

LOSS COSTS – IMPLEMENTATION

JULY 8, 2019

COMMERCIAL AUTOMOBILE

LI-CA-2019-174

## MARYLAND REVISED COMMERCIAL AUTO ADVISORY PROSPECTIVE LOSS COSTS TO BE IMPLEMENTED; NEW FILING FORMAT

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### KEY MESSAGE

Loss costs representing a **+4.0%** statewide change to be implemented.

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### BACKGROUND

In circular [LI-CA-2019-112](#), we provided you with information about the Commercial Auto loss cost level experience review.

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### ISO ACTION

We filed CA-2019-BRLA1, which presents a review of Commercial Auto loss cost experience.

Refer to the attached explanatory material for complete details about the filing.

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### IMPORTANT NOTE

#### Change in Format

The filing has been restructured. All explanatory text, for all sections of the filing, appears first; all exhibits are grouped together and appear thereafter; followed by the manual pages. We invite customers to share feedback on this revised format and suggestions for further enhancements by contacting the individuals listed in the Contact Information block.

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### SUPPLEMENTARY INFORMATION

We are including supplementary information for Maryland, which provides additional information on the attached loss cost level experience review.

NOTE: This supplementary information is **not** part of the experience review document and, in states where we are making a filing, is **not** part of the filing.

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### EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies effective on or after February 1, 2020.

This effective date applies only to those insurers who have filed their Commercial Auto loss cost adjustments to be automatically applicable to future ISO loss cost revisions.

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## IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of February 1, 2020, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in this circular.

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## COMPANY ACTION

You must independently determine the final rates you will use. The action, if any, you must take in response to this filing is dependent upon how you filed to have your loss cost adjustments apply to subsequent revisions of ISO loss costs. Any submission you make with respect to this revision must comply with applicable regulatory filing requirements.

For guidance on submission requirements, consult the ISO State Filing Handbook.

WE WILL SUBMIT OUR REFERENCE FILING TO THE INSURANCE DEPARTMENT ON DECEMBER 13, 2019. ANY SUBMISSION YOU MAY MAKE WITH THE INSURANCE DEPARTMENT WITH RESPECT TO THIS FILING SHOULD NOT BE SUBMITTED PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Reference Filing Number CA-2019-BRLA1, NOT this circular number.

CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Auto in this state. In determining whether or not to revise your rates, you should consider the application of your loss cost adjustments to any loss costs not included in this revision.

## TERRITORY CERTIFICATION

- We have submitted the certification statement contained in Maryland Regulation 31.07.03.04 Section A. "Certification Statement for Insurers and Rating Organizations" certifying the territories on file.
- If you utilize ISO territories and loss costs without deviation or modification, you may satisfy the certification requirement by filing the "Certification Statement for Insurers Adopting the Certification Statement of a Rating Organization" contained in Maryland Regulation 31.07.03.04 Section B. by referencing ISO's territory certification.
- If you utilize ISO territories and loss costs, but have filed a deviation or modification that varies by territory, or if you do not utilize ISO's territories, you must certify your own territories by filing the "Certification Statement for Insurers and Rating Organizations" contained in Maryland Regulation 31.07.03.04 Section A.

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## RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

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## POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2018-044](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

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## FUTURE ISO ACTION

We will provide a status report for this and other Basic Limits Loss Costs (BRLA1) revisions. Please refer to the Insurance Lines Services web site ([www.verisk.com/ils](http://www.verisk.com/ils)). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.

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## REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 2-20 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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## REFERENCE(S)

- [LI-CA-2019-112](#) (06/05/2019) Commercial Auto Experience Level Indications Reviewed By Staff
- [LI-CL-2018-044](#) (11/27/2018) Revised Lead Time Requirements Listing

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## ATTACHMENT(S)

- Filing CA-2019-BRLA1
- Supplementary Information

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## FILES AVAILABLE FOR DOWNLOAD

To download all files associated with this circular, including attachments in the full circular PDF and/or any additional files not included in the PDF, search for the circular number on [ISOnet Circulars](#). Then click the Word/Excel link under the Full Circular column on the Search Results screen.

Please note that in some instances, not all files listed in the Attachment(s) block (if applicable) are included in the PDF.

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## DATA QUALITY

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification procedures so that only valid data would be used for ratemaking. Subsequent to this initial data submission review, additional analyses on the statistical plan data involving an even more customized data review for this line was performed by staff. During these processes, various data records were excluded from the review. The ISO staff responsible for this circular also reviewed the data for reasonableness.

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## ACKNOWLEDGEMENT OF ACTUARIAL QUALIFICATIONS

The American Academy of Actuaries' "Qualifications Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" requires that an actuary issuing a Statement of Actuarial Opinion should include an acknowledgment with the opinion that he/she has met the qualification standards of the AAA. ISO considers this loss cost review a Statement of Actuarial Opinion; therefore, we are including the following acknowledgment:

I, David Terné, am a Managing Director of Strategic Actuarial Operations for ISO and I, James Davidson, am an Actuarial Director for Commercial Auto for ISO. We are jointly responsible for the content of this Statement of Actuarial Opinion. We are both members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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## CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:

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Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at [www.verisk.com/iso](http://www.verisk.com/iso). To keep abreast of the latest Insurance Lines Services updates, view [www.verisk.com/ils](http://www.verisk.com/ils).

MARYLAND

BASIC LIMITS PROSPECTIVE LOSS COST LEVEL – COMMERCIAL AUTOMOBILE

FILING CA-2019-BRLA1

EXECUTIVE SUMMARY

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PURPOSE

This document:

- revises the advisory prospective loss costs for the major Commercial Automobile classes. These loss costs represent a 4.0% statewide change from the loss costs currently in effect.
  - provides the analyses used to derive these advisory loss costs.
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DEFINITION OF THE ISO ADVISORY PROSPECTIVE LOSS COSTS

Advisory prospective loss costs in this document are the expected value of that portion of a rate that does not include provisions for expenses (other than loss adjustment expenses) or profit, and are based on historical aggregate losses and loss adjustment expenses adjusted through development to their ultimate value and projected through trending to a future point in time. Throughout this document the words “loss cost” are synonymous with the words “prospective loss cost.”

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OPTIONAL CLASS PLAN LOSS COSTS

The loss costs contained in this filing CA-2019-BRLA1 are intended for use with the class plan in our standard manual. The prospective loss costs in this filing have also been used as the basis to develop the loss costs for the Optional Class Plan, which are located in companion filing CA-2019-BRLB1.

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CHANGE IN FORMAT

In this document, all explanatory material appears first, followed by all exhibits, and then the revised prospective loss costs. Explanatory pages are numbered B-1 through C-27, the exhibits are labeled EXHIBIT A1 through EXHIBIT C16, and the revised prospective loss cost pages are numbered D-1 through D-19.

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AUTO DEALERS LIABILITY AND PIP COVERAGES

The Auto Dealers Liability and PIP coverages are not being reviewed this year.

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REVISED LOSS COST CHANGES

The statewide advisory loss cost level changes are:

<u>Trucks, Tractors &amp; Trailers</u>	<u>Indicated</u>	<u>Filed</u>
Liability		
Single Limit Liability	5.2%	5.2%
Personal Injury Protection	-2.0%	N.C.
Physical Damage		
Other than Collision	3.3%	3.3%
Collision	-4.6%	-4.6%
Total Trucks, Tractors & Trailers	3.7%	3.8%

REVISED LOSS COST CHANGES (CONT'D)	<u>Private Passenger Types</u>		
	Liability		
	Single Limit Liability	6.6%	6.6%
	Personal Injury Protection	-2.4%	N.C.
	Physical Damage		
	Other than Collision	7.4%	7.4%
	Collision	2.5%	2.5%
	Total Private Passenger Types	5.5%	5.6%
	<u>Grand Total</u>	4.0%	4.0%

Loss cost level changes are relative to the current loss costs.

INDICATED VS.  
FILED

Indicated changes are based on standard ISO methodology, utilizing a 2/1/2020 trend effective date. The filed loss cost level changes are the same as the indicated with the following exceptions: No Change (N.C.) was selected for Trucks, Tractors & Trailers PIP and Private Passenger Types PIP due to the modest indications.

PRIOR ISO  
REVISIONS

The latest selected revisions in this state are:

<u>Filing</u>	CA-2018-BRLA1	CA-2017-BRLA1	CA-2016-BRLA1
Rate Level/ Loss Costs	Loss Costs	Loss Costs	Loss Costs
Effective Date	2/1/2019	2/1/2018	2/1/2017
<u>Changes</u>			
Indicated	5.0%	8.9%	6.2%
Filed	4.7%	8.9%	6.1%
Approved	4.7%	8.9%	6.1%

HISTORICAL  
SOURCE DATA

The sources of the data underlying this loss cost review are:

- ISO companies reporting voluntary automobile experience under the Commercial Automobile modules of ISO's statistical plans.
- Accident year data through year ended 06/30/2018 for all coverages.
- Various external price index data from the Bureau of Labor Statistics.

ADJUSTMENTS TO  
REPORTED  
EXPERIENCE

Loss Trend

To adjust the loss data to levels expected to prevail during the period when the revised loss costs will be in effect, historical losses have been multiplied by trend factors. These trend factors are based on the changes in claim cost and claim frequency that are expected to arise between the historical experience period and the prospective period during which the revised loss costs are anticipated to be in effect. Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between

ADJUSTMENTS TO  
REPORTED  
EXPERIENCE  
(CONT'D)

Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form  $Y=A(B^X)$  does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

Claim cost trend data through second quarter 2018 and claim frequency trend data through first quarter 2018 were used in selecting the following annual liability trend factors:

<u>Coverage</u>	<u>Annual Trend Factor</u>
Trucks, Tractors, and Trailers Liability:	
Bodily Injury	+3.9%
Property Damage	+4.5%
Private Passenger Types Liability:	
Bodily Injury	+3.9%
Property Damage	+4.5%
Trucks, Tractors & Trailers PIP	+3.3%
Private Passenger Types PIP	+3.3%
Trucks, Tractors & Trailers OTC	+7.0%
Trucks, Tractors & Trailers Collision	+4.5%
Private Passenger Types OTC	+7.0%
Private Passenger Types Collision	+4.5%

OCN Trend

To recognize the trend in the Original Cost New (OCN) relativities for Trucks, Tractors & Trailers and Private Passenger Type's physical damage, aggregate loss costs at current level have been multiplied by trend factors. The selected annual OCN trend factors for Trucks, Tractors & Trailers are +1.0% and +1.5% for OTC and Collision respectively. For Private Passenger Types, the OCN Trend factors are +1.0% and +0.6% for OTC and Collision respectively.

Standard actuarial procedures have been used in calculating the loss costs including adjusting the losses to ultimate settlement level, reflecting all loss adjustment expenses.

TEN LARGEST COMPANIES/ GROUPS IN THIS REVIEW

<u>LIABILITY (ASLOB 19.3 &amp; 19.4)</u>	<u>PHYSICAL DAMAGE (ASLOB 21.2)</u>
1. Selective Insurance Co. of America	1. Travelers Indemnity Company
2. Travelers Indemnity Company	2. Liberty Mutual Insurance Company
3. Zurich American Insurance Company	3. Cincinnati Insurance Company
4. Nationwide Mutual Insurance Co.	4. Zurich American Insurance Company
5. Hartford Accident & Indemnity Co.	5. Hartford Accident & Indemnity Co.
6. Liberty Mutual Insurance Company	6. Tokio Marine Companies
7. Cincinnati Insurance Company	7. Nationwide Mutual Insurance Co.
8. Tokio Marine Companies	8. Harford Mutual Insurance Company
9. Harleysville Insurance	9. Government Employees Insurance Co.
10. Government Employees Insurance Co.	10. PA National Mutual Casualty Ins. Co.

Insurers are listed in descending order based on the percent of statewide written premium volume from Annual Statement Page 15 for the year ending 12/31/2017 for the Annual Statement Line of Business (ASLOB) indicated.

MARKET SHARE

The market share of ISO participating insurers used in this review as measured by Annual Statement Page 15 written premium for the year ending 12/31/2017 is:

<u>Liability (ASLOB 19.3 &amp; 19.4)</u>	<u>Physical Damage (ASLOB 21.2)</u>
49.4%	40.6%

COMPANY DECISION

We encourage each insurer to decide independently whether the judgments made and the procedures or data used by ISO in developing the loss costs contained herein are appropriate for its use. We have included within this document the information upon which ISO relied in order to make such independent judgments.

The data underlying the enclosed material comes from companies reporting to Insurance Services Office, Inc. Therefore, the ISO experience permits the establishment of a much broader statistical ratemaking base than could be employed by using any individual company's data. A broader data base enhances the validity of ratemaking analysis derived therefrom. At the same time, however, an individual company may benefit from a comparison of its own experience to the aggregate ISO experience, and may reach valid conclusions with respect to the manner in which its own costs can be expected to differ from ISO's projections based on the aggregate data.

Some calculations included in this document involve areas of ISO staff judgment. Each company should carefully review and evaluate its own experience in order to determine whether the ISO selected loss costs are appropriate for its use.

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MARYLAND  
COMMERCIAL AUTOMOBILE  
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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

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**INTRODUCTION** Commercial Automobile advisory prospective loss costs are determined by evaluating the adequacy of the current ISO loss costs to pay for our best estimate of losses and all loss adjustment expenses that will be incurred in the prospective (or future) period. This evaluation is done separately by coverage for the major classes.

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**STEP 1:  
DETERMINATION  
OF STATEWIDE  
LOSS COST  
INDICATION** The first step in this process is the determination of the statewide loss cost indication by major class/coverage. In other words, what percentage changes on average must be made to the current ISO loss costs in order to achieve adequacy for the prospective conditions? The percentage changes are presented on the exhibits labeled "Determination of Statewide Advisory Loss Cost Level Change."

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**STEP 2:  
DISTRIBUTION TO  
TERRITORIES** For all of the liability coverages and for Trucks, Tractors & Trailers and Private Passenger Types Physical Damage, ISO then distributes the filed statewide basic limit loss cost change to the individual territorial loss costs by comparing the relative loss experience by territory to the statewide average.

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**STEP 3:  
APPLICATION OF  
PERCENT CHANGES** The last step is the calculation of the ISO advisory prospective loss costs. This is achieved by applying either the filed statewide or territorial changes to the current ISO loss costs. For liability, the percentage change is applied at the basic limit; for physical damage, it is applied at the base OCN, age and deductible. The resulting Loss Costs are displayed in Section D.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 1 – DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGE

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**OBJECTIVE** The objective of this procedure is to determine the indicated statewide advisory loss cost level change. This procedure answers the question: what percentage changes must be made on average to the current ISO loss costs in order for them to be adequate to cover indemnity losses and all loss adjustment expenses incurred in the prospective period in which the revised loss costs are assumed to be in effect?

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**DESCRIPTION** This procedure compares the developed and trended incurred losses and loss adjustment expenses with the aggregate loss costs at current ISO loss cost level, which is the aggregate amount that would have been collected if the current ISO loss costs were used during the experience period. This experience ratio (losses and all loss adjustment expenses divided by aggregate loss costs) is calculated for several years and a weighted average is calculated. The weights are determined as a function of the credibility or volume of claim experience. The average experience ratio is then credibility weighted with the expected experience ratio in order to minimize the impact of random variation in the observed losses. This credibility weighted experience ratio is the indicated statewide advisory loss cost level change in decimal form.

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**EXPERIENCE BASE** The experience used in this review is the latest available as reported under the ISO Commercial Statistical Plan. All coverages are on an accident year basis. For liability, the review is conducted on a \$100,000 basic limits basis - indemnity losses are limited to \$100,000 per occurrence.

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**AGGREGATE LOSS COSTS (Item 1)** The aggregate loss costs at current ISO loss cost level are the loss-related revenue that would have been collected if the current ISO loss costs were used during the experience period. It is calculated by extending the exposures by the current ISO loss costs. For liability, the \$100,000 basic limit loss costs are used. For Trucks, Tractors, and Trailers and Private Passenger Types Physical Damage, loss costs are on an all deductibles combined basis.

Trucks, Tractors & Trailers and Private Passenger Types physical damage aggregate loss costs are placed on the prospective OCN relativity level by the application of OCN trend factors.

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INCURRED  
LOSSES & LAE  
(Item 2)

The incurred losses and loss adjustment expenses are our best estimate of the ultimate payment for indemnity losses and loss adjustment expenses using the claim frequency and severity levels ISO expects to occur during the prospective period for which the revised loss costs will be used.

For the liability coverages, the reported incurred losses and allocated loss adjustment expenses are subject to the following adjustments:

- Incurred indemnity losses are capped at the basic limit;
- Developed to an ultimate settlement basis by the application of loss development factors;
- Loaded for unallocated loss adjustment expenses;
- Placed on the prospective cost/frequency levels by the application of trend factors.

For the physical damage coverages, the reported paid (accident year) losses are subject to the following adjustments:

- Paid Other Than Collision losses are adjusted using an Excess Wind and Water procedure;
- Developed to an ultimate settlement basis by the application of loss development factors;
- Loaded for all loss adjustment expenses;
- Placed on the prospective cost/frequency levels by the application of trend factors.

Refer to Section C for the support for these loss related adjustments.

---

EXPERIENCE  
RATIO  
(Item 3)

The experience ratio is the ratio of the incurred losses and loss adjustment expenses to the aggregate loss costs at current ISO loss cost level. It measures the adequacy of the current ISO loss costs for the prospective period.

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YEAR WEIGHTS  
(Item 4)

The number of years of experience used and year weights are determined by the total number of claims in the experience period. To the extent there is adequate credibility, ISO uses fewer years and gives greater weight to the most recent years. Refer to the credibility pages of Section C for the methodology used to arrive at both the number of years used and the year weights.

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**EXPECTED  
EXPERIENCE  
RATIO  
(Item 7)**

The expected experience ratio is our best prediction of the experience ratio if the most recent data was not available. For this review we have assumed that the current loss costs were adequate when implemented and will be inadequate for the prospective period to the extent of the net trend. It is calculated as the combined trend factor projected for the number of years between the last revision (or review) and this revision.

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**CREDIBILITY**

Credibility is based upon the number of claims for all years in the experience period. The procedure for assigning credibility is outlined in the credibility pages of Section C.

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**CREDIBILITY  
WEIGHTED  
EXPERIENCE  
RATIO**

The average experience ratio is credibility weighted with the expected experience ratio. The resulting credibility weighted experience ratio, converted to a percentage, is the indicated change to the current ISO loss costs.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 2 – DETERMINATION OF TERRITORY RELATIVITIES

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**OBJECTIVE** The objective of this procedure is to distribute the statewide loss cost indication by territory. In other words, what percentage changes by territory should be made in order to equitably achieve an adequate statewide prospective loss cost level?

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**TRUCKS, TRACTORS & TRAILERS AND PRIVATE PASSENGER TYPES LIABILITY AND PHYSICAL DAMAGE** For Trucks, Tractors & Trailers and Private Passenger Types, this procedure compares the individual territory experience ratios to the statewide average experience ratio. The territory experience ratio is calculated for the latest 5 years and a statewide weighted-average experience ratio for the same period is calculated using the aggregate loss costs (product of earned car years (col 1) and underlying loss cost (col 2)) as weights. The territory experience ratio is then credibility weighted with the statewide average experience ratio to produce a formula experience ratio. The territory formula experience ratio is then compared to the statewide weighted average formula experience ratio to determine the territory index to state. The territory index is then multiplied by the filed loss cost level change in order to produce the indicated change to the individual territories. This change is then applied to the current territory base loss cost.

EXPLANATORY MEMORANDUM FOR TRUCKS, TRACTORS & TRAILERS AND PRIVATE PASSENGER TYPES LIABILITY AND PIP TERRITORY DEVELOPMENT

---

COLUMN (1)  
EARNED CAR  
YEARS

Number of car-years, or exposures, earned in the latest year. These exposures are used to calculate the weighted averages through the analysis. (For calculating the weighted average of the Experience Ratio in Col (4) and the Formula Experience Ratio in Col (6) the product of [Col(1) x Col(2)] are used as weights).

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COLUMN (2)  
\$100,000 LIABILITY  
OR BASIC PIP  
LOSS COST

Average loss cost at current level (earned aggregate loss cost at current level divided by exposures) is based on the latest accident year experience available and reflects the \$100,000 liability or basic PIP loss cost at present ISO manual level.

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COLUMN (3)  
5 YEAR ENDED  
EXPERIENCE  
LOSS COST

Loss cost based on the latest 5 years of experience (for purposes of stability). The loss cost is Bodily Injury and Property Damage combined or basic PIP and is trended and developed to an ultimate settlement basis including all loss adjustment expenses.

---

COLUMN (4)  
EXPERIENCE  
RATIO LOSS  
COST

For each coverage, an experience ratio by territory is derived by dividing the 5 year experience loss cost by the average \$100,000 liability or basic PIP loss cost at present ISO manual level. [Col. (3) / Col. (2)]

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COLUMN (5)  
CREDIBILITY

The experience ratio thus calculated is assigned a credibility value on the basis of the number of claims underlying the 5 year pure premium (See Section C for credibility standards). The complement of the credibility is assigned to the statewide experience ratio which appears in Col. (4).

---

COLUMN (6)  
FORMULA  
EXPERIENCE  
RATIO

The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:

$$\begin{aligned} & [\text{Terr. Group Col. (4) x Terr. Group Col. (5)}] \\ & + [\text{SW Total Col.(4) x (1.0 - Terr. Group Col. (5))}] \end{aligned}$$

---

COLUMN (7)  
INDEX TO  
STATE

Territory indices to state are calculated by dividing the territory formula experience ratio by the statewide average formula experience ratio

[Terr. Col (6) / SW Total Col. (6)]

(Statewide Total Col. (6) is the weighted average formula experience ratio using the individual products of [ Col. (1) x Col. (2) ] as weights.)

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COLUMN (8)  
BASE CLASS  
LOSS COST

Present ISO \$100,000 liability base class loss cost or basic PIP loss cost.

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COLUMN (9)  
INDICATED BASE  
LOSS COST

Indicated base class loss cost for a particular territory. It is calculated by applying the product of the statewide loss cost level change and the territory index [Col. (7)] to the present ISO loss cost.

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COLUMN (10)  
REVISED BASE  
LOSS COST

Revised \$100,000 liability base loss cost or basic PIP loss cost.

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COLUMN (11)  
ADVISORY  
LOSS COST  
CHANGE

Percentage change from the present base loss cost to the revised base loss cost.

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EXPLANATORY MEMORANDUM FOR TRUCKS, TRACTORS & TRAILERS AND  
PRIVATE PASSENGER TYPES  
PHYSICAL DAMAGE TERRITORY DEVELOPMENT

---

COLUMN (1)  
EARNED CAR  
YEARS

Number of car-years, or exposures, earned in the latest year. These exposures are used to calculate the weighted averages through the analysis. (For calculating the weighted average of the Experience Ratio in Col (4) and the Formula Experience Ratio in Col (6) the product of [Col(1) x Col(2)] are used as weights).

---

COLUMN (2)  
UNDERLYING  
LOSS COST

Average loss cost at current level (earned aggregate loss cost at current level divided by exposures) is based on the latest accident year experience available and reflects the present ISO manual loss cost trended to a prospective OCN level by the application of OCN factors.

---

COLUMN (3)  
5 YEAR ENDED  
EXPERIENCE  
LOSS COST

Loss cost based on the latest 5 years of experience (for purposes of stability). The loss cost is trended and include all loss adjustment expenses.

---

COLUMN (4)  
EXPERIENCE  
RATIO LOSS  
COST

For each coverage, an experience ratio by territory is derived by dividing the 5 year experience loss cost by the average loss cost at present ISO manual level. [Col. (3) / Col. (2)]

---

COLUMN (5)  
CREDIBILITY

The experience ratio thus calculated is assigned a credibility value on the basis of the number of claims underlying the 5 year pure premium (See Section C for credibility standards). The complement of the credibility is assigned to the statewide experience ratio which appears in Col. (4).

---

COLUMN (6)  
FORMULA  
EXPERIENCE  
RATIO

The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:

$$\begin{aligned} & [\text{Terr. Group Col. (4) x Terr. Group Col. (5)}] \\ & + [\text{SW Total Col.(4) x (1.0 - Terr. Group Col. (5))}] \end{aligned}$$

---

COLUMN (7)  
INDEX TO  
STATE

Territory indices to state are calculated by dividing the territory formula experience ratio by the statewide average formula experience ratio

[Terr. Col (6) / SW Total Col. (6)]

(Statewide Total Col. (6) is the weighted average formula experience ratio using the individual products of [ Col. (1) x Col. (2) ] as weights.)

---

COLUMN (8)  
BASE CLASS  
LOSS COST

Present ISO base class loss cost.

---

COLUMN (9)  
INDICATED BASE  
LOSS COST

Indicated base class loss cost for a particular territory. It is calculated by applying the product of the statewide loss cost level change and the territory index [Col. (7)] to the present ISO loss cost.

---

COLUMN (10)  
REVISED BASE  
LOSS COST

Revised base loss cost.

---

COLUMN (11)  
ADVISORY  
LOSS COST  
CHANGE

Percentage change:  
[Col. (10) / Col. (8)]

---

## LOSS ADJUSTMENT EXPENSE FACTORS

---

### OBJECTIVE

The reported indemnity losses must be loaded for any loss adjustment expenses (LAE) that are not reported in statistical detail to ISO.

---

### LIABILITY COVERAGES

For the liability coverages, allocated loss adjustment expenses are reported in detail to ISO under the Commercial Statistical Plan. Unallocated loss adjustment expenses must be loaded into the losses. A factor representing the ratio of the sum of the incurred indemnity losses plus all LAE to the sum of the incurred indemnity losses plus allocated LAE was selected based on multistate financial data from a Special Call Submission for available writers.

---

### PHYSICAL DAMAGE COVERAGES

For the physical damage coverages, accident year paid indemnity losses are reported. All loss adjustment expenses must be loaded into the reported losses. A factor representing the ratio of incurred losses plus all LAE to incurred losses was selected based on multistate financial data from the Insurance Expense Exhibits for agency and direct writers.

---

## AVERAGE ANNUAL CHANGE IN LOSSES (LOSS TREND)

---

**OBJECTIVE** The application of the average annual change in losses to historical data recognizes that advisory loss costs are being made for use in a future period based on historical experience. Due to economic and social factors, claim cost and frequency levels continue to change from those underlying the historical data.

---

**DETERMINATION OF HISTORICAL AVERAGE CLAIM COST TREND** To determine the historical average claim cost trend, ISO makes use of the Least Squares Method fitted to the reported time series data; specifically, an exponential curve represented by the equation  $Y=A(B^X)$  is fitted to the paid claim cost data. The parameters A and B are calculated by regressing Y, which is the applicable claim cost on X, which is the unit of time. The resulting fitted curve allows the determination of a historical average trend for the data under review.

---

**LIABILITY LOSS TREND** The historical average annual change in claim costs for both Bodily Injury and Property Damage coverages are measured in this document using a credibility-weighted mix of multistate and statewide data. Prospective average annual changes for claim frequency have been selected based on the historical multistate data, as well as other relevant factors. Combining the state credibility-weighted claim cost trends with the selected claim frequency trends results in the selected Bodily Injury and Property Damage pure premium trend used to adjust the losses to a prospective level.

