

TABLE I—STOCK CARRIERS
PREMIUM DISCOUNT TABLES (IN PERCENT)

Standard Premium	Discount	Standard Premium	Discount	Standard Premium	Discount						
\$ 0—	5,023	0.0%	\$ 9,160—	9,316	5.0%	\$ 57,369—	64,117	10.0%			
5,024—	5,069	0.1	9,317—	9,478	5.1	64,118—	72,666	10.1			
5,070—	5,117	0.2	9,479—	9,646	5.2	72,667—	83,846	10.2			
5,118—	5,165	0.3	9,647—	9,819	5.3	83,847—	99,090	10.3			
5,166—	5,215	0.4	9,820—	9,999	5.4	99,091—	104,418	10.4			
5,216—	5,265	0.5	10,000—	10,186	5.5	104,419—	109,512	10.5			
5,266—	5,317	0.6	10,187—	10,380	5.6	109,513—	115,128	10.6			
5,318—	5,369	0.7	10,381—	10,582	5.7	115,129—	121,351	10.7			
5,370—	5,422	0.8	10,583—	10,792	5.8	121,352—	128,285	10.8			
5,423—	5,477	0.9	10,793—	11,010	5.9	128,286—	136,060	10.9			
5,478—	5,532	1.0	11,011—	11,237	6.0	136,061—	144,838	11.0			
5,533—	5,589	1.1	11,238—	11,473	6.1	144,839—	154,827	11.1			
5,590—	5,647	1.2	11,474—	11,720	6.2	154,828—	166,296	11.2			
5,648—	5,706	1.3	11,721—	11,978	6.3	166,297—	179,599	11.3			
5,707—	5,767	1.4	11,979—	12,247	6.4	179,600—	195,217	11.4			
5,768—	5,828	1.5	12,248—	12,528	6.5	195,218—	213,809	11.5			
5,829—	5,891	1.6	12,529—	12,823	6.6	213,810—	236,315	11.6			
5,892—	5,956	1.7	12,824—	13,132	6.7	236,316—	264,117	11.7			
5,957—	6,022	1.8	13,133—	13,456	6.8	264,118—	299,333	11.8			
6,023—	6,089	1.9	13,457—	13,797	6.9	299,334—	345,384	11.9			
6,090—	6,158	2.0	13,798—	14,155	7.0	345,385—	408,181	12.0			
6,159—	6,228	2.1	14,156—	14,533	7.1	408,182—	498,888	12.1			
6,229—	6,300	2.2	14,534—	14,931	7.2	498,889—	523,023	12.2			
6,301—	6,374	2.3	14,932—	15,352	7.3	523,024—	548,536	12.3			
6,375—	6,449	2.4	15,353—	15,797	7.4	548,537—	576,666	12.4			
6,450—	6,526	2.5	15,798—	16,268	7.5	576,667—	607,837	12.5			
6,527—	6,606	2.6	16,269—	16,769	7.6	607,838—	642,571	12.6			
6,607—	6,687	2.7	16,770—	17,301	7.7	642,572—	681,515	12.7			
6,688—	6,770	2.8	17,302—	17,868	7.8	681,516—	725,483	12.8			
6,771—	6,855	2.9	17,869—	18,474	7.9	725,484—	775,517	12.9			
6,856—	6,942	3.0	18,475—	19,122	8.0	775,518—	832,962	13.0			
6,943—	7,032	3.1	19,123—	19,818	8.1	832,963—	899,599	13.1			
7,033—	7,124	3.2	19,819—	20,566	8.2	899,600—	977,826	13.2			
7,125—	7,218	3.3	20,567—	21,372	8.3	977,827—	1,070,952	13.3			
7,219—	7,315	3.4	21,373—	22,244	8.4	1,070,953—	1,183,684	13.4			
7,316—	7,414	3.5	22,245—	23,191	8.5	1,183,685—	1,322,941	13.5			
7,415—	7,517	3.6	23,192—	24,222	8.6	1,322,942—	1,499,333	13.6			
7,518—	7,622	3.7	24,223—	25,348	8.7	1,499,334—	1,729,999	13.7			
7,623—	7,730	3.8	25,349—	26,585	8.8	1,730,000—	2,044,545	13.8			
7,731—	7,841	3.9	26,586—	27,948	8.9	2,044,546—	2,498,888	13.9			
7,842—	7,956	4.0	27,949—	29,459	9.0	2,498,889—	3,212,857	14.0			
7,957—	8,074	4.1	29,460—	31,142	9.1	3,212,858—	4,497,999	14.1			
8,075—	8,195	4.2	31,143—	33,030	9.2	4,498,000—	7,496,666	14.2			
8,196—	8,320	4.3	33,031—	35,161	9.3	7,496,667—	22,489,999	14.3			
8,321—	8,449	4.4	35,162—	37,586	9.4	22,490,000 and over		14.4			
8,450—	8,582	4.5	37,587—	40,370	9.5	Above Table Based on the Following Discounts					
8,583—	8,719	4.6	40,371—	43,599	9.6						
8,720—	8,861	4.7	43,600—	47,391	9.7				First	\$ 5,000	0.0%
8,862—	9,008	4.8	47,392—	51,904	9.8				Next	\$ 95,000	10.9
9,009—	9,159	4.9	51,905—	57,368	9.9				Next	\$400,000	12.6
						Over	\$500,000	14.4			

