

**MICHIGAN WORKERS' COMPENSATION PLACEMENT FACILITY**

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September 28, 2007

**CIRCULAR LETTER #215 TO ALL PARTICIPANTS IN  
THE MICHIGAN WORKERS' COMPENSATION PLACEMENT FACILITY**

**Regarding Assigned Risk Rates and Rating Values for the  
Michigan Workers' Compensation Placement Facility - Effective 1/1/2008  
Applicable to New and Renewal Policies Only**

Dear Member:

Attached are copies of the rate sheets and rating values which will be applicable to new and renewal Assigned Risk policies having effective dates on or after January 1, 2008. There is no application to outstanding policies.

Please share this rate information with agents representing your firm. **These rates are now available via the Internet on our web site @ [www.caom.com](http://www.caom.com).** The revision represents an average **decrease of 5.9%** in overall rate level for the residual market. The rate changes are determined by using weighted averages of 80% statewide experience and 20% Facility experience.

By industry group, the changes are as follows:

Manufacturing	10.9% decrease
Contracting	3.0% decrease
Office & Clerical	2.2% decrease
Goods & Services	3.5% decrease
Miscellaneous	8.3% decrease

Specific classifications within each industry class may vary from the average depending upon the volume and character of the particular classification experience.

Swing limits have been applied which operate to hold individual class rates to the following maximum movement from January 1, 2007 rates.

Manufacturing	from 14.1% above to 35.9% below
Contracting	from 22.0% above to 28.0% below
Office & Clerical	from 22.8% above to 27.2% below
Goods & Services	from 25.1% above to 28.5% below
Miscellaneous	from 16.7% above to 33.3% below

The classifications which have been limited are:

**List of Classifications Limited by Upper Swing**

0909 1164 1322 1748 2131 2585  
 3064 3306 3559 3581 4000 4253  
 5040 7016 7024 7047 7151 7152  
 7153 7403 7704 7904 8050 8601  
 8837 9558

**List of Classifications Limited by Lower Swing**

8755

**Miscellaneous Values**

1. United States Longshoremen’s and Harbor Workers’ Compensation Coverage Percentage

Due to the benefit provisions of federal and state laws, the United States Longshoremen’s and Harbor Workers’ Compensation coverage percentage applicable only in connection with Rule XI - D-3 “*United States Longshoremen’s and Harbor Workers’ Act*” of the Basic Manual for Michigan Workers’ Compensation Placement Facility is 77%, applicable to new and renewal business. As a multiplier, the percentage increase is 1.77 (rate multiplied by 1.77).

2. Retrospective Rating Plan Tax Multiplier

Due to the change in the Miscellaneous Tax and in the Secondary Injury Fund, the Silicosis and Dust Disease Fund, and the Occupational Safety Fund Assessment, the tax multipliers used in connection with retrospective ratings are:

A. State (Non-F Classes)	1.025
B. Federal Classes, or Non-F classes where rate is increased by the USL & HW Act percentage	1.080

These factors are applicable to new and renewal policies.

3. Basis of Premium

Basis of Premium applicable in accordance with the footnote instructions for Code 7220 "Taxicab Company - Drivers" is \$26,900.

4. Remuneration for Executive Officers

The weekly payroll amount for corporate officers and active members of limited liability companies is \$401 for the minimum weekly payroll assumption and \$1,500 is the maximum.

5. Minimum Premiums

The Maximum Minimum Premium is \$750. The Minimum Premium multiplier is 125.

Example: Manual Rate =  $\$4.56 \times 125 = \$570 + \$200 = \$770$

(Manual Rate) x (Multiplier) + (Expense Constant) = Minimum Premium

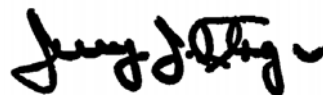
6. Premium Discount

An update to the Premium Discount Table used by the Facility has been approved with this filing. Effective January 1, 2008, the new Premium Discount Table is:

First	\$10,000	0.0%
Next	\$190,000	5.1%
Next	\$1,550,000	6.5%
Over	\$1,750,000	7.5%

The revision of rates and rating values was approved for use in the Facility and is applicable to all Facility policies with new or renewal dates of January 1, 2008 or later.