---

**TREND CREDIBILITY FOR LIABILITY CLAIM SEVERITY** Trend credibility is based on a full credibility standard of 975,000 claims for BI and 390,000 claims for PD. These standards were developed using a Bayesian analysis. Partial credibility is determined by the following formula:

$$A = C/(C+K)$$

where C equals the number of claims for the latest year ended point and K equals 25,000 for bodily injury and 10,000 for property damage. The resulting table of partial credibilities is shown in this section.

---

LIABILITY:  
FREQUENCY  
TREND

---

The data underlying the claim frequency trend selections is shown on the attached claim frequency exhibits. The exhibits include quarterly points for Multistate incurred frequency trend separately for Trucks, Tractors, and Trailers and Private Passenger Types. As can be seen from these exhibits (and corresponding graphs), frequency for both bodily injury and property damage has generally changed from year to year in an unpredictable manner.

Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form  $Y=A(B^X)$  does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

---

PHYSICAL  
DAMAGE:  
LOSS TREND

Data Selections

- In our Physical Damage Trend review, we try to include as much data as possible for each deductible level that we analyze. With this goal in mind, for a given deductible level, we include all losses written at or below that deductible level. For example, consider an event causing \$1,500 of damage on a policy written with a \$250 deductible. This would be reported as a \$1,250 loss. In order to include as much data as possible in our review, we would generate 3 different records for this loss, one at each deductible that we analyze:

At \$250 deductible: \$1,250 loss

At \$500 deductible: \$1,000 loss

At \$1,000 deductible: \$500 loss

Each of these deductible levels is analyzed independently of the other levels, so that there are no instances of double-counting loss records.

- Wind and Water losses are removed from our Other Than Collision trend reviews due to the high variability of these types of losses from year to year.

Data Adjustments

In our Physical Damage trend review, we employ two adjustments to the data with the objective of diminishing distortions in the trend that we do not wish to measure. Our goal is to only measure inflationary effects.

1) All losses are divided by the appropriate class plan and age factors that correspond to that record in order to diminish the effect that variations in these factors from one year to the next have on the trend calculation.

PHYSICAL  
DAMAGE:  
LOSS TREND  
(CONT'D)

For example, consider 12 Truck exposures reported with Age Code 1 (current model year, age factor of 1.00). Each exposure experiences a loss of \$500. The average severity of the losses for these 12 exposures is \$500.

Now consider these 12 exposures 5 years in the future. The exposures are now reported with Age Code A (6th preceding model year, age factor of 0.80). Assume that there is 10% inflation per year on all severities. Also assume that each of these 12 exposures experience the same amount of damage as they did 5 years ago. The average severity of the losses for these 12 exposures is now \$644 (taking into account both inflation and the older age of the vehicles).

If we analyze the severity trend without dividing each loss by its corresponding age factor, we get an annual trend of  $(\$644/\$500)^{1/5} - 1 = 5.2\%$

If we first divide each loss by its corresponding age factor, we get an annual trend of  $(\$644/0.80) / (\$500/1.00)^{1/5} - 1 = 10.0\%$

The first calculated severity is not equal to the assumed inflation because the calculation includes the decrease in average severity caused by aging of the vehicles. By dividing each loss record by its corresponding class plan and age factors, we remove distortions on the severity trend caused by the change in the distribution of classes and ages from one year to the next.

2) All Other Than Collision losses are adjusted to correct for the distortion on trend results created by a change in the distribution of types of loss from one year to the next. The Other Than Collision severity is a weighted-average of the severities for each type of loss (glass, fire, theft, etc.). Since each type of loss has a different severity (for example, glass losses have a much smaller severity than other types of loss), then variations in the distribution of types of loss may lead to changes in the severity that we do not want to measure (if one year 5% of losses are glass losses, and the next year 30% of losses are glass losses, we would expect the average severity of all Other Than Collision losses to decrease). To correct this, we calculate the proportion of losses for each type of loss averaged over all years in the experience period.

Consider the following example, where an adjustment is NOT made to the data. Assume 10% annual inflation for all losses:

Type of Loss	Year 1		Year 2	
	Glass	Fire	Glass	Fire
Claims	10	3	15	5
Severity of Each Loss	\$50	\$1,000	\$55	\$1,100
Total Losses	\$500	\$3,000	\$825	\$5,500

Average severity of losses in Year 1 is  $(\$500 + \$3,000) / 13 \text{ claims} = \$269$

Average severity of losses in Year 2 is  $(\$825 + \$5,500) / 20 \text{ claims} = \$316.25$

Average Severity trend =  $(\$316.25/\$269) - 1 = 17.6\%$

PHYSICAL  
DAMAGE:  
LOSS TREND  
(CONT'D)

Now consider the same scenario, where an adjustment IS made to the data:

	Year 1		Year 2	
	Glass	Fire	Glass	Fire
Type of Loss				
Claims	10	3	15	5
Percentage of Total Claims	10/13 = 77%	3/13 = 23%	15/20 = 75%	5/20 = 25%

Average Percentage of Claims for Glass losses:  $(77\% + 75\%) / 2 = 76\%$

Average Percentage of Claims for Fire losses:  $(23\% + 25\%) / 2 = 24\%$

The number of claims for each type of loss for each year is replaced by these averages:

	Year 1		Year 2	
	Glass	Fire	Glass	Fire
Type of Loss				
Claims	76% x 13 = 9.88	24% x 13 = 3.12	76% x 20 = 15.2	24% x 20 = 4.8
Severity of Each Loss	\$50	\$1,000	\$55	\$1,100
Total Losses	\$494	\$3,120	\$836	\$5,280

Average severity of losses in Year 1 is  $(\$494 + \$3,120) / 13 \text{ claims} = \$278$

Average severity of losses in Year 2 is  $(\$836 + \$5,280) / 20 \text{ claims} = \$305.80$

Average Severity trend =  $(\$305.80 / \$278) - 1 = 10.0\%$

Note that the total number of claims each year remains unchanged from the total before the adjustment is made.

Year 1 claims =  $9.88 + 3.12 = 13 \text{ claims}$

Year 2 claims =  $15.2 + 4.8 = 20 \text{ claims}$

Although new claims totals by type of loss are used in the calculation, the impact of the adjustment is to change only the loss totals, so frequency figures are not changed. The result is equivalent to a re-weighting of the severities so that each type of loss has a consistent weight from year to year.

By keeping each type of loss' proportion of total claims constant from year to year, we remove distortions in the trend caused by changes in the distribution of types of loss.

PHYSICAL  
DAMAGE:  
LOSS TREND  
(CONT'D)

For the OTC coverages, there is a change to how glass losses are handled when shifting from one deductible to another. ISO collects a coverage code indicating if the deductible is waived for glass losses or not ("full glass" and "non-full glass", respectively). However some insurers waive deductibles on glass losses even when the policy isn't a "full glass" coverage policy. Recently we began to also collect a Type of Loss code indicating if a deductible has been waived for the particular claim. In situations where a claim is reported with a coverage code and Type of Loss code that aren't consistent on how a glass loss was handled, we previously used the coverage code to determine how we interpreted the loss amount. Now this scenario is handled based on the information in the new Type of Loss code.

The trend selections for physical damage are based on the data in the attached exhibits. Each exhibit includes the distribution of losses, by deductible, for the most recent year. We analyze frequency trend and severity trend separately, using data at the \$250, \$500, and \$1,000 deductibles for OTC, and at the \$500, \$1,000, and \$2,000 deductibles for Collision.

Historically, claim frequency (like liability claim frequency) had been variable from year to year, often cyclical. As a result, an exponential curve of the form  $Y=A(B^x)$  did not fit the frequency data well. In the interest of long-term stability, we have selected 0.0% trend factors for frequency.

Based on this multistate experience and on the continued positive trends in the Consumer Price Index for Bodywork, ISO has selected the following annual trends:

	Trucks, Tractors & Trailers <u>Pure Premium</u>	Private Passenger Types <u>Pure Premium</u>
OTC:	+7.0%	+7.0%
COLL:	+4.5%	+4.5%

PERSONAL  
INJURY  
PROTECTION  
TREND

The average annual trend for personal injury protection coverage is based on consumer price indices for medical and hospital related services, and wage data from the Bureau of Labor statistics. The average annual claim cost trend uses a weighted average of the medical and wage trends using weights based on type of loss data for this state. The weighted average annual trend in claim cost is then multiplied by the selected average annual trend in claim frequency. The average annual trend in claim frequency for PIP that is used is the same for bodily injury claim frequency.

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE  
SUPPLEMENTARY EXHIBIT

Quarterly Values <u>Ending</u>	Consumer Price Index for Bodywork	
	<u>Actual</u>	<u>Exponential Fit</u>
06/30/2015	2.804	2.795
09/30/2015	2.805	2.812
12/31/2015	2.831	2.830
03/31/2016	2.847	2.848
06/30/2016	2.866	2.866
09/30/2016	2.877	2.884
12/31/2016	2.913	2.903
03/31/2017	2.925	2.921
06/30/2017	2.942	2.940
09/30/2017	2.945	2.958
12/31/2017	2.966	2.977
03/31/2018	2.999	2.996
06/30/2018	3.016	3.015
09/30/2018	3.033	3.034
12/31/2018	3.061	3.053
03/31/2019	3.074	3.073
	<u>R-Squared</u>	<u>Average Annual Change</u>
16 Point Fit	0.9941	2.6%
12 Point Fit	0.9892	2.6%

## PHYSICAL DAMAGE OCN TREND

---

### OBJECTIVE

In Physical Damage for Trucks, Tractors & Trailers and Private Passenger Types, as new, higher-valued commercial automobiles are introduced, there is an increase in revenue due to the original cost new component of the rating procedure. In order to reflect the revenue impact of the higher-valued vehicles during the prospective period, ISO uses an OCN trend procedure. The effect of this procedure is to reduce the indicated loss costs for Trucks, Tractors & Trailers and Private Passenger Types physical damage coverages.

---

### DESCRIPTION OF ORIGINAL COST NEW DATA

The average original cost new (OCN) relativities for Comprehensive and Collision are displayed on the following exhibits. The data is displayed by coverage. To determine the historical average trend for OCN, ISO makes use of the Least Squares Method to fit a curve to the reported time series data. Specifically, an exponential curve represented by the equation

$$Y = A(B^X)$$

is fitted to the average OCN relativities. Based on the results of these curves, ISO has selected annual OCN trends of 1.0% and 1.5% for Trucks, Tractors & Trailers OTC and Collision coverages respectively. This trend is necessary to reflect the additional revenue generated by the shift in the OCN distribution as new, higher-priced automobiles are introduced.

For Private Passenger Types, OCN trends of 1.0% and 0.6% were selected for the OTC and Collision coverages respectively.

---

## LOSS DEVELOPMENT FOR LIABILITY

---

**OBJECTIVE** The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.

---

**DESCRIPTION OF EXPERIENCE PERIOD DATA** For Trucks, Tractors & Trailers and Private Passenger Types Liability, the incurred losses and allocated loss adjustment expenses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of September 30, 2018. In other words, accident year ended June 30, 2018 includes all losses and allocated loss adjustment expenses paid through September 30, 2018 on accidents occurring from July 1, 2017 to June 30, 2018 and all losses and allocated loss adjustment expenses outstanding on these accidents as of September 30, 2018, 15 months after the inception of the accident year. Similarly, the incurred losses and allocated loss adjustment expenses for accident year ended June 30, 2017 include all loss and loss adjustment expenses paid through September 30, 2018 on accidents occurring from July 1, 2016 to June 30, 2017 and all losses and allocated loss adjustment expenses outstanding on these accidents as of September 30, 2018, 27 months after the inception of the accident year. The immature experience reported as of 15 or as of 27 months must be adjusted to a mature or ultimate settlement basis through the use of a loss development factor.

---

**DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY** For Bodily Injury Coverage, states are divided into two multistate groups. One group (No-Fault) consists of states with a no-fault law that has a tort threshold. The other group (Tort) contains the remaining states. The applicable multistate group for this state is used in this document. Losses are developed up to 123 months and are based on \$100,000 CSL data. Three-year averages for Trucks, Tractors & Trailers and Private Passenger Types are calculated for each link ratio based on a "best three of five" approach. Specifically, for the latest five years, the highest and lowest ratios were removed from the calculation and the three year average was calculated using the three remaining factors. Beyond 123 months the loss development is assumed to be unity.

For Property Damage Coverage, one multistate group is used. Losses are developed up to 111 months and \$100,000 CSL data is used. Three-year averages for Trucks, Tractors & Trailers and Private Passenger Types are calculated for each link ratio based on a "best three of five" years approach. Specifically, for the latest five years, the highest and lowest ratios were removed from the calculation and the three year average was calculated using the three remaining factors. Development beyond 111 months is assumed to be unity.

---

STATE  
CREDIBILITY  
WEIGHTED  
FACTORS

For Trucks, Tractors & Trailers and Private Passenger Types, statewide loss development factors are credibility weighted with multistate factors. A Bayesian credibility study was done on state 15 to 27 months and 27 to 39 months loss development factors. The study concluded that there is significant statewide variation for bodily injury through 39 months and for property damage through 27 months. For these link ratios, statewide credibility is determined by the formula  $Z = L/(L+K)$ , where Z is the credibility, and L is the 3-year total losses for the particular state (at the earliest of the two evaluations). The complement of credibility is assigned to multistate loss development factors. K is a constant that varies by coverage as follows:

Trucks, Tractors & Trailers

	<u>15 to 27</u>	<u>27 to 39</u>
Bodily Injury (tort)	\$ 2,500,000	\$ 11,000,000
Bodily Injury (no-fault)	900,000	3,000,000
Property Damage	1,500,000	-

Private Passenger Types

	<u>15 to 27</u>	<u>27 to 39</u>
Bodily Injury (tort)	\$ 1,500,000	\$ 4,000,000
Bodily Injury (no-fault)	700,000	1,700,000
Property Damage	600,000	-

TRUCKS,  
TRACTORS &  
TRAILERS AND  
PRIVATE  
PASSENGER  
TYPES

For Trucks, Tractors & Trailers and Private Passenger Types, Bodily Injury loss development factors to ultimate are calculated by accumulating the statewide credibility-weighted 15 to 27 month factor and 27 to 39 month factor, and the multistate average 39 to ultimate factor.

For the property damage coverage, loss development factors to ultimate are calculated by accumulating the statewide credibility-weighted 15-27 month factor and the multistate average 27 to ultimate factor.

## LOSS DEVELOPMENT FOR PHYSICAL DAMAGE

---

OBJECTIVE	The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.
DESCRIPTION OF EXPERIENCE PERIOD DATA	For Physical Damage, paid losses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of September 30, 2018. In other words, accident year ended June 30, 2018 includes all losses paid through September 30, 2018 on accidents occurring from July 1, 2017 to June 30, 2018. Similarly, the paid losses for accident year ended June 30, 2017 include all losses paid through September 30, 2018 on accidents occurring from July 1, 2016 to June 30, 2017. The immature paid loss experience reported as of 15 or as of 27 months must be adjusted to a mature or ultimate settlement basis through the use of a loss development factor.
DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY	For Collision and Other Than Collision coverages, one multistate group is used. Losses are developed to an ultimate settlement basis. Three-year averages are calculated for each age-to-age link ratio. These link ratios are accumulated to develop losses to 123 months. Development beyond 123 months is assumed to be 1.000.

---

## CREDIBILITY PROCEDURE FOR EXPERIENCE LOSS RATIO

---

**OBJECTIVE** The extent to which the state experience is reflected in the development of the prospective loss costs is determined by the credibility of the data for that state. Specifically, ISO credibility procedures are based upon the volume of claims for each coverage separately.

---

**METHODOLOGY** The standards for full credibility were determined from a credibility study using various size of loss distributions for liability, PIP, other than collision and collision respectively. Separate standards by coverage/major class for full credibility were calculated using the Mayerson, Jones and Bowers expansion formula.

---

**CREDIBILITY FOR EXPERIENCE LOSS RATIO** The assignment of credibility to the experience loss ratio is based on the total number of claims for the years used. For liability, the claims are based on BI and PD claims combined. For physical damage, credibility is determined separately for OTC and Collision. Partial credibility ( $Z$ ), as used for the experience loss ratio, is determined using the square root rule as follows:

$$Z = \sqrt{\frac{\text{Claims}}{X}}$$

Where  $X$  equals the full credibility standard, by line and coverage, as shown on the following pages of this section.

---

**YEAR WEIGHTS** The weights assigned to the loss ratio by year are based on the credibility of the average number of claims for the years of experience used. A maximum of five years of experience may be used. This procedure is described in detail in the flow chart on the following page. The claim standard used to determine the year weights is based on the credibility standard for each coverage. The schedules of the number of claims required for the year weight assignments are shown on the following pages.

---

COMMERCIAL AUTOMOBILE LIABILITY  
FLOWCHART TO DETERMINE  
YEAR WEIGHTS AND  
EXPERIENCE PERIOD CREDIBILITY

Step 1: Determine Number of Years to be used and Year Weights

1. Add latest 2 years of claims and divide by 2 to determine the 2 year average.
2. If 2 year Avg. claims  $\geq$  11,500,  
Then use 2 years of experience and assign 70/30 weights.
3. Add latest 3 years of claims and divide by 3 to determine the 3 year average.
4. If 3 year Avg. claims  $\geq$  1,380,  
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims  $<$  1,380,  
Then use 5 years of experience and assign 30/25/20/15/10 weights.

Step 2: Determine the Experience Period Credibility

Calculate partial credibility based on the total number of claims for the number of years used in the review as determined from Step 1.

COMMERCIAL AUTOMOBILE PIP  
FLOWCHART TO DETERMINE  
YEAR WEIGHTS AND  
EXPERIENCE PERIOD CREDIBILITY

TRUCKS, TRACTORS, & TRAILERS AND PRIVATE PASSENGER TYPES

Step 1: Determine Number of Years to be used and Year Weights

1. Add latest 2 years of claims and divide by 2 to determine the 2 year average.
2. If 2 year Avg. claims  $\geq$  1,400,  
Then use 2 years of experience and assign 70/30 weights.
3. Add latest 3 years of claims and divide by 3 to determine the 3 year average.
4. If 3 year Avg. claims  $\geq$  150,  
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims  $<$  150,  
Then use 5 years of experience and assign 30/25/20/15/10 weights.

Step 2: Determine the Experience Period Credibility

Calculate partial credibility based on the total number of claims for the number of years used in the review as determined from Step 1.

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE  
FLOWCHART TO DETERMINE  
YEAR WEIGHTS AND  
EXPERIENCE PERIOD CREDIBILITY

Step 1: Determine Number of Years to be used and Year Weights

1. Add latest 2 years of claims and divide by 2 to determine the 2 year average.
2. If 2 year Avg. claims  $\geq$  Full Standard,  
Then use 2 years of experience and assign 70/30 weights.
3. Add latest 3 years of claims and divide by 3 to determine the 3 year average.
4. If 3 year Avg. claims  $\geq$  Intermediate Threshold,  
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims  $<$  Intermediate Threshold,  
Then use 5 years of experience and assign 30/25/20/15/10 weights.

Step 2: Determine the Experience Period Credibility

Calculate partial credibility based on the total number of claims for the number of years used in the review as determined from Step 1.

<u>Coverage</u>	<u>Intermediate Threshold</u>	<u>Full Standard</u>
Trucks, Tractors & Trailers OTC	1,350	11,000
Trucks, Tractors & Trailers Collision	550	4,500
Private Passenger Types OTC	1,050	8,500
Private Passenger Types Collision	450	3,500

Tables For Use With Trend Data

Bodily Injury				Property Damage			
Number of Claims			Cred.	Number of Claims			Cred.
0	-	641	0.00	0	-	256	0.00
642	-	2027	0.05	257	-	810	0.05
2028	-	3571	0.10	811	-	1428	0.10
3572	-	5303	0.15	1429	-	2121	0.15
5304	-	7258	0.20	2122	-	2903	0.20
7259	-	9482	0.25	2904	-	3793	0.25
9483	-	12037	0.30	3794	-	4814	0.30
12038	-	14999	0.35	4815	-	5999	0.35
15000	-	18478	0.40	6000	-	7391	0.40
18479	-	22619	0.45	7392	-	9047	0.45
22620	-	27631	0.50	9048	-	11052	0.50
27632	-	33823	0.55	11053	-	13529	0.55
33824	-	41666	0.60	13530	-	16666	0.60
41667	-	51923	0.65	16667	-	20769	0.65
51924	-	65909	0.70	20770	-	26363	0.70
65910	-	86111	0.75	26364	-	34444	0.75
86112	-	117857	0.80	34445	-	47142	0.80
117858	-	174999	0.85	47143	-	69999	0.85
175000	-	308333	0.90	70000	-	123333	0.90
308334	-	974999	0.95	123334	-	389999	0.95
975000	-	and over	1.00	390000	-	and over	1.00

K = 25,000

K = 10,000

$$\text{CREDIBILITY FORMULA} = (\# \text{ CLAIMS}) / (\# \text{ CLAIMS} + K)$$

ALL LIABILITY COVERAGES  
CREDIBILITY TABLE  
NUMBER OF CLAIMS

<u>Credibility</u>			
0.00*	0	-	28
0.05	29	-	114
0.10	115	-	258
0.15	259	-	459
0.20	460	-	718
0.25	719	-	1,034
0.30	1035	-	1,408
0.35	1,409	-	1,839
0.40	1,840	-	2,328
0.45	2,329	-	2,874
0.50	2,875	-	3,478
0.55	3,479	-	4,139
0.60	4,140	-	4,858
0.65	4,859	-	5,634
0.70	5,635	-	6,468
0.75	6,469	-	7,359
0.80	7,360	-	8,308
0.85	8,309	-	9,314
0.90	9,315	-	10,378
0.95	10,379	-	11,499
1.00		>	11,499

The credibility for the loss cost level ratio is determined by the total number of claims for the total number of years of experience used in the review.

\*The credibility underlying the calculation of the statewide indication is subject to a minimum of 5% given that there is at least one claim in the experience period.

PERSONAL INJURY PROTECTION  
CREDIBILITY TABLES  
NUMBER OF CLAIMS

<u>Credibility</u>	<u>Trucks, Tractors &amp; Trailers and Private Pass Types</u>		
*0.00	0	-	3
0.05	4	-	13
0.10	14	-	31
0.15	32	-	55
0.20	56	-	87
0.25	88	-	125
0.30	126	-	171
0.35	172	-	223
0.40	224	-	283
0.45	284	-	349
0.50	350	-	423
0.55	424	-	503
0.60	504	-	591
0.65	592	-	685
0.70	686	-	787
0.75	788	-	895
0.80	896	-	1,011
0.85	1,012	-	1,133
0.90	1,134	-	1,263
0.95	1,264	-	1,399
1.00	>		1,399

The credibility for the loss cost level ratio is determined by the total number of claims for the total number of years of experience used in the review.

\*The credibility underlying the calculation of the statewide indication is subject to a minimum of 5% given that there is at least one claim in the experience period

PHYSICAL DAMAGE  
CREDIBILITY TABLES  
NUMBER OF CLAIMS

OTHER THAN COLLISION

Cred	<u>Trucks, Tractors &amp; Trailers</u>			<u>Private Passenger Types</u>		
	0.00*	0	-	27	0	-
0.05	28	-	109	22	-	84
0.10	110	-	247	85	-	191
0.15	248	-	439	192	-	339
0.20	440	-	687	340	-	531
0.25	688	-	989	532	-	764
0.30	990	-	1,347	765	-	1,041
0.35	1,348	-	1,759	1,042	-	1,359
0.40	1,760	-	2,227	1,360	-	1,721
0.45	2,228	-	2,749	1,722	-	2,124
0.50	2,750	-	3,327	2,125	-	2,571
0.55	3,328	-	3,959	2,572	-	3,059
0.60	3,960	-	4,647	3,060	-	3,591
0.65	4,648	-	5,389	3,592	-	4,164
0.70	5,390	-	6,187	4,165	-	4,781
0.75	6,188	-	7,039	4,782	-	5,439
0.80	7,040	-	7,947	5,440	-	6,141
0.85	7,948	-	8,909	6,142	-	6,884
0.90	8,910	-	9,927	6,885	-	7,671
0.95	9,928	-	10,999	7,672	-	8,499
1.00		>	10,999		>	8,499

COLLISION

Cred	<u>Trucks, Tractors &amp; Trailers</u>			<u>Private Passenger Types</u>		
	0.00*	0	-	11	0	-
0.05	12	-	44	9	-	34
0.10	45	-	101	35	-	78
0.15	102	-	179	79	-	139
0.20	180	-	281	140	-	218
0.25	282	-	404	219	-	314
0.30	405	-	551	315	-	428
0.35	552	-	719	429	-	559
0.40	720	-	911	560	-	708
0.45	912	-	1,124	709	-	874
0.50	1,125	-	1,361	875	-	1,058
0.55	1,362	-	1,619	1,059	-	1,259
0.60	1,620	-	1,901	1,260	-	1,478
0.65	1,902	-	2,204	1,479	-	1,714
0.70	2,205	-	2,531	1,715	-	1,968
0.75	2,532	-	2,879	1,969	-	2,239
0.80	2,880	-	3,251	2,240	-	2,528
0.85	3,252	-	3,644	2,529	-	2,834
0.90	3,645	-	4,061	2,835	-	3,158
0.95	4,062	-	4,499	3,159	-	3,499
1.00		>	4,499		>	3,499

The credibility for loss cost level ratio is determined by the total number of claims for the total number of years of experience used in the review.

\*The credibility underlying the calculation of the statewide indication is subject to a minimum of 5% given that there is at least one claim in the experience period.

MARYLAND  
CLAIMS PER TERRITORY  
LIABILITY AND PIP

Territory	Trucks, Tractors & Trailers Incurred Claims 5 Years Ending 06/30/2018		Private Passenger Types Incurred Claims 5 Years Ending 06/30/2018	
	Combined BI and PD	PIP	Combined BI and PD	PIP
101	2,245	234	499	49
102	3,908	338	1,153	201
108	759	65	224	23
109	1,752	95	322	34
110	1,042	77	208	33
111	1,186	100	517	45
112	1,823	129	253	55
113	2,311	164	369	73
114	15,489	949	2,806	414
SW Total	30,515	2,151	6,351	927

Claims for Trend

BI	PD
<u>2,058</u>	<u>5,468</u>

MARYLAND  
CLAIMS PER TERRITORY  
PHYSICAL DAMAGE

Territory	Trucks, Tractors & Trailers Paid Claims 5 Years Ending 06/30/2018		Private Passenger Types Paid Claims 5 Years Ending 06/30/2018	
	OTC	Coll	OTC	Coll
101	228	519	177	346
102	550	996	382	759
108	91	215	77	242
109	173	361	100	174
110	147	269	84	120
111	88	267	181	355
112	203	341	66	140
113	770	681	289	298
114	2,478	3,859	1,400	1,962
SW Total	4,728	7,508	2,756	4,396

WIND AND WATER PROCEDURE  
OTHER THAN COLLISION

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OBJECTIVE

Other Than Collision losses which result from the perils of Wind and Water are relatively infrequent and do not affect each year similarly. While catastrophic incidents are rare, their impact on loss cost indications can be significant. The occurrence of a weather related catastrophe can result in a large positive indication, followed by an indicated decrease when the catastrophe leaves the experience period in subsequent reviews. This ultimately leads to loss cost instability.

In order to address this ratemaking problem, the Wind and Water procedure removes the Wind and Water losses that actually occur in a given year and replaces them with an expected Wind and Water provision, based on the state's long term history of Wind and Water losses. Due to the lower credibility of catastrophic loss experience, a longer experience period or a larger body of data is necessary to compensate.

