



Pennsylvania Compensation Rating Bureau

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September 20, 2006

VIA ELECTRONIC & FIRST CLASS MAIL

The Honorable M. Diane Koken
Insurance Commissioner
Commonwealth of Pennsylvania
Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Attention: Kenneth Creighton

RE: Amendment to Bureau Filing C-351 - F-Classification and USL&HW Rating Value Filing
Proposed Effective Date February 1, 2007

Dear Commissioner Koken:

With respect to the captioned filing, the PCRB has discovered that certain values on Line 3 of Exhibit 1 of the filing attachments were incorrect as originally submitted.

In order to correct the filing for the effects of this error, the PCRB is submitting herewith revisions to Exhibits 1, 2, 4, 8, 9, 11, 12 and 14 (including the Class Book) previously filed in conjunction with Bureau Filing C-351. We have already informally advised Mr. Kenneth Creighton of your Department of the revisions shown here.

The amendments we are submitting will reduce proposed rating values as summarized below:

INDICATED RATING VALUES	<u>As Filed</u>	<u>Revised</u>
Collectible Residual Market Rates	-7.49%	-15.08%
Manual Residual Market Rates	-4.88%	-12.68%

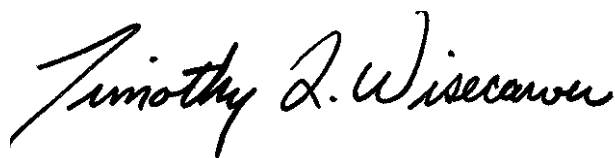
EXHIBITS AND SUPPORTING MATERIALS INCLUDED WITH THIS REVISION

The following amended exhibits and supporting information are enclosed:

- Exhibit 1 – Indicated Change in Rate Level
- Exhibit 2 – Expense Loading
- Exhibit 4 – Internal Rate of Return Model
- Exhibit 8 – Tax Multiplier
- Exhibit 9 – Derivation of “F”-Class Rates
- Exhibit 11 – Expected Loss Rate Factors
- Exhibit 12 – Manual Rates and Expected Loss Rates
- Exhibit 14 – Index to “F-Classification” Exhibits and Class Book

The PCRB regrets any inconvenience caused by this inadvertent error, and we remain willing to assist your offices in any way possible during your review of this filing.

Sincerely,



Timothy L. Wisecarver
President

TLW/kg
Enclosures

c: Daniel G. Ausmus, Esquire, OSBA
Michael J. Ileo, TAI
Scott Lefkowitz, Mercer Oliver Wyman Actuarial Consulting, Inc.