

EXHIBIT III
MICHIGAN WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Effective January 1, 2004

Page 5

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with the footnote instructions for Code 7220 "Taxicab Co. - Drivers":		\$24,000.00
Expected Loss Ratio - for use in return of rating plan deposits		0.624
Expense Constant applicable in accordance with Basic Manual Rule VI-E-2		\$180.00
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	\$362
And Active Members LLC's	Maximum	\$1,400
Remuneration for Spouse of Sole Proprietors - fixed amount		\$15,600/yr
Remuneration for Partners - fixed amount		\$15,600/yr
<p>The Terrorism Risk Insurance Act (TRIA) of 2002 provides for partial reimbursement by the United States for insured workers compensation losses due to terrorism. Additional insurer loss liability exists under the TRIA. 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.)</p>		
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.		78%

(Multiply a Non-F' classification advisory loss cost by a factor of 1.78. This factor adjusts for the differences in state and federal benefits and assessments. The factor to adjust for differences in benefits only is 1.55).

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