



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

March 21, 2014

CIRCULAR LETTER NO. 2236

To All Members and Subscribers of the WCRIBMA:

GENERAL REVISION OF RATES

**EFFECTIVE APRIL 1, 2014
APPLICABLE TO NEW AND RENEWAL BUSINESS**

The Commissioner of Insurance has approved a Stipulation for the general revision of workers' compensation rates, effective 12:01 A.M., April 1, 2014, applicable to new and renewal policies. This includes:

1. **STATE CLASSES - NO CHANGE IN OVERALL RATE LEVEL**
Despite no change in overall rate level, most individual class rates will change to reflect industry group differentials and new class relativities.
2. **MASSACHUSETTS CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM ("MCCPAP")**
The table of credits by hourly wage ranges has been revised. The calculation of the experience rating offset associated with the MCCPAP has been revised.
3. **EXPERIENCE RATING PLAN CHANGES**
The Experience Rating Plan Expected Loss Rates and D-Ratios will be revised and distributed by the WCRIBMA. The State Per Claim Accident Limitation and the State Multiple Claim Accident Limitation remain unchanged.

4. **RETROSPECTIVE RATE PLAN CHANGES**
State Special Rating Values for retrospective rating will be changing, including excess loss factors and hazard group differentials. The various tables of retrospective expense ratios will also be revised.
5. **F – CLASSES - OVERALL RATE LEVEL DECREASE OF 13.4%**
The overall average decrease of 13.4% in the existing workers' compensation F- Class average rates will vary by class.
6. **USL&HW ACT COVERAGE PERCENTAGE APPLICABLE TO NON-F CLASSIFICATIONS**
The percentage applicable in connection with Rule XII-D-3 "U.S. Longshore and Harbor Workers' Compensation Act" will be revised.
7. **USL&HW ACT EXPECTED LOSS FACTOR APPLICABLE TO NON-F CLASSIFICATIONS**
The factor used to modify the expected loss rate for a state class whose rate was modified in accordance with Rule XII-D-3 "U.S. Longshore and Harbor Workers' Compensation Act" will be revised.
8. **SMALL DEDUCTIBLE CREDITS**
The premium credits applicable to the election of small deductibles under either the Massachusetts Benefits Deductible Program or the Massachusetts Benefits Claim and Aggregate Deductible Program will be revised.
9. **NO CHANGES IN THE FOLLOWING:**
 - A. Supplementary Disease Loads (classes 0059, 0065, 0066 and 0067)
 - B. Expense Constants
 - C. Loss Constants
 - D. Admiralty Law and Federal Employers' Liability Act classifications
 - E. Merit Rating Program
 - F. Premium Discount Tables A and B
 - G. Weight and Ballast values used in experience rating

Experience ratings and ARAP factors (including replacement of preliminary experience ratings and ARAP factors) effective April 1, 2014 and subsequent will be issued in due course using the new Expected Loss Rates and D-Ratios. Experience ratings and ARAP factors that have been issued effective January 1, 2014 through March 31, 2014 will be revised to remove the preliminary status.

MCCPAP Factors effective April 1, 2014 and subsequent will be revised in due course using the new table of credits by hourly wage ranges and the revised experience rating offset.

When the new rates and experience ratings are received and incorporated into policy issuance, carriers should no longer attach Massachusetts Pending Premium

Change Endorsement WC 20 04 01 to policies. Revised Massachusetts manual rate pages will be distributed and will be available on our website at www.wcribma.org. The new rates and rating values will also be available in electronic form (Microsoft Excel and text files) on our website. Attached is a copy of the Commissioner's Decision and Order and the Stipulation.

Paul Meagher, Esq.
President

Attachments



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
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JOSEPH G. MURPHY
COMMISSIONER OF INSURANCE

Rate Filing of the Workers' Compensation Rating and Inspection Bureau
Docket No. R2013-02

Decision and Order

I. Introduction and Procedural History

On December 27, 2013, the Worker's Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB"), on behalf of its members, submitted a filing for a worker's compensation rate revision to be effective January 1, 2014 ("the Filing"). The Commissioner of Insurance ("Commissioner") designated Jean F. Farrington, Esq. and Stephen M. Sumner, Esq. as presiding officers on this matter. A notice of hearing was issued on January 7, 2014, scheduling a public comment hearing for January 30, 2014. On January 10, 2014, an order issued addressing discovery and scheduling a prehearing conference for January 30, following the public comment hearing. The Attorney General ("AG") filed a notice of intent to appear and participate on January 17, 2014.

Representatives of the AG, the State Rating Bureau ("SRB") in the Division of Insurance, the Massachusetts Association of Insurance Agents and the Building Trades Employers Association spoke at the public comment hearing. A schedule for cross-examination of the WCRIB's witnesses was established at the prehearing conference. Subsequently, the parties moved to continue the scheduled dates.

On March 20, 2014, the WCRIB, the AG and the SRB submitted a stipulation executed by the parties (the "Stipulation") representing a negotiated settlement of matters addressed in the Filing.

II. Statutory Framework

Massachusetts General Laws Chapter 152, §53A (“Section 53A”) sets out the statutory requirements for obtaining approval of rates for Massachusetts workers’ compensation insurance. Subsection (1) requires any insurance company writing workers’ compensation insurance in the Commonwealth to file its risk classifications and premiums with the Commissioner, either directly or through a rating organization authorized to act on its behalf. The Commissioner thereafter conducts a hearing to determine whether the classifications and rates are not excessive, inadequate or unfairly discriminatory for the risks to which they effectively apply, and fall within a range of reasonableness.

In addition to these general requirements, Section 53A (12) specifically states that the Commissioner shall not approve classifications or rates that provide for any of the following: 1) dividends, unabsorbed premium deposits, savings or other payments allowed or returned by the insurer to policyholders, members, subscribers or stockholders; 2) expenses that exceed the filing insurer’s expense needs; and 3) commission allowances that are not demonstrated to be reasonable and to reflect the actual cost to the agent or broker of services they provide.

The Commissioner, pursuant to Section 53A (13), also must make a finding, on the basis of information in the rate filing, that 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, any other unreasonable costs and expenses, and on the collection of appropriate premium charges owed to the insurer. If the Commissioner finds that the rates are excessive, and that the excess is the result of a failure to employ adequate cost control programs, he may disapprove or limit any proposed increase in rates.

III. The Stipulation

The WCRIB, in its initial Filing, sought an overall rate increase of 7.7 percent. The Stipulation, in pertinent part, provides the following:


1. No party will object to or appeal from an order by the Commissioner that, except as provided in the Stipulation, there will be no change in the workers’ compensation rates, classifications, rating programs, rating plans, rating factors and rating values to be effective on and after April 1, 2014;

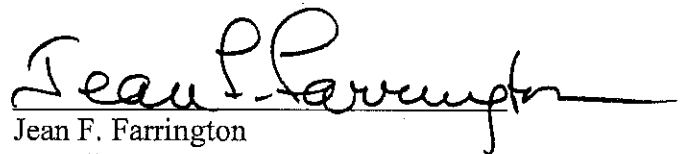
2. These rates, classifications, rating programs, rating plans, rating factors and rating values shall apply to new and renewal policies effective on and after April 1, 2014, including all such policies in the Massachusetts Workers' Compensation Assigned Risk Pool;
3. The new classification pricing methodology proposed by the WCRIB in Section IX of the Filing shall be approved for use in setting rates to be effective on and after April 1, 2014, provided that the "swing limits" applicable to the rates for individual rating classifications shall be those displayed in Exhibit I to the Stipulation;
4. The Massachusetts Construction Classification Premium Adjustment Program ("Construction Credit Program"), described in Section XI-F of the Filing shall be approved for use in setting rates to be effective on and after April 1, 2014, provided that the credit percentages appearing on page XI-15 of the Filing are revised as shown in Exhibit II to the Stipulation. To preserve the revenue neutrality of the Construction Credit Program, the offset in the rates to be effective on and after April 1, 2014 shall be .968;
5. Because the Stipulation provides for no change in statewide average rates, the implementation of the classification pricing methodology referred to in Paragraph 3 of the Stipulation and the revised Construction Credit Program referred to in Paragraph 4, the manual rates for most classifications and various experience rating and retrospective rating factors will change effective April 1, 2014. Revised manual pages reflecting the provisions of the Stipulation that are applicable to new and renewal policies effective on and after April 1, 2014 are attached to the Stipulation as Exhibit III;
6. The WCRIB, in collaboration with the AG and the SRB, shall develop and implement a survey to obtain adequate data relating to commission payments on large deductible and retrospectively rated policies and data on the allocation in such policies of loss adjustment expenses between insurers and policyholders;
7. The parties each acknowledge that the Stipulation has no precedential value and will not be relevant in future hearings on any line of insurance, and that they will not attempt to introduce it, or the decision adopting it, as evidence or to rely on it or the decision for any purpose in future hearings, provided that the Stipulation may be considered in any future hearing that is limited to the issue of implementation of the Stipulation; and
8. The parties each acknowledge that the Stipulation does not imply approval or disapproval by any party of any particular ratemaking methodology or projection, and that each party reserves the right to contest in future hearings all aspects of rate-setting, including those resolved for present purposes only in the Stipulation;

IV. Conclusion

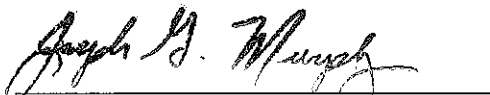
We find that the Stipulation submitted by the Parties will provide for classifications or premiums that are "not excessive, inadequate, or unfairly discriminatory for the risks to which they respectively apply, and fall within a range of reasonableness." Therefore, we approve the Stipulation, and herein ORDER that except as provided for in the Stipulation: 1) there will be no change in the current workers' compensation rates, classifications, rating programs, rating plans, rating factors and rating values to be effective on and after April 1, 2014; and 2) that these current rates, classifications, rating programs, rating plans, rating factors and rating values shall apply to new and renewal policies effective on and after April 1, 2014, including all such policies in the Massachusetts Workers' Compensation Assigned Risk Pool.

