

**PENNSYLVANIA COMPENSATION RATING BUREAU**

FEBRUARY 1, 2007 F CLASS RATE FILING

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**Pennsylvania F Class Rate Revision**  
**Proposed Effective February 1, 2007**

**Calculation of Composite Pure Premium Multiplier**

<b>Item</b>	<b>Total</b>
(1) Pure Premium Test Correction Factor	1.0032
(2) Off-Balance Factor (Collectible Prem Ratio)	1.0957
(3) Expense Provision ( 1 / 0.6477 )	1.5439
(4) Rate Test Correction Factor	0.9935
(5) Composite Pure Premium Multiplier (1)*(2)*(3)*(4)	1.6860

## CALCULATION OF PER CLAIM AND CATASTROPHE LIMITATIONS

All Death, Permanent Total and Major Disability claims in the Pennsylvania experience for Manual Years 1998 through 2002 were translated using composite multipliers, yielding an average claim value of \$5,544. A value of \$436,450 was selected based on a review of Pennsylvania State Act coverage experience as reported in the approved 4/1/06 Loss Cost Filing. Using twice the value as unity and using the indicated Hazard Group Relativities produced the following results:

Hazard Group (1)	Hazard Group Relativities @ (2)	Per Claim Limit [ 2 * 436,450 ] * (2) (3)	Per Accident Limit (3) * 2 (4)
I	0.855	746,330	1,492,660
II	0.911	795,212	1,590,424
III	1.104	963,682	1,927,364
IV	1.305	1,139,135	2,278,270

@ From Pennsylvania 4/1/06 Loss Cost Filing - Excess Loss Factor Study

## CREDIBILITY

The classification relativity criteria for 100 percent credibility for the various categories of loss are as follows:

Serious: 175 \* Average Cost of Serious Case (including Medical)  
 Non-Serious: 500 \* Average Cost of Non-Serious Case (including Medical)  
 Medical: 10 Percent of the Non-Serious

The following calculations are based on the figures in Table V, Section B.

	No. Cases	INDEMNITY AMOUNT (in hundreds)	MEDICAL AMOUNT (in hundreds)	TOTAL AMOUNT (in hundreds)	AVERAGE COST (4) / (1)
	(1)	(2)	(3)	(4)	(5)
Death	1	4,052	19	4,071	4,071
Permanent Total	3	72,015	12,856	84,871	28,290
Major	28	103,584	46,152	149,736	5,348
<b>Total Serious</b>	<b>32</b>	<b>179,651</b>	<b>59,027</b>	<b>238,678</b>	<b>7,459</b>
Minor	68	38,346	22,651	60,997	897
Temporary	122	18,062	24,138	42,200	346
<b>Total Non-Serious</b>	<b>190</b>	<b>56,408</b>	<b>46,789</b>	<b>103,197</b>	<b>543</b>

Accordingly, the criteria for 100 percent credibility will be:

Selected @

Serious: 175 *	7,459 =	1,305,325	76,378,750
Non-Serious: 500 *	543 =	271,500	10,684,500
Medical: .10 *	271,500 =	27,150	1,068,450

@ From PA State Act Coverage Loss Cost filing approval of 4/1/06.

**EXPECTED LOSS CREDIBILITY TABLE**

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
1.00	75,806,655	10,604,471	1,060,447
0.99	74,666,774	10,445,015	1,044,502
0.98	73,532,664	10,286,366	1,028,637
0.97	72,404,353	10,128,529	1,012,853
0.96	71,281,874	9,971,507	997,151
0.95	70,165,255	9,815,305	981,531
0.94	69,054,527	9,659,927	965,993
0.93	67,949,723	9,505,377	950,538
0.92	66,850,873	9,351,661	935,166
0.91	65,758,011	9,198,782	919,878
0.90	64,671,170	9,046,746	904,675
0.89	63,590,382	8,895,556	889,556
0.88	62,515,683	8,745,218	874,522
0.87	61,447,106	8,595,737	859,574
0.86	60,384,688	8,447,117	844,712
0.85	59,328,463	8,299,363	829,936
0.84	58,278,469	8,152,481	815,248
0.83	57,234,743	8,006,476	800,648
0.82	56,197,323	7,861,353	786,135
0.81	55,166,247	7,717,118	771,712
0.80	54,141,554	7,573,775	757,378
0.79	53,123,285	7,431,331	743,133
0.78	52,111,480	7,289,791	728,979
0.77	51,106,181	7,149,162	714,916
0.76	50,107,430	7,009,448	700,945
0.75	49,115,271	6,870,656	687,066
0.74	48,129,748	6,732,793	673,279
0.73	47,150,905	6,595,864	659,586
0.72	46,178,789	6,459,877	645,988
0.71	45,213,446	6,324,836	632,484
0.70	44,254,925	6,190,750	619,075
0.69	43,303,274	6,057,625	605,763
0.68	42,358,543	5,925,469	592,547
0.67	41,420,783	5,794,287	579,429
0.66	40,490,047	5,664,088	566,409
0.65	39,566,388	5,534,879	553,488
0.64	38,649,861	5,406,667	540,667
0.63	37,740,521	5,279,461	527,946
0.62	36,838,425	5,153,268	515,327
0.61	35,943,634	5,028,097	502,810
0.60	35,056,206	4,903,956	490,396
0.59	34,176,203	4,780,854	478,085
0.58	33,303,689	4,658,800	465,880
0.57	32,438,728	4,537,802	453,780
0.56	31,581,387	4,417,870	441,787
0.55	30,731,735	4,299,013	429,901
0.54	29,889,841	4,181,242	418,124
0.53	29,055,777	4,064,566	406,457
0.52	28,229,619	3,948,996	394,900
0.51	27,411,441	3,834,543	383,454
0.50	26,601,324	3,721,217	372,122
0.49	25,799,348	3,609,030	360,903
0.48	25,005,596	3,497,993	349,799
0.47	24,220,155	3,388,119	338,812
0.46	23,443,114	3,279,420	327,942
0.45	22,674,564	3,171,909	317,191

