

SERFF Tracking Number:	ISOF-126210560	State:	Washington
Filing Company:	Insurance Services Office, Inc.	State Tracking Number:	203128
Company Tracking Number:	CA-2009-RLC09		
TOI:	20.0 Commercial Auto	Sub-TOI:	20.0000 Commercial Auto Combinations
Product Name:	CA-2009-RLC09		
Project Name/Number:	Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09		

Filing at a Glance

Company: Insurance Services Office, Inc.			
Product Name: CA-2009-RLC09	SERFF Tr Num: ISOF-126210560	State: Washington	
TOI: 20.0 Commercial Auto	SERFF Status: Closed-Approved	State Tr Num: 203128	
Sub-TOI: 20.0000 Commercial Auto Combinations	Co Tr Num: CA-2009-RLC09	State Status: Approved	
Filing Type: Rate/Rule	Authors: Sheila Lemley, Donna Jaffee, Arlene Byrd, Eric Kinney, James Masek, Patricia Smith, Patricia Prial, Richard DeSanctis	Reviewer(s): Jim Antush	
	Date Submitted: 07/02/2009	Disposition Date: 07/29/2009	
Effective Date Requested (New): 06/01/2010		Disposition Status: Approved	
Effective Date Requested (Renewal): 06/01/2010		Effective Date (New): 06/01/2010	
State Filing Description:		Effective Date (Renewal):	

General Information

Project Name: Introduction of Commercial Auto Multistate Loss Costs	Status of Filing in Domicile: Pending
Project Number: CA-2009-RLC09	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 07/29/2009	
State Status Changed: 07/29/2009	Deemer Date:
Created By: Sheila Lemley	Submitted By: James Masek
Corresponding Filing Tracking Number: CA-2009-OFR09, CA-2009-RRU09	
Filing Description:	
This filing revises the Commercial Lines Manual, Division One - Automobile to introduce a multistate loss costs section containing Miscellaneous Classes loss costs that do not usually vary by state. The majority of these loss costs are being relocated from the Miscellaneous Classes Part of the state loss costs, with no change to the current loss costs. However, loss costs are being revised for Rule 49. Auto Dealers - Premium Development and Rule 95. Audio, Visual and Data Electronic Equipment.	

SERFF Tracking Number:	ISOF-126210560	State:	Washington
Filing Company:	Insurance Services Office, Inc.	State Tracking Number:	203128
Company Tracking Number:	CA-2009-RLC09		
TOI:	20.0 Commercial Auto	Sub-TOI:	20.0000 Commercial Auto Combinations
Product Name:	CA-2009-RLC09		
Project Name/Number:	Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09		

Company and Contact

Filing Contact Information

James Masek, Regional Director
388 Market Street
Suite 750
San Francisco, CA 94111

jmasek@iso.com
415-874-4361 [Phone]
201-748-1851 [FAX]

Filing Company Information

Insurance Services Office, Inc.	CoCode:	State of Domicile: Delaware
545 Washington Boulevard	Group Code:	Company Type: Advisory/Rating
Jersey City, NJ 07310-1686	Group Name:	Organization
(201) 469-2207 ext. [Phone]	FEIN Number: 13-3131412	State ID Number: 645

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Insurance Services Office, Inc.	\$0.00		

State Specific

Is the Co Tracking # field populated on the General Information Tab? (yes/no): Yes

Form Tab Only - Are the Form # and Form Description fields populated corresponding to the attached form? (yes/no):
N/A

SERFF Tracking Number: ISOF-126210560 *State:* Washington
Filing Company: Insurance Services Office, Inc. *State Tracking Number:* 203128
Company Tracking Number: CA-2009-RLC09
TOI: 20.0 Commercial Auto *Sub-TOI:* 20.0000 Commercial Auto Combinations
Product Name: CA-2009-RLC09
Project Name/Number: Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Jim Antush	07/29/2009	07/29/2009

SERFF Tracking Number: ISOF-126210560 State: Washington
 Filing Company: Insurance Services Office, Inc. State Tracking Number: 203128
 Company Tracking Number: CA-2009-RLC09
 TOI: 20.0 Commercial Auto Sub-TOI: 20.0000 Commercial Auto Combinations
 Product Name: CA-2009-RLC09
 Project Name/Number: Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09

Disposition

Disposition Date: 07/29/2009

Effective Date (New): 06/01/2010

Effective Date (Renewal):

Status: Approved

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Insurance Services Office, Inc.	-83.700%	-75.000%	\$		\$	%	%

SERFF Tracking Number: ISOF-126210560 *State:* Washington
Filing Company: Insurance Services Office, Inc. *State Tracking Number:* 203128
Company Tracking Number: CA-2009-RLC09
TOI: 20.0 Commercial Auto *Sub-TOI:* 20.0000 Commercial Auto Combinations
Product Name: CA-2009-RLC09
Project Name/Number: Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Cover Letter		Yes
Supporting Document	Explanatory Memorandum		Yes
Rate	Revised Loss Costs		Yes
Rate	Supplement to Loss Costs		Yes

SERFF Tracking Number: ISOF-126210560 State: Washington
 Filing Company: Insurance Services Office, Inc. State Tracking Number: 203128
 Company Tracking Number: CA-2009-RCL09
 TOI: 20.0 Commercial Auto Sub-TOI: 20.0000 Commercial Auto Combinations
 Product Name: CA-2009-RCL09
 Project Name/Number: Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RCL09

Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type: Decrease
 Overall Percentage of Last Rate Revision: -6.400%
 Effective Date of Last Rate Revision: 10/01/2008
 Filing Method of Last Filing:

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Insurance Services Office, Inc.	-83.700%	-75.000%				%	%

SERFF Tracking Number: ISOF-126210560 *State:* Washington
Filing Company: Insurance Services Office, Inc. *State Tracking Number:* 203128
Company Tracking Number: CA-2009-RLC09
TOI: 20.0 Commercial Auto *Sub-TOI:* 20.0000 Commercial Auto Combinations
Product Name: CA-2009-RLC09
Project Name/Number: Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09

Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
	Revised Loss Costs	See Attached	Replacement	CA-2009-RLC09 - Section III - Attachment of Loss Costs.pdf
	Supplement to Loss Costs	See Attached	Replacement	CA-2009-RLC09 - WA Supplement - Section II - Loss Costs.pdf

Section III - Attachment of Loss Costs

This section contains a complete copy of all revised and relocated loss costs described in this document. We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes, as compared with what is currently applicable in the state exceptions in most jurisdictions. We will not use this format for those loss costs which are merely being reformatted without any changes to the currently applicable loss costs.

LOSS COSTS	
24.	Truckers/Motor Carriers
49.	Auto Dealers — Premium Development
66.	Antique Autos
75.	Leasing Or Rental Concerns
77.	Motorcycles
79.	Repossessed Autos
80.	Snowmobiles
89.	Non-ownership Liability
90.	Hired Autos
94.	Rental Reimbursement
95.	Audio, Visual And Data Electronic Equipment
96.	Tapes, Records And Discs Coverage

