



December 19, 2003

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Residual Market Rate Filing

As previously announced, an August 29, 2003 filing was submitted to the North Carolina Commissioner of Insurance that proposed revised workers compensation insurance residual market rates, rating values and miscellaneous values.

The filing proposed an average increase of 19.5% in the overall premium level of the workers compensation insurance residual market in North Carolina. However, as a result of a Settlement Agreement and Consent Order, an average change of 5.0% has been approved. By industry group, the approved changes are: Manufacturing, 5.1% increase; Contracting, 1.4% increase; Office and Clerical, 6.6% increase; Goods and Services, 6.3% increase; and Miscellaneous, 8.8% increase. Within each industry group, the change will vary from the average by classification depending upon the volume and character of the particular classification experience.

The filing proposed no change in the \$210 expense constant or the \$850 maximum minimum premium.

The enclosed exhibits set forth the rates, rating values and miscellaneous values that have been approved for the workers compensation insurance residual market effective April 1, 2004.

The approved residual market rates and rating values are available as a Microsoft Excel spreadsheet and an Adobe Acrobat pdf file on our web site at www.ncrb.org.

Very truly yours,

Sue M. Taylor

Director of Workers Compensation

SMT:dg

Enclosures

C-03-12

WORKERS COMPENSATION AND EMPLOYERS LIABILITY
Exhibit III

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
0005	4.06	850	1.37	0.22	0.34	1925	8.11	850	2.82	0.24	0.34
0008	5.91	850	1.90	0.21	0.37	2001	6.85	850	2.66	0.28	0.37
0016	12.52	850	4.33	0.24	0.51	2002	6.55	850	2.23	0.23	0.31
0034	6.93	850	2.39	0.23	0.36	2003	6.35	850	2.07	0.23	0.32
0035	4.50	850	1.60	0.24	0.31	2014	6.41	850	2.03	0.22	0.34
0036	8.87	850	2.73	0.20	0.29	2016	4.79	850	1.47	0.20	0.40
0037	5.88	850	1.82	0.19	0.33	2021	4.24	850	1.41	0.22	0.27
0042	9.51	850	2.96	0.20	0.30	2039	8.25	850	2.78	0.22	0.31
0050	12.55	850	3.84	0.19	0.26	2041	5.34	850	1.94	0.26	0.44
0059D	0.66	-	0.10	0.17	-	2065	6.40	850	2.07	0.21	0.30
0065D	0.12	-	0.02	0.22	-	2070	5.03	850	1.65	0.21	0.28
0066D	0.12	-	0.02	0.24	-	2081	7.05	850	2.64	0.27	0.39
0067D	0.12	-	0.02	0.21	-	2089	7.62	850	2.67	0.24	0.36
0079	5.12	850	1.45	0.18	0.28	2095	5.95	850	2.04	0.23	0.32
0083	7.33	850	2.24	0.19	0.29	2105	5.48	850	1.86	0.23	0.34
0106	49.59	850	13.20	0.17	0.28	2110	3.80	850	1.41	0.26	0.36
0113	6.54	850	2.27	0.24	0.35	2111	4.37	850	1.49	0.23	0.31
0170	7.30	850	2.38	0.21	0.31	2112	2.89	745	1.05	0.25	0.36
0251	8.56	850	2.61	0.19	0.29	2114	5.39	850	1.87	0.23	0.32
0400	13.02	850	4.11	0.20	0.31	2121	8.04	850	2.62	0.21	0.24
0401	25.42	A	6.82	0.17	0.25	2130	5.76	850	1.71	0.18	0.24
0763FN	3.58	-	-	-	-	2131	3.46	850	1.14	0.21	0.28
0771N	0.95	-	-	-	-	2143	5.67	850	1.86	0.21	0.30
0908P	175.00	385	61.53	0.24	0.33	2150	11.10	850	3.86	0.24	0.32
0909P	178.00	388	59.61	0.22	0.33	2156	5.86	850	1.86	0.20	0.28
0912P	782.00	850	247.25	0.20	0.30	2157	4.93	850	1.63	0.21	0.27
0913P	451.00	661	125.56	0.16	0.22	2172	3.75	850	1.16	0.19	0.19
0917	6.76	850	2.57	0.27	0.35	2174	4.86	850	1.60	0.20	0.24
1005*	15.87	850	1.72	0.14	0.19	2211	11.17	850	3.20	0.19	0.31
1164	15.89	850	3.98	0.16	0.23	2220	4.27	850	1.35	0.20	0.28
1165XE	7.14	850	1.76	0.14	0.21	2286	2.14	606	0.74	0.23	0.29
1320	5.46	850	1.44	0.16	0.24	2288	7.04	850	2.31	0.21	0.28
1322	22.25	850	5.48	0.14	0.19	2300	8.39	850	2.61	0.19	0.31
1430	7.59	850	2.15	0.18	0.26	2302	3.39	837	1.11	0.21	0.29
1438	7.61	850	1.90	0.14	0.22	2305	2.47	667	0.75	0.18	0.20
1452	4.06	850	1.12	0.17	0.22	2361	3.03	771	1.02	0.22	0.30
1463	17.65	850	4.48	0.15	0.21	2362	2.94	754	0.99	0.22	0.30
1470	6.35	850	1.70	0.16	0.25	2380	3.56	850	1.21	0.23	0.31
1473X	2.97	759	0.94	0.22	0.32	2386	3.06	776	0.90	0.17	0.29
1474X	4.18	850	1.16	0.18	0.25	2388	3.25	811	1.19	0.26	0.32
1624E	7.24	850	2.05	0.18	0.23	2402	5.67	850	1.72	0.20	0.28
1642	5.81	850	1.65	0.18	0.24	2413	5.00	850	1.57	0.20	0.27
1654	12.45	850	3.46	0.18	0.31	2416	1.94	569	0.69	0.25	0.37
1655	7.62	850	2.34	0.21	0.25	2417	3.04	772	1.10	0.25	0.31
1699	4.69	850	1.47	0.22	0.31	2501	3.23	808	1.12	0.23	0.31
1701	5.17	850	1.54	0.20	0.27	2503	2.35	645	0.81	0.23	0.31
1710	11.19	850	3.12	0.18	0.27	2534	3.32	824	1.26	0.27	0.35
1741D	4.96	850	1.09	0.17	0.24	2570	6.54	850	2.27	0.24	0.33
1747	5.14	850	1.34	0.16	0.22	2576	7.61	850	2.58	0.23	0.31
1748	4.63	850	1.62	0.26	0.32	2578	9.08	850	3.24	0.26	0.30
1803D	10.51	850	2.69	0.19	0.26	2585	5.60	850	1.83	0.21	0.30
1852D	4.34	850	1.47	0.25	0.26	2586	3.87	850	1.32	0.23	0.36
1853	6.67	850	2.26	0.23	0.34	2587	2.66	702	0.93	0.24	0.32
1860	4.18	850	1.39	0.22	0.36	2589	3.46	850	1.22	0.24	0.33
1924	3.44	846	1.20	0.24	0.33	2600	5.14	850	1.70	0.21	0.26