**EXPECTED LOSS CREDIBILITY TABLE**

Serious, Non-Serious and Medical

Credibility (1)	Serious (2)	Non-Serious (3)	Medical (4)
0.44	21,914,600	3,065,598	306,560
0.43	21,163,321	2,960,503	296,050
0.42	20,420,828	2,856,637	285,664
0.41	19,687,226	2,754,015	275,402
0.40	18,962,625	2,652,651	265,265
0.39	18,247,137	2,552,563	255,256
0.38	17,540,881	2,453,766	245,377
0.37	16,843,979	2,356,277	235,628
0.36	16,156,557	2,260,115	226,012
0.35	15,478,749	2,165,298	216,530
0.34	14,810,693	2,071,844	207,184
0.33	14,152,534	1,979,776	197,978
0.32	13,504,423	1,889,112	188,911
0.31	12,866,517	1,799,877	179,988
0.30	12,238,984	1,712,092	171,209
0.29	11,621,996	1,625,783	162,578
0.28	11,015,739	1,540,974	154,097
0.27	10,420,406	1,457,694	145,769
0.26	9,836,200	1,375,971	137,597
0.25	9,263,338	1,295,834	129,583
0.24	8,702,049	1,217,316	121,732
0.23	8,152,577	1,140,451	114,045
0.22	7,615,183	1,065,276	106,528
0.21	7,090,143	991,829	99,183
0.20	6,577,756	920,152	92,015
0.19	6,078,342	850,290	85,029
0.18	5,592,248	782,291	78,229
0.17	5,119,849	716,208	71,621
0.16	4,661,556	652,098	65,210
0.15	4,217,815	590,024	59,002
0.14	3,789,121	530,054	53,005
0.13	3,376,023	472,267	47,227
0.12	2,979,133	416,746	41,675
0.11	2,599,142	363,590	36,359
0.10	2,236,839	312,908	31,291
0.09	1,893,134	264,828	26,483
0.08	1,569,094	219,498	21,950
0.07	1,265,994	177,098	17,710
0.06	985,397	137,846	13,785
0.05	729,277	102,018	10,202
0.04	500,247	69,979	6,998
0.03	301,998	42,246	4,225
0.02	140,361	19,635	1,964
0.01	27,015	3,780	378
0.00	0	0	0

## Classification Credibility Table

### Payroll Conversion Factors

Convert the Expected Loss Credibility Table to a Payroll Basis

A)	<hr/> <b>Five Year Payroll (00's)</b> <hr/>		
	6,421,005,530		
B)	<hr/> <b>Five Year Expected Losses *</b> <hr/>		
	Serious	Non-Serious	Medical Only
	6,033,937,465	3,920,256,659	682,988,302
C) =A/B	<hr/> <b>Ratio Payroll to Expected Loss</b> <hr/>		
	Serious	Non-Serious	Medical Only
	1.0641	1.6379	9.4013

