

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, which is the factor 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	65,005	29,332,686	0	32,692,730	0.00%
2. Qualified for MRP Discount	137,661	164,031,743	-8,203,652	168,834,574	-5.00%
3. Qualified for MRP No Adjustment	3,654	12,294,589	0	12,362,849	0.00%
4. Qualified for MRP Surcharge	373	2,651,211	132,567	2,654,396	5.00%
5. Experience Rated Risks	54,006	2,590,512,912	0	2,534,722,229	0.00%
Total	260,699	2,798,823,141	-8,071,085	2,751,266,778	-0.29%
Ratio to Standard Premium					-0.29%
Increment to Manual Premium					0.0029

Data from policies effective 2011-2012 using 2012 Manual and Standard Premium.