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

NORTH CAROLINA

Exhibit III

Page S2

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
2623	6.00	850	2.01	0.22	0.31	3145	2.96	758	1.05	0.25	0.34
2651	3.08	780	1.14	0.26	0.39	3146	3.49	850	1.23	0.24	0.34
2660	4.12	850	1.53	0.27	0.39	3169	6.21	850	2.17	0.24	0.34
2670	2.71	711	0.99	0.25	0.35	3175	2.35	645	0.81	0.23	0.32
2683	4.56	850	1.68	0.26	0.40	3179	3.72	850	1.23	0.22	0.30
2688	3.98	850	1.34	0.22	0.29	3180	4.18	850	1.56	0.26	0.34
2705X*	80.66	850	25.61	0.22	0.26	3188	2.23	623	0.77	0.23	0.37
2706X	26.11	850	6.99	0.17	0.27	3220	5.53	850	1.61	0.17	0.23
2710	11.39	850	3.49	0.21	0.32	3223	3.06	776	1.19	0.28	0.36
2714	6.24	850	2.10	0.22	0.33	3224	6.22	850	2.15	0.22	0.29
2727X	17.46	850	4.25	0.13	0.19	3227	7.11	850	2.32	0.22	0.36
2731	7.90	850	2.64	0.22	0.33	3240	4.75	850	1.62	0.23	0.36
2735	6.67	850	2.43	0.25	0.36	3241	6.50	850	2.26	0.23	0.30
2759	10.15	850	3.41	0.22	0.36	3255	5.72	850	2.05	0.24	0.36
2790	5.50	850	1.88	0.23	0.31	3257	4.05	850	1.48	0.25	0.34
2791X	3.03	771	1.08	0.24	0.40	3270	4.20	850	1.63	0.27	0.31
2797X	6.45	850	2.24	0.24	0.34	3300	8.11	850	2.98	0.25	0.37
2802	7.85	850	2.62	0.22	0.34	3303	6.60	850	2.46	0.26	0.36
2812	7.35	850	2.49	0.23	0.32	3307	7.69	850	2.61	0.23	0.40
2835	3.09	782	1.17	0.27	0.38	3315	4.94	850	1.74	0.24	0.35
2836	3.39	837	1.35	0.29	0.37	3334	6.40	850	2.01	0.20	0.28
2841	6.60	850	2.66	0.29	0.36	3336	3.51	850	1.26	0.25	0.34
2881	4.51	850	1.66	0.26	0.34	3365	25.68	850	7.06	0.17	0.28
2883	4.94	850	1.72	0.24	0.34	3372	5.08	850	1.59	0.22	0.31
2913	5.33	850	2.15	0.30	0.32	3373	7.04	850	2.31	0.21	0.30
2915	8.54	850	2.73	0.20	0.29	3383	2.32	639	0.85	0.26	0.32
2916	5.95	850	2.15	0.25	0.36	3385	3.04	772	1.07	0.24	0.31
2923	5.24	850	1.93	0.26	0.40	3400	4.65	850	1.59	0.23	0.30
2942	4.39	850	1.68	0.27	0.34	3507	5.27	850	1.75	0.22	0.32
2960	8.80	850	2.69	0.19	0.29	3515	4.53	850	1.48	0.21	0.29
3004	3.63	850	1.03	0.18	0.26	3516X	2.63	697	0.79	0.18	0.26
3018	7.68	850	2.49	0.21	0.28	3548	4.43	850	1.39	0.20	0.31
3022	5.67	850	2.07	0.25	0.33	3559	5.03	850	1.58	0.20	0.30
3027	6.38	850	2.19	0.23	0.34	3574	1.71	526	0.62	0.25	0.32
3028	6.74	850	2.33	0.23	0.34	3581	2.56	684	0.95	0.26	0.33
3030	11.20	850	3.18	0.18	0.25	3612	4.94	850	1.59	0.21	0.31
3040	9.89	850	2.97	0.20	0.28	3620	6.54	850	1.82	0.18	0.25
3041	7.09	850	2.39	0.22	0.27	3629	2.85	737	0.96	0.22	0.31
3042	3.87	850	1.31	0.22	0.31	3632	5.62	850	1.75	0.19	0.28
3064	4.74	850	1.57	0.22	0.32	3634	4.70	850	1.62	0.23	0.34
3066	6.57	850	2.27	0.23	0.33	3635	4.06	850	1.41	0.23	0.32
3076	5.48	850	1.90	0.24	0.32	3638	2.84	735	1.01	0.24	0.30
3081D	6.20	850	1.87	0.21	0.29	3642	1.66	517	0.55	0.22	0.28
3082D	7.64	850	2.39	0.22	0.32	3643	3.49	850	1.09	0.19	0.26
3085D	5.28	850	1.75	0.24	0.35	3647	4.29	850	1.54	0.25	0.38
3110	8.75	850	2.73	0.20	0.27	3648	3.84	850	1.37	0.25	0.33
3111	4.81	850	1.61	0.22	0.29	3681	2.39	652	0.86	0.25	0.33
3113	4.31	850	1.39	0.21	0.31	3685	2.51	674	0.79	0.20	0.30
3114	3.86	850	1.17	0.19	0.28	3719	7.35	850	1.90	0.15	0.22
3118	5.03	850	1.74	0.23	0.30	3724	9.39	850	2.72	0.19	0.25
3119	1.52	491	0.59	0.27	0.41	3726	13.66	850	3.57	0.17	0.24
3122	3.65	850	1.31	0.25	0.38	3803	7.68	850	2.42	0.20	0.25
3126	4.69	850	1.61	0.23	0.33	3807	5.17	850	1.75	0.22	0.29
3131	2.44	661	0.80	0.21	0.31	3808	3.92	850	1.36	0.23	0.30
3132	6.31	850	2.05	0.23	0.29	3821	7.19	850	2.26	0.22	0.31