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DESCRIPTION OF  
WIND AND WATER  
ADJUSTMENT  
PROCEDURE

The Wind and Water procedure begins by comparing Wind and Water losses to non-Wind and Water losses for each year in the long term review period. Wind and Water losses have been separately identified as losses reported under the Commercial Statistical Plan (CSP) using Type of Loss (TOL) codes 06 and 07. A ratio of Wind and Water to non-Wind and Water losses is calculated for each year.

The long term 'normal' Wind and Water to non-Wind and Water ratio is determined by calculating the average of the Wind and Water to non-Wind and Water ratios for all years for which data is currently available.

The variation from the long term normal Wind and Water to non-Wind and Water ratio is then determined by calculating the difference between the normal ratio and the Wind and Water ratio for each year.

The loss adjustment required in order to bring each year of experience to a normal Wind and Water level is determined by applying the variation factor (column (5)) to the reported non-Wind and Water losses (column (3)).

The major steps of the procedure are shown in the Exhibits on the following pages.

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WIND AND WATER PROCEDURE  
OTHER THAN COLLISION  
MARYLAND

TRUCKS, TRACTORS, AND TRAILERS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG (4) - (4)	(3) x (5)	(2) + (6)
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	VARIATION FROM AVG. WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
1987	12,934	2,469,353	2,456,419	0.005	0.051	125,277	2,594,630
1988	39,858	2,943,089	2,903,231	0.014	0.042	121,936	3,065,025
1989	59,603	2,980,674	2,921,071	0.020	0.036	105,159	3,085,833
1990	60,231	3,279,680	3,219,449	0.019	0.037	119,120	3,398,800
1991	45,574	2,792,694	2,747,120	0.017	0.039	107,138	2,899,832
1992	57,036	2,522,070	2,465,034	0.023	0.033	81,346	2,603,416
1993	100,117	2,401,847	2,301,730	0.043	0.013	29,922	2,431,769
1994	59,014	2,804,752	2,745,738	0.021	0.035	96,101	2,900,853
1995	46,542	3,016,875	2,970,333	0.016	0.040	118,813	3,135,688
1996	127,614	3,576,858	3,449,244	0.037	0.019	65,536	3,642,394
1997	132,316	3,581,787	3,449,471	0.038	0.018	62,090	3,643,877
1998	131,526	3,728,994	3,597,468	0.037	0.019	68,352	3,797,346
1999	54,237	3,786,837	3,732,600	0.015	0.041	153,037	3,939,874
2000	317,067	4,214,601	3,897,534	0.081	-0.025	-97,438	4,117,163
2001	75,735	4,101,501	4,025,766	0.019	0.037	148,953	4,250,454
2002	477,059	3,918,942	3,441,883	0.139	-0.083	-285,676	3,633,266
2003	77,310	3,780,254	3,702,944	0.021	0.035	129,603	3,909,857
2004	835,371	3,561,238	2,725,867	0.306	-0.250	-681,467	2,879,771
2005	64,424	2,527,579	2,463,155	0.026	0.030	73,895	2,601,474
2006	85,384	2,422,355	2,336,971	0.037	0.019	44,402	2,466,757
2007	93,257	2,559,851	2,466,594	0.038	0.018	44,399	2,604,250
2008	136,203	2,685,750	2,549,547	0.053	0.003	7,649	2,693,399
2009	35,373	3,220,856	3,185,483	0.011	0.045	143,347	3,364,203
2010	378,568	3,155,438	2,776,870	0.136	-0.080	-222,150	2,933,288
2011	103,530	2,633,930	2,530,400	0.041	0.015	37,956	2,671,886
2012	500,974	3,440,385	2,939,411	0.170	-0.114	-335,093	3,105,292
2013	208,391	2,466,558	2,258,167	0.092	-0.036	-81,294	2,385,264
2014	71,421	2,657,418	2,585,997	0.028	0.028	72,408	2,729,826
2015	149,303	2,482,008	2,332,705	0.064	-0.008	-18,662	2,463,346
2016	92,661	2,896,811	2,804,150	0.033	0.023	64,495	2,961,306
2017	313,230	2,702,159	2,388,929	0.131	-0.075	-179,170	2,522,989
2018	185,407	3,239,711	3,054,304	0.061	-0.005	-15,272	3,224,439

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.056

WIND AND WATER PROCEDURE  
OTHER THAN COLLISION  
MARYLAND

PRIVATE PASSENGER TYPES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG(4) - (4)	(3) x (5)	(2) + (6)
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	VARIATION FROM AVG. WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
1987	24,729	1,606,972	1,582,243	0.016	0.078	123,415	1,730,387
1988	12,404	1,740,736	1,728,332	0.007	0.087	150,365	1,891,101
1989	39,779	1,780,167	1,740,388	0.023	0.071	123,568	1,903,735
1990	65,842	1,907,606	1,841,764	0.036	0.058	106,822	2,014,428
1991	20,221	1,764,568	1,744,347	0.012	0.082	143,036	1,907,604
1992	51,424	1,997,661	1,946,237	0.026	0.068	132,344	2,130,005
1993	68,221	1,713,195	1,644,974	0.041	0.053	87,184	1,800,379
1994	37,787	2,363,649	2,325,862	0.016	0.078	181,417	2,545,066
1995	66,530	2,081,253	2,014,723	0.033	0.061	122,898	2,204,151
1996	92,274	2,292,802	2,200,528	0.042	0.052	114,427	2,407,229
1997	123,473	2,074,502	1,951,029	0.063	0.031	60,482	2,134,984
1998	154,679	2,373,322	2,218,643	0.070	0.024	53,247	2,426,569
1999	71,636	2,129,958	2,058,322	0.035	0.059	121,441	2,251,399
2000	122,335	2,012,544	1,890,209	0.065	0.029	54,816	2,067,360
2001	52,861	1,935,713	1,882,852	0.028	0.066	124,268	2,059,981
2002	235,317	1,982,243	1,746,926	0.135	-0.041	-71,624	1,910,619
2003	156,598	1,716,070	1,559,472	0.100	-0.006	-9,357	1,706,713
2004	482,136	1,821,105	1,338,969	0.360	-0.266	-356,166	1,464,939
2005	85,607	1,291,332	1,205,725	0.071	0.023	27,732	1,319,064
2006	127,234	1,319,787	1,192,553	0.107	-0.013	-15,503	1,304,284
2007	111,582	1,141,468	1,029,886	0.108	-0.014	-14,418	1,127,050
2008	67,938	1,170,255	1,102,317	0.062	0.032	35,274	1,205,529
2009	70,196	1,219,372	1,149,176	0.061	0.033	37,923	1,257,295
2010	310,893	1,639,728	1,328,835	0.234	-0.140	-186,037	1,453,691
2011	157,705	1,174,133	1,016,428	0.155	-0.061	-62,002	1,112,131
2012	284,237	1,475,114	1,190,877	0.239	-0.145	-172,677	1,302,437
2013	213,986	1,219,126	1,005,140	0.213	-0.119	-119,612	1,099,514
2014	96,496	1,131,393	1,034,897	0.093	0.001	1,035	1,132,428
2015	134,555	1,227,584	1,093,029	0.123	-0.029	-31,698	1,195,886
2016	149,034	1,242,210	1,093,176	0.136	-0.042	-45,913	1,196,297
2017	113,276	1,134,850	1,021,574	0.111	-0.017	-17,367	1,117,483
2018	188,593	1,235,861	1,047,268	0.18	-0.086	-90,065	1,145,796

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.094

EXPLANATORY MEMORANDUM FOR WIND AND WATER PROCEDURE

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COLUMN (1)  
OTC WIND AND  
WATER LOSSES

Dollar amount of Other Than Collision losses resulting from the perils of Wind and Water (Type of Loss Codes 06 & 07).

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COLUMN (2)  
OTC TOTAL  
LOSSES

Dollar amount of Other Than Collision losses resulting from all perils.

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COLUMN (3)  
OTC LOSSES  
OTHER THAN  
WIND AND WATER

Dollar amount of Other Than Collision losses resulting from all perils other than Wind and Water. Column (2) - Column (1).

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COLUMN (4)  
WIND AND WATER  
TO NON-WIND AND  
WATER RATIO

Ratio of Wind and Water losses to Non-Wind and Water losses.  
Column (1) ÷ Column (3)

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COLUMN (5)  
VARIATION FROM  
AVERAGE WIND  
RATIO

Variation from the long term average Wind and Water to non-Wind and Water ratio.  
Avg (4) - Column (4).

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COLUMN (6)  
WIND AND WATER  
ADJUSTMENT

Wind and Water loss adjustment to bring experience to average Wind and Water level.  
Column (3) \* Column (5).

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COLUMN (7)  
ADJUSTED OTC  
TOTAL LOSSES

Column (2) + Column (6).

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TERRITORIAL WIND AND WATER PROCEDURE  
OTHER THAN COLLISION

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**OBJECTIVE**                    The statewide Wind and Water procedure removes the actual Wind and Water losses that occur in a given year and replaces them with an expected Wind and Water provision. The territorial excess Wind and Water procedure distributes the statewide expected Wind and Water loss provision to the individual territories in proportion to each territory's long-term Wind and Water loss experience.

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**DESCRIPTION OF TERRITORIAL WIND AND WATER PROCEDURE**                    The first step is to calculate long term Wind and Water to non-Wind and Water ratios by territory. The earliest year of historical Wind and Water experience available for Commercial Auto is 1987. As a new year becomes available, it is added to the procedure. For each year, the territorial ratios are calculated as Wind and Water losses divided by non-Wind and Water losses. An average is then taken of all the ratios for each territory to get the long term Wind and Water to non-Wind and Water ratio.

One potential problem with the average ratios is that a high Wind and Water ratio for one year can distort the average ratio for that territory. To mitigate the effect of unusually large ratios, the ratios are capped at 10 times the statewide median of the Wind and Water ratios before calculating the average. (The statewide median ratio is subject to a minimum value of 0.05.)

The territorial capped average Wind and Water ratios are multiplied by the latest 5 years non-Wind and Water losses for each territory to get the territorial expected Wind and Water losses. The territorial expected Wind and Water losses are divided by the statewide total expected Wind and Water losses to get the territorial expected Wind and Water distribution.

The statewide wind provision is calculated for each year from the statewide procedure by subtracting the non-Wind and Water losses from the total adjusted losses. The individual territorial Wind and Water provisions are then calculated by distributing the statewide wind provision to the territories based on the expected Wind and Water distribution.

Territorial adjusted total losses = territorial Wind and Water provision + territorial non-Wind and Water losses

Because the actual Wind and Water losses are replaced with an expected Wind and Water provision, the number of Wind and Water claims must be adjusted. The territorial Wind and Water provision is divided by the territory's average Wind and Water claim cost to produce the adjusted number of Wind and Water claims. The adjusted Wind and Water claims are added to the non-Wind and Water claims, resulting in the total adjusted claims.

A sample of the territory Wind and Water procedure is shown on the following page.

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METHODOLOGY FOR CALCULATING 'WIND & WATER PROVISIONS' BY TERRITORY

In order to develop 'Wind and Water Provisions' by territory, the statewide provision is distributed using each territory's 'expected' wind and water losses. This procedure is illustrated in the following example:

Territory	(1) Long-Term Capped* Ratio of Wind & Water to Non-Wind & Water Losses	(2) Non-Wind & Water Losses for Latest Five Years	(3) 'Expected' Wind & Water Losses for Latest Five Years (1) x (2)	(4) 'Expected' Wind & Water Distribution (3) / Total (3)
A	.250	500,000	125,000	.500
B	.750	100,000	75,000	.300
C	.200	250,000	50,000	.200

Territory	(5) Statewide Wind Provision for Year 20XX **	(6) Territory Wind Provision for Year 20XX (4) x (5)	(7) Non-Wind & Water Losses for Year 20XX	(8) Adjusted Total Losses for Year 20XX (6) + (7)
A	100,000	50,000	150,000	200,000
B		30,000	50,000	80,000
C		20,000	80,000	100,000

Territory	(9) Non-Wind & Water Claims for Year 20XX	(10) Five-Year Average Wind & Water Claim Cost	(11) Adjusted Wind & Water Claims for Year 20XX (6) / (10)	(12) Total Adjusted Claims for Year 20XX (9) + (11)
A	200	500	100	300
B	100	400	75	175
C	150	400	50	200

\* Average of yearly capped ratios of wind & water to non-wind & water losses, based on territory experience capped at 10 times the statewide median wind & water to non-wind & water ratio. The statewide median ratio is subject to a minimum value of 0.05.

\*\* The Statewide Wind Provision for year 20XX = Total Adjusted Losses for Year 20XX - Non-Wind & Water Losses for Year 20XX

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

SUMMARY OF PROSPECTIVE LOSS COST LEVEL CHANGES  
STATEWIDE LOSS COST LEVEL CHANGES (A)

Coverages	Aggregate Loss Cost at Current Level (B)	Loss Cost Changes (C)
<b>TRUCKS, TRACTORS &amp; TRAILERS (D)</b>		
Liability		
Single Limit Liability	\$ 90,610,906	5.2%
Personal Injury Protection	1,090,366	N.C.
Combined	91,701,272	5.1%
Physical Damage		
Other Than Collision	4,427,844	3.3%
Collision	14,985,063	-4.6%
Combined	19,412,907	-2.8%
<b>Total Trucks, Tractors &amp; Trailers</b>	<b>111,114,179</b>	<b>3.8%</b>
<b>PRIVATE PASSENGER TYPES</b>		
Liability		
Single Limit Liability	14,290,998	6.6%
Personal Injury Protection	431,177	N.C.
Combined	14,722,175	6.4%
Physical Damage		
Other Than Collision	1,528,250	7.4%
Collision	4,851,258	2.5%
Combined	6,379,508	3.7%
<b>Total Private Passenger Types</b>	<b>21,101,683</b>	<b>5.6%</b>
<b>GRAND TOTAL ALL COVERAGES</b>	<b>132,215,862</b>	<b>4.0%</b>
<b>TOTAL LIABILITY</b>	<b>106,423,447</b>	<b>5.3%</b>
<b>TOTAL PHYSICAL DAMAGE</b>	<b>25,792,415</b>	<b>-1.2%</b>

(A) An implementation date of 02/01/2020 is assumed for purposes of trending.

(B) Accident Year ending 06/30/2018 Aggregate Loss Cost at Current Level for all coverages. The Liability loss costs are on a Total Limits basis.

(C) Loss Cost changes are calculated on a \$100,000 CSL Basic Limits basis for Liability and on an all deductibles combined basis for Physical Damage.

(D) For Liability, Personal Injury Protection and Physical Damage, classes related to Trucks, Tractors & Trailers, such as the Public Automobile classes, are impacted by the Trucks, Tractors & Trailers loss cost level changes.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	9.3%	
102	2.3%	
108	6.9%	
109	4.6%	
110	6.8%	
111	1.1%	
112	7.1%	
113	5.8%	
114	5.3%	

(a) For Trucks, Tractors, and Trailers PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	0.9%	-4.9%	1.2%
102	4.0%	-3.5%	4.2%
108	4.5%	-4.5%	5.0%
109	0.8%	-9.4%	0.0%
110	0.7%	-0.8%	0.9%
111	1.2%	-4.8%	1.7%
112	2.7%	-5.3%	2.5%
113	6.5%	-1.7%	6.4%
114	3.3%	-5.1%	3.0%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory Code	Liability \$100,000 CSL	PIP	Physical Damage		Specified Causes of Loss (c)
			Comprehensive (a)	Collision (b)	
101	743	29	115	291	83
102	668	20	104	278	75
108	743	16	116	257	84
109	758	15	127	231	91
110	626	15	151	257	109
111	708	22	85	278	61
112	758	20	115	268	83
113	312	6	115	228	83
114	514	10	95	243	68

(a) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(b) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(c) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.720 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	5.2%	
102	11.5%	
108	5.7%	
109	9.5%	
110	6.5%	
111	7.3%	
112	8.2%	
113	5.5%	
114	4.8%	

(a) For Private Passenger Types PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory Code	Physical Damage	
	Comprehensive	Collision
101	7.3%	-0.2%
102	9.5%	8.6%
108	6.8%	4.4%
109	10.0%	0.2%
110	6.9%	0.6%
111	7.5%	-0.7%
112	6.9%	4.2%
113	9.4%	6.5%
114	6.1%	1.2%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory Code	Liability \$100,000 CSL	PIP	Physical Damage	
			Comprehensive (a)	Collision (b)
101	592	35	117	482
102	542	42	81	415
108	535	31	78	446
109	519	36	99	446
110	490	34	93	355
111	544	25	72	416
112	580	43	108	399
113	267	18	105	280
114	391	24	87	346

(a) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(b) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR VAN POOLS POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	9.3%	
102	2.2%	
108	6.9%	
109	4.5%	
110	6.8%	
111	1.1%	
112	7.1%	
113	5.6%	
114	5.3%	

(a) For Trucks, Tractors, and Trailers PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR VAN POOLS POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	0.9%	-4.9%	1.2%
102	3.9%	-3.6%	5.5%
108	4.4%	-4.7%	4.9%
109	0.8%	-9.6%	0.0%
110	0.7%	-0.9%	0.9%
111	1.2%	-4.9%	1.6%
112	2.6%	-5.3%	2.4%
113	6.4%	-1.7%	6.3%
114	3.2%	-4.9%	3.0%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR VAN POOLS POLICY COVERAGES

Territory Code	Liability \$100,000 CSL (a)	PIP (b)	Physical Damage		Specified Causes of Loss (e)
			Comprehensive (c)	Collision (d)	
101	1115	20	117	370	85
102	1002	14	106	353	77
108	1115	11	118	326	86
109	1137	10	130	293	93
110	939	10	154	326	111
111	1062	15	87	353	62
112	1137	14	117	340	85
113	468	4	117	290	85
114	771	7	97	309	69

- (a) The loss costs for Van Pools have been calculated by a relativity of 1.50 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for PIP have been calculated by a relativity of 0.68 to the Trucks, Tractors, and Trailers PIP loss costs.
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 1.27 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 1.02 to the corresponding Trucks, Tractors, and Trailers loss cost.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	9.3%	
102	2.3%	
108	6.9%	
109	4.6%	
110	6.8%	
111	1.2%	
112	7.1%	
113	5.7%	
114	5.3%	

(a) For Trucks, Tractors, and Trailers PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	0.9%	-4.9%	1.2%
102	3.9%	-3.6%	5.5%
108	4.4%	-4.7%	4.9%
109	0.8%	-9.6%	0.0%
110	0.7%	-0.9%	0.9%
111	1.2%	-4.9%	1.6%
112	2.6%	-5.3%	2.4%
113	6.4%	-1.7%	6.3%
114	3.2%	-4.9%	3.0%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory Code	Liability \$100,000 CSL (a)	PIP (b)	Physical Damage		Specified Causes of Loss (e)
			Comprehensive (c)	Collision (d)	
101	4607	147	117	370	85
102	4142	101	106	353	77
108	4607	81	118	326	86
109	4700	76	130	293	93
110	3881	76	154	326	111
111	4390	112	87	353	62
112	4700	101	117	340	85
113	1934	30	117	290	85
114	3187	51	97	309	69

- (a) The loss costs for Taxis and Limousines have been calculated by a relativity of 6.20 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for PIP have been calculated by a relativity of 5.07 to the Trucks, Tractors, and Trailers PIP loss costs.
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 1.27 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 1.02 to the corresponding Trucks, Tractors, and Trailers loss cost.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	9.4%	
102	2.2%	
108	7.1%	
109	4.5%	
110	6.8%	
111	1.0%	
112	7.2%	
113	6.2%	
114	5.6%	

(a) For Trucks, Tractors, and Trailers PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	1.3%	-5.0%	1.8%
102	4.3%	-3.2%	6.0%
108	3.8%	-4.6%	5.4%
109	1.1%	-9.6%	0.0%
110	1.0%	-0.6%	0.0%
111	1.7%	-4.7%	2.4%
112	3.8%	-5.4%	1.8%
113	6.6%	-2.0%	5.5%
114	4.7%	-4.8%	4.3%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory Code	Liability	PIP (b)	Physical Damage		Specified Causes of Loss (e)
	\$100,000 CSL (a)		Comprehensive (c)	Collision (d)	
101	409	18	81	189	58
102	367	12	73	181	53
108	409	10	81	167	59
109	417	9	89	150	64
110	344	9	106	167	76
111	389	14	60	181	43
112	417	12	81	174	58
113	172	4	81	148	58
114	283	6	67	158	48

- (a) The loss costs for School and Church Buses have been calculated by a relativity of 0.55 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for PIP have been calculated by a relativity of 0.62 to the Trucks, Tractors, and Trailers PIP loss costs.
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.65 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.70 to the corresponding Trucks, Tractors, and Trailers loss cost.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR ALL OTHER BUSES POLICY COVERAGES

Territory Code	\$100,000 CSL Liability	PIP (a)
101	9.2%	
102	2.3%	
108	6.9%	
109	4.5%	
110	6.8%	
111	1.1%	
112	7.1%	
113	5.8%	
114	5.3%	

(a) For Trucks, Tractors, and Trailers PIP, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR ALL OTHER BUSES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	1.3%	-5.0%	1.8%
102	4.3%	-3.2%	6.0%
108	3.8%	-4.6%	5.4%
109	1.1%	-9.6%	0.0%
110	1.0%	-0.6%	0.0%
111	1.7%	-4.7%	2.4%
112	3.8%	-5.4%	1.8%
113	6.6%	-2.0%	5.5%
114	4.7%	-4.8%	4.3%

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR ALL OTHER BUSES POLICY COVERAGES

Territory Code	Liability \$100,000 CSL (a)	PIP (b)	Physical Damage		Specified Causes of Loss (e)
			Comprehensive (c)	Collision (d)	
101	2823	171	81	189	58
102	2538	118	73	181	53
108	2823	95	81	167	59
109	2880	89	89	150	64
110	2379	89	106	167	76
111	2690	130	60	181	43
112	2880	118	81	174	58
113	1186	35	81	148	58
114	1953	59	67	158	48

- (a) The loss costs for All Other Buses have been calculated by a relativity of 3.80 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for PIP have been calculated by a relativity of 5.91 to the Trucks, Tractors, and Trailers PIP loss costs.
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.65 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.70 to the corresponding Trucks, Tractors, and Trailers loss cost.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE LIABILITY INSURANCE - TRUCKS, TRACTORS, AND TRAILERS (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES  
 SINGLE LIMIT LIABILITY COVERAGE

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/16	\$53,819,196	\$57,335,971	1.065	20%	6,222
06/30/17	\$56,089,037	\$61,312,929	1.093	30%	6,449
06/30/18	\$56,916,398	\$58,161,330	1.022	50%	6,382

(6) AVERAGE EXPERIENCE RATIO (SUM OF (3)\*(4)). 1.052

(7) EXPECTED EXPERIENCE RATIO (D). 1.042

(8) CREDIBILITY (E). 1.00

(9) CREDIBILITY WEIGHTED EXPERIENCE RATIO:  
 ( (6) \* (8) ) + ( (7) \* (1.00 - (8)) ). 1.052

(10) INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ). 5.2%

(11) FILED CHANGE. 5.2%

(A) TRUCK, TRACTOR, AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 23 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.

(B) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.

(C) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.

(D) EXPECTED EXPERIENCE RATIO IS EQUAL TO THE COMBINED TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).

(E) CREDIBILITY IS BASED ON A 3 YEAR TOTAL OF CLAIMS FOR B.I. AND P.D. SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 11,500 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
TRUCKS, TRACTORS, AND TRAILERS  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF SINGLE LIMIT LOSSES

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES	06/30/16 06/30/17 06/30/18	\$23,159,385 \$24,532,950 \$19,244,651	\$17,853,877 \$18,693,413 \$19,122,870	
(2) DEVELOPED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (A)	06/30/16 06/30/17 06/30/18	\$26,888,046 \$31,120,047 \$28,983,888	\$19,717,822 \$20,830,070 \$22,318,302	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		3.9%	4.5%	4.2%
(4) TRENDED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (B)	06/30/16 06/30/17 06/30/18	\$32,668,976 \$36,379,335 \$32,606,874	\$24,666,995 \$24,933,594 \$25,554,456	\$57,335,971 \$61,312,929 \$58,161,330

(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:

1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:	B.I. 1.075	P.D. 1.100
2 - LOSS DEVELOPMENT FACTORS:		
YEAR ENDING	B.I.	P.D.
06/30/16	1.080	1.004
06/30/17	1.180	1.013
06/30/18	1.401	1.061

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ( (1.0 + (3)) \*\* N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/16	1/1/16	5.083
06/30/17	1/1/17	4.083
06/30/18	1/1/18	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE LIABILITY INSURANCE - TRUCKS, TRACTORS, AND TRAILERS (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES  
 PERSONAL INJURY PROTECTION

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/16	\$1,026,690	\$1,012,810	0.986	20%	441
06/30/17	\$1,065,195	\$1,044,388	0.980	30%	457
06/30/18	\$1,090,366	\$1,062,977	0.975	50%	477

(6) AVERAGE EXPERIENCE RATIO (SUM OF (3)\*(4)). 0.979

(7) EXPECTED EXPERIENCE RATIO (D). 1.006

(8) CREDIBILITY (E). 0.95

(9) CREDIBILITY WEIGHTED EXPERIENCE RATIO:  
 ( (6) \* (8) ) + ( (7) \* (1.000- (8)) ). 0.980

(10) INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ). -2.0%

(11) FILED CHANGE. N.C.

(A) TRUCK, TRACTOR, AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 23 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE, ELIGIBLE FOR FIRST PARTY COVERAGE.

(B) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.

(C) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR PERSONAL INJURY PROTECTION. SEE FOLLOWING PAGE.

(D) EXPECTED EXPERIENCE RATIO IS EQUAL TO THE TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).

(E) CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR PIP SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 1,400 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
TRUCKS, TRACTORS, AND TRAILERS  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF PERSONAL INJURY PROTECTION LOSSES

	ACC. YEAR ENDING	PIP
(1) INCURRED LOSSES AND	06/30/16	\$942,149
ALLOCATED LOSS	06/30/17	\$971,524
ADJUSTMENT EXPENSES	06/30/18	\$988,816

(2) INCURRED LOSSES AND	06/30/16	\$1,012,810
ALL LOSS ADJUSTMENT	06/30/17	\$1,044,388
EXPENSES (A)	06/30/18	\$1,062,977

(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		0.0%
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(4) TRENDED LOSSES AND	06/30/16	\$1,012,810
ALL LOSS ADJUSTMENT	06/30/17	\$1,044,388
EXPENSES (B)	06/30/18	\$1,062,977

(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE UNALLOCATED LOSS ADJUSTMENT FACTOR OF 1.075

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ( (1.0 + (3)) \*\* N ), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/16	1/1/16	5.083
06/30/17	1/1/17	4.083
06/30/18	1/1/18	3.083

\* TO ARRIVE AT THE INCURRED LOSSES PRESENTED IN (1), ISO APPLIED A +3.3% CLAIM COST TREND FACTOR AND THEN CAPPED THE TRENDED LOSSES ON A PER CLAIM/PER OCCURRENCE BASIS USING THE MARYLAND BASIC LIMIT PIP THRESHOLD (\$2,500). THE RESULTING IMPLIED CLAIM COST TREND FACTOR FOR THE 2018 ACCIDENT YEAR IS +0.6%.