TABLE 2—NON—STOCK CARRIERS
PREMIUM DISCOUNT TABLES (IN PERCENT)

Standard Premium	Discount	Standard Premium	Discount	Standard Premium	Discount			
\$0—	5,072	0.0%	\$31,819—	38,888	3.0%	\$1,111,905—	1,228,947	6.0%
5,073—	5,223	0.1	38,889—	49,999	3.1	1,228,948—	1,373,529	6.1
5,224—	5,384	0.2	50,000—	69,999	3.2	1,373,530—	1,556,666	6.2
5,385—	5,555	0.3	70,000—	101,515	3.3	1,556,667—	1,796,153	6.3
5,556—	5,737	0.4	101,516—	108,064	3.4	1,796,154—	2,122,727	6.4
5,738—	5,932	0.5	108,065—	115,517	3.5	2,122,728—	2,594,444	6.5
5,933—	6,140	0.6	115,518—	124,074	3.6	2,594,445—	3,335,714	6.6
6,141—	6,363	0.7	124,075—	133,999	3.7	3,335,715—	4,669,999	6.7
6,364—	6,603	0.8	134,000—	145,652	3.8	4,670,000—	7,783,333	6.8
6,604—	6,862	0.9	145,653—	159,523	3.9	7,783,334—	23,349,999	6.9
6,863—	7,142	1.0	159,524—	176,315	4.0	23,350,000 and over		7.0
7,143—	7,446	1.1	176,316—	197,058	4.1			
7,447—	7,777	1.2	197,059—	223,333	4.2			
7,778—	8,139	1.3	223,334—	257,692	4.3			
8,140—	8,536	1.4	257,693—	304,545	4.4			
8,537—	8,974	1.5	304,546—	372,222	4.5			
8,975—	9,459	1.6	372,223—	478,571	4.6			
9,460—	9,999	1.7	478,572—	518,888	4.7			
10,000—	10,606	1.8	518,889—	543,023	4.8			
10,607—	11,290	1.9	543,024—	569,512	4.9			
11,291—	12,068	2.0	569,513—	598,717	5.0			
12,069—	12,962	2.1	598,718—	631,081	5.1			
12,963—	13,999	2.2	631,082—	667,142	5.2			
14,000—	15,217	2.3	667,143—	707,575	5.3			
15,218—	16,666	2.4	707,576—	753,225	5.4			
16,667—	18,421	2.5	753,226—	805,172	5.5			
18,422—	20,588	2.6	805,173—	864,814	5.6			
20,589—	23,333	2.7	864,815—	933,999	5.7			
23,334—	26,923	2.8	934,000—	1,015,217	5.8			
26,924—	31,818	2.9	1,015,218—	1,111,904	5.9			

Above Table Based on the Following Discounts

First	\$ 5,000	0.0%
Next	\$ 95,000	3.5
Next	\$400,000	5.0
Over	\$500,000	7.0

PREMIUM DISCOUNT EXAMPLES

EXAMPLE 1—NOT PART OF STANDARD PREMIUM SUBJECT TO RETROSPECTIVE RATING

DISTRIBUTION OF TOTAL STANDARD PREMIUM									
(1)	(2)		(3)		(4)		(5)		(6)
State	Standard Premium		First \$5,000 (2) x \$5,000 (2a)		Next \$95,000 (2) x \$95,000 (2a)		Next \$400,000 (2) x \$400,000 (2a)		Over \$500,000 (2) x \$250,000 (2a)
X	\$450,000		\$3,000		\$57,000		\$240,000		\$150,000
Y*	187,500		1,250		23,750		100,000		62,500
Z^	112,500		750		14,250		60,000		37,500
(a) Total	\$750,000		\$5,000		\$95,000		\$400,000		\$250,000

