

**MASSACHUSETTS
Automobile Rating Manual**

Motorcycle Rates

**Part 7 - Collision
Rates at \$500 deductible**

Territory	Rate per \$100 of value*
	Experienced Operators
	All Groups
1	\$1.91
2	\$1.81
3	\$2.15
4	\$2.37
5	\$2.47
6	\$2.49
7	\$2.65
8	\$3.03
9	\$2.76
10	\$3.22
11	\$2.84
12	\$3.71
13	\$3.87
14	\$5.38
15	\$6.29
16	\$6.91
17	\$6.46
18	\$6.46
19	\$6.46
20	\$6.46
21	\$6.46
22	\$6.46
23	\$6.46
24	\$6.46
25	\$6.46
26	\$6.46
27	\$1.62
40	\$4.10
41	\$4.09
42	\$5.58
43	\$6.30
44	\$5.79
45	\$6.18

**Part 7 - Collision
Other deductibles**

All Territories	
Deductible	All Groups
\$300	\$500 deductible premium + \$40
\$1,000	71.5% of \$500 deductible premium
\$2,000	59.1% of \$500 deductible premium

**Part 7 - Collision
Waiver of Deductible Charges**

All Territories	
Deductible	All Groups
\$300	\$8
\$500	\$11
\$1,000	\$14
\$2,000	\$21

Part 8 - Limited Collision

\$500 deductible base premium (Part 8) =
(6.0%) x [\$500 deductible Collision base premium (Part 7)]

Deductible	All Groups
\$0	\$500 deductible premium (Part 8) + \$6
\$300	\$500 deductible premium (Part 8) + \$4
\$1,000	64.1% of \$500 deductible premium (Part 8)
\$2,000	46.5% of \$500 deductible premium (Part 8)

Determine motorcycle Collision rates by the following procedure:

- (a) Determine the motorcycle's insured value* Average Cost New (see R-26) in hundreds of dollars.
- (b) Multiply value determined in (a) by the applicable Age Rate Factor (see R-27)
- (c) Multiply the value determined in (b) by the rate per \$100 for its territory.

* Value means Average Retail Value as expressed in the current "Blue Book" or "Red Book";
— a minimum value of \$1,800 applies to vehicle sizes 651 c.c. and over.

Notes:

- (1) Motorcycle territory definitions are the same as for private passenger automobiles.
- (2) Rates for inexperienced operators are calculated by applying a factor of 1.50 to the experienced operators rates above.
- (3) Rates are per \$100 of Average Cost New insured value.
- (4) The product of the Average Cost New and the Age Rate factor is subject to a minimum value of \$1,800 for vehicle sizes 651 c.c. and over.

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Motorcycle Rates

**Part 9 - Comprehensive
Rates at \$500 deductible**

Territory	Rate per \$100 of value* All Groups
1	\$1.00
2	\$0.98
3	\$1.02
4	\$1.10
5	\$1.12
6	\$1.33
7	\$1.60
8	\$2.03
9	\$1.79
10	\$2.26
11	\$2.18
12	\$2.75
13	\$2.55
14	\$3.47
15	\$4.15
16	\$6.25
17	\$6.45
18	\$6.45
19	\$6.45
20	\$6.45
21	\$6.45
22	\$6.45
23	\$6.45
24	\$6.45
25	\$6.45
26	\$6.45
27	\$0.89
40	\$2.57
41	\$2.74
42	\$3.82
43	\$3.93
44	\$6.23
45	\$3.97

**Part 9 - Comprehensive
Other deductibles**

Deductible	All Territories
	All Groups
\$300	\$500 deductible premium + \$3
\$1,000	70.2% of \$500 deductible premium
\$2,000	64.4% of \$500 deductible premium

Deductible	Glass Deductible for Comprehensive
\$100	0.84

Fire	Charge 5% of the motorcycle Comprehensive premium
Theft	Charge 90% of the motorcycle Comprehensive premium

Part 10 - Substitute Transportation

Limit	Substitute Transportation
\$15/day	45
\$30/day	90
\$45/day	167
\$100/day	346

Determine motorcycle Comprehensive rates by the following procedure:

- (a) Determine the motorcycle's ~~insured value~~* Average Cost New (see R-26) in hundreds of dollars.
- (b) Multiply value determined in (a) by the applicable Age Rate Factor (see R-27)
- (c) Multiply the value determined in (b) by the rate per \$100 for its territory.

