

LOSS COSTS – IMPLEMENTATION

NOVEMBER 1, 2023

COMMERCIAL AUTOMOBILE

LI-CA-2023-353

## ALABAMA REVISED COMMERCIAL AUTO ADVISORY PROSPECTIVE LOSS COSTS TO BE IMPLEMENTED

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### KEY MESSAGE

Loss costs representing a 7.0% statewide change to be implemented.

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### BACKGROUND

In circular [LI-CA-2023-263](#), we provided you with information about the Commercial Auto loss cost level experience review.

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### CONSIDERATION OF COVID-19

There will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19. So far, we observe that the pandemic resulted in decreases for Commercial Auto frequencies with some offsetting effects on severity. We are including the pandemic experience in our review without adjustment. We will continue to monitor existing reporting trends, including how new data entering the experience period of our next review reflects COVID-19 impacts. Please feel free to contact us for additional discussion, clarification or questions.

See the filing material for further details.

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### ISO ACTION

We are implementing [CA-2023-BRLA1](#), which presents a review of Commercial Auto loss cost experience. Refer to the attached explanatory material for complete details about the filing.

*For more information on the status of filings in a particular state, including filed and approved documents, associated circulars and links to Print Ready Manuals and Commercial Lines Manual, please feel free to access our [Filings](#) feature within the ISOnet Circulars product.*

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### SUPPLEMENTARY INFORMATION

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

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

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### EFFECTIVE DATE

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

These changes are applicable to all policies written on or after May 1, 2024.

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

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## IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of May 1, 2024, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in this circular.

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## COMPANY ACTION

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

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

WE WILL SUBMIT OUR REFERENCE FILING TO THE INSURANCE DEPARTMENT ON APRIL 5, 2024. 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 Filing Number CA-2023-BRLA1 and SERFF Tracking Number ISO-133865005, 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.

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## RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

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## POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2023-005](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

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## FUTURE ISO ACTION

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

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## REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 5-24 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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## REFERENCE(S)

- [LI-CA-2023-263](#) (07/26/2023) Commercial Auto Experience Level Indications Reviewed By Staff
  - [LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing
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## ATTACHMENT(S)

- Filing [CA-2023-BRLA1](#)
  - Supplementary Information
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## FILES AVAILABLE FOR DOWNLOAD

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

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

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## DATA QUALITY

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification procedures so that only valid data would be used for ratemaking. Subsequent to this initial data submission review, additional analyses on the statistical plan data involving an even more customized data review for this line 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.

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## ACKNOWLEDGEMENT OF ACTUARIAL QUALIFICATIONS

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

I, Rebecca Gordon, am an Actuarial Associate for ISO, and I, Kevin Hughes, am an Actuarial Director for Commercial Auto for ISO. We are jointly responsible for the content of this Statement of Actuarial Opinion. We are both members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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## 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>.

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Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

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ALABAMA

BASIC LIMITS PROSPECTIVE LOSS COST LEVEL – COMMERCIAL AUTOMOBILE

FILING CA-2023-BRLA1

EXECUTIVE SUMMARY

PURPOSE	<p>This document:</p> <ul style="list-style-type: none"><li>• revises the advisory prospective loss costs for the major Commercial Automobile classes. These loss costs represent a 7.0% statewide change from the loss costs currently in effect.</li><li>• provides the analyses used to derive these advisory loss costs.</li></ul>
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>
IMPACTS OF COVID-19 ON ADVISORY PROSPECTIVE LOSS COSTS	<p>There will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19. So far, we observe that the pandemic resulted in decreases for Commercial Auto frequencies with some offsetting effects on severity. We are including the pandemic experience in our review without adjustment. We will continue to monitor existing reporting trends, including how new data entering the experience period of our next review reflects COVID-19 impacts. Please feel free to contact us for additional discussion, clarification or questions.</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 D-9, the exhibits are labeled EXHIBIT A1 through EXHIBIT D13, and the revised prospective loss cost pages are numbered E-1 through E-23.</p>
HIRED AUTOS RELATIVITY	<p>The relativity used to develop the Hired Auto Liability loss cost has been revised in this filing. Details of the analysis are in Section D.</p>
HIRED AUTOS LOSS COSTS	<p>The loss costs for hired autos physical damage have been revised in this filing. Details of the analysis are in Section D.</p>
AUTO DEALERS AND GARAGEKEEPERS	<p>The Auto Dealers and Garagekeepers Physical Damage coverages are not being reviewed this year.</p>

REVISED LOSS  
COST CHANGES

The statewide advisory loss cost level changes are:

<u>Trucks, Tractors &amp; Trailers</u>	<u>Indicated</u>	<u>Filed*</u>	<u>Adjusted**</u>
Liability			
Single Limit Liability	2.6%	0.0%	0.4%
Physical Damage			
Other than Collision	16.1%	16.1%	15.1%
Collision	36.2%	36.2%	9.4%
Total Trucks, Tractors & Trailers	7.6%	5.5%	2.4%
<u>Private Passenger Types</u>			
Liability			
Single Limit Liability	19.4%	19.4%	14.7%
Physical Damage			
Other than Collision	16.0%	16.0%	5.2%
Collision	20.1%	20.1%	21.5%
Total Private Passenger Types	19.3%	19.3%	15.5%
<u>Auto Dealers</u>			
Liability			
Single Limit Liability	27.4%	0.0%	0.0%
Total Auto Dealers	27.4%	0.0%	0.0%
<u>Hired Autos</u>			
Physical Damage			
Other Than Collision	38.4%	38.4%	38.4%
Collision	166.6%	166.6%	166.6%
Total Hired Autos	124.1%	124.1%	124.1%
<u>Grand Total</u>	9.1%	7.0%	3.9%

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

\* Due to the simultaneous implementation of filing CA-2022-RLC1, the FILED column displays the impact for companies already using the optional class plan prior to the effective date of the CA-2022-RLC1 filing.

\*\* The ADJUSTED changes display the impact of the filed loss costs on companies not using the optional class plan prior to the effective date of the CA-2022-RLC1 filing.

INDICATED VS.  
FILED

Indicated changes are based on standard ISO methodology, utilizing a 5/1/2024 trend effective date. The filed loss cost level changes are the same as the indicated with the following exceptions: 0.0% was selected for Trucks, Tractors & Trailers Liability and Auto Dealers Liability due to the favorable state experience.

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PRIOR ISO  
REVISIONS

The latest selected revisions in this state are:

<u>Filing</u>	CA-2020-BRLA1	CA-2019-BRLA1	CA-2018-BRLA1
Rate Level/ Loss Costs	Loss Costs	Loss Costs	Loss Costs
Effective Date	2/1/2021	2/1/2020	2/1/2019
<u>Changes</u>			
Indicated	7.3%	10.6%	9.2%
Filed	7.5%	10.6%	9.0%
Approved	7.5%	10.6%	9.0%

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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 6/30/2022 for all coverages.

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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 second quarter 2022 and claim frequency trend data through first quarter 2022 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	+8.1%
Property Damage	+9.3%
Private Passenger Types Liability:	
Bodily Injury	+8.1%
Property Damage	+9.3%



ADJUSTMENTS TO REPORTED EXPERIENCE (CONT'D)	Trucks, Tractors & Trailers OTC	+8.0%
	Trucks, Tractors & Trailers Collision	+10.0%
	Private Passenger Types OTC	+7.5%
	Private Passenger Types Collision	+10.0%

#### Liability Premium Trend

To recognize the trend in the Vehicle Age factors and Original Cost New factors for Trucks, Tractors & Trailers and Private Passenger Types Liability, aggregate loss costs at current level have been multiplied by premium trend factors. The selected annual Liability premium trends are +0.2% for Trucks, Tractors & Trailers and 0.0% for Private Passenger Types.

#### Physical Damage Vehicle Value Factor (VVF) Trends

To recognize the trend in the vehicle value component of the rating procedure (which includes Vehicle Age and Original Cost New) for Trucks, Tractors & Trailers and Private Passenger Types Physical Damage, aggregate loss costs at current level have been multiplied by VVF trend factors. The selected annual VVF trend factors for Trucks, Tractors & Trailers are +2.0% and +2.0% for OTC and Collision respectively. For Private Passenger Types, the VVF trend factors are +1.8% and +1.0% 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 Ind Co.
2. Sentry Ins a Mutual Co
3. Zurich American Ins Co.
4. Cincinnati Ins Co.
5. Tokio Marine Cos
6. Nationwide Mut Ins Co
7. Federated Mut Ins Co.
8. Insurance Co Of North America
9. Old Republic Ins Co.
10. National Trust Ins Co

##### PHYSICAL DAMAGE (ASLOB 21.2)

1. Travelers Ind Co.
2. Zurich American Ins Co.
3. Cincinnati Ins Co.
4. Great American Ins Co.
5. National Trust Ins Co
6. Sentry Ins A Mutual Co
7. Canal Ins Co.
8. Frankenmuth Mutual Ins Co
9. American International Group
10. Westguard Insurance Company

Insurers are listed in descending order based on the percent of statewide written premium volume from Annual Statement Page 15 for the year ending 12/31/2021 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 12/31/2021 is:

Liability (ASLOB 19.3 & 19.4)  
39.4%

Physical Damage (ASLOB 21.2)  
29.1%

#### COMPANY DECISION

We encourage each insurer to decide independently whether the judgments made and the procedures or data used by ISO in developing the loss costs contained herein are

appropriate for its use. We have included within this document the information upon which ISO relied in order to make such independent judgments.

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

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

The material has been developed exclusively by the staff of Insurance Services Office, Inc.

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

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INTRODUCTION	Commercial Automobile advisory prospective loss costs are determined by evaluating the adequacy of the current ISO loss costs to pay for our best estimate of losses and all loss adjustment expenses that will be incurred in the prospective (or future) period. This evaluation is done separately by coverage for the major classes.
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 <b>Exhibits B1-B5</b> .
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 <b>Exhibits B6-B12</b> .
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 E.

## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

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

OBJECTIVE	<p>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?</p>
DESCRIPTION	<p>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 <b>Exhibits B1-B5</b>.</p>
EXPERIENCE BASE	<p>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.</p>
AGGREGATE LOSS COSTS (Item 1)	<p>The aggregate loss costs at current ISO loss cost level are the loss-related revenue that would have been collected if the current ISO loss costs were used during the experience period. It is calculated by extending the exposures by the current ISO loss costs. For liability, the \$100,000 basic limit loss costs are used. For Trucks, Tractors, and Trailers and Private Passenger Types Physical Damage, loss costs are on an all deductibles combined basis.</p> <p>Trucks, Tractors &amp; Trailers and Private Passenger Types aggregate loss costs are placed on the prospective OCN and Vehicle Age relativity level by the application of premium trend factors.</p>

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.

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EXPERIENCE  
RATIO  
(Item 3)

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

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YEAR WEIGHTS  
(Item 4)

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

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EXPECTED  
EXPERIENCE  
RATIO  
(Item 7)

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

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CREDIBILITY

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

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CREDIBILITY  
WEIGHTED  
EXPERIENCE  
RATIO

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

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 2 – DETERMINATION OF TERRITORY RELATIVITIES

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OBJECTIVE	The objective of this procedure is to distribute the statewide loss cost indication by territory. In other words, what percentage changes by territory should be made in order to equitably achieve an adequate statewide prospective loss cost level?
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TRUCKS, TRACTORS & TRAILERS AND PRIVATE PASSENGER TYPES LIABILITY AND PHYSICAL DAMAGE	For Trucks, Tractors & Trailers and Private Passenger Types, this procedure compares the individual territory experience ratios to the statewide average experience ratio. The territory experience ratio is calculated for the latest 5 years and a statewide weighted-average experience ratio for the same period is calculated using the aggregate loss costs (product of earned car years (col 1) and underlying loss cost (col 2)) as weights. The territory experience ratio is then credibility weighted with the statewide average experience ratio to produce a formula experience ratio. The territory formula experience ratio is then compared to the statewide weighted average formula experience ratio to determine the territory index to state. The territory index is then multiplied by the filed loss cost level change in order to produce the indicated change to the individual territories. This change is then applied to the current territory base loss cost. See the calculations in <b>Exhibits B6-B12</b> .
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AUTO DEALERS LIABILITY	Because Auto Dealers Statistics by territory lack sufficient credibility to be used meaningfully in developing revised loss costs, it is appropriate to utilize a body of statistics which can be expected to reflect the Auto Dealers hazard differences by territory. Consequently, the development of indicated Auto Dealers base loss costs is based upon a relationship to the corresponding Trucks, Tractors & Trailers \$100,000 revised base loss costs by territory. The revised Trucks, Tractors & Trailers base loss costs are compared to the revised statewide average Trucks, Tractors & Trailers base loss cost to produce the indicated territorial indices to the statewide average base loss costs for Auto Dealers. The relationship between these Trucks, Tractors & Trailers indicated territorial indices and the current Auto Dealers territorial indices yields the change in the Auto Dealers index.
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EXPLANATORY MEMORANDUM FOR TRUCKS, TRACTORS & TRAILERS AND PRIVATE  
PASSENGER TYPES LIABILITY TERRITORY DEVELOPMENT

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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 LOSS COST	Average \$100,000 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 basic limit at the present ISO manual level trended to a prospective level by the application of premium trend 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 Bodily Injury and Property Damage combined 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 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	<p>The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:</p> $\frac{[\text{Terr. Group Col. (4)} \times \text{Terr. Group Col. (5)}] + [\text{SW Total Col. (4)} \times (1.0 - \text{Terr. Group Col. (5)})]}{[\text{Terr. Group Col. (5)} + (1.0 - \text{Terr. Group Col. (5)})]}$

COLUMN (7)  
INDEX TO  
STATE

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

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

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

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COLUMN (8)  
BASE CLASS  
LOSS COST

Present ISO \$100,000 base class loss cost.

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COLUMN (9)  
INDICATED BASE  
LOSS COST

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

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COLUMN (10)  
REVISED BASE  
LOSS COST

Revised \$100,000 base loss cost.

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COLUMN (11)  
ADVISORY  
LOSS COST  
CHANGE

Percentage change from the present \$100,000 base loss cost to the revised \$100,000 base loss cost.

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## EXPLANATORY MEMORANDUM FOR AUTO DEALERS LIABILITY

COLUMN (1) EARNED CAR YEARS	Number of car-years, or exposures (Trucks, Tractors and Trailers), earned in the latest year. These exposures are used to calculate the weighted averages for column (3) and column (4).
COLUMN (2) AUTO DEALERS AGGREGATE LOSS COST AT CURRENT LEVEL	The Auto Dealers aggregate loss cost at current level. This column is used to calculate the weighted average for column (7).
COLUMN (3) REVISED TRUCKS, TRACTORS & TRAILERS \$100,000 LOSS COST	These are the revised Trucks, Tractors & Trailers \$100,000 base loss costs.
COLUMN (4) AUTO DEALERS PRESENT \$100,000 LOSS COST	Current Auto Dealers \$100,000 base loss cost.
COLUMN (5) & (6) RATIOS TO STATEWIDE AVERAGE	Are derived by dividing each base loss cost by the statewide average loss cost for Trucks, Tractors & Trailers and Auto Dealers, respectively.
COLUMN (7) TERRITORY RELATIVITY	Is derived by dividing the Trucks, Tractors & Trailers indices (column (5)) by the Auto Dealers indices (column (6)).
COLUMN (8) ADJUSTED TERRITORY RELATIVITY	Is derived by multiplying the territory relativity (column (7)) by the adjustment, which is one divided by the statewide average territory relativity (SW column (7)). This yields the required change in the Auto Dealers index in column (7).
COLUMN (9) INDICATED BASE LOSS COST	Indicated base loss cost for a particular territory. It is calculated by applying the product of the adjusted territory relativity (column (8)) and the statewide Auto Dealers loss cost level indication to the present Auto Dealers base loss cost.

COLUMN (10)  
REVISED  
BASE LOSS COST

Revised \$100,000 base loss cost.

---

COLUMN (11)  
LOSS COST  
CHANGE

Percentage change from the present \$100,000 base loss cost to the revised  
\$100,000 base loss cost.

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

COLUMN (1) EARNED CAR YEARS	Number of car-years, or exposures, earned in the latest year. These exposures are used to calculate the weighted averages through the analysis. (For calculating the weighted average of the Experience Ratio in Col (4) and the Formula Experience Ratio in Col (6) the product of [Col(1) x Col(2)] are used as weights).
COLUMN (2) UNDERLYING LOSS COST	Average loss cost at current level (earned aggregate loss cost at current level divided by exposures) is based on the latest accident year experience available and reflects the present ISO manual loss cost trended to a prospective level by the application of VVF trend 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	<p>The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:</p> $\begin{aligned} &[\text{Terr. Group Col. (4)} \times \text{Terr. Group Col. (5)}] \\ &+ [\text{SW Total Col. (4)} \times (1.0 - \text{Terr. Group Col. (5)})] \end{aligned}$

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

$$[\text{Terr. Col (6)} / \text{SW Total Col. (6)}]$$

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

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COLUMN (8)  
BASE CLASS  
LOSS COST

Present ISO 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.

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COLUMN (10)  
REVISED BASE  
LOSS COST

Revised base loss cost.

---

COLUMN (11)  
ADVISORY  
LOSS COST  
CHANGE

Percentage change:  
$$[\text{Col. (10)} / \text{Col. (8)}]$$

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## 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 <b>Exhibit C1</b> .
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)

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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 <b>Exhibits C2-C3</b> .
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	<p>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:</p> $A = C/(C+K)$ <p>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.</p>

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LIABILITY:  
FREQUENCY  
TREND

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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.

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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.
- Theft losses have been removed from our Other Than Collision trend reviews due to a large increase in small-value theft claims which have caused an inappropriate distortion in severity trend.

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.

PHYSICAL  
DAMAGE:  
LOSS TREND  
(CONT'D)

1) All losses are divided by the appropriate classification 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. For example, if a shift in the distribution of vehicle weights occurred, we would want to remove the corresponding shift in loss severity from our estimate of severity trend. Due to the introduction of Vehicle Value Factor Trend on the premium side, we are no longer dividing losses by an Age Factor in our loss trend analysis.

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:

	Year 1		Year 2	
Type of Loss	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 =  $(\$316.25 / \$269) - 1 = 17.6\%$

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

	Year 1		Year 2	
Type of Loss	Glass	Fire	Glass	Fire
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:  $(23\% + 25\%) / 2 = 24\%$

PHYSICAL  
DAMAGE:  
LOSS TREND  
(CONT'D)

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

	Year 1		Year 2	
Type of Loss	Glass	Fire	Glass	Fire
	76% x 13 =	24 % x 13 =	76% x 20 =	24% x 20 =
Claims	9.88	3.12	15.2	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 C8-C11**. 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 \$500, \$1,000, and \$2,000 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
	<u>Pure Premium</u>	<u>Pure Premium</u>
OTC:	+8.0%	+7.5%
COLL:	+10.0%	+10.0%

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COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE  
SUPPLEMENTARY EXHIBIT

Quarterly Values <u>Ending</u>	Consumer Price Index for Bodywork	
	<u>Actual</u>	<u>Exponential Fit</u>
09/30/2019	3.158	3.049
12/31/2019	3.189	3.109
03/31/2020	3.194	3.170
06/30/2020	3.248	3.232
09/30/2020	3.263	3.295
12/31/2020	3.283	3.360
03/31/2021	3.315	3.425
06/30/2021	3.384	3.492
09/30/2021	3.458	3.561
12/31/2021	3.561	3.630
03/31/2022	3.703	3.702
06/30/2022	3.848	3.774
09/30/2022	3.903	3.848
12/31/2022	3.984	3.923
03/31/2023	4.050	4.000
06/30/2023	4.122	4.078
		Average
		Annual
	<u>R-Squared</u>	<u>Change</u>
16 Point Fit	0.9484	8.1%
12 Point Fit	0.9794	10.0%

## LIABILITY PREMIUM TREND

### OBJECTIVE

For Trucks, Tractors & Trailers and Private Passenger Types Liability, as new, higher-valued commercial automobiles are introduced and existing vehicles are taken out of service, there is a change in revenue due to the Liability Vehicle Age Factor and the Liability OCN Factor, which represent differences in expected Liability loss experience associated with Vehicle Age and Original Cost New. In order to reflect the revenue impact of such changes during the prospective period, ISO uses a premium trend procedure.

### DATA LIMITATIONS UNIQUE TO PREMIUM TREND

We began collecting Vehicle Age and OCN for the Liability coverage in 2016 and the new fields became mandatory in 2019. However, the reporting on Liability records is still insufficient to support a premium trend analysis. Instead, since the new variables have always been part of our physical damage rating plan, we opted to perform our analysis using Collision data. The Collision exposures were rated as if they were Liability exposures. Approximately 80% of vehicles are provided Collision coverage. Nevertheless, we expect that some selection bias is present in the results, and we plan to switch to using Liability exposures for this analysis as soon as that is reasonably possible.

There are more serious data limitations than the selection bias that might be present due to using Collision exposures.

The Vehicle Age values we collect include coding for individual vehicle ages out to the 26th preceding model year, with a final category for the 27th preceding model year and all older vehicles. However the prior version of the ISO rating manual only provided rating factors for vehicle ages out to the tenth preceding model year, terminating with a factor for the 11th preceding model year and older. This final category from the old plan represented approximately 20% of vehicles historically and was reported statistically using an age code of "X".

Although ISO began collecting vehicle age data in fuller detail at the same time as Liability reporting was first introduced, there were similar delays for that change. Consequently, there's a relevant volume of statistically reported data in recent years that still contains exposures coded with the retired age code of "X".

The estimated percentage of total Collision reporting volume represented by companies that are fully reporting vehicle age detail in each year is as follows:

<u>Earned Year Ending</u>	<u>Trucks, Tractors and Trailers</u>	<u>Private Passenger Types</u>
6/30/2018	0.6%	0.8%
6/30/2019	0.8%	4.2%
6/30/2020	1.4%	4.6%
6/30/2021	25.5%	18.5%
6/30/2022	52.6%	39.0%

DATA  
LIMITATIONS  
UNIQUE TO  
PREMIUM TREND,  
CONTINUED

For most purposes, a representative average vehicle age value can be assigned to these exposures, allowing the data to be used in our analysis. However, ISO is aware that in the case of premium trend specifically, the indication is not only particularly sensitive to this selection, but also it is also not enough even to choose a correct representative average overall, because here we are focused on the change in the Liability Age Factor over time, even as individual insurers, each of whose book of business has a unique mix, are in the process of switching from reporting Age X to reporting vehicle age in full detail.

As a consequence of these considerations, ISO's actuarial staff made the decision to review premium trend using two cuts of data, and make a judgmental selection based on consideration of both results.

In the first cut of data, we display results using only the most recent three and a half years ending 6/30/2022 for Private Passenger Types, and the two and a half most recent years for Trucks, Tractors and Trailers, and to include in both only companies that reported vehicle age codes in full detail during that timeframe. This first cut has a far smaller volume that is typically used for this analysis, and we do not deem the indications to be fully credible. We observe that the significantly greater volume of usable reporting in the most recent year means that we will have available a much more credible version of this review when we next perform an experience review in one year's time.

The second cut of data includes a much greater volume of data over a full five years, but excludes all vehicles older than the 10th preceding model year. This second cut is much more stable than the first, but likely expresses a significant bias that we are not able to quantify.

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DESCRIPTION  
OF DATA

Subject to the unique limitations described immediately above, two measures of the average Liability Rating Factors are displayed on the following exhibits. See the calculations in **Exhibits C6-C7**. The data is displayed by coverage. To determine the historical average trend for Factors, 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 vehicle value factors. Based on the results of these curves, and mindful of the data limitations discussed above, ISO has selected annual Liability premium trends of 0.2% and 0.0% for Trucks, Tractors & Trailers and Private Passenger Types respectively.

