Balanced Formula Relativity:		1.186	1.274	0.855	1.054		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	34,450	0	0	0	0	0	0		
2001/2002	30,598	1	0	199,181	0	14,030	213,210		
2002/2003	29,942	0	0	0	0	0	0		
2003/2004	28,094	0	1	0	1,927	4,223	6,149		
2004/2005	28,636	0	0	0	0	1,220	1,220		
MA Total	151,720	1	1	199,181	1,927	19,473	220,580		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.000	0.000		
			2001/2002	6.510	0.000	0.459	6.968		
			2002/2003	0.000	0.000	0.000	0.000		
			2003/2004	0.000	0.069	0.150	0.219		
			2004/2005	0.000	0.000	0.043	0.043		
			MA Total Pure Premium:	1.313	0.013	0.128	1.454		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.039	0.034	0.152			
		(14) Massachusetts Credibility:		0.13	0.23	0.25			
		(15) Countrywide Pure Premium:		0.906	0.437	1.075	2.417		
		(16) Countrywide Indicated Relativity:		1.489	1.280	1.365			
		(17) Countrywide Credibility:		0.44	0.39	0.38			
		(18) Countrywide Lost-time Claims:		57	299				
		(19) Pure Premium Underlying Present Rate:		0.653	0.294	0.550	1.497		
		(20) Relativity to Underlying Present Rate:		0.923	0.750	0.749			
		(21) Credibility to Underlying Relativity:		0.430	0.380	0.370			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.317	0.792	0.834			
		(24) Balanced Formula Relativity:		1.321	0.793	0.831	0.993		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000147

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 78

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4053 POTTERY MFG: CHINA OR TABLEWARE*									
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)			
2000/2001	41,726	0	4	0	9,020	8,869	17,889		
2001/2002	32,495	0	2	0	1,815	5,154	6,969		
2002/2003	108,522	0	0	0	0	2,389	2,389		
2003/2004	48,956	0	1	0	2,086	1,640	3,726		
2004/2005	43,491	0	0	0	0	3,566	3,566		
MA Total	275,190	0	7	0	12,921	21,617	34,538		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.216	0.213	0.429			
		2001/2002	0.000	0.056	0.159	0.214			
		2002/2003	0.000	0.000	0.022	0.022			
		2003/2004	0.000	0.043	0.033	0.076			
		2004/2005	0.000	0.000	0.082	0.082			
		MA Total Pure Premium:	0.000	0.047	0.079	0.126			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.125	0.093				
		(14) Massachusetts Credibility:	0.16	0.27	0.30				
		(15) Countrywide Pure Premium:	0.868	0.451	1.109	2.428			
		(16) Countrywide Indicated Relativity:	1.428	1.322	1.408				
		(17) Countrywide Credibility:	0.28	0.37	0.35				
		(18) Countrywide Lost-time Claims:	18	295					
		(19) Pure Premium Underlying Present Rate:	0.573	0.251	0.504	1.328			
		(20) Relativity to Underlying Present Rate:	0.810	0.641	0.687				
		(21) Credibility to Underlying Relativity:	0.560	0.360	0.350				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.853	0.754	0.761				
		(24) Balanced Formula Relativity:	0.855	0.755	0.759	0.791			

Class(es):		Effective: 9/1/2008						Manufacturing	
4061 POTTERY MFG: EARTHENWARE-GLAZD OR PORCELN-HAND MOLDED OR CAST*									
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)			
2000/2001	26,447	0	3	0	2,326	6,064	8,390		
2001/2002	14,891	0	2	0	1,680	1,653	3,333		
2002/2003	12,248	0	1	0	402	66	468		
2003/2004	8,487	1	0	158,216	0	219,828	378,043		
2004/2005	11,040	0	0	0	0	1,627	1,627		
MA Total	73,113	1	6	158,216	4,408	229,237	391,861		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.088	0.229	0.317			
		2001/2002	0.000	0.113	0.111	0.224			
		2002/2003	0.000	0.033	0.005	0.038			
		2003/2004	18.641	0.000	25.900	44.541			
		2004/2005	0.000	0.000	0.147	0.147			
		MA Total Pure Premium:	2.164	0.060	3.135	5.360			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.361	0.161	3.715				
		(14) Massachusetts Credibility:	0.10	0.20	0.20				
		(15) Countrywide Pure Premium:	0.869	0.514	0.900	2.282			
		(16) Countrywide Indicated Relativity:	1.429	1.506	1.143				
		(17) Countrywide Credibility:	0.43	0.40	0.40				
		(18) Countrywide Lost-time Claims:	54	692					
		(19) Pure Premium Underlying Present Rate:	0.715	0.414	0.702	1.831			
		(20) Relativity to Underlying Present Rate:	1.011	1.055	0.955				
		(21) Credibility to Underlying Relativity:	0.470	0.400	0.400				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.426	1.057	1.582				
		(24) Balanced Formula Relativity:	1.429	1.058	1.577	1.422			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000148

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 79

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	173,869	1	7	50,964	11,570	50,210	112,744		
2001/2002	137,779	0	2	0	1,586	8,181	9,767		
2002/2003	92,232	0	2	0	2,228	11,277	13,504		
2003/2004	95,806	0	0	0	0	8,744	8,744		
2004/2005	50,783	0	1	0	51	2,561	2,613		
MA Total	550,469	1	12	50,964	15,434	80,973	147,371		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.293	0.067	0.289	0.648		
			2001/2002	0.000	0.012	0.059	0.071		
			2002/2003	0.000	0.024	0.122	0.146		
			2003/2004	0.000	0.000	0.091	0.091		
			2004/2005	0.000	0.001	0.050	0.051		
			MA Total Pure Premium:	0.093	0.028	0.147	0.268		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.144	0.075	0.174			
			(14) Massachusetts Credibility:	0.14	0.29	0.27			
			(15) Countrywide Pure Premium:	0.273	0.114	0.261	0.648		
			(16) Countrywide Indicated Relativity:	0.449	0.335	0.331			
			(17) Countrywide Credibility:	0.43	0.36	0.37			
			(18) Countrywide Lost-time Claims:	149	819				
			(19) Pure Premium Underlying Present Rate:	0.202	0.151	0.199	0.552		
			(20) Relativity to Underlying Present Rate:	0.285	0.384	0.271			
			(21) Credibility to Underlying Relativity:	0.430	0.350	0.360			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.336	0.277	0.267			
			(24) Balanced Formula Relativity:	0.337	0.277	0.266	0.293		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	18,387	0	0	0	0	1,838	1,838		
2001/2002	9,717	0	0	0	0	863	863		
2002/2003	9,642	0	2	0	3,530	4,159	7,689		
2003/2004	8,695	0	0	0	0	865	865		
2004/2005	8,598	0	0	0	0	411	411		
MA Total	55,039	0	2	0	3,530	8,137	11,667		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.100	0.100		
			2001/2002	0.000	0.000	0.089	0.089		
			2002/2003	0.000	0.366	0.431	0.797		
			2003/2004	0.000	0.000	0.100	0.100		
			2004/2005	0.000	0.000	0.048	0.048		
			MA Total Pure Premium:	0.000	0.064	0.148	0.212		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.000	0.171	0.175			
			(14) Massachusetts Credibility:	0.09	0.15	0.17			
			(15) Countrywide Pure Premium:	0.965	0.448	1.130	2.544		
			(16) Countrywide Indicated Relativity:	1.587	1.315	1.435			
			(17) Countrywide Credibility:	0.46	0.43	0.42			
			(18) Countrywide Lost-time Claims:	134	1,076				
			(19) Pure Premium Underlying Present Rate:	0.717	0.305	0.590	1.612		
			(20) Relativity to Underlying Present Rate:	1.014	0.778	0.803			
			(21) Credibility to Underlying Relativity:	0.450	0.420	0.410			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.187	0.918	0.962			
			(24) Balanced Formula Relativity:	1.190	0.919	0.959	1.031		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000149

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 80

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	172,008	0	18	0	83,532	109,933	193,464		
2001/2002	172,470	1	22	74,846	98,873	179,399	353,118		
2002/2003	203,180	1	16	63,659	246,943	260,146	570,748		
2003/2004	184,280	1	21	127,308	93,666	200,617	421,590		
2004/2005	187,468	3	27	540,855	204,911	1,128,727	1,874,493		
MA Total	919,406	6	104	806,668	727,925	1,878,821	3,413,414		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.486	0.639	1.125			
		2001/2002	0.434	0.573	1.040	2.047			
		2002/2003	0.313	1.215	1.280	2.809			
		2003/2004	0.691	0.508	1.089	2.288			
		2004/2005	2.885	1.093	6.021	9.999			
		MA Total Pure Premium:	0.877	0.792	2.044	3.713			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.363	2.115	2.421				
		(14) Massachusetts Credibility:	0.36	0.68	0.66				
		(15) Countrywide Pure Premium:	1.208	0.603	1.490	3.300			
		(16) Countrywide Indicated Relativity:	1.986	1.768	1.892				
		(17) Countrywide Credibility:	0.32	0.16	0.17				
		(18) Countrywide Lost-time Claims:	177	1,540					
		(19) Pure Premium Underlying Present Rate:	1.280	0.741	1.061	3.082			
		(20) Relativity to Underlying Present Rate:	1.810	1.889	1.444				
		(21) Credibility to Underlying Relativity:	0.320	0.160	0.170				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.705	2.023	2.165				
		(24) Balanced Formula Relativity:	1.710	2.025	2.158	1.976			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	17,597	0	0	0	0	1,307	1,307		
2001/2002	18,538	0	0	0	0	2,076	2,076		
2002/2003	17,429	0	1	0	721	1,843	2,564		
2003/2004	14,670	0	0	0	0	931	931		
2004/2005	15,954	0	0	0	0	11,298	11,298		
MA Total	84,188	0	1	0	721	17,456	18,177		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.074	0.074			
		2001/2002	0.000	0.000	0.112	0.112			
		2002/2003	0.000	0.041	0.106	0.147			
		2003/2004	0.000	0.000	0.063	0.063			
		2004/2005	0.000	0.000	0.708	0.708			
		MA Total Pure Premium:	0.000	0.009	0.207	0.216			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.023	0.246				
		(14) Massachusetts Credibility:	0.10	0.18	0.21				
		(15) Countrywide Pure Premium:	0.192	0.557	1.106	1.855			
		(16) Countrywide Indicated Relativity:	0.316	1.634	1.404				
		(17) Countrywide Credibility:	0.09	0.34	0.40				
		(18) Countrywide Lost-time Claims:	1	59					
		(19) Pure Premium Underlying Present Rate:	0.630	0.303	0.640	1.572			
		(20) Relativity to Underlying Present Rate:	0.890	0.772	0.871				
		(21) Credibility to Underlying Relativity:	0.810	0.480	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.750	0.930	0.953				
		(24) Balanced Formula Relativity:	0.751	0.931	0.950	0.878			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 81

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,261,487	7	49	560,782	121,557	520,108	1,202,447		
2001/2002	1,180,366	6	36	667,532	117,142	403,557	1,188,230		
2002/2003	925,500	1	27	175,036	255,865	545,606	976,506		
2003/2004	1,299,844	4	27	343,893	100,752	364,091	808,737		
2004/2005	1,406,743	1	24	202,115	297,282	302,317	801,714		
MA Total	6,073,940	19	163	1,949,358	892,598	2,135,678	4,977,634		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.445	0.096	0.412	0.953		
		2001/2002		0.566	0.099	0.342	1.007		
		2002/2003		0.189	0.276	0.590	1.055		
		2003/2004		0.265	0.078	0.280	0.622		
		2004/2005		0.144	0.211	0.215	0.570		
		MA Total Pure Premium:		0.321	0.147	0.352	0.820		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.498	0.392	0.417			
		(14) Massachusetts Credibility:		0.43	0.75	0.85			
		(15) Countrywide Pure Premium:		0.258	0.173	0.398	0.830		
		(16) Countrywide Indicated Relativity:		0.424	0.508	0.506			
		(17) Countrywide Credibility:		0.29	0.13	0.08			
		(18) Countrywide Lost-time Claims:		133	1,298				
		(19) Pure Premium Underlying Present Rate:		0.300	0.146	0.310	0.755		
		(20) Relativity to Underlying Present Rate:		0.424	0.372	0.422			
		(21) Credibility to Underlying Relativity:		0.280	0.120	0.070			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.456	0.405	0.424			
		(24) Balanced Formula Relativity:		0.457	0.406	0.423	0.431		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	714,615	6	63	642,120	218,822	1,148,443	2,009,384		
2001/2002	724,690	7	81	1,270,140	436,395	1,109,598	2,816,134		
2002/2003	596,219	7	57	1,172,290	442,692	1,046,475	2,661,457		
2003/2004	556,493	8	37	1,631,114	162,724	733,868	2,527,706		
2004/2005	481,227	0	29	0	385,919	362,251	748,170		
MA Total	3,073,244	28	267	4,715,663	1,646,553	4,400,635	10,762,852		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.899	0.306	1.607	2.812		
		2001/2002		1.753	0.602	1.531	3.886		
		2002/2003		1.966	0.743	1.755	4.464		
		2003/2004		2.931	0.292	1.319	4.542		
		2004/2005		0.000	0.802	0.753	1.555		
		MA Total Pure Premium:		1.534	0.536	1.432	3.502		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.383	1.431	1.697			
		(14) Massachusetts Credibility:		0.61	1.00	1.00			
		(15) Countrywide Pure Premium:		0.873	0.334	0.704	1.911		
		(16) Countrywide Indicated Relativity:		1.437	0.978	0.894			
		(17) Countrywide Credibility:		0.20	0.00	0.00			
		(18) Countrywide Lost-time Claims:		247	2,042				
		(19) Pure Premium Underlying Present Rate:		1.419	0.790	1.380	3.589		
		(20) Relativity to Underlying Present Rate:		2.007	2.013	1.879			
		(21) Credibility to Underlying Relativity:		0.190	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		2.122	1.431	1.697			
		(24) Balanced Formula Relativity:		2.127	1.432	1.691	1.790		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 82

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	282,582	5	36	517,633	150,996	613,031	1,281,660		
2001/2002	255,261	2	30	283,350	148,512	305,449	737,311		
2002/2003	312,065	2	23	297,939	111,189	288,369	697,497		
2003/2004	356,847	7	19	832,871	250,850	510,367	1,594,088		
2004/2005	379,931	0	22	0	98,922	172,030	270,952		
MA Total	1,586,686	16	130	1,931,793	760,471	1,889,245	4,581,508		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.832	0.534	2.169	4.536				
	2001/2002	1.110	0.582	1.197	2.888				
	2002/2003	0.955	0.356	0.924	2.235				
	2003/2004	2.334	0.703	1.430	4.467				
	2004/2005	0.000	0.260	0.453	0.713				
	MA Total Pure Premium:	1.218	0.479	1.191	2.887				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.891	1.280	1.411					
	(14) Massachusetts Credibility:	0.40	0.87	0.90					
	(15) Countrywide Pure Premium:	0.662	0.389	0.834	1.885				
	(16) Countrywide Indicated Relativity:	1.088	1.141	1.059					
	(17) Countrywide Credibility:	0.30	0.07	0.05					
	(18) Countrywide Lost-time Claims:	170	1,763						
	(19) Pure Premium Underlying Present Rate:	0.935	0.802	1.351	3.088				
	(20) Relativity to Underlying Present Rate:	1.323	2.044	1.839					
	(21) Credibility to Underlying Relativity:	0.300	0.060	0.050					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.480	1.316	1.415					
	(24) Balanced Formula Relativity:	1.483	1.318	1.410	1.417				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	367,194	4	40	490,355	186,308	543,824	1,220,487		
2001/2002	304,836	1	28	157,866	138,308	326,641	622,816		
2002/2003	211,926	2	8	285,974	61,021	318,798	665,793		
2003/2004	173,653	2	19	691,885	139,801	448,307	1,279,993		
2004/2005	174,005	1	15	160,361	149,551	357,268	667,180		
MA Total	1,231,614	10	110	1,786,441	674,988	1,994,839	4,456,268		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.335	0.507	1.481	3.324				
	2001/2002	0.518	0.454	1.072	2.043				
	2002/2003	1.349	0.288	1.504	3.142				
	2003/2004	3.984	0.805	2.582	7.371				
	2004/2005	0.922	0.859	2.053	3.834				
	MA Total Pure Premium:	1.450	0.548	1.620	3.618				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.253	1.464	1.919					
	(14) Massachusetts Credibility:	0.38	0.74	0.75					
	(15) Countrywide Pure Premium:	0.786	0.427	0.994	2.208				
	(16) Countrywide Indicated Relativity:	1.293	1.253	1.263					
	(17) Countrywide Credibility:	0.31	0.13	0.13					
	(18) Countrywide Lost-time Claims:	284	2,351						
	(19) Pure Premium Underlying Present Rate:	1.116	0.692	1.113	2.922				
	(20) Relativity to Underlying Present Rate:	1.579	1.765	1.516					
	(21) Credibility to Underlying Relativity:	0.310	0.130	0.120					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.746	1.475	1.785					
	(24) Balanced Formula Relativity:	1.751	1.477	1.780	1.709				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 83

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4250 PAPER COATING									
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)			
2000/2001	851,795	10	66	1,183,112	357,666	736,658	2,277,436		
2001/2002	849,326	7	57	1,025,065	245,924	1,029,294	2,300,283		
2002/2003	777,034	3	40	516,532	276,337	725,985	1,518,855		
2003/2004	576,839	1	26	187,853	171,658	433,441	792,952		
2004/2005	781,586	2	37	295,741	183,657	351,845	831,244		
MA Total	3,836,580	23	226	3,208,303	1,235,243	3,277,223	7,720,769		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.389	0.420	0.865	2.674		
			2001/2002	1.207	0.290	1.212	2.708		
			2002/2003	0.665	0.356	0.934	1.955		
			2003/2004	0.326	0.298	0.751	1.375		
			2004/2005	0.378	0.235	0.450	1.064		
			MA Total Pure Premium:	0.836	0.322	0.854	2.012		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.299	0.860	1.012			
			(14) Massachusetts Credibility:	0.57	0.92	1.00			
			(15) Countrywide Pure Premium:	0.704	0.283	0.664	1.651		
			(16) Countrywide Indicated Relativity:	1.157	0.830	0.843			
			(17) Countrywide Credibility:	0.22	0.04	0.00			
			(18) Countrywide Lost-time Claims:	146	1,233				
			(19) Pure Premium Underlying Present Rate:	0.979	0.380	0.855	2.214		
			(20) Relativity to Underlying Present Rate:	1.384	0.969	1.164			
			(21) Credibility to Underlying Relativity:	0.210	0.040	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.286	0.863	1.012			
			(24) Balanced Formula Relativity:	1.289	0.864	1.009	1.077		

Class(es):		Effective: 9/1/2008						Manufacturing	
4251 STATIONERY 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)			
2000/2001	161,140	1	10	110,340	29,230	241,987	381,557		
2001/2002	207,690	0	15	0	143,984	149,344	293,327		
2002/2003	246,952	2	10	293,715	19,214	159,740	472,669		
2003/2004	419,078	2	10	172,496	50,834	161,121	384,451		
2004/2005	240,905	0	20	0	190,476	155,769	346,244		
MA Total	1,275,765	5	65	576,551	433,737	867,960	1,878,249		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.685	0.181	1.502	2.368		
			2001/2002	0.000	0.693	0.719	1.412		
			2002/2003	1.189	0.078	0.647	1.914		
			2003/2004	0.412	0.121	0.384	0.917		
			2004/2005	0.000	0.791	0.647	1.437		
			MA Total Pure Premium:	0.452	0.340	0.680	1.472		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.702	0.908	0.806			
			(14) Massachusetts Credibility:	0.33	0.57	0.62			
			(15) Countrywide Pure Premium:	0.552	0.392	0.850	1.793		
			(16) Countrywide Indicated Relativity:	0.907	1.149	1.079			
			(17) Countrywide Credibility:	0.34	0.22	0.19			
			(18) Countrywide Lost-time Claims:	70	995				
			(19) Pure Premium Underlying Present Rate:	0.755	0.352	0.676	1.784		
			(20) Relativity to Underlying Present Rate:	1.068	0.898	0.921			
			(21) Credibility to Underlying Relativity:	0.330	0.210	0.190			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.892	0.959	0.880			
			(24) Balanced Formula Relativity:	0.895	0.960	0.877	0.900		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000153

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 84

Calculation of Class Relativities

Class(es): 4273 BAG MFG-PAPER OR PLASTIC		Effective: 9/1/2008						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)			
2000/2001	78,763	3	13	292,046	94,889	502,792	889,728		
2001/2002	92,848	0	7	0	61,888	83,676	145,564		
2002/2003	109,197	1	13	89,089	27,184	160,652	276,924		
2003/2004	89,787	1	11	83,605	50,926	142,293	276,824		
2004/2005	66,096	0	6	0	36,200	71,074	107,274		
MA Total	436,691	5	50	464,740	271,086	960,488	1,696,314		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	3.708	1.205	6.384	11.296		
			2001/2002	0.000	0.667	0.901	1.568		
			2002/2003	0.816	0.249	1.471	2.536		
			2003/2004	0.931	0.567	1.585	3.083		
			2004/2005	0.000	0.548	1.075	1.623		
			MA Total Pure Premium:	1.064	0.621	2.199	3.884		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.653	1.658	2.606			
			(14) Massachusetts Credibility:	0.22	0.50	0.54			
			(15) Countrywide Pure Premium:	0.603	0.376	0.834	1.813		
			(16) Countrywide Indicated Relativity:	0.992	1.102	1.059			
			(17) Countrywide Credibility:	0.39	0.25	0.23			
			(18) Countrywide Lost-time Claims:	75	1,025				
			(19) Pure Premium Underlying Present Rate:	0.790	0.725	1.390	2.905		
			(20) Relativity to Underlying Present Rate:	1.117	1.850	1.892			
			(21) Credibility to Underlying Relativity:	0.390	0.250	0.230			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.186	1.567	2.086			
			(24) Balanced Formula Relativity:	1.189	1.569	2.080	1.669		

Class(es): 4279 PAPER GOODS MFG NOC		Effective: 9/1/2008						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)			
2000/2001	440,652	4	60	303,654	183,167	693,081	1,179,902		
2001/2002	378,703	4	35	482,129	203,583	562,704	1,248,416		
2002/2003	376,953	1	45	86,128	181,614	350,039	617,780		
2003/2004	338,936	5	42	608,851	206,036	955,584	1,770,472		
2004/2005	357,216	1	32	466,213	90,942	356,578	913,733		
MA Total	1,892,460	15	214	1,946,974	865,342	2,917,987	5,730,303		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.689	0.416	1.573	2.678		
			2001/2002	1.273	0.538	1.486	3.297		
			2002/2003	0.228	0.482	0.929	1.639		
			2003/2004	1.796	0.608	2.819	5.224		
			2004/2005	1.305	0.255	0.998	2.558		
			MA Total Pure Premium:	1.029	0.457	1.542	3.028		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.598	1.221	1.827			
			(14) Massachusetts Credibility:	0.45	0.78	1.00			
			(15) Countrywide Pure Premium:	0.761	0.424	0.924	2.109		
			(16) Countrywide Indicated Relativity:	1.252	1.244	1.173			
			(17) Countrywide Credibility:	0.28	0.11	0.00			
			(18) Countrywide Lost-time Claims:	249	2,205				
			(19) Pure Premium Underlying Present Rate:	1.060	0.503	1.659	3.222		
			(20) Relativity to Underlying Present Rate:	1.499	1.284	2.258			
			(21) Credibility to Underlying Relativity:	0.270	0.110	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.474	1.231	1.827			
			(24) Balanced Formula Relativity:	1.478	1.232	1.821	1.584		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000154

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 85

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	2,403	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		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	
		2004/2005	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:	0.02	0.03	0.03				
		(15) Countrywide Pure Premium:	0.000	0.097	0.248			0.345	
		(16) Countrywide Indicated Relativity:	0.000	0.284	0.315				
		(17) Countrywide Credibility:	0.00	0.18	0.22				
		(18) Countrywide Lost-time Claims:	0	13					
		(19) Pure Premium Underlying Present Rate:	0.191	0.142	0.253			0.587	
		(20) Relativity to Underlying Present Rate:	0.271	0.361	0.345				
		(21) Credibility to Underlying Relativity:	0.980	0.790	0.750				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	0.265	0.336	0.328				
		(24) Balanced Formula Relativity:	0.266	0.337	0.327			0.308	

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,501	0	0	0	0	753	753	753	
2001/2002	1,074	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	
2004/2005	13	0	0	0	0	0	0	0	
MA Total	2,588	0	0	0	0	753	753	753	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.000	0.502			0.502	
		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	
		2004/2005	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.291			0.291	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.345				
		(14) Massachusetts Credibility:	0.03	0.06	0.06				
		(15) Countrywide Pure Premium:	0.943	0.392	0.866			2.201	
		(16) Countrywide Indicated Relativity:	1.551	1.150	1.100				
		(17) Countrywide Credibility:	0.37	0.47	0.47				
		(18) Countrywide Lost-time Claims:	38	254					
		(19) Pure Premium Underlying Present Rate:	1.066	0.733	0.779			2.578	
		(20) Relativity to Underlying Present Rate:	1.508	1.869	1.060				
		(21) Credibility to Underlying Relativity:	0.600	0.470	0.470				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	1.479	1.419	1.036				
		(24) Balanced Formula Relativity:	1.482	1.421	1.033			1.266	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000155

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 86

Calculation of Class Relativities

Class(es): 4299 PRINTING		Effective: 9/1/2008						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)			
2000/2001	2,437,917	10	188	1,005,167	1,066,328	1,527,381	3,598,876		
2001/2002	2,579,656	10	150	921,399	724,525	1,319,671	2,965,595		
2002/2003	2,462,763	17	186	1,863,817	981,377	2,100,120	4,945,314		
2003/2004	2,367,187	10	123	1,272,904	822,466	1,378,885	3,474,255		
2004/2005	2,255,468	4	134	1,089,473	1,322,800	1,451,023	3,863,296		
MA Total	12,102,991	51	781	6,152,761	4,917,495	7,777,081	18,847,337		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.412	0.437	0.627	1.476		
		2001/2002		0.357	0.281	0.512	1.150		
		2002/2003		0.757	0.398	0.853	2.008		
		2003/2004		0.538	0.347	0.582	1.468		
		2004/2005		0.483	0.586	0.643	1.713		
		MA Total Pure Premium:		0.508	0.406	0.643	1.557		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.790	1.085	0.761			
		(14) Massachusetts Credibility:		0.76	1.00	1.00			
		(15) Countrywide Pure Premium:		0.552	0.323	0.741	1.616		
		(16) Countrywide Indicated Relativity:		0.908	0.948	0.941			
		(17) Countrywide Credibility:		0.12	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,043	12,202				
		(19) Pure Premium Underlying Present Rate:		0.627	0.344	0.618	1.589		
		(20) Relativity to Underlying Present Rate:		0.886	0.878	0.841			
		(21) Credibility to Underlying Relativity:		0.120	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.815	1.085	0.761			
		(24) Balanced Formula Relativity:		0.817	1.086	0.759	0.845		

Class(es): 4301 WALLPAPER MFG		Effective: 9/1/2008						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)			
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		
2004/2005	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)		
		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		
		2004/2005		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:		0.487	0.551	1.261	2.299		
		(16) Countrywide Indicated Relativity:		0.800	1.614	1.602			
		(17) Countrywide Credibility:		0.09	0.33	0.39			
		(18) Countrywide Lost-time Claims:		1	55				
		(19) Pure Premium Underlying Present Rate:		1.275	0.449	1.113	2.837		
		(20) Relativity to Underlying Present Rate:		1.803	1.144	1.516			
		(21) Credibility to Underlying Relativity:		0.910	0.670	0.610			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.713	1.300	1.549			
		(24) Balanced Formula Relativity:		1.717	1.301	1.544	1.555		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000156

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 87

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4304 NEWSPAPER PUBLISHING									
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)			
2000/2001	135,286	1	12	32,000	66,200	285,144	383,344		
2001/2002	156,771	4	16	509,155	40,435	437,679	987,269		
2002/2003	127,437	0	8	0	22,612	52,009	74,621		
2003/2004	171,535	2	18	251,569	108,656	277,165	637,391		
2004/2005	163,102	0	24	0	203,368	239,799	443,167		
MA Total	754,131	7	78	792,725	441,271	1,291,796	2,525,791		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.237	0.489	2.108	2.834		
			2001/2002	3.248	0.258	2.792	6.298		
			2002/2003	0.000	0.177	0.408	0.586		
			2003/2004	1.467	0.633	1.616	3.716		
			2004/2005	0.000	1.247	1.470	2.717		
			MA Total Pure Premium:	1.051	0.585	1.713	3.349		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.633	1.563	2.030			
			(14) Massachusetts Credibility:	0.27	0.56	0.68			
			(15) Countrywide Pure Premium:	0.837	0.600	1.362	2.799		
			(16) Countrywide Indicated Relativity:	1.376	1.759	1.730			
			(17) Countrywide Credibility:	0.37	0.22	0.16			
			(18) Countrywide Lost-time Claims:	429	5,118				
			(19) Pure Premium Underlying Present Rate:	0.736	0.572	1.406	2.714		
			(20) Relativity to Underlying Present Rate:	1.041	1.459	1.914			
			(21) Credibility to Underlying Relativity:	0.360	0.220	0.160			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	1.325	1.583	1.963			
			(24) Balanced Formula Relativity:	1.328	1.585	1.957	1.665		

Class(es):		Effective: 9/1/2008						Manufacturing	
4307 BOOKBINDING									
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)			
2000/2001	179,055	2	12	229,907	54,440	181,374	465,721		
2001/2002	256,223	1	14	181,017	51,420	125,203	357,640		
2002/2003	234,588	0	21	0	81,696	89,670	171,366		
2003/2004	232,839	0	8	0	41,321	77,851	119,173		
2004/2005	227,733	0	7	0	77,067	71,965	149,032		
MA Total	1,130,438	3	62	410,924	305,945	546,063	1,262,932		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	1.284	0.304	1.013	2.601		
			2001/2002	0.706	0.201	0.489	1.396		
			2002/2003	0.000	0.348	0.382	0.730		
			2003/2004	0.000	0.177	0.334	0.512		
			2004/2005	0.000	0.338	0.316	0.654		
			MA Total Pure Premium:	0.364	0.271	0.483	1.117		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.565	0.723	0.572			
			(14) Massachusetts Credibility:	0.27	0.51	0.55			
			(15) Countrywide Pure Premium:	0.261	0.226	0.648	1.135		
			(16) Countrywide Indicated Relativity:	0.428	0.664	0.823			
			(17) Countrywide Credibility:	0.36	0.25	0.23			
			(18) Countrywide Lost-time Claims:	36	682				
			(19) Pure Premium Underlying Present Rate:	0.502	0.294	0.564	1.360		
			(20) Relativity to Underlying Present Rate:	0.710	0.749	0.767			
			(21) Credibility to Underlying Relativity:	0.370	0.240	0.220			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.570	0.714	0.673			
			(24) Balanced Formula Relativity:	0.571	0.715	0.671	0.645		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000157

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 88

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	275	0	0	0	0	0	0	0	
2001/2002	177	0	0	0	0	209	0	209	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	0	0	0	0	0	0	0	0	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	452	0	0	0	0	209	0	209	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	0.000	0.000	1.181			1.181	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		2004/2005	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.000	0.462			0.462	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.000	0.547				
		(14) Massachusetts Credibility:	0.01	0.02	0.02				
		(15) Countrywide Pure Premium:	0.000	0.000	0.568			0.568	
		(16) Countrywide Indicated Relativity:	0.000	0.000	0.721				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	0.223	0.154	0.277			0.653	
		(20) Relativity to Underlying Present Rate:	0.315	0.393	0.377				
		(21) Credibility to Underlying Relativity:	0.990	0.980	0.980				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	0.312	0.385	0.380				
		(24) Balanced Formula Relativity:	0.312	0.386	0.379			0.357	

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)		
		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	
		2004/2005	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:	0.243	0.385	0.240				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	0.173	0.152	0.177			0.502	
		(20) Relativity to Underlying Present Rate:	0.244	0.388	0.242				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	0.244	0.388	0.242				
		(24) Balanced Formula Relativity:	0.245	0.388	0.241			0.272	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000158

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 89

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	457,250	1	11	68,165	32,703	71,898	172,766		
2001/2002	373,295	2	9	191,465	19,097	109,115	319,676		
2002/2003	340,180	0	9	0	20,567	63,444	84,011		
2003/2004	343,650	0	7	0	32,240	63,506	95,746		
2004/2005	325,917	0	5	0	67,598	94,589	162,187		
MA Total	1,840,292	3	41	259,630	172,204	402,552	834,386		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.149	0.072	0.157	0.378		
			2001/2002	0.513	0.051	0.292	0.856		
			2002/2003	0.000	0.060	0.187	0.247		
			2003/2004	0.000	0.094	0.185	0.279		
			2004/2005	0.000	0.207	0.290	0.498		
			MA Total Pure Premium:	0.141	0.094	0.219	0.453		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.219	0.250	0.259			
			(14) Massachusetts Credibility:	0.28	0.48	0.46			
			(15) Countrywide Pure Premium:	0.415	0.103	0.366	0.884		
			(16) Countrywide Indicated Relativity:	0.682	0.303	0.465			
			(17) Countrywide Credibility:	0.31	0.26	0.27			
			(18) Countrywide Lost-time Claims:	25	111				
			(19) Pure Premium Underlying Present Rate:	0.327	0.158	0.222	0.707		
			(20) Relativity to Underlying Present Rate:	0.463	0.403	0.302			
			(21) Credibility to Underlying Relativity:	0.410	0.260	0.270			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.462	0.304	0.326			
			(24) Balanced Formula Relativity:	0.464	0.304	0.325	0.369		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	75,095	0	5	0	10,728	15,399	26,128		
2001/2002	70,481	0	2	0	5,239	7,705	12,944		
2002/2003	72,684	0	4	0	3,423	16,016	19,439		
2003/2004	66,152	0	1	0	5,353	22,554	27,908		
2004/2005	77,119	0	3	0	21,312	28,991	50,303		
MA Total	361,531	0	15	0	46,055	90,666	136,721		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.143	0.205	0.348		
			2001/2002	0.000	0.074	0.109	0.184		
			2002/2003	0.000	0.047	0.220	0.267		
			2003/2004	0.000	0.081	0.341	0.422		
			2004/2005	0.000	0.276	0.376	0.652		
			MA Total Pure Premium:	0.000	0.127	0.251	0.378		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.000	0.340	0.297			
			(14) Massachusetts Credibility:	0.14	0.26	0.28			
			(15) Countrywide Pure Premium:	0.226	0.251	0.501	0.978		
			(16) Countrywide Indicated Relativity:	0.372	0.737	0.636			
			(17) Countrywide Credibility:	0.21	0.37	0.36			
			(18) Countrywide Lost-time Claims:	9	162				
			(19) Pure Premium Underlying Present Rate:	0.313	0.168	0.335	0.815		
			(20) Relativity to Underlying Present Rate:	0.443	0.427	0.456			
			(21) Credibility to Underlying Relativity:	0.650	0.370	0.360			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.366	0.519	0.476			
			(24) Balanced Formula Relativity:	0.367	0.520	0.475	0.446		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000159

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 90

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	183,674	2	3	173,371	6,557	198,832	378,760		
2001/2002	156,835	0	3	0	5,037	13,184	18,221		
2002/2003	186,366	1	7	81,917	25,955	58,170	166,042		
2003/2004	223,529	2	6	166,604	55,030	65,856	287,490		
2004/2005	201,588	0	3	0	13,159	19,669	32,828		
MA Total	951,992	5	22	421,892	105,737	355,711	883,341		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.944	0.036	1.083	2.062				
	2001/2002	0.000	0.032	0.084	0.116				
	2002/2003	0.440	0.139	0.312	0.891				
	2003/2004	0.745	0.246	0.295	1.286				
	2004/2005	0.000	0.065	0.098	0.163				
	MA Total Pure Premium:	0.443	0.111	0.374	0.928				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.688	0.297	0.443					
	(14) Massachusetts Credibility:	0.25	0.38	0.43					
	(15) Countrywide Pure Premium:	0.396	0.191	0.436	1.024				
	(16) Countrywide Indicated Relativity:	0.652	0.560	0.554					
	(17) Countrywide Credibility:	0.38	0.31	0.29					
	(18) Countrywide Lost-time Claims:	153	1,086						
	(19) Pure Premium Underlying Present Rate:	0.477	0.170	0.351	0.998				
	(20) Relativity to Underlying Present Rate:	0.674	0.434	0.478					
	(21) Credibility to Underlying Relativity:	0.370	0.310	0.280					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.669	0.421	0.485					
	(24) Balanced Formula Relativity:	0.671	0.421	0.483	0.536				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	766,724	1	7	54,775	35,763	104,271	194,808		
2001/2002	766,917	1	8	79,165	141,299	158,940	379,404		
2002/2003	1,139,257	0	10	0	59,646	54,787	114,433		
2003/2004	1,129,061	1	15	138,579	27,245	122,016	287,840		
2004/2005	1,107,841	1	10	275,253	74,643	230,360	580,257		
MA Total	4,909,800	4	50	547,773	338,595	670,374	1,556,742		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.071	0.047	0.136	0.254				
	2001/2002	0.103	0.184	0.207	0.495				
	2002/2003	0.000	0.052	0.048	0.100				
	2003/2004	0.123	0.024	0.108	0.255				
	2004/2005	0.248	0.067	0.208	0.524				
	MA Total Pure Premium:	0.112	0.069	0.137	0.317				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.321	2.036	1.693					
	(14) Massachusetts Credibility:	0.31	0.50	0.58					
	(15) Countrywide Pure Premium:	0.193	0.140	0.354	0.686				
	(16) Countrywide Indicated Relativity:	4.125	4.235	4.485					
	(17) Countrywide Credibility:	0.35	0.25	0.21					
	(18) Countrywide Lost-time Claims:	190	1,865						
	(19) Pure Premium Underlying Present Rate:	0.157	0.064	0.149	0.370				
	(20) Relativity to Underlying Present Rate:	2.733	1.772	2.137					
	(21) Credibility to Underlying Relativity:	0.340	0.250	0.210					
	(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163				
	(23) Formula Relativity:	3.092	2.520	2.372					
	(24) Balanced Formula Relativity:	3.073	2.513	2.363	2.604				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000160

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 91

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				Goods & Services	
4362 MOTION PICTURE: FILM EXCH & PROJECTION RMS, CL							
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)
2000/2001	8,545	0	0	0	0	0	0
2001/2002	5,221	0	0	0	0	0	0
2002/2003	6,053	0	0	0	0	0	0
2003/2004	5,842	0	0	0	0	0	0
2004/2005	6,119	0	0	0	0	13,984	13,984
MA Total	31,780	0	0	0	0	13,984	13,984
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	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		
	2004/2005	0.000	0.000	2.285	2.285		
	MA Total Pure Premium:	0.000	0.000	0.440	0.440		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
(13)	Massachusetts Indicated Relativity:	0.000	0.000	0.598			
(14)	Massachusetts Credibility:	0.05	0.10	0.10			
(15)	Countrywide Pure Premium:	0.426	0.040	0.142	0.609		
(16)	Countrywide Indicated Relativity:	0.851	0.120	0.188			
(17)	Countrywide Credibility:	0.15	0.20	0.26			
(18)	Countrywide Lost-time Claims:	4	17				
(19)	Pure Premium Underlying Present Rate:	0.236	0.167	0.314	0.717		
(20)	Relativity to Underlying Present Rate:	0.423	0.476	0.472			
(21)	Credibility to Underlying Relativity:	0.800	0.700	0.640			
(22)	Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
(23)	Formula Relativity:	0.466	0.357	0.411			
(24)	Balanced Formula Relativity:	0.461	0.356	0.409	0.414		

Class(es):		Effective: 9/1/2008				Manufacturing	
4410 RUBBER 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)
2000/2001	592,208	8	100	767,757	385,403	1,133,552	2,286,712
2001/2002	530,524	8	66	938,310	311,058	849,855	2,099,223
2002/2003	323,178	4	55	343,019	185,328	661,009	1,189,357
2003/2004	367,099	5	52	631,779	414,839	793,214	1,839,832
2004/2005	329,412	2	40	309,108	179,693	383,669	872,470
MA Total	2,142,421	27	313	2,989,972	1,476,321	3,821,300	8,287,593
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	1.296	0.651	1.914	3.861		
	2001/2002	1.769	0.586	1.602	3.957		
	2002/2003	1.061	0.573	2.045	3.680		
	2003/2004	1.721	1.130	2.161	5.012		
	2004/2005	0.938	0.545	1.165	2.649		
	MA Total Pure Premium:	1.396	0.689	1.784	3.868		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
(13)	Massachusetts Indicated Relativity:	2.167	1.840	2.113			
(14)	Massachusetts Credibility:	0.48	0.95	1.00			
(15)	Countrywide Pure Premium:	0.828	0.464	1.108	2.401		
(16)	Countrywide Indicated Relativity:	1.362	1.361	1.408			
(17)	Countrywide Credibility:	0.26	0.03	0.00			
(18)	Countrywide Lost-time Claims:	351	4,322				
(19)	Pure Premium Underlying Present Rate:	1.111	0.731	1.467	3.309		
(20)	Relativity to Underlying Present Rate:	1.570	1.864	1.997			
(21)	Credibility to Underlying Relativity:	0.260	0.020	0.000			
(22)	Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
(23)	Formula Relativity:	1.803	1.826	2.113			
(24)	Balanced Formula Relativity:	1.807	1.828	2.107	1.947		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000161

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 92

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	750	0	0	0	0	310	310		
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		
2004/2005	0	0	0	0	0	0	0		
MA Total	804	0	0	0	0	310	310		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)				Total (12)	
	2000/2001	0.000	0.000	0.414				0.414	
	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	
	2004/2005	0.000	0.000	0.000				0.000	
	MA Total Pure Premium:	0.000	0.000	0.386				0.386	
Pure Premium Relativities									
		Serious	Non-Serious	Medical				Total	
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.458					
	(14) Massachusetts Credibility:	0.02	0.04	0.05					
	(15) Countrywide Pure Premium:	2.522	1.464	2.489				6.475	
	(16) Countrywide Indicated Relativity:	4.147	4.293	3.160					
	(17) Countrywide Credibility:	0.13	0.30	0.36					
	(18) Countrywide Lost-time Claims:	3	44						
	(19) Pure Premium Underlying Present Rate:	1.145	0.825	1.558				3.528	
	(20) Relativity to Underlying Present Rate:	1.619	2.104	2.121					
	(21) Credibility to Underlying Relativity:	0.850	0.660	0.590					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844				1.862	
	(23) Formula Relativity:	1.915	2.677	2.412					
	(24) Balanced Formula Relativity:	1.920	2.680	2.405				2.292	

Class(es):		Effective: 9/1/2008						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)			
2000/2001	24,800	0	2	0	7,671	8,527	16,197		
2001/2002	26,800	0	3	0	33,402	5,927	39,328		
2002/2003	28,346	0	1	0	23	77	100		
2003/2004	31,959	0	0	0	0	2,366	2,366		
2004/2005	32,453	0	0	0	0	233	233		
MA Total	144,358	0	6	0	41,096	17,130	58,225		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)				Total (12)	
	2000/2001	0.000	0.309	0.344				0.653	
	2001/2002	0.000	1.246	0.221				1.467	
	2002/2003	0.000	0.001	0.003				0.004	
	2003/2004	0.000	0.000	0.074				0.074	
	2004/2005	0.000	0.000	0.007				0.007	
	MA Total Pure Premium:	0.000	0.285	0.119				0.403	
Pure Premium Relativities									
		Serious	Non-Serious	Medical				Total	
	(13) Massachusetts Indicated Relativity:	0.000	0.760	0.141					
	(14) Massachusetts Credibility:	0.11	0.21	0.23					
	(15) Countrywide Pure Premium:	0.150	0.280	0.573				1.002	
	(16) Countrywide Indicated Relativity:	0.246	0.820	0.727					
	(17) Countrywide Credibility:	0.18	0.40	0.39					
	(18) Countrywide Lost-time Claims:	6	128						
	(19) Pure Premium Underlying Present Rate:	0.425	0.265	0.476				1.165	
	(20) Relativity to Underlying Present Rate:	0.600	0.675	0.648					
	(21) Credibility to Underlying Relativity:	0.710	0.390	0.380					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844				1.862	
	(23) Formula Relativity:	0.471	0.751	0.562					
	(24) Balanced Formula Relativity:	0.472	0.752	0.560				0.568	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000162

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 93

Calculation of Class Relativities

Class(es): 4439 LACQUER OR SPIRIT VARNISH MFG*		Effective: 9/1/2008						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)			
2000/2001	41,314	0	1	0	1,289	18,486	19,775		
2001/2002	33,597	0	5	0	9,390	12,725	22,115		
2002/2003	45,402	0	1	0	8,735	10,555	19,289		
2003/2004	47,402	1	2	91,720	8,860	140,967	241,548		
2004/2005	45,366	0	1	0	498	5,799	6,297		
MA Total	213,081	1	10	91,720	28,772	188,532	309,024		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.000	0.031	0.447	0.479		
		2001/2002		0.000	0.279	0.379	0.658		
		2002/2003		0.000	0.192	0.232	0.425		
		2003/2004		1.935	0.187	2.974	5.096		
		2004/2005		0.000	0.011	0.128	0.139		
		MA Total Pure Premium:		0.430	0.135	0.885	1.450		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.669	0.361	1.048			
		(14) Massachusetts Credibility:		0.16	0.27	0.31			
		(15) Countrywide Pure Premium:		0.665	0.300	0.732	1.697		
		(16) Countrywide Indicated Relativity:		1.093	0.881	0.929			
		(17) Countrywide Credibility:		0.23	0.37	0.35			
		(18) Countrywide Lost-time Claims:		11	79				
		(19) Pure Premium Underlying Present Rate:		0.699	0.327	0.695	1.721		
		(20) Relativity to Underlying Present Rate:		0.988	0.834	0.946			
		(21) Credibility to Underlying Relativity:		0.610	0.360	0.340			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		0.961	0.724	0.972			
		(24) Balanced Formula Relativity:		0.963	0.724	0.969	0.918		

Class(es): 4452 PLASTICS MFG: FABRICATED PRODUCTS NOC		Effective: 9/1/2008						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)			
2000/2001	636,283	5	55	391,331	298,023	679,387	1,368,741		
2001/2002	527,265	3	32	283,994	160,672	499,515	944,181		
2002/2003	545,699	4	33	503,715	227,708	643,839	1,375,262		
2003/2004	514,866	3	28	442,228	197,412	399,174	1,038,813		
2004/2005	541,560	4	42	674,320	311,527	1,253,284	2,239,130		
MA Total	2,765,673	19	190	2,295,587	1,195,341	3,475,200	6,966,128		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.615	0.468	1.068	2.151		
		2001/2002		0.539	0.305	0.947	1.791		
		2002/2003		0.923	0.417	1.180	2.520		
		2003/2004		0.859	0.383	0.775	2.018		
		2004/2005		1.245	0.575	2.314	4.135		
		MA Total Pure Premium:		0.830	0.432	1.257	2.519		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.289	1.154	1.489			
		(14) Massachusetts Credibility:		0.47	0.90	1.00			
		(15) Countrywide Pure Premium:		0.824	0.463	1.090	2.377		
		(16) Countrywide Indicated Relativity:		1.356	1.356	1.384			
		(17) Countrywide Credibility:		0.27	0.05	0.00			
		(18) Countrywide Lost-time Claims:		222	3,676				
		(19) Pure Premium Underlying Present Rate:		0.807	0.502	1.028	2.336		
		(20) Relativity to Underlying Present Rate:		1.141	1.279	1.399			
		(21) Credibility to Underlying Relativity:		0.260	0.050	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862		
		(23) Formula Relativity:		1.269	1.171	1.489			
		(24) Balanced Formula Relativity:		1.272	1.172	1.484	1.348		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000163

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 94

Calculation of Class Relativities

Class(es): 4459 PLASTICS MFG: SHEETS, RODS OR TUBES		Effective: 9/1/2008				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)
2000/2001	764,041	4	80	239,370	575,891	657,030	1,472,292
2001/2002	650,893	2	55	268,109	251,503	585,616	1,105,228
2002/2003	666,139	7	58	714,117	312,006	884,294	1,910,417
2003/2004	775,826	7	51	1,023,016	353,755	1,091,071	2,467,842
2004/2005	692,916	3	54	744,693	347,445	1,115,582	2,207,720
MA Total	3,549,815	23	298	2,989,306	1,840,599	4,333,593	9,163,498
MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)
			2000/2001	0.313	0.754	0.860	1.927
			2001/2002	0.412	0.386	0.900	1.698
			2002/2003	1.072	0.468	1.327	2.868
			2003/2004	1.319	0.456	1.406	3.181
			2004/2005	1.075	0.501	1.610	3.186
			MA Total Pure Premium:	0.842	0.519	1.221	2.581
Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total
			(13) Massachusetts Indicated Relativity:	1.308	1.385	1.446	
			(14) Massachusetts Credibility:	0.51	1.00	0.99	
			(15) Countrywide Pure Premium:	0.665	0.358	0.913	1.937
			(16) Countrywide Indicated Relativity:	1.094	1.051	1.160	
			(17) Countrywide Credibility:	0.25	0.00	0.01	
			(18) Countrywide Lost-time Claims:	220	3,201		
			(19) Pure Premium Underlying Present Rate:	0.769	0.597	0.772	2.139
			(20) Relativity to Underlying Present Rate:	1.088	1.523	1.052	
			(21) Credibility to Underlying Relativity:	0.240	0.000	0.000	
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862
			(23) Formula Relativity:	1.201	1.385	1.444	
			(24) Balanced Formula Relativity:	1.204	1.386	1.439	1.347

Class(es): 4470 CABLE MFG - INSULATED ELECTRICAL		Effective: 9/1/2008				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)
2000/2001	401,688	3	16	359,525	158,246	259,187	776,957
2001/2002	300,775	1	31	62,576	185,381	278,249	526,205
2002/2003	409,375	3	44	340,264	170,420	429,033	939,717
2003/2004	428,813	2	31	224,462	241,039	406,041	871,543
2004/2005	493,751	0	34	0	361,053	401,438	762,491
MA Total	2,034,402	9	156	986,827	1,116,138	1,773,948	3,876,913
MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)
			2000/2001	0.895	0.394	0.645	1.934
			2001/2002	0.208	0.616	0.925	1.749
			2002/2003	0.831	0.416	1.048	2.295
			2003/2004	0.523	0.562	0.947	2.032
			2004/2005	0.000	0.731	0.813	1.544
			MA Total Pure Premium:	0.485	0.549	0.872	1.906
Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total
			(13) Massachusetts Indicated Relativity:	0.753	1.465	1.033	
			(14) Massachusetts Credibility:	0.44	0.80	0.84	
			(15) Countrywide Pure Premium:	0.722	0.397	0.883	2.002
			(16) Countrywide Indicated Relativity:	1.188	1.163	1.121	
			(17) Countrywide Credibility:	0.28	0.10	0.08	
			(18) Countrywide Lost-time Claims:	90	963		
			(19) Pure Premium Underlying Present Rate:	0.939	0.501	0.878	2.318
			(20) Relativity to Underlying Present Rate:	1.327	1.277	1.196	
			(21) Credibility to Underlying Relativity:	0.280	0.100	0.080	
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862
			(23) Formula Relativity:	1.036	1.416	1.053	
			(24) Balanced Formula Relativity:	1.038	1.418	1.050	1.120

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 95

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,039,804	15	162	1,524,897	1,052,843	2,191,788	4,769,528		
2001/2002	1,877,658	8	134	846,811	670,588	1,898,863	3,416,262		
2002/2003	2,080,642	11	125	1,080,358	791,420	1,429,204	3,300,982		
2003/2004	1,906,605	15	115	2,025,937	843,927	2,234,416	5,104,281		
2004/2005	1,924,199	5	118	1,212,145	983,174	1,954,750	4,150,069		
MA Total	9,828,908	54	654	6,690,148	4,341,952	9,709,022	20,741,121		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.748	0.516	1.075	2.338				
	2001/2002	0.451	0.357	1.011	1.819				
	2002/2003	0.519	0.380	0.687	1.587				
	2003/2004	1.063	0.443	1.172	2.677				
	2004/2005	0.630	0.511	1.016	2.157				
	MA Total Pure Premium:	0.681	0.442	0.988	2.110				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.057	1.180	1.170					
	(14) Massachusetts Credibility:	0.74	1.00	1.00	1.884				
	(15) Countrywide Pure Premium:	0.563	0.395	0.926					
	(16) Countrywide Indicated Relativity:	0.926	1.159	1.175					
	(17) Countrywide Credibility:	0.13	0.00	0.00					
	(18) Countrywide Lost-time Claims:	502	11,650						
	(19) Pure Premium Underlying Present Rate:	0.729	0.526	0.823	2.078				
	(20) Relativity to Underlying Present Rate:	1.031	1.340	1.121					
	(21) Credibility to Underlying Relativity:	0.130	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.037	1.180	1.170					
	(24) Balanced Formula Relativity:	1.039	1.181	1.167	1.126				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	363,352	8	38	732,842	150,699	783,899	1,667,440		
2001/2002	345,999	1	28	57,808	137,528	186,606	381,942		
2002/2003	337,158	3	34	270,976	157,539	599,621	1,028,137		
2003/2004	371,209	3	25	365,387	115,021	556,401	1,036,810		
2004/2005	441,523	0	38	0	279,765	373,891	653,657		
MA Total	1,859,241	15	163	1,427,014	840,552	2,500,419	4,767,985		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	2.017	0.415	2.157	4.589				
	2001/2002	0.167	0.397	0.539	1.104				
	2002/2003	0.804	0.467	1.778	3.049				
	2003/2004	0.984	0.310	1.499	2.793				
	2004/2005	0.000	0.634	0.847	1.480				
	MA Total Pure Premium:	0.768	0.452	1.345	2.564				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.192	1.207	1.593					
	(14) Massachusetts Credibility:	0.43	0.80	0.88	2.647				
	(15) Countrywide Pure Premium:	1.358	0.351	0.938					
	(16) Countrywide Indicated Relativity:	2.233	1.030	1.191					
	(17) Countrywide Credibility:	0.29	0.10	0.06					
	(18) Countrywide Lost-time Claims:	55	374						
	(19) Pure Premium Underlying Present Rate:	0.951	0.557	1.103	2.611				
	(20) Relativity to Underlying Present Rate:	1.345	1.420	1.501					
	(21) Credibility to Underlying Relativity:	0.280	0.100	0.060					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.537	1.211	1.564					
	(24) Balanced Formula Relativity:	1.541	1.212	1.559	1.483				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 96

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,462,600	4	25	400,838	141,414	577,453	1,119,705		
2001/2002	2,329,803	3	27	388,177	123,728	509,212	1,021,117		
2002/2003	2,539,473	1	15	230,591	96,784	275,380	602,755		
2003/2004	2,775,727	2	15	211,430	219,804	317,802	749,037		
2004/2005	2,297,431	0	15	0	108,389	168,340	276,729		
MA Total	12,405,034	10	97	1,231,036	690,120	1,848,187	3,769,343		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.163	0.057	0.234	0.455		
			2001/2002	0.167	0.053	0.219	0.438		
			2002/2003	0.091	0.038	0.108	0.237		
			2003/2004	0.076	0.079	0.114	0.270		
			2004/2005	0.000	0.047	0.073	0.120		
			MA Total Pure Premium:	0.099	0.056	0.149	0.304		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.203	0.170	0.202			
			(14) Massachusetts Credibility:	0.46	0.68	0.83			
			(15) Countrywide Pure Premium:	0.157	0.088	0.219	0.464		
			(16) Countrywide Indicated Relativity:	0.314	0.261	0.289			
			(17) Countrywide Credibility:	0.27	0.16	0.09			
			(18) Countrywide Lost-time Claims:	288	2,369				
			(19) Pure Premium Underlying Present Rate:	0.171	0.056	0.141	0.368		
			(20) Relativity to Underlying Present Rate:	0.307	0.159	0.212			
			(21) Credibility to Underlying Relativity:	0.270	0.160	0.080			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.261	0.182	0.211			
			(24) Balanced Formula Relativity:	0.258	0.182	0.210	0.219		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,512,295	0	25	0	86,696	202,143	288,840		
2001/2002	4,199,092	1	11	81,074	13,705	228,276	323,055		
2002/2003	4,755,768	2	18	213,085	68,576	531,243	812,903		
2003/2004	4,053,534	0	8	0	76,353	169,448	245,801		
2004/2005	4,850,004	2	8	547,192	128,821	395,583	1,071,596		
MA Total	21,370,693	5	70	841,350	374,151	1,526,693	2,742,194		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.025	0.058	0.082		
			2001/2002	0.019	0.003	0.054	0.077		
			2002/2003	0.045	0.014	0.112	0.171		
			2003/2004	0.000	0.019	0.042	0.061		
			2004/2005	0.113	0.027	0.082	0.221		
			MA Total Pure Premium:	0.039	0.018	0.071	0.128		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.081	0.053	0.097			
			(14) Massachusetts Credibility:	0.34	0.67	0.71			
			(15) Countrywide Pure Premium:	0.034	0.037	0.091	0.163		
			(16) Countrywide Indicated Relativity:	0.069	0.111	0.120			
			(17) Countrywide Credibility:	0.33	0.17	0.15			
			(18) Countrywide Lost-time Claims:	41	353				
			(19) Pure Premium Underlying Present Rate:	0.048	0.031	0.056	0.134		
			(20) Relativity to Underlying Present Rate:	0.085	0.087	0.084			
			(21) Credibility to Underlying Relativity:	0.330	0.160	0.140			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.078	0.069	0.099			
			(24) Balanced Formula Relativity:	0.077	0.069	0.098	0.085		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 97

Calculation of Class Relativities

Class(es): 4557 INK MFG		Effective: 9/1/2008						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)			
2000/2001	549,686	1	32	137,735	254,872	373,285	765,891		
2001/2002	539,856	3	34	312,082	98,499	294,611	705,191		
2002/2003	513,819	1	19	144,752	31,262	81,860	257,873		
2003/2004	539,984	0	21	0	111,800	122,874	234,674		
2004/2005	508,451	1	35	139,876	180,680	241,790	562,346		
MA Total	2,651,796	6	141	734,444	677,113	1,114,420	2,525,976		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.251	0.464	0.679	1.393				
	2001/2002	0.578	0.182	0.546	1.306				
	2002/2003	0.282	0.061	0.159	0.502				
	2003/2004	0.000	0.207	0.228	0.435				
	2004/2005	0.275	0.355	0.476	1.106				
	MA Total Pure Premium:	0.277	0.255	0.420	0.953				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.430	0.682	0.498					
	(14) Massachusetts Credibility:	0.38	0.63	0.68					
	(15) Countrywide Pure Premium:	0.520	0.251	0.659	1.430				
	(16) Countrywide Indicated Relativity:	0.856	0.736	0.836					
	(17) Countrywide Credibility:	0.31	0.19	0.16					
	(18) Countrywide Lost-time Claims:	89	784						
	(19) Pure Premium Underlying Present Rate:	0.514	0.217	0.401	1.132				
	(20) Relativity to Underlying Present Rate:	0.726	0.554	0.546					
	(21) Credibility to Underlying Relativity:	0.310	0.180	0.160					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.654	0.669	0.560					
	(24) Balanced Formula Relativity:	0.656	0.670	0.558	0.614				

Class(es): 4558 PAINT MFG		Effective: 9/1/2008						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)			
2000/2001	156,037	2	4	227,938	2,245	258,008	488,190		
2001/2002	126,553	2	5	120,502	28,007	152,524	301,033		
2002/2003	118,315	1	5	75,798	45,669	71,690	193,157		
2003/2004	120,458	0	5	0	22,878	27,884	50,762		
2004/2005	80,517	0	4	0	58,198	18,553	76,752		
MA Total	601,880	5	23	424,238	156,997	528,659	1,109,893		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.461	0.014	1.654	3.129				
	2001/2002	0.952	0.221	1.205	2.379				
	2002/2003	0.641	0.386	0.606	1.633				
	2003/2004	0.000	0.190	0.231	0.421				
	2004/2005	0.000	0.723	0.230	0.953				
	MA Total Pure Premium:	0.705	0.261	0.878	1.844				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.095	0.697	1.041					
	(14) Massachusetts Credibility:	0.25	0.48	0.49					
	(15) Countrywide Pure Premium:	0.623	0.288	0.780	1.691				
	(16) Countrywide Indicated Relativity:	1.024	0.845	0.990					
	(17) Countrywide Credibility:	0.38	0.26	0.26					
	(18) Countrywide Lost-time Claims:	155	1,250						
	(19) Pure Premium Underlying Present Rate:	0.763	0.474	0.784	2.022				
	(20) Relativity to Underlying Present Rate:	1.079	1.209	1.068					
	(21) Credibility to Underlying Relativity:	0.370	0.260	0.250					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	1.062	0.869	1.034					
	(24) Balanced Formula Relativity:	1.065	0.869	1.031	1.010				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 98

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	27,657	0	0	0	0	1,605	1,605		
2001/2002	36,336	1	2	105,454	7,439	29,583	142,476		
2002/2003	40,056	0	2	0	8,771	29,480	38,252		
2003/2004	37,376	0	3	0	57,581	60,762	118,344		
2004/2005	36,031	0	0	0	0	0	0		
MA Total	177,456	1	7	105,454	73,792	121,430	300,676		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
2000/2001		0.000	0.000	0.058	0.058				
2001/2002		2.902	0.205	0.814	3.921				
2002/2003		0.000	0.219	0.736	0.955				
2003/2004		0.000	1.541	1.626	3.166				
2004/2005		0.000	0.000	0.000	0.000				
MA Total Pure Premium:		0.594	0.416	0.684	1.694				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
(13) Massachusetts Indicated Relativity:		0.923	1.111	0.811					
(14) Massachusetts Credibility:		0.19	0.26	0.31					
(15) Countrywide Pure Premium:		1.565	0.420	1.315	3.300				
(16) Countrywide Indicated Relativity:		2.573	1.233	1.669					
(17) Countrywide Credibility:		0.41	0.37	0.35					
(18) Countrywide Lost-time Claims:		89	900						
(19) Pure Premium Underlying Present Rate:		1.411	0.345	0.866	2.623				
(20) Relativity to Underlying Present Rate:		1.996	0.881	1.179					
(21) Credibility to Underlying Relativity:		0.400	0.370	0.340					
(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862				
(23) Formula Relativity:		2.029	1.071	1.237					
(24) Balanced Formula Relativity:		2.034	1.072	1.233	1.477				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	353,707	3	17	326,235	112,313	173,882	612,430		
2001/2002	661,539	0	25	0	161,020	226,428	387,447		
2002/2003	364,375	3	20	317,403	138,563	214,420	670,386		
2003/2004	459,306	2	22	189,808	166,012	222,440	578,260		
2004/2005	345,626	1	11	142,745	182,377	304,489	629,610		
MA Total	2,184,553	9	95	976,190	760,284	1,141,659	2,878,134		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
2000/2001		0.922	0.318	0.492	1.731				
2001/2002		0.000	0.243	0.342	0.586				
2002/2003		0.871	0.380	0.588	1.840				
2003/2004		0.413	0.361	0.484	1.259				
2004/2005		0.413	0.528	0.881	1.822				
MA Total Pure Premium:		0.447	0.348	0.523	1.317				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
(13) Massachusetts Indicated Relativity:		0.694	0.929	0.619					
(14) Massachusetts Credibility:		0.32	0.65	0.65					
(15) Countrywide Pure Premium:		0.240	0.162	0.375	0.777				
(16) Countrywide Indicated Relativity:		0.394	0.475	0.476					
(17) Countrywide Credibility:		0.34	0.18	0.18					
(18) Countrywide Lost-time Claims:		341	3,825						
(19) Pure Premium Underlying Present Rate:		0.394	0.282	0.433	1.109				
(20) Relativity to Underlying Present Rate:		0.557	0.718	0.590					
(21) Credibility to Underlying Relativity:		0.340	0.170	0.170					
(22) Industry Group Adjusted Converted Pure Premium:		0.644	0.374	0.844	1.862				
(23) Formula Relativity:		0.546	0.812	0.589					
(24) Balanced Formula Relativity:		0.547	0.813	0.587	0.618				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000168

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 99

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4635 OXYGEN OR HYDROGEN 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)			
2000/2001	128,358	0	7	0	165,850	109,897	275,747		
2001/2002	103,190	2	6	174,739	22,569	147,393	344,701		
2002/2003	120,222	2	8	257,739	38,948	207,007	503,694		
2003/2004	118,474	1	6	165,668	8,580	141,948	316,196		
2004/2005	74,463	1	2	245,295	9,609	61,146	316,049		
MA Total	544,707	6	29	843,441	245,556	667,391	1,756,388		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	1.292	0.856	2.148			
		2001/2002	1.693	0.219	1.428	3.340			
		2002/2003	2.144	0.324	1.722	4.190			
		2003/2004	1.398	0.072	1.198	2.669			
		2004/2005	3.294	0.129	0.821	4.244			
		MA Total Pure Premium:	1.548	0.451	1.225	3.224			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.405	1.204	1.452				
		(14) Massachusetts Credibility:	0.26	0.45	0.47				
		(15) Countrywide Pure Premium:	0.753	0.221	0.603	1.577			
		(16) Countrywide Indicated Relativity:	1.238	0.649	0.766				
		(17) Countrywide Credibility:	0.37	0.28	0.27				
		(18) Countrywide Lost-time Claims:	114	883					
		(19) Pure Premium Underlying Present Rate:	0.930	0.457	0.776	2.163			
		(20) Relativity to Underlying Present Rate:	1.314	1.166	1.057				
		(21) Credibility to Underlying Relativity:	0.370	0.270	0.260				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.570	1.038	1.164				
		(24) Balanced Formula Relativity:	1.573	1.040	1.160	1.279			

Class(es):		Effective: 9/1/2008						Manufacturing	
4653 GLUE 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)			
2000/2001	26,080	0	2	0	8,358	6,963	15,321		
2001/2002	12,558	0	0	0	0	0	0		
2002/2003	13,198	0	0	0	0	1,425	1,425		
2003/2004	15,106	0	0	0	0	4,854	4,854		
2004/2005	24,195	0	0	0	0	1,684	1,684		
MA Total	91,137	0	2	0	8,358	14,925	23,284		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.320	0.267	0.587			
		2001/2002	0.000	0.000	0.000	0.000			
		2002/2003	0.000	0.000	0.108	0.108			
		2003/2004	0.000	0.000	0.321	0.321			
		2004/2005	0.000	0.000	0.070	0.070			
		MA Total Pure Premium:	0.000	0.092	0.164	0.255			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.245	0.194				
		(14) Massachusetts Credibility:	0.10	0.28	0.22				
		(15) Countrywide Pure Premium:	0.127	0.209	0.474	0.809			
		(16) Countrywide Indicated Relativity:	0.208	0.613	0.602				
		(17) Countrywide Credibility:	0.13	0.36	0.39				
		(18) Countrywide Lost-time Claims:	3	71					
		(19) Pure Premium Underlying Present Rate:	0.555	0.786	0.720	2.060			
		(20) Relativity to Underlying Present Rate:	0.785	2.003	0.980				
		(21) Credibility to Underlying Relativity:	0.770	0.360	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.632	1.010	0.659				
		(24) Balanced Formula Relativity:	0.633	1.012	0.657	0.720			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000169

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 100

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	7,561	0	1	0	10,999	5,908	16,907	
2001/2002	30,588	0	11	0	40,334	42,943	83,277	
2002/2003	32,400	1	5	106,289	22,579	274,561	403,429	
2003/2004	34,793	1	5	179,156	14,368	105,672	299,195	
2004/2005	39,526	0	5	0	61,784	144,807	206,591	
MA Total	144,868	2	27	285,444	150,064	573,890	1,009,398	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	1.455	0.781	2.236			
	2001/2002	0.000	1.319	1.404	2.723			
	2002/2003	3.281	0.697	8.474	12.452			
	2003/2004	5.149	0.413	3.037	8.599			
	2004/2005	0.000	1.563	3.664	5.227			
	MA Total Pure Premium:	1.970	1.036	3.961	6.968			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	3.060	2.767	4.694				
	(14) Massachusetts Credibility:	0.21	0.36	0.44				
	(15) Countrywide Pure Premium:	2.476	0.651	1.913	5.041			
	(16) Countrywide Indicated Relativity:	4.072	1.910	2.430				
	(17) Countrywide Credibility:	0.40	0.32	0.28				
	(18) Countrywide Lost-time Claims:	72	482					
	(19) Pure Premium Underlying Present Rate:	2.132	0.956	2.419	5.507			
	(20) Relativity to Underlying Present Rate:	3.014	2.437	3.294				
	(21) Credibility to Underlying Relativity:	0.390	0.320	0.280				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	3.447	2.387	3.668				
	(24) Balanced Formula Relativity:	3.455	2.390	3.656	3.332			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	188,385	0	5	0	20,171	41,927	62,098	
2001/2002	189,609	0	5	0	4,333	13,237	17,570	
2002/2003	193,141	0	2	0	8,378	17,357	25,735	
2003/2004	204,374	0	4	0	57,507	31,093	88,600	
2004/2005	217,307	0	3	0	7,273	12,380	19,653	
MA Total	992,816	0	19	0	97,662	115,993	213,656	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.107	0.223	0.330			
	2001/2002	0.000	0.023	0.070	0.093			
	2002/2003	0.000	0.043	0.090	0.133			
	2003/2004	0.000	0.281	0.152	0.434			
	2004/2005	0.000	0.033	0.057	0.090			
	MA Total Pure Premium:	0.000	0.098	0.117	0.215			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.263	0.138				
	(14) Massachusetts Credibility:	0.16	0.32	0.33				
	(15) Countrywide Pure Premium:	0.133	0.122	0.221	0.476			
	(16) Countrywide Indicated Relativity:	0.218	0.357	0.281				
	(17) Countrywide Credibility:	0.42	0.34	0.34				
	(18) Countrywide Lost-time Claims:	58	520					
	(19) Pure Premium Underlying Present Rate:	0.148	0.104	0.174	0.427			
	(20) Relativity to Underlying Present Rate:	0.210	0.266	0.237				
	(21) Credibility to Underlying Relativity:	0.420	0.340	0.330				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	0.180	0.296	0.219				
	(24) Balanced Formula Relativity:	0.180	0.296	0.219	0.221			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000170