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
3822X	8.02	850	2.68	0.22	0.34	4452	4.96	850	1.70	0.23	0.33
3824X	7.62	850	2.58	0.22	0.29	4459	5.07	850	1.66	0.21	0.31
3826	1.16	425	0.36	0.19	0.25	4470	2.35	645	0.76	0.23	0.33
3827	2.89	745	1.00	0.23	0.31	4484	3.82	850	1.31	0.23	0.31
3830	3.99	850	1.09	0.17	0.27	4493	8.71	850	2.95	0.23	0.35
3851	5.12	850	1.60	0.19	0.30	4511	1.02	399	0.32	0.19	0.26
3865	5.58	850	1.96	0.23	0.35	4557	3.84	850	1.33	0.23	0.32
3881	7.68	850	2.64	0.23	0.24	4558	2.51	674	0.79	0.19	0.26
4000	9.79	850	2.63	0.17	0.24	4561	5.57	850	1.38	0.12	0.18
4021	5.81	850	1.93	0.22	0.31	4568	3.72	850	1.06	0.19	0.32
4024E	8.04	850	2.64	0.24	0.35	4581	2.25	626	0.57	0.15	0.27
4034	10.69	850	3.22	0.20	0.30	4583	5.65	850	1.75	0.21	0.33
4036	6.29	850	1.67	0.16	0.27	4611	1.45	478	0.48	0.21	0.30
4038	4.75	850	1.86	0.28	0.38	4635	3.58	850	0.97	0.18	0.24
4053	3.34	828	1.07	0.21	0.35	4653	4.56	850	1.41	0.19	0.28
4061	7.61	850	2.75	0.25	0.31	4665	8.45	850	2.34	0.18	0.26
4062	3.63	850	1.18	0.21	0.30	4670	9.89	850	2.82	0.19	0.29
4101	3.67	850	1.28	0.26	0.38	4683	3.79	850	1.33	0.24	0.30
4111	2.78	724	1.02	0.26	0.35	4686	3.01	767	0.82	0.17	0.29
4112	1.73	530	0.59	0.23	0.30	4692	0.73	345	0.25	0.22	0.32
4113	4.81	850	1.33	0.15	0.23	4693	2.14	606	0.78	0.25	0.33
4114	5.95	850	2.05	0.23	0.27	4703	2.14	606	0.74	0.23	0.30
4130	7.90	850	2.65	0.22	0.30	4717	4.94	850	1.74	0.23	0.28
4131	5.86	850	2.24	0.27	0.37	4720	4.79	850	1.54	0.21	0.41
4133	5.81	850	2.08	0.24	0.26	4740	4.29	850	1.09	0.15	0.27
4150	1.45	478	0.50	0.22	0.32	4741	3.48	850	1.08	0.19	0.30
4206	6.74	850	2.01	0.18	0.31	4751	4.75	850	1.51	0.22	0.34
4207	2.32	639	0.83	0.24	0.32	4771N	5.39	850	1.46	0.19	0.31
4239	3.51	850	1.08	0.21	0.26	4777	9.22	850	2.99	0.22	0.27
4240	4.15	850	1.53	0.26	0.32	4825	1.92	565	0.62	0.22	0.29
4243	3.09	782	1.08	0.24	0.35	4828	2.40	654	0.72	0.20	0.29
4244	4.18	850	1.38	0.21	0.28	4829	2.68	706	0.66	0.14	0.16
4250	1.83	549	0.62	0.22	0.31	4902	5.34	850	1.81	0.22	0.30
4251	3.25	811	1.12	0.23	0.33	4923	1.40	469	0.47	0.22	0.29
4263	4.53	850	1.51	0.22	0.31	5020	11.19	850	3.28	0.19	0.24
4273	3.80	850	1.34	0.24	0.35	5022	10.32	850	2.90	0.18	0.28
4279	5.64	850	1.96	0.24	0.33	5037	41.24	850	10.23	0.16	0.22
4282	2.99	763	1.14	0.27	0.31	5040	52.96	850	11.77	0.13	0.21
4283	9.42	850	2.51	0.14	0.19	5057	19.19	850	4.58	0.15	0.22
4299	2.70	710	0.92	0.23	0.31	5059	47.93	850	11.75	0.16	0.24
4301X	2.06	591	0.59	0.17	0.25	5069	60.39	850	16.14	0.16	0.22
4304	6.14	850	2.05	0.22	0.34	5102	7.71	850	2.24	0.19	0.24
4307	4.20	850	1.44	0.24	0.32	5146	5.91	850	1.74	0.19	0.25
4308	2.78	724	1.14	0.30	0.30	5160	5.62	850	1.58	0.18	0.23
4351	1.61	508	0.54	0.22	0.28	5183	7.78	850	2.23	0.18	0.25
4352	2.40	654	0.80	0.22	0.32	5188	8.18	850	2.59	0.22	0.28
4360	1.59	504	0.56	0.24	0.34	5190	8.63	850	2.50	0.19	0.27
4361	1.95	571	0.68	0.24	0.33	5191	1.42	473	0.40	0.18	0.27
4362	2.20	617	0.80	0.28	0.47	5192	7.92	850	2.45	0.19	0.31
4410	6.71	850	2.15	0.20	0.29	5213	11.77	850	3.48	0.20	0.28
4417X	1.56	499	0.58	0.27	0.34	5215	7.92	850	2.53	0.20	0.26
4420	8.28	850	2.34	0.18	0.20	5221	7.00	850	2.06	0.19	0.28
4431	2.44	661	0.81	0.21	0.36	5222	18.52	850	4.75	0.17	0.29
4432	2.35	645	0.87	0.26	0.33	5223	15.04	850	4.22	0.18	0.33
4439	4.51	850	1.35	0.21	0.33	5348	5.79	850	1.73	0.20	0.24

