SECTION A - SCOPE OF REVISION

Summary of Increased Limit Factor Changes A2

Revised Increased Limit Factors A3

**SUMMARY OF INCREASED LIMIT FACTOR CHANGES**

Changes By Table and in Total

The following shows the average effects of the filed changes for risks in each table:

|  |  |  |
| --- | --- | --- |
| Table | Indicated Change | Selected Change |
| Light and Medium | 2.5% | 2.5% |
| Heavy | 2.8% | 2.8% |
| Extra Heavy | -2.7% | -2.7% |
| Zone-rated | 2.0% | 2.0% |
| All Other | 5.1% | 5.1% |
| TOTAL | 2.6% | 2.6% |

Comparison of Current and Revised Increased Limit Factors

The following compares the current and revised increased limit factors for a sample of policy limits:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table | Policy  Limit  ($,000) | (1)  Current  Factor | (2)  Revised  Factor | (3)  [(2)-(1)]/(1)  Percent  Change |
| Light and Medium | 300 | 1.41 | 1.45 | 2.8% |
|  | 500 | 1.64 | 1.68 | 2.4% |
|  | 1,000 | 1.95 | 2.00 | 2.6% |
|  | 2,000 | 2.25 | 2.30 | 2.2% |
|  |  |  |  |  |
| Heavy | 300 | 1.47 | 1.49 | 1.4% |
|  | 500 | 1.72 | 1.77 | 2.9% |
|  | 1,000 | 2.06 | 2.12 | 2.9% |
|  | 2,000 | 2.44 | 2.48 | 1.6% |
|  |  |  |  |  |
| Extra Heavy | 300 | 1.50 | 1.50 | 0.0% |
|  | 500 | 1.80 | 1.79 | -0.6% |
|  | 1,000 | 2.28 | 2.22 | -2.6% |
|  | 2,000 | 2.79 | 2.66 | -4.7% |
|  |  |  |  |  |
| Zone-rated | 300 | 1.33 | 1.37 | 3.0% |
|  | 500 | 1.54 | 1.59 | 3.2% |
|  | 1,000 | 1.88 | 1.92 | 2.1% |
|  | 2,000 | 2.26 | 2.25 | -0.4% |
|  |  |  |  |  |
| All Other | 300 | 1.39 | 1.42 | 2.2% |
|  | 500 | 1.62 | 1.67 | 3.1% |
|  | 1,000 | 1.94 | 2.04 | 5.2% |
|  | 2,000 | 2.26 | 2.42 | 7.1% |

The following pages display the revised Commercial Automobile Liability increased limit factors as they will appear in the Commercial Lines Manual. The increased limit factors shown are the ratio of the sum of indemnity, ALAE, ULAE and risk load at each specific limit to the same sum evaluated at the basic limit ($100,000). Therefore, the factor listed for the basic limit is 1.00. In this filing, we also have inserted factors for the $25,000 policy limit into the increased limits tables in the manual rule.

100. INCREASED LIABILITY LIMITS

Paragraph **B.** is replaced by the following:

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Combined Single Limit Of Liability (000's) | | 1.   Light And Medium Trucks | | 2.  Heavy Trucks And Truck- tractors | | 3. Extra- heavy Trucks And Truck- tractors | | 4.  Trucks, Tractors, And Trailers Zone-rated | | 5.    All Other Risks | |
|  | 25 |  | 0.61 |  | 0.61 |  | 0.61 |  | 0.66 |  | 0.62 |  |
|  | 75 |  | 0.91 |  | 0.90 |  | 0.90 |  | 0.92 |  | 0.91 |  |
|  | 100 |  | 1.00 |  | 1.00 |  | 1.00 |  | 1.00 |  | 1.00 |  |
|  | 125 |  | 1.08 |  | 1.08 |  | 1.08 |  | 1.06 |  | 1.08 |  |
|  | 150 |  | 1.15 |  | 1.16 |  | 1.16 |  | 1.12 |  | 1.14 |  |
|  | 200 |  | 1.27 |  | 1.29 |  | 1.29 |  | 1.22 |  | 1.25 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 250 |  | 1.36 |  | 1.40 |  | 1.40 |  | 1.30 |  | 1.34 |  |
|  | 300 |  | 1.45 |  | 1.49 |  | 1.50 |  | 1.37 |  | 1.42 |  |
|  | 350 |  | 1.52 |  | 1.58 |  | 1.58 |  | 1.43 |  | 1.49 |  |
|  | 400 |  | 1.58 |  | 1.65 |  | 1.66 |  | 1.49 |  | 1.55 |  |
|  | 500 |  | 1.68 |  | 1.77 |  | 1.79 |  | 1.59 |  | 1.67 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 600 |  | 1.77 |  | 1.86 |  | 1.90 |  | 1.68 |  | 1.76 |  |
|  | 750 |  | 1.87 |  | 1.98 |  | 2.04 |  | 1.78 |  | 1.88 |  |
|  | 1,000 |  | 2.00 |  | 2.12 |  | 2.22 |  | 1.92 |  | 2.04 |  |
|  | 1,500 |  | 2.17 |  | 2.33 |  | 2.48 |  | 2.11 |  | 2.26 |  |
|  | 2,000 |  | 2.30 |  | 2.48 |  | 2.66 |  | 2.25 |  | 2.42 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 2,500 |  | 2.40 |  | 2.59 |  | 2.81 |  | 2.36 |  | 2.54 |  |
|  | 3,000 |  | 2.49 |  | 2.69 |  | 2.94 |  | 2.46 |  | 2.65 |  |
|  | 5,000 |  | 2.74 |  | 3.00 |  | 3.33 |  | 2.76 |  | 2.97 |  |
|  | 7,500 |  | 2.98 |  | 3.28 |  | 3.69 |  | 3.04 |  | 3.26 |  |
|  | 10,000 |  | 3.17 |  | 3.51 |  | 3.98 |  | 3.28 |  | 3.50 |  |

Table 100.B. Increased Liability Limits