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 101

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4693 PHARMACEUTICAL OR SURGICAL 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)			
2000/2001	174,223	0	4	0	41,496	34,990	76,486		
2001/2002	171,649	0	5	0	22,264	33,678	55,942		
2002/2003	192,915	0	6	0	39,535	18,165	57,701		
2003/2004	158,902	0	6	0	51,260	114,069	165,329		
2004/2005	213,548	0	2	0	1,399	7,309	8,708		
MA Total	911,237	0	23	0	155,954	208,211	364,165		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.238	0.201	0.439				
	2001/2002	0.000	0.130	0.196	0.326				
	2002/2003	0.000	0.205	0.094	0.299				
	2003/2004	0.000	0.323	0.718	1.040				
	2004/2005	0.000	0.007	0.034	0.041				
	MA Total Pure Premium:	0.000	0.171	0.228	0.400				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.457	0.271					
	(14) Massachusetts Credibility:	0.18	0.46	0.41					
	(15) Countrywide Pure Premium:	0.250	0.139	0.364	0.753				
	(16) Countrywide Indicated Relativity:	0.410	0.407	0.463					
	(17) Countrywide Credibility:	0.41	0.27	0.30					
	(18) Countrywide Lost-time Claims:	92	1,227						
	(19) Pure Premium Underlying Present Rate:	0.211	0.286	0.324	0.821				
	(20) Relativity to Underlying Present Rate:	0.299	0.731	0.441					
	(21) Credibility to Underlying Relativity:	0.410	0.270	0.290					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.291	0.517	0.378					
	(24) Balanced Formula Relativity:	0.292	0.518	0.376	0.375				

Class(es):		Effective: 9/1/2008						Manufacturing	
4720 SOAP OR SYNTHETIC DETERGENT 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)			
2000/2001	96,910	0	5	0	15,184	24,937	40,121		
2001/2002	107,852	0	3	0	3,055	30,108	33,163		
2002/2003	110,067	0	6	0	60,135	119,289	179,424		
2003/2004	122,791	1	6	96,150	6,152	46,107	148,410		
2004/2005	126,464	0	7	0	133,273	120,349	253,623		
MA Total	564,084	1	27	96,150	217,799	340,791	654,740		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.157	0.257	0.414				
	2001/2002	0.000	0.028	0.279	0.307				
	2002/2003	0.000	0.546	1.084	1.630				
	2003/2004	0.783	0.050	0.375	1.209				
	2004/2005	0.000	1.054	0.952	2.005				
	MA Total Pure Premium:	0.170	0.386	0.604	1.161				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.265	1.031	0.716					
	(14) Massachusetts Credibility:	0.23	0.40	0.45					
	(15) Countrywide Pure Premium:	0.590	0.299	0.775	1.663				
	(16) Countrywide Indicated Relativity:	0.970	0.875	0.984					
	(17) Countrywide Credibility:	0.39	0.30	0.28					
	(18) Countrywide Lost-time Claims:	77	908						
	(19) Pure Premium Underlying Present Rate:	0.700	0.315	0.663	1.678				
	(20) Relativity to Underlying Present Rate:	0.990	0.803	0.902					
	(21) Credibility to Underlying Relativity:	0.380	0.300	0.270					
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862				
	(23) Formula Relativity:	0.816	0.916	0.841					
	(24) Balanced Formula Relativity:	0.818	0.917	0.839	0.847				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000171

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 102

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	13,048	0	1	0	4,522	6,132	10,654		
2001/2002	9,271	0	0	0	0	1,092	1,092		
2002/2003	12,040	0	0	0	0	0	0		
2003/2004	15,769	0	0	0	0	0	0		
2004/2005	8,529	0	0	0	0	0	0		
MA Total	58,657	0	1	0	4,522	7,224	11,747		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.347	0.470			0.817	
		2001/2002	0.000	0.000	0.118			0.118	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		2004/2005	0.000	0.000	0.000			0.000	
		MA Total Pure Premium:	0.000	0.077	0.123			0.200	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.206	0.146				
		(14) Massachusetts Credibility:	0.08	0.12	0.14				
		(15) Countrywide Pure Premium:	0.368	0.162	0.396			0.926	
		(16) Countrywide Indicated Relativity:	0.606	0.474	0.503				
		(17) Countrywide Credibility:	0.46	0.44	0.43				
		(18) Countrywide Lost-time Claims:	185	1,253					
		(19) Pure Premium Underlying Present Rate:	0.537	0.162	0.368			1.067	
		(20) Relativity to Underlying Present Rate:	0.760	0.413	0.501				
		(21) Credibility to Underlying Relativity:	0.460	0.440	0.430				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	0.628	0.415	0.452				
		(24) Balanced Formula Relativity:	0.630	0.416	0.451			0.505	

Class(es):		Effective: 9/1/2008						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)			
2000/2001	50	0	0	0	0	0	0		
2001/2002	39,025	1	6	95,318	86,741	25,549	207,608		
2002/2003	19	0	0	0	0	0	0		
2003/2004	3,137	0	0	0	0	0	0		
2004/2005	1,023	0	1	0	3,997	5,109	9,105		
MA Total	43,254	1	7	95,318	90,738	30,658	216,713		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.000	0.000			0.000	
		2001/2002	2.442	2.223	0.655			5.320	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		2004/2005	0.000	3.907	4.994			8.900	
		MA Total Pure Premium:	2.204	2.098	0.709			5.010	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	3.422	5.603	0.840				
		(14) Massachusetts Credibility:	0.09	0.21	0.15				
		(15) Countrywide Pure Premium:	0.652	0.232	0.572			1.456	
		(16) Countrywide Indicated Relativity:	1.072	0.680	0.726				
		(17) Countrywide Credibility:	0.26	0.40	0.43				
		(18) Countrywide Lost-time Claims:	15	162					
		(19) Pure Premium Underlying Present Rate:	0.923	0.865	0.551			2.339	
		(20) Relativity to Underlying Present Rate:	1.306	2.206	0.750				
		(21) Credibility to Underlying Relativity:	0.650	0.390	0.420				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844			1.862	
		(23) Formula Relativity:	1.435	2.309	0.753				
		(24) Balanced Formula Relativity:	1.439	2.312	0.751			1.303	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000172

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 103

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Manufacturing	
4770 EXPLOSIVES OR AMMUNITION MFG: BAG LOADING-PROPLNT CHRGS &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)			
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	
2004/2005	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)				
		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			
		2004/2005	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:	12.010	2.087	1.246				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	8.547	0.824	0.920	10.291			
		(20) Relativity to Underlying Present Rate:	12.085	2.101	1.253				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	12.085	2.101	1.253				
		(24) Balanced Formula Relativity:	12.115	2.103	1.249	5.177			

Class(es):		Effective: 9/1/2008						Manufacturing	
4773 EXPLOSIVES OR AMMUNITION MFG: HIGH EXPLOSIVES 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)			
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	
2004/2005	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)				
		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			
		2004/2005	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:	24.719	3.800	2.338				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	17.591	1.501	1.727	20.819			
		(20) Relativity to Underlying Present Rate:	24.874	3.827	2.351				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	24.874	3.827	2.351				
		(24) Balanced Formula Relativity:	24.935	3.831	2.344	10.454			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 104

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)				
		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			
		2004/2005	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:	19.793	3.856	2.173				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	14.085	1.523	1.605	17.213			
		(20) Relativity to Underlying Present Rate:	19.917	3.883	2.185				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	19.917	3.883	2.185				
		(24) Balanced Formula Relativity:	19.965	3.887	2.178	8.672			

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)				
		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			
		2004/2005	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	223.274	200.300	423.574			
		(16) Countrywide Indicated Relativity:	0.000	654.651	254.372				
		(17) Countrywide Credibility:	0.00	0.13	0.15				
		(18) Countrywide Lost-time Claims:	0	5					
		(19) Pure Premium Underlying Present Rate:	7.797	0.781	1.651	10.228			
		(20) Relativity to Underlying Present Rate:	11.025	1.991	2.247				
		(21) Credibility to Underlying Relativity:	1.000	0.870	0.850				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	11.025	86.837	40.066				
		(24) Balanced Formula Relativity:	11.051	86.933	39.942	39.401			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 105

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)				
		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			
		2004/2005	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:	18.567	2.322	1.194				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	13.213	0.917	0.882	15.012			
		(20) Relativity to Underlying Present Rate:	18.684	2.338	1.201				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	18.684	2.338	1.201				
		(24) Balanced Formula Relativity:	18.729	2.341	1.197	7.489			

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)				
		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			
		2004/2005	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	0.060	0.060			
		(16) Countrywide Indicated Relativity:	0.000	0.000	0.077				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	10.422	0.977	1.947	13.346			
		(20) Relativity to Underlying Present Rate:	14.737	2.491	2.651				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	14.737	2.491	2.651				
		(24) Balanced Formula Relativity:	14.773	2.493	2.643	6.807			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 106

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	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)				
		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			
		2004/2005	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:	44.181	7.755	4.593				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	0	0					
		(19) Pure Premium Underlying Present Rate:	31.441	3.062	3.393	37.896			
		(20) Relativity to Underlying Present Rate:	44.458	7.809	4.619				
		(21) Credibility to Underlying Relativity:	1.000	1.000	1.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	44.458	7.809	4.619				
		(24) Balanced Formula Relativity:	44.566	7.817	4.605	19.067			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	269,542	1	2	49,206	404	29,064	78,674		
2001/2002	1,099,355	0	3	0	34,868	97,695	132,563		
2002/2003	473,556	0	4	0	149,509	124,219	273,727		
2003/2004	451,552	1	3	165,412	19,981	79,671	265,063		
2004/2005	443,633	0	3	0	85,362	154,126	239,488		
MA Total	2,737,638	2	15	214,617	290,124	484,775	989,516		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.183	0.002	0.108	0.292			
		2001/2002	0.000	0.032	0.089	0.121			
		2002/2003	0.000	0.316	0.262	0.578			
		2003/2004	0.366	0.044	0.176	0.587			
		2004/2005	0.000	0.192	0.347	0.540			
		MA Total Pure Premium:	0.078	0.106	0.177	0.361			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.122	0.283	0.210				
		(14) Massachusetts Credibility:	0.24	0.41	0.49				
		(15) Countrywide Pure Premium:	0.173	0.093	0.219	0.485			
		(16) Countrywide Indicated Relativity:	0.284	0.273	0.278				
		(17) Countrywide Credibility:	0.38	0.30	0.26				
		(18) Countrywide Lost-time Claims:	58	818					
		(19) Pure Premium Underlying Present Rate:	0.158	0.069	0.172	0.400			
		(20) Relativity to Underlying Present Rate:	0.224	0.177	0.234				
		(21) Credibility to Underlying Relativity:	0.380	0.290	0.250				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	0.222	0.249	0.234				
		(24) Balanced Formula Relativity:	0.223	0.250	0.233	0.233			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 107

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	473,934	1	17	43,931	83,038	127,444	254,413	
2001/2002	664,240	2	12	150,270	60,844	107,395	318,509	
2002/2003	675,472	0	11	0	36,723	94,165	130,887	
2003/2004	650,816	2	13	462,311	103,676	282,016	848,002	
2004/2005	610,284	0	13	0	53,691	106,797	160,488	
MA Total	3,074,746	5	66	656,512	337,971	717,816	1,712,300	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.093	0.175	0.269	0.537			
	2001/2002	0.226	0.092	0.162	0.480			
	2002/2003	0.000	0.054	0.139	0.194			
	2003/2004	0.710	0.159	0.433	1.303			
	2004/2005	0.000	0.088	0.175	0.263			
	MA Total Pure Premium:	0.214	0.110	0.233	0.557			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.332	0.294	0.277				
	(14) Massachusetts Credibility:	0.36	0.52	0.61				
	(15) Countrywide Pure Premium:	0.481	0.172	0.437	1.091			
	(16) Countrywide Indicated Relativity:	0.791	0.506	0.555				
	(17) Countrywide Credibility:	0.32	0.24	0.20				
	(18) Countrywide Lost-time Claims:	356	2,854					
	(19) Pure Premium Underlying Present Rate:	0.390	0.114	0.267	0.771			
	(20) Relativity to Underlying Present Rate:	0.552	0.291	0.363				
	(21) Credibility to Underlying Relativity:	0.320	0.240	0.190				
	(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
	(23) Formula Relativity:	0.549	0.344	0.349				
	(24) Balanced Formula Relativity:	0.550	0.344	0.348	0.417			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	209,009	4	17	495,731	92,019	382,597	970,347	
2001/2002	201,139	2	20	169,286	193,765	215,730	578,780	
2002/2003	209,387	5	15	911,181	101,376	553,576	1,566,133	
2003/2004	196,154	2	12	476,240	94,709	402,381	973,330	
2004/2005	211,167	1	7	231,402	17,088	155,395	403,885	
MA Total	1,026,856	14	71	2,283,840	498,957	1,709,678	4,492,475	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.372	0.440	1.831	4.643			
	2001/2002	0.842	0.963	1.073	2.878			
	2002/2003	4.352	0.484	2.644	7.480			
	2003/2004	2.428	0.483	2.051	4.962			
	2004/2005	1.096	0.081	0.736	1.913			
	MA Total Pure Premium:	2.224	0.486	1.665	4.375			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.052	0.729	0.888				
	(14) Massachusetts Credibility:	0.49	0.67	0.76				
	(15) Countrywide Pure Premium:	2.319	0.579	1.493	4.391			
	(16) Countrywide Indicated Relativity:	1.152	0.891	0.835				
	(17) Countrywide Credibility:	0.26	0.17	0.12				
	(18) Countrywide Lost-time Claims:	145	872					
	(19) Pure Premium Underlying Present Rate:	2.457	0.640	1.363	4.459			
	(20) Relativity to Underlying Present Rate:	1.068	0.894	0.848				
	(21) Credibility to Underlying Relativity:	0.250	0.160	0.120				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.082	0.783	0.876				
	(24) Balanced Formula Relativity:	1.084	0.784	0.876	0.957			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000177

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 108

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	952,216	31	171	3,533,401	1,261,597	3,262,799	8,057,797	
2001/2002	956,758	34	139	4,788,984	1,018,435	3,843,556	9,650,976	
2002/2003	946,880	25	126	3,850,234	743,102	2,748,901	7,342,237	
2003/2004	908,227	24	89	4,465,560	594,606	2,845,322	7,905,488	
2004/2005	1,090,485	22	104	6,574,096	1,283,594	3,846,973	11,704,664	
MA Total	4,854,566	136	629	23,212,276	4,901,334	16,547,551	44,661,162	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	3.711	1.325	3.427	8.462		
		2001/2002	5.005	1.064	4.017	10.087		
		2002/2003	4.066	0.785	2.903	7.754		
		2003/2004	4.917	0.655	3.133	8.704		
		2004/2005	6.029	1.177	3.528	10.733		
		MA Total Pure Premium:	4.782	1.010	3.409	9.200		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	2.261	1.515	1.817			
		(14) Massachusetts Credibility:	1.00	1.00	1.00			
		(15) Countrywide Pure Premium:	2.767	0.844	2.231	5.843		
		(16) Countrywide Indicated Relativity:	1.374	1.299	1.248			
		(17) Countrywide Credibility:	0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:	1,548	11,561				
		(19) Pure Premium Underlying Present Rate:	4.651	1.271	2.760	8.682		
		(20) Relativity to Underlying Present Rate:	2.021	1.775	1.717			
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	2.261	1.515	1.817			
		(24) Balanced Formula Relativity:	2.266	1.517	1.817	1.978		

Class(es):		Effective: 9/1/2008						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)	
2000/2001	13,019	1	2	169,963	22,847	66,593	259,402	
2001/2002	17,318	2	1	235,048	3,178	193,143	431,369	
2002/2003	23,033	1	2	184,672	29,431	107,754	321,857	
2003/2004	15,148	0	0	0	0	0	0	
2004/2005	8,110	2	2	670,176	8,094	224,716	902,985	
MA Total	76,628	6	7	1,259,859	63,550	592,205	1,915,614	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	13.055	1.755	5.115	19.926		
		2001/2002	13.573	0.184	11.153	24.909		
		2002/2003	8.018	1.278	4.678	13.974		
		2003/2004	0.000	0.000	0.000	0.000		
		2004/2005	82.634	0.998	27.708	111.339		
		MA Total Pure Premium:	16.441	0.829	7.728	24.999		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	7.775	1.245	4.120			
		(14) Massachusetts Credibility:	0.30	0.31	0.43			
		(15) Countrywide Pure Premium:	10.657	1.179	4.119	15.955		
		(16) Countrywide Indicated Relativity:	5.293	1.814	2.304			
		(17) Countrywide Credibility:	0.35	0.35	0.29			
		(18) Countrywide Lost-time Claims:	52	115				
		(19) Pure Premium Underlying Present Rate:	9.959	1.255	4.530	15.744		
		(20) Relativity to Underlying Present Rate:	4.328	1.753	2.818			
		(21) Credibility to Underlying Relativity:	0.350	0.340	0.280			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	5.700	1.617	3.229			
		(24) Balanced Formula Relativity:	5.712	1.619	3.229	4.126		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000178

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 109

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	257,665	26	72	3,622,449	600,860	2,744,501	6,967,809	
2001/2002	134,146	15	60	2,920,238	469,717	1,674,199	5,064,154	
2002/2003	119,266	25	33	4,487,701	583,814	2,457,286	7,528,801	
2003/2004	93,590	7	18	1,230,716	133,298	784,590	2,148,604	
2004/2005	114,206	7	35	2,110,224	466,261	1,107,486	3,683,972	
MA Total	718,873	80	218	14,371,328	2,253,950	8,768,062	25,393,340	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	14.059	2.332	10.651	27.042			
	2001/2002	21.769	3.502	12.480	37.751			
	2002/2003	37.628	4.895	20.603	63.126			
	2003/2004	13.150	1.424	8.383	22.958			
	2004/2005	18.477	4.083	9.697	32.257			
	MA Total Pure Premium:	19.991	3.135	12.197	35.324			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	9.454	4.706	6.502				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	7.361	1.463	4.462	13.287			
	(16) Countrywide Indicated Relativity:	3.656	2.251	2.496				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	438	1,740					
	(19) Pure Premium Underlying Present Rate:	23.067	3.359	11.407	37.834			
	(20) Relativity to Underlying Present Rate:	10.024	4.692	7.097				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	9.454	4.706	6.502				
	(24) Balanced Formula Relativity:	9.474	4.712	6.501	7.595			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	92,130	11	39	1,246,180	545,187	1,567,889	3,359,256	
2001/2002	83,329	13	22	2,412,282	113,136	999,888	3,525,306	
2002/2003	198,469	16	23	3,290,514	259,016	1,662,746	5,212,275	
2003/2004	83,591	8	26	1,609,900	287,039	970,975	2,867,914	
2004/2005	78,172	5	19	1,431,242	328,640	763,681	2,523,563	
MA Total	535,691	53	129	9,990,118	1,533,018	5,965,178	17,488,313	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	13.526	5.918	17.018	36.462			
	2001/2002	28.949	1.358	11.999	42.306			
	2002/2003	16.580	1.305	8.378	26.262			
	2003/2004	19.259	3.434	11.616	34.309			
	2004/2005	18.309	4.204	9.769	32.282			
	MA Total Pure Premium:	18.649	2.862	11.135	32.646			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	8.819	4.295	5.936				
	(14) Massachusetts Credibility:	0.87	0.90	1.00				
	(15) Countrywide Pure Premium:	6.051	1.029	3.994	11.075			
	(16) Countrywide Indicated Relativity:	3.005	1.584	2.234				
	(17) Countrywide Credibility:	0.07	0.05	0.00				
	(18) Countrywide Lost-time Claims:	490	2,062					
	(19) Pure Premium Underlying Present Rate:	19.890	2.580	10.044	32.515			
	(20) Relativity to Underlying Present Rate:	8.644	3.603	6.249				
	(21) Credibility to Underlying Relativity:	0.060	0.050	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	8.401	4.125	5.936				
	(24) Balanced Formula Relativity:	8.419	4.130	5.936	6.805			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 110

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction
5102 DOOR, DOOR FRAME OR SASH ERECTION - METAL OR METAL COVERED								
		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)	
2000/2001	332,616	6	36	722,718	298,313	797,814	1,818,845	
2001/2002	351,298	6	33	1,188,325	389,996	527,368	2,105,689	
2002/2003	452,996	5	25	1,167,719	228,137	650,411	2,046,266	
2003/2004	358,772	5	23	998,361	329,999	672,589	2,000,949	
2004/2005	348,444	1	19	199,638	105,969	310,764	616,371	
MA Total	1,844,126	23	136	4,276,762	1,352,414	2,958,945	8,588,120	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	2.173	0.897	2.399	5.468		
		2001/2002	3.383	1.110	1.501	5.994		
		2002/2003	2.578	0.504	1.436	4.517		
		2003/2004	2.783	0.920	1.875	5.577		
		2004/2005	0.573	0.304	0.892	1.769		
		MA Total Pure Premium:	2.319	0.733	1.605	4.657		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	1.097	1.101	0.855			
		(14) Massachusetts Credibility:	0.67	1.00	1.00			
		(15) Countrywide Pure Premium:	1.868	0.678	1.817	4.363		
		(16) Countrywide Indicated Relativity:	0.928	1.044	1.016			
		(17) Countrywide Credibility:	0.17	0.00	0.00			
		(18) Countrywide Lost-time Claims:	346	2.188				
		(19) Pure Premium Underlying Present Rate:	3.014	0.986	1.507	5.507		
		(20) Relativity to Underlying Present Rate:	1.310	1.377	0.937			
		(21) Credibility to Underlying Relativity:	0.160	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	1.102	1.101	0.855			
		(24) Balanced Formula Relativity:	1.104	1.102	0.855	1.004		

Class(es):		Effective: 9/1/2008						Construction
5146 FURNITURE OR FIXTURES INSTALLATION - PORTABLE - NOC								
		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)	
2000/2001	332,312	3	38	393,352	163,240	466,261	1,022,854	
2001/2002	402,375	4	44	558,233	481,772	697,517	1,737,522	
2002/2003	412,823	3	35	425,942	307,106	480,055	1,213,103	
2003/2004	405,923	7	34	1,376,883	363,644	821,014	2,561,541	
2004/2005	420,327	2	46	715,385	413,922	311,153	1,440,460	
MA Total	1,973,760	19	197	3,469,795	1,729,684	2,775,999	7,975,478	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	1.184	0.491	1.403	3.078		
		2001/2002	1.387	1.197	1.733	4.318		
		2002/2003	1.032	0.744	1.163	2.939		
		2003/2004	3.392	0.896	2.023	6.310		
		2004/2005	1.702	0.985	0.740	3.427		
		MA Total Pure Premium:	1.758	0.876	1.406	4.041		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.831	1.315	0.750			
		(14) Massachusetts Credibility:	0.57	0.99	1.00			
		(15) Countrywide Pure Premium:	1.894	0.684	1.680	4.258		
		(16) Countrywide Indicated Relativity:	0.941	1.053	0.939			
		(17) Countrywide Credibility:	0.22	0.01	0.00			
		(18) Countrywide Lost-time Claims:	665	4,383				
		(19) Pure Premium Underlying Present Rate:	1.880	0.884	1.401	4.165		
		(20) Relativity to Underlying Present Rate:	0.817	1.234	0.872			
		(21) Credibility to Underlying Relativity:	0.210	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	0.852	1.313	0.750			
		(24) Balanced Formula Relativity:	0.854	1.314	0.750	0.878		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000180

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 111

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	345,488	2	14	292,630	249,997	219,556	762,183	
2001/2002	292,736	3	17	546,480	294,477	469,857	1,310,814	
2002/2003	323,821	2	6	307,599	180,924	321,543	810,066	
2003/2004	336,899	2	16	491,260	90,429	506,699	1,088,388	
2004/2005	374,566	0	18	0	214,888	145,124	360,011	
MA Total	1,673,510	9	71	1,637,969	1,030,714	1,662,779	4,331,462	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.847	0.724	0.635	2.206			
	2001/2002	1.867	1.006	1.605	4.478			
	2002/2003	0.950	0.559	0.993	2.502			
	2003/2004	1.458	0.268	1.504	3.231			
	2004/2005	0.000	0.574	0.387	0.961			
	MA Total Pure Premium:	0.979	0.616	0.994	2.588			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.463	0.924	0.530				
	(14) Massachusetts Credibility:	0.44	0.78	0.81				
	(15) Countrywide Pure Premium:	1.394	0.397	1.076	2.866			
	(16) Countrywide Indicated Relativity:	0.692	0.610	0.601				
	(17) Countrywide Credibility:	0.28	0.11	0.10				
	(18) Countrywide Lost-time Claims:	237	1,489					
	(19) Pure Premium Underlying Present Rate:	1.173	0.587	0.994	2.754			
	(20) Relativity to Underlying Present Rate:	0.510	0.819	0.619				
	(21) Credibility to Underlying Relativity:	0.280	0.110	0.090				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.540	0.878	0.545				
	(24) Balanced Formula Relativity:	0.541	0.879	0.545	0.591			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	4,042,507	43	342	5,409,323	1,850,507	5,580,170	12,839,999	
2001/2002	4,334,281	29	330	3,881,729	2,125,300	5,377,115	11,384,144	
2002/2003	4,784,678	45	336	7,583,445	2,069,834	6,446,878	16,100,156	
2003/2004	4,907,785	43	363	7,591,570	2,465,297	5,855,214	15,912,081	
2004/2005	5,213,202	22	330	5,841,624	3,510,186	5,962,128	15,313,939	
MA Total	23,282,453	182	1,701	30,307,691	12,021,123	29,221,505	71,550,319	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.338	0.458	1.380	3.176			
	2001/2002	0.896	0.490	1.241	2.627			
	2002/2003	1.585	0.433	1.347	3.365			
	2003/2004	1.547	0.502	1.193	3.242			
	2004/2005	1.121	0.673	1.144	2.938			
	MA Total Pure Premium:	1.302	0.516	1.255	3.073			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.616	0.775	0.669				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	1.623	0.571	1.423	3.617			
	(16) Countrywide Indicated Relativity:	0.806	0.879	0.796				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	2,865	24,101					
	(19) Pure Premium Underlying Present Rate:	1.584	0.579	1.133	3.296			
	(20) Relativity to Underlying Present Rate:	0.688	0.809	0.705				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.616	0.775	0.669				
	(24) Balanced Formula Relativity:	0.617	0.776	0.669	0.661			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000181

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 112

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	505,546	6	57	880,351	448,007	911,348	2,239,705	
2001/2002	537,023	6	51	1,101,829	189,976	714,189	2,005,994	
2002/2003	529,620	1	61	138,566	608,683	633,937	1,381,185	
2003/2004	703,711	8	62	1,590,271	463,145	1,172,087	3,225,503	
2004/2005	657,243	2	51	397,691	564,784	967,101	1,929,577	
MA Total	2,933,143	23	282	4,108,708	2,274,595	4,398,662	10,781,965	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.741	0.886	1.803	4.430			
	2001/2002	2.052	0.354	1.330	3.735			
	2002/2003	0.262	1.149	1.197	2.608			
	2003/2004	2.260	0.658	1.666	4.584			
	2004/2005	0.605	0.859	1.471	2.936			
	MA Total Pure Premium:	1.401	0.775	1.500	3.676			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.662	1.164	0.799				
	(14) Massachusetts Credibility:	0.61	1.00	1.00				
	(15) Countrywide Pure Premium:	1.533	0.528	1.345	3.407			
	(16) Countrywide Indicated Relativity:	0.762	0.813	0.752				
	(17) Countrywide Credibility:	0.20	0.00	0.00				
	(18) Countrywide Lost-time Claims:	189	1,851					
	(19) Pure Premium Underlying Present Rate:	1.464	0.867	1.031	3.363			
	(20) Relativity to Underlying Present Rate:	0.636	1.211	0.642				
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.677	1.164	0.799				
	(24) Balanced Formula Relativity:	0.679	1.165	0.799	0.797			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	5,362,421	41	384	5,530,225	2,435,736	6,022,610	13,988,571	
2001/2002	5,374,895	40	359	5,556,534	2,254,083	5,626,242	13,436,859	
2002/2003	5,646,420	31	390	4,589,028	2,545,557	5,476,363	12,610,948	
2003/2004	5,815,949	43	293	7,616,254	2,072,950	7,090,829	16,780,033	
2004/2005	6,108,359	19	303	5,477,705	2,932,090	5,951,139	14,360,934	
MA Total	28,308,044	174	1,729	28,769,745	12,240,416	30,167,183	71,177,344	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.031	0.454	1.123	2.609			
	2001/2002	1.034	0.419	1.047	2.500			
	2002/2003	0.813	0.451	0.970	2.233			
	2003/2004	1.310	0.356	1.219	2.885			
	2004/2005	0.897	0.480	0.974	2.351			
	MA Total Pure Premium:	1.016	0.432	1.066	2.514			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.481	0.649	0.568				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	1.332	0.462	1.230	3.024			
	(16) Countrywide Indicated Relativity:	0.662	0.711	0.688				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	2,714	24,568					
	(19) Pure Premium Underlying Present Rate:	1.208	0.476	0.968	2.652			
	(20) Relativity to Underlying Present Rate:	0.525	0.665	0.602				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.481	0.649	0.568				
	(24) Balanced Formula Relativity:	0.482	0.650	0.568	0.540			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000182

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 113

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,630,448	10	80	1,080,187	323,358	1,319,305	2,722,850		
2001/2002	3,571,765	6	65	885,791	355,686	1,307,833	2,549,310		
2002/2003	3,505,434	10	88	945,971	726,229	2,338,777	4,010,977		
2003/2004	3,095,635	10	46	1,445,333	133,341	1,934,504	3,513,177		
2004/2005	3,339,114	6	50	1,575,169	536,122	2,118,316	4,229,607		
MA Total	17,142,396	42	329	5,932,450	2,074,736	9,018,736	17,025,921		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.298	0.089	0.363	0.750				
	2001/2002	0.248	0.100	0.366	0.714				
	2002/2003	0.270	0.207	0.667	1.144				
	2003/2004	0.467	0.043	0.625	1.135				
	2004/2005	0.472	0.161	0.634	1.267				
	MA Total Pure Premium:	0.346	0.121	0.526	0.993				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.709	0.369	0.715					
	(14) Massachusetts Credibility:	0.72	1.00	1.00					
	(15) Countrywide Pure Premium:	0.263	0.141	0.300	0.705				
	(16) Countrywide Indicated Relativity:	0.527	0.421	0.396					
	(17) Countrywide Credibility:	0.14	0.00	0.00					
	(18) Countrywide Lost-time Claims:	850	7,008						
	(19) Pure Premium Underlying Present Rate:	0.387	0.151	0.478	1.016				
	(20) Relativity to Underlying Present Rate:	0.696	0.431	0.718					
	(21) Credibility to Underlying Relativity:	0.140	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.681	0.369	0.715					
	(24) Balanced Formula Relativity:	0.674	0.368	0.712	0.627				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	286,442	7	52	548,020	268,999	794,314	1,611,332		
2001/2002	320,436	4	48	497,642	279,909	408,446	1,185,997		
2002/2003	272,774	4	46	580,691	280,337	688,583	1,549,611		
2003/2004	290,790	3	38	331,027	217,991	456,314	1,005,333		
2004/2005	283,548	0	30	0	444,284	458,528	902,812		
MA Total	1,453,990	18	214	1,957,380	1,491,519	2,806,187	6,255,086		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.913	0.939	2.773	5.625				
	2001/2002	1.553	0.874	1.275	3.701				
	2002/2003	2.129	1.028	2.524	5.681				
	2003/2004	1.138	0.750	1.569	3.457				
	2004/2005	0.000	1.567	1.617	3.184				
	MA Total Pure Premium:	1.346	1.026	1.930	4.302				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.756	3.128	2.623					
	(14) Massachusetts Credibility:	0.44	0.96	0.96					
	(15) Countrywide Pure Premium:	1.267	0.553	1.364	3.184				
	(16) Countrywide Indicated Relativity:	2.533	1.645	1.799					
	(17) Countrywide Credibility:	0.28	0.02	0.02					
	(18) Countrywide Lost-time Claims:	374	3,366						
	(19) Pure Premium Underlying Present Rate:	1.335	1.120	1.729	4.184				
	(20) Relativity to Underlying Present Rate:	2.397	3.202	2.597					
	(21) Credibility to Underlying Relativity:	0.280	0.020	0.020					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	2.593	3.100	2.606					
	(24) Balanced Formula Relativity:	2.565	3.092	2.595	2.690				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000183

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 114

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction	
5213 CONCRETE CONSTRUCTION-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)			
2000/2001	1,357,571	90	277	13,356,816	2,026,040	6,793,891	22,176,747		
2001/2002	1,004,681	55	129	8,424,120	1,208,495	4,977,731	14,610,347		
2002/2003	574,028	18	73	2,744,789	657,121	1,968,496	5,370,406		
2003/2004	480,772	26	82	5,595,322	630,211	2,727,625	8,953,158		
2004/2005	475,383	23	87	9,358,767	1,370,269	4,266,754	14,995,790		
MA Total	3,892,435	212	648	39,479,815	5,892,136	20,734,497	66,106,448		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	9.839	1.492	5.004	16.336				
	2001/2002	8.385	1.203	4.955	14.542				
	2002/2003	4.782	1.145	3.429	9.356				
	2003/2004	11.638	1.311	5.673	18.622				
	2004/2005	19.687	2.882	8.975	31.545				
	MA Total Pure Premium:	10.143	1.514	5.327	16.983				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	4.796	2.272	2.839					
	(14) Massachusetts Credibility:	1.00	1.00	1.00					
	(15) Countrywide Pure Premium:	3.012	0.826	2.332	6.170				
	(16) Countrywide Indicated Relativity:	1.496	1.271	1.304					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,508	9,364						
	(19) Pure Premium Underlying Present Rate:	10.310	1.471	4.352	16.133				
	(20) Relativity to Underlying Present Rate:	4.480	2.054	2.708					
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
	(23) Formula Relativity:	4.796	2.272	2.839					
	(24) Balanced Formula Relativity:	4.807	2.275	2.839	3.652				

Class(es):		Effective: 9/1/2008						Construction	
5215 CONCRETE WORK - INCIDENTAL TO CONSTRUCTION OF PRIVATE RES*									
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)			
2000/2001	472,200	8	77	917,045	519,192	1,226,518	2,662,755		
2001/2002	514,276	6	49	513,014	215,228	906,589	1,634,832		
2002/2003	550,399	5	57	629,108	332,226	1,191,425	2,152,760		
2003/2004	617,852	8	67	1,312,838	300,068	972,960	2,585,865		
2004/2005	620,734	2	43	412,047	561,182	856,561	1,829,790		
MA Total	2,775,461	29	293	3,784,052	1,927,897	5,154,053	10,866,002		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.942	1.100	2.597	5.639				
	2001/2002	0.998	0.419	1.763	3.179				
	2002/2003	1.143	0.604	2.165	3.911				
	2003/2004	2.125	0.486	1.575	4.185				
	2004/2005	0.664	0.904	1.380	2.948				
	MA Total Pure Premium:	1.363	0.695	1.857	3.915				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.645	1.042	0.990					
	(14) Massachusetts Credibility:	0.63	1.00	1.00					
	(15) Countrywide Pure Premium:	1.619	0.658	1.594	3.871				
	(16) Countrywide Indicated Relativity:	0.804	1.013	0.892					
	(17) Countrywide Credibility:	0.19	0.00	0.00					
	(18) Countrywide Lost-time Claims:	290	4,218						
	(19) Pure Premium Underlying Present Rate:	1.698	0.762	1.553	4.013				
	(20) Relativity to Underlying Present Rate:	0.738	1.064	0.966					
	(21) Credibility to Underlying Relativity:	0.180	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
	(23) Formula Relativity:	0.692	1.042	0.990					
	(24) Balanced Formula Relativity:	0.693	1.044	0.990	0.863				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000184

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 115

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	971,437	25	113	3,207,569	599,612	3,135,323	6,942,503	
2001/2002	927,951	19	78	2,617,679	513,980	1,782,012	4,913,671	
2002/2003	904,462	11	69	1,441,020	502,620	1,614,651	3,558,290	
2003/2004	948,424	12	78	2,573,260	753,720	2,020,474	5,347,454	
2004/2005	1,004,159	7	93	1,483,395	1,099,012	1,639,357	4,221,765	
MA Total	4,756,433	74	431	11,322,923	3,468,943	10,191,817	24,983,684	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	3.302	0.617	3.228	7.147			
	2001/2002	2.821	0.554	1.920	5.295			
	2002/2003	1.593	0.556	1.785	3.934			
	2003/2004	2.713	0.795	2.130	5.638			
	2004/2005	1.477	1.094	1.633	4.204			
	MA Total Pure Premium:	2.381	0.729	2.143	5.253			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.126	1.095	1.142				
	(14) Massachusetts Credibility:	0.97	1.00	1.00				
	(15) Countrywide Pure Premium:	1.780	0.580	1.492	3.851			
	(16) Countrywide Indicated Relativity:	0.884	0.892	0.834				
	(17) Countrywide Credibility:	0.02	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,216	11,023					
	(19) Pure Premium Underlying Present Rate:	2.903	0.707	1.833	5.443			
	(20) Relativity to Underlying Present Rate:	1.262	0.988	1.140				
	(21) Credibility to Underlying Relativity:	0.010	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.122	1.095	1.142				
	(24) Balanced Formula Relativity:	1.125	1.096	1.142	1.128			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	334,237	8	26	1,001,191	196,575	551,027	1,748,793	
2001/2002	268,299	4	13	747,876	76,259	248,834	1,072,968	
2002/2003	198,811	7	10	1,170,191	243,506	940,961	2,354,658	
2003/2004	161,647	2	2	324,956	21,589	234,319	580,864	
2004/2005	191,316	2	7	731,259	128,128	799,341	1,658,728	
MA Total	1,154,310	23	58	3,975,473	666,055	2,774,482	7,416,011	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.995	0.588	1.649	5.232			
	2001/2002	2.787	0.284	0.927	3.999			
	2002/2003	5.886	1.225	4.733	11.844			
	2003/2004	2.010	0.134	1.450	3.593			
	2004/2005	3.822	0.670	4.178	8.670			
	MA Total Pure Premium:	3.444	0.577	2.404	6.425			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.629	0.866	1.281				
	(14) Massachusetts Credibility:	0.65	0.69	0.95				
	(15) Countrywide Pure Premium:	3.860	0.791	2.396	7.048			
	(16) Countrywide Indicated Relativity:	1.917	1.218	1.340				
	(17) Countrywide Credibility:	0.18	0.16	0.03				
	(18) Countrywide Lost-time Claims:	290	1,571					
	(19) Pure Premium Underlying Present Rate:	4.356	0.621	2.154	7.131			
	(20) Relativity to Underlying Present Rate:	1.893	0.867	1.340				
	(21) Credibility to Underlying Relativity:	0.170	0.150	0.020				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.726	0.922	1.284				
	(24) Balanced Formula Relativity:	1.729	0.924	1.284	1.435			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000185

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 116

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	296,707	5	22	571,168	287,579	364,914	1,223,662	
2001/2002	309,546	2	38	327,658	629,295	366,325	1,323,278	
2002/2003	338,047	7	22	1,219,681	85,066	568,757	1,873,504	
2003/2004	384,260	5	31	1,140,263	384,153	1,166,774	2,691,189	
2004/2005	399,241	4	32	899,098	399,911	690,416	1,989,426	
MA Total	1,727,801	23	145	4,157,869	1,786,005	3,157,186	9,101,059	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.925	0.969	1.230	4.124			
	2001/2002	1.059	2.033	1.183	4.275			
	2002/2003	3.608	0.252	1.682	5.542			
	2003/2004	2.967	1.000	3.036	7.004			
	2004/2005	2.252	1.002	1.729	4.983			
	MA Total Pure Premium:	2.406	1.034	1.827	5.267			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.138	1.551	0.974				
	(14) Massachusetts Credibility:	0.61	1.00	0.97				
	(15) Countrywide Pure Premium:	1.641	0.594	1.348	3.583			
	(16) Countrywide Indicated Relativity:	0.815	0.914	0.754				
	(17) Countrywide Credibility:	0.20	0.00	0.02				
	(18) Countrywide Lost-time Claims:	577	4,483					
	(19) Pure Premium Underlying Present Rate:	2.525	1.099	1.513	5.136			
	(20) Relativity to Underlying Present Rate:	1.097	1.535	0.941				
	(21) Credibility to Underlying Relativity:	0.190	0.000	0.010				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.066	1.551	0.969				
	(24) Balanced Formula Relativity:	1.068	1.553	0.969	1.098			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	4,788	0	1	0	4,178	5,054	9,232	
2001/2002	5,745	0	2	0	6,479	9,810	16,290	
2002/2003	3,790	0	1	0	1,237	5,859	7,096	
2003/2004	3,048	0	0	0	0	7,499	7,499	
2004/2005	3,896	0	0	0	0	917	917	
MA Total	21,267	0	4	0	11,894	29,139	41,034	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.873	1.056	1.928			
	2001/2002	0.000	1.128	1.708	2.835			
	2002/2003	0.000	0.326	1.546	1.873			
	2003/2004	0.000	0.000	2.461	2.461			
	2004/2005	0.000	0.000	0.235	0.235			
	MA Total Pure Premium:	0.000	0.559	1.370	1.929			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.839	0.730				
	(14) Massachusetts Credibility:	0.12	0.15	0.34				
	(15) Countrywide Pure Premium:	1.256	0.551	1.913	3.721			
	(16) Countrywide Indicated Relativity:	0.624	0.848	1.070				
	(17) Countrywide Credibility:	0.11	0.21	0.26				
	(18) Countrywide Lost-time Claims:	2	19					
	(19) Pure Premium Underlying Present Rate:	3.839	0.718	8.875	13.431			
	(20) Relativity to Underlying Present Rate:	1.668	1.002	5.522				
	(21) Credibility to Underlying Relativity:	0.770	0.640	0.400				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.353	0.945	2.735				
	(24) Balanced Formula Relativity:	1.356	0.947	2.735	1.853			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000186

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 117

Calculation of Class Relativities

Class(es): 5403 CARPENTRY NOC		Effective: 9/1/2008						Construction
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)	
2000/2001	669,965	29	124	3,470,240	933,848	2,415,092	6,819,180	
2001/2002	683,978	24	108	3,008,199	959,092	2,315,845	6,283,135	
2002/2003	669,189	12	125	1,648,126	796,847	2,176,095	4,621,068	
2003/2004	651,271	21	79	3,298,812	859,731	3,344,638	7,503,180	
2004/2005	742,437	9	84	2,279,240	1,171,417	3,587,305	7,037,962	
MA Total	3,416,840	95	520	13,704,617	4,720,934	13,838,974	32,264,525	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
		2000/2001		5.180	1.394	3.605	10.178	
		2001/2002		4.398	1.402	3.386	9.186	
		2002/2003		2.463	1.191	3.252	6.905	
		2003/2004		5.065	1.320	5.136	11.521	
		2004/2005		3.070	1.578	4.832	9.480	
		MA Total Pure Premium:		4.011	1.382	4.050	9.443	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
		(13) Massachusetts Indicated Relativity:		1.897	2.074	2.159		
		(14) Massachusetts Credibility:		1.00	1.00	1.00		
		(15) Countrywide Pure Premium:		3.165	0.955	2.754	6.875	
		(16) Countrywide Indicated Relativity:		1.572	1.470	1.540		
		(17) Countrywide Credibility:		0.00	0.00	0.00		
		(18) Countrywide Lost-time Claims:		2,046	15,313			
		(19) Pure Premium Underlying Present Rate:		4.687	1.689	3.115	9.491	
		(20) Relativity to Underlying Present Rate:		2.037	2.359	1.938		
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000		
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657	
		(23) Formula Relativity:		1.897	2.074	2.159		
		(24) Balanced Formula Relativity:		1.901	2.076	2.159	2.030	

Class(es): 5437 CARPENTRY-INSTALL OF CABINET WORK OR INT TRIM		Effective: 9/1/2008						Construction
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)	
2000/2001	2,302,374	42	219	5,045,153	1,251,244	4,758,084	11,054,480	
2001/2002	2,366,749	26	212	3,369,995	1,579,834	4,524,991	9,474,821	
2002/2003	2,381,993	33	216	5,611,329	1,247,670	3,896,300	10,755,300	
2003/2004	2,467,547	37	205	6,677,497	1,344,300	4,749,495	12,771,292	
2004/2005	2,551,962	21	211	4,956,810	2,579,282	5,054,267	12,590,360	
MA Total	12,070,625	159	1,063	25,660,784	8,002,330	22,983,138	56,646,252	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
		2000/2001		2.191	0.543	2.067	4.801	
		2001/2002		1.424	0.668	1.912	4.003	
		2002/2003		2.356	0.524	1.636	4.515	
		2003/2004		2.706	0.545	1.925	5.176	
		2004/2005		1.942	1.011	1.981	4.934	
		MA Total Pure Premium:		2.126	0.663	1.904	4.693	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
		(13) Massachusetts Indicated Relativity:		1.005	0.995	1.015		
		(14) Massachusetts Credibility:		1.00	1.00	1.00		
		(15) Countrywide Pure Premium:		1.832	0.783	1.992	4.608	
		(16) Countrywide Indicated Relativity:		0.910	1.205	1.114		
		(17) Countrywide Credibility:		0.00	0.00	0.00		
		(18) Countrywide Lost-time Claims:		632	7,307			
		(19) Pure Premium Underlying Present Rate:		2.318	0.733	1.584	4.635	
		(20) Relativity to Underlying Present Rate:		1.007	1.023	0.986		
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000		
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657	
		(23) Formula Relativity:		1.005	0.995	1.015		
		(24) Balanced Formula Relativity:		1.007	0.996	1.015	1.009	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 118

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)				
2000/2001	2,450	0	0	0	0	0	0	0		
2001/2002	874	0	0	0	0	0	0	0		
2002/2003	678	0	0	0	0	0	0	0		
2003/2004	1,388	0	0	0	0	0	0	0		
2004/2005	4,378	0	0	0	0	0	0	0		
MA Total	9,768	0	0	0	0	0	0	0		
		MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)					
		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				
		2004/2005	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:	0.09	0.10	0.17					
		(15) Countrywide Pure Premium:	1.870	0.578	1.485	3.933				
		(16) Countrywide Indicated Relativity:	0.929	0.890	0.831					
		(17) Countrywide Credibility:	0.46	0.45	0.42					
		(18) Countrywide Lost-time Claims:	222	1,005						
		(19) Pure Premium Underlying Present Rate:	3.424	0.651	3.473	7.549				
		(20) Relativity to Underlying Present Rate:	1.488	0.909	2.161					
		(21) Credibility to Underlying Relativity:	0.450	0.450	0.410					
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
		(23) Formula Relativity:	1.097	0.809	1.235					
		(24) Balanced Formula Relativity:	1.099	0.811	1.235	1.113				

Class(es):		Effective: 9/1/2008						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)				
2000/2001	1,484,317	29	170	3,381,530	1,305,054	2,704,099	7,390,683			
2001/2002	1,371,679	27	155	4,046,539	1,078,886	2,434,448	7,559,872			
2002/2003	1,393,327	17	139	2,479,799	944,748	1,607,990	5,032,537			
2003/2004	1,531,002	37	125	7,321,439	1,066,411	3,361,445	11,749,295			
2004/2005	1,677,270	19	153	4,851,208	2,015,359	3,502,650	10,369,217			
MA Total	7,457,595	129	742	22,080,516	6,410,457	13,610,632	42,101,604			
		MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)					
		2000/2001	2.278	0.879	1.822	4.979				
		2001/2002	2.950	0.787	1.775	5.511				
		2002/2003	1.780	0.678	1.154	3.612				
		2003/2004	4.782	0.697	2.196	7.674				
		2004/2005	2.892	1.202	2.088	6.182				
		MA Total Pure Premium:	2.961	0.860	1.825	5.645				
		Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total					
		(13) Massachusetts Indicated Relativity:	1.400	1.290	0.973					
		(14) Massachusetts Credibility:	1.00	1.00	1.00					
		(15) Countrywide Pure Premium:	2.160	0.696	1.726	4.582				
		(16) Countrywide Indicated Relativity:	1.073	1.070	0.965					
		(17) Countrywide Credibility:	0.00	0.00	0.00					
		(18) Countrywide Lost-time Claims:	1,184	8,359						
		(19) Pure Premium Underlying Present Rate:	2.913	1.015	1.608	5.536				
		(20) Relativity to Underlying Present Rate:	1.266	1.417	1.001					
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000					
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
		(23) Formula Relativity:	1.400	1.290	0.973					
		(24) Balanced Formula Relativity:	1.403	1.292	0.973	1.214				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 119

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	252,175	5	35	593,422	321,327	1,184,577	2,099,326	
2001/2002	308,748	6	40	1,037,453	310,684	849,070	2,197,207	
2002/2003	305,795	8	27	1,468,970	74,384	719,931	2,263,284	
2003/2004	354,361	9	32	1,673,172	301,297	1,402,401	3,376,869	
2004/2005	390,571	3	22	854,105	179,951	592,987	1,627,043	
MA Total	1,611,650	31	156	5,627,122	1,187,642	4,748,965	11,563,729	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.353	1.274	4.697	8.325			
	2001/2002	3.360	1.006	2.750	7.117			
	2002/2003	4.804	0.243	2.354	7.401			
	2003/2004	4.722	0.850	3.958	9.529			
	2004/2005	2.187	0.461	1.518	4.166			
	MA Total Pure Premium:	3.492	0.737	2.947	7.175			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.651	1.106	1.571				
	(14) Massachusetts Credibility:	0.70	0.93	1.00				
	(15) Countrywide Pure Premium:	2.539	0.896	2.220	5.655			
	(16) Countrywide Indicated Relativity:	1.261	1.378	1.242				
	(17) Countrywide Credibility:	0.15	0.04	0.00				
	(18) Countrywide Lost-time Claims:	240	2.155					
	(19) Pure Premium Underlying Present Rate:	3.859	0.941	2.626	7.426			
	(20) Relativity to Underlying Present Rate:	1.677	1.314	1.634				
	(21) Credibility to Underlying Relativity:	0.150	0.030	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.596	1.123	1.571				
	(24) Balanced Formula Relativity:	1.600	1.125	1.571	1.520			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	162,060	5	28	661,117	147,973	341,895	1,150,985	
2001/2002	189,336	5	16	614,081	196,319	375,593	1,185,994	
2002/2003	156,147	5	23	586,956	122,481	576,647	1,286,084	
2003/2004	162,038	4	17	529,268	224,670	452,897	1,206,835	
2004/2005	215,795	0	16	0	159,462	186,345	345,807	
MA Total	885,376	19	100	2,391,421	850,906	1,933,378	5,175,705	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	4.079	0.913	2.110	7.102			
	2001/2002	3.243	1.037	1.984	6.264			
	2002/2003	3.759	0.784	3.693	8.236			
	2003/2004	3.266	1.387	2.795	7.448			
	2004/2005	0.000	0.739	0.864	1.602			
	MA Total Pure Premium:	2.701	0.961	2.184	5.846			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.277	1.442	1.164				
	(14) Massachusetts Credibility:	0.47	0.86	0.83				
	(15) Countrywide Pure Premium:	2.265	0.800	2.276	5.341			
	(16) Countrywide Indicated Relativity:	1.125	1.231	1.273				
	(17) Countrywide Credibility:	0.27	0.07	0.09				
	(18) Countrywide Lost-time Claims:	35	258					
	(19) Pure Premium Underlying Present Rate:	2.584	1.398	1.989	5.971			
	(20) Relativity to Underlying Present Rate:	1.123	1.952	1.238				
	(21) Credibility to Underlying Relativity:	0.260	0.070	0.080				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.196	1.463	1.180				
	(24) Balanced Formula Relativity:	1.198	1.465	1.180	1.229			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 120

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	67,931	2	2	242,373	28,402	257,389	528,164	
2001/2002	84,276	11	10	1,424,575	108,192	583,634	2,116,402	
2002/2003	68,081	2	6	407,814	174,884	188,024	770,723	
2003/2004	77,420	1	9	133,473	20,230	64,748	218,451	
2004/2005	66,316	0	5	0	154,079	217,640	371,719	
MA Total	364,024	16	32	2,208,236	485,788	1,311,435	4,005,459	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	3.568	0.418	3.789	7.775	
			2001/2002	16.904	1.284	6.925	25.113	
			2002/2003	5.990	2.569	2.762	11.321	
			2003/2004	1.724	0.261	0.836	2.822	
			2004/2005	0.000	2.323	3.282	5.605	
			MA Total Pure Premium:	6.066	1.334	3.603	11.003	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	2.869	2.003	1.920		
			(14) Massachusetts Credibility:	0.48	0.47	0.72		
			(15) Countrywide Pure Premium:	3.128	0.844	2.591	6.563	
			(16) Countrywide Indicated Relativity:	1.554	1.298	1.449		
			(17) Countrywide Credibility:	0.26	0.27	0.14		
			(18) Countrywide Lost-time Claims:	257	807			
			(19) Pure Premium Underlying Present Rate:	6.490	0.756	3.365	10.610	
			(20) Relativity to Underlying Present Rate:	2.820	1.055	2.093		
			(21) Credibility to Underlying Relativity:	0.260	0.260	0.140		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	2.514	1.566	1.879		
			(24) Balanced Formula Relativity:	2.520	1.568	1.879	2.125	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	1,463,202	15	130	1,715,258	1,268,425	2,670,719	5,654,402	
2001/2002	1,526,546	19	117	2,516,253	1,003,956	3,357,156	6,877,366	
2002/2003	1,665,547	12	120	1,534,284	1,349,096	2,455,622	5,339,003	
2003/2004	1,861,754	26	80	4,059,834	842,630	3,244,475	8,146,940	
2004/2005	2,072,136	14	122	3,202,599	1,442,494	3,352,354	7,997,447	
MA Total	8,589,185	86	569	13,028,229	5,906,601	15,080,328	34,015,158	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	1.172	0.867	1.825	3.864	
			2001/2002	1.648	0.658	2.199	4.505	
			2002/2003	0.921	0.810	1.474	3.206	
			2003/2004	2.181	0.453	1.743	4.376	
			2004/2005	1.546	0.696	1.618	3.860	
			MA Total Pure Premium:	1.517	0.688	1.756	3.960	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.717	1.032	0.936		
			(14) Massachusetts Credibility:	0.98	1.00	1.00		
			(15) Countrywide Pure Premium:	2.243	0.695	1.990	4.929	
			(16) Countrywide Indicated Relativity:	1.114	1.069	1.113		
			(17) Countrywide Credibility:	0.01	0.00	0.00		
			(18) Countrywide Lost-time Claims:	1,681	9,814			
			(19) Pure Premium Underlying Present Rate:	1.677	0.733	1.567	3.977	
			(20) Relativity to Underlying Present Rate:	0.729	1.024	0.975		
			(21) Credibility to Underlying Relativity:	0.010	0.000	0.000		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	0.721	1.032	0.936		
			(24) Balanced Formula Relativity:	0.723	1.033	0.936	0.853	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 121

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	173,186	3	16	581,938	220,784	154,243	956,965	
2001/2002	231,497	4	16	347,727	43,691	627,208	1,018,625	
2002/2003	328,581	3	14	646,202	250,643	250,557	1,147,402	
2003/2004	390,553	2	21	262,919	163,977	348,843	775,739	
2004/2005	473,042	1	23	302,713	399,242	385,895	1,087,850	
MA Total	1,596,859	13	90	2,141,499	1,078,337	1,766,745	4,986,581	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	3.360	1.275	0.891	5.526	
			2001/2002	1.502	0.189	2.709	4.400	
			2002/2003	1.967	0.763	0.763	3.492	
			2003/2004	0.673	0.420	0.893	1.986	
			2004/2005	0.640	0.844	0.816	2.300	
			MA Total Pure Premium:	1.341	0.675	1.106	3.123	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.634	1.013	0.590		
			(14) Massachusetts Credibility:	0.54	0.93	0.80		
			(15) Countrywide Pure Premium:	1.472	0.695	1.378	3.545	
			(16) Countrywide Indicated Relativity:	0.731	1.069	0.771		
			(17) Countrywide Credibility:	0.23	0.04	0.10		
			(18) Countrywide Lost-time Claims:	167	1,892			
			(19) Pure Premium Underlying Present Rate:	2.057	0.940	1.018	4.015	
			(20) Relativity to Underlying Present Rate:	0.894	1.312	0.634		
			(21) Credibility to Underlying Relativity:	0.230	0.030	0.100		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	0.716	1.025	0.612		
			(24) Balanced Formula Relativity:	0.718	1.026	0.612	0.719	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	135,294	4	22	285,624	70,681	205,290	561,594	
2001/2002	140,465	1	33	58,602	291,207	449,978	799,788	
2002/2003	244,878	6	33	886,926	159,301	1,010,495	2,056,722	
2003/2004	200,243	3	22	659,743	306,889	420,009	1,386,641	
2004/2005	174,504	1	22	289,729	227,257	291,439	808,425	
MA Total	895,384	15	132	2,180,623	1,055,334	2,377,211	5,613,169	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	2.111	0.522	1.517	4.151	
			2001/2002	0.417	2.073	3.203	5.694	
			2002/2003	3.622	0.651	4.127	8.399	
			2003/2004	3.295	1.533	2.097	6.925	
			2004/2005	1.660	1.302	1.670	4.633	
			MA Total Pure Premium:	2.435	1.179	2.655	6.269	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.152	1.769	1.415		
			(14) Massachusetts Credibility:	0.53	0.85	0.98		
			(15) Countrywide Pure Premium:	2.236	0.937	2.440	5.613	
			(16) Countrywide Indicated Relativity:	1.111	1.441	1.364		
			(17) Countrywide Credibility:	0.24	0.08	0.01		
			(18) Countrywide Lost-time Claims:	261	2,562			
			(19) Pure Premium Underlying Present Rate:	3.505	1.349	2.990	7.844	
			(20) Relativity to Underlying Present Rate:	1.523	1.884	1.860		
			(21) Credibility to Underlying Relativity:	0.230	0.070	0.010		
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657	
			(23) Formula Relativity:	1.227	1.751	1.419		
			(24) Balanced Formula Relativity:	1.230	1.753	1.419	1.381	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

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Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 122

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	332,811	7	27	914,773	216,430	802,277	1,933,479	
2001/2002	321,800	2	26	433,141	221,800	369,509	1,024,450	
2002/2003	361,937	3	21	414,522	172,741	501,768	1,089,031	
2003/2004	433,663	1	21	234,090	344,314	377,586	955,991	
2004/2005	446,207	3	22	519,403	215,089	482,021	1,216,513	
MA Total	1,896,418	16	117	2,515,929	1,170,373	2,533,162	6,219,464	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.749	0.650	2.411	5.810			
	2001/2002	1.346	0.689	1.148	3.183			
	2002/2003	1.145	0.477	1.386	3.009			
	2003/2004	0.540	0.794	0.871	2.204			
	2004/2005	1.164	0.482	1.080	2.726			
	MA Total Pure Premium:	1.327	0.617	1.336	3.280			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.627	0.926	0.712				
	(14) Massachusetts Credibility:	0.61	0.84	0.96				
	(15) Countrywide Pure Premium:	3.338	0.650	1.838	5.826			
	(16) Countrywide Indicated Relativity:	1.658	1.000	1.028				
	(17) Countrywide Credibility:	0.20	0.08	0.02				
	(18) Countrywide Lost-time Claims:	67	400					
	(19) Pure Premium Underlying Present Rate:	2.266	0.610	1.328	4.204			
	(20) Relativity to Underlying Present Rate:	0.985	0.852	0.826				
	(21) Credibility to Underlying Relativity:	0.190	0.080	0.020				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.901	0.926	0.721				
	(24) Balanced Formula Relativity:	0.903	0.927	0.721	0.833			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	255,468	4	43	561,073	423,997	998,552	1,983,622	
2001/2002	260,335	3	20	575,923	110,596	318,300	1,004,819	
2002/2003	363,623	5	34	614,435	185,050	787,254	1,586,739	
2003/2004	326,066	7	14	1,331,234	72,450	650,026	2,053,710	
2004/2005	323,024	3	30	602,960	425,413	838,091	1,866,465	
MA Total	1,528,516	22	141	3,685,624	1,217,506	3,592,224	8,495,355	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.196	1.660	3.909	7.765			
	2001/2002	2.212	0.425	1.223	3.860			
	2002/2003	1.690	0.509	2.165	4.364			
	2003/2004	4.083	0.222	1.994	6.298			
	2004/2005	1.867	1.317	2.595	5.778			
	MA Total Pure Premium:	2.411	0.797	2.350	5.558			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.140	1.195	1.253				
	(14) Massachusetts Credibility:	0.57	0.83	0.95				
	(15) Countrywide Pure Premium:	2.575	0.656	1.999	5.230			
	(16) Countrywide Indicated Relativity:	1.279	1.009	1.118				
	(17) Countrywide Credibility:	0.22	0.09	0.03				
	(18) Countrywide Lost-time Claims:	950	6,720					
	(19) Pure Premium Underlying Present Rate:	2.448	0.740	1.622	4.810			
	(20) Relativity to Underlying Present Rate:	1.064	1.034	1.009				
	(21) Credibility to Underlying Relativity:	0.210	0.080	0.020				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.155	1.166	1.244				
	(24) Balanced Formula Relativity:	1.157	1.167	1.244	1.193			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000192

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 123

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	180,036	2	14	156,076	148,945	182,492	487,513	
2001/2002	232,108	1	12	158,723	19,480	236,794	414,997	
2002/2003	232,003	3	13	378,823	95,526	697,222	1,171,572	
2003/2004	238,125	8	15	1,506,005	163,507	555,300	2,224,813	
2004/2005	267,219	3	14	774,498	199,092	541,438	1,515,028	
MA Total	1,149,491	17	68	2,974,125	626,551	2,213,246	5,813,922	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.867	0.827	1.014	2.708			
	2001/2002	0.684	0.084	1.020	1.788			
	2002/2003	1.633	0.412	3.005	5.050			
	2003/2004	6.324	0.687	2.332	9.343			
	2004/2005	2.898	0.745	2.026	5.670			
	MA Total Pure Premium:	2.587	0.545	1.925	5.058			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.223	0.818	1.026				
	(14) Massachusetts Credibility:	0.55	0.73	0.85				
	(15) Countrywide Pure Premium:	2.058	0.463	1.459	3.980			
	(16) Countrywide Indicated Relativity:	1.022	0.713	0.816				
	(17) Countrywide Credibility:	0.23	0.14	0.08				
	(18) Countrywide Lost-time Claims:	410	2,306					
	(19) Pure Premium Underlying Present Rate:	2.930	0.723	1.600	5.253			
	(20) Relativity to Underlying Present Rate:	1.274	1.010	0.995				
	(21) Credibility to Underlying Relativity:	0.220	0.130	0.070				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.188	0.828	1.007				
	(24) Balanced Formula Relativity:	1.191	0.829	1.007	1.065			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	3,436	0	3	0	3,160	10,239	13,399	
2001/2002	3,281	0	1	0	228	1,090	1,319	
2002/2003	160	0	0	0	0	0	0	
2003/2004	476	0	0	0	0	0	0	
2004/2005	75	0	0	0	0	0	0	
MA Total	7,428	0	4	0	3,389	11,329	14,718	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.920	2.980	3.900			
	2001/2002	0.000	0.070	0.332	0.402			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	0.000	0.000	0.000	0.000			
	2004/2005	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.456	1.525	1.981			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.685	0.813				
	(14) Massachusetts Credibility:	0.05	0.09	0.10				
	(15) Countrywide Pure Premium:	1.837	0.431	1.396	3.665			
	(16) Countrywide Indicated Relativity:	0.912	0.663	0.781				
	(17) Countrywide Credibility:	0.32	0.46	0.45				
	(18) Countrywide Lost-time Claims:	26	557					
	(19) Pure Premium Underlying Present Rate:	1.373	0.546	1.281	3.200			
	(20) Relativity to Underlying Present Rate:	0.597	0.763	0.797				
	(21) Credibility to Underlying Relativity:	0.630	0.450	0.450				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.668	0.710	0.791				
	(24) Balanced Formula Relativity:	0.669	0.711	0.791	0.724			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000193

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 124

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	1,248,447	21	170	2,646,719	991,240	2,468,477	6,106,436	
2001/2002	1,359,510	14	139	2,003,397	1,155,361	2,162,945	5,321,704	
2002/2003	1,335,954	16	111	1,742,890	773,753	1,843,538	4,360,181	
2003/2004	1,450,122	21	123	4,427,862	909,306	3,555,548	8,892,716	
2004/2005	1,500,345	12	114	2,965,968	1,169,575	2,515,734	6,651,277	
MA Total	6,894,378	84	657	13,786,836	4,999,235	12,546,242	31,332,314	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.120	0.794	1.977	4.891			
	2001/2002	1.474	0.850	1.591	3.914			
	2002/2003	1.305	0.579	1.380	3.264			
	2003/2004	3.053	0.627	2.452	6.132			
	2004/2005	1.977	0.780	1.677	4.433			
	MA Total Pure Premium:	2.000	0.725	1.820	4.545			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.946	1.088	0.970				
	(14) Massachusetts Credibility:	0.96	1.00	1.00				
	(15) Countrywide Pure Premium:	2.322	0.703	2.113	5.138			
	(16) Countrywide Indicated Relativity:	1.153	1.081	1.182				
	(17) Countrywide Credibility:	0.02	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,050	8,600					
	(19) Pure Premium Underlying Present Rate:	1.954	0.790	1.521	4.264			
	(20) Relativity to Underlying Present Rate:	0.849	1.103	0.946				
	(21) Credibility to Underlying Relativity:	0.020	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.948	1.088	0.970				
	(24) Balanced Formula Relativity:	0.950	1.090	0.970	0.978			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	35,887	1	14	128,026	93,565	202,470	424,061	
2001/2002	57,143	4	14	535,563	83,264	601,442	1,220,268	
2002/2003	71,054	2	23	288,321	184,890	474,916	948,126	
2003/2004	93,371	5	17	724,163	114,388	1,081,170	1,919,720	
2004/2005	131,012	7	38	1,498,983	534,740	2,982,986	5,016,709	
MA Total	388,467	19	106	3,175,055	1,010,846	5,342,983	9,528,885	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	3.567	2.607	5.642	11.817			
	2001/2002	9.372	1.457	10.525	21.355			
	2002/2003	4.058	2.602	6.684	13.344			
	2003/2004	7.756	1.225	11.579	20.560			
	2004/2005	11.442	4.082	22.769	38.292			
	MA Total Pure Premium:	8.173	2.602	13.754	24.529			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	3.865	3.905	7.332				
	(14) Massachusetts Credibility:	0.59	0.63	1.00				
	(15) Countrywide Pure Premium:	6.375	1.628	5.100	13.103			
	(16) Countrywide Indicated Relativity:	3.166	2.505	2.852				
	(17) Countrywide Credibility:	0.21	0.19	0.00				
	(18) Countrywide Lost-time Claims:	69	203					
	(19) Pure Premium Underlying Present Rate:	10.124	1.482	8.982	20.587			
	(20) Relativity to Underlying Present Rate:	4.399	2.070	5.588				
	(21) Credibility to Underlying Relativity:	0.200	0.180	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	3.825	3.309	7.332				
	(24) Balanced Formula Relativity:	3.833	3.313	7.331	5.168			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000194

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 125

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)		
2000/2001	321,359	12	83	1,507,836	448,449	1,416,904	3,373,190		
2001/2002	334,812	16	58	2,013,580	704,789	2,017,718	4,736,086		
2002/2003	312,968	14	56	1,939,127	232,244	1,516,628	3,687,998		
2003/2004	323,520	11	34	1,444,918	255,820	1,608,190	3,308,928		
2004/2005	340,850	3	51	592,635	933,061	1,308,027	2,833,723		
MA Total	1,633,509	56	282	7,498,096	2,574,362	7,867,468	17,939,926		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		4.692	1.395	4.409	10.497		
		2001/2002		6.014	2.105	6.026	14.145		
		2002/2003		6.196	0.742	4.846	11.784		
		2003/2004		4.466	0.791	4.971	10.228		
		2004/2005		1.739	2.737	3.838	8.314		
		MA Total Pure Premium:		4.590	1.576	4.816	10.982		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.171	2.365	2.567			
		(14) Massachusetts Credibility:		0.82	1.00	1.00			
		(15) Countrywide Pure Premium:		5.642	1.426	4.537	11.605		
		(16) Countrywide Indicated Relativity:		2.802	2.195	2.537			
		(17) Countrywide Credibility:		0.09	0.00	0.00			
		(18) Countrywide Lost-time Claims:		154	791				
		(19) Pure Premium Underlying Present Rate:		5.620	1.421	4.233	11.273		
		(20) Relativity to Underlying Present Rate:		2.442	1.984	2.633			
		(21) Credibility to Underlying Relativity:		0.090	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657		
		(23) Formula Relativity:		2.252	2.365	2.567			
		(24) Balanced Formula Relativity:		2.257	2.368	2.567	2.398		

Class(es):		Effective: 9/1/2008						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)		
2000/2001	4,672,267	22	137	2,962,855	1,381,001	2,838,745	7,182,601		
2001/2002	4,762,849	15	105	2,347,978	1,018,666	2,365,129	5,731,772		
2002/2003	4,577,616	13	89	1,771,047	990,476	3,160,134	5,921,657		
2003/2004	4,696,582	24	92	3,709,186	822,902	3,108,935	7,641,023		
2004/2005	4,844,165	9	100	2,160,048	1,386,761	2,716,722	6,263,531		
MA Total	23,553,479	83	523	12,951,114	5,599,805	14,189,665	32,740,585		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.634	0.296	0.608	1.537		
		2001/2002		0.493	0.214	0.497	1.203		
		2002/2003		0.387	0.216	0.690	1.294		
		2003/2004		0.790	0.175	0.662	1.627		
		2004/2005		0.446	0.286	0.561	1.293		
		MA Total Pure Premium:		0.550	0.238	0.602	1.390		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.260	0.357	0.321			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.648	0.174	0.550	1.371		
		(16) Countrywide Indicated Relativity:		0.322	0.267	0.307			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,074	6,838				
		(19) Pure Premium Underlying Present Rate:		0.636	0.250	0.522	1.408		
		(20) Relativity to Underlying Present Rate:		0.277	0.350	0.325			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657		
		(23) Formula Relativity:		0.260	0.357	0.321			
		(24) Balanced Formula Relativity:		0.261	0.357	0.321	0.299		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000195

