

**Branch Insurance Exchange
Private Passenger Auto
Michigan**

Summary of Rating Plan Changes

Vehicle Verified Annual Mileage Table

Verified Annual Mileage is being introduced with this filing. The Verified Annual Mileage for each vehicle is determined by information provided by Carfax. To derive the indicated rating factors, a loss ratio relativity analysis was performed using Branch Countrywide (excluding Texas) capped incurred loss and ALAE data from January 2023 through December 2024. The analysis was performed using Bodily Injury, Property Damage, Collision, and Comprehensive coverage data combined. Claims and premiums from vehicles for which verified mileage data was not available were excluded from the loss ratio relativity analysis. Results were credibility weighted using classical credibility, with the complement of credibility being no change. The results of this analysis are shown in the table below.

Factors were rebased so that the average mileage in Michigan will receive a 1.000 factor. The average mileage of Branch's book of business in Michigan is 12,859, and factors were rebased to the 12,000 ... 13,999 level. For vehicles for which the verified annual mileage data is unavailable, a factor of 1.000 will be applied.

Vehicle Verified Annual Mileage	Indicated Change	Selected Change	Initial Factor	Rebased Factor
0 ... 3,999	-12.5%	-12.0%	0.880	0.893
4,000 ... 5,999		-10.0%	0.900	0.914
6,000 ... 7,999		-8.0%	0.920	0.934
8,000 ... 9,999	-5.2%	-5.0%	0.950	0.964
10,000 ... 11,999		-3.0%	0.970	0.985
12,000 ... 13,999	-1.5%	-1.5%	0.985	1.000
14,000 ... 15,999		-1.0%	0.990	1.005
16,000 ... 17,999		0.0%	1.000	1.015
18,000 ... 19,999	7.9%	2.0%	1.020	1.036
20,000 ... 21,999		4.0%	1.040	1.056
22,000 ... 23,999		6.0%	1.060	1.076
24,000 ... 26,999		7.5%	1.075	1.091
27,000 ... 29,999	31.1%	15.0%	1.150	1.168
30,000 or more		22.5%	1.225	1.244