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## PHYSICAL DAMAGE VVF TREND

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### OBJECTIVE

In Physical Damage for Trucks, Tractors & Trailers and Private Passenger Types, as new, higher-valued commercial automobiles are introduced and existing vehicles depreciate, there is a change in revenue due to the vehicle value factor component of the rating procedure, which incorporates the effects of Original Cost New and Vehicle Age. In order to reflect the revenue impact of such changes during the prospective period, ISO uses a VVF trend procedure.

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### DATA LIMITATIONS UNIQUE TO PREMIUM TREND

The Vehicle Value Factors we are concerned with in this analysis include factors for individual vehicle ages out to the 26th preceding model year, with a final category for the 27th preceding model year and all older vehicles. The prior version of the ISO rating manual only provided rating factors for vehicle ages out to the tenth preceding model year, terminating with a factor for the 11th preceding model year and older. This final category from the old plan represented approximately 20% of vehicles historically and was reported statistically using an age code of "X".

Although ISO began collecting vehicle age data in fuller detail beginning in 2016, the changes did not become mandatory for insurers until mid-2019, and many insurers were not able to meet even this deadline. Consequently, there's a relevant volume of statistically reported data in recent years that still contains exposures coded with the retired age code of "X".

The estimated percentage of total reporting volume represented by companies that are fully reporting vehicle age detail in each year is as follows:

<u>Earned Year Ending</u>	<u>Trucks, Tractors and Trailers</u>	<u>Private Passenger Types</u>
6/30/2018	0.5%	0.6%
6/30/2019	0.8%	4.3%
6/30/2020	1.3%	4.6%
6/30/2021	23.8%	18.5%
6/30/2022	51.7%	39.7%

For most purposes, a representative average vehicle age value can be assigned to these exposures, allowing the data to be used in our analysis. However, ISO is aware that in the case of premium trend specifically, the indication is not only particularly sensitive to this selection, but also it is also not enough even to choose a correct representative average overall, because here we are focused on the change in the VVF over time, even as individual insurers, each of whose book of business has a unique mix, are in the process of switching from reporting Age X to reporting vehicle age in full detail.

As a consequence of these considerations, ISO's actuarial staff made the decision to review premium trend using two cuts of data, and make a judgmental selection based on consideration of both results.



DATA  
LIMITATIONS  
UNIQUE TO  
PREMIUM TREND,  
CONTINUED

In the first cut of data, we display results using only the most recent three and a half years ending 6/30/2022 for Private Passenger Types, and the two and a half most recent years for Trucks, Tractors and Trailers, and to include in both only companies that reported vehicle age codes in full detail during that timeframe. This first cut has a far smaller volume that is typically used for this analysis, and we do not deem the indications to be fully credible. We observe that the significantly greater volume of usable reporting in the most recent year means that we will have available a much more credible version of this review when we next perform an experience review in one year's time.

The second cut of data includes a much greater volume of data over a full five years, but excludes all vehicles older than the 10th preceding model year. This second cut is much more stable than the first, but likely expresses a significant bias that we are not able to quantify.

DESCRIPTION  
OF DATA

Subject to the unique limitations described immediately above, two measures of the average vehicle value factors (VVF) for Comprehensive and Collision are displayed on the following exhibits. See the calculations in **Exhibits C12-C13**. The data is displayed by coverage. To determine the historical average trend for VVF, 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 vehicle value factors. Based on the results of these curves, and mindful of the data limitations discussed above, ISO has selected annual VVF trends of 2.0% and 2.0% for Trucks, Tractors & Trailers OTC and Collision coverages respectively. For Private Passenger Types, VVF trends of 1.8% and 1.0% were selected for the OTC and Collision coverages respectively.

## LOSS DEVELOPMENT FOR LIABILITY

OBJECTIVE	<p>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.</p>
DESCRIPTION OF EXPERIENCE PERIOD DATA	<p>For Trucks, Tractors &amp; Trailers, Private Passenger Types and Auto Dealers Liability, the incurred losses and allocated loss adjustment expenses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of September 30, 2022. In other words, accident year ended June 30, 2022 includes all losses and allocated loss adjustment expenses paid through September 30, 2022 on accidents occurring from July 1, 2021 to June 30, 2022 and all losses and allocated loss adjustment expenses outstanding on these accidents as of September 30, 2022, 15 months after the inception of the accident year. Similarly, the incurred losses and allocated loss adjustment expenses for accident year ended June 30, 2021 include all loss and loss adjustment expenses paid through September 30, 2022 on accidents occurring from July 1, 2020 to June 30, 2021 and all losses and allocated loss adjustment expenses outstanding on these accidents as of September 30, 2022, 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 <b>Exhibits C14-C16</b>.</p>
DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY	<p>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 &amp; Trailers, Private Passenger Types and Auto Dealers 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.</p> <p>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 &amp; Trailers, Private Passenger Types and Auto Dealers 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.</p>

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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	-

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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.

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AUTO DEALERS

For the Auto Dealers Bodily Injury coverage, development is based upon \$100,000 CSL multistate tort or no-fault data. For the Auto Dealers Property Damage coverage, basic limits multistate experience is used.

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## LOSS DEVELOPMENT FOR PHYSICAL DAMAGE

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OBJECTIVE	The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.
DESCRIPTION OF EXPERIENCE PERIOD DATA	For Physical Damage, paid losses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of September 30, 2022. In other words, accident year ended June 30, 2022 includes all losses paid through September 30, 2022 on accidents occurring from July 1, 2021 to June 30, 2022. Similarly, the paid losses for accident year ended June 30, 2021 include all losses paid through September 30, 2022 on accidents occurring from July 1, 2020 to June 30, 2021. 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 <b>Exhibits C17-C18</b> .
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.

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## CREDIBILITY PROCEDURE FOR EXPERIENCE LOSS RATIO

OBJECTIVE	<p>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.</p>
METHODOLOGY	<p>The standards for full credibility were determined from a credibility study using various size of loss distributions for liability, 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.</p>
CREDIBILITY FOR EXPERIENCE LOSS RATIO	<p>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:</p> $Z = \sqrt{\frac{\text{Claims}}{X}}$ <p>Where X equals the full credibility standard, by line and coverage, as shown on the following pages of this section.</p>
YEAR WEIGHTS	<p>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.</p>

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 PHYSICAL DAMAGE  
FLOWCHART TO DETERMINE  
YEAR WEIGHTS AND  
EXPERIENCE PERIOD CREDIBILITY

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

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

Step 2: Determine the Experience Period Credibility

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

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

Tables For Use With Trend Data

Bodily Injury				Property Damage			
<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

CREDIBILITY FORMULA = ( # CLAIMS)/( # 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.

PHYSICAL DAMAGE  
CREDIBILITY TABLES  
NUMBER OF CLAIMS

OTHER THAN COLLISION

<u>Cred</u>	<u>Trucks, Tractors &amp; Trailers</u>			<u>Private Passenger Types</u>		
0.00*	0	-	27	0	-	21
0.05	28	-	109	22	-	84
0.10	110	-	247	85	-	191
0.15	248	-	439	192	-	339
0.20	440	-	687	340	-	531
0.25	688	-	989	532	-	764
0.30	990	-	1,347	765	-	1,041
0.35	1,348	-	1,759	1,042	-	1,359
0.40	1,760	-	2,227	1,360	-	1,721
0.45	2,228	-	2,749	1,722	-	2,124
0.50	2,750	-	3,327	2,125	-	2,571
0.55	3,328	-	3,959	2,572	-	3,059
0.60	3,960	-	4,647	3,060	-	3,591
0.65	4,648	-	5,389	3,592	-	4,164
0.70	5,390	-	6,187	4,165	-	4,781
0.75	6,188	-	7,039	4,782	-	5,439
0.80	7,040	-	7,947	5,440	-	6,141
0.85	7,948	-	8,909	6,142	-	6,884
0.90	8,910	-	9,927	6,885	-	7,671
0.95	9,928	-	10,999	7,672	-	8,499
1.00		>	10,999		>	8,499

COLLISION

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

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

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

ALABAMA  
CLAIMS PER TERRITORY  
LIABILITY

Territory	Trucks, Tractors & Trailers	Private Passenger Types
	Incurred Claims 5 Years Ending 6/30/2022 Combined BI and PD	Incurred Claims 5 Years Ending 6/30/2022 Combined BI and PD
101	1,692	283
108	151	16
113	437	74
115	1,465	221
116	509	122
121	283	57
122	1,024	169
123	650	116
124	1,072	247
125	317	68
129	1,600	263
SW Total	9,200	1,636

Claims for Trend

BI	PD
<u>575</u>	<u>1353</u>

ALABAMA  
CLAIMS PER TERRITORY  
PHYSICAL DAMAGE

Territory	Trucks, Tractors & Trailers Paid Claims 5 Years Ending 6/30/2022		Private Passenger Types Paid Claims 5 Years Ending 6/30/2022	
	OTC	Coll	OTC	Coll
101	430	683	259	275
108	99	79	40	17
113	172	239	102	116
115	560	772	201	193
116	198	231	148	169
121	101	121	39	43
122	404	495	142	152
123	234	367	91	109
124	341	490	107	128
125	127	152	33	46
129	683	700	205	233
SW Total	3,349	4,329	1,367	1,481

WIND AND WATER PROCEDURE WITH REGIONAL COMPONENT  
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.

The wind and water procedure for the Southeast Hurricane Regional states incorporates a regional component into the procedure. A portion of the losses above a certain threshold is moved to the regional calculation. A regional excess component is calculated and applied to the losses. The purpose of the regional component is to mitigate the impact of extremely catastrophic events, such as a category five hurricane, on any one state in the region.

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DESCRIPTION OF  
WIND AND WATER  
ADJUSTMENT  
PROCEDURE

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

The long term average 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 Wind and Water to non-Wind and Water ratios are adjusted to moderate the impact of extremely catastrophic years on any one state in the Southeast Hurricane Region. This is accomplished by separating out a portion of the losses at increasing severity levels and apportioning them to the regional calculation. Specifically, 50% of the layer of the Wind and Water ratios between 10 times the median and 15 times the median plus 75% of the layer of the Wind and Water ratios above 15 times the median goes into the regional component. The average of the portion of the Wind and Water to non-Wind and Water ratios retained in the state is the 'normal' ratio.

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)).

DESCRIPTION OF  
WIND AND WATER  
ADJUSTMENT  
PROCEDURE  
(CONT'D)

The excess ratio is the difference between the average Wind and Water ratio and the normal ratio. The state excess component to region is calculated as  $1 + [\text{excess ratio} / (1 + \text{normal ratio})]$ . The regional excess factor is calculated as the weighted average of each state's excess component to region, using each state's latest 5 years non-Wind and Water losses as weights. This factor is applied to the 'normal' losses (Column (2) plus Column (6)) to get the total adjusted losses (Column (7)).

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

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## INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE - ALABAMA  
TRUCKS, TRACTORS, AND TRAILERS - OTHER THAN COLLISION

	(1)	(2)	(3)	(4)	(4a)	(4b)	(4c)	(4d)	(4e)	(5)	(6)	(7)	
			(2) - (1)	(1) / (3)				0.5* (4b) + 0.75* (4c)		AVG (4e) - (4)	(3) x (5)	[ (2)+(6) ] * (12)	
					BETWEEN 10*	MEDIAN AND 15*	ABOVE 15*		EXCESS WIND RATIO TO REGION	RETAINED WIND TO NON-WIND RATIO	VARIATION FROM NORMAL WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	BELOW 10* MEDIAN	MEDIAN MEDIAN	MEDIAN						
1987	21,164	1,188,800	1,167,636	0.018	0.018	0.000	0.000	0.000	0.000	0.018	0.112	130,775	1,338,049
1988	263,823	1,567,777	1,303,954	0.202	0.202	0.000	0.000	0.000	0.000	0.202	-0.072	-93,885	1,494,526
1989	100,562	1,379,171	1,278,609	0.079	0.079	0.000	0.000	0.000	0.000	0.079	0.051	65,209	1,464,601
1990	253,700	1,901,991	1,648,291	0.154	0.154	0.000	0.000	0.000	0.000	0.154	-0.024	-39,559	1,888,506
1991	91,894	1,727,916	1,636,022	0.056	0.056	0.000	0.000	0.000	0.000	0.056	0.074	121,066	1,874,868
1992	30,839	1,495,365	1,464,526	0.021	0.021	0.000	0.000	0.000	0.000	0.021	0.109	159,633	1,678,168
1993	82,644	1,555,864	1,473,220	0.056	0.056	0.000	0.000	0.000	0.000	0.056	0.074	109,018	1,688,190
1994	132,601	1,307,576	1,174,975	0.113	0.113	0.000	0.000	0.000	0.000	0.113	0.017	19,975	1,346,137
1995	185,885	1,750,411	1,564,526	0.119	0.119	0.000	0.000	0.000	0.000	0.119	0.011	17,210	1,792,368
1996	254,506	2,586,446	2,331,940	0.109	0.109	0.000	0.000	0.000	0.000	0.109	0.021	48,971	2,672,313
1997	77,791	2,110,994	2,033,203	0.038	0.038	0.000	0.000	0.000	0.000	0.038	0.092	187,055	2,330,222
1998	406,628	3,049,499	2,642,871	0.154	0.154	0.000	0.000	0.000	0.000	0.154	-0.024	-63,429	3,027,875
1999	143,290	2,994,580	2,851,290	0.050	0.050	0.000	0.000	0.000	0.000	0.050	0.080	228,103	3,267,801
2000	175,113	2,992,205	2,817,092	0.062	0.062	0.000	0.000	0.000	0.000	0.062	0.068	191,562	3,228,340
2001	255,401	2,685,188	2,429,787	0.105	0.105	0.000	0.000	0.000	0.000	0.105	0.025	60,745	2,784,376
2002	137,472	2,027,180	1,889,708	0.073	0.073	0.000	0.000	0.000	0.000	0.073	0.057	107,713	2,164,782
2003	290,517	1,778,061	1,487,544	0.195	0.195	0.000	0.000	0.000	0.000	0.195	-0.065	-96,690	1,704,910
2004	37,242	911,988	874,746	0.043	0.043	0.000	0.000	0.000	0.000	0.043	0.087	76,103	1,001,924
2005	227,616	1,284,209	1,056,593	0.215	0.215	0.000	0.000	0.000	0.000	0.215	-0.085	-89,810	1,211,121
2006	366,541	1,282,575	916,034	0.400	0.400	0.000	0.000	0.000	0.000	0.400	-0.270	-247,329	1,049,739
2007	71,435	1,169,082	1,097,647	0.065	0.065	0.000	0.000	0.000	0.000	0.065	0.065	71,347	1,257,795
2008	95,088	1,014,228	919,140	0.103	0.103	0.000	0.000	0.000	0.000	0.103	0.027	24,817	1,053,592
2009	341,487	1,643,174	1,301,687	0.262	0.262	0.000	0.000	0.000	0.000	0.262	-0.132	-171,823	1,491,950
2010	105,855	1,343,578	1,237,723	0.086	0.086	0.000	0.000	0.000	0.000	0.086	0.044	54,460	1,417,611
2011	769,870	2,187,114	1,417,244	0.543	0.543	0.000	0.000	0.000	0.000	0.543	-0.413	-585,322	1,624,217
2012	199,185	1,263,820	1,064,635	0.187	0.187	0.000	0.000	0.000	0.000	0.187	-0.057	-60,684	1,219,980
2013	216,105	1,684,088	1,467,983	0.147	0.147	0.000	0.000	0.000	0.000	0.147	-0.017	-24,956	1,682,360
2014	107,224	1,647,249	1,540,025	0.070	0.070	0.000	0.000	0.000	0.000	0.070	0.060	92,402	1,764,006
2015	103,596	2,318,568	2,214,972	0.047	0.047	0.000	0.000	0.000	0.000	0.047	0.083	183,843	2,537,445
2016	46,339	2,596,676	2,550,337	0.018	0.018	0.000	0.000	0.000	0.000	0.018	0.112	285,638	2,922,666
2017	461,145	3,274,059	2,812,914	0.164	0.164	0.000	0.000	0.000	0.000	0.164	-0.034	-95,639	3,222,918
2018	570,881	3,980,169	3,409,288	0.167	0.167	0.000	0.000	0.000	0.000	0.167	-0.037	-126,144	3,907,981

## INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE - ALABAMA  
TRUCKS, TRACTORS, AND TRAILERS - OTHER THAN COLLISION  
(CONT'D)

	(1)	(2)	(3)	(4)	(4a)	(4b)	(4c)	(4d)	(4e)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)				0.5* (4b) + 0.75* (4c)		AVG (4e) - (4)	(3) x (5)	[ (2) + (6) ] * (12)
						BETWEEN 10*		EXCESS	RETAINED	VARIATION FROM		
YEAR	OTC WIND	OTC TOTAL	TOTAL -	WIND &	BELOW	MEDIAN	ABOVE	WIND	WIND TO	NORMAL	WIND &	ADJ OTC
ENDING	LOSSES	LOSSES	WIND&WATER LOSSES	WATER / NON (W&W)	10* MEDIAN	AND 15* MEDIAN	15* MEDIAN	RATIO TO REGION	NON-WIND RATIO	WIND RATIO	WATER ADJUSTMENT	TOTAL LOSSES
2019	166,736	3,349,297	3,182,561	0.052	0.052	0.000	0.000	0.000	0.052	0.078	248,240	3,647,903
2020	207,285	3,163,321	2,956,036	0.070	0.070	0.000	0.000	0.000	0.070	0.060	177,362	3,387,453
2021	1,141,574	4,324,725	3,183,151	0.359	0.359	0.000	0.000	0.000	0.359	-0.229	-728,942	3,646,124
2022	296,816	3,966,607	3,669,791	0.081	0.081	0.000	0.000	0.000	0.081	0.049	179,820	4,204,477
(8) AVERAGE WIND TO NON W&W RATIO=AVG. (4)				0.130				Median =	M*	0.095		
(9) NORMAL WIND TO NON W&W RATIO =AVG. (4e)				0.130					5M	0.475		
(10) EXCESS WIND RATIO TO REGION= (8) - (9)				0.000					10M	0.950		
(11) STATE EXCESS COMPONENT TO REGION				1.000					15M	1.425		
(12) REGIONAL EXCESS FACTOR				1.014				* SUBJECT TO A MINIMUM VALUE OF 0.05				

\* SUBJECT TO A MINIMUM VALUE OF 0.05



## INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE - ALABAMA  
PRIVATE PASSENGER TYPES - OTHER THAN COLLISION

	(1)	(2)	(3)	(4)	(4a)	(4b)	(4c)	(4d)	(4e)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)				0.5*(4b) + 0.75*(4c)		AVG (4e) - (4)	(3) x (5)	[ (2)+(6) ] * (12)
					BETWEEN 10*	10*	ABOVE 15*	EXCESS WIND RATIO TO REGION	RETAINED WIND TO NON-WIND RATIO	FROM NORMAL WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	BELOW 10* MEDIAN	MEDIAN AND 15* MEDIAN	MEDIAN					
1987	10,853	593,349	582,496	0.019	0.019	0.000	0.000	0.000	0.019	0.280	163,099	765,525
1988	760,781	1,477,777	716,996	1.061	1.061	0.000	0.000	0.000	1.061	-0.762	-546,351	942,603
1989	107,184	739,864	632,680	0.169	0.169	0.000	0.000	0.000	0.169	0.130	82,248	831,977
1990	250,605	919,719	669,114	0.375	0.375	0.000	0.000	0.000	0.375	-0.076	-50,853	879,292
1991	145,941	820,829	674,888	0.216	0.216	0.000	0.000	0.000	0.216	0.083	56,016	887,367
1992	14,874	612,666	597,792	0.025	0.025	0.000	0.000	0.000	0.025	0.274	163,795	785,779
1993	35,226	627,039	591,813	0.060	0.060	0.000	0.000	0.000	0.060	0.239	141,443	777,704
1994	55,828	737,826	681,998	0.082	0.082	0.000	0.000	0.000	0.082	0.217	147,994	896,450
1995	96,405	673,600	577,195	0.167	0.167	0.000	0.000	0.000	0.167	0.132	76,190	758,787
1996	238,853	962,398	723,545	0.330	0.330	0.000	0.000	0.000	0.330	-0.031	-22,430	951,248
1997	82,473	805,100	722,627	0.114	0.114	0.000	0.000	0.000	0.114	0.185	133,686	950,051
1998	253,517	1,043,649	790,132	0.321	0.321	0.000	0.000	0.000	0.321	-0.022	-17,383	1,038,581
1999	117,211	840,434	723,223	0.162	0.162	0.000	0.000	0.000	0.162	0.137	99,082	950,790
2000	157,708	887,648	729,940	0.216	0.216	0.000	0.000	0.000	0.216	0.083	60,585	959,612
2001	153,874	792,650	638,776	0.241	0.241	0.000	0.000	0.000	0.241	0.058	37,049	839,655
2002	95,237	565,863	470,626	0.202	0.202	0.000	0.000	0.000	0.202	0.097	45,651	618,852
2003	218,477	761,184	542,707	0.403	0.403	0.000	0.000	0.000	0.403	-0.104	-56,442	713,199
2004	28,971	500,065	471,094	0.061	0.061	0.000	0.000	0.000	0.061	0.238	112,120	619,531
2005	174,075	484,964	310,889	0.560	0.560	0.000	0.000	0.000	0.560	-0.261	-81,142	408,668
2006	264,460	648,494	384,034	0.689	0.689	0.000	0.000	0.000	0.689	-0.390	-149,773	504,706
2007	54,794	457,336	402,542	0.136	0.136	0.000	0.000	0.000	0.136	0.163	65,614	529,225
2008	78,830	383,807	304,977	0.258	0.258	0.000	0.000	0.000	0.258	0.041	12,504	401,067
2009	135,959	449,876	313,917	0.433	0.433	0.000	0.000	0.000	0.433	-0.134	-42,065	412,705
2010	50,116	388,634	338,518	0.148	0.148	0.000	0.000	0.000	0.148	0.151	51,116	445,027
2011	496,560	826,096	329,536	1.507	1.507	0.000	0.000	0.000	1.507	-1.208	-398,079	433,153
2012	146,493	494,468	347,975	0.421	0.421	0.000	0.000	0.000	0.421	-0.122	-42,453	457,439
2013	85,584	503,623	418,039	0.205	0.205	0.000	0.000	0.000	0.205	0.094	39,296	549,434
2014	126,962	544,144	417,182	0.304	0.304	0.000	0.000	0.000	0.304	-0.005	-2,086	548,563
2015	70,265	564,463	494,198	0.142	0.142	0.000	0.000	0.000	0.142	0.157	77,589	649,757
2016	10,257	438,833	428,576	0.024	0.024	0.000	0.000	0.000	0.024	0.275	117,858	563,371
2017	205,356	597,610	392,254	0.524	0.524	0.000	0.000	0.000	0.524	-0.225	-88,257	515,465
2018	214,358	932,162	717,804	0.299	0.299	0.000	0.000	0.000	0.299	0.000	0	943,348

## INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE - ALABAMA  
PRIVATE PASSENGER TYPES - OTHER THAN COLLISION  
(CONT'D)

	(1)	(2)	(3)	(4)	(4a)	(4b)	(4c)	(4d)	(4e)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)				0.5*(4b) + 0.75*(4c)		AVG(4e) - (4)	(3) x (5)	[ (2) + (6) ] * (12)
					BETWEEN 10*					VARIATION FROM		
YEAR	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	BELOW 10* MEDIAN	MEDIAN AND 15* MEDIAN	ABOVE 15* MEDIAN	EXCESS WIND RATIO TO REGION	RETAINED WIND TO NON-WIND RATIO	NORMAL WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
2019	26,873	655,376	628,503	0.043	0.043	0.000	0.000	0.000	0.043	0.256	160,897	826,068
2020	52,378	597,643	545,265	0.096	0.096	0.000	0.000	0.000	0.096	0.203	110,689	716,832
2021	372,221	979,192	606,971	0.613	0.613	0.000	0.000	0.000	0.613	-0.314	-190,589	798,066
2022	69,912	539,833	469,921	0.149	0.149	0.000	0.000	0.000	0.149	0.150	70,488	617,645
(8) AVERAGE WIND TO NON W&W RATIO=AVG. (4)				0.299				Median =	M*	0.211		
(9) NORMAL WIND TO NON W&W RATIO =AVG. (4e)				0.299					5M	1.055		
(10) EXCESS WIND RATIO TO REGION= (8) - (9)				0.000					10M	2.110		
(11) STATE EXCESS COMPONENT TO REGION				1.000					15M	3.165		
(12) REGIONAL EXCESS FACTOR				1.012								

\* SUBJECT TO A MINIMUM VALUE OF 0.05

EXPLANATORY MEMORANDUM FOR WIND AND WATER PROCEDURE  
WITH REGIONAL COMPONENT

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 (4d) EXCESS WIND RATIO TO REGION	The portion of the Wind and Water ratio for each year that goes into the regional component. Equal to 50% of the ratio between 10 times and 15 times the median plus 75% of the ratio above 15 times the median. .50 * Column (4b) + .75 * Column (4c)
COLUMN (4e) RETAINED WIND AND WATER RATIO	Wind and Water ratios retained in the state. Equal to 100% of the ratio less than 10 times the median plus 50% of the ratio between 10 times and 15 times the median plus 25% of the ratio above 15 times the median. Column (4a) + .50 * Column (4b) + .25 * Column (4c)
COLUMN (5) VARIATION FROM NORMAL WIND RATIO	Variation from the long term normal Wind and Water to non-Wind and Water ratio. Avg (4e) - Column (4).
COLUMN (6) WIND AND WATER ADJUSTMENT	Wind and Water loss adjustment to bring experience to normal Wind and Water level. Column (3) * Column (5).