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
5402	7.66	850	2.32	0.18	0.24	6824F	9.87	850	2.34	0.17	0.28
5403	15.16	850	4.41	0.19	0.27	6826F	18.83	850	4.29	0.16	0.29
5437	11.24	850	3.45	0.21	0.28	6834	6.41	850	2.13	0.24	0.34
5443	8.28	850	2.37	0.16	0.22	6836	8.04	850	2.36	0.20	0.36
5445	10.98	850	3.19	0.19	0.25	6843F	29.88	850	7.00	0.17	0.30
5462	10.30	850	3.16	0.20	0.24	6845F	20.83	850	5.04	0.18	0.30
5472	7.21	850	2.16	0.20	0.28	6854	8.63	850	2.32	0.18	0.23
5473	8.40	850	2.38	0.18	0.25	6872F	34.11	850	8.02	0.17	0.28
5474	9.75	850	2.82	0.19	0.29	6874F	47.91	850	11.12	0.16	0.26
5478	8.09	850	2.33	0.18	0.21	6882	9.80	850	2.60	0.18	0.23
5479	11.88	850	3.52	0.19	0.26	6884	20.32	850	5.27	0.15	0.17
5480	15.22	850	4.71	0.21	0.24	7016M	24.86	850	6.05	0.16	0.25
5491	3.30	821	1.03	0.21	0.23	7024M	27.65	850	6.72	0.16	0.25
5506	8.37	850	2.27	0.17	0.24	7038M	12.86	850	3.32	0.17	0.20
5507	7.47	850	1.96	0.16	0.24	7046M	12.60	850	4.22	0.24	0.33
5508	19.26	850	5.13	0.16	0.27	7047M	44.99	850	9.83	0.16	0.25
5536	10.15	850	2.95	0.19	0.29	7050M	23.26	850	5.40	0.17	0.20
5538	11.26	850	3.29	0.19	0.28	7090M	14.28	850	3.69	0.17	0.20
5551	26.83	850	7.63	0.19	0.31	7098M	14.02	850	4.69	0.24	0.33
5606	3.94	850	1.10	0.18	0.24	7099M	22.81	850	6.86	0.24	0.33
5610	6.17	850	2.02	0.21	0.28	7133	6.99	850	1.89	0.17	0.27
5645	17.62	850	5.13	0.19	0.30	7151M	8.49	850	2.29	0.17	0.27
5651	16.34	850	4.71	0.19	0.28	7152M	15.35	850	3.73	0.17	0.27
5703	35.81	850	10.24	0.18	0.26	7153M	9.44	850	2.54	0.17	0.27
5705	9.51	850	2.65	0.18	0.29	7222	16.03	850	3.59	0.11	0.15
5951	0.57	315	0.20	0.24	0.32	7228	13.56	850	3.65	0.16	0.22
6003	13.68	850	4.16	0.20	0.27	7229	14.66	850	4.04	0.17	0.21
6005	9.63	850	2.79	0.19	0.23	7230	15.20	850	4.12	0.16	0.19
6017	10.15	850	3.03	0.19	0.18	7231	12.41	850	3.89	0.21	0.27
6018	4.84	850	1.46	0.20	0.24	7232	9.67	850	2.87	0.19	0.20
6045	8.26	850	2.08	0.15	0.25	7309F	46.04	850	10.75	0.15	0.23
6204	15.51	850	4.35	0.18	0.25	7313F	8.47	850	1.92	0.14	0.23
6206	6.21	850	1.47	0.15	0.22	7317F	20.47	850	4.79	0.16	0.25
6213	8.11	850	2.04	0.14	0.21	7323FN	8.33	850	1.86	0.10	0.09
6214	5.69	850	1.54	0.17	0.24	7327F	28.29	850	6.64	0.16	0.24
6216	8.80	850	2.37	0.17	0.24	7333M	9.80	850	2.08	0.12	0.14
6217	8.65	850	2.43	0.18	0.26	7335M	10.89	850	2.32	0.12	0.14
6229	8.21	850	2.32	0.16	0.26	7337M	17.76	850	3.39	0.12	0.14
6233	16.20	850	4.02	0.14	0.23	7350F	29.77	850	7.15	0.18	0.32
6235	18.29	850	4.70	0.15	0.21	7360	7.64	850	2.41	0.22	0.28
6236	40.20	850	10.49	0.16	0.24	7370	6.97	850	2.38	0.23	0.29
6237	4.77	850	1.26	0.16	0.23	7380	8.32	850	2.41	0.19	0.26
6251D	15.50	850	3.50	0.13	0.18	7382	8.11	850	2.61	0.23	0.32
6252D	9.62	850	2.14	0.13	0.17	7390	7.49	850	2.33	0.21	0.30
6260	11.57	850	2.63	0.14	0.20	7394M	23.46	850	5.25	0.13	0.22
6306	13.75	850	3.64	0.16	0.28	7395M	26.07	850	5.84	0.13	0.22
6319	8.59	850	2.38	0.17	0.26	7398M	42.45	850	8.54	0.13	0.22
6325	13.78	850	4.01	0.19	0.29	7403	3.80	850	1.33	0.24	0.34
6400	11.07	850	3.64	0.21	0.29	7405N	1.19	504	0.39	0.23	0.29
6504	3.53	850	1.20	0.23	0.32	7409	32.09	850	5.93	0.09	0.13
6702M*	21.68	850	5.52	0.15	0.28	7420	33.46	850	5.79	0.07	0.09
6703M*	39.21	850	8.97	0.15	0.28	7421	5.65	850	1.29	0.12	0.14
6704M*	24.10	850	6.13	0.15	0.28	7422	8.23	850	1.55	0.09	0.11
6801F	5.88	850	1.62	0.25	0.31	7423	4.88	850	1.43	0.19	0.27
6811	5.00	850	1.37	0.17	0.22	7425	22.04	850	4.24	0.10	0.18