24. TRUCKERS/MOTOR CARRIERS

Legal Liability For Physical Damage To Trailers Under A Trailer Interchange Agreement Daily Per Trailer Base Loss Costs																
Limit Of Liabili- ty	Local				Intermediate				Long Distance							
	No Ded. Comp. Or	Collision Deductibles			No Ded. Comp. Or	Collision Deductibles			No Ded. Comp. Or	Collision Deductibles						
		\$100	\$250	\$500	\$1,000	\$100	\$250	\$500	\$1,000	\$100	\$250	\$500	\$1,000			
\$1,000	.005	.063	.033	.026	.016	.009	.101	.054	.042	.025	.014	.156	.082	.065	.039	
2,000	.009	.068	.039	.031	.020	.014	.112	.064	.051	.031	.021	.172	.098	.079	.049	
3,000	.011	.075	.046	.037	.023	.017	.122	.073	.059	.038	.028	.188	.113	.092	.058	
4,000	.014	.081	.051	.042	.028	.022	.131	.083	.068	.044	.034	.202	.127	.105	.068	
5,000	.017	.087	.057	.048	.031	.026	.141	.092	.077	.051	.041	.218	.142	.119	.077	
6,000	.019	.093	.063	.054	.035	.031	.151	.103	.087	.057	.047	.234	.157	.133	.088	
7,000	.022	.100	.068	.059	.039	.036	.162	.112	.095	.063	.055	.249	.172	.147	.097	
8,000	.025	.106	.075	.064	.042	.040	.173	.121	.103	.069	.062	.265	.186	.160	.107	
9,000	.028	.112	.081	.069	.046	.044	.182	.131	.113	.076	.068	.280	.201	.173	.116	
10,000	.030	.118	.087	.075	.051	.049	.192	.140	.122	.082	.075	.295	.216	.188	.127	
11,000	.033	.125	.092	.081	.055	.053	.202	.151	.131	.089	.081	.311	.231	.201	.136	
12,000	.036	.131	.099	.086	.058	.058	.212	.161	.140	.095	.089	.327	.247	.215	.146	
13,000	.038	.137	.105	.092	.062	.062	.223	.170	.149	.101	.095	.343	.261	.228	.155	
14,000	.041	.143	.111	.097	.066	.066	.232	.179	.157	.107	.102	.357	.276	.242	.165	
15,000	.043	.149	.116	.103	.070	.071	.243	.189	.166	.114	.109	.373	.291	.256	.175	
16,000	.047	.155	.122	.108	.074	.075	.253	.199	.175	.120	.116	.389	.306	.269	.185	
17,000	.049	.162	.129	.114	.077	.080	.263	.208	.185	.127	.123	.404	.320	.284	.194	
18,000	.052	.168	.134	.118	.081	.084	.273	.218	.193	.133	.130	.420	.335	.296	.204	
19,000	.055	.173	.140	.124	.085	.089	.282	.227	.201	.138	.136	.435	.350	.310	.213	
20,000	.057	.180	.146	.129	.090	.093	.293	.237	.210	.145	.143	.450	.365	.324	.223	
Additional Charges Added For Every \$1,000 Liability In Excess Of \$20,000																
	\$.002	.007	.006	.006	.004	\$.004	.010	.009	.009	.007	\$.007	.016	.015	.014	.010	

Table 24.B.2.b.(2)(b)(LC) Trailer Interchange Agreement Loss Costs

Liability Minimum Premium
\$ *
* Refer to company.

Table 24.C.2.b.(5)(LC) Cost Of Hire Basis Liability Minimum Premium

49. AUTO DEALERS – PREMIUM DEVELOPMENT

Mileage	Liability Base Loss Cost Per Driver, Per Trip
51 – 200 Miles	\$ 8
Over 200 Miles	11

Table 49.D.1.(LC) Pick Up Or Delivery Of Autos Loss Costs

Limit	Loss Cost Per \$100 Of Inventory Value
\$ 25,000	\$ 0.02
50,000	0.03
100,000	0.04

Table 49.G.3.d.(LC) False Pretense Loss Costs

Individual Coverage Drive-away Collision Per Car, Per Trip												
Price New At Factory To Dealer	Loss Costs For Mileage And Deductible – All Territories, Types, Makes And Age Groups											
	0 – 500 Miles			501 – 1,000 Miles			1,001 – 1,500 Miles			Over 1,500 Miles		
	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500
\$ 0 – 7,500	\$ 4.46	\$ 2.66	\$ 2.00	\$ 7.41	\$ 4.46	\$ 3.33	\$ 9.86	\$ 5.92	\$ 4.43	\$ 12.34	\$ 7.41	\$ 5.56
7,501 – 15,000	6.42	3.86	2.89	10.67	6.39	4.81	14.22	8.54	6.40	17.79	10.67	8.01
15,001 – 25,000	8.95	5.36	4.03	14.84	8.92	6.68	19.76	11.87	8.89	24.68	14.83	11.11
25,001 – 40,000	10.85	6.51	4.87	18.04	10.85	8.12	24.00	14.40	10.80	30.01	18.01	13.51
40,001 – 65,000	15.17	9.11	6.83	25.25	15.15	11.36	33.61	20.16	15.13	42.00	25.20	18.90
Over \$65,000	18.99	11.40	8.55	31.58	18.95	14.21	42.00	25.20	18.90	52.49	31.49	23.63

Table 49.G.3.e.(5)(a)(LC) Individual Coverage Drive-away Collision Loss Costs

Blanket Coverage Drive-away Collision Per Car, Per Trip												
Price New At Factory To Dealer	Loss Costs For Mileage And Deductible – All Territories, Types, Makes And Age Groups											
	51 – 500 Miles			501 – 1,000 Miles			1,001 – 1,500 Miles			Over 1,500 Miles		
	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500
\$ 0 – 7,500	\$ 2.28	\$ 1.38	\$ 1.02	\$ 3.73	\$ 2.22	\$ 1.68	\$ 4.97	\$ 2.99	\$ 2.24	\$ 6.17	\$ 3.69	\$ 2.78
7,501 – 15,000	3.21	1.93	1.45	5.36	3.21	2.41	7.12	4.29	3.21	8.92	5.36	4.02
15,001 – 25,000	4.46	2.66	2.00	7.46	4.46	3.37	9.86	5.92	4.43	12.34	7.41	5.56
25,001 – 40,000	5.45	3.26	2.45	9.04	5.45	4.07	12.00	7.19	5.40	14.99	9.00	6.75
40,001 – 65,000	7.63	4.58	3.43	12.64	7.58	5.69	16.80	10.08	7.56	21.00	12.60	9.45
Over \$65,000	9.52	5.71	4.28	15.82	9.49	7.12	21.00	12.60	9.45	26.27	15.76	11.81

Table 49.G.3.e.(5)(b)(LC) Blanket Coverage Drive-away Collision Loss Costs

66. ANTIQUE AUTOS

Coverage	Loss Cost Per \$100 Of Insurance With \$50 Ded.
Fire	\$ 0.16
Fire and Theft	0.32
Comprehensive	0.56
Collision	0.49

Table 66.B.2.(LC) Antique Autos Physical Damage Loss Costs

75. LEASING OR RENTAL CONCERNS

Vehicle Type	Loss Costs Per \$100 Of Insurance
Trucks, Tractors and Trailers	\$ 0.62
All Others	3.08

Table 75.B.3.b.(LC) Conversion, Embezzlement Or Secretion Loss Costs

77. MOTORCYCLES

Coverage	Loss Cost Per \$100 Of Insurance
Fire	\$ 0.35
Fire And Theft	1.17

Table 77.B.4.a.(2)(LC) Motorcycles Fire, Fire And Theft Physical Damage Loss Costs

79. REPOSESSED AUTOS

Liability Base Loss Cost Per Repossessed Auto
\$ 3.84

Table 79.B.1.a.(LC) Repossessed Autos Liability Loss Cost

Liability Minimum Premium
\$ *

* Refer to company.

Table 79.B.1.d.(LC) Repossessed Autos Liability Minimum Premium

80. SNOWMOBILES

Liability Coverage Option	Liability Base Loss Cost
Passenger Hazard Excluded	\$ 52
Passenger Hazard Included	122

Table 80.B.1.(LC) Snowmobiles Liability Loss Costs

\$500 Limit Medical Payments Loss Cost
\$ 6

Table 80.B.2.(LC) Snowmobiles Medical Payments Loss Cost

Coverage	Loss Cost Per \$100 Of Insurance With \$100 Ded.
Comprehensive	
Excludes breaking through ice	\$ 0.92
Includes breaking through ice	1.23
Collision	1.23

Table 80.B.5.(LC) Snowmobiles Physical Damage Loss Costs

89. NON-OWNERSHIP LIABILITY

Class Code	Total Number Of Employees	Liability Base Loss Cost
6601	0 – 25	\$ 48
6602	26 – 100	112
6603	101 – 500	245
6604	501 – 1,000	386
6605	Over 1,000	865

Table 89.C.1.a.(1)(LC) Other Than Garage Service Operations Loss Costs

Liability Base Loss Cost Per Volunteer
\$ 1.75

Table 89.C.2.b.(LC) Social Service Agency Volunteers Liability Loss Cost

Liability Base Loss Cost Per Volunteer Donor
\$ 0.43

Table 89.C.2.d.(LC) Blanket Individual Liability Of Volunteers Loss Cost

Liability Minimum Premium	
\$ *	
* Refer to company.	

Table 89.C.2.e.(LC) Social Service Agency Risks Liability Minimum Premium

90. HIRED AUTOS

Liability Minimum Premium	
\$ *	
* Refer to company.	

