

February 12, 2021

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: <u>Workers Compensation Insurance</u>

NCCI Item B-1442 - Revisions to Basic Manual Appendix E – Classifications by Hazard Group

The North Carolina Rate Bureau has filed and the North Carolina Commissioner of Insurance has approved revisions to the North Carolina Basic Manual for Workers Compensation and Employers Liability (NC Basic Manual). The approved revisions are related to NCCI Item B-1442 – *Revisions to Basic Manual Appendix E – Classifications by Hazard Group*. The approved changes will be applicable to all new and renewal policies effective concurrently on or after North Carolina's loss cost/rate filing effective April 1, 2022.

NCCI Item B-1442 – Revisions to Basic Manual Appendix E – Classifications by Hazard Group revises treatment of classifications to more accurately classify Hazard Groups by the level of propensity for large losses.

A copy of NCCI's Item Filing B-1442 as applicable to North Carolina and exhibits outlining all NC Basic Manual changes are included for your review.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at support@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko Attachment C-21-4

North Carolina Rate Bureau Filing Memorandum

NCCI Item B-1442 – Revisions to Basic Manual Appendix E – Classifications By Hazard Group

PURPOSE

The purpose of this filing is to revise the current classification hazard groups.

This item revises classification hazard groups in Appendix E – Classifications by Hazard Group of the:

 North Carolina Basic Manual for Workers Compensation and Employers Liability Insurance (NCBM)

Exhibits showing revisions to the NCBM follow this filing memorandum. (See NCCI Exhibit 1 and NCRB Exhibit 1-2)

BACKGROUND

Hazard Groups are collections of workers compensation classifications with similar expected excess loss factors (ELFs) over a broad range of limits. Hazard Groups are a key component to both the Retrospective Rating Plan and NCCI ratemaking. Hazard Groups are also used in deductible programs where offered and to determine the expected excess loss provision when determining the loss cost/rate for each classification under NCCI's most recent class ratemaking methodology

NCCI Item B-1442 is a product of NCCI's ongoing process in which they review and propose modifications. While NCCI's analysis is national in scope, NCCI also recognizes the occasional need for state-specific revisions to reflect geographical differences. With some exceptions for state-specific deviations, North Carolina adheres to the NCCI national system. North Carolina Rate Bureau (Bureau) staff has reviewed NCCI Item B-1442 and given consideration to Hazard Group assignments as proposed by NCCI. To ensure Hazard Group assignments in the Table of Classifications by Hazard Group in Appendix E are appropriate, NCCI conducted a comprehensive review of those assignments. NCCI performed a data-driven statistical analysis supplemented by a review of results from an underwriting perspective. The statistical analysis was based on classification data aggregated across the states where NCCI collects workers compensation Statistical Plan Data. Based on their review and research, staff recommends that the Bureau seek approval for all NCCI proposed revisions to national Hazard Group assignments be applicable to North Carolina.

The NCCI Item B-1442 includes exhibits that identify Hazard Group reassignments. Bureau staff has created exhibits showing how these changes impact the NCBM.

Changes to the Hazard Group assignments for North Carolina, along with any deviations from what has been proposed in NCCI Item B-1442 are noted and explained in the summary that follows.

PROPOSAL

This item proposes to update Appendix E – Classifications by Hazard Group in the NCBM. The number of a Hazard Groups remains at seven: A – G. Classifications with the highest propensity for large losses (most hazardous) are assigned to G and those with the lowest are assigned to A.

The Bureau proposes the adoption of changes applicable to North Carolina being proposed by way of NCCI B-1442 as outlined in NCCI Exhibit 1 and NCRB Exhibits 1-2.

IMPACT

The proposed changes are expected to have minimal premium impact. 54% of Hazard Group assignments remain unchanged. Of the Hazard Group assignments that did change, most only moved one Hazard Group.

Individual employers will be impacted if they are written under deductible programs or if they have a

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NCCI Item B-1442 - Revisions to Basic Manual Appendix E - Classifications By Hazard Group

loss limit under the Retrospective Rating Plan. This premium impact will vary depending on the proportion of the employer's exposure in each classification. Although there may be small increases or decreases in premium, the employer's equity would improve because the deductible and ELFs would more appropriately distinguish between higher and lower hazard employers.

Loss cost and rate impacts will vary across classification codes depending on whether the code moved up or down Hazard Groups. The indicated pure premium portion of classification loss cost/rates initially limits individual claims at \$500,000 under NCCI's ratemaking methodology. Changes in Hazard Group assignments directly affect only the indicated pure premium portion of the loss cost/rate in the first year of implementation and are gradually reflected in other rate level and national pure premium components of the loss cost/rate in subsequent filing years. The estimated range of impacts of the indicated pure premiums as a result of the change in Hazard Group assignments is expected to be significantly less than the typical range of changes in classification loss cost/rates in an annual loss cost/rate filing. Since the indicated pure premium is only a portion of the classification loss cost/rate, the impact to the classification loss cost/rate is expected to be less than the impact to the indicated pure premium.

IMPLEMENTATION

Hazard Group reassignments for North Carolina as proposed by way of NCCI Item B-1442 are applicable to new and renewal policies effective concurrently on or after the North Carolina's loss cost/rate filing effective date of April 1, 2022.

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC. (Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

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FILING MEMORANDUM

ITEM B-1442—REVISIONS TO BASIC MANUAL APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

PURPOSE

This item revises the current classification hazard group assignments in NCCI's **Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)** Appendix E—Classifications by Hazard Group.

BACKGROUND

Hazard groups are collections of workers compensation classifications that have similar expected excess loss factors (ELFs) over a broad range of limits. They are a key component to both the Retrospective Rating Plan and NCCI ratemaking.

Hazard groups are also used in deductible programs, which are offered in several states on an optional basis. In these states, the premium reduction percentages vary by hazard group. For each policy where an employer has elected to apply a deductible, the premium reduction percentage for the elected deductible amount is based on the hazard group assignment for the classification that produces the largest amount of estimated workers compensation standard premium on the policy for the state.

Additionally, under NCCl's most recent class ratemaking methodology, hazard groups are used to determine the expected excess loss provision when determining the loss cost/rate for each classification. The losses are limited to \$500,000, with an expected excess loss provision applied to bring the basis of loss to an unlimited basis. This expected excess loss provision depends on the hazard group of the classification.

To ensure that the hazard group assignments in the Table of Classifications by Hazard Group in Appendix E of NCCI's **Basic Manual** are appropriate, NCCI conducted a comprehensive review of those assignments. NCCI performed a data-driven statistical analysis supplemented by a review of results from an underwriting perspective. The statistical analysis was based on classification data aggregated across the states where NCCI collects workers compensation Statistical Plan data.

Exhibit 1 details the revisions to Appendix E in NCCl's **Basic Manual**. Appendix E provides the applicable state(s) and the appropriate hazard group for each classification. The term "National" means that the classification code applies in all jurisdictions that follow the NCCl classification system. The exhibit does not include classifications for which the hazard group is not changing.

A description of the actuarial analysis supporting the hazard group reassignments is detailed in Informational Exhibit 1.

PROPOSAL

This item proposes to update Appendix E—Classifications by Hazard Group in NCCI's **Basic Manual**. The number of hazard groups remains at seven (A through G). Classification codes with the highest propensity for large losses—the most hazardous—are assigned to G, and those with the lowest are assigned to A.

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC. (Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

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ITEM B-1442—REVISIONS TO BASIC MANUAL APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

IMPACT

Overall Impact

The proposed changes are expected to have minimal impact on overall state premium levels. Furthermore, 54% of the hazard group assignments remain unchanged. Of the classifications whose hazard group assignments change, most move only one hazard group.

Individual employers will be impacted if they are written under deductible programs or if they have a loss limit under the Retrospective Rating Plan. Premium impacts will vary for employers depending on the proportion of an employer's exposure in each classification. They may experience small increases or decreases in premium, but their equity would be improved because the deductibles and ELFs would more appropriately distinguish between higher and lower hazard employers.

Classification Loss Costs/Rates

Loss cost and rate impacts will vary across classification codes depending on whether the code moved up or down hazard groups. When determining the indicated pure premium portion of classification loss costs/rates under NCCl's most recent class ratemaking methodology, individual claims are initially limited at \$500,000. The losses are brought from a limited to an unlimited level during this process through applying an expected excess loss provision that varies by hazard group.

Thus, changes in hazard group assignments directly affect only the indicated pure premium portion of the loss cost/rate in the first year of implementation and are gradually reflected in other pure premium components¹ of the loss cost/rate in subsequent filing years.

The estimated range of impacts to the indicated pure premiums as a result of the change in hazard group assignments is expected to be significantly less than the typical range of changes in classification loss costs/rates in a annual loss cost/rate filing. Because the indicated pure premium is only a portion of the classification loss cost/rate, the impact to the classification loss cost/rate is expected to be less than the impact to the indicated pure premium.

IMPLEMENTATION

This item applies to new and renewal policies concurrent with each state's loss cost/rate filings beginning with effective dates November 1, 2021, and subsequent (exception: July 1, 2021, in Texas). For example, this item will be effective November 1, 2021, for approved loss cost/rate filings that have a November 1, 2021 effective date. Similarly, this item will be effective July 1, 2022, for approved loss cost/rate filings that have a July 1, 2022 effective date.

¹ Present on rate level pure premium and national pure premium.

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If there is no loss cost/rate filing for a state in a given year, this item will take effect on that state's regular loss cost/rate effective date. The regular loss cost/rate effective date is one year later than the date of the state's previous year's effective date.

Anticipated Effective Dates by State

The following chart shows the anticipated effective dates for each state:

State	Anticipated Effective Date*
Alabama	March 1, 2022
Alaska	January 1, 2022
Arizona	January 1, 2022
Arkansas	July 1, 2022
Colorado	January 1, 2022
Connecticut	January 1, 2022
District of Columbia	November 1, 2021
Florida	January 1, 2022
Georgia	March 1, 2022
Hawaii	The effective date will be determined upon regulatory approval of the individual carrier's election to adopt this change.
Idaho	January 1, 2022
Illinois	January 1, 2022
Indiana	January 1, 2022
lowa	January 1, 2022
Kansas	January 1, 2022
Kentucky	January 1, 2022
Louisiana	May 1, 2022
Maine	April 1, 2022
Maryland	January 1, 2022
Mississippi	March 1, 2022
Missouri	January 1, 2022

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State	Anticipated Effective Date [*]
Montana	July 1, 2022
Nebraska	February 1, 2022
Nevada	March 1, 2022
New Hampshire	January 1, 2022
New Mexico	January 1, 2022
Oklahoma	January 1, 2022
Oregon	January 1, 2022
Rhode Island	August 1, 2022
South Carolina	April 1, 2022
South Dakota	July 1, 2022
Tennessee	March 1, 2022
Texas	July 1, 2021
Utah	January 1, 2022
Vermont	April 1, 2022
Virginia	April 1, 2022
West Virginia	November 1, 2021

Subject to change, depending on the approved effective date of the loss cost/rate filing if a loss cost/rate filing has been submitted for a state.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Exhibit Comments
1	Displays the revisions to Appendix E—Classifications by Hazard Group in NCCI's <i>Basic Manual</i> . The exhibit does not include classifications for which the hazard group is not changing.
Informational Exhibit 1	Displays the actuarial analysis supporting the hazard group reassignments.
Informational Exhibit 2	Displays Appendix E—Classifications by Hazard Group in NCCI's Basic Manual in a downloadable format. The exhibit includes all active classifications in the Table of Classifications by Hazard Group.

