PENNSYLVANIA COMPENSATION RATING BUREAU

Pennsylvania Certified Safety Committee Program Offset

The attached exhibit presents participation figures in the Pennsylvania Certified Safety Committee Program for policies written during policy years 1994 through 2006.

The Bureau is recommending that a factor of 1.14% be applied to loss costs to offset the credits offered by this program. This is an increase from last year's value of 1.10%.

PENNSYLVANIA CERTIFIED SAFETY COMMITTEE PROGRAM

| Policy Year | Category of Risk | #Risks | Standard Premium | Average Risk Size | Relative Ave Size | Safety Credit | Average Credit | % Patic # Risks \$ | ipating Premium |
|----------------|--|-----------------------------|---|-----------------------------|----------------------|-------------------------------|-------------------------|-----------------------|--------------------|
| 1994 | Eligible Participating Non-Participating | 212,753 292 212,461 | 3,103,881,964 58,560,773 3,045,321,191 | 14,589 200,551 14,334 | 13.747 0.983 | 2,693,796 2,693,796 - | 0.09% 4.60% 0.00% | 0.1% | 1.9% |
| 1995 | Eligible Participating Non-Participating | 214,167 742 213,425 | 3,014,689,150 147,159,942 2,867,529,208 | 14,076 198,329 13,436 | 14.090 0.955 | 6,519,185 6,519,185 - | 0.22% 4.43% 0.00% | 0.3% | 4.9% |
| 1996 | Eligible Participating Non-Participating | 215,564 801 214,763 | 3,025,242,109 118,598,423 2,906,643,686 | 14,034 148,063 13,534 | 10.550 0.964 | 5,502,967 5,502,967 - | 0.18% 4.64% 0.00% | 0.4% | 3.9% |
| 1997 | Eligible Participating Non-Participating | 218,290 1,783 216,507 | 2,480,366,727 216,560,436 2,263,806,291 | 11,363 121,458 10,456 | 10.689 0.920 | 10,503,181 10,503,181 - | 0.42% 4.85% 0.00% | 0.8% | 8.7% |
| 1998 | Eligible Participating Non-Participating | 220,898 2,188 218,710 | 2,360,941,094 257,871,218 2,103,069,876 | 10,688 117,857 9,616 | 11.027 0.900 | 12,094,160 12,094,160 - | 0.51% 4.69% 0.00% | 1.0% | 10.9% |
| 1999 | Eligible Participating Non-Participating | 222,990 2,496 220,494 | 2,437,068,760 290,272,431 2,146,796,329 | 10,929 116,295 9,736 | 10.641 0.891 | 13,904,049 13,904,049 - | 0.57% 4.79% 0.00% | 1.1% | 11.9% |
| 2000 | Eligible Participating Non-Participating | 224,382 2,626 221,756 | 2,420,318,955 306,447,416 2,113,871,539 | 10,787 116,697 9,532 | 10.818 0.884 | 14,249,805 14,249,805 - | 0.59% 4.65% 0.00% | 1.2% | 12.7% |
| 2001 | Eligible Participating Non-Participating | 222,560 2,146 220,414 | 2,489,495,492 259,407,030 2,230,088,462 | 11,186 120,879 10,118 | 10.806 0.905 | 11,803,020 11,803,020 - | 0.47% 4.55% 0.00% | 1.0% | 10.4% |
| 2002 | Eligible Participating Non-Participating | 236,318 1,716 234,602 | 2,896,618,223 234,332,143 2,662,286,080 | 12,257 136,557 11,348 | 11.141 0.926 | 12,443,037 12,443,037 - | 0.43% 5.31% 0.00% | 0.7% | 8.1% |
| 2003 | Eligible Participating Non-Participating | 219,944 2,864 217,080 | 2,644,756,944 363,432,498 2,281,324,446 | 12,025 126,897 10,509 | 10.553 0.874 | 18,644,087 18,644,087 - | 0.70% 5.13% 0.00% | 1.3% | 13.7% |
| 2004 | Eligible Participating Non-Participating | 224,251 3,322 220,929 | 2,875,269,409 461,633,132 2,413,636,277 | 12,822 138,962 10,925 | 10.838 0.852 | 24,004,923 24,004,923 - | 0.83% 5.20% 0.00% | 1.5% | 16.1% |
| 2005 | Eligible Participating Non-Participating | 245,423 3,934 241,489 | 3,425,354,852 566,859,225 2,858,495,627 | 13,957 144,092 11,837 | 10.324 0.848 | 28,399,647 28,399,647 - | 0.83% 5.01% 0.00% | 1.6% | 16.5% |
| 2006 | Eligible Participating Non-Participating | 248,583 4,312 244,271 | 3,308,777,590 601,346,892 2,707,430,698 | 13,311 139,459 11,084 | 10.477 0.833 | 29,646,402 29,646,402 - | 0.90% 4.93% 0.00% | 1.7% | 18.2% |