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

NORTH CAROLINA

Exhibit III

Page S5

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
7431N	5.50	850	1.07	0.10	0.13	8227	5.86	850	1.75	0.20	0.25
7445N	0.40	-	-	-	-	8232	6.60	850	2.04	0.21	0.30
7453N	1.83	-	-	-	-	8233	12.64	850	3.28	0.15	0.21
7502	5.50	850	1.55	0.18	0.26	8235	4.67	850	1.67	0.25	0.30
7515	2.66	702	0.65	0.16	0.25	8236X	10.70	850	2.74	0.15	0.21
7520	5.53	850	1.75	0.22	0.32	8263	9.68	850	3.16	0.21	0.31
7529X	14.61	850	3.45	0.14	0.20	8264	7.90	850	2.54	0.21	0.31
7538	20.14	850	4.89	0.15	0.21	8265	8.33	850	2.50	0.20	0.30
7539	4.56	850	1.37	0.20	0.32	8279	11.65	850	3.81	0.22	0.38
7540	7.16	850	1.86	0.17	0.24	8288	8.51	850	2.78	0.21	0.34
7580	3.86	850	1.15	0.20	0.28	8291	6.71	850	2.35	0.24	0.32
7590	10.27	850	3.04	0.18	0.35	8292	5.50	850	1.86	0.22	0.30
7600	4.08	850	1.25	0.21	0.27	8293	11.57	850	3.74	0.21	0.27
7601	10.46	850	2.78	0.16	0.22	8304	9.15	850	2.47	0.17	0.26
7605	4.65	850	1.40	0.20	0.29	8350	7.71	850	2.13	0.17	0.24
7610	0.90	377	0.30	0.23	0.32	8380	5.33	850	1.60	0.20	0.28
7611	9.41	850	2.57	0.17	0.25	8381	2.32	639	0.78	0.22	0.31
7612	22.74	850	6.03	0.17	0.33	8385	3.72	850	1.13	0.20	0.28
7613	7.42	850	2.16	0.19	0.26	8392	4.70	850	1.63	0.23	0.29
7704	11.46	850	3.08	0.16	0.24	8393	3.46	850	1.01	0.19	0.27
7720X	3.86	850	1.19	0.21	0.29	8500	24.93	850	7.63	0.23	0.53
7723X	3.53	850	1.06	0.22	0.29	8601	1.37	463	0.42	0.21	0.28
7855	17.84	850	4.54	0.15	0.28	8606	9.47	850	2.47	0.15	0.21
8001	2.97	759	1.11	0.26	0.37	8709F	8.61	850	2.17	0.19	0.27
8002	3.39	837	1.15	0.23	0.37	8710	4.25	850	1.02	0.14	0.30
8006	4.13	850	1.31	0.20	0.29	8719	4.24	850	1.16	0.17	0.23
8008	2.20	617	0.76	0.24	0.36	8720	2.18	613	0.66	0.20	0.25
8010	2.73	715	0.93	0.23	0.34	8721	0.80	358	0.25	0.23	0.39
8013	0.69	338	0.23	0.22	0.31	8726F	10.05	850	2.36	0.17	0.29
8015	0.92	380	0.34	0.26	0.32	8734M	1.26	443	0.39	0.19	0.27
8017	2.51	674	0.85	0.23	0.35	8737M	1.14	421	0.35	0.19	0.27
8018	4.17	850	1.40	0.22	0.32	8738M	2.06	591	0.53	0.19	0.27
8021	3.44	846	1.07	0.20	0.29	8742	0.93	382	0.27	0.19	0.27
8031	4.46	850	1.38	0.19	0.28	8745	10.30	850	3.07	0.18	0.31
8032	2.63	697	0.95	0.25	0.34	8748	0.95	386	0.29	0.20	0.27
8033	3.80	850	1.26	0.22	0.32	8755	0.67	334	0.18	0.15	0.19
8039	2.71	711	1.02	0.27	0.36	8800	1.69	523	0.62	0.25	0.36
8044	4.58	850	1.46	0.20	0.30	8803	0.16	240	0.05	0.22	0.33
8045	1.16	425	0.35	0.19	0.26	8805M	0.57	315	0.19	0.22	0.29
8046	2.97	759	1.02	0.23	0.33	8810	0.43	290	0.14	0.22	0.29
8047	1.63	512	0.60	0.26	0.37	8814M	0.52	306	0.17	0.22	0.29
8050	1.63	512	0.60	0.26	0.32	8815M	0.93	382	0.28	0.22	0.29
8058	3.49	850	1.22	0.24	0.35	8820	0.41	286	0.13	0.22	0.30
8072	2.26	628	0.75	0.22	0.33	8824	4.48	850	1.62	0.24	0.33
8102	2.68	706	0.91	0.23	0.31	8825	2.21	619	0.83	0.27	0.37
8103	3.37	833	1.23	0.25	0.35	8826	2.84	735	0.98	0.23	0.33
8105	5.83	850	1.70	0.17	0.27	8831	1.76	536	0.65	0.26	0.42
8106	8.66	850	2.75	0.22	0.32	8832	0.48	299	0.16	0.22	0.30
8107	6.99	850	2.03	0.19	0.28	8833*	1.95	571	0.66	0.22	0.31
8111	3.65	850	1.20	0.21	0.32	8835	3.89	850	1.29	0.22	0.30
8116	4.34	850	1.46	0.22	0.28	8837Xa	a	a	a	a	a
8203	6.95	850	2.35	0.22	0.33	8848X	4.01	850	1.43	0.24	0.33
8204	13.35	850	3.38	0.15	0.22	8849X	3.53	850	1.20	0.23	0.31
8209	5.24	850	1.69	0.21	0.31	8868	0.74	347	0.26	0.25	0.38
8215	4.10	850	1.23	0.20	0.29	8869	1.21	434	0.46	0.27	0.41

