

LOSS COSTS – IMPLEMENTATION

JANUARY 28, 2021

COMMERCIAL AUTOMOBILE

LI-CA-2021-026

NORTH DAKOTA REVISED COMMERCIAL AUTO ADVISORY PROSPECTIVE LOSS COSTS TO BE IMPLEMENTED

KEY MESSAGE

Loss costs representing a **+2.8%** statewide change to be implemented.

UPGRADE TO WORD AND EXCEL DOCUMENTS

ISO is currently implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format. These changes will be phased in by product/service tentatively beginning in second quarter 2021. We are providing advance notification so that you may prepare your internal systems. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), IntegRater, PRM, Statistical Plans and Suite +.

BACKGROUND

In circular [LI-CA-2020-444](#), we provided you with information about the Commercial Auto loss cost level experience review.

CONSIDERATION OF COVID-19

While there will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19, we expect, based on the information currently available, that those changes will have negligible and/or offsetting effects on prospective loss costs for Commercial Auto. Therefore, ISO is not making any explicit adjustment to the prospective loss costs referenced in this filing due to COVID-19. Additionally, the loss costs referenced in this filing do not contemplate the possibility of widespread viral resurgence or the renewal of stay-at-home orders during the period in which the newly filed loss costs will be in effect. We have assumed that any recurrence of such extreme and unpredictable circumstances would generally be addressed, as appropriate, by individual carriers.

ISO ACTION

We are implementing CA-2021-BRLA1, which presents a review of Commercial Auto loss cost experience. Refer to the attached explanatory material for complete details about the filing.

SUPPLEMENTARY INFORMATION

We are including supplementary information for North Dakota, 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.

EFFECTIVE DATE

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

These changes are applicable to all policies written on or after July 1, 2021.

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.

IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of July 1, 2021, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in this circular.

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 JUNE 21, 2021. 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-2021-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.

RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

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-2019-057](#) 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.

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). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 7-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CA-2020-444](#) (12/02/2020) Commercial Auto Experience Level Indications Reviewed By Staff
- [LI-CL-2019-057](#) (12/10/2019) Revised Lead Time Requirements Listing

ATTACHMENT(S)

- Filing CA-2021-BRLA1
- Supplementary Information

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 were 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.

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, Rebecca Gordon, am an Actuarial Associate 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.

OPTIONAL CLASS PLAN INFORMATION

For the latest updates on the Optional Class Plan, visit <https://www.verisk.com/insurance/products/new-commercial-auto-class-plan>.

ISO RISK ANALYZER[®]

The loss cost analysis in this circular is reflected in ISO Risk Analyzer[®], a suite of predictive models that help with granular pricing of insurance risks. Risk Analyzer can provide loss costs for refined territories and classes, as well as feed custom modeling efforts. For more information, please visit <https://www.verisk.com/riskanalyzer>.

CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:
Rena Lewisohn
Actuarial Operations
201-469-2639
Rena.Lewisohn@verisk.com
autoactuarial@verisk.com
- The non-actuarial content of this circular, please contact:
Vincent Barila
Production Operations, Compliance and Product Services
201-469-2751
productionoperations@verisk.com
- Other issues for this circular, please contact Customer Support:
E-mail: info@verisk.com
Phone: 800-888-4476

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NORTH DAKOTA

BASIC LIMITS PROSPECTIVE LOSS COST LEVEL – COMMERCIAL AUTOMOBILE

FILING CA–2021-BRLA1

EXECUTIVE SUMMARY

PURPOSE	<p>This document:</p> <ul style="list-style-type: none">• revises the advisory prospective loss costs for the major Commercial Automobile classes. These loss costs represent a 2.8% statewide change from the loss costs currently in effect.• provides the analyses used to derive these advisory loss costs.
DEFINITION OF THE ISO ADVISORY PROSPECTIVE LOSS COSTS	<p>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.”</p>
CONSIDERATION OF COVID-19	<p>While there will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19, we expect, based on the information currently available, that those changes will have negligible and/or offsetting effects on prospective loss costs for Commercial Auto. Therefore, ISO is not making any explicit adjustment to the prospective loss costs referenced in this filing due to COVID-19. Additionally, the loss costs referenced in this filing do not contemplate the possibility of widespread viral resurgence or the renewal of stay-at-home orders during the period in which the newly filed loss costs will be in effect. We have assumed that any recurrence of such extreme and unpredictable circumstances would generally be addressed, as appropriate, by individual carriers.</p>
OPTIONAL CLASS PLAN LOSS COSTS	<p>The loss costs contained in this filing CA-2021-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-2021-BRLB1.</p>
FORMAT	<p>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-29, the exhibits are labeled EXHIBIT A1 through EXHIBIT C19, and the revised prospective loss cost pages are numbered D-1 through D-9.</p>
AUTO DEALERS LIABILITY AND PIP COVERAGES	<p>The Auto Dealers Liability and PIP coverages are not being reviewed this year.</p>
AUTO DEALERS AND GARAGEKEEPERS	<p>A review of the Auto Dealers and Garagekeepers physical damage loss costs is included in this document.</p>

REVISED LOSS
COST CHANGES

The statewide advisory loss cost level changes are:

	<u>Indicated</u>	<u>Filed</u>
<u>Trucks, Tractors & Trailers</u>		
Liability		
Single Limit Liability	0.7%	N.C.
Personal Injury Protection	-3.3%	N.C.
Physical Damage		
Other than Collision	11.5%	11.5%
Collision	-1.4%	N.C.
Total Trucks, Tractors & Trailers	2.4%	2.5%
 <u>Private Passenger Types</u>		
Liability		
Single Limit Liability	2.1%	N.C.
Personal Injury Protection	0.0%	N.C.
Physical Damage		
Other than Collision	8.8%	8.8%
Collision	2.1%	N.C.
Total Private Passenger Types	3.6%	2.1%
 <u>Garages</u>		
Physical Damage		
Auto Dealers		
Other than Collision	16.1%	16.1%
Collision	10.8%	10.8%
Garagekeepers		
Other than Collision	19.9%	19.9%
Collision	12.2%	12.2%
Total Garages	16.2%	16.2%
 <u>Grand Total</u>	 2.9%	 2.8%

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

INDICATED VS.
FILED

Indicated changes are based on standard ISO methodology, utilizing a 7/1/2021 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 Liability and Collision and Private Passenger Types Liability, PIP and Collision due to the modest indications. No Change (N.C.) was selected for Trucks, Tractors & Trailers PIP due to the minimal effect on the territorial changes.

PRIOR ISO REVISIONS

The latest selected revisions in this state are:

<u>Filing</u>	CA-2020-BRLA1	CA-2019-BRLA1	CA-2017-BRLA1
Rate Level/ Loss Costs	Loss Costs	Loss Costs	Loss Costs
Effective Date	7/1/2020	7/1/2019	7/1/2017
<u>Changes</u>			
Indicated	-2.5%	-3.9%	-3.0%
Filed	-2.5%	-4.0%	-3.3%
Approved	-2.5%	-4.0%	-3.3%

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 12/31/2019 for all coverages.

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

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 fourth quarter 2019 and claim frequency trend data through third quarter 2019 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	+5.9%
Property Damage	+5.7%
Private Passenger Types Liability:	
Bodily Injury	+5.9%
Property Damage	+5.7%

Trucks, Tractors & Trailers PIP	+3.2%
Private Passenger Types PIP	+3.3%
Trucks, Tractors & Trailers OTC	+6.5%
Trucks, Tractors & Trailers Collision	+4.5%
Private Passenger Types OTC	+6.5%
Private Passenger Types Collision	+4.0%

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 +0.9% 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

LIABILITY (ASLOB 19.3 & 19.4)

1. Travelers Indemnity Company
2. Employers Mutual Casualty Company
3. Zurich American Insurance Company
4. Nationwide Mutual Insurance Co.
5. Western National Mutual Ins. Co.
6. United Fire & Casualty Company
7. Cincinnati Insurance Company
8. American International Group
9. Sentry Insurance A Mutual Company
10. Liberty Mutual Insurance Company

PHYSICAL DAMAGE (ASLOB 21.2)

1. Travelers Indemnity Company
2. Employers Mutual Casualty Company
3. Motors Insurance Corporation
4. Western National Mutual Ins. Co.
5. United Fire & Casualty Company
6. Zurich American Insurance Company
7. Cincinnati Insurance Company
8. Nationwide Mutual Insurance Co.
9. Liberty Mutual Insurance Company
10. National American Insurance 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 12/31/2019 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 12/31/2019 is:

Liability (ASLOB 19.3 & 19.4)
34.6%

Physical Damage (ASLOB 21.2)
31.2%

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
DECISION (Con'td)

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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NORTH DAKOTA
COMMERCIAL AUTOMOBILE
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OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

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.

**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." See the calculations in **Exhibits B1-B6**.

**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. See the calculations in **Exhibits B7-B12**.

**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.

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE
STEP 1 – DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGE

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?

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. See the calculations in **Exhibits B1-B6**.

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.

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. For all coverages other than the Garage Dealers and Garage Keepers Physical Damage coverages, 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.

For the Garage Dealers and Garage Keepers Physical Damage coverages, the analysis is based on an on-leveling approach. The reported premiums are adjusted to current ISO loss cost levels by applying company reported deviation factors and on-level factors.

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.

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.

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.

**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.

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.

**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.

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

STEP 2 – DETERMINATION OF TERRITORY RELATIVITIES

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?

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. See the calculations in **Exhibits B7-B12**.

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).

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.

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)]

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

COLUMN (11)
ADVISORY
LOSS COST
CHANGE

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

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. See the calculations in **Exhibit C1**.

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. See the calculations in **Exhibits C2-C3**.

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. See the calculations in **Exhibits C4-C5**. 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. See the calculations in **Exhibits C6-C9**. 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	Private Passenger Types and Garages
	<u>Pure Premium</u>	<u>Pure Premium</u>
OTC:	+6.5%	+6.5%
COLL:	+4.5%	+4.0%

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>
12/31/2016	2.913	2.887
03/31/2017	2.925	2.910
06/30/2017	2.942	2.933
09/30/2017	2.945	2.956
12/31/2017	2.966	2.980
03/31/2018	2.999	3.003
06/30/2018	3.016	3.027
09/30/2018	3.033	3.051
12/31/2018	3.061	3.075
03/31/2019	3.074	3.100
06/30/2019	3.118	3.124
09/30/2019	3.158	3.149
12/31/2019	3.189	3.174
03/31/2020	3.194	3.199
06/30/2020	3.248	3.225
09/30/2020	3.263	3.250
	<u>R-Squared</u>	<u>Average Annual Change</u>
16 Point Fit	0.9814	3.2%
12 Point Fit	0.9886	3.6%

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. See the calculations in **Exhibits C10-C11**. 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 0.9% 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 March 31, 2020. In other words, accident year ended December 31, 2019 includes all losses and allocated loss adjustment expenses paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019 and all losses and allocated loss adjustment expenses outstanding on these accidents as of March 31, 2020, 15 months after the inception of the accident year. Similarly, the incurred losses and allocated loss adjustment expenses for accident year ended December 31, 2018 include all loss and loss adjustment expenses paid through March 31, 2020 on accidents occurring from January 1, 2018 to December 31, 2018 and all losses and allocated loss adjustment expenses outstanding on these accidents as of March 31, 2020, 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. See the calculations in **Exhibits C12-C13**.

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 March 31, 2020. In other words, accident year ended December 31, 2019 includes all losses paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019. Similarly, the paid losses for accident year ended December 31, 2018 include all losses paid through March 31, 2020 on accidents occurring from January 1, 2018 to December 31, 2018. 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. See the calculations in **Exhibits C14-C17**.

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 3,000,
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 350,
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims $<$ 350,
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
Garages OTC	900	7,500
Garages Collision	250	2,000

Tables For Use With Trend Data

Bodily Injury				Property Damage			
<u>Number of Claims</u>			<u>Cred.</u>	<u>Number of Claims</u>			<u>Cred.</u>
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 & Trailers and Private Pass Types</u>		
*0.00	0	-	7
0.05	8	-	29
0.10	30	-	67
0.15	68	-	119
0.20	120	-	187
0.25	188	-	269
0.30	270	-	367
0.35	368	-	479
0.40	480	-	607
0.45	608	-	749
0.50	750	-	907
0.55	908	-	1,079
0.60	1,080	-	1,267
0.65	1,268	-	1,469
0.70	1,470	-	1,687
0.75	1,688	-	1,919
0.80	1,920	-	2,167
0.85	2,168	-	2,429
0.90	2,430	-	2,707
0.95	2,708	-	2,999
1.00	>		2,999

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	Trucks, Tractors & Trailers			Private Passenger Types			Garages		
0.00*	0	-	27	0	-	21	0	-	18
0.05	28	-	109	22	-	84	19	-	74
0.10	110	-	247	85	-	191	75	-	168
0.15	248	-	439	192	-	339	169	-	299
0.20	440	-	687	340	-	531	300	-	468
0.25	688	-	989	532	-	764	469	-	674
0.30	990	-	1,347	765	-	1,041	675	-	918
0.35	1,348	-	1,759	1,042	-	1,359	919	-	1,199
0.40	1,760	-	2,227	1,360	-	1,721	1,200	-	1,518
0.45	2,228	-	2,749	1,722	-	2,124	1,519	-	1,874
0.50	2,750	-	3,327	2,125	-	2,571	1,875	-	2,268
0.55	3,328	-	3,959	2,572	-	3,059	2,269	-	2,699
0.60	3,960	-	4,647	3,060	-	3,591	2,700	-	3,168
0.65	4,648	-	5,389	3,592	-	4,164	3,169	-	3,674
0.70	5,390	-	6,187	4,165	-	4,781	3,675	-	4,218
0.75	6,188	-	7,039	4,782	-	5,439	4,219	-	4,799
0.80	7,040	-	7,947	5,440	-	6,141	4,800	-	5,418
0.85	7,948	-	8,909	6,142	-	6,884	5,419	-	6,074
0.90	8,910	-	9,927	6,885	-	7,671	6,075	-	6,768
0.95	9,928	-	10,999	7,672	-	8,499	6,769	-	7,499
1.00		>	10,999		>	8,499		>	7,499

COLLISION

Cred	Trucks, Tractors & Trailers			Private Passenger Types			Garages		
0.00*	0	-	11	0	-	8	0	-	4
0.05	12	-	44	9	-	34	5	-	19
0.10	45	-	101	35	-	78	20	-	44
0.15	102	-	179	79	-	139	45	-	79
0.20	180	-	281	140	-	218	80	-	124
0.25	282	-	404	219	-	314	125	-	179
0.30	405	-	551	315	-	428	180	-	244
0.35	552	-	719	429	-	559	245	-	319
0.40	720	-	911	560	-	708	320	-	404
0.45	912	-	1,124	709	-	874	405	-	499
0.50	1,125	-	1,361	875	-	1,058	500	-	604
0.55	1,362	-	1,619	1,059	-	1,259	605	-	719
0.60	1,620	-	1,901	1,260	-	1,478	720	-	844
0.65	1,902	-	2,204	1,479	-	1,714	845	-	979
0.70	2,205	-	2,531	1,715	-	1,968	980	-	1,124
0.75	2,532	-	2,879	1,969	-	2,239	1,125	-	1,279
0.80	2,880	-	3,251	2,240	-	2,528	1,280	-	1,444
0.85	3,252	-	3,644	2,529	-	2,834	1,445	-	1,619
0.90	3,645	-	4,061	2,835	-	3,158	1,620	-	1,804
0.95	4,062	-	4,499	3,159	-	3,499	1,805	-	1,999
1.00		>	4,499		>	3,499		>	1,999

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.

NORTH DAKOTA
CLAIMS PER TERRITORY
LIABILITY AND PIP

Territory	Trucks, Tractors & Trailers Incurred Claims 5 Years Ending 12/31/2019		Private Passenger Types Incurred Claims 5 Years Ending 12/31/2019	
	Combined BI and PD	PIP	Combined BI and PD	PIP
101	408	12	94	10
102	1,422	98	141	21
104	375	22	41	7
105	126	2	32	2
106	177	3	23	2
SW Total	2,508	137	331	42

Claims for Trend

BI

PD

53

473

NORTH DAKOTA
CLAIMS PER TERRITORY
PHYSICAL DAMAGE

Territory	Trucks, Tractors & Trailers Paid Claims 5 Years Ending 12/31/2019		Private Passenger Types Paid Claims 5 Years Ending 12/31/2019	
	OTC	Coll	OTC	Coll
101	383	291	160	92
102	2,540	1,371	338	146
104	487	265	80	47
105	146	107	104	62
106	145	125	57	31
SW Total	3,701	2,159	739	378

WIND AND WATER PROCEDURE
OTHER THAN COLLISION

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.

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.

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
NORTH DAKOTA

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	137,862	372,687	234,825	0.587	-0.150	-35,224	337,463
1988	60,672	420,454	359,782	0.169	0.268	96,422	516,876
1989	63,151	403,582	340,431	0.186	0.251	85,448	489,030
1990	160,441	864,625	704,184	0.228	0.209	147,174	1,011,799
1991	121,669	580,476	458,807	0.265	0.172	78,915	659,391
1992	49,679	428,407	378,728	0.131	0.306	115,891	544,298
1993	132,970	539,790	406,820	0.327	0.110	44,750	584,540
1994	330,332	890,969	560,637	0.589	-0.152	-85,217	805,752
1995	591,021	1,261,869	670,848	0.881	-0.444	-297,857	964,012
1996	262,014	964,390	702,376	0.373	0.064	44,952	1,009,342
1997	691,942	1,784,292	1,092,350	0.633	-0.196	-214,101	1,570,191
1998	164,724	1,077,355	912,631	0.180	0.257	234,546	1,311,901
1999	543,702	1,745,584	1,201,882	0.452	-0.015	-18,028	1,727,556
2000	1,135,062	2,329,953	1,194,891	0.950	-0.513	-612,979	1,716,974
2001	2,018,537	3,026,996	1,008,459	2.002	-1.565	-1,578,238	1,448,758
2002	271,776	919,757	647,981	0.419	0.018	11,664	931,421
2003	133,803	885,917	752,114	0.178	0.259	194,798	1,080,715
2004	78,522	744,189	665,667	0.118	0.319	212,348	956,537
2005	297,808	1,203,505	905,697	0.329	0.108	97,815	1,301,320
2006	51,084	612,831	561,747	0.091	0.346	194,364	807,195
2007	207,123	1,288,547	1,081,424	0.192	0.245	264,949	1,553,496
2008	179,154	1,264,818	1,085,664	0.165	0.272	295,301	1,560,119
2009	277,017	1,399,333	1,122,316	0.247	0.190	213,240	1,612,573
2010	625,236	1,537,484	912,248	0.685	-0.248	-226,238	1,311,246
2011	439,819	1,554,415	1,114,596	0.395	0.042	46,813	1,601,228
2012	265,310	1,740,618	1,475,308	0.180	0.257	379,154	2,119,772
2013	519,217	1,847,575	1,328,358	0.391	0.046	61,104	1,908,679
2014	1,059,665	2,560,967	1,501,302	0.706	-0.269	-403,850	2,157,117
2015	484,121	2,120,758	1,636,637	0.296	0.141	230,766	2,351,524
2016	2,387,532	4,285,405	1,897,873	1.258	-0.821	-1,558,154	2,727,251
2017	156,057	2,095,491	1,939,434	0.08	0.357	692,378	2,787,869
2018	631,210	2,854,286	2,223,076	0.284	0.153	340,131	3,194,417
2019	1,042,190	3,395,658	2,353,468	0.443	-0.006	-14,121	3,381,537