\*\* THE LOSS TREND SHOWN IN (3) REPRESENTS ONLY THE FREQUENCY TREND COMPONENT AND HAS BEEN APPLIED AFTER THE LOSSES WERE TRENDED AND CAPPED AT \$2,500.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - TRUCKS, TRACTORS AND TRAILERS (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

COVERAGE	ACCIDENT YEAR	(1)	(2)	(3)	(4)	(5)
O.T.C	ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
	06/30/14	\$4,139,651	\$4,981,798	1.203	10%	1,116
	06/30/15	\$4,186,561	\$4,200,422	1.003	15%	952
	06/30/16	\$4,283,044	\$4,718,249	1.102	20%	945
	06/30/17	\$4,354,652	\$3,761,346	0.864	25%	832
	06/30/18	\$4,427,844	\$4,619,116	1.043	30%	883
COLL.	06/30/16	\$13,952,763	\$13,665,351	0.979	20%	1,574
	06/30/17	\$14,538,981	\$14,533,131	1.000	30%	1,611
	06/30/18	\$14,985,063	\$13,729,492	0.916	50%	1,546

		O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).	1.019	0.954
(7)	EXPECTED EXPERIENCE RATIO (D).	1.059	1.030
(8)	CREDIBILITY (E).	0.65	1.00
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).	1.033	0.954
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).	3.3%	-4.6%
(11)	FILED CHANGE.	3.3%	-4.6%

- (A) TRUCK, TRACTOR AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 23 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.
- (B) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS AND ADJUSTING TO A PROSPECTIVE OCN LEVEL BY THE APPLICATION OF OCN TREND FACTORS. (SEE SUBSEQUENT PAGE).
- (C) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.
- (D) EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR DIVIDED BY THE OCN TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).
- (E) CREDIBILITY IS BASED ON A 3 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 3 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 11,000 CLAIMS FOR O.T.C. AND 4,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 TRUCKS, TRACTORS AND TRAILERS  
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE  
 DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	06/30/14	\$2,729,827	----
	06/30/15	\$2,463,345	----
	06/30/16	\$2,961,306	\$9,676,528
	06/30/17	\$2,522,989	\$10,809,366
	06/30/18	\$3,224,440	\$10,928,267
(2) DEVELOPED LOSSES AND	06/30/14	\$3,084,705	----
ALL LOSS ADJUSTMENT	06/30/15	\$2,783,580	----
EXPENSES (A)	06/30/16	\$3,346,276	\$10,923,542
	06/30/17	\$2,853,829	\$12,141,296
	06/30/18	\$3,749,282	\$11,990,822
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		7.0%	4.5%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	06/30/14	\$4,981,798	----
ALL LOSS ADJUSTMENT	06/30/15	\$4,200,422	----
EXPENSES (B)	06/30/16	\$4,718,249	\$13,665,351
	06/30/17	\$3,761,346	\$14,533,131
	06/30/18	\$4,619,116	\$13,729,492

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

O.T.C	COLL.
1.130	1.130

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
06/30/14	1.000	----
06/30/15	1.000	----
06/30/16	1.000	0.999
06/30/17	1.001	0.994
06/30/18	1.029	0.971

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ((1.0 + (3)) \*\* N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/14	1/1/14	7.083	----
06/30/15	1/1/15	6.083	----
06/30/16	1/1/16	5.083	5.083
06/30/17	1/1/17	4.083	4.083
06/30/18	1/1/18	3.083	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
TRUCKS, TRACTORS AND TRAILERS  
AUTOMOBILE PHYSICAL DAMAGE INSURANCE  
DETERMINATION OF PHYSICAL DAMAGE TRENDED  
AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	06/30/14	\$3,858,016	----
AT CURRENT LEVEL	06/30/15	\$3,942,148	----
	06/30/16	\$4,071,335	\$12,931,198
	06/30/17	\$4,183,143	\$13,677,310
	06/30/18	\$4,294,708	\$14,312,381
(2) SELECTED ANNUAL OCN			
TREND (SEE TREND		1.0%	1.5%
EXHIBIT IN SECTION C)			
(3) TRENDED AGGREGATE	06/30/14	\$4,139,651	----
LOSS COSTS AT	06/30/15	\$4,186,561	----
CURRENT LEVEL (A)	06/30/16	\$4,283,044	\$13,952,763
	06/30/17	\$4,354,652	\$14,538,981
	06/30/18	\$4,427,844	\$14,985,063

(A) TRENDED AGGREGATE LOSS COSTS ARE EQUAL TO (1) \* ((1.0 + (2)) \*\* N),  
WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF  
WRITING TO SIX MONTHS BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF  
02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDED BOTH OTC  
AND COLLISION.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/14	7/1/13	7.083	----
06/30/15	7/1/14	6.083	----
06/30/16	7/1/15	5.083	5.083
06/30/17	7/1/16	4.083	4.083
06/30/18	7/1/17	3.083	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER TYPES (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES  
 SINGLE LIMIT LIABILITY COVERAGE

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/14	\$9,597,606	\$8,818,738	0.919	10%	1,203
06/30/15	\$9,462,883	\$10,441,313	1.103	15%	1,303
06/30/16	\$9,505,001	\$10,824,481	1.139	20%	1,290
06/30/17	\$9,453,779	\$10,644,893	1.126	25%	1,294
06/30/18	\$9,414,360	\$9,688,875	1.029	30%	1,261
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.076
(7)	EXPECTED EXPERIENCE RATIO (D).				1.042
(8)	CREDIBILITY (E).				0.70
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000 - (8)) ).				1.066
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				6.6%
(11)	FILED CHANGE.				6.6%
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 31 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.				
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.				
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.				
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE COMBINED TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).				
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR B.I. AND P.D. SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 11,500 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
PRIVATE PASSENGER TYPES  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF SINGLE LIMIT LOSSES

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	06/30/14	\$3,471,692	\$2,588,088	
ALLOCATED LOSS	06/30/15	\$4,394,179	\$3,024,052	
ADJUSTMENT EXPENSES	06/30/16	\$4,307,702	\$3,485,432	
	06/30/17	\$4,435,174	\$3,240,210	
	06/30/18	\$3,636,140	\$3,261,206	
(2) DEVELOPED LOSSES AND	06/30/14	\$3,754,461	\$2,852,591	
ALL LOSS ADJUSTMENT	06/30/15	\$4,818,217	\$3,336,437	
EXPENSES (A)	06/30/16	\$4,945,673	\$3,849,311	
	06/30/17	\$5,416,234	\$3,603,438	
	06/30/18	\$4,807,886	\$3,737,994	
(3) SELECTED ANNUAL LOSS				
TREND (SEE TREND		3.9%	4.5%	4.2%
EXHIBIT IN SECTION C)				
(4) TRENDED LOSSES AND	06/30/14	\$4,922,098	\$3,896,639	\$8,818,738
ALL LOSS ADJUSTMENT	06/30/15	\$6,080,590	\$4,360,723	\$10,441,313
EXPENSES (B)	06/30/16	\$6,008,993	\$4,815,488	\$10,824,481
	06/30/17	\$6,331,578	\$4,313,315	\$10,644,893
	06/30/18	\$5,408,872	\$4,280,003	\$9,688,875

(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:

1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:                   B.I. 1.075                   P.D. 1.100

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	B.I.	P.D.
06/30/14	1.006	1.002
06/30/15	1.020	1.003
06/30/16	1.068	1.004
06/30/17	1.136	1.011
06/30/18	1.230	1.042

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ( (1.0 + (3)) \*\* N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/14	1/1/14	7.083
06/30/15	1/1/15	6.083
06/30/16	1/1/16	5.083
06/30/17	1/1/17	4.083
06/30/18	1/1/18	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER TYPES (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES  
 PERSONAL INJURY PROTECTION

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/16	\$420,590	\$395,615	0.941	20%	181
06/30/17	\$422,803	\$414,253	0.980	30%	182
06/30/18	\$431,177	\$406,976	0.944	50%	180
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.954
(7)	EXPECTED EXPERIENCE RATIO (D).				1.008
(8)	CREDIBILITY (E).				0.60
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).				0.976
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				-2.4%
(11)	FILED CHANGE.				N.C.
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 31 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE, ELIGIBLE FOR FIRST PARTY COVERAGE.				
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.				
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR PERSONAL INJURY PROTECTION. SEE FOLLOWING PAGE.				
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).				
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR PIP SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 1,400 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
PRIVATE PASSENGER TYPES  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF PERSONAL INJURY PROTECTION LOSSES

	ACC. YEAR ENDING	PIP
(1) INCURRED LOSSES AND	06/30/16	\$368,014
ALLOCATED LOSS	06/30/17	\$385,352
ADJUSTMENT EXPENSES	06/30/18	\$378,582
(2) INCURRED LOSSES AND	06/30/16	\$395,615
ALL LOSS ADJUSTMENT	06/30/17	\$414,253
EXPENSES (A)	06/30/18	\$406,976
(3) SELECTED ANNUAL LOSS		
TREND (SEE TREND		0.0%
EXHIBIT IN SECTION C)		
(4) TRENDED LOSSES AND	06/30/16	\$395,615
ALL LOSS ADJUSTMENT	06/30/17	\$414,253
EXPENSES (B)	06/30/18	\$406,976

(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE UNALLOCATED LOSS ADJUSTMENT FACTOR OF 1.075

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ( (1.0 + (3)) \*\* N ), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/16	1/1/16	5.083
06/30/17	1/1/17	4.083
06/30/18	1/1/18	3.083

\* TO ARRIVE AT THE INCURRED LOSSES PRESENTED IN (1), ISO APPLIED A +3.3% CLAIM COST TREND FACTOR AND THEN CAPPED THE TRENDED LOSSES ON A PER CLAIM/PER OCCURRENCE BASIS USING THE MARYLAND BASIC LIMIT PIP THRESHOLD (\$2,500). THE RESULTING IMPLIED CLAIM COST TREND FACTOR FOR THE 2018 ACCIDENT YEAR IS +0.8%.

\*\* THE LOSS TREND SHOWN IN (3) REPRESENTS ONLY THE FREQUENCY TREND COMPONENT AND HAS BEEN APPLIED AFTER THE LOSSES WERE TRENDED AND CAPPED AT \$2,500.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - PRIVATE PASSENGER TYPES (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

COVERAGE	ACCIDENT YEAR	(1)	(2)	(3)	(4)	(5)
O.T.C	ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
	06/30/14	\$1,813,318	\$2,066,624	1.140	10%	684
	06/30/15	\$1,747,625	\$2,039,191	1.167	15%	557
	06/30/16	\$1,699,099	\$1,906,058	1.122	20%	546
	06/30/17	\$1,645,979	\$1,665,975	1.012	25%	493
	06/30/18	\$1,528,250	\$1,631,821	1.068	30%	476
COLL.	06/30/16	\$5,276,039	\$5,343,910	1.013	20%	891
	06/30/17	\$5,144,850	\$5,079,301	0.987	30%	870
	06/30/18	\$4,851,258	\$5,075,854	1.046	50%	850

		O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).	1.086	1.022
(7)	EXPECTED EXPERIENCE RATIO (D).	1.059	1.039
(8)	CREDIBILITY (E).	0.55	0.85
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).	1.074	1.025
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).	7.4%	2.5%
(11)	FILED CHANGE.	7.4%	2.5%

- (A) PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 31 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.
- (B) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS AND ADJUSTING TO A PROSPECTIVE OCN LEVEL BY THE APPLICATION OF OCN TREND FACTORS. (SEE SUBSEQUENT PAGE).
- (C) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.
- (D) EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR DIVIDED BY THE OCN TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).
- (E) CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 5 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 8,500 CLAIMS FOR O.T.C. AND 3,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 PRIVATE PASSENGER TYPES  
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE  
 DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	06/30/14	\$1,132,428	----
	06/30/15	\$1,195,887	----
	06/30/16	\$1,196,296	\$3,784,059
	06/30/17	\$1,117,482	\$3,785,469
	06/30/18	\$1,145,797	\$4,142,621
(2) DEVELOPED LOSSES AND	06/30/14	\$1,279,644	----
ALL LOSS ADJUSTMENT	06/30/15	\$1,351,352	----
EXPENSES (A)	06/30/16	\$1,351,814	\$4,271,711
	06/30/17	\$1,264,017	\$4,243,359
	06/30/18	\$1,324,530	\$4,433,060
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		7.0%	4.5%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	06/30/14	\$2,066,624	----
ALL LOSS ADJUSTMENT	06/30/15	\$2,039,191	----
EXPENSES (B)	06/30/16	\$1,906,058	\$5,343,910
	06/30/17	\$1,665,975	\$5,079,301
	06/30/18	\$1,631,821	\$5,075,854

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

O.T.C	COLL.
1.130	1.130

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
06/30/14	1.000	-----
06/30/15	1.000	-----
06/30/16	1.000	0.999
06/30/17	1.001	0.992
06/30/18	1.023	0.947

(B) TRENDED LOSSES ARE EQUAL TO (2) \* ((1.0 + (3)) \*\* N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/14	1/1/14	7.083	-----
06/30/15	1/1/15	6.083	-----
06/30/16	1/1/16	5.083	5.083
06/30/17	1/1/17	4.083	4.083
06/30/18	1/1/18	3.083	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
PRIVATE PASSENGER TYPES  
AUTOMOBILE PHYSICAL DAMAGE INSURANCE  
DETERMINATION OF PHYSICAL DAMAGE TRENDED  
AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	06/30/14	\$1,689,952	----
AT CURRENT LEVEL	06/30/15	\$1,645,598	----
	06/30/16	\$1,615,113	\$5,117,400
	06/30/17	\$1,581,152	\$5,019,366
	06/30/18	\$1,482,299	\$4,760,803
(2) SELECTED ANNUAL OCN			
TREND (SEE TREND		1.0%	0.6%
EXHIBIT IN SECTION C)			
(3) TRENDED AGGREGATE	06/30/14	\$1,813,318	----
LOSS COSTS AT	06/30/15	\$1,747,625	----
CURRENT LEVEL (A)	06/30/16	\$1,699,099	\$5,276,039
	06/30/17	\$1,645,979	\$5,144,850
	06/30/18	\$1,528,250	\$4,851,258

(A) TRENDED AGGREGATE LOSS COSTS ARE EQUAL TO (1) \* ((1.0 + (2)) \*\* N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF WRITING TO SIX MONTHS BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 02/01/20 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDED BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/14	7/1/13	7.083	-----
06/30/15	7/1/14	6.083	-----
06/30/16	7/1/15	5.083	5.083
06/30/17	7/1/16	4.083	4.083
06/30/18	7/1/17	3.083	3.083

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 SINGLE LIMIT LIABILITY

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR	\$100000	EXPER LOSS					BASE	BASE	BASE	
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	ADV
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	4344	798.36	920.58	1.153	0.40	1.094	1.038	680	743	743	9.3%
102	10588	713.87	714.16	1.000	0.55	1.025	0.972	653	668	668	2.3%
108	1596	803.98	899.02	1.118	0.25	1.071	1.016	695	743	743	6.9%
109	4128	795.66	822.86	1.034	0.35	1.048	0.994	725	758	758	4.6%
110	2808	637.17	705.11	1.107	0.30	1.071	1.016	586	626	626	6.8%
111	2764	762.20	698.26	0.916	0.30	1.013	0.961	700	708	708	1.1%
112	3921	808.19	892.54	1.104	0.35	1.072	1.017	708	758	758	7.1%
113	18962	263.08	280.84	1.068	0.40	1.060	1.006	295	312	312	5.8%
114	59120	495.08	522.65	1.056	1.00	1.056	1.002	488	514	514	5.3%
SW	108231	525.88	554.61	1.055		1.054					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 5.2 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE  
PERSONAL INJURY PROTECTION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
T E R R	EARNED CAR YRS YR ENDED 06/30/2018	P.I.P. UND LOSS COST	EXPER LOSS COST 5 YRS END 06/30/2018	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	4074	26.08	25.98	0.996	0.40	0.962	1.029	29	29
102	10142	18.01	17.37	0.964	0.45	0.951	1.017	20	20
108	1507	15.26	21.22	1.391	0.20	1.030	1.102	16	17
109	3954	13.81	11.86	0.859	0.25	0.920	0.984	15	14
110	2630	13.09	12.57	0.960	0.20	0.944	1.010	15	15
111	2438	20.86	21.45	1.028	0.25	0.962	1.029	22	22
112	3940	17.90	16.75	0.936	0.30	0.939	1.004	20	20
113	17986	4.86	3.94	0.811	0.30	0.901	0.964	6	6
114	55436	8.67	7.97	0.919	0.80	0.923	0.987	10	10
SW	102107	10.68	10.04	0.940		0.935			

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF -2.0 PERCENT.

DUE TO THE MODEST INDICATION, WE WILL NOT BE FILING THESE  
INDICATED LOSS COSTS. THE LOSS COSTS IN COLUMN (8) REMAIN IN EFFECT.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 SINGLE LIMIT LIABILITY

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 PRIVATE PASSENGER TYPES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR	\$100000	EXPER LOSS					BASE	BASE	BASE	
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	ADV
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	1282	560.67	546.41	0.975	0.20	1.048	0.986	563	592	592	5.2%
102	3252	486.50	594.91	1.223	0.30	1.113	1.047	486	542	542	11.5%
108	762	503.11	477.95	0.950	0.10	1.054	0.992	506	535	535	5.7%
109	929	472.72	582.44	1.232	0.15	1.091	1.026	474	519	519	9.5%
110	723	461.84	479.41	1.038	0.10	1.063	1.000	460	490	490	6.5%
111	1314	511.00	553.70	1.084	0.20	1.070	1.007	507	544	544	7.3%
112	726	539.34	650.20	1.206	0.10	1.080	1.016	536	580	580	8.2%
113	2342	256.52	252.50	0.984	0.15	1.054	0.992	253	267	267	5.5%
114	11436	375.42	381.41	1.016	0.45	1.044	0.982	373	391	391	4.8%
SW	22766	413.53	441.00	1.066		1.063					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 6.6 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 PERSONAL INJURY PROTECTION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
T	EARNED CAR	P.I.P.	EXPER LOSS					BASE	BASE
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST
								PRES	IND*
101	1115	26.23	18.02	0.687	0.15	0.907	0.957	35	33
102	2891	31.00	32.78	1.057	0.35	0.985	1.039	42	43
108	702	22.81	16.85	0.739	0.10	0.925	0.976	31	30
109	829	27.39	19.52	0.713	0.15	0.911	0.961	36	34
110	675	25.60	21.46	0.838	0.15	0.930	0.981	34	33
111	1049	18.37	18.41	1.002	0.15	0.954	1.006	25	25
112	596	33.27	47.43	1.426	0.15	1.018	1.074	43	45
113	2146	14.16	14.00	0.989	0.20	0.955	1.007	18	18
114	10195	18.33	16.95	0.925	0.50	0.936	0.987	24	23
SW	20198	21.35	20.19	0.946		0.948			

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF -2.4 PERCENT.

DUE TO THE MODEST INDICATION, WE WILL NOT BE FILING THESE  
 INDICATED LOSS COSTS. THE LOSS COSTS IN COLUMN (8) REMAIN IN EFFECT.

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 PHYSICAL DAMAGE - COMPREHENSIVE

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR		EXPER LOSS					BASE	BASE	BASE	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	2789	86.05	73.33	0.852	0.10	1.016	0.977	114	115	115	0.9%
102	6785	72.06	77.96	1.082	0.20	1.044	1.004	100	104	104	4.0%
108	1048	88.08	125.09	1.420	0.05	1.053	1.013	111	116	116	4.5%
109	2712	94.65	82.20	0.868	0.10	1.017	0.978	126	127	127	0.8%
110	1772	116.83	94.67	0.810	0.10	1.012	0.973	150	151	151	0.7%
111	1884	61.01	39.61	0.649	0.05	1.015	0.976	84	85	85	1.2%
112	2461	82.01	83.61	1.020	0.10	1.033	0.993	112	115	115	2.7%
113	8858	68.35	81.61	1.194	0.25	1.074	1.033	108	115	115	6.5%
114	34159	65.01	67.90	1.044	0.45	1.039	0.999	92	95	95	3.3%
SW	62468	70.88	73.28	1.034		1.040					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 3.3 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 PHYSICAL DAMAGE - COLLISION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR		EXPER LOSS					BASE	BASE	BASE	
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	ADV
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	2783	327.93	296.97	0.906	0.30	0.919	0.996	306	291	291	-4.9%
102	6651	269.28	253.75	0.942	0.45	0.932	1.010	288	278	278	-3.5%
108	1059	271.31	249.06	0.918	0.20	0.923	1.000	269	257	257	-4.5%
109	2757	282.32	207.68	0.736	0.25	0.877	0.950	255	231	231	-9.4%
110	1749	297.54	326.61	1.098	0.20	0.959	1.039	259	257	257	-0.8%
111	1917	259.57	236.02	0.909	0.20	0.921	0.998	292	278	278	-4.8%
112	2438	278.12	247.81	0.891	0.25	0.916	0.992	283	268	268	-5.3%
113	8659	177.34	177.04	0.998	0.35	0.950	1.029	232	228	228	-1.7%
114	33870	235.73	216.54	0.919	0.90	0.920	0.997	256	243	243	-5.1%
SW	61883	242.15	223.74	0.924		0.923					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF -4.6 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
 COMMERCIAL AUTOMOBILE INSURANCE  
 PHYSICAL DAMAGE - COMPREHENSIVE

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
 PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR		EXPER LOSS					BASE	BASE	BASE	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	870	122.11	134.48	1.101	0.10	1.124	0.999	109	117	117	7.3%
102	2287	86.20	103.00	1.195	0.20	1.140	1.013	74	81	81	9.5%
108	607	88.09	75.76	0.860	0.05	1.113	0.989	73	78	78	6.8%
109	645	101.72	145.94	1.435	0.10	1.157	1.028	90	99	99	10.0%
110	467	107.70	108.12	1.004	0.05	1.120	0.996	87	93	93	6.9%
111	984	84.46	98.83	1.170	0.10	1.130	1.004	67	72	72	7.5%
112	496	108.07	101.09	0.935	0.05	1.116	0.992	101	108	108	6.9%
113	1407	109.19	135.92	1.245	0.15	1.144	1.017	96	105	105	9.4%
114	7749	98.74	108.37	1.098	0.40	1.115	0.991	82	87	87	6.1%
SW	15512	98.52	110.98	1.126		1.125					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 7.4 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

MARYLAND  
COMMERCIAL AUTOMOBILE INSURANCE  
PHYSICAL DAMAGE - COLLISION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR		EXPER LOSS					BASE	BASE	BASE	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	COST
R	06/30/2018	COST	06/30/2018	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	884	401.04	375.09	0.935	0.30	0.999	0.974	483	482	482	-0.2%
102	2219	333.53	387.55	1.162	0.45	1.088	1.060	382	415	415	8.6%
108	596	385.38	423.88	1.100	0.25	1.045	1.019	427	446	446	4.4%
109	636	375.42	342.08	0.911	0.20	1.004	0.979	445	446	446	0.2%
110	464	314.37	275.98	0.878	0.15	1.005	0.980	353	355	355	0.6%
111	958	391.90	360.86	0.921	0.30	0.995	0.970	419	416	416	-0.7%
112	476	307.33	339.17	1.104	0.20	1.042	1.016	383	399	399	4.2%
113	1390	217.55	255.60	1.175	0.25	1.064	1.037	263	280	280	6.5%
114	7667	302.36	303.98	1.005	0.70	1.012	0.986	342	346	346	1.2%
SW	15290	317.28	325.89	1.027		1.026					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 2.5 PERCENT.

\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

## INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTOMOBILE LIABILITY INSURANCE  
MULTISTATE LOSS ADJUSTMENT EXPENSE EXPERIENCE

Calendar Year

Development of Unallocated Loss Adjustment Expense Factor

		<u>Bodily Injury</u> (000's)					3 YR.	5 YR.
<u>ITEM</u>		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	4,201,981	4,808,966	5,392,813	5,762,768	6,343,079		
(2)	Allocated Loss Adjustment Expenses Incurred	480,882	516,366	609,253	669,634	692,813		
(3)	Unallocated Loss Adjustment Expense Incurred	431,513	471,206	478,672	478,481	509,596		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	9.2%	8.8%	8.0%	7.4%	7.2%	7.6%	8.1%
(5)	Selected Factor							7.5%

		<u>Property Damage</u> (000's)					3 YR.	5 YR.
<u>ITEM</u>		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	965,963	1,036,103	1,144,361	1,240,811	1,278,538		
(2)	Allocated Loss Adjustment Expenses Incurred	70,743	69,240	85,269	72,162	83,354		
(3)	Unallocated Loss Adjustment Expense Incurred	113,312	129,347	129,840	127,728	134,901		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	10.9%	11.7%	10.6%	9.7%	9.9%	10.1%	10.6%
(5)	Selected Factor							10.0%

All items are from Special Call Submission for available writers.

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE INSURANCE  
MULTISTATE LOSS ADJUSTMENT EXPENSE EXPERIENCE

Calendar Year

Development of Factor to Include all Loss Adjustment Expenses

		(000's)					3 YR.	5 YR.
ITEM	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>AVG</u>	<u>AVG</u>	
(1) Direct Losses Incurred	3,615,666	4,009,807	4,293,030	4,806,080	5,434,351			
(2) Loss Adjustment Expenses Incurred	581,191	657,537	578,445	622,951	702,920			
(3) Losses + LAE Incurred as Ratio to Losses Incurred [(1)+(2)]/(1)	1.161	1.164	1.135	1.130	1.129	1.131	1.144	
(4) Selected							1.130	

Items (1) and (2) are from the Insurance Expense Exhibits for agency and direct writers.

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY  
 DETERMINATION OF FACTORS TO ADJUST ACCIDENT YEAR  
 LOSS RATIOS FOR SUBSEQUENT CHANGES

AVERAGE PAID CLAIM COST DATA

YEAR ENDED	MARYLAND				MULTISTATE*			
	BODILY INJURY (\$100000 LIMITS)		PROPERTY DAMAGE (\$100000 LIMITS)		BODILY INJURY (\$100000 LIMITS)		PROPERTY DAMAGE (\$100000 LIMITS)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
9/30/2015	14732.37	14242.21	3461.28	3534.66	21261.31	21015.45	3963.97	4002.25
12/31/2015	14434.38	14219.38	3549.60	3577.68	21258.97	21243.88	4027.73	4044.58
3/31/2016	14636.20	14196.58	3618.68	3621.22	21376.81	21474.80	4103.35	4087.36
6/30/2016	14189.95	14173.82	3730.50	3665.30	21588.22	21708.23	4161.47	4130.59
9/30/2016	13790.02	14151.09	3699.28	3709.91	21930.55	21944.20	4190.36	4174.28
12/31/2016	13732.09	14128.41	3792.40	3755.06	22203.36	22182.74	4235.66	4218.43
3/31/2017	13423.08	14105.75	3850.77	3800.76	22430.72	22423.86	4284.35	4263.05
6/30/2017	13424.12	14083.14	3882.31	3847.02	22643.31	22667.61	4302.58	4308.14
9/30/2017	13842.06	14060.56	3952.52	3893.85	22633.82	22914.00	4347.57	4353.70
12/31/2017	14198.52	14038.02	3947.97	3941.24	23023.23	23163.08	4379.75	4399.75
3/31/2018	14153.09	14015.51	3931.19	3989.21	23439.05	23414.86	4423.88	4446.29
6/30/2018	14945.90	13993.04	3960.52	4037.76	24040.61	23669.38	4501.57	4493.31

		BODILY INJURY	PROPERTY DAMAGE
(9)	AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COST (12TH POINT / 8TH POINT)		
	(A) MARYLAND	-0.6%	5.0%
	(B) MULTISTATE	4.4%	4.3%
(10)	CREDIBILITY	0.10	0.35
(11)	WEIGHTED AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COSTS {(10) * (9A)} + {(1.0 - (10)) * (9B)}	3.9%	4.5%
(12)	SELECTED AVERAGE ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY	0.0%	0.0%
(13)	AVERAGE ANNUAL PERCENT CHANGE IN LIABILITY LOSS RATIO (11) * (12)	3.9%	4.5%

\* EXCLUDES MASSACHUSETTS

INSURANCE SERVICES OFFICE, INC.