ENTERED this ^{21st} 20th day of March 2014.


Stephen M. Sumner
Presiding Officer


Jean F. Farrington
Presiding Officer

AFFIRMED:


Joseph G. Murphy
Commissioner of Insurance

March 21, 2014

COMMONWEALTH OF MASSACHUSETTS

DIVISION OF INSURANCE

In re: APPLICATION OF THE WORKERS'
COMPENSATION RATING AND INSPECTION
BUREAU OF MASSACHUSETTS FOR APPROVAL : Docket No. R2013-02
OF A RATE REVISION TO BE EFFECTIVE :
ON AND AFTER JANUARY 1, 2014 :

STIPULATION WITH RESPECT TO RATES,
CLASSIFICATIONS AND RATING PLANS FOR 2014

In order to avoid further hearings, delay and uncertainty for insureds and insurers, and to permit orderly implementation of workers' compensation insurance rates effective on and after April 1, 2014, but without in any way admitting or agreeing to any position taken by any other party, the Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIBMA"), the Office of the Attorney General ("AG") and the State Rating Bureau ("SRB") stipulate as follows, with respect only to the filing by the WCRIBMA submitted herein dated December 27, 2013:

1. No party will object to or appeal from an order by the Commissioner of Insurance ("Commissioner") that except as provided below there will be no change in the workers' compensation rates, classifications, rating programs, rating plans, rating factors and rating values to be effective on and after April 1, 2014.

2. These rates, classifications, rating programs, rating plans, rating factors and rating values shall apply to new and renewal policies effective on and after April 1, 2014, including all such policies in the Massachusetts Workers' Compensation Assigned Risk Pool.

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MAR 21 2014

HEARINGS & APPEALS
MASS. DIVISION OF INSURANCE

3. The new classification pricing methodology proposed by the WCRIBMA in Section IX of the WCRIBMA's rate filing shall be approved for use in setting the rates to be effective on and after April 1, 2014; provided, however, that the "swing limits" applicable to the rates for individual rating classifications shall be as displayed in Exhibit I attached to this Stipulation.

4. The Massachusetts Construction Classification Premium Adjustment Program (the "Construction Credit Program") described by the WCRIBMA in Section XI-F of the WCRIBMA's rate filing, shall be approved for use in setting the rates to be effective on and after April 1, 2014; provided, however, that the credit percentages shown on page XI 000015 are revised as shown in Exhibit II attached to this Stipulation. To preserve the revenue-neutrality of the Construction Credit Program, the offset in the rates to be effective on and after April 1, 2014 shall be .968.

5. Because this Stipulation provides for no change in statewide average rates, the implementation of the new classification pricing methodology described in ¶ 3, the Construction Credit Program revisions described in ¶ 4, manual rates for most classifications as well as various experience rating and retrospective rating factors will change effective April 1, 2014. Revised manual pages reflecting this Stipulation applicable to new and renewal policies effective on and after April 1, 2014 are attached as Exhibit III to this Stipulation.

6. The WCRIBMA, in collaboration with the AG and SRB, shall develop and implement a survey to obtain adequate data relating to commission payments on large deductible and retrospectively rated policies and data on the allocation in such policies of loss adjustment expenses between insurers and policyholders.

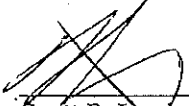
7. The WCRIBMA, AG and SRB agree that this Stipulation will have no precedential value and will not be relevant in future hearings on any line of insurance and that they will not attempt to introduce it (or the decision adopting it) as evidence or to rely on it (or the decision adopting it) for any purpose in future hearings, provided that the Stipulation may be considered in any future hearing with respect to the implementation of this Stipulation, but only on the issue of the implementation of this Stipulation. The WCRIBMA, AG and SRB each acknowledge that this Stipulation does not imply approval or disapproval by any party of any particular ratemaking methodology or projection and each party otherwise reserves the right to contest in future hearings all aspects of rate-setting resolved for present purposes only by this Stipulation.

8. Each party enters into this Stipulation upon the condition that it is approved by the Commissioner, in its entirety, on the record of this hearing no later than March 21, 2014. If the Commissioner does not approve this Stipulation in its entirety on or before March 21, 2014, this Stipulation shall be null and void and shall not be relied upon by any party, or by the Commissioner, for any purpose whatsoever.

9. If any person not a party to this Stipulation successfully challenges the Commissioner's approval of this Stipulation and the Commissioner's approval is suspended, set aside or otherwise rendered ineffective, this Stipulation shall be null and void and shall not be relied upon by any party, or by the Commissioner, for any purpose.

10. This Stipulation shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

11. The Parties may execute this Stipulation in counterparts, each of which shall be deemed an original and all of which shall constitute one original.

 3/20/14

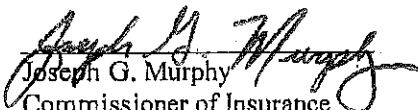
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March ____, 2014

APPROVED:

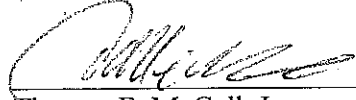


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March 27, 2014

APPROVED:

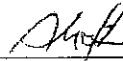
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March 21, 2014

APPROVED:

Joseph G. Murphy
Commissioner of Insurance
Division of Insurance

March _____, 2014

Exhibit I

Changes in average rates by class code will be limited in accordance with the following table.

Change in Average Rate	Manufacturing Classes	Construction Classes	Office & Clerical Classes	Goods & Services Classes	Miscellaneous Classes
Maximum	10%	5%	10%	10%	10%
Minimum	-15%	-5%	-10%	-10%	-10%

Exhibit II

**MASSACHUSETTS WORKERS COMPENSATION
AND EMPLOYERS LIABILITY INSURANCE MANUAL**

**PART ONE
SPECIAL PROGRAMS**

1st Reprint

Effective April 1, 2014

Page S-9

MASSACHUSETTS CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

The Massachusetts Construction Classification Premium Adjustment Program allows for a premium credit to be applied to any experience rated Insured with an average hourly wage of at least \$30.00 for one or more of the following construction classifications.

Eligible Construction Classifications

3365	5160	5437	5508	6003	7538
3724	5183	5443	5509	6005	7601
3726	5188	5445	5538	6204	7855
5020	5190	5462	5545	6217	8227
5022	5213	5472	5547	6229	9014
5037	5215	5473	5606	6233	9533
5040	5221	5474	5610	6251	9534
5057	5222	5478	5645	6252	
5059	5223	5479	5651	6306	
5069	5348	5480	5701	6319	
5102	5402	5506	5703	6325	
5146	5403	5507	5705	6400	

Carriers are required to provide notice, at policy inception or during the policy term, to any insured that has a policy with one or more of the eligible construction classifications by sending them a "Workers' Compensation Premium Credit Application" form. Refer to Exhibit 1 which illustrates a sample Application. Side One of the form on Page S-11 instructs the insured to complete and sign the application shown on the reverse side of the form, Side Two/Page S-12, and to submit it to the MA Bureau.

For all classifications listed on the policy, the application requests total Massachusetts payroll (excluding overtime premium pay) and hours worked by classification. In the absence of specific records for salaried employees, assume each such individual worked forty (40) hours per week.

Payroll and hours worked should be reported for the third calendar quarter (July, August, September) preceding the policy inception date. However, if the Insured did not engage in operations for the reported third quarter, then the last complete quarter prior to the year the policy takes effect shall be used. A credit will be determined for each construction classification by dividing the total payroll, excluding overtime premium pay, by the number of hours worked to arrive at the average hourly wage for the classification.

Upon receipt of an insured's properly completed application, the MA Bureau computes the premium credit factor, if applicable. The credit for average hourly wage is listed below:

Exhibit II

**PART ONE
SPECIAL PROGRAMS**

**MASSACHUSETTS WORKERS COMPENSATION
AND EMPLOYERS LIABILITY INSURANCE MANUAL**

Page S-10

Effective April 1, 2014

1st Reprint

Average Hourly Wage		Manual Premium Credit %	Average Hourly Wage		Manual Premium Credit %
\$29.99	or less	0%	\$35.00	- \$35.49	15%
\$30.00	- \$30.49	5%	\$35.50	- \$35.99	16%
\$30.50	- \$30.99	6%	\$36.00	- \$36.49	17%
\$31.00	- \$31.49	7%	\$36.50	- \$36.99	18%
\$31.50	- \$31.99	8%	\$37.00	- \$37.49	19%
\$32.00	- \$32.49	9%	\$37.50	- \$37.99	20%
\$32.50	- \$32.99	10%	\$38.00	- \$38.49	21%
\$33.00	- \$33.49	11%	\$38.50	- \$38.99	22%
\$33.50	- \$33.99	12%	\$39.00	- \$39.49	23%
\$34.00	- \$34.49	13%	\$39.50	- \$39.99	24%
\$34.50	- \$34.99	14%	\$40.00	and over	25%

The total construction classification credit amount in dollars must be calculated and then divided by the total policy manual premium for all (construction and non-construction) classifications. The MA Bureau will obtain additional inputs from the Experience Rating Plan Calculation Worksheet to administer offsets required to calculate the policy credit factor. The result would be the percentage credit, which is to be applied to the qualifying policy. When calculating the total policy credit, the percentage shall be rounded to two decimal places. (As an example, .1547 rounded to .15 and .1551 rounded to .16.)