Table 90.B.3.g.(LC) Hired Autos Liability Minimum Premium

Coverage	Deductible	Loss Cost Per Each \$100 Annual Cost Of Hire
Comprehensive	No Deductible	\$.34
	50 Deductible	.32
	100 Deductible	.31
Collision	\$ 100 Deductible	.51
	250 Deductible	.49
	500 Deductible	.46
	1,000 Deductible	.43
Specified Causes Of Loss	No Deductible	.16

Table 90.C.3.c.(LC) Hired Autos Physical Damage Loss Costs

Physical Damage Minimum Premium	
\$ *	
* Refer to company.	

Table 90.C.3.e.(LC) Hired Autos Physical Damage Minimum Premium

94. RENTAL REIMBURSEMENT

Coverage	Loss Cost Per \$100 Of Insurance
Specified Causes of Loss	\$ 0.65
Comprehensive	0.80
Collision	1.32

Table 94.B.3.(LC) Rental Reimbursement Physical Damage Loss Costs

95. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT

<u>Added Limits For Audio, Visual And Data Electronic Equipment</u>	<u>Loss Cost Per Auto</u>
\$ 500	20
1,000	40
1,500	60
2,000	80
2,500	100
3,000	120
3,500	140
4,000	160
4,500	180
5,000	200
5,500	220
6,000	240
6,500	260
7,000	280
7,500	300
8,000	320
8,500	340
9,000	360
9,500	380
10,000	400
Over 10,000	*

* Refer to company.

Table 95.B.2.a.(LC) Audio, Visual And Data Electronic Equipment Loss Costs

96. TAPES, RECORDS AND DISCS COVERAGE

<u>Loss Cost Per Auto</u>
\$ 9

Table 96.B.(LC) Tapes, Records And Discs Comprehensive Loss Cost

Section II - Attachment of Loss Costs

24. TRUCKERS

**Legal Liability for Physical Damage
To Trailers Under A Trailer Interchange Agreement**

B.2.b.

Daily Per Trailer Base Charges

Subline Code (648)

Limit of Liability	Local				Intermediate				Long Distance							
	Comp. Full (040) or Specified Causes of Loss (020)	Collision			Comp. Full (040) or Specified Causes of Loss (020)	Collision			Comp. Full (040) or Specified Causes of Loss (020)	Collision						
		Deductibles				Deductibles				Deductibles						
		\$100 (074)	\$250 (076)	\$500 (077)	\$1,000 (078)		\$100 (074)	\$250 (076)	\$500 (077)	\$1,000 (078)						
\$1,000	.005	.063	.033	.026	.016	.009	.101	.054	.042	.025	.014	.156	.082	.065	.039	
2,000	.009	.068	.039	.031	.020	.014	.112	.064	.051	.034	.024	.172	.098	.079	.049	
3,000	.011	.075	.046	.037	.023	.017	.122	.073	.059	.038	.028	.188	.113	.092	.058	
4,000	.014	.081	.051	.042	.028	.022	.131	.083	.068	.044	.034	.202	.127	.105	.068	
5,000	.017	.087	.057	.048	.031	.026	.141	.092	.077	.051	.041	.218	.142	.119	.077	
6,000	.019	.093	.063	.054	.035	.031	.151	.103	.087	.057	.047	.234	.157	.133	.088	
7,000	.022	.100	.068	.059	.038	.036	.162	.112	.095	.063	.055	.249	.172	.147	.097	
8,000	.025	.106	.075	.064	.042	.040	.173	.121	.103	.069	.062	.265	.186	.160	.107	
9,000	.028	.112	.081	.069	.046	.044	.182	.131	.113	.076	.068	.280	.201	.173	.116	
10,000	.030	.118	.087	.075	.051	.049	.192	.140	.122	.082	.075	.295	.216	.188	.127	
11,000	.033	.125	.092	.081	.055	.053	.202	.151	.131	.089	.084	.311	.231	.204	.136	
12,000	.036	.131	.099	.086	.058	.058	.212	.161	.140	.095	.089	.327	.247	.215	.146	
13,000	.038	.137	.105	.092	.062	.062	.223	.170	.149	.101	.095	.343	.261	.228	.155	
14,000	.041	.143	.111	.097	.066	.066	.232	.179	.157	.107	.102	.357	.276	.242	.165	
15,000	.043	.149	.116	.103	.070	.071	.243	.189	.166	.114	.109	.373	.294	.256	.175	
16,000	.047	.155	.122	.108	.074	.075	.253	.199	.175	.120	.116	.389	.306	.269	.185	
17,000	.049	.162	.129	.114	.077	.080	.263	.208	.185	.127	.123	.404	.320	.284	.194	
18,000	.052	.168	.134	.118	.081	.084	.273	.218	.193	.133	.130	.420	.335	.296	.204	
19,000	.055	.173	.140	.124	.085	.089	.282	.227	.204	.138	.136	.435	.350	.310	.213	
20,000	.057	.180	.146	.129	.090	.093	.293	.237	.210	.145	.143	.450	.365	.324	.223	
Additional charges added for every \$1,000 of liability in excess of 20,000																
		.002	.007	.006	.006	.004	.004	.010	.009	.009	.007	.007	.016	.015	.014	.010

C. Premium Determination

2. Cost of hire basis

g. Minimum Premium

*\$ for bodily injury and property damage liability at a \$100,000 limit.

* Refer to company.

49. AUTO DEALERS – PREMIUM DEVELOPMENT

D. Pick Up or Delivery of Autos (Class Code 7070)

1. Rate each driver per trip for pick up or delivery operations as follows:

Per Driver Per Trip

Liability

Mileage	\$100,000 Limit
51 – 200 Miles	\$ 8
Over 200 Miles	11

G. Physical Damage

3. Premium Development

d. False Pretense Coverage (Coverage Code 054)

~~This coverage may be written for the following limits. Use the total inventory value including wholesale floor plan value.~~

Limit	Rate
\$ 25,000	\$.09
50,000	.12
100,000	.14

e. Collision

(5) Drive-Away Collision

"DRIVE-AWAY" COLLISION

(a) Individual Coverage When Collision Coverage is not written on all dealers' autos, apply the following per auto per trip:

All Territories, Types, Makes And Age Groups												
Price New At Factory To Dealers	Mileage And Deductibles											
	0 – 500 Miles			501 – 1,000 Miles			1,001 – 1,500 Miles			Over 1,500 Miles		
	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500	\$100	\$250	\$500
\$ 0 – 7,500	\$ 4.46	2.66	2.00	7.41	4.46	3.33	9.86	5.92	4.43	12.34	7.41	5.56
7,501 – 15,000	6.42	3.86	2.89	10.67	6.39	4.81	14.22	8.54	6.40	17.79	10.67	8.01
15,001 – 25,000	8.95	5.36	4.03	14.84	8.92	6.68	19.76	11.87	8.89	24.68	14.83	11.11
25,001 – 40,000	10.85	6.54	4.87	18.04	10.85	8.12	24.00	14.40	10.80	30.01	18.01	13.54
40,001 – 65,000	15.17	9.11	6.83	25.25	16.15	11.36	33.61	20.16	15.13	42.00	25.20	18.90
Over \$65,000	18.99	11.40	8.55	31.58	18.95	14.21	42.00	25.20	18.90	52.49	31.49	23.63
Coverage Codes	474	476	477	474	476	477	474	476	477	474	476	477

(b) Blanket Coverage – When Collision Coverage is written on all dealers' autos and "Drive-Away" operation is in excess of 50 miles, apply the following per auto per trip:

All Territories, Types, Makes And Age Groups										
Price-New At Factory To Dealers	Mileage And Deductibles									
	51 – 500 Miles		501 – 1,000 Miles		1,001 – 1,500 Miles		Over 1,500 Miles			
\$ 0 – 7,500	\$ 2.28	1.38	1.02	3.73	2.22	1.68	4.97	2.09	2.24	6.17
7,501 – 15,000	3.24	1.93	1.45	5.36	3.24	2.44	7.12	4.29	3.24	8.92
15,001 – 25,000	4.46	2.66	2.00	7.46	4.46	3.37	9.86	5.92	4.43	12.34
25,001 – 40,000	5.45	3.26	2.45	9.04	5.45	4.07	12.00	7.19	5.40	14.99
40,001 – 65,000	7.63	4.58	3.43	12.64	7.58	5.69	16.80	10.08	7.56	21.00
Over \$65,000	9.52	5.71	4.28	15.82	9.49	7.12	21.00	12.60	9.45	26.27
Coverage Codes	474	476	477	474	476	477	474	476	477	474

66. ANTIQUE AUTOS (Class Code 9620)

B. Premium Computation

2. Physical Damage

- a. Fire (Coverage Code 011) – \$.16 per \$100 of insurance.
- b. Fire and Theft (Coverage Code 012) – \$.32 per \$100 of insurance.
- c. Comprehensive (Coverage Code 003) – \$.56 per \$100 of insurance.
- d. Collision (Coverage Code 072) – \$.49 per \$100 of insurance.