DISCOUNTS									
State	(7) First \$5,000		(8) \$5,000-\$100,000		(9) \$100,000-\$500,000		(10) Over \$500,000		
	Stock	Non-Stock	Stock	Non-Stock	Stock	Non-Stock	Stock	Non-Stock	Non-Stock
X	0.0%	0.0%	10.9%	3.5%	12.6%	5.0%	14.4%	7.0%	
Y*	0.0	0.0	9.5	2.0	11.9	4.0	12.4	6.0	
Z^	—	—	—	—	—	—	—	—	—

State	(11) Amount of Discount (3) x (7) + (4) x (8) + (5) x (9) + (6) x (10)				(12) Final Premium (2) - (11)	
	Stock		Non-Stock		Stock	Non-Stock
X	\$58,053.00		\$24,495.00		\$391,947.00	\$425,505.00
Y*	21,906.25		8,225.00		165,593.75	179,275.00
Z^	—		—		122,500.00	122,500.00
(a) Total	\$79,959.25		\$32,720.00		\$670,040.75	\$717,280.00

EXAMPLE 2—PART OF STANDARD PREMIUM SUBJECT TO RETROSPECTIVE RATING

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
State	Standard Premium		Total	Discount Percent		Amount of Discount Based on		Net Discount
	Subject to Retro.	Subject to Discount		\$5,000 to \$100,000	Over \$100,000	Col. (4)	Col. (2)	(3) x (9a) (3a)
X	\$110,000	\$20,000†	\$130,000	10.9%	12.6%	\$14,135	\$11,615	\$2,313
Y*	40,000	10,000	50,000	9.5	11.9	4,275	3,325	1,157
Z§	---	---	20,000	---	---	---	---	---
(a) Total	\$150,000	\$30,000	\$200,000	xx	xx	\$18,410	\$14,940	(7)-(8) \$3,470

* Under old expense structure.
† Not subject to premium discounts.
‡ Non-ratable catastrophe premium Code 7405.
§ Premium discounts not approved for state "Z."

Any method may be used to determine the premium discount provided that the discount so determined does not differ from the discount produced by the method outlined above by more than 0.1% of the standard premium.

APPENDIX A

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EXAMPLE 3—NOT PART OF STANDARD PREMIUM SUBJECT TO RETROSPECTIVE RATING

DISTRIBUTION OF TOTAL STANDARD PREMIUM

(1) State	(2) Standard Premium	(3) \$1,000-\$5,000 (2) x \$4,000 (2a)	(4) Next \$95,000 (2) x \$95,000 (2)	(5) Over \$100,000 (2) x \$150,000 (2a)
X	\$ 50,000	\$ 800	\$19,000	\$ 30,000
Y	100,000	1,600	38,000	60,000
Z*	100,000	1,600	38,000	60,000
(a) Total	\$250,000	\$4,000	\$95,000	\$150,000

DISCOUNTS

State	(6) "a" \$1,000-\$5,000		(7) "b" \$5,000-\$100,000		(8) "c" Over \$100,000	
	Stock	Non-Stock	Stock	Non-Stock	Stock	Non-Stock
X	0.0%	0.0%	10.9%	3.5%	5.0%	—
Y‡	9.4	3.0	14.7	—	16.3	8.5
Z	—	—	—	—	—	—

State	(9) Amount of Discount (3) x (6) + (4) x (7) + (5) X (8)		(10) Final Premium (2) - (9)	
	Stock	Non-Stock	Stock	Non-Stock
X	\$ 5,851.00	\$2,165.00	\$ 44,149.00	\$ 47,835.00
Y	15,516.00	7,428.00	84,484.00	92,572.00
Z	—	—	100,000.00	100,000.00
(a) Total	\$21,367.00	\$9,593.00	\$228,633.00	\$240,407.00

EXAMPLE 4—PART OF STANDARD PREMIUM SUBJECT TO RETROSPECTIVE RATING

(1) State	(2) Standard Premium Subject to Retro.	(3) Standard Premium Subject to Discount	(4) Total	(5) Discount Percent \$1,000 to \$5,000	(6) Over \$5,000	(7) Amount of Discount Based on Col. (4)	(8) Col. (2)	(9) Net Discount (3) x (9a) (3a)
V	\$23,850	\$ 3,500 [^]	\$27,350	0.0%	10.9%	\$2,763	\$2,319	\$ 500
W	22,500	—	22,500	0.0	9.5	1,981	1,907	—
X	—	18,350	18,350	9.4	14.7	2,601	—	2,619
(a) Total	\$46,350	\$21,850	\$68,200	xx	xx	\$7,345	\$4,226	(7)-(8) \$3,119

* Not subject to premium discounts.

[^] Non-ratable catastrophe premium Code 7405.

‡ Under old expense structure.

Any method may be used to determine the premium discount provided that the discount so determined does not differ from the discount produced by the method outlined above by more than 0.1% of the standard premium.