The carrier shall, upon audit, verify the information that was submitted by the insured and used in the calculation of the credit. If the carrier discovers an error in the original request for policy credit, revised information must be submitted to the MA Bureau for recalculation. If the insured does not furnish records to verify the payrolls and hours worked originally submitted and used in the calculation of the credit, there shall be no credit applied to the policy.

If the insured has not submitted a completed application for credit prior to policy's premium audit, the auditor will request that the insured sign an "Acknowledgment of Receipt of Notice Form" with the understanding that a completed and signed original application must be submitted to the MA Bureau before the completion of the premium audit of the affected policy. *Refer to Exhibit 2 on Page S-13.* In any event, the completed and signed application must be received by the MA Bureau within six months of the expiration date of the affected policy, or within one month of the time the insured received notice of the Massachusetts Construction Classification Premium Adjustment Program, whichever is later.

The credit authorized by the MA Bureau shall appear on Item 4. of the Information Page of the policy. The policy credit factor is to be applied in the premium determination process directly after the application of an experience modification. The premium adjustment is included in Standard Premium. *Refer to Appendix E - Voluntary Market Premium Algorithm and Appendix F - Residual Market Premium Algorithm.* If the credit is not available at the time of policy issuance, the carrier shall endorse the policy by use of Massachusetts Construction Classification Premium Adjustment Endorsement (WC 20 04 03) to provide initial notification of the Massachusetts Construction Classification Premium Adjustment Program.

Exhibit III

MASSACHUSETTS WORKERS COMPENSATION
AND EMPLOYERS LIABILITY INSURANCE MANUAL

RATES

Original Printing

Effective April 1, 2014

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.

CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM
0005	2.60	270.	20.	1463	8.27	500.	--	2172	1.81	222.	--	2790	1.97	228.	--
0008	2.44	264.	20.	1624D	5.34	457.	20.	2174	3.97	298.	--	2802	3.93	297.	--
0016	3.85	314.	20.	1655	5.47	461.	20.	2211	5.53	353.	--	2835	1.95	227.	--
0034	3.83	313.	20.	1701	4.23	307.	--	2220	3.11	268.	--	2836	2.80	257.	--
0035	2.07	251.	20.	1710D	5.34	457.	20.	2260	5.88	456.	--	2841	3.44	279.	--
0036	3.83	313.	20.	1747	3.54	283.	--	2286	3.11	268.	--	2883	3.19	271.	--
0037	2.44	264.	20.	1748	2.88	260.	--	2288	2.34	241.	--	2923	1.73	220.	--
0042	4.11	323.	20.	1852	6.59	481.	--	2302	3.11	268.	--	2942	1.97	228.	--
0046	2.55	268.	20.	1853	1.55	213.	--	2305	2.18	235.	--	3018	3.03	265.	--
0050	5.97	500.	50.	1860	2.31	240.	--	2362	2.07	231.	--	3022	3.42	279.	--
0059D	0.28	.	.	1924	2.29	239.	--	2380	2.53	248.	--	3027	4.15	304.	--
0065D	0.12	.	.	1925	3.81	292.	--	2402	2.67	252.	--	3028	3.78	291.	--
0066D	0.10	.	.	2001	3.24	272.	--	2413	3.10	268.	--	3030	7.24	500.	--
0067D	0.10	.	.	2002	3.26	273.	--	2416	2.84	258.	--	3040	7.03	496.	--
0079	2.59	270.	20.	2003	3.24	272.	--	2417	3.16	270.	--	3041	4.25	308.	--
0083	5.07	355.	20.	2014	3.33	276.	--	2501	2.07	231.	--	3042	5.07	336.	--
0106	15.80	500.	20.	2021	2.90	261.	--	2503	0.97	193.	--	3064	2.61	250.	--
0113	3.83	313.	20.	2039	2.45	245.	--	2534	2.07	231.	--	3066	2.61	250.	--
0170	3.83	313.	20.	2041	2.24	237.	--	2570	4.29	309.	--	3076	2.32	240.	--
0251	3.46	300.	20.	2070	3.72	289.	--	2576	2.82	258.	--	3081D	7.18	500.	--
0770b	1.32	.	.	2081	3.42	279.	--	2578	2.82	258.	--	3082D	7.18	500.	--
0773c	3.48	.	.	2089	2.19	236.	--	2585	3.05	266.	--	3085D	4.29	309.	--
0774d	2.55	.	.	2095	3.71	289.	--	2586	1.49	211.	--	3110	7.31	500.	--
0775e	2.69	.	.	2101	2.19	236.	--	2587	2.72	274.	20.	3111	2.24	237.	--
0776f	2.36	.	.	2105	(a)	(a)	(a)	2623	3.79	292.	--	3113	1.91	226.	--
0779g	1.93	.	.	2111	2.31	240.	--	2640	2.14	234.	--	3114	3.16	270.	--
0799h	7.86	.	.	2114	2.19	236.	--	2651	2.14	234.	--	3118	1.91	226.	--
0908	85.00	149.	--	2115	3.34	276.	--	2660	1.81	222.	--	3119	0.90	191.	--
0909	148.00	212.	--	2121	1.88	225.	--	2683	1.87	224.	--	3120	1.70	219.	--
0912	296.00	360.	--	2130	2.35	241.	--	2688	2.43	244.	--	3122	2.28	239.	--
0913	169.00	233.	--	2131	2.06	231.	--	2702	15.92	500.	20.	3127	0.78	186.	--
0917	2.79	277.	20.	2143	2.69	253.	--	2710	6.46	476.	--	3131	1.86	224.	--
0918	0.65	202.	20.	2150	5.21	341.	--	2731	4.09	302.	--	3132	2.96	263.	--
1430	10.24	500.	--	2156	6.88	491.	--	2741	5.28	344.	--	3145	1.69	218.	--
1438	3.01	264.	--	2157	4.99	334.	--	2747	6.75	486.	--	3146	1.84	223.	--

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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CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM	CLASSIFICATION	RATE	MINIMUM	MAXIMUM
3169	3.78	291.	--	3648	1.54	213.	--	4350	0.56	179.	--	4829	1.13	199.	--
3179	1.48	211.	--	3681	0.71	184.	--	4351	0.97	193.	--	4902	1.97	228.	--
3180	2.52	247.	--	3685	0.71	184.	--	4352	0.99	194.	--	4923	1.16	200.	--
3188	2.99	264.	--	3724	5.09	478.	50.	4360	1.16	200.	--	5020	5.80	500.	50.
3200	2.78	256.	--	3726	14.32	500.	50.	4361	0.53	198.	20.	5022	9.80	500.	50.
3220	2.20	236.	--	3807	3.78	291.	--	4362	0.63	201.	20.	5037	21.83	500.	50.
3223	(a)	(a)	(a)	3808	3.37	277.	--	4410	4.04	300.	--	5040	55.49	500.	50.
3227	3.78	291.	--	3821	4.43	334.	20.	4417	4.69	323.	--	5057	30.63	500.	50.
3241	2.29	239.	--	3826	2.68	253.	--	4432	1.13	199.	--	5059	30.63	500.	50.
3255	3.03	265.	--	3830	1.70	219.	--	4439	2.71	254.	--	5069	30.63	500.	50.
3257	2.67	252.	--	3841	1.60	215.	--	4452	3.13	269.	--	5102	6.40	500.	50.
3270	2.20	236.	--	4000	4.41	333.	20.	4459	2.71	254.	--	5146	5.48	492.	50.
3300	6.21	467.	--	4021	3.82	293.	--	4470	2.55	248.	--	5160	3.91	346.	50.
3305	(a)	(a)	(a)	4024	2.77	256.	--	4484	2.18	235.	--	5183	3.25	323.	50.
3315	2.90	261.	--	4034	5.16	340.	--	4493	2.94	262.	--	5188	4.24	357.	50.
3336	3.15	269.	--	4036	2.52	247.	--	4511	0.32	190.	20.	5190	2.74	305.	50.
3365	8.98	500.	50.	4038	2.13	234.	--	4512	0.13	184.	20.	5191	1.04	215.	20.
3372	2.19	236.	--	4053	1.80	222.	--	4557	1.64	216.	--	5192	3.63	306.	20.
3373	3.87	294.	--	4061	2.65	252.	--	4558	1.57	214.	--	5213	17.50	500.	50.
3381	2.95	262.	--	4062	2.65	252.	--	4561	2.71	254.	--	5215	4.95	473.	50.
3383	1.22	202.	--	4112	0.61	180.	--	4583	2.92	261.	--	5221	6.40	500.	50.
3385	0.76	186.	--	4113	1.80	222.	--	4611	1.41	208.	--	5222	8.93	500.	50.
3400	3.78	291.	--	4114	2.35	241.	--	4635	3.34	276.	--	5223	4.95	473.	50.
3507	2.94	262.	--	4130	4.46	315.	--	4653	2.79	257.	--	5348	5.93	500.	50.
3515	2.54	248.	--	4133	1.76	221.	--	4665	7.59	500.	--	5402	10.67	500.	50.
3548	1.70	219.	--	4150	0.89	190.	--	4692	0.58	179.	--	5403	9.86	500.	50.
3558	0.68	183.	--	4239	3.01	264.	--	4693	0.88	190.	--	5437	4.86	470.	50.
3559	1.70	219.	--	4243	3.07	266.	--	4720	1.69	218.	--	5443	4.89	471.	50.
3571	1.09	197.	--	4244	3.39	278.	--	4740	1.11	198.	--	5445	7.43	500.	50.
3574	1.70	219.	--	4250	1.88	225.	--	4741	2.97	263.	--	5462	8.89	500.	50.
3612	1.72	219.	--	4251	1.73	220.	--	4770b	8.84	500.	--	5472	8.98	500.	50.
3620	5.58	354.	--	4273	2.74	255.	--	4773c	17.02	500.	--	5473	11.70	500.	50.
3629	1.70	219.	--	4279	3.23	272.	--	4774d	14.47	500.	--	5474	5.22	483.	50.
3632	1.70	219.	--	4282	0.79	187.	--	4775e	16.56	500.	--	5478	4.80	468.	50.
3634	1.67	217.	--	4283	2.62	251.	--	4776f	12.36	500.	--	5479	7.98	500.	50.
3635	3.41	278.	--	4299	1.91	226.	--	4777	2.92	261.	--	5480	4.80	468.	50.
3638	1.70	219.	--	4301	4.59	320.	--	4779g	10.93	500.	--	5506	7.09	500.	50.
3642	1.03	195.	--	4304	3.47	280.	--	4799h	29.55	500.	--	5507	7.24	500.	50.
3643	1.48	211.	--	4307	1.42	209.	--	4825	0.67	182.	--	5508D	6.16	500.	50.
3647	2.46	245.	--	4308	1.05	196.	--	4828	1.13	199.	--	5509	3.19	321.	50.

