Exhibit C

Determination of 6/1/2013 Expected Loss Rates for Certain ‘a’ Rated Classes

The expected loss rate for classes 4800, 4804, 4806, 4818, 4820, and 8837 should be determined as follows:

ELR determination i**f the company uses relativities**

1. Determine the June 1, 2013 relativity for the individual risk by dividing the actual rate charged per $100 of payroll by the carrier’s deviation from the June 1, 2013 relativities expressed as a factor. For example, a –20% deviation would be expressed as a factor of 0.800. If the carrier does not have a single deviation for all class codes, an average deviation should be determined.
2. Determine the individual risk’s ELR by multiplying the quotient determined in number 1 above, by a factor of 0.200.

ELR determination i**f the company uses NCCI loss costs**

1. Determine the June 1, 2013 loss costs for the individual risk by dividing the actual rate charged per $100 of payroll by the carrier’s loss cost multiplier from the June 1, 2013 loss costs. If the carrier does not have a single loss cost multiplier for all class codes, an average loss cost multiplier should be determined.
2. Determine the individual risk’s ELR by multiplying the quotient determined in number 1 above, by a factor of 0.520.

**D-Ratios**

|  |  |
| --- | --- |
| **Class Code** | **D-Ratio** |
| 4800 | 0.35 |
| 4804 | 0.33 |
| 4806 | 0.32 |
| 4818 | 0.35 |
| 4820 | 0.20 |
| 8837 | 0.25 |