\* Expected losses associated with payroll based classifications only

**PAYROLL CREDIBILITY TABLE**

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
1.00	80,665,862	17,369,063	9,969,580
0.99	79,452,914	17,107,890	9,819,677
0.98	78,246,108	16,848,039	9,670,525
0.97	77,045,472	16,589,518	9,522,135
0.96	75,851,042	16,332,331	9,374,516
0.95	74,662,848	16,076,488	9,227,667
0.94	73,480,922	15,821,994	9,081,590
0.93	72,305,300	15,568,857	8,936,293
0.92	71,136,014	15,317,086	8,791,776
0.91	69,973,100	15,066,685	8,648,049
0.90	68,816,592	14,817,665	8,505,121
0.89	67,666,525	14,570,031	8,362,983
0.88	66,522,938	14,323,793	8,221,644
0.87	65,385,865	14,078,958	8,081,113
0.86	64,255,347	13,835,533	7,941,391
0.85	63,131,417	13,593,527	7,802,477
0.84	62,014,119	13,352,949	7,664,391
0.83	60,903,490	13,113,807	7,527,132
0.82	59,799,571	12,876,110	7,390,691
0.81	58,702,403	12,639,868	7,255,096
0.80	57,612,028	12,405,086	7,120,338
0.79	56,528,488	12,171,777	6,986,416
0.78	55,451,826	11,939,949	6,853,350
0.77	54,382,087	11,709,612	6,721,140
0.76	53,319,316	11,480,775	6,589,794
0.75	52,263,560	11,253,447	6,459,314
0.74	51,214,865	11,027,642	6,329,698
0.73	50,173,278	10,803,366	6,200,966
0.72	49,138,849	10,580,633	6,073,127
0.71	48,111,628	10,359,449	5,946,172
0.70	47,091,666	10,139,829	5,820,110
0.69	46,079,014	9,921,784	5,694,960
0.68	45,073,726	9,705,326	5,570,712
0.67	44,075,855	9,490,463	5,447,386
0.66	43,085,459	9,277,210	5,324,981
0.65	42,102,593	9,065,578	5,203,507
0.64	41,127,317	8,855,580	5,082,973
0.63	40,159,688	8,647,229	4,963,379
0.62	39,199,768	8,440,538	4,844,744
0.61	38,247,621	8,235,520	4,727,068
0.60	37,303,309	8,032,190	4,610,360
0.59	36,366,898	7,830,561	4,494,621
0.58	35,438,455	7,630,649	4,379,878
0.57	34,518,050	7,432,466	4,266,122
0.56	33,605,754	7,236,029	4,153,372
0.55	32,701,639	7,041,353	4,041,628
0.54	31,805,780	6,848,456	3,930,909
0.53	30,918,252	6,657,353	3,821,224
0.52	30,039,138	6,468,061	3,712,573
0.51	29,168,514	6,280,598	3,604,966
0.50	28,306,469	6,094,981	3,498,431
0.49	27,453,086	5,911,230	3,392,957
0.48	26,608,455	5,729,363	3,288,565
0.47	25,772,667	5,549,400	3,185,273
0.46	24,945,818	5,371,362	3,083,081
0.45	24,128,004	5,195,270	2,982,008



**PAYROLL CREDIBILITY TABLE**

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
0.44	23,319,326	5,021,143	2,882,063
0.43	22,519,890	4,849,008	2,783,255
0.42	21,729,803	4,678,886	2,685,613
0.41	20,949,177	4,510,801	2,589,137
0.40	20,178,129	4,344,777	2,493,836
0.39	19,416,778	4,180,843	2,399,738
0.38	18,665,251	4,019,023	2,306,863
0.37	17,923,678	3,859,346	2,215,210
0.36	17,192,192	3,701,842	2,124,807
0.35	16,470,937	3,546,542	2,035,663
0.34	15,760,058	3,393,473	1,947,799
0.33	15,059,711	3,242,675	1,861,251
0.32	14,370,057	3,094,177	1,776,009
0.31	13,691,261	2,948,019	1,692,121
0.30	13,023,503	2,804,235	1,609,587
0.29	12,366,966	2,662,870	1,528,445
0.28	11,721,848	2,523,961	1,448,712
0.27	11,088,354	2,387,557	1,370,418
0.26	10,466,700	2,253,703	1,293,591
0.25	9,857,118	2,122,447	1,218,249
0.24	9,259,850	1,993,842	1,144,439
0.23	8,675,157	1,867,945	1,072,171
0.22	8,103,316	1,744,816	1,001,502
0.21	7,544,621	1,624,517	932,449
0.20	6,999,390	1,507,117	865,061
0.19	6,467,964	1,392,690	799,383
0.18	5,950,711	1,281,314	735,454
0.17	5,448,031	1,173,077	673,331
0.16	4,960,362	1,068,071	613,059
0.15	4,488,177	966,400	554,696
0.14	4,032,004	868,175	498,316
0.13	3,592,426	773,526	443,995
0.12	3,170,095	682,588	391,799
0.11	2,765,747	595,524	341,822
0.10	2,380,220	512,512	294,176
0.09	2,014,484	433,762	248,975
0.08	1,669,673	359,516	206,359
0.07	1,347,144	290,069	166,497
0.06	1,048,561	225,778	129,597
0.05	776,024	167,095	95,912
0.04	532,313	114,619	65,790
0.03	321,356	69,195	39,720
0.02	149,358	32,160	18,464
0.01	28,747	6,191	3,554
0.00	0	0	0