CLAIM COST TREND DATA FOR PIP  
TRUCKS, TRACTORS, & TRAILERS  
MARYLAND

QUARTER ENDING	MEDICAL INDEX*		HOSPITAL AND RELATED SERVICES*		INCOME LOSSES**	
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
3/31/2016	457.0	460.4	785.6	784.2	713.89	713.59
6/30/2016	461.1	462.9	790.3	792.5	722.00	719.02
9/30/2016	467.3	465.5	799.1	800.8	724.62	724.49
12/31/2016	469.3	468.0	805.5	809.2	732.42	730.00
3/31/2017	473.6	470.6	818.6	817.8	732.29	735.55
6/30/2017	473.8	473.2	829.6	826.4	739.21	741.15
9/30/2017	476.5	475.8	835.6	835.1	746.07	746.79
12/31/2017	477.4	478.4	843.0	843.8	752.57	752.47
3/31/2018	482.7	481.0	860.1	852.7	749.98	758.19
6/30/2018	485.0	483.7	866.1	861.7	765.17	763.96
9/30/2018	484.7	486.3	869.3	870.8	774.71	769.77
12/31/2018	486.5	489.0	872.1	879.9	777.76	775.63

	(A) MEDICAL	(B) HOSPITAL	(C) COMBINED+	(D) INCOME
(1) AVERAGE ANNUAL PERCENT CHANGE IN INDICES (12TH POINT/8TH POINT)	2.2%	4.3%	3.3%	3.1%
(2) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM COST 0.79*(1C) + 0.21*(1D). BASED ON RESPECTIVE WEIGHT OF MEDICAL AND INCOME FROM PRICING.				3.3%
(3) SELECTED AVERAGE ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY				0.0%
(4) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM RATIOS (1.0 + (2)) * (1.0 + (3))				3.3%

\* MEDICAL INDEX AND HOSPITAL AND RELATED SERVICES INDEX BASED ON CONSUMER PRICE INDEX.

\*\* INCOME LOST BASED ON BUREAU OF LABOR STATISTICS DATA.

+ WEIGHT MEDICAL AND HOSPITAL AVERAGE ANNUAL PERCENT CHANGE IN INDEX = {(1A) \* .5} + {(1B) \* .5}.

INSURANCE SERVICES OFFICE, INC.

CLAIM COST TREND DATA FOR PIP  
PRIVATE PASSENGER TYPES  
MARYLAND

QUARTER ENDING	MEDICAL INDEX*		HOSPITAL AND RELATED SERVICES*		INCOME LOSSES**	
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
3/31/2016	457.0	460.4	785.6	784.2	713.89	713.59
6/30/2016	461.1	462.9	790.3	792.5	722.00	719.02
9/30/2016	467.3	465.5	799.1	800.8	724.62	724.49
12/31/2016	469.3	468.0	805.5	809.2	732.42	730.00
3/31/2017	473.6	470.6	818.6	817.8	732.29	735.55
6/30/2017	473.8	473.2	829.6	826.4	739.21	741.15
9/30/2017	476.5	475.8	835.6	835.1	746.07	746.79
12/31/2017	477.4	478.4	843.0	843.8	752.57	752.47
3/31/2018	482.7	481.0	860.1	852.7	749.98	758.19
6/30/2018	485.0	483.7	866.1	861.7	765.17	763.96
9/30/2018	484.7	486.3	869.3	870.8	774.71	769.77
12/31/2018	486.5	489.0	872.1	879.9	777.76	775.63

	(A) MEDICAL	(B) HOSPITAL	(C) COMBINED+	(D) INCOME
(1) AVERAGE ANNUAL PERCENT CHANGE IN INDICES (12TH POINT/8TH POINT)	2.2%	4.3%	3.3%	3.1%
(2) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM COST 0.84*(1C) + 0.16*(1D). BASED ON RESPECTIVE WEIGHT OF MEDICAL AND INCOME FROM PRICING.				3.3%
(3) SELECTED AVERAGE ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY				0.0%
(4) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM RATIOS (1.0 + (2)) * (1.0 + (3))				3.3%

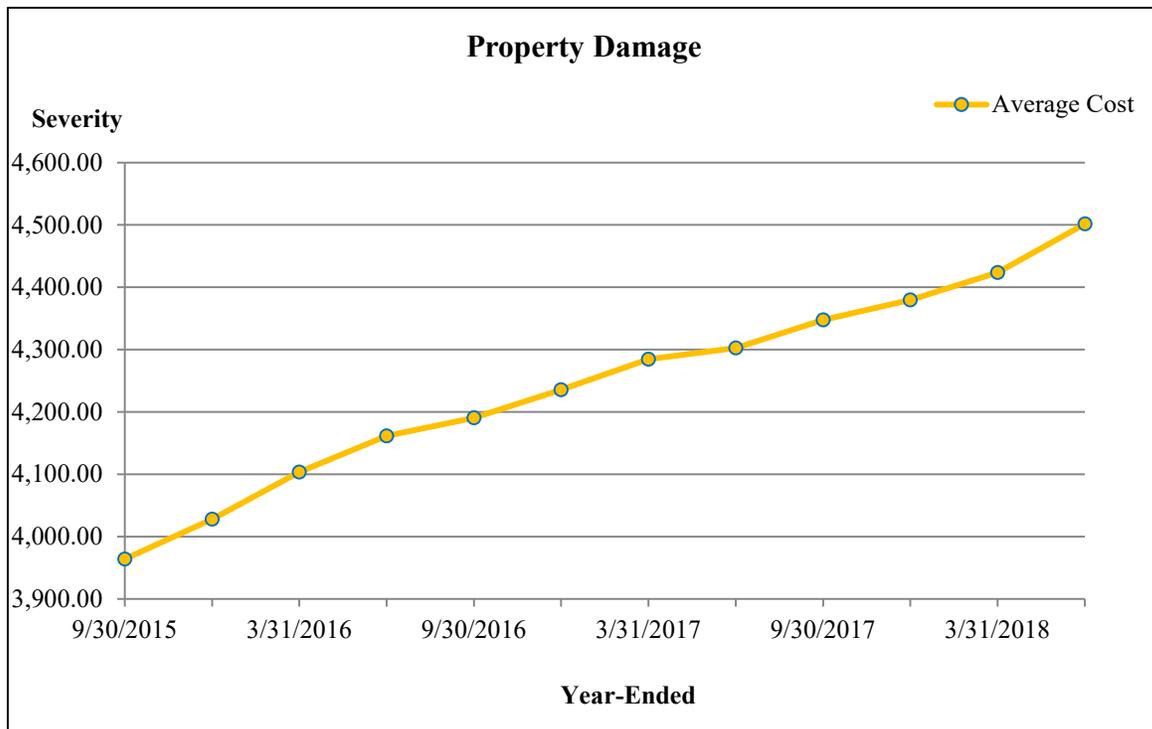
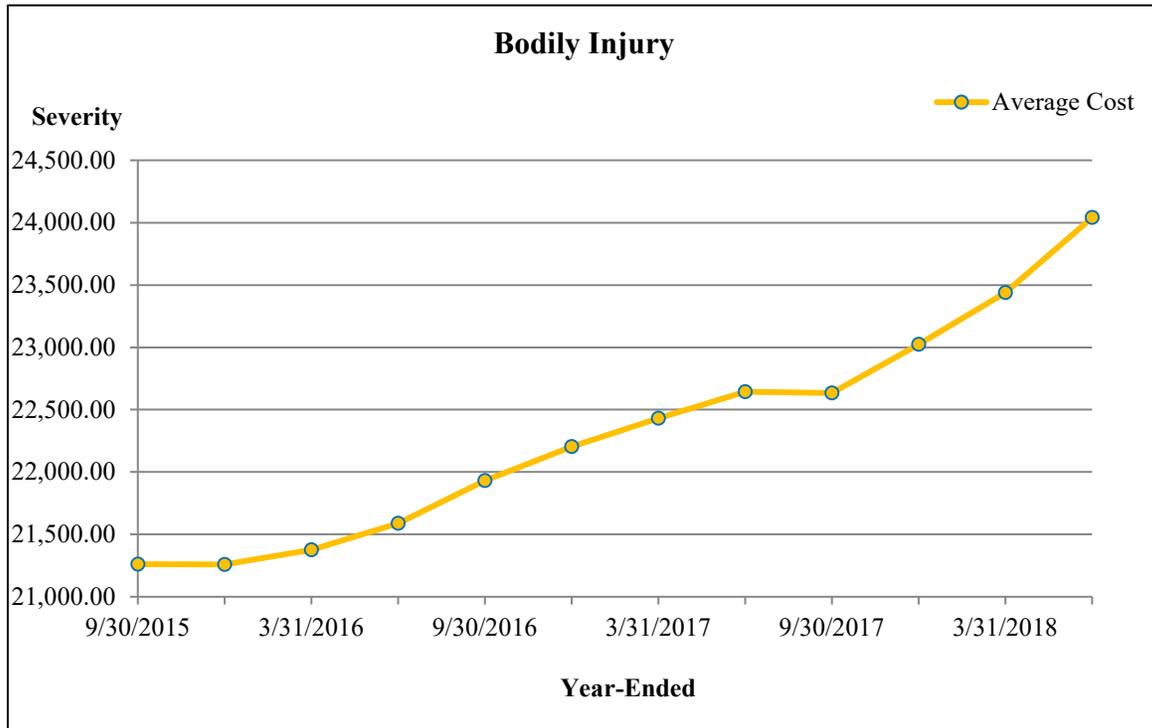
\* MEDICAL INDEX AND HOSPITAL AND RELATED SERVICES INDEX  
BASED ON CONSUMER PRICE INDEX.

\*\* INCOME LOST BASED ON BUREAU OF LABOR STATISTICS DATA.

+ WEIGHT MEDICAL AND HOSPITAL AVERAGE ANNUAL PERCENT CHANGE  
IN INDEX = {(1A) \* .5} + {(1B) \* .5}.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile Liability  
Average Paid Claim Cost Experience  
Multistate\*



\*Excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY  
INCURRED CLAIM FREQUENCY

MULTISTATE\*

TRUCKS, TRACTORS, AND TRAILERS

<u>YEAR</u> <u>ENDING</u>	<u>BODILY INJURY</u> <u>ACTUAL</u>	<u>BODILY INJURY</u> <u>ACTUAL CHANGE@</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL CHANGE@</u>
6/30/2012	0.7612		2.7500	
9/30/2012	0.7516		2.7127	
12/31/2012	0.7534		2.6945	
3/31/2013	0.7484		2.7279	
6/30/2013	0.7589	-0.3% &	2.7639	0.5% &
9/30/2013	0.7694		2.8018	
12/31/2013	0.7702		2.8210	
3/31/2014	0.7840	4.8%	2.9082	6.6%
6/30/2014	0.7754		2.9083	
9/30/2014	0.7723		2.9127	
12/31/2014	0.7767		2.9117	
3/31/2015	0.7684	-2.0%	2.8802	-1.0%
6/30/2015	0.7757		2.8858	
9/30/2015	0.7839		2.9125	
12/31/2015	0.7967		2.9307	
3/31/2016	0.8078	5.1%	2.9037	0.8%
6/30/2016	0.8187		2.9153	
9/30/2016	0.8285		2.9235	
12/31/2016	0.8284		2.9209	
3/31/2017	0.8331	3.1%	2.9050	0.0%
6/30/2017	0.8390		2.8925	
9/30/2017	0.8304		2.8497	
12/31/2017	0.8272		2.8305	
3/31/2018	0.8280	-0.6%	2.8239	-2.8%

\* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 3/31/XXXX

&amp; CHANGE BASED ON YEAR ENDING 6/30/2013 divided by 6/30/2012

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY  
INCURRED CLAIM FREQUENCY

MULTISTATE\*

PRIVATE PASSENGER TYPES

<u>YEAR</u> <u>ENDING</u>	<u>BODILY INJURY</u> <u>ACTUAL</u>	<u>BODILY INJURY</u> <u>ACTUAL CHANGE@</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL CHANGE@</u>
6/30/2012	0.9028		3.2712	
9/30/2012	0.8854		3.2480	
12/31/2012	0.8634		3.1989	
3/31/2013	0.8516		3.1670	
6/30/2013	0.8458	-6.3% &	3.1241	-4.5% &
9/30/2013	0.8564		3.1394	
12/31/2013	0.8597		3.1663	
3/31/2014	0.8569	0.6%	3.2033	1.1%
6/30/2014	0.8583		3.2016	
9/30/2014	0.8479		3.1575	
12/31/2014	0.8453		3.1345	
3/31/2015	0.8264	-3.6%	3.1008	-3.2%
6/30/2015	0.8104		3.0724	
9/30/2015	0.8069		3.1098	
12/31/2015	0.8050		3.1191	
3/31/2016	0.8165	-1.2%	3.1152	0.5%
6/30/2016	0.8254		3.1415	
9/30/2016	0.8437		3.1337	
12/31/2016	0.8323		3.1157	
3/31/2017	0.8323	1.9%	3.0593	-1.8%
6/30/2017	0.8307		3.0153	
9/30/2017	0.8033		2.9280	
12/31/2017	0.8032		2.8939	
3/31/2018	0.8080	-2.9%	2.8799	-5.9%

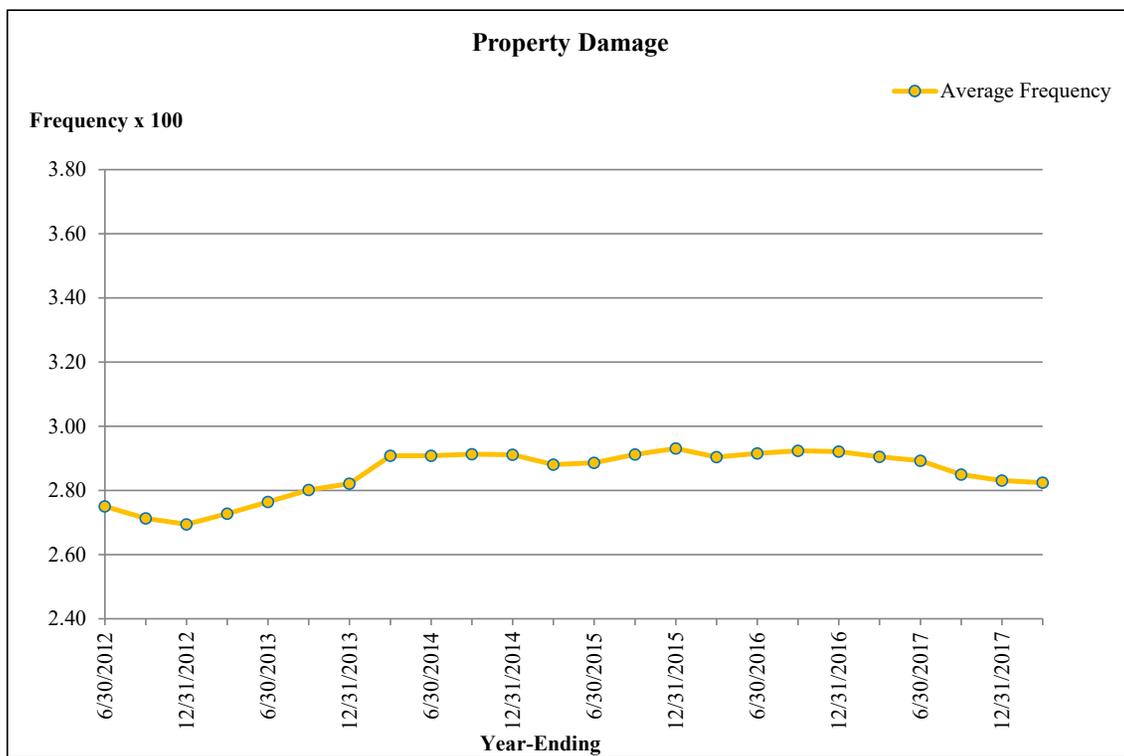
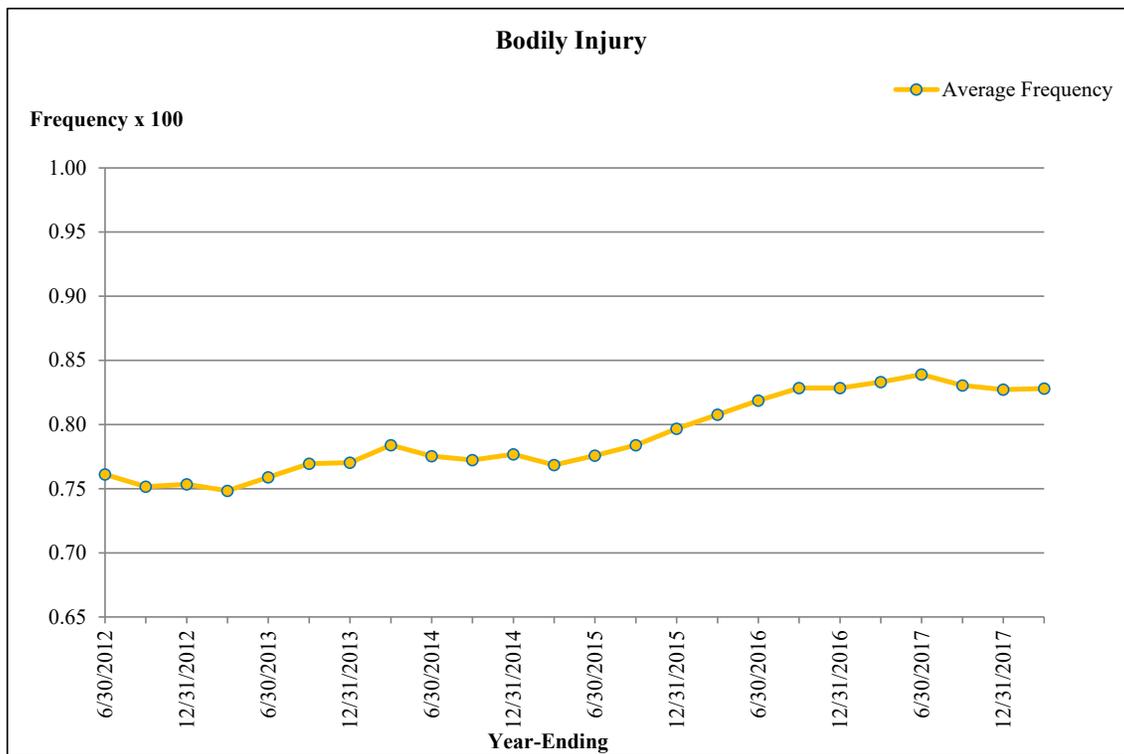
\* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 3/31/XXXX

&amp; CHANGE BASED ON YEAR ENDING 6/30/2013 divided by 6/30/2012

INSURANCE SERVICES OFFICE, INC.

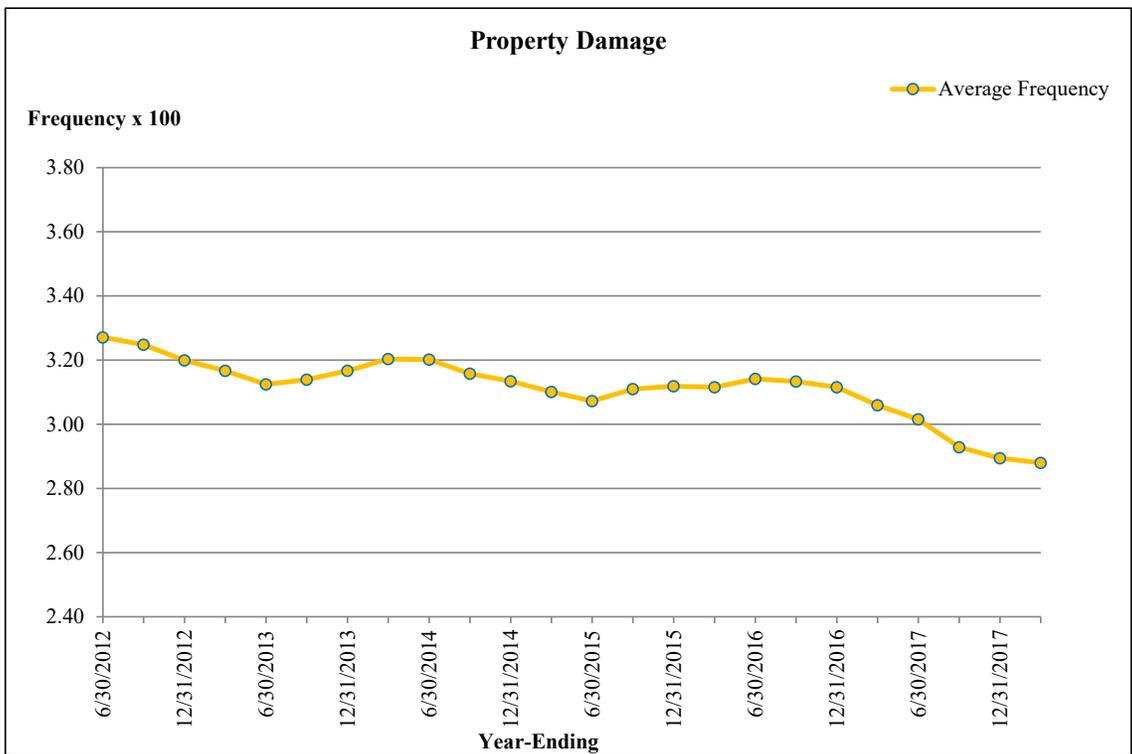
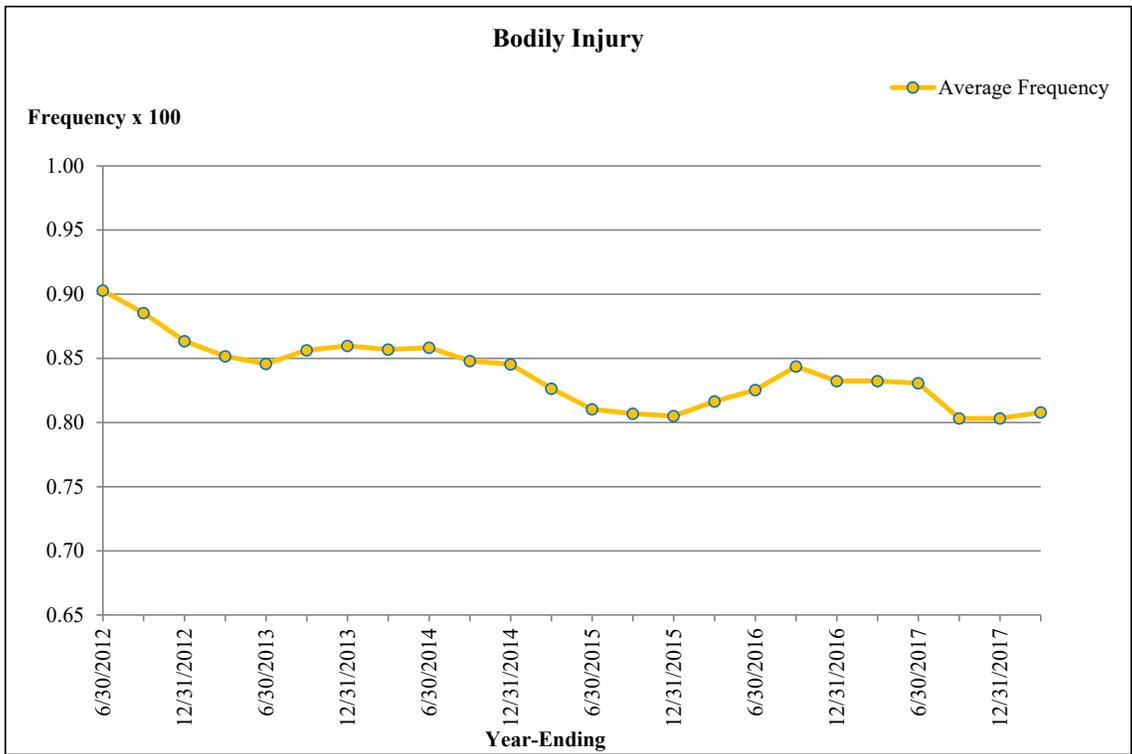
Commercial Automobile Liability  
 Incurred Claim Frequency Experience  
 Trucks, Tractors, and Trailers  
 Multistate\*



\*Excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile Liability  
 Incurred Claim Frequency Experience  
 Private Passenger Types  
 Multistate\*



\*Excludes Massachusetts

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Other Than Collision

Frequency (expressed as claims per 100 exposures)

Year Ending:	\$250 Deductible		\$500 Deductible		\$1,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
12/31/2013	2.39		1.39		0.92	
6/30/2014	2.48		1.40		0.91	
12/31/2014	2.44		1.37		0.90	
6/30/2015	2.33	-6.0%	1.35	-3.6%	0.89	-2.2%
12/31/2015	2.26		1.34		0.90	
6/30/2016	2.18	-6.4%	1.33	-1.5%	0.91	2.2%
12/31/2016	2.20		1.34		0.90	
6/30/2017	2.20	0.9%	1.36	2.3%	0.89	-2.2%
12/31/2017	2.22		1.39		0.92	
6/30/2018	2.28	3.6%	1.44	5.9%	0.93	4.5%

Volume\*\*\* of losses for the most recent year by deductible:

Deductible:	Percent of Losses
Full	0.4%
\$50	0.5%
\$100	2.5%
\$200	0.2%
\$250	9.2%
\$500	38.1%
\$1,000	43.0%
\$2,000	3.9%
\$3,000	0.6%
\$5,000	1.6%