* Value means Average Retail Value as expressed in the current "Blue Book" or "Red Book";
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Notes:

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7	\$1.60
8	\$2.03
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13	\$2.55
14	\$3.47
15	\$4.15
16	\$6.25
17	\$6.45
18	\$6.45
19	\$6.45
20	\$6.45
21	\$6.45
22	\$6.45
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**Approved Motorcycle Training Sites
Rider Education Recognition Program (RERP) Number**

Bristol Community College, Fall River	(61347)
Central Mass Safety Council, West Boylston	(60055)
Hanscomb AFB, Bedford	(61141)
Motorcycle Safe Riding Project, Beverly (Formerly listed as Cycles 128)	(60050)
Northern Essex Community College, Haverhill	(61348)
Otis ANGB, Cape Cod	(60758)
Riverside Kawasaki, Hanscomb AFB in Bedford	(61350)
Safety Council of Western Mass, Dalton	(61277)
South Weymouth NAS, South Weymouth	(60690)
Westfield State College, Westfield	(61349)

Those who participate in motorcycle rider education courses in any other location are also eligible for the 10% reduction, given the course is approved by the Motorcycle Safety Foundation. If courses are taken out of state, they must be Motorcycle Safety Foundation certified and adhere to Governor's Highway Safety Bureau rules and regulations on file at the Secretary of State's office.

Average Cost New for Physical Damage Coverages

Model Year	Cubic Centimeters (c.c.) Group									
	1-100	101-350	351-650	651-850	851-1050	1051-1150	1151-1350	1351-1550	1551-1750	>1750
2011	\$2,600	\$5,928	\$7,531	\$9,362	\$11,142	\$12,696	\$14,467	\$17,218	\$20,492	\$30,000
2010	\$2,535	\$5,779	\$7,342	\$9,128	\$10,863	\$12,378	\$14,105	\$16,787	\$19,979	\$28,800
2009	\$2,472	\$5,635	\$7,159	\$8,899	\$10,592	\$12,069	\$13,752	\$16,367	\$19,480	\$27,648
2008	\$2,410	\$5,494	\$6,980	\$8,677	\$10,327	\$11,767	\$13,408	\$15,958	\$18,993	\$26,542
2007	\$2,350	\$5,357	\$6,805	\$8,460	\$10,069	\$11,473	\$13,073	\$15,559	\$18,518	\$25,480
2006	\$2,291	\$5,223	\$6,635	\$8,248	\$9,817	\$11,186	\$12,746	\$15,170	\$18,055	\$24,461
2005	\$2,234	\$5,092	\$6,469	\$8,042	\$9,572	\$10,907	\$12,428	\$14,791	\$17,604	\$23,483
2004	\$2,178	\$4,965	\$6,308	\$7,841	\$9,332	\$10,634	\$12,117	\$14,421	\$17,164	\$22,543
2003	\$2,123	\$4,841	\$6,150	\$7,645	\$9,099	\$10,368	\$11,814	\$14,061	\$16,735	\$21,642
2002	\$2,070	\$4,720	\$5,996	\$7,454	\$8,871	\$10,109	\$11,519	\$13,709	\$16,316	\$20,776
2001	\$2,018	\$4,602	\$5,846	\$7,268	\$8,650	\$9,856	\$11,231	\$13,367	\$15,908	\$19,945
2000	\$1,968	\$4,487	\$5,700	\$7,086	\$8,433	\$9,610	\$10,950	\$13,032	\$15,511	\$19,147
1999	\$1,919	\$4,375	\$5,558	\$6,909	\$8,223	\$9,369	\$10,676	\$12,707	\$15,123	\$18,381
1998	\$1,871	\$4,265	\$5,419	\$6,736	\$8,017	\$9,135	\$10,409	\$12,389	\$14,745	\$17,646
1997	\$1,824	\$4,159	\$5,283	\$6,568	\$7,817	\$8,907	\$10,149	\$12,079	\$14,376	\$16,940
1996	\$1,778	\$4,055	\$5,151	\$6,403	\$7,621	\$8,684	\$9,895	\$11,777	\$14,017	\$16,263
1995	\$1,734	\$3,953	\$5,022	\$6,243	\$7,431	\$8,467	\$9,648	\$11,483	\$13,666	\$15,612
1994	\$1,691	\$3,854	\$4,897	\$6,087	\$7,245	\$8,255	\$9,407	\$11,196	\$13,325	\$14,988
1993	\$1,648	\$3,758	\$4,774	\$5,935	\$7,064	\$8,049	\$9,172	\$10,916	\$12,992	\$14,388
1992	\$1,607	\$3,664	\$4,655	\$5,787	\$6,887	\$7,848	\$8,942	\$10,643	\$12,667	\$13,813
1991	\$1,567	\$3,572	\$4,539	\$5,642	\$6,715	\$7,652	\$8,719	\$10,377	\$12,350	\$13,260
1990	\$1,528	\$3,483	\$4,425	\$5,501	\$6,547	\$7,460	\$8,501	\$10,117	\$12,041	\$12,730
1989 & Prior	\$1,490	\$3,396	\$4,315	\$5,364	\$6,383	\$7,274	\$8,288	\$9,864	\$11,740	\$12,220