For Non-Ratable portion of Rate, refer to:

- b 0770 d 0774 f 0776 h 0799
- c 0773 e 0775 g 0779

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CLASSIFICATION	RATE	MIN.	MAX.	CLASSIFICATION	RATE	MIN.	MAX.	CLASSIFICATION	RATE	MIN.	MAX.	CLASSIFICATION	RATE	MIN.	MAX.
5538	5.31	486.	50.	7313F	14.17	500.	--	8032	1.52	232.	20.	8720	0.91	211.	20.
5545	31.79	500.	50.	7317F	13.54	500.	--	8033	1.93	247.	20.	8721	0.18	185.	20.
5547	15.85	500.	50.	7327F	31.00	500.	--	8034	3.74	310.	20.	8726F	6.37	473.	--
5606	1.66	267.	50.	7350F	16.03	500.	--	8039	1.45	230.	20.	8742	0.16	185.	20.
5610	5.57	495.	50.	7360	6.02	481.	20.	8044	3.52	302.	20.	8745	3.61	305.	20.
5645	8.06	500.	50.	7370	4.70	344.	20.	8046	2.37	262.	20.	8747	1.03	215.	20.
5651	8.06	500.	50.	7380	6.17	486.	20.	8048	2.94	282.	20.	8748	0.49	196.	20.
5701	22.11	500.	50.	7382	3.99	319.	20.	8050	1.57	234.	20.	8800	0.83	208.	20.
5703	24.80	500.	50.	7403	4.93	352.	20.	8058	2.58	269.	20.	8803	0.05	181.	20.
5705	10.35	500.	50.	7405i	1.02	227.	20.	8103	2.97	283.	20.	8810	0.08	182.	20.
6003	11.99	500.	50.	7420	6.44	495.	20.	8105	4.46	335.	20.	8820	0.09	182.	20.
6005	6.16	500.	50.	7421*	2.06	251.	20.	8106	6.96	500.	20.	8824	1.58	234.	20.
6204	9.01	500.	50.	7422	2.06	251.	20.	8107	3.57	304.	20.	8826	1.58	234.	20.
6217	4.46	456.	50.	7425	3.53	303.	20.	8111	3.00	284.	20.	8829	2.07	251.	20.
6229	4.46	456.	50.	7431j	1.55	251.	20.	8116	3.57	304.	20.	8831	1.10	218.	20.
6233	3.92	346.	50.	7445k	0.34	.	.	8203	5.62	467.	20.	8832	0.24	187.	20.
6251D	6.04	500.	50.	7453l	0.51	.	.	8204	4.89	350.	20.	8833	1.18	220.	20.
6252D	8.03	500.	50.	7502	3.44	299.	20.	8215	3.23	292.	20.	8835	1.95	248.	20.
6306	7.81	500.	50.	7515	2.33	261.	20.	8227	4.03	350.	50.	8837	(a)	(a)	(a)
6319	4.66	463.	50.	7520	3.46	300.	20.	8232	4.75	345.	20.	8868	0.67	202.	20.
6325	4.49	457.	50.	7538	5.53	494.	50.	8233	7.89	500.	20.	8901	0.08	182.	20.
6400	6.55	500.	50.	7539	1.30	225.	20.	8235	4.17	325.	20.	9014	2.66	272.	20.
6504	2.19	236.	--	7580	2.71	274.	20.	8263	6.26	489.	20.	9015	2.99	284.	20.
6801F	11.51	500.	--	7590	5.69	469.	20.	8264	5.13	359.	20.	9016	1.73	240.	20.
6811	9.18	500.	20.	7600	3.54	303.	20.	8265	7.89	500.	20.	9019	3.26	293.	20.
6824F	9.82	500.	--	7601	5.53	494.	50.	8279	4.79	347.	20.	9033	4.19	326.	20.
6826F	10.63	500.	--	7610	0.20	186.	20.	8291	4.43	334.	20.	9040	2.64	271.	20.
6834	2.73	273.	20.	7704	1.98	248.	20.	8292	3.46	300.	20.	9052	1.58	234.	20.
6836	2.67	272.	20.	7720	1.90	246.	20.	8293	9.10	500.	20.	9058	1.58	234.	20.
6843F	13.25	500.	--	7855	5.72	500.	50.	8350	5.85	475.	20.	9060	1.01	214.	20.
6854	10.57	500.	20.	8001	1.60	235.	20.	8380	2.69	273.	20.	9061	0.96	213.	20.
6872F	28.05	500.	--	8002	2.04	250.	20.	8381	1.85	244.	20.	9063	0.71	204.	20.
6874F	24.97	500.	--	8006	1.57	234.	20.	8385	2.98	283.	20.	9077F	4.42	314.	--
6882	22.37	500.	20.	8008	0.69	203.	20.	8392	1.36	227.	20.	9079	1.15	219.	20.
6884	19.91	500.	20.	8010	1.48	231.	20.	8393	1.90	246.	20.	9089	1.22	222.	20.
7133	(a)	(a)	(a)	8013	0.44	194.	20.	8500	7.89	500.	20.	9093	1.17	220.	20.
7219	9.10	500.	20.	8017	1.12	218.	20.	8601	0.29	189.	20.	9101	3.34	296.	20.
7230	6.86	500.	20.	8018	2.91	281.	20.	8709F	6.28	470.	--	9102	2.47	265.	20.
7231	6.96	500.	20.	8021	2.81	277.	20.	8710	2.39	263.	20.	9154	1.32	225.	20.
7309F	27.07	500.	--	8031	2.46	265.	20.	8719	2.39	263.	20.	9156	1.20	221.	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 to employees other than members of flying crew are to be reported under Code 0088.

For Non-Ratable portion of Rate, refer to:

I 7445 J 7453

Non-Ratable Code and Rate to be used with:

k 7405 l 7431

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CLASS	RATE	MIN	MAX	CLASS	RATE	MIN	MAX	CLASS	RATE	MIN	MAX	CLASS	RATE	MIN	MAX
9178	15.91	500.	20.												
9179	25.37	500.	20.												
9180	4.38	332.	20.												
9182	3.71	309.	20.												
9186	4.38	332.	20.												
9220	3.28	294.	20.												
9402	5.40	459.	20.												
9403	8.54	500.	20.												
9410	2.13	254.	20.												
9501	2.67	252.	-												
9505	2.67	252.	--												
9519	2.77	276.	20.												
9521	3.85	294.	--												
9522	1.67	217.	--												
9533	19.42	500.	50.												
9534	5.75	500.	50.												
9545	4.07	351.	50.												
9549	4.60	461.	50.												
9552	7.92	500.	50.												
9553	7.92	500.	50.												
9586	0.43	194.	20.												
9620	0.71	204.	20.												