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	EX-MED RATIO
8871	0.61	323	0.22	0.25	0.34						
8901	0.47	297	0.14	0.20	0.27						
9012	2.13	604	0.66	0.21	0.31						
9014	4.27	850	1.40	0.21	0.29						
9015	4.34	850	1.32	0.21	0.30						
9016	4.41	850	1.52	0.24	0.38						
9019	3.89	850	1.24	0.22	0.26						
9033	2.52	676	0.91	0.25	0.29						
9040*	4.82	850	1.63	0.22	0.32						
9044	3.80	850	1.41	0.27	0.43						
9052	3.48	850	1.20	0.24	0.35						
9058	2.06	591	0.73	0.24	0.34						
9059	3.67	850	1.39	0.27	0.37						
9060	2.32	639	0.81	0.24	0.36						
9061	2.49	671	0.86	0.24	0.34						
9062	2.59	689	0.96	0.26	0.37						
9063	1.69	523	0.58	0.25	0.41						
9077F	2.21	619	0.58	0.21	0.31						
9082	2.84	735	1.01	0.25	0.37						
9083	2.87	741	1.00	0.24	0.37						
9084	3.58	850	1.25	0.24	0.41						
9089	1.76	536	0.56	0.20	0.31						
9093	2.63	697	0.84	0.20	0.39						
9101	4.18	850	1.41	0.23	0.33						
9102	5.12	850	1.61	0.20	0.32						
9154	3.06	776	0.95	0.21	0.33						
9156	2.71	711	0.93	0.23	0.34						
9178	20.83	850	7.81	0.27	0.46						
9179	45.89	850	15.01	0.22	0.38						
9180	10.74	850	3.17	0.18	0.31						
9182	2.39	652	0.89	0.27	0.43						
9186	25.85	850	7.80	0.20	0.25						
9220	7.61	850	2.65	0.24	0.35						
9402	11.20	850	3.08	0.17	0.22						
9403	13.30	850	3.89	0.20	0.32						
9410	4.65	850	1.43	0.19	0.34						
9501	3.80	850	1.22	0.21	0.29						
9505	5.31	850	1.68	0.20	0.25						
9516	3.44	846	1.07	0.21	0.29						
9519	5.19	850	1.45	0.18	0.26						
9521	7.61	850	2.22	0.19	0.25						
9522	2.30	636	0.76	0.22	0.27						
9534	8.73	850	2.27	0.15	0.21						
9554	16.46	850	4.45	0.17	0.25						
9586	1.05	404	0.37	0.23	0.30						
9600	3.09	782	0.88	0.17	0.29						
9620	1.44	476	0.45	0.21	0.30						

* Refer to the Footnotes Page for additional information on this class code.

Effective April 1, 2004

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

FOOTNOTE

- a Rate for each individual risk must be obtained by Home Office from Rating Organization having jurisdiction.
- A Minimum Premium \$100 per ginning location for policy minimum premium computation.
- D Rate for classification already includes the specific disease loading shown in the table below. See Rule 3-A-7 of the Basic Manual.
- E Rate for classification already includes the specific disease loading shown in the table below.

Disease			Disease			Disease		
Code No.	Loading	Symbol	Code No.	Loading	Symbol	Code No.	Loading	Symbol
0059D	0.66	S	1624E	0.05	S	3082D	0.12	S
0065D	0.12	S	1741D	0.67	S	3085D	0.09	S
0066D	0.12	S	1803D	0.88	Asb	4024E	0.09	S
0067D	0.12	S	1852D	0.14	S	6251D	0.09	S
1165XE	0.09	S	3081D	0.10	S	6252D	0.09	S

Asb=Asbestos, S=Silica

- F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate includes a provision for federal assessment.
- M Rate provides for coverage under Admiralty Law and Federal Employers' Liability Act (FELA). A provision for the USL& HW assessment is included for those classifications under Program II USL Act.
- N This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

Class Code	Non-Ratable Element Code
4771	0771
7323F	0763F
7405	7445
7431	7453

- P Classification is computed on a per capita basis.
- X Refer to special classification phraseology in these pages which is applicable in this state.

*** Class Codes with Specific Footnotes**

- 1005 Rate includes a non-ratable disease element of \$8.64. (For coverage written separately for federal benefits only, \$3.30. For coverage written separately for state benefits only, \$5.34.)
- 2705 An upset payroll of \$4.00 per cord shall be used for premium computation purposes in all instances.
- 6702 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.215.
- 6703 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate x 2.198 and elr x 1.975.
- 6704 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate and elr each x 1.35.
- 8833 The ex-medical rate for this classification is \$1.35.
- 9040 The ex-medical rate for this classification is \$3.28.

Effective April 1, 2004
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with the footnote instructions for Code 7370 -- "Taxicab Co.":

Employee operated vehicle.....	\$45,365.00
Leased or rented vehicle.....	\$30,243.00

Expense Constant applicable in accordance with **Basic Manual** Rule 3-A-11..... \$210.00

Loss Sensitive Rating Plan (LSRP) - The factors which are used in the calculation of the LSRP are as follows:

Basic Factor	0.30	LSRP Development Factors	
Minimum Premium Factor	0.75	1st Adjustment	0.26
Maximum Premium Factor	1.75	2nd Adjustment	0.16
Loss Conversion Factor	1.155	3rd Adjustment	0.12
Tax Multiplier	1.031	4th Adjustment	0

Maximum Payroll applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers of a corporation" and the footnote instructions for Code 9178 -- "Athletic Team: Non-Contact Sports," Code 9179 -- "Athletic Team: Contact Sports," and Code 9186 -- "Carnival--Traveling"..... \$1,200.00

Minimum Payroll applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" \$291.00

Per Passenger Seat Surcharge - In accordance with the footnote instructions for classification Code 7421, the surcharge is
 maximum surcharge per aircraft..... \$1,000.00
 per passenger seat..... \$100.00

Premium Determination for Partners and Sole Proprietors in accordance with **Basic Manual** Rule 2-E-3..... \$30,500.00

Percentage Premium Percentages - The following percentages are applicable by deductible amount and hazard group for total losses on a per claim basis:

Deductible Amount	Total Losses			
	HAZARD GROUP			
	I	II	III	IV
\$100	0.8%	0.6%	0.3%	0.2%
\$200	1.3%	1.3%	0.8%	0.5%
\$300	1.9%	1.8%	1.0%	0.8%
\$400	2.3%	2.3%	1.3%	0.9%
\$500	2.9%	2.8%	1.6%	1.2%
\$1,000	3.9%	3.9%	2.3%	1.7%
\$1,500	4.8%	4.7%	2.8%	2.1%
\$2,000	5.4%	5.3%	3.2%	2.4%
\$2,500	6.0%	5.8%	3.6%	2.6%
\$5,000	8.3%	8.0%	4.9%	3.7%

Terrorism Risk Insurance Act -Certified Losses (Assigned Risk)..... 0.03

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with **Basic Manual** Rule 3-A-4..... 110%

(Multiply a Non-F classification rate by a factor of 2.10 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.79) and the adjustment for differences in loss-based expenses (1.174).)