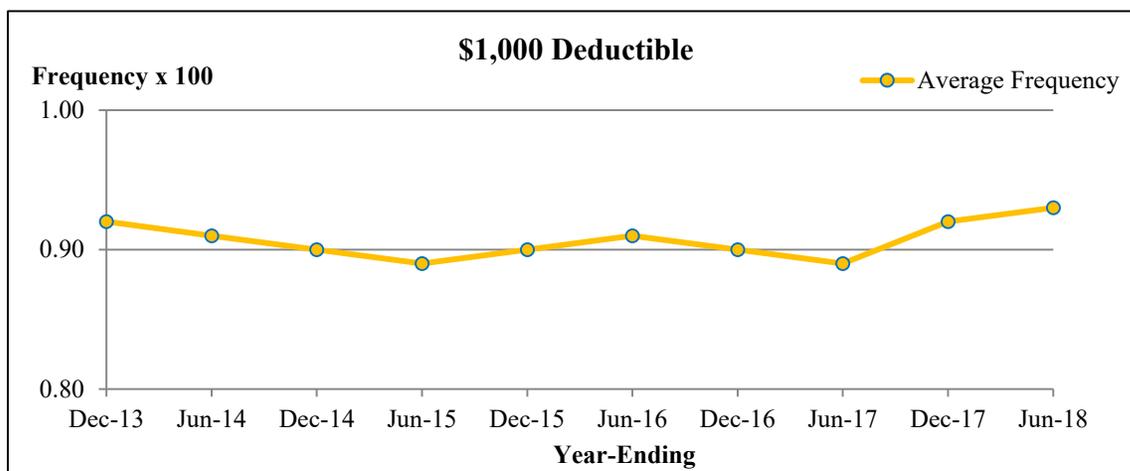
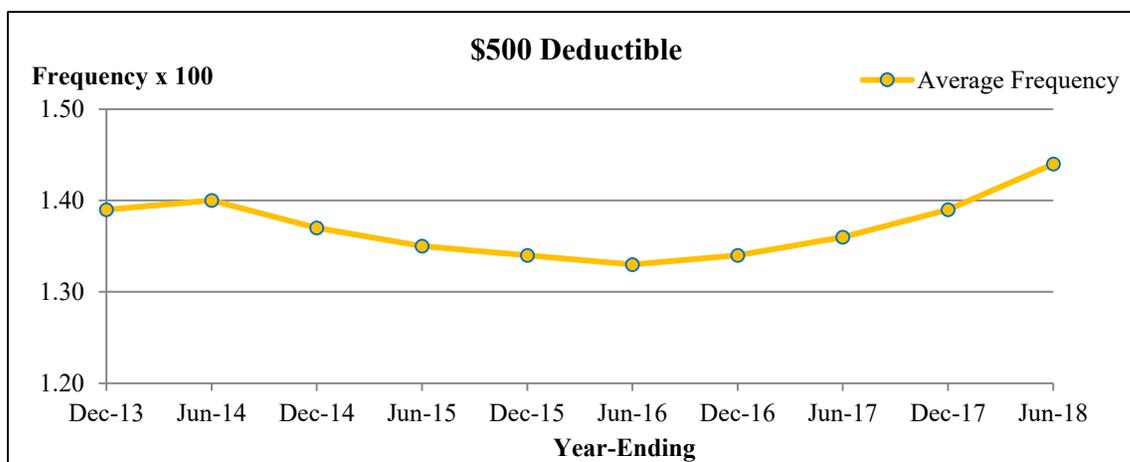
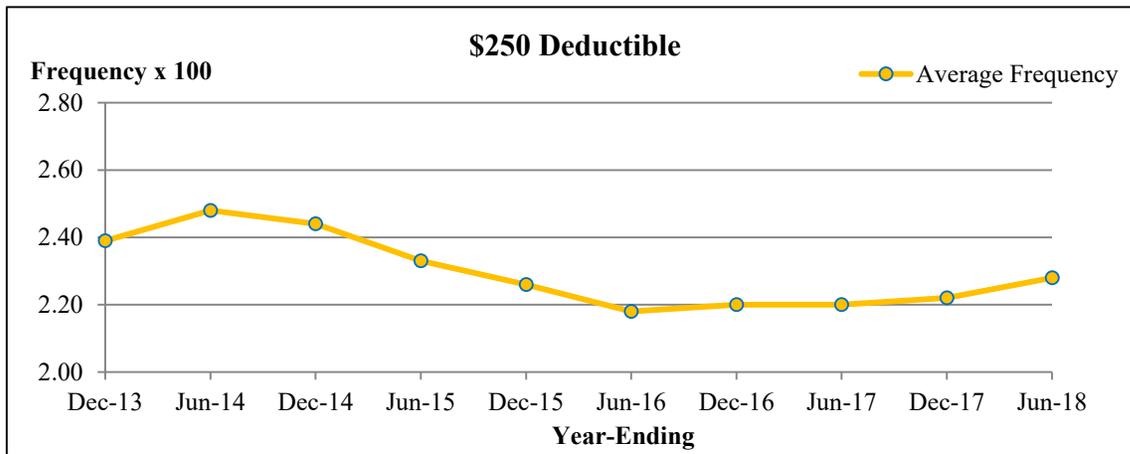
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 06/30/xxxx

\*\*\* Deductibles above \$1,000, totaling 6.1% of losses, are excluded from the trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile  
 Trucks, Tractors & Trailers Physical Damage  
 Other Than Collision Frequency Trend  
 Multistate\*



\*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Other Than Collision

Severity Trend

Year Ending:	\$250 Deductible	\$500 Deductible	\$1,000 Deductible
12/31/2013	2,759.29	4,709.75	6,967.25
6/30/2014	2,863.12	4,929.48	7,272.90
12/31/2014	2,999.27	5,071.70	7,417.23
6/30/2015	3,070.47	5,129.15	7,426.77
12/31/2015	3,200.02	5,418.14	7,692.02
6/30/2016	3,449.12	5,614.54	8,017.54
12/31/2016	3,500.87	5,663.75	8,384.22
6/30/2017	3,588.48	5,949.85	8,752.41
12/31/2017	3,791.00	6,284.14	9,139.41
6/30/2018	3,811.56	6,272.76	9,239.69

Average Annual Change Using Exponential Fits:

10 point fit:	7.9%	6.8%	6.7%
8 point fit:	7.6%	6.9%	7.4%
6 point fit:	7.0%	6.6%	8.0%

Selected severity trend:	7.0%
Selected frequency trend:	0.0%
Selected pure premium trend:	7.0%

\* Multistate data excludes Massachusetts

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Trucks, Tractors, & Trailers Physical Damage  
Collision

Frequency (expressed as claims per 100 exposures)

Year Ending:	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
12/31/2013	2.24		1.92		1.52	
6/30/2014	2.30		1.97		1.57	
12/31/2014	2.29		1.97		1.58	
6/30/2015	2.26	-1.6%	1.96	-0.5%	1.58	0.8%
12/31/2015	2.28		1.98		1.61	
6/30/2016	2.26	-0.2%	1.98	1.4%	1.62	2.2%
12/31/2016	2.35		2.06		1.67	
6/30/2017	2.38	5.2%	2.05	3.4%	1.68	3.8%
12/31/2017	2.32		2.00		1.65	
6/30/2018	2.33	-2.0%	2.03	-1.0%	1.70	1.1%

Volume\*\*\* of losses for the most recent year by deductible:

Deductible:	Percent of Losses
\$100	0.1%
\$200	0.0%
\$250	1.9%
\$500	35.8%
\$1,000	52.4%
\$2,000	4.9%
\$3,000	1.4%
\$5,000	3.3%

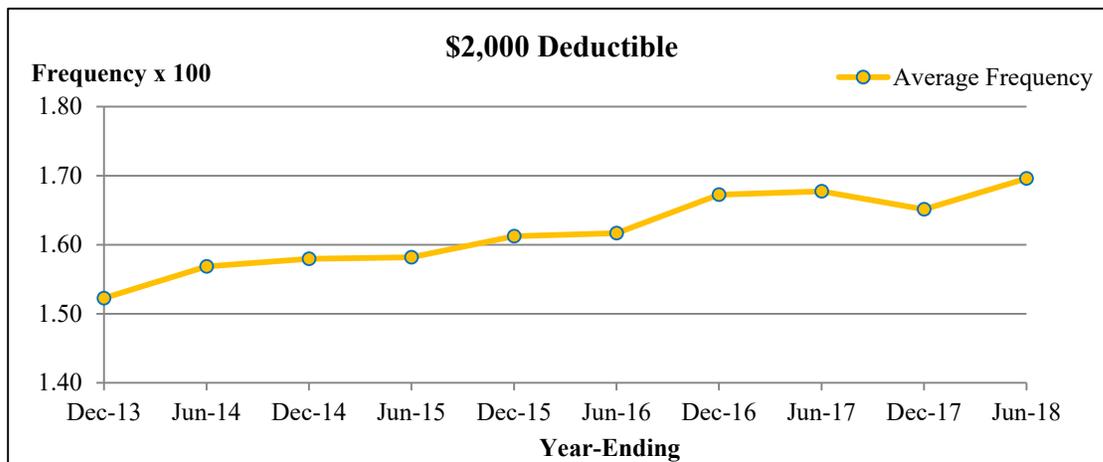
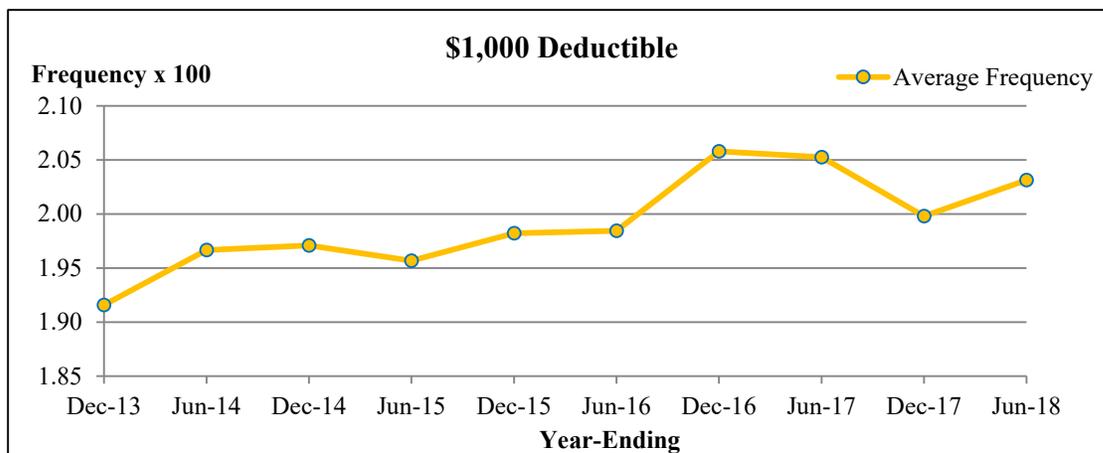
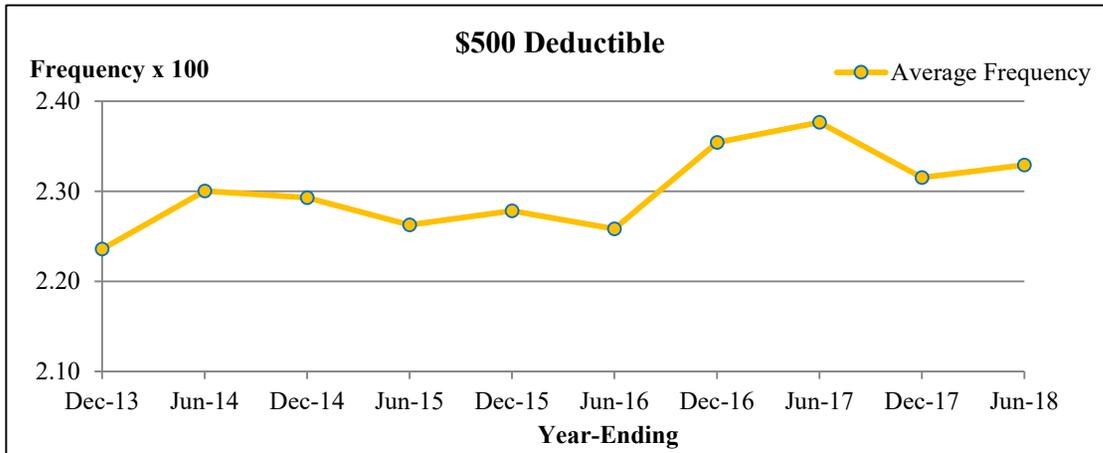
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 06/30/xxxx

\*\*\* Deductibles above \$2,000, totaling 4.7% of losses, are excluded from the trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile  
Trucks, Tractors & Trailers Physical Damage  
Collision Frequency Trend  
Multistate\*



\*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
12/31/2013	7,869.70	9,516.59	10,293.45
6/30/2014	8,049.97	9,784.88	10,658.49
12/31/2014	8,348.08	10,113.58	11,064.67
6/30/2015	8,630.24	10,330.32	11,221.83
12/31/2015	8,762.94	10,520.79	11,416.54
6/30/2016	9,152.40	10,850.05	11,782.10
12/31/2016	9,316.56	11,031.25	11,963.07
6/30/2017	9,328.76	11,047.18	11,942.35
12/31/2017	9,693.23	11,349.54	12,246.10
6/30/2018	10,086.95	11,771.16	12,639.35

Average Annual Change Using Exponential Fits:

10 point fit:	5.4%	4.5%	4.2%
8 point fit:	5.2%	4.1%	3.7%
6 point fit:	5.1%	4.1%	3.6%

Selected severity trend:	4.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	4.5%

\* Multistate data excludes Massachusetts

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Private Passenger Types Physical Damage  
Other Than Collision

Frequency (expressed as claims per 100 exposures)

Year Ending:	\$250 Deductible		\$500 Deductible		\$1,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
12/31/2013	5.19		3.11		1.87	
6/30/2014	5.47		3.25		1.94	
12/31/2014	5.30		3.20		1.93	
6/30/2015	4.94	-9.7%	3.08	-5.3%	1.90	-2.1%
12/31/2015	4.95		3.15		1.96	
6/30/2016	4.96	0.3%	3.19	3.8%	1.98	4.6%
12/31/2016	4.97		3.10		1.92	
6/30/2017	4.83	-2.6%	3.00	-6.2%	1.88	-5.1%
12/31/2017	4.76		3.02		1.92	
6/30/2018	4.90	1.5%	3.11	4.0%	1.97	4.4%

Volume\*\*\* of losses for the most recent year by deductible:

Deductible:	Percent of Losses
Full	0.3%
\$50	0.4%
\$100	3.2%
\$200	1.0%
\$250	12.1%
\$500	44.5%
\$1,000	36.1%
\$2,000	1.4%
\$3,000	0.4%
\$5,000	0.6%

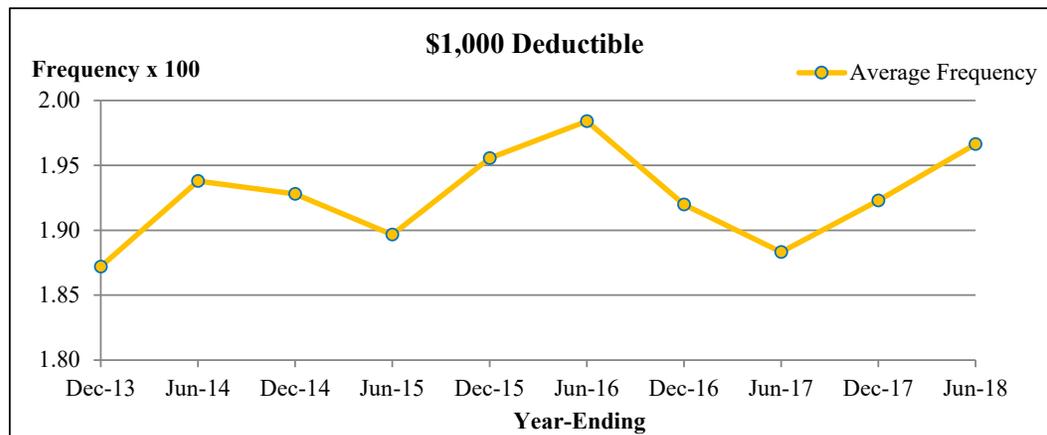
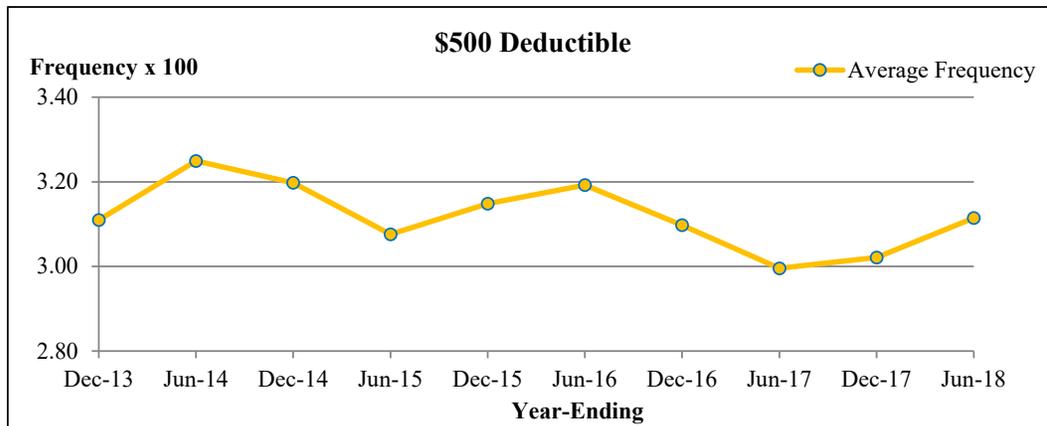
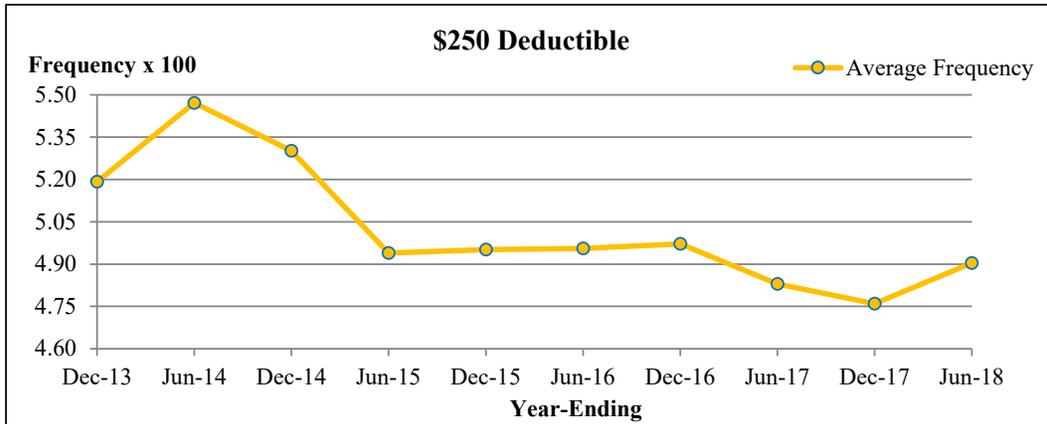
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 06/30/xxxx

\*\*\* Deductibles above \$1,000, totaling 2.4% of losses, are excluded from the trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile  
 Private Passenger Types Physical Damage  
 Other Than Collision Frequency Trend  
 Multistate\*



\*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Private Passenger Types Physical Damage  
Other Than Collision

Severity Trend

Year Ending:	\$250 Deductible	\$500 Deductible	\$1,000 Deductible
12/31/2013	1,360.85	1,872.54	2,571.50
6/30/2014	1,343.25	1,915.97	2,642.42
12/31/2014	1,436.90	2,012.16	2,777.64
6/30/2015	1,546.27	2,073.87	2,811.07
12/31/2015	1,646.83	2,190.04	2,886.66
6/30/2016	1,741.74	2,306.11	3,004.93
12/31/2016	1,745.09	2,316.15	3,009.07
6/30/2017	1,782.22	2,359.76	3,063.93
12/31/2017	1,875.72	2,532.30	3,358.84
6/30/2018	1,874.46	2,602.86	3,520.00

Average Annual Change Using Exponential Fits:

10 point fit:	8.5%	7.7%	6.6%
8 point fit:	7.6%	7.5%	6.7%
6 point fit:	5.2%	6.9%	8.0%

Selected severity trend:	7.0%
Selected frequency trend:	0.0%
Selected pure premium trend:	7.0%

\* Multistate data excludes Massachusetts

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Private Passenger Types Physical Damage  
Collision

Frequency (expressed as claims per 100 exposures)

Year Ending:	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
12/31/2013	5.09		4.19		3.00	
6/30/2014	5.25		4.35		3.14	
12/31/2014	5.29		4.43		3.22	
6/30/2015	5.24	-0.2%	4.37	0.4%	3.21	2.2%
12/31/2015	5.26		4.41		3.26	
6/30/2016	5.16	-1.6%	4.37	0.1%	3.24	1.0%
12/31/2016	5.22		4.43		3.30	
6/30/2017	5.21	0.9%	4.41	0.8%	3.31	2.2%
12/31/2017	5.18		4.34		3.29	
6/30/2018	5.22	0.3%	4.44	0.6%	3.41	3.0%

Volume\*\*\* of losses for the most recent year by deductible:

Deductible:	Percent of Losses
\$100	0.2%
\$200	0.2%
\$250	2.4%
\$500	45.3%
\$1,000	49.6%
\$2,000	1.3%
\$3,000	0.2%
\$5,000	0.7%

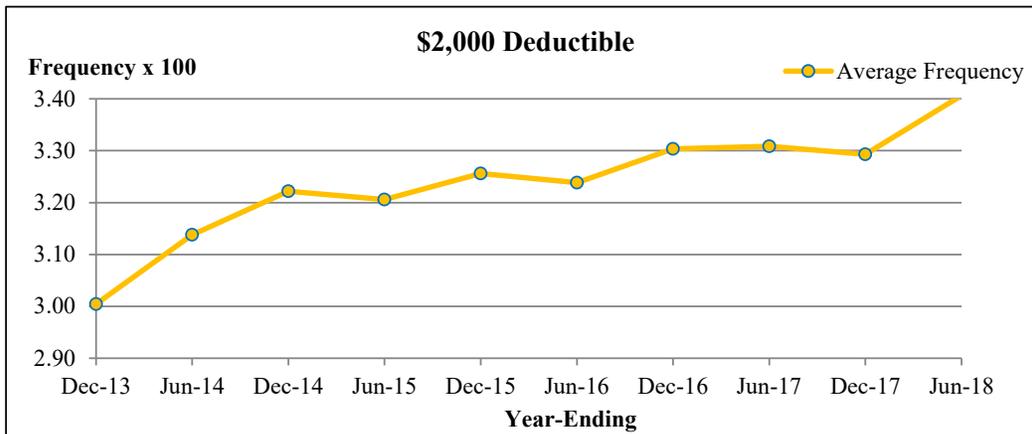
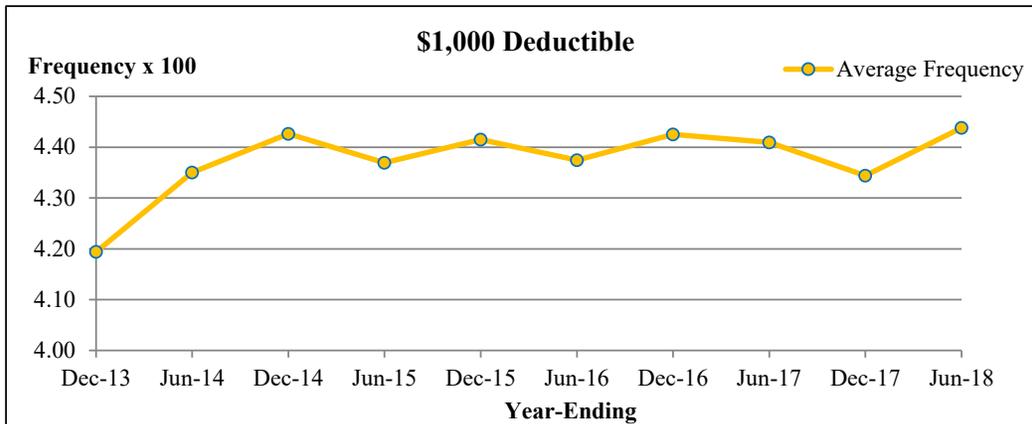
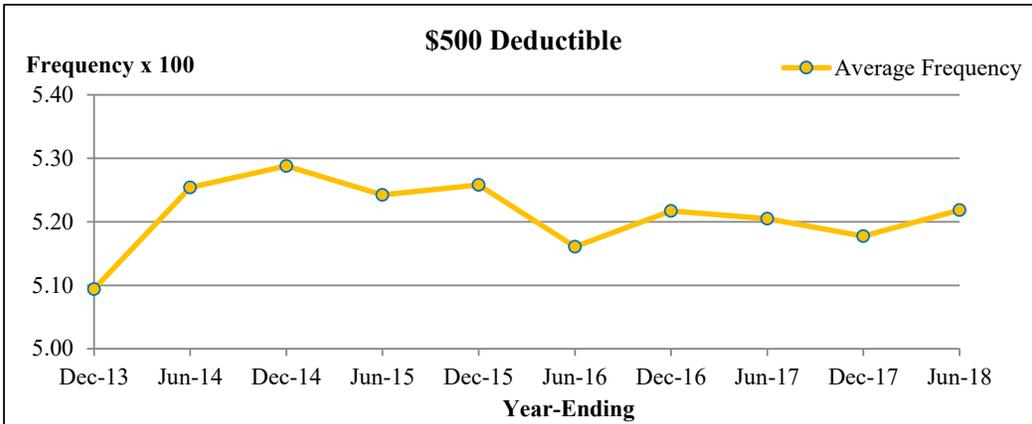
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 06/30/xxxx

\*\*\* Deductibles above \$2,000, totaling 0.9% of losses, are excluded from the trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile  
Private Passenger Types Physical Damage  
Collision Frequency Trend  
Multistate\*



\*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

## INSURANCE SERVICES OFFICE, INC.

Multistate\*  
Private Passenger Types Physical Damage  
Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
12/31/2013	5,035.91	5,505.92	6,089.53
6/30/2014	5,154.12	5,589.80	6,152.21
12/31/2014	5,380.21	5,739.20	6,321.36
6/30/2015	5,511.86	5,902.71	6,475.18
12/31/2015	5,625.36	6,055.31	6,602.68
6/30/2016	5,776.00	6,169.15	6,741.03
12/31/2016	5,929.36	6,234.58	6,793.48
6/30/2017	5,924.60	6,251.11	6,764.86
12/31/2017	6,016.10	6,420.74	6,911.57
6/30/2018	6,515.71	6,802.86	7,297.88

Average Annual Change Using Exponential Fits:

10 point fit:	5.1%	4.3%	3.6%
8 point fit:	4.8%	4.2%	3.4%
6 point fit:	5.0%	4.1%	3.3%

Selected severity trend:	4.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	4.5%

\* Multistate data excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

MULTISTATE  
TRUCKS, TRACTORS & TRAILERS  
PHYSICAL DAMAGE  
OCN TREND CALCULATION

AVERAGE OCN RELATIVITIES

YEAR ENDING	OTHER THAN COLLISION	COLLISION
12/31/2013	1.230	1.372
6/30/2014	1.237	1.381
12/31/2014	1.242	1.39
6/30/2015	1.248	1.398
12/31/2015	1.254	1.407
6/30/2016	1.260	1.418
12/31/2016	1.266	1.429
6/30/2017	1.272	1.439
12/31/2017	1.279	1.451
6/30/2018	1.285	1.462

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	1.0%	1.4%
7 POINTS	1.0%	1.5%
5 POINTS	1.0%	1.5%
Selected Other Than Collision Physical Damage Annual OCN Trend:		1.0%
Selected Collision Physical Damage Annual OCN Trend:		1.5%

Data excludes the following state: Massachusetts

INSURANCE SERVICES OFFICE, INC.