70. FINANCED AUTOS

SINGLE INTEREST

Original Unpaid Balance Including Finance Charges-& Codes	Single Interest Coverage							
	Comprehensive (50)		Collision (91)		Fire And & Theft (51)		Conversion, Embezzlement And Secretion (52)	
	New (2)	Used (4)	New (2)	Used (4)	New (2)	Used (4)	New (2)	Used (4)
\$ 0 – 1,500 (1)	\$ 4	\$ 4	\$ 35	\$ 37	\$ 2	\$ 2	\$ 4	\$ 5
1,501 – 2,000 (1)	4	4	38	41	2	2	5	6
2,001 – 2,500 (2)	5	5	45	47	2	2	6	6
2,501 – 3,000 (3)	6	6	51	54	3	3	7	7
3,001 – 3,500 (4)	6	6	59	62	4	4	8	9
3,501 – 4,000 (5)	7	7	66	69	4	4	9	9
4,001 – 4,500 (6)	8	8	71	75	4	4	9	11
4,501 – 5,000 (7)	9	9	83	87	5	5	11	12
5,001 – 6,000 (8)	11	11	97	102	6	6	13	14
6,001 – 8,000 (9)	14	14	128	135	7	7	17	19
Over 8,000 pPer \$100 (9)	0.20	0.20	1.81	1.90	0.11	0.11	0.24	0.26

Table 70.C.1.a.(LC) Single Interest Coverage Loss Costs

73. GOLFMOBILES

B. Premium computation

2. Physical damage

a. The following coverages are available on a stated amount basis only:

(1) Fire (Coverage Code 011) — \$.37 per \$100 of insurance

(2) Fire and Theft (Coverage Code 012) — \$.49 per \$100 of insurance

b. Collision

Original	\$25	\$50	\$100
Cost New	Ded.	Ded.	Ded.

Coverage Codes

(071)	(072)	(074)	
\$0-750	\$10	\$6	\$5
\$751 and over	15	9	6

75. LEASING OR RENTAL CONCERNs

B. Premium Computation

3. Conversion, Embezzlement or Secretion Coverage

c. Trucks, tractors and trailers — \$.62 per \$100 of insurance.

All others — \$3.08 per \$100 of insurance.

77. MOTORCYCLES (Class Code 7942)

B. Premium Computation

4. Physical Damage

a. Fire (Coverage Code 011) — \$.35 per \$100 of insurance

b. Fire and Theft (Coverage Code 012) — \$1.17 per \$100 of insurance

79. REPOSESSED AUTOS (Class Code 7925)

B. Premium Computation

1. Liability

a. \$3.84 per repossessed auto for bodily injury and property damage \$100,000 limit.

d. Minimum Premium

The minimum premium is \$* bodily injury and property damage \$100,000 limit.

* Refer to company.

80. SNOWMOBILES (Class Code 7964)

B. Premium computation

1. Liability

- a. Bodily injury and property damage liability (excluding the passenger hazard). \$52 for \$100,000 limit.**
- b. Bodily injury and property damage (including the passenger hazard). \$122 for \$100,000 limit.**

2. Medical payments

\$6 for \$500 per person

5. Physical damage

- a. Comprehensive (Cov. Code 010) — \$100 deductible (excluding falling through ice) — \$.92 per \$100.**
- b. Comprehensive (Cov. Code 010) — \$100 deductible (including falling through ice) — \$1.23 per \$100.**
- c. Collision (Cov. Code 074) — \$100 deductible — \$1.23 per \$100.**

89. NON-OWNERSHIP LIABILITY

C. Premium Development

1. Application

- a. Apply one of the following procedures, as appropriate:**

(1) All risks other than Garage Service Operations

Class Code	Total Number of Employees	Bodily Injury and Property Damage \$100,000 Limit
6601	0— 25	\$ 48
6602	26— 100	112
6603	101— 500	245
6604	501— 1,000	386
6605	Over 1,000	865

2. Social Service Agency Risks

- b. \$1.75 per volunteer for bodily injury and property damage liability at \$100,000 limit. The minimum premium for bodily injury and property damage liability is \$* at \$100,000 limit.**
- d. Additional premium of \$0.43 per volunteer donor. The minimum premium is \$* per policy for bodily injury and property damage liability at \$100,000 limit.**

*** Refer to company.**

90. HIRED AUTOS

d. Minimum Premium — \$*

* Refer to company.

C. Hired Auto Physical Damage (Class Code 6614)

2. Premium Computation

c. Loss Cost per each \$100 estimated annual cost of hire:

Comprehensive		Loss Cost Per Each \$100	Annual Cost of Hire
Full-Coverage			
\$	(Coverage Code-001)	.34	
\$	50-Deductible		
\$	(Coverage Code-003)	.32	
\$	100-Deductible		
\$	(Coverage Code-010)	.34	

Collision		Loss Cost Per Each \$100	Annual Cost of Hire
\$	400-Deductible		
\$	(Coverage Code-074)	.51	
\$	250-Deductible		
\$	(Coverage Code-076)	.49	
\$	500-Deductible		
\$	(Coverage Code-077)	.46	
\$	1,000-Deductible		
\$	(Coverage Code-078)	.43	

Specified Causes of Loss		Loss Cost Per Each \$100	Annual Cost of Hire
Full-Coverage			
	(Coverage Code-020)	.16	

3. The minimum premium for hired car physical damage is \$*.

* Refer to company.

(Note: The current hired auto liability loss cost is unchanged and remains in effect.)

94. RENTAL REIMBURSEMENT (Coverage Code 047)

B. All Classes per \$100

Coverages

Specified Causes of Loss	\$.65
Comprehensive	.80
Collision	1.32

95. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT

D. Premium Computation

2. Apply the following per auto:

Stated Amount	
\$ 0 - 500	\$.13
501 - 1,000	.33
1,001 - 1,500	.53
1,501 - 2,000	.73
2,001 - 2,500	.93
2,501 - 3,000	1.13
3,001 - 3,500	1.33
3,501 - 4,000	1.53
4,001 - 4,500	1.73
4,501 - 5,000	1.93
5,001 - 5,500	2.13
5,501 - 6,000	2.33
6,001 - 6,500	2.53
6,501 - 7,000	2.73
7,001 - 7,500	2.93
7,501 - 8,000	3.13
8,001 - 8,500	3.33
8,501 - 9,000	3.53
9,001 - 9,500	3.73
9,501 - 10,000	3.93
Over 10,000	Refer to Company

96. TAPES, RECORDS AND DISCS COVERAGE (Coverage Code 064)

\$9 per auto

(Note: The remainder of the state loss costs are unchanged and remain in effect.)

SERFF Tracking Number:	<i>ISOF-126210560</i>	State:	<i>Washington</i>
Filing Company:	<i>Insurance Services Office, Inc.</i>	State Tracking Number:	<i>203128</i>
Company Tracking Number:	<i>CA-2009-RLC09</i>		
TOI:	<i>20.0 Commercial Auto</i>	Sub-TOI:	<i>20.0000 Commercial Auto Combinations</i>
Product Name:	<i>CA-2009-RLC09</i>		
Project Name/Number:	<i>Introduction of Commercial Auto Multistate Loss Costs/CA-2009-RLC09</i>		

Supporting Document Schedules

	Item Status:	Status
		Date:
Satisfied - Item:	Cover Letter	
Comments:		
Attachment:		
CA-2009-RLC09 - WA - Cover Letter.PDF		
	Item Status:	Status
		Date:
Satisfied - Item:	Explanatory Memorandum	
Comments:		
Attachments:		
CA-2009-RLC09 - Explanatory Memorandum.pdf		
CA-2009-RLC09 - Section I - Explanatory Material.pdf		
CA-2009-RLC09 - Section II - Actuarial Support.pdf		
CA-2009-RLC09 - WA Supplement - Explanatory Memorandum.pdf		
CA-2009-RLC09 - WA Supplement - Table of Contents.pdf		
CA-2009-RLC09 - WA Supplement - Section I - Explanatory Memorandum.pdf		



388 MARKET STREET SUITE 750 SAN FRANCISCO, CA 94111
TEL: (415) 874-4361 FAX: (415) 398-8064 E-MAIL: jmasek@iso.com
SERVING: CALIFORNIA, HAWAII, IDAHO, MONTANA, OREGON, WASHINGTON, GUAM,
NEVADA, ALASKA, UTAH, WYOMING AND COLORADO

July 1, 2009

JAMES E. MASEK
REGIONAL DIRECTOR

Honorable Mike Kreidler
Commissioner of Insurance
Washington Insurance Department
P.O. Box 40255
Olympia, Washington 98504

RE: CA-2009-RLC09 and Supplement
2010 Introduction of the Commercial Automobile
Multistate Loss Costs

Dear Commissioner:

Insurance Services Office, Inc. hereby files the captioned revision.