EXHIBIT 1 BASIC MANUAL—2001 EDITION APPENDIX E

CLASSIFICATIONS BY HAZARD GROUP

Appendix E provides a Table of Classifications by Hazard Group. This table is intended to provide details regarding the applicable hazard group by classification code and state.

Table of Classifications by Hazard Group

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
8000	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		ÐC
	10/01/2007: WV		
	06/01/2014: TX		
0011	06/01/2014: TX		Ð <u>E</u>
0017	AZ		E <u>D</u>
0030	FL, LA		Ð <u>E</u>
0034	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
0035	National, IN		₿ <u>D</u>
	10/01/2007: WV		
0035	06/01/2014: TX		€ <u>D</u>
0037	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT	07/01/2016 : MT	ÐΕ
	10/01/2007: WV		
0037	06/01/2014: TX		6 <u>E</u>
0050	National, IN		6 <u>E</u>
	10/01/2007: WV		
0052	FL		E <u>D</u>
0059	AL, AK, AZ, AR, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, LA, ME, MD, MS, MO, MT, NE, NH, NM, OK, RI, SC, SD, TN, UT, VT	01/01/2014: OR	G <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
0066	AL, AK, AZ, AR, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, LA, ME, MD, MS, MO, MT, NE, NH, NM, OK, OR, RI, SC, SD, TN, UT, VT		E D
	10/01/2007: WV		
	06/01/2014: TX		
0067	AL, AK, AZ, AR, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, LA, ME, MD, MS, MO, MT, NE, NH, NM, OK, OR, RI, SC, SD, TN, UT, VT		E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
0079	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT	07/01/2016: MT	E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
0083	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT	07/01/2016: MT	<u>е</u> <u>Б</u>
	10/01/2007: WV		
0083	06/01/2014: TX		<u> </u>
0113	06/01/2014: TX		€ <u>D</u>
0117	OR		В <u>С</u>
0124	04/01/2008: AK		E <u>C</u>
0124	ID, MT, OR		В <u>С</u>
0153	FL		E <u>D</u>
0173	FL		В <u>С</u>
0251	National, IN		e <u>D</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Applies in:*	Discontinued in:	Hazard Group A–G
AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT		6 <u>D</u>
10/01/2007: WV		
07/01/2019: TX		
AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT		6 <u>D</u>
10/01/2007: WV		
06/01/2014: TX		
ID		<u>e c</u>
09/01/2007: NM		e <u>D</u>
03/01/2008: IL		
07/01/2008: RI		
01/01/2010: CT		
11/01/2010: DC		
06/01/2014: TX		€ <u>D</u>
National, IN		₽ <u>G</u>
10/01/2007: WV		
FL		6 <u>E</u>
National, IN		F <u>G</u>
10/01/2007: WV		
National, IN		<u> </u>
10/01/2007: WV		
06/01/2014: TX		
National, IN		F <u>G</u>
10/01/2007: WV		
06/01/2014: TX		
	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV 07/01/2019: TX AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV 06/01/2014: TX ID 09/01/2008: RI 01/01/2010: CT 11/01/2010: DC 06/01/2014: TX National, IN 10/01/2007: WV FL National, IN 10/01/2007: WV National, IN 10/01/2007: WV National, IN 10/01/2007: WV O6/01/2014: TX National, IN 10/01/2007: WV	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NIM, NV, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV 07/01/2019: TX AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, NIM, NV, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV 06/01/2014: TX ID 09/01/2007: NM 03/01/2008: IL 07/01/2010: CT 11/01/2010: DC 06/01/2014: TX National, IN 10/01/2007: WV FL National, IN 10/01/2007: WV National, IN 10/01/2007: WV 06/01/2014: TX National, IN 10/01/2007: WV

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
1472	AK, AZ, AR, CO, CT, DC, FL, HI, IA, ID, IL, IN, KS, KY, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		₽ <u>E</u>
	10/01/2007: WV		
	03/01/2017: AL, GA		
	05/01/2017: LA		
1701	National, IN		<u> </u>
	10/01/2007: WV		
	06/01/2014: TX		
1803	National, IN		<u> </u>
	10/01/2007: WV		
	06/01/2014: TX		
1811	VT		G <u>F</u>
1924	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
2002	AL, AK, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT	01/01/2010: FL	В <u>С</u>
	10/01/2007: WV		
2003	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
2016	National, IN		В <u>С</u>
	10/01/2007: WV		
2039	National, IN		В <u>С</u>
	10/01/2007: WV		
2040	06/01/2014: TX		В <u>С</u>
2041	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
2065	National, IN		€ <u>D</u>
	10/01/2007: WV		
2068	06/01/2014: TX		€ <u>D</u>
2070	National, IN		€ <u>D</u>
	10/01/2007: WV		
2081	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		€ <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
2095	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
2101	AK	03/01/2017: AL	В <u>С</u>
		04/01/2017: VA	
2110	National, IN		В <u>С</u>
	10/01/2007: WV		
2111	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
2112	National, IN		В <u>С</u>
	10/01/2007: WV		
2121	National, IN		€ <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
2122	AK		В <u>С</u>
2130	National, IN		€ <u>D</u>
	10/01/2007: WV		
2172	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
2174	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
2220	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
2288	National, IN		B <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
2302	National, IN		€ <u>D</u>
	10/01/2007: WV		
2305	National, IN		Ð <u>E</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
2361	National, IN		e <u>D</u>
	10/01/2007: WV		
2413	National, IN		6 <u>D</u>
	10/01/2007: WV		
2503	National, IN		B <u>C</u>
	10/01/2007: WV		
	06/01/2014 : TX		
2532	06/01/2014: TX	04/01/2016: VA	A <u>C</u>
2534	06/01/2014: TX		В <u>С</u>
2570	National, IN		В <u>С</u>
	10/01/2007: WV		
2581	06/01/2014: TX		B <u>D</u>
2583	06/01/2014: TX		€ <u>D</u>
2585	AL, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		B <u>D</u>
	10/01/2007: WV		
2587	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
2589	AL, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		€ Ū
	10/01/2007: WV		
2600	National, IN		B <u>C</u>
	10/01/2007: WV		
2623	National, IN		Ð <u>E</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
2651	National, IN		В <u>С</u>
	10/01/2007: WV		
2683	06/01/2014: TX		B <u>C</u>
2688	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
2697	OR		G <u>F</u>
2701	07/01/2007: AL, AR, CO, CT, GA, HI, IL, IN, KS, LA, MD, ME, MS, NE, NM, OK, RI, SC, SD	04/01/2018: VT	E <u>F</u>
	10/01/2007: AZ, KY, WV		
	11/01/2007: DC		
	12/01/2007 : UT		
	01/01/2008: IA, MO, NH		
	03/01/2008: TN		
	04/01/2008: VA		
2705	GA, LA, MS, TN	07/01/2017: TX	E <u>F</u>
2709	ME, NH, OK, SD, VT		E F
	07/01/2007: AL, CO, CT, GA, HI, IL, IN, KS, MD, NE, NM, NV, RI, SC, VT		
	10/01/2007: AZ, WV		
	11/01/2007: DC		
	12/01/2007 : UT		
	01/01/2008: IA, MO		
	03/01/2008: TN		
	03/01/2017: MS		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
2710	National, IN		₽ <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
2714	National, IN		В <u>С</u>
	10/01/2007: WV		
2719	AR, KY, LA	03/01/2017: MS	E <u>F</u>
	06/01/2014: TX		
2721	ME, NH, NM, UT		G <u>F</u>
	04/01/2019: VT		
2725	AK, OR, VA		E <u>F</u>
2727	MT, NV	01/01/2008: ID	E <u>F</u>
2731	National, IN		E <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
2735	National, IN		В <u>С</u>
	10/01/2007: WV		
2759	National, IN		В <u>С</u>
	10/01/2007: WV		
2797	AZ, GA, ID, IN, KS		€ <u>B</u>
	01/01/2010: FL		
	04/01/2010 : VA		
	01/01/2011: AK, CO, CT, HI, IA, IL, ME, MD, MO, NH, NM, OK, OR		
	02/01/2011: NE		
	03/01/2011: AL, MS, NV, TN		
	04/01/2011: VT		
	05/01/2011 : LA		

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Class Code	Applies in:	Discontinued in:	Hazard Group A–G
	06/01/2011 : RI		
	07/01/2011: AR, MT, SC, SD		
	10/01/2011: KY		
	11/01/2011: DC, WV		
	12/01/2011 : UT		
2835	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
2836	National, IN		A <u>B</u>
	10/01/2007: WV		
2841	National, IN		В <u>С</u>
	10/01/2007: WV		
2881	National, IN		А <u>В</u>
	10/01/2007: WV		
2881	06/01/2014: TX		В <u>С</u>
2915	National, IN		Ð <u>E</u>
	10/01/2007: WV		
2916	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		₽ <u>E</u>
	10/01/2007: WV		
2960	National, IN		€ <u>D</u>
	10/01/2007: WV		
3004	National, IN		E <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
3018	National, IN		E <u>F</u>
	10/01/2007: WV		
3022	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
3028	National, IN		6 <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
3040	National, IN		E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3041	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3064	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3076	01/01/2008: FL	09/01/2011: NE	B <u>C</u>
		10/01/2014: KY	
		11/01/2014: DC, WV	
		12/01/2014 : UT	
		01/01/2015: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, MO, NH, OK, OR	
		03/01/2015: AL, GA, MS, NV, TN	
		04/01/2015: ME, VA, VT	
		05/01/2015 : LA	

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
		07/01/2015: AR, MT, SD	
		08/01/2015: RI	
		09/01/2015: SC	
		01/01/2016: NM	
3081	National, IN		E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3085	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014 : TX		
3110	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3113	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3114	National, IN		6 <u>D</u>
	10/01/2007: WV		
3114	06/01/2014: TX		B <u>D</u>
3126	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3131	National, IN		6 <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3132	06/01/2014: TX		Ð <u>C</u>