Note: For model years that are subsequent to the latest model year currently in the above table, a factor of 1.025 should be applied to the Average Cost New for that applicable Cubic Centimeters (c.c.) Group, and each year thereafter (up to the model year of the motorcycle) in order to develop the Average Cost New for the subsequent model year. Model year and cubic centimeters are provided by the customer or other company source.

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Miscellaneous Motor Vehicles

Rated as a percent of Miscellaneous Motor Vehicle Base Rates, unless otherwise stated:

	LIABILITY	PHYSICAL DAMAGE
Pick-Up (Rule 32)	100%	Part 7 - 60%* Part 8 - 100% Part 9 - 90%
Trailers (Rule 34)	No Charge	Parts 7, 8 and 9 50% Territory 1, Class 10 x Latest Auto Model Year/Symbol Factor Symbol based on Cost New
Motor Homes (Rule 39)	100%	Parts 7 and 8 - 50% Part 9 - 100%
Antique Motor Cars (Rule 40) (Advisory Rating & Factors)	Parts 1, 2, 4 & 5 25% of Class 10 Parts 3, 6 and 12 100%	Parts 7, 8 and 9 50% Territory 1, Class 10 x Latest Auto Model Year/Symbol Factor Symbol based on appraised value
Antique Motorcycles (Rule 40) (Advisory Rating & Factors)	Parts 1, 2, 4 & 5 25% of Motorcycle Rates Parts 3, 6 and 12 100%	Part 7, 8 and 9 50% of Territory 1 Motorcycle Rates
Golfmobiles and Lawnmowers (Motorized) (Rule 42)	50% of Class 10	Parts 7, 8 and 9 50% of Class 10
*Reduction not applicable to Waiver of Deductible premium		

Snowmobiles (Rule 43)			<u>Annual</u>
<u>Liability</u>			<u>Premiums</u>
B.I. (excluding passenger hazard) - \$20,000/40,000			\$ 36
B.I. (including passenger hazard) - \$20,000/40,000			\$106
Uninsured Motorists - \$20,000/40,000			\$ 7
Property Damage - \$5,000			\$ 10
Medical Payments - \$500 per person (no other limits)			\$ 10
<u>Physical Damage</u>	<u>Deductible</u>	<u>Rate per 100</u>	
Comprehensive	\$100	\$2.00	
	200	1.60	
Collision	\$200	\$1.75	
	300	1.60	
Annual premiums are minimum premiums			