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.437

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
NORTH DAKOTA

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	106,175	234,120	127,945	0.830	-0.358	-45,804	188,316
1988	53,977	168,743	114,766	0.470	0.002	230	168,973
1989	45,704	215,320	169,616	0.269	0.203	34,432	249,752
1990	38,411	180,005	141,594	0.271	0.201	28,460	208,465
1991	46,443	211,000	164,557	0.282	0.190	31,266	242,266
1992	19,926	170,033	150,107	0.133	0.339	50,886	220,919
1993	83,390	245,460	162,070	0.515	-0.043	-6,969	238,491
1994	173,612	366,090	192,478	0.902	-0.430	-82,766	283,324
1995	271,893	577,612	305,719	0.889	-0.417	-127,485	450,127
1996	126,207	444,405	318,198	0.397	0.075	23,865	468,270
1997	396,988	712,230	315,242	1.259	-0.787	-248,095	464,135
1998	73,290	343,501	270,211	0.271	0.201	54,312	397,813
1999	146,311	427,320	281,009	0.521	-0.049	-13,769	413,551
2000	272,895	664,733	391,838	0.696	-0.224	-87,772	576,961
2001	539,871	891,875	352,004	1.534	-1.062	-373,828	518,047
2002	68,214	347,209	278,995	0.244	0.228	63,611	410,820
2003	46,135	352,439	306,304	0.151	0.321	98,324	450,763
2004	28,422	245,741	217,319	0.131	0.341	74,106	319,847
2005	187,474	375,113	187,639	0.999	-0.527	-98,886	276,227
2006	24,866	229,493	204,627	0.122	0.350	71,619	301,112
2007	109,405	311,451	202,046	0.541	-0.069	-13,941	297,510
2008	76,092	267,555	191,463	0.397	0.075	14,360	281,915
2009	26,150	198,219	172,069	0.152	0.320	55,062	253,281
2010	82,454	302,204	219,750	0.375	0.097	21,316	323,520
2011	36,585	141,055	104,470	0.350	0.122	12,745	153,800
2012	19,573	193,296	173,723	0.113	0.359	62,367	255,663
2013	48,608	241,566	192,958	0.252	0.220	42,451	284,017
2014	68,269	242,874	174,605	0.391	0.081	14,143	257,017
2015	37,993	203,561	165,568	0.229	0.243	40,233	243,794
2016	209,355	507,949	298,594	0.701	-0.229	-68,378	439,571
2017	28,640	259,774	231,134	0.124	0.348	80,435	340,209
2018	53,822	282,736	228,914	0.235	0.237	54,253	336,989
2019	181,357	397,138	215,781	0.84	-0.368	-79,407	317,731

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.472

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
NORTH DAKOTA

AUTO DEALERS

	(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	516,905	618,846	101,941	5.071	-4.201	-428,254	190,592
1988	157,323	277,440	120,117	1.310	-0.440	-52,851	224,589
1989	449,819	657,892	208,073	2.162	-1.292	-268,830	389,062
1990	456,630	649,544	192,914	2.367	-1.497	-288,792	360,752
1991	1,032,184	1,364,646	332,462	3.105	-2.235	-743,053	621,593
1992	176,610	325,484	148,874	1.186	-0.316	-47,044	278,440
1993	643,843	734,275	90,432	7.120	-6.250	-565,200	169,075
1994	1,348,282	1,896,843	548,561	2.458	-1.588	-871,115	1,025,728
1995	2,938,598	3,120,712	182,114	16.136	-15.266	-2,780,152	340,560
1996	1,543,203	1,723,758	180,555	8.547	-7.677	-1,386,121	337,637
1997	3,061,735	3,331,787	270,052	11.338	-10.468	-2,826,904	504,883
1998	458,689	649,607	190,918	2.403	-1.533	-292,677	356,930
1999	1,458,565	1,718,348	259,783	5.615	-4.745	-1,232,670	485,678
2000	854,456	1,613,627	759,171	1.126	-0.256	-194,348	1,419,279
2001	939,499	957,889	18,390	51.087	-50.217	-923,491	34,398
2002	316,867	326,882	10,015	31.639	-30.769	-308,152	18,730
2003	7,486	12,878	5,392	1.388	-0.518	-2,793	10,085
2004	0	6,204	6,204	0.000	0.870	5,397	11,601
2005	64,058	109,450	45,392	1.411	-0.541	-24,557	84,893
2006	0	16,430	16,430	0.000	0.870	14,294	30,724
2007	5,269	303,562	298,293	0.018	0.852	254,146	557,708
2008	5,844	457,056	451,212	0.013	0.857	386,689	843,745
2009	7,320	29,164	21,844	0.335	0.535	11,687	40,851
2010	65,400	74,135	8,735	7.487	-6.617	-57,799	16,336
2011	97,720	121,690	23,970	4.077	-3.207	-76,872	44,818
2012	70,911	70,815	-96	-738.656	739.526	-70,994	-179
2013	658,894	660,174	1,280	514.761	-513.891	-657,780	2,394
2014	125,069	131,761	6,692	18.689	-17.819	-119,245	12,516
2015	12,521	28,573	16,052	0.78	0.09	1,445	30,018
2016	63,740	178,615	114,875	0.555	0.315	36,186	214,801
2017	259,172	269,338	10,166	25.494	-24.624	-250,328	19,010
2018	124,841	128,171	3,330	37.49	-36.62	-121,945	6,226
2019	3,190	4,646	1,456	2.191	-1.321	-1,923	2,723

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.870

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
NORTH DAKOTA

GARAGEKEEPERS

	(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	247,893	323,708	75,815	3.270	-2.385	-180,819	142,889
1988	14,022	65,071	51,049	0.275	0.610	31,140	96,211
1989	4,414	47,397	42,983	0.103	0.782	33,613	81,010
1990	42,725	144,138	101,413	0.421	0.464	47,056	191,194
1991	143,138	355,571	212,433	0.674	0.211	44,823	400,394
1992	6,562	60,158	53,596	0.122	0.763	40,894	101,052
1993	17,761	54,259	36,498	0.487	0.398	14,526	68,785
1994	247,004	321,694	74,690	3.307	-2.422	-180,899	140,795
1995	576,770	636,249	59,479	9.697	-8.812	-524,129	112,120
1996	2,592	73,809	71,217	0.036	0.849	60,463	134,272
1997	104,859	158,663	53,804	1.949	-1.064	-57,247	101,416
1998	31,520	74,383	42,863	0.735	0.150	6,429	80,812
1999	115,434	191,820	76,386	1.511	-0.626	-47,818	144,002
2000	141,445	173,294	31,849	4.441	-3.556	-113,255	60,039
2001	7,013	92,560	85,547	0.082	0.803	68,694	161,254
2002	6,419	73,184	66,765	0.096	0.789	52,678	125,862
2003	0	34,938	34,938	0.000	0.885	30,920	65,858
2004	3,169	29,980	26,811	0.118	0.767	20,564	50,544
2005	6,661	29,334	22,673	0.294	0.591	13,400	42,734
2006	6,718	17,626	10,908	0.616	0.269	2,934	20,560
2007	0	50,418	50,418	0.000	0.885	44,620	95,038
2008	0	67,113	67,113	0.000	0.885	59,395	126,508
2009	10,311	48,529	38,218	0.270	0.615	23,504	72,033
2010	0	10,055	10,055	0.000	0.885	8,899	18,954
2011	0	25,231	25,231	0.000	0.885	22,329	47,560
2012	6,200	35,358	29,158	0.213	0.672	19,594	54,952
2013	0	19,203	19,203	0.000	0.885	16,995	36,198
2014	0	55,717	55,717	0	0.885	49,310	105,027
2015	0	27,136	27,136	0	0.885	24,015	51,151
2016	7,493	47,054	39,561	0.189	0.696	27,534	74,588
2017	0	15,944	15,944	0	0.885	14,110	30,054
2018	18,632	84,385	65,753	0.283	0.602	39,583	123,968
2019	0	47,486	47,486	0	0.885	42,025	89,511

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.885

EXPLANATORY MEMORANDUM FOR WIND AND WATER PROCEDURE

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).

COLUMN (2)
OTC TOTAL
LOSSES

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

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).

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)

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).

COLUMN (6)
WIND AND WATER
ADJUSTMENT

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

COLUMN (7)
ADJUSTED OTC
TOTAL LOSSES

Column (2) + Column (6).

TERRITORIAL WIND AND WATER PROCEDURE
OTHER THAN COLLISION

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.

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.

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.

NORTH DAKOTA
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)
TRUCKS, TRACTORS & TRAILERS (D)		
Liability		
Single Limit Liability	\$ 8,513,959	N.C.
Personal Injury Protection	416,557	N.C.
Combined	8,930,516	N.C.
Physical Damage		
Other Than Collision	3,725,875	11.5%
Collision	4,402,842	N.C.
Combined	8,128,717	5.3%
Total Trucks, Tractors & Trailers	17,059,233	2.5%
PRIVATE PASSENGER TYPES		
Liability		
Single Limit Liability	778,428	N.C.
Personal Injury Protection	62,075	N.C.
Combined	840,503	N.C.
Physical Damage		
Other Than Collision	379,010	8.8%
Collision	346,163	N.C.
Combined	725,173	4.6%
Total Private Passenger Types	1,565,676	2.1%
GARAGES		
Physical Damage		
Auto Dealers		
Other Than Collision	262,251	16.1%
Collision	31,027	10.8%
Combined	293,278	15.5%
Garagekeepers		
Other Than Collision	119,511	19.9%
Collision	59,901	12.2%
Combined	179,412	17.3%
Total Garages	472,690	16.2%
GRAND TOTAL ALL COVERAGES	19,097,599	2.8%
TOTAL LIABILITY	9,771,019	0.0%
TOTAL PHYSICAL DAMAGE	9,326,580	5.8%

(A) An implementation date of 07/01/2021 is assumed for purposes of trending.

(B) Accident Year ending 12/31/2019 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.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

(b) For Trucks, Tractors and Trailers PIP, No Change (N.C.) was selected due to the minimal effect on the territorial changes.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	
101	13.5%		14.1%
102	11.5%		11.6%
104	9.5%		9.4%
105	8.8%		9.0%
106	10.8%		10.6%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	137	13	126	164	73
102	84	12	184	183	106
104	160	14	243	184	140
105	108	20	148	149	85
106	129	14	164	185	94

(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 0.576 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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		Specified Causes of Loss
	Comprehensive	Collision ^(a)	
101	10.4%		9.7%
102	8.5%		8.8%
104	6.8%		6.7%
105	7.9%		7.4%
106	13.6%		13.2%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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		Specified Causes of Loss ^(c)
			Comprehensive ^(a)	Collision ^(b)	
101	215	25	138	211	79
102	103	24	192	226	111
104	171	26	220	219	127
105	110	19	151	182	87
106	119	20	150	243	86

(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 0.576 to the Private Passenger Types Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
COMMERCIAL AUTOMOBILE INSURANCE

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

FOR GARAGE POLICY COVERAGES
PHYSICAL DAMAGE

AUTO DEALERS

FIRE

Territory	
ALL	18.8%

FIRE AND THEFT

	Personal Auto Type Vehicles	Misc. Type Vehicles
	Buildings and Standard Open Lots	Buildings and Open Lots
Territory		
ALL	16.0%	16.4%

SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles			Misc. Type Vehicles	
		Standard	Non-Standard		
	Buildings	Open Lots	Open Lots	Buildings	Open Lots
Territory					
ALL	15.9%	16.0%	16.3%	15.9%	16.1%

LIMITED SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles			Misc. Type Vehicles	
		Standard	Non-Standard		
	Buildings	Open Lots	Open Lots	Buildings	Open Lots
Territory					
ALL	16.0%	15.9%	16.2%	16.4%	15.9%

COMPREHENSIVE

	Personal Auto Type Vehicles			Misc. Type Vehicles	
		Standard	Non-Standard		
	Buildings	Open Lots	Open Lots	Buildings and Open Lots	
Territory					
ALL	16.1%	16.0%	16.1%	16.0%	

BLANKET COLLISION

	First \$50,000 and Under	\$50,001 to \$100,000	Over \$100,000
Deductible			
\$100	11.2%	11.4%	10.5%
\$250	11.0%	11.5%	8.3%

GARAGEKEEPERS

	Specified Causes of Loss	Collision
	Legal Liability \$6,000 Limit	Legal Liability \$6,000 Limit
Territory		
ALL	20.7%	12.0%

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
COMMERCIAL AUTOMOBILE INSURANCE

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

FOR GARAGE POLICY COVERAGES
PHYSICAL DAMAGE

AUTO DEALERS

FIRE

Territory	
ALL	0.19

FIRE AND THEFT

	Personal Auto Type Vehicles	Misc. Type Vehicles
	Buildings and Standard Open Lots	Buildings and Open Lots
Territory		
ALL	1.16	0.64
	Non-Standard Open Lots	
	1.38	

SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles	
	Standard	Non-Standard		
	Buildings	Open Lots	Buildings	Open Lots
Territory				
ALL	1.97	2.17	1.46	1.66
		Open Lots		
		2.43		

LIMITED SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles	
	Standard	Non-Standard		
	Buildings	Open Lots	Buildings	Open Lots
Territory				
ALL	1.81	1.97	1.28	1.46
		Open Lots		
		2.22		

COMPREHENSIVE

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
	Buildings	Open Lots	Buildings and Open Lots
Territory			
ALL	2.38	2.68	2.17
		Open Lots	
		2.89	

BLANKET COLLISION

	First \$50,000 and Under	\$50,001 to \$100,000	Over \$100,000
Deductible			
\$100	1.29	0.49	0.21
\$250	0.81	0.29	0.13

GARAGEKEEPERS

	Specified Causes of Loss	Collision
	Legal Liability \$6,000 Limit	Legal Liability \$6,000 Limit
Territory		
ALL	35	28

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

(b) For Trucks, Tractors and Trailers PIP, No Change (N.C.) was selected due to the minimal effect on the territorial changes.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	
101	14.2%		13.8%
102	11.9%		11.3%
104	9.7%		9.2%
105	8.6%		8.7%
106	10.6%		10.3%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	206	9	129	208	74
102	126	9	188	232	108
104	240	10	248	234	143
105	162	14	151	189	87
106	194	10	167	235	96

- (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 0.72 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 Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

(b) For Trucks, Tractors and Trailers PIP, No Change (N.C.) was selected due to the minimal effect on the territorial changes.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	
101	14.2%		13.8%
102	11.9%		11.3%
104	9.7%		9.2%
105	8.6%		8.7%
106	10.6%		10.3%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	849	70	129	208	74
102	521	65	188	232	108
104	992	76	248	234	143
105	670	108	151	189	87
106	800	76	167	235	96

- (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 5.41 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 Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

(b) For Trucks, Tractors and Trailers PIP, No Change (N.C.) was selected due to the minimal effect on the territorial changes.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	
101	12.8%		13.3%
102	11.2%		10.4%
104	9.7%		8.9%
105	9.5%		9.1%
106	10.6%		10.0%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 \$100,000 CSL ^(a)	PIP ^(b)	Physical Damage		Specified Causes of Loss ^(e)
			Comprehensive ^(c)	Collision ^(d)	
101	75	9	88	107	51
102	46	8	129	119	74
104	88	9	170	120	98
105	59	13	104	97	60
106	71	9	115	120	66

- (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 0.66 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 Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	PIP ^(b)
101		
102		
104		
105		
106		

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

(b) For Trucks, Tractors and Trailers PIP, No Change (N.C.) was selected due to the minimal effect on the territorial changes.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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 ^(a)	
101	12.8%		13.3%
102	11.2%		10.4%
104	9.7%		8.9%
105	9.5%		9.1%
106	10.6%		10.0%

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	521	82	88	107	51
102	319	76	129	119	74
104	608	88	170	120	98
105	410	126	104	97	60
106	490	88	115	120	66

- (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 6.30 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 Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 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
12/31/15	\$5,741,691	\$6,427,857	1.120	10%	561
12/31/16	\$5,508,541	\$5,155,649	0.936	15%	517
12/31/17	\$5,426,908	\$4,846,059	0.893	20%	450
12/31/18	\$5,282,606	\$5,245,210	0.993	25%	495
12/31/19	\$5,226,494	\$4,615,983	0.883	30%	485
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.944
(7)	EXPECTED EXPERIENCE RATIO (D).				1.058
(8)	CREDIBILITY (E).				0.45
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))).				1.007
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				0.7%
(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.				
(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 07/01/21 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.

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

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	12/31/15	\$1,170,404	\$2,791,837	
ALLOCATED LOSS	12/31/16	\$1,194,529	\$2,145,243	
ADJUSTMENT EXPENSES	12/31/17	\$1,324,489	\$1,918,034	
	12/31/18	\$1,254,308	\$2,339,902	
	12/31/19	\$803,411	\$2,479,981	
(2) DEVELOPED LOSSES AND	12/31/15	\$1,269,508	\$3,074,092	
ALL LOSS ADJUSTMENT	12/31/16	\$1,316,222	\$2,364,487	
EXPENSES (A)	12/31/17	\$1,540,579	\$2,118,277	
	12/31/18	\$1,580,303	\$2,609,927	
	12/31/19	\$1,040,719	\$2,861,650	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		5.9%	5.7%	5.8%
(4) TRENDED LOSSES AND	12/31/15	\$1,896,645	\$4,531,212	\$6,427,857
ALL LOSS ADJUSTMENT	12/31/16	\$1,857,189	\$3,298,459	\$5,155,649
EXPENSES (B)	12/31/17	\$2,052,051	\$2,794,007	\$4,846,059
	12/31/18	\$1,988,021	\$3,257,189	\$5,245,210
	12/31/19	\$1,236,374	\$3,379,609	\$4,615,983

(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.
12/31/15	1.009	1.001
12/31/16	1.025	1.002
12/31/17	1.082	1.004
12/31/18	1.172	1.014
12/31/19	1.205	1.049

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
12/31/15	7/1/15	7.000
12/31/16	7/1/16	6.000
12/31/17	7/1/17	5.000
12/31/18	7/1/18	4.000
12/31/19	7/1/19	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 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
12/31/15	\$421,447	\$489,896	1.162	10%	25
12/31/16	\$411,563	\$365,026	0.887	15%	24
12/31/17	\$417,647	\$261,812	0.627	20%	33
12/31/18	\$412,809	\$223,246	0.541	25%	23
12/31/19	\$416,557	\$277,966	0.667	30%	32
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.709
(7)	EXPECTED EXPERIENCE RATIO (D).				1.032
(8)	CREDIBILITY (E).				0.20
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))).				0.967
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				-3.3%
(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 07/01/21 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 3,000 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

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

	ACC. YEAR ENDING	PIP
(1) INCURRED LOSSES AND	12/31/15	\$365,451
ALLOCATED LOSS	12/31/16	\$279,694
ADJUSTMENT EXPENSES	12/31/17	\$207,153
	12/31/18	\$179,189
	12/31/19	\$240,327
(2) DEVELOPED LOSSES AND	12/31/15	\$392,860
ALL LOSS ADJUSTMENT	12/31/16	\$302,174
EXPENSES (A)	12/31/17	\$223,580
	12/31/18	\$196,866
	12/31/19	\$252,926
(3) SELECTED ANNUAL LOSS		
TREND (SEE TREND		3.2%
EXHIBIT IN SECTION C)		
(4) TRENDED LOSSES AND	12/31/15	\$489,896
ALL LOSS ADJUSTMENT	12/31/16	\$365,026
EXPENSES (B)	12/31/17	\$261,812
	12/31/18	\$223,246
	12/31/19	\$277,966

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

- 1 - UNALLOCATED LOSS ADJUSTMENT FACTORS: 1.075
- 2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	PIP
12/31/15	1.000
12/31/16	1.005
12/31/17	1.004
12/31/18	1.022
12/31/19	0.979

(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 12/31/19 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
12/31/15	7/1/15	7.000
12/31/16	7/1/16	6.000
12/31/17	7/1/17	5.000
12/31/18	7/1/18	4.000
12/31/19	7/1/19	3.000

INSURANCE SERVICES OFFICE, INC.