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Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
3145	National, IN		e <u>D</u>
	10/01/2007: WV		
3146	National, IN		e <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3179	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
3180	National, IN		В <u>С</u>
	10/01/2007: WV		
3188	National, IN		B <u>D</u>
	10/01/2007: WV		
3220	National, IN		6 <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3227	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
3255	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
3300	National, IN		€ <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
3303	National, IN		В <u>С</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
3307	National, IN		€ <u>D</u>
	10/01/2007: WV		
3315	National, IN		В <u>С</u>
	10/01/2007: WV		
3316	06/01/2014: TX		В <u>С</u>
3334	National, IN		€ <u>D</u>
	10/01/2007: WV		
3336	National, IN		E <u>D</u>
	10/01/2007: WV		
3365	National, IN		E <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
3383	National, IN		B <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
3385	National, IN		В <u>С</u>
	10/01/2007: WV		
3400	National, IN		Ð <u>C</u>
	10/01/2007: WV		
3507	National, IN		6 <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
3515	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		<u>е</u> <u>Б</u>
	10/01/2007: WV		
3559	National, IN		e <u>D</u>
	10/01/2007: WV		

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Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
3574	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
3581	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
3629	National, IN		В <u>D</u>
	10/01/2007: WV		
3629	06/01/2014: TX		В <u>С</u>
3634	National, IN		B <u>D</u>
	10/01/2007: WV		
3635	National, IN		€ <u>D</u>
	10/01/2007: WV		
3638	National, IN		В <u>С</u>
	10/01/2007: WV		
3643	National, IN		6 <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
3681	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
3685	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		

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Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
3724	National, IN		₽ <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
3805	06/01/2014: TX		€ <u>D</u>
3807	National, IN		B <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
3821	National, IN		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
3822	National, IN		Ð <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
3823	06/01/2014: TX		Ð <u>C</u>
3824	National, IN		Ð <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
3826	National, IN		€ <u>D</u>
	10/01/2007: WV		
3827	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		Ð <u>C</u>
	10/01/2007: WV		
3851	National, IN		B <u>C</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
3865	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
3881	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4021	National, IN		E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4038	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
4062	National, IN		e <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4101	06/01/2014: TX		€ <u>D</u>
4109	01/01/2010: FL		В <u>С</u>
	04/01/2010: VA		
	01/01/2011: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, ME, MD, MO, NH, NM, OK, OR		
	02/01/2011: NE		
	03/01/2011: AL, GA, MS, NV, TN		
	04/01/2011: VT		
	05/01/2011: LA		
	06/01/2011: RI		
	07/01/2011: AR, MT, SC, SD		

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Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
	10/01/2011: KY		
	11/01/2011: DC, WV		
	12/01/2011: UT		
4111	National, IN		В <u>С</u>
	10/01/2007: WV		
4114	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4131	National, IN		B <u>C</u>
	10/01/2007: WV		
4149	01/01/2010: FL		A <u>B</u>
	04/01/2010: VA		
	01/01/2011: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, ME, MD, MO, NH, NM, OK, OR		
	02/01/2011: NE		
	03/01/2011: AL, GA, MS, NV, TN		
	04/01/2011: VT		
	05/01/2011 : LA		
	06/01/2011: RI		
	07/01/2011: AR, MT, SC, SD		
	10/01/2011: KY		
	11/01/2011: DC, WV		
	12/01/2011: UT		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
4150	06/01/2014: TX	01/01/2010: FL	A <u>B</u>
		04/01/2010 : VA	
		01/01/2011 : AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, ME, MD, MO, NH, NM, OK, OR	
		02/01/2011: NE	
		03/01/2011: AL, GA, MS, NV, TN	
		04/01/2011: VT	
		05/01/2011 : LA	
		06/01/2011 : RI	
		07/01/2011: AR, MT, SC, SD	
		10/01/2011: KY	
		11/01/2011: DC, WV	
		12/01/2011 : UT	
4206	06/01/2014: TX		E <u>C</u>
4207	National, IN		E <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
4239	National, IN		€ <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
4243	National, IN		е <u>Б</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
4244	National, IN		€ <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
4250	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4263	National, IN		€ <u>D</u>
	10/01/2007: WV		
4273	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4279	National, IN		€ <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
4299	National, IN		В <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4307	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
4312	ок		€ <u>D</u>
4351	06/01/2014: TX		В <u>С</u>
4352	National, IN		В <u>С</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
4361	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
4362	06/01/2014: TX	01/01/2010: FL	€ <u>E</u>
		01/01/2012: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, ME, MO, NH, NM, OK, OR	
		02/01/2012: NE	
		03/01/2012: AL, GA, MS, NV, TN	
		04/01/2012: VA, VT	
		05/01/2012 : LA	
		07/01/2012: AR, MT, RI, SD	
		09/01/2012 : SC	
		10/01/2012: KY	
		11/01/2012: DC, WV	
		12/01/2012 : UT	
4431	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
4432	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		А <u>В</u>
	10/01/2007: WV		
	01/01/2017: OR		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
4452	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014 : TX		
4459	National, IN		€ <u>E</u>
	10/01/2007: WV		
4459	06/01/2014: TX		Ð <u>E</u>
4470	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4493	National, IN		e <u>D</u>
	10/01/2007: WV		
4557	National, IN		В <u>Е</u>
	10/01/2007: WV		
4558	National, IN		€ <u>D</u>
	10/01/2007: WV		
4558	06/01/2014: TX		B <u>D</u>
4611	National, IN		В <u>С</u>
	10/01/2007: WV		
4611	06/01/2014: TX		E <u>D</u>
4635	National, IN		G <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
4653	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
4683	National		€ <u>D</u>
	10/01/2007: WV		
	07/01/2017 : TX		
	01/01/2020: IN		
4692	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
4703	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4712	06/01/2014: TX		6 <u>E</u>
4717	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
4720	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
4740	National, IN		E <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
4741	National, IN		€ <u>D</u>
	10/01/2007: WV		
4766	AL, AZ, ID, IN		G <u>F</u>
	06/01/2014: TX		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
4771	AL, AK, AZ, AR, CO, CT, DC, FL, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		G <u>F</u>
	10/01/2007: WV		
	03/01/2016 : GA		
4777	National, IN		G <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
4828	National, IN		Ð <u>F</u>
	10/01/2007: WV		
	07/01/2017: TX		
4902	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
4923	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
5020	National, IN		<u> </u>
	10/01/2007: WV		
5022	National, IN		F <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
5160	National, IN		F <u>G</u>
	10/01/2007: WV		
	06/01/2014 : TX		

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Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
5183	National, IN		E <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
5188	National, IN		E <u>F</u>
	10/01/2007: WV		
5190	National, IN		E <u>F</u>
	10/01/2007: WV		
5191	National, IN		6 <u>E</u>
	10/01/2007: WV		
5191	06/01/2014: TX		Ð <u>E</u>
5192	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
5200	06/01/2014: TX		E <u>F</u>
5203	06/01/2014: TX		F <u>G</u>
5213	National, IN		₽ <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
5215	National, IN		Ð <u>E</u>
	10/01/2007: WV		
5220	06/01/2014: TX		E <u>F</u>
5221	National, IN		E <u>F</u>
	10/01/2007: WV		
5222	National, IN		₽ <u>G</u>
	10/01/2007: WV		
5402	National, IN		B <u>C</u>
	10/01/2007: WV		