TABLE V

## TOTAL EXPERIENCE ALL INDUSTRIES - MANUAL YEARS 1999 - 2003

MAN YEAR	PAYROLL IN THOUS	ALL LOSSES	DEATH NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	TOTAL NO. COMP. IN HUNDREDS	MAJOR NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	MINOR NO. COMP. IN HUNDREDS	TEMPORARY NO. COMP. IN HUNDREDS	MEDICAL IN HUNDREDS	PURE PREM.			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. EXPERIENCE AS REPORTED														
99	19,798	1,663,039		0		0	5	11,959	7	1,551	10	628	2,493	8.400
00	21,764	4,453,962		0	2	11,717	8	15,031	9	3,166	28	2,804	11,821	20.465
01	24,756	2,247,202		0		0	5	9,713	24	5,034	18	983	6,743	9.077
02	27,097	1,784,897	1	1,860		0	1	2,077	9	768	49	6,415	6,729	6.587
03	26,895	2,910,667		0		0	4	6,975	13	5,996	30	3,965	12,171	10.822
ALL	120,310	13,059,767	1	1,860	2	11,717	23	45,755	62	16,515	135	14,795	39,957	10.855
B. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (EXCLUDING IBNR AND FREQUENCY TREND)														
99	19,798	3,705,963		0		0	5	18,500	7	3,948	10	1,479	13,133	18.719
00	21,764	11,210,101		0	2	42,705	8	29,595	10	5,640	27	3,998	30,163	51.508
01	24,756	6,335,256		0		3,234	6	22,199	23	12,970	18	2,666	22,283	25.591
02	27,097	5,216,722	1	2,684		4,725	3	11,100	14	7,893	42	6,218	19,547	19.252
03	26,895	8,057,262		1,368	1	21,351	6	22,190	14	7,895	25	3,701	24,066	29.958
ALL	120,310	34,525,304	1	4,052	3	72,015	28	103,584	68	38,346	122	18,062	109,192	28.697
PURE PREMIUM		28.697		.337		5.986		8.610		3.187		1.501	9.076	
C. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (INCLUDING IBNR AND FREQUENCY TREND)														
99	19,798	5,690,264		0		0	6	22,195	17	9,587	26	3,847	21,274	28.742
00	21,764	8,429,971		0	1	21,360	6	22,200	19	10,713	27	4,000	26,027	38.734
01	24,756	7,151,876		0		3,234	7	25,915	21	11,935	31	4,593	25,842	28.889
02	27,097	7,891,746	1	2,684		4,995	7	26,273	22	12,553	36	5,282	27,129	29.124
03	26,895	9,847,128		1,368	1	21,546	7	26,624	23	12,804	32	4,780	31,350	36.613
ALL	120,310	39,010,985	1	4,052	2	51,135	33	123,207	102	57,592	152	22,502	131,622	32.425
PURE PREMIUM		32.425		.337		4.250		10.241		4.787		1.870	10.940	

TABLE V

## TOTAL MEDICAL EXPERIENCE ALL INDUSTRIES - MANUAL YEARS 1999 - 2003

MAN YEAR	PAYROLL IN THOUS	ALL LOSSES	DEATH NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	TOTAL NO. COMP. IN HUNDREDS	MAJOR NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	MINOR NO. COMP. IN HUNDREDS	TEMPORARY NO. COMP. IN HUNDREDS	MEDICAL ONLY IN HUNDREDS	PURE PREM.			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. EXPERIENCE AS REPORTED														
99	19,798	249,309		0		0	5	1,440	7	341	10	451	261	1.259
00	21,764	1,182,128		0	2	1,742	8	6,438	9	2,069	28	1,272	301	5.432
01	24,756	674,286		0		0	5	2,060	24	2,904	18	1,230	549	2.724
02	27,097	672,884	1	4		0	1	318	9	142	49	5,490	774	2.483
03	26,895	1,217,078		0		0	4	1,897	13	6,276	30	3,251	747	4.525
ALL	120,310	3,995,685	1	4	2	1,742	23	12,153	62	11,732	135	11,694	2,632	3.321
B. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (EXCLUDING IBNR AND FREQUENCY TREND)														
99	19,798	1,313,264		0		0	5	8,241	7	2,330	10	1,978	584	6.633
00	21,764	3,016,261		0	2	7,676	8	13,186	10	3,332	27	5,343	625	13.859
01	24,756	2,228,320		0		473	6	9,890	23	7,662	18	3,562	697	9.001
02	27,097	1,954,682	1	14		870	3	4,945	14	4,662	42	8,309	747	7.214
03	26,895	2,406,637		5	1	3,837	6	9,890	14	4,665	25	4,946	723	8.948
ALL	120,310	10,919,164	1	19	3	12,856	28	46,152	68	22,651	122	24,138	3,376	9.076
PURE PREMIUM		9.076		.002		1.069		3.836		1.883		2.006	.281	
C. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (INCLUDING IBNR AND FREQUENCY TREND)														
99	19,798	2,127,405		0		0	6	9,888	17	5,659	26	5,143	584	10.746
00	21,764	2,602,906		0	1	3,838	6	9,888	19	6,331	27	5,348	625	11.960
01	24,756	2,584,184		0		473	7	11,537	21	6,995	31	6,140	697	10.439
02	27,097	2,710,336	1	14		887	7	11,788	22	7,341	32	6,298	774	10.002
03	26,895	3,126,391		5	1	3,906	8	12,837	23	7,651	31	6,108	756	11.624
ALL	120,310	13,151,222	1	19	2	9,104	34	55,938	102	33,977	147	29,037	3,436	10.931
PURE PREMIUM		10.931		.002		.757		4.649		2.824		2.414	.286	

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	39									
2000	118									
2001	361	174,904	48.449			1			2	3
2002	344	357	.103							
2003	141									
<b>TOTAL</b>	<b>1,003</b>	<b>175,261</b>	<b>17.474</b>			<b>1</b>			<b>2</b>	<b>3</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2001			138,890		2,045			29,788		4,181	
2002											357
<b>TOTAL</b>			<b>138,890</b>		<b>2,045</b>			<b>29,788</b>		<b>4,181</b>	<b>357</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2001		35,401	274,011	12,187	4,436		3,651	96,821	6,711	10,755	
2002											345
<b>TOTAL</b>		<b>35,401</b>	<b>274,011</b>	<b>12,187</b>	<b>4,436</b>		<b>3,651</b>	<b>96,821</b>	<b>6,711</b>	<b>10,755</b>	<b>345</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	409,884	34,089	345	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	13,037	2,923	17	
TOTAL LOSSES	422,921	37,012	362	
EXPECTED LOSSES	112,195	22,277	1,274	
CREDIBILITY	.00	.01	.01	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	42.166	3.690	.036	45.892
INDICATED (POST-TEST)	43.937	1.638	.028	45.603
PRES. ON RATE LEVEL	9.322	1.851	.106	11.279
DERIVED BY FORMULA	9.322	1.849	.105	11.276
UNDERLYING PRES. RATE	11.186	2.221	.127	13.534
PROPOSED	9.324	1.850	.105	11.279

