

MICHIGAN WORKERS' COMPENSATION PLACEMENT FACILITY

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

(734) 462-9600 • (734) 462-9721

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

February 2, 2010

CIRCULAR LETTER NO. 231 TO HOME OFFICES ONLY

RE: Net Direct Premium for Calendar Year 2009

Dear Member:

The Plan of Operation 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 2009 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 2009 calendar year. Such statements should be on the same basis as that submitted to the National Association of Insurance Commissioners (NAIC).

The 2009 calendar years premium will be used as the basis for assessment for the third and fourth quarters of 2010 for the Facility and CAOM.

For accounting purposes, this premium must be separately reported for each company, not by groups. This figure should match the figure reported to the NAIC, page 14, line 16, column 1 of the Annual Statement.

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

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

Respectfully,

George E. Bauer
Financial Specialist