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Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
5437	National, IN		<u> </u>
	10/01/2007: WV		
	06/01/2014: TX		
5443	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
5445	National, IN		₽ <u>G</u>
	10/01/2007: WV		
5474	National, IN		F <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
5478	National, IN		<u> </u>
	10/01/2007: WV		
5479	National, IN		Ð <u>E</u>
	10/01/2007: WV		
5491	06/01/2014: TX		<u> </u>
5506	AL, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, VA, VT		G <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
5516	AK, UT		E <u>G</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
5535	07/01/2007: AL, AR, CO, GA, HI, ID, IL, IN, KS, MD, ME, MS, NE, NM, NV, RI, SC, SD, VT		E <u>G</u>
	10/01/2007: AZ, KY, WV		
	11/01/2007: DC		
	12/01/2007 : UT		
	01/01/2008: FL, IA, MO, MT, NH, OK, OR		
	03/01/2008: TN		
	04/01/2008 : VA		
	04/01/2010: AK		
5538	06/01/2014: TX	07/01/2007: AL, AR, CO, CT, GA, HI, ID, IL, IN, KS, LA, MD, ME, MS, NE, NM, NV, OK, RI, SC, SD, VT 10/01/2007: AZ, KY 11/01/2007: DC	E <u>G</u>
		12/01/2007: UT	
		01/01/2008: FL, IA, MO, MT, NH, OR	
		03/01/2008 : TN	
		04/01/2008 : VA	
		04/01/2010: AK	
5606	National, IN		F <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
5610	National, IN		€ <u>E</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
5645	National, IN		₽ <u>G</u>
	10/01/2007: WV		
5951	National, IN		В <u>С</u>
	10/01/2007: WV		
6003	AL, AK, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT	07/01/2006: FL	€ <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
6006	07/01/2006: FL		E <u>F</u>
6213	National, IN		₽ <u>G</u>
	10/01/2007: WV		
6214	National, IN		G <u>F</u>
	10/01/2007: WV		
6217	National, IN		F <u>G</u>
	10/01/2007: WV		
6219	06/01/2014: TX		F <u>G</u>
6229	National, IN		<u> </u>
	10/01/2007: WV		
	06/01/2014: TX		
6233	National, IN		F <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
6237	National, IN		<u> </u>
	10/01/2007: WV		
6257	СО		G <u>F</u>
6306	06/01/2014: TX		G <u>F</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:	Discontinued in:	Hazard Group A-G
6319	National, IN		₽ <u>G</u>
	10/01/2007: WV		
	06/01/2014: TX		
6325	National, IN		₽ <u>G</u>
	10/01/2007: WV		
6400	National, IN		Ð <u>E</u>
	10/01/2007: WV		
6503	01/01/2010: FL		В <u>С</u>
	04/01/2010 : VA		
	01/01/2011: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, ME, MD, MO, NH, NM, OK		
	02/01/2011: NE		
	03/01/2011: AL, GA, MS, NV, TN		
	04/01/2011 : VT		
	05/01/2011 : LA		
	06/01/2011: RI		
	07/01/2011: AR, MT, SC, SD		
	10/01/2011: KY		
	11/01/2011: DC, WV		
	12/01/2011 : UT		
6504	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OR, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
6513	ОК		В <u>С</u>
6823	06/01/2014: TX		₽ <u>E</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
6824	National, IN		₽ <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
6834	National, IN		Ð <u>C</u>
	10/01/2007: WV		
6836	National, IN		E <u>D</u>
	10/01/2007: WV		
6838	FL		Ð <u>E</u>
6854	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		G <u>F</u>
	10/01/2007: WV		
6882	National, IN		G <u>F</u>
	10/01/2007: WV		
6884	AL, AK, AZ, AR, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		G <u>F</u>
	10/01/2007: WV		
7133	06/01/2014: TX		G <u>F</u>
7134	06/01/2014: TX		G <u>F</u>
7135	06/01/2014: TX		G <u>F</u>
7201	FL		e <u>D</u>
7204	FL		В <u>С</u>
7205	FL		e <u>D</u>
7219	06/01/2014: TX		E <u>F</u>
7222	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		E <u>F</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Code Ap	plies in: [*]	Discontinued in:	Hazard Group A–G
IN,	, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, ME, MD, MS, MO, MT, NE, NH, I, OK, OR, RI, SC, SD, TN, UT, VA, VT		Ð <u>E</u>
10/	01/2007: WV		
06/	01/2014: TX		
7382 Nat	tional, IN		€ <u>D</u>
10/	01/2007: WV		
06/	01/2014: TX		
IN,	, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, I, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		E <u>C</u>
10/	01/2007: WV		
7405 Nat	tional, IN		E <u>C</u>
10/	01/2007: WV		
7405 06 /	01/2014: TX		e <u>c</u>
7418 06 /	01/2014: TX	01/01/2010 : AK	G <u>F</u>
7421 Nat	tional, IN		Ħ
10/	01/2007: WV		
7421 06/	01/2014: TX		G <u>E</u>
7422 Nat	tional, IN		G <u>F</u>
10/	01/2007: WV		
06/	01/2014: TX		
7423 06 /	01/2014: TX	07/01/2008: AR, AZ, LA, MD, ME, MO, NM, TN	E <u>C</u>
7425 Nat	tional, IN		G <u>F</u>
10/	01/2007: WV		
7431 Nat	tional, IN		G <u>F</u>
10/	01/2007: WV		
7502 06 /	01/2014: TX		<u> </u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
7520	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
7590	National, IN		₽ <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
7605	National, IN		E <u>F</u>
	10/01/2007: WV		
7610	National, IN		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
7699	IN		E <u>F</u>
7704	06/01/2014: TX		G <u>F</u>
7723	CT, ME, NV, VA		G <u>F</u>
7729	01/01/2010: OR		E <u>F</u>
7732	01/01/2018: IN		E <u>F</u>
	10/01/2019 : LA		
8001	National, IN		В <u>С</u>
	10/01/2007: WV		
8003	AK		B <u>C</u>
8006	National, IN		€ <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
8010	National, IN		B <u>C</u>
	10/01/2007: WV		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
8013	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
8014	IL		В <u>С</u>
8015	National, IN		€ <u>D</u>
	10/01/2007: WV		
	07/01/2019: TX		
8018	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
8032	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
8033	National, IN		€ <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
8034	AZ, MO, OK		€ <u>B</u>
8034	06/01/2014: TX		B <u>C</u>
8037	01/01/2010: FL		В <u>А</u>
	04/01/2010: VA		
	01/01/2011: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, ME, MO, NH, NM, OK, OR		
	02/01/2011: NE		
	03/01/2011: AL, GA, MS, NV, TN		
	04/01/2011: VT		
	05/01/2011 : LA		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
	06/01/2011: RI		
	07/01/2011: AR, MT, SC, SD		
	10/01/2011: KY		
	11/01/2011: DC, WV		
	12/01/2011 : UT		
8044	National, IN		Ð <u>C</u>
	10/01/2007: WV		
	06/01/2014: TX		
8045	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
8047	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
8102	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
8107	National, IN		E <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
8111	National, IN		€ <u>D</u>
	10/01/2007: WV		
8113	06/01/2014: TX		E <u>D</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Applies in:*	Discontinued in:	Hazard Group A–G
National, IN		€ <u>D</u>
10/01/2007: WV		
National, IN		€ <u>D</u>
10/01/2007: WV		
AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		E <u>D</u>
10/01/2007: WV		
National, IN		G <u>F</u>
10/01/2007: WV		
06/01/2014: TX		
06/01/2014: TX		<u> </u>
AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		6 <u>D</u>
10/01/2007: WV		
NM		E <u>F</u>
06/01/2014: TX		E <u>F</u>
National, IN		E <u>D</u>
10/01/2007: WV		
06/01/2014: TX		
06/01/2014: TX		Ð <u>С</u>
National, IN		E <u>C</u>
10/01/2007: WV		
06/01/2014: TX		
National, IN		E <u>F</u>
10/01/2007: WV		
06/01/2014: TX		
	National, IN 10/01/2007: WV National, IN 10/01/2007: WV AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV National, IN 10/01/2014: TX AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV NM 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX	National, IN 10/01/2007: WV National, IN 10/01/2007: WV AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV National, IN 10/01/2007: WV 06/01/2014: TX AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV NM 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX National, IN 10/01/2007: WV 06/01/2014: TX

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
8385	National, IN		E <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
8392	National, IN		€ <u>B</u>
	10/01/2007: WV		
8393	National, IN		e <u>E</u>
	10/01/2007: WV		
8411	AZ, OR		G <u>F</u>
8601	National, IN		Ð <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
8602	01/01/2010: AK, CO, CT, FL, HI, IA, IL, IN, KS, ME, MD, MO, NH, NM, OR		Ð <u>E</u>
	02/01/2010: NE, RI		
	03/01/2010: AL, MS, NV, TN		
	04/01/2010: VA, VT		
	05/01/2010 : LA		
	07/01/2010: AR, MT, SC, SD, WV		
	10/01/2010: AZ, KY		
	11/01/2010: DC		
	12/01/2010 : UT		
	01/01/2011: OK		
	03/01/2011: GA		
8606	06/01/2014: TX		G <u>F</u>
8607	06/01/2014: TX		Ð <u>F</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
8719	AL, AK, AZ, AR, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		G <u>F</u>
	10/01/2007: WV		
8720	National, IN		E <u>F</u>
	10/01/2007: WV		
	07/01/2019: TX		
8723	01/01/2011: FL		е <u>Б</u>
	01/01/2012: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, ME, MO, NH, NM, OK, OR		
	02/01/2012: NE		
	03/01/2012: AL, GA, MS, NV, TN		
	04/01/2012: VT		
	05/01/2012 : LA		
	07/01/2012: AR, MT, RI, SD		
	09/01/2012: SC		
	10/01/2012: KY		
	11/01/2012: DC, WV		
	12/01/2012: UT		
8726	06/01/2014: TX		G <u>F</u>
8744	07/01/2016: MT		E <u>C</u>
8748	National, IN		Ð <u>F</u>
	10/01/2007: WV		
	06/01/2014: TX		
8752	06/01/2014: TX		В <u>С</u>
8754	CT, LA, RI		€ <u>D</u>
	04/01/2020: VT		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
8754	06/01/2014: TX		Ð <u>C</u>
8800	National, IN		A <u>C</u>
	10/01/2007: WV		
8811	CO, ID		В <u>С</u>
8820	National, IN		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
8824	National, IN		В <u>А</u>
	10/01/2007: WV		
	07/01/2019: TX		
8826	National, IN		€ <u>B</u>
	10/01/2007: WV		
	07/01/2019: TX		
8829	FL, NV	07/01/2019: TX	€ <u>B</u>
		10/01/2019: KY	
		11/01/2019: DC, WV	
		01/01/2020: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, UT	
		02/01/2020: NE	
		03/01/2020: AL, GA, MS, TN	
		04/01/2020: ME, SC, VA, VT	
		05/01/2020 : LA	
		07/01/2020: AR, SD	

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
8831	National, IN		€ <u>A</u>
	10/01/2007: WV		
	06/01/2014: TX		
8834	07/01/2016 : MT		В <u>С</u>
8837	06/01/2014: TX	10/01/2007: AK, CO	€ <u>B</u>
		01/01/2014: OR	
8842	OR		6 <u>A</u>
	10/01/2007: AL, AK, AZ, AR, CO, CT, DC, GA, IA, ID, IL, KS, KY, LA, ME, MD, MS, MT, NE, NH, NM, OK, RI, SC, SD, TN, UT, VT, WV		
	01/01/2008: HI, IN		
	01/01/2010: FL		
8864	10/01/2007: AL, AK, AZ, AR, CO, CT, DC, GA, IA, ID, IL, KS, KY, LA, ME, MD, MS, MT, NE, NH, NM, OK, RI, SC, SD, TN, UT, VT, WV		<u> Є В</u>
	01/01/2008: HI, IN		
	01/01/2010: FL		
	01/01/2014: OR		
8871	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		В <u>С</u>
	10/01/2007: WV		
8901	National, IN		Ð <u>E</u>
	10/01/2007: WV		
9012	AL, AK, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		Ð <u>E</u>
	10/01/2007: WV		
	01/01/2012: AZ, OR		
	07/01/2012 : MT		

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A-G
9015	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
9032	AZ		€ <u>B</u>
9032	06/01/2014: TX		€ <u>D</u>
9033	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NM, OK, RI, SC, SD, TN, UT, VA, VT 10/01/2007: WV 06/01/2014: TX		€ <u>D</u>
9040	06/01/2014: TX		€ <u>B</u>
9053	OK		В <u>С</u>
9061	National, IN		A <u>B</u>
	10/01/2007: WV		_
	06/01/2014: TX		
9062	CO, IA, IL, IN, KS, KY, LA, MS, MO, NE, NM, OR, SD		А <u>В</u>
	10/01/2007: WV		
9078	AK, ID		e <u>D</u>
9079	06/01/2014: TX		В <u>А</u>
9084	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT		€ <u>B</u>
	10/01/2007: WV		
9088	AL, AK, AZ, CO, CT, DC, FL, HI, IA, ID, IL, IN, KY, LA, ME, MD, MS, MO, MT, NV, NH, NM, RI, SC, SD, TN, UT, VA, VT		G <u>F</u>
	10/01/2007: WV		
9094	AK, MT		6 <u>F</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
9102	National, IN		€ <u>D</u>
	10/01/2007: WV		
	06/01/2014: TX		
9154	06/01/2014: TX		Ð <u>C</u>
9156	National, IN		Ð <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		
9170	СО		G <u>F</u>
	07/01/2007: AL, AR, CO, CT, GA, HI, ID, IL, IN, KS, LA, MD, ME, MS, NE, NM, NV, OK, RI, SC, SD, VT		
	10/01/2007: AZ, KY, WV		
	11/01/2007: DC		
	12/01/2007 : UT		
	01/01/2008: AK, FL, IA, MO, MT, NH		
	03/01/2008: TN		
	04/01/2008: VA		
	06/01/2014: TX		
9179	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		В <u>А</u>
	10/01/2007: WV		
	01/01/2008: MO		
	06/01/2014: TX		
9180	National, IN		E <u>D</u>
	10/01/2007: WV		
9310	OR		<u> </u>
9315	OR		E <u>D</u>

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
9328	OR		E <u>D</u>
9402	National, IN		E <u>F</u>
	10/01/2007: WV		
9411	07/01/2016: MT		6 <u>E</u>
9415	UT		E <u>D</u>
9420	MT		E <u>D</u>
9422	07/01/2016: MT		E <u>D</u>
9452	NV		E <u>D</u>
9453	NV		€ <u>D</u>
9501	National, IN		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		
9516	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SD, TN, UT, VA, VT		E <u>D</u>
	10/01/2007: WV		
9522	National, IN		С <u>В</u>
	10/01/2007: WV		
9522	06/01/2014: TX		₽ <u>B</u>
9529	06/01/2014: TX		F <u>G</u>
9534	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, VT		F <u>G</u>
	10/01/2007: WV		
	05/01/2017: LA		
9586	National, IN		A <u>B</u>
	10/01/2007: WV		
	06/01/2014: TX		

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ITEM B-1442—REVISIONS TO BASIC MANUAL APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 1 (CONT'D) BASIC MANUAL—2001 EDITION APPENDIX E

Class Code	Applies in:*	Discontinued in:	Hazard Group A–G
9600	National, IN		В <u>С</u>
	10/01/2007: WV		
	06/01/2014: TX		
9620	National, IN		Ð <u>E</u>
	10/01/2007: WV		
	06/01/2014: TX		

^{*} The term "National" means that the classification code applies in all jurisdictions that follow the NCCI classification system.