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 126

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	216,073	3	13	414,727	101,069	360,621	876,417	
2001/2002	216,170	3	18	414,094	190,287	182,474	786,855	
2002/2003	246,893	10	21	1,183,995	191,212	692,840	2,068,047	
2003/2004	275,362	10	17	1,580,011	61,495	659,366	2,300,872	
2004/2005	253,055	0	15	0	141,553	116,165	257,718	
MA Total	1,207,553	26	84	3,592,827	685,616	2,011,466	6,289,910	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.919	0.468	1.669	4.056			
	2001/2002	1.916	0.880	0.844	3.640			
	2002/2003	4.796	0.774	2.806	8.376			
	2003/2004	5.738	0.223	2.395	8.356			
	2004/2005	0.000	0.559	0.459	1.018			
	MA Total Pure Premium:	2.975	0.568	1.666	5.209			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.407	0.852	0.888				
	(14) Massachusetts Credibility:	0.50	0.75	0.82				
	(15) Countrywide Pure Premium:	1.325	0.628	1.758	3.710			
	(16) Countrywide Indicated Relativity:	0.658	0.966	0.983				
	(17) Countrywide Credibility:	0.25	0.13	0.09				
	(18) Countrywide Lost-time Claims:	116	1,270					
	(19) Pure Premium Underlying Present Rate:	2.224	0.735	1.408	4.367			
	(20) Relativity to Underlying Present Rate:	0.967	1.027	0.876				
	(21) Credibility to Underlying Relativity:	0.250	0.120	0.090				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.110	0.888	0.895				
	(24) Balanced Formula Relativity:	1.112	0.889	0.895	0.993			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	3,348,814	66	457	6,735,625	2,603,887	8,920,214	18,259,725	
2001/2002	3,829,112	53	456	5,825,234	3,559,046	8,937,883	18,322,163	
2002/2003	4,316,292	52	524	7,547,183	3,715,689	10,647,913	21,910,785	
2003/2004	4,843,749	89	503	14,350,887	3,820,799	14,385,431	32,557,118	
2004/2005	5,382,520	52	589	12,860,272	6,194,548	18,910,881	37,965,700	
MA Total	21,720,487	312	2,529	47,319,202	19,893,968	61,802,322	129,015,492	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.011	0.778	2.664	5.453			
	2001/2002	1.521	0.929	2.334	4.785			
	2002/2003	1.749	0.861	2.467	5.076			
	2003/2004	2.963	0.789	2.970	6.721			
	2004/2005	2.389	1.151	3.513	7.054			
	MA Total Pure Premium:	2.179	0.916	2.845	5.940			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.030	1.375	1.517				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	3.227	1.233	3.495	7.955			
	(16) Countrywide Indicated Relativity:	1.603	1.897	1.955				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	4,165	36,303					
	(19) Pure Premium Underlying Present Rate:	2.290	0.940	2.413	5.643			
	(20) Relativity to Underlying Present Rate:	0.995	1.313	1.501				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.030	1.375	1.517				
	(24) Balanced Formula Relativity:	1.032	1.376	1.517	1.277			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000196

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 127

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	31,705	2	2	134,858	873	101,856	237,588	
2001/2002	24,591	0	1	0	3,023	2,089	5,112	
2002/2003	262,864	23	32	5,030,898	259,498	2,637,674	7,928,070	
2003/2004	39,446	5	5	1,024,921	46,573	607,780	1,679,274	
2004/2005	89,931	1	7	327,294	127,893	679,449	1,134,636	
MA Total	448,537	31	47	6,517,971	437,862	4,028,848	10,984,680	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	4.254	0.028	3.213	7.494			
	2001/2002	0.000	0.123	0.085	0.208			
	2002/2003	19.139	0.987	10.034	30.160			
	2003/2004	25.983	1.181	15.408	42.571			
	2004/2005	3.639	1.422	7.555	12.617			
	MA Total Pure Premium:	14.532	0.976	8.982	24.490			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	6.872	1.465	4.788				
	(14) Massachusetts Credibility:	0.74	0.61	1.00				
	(15) Countrywide Pure Premium:	5.086	1.167	4.429	10.681			
	(16) Countrywide Indicated Relativity:	2.526	1.795	2.477				
	(17) Countrywide Credibility:	0.13	0.20	0.00				
	(18) Countrywide Lost-time Claims:	4	34					
	(19) Pure Premium Underlying Present Rate:	15.544	1.160	7.911	24.616			
	(20) Relativity to Underlying Present Rate:	6.755	1.620	4.922				
	(21) Credibility to Underlying Relativity:	0.130	0.190	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	6.292	1.561	4.788				
	(24) Balanced Formula Relativity:	6.305	1.563	4.788	5.015			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	13,397	0	1	0	12,126	4,568	16,694	
2001/2002	37,191	23	31	4,392,063	264,911	1,293,686	5,950,660	
2002/2003	12,456	0	0	0	0	4,409	4,409	
2003/2004	10,262	0	1	0	1,811	6,375	8,185	
2004/2005	11,439	0	0	0	0	0	0	
MA Total	84,745	23	33	4,392,063	278,848	1,309,038	5,979,949	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.905	0.341	1.246			
	2001/2002	118.094	7.123	34.785	160.002			
	2002/2003	0.000	0.000	0.354	0.354			
	2003/2004	0.000	0.176	0.621	0.798			
	2004/2005	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	51.827	3.290	15.447	70.564			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	24.508	4.938	8.234				
	(14) Massachusetts Credibility:	0.43	0.41	0.64				
	(15) Countrywide Pure Premium:	4.672	1.583	6.105	12.360			
	(16) Countrywide Indicated Relativity:	2.320	2.436	3.414				
	(17) Countrywide Credibility:	0.19	0.30	0.18				
	(18) Countrywide Lost-time Claims:	7	88					
	(19) Pure Premium Underlying Present Rate:	21.778	2.326	10.720	34.825			
	(20) Relativity to Underlying Present Rate:	9.464	3.249	6.669				
	(21) Credibility to Underlying Relativity:	0.380	0.290	0.180				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	14.576	3.698	7.085				
	(24) Balanced Formula Relativity:	14.607	3.703	7.085	10.016			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000197

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 128

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
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	
2004/2005	14	0	0	0	0	0	0	0	
MA Total	680	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		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		
		2004/2005		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	0.04	0.05			
		(15) Countrywide Pure Premium:		1.269	1.458	2.190	4.916		
		(16) Countrywide Indicated Relativity:		0.630	2.243	1.224			
		(17) Countrywide Credibility:		0.11	0.25	0.30			
		(18) Countrywide Lost-time Claims:		2	27				
		(19) Pure Premium Underlying Present Rate:		5.766	0.924	1.903	8.593		
		(20) Relativity to Underlying Present Rate:		2.506	1.290	1.184			
		(21) Credibility to Underlying Relativity:		0.850	0.710	0.650			
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657		
		(23) Formula Relativity:		2.199	1.477	1.137			
		(24) Balanced Formula Relativity:		2.204	1.479	1.137	1.670		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	147,544	4	28	701,183	402,965	635,781	1,739,928		
2001/2002	88,518	5	18	859,505	120,369	439,537	1,419,412		
2002/2003	91,461	7	12	1,216,901	23,398	675,429	1,915,728		
2003/2004	90,239	2	8	361,668	61,713	377,070	800,450		
2004/2005	67,605	1	6	217,677	98,605	179,470	495,752		
MA Total	485,367	19	72	3,356,933	707,050	2,307,286	6,371,270		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		4.752	2.731	4.309	11.793		
		2001/2002		9.710	1.360	4.966	16.035		
		2002/2003		13.305	0.256	7.385	20.946		
		2003/2004		4.008	0.684	4.179	8.870		
		2004/2005		3.220	1.459	2.655	7.333		
		MA Total Pure Premium:		6.916	1.457	4.754	13.127		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.271	2.186	2.534			
		(14) Massachusetts Credibility:		0.54	0.71	0.87			
		(15) Countrywide Pure Premium:		3.143	0.998	2.620	6.761		
		(16) Countrywide Indicated Relativity:		1.561	1.535	1.465			
		(17) Countrywide Credibility:		0.23	0.15	0.07			
		(18) Countrywide Lost-time Claims:		56	283				
		(19) Pure Premium Underlying Present Rate:		6.486	1.603	4.072	12.161		
		(20) Relativity to Underlying Present Rate:		2.818	2.239	2.533			
		(21) Credibility to Underlying Relativity:		0.230	0.140	0.060			
		(22) Industry Group Adjusted Converted Pure Premium:		2.115	0.666	1.876	4.657		
		(23) Formula Relativity:		2.773	2.096	2.459			
		(24) Balanced Formula Relativity:		2.779	2.099	2.459	2.553		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000198

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 129

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction
6204 DRILLING 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)	
2000/2001	201,878	3	24	418,064	334,703	416,328	1,169,094	
2001/2002	197,938	6	29	912,088	196,455	607,498	1,716,041	
2002/2003	187,878	5	25	915,776	156,931	528,813	1,601,519	
2003/2004	214,008	3	19	811,850	217,705	525,669	1,555,224	
2004/2005	176,493	2	18	1,119,841	93,009	341,856	1,554,706	
MA Total	978,195	19	115	4,177,618	998,803	2,420,164	7,596,585	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.071	1.658	2.062	5.791			
	2001/2002	4.608	0.993	3.069	8.670			
	2002/2003	4.874	0.835	2.815	8.524			
	2003/2004	3.794	1.017	2.456	7.267			
	2004/2005	6.345	0.527	1.937	8.809			
	MA Total Pure Premium:	4.271	1.021	2.474	7.766			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.020	1.532	1.319				
	(14) Massachusetts Credibility:	0.63	0.83	1.00				
	(15) Countrywide Pure Premium:	3.346	1.159	3.235	7.740			
	(16) Countrywide Indicated Relativity:	1.662	1.783	1.809				
	(17) Countrywide Credibility:	0.19	0.09	0.00				
	(18) Countrywide Lost-time Claims:	240	1,946					
	(19) Pure Premium Underlying Present Rate:	4.899	1.165	3.090	9.154			
	(20) Relativity to Underlying Present Rate:	2.129	1.627	1.923				
	(21) Credibility to Underlying Relativity:	0.180	0.080	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.971	1.563	1.319				
	(24) Balanced Formula Relativity:	1.975	1.565	1.319	1.652			

Class(es):		Effective: 9/1/2008						Construction
6217 EXCAVATION & 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)	
2000/2001	3,143,972	34	200	3,720,912	1,387,423	3,983,303	9,091,639	
2001/2002	3,013,261	29	172	4,472,556	1,169,825	3,677,310	9,319,691	
2002/2003	3,394,386	24	199	3,837,310	1,696,214	5,313,981	10,847,505	
2003/2004	3,616,519	35	184	6,080,134	1,681,561	5,874,912	13,636,607	
2004/2005	3,807,184	23	179	5,851,773	2,105,715	5,180,545	13,138,033	
MA Total	16,975,322	145	934	23,962,686	8,040,738	24,030,051	56,033,474	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.184	0.441	1.267	2.892			
	2001/2002	1.484	0.388	1.220	3.093			
	2002/2003	1.130	0.500	1.566	3.196			
	2003/2004	1.681	0.465	1.624	3.771			
	2004/2005	1.537	0.553	1.361	3.451			
	MA Total Pure Premium:	1.412	0.474	1.416	3.301			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.668	0.711	0.755				
	(14) Massachusetts Credibility:	1.00	1.00	1.00				
	(15) Countrywide Pure Premium:	2.053	0.577	1.648	4.278			
	(16) Countrywide Indicated Relativity:	1.019	0.888	0.922				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,489	11,955					
	(19) Pure Premium Underlying Present Rate:	1.437	0.574	1.248	3.259			
	(20) Relativity to Underlying Present Rate:	0.625	0.801	0.777				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.668	0.711	0.755				
	(24) Balanced Formula Relativity:	0.669	0.712	0.755	0.710			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000199

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 130

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	58,856	0	1	0	9,871	45,191	55,062	
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	
2004/2005	32	0	0	0	0	0	0	
MA Total	63,957	0	1	0	9,871	45,191	55,062	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.168	0.768	0.936			
	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			
	2004/2005	0.000	0.000	0.000	0.000			
	MA Total Pure Premium:	0.000	0.154	0.707	0.861			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	0.232	0.377				
	(14) Massachusetts Credibility:	0.15	0.22	0.22				
	(15) Countrywide Pure Premium:	1.917	0.501	1.281	3.699			
	(16) Countrywide Indicated Relativity:	0.952	0.771	0.717				
	(17) Countrywide Credibility:	0.43	0.39	0.39				
	(18) Countrywide Lost-time Claims:	81	383					
	(19) Pure Premium Underlying Present Rate:	2.166	0.635	0.956	3.756			
	(20) Relativity to Underlying Present Rate:	0.941	0.886	0.594				
	(21) Credibility to Underlying Relativity:	0.420	0.390	0.390				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.805	0.697	0.594				
	(24) Balanced Formula Relativity:	0.806	0.698	0.594	0.705			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	689,977	6	25	699,353	196,771	454,064	1,350,188	
2001/2002	691,084	14	5	2,377,305	25,139	687,769	3,090,213	
2002/2003	531,388	12	10	2,263,912	178,912	1,226,864	3,669,689	
2003/2004	543,197	10	12	2,867,959	130,141	731,102	3,729,202	
2004/2005	357,868	2	3	565,166	55,392	236,954	857,513	
MA Total	2,813,514	44	55	8,773,696	586,356	3,336,753	12,696,805	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.014	0.285	0.658	1.957			
	2001/2002	3.440	0.036	0.995	4.472			
	2002/2003	4.260	0.337	2.309	6.906			
	2003/2004	5.280	0.240	1.346	6.865			
	2004/2005	1.579	0.155	0.662	2.396			
	MA Total Pure Premium:	3.118	0.208	1.186	4.513			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.475	0.313	0.632				
	(14) Massachusetts Credibility:	0.87	0.86	1.00				
	(15) Countrywide Pure Premium:	2.902	0.745	2.102	5.749			
	(16) Countrywide Indicated Relativity:	1.441	1.147	1.176				
	(17) Countrywide Credibility:	0.07	0.07	0.00				
	(18) Countrywide Lost-time Claims:	41	213					
	(19) Pure Premium Underlying Present Rate:	3.729	0.441	1.249	5.419			
	(20) Relativity to Underlying Present Rate:	1.620	0.616	0.777				
	(21) Credibility to Underlying Relativity:	0.060	0.070	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.481	0.392	0.632				
	(24) Balanced Formula Relativity:	1.484	0.393	0.632	0.985			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000200

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 131

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	71,919	0	1	0	26,156	0	26,156	
2001/2002	24,940	0	0	0	0	8,742	8,742	
2002/2003	18,233	0	0	0	0	0	0	
2003/2004	14,880	1	5	255,863	49,212	126,312	431,388	
2004/2005	27,747	0	3	0	27,901	13,322	41,223	
MA Total	157,719	1	9	255,863	103,269	148,377	507,509	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.364	0.000	0.364			
	2001/2002	0.000	0.000	0.351	0.351			
	2002/2003	0.000	0.000	0.000	0.000			
	2003/2004	17.195	3.307	8.489	28.992			
	2004/2005	0.000	1.006	0.480	1.486			
	MA Total Pure Premium:	1.622	0.655	0.941	3.218			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.767	0.983	0.501				
	(14) Massachusetts Credibility:	0.30	0.28	0.39				
	(15) Countrywide Pure Premium:	2.536	0.669	1.720	4.925			
	(16) Countrywide Indicated Relativity:	1.259	1.030	0.962				
	(17) Countrywide Credibility:	0.26	0.36	0.31				
	(18) Countrywide Lost-time Claims:	16	82					
	(19) Pure Premium Underlying Present Rate:	4.742	0.464	1.687	6.893			
	(20) Relativity to Underlying Present Rate:	2.061	0.649	1.049				
	(21) Credibility to Underlying Relativity:	0.440	0.360	0.300				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.464	0.879	0.809				
	(24) Balanced Formula Relativity:	1.467	0.881	0.809	1.118			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	257,230	3	24	476,094	310,959	564,310	1,351,362	
2001/2002	252,002	3	18	474,585	263,762	504,237	1,242,584	
2002/2003	240,059	2	13	241,215	118,622	284,563	644,400	
2003/2004	231,796	2	4	338,012	21,095	303,617	662,723	
2004/2005	253,835	3	15	1,072,671	266,604	1,105,854	2,445,129	
MA Total	1,234,922	13	74	2,602,576	981,043	2,762,580	6,346,199	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.851	1.209	2.194	5.254			
	2001/2002	1.883	1.047	2.001	4.931			
	2002/2003	1.005	0.494	1.185	2.684			
	2003/2004	1.458	0.091	1.310	2.859			
	2004/2005	4.226	1.050	4.357	9.633			
	MA Total Pure Premium:	2.107	0.794	2.237	5.139			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.997	1.192	1.192				
	(14) Massachusetts Credibility:	0.49	0.70	0.81				
	(15) Countrywide Pure Premium:	2.217	0.646	1.660	4.523			
	(16) Countrywide Indicated Relativity:	1.101	0.994	0.928				
	(17) Countrywide Credibility:	0.26	0.15	0.10				
	(18) Countrywide Lost-time Claims:	268	2,276					
	(19) Pure Premium Underlying Present Rate:	2.045	0.598	1.321	3.964			
	(20) Relativity to Underlying Present Rate:	0.889	0.835	0.822				
	(21) Credibility to Underlying Relativity:	0.250	0.150	0.090				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.997	1.109	1.133				
	(24) Balanced Formula Relativity:	0.999	1.110	1.133	1.069			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000201

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 132

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	434,850	6	45	624,215	313,439	838,086	1,775,740	
2001/2002	434,391	13	30	1,942,102	134,030	1,151,850	3,227,982	
2002/2003	432,157	3	31	449,377	216,425	407,105	1,072,907	
2003/2004	433,587	2	14	339,931	115,277	296,179	751,387	
2004/2005	464,344	4	21	1,122,344	280,693	777,004	2,180,041	
MA Total	2,199,329	28	141	4,477,969	1,059,864	3,470,224	9,008,057	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.435	0.721	1.927	4.084			
	2001/2002	4.471	0.309	2.652	7.431			
	2002/2003	1.040	0.501	0.942	2.483			
	2003/2004	0.784	0.266	0.683	1.733			
	2004/2005	2.417	0.604	1.673	4.695			
	MA Total Pure Premium:	2.036	0.482	1.578	4.096			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.963	0.723	0.841				
	(14) Massachusetts Credibility:	0.64	0.92	1.00				
	(15) Countrywide Pure Premium:	1.732	0.500	1.470	3.701			
	(16) Countrywide Indicated Relativity:	0.860	0.769	0.822				
	(17) Countrywide Credibility:	0.18	0.04	0.00				
	(18) Countrywide Lost-time Claims:	260	2,290					
	(19) Pure Premium Underlying Present Rate:	2.263	0.656	1.562	4.482			
	(20) Relativity to Underlying Present Rate:	0.984	0.916	0.972				
	(21) Credibility to Underlying Relativity:	0.180	0.040	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.948	0.733	0.841				
	(24) Balanced Formula Relativity:	0.950	0.734	0.841	0.875			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	315,543	3	11	294,751	51,543	222,780	569,074	
2001/2002	141,652	1	10	2,931	26,016	30,797	59,744	
2002/2003	167,860	1	16	62,728	105,521	133,605	301,854	
2003/2004	141,459	1	10	299,875	62,935	107,135	469,945	
2004/2005	148,556	1	8	242,626	60,526	200,647	503,798	
MA Total	915,070	7	55	902,911	306,540	694,964	1,904,415	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.934	0.163	0.706	1.803			
	2001/2002	0.021	0.184	0.217	0.422			
	2002/2003	0.374	0.629	0.796	1.798			
	2003/2004	2.120	0.445	0.757	3.322			
	2004/2005	1.633	0.407	1.351	3.391			
	MA Total Pure Premium:	0.987	0.335	0.759	2.081			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.467	0.503	0.405				
	(14) Massachusetts Credibility:	0.37	0.63	0.60				
	(15) Countrywide Pure Premium:	2.065	0.575	1.617	4.256			
	(16) Countrywide Indicated Relativity:	1.025	0.884	0.904				
	(17) Countrywide Credibility:	0.32	0.19	0.20				
	(18) Countrywide Lost-time Claims:	404	2,405					
	(19) Pure Premium Underlying Present Rate:	1.346	0.617	0.845	2.807			
	(20) Relativity to Underlying Present Rate:	0.585	0.861	0.525				
	(21) Credibility to Underlying Relativity:	0.310	0.180	0.200				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.682	0.640	0.529				
	(24) Balanced Formula Relativity:	0.684	0.641	0.529	0.615			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000202

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 133

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction
6400 FENCE ERECTION - ALL TYPES								
		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)	
2000/2001	178,743	4	25	527,448	92,477	400,509	1,020,434	
2001/2002	204,610	2	20	173,734	74,173	272,000	519,907	
2002/2003	197,923	5	21	502,866	62,230	863,122	1,428,218	
2003/2004	214,651	4	24	568,935	116,904	644,732	1,330,571	
2004/2005	233,428	0	23	0	167,691	274,296	441,987	
MA Total	1,029,355	15	113	1,772,983	513,474	2,454,659	4,741,116	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	2.951	0.517	2.241	5.709		
		2001/2002	0.849	0.363	1.329	2.541		
		2002/2003	2.541	0.314	4.361	7.216		
		2003/2004	2.651	0.545	3.004	6.199		
		2004/2005	0.000	0.718	1.175	1.893		
		MA Total Pure Premium:	1.722	0.499	2.385	4.606		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.814	0.749	1.271			
		(14) Massachusetts Credibility:	0.50	0.67	0.86			
		(15) Countrywide Pure Premium:	2.385	0.839	2.241	5.465		
		(16) Countrywide Indicated Relativity:	1.185	1.290	1.253			
		(17) Countrywide Credibility:	0.25	0.17	0.07			
		(18) Countrywide Lost-time Claims:	221	1,750				
		(19) Pure Premium Underlying Present Rate:	2.536	0.638	1.857	5.031		
		(20) Relativity to Underlying Present Rate:	1.102	0.891	1.155			
		(21) Credibility to Underlying Relativity:	0.250	0.160	0.070			
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
		(23) Formula Relativity:	0.979	0.864	1.262			
		(24) Balanced Formula Relativity:	0.981	0.865	1.262	1.077		

Class(es):		Effective: 9/1/2008						Miscellaneous
6834 BOAT BUILDING OR REPAIRING & DRIVERS: MA ACT								
		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)	
2000/2001	136,653	1	10	89,264	32,939	292,952	415,155	
2001/2002	143,482	2	13	106,815	39,463	117,117	263,396	
2002/2003	144,630	0	13	0	71,006	192,938	263,943	
2003/2004	151,557	3	8	435,130	24,979	401,957	862,066	
2004/2005	172,085	0	10	0	88,707	83,993	172,699	
MA Total	748,407	6	54	631,210	257,093	1,088,956	1,977,259	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.653	0.241	2.144	3.038		
		2001/2002	0.744	0.275	0.816	1.836		
		2002/2003	0.000	0.491	1.334	1.825		
		2003/2004	2.871	0.165	2.652	5.688		
		2004/2005	0.000	0.515	0.488	1.004		
		MA Total Pure Premium:	0.843	0.344	1.455	2.642		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.616	0.496	0.860			
		(14) Massachusetts Credibility:	0.33	0.49	0.66			
		(15) Countrywide Pure Premium:	0.764	0.599	1.493	2.857		
		(16) Countrywide Indicated Relativity:	0.617	0.966	0.968			
		(17) Countrywide Credibility:	0.34	0.26	0.17			
		(18) Countrywide Lost-time Claims:	136	1,910				
		(19) Pure Premium Underlying Present Rate:	1.282	0.412	1.343	3.038		
		(20) Relativity to Underlying Present Rate:	0.748	0.576	0.862			
		(21) Credibility to Underlying Relativity:	0.330	0.250	0.170			
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
		(23) Formula Relativity:	0.660	0.638	0.879			
		(24) Balanced Formula Relativity:	0.656	0.636	0.876	0.752		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000203

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 134

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous
6836 MARINA & DRIVERS: MA ACT								
		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)	
2000/2001	284,957	1	29	151,389	87,274	199,505	438,168	
2001/2002	317,944	2	20	320,171	44,520	422,850	787,542	
2002/2003	335,785	1	25	101,622	80,921	379,995	562,538	
2003/2004	366,380	2	25	281,835	132,475	383,264	797,574	
2004/2005	380,957	1	17	338,163	52,375	185,486	576,024	
MA Total	1,686,023	7	116	1,193,180	397,565	1,571,100	3,161,845	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.531	0.306	0.700	1.538		
		2001/2002	1.007	0.140	1.330	2.477		
		2002/2003	0.303	0.241	1.132	1.675		
		2003/2004	0.769	0.362	1.046	2.177		
		2004/2005	0.888	0.137	0.487	1.512		
		MA Total Pure Premium:	0.708	0.236	0.932	1.875		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.517	0.341	0.551			
		(14) Massachusetts Credibility:	0.41	0.64	0.80			
		(15) Countrywide Pure Premium:	0.617	0.439	1.181	2.237		
		(16) Countrywide Indicated Relativity:	0.499	0.707	0.765			
		(17) Countrywide Credibility:	0.30	0.18	0.10			
		(18) Countrywide Lost-time Claims:	50	776				
		(19) Pure Premium Underlying Present Rate:	0.974	0.345	0.945	2.264		
		(20) Relativity to Underlying Present Rate:	0.568	0.482	0.606			
		(21) Credibility to Underlying Relativity:	0.290	0.180	0.100			
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
		(23) Formula Relativity:	0.526	0.432	0.578			
		(24) Balanced Formula Relativity:	0.523	0.431	0.576	0.530		

Class(es):		Effective: 9/1/2008						Miscellaneous
7219 TRUCKING: NOC - ALL EMP & 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)	
2000/2001	2,299,842	55	329	6,020,648	2,238,181	5,394,091	13,652,920	
2001/2002	2,265,021	50	303	5,989,014	2,023,255	5,696,649	13,708,918	
2002/2003	2,230,367	46	310	7,328,991	1,905,358	7,015,391	16,249,740	
2003/2004	2,381,098	30	279	5,085,518	2,591,696	5,008,077	12,685,291	
2004/2005	2,418,407	25	283	7,052,123	3,050,418	7,023,298	17,125,840	
MA Total	11,594,735	206	1,504	31,476,293	11,808,908	30,137,507	73,422,709	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	2.618	0.973	2.345	5.936		
		2001/2002	2.644	0.893	2.515	6.052		
		2002/2003	3.286	0.854	3.145	7.286		
		2003/2004	2.136	1.088	2.103	5.327		
		2004/2005	2.916	1.261	2.904	7.081		
		MA Total Pure Premium:	2.715	1.018	2.599	6.332		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	1.982	1.472	1.537			
		(14) Massachusetts Credibility:	1.00	1.00	1.00			
		(15) Countrywide Pure Premium:	2.349	0.905	2.068	5.322		
		(16) Countrywide Indicated Relativity:	1.898	1.458	1.341			
		(17) Countrywide Credibility:	0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:	4,407	30,730				
		(19) Pure Premium Underlying Present Rate:	2.957	1.021	2.092	6.070		
		(20) Relativity to Underlying Present Rate:	1.724	1.426	1.342			
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
		(23) Formula Relativity:	1.982	1.472	1.537			
		(24) Balanced Formula Relativity:	1.971	1.467	1.532	1.680		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000204

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 135

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	38,270	0	3	0	21,981	11,577	33,558	
2001/2002	35,129	0	4	0	4,976	13,128	18,104	
2002/2003	39,999	2	6	250,463	15,035	519,996	785,494	
2003/2004	38,068	1	8	77,191	38,313	28,108	143,612	
2004/2005	32,879	0	5	0	169,390	40,592	209,982	
MA Total	184,345	3	26	327,654	249,696	613,400	1,190,750	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	0.000	0.574	0.303	0.877	
			2001/2002	0.000	0.142	0.374	0.515	
			2002/2003	6.262	0.376	13.000	19.638	
			2003/2004	2.028	1.006	0.738	3.773	
			2004/2005	0.000	5.152	1.235	6.387	
			MA Total Pure Premium:	1.777	1.355	3.327	6.459	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	1.298	1.957	1.968		
			(14) Massachusetts Credibility:	0.27	0.37	0.50		
			(15) Countrywide Pure Premium:	1.883	0.888	1.786	4.557	
			(16) Countrywide Indicated Relativity:	1.521	1.431	1.158		
			(17) Countrywide Credibility:	0.37	0.32	0.25		
			(18) Countrywide Lost-time Claims:	477	7,122			
			(19) Pure Premium Underlying Present Rate:	3.201	0.809	2.698	6.708	
			(20) Relativity to Underlying Present Rate:	1.866	1.130	1.730		
			(21) Credibility to Underlying Relativity:	0.360	0.310	0.250		
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753	
			(23) Formula Relativity:	1.585	1.533	1.706		
			(24) Balanced Formula Relativity:	1.577	1.528	1.700	1.623	

Class(es):		Effective: 9/1/2008						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)	
2000/2001	193,769	1	12	85,574	100,085	321,553	507,212	
2001/2002	188,290	1	20	62,093	70,838	202,980	335,912	
2002/2003	196,338	5	27	672,410	121,481	603,077	1,396,967	
2003/2004	179,546	2	18	231,786	99,638	273,936	605,361	
2004/2005	178,856	0	15	0	407,385	291,325	698,709	
MA Total	936,799	9	92	1,051,863	799,426	1,692,871	3,544,161	
MA Indicated Pure Premiums								
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)	
			2000/2001	0.442	0.517	1.659	2.618	
			2001/2002	0.330	0.376	1.078	1.784	
			2002/2003	3.425	0.619	3.072	7.115	
			2003/2004	1.291	0.555	1.526	3.372	
			2004/2005	0.000	2.278	1.629	3.907	
			MA Total Pure Premium:	1.123	0.853	1.807	3.783	
Pure Premium Relativities								
				Serious	Non-Serious	Medical	Total	
			(13) Massachusetts Indicated Relativity:	0.820	1.233	1.069		
			(14) Massachusetts Credibility:	0.43	0.73	0.84		
			(15) Countrywide Pure Premium:	1.491	1.161	2.321	4.972	
			(16) Countrywide Indicated Relativity:	1.205	1.871	1.504		
			(17) Countrywide Credibility:	0.29	0.14	0.08		
			(18) Countrywide Lost-time Claims:	417	7,653			
			(19) Pure Premium Underlying Present Rate:	1.997	0.873	1.926	4.795	
			(20) Relativity to Underlying Present Rate:	1.164	1.219	1.235		
			(21) Credibility to Underlying Relativity:	0.280	0.130	0.080		
			(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753	
			(23) Formula Relativity:	1.028	1.320	1.117		
			(24) Balanced Formula Relativity:	1.022	1.316	1.113	1.117	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000205

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 136

Calculation of Class Relativities

Class(es): 7360 FREIGHT HANDLING NOC: MA ACT		Effective: 9/1/2008						Miscellaneous	
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)			
2000/2001	73,813	1	12	76,223	45,593	88,385	210,201		
2001/2002	54,218	1	5	142,233	7,965	68,013	218,211		
2002/2003	72,483	0	8	0	33,172	91,278	124,449		
2003/2004	66,503	1	9	76,975	61,590	225,442	364,007		
2004/2005	218,656	0	8	0	48,046	106,450	154,495		
MA Total	485,673	3	42	295,431	196,365	579,568	1,071,364		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
2000/2001				1.033	0.618	1.197	2.848		
2001/2002				2.623	0.147	1.254	4.025		
2002/2003				0.000	0.458	1.259	1.717		
2003/2004				1.157	0.926	3.390	5.474		
2004/2005				0.000	0.220	0.487	0.707		
MA Total Pure Premium:				0.608	0.404	1.193	2.206		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.444	0.584	0.706			
(14) Massachusetts Credibility:				0.33	0.55	0.59			
(15) Countrywide Pure Premium:				1.732	0.798	2.101	4.632		
(16) Countrywide Indicated Relativity:				1.400	1.287	1.362			
(17) Countrywide Credibility:				0.34	0.23	0.21			
(18) Countrywide Lost-time Claims:				245	1,872				
(19) Pure Premium Underlying Present Rate:				1.936	0.820	1.549	4.305		
(20) Relativity to Underlying Present Rate:				1.129	1.145	0.993			
(21) Credibility to Underlying Relativity:				0.330	0.220	0.200			
(22) Industry Group Adjusted Converted Pure Premium:				1.370	0.692	1.691	3.753		
(23) Formula Relativity:				0.995	0.869	0.901			
(24) Balanced Formula Relativity:				0.990	0.866	0.898	0.926		

Class(es): 7370 TAXICAB CO: ALL OTHER EMP & DRIVERS		Effective: 9/1/2008						Miscellaneous	
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)			
2000/2001	643,006	5	126	395,840	380,427	754,665	1,530,932		
2001/2002	696,514	1	135	66,296	309,027	810,961	1,186,284		
2002/2003	747,310	4	150	345,095	653,067	1,194,185	2,192,348		
2003/2004	1,154,438	8	208	1,080,399	1,060,167	2,081,637	4,222,204		
2004/2005	829,575	4	170	798,844	1,050,058	1,870,802	3,719,704		
MA Total	4,070,843	22	789	2,686,474	3,452,747	6,712,251	12,851,472		
				MA Indicated Pure Premiums					
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
2000/2001				0.616	0.592	1.174	2.381		
2001/2002				0.095	0.444	1.164	1.703		
2002/2003				0.462	0.874	1.598	2.934		
2003/2004				0.936	0.918	1.803	3.657		
2004/2005				0.963	1.266	2.255	4.484		
MA Total Pure Premium:				0.660	0.848	1.649	3.157		
				Pure Premium Relativities					
				Serious	Non-Serious	Medical	Total		
(13) Massachusetts Indicated Relativity:				0.482	1.225	0.975			
(14) Massachusetts Credibility:				0.60	1.00	1.00			
(15) Countrywide Pure Premium:				0.864	0.694	1.893	3.452		
(16) Countrywide Indicated Relativity:				0.698	1.119	1.227			
(17) Countrywide Credibility:				0.20	0.00	0.00			
(18) Countrywide Lost-time Claims:				188	4,404				
(19) Pure Premium Underlying Present Rate:				1.024	0.722	1.292	3.038		
(20) Relativity to Underlying Present Rate:				0.597	1.008	0.828			
(21) Credibility to Underlying Relativity:				0.200	0.000	0.000			
(22) Industry Group Adjusted Converted Pure Premium:				1.370	0.692	1.691	3.753		
(23) Formula Relativity:				0.548	1.225	0.975			
(24) Balanced Formula Relativity:				0.545	1.222	0.972	0.862		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000206

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 137

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	3,373,381	54	573	5,168,702	2,590,582	6,267,106	14,026,390	
2001/2002	3,279,532	42	536	4,612,881	2,824,645	6,183,765	13,621,291	
2002/2003	3,189,271	49	533	5,558,569	2,897,109	7,741,949	16,197,627	
2003/2004	3,146,133	43	419	6,342,183	2,715,575	6,130,001	15,187,759	
2004/2005	3,191,376	19	473	4,078,424	4,312,015	6,653,400	15,043,839	
MA Total	16,179,693	207	2,534	25,760,758	15,339,926	32,976,222	74,076,907	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.532	0.768	1.858	4.158			
	2001/2002	1.407	0.861	1.886	4.153			
	2002/2003	1.743	0.908	2.427	5.079			
	2003/2004	2.016	0.863	1.948	4.827			
	2004/2005	1.278	1.351	2.085	4.714			
	MA Total Pure Premium:	1.592	0.948	2.038	4.578			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.162	1.370	1.205				
	(14) Massachusetts Credibility:	1.00	1.00	1.00	3.364			
	(15) Countrywide Pure Premium:	1.241	0.633	1.490				
	(16) Countrywide Indicated Relativity:	1.002	1.021	0.966				
	(17) Countrywide Credibility:	0.00	0.00	0.00				
	(18) Countrywide Lost-time Claims:	2,233	27,603					
	(19) Pure Premium Underlying Present Rate:	2.190	1.085	2.032	5.307			
	(20) Relativity to Underlying Present Rate:	1.277	1.515	1.303				
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	1.162	1.370	1.205				
	(24) Balanced Formula Relativity:	1.156	1.366	1.201	1.215			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	1,814,708	17	224	1,319,374	1,161,404	2,033,156	4,513,934	
2001/2002	1,839,825	17	244	1,504,651	1,189,146	3,075,665	5,769,462	
2002/2003	2,415,755	27	264	2,875,979	1,074,109	3,803,925	7,754,013	
2003/2004	2,091,839	16	205	1,798,144	1,032,350	3,249,115	6,079,610	
2004/2005	2,248,740	9	266	1,740,102	1,996,546	3,342,931	7,079,580	
MA Total	10,410,867	86	1,203	9,238,251	6,453,556	15,504,792	31,196,599	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.727	0.640	1.120	2.487			
	2001/2002	0.818	0.646	1.672	3.136			
	2002/2003	1.191	0.445	1.575	3.210			
	2003/2004	0.860	0.494	1.553	2.906			
	2004/2005	0.774	0.888	1.487	3.148			
	MA Total Pure Premium:	0.887	0.620	1.489	2.997			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.648	0.896	0.881				
	(14) Massachusetts Credibility:	0.94	1.00	1.00	3.620			
	(15) Countrywide Pure Premium:	1.038	0.750	1.832				
	(16) Countrywide Indicated Relativity:	0.838	1.209	1.188				
	(17) Countrywide Credibility:	0.03	0.00	0.00				
	(18) Countrywide Lost-time Claims:	824	9,428					
	(19) Pure Premium Underlying Present Rate:	1.228	0.617	1.470	3.315			
	(20) Relativity to Underlying Present Rate:	0.716	0.862	0.943				
	(21) Credibility to Underlying Relativity:	0.030	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.656	0.896	0.881				
	(24) Balanced Formula Relativity:	0.652	0.893	0.878	0.798			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000207

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 138

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	131,296	0	6	0	40,318	62,487	102,805	
2001/2002	131,028	1	19	137,249	113,621	483,135	734,005	
2002/2003	583,431	14	74	2,211,273	308,484	1,371,811	3,891,567	
2003/2004	183,973	1	26	75,121	128,264	279,323	482,708	
2004/2005	265,787	1	54	181,171	287,734	437,424	906,329	
MA Total	1,295,515	17	179	2,604,814	878,421	2,634,180	6,117,415	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.307	0.476	0.783		
		2001/2002	1.047	0.867	3.687	5.602		
		2002/2003	3.790	0.529	2.351	6.670		
		2003/2004	0.408	0.697	1.518	2.624		
		2004/2005	0.682	1.083	1.646	3.410		
		MA Total Pure Premium:	2.011	0.678	2.033	4.722		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	1.468	0.980	1.202			
		(14) Massachusetts Credibility:	0.43	0.71	0.87			
		(15) Countrywide Pure Premium:	0.716	0.574	1.257	2.548		
		(16) Countrywide Indicated Relativity:	0.579	0.925	0.815			
		(17) Countrywide Credibility:	0.29	0.15	0.07			
		(18) Countrywide Lost-time Claims:	1,271	20,599				
		(19) Pure Premium Underlying Present Rate:	1.403	0.584	1.521	3.508		
		(20) Relativity to Underlying Present Rate:	0.818	0.816	0.975			
		(21) Credibility to Underlying Relativity:	0.280	0.140	0.060			
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
		(23) Formula Relativity:	1.028	0.949	1.162			
		(24) Balanced Formula Relativity:	1.023	0.946	1.158	1.069		

Class(es):		Effective: 9/1/2008						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)	
2000/2001	74,663	0	1	0	466	1,613	2,079	
2001/2002	115,347	0	0	0	0	1,103	1,103	
2002/2003	1,336,672	5	40	732,627	193,202	555,977	1,481,806	
2003/2004	19,483	0	0	0	0	0	0	
2004/2005	175,841	0	5	0	107,191	26,800	133,991	
MA Total	1,722,006	5	46	732,627	300,859	585,493	1,618,979	
		MA Indicated Pure Premiums						
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
		2000/2001	0.000	0.006	0.022	0.028		
		2001/2002	0.000	0.000	0.010	0.010		
		2002/2003	0.548	0.145	0.416	1.109		
		2003/2004	0.000	0.000	0.000	0.000		
		2004/2005	0.000	0.610	0.152	0.762		
		MA Total Pure Premium:	0.425	0.175	0.340	0.940		
		Pure Premium Relativities						
		Serious	Non-Serious	Medical	Total			
		(13) Massachusetts Indicated Relativity:	0.311	0.252	0.201			
		(14) Massachusetts Credibility:	0.29	0.48	0.53			
		(15) Countrywide Pure Premium:	0.173	0.176	0.301	0.650		
		(16) Countrywide Indicated Relativity:	0.140	0.283	0.195			
		(17) Countrywide Credibility:	0.36	0.26	0.24			
		(18) Countrywide Lost-time Claims:	311	6,148				
		(19) Pure Premium Underlying Present Rate:	0.395	0.169	0.327	0.890		
		(20) Relativity to Underlying Present Rate:	0.230	0.236	0.209			
		(21) Credibility to Underlying Relativity:	0.350	0.260	0.230			
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
		(23) Formula Relativity:	0.221	0.256	0.202			
		(24) Balanced Formula Relativity:	0.220	0.255	0.201	0.218		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000208

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 139

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous		
7420 AIRCRAFT OR HELICOP OP: PUBLIC EXHIB STUNT FLYING: FLY CREW										
		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)				
2000/2001	453	0	0	0	0	0	0	0		
2001/2002	465	0	0	0	0	0	0	0		
2002/2003	450	0	0	0	0	0	0	0		
2003/2004	489	0	0	0	0	0	0	0		
2004/2005	1,338	0	0	0	0	0	0	0		
MA Total	3,195	0	0	0	0	0	0	0		
		MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)					
		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				
		2004/2005	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	0.05	0.06					
		(15) Countrywide Pure Premium:	6.076	0.202	1.955	8.232				
		(16) Countrywide Indicated Relativity:	4.909	0.326	1.267					
		(17) Countrywide Credibility:	0.29	0.28	0.39					
		(18) Countrywide Lost-time Claims:	21	36						
		(19) Pure Premium Underlying Present Rate:	2.833	0.303	0.824	3.960				
		(20) Relativity to Underlying Present Rate:	1.652	0.423	0.529					
		(21) Credibility to Underlying Relativity:	0.660	0.670	0.550					
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753				
		(23) Formula Relativity:	2.514	0.375	0.785					
		(24) Balanced Formula Relativity:	2.500	0.374	0.782	1.334				

Class(es):		Effective: 9/1/2008						Miscellaneous		
7421 AIRCRAFT OR HELICOP OP: TRANSPORT PERS IN EMPLR BUS: FLY CRW*										
		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)				
2000/2001	151,744	1	1	212,895	45	83,168	296,107			
2001/2002	186,239	1	5	165,531	37,014	56,565	259,110			
2002/2003	208,794	1	2	176,044	2,884	4,254	183,181			
2003/2004	210,553	0	2	0	55,682	119,750	175,432			
2004/2005	236,205	1	0	496,032	0	80,938	576,971			
MA Total	993,535	4	10	1,050,502	95,624	344,675	1,490,801			
		MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)					
		2000/2001	1.403	0.000	0.548	1.951				
		2001/2002	0.889	0.199	0.304	1.391				
		2002/2003	0.843	0.014	0.020	0.877				
		2003/2004	0.000	0.264	0.569	0.833				
		2004/2005	2.100	0.000	0.343	2.443				
		MA Total Pure Premium:	1.057	0.096	0.347	1.501				
		Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total					
		(13) Massachusetts Indicated Relativity:	0.772	0.139	0.205					
		(14) Massachusetts Credibility:	0.36	0.35	0.52					
		(15) Countrywide Pure Premium:	1.357	0.185	0.603	2.146				
		(16) Countrywide Indicated Relativity:	1.097	0.299	0.391					
		(17) Countrywide Credibility:	0.32	0.33	0.24					
		(18) Countrywide Lost-time Claims:	157	983						
		(19) Pure Premium Underlying Present Rate:	1.212	0.135	0.562	1.909				
		(20) Relativity to Underlying Present Rate:	0.706	0.189	0.360					
		(21) Credibility to Underlying Relativity:	0.320	0.320	0.240					
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753				
		(23) Formula Relativity:	0.855	0.208	0.287					
		(24) Balanced Formula Relativity:	0.850	0.207	0.286	0.477				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000209

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 140

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous	
7425 AIRCRAFT OR HELICOP OP: NOC- HELICOPTERS: FLYING CREW									
		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)			
2000/2001	33	0	0	0	0	0	0	0	
2001/2002	39	0	0	0	0	0	0	0	
2002/2003	0	0	0	0	0	0	0	0	
2003/2004	90	0	0	0	0	0	0	0	
2004/2005	0	0	0	0	0	0	0	0	
MA Total	162	0	0	0	0	0	0	0	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		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	
		2004/2005	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	0.01	0.02				
		(15) Countrywide Pure Premium:	5.375	0.154	1.769			7.299	
		(16) Countrywide Indicated Relativity:	4.343	0.249	1.147				
		(17) Countrywide Credibility:	0.18	0.19	0.26				
		(18) Countrywide Lost-time Claims:	6	15					
		(19) Pure Premium Underlying Present Rate:	1.234	0.138	0.565			1.936	
		(20) Relativity to Underlying Present Rate:	0.719	0.192	0.362				
		(21) Credibility to Underlying Relativity:	0.810	0.800	0.720				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691			3.753	
		(23) Formula Relativity:	1.364	0.201	0.559				
		(24) Balanced Formula Relativity:	1.357	0.200	0.557			0.783	

Class(es):		Effective: 9/1/2008						Miscellaneous	
7502 GAS COMPANY: GAS CO-NATURAL GAS-LOCAL DISTRIBUTION & DR									
		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)			
2000/2001	348,828	6	24	714,655	100,119	702,971	1,517,745		
2001/2002	313,109	4	34	353,798	262,580	888,491	1,504,869		
2002/2003	302,337	1	14	90,023	51,873	159,005	300,901		
2003/2004	290,275	1	34	184,817	251,977	482,783	919,577		
2004/2005	330,694	1	29	159,876	214,259	361,067	735,202		
MA Total	1,585,243	13	135	1,503,168	880,808	2,594,318	4,978,294		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	2.049	0.287	2.015			4.351	
		2001/2002	1.130	0.839	2.838			4.806	
		2002/2003	0.298	0.172	0.526			0.995	
		2003/2004	0.637	0.868	1.663			3.168	
		2004/2005	0.483	0.648	1.092			2.223	
		MA Total Pure Premium:	0.948	0.556	1.637			3.140	
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.692	0.803	0.968				
		(14) Massachusetts Credibility:	0.44	0.77	0.94				
		(15) Countrywide Pure Premium:	0.601	0.393	1.015			2.008	
		(16) Countrywide Indicated Relativity:	0.485	0.633	0.658				
		(17) Countrywide Credibility:	0.28	0.12	0.03				
		(18) Countrywide Lost-time Claims:	55	986					
		(19) Pure Premium Underlying Present Rate:	1.216	0.594	1.516			3.326	
		(20) Relativity to Underlying Present Rate:	0.709	0.830	0.972				
		(21) Credibility to Underlying Relativity:	0.280	0.110	0.030				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691			3.753	
		(23) Formula Relativity:	0.639	0.785	0.959				
		(24) Balanced Formula Relativity:	0.636	0.783	0.955			0.807	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000210

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 141

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	19,040	0	1	0	19,826	15,975	35,801	
2001/2002	22,693	0	1	0	509	5,168	5,677	
2002/2003	43,926	3	14	554,717	90,863	352,721	998,301	
2003/2004	24,263	0	0	0	0	808	808	
2004/2005	28,023	0	3	0	28,293	30,541	58,833	
MA Total	137,945	3	19	554,717	139,491	405,212	1,099,420	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	1.041	0.839	1.880			
	2001/2002	0.000	0.022	0.228	0.250			
	2002/2003	12.628	2.069	8.030	22.727			
	2003/2004	0.000	0.000	0.033	0.033			
	2004/2005	0.000	1.010	1.090	2.099			
	MA Total Pure Premium:	4.021	1.011	2.937	7.970			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.936	1.461	1.737				
	(14) Massachusetts Credibility:	0.16	0.24	0.29				
	(15) Countrywide Pure Premium:	0.405	0.169	0.411	0.986			
	(16) Countrywide Indicated Relativity:	0.327	0.273	0.267				
	(17) Countrywide Credibility:	0.40	0.38	0.36				
	(18) Countrywide Lost-time Claims:	46	432					
	(19) Pure Premium Underlying Present Rate:	1.131	0.360	0.952	2.443			
	(20) Relativity to Underlying Present Rate:	0.660	0.502	0.611				
	(21) Credibility to Underlying Relativity:	0.440	0.380	0.350				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.891	0.645	0.814				
	(24) Balanced Formula Relativity:	0.886	0.643	0.811	0.807			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	184,454	0	13	0	147,006	132,802	279,807	
2001/2002	179,843	3	23	426,078	296,004	414,812	1,136,893	
2002/2003	187,135	1	9	102,929	102,902	125,857	331,688	
2003/2004	219,834	2	18	301,563	71,880	295,856	669,298	
2004/2005	182,702	0	5	0	19,023	48,354	67,377	
MA Total	953,968	6	68	830,569	636,815	1,017,680	2,485,064	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.797	0.720	1.517			
	2001/2002	2.369	1.646	2.307	6.322			
	2002/2003	0.550	0.550	0.673	1.772			
	2003/2004	1.372	0.327	1.346	3.045			
	2004/2005	0.000	0.104	0.265	0.369			
	MA Total Pure Premium:	0.871	0.668	1.067	2.605			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.412	1.002	0.569				
	(14) Massachusetts Credibility:	0.40	0.66	0.68				
	(15) Countrywide Pure Premium:	2.622	0.576	1.979	5.177			
	(16) Countrywide Indicated Relativity:	1.302	0.887	1.107				
	(17) Countrywide Credibility:	0.30	0.17	0.16				
	(18) Countrywide Lost-time Claims:	361	2,205					
	(19) Pure Premium Underlying Present Rate:	1.578	0.667	1.103	3.348			
	(20) Relativity to Underlying Present Rate:	0.686	0.932	0.686				
	(21) Credibility to Underlying Relativity:	0.300	0.170	0.160				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	0.761	0.970	0.674				
	(24) Balanced Formula Relativity:	0.763	0.972	0.674	0.757			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000211

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 142

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	445,578	0	15	0	51,603	114,353	165,955	
2001/2002	279,048	0	10	0	79,445	291,429	370,874	
2002/2003	470,434	1	6	272,212	17,905	87,632	377,749	
2003/2004	561,506	2	10	358,285	42,613	294,422	695,320	
2004/2005	739,618	0	13	0	73,077	168,677	241,753	
MA Total	2,496,184	3	54	630,497	264,642	956,513	1,851,652	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.116	0.257	0.372			
	2001/2002	0.000	0.285	1.044	1.329			
	2002/2003	0.579	0.038	0.186	0.803			
	2003/2004	0.638	0.076	0.524	1.238			
	2004/2005	0.000	0.099	0.228	0.327			
	MA Total Pure Premium:	0.253	0.106	0.383	0.742			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.184	0.153	0.227				
	(14) Massachusetts Credibility:	0.37	0.54	0.63				
	(15) Countrywide Pure Premium:	0.481	0.213	0.538	1.232			
	(16) Countrywide Indicated Relativity:	0.389	0.343	0.349				
	(17) Countrywide Credibility:	0.32	0.23	0.19				
	(18) Countrywide Lost-time Claims:	345	2,810					
	(19) Pure Premium Underlying Present Rate:	0.517	0.154	0.360	1.030			
	(20) Relativity to Underlying Present Rate:	0.301	0.215	0.231				
	(21) Credibility to Underlying Relativity:	0.310	0.230	0.180				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.286	0.211	0.251				
	(24) Balanced Formula Relativity:	0.284	0.210	0.250	0.255			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	114,163	1	8	65,955	27,557	94,546	188,058	
2001/2002	104,499	0	6	0	31,717	152,256	183,974	
2002/2003	128,912	0	6	0	61,794	104,699	166,493	
2003/2004	121,303	0	8	0	37,348	108,845	146,193	
2004/2005	122,187	0	9	0	111,711	125,498	237,210	
MA Total	591,064	1	37	65,955	270,128	585,845	921,928	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.578	0.241	0.828	1.647			
	2001/2002	0.000	0.304	1.457	1.761			
	2002/2003	0.000	0.479	0.812	1.292			
	2003/2004	0.000	0.308	0.897	1.205			
	2004/2005	0.000	0.914	1.027	1.941			
	MA Total Pure Premium:	0.112	0.457	0.991	1.560			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.081	0.660	0.586				
	(14) Massachusetts Credibility:	0.25	0.42	0.51				
	(15) Countrywide Pure Premium:	0.683	0.355	0.973	2.010			
	(16) Countrywide Indicated Relativity:	0.552	0.571	0.631				
	(17) Countrywide Credibility:	0.38	0.29	0.25				
	(18) Countrywide Lost-time Claims:	89	1,060					
	(19) Pure Premium Underlying Present Rate:	0.822	0.341	0.884	2.047			
	(20) Relativity to Underlying Present Rate:	0.480	0.476	0.567				
	(21) Credibility to Underlying Relativity:	0.370	0.290	0.240				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.407	0.581	0.593				
	(24) Balanced Formula Relativity:	0.405	0.579	0.591	0.521			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000212

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 143

Calculation of Class Relativities

Class(es): 7590 GARBAGE WORKS		Effective: 9/1/2008						Miscellaneous
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)	
2000/2001	44,982	3	1	396,868	1,518	149,655	548,042	
2001/2002	33,677	1	2	92,756	4,636	94,665	192,057	
2002/2003	42,255	0	6	0	42,451	70,987	113,438	
2003/2004	48,918	1	3	125,072	8,303	84,465	217,840	
2004/2005	43,565	1	0	237,079	0	123,944	361,023	
MA Total	213,397	6	12	851,774	56,909	523,718	1,432,401	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	8.823	0.034	3.327	12.184			
	2001/2002	2.754	0.138	2.811	5.703			
	2002/2003	0.000	1.005	1.680	2.685			
	2003/2004	2.557	0.170	1.727	4.453			
	2004/2005	5.442	0.000	2.845	8.287			
	MA Total Pure Premium:	3.992	0.267	2.454	6.712			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	2.914	0.385	1.451				
	(14) Massachusetts Credibility:	0.28	0.49	0.54				
	(15) Countrywide Pure Premium:	0.763	0.437	1.307	2.507			
	(16) Countrywide Indicated Relativity:	0.617	0.704	0.847				
	(17) Countrywide Credibility:	0.32	0.26	0.23				
	(18) Countrywide Lost-time Claims:	27	422					
	(19) Pure Premium Underlying Present Rate:	2.854	1.407	2.820	7.081			
	(20) Relativity to Underlying Present Rate:	1.664	1.965	1.808				
	(21) Credibility to Underlying Relativity:	0.400	0.250	0.230				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	1.679	0.863	1.394				
	(24) Balanced Formula Relativity:	1.670	0.860	1.390	1.394			

Class(es): 7600 TELEPHONE OR TELEGRAPH CO: ALL OTHER EMP & DR		Effective: 9/1/2008						Miscellaneous
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)	
2000/2001	1,261,446	9	66	812,292	444,135	1,292,309	2,548,736	
2001/2002	1,265,416	12	71	1,617,565	344,562	1,170,986	3,133,112	
2002/2003	1,082,688	10	85	1,307,458	689,967	1,538,278	3,535,703	
2003/2004	1,059,193	9	75	1,499,763	471,646	1,071,186	3,042,595	
2004/2005	1,169,851	4	85	845,423	673,627	1,034,530	2,553,580	
MA Total	5,838,594	44	382	6,082,501	2,623,936	6,107,289	14,813,727	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.644	0.352	1.024	2.020			
	2001/2002	1.278	0.272	0.925	2.476			
	2002/2003	1.208	0.637	1.421	3.266			
	2003/2004	1.416	0.445	1.011	2.873			
	2004/2005	0.723	0.576	0.884	2.183			
	MA Total Pure Premium:	1.042	0.449	1.046	2.537			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.760	0.649	0.619				
	(14) Massachusetts Credibility:	0.75	1.00	1.00				
	(15) Countrywide Pure Premium:	0.699	0.379	0.922	2.000			
	(16) Countrywide Indicated Relativity:	0.565	0.611	0.598				
	(17) Countrywide Credibility:	0.13	0.00	0.00				
	(18) Countrywide Lost-time Claims:	935	8,968					
	(19) Pure Premium Underlying Present Rate:	1.233	0.441	0.996	2.669			
	(20) Relativity to Underlying Present Rate:	0.719	0.615	0.639				
	(21) Credibility to Underlying Relativity:	0.120	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.730	0.649	0.619				
	(24) Balanced Formula Relativity:	0.726	0.647	0.617	0.662			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000213

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 144

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,351,468	1	20	45,921	113,686	229,997	389,604		
2001/2002	2,879,803	1	9	86,096	62,273	192,362	340,731		
2002/2003	2,726,610	0	21	0	49,255	132,969	182,224		
2003/2004	2,784,071	0	6	0	75,991	387,779	463,770		
2004/2005	2,864,388	0	8	0	104,886	96,202	201,088		
MA Total	14,606,340	2	64	132,017	406,091	1,039,309	1,577,418		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.014	0.034	0.069	0.116				
	2001/2002	0.030	0.022	0.067	0.118				
	2002/2003	0.000	0.018	0.049	0.067				
	2003/2004	0.000	0.027	0.139	0.167				
	2004/2005	0.000	0.037	0.034	0.070				
	MA Total Pure Premium:	0.009	0.028	0.071	0.108				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.188	0.821	0.882					
	(14) Massachusetts Credibility:	0.31	0.54	0.63					
	(15) Countrywide Pure Premium:	0.067	0.043	0.116	0.226				
	(16) Countrywide Indicated Relativity:	1.439	1.303	1.475					
	(17) Countrywide Credibility:	0.35	0.23	0.19					
	(18) Countrywide Lost-time Claims:	399	3,112						
	(19) Pure Premium Underlying Present Rate:	0.053	0.027	0.059	0.139				
	(20) Relativity to Underlying Present Rate:	0.929	0.730	0.852					
	(21) Credibility to Underlying Relativity:	0.340	0.230	0.180					
	(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163				
	(23) Formula Relativity:	0.878	0.911	0.989					
	(24) Balanced Formula Relativity:	0.872	0.909	0.985	0.936				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	19,571	0	1	0	49	5,485	5,534		
2001/2002	48,396	0	3	0	2,805	6,179	8,983		
2002/2003	20,085	0	1	0	50	5,964	6,014		
2003/2004	22,415	0	1	0	493	126	618		
2004/2005	22,505	0	3	0	29,820	36,713	66,534		
MA Total	132,972	0	9	0	33,217	54,467	87,683		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.003	0.280	0.283				
	2001/2002	0.000	0.058	0.128	0.186				
	2002/2003	0.000	0.002	0.297	0.299				
	2003/2004	0.000	0.022	0.006	0.028				
	2004/2005	0.000	1.325	1.631	2.956				
	MA Total Pure Premium:	0.000	0.250	0.410	0.659				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.361	0.242					
	(14) Massachusetts Credibility:	0.09	0.17	0.21					
	(15) Countrywide Pure Premium:	1.103	0.562	1.587	3.253				
	(16) Countrywide Indicated Relativity:	0.891	0.906	1.029					
	(17) Countrywide Credibility:	0.46	0.42	0.40					
	(18) Countrywide Lost-time Claims:	179	3,266						
	(19) Pure Premium Underlying Present Rate:	0.299	0.151	0.411	0.861				
	(20) Relativity to Underlying Present Rate:	0.174	0.211	0.264					
	(21) Credibility to Underlying Relativity:	0.450	0.410	0.390					
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753				
	(23) Formula Relativity:	0.488	0.528	0.565					
	(24) Balanced Formula Relativity:	0.486	0.527	0.563	0.528				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000214

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 145

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)		
2000/2001	1,226,193	6	64	527,586	178,256	612,976	1,318,818		
2001/2002	1,511,205	4	73	275,287	232,338	776,709	1,284,334		
2002/2003	1,485,329	2	69	253,743	257,225	657,859	1,168,828		
2003/2004	1,394,411	4	65	501,227	251,531	712,721	1,465,478		
2004/2005	1,352,467	4	48	917,286	445,907	1,338,122	2,701,315		
MA Total	6,969,605	20	319	2,475,129	1,365,257	4,098,387	7,938,773		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.430	0.145	0.500	1.076			
		2001/2002	0.182	0.154	0.514	0.850			
		2002/2003	0.171	0.173	0.443	0.787			
		2003/2004	0.359	0.180	0.511	1.051			
		2004/2005	0.678	0.330	0.989	1.997			
		MA Total Pure Premium:	0.355	0.196	0.588	1.139			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.259	0.283	0.348				
		(14) Massachusetts Credibility:	0.58	0.91	1.00				
		(15) Countrywide Pure Premium:	0.601	0.389	0.995	1.985			
		(16) Countrywide Indicated Relativity:	0.485	0.627	0.645				
		(17) Countrywide Credibility:	0.21	0.05	0.00				
		(18) Countrywide Lost-time Claims:	842	13,830					
		(19) Pure Premium Underlying Present Rate:	0.543	0.205	0.462	1.210			
		(20) Relativity to Underlying Present Rate:	0.316	0.287	0.296				
		(21) Credibility to Underlying Relativity:	0.210	0.040	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	0.319	0.300	0.348				
		(24) Balanced Formula Relativity:	0.317	0.299	0.347	0.327			

Class(es):		Effective: 9/1/2008						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)		
2000/2001	8,169	0	3	0	53,840	26,709	80,549		
2001/2002	8,490	0	0	0	0	2,097	2,097		
2002/2003	9,615	0	1	0	4,091	1,134	5,224		
2003/2004	14,034	0	1	0	26,875	2,344	29,220		
2004/2005	16,730	0	0	0	0	3,360	3,360		
MA Total	57,038	0	5	0	84,806	35,644	120,449		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	6.591	3.270	9.861			
		2001/2002	0.000	0.000	0.247	0.247			
		2002/2003	0.000	0.425	0.118	0.543			
		2003/2004	0.000	1.915	0.167	2.082			
		2004/2005	0.000	0.000	0.201	0.201			
		MA Total Pure Premium:	0.000	1.487	0.625	2.112			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	2.231	0.333				
		(14) Massachusetts Credibility:	0.17	0.26	0.33				
		(15) Countrywide Pure Premium:	3.169	0.645	1.759	5.573			
		(16) Countrywide Indicated Relativity:	1.574	0.992	0.984				
		(17) Countrywide Credibility:	0.42	0.37	0.34				
		(18) Countrywide Lost-time Claims:	71	395					
		(19) Pure Premium Underlying Present Rate:	3.116	1.041	2.985	7.142			
		(20) Relativity to Underlying Present Rate:	1.354	1.454	1.857				
		(21) Credibility to Underlying Relativity:	0.410	0.370	0.330				
		(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
		(23) Formula Relativity:	1.216	1.485	1.057				
		(24) Balanced Formula Relativity:	1.219	1.487	1.057	1.192			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000215

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 146

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	736,773	2	37	184,565	96,958	278,638	560,162		
2001/2002	747,484	4	35	314,762	131,585	473,518	919,864		
2002/2003	772,248	2	33	150,163	284,686	333,071	767,920		
2003/2004	706,572	1	33	89,640	159,560	347,311	596,511		
2004/2005	705,235	0	30	0	239,926	265,189	505,115		
MA Total	3,668,312	9	168	739,131	912,714	1,697,727	3,349,572		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.251	0.132	0.378	0.760				
	2001/2002	0.421	0.176	0.633	1.231				
	2002/2003	0.194	0.369	0.431	0.994				
	2003/2004	0.127	0.226	0.492	0.844				
	2004/2005	0.000	0.340	0.376	0.716				
	MA Total Pure Premium:	0.201	0.249	0.463	0.913				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.413	0.759	0.629					
	(14) Massachusetts Credibility:	0.35	0.74	0.85					
	(15) Countrywide Pure Premium:	0.342	0.321	0.736	1.399				
	(16) Countrywide Indicated Relativity:	0.684	0.954	0.970					
	(17) Countrywide Credibility:	0.33	0.13	0.08					
	(18) Countrywide Lost-time Claims:	171	2,432						
	(19) Pure Premium Underlying Present Rate:	0.302	0.228	0.501	1.031				
	(20) Relativity to Underlying Present Rate:	0.541	0.653	0.753					
	(21) Credibility to Underlying Relativity:	0.320	0.130	0.070					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.543	0.770	0.665					
	(24) Balanced Formula Relativity:	0.538	0.768	0.662	0.645				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	158,240	2	12	245,402	50,014	129,952	425,368		
2001/2002	147,122	0	8	0	49,896	56,319	106,216		
2002/2003	142,210	1	8	78,948	29,539	91,029	199,516		
2003/2004	134,334	2	5	258,730	3,673	205,979	468,382		
2004/2005	74,561	0	2	0	70,966	73,571	144,537		
MA Total	656,467	5	35	583,081	204,088	556,849	1,344,018		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	1.551	0.316	0.821	2.688				
	2001/2002	0.000	0.339	0.383	0.722				
	2002/2003	0.555	0.208	0.640	1.403				
	2003/2004	1.926	0.027	1.533	3.487				
	2004/2005	0.000	0.952	0.987	1.938				
	MA Total Pure Premium:	0.888	0.311	0.848	2.047				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.819	0.948	1.153					
	(14) Massachusetts Credibility:	0.26	0.45	0.59					
	(15) Countrywide Pure Premium:	0.332	0.360	0.796	1.488				
	(16) Countrywide Indicated Relativity:	0.663	1.072	1.050					
	(17) Countrywide Credibility:	0.37	0.28	0.21					
	(18) Countrywide Lost-time Claims:	62	1,934						
	(19) Pure Premium Underlying Present Rate:	0.784	0.372	1.129	2.286				
	(20) Relativity to Underlying Present Rate:	1.409	1.063	1.696					
	(21) Credibility to Underlying Relativity:	0.370	0.270	0.200					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	1.239	1.014	1.240					
	(24) Balanced Formula Relativity:	1.226	1.011	1.235	1.185				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000216

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 147

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,484,085	3	78	190,094	326,946	549,286	1,066,326		
2001/2002	1,648,213	3	100	186,355	359,346	710,275	1,255,976		
2002/2003	1,481,614	1	61	77,827	318,423	504,699	900,950		
2003/2004	1,773,803	5	84	661,850	527,465	1,722,263	2,911,578		
2004/2005	1,873,939	5	58	915,971	361,979	1,446,387	2,724,337		
MA Total	8,261,654	17	381	2,032,097	1,894,160	4,932,910	8,859,167		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.128	0.220	0.370	0.719				
	2001/2002	0.113	0.218	0.431	0.762				
	2002/2003	0.053	0.215	0.341	0.608				
	2003/2004	0.373	0.297	0.971	1.641				
	2004/2005	0.489	0.193	0.772	1.454				
	MA Total Pure Premium:	0.246	0.229	0.597	1.072				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.504	0.699	0.812					
	(14) Massachusetts Credibility:	0.54	1.00	1.00					
	(15) Countrywide Pure Premium:	0.397	0.346	0.804	1.547				
	(16) Countrywide Indicated Relativity:	0.794	1.030	1.060					
	(17) Countrywide Credibility:	0.23	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,224	17,958						
	(19) Pure Premium Underlying Present Rate:	0.383	0.228	0.432	1.043				
	(20) Relativity to Underlying Present Rate:	0.689	0.652	0.649					
	(21) Credibility to Underlying Relativity:	0.230	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.613	0.699	0.812					
	(24) Balanced Formula Relativity:	0.606	0.697	0.808	0.721				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,756,700	6	88	434,825	545,346	834,166	1,814,337		
2001/2002	2,453,938	3	82	217,998	362,458	591,498	1,171,955		
2002/2003	2,415,590	4	61	374,089	230,064	602,931	1,207,084		
2003/2004	2,553,991	2	51	195,948	241,449	759,285	1,196,682		
2004/2005	2,720,954	2	80	344,701	569,309	1,256,687	2,170,696		
MA Total	12,901,173	17	362	1,567,562	1,948,625	4,044,567	7,560,754		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.158	0.198	0.303	0.658				
	2001/2002	0.089	0.148	0.241	0.478				
	2002/2003	0.155	0.095	0.250	0.500				
	2003/2004	0.077	0.095	0.297	0.469				
	2004/2005	0.127	0.209	0.462	0.798				
	MA Total Pure Premium:	0.122	0.151	0.314	0.586				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.249	0.461	0.426					
	(14) Massachusetts Credibility:	0.54	1.00	1.00					
	(15) Countrywide Pure Premium:	0.264	0.204	0.483	0.951				
	(16) Countrywide Indicated Relativity:	0.529	0.606	0.637					
	(17) Countrywide Credibility:	0.23	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,468	16,693						
	(19) Pure Premium Underlying Present Rate:	0.246	0.157	0.293	0.697				
	(20) Relativity to Underlying Present Rate:	0.442	0.450	0.440					
	(21) Credibility to Underlying Relativity:	0.230	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.358	0.461	0.426					
	(24) Balanced Formula Relativity:	0.354	0.459	0.424	0.409				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000217

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 148

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,853,616	7	119	523,020	563,368	1,037,889	2,124,278		
2001/2002	1,852,368	3	99	257,613	538,117	865,916	1,661,646		
2002/2003	1,913,317	5	98	465,998	566,869	1,350,105	2,382,972		
2003/2004	1,878,055	8	80	1,011,546	538,742	1,593,288	3,143,576		
2004/2005	1,974,711	5	108	1,215,282	742,126	1,500,620	3,458,027		
MA Total	9,472,067	28	504	3,473,458	2,949,222	6,347,818	12,770,497		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.282	0.304	0.560	1.146		
		2001/2002		0.139	0.291	0.467	0.897		
		2002/2003		0.244	0.296	0.706	1.245		
		2003/2004		0.539	0.287	0.848	1.674		
		2004/2005		0.615	0.376	0.760	1.751		
		MA Total Pure Premium:		0.367	0.311	0.670	1.348		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.751	0.949	0.911			
		(14) Massachusetts Credibility:		0.60	1.00	1.00			
		(15) Countrywide Pure Premium:		0.429	0.288	0.700	1.417		
		(16) Countrywide Indicated Relativity:		0.858	0.855	0.923			
		(17) Countrywide Credibility:		0.20	0.00	0.00			
		(18) Countrywide Lost-time Claims:		387	8,261				
		(19) Pure Premium Underlying Present Rate:		0.443	0.279	0.598	1.319		
		(20) Relativity to Underlying Present Rate:		0.795	0.796	0.899			
		(21) Credibility to Underlying Relativity:		0.200	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.781	0.949	0.911			
		(24) Balanced Formula Relativity:		0.773	0.947	0.907	0.873		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,003,367	1	11	101,903	66,847	59,528	228,279		
2001/2002	945,727	2	11	270,164	121,493	216,058	607,714		
2002/2003	1,073,405	0	12	0	24,807	142,819	167,627		
2003/2004	1,051,244	0	8	0	69,383	61,940	131,323		
2004/2005	1,086,252	1	10	142,798	148,194	260,291	551,282		
MA Total	5,159,995	4	52	514,865	430,724	740,636	1,686,225		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.102	0.067	0.059	0.228		
		2001/2002		0.286	0.128	0.228	0.643		
		2002/2003		0.000	0.023	0.133	0.156		
		2003/2004		0.000	0.066	0.059	0.125		
		2004/2005		0.131	0.136	0.240	0.508		
		MA Total Pure Premium:		0.100	0.083	0.144	0.327		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.204	0.255	0.195			
		(14) Massachusetts Credibility:		0.33	0.55	0.60			
		(15) Countrywide Pure Premium:		0.147	0.070	0.154	0.370		
		(16) Countrywide Indicated Relativity:		0.293	0.208	0.203			
		(17) Countrywide Credibility:		0.34	0.23	0.20			
		(18) Countrywide Lost-time Claims:		206	1,608				
		(19) Pure Premium Underlying Present Rate:		0.176	0.078	0.150	0.404		
		(20) Relativity to Underlying Present Rate:		0.316	0.224	0.226			
		(21) Credibility to Underlying Relativity:		0.330	0.220	0.200			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.271	0.237	0.203			
		(24) Balanced Formula Relativity:		0.268	0.237	0.202	0.230		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000218