These changes are applicable to all policies written on or after June 1, 2010.

In accordance with your loss cost procedures, this effective date applies only to those insurers who have filed their loss cost multipliers to be automatically applicable to future ISO loss cost revisions. Any other ISO participating insurer may adopt ISO loss costs by filing its loss cost multipliers and selecting an effective date.

Companion filings CA-2009-OFR09 and CA-2009-RRU09 will be submitted under separate cover.

Unless we hear from you within the statutory deemer period, we will proceed with the implementation of this filing.

Very truly yours,

James E. Masek
Regional Director

2010 Introduction of the Commercial Auto Multistate Loss Costs

About This Filing

This filing introduces a multistate section for advisory prospective loss costs in Division One - Automobile of the Commercial Lines Manual (CLM), containing loss costs that are currently identical in most ISO jurisdictions. The majority of the loss costs included in this filing are being relocated from their current location on the state level. These loss costs are also being formatted to meet ISO's uniformity standards and house styles for consistency with other Divisions within the CLM. Additionally, certain loss costs are being revised to correspond with an actuarial review, as well as with revisions being made in companion forms filing CA-2009-OFR09 or companion rules filing CA-2009-RRU09.

This filing consists of:

- ◆ A Table Of Contents;
- ◆ Separate sections explaining the individual changes; and
- ◆ A full set of the manual loss costs marked-up to incorporate all of the individual changes in this filing.

SPECIAL NOTES:

- ◆ Some changes in this multistate section may not apply in a given jurisdiction. Please refer to the state supplements for exceptions to the multistate material. Any existing state exceptions that are not impacted by the changes to the multistate loss costs continue to apply.
- ◆ No loss costs are being revised, introduced or withdrawn from use in this filing, except where specifically indicated. A number of loss costs are being relocated from their current state location to a new multistate loss costs Section of the Commercial Auto Manual. Additionally, certain loss costs are being reformatted to conform with ISO's uniformity standards and house styles for consistency with other divisions within the CLM.

New Loss Costs

We are introducing loss costs for the following rules into the new multistate loss costs section of the CLM:

- ◆ Rule 24. Truckers/Motor Carriers
- ◆ Rule 49. Auto Dealers - Premium Development
- ◆ Rule 66. Antique Autos
- ◆ Rule 75. Leasing Or Rental Concerns
- ◆ Rule 77. Motorcycles
- ◆ Rule 79. Repossessed Autos
- ◆ Rule 80. Snowmobiles
- ◆ Rule 89. Non-ownership Liability
- ◆ Rule 90. Hired Autos
- ◆ Rule 94. Rental Reimbursement
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment
- ◆ Rule 96. Tapes, Records And Discs Coverage

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate loss costs that are revised, as compared with what is currently applicable in the state exceptions in most jurisdictions. We will not use this format for those loss costs which are merely being reformatted without any changes to the currently applicable loss costs.

Related Filing(s)

Companion filings:

- ◆ CA-2009-OFR09 - Forms Revision
- ◆ CA-2009-RRU09 - Rules Revision

will be implemented with an effective date that coincides with the effective date of this filing.

Copyright Explanation

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner.

Company Decision

We encourage each insurer to decide independently whether the judgments made and the procedures or data used by ISO in developing the enclosed loss costs are appropriate for its use. Some calculations included in this filing involve areas of ISO staff judgment. Each insurer should carefully review and evaluate its own experience in order to determine whether the ISO advisory loss costs are appropriate for its use.

The material has been developed exclusively by the staff of Insurance Services Office, Inc.

Table of Contents

About This Filing	1
New Loss Costs	2
Related Filing(s).....	2
Copyright Explanation	2
Company Decision	3
Section I - Explanatory Material.....	5
Introduction of Multistate Loss Costs Section	5
Background.....	5
Explanation of Changes	5
Formatting Changes	7
Background.....	7
Explanation of Changes	7
Revised Multistate Loss Costs.....	8
Explanation of Changes	8
Revised Loss Costs	8
Section II - Actuarial Support.....	9
Rule 49. Auto Dealers - Premium Development	9
Rule 95. Audio, Visual And Data Electronic Equipment	18
Section III - Attachment of Loss Costs	20

Section I - Explanatory Material

Introduction of Multistate Loss Costs Section

Background

Currently, the ISO Commercial Auto loss costs manual is divided into two parts - the Major Classes And Coverages Part (Major Classes) and the Miscellaneous Classes And Coverages Part (Miscellaneous Classes). Both Parts exist solely on the state level, as there is no Commercial Auto multistate loss costs Section. Loss costs for the Major Classes (Trucks, Tractors and Trailers, Private Passenger Types, Publics, Auto Dealers and Garagekeepers) are displayed by territory and coverage (liability, medical payments, personal injury protection and physical damage coverages). The loss costs in the Major Classes Part are reviewed annually and revised in ISO's basic limits loss costs filings.

In contrast, the loss costs contained in Miscellaneous Classes Part are usually not reviewed as often, and address relatively less frequently used loss costs. Examples include loss costs for Snowmobiles, Non-ownership Liability, and Antique Autos, among others. Many loss costs in the Miscellaneous Classes Part are identical in every state.

The Miscellaneous Classes Part also contains placeholders for minimum premiums, which are presented on a "refer to company" basis.

Explanation of Changes

We are revising the Commercial Lines Manual, Division One - Automobile to introduce a multistate loss costs Section, which contains Miscellaneous Classes loss costs that do not usually vary by state. The majority of these loss costs are being relocated from the Miscellaneous Classes Part of the state loss costs. This multistate approach should simplify the manual, streamline the rating process and make it easier to distinguish state-specific loss costs from those that do not often vary by state.

The following loss costs are being relocated (with no numeric revision) to the new multistate loss costs Section:

- ◆ Rule 24. Truckers/Motor Carriers (Trailer Interchange Agreement Coverage loss costs)

- ◆ Rule 49. Auto Dealers - Premium Development (Pick Up Or Delivery Of Autos Liability and Drive-away Collision Coverages loss costs)
- ◆ Rule 66. Antique Autos (Physical Damage Coverages loss costs)
- ◆ Rule 75. Leasing Or Rental Concerns (Conversion, Embezzlement Or Secretion Coverage loss costs)
- ◆ Rule 77. Motorcycles (Physical Damage Coverages loss costs)
- ◆ Rule 79. Repossessed Autos (Liability Coverage loss cost)
- ◆ Rule 80. Snowmobiles (Liability, Medical Payments, Physical Damage Coverages loss costs)
- ◆ Rule 89. Non-ownership Liability (Liability Coverage loss costs for Other than Garage Service Operations, Social Service Agency Volunteers and Blanket Individual Liability of Volunteers)
- ◆ Rule 90. Hired Autos (Physical Damage Coverages loss costs)
- ◆ Rule 94. Rental Reimbursement (Physical Damage Coverages loss costs)
- ◆ Rule 96. Tapes, Records And Discs Coverage (Comprehensive Coverage loss cost)

The following loss costs are being relocated to the multistate Section with revised loss costs:

- ◆ Rule 49. Auto Dealers - Premium Development (False Pretense Coverage loss costs)
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment (Added limits for Physical Damage Coverages loss costs)

Additionally, placeholders for the following minimum premiums are being relocated to the new multistate Section:

- ◆ Rule 24. Truckers/Motor Carriers (Cost of Hire Basis Liability Coverage)
- ◆ Rule 79. Repossessed Autos (Repossessed Autos Liability Coverage)
- ◆ Rule 89. Non-ownership Liability (Social Service Agency Risks Liability Coverages)
- ◆ Rule 90. Hired Autos (Hired Autos Liability and Physical Damage Coverages)

Formatting Changes

Background

We are taking this opportunity to reformat all loss costs in the new multistate Section to conform to ISO's uniformity standards and house styles for the Commercial Lines Manual (CLM). This would make the Commercial Auto loss costs Section consistent in structure with the manuals of most other ISO commercial lines of business.