Yours truly,



Jerry J. Stage  
President

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

*Effective January 1, 2008*

**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

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CLASS CODE	MIN RATE	MIN PREM	ELR	D RATIO	CLASS CODE	MIN RATE	MIN PREM	ELR	D RATIO	CLASS CODE	MIN RATE	MIN PREM	ELR	D RATIO
0005	4.36	745	1.31	0.23	2797	6.33	750	1.87	0.24	3638	5.35	750	1.46	0.19
0011	4.20	725	1.21	0.22	2802	7.71	750	2.29	0.25	3643	4.38	748	1.24	0.22
0034	5.53	750	1.60	0.23	2812	5.60	750	1.58	0.21	3648	3.56	645	1.08	0.25
0035	2.55	519	0.78	0.24	2841	5.48	750	1.67	0.26	3681	3.21	601	0.92	0.24
0042	8.87	750	2.45	0.20	2881	3.46	633	1.03	0.23	3685	1.89	436	0.54	0.22
0106	17.90	750	4.65	0.19	2915	5.08	750	1.39	0.22	3724	7.94	750	1.99	0.18
0128	6.38	750	1.76	0.20	3004	5.84	750	1.56	0.20	3726	8.38	750	1.97	0.16
0129	4.94	750	1.44	0.22	3018	6.35	750	1.67	0.19	3807	3.69	661	1.15	0.27
0130	6.11	750	1.80	0.25	3022	6.20	750	1.85	0.24	3808	5.42	750	1.59	0.24
0141	2.72	540	0.80	0.21	3027	5.88	750	1.76	0.26	3821	13.22	750	3.75	0.21
0908P	238.00	438	74.79	0.25	3028	8.36	750	2.32	0.20	3824	7.52	750	2.07	0.21
0909P	279.00	479	106.38	0.22	3030	11.78	750	2.98	0.18	3827	3.53	641	1.02	0.23
0912P	731.00	750	226.31	0.25	3040	9.56	750	2.53	0.20	4000	11.93	750	3.16	0.19
0913P	540.00	740	161.43	0.22	3064	7.51	750	2.20	0.17	4024	8.62	750	2.36	0.22
1005	10.89	750	2.53	0.15	3066	7.95	750	2.25	0.22	4034	13.45	750	3.47	0.19
1164	17.68	750	6.76	0.20	3076	5.00	750	1.46	0.24	4036	4.38	748	1.16	0.19
1320	7.59	750	1.89	0.18	3081	7.72	750	2.21	0.24	4130	7.50	750	2.15	0.22
1322	27.79	750	6.57	0.16	3082	9.99	750	2.95	0.25	4131	2.76	545	0.77	0.21
1438	6.93	750	1.86	0.21	3085	7.45	750	2.17	0.24	4150	1.95	444	0.61	0.26
1463	18.90	750	4.56	0.16	3096	5.06	750	1.42	0.21	4207	3.54	643	0.91	0.19
1624	6.97	750	1.80	0.18	3110	9.43	750	2.72	0.22	4239	6.23	750	1.64	0.19
1701	5.51	750	1.40	0.18	3111	5.29	750	1.56	0.24	4240	5.12	750	1.54	0.25
1748	6.21	750	1.69	0.21	3113	6.20	750	1.69	0.20	4243	9.08	750	2.43	0.20
1925	7.16	750	2.08	0.24	3114	16.01	750	4.22	0.20	4244	4.63	750	1.33	0.22
2003	5.15	750	1.54	0.24	3116	5.06	750	1.42	0.21	4250	4.53	750	1.38	0.26
2014	8.84	750	2.44	0.21	3131	3.02	578	0.87	0.23	4251	4.63	750	1.38	0.24
2016	2.92	565	0.85	0.23	3132	6.75	750	1.82	0.19	4253	5.03	750	1.84	0.22
2021	9.53	750	2.65	0.22	3145	4.44	750	1.27	0.23	4273	5.35	750	1.65	0.27
2041	6.72	750	1.96	0.23	3146	4.58	750	1.33	0.23	4279	5.55	750	1.63	0.25
2065	8.95	750	2.43	0.19	3169	4.44	750	1.32	0.25	4299	2.98	573	0.87	0.23
2070	5.10	750	1.42	0.21	3179	3.89	686	1.13	0.23	4304	5.91	750	1.72	0.25
2081	4.92	750	1.47	0.22	3188	4.11	714	1.21	0.25	4307	2.82	553	0.90	0.28
2095	6.03	750	1.73	0.23	3241	11.49	750	3.14	0.21	4351	1.97	446	0.52	0.19
2105	3.78	673	1.16	0.25	3257	3.67	659	1.06	0.23	4360	1.62	403	0.49	0.26
2110	3.25	606	0.96	0.25	3303	5.78	750	1.62	0.22	4361	1.86	433	0.54	0.24
2111	3.83	679	1.11	0.24	3306	5.50	750	1.58	0.22	4410	5.38	750	1.55	0.23
2121	5.57	750	1.54	0.21	3307	5.97	750	1.61	0.19	4452	5.97	750	1.81	0.26
2131	5.81	750	1.77	0.23	3315	4.74	750	1.38	0.23	4459	5.06	750	1.48	0.23
2143	4.19	724	1.21	0.23	3341	4.18	723	1.28	0.28	4470	4.64	750	1.45	0.27
2157	11.96	750	3.46	0.23	3365	9.39	750	2.59	0.21	4484	5.91	750	1.72	0.23
2380	7.91	750	2.20	0.20	3372	9.56	750	2.55	0.21	4511	1.06	333	0.30	0.22
2501	3.99	699	1.16	0.24	3383	3.24	605	0.99	0.26	4557	3.35	619	0.95	0.21
2503	2.66	533	0.80	0.25	3400	4.54	750	1.29	0.22	4558	3.61	651	1.00	0.21
2576	6.04	750	1.80	0.24	3507	6.04	750	1.64	0.19	4568	5.16	750	1.24	0.16
2585	4.74	750	1.54	0.24	3548	4.22	728	1.30	0.25	4583	7.11	750	1.86	0.21
2586	3.03	579	1.00	0.30	3559	5.89	750	1.79	0.18	4611	1.95	444	0.53	0.21
2587	3.41	626	1.04	0.24	3574	2.76	545	0.86	0.27	4692	1.03	329	0.32	0.27
2623	4.90	750	1.40	0.23	3581	2.42	503	1.00	0.26	4693	1.75	419	0.50	0.24
2660	4.89	750	1.54	0.28	3612	3.54	643	1.00	0.23	4712	5.05	750	1.36	0.18
2683	7.06	750	2.13	0.26	3620	5.25	750	1.36	0.18	4720	3.28	610	0.92	0.21
2688	4.57	750	1.40	0.26	3628	5.88	750	1.58	0.20	4825	1.10	338	0.32	0.24
2702	46.26	750	11.65	0.19	3629	5.10	750	1.40	0.20	4828	1.72	415	0.42	0.15
2731	8.49	750	2.39	0.24	3632	5.03	750	1.43	0.23	4829	1.72	415	0.40	0.15
2759	8.26	750	2.33	0.22	3634	5.71	750	1.66	0.23	4902	3.74	668	1.14	0.26
2790	3.38	623	0.93	0.20	3635	4.76	750	1.36	0.23	4923	2.34	493	0.66	0.22