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COLUMN (7)  
ADJUSTED OTC  
TOTAL LOSSES

---

[Column (2) + Column (6)] \* (12)

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ITEM (8)  
AVERAGE WIND  
AND WATER TO  
NON-WIND AND  
WATER RATIO

---

Average of the Wind and Water to Non-Wind and Water ratios  
Avg (4)

---

ITEM (9)  
NORMAL WIND  
AND WATER TO  
NON-WIND AND  
WATER RATIO

---

Average of the Retained Wind and Water to Non-Wind and Water ratios  
Avg (4e)

---

ITEM (10)  
EXCESS WIND  
RATIO TO REGION

---

Difference between the Average Wind and Water Ratio and Normal Wind and Water Ratio.  
Item (8) - Item (9)

---

ITEM (11)  
STATE EXCESS  
COMPONENT TO  
REGION

---

$= \{1 + [\text{excess ratio} / (1 + \text{normal ratio})]\}$   
 $= \{1 + [\text{Item (10)} / (1 + \text{Item (9)})]\}$

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ITEM (12)  
REGIONAL EXCESS  
FACTOR

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Calculated as the weighted average of each state's excess component to region using each state's latest 5 years non-Wind and Water losses as weights.

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## TERRITORIAL WIND AND WATER PROCEDURE WITH REGIONAL COMPONENT OTHER THAN COLLISION

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OBJECTIVE	<p>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 expected Wind and Water losses.</p>
DESCRIPTION OF TERRITORIAL WIND AND WATER PROCEDURE	<p>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.</p> <p>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.)</p> <p>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.</p> <p>The statewide wind provision is calculated for each year from the statewide procedure by subtracting the non-Wind and Water losses from the adjusted losses (before application of the regional excess factor). 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.</p> <p><math display="block">\text{Territorial adjusted total losses} = (\text{territorial Wind and Water provision} + \text{territorial non-Wind and Water losses}) * \text{regional excess factor}</math></p> <p>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.</p> <p>A sample of the territory Wind and Water procedure is shown on the following page.</p>

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## METHODOLOGY FOR CALCULATING 'WIND &amp; 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)] x Regional Factor
A		50,000	150,000	203,000
B		30,000	50,000	81,200
C		20,000	80,000	101,500
	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 = Adjusted Losses for Year 20XX (before application of the regional factor) - Non-Wind & Water Losses for Year 20XX

\*\*\* Uses a Regional Excess Factor of 1.015

## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### DETERMINATION OF THE ADVISORY MULTISTATE LIABILITY RELATIVITY FOR RULE 290. - HIRED AUTOS

---

OBJECTIVE	The objective of this procedure is to determine the indicated advisory multistate liability relativity for Rule 290. - Hired Autos. This relativity is applied to the average liability loss cost for Trucks, Tractors & Trailers to calculate the liability loss cost per \$100 annual cost of hire for Rule 290. - Hired Autos.
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DESCRIPTION	Since the liability relativity to calculate the loss cost per \$100 cost of hire for the Rule 290. - Hired Auto liability coverage is applied to the average \$100,000 Combined Single Limit (CSL) loss cost for Trucks, Tractors & Trailers, the adequacy of the relationship between the two classes is measured by comparing their respective experience ratios.
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EXPERIENCE PERIOD DATA	The experience used in this review was chosen to remove the impact of the COVID-19 Pandemic. The review is being conducted on a multistate basis and the data is aggregated on an accident year basis. The review is conducted on a \$100,000 CSL basic limits basis - indemnity losses are limited to \$100,000 per occurrence.
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The incurred losses and allocated loss adjustment expenses underlying the multistate ratios 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.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 1 - DETERMINATION OF MULTISTATE EXPERIENCE RATIO FOR TRUCKS, TRACTORS & TRAILERS

OBJECTIVE	<p>The objective is to determine the multistate experience ratio for Trucks, Tractors &amp; Trailers. This ratio will be used later to determine the indicated multistate advisory liability relativity for Rule 290. - Hired Autos. See the calculations in <b>Exhibits D1-D2</b>.</p>
DESCRIPTION	<p>This procedure compares the developed incurred losses and allocated loss adjustment expenses with the aggregate loss costs.</p>
AGGREGATE LOSS COSTS (Item 1)	<p>The aggregate loss costs at current ISO loss cost level are the loss-related revenue that would have been collected if the current ISO loss costs were used during the experience period. It is calculated by extending the exposures by the current ISO loss costs.</p>
INCURRED LOSSES & LAE (Item 2)	<p>The incurred losses and loss adjustment expenses are our best estimate of the ultimate payment for indemnity losses and loss adjustment expenses incurred during the experience period.</p> <p>The reported incurred losses and allocated loss adjustment expenses are subject to the following adjustments:</p> <ul style="list-style-type: none"><li>• Incurred indemnity losses are capped at the basic limit;</li><li>• Developed to an ultimate settlement basis by the application of loss development factors;</li></ul> <p>Incurred losses and loss adjustment expenses are not trended. Trend factors for Hired Autos liability coverage would generally be assumed to be the same as those for Trucks, Tractors &amp; Trailers. Therefore, they fail to impact the result of the analysis.</p> <p>Refer to Part 2 of this Section for the support for these loss related adjustments.</p>
EXPERIENCE RATIO (Item 3)	<p>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 experience period.</p>



INCURRED  
CLAIMS  
(Item 4)

---

These are the incurred claims associated with the incurred losses used for the review. The claims are also on an accident year basis and have been evaluated as of March 31, 2020. In other words, accident year ended December 31, 2019 includes all claims paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019 and all claims outstanding on these accidents as of March 31, 2020, 15 months after the inception of the accident year.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 2 - DETERMINATION OF THE INDICATED ADVISORY MULTISTATE LIABILITY RELATIVITY FOR RULE 290. - HIRED AUTOS

OBJECTIVE	The objective is to determine the indicated advisory multistate liability relativity for Rule 290. - Hired Autos. See the calculations in <b>Exhibits D3-D4</b> .
DESCRIPTION	This procedure develops an experience ratio for the Rule 290. - Hired Autos liability coverage by utilizing the same methodology that was employed for Trucks, Tractors & Trailers in Step 1. This ratio is then compared to the Trucks, Tractors & Trailers experience ratio from Step 1. This comparison measures the adequacy of the current multistate relationship between the two classes.
YEARLY INDICATED CHANGE (Item 4)	This is the yearly indicated change in the multistate advisory relativity for the Rule 290. - Hired Autos liability coverage. It is expressed as a multiplicative factor to be applied to the current multistate advisory relativity. It is the ratio of Item 3 from Step 2 to Item 3 from Step 1.
INCURRED CLAIMS (Item 5)	These are the incurred claims associated with the incurred losses used for the review. The claims are also on an accident year basis and have been evaluated as of March 31, 2020. In other words, accident year ended December 31, 2019 includes all claims paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019 and all claims outstanding on these accidents as of March 31, 2020, 15 months after the inception of the accident year.
MULTISTATE EXPERIENCE RATIO FOR TRUCKS, TRACTORS & TRAILERS (Item 6)	This is the multistate experience ratio for Trucks, Tractors & Trailers that was developed in Step 1.
INDICATED CHANGE (Item 7)	This is the overall indicated change in the multistate advisory relativity for the Rule 290. - Hired Autos liability coverage. It is expressed as a multiplicative factor to be applied to the current multistate advisory relativity.

CURRENT  
RELATIVITY  
(Item 8)

---

This is the current multistate advisory relativity for the Rule 290. - Hired Autos liability coverage. This relativity is applied to the average liability loss cost for Trucks, Tractors & Trailers to yield the liability loss cost per \$100 annual cost of hire for Rule 290. - Hired Autos.

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INDICATED  
RELATIVITY  
(Item 9)

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This is the indicated multistate advisory relativity for the Rule 290. - Hired Autos liability coverage.

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SELECTED  
RELATIVITY  
(Item 10)

---

This is the selected multistate advisory relativity that is being filed for the Rule 290. - Hired Autos liability coverage. This relativity was selected to temper the indication, and in view of the apparent downward trend in the indicated relativity over time.

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FILED  
CHANGE  
(Item 11)

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This is the percentage change in the multistate advisory relativity for the Rule 290. - Hired Autos liability coverage.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### PHYSICAL DAMAGE LOSS COSTS FOR RULE 290. - HIRED AUTOS

OBJECTIVE	The objective of this procedure is to determine the indicated advisory prospective physical damage loss costs for Rule 290. - Hired Autos. Advisory prospective physical damage loss costs for additional deductible amounts are also being introduced.
STEP 1: DETERMINATION OF MULTISTATE LOSS COST INDICATION	The first step in this process is the determination of the multistate loss cost indications for Hired Autos OTC and Collision. 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 exhibit labeled "Determination of Statewide Advisory Loss Cost Level Change." See the calculations in <b>Exhibit D5</b> .
STEP 2: CALCULATION OF DEDUCTIBLE DISCOUNT FACTORS	In order to examine the relationship between the loss costs by deductible, we calculated deductible discount factors. This analysis also allows us to introduce loss costs for additional deductibles of \$250, \$500, \$1000, \$2000, \$3000, and \$5000 for OTC and \$2000, \$3000, and \$5000 for Collision.
STEP 3: REVISED MULTISTATE BASE LOSS COSTS	The multistate OTC and Collision loss costs appearing in this section are calculated by multiplying the current multistate base loss cost by the filed change (from <b>Exhibit D5</b> ) and by an off-balance factor. The Deductible Discount Factor changes in this filing will be introduced on a "revenue neutral" basis. That is, an off-balance factor (OBF) will be applied to the base loss costs so that, on average, there is no change to the aggregate loss costs. The off-balance factors are calculated on <b>Exhibit D11</b> . See the calculation of the revised multistate base loss costs in <b>Exhibit D12</b> .

STEP 4:  
REVISED  
LOSS COSTS BY  
DEDUCTIBLE

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The revised indicated OTC and Collision loss costs by deductible are determined by multiplying the revised multistate base loss cost (**Exhibit D12**) by one minus the appropriate deductible discount factor (**Exhibit D10**).

For specified perils, the revised loss cost was determined by multiplying the current loss cost by the OTC filed change from **Exhibit D5**.

The OTC full coverage loss cost was selected to be higher than the OTC \$50 deductible loss cost. For all other deductibles, the selected loss cost is the same as the indicated loss cost.

The OTC loss costs are appropriate for deductibles applicable to All Perils. Loss costs for deductibles applicable to Theft, Mischief and Vandalism Only are refer to company.

See **Exhibit D13** for the revised loss costs.

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EXPERIENCE  
PERIOD DATA

The review is being conducted on a multistate basis and the data is aggregated on an accident year basis.

The incurred losses and allocated loss adjustment expenses are on an accident year basis and were evaluated as of June 30, 2021. In other words, accident year ended March 31, 2021 includes all losses and allocated loss adjustment expenses paid through June 30, 2021 on accidents occurring from April 1, 2020 to March 31, 2021 and all losses and allocated loss adjustment expenses outstanding on these accidents as of June 30, 2021, 15 months after the inception of the accident year. Similarly, the incurred losses and allocated loss adjustment expenses for accident year ended March 31, 2020 include all loss and loss adjustment expenses paid through June 30, 2021 on accidents occurring from April 1, 2019 to March 31, 2020 and all losses and allocated loss adjustment expenses outstanding on these accidents as of June 30, 2021, 27 months after the inception of the accident year.

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## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 1 - DETERMINATION OF MULTISTATE ADVISORY LOSS COST LEVEL CHANGE

OBJECTIVE	<p>The objective of this procedure is to determine the indicated multistate advisory loss cost level change for Hired Autos OTC and Collision. 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 exhibit labeled "Determination of Statewide Advisory Loss Cost Level Change." See the calculations in <b>Exhibit D5</b>.</p>
DESCRIPTION	<p>This procedure compares the developed incurred losses and allocated loss adjustment expenses with the aggregate loss costs.</p>
AGGREGATE LOSS COSTS (Item 1)	<p>The aggregate loss costs at current ISO loss cost level are the loss-related revenue that would have been collected if the current ISO loss costs were used during the experience period. It is calculated by dividing the annual cost of hire by one hundred and multiplying the result by the current loss cost for the coverage and deductible.</p>
INCURRED LOSSES & LAE (Item 2)	<p>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.</p> <p>For the physical damage coverages, the reported paid (accident year) losses are subject to the following adjustments:</p> <ul style="list-style-type: none"><li>• Developed to an ultimate settlement basis by the application of loss development factors (see <b>Exhibit D6</b>);</li><li>• Loaded for all loss adjustment expenses (see Section C);</li><li>• Placed on the prospective cost/frequency levels by the application of trend factors (see <b>Exhibits D7 and D8</b>).</li></ul>
EXPERIENCE RATIO (Item 3)	<p>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 experience period.</p>

## OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

### STEP 2 - CALCULATION OF DEDUCTIBLE DISCOUNTS FACTORS

In order to examine the relationship between the loss costs by deductible, we calculated deductible discount factors. This analysis also allows us to introduce loss costs for additional deductibles of \$250, \$500, \$1000, \$2000, \$3000, and \$5000 for OTC and \$2000, \$3000, and \$5000 for Collision.

We begin developing Deductible Discount Factors by restating each claim in our database at higher deductible amounts and summarizing the results in a traditional deductible triangle. The rows contain loss data originally written at a given deductible amount, and the columns indicate to what deductible amount the data has been adjusted.

Following each deductible triangle is a Relative Loss Ratio triangle comparing adjacent deductible amounts. A weighted average of these values is developed, and they are accumulated to produce a Relative Loss Level curve showing the impact of deductible amount. The deductible and Relative Loss Ratio triangles are shown in **Exhibit D9**.

To derive the indicated percentage discounts, we divide the relative loss level for each deductible by the relative loss level for the base deductible and subtract the result from one. The base deductibles are \$100 for OTC and \$500 for Collision. The indicated percentage discounts are shown in **Exhibit D10**.

VERISK

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

Coverages	Aggregate Loss Cost at Current Level (B)	Loss Cost Changes (C)
<b>TRUCKS, TRACTORS &amp; TRAILERS (D)</b>		
Liability		
Single Limit Liability	\$ 65,151,576	0.0%
Physical Damage		
Other Than Collision	4,736,748	16.1%
Collision	10,075,861	36.2%
Combined	14,812,609	29.8%
Total Trucks, Tractors & Trailers	79,964,185	5.5%
<b>PRIVATE PASSENGER TYPES</b>		
Liability		
Single Limit Liability	6,777,753	19.4%
Physical Damage		
Other Than Collision	813,689	16.0%
Collision	2,250,162	20.1%
Combined	3,063,851	19.0%
Total Private Passenger Types	9,841,604	19.3%
<b>AUTO DEALERS</b>		
Liability		
Single Limit Liability	726,360	0.0%
Total Auto Dealers	726,360	0.0%
<b>HIRED AUTOS</b>		
Physical Damage		
Other Than Collision	19,987	38.4%
Collision	40,293	166.6%
Combined	60,280	124.1%
Total Hired Autos	60,280	124.1%
GRAND TOTAL ALL COVERAGES	90,592,429	7.0%
TOTAL LIABILITY	72,655,689	1.8%
TOTAL PHYSICAL DAMAGE	17,936,740	28.3%

(A) An implementation date of 05/01/2024 is assumed for purposes of trending.

(B) Accident Year ending 06/30/2022 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 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.



VERISK

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

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory	\$100,000 CSL	\$5,000
Code	Liability <sup>(a)</sup>	Med Pay <sup>(a)</sup>
101	-3.9%	-10.0%
108	3.5%	11.1%
113	-3.2%	0.0%
115	0.5%	0.0%
116	-0.6%	0.0%
121	0.2%	0.0%
122	5.1%	0.0%
123	-1.4%	0.0%
124	0.0%	0.0%
125	4.3%	0.0%
129	1.4%	0.0%

(a) For Trucks, Tractors, and Trailers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 TERRITORY LOSS COST LEVEL CHANGES  
 FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	13.3%	41.8%	13.6%
108	16.7%	34.0%	17.1%
113	16.2%	43.8%	15.9%
115	29.0%	36.2%	28.4%
116	13.5%	33.2%	12.7%
121	13.7%	32.3%	14.6%
122	13.4%	34.5%	14.0%
123	12.6%	44.0%	13.5%
124	12.0%	47.3%	10.6%
125	17.9%	36.4%	17.3%
129	16.9%	26.6%	17.9%

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY  
FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory	Liability	\$5,000	Physical Damage		Specified Causes
Code	\$100,000 CSL	Med Pay <sup>(a)</sup>	Comprehensive <sup>(b)</sup>	Collision <sup>(c)</sup>	of Loss <sup>(d)</sup>
101	732	9	162	502	117
108	358	10	133	437	96
113	515	8	172	443	124
115	549	9	120	399	86
116	501	7	160	369	115
121	478	9	141	401	102
122	492	10	169	444	122
123	484	9	116	383	84
124	374	7	131	361	94
125	437	9	132	371	95
129	445	7	173	428	125

(a) The loss costs for medical payments have been calculated by multiplying a relativity by the Trucks, Tractors, and Trailers CSL Liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).

(b) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost.

(c) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost.

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

VERISK

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COMMERCIAL AUTOMOBILE INSURANCE

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

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory	\$100,000 CSL	\$5,000
Code	Liability	Med Pay
101	15.9%	15.4%
108	20.2%	16.7%
113	18.7%	20.0%
115	21.5%	15.4%
116	18.1%	15.4%
121	26.7%	25.0%
122	23.1%	16.7%
123	18.3%	18.2%
124	20.7%	10.0%
125	21.2%	30.0%
129	17.6%	18.2%

VERISK

ALABAMA  
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	
101	21.8%	17.1%	21.9%
108	16.3%	19.0%	15.7%
113	15.6%	26.2%	16.7%
115	14.3%	23.0%	13.6%
116	20.5%	24.2%	21.0%
121	14.5%	24.0%	15.2%
122	17.1%	22.2%	17.1%
123	16.7%	16.4%	16.9%
124	11.4%	20.5%	10.5%
125	15.7%	15.6%	15.6%
129	12.9%	18.3%	13.0%

VERISK

ALABAMA  
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	\$5,000 Med Pay <sup>(a)</sup>	Physical Damage Comprehensive <sup>(b)</sup>	Collision <sup>(c)</sup>	Specified Causes of Loss <sup>(d)</sup>
101	466	15	123	453	89
108	452	14	143	389	103
113	368	12	126	400	91
115	480	15	104	391	75
116	477	15	176	544	127
121	479	15	126	403	91
122	453	14	123	446	89
123	401	13	105	448	76
124	361	11	117	359	84
125	394	13	103	496	74
129	400	13	193	505	139

(a) The loss costs for medical payments have been calculated by multiplying a relativity by the Private Passenger Types CSL Liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).

(b) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost.

(c) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost.

(d) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.720 to the Private Passenger Types Comprehensive base loss costs.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 TERRITORY LOSS COST LEVEL CHANGES  
 FOR AUTO DEALERS POLICY COVERAGES

Territory	\$100,000 CSL
Code	Liability <sup>(a)</sup>
101	-2.3%
108	10.1%
113	8.4%
115	4.4%
116	-1.2%
121	7.4%
122	16.5%
123	-5.3%
124	-2.3%
125	4.0%
129	-3.5%

(a) For Auto Dealers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 REVISED BASE LOSS COSTS BY TERRITORY  
 FOR AUTO DEALERS POLICY COVERAGES

Territory	Liability
Code	\$100,000 CSL
101	734
108	359
113	517
115	550
116	502
121	479
122	493
123	485
124	375
125	438
129	445



VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE

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

FOR VAN POOLS POLICY COVERAGES

Territory	\$100,000 CSL	\$5,000
Code	Liability <sup>(a)</sup>	Med Pay <sup>(a)</sup>
101	-4.0%	-4.3%
108	3.3%	0.0%
113	-3.2%	0.0%
115	0.6%	0.0%
116	-0.6%	0.0%
121	0.2%	0.0%
122	4.9%	7.1%
123	-1.3%	0.0%
124	0.0%	0.0%
125	4.3%	0.0%
129	1.4%	7.7%

(a) For Trucks, Tractors, and Trailers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 TERRITORY LOSS COST LEVEL CHANGES  
 FOR VAN POOLS POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	13.4%	41.8%	13.4%
108	16.8%	33.9%	16.8%
113	16.0%	43.9%	15.3%
115	29.1%	36.3%	28.4%
116	13.6%	33.2%	12.9%
121	13.8%	32.3%	14.8%
122	13.7%	34.5%	13.5%
123	12.1%	43.9%	14.3%
124	11.8%	47.4%	10.9%
125	18.2%	36.4%	17.1%
129	16.9%	26.5%	18.0%

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR VAN POOLS POLICY COVERAGES

Territory	Liability	\$5,000	Physical Damage		Specified Causes
Code	\$100,000 CSL <sup>(a)</sup>	Med Pay <sup>(b)</sup>	Comprehensive <sup>(c)</sup>	Collision <sup>(d)</sup>	of Loss <sup>(e)</sup>
101	695	22	246	1130	178
108	340	11	202	983	146
113	489	16	261	997	188
115	522	17	182	898	131
116	476	15	243	830	175
121	454	15	214	902	155
122	467	15	257	999	185
123	460	15	176	862	128
124	355	11	199	812	143
125	415	13	201	835	144
129	423	14	263	963	190

- (a) The loss costs for Van Pools were calculated by a relativity of 0.95 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the Van Pools CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).
- (c) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost and was calculated by a relativity of 1.52 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 2.25 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss were calculated by a relativity of 1.52 to the Trucks, Tractors, and Trailers Specified Causes of Loss loss costs.