MULTISTATE  
PRIVATE PASSENGER TYPES  
PHYSICAL DAMAGE  
OCN TREND CALCULATION

AVERAGE OCN RELATIVITIES

YEAR ENDING	OTHER THAN COLLISION	COLLISION
12/31/2013	1.307	1.152
6/30/2014	1.313	1.154
12/31/2014	1.318	1.157
6/30/2015	1.324	1.161
12/31/2015	1.331	1.164
6/30/2016	1.338	1.168
12/31/2016	1.346	1.172
6/30/2017	1.353	1.176
12/31/2017	1.358	1.179
6/30/2018	1.363	1.182

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	1.0%	0.6%
7 POINTS	1.0%	0.6%
5 POINTS	0.9%	0.6%
Selected Other Than Collision Physical Damage Annual OCN Trend:		1.0%
Selected Collision Physical Damage Annual OCN Trend:		0.6%

Data excludes the following state: Massachusetts

## INSURANCE SERVICES OFFICE, INC.

MARYLAND  
Automobile Liability Insurance - Trucks, Tractors and Trailers  
Loss Development  
Incurred Losses and Expenses  
Bodily Injury

Accident Year <u>Ending</u>	\$100,000 Basic Limit			Loss Development Factors	
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>15 to 27 Months</u>	<u>27 to 39 Months</u>
6/30/2007	14,730,311	16,620,952	18,324,153	1.128	1.102
6/30/2008	13,895,686	16,181,105	18,027,508	1.164	1.114
6/30/2009	11,384,556	12,959,066	14,208,869	1.138	1.096
6/30/2010	14,129,340	16,750,649	17,326,742	1.186	1.034
6/30/2011	14,200,959	16,080,327	17,541,590	1.132	1.091
6/30/2012	13,914,657	15,600,394	16,478,888	1.121	1.056
6/30/2013	12,720,815	15,226,333	16,230,996	1.197	1.066
6/30/2014	13,344,459	16,599,001	18,078,112	1.244	1.089
6/30/2015	13,890,014	15,873,517	17,601,917	1.143	1.109
6/30/2016	16,080,662	19,076,299	21,193,140	1.186	1.111
6/30/2017	19,328,618	22,612,872		1.170	
6/30/2018	17,949,541				
(1) Average Factor (Best 3 of 5) :			(A) State	1.184	1.088
			(B) Multistate	1.245	1.118
(2) Credibility				0.950	0.820
(3) Credibility Weighted Factors				1.187	1.093

## Property Damage

Accident Year <u>Ending</u>	\$100,000 Basic Limit			Loss Development Factors	
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>15 to 27 Months</u>	<u>27 to 39 Months</u>
6/30/2007	16,107,271	16,902,428	16,998,364	1.049	1.006
6/30/2008	14,902,764	15,474,172	15,534,431	1.038	1.004
6/30/2009	13,115,572	13,249,231	13,335,930	1.010	1.007
6/30/2010	13,919,460	14,230,032	14,284,849	1.022	1.004
6/30/2011	13,850,346	14,155,029	14,170,435	1.022	1.001
6/30/2012	13,451,627	13,930,296	14,072,003	1.036	1.010
6/30/2013	13,004,762	13,665,965	13,796,986	1.051	1.010
6/30/2014	13,541,596	13,838,723	13,859,291	1.022	1.001
6/30/2015	13,439,035	14,154,894	14,081,837	1.053	0.995
6/30/2016	15,237,241	16,034,891	16,080,323	1.052	1.003
6/30/2017	16,055,870	16,653,476		1.037	
6/30/2018	17,713,416				
(1) Average Factor (Best 3 of 5) :			(A) State	1.047	1.005
			(B) Multistate	1.043	1.009
(2) Credibility				0.970	0.000
(3) Credibility Weighted Factors				1.047	1.009

## Summary of Factors

	Bodily <u>Injury</u>	Property <u>Damage</u>
39 to Ultimate **	1.080	1.004
27 to Ultimate	1.180	1.013
15 to Ultimate	1.401	1.061

\*\* Multistate factors

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Trucks, Tractors and Trailers - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	345,712,119	424,670,826	473,938,971	494,297,476	500,046,997
6/30/2008	333,206,209	405,762,191	451,008,910	471,326,953	476,983,352
6/30/2009	296,024,254	364,832,919	405,305,889	422,030,762	428,719,393
6/30/2010	277,233,663	345,487,763	379,564,234	398,034,010	403,638,838
6/30/2011	302,260,015	366,449,973	406,248,191	426,361,919	432,017,251
6/30/2012	318,014,271	387,169,958	425,516,622	441,334,191	451,135,546
6/30/2013	313,468,466	386,644,285	429,622,674	457,406,308	466,289,546
6/30/2014	334,090,061	406,424,463	453,462,134	484,552,760	494,305,321
6/30/2015	356,001,033	443,170,731	502,651,139	527,769,314	
6/30/2016	410,002,684	519,161,978	585,398,897		
6/30/2017	450,680,525	567,142,759			
6/30/2018	459,144,384				

## Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	1.228	1.116	1.043	1.012
6/30/2008	1.218	1.112	1.045	1.012
6/30/2009	1.232	1.111	1.041	1.016
6/30/2010	1.246	1.099	1.049	1.014
6/30/2011	1.212	1.109	1.050	1.013
6/30/2012	1.217	1.099	1.037	1.022
6/30/2013	1.233	1.111	1.065	1.019
6/30/2014	1.217	1.116	1.069	1.020
6/30/2015	1.245	1.134	1.050	
6/30/2016	1.266	1.128		
6/30/2017	1.258			
Average Factor: ( Best 3 of 5 )	1.245	1.118	1.055	1.018

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.006
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.024
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.080
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.208
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.504

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Trucks, Tractors and Trailers - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	500,899,724	501,312,534	501,542,767	501,398,096	501,529,563
6/30/2008	478,729,565	478,580,164	478,923,096	479,011,912	479,111,952
6/30/2009	430,828,563	431,252,766	431,243,322	431,597,510	431,395,836
6/30/2010	406,513,235	406,576,455	406,732,231	407,031,184	
6/30/2011	434,669,263	437,116,434	436,778,468		
6/30/2012	453,586,536	453,257,327			
6/30/2013	465,708,649				

## Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	1.002	1.001	1.000	1.000	1.000
6/30/2008	1.004	1.000	1.001	1.000	1.000
6/30/2009	1.005	1.001	1.000	1.001	1.000
6/30/2010	1.007	1.000	1.000	1.001	
6/30/2011	1.006	1.006	0.999		
6/30/2012	1.005	0.999			
6/30/2013	0.999				
Average Factor: ( Best 3 of 5 )	1.005	1.000	1.000	1.001	1.000

## Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.001
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.001

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Trucks, Tractors and Trailers - Property Damage  
Multistate  
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	454,588,371	474,262,802	477,454,670	478,482,149	478,505,716
6/30/2008	451,084,010	468,624,324	470,449,876	471,285,271	472,196,794
6/30/2009	383,446,334	393,964,943	396,301,833	396,943,561	397,016,365
6/30/2010	361,904,823	373,017,844	375,442,937	376,898,198	377,525,942
6/30/2011	389,042,306	403,274,774	404,942,885	406,040,474	406,413,239
6/30/2012	406,013,751	418,935,372	422,976,335	423,073,117	423,938,769
6/30/2013	411,931,582	426,305,986	430,146,109	431,910,671	431,721,722
6/30/2014	445,211,593	461,904,566	465,431,245	466,344,683	466,058,401
6/30/2015	464,387,179	486,787,340	491,282,360	492,978,684	
6/30/2016	511,908,280	536,694,171	543,339,221		
6/30/2017	538,450,296	562,225,987			
6/30/2018	561,999,905				

## Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	1.043	1.007	1.002	1.000
6/30/2008	1.039	1.004	1.002	1.002
6/30/2009	1.027	1.006	1.002	1.000
6/30/2010	1.031	1.007	1.004	1.002
6/30/2011	1.037	1.004	1.003	1.001
6/30/2012	1.032	1.010	1.000	1.002
6/30/2013	1.035	1.009	1.004	1.000
6/30/2014	1.037	1.008	1.002	0.999
6/30/2015	1.048	1.009	1.003	
6/30/2016	1.048	1.012		
6/30/2017	1.044			
Average Factor: ( Best 3 of 5 )	1.043	1.009	1.003	1.001

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.001
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.004
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.013
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.057

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Trucks, Tractors and Trailers - Property Damage  
Multistate  
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
6/30/2007	478,439,409	478,358,291	478,512,270	478,417,123
6/30/2008	472,371,764	472,394,374	472,358,575	472,353,851
6/30/2009	397,190,343	397,190,098	397,333,334	397,310,256
6/30/2010	377,148,021	377,401,469	377,494,441	377,621,557
6/30/2011	407,007,503	407,177,947	407,078,982	
6/30/2012	423,926,226	424,135,352		
6/30/2013	432,068,959			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
6/30/2007	1.000	1.000	1.000	1.000
6/30/2008	1.000	1.000	1.000	1.000
6/30/2009	1.000	1.000	1.000	1.000
6/30/2010	0.999	1.001	1.000	1.000
6/30/2011	1.001	1.000	1.000	
6/30/2012	1.000	1.000		
6/30/2013	1.001			

Average Factor: 1.000 1.000 1.000 1.000  
( Best 3 of 5 )

Summary of Factors

111 to Ult: (1.000) = 1.000  
 99 to Ult: (111:99) (111:Ult) = 1.000  
 87 to Ult: (99:87) (111:99) (111:Ult) = 1.000  
 75 to Ult: (87:75) (99:87) (111:99) (111:Ult) = 1.000

## INSURANCE SERVICES OFFICE, INC.

MARYLAND  
Automobile Liability Insurance - Private Passenger Types  
Loss Development  
Incurred Losses and Expenses  
Bodily Injury

Accident Year <u>Ending</u>	\$100,000 Basic Limit			Loss Development Factors		
				15 to 27 <u>Months</u>	27 to 39 <u>Months</u>	
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>			
6/30/2007	2,823,164	3,286,849	3,762,196	1.164	1.145	
6/30/2008	3,081,566	3,576,549	3,716,674	1.161	1.039	
6/30/2009	3,325,756	4,180,391	4,437,241	1.257	1.061	
6/30/2010	2,850,770	3,168,103	3,379,361	1.111	1.067	
6/30/2011	3,104,838	3,552,077	3,865,352	1.144	1.088	
6/30/2012	3,209,897	3,478,072	3,635,740	1.084	1.045	
6/30/2013	3,211,781	3,187,350	3,255,029	0.992	1.021	
6/30/2014	2,874,732	2,933,709	3,154,981	1.021	1.075	
6/30/2015	3,113,363	3,263,067	3,781,812	1.048	1.159	
6/30/2016	3,417,716	3,827,115	3,811,769	1.120	0.996	
6/30/2017	3,368,102	3,882,421		1.153		
6/30/2018	3,200,005					
(1) Average Factor (Best 3 of 5) :				(A) State	1.063	1.047
				(B) Multistate	1.217	1.106
(2) Credibility					0.870	0.710
(3) Credibility Weighted Factors					1.083	1.064

## Property Damage

Accident Year <u>Ending</u>	\$100,000 Basic Limit			Loss Development Factors		
				15 to 27 <u>Months</u>	27 to 39 <u>Months</u>	
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>			
6/30/2007	2,869,961	2,998,984	3,007,048	1.045	1.003	
6/30/2008	3,353,778	3,365,176	3,389,156	1.003	1.007	
6/30/2009	3,169,161	3,193,663	3,193,371	1.008	1.000	
6/30/2010	2,612,534	2,707,564	2,697,547	1.036	0.996	
6/30/2011	2,759,838	2,818,518	2,800,064	1.021	0.993	
6/30/2012	2,901,349	2,956,281	2,936,809	1.019	0.993	
6/30/2013	2,712,972	2,819,023	2,820,632	1.039	1.001	
6/30/2014	2,468,203	2,530,572	2,536,505	1.025	1.002	
6/30/2015	2,812,363	2,883,878	2,902,926	1.025	1.007	
6/30/2016	2,905,121	3,165,494	3,197,777	1.090	1.010	
6/30/2017	3,004,077	3,039,494		1.012		
6/30/2018	3,010,059					
(1) Average Factor (Best 3 of 5) :				(A) State	1.030	1.003
				(B) Multistate	1.043	1.007
(2) Credibility					0.940	0.000
(3) Credibility Weighted Factors					1.031	1.007

## Summary of Factors

	Bodily <u>Injury</u>	Property <u>Damage</u>
39 to Ultimate **	1.068	1.004
27 to Ultimate	1.136	1.011
15 to Ultimate	1.230	1.042

\*\* Multistate factors

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Private Passenger Types - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
6/30/2007	65,197,769	80,858,523	89,732,307	93,427,351	94,564,475
6/30/2008	62,460,508	77,890,418	86,301,067	89,970,720	90,946,785
6/30/2009	65,403,556	79,802,441	86,369,027	89,039,472	89,648,349
6/30/2010	63,817,899	76,414,898	81,793,020	85,155,856	86,602,251
6/30/2011	72,179,919	88,580,962	96,453,156	101,173,602	101,758,417
6/30/2012	75,117,954	90,917,959	98,592,930	103,052,338	104,744,481
6/30/2013	71,329,631	84,402,283	91,554,655	95,800,669	97,645,004
6/30/2014	71,146,024	85,549,512	94,616,795	99,639,347	100,652,079
6/30/2015	69,394,353	85,802,099	97,585,817	101,869,388	
6/30/2016	71,839,858	87,129,289	98,091,114		
6/30/2017	67,861,797	85,462,361			
6/30/2018	72,095,878				

## Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
6/30/2007	1.240	1.110	1.041	1.012
6/30/2008	1.247	1.108	1.043	1.011
6/30/2009	1.220	1.082	1.031	1.007
6/30/2010	1.197	1.070	1.041	1.017
6/30/2011	1.227	1.089	1.049	1.006
6/30/2012	1.210	1.084	1.045	1.016
6/30/2013	1.183	1.085	1.046	1.019
6/30/2014	1.202	1.106	1.053	1.010
6/30/2015	1.236	1.137	1.044	
6/30/2016	1.213	1.126		
6/30/2017	1.259			
Average Factor: ( Best 3 of 5 )	1.217	1.106	1.047	1.014

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.006
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.020
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.068
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.181
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.438

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Private Passenger Types - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	94,927,133	95,034,128	94,903,172	94,912,367	94,870,208
6/30/2008	91,125,789	91,512,608	91,550,553	91,497,276	91,616,027
6/30/2009	89,642,466	89,444,025	89,735,937	89,714,640	89,667,218
6/30/2010	86,736,179	86,606,840	86,722,855	86,775,963	
6/30/2011	102,125,352	102,351,177	102,689,128		
6/30/2012	105,626,767	105,777,087			
6/30/2013	98,309,309				

## Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	1.004	1.001	0.999	1.000	1.000
6/30/2008	1.002	1.004	1.000	0.999	1.001
6/30/2009	1.000	0.998	1.003	1.000	0.999
6/30/2010	1.002	0.999	1.001	1.001	
6/30/2011	1.004	1.002	1.003		
6/30/2012	1.008	1.001			
6/30/2013	1.007				
Average Factor: ( Best 3 of 5 )	1.004	1.001	1.001	1.000	1.000

## Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.002

## INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
Private Passenger Types - Property Damage  
Multistate  
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	88,197,899	91,427,704	91,707,657	91,752,979	91,811,338
6/30/2008	89,307,021	91,974,446	92,684,216	92,703,274	92,722,691
6/30/2009	84,795,946	87,377,900	87,844,500	87,999,240	87,903,636
6/30/2010	80,421,758	83,012,925	83,473,037	83,735,519	83,828,568
6/30/2011	85,557,139	88,777,108	89,535,157	89,756,688	90,161,730
6/30/2012	89,230,912	91,915,355	92,462,599	93,066,276	93,176,385
6/30/2013	88,463,965	91,918,701	92,648,921	92,861,198	92,903,616
6/30/2014	90,643,496	94,463,592	95,363,779	95,388,857	95,492,165
6/30/2015	88,979,407	92,641,496	93,408,979	93,425,719	
6/30/2016	93,397,141	98,474,892	98,897,837		
6/30/2017	91,645,710	95,870,976			
6/30/2018	90,437,823				

## Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	1.037	1.003	1.000	1.001
6/30/2008	1.030	1.008	1.000	1.000
6/30/2009	1.030	1.005	1.002	0.999
6/30/2010	1.032	1.006	1.003	1.001
6/30/2011	1.038	1.009	1.002	1.005
6/30/2012	1.030	1.006	1.007	1.001
6/30/2013	1.039	1.008	1.002	1.000
6/30/2014	1.042	1.010	1.000	1.001
6/30/2015	1.041	1.008	1.000	
6/30/2016	1.054	1.004		
6/30/2017	1.046			
Average Factor: ( Best 3 of 5 )	1.043	1.007	1.001	1.001

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.002
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.003
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.004
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.011
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.055

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development  
 Private Passenger Types - Property Damage  
 Multistate  
 Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
6/30/2007	91,729,630	91,787,658	91,726,683	91,734,311
6/30/2008	92,745,633	92,752,263	92,748,754	92,748,809
6/30/2009	87,977,577	87,940,452	87,946,097	87,966,712
6/30/2010	83,975,464	83,946,189	83,939,464	83,939,865
6/30/2011	90,386,345	90,551,020	90,393,316	
6/30/2012	93,355,783	93,358,423		
6/30/2013	92,835,333			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
	6/30/2007	0.999	1.001	0.999
6/30/2008	1.000	1.000	1.000	1.000
6/30/2009	1.001	1.000	1.000	1.000
6/30/2010	1.002	1.000	1.000	1.000
6/30/2011	1.002	1.002	0.998	
6/30/2012	1.002	1.000		
6/30/2013	0.999			
Average Factor: ( Best 3 of 5 )	1.002	1.000	1.000	1.000

Summary of Factors

111 to Ult:	(1.000)	=	1.000
99 to Ult:	(111:99) (111:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (111:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (111:Ult)	=	1.000

## INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
Trucks, Tractors and Trailers - Other than Collision  
Multistate  
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	110,377,450	112,693,692	112,630,518	112,419,461	112,372,229
6/30/2008	138,528,523	142,355,170	142,254,547	142,105,508	142,082,657
6/30/2009	132,646,941	134,654,506	134,488,386	134,623,684	134,655,111
6/30/2010	134,360,155	137,769,546	138,118,245	138,119,512	138,012,406
6/30/2011	152,717,272	157,380,136	157,480,324	157,473,589	157,571,775
6/30/2012	163,089,839	167,896,779	167,618,028	167,726,062	167,785,497
6/30/2013	181,857,401	186,159,044	186,383,187	186,584,002	186,761,635
6/30/2014	156,543,856	161,491,932	162,130,621	162,097,026	162,152,785
6/30/2015	151,544,225	155,815,365	155,778,343	155,796,938	
6/30/2016	171,036,787	175,896,478	176,340,571		
6/30/2017	212,220,796	218,256,637			
6/30/2018	209,499,876				

## Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	1.021	0.999	0.998	1.000
6/30/2008	1.028	0.999	0.999	1.000
6/30/2009	1.015	0.999	1.001	1.000
6/30/2010	1.025	1.003	1.000	0.999
6/30/2011	1.031	1.001	1.000	1.001
6/30/2012	1.029	0.998	1.001	1.000
6/30/2013	1.024	1.001	1.001	1.001
6/30/2014	1.032	1.004	1.000	1.000
6/30/2015	1.028	1.000	1.000	
6/30/2016	1.028	1.003		
6/30/2017	1.028			
Average Factor: ( Best 3 of 5 )	1.028	1.001	1.000	1.000

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.001
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.029

## INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
Trucks, Tractors and Trailers - Other than Collision  
Multistate  
Paid Losses

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	112,332,698	112,369,580	112,330,275	112,322,766	112,348,460
6/30/2008	142,075,789	142,059,570	141,979,944	141,993,059	141,992,372
6/30/2009	134,842,382	134,820,683	134,909,424	134,923,432	134,923,834
6/30/2010	138,149,316	138,122,877	138,124,923	138,126,041	
6/30/2011	157,627,119	157,627,794	157,619,100		
6/30/2012	167,638,719	167,643,544			
6/30/2013	186,776,248				

## Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	1.000	1.000	1.000	1.000	1.000
6/30/2008	1.000	1.000	0.999	1.000	1.000
6/30/2009	1.001	1.000	1.001	1.000	1.000
6/30/2010	1.001	1.000	1.000	1.000	
6/30/2011	1.000	1.000	1.000		
6/30/2012	0.999	1.000			
6/30/2013	1.000				
Average Factor: ( Best 3 of 5 )	1.000	1.000	1.000	1.000	1.000

## Summary of Factors

123 to Ult:				(1.000)	=	1.000
111 to Ult:				(123:111) (123:Ult)	=	1.000
99 to Ult:				(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:				(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:				(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
Trucks, Tractors and Trailers - Collision  
Multistate  
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	346,512,563	339,587,803	337,458,375	337,204,364	337,287,984
6/30/2008	379,006,444	372,763,500	371,147,893	370,618,357	370,262,256
6/30/2009	337,780,567	332,902,663	331,697,791	331,234,538	331,179,852
6/30/2010	315,223,335	311,099,673	310,277,589	310,058,839	309,914,912
6/30/2011	349,791,773	345,682,184	344,151,744	343,589,386	343,544,881
6/30/2012	363,819,401	358,393,131	356,894,379	356,510,290	356,506,985
6/30/2013	372,737,362	365,121,298	363,452,884	362,896,322	363,275,515
6/30/2014	405,861,355	397,605,941	396,201,479	395,934,031	395,739,325
6/30/2015	431,515,978	419,858,013	417,567,367	417,039,548	
6/30/2016	457,277,923	446,594,786	443,916,167		
6/30/2017	501,735,731	487,961,410			
6/30/2018	537,564,607				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	0.980	0.994	0.999	1.000
6/30/2008	0.984	0.996	0.999	0.999
6/30/2009	0.986	0.996	0.999	1.000
6/30/2010	0.987	0.997	0.999	1.000
6/30/2011	0.988	0.996	0.998	1.000
6/30/2012	0.985	0.996	0.999	1.000
6/30/2013	0.980	0.995	0.998	1.001
6/30/2014	0.980	0.996	0.999	1.000
6/30/2015	0.973	0.995	0.999	
6/30/2016	0.977	0.994		
6/30/2017	0.973			

Average Factor: 0.977 0.995 0.999 1.000  
( Best 3 of 5 )

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.994
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.971

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
 Trucks, Tractors and Trailers - Collision  
 Multistate  
 Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	337,176,473	337,687,218	337,104,274	337,088,416	337,129,662
6/30/2008	370,167,503	370,086,792	370,059,727	370,114,614	370,103,565
6/30/2009	331,160,861	331,035,717	331,021,125	331,005,334	331,001,788
6/30/2010	309,948,454	309,929,043	309,939,094	309,972,007	
6/30/2011	343,484,342	343,382,529	343,330,752		
6/30/2012	356,442,849	356,396,620			
6/30/2013	363,157,705				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	1.000	1.002	0.998	1.000	1.000
6/30/2008	1.000	1.000	1.000	1.000	1.000
6/30/2009	1.000	1.000	1.000	1.000	1.000
6/30/2010	1.000	1.000	1.000	1.000	
6/30/2011	1.000	1.000	1.000		
6/30/2012	1.000	1.000			
6/30/2013	1.000				
Average Factor: ( Best 3 of 5 )	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

## INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
 Private Passenger Types - Other than Collision  
 Multistate  
 Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
6/30/2007	41,934,646	42,466,662	42,569,132	42,601,859	42,539,784
6/30/2008	46,558,911	47,217,595	47,139,353	47,082,954	47,097,635
6/30/2009	45,613,444	45,981,546	45,978,165	45,924,295	45,889,428
6/30/2010	48,788,256	49,651,277	49,601,120	49,609,140	49,610,669
6/30/2011	60,189,479	61,825,993	61,800,156	61,797,054	61,771,527
6/30/2012	63,691,196	64,314,500	64,413,554	64,400,321	64,398,654
6/30/2013	71,880,529	72,335,050	72,376,050	72,446,913	72,455,921
6/30/2014	54,708,780	56,244,837	56,409,016	56,425,138	56,429,076
6/30/2015	47,880,123	48,725,619	48,791,856	48,804,924	
6/30/2016	53,034,248	54,129,469	54,155,742		
6/30/2017	59,087,822	60,743,163			
6/30/2018	63,762,180				

## Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
6/30/2007	1.013	1.002	1.001	0.999
6/30/2008	1.014	0.998	0.999	1.000
6/30/2009	1.008	1.000	0.999	0.999
6/30/2010	1.018	0.999	1.000	1.000
6/30/2011	1.027	1.000	1.000	1.000
6/30/2012	1.010	1.002	1.000	1.000
6/30/2013	1.006	1.001	1.001	1.000
6/30/2014	1.028	1.003	1.000	1.000
6/30/2015	1.018	1.001	1.000	
6/30/2016	1.021	1.000		
6/30/2017	1.028			
Average Factor: ( Best 3 of 5 )	1.022	1.001	1.000	1.000

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.001
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.023

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
 Private Passenger Types - Other than Collision  
 Multistate  
 Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	42,468,525	42,470,978	42,463,001	42,461,663	42,466,516
6/30/2008	47,101,025	47,100,281	47,101,300	47,104,619	47,115,535
6/30/2009	45,897,362	45,896,496	45,896,863	45,896,003	45,893,154
6/30/2010	49,592,447	49,592,742	49,628,168	49,632,580	
6/30/2011	61,775,629	61,766,425	61,771,088		
6/30/2012	64,417,362	64,411,871			
6/30/2013	72,457,214				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	0.998	1.000	1.000	1.000	1.000
6/30/2008	1.000	1.000	1.000	1.000	1.000
6/30/2009	1.000	1.000	1.000	1.000	1.000
6/30/2010	1.000	1.000	1.001	1.000	
6/30/2011	1.000	1.000	1.000		
6/30/2012	1.000	1.000			
6/30/2013	1.000				
Average Factor: ( Best 3 of 5 )	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
 Private Passenger Types - Collision  
 Multistate  
 Paid Losses

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months
6/30/2007	131,593,165	127,052,647	126,283,960	126,166,615	126,082,081
6/30/2008	138,872,398	134,038,428	133,204,343	132,999,997	132,931,981
6/30/2009	137,724,523	133,471,658	133,022,409	132,731,188	132,668,590
6/30/2010	128,385,855	124,149,076	123,844,990	123,717,613	123,646,210
6/30/2011	136,942,037	132,198,327	131,787,135	131,576,783	131,589,438
6/30/2012	148,056,132	143,565,101	142,918,803	142,869,474	142,785,349
6/30/2013	146,477,963	140,187,024	139,283,963	139,239,427	139,282,568
6/30/2014	151,302,540	144,733,944	144,092,280	143,974,811	143,945,204
6/30/2015	157,617,120	150,169,447	148,872,369	148,682,352	
6/30/2016	163,599,405	155,671,473	154,299,854		
6/30/2017	160,350,794	153,202,735			
6/30/2018	166,421,077				

Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
6/30/2007	0.965	0.994	0.999	0.999
6/30/2008	0.965	0.994	0.998	0.999
6/30/2009	0.969	0.997	0.998	1.000
6/30/2010	0.967	0.998	0.999	0.999
6/30/2011	0.965	0.997	0.998	1.000
6/30/2012	0.970	0.995	1.000	0.999
6/30/2013	0.957	0.994	1.000	1.000
6/30/2014	0.957	0.996	0.999	1.000
6/30/2015	0.953	0.991	0.999	
6/30/2016	0.952	0.991		
6/30/2017	0.955			

Average Factor: 0.955 0.993 0.999 1.000  
 ( Best 3 of 5 )

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.992
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.947

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development  
 Private Passenger Types - Collision  
 Multistate  
 Paid Losses

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
6/30/2007	126,028,716	126,006,119	125,995,076	125,984,116	125,983,733
6/30/2008	132,910,868	132,899,301	132,888,821	132,884,014	132,878,941
6/30/2009	132,636,680	132,612,359	132,609,593	132,596,781	132,581,054
6/30/2010	123,617,145	123,605,809	123,602,195	123,584,888	
6/30/2011	131,538,717	131,540,755	131,536,583		
6/30/2012	142,757,316	142,716,514			
6/30/2013	139,259,097				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
6/30/2007	1.000	1.000	1.000	1.000	1.000
6/30/2008	1.000	1.000	1.000	1.000	1.000
6/30/2009	1.000	1.000	1.000	1.000	1.000
6/30/2010	1.000	1.000	1.000	1.000	
6/30/2011	1.000	1.000	1.000		
6/30/2012	1.000	1.000			
6/30/2013	1.000				
Average Factor: ( Best 3 of 5 )	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

## INSURANCE SERVICES OFFICE, INC.

<b>(1) Public Automobiles Liability</b>	Differentials to Base Loss Cost CSL Liab	PIP
Taxis & Limos	6.20	5.07
School and Church Buses	0.55	0.62
Other Buses	3.80	5.91
Van Pools	1.50	0.68
<b>(2) Public Automobiles Physical Damage</b>		
Taxis, Limos and Van Pools		
Other Than Collision:	1.02	
Collision	1.27	
School, Church, and Other Buses		
Other Than Collision:	0.70	
Collision	0.65	
<b>(3) PIP Relativities</b>		
Class of Business		
PPT principally operated by employees	0.650	
<b>(4) Specified Cause of Loss Relativity</b>	0.720	
<b>(5)</b>		
The loss cost for hired autos is set forth in Section D.		
It applies in all territories and is calculated as 0.15% of the statewide \$100,000 Combined Single Limit average loss cost for all Trucks, Tractors, & Trailers.		