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

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

*Effective January 1, 2008*

**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

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CLASS CODE	MIN RATE	MIN PREM	D ELR	D RATIO	CLASS CODE	MIN RATE	MIN PREM	D ELR	D RATIO	CLASS CODE	MIN RATE	MIN PREM	D ELR	D RATIO
5020	10.74	750	2.74	0.17	6843F	13.50	750	4.61	0.17	7580	4.33	741	1.17	0.20
5022	15.06	750	3.53	0.15	6845F	19.85	750	5.88	0.19	7600	4.43	750	1.23	0.21
5038a*	a	a	a	a	6872F	17.01	750	5.56	0.20	7610	0.94	318	0.25	0.22
5040	57.90	750	13.84	0.16	6874F	29.16	750	7.51	0.17	7704	8.15	750	2.24	0.22
5057	22.40	750	4.94	0.14	7016M	14.26	750	2.07	0.21	7720*	3.32	615	0.94	0.22
5059	47.82	750	10.67	0.15	7024M	15.84	750	4.36	0.21	7904	10.77	750	3.76	0.23
5102	10.14	750	2.46	0.16	7038M	14.84	750	5.20	0.15	7920	0.42	253	0.13	0.23
5146	8.80	750	2.27	0.18	7046M	12.65	750	3.77	0.24	7979	2.03	454	0.57	0.19
5160	5.36	750	1.24	0.15	7047M	19.92	750	3.02	0.21	7980	5.36	750	1.60	0.24
5183	7.19	750	1.84	0.18	7050M	20.81	750	7.29	0.15	8001	3.39	624	1.04	0.26
5188	5.84	750	1.45	0.16	7090M	16.49	750	3.87	0.15	8006	2.30	488	0.72	0.25
5190	4.83	750	1.24	0.18	7098M	14.05	750	4.04	0.24	8008	1.34	368	0.42	0.26
5191	2.07	459	0.58	0.19	7099M	17.73	750	3.65	0.24	8010	2.78	548	0.81	0.22
5192	5.50	750	1.69	0.23	7151M	8.22	750	3.47	0.17	8013	0.73	291	0.22	0.21
5213	18.49	750	4.45	0.16	7152M	11.49	750	2.23	0.17	8015	0.95	319	0.30	0.26
5215	13.87	750	3.55	0.16	7153M	9.13	750	2.31	0.17	8017	1.96	445	0.60	0.25
5221	9.46	750	2.36	0.16	7202	9.00	750	2.38	0.18	8018	4.68	750	1.43	0.24
5222	17.03	750	3.97	0.15	7206	17.14	750	4.80	0.22	8021	6.52	750	1.97	0.24
5223	9.95	750	2.68	0.21	7208	12.26	750	3.24	0.18	8031	4.06	708	1.25	0.25
5348	11.96	750	3.10	0.18	7210	11.65	750	3.08	0.18	8032	2.45	506	0.75	0.24
5403	21.52	750	5.11	0.16	7212	4.97	750	1.59	0.27	8033	3.12	590	0.97	0.25
5437	11.01	750	2.84	0.18	7213	16.07	750	4.36	0.22	8039	2.05	456	0.66	0.27
5445	9.51	750	2.25	0.15	7214	12.33	750	3.56	0.22	8044	3.20	600	0.93	0.22
5462	15.32	750	3.81	0.16	7215	17.22	750	4.15	0.14	8045	0.66	283	0.21	0.26
5476	12.73	750	3.12	0.17	7216	14.21	750	3.85	0.22	8046	3.53	641	1.08	0.25