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	19.016
IND. RATES				19.02	MINIMUM PREMIUM	
MAN. RATES	21.78	24.08	21.85	+ 19.02	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999										
2000	43									
2001	40									
2002	33									
2003	34									
<b>TOTAL</b>	<b>150</b>									

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
<b>TOTAL</b>											

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
<b>TOTAL</b>											

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B				
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	-72	552	2	
TOTAL LOSSES		552	2	
EXPECTED LOSSES	17,476	3,608	194	
CREDIBILITY	.00	.00	.00	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	.000	.368	.001	.369
INDICATED (POST-TEST)	.000	.163	.001	.164
PRES. ON RATE LEVEL	9.709	2.004	.108	11.821
DERIVED BY FORMULA	9.709	2.004	.108	11.821
UNDERLYING PRES. RATE	11.650	2.405	.129	14.184
PROPOSED	9.709	2.004	.108	11.821

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	19.930
IND. RATES				19.93	MINIMUM PREMIUM	
MAN. RATES	22.82	25.23	22.90	+ 19.93	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999										
2000	96									
2001	346	88,204	25.492						5	5
2002	1,778	357,497	20.106			1			5	6
2003	78	666	.853							
<b>TOTAL</b>	<b>2,298</b>	<b>446,367</b>	<b>19.424</b>			<b>1</b>			<b>10</b>	<b>11</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2001					29,884					58,320	
2002			207,725		60,741			31,796		49,921	7,314
2003											666
<b>TOTAL</b>			<b>207,725</b>		<b>90,625</b>			<b>31,796</b>		<b>108,241</b>	<b>7,980</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2001		18,252	19,668	10,288	62,578		10,424	47,786	6,332	148,004	
2002	17,907	146,290	385,896	78,002	58,624	98	14,075	113,213	53,223	75,548	7,065
2003											645
<b>TOTAL</b>	<b>17,907</b>	<b>164,542</b>	<b>405,564</b>	<b>88,290</b>	<b>121,202</b>	<b>98</b>	<b>24,499</b>	<b>160,999</b>	<b>59,555</b>	<b>223,552</b>	<b>7,710</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	773,609	492,599	7,710	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	86,332	7,915	97	
TOTAL LOSSES	859,941	500,514	7,807	
EXPECTED LOSSES	326,936	75,994	4,735	
CREDIBILITY	.00	.01	.02	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	37.421	21.780	.340	59.541
INDICATED (POST-TEST)	38.993	9.670	.260	48.923
PRES. ON RATE LEVEL	11.857	2.756	.172	14.785
DERIVED BY FORMULA	11.857	2.825	.174	14.856
UNDERLYING PRES. RATE	14.227	3.307	.206	17.740
PROPOSED	11.857	2.825	.174	14.856

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	25.047
IND. RATES				25.05	MINIMUM PREMIUM	
MAN. RATES	28.52	31.56	28.64	+ 25.05	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	2,689	307,004	11.417			1			4	5
2000	2,427	591,025	24.352			1	1		2	4
2001	2,195	69,151	3.150						4	4
2002	2,600	49,744	1.913						6	6
2003	3,584	10,930	.304							
<b>TOTAL</b>	<b>13,495</b>	<b>1,027,854</b>	<b>7.617</b>			<b>2</b>	<b>1</b>		<b>16</b>	<b>19</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			199,351		33,964			39,860		27,290	6,539
2000			253,407	84,173	4,302			113,407	123,105	6,312	6,319
2001					24,972					40,792	3,387
2002					18,528					20,189	11,027
2003											10,930
<b>TOTAL</b>			<b>452,758</b>	<b>84,173</b>	<b>81,766</b>			<b>153,267</b>	<b>123,105</b>	<b>94,583</b>	<b>38,202</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			308,396		79,985			228,119		119,639	14,641
2000		99,982	504,455	139,823	8,430		21,307	261,964	194,806	39,518	13,125
2001		15,254	16,431	8,591	52,295		7,289	33,417	4,426	103,524	4,298
2002		10,065	20,488	14,038	17,800		2,933	14,919	13,329	30,487	10,652
2003											10,580
<b>TOTAL</b>		<b>125,301</b>	<b>849,770</b>	<b>162,452</b>	<b>158,510</b>		<b>31,529</b>	<b>538,419</b>	<b>212,561</b>	<b>293,168</b>	<b>53,296</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	1,545,019	826,691	53,296	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	227,522	181,857	744	
TOTAL LOSSES	1,772,541	1,008,548	54,040	
EXPECTED LOSSES	4,767,379	874,611	56,138	
CREDIBILITY	.01	.04	.06	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	13.135	7.473	.400	21.008
INDICATED (POST-TEST)	13.687	3.318	.306	17.311
PRES. ON RATE LEVEL	29.442	5.400	.347	35.189
DERIVED BY FORMULA	29.284	5.317	.345	34.946
UNDERLYING PRES. RATE	35.327	6.481	.416	42.224
PROPOSED	29.284	5.317	.345	34.946

