

EXHIBIT III
MICHIGAN EXPERIENCE RATING PLAN MANUAL
PART FIVE

Effective January 1, 2009

TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 - 31,197	14,500	1,001,086 - 1,030,069	116,000	2,015,792 - 2,044,787	217,500
31,198 - 53,693	17,400	1,030,070 - 1,059,053	118,900	2,044,788 - 2,073,783	220,400
53,694 - 79,541	20,300	1,059,054 - 1,088,039	121,800	2,073,784 - 2,102,779	223,300
79,542 - 106,809	23,200	1,088,040 - 1,117,025	124,700	2,102,780 - 2,131,775	226,200
106,810 - 134,741	26,100	1,117,026 - 1,146,011	127,600	2,131,776 - 2,160,771	229,100
134,742 - 163,023	29,000	1,146,012 - 1,174,999	130,500	2,160,772 - 2,189,768	232,000
163,024 - 191,510	31,900	1,175,000 - 1,203,987	133,400	2,189,769 - 2,218,764	234,900
191,511 - 220,125	34,800	1,203,988 - 1,232,975	136,300	2,218,765 - 2,247,761	237,800
220,126 - 248,827	37,700	1,232,976 - 1,261,965	139,200	2,247,762 - 2,276,758	240,700
248,828 - 277,590	40,600	1,261,966 - 1,290,954	142,100	2,276,759 - 2,305,754	243,600
277,591 - 306,396	43,500	1,290,955 - 1,319,944	145,000	2,305,755 - 2,334,751	246,500
306,397 - 335,235	46,400	1,319,945 - 1,348,935	147,900	2,334,752 - 2,363,748	249,400
335,236 - 364,099	49,300	1,348,936 - 1,377,925	150,800	2,363,749 - 2,392,745	252,300
364,100 - 392,982	52,200	1,377,926 - 1,406,917	153,700	2,392,746 - 2,421,742	255,200
392,983 - 421,882	55,100	1,406,918 - 1,435,908	156,600	2,421,743 - 2,450,739	258,100
421,883 - 450,794	58,000	1,435,909 - 1,464,900	159,500	2,450,740 - 2,479,737	261,000
450,795 - 479,716	60,900	1,464,901 - 1,493,893	162,400	2,479,738 - 2,508,734	263,900
479,717 - 508,648	63,800	1,493,894 - 1,522,885	165,300	2,508,735 - 2,537,731	266,800
508,649 - 537,586	66,700	1,522,886 - 1,551,878	168,200	2,537,732 - 2,566,729	269,700
537,587 - 566,531	69,600	1,551,879 - 1,580,871	171,100	2,566,730 - 2,595,726	272,600
566,532 - 595,481	72,500	1,580,872 - 1,609,864	174,000	2,595,727 - 2,624,723	275,500
595,482 - 624,436	75,400	1,609,865 - 1,638,858	176,900	2,624,724 - 2,653,721	278,400
624,437 - 653,395	78,300	1,638,859 - 1,667,852	179,800	2,653,722 - 2,682,719	281,300
653,396 - 682,357	81,200	1,667,853 - 1,696,846	182,700	2,682,720 - 2,711,716	284,200
682,358 - 711,322	84,100	1,696,847 - 1,725,840	185,600	2,711,717 - 2,740,714	287,100
711,323 - 740,290	87,000	1,725,841 - 1,754,834	188,500	2,740,715 - 2,769,712	290,000
740,291 - 769,261	89,900	1,754,835 - 1,783,829	191,400		
769,262 - 798,233	92,800	1,783,830 - 1,812,824	194,300		
798,234 - 827,208	95,700	1,812,825 - 1,841,818	197,200		
827,209 - 856,184	98,600	1,841,819 - 1,870,814	200,100		
856,185 - 885,162	101,500	1,870,815 - 1,899,809	203,000		
885,163 - 914,141	104,400	1,899,810 - 1,928,804	205,900		
914,142 - 943,121	107,300	1,928,805 - 1,957,800	208,800		
943,122 - 972,103	110,200	1,957,801 - 1,986,795	211,700		
972,104 - 1,001,085	113,100	1,986,796 - 2,015,791	214,600		

For Expected Losses greater than 2,769,712, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(5.80) / (\text{Expected Losses} + (700)(5.80))$$

$$\text{Cap on Modifications} = 1 + (0.00005)((\text{Expected Losses}) + (2)(\text{Expected Losses}) / (5.80))$$