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MISCELLANEOUS VALUES

Basis of Premium applicable in accordance with the footnote instructions for Code 7370 - "Taxicab Co.":

Employee operated vehicles	\$92,100.00‡
Leased or rented vehicles.....	\$61,400.00‡

Basis of Premium for Sole Proprietors and Partners of Legal Partnerships, Members of Limited Liability Companies or Partners of Limited Liability Partnerships in accordance with Rule IX-B-3-a

	\$43,000.00‡
--	--------------

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

<u>Medical and Indemnity Deductible Amount</u>	<u>Premium Reduction Percentage</u>
\$ 500	2.2%
\$1,000	3.5%
\$2,000	5.3%
\$2,500	6.0%
\$5,000	8.9%

BENEFITS CLAIM AND AGGREGATE DEDUCTIBLE PROGRAM

<u>Basis for the Aggregate Limit</u>	<u>Claim Deductible Amount</u>	<u>Aggregate Deductible Amount</u>	<u>Premium Reduction Percentage</u>
0 to \$75,000	\$2,500	\$10,000	5.9%
\$75,001 to \$100,000	\$2,500	\$10,000	5.8%
\$100,001 to \$125,000	\$2,500	\$10,000	5.7%
\$125,001 to \$150,000	\$2,500	\$10,000	5.6%
\$150,001 to \$200,000	\$2,500	\$10,000	5.4%
over \$200,000	\$2,500	5% of Basis for the Aggregate Limit	5.0%

Expense Constant applicable in accordance with MA Manual Rule VI-E-2:

Policies which develop earned Standard Premium of less than \$200	\$159.00
Policies which develop earned Standard Premium of at least \$200 and less than \$1,000.....	\$250.00
Policies which develop earned Standard Premium of \$1,000 or more	\$338.00

The expense constant for private residence per capita classifications is \$64, up to a maximum of 4.

Premium Discount Percentages—(See MA Manual Rule VII). The following premium discounts are applicable to Standard Premiums. Note: Premium Discount is not applicable to Assigned Risk policies.

		<u>Type A Discount</u>	<u>Type B Discount</u>
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 MA Manual 25.4% (Multiply a Non-F classification rate by a factor of 1.254)

EXPERIENCE RATING ELIGIBILITY

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed 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. The Experience Rating Plan Manual should be referenced for the latest eligibility amounts by state.

‡ Effective October 1, 2013

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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	1.19	.20	2014	1.39	.19	2702	5.65	.18	3257	1.22	.18	4112	0.28	.19	4770	3.73	.14
0008	1.15	.20	2021	1.36	.19	2710	2.61	.20	3270	1.01	.19	4113	0.82	.19	4773	7.53	.14
0016	1.61	.20	2039	1.18	.19	2731	1.70	.19	3300	2.84	.19	4114	1.07	.18	4774	6.25	.14
0034	1.75	.21	2041	1.08	.19	2741	2.72	.18	3305	(a)	(a)	4130	2.04	.19	4775	7.07	.19
0035	1.00	.20	2070	1.70	.19	2747	3.48	.19	3315	1.40	.19	4133	0.85	.19	4776	5.41	.13
0036	1.75	.21	2081	1.56	.21	2790	0.95	.20	3336	1.31	.18	4150	0.46	.18	4777	1.07	.18
0037	1.15	.20	2089	1.00	.19	2802	1.85	.19	3365	3.62	.18	4239	1.26	.19	4779	4.72	.16
0042	1.93	.20	2095	1.70	.19	2835	1.00	.19	3372	1.03	.20	4243	1.40	.19	4799	13.74	.14
0046	1.17	.20	2101	1.06	.19	2836	1.44	.18	3373	1.77	.19	4244	1.55	.20	4825	0.28	.20
0050	2.73	.17	2105	(a)	(a)	2841	1.66	.18	3381	1.35	.19	4250	0.86	.19	4828	0.53	.18
0059D	.	.	2111	1.11	.19	2883	1.46	.19	3383	0.59	.19	4251	0.79	.19	4829	0.46	.18
0065D	.	.	2114	1.06	.19	2923	0.84	.19	3385	0.37	.19	4273	1.25	.19	4902	0.95	.20
0066D	.	.	2115	1.39	.20	2942	1.01	.20	3400	1.78	.19	4279	1.48	.19	4923	0.53	.19
0067D	.	.	2121	0.85	.19	3018	1.26	.18	3507	1.35	.20	4282	0.38	.19	5020	2.34	.17
0079	1.08	.20	2130	1.07	.19	3022	1.65	.20	3515	1.16	.19	4283	1.20	.19	5022	3.83	.18
0083	2.32	.22	2131	0.94	.19	3027	1.73	.19	3548	0.78	.19	4299	0.92	.18	5037	7.76	.17
0106	6.38	.21	2143	1.30	.20	3028	1.73	.19	3558	0.31	.21	4301	2.21	.19	5040	19.74	.17
0113	1.75	.21	2150	2.38	.19	3030	3.02	.20	3559	0.78	.19	4304	1.63	.19	5057	10.90	.19
0170	1.75	.21	2156	3.15	.18	3040	2.93	.19	3571	0.52	.19	4307	0.73	.19	5059	10.90	.19
0251	1.58	.19	2157	2.28	.19	3041	1.94	.19	3574	0.82	.19	4308	0.51	.14	5069	10.90	.19
0770	.	.	2172	0.85	.17	3042	2.38	.17	3612	0.81	.19	4350	0.26	.18	5102	2.50	.17
0773	.	.	2174	1.91	.18	3064	1.20	.19	3620	2.33	.21	4351	0.44	.17	5146	2.21	.19
0774	.	.	2211	2.30	.20	3066	1.20	.19	3629	0.82	.19	4352	0.48	.20	5160	1.53	.18
0775	.	.	2220	1.42	.20	3076	1.12	.20	3632	0.80	.19	4360	0.56	.19	5183	1.31	.18
0776	.	.	2260	2.45	.18	3081D	2.99	.19	3634	0.80	.19	4361	0.25	.20	5188	1.71	.18
0779	.	.	2286	1.50	.20	3082D	2.99	.19	3635	1.56	.21	4362	0.29	.19	5190	1.11	.18
0799	.	.	2288	1.13	.19	3085D	1.79	.19	3638	0.82	.19	4410	1.85	.19	5191	0.47	.19
0908	38.75	.19	2302	1.42	.20	3110	3.35	.19	3642	0.47	.18	4417	2.26	.19	5192	1.66	.19
0909	71.42	.23	2305	1.02	.18	3111	1.03	.20	3643	0.68	.18	4432	0.58	.19	5213	6.85	.18
0912	142.84	.23	2362	0.95	.20	3113	0.88	.18	3647	1.16	.19	4439	1.13	.20	5215	2.25	.18
0913	77.51	.19	2380	1.16	.19	3114	1.44	.19	3648	0.74	.20	4452	1.43	.19	5221	2.58	.18
0917	1.35	.20	2402	1.11	.19	3118	0.92	.18	3681	0.34	.19	4459	1.24	.20	5222	3.49	.18
0918	0.30	.16	2413	1.42	.19	3119	0.46	.20	3685	0.34	.19	4470	1.17	.18	5223	2.00	.18
1430	4.27	.17	2416	1.30	.19	3120	0.67	.17	3724	1.99	.18	4484	1.00	.19	5348	2.39	.17
1438	1.21	.19	2417	1.44	.18	3122	1.10	.19	3726	5.09	.17	4493	1.35	.20	5402	4.98	.19
1463	3.34	.18	2501	0.95	.19	3127	0.36	.20	3807	1.82	.19	4511	0.15	.19	5403	3.86	.18
1624D	2.16	.18	2503	0.47	.20	3131	0.85	.19	3808	1.59	.18	4512	0.06	.20	5437	1.96	.18
1655	2.28	.19	2534	1.00	.19	3132	1.35	.20	3821	2.08	.20	4557	0.79	.19	5443	2.17	.18
1701	1.76	.18	2570	2.07	.19	3145	0.78	.19	3826	1.23	.19	4558	0.72	.19	5445	2.91	.17
1710D	2.23	.18	2578	1.36	.18	3146	0.84	.19	3830	0.80	.19	4561	1.24	.20	5462	3.59	.17
1747	1.48	.19	2578	1.29	.18	3169	1.73	.19	3841	0.73	.20	4583	1.18	.18	5472	3.19	.17
1748	1.20	.19	2585	1.47	.20	3179	0.71	.18	4000	1.78	.18	4611	0.68	.19	5473	4.16	.19
1852	2.42	.16	2586	0.68	.18	3180	1.22	.19	4021	1.59	.19	4635	1.23	.20	5474	2.04	.18
1853	0.73	.17	2587	1.31	.20	3188	1.44	.19	4024	1.16	.19	4653	1.34	.19	5478	1.94	.17
1860	1.11	.19	2623	1.78	.18	3200	1.27	.20	4034	2.15	.20	4665	3.16	.19	5479	3.63	.20
1924	1.11	.19	2640	1.01	.19	3220	1.01	.19	4036	1.05	.17	4692	0.28	.17	5480	1.88	.17
1925	1.79	.19	2651	1.03	.19	3223	(a)	(a)	4038	1.10	.19	4693	0.40	.19	5506	2.52	.18
2001	1.56	.20	2660	0.87	.20	3227	1.82	.19	4053	0.82	.19	4720	0.77	.19	5507	2.83	.18
2002	1.57	.20	2683	0.90	.19	3241	1.05	.19	4081	1.28	.20	4740	0.46	.18	5508D	2.49	.17
2003	1.48	.20	2688	1.17	.19	3255	1.56	.19	4062	1.21	.20	4741	1.36	.18	5509	1.25	.18

(a) Expected Loss Rates and Discount Ratios for each individual risk must be obtained by Home Office from the MA Bureau.
 D Supplement Disease Loading.