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	58.918
IND. RATES				58.92	MINIMUM PREMIUM	
MAN. RATES	68.80	75.32	68.17	+ 58.92	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES					
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL
1999	4,114	622,317	15.126			2	2	2	6
2000	5,609	1,771,670	31.586		2	1	3	11	17
2001	6,186	682,323	11.030			1	18		19
2002	4,123	153,335	3.719				4	5	9
2003	3,731	707,110	18.952			3	3	6	12
<b>TOTAL</b>	<b>23,763</b>	<b>3,936,755</b>	<b>16.567</b>		<b>2</b>	<b>7</b>	<b>30</b>	<b>24</b>	<b>63</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			512,589	33,806	11,254			50,154	1,405	5,197	7,912
2000		1,171,718	137,714	89,973	115,908		174,177	9,250	22,504	40,848	9,578
2001			128,644	287,079				46,830	182,809		36,961
2002				51,067	40,394				9,471	46,573	5,830
2003			347,983	91,388	38,717			120,772	50,477	46,758	11,015
<b>TOTAL</b>		<b>1,171,718</b>	<b>1,126,930</b>	<b>553,313</b>	<b>206,273</b>		<b>174,177</b>	<b>227,006</b>	<b>266,666</b>	<b>139,376</b>	<b>71,296</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			792,976	86,070	26,503			287,031	9,595	22,783	17,715
2000		2,114,758	300,605	160,883	164,077		364,533	30,411	36,489	166,565	19,894
2001		45,601	394,276	685,251	34,197		7,834	299,397	456,543	27,311	46,904
2002		29,036	99,105	210,939	42,295		7,026	42,637	86,152	71,447	5,632
2003	45,972	544,210	627,929	145,006	40,081	127	69,369	186,331	47,419	66,078	10,663
<b>TOTAL</b>	<b>45,972</b>	<b>2,733,605</b>	<b>2,214,891</b>	<b>1,288,149</b>	<b>307,153</b>	<b>127</b>	<b>448,762</b>	<b>845,807</b>	<b>636,198</b>	<b>354,184</b>	<b>100,808</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	6,289,164	2,585,684	100,808	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	200,606	551,418	1,332	
TOTAL LOSSES	6,489,770	3,137,102	102,140	
EXPECTED LOSSES	14,260,176	2,924,037	142,815	
CREDIBILITY	.02	.06	.08	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	27.310	13.202	.430	40.942
INDICATED (POST-TEST)	28.457	5.862	.329	34.648
PRES. ON RATE LEVEL	50.012	10.255	.501	60.768
DERIVED BY FORMULA	49.581	9.991	.487	60.059
UNDERLYING PRES. RATE	60.010	12.305	.601	72.916
PROPOSED	49.581	9.991	.487	60.059

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	101.259
IND. RATES				101.26	MINIMUM PREMIUM	
MAN. RATES	115.82	129.14	117.72	+101.26	PRESENT	2750

+PROPOSED



MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	1,954	19,491	.997						1	1
2000	2,005	204,406	10.194			1			5	6
2001	1,858	113,739	6.121						3	4
2002	1,984	16,623	.837						2	2
2003	1,559	56,075	3.596						1	3
<b>TOTAL</b>	<b>9,360</b>	<b>410,334</b>	<b>4.384</b>			<b>1</b>			<b>4</b>	<b>16</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999					7,079					4,850	7,562
2000			89,523		95,474			3,432		8,047	7,930
2001				27,803	36,953				24,467	15,046	9,470
2002				15,290							1,333
2003				1,300	39,813					9,348	5,614
<b>TOTAL</b>			<b>89,523</b>	<b>44,393</b>	<b>179,319</b>			<b>3,432</b>	<b>24,467</b>	<b>37,291</b>	<b>31,909</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999					16,671					21,262	16,931
2000		144,801	178,427	12,395	133,001		3,098	7,453	214	32,301	16,471
2001		23,921	38,044	78,045	80,671		3,129	32,757	61,426	41,810	12,017
2002		2,124	16,302	53,994	1,045						1,288
2003	1,355	79,111	44,297	16,001	32,421	1	6,039	5,682	1,144	11,690	5,434
<b>TOTAL</b>	<b>1,355</b>	<b>249,957</b>	<b>277,070</b>	<b>160,435</b>	<b>263,809</b>	<b>1</b>	<b>12,266</b>	<b>45,892</b>	<b>62,784</b>	<b>107,063</b>	<b>52,141</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	586,541	594,091	52,141	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	40,236	44,037	210	
TOTAL LOSSES	626,777	638,128	52,351	
EXPECTED LOSSES	1,129,846	220,334	19,749	
CREDIBILITY	.01	.03	.04	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	6.696	6.818	.559	14.073
INDICATED (POST-TEST)	6.977	3.027	.427	10.431
PRES. ON RATE LEVEL	10.060	1.962	.176	12.198
DERIVED BY FORMULA	10.029	1.994	.186	12.209
UNDERLYING PRES. RATE	12.071	2.354	.211	14.636
PROPOSED	10.020	1.992	.186	12.198