5479	14.40	750	3.64	0.16	7218	10.95	750	3.06	0.22	8047	1.34	368	0.40	0.22
5480	13.96	750	3.32	0.15	7219	9.73	750	2.49	0.18	8050	3.75	669	1.34	0.25
5506	11.16	750	2.64	0.17	7220	3.08	585	0.82	0.19	8058	3.98	698	1.18	0.23
5507	9.15	750	2.21	0.17	7230	8.48	750	2.35	0.19	8059	3.30	613	1.06	0.27
5509	6.45	750	1.71	0.22	7231	8.89	750	2.64	0.23	8102	4.06	708	1.15	0.20
5538	11.93	750	3.06	0.18	7309F	37.30	750	12.63	0.20	8106	6.31	750	1.78	0.22
5550	8.02	750	2.07	0.19	7313F	5.03	750	1.39	0.18	8107	5.63	750	1.47	0.18
5551	30.71	750	7.54	0.19	7317F	9.71	750	2.93	0.20	8111	3.20	600	0.95	0.22
5606	3.01	576	0.73	0.17	7333M	9.24	750	1.93	0.19	8116	4.42	750	1.24	0.19
5610	9.49	750	2.56	0.20	7335M	10.27	750	2.65	0.19	8209	4.34	743	1.26	0.21
5645	18.87	750	4.82	0.19	7337M	12.96	750	2.70	0.19	8215	8.84	750	2.38	0.21
5651	18.87	750	4.82	0.19	7350F	18.34	750	6.63	0.17	8227	9.30	750	2.28	0.19
6204	14.32	750	3.77	0.20	7360	9.52	750	2.59	0.20	8232	5.91	750	1.77	0.24
6216	10.70	750	2.62	0.18	7380	7.00	750	1.94	0.20	8235	5.81	750	1.68	0.20
6217	11.39	750	2.79	0.17	7382	6.77	750	1.99	0.22	8264	6.00	750	1.74	0.23
6229	7.99	750	1.98	0.18	7390	7.87	750	2.32	0.22	8265	7.62	750	2.06	0.20
6235	18.57	750	4.27	0.15	7394M	24.45	750	4.30	0.10	8279	12.57	750	3.35	0.21
6306	13.04	750	3.28	0.18	7395M	27.17	750	5.41	0.10	8291	7.25	750	2.16	0.23
6319	8.61	750	1.94	0.14	7398M	34.29	750	6.02	0.10	8292	8.38	750	2.50	0.23
6325	12.40	750	3.09	0.18	7403	6.99	750	1.90	0.20	8293	18.10	750	5.28	0.23
6400	17.27	750	4.63	0.19	7405	0.82	303	0.23	0.22	8304	8.84	750	2.38	0.21
6504	2.47	509	0.70	0.21	7421	3.84	680	0.99	0.18	8350	6.90	750	1.83	0.19
6702M	18.43	750	7.22	0.19	7422	4.20	725	0.86	0.11	8381	3.54	643	1.05	0.24
6703M	25.85	750	7.22	0.19	7423	3.67	659	0.97	0.19	8387	4.80	750	1.38	0.21
6704M	20.48	750	5.42	0.19	7502	4.33	741	1.28	0.24	8392	5.57	750	1.69	0.23
6801F	5.38	750	1.38	0.16	7515	1.81	426	0.45	0.17	8393	4.15	719	1.19	0.19
6824F	12.97	750	4.83	0.24	7520	6.29	750	1.83	0.21	8395	5.81	750	1.62	0.19
6826F	14.47	750	4.42	0.21	7538	7.79	750	1.76	0.15	8401	1.07	334	0.33	0.22
6834	5.06	750	1.43	0.23	7539	2.86	558	0.73	0.18	8601	1.18	348	0.33	0.20
6836	6.53	750	1.89	0.24	7540	5.66	750	1.40	0.18	8709F	5.13	750	2.16	0.24

