

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 0.0033, representing a slight increase compared to the 0.0032 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	51,222	26,965,220	-	29,595,282	0.00%
2. Qualified for MRP Discount	158,044	176,318,057	(8,819,622)	181,385,726	-5.00%
3. Qualified for MRP No Adjustment	3,595	12,270,384	-	12,364,378	0.00%
4. Qualified for MRP Surcharge	400	3,044,847	152,253	3,054,480	5.00%
5. Experience Rated Risks	52,166	2,446,636,243	-	2,402,817,536	0.00%
Total	265,427	2,665,234,751	(8,667,369)	2,629,217,402	-0.33%
Ratio to Standard Premium					-0.33%
Increment to Manual Premium					0.0033

Data from policies effective 2014-2015 using 2015 Manual and Standard Premium.