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 149

Calculation of Class Relativities

Class(es): 8017 STORE: RETAIL NOC		Effective: 9/1/2008				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)
2000/2001	10,093,148	31	461	2,570,631	2,067,600	4,606,323	9,244,554
2001/2002	10,821,118	30	482	2,730,247	2,464,621	5,221,719	10,416,587
2002/2003	10,584,508	31	502	2,725,273	1,789,580	4,739,374	9,254,227
2003/2004	10,347,747	31	471	3,594,829	2,312,761	5,122,503	11,030,093
2004/2005	10,458,225	6	367	1,167,596	1,882,077	3,532,913	6,582,586
MA Total	52,304,746	129	2,283	12,788,576	10,516,638	23,222,832	46,528,046
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.255	0.205	0.456	0.916		
	2001/2002	0.252	0.228	0.483	0.963		
	2002/2003	0.257	0.169	0.448	0.874		
	2003/2004	0.347	0.224	0.495	1.066		
	2004/2005	0.112	0.180	0.338	0.629		
	MA Total Pure Premium:	0.245	0.201	0.444	0.890		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.501	0.613	0.603			
	(14) Massachusetts Credibility:	1.00	1.00	1.00	1.066		
	(15) Countrywide Pure Premium:	0.256	0.246	0.564			
	(16) Countrywide Indicated Relativity:	0.512	0.731	0.745			
	(17) Countrywide Credibility:	0.00	0.00	0.00			
	(18) Countrywide Lost-time Claims:	4,430	65,579				
	(19) Pure Premium Underlying Present Rate:	0.329	0.215	0.468	1.012		
	(20) Relativity to Underlying Present Rate:	0.591	0.614	0.703			
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	0.501	0.613	0.603			
	(24) Balanced Formula Relativity:	0.495	0.612	0.601	0.570		

Class(es): 8018 STORE: WHOLESALE NOC		Effective: 9/1/2008				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)
2000/2001	2,933,550	29	381	2,220,305	1,644,106	3,268,195	7,132,607
2001/2002	2,730,770	34	445	3,083,618	1,900,628	5,292,537	10,276,783
2002/2003	2,675,571	19	286	1,563,976	1,629,012	3,280,168	6,473,156
2003/2004	2,664,371	24	327	2,565,918	2,132,473	3,794,724	8,493,115
2004/2005	2,643,977	7	253	1,171,617	1,702,017	2,712,885	5,586,518
MA Total	13,648,239	113	1,692	10,605,434	9,008,236	18,348,508	37,962,178
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.757	0.560	1.114	2.431		
	2001/2002	1.129	0.696	1.938	3.763		
	2002/2003	0.585	0.609	1.226	2.419		
	2003/2004	0.963	0.800	1.424	3.188		
	2004/2005	0.443	0.644	1.026	2.113		
	MA Total Pure Premium:	0.777	0.660	1.344	2.781		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.591	2.013	1.827			
	(14) Massachusetts Credibility:	0.93	1.00	1.00	2.115		
	(15) Countrywide Pure Premium:	0.639	0.463	1.013			
	(16) Countrywide Indicated Relativity:	1.277	1.378	1.337			
	(17) Countrywide Credibility:	0.04	0.00	0.00			
	(18) Countrywide Lost-time Claims:	3,385	36,885				
	(19) Pure Premium Underlying Present Rate:	0.905	0.731	1.319	2.954		
	(20) Relativity to Underlying Present Rate:	1.625	2.088	1.981			
	(21) Credibility to Underlying Relativity:	0.030	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	1.579	2.013	1.827			
	(24) Balanced Formula Relativity:	1.562	2.008	1.819	1.778		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000219

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 150

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	583,612	12	62	1,138,678	368,111	727,186	2,233,975		
2001/2002	630,711	6	51	641,176	266,850	543,088	1,451,113		
2002/2003	617,104	11	48	1,221,970	295,769	1,667,617	3,185,355		
2003/2004	611,543	3	54	243,105	260,086	554,398	1,057,589		
2004/2005	602,774	1	31	155,001	178,646	517,472	851,119		
MA Total	3,045,744	33	246	3,399,930	1,369,461	4,009,760	8,779,151		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		1.951	0.631	1.246	3.828		
		2001/2002		1.017	0.423	0.861	2.301		
		2002/2003		1.980	0.479	2.702	5.162		
		2003/2004		0.398	0.425	0.907	1.729		
		2004/2005		0.257	0.296	0.858	1.412		
		MA Total Pure Premium:		1.116	0.450	1.317	2.882		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.286	1.371	1.789			
		(14) Massachusetts Credibility:		0.59	0.96	1.00			
		(15) Countrywide Pure Premium:		0.634	0.427	0.998	2.059		
		(16) Countrywide Indicated Relativity:		1.268	1.271	1.316			
		(17) Countrywide Credibility:		0.21	0.02	0.00			
		(18) Countrywide Lost-time Claims:		397	4,798				
		(19) Pure Premium Underlying Present Rate:		1.309	0.528	1.240	3.077		
		(20) Relativity to Underlying Present Rate:		2.352	1.508	1.863			
		(21) Credibility to Underlying Relativity:		0.200	0.020	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.085	1.372	1.789			
		(24) Balanced Formula Relativity:		2.062	1.368	1.781	1.783		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	221,408	0	22	0	125,245	93,037	218,281		
2001/2002	232,979	2	13	278,424	107,028	130,681	516,133		
2002/2003	217,979	1	18	178,418	76,472	148,601	403,491		
2003/2004	206,389	1	14	119,124	31,171	142,026	292,321		
2004/2005	193,704	2	8	445,657	187,533	754,815	1,388,005		
MA Total	1,072,459	6	75	1,021,622	527,449	1,269,159	2,818,230		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.000	0.566	0.420	0.986		
		2001/2002		1.195	0.459	0.561	2.215		
		2002/2003		0.819	0.351	0.682	1.851		
		2003/2004		0.577	0.151	0.688	1.416		
		2004/2005		2.301	0.968	3.897	7.166		
		MA Total Pure Premium:		0.953	0.492	1.183	2.628		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.950	1.500	1.608			
		(14) Massachusetts Credibility:		0.32	0.56	0.58			
		(15) Countrywide Pure Premium:		0.655	0.630	1.164	2.449		
		(16) Countrywide Indicated Relativity:		1.309	1.875	1.535			
		(17) Countrywide Credibility:		0.34	0.22	0.21			
		(18) Countrywide Lost-time Claims:		299	2,892				
		(19) Pure Premium Underlying Present Rate:		0.794	0.396	0.655	1.845		
		(20) Relativity to Underlying Present Rate:		1.426	1.132	0.984			
		(21) Credibility to Underlying Relativity:		0.340	0.220	0.210			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		1.554	1.501	1.462			
		(24) Balanced Formula Relativity:		1.537	1.498	1.455	1.490		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000220

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 151

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
8032 STORE: CLOTHING, WEARING APPAREL OR DRY GOODS - 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)			
2000/2001	405,855	0	25	0	129,207	126,707	255,915		
2001/2002	300,423	0	12	0	71,718	71,254	142,972		
2002/2003	319,949	1	17	72,119	47,094	156,240	275,453		
2003/2004	311,885	0	11	0	84,722	77,994	162,716		
2004/2005	317,788	0	20	0	114,556	185,907	300,464		
MA Total	1,655,900	1	85	72,119	447,298	618,102	1,137,519		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.318	0.312	0.631			
		2001/2002	0.000	0.239	0.237	0.476			
		2002/2003	0.225	0.147	0.488	0.861			
		2003/2004	0.000	0.272	0.250	0.522			
		2004/2005	0.000	0.360	0.585	0.945			
		MA Total Pure Premium:	0.044	0.270	0.373	0.687			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.089	0.824	0.507				
		(14) Massachusetts Credibility:	0.32	0.66	0.65				
		(15) Countrywide Pure Premium:	0.435	0.375	0.785	1.596			
		(16) Countrywide Indicated Relativity:	0.869	1.117	1.036				
		(17) Countrywide Credibility:	0.34	0.17	0.18				
		(18) Countrywide Lost-time Claims:	265	2,896					
		(19) Pure Premium Underlying Present Rate:	0.507	0.378	0.579	1.464			
		(20) Relativity to Underlying Present Rate:	0.910	1.082	0.870				
		(21) Credibility to Underlying Relativity:	0.340	0.170	0.170				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	0.633	0.917	0.664				
		(24) Balanced Formula Relativity:	0.626	0.915	0.661	0.704			

Class(es):		Effective: 9/1/2008						Goods & Services	
8033 STORE: MEAT, GROCERY & PROVISION COMBINED RETAIL-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)			
2000/2001	1,742,065	8	166	824,197	624,281	1,330,996	2,779,473		
2001/2002	1,093,819	9	97	1,033,382	419,291	936,076	2,388,749		
2002/2003	1,005,626	2	80	122,942	412,848	517,674	1,053,464		
2003/2004	1,013,239	3	57	284,374	510,188	949,303	1,743,864		
2004/2005	1,119,851	2	61	629,845	443,828	843,254	1,916,928		
MA Total	5,974,600	24	461	2,894,741	2,410,436	4,577,302	9,882,479		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.473	0.358	0.764	1.596			
		2001/2002	0.945	0.383	0.856	2.184			
		2002/2003	0.122	0.411	0.515	1.048			
		2003/2004	0.281	0.504	0.937	1.721			
		2004/2005	0.562	0.396	0.753	1.712			
		MA Total Pure Premium:	0.485	0.403	0.766	1.654			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.992	1.230	1.041				
		(14) Massachusetts Credibility:	0.51	1.00	1.00				
		(15) Countrywide Pure Premium:	0.505	0.378	0.806	1.690			
		(16) Countrywide Indicated Relativity:	1.010	1.126	1.064				
		(17) Countrywide Credibility:	0.25	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,030	24,620					
		(19) Pure Premium Underlying Present Rate:	0.463	0.477	0.664	1.603			
		(20) Relativity to Underlying Present Rate:	0.831	1.364	0.997				
		(21) Credibility to Underlying Relativity:	0.240	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	0.958	1.230	1.041				
		(24) Balanced Formula Relativity:	0.947	1.227	1.037	1.049			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000221

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 152

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				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)
2000/2001	168,874	1	35	137,872	145,460	275,593	558,924
2001/2002	165,113	1	16	88,506	119,066	148,600	356,172
2002/2003	191,262	1	20	143,569	57,464	204,385	405,418
2003/2004	172,143	2	17	288,289	91,214	385,659	765,161
2004/2005	201,662	1	27	263,195	163,707	267,568	694,471
MA Total	899,054	6	115	921,431	576,910	1,281,804	2,780,146
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.816	0.861	1.632	3.310		
	2001/2002	0.536	0.721	0.900	2.157		
	2002/2003	0.751	0.300	1.069	2.120		
	2003/2004	1.675	0.530	2.240	4.445		
	2004/2005	1.305	0.812	1.327	3.444		
	MA Total Pure Premium:	1.025	0.642	1.426	3.092		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	2.098	1.957	1.938			
	(14) Massachusetts Credibility:	0.37	0.63	0.73			
	(15) Countrywide Pure Premium:	1.054	0.912	1.875	3.840		
	(16) Countrywide Indicated Relativity:	2.106	2.713	2.473			
	(17) Countrywide Credibility:	0.32	0.19	0.14			
	(18) Countrywide Lost-time Claims:	110	2,114				
	(19) Pure Premium Underlying Present Rate:	1.356	0.641	1.400	3.397		
	(20) Relativity to Underlying Present Rate:	2.434	1.832	2.103			
	(21) Credibility to Underlying Relativity:	0.310	0.180	0.130			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	2.205	2.078	2.034			
	(24) Balanced Formula Relativity:	2.181	2.073	2.025	2.084		

Class(es):		Effective: 9/1/2008				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)
2000/2001	579,374	1	101	112,782	286,394	398,378	797,554
2001/2002	612,222	3	78	272,353	251,660	413,136	937,149
2002/2003	146,556	0	8	0	44,448	52,343	96,791
2003/2004	201,528	0	15	0	54,411	121,596	176,007
2004/2005	153,538	0	20	0	83,177	148,349	231,526
MA Total	1,693,218	4	222	385,135	720,090	1,133,803	2,239,028
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.195	0.494	0.688	1.377		
	2001/2002	0.445	0.411	0.675	1.531		
	2002/2003	0.000	0.303	0.357	0.660		
	2003/2004	0.000	0.270	0.603	0.873		
	2004/2005	0.000	0.542	0.966	1.508		
	MA Total Pure Premium:	0.227	0.425	0.670	1.322		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.466	1.297	0.910			
	(14) Massachusetts Credibility:	0.30	0.73	0.81			
	(15) Countrywide Pure Premium:	0.359	0.322	0.790	1.470		
	(16) Countrywide Indicated Relativity:	0.718	0.957	1.042			
	(17) Countrywide Credibility:	0.35	0.14	0.10			
	(18) Countrywide Lost-time Claims:	802	10,844				
	(19) Pure Premium Underlying Present Rate:	0.443	0.489	0.967	1.899		
	(20) Relativity to Underlying Present Rate:	0.795	1.399	1.452			
	(21) Credibility to Underlying Relativity:	0.350	0.130	0.090			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	0.669	1.262	0.972			
	(24) Balanced Formula Relativity:	0.662	1.259	0.968	0.933		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000222

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 153

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,289,490	9	155	975,752	561,896	1,407,838	2,945,485		
2001/2002	1,287,793	13	185	1,140,116	832,499	1,672,975	3,645,589		
2002/2003	1,281,531	16	140	2,038,008	769,319	2,141,436	4,948,764		
2003/2004	1,278,353	9	123	1,131,614	535,407	1,660,661	3,327,682		
2004/2005	1,391,696	4	127	986,436	975,109	1,651,502	3,613,047		
MA Total	6,528,863	51	730	6,271,925	3,674,231	8,534,412	18,480,567		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.757	0.436	1.092	2.284		
		2001/2002		0.885	0.646	1.299	2.831		
		2002/2003		1.590	0.600	1.671	3.862		
		2003/2004		0.885	0.419	1.299	2.603		
		2004/2005		0.709	0.701	1.187	2.596		
		MA Total Pure Premium:		0.961	0.563	1.307	2.831		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.967	1.716	1.777			
		(14) Massachusetts Credibility:		0.74	1.00	1.00			
		(15) Countrywide Pure Premium:		0.748	0.476	0.966	2.190		
		(16) Countrywide Indicated Relativity:		1.494	1.416	1.275			
		(17) Countrywide Credibility:		0.13	0.00	0.00			
		(18) Countrywide Lost-time Claims:		658	12,553				
		(19) Pure Premium Underlying Present Rate:		1.073	0.611	1.052	2.736		
		(20) Relativity to Underlying Present Rate:		1.927	1.746	1.581			
		(21) Credibility to Underlying Relativity:		0.130	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		1.900	1.716	1.777			
		(24) Balanced Formula Relativity:		1.880	1.712	1.769	1.792		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	351,907	1	25	83,299	171,608	190,286	445,194		
2001/2002	355,001	2	37	401,770	120,136	392,845	914,751		
2002/2003	323,074	1	17	210,910	124,807	154,581	490,298		
2003/2004	278,055	1	13	175,831	66,237	316,551	558,618		
2004/2005	316,740	0	24	0	166,478	192,991	359,469		
MA Total	1,624,777	5	116	871,810	649,265	1,247,254	2,768,329		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.237	0.488	0.541	1.265		
		2001/2002		1.132	0.338	1.107	2.577		
		2002/2003		0.653	0.386	0.478	1.518		
		2003/2004		0.632	0.238	1.138	2.009		
		2004/2005		0.000	0.526	0.609	1.135		
		MA Total Pure Premium:		0.537	0.400	0.768	1.704		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.099	1.219	1.043			
		(14) Massachusetts Credibility:		0.34	0.69	0.70			
		(15) Countrywide Pure Premium:		0.456	0.359	0.867	1.682		
		(16) Countrywide Indicated Relativity:		0.911	1.068	1.144			
		(17) Countrywide Credibility:		0.33	0.16	0.15			
		(18) Countrywide Lost-time Claims:		578	7,394				
		(19) Pure Premium Underlying Present Rate:		0.611	0.434	0.706	1.751		
		(20) Relativity to Underlying Present Rate:		1.098	1.241	1.060			
		(21) Credibility to Underlying Relativity:		0.330	0.150	0.150			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		1.037	1.198	1.061			
		(24) Balanced Formula Relativity:		1.025	1.195	1.056	1.076		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000223

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 154

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	228,948	1	26	47,264	101,396	136,894	285,554		
2001/2002	251,190	3	15	275,285	33,798	191,033	500,116		
2002/2003	250,002	1	18	57,205	70,665	108,200	236,071		
2003/2004	271,542	5	18	721,558	104,279	509,760	1,335,597		
2004/2005	289,522	1	20	159,873	144,102	193,841	497,816		
MA Total	1,291,204	11	97	1,261,186	454,241	1,139,727	2,855,154		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.206	0.443	0.598	1.247		
		2001/2002		1.096	0.135	0.761	1.991		
		2002/2003		0.229	0.283	0.433	0.944		
		2003/2004		2.657	0.384	1.877	4.919		
		2004/2005		0.552	0.498	0.670	1.719		
		MA Total Pure Premium:		0.977	0.352	0.883	2.211		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.000	1.073	1.200			
		(14) Massachusetts Credibility:		0.42	0.64	0.69			
		(15) Countrywide Pure Premium:		1.768	0.672	1.459	3.899		
		(16) Countrywide Indicated Relativity:		3.533	1.999	1.925			
		(17) Countrywide Credibility:		0.29	0.18	0.16			
		(18) Countrywide Lost-time Claims:		39	323				
		(19) Pure Premium Underlying Present Rate:		1.341	0.465	0.847	2.653		
		(20) Relativity to Underlying Present Rate:		2.408	1.328	1.273			
		(21) Credibility to Underlying Relativity:		0.290	0.180	0.150			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.563	1.285	1.327			
		(24) Balanced Formula Relativity:		2.535	1.282	1.321	1.695		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,127	0	1	0	905	884	1,789		
2001/2002	3,537	0	0	0	0	0	0		
2002/2003	6,334	0	4	0	17,232	16,327	33,559		
2003/2004	6,457	0	0	0	0	632	632		
2004/2005	3,988	0	0	0	0	688	688		
MA Total	23,443	0	5	0	18,137	18,530	36,667		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.000	0.289	0.283	0.572		
		2001/2002		0.000	0.000	0.000	0.000		
		2002/2003		0.000	2.721	2.578	5.299		
		2003/2004		0.000	0.000	0.098	0.098		
		2004/2005		0.000	0.000	0.172	0.172		
		MA Total Pure Premium:		0.000	0.774	0.790	1.564		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.000	2.359	1.074			
		(14) Massachusetts Credibility:		0.05	0.10	0.13			
		(15) Countrywide Pure Premium:		1.583	0.391	0.863	2.837		
		(16) Countrywide Indicated Relativity:		3.164	1.162	1.139			
		(17) Countrywide Credibility:		0.09	0.13	0.16			
		(18) Countrywide Lost-time Claims:		1	5				
		(19) Pure Premium Underlying Present Rate:		0.389	0.256	0.797	1.443		
		(20) Relativity to Underlying Present Rate:		0.699	0.733	1.198			
		(21) Credibility to Underlying Relativity:		0.860	0.770	0.710			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.886	0.951	1.173			
		(24) Balanced Formula Relativity:		0.876	0.949	1.167	1.030		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000224

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 155

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
8058 BUILDING MATERIAL DEALER-NEW MATERIALS ONLY-STORE EMP									
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)			
2000/2001	223,407	2	35	169,233	141,065	516,573	826,871		
2001/2002	270,491	1	23	150,155	197,444	524,130	871,729		
2002/2003	261,199	0	19	0	76,795	131,138	207,933		
2003/2004	235,181	4	17	574,910	212,540	839,909	1,627,359		
2004/2005	248,648	0	21	0	200,623	233,679	434,302		
MA Total	1,238,926	7	115	894,298	828,467	2,245,428	3,968,193		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.758	0.631	2.312	3.701		
			2001/2002	0.555	0.730	1.938	3.223		
			2002/2003	0.000	0.294	0.502	0.796		
			2003/2004	2.445	0.904	3.571	6.920		
			2004/2005	0.000	0.807	0.940	1.747		
			MA Total Pure Premium:	0.722	0.669	1.812	3.203		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.478	2.039	2.463			
			(14) Massachusetts Credibility:	0.31	0.68	0.80			
			(15) Countrywide Pure Premium:	0.422	0.434	1.082	1.938		
			(16) Countrywide Indicated Relativity:	0.844	1.290	1.427			
			(17) Countrywide Credibility:	0.35	0.16	0.10			
			(18) Countrywide Lost-time Claims:	253	7,034				
			(19) Pure Premium Underlying Present Rate:	0.642	0.548	1.289	2.479		
			(20) Relativity to Underlying Present Rate:	1.152	1.568	1.936			
			(21) Credibility to Underlying Relativity:	0.340	0.160	0.100			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.145	1.844	2.307			
			(24) Balanced Formula Relativity:	1.133	1.839	2.297	1.834		

Class(es):		Effective: 9/1/2008						Goods & Services	
8103 WOOL 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)			
2000/2001	32,262	0	0	0	0	4,207	4,207		
2001/2002	26,886	0	3	0	8,470	14,780	23,249		
2002/2003	27,132	1	1	133,929	323	10,369	144,621		
2003/2004	31,352	0	0	0	0	5,780	5,780		
2004/2005	34,423	0	1	0	38,543	13,553	52,097		
MA Total	152,055	1	5	133,929	47,336	48,688	229,954		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.000	0.000	0.130	0.130		
			2001/2002	0.000	0.315	0.550	0.865		
			2002/2003	4.936	0.012	0.382	5.330		
			2003/2004	0.000	0.000	0.184	0.184		
			2004/2005	0.000	1.120	0.394	1.513		
			MA Total Pure Premium:	0.881	0.311	0.320	1.512		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.803	0.949	0.435			
			(14) Massachusetts Credibility:	0.16	0.25	0.34			
			(15) Countrywide Pure Premium:	1.135	0.389	1.513	3.037		
			(16) Countrywide Indicated Relativity:	2.269	1.157	1.996			
			(17) Countrywide Credibility:	0.33	0.38	0.33			
			(18) Countrywide Lost-time Claims:	29	125				
			(19) Pure Premium Underlying Present Rate:	1.006	0.378	1.214	2.598		
			(20) Relativity to Underlying Present Rate:	1.806	1.080	1.824			
			(21) Credibility to Underlying Relativity:	0.510	0.370	0.330			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.958	1.077	1.408			
			(24) Balanced Formula Relativity:	1.937	1.074	1.402	1.501		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000225

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 156

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	8,879	1	0	92,151	0	11,426	103,576		
2001/2002	8,565	0	1	0	466	4,908	5,374		
2002/2003	9,887	0	0	0	0	0	0		
2003/2004	10,664	0	0	0	0	0	0		
2004/2005	10,195	1	1	189,746	1,301	179,343	370,390		
MA Total	48,190	2	2	281,897	1,767	195,676	479,340		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	10.378	0.000	1.287	11.665		
			2001/2002	0.000	0.054	0.573	0.627		
			2002/2003	0.000	0.000	0.000	0.000		
			2003/2004	0.000	0.000	0.000	0.000		
			2004/2005	18.612	0.128	17.592	36.331		
			MA Total Pure Premium:	5.850	0.037	4.061	9.947		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	11.977	0.112	5.519			
			(14) Massachusetts Credibility:	0.13	0.14	0.22			
			(15) Countrywide Pure Premium:	0.751	0.490	1.568	2.810		
			(16) Countrywide Indicated Relativity:	1.502	1.458	2.069			
			(17) Countrywide Credibility:	0.09	0.19	0.23			
			(18) Countrywide Lost-time Claims:	1	15				
			(19) Pure Premium Underlying Present Rate:	1.797	0.278	1.246	3.322		
			(20) Relativity to Underlying Present Rate:	3.228	0.795	1.872			
			(21) Credibility to Underlying Relativity:	0.780	0.670	0.550			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	4.210	0.825	2.720			
			(24) Balanced Formula Relativity:	4.164	0.823	2.708	2.768		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	171,222	4	43	498,904	316,703	603,899	1,419,506		
2001/2002	152,779	2	35	270,852	289,279	419,311	979,443		
2002/2003	148,348	0	33	0	218,235	406,201	624,436		
2003/2004	159,513	4	37	696,489	194,566	647,443	1,538,498		
2004/2005	138,486	0	16	0	130,959	215,466	346,425		
MA Total	770,348	10	164	1,466,245	1,149,743	2,292,321	4,908,309		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.914	1.850	3.527	8.290		
			2001/2002	1.773	1.893	2.745	6.411		
			2002/2003	0.000	1.471	2.738	4.209		
			2003/2004	4.366	1.220	4.059	9.645		
			2004/2005	0.000	0.946	1.556	2.502		
			MA Total Pure Premium:	1.903	1.492	2.976	6.372		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.897	4.551	4.044			
			(14) Massachusetts Credibility:	0.40	0.88	0.90			
			(15) Countrywide Pure Premium:	1.238	0.674	1.570	3.482		
			(16) Countrywide Indicated Relativity:	2.475	2.004	2.071			
			(17) Countrywide Credibility:	0.30	0.06	0.05			
			(18) Countrywide Lost-time Claims:	342	3,929				
			(19) Pure Premium Underlying Present Rate:	1.999	1.692	2.813	6.504		
			(20) Relativity to Underlying Present Rate:	3.590	4.837	4.226			
			(21) Credibility to Underlying Relativity:	0.300	0.060	0.050			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	3.378	4.416	3.955			
			(24) Balanced Formula Relativity:	3.342	4.404	3.937	3.849		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000226

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 157

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
8107 MACHINERY DEALER- NOC- STORE OR YARD & 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)			
2000/2001	634,159	2	48	176,605	272,384	584,088	1,033,077		
2001/2002	574,694	3	35	344,682	205,923	620,631	1,171,236		
2002/2003	607,746	6	45	784,975	333,148	1,073,199	2,191,322		
2003/2004	557,523	7	38	969,490	339,540	1,193,354	2,502,384		
2004/2005	568,397	1	33	210,106	367,560	520,731	1,098,398		
MA Total	2,942,519	19	199	2,485,858	1,518,554	3,992,003	7,996,416		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.278	0.430	0.921	1.629		
			2001/2002	0.600	0.358	1.080	2.038		
			2002/2003	1.292	0.548	1.766	3.606		
			2003/2004	1.739	0.609	2.140	4.488		
			2004/2005	0.370	0.647	0.916	1.932		
			MA Total Pure Premium:	0.845	0.516	1.357	2.718		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.730	1.574	1.844			
			(14) Massachusetts Credibility:	0.52	1.00	1.00			
			(15) Countrywide Pure Premium:	1.020	0.450	1.048	2.519		
			(16) Countrywide Indicated Relativity:	2.039	1.340	1.383			
			(17) Countrywide Credibility:	0.24	0.00	0.00			
			(18) Countrywide Lost-time Claims:	749	7,956				
			(19) Pure Premium Underlying Present Rate:	0.980	0.634	1.298	2.912		
			(20) Relativity to Underlying Present Rate:	1.761	1.812	1.949			
			(21) Credibility to Underlying Relativity:	0.240	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.811	1.574	1.844			
			(24) Balanced Formula Relativity:	1.792	1.570	1.836	1.766		

Class(es):		Effective: 9/1/2008						Goods & Services	
8111 PLUMBERS SUPPLIES 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)			
2000/2001	386,624	8	32	826,677	118,447	592,443	1,537,567		
2001/2002	375,770	5	43	546,084	258,146	743,788	1,548,017		
2002/2003	371,174	3	46	127,307	201,046	476,788	805,140		
2003/2004	397,524	5	36	619,084	398,416	469,350	1,486,850		
2004/2005	385,243	1	30	181,760	132,250	345,209	659,219		
MA Total	1,916,335	22	187	2,300,911	1,108,304	2,627,577	6,036,793		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.138	0.306	1.532	3.977		
			2001/2002	1.453	0.687	1.979	4.120		
			2002/2003	0.343	0.542	1.285	2.169		
			2003/2004	1.557	1.002	1.181	3.740		
			2004/2005	0.472	0.343	0.896	1.711		
			MA Total Pure Premium:	1.201	0.578	1.371	3.150		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.458	1.764	1.864			
			(14) Massachusetts Credibility:	0.41	0.86	0.92			
			(15) Countrywide Pure Premium:	0.771	0.422	1.013	2.207		
			(16) Countrywide Indicated Relativity:	1.542	1.256	1.337			
			(17) Countrywide Credibility:	0.30	0.07	0.04			
			(18) Countrywide Lost-time Claims:	214	2,510				
			(19) Pure Premium Underlying Present Rate:	0.868	0.643	1.182	2.694		
			(20) Relativity to Underlying Present Rate:	1.559	1.839	1.776			
			(21) Credibility to Underlying Relativity:	0.290	0.070	0.040			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.923	1.733	1.839			
			(24) Balanced Formula Relativity:	1.902	1.729	1.831	1.832		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000227

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 158

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	27,678	0	5	0	33,031	36,314	69,345		
2001/2002	23,824	1	4	134,730	7,530	68,055	210,315		
2002/2003	27,177	0	3	0	3,467	34,509	37,976		
2003/2004	25,525	1	3	185,024	14,668	62,660	262,353		
2004/2005	27,694	0	7	0	60,265	44,410	104,674		
MA Total	131,898	2	22	319,754	118,960	245,948	684,662		
								MA Indicated Pure Premiums	
		Serious (9)	Non-Serious (10)	Medical (11)				Total (12)	
		2000/2001	0.000	1.193	1.312			2.505	
		2001/2002	5.655	0.316	2.857			8.828	
		2002/2003	0.000	0.128	1.270			1.397	
		2003/2004	7.249	0.575	2.455			10.278	
		2004/2005	0.000	2.176	1.604			3.780	
		MA Total Pure Premium:	2.424	0.902	1.865			5.191	
								Pure Premium Relativities	
		Serious	Non-Serious	Medical				Total	
		(13) Massachusetts Indicated Relativity:	4.964	2.750	2.534				
		(14) Massachusetts Credibility:	0.18	0.32	0.35				
		(15) Countrywide Pure Premium:	1.542	0.740	1.983			4.266	
		(16) Countrywide Indicated Relativity:	3.082	2.202	2.617				
		(17) Countrywide Credibility:	0.29	0.34	0.33				
		(18) Countrywide Lost-time Claims:	21	345					
		(19) Pure Premium Underlying Present Rate:	1.475	0.780	1.543			3.797	
		(20) Relativity to Underlying Present Rate:	2.648	2.228	2.317				
		(21) Credibility to Underlying Relativity:	0.530	0.340	0.320				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736			1.552	
		(23) Formula Relativity:	3.191	2.387	2.492				
		(24) Balanced Formula Relativity:	3.156	2.380	2.481			2.672	

Class(es):		Effective: 9/1/2008						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)			
2000/2001	12,295	1	2	87,301	196	32,559	120,056		
2001/2002	8,689	0	3	0	1,242	4,479	5,722		
2002/2003	5,291	0	0	0	0	0	0		
2003/2004	5,087	0	0	0	0	0	0		
2004/2005	9,701	0	1	0	1,329	1,415	2,744		
MA Total	41,063	1	6	87,301	2,767	38,453	128,521		
								MA Indicated Pure Premiums	
		Serious (9)	Non-Serious (10)	Medical (11)				Total (12)	
		2000/2001	7.100	0.016	2.648			9.764	
		2001/2002	0.000	0.143	0.516			0.658	
		2002/2003	0.000	0.000	0.000			0.000	
		2003/2004	0.000	0.000	0.000			0.000	
		2004/2005	0.000	0.137	0.146			0.283	
		MA Total Pure Premium:	2.126	0.067	0.936			3.130	
								Pure Premium Relativities	
		Serious	Non-Serious	Medical				Total	
		(13) Massachusetts Indicated Relativity:	4.353	0.205	1.273				
		(14) Massachusetts Credibility:	0.15	0.18	0.21				
		(15) Countrywide Pure Premium:	1.284	0.418	1.122			2.823	
		(16) Countrywide Indicated Relativity:	2.567	1.242	1.480				
		(17) Countrywide Credibility:	0.33	0.41	0.40				
		(18) Countrywide Lost-time Claims:	29	176					
		(19) Pure Premium Underlying Present Rate:	3.179	0.605	1.335			5.119	
		(20) Relativity to Underlying Present Rate:	5.709	1.730	2.006				
		(21) Credibility to Underlying Relativity:	0.520	0.410	0.390				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736			1.552	
		(23) Formula Relativity:	4.469	1.256	1.641				
		(24) Balanced Formula Relativity:	4.421	1.252	1.634			2.430	

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000228

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 159

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	78,601	2	7	213,013	32,839	374,583	620,436		
2001/2002	52,668	0	3	0	9,735	14,696	24,431		
2002/2003	58,179	0	5	0	18,383	16,801	35,183		
2003/2004	66,235	1	6	124,067	133,913	172,095	430,075		
2004/2005	68,040	0	5	0	24,291	36,102	60,393		
MA Total	323,723	3	26	337,080	219,161	614,277	1,170,518		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	2.710	0.418	4.766	7.893		
			2001/2002	0.000	0.185	0.279	0.464		
			2002/2003	0.000	0.316	0.289	0.605		
			2003/2004	1.873	2.022	2.598	6.493		
			2004/2005	0.000	0.357	0.531	0.888		
			MA Total Pure Premium:	1.041	0.677	1.898	3.616		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.132	2.064	2.579			
			(14) Massachusetts Credibility:	0.21	0.47	0.48			
			(15) Countrywide Pure Premium:	1.134	0.421	1.233	2.788		
			(16) Countrywide Indicated Relativity:	2.266	1.253	1.627			
			(17) Countrywide Credibility:	0.40	0.27	0.26			
			(18) Countrywide Lost-time Claims:	144	1,547				
			(19) Pure Premium Underlying Present Rate:	0.912	0.839	1.352	3.103		
			(20) Relativity to Underlying Present Rate:	1.638	2.398	2.031			
			(21) Credibility to Underlying Relativity:	0.390	0.260	0.260			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	1.993	1.932	2.189			
			(24) Balanced Formula Relativity:	1.971	1.927	2.179	2.061		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	781,766	4	60	402,676	335,267	750,719	1,488,662		
2001/2002	765,112	1	40	222,916	280,255	419,070	922,241		
2002/2003	870,727	5	21	855,616	92,087	464,977	1,412,681		
2003/2004	831,973	11	37	1,539,129	285,014	1,544,044	3,368,186		
2004/2005	881,774	2	45	832,605	427,942	1,279,859	2,540,406		
MA Total	4,131,352	23	203	3,852,942	1,420,565	4,458,670	9,732,177		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.515	0.429	0.960	1.904		
			2001/2002	0.291	0.366	0.548	1.205		
			2002/2003	0.983	0.106	0.534	1.622		
			2003/2004	1.850	0.343	1.856	4.048		
			2004/2005	0.944	0.485	1.451	2.881		
			MA Total Pure Premium:	0.933	0.344	1.079	2.356		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.441	0.516	0.575			
			(14) Massachusetts Credibility:	0.66	0.89	1.00			
			(15) Countrywide Pure Premium:	1.758	0.549	1.560	3.868		
			(16) Countrywide Indicated Relativity:	0.873	0.845	0.873			
			(17) Countrywide Credibility:	0.17	0.06	0.00			
			(18) Countrywide Lost-time Claims:	762	5,532				
			(19) Pure Premium Underlying Present Rate:	1.307	0.329	0.890	2.527		
			(20) Relativity to Underlying Present Rate:	0.568	0.460	0.554			
			(21) Credibility to Underlying Relativity:	0.170	0.050	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
			(23) Formula Relativity:	0.536	0.533	0.575			
			(24) Balanced Formula Relativity:	0.537	0.534	0.575	0.552		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000229

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 160

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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						Total (8)	
		Claim Count		Amount					
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
2000/2001	1,159,659	15	187	1,856,680	1,027,888	2,837,303	5,721,871		
2001/2002	1,047,755	11	132	1,353,314	741,244	1,934,453	4,029,012		
2002/2003	1,229,799	13	135	1,869,633	913,926	2,162,338	4,945,897		
2003/2004	1,050,831	8	94	992,965	680,725	2,468,143	4,141,833		
2004/2005	1,053,370	4	96	1,110,313	808,555	1,462,705	3,381,573		
MA Total	5,541,414	51	644	7,182,904	4,172,339	10,864,942	22,220,186		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		1.601	0.886	2.447	4.934		
		2001/2002		1.292	0.707	1.846	3.845		
		2002/2003		1.520	0.743	1.758	4.022		
		2003/2004		0.945	0.648	2.349	3.941		
		2004/2005		1.054	0.768	1.389	3.210		
		MA Total Pure Premium:		1.296	0.753	1.961	4.010		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.654	2.296	2.665			
		(14) Massachusetts Credibility:		0.76	1.00	1.00			
		(15) Countrywide Pure Premium:		1.234	0.576	1.351	3.161		
		(16) Countrywide Indicated Relativity:		2.466	1.714	1.783			
		(17) Countrywide Credibility:		0.12	0.00	0.00			
		(18) Countrywide Lost-time Claims:		2,073	20,254				
		(19) Pure Premium Underlying Present Rate:		1.385	0.932	1.768	4.085		
		(20) Relativity to Underlying Present Rate:		2.487	2.664	2.656			
		(21) Credibility to Underlying Relativity:		0.120	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.611	2.296	2.665			
		(24) Balanced Formula Relativity:		2.583	2.290	2.653	2.554		

Class(es):		Effective: 9/1/2008						Goods & Services	
8233 COAL MERCHANT & 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)			
2000/2001	122,321	6	20	692,663	57,115	1,132,114	1,881,893		
2001/2002	157,340	5	15	726,584	95,337	585,403	1,407,324		
2002/2003	144,581	1	27	62,303	259,668	380,712	702,683		
2003/2004	204,937	6	35	1,001,526	252,270	1,050,987	2,304,782		
2004/2005	200,335	5	21	1,409,955	225,271	915,910	2,551,135		
MA Total	829,514	23	118	3,893,030	889,661	4,065,127	8,847,818		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		5.663	0.467	9.255	15.385		
		2001/2002		4.618	0.606	3.721	8.944		
		2002/2003		0.431	1.796	2.633	4.860		
		2003/2004		4.887	1.231	5.128	11.246		
		2004/2005		7.038	1.124	4.572	12.734		
		MA Total Pure Premium:		4.693	1.073	4.901	10.666		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		9.609	3.271	6.661			
		(14) Massachusetts Credibility:		0.47	0.75	1.00			
		(15) Countrywide Pure Premium:		1.774	0.679	1.828	4.281		
		(16) Countrywide Indicated Relativity:		3.546	2.020	2.411			
		(17) Countrywide Credibility:		0.27	0.13	0.00			
		(18) Countrywide Lost-time Claims:		279	2,493				
		(19) Pure Premium Underlying Present Rate:		2.718	1.040	4.556	8.314		
		(20) Relativity to Underlying Present Rate:		4.881	2.973	6.845			
		(21) Credibility to Underlying Relativity:		0.260	0.120	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		6.743	3.072	6.661			
		(24) Balanced Formula Relativity:		6.670	3.064	6.631	5.890		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000230

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 161

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				Goods & Services	
8235 SASH, DOOR OR ASSEMBLED MILLWORK DEALER & 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)
2000/2001	202,682	3	28	178,671	144,058	402,563	725,291
2001/2002	161,413	4	20	329,542	113,341	336,638	779,521
2002/2003	169,788	4	28	312,598	171,468	279,122	763,188
2003/2004	155,171	2	25	217,187	144,420	289,865	651,472
2004/2005	171,006	0	19	0	129,886	143,065	272,951
MA Total	860,060	13	120	1,037,998	703,173	1,451,253	3,192,424
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.882	0.711	1.986	3.578		
	2001/2002	2.042	0.702	2.086	4.829		
	2002/2003	1.841	1.010	1.644	4.495		
	2003/2004	1.400	0.931	1.868	4.198		
	2004/2005	0.000	0.760	0.837	1.596		
	MA Total Pure Premium:	1.207	0.818	1.687	3.712		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	2.471	2.493	2.293			
	(14) Massachusetts Credibility:	0.36	0.68	0.73			
	(15) Countrywide Pure Premium:	1.447	0.716	1.526	3.690		
	(16) Countrywide Indicated Relativity:	2.892	2.130	2.014			
	(17) Countrywide Credibility:	0.32	0.16	0.14			
	(18) Countrywide Lost-time Claims:	75	1,126				
	(19) Pure Premium Underlying Present Rate:	1.321	0.804	1.495	3.620		
	(20) Relativity to Underlying Present Rate:	2.372	2.299	2.246			
	(21) Credibility to Underlying Relativity:	0.320	0.160	0.130			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	2.574	2.404	2.248			
	(24) Balanced Formula Relativity:	2.546	2.398	2.238	2.369		

Class(es):		Effective: 9/1/2008				Goods & Services	
8263 JUNK DEALERS & 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)
2000/2001	16,608	0	3	0	37,998	34,610	72,608
2001/2002	22,217	0	3	0	3,453	25,104	28,558
2002/2003	23,883	0	2	0	2,805	13,211	16,016
2003/2004	22,349	0	5	0	3,224	21,889	25,114
2004/2005	22,877	0	5	0	19,195	19,073	38,268
MA Total	107,934	0	18	0	66,675	113,889	180,564
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.000	2.288	2.084	4.372		
	2001/2002	0.000	0.155	1.130	1.285		
	2002/2003	0.000	0.117	0.553	0.671		
	2003/2004	0.000	0.144	0.979	1.124		
	2004/2005	0.000	0.839	0.834	1.673		
	MA Total Pure Premium:	0.000	0.618	1.055	1.673		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.000	1.884	1.434			
	(14) Massachusetts Credibility:	0.19	0.26	0.35			
	(15) Countrywide Pure Premium:	2.157	0.951	2.510	5.617		
	(16) Countrywide Indicated Relativity:	4.310	2.828	3.311			
	(17) Countrywide Credibility:	0.32	0.37	0.33			
	(18) Countrywide Lost-time Claims:	27	243				
	(19) Pure Premium Underlying Present Rate:	2.083	0.589	1.843	4.515		
	(20) Relativity to Underlying Present Rate:	3.741	1.683	2.769			
	(21) Credibility to Underlying Relativity:	0.490	0.370	0.320			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	3.212	2.159	2.481			
	(24) Balanced Formula Relativity:	3.178	2.153	2.470	2.626		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000231

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 162

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	139,218	5	24	596,546	219,128	351,938	1,167,613		
2001/2002	138,770	0	12	0	87,784	76,696	164,480		
2002/2003	166,152	1	12	84,062	75,516	156,198	315,776		
2003/2004	128,838	2	20	276,691	150,681	221,894	649,267		
2004/2005	182,946	0	13	0	107,376	206,439	313,815		
MA Total	755,924	8	81	957,299	640,485	1,013,166	2,610,950		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		4.285	1.574	2.528	8.387		
		2001/2002		0.000	0.633	0.553	1.185		
		2002/2003		0.506	0.454	0.940	1.901		
		2003/2004		2.148	1.170	1.722	5.039		
		2004/2005		0.000	0.587	1.128	1.715		
		MA Total Pure Premium:		1.266	0.847	1.340	3.454		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.593	2.584	1.822			
		(14) Massachusetts Credibility:		0.36	0.70	0.70			
		(15) Countrywide Pure Premium:		1.813	0.599	1.662	4.074		
		(16) Countrywide Indicated Relativity:		3.623	1.781	2.193			
		(17) Countrywide Credibility:		0.32	0.15	0.15			
		(18) Countrywide Lost-time Claims:		173	1,283				
		(19) Pure Premium Underlying Present Rate:		1.564	0.967	1.511	4.042		
		(20) Relativity to Underlying Present Rate:		2.809	2.765	2.270			
		(21) Credibility to Underlying Relativity:		0.320	0.150	0.150			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.992	2.490	1.945			
		(24) Balanced Formula Relativity:		2.960	2.484	1.936	2.374		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	88,628	1	11	185,796	57,017	231,510	474,323		
2001/2002	108,149	2	17	192,142	56,191	309,426	557,759		
2002/2003	122,784	0	12	0	57,711	61,825	119,536		
2003/2004	133,243	1	20	165,938	119,395	309,701	595,035		
2004/2005	134,300	0	12	0	95,153	557,454	652,607		
MA Total	587,104	4	72	543,876	385,467	1,469,917	2,399,260		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		2.096	0.643	2.612	5.352		
		2001/2002		1.777	0.520	2.861	5.157		
		2002/2003		0.000	0.470	0.504	0.974		
		2003/2004		1.245	0.896	2.324	4.466		
		2004/2005		0.000	0.709	4.151	4.859		
		MA Total Pure Premium:		0.926	0.657	2.504	4.087		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.897	2.002	3.403			
		(14) Massachusetts Credibility:		0.35	0.56	0.70			
		(15) Countrywide Pure Premium:		1.828	0.787	2.300	4.915		
		(16) Countrywide Indicated Relativity:		3.654	2.341	3.034			
		(17) Countrywide Credibility:		0.33	0.22	0.15			
		(18) Countrywide Lost-time Claims:		76	1,006				
		(19) Pure Premium Underlying Present Rate:		1.860	0.729	1.986	4.574		
		(20) Relativity to Underlying Present Rate:		3.340	2.083	2.983			
		(21) Credibility to Underlying Relativity:		0.320	0.220	0.150			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		2.938	2.094	3.285			
		(24) Balanced Formula Relativity:		2.907	2.089	3.270	2.906		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000232

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 163

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	113,801	1	12	96,165	25,066	280,217	401,448		
2001/2002	129,099	2	10	324,350	42,478	349,035	715,863		
2002/2003	120,960	2	14	89,172	53,815	125,799	268,786		
2003/2004	93,836	1	13	104,654	55,362	120,285	280,301		
2004/2005	123,634	3	4	746,677	11,872	417,904	1,176,453		
MA Total	581,330	9	53	1,361,018	188,592	1,293,241	2,842,851		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.845	0.220	2.462	3.528		
			2001/2002	2.512	0.329	2.704	5.545		
			2002/2003	0.737	0.445	1.040	2.222		
			2003/2004	1.115	0.590	1.282	2.987		
			2004/2005	6.039	0.096	3.380	9.516		
			MA Total Pure Premium:	2.341	0.324	2.225	4.890		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	4.794	0.989	3.024			
			(14) Massachusetts Credibility:	0.26	0.56	0.62			
			(15) Countrywide Pure Premium:	0.887	0.592	1.361	2.840		
			(16) Countrywide Indicated Relativity:	1.772	1.763	1.795			
			(17) Countrywide Credibility:	0.37	0.22	0.19			
			(18) Countrywide Lost-time Claims:	177	1,833				
			(19) Pure Premium Underlying Present Rate:	0.911	0.742	1.442	3.095		
			(20) Relativity to Underlying Present Rate:	1.636	2.121	2.167			
			(21) Credibility to Underlying Relativity:	0.370	0.220	0.190			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	2.507	1.408	2.627			
			(24) Balanced Formula Relativity:	2.480	1.405	2.616	2.317		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	445,822	3	58	247,127	258,918	563,002	1,069,047		
2001/2002	459,678	2	61	189,077	302,147	454,590	945,814		
2002/2003	468,390	3	93	272,014	741,782	859,117	1,872,914		
2003/2004	438,498	9	62	1,308,746	283,738	1,146,719	2,739,292		
2004/2005	431,314	3	54	462,245	584,532	1,082,812	2,129,590		
MA Total	2,243,702	20	328	2,479,209	2,171,117	4,106,241	8,756,567		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.554	0.581	1.263	2.398		
			2001/2002	0.411	0.657	0.989	2.058		
			2002/2003	0.581	1.584	1.834	3.999		
			2003/2004	2.985	0.647	2.615	6.247		
			2004/2005	1.072	1.355	2.510	4.937		
			MA Total Pure Premium:	1.105	0.968	1.830	3.903		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	2.262	2.951	2.487			
			(14) Massachusetts Credibility:	0.46	1.00	0.99			
			(15) Countrywide Pure Premium:	1.004	0.640	1.324	2.968		
			(16) Countrywide Indicated Relativity:	2.007	1.904	1.747			
			(17) Countrywide Credibility:	0.27	0.00	0.01			
			(18) Countrywide Lost-time Claims:	1,133	13,141				
			(19) Pure Premium Underlying Present Rate:	0.966	0.871	1.222	3.059		
			(20) Relativity to Underlying Present Rate:	1.734	2.490	1.836			
			(21) Credibility to Underlying Relativity:	0.270	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	2.051	2.951	2.480			
			(24) Balanced Formula Relativity:	2.029	2.943	2.469	2.431		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000233

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 164

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	405,154	8	78	656,697	338,998	986,284	1,981,979		
2001/2002	410,953	11	86	1,267,507	771,531	1,490,256	3,529,295		
2002/2003	469,594	9	80	990,493	774,714	1,430,687	3,195,894		
2003/2004	473,728	13	79	1,866,649	658,540	2,252,926	4,778,115		
2004/2005	431,233	3	73	430,572	915,992	1,674,777	3,021,341		
MA Total	2,190,662	44	396	5,211,918	3,459,775	7,834,931	16,506,624		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		1.621	0.837	2.434	4.892		
		2001/2002		3.084	1.877	3.626	8.588		
		2002/2003		2.109	1.650	3.047	6.806		
		2003/2004		3.940	1.390	4.756	10.086		
		2004/2005		0.998	2.124	3.884	7.006		
		MA Total Pure Premium:		2.379	1.579	3.577	7.535		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		4.871	4.816	4.861			
		(14) Massachusetts Credibility:		0.70	1.00	1.00			
		(15) Countrywide Pure Premium:		2.569	1.281	2.756	6.606		
		(16) Countrywide Indicated Relativity:		5.135	3.810	3.636			
		(17) Countrywide Credibility:		0.15	0.00	0.00			
		(18) Countrywide Lost-time Claims:		683	8,076				
		(19) Pure Premium Underlying Present Rate:		2.833	1.187	2.629	6.650		
		(20) Relativity to Underlying Present Rate:		5.089	3.392	3.950			
		(21) Credibility to Underlying Relativity:		0.150	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		4.943	4.816	4.861			
		(24) Balanced Formula Relativity:		4.890	4.804	4.839	4.848		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,339,595	11	163	1,377,134	1,002,151	2,246,634	4,625,919		
2001/2002	1,478,790	16	152	2,119,572	1,032,737	2,664,783	5,817,092		
2002/2003	1,510,947	17	180	2,957,212	1,061,994	3,104,197	7,123,403		
2003/2004	1,553,725	21	145	3,052,483	1,319,203	3,337,618	7,709,304		
2004/2005	1,626,002	9	152	2,397,532	1,387,153	3,188,398	6,973,084		
MA Total	7,509,059	74	792	11,903,933	5,803,239	14,541,630	32,248,802		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		1.028	0.748	1.677	3.453		
		2001/2002		1.433	0.698	1.802	3.934		
		2002/2003		1.957	0.703	2.054	4.715		
		2003/2004		1.965	0.849	2.148	4.962		
		2004/2005		1.474	0.853	1.961	4.288		
		MA Total Pure Premium:		1.585	0.773	1.937	4.295		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.246	2.357	2.632			
		(14) Massachusetts Credibility:		0.94	1.00	1.00			
		(15) Countrywide Pure Premium:		1.810	0.576	1.402	3.788		
		(16) Countrywide Indicated Relativity:		3.617	1.715	1.850			
		(17) Countrywide Credibility:		0.03	0.00	0.00			
		(18) Countrywide Lost-time Claims:		692	5,555				
		(19) Pure Premium Underlying Present Rate:		1.694	0.927	1.558	4.179		
		(20) Relativity to Underlying Present Rate:		3.042	2.651	2.340			
		(21) Credibility to Underlying Relativity:		0.030	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		3.251	2.357	2.632			
		(24) Balanced Formula Relativity:		3.216	2.351	2.620	2.751		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000234

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 165

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				Goods & Services	
8380 AUTOMOBILE SERVICE OR REPAIR CENTER & 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)
2000/2001	9,420,433	62	718	6,176,512	3,799,650	9,126,362	19,102,524
2001/2002	9,732,652	60	658	6,596,812	3,461,862	8,885,182	18,943,856
2002/2003	10,092,056	64	599	8,279,629	3,625,277	9,876,233	21,781,139
2003/2004	9,463,162	49	515	8,045,365	3,721,611	8,109,695	19,876,672
2004/2005	9,200,397	24	492	5,565,091	4,031,493	7,897,112	17,493,697
MA Total	47,908,700	259	2,982	34,663,410	18,639,893	43,894,584	97,197,887
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.656	0.403	0.969	2.028		
	2001/2002	0.678	0.356	0.913	1.946		
	2002/2003	0.820	0.359	0.979	2.158		
	2003/2004	0.850	0.393	0.857	2.100		
	2004/2005	0.605	0.438	0.858	1.901		
	MA Total Pure Premium:	0.724	0.389	0.916	2.029		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.481	1.186	1.245			
	(14) Massachusetts Credibility:	1.00	1.00	1.00			
	(15) Countrywide Pure Premium:	0.780	0.393	0.860	2.033		
	(16) Countrywide Indicated Relativity:	1.559	1.168	1.135			
	(17) Countrywide Credibility:	0.00	0.00	0.00			
	(18) Countrywide Lost-time Claims:	2,138	32,991				
	(19) Pure Premium Underlying Present Rate:	0.841	0.439	0.875	2.155		
	(20) Relativity to Underlying Present Rate:	1.510	1.254	1.315			
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	1.481	1.186	1.245			
	(24) Balanced Formula Relativity:	1.465	1.183	1.240	1.299		

Class(es):		Effective: 9/1/2008				Goods & Services	
8381 GASOLINE STATION-RETAIL-SELF SERVICE							
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)
2000/2001	246,941	0	14	0	124,037	97,548	221,585
2001/2002	286,090	0	19	0	182,494	138,072	320,566
2002/2003	244,747	3	4	334,958	5,990	365,888	706,835
2003/2004	207,381	0	7	0	59,856	48,306	108,162
2004/2005	200,624	0	8	0	109,840	65,923	175,763
MA Total	1,185,783	3	52	334,958	482,215	715,737	1,532,911
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.000	0.502	0.395	0.897		
	2001/2002	0.000	0.638	0.483	1.121		
	2002/2003	1.369	0.024	1.495	2.888		
	2003/2004	0.000	0.289	0.233	0.522		
	2004/2005	0.000	0.547	0.329	0.876		
	MA Total Pure Premium:	0.282	0.407	0.604	1.293		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.578	1.240	0.820			
	(14) Massachusetts Credibility:	0.25	0.52	0.57			
	(15) Countrywide Pure Premium:	0.446	0.261	0.609	1.316		
	(16) Countrywide Indicated Relativity:	0.891	0.777	0.803			
	(17) Countrywide Credibility:	0.38	0.24	0.22			
	(18) Countrywide Lost-time Claims:	60	893				
	(19) Pure Premium Underlying Present Rate:	0.381	0.293	0.577	1.252		
	(20) Relativity to Underlying Present Rate:	0.684	0.839	0.867			
	(21) Credibility to Underlying Relativity:	0.370	0.240	0.210			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	0.737	1.033	0.827			
	(24) Balanced Formula Relativity:	0.729	1.030	0.823	0.837		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000235

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 166

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	310,908	6	35	612,710	179,609	399,315	1,191,634		
2001/2002	287,108	2	20	219,528	119,168	161,560	500,256		
2002/2003	365,409	2	18	214,667	76,689	384,350	675,706		
2003/2004	325,285	3	31	407,615	149,010	428,174	984,799		
2004/2005	278,813	0	29	0	154,568	283,565	438,134		
MA Total	1,567,523	13	133	1,454,520	679,045	1,656,964	3,790,529		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		1.971	0.578	1.284	3.833		
		2001/2002		0.765	0.415	0.563	1.742		
		2002/2003		0.587	0.210	1.052	1.849		
		2003/2004		1.253	0.458	1.316	3.027		
		2004/2005		0.000	0.554	1.017	1.571		
		MA Total Pure Premium:		0.928	0.433	1.057	2.418		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.900	1.321	1.437			
		(14) Massachusetts Credibility:		0.41	0.71	0.73			
		(15) Countrywide Pure Premium:		0.841	0.491	1.165	2.497		
		(16) Countrywide Indicated Relativity:		1.681	1.461	1.536			
		(17) Countrywide Credibility:		0.30	0.15	0.14			
		(18) Countrywide Lost-time Claims:		183	2,121				
		(19) Pure Premium Underlying Present Rate:		1.013	0.491	0.819	2.323		
		(20) Relativity to Underlying Present Rate:		1.820	1.403	1.230			
		(21) Credibility to Underlying Relativity:		0.290	0.140	0.130			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		1.811	1.353	1.424			
		(24) Balanced Formula Relativity:		1.791	1.350	1.418	1.521		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	576,014	3	31	352,785	182,383	330,079	865,247		
2001/2002	602,924	0	16	0	28,338	102,374	130,712		
2002/2003	417,022	1	22	78,576	34,606	123,881	237,063		
2003/2004	452,393	0	25	0	133,719	163,913	297,631		
2004/2005	513,281	0	13	0	68,919	126,417	195,336		
MA Total	2,561,634	4	107	431,362	447,965	846,663	1,725,989		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.612	0.317	0.573	1.502		
		2001/2002		0.000	0.047	0.170	0.217		
		2002/2003		0.188	0.083	0.297	0.568		
		2003/2004		0.000	0.296	0.362	0.658		
		2004/2005		0.000	0.134	0.246	0.381		
		MA Total Pure Premium:		0.168	0.175	0.331	0.674		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.345	0.533	0.449			
		(14) Massachusetts Credibility:		0.37	0.63	0.71			
		(15) Countrywide Pure Premium:		0.523	0.413	0.891	1.827		
		(16) Countrywide Indicated Relativity:		1.045	1.227	1.176			
		(17) Countrywide Credibility:		0.32	0.19	0.15			
		(18) Countrywide Lost-time Claims:		357	3,400				
		(19) Pure Premium Underlying Present Rate:		0.495	0.218	0.470	1.183		
		(20) Relativity to Underlying Present Rate:		0.889	0.622	0.706			
		(21) Credibility to Underlying Relativity:		0.310	0.180	0.140			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.737	0.681	0.594			
		(24) Balanced Formula Relativity:		0.729	0.679	0.592	0.654		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000236

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 167

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
8393 AUTOMOBILE BODY 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)			
2000/2001	1,416,084	8	64	724,646	696,132	833,226	2,254,004		
2001/2002	1,505,089	8	76	786,814	586,868	992,155	2,365,837		
2002/2003	1,651,055	11	59	1,725,856	347,555	1,217,850	3,291,261		
2003/2004	1,663,381	7	62	1,132,910	554,053	1,182,809	2,869,772		
2004/2005	1,662,720	6	56	1,609,132	712,222	1,025,487	3,346,841		
MA Total	7,898,329	40	317	5,979,359	2,896,830	5,251,527	14,127,716		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.512	0.492	0.588	1.592		
		2001/2002		0.523	0.390	0.659	1.572		
		2002/2003		1.045	0.211	0.738	1.993		
		2003/2004		0.681	0.333	0.711	1.725		
		2004/2005		0.968	0.428	0.617	2.013		
		MA Total Pure Premium:		0.757	0.367	0.665	1.789		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.550	1.118	0.904			
		(14) Massachusetts Credibility:		0.68	1.00	1.00			
		(15) Countrywide Pure Premium:		0.640	0.296	0.597	1.532		
		(16) Countrywide Indicated Relativity:		1.279	0.880	0.787			
		(17) Countrywide Credibility:		0.16	0.00	0.00			
		(18) Countrywide Lost-time Claims:		603	4,951				
		(19) Pure Premium Underlying Present Rate:		0.714	0.365	0.605	1.684		
		(20) Relativity to Underlying Present Rate:		1.282	1.043	0.910			
		(21) Credibility to Underlying Relativity:		0.160	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		1.464	1.118	0.904			
		(24) Balanced Formula Relativity:		1.448	1.116	0.900	1.118		

Class(es):		Effective: 9/1/2008						Office & Clerical	
8601 ARCHITECT OR ENGINEER-CONSULTING									
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)			
2000/2001	7,168,885	4	60	518,322	320,701	1,088,931	1,927,954		
2001/2002	7,780,713	9	52	1,358,713	343,341	995,827	2,697,880		
2002/2003	9,153,389	3	43	578,763	271,153	821,388	1,671,304		
2003/2004	9,112,537	7	39	1,015,270	182,979	1,113,969	2,312,217		
2004/2005	7,959,746	3	49	761,958	624,016	1,784,518	3,170,493		
MA Total	41,175,270	26	243	4,233,026	1,742,190	5,804,634	11,779,849		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.072	0.045	0.152	0.269		
		2001/2002		0.175	0.044	0.128	0.347		
		2002/2003		0.063	0.030	0.090	0.183		
		2003/2004		0.111	0.020	0.122	0.254		
		2004/2005		0.096	0.078	0.224	0.398		
		MA Total Pure Premium:		0.103	0.042	0.141	0.286		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		2.139	1.249	1.747			
		(14) Massachusetts Credibility:		0.64	0.98	1.00			
		(15) Countrywide Pure Premium:		0.113	0.056	0.149	0.318		
		(16) Countrywide Indicated Relativity:		2.425	1.708	1.884			
		(17) Countrywide Credibility:		0.18	0.01	0.00			
		(18) Countrywide Lost-time Claims:		638	6,337				
		(19) Pure Premium Underlying Present Rate:		0.118	0.042	0.104	0.263		
		(20) Relativity to Underlying Present Rate:		2.053	1.145	1.490			
		(21) Credibility to Underlying Relativity:		0.180	0.010	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.048	0.034	0.081	0.163		
		(23) Formula Relativity:		2.175	1.253	1.747			
		(24) Balanced Formula Relativity:		2.161	1.250	1.740	1.763		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000237

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 168

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	41	0	0	0	0	0	0	0	
2001/2002	4,319	0	1	0	971	1,684	2,655		
2002/2003	2,544	0	0	0	0	1,176	1,176		
2003/2004	4,675	0	0	0	0	0	0		
2004/2005	4,928	0	0	0	0	0	0		
MA Total	16,507	0	1	0	971	2,859	3,831		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.225	0.390	0.615			
		2002/2003	0.000	0.000	0.462	0.462			
		2003/2004	0.000	0.000	0.000	0.000			
		2004/2005	0.000	0.000	0.000	0.000			
		MA Total Pure Premium:	0.000	0.059	0.173	0.232			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.179	0.235				
		(14) Massachusetts Credibility:	0.05	0.09	0.10				
		(15) Countrywide Pure Premium:	0.875	0.469	0.874	2.218			
		(16) Countrywide Indicated Relativity:	1.748	1.396	1.154				
		(17) Countrywide Credibility:	0.13	0.33	0.40				
		(18) Countrywide Lost-time Claims:	3	58					
		(19) Pure Premium Underlying Present Rate:	0.629	0.301	0.600	1.530			
		(20) Relativity to Underlying Present Rate:	1.130	0.860	0.901				
		(21) Credibility to Underlying Relativity:	0.820	0.580	0.500				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	1.153	0.976	0.936				
		(24) Balanced Formula Relativity:	1.141	0.973	0.931	1.006			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,061,792	0	23	0	143,629	146,151	289,781		
2001/2002	1,068,337	3	21	304,427	115,005	321,465	740,897		
2002/2003	1,178,037	4	18	595,141	169,018	143,593	907,753		
2003/2004	1,226,650	6	12	918,662	67,888	832,765	1,819,315		
2004/2005	1,275,707	0	19	0	220,635	158,093	378,727		
MA Total	5,810,523	13	93	1,818,230	716,176	1,602,067	4,136,474		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.135	0.138	0.273			
		2001/2002	0.285	0.108	0.301	0.694			
		2002/2003	0.505	0.143	0.122	0.771			
		2003/2004	0.749	0.055	0.679	1.483			
		2004/2005	0.000	0.173	0.124	0.297			
		MA Total Pure Premium:	0.313	0.123	0.276	0.712			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.641	0.376	0.375				
		(14) Massachusetts Credibility:	0.46	0.68	0.83				
		(15) Countrywide Pure Premium:	0.456	0.206	0.515	1.177			
		(16) Countrywide Indicated Relativity:	0.911	0.614	0.680				
		(17) Countrywide Credibility:	0.27	0.16	0.09				
		(18) Countrywide Lost-time Claims:	170	1,399					
		(19) Pure Premium Underlying Present Rate:	0.365	0.119	0.302	0.785			
		(20) Relativity to Underlying Present Rate:	0.655	0.339	0.453				
		(21) Credibility to Underlying Relativity:	0.270	0.160	0.080				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	0.717	0.408	0.408				
		(24) Balanced Formula Relativity:	0.710	0.407	0.407	0.502			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000238

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 169

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Office & Clerical	
8721 REAL ESTATE APPRAISAL CO - OUTSIDE 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)			
2000/2001	142,824	0	0	0	0	0	0	0	
2001/2002	187,422	0	0	0	0	4,105	4,105	4,105	
2002/2003	222,440	0	1	0	844	4,156	4,999	4,999	
2003/2004	265,514	0	2	0	4,562	9,088	13,651	13,651	
2004/2005	280,185	0	1	0	4,367	1,700	6,067	6,067	
MA Total	1,098,385	0	4	0	9,773	19,049	28,821	28,821	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.000	0.000	0.000			
		2001/2002	0.000	0.000	0.022	0.022			
		2002/2003	0.000	0.004	0.019	0.022			
		2003/2004	0.000	0.017	0.034	0.051			
		2004/2005	0.000	0.016	0.006	0.022			
		MA Total Pure Premium:	0.000	0.009	0.017	0.026			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.263	0.215				
		(14) Massachusetts Credibility:	0.13	0.26	0.24				
		(15) Countrywide Pure Premium:	0.117	0.031	0.111	0.259			
		(16) Countrywide Indicated Relativity:	2.514	0.940	1.404				
		(17) Countrywide Credibility:	0.13	0.31	0.38				
		(18) Countrywide Lost-time Claims:	3	49					
		(19) Pure Premium Underlying Present Rate:	0.076	0.055	0.072	0.203			
		(20) Relativity to Underlying Present Rate:	1.317	1.516	1.030				
		(21) Credibility to Underlying Relativity:	0.740	0.430	0.380				
		(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163			
		(23) Formula Relativity:	1.301	1.012	0.977				
		(24) Balanced Formula Relativity:	1.293	1.009	0.973	1.075			

Class(es):		Effective: 9/1/2008						Office & Clerical	
8742 SALESPERSONS, COLLECTORS OR MESSENGERS-OUTSIDE									
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)			
2000/2001	62,343,596	30	321	3,668,757	2,289,256	5,453,291	11,411,304	11,411,304	
2001/2002	60,108,001	32	300	4,138,112	1,893,471	5,727,149	11,758,732	11,758,732	
2002/2003	60,000,324	26	265	3,920,033	1,660,500	5,271,558	10,852,091	10,852,091	
2003/2004	60,859,618	14	222	2,301,104	1,883,448	4,240,792	8,425,344	8,425,344	
2004/2005	62,460,547	11	223	3,118,980	2,928,781	5,122,761	11,170,522	11,170,522	
MA Total	305,772,086	113	1,331	17,146,986	10,655,455	25,815,552	53,617,993	53,617,993	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.059	0.037	0.087	0.183			
		2001/2002	0.069	0.032	0.095	0.196			
		2002/2003	0.065	0.028	0.088	0.181			
		2003/2004	0.038	0.031	0.070	0.138			
		2004/2005	0.050	0.047	0.082	0.179			
		MA Total Pure Premium:	0.056	0.035	0.084	0.175			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.167	1.029	1.047				
		(14) Massachusetts Credibility:	1.00	1.00	1.00				
		(15) Countrywide Pure Premium:	0.072	0.038	0.094	0.204			
		(16) Countrywide Indicated Relativity:	1.536	1.159	1.193				
		(17) Countrywide Credibility:	0.00	0.00	0.00				
		(18) Countrywide Lost-time Claims:	4,377	35,870					
		(19) Pure Premium Underlying Present Rate:	0.065	0.034	0.075	0.174			
		(20) Relativity to Underlying Present Rate:	1.128	0.941	1.081				
		(21) Credibility to Underlying Relativity:	0.000	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163			
		(23) Formula Relativity:	1.167	1.029	1.047				
		(24) Balanced Formula Relativity:	1.159	1.026	1.042	1.074			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000239