VERISK

ALABAMA  
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 <sup>(a)</sup>	\$5,000 Med Pay <sup>(a)</sup>
101	-3.9%	-3.9%
108	3.5%	3.4%
113	-3.2%	-3.4%
115	0.5%	1.1%
116	-0.6%	0.0%
121	0.2%	0.0%
122	5.2%	5.1%
123	-1.4%	-1.2%
124	0.0%	0.0%
125	4.3%	4.3%
129	1.4%	1.4%

(a) For Trucks, Tractors, and Trailers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	13.4%	41.8%	13.4%
108	16.8%	33.9%	16.8%
113	16.0%	43.9%	15.3%
115	29.1%	36.3%	28.4%
116	13.6%	33.2%	12.9%
121	13.8%	32.3%	14.8%
122	13.7%	34.5%	13.5%
123	12.1%	43.9%	14.3%
124	11.8%	47.4%	10.9%
125	18.2%	36.4%	17.1%
129	16.9%	26.5%	18.0%

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory	Liability	\$5,000	Physical Damage		Specified Causes
Code	\$100,000 CSL <sup>(a)</sup>	Med Pay <sup>(b)</sup>	Comprehensive <sup>(c)</sup>	Collision <sup>(d)</sup>	of Loss <sup>(e)</sup>
101	2943	122	246	1130	178
108	1439	60	202	983	146
113	2070	86	261	997	188
115	2207	92	182	898	131
116	2014	84	243	830	175
121	1922	80	214	902	155
122	1978	82	257	999	185
123	1946	81	176	862	128
124	1503	63	199	812	143
125	1757	73	201	835	144
129	1789	74	263	963	190

- (a) The loss costs for Taxis and Limousines were calculated by a relativity of 4.02 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the Taxis and Limousines CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).
- (c) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost and was calculated by a relativity of 1.52 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 2.25 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss were calculated by a relativity of 1.52 to the Trucks, Tractors, and Trailers Specified Causes of Loss loss costs.

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory	\$100,000 CSL	\$5,000
Code	Liability <sup>(a)</sup>	Med Pay <sup>(a)</sup>
101	-4.1%	-7.7%
108	3.8%	0.0%
113	-3.0%	-8.3%
115	1.0%	0.0%
116	-1.0%	0.0%
121	0.6%	0.0%
122	5.1%	9.1%
123	-1.6%	0.0%
124	0.0%	0.0%
125	4.4%	10.0%
129	1.2%	0.0%

(a) For Trucks, Tractors, and Trailers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	13.4%	41.7%	14.3%
108	15.4%	34.1%	16.1%
113	15.8%	43.8%	15.1%
115	30.2%	35.7%	26.1%
116	13.5%	32.6%	13.0%
121	14.3%	32.5%	13.1%
122	13.9%	34.6%	13.7%
123	12.9%	43.5%	14.0%
124	11.3%	47.4%	10.3%
125	18.4%	36.8%	18.2%
129	16.8%	26.8%	18.1%



VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory	Liability	\$5,000	Physical Damage		Specified Causes
Code	\$100,000 CSL <sup>(a)</sup>	Med Pay <sup>(b)</sup>	Comprehensive <sup>(c)</sup>	Collision <sup>(d)</sup>	of Loss <sup>(e)</sup>
101	278	12	110	316	80
108	136	10	90	275	65
113	196	11	117	279	84
115	209	11	82	251	58
116	190	11	109	232	78
121	182	11	96	253	69
122	187	12	115	280	83
123	184	10	79	241	57
124	142	10	89	227	64
125	166	11	90	234	65
129	169	10	118	270	85

- (a) The loss costs for School and Church Buses were calculated by a relativity of 0.38 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the School and Church Buses CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).
- (c) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost and was calculated by a relativity of 0.68 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.63 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss were calculated by a relativity of 0.68 to the Trucks, Tractors, and Trailers Specified Causes of Loss loss costs.

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE

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

FOR ALL OTHER BUSES POLICY COVERAGES

Territory	\$100,000 CSL	\$5,000
Code	Liability <sup>(a)</sup>	Med Pay <sup>(a)</sup>
101	-3.9%	-3.9%
108	3.5%	2.2%
113	-3.2%	-4.0%
115	0.6%	0.0%
116	-0.6%	0.0%
121	0.2%	0.0%
122	5.1%	5.9%
123	-1.5%	-1.5%
124	0.0%	0.0%
125	4.3%	4.7%
129	1.4%	1.6%

(a) For Trucks, Tractors, and Trailers Liability, 0.0% was selected to reflect the favorable state experience.

VERISK

ALABAMA  
 COMMERCIAL AUTOMOBILE INSURANCE  
 REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
 TERRITORY LOSS COST LEVEL CHANGES  
 FOR ALL OTHER BUSES POLICY COVERAGES

Territory Code	Physical Damage		Specified Causes of Loss
	Comprehensive	Collision	
101	13.4%	41.7%	14.3%
108	15.4%	34.1%	16.1%
113	15.8%	43.8%	15.1%
115	30.2%	35.7%	26.1%
116	13.5%	32.6%	13.0%
121	14.3%	32.5%	13.1%
122	13.9%	34.6%	13.7%
123	12.9%	43.5%	14.0%
124	11.3%	47.4%	10.3%
125	18.4%	36.8%	18.2%
129	16.8%	26.8%	18.1%

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES  
REVISED BASE LOSS COSTS BY TERRITORY  
FOR ALL OTHER BUSES POLICY COVERAGES

Territory	Liability	\$5,000	Physical Damage		Specified Causes
Code	\$100,000 CSL <sup>(a)</sup>	Med Pay <sup>(b)</sup>	Comprehensive <sup>(c)</sup>	Collision <sup>(d)</sup>	of Loss <sup>(e)</sup>
101	2313	74	110	316	80
108	1131	47	90	275	65
113	1627	72	117	279	84
115	1735	71	82	251	58
116	1583	67	109	232	78
121	1510	70	96	253	69
122	1555	72	115	280	83
123	1529	65	79	241	57
124	1182	60	89	227	64
125	1381	67	90	234	65
129	1406	63	118	270	85

- (a) The loss costs for All Other Buses were calculated by a relativity of 3.16 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the All Other Buses CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C20](#).
- (c) Comprehensive base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost and was calculated by a relativity of 0.68 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$25,000-29,999 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.63 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss were calculated by a relativity of 0.68 to the Trucks, Tractors, and Trailers Specified Causes of Loss loss costs.

## VERISK

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

	(1) AGGREGATE LOSS COST AT CURRENT LEVEL (B)	(2) \$100,000 INCURRED LOSSES (C)	(3) EXPERIENCE RATIO (2) / (1)	(4) ACCIDENT YEAR WEIGHTS	(5) NUMBER OF INCURRED CLAIMS
ACCIDENT YEAR ENDING					
06/30/20	\$33,731,962	\$37,780,583	1.120	20%	1,820
06/30/21	\$33,354,273	\$31,872,937	0.956	30%	1,562
06/30/22	\$31,642,339	\$29,912,302	0.945	50%	1,497
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.984
(7)	EXPECTED EXPERIENCE RATIO (D).				1.105
(8)	CREDIBILITY (E).				0.65
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).				1.026
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				2.6%
(11)	FILED CHANGE.				0.0%
(A)	TRUCK, TRACTOR, AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 222 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, DIVIDED BY THE PREMIUM 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 05/01/24 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 1.250 YEAR(S).				
(E)	CREDIBILITY IS BASED ON A 3 YEAR TOTAL OF CLAIMS FOR B.I. AND P.D. SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 11,500 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

VERISK

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

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES				
	06/30/20	\$14,238,146	\$7,271,640	
	06/30/21	\$12,015,400	\$6,698,607	
	06/30/22	\$9,996,489	\$7,367,009	
(2) DEVELOPED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (A)				
	06/30/20	\$16,346,388	\$8,099,443	
	06/30/21	\$14,843,825	\$7,535,196	
	06/30/22	\$14,361,806	\$8,401,042	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)				
		8.1%	9.3%	8.5%
(4) TRENDED LOSSES AND ALL LOSS ADJUSTMENT EXPENSES (B)				
	06/30/20	\$24,764,778	\$13,015,805	\$37,780,583
	06/30/21	\$20,796,199	\$11,076,738	\$31,872,937
	06/30/22	\$18,612,901	\$11,299,401	\$29,912,302
(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:				
1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:				
		B.I. 1.065	P.D. 1.105	
2 - LOSS DEVELOPMENT FACTORS:				
	YEAR ENDING	B.I.	P.D.	
	06/30/20	1.078	1.008	
	06/30/21	1.160	1.018	
	06/30/22	1.349	1.032	
(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 05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.				

	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/20	1/1/20	5.333
06/30/21	1/1/21	4.333
06/30/22	1/1/22	3.333

VERISK

ALABAMA  
TRUCKS, TRACTORS, AND TRAILERS  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF LIABILITY TRENDED AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	AGGREGATE LOSS COSTS
(1) AGGREGATE LOSS COSTS AT CURRENT LEVEL		
	06/30/20	\$33,364,948
	06/30/21	\$33,056,762
	06/30/22	\$31,422,382
(2) SELECTED ANNUAL PREMIUM TREND (SEE TREND EXHIBIT IN SECTION C)		
		0.2%
(3) TRENDED AGGREGATE LOSS COSTS AT CURRENT LEVEL (A)		
	06/30/20	\$33,731,962
	06/30/21	\$33,354,273
	06/30/22	\$31,642,339
(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 05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.		
YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD
06/30/20	7/1/19	5.333
06/30/21	7/1/20	4.333
06/30/22	7/1/21	3.333

## VERISK

ALABAMA  
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - TRUCKS, TRACTORS AND TRAILERS (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	ENDING					
	06/30/18	\$5,511,437	\$7,729,010	1.402	10%	705
	06/30/19	\$5,265,964	\$6,681,135	1.269	15%	643
	06/30/20	\$5,256,192	\$5,748,747	1.094	20%	624
	06/30/21	\$5,097,049	\$5,743,416	1.127	25%	672
	06/30/22	\$4,736,748	\$6,325,100	1.335	30%	705
COLL.	06/30/20	\$10,367,902	\$15,110,862	1.457	20%	802
	06/30/21	\$10,333,905	\$14,715,079	1.424	30%	804
	06/30/22	\$10,075,861	\$15,244,975	1.513	50%	788
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.232	1.475
(7)	EXPECTED EXPERIENCE RATIO (D).				1.074	1.098
(8)	CREDIBILITY (E).				0.55	0.70
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).				1.161	1.362
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				16.1%	36.2%
(11)	FILED CHANGE.				16.1%	36.2%
(A)	TRUCK, TRACTOR AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 222 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 VVF LEVEL BY THE APPLICATION OF VVF 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 VVF 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 05/01/24 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 1.250 YEAR(S).					
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 3 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 11,000 CLAIMS FOR O.T.C. AND 4,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					



VERISK

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

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	06/30/18	\$3,907,981	----
	06/30/19	\$3,647,903	----
	06/30/20	\$3,387,453	\$8,089,845
	06/30/21	\$3,646,124	\$8,726,376
	06/30/22	\$4,204,477	\$10,220,218
(2) DEVELOPED LOSSES AND	06/30/18	\$4,396,479	----
ALL LOSS ADJUSTMENT	06/30/19	\$4,103,891	----
EXPENSES (A)	06/30/20	\$3,814,696	\$9,091,975
	06/30/21	\$4,114,195	\$9,738,636
	06/30/22	\$4,895,588	\$11,095,324
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		8.0%	10.0%
(4) TRENDED LOSSES AND	06/30/18	\$7,729,010	----
ALL LOSS ADJUSTMENT	06/30/19	\$6,681,135	----
EXPENSES (B)	06/30/20	\$5,748,747	\$15,110,862
	06/30/21	\$5,743,416	\$14,715,079
	06/30/22	\$6,325,100	\$15,244,975

## (A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

## 1 - LOSS ADJUSTMENT EXPENSE FACTORS:

	O.T.C	COLL.
	1.125	1.125

## 2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
06/30/18	1.000	-----
06/30/19	1.000	-----
06/30/20	1.001	0.999
06/30/21	1.003	0.992
06/30/22	1.035	0.965

(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 05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/18	1/1/18	7.333	-----
06/30/19	1/1/19	6.333	-----
06/30/20	1/1/20	5.333	5.333
06/30/21	1/1/21	4.333	4.333
06/30/22	1/1/22	3.333	3.333

VERISK

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

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	06/30/18	\$4,767,679	----
AT CURRENT LEVEL	06/30/19	\$4,643,707	----
	06/30/20	\$4,731,046	\$9,332,045
	06/30/21	\$4,676,192	\$9,480,647
	06/30/22	\$4,435,157	\$9,434,327
(2) SELECTED ANNUAL VVF TREND (SEE TREND EXHIBIT IN SECTION C)		2.0%	2.0%
(3) TRENDED AGGREGATE	06/30/18	\$5,511,437	----
LOSS COSTS AT	06/30/19	\$5,265,964	----
CURRENT LEVEL (A)	06/30/20	\$5,256,192	\$10,367,902
	06/30/21	\$5,097,049	\$10,333,905
	06/30/22	\$4,736,748	\$10,075,861

(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  
05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC  
AND COLLISION.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/18	7/1/17	7.333	-----
06/30/19	7/1/18	6.333	-----
06/30/20	7/1/19	5.333	5.333
06/30/21	7/1/20	4.333	4.333
06/30/22	7/1/21	3.333	3.333

## VERISK

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

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/18	\$4,200,104	\$6,317,094	1.504	10%	427
06/30/19	\$4,079,043	\$6,737,634	1.652	15%	388
06/30/20	\$3,900,678	\$5,612,531	1.439	20%	328
06/30/21	\$3,625,211	\$4,575,414	1.262	25%	254
06/30/22	\$3,428,302	\$4,027,598	1.175	30%	239
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.355
(7)	EXPECTED EXPERIENCE RATIO (D).				1.107
(8)	CREDIBILITY (E).				0.35
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).				1.194
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				19.4%
(11)	FILED CHANGE.				19.4%
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 232 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, DIVIDED BY THE PREMIUM 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 05/01/24 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 1.250 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).				

VERISK

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

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	06/30/18	\$1,934,060	\$1,237,236	
ALLOCATED LOSS	06/30/19	\$2,384,891	\$1,263,520	
ADJUSTMENT EXPENSES	06/30/20	\$1,909,493	\$1,281,742	
	06/30/21	\$1,663,784	\$1,052,245	
	06/30/22	\$1,302,079	\$946,620	
(2) DEVELOPED LOSSES AND	06/30/18	\$2,084,491	\$1,368,513	
ALL LOSS ADJUSTMENT	06/30/19	\$2,613,566	\$1,398,982	
EXPENSES (A)	06/30/20	\$2,196,299	\$1,421,990	
	06/30/21	\$2,032,404	\$1,175,521	
	06/30/22	\$1,948,333	\$1,117,144	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		8.1%	9.3%	8.5%
(4) TRENDED LOSSES AND	06/30/18	\$3,689,549	\$2,627,545	\$6,317,094
ALL LOSS ADJUSTMENT	06/30/19	\$4,281,021	\$2,456,612	\$6,737,634
EXPENSES (B)	06/30/20	\$3,327,393	\$2,285,138	\$5,612,531
	06/30/21	\$2,847,398	\$1,728,016	\$4,575,414
	06/30/22	\$2,525,040	\$1,502,559	\$4,027,598
(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:				
1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:		B.I. 1.065	P.D. 1.105	
2 - LOSS DEVELOPMENT FACTORS:				
	YEAR ENDING	B.I.	P.D.	
	06/30/18	1.012	1.001	
	06/30/19	1.029	1.002	
	06/30/20	1.080	1.004	
	06/30/21	1.147	1.011	
	06/30/22	1.405	1.068	

(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 05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/18	1/1/18	7.333
06/30/19	1/1/19	6.333
06/30/20	1/1/20	5.333
06/30/21	1/1/21	4.333
06/30/22	1/1/22	3.333

VERISK

ALABAMA  
PRIVATE PASSENGER TYPES  
AUTOMOBILE LIABILITY INSURANCE  
DETERMINATION OF LIABILITY TRENDED AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	AGGREGATE LOSS COSTS
(1) AGGREGATE LOSS COSTS	06/30/18	\$4,200,104
AT CURRENT LEVEL	06/30/19	\$4,079,043
	06/30/20	\$3,900,678
	06/30/21	\$3,625,211
	06/30/22	\$3,428,302
(2) SELECTED ANNUAL PREMIUM		
TREND (SEE TREND		0.0%
EXHIBIT IN SECTION C)		
(3) TRENDED AGGREGATE	06/30/18	\$4,200,104
LOSS COSTS AT	06/30/19	\$4,079,043
CURRENT LEVEL (A)	06/30/20	\$3,900,678
	06/30/21	\$3,625,211
	06/30/22	\$3,428,302

(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  
05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD
06/30/18	7/1/17	7.333
06/30/19	7/1/18	6.333
06/30/20	7/1/19	5.333
06/30/21	7/1/20	4.333
06/30/22	7/1/21	3.333

## VERISK

ALABAMA  
AUTOMOBILE PHYSICAL DAMAGE INSURANCE - PRIVATE PASSENGER TYPES (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	ENDING					
	06/30/18	\$1,051,807	\$1,803,093	1.714	10%	308
	06/30/19	\$999,841	\$1,469,266	1.469	15%	276
	06/30/20	\$1,015,365	\$1,186,267	1.168	20%	260
	06/30/21	\$910,060	\$1,226,995	1.348	25%	289
	06/30/22	\$813,689	\$902,236	1.109	30%	234
COLL.	06/30/18	\$2,645,020	\$4,479,211	1.693	10%	369
	06/30/19	\$2,576,343	\$3,789,536	1.471	15%	334
	06/30/20	\$2,590,647	\$2,777,581	1.072	20%	268
	06/30/21	\$2,416,836	\$2,716,220	1.124	25%	262
	06/30/22	\$2,250,162	\$2,728,474	1.213	30%	248
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.295	1.249
(7)	EXPECTED EXPERIENCE RATIO (D).				1.070	1.112
(8)	CREDIBILITY (E).				0.40	0.65
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000 - (8)) ).				1.160	1.201
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				16.0%	20.1%
(11)	FILED CHANGE.				16.0%	20.1%
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 232 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 VVF LEVEL BY THE APPLICATION OF VVF 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 VVF 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 05/01/24 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 1.250 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).					

VERISK

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

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	06/30/18	\$943,348	\$1,978,887
	06/30/19	\$826,068	\$1,841,704
	06/30/20	\$716,832	\$1,487,023
	06/30/21	\$798,066	\$1,609,158
	06/30/22	\$617,645	\$1,861,968
(2) DEVELOPED LOSSES AND	06/30/18	\$1,061,267	\$2,226,248
ALL LOSS ADJUSTMENT	06/30/19	\$929,327	\$2,071,917
EXPENSES (A)	06/30/20	\$806,436	\$1,671,228
	06/30/21	\$896,926	\$1,797,631
	06/30/22	\$708,748	\$1,985,789
(3) SELECTED ANNUAL LOSS			
TREND (SEE TREND		7.5%	10.0%
EXHIBIT IN SECTION C)			
(4) TRENDED LOSSES AND	06/30/18	\$1,803,093	\$4,479,211
ALL LOSS ADJUSTMENT	06/30/19	\$1,469,266	\$3,789,536
EXPENSES (B)	06/30/20	\$1,186,267	\$2,777,581
	06/30/21	\$1,226,995	\$2,716,220
	06/30/22	\$902,236	\$2,728,474

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

	O.T.C	COLL.
	1.125	1.125

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
06/30/18	1.000	1.000
06/30/19	1.000	1.000
06/30/20	1.000	0.999
06/30/21	0.999	0.993
06/30/22	1.020	0.948

(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 05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/18	1/1/18	7.333	7.333
06/30/19	1/1/19	6.333	6.333
06/30/20	1/1/20	5.333	5.333
06/30/21	1/1/21	4.333	4.333
06/30/22	1/1/22	3.333	3.333

VERISK

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

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	06/30/18	\$922,638	\$2,458,197
AT CURRENT LEVEL	06/30/19	\$892,715	\$2,419,101
	06/30/20	\$923,059	\$2,457,919
	06/30/21	\$842,648	\$2,314,977
	06/30/22	\$766,908	\$2,176,172
(2) SELECTED ANNUAL VVF TREND (SEE TREND EXHIBIT IN SECTION C)		1.8%	1.0%
(3) TRENDED AGGREGATE	06/30/18	\$1,051,807	\$2,645,020
LOSS COSTS AT	06/30/19	\$999,841	\$2,576,343
CURRENT LEVEL (A)	06/30/20	\$1,015,365	\$2,590,647
	06/30/21	\$910,060	\$2,416,836
	06/30/22	\$813,689	\$2,250,162

(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  
05/01/24 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC  
AND COLLISION.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
06/30/18	7/1/17	7.333	7.333
06/30/19	7/1/18	6.333	6.333
06/30/20	7/1/19	5.333	5.333
06/30/21	7/1/20	4.333	4.333
06/30/22	7/1/21	3.333	3.333



## VERISK

ALABAMA  
 AUTOMOBILE LIABILITY INSURANCE - AUTO DEALERS (A)  
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES  
 SINGLE LIMIT LIABILITY COVERAGE

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
06/30/18	\$541,157	\$298,212	0.551	10%	15
06/30/19	\$507,488	\$646,190	1.273	15%	10
06/30/20	\$522,128	\$322,010	0.617	20%	15
06/30/21	\$429,520	\$135,117	0.315	25%	5
06/30/22	\$367,405	\$410,997	1.119	30%	5
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.784
(7)	EXPECTED EXPERIENCE RATIO (D).				1.300
(8)	CREDIBILITY (E).				0.05
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ( (6) * (8) ) + ( (7) * (1.000- (8)) ).				1.274
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (9) - 1.000 ).				27.4%
(11)	FILED CHANGE.				0.0%
(A)	AUTO DEALERS EXPERIENCE IS FOR ALL AUTO DEALERS RISKS WRITTEN IN ACCORDANCE WITH RULE 248 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 05/01/24 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 3.333 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).				