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

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

*Effective January 1, 2008*

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

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CLASS CODE	RATE	MIN PREM	ELR	D RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO	CLASS CODE	RATE	MIN PREM	ELR	D RATIO
8720	2.37	496	0.66	0.21										
8726F	6.76	750	2.63	0.20										
8734M	0.76	295	0.21	0.21										
8737M	0.68	285	0.20	0.21										
8738M	0.96	320	0.27	0.21										
8742	0.67	284	0.18	0.21										
8745	5.39	750	1.67	0.25										
8748	1.26	358	0.33	0.21										
8755	0.47	259	0.10	0.15										
8800	2.12	465	0.65	0.25										
8803	0.10	213	0.03	0.20										
8805M	0.45	256	0.13	0.22										
8810	0.34	243	0.09	0.24										
8814M	0.41	251	0.11	0.22										
8815M	0.57	271	0.10	0.22										
8820	0.23	229	0.07	0.24										
8829	4.51	750	1.45	0.27										
8831	1.66	408	0.50	0.25										
8832	0.64	280	0.18	0.22										
8833	2.48	510	0.70	0.23										
8835	4.05	706	1.26	0.25										
8837	3.58	648	1.23	0.25										
8868	0.60	275	0.17	0.26										
8869	0.72	290	0.21	0.26										
8901	0.37	246	0.11	0.23										
9015	5.76	750	1.72	0.22										
9040	5.54	750	1.77	0.27										
9052	3.78	673	1.24	0.28										
9053	3.78	673	1.24	0.28										
9058	2.13	466	0.70	0.27										
9060	2.69	536	0.82	0.24										
9061	3.08	585	1.00	0.26										
9063	1.34	368	0.43	0.28										
9065	1.54	393	0.47	0.23										
9093	2.06	458	0.59	0.21										
9101	3.64	655	1.09	0.23										
9102	6.26	750	1.74	0.19										
9154	2.23	479	0.63	0.20										
9156	1.99	449	0.56	0.24										
9220	5.18	750	1.53	0.22										
9402	9.06	750	2.39	0.19										
9403	12.22	750	3.08	0.17										
9410	1.62	403	0.47	0.21										
9501	4.35	744	1.28	0.25										
9519	5.52	750	1.50	0.19										
9521	6.62	750	1.82	0.19										
9522	2.92	565	0.84	0.23										
9529a*	a	a	a	a										
9530	11.65	750	2.98	0.20										
9558	14.36	750	5.16	0.22										
9559	4.27	734	1.24	0.27										
9586	0.95	319	0.31	0.25										
9620	1.13	341	0.32	0.21										