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 170

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	99,173	0	16	0	47,427	135,690	183,116		
2001/2002	149,670	0	18	0	107,597	126,969	234,565		
2002/2003	144,850	1	13	113,325	67,309	171,642	352,276		
2003/2004	153,235	0	17	0	82,210	148,566	230,776		
2004/2005	131,917	0	15	0	123,107	89,953	213,060		
MA Total	678,845	1	79	113,325	427,650	672,819	1,213,794		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.478	1.368	1.846			
		2001/2002	0.000	0.719	0.848	1.567			
		2002/2003	0.782	0.465	1.185	2.432			
		2003/2004	0.000	0.536	0.970	1.506			
		2004/2005	0.000	0.933	0.682	1.615			
		MA Total Pure Premium:	0.167	0.630	0.991	1.788			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.342	1.921	1.347				
		(14) Massachusetts Credibility:	0.27	0.56	0.53				
		(15) Countrywide Pure Premium:	1.035	0.657	1.452	3.144			
		(16) Countrywide Indicated Relativity:	2.069	1.954	1.916				
		(17) Countrywide Credibility:	0.37	0.22	0.24				
		(18) Countrywide Lost-time Claims:	95	1,032					
		(19) Pure Premium Underlying Present Rate:	0.845	0.630	0.858	2.333			
		(20) Relativity to Underlying Present Rate:	1.518	1.800	1.289				
		(21) Credibility to Underlying Relativity:	0.360	0.220	0.230				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	1.404	1.902	1.470				
		(24) Balanced Formula Relativity:	1.389	1.897	1.464	1.532			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,671,665	5	61	573,741	382,126	743,942	1,699,809		
2001/2002	3,695,822	7	46	797,860	310,219	748,933	1,857,012		
2002/2003	3,919,841	6	53	727,399	490,800	1,238,016	2,456,215		
2003/2004	3,341,086	0	49	0	415,723	586,602	1,002,324		
2004/2005	3,005,867	1	31	199,215	349,705	567,274	1,116,194		
MA Total	17,634,281	19	240	2,298,215	1,948,573	3,884,766	8,131,554		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.156	0.104	0.203	0.463			
		2001/2002	0.216	0.084	0.203	0.502			
		2002/2003	0.186	0.125	0.316	0.627			
		2003/2004	0.000	0.124	0.176	0.300			
		2004/2005	0.066	0.116	0.189	0.371			
		MA Total Pure Premium:	0.130	0.110	0.220	0.461			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.711	3.263	2.731				
		(14) Massachusetts Credibility:	0.53	0.95	1.00				
		(15) Countrywide Pure Premium:	0.102	0.054	0.131	0.287			
		(16) Countrywide Indicated Relativity:	2.193	1.646	1.657				
		(17) Countrywide Credibility:	0.24	0.03	0.00				
		(18) Countrywide Lost-time Claims:	510	3,497					
		(19) Pure Premium Underlying Present Rate:	0.176	0.089	0.213	0.478			
		(20) Relativity to Underlying Present Rate:	3.059	2.450	3.055				
		(21) Credibility to Underlying Relativity:	0.230	0.020	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163			
		(23) Formula Relativity:	2.667	3.198	2.731				
		(24) Balanced Formula Relativity:	2.650	3.190	2.720	2.797			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000240

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 171

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,229,317	1	19	71,729	101,582	143,691	317,002		
2001/2002	730,016	2	23	262,016	129,489	187,234	578,738		
2002/2003	751,919	2	25	207,246	136,659	251,333	595,238		
2003/2004	890,768	1	5	178,338	41,831	231,597	451,767		
2004/2005	736,343	0	22	0	156,186	135,006	291,193		
MA Total	4,338,363	6	94	719,328	565,747	948,862	2,233,937		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.058	0.083	0.117	0.258		
			2001/2002	0.359	0.177	0.256	0.793		
			2002/2003	0.276	0.182	0.334	0.792		
			2003/2004	0.200	0.047	0.260	0.507		
			2004/2005	0.000	0.212	0.183	0.395		
			MA Total Pure Premium:	0.166	0.130	0.219	0.515		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	3.449	3.851	2.711			
			(14) Massachusetts Credibility:	0.34	0.58	0.64			
			(15) Countrywide Pure Premium:	0.201	0.159	0.399	0.758		
			(16) Countrywide Indicated Relativity:	4.298	4.826	5.059			
			(17) Countrywide Credibility:	0.33	0.21	0.18			
			(18) Countrywide Lost-time Claims:	177	1,863				
			(19) Pure Premium Underlying Present Rate:	0.232	0.105	0.208	0.545		
			(20) Relativity to Underlying Present Rate:	4.040	2.898	2.982			
			(21) Credibility to Underlying Relativity:	0.330	0.210	0.180			
			(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163		
			(23) Formula Relativity:	3.924	3.855	3.182			
			(24) Balanced Formula Relativity:	3.900	3.845	3.169	3.526		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	23,188,737	4	24	403,096	226,636	684,217	1,313,949		
2001/2002	21,053,271	1	19	204,332	288,501	344,024	836,858		
2002/2003	19,189,599	3	18	436,931	120,588	515,361	1,072,880		
2003/2004	17,880,465	3	15	670,287	53,468	357,912	1,081,667		
2004/2005	19,207,331	1	15	228,819	127,985	238,134	594,937		
MA Total	100,519,403	12	91	1,943,465	817,177	2,139,649	4,900,291		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.017	0.010	0.030	0.057		
			2001/2002	0.010	0.014	0.016	0.040		
			2002/2003	0.023	0.006	0.027	0.056		
			2003/2004	0.037	0.003	0.020	0.060		
			2004/2005	0.012	0.007	0.012	0.031		
			MA Total Pure Premium:	0.019	0.008	0.021	0.049		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.402	0.240	0.264			
			(14) Massachusetts Credibility:	0.48	0.70	0.85			
			(15) Countrywide Pure Premium:	0.018	0.011	0.029	0.058		
			(16) Countrywide Indicated Relativity:	0.392	0.327	0.365			
			(17) Countrywide Credibility:	0.26	0.15	0.08			
			(18) Countrywide Lost-time Claims:	237	1,923				
			(19) Pure Premium Underlying Present Rate:	0.024	0.007	0.019	0.050		
			(20) Relativity to Underlying Present Rate:	0.422	0.200	0.268			
			(21) Credibility to Underlying Relativity:	0.260	0.150	0.070			
			(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163		
			(23) Formula Relativity:	0.405	0.247	0.272			
			(24) Balanced Formula Relativity:	0.402	0.246	0.271	0.305		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000241

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 172

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	292,895,975	89	1,124	9,222,080	6,654,802	15,199,393	31,076,275		
2001/2002	277,608,318	76	1,018	7,839,138	6,798,225	16,323,940	30,961,302		
2002/2003	278,453,810	79	976	9,310,364	6,270,308	15,738,133	31,318,806		
2003/2004	266,675,409	67	826	9,354,184	5,753,581	15,266,794	30,374,559		
2004/2005	299,722,150	30	694	6,798,736	5,833,537	12,751,812	25,384,085		
MA Total	1,415,355,662	341	4,638	42,524,502	31,310,453	75,280,072	149,115,027		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.031	0.023	0.052	0.106		
			2001/2002	0.028	0.024	0.059	0.112		
			2002/2003	0.033	0.023	0.057	0.112		
			2003/2004	0.035	0.022	0.057	0.114		
			2004/2005	0.023	0.019	0.043	0.085		
			MA Total Pure Premium:	0.030	0.022	0.053	0.105		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.625	0.653	0.659			
			(14) Massachusetts Credibility:	1.00	1.00	1.00			
			(15) Countrywide Pure Premium:	0.034	0.026	0.062	0.123		
			(16) Countrywide Indicated Relativity:	0.737	0.802	0.789			
			(17) Countrywide Credibility:	0.00	0.00	0.00			
			(18) Countrywide Lost-time Claims:	12,492	119,301				
			(19) Pure Premium Underlying Present Rate:	0.037	0.026	0.044	0.106		
			(20) Relativity to Underlying Present Rate:	0.636	0.705	0.628			
			(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163		
			(23) Formula Relativity:	0.625	0.653	0.659			
			(24) Balanced Formula Relativity:	0.621	0.651	0.657	0.645		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	17,860,242	6	46	704,032	250,330	658,581	1,612,942		
2001/2002	18,311,674	4	38	336,460	312,095	586,901	1,235,456		
2002/2003	18,947,168	5	35	938,107	488,723	980,275	2,407,105		
2003/2004	19,389,374	4	32	404,575	312,803	867,477	1,584,855		
2004/2005	20,245,746	1	37	276,770	364,900	523,721	1,165,390		
MA Total	94,754,204	20	188	2,659,943	1,728,851	3,616,955	8,005,749		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.039	0.014	0.037	0.090		
			2001/2002	0.018	0.017	0.032	0.067		
			2002/2003	0.050	0.026	0.052	0.127		
			2003/2004	0.021	0.016	0.045	0.082		
			2004/2005	0.014	0.018	0.026	0.058		
			MA Total Pure Premium:	0.028	0.018	0.038	0.084		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.584	0.539	0.473			
			(14) Massachusetts Credibility:	0.60	0.90	1.00			
			(15) Countrywide Pure Premium:	0.033	0.023	0.049	0.105		
			(16) Countrywide Indicated Relativity:	0.708	0.683	0.623			
			(17) Countrywide Credibility:	0.20	0.05	0.00			
			(18) Countrywide Lost-time Claims:	802	5,046				
			(19) Pure Premium Underlying Present Rate:	0.043	0.015	0.033	0.091		
			(20) Relativity to Underlying Present Rate:	0.752	0.404	0.475			
			(21) Credibility to Underlying Relativity:	0.200	0.050	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163		
			(23) Formula Relativity:	0.642	0.539	0.473			
			(24) Balanced Formula Relativity:	0.638	0.538	0.471	0.535		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000242

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 173

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	8,410,656	34	892	3,049,372	3,891,940	7,895,485	14,836,797		
2001/2002	9,869,627	44	894	4,985,646	4,122,866	8,433,164	17,541,676		
2002/2003	9,214,792	60	822	6,193,203	3,299,441	9,253,670	18,746,314		
2003/2004	7,918,955	45	695	5,188,037	3,664,551	6,775,119	15,627,706		
2004/2005	9,071,422	30	744	6,052,819	5,365,358	7,140,454	18,558,631		
MA Total	44,485,452	213	4,047	25,469,077	20,344,154	39,497,892	85,311,124		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.363	0.463	0.939	1.764				
	2001/2002	0.505	0.418	0.854	1.777				
	2002/2003	0.672	0.358	1.004	2.034				
	2003/2004	0.655	0.463	0.856	1.973				
	2004/2005	0.667	0.591	0.787	2.046				
	MA Total Pure Premium:	0.573	0.457	0.888	1.918				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.172	1.395	1.207					
	(14) Massachusetts Credibility:	1.00	1.00	1.00	1.920				
	(15) Countrywide Pure Premium:	0.562	0.446	0.913					
	(16) Countrywide Indicated Relativity:	1.123	1.326	1.204					
	(17) Countrywide Credibility:	0.00	0.00	0.00					
	(18) Countrywide Lost-time Claims:	3,197	41,573						
	(19) Pure Premium Underlying Present Rate:	0.588	0.511	0.779	1.879				
	(20) Relativity to Underlying Present Rate:	1.057	1.460	1.171					
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	1.172	1.395	1.207					
	(24) Balanced Formula Relativity:	1.160	1.391	1.201	1.228				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	1,254,684	1	57	57,607	98,591	949,715	1,105,913		
2001/2002	1,421,611	4	65	316,146	294,248	1,002,818	1,613,212		
2002/2003	1,435,808	2	66	126,141	253,114	1,053,199	1,432,454		
2003/2004	1,614,317	1	53	93,176	114,080	752,879	960,134		
2004/2005	1,805,253	0	72	0	355,041	1,092,241	1,447,282		
MA Total	7,531,673	8	313	593,070	1,115,074	4,850,852	6,558,996		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.046	0.079	0.757	0.881				
	2001/2002	0.222	0.207	0.705	1.135				
	2002/2003	0.088	0.176	0.734	0.998				
	2003/2004	0.058	0.071	0.466	0.595				
	2004/2005	0.000	0.197	0.605	0.802				
	MA Total Pure Premium:	0.079	0.148	0.644	0.871				
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.161	0.451	0.875					
	(14) Massachusetts Credibility:	0.40	0.80	1.00	0.983				
	(15) Countrywide Pure Premium:	0.222	0.189	0.572					
	(16) Countrywide Indicated Relativity:	0.445	0.561	0.755					
	(17) Countrywide Credibility:	0.30	0.10	0.00					
	(18) Countrywide Lost-time Claims:	301	5,205						
	(19) Pure Premium Underlying Present Rate:	0.199	0.139	0.471	0.809				
	(20) Relativity to Underlying Present Rate:	0.358	0.397	0.708					
	(21) Credibility to Underlying Relativity:	0.300	0.100	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	0.305	0.457	0.875					
	(24) Balanced Formula Relativity:	0.302	0.456	0.871	0.604				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000243

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 174

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	28,852,762	17	237	1,804,843	1,097,195	2,744,003	5,646,041		
2001/2002	30,735,056	13	210	1,500,220	1,062,130	2,125,910	4,688,260		
2002/2003	34,877,626	27	262	3,054,096	1,490,039	4,565,328	9,109,463		
2003/2004	35,941,707	29	255	3,643,837	928,252	3,642,542	8,214,631		
2004/2005	37,860,142	7	227	1,429,491	2,119,208	3,095,842	6,644,541		
MA Total	168,267,293	93	1,191	11,432,487	6,696,824	16,173,625	34,302,936		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.063	0.038	0.095	0.196		
		2001/2002		0.049	0.035	0.069	0.153		
		2002/2003		0.088	0.043	0.131	0.261		
		2003/2004		0.101	0.026	0.101	0.229		
		2004/2005		0.038	0.056	0.082	0.176		
		MA Total Pure Premium:		0.068	0.040	0.096	0.204		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		1.413	1.175	1.191			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.055	0.040	0.091	0.186		
		(16) Countrywide Indicated Relativity:		1.183	1.203	1.154			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,230	14,942				
		(19) Pure Premium Underlying Present Rate:		0.092	0.047	0.094	0.232		
		(20) Relativity to Underlying Present Rate:		1.598	1.279	1.342			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.048	0.034	0.081	0.163		
		(23) Formula Relativity:		1.413	1.175	1.191			
		(24) Balanced Formula Relativity:		1.405	1.172	1.187	1.248		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	7,997,041	24	489	1,943,955	2,012,392	4,120,003	8,076,349		
2001/2002	10,177,524	39	543	3,948,863	2,114,912	5,860,924	11,924,699		
2002/2003	10,871,244	37	425	4,736,921	2,300,431	6,091,654	13,129,006		
2003/2004	8,447,915	22	342	2,648,842	1,877,312	3,448,441	7,974,596		
2004/2005	8,984,583	7	322	1,522,202	2,252,515	2,784,819	6,559,536		
MA Total	46,478,307	129	2,121	14,800,782	10,557,562	22,305,841	47,664,185		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.243	0.252	0.515	1.010		
		2001/2002		0.388	0.208	0.576	1.172		
		2002/2003		0.436	0.212	0.560	1.208		
		2003/2004		0.314	0.222	0.408	0.944		
		2004/2005		0.169	0.251	0.310	0.730		
		MA Total Pure Premium:		0.318	0.227	0.480	1.026		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		6.624	6.707	5.949			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.176	0.132	0.289	0.598		
		(16) Countrywide Indicated Relativity:		3.772	4.019	3.672			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		1,697	22,328				
		(19) Pure Premium Underlying Present Rate:		0.348	0.241	0.425	1.014		
		(20) Relativity to Underlying Present Rate:		6.052	6.629	6.098			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.048	0.034	0.081	0.163		
		(23) Formula Relativity:		6.624	6.707	5.949			
		(24) Balanced Formula Relativity:		6.584	6.690	5.924	6.279		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000244

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 175

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,590,885	9	290	845,235	1,239,151	1,883,262	3,967,648		
2001/2002	2,630,791	15	270	1,457,127	1,125,716	2,427,531	5,010,374		
2002/2003	2,790,464	23	286	2,228,153	1,158,617	2,722,545	6,109,315		
2003/2004	2,962,893	10	279	1,309,884	1,145,592	2,594,815	5,050,291		
2004/2005	3,221,329	9	259	2,169,397	1,677,997	2,284,724	6,132,118		
MA Total	14,196,362	66	1,384	8,009,797	6,347,073	11,912,876	26,269,746		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.326	0.478	0.727	1.531				
	2001/2002	0.554	0.428	0.923	1.905				
	2002/2003	0.798	0.415	0.976	2.189				
	2003/2004	0.442	0.387	0.876	1.705				
	2004/2005	0.673	0.521	0.709	1.904				
	MA Total Pure Premium:	0.564	0.447	0.839	1.850				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.155	1.363	1.141					
	(14) Massachusetts Credibility:	0.77	1.00	1.00	1.828				
	(15) Countrywide Pure Premium:	0.581	0.422	0.825					
	(16) Countrywide Indicated Relativity:	1.161	1.256	1.088					
	(17) Countrywide Credibility:	0.12	0.00	0.00					
	(18) Countrywide Lost-time Claims:	629	11,667						
	(19) Pure Premium Underlying Present Rate:	0.550	0.481	0.700	1.731				
	(20) Relativity to Underlying Present Rate:	0.988	1.376	1.051					
	(21) Credibility to Underlying Relativity:	0.110	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552				
	(23) Formula Relativity:	1.138	1.363	1.141					
	(24) Balanced Formula Relativity:	1.125	1.360	1.135	1.180				

Class(es):		Effective: 9/1/2008						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)			
2000/2001	21,748,604	26	581	2,036,957	1,833,673	4,829,196	8,699,826		
2001/2002	22,914,456	25	582	2,293,754	1,771,226	5,319,002	9,383,982		
2002/2003	23,392,586	23	724	2,206,504	2,708,464	6,311,384	11,226,351		
2003/2004	23,952,624	34	680	4,031,697	2,781,161	7,413,168	14,226,025		
2004/2005	24,891,104	13	583	2,434,869	2,879,997	5,822,100	11,136,966		
MA Total	116,899,374	121	3,150	13,003,780	11,974,521	29,694,850	54,673,150		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.094	0.084	0.222	0.400				
	2001/2002	0.100	0.077	0.232	0.410				
	2002/2003	0.094	0.116	0.270	0.480				
	2003/2004	0.168	0.116	0.309	0.594				
	2004/2005	0.098	0.116	0.234	0.447				
	MA Total Pure Premium:	0.111	0.102	0.254	0.468				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	2.314	3.025	3.149					
	(14) Massachusetts Credibility:	0.96	1.00	1.00	0.240				
	(15) Countrywide Pure Premium:	0.053	0.051	0.136					
	(16) Countrywide Indicated Relativity:	1.128	1.550	1.727					
	(17) Countrywide Credibility:	0.02	0.00	0.00					
	(18) Countrywide Lost-time Claims:	1,896	27,867						
	(19) Pure Premium Underlying Present Rate:	0.114	0.103	0.221	0.438				
	(20) Relativity to Underlying Present Rate:	1.990	2.839	3.165					
	(21) Credibility to Underlying Relativity:	0.020	0.000	0.000					
	(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163				
	(23) Formula Relativity:	2.284	3.025	3.149					
	(24) Balanced Formula Relativity:	2.270	3.017	3.136	2.855				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000245

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 176

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				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)
2000/2001	2,689,983	16	155	1,177,402	934,902	2,176,425	4,288,728
2001/2002	4,019,129	17	231	1,984,667	1,130,101	2,750,941	5,865,710
2002/2003	4,157,421	35	260	3,712,868	1,307,163	4,748,926	9,768,957
2003/2004	4,408,281	29	233	3,635,496	1,557,614	4,478,035	9,671,146
2004/2005	4,414,457	16	249	3,379,980	2,265,700	5,635,948	11,281,628
MA Total	19,689,271	113	1,128	13,890,413	7,195,480	19,790,276	40,876,169
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.438	0.348	0.809	1.594		
	2001/2002	0.494	0.281	0.684	1.459		
	2002/2003	0.893	0.314	1.142	2.350		
	2003/2004	0.825	0.353	1.016	2.194		
	2004/2005	0.766	0.513	1.277	2.556		
	MA Total Pure Premium:	0.705	0.365	1.005	2.076		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.444	1.114	1.366			
	(14) Massachusetts Credibility:	0.97	1.00	1.00			
	(15) Countrywide Pure Premium:	0.678	0.476	1.002	2.156		
	(16) Countrywide Indicated Relativity:	1.355	1.415	1.322			
	(17) Countrywide Credibility:	0.02	0.00	0.00			
	(18) Countrywide Lost-time Claims:	859	16,626				
	(19) Pure Premium Underlying Present Rate:	0.701	0.343	0.683	1.727		
	(20) Relativity to Underlying Present Rate:	1.259	0.981	1.025			
	(21) Credibility to Underlying Relativity:	0.010	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	1.441	1.114	1.366			
	(24) Balanced Formula Relativity:	1.425	1.112	1.360	1.328		

Class(es):		Effective: 9/1/2008				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)
2000/2001	3,681,778	31	260	2,851,183	1,250,770	4,514,677	8,616,631
2001/2002	3,840,035	22	258	2,391,887	1,204,710	2,912,418	6,509,016
2002/2003	3,996,367	32	286	3,849,906	1,728,813	5,178,958	10,757,677
2003/2004	4,119,823	27	257	4,265,860	1,444,947	3,975,660	9,686,467
2004/2005	4,306,933	18	291	4,562,735	2,461,977	5,500,988	12,525,700
MA Total	19,944,936	130	1,352	17,921,571	8,091,217	22,082,702	48,095,490
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.774	0.340	1.226	2.340		
	2001/2002	0.623	0.314	0.758	1.695		
	2002/2003	0.963	0.433	1.296	2.692		
	2003/2004	1.035	0.351	0.965	2.351		
	2004/2005	1.059	0.572	1.277	2.908		
	MA Total Pure Premium:	0.899	0.406	1.107	2.411		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.840	1.237	1.505			
	(14) Massachusetts Credibility:	1.00	1.00	1.00			
	(15) Countrywide Pure Premium:	0.733	0.448	0.985	2.165		
	(16) Countrywide Indicated Relativity:	1.465	1.332	1.299			
	(17) Countrywide Credibility:	0.00	0.00	0.00			
	(18) Countrywide Lost-time Claims:	1,598	21,079				
	(19) Pure Premium Underlying Present Rate:	0.925	0.392	0.979	2.297		
	(20) Relativity to Underlying Present Rate:	1.661	1.122	1.471			
	(21) Credibility to Underlying Relativity:	0.000	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	1.840	1.237	1.505			
	(24) Balanced Formula Relativity:	1.820	1.234	1.498	1.544		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000246

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 177

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				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)
2000/2001	380,653	0	43	0	133,688	366,783	500,471
2001/2002	368,411	1	27	3,227	149,770	240,048	393,045
2002/2003	378,092	3	32	270,489	130,964	522,461	923,914
2003/2004	412,973	1	31	68,204	86,756	271,964	426,925
2004/2005	464,285	0	35	0	148,328	290,254	438,582
MA Total	2,004,414	5	168	341,921	649,506	1,691,510	2,682,937
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.000	0.351	0.964	1.315		
	2001/2002	0.009	0.407	0.652	1.067		
	2002/2003	0.715	0.346	1.382	2.444		
	2003/2004	0.165	0.210	0.659	1.034		
	2004/2005	0.000	0.319	0.625	0.945		
	MA Total Pure Premium:	0.171	0.324	0.844	1.339		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.349	0.988	1.147			
	(14) Massachusetts Credibility:	0.32	0.66	0.79			
	(15) Countrywide Pure Premium:	0.540	0.373	1.049	1.963		
	(16) Countrywide Indicated Relativity:	1.080	1.111	1.384			
	(17) Countrywide Credibility:	0.34	0.17	0.11			
	(18) Countrywide Lost-time Claims:	305	3,365				
	(19) Pure Premium Underlying Present Rate:	0.442	0.316	0.764	1.522		
	(20) Relativity to Underlying Present Rate:	0.794	0.903	1.148			
	(21) Credibility to Underlying Relativity:	0.340	0.170	0.100			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	0.749	0.995	1.173			
	(24) Balanced Formula Relativity:	0.741	0.992	1.168	0.996		

Class(es):		Effective: 9/1/2008				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)
2000/2001	7,278	0	0	0	0	0	0
2001/2002	7,875	0	1	0	26,290	61,204	87,494
2002/2003	11,474	0	0	0	0	0	0
2003/2004	10,303	0	0	0	0	0	0
2004/2005	5,647	0	0	0	0	0	0
MA Total	42,577	0	1	0	26,290	61,204	87,494
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.000	0.000	0.000	0.000		
	2001/2002	0.000	3.338	7.772	11.110		
	2002/2003	0.000	0.000	0.000	0.000		
	2003/2004	0.000	0.000	0.000	0.000		
	2004/2005	0.000	0.000	0.000	0.000		
	MA Total Pure Premium:	0.000	0.617	1.437	2.055		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	0.000	0.892	0.850			
	(14) Massachusetts Credibility:	0.14	0.18	0.21			
	(15) Countrywide Pure Premium:	0.000	0.045	0.097	0.141		
	(16) Countrywide Indicated Relativity:	0.000	0.072	0.063			
	(17) Countrywide Credibility:	0.30	0.41	0.40			
	(18) Countrywide Lost-time Claims:	23	103				
	(19) Pure Premium Underlying Present Rate:	2.375	0.607	1.315	4.297		
	(20) Relativity to Underlying Present Rate:	1.385	0.848	0.843			
	(21) Credibility to Underlying Relativity:	0.560	0.410	0.390			
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753		
	(23) Formula Relativity:	0.775	0.538	0.532			
	(24) Balanced Formula Relativity:	0.771	0.536	0.531	0.619		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000247

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 178

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008				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)
2000/2001	1,006,933	9	81	1,135,437	443,788	894,717	2,473,942
2001/2002	1,414,384	13	140	1,652,799	836,514	1,523,719	4,013,032
2002/2003	1,391,422	17	133	2,625,713	631,250	1,402,071	4,659,034
2003/2004	697,954	5	81	999,067	912,138	1,026,049	2,937,254
2004/2005	465,075	5	64	1,341,579	501,566	962,572	2,805,717
MA Total	4,975,768	49	499	7,754,595	3,325,257	5,809,127	16,888,979
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	1.128	0.441	0.889	2.457		
	2001/2002	1.169	0.591	1.077	2.837		
	2002/2003	1.887	0.454	1.008	3.348		
	2003/2004	1.431	1.307	1.470	4.208		
	2004/2005	2.885	1.078	2.070	6.033		
	MA Total Pure Premium:	1.558	0.668	1.167	3.394		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	3.191	2.038	1.587			
	(14) Massachusetts Credibility:	0.72	1.00	1.00			
	(15) Countrywide Pure Premium:	0.798	0.479	0.895	2.171		
	(16) Countrywide Indicated Relativity:	1.595	1.424	1.180			
	(17) Countrywide Credibility:	0.14	0.00	0.00			
	(18) Countrywide Lost-time Claims:	98	1,665				
	(19) Pure Premium Underlying Present Rate:	1.324	0.780	0.888	2.992		
	(20) Relativity to Underlying Present Rate:	2.378	2.229	1.334			
	(21) Credibility to Underlying Relativity:	0.140	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	2.854	2.038	1.587			
	(24) Balanced Formula Relativity:	2.823	2.033	1.580	2.067		

Class(es):		Effective: 9/1/2008				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)
2000/2001	839,177	6	119	621,999	462,207	1,023,223	2,107,429
2001/2002	1,006,187	4	114	434,356	556,439	762,553	1,753,348
2002/2003	987,963	7	126	569,346	547,769	1,247,330	2,364,446
2003/2004	837,448	9	109	1,307,980	477,805	860,193	2,645,978
2004/2005	774,206	0	118	0	785,151	754,277	1,539,428
MA Total	4,444,981	26	586	2,933,681	2,829,371	4,647,575	10,410,628
MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
	2000/2001	0.741	0.551	1.219	2.511		
	2001/2002	0.432	0.553	0.758	1.743		
	2002/2003	0.576	0.554	1.263	2.393		
	2003/2004	1.562	0.571	1.027	3.160		
	2004/2005	0.000	1.014	0.974	1.988		
	MA Total Pure Premium:	0.660	0.637	1.046	2.342		
Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total		
	(13) Massachusetts Indicated Relativity:	1.351	1.941	1.421			
	(14) Massachusetts Credibility:	0.56	1.00	1.00			
	(15) Countrywide Pure Premium:	0.397	0.351	0.813	1.561		
	(16) Countrywide Indicated Relativity:	0.794	1.044	1.072			
	(17) Countrywide Credibility:	0.22	0.00	0.00			
	(18) Countrywide Lost-time Claims:	798	14,567				
	(19) Pure Premium Underlying Present Rate:	0.803	0.598	1.170	2.571		
	(20) Relativity to Underlying Present Rate:	1.442	1.709	1.757			
	(21) Credibility to Underlying Relativity:	0.220	0.000	0.000			
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
	(23) Formula Relativity:	1.249	1.941	1.421			
	(24) Balanced Formula Relativity:	1.235	1.936	1.415	1.468		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000248

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 179

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	3,963,909	16	333	1,491,394	1,574,084	2,756,311	5,821,788		
2001/2002	4,148,468	16	225	1,609,496	1,115,049	2,792,811	5,517,356		
2002/2003	4,349,504	16	287	1,369,908	1,372,399	2,167,495	4,909,803		
2003/2004	4,622,220	19	243	2,173,558	1,232,600	2,499,623	5,905,781		
2004/2005	5,268,434	11	231	2,307,925	1,428,865	3,023,675	6,760,465		
MA Total	22,352,535	78	1,319	8,952,281	6,722,997	13,239,915	28,915,194		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.376	0.397	0.695	1.469		
			2001/2002	0.388	0.269	0.673	1.330		
			2002/2003	0.315	0.316	0.498	1.129		
			2003/2004	0.470	0.267	0.541	1.278		
			2004/2005	0.438	0.271	0.574	1.283		
			MA Total Pure Premium:	0.401	0.301	0.592	1.294		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.820	0.917	0.805			
			(14) Massachusetts Credibility:	0.83	1.00	1.00			
			(15) Countrywide Pure Premium:	0.373	0.366	0.790	1.529		
			(16) Countrywide Indicated Relativity:	0.745	1.089	1.042			
			(17) Countrywide Credibility:	0.09	0.00	0.00			
			(18) Countrywide Lost-time Claims:	1,155	27,776				
			(19) Pure Premium Underlying Present Rate:	0.419	0.349	0.621	1.389		
			(20) Relativity to Underlying Present Rate:	0.752	0.999	0.933			
			(21) Credibility to Underlying Relativity:	0.080	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.808	0.917	0.805			
			(24) Balanced Formula Relativity:	0.799	0.915	0.801	0.825		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,055,505	4	120	415,865	425,148	877,360	1,718,372		
2001/2002	2,219,151	6	98	626,292	390,370	1,475,977	2,492,639		
2002/2003	2,286,891	3	80	451,706	497,364	1,070,322	2,019,391		
2003/2004	2,368,399	8	68	1,024,708	435,942	1,493,946	2,954,597		
2004/2005	2,433,959	4	80	556,517	623,246	1,543,989	2,723,752		
MA Total	11,363,905	25	446	3,075,087	2,372,070	6,461,594	11,908,752		
MA Indicated Pure Premiums									
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.202	0.207	0.427	0.836		
			2001/2002	0.282	0.176	0.665	1.123		
			2002/2003	0.198	0.217	0.468	0.883		
			2003/2004	0.433	0.184	0.631	1.248		
			2004/2005	0.229	0.256	0.634	1.119		
			MA Total Pure Premium:	0.271	0.209	0.569	1.048		
Pure Premium Relativities									
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.554	0.637	0.773			
			(14) Massachusetts Credibility:	0.59	1.00	1.00			
			(15) Countrywide Pure Premium:	0.356	0.249	0.622	1.227		
			(16) Countrywide Indicated Relativity:	0.711	0.740	0.821			
			(17) Countrywide Credibility:	0.21	0.00	0.00			
			(18) Countrywide Lost-time Claims:	606	8,944				
			(19) Pure Premium Underlying Present Rate:	0.350	0.237	0.477	1.064		
			(20) Relativity to Underlying Present Rate:	0.628	0.679	0.717			
			(21) Credibility to Underlying Relativity:	0.200	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.602	0.637	0.773			
			(24) Balanced Formula Relativity:	0.595	0.635	0.769	0.686		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000249

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 180

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	549,748	1	15	137,178	43,487	209,366	390,030		
2001/2002	559,189	1	13	62,757	40,766	97,143	200,666		
2002/2003	551,760	2	12	170,413	123,469	159,858	453,740		
2003/2004	593,108	0	14	0	36,430	92,155	128,585		
2004/2005	610,601	0	10	0	91,733	66,741	158,474		
MA Total	2,864,406	4	64	370,348	335,884	625,262	1,331,494		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.250	0.079	0.381	0.709		
			2001/2002	0.112	0.073	0.174	0.359		
			2002/2003	0.309	0.224	0.290	0.822		
			2003/2004	0.000	0.061	0.155	0.217		
			2004/2005	0.000	0.150	0.109	0.260		
			MA Total Pure Premium:	0.129	0.117	0.218	0.465		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.265	0.358	0.297			
			(14) Massachusetts Credibility:	0.32	0.62	0.62			
			(15) Countrywide Pure Premium:	0.301	0.261	0.587	1.149		
			(16) Countrywide Indicated Relativity:	0.602	0.777	0.774			
			(17) Countrywide Credibility:	0.34	0.19	0.19			
			(18) Countrywide Lost-time Claims:	183	2,180				
			(19) Pure Premium Underlying Present Rate:	0.307	0.193	0.299	0.800		
			(20) Relativity to Underlying Present Rate:	0.552	0.553	0.449			
			(21) Credibility to Underlying Relativity:	0.340	0.190	0.190			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.477	0.474	0.416			
			(24) Balanced Formula Relativity:	0.472	0.473	0.415	0.445		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	2,790,978	2	95	116,134	381,618	672,363	1,170,115		
2001/2002	3,080,710	5	87	393,131	434,447	1,076,632	1,904,210		
2002/2003	3,242,305	3	81	441,334	369,193	739,122	1,549,650		
2003/2004	3,281,096	0	71	0	408,068	878,190	1,286,258		
2004/2005	3,548,987	0	79	0	622,684	1,049,420	1,672,104		
MA Total	15,944,076	10	413	950,600	2,216,010	4,415,727	7,582,337		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.042	0.137	0.241	0.419		
			2001/2002	0.128	0.141	0.349	0.618		
			2002/2003	0.136	0.114	0.228	0.478		
			2003/2004	0.000	0.124	0.268	0.392		
			2004/2005	0.000	0.175	0.296	0.471		
			MA Total Pure Premium:	0.060	0.139	0.277	0.476		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.122	0.424	0.376			
			(14) Massachusetts Credibility:	0.44	1.00	1.00			
			(15) Countrywide Pure Premium:	0.141	0.133	0.365	0.638		
			(16) Countrywide Indicated Relativity:	0.281	0.395	0.482			
			(17) Countrywide Credibility:	0.28	0.00	0.00			
			(18) Countrywide Lost-time Claims:	107	3,182				
			(19) Pure Premium Underlying Present Rate:	0.118	0.140	0.284	0.541		
			(20) Relativity to Underlying Present Rate:	0.211	0.399	0.427			
			(21) Credibility to Underlying Relativity:	0.280	0.000	0.000			
			(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552		
			(23) Formula Relativity:	0.192	0.424	0.376			
			(24) Balanced Formula Relativity:	0.190	0.423	0.375	0.327		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000250

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 181

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
9079 RESTAURANT 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)			
2000/2001	16,343,605	49	1,064	3,842,187	3,613,345	8,421,904	15,877,437		
2001/2002	17,020,094	44	891	3,698,015	3,661,261	7,650,963	15,010,239		
2002/2003	15,993,007	46	835	4,325,815	3,859,339	8,008,694	16,193,848		
2003/2004	15,602,881	31	678	3,945,940	2,866,618	6,302,185	13,114,742		
2004/2005	15,892,666	8	669	1,772,319	4,349,238	6,577,060	12,698,616		
MA Total	80,852,253	178	4,137	17,584,276	18,349,801	36,960,806	72,894,882		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.235	0.221	0.515	0.971		
		2001/2002		0.217	0.215	0.450	0.882		
		2002/2003		0.270	0.241	0.501	1.013		
		2003/2004		0.253	0.184	0.404	0.841		
		2004/2005		0.112	0.274	0.414	0.799		
		MA Total Pure Premium:		0.217	0.227	0.457	0.902		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		0.445	0.692	0.621			
		(14) Massachusetts Credibility:		1.00	1.00	1.00			
		(15) Countrywide Pure Premium:		0.283	0.270	0.679	1.231		
		(16) Countrywide Indicated Relativity:		0.565	0.802	0.895			
		(17) Countrywide Credibility:		0.00	0.00	0.00			
		(18) Countrywide Lost-time Claims:		4,013	40,124				
		(19) Pure Premium Underlying Present Rate:		0.302	0.230	0.447	0.979		
		(20) Relativity to Underlying Present Rate:		0.543	0.657	0.671			
		(21) Credibility to Underlying Relativity:		0.000	0.000	0.000			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.445	0.692	0.621			
		(24) Balanced Formula Relativity:		0.440	0.690	0.619	0.578		

Class(es):		Effective: 9/1/2008						Goods & Services	
9089 BILLIARD HALL									
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)			
2000/2001	41,413	0	4	0	22,408	40,740	63,148		
2001/2002	37,721	0	1	0	761	7,395	8,155		
2002/2003	41,777	1	1	236,141	6,557	83,858	326,555		
2003/2004	42,561	1	2	119,401	1,692	88,824	209,916		
2004/2005	39,366	0	2	0	9,756	23,667	33,423		
MA Total	202,838	2	10	355,542	41,173	244,484	641,198		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
		2000/2001		0.000	0.541	0.984	1.525		
		2001/2002		0.000	0.020	0.196	0.216		
		2002/2003		5.652	0.157	2.007	7.817		
		2003/2004		2.805	0.040	2.087	4.932		
		2004/2005		0.000	0.248	0.601	0.849		
		MA Total Pure Premium:		1.753	0.203	1.205	3.161		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
		(13) Massachusetts Indicated Relativity:		3.589	0.619	1.638			
		(14) Massachusetts Credibility:		0.11	0.19	0.23			
		(15) Countrywide Pure Premium:		0.037	0.027	0.093	0.156		
		(16) Countrywide Indicated Relativity:		0.073	0.079	0.122			
		(17) Countrywide Credibility:		0.09	0.41	0.39			
		(18) Countrywide Lost-time Claims:		1	97				
		(19) Pure Premium Underlying Present Rate:		0.300	0.139	0.340	0.779		
		(20) Relativity to Underlying Present Rate:		0.538	0.397	0.511			
		(21) Credibility to Underlying Relativity:		0.800	0.400	0.380			
		(22) Industry Group Adjusted Converted Pure Premium:		0.488	0.328	0.736	1.552		
		(23) Formula Relativity:		0.832	0.309	0.619			
		(24) Balanced Formula Relativity:		0.823	0.308	0.616	0.616		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000251

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 182

Calculation of Class Relativities

Class(es): 9093 BOWLING LANE		Effective: 9/1/2008				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)	
2000/2001	88,721	0	2	0	984	15,009	15,994	
2001/2002	103,776	1	1	74,518	16,375	257,952	348,845	
2002/2003	109,678	0	2	0	1,091	12,784	13,875	
2003/2004	93,674	0	1	0	9,354	27,780	37,135	
2004/2005	92,013	0	3	0	23,658	42,912	66,570	
MA Total	487,862	1	9	74,518	51,462	356,438	482,418	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	0.011	0.169	0.180			
	2001/2002	0.718	0.158	2.486	3.362			
	2002/2003	0.000	0.010	0.117	0.127			
	2003/2004	0.000	0.100	0.297	0.396			
	2004/2005	0.000	0.257	0.466	0.723			
	MA Total Pure Premium:	0.153	0.105	0.731	0.989			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.313	0.322	0.993				
	(14) Massachusetts Credibility:	0.15	0.33	0.47				
	(15) Countrywide Pure Premium:	0.227	0.245	0.495	0.968			
	(16) Countrywide Indicated Relativity:	0.454	0.730	0.653				
	(17) Countrywide Credibility:	0.32	0.34	0.27				
	(18) Countrywide Lost-time Claims:	26	586					
	(19) Pure Premium Underlying Present Rate:	0.278	0.240	0.861	1.379			
	(20) Relativity to Underlying Present Rate:	0.500	0.685	1.294				
	(21) Credibility to Underlying Relativity:	0.530	0.330	0.260				
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
	(23) Formula Relativity:	0.457	0.580	0.980				
	(24) Balanced Formula Relativity:	0.452	0.579	0.975	0.727			

Class(es): 9101 COLLEGE: ALL OTHER EMPLOYEES		Effective: 9/1/2008				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)	
2000/2001	1,183,836	6	140	506,707	501,399	1,280,157	2,288,263	
2001/2002	1,136,065	7	131	652,611	363,097	1,358,403	2,374,111	
2002/2003	1,164,460	8	140	1,105,247	794,829	1,886,828	3,786,904	
2003/2004	1,174,156	7	130	1,049,773	923,471	1,405,512	3,378,756	
2004/2005	1,135,472	6	139	1,075,262	1,051,257	1,626,881	3,753,401	
MA Total	5,793,989	34	680	4,389,600	3,634,053	7,557,781	15,581,434	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.428	0.424	1.081	1.933			
	2001/2002	0.574	0.320	1.196	2.090			
	2002/2003	0.949	0.683	1.620	3.252			
	2003/2004	0.894	0.786	1.197	2.878			
	2004/2005	0.947	0.926	1.433	3.306			
	MA Total Pure Premium:	0.758	0.627	1.304	2.689			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.551	1.913	1.773				
	(14) Massachusetts Credibility:	0.60	1.00	1.00				
	(15) Countrywide Pure Premium:	0.577	0.459	1.073	2.109			
	(16) Countrywide Indicated Relativity:	1.153	1.366	1.416				
	(17) Countrywide Credibility:	0.20	0.00	0.00				
	(18) Countrywide Lost-time Claims:	1,118	18,233					
	(19) Pure Premium Underlying Present Rate:	0.728	0.572	1.162	2.463			
	(20) Relativity to Underlying Present Rate:	1.308	1.636	1.746				
	(21) Credibility to Underlying Relativity:	0.200	0.000	0.000				
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
	(23) Formula Relativity:	1.423	1.913	1.773				
	(24) Balanced Formula Relativity:	1.408	1.908	1.765	1.683			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000252

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 183

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous	
9102 PARK NOC- ALL EMPLOYEES & 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)			
2000/2001	104,168	0	6	0	14,064	32,699	46,763		
2001/2002	129,228	0	9	0	6,570	31,637	38,207		
2002/2003	124,904	0	4	0	191,127	66,690	257,817		
2003/2004	116,798	0	3	0	26,210	52,717	78,926		
2004/2005	108,615	0	5	0	23,491	51,880	75,371		
MA Total	583,713	0	27	0	261,461	235,622	497,083		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.000	0.135	0.314	0.449			
		2001/2002	0.000	0.051	0.245	0.296			
		2002/2003	0.000	1.530	0.534	2.064			
		2003/2004	0.000	0.224	0.451	0.676			
		2004/2005	0.000	0.216	0.478	0.694			
		MA Total Pure Premium:	0.000	0.448	0.404	0.852			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.000	0.647	0.239				
		(14) Massachusetts Credibility:	0.23	0.49	0.48				
		(15) Countrywide Pure Premium:	0.523	0.426	1.176	2.125			
		(16) Countrywide Indicated Relativity:	0.423	0.687	0.762				
		(17) Countrywide Credibility:	0.39	0.26	0.26				
		(18) Countrywide Lost-time Claims:	270	6,459					
		(19) Pure Premium Underlying Present Rate:	0.637	0.508	0.747	1.891			
		(20) Relativity to Underlying Present Rate:	0.371	0.709	0.479				
		(21) Credibility to Underlying Relativity:	0.380	0.250	0.260				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	0.306	0.673	0.437				
		(24) Balanced Formula Relativity:	0.304	0.671	0.436	0.431			

Class(es):		Effective: 9/1/2008						Miscellaneous	
9154 THEATER NOC: ALL OTHER EMPLOYEES									
		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)			
2000/2001	601,026	1	29	49,674	127,509	236,200	413,383		
2001/2002	648,087	1	20	69,112	57,869	246,779	373,760		
2002/2003	484,624	1	13	81,300	29,997	196,557	307,854		
2003/2004	488,298	1	8	98,819	13,674	199,130	311,623		
2004/2005	501,524	1	13	170,947	61,166	188,753	420,865		
MA Total	2,723,559	5	83	469,852	290,214	1,067,418	1,827,484		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.083	0.212	0.393	0.688			
		2001/2002	0.107	0.089	0.381	0.577			
		2002/2003	0.168	0.062	0.406	0.635			
		2003/2004	0.202	0.028	0.408	0.638			
		2004/2005	0.341	0.122	0.376	0.839			
		MA Total Pure Premium:	0.173	0.107	0.392	0.671			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	0.126	0.154	0.232				
		(14) Massachusetts Credibility:	0.35	0.60	0.71				
		(15) Countrywide Pure Premium:	0.393	0.224	0.658	1.275			
		(16) Countrywide Indicated Relativity:	0.318	0.362	0.426				
		(17) Countrywide Credibility:	0.33	0.20	0.15				
		(18) Countrywide Lost-time Claims:	174	2,127					
		(19) Pure Premium Underlying Present Rate:	0.399	0.188	0.440	1.027			
		(20) Relativity to Underlying Present Rate:	0.233	0.263	0.282				
		(21) Credibility to Underlying Relativity:	0.320	0.200	0.140				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	0.223	0.217	0.268				
		(24) Balanced Formula Relativity:	0.222	0.217	0.267	0.241			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000253

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 184

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Office & Clerical	
9156 THEATER NOC: PLAYERS, ENTERTAINERS OR MUSICIANS									
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)			
2000/2001	417,540	2	10	142,386	47,618	133,156	323,161		
2001/2002	418,688	0	5	0	15,282	44,501	59,783		
2002/2003	389,144	2	4	351,561	14,917	209,209	575,687		
2003/2004	418,659	1	12	257,083	62,987	249,701	569,770		
2004/2005	433,569	0	18	0	145,659	248,723	394,381		
MA Total	2,077,600	5	49	751,030	286,463	885,288	1,922,782		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.341	0.114	0.319	0.774				
	2001/2002	0.000	0.037	0.106	0.143				
	2002/2003	0.903	0.038	0.538	1.479				
	2003/2004	0.614	0.150	0.596	1.361				
	2004/2005	0.000	0.336	0.574	0.910				
	MA Total Pure Premium:	0.361	0.138	0.426	0.925				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	7.520	4.071	5.282					
	(14) Massachusetts Credibility:	0.25	0.53	0.61					
	(15) Countrywide Pure Premium:	0.165	0.233	0.589	0.987				
	(16) Countrywide Indicated Relativity:	3.534	7.065	7.469					
	(17) Countrywide Credibility:	0.38	0.24	0.20					
	(18) Countrywide Lost-time Claims:	74	1,018						
	(19) Pure Premium Underlying Present Rate:	0.230	0.181	0.391	0.802				
	(20) Relativity to Underlying Present Rate:	3.997	4.988	5.615					
	(21) Credibility to Underlying Relativity:	0.370	0.230	0.190					
	(22) Industry Group Adjusted Converted Pure Premium:	0.048	0.034	0.081	0.163				
	(23) Formula Relativity:	4.702	5.001	5.783					
	(24) Balanced Formula Relativity:	4.673	4.987	5.759	5.277				

Class(es):		Effective: 9/1/2008						Miscellaneous	
9178 ATHLETIC TEAM OR PARK: NON-CONTACT SPORTS									
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)			
2000/2001	30,999	0	20	0	145,540	624,837	770,377		
2001/2002	27,441	2	15	268,364	152,435	761,018	1,181,817		
2002/2003	19,315	0	1	0	218	48,754	48,972		
2003/2004	18,602	0	4	0	3,812	56,909	60,720		
2004/2005	16,600	0	7	0	22,562	140,494	163,056		
MA Total	112,957	2	47	268,364	324,567	1,632,010	2,224,942		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	4.695	20.157	24.852				
	2001/2002	9.780	5.555	27.733	43.068				
	2002/2003	0.000	0.011	2.524	2.535				
	2003/2004	0.000	0.205	3.059	3.264				
	2004/2005	0.000	1.359	8.464	9.823				
	MA Total Pure Premium:	2.376	2.873	14.448	19.697				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	1.734	4.152	8.544					
	(14) Massachusetts Credibility:	0.16	0.53	0.84					
	(15) Countrywide Pure Premium:	0.636	0.711	3.007	4.354				
	(16) Countrywide Indicated Relativity:	0.514	1.146	1.949					
	(17) Countrywide Credibility:	0.37	0.24	0.08					
	(18) Countrywide Lost-time Claims:	37	790						
	(19) Pure Premium Underlying Present Rate:	1.266	3.260	15.978	20.503				
	(20) Relativity to Underlying Present Rate:	0.738	4.553	10.246					
	(21) Credibility to Underlying Relativity:	0.470	0.230	0.080					
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753				
	(23) Formula Relativity:	0.815	3.522	8.153					
	(24) Balanced Formula Relativity:	0.810	3.511	8.126	4.605				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000254

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 185

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	31,672	5	19	357,367	224,146	158,055	739,568	
2001/2002	49,379	5	25	667,602	209,804	467,023	1,344,428	
2002/2003	33,509	1	27	163,280	96,911	366,928	627,119	
2003/2004	27,666	1	29	106,954	258,561	248,113	613,629	
2004/2005	27,697	1	14	158,091	380,650	175,149	713,890	
MA Total	169,923	13	114	1,453,294	1,170,072	1,415,268	4,038,633	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	11.283	7.077	4.990	23.351			
	2001/2002	13.520	4.249	9.458	27.226			
	2002/2003	4.873	2.892	10.950	18.715			
	2003/2004	3.866	9.346	8.968	22.180			
	2004/2005	5.708	13.743	6.324	25.775			
	MA Total Pure Premium:	8.553	6.886	8.329	23.767			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	6.243	9.949	4.925				
	(14) Massachusetts Credibility:	0.36	0.71	0.75				
	(15) Countrywide Pure Premium:	1.736	1.337	4.225	7.298			
	(16) Countrywide Indicated Relativity:	1.403	2.155	2.739				
	(17) Countrywide Credibility:	0.32	0.15	0.13				
	(18) Countrywide Lost-time Claims:	84	1,283					
	(19) Pure Premium Underlying Present Rate:	6.763	4.567	7.906	19.236			
	(20) Relativity to Underlying Present Rate:	3.943	6.378	5.070				
	(21) Credibility to Underlying Relativity:	0.320	0.140	0.120				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	3.958	8.280	4.658				
	(24) Balanced Formula Relativity:	3.937	8.254	4.643	5.051			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	112,726	0	15	0	221,290	218,407	439,697	
2001/2002	75,667	0	7	0	48,767	131,650	180,417	
2002/2003	101,435	0	14	0	73,417	282,527	355,944	
2003/2004	98,318	0	14	0	56,579	183,146	239,724	
2004/2005	109,212	0	12	0	43,149	165,794	208,943	
MA Total	497,358	0	62	0	443,202	981,523	1,424,725	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.000	1.963	1.938	3.901			
	2001/2002	0.000	0.644	1.740	2.384			
	2002/2003	0.000	0.724	2.785	3.509			
	2003/2004	0.000	0.575	1.863	2.438			
	2004/2005	0.000	0.395	1.518	1.913			
	MA Total Pure Premium:	0.000	0.891	1.973	2.865			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.000	1.288	1.167				
	(14) Massachusetts Credibility:	0.26	0.51	0.62				
	(15) Countrywide Pure Premium:	1.015	0.750	2.772	4.536			
	(16) Countrywide Indicated Relativity:	0.820	1.209	1.797				
	(17) Countrywide Credibility:	0.37	0.25	0.19				
	(18) Countrywide Lost-time Claims:	98	2,235					
	(19) Pure Premium Underlying Present Rate:	1.090	0.678	1.730	3.498			
	(20) Relativity to Underlying Present Rate:	0.635	0.947	1.110				
	(21) Credibility to Underlying Relativity:	0.370	0.240	0.190				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.538	1.186	1.276				
	(24) Balanced Formula Relativity:	0.536	1.182	1.272	0.986			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000255

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 186

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous
9182 ATHLETIC TEAM OR PARK: 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)	
2000/2001	76,953	2	10	186,876	65,541	224,004	476,421	
2001/2002	94,989	2	8	336,882	59,577	189,700	586,160	
2002/2003	70,227	0	9	0	35,448	105,825	141,273	
2003/2004	87,357	0	9	0	138,883	52,385	191,268	
2004/2005	88,170	0	4	0	49,652	73,709	123,361	
MA Total	417,696	4	40	523,759	349,102	645,623	1,518,483	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	2.428	0.852	2.911	6.191			
	2001/2002	3.547	0.627	1.997	6.171			
	2002/2003	0.000	0.505	1.507	2.012			
	2003/2004	0.000	1.590	0.600	2.189			
	2004/2005	0.000	0.563	0.836	1.399			
	MA Total Pure Premium:	1.254	0.836	1.546	3.635			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.915	1.208	0.914				
	(14) Massachusetts Credibility:	0.24	0.44	0.51				
	(15) Countrywide Pure Premium:	0.281	0.262	1.035	1.578			
	(16) Countrywide Indicated Relativity:	0.227	0.421	0.671				
	(17) Countrywide Credibility:	0.38	0.28	0.25				
	(18) Countrywide Lost-time Claims:	48	649					
	(19) Pure Premium Underlying Present Rate:	0.998	0.552	1.234	2.785			
	(20) Relativity to Underlying Present Rate:	0.582	0.771	0.791				
	(21) Credibility to Underlying Relativity:	0.380	0.280	0.240				
	(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
	(23) Formula Relativity:	0.527	0.865	0.824				
	(24) Balanced Formula Relativity:	0.524	0.863	0.821	0.720			

Class(es):		Effective: 9/1/2008						Goods & Services
9220 CEMETERY 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)	
2000/2001	165,037	1	23	49,642	102,574	145,533	297,749	
2001/2002	162,225	0	20	0	110,402	152,942	263,344	
2002/2003	165,402	0	24	0	115,686	149,628	265,314	
2003/2004	165,392	2	13	160,980	154,405	336,370	651,756	
2004/2005	170,445	0	15	0	100,386	99,204	199,590	
MA Total	828,501	3	95	210,622	583,453	883,678	1,677,753	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.301	0.622	0.882	1.804			
	2001/2002	0.000	0.681	0.943	1.623			
	2002/2003	0.000	0.699	0.905	1.604			
	2003/2004	0.973	0.934	2.034	3.941			
	2004/2005	0.000	0.589	0.582	1.171			
	MA Total Pure Premium:	0.254	0.704	1.067	2.025			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.521	2.147	1.450				
	(14) Massachusetts Credibility:	0.32	0.72	0.65				
	(15) Countrywide Pure Premium:	1.035	0.606	1.383	3.024			
	(16) Countrywide Indicated Relativity:	2.068	1.803	1.825				
	(17) Countrywide Credibility:	0.34	0.14	0.18				
	(18) Countrywide Lost-time Claims:	129	1,328					
	(19) Pure Premium Underlying Present Rate:	1.057	0.972	1.159	3.187			
	(20) Relativity to Underlying Present Rate:	1.898	2.777	1.741				
	(21) Credibility to Underlying Relativity:	0.340	0.140	0.170				
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
	(23) Formula Relativity:	1.515	2.187	1.567				
	(24) Balanced Formula Relativity:	1.498	2.182	1.560	1.672			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000256

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 187

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Miscellaneous	
9402 STREET CLEANING & 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)		
2000/2001	441,283	13	41	1,262,915	380,556	1,003,469	2,646,939		
2001/2002	447,471	10	52	1,529,868	415,830	980,035	2,925,732		
2002/2003	449,566	4	41	796,844	181,677	614,417	1,592,937		
2003/2004	515,850	6	37	1,042,470	347,022	1,313,288	2,702,780		
2004/2005	566,783	2	43	582,692	434,432	531,150	1,548,274		
MA Total	2,420,953	35	214	5,214,787	1,759,517	4,442,358	11,416,663		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	2.862	0.862	2.274	5.998			
		2001/2002	3.419	0.929	2.190	6.538			
		2002/2003	1.772	0.404	1.367	3.543			
		2003/2004	2.021	0.673	2.546	5.239			
		2004/2005	1.028	0.766	0.937	2.732			
		MA Total Pure Premium:	2.154	0.727	1.835	4.716			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.572	1.050	1.085				
		(14) Massachusetts Credibility:	0.66	1.00	1.00				
		(15) Countrywide Pure Premium:	1.315	0.555	1.571	3.441			
		(16) Countrywide Indicated Relativity:	1.062	0.895	1.018				
		(17) Countrywide Credibility:	0.17	0.00	0.00				
		(18) Countrywide Lost-time Claims:	209	2.122					
		(19) Pure Premium Underlying Present Rate:	2.182	0.790	1.489	4.461			
		(20) Relativity to Underlying Present Rate:	1.272	1.103	0.955				
		(21) Credibility to Underlying Relativity:	0.170	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	1.435	1.050	1.085				
		(24) Balanced Formula Relativity:	1.427	1.047	1.082	1.201			

Class(es):		Effective: 9/1/2008						Miscellaneous	
9403 GARBAGE, ASHES OR REFUSE COLLECTION & 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)		
2000/2001	782,770	7	124	770,134	674,952	1,450,531	2,895,617		
2001/2002	869,487	21	108	2,308,217	685,042	2,124,343	5,117,601		
2002/2003	953,756	17	118	2,472,712	850,161	2,611,485	5,934,359		
2003/2004	1,000,937	8	119	1,353,568	1,056,331	2,078,934	4,488,832		
2004/2005	1,074,853	8	123	1,991,213	1,041,037	2,580,536	5,612,786		
MA Total	4,681,803	61	592	8,895,843	4,307,522	10,845,829	24,049,195		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.984	0.862	1.853	3.699			
		2001/2002	2.655	0.788	2.443	5.886			
		2002/2003	2.593	0.891	2.738	6.222			
		2003/2004	1.352	1.055	2.077	4.485			
		2004/2005	1.853	0.969	2.401	5.222			
		MA Total Pure Premium:	1.900	0.920	2.317	5.137			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	1.387	1.329	1.370				
		(14) Massachusetts Credibility:	0.90	1.00	1.00				
		(15) Countrywide Pure Premium:	2.162	0.866	2.334	5.362			
		(16) Countrywide Indicated Relativity:	1.747	1.396	1.513				
		(17) Countrywide Credibility:	0.05	0.00	0.00				
		(18) Countrywide Lost-time Claims:	1,399	11.667					
		(19) Pure Premium Underlying Present Rate:	2.490	0.956	2.214	5.660			
		(20) Relativity to Underlying Present Rate:	1.452	1.336	1.419				
		(21) Credibility to Underlying Relativity:	0.050	0.000	0.000				
		(22) Industry Group Adjusted Converted Pure Premium:	1.370	0.692	1.691	3.753			
		(23) Formula Relativity:	1.408	1.329	1.370				
		(24) Balanced Formula Relativity:	1.401	1.325	1.365	1.371			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000257

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 188

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	11,053	0	0	0	0	2,111	2,111		
2001/2002	9,993	0	0	0	0	1,677	1,677		
2002/2003	7,095	0	0	0	0	0	0		
2003/2004	6,396	0	0	0	0	2,789	2,789		
2004/2005	6,450	0	1	0	1,635	1,555	3,191		
MA Total	40,987	0	1	0	1,635	8,133	9,769		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.000	0.000	0.191	0.191			
		2001/2002	0.000	0.000	0.168	0.168			
		2002/2003	0.000	0.000	0.000	0.000			
		2003/2004	0.000	0.000	0.436	0.436			
		2004/2005	0.000	0.254	0.241	0.495			
		MA Total Pure Premium:	0.000	0.040	0.198	0.238			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	0.000	0.122	0.270				
		(14) Massachusetts Credibility:	0.08	0.13	0.15				
		(15) Countrywide Pure Premium:	0.438	0.331	0.805	1.573			
		(16) Countrywide Indicated Relativity:	0.875	0.984	1.062				
		(17) Countrywide Credibility:	0.46	0.44	0.43				
		(18) Countrywide Lost-time Claims:	132	2,455					
		(19) Pure Premium Underlying Present Rate:	0.581	0.274	0.618	1.474			
		(20) Relativity to Underlying Present Rate:	1.044	0.785	0.929				
		(21) Credibility to Underlying Relativity:	0.460	0.430	0.420				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	0.883	0.786	0.887				
		(24) Balanced Formula Relativity:	0.873	0.784	0.883	0.859			

Class(es):		Effective: 9/1/2008						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)			
2000/2001	246,408	2	22	128,630	152,264	435,763	716,656		
2001/2002	204,486	1	14	97,432	41,536	109,259	248,228		
2002/2003	224,755	2	12	285,484	70,747	184,233	540,464		
2003/2004	244,476	3	13	319,854	98,442	409,167	827,463		
2004/2005	259,420	0	15	0	129,528	118,358	247,886		
MA Total	1,179,545	8	76	831,399	492,517	1,256,780	2,580,696		
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)			Total (12)		
		2000/2001	0.522	0.618	1.768	2.908			
		2001/2002	0.476	0.203	0.534	1.214			
		2002/2003	1.270	0.315	0.820	2.405			
		2003/2004	1.308	0.403	1.674	3.385			
		2004/2005	0.000	0.499	0.456	0.956			
		MA Total Pure Premium:	0.705	0.418	1.065	2.188			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical			Total		
		(13) Massachusetts Indicated Relativity:	1.095	1.115	1.262				
		(14) Massachusetts Credibility:	0.34	0.61	0.70				
		(15) Countrywide Pure Premium:	0.882	0.376	0.936	2.194			
		(16) Countrywide Indicated Relativity:	1.450	1.101	1.189				
		(17) Countrywide Credibility:	0.33	0.20	0.15				
		(18) Countrywide Lost-time Claims:	152	1,536					
		(19) Pure Premium Underlying Present Rate:	0.882	0.451	0.966	2.299			
		(20) Relativity to Underlying Present Rate:	1.247	1.151	1.315				
		(21) Credibility to Underlying Relativity:	0.330	0.190	0.150				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	1.262	1.119	1.259				
		(24) Balanced Formula Relativity:	1.265	1.120	1.255	1.232			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000258

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 189

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services	
9519 HOUSEHOLD APPLIANCES-ELECTRICAL-INSTALL, SERV OR REPAIR & DR									
		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)			
2000/2001	495,057	3	36	359,477	116,253	307,888		783,617	
2001/2002	495,188	4	26	500,853	147,282	480,274		1,128,409	
2002/2003	516,049	5	24	869,540	105,931	736,679		1,712,150	
2003/2004	606,185	4	18	601,686	37,444	370,694		1,009,824	
2004/2005	635,683	2	34	862,822	416,348	749,440		2,028,609	
MA Total	2,748,162	18	138	3,194,378	823,258	2,644,973		6,662,609	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	0.726	0.235	0.622	1.583			
		2001/2002	1.011	0.297	0.970	2.279			
		2002/2003	1.685	0.205	1.428	3.318			
		2003/2004	0.993	0.062	0.612	1.666			
		2004/2005	1.357	0.655	1.179	3.191			
		MA Total Pure Premium:	1.162	0.300	0.962	2.424			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	2.380	0.914	1.308				
		(14) Massachusetts Credibility:	0.50	0.81	0.88				
		(15) Countrywide Pure Premium:	0.870	0.419	0.862	2.152			
		(16) Countrywide Indicated Relativity:	1.739	1.247	1.138				
		(17) Countrywide Credibility:	0.25	0.10	0.06				
		(18) Countrywide Lost-time Claims:	442	3,634					
		(19) Pure Premium Underlying Present Rate:	0.988	0.387	0.732	2.107			
		(20) Relativity to Underlying Present Rate:	1.774	1.107	1.100				
		(21) Credibility to Underlying Relativity:	0.250	0.090	0.060				
		(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
		(23) Formula Relativity:	2.068	0.964	1.285				
		(24) Balanced Formula Relativity:	2.046	0.962	1.280	1.454			

Class(es):		Effective: 9/1/2008						Manufacturing	
9521 HOUSE FURNISHINGS INSTALLATION-NOC									
		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)			
2000/2001	345,182	4	40	633,114	231,624	334,879		1,199,617	
2001/2002	320,401	7	25	1,153,016	299,074	693,954		2,146,045	
2002/2003	311,408	1	21	256,718	71,331	162,651		490,699	
2003/2004	300,373	5	18	723,075	123,696	452,496		1,299,267	
2004/2005	283,997	4	21	904,850	256,830	612,904		1,774,583	
MA Total	1,561,361	21	125	3,670,772	982,555	2,256,884		6,910,211	
		MA Indicated Pure Premiums							
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
		2000/2001	1.834	0.671	0.970	3.475			
		2001/2002	3.599	0.933	2.166	6.698			
		2002/2003	0.824	0.229	0.522	1.576			
		2003/2004	2.407	0.412	1.506	4.326			
		2004/2005	3.186	0.904	2.158	6.249			
		MA Total Pure Premium:	2.351	0.629	1.445	4.426			
		Pure Premium Relativities							
		Serious	Non-Serious	Medical	Total				
		(13) Massachusetts Indicated Relativity:	3.651	1.681	1.713				
		(14) Massachusetts Credibility:	0.52	0.92	0.85				
		(15) Countrywide Pure Premium:	1.042	0.502	0.937	2.482			
		(16) Countrywide Indicated Relativity:	1.714	1.473	1.190				
		(17) Countrywide Credibility:	0.24	0.04	0.08				
		(18) Countrywide Lost-time Claims:	338	2,441					
		(19) Pure Premium Underlying Present Rate:	1.851	0.931	1.182	3.965			
		(20) Relativity to Underlying Present Rate:	2.617	2.375	1.610				
		(21) Credibility to Underlying Relativity:	0.240	0.040	0.070				
		(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862			
		(23) Formula Relativity:	2.938	1.700	1.664				
		(24) Balanced Formula Relativity:	2.945	1.702	1.659	2.112			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000259

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 190

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)			
2000/2001	185,056	1	12	116,546	19,489	120,155	256,190		
2001/2002	177,149	0	9	0	13,428	48,692	62,120		
2002/2003	182,963	1	5	61,162	1,946	36,047	99,155		
2003/2004	150,061	0	5	0	25,464	48,734	74,198		
2004/2005	146,459	2	3	283,988	2,525	121,809	408,321		
MA Total	841,688	4	34	461,696	62,851	375,437	899,985		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	0.630	0.105	0.649	1.384		
			2001/2002	0.000	0.076	0.275	0.351		
			2002/2003	0.334	0.011	0.197	0.542		
			2003/2004	0.000	0.170	0.325	0.494		
			2004/2005	1.939	0.017	0.832	2.788		
			MA Total Pure Premium:	0.549	0.075	0.446	1.069		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	0.852	0.199	0.529			
			(14) Massachusetts Credibility:	0.25	0.42	0.48			
			(15) Countrywide Pure Premium:	0.625	0.344	0.747	1.717		
			(16) Countrywide Indicated Relativity:	1.028	1.009	0.949			
			(17) Countrywide Credibility:	0.38	0.29	0.26			
			(18) Countrywide Lost-time Claims:	278	2,596				
			(19) Pure Premium Underlying Present Rate:	0.552	0.245	0.535	1.332		
			(20) Relativity to Underlying Present Rate:	0.780	0.624	0.729			
			(21) Credibility to Underlying Relativity:	0.370	0.290	0.260			
			(22) Industry Group Adjusted Converted Pure Premium:	0.644	0.374	0.844	1.862		
			(23) Formula Relativity:	0.892	0.557	0.690			
			(24) Balanced Formula Relativity:	0.895	0.558	0.688	0.733		

Class(es):		Effective: 9/1/2008						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)			
2000/2001	189,187	4	17	680,217	245,265	351,065	1,276,548		
2001/2002	183,211	4	11	749,284	156,506	531,964	1,437,755		
2002/2003	212,043	2	9	553,433	63,138	301,205	917,777		
2003/2004	211,227	2	16	217,970	85,265	252,521	555,756		
2004/2005	217,032	3	13	1,117,498	225,248	499,307	1,842,053		
MA Total	1,012,700	15	66	3,318,402	775,423	1,936,062	6,029,887		
		MA Indicated Pure Premiums							
				Serious (9)	Non-Serious (10)	Medical (11)	Total (12)		
			2000/2001	3.595	1.296	1.856	6.748		
			2001/2002	4.090	0.854	2.904	7.848		
			2002/2003	2.610	0.298	1.420	4.328		
			2003/2004	1.032	0.404	1.195	2.631		
			2004/2005	5.149	1.038	2.301	8.487		
			MA Total Pure Premium:	3.277	0.766	1.912	5.954		
		Pure Premium Relativities							
				Serious	Non-Serious	Medical	Total		
			(13) Massachusetts Indicated Relativity:	1.550	1.149	1.019			
			(14) Massachusetts Credibility:	0.51	0.69	0.81			
			(15) Countrywide Pure Premium:	2.432	0.478	1.664	4.574		
			(16) Countrywide Indicated Relativity:	1.208	0.735	0.930			
			(17) Countrywide Credibility:	0.25	0.16	0.10			
			(18) Countrywide Lost-time Claims:	89	462				
			(19) Pure Premium Underlying Present Rate:	2.695	0.696	1.626	5.017		
			(20) Relativity to Underlying Present Rate:	1.171	0.971	1.012			
			(21) Credibility to Underlying Relativity:	0.240	0.150	0.090			
			(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657		
			(23) Formula Relativity:	1.373	1.056	1.010			
			(24) Balanced Formula Relativity:	1.376	1.058	1.010	1.183		

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000260

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 191

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Construction	
9545 BILL POSTING & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
2000/2001	2,087	0	1	0	956	1,382	2,339		
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		
2004/2005	138	0	0	0	0	0	0		
MA Total	7,453	0	1	0	956	1,382	2,339		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	2000/2001	0.000	0.458	0.662	1.121				
	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				
	2004/2005	0.000	0.000	0.000	0.000				
	MA Total Pure Premium:	0.000	0.128	0.185	0.314				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.193	0.099					
	(14) Massachusetts Credibility:	0.06	0.09	0.10					
	(15) Countrywide Pure Premium:	1.644	0.108	0.887	2.639				
	(16) Countrywide Indicated Relativity:	0.817	0.166	0.496					
	(17) Countrywide Credibility:	0.15	0.26	0.32					
	(18) Countrywide Lost-time Claims:	4	31						
	(19) Pure Premium Underlying Present Rate:	1.652	0.547	1.238	3.437				
	(20) Relativity to Underlying Present Rate:	0.718	0.764	0.770					
	(21) Credibility to Underlying Relativity:	0.790	0.650	0.580					
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
	(23) Formula Relativity:	0.690	0.557	0.615					
	(24) Balanced Formula Relativity:	0.691	0.558	0.615	0.641				

Class(es):		Effective: 9/1/2008						Construction	
9549 ADVERTISING CO & DRIVERS									
Policy Period (1)	Exposure (2)	Adjusted Converted Loss and Loss Adjustment Expense							
		Claim Count		Amount				Total (8)	
		Serious (3)	Non-Serious (4)	Serious (5)	Non-Serious (6)	Medical (7)			
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		
2004/2005	4,443	0	0	0	0	1,261	1,261		
MA Total	6,299	0	0	0	0	1,261	1,261		
MA Indicated Pure Premiums									
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)				
	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				
	2004/2005	0.000	0.000	0.284	0.284				
	MA Total Pure Premium:	0.000	0.000	0.200	0.200				
Pure Premium Relativities									
		Serious	Non-Serious	Medical	Total				
	(13) Massachusetts Indicated Relativity:	0.000	0.000	0.107					
	(14) Massachusetts Credibility:	0.06	0.08	0.09					
	(15) Countrywide Pure Premium:	1.413	0.419	2.042	3.874				
	(16) Countrywide Indicated Relativity:	0.702	0.644	1.142					
	(17) Countrywide Credibility:	0.23	0.31	0.40					
	(18) Countrywide Lost-time Claims:	11	50						
	(19) Pure Premium Underlying Present Rate:	1.773	0.465	0.968	3.205				
	(20) Relativity to Underlying Present Rate:	0.771	0.649	0.602					
	(21) Credibility to Underlying Relativity:	0.710	0.610	0.510					
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657				
	(23) Formula Relativity:	0.709	0.595	0.773					
	(24) Balanced Formula Relativity:	0.710	0.596	0.773	0.719				

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000261

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 192

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						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)	
2000/2001	87,052	2	5	139,684	5,687	89,592	234,964	
2001/2002	99,887	3	12	345,199	98,050	489,720	932,969	
2002/2003	106,058	2	9	358,909	38,088	220,793	617,791	
2003/2004	116,236	4	13	630,363	96,891	641,718	1,368,972	
2004/2005	145,589	2	10	496,658	269,702	492,649	1,259,009	
MA Total	554,822	13	49	1,970,813	508,419	1,934,473	4,413,705	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	1.605	0.065	1.029	2.699			
	2001/2002	3.456	0.982	4.903	9.340			
	2002/2003	3.384	0.359	2.082	5.825			
	2003/2004	5.423	0.834	5.521	11.777			
	2004/2005	3.411	1.852	3.384	8.648			
	MA Total Pure Premium:	3.552	0.916	3.487	7.955			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	1.680	1.375	1.859				
	(14) Massachusetts Credibility:	0.41	0.57	0.73				
	(15) Countrywide Pure Premium:	2.522	0.454	1.238	4.214			
	(16) Countrywide Indicated Relativity:	1.253	0.699	0.692				
	(17) Countrywide Credibility:	0.30	0.22	0.14				
	(18) Countrywide Lost-time Claims:	34	154					
	(19) Pure Premium Underlying Present Rate:	2.889	0.796	2.271	5.955			
	(20) Relativity to Underlying Present Rate:	1.255	1.111	1.413				
	(21) Credibility to Underlying Relativity:	0.290	0.210	0.130				
	(22) Industry Group Adjusted Converted Pure Premium:	2.115	0.666	1.876	4.657			
	(23) Formula Relativity:	1.429	1.171	1.637				
	(24) Balanced Formula Relativity:	1.432	1.173	1.637	1.477			

Class(es):		Effective: 9/1/2008						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)	
2000/2001	2,370,218	1	41	60,995	122,863	168,622	352,481	
2001/2002	2,475,975	1	46	67,326	307,973	560,328	935,628	
2002/2003	2,675,700	6	35	530,558	193,938	588,886	1,313,381	
2003/2004	2,832,652	3	44	426,711	243,341	332,523	1,002,575	
2004/2005	2,885,689	0	32	0	368,636	229,157	597,793	
MA Total	13,240,234	11	198	1,085,591	1,236,751	1,879,516	4,201,859	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.026	0.052	0.071	0.149			
	2001/2002	0.027	0.124	0.226	0.378			
	2002/2003	0.198	0.072	0.220	0.491			
	2003/2004	0.151	0.086	0.117	0.354			
	2004/2005	0.000	0.128	0.079	0.207			
	MA Total Pure Premium:	0.082	0.093	0.142	0.317			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.168	0.285	0.193				
	(14) Massachusetts Credibility:	0.46	0.85	0.92				
	(15) Countrywide Pure Premium:	0.160	0.133	0.253	0.545			
	(16) Countrywide Indicated Relativity:	0.319	0.394	0.334				
	(17) Countrywide Credibility:	0.27	0.08	0.04				
	(18) Countrywide Lost-time Claims:	321	3,409					
	(19) Pure Premium Underlying Present Rate:	0.162	0.089	0.172	0.424			
	(20) Relativity to Underlying Present Rate:	0.292	0.255	0.259				
	(21) Credibility to Underlying Relativity:	0.270	0.070	0.040				
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
	(23) Formula Relativity:	0.242	0.292	0.201				
	(24) Balanced Formula Relativity:	0.240	0.291	0.200	0.232			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000262

Section IX - Classification Pricing
 Subsection G - Class Relativities
 9/1/2008

Section IX - G
 Exhibit 193

Calculation of Class Relativities

Class(es):		Effective: 9/1/2008						Goods & Services
9620 FUNERAL DIRECTOR & 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)	
2000/2001	417,703	1	3	70,797	10,821	62,801	144,419	
2001/2002	442,101	0	3	0	30,030	86,517	116,547	
2002/2003	455,659	0	1	0	6,144	37,456	43,600	
2003/2004	472,339	1	5	83,546	100,490	204,271	388,306	
2004/2005	485,306	1	2	149,020	21,916	90,863	261,799	
MA Total	2,273,108	3	14	303,362	169,400	481,908	954,670	
MA Indicated Pure Premiums								
		Serious (9)	Non-Serious (10)	Medical (11)	Total (12)			
	2000/2001	0.169	0.026	0.150	0.346			
	2001/2002	0.000	0.068	0.196	0.264			
	2002/2003	0.000	0.013	0.082	0.096			
	2003/2004	0.177	0.213	0.432	0.822			
	2004/2005	0.307	0.045	0.187	0.539			
	MA Total Pure Premium:	0.133	0.075	0.212	0.420			
Pure Premium Relativities								
		Serious	Non-Serious	Medical	Total			
	(13) Massachusetts Indicated Relativity:	0.273	0.227	0.288				
	(14) Massachusetts Credibility:	0.26	0.45	0.52				
	(15) Countrywide Pure Premium:	0.253	0.153	0.371	0.777			
	(16) Countrywide Indicated Relativity:	0.507	0.454	0.490				
	(17) Countrywide Credibility:	0.37	0.28	0.24				
	(18) Countrywide Lost-time Claims:	110	795					
	(19) Pure Premium Underlying Present Rate:	0.237	0.109	0.237	0.584			
	(20) Relativity to Underlying Present Rate:	0.426	0.313	0.357				
	(21) Credibility to Underlying Relativity:	0.370	0.270	0.240				
	(22) Industry Group Adjusted Converted Pure Premium:	0.488	0.328	0.736	1.552			
	(23) Formula Relativity:	0.416	0.314	0.353				
	(24) Balanced Formula Relativity:	0.412	0.313	0.351	0.362			

Notes:

* The experience of more than one class is used in this A-Sheet. See Table of Contents in Section G, Exhibit 1 for list of classes.