Experience Rating Eligibility

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$5,000. If more than two years, an average annual premium of at least \$2,500 is required. Page A-1 of the **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state.

Effective April 1, 2004

TABLE OF WEIGHTING VALUES
APPLICABLE TO ALL POLICIES

Expected Losses	Weighting Values	Expected Losses	Weighting Values
0 -- 1,099	0.04	619,968 -- 654,164	0.44
1,100 -- 4,444	0.05	654,165 -- 690,341	0.45
4,445 -- 7,860	0.06	690,342 -- 728,676	0.46
7,861 -- 11,351	0.07	728,677 -- 769,367	0.47
11,352 -- 14,918	0.08	769,368 -- 812,639	0.48
14,919 -- 24,951	0.09	812,640 -- 858,747	0.49
24,952 -- 37,141	0.10	858,748 -- 907,978	0.50
37,142 -- 47,984	0.11	907,979 -- 960,662	0.51
47,985 -- 58,541	0.12	960,663 -- 1,017,176	0.52
58,542 -- 69,100	0.13	1,017,177 -- 1,077,953	0.53
69,101 -- 79,788	0.14	1,077,954 -- 1,143,495	0.54
79,789 -- 90,680	0.15	1,143,496 -- 1,214,385	0.55
90,681 -- 101,822	0.16	1,214,386 -- 1,291,307	0.56
101,823 -- 113,254	0.17	1,291,308 -- 1,375,064	0.57
113,255 -- 125,004	0.18	1,375,065 -- 1,466,611	0.58
125,005 -- 137,102	0.19	1,466,612 -- 1,567,088	0.59
137,103 -- 149,574	0.20	1,567,089 -- 1,677,868	0.60
149,575 -- 162,444	0.21	1,677,869 -- 1,800,623	0.61
162,445 -- 175,740	0.22	1,800,624 -- 1,937,405	0.62
175,741 -- 189,486	0.23	1,937,406 -- 2,090,765	0.63
189,487 -- 203,712	0.24	2,090,766 -- 2,263,911	0.64
203,713 -- 218,445	0.25	2,263,912 -- 2,460,938	0.65
218,446 -- 233,717	0.26	2,460,939 -- 2,687,152	0.66
233,718 -- 249,559	0.27	2,687,153 -- 2,949,559	0.67
249,560 -- 266,007	0.28	2,949,560 -- 3,257,599	0.68
266,008 -- 283,098	0.29	3,257,600 -- 3,624,312	0.69
283,099 -- 300,871	0.30	3,624,313 -- 4,068,225	0.70
300,872 -- 319,371	0.31	4,068,226 -- 4,616,586	0.71
319,372 -- 338,642	0.32	4,616,587 -- 5,311,174	0.72
338,643 -- 358,737	0.33	5,311,175 -- 6,219,478	0.73
358,738 -- 379,710	0.34	6,219,479 -- 7,458,072	0.74
379,711 -- 401,621	0.35	7,458,073 -- 9,247,149	0.75
401,622 -- 424,534	0.36	9,247,150 -- 12,058,550	0.76
424,535 -- 448,522	0.37	12,058,551 -- 17,119,066	0.77
448,523 -- 473,661	0.38	17,119,067 -- 28,926,928	0.78
473,662 -- 500,039	0.39	28,926,929 -- 87,966,207	0.79
500,040 -- 527,748	0.40	87,966,208 AND OVER	0.80
527,749 -- 556,894	0.41		
556,895 -- 587,590	0.42		
587,591 -- 619,967	0.43		

(a) State Per Claim Accident Limitation	\$131,000
(b) State Multiple Claim Accident Limitation	\$262,000
(c) USL&HW Per Claim Accident Limitation	\$305,500
(d) USL&HW Multiple Claim Accident Limitation	\$611,000
(e) Employers Liability Accident Limitation	\$55,000
(f) USL&HW Act -- Expected Loss Factor -- Non-F Classes	1.81
<i>(Multiply a Non-F classification ELR by the USL&HW Act - Expected Loss Factor of 1.81.)</i>	

Cap on Modifications = 1 + (0.00005)((Expected Losses) + (2)(Expected Losses)/(5.25))
G = 5.25

Effective April 1, 2004
**TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES**