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	20.565
IND. RATES				20.57	MINIMUM PREMIUM	
MAN. RATES	23.76	26.04	23.63	+ 20.57	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999										
2000	26									
2001	1									
2002	10									
2003	289									
<b>TOTAL</b>	<b>326</b>									

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
<b>TOTAL</b>											

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
<b>TOTAL</b>											

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B				
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	5,073	4,755	29	
TOTAL LOSSES	5,073	4,755	29	
EXPECTED LOSSES	99,583	20,809	985	
CREDIBILITY	.00	.00	.00	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	1.556	1.459	.009	3.024
INDICATED (POST-TEST)	1.621	.648	.007	2.276
PRES. ON RATE LEVEL	25.458	5.320	.251	31.029
DERIVED BY FORMULA	25.458	5.320	.251	31.029
UNDERLYING PRES. RATE	30.547	6.383	.302	37.232
PROPOSED	25.458	5.320	.251	31.029

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	52.314
IND. RATES				52.31	MINIMUM PREMIUM	
MAN. RATES	61.55	67.01	60.11	+ 52.31	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	1,200	693,369	57.780			2	5			7
2000	3,150	565,216	17.943			1	3			4
2001	5,199	1,112,869	21.405			3	5			10
2002	9,163	969,026	10.575				2		29	31
2003	5,788	1,382,806	23.890			1	5		11	17
<b>TOTAL</b>	<b>24,500</b>	<b>4,723,286</b>	<b>19.279</b>			<b>7</b>	<b>20</b>		<b>42</b>	<b>69</b>
O.D.		4,176	.017				1			1

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			483,915	121,246				53,976	32,716		1,516
2000			264,595	72,930				192,954	34,737		
2001			703,732	188,470	3,810			129,363	83,113	3,294	1,087
2002				7,718	499,459				3,333	408,716	49,800
2003			349,541	251,931	219,837			68,900	305,357	161,465	25,775
<b>TOTAL</b>			<b>1,801,783</b>	<b>642,295</b>	<b>723,106</b>			<b>445,193</b>	<b>459,256</b>	<b>573,475</b>	<b>78,178</b>
O.D.				2,755					1,421		

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999			748,617	308,692				308,905	223,418		3,394
2000		99,160	521,365	121,281	2,112		32,892	381,000	56,019	3,999	
2001		184,543	1,477,102	502,412	31,133		14,689	477,647	230,623	21,295	1,379
2002		272,493	560,533	405,667	480,403		59,497	304,978	289,523	617,503	48,107
2003	65,184	1,062,173	1,062,094	359,208	199,049	234	183,246	462,294	225,742	244,656	24,950
<b>TOTAL</b>	<b>65,184</b>	<b>1,618,369</b>	<b>4,369,711</b>	<b>1,697,260</b>	<b>712,697</b>	<b>234</b>	<b>290,324</b>	<b>1,934,824</b>	<b>1,025,325</b>	<b>887,453</b>	<b>77,830</b>
O.D.		383	2,937	9,729	189		38	1,233	8,322	172	

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	8,283,237	4,341,147	77,830	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	638,202	204,451	950	
TOTAL LOSSES	8,921,439	4,545,598	78,780	
EXPECTED LOSSES	5,422,340	1,335,006	56,350	
CREDIBILITY	.02	.06	.08	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	36.414	18.553	.322	55.289
INDICATED (POST-TEST)	37.943	8.238	.246	46.427
PRES. ON RATE LEVEL	18.445	4.541	.192	23.178
DERIVED BY FORMULA	18.835	4.763	.196	23.794
UNDERLYING PRES. RATE	22.132	5.449	.230	27.811
PROPOSED	18.835	4.763	.196	23.794

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	40.116
IND. RATES				40.12	MINIMUM PREMIUM	
MAN. RATES	41.43	48.28	44.90	+ 40.12	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	3,489	19,559	.560						3	3
2000	4,678	404,530	8.647			2			8	10
2001	5,471	3,418	.062						1	1
2002	4,242	234,139	5.519	1					4	5
2003	4,668	493,433	10.570					2	5	7
<b>TOTAL</b>	<b>22,548</b>	<b>1,155,079</b>	<b>5.123</b>	<b>1</b>		<b>2</b>		<b>2</b>	<b>21</b>	<b>26</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999					10,526					7,785	1,248
2000			236,388		61,188			47,352		55,712	3,890
2001					47					253	3,118
2002	185,996				22,340	437				23,648	1,718
2003				146,958	61,533				199,693	65,483	19,766
<b>TOTAL</b>	<b>185,996</b>		<b>236,388</b>	<b>146,958</b>	<b>155,634</b>	<b>437</b>		<b>47,352</b>	<b>199,693</b>	<b>152,881</b>	<b>29,740</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999					24,789					34,129	2,794
2000		159,895	450,960	10,226	85,240		25,480	96,641	1,658	223,635	8,080
2001		29	31	15	97		46	207	30	642	3,957
2002	250,537	12,142	24,703	16,911	21,463	1,336	3,439	17,485	15,619	35,701	1,660
2003	14,173	268,886	284,666	157,098	60,857	111	83,142	237,685	139,565	109,608	19,133
<b>TOTAL</b>	<b>264,710</b>	<b>440,952</b>	<b>760,360</b>	<b>184,250</b>	<b>192,446</b>	<b>1,447</b>	<b>112,107</b>	<b>352,018</b>	<b>156,872</b>	<b>403,715</b>	<b>35,624</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	1,931,594	937,283	35,624	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	71,848	80,145	242	
TOTAL LOSSES	2,003,442	1,017,428	35,866	
EXPECTED LOSSES	2,250,741	427,509	21,421	
CREDIBILITY	.02	.05	.08	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	8.885	4.512	.159	13.556
INDICATED (POST-TEST)	9.258	2.003	.121	11.382
PRES. ON RATE LEVEL	8.319	1.580	.079	9.978
DERIVED BY FORMULA	8.338	1.601	.082	10.021
UNDERLYING PRES. RATE	9.982	1.896	.095	11.973
PROPOSED	8.338	1.601	.082	10.021