VERISK

ALABAMA  
 AUTO DEALERS  
 AUTOMOBILE LIABILITY INSURANCE  
 DETERMINATION OF SINGLE LIMIT LOSSES

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	06/30/18	\$60,502	\$86,223	
ALLOCATED LOSS	06/30/19	\$242,511	\$106,000	
ADJUSTMENT EXPENSES	06/30/20	\$124,585	\$55,056	
	06/30/21	\$36,952	\$36,928	
	06/30/22	\$153,690	\$14,684	
(2) DEVELOPED LOSSES AND	06/30/18	\$64,821	\$95,562	
ALL LOSS ADJUSTMENT	06/30/19	\$266,797	\$119,121	
EXPENSES (A)	06/30/20	\$145,951	\$62,784	
	06/30/21	\$50,845	\$43,458	
	06/30/22	\$297,897	\$18,530	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		8.1%	9.3%	8.2%
(4) TRENDED LOSSES AND	06/30/18	\$114,733	\$183,479	\$298,212
ALL LOSS ADJUSTMENT	06/30/19	\$437,013	\$209,176	\$646,190
EXPENSES (B)	06/30/20	\$221,116	\$100,894	\$322,010
	06/30/21	\$71,234	\$63,883	\$135,117
	06/30/22	\$386,075	\$24,923	\$410,997
(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:				
1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:		B.I. 1.065	P.D. 1.105	
2 - LOSS DEVELOPMENT FACTORS:				
	YEAR ENDING	B.I.	P.D.	
	06/30/18	1.006	1.003	
	06/30/19	1.033	1.017	
	06/30/20	1.100	1.032	
	06/30/21	1.292	1.065	
	06/30/22	1.820	1.142	

(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 05/01/24  
 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
06/30/18	1/1/18	7.333
06/30/19	1/1/19	6.333
06/30/20	1/1/20	5.333
06/30/21	1/1/21	4.333
06/30/22	1/1/22	3.333

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
SINGLE LIMIT LIABILITY

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
								BASE	BASE	BASE	
T	EARNED CAR	\$100000	EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV**	CHG***
101	7656	770.65	793.54	1.030	0.35	1.120	0.961	762	751	732	-3.9%
108	1314	382.36	596.59	1.560	0.10	1.207	1.035	346	367	358	3.5%
113	3316	487.34	442.29	0.908	0.15	1.129	0.968	532	528	515	-3.2%
115	9880	531.41	626.11	1.178	0.35	1.172	1.005	546	563	549	0.5%
116	3280	495.67	557.35	1.124	0.20	1.159	0.994	504	514	501	-0.6%
121	2139	442.60	523.36	1.182	0.15	1.170	1.003	477	491	478	0.2%
122	6807	447.94	625.60	1.397	0.25	1.225	1.051	468	505	492	5.1%
123	4152	483.10	516.83	1.070	0.20	1.148	0.985	491	496	484	-1.4%
124	11250	323.36	377.07	1.166	0.30	1.167	1.001	374	384	374	0.0%
125	2565	395.84	589.24	1.489	0.15	1.216	1.043	419	448	437	4.3%
129	14332	425.13	512.19	1.205	0.35	1.181	1.013	439	456	445	1.4%
SW	66691	474.46	554.17	1.168		1.166					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 2.6 PERCENT.

\*\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 0.0 PERCENT.

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

VERISK

ALABAMA  
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)	(10)	(11)
								BASE	BASE	BASE	
T	EARNED CAR	\$100000	EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV	CHG**
101	1716	381.13	418.80	1.099	0.15	1.380	0.970	402	466	466	15.9%
108	107	374.93	680.98	1.816	0.00	1.430	1.006	376	452	452	20.2%
113	475	291.15	316.53	1.087	0.05	1.413	0.994	310	368	368	18.7%
115	1115	368.35	585.94	1.591	0.10	1.446	1.017	395	480	480	21.5%
116	649	382.35	457.84	1.197	0.10	1.407	0.989	404	477	477	18.1%
121	308	354.59	1060.04	2.989	0.05	1.508	1.060	378	479	479	26.7%
122	1228	342.44	619.02	1.808	0.10	1.468	1.032	368	453	453	23.1%
123	799	321.08	399.47	1.244	0.10	1.411	0.992	339	401	401	18.3%
124	1647	281.22	422.37	1.502	0.10	1.437	1.011	299	361	361	20.7%
125	387	309.74	534.55	1.726	0.05	1.445	1.016	325	394	394	21.2%
129	1781	318.75	393.35	1.234	0.15	1.401	0.985	340	400	400	17.6%
SW	10212	335.71	479.95	1.430		1.422					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 19.4 PERCENT.

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

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
SINGLE LIMIT LIABILITY

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY  
AUTO DEALERS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
			REV	PRES AUTO				CHANGES IN	BASE	CLASS	
T	TTT ACC-YR		TTT	DEALERS	RATIO TO			TERRITORY	CLASS	LOSS	ADV
E	06/30/2022	AGG LCCL	BASE	BASE	STATEWIDE			RELATIVITY	LOSS	COST	LOSS
R	EARNED	YR ENDED	LOSS	LOSS	AVERAGE COLUMNS	REQ	ADJ		COST	REV**	COST
R	EXPOS	06/30/2022	COST	COST	(3)	(4)	(5) / (6)	1.012	IND*		CHG***
101	7656	179257	732	751	1.482	1.536	0.965	0.977	935	734	-2.3%
108	1314	13915	358	326	0.725	0.667	1.087	1.100	457	359	10.1%
113	3316	3736	515	477	1.043	0.975	1.070	1.083	658	517	8.4%
115	9880	16635	549	527	1.111	1.078	1.031	1.043	700	550	4.4%
116	3280	34160	501	508	1.014	1.039	0.976	0.988	640	502	-1.2%
121	2139	7738	478	446	0.968	0.912	1.061	1.074	610	479	7.4%
122	6807	17821	492	423	0.996	0.865	1.151	1.165	628	493	16.5%
123	4152	12428	484	512	0.980	1.047	0.936	0.947	617	485	-5.3%
124	11250	33362	374	384	0.757	0.785	0.964	0.976	477	375	-2.3%
125	2565	22623	437	421	0.885	0.861	1.028	1.040	558	438	4.0%
129	14332	25730	445	461	0.901	0.943	0.955	0.966	567	445	-3.5%
SW	66691	367405	494	489			0.988				

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 27.4 PERCENT.

\*\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 0.0 PERCENT.

\*\*\* PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 4)

VERISK

ALABAMA  
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)
								BASE	BASE	BASE	
T	EARNED CAR		EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV	CHG**
101	6522	109.15	122.92	1.126	0.15	1.269	0.975	143	162	162	13.3%
108	989	95.89	145.00	1.512	0.05	1.305	1.003	114	133	133	16.7%
113	2568	106.98	146.57	1.370	0.10	1.302	1.001	148	172	172	16.2%
115	7828	71.59	144.74	2.022	0.20	1.440	1.107	93	120	120	29.0%
116	2612	111.89	119.06	1.064	0.10	1.271	0.977	141	160	160	13.5%
121	1794	88.88	86.37	0.972	0.05	1.278	0.982	124	141	141	13.7%
122	5067	118.18	137.41	1.163	0.15	1.274	0.979	149	169	169	13.4%
123	3523	73.85	75.41	1.021	0.10	1.267	0.974	103	116	116	12.6%
124	7021	84.70	86.50	1.021	0.15	1.253	0.963	117	131	131	12.0%
125	1987	82.57	126.52	1.532	0.10	1.318	1.013	112	132	132	17.9%
129	9437	108.66	147.09	1.354	0.20	1.306	1.004	148	173	173	16.9%
SW	49348	95.99	124.20	1.294		1.301					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 16.1 PERCENT.

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

VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
PHYSICAL DAMAGE - COLLISION

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
								BASE	BASE	BASE	
T	EARNED CAR		EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV	CHG**
101	6222	228.97	435.04	1.900	0.35	1.775	1.041	354	502	502	41.8%
108	1076	258.96	367.49	1.419	0.10	1.678	0.984	326	437	437	34.0%
113	2716	189.64	412.37	2.174	0.20	1.800	1.056	308	443	443	43.8%
115	7914	198.93	339.20	1.705	0.40	1.706	1.001	293	399	399	36.2%
116	2675	190.65	289.30	1.517	0.20	1.669	0.979	277	369	369	33.2%
121	1471	184.13	251.44	1.366	0.15	1.656	0.971	303	401	401	32.3%
122	5084	216.13	352.39	1.630	0.30	1.684	0.988	330	444	444	34.5%
123	3380	168.52	351.31	2.085	0.25	1.802	1.057	266	383	383	44.0%
124	6614	157.23	341.87	2.174	0.30	1.847	1.083	245	361	361	47.3%
125	1883	168.84	290.16	1.719	0.15	1.709	1.002	272	371	371	36.4%
129	9662	256.27	348.15	1.359	0.35	1.585	0.930	338	428	428	26.6%
SW	48697	206.91	353.22	1.707		1.705					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 36.2 PERCENT.

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

VERISK

ALABAMA  
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)
								BASE	BASE	BASE	
T	EARNED CAR		EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV	CHG**
101	1419	94.83	182.45	1.924	0.15	1.504	1.051	101	123	123	21.8%
108	97	148.39	230.36	1.552	0.05	1.436	1.003	123	143	143	16.3%
113	440	112.37	151.61	1.349	0.10	1.422	0.994	109	126	126	15.6%
115	990	92.89	117.15	1.261	0.15	1.405	0.982	91	104	104	14.3%
116	548	147.43	293.61	1.992	0.10	1.486	1.038	146	176	176	20.5%
121	262	97.02	97.84	1.008	0.05	1.409	0.985	110	126	126	14.5%
122	897	89.53	136.89	1.529	0.10	1.440	1.006	105	123	123	17.1%
123	638	78.86	124.75	1.582	0.10	1.445	1.010	90	105	105	16.7%
124	967	94.97	79.33	0.835	0.10	1.371	0.958	105	117	117	11.4%
125	285	82.75	110.15	1.331	0.05	1.425	0.996	89	103	103	15.7%
129	1200	142.57	168.59	1.183	0.15	1.393	0.973	171	193	193	12.9%
SW	7743	105.09	150.23	1.430		1.431					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 16.0 PERCENT.

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



VERISK

ALABAMA  
COMMERCIAL AUTOMOBILE INSURANCE  
PHYSICAL DAMAGE - COLLISION

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
								BASE	BASE	BASE	
T	EARNED CAR		EXPER LOSS					CLASS	CLASS	CLASS	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	LOSS	LOSS	LOSS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	COST	COST	COST	COST
R	06/30/2022	COST	06/30/2022	RATIO	CRED	RATIO	STATE	PRES	IND*	REV	CHG**
101	1457	306.71	371.94	1.213	0.25	1.320	0.975	387	453	453	17.1%
108	98	309.68	341.43	1.103	0.05	1.342	0.991	327	389	389	19.0%
113	598	213.45	384.28	1.800	0.15	1.422	1.050	317	400	400	26.2%
115	1022	260.07	393.38	1.513	0.20	1.387	1.024	318	391	391	23.0%
116	550	360.19	572.28	1.589	0.20	1.402	1.035	438	544	544	24.2%
121	275	234.89	416.29	1.772	0.10	1.397	1.032	325	403	403	24.0%
122	890	272.52	400.79	1.471	0.20	1.378	1.018	365	446	446	22.2%
123	623	298.44	319.10	1.069	0.15	1.312	0.969	385	448	448	16.4%
124	914	226.10	314.13	1.389	0.15	1.360	1.004	298	359	359	20.5%
125	272	329.18	277.32	0.842	0.10	1.304	0.963	429	496	496	15.6%
129	1217	322.22	407.04	1.263	0.25	1.332	0.984	427	505	505	18.3%
SW	7916	284.26	385.28	1.355		1.354					

\* KEYED TO A STATEWIDE LOSS COST CHANGE OF 20.1 PERCENT.

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

VERISK

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. <u>AVG</u>	5 YR. <u>AVG</u>
	<u>ITEM</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>		
(1)	Direct Losses Incurred	7,654,798	8,320,652	9,035,311	9,595,965	9,310,024		
(2)	Allocated Loss Adjustment Expenses Incurred	815,413	817,565	931,597	1,024,716	1,155,067		
(3)	Unallocated Loss Adjustment Expense Incurred	610,792	635,032	651,984	644,310	494,093		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	7.2%	6.9%	6.5%	6.1%	4.7%	5.8%	6.3%
(5)	Selected Factor							6.5%

		<u>Property Damage</u> (000's)					3 YR. <u>AVG</u>	5 YR. <u>AVG</u>
	<u>ITEM</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>		
(1)	Direct Losses Incurred	1,375,898	1,573,076	1,541,286	1,035,696	1,393,223		
(2)	Allocated Loss Adjustment Expenses Incurred	72,662	93,266	84,944	42,405	67,250		
(3)	Unallocated Loss Adjustment Expense Incurred	176,501	179,938	159,014	151,025	139,662		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	12.2%	10.8%	9.8%	14.0%	9.6%	11.1%	11.3%
(5)	Selected Factor							10.5%

All items are from Special Call Submission for available writers.

VERISK

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>AVG</u>	<u>AVG</u>
(1)	ITEM Direct Losses Incurred	5,440,605	5,512,801	5,741,885	5,199,307	6,427,285		
(2)	Loss Adjustment Expenses Incurred	701,565	713,364	735,418	662,147	754,274		
(3)	Losses + LAE Incurred as Ratio to Losses Incurred [(1)+(2)]/(1)	1.129	1.129	1.128	1.127	1.117	1.124	1.126
(4)	Selected							1.125

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

VERISK

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

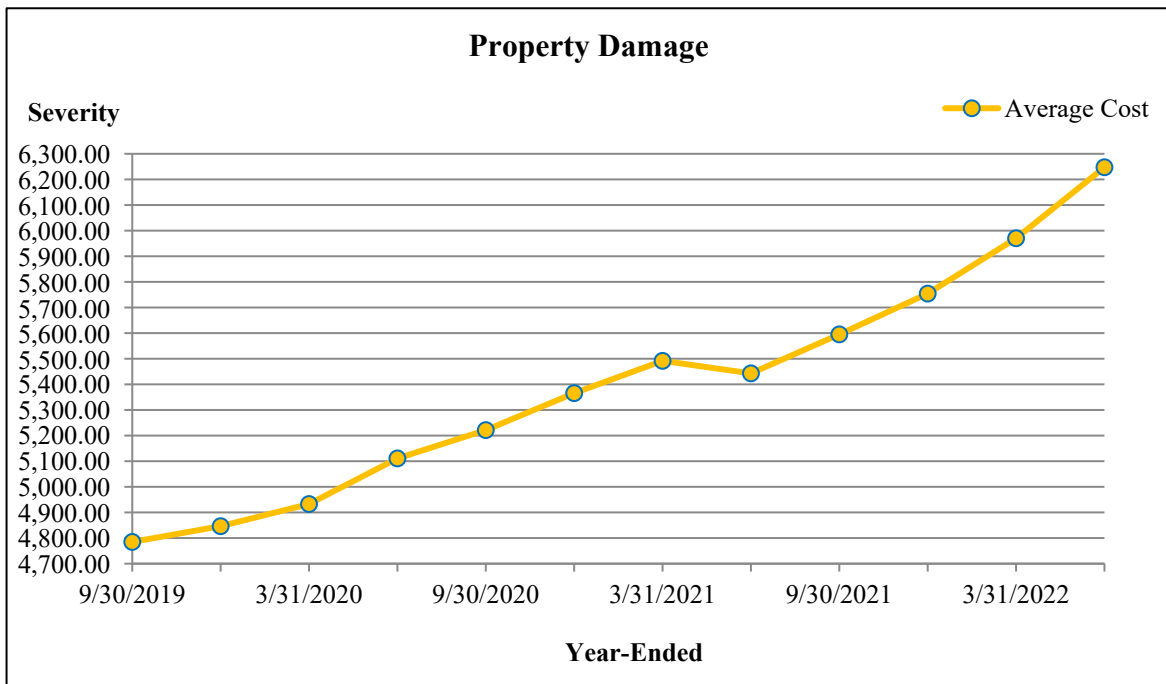
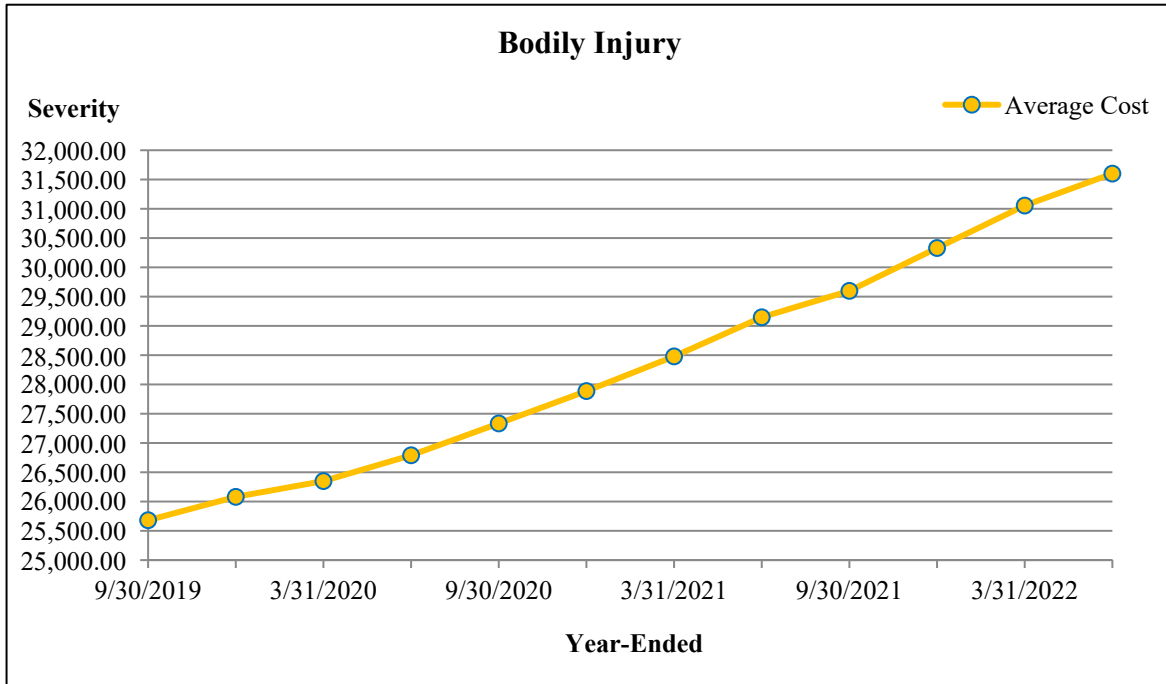
AVERAGE PAID CLAIM COST DATA

YEAR ENDED	ALABAMA				MULTISTATE*			
	BODILY INJURY (\$100000 LIMITS)		PROPERTY DAMAGE (\$100000 LIMITS)		BODILY INJURY (\$100000 LIMITS)		PROPERTY DAMAGE (\$100000 LIMITS)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
9/30/2019	23437.35	22532.89	5355.59	5281.02	25681.06	25432.38	4784.83	4748.66
12/31/2019	24024.83	22866.23	5362.77	5371.68	26080.17	25930.72	4846.28	4857.65
3/31/2020	22791.88	23204.51	5383.12	5463.89	26349.29	26438.83	4932.75	4969.14
6/30/2020	23135.09	23547.79	5715.34	5557.69	26790.16	26956.89	5110.85	5083.19
9/30/2020	22617.77	23896.16	5666.87	5653.09	27334.17	27485.10	5221.35	5199.86
12/31/2020	23447.77	24249.67	5640.87	5750.13	27886.91	28023.67	5365.64	5319.21
3/31/2021	24242.32	24608.42	5908.42	5848.84	28479.12	28572.78	5491.75	5441.29
6/30/2021	24937.45	24972.47	5723.87	5949.25	29147.18	29132.66	5442.86	5566.18
9/30/2021	25552.48	25341.91	5955.17	6051.37	29598.42	29703.51	5595.07	5693.93
12/31/2021	25724.97	25716.81	6194.53	6155.26	30329.99	30285.54	5754.29	5824.62
3/31/2022	26557.95	26097.26	6322.94	6260.92	31054.96	30878.98	5970.20	5958.30
6/30/2022	27174.22	26483.34	6494.47	6368.40	31600.68	31484.04	6247.50	6095.05
					BODILY INJURY		PROPERTY DAMAGE	
(9)	AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COST (12TH POINT / 8TH POINT)							
	(A) ALABAMA				6.1%		7.0%	
	(B) MULTISTATE				8.1%		9.5%	
(10)	CREDIBILITY				0.00		0.10	
(11)	WEIGHTED AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COSTS { (10) * (9A) } + { (1.0 - (10)) * (9B) }				8.1%		9.3%	
(12)	SELECTED ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY				0.0%		0.0%	
(13)	AVERAGE ANNUAL PERCENT CHANGE IN LIABILITY LOSS RATIO (11) * (12)				8.1%		9.3%	

\* EXCLUDES MASSACHUSETTS

VERISK

Commercial Automobile Liability  
Average Paid Claim Cost Experience  
Multistate\*



\*Excludes Massachusetts

VERISK

COMMERCIAL AUTO LIABILITY  
INCURRED CLAIM FREQUENCY

MULTISTATE\*

TRUCKS, TRACTORS, AND TRAILERS

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>PROPERTY DAMAGE</u>
<u>ENDING</u>	<u>ACTUAL</u>	<u>ACTUAL CHANGE@</u>	<u>ACTUAL</u>	<u>ACTUAL CHANGE@</u>
6/30/2016	0.7673		2.7301	
9/30/2016	0.7723		2.7280	
12/31/2016	0.7736		2.7152	
3/31/2017	0.7756		2.6955	
6/30/2017	0.7862	2.5% &	2.6927	-1.4% &
9/30/2017	0.7859		2.6734	
12/31/2017	0.7856		2.6733	
3/31/2018	0.7887	1.7%	2.6907	-0.2%
6/30/2018	0.7872		2.7054	
9/30/2018	0.7853		2.7085	
12/31/2018	0.7850		2.7155	
3/31/2019	0.7808	-1.0%	2.7106	0.7%
6/30/2019	0.7754		2.6754	
9/30/2019	0.7761		2.6734	
12/31/2019	0.7712		2.6444	
3/31/2020	0.7430	-4.8%	2.5289	-6.7%
6/30/2020	0.6649		2.2872	
9/30/2020	0.6189		2.1234	
12/31/2020	0.5710		1.9881	
3/31/2021	0.5515	-25.8%	1.9415	-23.2%
6/30/2021	0.5893		2.0496	
9/30/2021	0.5852		2.0480	
12/31/2021	0.5827		2.0302	
3/31/2022	0.5900	7.0%	2.0179	3.9%

\* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 3/31/XXXX

&amp; CHANGE BASED ON YEAR ENDING 6/30/2017 divided by 6/30/2016

VERISK

COMMERCIAL AUTO LIABILITY  
INCURRED CLAIM FREQUENCY

MULTISTATE\*

PRIVATE PASSENGER TYPES

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>PROPERTY DAMAGE</u>
<u>ENDING</u>	<u>ACTUAL</u>	<u>ACTUAL CHANGE@</u>	<u>ACTUAL</u>	<u>ACTUAL CHANGE@</u>
6/30/2016	0.7672		2.9360	
9/30/2016	0.7863		2.9394	
12/31/2016	0.7781		2.9279	
3/31/2017	0.7710		2.8656	
6/30/2017	0.7743	0.9% &	2.8450	-3.1% &
9/30/2017	0.7571		2.7682	
12/31/2017	0.7596		2.7524	
3/31/2018	0.7795	1.1%	2.7762	-3.1%
6/30/2018	0.7854		2.7217	
9/30/2018	0.7773		2.7107	
12/31/2018	0.7738		2.6719	
3/31/2019	0.7503	-3.7%	2.6255	-5.4%
6/30/2019	0.7320		2.5977	
9/30/2019	0.7163		2.5528	
12/31/2019	0.7123		2.4946	
3/31/2020	0.6803	-9.3%	2.3838	-9.2%
6/30/2020	0.5911		2.0816	
9/30/2020	0.5523		1.8825	
12/31/2020	0.4884		1.6589	
3/31/2021	0.4705	-30.8%	1.5374	-35.5%
6/30/2021	0.5234		1.6880	
9/30/2021	0.5396		1.7112	
12/31/2021	0.5399		1.7640	
3/31/2022	0.5479	16.5%	1.7953	16.8%