INFORMATIONAL EXHIBIT 1

This exhibit is a summary of the analysis used to determine the Hazard Group (HG) assignments in this Item.

Introduction

The Hazard Group assignment for a given class code represents its propensity for large losses relative to its losses of all sizes. This relative propensity for large losses corresponds to the concept of *excess ratios*.¹

The analysis can be divided into two major parts: first, producing estimates of excess ratios by class, and second, grouping classes together that have similar excess ratios to form HGs.

Data

For each class, exposure and claim data reported under NCCI's **Statistical Plan for Workers Compensation and Employers Liability Insurance** are pooled across 37 states for five older policy periods, corresponding to policy periods within the 2010–2015 time frame. The claim amounts are evaluated as of 1st through 5th reports and are developed to ultimate and trended to a common date.

Excess Ratios

To produce the Excess Loss Factors/Excess Loss Pure Premium Factors (ELFs/ELPPFs) in the State Special Rating Values pages of the *Retrospective Rating Plan Manual*, NCCI calculates excess ratios by HG at 40 different loss limits, ranging from \$10,000 to \$10,000,000. These 40 excess ratios are calculated by combining three sets of values by state, HG, and Claim Group:² average claim severity, claim count, and the severity distribution.³ In the analysis underlying this Item, the same framework is used to calculate excess ratios by class code. However, since individual class codes have less data than HGs, adjustments

2. Permanent Total

For reasons of stability, the claims in the Fatal and Permanent Total groups were excluded in the main procedure to produce the class assignment to HGs. The assignments that would have been produced had the Fatal and Permanent Total groups been included were reviewed in the manual review step.

¹An excess ratio at a given loss limit is defined as the ratio of the losses exceeding the loss limit to total losses. ²Claim groups are based on the injury type reported in Statistical Plan data and the Likely-to-Develop and Not-Likely-to-Develop distinction in NCCl's class ratemaking as follows:

^{1.} Fata

^{3.} Permanent Partial and Temporary Total—Likely-to-Develop

^{4.} Permanent Partial and Temporary Total—Not-Likely-to-Develop

^{5.} Medical Only

³The average claim severity and claim count are estimated via a multilevel Bayesian model in each update, while the severity distribution is updated less frequently (the last two updates were performed in 2014 and 2019).

INFORMATIONAL EXHIBIT 1 (CONT'D)

to the credibility procedures were necessary in order to stabilize the excess ratios for small and medium classes.

Two levels of credibility procedures were applied. The first-level credibility procedure adopts the framework from the annual update of the ELFs/ELPPFs, with minor adjustments to the estimation of average claim severities and claim counts to account for the lower data volume on a class code basis compared to HGs. This results in excess ratios calculated at each of the 40 loss limits for each class.

The second-level credibility procedure is applied to the excess ratios calculated from the first-level credibility procedure, according to the square root rule as follows:

$$R_{Final} = Z \cdot R_{First-Level} + (1 - Z) \cdot R_{Current HG}$$

where R_{Final} is the excess ratio from the second-level credibility procedure, $R_{First-Level}$ the excess ratio from the first-level credibility procedure, $R_{Current\ HG}$ the excess ratio from the current HG assignment for the class, and Z the credibility of the excess ratio of the class, defined by

$$Z = \min\left(\sqrt{\frac{n}{5000}}, 1\right),\,$$

where n is the number of claims (for all claim groups combined) in the class.

At this point, 40 credibility-weighted excess ratios have been calculated for each class.

Number of Hazard Groups and Crossover

After the excess ratios for each class at the 40 individual loss limits have been calculated, the number of HGs is determined. There are two main considerations to balance in determining how many HGs to which classes can be assigned: More HGs allows for a finer differentiation between classes with different propensity for large losses, but may also lead to undesirable "crossover" situations where a HG with a lower propensity for losses exceeding a low loss limit (compared to another HG) switches to having a higher propensity for losses exceeding a high loss limit.

Seven HGs was the maximum number of HGs such that these crossover situations did not occur, and this number was chosen as the number of HGs used in the step to assign classes to HGs.

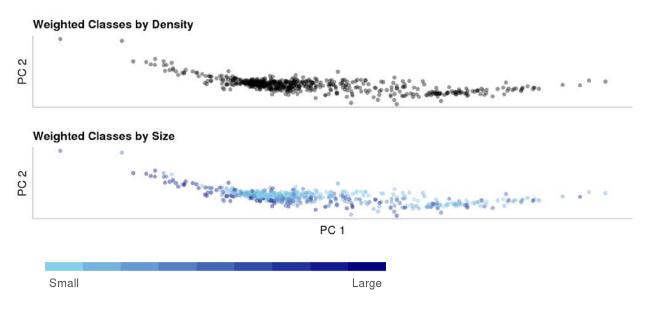
INFORMATIONAL EXHIBIT 1 (CONT'D)

Principal Components Analysis

Principal Component Analysis is used to reduce the 40 dimensions for each class (each dimension represented by each of the 40 individual loss limits) to 2 dimensions in order to group the classes into HGs.

The first Principal Component dimension reflects behavior across all loss limits nearly equally, and the second reflects differences in behavior between classes at the lowest and highest loss limits. The two Principal Component dimensions together describe more than 97% of the behavior for all class codes across the 40 individual loss limits.

Thus, with each class being represented by two values (one value in each Principal Component dimension), the classes can be plotted into a two-dimensional space, so that classes that are nearby have similar excess ratios. The two following graphs are examples of this concept:



At this point, each class is represented by two values, one in each of the two Principal Component dimensions, and will be grouped into seven HGs.

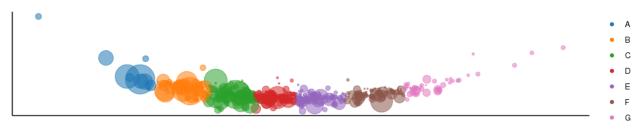
k-means clustering

k-means clustering is the algorithm used to group classes with similar excess ratios into HGs. Conceptually, the k-means clustering algorithm assigns each class to the nearest HG in Principal

INFORMATIONAL EXHIBIT 1 (CONT'D)

Component space,⁴ recalculates the centroids of the HGs, and repeats the reassignment and recalculation steps until the assignments no longer change.

The following graph is an example of the result of the described concept in Principal Component space, with each color representing an HG:



At this point, most classes have an HG assignment. Some assignments were not determined during the standard process (e.g., F-classes, new classes, state specials, etc.); these assignments were determined during the manual review.

Manual Review

NCCI incorporated feedback individually provided by NCCI Underwriting Committee members on the HG assignments produced by the k-means cluster algorithm; this feedback focused on smaller classes and classes that were not assigned to a HG by the standard process. NCCI staff also performed a review of larger classes, classes with large differences in the feedback from the Underwriting Committee, and classes that changed more than one HG (and related classes).

The manual review results are included in the final HG assignments included in this Item.

⁴The nearest HG is defined as the HG whose centroid (i.e., weighted mean, with weights being the total claim counts in the class) with the smallest distance to the class, where distance metric is the Euclidean distance in the two-dimensional Principal Component space.

State Special		State		NCRB	NCCI	PROPOSED	
Cross	State	Special		HAZARD	HAZARD	NCCI HAZARD	Change From
Reference	Exception	Code	CLASS CODE DESCRIPTION	GROUP	GROUP	GROUP	Current?
1165			MINING NOC - NOT COAL - SURFACE - & DRIVERS	F	F	G	Change
		2705	LOGGING - PULPWOOD ONLY - ALL OPERATIONS & DRIVERS	E	E	F	Change
		2727	LOG HAULING & DRIVERS	E	E	F	Change
	3822		AUTOMOBILE BUS TRUCK OR TRAILER BODY MFG - DIE PRESSED STEEL	D	D	С	Change
	3824		AUTOMOBILE BUS TRUCK OR TRAILER BODY MFG - NOC	D	D	С	Change
7222			TRUCKING - OIL FIELD EQUIPMENT - ALL EMPLOYEES & DRIVERS	E	E	F	Change
	7228		TRUCKING - LOCAL HAULING ONLY & DRIVERS	E	E	E	No Change
	7229		TRUCKING - LONG DISTANCE HAULING & DRIVERS	F	F	F	No Change
7230			TRUCKING - PARCEL OR PACKAGE DELIVERY - ALL EMPLOYEES & DRIVERS	D	D	D	No Change
7232			TRUCKING - MAIL/PACKAGE DELIVERY - UNDER CONTRACT W/ THE US POS	S F	F	F	No Change
		7529	ELECTRIC LIGHT OR POWER LINE CONSTR-REA PROJECT ONLY & DRIVERS	G	G	G	No Change
7720			POLICE OFFICERS & DRIVERS	E	E	E	No Change
		7723	DETECTIVE OR PATROL AGENCY - PRIVATE & DRIVERS	G	G	F	Change
		8236	READY MIX CONCRETE DEALER & DRIVERS	E	E	F	Change
	8291		STORAGE WAREHOUSE - COLD	D	D	D	No Change
	8292		STORAGE WAREHOUSE - NOC	С	С	С	No Change
	8293		STORAGE WAREHOUSE -FURNITURE & DRIVERS	E	E	С	Change
	8842		GROUP HOMES - ALL EMPLOYEES & SALESPERSONS, DRIVERS	С	С	Α	Change
		8848	FAMILY CARE HOMES - ALL EMPLOYEES	С	С	N/A	N/A
		8849	NURSING HOMES - ALL EMPLOYEES	С	С	N/A	N/A
	8864		SOCIAL SERVICES ORGANIZATION - ALL EMPLOYEES & SALESPERSONS, DRI	١C	С	В	Change

NCCI Class Code	NCRB Class Code	Class Description	NCRB Current Hazard Group	NCCI Current Hazard Group	Proposed Hazard Group	Change From Current?
0124	0005	REFORESTATION & DRIVERS	С	В	С	Change
3076	3076	SHEET METAL PRODUCTS MFG.	С	С	С	No Change
8811	9410	MUNICIPAL, TOWNSHIP, COUNTY OR STATE NON-SALAR	С	В	С	Change
9411	N/A	STATE OF MONTANA DEPARTMENT OF TRANSPORTATIO	N/A	E	E	No Change