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	16.895
IND. RATES				16.90	MINIMUM PREMIUM	
MAN. RATES	21.11	22.05	19.33	+ 16.90	PRESENT	2750

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES							
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL		
1999	5,094	1,299	.025								
2000	2,371	572,927	24.163			1	2	2		5	
2001	1,774	1,815	.102					1		1	
2002	1,687										
2003	5,718	259,647	4.540				2	6		8	
<b>TOTAL</b>	<b>16,644</b>	<b>835,688</b>	<b>5.021</b>			<b>1</b>	<b>4</b>	<b>9</b>		<b>14</b>	

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999											1,299
2000			433,275	69,476	3,560			21,479	26,532	16,251	2,354
2001					587					1,135	93
2003				107,979	36,609				72,053	42,061	945
<b>TOTAL</b>			<b>433,275</b>	<b>177,455</b>	<b>40,756</b>			<b>21,479</b>	<b>98,585</b>	<b>59,447</b>	<b>4,691</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
1999											2,908
2000		156,449	787,248	117,922	6,972		8,516	49,927	42,316	68,293	4,889
2001		359	385	202	1,230		202	926	125	2,879	118
2003	10,147	180,749	200,008	112,222	37,728	42	41,925	96,965	52,616	62,606	915
<b>TOTAL</b>	<b>10,147</b>	<b>337,557</b>	<b>987,641</b>	<b>230,346</b>	<b>45,930</b>	<b>42</b>	<b>50,643</b>	<b>147,818</b>	<b>95,057</b>	<b>133,778</b>	<b>8,830</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	1,533,848	505,111	8,830	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	29,504	38,096	92	
TOTAL LOSSES	1,563,352	543,207	8,922	
EXPECTED LOSSES	649,283	154,123	6,824	
CREDIBILITY	.02	.04	.06	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	9.393	3.264	.054	12.711
INDICATED (POST-TEST)	9.788	1.449	.041	11.278
PRES. ON RATE LEVEL	3.251	.772	.034	4.057
DERIVED BY FORMULA	3.382	.799	.034	4.215
UNDERLYING PRES. RATE	3.901	.926	.041	4.868
PROPOSED	3.382	.799	.034	4.215

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	7.106
IND. RATES				7.11	MINIMUM PREMIUM	
MAN. RATES	8.13	8.70	7.86	+ 7.11	PRESENT	1605

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
1999	1,219									
2000	1,241	344,188	27.734			1				1
2001	1,325	779	.058							
2002	1,133									
2003	1,305									
<b>TOTAL</b>	<b>6,223</b>	<b>344,967</b>	<b>5.543</b>			<b>1</b>				<b>1</b>

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2000			88,230					255,958			
2001											779
<b>TOTAL</b>			<b>88,230</b>					<b>255,958</b>			<b>779</b>

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2000		33,065	165,904	1,124			43,634	488,654	1,736		
2001											989
<b>TOTAL</b>		<b>33,065</b>	<b>165,904</b>	<b>1,124</b>			<b>43,634</b>	<b>488,654</b>	<b>1,736</b>		<b>989</b>

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	731,257	2,860	989	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	7,747	9,203	28	
TOTAL LOSSES	739,004	12,063	1,017	
EXPECTED LOSSES	219,735	46,050	2,489	
CREDIBILITY	.01	.02	.03	
<b>PURE PREMIUMS</b>				
INDICATED (PRE-TEST)	11.875	.194	.016	12.085
INDICATED (POST-TEST)	12.374	.086	.012	12.472
PRES. ON RATE LEVEL	2.943	.617	.033	3.593
DERIVED BY FORMULA	3.037	.606	.032	3.675
UNDERLYING PRES. RATE	3.531	.740	.040	4.311
PROPOSED	3.037	.606	.032	3.675

YEAR	12-1-00	2-1-03	2-1-05	2-1-07	IND. RATE	6.196
IND. RATES				6.20	MINIMUM PREMIUM	
MAN. RATES	7.19	7.79	6.96	+ 6.20	PRESENT	1450

+PROPOSED