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

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

*Effective January 1, 2008*

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**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

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**FOOTNOTES**

- a See instructions for rating in classification section under code description.
  
- F The rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. The rate also contains a provision for the USL & HW assessment.
  
- M The 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.
  
- P Classification is computed on a per capita basis.
  
- \* Class codes with special footnotes:
  - 5038 Refer to "Painting: Metal Structures or Bridges" on Page 85-Part Two-Classifications
  
  - 7720 When part-time or volunteer police officers are employed, the actual remuneration of all such persons shall be included with the payroll of regular police officers in computing the premium. In no case, however, shall the remuneration of any such police officers be taken at less than \$400 per person per annum.
  
  - 9529 Refer to "Scaffolds or Sidewalk Bridges-Installation" on Page 103-Part Two-Classifications

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

*Effective January 1, 2008*

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**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

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**MISCELLANEOUS VALUES**

Basis of premium applicable in accordance with the footnote instructions for Code 7220 -- "Taxicab Co. - Drivers":		\$26,900.00
Expected Loss Ratio - for use in return of rating plan deposits		0.658
Expense Constant applicable in accordance with Basic Manual Rule VI-E-2		\$200.00
Per Passenger Seat Surcharge - In accordance with the footnote instructions for classification Code 7421, the surcharge is		
maximum surcharge per aircraft		\$300.00
per passenger seat		\$35.00
Remuneration for Executive Officers	Minimum	\$401
And Active Members LLC's	Maximum	\$1,500
Remuneration for Spouse of Sole Proprietors - fixed amount		\$16,700/yr
Remuneration for Partners - fixed amount		\$16,700/yr

The Terrorism Risk Insurance Extension Act (TRIA Extension) of 2005 provides for partial reimbursement by the United States for insured workers compensation losses due to foreign terrorism. Additional insurer loss liability exists under the TRIA Extension because the TRIA Extension provides partial reimbursement. In addition, the TRIA Extension is scheduled to expire at year-end 2007. Additional liability also exists for domestic terrorism.

The rates on Exhibit III do not include a provision for this exposure. Effective February 1, 2003 an endorsement entitled Terrorism Risk Insurance Act Endorsement (WC 00 04 20) must be attached to all Michigan residual market policies; and, as of this date a surcharge of 1 cent per 100 dollars of payroll will be assessed on all new and renewal policies in the Michigan pool. (See Michigan WC Placement Facility Circular Number 182 found on the CAOM/Facility web site [www.caom.com](http://www.caom.com).)

United States Longshore and Harbor Workers' Compensation Coverage percentage applicable only in connection with Rule XI-D-3 "U.S. Longshore and Harbor Workers' Compensation Act" of the Basic Manual.	77%
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(Multiply a Non-'F' classification advisory loss cost by a factor of 1.77. This factor adjusts for the differences in state and federal benefits and assessments. The factor to adjust for differences in benefits only is 1.57).

NOTE: Basic Manual refers to the Basic Manual for Michigan Workers' Compensation Placement Facility

**EXHIBIT III**  
**MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

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**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

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1. Table of Rating Values  
Applicable Table

One  
Year  
XXIII B-Michigan

2. Tax Multipliers

a. State (non-F Classes)	1.025
b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage	1.080