Exhibit III

MASSACHUSETTS
Page 2
Original Printing

EXPERIENCE RATING PLAN MANUAL

Effective April 1, 2014

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
5538	2.14	.18	7420	2.37	.15	8233	3.29	.19	9081	0.50	.20						
5545	11.31	.19	7421	0.83	.17	8235	1.91	.19	9083	0.34	.21						
5547	5.64	.19	7422	0.76	.17	8263	2.94	.19	9077F	1.80	.22						
5606	0.65	.18	7425	1.30	.16	8264	2.14	.18	9079	0.59	.20						
5610	2.47	.17	7431	0.76	.17	8265	3.19	.19	9089	0.59	.20						
5645	3.15	.19	7445			8279	1.94	.21	9093	0.57	.21						
5651	3.15	.19	7453			8291	2.08	.19	9101	1.61	.20						
5701	7.87	.20	7502	1.43	.19	8292	1.58	.19	9102	1.13	.20						
5703	10.00	.17	7515	0.85	.21	8293	3.79	.20	9154	0.60	.19						
5705	4.18	.19	7520	1.58	.19	8350	2.36	.18	9156	0.56	.20						
6003	4.84	.17	7538	1.97	.18	8380	1.26	.19	9178	8.20	.24						
6005	2.49	.17	7539	0.52	.18	8381	0.87	.21	9179	12.24	.18						
6204	3.53	.17	7580	1.13	.19	8385	1.24	.18	9180	1.82	.21						
6217	1.74	.18	7590	2.67	.18	8392	0.62	.19	9182	1.70	.23						
6229	1.74	.18	7600	1.48	.18	8393	0.87	.18	9186	1.77	.21						
6233	1.53	.17	7601	2.16	.18	8600	3.29	.19	9220	1.54	.19						
6251D	2.36	.16	7610	0.09	.18	8601	0.13	.19	9402	2.25	.18						
6252D	2.86	.18	7704	0.80	.20	8709F	2.11	.21	9403	3.45	.18						
6306	3.05	.18	7720	0.79	.19	8710	1.00	.19	9410	0.98	.21						
6319	1.82	.19	7855	2.31	.17	8719	0.88	.19	9501	1.25	.21						
6325	1.76	.19	8001	0.77	.20	8720	0.38	.19	9505	1.25	.21						
6400	2.98	.18	8002	0.93	.20	8721	0.08	.23	9519	1.16	.19						
6504	1.06	.19	8006	0.72	.20	8726F	2.39	.22	9521	1.60	.18						
6801F	4.33	.21	8008	0.34	.19	8742	0.07	.19	9522	0.76	.18						
6811	3.66	.21	8010	0.72	.20	8745	1.69	.19	9533	7.60	.16						
6824F	3.57	.21	8013	0.20	.20	8747	0.50	.20	9534	2.25	.18						
6826F	3.99	.21	8017	0.54	.20	8748	0.23	.19	9545	1.70	.18						
6834	1.28	.18	8018	1.40	.19	8800	0.43	.20	9549	1.92	.19						
6836	1.11	.19	8021	1.28	.19	8803	0.02	.19	9552	3.30	.17						
6843F	4.45	.18	8031	1.12	.19	8810	0.04	.20	9553	3.20	.17						
6854	3.76	.18	8032	0.73	.19	8820	0.04	.19	9586	0.22	.19						
6872F	9.43	.20	8033	0.88	.19	8824	0.76	.19	9620	0.33	.19						
6874F	8.39	.19	8034	1.71	.19	8826	0.76	.19									
6882	7.97	.20	8039	0.70	.20	8829	0.95	.19									
6884	7.09	.19	8044	1.65	.21	8831	0.50	.22									
7133	(a)	(a)	8046	1.08	.20	8832	0.11	.19									
7219	3.68	.18	8048	1.42	.19	8833	0.54	.19									
7230	3.22	.18	8050	0.76	.20	8835	0.90	.18									
7231	3.27	.18	8058	1.18	.20	8837	(a)	(a)									
7309F	9.10	.20	8103	1.39	.19	8868	0.32	.20									
7313F	4.78	.15	8105	2.15	.19	8901	0.04	.20									
7317F	4.55	.17	8106	2.90	.20	9014	1.18	.19									
7327F	10.42	.20	8107	1.49	.19	9015	1.37	.19									
7350F	5.82	.20	8111	1.37	.20	9016	0.79	.21									
7360	2.51	.18	8116	1.63	.19	9019	1.36	.17									
7370	2.15	.19	8203	2.57	.20	9033	1.92	.18									
7380	2.90	.19	8204	2.04	.18	9040	1.28	.19									
7382	1.82	.19	8215	1.34	.19	9052	0.76	.19									
7403	2.05	.20	8227	1.43	.19	9058	0.81	.19									
7405	0.57	.19	8232	1.98	.19	9050	0.49	.20									

(a) Expected Loss Rates and Discount Ratios for each individual risk 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.

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Exhibit III

EXPERIENCE RATING PLAN MANUAL
PART FIVE

MASSACHUSETTS
Page 3
3rd Reprint

Effective September 1, 2003

TABLE OF WEIGHTING VALUES

Expected Losses	Weighting Values	Expected Losses	Weighting Values	Expected Losses	Weighting Values
0 - 1,465	.04	414,704 - 447,441	.24	1,709,498 - 1,848,219	.44
1,466 - 5,925	.05	447,442 - 481,918	.25	1,848,220 - 2,002,922	.45
5,926 - 10,481	.06	481,919 - 518,279	.26	2,002,923 - 2,176,537	.46
10,482 - 43,009	.07	518,280 - 556,688	.27	2,176,538 - 2,372,758	.47
43,010 - 62,608	.08	556,689 - 597,322	.28	2,372,759 - 2,596,311	.48
62,609 - 81,298	.09	597,323 - 640,385	.29	2,596,312 - 2,853,332	.49
81,299 - 100,030	.10	640,386 - 686,101	.30	2,853,333 - 3,151,949	.50
100,031 - 119,130	.11	686,102 - 734,725	.31	3,151,950 - 3,503,149	.51
119,131 - 138,766	.12	734,726 - 786,547	.32	3,503,150 - 3,922,163	.52
138,767 - 159,046	.13	786,548 - 841,893	.33	3,922,164 - 4,430,733	.53
159,047 - 180,058	.14	841,894 - 901,136	.34	4,430,734 - 5,061,008	.54
180,059 - 201,878	.15	901,137 - 964,705	.35	5,061,009 - 5,862,615	.55
201,879 - 224,578	.16	964,706 - 1,033,092	.36	5,862,616 - 6,916,408	.56
224,579 - 248,231	.17	1,033,093 - 1,106,869	.37	6,916,409 - 8,363,612	.57
248,232 - 272,911	.18	1,106,870 - 1,186,699	.38	8,363,613 - 10,475,100	.58
272,912 - 298,698	.19	1,186,700 - 1,273,360	.39	10,475,101 - 13,844,488	.59
298,699 - 325,675	.20	1,273,361 - 1,367,769	.40	13,844,489 - 20,072,740	.60
325,676 - 353,934	.21	1,367,770 - 1,471,015	.41	20,072,741 - 35,479,449	.61
353,935 - 383,574	.22	1,471,016 - 1,584,400	.42	35,479,450 - 137,163,671	.62
383,575 - 414,703	.23	1,584,401 - 1,709,497	.43	137,163,672 - 999,999,999	.63

- (a) State Per Claim Accident Limitation \$175,000
- (b) State Multiple Claim Accident Limitation \$350,000
- (c) U.S. Longshore and Harbor Workers' Act Per Claim Accident Limitation \$130,000
- (d) U.S. Longshore and Harbor Workers' Act Multiple Claim Accident Limitation \$260,000
- (e) Employers Liability Accident Limitation \$55,000
- (f) USL&HW Act—Expected Loss Factor—Non-F Classes 183%
- (g) Cap on Modifications = 1 + (0.00005) [(Expected Losses) + (2) (Expected Losses) / (7.00)]

~~The USL&HW Act—Expected Loss Factor—Non-F Classes updated to reflect April 1, 2014 rate revision.~~

Exhibit III

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

MASSACHUSETTS
RR1

Effective April 1, 2014

1. Hazard Group Differentials

A	B	C	D	E	F	G
2.03	1.60	1.37	1.22	1.02	0.82	0.63

2. Tax Multipliers

a. State (non-F Classes)	1.029*
b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage	1.079*

* Includes -0.15% residual market subsidy provision and 0.19% insolvency fund assessment provision

3. Expected Loss Ratio
0.635

Expected Loss and Allocated Expense Ratio
0.698

4. Loss Conversion Factor
1.192

Allocated Loss Adjustment Expense Option (ALAE Option) Loss Conversion Factor
1.083

5. Table of Expense Ratios Excluding Taxes and Including Profit and Contingencies

<u>Type A Company</u>	<u>Type B Company</u>
Massachusetts	Massachusetts
Effective April 1, 2014	Effective April 1, 2014

6. 2013—Table of Expected Loss Ranges
April 1, 2014

Table of Expense Ratios Excluding Allocated Loss Adjustment Expense and Taxes and Including Profit and Contingencies

<u>Type A Company</u>	<u>Type B Company</u>
Massachusetts	Massachusetts
Effective April 1, 2014	Effective April 1, 2014

7a.