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

COVERAGE	ACCIDENT YEAR ENDING	(1)	(2)	(3)	(4)	(5)
		AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
O.T.C	12/31/15	\$4,339,231	\$4,129,323	0.952	10%	698
	12/31/16	\$4,023,286	\$4,496,337	1.118	15%	723
	12/31/17	\$3,986,031	\$4,320,216	1.084	20%	734
	12/31/18	\$3,855,298	\$4,651,348	1.206	25%	740
	12/31/19	\$3,725,875	\$4,735,947	1.271	30%	806
COLL.	12/31/15	\$6,815,016	\$6,990,231	1.026	10%	521
	12/31/16	\$6,365,597	\$5,591,848	0.878	15%	481
	12/31/17	\$4,614,135	\$4,466,505	0.968	20%	409
	12/31/18	\$4,643,996	\$4,761,477	1.025	25%	378
	12/31/19	\$4,402,842	\$4,075,223	0.926	30%	370
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				O.T.C.	COLLISION
					1.163	0.963
(7)	EXPECTED EXPERIENCE RATIO (D).				1.056	1.030
(8)	CREDIBILITY (E).				0.55	0.65
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.115	0.986
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				11.5%	-1.4%
(11)	FILED CHANGE.				11.5%	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.					
(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 07/01/21 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 11,000 CLAIMS FOR O.T.C. AND 4,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

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

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$2,351,524	\$4,545,220
	12/31/16	\$2,727,251	\$3,800,720
	12/31/17	\$2,787,869	\$3,175,454
	12/31/18	\$3,194,417	\$3,560,501
	12/31/19	\$3,381,537	\$3,278,765
(2) DEVELOPED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (A)	12/31/15	\$2,657,222	\$5,136,099
	12/31/16	\$3,081,794	\$4,294,814
	12/31/17	\$3,153,442	\$3,584,675
	12/31/18	\$3,616,911	\$3,991,179
	12/31/19	\$3,920,486	\$3,571,624
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		6.5%	4.5%
(4) TRENDED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (B)	12/31/15	\$4,129,323	\$6,990,231
	12/31/16	\$4,496,337	\$5,591,848
	12/31/17	\$4,320,216	\$4,466,505
	12/31/18	\$4,651,348	\$4,761,477
	12/31/19	\$4,735,947	\$4,075,223
(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.
	12/31/15	1.000	1.000
	12/31/16	1.000	1.000
	12/31/17	1.001	0.999
	12/31/18	1.002	0.992
	12/31/19	1.026	0.964

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	12/31/15	\$4,074,395	\$6,139,654
AT CURRENT LEVEL	12/31/16	\$3,813,541	\$5,823,968
	12/31/17	\$3,810,737	\$4,284,248
	12/31/18	\$3,721,330	\$4,376,999
	12/31/19	\$3,627,921	\$4,209,218
(2) SELECTED ANNUAL OCN TREND (SEE TREND EXHIBIT IN SECTION C)		0.9%	1.5%
(3) TRENDED AGGREGATE LOSS COSTS AT CURRENT LEVEL (A)	12/31/15	\$4,339,231	\$6,815,016
	12/31/16	\$4,023,286	\$6,365,597
	12/31/17	\$3,986,031	\$4,614,135
	12/31/18	\$3,855,298	\$4,643,996
	12/31/19	\$3,725,875	\$4,402,842
(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.			

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	1/1/15	7.000	7.000
12/31/16	1/1/16	6.000	6.000
12/31/17	1/1/17	5.000	5.000
12/31/18	1/1/18	4.000	4.000
12/31/19	1/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

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

Table with 5 columns: (1) ACCIDENT YEAR ENDING, (2) AGGREGATE LOSS COST AT CURRENT LEVEL (B), (3) \$100,000 INCURRED LOSSES (C), (4) EXPERIENCE RATIO (2) / (1), (5) ACCIDENT YEAR WEIGHTS, (6) NUMBER OF INCURRED CLAIMS. Rows include years 12/31/15 through 12/31/19.

- (6) AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)). 0.814
(7) EXPECTED EXPERIENCE RATIO (D). 1.058
(8) CREDIBILITY (E). 0.15
(9) CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))). 1.021
(10) INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000). 2.1%
(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.
(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 07/01/21 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.

NORTH DAKOTA
PRIVATE PASSENGER TYPES
AUTOMOBILE LIABILITY INSURANCE
DETERMINATION OF SINGLE LIMIT LOSSES

Table with 5 columns: Description, ACC. YEAR ENDING, BODILY INJURY, PROPERTY DAMAGE, COMBINED. Rows include incurred losses, developed losses, and trended losses for years 15-19.

(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:

Table with 3 columns: YEAR ENDING, B.I., P.D. for years 15-19.

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

Table with 3 columns: YEAR ENDING, AVERAGE DATE OF ACCIDENT, PROJECTION PERIOD for years 15-19.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 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
12/31/15	\$62,720	\$18,918	0.302	10%	8
12/31/16	\$63,614	\$51,986	0.817	15%	8
12/31/17	\$62,541	\$39,220	0.627	20%	12
12/31/18	\$61,436	\$86,456	1.407	25%	9
12/31/19	\$62,075	\$15,534	0.250	30%	5
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.705
(7)	EXPECTED EXPERIENCE RATIO (D).				1.033
(8)	CREDIBILITY (E).				0.10
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.000
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				0.0%
(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 07/01/21 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 3,000 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

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

Table with columns: Description, ACC. YEAR ENDING, PIP. Rows include incurred losses, developed losses, and trended losses for years 15-19.

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

- 1 - UNALLOCATED LOSS ADJUSTMENT FACTORS: 1.075
2 - LOSS DEVELOPMENT FACTORS:

Table with columns: YEAR ENDING, PIP. Rows show loss development factors for years 15-19.

(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 12/31/19 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

Table with columns: YEAR ENDING, AVERAGE DATE OF ACCIDENT, PROJECTION PERIOD. Rows show projection periods for years 15-19.

INSURANCE SERVICES OFFICE, INC.

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

COVERAGE O.T.C	ACCIDENT YEAR ENDING	(1)	(2)	(3)	(4)	(5)
		AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
	12/31/15	\$543,619	\$428,107	0.788	10%	162
	12/31/16	\$545,239	\$724,707	1.329	15%	183
	12/31/17	\$423,437	\$526,151	1.243	20%	131
	12/31/18	\$389,701	\$490,195	1.258	25%	137
	12/31/19	\$379,010	\$438,920	1.158	30%	126
COLL.	12/31/15	\$532,532	\$530,083	0.995	10%	88
	12/31/16	\$525,142	\$443,237	0.844	15%	91
	12/31/17	\$402,490	\$383,158	0.952	20%	64
	12/31/18	\$363,092	\$488,557	1.346	25%	71
	12/31/19	\$346,163	\$271,053	0.783	30%	64
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				O.T.C.	COLLISION
					1.189	0.989
(7)	EXPECTED EXPERIENCE RATIO (D).				1.054	1.034
(8)	CREDIBILITY (E).				0.25	0.30
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.088	1.021
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				8.8%	2.1%
(11)	FILED CHANGE.				8.8%	N.C.
(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 07/01/21 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.

NORTH DAKOTA
PRIVATE PASSENGER TYPES
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$243,794	\$356,459
	12/31/16	\$439,571	\$310,075
	12/31/17	\$340,209	\$278,897
	12/31/18	\$336,989	\$372,887
	12/31/19	\$317,731	\$226,586
(2) DEVELOPED LOSSES AND	12/31/15	\$275,487	\$402,799
ALL LOSS ADJUSTMENT	12/31/16	\$496,715	\$350,385
EXPENSES (A)	12/31/17	\$384,052	\$314,838
	12/31/18	\$381,178	\$417,570
	12/31/19	\$363,344	\$240,936
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		6.5%	4.0%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	12/31/15	\$428,107	\$530,083
ALL LOSS ADJUSTMENT	12/31/16	\$724,707	\$443,237
EXPENSES (B)	12/31/17	\$526,151	\$383,158
	12/31/18	\$490,195	\$488,557
	12/31/19	\$438,920	\$271,053

(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.
12/31/15	1.000	1.000
12/31/16	1.000	1.000
12/31/17	0.999	0.999
12/31/18	1.001	0.991
12/31/19	1.012	0.941

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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	12/31/15	\$507,107	\$510,577
AT CURRENT LEVEL	12/31/16	\$513,408	\$506,405
	12/31/17	\$402,890	\$390,767
	12/31/18	\$374,353	\$354,582
	12/31/19	\$367,971	\$340,042
(2) SELECTED ANNUAL OCN TREND (SEE TREND EXHIBIT IN SECTION C)		1.0%	0.6%
(3) TRENDED AGGREGATE LOSS COSTS AT CURRENT LEVEL (A)	12/31/15	\$543,619	\$532,532
	12/31/16	\$545,239	\$525,142
	12/31/17	\$423,437	\$402,490
	12/31/18	\$389,701	\$363,092
	12/31/19	\$379,010	\$346,163
(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.			

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	1/1/15	7.000	7.000
12/31/16	1/1/16	6.000	6.000
12/31/17	1/1/17	5.000	5.000
12/31/18	1/1/18	4.000	4.000
12/31/19	1/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - AUTO DEALERS (A)
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

COVERAGE	ACCIDENT YEAR	(1) AGGREGATE LOSS COST AT CURRENT LEVEL (B)	(2) INCURRED LOSSES (C)	(3) EXPERIENCE RATIO (2) / (1)	(4) ACCIDENT YEAR WEIGHTS	(5) NUMBER OF PAID CLAIMS
O.T.C.	12/31/15	\$228,880	\$52,712	0.230	10%	3
	12/31/16	\$247,294	\$354,490	1.433	15%	9
	12/31/17	\$263,588	\$29,429	0.112	20%	3
	12/31/18	\$223,226	\$9,093	0.041	25%	1
	12/31/19	\$262,251	\$3,851	0.015	30%	1
COLL.	12/31/15	\$24,418	\$87,149	3.569	10%	6
	12/31/16	\$23,102	\$16,912	0.732	15%	5
	12/31/17	\$22,460	\$26,028	1.159	20%	5
	12/31/18	\$24,408	\$6,307	0.258	25%	1
	12/31/19	\$31,027	\$2,239	0.072	30%	2

		O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).	0.275	0.786
(7)	EXPECTED EXPERIENCE RATIO (D).	1.208	1.125
(8)	CREDIBILITY (E).	0.05	0.05
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).	1.161	1.108
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).	16.1%	10.8%
(11)	FILED CHANGE.	16.1%	10.8%

(A) GARAGE EXPERIENCE INCLUDES ALL CLASSES WRITTEN IN ACCORDANCE WITH RULE 48 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.

(B) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY APPLYING FACTORS TO ADJUST THE REPORTED EARNED PREMIUM TO THE CURRENT ISO LOSS COST LEVEL.

(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, 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 07/01/21 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 3.000 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 7,500 CLAIMS FOR O.T.C. AND 2,000 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 AUTO DEALERS
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE
 DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$30,018	\$58,663
	12/31/16	\$214,801	\$11,867
	12/31/17	\$19,010	\$19,022
	12/31/18	\$6,226	\$4,834
	12/31/19	\$2,723	\$1,852
(2) DEVELOPED LOSSES AND	12/31/15	\$33,920	\$66,223
ALL LOSS ADJUSTMENT	12/31/16	\$242,968	\$13,369
EXPENSES (A)	12/31/17	\$21,481	\$21,387
	12/31/18	\$7,071	\$5,391
	12/31/19	\$3,188	\$1,990
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		6.5%	4.0%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	12/31/15	\$52,712	\$87,149
ALL LOSS ADJUSTMENT	12/31/16	\$354,490	\$16,912
EXPENSES (B)	12/31/17	\$29,429	\$26,028
	12/31/18	\$9,093	\$6,307
	12/31/19	\$3,851	\$2,239

(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.
12/31/15	1.000	0.999
12/31/16	1.001	0.997
12/31/17	1.000	0.995
12/31/18	1.005	0.987
12/31/19	1.036	0.951

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - GARAGEKEEPERS (A)
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

COVERAGE	ACCIDENT YEAR	(1) AGGREGATE LOSS COST AT CURRENT LEVEL (B)	(2) INCURRED LOSSES (C)	(3) EXPERIENCE RATIO (2) / (1)	(4) ACCIDENT YEAR WEIGHTS	(5) NUMBER OF PAID CLAIMS
O.T.C.	12/31/15	\$120,286	\$89,823	0.747	10%	11
	12/31/16	\$120,461	\$123,463	1.025	15%	7
	12/31/17	\$122,690	\$46,899	0.382	20%	4
	12/31/18	\$127,425	\$187,714	1.473	25%	12
	12/31/19	\$119,511	\$143,202	1.198	30%	13
COLL.	12/31/15	\$59,817	\$98,274	1.643	10%	9
	12/31/16	\$63,653	\$30,948	0.486	15%	6
	12/31/17	\$65,475	\$87,875	1.342	20%	8
	12/31/18	\$63,733	\$38,215	0.600	25%	8
	12/31/19	\$59,901	\$86,913	1.451	30%	11
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.032	1.090
(7)	EXPECTED EXPERIENCE RATIO (D).				1.208	1.125
(8)	CREDIBILITY (E).				0.05	0.10
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.199	1.122
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				19.9%	12.2%
(11)	FILED CHANGE.				19.9%	12.2%
(A)	GARAGE EXPERIENCE INCLUDES ALL CLASSES WRITTEN IN ACCORDANCE WITH RULE 54 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.					
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY APPLYING FACTORS TO ADJUST THE REPORTED EARNED PREMIUM TO THE CURRENT ISO LOSS COST LEVEL.					
(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, 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 07/01/21 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 3.000 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 7,500 CLAIMS FOR O.T.C. AND 2,000 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
GARAGEKEEPERS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$51,151	\$66,085
	12/31/16	\$74,588	\$21,629
	12/31/17	\$30,054	\$63,708
	12/31/18	\$123,968	\$28,732
	12/31/19	\$89,511	\$64,681
(2) DEVELOPED LOSSES AND	12/31/15	\$57,801	\$74,676
ALL LOSS ADJUSTMENT	12/31/16	\$84,622	\$24,465
EXPENSES (A)	12/31/17	\$34,233	\$72,206
	12/31/18	\$145,967	\$32,662
	12/31/19	\$118,545	\$77,256
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		6.5%	4.0%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	12/31/15	\$89,823	\$98,274
ALL LOSS ADJUSTMENT	12/31/16	\$123,463	\$30,948
EXPENSES (B)	12/31/17	\$46,899	\$87,875
	12/31/18	\$187,714	\$38,215
	12/31/19	\$143,202	\$86,913

(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.
12/31/15	1.000	1.000
12/31/16	1.004	1.001
12/31/17	1.008	1.003
12/31/18	1.042	1.006
12/31/19	1.172	1.057

(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 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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)
T E R R I T O R Y	EARNED YRS ENDED 12/31/2019	CAR \$100000 UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	3842	132.02	122.80	0.930	0.15	0.963	1.000	137	138
102	44204	81.21	75.47	0.929	0.35	0.955	0.992	84	84
104	4251	151.04	173.64	1.150	0.15	0.996	1.034	160	167
105	1791	98.32	89.21	0.907	0.10	0.963	1.000	108	109
106	2612	119.11	136.61	1.147	0.10	0.987	1.025	129	133
SW	56700	92.17	89.29	0.969		0.963			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 0.7 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.

NORTH DAKOTA
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 I T O R Y	EARNED YRS ENDED 12/31/2019	CAR P.I.P. UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	3617	7.01	9.91	1.414	0.05	0.814	1.044	13	13
102	47297	6.42	4.63	0.721	0.15	0.773	0.991	12	11
104	6435	7.65	8.82	1.153	0.05	0.801	1.027	14	14
105	1835	9.89	3.95	0.399	0.00	0.782	1.003	20	19
106	2736	7.44	2.61	0.351	0.00	0.782	1.003	14	14
SW	61920	6.73	5.26	0.782		0.780			

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

DUE TO THE MINIMAL EFFECT ON THE TERRITORIAL CHANGES, WE WILL NOT BE FILING THESE INDICATED LOSS COSTS. THE LOSS COSTS IN COLUMN (8) REMAIN IN EFFECT.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 COMMERCIAL AUTOMOBILE INSURANCE
 SINGLE LIMIT LIABILITY

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
T E R R	EARNED YRS YR ENDED 12/31/2019	CAR \$100000 UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	607	216.96	207.92	0.958	0.05	0.837	1.010	215	222
102	2498	103.22	82.69	0.801	0.10	0.828	0.999	103	105
104	473	172.93	95.77	0.554	0.05	0.817	0.986	171	172
105	186	111.09	111.34	1.002	0.05	0.840	1.013	110	114
106	197	119.39	149.61	1.253	0.00	0.831	1.002	119	122
SW	3961	130.15	108.12	0.831		0.829			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 2.1 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.

NORTH DAKOTA
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 E R R I T O R Y	EARNED YRS ENDED 12/31/2019	CAR YR UND LOSS COST	P.I.P. UND LOSS COST	EXPER LOSS COST 5 YRS END	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101		558	16.28	19.22	1.181	0.05	0.690	1.039	25	26
102		2193	18.33	10.14	0.553	0.05	0.658	0.991	24	24
104		441	17.9	8.49	0.474	0.00	0.664	1.000	26	26
105		188	12.93	1.20	0.093	0.00	0.664	1.000	19	19
106		182	13.53	23.62	1.746	0.00	0.664	1.000	20	20
SW		3562	17.43	11.58	0.664		0.664			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 0.0 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.

NORTH DAKOTA
 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	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	2888	76.3	101.50	1.330	0.15	1.183	1.021	111	126	126	13.5%
102	26827	104.23	121.86	1.169	0.45	1.162	1.003	165	184	184	11.5%
104	3122	149.4	159.08	1.065	0.20	1.139	0.983	222	243	243	9.5%
105	1236	76.44	70.15	0.918	0.10	1.133	0.978	136	148	148	8.8%
106	1558	95.21	105.18	1.105	0.10	1.152	0.994	148	164	164	10.8%
SW	35631	104.57	120.95	1.157		1.159					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 11.5 PERCENT.

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 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)
T E R R I T O R Y	EARNED CAR YRS YR ENDED 12/31/2019	UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	2636	156.69	164.71	1.051	0.25	0.977	1.030	164	167
102	16790	185.31	174.06	0.939	0.55	0.945	0.996	183	180
104	2739	178.44	173.30	0.971	0.20	0.956	1.007	184	183
105	1016	127.46	143.70	1.127	0.15	0.978	1.031	149	152
106	1281	203.20	166.48	0.819	0.15	0.932	0.982	185	179
SW	24462	179.99	171.31	0.952		0.949			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF -1.4 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.

NORTH DAKOTA
 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	
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	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	497	145.62	197.97	1.359	0.10	1.176	1.016	125	138	138	10.4%
102	969	186.17	211.02	1.133	0.15	1.153	0.997	177	192	192	8.5%
104	349	222.17	165.64	0.746	0.05	1.136	0.982	206	220	220	6.8%
105	147	169.9	181.25	1.067	0.10	1.147	0.991	140	151	151	7.9%
106	154	154.09	329.55	2.139	0.05	1.205	1.041	132	150	150	13.6%
SW	2116	179.12	207.03	1.156		1.157					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 8.8 PERCENT.

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

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
 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)
T	EARNED CAR		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	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST
								PRES	IND*
101	457	189.92	176.11	0.927	0.15	0.964	0.997	211	215
102	831	176.31	156.80	0.889	0.20	0.955	0.988	226	228
104	327	178.36	167.29	0.938	0.10	0.968	1.001	219	224
105	140	167.32	299.87	1.792	0.10	1.053	1.089	182	202
106	148	210.20	194.71	0.926	0.05	0.969	1.002	243	249
SW	1903	181.90	176.71	0.971		0.967			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 2.1 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.

