

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, representing a slight increase compared to the 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	65,710	39,526,607	0	42,166,207	0.00%
2. Qualified for MRP Discount	139,572	165,728,242	-8,288,790	170,172,145	-5.00%
3. Qualified for MRP No Adjustment	3,651	12,768,198	0	12,851,157	0.00%
4. Qualified for MRP Surcharge	380	2,741,491	137,079	2,752,048	5.00%
5. Experience Rated Risks	53,155	2,537,354,767	0	2,489,538,748	0.00%
Total	262,468	2,758,119,305	-8,151,711	2,717,480,305	-0.30%
Ratio to Standard Premium					-0.30%
Increment to Manual Premium					0.0030

Data from policies effective 2012-2013 using 2013 Manual and Standard Premium.