IX 000263

Section IX - Classification Pricing
 Subsection H - Industry Group Rate Change and Rate Level Factors
 9/1/2008

Section IX - H
 Exhibit 1

Calculation of Industry Group Rate Change and Limits

	Industry Group				
	Manufacturing	Construction	Office & Clerical	Goods & Services	Miscellaneous
(1) Industry Group Differential	0.986	1.020	0.978	1.011	0.956
(2) Experience and Benefit Level Change - Overall	2.3%	2.3%	2.3%	2.3%	2.3%
(3) Target Rate Change = (1) x [1.000 + (2)] - 1.000	0.9%	4.3%	0.0%	3.4%	-2.2%
(4) Benefit Level Change - Overall	0.9%	0.9%	0.9%	0.9%	0.9%
(5) Experience Change - Overall = {[1.000 + (2)] / [1.000 + (4)]} - 1.000	1.4%	1.4%	1.4%	1.4%	1.4%
(6) Experience Change - by Group = {(1) x [1.000 + (5)]} - 1.000	0.0%	3.4%	-0.8%	2.5%	-3.0%
(7) 1/2 Experience Change - by Group = (6) / 2.000	0.0%	1.7%	-0.4%	1.2%	-1.5%
(8) Maximum Rate Change = (4) + (7) + 20.0%	20.9%	22.6%	20.5%	22.1%	19.3%
(9) Minimum Rate Change = (4) + (7) - 20.0%	-19.1%	-17.4%	-19.5%	-17.9%	-20.7%
(10) Present Average Rate	2.315	5.843	0.205	1.983	5.041
(11) Uncapped Rate Level Factor = [1.000 + (3)] x (10)	2.336	6.095	0.205	2.049	4.930
(12) Capped Rate Level Factor	2.329	6.107	0.205	2.053	4.930

In addition, the WCRIB 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): Exhibit 2.
- (2): Indicated Rate Change, from Section I.
- (4): Section IV - A, Exhibit 6.
- (10): Rates by class consistent with the 09/01/07 stipulation, 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, 2002/2003 through 2004/2005

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) / 1.015 (6)	Adjusted Balanced Industry Group Differential (7)
Manufacturing	Serious	106,392,546	93,185,698	0.876		
	Non-Serious	58,982,957	58,750,395	0.996		
	Medical	110,601,276	124,317,295	1.124		
	Total	275,976,779	276,253,388	1.001	0.986	0.986
Construction	Serious	309,663,048	297,019,896	0.959		
	Non-Serious	98,686,905	92,657,184	0.939		
	Medical	220,754,928	261,396,159	1.184		
	Total	629,104,881	651,073,239	1.035	1.020	1.020
Office & Clerical	Serious	81,531,703	68,158,013	0.836		
	Non-Serious	51,505,079	48,430,053	0.940		
	Medical	98,804,219	113,526,402	1.149		
	Total	231,841,001	230,114,468	0.993	0.978	0.978
Goods & Services	Serious	197,951,335	185,758,035	0.938		
	Non-Serious	123,687,533	119,932,113	0.970		
	Medical	235,899,979	266,171,813	1.128		
	Total	557,538,846	571,861,961	1.026	1.011	1.011
Miscellaneous	Serious	90,519,274	73,806,717	0.815		
	Non-Serious	37,709,357	39,156,519	1.038		
	Medical	82,236,384	91,268,125	1.110		
	Total	210,465,015	204,231,361	0.970	0.956	0.956
All Industry Groups	Serious	786,057,906	717,928,358	0.913		
	Non-Serious	370,571,831	358,926,265	0.969		
	Medical	748,296,786	856,679,795	1.145		
	Total	1,904,926,522	1,933,534,417	1.015	1.000	1.000

Notes:

(3): Three Years of Exposure x Pure Premium Underlying Present Rate from Section IX - F.

(4): Section IX - C. Goods and Services includes Per Capita classes.

(7) = (6) x 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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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	1.199	1.842	1.746	1.594	2.049	3.27
0008	1.366	1.127	1.000	1.142	2.049	2.34
0016	2.193	1.199	1.338	1.578	2.049	3.23
0034	1.475	1.652	1.682	1.610	2.049	3.30
0035	0.691	1.183	0.874	0.882	2.049	1.81
0036	1.475	1.652	1.682	1.610	2.049	3.30
0037	1.366	1.127	1.000	1.142	2.049	2.34
0042	2.340	2.008	2.233	2.219	2.049	4.55
0050	0.878	0.932	0.836	0.869	6.095	5.30
0079	1.811	1.404	1.677	1.661	2.049	3.40
0083	3.441	1.400	2.005	2.329	2.049	4.77
0106	2.719	2.379	3.386	2.957	4.930	14.58
0113	1.475	1.652	1.682	1.610	2.049	3.30
0170	1.475	1.652	1.682	1.610	2.049	3.30
0251	0.759	0.677	0.706	0.720	4.930	3.55
0908	122.860	65.325	88.551	94.440	2.049	96.77
0909	73.901	107.317	165.153	124.218	2.049	127.29
0912	73.901	107.317	165.153	124.218	2.049	254.58
0913	122.860	65.325	88.551	94.440	2.049	193.55
0917	0.855	2.112	1.249	1.307	2.049	2.68
0918	0.534	0.511	0.300	0.418	2.049	0.86
1430	3.838	7.020	1.716	3.516	2.336	8.21
1438	1.347	0.951	1.295	1.243	2.336	2.90
1463	4.197	2.290	1.973	2.806	2.336	6.55
1624	1.283	0.734	0.977	1.044	4.930	5.15
1655	1.191	0.657	1.150	1.074	4.930	5.30
1701	1.704	3.254	1.356	1.858	2.336	4.34
1710	1.283	0.734	0.977	1.044	4.930	5.15
1747	1.890	0.969	2.031	1.769	2.336	4.13
1748	2.015	1.161	1.369	1.551	2.336	3.62
1852	7.162	1.110	1.739	3.488	2.336	8.15
1853	1.205	0.691	0.644	0.847	2.336	1.98
1860	1.285	0.844	0.879	1.012	2.336	2.36
1924	1.171	1.133	0.951	1.064	2.336	2.48
1925	2.147	1.360	1.641	1.759	2.336	4.11
2001	1.027	1.615	1.310	1.274	2.336	2.98
2002	1.319	1.726	1.349	1.415	2.336	3.30
2003	1.027	1.615	1.310	1.274	2.336	2.98
2014	1.764	1.284	1.345	1.478	2.336	3.45
2021	2.197	1.097	1.222	1.534	2.336	3.58
2039	1.678	1.485	1.128	1.390	2.336	3.25
2041	1.095	1.046	1.081	1.079	2.336	2.52

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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)		
2070	2.121	1.478	1.934	1.907	2.336	4.46
2081	1.442	1.823	1.770	1.667	2.336	3.89
2089	1.272	1.329	1.277	1.286	2.336	3.00
2095	2.456	2.004	2.257	2.275	2.336	5.31
2101	1.272	1.329	1.277	1.286	2.336	3.00
2111	0.972	1.049	1.028	1.013	2.336	2.37
2114	1.272	1.329	1.277	1.286	2.336	3.00
2115	1.599	1.047	1.194	1.304	2.336	3.05
2121	1.282	0.776	1.455	1.259	2.336	2.94
2130	1.477	1.092	1.143	1.248	2.336	2.92
2131	0.884	1.100	0.990	0.976	2.336	2.28
2143	1.213	1.051	1.466	1.295	2.336	3.03
2150	1.657	2.372	1.388	1.679	2.336	3.92
2156	3.498	3.224	3.064	3.246	2.336	7.58
2157	2.509	2.503	1.860	2.214	2.336	5.17
2172	1.089	0.756	0.574	0.789	2.336	1.84
2174	2.596	1.320	1.400	1.797	2.336	4.20
2211	3.020	1.692	2.108	2.340	2.336	5.47
2220	1.466	1.032	1.535	1.410	2.336	3.29
2260	3.937	1.761	1.399	2.349	2.336	5.49
2286	1.466	1.032	1.535	1.410	2.336	3.29
2288	1.037	1.090	0.894	0.983	2.336	2.30
2302	1.466	1.032	1.535	1.410	2.336	3.29
2305	0.995	0.646	0.638	0.763	2.336	1.78
2362	1.027	0.910	0.941	0.964	2.336	2.25
2380	0.873	1.802	1.159	1.190	2.336	2.78
2402	1.681	1.000	1.186	1.319	2.336	3.08
2413	2.085	1.338	1.368	1.609	2.336	3.76
2416	1.456	1.901	1.205	1.432	2.336	3.34
2417	1.588	1.369	1.258	1.394	2.336	3.26
2501	1.057	1.395	1.136	1.161	2.336	2.71
2503	0.424	0.477	0.314	0.385	2.336	0.90
2534	1.057	1.395	1.136	1.161	2.336	2.71
2570	2.193	1.618	1.664	1.838	2.336	4.29
2576	1.208	1.137	1.339	1.253	2.336	2.93
2578	1.208	1.137	1.339	1.253	2.336	2.93
2585	1.287	1.480	1.168	1.272	2.336	2.97
2586	0.574	0.730	0.527	0.584	2.336	1.36
2587	1.137	1.324	1.444	1.322	2.049	2.71
2623	1.726	1.335	0.981	1.309	2.336	3.06
2640	1.183	1.167	1.085	1.135	2.336	2.65
2651	1.183	1.167	1.085	1.135	2.336	2.65

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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)		
2660	0.492	1.155	1.251	0.970	2.336	2.27
2683	1.062	0.953	0.898	0.966	2.336	2.26
2688	1.282	1.226	1.446	1.345	2.336	3.14
2702	4.287	2.507	4.445	4.030	4.930	19.87
2710	3.258	2.588	2.623	2.836	2.336	6.62
2731	2.076	2.074	2.366	2.207	2.336	5.16
2741	2.702	3.543	2.007	2.556	2.336	5.97
2747	4.250	2.530	3.854	3.725	2.336	8.70
2790	0.907	1.018	0.963	0.955	2.336	2.23
2802	2.097	1.698	2.091	2.014	2.336	4.71
2835	0.697	0.937	0.828	0.805	2.336	1.88
2836	1.922	1.506	1.313	1.562	2.336	3.65
2841	1.438	1.411	1.630	1.520	2.336	3.55
2883	1.437	1.548	1.715	1.585	2.336	3.70
2923	0.918	0.813	0.912	0.894	2.336	2.09
2942	0.536	1.029	1.038	0.863	2.336	2.01
3018	1.507	0.786	1.989	1.581	2.336	3.69
3022	1.676	1.993	2.240	1.995	2.336	4.66
3027	2.167	1.684	2.848	2.378	2.336	5.56
3028	1.178	2.716	2.207	1.953	2.336	4.56
3030	4.232	2.076	3.351	3.399	2.336	7.94
3040	4.704	3.364	4.122	4.171	2.336	9.74
3041	2.969	1.534	2.329	2.391	2.336	5.58
3042	4.661	1.332	2.168	2.862	2.336	6.69
3064	1.589	1.150	1.383	1.407	2.336	3.29
3066	1.589	1.150	1.383	1.407	2.336	3.29
3076	1.160	1.286	0.977	1.102	2.336	2.57
3081	3.145	3.290	3.216	3.206	2.336	7.49
3082	3.145	3.290	3.216	3.206	2.336	7.49
3085	2.126	2.421	2.064	2.157	2.336	5.04
3110	3.015	4.642	3.448	3.539	2.336	8.27
3111	0.979	1.028	0.967	0.984	2.336	2.30
3113	1.005	1.002	0.995	1.000	2.336	2.34
3114	1.514	1.693	1.508	1.547	2.336	3.61
3118	1.005	1.002	0.995	1.000	2.336	2.34
3119	0.401	0.385	0.397	0.396	2.336	0.92
3120	0.876	1.251	0.687	0.865	2.336	2.02
3122	1.099	0.887	0.974	1.000	2.336	2.34
3127	0.291	0.369	0.369	0.342	2.336	0.80
3131	1.621	0.953	0.885	1.153	2.336	2.69
3132	0.823	1.214	1.082	1.019	2.336	2.38
3145	0.656	0.855	0.761	0.744	2.336	1.74

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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)		
3146	1.380	1.066	1.027	1.157	2.336	2.70
3169	1.688	1.814	2.277	1.980	2.336	4.63
3179	0.930	0.972	0.794	0.877	2.336	2.05
3180	1.225	1.400	1.177	1.238	2.336	2.89
3188	1.131	1.309	1.447	1.310	2.336	3.06
3200	1.281	1.356	2.035	1.637	2.336	3.82
3220	0.801	0.837	0.772	0.795	2.336	1.86
3227	1.688	1.814	2.277	1.980	2.336	4.63
3241	1.171	1.133	0.951	1.064	2.336	2.48
3255	1.159	1.733	1.229	1.306	2.336	3.05
3257	1.195	1.351	1.078	1.173	2.336	2.74
3270	0.833	0.825	0.701	0.771	2.336	1.80
3300	4.168	2.955	2.862	3.332	2.336	7.78
3315	1.032	1.292	0.989	1.065	2.336	2.49
3336	1.225	2.226	1.819	1.696	2.336	3.96
3365	1.589	1.516	1.777	1.654	6.095	10.08
3372	1.156	0.801	0.969	1.000	2.336	2.34
3373	2.209	1.389	1.330	1.646	2.336	3.84
3381	1.306	1.674	1.565	1.498	2.336	3.50
3383	0.545	0.945	0.645	0.671	2.336	1.57
3385	0.313	0.364	0.320	0.326	2.336	0.76
3400	1.688	1.814	2.277	1.980	2.336	4.63
3507	1.336	1.642	1.100	1.291	2.336	3.01
3515	1.018	1.334	1.249	1.186	2.336	2.77
3548	0.870	0.887	0.988	0.927	2.336	2.16
3558	0.241	0.170	0.252	0.232	2.336	0.54
3559	0.870	0.887	0.988	0.927	2.336	2.16
3571	0.586	0.479	0.447	0.501	2.336	1.17
3574	0.870	0.887	0.988	0.927	2.336	2.16
3612	0.816	0.729	0.841	0.810	2.336	1.89
3620	1.812	2.407	1.929	1.985	2.336	4.64
3629	0.870	0.887	0.988	0.927	2.336	2.16
3632	0.870	0.887	0.988	0.927	2.336	2.16
3634	1.021	1.012	1.121	1.064	2.336	2.49
3635	1.213	1.716	1.779	1.571	2.336	3.67
3638	0.870	0.887	0.988	0.927	2.336	2.16
3642	0.615	0.505	0.416	0.503	2.336	1.17
3643	0.930	0.972	0.794	0.877	2.336	2.05
3647	1.096	1.488	1.346	1.288	2.336	3.01
3648	0.647	0.844	0.926	0.813	2.336	1.90
3681	0.341	0.379	0.354	0.355	2.336	0.83
3685	0.341	0.379	0.354	0.355	2.336	0.83

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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)		
3724	1.100	1.455	1.256	1.214	6.095	7.40
3726	3.050	1.061	1.562	2.166	6.095	13.20
3807	1.688	1.814	2.277	1.980	2.336	4.63
3808	1.460	1.248	1.600	1.481	2.336	3.46
3821	2.693	1.813	2.404	2.370	2.049	4.86
3826	0.926	1.016	0.800	0.887	2.336	2.07
3830	0.870	0.887	0.988	0.927	2.336	2.16
3841	0.570	0.798	0.692	0.671	2.336	1.57
4000	1.227	1.105	1.131	1.161	4.930	5.73
4021	1.649	1.274	1.476	1.495	2.336	3.49
4024	2.089	1.210	1.121	1.473	2.336	3.44
4034	2.620	2.456	2.552	2.556	2.336	5.97
4036	1.186	1.274	0.855	1.054	2.336	2.46
4038	1.321	0.793	0.831	0.993	2.336	2.32
4053	0.855	0.755	0.759	0.791	2.336	1.85
4061	1.429	1.058	1.577	1.422	2.336	3.32
4062	1.429	1.058	1.577	1.422	2.336	3.32
4112	0.337	0.277	0.266	0.293	2.336	0.68
4113	0.855	0.755	0.759	0.791	2.336	1.85
4114	1.190	0.919	0.959	1.031	2.336	2.41
4130	1.710	2.025	2.158	1.976	2.336	4.62
4133	0.751	0.931	0.950	0.878	2.336	2.05
4150	0.457	0.406	0.423	0.431	2.336	1.01
4239	2.127	1.432	1.691	1.790	2.336	4.18
4243	1.483	1.318	1.410	1.417	2.336	3.31
4244	1.751	1.477	1.780	1.709	2.336	3.99
4250	1.289	0.864	1.009	1.077	2.336	2.51
4251	0.895	0.960	0.877	0.900	2.336	2.10
4273	1.189	1.569	2.080	1.669	2.336	3.90
4279	1.478	1.232	1.821	1.584	2.336	3.70
4282	0.266	0.337	0.327	0.308	2.336	0.72
4283	1.482	1.421	1.033	1.266	2.336	2.96
4299	0.817	1.086	0.759	0.845	2.336	1.97
4301	1.717	1.301	1.544	1.555	2.336	3.63
4304	1.328	1.585	1.957	1.665	2.336	3.89
4307	0.571	0.715	0.671	0.645	2.336	1.51
4308	0.312	0.386	0.379	0.357	2.336	0.83
4350	0.245	0.388	0.241	0.272	2.336	0.63
4351	0.464	0.304	0.325	0.369	2.336	0.86
4352	0.367	0.520	0.475	0.446	2.336	1.04
4360	0.671	0.421	0.483	0.536	2.336	1.25
4361	3.073	2.513	2.363	2.604	0.205	0.53

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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	0.461	0.356	0.409	0.414	2.049	0.85
4410	1.807	1.828	2.107	1.947	2.336	4.55
4417	1.920	2.680	2.405	2.292	2.336	5.35
4432	0.472	0.752	0.560	0.568	2.336	1.33
4439	0.963	0.724	0.969	0.918	2.336	2.14
4452	1.272	1.172	1.484	1.348	2.336	3.15
4459	1.204	1.386	1.439	1.347	2.336	3.15
4470	1.038	1.418	1.050	1.120	2.336	2.62
4484	1.039	1.181	1.167	1.126	2.336	2.63
4493	1.541	1.212	1.559	1.483	2.336	3.46
4511	0.258	0.182	0.210	0.219	2.049	0.45
4512	0.077	0.069	0.098	0.085	2.049	0.18
4557	0.656	0.670	0.558	0.614	2.336	1.43
4558	1.065	0.869	1.031	1.010	2.336	2.36
4561	0.963	0.724	0.969	0.918	2.336	2.14
4583	2.034	1.072	1.233	1.477	2.336	3.45
4611	0.547	0.813	0.587	0.618	2.336	1.44
4635	1.573	1.040	1.160	1.279	2.336	2.99
4653	0.633	1.012	0.657	0.720	2.336	1.68
4665	3.455	2.390	3.656	3.332	2.336	7.78
4692	0.180	0.296	0.219	0.221	2.336	0.52
4693	0.292	0.518	0.376	0.375	2.336	0.88
4720	0.818	0.917	0.839	0.847	2.336	1.98
4740	0.630	0.416	0.451	0.505	2.336	1.18
4741	1.439	2.312	0.751	1.303	2.336	3.04
4770	12.115	2.103	1.249	5.177	2.336	12.09
4773	24.935	3.831	2.344	10.454	2.336	24.42
4774	19.965	3.887	2.178	8.672	2.336	20.26
4775	11.051	86.933	39.942	39.401	2.336	92.04
4776	18.729	2.341	1.197	7.489	2.336	17.49
4777	2.034	1.072	1.233	1.477	2.336	3.45
4779	14.773	2.493	2.643	6.807	2.336	15.90
4799	44.566	7.817	4.605	19.067	2.336	44.54
4825	0.223	0.250	0.233	0.233	2.336	0.54
4828	0.550	0.344	0.348	0.417	2.336	0.97
4829	0.550	0.344	0.348	0.417	2.336	0.97
4902	0.536	1.029	1.038	0.863	2.336	2.01
4923	0.671	0.421	0.483	0.536	2.336	1.25
5020	1.084	0.784	0.876	0.957	6.095	5.84
5022	2.266	1.517	1.817	1.978	6.095	12.05
5037	5.712	1.619	3.229	4.126	6.095	25.15
5040	9.474	4.712	6.501	7.595	6.095	46.29

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 Subsection I - Average Uncapped Rates
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 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)		
5057	8.419	4.130	5.936	6.805	6.095	41.47
5059	8.419	4.130	5.936	6.805	6.095	41.47
5069	8.419	4.130	5.936	6.805	6.095	41.47
5102	1.104	1.102	0.855	1.004	6.095	6.12
5146	0.854	1.314	0.750	0.878	6.095	5.35
5160	0.541	0.879	0.545	0.591	6.095	3.60
5183	0.617	0.776	0.669	0.661	6.095	4.03
5188	0.679	1.165	0.799	0.797	6.095	4.86
5190	0.482	0.650	0.568	0.540	6.095	3.29
5191	0.674	0.368	0.712	0.627	2.049	1.29
5192	2.565	3.092	2.595	2.690	2.049	5.51
5213	4.807	2.275	2.839	3.652	6.095	22.26
5215	0.693	1.044	0.990	0.863	6.095	5.26
5221	1.125	1.096	1.142	1.128	6.095	6.87
5222	1.729	0.924	1.284	1.435	6.095	8.74
5223	0.693	1.044	0.990	0.863	6.095	5.26
5348	1.068	1.553	0.969	1.098	6.095	6.69
5402	1.356	0.947	2.735	1.853	6.095	11.29
5403	1.901	2.076	2.159	2.030	6.095	12.37
5437	1.007	0.996	1.015	1.009	6.095	6.15
5443	1.099	0.811	1.235	1.113	6.095	6.78
5445	1.403	1.292	0.973	1.214	6.095	7.40
5462	1.600	1.125	1.571	1.520	6.095	9.26
5472	1.198	1.465	1.180	1.229	6.095	7.49
5473	2.520	1.568	1.879	2.125	6.095	12.95
5474	0.723	1.033	0.936	0.853	6.095	5.20
5478	0.718	1.026	0.612	0.719	6.095	4.38
5479	1.230	1.753	1.419	1.381	6.095	8.42
5480	0.903	0.927	0.721	0.833	6.095	5.08
5506	1.157	1.167	1.244	1.193	6.095	7.27
5507	1.191	0.829	1.007	1.065	6.095	6.49
5508	0.878	0.932	0.836	0.869	6.095	5.30
5509	0.669	0.711	0.791	0.724	6.095	4.42
5538	0.950	1.090	0.970	0.978	6.095	5.96
5545	3.833	3.313	7.331	5.168	6.095	31.50
5547	2.257	2.368	2.567	2.398	6.095	14.61
5606	0.261	0.357	0.321	0.299	6.095	1.82
5610	1.112	0.889	0.895	0.993	6.095	6.05
5645	1.032	1.376	1.517	1.277	6.095	7.78
5651	1.032	1.376	1.517	1.277	6.095	7.78
5701	6.305	1.563	4.788	5.015	6.095	30.57
5703	14.607	3.703	7.085	10.016	6.095	61.05

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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	2.204	1.479	1.137	1.670	6.095	10.18
6003	2.779	2.099	2.459	2.553	6.095	15.56
6005	0.878	0.932	0.836	0.869	6.095	5.30
6204	1.975	1.565	1.319	1.652	6.095	10.07
6217	0.669	0.712	0.755	0.710	6.095	4.32
6229	0.669	0.712	0.755	0.710	6.095	4.32
6233	0.806	0.698	0.594	0.705	6.095	4.30
6251	1.484	0.393	0.632	0.985	6.095	6.00
6252	1.467	0.881	0.809	1.118	6.095	6.81
6306	0.999	1.110	1.133	1.069	6.095	6.51
6319	0.950	0.734	0.841	0.875	6.095	5.33
6325	0.684	0.641	0.529	0.615	6.095	3.75
6400	0.981	0.865	1.262	1.077	6.095	6.57
6504	1.272	1.329	1.277	1.286	2.336	3.00
6834	0.656	0.636	0.876	0.752	4.930	3.71
6836	0.523	0.431	0.576	0.530	4.930	2.61
7219	1.971	1.467	1.532	1.680	4.930	8.28
7230	1.577	1.528	1.700	1.623	4.930	8.00
7231	1.022	1.316	1.113	1.117	4.930	5.51
7360	0.990	0.866	0.898	0.926	4.930	4.56
7370	0.545	1.222	0.972	0.862	4.930	4.25
7380	1.156	1.366	1.201	1.215	4.930	5.99
7382	0.652	0.893	0.878	0.798	4.930	3.93
7403	1.023	0.946	1.158	1.069	4.930	5.27
7405	0.220	0.255	0.201	0.218	4.930	1.07
7420	2.500	0.374	0.782	1.334	4.930	6.58
7421	0.850	0.207	0.286	0.477	4.930	2.35
7422	0.850	0.207	0.286	0.477	4.930	2.35
7425	1.357	0.200	0.557	0.783	4.930	3.86
7431	0.850	0.207	0.286	0.477	4.930	2.35
7502	0.636	0.783	0.955	0.807	4.930	3.98
7515	0.886	0.643	0.811	0.807	4.930	3.98
7520	0.759	0.677	0.706	0.720	4.930	3.55
7538	0.763	0.972	0.674	0.757	6.095	4.61
7539	0.284	0.210	0.250	0.255	4.930	1.26
7580	0.405	0.579	0.591	0.521	4.930	2.57
7590	1.670	0.860	1.390	1.394	4.930	6.87
7600	0.726	0.647	0.617	0.662	4.930	3.26
7601	0.763	0.972	0.674	0.757	6.095	4.61
7610	0.872	0.909	0.985	0.936	0.205	0.19
7704	0.486	0.527	0.563	0.528	4.930	2.60
7720	0.317	0.299	0.347	0.327	4.930	1.61

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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)		
7855	1.219	1.487	1.057	1.192	6.095	7.27
8001	0.538	0.768	0.662	0.645	2.049	1.32
8002	1.226	1.011	1.235	1.185	2.049	2.43
8006	0.606	0.697	0.808	0.721	2.049	1.48
8008	0.354	0.459	0.424	0.409	2.049	0.84
8010	0.773	0.947	0.907	0.873	2.049	1.79
8013	0.268	0.237	0.202	0.230	2.049	0.47
8017	0.495	0.612	0.601	0.570	2.049	1.17
8018	1.562	2.008	1.819	1.778	2.049	3.64
8021	2.062	1.368	1.781	1.783	2.049	3.65
8031	1.537	1.498	1.455	1.490	2.049	3.05
8032	0.626	0.915	0.661	0.704	2.049	1.44
8033	0.947	1.227	1.037	1.049	2.049	2.15
8034	2.181	2.073	2.025	2.084	2.049	4.27
8039	0.662	1.259	0.968	0.933	2.049	1.91
8044	1.880	1.712	1.769	1.792	2.049	3.67
8046	1.025	1.195	1.056	1.076	2.049	2.20
8048	2.535	1.282	1.321	1.695	2.049	3.47
8050	0.876	0.949	1.167	1.030	2.049	2.11
8058	1.133	1.839	2.297	1.834	2.049	3.76
8103	1.937	1.074	1.402	1.501	2.049	3.08
8105	4.164	0.823	2.708	2.768	2.049	5.67
8106	3.342	4.404	3.937	3.849	2.049	7.89
8107	1.792	1.570	1.836	1.766	2.049	3.62
8111	1.902	1.729	1.831	1.832	2.049	3.75
8116	1.792	1.570	1.836	1.766	2.049	3.62
8203	3.156	2.380	2.481	2.672	2.049	5.48
8204	4.421	1.252	1.634	2.430	2.049	4.98
8215	1.971	1.927	2.179	2.061	2.049	4.22
8227	0.537	0.534	0.575	0.552	6.095	3.36
8232	2.583	2.290	2.653	2.554	2.049	5.24
8233	6.670	3.064	6.631	5.890	2.049	12.07
8235	2.546	2.398	2.238	2.369	2.049	4.85
8263	3.178	2.153	2.470	2.626	2.049	5.38
8264	2.960	2.484	1.936	2.374	2.049	4.87
8265	6.670	3.064	6.631	5.890	2.049	12.07
8279	2.907	2.089	3.270	2.906	2.049	5.96
8291	2.480	1.405	2.616	2.317	2.049	4.75
8292	2.029	2.943	2.469	2.431	2.049	4.98
8293	4.890	4.804	4.839	4.848	2.049	9.94
8350	3.216	2.351	2.620	2.751	2.049	5.64
8380	1.465	1.183	1.240	1.299	2.049	2.66

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 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)		
8381	0.729	1.030	0.823	0.837	2.049	1.72
8385	1.791	1.350	1.418	1.521	2.049	3.12
8392	0.729	0.679	0.592	0.654	2.049	1.34
8393	1.448	1.116	0.900	1.118	2.049	2.29
8500	6.670	3.064	6.631	5.890	2.049	12.07
8601	2.161	1.250	1.740	1.763	0.205	0.36
8710	1.141	0.973	0.931	1.006	2.049	2.06
8719	1.141	0.973	0.931	1.006	2.049	2.06
8720	0.710	0.407	0.407	0.502	2.049	1.03
8721	1.293	1.009	0.973	1.075	0.205	0.22
8742	1.159	1.026	1.042	1.074	0.205	0.22
8745	1.389	1.897	1.464	1.532	2.049	3.14
8748	2.650	3.190	2.720	2.797	0.205	0.57
8800	3.900	3.845	3.169	3.526	0.205	0.72
8803	0.402	0.246	0.271	0.305	0.205	0.06
8810	0.621	0.651	0.657	0.645	0.205	0.13
8820	0.638	0.538	0.471	0.535	0.205	0.11
8829	1.160	1.391	1.201	1.228	2.049	2.52
8831	0.302	0.456	0.871	0.604	2.049	1.24
8832	1.405	1.172	1.187	1.248	0.205	0.26
8833	6.584	6.690	5.924	6.279	0.205	1.29
8835	1.125	1.360	1.135	1.180	2.049	2.42
8868	2.270	3.017	3.136	2.855	0.205	0.58
8901	0.621	0.651	0.657	0.645	0.205	0.13
9014	1.425	1.112	1.360	1.328	2.049	2.72
9015	1.820	1.234	1.498	1.544	2.049	3.16
9016	0.741	0.992	1.168	0.996	2.049	2.04
9019	0.771	0.536	0.531	0.619	4.930	3.05
9033	2.823	2.033	1.580	2.067	2.049	4.24
9040	1.235	1.936	1.415	1.468	2.049	3.01
9052	0.799	0.915	0.801	0.825	2.049	1.69
9058	0.799	0.915	0.801	0.825	2.049	1.69
9060	0.595	0.635	0.769	0.686	2.049	1.41
9061	0.472	0.473	0.415	0.445	2.049	0.91
9063	0.190	0.423	0.375	0.327	2.049	0.67
9079	0.440	0.690	0.619	0.578	2.049	1.18
9089	0.823	0.308	0.616	0.616	2.049	1.26
9093	0.452	0.579	0.975	0.727	2.049	1.49
9101	1.408	1.908	1.765	1.683	2.049	3.45
9102	0.304	0.671	0.436	0.431	4.930	2.13
9154	0.222	0.217	0.267	0.241	4.930	1.19
9156	4.673	4.987	5.759	5.277	0.205	1.08

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 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)		
9178	0.810	3.511	8.126	4.605	4.930	22.70
9179	3.937	8.254	4.643	5.051	4.930	24.90
9180	0.536	1.182	1.272	0.986	4.930	4.86
9182	0.524	0.863	0.821	0.720	4.930	3.55
9186	0.536	1.182	1.272	0.986	4.930	4.86
9220	1.498	2.182	1.560	1.672	2.049	3.43
9402	1.427	1.047	1.082	1.201	4.930	5.92
9403	1.401	1.325	1.365	1.371	4.930	6.76
9410	0.873	0.784	0.883	0.859	2.049	1.76
9501	1.265	1.120	1.255	1.232	2.336	2.88
9505	1.265	1.120	1.255	1.232	2.336	2.88
9519	2.046	0.962	1.280	1.454	2.049	2.98
9521	2.945	1.702	1.659	2.112	2.336	4.93
9522	0.895	0.558	0.688	0.733	2.336	1.71
9534	1.376	1.058	1.010	1.183	6.095	7.21
9545	0.691	0.558	0.615	0.641	6.095	3.91
9549	0.710	0.596	0.773	0.719	6.095	4.38
9552	1.432	1.173	1.637	1.477	6.095	9.00
9553	1.432	1.173	1.637	1.477	6.095	9.00
9586	0.240	0.291	0.200	0.232	2.049	0.47
9620	0.412	0.313	0.351	0.362	2.049	0.74

Notes:

(2), (3), (4), (5): Section IX - G.

(6): Section IX - H, Exhibit 1.

(7) = (5) x (6)

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Section IX - Classification Pricing
Subsection J - Average Rates and Proposed Premium Change
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Section IX - 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	3.08	3.27	3.27
0008	2.08	2.34	2.34
0016	3.08	3.23	3.24
0034	2.99	3.30	3.31
0035	1.83	1.81	1.81
0036	2.99	3.30	3.31
0037	2.08	2.34	2.34
0042	4.13	4.55	4.55
0050	4.41	5.30	5.31
0079	4.40	3.40	3.61
0083	4.40	4.77	4.78
0106	15.94	14.58	14.58
0113	2.99	3.30	3.31
0170	2.99	3.30	3.31
0251	4.12	3.55	3.55
0908	72.19	96.77	88.16
0909	128.22	127.29	127.51
0912	256.44	254.58	255.01
0913	144.38	193.55	176.33
0917	2.47	2.68	2.68
0918	0.88	0.86	0.86
1430	17.67	8.21	14.30
1438	3.27	2.90	2.90
1463	6.63	6.55	6.54
1624	4.44	5.15	5.15
1655	5.08	5.30	5.30
1701	4.00	4.34	4.33
1710	4.44	5.15	5.15
1747	3.90	4.13	4.12
1748	3.36	3.62	3.61
1852	8.97	8.15	8.12
1853	2.22	1.98	1.97
1860	2.30	2.36	2.36
1924	2.66	2.48	2.48
1925	4.31	4.11	4.10
2001	2.99	2.98	2.97
2002	3.82	3.30	3.30
2003	2.99	2.98	2.97
2014	3.51	3.45	3.44
2021	2.47	3.58	2.99
2039	3.41	3.25	3.24
2041	2.27	2.52	2.51
2070	4.31	4.46	4.44
2081	4.27	3.89	3.88
2089	3.05	3.00	3.00
2095	4.76	5.31	5.30
2101	3.05	3.00	3.00
2111	2.54	2.37	2.36
2114	3.05	3.00	3.00

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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)
2115	2.79	3.05	3.04
2121	2.39	2.94	2.90
2130	3.26	2.92	2.91
2131	2.23	2.28	2.27
2143	2.78	3.03	3.02
2150	5.31	3.92	4.30
2156	5.95	7.58	7.20
2157	4.65	5.17	5.16
2172	1.21	1.84	1.46
2174	6.84	4.20	5.54
2211	5.18	5.47	5.45
2220	3.31	3.29	3.28
2260	6.12	5.49	5.47
2286	3.31	3.29	3.28
2288	2.64	2.30	2.29
2302	3.31	3.29	3.28
2305	2.55	1.78	2.07
2362	2.23	2.25	2.25
2380	2.60	2.78	2.77
2402	2.81	3.08	3.07
2413	4.13	3.76	3.75
2416	4.05	3.34	3.34
2417	3.02	3.26	3.25
2501	2.52	2.71	2.70
2503	0.91	0.90	0.90
2534	2.52	2.71	2.70
2570	5.02	4.29	4.28
2576	2.90	2.93	2.92
2578	2.90	2.93	2.92
2585	3.14	2.97	2.96
2586	1.35	1.36	1.36
2587	2.07	2.71	2.53
2623	2.86	3.06	3.05
2640	3.19	2.65	2.64
2651	3.19	2.65	2.64
2660	2.04	2.27	2.26
2683	2.37	2.26	2.25
2688	2.79	3.14	3.13
2702	19.35	19.87	19.87
2710	7.10	6.62	6.61
2731	4.94	5.16	5.14
2741	6.15	5.97	5.95
2747	8.40	8.70	8.68
2790	2.18	2.23	2.22
2802	4.61	4.71	4.69
2835	3.14	1.88	2.54
2836	4.28	3.65	3.64
2841	2.80	3.55	3.39
2883	2.92	3.70	3.53
2923	1.84	2.09	2.08
2942	1.85	2.01	2.01
3018	3.37	3.69	3.68
3022	4.35	4.66	4.65
3027	4.53	5.56	5.48
3028	4.55	4.56	4.55
3030	7.53	7.94	7.92
3040	10.16	9.74	9.72
3041	5.12	5.58	5.57
3042	3.39	6.69	4.09
3064	3.10	3.29	3.28
3066	3.10	3.29	3.28

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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)
3076	2.66	2.57	2.57
3081	8.17	7.49	7.47
3082	8.17	7.49	7.47
3085	4.94	5.04	5.02
3110	7.92	8.27	8.24
3111	2.32	2.30	2.29
3113	1.94	2.34	2.33
3114	4.05	3.61	3.60
3118	1.94	2.34	2.33
3119	0.92	0.92	0.92
3120	1.76	2.02	2.02
3122	2.41	2.34	2.33
3127	0.69	0.80	0.80
3131	2.74	2.69	2.69
3132	2.30	2.38	2.37
3145	1.60	1.74	1.73
3146	2.49	2.70	2.69
3169	4.42	4.63	4.61
3179	2.20	2.05	2.04
3180	3.47	2.89	2.88
3188	3.24	3.06	3.05
3200	2.97	3.82	3.60
3220	2.13	1.86	1.85
3227	4.42	4.63	4.61
3241	2.66	2.48	2.48
3255	3.69	3.05	3.04
3257	2.69	2.74	2.73
3270	2.20	1.80	1.80
3300	7.54	7.78	7.76
3315	2.05	2.49	2.48
3336	3.16	3.96	3.82
3365	10.36	10.08	10.10
3372	2.48	2.34	2.33
3373	4.84	3.84	3.91
3381	3.30	3.50	3.49
3383	1.51	1.57	1.56
3385	0.82	0.76	0.76
3400	4.42	4.63	4.61
3507	3.31	3.01	3.01
3515	2.89	2.77	2.76
3548	2.05	2.16	2.16
3558	0.56	0.54	0.54
3559	2.05	2.16	2.16
3571	1.25	1.17	1.17
3574	2.05	2.16	2.16
3612	1.85	1.89	1.89
3620	4.54	4.64	4.62
3629	2.05	2.16	2.16
3632	2.05	2.16	2.16
3634	2.83	2.49	2.48
3635	2.95	3.67	3.56
3638	2.05	2.16	2.16
3642	1.35	1.17	1.17
3643	2.20	2.05	2.04
3647	3.02	3.01	3.00
3648	1.84	1.90	1.89
3681	0.81	0.83	0.83
3685	0.81	0.83	0.83
3724	5.89	7.40	7.22
3726	12.96	13.20	13.23
3807	4.42	4.63	4.61

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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)
3808	2.92	3.46	3.45
3821	4.68	4.86	4.87
3826	2.43	2.07	2.07
3830	2.05	2.16	2.16
3841	1.96	1.57	1.58
4000	6.02	5.73	5.73
4021	3.36	3.49	3.48
4024	3.88	3.44	3.43
4034	6.76	5.97	5.95
4036	2.69	2.46	2.46
4038	1.87	2.32	2.26
4053	1.66	1.85	1.84
4061	2.29	3.32	2.77
4062	2.29	3.32	2.77
4112	0.70	0.68	0.68
4113	1.66	1.85	1.84
4114	2.64	2.41	2.40
4130	3.86	4.62	4.60
4133	1.96	2.05	2.04
4150	0.94	1.01	1.00
4239	4.49	4.18	4.17
4243	3.85	3.31	3.30
4244	3.65	3.99	3.98
4250	2.77	2.51	2.51
4251	2.40	2.10	2.10
4273	3.62	3.90	3.89
4279	4.01	3.70	3.69
4282	0.62	0.72	0.72
4283	3.23	2.96	2.95
4299	1.99	1.97	1.97
4301	3.54	3.63	3.62
4304	3.38	3.89	3.88
4307	1.97	1.51	1.59
4308	0.82	0.83	0.83
4350	0.63	0.63	0.63
4351	0.89	0.86	0.86
4352	1.02	1.04	1.04
4360	1.16	1.25	1.25
4361	0.46	0.53	0.53
4362	0.79	0.85	0.85
4410	4.13	4.55	4.54
4417	4.40	5.35	5.32
4432	1.56	1.33	1.32
4439	2.33	2.14	2.14
4452	2.92	3.15	3.14
4459	2.68	3.15	3.14
4470	2.90	2.62	2.61
4484	2.60	2.63	2.62
4493	3.35	3.46	3.45
4511	0.46	0.45	0.45
4512	0.20	0.18	0.18
4557	1.59	1.43	1.43
4558	2.53	2.36	2.35
4561	2.33	2.14	2.14
4583	3.28	3.45	3.44
4611	1.39	1.44	1.44
4635	2.71	2.99	2.98
4653	4.81	1.68	3.89
4665	6.87	7.78	7.76
4692	0.53	0.52	0.51
4693	1.03	0.88	0.87

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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)
4720	2.85	1.98	2.30
4740	1.92	1.18	1.55
4741	2.94	3.04	3.03
4770	12.97	12.09	12.06
4773	26.24	24.42	24.35
4774	21.69	20.26	20.20
4775	12.86	92.04	15.55
4776	18.94	17.49	17.44
4777	3.28	3.45	3.44
4779	16.79	15.90	15.86
4799	47.76	44.54	44.42
4825	0.54	0.54	0.54
4828	1.96	0.97	1.58
4829	1.96	0.97	1.58
4902	1.85	2.01	2.01
4923	1.16	1.25	1.25
5020	5.15	5.84	5.85
5022	11.23	12.05	12.08
5037	32.14	25.15	26.55
5040	47.48	46.29	46.38
5057	38.11	41.47	41.56
5059	38.11	41.47	41.56
5069	38.11	41.47	41.56
5102	7.90	6.12	6.53
5146	5.23	5.35	5.36
5160	3.45	3.60	3.61
5183	4.13	4.03	4.03
5188	4.22	4.86	4.87
5190	3.32	3.29	3.30
5191	1.28	1.29	1.29
5192	5.27	5.51	5.52
5213	20.27	22.26	22.30
5215	5.17	5.26	5.27
5221	6.83	6.87	6.89
5222	8.95	8.74	8.76
5223	5.17	5.26	5.27
5348	6.45	6.69	6.70
5402	16.67	11.29	13.77
5403	11.91	12.37	12.40
5437	5.81	6.15	6.16
5443	6.59	6.78	6.79
5445	6.95	7.40	7.41
5462	9.31	9.26	9.28
5472	7.49	7.49	7.51
5473	13.36	12.95	12.98
5474	4.98	5.20	5.21
5478	5.05	4.38	4.39
5479	10.45	8.42	8.63
5480	5.28	5.08	5.09
5506	6.03	7.27	7.29
5507	6.59	6.49	6.50
5508	4.41	5.30	5.31
5509	4.01	4.42	4.42
5538	5.35	5.96	5.97
5545	34.07	31.50	31.56
5547	14.12	14.61	14.64
5606	1.76	1.82	1.82
5610	5.48	6.05	6.06
5645	7.06	7.78	7.80
5651	7.06	7.78	7.80
5701	26.89	30.57	30.63

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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)
5703	23.04	61.05	28.25
5705	10.81	10.18	10.20
6003	15.25	15.56	15.59
6005	4.41	5.30	5.31
6204	11.48	10.07	10.09
6217	4.35	4.32	4.33
6229	4.35	4.32	4.33
6233	5.54	4.30	4.58
6251	7.50	6.00	6.19
6252	8.53	6.81	7.04
6306	5.76	6.51	6.53
6319	5.62	5.33	5.35
6325	3.53	3.75	3.76
6400	6.30	6.57	6.58
6504	3.05	3.00	3.00
6834	3.82	3.71	3.71
6836	2.85	2.61	2.61
7219	7.66	8.28	8.28
7230	8.45	8.00	8.00
7231	6.04	5.51	5.51
7360	5.57	4.56	4.56
7370	3.83	4.25	4.25
7380	6.69	5.99	5.99
7382	4.17	3.93	3.93
7403	4.36	5.27	5.21
7405	1.15	1.07	1.07
7420	8.72	6.58	6.92
7421	2.41	2.35	2.35
7422	2.41	2.35	2.35
7425	2.50	3.86	2.98
7431	2.41	2.35	2.35
7502	4.18	3.98	3.98
7515	1.95	3.98	2.32
7520	4.12	3.55	3.55
7538	4.20	4.61	4.62
7539	1.72	1.26	1.36
7580	2.75	2.57	2.57
7590	8.93	6.87	7.08
7600	3.37	3.26	3.26
7601	4.20	4.61	4.62
7610	0.18	0.19	0.19
7704	1.98	2.60	2.37
7720	1.56	1.61	1.61
7855	8.94	7.27	7.38
8001	1.30	1.32	1.32
8002	2.87	2.43	2.43
8006	1.31	1.48	1.48
8008	0.88	0.84	0.84
8010	1.66	1.79	1.79
8013	0.51	0.47	0.47
8017	1.27	1.17	1.17
8018	3.72	3.64	3.65
8021	4.24	3.65	3.66
8031	2.33	3.05	2.84
8032	1.84	1.44	1.52
8033	2.02	2.15	2.15
8034	4.60	4.27	4.28
8039	2.38	1.91	1.96
8044	3.45	3.67	3.68
8046	2.21	2.20	2.21
8048	3.35	3.47	3.48

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Section IX - 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)
8050	1.32	2.11	1.62
8058	3.11	3.76	3.76
8103	3.26	3.08	3.08
8105	4.18	5.67	5.11
8106	8.19	7.89	7.90
8107	3.20	3.62	3.62
8111	3.39	3.75	3.76
8116	3.20	3.62	3.62
8203	4.78	5.48	5.49
8204	8.41	4.98	6.90
8215	3.91	4.22	4.23
8227	3.17	3.36	3.37
8232	5.14	5.24	5.24
8233	9.64	12.07	11.77
8235	4.56	4.85	4.86
8263	5.68	5.38	5.39
8264	5.10	4.87	4.87
8265	9.64	12.07	11.77
8279	5.75	5.96	5.97
8291	3.89	4.75	4.75
8292	3.86	4.98	4.71
8293	8.38	9.94	9.95
8350	5.27	5.64	5.65
8380	2.71	2.66	2.67
8381	1.57	1.72	1.72
8385	2.96	3.12	3.12
8392	1.49	1.34	1.34
8393	2.12	2.29	2.29
8500	9.64	12.07	11.77
8601	0.33	0.36	0.36
8710	1.93	2.06	2.07
8719	1.93	2.06	2.07
8720	0.99	1.03	1.03
8721	0.25	0.22	0.22
8742	0.22	0.22	0.22
8745	4.62	3.14	3.79
8748	0.68	0.57	0.57
8800	0.68	0.72	0.72
8803	0.06	0.06	0.06
8810	0.13	0.13	0.13
8820	0.11	0.11	0.11
8829	2.37	2.52	2.52
8831	1.01	1.24	1.24
8832	0.29	0.26	0.26
8833	1.27	1.29	1.29
8835	2.19	2.42	2.42
8868	0.55	0.58	0.58
8901	0.13	0.13	0.13
9014	2.18	2.72	2.66
9015	2.89	3.16	3.17
9016	1.91	2.04	2.05
9019	5.43	3.05	4.31
9033	3.78	4.24	4.24
9040	3.37	3.01	3.01
9052	1.75	1.69	1.69
9058	1.75	1.69	1.69
9060	1.34	1.41	1.41
9061	1.03	0.91	0.91
9063	0.68	0.67	0.67
9079	1.23	1.18	1.19
9089	0.98	1.26	1.20

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Section IX - 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)
9093	1.73	1.49	1.49
9101	3.10	3.45	3.45
9102	2.38	2.13	2.13
9154	1.29	1.19	1.19
9156	1.00	1.08	1.08
9178	24.85	22.70	22.70
9179	24.24	24.90	24.90
9180	4.40	4.86	4.86
9182	3.51	3.55	3.55
9186	4.40	4.86	4.86
9220	4.02	3.43	3.43
9402	5.63	5.92	5.92
9403	7.13	6.76	6.76
9410	1.87	1.76	1.76
9501	2.87	2.88	2.87
9505	2.87	2.88	2.87
9519	2.66	2.98	2.98
9521	4.97	4.93	4.92
9522	1.66	1.71	1.71
9534	6.29	7.21	7.22
9545	5.14	3.91	4.24
9549	4.23	4.38	4.39
9552	7.46	9.00	9.02
9553	7.46	9.00	9.02
9586	0.53	0.47	0.48
9620	0.74	0.74	0.74

Notes:

(2) = (3) from Section X - J of the 09/01/2007 stipulation.

(3): Section IX - I.

(4): Total Balanced Formula Relativity (from Section IX - I) x Capped Rate Level Factors and subject to maximum and minimum caps (from Section IX - H, Exhibit 1.)

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Section IX - Classification Pricing
Subsection J - Average Rates and Proposed Premium Change
9/1/2008

Section IX - 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	589,976,638	595,211,679	0.9%	0.9%	2.329
Construction	1,305,574,085	1,361,790,102	4.3%	4.3%	6.107
Office & Clerical	477,815,313	477,986,100	0.0%	0.0%	0.205
Goods & Services	1,159,801,813	1,198,950,451	3.4%	3.4%	2.053
Miscellaneous	431,759,578	422,266,013	-2.2%	-2.2%	4.930
All Groups	3,964,927,427	4,056,204,345	2.3%		

Notes:

(2), (3): Exposure x Average Rates from Exhibit 1.

(4) = [(3) - (2)] / (2) - 1.000

(5): Section IX - H, Exhibit 1.

(6): Section IX - 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 IX - Classification Pricing
Subsection K - Adjustments to Derive Final Manual Rates
9/1/2008

Section IX - K
Exhibit 1

Calculation of Proposed Manual Rates

The proposed manual rates in Section IX - A are derived from the proposed average capped rates in Section IX - 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 =	1.045	The Offset for ARAP
(3)	Factor 3 =	0.964	For eligible classes, the Offset for the Construction Classification Premium Adjustment Program
(4)	Factor 4 =	-0.0005	The Loading for Recoupment of Insolvency Fund Assessments

Notes:

- (1): Exhibit 2.
- (2): Exhibit 3.
- (3): Exhibit 4.
- (4): 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)
2000/2001	5	Non Rated	65,112	40%	13,381,399	1%	13,358,607	0.998	
		Merit Rated	60,741	38%	116,420,127	12%	113,272,926	0.973	
		Intrastate Rated	21,666	13%	554,801,793	59%	541,300,029	0.976	
		Interstate Rated	13,278	8%	255,632,379	27%	236,212,119	0.924	
		Total	160,797	100%	940,235,698	100%	904,143,681	0.962	
2001/2002	4	Non Rated	66,363	41%	12,690,184	1%	12,669,742	0.998	
		Merit Rated	61,068	37%	118,777,708	12%	115,537,382	0.973	
		Intrastate Rated	22,898	14%	587,812,409	61%	573,790,650	0.976	
		Interstate Rated	12,971	8%	251,622,985	26%	231,527,588	0.920	
		Total	163,300	100%	970,903,286	100%	933,525,362	0.962	
2002/2003	3	Non Rated	66,063	40%	12,380,683	1%	12,367,801	0.999	
		Merit Rated	61,552	37%	121,402,779	12%	118,062,403	0.972	
		Intrastate Rated	23,246	14%	592,206,411	59%	573,986,279	0.969	
		Interstate Rated	14,696	9%	277,785,558	28%	256,264,505	0.923	
		Total	165,557	100%	1,003,775,431	100%	960,680,988	0.957	
2003/2004	2	Non Rated	68,169	41%	12,965,872	1%	12,955,946	0.999	
		Merit Rated	61,272	37%	120,559,421	13%	117,402,472	0.974	
		Intrastate Rated	22,840	14%	558,145,725	59%	545,772,597	0.978	
		Interstate Rated	15,527	9%	250,088,929	27%	238,818,340	0.955	
		Total	167,808	100%	941,759,947	100%	914,949,355	0.972	
2004/2005	1	Non Rated	69,069	41%	12,954,857	1%	12,949,532	1.000	
		Merit Rated	61,788	36%	122,168,652	13%	119,090,486	0.975	
		Intrastate Rated	23,166	14%	563,051,878	58%	550,257,951	0.977	
		Interstate Rated	16,051	9%	273,709,786	28%	257,313,933	0.940	
		Total	170,074	100%	971,885,173	100%	939,611,902	0.967	
Total		Non Rated	334,776	40%	64,372,995	1%	64,301,628	0.999	1.000
		Merit Rated	306,421	37%	599,328,687	12%	583,365,669	0.973	0.973
		Intrastate Rated	113,816	14%	2,856,018,216	59%	2,785,107,506	0.975	1.000
		Interstate Rated	72,523	9%	1,308,839,637	27%	1,220,136,485	0.932	1.000
		Total	827,536	100%	4,828,559,535	100%	4,652,911,288	0.964	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 IX - Classification Pricing
 Subsection K - Adjustments to Derive Final Manual Rates
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Section IX - K
 Exhibit 3

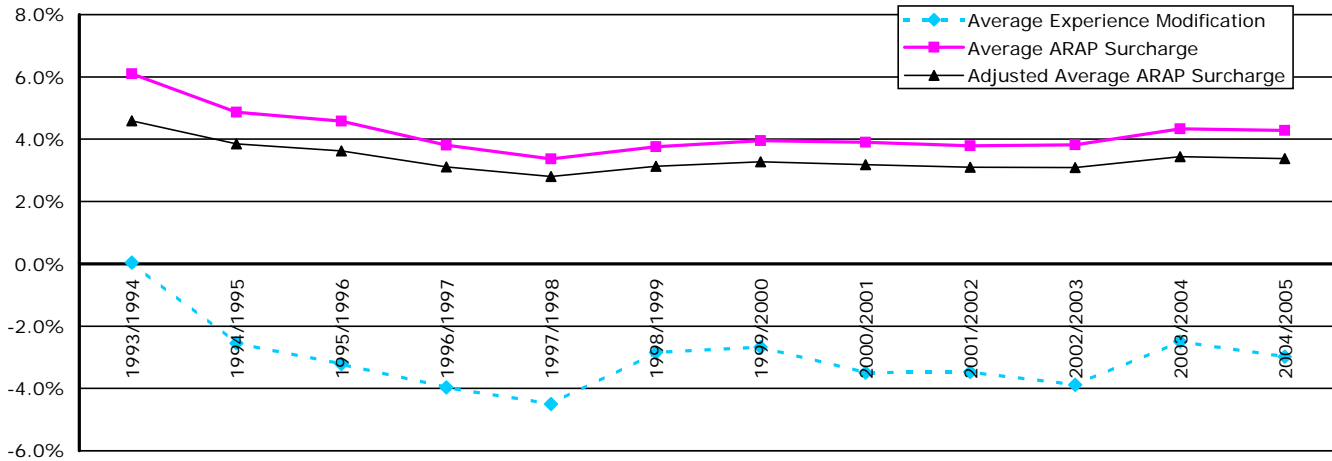
Offset for Merit Rating and ARAP Estimate of Average ARAP Surcharge for Policy Effective Period

Historical Average Experience Modification and ARAP Surcharge

Composite Policy Year (1)	Manual Premium (2)	Standard Premium (3)	ARAP Premium (4)	Adjusted ARAP Premium (5)	Average ARAP Surcharge = (4) / (3) (6)	Average Experience Modification = (3) / (2) - 1.000 (7)	Adjusted Average ARAP Surcharge = (5) / (3) (8)
1993/1994	1,203,190,149	1,203,619,515	73,445,415	55,285,926	6.1%	0.0%	4.6%
1994/1995	1,165,904,175	1,136,225,440	55,296,301	43,743,903	4.9%	-2.5%	3.8%
1995/1996	1,148,689,906	1,111,707,824	50,901,379	40,310,024	4.6%	-3.2%	3.6%
1996/1997	1,041,235,794	999,894,478	38,124,744	31,067,983	3.8%	-4.0%	3.1%
1997/1998	1,056,256,997	1,008,701,968	33,947,683	28,305,369	3.4%	-4.5%	2.8%
1998/1999	985,379,792	957,378,826	35,945,696	29,943,324	3.8%	-2.8%	3.1%
1999/2000	978,609,019	952,485,928	37,649,665	31,163,284	4.0%	-2.7%	3.3%
2000/2001	991,155,603	956,550,687	37,344,550	30,406,368	3.9%	-3.5%	3.2%
2001/2002	1,018,859,443	983,441,912	37,276,178	30,454,473	3.8%	-3.5%	3.1%
2002/2003	1,052,164,081	1,011,333,760	38,653,673	31,289,603	3.8%	-3.9%	3.1%
2003/2004	989,178,087	964,493,476	41,794,049	33,215,028	4.3%	-2.5%	3.4%
2004/2005	1,021,644,455	991,169,785	42,396,356	33,478,968	4.3%	-3.0%	3.4%

Regression of Average ARAP Surcharge on Average Experience Modification

(7) R-Squared	0.840
(8) Slope	0.378
(9) Intercept	0.045
(10) Projected Average ARAP Surcharge = (8)	0.045



Notes:

(2)-(5): Unit Statistical Plan data at most recent report, excluding Large Deductibles and SIGs.

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Section IX - Classification Pricing
Subsection K - Adjustments to Derive Final Manual Rates
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Section IX - K
Exhibit 4

Construction Class Premium Adjustment Program

Composite Policy Year (1)	Manual Premium for Eligible Class Codes (2)	Construction Credit (3)	Percent (4)
2000/2001	354,840,653	8,572,316	2.4%
2001/2002	344,371,679	8,939,607	2.6%
2002/2003	362,442,739	10,307,003	2.8%
2003/2004	336,114,684	11,611,737	3.5%
2004/2005	351,400,223	12,515,936	3.6%
(5) Selected Average Credit for Eligible Class Codes in Policy Effective Period			3.6%

Notes:

(2),(3): Unit Statistical Plan data at most recent report, excluding Large Deductibles and SIGs.

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Section IX - Classification Pricing
 Subsection L - Pricing Example
 9/1/2008

Section IX - 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	2000/2001	0	0	151,508	0	2,611	0
	2001/2002	0	0	141,356	29,010	7,941	0
	2002/2003	0	0	0	0	107	0
	2003/2004	0	0	0	0	257	0
	2004/2005	0	0	0	0	0	0
Medical	2000/2001	0	0	15,805	0	1,797	3,397
	2001/2002	0	0	10,042	20,745	8,333	2,908
	2002/2003	0	0	0	0	54	252
	2003/2004	0	0	0	0	1,921	80
	2004/2005	0	0	0	0	0	1,728

Conversion Factors (Section IX - 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	2000/2001	0.615	0.557	0.959	0.920	0.845	
	2001/2002	0.714	0.844	1.078	1.034	0.884	
	2002/2003	0.670	1.510	1.207	1.157	0.863	
	2003/2004	0.684	3.462	1.506	1.444	0.861	
	2004/2005	0.774	4.546	2.656	2.547	0.908	
Medical	2000/2001	1.187	1.013	1.680	1.272	1.242	1.200
	2001/2002	1.192	1.087	1.767	1.337	1.231	1.179
	2002/2003	1.180	2.076	1.882	1.425	1.149	1.215
	2003/2004	1.258	4.704	1.976	1.496	1.009	1.182
	2004/2005	1.330	5.613	2.972	2.251	0.949	1.201

Excess Loss Factors (Section IX - B, Exhibit 5)			
Hazard Group (15)	Injury Type		
	Serious (16)	Non-Serious (17)	Medical (18)
2	1.130	1.011	1.230

Exposure, Adjusted Converted Losses				
Composite Policy Year (19)	Exposure (20)	Serious (21)	Non-Serious (22)	Medical (23)
2000/2001	43,182	164,181	2,230	40,433
2001/2002	54,049	172,188	37,412	72,800
2002/2003	12,371	0	93	453
2003/2004	12,982	0	224	2,501
2004/2005	10,734	0	0	2,554
Total	133,318	336,370	39,959	118,741
(24)	Indicated Pure Premium	2.523	0.300	0.891
(25)	Manufacturing Industry Group Pure Premium	0.644	0.374	0.844
(26)	MA Indicated Relativity	3.918	0.800	1.055

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 IX - C, Exhibit 1, Page 2.
- (26) = (24) / (25)

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Section IX - Classification Pricing
 Subsection L - Pricing Example
 9/1/2008

Section IX - 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	0	0	0	0	73,806
2	Arizona	0	0	0	0	0	2,548,823
3	Arkansas	0	0	331	0	0	1,961,029
4	California	902,346	916,685	2,163,149	17	86	126,005,767
5	Colorado	0	8,960	11,322	0	3	1,854,327
6	Connecticut	0	17,298	63,986	0	9	13,784,717
7	Delaware	0	0	0	0	0	0
8	District of Columbia	0	0	0	0	0	0
9	Florida	0	0	2,093	0	0	2,567,625
10	Georgia	95,628	112,174	222,679	1	19	41,856,093
11	Idaho	0	0	0	0	0	0
12	Illinois	0	345,795	487,905	0	29	85,515,106
13	Indiana	0	88,121	187,096	0	12	56,930,582
14	Iowa	0	144,338	284,231	0	13	19,607,822
15	Kansas	0	0	0	0	0	40,530
16	Kentucky	45,000	97,367	198,985	1	9	45,661,615
17	Louisiana	0	0	0	0	0	0
18	Maine	0	0	0	0	0	0
19	Maryland	0	0	0	0	0	0
22	Minnesota	155,967	53,507	220,494	2	16	8,031,080
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	0	0	0	2,582
27	Nevada	53,885	0	75,153	1	0	399,927
28	New Hampshire	0	40,696	128,382	0	8	10,942,136
29	New Jersey	0	147,536	139,881	0	12	13,569,487
30	New Mexico	0	0	0	0	0	0
31	New York	0	0	0	0	0	0
32	North Carolina	0	21,310	82,944	0	5	44,128,967
35	Oklahoma	40,137	62,003	44,584	1	6	4,426,671
36	Oregon	0	0	0	0	0	34,100
37	Pennsylvania	0	0	0	0	0	0
38	Rhode Island	634,122	26,314	134,478	4	3	3,948,957
39	South Carolina	0	0	3,301	0	0	333,234
40	South Dakota	0	0	0	0	0	2,720
41	Tennessee	0	116,637	123,586	0	10	17,869,737
43	Utah	0	0	0	0	0	0
44	Vermont	0	0	0	0	0	0
45	Virginia	0	0	0	0	0	103,998
52	Hawaii	0	0	0	0	0	73,787
54	Alaska	0	0	0	0	0	0
	Total	1,927,085	2,198,741	4,574,580	27	240	502,364,853

Notes:

(3), (4), (5): Data are total for latest three policy years. See Section IX - D, Exhibit 3 for years used.
 (6), (7): Used in calculating countrywide credibilities. See Section IX - D.