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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	4,534,035	5,191,223	5,663,590	6,258,279	6,443,423		
(2)	Allocated Loss Adjustment Expenses Incurred	480,175	580,765	638,270	676,653	650,817		
(3)	Unallocated Loss Adjustment Expense Incurred	449,751	472,235	480,388	510,398	519,189		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	9.0%	8.2%	7.6%	7.4%	7.3%	7.4%	7.9%
(5)	Selected Factor							7.5%

		<u>Property Damage</u> (000's)					3 YR.	5 YR.
<u>ITEM</u>		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	955,051	1,027,893	1,143,065	1,144,298	1,236,531		
(2)	Allocated Loss Adjustment Expenses Incurred	63,839	74,267	61,197	65,225	63,477		
(3)	Unallocated Loss Adjustment Expense Incurred	125,980	125,216	123,301	129,471	135,429		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	12.4%	11.4%	10.2%	10.7%	10.4%	10.5%	11.0%
(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.
<u>ITEM</u>		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	4,018,641	4,299,932	4,813,793	5,446,118	5,531,658		
(2)	Loss Adjustment Expenses Incurred	658,105	579,036	622,719	702,553	716,345		
(3)	Losses + LAE Incurred as Ratio to Losses Incurred [(1)+(2)]/(1)	1.164	1.135	1.129	1.129	1.129	1.129	1.137
(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	NORTH DAKOTA				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
3/31/2017	24084.15	26809.44	5119.56	5091.53	22369.85	22253.66	4308.44	4252.34
6/30/2017	26418.65	27869.72	5111.34	5113.65	22646.73	22576.73	4331.26	4313.79
9/30/2017	29345.48	28971.93	5458.91	5135.87	22646.45	22904.48	4381.48	4376.12
12/31/2017	31098.77	30117.74	5463.70	5158.19	23021.33	23237.00	4411.53	4439.35
3/31/2018	36187.30	31308.86	5014.90	5180.60	23456.30	23574.34	4454.80	4503.50
6/30/2018	37557.15	32547.08	5254.62	5203.12	24019.77	23916.59	4530.24	4568.57
9/30/2018	32178.07	33834.28	4877.84	5225.72	24507.17	24263.80	4605.63	4634.58
12/31/2018	33267.18	35172.38	4685.30	5248.43	24826.90	24616.05	4695.90	4701.55
3/31/2019	36057.64	36563.41	5192.25	5271.24	25194.58	24973.41	4777.54	4769.49
6/30/2019	37026.27	38009.45	5098.59	5294.14	25257.58	25335.96	4857.59	4838.40
9/30/2019	41017.50	39512.67	5436.97	5317.15	25533.57	25703.78	4930.59	4908.31
12/31/2019	38546.64	41075.35	5972.67	5340.25	25959.37	26076.94	5001.74	4979.24

		BODILY INJURY	PROPERTY DAMAGE
(9)	AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COST (12TH POINT / 8TH POINT)		
	(A) NORTH DAKOTA	16.8%	1.7%
	(B) MULTISTATE	5.9%	5.9%
(10)	CREDIBILITY	0.00	0.05
(11)	WEIGHTED AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COSTS {(10) * (9A)} + {(1.0 - (10)) * (9B)}	5.9%	5.7%
(12)	SELECTED ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY	0.0%	0.0%
(13)	AVERAGE ANNUAL PERCENT CHANGE IN LIABILITY LOSS RATIO (11) * (12)	5.9%	5.7%

* EXCLUDES MASSACHUSETTS

INSURANCE SERVICES OFFICE, INC.

CLAIM COST TREND DATA FOR PIP
TRUCKS, TRACTORS, & TRAILERS
NORTH DAKOTA

QUARTER ENDING	MEDICAL INDEX*		HOSPITAL AND RELATED SERVICES*		INCOME LOSSES**	
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
9/30/2017	476.5	472.8	835.6	839.4	745.96	741.87
12/31/2017	477.4	476.5	843.0	846.0	752.46	748.82
3/31/2018	482.7	480.1	860.1	852.7	749.75	755.82
6/30/2018	485.0	483.8	866.1	859.4	765.06	762.90
9/30/2018	484.7	487.5	869.3	866.1	774.71	770.04
12/31/2018	486.5	491.2	872.1	872.9	777.88	777.25
3/31/2019	491.2	495.0	878.8	879.8	776.00	784.52
6/30/2019	494.6	498.8	877.1	886.7	788.14	791.87
9/30/2019	500.0	502.6	885.0	893.7	796.80	799.28
12/31/2019	507.8	506.4	899.7	900.7	801.27	806.76
3/31/2020	513.9	510.3	913.8	907.8	806.43	814.31
6/30/2020	519.0	514.2	919.8	914.9	841.34	821.93

	(A)	(B)	(C)	(D)
	MEDICAL	HOSPITAL	COMBINED+	INCOME

- (1) AVERAGE ANNUAL PERCENT CHANGE IN INDICES (12TH POINT/8TH POINT) 3.1% 3.2% 3.2% 3.8%
- (2) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM COST 0.98*(1C) + 0.02*(1D). BASED ON RESPECTIVE WEIGHT OF MEDICAL AND INCOME FROM PRICING. 3.2%
- (3) SELECTED ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY 0.0%
- (4) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM RATIOS (1.0 + (2)) * (1.0 + (3)) 3.2%

* 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
NORTH DAKOTA

QUARTER ENDING	MEDICAL INDEX*		HOSPITAL AND RELATED SERVICES*		INCOME LOSSES**	
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
9/30/2017	476.5	472.8	835.6	839.4	745.96	741.87
12/31/2017	477.4	476.5	843.0	846.0	752.46	748.82
3/31/2018	482.7	480.1	860.1	852.7	749.75	755.82
6/30/2018	485.0	483.8	866.1	859.4	765.06	762.90
9/30/2018	484.7	487.5	869.3	866.1	774.71	770.04
12/31/2018	486.5	491.2	872.1	872.9	777.88	777.25
3/31/2019	491.2	495.0	878.8	879.8	776.00	784.52
6/30/2019	494.6	498.8	877.1	886.7	788.14	791.87
9/30/2019	500.0	502.6	885.0	893.7	796.80	799.28
12/31/2019	507.8	506.4	899.7	900.7	801.27	806.76
3/31/2020	513.9	510.3	913.8	907.8	806.43	814.31
6/30/2020	519.0	514.2	919.8	914.9	841.34	821.93

	(A)	(B)	(C)	(D)
	MEDICAL	HOSPITAL	COMBINED+	INCOME

(1) AVERAGE ANNUAL PERCENT CHANGE IN INDICES (12TH POINT/8TH POINT) 3.1% 3.2% 3.2% 3.8%

(2) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM COST 0.81*(1C) + 0.19*(1D). BASED ON RESPECTIVE WEIGHT OF MEDICAL AND INCOME FROM PRICING. 3.3%

(3) SELECTED ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY 0.0%

(4) AVERAGE ANNUAL PERCENT CHANGE IN CLAIM RATIOS (1.0 + (2)) * (1.0 + (3)) 3.3%

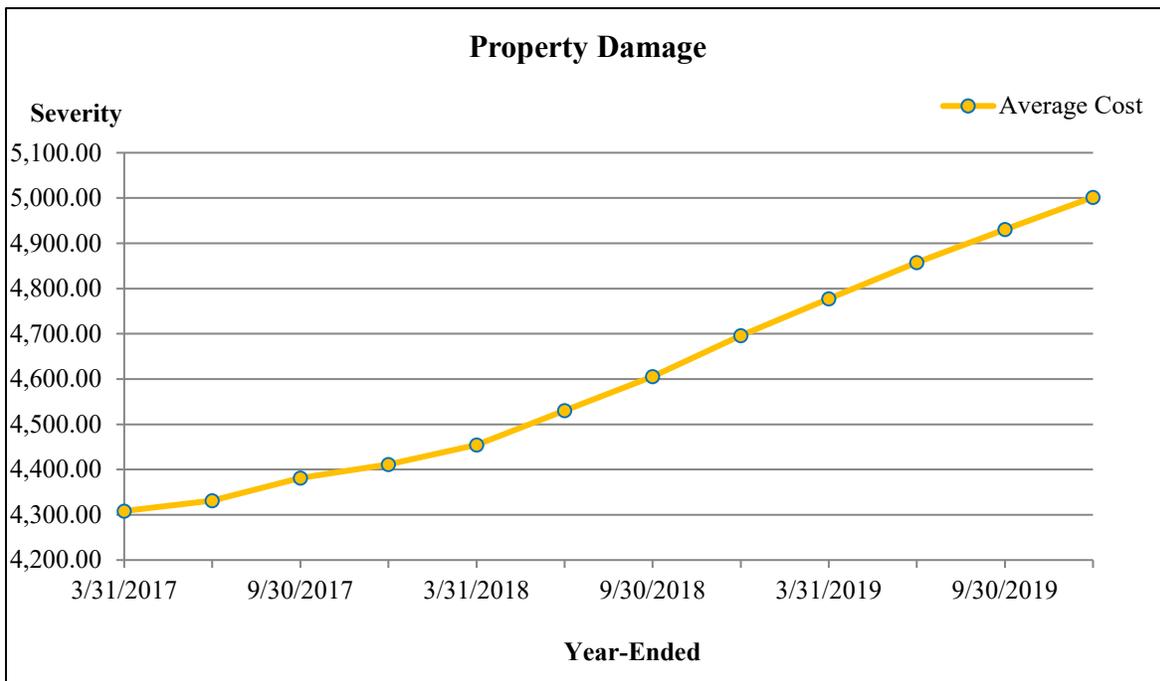
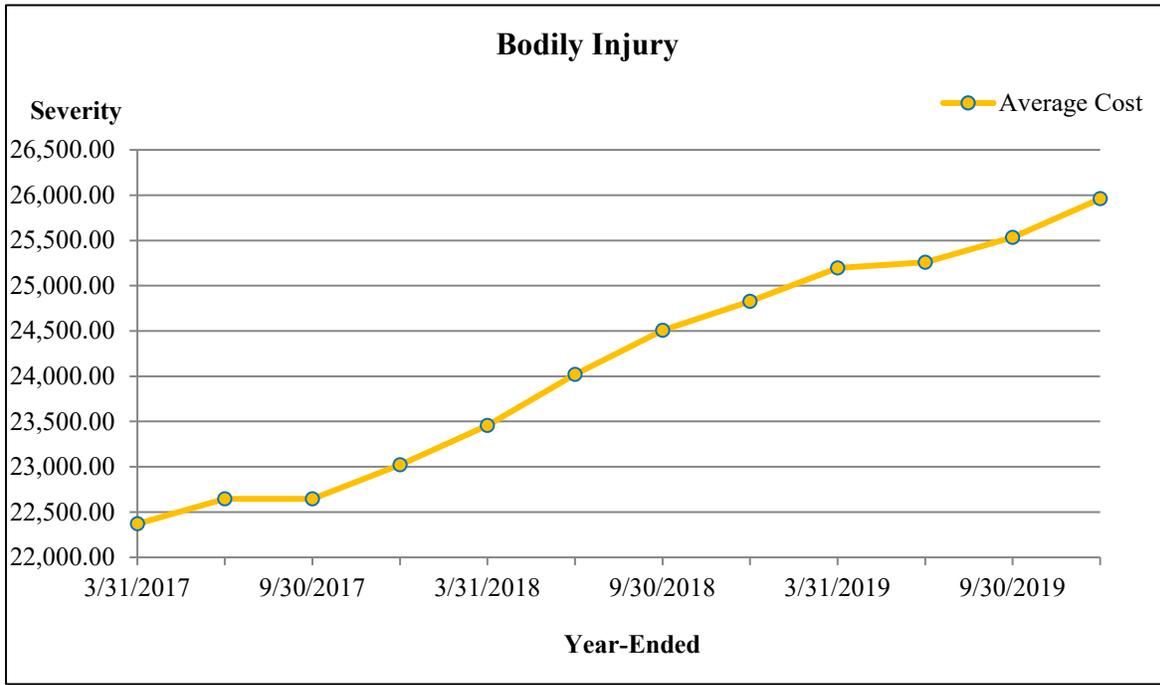
* MEDICAL INDEX AND HOSPITAL AND RELATED SERVICES INDEX BASED ON CONSUMER PRICE INDEX.

** 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>
12/31/2013	0.7513		2.7493	
3/31/2014	0.7651		2.8383	
6/30/2014	0.7555		2.8377	
9/30/2014	0.7513		2.8414	
12/31/2014	0.7564	0.7% &	2.8427	3.4% &
3/31/2015	0.7477		2.8035	
6/30/2015	0.7536		2.8061	
9/30/2015	0.7623	1.5%	2.8283	-0.5%
12/31/2015	0.7753		2.8386	
3/31/2016	0.7901		2.8156	
6/30/2016	0.8023		2.8241	
9/30/2016	0.8120	6.5%	2.8268	-0.1%
12/31/2016	0.8167		2.8247	
3/31/2017	0.8193		2.8056	
6/30/2017	0.8252		2.7899	
9/30/2017	0.8178	0.7%	2.7532	-2.6%
12/31/2017	0.8121		2.7386	
3/31/2018	0.8117		2.7464	
6/30/2018	0.8064		2.7590	
9/30/2018	0.8026	-1.9%	2.7652	0.4%
12/31/2018	0.7988		2.7678	
3/31/2019	0.7909		2.7608	
6/30/2019	0.7753		2.7177	
9/30/2019	0.7741	-3.6%	2.6851	-2.9%

* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 9/30/XXXX

& CHANGE BASED ON YEAR ENDING 12/31/2014 divided by 12/31/2013

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>
12/31/2013	0.8622		3.1189	
3/31/2014	0.8584		3.1529	
6/30/2014	0.8592		3.1517	
9/30/2014	0.8476		3.1060	
12/31/2014	0.8424	-2.3% &	3.0724	-1.5% &
3/31/2015	0.8233		3.0386	
6/30/2015	0.8072		3.0083	
9/30/2015	0.8029	-5.3%	3.0391	-2.2%
12/31/2015	0.8032		3.0469	
3/31/2016	0.8117		3.0322	
6/30/2016	0.8139		3.0511	
9/30/2016	0.8323	3.7%	3.0431	0.1%
12/31/2016	0.8169		3.0186	
3/31/2017	0.8142		2.9603	
6/30/2017	0.8139		2.9149	
9/30/2017	0.7894	-5.2%	2.8288	-7.0%
12/31/2017	0.7909		2.8006	
3/31/2018	0.8014		2.8126	
6/30/2018	0.8012		2.7711	
9/30/2018	0.7942	0.6%	2.7503	-2.8%
12/31/2018	0.7849		2.7063	
3/31/2019	0.7498		2.6546	
6/30/2019	0.7226		2.6042	
9/30/2019	0.6923	-12.8%	2.5409	-7.6%

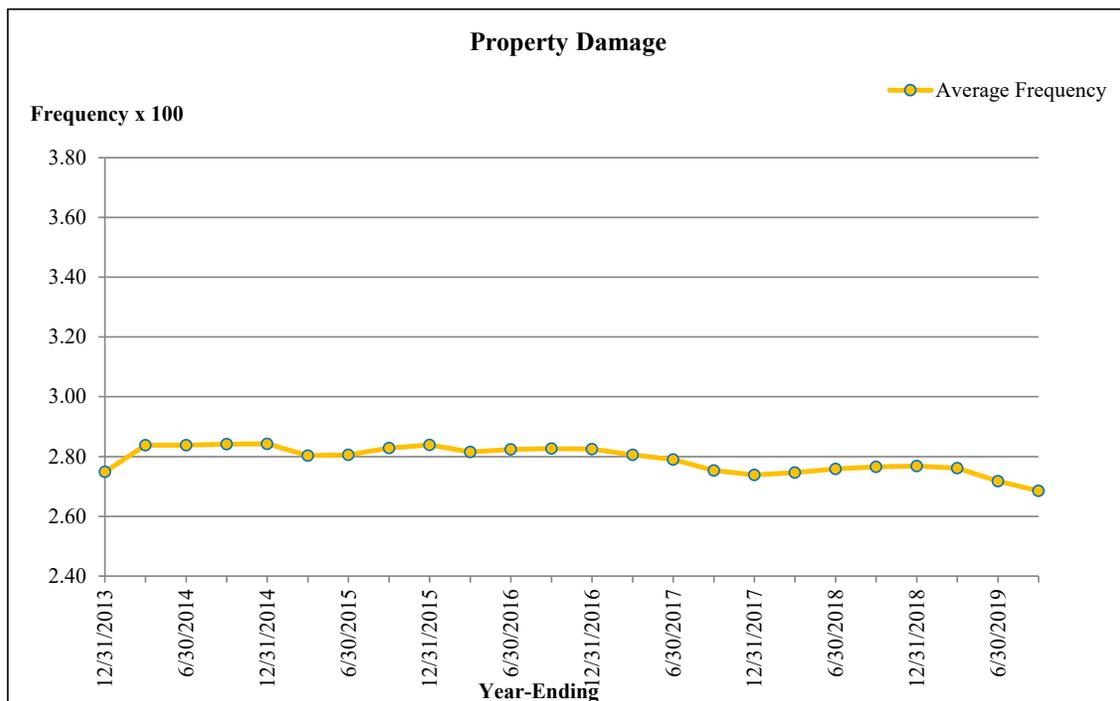
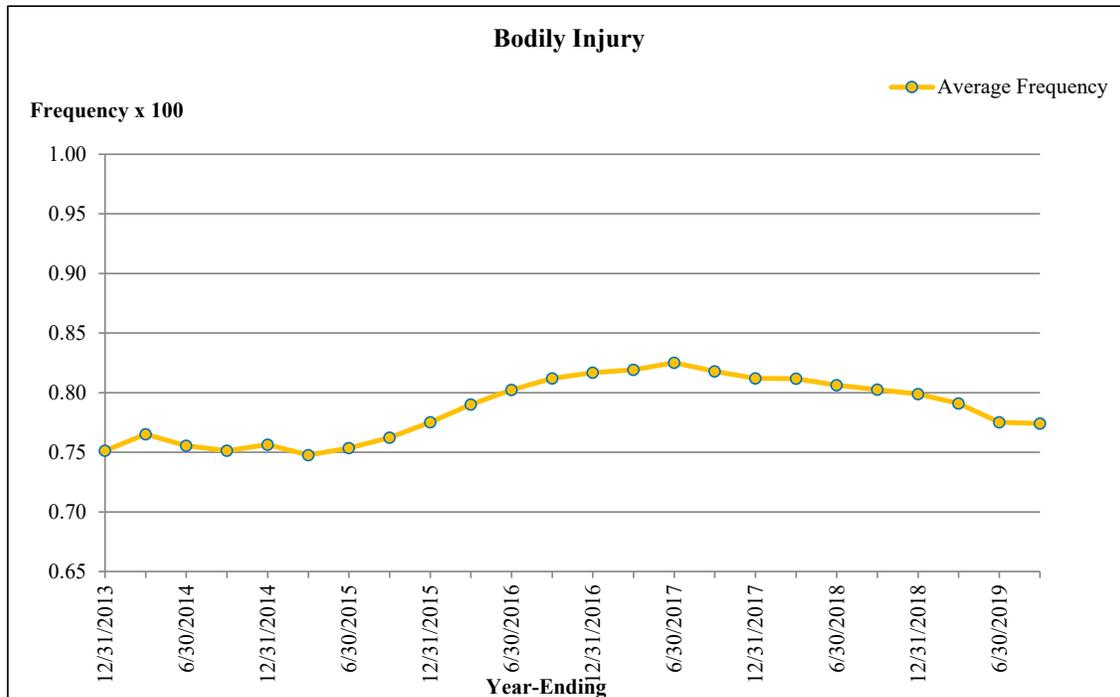
* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 9/30/XXXX

& CHANGE BASED ON YEAR ENDING 12/31/2014 divided by 12/31/2013

INSURANCE SERVICES OFFICE, INC.