Explanation of Changes

All loss costs contained in the new multistate Section are being reformatted in order to:

- ◆ Remove rating instructions and lead-in sentences, as such information is more appropriately contained in the corresponding rules;
- ◆ Remove statistical codes that are not essential to the rating process as part of an ongoing CLM effort. The codes being eliminated include, but are not limited to, Coverage Codes and Limit Codes. Class Codes will remain in the CLM;
- ◆ Place loss costs within tables for easier identification and to facilitate integration with rating systems in future revisions to these loss costs. This may include combining, into a single table, several related loss costs which are currently displayed separately. This should reduce the complexity of the loss costs and make premium development procedures easier to follow;
- ◆ Insert identifying table captions below each to describe the contents therein and reference the appropriate section of the corresponding rule. This should allow each table to be identified easily; and
- ◆ Maintain placeholders for minimum premiums, which are now enclosed within tables. These minimum premiums are on a refer to company basis.

For reformatting changes, we have **not** used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate new or revised material.

Revised Multistate Loss Costs

Explanation of Changes

Certain loss costs are being revised as a result of a recent actuarial review, as well as changes in companion filings CA-2009-RRU09 or CA-2009-OFR09.

The following loss costs are being revised:

- ◆ Rule 49. Auto Dealers - Premium Development

We are revising False Pretense Coverage loss costs in Table **49.G.3.d.(LC)**.

- ◆ Rule 95. Audio, Visual And Data Electronic Equipment

As a result of changes being made in companion forms filing CA-2009-OFR09 and rules filing CA-2009-RRU09, we are revising the loss costs for Audio, Visual And Data Electronic Equipment Coverage in Table **95.B.2.a.(LC)**. These loss costs are now applicable to coverage for such equipment which is installed in locations *other than* those normally used by the auto manufacturer for the installation of such equipment, at limits supplementing the \$1,000 sublimit for this equipment being introduced in the companion forms filing.

For the revised loss costs only, we have used a format of underlining additions and inserting a revision bar in the left margin to indicate changes.

Revised Loss Costs

- ◆ Rule 49. Auto Dealers - Premium Development
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment

Section II - Actuarial Support

Rule 49. Auto Dealers - Premium Development

COMMERCIAL AUTOMOBILE

AUTO DEALERS FALSE PRETENSE COVERAGE

PURPOSE	<p>This Part:</p> <ul style="list-style-type: none">• revises the multistate loss costs for the Auto Dealers False Pretense Coverage. The revised advisory prospective loss costs are based upon multistate experience and represent a -75.0% change from the multistate loss costs currently in effect.• provides the analysis used to derive these advisory loss costs.
BACKGROUND	<p>Auto Dealers False Pretense Coverage may be provided via endorsement and offers Physical Damage Coverage in the event that loss to a covered auto is caused by:</p> <ul style="list-style-type: none">• Someone causing the insured to voluntarily part with a covered auto by trick, scheme, or under false pretenses.• The insured acquiring an auto from a seller who did not have legal title. <p>Loss costs for this coverage are available at limits of \$25,000, \$50,000 and \$100,000. The loss cost applicable to the selected limit of coverage is multiplied by each \$100 of auto dealer inventory value (inventory value excludes parts, materials or accessories kept as merchandise for sale and not attached to autos).</p>
HISTORICAL SOURCE DATA	<p>The data used for this review is:</p> <ul style="list-style-type: none">• ISO reporting companies' voluntary experience.• Accident year data through year ended 12/31/2006, evaluated as of 3/31/2008, for everything except loss adjustment expense provisions.• Calendar year data through year ended 12/31/2006 for the development of loss adjustment expense provisions.
CURRENT LOSS COSTS	<p>The loss costs being tested in this Part are the current ISO multistate advisory loss costs. An individual state may have exceptions to the current multistate advisory loss costs - refer to the State Supplements for details.</p>

CREDIBILITY	A formal review of the credibility standards for the Auto Dealers False Pretense coverage was not performed as part of this analysis. The indicated change presented in this review is the "raw" indication and is based solely upon the experience for the Auto Dealers False Pretense coverage. The volume of data used in the review (i.e. credibility) was given consideration when determining the multistate advisory loss cost level change to be filed.
REVISED LOSS COSTS	The multistate filed change of -75.0% was applied to the multistate loss cost for the \$50,000 limit of coverage. The loss costs for the remaining limits of coverage were then judgmentally selected.

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

DETERMINATION OF INDICATED MULTISTATE ADVISORY LOSS COSTS FOR THE AUTO DEALERS FALSE PRETENSE COVERAGE

OBJECTIVE	<p>The objective is to determine the indicated multistate advisory loss costs for the Auto Dealers False Pretense coverage.</p>
DESCRIPTION	<p>This procedure compares the incurred losses and loss adjustment expenses with the adjusted earned premiums.</p>
ADJUSTED EARNED PREMIUMS (Item 1)	<p>The adjusted earned premiums are the loss-related revenue that was collected during the experience period. It is calculated by multiplying the collected earned premium by the multistate expected loss ratio, which is derived from company reported loss cost multipliers and rate modification factors.</p>
INCURRED LOSSES & LAE (Item 2)	<p>The incurred losses and loss adjustment expenses are our best estimate of the ultimate payment for indemnity losses and loss adjustment expenses incurred during the experience period. The reported paid (accident year) losses are subject to the following adjustments:</p> <ul style="list-style-type: none">• Developed to an ultimate settlement basis by the application of loss development factors;• Loaded for all loss adjustment expenses.
RATIO (Item 3)	<p>The ratio is the ratio of incurred losses and loss adjustment expenses to the adjusted earned premiums. It measures the adequacy of the adjusted earned premiums.</p>
PAID CLAIMS (Item 4)	<p>These are the paid (accident year) claims associated with the incurred losses used for the review and have been evaluated as of March 31, 2008.</p>
INDICATED CHANGE (Item 5)	<p>This is the indicated percentage change in the multistate advisory loss costs.</p>
FILED CHANGE (Item 6)	<p>This is the filed percentage change in the multistate advisory loss costs.</p>

INSURANCE SERVICES OFFICE, INC.

COVERAGE CODE 054
SHEET 1

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE
COVERAGE CODE 054 - AUTO DEALERS FALSE PRETENSE COVERAGE
DETERMINATION OF MULTISTATE# ADVISORY LOSS COST LEVEL CHANGE
PHYSICAL DAMAGE

ACCIDENT YEAR ENDING	ADJUSTED EARNED PREMIUM (A)	INCURRED LOSSES (B)	RATIO (2) / (1)	PAID CLAIMS
12/31/02	\$ 11,938,708	\$ 2,147,520	0.180	254
12/31/03	\$ 14,365,867	\$ 2,445,322	0.170	251
12/31/04	\$ 14,018,534	\$ 1,715,749	0.122	110
12/31/05	\$ 12,354,125	\$ 1,816,835	0.147	122
12/31/06	\$ 13,746,112	\$ 2,734,173	0.199	201
COMBINED	\$ 66,423,346	\$ 10,859,599	0.163	938

(5) INDICATED CHANGE [COMBINED (3) - 1.00] -83.7%

(6) FILED CHANGE -75.0%

(A) THE ADJUSTED EARNED PREMIUM IS CALCULATED BY MULTIPLYING THE COLLECTED EARNED PREMIUM BY THE MULTISTATE EXPECTED LOSS RATIO FOR THIS COVERAGE, WHICH IS DERIVED FROM THE REPORTED LOSS COST MULTIPLIERS AND RATE MODIFICATION FACTORS.

(B) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES AND ARE DEVELOPED TO AN ULTIMATE SETTLEMENT BASIS. LOSSES DO NOT INCLUDE THE APPLICATION OF LOSS TREND. SEE FOLLOWING PAGE.

EXCLUDING MA AND PR

INSURANCE SERVICES OFFICE, INC.

