

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

*Effective January 1, 2009*

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**APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

**MISCELLANEOUS VALUES**

Basis of premium applicable in accordance with the footnote instructions for Code 7220 – “Taxicab Co. – Drivers”		\$27,500.00
Expected Loss Ratio – for use in return of rating plan deposits		0.657
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 for aircraft		\$300.00
Per passenger seat		\$35.00
Remuneration for Executive Officers, Active Members LLC’s, Athletic Teams and Traveling Carnivals	Minimum Maximum	\$409/wk \$1,500/wk
Remuneration for Spouse of Sole Proprietors – fixed amount		\$16,700/yr
Remuneration for Partners – fixed amount		\$16,700/yr

The Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) of 2007 provides for partial reimbursement by the United States for insured workers compensation losses due to terrorism. Additional insurer loss liability exists under TRIPRA because TRIPRA provides partial reimbursement. In addition, TRIPRA is scheduled to expire at year-end 2014.

The rates on Exhibit III do not include a provision for this exposure. Effective January 1, 2008, an endorsement entitled Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 21 04 21 A) 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 Workers’ Compensation Placement Facility Circular Letter Number 217 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.	71%
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(Multiply a Non-‘F’ classification advisory loss cost by a factor of 1.71. 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