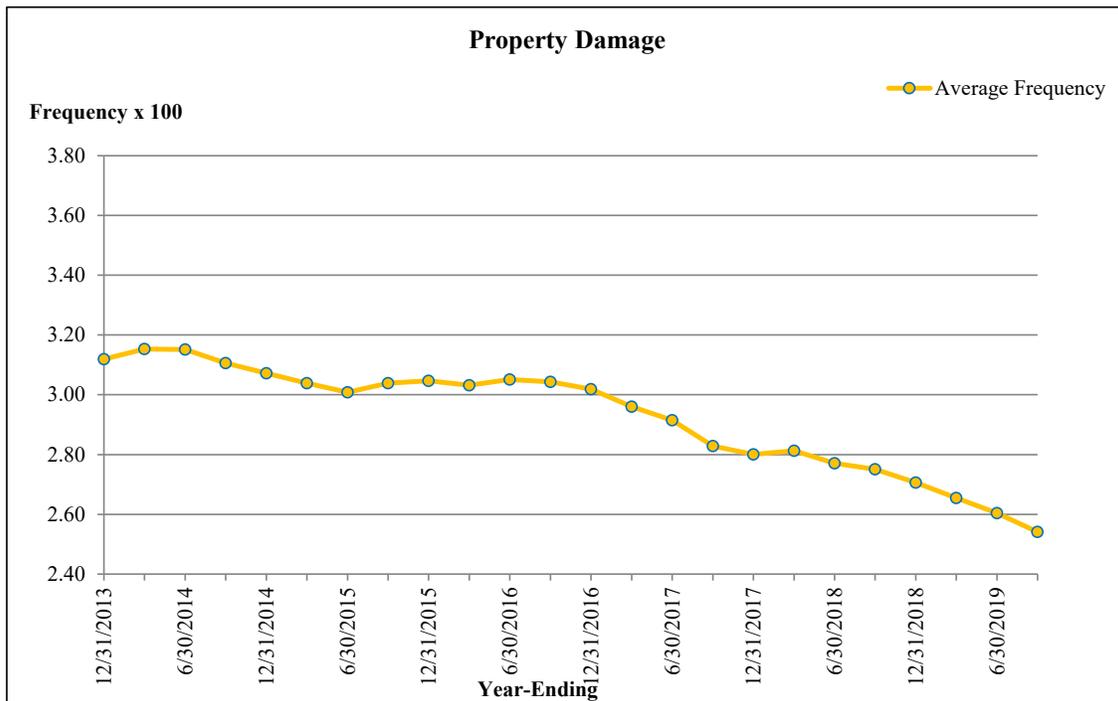
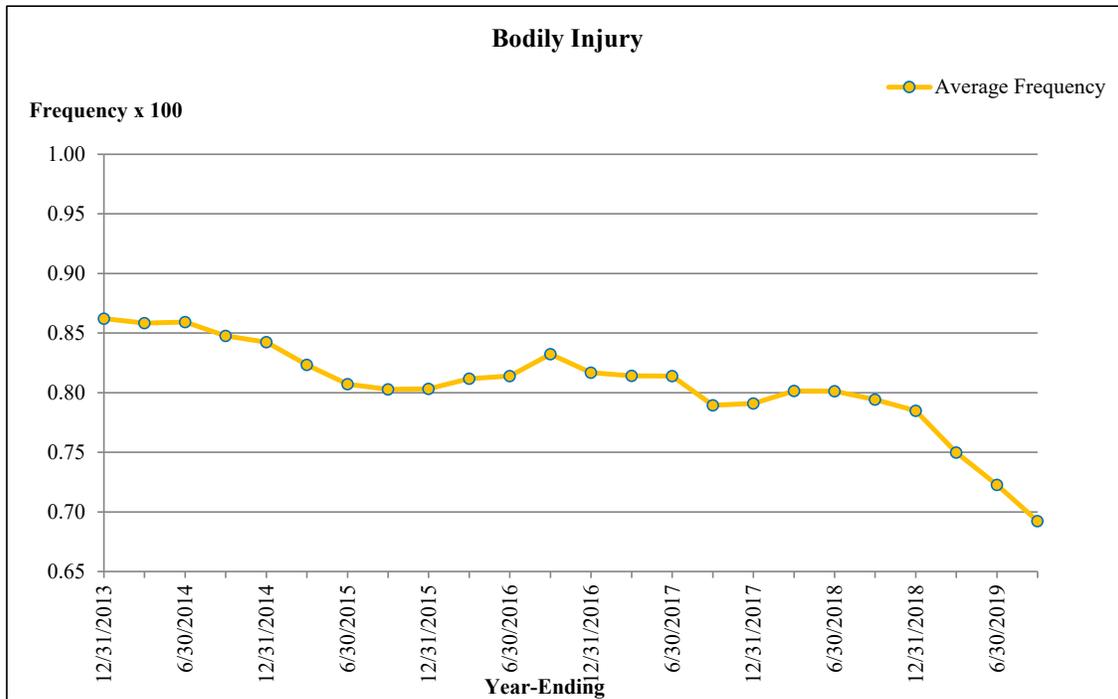
Commercial Automobile Liability
 Incurred Claim Frequency Experience
 Trucks, Tractors, and Trailers
 Multistate*



*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:	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	1.37		0.89		0.67	
12/31/2015	1.36		0.89		0.68	
6/30/2016	1.35		0.91		0.69	
12/31/2016	1.35	-0.7%	0.89	0.0%	0.67	-1.5%
6/30/2017	1.34		0.88		0.67	
12/31/2017	1.37	1.5%	0.90	1.1%	0.70	4.5%
6/30/2018	1.44		0.94		0.71	
12/31/2018	1.51	10.2%	0.96	6.7%	0.73	4.3%
6/30/2019	1.56		0.99		0.74	
12/31/2019	1.57	4.0%	0.98	2.1%	0.73	0.0%

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

Deductible:	Percent of Losses
Full	0.4%
\$50	0.5%
\$100	2.0%
\$200	0.1%
\$250	7.9%
\$500	30.4%
\$1,000	48.9%
\$2,000	6.0%
\$3,000	1.3%
\$5,000	2.5%

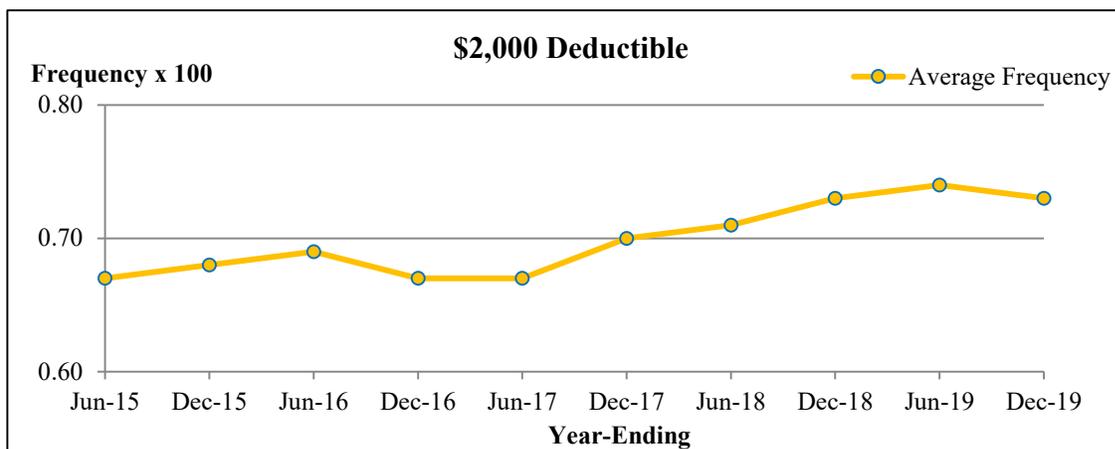
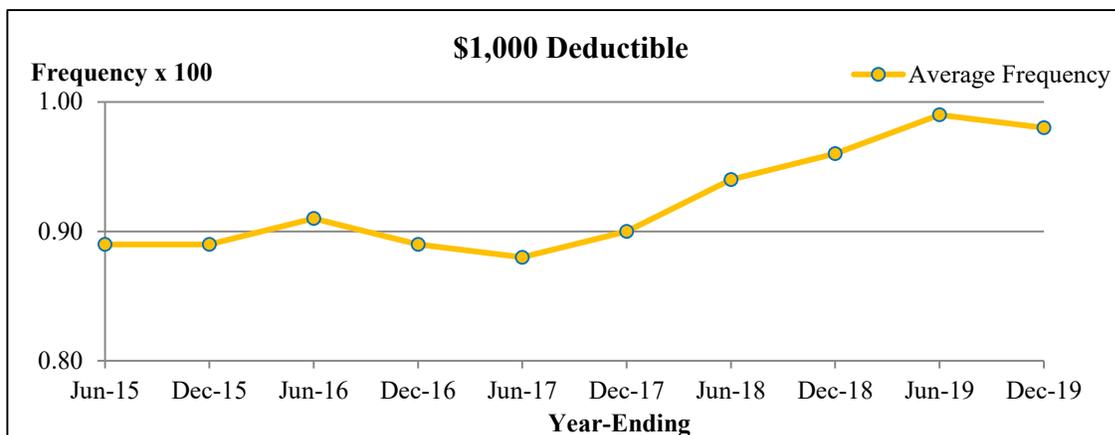
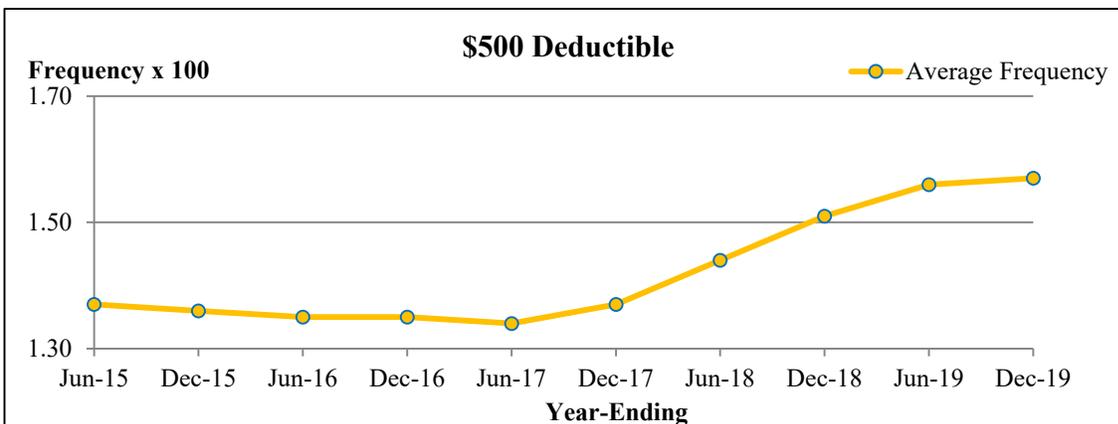
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 3.8% 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:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	5,076.44	7,532.05	8,707.12
12/31/2015	5,272.49	7,709.49	8,947.30
6/30/2016	5,450.55	8,009.62	9,306.67
12/31/2016	5,483.80	8,268.04	9,605.98
6/30/2017	5,787.28	8,569.40	9,872.92
12/31/2017	6,235.36	8,995.37	10,248.73
6/30/2018	6,324.83	9,271.77	10,648.45
12/31/2018	6,359.33	9,412.12	10,973.58
6/30/2019	6,401.47	9,633.34	11,435.65
12/31/2019	6,538.78	10,155.97	12,095.88

Average Annual Change Using Exponential Fits:

10 point fit:	6.1%	6.8%	7.3%
8 point fit:	5.7%	6.7%	7.6%
6 point fit:	4.0%	6.3%	8.2%

Selected severity trend:	6.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	6.5%

* 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**
6/30/2015	2.20		1.92		1.56	
12/31/2015	2.20		1.94		1.58	
6/30/2016	2.19		1.94		1.59	
12/31/2016	2.27	3.2%	2.01	3.6%	1.64	3.8%
6/30/2017	2.29		2.00		1.63	
12/31/2017	2.23	-1.8%	1.95	-3.0%	1.61	-1.8%
6/30/2018	2.25		2.00		1.65	
12/31/2018	2.27	1.8%	2.02	3.6%	1.67	3.7%
6/30/2019	2.27		2.02		1.66	
12/31/2019	2.24	-1.3%	2.00	-1.0%	1.66	-0.6%

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

Deductible:	Percent of Losses
\$100	0.2%
\$200	0.0%
\$250	1.1%
\$500	29.5%
\$1,000	56.5%
\$2,000	6.7%
\$3,000	1.6%
\$5,000	4.3%

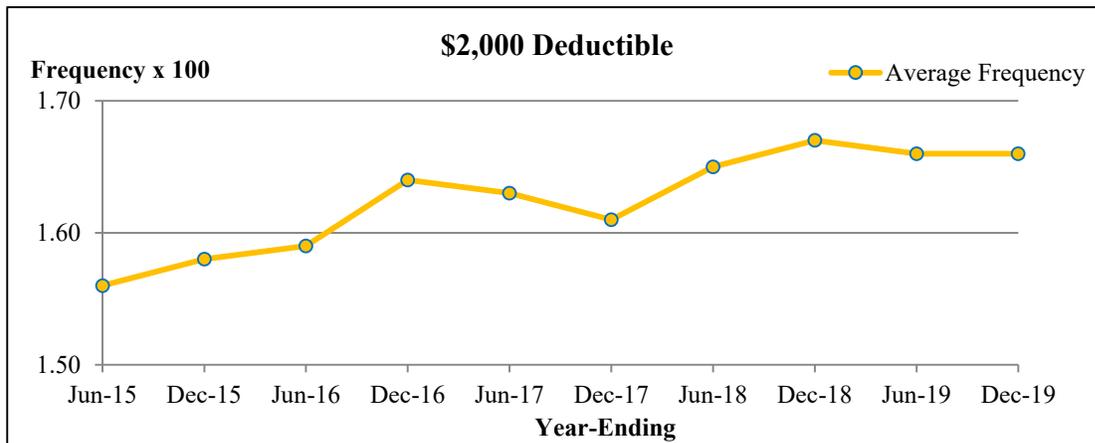
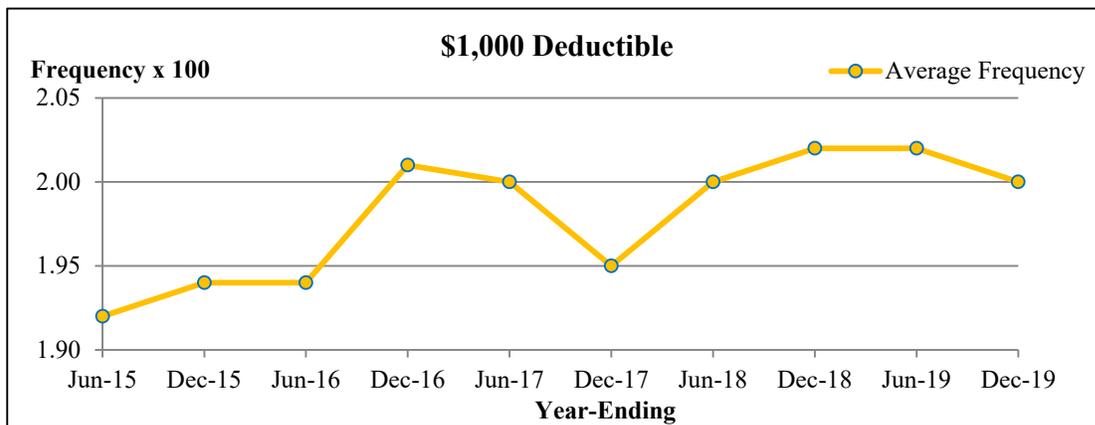
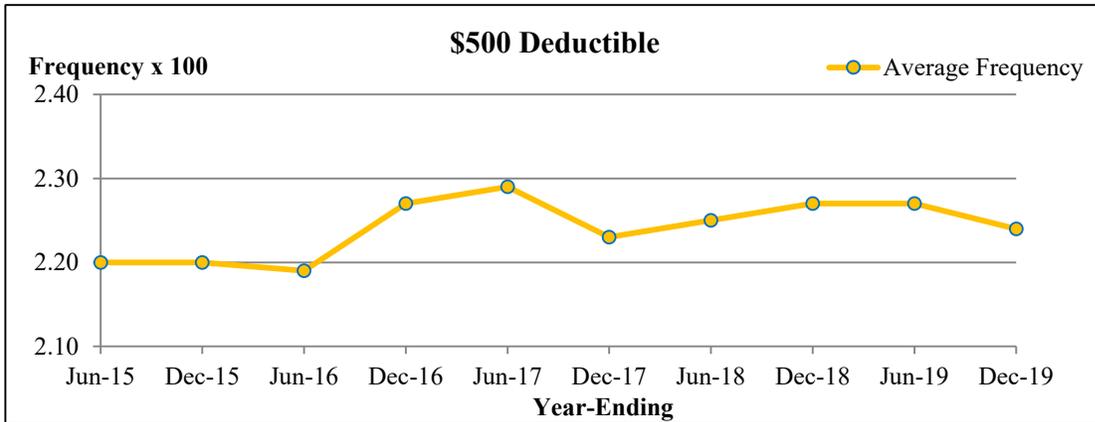
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 5.9% of losses, are excluded from 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
6/30/2015	8,862.30	10,564.77	11,518.43
12/31/2015	9,057.50	10,765.23	11,717.35
6/30/2016	9,361.60	11,038.30	12,015.56
12/31/2016	9,478.76	11,244.83	12,263.51
6/30/2017	9,512.51	11,241.60	12,242.09
12/31/2017	9,772.52	11,363.42	12,369.71
6/30/2018	9,970.83	11,632.86	12,696.43
12/31/2018	10,215.67	11,882.15	12,917.15
6/30/2019	10,552.00	12,242.16	13,342.68
12/31/2019	10,786.27	12,498.53	13,579.19

Average Annual Change Using Exponential Fits:

10 point fit:	4.3%	3.6%	3.5%
8 point fit:	4.3%	3.6%	3.6%
6 point fit:	5.2%	4.5%	4.5%

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:	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	3.08		1.90		1.26	
12/31/2015	3.14		1.95		1.29	
6/30/2016	3.20		1.99		1.31	
12/31/2016	3.09	-1.6%	1.92	-1.5%	1.27	-1.6%
6/30/2017	2.97		1.87		1.24	
12/31/2017	3.01	-2.6%	1.92	0.0%	1.28	0.8%
6/30/2018	3.15		1.99		1.31	
12/31/2018	3.31	10.0%	2.05	6.8%	1.33	3.9%
6/30/2019	3.49		2.18		1.39	
12/31/2019	3.50	5.7%	2.19	6.8%	1.38	3.8%

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

Deductible:	Percent of Losses
Full	0.3%
\$50	0.5%
\$100	2.9%
\$200	0.5%
\$250	11.2%
\$500	38.4%
\$1,000	43.0%
\$2,000	2.2%
\$3,000	0.5%
\$5,000	0.5%