Current Proposed Change

ITEM B-1442—REVISIONS TO BASIC MANUAL APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

Informational Exhibit 2

CLASSIFICATIONS BY HAZARD GROUP

ss Code	Class Description	Hazard Group	Hazard Group	From Current?
8000	FARM: GARDENING-MARKET OR TRUCK-& DRIVERS	D	С	Change
0017	FARM-GARDENING-MARKET OR TRUCK AND VINEYARDS-ALL EMPLOYEES	E	D	Change
0030	SUGAR CANE PLANTATION & DRIVERS	D	E	Change
0034	FARM: POULTRY OR EGG PRODUCER & DRIVERS	С	D	Change
0035	FARM: FLORIST & DRIVERS	В	D	Change
0037	FARM: FIELD CROPS & DRIVERS	D	E	Change
0050	FARM MACHINERY OPERATION-BY CONTRACTOR-& DRIVERS	С	E	Change
0052	ORCHARD AND GROVE OWNERS AND OPERATORS-ALL OPERATIONS & DRIVERS	E	D	Change
0059	ABRASIVE OR BLASTING DISEASE	G	F	Change
0066	FOUNDRIES DISEASE - NON FERROUS METAL	E	D	Change
0067	FOUNDRIES DISEASE - IRON	Ε	D	Change
0079	FARM: BERRY OR VINEYARD & DRIVERS	Ε	D	Change
0083	FARM: CATTLE OR LIVESTOCK RAISING NOC & DRIVERS	С	D	Change
0117	FARM-BERRY PICKING	В	С	Change
0124	REFORESTATION & DRIVERS	В	C	Change
0153	LAWN OR SHRUB SPRAYING & DRIVERS	Е	D	Change
0173	FARM - BERRY & DRIVERS	В	C	Change
0251	IRRIGATION WORKS OPERATION & DRIVERS	C	D	Change
0908	DOMESTIC WORKERS - RESIDENCES - PART-TIME	C	D	Change
0913	DOMESTIC WORKERS - RESIDENCES - FULL-TIME	C	D	Change
0914	MEMBERS OF THE IDAHO LEGISLATURE	G	C	Change
0918	DOMESTIC SERVICE WORKERS - INSIDE - PHYSICAL ASSISTANCE - CONSUMER-DIRECTED PRO	C	D	Change
1165	MINING NOC-NOT COAL-SURFACE & DRIVERS	F	G	Change
1218	PHOSPHATE MINING & DRIVERS	C	E	Change
1322	OIL OR GAS - WELL - CLEANING OR SWABBING OF WELLS BY SPECIALIST CONTRACTOR - NO [F	G	Change
1438	SMELTING, SINTERING OR REFINING-METALS-NOT IRON OR LEAD-NOC & DRIVERS	F	E	Change
1456 1463	ASPHALT WORKS OPERATED BY PAVING CONTRACTORS - PERMANENT LOCATION & DRIVERS	F	G	Change
1403	DISTILLATION-WOOD-& DRIVERS	F	E	_
1701	CEMENT MFG	E	F	Change
		F		Change
1803	STONE CUTTING OR POLICIUMS CRANITE & DRIVERS		E	Change
1811	STONE CUTTING OR POLISHING-GRANITE & DRIVERS	G	F	Change
1924	WIRE DRAWING OR CABLE MFG - NOT IRON OR STEEL	В	С	Change
2002	PASTA OR NOODLE MFG	В	С	Change
2003	BAKERY - SALESPERSONS & DRIVERS	С	D	Change
2016	CEREAL OR BAR MFG.	В	С	Change
2039	ICE CREAM MFG & DRIVERS	В	С	Change
2041	CANDY, CHOCOLATE AND CONFECTION MFG	В	C	Change
2065	MILK PRODUCTS MFG NOC	С	D	Change
2070	CREAMERY OR DAIRY & ROUTE SUPERVISORS, DRIVERS	С	D	Change
2081	BUTCHERING	С	В	Change
2095	MEAT PRODUCTS MFG NOC	С	D	Change
2101	FISH CURING	В	С	Change
2110	PICKLE MFG	В	С	Change
2111	CANNERY NOC	В	С	Change
2112	FRUIT EVAPORATING OR PRESERVING	В	С	Change

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Informational Exhibit 2

CLASSIFICATIONS BY HAZARD GROUP

		Current Hazard	Proposed Hazard	Change From
Class Code	Class Description	Group	Group	Current?
2121	BREWERY & DRIVERS	C	В	Change
2122	SEAFOOD PROCESSORS-FLOATING	В	C	Change
2130	SPIRITUOUS LIQUOR DISTILLERY	C	D	Change
2172	TOBACCO PRODUCTS MFG. NOC	D	E	Change
2174	TOBACCO REHANDLING OR WAREHOUSING	В	С	Change
2220	YARN OR THREAD MFG-COTTON	С	D	Change
2288	FELTING MFG	В	С	Change
2302	SILK THREAD OR YARN MFG	С	D	Change
2305	TEXTILE FIBER MFG-SYNTHETIC	D	E	Change
2361	HOSIERY MFG	С	D	Change
2413	TEXTILE-BLEACHING, DYEING, MERCERIZING, FINISHING	С	D	Change
2503	DRESSMAKING OR TAILORING-CUSTOM EXCLUSIVELY	В	С	Change
2570	MATTRESS OR BOX SPRING MFG	В	С	Change
2585	LAUNDRY NOC & ROUTE SUPERVISORS, DRIVERS	В	D	Change
2587	TOWEL OR TOILET SUPPLY CO. & ROUTE SUPERVISORS, DRIVERS	В	С	Change
2589	LAUNDRY AND DRY CLEANING STORE-RETAIL-& ROUTE SUPERVISORS, DRIVERS	С	D	Change
2600	FUR PROCESSING-PREPARING SKINS	В	С	Change
2623	LEATHER MFGINCLUDING TANNING, LEATHER EMBOSSING, AND WOOL PULLING	D	E	Change
2651	SHOE STOCK MFG	В	С	Change
2688	LEATHER GOODS MFG NOC	В	С	Change
2697	FOREST PATROLLERS & DRIVERS	G	F	Change
2701	LOGGING OR TREE REMOVAL - LOG HAULING & DRIVERS	E	F	Change
2705	LOGGING OR LUMBERING - ALL OPERATIONS & DRIVERS	Ε	F	Change
2709	LOGGING OR TREE REMOVAL - MECHANIZED EQUIPMENT OPERATORS	Ε	F	Change
2710	SAW MILL	F	E	Change
2714	VENEER MFG	В	С	Change
2719	LOGGING OR TREE REMOVAL-MECHANIZED HARVESTING EXCLUSIVELY	Ε	F	Change
2721	LOGGING OR TREE REMOVAL - CERTIFIED CONVENTIONAL LOGGERS & SUPERVISORS	G	F	Change
2725	LOGGING OPERATIONS MECHANIZED EQUIPMENT OPERATIONS & DRIVERS	E	F	Change
2727	LOG HAULING & DRIVERS	Ε	F	Change
2731	PLANING OR MOLDING MILL	Е	С	Change
2735	FURNITURE STOCK MFG	В	С	Change
2759	BOX OR BOX SHOOK MFG	В	С	Change
2797	MANUFACTURED, MODULAR, OR PREFABRICATED HOME MANUFACTURING - SHOP WORK -	С	В	Change
2835	BRUSH OR BROOM ASSEMBLY	Α	В	Change
2836	BRUSH OR BROOM MFG NOC	Α	В	Change
2841	WOODENWARE MANUFACTURING NOC	В	С	Change
2881	FURNITURE MANUFACTURING AND CABINET SHOP - ASSEMBLY BY HAND - WOOD	Α	В	Change
2915	VENEER PRODUCTS MFG	D	Е	Change
2916	VENEER PRODUCTS MFG-NO VENEER MFG	F	Е	Change
2960	WOOD PRESERVING & DRIVERS	C	D	Change
3004	IRON OR STEEL: MANUFACTURING: STEEL MAKING-& DRIVERS	E	F	Change
3018	IRON OR STEEL: MANUFACTURING: STEEL WANTED AND THE STEEL WANTED TO	E	F	Change
3022	PIPE OR TUBE MFG NOC & DRIVERS	В	C	Change
3028	PIPE OR TUBE MFG-IRON OR STEEL-& DRIVERS	C	E	Change
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Informational Exhibit 2

CLASSIFICATIONS BY HAZARD GROUP

01 0 1		Current Hazard	Proposed Hazard	Change From
Class Code 3040	Class Description IRON OR STEEL: FABRICATION: IRON WORKS-SHOP-ORNAMENTAL-& DRIVERS	Group E	Group D	Current?
3040	IRON OR STEEL: FABRICATION: IRON WORKS-SHOP-DECORATIVE OR ARTISTIC- & FOUNDRIES	C	D	Change
3041		C	D	Change
	SIGN MFG-METAL	E	D	Change
3081	FOUNDRY-FERROUS-NOC	E		Change
3085	FOUNDRY-NON-FERROUS	C	D	Change
3110	FORGING WORK-DROP OR MACHINE	C	D	Change
3113 3114	TOOL MANUFACTURING-NOT DROP OR MACHINE FORGED-NOC TOOL MFG-DROP OR MACHINE FORGED-NOC: MACHINING OR FINISHING OF TOOLS OR DIE	C	D D	Change
		С	D	Change
3126	TOOL MFG-AGRICULTURAL, CONSTRUCTION, LOGGING, MINING, OIL OR ARTESIAN WELL	C	D	Change
3131	BUTTON OR FASTENER MFG-METAL	C		Change
3145	SCREW MFG	C	D D	Change
3146	HARDWARE MFG NOC	В		Change
3179	ELECTRICAL APPARATUS MFG NOC	В	С	Change
3180	ELECTRIC OR GAS LIGHTING FIXTURES MFG		С	Change
3188	PLUMBERS SUPPLIES MFG NOC	В	D	Change
3220	CAN MFG	С	D	Change
3227	ALUMINUM WARE MFG	В	С	Change
3255	WIRE CLOTH MFG	A	В	Change
3300	BED SPRING OR WIRE MATTRESS MFG	С	В	Change
3303	SPRING MFG	В	C	Change
3307	HEAT-TREATING-METAL	С	D	Change
3315	BRASS OR COPPER GOODS MFG	В	C	Change
3334	TIN FOIL MFG	C	D	Change
3336	TYPE FOUNDRY	E	D	Change
3365	WELDING OR CUTTING NOC & DRIVERS	E	F	Change
3383	JEWELRY MFG	В	С	Change
3385	WATCH MFG	В	С	Change
3400	METAL STAMPED GOODS MFG NOC	D	С	Change
3507	CONSTRUCTION OR AGRICULTURAL MACHINERY MFG	С	D	Change
3515	TEXTILE MACHINERY MFG	С	D	Change
3559	CONFECTION MACHINE MFG	С	D	Change
3574	COMPUTING, RECORDING OR OFFICE MACHINE MFG NOC	В	С	Change
3581	FUEL INJECTION DEVICE MFG	В	С	Change
3629	MACHINED PARTS MFG. NOC	В	D	Change
3634	VALVE MFG	В	D	Change
3635	GEAR MFG OR GRINDING	С	D	Change
3638	BALL OR ROLLER BEARING MFG	В	С	Change
3643	ELECTRIC POWER OR TRANSMISSION EQUIPMENT MFG	С	E	Change
3681	TELEVISION, RADIO, TELEPHONE OR TELECOMMUNICATION DEVICE MFG NOC	В	С	Change
3685	INSTRUMENT MFG NOC	В	С	Change
3724	MACHINERY OR EQUIPMENT ERECTION OR REPAIR NOC & DRIVERS	F	G	Change
3807	AUTOMOBILE RADIATOR MFG	В	С	Change
3821	AUTOMOBILE RECYCLING & DRIVERS	D	E	Change
3822	AUTOMOBILE, BUS, TRUCK OR TRAILER BODY MFG: DIE-PRESSED STEEL	D	С	Change
3824	AUTOMOBILE, BUS, TRUCK OR TRAILER BODY MFG: NOC	D	С	Change

