

MICHIGAN WORKERS' COMPENSATION PLACEMENT FACILITY

P.O. Box 3337 • Livonia, MI 48151-3337

(734) 462-9600 • Fax (734) 462-9721

Internet WEB Site: www.caom.com • E-Mail: caom@caom.com

February 1, 2007

CIRCULAR LETTER NO. 211 TO HOME OFFICES ONLY

RE: Net Direct Premium for Calendar Year 2006

Dear Member:

The Plan of Operations for the Facility provides that "each participating member will be assessed in proportion to its participation ratio with respect to the period for which the assessment is made." This requires that assessments be made on the basis of actual workers' compensation insurance premium written.

So that we may have the correct base for assessment for the 2006 reapportionment for the Facility and the Compensation Advisory Organization of Michigan (CAOM), please furnish us with a statement of your net direct voluntary workers' compensation premiums for Michigan for the 2006 calendar year. Such statements should be on the same basis as that submitted to the National Association of Insurance Commissioners.

The 2006 calendar years premium will be used as the basis for assessment for the third and fourth quarters of 2007 for the Facility and CAOM.

For accounting purposes, this premium must be separately reported for each company, not by groups.

You may submit this information via our web site. Clicking on link below takes you directly to form: <http://www.caom.com/forms/NetDirectPremiumForm.htm>

Your early reply will be greatly appreciated. Please report your writing no later than April 15th.

Respectfully,

George E. Bauer
Financial Specialist