

PENNSYLVANIA COMPENSATION RATING BUREAU

Merit Rating Plan Off-Balance Indications

This exhibit shows data relevant to the calculation of the Merit Rating Plan Off-Balance Factor applicable to Manual Premium. The factor, as a ratio to standard premium, is 0.0030, which is higher than the factor of 0.0029 included in current loss costs.

Pennsylvania Compensation Rating Bureau

Analysis of Merit Rating Plan Off-Balance Indications

Risk Type	# of Risks	Manual Premium Before MRP	MRP Adjustment	Standard Premium Before Adjustment	Average Debit / Credit
1. Not Qualified for MRP	55,676	26,319,644	0	29,541,837	0.00%
2. Qualified for MRP Discount	140,623	157,793,795	-7,892,351	162,556,453	-5.00%
3. Qualified for MRP No Adjustment	3,746	11,828,802	0	11,913,558	0.00%
4. Qualified for MRP Surcharge	394	2,794,168	139,715	2,805,040	5.00%
5. Experience Rated Risks	56,280	2,403,788,616	0	2,347,715,140	0.00%
Total	256,719	2,602,525,025	-7,752,636	2,554,532,028	-0.30%
Ratio to Standard Premium					-0.30%
Increment to Manual Premium					0.0030

Data from policies effective 2008-2009 using 2009 Manual and Standard Premium .