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Informational Exhibit 2

CLASSIFICATIONS BY HAZARD GROUP

		Current Hazard	Proposed Hazard	Change From
Class Code	Class Description	Group	Group	Current?
3826	AUTOMOBILE ENGINE MEG	С	D	Change
3827 3851	AUTOMOBILE ENGINE MFG MOTORCYCLE MFG OR ASSEMBLY	D B	C C	Change
			В	Change
3865	BABY CARRIAGE MFG	A		Change
3881	CAR MFG-RAILROAD-& DRIVERS	C E	D D	Change
4021	BRICK OR CLAY PRODUCTS MFG. NOC & DRIVERS			Change
4038 4062	PLASTER STATUARY OR ORNAMENT MFG POTTERY MFG: PORCELAIN WARE-MECHANICAL PRESS FORMING	A C	B D	Change Change
		В	C	•
4109	INTEGRATED CIRCUIT MFG.	В	C	Change
4111	GLASSWARE MFG-NO AUTOMATIC BLOWING MACHINES	С	D	Change
4114	GLASSWARE MFG NOC	В	C	Change
4131	MIRROR MFG			Change
4149	OPTICAL GOODS MFG. NOC	A E	B F	Change
4207	PULP MFG-CHEMICAL PROCESS			Change
4239	PAPER MFG	E	F	Change
4243	BOX MFG-FOLDING PAPER-NOC	С	D	Change
4244	CORRUGATED OR FIBER BOARD CONTAINER MFG	C C	E	Change
4250	PAPER COADS MES		D	Change
4263	FIBER GOODS MFG	C C	D	Change
4273	BAG MFG PLASTIC OR PAPER		D	Change
4279	PAPER GOODS MFG NOC PRINTING	C B	E D	Change
4299	BOOKBINDING			Change
4307		A	В	Change
4312	NEWSPAPER CARRIERS-INCLUDING USE OF BICYCLES	С	D C	Change
4352	ENGRAVING	В		Change
4361	PHOTOGRAPHER-ALL EMPLOYEES & CLERICAL, SALESPERSONS, DRIVERS	В	С	Change
4431	MAGNETIC AND OPTICAL RECORDING MEDIA MFG.	A	В	Change
4432	PEN MFG	A C	B D	Change
4452	PLASTICS MFG: FABRICATED PRODUCTS NOC	C		Change
4459	PLASTICS MFG: SHEETS, RODS, OR TUBES		E D	Change
4470	CABLE MFG-INSULATED ELECTRICAL	С		Change
4493	FABRIC COATING OR IMPREGNATING NOC INK MFG	C B	D E	Change
4557	PAINT MFG		D	Change
4558 4611	DRUG, MEDICINE OR PHARMACEUTICAL PREPARATION, COMPOUNDING, OR BLENDING-NO	C B	C	Change
4611 4635	OXYGEN OR HYDROGEN MFG & DRIVERS	G	F	Change Change
4653	GLUE MFG & DRIVERS	В	C	•
4683	OIL MFG-VEGETABLE-NOC	C	D	Change
4692	DENTAL LABORATORY	В	C	Change Change
4703	CORN PRODUCTS MFG	C	D	•
	BUTTER SUBSTITUTE MFG	A	В	Change
4717 4720	SOAP OR SYNTHETIC DETERGENT MFG	C	D D	Change
4720 4740		E	G	Change Change
	OIL REFINING-PETROLEUM-& DRIVERS ASPHALT OR TAR DISTILLING OR REFINING & DRIVERS	C	D	•
4741				Change
4766 at 2020 Natio	EXPLOSIVES OR AMMUNITION MFG.: CARTRIDGE CHARGING OR LOADING & DRIVERS	G	F	Change

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Informational Exhibit 2

CLASSIFICATIONS BY HAZARD GROUP

01	Oleve Description	Current Hazard	Proposed Hazard	Change From Current?
Class Code 4771	Class Description EXPLOSIVES OR AMMUNITION MFG: NOC & DRIVERS	Group G	Group F	Change
4771	EXPLOSIVES OR AMMONITION WIFG. NOC & DRIVERS EXPLOSIVES DISTRIBUTORS & DRIVERS	G	F	Change
4828	CHEMICAL BLENDING AND MIXING NOC-ALL OPERATIONS & DRIVERS	D	F	Change
4902	SPORTING GOODS MFG NOC	В	C	Change
4902	PHOTOGRAPHIC SUPPLIES MFG	С	D	Change
5020	CEILING INSTALLATION-SUSPENDED ACOUSTICAL GRID TYPE	E	F	Change
5020	MASONRY NOC	F	G	Change
5160	ELEVATOR ERECTION OR REPAIR	F	G	Change
5183	PLUMBING NOC & DRIVERS	E	F	Change
5188	AUTOMATIC SPRINKLER INSTALLATION & DRIVERS	E	F	Change
5190	ELECTRICAL WIRING-WITHIN BUILDINGS & DRIVERS	E	F	•
5190	OFFICE MACHINE INSTALLATION, INSPECTION, ADJUSTMENT OR REPAIR	C	E	Change
	, ,	C	D	Change
5192	VENDING OR COIN OPERATED MACHINES-INSTALLATION, SERVICE OR REPAIR & SALESPERSC CONCRETE CONSTRUCTION NOC	F	G	Change
5213				Change
5215	CONCRETE WORK-INCIDENTAL TO THE CONSTRUCTION OF PRIVATE RESIDENCE	D E	E F	Change
5221	CONCRETE OR CEMENT WORK-FLOORS, DRIVEWAYS, YARDS OR SIDEWALKS-& DRIVERS			Change
5222	CONCRETE CONSTRUCTION IN CONNECTION WITH BRIDGES OR CULVERTS	F	G	Change
5402	HOTHOUSE ERECTION-ALL OPERATIONS	В	C	Change
5437	CARPENTRY-INSTALLATION OF CABINET WORK OR INTERIOR TRIM	E	F	Change
5443	LATHING & DRIVERS	C	D	Change
5445	WALLBOARD, SHEETROCK, DRYWALL, PLASTERBOARD, OR CEMENT BOARD INSTALLATION - 1	F	G	Change
5474	PAINTING NOC & SHOP OPERATIONS, DRIVERS	F -	G	Change
5478	FLOOR COVERING INSTALLATIONRESILIENT FLOORING CARPET AND LAMINATE FLOORING	E	F	Change
5479	INSULATION WORK NOC & DRIVERS	D	E	Change
5506	STREET OR ROAD CONSTRUCTION: PAVING OR REPAVING & DRIVERS	G	F	Change
5516	STREET OR ROAD CONSTRUCTION OR RECONSTRUCTION BY OTHER THAN STATE, COUNTY O	E	G	Change
5535	SHEET METAL WORK - INSTALLATION & DRIVERS	E	G	Change
5606	CONTRACTORPROJECT MANAGER, CONSTRUCTION EXECUTIVE, CONSTRUCTION MANAGER	F	G	Change
5610	CLEANER - DEBRIS REMOVAL - CONSTRUCTION	С	E	Change
5645	CARPENTRY- CONSTRUCTION OF RESIDENTIAL DWELLINGS NOT EXCEEDING THREE STORIES	F	G	Change
5951	SERUM, ANTI-TOXIN OR VIRUS MFG & DRIVERS	В	С	Change
6003	PILE DRIVING	E	F	Change
6006	MARINE PILE DRIVING, DOCK & SEAWALL, JETTY OR BREAKWATER, DIKE OR REVETMENT CO	E	F	Change
6213	OIL OR GAS - WELL - SPECIALTY TOOL & EQUIPMENT LEASING NOC - ALL EMPLOYEES AND DI	F	G	Change
6214	OIL OR GAS WELL: PERFORATING OF CASING-ALL EMPLOYEES & DRIVERS	G	F	Change
6217	EXCAVATION & DRIVERS	F	G	Change
6229	IRRIGATION OR DRAINAGE SYSTEM CONSTRUCTION & DRIVERS	F	E	Change
6233	OIL OR GAS PIPELINE CONSTRUCTION & DRIVERS	F	G	Change
6237	OIL OR GAS WELL: INSTRUMENT LOGGING OR SURVEY WORK & DRIVERS	E	F	Change
6257	CAISSON WORK - PNEUMATIC - NOT FOUNDATIONS	G	F	Change
6319	GAS MAIN OR CONNECTION CONSTRUCTION & DRIVERS	F	G	Change
6325	CONDUIT CONSTRUCTION-FOR CABLES OR WIRES-& DRIVERS	F	G	Change
6400	FENCE INSTALLATION AND REPAIR - METAL, VINYL, WOOD, OR PREFABRICATED CONCRETE ${\bf f}$	D	E	Change
6503	POTATO CHIP, POPCORN & SNACK CHIP MFG. NOC	В	С	Change
6504	FOOD PRODUCTS MFG. NOC	В	С	Change

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CLASSIFICATIONS BY HAZARD GROUP