Excess Loss Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$25,000	0.384	0.410	0.435	0.458	0.479	0.509	0.545
30,000	0.365	0.392	0.418	0.442	0.464	0.495	0.534
35,000	0.348	0.375	0.402	0.429	0.450	0.483	0.525
40,000	0.332	0.360	0.388	0.416	0.438	0.471	0.516
50,000	0.305	0.334	0.363	0.393	0.415	0.449	0.500
75,000	0.254	0.282	0.312	0.347	0.370	0.404	0.463
100,000	0.216	0.243	0.273	0.310	0.333	0.366	0.432
125,000	0.188	0.211	0.241	0.279	0.301	0.333	0.405
150,000	0.165	0.186	0.215	0.253	0.273	0.304	0.380
175,000	0.146	0.165	0.193	0.231	0.249	0.278	0.358
200,000	0.130	0.147	0.174	0.211	0.228	0.256	0.337
250,000	0.106	0.120	0.145	0.179	0.194	0.218	0.302
300,000	0.089	0.100	0.122	0.154	0.167	0.189	0.272
500,000	0.051	0.058	0.073	0.096	0.104	0.119	0.190
1,000,000	0.023	0.026	0.034	0.046	0.050	0.058	0.102
2,000,000	0.010	0.011	0.015	0.021	0.023	0.028	0.050
3,000,000	0.006	0.007	0.009	0.013	0.014	0.016	0.032
4,000,000	0.004	0.005	0.006	0.009	0.010	0.011	0.023
5,000,000	0.003	0.004	0.005	0.007	0.007	0.009	0.017

Exhibit III

MASSACHUSETTS
RR2

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

Effective April 1, 2014

7b. ALAE Option Excess-Loss and Allocated Loss Adjustment Expense Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$25,000	0.445	0.474	0.502	0.527	0.550	0.584	0.622
30,000	0.424	0.454	0.483	0.510	0.533	0.569	0.610
35,000	0.405	0.436	0.466	0.495	0.519	0.555	0.600
40,000	0.388	0.420	0.450	0.481	0.505	0.542	0.591
50,000	0.358	0.391	0.423	0.456	0.481	0.519	0.573
75,000	0.301	0.333	0.367	0.405	0.431	0.470	0.535
100,000	0.259	0.289	0.324	0.365	0.391	0.429	0.501
125,000	0.226	0.254	0.289	0.331	0.356	0.393	0.471
150,000	0.200	0.225	0.259	0.302	0.326	0.361	0.445
175,000	0.178	0.201	0.234	0.277	0.299	0.333	0.421
200,000	0.160	0.181	0.212	0.255	0.275	0.307	0.398
250,000	0.132	0.149	0.178	0.218	0.236	0.265	0.359
300,000	0.110	0.125	0.151	0.189	0.205	0.231	0.325
500,000	0.064	0.073	0.091	0.119	0.129	0.147	0.231
1,000,000	0.029	0.033	0.043	0.058	0.063	0.072	0.126
2,000,000	0.013	0.015	0.019	0.026	0.029	0.033	0.062
3,000,000	0.008	0.009	0.012	0.016	0.018	0.021	0.040
4,000,000	0.005	0.006	0.008	0.011	0.012	0.015	0.029
5,000,000	0.004	0.005	0.006	0.009	0.009	0.011	0.022

8. Retrospective Development Factors

With Loss Limit			Without Loss Limit			4th & Subsequent Adj.
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 Hazard Group assignments can be found in Appendix G of the 2008 Edition of the Massachusetts Workers' Compensation & Employers Liability Insurance Manual.

TABLE OF EXPENSE RATIOS—EXCLUDING TAXES AND INCLUDING PROFIT AND CONTINGENCIES - TYPE A COMPANY - MASSACHUSETTS *Effective 01 Apr 2014*

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,057	0.337	18,073 - 18,449	0.297	98,973 - 111,444	0.257
10,058 - 10,173	0.336	18,450 - 18,842	0.296	111,445 - 127,513	0.256
10,174 - 10,291	0.335	18,843 - 19,252	0.295	127,514 - 148,997	0.255
10,292 - 10,412	0.334	19,253 - 19,681	0.294	148,998 - 179,187	0.254
10,413 - 10,536	0.333	19,682 - 20,129	0.293	179,188 - 203,843	0.253
10,537 - 10,663	0.332	20,130 - 20,597	0.292	203,844 - 212,226	0.252
10,664 - 10,793	0.331	20,598 - 21,088	0.291	212,227 - 221,328	0.251
10,794 - 10,927	0.330	21,089 - 21,604	0.290	221,329 - 231,247	0.250
10,928 - 11,063	0.329	21,605 - 22,145	0.289	231,248 - 242,095	0.249
11,064 - 11,204	0.328	22,146 - 22,713	0.288	242,096 - 254,012	0.248
11,205 - 11,347	0.327	22,714 - 23,312	0.287	254,013 - 267,163	0.247
11,348 - 11,495	0.326	23,313 - 23,943	0.286	267,164 - 281,750	0.246
11,496 - 11,646	0.325	23,944 - 24,610	0.285	281,751 - 298,022	0.245
11,647 - 11,802	0.324	24,611 - 25,314	0.284	298,023 - 316,288	0.244
11,803 - 11,961	0.323	25,315 - 26,060	0.283	316,289 - 336,940	0.243
11,962 - 12,125	0.322	26,061 - 26,851	0.282	336,941 - 360,477	0.242
12,126 - 12,294	0.321	26,852 - 27,692	0.281	360,478 - 387,549	0.241
12,295 - 12,467	0.320	27,693 - 28,587	0.280	387,550 - 419,018	0.240
12,468 - 12,645	0.319	28,588 - 29,542	0.279	419,019 - 456,048	0.239
12,646 - 12,829	0.318	29,543 - 30,563	0.278	456,049 - 500,259	0.238
12,830 - 13,018	0.317	30,564 - 31,657	0.277	500,260 - 553,962	0.237
13,019 - 13,212	0.316	31,658 - 32,832	0.276	553,963 - 620,581	0.236
13,213 - 13,412	0.315	32,833 - 34,098	0.275	620,582 - 705,413	0.235
13,413 - 13,619	0.314	34,099 - 35,466	0.274	705,414 - 817,112	0.234
13,620 - 13,832	0.313	35,467 - 36,948	0.273	817,113 - 970,838	0.233
13,833 - 14,052	0.312	36,949 - 38,559	0.272	970,839 - 1,195,811	0.232
14,053 - 14,279	0.311	38,560 - 40,316	0.271	1,195,812 - 1,556,500	0.231
14,280 - 14,513	0.310	40,317 - 42,242	0.270	1,556,501 - 1,842,116	0.230
14,514 - 14,755	0.309	42,243 - 44,361	0.269	1,842,117 - 2,009,072	0.229
14,756 - 15,005	0.308	44,362 - 46,704	0.268	2,009,073 - 2,209,308	0.228
15,006 - 15,264	0.307	46,705 - 49,308	0.267	2,209,309 - 2,453,876	0.227
15,265 - 15,533	0.306	49,309 - 52,219	0.266	2,453,877 - 2,759,330	0.226
15,534 - 15,810	0.305	52,220 - 55,496	0.265	2,759,331 - 3,151,641	0.225
15,811 - 16,098	0.304	55,497 - 59,212	0.264	3,151,642 - 3,673,995	0.224
16,099 - 16,397	0.303	59,213 - 63,461	0.263	3,673,996 - 4,403,900	0.223
16,398 - 16,706	0.302	63,462 - 68,367	0.262	4,403,901 - 5,495,723	0.222
16,707 - 17,028	0.301	68,368 - 74,095	0.261	5,495,724 - 7,307,384	0.221
17,029 - 17,362	0.300	74,096 - 80,871	0.260	7,307,385 - 10,900,836	0.220
17,363 - 17,710	0.299	80,872 - 89,011	0.259	10,900,837 - 21,448,049	0.219
17,711 - 18,072	0.298	89,012 - 98,972	0.258	21,448,050 - OVER	0.218

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%

TABLE OF EXPENSE RATIOS—EXCLUDING TAXES AND INCLUDING PROFIT AND CONTINGENCIES - TYPE B COMPANY - MASSACHUSETTS *Effective 01 Apr 2014*