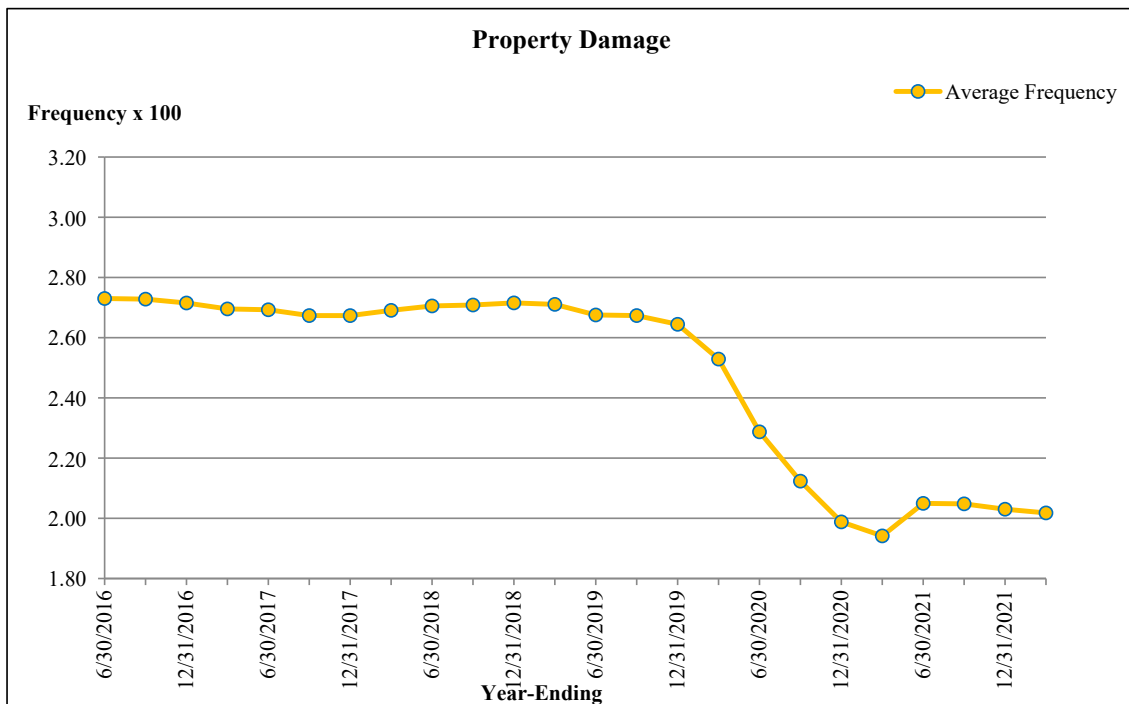
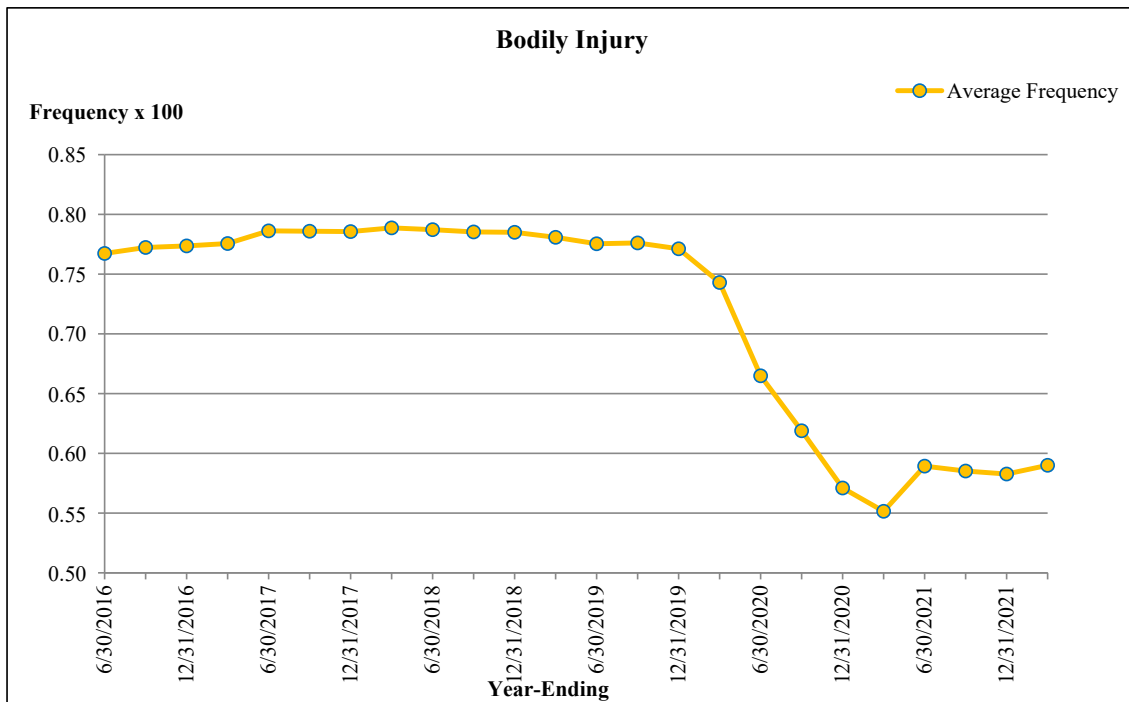
\* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 3/31/XXXX

&amp; CHANGE BASED ON YEAR ENDING 6/30/2017 divided by 6/30/2016

VERISK

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

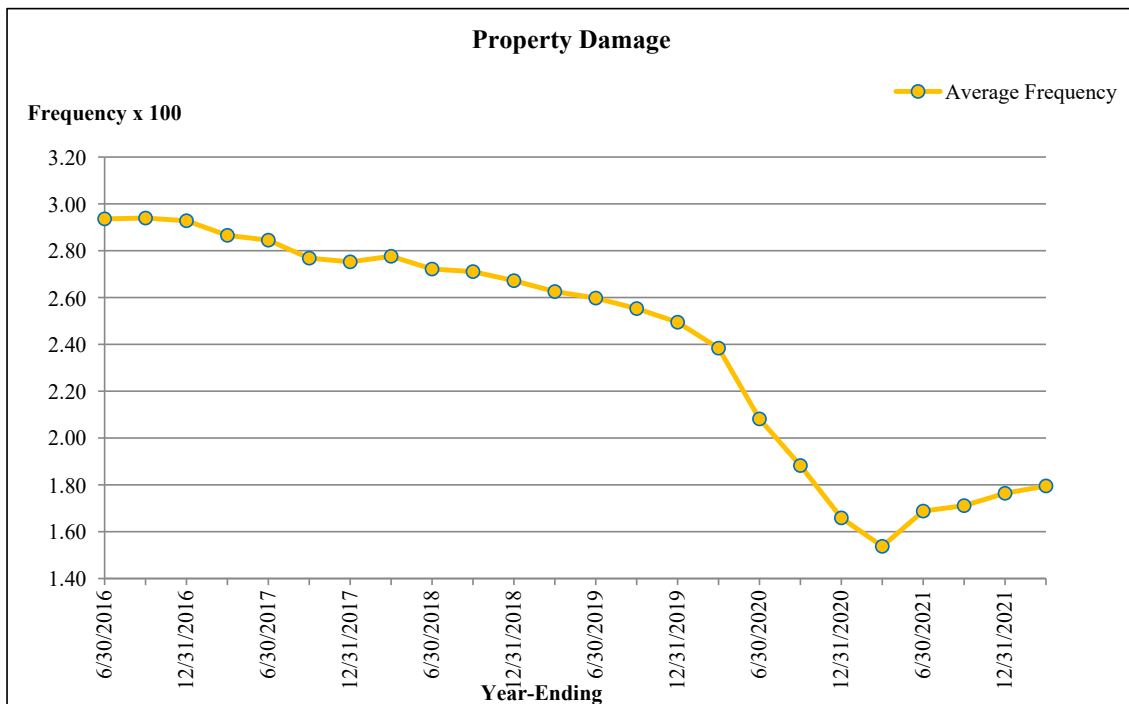
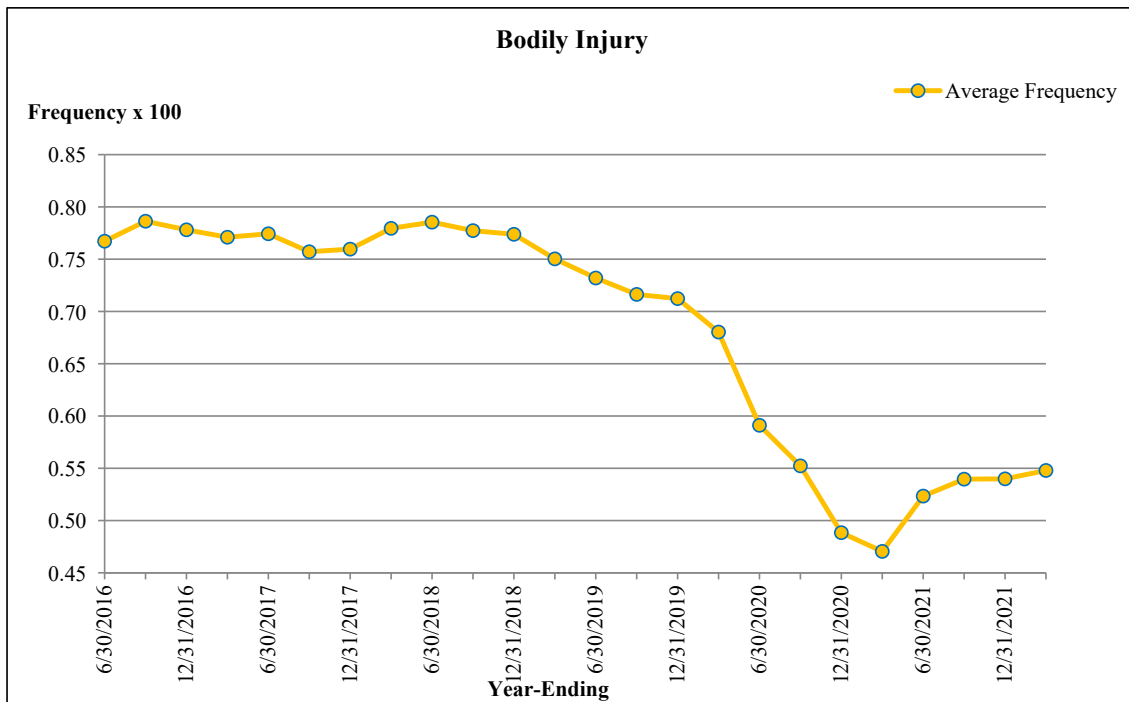


\*Excludes Massachusetts



VERISK

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



\*Excludes Massachusetts

VERISK

Multistate\*  
Trucks, Tractors & Trailers  
Liability  
Premium Trend Calculation

Companies Not Reporting Age Code X Data

Year Ending:	Average Rating Factor
--------------	-----------------------

6/30/2020	1.040
12/31/2020	1.022
6/30/2021	1.008
12/31/2021	1.004
6/30/2022	1.010

Exponential Trend (Average Annual Change)

5 Points	-1.5%
4 Points	-0.8%
3 Points	0.2%

\* Excludes Massachusetts

VERISK

Multistate\*  
Trucks, Tractors & Trailers  
Liability  
Premium Trend Calculation

All Companies  
Excluding 11th Preceding Model Year and Older Data

Year Ending:	Average Rating Factor
--------------	-----------------------

12/31/2017	1.091
6/30/2018	1.097
12/31/2018	1.104
6/30/2019	1.110
12/31/2019	1.115
6/30/2020	1.119
12/31/2020	1.121
6/30/2021	1.122
12/31/2021	1.123
6/30/2022	1.125

Exponential Trend (Average Annual Change)

9 Points	0.6%
7 Points	0.4%
5 Points	0.2%

Selected Annual Premium Trend:	0.2%
--------------------------------	------

\* Excludes Massachusetts

VERISK

Multistate\*  
Private Passenger Types  
Liability  
Premium Trend Calculation

Companies Not Reporting Age Code X Data

Year Ending:	Average Rating Factor
--------------	-----------------------

6/30/2019	0.993
12/31/2019	0.993
6/30/2020	0.992
12/31/2020	0.991
6/30/2021	0.989
12/31/2021	0.987
6/30/2022	0.985

Exponential Trend (Average Annual Change)

7 Points	-0.3%
6 Points	-0.3%
5 Points	-0.4%

\* Excludes Massachusetts

VERISK

Multistate\*  
Private Passenger Types  
Liability  
Premium Trend Calculation

All Companies  
Excluding 11th Preceding Model Year and Older Data

Year Ending:	Average Rating Factor
12/31/2017	0.999
6/30/2018	0.999
12/31/2018	1.000
6/30/2019	1.001
12/31/2019	1.001
6/30/2020	1.002
12/31/2020	1.003
6/30/2021	1.002
12/31/2021	1.000
6/30/2022	0.999

Exponential Trend (Average Annual Change)

9 Points	0.0%
7 Points	-0.1%
5 Points	-0.2%

Selected Annual Premium Trend: 0.0%

\* Excludes Massachusetts

VERISK

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

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Value	Change**	Value	Change**	Value	Change**
9/30/2017	1.15		0.72		0.54	
12/31/2017	1.18		0.75		0.57	
3/31/2018	1.23		0.77		0.58	
6/30/2018	1.27		0.79		0.59	
9/30/2018	1.30		0.81		0.60	
12/31/2018	1.34	13.6%	0.83	10.7%	0.61	7.0%
3/31/2019	1.37		0.84		0.62	
6/30/2019	1.40	10.2%	0.85	7.6%	0.63	6.8%
9/30/2019	1.42		0.86		0.64	
12/31/2019	1.42	6.0%	0.86	3.6%	0.63	3.3%
3/31/2020	1.40		0.85		0.62	
6/30/2020	1.36	-2.9%	0.83	-2.4%	0.61	-3.2%
9/30/2020	1.36		0.83		0.61	
12/31/2020	1.36	-4.2%	0.83	-3.5%	0.60	-4.8%
3/31/2021	1.41		0.85		0.60	
6/30/2021	1.48	8.8%	0.88	6.0%	0.62	1.6%
9/30/2021	1.49		0.88		0.62	
12/31/2021	1.49	9.6%	0.87	4.8%	0.62	3.3%
3/31/2022	1.50		0.87		0.62	
6/30/2022	1.48	0.0%	0.86	-2.3%	0.62	0.0%

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

Deductible:	Percent of Losses
Full	0.7%
\$50	0.3%
\$100	2.0%
\$200	0.3%
\$250	7.2%
\$500	28.6%
\$1,000	49.1%
\$2,000	5.9%
\$3,000	2.3%
\$5,000	3.5%

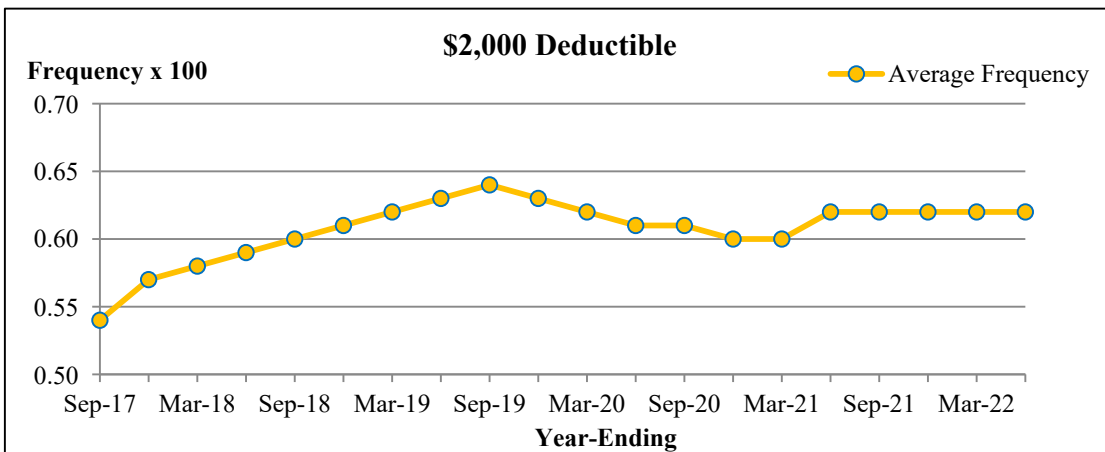
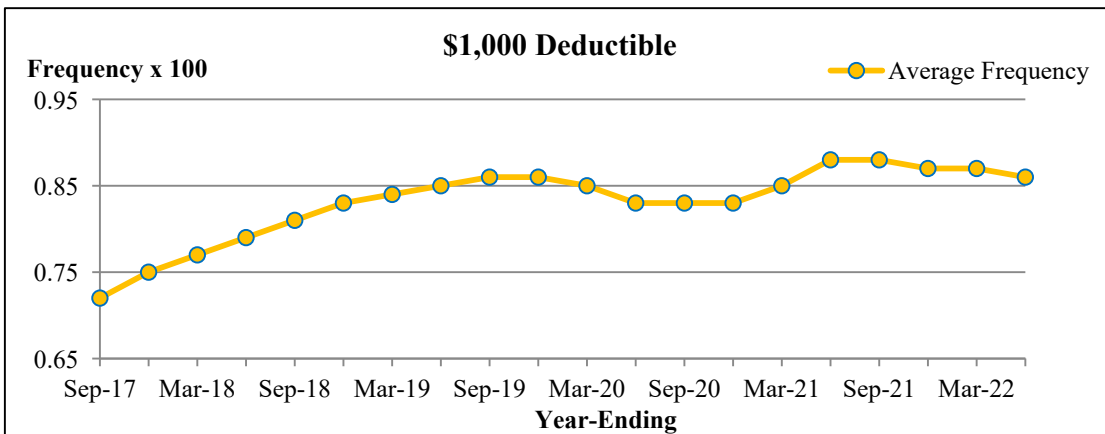
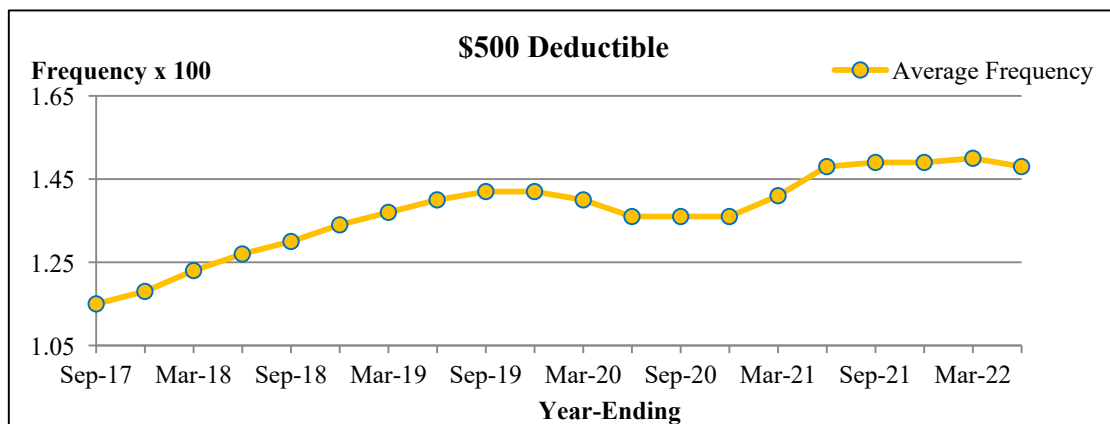
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 12/31/xxx and 06/30/xxxx

\*\*\* Deductibles above \$2,000, totaling 5.8% of losses, are excluded from the trend calculations.

VERISK

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



\*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

VERISK

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

Severity Trend

	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
Year Ending:	Value	Value	Value
9/30/2017	2,596.95	3,956.56	4,607.46
12/31/2017	2,691.86	4,026.89	4,671.34
3/31/2018	2,716.88	4,080.87	4,750.32
6/30/2018	2,727.20	4,173.96	4,932.25
9/30/2018	2,694.84	4,170.11	4,985.60
12/31/2018	2,768.09	4,324.50	5,193.23
3/31/2019	2,783.91	4,367.99	5,295.20
6/30/2019	2,818.65	4,423.74	5,338.15
9/30/2019	2,854.53	4,500.67	5,395.15
12/31/2019	2,852.42	4,586.14	5,542.40
3/31/2020	2,881.64	4,546.84	5,432.55
6/30/2020	2,912.43	4,580.27	5,507.74
9/30/2020	2,935.76	4,593.32	5,526.56
12/31/2020	3,027.34	4,638.01	5,570.60
3/31/2021	3,073.94	4,721.47	5,740.94
6/30/2021	3,143.56	4,788.93	5,798.49
9/30/2021	3,327.53	4,963.23	6,042.08
12/31/2021	3,452.46	5,158.23	6,272.57
3/31/2022	3,607.73	5,448.32	6,568.94
6/30/2022	3,697.11	5,577.93	6,715.59

Average Annual Change Using Exponential Fits:

20 point fit:	6.6%	6.3%	7.1%
16 point fit:	8.1%	6.6%	6.8%
12 point fit:	10.5%	7.8%	8.1%

Selected severity trend:	8.0%
Selected frequency trend:	0.0%
Selected pure premium trend:	8.0%

\* Multistate data excludes Massachusetts



VERISK

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Value	Change**	Value	Change**	Value	Change**
9/30/2017	2.20		1.93		1.58	
12/31/2017	2.20		1.94		1.59	
3/31/2018	2.22		1.97		1.62	
6/30/2018	2.23		2.00		1.65	
9/30/2018	2.26		2.03		1.67	
12/31/2018	2.26	2.7%	2.02	4.1%	1.67	5.0%
3/31/2019	2.27		2.03		1.67	
6/30/2019	2.27	1.8%	2.03	1.5%	1.67	1.2%
9/30/2019	2.28		2.03		1.67	
12/31/2019	2.28	0.9%	2.04	1.0%	1.68	0.6%
3/31/2020	2.18		1.94		1.61	
6/30/2020	2.03	-10.6%	1.80	-11.3%	1.49	-10.8%
9/30/2020	1.95		1.71		1.43	
12/31/2020	1.88	-17.5%	1.65	-19.1%	1.38	-17.9%
3/31/2021	1.91		1.67		1.41	
6/30/2021	2.01	-1.0%	1.77	-1.7%	1.49	0.0%
9/30/2021	2.04		1.81		1.53	
12/31/2021	2.06	9.6%	1.84	11.5%	1.56	13.0%
3/31/2022	2.05		1.86		1.59	
6/30/2022	2.03	1.0%	1.85	4.5%	1.59	6.7%

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

Deductible:	Percent of Losses
\$100	0.1%
\$200	0.0%
\$250	0.8%
\$500	25.9%
\$1,000	57.3%
\$2,000	7.6%
\$3,000	2.4%
\$5,000	5.9%