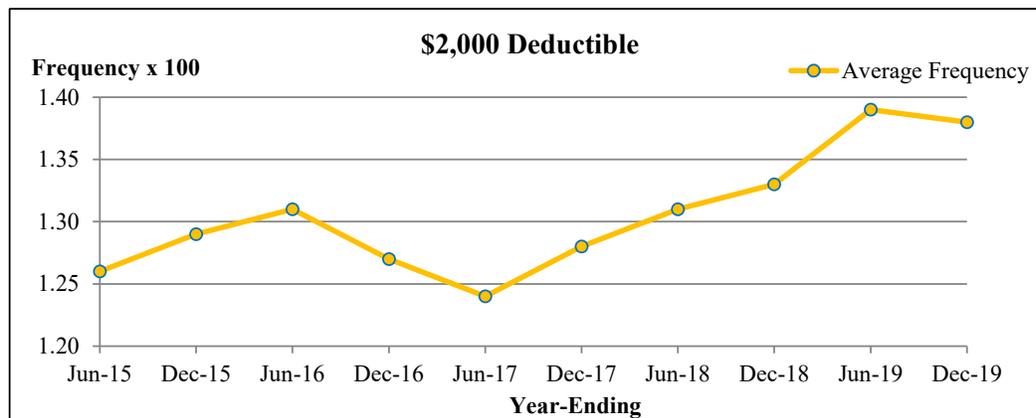
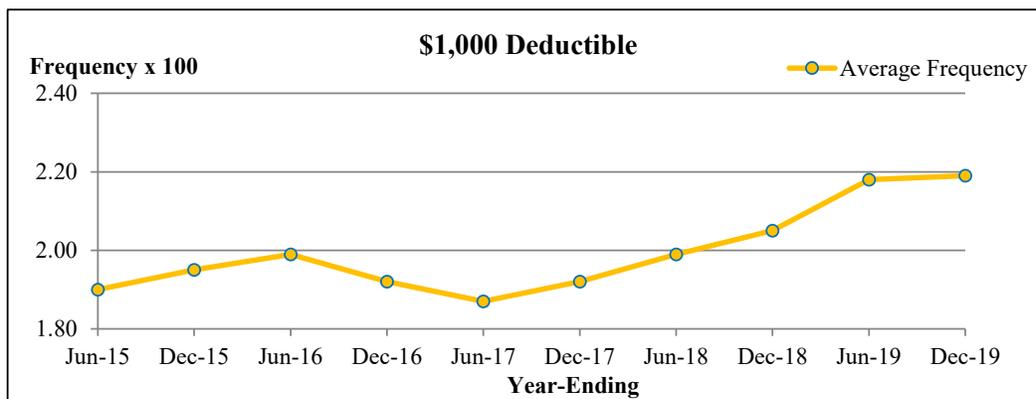
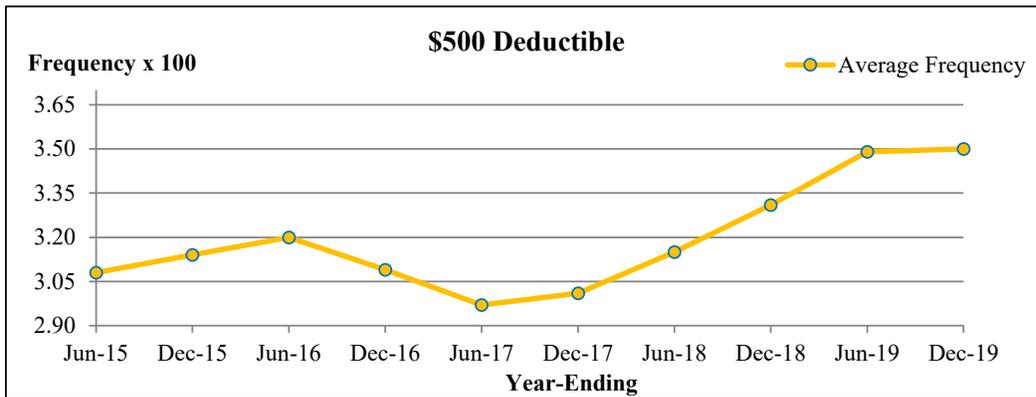
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 1.0% of losses, are excluded from 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:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	2,016.05	2,736.61	3,243.99
12/31/2015	2,081.90	2,750.42	3,257.00
6/30/2016	2,171.02	2,875.98	3,444.78
12/31/2016	2,220.40	2,926.16	3,519.31
6/30/2017	2,287.96	2,984.63	3,564.24
12/31/2017	2,413.03	3,224.05	3,845.34
6/30/2018	2,469.93	3,334.92	4,009.63
12/31/2018	2,512.11	3,395.49	4,117.78
6/30/2019	2,557.21	3,526.52	4,305.32
12/31/2019	2,605.73	3,664.28	4,458.51

Average Annual Change Using Exponential Fits:

10 point fit:	6.1%	7.1%	7.8%
8 point fit:	5.6%	7.5%	8.1%
6 point fit:	4.9%	7.8%	8.9%

Selected severity trend:	6.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	6.5%

* Multistate data excludes Massachusetts

** Selected trends are also used for Auto Dealers and Garagekeepers physical damage coverages.

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**
6/30/2015	5.07		4.26		3.12	
12/31/2015	5.07		4.30		3.18	
6/30/2016	5.01		4.30		3.19	
12/31/2016	5.09	0.4%	4.36	1.4%	3.25	2.2%
6/30/2017	5.09		4.33		3.24	
12/31/2017	5.00	-1.8%	4.23	-3.0%	3.18	-2.2%
6/30/2018	5.00		4.30		3.25	
12/31/2018	4.95	-1.0%	4.32	2.1%	3.30	3.8%
6/30/2019	4.89		4.31		3.33	
12/31/2019	4.80	-3.0%	4.31	-0.2%	3.35	1.5%

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

Deductible:	Percent of Losses
\$100	0.1%
\$200	0.1%
\$250	1.6%
\$500	39.2%
\$1,000	55.6%
\$2,000	2.1%
\$3,000	0.4%
\$5,000	0.8%

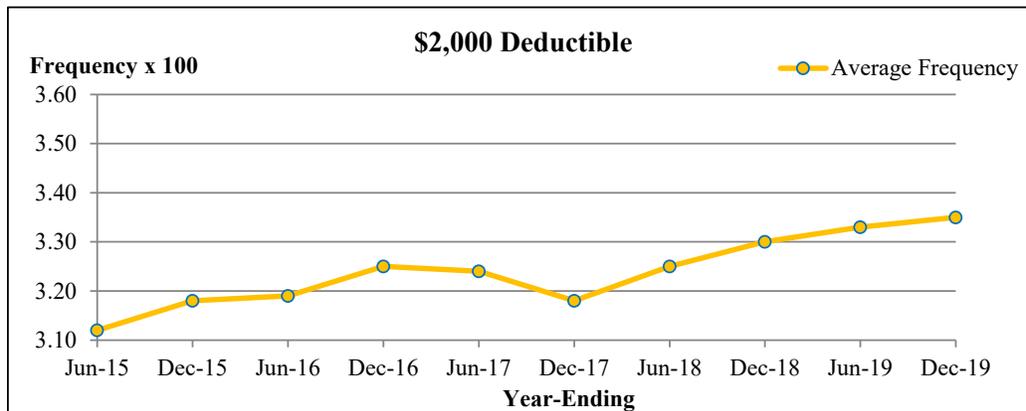
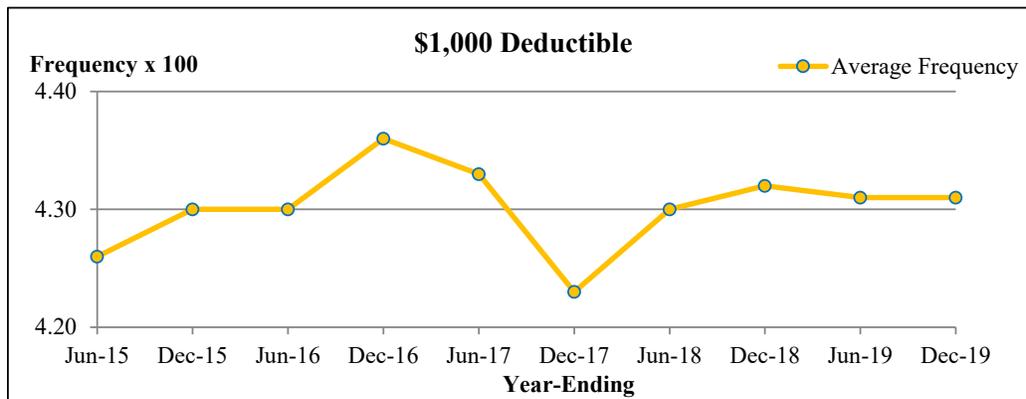
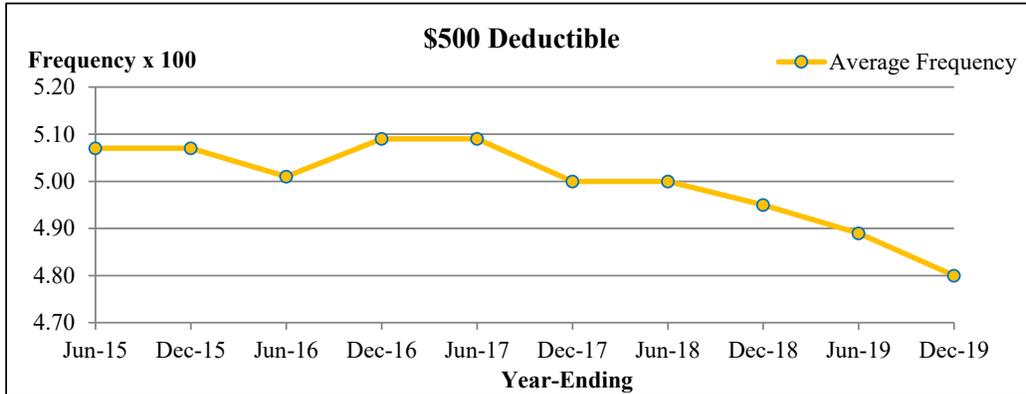
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 1.2% of losses, are excluded from 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
6/30/2015	5,475.06	5,874.44	6,449.74
12/31/2015	5,540.19	5,993.39	6,522.19
6/30/2016	5,693.47	6,088.24	6,626.35
12/31/2016	5,808.24	6,142.87	6,695.01
6/30/2017	5,742.39	6,133.26	6,665.04
12/31/2017	5,790.57	6,264.81	6,796.90
6/30/2018	6,090.90	6,439.90	6,961.81
12/31/2018	6,163.04	6,495.28	6,988.58
6/30/2019	6,285.53	6,674.32	7,141.91
12/31/2019	6,755.43	7,127.67	7,603.90

Average Annual Change Using Exponential Fits:

10 point fit:	4.1%	3.7%	3.1%
8 point fit:	4.5%	4.2%	3.5%
6 point fit:	6.3%	5.6%	4.7%

Selected severity trend:	4.0%
Selected frequency trend:	0.0%
Selected pure premium trend:	4.0%

* Multistate data excludes Massachusetts

** Selected trends are also used for Auto Dealers and Garagekeepers physical damage coverages.

INSURANCE SERVICES OFFICE, INC.

MULTISTATE
TRUCKS, TRACTORS & TRAILERS
PHYSICAL DAMAGE
OCN TREND CALCULATION

AVERAGE OCN RELATIVITIES

YEAR ENDING	OTHER THAN COLLISION	COLLISION
6/30/2015	1.249	1.393
12/31/2015	1.255	1.403
6/30/2016	1.261	1.413
12/31/2016	1.266	1.423
6/30/2017	1.273	1.435
12/31/2017	1.279	1.446
6/30/2018	1.284	1.456
12/31/2018	1.289	1.466
6/30/2019	1.297	1.479
12/31/2019	1.303	1.488

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	0.9%	1.5%
7 POINTS	0.9%	1.5%
5 POINTS	1.0%	1.5%
Selected Other Than Collision Physical Damage Annual OCN Trend:		0.9%
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
6/30/2015	1.328	1.162
12/31/2015	1.334	1.166
6/30/2016	1.342	1.170
12/31/2016	1.349	1.174
6/30/2017	1.356	1.177
12/31/2017	1.362	1.181
6/30/2018	1.367	1.184
12/31/2018	1.374	1.187
6/30/2019	1.381	1.190
12/31/2019	1.388	1.194

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	1.0%	0.6%
7 POINTS	0.9%	0.6%
5 POINTS	1.0%	0.5%
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.

NORTH DAKOTA
 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>
12/31/2008	1,024,048	761,781	903,911	0.744	1.187
12/31/2009	782,392	808,487	949,802	1.033	1.175
12/31/2010	1,287,748	1,283,830	1,386,914	0.997	1.080
12/31/2011	1,528,934	1,612,229	1,703,635	1.054	1.057
12/31/2012	1,534,318	1,615,971	1,550,752	1.053	0.960
12/31/2013	1,576,849	1,993,270	1,938,580	1.264	0.973
12/31/2014	959,488	1,034,102	1,109,415	1.078	1.073
12/31/2015	1,284,456	1,537,232	1,528,023	1.197	0.994
12/31/2016	1,322,674	1,070,694	1,092,704	0.809	1.021
12/31/2017	1,690,141	1,315,579	1,409,442	0.778	1.071
12/31/2018	1,284,218	1,233,533		0.961	
12/31/2019	976,900				
(1) Average Factor (Best 3 of 5) :			(A) State	0.949	1.029
			(B) Multistate	1.416	1.155
(2) Credibility				0.830	0.570
(3) Credibility Weighted Factors				1.028	1.083

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>
12/31/2008	1,675,521	1,720,141	1,719,129	1.027	0.999
12/31/2009	1,728,215	1,587,531	1,586,744	0.919	1.000
12/31/2010	1,997,920	1,912,384	1,957,114	0.957	1.023
12/31/2011	2,918,747	2,984,584	2,917,256	1.023	0.977
12/31/2012	3,458,709	3,568,012	3,667,327	1.032	1.028
12/31/2013	2,993,030	3,223,457	3,172,444	1.077	0.984
12/31/2014	3,346,152	3,486,211	3,494,704	1.042	1.002
12/31/2015	2,804,337	2,899,676	2,865,167	1.034	0.988
12/31/2016	2,129,243	2,174,447	2,193,489	1.021	1.009
12/31/2017	1,999,125	2,021,644	1,985,717	1.011	0.982
12/31/2018	2,343,880	2,555,474		1.090	
12/31/2019	2,549,134				
(1) Average Factor (Best 3 of 5) :			(A) State	1.032	0.991
			(B) Multistate	1.048	1.010
(2) Credibility				0.810	0.000
(3) Credibility Weighted Factors				1.035	1.010

Summary of Factors

	<u>Bodily Injury</u>	<u>Property Damage</u>
39 to Ultimate **	1.082	1.004
27 to Ultimate	1.172	1.014
15 to Ultimate	1.205	1.049

** Multistate factors

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Bodily Injury
No Fault 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>
12/31/2008	135,782,557	180,245,473	200,056,462	209,029,377	211,603,839
12/31/2009	125,026,699	163,136,108	182,736,262	191,318,046	194,545,050
12/31/2010	134,332,199	179,588,913	201,824,087	212,261,682	215,974,735
12/31/2011	145,126,002	191,695,916	216,103,871	229,389,324	231,967,585
12/31/2012	138,820,172	192,650,846	221,107,251	230,903,644	233,378,465
12/31/2013	148,170,217	203,573,644	233,313,258	250,277,353	255,163,720
12/31/2014	154,781,477	214,519,461	249,320,241	262,657,181	267,369,370
12/31/2015	160,490,054	237,350,692	272,533,242	287,993,629	293,547,390
12/31/2016	179,287,258	253,365,088	295,261,536	311,384,936	
12/31/2017	184,522,647	260,936,852	301,441,417		
12/31/2018	202,495,103	288,039,245			
12/31/2019	206,972,931				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.327	1.110	1.045	1.012
12/31/2009	1.305	1.120	1.047	1.017
12/31/2010	1.337	1.124	1.052	1.017
12/31/2011	1.321	1.127	1.061	1.011
12/31/2012	1.388	1.148	1.044	1.011
12/31/2013	1.374	1.146	1.073	1.020
12/31/2014	1.386	1.162	1.053	1.018
12/31/2015	1.479	1.148	1.057	1.019
12/31/2016	1.413	1.165	1.055	
12/31/2017	1.414	1.155		
12/31/2018	1.422			
Average Factor: (Best 3 of 5)	1.416	1.155	1.055	1.016

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.009
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.025
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.082
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.249
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.769

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Bodily Injury
No Fault 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>
12/31/2008	213,277,059	214,135,080	214,312,331	214,439,733	214,322,938
12/31/2009	195,732,453	195,443,626	195,426,972	195,426,290	195,382,006
12/31/2010	215,714,175	216,550,160	216,833,633	216,940,750	217,095,946
12/31/2011	233,504,037	233,530,729	234,191,602	234,259,300	
12/31/2012	234,199,132	235,027,640	235,230,314		
12/31/2013	256,917,452	257,120,254			
12/31/2014	269,691,718				

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>
12/31/2008	1.008	1.004	1.001	1.001	0.999
12/31/2009	1.006	0.999	1.000	1.000	1.000
12/31/2010	0.999	1.004	1.001	1.000	1.001
12/31/2011	1.007	1.000	1.003	1.000	
12/31/2012	1.004	1.004	1.001		
12/31/2013	1.007	1.001			
12/31/2014	1.009				
Average Factor: (Best 3 of 5)	1.006	1.002	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)	=	1.003

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>
12/31/2008	442,863,517	454,148,393	456,785,870	457,071,901	457,721,999
12/31/2009	377,823,353	387,012,381	389,427,700	390,015,501	389,638,573
12/31/2010	394,936,519	407,403,514	410,487,087	411,281,668	411,190,688
12/31/2011	433,809,100	446,838,225	449,962,956	451,224,490	451,758,614
12/31/2012	431,309,571	445,801,843	449,175,252	450,057,234	450,625,393
12/31/2013	453,220,167	469,177,052	474,389,914	475,494,421	475,923,442
12/31/2014	480,257,196	501,136,588	504,922,017	506,211,744	507,109,061
12/31/2015	513,922,627	538,172,111	542,805,152	544,041,708	545,194,618
12/31/2016	541,122,809	565,007,903	571,198,187	573,473,790	
12/31/2017	549,140,875	578,569,841	583,985,956		
12/31/2018	600,510,036	635,497,190			
12/31/2019	619,271,041				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.025	1.006	1.001	1.001
12/31/2009	1.024	1.006	1.002	0.999
12/31/2010	1.032	1.008	1.002	1.000
12/31/2011	1.030	1.007	1.003	1.001
12/31/2012	1.034	1.008	1.002	1.001
12/31/2013	1.035	1.011	1.002	1.001
12/31/2014	1.043	1.008	1.003	1.002
12/31/2015	1.047	1.009	1.002	1.002
12/31/2016	1.044	1.011	1.004	
12/31/2017	1.054	1.009		
12/31/2018	1.058			
Average Factor: (Best 3 of 5)	1.048	1.010	1.002	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.001
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.002
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) =	1.014
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.063

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>
12/31/2008	457,651,402	457,690,456	457,747,461	457,631,665
12/31/2009	389,701,746	389,737,640	389,964,831	390,049,377
12/31/2010	411,896,352	412,006,087	411,991,016	411,985,242
12/31/2011	452,045,022	452,024,880	452,101,753	452,170,803
12/31/2012	451,093,875	451,404,549	451,463,329	
12/31/2013	476,034,692	476,240,765		
12/31/2014	507,187,090			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
12/31/2008	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.001	1.000
12/31/2010	1.002	1.000	1.000	1.000
12/31/2011	1.001	1.000	1.000	1.000
12/31/2012	1.001	1.001	1.000	
12/31/2013	1.000	1.000		
12/31/2014	1.000			
Average Factor: (Best 3 of 5)	1.001	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.

NORTH DAKOTA
No-Fault Insurance - Trucks, Tractors and Trailers (A)
Loss Development

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>
12/31/2010	243,461	218,703	219,530	213,972	213,972
12/31/2011	220,637	204,225	189,898	189,938	219,938
12/31/2012	323,221	301,211	293,044	290,250	290,106
12/31/2013	537,698	495,626	471,331	488,475	496,275
12/31/2014	261,262	241,530	271,758	264,698	264,698
12/31/2015	318,425	335,404	363,111	365,826	365,451
12/31/2016	269,172	286,963	279,694	279,694	
12/31/2017	245,273	207,931	207,153		
12/31/2018	199,624	179,189			
12/31/2019	240,327				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	0.898	1.004	0.975	1.000
12/31/2011	0.926	0.930	1.000	1.158
12/31/2012	0.932	0.973	0.990	1.000
12/31/2013	0.922	0.951	1.036	1.016
12/31/2014	0.924	1.125	0.974	1.000
12/31/2015	1.053	1.083	1.007	0.999
12/31/2016	1.066	0.975	1.000	
12/31/2017	0.848	0.996		
12/31/2018	0.898			

Average Factor:

(Best 3 of 5)	0.958	1.018	0.999	1.005
(Latest 3)	0.937	1.018	0.994	1.005
(Latest 5)	0.958	1.026	1.001	1.035

Selected Factor:

0.958	1.018	0.999	1.005
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Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.005
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) =	1.022
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.979

(A) Includes Basic Benefits Losses.

INSURANCE SERVICES OFFICE, INC.

