**American International Group**

Michigan

Actuarial Filing Memorandum

*Commercial Automobile*

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| *American Home Assurance Company* |
| *AIG Assurance Company* |
| *AIU Insurance Company* |
| *AIG Property Casualty Company* |
| *Commerce and Industry Insurance Company* |
| *Granite State Insurance Company* |
| *National Union Fire Insurance Company of Pittsburgh, Pa.* |
| *New Hampshire Insurance Company* |
| *Illinois National Insurance Company* |
| *The Insurance Company of the State of Pennsylvania* |

The captioned companies are filing to adopt Commercial Automobile ISO’s Loss Costs revisions in circulars –

LI-CA-2017-049 and ISO Filing # GL-2017-BRLA1

The impact of adopting these circulars is a loss costs change of 10.1% for all companies. We are also filing to change our Loss Cost Multiplier -

* For Liability, from 1.547 to 1.537 due to a 3.4% expense change and a -3.9% modification change.
* For Physical Damage, from 1.565 to 1.848 due to a 2.2% expense change and a 15.6% modification change.

The overall rate impact is 12.0% for Commercial Automobile. The proposed effective date for the implementation of this filing is 07/01/2017 for new business and renewal business.

The Actuarial Support consists of the following: -

* Actuarial Filing Memorandum
* Actuarial Support Exhibits 1-10
* Exception pages LCM and ELR
* SERFF Actuarial Input Form
* Rate/Rules Filing Schedule
* Transmittal
* LCM State Form
* Adoption Form