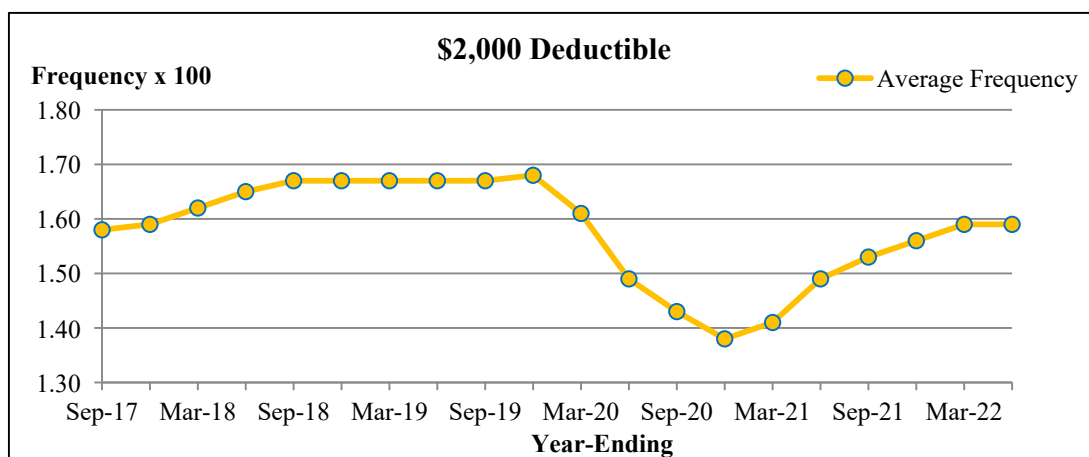
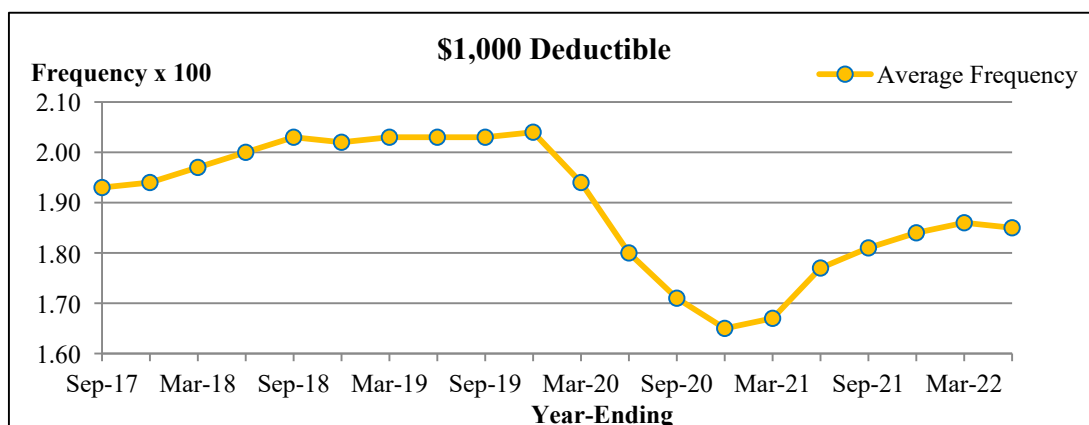
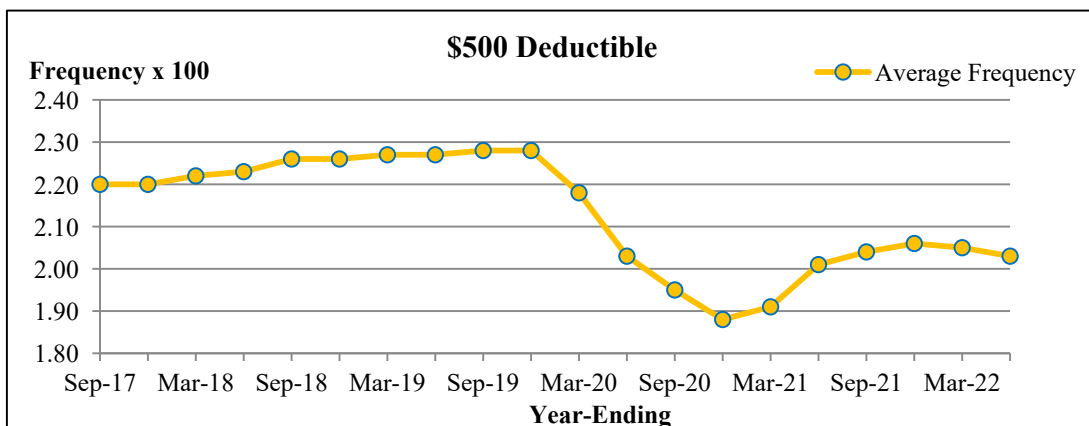
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 12/31/xxx and 06/30/xxxx

\*\*\* Deductibles above \$2,000, totaling 8.3% of losses, are excluded from trend calculations.

VERISK

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



\*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

VERISK

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Collision

Severity Trend

	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
Year Ending:	Value	Value	Value
9/30/2017	5,273.43	6,014.34	6,408.46
12/31/2017	5,333.30	6,064.54	6,449.23
3/31/2018	5,398.20	6,158.38	6,542.40
6/30/2018	5,450.30	6,199.89	6,597.73
9/30/2018	5,533.26	6,292.92	6,684.01
12/31/2018	5,554.71	6,371.01	6,782.57
3/31/2019	5,643.50	6,452.65	6,903.29
6/30/2019	5,727.59	6,593.83	7,061.44
9/30/2019	5,733.81	6,615.28	7,097.69
12/31/2019	5,791.11	6,670.97	7,154.66
3/31/2020	5,820.96	6,754.65	7,242.05
6/30/2020	5,843.60	6,787.46	7,252.83
9/30/2020	5,877.23	6,931.58	7,394.90
12/31/2020	5,986.93	7,093.92	7,582.36
3/31/2021	6,116.51	7,226.57	7,690.10
6/30/2021	6,337.59	7,462.84	7,956.56
9/30/2021	6,698.43	7,805.47	8,346.81
12/31/2021	7,113.44	8,244.15	8,797.46
3/31/2022	7,523.78	8,712.89	9,295.45
6/30/2022	8,001.37	9,109.11	9,685.36

Average Annual Change Using Exponential Fits:

20 point fit:	7.3%	7.9%	8.0%
16 point fit:	8.9%	9.4%	9.3%
12 point fit:	12.4%	12.2%	12.0%

Selected severity trend:	<b>10.0%</b>
Selected frequency trend:	<b>0.0%</b>
Selected pure premium trend:	<b>10.0%</b>

\* Multistate data excludes Massachusetts

VERISK

Multistate\*  
Private Passenger Types Physical Damage  
Other Than Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Value	Change**	Value	Change**	Value	Change**
9/30/2017	2.84		1.76		1.16	
12/31/2017	2.89		1.81		1.19	
3/31/2018	2.96		1.84		1.20	
6/30/2018	3.06		1.89		1.24	
9/30/2018	3.15		1.94		1.25	
12/31/2018	3.24	12.1%	1.97	8.8%	1.27	6.7%
3/31/2019	3.35		2.04		1.31	
6/30/2019	3.42	11.8%	2.10	11.1%	1.35	8.9%
9/30/2019	3.48		2.15		1.38	
12/31/2019	3.48	7.4%	2.15	9.1%	1.37	7.9%
3/31/2020	3.36		2.08		1.34	
6/30/2020	3.09	-9.6%	1.93	-8.1%	1.24	-8.1%
9/30/2020	3.01		1.89		1.24	
12/31/2020	2.92	-16.1%	1.84	-14.4%	1.21	-11.7%
3/31/2021	3.02		1.89		1.21	
6/30/2021	3.34	8.1%	2.06	6.7%	1.30	4.8%
9/30/2021	3.45		2.12		1.32	
12/31/2021	3.54	21.2%	2.16	17.4%	1.35	11.6%
3/31/2022	3.61		2.19		1.37	
6/30/2022	3.53	5.7%	2.17	5.3%	1.37	5.4%

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

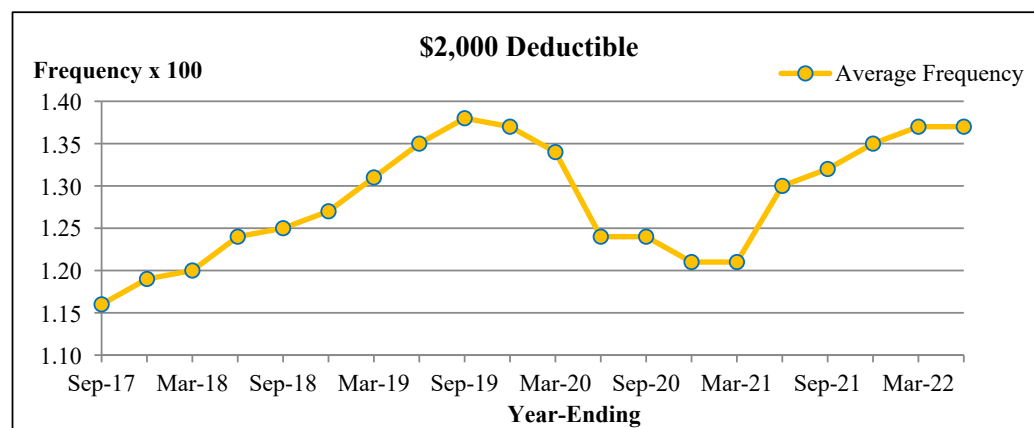
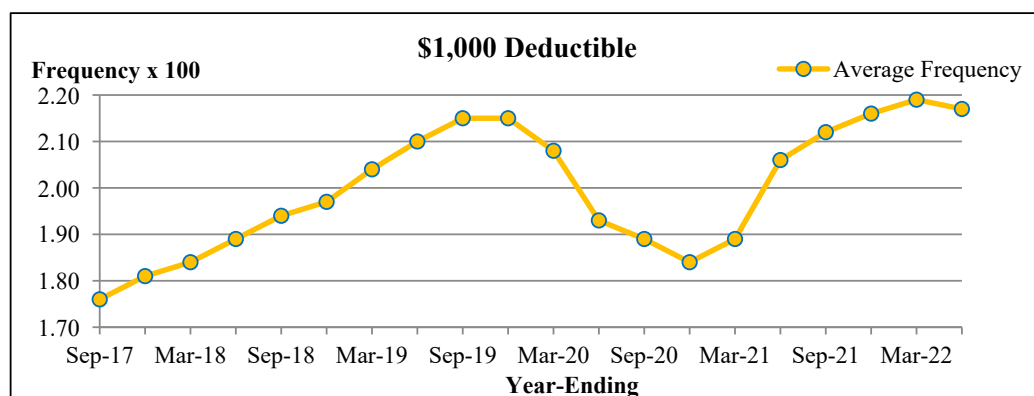
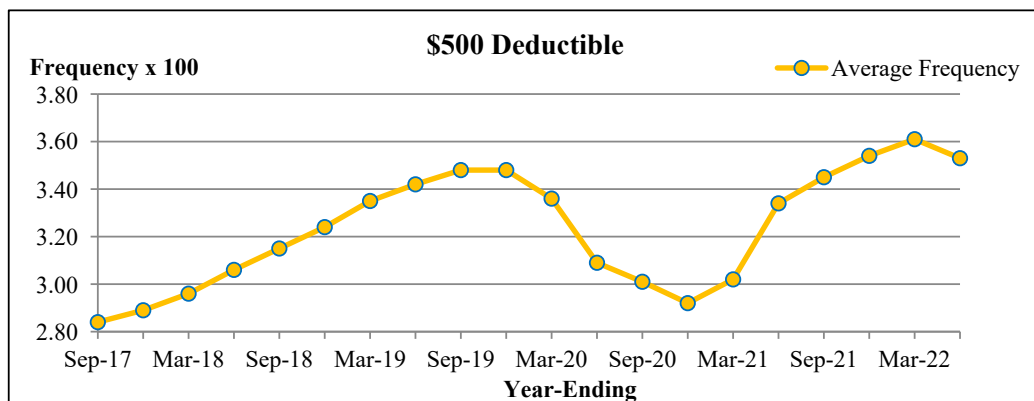
Deductible:	Percent of Losses
Full	0.6%
\$50	0.4%
\$100	2.8%
\$200	0.5%
\$250	11.0%
\$500	37.5%
\$1,000	42.1%
\$2,000	3.2%
\$3,000	0.8%
\$5,000	1.0%

\* Multistate data excludes Massachusetts

\*\* Change based on years ending 12/31/xxx and 06/30/xxxx

VERISK

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



\*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

VERISK

Multistate\*  
Private Passenger Types Physical Damage  
Other Than Collision

Severity Trend

	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
Year Ending:	Value	Value	Value
9/30/2017	1,833.20	2,395.54	2,885.64
12/31/2017	1,853.17	2,457.20	2,966.75
3/31/2018	1,851.99	2,450.62	2,962.83
6/30/2018	1,874.12	2,484.30	3,008.50
9/30/2018	1,871.02	2,453.72	2,986.11
12/31/2018	1,912.63	2,525.17	3,101.36
3/31/2019	1,933.77	2,564.01	3,154.66
6/30/2019	1,956.97	2,612.21	3,191.31
9/30/2019	1,965.42	2,659.52	3,241.25
12/31/2019	1,974.11	2,695.58	3,276.00
3/31/2020	2,031.85	2,791.27	3,378.64
6/30/2020	2,105.30	2,828.23	3,444.84
9/30/2020	2,201.74	2,875.97	3,483.43
12/31/2020	2,286.09	2,902.47	3,509.72
3/31/2021	2,276.90	2,861.68	3,492.20
6/30/2021	2,284.72	2,914.10	3,570.22
9/30/2021	2,318.15	2,974.78	3,651.35
12/31/2021	2,375.42	3,073.99	3,817.81
3/31/2022	2,459.52	3,174.72	3,920.28
6/30/2022	2,502.32	3,200.66	3,944.60

Average Annual Change Using Exponential Fits:

20 point fit:	7.2%	6.3%	6.7%
16 point fit:	8.3%	6.8%	7.1%
12 point fit:	9.2%	6.4%	7.2%

Selected severity trend:	7.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	7.5%

\* Multistate data excludes Massachusetts

VERISK

Multistate\*  
Private Passenger Types Physical Damage  
Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Value	Change**	Value	Change**	Value	Change**
9/30/2017	4.67		4.06		3.06	
12/31/2017	4.67		4.08		3.08	
3/31/2018	4.78		4.15		3.16	
6/30/2018	4.75		4.16		3.17	
9/30/2018	4.81		4.22		3.21	
12/31/2018	4.79	2.6%	4.21	3.2%	3.21	4.2%
3/31/2019	4.74		4.21		3.22	
6/30/2019	4.74	-0.2%	4.23	1.7%	3.25	2.5%
9/30/2019	4.73		4.22		3.25	
12/31/2019	4.66	-2.7%	4.22	0.2%	3.24	0.9%
3/31/2020	4.43		4.00		3.07	
6/30/2020	3.93	-17.1%	3.50	-17.3%	2.71	-16.6%
9/30/2020	3.63		3.21		2.53	
12/31/2020	3.32	-28.8%	2.88	-31.8%	2.32	-28.4%
3/31/2021	3.21		2.79		2.27	
6/30/2021	3.51	-10.7%	3.06	-12.6%	2.49	-8.1%
9/30/2021	3.54		3.13		2.56	
12/31/2021	3.60	8.4%	3.22	11.8%	2.65	14.2%
3/31/2022	3.71		3.32		2.73	
6/30/2022	3.72	6.0%	3.35	9.5%	2.79	12.0%

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

Deductible:	Percent of Losses
\$100	0.2%
\$200	0.0%
\$250	1.2%
\$500	34.5%
\$1,000	58.1%
\$2,000	3.8%
\$3,000	0.7%
\$5,000	1.5%

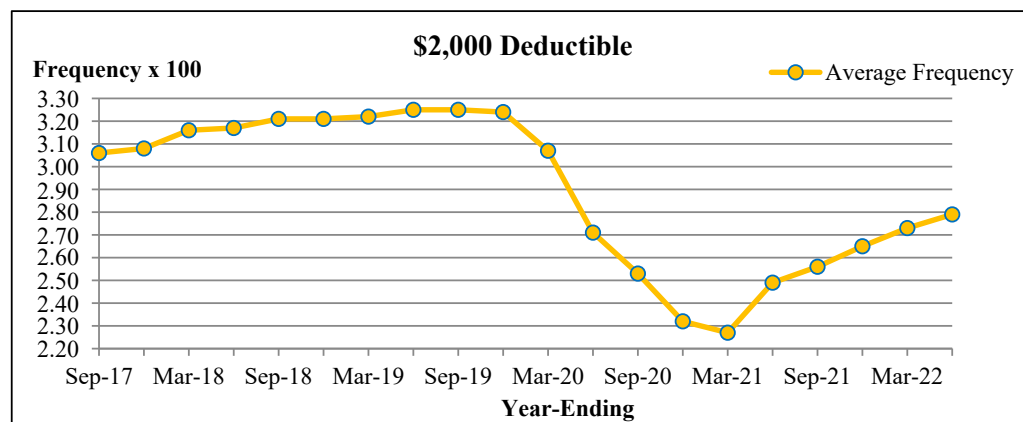
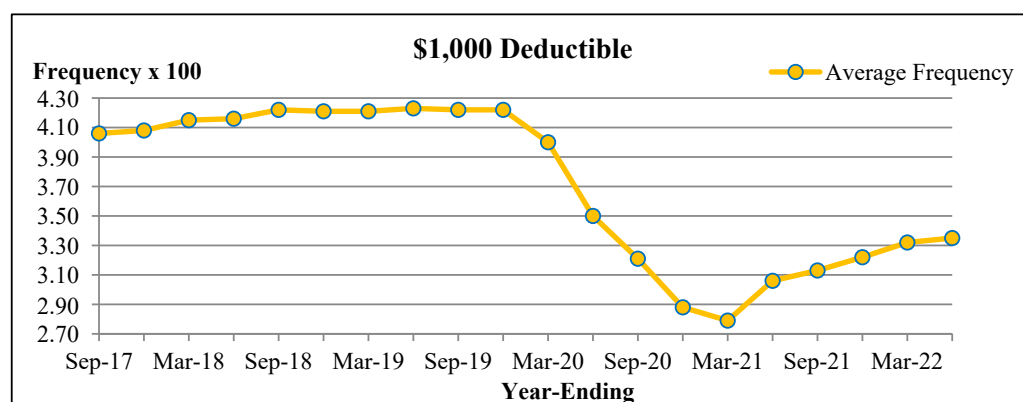
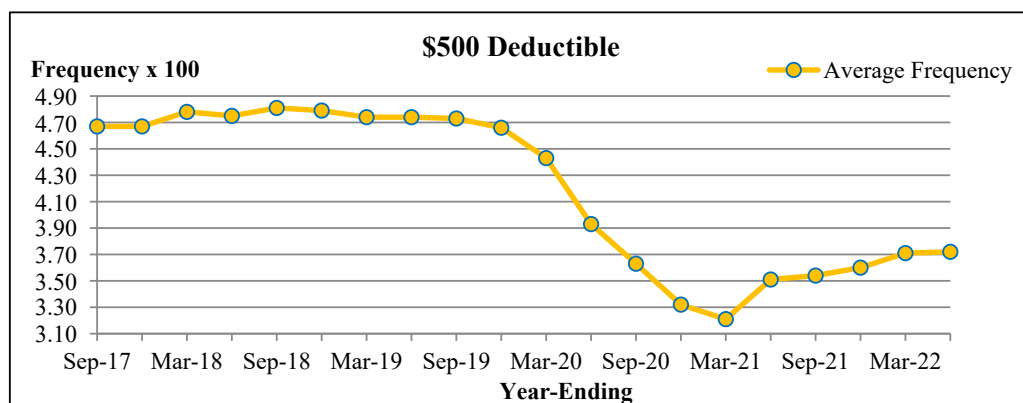
\* Multistate data excludes Massachusetts

\*\* Change based on years ending 12/31/xxx and 06/30/xxxx

\*\*\* Deductibles above \$2,000, totaling 2.2% of losses, are excluded from trend calculations.

VERISK

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



\*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%



VERISK

Multistate\*  
Private Passenger Types Physical Damage  
Collision

Severity Trend

	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
Year Ending:	Value	Value	Value
9/30/2017	4,351.26	4,795.23	5,241.07
12/31/2017	4,436.11	4,876.90	5,333.52
3/31/2018	4,493.46	4,919.57	5,352.03
6/30/2018	4,610.47	5,002.19	5,441.29
9/30/2018	4,624.75	5,028.47	5,482.49
12/31/2018	4,561.82	5,003.21	5,435.63
3/31/2019	4,659.13	5,090.52	5,541.91
6/30/2019	4,622.09	5,104.51	5,525.55
9/30/2019	4,769.37	5,150.48	5,579.14
12/31/2019	4,919.51	5,274.72	5,743.37
3/31/2020	4,971.73	5,334.59	5,810.14
6/30/2020	5,121.20	5,429.50	5,903.69
9/30/2020	5,075.56	5,511.60	5,901.73
12/31/2020	5,156.08	5,664.53	5,971.29
3/31/2021	5,206.71	5,793.35	6,081.15
6/30/2021	5,389.16	6,004.19	6,342.89
9/30/2021	5,639.35	6,240.98	6,644.88
12/31/2021	5,969.36	6,544.38	6,984.34
3/31/2022	6,201.46	6,839.45	7,329.18
6/30/2022	6,360.30	7,137.41	7,569.71

Average Annual Change Using Exponential Fits:

20 point fit:	7.5%	7.8%	7.0%
16 point fit:	8.9%	9.6%	8.7%
12 point fit:	10.6%	12.4%	11.3%

Selected severity trend:	<b>10.0%</b>
Selected frequency trend:	<b>0.0%</b>
Selected pure premium trend:	<b>10.0%</b>

\* Multistate data excludes Massachusetts

VERISK

Multistate\*  
Trucks, Tractors & Trailers  
Physical Damage  
Vehicle Value Factor Trend Calculation

Companies Not Reporting Age Code X Data

Average Vehicle Value Factor

Year Ending:	Other Than Collision	Collision
6/30/2020	0.974	0.810
12/31/2020	0.999	0.820
6/30/2021	1.003	0.840
12/31/2021	1.022	0.868
6/30/2022	1.042	0.869

Exponential Trend (Average Annual Change)

5 Points	3.2%	4.1%
4 Points	3.0%	4.2%
3 Points	3.9%	3.5%

\* Excludes Massachusetts

VERISK

Multistate\*  
Trucks, Tractors & Trailers  
Physical Damage  
Vehicle Value Factor Trend Calculation

All Companies  
Excluding 11th Preceding Model Year and Older Data

Average Vehicle Value Factor

Year Ending:	Other Than Collision	Collision
12/31/2017	0.994	0.838
6/30/2018	1.008	0.853
12/31/2018	1.020	0.866
6/30/2019	1.033	0.879
12/31/2019	1.046	0.890
6/30/2020	1.056	0.896
12/31/2020	1.062	0.897
6/30/2021	1.067	0.896
12/31/2021	1.072	0.895
6/30/2022	1.077	0.893

Exponential Trend (Average Annual Change)

9 Points	1.7%	1.1%
7 Points	1.3%	0.4%
5 Points	1.0%	-0.2%
Selected Annual VVF Trend:	2.0%	2.0%

\* Excludes Massachusetts

VERISK

Multistate\*  
 Private Passenger Types  
 Physical Damage  
 Vehicle Value Factor Trend Calculation

Companies Not Reporting Age Code X Data

Average Vehicle Value Factor

Year Ending:	Other Than Collision	Collision
6/30/2019	0.949	0.852
12/31/2019	0.965	0.857
6/30/2020	0.967	0.854
12/31/2020	0.970	0.849
6/30/2021	0.975	0.852
12/31/2021	0.992	0.871
6/30/2022	1.010	0.886

Exponential Trend (Average Annual Change)

