EXHIBIT 1

Percent of policies selected for test audit under OAR 836-043-0130

PORTION OF COMPANY'S POLICIES TO BE AUDITED
FOR A GIVEN ERROR RATE

BASED ON 6 QUARTERS OF DATA

WEIGHTED ERROR RATE*	25% OR more	24%	23%	22%	21%	20%	19%	18%	17%	16%	15%	14%	13%	12%	11%	10%	9%	8%	7%	6% OR less
PREMIUM SIZE	PORTION OF COMPANY'S POLICIES TO BE AUDITED																			
0 – 2500	1.4%	1.3%	1.3%	1.2%	1.2%	1.1%	1.1%	1.0%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%	0.3%
2,501–10,000	5.4%	5.2%	5.1%	4.9%	4.8%	3.2%	3.1%	2.9%	2.8%	2.7%	2.5%	2.4%	2.2%	2.1%	1.9%	1.8%	1.6%	1.4%	1.3%	1.1%
10,001–100,000	5.0%	4.9%	4.8%	4.6%	4.5%	3.0%	2.9%	2.8%	2.7%	2.6%	2.5%	2.3%	2.2%	2.0%	1.9%	1.8%	1.5%	1.4%	1.3%	1.1%
100,001–500,000	5.6%	5.5%	5.4%	5.3%	5.2%	2.7%	2.6%	2.5%	2.4%	2.3%	2.3%	2.1%	2.0%	1.8%	1.7%	1.6%	1.4%	1.3%	1.2%	1.0%

*Weighted Error Rate: The weighted error rate is the sum of 50% of the statewide 6 quarter error rate and 50% of the insurer's 6 quarter error rate, rounded to the nearest percent.
The weighted error rate includes the results of field audits and desk audits only. Results for payroll reports and non productive audits are not included.