

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 0.0029, representing a slight decrease compared to the 0.0030 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	53,800	29,791,659	0	32,715,077	0.00%
2. Qualified for MRP Discount	146,052	167,748,683	-8,388,534	172,472,242	-5.00%
3. Qualified for MRP No Adjustment	3,792	12,546,377	0	12,646,084	0.00%
4. Qualified for MRP Surcharge	380	2,757,515	137,887	2,766,409	5.00%
5. Experience Rated Risks	55,362	2,647,671,299	0	2,591,355,202	0.00%
Total	259,386	2,860,515,533	-8,250,647	2,811,955,014	-0.29%
Ratio to Standard Premium					-0.29%
Increment to Manual Premium					0.0029

Data from policies effective 2010-2011 using 2011 Manual and Standard Premium .