		Current Hazard	Proposed Hazard	Change From
Class Code	Class Description	Group	Group	Current?
6513	FOOD SUNDRIES MFG NOC & SALESPERSONS, DRIVERS	В	C	Change
6824	BOAT BUILDING-OR REPAIR & DRIVERS-COVERAGE UNDER U.S. ACT	F D	E	Change
6834	BOAT BUILDING OR REPAIR & DRIVERS		С	Change
6836	MARINA & DRIVERS	E	D	Change
6838	BOAT BUILDING OR REPAIR-FIBERGLASS ONLY-& DRIVERS	D	E	Change
6854	SHIP BUILDING-IRON OR STEEL-NOC & DRIVERS	G	F	Change
6882	SHIP REPAIR CONVERSION-ALL OPERATIONS & DRIVERS	G	F	Change
6884	PAINTING-SHIP HULLS	G	F	Change
7201	LIVERY OR BOARDING STABLE-NOT SALES STABLE-& DRIVERS	С	D	Change
7204	GREYHOUND BREEDING, TRAINING AND RACING & DRIVERS	В	C	Change
7205	HORSE TRAINING	C	D	Change
7222	TRUCKING: OIL FIELD EQUIPMENT-ALL EMPLOYEES & DRIVERS	E	F	Change
7380	DRIVERS, CHAUFFEURS, MESSENGERS AND THEIR HELPERS NOC-COMMERCIAL	D	E	Change
7382	BUS CO.: ALL OTHER EMPLOYEES & DRIVERS	С	D	Change
7403	AVIATION: ALL OTHER EMPLOYEES & DRIVERS	E	С	Change
7405	AVIATION: AIR CARRIER - SCHEDULED, COMMUTER OR SUPPLEMENTAL - FLYING CREW	E	С	Change
7421	AVIATION - TRANSPORTATION OF PERSONNEL IN CONDUCT OF EMPLOYER'S BUSINESS - FLYI	F	Е	Change
7422	AVIATION:NOC - OTHER THAN HELICOPTERS - FLYING CREW	G	F	Change
7425	AVIATION: HELICOPTERS - FLYING CREW	G	F	Change
7431	AVIATION: AIR CHARTER OR AIR TAXI - FLYING CREW	G	F	Change
7520	WATERWORKS OPERATION & DRIVERS	С	D	Change
7590	GARBAGE WORKS	D	E	Change
7605	BURGLAR AND FIRE ALARM INSTALLATION OR REPAIR & DRIVERS	Ε	F	Change
7610	RADIO OR TELEVISION BROADCASTING STATION-ALL EMPLOYEES & CLERICAL, DRIVERS	D	E	Change
7699	FIREFIGHTERS-MEDICAL ONLY & DRIVERS	E	F	Change
7723	DETECTIVE OR PATROL AGENCY - PRIVATE & DRIVERS	G	F	Change
7729	VOLUNTEER SEARCH AND RESCUE	Ε	F	Change
7732	POLICE RESERVE OFFICER	Ε	F	Change
8001	STORE: FLORIST & DRIVERS	В	С	Change
8003	AVIATION: TICKET SELLERS AND INFORMATION CLERKS AT AIRPORTS OR HELIPORTS	В	С	Change
8006	GASOLINE STATION: SELF-SERVICE AND CONVENIENCE/GROCERY-RETAIL	С	В	Change
8010	STORE: HARDWARE	В	С	Change
8013	STORE: JEWELRY	С	D	Change
8014	STORE: FURNITURE SHOWROOMS	В	С	Change
8015	QUICK PRINTING-COPYING OR DUPLICATING SERVICE-ALL EMPLOYEES & CLERICAL, SALESPEI	C	D	Change
8018	STORE: WHOLESALE NOC	В	C	Change
8032	STORE: CLOTHING, WEARING APPAREL OR DRY GOODS-WHOLESALE	В	C	Change
8033	STORE: MEAT, GROCERY AND PROVISION STORES COMBINED-RETAIL NOC	C	В	Change
8034	STORE: GROCERY - WHOLESALE	C	В	Change
8037	STORE - SUPERSTORES AND WAREHOUSE CLUBS	В	A	Change
8044	STORE: FURNITURE & DRIVERS	D	C	Change
8045	STORE: DRUG - RETAIL	В	С	Change
8047	STORE: DRUG-WHOLESALE	В	C	Change
8102	SEED MERCHANT	В	С	•
			C F	Change
8107	MACHINERY DEALER NOC-STORE OR YARD-& DRIVERS	E	۲	Change

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Class Code	Class Description	Group	Group	Current?
8111	PLUMBERS SUPPLIES DEALER & DRIVERS	С	D	Change
8116	FARM MACHINERY DEALER-ALL OPERATIONS & DRIVERS	С	D	Change
8203	ICE MFG. OR DISTRIBUTION & DRIVERS	C	D	Change
8204	BUILDING MATERIAL YARD & LOCAL MANAGERS, DRIVERS	E	D	Change
8227	CONSTRUCTION OR ERECTION PERMANENT YARD	G	F	Change
8235	SASH, DOOR OR ASSEMBLED MILLWORK DEALER & DRIVERS	C	D	Change
8236	READY MIXED CONCRETE DEALER & DRIVERS	E	F	Change
8288	LIVESTOCK DEALER OR COMMISSION MERCHANT & SALESPERSONS, DRIVERS	E	D	Change
8293	STORAGE WAREHOUSE-FURNITURE & DRIVERS	E	C	Change
8304	GRAIN ELEVATOR OPERATION & LOCAL MANAGERS, DRIVERS	E	F	Change
8385	BUS CO.: GARAGE EMPLOYEES	E	D	Change
8392	AUTOMOBILE STORAGE GARAGE, PARKING LOT OR PARKING STATION, VALET SERVICE, CASH	С	В	Change
8393	AUTOMOBILE BODY REPAIR & DRIVERS	С	E	Change
8411	VOLUNTARY PERSONNEL	G	F	Change
8601	ARCHITECTURAL OR ENGINEERING FIRM - INCLUDING SALESPERSONS & DRIVERS	D	F	Change
8602	SURVEYORS, TIMBER CRUISERS, OIL OR GAS GEOLOGISTS OR SCOUTS, & DRIVERS	D	E	Change
8719	STEVEDORING: TALLIERS AND CHECKING CLERKS ENGAGED IN CONNECTION WITH STEVEDO	G	F	Change
8720	INSPECTION OF RISKS FOR INSURANCE OR VALUATION PURPOSES NOC	E	F	Change
8723	INSURANCE COMPANIES - INCLUDING CLERICAL & SALESPERSONS	С	D	Change
8744	STATE OF MONTANA PROFESSIONAL OR ADMINISTRATIVE EMPLOYEES	Ε	С	Change
8748	AUTOMOBILE SALESPERSONS	D	F	Change
8754	STORES - FURNITURE - APPLIES TO WHOLESALE OR RETAIL STORES: INSIDE SALES EMPLOYEE	С	D	Change
8800	MAILING OR ADDRESSING COMPANY OR LETTER SERVICE SHOP	Α	С	Change
8811	MUNICIPAL, TOWNSHIP, COUNTY OR STATE NON-SALARIED BOARD MEMBERS AND TRUSTEI	В	С	Change
8820	ATTORNEY-ALL EMPLOYEES & CLERICAL, MESSENGERS, DRIVERS	D	E	Change
8824	RETIREMENT LIVING CENTERS: HEALTH CARE EMPLOYEES	В	Α	Change
8826	RETIREMENT LIVING CENTERS: ALL OTHER EMPLOYEES, SALESPERSONS & DRIVERS	С	В	Change
8829	CONVALESCENT OR NURSING HOME-ALL EMPLOYEES	С	В	Change
8831	HOSPITAL-VETERINARY & DRIVERS	С	Α	Change
8834	STATE OF MONTANA ASYLUM, HOSPITAL, HOME, AND SPECIAL SCHOOLNOT CORRECTION/	В	С	Change
8842	GROUP HOMES-ALL EMPLOYEES & SALESPERSONS, DRIVERS	С	Α	Change
8864	SOCIAL SERVICES ORGANIZATION-ALL EMPLOYEES & SALESPERSONS, DRIVERS	С	В	Change
8871	CLERICAL TELECOMMUTER EMPLOYEES	В	С	Change
8901	TELECOMMUNICATIONS CO.: OFFICE OR EXCHANGE EMPLOYEES & CLERICAL	D	E	Change
9012	BUILDING OR PROPERTY MANAGEMENT - PROPERTY MANAGERS AND LEASING AGENTS & C	D	E	Change
9015	BUILDING OR PROPERTY MANAGEMENT - ALL OTHER EMPLOYEES	С	D	Change
9032	APARTMENT HOUSE OPERATIONS - ALL EMPLOYEES	С	В	Change
9033	HOUSING AUTHORITY & CLERICAL, SALESPERSONS, DRIVERS	С	D	Change
9053	BATHS NOC & CLERICAL	В	С	Change
9061	CLUB NOC & CLERICAL	Α	В	Change
9062	CASINO GAMBLING-ALL EMPLOYEES & CLERICAL, SALESPERSONS, DRIVERS	Α	В	Change
9078	COMMISSARY WORK	С	D	Change
9084	BAR, DISCOTHEQUE, LOUNGE, NIGHT CLUB OR TAVERN	C	В	Change
9088	ROCKET OR MISSILE TESTING OR LAUNCHING & DRIVERS	G	F	Change
9094	OUTDOOR GUIDE SERVICES	G	F	Change
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9102	PARK NOC-ALL EMPLOYEES & DRIVERS	С.	D	Change
9156	THEATER NOC: PLAYERS, ENTERTAINERS OR MUSICIANS	D	В	Change
9170	JANITORIAL SERVICES BY CONTRACTORS - INCLUDES WINDOW CLEANING ABOVE GROUND L	G	F	Change
9179	ATHLETIC SPORTS OR PARK: CONTACT SPORTS	В	Α	Change
9180	AMUSEMENT DEVICE OPERATION NOC-NOT TRAVELING-& DRIVERS	Е	D	Change
9310	LOGGING OR LUMBERING: LOG HAULING & DRIVERS	Е	F	Change
9315	PLANING OR MOLDING MILL: MAINTENANCE & SECURITY EMPLOYEES	Е	D	Change
9328	TRUCKING NOC-GARAGE, DOCK & WAREHOUSE EMPLOYEES OF TRUCKING FIRMS	Е	D	Change
9402	STREET CLEANING & DRIVERS	Е	F	Change
9415	STATE EMPLOYEES	Е	D	Change
9420	MUNICIPAL, TOWN, CITY, AND COUNTY EMPLOYEESALL OTHER EMPLOYEES & DRIVERS	Е	D	Change
9422	STATE OF MONTANA EMPLOYEESALL OTHER EMPLOYEES NOC & DRIVERS	Ε	D	Change
9452	STATE EMPLOYEES NOC - & CLERICAL, SALESPERSONS.	Е	D	Change
9453	STATE EMPLOYEES OF THE DEPARTMENT OF TRANSPORTATION - & CLERICAL, SALESPERSON	С	D	Change
9501	PAINTING: SHOP ONLY & DRIVERS	D	E	Change
9516	ELECTRONIC EQUIPMENT - INSTALLATION, SERVICE, OR REPAIR - SHOP AND OUTSIDE & DRIV	Ε	D	Change
9522	UPHOLSTERING	С	В	Change
9534	MOBILE CRANE AND HOISTING SERVICE CONTRACTORS-NOC-ALL OPERATIONS-INCLUDING Y	F	G	Change
9586	BARBERSHOP, BEAUTY PARLOR OR HAIR STYLING SALON	Α	В	Change
9600	TAXIDERMIST	В	С	Change
9620	FUNERAL DIRECTOR & DRIVERS	D	E	Change