NORTH DAKOTA
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		
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>15 to 27 Months</u>	<u>27 to 39 Months</u>	
12/31/2008	134,797	278,748	323,716	2.068	1.161	
12/31/2009	14,621	4,921	4,921	0.337	1.000	
12/31/2010	125,621	156,699	78,102	1.247	0.498	
12/31/2011	148,346	134,010	132,048	0.903	0.985	
12/31/2012	58,174	28,621	31,465	0.492	1.099	
12/31/2013	13,503	7,290	7,290	0.540	1.000	
12/31/2014	114,032	195,785	202,962	1.717	1.037	
12/31/2015	112,845	83,697	83,697	0.742	1.000	
12/31/2016	60,511	80,011	92,511	1.322	1.156	
12/31/2017	51,570	61,099	86,506	1.185	1.416	
12/31/2018	115,747	105,554		0.912		
12/31/2019	62,328					
(1) Average Factor (Best 3 of 5) :				(A) State	1.140	1.064
				(B) Multistate	1.426	1.156
(2) Credibility					0.250	0.120
(3) Credibility Weighted Factors					1.355	1.145

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>	
12/31/2008	240,376	282,247	282,247	1.174	1.000	
12/31/2009	201,259	215,131	215,131	1.069	1.000	
12/31/2010	183,381	177,964	190,386	0.970	1.070	
12/31/2011	167,339	183,371	169,441	1.096	0.924	
12/31/2012	282,666	338,572	334,964	1.198	0.989	
12/31/2013	218,849	213,183	213,183	0.974	1.000	
12/31/2014	227,432	234,740	234,740	1.032	1.000	
12/31/2015	213,985	234,446	234,446	1.096	1.000	
12/31/2016	237,660	235,748	235,748	0.992	1.000	
12/31/2017	221,570	223,200	223,200	1.007	1.000	
12/31/2018	122,880	131,882		1.073		
12/31/2019	202,603					
(1) Average Factor (Best 3 of 5) :				(A) State	1.037	1.000
				(B) Multistate	1.045	1.008
(2) Credibility					0.490	0.000
(3) Credibility Weighted Factors					1.041	1.008

Summary of Factors

	<u>Bodily Injury</u>	<u>Property Damage</u>
39 to Ultimate **	1.083	1.004
27 to Ultimate	1.240	1.012
15 to Ultimate	1.680	1.053

** Multistate factors

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Bodily Injury
No Fault 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>
12/31/2008	29,132,324	38,927,690	44,592,165	46,439,536	47,272,216
12/31/2009	28,980,006	40,644,951	46,195,141	48,248,900	48,351,591
12/31/2010	32,317,919	45,063,757	50,114,454	53,724,144	54,888,612
12/31/2011	32,768,220	46,926,902	52,552,267	54,780,151	55,864,048
12/31/2012	35,005,693	46,587,699	54,297,904	57,369,379	58,723,199
12/31/2013	34,533,720	48,759,341	55,216,801	60,222,904	61,571,525
12/31/2014	33,099,258	47,112,792	55,426,037	58,320,727	59,344,528
12/31/2015	31,018,487	45,255,097	51,518,316	54,695,388	56,022,649
12/31/2016	37,110,014	50,692,290	59,487,990	62,751,739	
12/31/2017	32,738,182	45,751,246	52,837,742		
12/31/2018	30,200,136	44,611,922			
12/31/2019	30,714,041				

Ratios

Accident Year <u>Ending</u>	Ratios			
	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.336	1.146	1.041	1.018
12/31/2009	1.403	1.137	1.044	1.002
12/31/2010	1.394	1.112	1.072	1.022
12/31/2011	1.432	1.120	1.042	1.020
12/31/2012	1.331	1.165	1.057	1.024
12/31/2013	1.412	1.132	1.091	1.022
12/31/2014	1.423	1.176	1.052	1.018
12/31/2015	1.459	1.138	1.062	1.024
12/31/2016	1.366	1.174	1.055	
12/31/2017	1.397	1.155		
12/31/2018	1.477			
Average Factor: (Best 3 of 5)	1.426	1.156	1.058	1.022

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.002
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.024
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.083
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.252
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.786

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Bodily Injury
No Fault 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>
12/31/2008	47,447,103	47,869,971	47,835,837	47,778,571	47,783,692
12/31/2009	48,432,985	48,295,325	48,274,452	48,353,127	48,358,797
12/31/2010	55,316,496	55,375,663	55,290,333	55,368,145	55,314,116
12/31/2011	55,836,673	55,896,105	55,885,525	55,750,519	
12/31/2012	59,211,483	58,952,759	58,834,840		
12/31/2013	61,229,996	61,204,271			
12/31/2014	59,629,903				

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>
12/31/2008	1.004	1.009	0.999	0.999	1.000
12/31/2009	1.002	0.997	1.000	1.002	1.000
12/31/2010	1.008	1.001	0.998	1.001	0.999
12/31/2011	1.000	1.001	1.000	0.998	
12/31/2012	1.008	0.996	0.998		
12/31/2013	0.994	1.000			
12/31/2014	1.005				
Average Factor: (Best 3 of 5)	1.004	0.999	0.999	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)	=	0.999
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	0.998

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>
12/31/2008	85,417,680	88,153,406	88,343,795	88,421,560	88,400,026
12/31/2009	79,728,085	82,248,080	82,540,314	82,818,608	82,779,277
12/31/2010	80,626,863	83,522,996	83,776,633	83,971,809	83,955,568
12/31/2011	86,325,699	88,937,074	89,428,209	89,904,534	90,122,803
12/31/2012	88,380,298	91,759,484	92,423,087	92,629,915	92,593,368
12/31/2013	88,256,967	92,107,702	92,654,365	92,892,244	92,932,885
12/31/2014	86,903,410	90,927,385	91,404,373	91,623,697	91,680,494
12/31/2015	88,938,048	92,796,068	93,448,637	93,644,353	93,849,583
12/31/2016	92,580,422	96,361,666	97,320,977	97,329,794	
12/31/2017	87,020,676	91,503,315	92,389,340		
12/31/2018	91,273,528	95,474,223			
12/31/2019	86,297,543				

Ratios

Accident Year <u>Ending</u>	Ratios			
	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.032	1.002	1.001	1.000
12/31/2009	1.032	1.004	1.003	1.000
12/31/2010	1.036	1.003	1.002	1.000
12/31/2011	1.030	1.006	1.005	1.002
12/31/2012	1.038	1.007	1.002	1.000
12/31/2013	1.044	1.006	1.003	1.000
12/31/2014	1.046	1.005	1.002	1.001
12/31/2015	1.043	1.007	1.002	1.002
12/31/2016	1.041	1.010	1.000	
12/31/2017	1.052	1.010		
12/31/2018	1.046			
Average Factor: (Best 3 of 5)	1.045	1.008	1.002	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.001
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.002
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) =	1.012
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.058

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>
12/31/2008	88,393,223	88,364,514	88,362,714	88,360,915
12/31/2009	82,784,414	82,816,686	82,806,763	82,797,956
12/31/2010	84,159,146	84,149,046	84,148,149	84,092,867
12/31/2011	90,208,832	90,270,044	90,270,073	90,270,071
12/31/2012	92,693,735	92,637,344	92,630,894	
12/31/2013	92,923,703	92,936,744		
12/31/2014	91,650,378			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
12/31/2008	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.000	1.000
12/31/2010	1.002	1.000	1.000	0.999
12/31/2011	1.001	1.001	1.000	1.000
12/31/2012	1.001	0.999	1.000	
12/31/2013	1.000	1.000		
12/31/2014	1.000			
Average Factor: (Best 3 of 5)	1.001	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.

NORTH DAKOTA
No-Fault Insurance - Private Passenger Types (A)
Loss Development

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>
12/31/2010	59,678	71,687	71,794	71,794	71,794
12/31/2011	22,318	16,701	16,701	16,701	16,701
12/31/2012	46,376	48,606	54,692	54,692	54,692
12/31/2013	37,279	46,780	49,640	48,046	48,046
12/31/2014	26,150	21,283	21,283	21,283	21,283
12/31/2015	22,471	14,022	14,022	14,022	14,022
12/31/2016	48,144	39,802	39,802	39,802	
12/31/2017	31,963	34,419	31,023		
12/31/2018	59,230	70,609			
12/31/2019	14,473				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.201	1.001	1.000	1.000
12/31/2011	0.748	1.000	1.000	1.000
12/31/2012	1.048	1.125	1.000	1.000
12/31/2013	1.255	1.061	0.968	1.000
12/31/2014	0.814	1.000	1.000	1.000
12/31/2015	0.624	1.000	1.000	1.000
12/31/2016	0.827	1.000	1.000	
12/31/2017	1.077	0.901		
12/31/2018	1.192			

Average Factor:

(Best 3 of 5)	0.906	1.000	1.000	1.000
(Latest 3)	1.032	0.967	1.000	1.000
(Latest 5)	0.907	0.992	0.994	1.000

Selected Factor:

0.906	1.000	1.000	1.000
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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) =	1.000
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.906

(A) Includes Basic Benefits Losses.

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>
12/31/2008	169,075,914	172,356,455	172,226,964	172,144,758	172,150,312
12/31/2009	139,676,875	141,659,831	141,877,208	142,029,425	142,058,451
12/31/2010	162,228,421	165,199,003	165,363,075	165,210,122	165,344,644
12/31/2011	184,579,931	187,570,477	187,759,828	187,847,466	187,801,773
12/31/2012	206,709,870	211,135,464	211,125,966	211,209,707	211,246,422
12/31/2013	168,493,379	172,521,157	172,953,316	173,329,851	173,297,174
12/31/2014	178,046,624	182,526,363	182,556,940	182,425,592	182,374,567
12/31/2015	174,019,328	177,762,439	177,864,669	178,188,640	178,246,619
12/31/2016	223,132,783	227,792,900	228,007,906	228,177,207	
12/31/2017	233,738,580	239,343,978	239,453,514		
12/31/2018	226,431,063	232,028,742			
12/31/2019	242,128,153				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.019	0.999	1.000	1.000
12/31/2009	1.014	1.002	1.001	1.000
12/31/2010	1.018	1.001	0.999	1.001
12/31/2011	1.016	1.001	1.000	1.000
12/31/2012	1.021	1.000	1.000	1.000
12/31/2013	1.024	1.003	1.002	1.000
12/31/2014	1.025	1.000	0.999	1.000
12/31/2015	1.022	1.001	1.002	1.000
12/31/2016	1.021	1.001	1.001	
12/31/2017	1.024	1.000		
12/31/2018	1.025			
Average Factor: (Best 3 of 5)	1.024	1.001	1.001	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) =	1.001
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.002
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.026

INSURANCE SERVICES OFFICE, INC.

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

Accident Year	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	172,339,979	172,260,723	172,266,711	172,352,729	172,353,192
12/31/2009	141,908,763	141,907,994	141,924,368	142,001,305	141,990,819
12/31/2010	165,441,441	165,497,741	165,489,609	165,487,433	165,475,862
12/31/2011	187,792,048	187,781,135	187,768,262	187,775,662	
12/31/2012	211,220,590	211,286,628	211,282,416		
12/31/2013	173,352,014	173,340,694			
12/31/2014	182,347,036				

Ratios

Accident Year	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.001	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.001	1.000
12/31/2010	1.001	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	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>
12/31/2008	416,021,546	409,079,373	408,459,328	407,738,399	406,831,920
12/31/2009	346,813,075	340,283,882	339,356,769	338,960,899	339,088,710
12/31/2010	372,141,465	364,482,008	363,144,149	363,072,120	363,071,404
12/31/2011	401,321,679	392,896,499	390,761,062	390,428,189	390,369,742
12/31/2012	395,529,408	388,804,071	386,597,938	385,881,302	386,054,803
12/31/2013	418,968,317	410,340,283	408,780,785	409,500,315	408,313,382
12/31/2014	461,280,126	452,064,091	449,250,521	448,864,783	448,560,544
12/31/2015	494,032,938	479,808,842	476,954,207	475,960,826	475,886,124
12/31/2016	525,974,965	511,487,398	507,022,661	506,592,445	
12/31/2017	546,968,747	527,707,041	523,632,790		
12/31/2018	594,040,528	578,069,086			
12/31/2019	618,597,780				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	0.983	0.998	0.998	0.998
12/31/2009	0.981	0.997	0.999	1.000
12/31/2010	0.979	0.996	1.000	1.000
12/31/2011	0.979	0.995	0.999	1.000
12/31/2012	0.983	0.994	0.998	1.000
12/31/2013	0.979	0.996	1.002	0.997
12/31/2014	0.980	0.994	0.999	0.999
12/31/2015	0.971	0.994	0.998	1.000
12/31/2016	0.972	0.991	0.999	
12/31/2017	0.965	0.992		
12/31/2018	0.973			
Average Factor: (Best 3 of 5)	0.972	0.993	0.999	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) =	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) =	0.964

INSURANCE SERVICES OFFICE, INC.

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

Accident Year	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	407,863,172	407,736,651	407,702,156	407,724,584	407,821,821
12/31/2009	338,877,985	338,811,153	338,798,673	338,816,055	338,806,883
12/31/2010	362,987,808	362,896,827	362,856,442	362,832,158	362,800,289
12/31/2011	390,343,359	390,373,238	390,348,643	390,347,683	
12/31/2012	386,045,215	385,971,713	385,942,829		
12/31/2013	408,225,343	408,156,625			
12/31/2014	448,388,619				

Ratios

Accident Year	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.003	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.000	1.000
12/31/2010	1.000	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	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>
12/31/2008	56,554,190	56,821,088	56,687,001	56,672,996	56,662,945
12/31/2009	50,748,372	50,681,539	50,663,477	50,596,793	50,589,599
12/31/2010	54,688,658	54,746,503	54,739,017	54,735,694	54,753,176
12/31/2011	70,722,060	70,823,171	70,691,526	70,731,170	70,734,671
12/31/2012	78,665,494	77,815,149	77,882,394	77,915,219	77,935,795
12/31/2013	56,046,362	56,517,006	56,727,187	56,736,829	56,729,007
12/31/2014	58,321,064	59,136,888	59,226,271	59,169,169	59,206,883
12/31/2015	49,302,063	49,842,950	49,729,623	49,694,961	49,694,538
12/31/2016	61,678,831	62,232,290	62,265,451	62,221,701	
12/31/2017	71,349,913	71,573,414	71,766,236		
12/31/2018	59,161,443	60,066,930			
12/31/2019	62,844,093				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.005	0.998	1.000	1.000
12/31/2009	0.999	1.000	0.999	1.000
12/31/2010	1.001	1.000	1.000	1.000
12/31/2011	1.001	0.998	1.001	1.000
12/31/2012	0.989	1.001	1.000	1.000
12/31/2013	1.008	1.004	1.000	1.000
12/31/2014	1.014	1.002	0.999	1.001
12/31/2015	1.011	0.998	0.999	1.000
12/31/2016	1.009	1.001	0.999	
12/31/2017	1.003	1.003		
12/31/2018	1.015			
Average Factor: (Best 3 of 5)	1.011	1.002	0.999	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) =	0.999
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) =	1.012

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Private Passenger Types - 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>
12/31/2008	56,645,882	56,633,778	56,632,032	56,632,511	56,641,555
12/31/2009	50,590,644	50,590,788	50,594,415	50,600,378	50,596,681
12/31/2010	54,686,462	54,689,217	54,721,039	54,720,533	54,727,873
12/31/2011	70,748,406	70,755,021	70,749,292	70,754,146	
12/31/2012	77,941,609	77,940,623	77,913,949		
12/31/2013	56,737,461	56,738,616			
12/31/2014	59,205,984				

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>
12/31/2008	1.000	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.000	1.000	1.000
12/31/2010	0.999	1.000	1.001	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	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 <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	154,863,414	149,193,150	148,520,928	148,291,299	148,262,196
12/31/2009	144,336,487	139,234,682	138,589,956	138,506,708	138,455,366
12/31/2010	146,938,218	139,775,300	139,054,588	138,856,519	138,836,836
12/31/2011	156,864,568	149,961,508	149,486,635	149,275,591	149,234,771
12/31/2012	155,884,559	149,719,129	149,052,693	148,917,451	148,862,453
12/31/2013	156,116,090	148,975,011	147,905,111	147,918,256	147,860,588
12/31/2014	161,642,206	154,675,113	153,695,421	153,484,159	153,432,805
12/31/2015	169,819,072	161,234,726	159,974,412	159,600,373	159,510,857
12/31/2016	169,587,494	161,253,777	159,889,000	159,593,315	
12/31/2017	163,741,413	155,626,114	154,383,061		
12/31/2018	177,649,931	168,068,102			
12/31/2019	192,791,245				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	0.963	0.995	0.998	1.000
12/31/2009	0.965	0.995	0.999	1.000
12/31/2010	0.951	0.995	0.999	1.000
12/31/2011	0.956	0.997	0.999	1.000
12/31/2012	0.960	0.996	0.999	1.000
12/31/2013	0.954	0.993	1.000	1.000
12/31/2014	0.957	0.994	0.999	1.000
12/31/2015	0.949	0.992	0.998	0.999
12/31/2016	0.951	0.992	0.998	
12/31/2017	0.950	0.992		
12/31/2018	0.946			
Average Factor: (Best 3 of 5)	0.950	0.992	0.999	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) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.991
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.941

INSURANCE SERVICES OFFICE, INC.

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

Accident Year	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	148,227,125	148,176,913	148,167,383	148,166,920	148,159,398
12/31/2009	138,368,535	138,346,989	138,340,452	138,330,227	138,317,560
12/31/2010	138,786,288	138,773,012	138,772,394	138,773,919	138,764,204
12/31/2011	149,163,748	149,134,319	149,122,176	149,108,005	
12/31/2012	148,816,043	148,792,377	148,770,225		
12/31/2013	147,821,673	147,797,377			
12/31/2014	153,590,178				

Ratios

Accident Year	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.000	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.000	1.000
12/31/2010	1.000	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.001				
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
 Auto Dealers - 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>
12/31/2010	30,648,765	31,069,585	31,127,741	31,125,140	31,105,232
12/31/2011	50,176,790	50,576,196	50,409,533	50,302,510	50,252,920
12/31/2012	33,147,253	34,058,482	33,879,705	33,835,910	33,863,783
12/31/2013	21,909,912	22,198,262	22,303,605	22,165,625	22,156,556
12/31/2014	28,696,539	29,044,163	29,002,641	29,056,586	29,089,187
12/31/2015	17,052,994	17,326,646	17,413,067	17,409,184	17,649,626
12/31/2016	14,929,494	15,657,249	15,745,635	15,699,446	
12/31/2017	12,228,932	12,980,863	13,072,806		
12/31/2018	15,420,404	15,836,714			
12/31/2019	16,561,212				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.014	1.002	1.000	0.999
12/31/2011	1.008	0.997	0.998	0.999
12/31/2012	1.027	0.995	0.999	1.001
12/31/2013	1.013	1.005	0.994	1.000
12/31/2014	1.012	0.999	1.002	1.001
12/31/2015	1.016	1.005	1.000	1.014
12/31/2016	1.049	1.006	0.997	
12/31/2017	1.061	1.007		
12/31/2018	1.027			
Average Factor: (Best 3 of 5)	1.031	1.005	0.999	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) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.005
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.036

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Auto Dealers - 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>
12/31/2010	31,085,970	31,085,503	31,085,713	31,085,683	31,085,393
12/31/2011	50,212,420	50,237,146	50,214,898	50,214,000	
12/31/2012	33,846,315	33,831,986	33,820,487		
12/31/2013	22,182,189	22,191,167			
12/31/2014	29,106,733				

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>
12/31/2010	0.999	1.000	1.000	1.000	1.000
12/31/2011	0.999	1.000	1.000	1.000	
12/31/2012	0.999	1.000	1.000		
12/31/2013	1.001	1.000			
12/31/2014	1.001				
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
Auto Dealers - 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>
12/31/2010	11,415,149	11,077,090	11,002,304	10,974,948	10,968,705
12/31/2011	11,934,352	11,452,954	11,367,759	11,329,675	11,311,800
12/31/2012	10,408,928	10,246,525	10,140,000	10,114,180	10,096,704
12/31/2013	10,113,052	9,770,687	9,683,108	9,677,279	9,665,296
12/31/2014	9,890,511	9,583,151	9,515,882	9,499,915	9,483,826
12/31/2015	9,486,340	9,277,100	9,219,730	9,210,942	9,203,961
12/31/2016	8,996,473	8,632,127	8,573,742	8,536,124	
12/31/2017	8,811,664	8,455,052	8,344,825		
12/31/2018	7,893,887	7,224,164			
12/31/2019	8,412,787				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	0.970	0.993	0.998	0.999
12/31/2011	0.960	0.993	0.997	0.998
12/31/2012	0.984	0.990	0.997	0.998
12/31/2013	0.966	0.991	0.999	0.999
12/31/2014	0.969	0.993	0.998	0.998
12/31/2015	0.978	0.994	0.999	0.999
12/31/2016	0.960	0.993	0.996	
12/31/2017	0.960	0.987		
12/31/2018	0.915			
Average Factor: (Best 3 of 5)	0.963	0.992	0.998	0.998