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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	3.272	1.232	0.454	0.000	0.000	0.000	
2	Arizona	3.131	4.157	0.784	0.000	0.000	0.000	
3	Arkansas	3.453	1.662	0.747	0.000	0.000	0.013	
4	California	0.516	0.527	0.280	0.369	0.384	0.480	
5	Colorado	3.862	0.717	0.586	0.000	0.347	0.358	
6	Connecticut	1.495	0.694	0.534	0.000	0.087	0.248	
7	Delaware	1.745	0.696	0.441	0.000	0.000	0.000	
8	District of Columbia	1.529	1.093	0.917	0.000	0.000	0.000	
9	Florida	2.104	0.709	0.413	0.000	0.000	0.034	
10	Georgia	1.250	0.895	0.590	0.286	0.240	0.314	
11	Idaho	1.783	0.723	0.358	0.000	0.000	0.000	
12	Illinois	1.318	0.425	0.363	0.000	0.172	0.207	
13	Indiana	6.280	1.427	0.637	0.000	0.221	0.210	
14	Iowa	1.222	0.713	0.459	0.000	0.525	0.665	
15	Kansas	2.077	0.695	0.487	0.000	0.000	0.000	
16	Kentucky	1.784	1.182	0.644	0.176	0.252	0.280	
17	Louisiana	0.751	1.274	0.482	0.000	0.000	0.000	
18	Maine	1.341	0.675	0.494	0.000	0.000	0.000	
19	Maryland	2.444	0.887	0.942	0.000	0.000	0.000	
22	Minnesota	1.311	0.362	0.364	2.547	0.241	1.001	
23	Mississippi	1.932	0.895	0.536	0.000	0.000	0.000	
24	Missouri	3.030	0.473	0.442	0.000	0.000	0.000	
25	Montana	0.947	0.542	0.337	0.000	0.000	0.000	
26	Nebraska	2.569	0.838	0.444	0.000	0.000	0.000	
27	Nevada	0.767	0.862	0.539	10.337	0.000	10.125	
28	New Hampshire	1.557	1.267	0.520	0.000	0.471	0.611	
29	New Jersey	2.321	0.498	0.598	0.000	0.542	0.616	
30	New Mexico	1.653	1.473	0.622	0.000	0.000	0.000	
31	New York	0.558	1.203	0.694	0.000	0.000	0.000	
32	North Carolina	1.291	0.948	0.696	0.000	0.046	0.131	
35	Oklahoma	0.817	0.563	0.448	0.741	0.789	0.451	
36	Oregon	2.044	0.943	0.655	0.000	0.000	0.000	
37	Pennsylvania	1.313	0.099	0.114	0.000	0.000	0.000	
38	Rhode Island	0.617	0.714	0.709	9.913	0.476	2.415	
39	South Carolina	1.244	0.516	0.603	0.000	0.000	0.597	
40	South Dakota	5.575	1.229	0.569	0.000	0.000	0.000	
41	Tennessee	1.508	0.627	0.488	0.000	0.409	0.337	
43	Utah	5.125	2.004	0.751	0.000	0.000	0.000	
44	Vermont	1.693	0.482	0.426	0.000	0.000	0.000	
45	Virginia	2.069	2.052	0.864	0.000	0.000	0.000	
52	Hawaii	0.944	0.456	0.489	0.000	0.000	0.000	
54	Alaska	0.696	0.726	0.373	0.000	0.000	0.000	
(10)	Average of (6), (7), (8) weighted by Payroll from Page 1, respectively				0.266	0.276	0.366	
(11)	Conversion and Excess Loss Adjustment Factor				1.404	1.030	1.700	
(12)	CW Pure Premium = (10) x (11)				0.373	0.284	0.623	1.280
(13)	CW Manufacturing Pure Premium				0.604	0.339	0.783	1.726
(14)	CW Relativity = (12) / (13)				0.618	0.839	0.795	0.742
(15)	CW Relativity, balanced to unity				0.614	0.833	0.791	

Notes:

(3), (4), (5) = (MA Total Manufacturing Limited Losses) / [(Manufacturing Pure Premium by State) x (MA Total Manufacturing Exposure)]. See Section IX - D, Exhibit 2

(11) = (MA Total Manufacturing Adjusted Converted Losses) / (MA Manufacturing Limited Losses). See Section IX - C.

(13) = (12) weighted by MA five year Manufacturing Exposure

(15): Relativities balanced to unity (weighted by MA exposure) over Manufacturing Industry Group.

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Section IX - Classification Pricing
 Subsection L - Pricing Example
 9/1/2008

Section IX - 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
3.918	0.800	1.055
0.614	0.833	0.791
1.527	1.177	0.875

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
1.545	1.190	0.885
0.699	0.388	0.726
1.080	0.462	0.642
143,966	61,546	85,641
15,000,000	1,800,000	2,800,000
16.0%	26.0%	25.0%

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
27	240	267
450	900	600
32%	37%	38%
52%	37%	37%
1.617	0.952	0.888
0.998	0.999	1.003

- (16) Balanced Formula Relativity

Injury Type			
Serious	Non-Serious	Medical	Total
1.621	0.953	0.885	1.153

Notes:

- (1): Exhibit 1.
- (2), (10): Exhibit 2.
- (3): Relativity of (5) to Industry Group average, using 5 year Schedule Z exposure as weights.
- (4): Section IX - F.
- (5): Section IX - E, Exhibit 1.
- (8), (11): Section IX - 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.

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Section IX - Classification Pricing
Subsection L - Pricing Example
9/1/2008

Section IX - 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	1.153
(2) Capped Rate Level Factor	2.329
(3) Proposed Average Capped Rate = (1) x (2)	2.69
(4) Offset for Merit Rating	0.997
(5) Offset for ARAP	1.045
(6) Offset for Construction Classification Premium Adjustment Program	1.000
(7) Loading for Recoupment of Insolvency Fund Assessments	-0.0005
(8) Proposed Manual Rate = {(3) / [(4) x (5) x (6)]} x {1.000 / [1.000 - (7)]}	2.58
(9) Minimum Premium	259
(10) Loss Constant	0.00
(11) Expected Loss Rate	1.29
(12) D-Ratio	0.16

Notes:

(1): Exhibit 3.

(2): Section IX - 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): Section IX - K. Class 3131 is not eligible for the Construction Credit program.

(9) = {[(8) x 35.0] + (10) + Expense Constant} subject to a maximum of \$500

Where Expense Constant = 169 if (8) x 35 + (10) < 200

= 338 if (8) x 35 + (10) >= 200.

(10): No loss constant for Manufacturing classes, \$50 for Construction classes, \$20 for all other classes.

(11) = (3) x Ratio of Experience Rating ELR to Average Rate, from Section X - A, Exhibit 1. Class 3131 is in Hazard Group 2.

(12): Section X. 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.

Section X-A - Expected Loss Rates

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 Section X-A and Section X-C.

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

X-C. The Expected Loss Rate for each class is the product of the proposed average capped rate for that class (as shown in Section IX-J) and the Ratio of Experience Rating ELR to Average Rate (as calculated in Section X-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 (Exhibits 4 & 5) and investment income (Exhibit 6).

Section X-B - Calculation of D-Ratios

The second task of Section X 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

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 9/1/2001, 9/1/2003, 9/1/2005 and 9/1/2007 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 X-B). The loss data is taken from the Schedule Z database 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 in Section X-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:

$$\text{"D" Ratio} = \frac{[(P_s)(D_s) + (P_n)(D_n) + (P_m)(D_m)]}{[P_s + P_n + P_m]}$$

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-C.

Calculation of ELR Factors

Unit Report / Policy Effective Dates (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	1	0.642	0.041	1.014	0.934	1.392	1.066	1.031	0.425
9/1/2006	2	0.642	0.093	1.014	0.934	1.420	1.094	0.978	0.405
to	3	0.642	0.145	1.014	0.934	1.437	1.111	0.981	0.370
8/31/2007	4	0.642	0.199	1.014	0.934	1.470	1.133	0.942	0.346
2nd Report	1	0.642	0.049	1.021	0.903	1.147	1.066	1.031	0.526
9/1/2005	2	0.642	0.112	1.021	0.903	1.157	1.094	0.978	0.499
to	3	0.642	0.174	1.021	0.903	1.164	1.111	0.981	0.454
8/31/2006	4	0.642	0.240	1.021	0.903	1.176	1.133	0.942	0.422
3rd Report	1	0.642	0.057	1.028	0.872	1.068	1.066	1.031	0.576
9/1/2004	2	0.642	0.129	1.028	0.872	1.073	1.094	0.978	0.543
to	3	0.642	0.201	1.028	0.872	1.076	1.111	0.981	0.488
8/31/2005	4	0.642	0.276	1.028	0.872	1.081	1.133	0.942	0.449
1st - 3rd Report	1								0.509
Average	2								0.482
	3								0.437
	4								0.406

Notes:

- (1): Unit Stat Reports used to experience rate a policy taking effect during the proposed policy period.
- (3): Section VI-A, Exhibit 1, (11).
- (4): Exhibit 2, (10)-(12).
- (5): Section IV-A, Exhibit 1.
- (6): Section V-A, Exhibit 1. Net Trend applied from USR policy effective date to policy effective date of the proposed rates.
- (7): Exhibit 4, Page 1, (8).
- (8): Exhibit 5, Page 1, (7).
- (9): Exhibit 6, (8).
- (10) = $\{(3) \times [1.0 - (4)]\} / [(5) \times (6) \times (7) \times (8) \times (9)]$

X 000005

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)
1	232,209,255	11,640,389	0.050	291,918,149	0.050	0.37	0.37
2	580,562,435	66,223,305	0.114	744,955,384	0.114	0.84	0.84
3	606,708,987	107,358,300	0.177	790,722,852	0.177	1.30	1.30
4	65,119,644	15,865,974	0.244	77,330,138	0.244	1.80	1.80
Total	1,484,600,321	201,087,968	0.135	1,904,926,522	0.136	1.00	1.00

Expected Loss Limitation Adjustment Factor by Hazard Group

Hazard Group	First Report	Second Report	Third Report	Average
(9)	(10)	(11)	(12)	(13)
1	0.041	0.049	0.057	0.049
2	0.093	0.112	0.129	0.112
3	0.145	0.174	0.201	0.173
4	0.199	0.240	0.276	0.239
1, 2, 3, 4	0.111	0.134	0.154	

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]

(10)-(12) = [Exhibit 3, (5)] x (8)

Loss Elimination Ratio
Factor to Reflect the State Accident Limitation of \$175,000
 (Losses in Thousands)

Report	Injury Type	Adjusted Schedule Z Losses	Adjusted Excess Losses	Loss Elimination Ratio = (4) / (3)
(1)	(2)	(3)	(4)	(5)
1st	1	10,529	6,158	0.585
1st	2	13,258	12,208	0.921
1st	3	121,286	24,076	0.199
1st	4	42,099	199	0.005
1st	5	211,551	5,269	0.025
1st	6	32,881	0	0.000
1st	Total	431,604	47,910	0.111
2nd	1	6,446	3,209	0.498
2nd	2	14,166	12,766	0.901
2nd	3	265,108	50,279	0.190
2nd	4	67,949	182	0.003
2nd	5	136,000	3,055	0.022
2nd	6	32,211	268	0.008
2nd	Total	521,880	69,761	0.134
3rd	1	14,214	10,142	0.714
3rd	2	13,058	10,342	0.792
3rd	3	291,464	61,586	0.211
3rd	4	65,193	1,037	0.016
3rd	5	155,091	4,789	0.031
3rd	6	32,320	0	0.000
3rd	Total	571,340	87,897	0.154

Notes:

Schedule Z losses have been adjusted by multiplying by law amendment changes and severity trend factors.

(3): Adjusted Schedule Z

(4): Adjusted Schedule Z losses above \$175,000.

X 000007

Hazard Group Development Factors to Fifth Report

Development to Fifth Report (1)	Hazard Group (2)	Review Year 2007		Develop. Factor to 5th Report = (4) / (3) (5)	Selected Relativity (6)	Balanced Relativity = (6) / TT(6) (7)	Selected Dev. Factor to 5th Report (8)
		Losses at Latest Report (3)	Losses at 5th Report (4)				
1st to 5th	1	57,440,399	72,080,091	1.255	0.923	0.923	1.392
1st to 5th	2	142,471,248	212,966,682	1.495	0.988	0.988	1.420
1st to 5th	3	151,859,458	235,937,032	1.554	1.030	1.030	1.437
1st to 5th	4	14,361,323	29,694,219	2.068	1.107	1.107	1.470
1st to 5th	All	366,132,428	550,678,023	1.504	1.000	1.000	1.425
2nd to 5th	1	70,330,834	80,294,781	1.142	0.923	0.924	1.147
2nd to 5th	2	169,738,867	224,050,692	1.320	0.988	0.989	1.157
2nd to 5th	3	190,226,543	247,413,470	1.301	1.030	1.031	1.164
2nd to 5th	4	13,844,838	16,966,427	1.225	1.107	1.108	1.176
2nd to 5th	All	444,141,082	568,725,369	1.281	0.999	1.000	1.159
3rd to 5th	1	74,200,547	77,582,016	1.046	0.923	0.922	1.068
3rd to 5th	2	194,353,782	208,121,222	1.071	0.988	0.987	1.073
3rd to 5th	3	188,951,061	212,160,507	1.123	1.030	1.028	1.076
3rd to 5th	4	29,075,948	31,549,868	1.085	1.107	1.105	1.081
3rd to 5th	All	486,581,338	529,413,613	1.088	1.002	1.000	1.074

Notes:

(3),(4): See Exhibit 4 Pages 4-6 for Review Year 2007

(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.

(8) = 1.00 + (7) x (Overall Selected LDF from page 2 - 1.00)

800000 X

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 to 5th Report (5)	Adjusted Distribution = (4) / (5) (6)	LDF to 5th Report to Derive ELR = TT(4) / TT(6) (7)
1st	Indemnity	Death	1.6%	1.037	1.6%	
1st	Indemnity	Permanent Total	3.1%	6.766	0.5%	
1st	Indemnity	Permanent Partial	41.5%	2.323	17.9%	
1st	Indemnity	Temporary Total	19.0%	0.883	21.6%	
1st	Medical	Death	0.1%	1.138	0.1%	
1st	Medical	Permanent Total	2.4%	5.629	0.4%	
1st	Medical	Permanent Partial	16.1%	1.798	9.0%	
1st	Medical	Temporary Total	11.4%	0.776	14.7%	
1st	Medical	Medical Only	4.8%	1.040	4.6%	
1st	Total		100.0%		70.2%	1.425
2nd	Indemnity	Death	1.6%	0.944	1.7%	
2nd	Indemnity	Permanent Total	3.1%	5.298	0.6%	
2nd	Indemnity	Permanent Partial	41.5%	1.347	30.8%	
2nd	Indemnity	Temporary Total	19.0%	0.863	22.1%	
2nd	Medical	Death	0.1%	1.138	0.1%	
2nd	Medical	Permanent Total	2.4%	4.989	0.5%	
2nd	Medical	Permanent Partial	16.1%	1.264	12.8%	
2nd	Medical	Temporary Total	11.4%	0.872	13.1%	
2nd	Medical	Medical Only	4.8%	1.010	4.8%	
2nd	Total		100.0%		86.3%	1.159
3rd	Indemnity	Death	1.6%	0.972	1.7%	
3rd	Indemnity	Permanent Total	3.1%	2.426	1.3%	
3rd	Indemnity	Permanent Partial	41.5%	1.132	36.6%	
3rd	Indemnity	Temporary Total	19.0%	0.909	20.9%	
3rd	Medical	Death	0.1%	1.000	0.1%	
3rd	Medical	Permanent Total	2.4%	2.062	1.2%	
3rd	Medical	Permanent Partial	16.1%	1.127	14.3%	
3rd	Medical	Temporary Total	11.4%	0.930	12.3%	
3rd	Medical	Medical Only	4.8%	0.999	4.8%	
3rd	Total	All	100.0%		93.1%	1.074

Notes:

(4): Section IV-F, Exhibit 1.

(5): Section IX-B, Exhibit 2, Pages 1-5.

600000 X

Hazard Group Reported Loss Development Relativities to Fifth Report

Development Hazard Group (1)	3-5			2-5			1-5			Average Relativity (11)	Selected (12)
	Review Year			Review Year			Review Year				
	2007 (2)	2006 (3)	2005 (4)	2007 (5)	2006 (6)	2005 (7)	2007 (8)	2006 (9)	2005 (10)		
1	0.961	0.973	0.962	0.892	0.946	0.957	0.834	0.836	0.949	0.923	0.923
2	0.984	0.987	0.971	1.031	0.983	0.981	0.994	1.017	0.946	0.988	0.988
3	1.032	1.009	1.037	1.016	1.037	1.006	1.033	1.046	1.054	1.030	1.030
4	0.997	1.143	0.997	0.957	1.014	1.276	1.375	1.012	1.191	1.107	1.107

Notes:
 From Exhibit 4, Pages 4 through 12

X 000010

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2007
 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)
1	1	185,553	1.037	192,460	7,000	1.138	7,966			
1	2	0	6.766	0	0	5.629	0			
1	3	6,963,294	2.323	16,176,443	3,301,331	1.798	5,934,454			
1	4	4,052,526	2.323	9,414,432	3,258,075	1.798	5,856,697			
1	5	16,767,660	0.883	14,805,386	15,666,678	0.776	12,164,404			
1	6	0	1.000	0	7,238,282	1.040	7,527,850			
1	Total	27,969,033		40,588,720	29,471,366		31,491,371	57,440,399	72,080,091	1.255
2	1	4,683,309	1.037	4,857,630	223,326	1.138	254,134			
2	2	1,291,386	6.766	8,737,231	4,280,000	5.629	24,092,658			
2	3	22,059,582	2.323	51,246,662	11,608,995	1.798	20,868,264			
2	4	8,375,903	2.323	19,458,078	6,040,962	1.798	10,859,199			
2	5	40,406,023	0.883	35,677,415	31,593,647	0.776	24,530,911			
2	6	0	1.000	0	11,908,115	1.040	12,384,500			
2	Total	76,816,203		119,977,015	65,655,045		92,989,666	142,471,248	212,966,682	1.495
3	1	2,603,239	1.037	2,700,136	74,144	1.138	84,372			
3	2	1,102,988	6.766	7,462,572	2,500,168	5.629	14,073,760			
3	3	37,126,531	2.323	86,248,723	17,881,528	1.798	32,143,734			
3	4	7,192,069	2.323	16,707,911	5,442,670	1.798	9,783,713			
3	5	39,702,832	0.883	35,056,516	30,685,208	0.776	23,825,553			
3	6	0	1.000	0	7,548,081	1.040	7,850,042			
3	Total	87,727,659		148,175,858	64,131,799		87,761,174	151,859,458	235,937,032	1.554
4	1	688,584	1.037	714,214	8,138	1.138	9,261			
4	2	331,834	6.766	2,245,115	1,826,448	5.629	10,281,306			
4	3	3,001,486	2.323	6,972,758	1,260,878	1.798	2,266,547			
4	4	488,008	2.323	1,133,692	377,150	1.798	677,963			
4	5	3,340,822	0.883	2,949,855	2,716,714	0.776	2,109,395			
4	6	0	1.000	0	321,261	1.040	334,113			
4	Total	7,850,734		14,015,635	6,510,589		15,678,584	14,361,323	29,694,219	2.068
1, 2, 3, 4	Grand Total	200,363,629		322,757,228	165,768,799		227,920,794	366,132,428	550,678,023	1.504

Notes:

- (3), (6): Unit Statistical Plan Data underlying Schedule Z.
- (4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000011

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2007
 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)
1	1	482,484	0.944	455,596	48,263	1.138	54,921			
1	2	0	5.298	0	0	4.989	0			
1	3	19,252,577	1.347	25,935,739	7,823,262	1.264	9,885,681			
1	4	7,444,576	1.347	10,028,818	5,736,484	1.264	7,248,773			
1	5	11,447,493	0.863	9,882,029	10,663,229	0.872	9,299,711			
1	6	0	1.000	0	7,432,466	1.010	7,503,513			
1	Total	38,627,130		46,302,182	31,703,704		33,992,599	70,330,834	80,294,781	1.142
2	1	1,272,958	0.944	1,202,019	45,352	1.138	51,608			
2	2	1,440,840	5.298	7,633,200	5,381,460	4.989	26,845,926			
2	3	53,654,115	1.347	72,279,110	22,643,099	1.264	28,612,419			
2	4	15,672,493	1.347	21,112,898	10,739,856	1.264	13,571,166			
2	5	25,867,886	0.863	22,330,408	21,280,051	0.872	18,558,949			
2	6	0	1.000	0	11,740,757	1.010	11,852,987			
2	Total	97,908,292		124,557,636	71,830,575		99,493,056	169,738,867	224,050,692	1.320
3	1	2,965,253	0.944	2,800,007	100,102	1.138	113,911			
3	2	1,423,739	5.298	7,542,604	3,777,624	4.989	18,845,037			
3	3	81,244,287	1.347	109,446,681	32,833,037	1.264	41,488,695			
3	4	9,715,812	1.347	13,088,469	6,751,571	1.264	8,531,464			
3	5	26,048,162	0.863	22,486,031	18,473,891	0.872	16,111,615			
3	6	0	1.000	0	6,893,065	1.010	6,958,956			
3	Total	121,397,253		155,363,792	68,829,290		92,049,678	190,226,543	247,413,470	1.301
4	1	787,607	0.944	743,716	18,582	1.138	21,145			
4	2	0	5.298	0	0	4.989	0			
4	3	6,499,719	1.347	8,755,972	3,201,396	1.264	4,045,369			
4	4	589,816	1.347	794,559	445,807	1.264	563,334			
4	5	1,206,820	0.863	1,041,785	764,112	0.872	666,404			
4	6	0	1.000	0	330,979	1.010	334,143			
4	Total	9,083,962		11,336,032	4,760,876		5,630,395	13,844,838	16,966,427	1.225
1, 2, 3, 4	Grand Total	267,016,637		337,559,641	177,124,445		231,165,728	444,141,082	568,725,369	1.281

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000012

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2007
 Third Report to Fifth Report

Hazard Group (1)	Injury Type (2)	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses (3)	Develop. Factor to 5th Report (4)	Losses Developed to 5th Report = (3) x (4) (5)	Reported Losses (6)	Develop. Factor to 5th Report (7)	Losses Developed to 5th Report = (6) x (7) (8)	Total Reported Losses (9)	Total Developed Losses (10)	Develop. Factor = (10) / (9) (11)
1	1	1,360,236	0.972	1,322,053	2,500	1.000	2,500			
1	2	0	2.426	0	0	2.062	0			
1	3	20,664,081	1.132	23,381,916	7,704,615	1.127	8,680,809			
1	4	8,120,842	1.132	9,188,933	5,001,137	1.127	5,634,793			
1	5	12,747,997	0.909	11,587,591	11,616,548	0.930	10,806,359			
1	6	0	1.000	0	6,982,591	0.999	6,977,061			
1	Total	42,893,156		45,480,493	31,307,391		32,101,523	74,200,547	77,582,016	1.046
2	1	2,585,306	0.972	2,512,734	394,239	1.000	394,239			
2	2	1,372,576	2.426	3,330,162	390,062	2.062	804,219			
2	3	68,379,218	1.132	77,372,768	28,777,978	1.127	32,424,219			
2	4	15,972,569	1.132	18,073,355	9,542,160	1.127	10,751,175			
2	5	30,975,783	0.909	28,156,166	23,686,275	0.930	22,034,291			
2	6	0	1.000	0	12,277,616	0.999	12,267,892			
2	Total	119,285,452		129,445,185	75,068,330		78,676,036	194,353,782	208,121,222	1.071
3	1	5,573,639	0.972	5,417,182	112,204	1.000	112,204			
3	2	4,698,590	2.426	11,399,780	4,882,514	2.062	10,066,632			
3	3	76,638,627	1.132	86,718,493	26,536,948	1.127	29,899,245			
3	4	9,108,780	1.132	10,306,809	6,661,807	1.127	7,505,875			
3	5	29,188,046	0.909	26,531,160	19,238,555	0.930	17,896,775			
3	6	0	1.000	0	6,311,351	0.999	6,306,352			
3	Total	125,207,682		140,373,424	63,743,379		71,787,083	188,951,061	212,160,507	1.123
4	1	2,432,670	0.972	2,364,383	19,600	1.000	19,600			
4	2	0	2.426	0	0	2.062	0			
4	3	16,726,705	1.132	18,926,678	4,687,267	1.127	5,281,155			
4	4	449,544	1.132	508,670	217,490	1.127	245,047			
4	5	2,573,224	0.909	2,338,992	1,487,198	0.930	1,383,474			
4	6	0	1.000	0	482,250	0.999	481,868			
4	Total	22,182,143		24,138,724	6,893,805		7,411,144	29,075,948	31,549,868	1.085
1, 2, 3, 4	Grand Total	309,568,433		339,437,827	177,012,905		189,975,786	486,581,338	529,413,613	1.088

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000013

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2006
 First Report to Fifth Report

Hazard Group (1)	Injury Type (2)	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses (3)	Develop. Factor to 5th Report (4)	Losses Developed to 5th Report = (3) x (4) (5)	Reported Losses (6)	Develop. Factor to 5th Report (7)	Losses Developed to 5th Report = (6) x (7) (8)	Total Reported Losses (9)	Total Developed Losses (10)	Develop. Factor = (10) / (9) (11)
1	1	416,709	1.037	432,220	55,103	1.138	62,705			
1	2	136,617	6.766	924,320	28,187	5.629	158,668			
1	3	7,966,780	2.323	18,507,643	4,352,152	1.798	7,823,404			
1	4	3,099,941	2.323	7,201,479	2,780,770	1.798	4,998,696			
1	5	16,448,165	0.883	14,523,280	15,576,851	0.776	12,094,658			
1	6	0	1.000	0	6,893,833	1.040	7,169,621			
1	Total	28,068,212		41,588,943	29,686,896		32,307,752	57,755,108	73,896,695	1.279
2	1	1,221,989	1.037	1,267,474	45,352	1.138	51,608			
2	2	1,572,061	6.766	10,636,216	5,325,287	5.629	29,976,710			
2	3	24,441,245	2.323	56,779,508	9,709,373	1.798	17,453,514			
2	4	7,558,697	2.323	17,559,625	5,453,596	1.798	9,803,353			
2	5	38,707,918	0.883	34,178,034	32,670,127	0.776	25,366,744			
2	6	0	1.000	0	11,385,524	1.040	11,841,003			
2	Total	73,501,910		120,420,857	64,589,259		94,492,933	138,091,169	214,913,790	1.556
3	1	2,912,674	1.037	3,021,089	98,570	1.138	112,168			
3	2	1,632,597	6.766	11,045,789	4,541,626	5.629	25,565,384			
3	3	37,383,364	2.323	86,845,372	19,418,448	1.798	34,906,492			
3	4	4,530,841	2.323	10,525,606	3,395,524	1.798	6,103,775			
3	5	41,668,660	0.883	36,792,289	31,675,915	0.776	24,594,788			
3	6	0	1.000	0	6,587,544	1.040	6,851,079			
3	Total	88,128,136		148,230,145	65,717,627		98,133,686	153,845,763	246,363,831	1.601
4	1	646,027	1.037	670,073	18,582	1.138	21,145			
4	2	0	6.766	0	0	5.629	0			
4	3	3,322,285	2.323	7,718,007	2,194,073	1.798	3,944,053			
4	4	248,981	2.323	578,408	155,518	1.798	279,558			
4	5	2,229,932	0.883	1,968,969	1,776,590	0.776	1,379,435			
4	6	0	1.000	0	292,211	1.040	303,901			
4	Total	6,447,225		10,935,458	4,436,974		5,928,092	10,884,199	16,863,550	1.549
1, 2, 3, 4	Grand Total	196,145,483		321,175,403	164,430,756		230,862,463	360,576,239	552,037,866	1.531

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000014

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2006
 Second Report to Fifth Report

Hazard Group (1)	Injury Type (2)	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses (3)	Develop. Factor to 5th Report (4)	Losses Developed to 5th Report = (3) x (4) (5)	Reported Losses (6)	Develop. Factor to 5th Report (7)	Losses Developed to 5th Report = (6) x (7) (8)	Total Reported Losses (9)	Total Developed Losses (10)	Develop. Factor = (10) / (9) (11)
1	1	1,371,904	0.944	1,295,451	2,500	1.138	2,845			
1	2	0	5.298	0	0	4.989	0			
1	3	20,975,086	1.347	28,256,184	7,963,195	1.264	10,062,504			
1	4	6,103,161	1.347	8,221,756	4,834,931	1.264	6,109,547			
1	5	11,249,457	0.863	9,711,074	10,543,721	0.872	9,195,484			
1	6	0	1.000	0	6,893,512	1.010	6,959,407			
1	Total	39,699,608		47,484,466	30,237,859		32,329,787	69,937,467	79,814,253	1.141
2	1	2,811,894	0.944	2,655,194	434,511	1.138	494,453			
2	2	680,668	5.298	3,606,004	531,671	4.989	2,652,291			
2	3	62,926,610	1.347	84,770,374	25,721,130	1.264	32,501,901			
2	4	12,035,221	1.347	16,213,017	9,110,476	1.264	11,512,239			
2	5	29,048,756	0.863	25,076,289	23,316,036	0.872	20,334,590			
2	6	0	1.000	0	12,377,689	1.010	12,496,007			
2	Total	107,503,149		132,320,878	71,491,513		79,991,481	178,994,662	212,312,359	1.186
3	1	5,874,406	0.944	5,547,040	124,656	1.138	141,853			
3	2	1,678,676	5.298	8,893,194	1,445,320	4.989	7,210,117			
3	3	71,508,782	1.347	96,331,682	26,820,650	1.264	33,891,283			
3	4	7,904,159	1.347	10,647,936	5,711,611	1.264	7,217,343			
3	5	26,067,892	0.863	22,503,063	17,598,198	0.872	15,347,898			
3	6	0	1.000	0	6,320,056	1.010	6,380,469			
3	Total	113,033,915		143,922,915	58,020,491		70,188,963	171,054,406	214,111,878	1.252
4	1	2,579,276	0.944	2,435,539	19,600	1.138	22,304			
4	2	0	5.298	0	0	4.989	0			
4	3	16,307,506	1.347	21,968,343	4,732,376	1.264	5,979,956			
4	4	354,629	1.347	477,732	187,040	1.264	236,349			
4	5	2,557,845	0.863	2,208,055	1,509,961	0.872	1,316,881			
4	6	0	1.000	0	457,908	1.010	462,285			
4	Total	21,799,256		27,089,670	6,906,885		8,017,774	28,706,141	35,107,444	1.223
1, 2, 3, 4	Grand Total	282,035,928		350,817,929	166,656,748		190,528,005	448,692,676	541,345,934	1.206

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000015

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)
1	1	1,515,964	0.972	1,473,410	250,858	1.000	250,858			
1	2	72,969	2.426	177,038	10,000	2.062	20,618			
1	3	23,386,762	1.132	26,462,697	10,591,083	1.127	11,933,000			
1	4	5,342,702	1.132	6,045,399	3,667,716	1.127	4,132,425			
1	5	13,769,706	0.909	12,516,298	11,737,684	0.930	10,919,047			
1	6	0	1.000	0	7,346,081	0.999	7,340,263			
1	Total	44,088,103		46,674,842	33,603,422		34,596,210	77,691,525	81,271,051	1.046
2	1	4,962,956	0.972	4,823,642	78,289	1.000	78,289			
2	2	1,151,715	2.426	2,794,306	822,423	2.062	1,695,649			
2	3	61,877,737	1.132	70,016,183	26,553,779	1.127	29,918,209			
2	4	10,902,764	1.132	12,336,746	6,942,903	1.127	7,822,586			
2	5	34,580,055	0.909	31,432,354	23,741,785	0.930	22,085,930			
2	6	0	1.000	0	12,538,050	0.999	12,528,120			
2	Total	113,475,227		121,403,230	70,677,229		74,128,783	184,152,456	195,532,012	1.062
3	1	4,124,825	0.972	4,009,038	164,790	1.000	164,790			
3	2	1,881,488	2.426	4,564,890	332,344	2.062	685,218			
3	3	92,205,048	1.132	104,332,282	31,412,297	1.127	35,392,313			
3	4	6,977,409	1.132	7,895,110	4,408,639	1.127	4,967,225			
3	5	30,377,756	0.909	27,612,575	17,289,811	0.930	16,083,944			
3	6	0	1.000	0	6,123,764	0.999	6,118,914			
3	Total	135,566,526		148,413,895	59,731,645		63,412,404	195,298,171	211,826,299	1.085
4	1	286,240	0.972	278,205	147,093	1.000	147,093			
4	2	1,836,335	2.426	4,455,340	287,068	2.062	591,869			
4	3	9,465,367	1.132	10,710,296	2,960,869	1.127	3,336,018			
4	4	345,559	1.132	391,009	194,676	1.127	219,342			
4	5	2,182,844	0.909	1,984,147	919,241	0.930	855,129			
4	6	0	1.000	0	296,971	0.999	296,736			
4	Total	14,116,345		17,818,996	4,805,918		5,446,187	18,922,263	23,265,183	1.230
1, 2, 3, 4	Grand Total	307,246,201		334,310,963	168,818,214		177,583,583	476,064,415	511,894,546	1.075

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000016

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)	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)
1	1	996,399	1.037	1,033,487	2,500	1.138	2,845			
1	2	145,200	6.766	982,391	45,500	5.629	256,125			
1	3	7,295,789	2.323	16,948,863	3,037,171	1.798	5,459,601			
1	4	3,039,723	2.323	7,061,587	2,594,822	1.798	4,664,437			
1	5	18,943,632	0.883	16,726,710	16,156,229	0.776	12,544,516			
1	6	0	1.000	0	6,741,830	1.040	7,011,537			
1	Total	30,420,743		42,753,037	28,578,052		29,939,062	58,998,795	72,692,099	1.232
2	1	2,375,223	1.037	2,463,633	397,025	1.138	451,795			
2	2	39,115	6.766	264,643	8,126	5.629	45,742			
2	3	20,715,363	2.323	48,123,904	10,537,115	1.798	18,941,458			
2	4	6,462,953	2.323	15,014,100	5,042,788	1.798	9,064,887			
2	5	53,391,993	0.883	47,143,672	39,241,679	0.776	30,469,231			
2	6	0	1.000	0	12,425,043	1.040	12,922,108			
2	Total	82,984,647		113,009,951	67,651,776		71,895,222	150,636,423	184,905,173	1.227
3	1	4,412,532	1.037	4,576,774	642,207	1.138	730,801			
3	2	447,757	6.766	3,029,424	620,350	5.629	3,492,028			
3	3	29,091,873	2.323	67,583,392	13,447,937	1.798	24,173,936			
3	4	4,178,756	2.323	9,707,677	3,320,606	1.798	5,969,103			
3	5	44,154,453	0.883	38,987,176	32,128,539	0.776	24,946,228			
3	6	0	1.000	0	6,056,911	1.040	6,299,218			
3	Total	82,285,371		123,884,443	56,216,550		65,611,313	138,501,921	189,495,757	1.368
4	1	2,911,640	1.037	3,020,016	20,674	1.138	23,526			
4	2	0	6.766	0	0	5.629	0			
4	3	6,653,796	2.323	15,457,448	2,830,808	1.798	5,088,644			
4	4	235,927	2.323	548,083	177,314	1.798	318,739			
4	5	4,097,134	0.883	3,617,657	2,183,619	0.776	1,695,473			
4	6	0	1.000	0	431,760	1.040	449,033			
4	Total	13,898,497		22,643,204	5,644,175		7,575,414	19,542,672	30,218,618	1.546
1, 2, 3, 4	Grand Total	209,589,258		302,290,636	158,090,553		175,021,011	367,679,811	477,311,647	1.298

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000017

Loss Development of Schedule Z to Fifth Report by Hazard Group

Review Year 2005
 Second Report to Fifth Report

Hazard Group (1)	Injury Type (2)	Indemnity Losses			Medical Losses			Total Losses		
		Reported Losses (3)	Develop. Factor to 5th Report (4)	Losses Developed to 5th Report = (3) x (4) (5)	Reported Losses (6)	Develop. Factor to 5th Report (7)	Losses Developed to 5th Report = (6) x (7) (8)	Total Reported Losses (9)	Total Developed Losses (10)	Develop. Factor = (10) / (9) (11)
1	1	1,551,078	0.944	1,464,640	282,311	1.138	321,256			
1	2	0	5.298	0	0	4.989	0			
1	3	17,787,879	1.347	23,962,599	7,947,715	1.264	10,042,943			
1	4	4,859,739	1.347	6,546,704	3,790,725	1.264	4,790,060			
1	5	17,276,120	0.863	14,913,581	13,319,172	0.872	11,616,036			
1	6	0	1.000	0	7,275,085	1.010	7,344,628			
1	Total	41,474,816		46,887,525	32,615,008		34,114,923	74,089,824	81,002,448	1.093
2	1	4,724,589	0.944	4,461,299	91,079	1.138	103,644			
2	2	1,170,706	5.298	6,202,100	735,964	4.989	3,671,427			
2	3	41,778,626	1.347	56,281,273	17,791,855	1.264	22,482,259			
2	4	9,176,626	1.347	12,362,115	5,767,529	1.264	7,288,002			
2	5	48,753,309	0.863	42,086,210	31,584,168	0.872	27,545,467			
2	6	0	1.000	0	12,264,957	1.010	12,382,198			
2	Total	105,603,856		121,392,998	68,235,552		73,472,997	173,839,408	194,865,995	1.121
3	1	4,554,398	0.944	4,300,593	108,737	1.138	123,737			
3	2	751,439	5.298	3,980,931	33,066	4.989	164,953			
3	3	66,162,799	1.347	89,129,944	23,194,456	1.264	29,309,129			
3	4	6,527,635	1.347	8,793,578	4,339,916	1.264	5,484,033			
3	5	44,052,168	0.863	38,027,958	23,463,869	0.872	20,463,520			
3	6	0	1.000	0	6,102,708	1.010	6,161,044			
3	Total	122,048,439		144,233,004	57,242,752		61,706,415	179,291,191	205,939,419	1.149
4	1	286,240	0.944	270,289	147,093	1.138	167,385			
4	2	1,279,773	5.298	6,779,909	67,592	4.989	337,189			
4	3	8,382,032	1.347	11,291,693	2,935,054	1.264	3,708,812			
4	4	363,799	1.347	490,085	200,711	1.264	253,624			
4	5	4,255,314	0.863	3,673,392	1,241,691	0.872	1,082,915			
4	6	0	1.000	0	303,163	1.010	306,061			
4	Total	14,567,158		22,505,368	4,895,304		5,855,985	19,462,462	28,361,353	1.457
1, 2, 3, 4	Grand Total	283,694,269		335,018,895	162,988,616		175,150,320	446,682,885	510,169,214	1.142

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000018

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)
1	1	287,252	0.972	279,189	21,680	1.000	21,680			
1	2	314,340	2.426	762,656	25,702	2.062	52,992			
1	3	20,638,511	1.132	23,352,983	6,926,482	1.127	7,804,084			
1	4	5,168,902	1.132	5,848,740	3,108,255	1.127	3,502,079			
1	5	22,074,312	0.909	20,064,965	13,561,644	0.930	12,615,796			
1	6	0	1.000	0	7,260,352	0.999	7,254,602			
1	Total	48,483,317		50,308,532	30,904,115		31,251,233	79,387,432	81,559,765	1.027
2	1	2,195,124	0.972	2,133,505	24,723	1.000	24,723			
2	2	672,127	2.426	1,630,723	671,364	2.062	1,384,200			
2	3	58,151,989	1.132	65,800,407	19,029,850	1.127	21,440,979			
2	4	9,556,519	1.132	10,813,437	5,748,249	1.127	6,476,566			
2	5	52,325,073	0.909	47,562,105	28,972,846	0.930	26,952,154			
2	6	0	1.000	0	11,940,527	0.999	11,931,070			
2	Total	122,900,832		127,940,177	66,387,559		68,209,692	189,288,391	196,149,869	1.036
3	1	6,556,339	0.972	6,372,297	330,918	1.000	330,918			
3	2	3,859,473	2.426	9,363,903	9,302,430	2.062	19,179,493			
3	3	84,935,660	1.132	96,106,790	27,870,190	1.127	31,401,412			
3	4	7,716,268	1.132	8,731,147	4,588,096	1.127	5,169,419			
3	5	52,700,595	0.909	47,903,444	26,569,505	0.930	24,716,432			
3	6	0	1.000	0	6,234,382	0.999	6,229,444			
3	Total	155,768,335		168,477,582	74,895,521		87,027,119	230,663,856	255,504,701	1.108
4	1	1,544,216	0.972	1,500,869	3,290	1.000	3,290			
4	2	0	2.426	0	0	2.062	0			
4	3	9,493,375	1.132	10,741,988	2,637,687	1.127	2,971,889			
4	4	568,908	1.132	643,733	414,045	1.127	466,506			
4	5	3,110,702	0.909	2,827,546	1,571,711	0.930	1,462,093			
4	6	0	1.000	0	342,758	0.999	342,487			
4	Total	14,717,201		15,714,135	4,969,491		5,246,264	19,686,692	20,960,399	1.065
1, 2, 3, 4	Grand Total	341,869,685		362,440,426	177,156,686		191,734,308	519,026,371	554,174,733	1.068

Notes:

(3), (6): Unit Statistical Plan Data underlying Schedule Z.

(4), (7): Section IX-B, Exhibit 2, Pages 1-5.

X 000019

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	Inj Types 2, 3	All Others		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	67,464,208	64,907,188	24,500,944	73,084,548	1.067	1.066
2	229,171,517	144,808,320	133,647,706	137,511,052	1.094	1.094
3	319,736,177	124,176,897	146,517,104	105,080,832	1.112	1.111
4	40,722,837	8,767,554	21,874,377	6,845,746	1.134	1.133
TOTAL	657,094,738	342,659,958	326,540,130	322,522,178	1.099	1.099

Notes:

(2)-(5): Exhibit 4, Pages 4-6.

(6): Weighted Average of Adjustment Factors from Page 2.

(Serious Indemnity 1.165, Non-Serious Indemnity 1.000, Injury Types 2 & 3 Medical 1.17, Non-Serious Medical 1.000)

(7): Factors are balanced to the overall adjustment factor to Financial Aggregate level from page 2.

X 000020

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					
04/05	332,255,060	1.087	1.020	368,277,284	1.108
03/04	345,009,220	1.087	1.020	382,414,216	1.108
02/03	348,338,230	1.087	1.020	386,104,149	1.108
Total	1,025,602,510			1,136,795,649	1.108
Medical					
04/05	233,390,307	1.085	1.000	253,214,981	1.085
03/04	236,029,709	1.085	1.000	256,078,579	1.085
02/03	195,303,077	1.085	1.000	211,892,540	1.085
Total	664,723,093			721,186,100	1.085
Ind.+Med.					
04/05	565,645,367			621,492,265	1.099
03/04	581,038,929			638,492,795	1.099
02/03	543,641,307			597,996,689	1.100
Total	1,690,325,603			1,857,981,749	1.099

(7)	Schedule Z Indem. Losses Developed to 5th Report (8)	Adjustment Factor (9)	(10)	Schedule Z Med. Losses Developed to 5th Report (11)	Adjustment Factor (12)
a. Serious	672,922,680	1.165	a. Inj Type 2, 3	332,359,884	1.170
b. Non-Ser.	352,679,830	1.000	b. All Others	332,363,209	1.000
c. Total	1,025,602,510	1.108	c.Total	664,723,093	1.085

Notes:

(2): Page 4

(3): Page 3

(4): Page 5

(8),(11): Page 4

(9): Serious Adjustment Factor = 1 + (Total Losses/Serious Losses) x ("Appropriate Column 6 Factor" - 1)

X 000021

Determination of Factor to Financial Aggregate Level

	<u>Indemnity</u>	<u>Medical</u>
(1) Development Factor based on Paid+Case 72 Months to Ult.	1.053	1.163
(2) Est. Ultimate Losses (Prior to Escalation Adj.) based on Paid + Case Develop. Method		
(a) PY2004	341,441,770	245,509,316
(b) PY2005	325,844,680	249,753,026
(c) Average	333,643,225	247,631,171
(3) Est. Ultimate Losses (Prior to Escalation Adj.) based on Paid Develop. Method		
(a) PY2004	358,581,106	208,638,977
(b) PY2005	351,994,701	219,988,775
(c) Average	355,287,904	214,313,876
(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	1.032	0.933
(5) = (1) x (4) Development Factor to bring Schedule Z 5th report data to Financial Aggregate Ultimate Level	1.087	1.085

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

X 000022

Losses Developed to 5th Report

Composite Policy Year (1)	Injury Type (2)	Paid + Case Data					
		Reported Schedule Z Losses		Development Factors to 5th Report		Losses Developed to 5th Report	
		Indemnity (3)	Medical (4)	Indemnity (5)	Medical (6)	Indemnity (3) x (5) (7)	Medical (4) x (6) (8)
04/05	1	9,242,773	316,156	1.037	1.138	9,586,805	359,770
04/05	2	2,726,208	8,606,616	6.766	5.629	18,444,918	48,447,724
04/05	3	71,131,085	34,915,121	2.323	1.798	165,244,774	62,763,224
04/05	4	20,836,576	15,744,979	2.323	1.798	48,405,494	28,303,085
04/05	5	102,577,430	83,267,274	0.883	0.776	90,573,069	64,652,937
04/05	6	0	27,753,294	1.000	1.040	0	28,863,566
04/05	TOTALS	206,514,072	170,603,440			332,255,060	233,390,307
03/04	1	5,633,892	216,299	0.944	1.138	5,319,929	246,138
03/04	2	2,864,579	9,159,084	5.298	4.989	15,175,804	45,690,964
03/04	3	163,920,814	68,035,380	1.347	1.264	220,822,776	85,971,307
03/04	4	34,493,769	24,437,102	1.347	1.264	46,467,618	30,879,369
03/04	5	66,288,105	52,754,457	0.863	0.872	57,223,093	46,008,690
03/04	6	0	26,975,384	1.000	1.010	0	27,233,242
03/04	TOTALS	273,201,159	181,577,706			345,009,220	236,029,709
02/03	1	12,398,430	536,224	0.972	1.000	12,050,396	536,224
02/03	2	6,071,166	5,272,576	2.426	2.062	14,729,941	10,870,851
02/03	3	186,957,785	69,775,131	1.132	1.127	211,547,336	78,615,814
02/03	4	34,794,012	22,013,265	1.132	1.127	39,370,281	24,802,400
02/03	5	77,714,340	57,886,173	0.909	0.930	70,640,276	53,848,940
02/03	6	0	26,649,955	1.000	0.999	0	26,628,849
02/03	TOTALS	317,935,733	182,133,324			348,338,230	195,303,077

Notes:

(3),(4): Sum of Unit Statistical Plan Data Underlying Schedule Z.

(5),(6): Section IX-B, Exhibit 2, Pages 1-5.

X 000023

Escalation Adjustment for Indemnity Losses Only

Loss Development Method (1)	Composite Policy Year (2)	Differential in Loss Development (3)
Paid Plus Case	04/05	1.010
	03/04	1.010
	02/03	1.010
Paid	04/05	1.030
	03/04	1.030
	02/03	1.030
Average of Paid and Paid Plus Case	04/05	1.020
	03/04	1.020
	02/03	1.020

Notes:

(3): Section II-D, Exhibit 1, Page 1 and Exhibit 2, Page 1

X 000024

Investment Income Offset

Hazard Code (1)	Injury Type (2)	Indemnity		Medical		Total Investment Income Offset (7)
		Developed Losses at Ultimate (3)	Investment Income Offset (4)	Developed Losses at Ultimate (5)	Investment Income Offset (6)	
1	1	2,295,648	0.6885	65,387	1.0000	
1	2	0	0.6147	0	0.6198	
1	3	76,316,285	1.0194	28,663,290	1.0280	
1	4	28,632,182	1.0623	18,740,264	1.0713	
1	5	36,275,006	1.0376	32,270,474	1.0464	
1	6			22,008,424	1.0000	
1	ALL	143,519,121	1.0273	101,747,838	1.0357	1.031
2	1	9,988,877	0.6885	699,982	1.0000	
2	2	22,955,901	0.6147	60,533,137	0.6198	
2	3	234,094,835	1.0194	95,819,329	1.0280	
2	4	58,644,331	1.0623	35,181,541	1.0713	
2	5	86,163,989	1.0376	65,124,151	1.0464	
2	6			36,505,379	1.0000	
2	ALL	411,847,932	0.9987	293,863,518	0.9496	0.978
3	1	12,721,295	0.6885	310,488	1.0000	
3	2	30,768,086	0.6147	50,288,016	0.6198	
3	3	329,079,715	1.0194	121,120,167	1.0280	
3	4	40,103,189	1.0623	25,821,051	1.0713	
3	5	84,073,708	1.0376	57,833,942	1.0464	
3	6			21,115,351	1.0000	
3	ALL	496,745,992	0.9924	276,489,015	0.9595	0.981
4	1	4,453,908	0.6885	50,006	1.0000	
4	2	2,616,096	0.6147	12,027,947	0.6198	
4	3	40,381,837	1.0194	13,562,562	1.0280	
4	4	2,436,922	1.0623	1,486,343	1.0713	
4	5	6,330,632	1.0376	4,159,273	1.0464	
4	6			1,150,124	1.0000	
4	ALL	56,219,396	0.9783	32,436,254	0.8799	0.942

Notes:

- (3): 2007 Review Year Books 1-3. From Exhibit 4, Pages 4-6 Col. (5) x Exhibit 5, Page 2 Col. (9)
- (4),(6): Section IX-B, Exhibit 4
- (5): 2007 Review Year 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)

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	22,359,039	406,867,102	0.055
NON-SERIOUS	178,287,554	362,897,476	0.491

Medical Only Injuries (5)	Adjusted Primary Medical Only Losses (6)	Adjusted Total Medical Losses (7)	Partial D-Ratio = (6) / (7) (8)
MEDICAL	89,731,663	549,491,860	0.163

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. If losses are capped, the proportions for capped indemnity and capped medical losses are consistent with the proportions for unlimited indemnity and unlimited medical.

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

02/03	1.086	1.086	1.086	1.086	1.086	1.191	1.191	1.191	1.191	1.191	1.191
03/04	1.086	1.086	1.086	1.086	1.086	1.191	1.191	1.191	1.191	1.191	1.191
04/05	1.086	1.086	1.086	1.086	1.086	1.191	1.191	1.191	1.191	1.191	1.191

(2) Law Amendment Factors

02/03	1.008	1.011	1.019	1.019	1.006	1.019	1.019	1.019	1.019	1.019	1.019
03/04	1.011	1.016	1.030	1.030	1.009	1.009	1.009	1.009	1.009	1.009	1.009
04/05	1.012	1.016	1.032	1.032	1.009	1.000	1.000	1.000	1.000	1.000	1.000

(3) Combined Severity Trend and Law Amendment Factors

02/03	1.094	1.097	1.106	1.106	1.092	1.213	1.213	1.213	1.213	1.213	1.213
03/04	1.098	1.103	1.119	1.119	1.095	1.202	1.202	1.202	1.202	1.202	1.202
04/05	1.098	1.103	1.121	1.121	1.096	1.191	1.191	1.191	1.191	1.191	1.191

Notes:

- (1): Exhibit 2
- (2): Section IV-A, Exhibit 1.
- (3) = (1) x (2)

X 000027

Severity Trend Factors

Schedule Z Composite Policy Year (1)			Policy Effective Period (2)		
07/01/2002	-	06/30/2003	09/01/2004	-	08/31/2005
07/01/2003	-	06/30/2004	09/01/2005	-	08/31/2006
07/01/2004	-	06/30/2005	09/01/2006	-	08/31/2007

Avg Acc Date	Avg Acc Date
06/29/2004	08/31/2006

(3) Indemnity Severity Trend	3.9%
(4) Medical Severity Trend	8.4%
(5) Trend Period Length = Years between (1) and (2)	2.171
(6) Indemnity Trend Factor = [1.000 + (3)] ^ (5)	1.086
(7) Medical Trend Factor = [1.000 + (4)] ^ (5)	1.191

Notes:

(3),(4): Section V-A Exhibit 1.

Medical Severity Trend is a weighted average. The weights used are the relative amounts of losses for Lost Time Medical and Medical Only at 5th report.

(6),(7): Severity Trend Factors adjust 02/03 to 8/31/2005, 03/04 to 8/31/2006, and 04/05 to 8/31/2007.

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EXPERIENCE RATING PLAN MANUAL
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 Page 1

TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS

CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO
0005	1.58	.22	1853	0.95	.16	2570	2.18	.18	3119	0.47	.19	3635	1.72	.21	4299	1.00	.21
0008	1.13	.19	1860	1.20	.17	2576	1.49	.19	3120	1.03	.22	3638	1.10	.19	4301	1.84	.18
0016	1.42	.17	1924	1.26	.19	2578	1.41	.19	3122	1.19	.18	3639	z	z	4304	1.87	.20
0034	1.59	.20	1925	1.98	.17	2585	1.51	.20	3126	z	z	3642	0.56	.18	4307	0.81	.20
0035	0.92	.23	2001	1.51	.22	2586	0.66	.21	3127	0.38	.20	3643	0.98	.20	4308	0.42	.20
0036	1.59	.20	2002	1.68	.21	2587	1.29	.20	3131	1.29	.16	3647	1.45	.21	4350	0.31	.22
0037	1.13	.19	2003	1.43	.22	2600	z	z	3132	1.14	.21	3648	0.96	.20	4351	0.41	.17
0042	2.20	.19	2014	1.50	.18	2623	1.47	.18	3145	0.84	.21	3681	0.42	.20	4352	0.53	.21
0046	1.41	.22	2016	z	z	2640	1.27	.19	3146	1.30	.18	3685	0.42	.20	4360	0.64	.17
0050	2.56	.16	2021	1.44	.16	2651	1.35	.19	3169	2.22	.19	3724	3.15	.17	4361	0.27	.19
0059D	-	-	2030	z	z	2660	1.15	.22	3175	z	z	3726	5.37	.12	4362	0.41	.18
0065D	-	-	2039	1.65	.19	2683	1.15	.19	3179	1.04	.20	3803	z	z	4410	2.19	.19
0066D	-	-	2041	1.28	.19	2688	1.59	.19	3180	1.47	.20	3807	2.35	.19	4417	2.71	.21
0067D	-	-	2065	z	z	2702	8.07	.16	3188	1.55	.20	3808	1.66	.18	4420	z	z
0079	1.58	.18	2070	2.14	.17	2710	2.89	.18	3200	1.73	.19	3821	2.35	.18	4431	z	z
0083	2.30	.15	2081	1.87	.20	2714	z	z	3220	0.89	.19	3822	z	z	4432	0.67	.22
0106	6.37	.18	2089	1.44	.19	2731	2.25	.19	3223	(a)	(a)	3826	1.00	.20	4439	0.93	.18
0113	1.59	.20	2095	2.55	.18	2741	3.03	.21	3227	2.35	.19	3827	z	z	4452	1.51	.19
0170	1.59	.20	2101	1.52	.19	2747	4.42	.17	3241	1.19	.19	3830	1.04	.19	4459	1.51	.20
0251	1.71	.18	2105	(a)	(a)	2790	1.13	.20	3255	1.55	.22	3841	0.76	.21	4470	1.26	.21
0400	(a)	(a)	2111	1.20	.20	2802	2.26	.18	3257	1.32	.20	3851	z	z	4484	1.26	.20
0401	(a)	(a)	2114	1.52	.19	2835	1.29	.21	3270	0.87	.19	3881	z	z	4493	1.66	.18
0770	-	-	2115	1.33	.17	2836	1.85	.18	3300	3.74	.17	4000	2.50	.18	4511	0.22	.18
0773	-	-	2121	1.40	.17	2841	1.72	.19	3303	z	z	4021	1.52	.18	4512	0.08	.19
0774	-	-	2130	1.40	.18	2883	1.70	.19	3305	(a)	(a)	4024	1.50	.16	4557	0.73	.20
0775	-	-	2131	1.10	.20	2915	z	z	3315	1.26	.21	4034	2.60	.19	4558	1.13	.18
0776	-	-	2143	1.54	.18	2916	z	z	3334	(a)	(a)	4036	1.07	.20	4561	1.03	.18
0779	-	-	2150	2.07	.22	2923	1.06	.18	3336	1.67	.22	4038	1.15	.17	4568	z	z
0799	-	-	2156	3.47	.19	2942	1.02	.22	3365	4.42	.16	4053	0.89	.19	4581	z	z
0908	42.50	.17	2157	2.49	.20	2960	z	z	3372	1.12	.17	4054	z	z	4583	1.50	.16
0909	64.90	.20	2172	0.70	.17	3004	z	z	3373	1.89	.17	4061	1.41	.17	4611	0.73	.22
0912	129.80	.20	2174	2.82	.16	3018	1.61	.16	3381	1.68	.20	4062	1.34	.17	4635	1.21	.17
0913	84.99	.17	2177	z	z	3022	2.37	.20	3383	0.80	.23	4101	z	z	4653	1.98	.22
0917	1.37	.25	2211	2.38	.16	3027	2.39	.18	3385	0.39	.20	4112	0.33	.18	4665	3.39	.17
0918	0.41	.20	2220	1.58	.17	3028	2.19	.23	3400	2.22	.19	4113	0.89	.19	4670	z	z
1005	z	z	2260	2.39	.15	3030	3.46	.16	3507	1.45	.21	4114	1.16	.18	4673	z	z
1164	z	z	2286	1.67	.17	3040	4.25	.17	3515	1.33	.21	4130	2.22	.20	4683	z	z
1165	z	z	2288	1.17	.20	3041	2.68	.16	3548	1.04	.19	4133	1.04	.20	4686	z	z
1430	6.25	.25	2300	z	z	3042	1.97	.13	3558	0.26	.17	4150	0.51	.19	4692	0.26	.22
1438	1.27	.17	2302	1.58	.17	3064	1.58	.17	3559	1.04	.19	4206	z	z	4693	0.42	.22
1452	z	z	2305	1.00	.17	3066	1.58	.17	3565	z	z	4207	z	z	4703	z	z
1463	2.86	.16	2362	1.08	.19	3076	1.31	.20	3571	0.59	.18	4239	1.82	.17	4716	z	z
1624D	2.25	.16	2380	1.34	.24	3081D	3.26	.19	3574	1.10	.19	4243	1.59	.19	4717	z	z
1655	2.31	.16	2402	1.34	.17	3082D	3.26	.19	3580	z	z	4244	1.92	.18	4720	1.11	.20
1701	1.89	.24	2413	1.81	.17	3085D	2.20	.20	3581	z	z	4250	1.21	.17	4740	0.68	.17
1710D	2.25	.16	2416	1.61	.21	3110	3.97	.22	3612	0.91	.18	4251	1.01	.20	4741	1.46	.24
1741	z	z	2417	1.57	.19	3111	1.10	.19	3620	2.02	.21	4273	1.87	.20	4770	4.90	.10
1747	1.80	.16	2501	1.30	.21	3113	1.12	.19	3629	1.10	.19	4279	1.78	.18	4773	9.89	.10
1748	1.58	.16	2503	0.46	.20	3114	1.74	.20	3632	1.04	.19	4282	0.37	.20	4774	8.20	.11
1852	3.30	.11	2534	1.38	.21	3118	1.19	.19	3634	1.26	.19	4283	1.42	.19	4775	6.31	.30

(a) Expected Loss Rates and Discount Ratios for each individual risk must be obtained by Home Office from the MA Bureau.
 z Expected Loss Rates and Discount Ratios for these classifications are potentially available and, if needed, must be obtained by Home Office from the MA Bureau.
 D Supplement Disease Loading.

Proposed Effective September 1, 2008

TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS

CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO	CLASS CODE	EXP LOSS RATE	DISC RATIO
4776	7.08	.09	5610	2.92	.15	7403	2.28	.18	8227	1.37	.16	9058	0.86	.21
4777	1.40	.16	5645	3.41	.17	7405	0.47	.19	8232	2.29	.19	9060	0.72	.20
4779	6.44	.11	5651	3.41	.17	7420	2.81	.11	8233	5.15	.16	9061	0.46	.20
4799	18.03	.10	5701	12.44	.12	7421	1.03	.12	8235	2.34	.20	9063	0.34	.23
4825	0.24	.20	5703	12.34	.11	7422	0.96	.12	8263	2.60	.18	9077F	1.92	.17
4828	0.76	.17	5705	4.46	.14	7425	1.21	.11	8264	2.13	.19	9079	0.60	.22
4829	0.69	.17	5951	z	z	7431	0.96	.12	8265	5.15	.16	9088	(a)	(a)
4902	1.02	.22	6003	6.81	.15	7445	-	-	8279	2.61	.18	9089	0.61	.15
4923	0.60	.17	6005	2.32	.16	7453	-	-	8291	2.29	.17	9093	0.76	.20
5020	2.56	.15	6017	z	z	7502	1.74	.19	8292	2.27	.22	9101	1.76	.21
5022	5.28	.14	6018	z	z	7515	0.94	.17	8293	4.35	.20	9102	1.02	.23
5037	10.78	.11	6204	4.41	.15	7520	1.71	.18	8304	z	z	9154	0.57	.18
5040	18.83	.13	6217	1.89	.16	7538	1.88	.17	8350	2.47	.18	9156	0.52	.20
5057	16.87	.13	6229	1.89	.16	7539	0.59	.17	8380	1.29	.19	9178	11.55	.20
5059	16.87	.13	6233	2.00	.15	7580	1.12	.20	8381	0.83	.22	9179	12.67	.23
5069	16.87	.13	6251D	2.71	.11	7590	3.41	.15	8385	1.36	.18	9180	2.13	.21
5102	2.85	.16	6252D	2.86	.14	7600	1.43	.18	8392	0.65	.20	9182	1.71	.21
5146	2.34	.19	6257	z	z	7601	2.02	.17	8393	1.11	.19	9186	2.13	.21
5160	1.58	.19	6260	z	z	7610	0.09	.20	8500	5.15	.16	9220	1.65	.22
5183	1.76	.17	6306	2.85	.17	7704	1.03	.19	8601	0.17	.17	9402	2.59	.17
5188	2.13	.19	6319	2.34	.15	7720	0.70	.18	8606	z	z	9403	2.95	.18
5190	1.44	.18	6325	1.64	.16	7855	3.22	.17	8709F	2.42	.16	9410	0.85	.19
5191	0.62	.17	6400	3.17	.16	8001	0.67	.22	8710	0.90	.19	9501	1.38	.18
5192	2.66	.21	6504	1.52	.19	8002	1.17	.19	8719	0.84	.19	9505	1.38	.18
5213	9.75	.13	6801F	4.60	.20	8006	0.71	.20	8720	0.45	.17	9519	1.30	.16
5215	2.54	.18	6811	3.30	.20	8008	0.43	.21	8721	0.10	.19	9521	2.15	.16
5221	3.01	.16	6824F	4.70	.14	8010	0.91	.21	8726F	3.99	.14	9522	0.82	.17
5222	3.83	.13	6826F	4.58	.16	8013	0.23	.19	8742	0.10	.19	9533	11.15	.15
5223	2.30	.18	6834	1.79	.18	8017	0.60	.21	8745	1.83	.22	9534	3.16	.15
5348	2.93	.18	6836	1.14	.17	8018	1.86	.21	8747	0.60	.21	9545	1.85	.15
5402	7.01	.15	6843F	4.85	.14	8021	1.76	.18	8748	0.28	.21	9549	1.92	.15
5403	5.42	.17	6845F	z	z	8031	1.37	.20	8800	0.37	.20	9552	3.94	.15
5437	2.69	.16	6854	3.48	.14	8032	0.77	.22	8803	0.03	.18	9553	3.94	.15
5443	3.28	.15	6872F	12.27	.13	8033	1.04	.21	8810	0.06	.20	9586	0.24	.21
5445	3.24	.16	6874F	13.52	.12	8034	2.06	.20	8820	0.05	.19	9620	0.36	.18
5462	4.06	.15	6882	8.81	.13	8039	1.00	.23	8829	1.22	.21			
5472	3.05	.17	6884	9.71	.12	8044	1.77	.19	8831	0.60	.20			
5473	5.27	.14	7133	(a)	(a)	8046	1.06	.21	8832	0.12	.19			
5474	2.28	.18	7219	3.62	.17	8048	1.77	.16	8833	0.62	.20			
5478	1.92	.18	7230	3.86	.18	8050	0.82	.20	8835	1.17	.21			
5479	4.16	.18	7231	2.66	.20	8058	1.81	.21	8837	(a)	(a)			
5480	2.22	.16	7309F	13.60	.12	8103	1.49	.17	8868	0.30	.21			
5506	2.96	.16	7313F	5.19	.13	8105	2.60	.13	8901	0.06	.20			
5507	2.84	.14	7317F	4.96	.14	8106	3.45	.21	9014	1.28	.18			
5508D	2.32	.16	7327F	11.45	.23	8107	1.58	.19	9015	1.53	.18			
5509	1.93	.16	7350F	6.38	.14	8111	1.81	.19	9016	0.99	.21			
5538	2.61	.17	7360	1.99	.18	8116	1.75	.19	9019	1.88	.17			
5545	12.81	.16	7370	2.05	.22	8203	2.64	.18	9033	2.04	.18			
5547	5.95	.16	7380	2.89	.19	8204	3.02	.14	9040	1.53	.23			
5606	0.80	.18	7382	1.90	.20	8215	1.85	.20	9052	0.86	.21			

(a) Expected Loss Rates and Discount Ratios for each individual risk must be obtained by Home Office from the MA Bureau.
 z Expected Loss Rates and Discount Ratios for these classifications are potentially available and, if needed, must be obtained by Home Office from the MA Bureau.
 F Expected Loss Rates and Discount Ratios for risks covered under the United States Longshore and Harbor Workers' Compensation Act
 D Supplement Disease Loading.

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.

Section XI-B – 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.

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Section XI-B, 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 00/01, 99/00, 98/99, 97/98, 96/97, and 95/96 at fifth report. Each loss is multiplied by appropriate trend, law amendment and development factors. Claim costs are trended to 9/1/2009, the average accident date (assuming the proposed small deductible benefits will be in effect for one year starting 9/1/2008). These factors are shown in Section XI-B, 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 XI-B, Exhibit 1)

ELR - Expected Loss Ratio (Section VI-A, Exhibit 1)

- VEL - Variable Expense Load (sum of the variable expense ratio from Section VI-B, Exhibit 1 and the Profit Provision from Section VII-A, Exhibit 1)
- SF - Safety Factor (from the 2007 Stipulation)

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.

Section XI-C – 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

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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 XI-C, 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 6.2% is estimated for a \$2,500 per claim deductible (not subject to an aggregate limit). The 6.2% 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

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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 XI-C, 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 years 00/01, 99/00, 98/99, 97/98, 96/97, and 95/96 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.

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Section XI - Small Deductible Credits
Subsection B - Massachusetts Benefits Deductible Program Credits
9/1/2008

Section XI-B
Exhibit 1

Premium Credit by Deductible Level

Deductible Level	Premium Credit
500	2.3%
1,000	3.7%
2,000	5.5%
2,500	6.2%
5,000	9.1%

Loss Elimination Ratios by Deductible Level

Deductible Level	LER
500	3.4%
1,000	5.4%
2,000	8.0%
2,500	9.0%
5,000	13.1%

Notes:

Premium Credit = [Loss Elimination Ratio x Safety Factor x Expected Loss Ratio] / [1.0 - Variable Expense Load]

where:

Safety Factor = 0.9 from 9/1/2007 Stipulation.

Expected Loss Ratio = 0.642, Section VI-A, Exhibit 1.

Variable Expense Load = Variable Expense Ratio + Profit Provision

Variable Expense Ratio = 0.176, Section VI-A, Exhibit 1

Profit Provision = -0.012, Section VII-A, Exhibit 1

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Section XI - Small Deductible Credits
 Subsection B - Massachusetts Benefits Deductible Program Credits
 9/1/2008

Section XI-B
 Exhibit 2

Trend, Law Amendments and Development Factors

(1) Benefit On-Level Factors to Proposed Effective Policy Period

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
CPY 1995/1996	1.168	1.130	1.214	1.304	1.071	1.110
CPY 1996/1997	1.149	1.119	1.196	1.271	1.065	1.100
CPY 1997/1998	1.127	1.107	1.175	1.235	1.058	1.100
CPY 1998/1999	1.104	1.094	1.155	1.197	1.051	1.100
CPY 1999/2000	1.071	1.075	1.126	1.146	1.041	1.088
CPY 2000/2001	1.038	1.052	1.093	1.094	1.028	1.067

(2) Trend Factors

Indemnity Severity Trend	0.039
Medical Only Severity Trend	0.074
Lost Time Medical Severity Trend	0.085

(3) Development Factors

Serious Indemnity Fifth to Ultimate Development Factor	1.087
Injury Types 2 and 3 Medical Fifth to Ultimate Development Factor	1.376

Notes:

(1): Section IV-A, Exhibit 1.

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-F, Exhibit 2.

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Section XI - Small Deductible Credits
 Subsection C - Massachusetts Benefits Claim and Aggregate Deductible Program Credits
 9/1/2008

Section XI-C
 Exhibit 1

Pricing \$2,500 Per Claim Deductible with Aggregate 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 6.23% (5)
0 - 75	2.0	\$10,000	1.00	6.2%
75 - 100	4.6	\$10,000	0.97	6.0%
100 - 125	5.9	\$10,000	0.93	5.8%
125 - 150	7.2	\$10,000	0.88	5.5%
150 - 200	9.2	\$10,000	0.81	5.0%
Over 200	11 or more	5% of the 'Basis for the Aggregate Limit at Policy Inception'	0.80	5.0%

Notes:

- (2): Based on \$19.0 thousand in premium per expected claim.
- (4): Selected based on the simulation results shown in Exhibit 2.
- (5): The 6.23% is based on the \$2,500 per claim deductible without any aggregate limit, from Section XI-B, Exhibit 1.

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Section XI - Small Deductible Credits
 Subsection C - Massachusetts Benefits Claim and Aggregate Deductible Program Credits
 9/1/2008

Section XI-C
 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	9.06%	9.06%	1.00	5,000
2	7.24%	7.25%	1.00	5,000
5	7.30%	7.56%	0.96	5,000
10	6.44%	8.26%	0.78	5,000
15	4.83%	8.32%	0.58	5,000
20	3.82%	8.60%	0.44	5,000

\$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 = (2) / (3) (4)	Number of Simulated Risks (5)
5	5.22%	7.56%	0.69	5,000
10	6.22%	8.26%	0.75	5,000
15	6.48%	8.32%	0.78	5,000
20	6.84%	8.60%	0.80	5,000
25	7.01%	8.71%	0.81	5,000
50	7.20%	8.72%	0.83	5,000
100	7.34%	8.78%	0.84	5,000
250	7.51%	8.91%	0.84	5,000
500	7.58%	8.98%	0.84	5,000

Notes:

Aggregate limit is based on premium that assumes 1 claim on average for each \$19.0 thousand of standard premium.