COVERAGE CODE 054
SHEET 2

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE
COVERAGE CODE 054 - AUTO DEALERS FALSE PRETENSE COVERAGE
DETERMINATION OF MULTISTATE# ADVISORY LOSS COST LEVEL CHANGE
PHYSICAL DAMAGE

	ACC. YEAR ENDING	LOSSES
(1) PAID LOSSES (as of 3/31/08)	12/31/02 12/31/03 12/31/04 12/31/05 12/31/06	\$ 1,854,428 \$ 2,117,895 \$ 1,486,012 \$ 1,554,977 \$ 2,199,391
(2) DEVELOPED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (A).	12/31/02 12/31/03 12/31/04 12/31/05 12/31/06	\$ 2,147,520 \$ 2,445,322 \$ 1,715,749 \$ 1,816,835 \$ 2,734,173

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1-LOSS ADJUSTMENT EXPENSE FACTORS:

	O.T.C.
	1.150

2-LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.
12/31/02	1.007
12/31/03	1.004
12/31/04	1.004
12/31/05	1.016
12/31/06	1.081

TREND HAS NOT BEEN APPLIED TO EITHER PREMIUMS OR LOSSES. FOR THIS COVERAGE, PAID LOSSES REFLECT THE VALUE OF THE VEHICLES WHEN TAKEN UNDER FALSE PRETENSE FROM THE DEALER. ANY EXPECTED INCREASES IN LOSSES DUE TO FUTURE HIGHER VEHICLE VALUES (SEVERITY TREND) SHOULD BE OFFSET BY ADDITIONAL FUTURE PREMIUMS COLLECTED DUE TO THE HIGHER VALUES OF THESE VEHICLES (THE EXPOSURE BASE IS TOTAL VEHICLE VALUE).

DUE TO THE LIMITED NUMBER OF HISTORICAL CLAIMS AND THE UNIQUE ASPECT OF COVERAGE, 0.0% FREQUENCY TREND HAS BEEN SELECTED.

EXCLUDING MA AND PR

LOSS ADJUSTMENT EXPENSE FACTORS

OBJECTIVE	The reported indemnity losses must be loaded for any loss adjustment expenses (LAE) that are not reported in statistical detail to ISO.
PHYSICAL DAMAGE COVERAGES	For the physical damage coverages, accident year paid indemnity losses are reported. All loss adjustment expenses must be loaded into the reported losses. A factor representing the ratio of incurred losses plus all LAE to incurred losses was selected based on multistate financial data from the Insurance Expense Exhibits for agency and direct writers.

Commercial Automobile Physical Damage Insurance
Multistate Loss Adjustment Expense Experience

Calendar Year

Development of Factor to Include all Loss Adjustment Expenses

		(000's)						3 YR AVG	5 YR AVG
	<u>ITEM</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>			
(1)	Direct Losses Incurred	3,817,408	3,529,362	3,578,841	3,852,907	3,886,345			
(2)	Loss Adjustment Expenses Incurred	554,326	502,566	521,411	597,095	600,132			
(3)	Losses + LAE Incurred as Ratio to Losses Incurred [(1)+(2)]/(1)	1.145	1.142	1.146	1.155	1.154	1.152	1.149	
(4)	Selected								1.150

Items (1) and (2) are from the Insurance Expense Exhibits for agency and direct writers.

LOSS DEVELOPMENT FOR PHYSICAL DAMAGE

OBJECTIVE	<p>The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.</p>
DESCRIPTION OF EXPERIENCE PERIOD DATA	<p>For the Auto Dealers False Pretense coverage, the paid losses underlying the multistate ratio are on an accident year basis and were evaluated as of March 31, 2008. In other words, accident year ended December 31, 2006 includes all losses paid through March 31, 2008 on accidents occurring from January 1, 2006 to December 31, 2006. Similarly, the paid losses for accident year ended December 31, 2005 include all losses paid through March 31, 2008 on accidents occurring from January 1, 2005 to December 31, 2005. The immature paid loss experience reported as of 27 or as of 39 months must be adjusted to a mature or ultimate settlement basis through the use of a loss development factor.</p>
DESCRIPTION OF LOSS DEVELOPMENT DATA	<p>The paid losses underlying the loss development factors have been aggregated on an accident year basis and were evaluated as of March 31, 2008.</p>
DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY	<p>For the Auto Dealers False Pretense coverage, losses are developed to an ultimate settlement basis of 123 months and three-year averages are calculated for each link ratio. These link ratios are accumulated to develop losses to 123 months. Beyond 123 months the loss development is assumed to be unity.</p>

Insurance Services Office

Physical Damage Loss Development
Coverage Code 054 - Auto Dealers False Pretense Coverage
Multistate #
Paid Losses

Accident Year <u>Ended</u>	15 Months	27 Months	39 Months	51 Months	63 Months
12/31/1996	2,888,421	3,519,572	3,751,643	3,855,485	3,878,680
12/31/1997	4,140,182	4,459,308	4,353,538	4,395,916	4,443,321
12/31/1998	3,932,298	4,575,266	4,735,980	4,950,846	4,945,078
12/31/1999	3,307,236	3,946,569	4,067,040	4,100,989	4,316,623
12/31/2000	2,468,874	2,756,026	2,871,672	2,843,766	3,076,200
12/31/2001	1,195,737	2,052,376	2,229,523	2,232,933	2,243,733
12/31/2002	1,309,095	1,728,390	1,798,508	1,871,685	1,858,865
12/31/2003	1,491,569	1,988,201	2,112,545	2,114,832	2,117,895
12/31/2004	968,876	1,409,903	1,500,997	1,486,012	
12/31/2005	972,984	1,461,867	1,554,977		
12/31/2006	1,806,528	2,199,391			

Ratios

Accident Year <u>Ended</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/1996	1.219	1.066	1.028	1.006
12/31/1997	1.077	0.976	1.010	1.011
12/31/1998	1.164	1.035	1.045	0.999
12/31/1999	1.193	1.031	1.008	1.053
12/31/2000	1.116	1.042	0.990	1.082
12/31/2001	1.716	1.086	1.002	1.005
12/31/2002	1.320	1.035	1.046	0.993
12/31/2003	1.333	1.063	1.001	1.001
12/31/2004	1.455	1.065	0.990	
12/31/2005	1.502	1.064		
12/31/2006	1.217			

Average Factor: 1.391 1.064 1.012 1.000

Summary of factors

63 to Ult:	(75:63) (75:Ult) =	1.004
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.004
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.016
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.081
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.504*

Excludes Massachusetts and Puerto Rico

* Since the paid losses in the review are evaluated as of March, 31 2008 (i.e. as of 27 months), the 15 to ultimate factor provided above is not being used. The 27 to ultimate factor (1.081) will be applied to the most recent accident year's experience, since this experience was evaluated as of 27 months, and the remaining accident years will be treated similarly.

Insurance Services Office

Physical Damage Loss Development
Coverage Code 054 - Auto Dealers False Pretense Coverage
Multistate #
Paid Losses

Accident Year Ended	75 Months	87 Months	99 Months	111 Months	123 Months
12/31/1996	3,876,760	3,870,904	3,867,665	3,867,803	3,867,803
12/31/1997	4,450,828	4,446,850	4,443,379	4,442,353	4,442,303
12/31/1998	4,934,289	4,934,289	4,933,451	4,933,351	4,933,351
12/31/1999	4,329,156	4,330,230	4,330,230	4,330,230	4,330,230
12/31/2000	3,079,467	3,079,467	3,079,467		
12/31/2001	2,228,176	2,277,133			
12/31/2002	1,854,428				

Ratios

Accident Year Ended	75:63	87:75	99:87	111:99	123:111
12/31/1996	1.000	0.998	0.999	1.000	1.000
12/31/1997	1.002	0.999	0.999	1.000	1.000
12/31/1998	0.998	1.000	1.000	1.000	1.000
12/31/1999	1.003	1.000	1.000	1.000	1.000
12/31/2000	1.001	1.000	1.000		
12/31/2001	0.993	1.022			
12/31/2002	0.998				
Average Factor :	0.997	1.007	1.000	1.000	1.000

Summary of factors

123 to Ult:	(123:Ult) =	1.000
111 to Ult:	(111:123) (123:Ult) =	1.000
99 to Ult:	(111:99) (111:123) (123:Ult) =	1.000
87 to Ult:	(99:87) (111:99) (111:123) (123:Ult) =	1.000
75 to Ult:	(87:75) (99:87) (111:99) (111:123) (123:Ult) =	1.007

Excludes Massachusetts and Puerto Rico

Rule 95. Audio, Visual And Data Electronic Equipment

The Commercial Auto Manual currently provides loss costs for the coverage available under endorsement CA 99 60 - Audio, Visual And Data Electronic Equipment Coverage. Since the average loss for this coverage is in the \$3,000-3,500 range (see Exhibit 1), we developed a loss cost for this range first. (The data represented in Exhibit 1 is for years 1999 through 2003 since there is very little data in more recent years.)