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 -- 28,238	13,125	906,156 -- 932,390	105,000	1,824,639 -- 1,850,885	196,875
28,239 -- 48,601	15,750	932,391 -- 958,626	107,625	1,850,886 -- 1,877,131	199,500
48,602 -- 71,998	18,375	958,627 -- 984,862	110,250	1,877,132 -- 1,903,377	202,125
71,999 -- 96,681	21,000	984,863 -- 1,011,100	112,875	1,903,378 -- 1,929,624	204,750
96,682 -- 121,964	23,625	1,011,101 -- 1,037,338	115,500	1,929,625 -- 1,955,871	207,375
121,965 -- 147,564	26,250	1,037,339 -- 1,063,576	118,125	1,955,872 -- 1,982,117	210,000
147,565 -- 173,349	28,875	1,063,577 -- 1,089,816	120,750	1,982,118 -- 2,008,364	212,625
173,350 -- 199,251	31,500	1,089,817 -- 1,116,055	123,375	2,008,365 -- 2,034,611	215,250
199,252 -- 225,232	34,125	1,116,056 -- 1,142,295	126,000	2,034,612 -- 2,060,858	217,875
225,233 -- 251,266	36,750	1,142,296 -- 1,168,536	128,625	2,060,859 -- 2,087,105	220,500
251,267 -- 277,341	39,375	1,168,537 -- 1,194,777	131,250	2,087,106 -- 2,113,352	223,125
277,342 -- 303,445	42,000	1,194,778 -- 1,221,018	133,875	2,113,353 -- 2,139,600	225,750
303,446 -- 329,572	44,625	1,221,019 -- 1,247,260	136,500	2,139,601 -- 2,165,847	228,375
329,573 -- 355,717	47,250	1,247,261 -- 1,273,502	139,125	2,165,848 -- 2,192,094	231,000
355,718 -- 381,876	49,875	1,273,503 -- 1,299,745	141,750	2,192,095 -- 2,218,342	233,625
381,877 -- 408,046	52,500	1,299,746 -- 1,325,987	144,375	2,218,343 -- 2,244,589	236,250
408,047 -- 434,226	55,125	1,325,988 -- 1,352,230	147,000	2,244,590 -- 2,270,837	238,875
434,227 -- 460,414	57,750	1,352,231 -- 1,378,473	149,625	2,270,838 -- 2,297,084	241,500
460,415 -- 486,608	60,375	1,378,474 -- 1,404,717	152,250	2,297,085 -- 2,323,332	244,125
486,609 -- 512,808	63,000	1,404,718 -- 1,430,961	154,875	2,323,333 -- 2,349,579	246,750
512,809 -- 539,013	65,625	1,430,962 -- 1,457,205	157,500	2,349,580 -- 2,375,827	249,375
539,014 -- 565,222	68,250	1,457,206 -- 1,483,449	160,125	2,375,828 -- 2,402,075	252,000
565,223 -- 591,435	70,875	1,483,450 -- 1,509,693	162,750	2,402,076 -- 2,428,323	254,625
591,436 -- 617,651	73,500	1,509,694 -- 1,535,938	165,375	2,428,324 -- 2,454,571	257,250
617,652 -- 643,869	76,125	1,535,939 -- 1,562,183	168,000	2,454,572 -- 2,480,819	259,875
643,870 -- 670,090	78,750	1,562,184 -- 1,588,427	170,625	2,480,820 -- 2,506,875	262,500
670,091 -- 696,314	81,375	1,588,428 -- 1,614,673	173,250		
696,315 -- 722,539	84,000	1,614,674 -- 1,640,918	175,875		
722,540 -- 748,766	86,625	1,640,919 -- 1,667,163	178,500		
748,767 -- 774,994	89,250	1,667,164 -- 1,693,409	181,125		
774,995 -- 801,224	91,875	1,693,410 -- 1,719,654	183,750		
801,225 -- 827,455	94,500	1,719,655 -- 1,745,900	186,375		
827,456 -- 853,687	97,125	1,745,901 -- 1,772,146	189,000		
853,688 -- 879,920	99,750	1,772,147 -- 1,798,392	191,625		
879,921 -- 906,155	102,375	1,798,393 -- 1,824,638	194,250		

For Expected Losses greater than \$2,506,875, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})/(5.25) / (\text{Expected Losses} + (700)/(5.25))$$

$$\text{Cap on Modifications} = 1 + (0.00005)((\text{Expected Losses}) + (2)(\text{Expected Losses})/(5.25))$$

$$G = 5.25$$

**RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES**

**NORTH CAROLINA
RR 1
Exhibit III**

Effective April 1, 2004
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

1. Hazard Group Differentials

I	II	III	IV
1.04	0.93	0.58	0.39

2. Tax Multipliers

a. State (non-F Classes)	1.031
b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage	1.120

3. Expected Loss Ratio

0.6814

Expected Loss and Allocated Expense Ratio

0.7339

4.

Expense Ratio

0.289

Expense Ratio Loaded for ALAE Option

0.236

5. 2001 Table of Expected Loss Ranges

Effective July 1, 2001

6.

Excess Loss Factors

(Applicable to New and Renewal Policies)

Excess Loss and Allocated Expense Factors

(Applicable to New and Renewal Policies)

Per Accident Limitation

	Hazard Groups			
	I	II	III	IV
\$25,000	0.440	0.454	0.528	0.563
\$30,000	0.416	0.431	0.508	0.549
\$35,000	0.397	0.414	0.494	0.537
\$40,000	0.377	0.395	0.480	0.525
\$50,000	0.348	0.367	0.453	0.500
\$75,000	0.293	0.315	0.406	0.454
\$100,000	0.253	0.276	0.365	0.419
\$125,000	0.226	0.249	0.337	0.386
\$150,000	0.206	0.227	0.309	0.360
\$175,000	0.189	0.210	0.288	0.336
\$200,000	0.175	0.196	0.268	0.315
\$250,000	0.154	0.174	0.239	0.283
\$300,000	0.138	0.156	0.218	0.256
\$500,000	0.103	0.116	0.161	0.189
\$1,000,000	0.068	0.076	0.106	0.123
\$2,000,000	0.045	0.050	0.070	0.080
\$5,000,000	0.027	0.030	0.041	0.046

Hazard Groups

	Hazard Groups			
	I	II	III	IV
	0.490	0.502	0.580	0.619
	0.465	0.481	0.562	0.605
	0.445	0.464	0.547	0.592
	0.425	0.447	0.534	0.580
	0.396	0.417	0.512	0.558
	0.338	0.362	0.460	0.509
	0.299	0.326	0.421	0.473
	0.270	0.295	0.387	0.441
	0.247	0.273	0.363	0.415
	0.229	0.252	0.339	0.392
	0.213	0.236	0.318	0.369
	0.188	0.209	0.286	0.331
	0.170	0.190	0.261	0.303
	0.127	0.142	0.194	0.227
	0.084	0.094	0.128	0.148
	0.056	0.062	0.084	0.096
	0.033	0.036	0.049	0.055

7.

Retrospective Development Factors

With Loss Limit		
1st Adj.	2nd Adj.	3rd Adj.
0.09	0.05	0.04

Without Loss Limit		
1st Adj.	2nd Adj.	3rd Adj.
0.26	0.16	0.12

4th & Subsequent Adjustment
0.00

8.

State Special Classifications by Hazard Group

Code No.	HG	Code No.	HG	Code No.	HG	Code No.	HG
1473	III	2727	III	4301	II	8236	III
1474	III	2791	I	4417	II	8837	II
2705	III	2797	II	7529	IV	8848	II
2706	III	3516	II	7723	IV	8849	II

North Carolina Rate Bureau	North Carolina Reinsurance Facility	North Carolina Insurance Guaranty Association
Rate Making for Workers Compensation, Automobile, and Property	Reinsuring Automobile Liability Policies	Insuring the Insurance Industry