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DIVISION ONE  
AUTOMOBILE  
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**MARYLAND (19)  
TERRITORY 101**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION	
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 743	\$3.00	\$4.00	\$5.00	\$8.00	<b>All Autos</b>	
					\$ 29	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
					<b>Not Principally Operated By Employees</b>	<b>Principally Operated By Employees</b>
\$ 592	\$1.00	\$3.00	\$6.00	\$9.00	\$ 35	\$ 23
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4607	\$116.00	\$136.00	\$156.00	\$214.00	<b>All Autos</b>	
					\$ 147	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 409	\$21.00	\$25.00	\$29.00	\$35.00	<b>All Autos</b>	
					\$ 18	
<b>– OTHER BUSES</b>						
\$ 2823	\$105.00	\$122.00	\$138.00	\$190.00	<b>All Autos</b>	
					\$ 171	
<b>– VAN POOLS</b>						
\$ 1115	\$4.00	\$5.00	\$6.00	\$8.00	<b>All Autos</b>	
					\$ 20	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 450	Refer to Rule 49.				<b>All Autos</b>	
					\$ 20	
<ul style="list-style-type: none"> <li>● For liability increased limits factors, refer to Rule 100.</li> <li>● For liability fleet factors, refer to Rules 22. and 39.</li> <li>● Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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LIABILITY Limit Of Liab. \$100,000	MEDICAL PAYMENTS Limit Per Person				PERSONAL INJURY PROTECTION Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 668	\$2.00	\$3.00	\$4.00	\$6.00	All Autos \$ 20	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 542	\$1.00	\$3.00	\$6.00	\$9.00	Not Principally Operated By Employees \$ 42	Principally Operated By Employees \$ 27
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4142	\$86.00	\$101.00	\$116.00	\$159.00	All Autos \$ 101	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 367	\$17.00	\$21.00	\$24.00	\$28.00	All Autos \$ 12	
<b>– OTHER BUSES</b>						
\$ 2538	\$112.00	\$130.00	\$147.00	\$203.00	All Autos \$ 118	
<b>– VAN POOLS</b>						
\$ 1002	\$3.00	\$3.00	\$4.00	\$5.00	All Autos \$ 14	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 468	Refer to Rule 49.				All Autos \$ 14	
<ul style="list-style-type: none"> <li>• For liability increased limits factors, refer to Rule 100.</li> <li>• For liability fleet factors, refer to Rules 22. and 39.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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**MARYLAND (19)  
TERRITORY 108**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION	
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 743	\$2.00	\$3.00	\$4.00	\$6.00	<b>All Autos</b> \$ 16	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 535	\$1.00	\$3.00	\$6.00	\$9.00	<b>Not Principally Operated By Employees</b>	<b>Principally Operated By Employees</b>
					\$ 31	\$ 20
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4607	\$79.00	\$92.00	\$105.00	\$144.00	<b>All Autos</b> \$ 81	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 409	\$13.00	\$15.00	\$17.00	\$20.00	<b>All Autos</b> \$ 10	
<b>– OTHER BUSES</b>						
\$ 2823	\$89.00	\$104.00	\$117.00	\$162.00	<b>All Autos</b> \$ 95	
<b>– VAN POOLS</b>						
\$ 1115	\$1.00	\$2.00	\$3.00	\$4.00	<b>All Autos</b> \$ 11	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 470	Refer to Rule 49.				<b>All Autos</b> \$ 11	
<ul style="list-style-type: none"> <li>● For liability increased limits factors, refer to Rule 100.</li> <li>● For liability fleet factors, refer to Rules 22. and 39.</li> <li>● Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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DIVISION ONE  
AUTOMOBILE  
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LIABILITY Limit Of Liab. \$100,000	MEDICAL PAYMENTS Limit Per Person				PERSONAL INJURY PROTECTION Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 758	\$2.00	\$3.00	\$4.00	\$6.00	All Autos \$ 15	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 519	\$1.00	\$3.00	\$6.00	\$9.00	Not Principally Operated By Employees \$ 36	Principally Operated By Employees \$ 23
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4700	\$78.00	\$91.00	\$105.00	\$144.00	All Autos \$ 76	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 417	\$14.00	\$17.00	\$20.00	\$23.00	All Autos \$ 9	
<b>– OTHER BUSES</b>						
\$ 2880	\$105.00	\$123.00	\$139.00	\$192.00	All Autos \$ 89	
<b>– VAN POOLS</b>						
\$ 1137	\$2.00	\$3.00	\$3.00	\$4.00	All Autos \$ 10	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 523	Refer to Rule 49.				All Autos \$ 12	
<ul style="list-style-type: none"> <li>• For liability increased limits factors, refer to Rule 100.</li> <li>• For liability fleet factors, refer to Rules 22. and 39.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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**MARYLAND (19)  
TERRITORY 110**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION	
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 626	\$1.00	\$2.00	\$3.00	\$4.00	<b>All Autos</b> \$ 15	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 490	\$1.00	\$3.00	\$6.00	\$9.00	<b>Not Principally Operated By Employees</b>	<b>Principally Operated By Employees</b>
					\$ 34	\$ 22
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 3881	\$54.00	\$62.00	\$71.00	\$98.00	<b>All Autos</b> \$ 76	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 344	\$9.00	\$11.00	\$13.00	\$16.00	<b>All Autos</b> \$ 9	
<b>– OTHER BUSES</b>						
\$ 2379	\$59.00	\$68.00	\$77.00	\$106.00	<b>All Autos</b> \$ 89	
<b>– VAN POOLS</b>						
\$ 939	\$1.00	\$1.00	\$2.00	\$3.00	<b>All Autos</b> \$ 10	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 395	Refer to Rule 49.				<b>All Autos</b> \$ 11	
<ul style="list-style-type: none"> <li>● For liability increased limits factors, refer to Rule 100.</li> <li>● For liability fleet factors, refer to Rules 22. and 39.</li> <li>● Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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LIABILITY Limit Of Liab. \$100,000	MEDICAL PAYMENTS Limit Per Person				PERSONAL INJURY PROTECTION Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 708	\$2.00	\$3.00	\$4.00	\$6.00	All Autos \$ 22	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 544	\$1.00	\$3.00	\$6.00	\$9.00	Not Principally Operated By Employees \$ 25	Principally Operated By Employees \$ 16
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4390	\$88.00	\$103.00	\$118.00	\$163.00	All Autos \$ 112	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 389	\$12.00	\$14.00	\$17.00	\$20.00	All Autos \$ 14	
<b>– OTHER BUSES</b>						
\$ 2690	\$90.00	\$105.00	\$119.00	\$164.00	All Autos \$ 130	
<b>– VAN POOLS</b>						
\$ 1062	\$3.00	\$4.00	\$4.00	\$6.00	All Autos \$ 15	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 505	Refer to Rule 49.				All Autos \$ 16	
<ul style="list-style-type: none"> <li>• For liability increased limits factors, refer to Rule 100.</li> <li>• For liability fleet factors, refer to Rules 22. and 39.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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**MARYLAND (19)  
TERRITORY 112**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION	
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 758	\$2.00	\$3.00	\$4.00	\$6.00	<b>All Autos</b> \$ 20	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 580	\$1.00	\$3.00	\$6.00	\$9.00	<b>Not Principally Operated By Employees</b>	<b>Principally Operated By Employees</b>
					\$ 43	\$ 28
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 4700	\$80.00	\$94.00	\$108.00	\$147.00	<b>All Autos</b> \$ 101	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 417	\$12.00	\$14.00	\$16.00	\$20.00	<b>All Autos</b> \$ 12	
<b>– OTHER BUSES</b>						
\$ 2880	\$86.00	\$101.00	\$113.00	\$157.00	<b>All Autos</b> \$ 118	
<b>– VAN POOLS</b>						
\$ 1137	\$3.00	\$3.00	\$4.00	\$5.00	<b>All Autos</b> \$ 14	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 501	Refer to Rule 49.				<b>All Autos</b> \$ 14	
<ul style="list-style-type: none"> <li>● For liability increased limits factors, refer to Rule 100.</li> <li>● For liability fleet factors, refer to Rules 22. and 39.</li> <li>● Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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LIABILITY Limit Of Liab. \$100,000	MEDICAL PAYMENTS Limit Per Person				PERSONAL INJURY PROTECTION Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 312	\$1.00	\$1.00	\$2.00	\$3.00	All Autos \$ 6	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
\$ 267	\$1.00	\$3.00	\$6.00	\$9.00	Not Principally Operated By Employees \$ 18	Principally Operated By Employees \$ 12
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 1934	\$28.00	\$33.00	\$38.00	\$52.00	All Autos \$ 30	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 172	\$7.00	\$9.00	\$10.00	\$12.00	All Autos \$ 4	
<b>– OTHER BUSES</b>						
\$ 1186	\$50.00	\$59.00	\$67.00	\$92.00	All Autos \$ 35	
<b>– VAN POOLS</b>						
\$ 468	\$1.00	\$1.00	\$2.00	\$3.00	All Autos \$ 4	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 201	Refer to Rule 49.				All Autos \$ 4	
<ul style="list-style-type: none"> <li>• For liability increased limits factors, refer to Rule 100.</li> <li>• For liability fleet factors, refer to Rules 22. and 39.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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**MARYLAND (19)  
TERRITORY 114**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION	
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits	
	500	1000	2000	5000		
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>						
\$ 514	\$1.00	\$2.00	\$3.00	\$4.00	<b>All Autos</b> \$ 10	
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>						
					<b>Not Principally Operated By Employees</b>	<b>Principally Operated By Employees</b>
\$ 391	\$1.00	\$3.00	\$6.00	\$9.00	\$ 24	\$ 16
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS –</b>						
<b>– TAXICABS AND LIMOUSINES</b>						
\$ 3187	\$28.00	\$33.00	\$38.00	\$52.00	<b>All Autos</b> \$ 51	
<b>– SCHOOL AND CHURCH BUSES</b>						
\$ 283	\$10.00	\$12.00	\$14.00	\$16.00	<b>All Autos</b> \$ 6	
<b>– OTHER BUSES</b>						
\$ 1953	\$53.00	\$62.00	\$70.00	\$97.00	<b>All Autos</b> \$ 59	
<b>– VAN POOLS</b>						
\$ 771	\$1.00	\$1.00	\$2.00	\$3.00	<b>All Autos</b> \$ 7	
<b>RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT</b>						
\$ 340	Refer to Rule 49.				<b>All Autos</b> \$ 7	
<ul style="list-style-type: none"> <li>● For liability increased limits factors, refer to Rule 100.</li> <li>● For liability fleet factors, refer to Rules 22. and 39.</li> <li>● Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.</li> </ul>						

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PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 83	\$ 115	\$ 291
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 117	\$ 482
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 85	\$ 117	\$ 370
– SCHOOL AND CHURCH BUSES			
	\$ 58	\$ 81	\$ 189
– OTHER BUSES			
	\$ 58	\$ 81	\$ 189
– VAN POOLS			
	\$ 85	\$ 117	\$ 370
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

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**MARYLAND (19)  
TERRITORY 102**

<b>PHYSICAL DAMAGE</b>			
<b>Original Cost New Range</b>			
<b>\$15,001 – 20,000</b>			
	<b>Specified Causes Of Loss</b>	<b>\$500 Ded. Comp.</b>	<b>\$500 Ded. Coll.</b>
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 75	\$ 104	\$ 278
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 81	\$ 415
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 77	\$ 106	\$ 353
– SCHOOL AND CHURCH BUSES			
	\$ 53	\$ 73	\$ 181
– OTHER BUSES			
	\$ 53	\$ 73	\$ 181
– VAN POOLS			
	\$ 77	\$ 106	\$ 353
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

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<b>PHYSICAL DAMAGE</b>			
Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 84	\$ 116	\$ 257
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 78	\$ 446
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 86	\$ 118	\$ 326
– SCHOOL AND CHURCH BUSES			
	\$ 59	\$ 81	\$ 167
– OTHER BUSES			
	\$ 59	\$ 81	\$ 167
– VAN POOLS			
	\$ 86	\$ 118	\$ 326
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

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**MARYLAND (19)  
TERRITORY 109**

<b>PHYSICAL DAMAGE</b>			
Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 91	\$ 127	\$ 231
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 99	\$ 446
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 93	\$ 130	\$ 293
– SCHOOL AND CHURCH BUSES			
	\$ 64	\$ 89	\$ 150
– OTHER BUSES			
	\$ 64	\$ 89	\$ 150
– VAN POOLS			
	\$ 93	\$ 130	\$ 293
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

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DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES

<b>PHYSICAL DAMAGE</b> Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 109	\$ 151	\$ 257
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 93	\$ 355
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 111	\$ 154	\$ 326
– SCHOOL AND CHURCH BUSES			
	\$ 76	\$ 106	\$ 167
– OTHER BUSES			
	\$ 76	\$ 106	\$ 167
– VAN POOLS			
	\$ 111	\$ 154	\$ 326
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

**COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES**

**MARYLAND (19)  
TERRITORY 111**

<b>PHYSICAL DAMAGE</b>			
<b>Original Cost New Range</b>			
<b>\$15,001 – 20,000</b>			
	<b>Specified Causes Of Loss</b>	<b>\$500 Ded. Comp.</b>	<b>\$500 Ded. Coll.</b>
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 61	\$ 85	\$ 278
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 72	\$ 416
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 62	\$ 87	\$ 353
– SCHOOL AND CHURCH BUSES			
	\$ 43	\$ 60	\$ 181
– OTHER BUSES			
	\$ 43	\$ 60	\$ 181
– VAN POOLS			
	\$ 62	\$ 87	\$ 353
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 83	\$ 115	\$ 268
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 108	\$ 399
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 85	\$ 117	\$ 340
– SCHOOL AND CHURCH BUSES			
	\$ 58	\$ 81	\$ 174
– OTHER BUSES			
	\$ 58	\$ 81	\$ 174
– VAN POOLS			
	\$ 85	\$ 117	\$ 340
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

**COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES**

**MARYLAND (19)  
TERRITORY 113**

<b>PHYSICAL DAMAGE</b>			
<b>Original Cost New Range</b>			
<b>\$15,001 – 20,000</b>			
	<b>Specified Causes Of Loss</b>	<b>\$500 Ded. Comp.</b>	<b>\$500 Ded. Coll.</b>
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 83	\$ 115	\$ 228
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 105	\$ 280
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 85	\$ 117	\$ 290
– SCHOOL AND CHURCH BUSES			
	\$ 58	\$ 81	\$ 148
– OTHER BUSES			
	\$ 58	\$ 81	\$ 148
– VAN POOLS			
	\$ 85	\$ 117	\$ 290
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	\$500 Ded. Comp.	\$500 Ded. Coll.
<b>RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 68	\$ 95	\$ 243
<b>RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	N/A	\$ 87	\$ 346
<b>RULE 40. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 69	\$ 97	\$ 309
– SCHOOL AND CHURCH BUSES			
	\$ 48	\$ 67	\$ 158
– OTHER BUSES			
	\$ 48	\$ 67	\$ 158
– VAN POOLS			
	\$ 69	\$ 97	\$ 309
<ul style="list-style-type: none"> <li>● For physical damage fleet factors, refer to Rules <b>22.</b> and <b>39.</b></li> <li>● For additional coverages, refer to the Additional Coverages Table in Rules <b>23.</b> and <b>40.</b></li> <li>● For Deductible factors, refer to Rule <b>98.</b></li> <li>● For Original Cost New and Age Group factors, refer to Rule <b>101.</b></li> <li>● For Stated Amount factors, refer to Rule <b>101.</b></li> <li>● For Towing and Labor Costs Coverage rating, refer to Rule <b>34.</b></li> </ul>			

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**90. HIRED AUTOS**

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<b>Cost Of Hire Basis – All Territories Liability Base Loss Cost</b>
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\$ <u>0.830.80</u>
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**Table 90.B.3.b.(LC) Cost Of Hire Basis Liability Loss Cost**

## Supplementary Information – Maryland

### Introduction

This document provides additional information on the attached loss cost level experience review, including:

- A summary of recent trends in Liability claim costs
- A summary of significant factors used in the development of loss cost indications and a comparison to the factors used in the prior filing that underlie the loss costs currently in effect
- A discussion of the experience underlying the loss cost level evaluation, and how it compares to the prior review
- Issues related to Commercial Auto in Maryland

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification processes so that only data that would be valid is used for ratemaking. Subsequent to this initial data submission review, additional analyses involving an even more customized data review for this line was performed by staff. During these processes, various data records were excluded from the review, corrected or adjusted. Specifically, various reported exposure amounts have been adjusted prior to their use in the calculations. The ISO staff responsible for this loss cost review also reviewed the data for reasonableness.

### Trends in Liability Claim Costs

The table below shows the latest sixteen evaluations of 12-pt. paid claim cost trends.

#### Multistate Paid Claim Cost Trends

<u>Data Through</u>	<u>\$100,000 Bodily Injury</u>	<u>\$100,000 Property Damage</u>
09/30/2014	+1.8%	+3.7%
12/31/2014	+1.8%	+3.3%
03/31/2015	+1.5%	+3.3%
06/30/2015	+2.2%	+3.5%
09/30/2015	+1.9%	+3.7%
12/31/2015	+2.3%	+4.6%
03/31/2016	+2.9%	+4.8%
06/30/2016	+2.9%	+5.2%
09/30/2016	+2.6%	+5.5%
12/31/2016	+2.7%	+5.7%
03/31/2017	+2.7%	+5.7%
06/30/2017	+2.8%	+5.6%
09/30/2017	+3.0%	+5.4%
12/31/2017	+3.8%	+4.8%
03/31/2018	+4.2%	+4.5%
06/30/2018	+4.4%	+4.3%

ISO believes that bodily injury claim cost trends will primarily be driven by changes in the costs of providing medical care. At times, other factors serve to reduce (or exacerbate) the claim cost trends.

## Supplementary Information – Maryland

### Trends in Medical Care Costs

The table below shows the last twelve annual rates of change, based upon the CPI, for Medical Care and Hospital & Other Related Services, separately.

<u>Period</u>	<u>CPI – Medical Care Annual Rate of Change<sup>1</sup></u>	<u>CPI – Hospital &amp; Other Related Services Annual Rate of Change</u>
October 2006 - September 2007	4.6%	6.8%
October 2007 - September 2008	3.2%	6.6%
October 2008 - September 2009	3.5%	6.6%
October 2009 - September 2010	3.4%	7.3%
October 2010 - September 2011	2.8%	4.9%
October 2011 - September 2012	4.1%	4.7%
October 2012 - September 2013	2.4%	5.4%
October 2013 - September 2014	2.0%	3.5%
October 2014 - September 2015	2.5%	3.3%
October 2015 - September 2016	4.9%	5.6%
October 2016 - September 2017	1.6%	4.3%
October 2017 - September 2018	1.7%	3.7%

### Claim Frequencies

Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form  $Y=A(B^X)$  does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

### Claim Counts

Claim counts are now being estimated from information on the individual loss records reported to ISO, rather than the claim counts that have been reported to ISO via the statistical plans. This is being done to address company inconsistencies in interpreting ISO's claim count reporting rules.

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<sup>1</sup> Annual Rate of Change for a particular year is calculated as the CPI index for September of that year divided by the same index for September for the previous year, minus one.

## Supplementary Information – Maryland

### Maryland Trends

#### **Trucks, Tractors & Trailers and Private Passenger Types Liability**

	Current Trends <u>Data through 06/30/2018</u>	Previous Trends <u>Data through 06/30/2017</u>
Maryland Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	-0.6%	-1.0%
Property Damage (\$100,000 Limit)	5.0%	5.7%
Credibility-Weighted Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	3.9%	2.4%
Property Damage (\$100,000 Limit)	4.5%	5.6%
Selected Claim Frequency Trends		
Trucks, Tractors & Trailers		
Bodily Injury	0.0%	0.0%
Property Damage	0.0%	0.0%
Private Passenger Types		
Bodily Injury	0.0%	0.0%
Property Damage	0.0%	0.0%
Selected Pure Premium Trends		
Trucks, Tractors & Trailers		
Bodily Injury (\$100,000 Limit)	3.9%	2.4%
Property Damage (\$100,000 Limit)	4.5%	5.6%
Private Passenger Types		
Bodily Injury (\$100,000 Limit)	3.9%	2.4%
Property Damage (\$100,000 Limit)	4.5%	5.6%

Maryland bodily injury severity trend receives 10% weight when combined with multistate trend in the filing, property damage trend receives 35% weight.

If the prior trends were used to calculate the indicated changes in this document, the Truck, Tractors & Trailers Liability indication would have been 3.8% rather than 5.2%. For the Private Passenger Types coverage, the indication would have been 5.3% instead of 6.6%.

#### **No-Fault Coverage (PIP)**

	Current Trends <u>Data through 12/31/2018</u>	Previous Trends <u>Data through 12/31/2017</u>
Maryland Claim Cost Trends		
Trucks, Tractors & Trailers	3.3%	3.5%
Private Passenger Types	3.3%	3.6%
Selected Claim Frequency Trends		
Trucks, Tractors & Trailers		
	0.0%	0.0%
Private Passenger Types		
	0.0%	0.0%
Selected Pure Premium Trends		
Trucks, Tractors & Trailers		
	3.3%	3.5%
Private Passenger Types		
	3.3%	3.6%

If the prior trends were used to calculate the indicated change in this document, the Truck, Tractors & Trailers PIP indication would have been -1.8% instead of -2.0%. For the Private Passenger Types PIP coverage, the indication would have been -2.3% rather than -2.4%.

## Supplementary Information – Maryland

### Physical Damage Loss Trend

	<u>Coverage</u>	<u>Current Trends</u> <u>Data through 06/30/2018</u>	<u>Previous Trends</u> <u>Data through 06/30/2017</u>
Trucks, Tractors & Trailers	OTC	+7.0%	+7.0%
	Collision	+4.5%	+5.0%
Private Passenger Types	OTC	+7.0%	+6.0%
	Collision	+4.5%	+5.0%

### Physical Damage OCN Trend

	<u>Coverage</u>	<u>Current Trends</u> <u>Data through 06/30/2018</u>	<u>Previous Trends</u> <u>Data through 06/30/2017</u>
Trucks, Tractors & Trailers	OTC	+1.0%	+0.9%
	Collision	+1.5%	+1.3%
Private Passenger Types	OTC	+1.0%	+1.0%
	Collision	+0.6%	+0.6%

The loss trend has remained the same for Trucks, Tractors & Trailers OTC and has increased by 1.0 points for Private Passenger Types OTC. The OCN trend has increased by 0.1 points for Trucks, Tractors and Trailers OTC and remained the same for Private Passenger Types OTC. If the prior loss and OCN trends were used, the Trucks, Tractors and Trailers and Private Passenger Types OTC indications in this document would have 3.7%, instead of 3.3%, and 4.5%, instead of 7.4%, respectively.

The loss trend has decreased by 0.5 points for Trucks, Tractors & Trailers collision and for Private Passenger Types collision. The OCN trend has increased by 0.2 points for Trucks, Tractors, & Trailers collision and has remained the same for Private Passenger Types collision. If the prior loss and OCN trends were used, the Trucks, Tractors and Trailers and Private Passenger Types collision indications in this document would have been -2.1%, instead of -4.6%, and 4.1%, instead of 2.5%, respectively.

## Supplementary Information – Maryland

### Loss Development

#### Methodology

For the Trucks, Tractors & Trailers and Private Passenger Types Liability coverages, we continue to employ a credibility-weighted combination of Maryland and multistate factors for the 15 to 27 month link ratios for BI and PD, and the 27 to 39 month link ratios for BI only. For all coverages, the "best three of five" link ratios have been used. Specifically, the highest and lowest link ratios from the latest five years of the experience have been removed from the calculation and the remaining three ratios are used to calculate the three-year average.

#### Factors

	<u>Current (100K)</u>	<u>Previous (100K)</u>
Trucks, Tractors and Trailers BI		
39 to Ultimate	1.080	1.076
27 to Ultimate	1.180	1.172
15 to Ultimate	1.401	1.386
Trucks, Tractors and Trailers PD		
39 to Ultimate	1.004	1.005
27 to Ultimate	1.013	1.014
15 to Ultimate	1.061	1.063
Private Passenger Types BI		
39 to Ultimate	1.068	1.065
27 to Ultimate	1.136	1.144
15 to Ultimate	1.230	1.230
Private Passenger Types PD		
39 to Ultimate	1.004	1.006
27 to Ultimate	1.011	1.015
15 to Ultimate	1.042	1.051

## Supplementary Information – Maryland

### Other Factors

Unallocated Loss Adjustment Expense factors:

	<u>Data through 12/31/2017</u>	<u>Data through 12/31/2016</u>
Bodily Injury	1.075	1.080
Property Damage	1.100	1.105
Physical Damage	1.130	1.140

### Indicated vs. Filed Changes

An overall change of 4.0% is indicated when each of the coverage indications is weighted by its respective loss cost volume. Staff will file the indications, which reflect a 02/01/2020 proposed effective date, with the following exceptions:

<u>Coverage</u>	<u>Indicated Change</u>	<u>Filed Change</u>
Trucks, Tractors, and Trailers PIP	-2.0%	N.C.
Private Passenger Types PIP	-2.4%	N.C.

The overall filed change is 4.0%.

### Notes

- The Auto Dealers Liability and PIP coverages are not being reviewed this year.
- The Auto Dealers and Garagekeepers physical damage coverages are not being reviewed this year.