**EXHIBIT III**  
**MICHIGAN EXPERIENCE RATING PLAN MANUAL**  
**PART FIVE**

*Effective January 1, 2008*

**TABLE OF BALLAST VALUES**  
**APPLICABLE TO ALL POLICIES**

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 - 29,045	13,500	932,046 - 959,030	108,000	1,876,772 - 1,903,767	202,500
29,046 - 49,990	16,200	959,031 - 986,015	110,700	1,903,768 - 1,930,763	205,200
49,991 - 74,056	18,900	986,016 - 1,013,001	113,400	1,930,764 - 1,957,760	207,900
74,057 - 99,443	21,600	1,013,002 - 1,039,988	116,100	1,957,761 - 1,984,756	210,600
99,444 - 125,448	24,300	1,039,989 - 1,066,976	118,800	1,984,757 - 2,011,753	213,300
125,449 - 151,780	27,000	1,066,977 - 1,093,964	121,500	2,011,754 - 2,038,749	216,000
151,781 - 178,302	29,700	1,093,965 - 1,120,953	124,200	2,038,750 - 2,065,746	218,700
178,303 - 204,944	32,400	1,120,954 - 1,147,943	126,900	2,065,747 - 2,092,743	221,400
204,945 - 231,667	35,100	1,147,944 - 1,174,932	129,600	2,092,744 - 2,119,740	224,100
231,668 - 258,446	37,800	1,174,933 - 1,201,923	132,300	2,119,741 - 2,146,737	226,800
258,447 - 285,265	40,500	1,201,924 - 1,228,913	135,000	2,146,738 - 2,173,734	229,500
285,266 - 312,115	43,200	1,228,914 - 1,255,905	137,700	2,173,735 - 2,200,731	232,200
312,116 - 338,988	45,900	1,255,906 - 1,282,896	140,400	2,200,732 - 2,227,728	234,900
338,989 - 365,880	48,600	1,282,897 - 1,309,888	143,100	2,227,729 - 2,254,725	237,600
365,881 - 392,786	51,300	1,309,889 - 1,336,880	145,800	2,254,726 - 2,281,723	240,300
392,787 - 419,705	54,000	1,336,881 - 1,363,873	148,500	2,281,724 - 2,308,720	243,000
419,706 - 446,632	56,700	1,363,874 - 1,390,865	151,200	2,308,721 - 2,335,718	245,700
446,633 - 473,569	59,400	1,390,866 - 1,417,858	153,900	2,335,719 - 2,362,715	248,400
473,570 - 500,511	62,100	1,417,859 - 1,444,852	156,600	2,362,716 - 2,389,713	251,100
500,512 - 527,460	64,800	1,444,853 - 1,471,845	159,300	2,389,714 - 2,416,710	253,800
527,461 - 554,414	67,500	1,471,846 - 1,498,839	162,000	2,416,711 - 2,443,708	256,500
554,415 - 581,372	70,200	1,498,840 - 1,525,833	164,700	2,443,709 - 2,470,706	259,200
581,373 - 608,333	72,900	1,525,834 - 1,552,827	167,400	2,470,707 - 2,497,704	261,900
608,334 - 635,298	75,600	1,552,828 - 1,579,822	170,100	2,497,705 - 2,524,701	264,600
635,299 - 662,266	78,300	1,579,823 - 1,606,816	172,800	2,524,702 - 2,551,699	267,300
662,267 - 689,236	81,000	1,606,817 - 1,633,811	175,500	2,551,700 - 2,578,697	270,000
689,237 - 716,208	83,700	1,633,812 - 1,660,806	178,200		
716,209 - 743,183	86,400	1,660,807 - 1,687,801	180,900		
743,184 - 770,159	89,100	1,687,802 - 1,714,796	183,600		
770,160 - 797,137	91,800	1,714,797 - 1,741,792	186,300		
797,138 - 824,116	94,500	1,741,793 - 1,768,787	189,000		
824,117 - 851,096	97,200	1,768,788 - 1,795,783	191,700		
851,097 - 878,078	99,900	1,795,784 - 1,822,779	194,400		
878,079 - 905,061	102,600	1,822,780 - 1,849,775	197,100		
905,062 - 932,045	105,300	1,849,776 - 1,876,771	199,800		

For Expected Losses greater than 2,578,697, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(5.40) / (\text{Expected Losses} + (700)(5.40))$$

$$\text{Cap on Modifications} = 1 + (0.00005)\{(\text{Expected Losses}) + (2)(\text{Expected Losses}) / (5.40)\}$$