

EXHIBIT III
MICHIGAN EXPERIENCE RATING PLAN MANUAL
PART FIVE

Effective January 1, 2007

TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0	- 27,970	13,000	897,526	- 923,510	104,000
27,971	- 48,138	15,600	923,511	- 949,496	106,600
48,139	- 71,313	18,200	949,497	- 975,483	109,200
71,314	- 95,760	20,800	975,484	- 1,001,470	111,800
95,761	- 120,802	23,400	1,001,471	- 1,027,458	114,400
120,803	- 146,158	26,000	1,027,459	- 1,053,447	117,000
146,159	- 171,698	28,600	1,053,448	- 1,079,436	119,600
171,699	- 197,354	31,200	1,079,437	- 1,105,426	122,200
197,355	- 223,087	33,800	1,105,427	- 1,131,416	124,800
223,088	- 248,873	36,400	1,131,417	- 1,157,407	127,400
248,874	- 274,700	39,000	1,157,408	- 1,183,398	130,000
274,701	- 300,555	41,600	1,183,399	- 1,209,390	132,600
300,556	- 326,433	44,200	1,209,391	- 1,235,381	135,200
326,434	- 352,329	46,800	1,235,382	- 1,261,374	137,800
352,330	- 378,239	49,400	1,261,375	- 1,287,366	140,400
378,240	- 404,160	52,000	1,287,367	- 1,313,359	143,000
404,161	- 430,091	54,600	1,313,360	- 1,339,352	145,600
430,092	- 456,029	57,200	1,339,353	- 1,365,345	148,200
456,030	- 481,974	59,800	1,365,346	- 1,391,339	150,800
481,975	- 507,925	62,400	1,391,340	- 1,417,333	153,400
507,926	- 533,880	65,000	1,417,334	- 1,443,327	156,000
533,881	- 559,839	67,600	1,443,328	- 1,469,321	158,600
559,840	- 585,802	70,200	1,469,322	- 1,495,315	161,200
585,803	- 611,768	72,800	1,495,316	- 1,521,310	163,800
611,769	- 637,737	75,400	1,521,311	- 1,547,305	166,400
637,738	- 663,709	78,000	1,547,306	- 1,573,300	169,000
663,710	- 689,682	80,600	1,573,301	- 1,599,295	171,600
689,683	- 715,657	83,200	1,599,296	- 1,625,290	174,200
715,658	- 741,634	85,800	1,625,291	- 1,651,285	176,800
741,635	- 767,613	88,400	1,651,286	- 1,677,281	179,400
767,614	- 793,593	91,000	1,677,282	- 1,703,277	182,000
793,594	- 819,574	93,600	1,703,278	- 1,729,273	184,600
819,575	- 845,557	96,200	1,729,274	- 1,755,269	187,200
845,558	- 871,540	98,800	1,755,270	- 1,781,265	189,800
871,541	- 897,525	101,400	1,781,266	- 1,807,261	192,400

For Expected Losses greater than 2,483,190, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(5.20) / (\text{Expected Losses} + (700)(5.20))$$

$$\text{Cap on Modifications} = 1 + (0.00005)\{(\text{Expected Losses}) + (2)(\text{Expected Losses}) / (5.20)\}$$