

**Company Name:** Privilege Underwriters Reciprocal Exchange

**Line of Business:** Private Passenger Auto – Massachusetts

**Program Name:** Private Fleet Auto

**Revision Date:** 08/13/2016

**BASE RATES**

	PIP 8K	UMBI 20/40	PD \$5k	BI	Med Pay	Collision	Limited Collision	Comprehensive	Substitute Transportation.	Towing & Labor	UIMBI
Base Rate	32.00	22.00	161.66	209.00	17.00	273.76	31.32	53.36			120.00

**CLASS FACTORS**

Class	PIP 8K	UMBI 20/40	PD \$5k	BI	Med Pay	Collision	Limited Collision	Comprehensive	Substitute Transportation.	Towing & Labor	UIMBI
10	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
15	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
17	1.61	1.00	1.95	2.05	1.00	2.41	2.41	1.00	1.00	1.00	1.00
18	1.26	1.00	1.29	1.41	1.00	1.35	1.35	1.00	1.00	1.00	1.00
20	4.16	1.00	3.69	3.91	1.00	4.36	4.36	1.00	1.00	1.00	1.00
21	2.45	1.00	2.34	2.28	1.00	2.56	2.56	1.00	1.00	1.00	1.00
25	3.07	1.00	3.61	3.73	1.00	3.86	3.86	1.00	1.00	1.00	1.00
26	1.72	1.00	2.14	2.13	1.00	2.31	2.31	1.00	1.00	1.00	1.00
30	0.97	1.00	1.13	1.00	1.00	1.01	1.01	1.00	1.00	1.00	1.00

**DEFAULT DRIVER FACTOR/EXTRA VEHICLE FACTOR**

Used for vehicles with no driver assigned, because there are more vehicles than drivers.

	PIP 8K	UMBI 20/40	PD \$5k	BI	Med Pay	Collision	Limited Collision	Comprehensive	Substitute Transportation.	Towing & Labor	UIMBI
DEFAULT DRIVER FACTOR/EXTRA VEHICLE FACTOR	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	1.00	1.00	1.00

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# Privilege Underwriters Reciprocal Exchange Massachusetts Private Fleet Auto Program Explanatory Memorandum

PURE is a Florida-domiciled reciprocal insurer focused on the high net worth personal lines market and offers Automobile coverage serving the High Net Worth personal lines segment of the Massachusetts insurance market.

The purpose of this rate filing is to address positive rate indications, maintain renewal retention, and enable continued profitable growth.

We have completed a review of our indications which shows an overall credibility weighted indication of +17.4%. The indications are included and are detailed in Exhibit 1 through Exhibit R5.

To address our positive rate indication, we are proposing a base rate only rate change with a new business effective date of July 9, 2016 and a renewal effective date of September 7, 2016.

## **Base Rates**

We are proposing to revise base rates by coverage in order to address our rate indication.

We are proposing to increase base rates by coverage to achieve a +9.9% overall increase. The base rate changes by coverage are as follows:

- Property Damage: 18%
- Collision: 16%
- Limited Collision: 16%
- Comprehensive: 16%
- All other coverages: 0%

For your review, we have included a side-by-side comparison of our current and proposed base rates. Please see Exhibit A.

We believe that the changes described in this filing result in rates which are not excessive, not inadequate and not unfairly discriminatory.

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