Exhibit 1

Average Paid Loss

Year	Paid Claims	Average Loss
1999	30	2,690
2000	107	2,232
2001	147	3,422
2002	114	3,305
2003	23	3,997
Total	421	3,067

We assumed that policies are uniformly distributed within this range so that \$3,250 is the average limit for policies in this range. The current loss cost for a \$3,250 limit policy is \$133. Since the current program contains a \$250 deductible for audio, visual or data electronic equipment (AVD) coverage, an average insured loss of \$3,250 corresponds to a first dollar loss of \$3,500.

The revised program features the following three changes to the rating for this coverage:

1. The loss is subject to the policy's physical damage deductible, rather than a standard \$250 deductible;
2. As such, the policy's deductible will apply to covered AVD losses, as well as other physical damage losses; and
3. The basic policy will cover the first \$1,000 of insured AVD loss for no additional charge, while CA 99 60 (and related loss costs) can now be used for coverage in addition to this limit.

Assuming an average base deductible of \$500 for physical damage, the actual deductible applied to an AVD loss could range from \$0 to \$500, depending on how much of the deductible was used on other physical damage resulting from the same occurrence.

Under the revised program, the amount of coverage corresponding to this average loss could range from \$2,000 to \$2,500, as shown below:

Current Program

First Dollar Loss:	\$3,500
Deductible:	\$250
Average Paid Loss:	\$3,250

Revised Program

	<u>Deductible Applied to the AVD Loss</u>	<u>Deductible Used Up By Other Losses</u>
First Dollar Loss:	\$3,500	\$3,500
Deductible Applied:	\$500	\$0
Covered By Basic Policy:	<u>\$1,000</u>	<u>\$1,000</u>
Average Loss:	\$2,000	\$2,500
Ratio of Losses:	\$2,000/\$3,250 = 0.69	\$2,500/\$3,250 = 0.85
Current Loss Cost:	\$133	\$133
Indicated Loss Cost:	\$133*0.69 = \$92	\$133*0.85 = \$113
Selected Loss Cost for \$2,000-\$2,500 Range:		\$100

Loss costs for added limits over \$10,000 are on a refer to company basis. For the other added limits, loss costs increase (decrease) by \$20 for each limit above (below) the sample \$2,500 added limit.

Washington Loss Costs Supplement

About This Filing

This supplement withdraws several state loss costs and reformats others to correspond with the introduction to the new multistate loss costs Section to Division One - Automobile of the Commercial Lines Manual (CLM).

Revised Loss Costs

We are revising the following loss costs in the state exceptions:

- ◆ Rule 70. Financed Autos
- ◆ Rule 90. Hired Autos

Withdrawn Loss Costs

We are withdrawing the following loss costs from the state exceptions:

- ◆ Rule 24. Truckers/Motor Carriers
- ◆ Rule 49. Auto Dealers - Premium Development
- ◆ Rule 66. Antique Autos
- ◆ Rule 73. Golfmobiles
- ◆ Rule 75. Leasing Or Rental Concerns
- ◆ Rule 77. Motorcycles
- ◆ Rule 79. Repossessed Autos
- ◆ Rule 80. Snowmobiles
- ◆ Rule 89. Non-ownership Liability
- ◆ Rule 94. Rental Reimbursement
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment
- ◆ Rule 96. Tapes, Records And Discs Coverage

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate loss costs that are new,

revised or deleted, as compared with what is currently applicable in the state exceptions.

NOTE: The revisions included in this filing are based on the currently applicable loss costs listed above. If pending or future revisions to these same loss costs become effective on or before the effective date of this filing, those revisions will be incorporated into this filing.

Related Filing(s)

Companion filings:

- ◆ CA-2009-OFR09 - Forms Revision
- ◆ CA-2009-RRU09 - Rules Revision

will be implemented with an effective date that coincides with the effective date of this filing.

Copyright Explanation

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner.

Company Decision

We encourage each insurer to decide independently whether the judgments made and the procedures or data used by ISO in developing the enclosed loss costs are appropriate for its use. Some calculations included in this filing involve areas of ISO staff judgment. Each insurer should carefully review and evaluate its own experience in order to determine whether the ISO advisory loss costs are appropriate for its use.

The material has been developed exclusively by the staff of Insurance Services Office, Inc.

Table of Contents

About This Filing.....	1
Revised Loss Costs	1
Withdrawn Loss Costs	1
Related Filing(s).....	2
Copyright Explanation.....	2
Company Decision.....	2
Section I - Explanatory Material	4
Relocated and Withdrawn Loss Costs	4
Background	4
Explanation of Changes.....	4
Withdrawn Loss Costs.....	5
Revised Loss Costs.....	5
Formatting Changes	6
Background	6
Explanation of Changes.....	6
Revised Loss Costs.....	6
Section II - Attachment of Loss Costs	7

Section I - Explanatory Material

Relocated and Withdrawn Loss Costs

Background

In the multistate portion of this filing, we have relocated a number of loss costs from their current state location to the new multistate loss costs Section. As a result, many loss costs are being withdrawn from the state exceptions.

Explanation of Changes

To correspond with the introduction of a new multistate loss cost Section, we are withdrawing all loss costs from the state exceptions that are identical to the material in the multistate portion of this filing. Specifically, all loss costs corresponding to the following rules are being withdrawn from the state exceptions:

- ◆ Rule 24. Truckers/Motor Carriers
- ◆ Rule 49. Auto Dealers - Premium Development
- ◆ Rule 66. Antique Autos
- ◆ Rule 75. Leasing Or Rental Concerns
- ◆ Rule 77. Motorcycles
- ◆ Rule 79. Repossessed Autos
- ◆ Rule 80. Snowmobiles
- ◆ Rule 89. Non-ownership Liability
- ◆ Rule 94. Rental Reimbursement
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment
- ◆ Rule 96. Tapes, Records And Discs Coverage

For the same reason, we are also deleting Physical Damage Coverages loss costs and minimum premium references for Rule 90. Hired Autos. The Liability Coverage loss cost for Hired Autos is unchanged and will remain in the state exceptions, as it varies by state.

Additionally, we are withdrawing all loss costs for Rule 73. Golfmobiles to reflect the introduction of a new rating procedure in companion filing CA-2009-RRU09, which uses a factor-based approach in lieu of the current loss costs.

Withdrawn Loss Costs

- ◆ Rule 24. Truckers/Motor Carriers
- ◆ Rule 49. Auto Dealers - Premium Development
- ◆ Rule 66. Antique Autos
- ◆ Rule 73. Golfmobiles
- ◆ Rule 75. Leasing Or Rental Concerns
- ◆ Rule 77. Motorcycles
- ◆ Rule 79. Repossessed Autos
- ◆ Rule 80. Snowmobiles
- ◆ Rule 89. Non-ownership Liability
- ◆ Rule 94. Rental Reimbursement
- ◆ Rule 95. Audio, Visual And Data Electronic Equipment
- ◆ Rule 96. Tapes, Records And Discs Coverage

Revised Loss Costs

- ◆ Rule 90. Hired Autos

Formatting Changes

Background

In the multistate portion of this filing, changes are being made to conform with ISO's uniformity standards and house styles for consistency with other Divisions within Commercial Lines Manual (CLM). These reformatting changes include:

- ◆ Eliminating references to statistical codes (e.g., coverage codes, limit codes, etc.) throughout the CLM;
- ◆ Enclosing loss costs within tables for easier identification and to facilitate integration with automated rating systems. This may include combining, into a single table, several related loss costs which are currently displayed separately;
- ◆ Identifying tables by inserting table captions below each in order to describe the contents therein and reference the appropriate section of the corresponding rule; and
- ◆ Making minor editorial and procedural changes.

Explanation of Changes

To correspond with changes being made in the multistate portion of this filing, we are reformatting the loss costs for the following rules to conform with ISO's uniformity standards and house styles:

- ◆ Rule 70. Financed Autos

Revised Loss Costs

- ◆ Rule 70. Financed Autos