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	0.999
51 to Ult:	(63:51) (75:63) (75:Ult) =	0.997
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.995
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.987
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.951

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Auto Dealers - 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>
12/31/2010	10,957,192	10,943,826	10,939,156	10,933,689	10,928,768
12/31/2011	11,309,188	11,305,214	11,291,875	11,286,032	
12/31/2012	10,083,659	10,075,096	10,069,589		
12/31/2013	9,655,536	9,653,467			
12/31/2014	9,481,992				

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>
12/31/2010	0.999	0.999	1.000	1.000	1.000
12/31/2011	1.000	1.000	0.999	0.999	
12/31/2012	0.999	0.999	0.999		
12/31/2013	0.999	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	0.999	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
Garagekeepers - 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>
12/31/2010	8,450,399	8,908,200	8,991,615	9,033,562	9,051,741
12/31/2011	11,078,606	11,763,139	12,016,677	11,950,404	11,950,666
12/31/2012	7,831,799	8,428,492	8,672,874	9,324,597	9,360,832
12/31/2013	5,823,553	6,172,401	6,160,503	6,207,624	6,246,066
12/31/2014	6,411,350	7,101,694	7,137,523	7,072,483	7,108,867
12/31/2015	6,951,650	8,066,331	8,268,234	8,275,891	8,290,651
12/31/2016	6,100,231	6,733,752	7,377,703	7,408,745	
12/31/2017	8,165,570	9,020,975	9,662,219		
12/31/2018	8,718,225	10,168,070			
12/31/2019	7,289,889				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.054	1.009	1.005	1.002
12/31/2011	1.062	1.022	0.994	1.000
12/31/2012	1.076	1.029	1.075	1.004
12/31/2013	1.060	0.998	1.008	1.006
12/31/2014	1.108	1.005	0.991	1.005
12/31/2015	1.160	1.025	1.001	1.002
12/31/2016	1.104	1.096	1.004	
12/31/2017	1.105	1.071		
12/31/2018	1.166			
Average Factor: (Best 3 of 5)	1.124	1.034	1.004	1.004

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.004
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.008
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.042
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.172

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Garagekeepers - 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>
12/31/2010	9,054,359	9,045,260	9,044,228	9,044,228	9,044,228
12/31/2011	11,950,650	11,952,509	11,951,472	11,951,462	
12/31/2012	9,360,263	9,410,265	9,409,841		
12/31/2013	6,244,435	6,259,435			
12/31/2014	7,109,382				

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>
12/31/2010	1.000	0.999	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.005	1.000		
12/31/2013	1.000	1.002			
12/31/2014	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
Garagekeepers - 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>
12/31/2010	7,670,054	7,772,114	7,832,941	7,816,184	7,823,578
12/31/2011	8,507,248	8,463,391	8,423,618	8,492,481	8,493,112
12/31/2012	6,982,824	7,102,605	7,120,497	7,124,298	7,139,546
12/31/2013	6,700,281	7,137,564	7,110,014	7,141,749	7,143,677
12/31/2014	7,409,686	7,645,449	7,616,243	7,627,963	7,632,111
12/31/2015	8,065,988	8,473,897	8,549,850	8,576,190	8,645,266
12/31/2016	8,465,114	8,889,276	8,922,176	8,943,414	
12/31/2017	9,593,717	10,092,885	10,182,825		
12/31/2018	11,279,700	12,066,262			
12/31/2019	9,904,325				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.013	1.008	0.998	1.001
12/31/2011	0.995	0.995	1.008	1.000
12/31/2012	1.017	1.003	1.001	1.002
12/31/2013	1.065	0.996	1.004	1.000
12/31/2014	1.032	0.996	1.002	1.001
12/31/2015	1.051	1.009	1.003	1.008
12/31/2016	1.050	1.004	1.002	
12/31/2017	1.052	1.009		
12/31/2018	1.070			
Average Factor: (Best 3 of 5)	1.051	1.003	1.002	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) =	1.003
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.006
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.057

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Garagekeepers - 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>
12/31/2010	7,822,512	7,821,388	7,821,447	7,819,403	7,824,412
12/31/2011	8,492,348	8,491,973	8,492,623	8,492,203	
12/31/2012	7,144,893	7,144,410	7,142,855		
12/31/2013	7,149,393	7,148,527			
12/31/2014	7,632,111				

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>
12/31/2010	1.000	1.000	1.000	1.000	1.001
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.001	1.000	1.000		
12/31/2013	1.001	1.000			
12/31/2014	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.

(1)	Public Automobiles Liability	Differentials to Base Loss Cost CSL Liab	PIP
	Taxis & Limos	6.20	5.41
	School and Church Buses	0.55	0.66
	Other Buses	3.80	6.30
	Van Pools	1.50	0.72
(2)	Public Automobiles Physical Damage		
	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	
(3)	PIP Relativities		
	Class of Business		
	TTT Covered by Workers' Compensation	0.700	
	PPT principally operated by employees	0.600	
	T&L Other Than Owner Operated	0.780	
	Van Pool Furnished by Employer	0.590	
(4)	Specified Cause of Loss Relativity	0.576	
	This factor is used for Trucks, Tractors and Trailers and Private Passenger Types.		
(5)	Garagekeepers Physical Damage Relativities	<u>EXHIBIT C19</u>	

INSURANCE SERVICES OFFICE, INC.

(5) Garagekeepers Physical Damage Relativities

For Other Than Collision, the base loss cost is the \$6,000 limit for Specified Perils Legal Liability.

For Collision, the base loss cost is the \$100 Deductible, Legal Liability at the \$6,000 limit.

Maximum Limit of Liability	Collision \$100 Deductible	Other than Collision \$100 Deductible
6,000	1.00	1.00
7,500	1.16	1.17
9,000	1.32	1.34
12,000	1.68	1.65
15,000	2.00	1.94
18,000	2.37	2.17
22,500	2.79	2.62
30,000	3.58	3.28
37,500	4.21	3.88
45,000	4.74	4.42
60,000	5.95	5.45
75,000	7.16	6.42
90,000	8.21	7.40
120,000	10.26	9.11
150,000	12.32	10.68
180,000	14.21	12.31
225,000	17.00	14.80
300,000	21.63	18.74
375,000	26.21	22.71
450,000	30.74	26.60
600,000	39.68	34.05
750,000	48.47	41.28
900,000	56.74	48.31
1,200,000	72.16	61.62
1,500,000	86.53	73.60
2,000,000	98.74	83.28
2,500,000	107.58	90.71

For Other Than Collision, the following factors apply:

Direct Primary	1.35
Direct Excess	1.15
Comprehensive	1.20

For Collision, the following factors apply:

Direct Primary	1.35
Direct Excess	1.15
\$250 Ded.	0.65
\$500 Ded.	0.50

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 73	\$ 126	\$ 164
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 79	\$ 138	\$ 211
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 74	\$ 129	\$ 208
– SCHOOL AND CHURCH BUSES			
	\$ 51	\$ 88	\$ 107
– OTHER BUSES			
	\$ 51	\$ 88	\$ 107
– VAN POOLS			
	\$ 74	\$ 129	\$ 208
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

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

**NORTH DAKOTA (33)
TERRITORY 102**

PHYSICAL DAMAGE			
Original Cost New Range			
\$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 106	\$ 184	\$ 183
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 111	\$ 192	\$ 226
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 108	\$ 188	\$ 232
– SCHOOL AND CHURCH BUSES			
	\$ 74	\$ 129	\$ 119
– OTHER BUSES			
	\$ 74	\$ 129	\$ 119
– VAN POOLS			
	\$ 108	\$ 188	\$ 232
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 140	\$ 243	\$ 184
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 127	\$ 220	\$ 219
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 143	\$ 248	\$ 234
– SCHOOL AND CHURCH BUSES			
	\$ 98	\$ 170	\$ 120
– OTHER BUSES			
	\$ 98	\$ 170	\$ 120
– VAN POOLS			
	\$ 143	\$ 248	\$ 234
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

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

**NORTH DAKOTA (33)
TERRITORY 105**

PHYSICAL DAMAGE			
Original Cost New Range			
\$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 85	\$ 148	\$ 149
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 87	\$ 151	\$ 182
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 87	\$ 151	\$ 189
– SCHOOL AND CHURCH BUSES			
	\$ 60	\$ 104	\$ 97
– OTHER BUSES			
	\$ 60	\$ 104	\$ 97
– VAN POOLS			
	\$ 87	\$ 151	\$ 189
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 94	\$ 164	\$ 185
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 86	\$ 150	\$ 243
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 96	\$ 167	\$ 235
– SCHOOL AND CHURCH BUSES			
	\$ 66	\$ 115	\$ 120
– OTHER BUSES			
	\$ 66	\$ 115	\$ 120
– VAN POOLS			
	\$ 96	\$ 167	\$ 235
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
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NORTH DAKOTA (33)

49. AUTO DEALERS – PREMIUM DEVELOPMENT

FIRE
\$ 0.19

FIRE AND THEFT*			
Territory Code	Personal Auto Type Vehicles		Miscellaneous Type Vehicles
	Buildings And Standard Open Lots	Non-Standard Open Lots	Buildings And Open Lots
All Territories	\$ 1.16	\$ 1.38	\$ 0.64

* Theft is subject to a \$100 per car/\$500 per occurrence deductible.
See Rule **98**. for additional deductible options.

SPECIFIED CAUSES OF LOSS*					
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles	
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings	Open Lots
All Territories	\$ 1.97	\$ 2.17	\$ 2.43	\$ 1.46	\$ 1.66

* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible.
See Rule **98**. for additional deductible options.

LIMITED SPECIFIED CAUSES OF LOSS*					
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles	
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings	Open Lots
All Territories	\$ 1.81	\$ 1.97	\$ 2.22	\$ 1.28	\$ 1.46

* Theft is subject to a \$100 per car/\$500 per occurrence deductible.
See Rule **98**. for additional deductible options.

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

49. AUTO DEALERS – PREMIUM DEVELOPMENT
(Cont'd)

COMPREHENSIVE*				
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings And Open Lots
All Territories	\$ 2.38	\$ 2.68	\$ 2.89	\$ 2.17
* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.				

BLANKET COLLISION			
<ul style="list-style-type: none"> • Reporting Form – Inventory Value • Non-Reporting Form – Limit of Insurance 			
Deductible	First \$ 50,000 And Under	\$ 50,001 To \$ 100,000	Over \$ 100,000
\$100	\$ 1.29	\$ 0.49	\$ 0.21
\$250	0.81	0.29	0.13
See Rule 98. for additional deductible options.			

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LOSS COST PAGES**

NORTH DAKOTA (33)

55. GARAGEKEEPERS' INSURANCE – PREMIUM DEVELOPMENT

GARAGEKEEPERS' – OTHER THAN COLLISION*				
Maximum Limit Of Liability	Specified Causes Of Loss		Comprehensive	
	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)
\$ 6,000	\$ 35	\$ 47	\$ 42	\$ 57
7,500	41	55	49	66
9,000	47	63	56	76
12,000	58	78	69	94
15,000	68	92	81	110
18,000	76	103	91	123
22,500	92	124	110	149
30,000	115	155	138	186
37,500	136	183	163	220
45,000	155	209	186	251
60,000	191	258	229	309
75,000	225	303	270	364
90,000	259	350	311	420
120,000	319	430	383	517
150,000	374	505	449	606
180,000	431	582	517	698
225,000	518	699	622	839
300,000	656	885	787	1063
375,000	795	1073	954	1288
450,000	931	1257	1117	1508
600,000	1192	1609	1430	1931
750,000	1445	1950	1734	2341
900,000	1691	2283	2029	2739
1,200,000	2157	2912	2588	3494
1,500,000	2576	3478	3091	4173
2,000,000	2915	3935	3498	4722
2,500,000	3175	4286	3810	5143
Over 2,500,000	Refer to Company			
Direct Coverage (Excess)				
Specified Causes Of Loss – Multiply the Legal Liability premium by 1.15.				
Comprehensive – Multiply the Legal Liability premium by 1.15.				
* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98 . for additional deductible options.				

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55. GARAGEKEEPERS' INSURANCE – PREMIUM DEVELOPMENT (Cont'd)

GARAGEKEEPERS' – COLLISION						
Maximum Limit Of Liability	Deductibles					
	\$ 100		\$ 250		\$ 500	
	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)
\$ 6,000	\$ 28	\$ 38	\$ 18	\$ 25	\$ 14	\$ 19
7,500	32	44	21	29	16	22
9,000	37	50	24	32	18	25
12,000	47	64	31	41	24	32
15,000	56	76	36	49	28	38
18,000	66	90	43	58	33	45
22,500	78	105	51	69	39	53
30,000	100	135	65	88	50	68
37,500	118	159	77	103	59	80
45,000	133	179	86	116	66	90
60,000	167	225	108	146	83	112
75,000	200	271	130	176	100	135
90,000	230	310	149	202	115	155
120,000	287	388	187	252	144	194
150,000	345	466	224	303	172	233
180,000	398	537	259	349	199	269
225,000	476	643	309	418	238	321
300,000	606	818	394	531	303	409
375,000	734	991	477	644	367	495
450,000	861	1162	559	755	430	581
600,000	1111	1500	722	975	556	750
750,000	1357	1832	882	1191	679	916
900,000	1589	2145	1033	1394	794	1072
1,200,000	2020	2728	1313	1773	1010	1364
1,500,000	2423	3271	1575	2126	1211	1635
2,000,000	2765	3732	1797	2426	1382	1866
2,500,000	3012	4067	1958	2643	1506	2033
Over 2,500,000	Refer to Company					
Direct Coverage (Excess)						
Multiply the Legal Liability premium for the desired deductible by 1.15.						
For additional coverages, refer to company.						

Supplementary Information – North Dakota

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 North Dakota

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>
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%
09/30/2018	+5.1%	+4.2%
12/31/2018	+5.5%	+4.3%
03/31/2019	+5.7%	+4.6%
06/30/2019	+5.7%	+5.1%
09/30/2019	+5.7%	+5.5%
12/31/2019	+5.9%	+5.9%

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 – North Dakota

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 Change¹</u>	<u>CPI – Hospital & Other Related Services Annual Rate of Change</u>
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%
October 2018 - September 2019	3.5%	2.1%
October 2019 - September 2020	3.3%	3.5%

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.

¹ 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 – North Dakota

North Dakota Trends

Trucks, Tractors & Trailers and Private Passenger Types Liability

	Current Trends <u>Data through 12/31/2019</u>	Previous Trends <u>Data through 12/31/2018</u>
North Dakota Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	16.8%	15.7%
Property Damage (\$100,000 Limit)	1.7%	-3.6%
Credibility-Weighted Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	3.9%
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)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	3.9%
Private Passenger Types		
Bodily Injury (\$100,000 Limit)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	3.9%

North Dakota bodily injury severity trend receives 0% weight when combined with multistate trend in the filing, property damage trend receives 5% weight.

If the prior trends were used to calculate the indicated changes in this document, the Truck, Tractors & Trailers Liability indication would have been -2.5% rather than 0.7%. For the Private Passenger Types coverage, the indication would have been 0.2% instead of 2.1%.

No-Fault Coverage (PIP)

	Current Trends <u>Data through 6/30/2020</u>	Previous Trends <u>Data through 6/30/2019</u>
North Dakota Claim Cost Trends		
Trucks, Tractors & Trailers	3.2%	2.9%
Private Passenger Types	3.3%	2.9%
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		
	3.2%	2.9%
Private Passenger Types		
	3.3%	2.9%

If the prior trends were used to calculate the indicated change in this document, the Truck, Tractors & Trailers PIP indication would have been -3.6% instead of -3.3%. For the Private Passenger Types PIP coverage, the indication would have been -0.5% rather than 0.0%.

Supplementary Information – North Dakota

Physical Damage Loss Trend

	<u>Coverage</u>	Current Trends	Previous Trends
		<u>Data through 12/31/2019</u>	<u>Data through 12/31/2018</u>
Trucks, Tractors & Trailers	OTC	+6.5%	+7.0%
	Collision	+4.5%	+4.5%
Private Passenger Types and Garages	OTC	+6.5%	+6.5%
	Collision	+4.0%	+4.0%

Physical Damage OCN Trend

	<u>Coverage</u>	Current Trends	Previous Trends
		<u>Data through 12/31/2019</u>	<u>Data through 12/31/2018</u>
Trucks, Tractors & Trailers	OTC	+0.9%	+0.9%
	Collision	+1.5%	+1.5%
Private Passenger Types	OTC	+1.0%	+1.0%
	Collision	+0.6%	+0.6%

The loss trend has decreased by 0.5 points for Trucks, Tractors & Trailers OTC and has remained the same for Private Passenger Types and Garages OTC. The OCN trend has remained the same for Trucks, Tractors & Trailers OTC and Private Passenger Types OTC. If the prior loss and OCN trends were used, the Trucks, Tractors and Trailers OTC indication in this document would have 13.0%, instead of 11.5%.

The loss trend has remained the same for Trucks, Tractors & Trailers Collision and Private Passenger Types and Garages Collision. The OCN trend has remained the same for Trucks, Tractors, & Trailers collision and Private Passenger Types collision.

Supplementary Information – North Dakota

Loss Development

Methodology

For the Trucks, Tractors & Trailers and Private Passenger Types Liability coverages, we continue to employ a credibility-weighted combination of North Dakota 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	1.082	1.084
27 to Ultimate	1.172	1.151
15 to Ultimate	1.205	1.265
Trucks, Tractors and Trailers PD		
39 to Ultimate	1.004	1.004
27 to Ultimate	1.014	1.013
15 to Ultimate	1.049	1.048
Private Passenger Types BI		
39 to Ultimate	1.083	1.082
27 to Ultimate	1.240	1.230
15 to Ultimate	1.680	1.632
Private Passenger Types PD		
39 to Ultimate	1.004	1.004
27 to Ultimate	1.012	1.012
15 to Ultimate	1.053	1.038

Supplementary Information – North Dakota

Other Factors

Unallocated Loss Adjustment Expense factors:

	<u>Data through 12/31/2018</u>	<u>Data through 12/31/2017</u>
Bodily Injury	1.075	1.075
Property Damage	1.100	1.100
Physical Damage	1.130	1.130

Indicated vs. Filed Changes

An overall change of 2.9% is indicated when each of the coverage indications is weighted by its respective loss cost volume. Staff will file the indications, which reflect a 07/01/2021 proposed effective date, with the following exceptions:

<u>Coverage</u>	<u>Indicated Change</u>	<u>Filed Change</u>
Trucks, Tractors & Trailers Liability	0.7%	N.C.
Trucks, Tractors & Trailers PIP	-3.3%	N.C.
Private Passenger Types Liability	2.1%	N.C.
Private Passenger Types PIP	0.0%	N.C.
Trucks, Tractors & Trailers Collision	-1.4%	N.C.
Private Passenger Types Collision	2.1%	N.C.

The overall filed change is 2.8%.

Notes

- The Auto Dealers Liability and PIP coverages are not being reviewed this year.
- The Trucks, Tractors & Trailers OTC indications of 11.5%, is due to the poor experience in four of the five experience years.
- The Private Passenger Types OTC indications of 8.8%, is due to the poor experience in four of the five experience years.
- The large indication for Auto Dealers OTC is due to a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.
- The high indication for Auto Dealers Collision is due to a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.
- The high indication for Garage Keepers OTC is due to the poor experience in the latest two experience years, as well as a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.

Supplementary Information – North Dakota

- The high indication for Garage Keepers Collision is due to the poor experience in three of the five experience years, as well as a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.