

**Privilege Underwriters Reciprocal Exchange
Maryland Private Passenger Automobile
Actuarial Memorandum**

The Privilege Underwriters Reciprocal Exchange (PURE) is filing to revise its Automobile Program in Maryland. PURE is a Florida-domiciled reciprocal insurer focused on the high-net-worth personal lines market.

The purpose of this filing is to address overall rate indication, maintain desired renewal retention, and enable for continued profitable growth. Our proposal is designed to improve risk classifications, enhance pricing sophistication and update crucial rating factors. We are also making appropriate editorial adjustments to our rate manual, correcting the reference to the Base Rates within each Miscellaneous Vehicles algorithm. See *2026-07-01_MD_PA_Rate_Manual_Marked up* for further detail.

The net impact of this proposed filing is 4.9% on an overall 5.7% indication. We are seeking a new business effective date of July 1, 2026, and a renewal effective date of August 15, 2026.

As of 12/30/2025, PURE had 1,308 policies in-force covering 3,527 vehicles.

The impact by coverage is:

	BI	PD	PIP	COMP	COLL	UM	MP	EUM	Total
Indication	34.3%	6.0%	10.3%	-6.5%	-2.0%	13.5%	12.5%	13.5%	5.7%
Impact	27.0%	3.0%	5.3%	0.0%	0.0%	6.4%	10.0%	5.7%	5.7%

The proposed changes are designed to address the rate indication by improving risk classifications, enhancing pricing sophistication and updating rating factors. The proposed revisions include the following:

Base Rates

We are proposing to revise base rates to achieve the desired overall change by coverage. These changes can be seen in *Exhibit A – Base Rates*.

We believe that the changes described in this filing result in rates which are not excessive, not inadequate and not unfairly discriminatory. We have included clean and marked up versions of the relevant manual pages as part of the filing materials and look forward to collaborating with you towards successful approval of this filing.