MASSACHUSETTS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE MANUAL **RATES**
Page RA-5
Proposed Effective September 1, 2008

MISCELLANEOUS VALUES

Basis of Premium applicable in accordance with the footnote instructions for Code 7370 - "Taxicab Co.":

Employee operated vehicles.....	\$81,396.00
Leased or rented vehicles.....	\$54,264.00

Basis of Premium for Sole Proprietors, Partners of Legal Partnerships, Members of Limited Liability Companies or Partners of Limited Liability Partnerships in accordance with Rule IX-B. 3. a..... \$38,000.00

Minimum individual payroll for an executive officer per week..... \$200.00

Maximum individual payroll for an executive officer per week..... \$1,000.00

Terrorism Insurance Program—Certified Loss: 0.03

BENEFITS DEDUCTIBLE COVERAGE PROGRAM

Medical and Indemnity Deductible Amount	Premium Reduction Percentage
\$500	2.3%
\$1,000	3.7%
\$2,000	5.5%
\$2,500	6.2%
\$5,000	9.1%

BENEFITS CLAIM AND AGGREGATE DEDUCTIBLE PROGRAM

Basis for the Aggregate Limit	Claim Deductible Amount	Aggregate Deductible Amount	Premium Reduction Percentage
\$ 0 to \$75,000	\$2,500	\$10,000	6.2%
\$75,001 to \$100,000	\$2,500	\$10,000	6.0%
\$100,001 to \$125,000	\$2,500	\$10,000	5.8%
\$125,001 to \$150,000	\$2,500	\$10,000	5.5%
\$150,001 to \$200,000	\$2,500	\$10,000	5.0%
over \$200,000	\$2,500	5% of Basis for the Aggregate Limit	5.0%

Expense Constant applicable in accordance with Basic Manual Rule VI-E-2:

Policies which develop earned Standard Premium of less than \$200.....	\$169.00
Policies which develop earned Standard Premium of \$200 or more.....	\$338.00

The expense constant for private residence per capita classifications is \$68, up to a maximum of 4.

Premium Discount Percentages—(See Basic Manual Rule VII). The following premium discounts are applicable to Standard Premiums. Note: Premium Discount is not applicable to Assigned Risk policies.

	Type A Discount	Type B Discount
First \$ 10,000.....	0.0%	0.0%
Next \$190,000.....	9.1%	5.1%
Next \$1,550,000.....	11.3%	6.5%
Over \$1,750,000.....	12.3%	7.5%

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with Rule XII-D-3

"U.S. Longshore and Harbor Workers' Compensation Act" of the Basic Manual.....	39.2%
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Multiply a Non-F classification rate by a factor of 1.392.

EXPERIENCE RATING ELIGIBILITY

A risk is eligible for intrastate experience rating when subject premium, as defined by the Massachusetts Statistical Plan, in the last year or last two years of the experience period produced a premium of at least \$11,000. If more than two years, an average annual premium of at least \$5,500 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest eligibility amounts by state.

RETROSPECTIVE RATING PLANS

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 deriving Massachusetts parameters throughout this section of the WCRIB's filing. In 2006 NCCI modified their assignment of class codes to hazard groups by introducing new hazard group categories denoted as hazard groups A, B, C, D, E, F, and G.¹ Hazard group A is associated with the least risky class codes while hazard group G is associated with the most risky class codes. Additionally NCCI filed a secondary hazard grouping option where the hazard groups A – G are mapped to four hazard groups denoted 1, 2, 3, and 4 as follows:

Hazard Groups 1 - 4	Hazard Groups A - G
1	A
1	B
2	C
2	D
3	E
3	F
4	G

The WCRIB is filing hazard group relativities and excess loss factors for both the seven hazard group option and the four hazard group option, as was done by NCCI.

¹ See NCCI Item Filing B-1403—Revision to Basic Manual and Retrospective Rating Plan Manual/2006 Update to Hazard Group and Retrospective Rating Plan Parameters.

XII 000002

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 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 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 used by the WCRIB in the 2005 and

2007 rate filings. The calculations appear in Sections XII-A, XII-B and XII-C. This year, consistent with the 2007 filing, the WCRIB includes miscellaneous taxes in the Tax Multiplier.

Section XII-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 3). 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 4).

Section XII-B calculates the revised provision for the residual market subsidy.

Section XII-C displays the tables of expense ratios corresponding to the parameters calculated in Section XII-A.

Section XII-D and XII-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 XII-F presents an update of the Excess Loss Factors.

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 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 XII-D and XII-E, respectively.

Expected Loss Ranges

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 retrospectively rated premium and guaranteed cost premium.

Expected Loss Ranges were last revised in Massachusetts effective September 1, 2007. The Table of Expected Loss Ranges proposed in this filing is that filed by the NCCI as part of its Item R-1396 and is shown in Exhibit 1 of this subsection.

Section XII-E - State and Hazard Group Relativities

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 less risky hazard groups should be smaller than the variation for employers in the riskier hazard groups. The State Hazard Group Relativities adjust for this difference by placing less risky hazard group employers in a higher Expected Loss Range and riskier hazard group employers in a lower Expected Loss Range than would otherwise be the case.² 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 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,

² The law of large numbers states that the sample mean calculated from a large statistical sample is more likely to approach the true expected value than the sample mean calculated from a small statistical sample. Assigning a less risky hazard group to a higher Expected Loss Range is comparable to increasing the size of a statistical sample and hence reducing the variability of the sample mean.

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Section XII – Retrospective Rating Plans
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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. 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.

**RETROSPECTIVE RATING PLAN MANUAL
 STATE SPECIAL RATING VALUES**

**MASSACHUSETTS
 RR1**

Proposed Effective September 1, 2008

1. Hazard Group Differentials

A	B	C	D	E	F	G
2.59	1.98	1.71	1.54	1.31	1.04	0.78
1	2	3	4			
2.10	1.65	1.17	0.78			

2. Tax Multipliers

1.041*	
Federal Tax Multiplier	1.167

* Includes 1.0% residual market subsidy provision

3. Expected Loss Ratio

0.628

Expected Loss and Allocated Expense Ratio

0.754

4. Loss Conversion Factor

1.201

**Allocated Loss Adjustment
 Expense Option (ALAE Option)**

Loss Conversion Factor
 1.084

**5. Table of Expense Ratios Excluding Taxes
 and Including Profit and Contingencies**

Type A Company

Massachusetts
 Effective September 1, 2008

Type B Company

Massachusetts
 Effective September 1, 2008

**Table of Expense Ratios Excluding Allocated
 Loss Adjustment Expense and Taxes
 and Including Profit and Contingencies**

Type A Company

Massachusetts
 Effective September 1, 2008

Type B Company

Massachusetts
 Effective September 1, 2008

6. 2008—Table of Expected Loss Ranges

September 1, 2008

7a.

Excess Loss Factors

(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups							Hazard Groups			
	A	B	C	D	E	F	G	1	2	3	4
\$25,000	0.369	0.395	0.421	0.444	0.465	0.496	0.533	0.389	0.428	0.483	0.533
30,000	0.349	0.377	0.403	0.428	0.450	0.482	0.522	0.370	0.411	0.468	0.522
35,000	0.332	0.360	0.387	0.414	0.436	0.468	0.512	0.353	0.395	0.454	0.512
40,000	0.316	0.345	0.373	0.401	0.423	0.456	0.503	0.338	0.381	0.442	0.503
50,000	0.289	0.318	0.347	0.378	0.400	0.434	0.486	0.311	0.356	0.420	0.486
75,000	0.238	0.265	0.295	0.330	0.354	0.387	0.448	0.258	0.306	0.373	0.448
100,000	0.201	0.225	0.256	0.293	0.315	0.348	0.415	0.219	0.267	0.334	0.415
125,000	0.173	0.195	0.224	0.262	0.282	0.314	0.387	0.189	0.236	0.300	0.387
150,000	0.151	0.170	0.198	0.236	0.254	0.284	0.361	0.165	0.210	0.271	0.361
175,000	0.132	0.150	0.177	0.213	0.230	0.257	0.338	0.146	0.188	0.246	0.338
200,000	0.117	0.133	0.159	0.194	0.210	0.235	0.317	0.129	0.170	0.224	0.317
250,000	0.095	0.108	0.130	0.163	0.176	0.198	0.281	0.104	0.141	0.189	0.281
300,000	0.078	0.089	0.110	0.139	0.151	0.170	0.251	0.087	0.119	0.162	0.251
500,000	0.044	0.051	0.064	0.085	0.092	0.104	0.171	0.049	0.070	0.099	0.171
1,000,000	0.020	0.023	0.029	0.040	0.043	0.049	0.090	0.022	0.033	0.047	0.090
2,000,000	0.009	0.010	0.013	0.018	0.020	0.022	0.043	0.010	0.014	0.021	0.043
3,000,000	0.005	0.006	0.008	0.011	0.012	0.014	0.027	0.006	0.009	0.013	0.027
4,000,000	0.004	0.004	0.005	0.008	0.008	0.010	0.019	0.004	0.006	0.009	0.019
5,000,000	0.003	0.003	0.004	0.006	0.006	0.007	0.015	0.003	0.005	0.007	0.015

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Section XII - Retrospective Rating
 Subsection A - Manual Pages
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Section XII - A
 Exhibit 2

**MASSACHUSETTS
 RR2**

**RETROSPECTIVE RATING PLAN MANUAL
 STATE SPECIAL RATING VALUES**

Proposed Effective September 1, 2008

**7b. ALAE Option Excess Loss and Allocated Expense Factors
 (Applicable to New and Renewal Policies)**

Per Accident Limitation	Hazard Groups							Hazard Groups			
	A	B	C	D	E	F	G	1	2	3	4
\$25,000	0.421	0.450	0.477	0.502	0.525	0.558	0.597	0.442	0.485	0.544	0.597
30,000	0.400	0.429	0.458	0.485	0.508	0.543	0.586	0.422	0.466	0.528	0.586
35,000	0.381	0.411	0.441	0.470	0.493	0.529	0.575	0.404	0.450	0.514	0.575
40,000	0.364	0.395	0.425	0.456	0.480	0.516	0.566	0.387	0.435	0.501	0.566
50,000	0.335	0.366	0.398	0.431	0.455	0.493	0.548	0.358	0.408	0.477	0.548
75,000	0.278	0.309	0.343	0.380	0.406	0.443	0.508	0.302	0.354	0.427	0.508
100,000	0.237	0.266	0.300	0.340	0.365	0.402	0.474	0.259	0.312	0.386	0.474
125,000	0.206	0.231	0.265	0.306	0.330	0.365	0.444	0.225	0.277	0.350	0.444
150,000	0.181	0.204	0.236	0.277	0.300	0.333	0.417	0.198	0.249	0.319	0.417
175,000	0.160	0.181	0.212	0.253	0.273	0.305	0.392	0.176	0.225	0.291	0.392
200,000	0.143	0.162	0.191	0.232	0.250	0.279	0.370	0.157	0.204	0.267	0.370
250,000	0.116	0.132	0.159	0.197	0.212	0.238	0.330	0.128	0.170	0.227	0.330
300,000	0.097	0.110	0.134	0.169	0.183	0.206	0.297	0.107	0.145	0.196	0.297
500,000	0.055	0.063	0.079	0.105	0.113	0.128	0.207	0.061	0.087	0.122	0.207
1,000,000	0.025	0.029	0.037	0.050	0.054	0.061	0.110	0.028	0.041	0.058	0.110
2,000,000	0.011	0.012	0.016	0.023	0.025	0.028	0.054	0.012	0.018	0.026	0.054
3,000,000	0.006	0.008	0.010	0.014	0.015	0.017	0.034	0.007	0.011	0.016	0.034
4,000,000	0.005	0.005	0.007	0.010	0.011	0.012	0.024	0.005	0.008	0.011	0.024
5,000,000	0.003	0.004	0.005	0.007	0.008	0.009	0.019	0.004	0.006	0.009	0.019

8. Retrospective Development Factors

With Loss Limit			Without Loss Limit			4th & Subsequent Adjustment
1st Adj.	2nd Adj.	3rd Adj.	1st Adj.	2nd Adj.	3rd Adj.	
0.11	0.07	0.05	0.14	0.09	0.06	0.00

9. State Special Classifications by Hazard Group

All Massachusetts Classifications by Hazard Group can now be found in the Massachusetts Workers' Compensation & Employers Liability Insurance Manual in the Appendix Section. Refer to Appendix G in the 2008 Edition.

XII 000009

Section XII - Retrospective Rating
Subsection A - Expenses
9/1/2008

Section XII - A
Exhibit 3

Expense Provisions Underlying the Proposed Retrospective Rating Plans

Total Expenses:	
(1) Acquisition and Field Supervision	11.4%
(2) Fixed Expenses	5.8%
(3) Premium Discount	4.6%
(4) Profit and Contingencies	<u>-1.2%</u>
(5) Total Expenses Excluding Taxes and Assessments (= (1) + (2) + (3) + (4))	20.7%
(6) Premium Tax Rate	2.3%
(7) Miscellaneous Taxes	0.7%
(8) Residual Market Subsidy	1.0%
(9) Insolvency Fund Assessment	<u>-0.1%</u>
(10) Tax Multiplier (= 1.0 / { 1.0 - [(6) + (7) + (8) + (9)] })	1.041
(11) Expected Loss and LAE Ratio (adjusted for Residual Market Subsidy) (= [1.0 / (10)] - (5))	75.4%
(12) Loss Adjustment Expense (as percentage of losses)	20.1%
(13) Loss Conversion Factor (= 1.0 + (12))	1.201
(14) Expected Loss without LAE (= (11) / (13))	62.8%
(15) Expenses excluding Premium Taxes but including LAE (= (5) + [(12) x (14)])	33.3%

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)
 $4.6\% = 4.8\% / (1.0 + 4.5\%)$
 $= [\text{Section VI-I, Exhibit 1, line (3)}] / \{1.0 + [\text{Section VI-I, Exhibit 1, line (6)}]\}$
(4): Section VII-B, Exhibit 1.
(6): Section VI-A, Exhibit 1, footnote for (3).
(7): Section VI-B, Exhibit 1, the average of the results of lines (13) x (15) / (17).
(8): Section XII-B, Exhibit 1.
(9): Section I-E, Exhibit 1, page 1.
(12): Section VI-A, Exhibit 1, line (10).

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Section XII - Retrospective Rating
Subsection A - Expenses
9/1/2008

Section XII - A
Exhibit 4

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 plus ARAP)	62.8%
(2) Provision for DCC Expenses (as percentage of losses)	10.8%
(3) Expected Loss plus DCC Ratio (= (1) x [1.0 + (2)])	69.6%
(4) Loss Adjustment Expense (as percentage of losses)	20.1%
(5) Loss Conversion Factor (= [1.0 + (4)] / [1.0 + (2)])	1.084
(6) Tax Multiplier	1.041
(7) Expenses excluding Premium Taxes but including LAE (as percentage of Standard Premium plus ARAP)	33.3%
(8) Expenses including all AO Expenses but excluding DCC Expenses and Premium Taxes (= (7) - [(1) x (2)])	26.5%

Notes:

(1), (4), (6), (7): Exhibit 3.

(2): Section VI-D, Exhibit 1, line (4).

XII 000011

Section XII - Retrospective Rating
Subsection B - Residual Market Subsidy
9/1/2008

Section XII - B
Exhibit 1

Calculation of the Provision for the Residual Market Subsidy

(1) Voluntary Market Implied Rate Factor Equivalent	0.988
(2) Factor to take into account Basic Premium	0.800
(3) Retro Provision for the Residual Market Subsidy	0.010

Notes:

(1): Section I-D, Exhibit 1, page 1.

(2): From the filing for the provision for the Residual Market Subsidy effective 1/1/89.

(3) = $[1.0 - (1)] \times (2)$

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**RETROSPECTIVE RATING PLAN MANUAL
 STATE SPECIAL RATING VALUES**

**MASSACHUSETTS
 RR5**

Proposed Effective September 1, 2008

**TABLE OF EXPENSE RATIOS—EXCLUDING TAXES
 AND INCLUDING PROFIT AND CONTINGENCIES**

TYPE A COMPANY—MASSACHUSETTS

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,058	0.333	18,245 - 18,632	0.293	110,431 - 126,398	0.253
10,059 - 10,175	0.332	18,633 - 19,038	0.292	126,399 - 147,763	0.252
10,176 - 10,294	0.331	19,039 - 19,462	0.291	147,764 - 177,821	0.251
10,295 - 10,417	0.330	19,463 - 19,905	0.290	177,822 - 203,632	0.250
10,418 - 10,543	0.329	19,906 - 20,369	0.289	203,633 - 212,099	0.249
10,544 - 10,671	0.328	20,370 - 20,855	0.288	212,100 - 221,301	0.248
10,672 - 10,803	0.327	20,856 - 21,365	0.287	221,302 - 231,337	0.247
10,804 - 10,938	0.326	21,366 - 21,900	0.286	231,338 - 242,327	0.246
10,939 - 11,077	0.325	21,901 - 22,463	0.285	242,328 - 254,414	0.245
11,078 - 11,219	0.324	22,464 - 23,055	0.284	254,415 - 267,779	0.244
11,220 - 11,365	0.323	23,056 - 23,680	0.283	267,780 - 282,605	0.243
11,366 - 11,515	0.322	23,681 - 24,339	0.282	282,606 - 299,180	0.242
11,516 - 11,669	0.321	24,340 - 25,036	0.281	299,181 - 317,821	0.241
11,670 - 11,826	0.320	25,037 - 25,774	0.280	317,822 - 338,940	0.240
11,827 - 11,989	0.319	25,775 - 26,557	0.279	338,941 - 363,065	0.239
11,990 - 12,155	0.318	26,558 - 27,389	0.278	363,066 - 390,887	0.238
12,156 - 12,327	0.317	27,390 - 28,275	0.277	390,888 - 423,327	0.237
12,328 - 12,503	0.316	28,276 - 29,221	0.276	423,328 - 461,639	0.236
12,504 - 12,684	0.315	29,222 - 30,231	0.275	461,640 - 507,575	0.235
12,685 - 12,871	0.314	30,232 - 31,314	0.274	507,576 - 563,664	0.234
12,872 - 13,064	0.313	31,315 - 32,477	0.273	563,665 - 633,689	0.233
13,065 - 13,262	0.312	32,478 - 33,731	0.272	633,690 - 723,581	0.232
13,263 - 13,466	0.311	33,732 - 35,084	0.271	723,582 - 843,192	0.231
13,467 - 13,677	0.310	35,085 - 36,551	0.270	843,193 - 1,010,178	0.230
13,678 - 13,894	0.309	36,552 - 38,146	0.269	1,010,179 - 1,259,637	0.229
13,895 - 14,118	0.308	38,147 - 39,887	0.268	1,259,638 - 1,672,704	0.228
14,119 - 14,350	0.307	39,888 - 41,794	0.267	1,672,705 - 1,879,919	0.227
14,351 - 14,590	0.306	41,795 - 43,892	0.266	1,879,920 - 2,056,344	0.226
14,591 - 14,837	0.305	43,893 - 46,213	0.265	2,056,345 - 2,269,313	0.225
14,838 - 15,094	0.304	46,214 - 48,792	0.264	2,269,314 - 2,531,491	0.224
15,095 - 15,359	0.303	48,793 - 51,677	0.263	2,531,492 - 2,862,162	0.223
15,360 - 15,633	0.302	51,678 - 54,923	0.262	2,862,163 - 3,292,199	0.222
15,634 - 15,918	0.301	54,924 - 58,606	0.261	3,292,200 - 3,874,310	0.221
15,919 - 16,213	0.300	58,607 - 62,817	0.260	3,874,311 - 4,706,489	0.220
16,214 - 16,520	0.299	62,818 - 67,681	0.259	4,706,490 - 5,993,956	0.219
16,521 - 16,838	0.298	67,682 - 73,360	0.258	5,993,957 - 8,251,040	0.218
16,839 - 17,169	0.297	73,361 - 80,081	0.257	8,251,041 - 13,234,697	0.217
17,170 - 17,513	0.296	80,082 - 88,157	0.256	13,234,698 - 33,421,245	0.216
17,514 - 17,871	0.295	88,158 - 98,044	0.255	33,421,246 - OVER	0.215
17,872 - 18,244	0.294	98,045 - 110,430	0.254		

Note: Above table based on the following discounts:

Standard Premium	Discount
First	10,000 0.0%
Next	190,000 9.1%
Next	1,550,000 11.3%
Over	1,750,000 12.3%

XII 000013

MASSACHUSETTS **RETROSPECTIVE RATING PLAN MANUAL**
RR6 **STATE SPECIAL RATING VALUES**

Proposed Effective September 1, 2008

**TABLE OF EXPENSE RATIOS—EXCLUDING TAXES
 AND INCLUDING PROFIT AND CONTINGENCIES**

TYPE B COMPANY—MASSACHUSETTS

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,103	0.333	20,005 - 20,855	0.308	245,723 - 266,302	0.283
10,104 - 10,316	0.332	20,856 - 21,782	0.307	266,303 - 290,644	0.282
10,317 - 10,538	0.331	21,783 - 22,796	0.306	290,645 - 319,884	0.281
10,539 - 10,769	0.330	22,797 - 23,908	0.305	319,885 - 355,665	0.280
10,770 - 11,011	0.329	23,909 - 25,135	0.304	355,666 - 400,460	0.279
11,012 - 11,265	0.328	25,136 - 26,494	0.303	400,461 - 458,163	0.278
11,266 - 11,530	0.327	26,495 - 28,009	0.302	458,164 - 535,296	0.277
11,531 - 11,808	0.326	28,010 - 29,707	0.301	535,297 - 643,656	0.276
11,809 - 12,099	0.325	29,708 - 31,625	0.300	643,657 - 807,022	0.275
12,100 - 12,406	0.324	31,626 - 33,807	0.299	807,023 - 1,081,523	0.274
12,407 - 12,728	0.323	33,808 - 36,313	0.298	1,081,524 - 1,639,020	0.273
12,729 - 13,067	0.322	36,314 - 39,220	0.297	1,639,021 - 1,895,523	0.272
13,068 - 13,425	0.321	39,221 - 42,633	0.296	1,895,524 - 2,094,088	0.271
13,426 - 13,804	0.320	42,634 - 46,697	0.295	2,094,089 - 2,339,122	0.270
13,805 - 14,204	0.319	46,698 - 51,617	0.294	2,339,123 - 2,649,099	0.269
14,205 - 14,628	0.318	51,618 - 57,696	0.293	2,649,100 - 3,053,782	0.268
14,629 - 15,078	0.317	57,697 - 65,397	0.292	3,053,783 - 3,604,399	0.267
15,079 - 15,557	0.316	65,398 - 75,472	0.291	3,604,400 - 4,397,253	0.266
15,558 - 16,067	0.315	75,473 - 89,215	0.290	4,397,254 - 5,637,275	0.265
16,068 - 16,612	0.314	89,216 - 109,079	0.289	5,637,276 - 7,851,349	0.264
16,613 - 17,195	0.313	109,080 - 140,322	0.288	7,851,350 - 12,929,481	0.263
17,196 - 17,821	0.312	140,323 - 196,645	0.287	12,929,482 - 36,605,101	0.262
17,822 - 18,493	0.311	196,646 - 212,828	0.286	36,605,102 - OVER	0.261
18,494 - 19,219	0.310	212,829 - 228,095	0.285		
19,220 - 20,004	0.309	228,096 - 245,722	0.284		

Note: Above table based on the following discounts:

Standard Premium	Discount
First 10,000	0.0%
Next 190,000	5.1%
Next 1,550,000	6.5%
Over 1,750,000	7.5%

XII 000014

Section XII - Retrospective Rating
 Subsection C - Expense Ratios
 9/1/2008

Section XII - C
 Exhibit 2
 Page 1

**RETROSPECTIVE RATING PLAN MANUAL
 STATE SPECIAL RATING VALUES**

**MASSACHUSETTS
 RR7**

Proposed Effective September 1, 2008

**TABLE OF EXPENSE RATIOS—EXCLUDING ALLOCATED LOSS ADJUSTMENT EXPENSE
 AND TAXES AND INCLUDING PROFIT AND CONTINGENCIES**

TYPE A COMPANY—MASSACHUSETTS

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,058	0.265	18,245 - 18,632	0.225	110,431 - 126,398	0.185
10,059 - 10,175	0.264	18,633 - 19,038	0.224	126,399 - 147,763	0.184
10,176 - 10,294	0.263	19,039 - 19,462	0.223	147,764 - 177,821	0.183
10,295 - 10,417	0.262	19,463 - 19,905	0.222	177,822 - 203,632	0.182
10,418 - 10,543	0.261	19,906 - 20,369	0.221	203,633 - 212,099	0.181
10,544 - 10,671	0.260	20,370 - 20,855	0.220	212,100 - 221,301	0.180
10,672 - 10,803	0.259	20,856 - 21,365	0.219	221,302 - 231,337	0.179
10,804 - 10,938	0.258	21,366 - 21,900	0.218	231,338 - 242,327	0.178
10,939 - 11,077	0.257	21,901 - 22,463	0.217	242,328 - 254,414	0.177
11,078 - 11,219	0.256	22,464 - 23,055	0.216	254,415 - 267,769	0.176
11,220 - 11,365	0.255	23,056 - 23,680	0.215	267,770 - 282,605	0.175
11,366 - 11,515	0.254	23,681 - 24,339	0.214	282,606 - 299,180	0.174
11,516 - 11,669	0.253	24,340 - 25,036	0.213	299,181 - 317,821	0.173
11,670 - 11,826	0.252	25,037 - 25,774	0.212	317,822 - 338,940	0.172
11,827 - 11,989	0.251	25,775 - 26,557	0.211	338,941 - 363,065	0.171
11,990 - 12,155	0.250	26,558 - 27,389	0.210	363,066 - 390,887	0.170
12,156 - 12,327	0.249	27,390 - 28,275	0.209	390,888 - 423,327	0.169
12,328 - 12,503	0.248	28,276 - 29,221	0.208	423,328 - 461,639	0.168
12,504 - 12,684	0.247	29,222 - 30,231	0.207	461,640 - 507,575	0.167
12,685 - 12,871	0.246	30,232 - 31,314	0.206	507,576 - 563,664	0.166
12,872 - 13,064	0.245	31,315 - 32,477	0.205	563,665 - 633,689	0.165
13,065 - 13,262	0.244	32,478 - 33,731	0.204	633,690 - 723,581	0.164
13,263 - 13,466	0.243	33,732 - 35,084	0.203	723,582 - 843,192	0.163
13,467 - 13,677	0.242	35,085 - 36,551	0.202	843,193 - 1,010,178	0.162
13,678 - 13,894	0.241	36,552 - 38,146	0.201	1,010,179 - 1,259,637	0.161
13,895 - 14,118	0.240	38,147 - 39,887	0.200	1,259,638 - 1,672,704	0.160
14,119 - 14,350	0.239	39,888 - 41,794	0.199	1,672,705 - 1,879,919	0.159
14,351 - 14,590	0.238	41,795 - 43,892	0.198	1,879,920 - 2,056,344	0.158
14,591 - 14,837	0.237	43,893 - 46,213	0.197	2,056,345 - 2,269,313	0.157
14,838 - 15,094	0.236	46,214 - 48,792	0.196	2,269,314 - 2,531,491	0.156
15,095 - 15,359	0.235	48,793 - 51,677	0.195	2,531,492 - 2,862,162	0.155
15,360 - 15,633	0.234	51,678 - 54,923	0.194	2,862,163 - 3,292,199	0.154
15,634 - 15,918	0.233	54,924 - 58,606	0.193	3,292,200 - 3,874,310	0.153
15,919 - 16,213	0.232	58,607 - 62,817	0.192	3,874,311 - 4,706,489	0.152
16,214 - 16,520	0.231	62,818 - 67,681	0.191	4,706,490 - 5,993,956	0.151
16,521 - 16,838	0.230	67,682 - 73,360	0.190	5,993,957 - 8,251,040	0.150
16,839 - 17,169	0.229	73,361 - 80,081	0.189	8,251,041 - 13,234,697	0.149
17,170 - 17,513	0.228	80,082 - 88,157	0.188	13,234,698 - 33,421,245	0.148
17,514 - 17,871	0.227	88,158 - 98,044	0.187	33,421,246 - OVER	0.147
17,872 - 18,244	0.226	98,045 - 110,430	0.186		

Note: Above table based on the following discounts:

Standard Premium	Discount
First 10,000	0.0%
Next 190,000	9.1%
Next 1,550,000	11.3%
Over 1,750,000	12.3%

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MASSACHUSETTS **RETROSPECTIVE RATING PLAN MANUAL**
RR8 **STATE SPECIAL RATING VALUES**

Proposed Effective September 1, 2008

**TABLE OF EXPENSE RATIOS—EXCLUDING ALLOCATED LOSS ADJUSTMENT EXPENSE
 AND TAXES AND INCLUDING PROFIT AND CONTINGENCIES**

TYPE B COMPANY—MASSACHUSETTS

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,103	0.265	20,005 - 20,855	0.240	245,723 - 266,302	0.215
10,104 - 10,316	0.264	20,856 - 21,782	0.239	266,303 - 290,644	0.214
10,317 - 10,538	0.263	21,783 - 22,796	0.238	290,645 - 319,884	0.213
10,539 - 10,769	0.262	22,797 - 23,908	0.237	319,885 - 355,665	0.212
10,770 - 11,011	0.261	23,909 - 25,135	0.236	355,666 - 400,460	0.211
11,012 - 11,265	0.260	25,136 - 26,494	0.235	400,461 - 458,163	0.210
11,266 - 11,530	0.259	26,495 - 28,009	0.234	458,164 - 535,296	0.209
11,531 - 11,808	0.258	28,010 - 29,707	0.233	535,297 - 643,656	0.208
11,809 - 12,099	0.257	29,708 - 31,625	0.232	643,657 - 807,022	0.207
12,100 - 12,406	0.256	31,626 - 33,807	0.231	807,023 - 1,081,523	0.206
12,407 - 12,728	0.255	33,808 - 36,313	0.230	1,081,524 - 1,639,020	0.205
12,729 - 13,067	0.254	36,314 - 39,220	0.229	1,639,021 - 1,895,523	0.204
13,068 - 13,425	0.253	39,221 - 42,633	0.228	1,895,524 - 2,094,088	0.203
13,426 - 13,804	0.252	42,634 - 46,697	0.227	2,094,089 - 2,339,122	0.202
13,805 - 14,204	0.251	46,698 - 51,617	0.226	2,339,123 - 2,649,099	0.201
14,205 - 14,628	0.250	51,618 - 57,696	0.225	2,649,100 - 3,053,782	0.200
14,629 - 15,078	0.249	57,697 - 65,397	0.224	3,053,783 - 3,604,399	0.199
15,079 - 15,557	0.248	65,398 - 75,472	0.223	3,604,400 - 4,397,253	0.198
15,558 - 16,067	0.247	75,473 - 89,215	0.222	4,397,254 - 5,637,275	0.197
16,068 - 16,612	0.246	89,216 - 109,079	0.221	5,637,276 - 7,851,349	0.196
16,613 - 17,195	0.245	109,080 - 140,322	0.220	7,851,350 - 12,929,481	0.195
17,196 - 17,821	0.244	140,323 - 196,645	0.219	12,929,482 - 36,605,101	0.194
17,822 - 18,493	0.243	196,646 - 212,828	0.218	36,605,102 - OVER	0.193
18,494 - 19,219	0.242	212,829 - 228,095	0.217		
19,220 - 20,004	0.241	228,096 - 245,722	0.216		

Note: Above table based on the following discounts:

Standard Premium	Discount
First 10,000	0.0%
Next 190,000	5.1%
Next 1,550,000	6.5%
Over 1,750,000	7.5%

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

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ITEM R-1396—2007 UPDATE TO RETROSPECTIVE RATING PLAN PARAMETERS

EXHIBIT 1

RETROSPECTIVE RATING PLAN MANUAL
 2008 EXPECTED LOSS RANGES
 EFFECTIVE JANUARY 1, 2008

Expected Loss Group	Range Rounded Values	Expected Loss Group	Range Rounded Values	Expected Loss Group	Range Rounded Values
95	985 — 1,537	65	82,577 — 89,187	35	1,029,916 — 1,156,359
94	1,538 — 2,276	64	89,188 — 96,327	34	1,156,360 — 1,298,329
93	2,277 — 3,006	63	96,328 — 104,038	33	1,298,330 — 1,480,488
92	3,007 — 3,974	62	104,039 — 112,366	32	1,480,489 — 1,701,726
91	3,975 — 5,169	61	112,367 — 121,361	31	1,701,727 — 1,956,028
90	5,170 — 6,243	60	121,362 — 131,102	30	1,956,029 — 2,248,333
89	6,244 — 7,535	59	131,103 — 141,754	29	2,248,334 — 2,672,625
88	7,536 — 8,747	58	141,755 — 153,053	28	2,672,626 — 3,195,877
87	8,748 — 10,153	57	153,054 — 164,905	27	3,195,878 — 3,821,580
86	10,154 — 11,777	56	164,906 — 177,679	26	3,821,581 — 4,711,215
85	11,778 — 13,319	55	177,680 — 191,443	25	4,711,216 — 5,995,158
84	13,320 — 15,057	54	191,444 — 206,999	24	5,995,159 — 7,629,014
83	15,058 — 17,005	53	207,000 — 223,883	23	7,629,015 — 9,748,539
82	17,006 — 18,921	52	223,884 — 242,150	22	9,748,540 — 12,474,179
81	18,922 — 21,052	51	242,151 — 261,898	21	12,474,180 — 15,961,893
80	21,053 — 23,419	50	261,899 — 282,616	20	15,961,894 — 20,424,753
79	23,420 — 26,056	49	282,617 — 304,923	19	20,424,754 — 26,135,402
78	26,057 — 28,752	48	304,924 — 329,150	18	26,135,403 — 35,850,102
77	28,753 — 31,654	47	329,151 — 358,098	17	35,850,103 — 53,022,012
76	31,655 — 34,853	46	358,099 — 389,589	16	53,022,013 — 78,419,139
75	34,854 — 38,300	45	389,590 — 423,852	15	78,419,140 — 115,981,280
74	38,301 — 41,931	44	423,853 — 463,178	14	115,981,281 — 171,535,390
73	41,932 — 45,906	43	463,179 — 506,816	13	171,535,391 — 253,699,472
72	45,907 — 50,264	42	506,817 — 554,570	12	253,699,473 — 397,136,574
71	50,265 — 54,866	41	554,571 — 611,345	11	397,136,575 — 628,429,113
70	54,867 — 59,848	40	611,346 — 675,595	10	628,429,114 — 994,426,545
69	59,849 — 65,277	39	675,596 — 746,600	9	994,426,546 — & over
68	65,278 — 70,775	38	746,601 — 825,066		
67	70,776 — 76,448	37	825,067 — 917,292		
66	76,449 — 82,576	36	917,293 — 1,029,915		

ITEM R-1396—2007 UPDATE TO RETROSPECTIVE RATING PLAN PARAMETERS

EXHIBIT 4

DEVELOPMENT OF RHODE ISLAND HAZARD GROUP RELATIVITIES
 FOR HAZARD GROUPS A TO G

- Step 1. Individual state severities are calculated for each hazard group.
- Step 2. The 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 the square root rule is used 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.

<u>Step 1</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	<u>Countrywide</u>
Severities	A	13,033	32,539
	B	17,648	43,252
	C	19,298	48,807
	D	21,209	54,134
	E	24,099	62,589
	F	28,600	77,298
	G	35,506	100,992
 <u>Step 2</u>	Claim Count =	20,384	
	Credibility =	$(20,384 / 155,000)^{0.5} =$	0.363
 <u>Step 3</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	
Credibility	A	25,465	= (0.363)(13,033) + (0.637)(32,539)
Weighted	B	33,967	
Severities	C	38,106	
	D	42,194	
	E	48,631	
	F	59,638	
	G	77,244	
	Countrywide Overall:	55,578	
 <u>Step 4</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	
Relativities	A	2.18	= 55,578 / 25,465
	B	1.64	
	C	1.46	
	D	1.32	
	E	1.14	
	F	0.93	
	G	0.72	

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.

XII 000018

Section XII - Retrospective Rating
Subsection D - NCCI's Item R-1396
9/1/2008

Section XII - D
Exhibit 3

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ITEM R-1396—2007 UPDATE TO RETROSPECTIVE RATING PLAN PARAMETERS

EXHIBIT 5

DEVELOPMENT OF RHODE ISLAND HAZARD GROUP RELATIVITIES FOR HAZARD GROUPS 1 TO 4*

- Step 1.** Individual state severities are calculated for each hazard group.
- Step 2.** The 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 the square root rule is used 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.

<u>Step 1</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	<u>Countrywide</u>
Severities	1	16,437	40,512
	2	19,853	50,474
	3	26,274	69,170
	4	35,508	100,992

<u>Step 2</u>	Claim Count	=	20,384	
	Credibility	=	$(20,384 / 155,000)^{0.5}$	= 0.363

<u>Step 3</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	
Credibility	1	31,781	= (0.363)(16,437) + (0.637)(40,512)
Weighted	2	39,369	
Severities	3	53,614	
	4	77,244	
	Countrywide Overall:	55,578	

<u>Step 4</u>	<u>Hazard Group</u>	<u>Rhode Island</u>	
Relativities	1	1.75	= 55,578 / 31,781
	2	1.41	
	3	1.04	
	4	0.72	

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.

XII 000019

Section XII - Retrospective Rating
 Subsection E - State and Hazard Group Differentials
 9/1/2008

Section XII - E
 Exhibit 1

Development of State and Hazard Group Relativities For Hazard Groups A to G

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)
A	18,069	32,539	19,552
B	22,156	43,252	25,989
C	28,325	48,807	29,327
D	31,166	54,134	32,527
E	39,590	62,589	37,608
F	52,830	77,298	46,446
G	75,673	100,992	60,683
Overall	33,395	55,578	33,395

Step 2. Credibility:

(5) Massachusetts Claim Count =	55,795
(6) Requirement for Full Credibility =	155,000
(7) Massachusetts Credibility =	0.60
= [(5) / (6)] ^{0.5}	

Step 3. Credibility Weighted Severities:

Hazard Group (1)	Massachusetts Credibility Weighted Severities = [(2) x (7)] + (3) x [1.0 - (7)] (8)
A	23,857
B	30,595
C	36,518
D	40,354
E	48,790
F	62,618
G	85,801

Step 4. Relativities:

Hazard Group (1)	Indicated Relativities = Overall (3) / (8) (9)	Indicated Relativities Based on MA Severity Split Using CW Relativities = Overall (3) / (4) (10)	Average of the two Indicated Relativities = [(9)+(10)] / 2.0 (11)	Selected Relativities (12)
A	2.33	2.84	2.59	2.59
B	1.82	2.14	1.98	1.98
C	1.52	1.90	1.71	1.71
D	1.38	1.71	1.54	1.54
E	1.14	1.48	1.31	1.31
F	0.89	1.20	1.04	1.04
G	0.65	0.92	0.78	0.78

Notes:

(2): Data (excluding medical-only claims) for Composite Policy Years 2004/2005 at 1st report, 2003/2004 at 2nd report, 2002/2003 at 3rd report, adjusted for trend, law amendments and development factors. Factors are shown on Section XI-A, Exhibit 2.

(3), (6): NCCI's Item R-1396.

(5): Data for Composite Policy Years 2004/2005 at 1st report, 2003/2004 at 2nd report, 2002/2003 at 3rd report.

(12) = (11)

XII 000020

Section XII - Retrospective Rating
 Subsection E - State and Hazard Group Differentials
 9/1/2008

Section XII - E
 Exhibit 2

Development of State and Hazard Group Relativities For Hazard Groups 1 to 4

Step 1. Severities:

Hazard Group	Massachusetts Severities	Countrywide Severities	Massachusetts Overall Severity Split Using CW Severity Relativities = Overall (2) x (3) / Overall (3) (4)
(1)	(2)	(3)	(4)
1	21,223	40,512	24,342
2	29,156	50,474	30,328
3	46,277	69,170	41,562
4	75,673	100,992	60,683
Overall	33,395	55,578	33,395

Step 2. Credibility:

(5) Massachusetts Claim Count =	55,795
(6) Requirement for Full Credibility =	155,000
(7) Massachusetts Credibility = = [(5) / (6)] ^{0.5}	0.60

Step 3. Credibility Weighted Severities:

Hazard Group	Massachusetts Credibility Weighted Severities = [(2) x (7)] + (3) x [1.0 - (7)] (8)
(1)	(8)
1	28,939
2	37,684
3	55,435
4	85,801

Step 4. Relativities:

Hazard Group	Indicated Relativities Based on MA Severity Split Using CW Relativities = Overall (3) / (4) (9)	Indicated Relativities Based on MA Severity Split Using CW Relativities = Overall (3) / (4) (10)	Average of the two Indicated Relativities = [(9)+(10)] / 2.0 (11)	Selected Relativities (12)
(1)	(9)	(10)	(11)	(12)
1	1.92	2.28	2.10	2.10
2	1.47	1.83	1.65	1.65
3	1.00	1.34	1.17	1.17
4	0.65	0.92	0.78	0.78

Notes:

(2): Data (excluding medical-only claims) for Composite Policy Years 2004/2005 at 1st report, 2003/2004 at 2nd report, 2002/2003 at 3rd report, adjusted for trend, law amendments and development factors.

Factors are shown on Section XI-A, Exhibit 2.

(3), (6): NCCI's Item R-1396.

(5): Data for Composite Policy Years 2004/2005 at 1st report, 2003/2004 at 2nd report, 2002/2003 at 3rd report.

(12) = (11)

EXCESS LOSS FACTORS

This Section proposes new Excess Loss Factors (ELFs) to be effective 9/1/2008. The proposed ELFs for the seven hazard groups¹ are shown in Exhibit 1, page 1. Exhibit 1, page 2 shows the Excess Loss and DCC Expense Factors for the seven hazard groups. The proposed ELFs for the four hazard groups² are shown in Exhibit 1, page 3. Exhibit 1, page 4 shows the Excess Loss and DCC Expense Factors for the four hazard groups. For purposes of comparison, the current ELFs are included as Exhibit 2. These factors were last reviewed in the 9/1/2007 filing.

The proposed ELFs in Exhibit 1, page 1 are the selected Excess Ratios in Exhibit 3, page 1 times 0.628, the proposed Expected Loss Ratio (without LAE) underlying the Retrospective Rating Plans from Section XII-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 displays the parameters of the mixed Pareto - Exponential distribution and a calculation of excess factors for different entry ratios.

Method of Analysis

¹ The seven hazard group option denotes hazard groups using the letters A, B, C, D, E, F, and G. Hazard group A has the lowest expected claim severity while hazard group G has the highest expected claim severity.

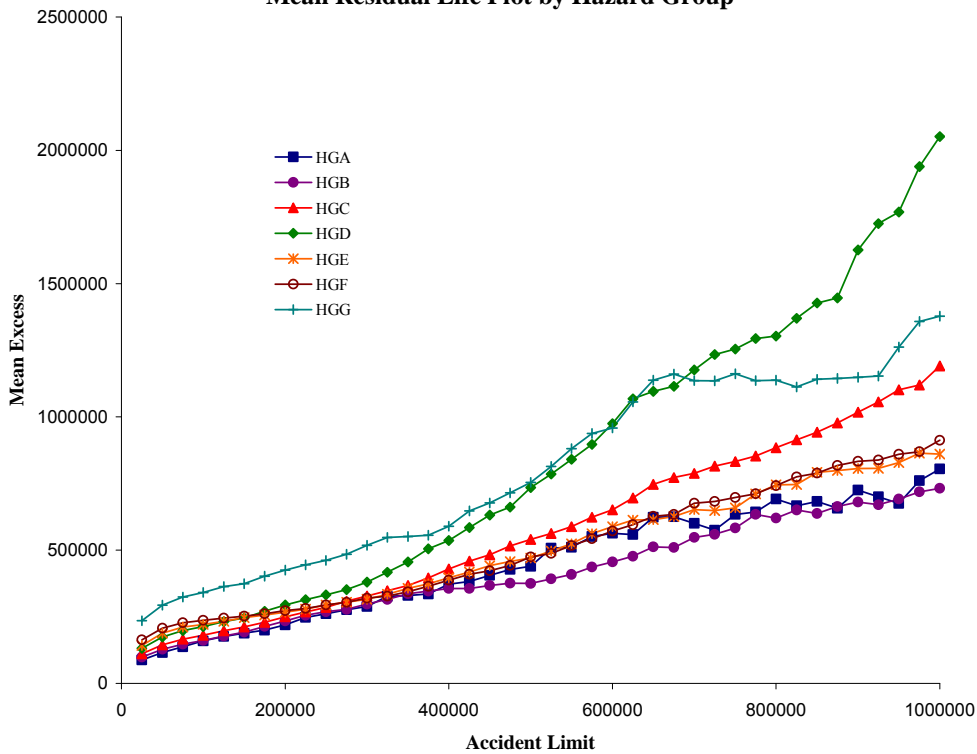
² The four hazard group option denotes hazard groups using the numbers 1, 2, 3, and 4. Hazard group 1 has the lowest expected claim severity while hazard group 4 has the highest expected claim severity.

The database used is Massachusetts Workers' Compensation Schedule Z data from composite policy years 00/01, 99/00, 98/97, 97/98, 96/97, and 95/96 at fifth report.³ Each loss is multiplied by appropriate trend, law amendment and development factors. Claim costs are trended to 9/1/2009, the average accident date (assuming the proposed ELFs will be in effect for one year starting 9/1/2008). These factors are shown in Section XI-A, Exhibit 2.

After the above adjustments, all data are grouped into accidents. A computer program is used which grouped data by hazard group, 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 ELFs. For the six composite policy years combined there were a total of 446,750 accidents of which 9,955 had adjusted values greater than \$150,000.

³ Composite policy year 2000/2001 includes all data from policies with effective dates from July 1, 2000 to June 30, 2001. Fifth report is evaluated 66 months from policy inception.

Figure 1
Mean Residual Life Plot by Hazard Group



Curve Fitting Procedure

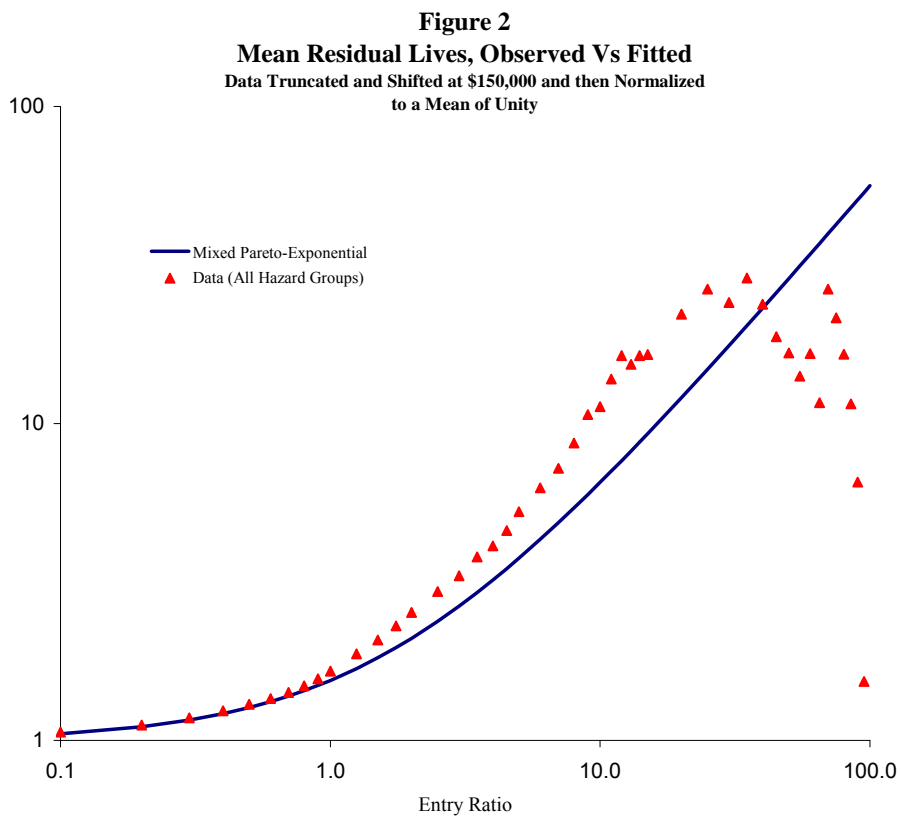
The mean residual life (or mean excess loss) statistic provides a convenient way to examine the tails of loss distributions.⁴ The mean residual life at a limit x is defined as $e(x) = (\text{dollars excess of } x) / (\text{number of accidents larger than } x)$. Figure 1 displays the mean residual lives for each of the seven hazard groups based on the following number of claims: HG(A) 36,540, HG(B) 88,182, HG(C) 152,388, HG(D) 59,792, HG(E) 57,361, HG(F) 47,198 and HG(G) 5,289.

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 seven Hazard Groups, the data are truncated and shifted at

⁴ See for example Hogg and Klugman. The mean residual life is the average excess cost of a claim that exceeds a given limit.

\$150,000.⁵ Finally, these seven sets of data are combined and normalized to a mean of unity.

A mixture of Pareto and Exponential distributions is fit to this combined data⁶ using the method of maximum likelihood. The method of maximum likelihood is a commonly used method for fitting size of loss distributions.⁷ The Pareto and Exponential curves are standard size of loss distributions. They are described in the Appendix of this Section.



⁵Accidents 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 $x - \$150,000$.

⁶ The data has been combined across injury types and hazard groups, representing 9,955 accidents over \$150,000 in size.

⁷ 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 4. The Kolmogorov-Smirnov test was performed to assess the goodness of fit of the resulting curve; this test indicated a good fit.⁸ Figure 2 compares the mean residual lives for the fitted curve and the observed data.

Estimation of Excess Ratios

For each hazard group this fitted curve, scaled to the observed mean, is used in Exhibit 3 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, $R(150,000)$) \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

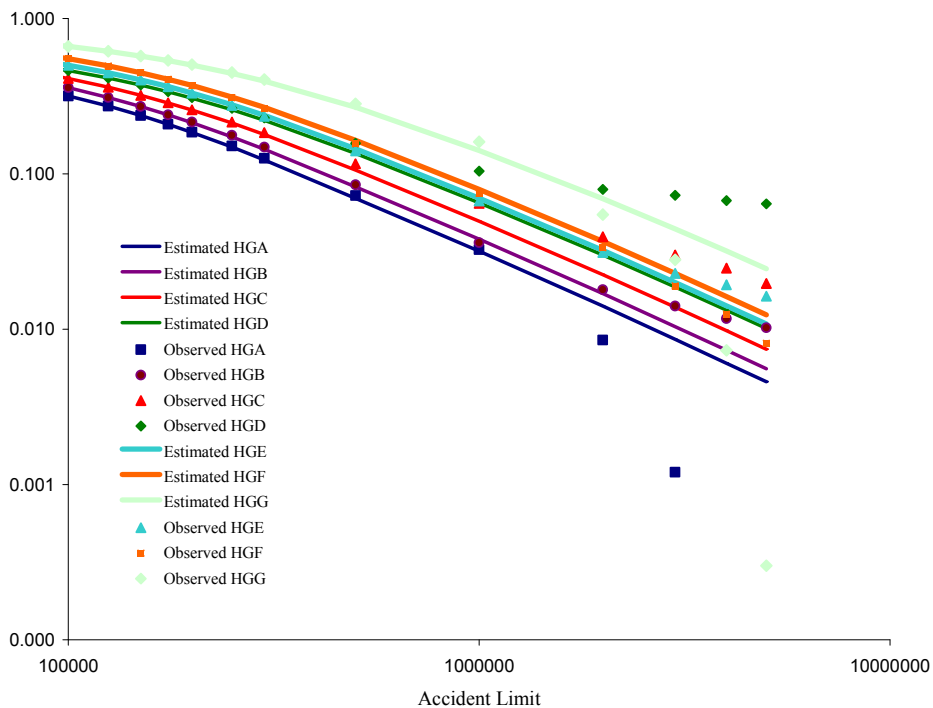
⁸ The K-S statistic for 9,955 data points was 0.01360. The critical value for a significance level of 0.05 is $1.36 / \sqrt{n} = 0.01363$. Since $0.01360 < 0.01363$, the fitted distribution cannot be rejected at even the 5% level. See Hogg and Klugman.

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 9,955 accidents with values greater than \$150,000, with the two smallest hazard groups having 345 and 343 accidents. For the five larger hazard groups, a higher truncation point could have been selected, but for hazard

groups A and G a higher truncation point would make it difficult to get a reliable average value to use to normalize the data.⁹

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 69.6%, the expected loss and DCC ratio (from Section XII-A, Exhibit 4).

⁹These average values are used in Exhibit 3, page 2 in order to calculate excess ratios by hazard group.

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:

$$R(\$500,000) = \frac{\text{HG3 Losses Excess of } \$500,000}{\text{HG3 Losses Excess of } \$150,000} \times \frac{\text{HG3 Losses Excess of } \$150,000}{\text{Total HG3 Losses}}$$

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:

$$\begin{aligned} m_f &= \int_0^\infty x f(x) d(x) = \int_0^\infty x \{pg(x) + (1-p) h(x)\} dx \\ &= p \int_0^\infty xg(x) dx + (1-p) \int_0^\infty x h(x) dx \\ &= pm_g + (1-p) m_h. \end{aligned}$$

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:

$p = 0.7344$, $s = 2.3285$, $b = 1.4950$, $\theta = 0.6270$ (weight to Pareto, Pareto Shape, Pareto Scale, Exponential scale), at an entry ratio of 2, the excess ratio is computed as follows:

$$\text{Excess Ratio for Pareto} = \left(1 + \frac{x}{b}\right)^{1-s} = \left(1 + \frac{2}{1.4950}\right)^{1-2.3285} = 0.3236$$

$$\text{Excess Ratio for Exponential} = e^{-x/\theta} = e^{-2/0.6270} = 0.0412$$

$$\text{Mean for Pareto} = \frac{b}{s-1} = \frac{1.4950}{2.3285-1} = 1.1253$$

$$\text{Mean for Exponential} = \theta = 0.6270$$

Excess Ratio for Pareto-Exponential distribution at entry ratio 2

$$= \frac{(0.7344)(1.1253)(0.3236) + (1-0.7344)(0.6270)(0.0412)}{(0.7344)(1.1253) + (1-0.7344)(0.6270)} = 0.2763$$

This matches the value shown on Exhibit 4.

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 XII - Retrospective Rating
Subsection F - Excess Loss Factors
9/1/2008

Section XII - F
Exhibit 1
Page 1

Excess Loss Factors Proposed to be Effective 9/1/2008

Accident Limit	Hazard Group A	Hazard Group B	Hazard Group C	Hazard Group D	Hazard Group E	Hazard Group F	Hazard Group G
\$25,000	0.369	0.395	0.421	0.444	0.465	0.496	0.533
\$30,000	0.349	0.377	0.403	0.428	0.450	0.482	0.522
\$35,000	0.332	0.360	0.387	0.414	0.436	0.468	0.512
\$40,000	0.316	0.345	0.373	0.401	0.423	0.456	0.503
\$50,000	0.289	0.318	0.347	0.378	0.400	0.434	0.486
\$75,000	0.238	0.265	0.295	0.330	0.354	0.387	0.448
\$100,000	0.201	0.225	0.256	0.293	0.315	0.348	0.415
\$125,000	0.173	0.195	0.224	0.262	0.282	0.314	0.387
\$150,000	0.151	0.170	0.198	0.236	0.254	0.284	0.361
\$175,000	0.132	0.150	0.177	0.213	0.230	0.257	0.338
\$200,000	0.117	0.133	0.159	0.194	0.210	0.235	0.317
\$250,000	0.095	0.108	0.130	0.163	0.176	0.198	0.281
\$300,000	0.078	0.089	0.110	0.139	0.151	0.170	0.251
\$500,000	0.044	0.051	0.064	0.085	0.092	0.104	0.171
\$1,000,000	0.020	0.023	0.029	0.040	0.043	0.049	0.090
\$2,000,000	0.009	0.010	0.013	0.018	0.020	0.022	0.043
\$3,000,000	0.005	0.006	0.008	0.011	0.012	0.014	0.027
\$4,000,000	0.004	0.004	0.005	0.008	0.008	0.010	0.019
\$5,000,000	0.003	0.003	0.004	0.006	0.006	0.007	0.015

Note:

Exhibit 3, page 1 x the Expected Loss Ratio without LAE of 62.8% from Section XII-A, Exhibit 3.

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Section XII - Retrospective Rating
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Section XII - F
Exhibit 1
Page 2

Excess Loss and DCC Expense Factors Proposed to be Effective 9/1/2008

Accident Limit	Hazard Group A	Hazard Group B	Hazard Group C	Hazard Group D	Hazard Group E	Hazard Group F	Hazard Group G
\$25,000	0.421	0.450	0.477	0.502	0.525	0.558	0.597
\$30,000	0.400	0.429	0.458	0.485	0.508	0.543	0.586
\$35,000	0.381	0.411	0.441	0.470	0.493	0.529	0.575
\$40,000	0.364	0.395	0.425	0.456	0.480	0.516	0.566
\$50,000	0.335	0.366	0.398	0.431	0.455	0.493	0.548
\$75,000	0.278	0.309	0.343	0.380	0.406	0.443	0.508
\$100,000	0.237	0.266	0.300	0.340	0.365	0.402	0.474
\$125,000	0.206	0.231	0.265	0.306	0.330	0.365	0.444
\$150,000	0.181	0.204	0.236	0.277	0.300	0.333	0.417
\$175,000	0.160	0.181	0.212	0.253	0.273	0.305	0.392
\$200,000	0.143	0.162	0.191	0.232	0.250	0.279	0.370
\$250,000	0.116	0.132	0.159	0.197	0.212	0.238	0.330
\$300,000	0.097	0.110	0.134	0.169	0.183	0.206	0.297
\$500,000	0.055	0.063	0.079	0.105	0.113	0.128	0.207
\$1,000,000	0.025	0.029	0.037	0.050	0.054	0.061	0.110
\$2,000,000	0.011	0.012	0.016	0.023	0.025	0.028	0.054
\$3,000,000	0.006	0.008	0.010	0.014	0.015	0.017	0.034
\$4,000,000	0.005	0.005	0.007	0.010	0.011	0.012	0.024
\$5,000,000	0.003	0.004	0.005	0.007	0.008	0.009	0.019

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Section XII - Retrospective Rating
Subsection F - Excess Loss Factors
9/1/2008

Section XII - F
Exhibit 1
Page 3

Excess Loss Factors Proposed to be Effective 9/1/2008

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.389	0.428	0.483	0.533
\$30,000	0.370	0.411	0.468	0.522
\$35,000	0.353	0.395	0.454	0.512
\$40,000	0.338	0.381	0.442	0.503
\$50,000	0.311	0.356	0.420	0.486
\$75,000	0.258	0.306	0.373	0.448
\$100,000	0.219	0.267	0.334	0.415
\$125,000	0.189	0.236	0.300	0.387
\$150,000	0.165	0.210	0.271	0.361
\$175,000	0.146	0.188	0.246	0.338
\$200,000	0.129	0.170	0.224	0.317
\$250,000	0.104	0.141	0.189	0.281
\$300,000	0.087	0.119	0.162	0.251
\$500,000	0.049	0.070	0.099	0.171
\$1,000,000	0.022	0.033	0.047	0.090
\$2,000,000	0.010	0.014	0.021	0.043
\$3,000,000	0.006	0.009	0.013	0.027
\$4,000,000	0.004	0.006	0.009	0.019
\$5,000,000	0.003	0.005	0.007	0.015

Note:

Factors from Page 1 averaged using weights from Page 5.

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Section XII - Retrospective Rating
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9/1/2008

Section XII - F
Exhibit 1
Page 4

Excess Loss and DCC Expense Factors Proposed to be Effective 9/1/2008

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.442	0.485	0.544	0.597
\$30,000	0.422	0.466	0.528	0.586
\$35,000	0.404	0.450	0.514	0.575
\$40,000	0.387	0.435	0.501	0.566
\$50,000	0.358	0.408	0.477	0.548
\$75,000	0.302	0.354	0.427	0.508
\$100,000	0.259	0.312	0.386	0.474
\$125,000	0.225	0.277	0.350	0.444
\$150,000	0.198	0.249	0.319	0.417
\$175,000	0.176	0.225	0.291	0.392
\$200,000	0.157	0.204	0.267	0.370
\$250,000	0.128	0.170	0.227	0.330
\$300,000	0.107	0.145	0.196	0.297
\$500,000	0.061	0.087	0.122	0.207
\$1,000,000	0.028	0.041	0.058	0.110
\$2,000,000	0.012	0.018	0.026	0.054
\$3,000,000	0.007	0.011	0.016	0.034
\$4,000,000	0.005	0.008	0.011	0.024
\$5,000,000	0.004	0.006	0.009	0.019

Note:

Factors from Page 2 averaged using weights from Page 5.

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Section XII - Retrospective Rating
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9/1/2008

Section XII - F
Exhibit 1
Page 5

Ground Up On-Level Trended Losses

7 Hazard Groups (1)	Ground Up On-Level Trended Losses (2)	Corresponding 4 Hazard Groups (3)	Weight to Map 7 to 4 (4)
A	270,845,457	1	0.249
B	818,269,571	1	0.751
C	1,836,168,189	2	0.689
D	829,937,566	2	0.311
E	1,016,186,160	3	0.425
F	1,372,473,951	3	0.575
G	222,832,684	4	1.000

Notes:

(2): Ground Up On-Level Trended Losses underlying Exhibit 3, Page 3.

(4) = (2) / [Subtotal of (2) for given Hazard Group in (3)]

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Exhibit 2

Excess Loss Factors Effective 9/1/2007

Accident Limit	Hazard Group 1	Hazard Group 2	Hazard Group 3	Hazard Group 4
\$25,000	0.420	0.464	0.517	0.571
\$30,000	0.399	0.445	0.501	0.559
\$35,000	0.381	0.429	0.487	0.548
\$40,000	0.365	0.414	0.473	0.538
\$50,000	0.336	0.388	0.449	0.518
\$75,000	0.280	0.335	0.399	0.476
\$100,000	0.239	0.294	0.357	0.439
\$125,000	0.207	0.261	0.321	0.407
\$150,000	0.181	0.234	0.290	0.379
\$175,000	0.160	0.211	0.263	0.354
\$200,000	0.143	0.192	0.240	0.332
\$250,000	0.117	0.161	0.202	0.294
\$300,000	0.098	0.138	0.174	0.263
\$500,000	0.060	0.087	0.110	0.182
\$1,000,000	0.031	0.046	0.059	0.102
\$2,000,000	0.017	0.025	0.033	0.058
\$3,000,000	0.012	0.018	0.023	0.041
\$4,000,000	0.009	0.014	0.017	0.032
\$5,000,000	0.007	0.011	0.014	0.026

Note:
9/1/2007 Stipulation.

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9/1/2008

Section XII - 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 A	Hazard Group B	Hazard Group C	Hazard Group D	Hazard Group E	Hazard Group F	Hazard Group G
\$25,000	0.588	0.630	0.670	0.708	0.741	0.790	0.849
\$30,000	0.556	0.600	0.642	0.682	0.716	0.767	0.832
\$35,000	0.529	0.573	0.616	0.660	0.694	0.746	0.816
\$40,000	0.504	0.549	0.593	0.639	0.674	0.727	0.801
\$50,000	0.461	0.506	0.552	0.602	0.637	0.691	0.774
\$75,000	0.378	0.423	0.471	0.526	0.563	0.616	0.714
\$100,000	0.320	0.359	0.408	0.466	0.502	0.554	0.661
\$125,000	0.275	0.310	0.357	0.417	0.450	0.499	0.616
\$150,000	0.240	0.271	0.316	0.375	0.405	0.452	0.576
\$175,000	0.211	0.239	0.282	0.340	0.367	0.410	0.539
\$200,000	0.187	0.212	0.253	0.309	0.334	0.374	0.505
\$250,000	0.151	0.172	0.208	0.260	0.281	0.315	0.448
\$300,000	0.124	0.142	0.174	0.222	0.240	0.270	0.400
\$500,000	0.070	0.081	0.102	0.135	0.146	0.165	0.273
\$1,000,000	0.031	0.036	0.047	0.064	0.069	0.079	0.143
\$2,000,000	0.014	0.016	0.021	0.029	0.031	0.036	0.069
\$3,000,000	0.008	0.009	0.012	0.018	0.019	0.022	0.043
\$4,000,000	0.006	0.007	0.009	0.012	0.013	0.015	0.031
\$5,000,000	0.004	0.005	0.006	0.009	0.010	0.011	0.023

Note:

For Accident Limit $L \leq \$150,000$ data are from Page 3. For Accident Limit $L > \$150,000$ data are from Page 2 times the estimated excess ratio at $L=\$150,000$ (See Appendix).

Excess Ratios Truncated and Shifted to \$150,000

Accident Limit	Hazard Group A		Hazard Group B		Hazard Group C		Hazard Group D		Hazard Group E		Hazard Group F		Hazard Group G	
	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio
\$175,000	0.133	0.879	0.130	0.882	0.118	0.892	0.102	0.905	0.101	0.906	0.099	0.908	0.067	0.936
\$200,000	0.266	0.780	0.260	0.784	0.235	0.801	0.203	0.824	0.203	0.824	0.198	0.828	0.134	0.878
\$250,000	0.531	0.628	0.519	0.633	0.471	0.658	0.406	0.693	0.405	0.693	0.396	0.698	0.267	0.778
\$300,000	0.797	0.519	0.779	0.525	0.706	0.552	0.609	0.592	0.608	0.593	0.594	0.598	0.401	0.695
\$500,000	1.859	0.293	1.817	0.299	1.647	0.322	1.421	0.360	1.418	0.361	1.387	0.366	0.936	0.474
\$1,000,000	4.514	0.131	4.412	0.134	3.999	0.148	3.450	0.171	3.443	0.171	3.368	0.174	2.273	0.248
\$2,000,000	9.824	0.057	9.603	0.058	8.705	0.065	7.509	0.077	7.493	0.077	7.331	0.079	4.947	0.120
\$3,000,000	15.134	0.034	14.794	0.035	13.410	0.039	11.568	0.047	11.543	0.047	11.293	0.048	7.622	0.075
\$4,000,000	20.444	0.024	19.984	0.024	18.115	0.027	15.627	0.033	15.593	0.033	15.256	0.034	10.296	0.054
\$5,000,000	25.755	0.018	25.175	0.018	22.820	0.021	19.686	0.025	19.643	0.025	19.218	0.025	12.970	0.041

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Notes:

Entry Ratio = $([\text{Limit}] - [\text{\$150,000 Truncation Point}]) / [\text{Average Size of Data Truncated and Shifted to \$150,000}]$

For the seven Hazard Groups, these average sizes are \$188,315 for HGA, \$192,650 for HGB, \$212,532 for HGC, \$246,364 for HGD, \$246,910 for HGE, \$252,363 for HGF and \$373,934 for HGG.

Excess Ratio is computed for a Mixed Pareto - Exponential distribution with parameters: 0.7344, 2.3285, 1.4950, 0.6270 (weight to Pareto, Pareto Shape, Pareto Scale, Exponential).

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Section XII - F
Exhibit 3
Page 3

Excess Ratios based on Adjusted Data

Accident Limit	Hazard Group A	Hazard Group B	Hazard Group C	Hazard Group D	Hazard Group E	Hazard Group F	Hazard Group G
\$25,000	0.588	0.630	0.670	0.708	0.741	0.790	0.849
\$30,000	0.556	0.600	0.642	0.682	0.716	0.767	0.832
\$35,000	0.529	0.573	0.616	0.660	0.694	0.746	0.816
\$40,000	0.504	0.549	0.593	0.639	0.674	0.727	0.801
\$50,000	0.461	0.506	0.552	0.602	0.637	0.691	0.774
\$75,000	0.378	0.423	0.471	0.526	0.563	0.616	0.714
\$100,000	0.320	0.359	0.408	0.466	0.502	0.554	0.661
\$125,000	0.275	0.310	0.357	0.417	0.450	0.499	0.616
\$150,000	0.240	0.271	0.316	0.375	0.405	0.452	0.576
\$175,000	0.211	0.239	0.282	0.341	0.367	0.410	0.540
\$200,000	0.187	0.214	0.254	0.312	0.333	0.373	0.508
\$250,000	0.152	0.176	0.211	0.266	0.279	0.313	0.454
\$300,000	0.127	0.147	0.179	0.231	0.236	0.266	0.410
\$500,000	0.073	0.083	0.111	0.158	0.142	0.157	0.294
\$1,000,000	0.033	0.033	0.060	0.104	0.067	0.075	0.186
\$2,000,000	0.009	0.016	0.035	0.079	0.031	0.034	0.090
\$3,000,000	0.001	0.013	0.027	0.072	0.023	0.019	0.054
\$4,000,000	0.000	0.012	0.022	0.067	0.019	0.012	0.030
\$5,000,000	0.000	0.010	0.018	0.064	0.016	0.008	0.017

Note:

Unit Statistical Plan Data for Composite Policy Years 00/01, 99/00, 98/99, 97/98, 96/97, 95/96 at fifth report, adjusted for trend, law amendments and development factors using factors from Section XI-A, Exhibit 2.

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Section XII - Retrospective Rating
 Subsection F - Excess Loss Factors
 9/1/2008

Section XII - F
 Exhibit 4

Mixed Pareto-Exponential Distribution

Parameters:

Pareto shape = s	2.3285
Pareto scale = b	1.4950
Exponential scale = θ	0.6270
Weight to Pareto = p	0.7344
Mean =	0.7945
Variance =	0.8367
Coefficient of Variation =	1.1513
Skewness =	2.1897
Pareto Mean = $b / (s - 1.0)$	1.1253
Exponential Mean = θ	0.6270

Entry Ratio	Excess Ratio	Entry Ratio	Excess Ratio
0.1	0.9067	11	0.0496
0.2	0.8263	12	0.0448
0.3	0.7567	13	0.0407
0.4	0.6960	14	0.0372
0.5	0.6428	15	0.0343
0.6	0.5960	20	0.0241
0.7	0.5546	25	0.0183
0.8	0.5178	30	0.0145
0.9	0.4849	35	0.0119
1.0	0.4555	40	0.0101
1.25	0.3941	45	0.0087
1.5	0.3460	50	0.0076
1.75	0.3075	55	0.0067
2.0	0.2763	60	0.0060
2.50	0.2286	65	0.0054
3.0	0.1942	70	0.0049
3.5	0.1682	75	0.0045
4.0	0.1479	80	0.0041
4.5	0.1316	85	0.0038
5.0	0.1183	90	0.0035
6.0	0.0978	95	0.0033
7.0	0.0828	100	0.0031
8.0	0.0714		
9.0	0.0625		
10.0	0.0554		

Note:
 See the Appendix for a sample calculation of an excess ratio.