Standard Premium			Expense Ratio	Standard Premium			Expense Ratio	Standard Premium			Expense Ratio
0	-	10,102	0.337	19,776	-	20,597	0.312	235,345	-	253,922	0.287
10,103	-	10,312	0.336	20,598	-	21,490	0.311	253,923	-	275,684	0.286
10,313	-	10,531	0.335	21,491	-	22,464	0.310	275,685	-	301,526	0.285
10,532	-	10,760	0.334	22,465	-	23,531	0.309	301,527	-	332,713	0.284
10,761	-	10,999	0.333	23,532	-	24,704	0.308	332,714	-	371,097	0.283
11,000	-	11,248	0.332	24,705	-	26,000	0.307	371,098	-	419,492	0.282
11,249	-	11,509	0.331	26,001	-	27,439	0.306	419,493	-	482,402	0.281
11,510	-	11,783	0.330	27,440	-	29,047	0.305	482,403	-	567,510	0.280
11,784	-	12,070	0.329	29,048	-	30,856	0.304	567,511	-	689,081	0.279
12,071	-	12,371	0.328	30,857	-	32,904	0.303	689,082	-	876,937	0.278
12,372	-	12,688	0.327	32,905	-	35,244	0.302	876,938	-	1,205,609	0.277
12,689	-	13,021	0.326	35,245	-	37,942	0.301	1,205,610	-	1,776,128	0.276
13,022	-	13,373	0.325	37,943	-	41,088	0.300	1,776,129	-	1,947,135	0.275
13,374	-	13,743	0.324	41,089	-	44,802	0.299	1,947,136	-	2,154,579	0.274
13,744	-	14,135	0.323	44,803	-	49,254	0.298	2,154,580	-	2,411,495	0.273
14,136	-	14,550	0.322	49,255	-	54,689	0.297	2,411,496	-	2,737,978	0.272
14,551	-	14,991	0.321	54,690	-	61,472	0.296	2,737,979	-	3,166,705	0.271
14,992	-	15,458	0.320	61,473	-	70,175	0.295	3,166,706	-	3,754,623	0.270
15,459	-	15,956	0.319	70,176	-	81,750	0.294	3,754,624	-	4,610,613	0.269
15,957	-	16,486	0.318	81,751	-	97,898	0.293	4,610,614	-	5,972,162	0.268
16,487	-	17,054	0.317	97,899	-	121,995	0.292	5,972,163	-	8,474,852	0.267
17,055	-	17,661	0.316	121,996	-	161,828	0.291	8,474,853	-	14,588,153	0.266
17,662	-	18,314	0.315	161,829	-	205,303	0.290	14,588,154	-	OVER	0.265
18,315	-	19,017	0.314	205,304	-	219,300	0.289				
19,018	-	19,775	0.313	219,301	-	235,344	0.288				

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%

TABLE OF EXPENSE RATIOS—EXCLUDING ALLOCATED LOSS ADJUSTMENT EXPENSE AND TAXES AND INCLUDING PROFIT AND CONTINGENCIES - TYPE A COMPANY - MASSACHUSETTS
Effective 01 Apr 2014

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,057	0.274	18073 - 18,449	0.234	98973 - 111,444	0.194
10,058 - 10,173	0.273	18,450 - 18,842	0.233	111,445 - 127,513	0.193
10,174 - 10,291	0.272	18,843 - 19,252	0.232	127,514 - 148,997	0.192
10,292 - 10,412	0.271	19,253 - 19,681	0.231	148,998 - 179,187	0.191
10,413 - 10,536	0.270	19,682 - 20,129	0.230	179,188 - 203,843	0.190
10,537 - 10,663	0.269	20,130 - 20,597	0.229	203,844 - 212,226	0.189
10,664 - 10,793	0.268	20,598 - 21,088	0.228	212,227 - 221,328	0.188
10,794 - 10,927	0.267	21,089 - 21,604	0.227	221,329 - 231,247	0.187
10,928 - 11,063	0.266	21,605 - 22,145	0.226	231,248 - 242,095	0.186
11,064 - 11,204	0.265	22,146 - 22,713	0.225	242,096 - 254,012	0.185
11,205 - 11,347	0.264	22,714 - 23,312	0.224	254,013 - 267,163	0.184
11,348 - 11,495	0.263	23,313 - 23,943	0.223	267,164 - 281,750	0.183
11,496 - 11,646	0.262	23,944 - 24,610	0.222	281,751 - 298,022	0.182
11,647 - 11,802	0.261	24,611 - 25,314	0.221	298,023 - 316,288	0.181
11,803 - 11,961	0.260	25,315 - 26,060	0.220	316,289 - 336,940	0.180
11,962 - 12,125	0.259	26,061 - 26,851	0.219	336,941 - 360,477	0.179
12,126 - 12,294	0.258	26,852 - 27,692	0.218	360,478 - 387,549	0.178
12,295 - 12,467	0.257	27,693 - 28,587	0.217	387,550 - 419,018	0.177
12,468 - 12,645	0.256	28,588 - 29,542	0.216	419,019 - 456,048	0.176
12,646 - 12,829	0.255	29,543 - 30,563	0.215	456,049 - 500,259	0.175
12,830 - 13,018	0.254	30,564 - 31,657	0.214	500,260 - 553,962	0.174
13,019 - 13,212	0.253	31,658 - 32,832	0.213	553,963 - 620,581	0.173
13,213 - 13,412	0.252	32,833 - 34,098	0.212	620,582 - 705,413	0.172
13,413 - 13,619	0.251	34,099 - 35,466	0.211	705,414 - 817,112	0.171
13,620 - 13,832	0.250	35,467 - 36,948	0.210	817,113 - 970,838	0.170
13,833 - 14,052	0.249	36,949 - 38,559	0.209	970,839 - 1,195,811	0.169
14,053 - 14,279	0.248	38,560 - 40,316	0.208	1,195,812 - 1,556,500	0.168
14,280 - 14,513	0.247	40,317 - 42,242	0.207	1,556,501 - 1,842,116	0.167
14,514 - 14,755	0.246	42,243 - 44,361	0.206	1,842,117 - 2,009,072	0.166
14,756 - 15,005	0.245	44,362 - 46,704	0.205	2,009,073 - 2,209,308	0.165
15,006 - 15,264	0.244	46,705 - 49,308	0.204	2,209,309 - 2,453,876	0.164
15,265 - 15,533	0.243	49,309 - 52,219	0.203	2,453,877 - 2,759,330	0.163
15,534 - 15,810	0.242	52,220 - 55,496	0.202	2,759,331 - 3,151,641	0.162
15,811 - 16,098	0.241	55,497 - 59,212	0.201	3,151,642 - 3,673,995	0.161
16,099 - 16,397	0.240	59,213 - 63,461	0.200	3,673,996 - 4,403,900	0.160
16,398 - 16,708	0.239	63,462 - 68,367	0.199	4,403,901 - 5,495,723	0.159
16,709 - 17,028	0.238	68,368 - 74,095	0.198	5,495,724 - 7,307,384	0.158
17,029 - 17,362	0.237	74,096 - 80,871	0.197	7,307,385 - 10,900,836	0.157
17,363 - 17,710	0.236	80,872 - 89,011	0.196	10,900,837 - 21,448,049	0.156
17,711 - 18,072	0.235	89,012 - 98,972	0.195	21,448,050 - OVER	0.155

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%

Exhibit III

MASSACHUSETTS

Page 8

Retrospective Rating Plan Manual - 2009 Edition

TABLE OF EXPENSE RATIOS—EXCLUDING ALLOCATED LOSS ADJUSTMENT EXPENSE AND TAXES AND INCLUDING PROFIT AND CONTINGENCIES - TYPE B COMPANY - MASSACHUSETTS

Effective 01 Apr 2014

Standard Premium	Expense Ratio	Standard Premium	Expense Ratio	Standard Premium	Expense Ratio
0 - 10,102	0.274	19,776 - 20,597	0.249	235,345 - 253,922	0.224
10,103 - 10,312	0.273	20,598 - 21,490	0.248	253,923 - 275,684	0.223
10,313 - 10,531	0.272	21,491 - 22,464	0.247	275,685 - 301,526	0.222
10,532 - 10,760	0.271	22,465 - 23,531	0.246	301,527 - 332,713	0.221
10,761 - 10,999	0.270	23,532 - 24,704	0.245	332,714 - 371,097	0.220
11,000 - 11,248	0.269	24,705 - 26,000	0.244	371,098 - 419,492	0.219
11,249 - 11,509	0.268	26,001 - 27,439	0.243	419,493 - 482,402	0.218
11,510 - 11,783	0.267	27,440 - 29,047	0.242	482,403 - 567,510	0.217
11,784 - 12,070	0.266	29,048 - 30,866	0.241	567,511 - 689,081	0.216
12,071 - 12,371	0.265	30,867 - 32,904	0.240	689,082 - 876,937	0.215
12,372 - 12,688	0.264	32,905 - 35,244	0.239	876,938 - 1,205,609	0.214
12,689 - 13,021	0.263	35,245 - 37,942	0.238	1,205,610 - 1,776,128	0.213
13,022 - 13,373	0.262	37,943 - 41,088	0.237	1,776,129 - 1,947,136	0.212
13,374 - 13,743	0.261	41,089 - 44,802	0.236	1,947,136 - 2,154,579	0.211
13,744 - 14,135	0.260	44,803 - 49,254	0.235	2,154,580 - 2,411,495	0.210
14,136 - 14,550	0.259	49,255 - 54,689	0.234	2,411,496 - 2,737,978	0.209
14,551 - 14,991	0.258	54,690 - 61,472	0.233	2,737,979 - 3,166,705	0.208
14,992 - 15,458	0.257	61,473 - 70,175	0.232	3,166,706 - 3,754,623	0.207
15,459 - 15,956	0.256	70,176 - 81,750	0.231	3,754,624 - 4,610,613	0.206
15,957 - 16,486	0.255	81,751 - 97,898	0.230	4,610,614 - 5,972,162	0.205
16,487 - 17,054	0.254	97,899 - 121,995	0.229	5,972,163 - 8,474,852	0.204
17,055 - 17,661	0.253	121,996 - 161,828	0.228	8,474,853 - 14,588,153	0.203
17,662 - 18,314	0.252	161,829 - 205,303	0.227	14,588,154 - OVER	0.202
18,315 - 19,017	0.251	205,304 - 219,300	0.226		
19,018 - 19,775	0.250	219,301 - 235,344	0.225		

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%