Motorcycles, etc. (Rule 44)

Motorcycle Rider Training Program Discount - 10% Parts 1-8 and 12

Insureds age 65 or older - 25% All Parts

Anti-Theft - 20% Part 9

Age Rate Factors for Physical Damage Coverages		
Motorcycle Age based on Model Year (MY)*	Collision Factor	Comprehensive Factor
Current MY	1.00	1.00
1st Preceding	0.93	0.91
2nd Preceding	0.86	0.81
3rd Preceding	0.79	0.72
4th Preceding	0.72	0.62
5th Preceding	0.65	0.53
6th Preceding	0.58	0.44
All Other	0.51	0.34

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Motor Homes (Rule 39)	100%	Parts 7 and 8 - 50% Part 9 - 100%
Antique Motor Cars (Rule 40) (Advisory Rating & Factors)	Parts 1, 2, 4 & 5 25% of Class 10 Parts 3, 6 and 12 100%	Parts 7, 8 and 9 50% Territory 1, Class 10 x Latest Auto Model Year/Symbol Factor Symbol based on appraised value
Antique Motorcycles (Rule 40) (Advisory Rating & Factors)	Parts 1, 2, 4 & 5 25% of Motorcycle Rates Parts 3, 6 and 12 100%	Part 7, 8 and 9 50% of Territory 1 Motorcycle Rates
Golfmobiles and Lawnmowers (Motorized) (Rule 42)	50% of Class 10	Parts 7, 8 and 9 50% of Class 10
*Reduction not applicable to Waiver of Deductible premium		

Snowmobiles (Rule 43)		
<u>Liability</u>		<u>Annual Premiums</u>
B.I. (excluding passenger hazard) - \$20,000/40,000		\$ 36
B.I. (including passenger hazard) - \$20,000/40,000		\$106
Uninsured Motorists - \$20,000/40,000		\$ 7
Property Damage - \$5,000		\$ 10
Medical Payments - \$500 per person (no other limits)		\$ 10
<u>Physical Damage</u>	<u>Deductible</u>	<u>Rate per 100</u>
Comprehensive	\$100	\$2.00
	200	1.60
Collision	\$200	\$1.75
	300	1.60

Annual premiums are minimum premiums

Motorcycles, etc. (Rule 44)

Motorcycle Rider Training Program Discount - 10% Parts 1-8 and 12

Insureds age 65 or older - 25% All Parts

Anti-Theft - 20% Part 9

Age Rate Factors for Physical Damage Coverages

Motorcycle Age based on <u>Model Year (MY)*</u>	<u>Collision Factor</u>	<u>Comprehensive Factor</u>
Current MY	1.00	1.00
1st Preceding	0.93	0.91
2nd Preceding	0.86	0.81
3rd Preceding	0.79	0.72
4th Preceding	0.72	0.62
5th Preceding	0.65	0.53
6th Preceding	0.58	0.44
All Other	0.51	0.34

**Liberty Mutual Insurance Group
Massachusetts Motorcycle Program
Determination of Average Cost New for Physical Damage Premium
Actuarial Memorandum**

Overview

With this filing, Liberty Mutual proposes physical damage premium determination based upon the motorcycle's depreciated average cost new. Depreciation is achieved using the comprehensive and collision age rate factors underlying the Automobile Insurers Bureau of Massachusetts (AIB) filing effective 4/1/2010. Model year and cubic centimeter (c.c.) average cost new was determined by fitting over 9 million actual motorcycle cost new values within defined model year and cubic centimeter groupings using Highway Loss Data Institute (HLDI) countrywide motorcycle data from model year 2000 through 2011.

Methodology and Results

Trend factors were developed by model year and c.c. group using an exponential fit. The final average cost values resulting from these trends are summarized in the average cost new for physical damage coverages table located on rate page R-26 of the Massachusetts Automobile Rating Manual.