7 Points	1.8%	1.1%
6 Points	1.8%	1.3%
5 Points	2.2%	2.0%

\* Excludes Massachusetts

VERISK

Multistate\*  
Private Passenger Types  
Physical Damage  
Vehicle Value Factor Trend Calculation

All Companies  
Excluding 11th Preceding Model Year and Older Data

Average Vehicle Value Factor

Year Ending:	Other Than Collision	Collision
12/31/2017	1.041	0.939
6/30/2018	1.057	0.951
12/31/2018	1.074	0.959
6/30/2019	1.088	0.965
12/31/2019	1.099	0.972
6/30/2020	1.107	0.976
12/31/2020	1.108	0.971
6/30/2021	1.115	0.967
12/31/2021	1.128	0.970
6/30/2022	1.138	0.974

Exponential Trend (Average Annual Change)

9 Points	1.7%	0.4%
7 Points	1.4%	0.1%
5 Points	1.5%	-0.1%
Selected Annual VVF Trend:	1.8%	1.0%

\* Excludes Massachusetts

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit			Loss Development Factors	
				15 to 27 Months	27 to 39 Months
	15 Months	27 Months	39 Months		
06/30/2011	5,193,651	5,515,652	6,253,026	1.062	1.134
06/30/2012	5,642,448	6,857,225	8,238,571	1.215	1.201
06/30/2013	5,967,695	7,186,359	7,974,118	1.204	1.110
06/30/2014	7,442,541	8,899,524	9,757,173	1.196	1.096
06/30/2015	8,511,842	10,127,322	11,194,818	1.190	1.105
06/30/2016	9,459,547	11,040,511	12,296,948	1.167	1.114
06/30/2017	13,095,702	16,339,394	17,228,291	1.248	1.054
06/30/2018	14,295,249	16,830,907	17,466,668	1.177	1.038
06/30/2019	13,810,893	15,854,074	17,273,405	1.148	1.090
06/30/2020	12,176,618	13,932,149	14,658,346	1.144	1.052
06/30/2021	12,977,604	13,753,103		1.060	
06/30/2022	11,176,942				
(1) Average Factor (Best 3 of 5) :				(A) State 1.156	1.065
				(B) Multistate 1.269	1.122
(2) Credibility				0.940	0.810
(3) Credibility Weighted Factors				1.163	1.076

## Property Damage

Accident Year Ending	\$100,000 Basic Limit			Loss Development Factors	
				15 to 27 Months	27 to 39 Months
	15 Months	27 Months	39 Months		
06/30/2011	4,421,381	4,568,954	4,579,832	1.033	1.002
06/30/2012	4,609,701	4,827,746	4,964,359	1.047	1.028
06/30/2013	4,773,134	4,886,666	4,934,738	1.024	1.010
06/30/2014	4,115,263	4,311,982	4,353,860	1.048	1.010
06/30/2015	5,604,807	6,003,132	6,163,775	1.071	1.027
06/30/2016	5,975,792	6,203,066	6,220,413	1.038	1.003
06/30/2017	7,614,920	7,545,397	7,776,674	0.991	1.031
06/30/2018	8,052,522	7,914,660	8,144,342	0.983	1.029
06/30/2019	8,552,232	8,750,205	8,860,514	1.023	1.013
06/30/2020	7,240,552	7,394,201	7,566,966	1.021	1.023
06/30/2021	7,234,117	7,396,912		1.023	
06/30/2022	8,360,462				
(1) Average Factor (Best 3 of 5) :				(A) State 1.012	1.022
				(B) Multistate 1.047	1.010
(2) Credibility				0.940	0.000
(3) Credibility Weighted Factors				1.014	1.010

## Summary of Factors

	Bodily Injury	Property Damage
39 to Ultimate **	1.078	1.008
27 to Ultimate	1.160	1.018
15 to Ultimate	1.349	1.032

\*\* Multistate factors

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	309,171,800	379,522,658	423,573,127	442,727,243	449,214,348
06/30/2012	329,872,812	411,774,656	457,443,441	476,493,208	486,637,926
06/30/2013	341,690,043	423,777,863	471,918,465	499,465,791	507,790,332
06/30/2014	360,718,538	448,845,987	502,399,795	531,396,265	541,833,683
06/30/2015	387,810,536	486,136,845	548,103,046	573,679,922	584,482,390
06/30/2016	440,034,788	555,447,371	619,922,430	652,677,646	665,088,104
06/30/2017	472,075,290	593,420,678	663,078,088	694,541,220	709,382,975
06/30/2018	473,176,532	599,135,722	668,748,338	703,975,471	719,490,446
06/30/2019	470,680,351	598,292,849	677,600,914	714,626,419	
06/30/2020	419,388,209	549,441,073	622,850,750		
06/30/2021	406,983,183	517,208,651			
06/30/2022	453,546,821				

## Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.228	1.116	1.045	1.015
06/30/2012	1.248	1.111	1.042	1.021
06/30/2013	1.240	1.114	1.058	1.017
06/30/2014	1.244	1.119	1.058	1.020
06/30/2015	1.254	1.127	1.047	1.019
06/30/2016	1.262	1.116	1.053	1.019
06/30/2017	1.257	1.117	1.047	1.021
06/30/2018	1.266	1.116	1.053	1.022
06/30/2019	1.271	1.133	1.055	
06/30/2020	1.310	1.134		
06/30/2021	1.271			
Average Factor: ( Best 3 of 5 )	1.269	1.122	1.051	1.020

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.006
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.026
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.078
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.210
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.536

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
06/30/2011	452,382,641	454,659,419	454,554,924	454,618,468	454,507,126
06/30/2012	486,822,287	487,079,930	486,506,304	486,559,702	486,660,902
06/30/2013	507,171,913	508,064,671	508,374,282	508,117,531	507,247,423
06/30/2014	545,708,255	544,316,744	544,548,135	544,557,372	
06/30/2015	586,222,403	587,544,769	589,106,962		
06/30/2016	668,579,098	669,794,970			
06/30/2017	713,998,544				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
06/30/2011	1.007	1.005	1.000	1.000	1.000
06/30/2012	1.000	1.001	0.999	1.000	1.000
06/30/2013	0.999	1.002	1.001	0.999	0.998
06/30/2014	1.007	0.997	1.000	1.000	
06/30/2015	1.003	1.002	1.003		
06/30/2016	1.005	1.002			
06/30/2017	1.007				
Average Factor: ( Best 3 of 5 )	1.005	1.002	1.000	1.000	0.999

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	0.999
99 to Ult:	(111:99) (123:111) (123:Ult)	=	0.999
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)	=	1.001



## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	383,462,569	396,330,945	398,347,093	398,369,938	399,962,099
06/30/2012	403,850,095	417,311,779	421,539,584	420,251,005	420,848,411
06/30/2013	421,490,074	435,370,647	438,121,465	440,613,426	441,475,909
06/30/2014	446,493,737	462,675,365	465,960,288	467,199,230	467,642,839
06/30/2015	469,350,081	491,328,434	496,239,755	498,241,066	498,945,745
06/30/2016	504,070,622	528,060,672	533,666,337	535,541,574	535,175,132
06/30/2017	532,364,986	554,303,721	559,962,114	561,756,186	562,716,748
06/30/2018	552,951,630	580,724,270	586,473,353	587,338,989	590,772,187
06/30/2019	581,948,361	611,214,164	615,550,073	620,563,773	
06/30/2020	501,911,315	520,304,875	527,803,186		
06/30/2021	478,825,385	513,206,727			
06/30/2022	588,711,226				

## Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.034	1.005	1.000	1.004
06/30/2012	1.033	1.010	0.997	1.001
06/30/2013	1.033	1.006	1.006	1.002
06/30/2014	1.036	1.007	1.003	1.001
06/30/2015	1.047	1.010	1.004	1.001
06/30/2016	1.048	1.011	1.004	0.999
06/30/2017	1.041	1.010	1.003	1.002
06/30/2018	1.050	1.010	1.001	1.006
06/30/2019	1.050	1.007	1.008	
06/30/2020	1.037	1.014		
06/30/2021	1.072			
Average Factor: ( Best 3 of 5 )	1.047	1.010	1.004	1.001

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.003
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) =	1.018
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.066

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
06/30/2011	401,170,298	401,408,749	401,626,701	401,696,199
06/30/2012	421,045,402	421,691,953	421,992,694	421,970,788
06/30/2013	441,952,903	442,289,706	442,389,112	442,287,214
06/30/2014	468,213,748	468,092,969	468,038,912	468,554,796
06/30/2015	499,026,164	499,714,380	501,192,837	
06/30/2016	535,456,261	536,689,840		
06/30/2017	564,343,425			

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
06/30/2011	1.003	1.001	1.001	1.000
06/30/2012	1.000	1.002	1.001	1.000
06/30/2013	1.001	1.001	1.000	1.000
06/30/2014	1.001	1.000	1.000	1.001
06/30/2015	1.000	1.001	1.003	
06/30/2016	1.001	1.002		
06/30/2017	1.003			
Average Factor: ( Best 3 of 5 )	1.001	1.001	1.001	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)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (111:Ult)	=	1.002

## VERISK

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

Accident	\$100,000 Basic Limit			Loss Development Factors	
Year				15 to 27	27 to 39
<u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>Months</u>	<u>Months</u>
06/30/2011	1,056,048	1,216,342	1,206,987	1.152	0.992
06/30/2012	907,505	1,102,295	1,133,892	1.215	1.029
06/30/2013	941,004	1,027,698	1,131,015	1.092	1.101
06/30/2014	1,136,440	1,563,130	1,855,147	1.375	1.187
06/30/2015	1,046,264	1,141,656	1,259,606	1.091	1.103
06/30/2016	1,703,565	1,780,859	1,816,129	1.045	1.020
06/30/2017	1,633,329	1,957,101	1,970,325	1.198	1.007
06/30/2018	1,606,817	1,945,843	1,795,635	1.211	0.923
06/30/2019	1,772,144	2,225,997	2,326,020	1.256	1.045
06/30/2020	1,578,122	1,879,166	2,317,263	1.191	1.233
06/30/2021	1,537,062	1,884,176		1.226	
06/30/2022	1,596,159				
(1) Average Factor (Best 3 of 5) :			(A) State	1.212	1.024
			(B) Multistate	1.268	1.120
(2) Credibility				0.770	0.600
(3) Credibility Weighted Factors				1.225	1.062

## Property Damage

Accident	\$100,000 Basic Limit			Loss Development Factors	
Year				15 to 27	27 to 39
Ending	15 Months	27 Months	39 Months	Months	Months
06/30/2011	928,808	960,703	983,917	1.034	1.024
06/30/2012	708,540	708,085	702,903	0.999	0.993
06/30/2013	846,051	838,215	857,243	0.991	1.023
06/30/2014	1,030,710	1,071,817	1,063,227	1.040	0.992
06/30/2015	832,661	863,873	877,355	1.037	1.016
06/30/2016	1,137,077	1,146,076	1,173,813	1.008	1.024
06/30/2017	1,116,716	1,119,347	1,123,417	1.002	1.004
06/30/2018	1,178,404	1,284,815	1,269,702	1.090	0.988
06/30/2019	1,265,361	1,358,766	1,366,112	1.074	1.005
06/30/2020	1,238,357	1,246,877	1,323,651	1.007	1.062
06/30/2021	964,163	1,129,168		1.171	
06/30/2022	1,070,789				
(1) Average Factor (Best 3 of 5) :			(A) State	1.057	1.011
			(B) Multistate	1.049	1.007
(2) Credibility				0.850	0.000
(3) Credibility Weighted Factors				1.056	1.007

## Summary of Factors

	Bodily Injury	Property Damage
39 to Ultimate **	1.080	1.004
27 to Ultimate	1.147	1.011
15 to Ultimate	1.405	1.068

\*\* Multistate factors

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	73,100,423	89,286,285	97,153,244	102,370,656	103,300,151
06/30/2012	77,780,691	94,031,636	101,817,802	107,443,277	109,568,763
06/30/2013	73,429,659	87,914,892	94,674,611	99,448,255	101,332,685
06/30/2014	74,894,320	89,993,499	99,967,393	105,934,389	107,023,624
06/30/2015	71,585,106	88,457,713	100,651,747	105,754,628	107,784,108
06/30/2016	76,040,397	93,229,888	105,718,325	110,859,776	112,696,084
06/30/2017	74,839,266	94,221,702	104,031,979	108,485,934	110,070,295
06/30/2018	78,215,109	95,308,545	107,023,433	113,913,165	116,361,778
06/30/2019	79,351,224	99,923,117	110,332,497	115,633,634	
06/30/2020	63,255,099	81,380,805	92,382,552		
06/30/2021	55,660,031	71,614,386			
06/30/2022	66,570,735				

Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.221	1.088	1.054	1.009
06/30/2012	1.209	1.083	1.055	1.020
06/30/2013	1.197	1.077	1.050	1.019
06/30/2014	1.202	1.111	1.060	1.010
06/30/2015	1.236	1.138	1.051	1.019
06/30/2016	1.226	1.134	1.049	1.017
06/30/2017	1.259	1.104	1.043	1.015
06/30/2018	1.219	1.123	1.064	1.021
06/30/2019	1.259	1.104	1.048	
06/30/2020	1.287	1.135		
06/30/2021	1.287			
Average Factor: ( Best 3 of 5 )	1.268	1.120	1.049	1.017

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.012
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.029
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.080
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.209
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.533

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
06/30/2011	103,674,609	103,829,314	104,173,692	104,193,852	104,222,218
06/30/2012	110,525,691	110,642,991	110,827,398	110,918,627	110,873,579
06/30/2013	102,013,424	102,438,061	102,478,580	102,448,874	102,247,603
06/30/2014	107,451,572	107,610,242	107,970,020	108,309,008	
06/30/2015	108,304,631	108,320,210	108,200,536		
06/30/2016	114,053,634	114,723,899			
06/30/2017	111,234,318				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
06/30/2011	1.004	1.001	1.003	1.000	1.000
06/30/2012	1.009	1.001	1.002	1.001	1.000
06/30/2013	1.007	1.004	1.000	1.000	0.998
06/30/2014	1.004	1.001	1.003	1.003	
06/30/2015	1.005	1.000	0.999		
06/30/2016	1.012	1.006			
06/30/2017	1.011				
Average Factor: ( Best 3 of 5 )	1.008	1.002	1.002	1.001	0.999

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	0.999
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.002
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.004

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	85,234,954	88,153,518	88,773,992	88,920,054	89,229,004
06/30/2012	90,389,104	92,849,765	93,502,683	93,897,727	94,079,373
06/30/2013	90,658,510	94,251,765	94,704,500	94,886,305	94,900,584
06/30/2014	92,912,261	96,427,372	97,239,863	97,366,625	97,864,780
06/30/2015	91,504,132	94,942,585	95,633,103	95,985,863	95,897,256
06/30/2016	96,782,197	101,633,332	102,140,859	102,340,238	102,440,783
06/30/2017	95,889,744	100,128,699	100,767,729	100,969,338	101,175,395
06/30/2018	96,797,756	101,528,634	102,402,534	102,558,588	102,709,383
06/30/2019	96,821,705	101,919,047	102,608,269	102,909,985	
06/30/2020	77,132,643	79,324,660	80,266,992		
06/30/2021	59,950,476	63,429,992			
06/30/2022	75,425,827				

Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.034	1.007	1.002	1.003
06/30/2012	1.027	1.007	1.004	1.002
06/30/2013	1.040	1.005	1.002	1.000
06/30/2014	1.038	1.008	1.001	1.005
06/30/2015	1.038	1.007	1.004	0.999
06/30/2016	1.050	1.005	1.002	1.001
06/30/2017	1.044	1.006	1.002	1.002
06/30/2018	1.049	1.009	1.002	1.001
06/30/2019	1.053	1.007	1.003	
06/30/2020	1.028	1.012		
06/30/2021	1.058			
Average Factor: ( Best 3 of 5 )	1.049	1.007	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) =	1.011
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.061

## VERISK

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

Accident Year Ending	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
06/30/2011	89,305,941	89,305,399	89,234,595	89,232,841
06/30/2012	94,256,454	94,283,445	94,242,668	94,242,709
06/30/2013	94,949,556	94,965,053	94,988,176	95,000,534
06/30/2014	97,687,508	97,780,957	97,818,105	97,912,080
06/30/2015	95,996,960	95,992,899	96,277,054	
06/30/2016	102,450,914	102,458,590		
06/30/2017	101,472,984			

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
06/30/2011	1.001	1.000	0.999	1.000
06/30/2012	1.002	1.000	1.000	1.000
06/30/2013	1.001	1.000	1.000	1.000
06/30/2014	0.998	1.001	1.000	1.001
06/30/2015	1.001	1.000	1.003	
06/30/2016	1.000	1.000		
06/30/2017	1.003			
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

## VERISK

Basic Limits Loss Development  
Auto Dealers - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	11,254,602	15,959,247	20,989,850	20,906,542	21,706,117
06/30/2012	12,612,459	18,249,230	22,795,643	24,551,579	24,512,898
06/30/2013	10,344,378	14,988,003	17,741,538	19,021,818	19,320,321
06/30/2014	11,285,320	14,811,065	17,238,866	19,334,273	20,098,639
06/30/2015	14,608,538	18,066,546	20,546,390	21,921,253	22,471,571
06/30/2016	10,650,853	14,230,736	16,433,005	17,303,865	17,783,988
06/30/2017	12,297,828	16,914,976	19,958,950	22,288,509	22,811,143
06/30/2018	11,552,978	15,881,026	18,831,090	20,268,898	20,858,710
06/30/2019	12,148,343	14,919,029	18,727,741	18,529,469	
06/30/2020	7,530,206	11,947,327	12,656,508		
06/30/2021	7,904,442	11,676,095			
06/30/2022	7,539,196				

Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.418	1.315	0.996	1.038
06/30/2012	1.447	1.249	1.077	0.998
06/30/2013	1.449	1.184	1.072	1.016
06/30/2014	1.312	1.164	1.122	1.040
06/30/2015	1.237	1.137	1.067	1.025
06/30/2016	1.336	1.155	1.053	1.028
06/30/2017	1.375	1.180	1.117	1.023
06/30/2018	1.375	1.186	1.076	1.029
06/30/2019	1.228	1.255	0.989	
06/30/2020	1.587	1.059		
06/30/2021	1.477			
Average Factor: ( Best 3 of 5 )	1.409	1.174	1.065	1.027

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.006
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.033
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.100
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.292
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.820



## VERISK

Basic Limits Loss Development  
Auto Dealers - Bodily Injury  
Tort States  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
06/30/2011	22,259,543	22,480,675	22,396,899	22,394,298	22,393,926
06/30/2012	24,301,519	24,186,116	24,224,534	24,203,535	24,195,586
06/30/2013	19,357,730	19,103,118	19,107,461	19,105,286	19,105,247
06/30/2014	20,552,332	20,976,673	21,021,820	21,093,219	
06/30/2015	22,413,428	22,206,980	22,125,500		
06/30/2016	18,080,300	17,906,424			
06/30/2017	23,561,955				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
06/30/2011	1.025	1.010	0.996	1.000	1.000
06/30/2012	0.991	0.995	1.002	0.999	1.000
06/30/2013	1.002	0.987	1.000	1.000	1.000
06/30/2014	1.023	1.021	1.002	1.003	
06/30/2015	0.997	0.991	0.996		
06/30/2016	1.017	0.990			
06/30/2017	1.033				
Average Factor: ( Best 3 of 5 )	1.014	0.992	0.999	1.001	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.001
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	0.992

## VERISK

Basic Limits Loss Development  
Auto Dealers - Property Damage  
Multistate  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit				
	15 Months	27 Months	39 Months	51 Months	63 Months
06/30/2011	11,838,822	12,758,999	13,208,328	13,313,012	13,511,365
06/30/2012	12,742,600	13,873,512	14,439,582	14,630,596	14,905,114
06/30/2013	11,991,276	12,628,014	13,096,164	13,372,363	13,168,995
06/30/2014	11,197,931	12,051,384	12,685,734	13,073,985	13,505,097
06/30/2015	11,100,350	12,160,079	12,608,537	12,646,705	12,866,705
06/30/2016	12,069,435	13,175,049	13,016,889	13,304,786	13,421,036
06/30/2017	12,041,951	12,213,642	13,065,699	13,401,348	13,433,134
06/30/2018	9,703,093	10,970,484	11,745,969	11,951,766	12,141,317
06/30/2019	6,809,149	7,328,972	7,347,288	7,394,098	
06/30/2020	5,018,688	5,438,920	5,563,591		
06/30/2021	5,351,667	5,650,792			
06/30/2022	5,527,989				

Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
06/30/2011	1.078	1.035	1.008	1.015
06/30/2012	1.089	1.041	1.013	1.019
06/30/2013	1.053	1.037	1.021	0.985
06/30/2014	1.076	1.053	1.031	1.033
06/30/2015	1.095	1.037	1.003	1.017
06/30/2016	1.092	0.988	1.022	1.009
06/30/2017	1.014	1.070	1.026	1.002
06/30/2018	1.131	1.071	1.018	1.016
06/30/2019	1.076	1.002	1.006	
06/30/2020	1.084	1.023		
06/30/2021	1.056			
Average Factor: ( Best 3 of 5 )	1.072	1.032	1.015	1.014

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.003
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.017
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.032
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.065
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.142

## VERISK

Basic Limits Loss Development  
Auto Dealers - Property Damage  
Multistate  
Incurred Losses and Expenses

Accident Year Ending	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
06/30/2011	13,714,573	13,689,460	13,710,627	13,704,487
06/30/2012	15,057,806	15,044,262	15,095,535	15,095,845
06/30/2013	13,186,802	13,235,816	13,263,992	13,213,324
06/30/2014	13,662,405	13,689,765	13,509,921	13,512,781
06/30/2015	12,900,016	12,869,873	12,902,046	
06/30/2016	13,431,937	13,400,911		
06/30/2017	13,435,709			

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
06/30/2011	1.015	0.998	1.002	1.000
06/30/2012	1.010	0.999	1.003	1.000
06/30/2013	1.001	1.004	1.002	0.996
06/30/2014	1.012	1.002	0.987	1.000
06/30/2015	1.003	0.998	1.002	
06/30/2016	1.001	0.998		
06/30/2017	1.000			
Average Factor: ( Best 3 of 5 )	1.002	1.000	1.002	0.999

Summary of Factors

111 to Ult:	(1.000)	=	1.000
99 to Ult:	(111:99) (111:Ult)	=	0.999
87 to Ult:	(99:87) (111:99) (111:Ult)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (111:Ult)	=	1.001

## VERISK

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>
06/30/2011	173,278,459	178,663,203	178,678,509	178,702,847	178,796,975
06/30/2012	184,249,606	189,779,428	189,661,466	189,798,272	189,883,440
06/30/2013	211,876,143	216,977,680	217,207,307	217,434,142	217,822,106
06/30/2014	180,039,870	185,746,928	186,545,090	186,511,153	186,597,197
06/30/2015	176,604,217	182,059,910	181,934,372	182,246,973	182,182,054
06/30/2016	195,485,868	201,475,025	202,004,913	202,208,417	202,173,898
06/30/2017	233,889,049	241,065,409	241,504,992	241,636,568	241,645,503
06/30/2018	227,492,955	235,690,311	235,617,616	235,385,052	235,412,822
06/30/2019	235,628,788	242,679,650	243,215,976	243,692,840	
06/30/2020	243,838,268	250,892,996	251,440,999		
06/30/2021	264,896,083	274,656,427			
06/30/2022	332,176,306				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
06/30/2011	1.031	1.000	1.000	1.001
06/30/2012	1.030	0.999	1.001	1.000
06/30/2013	1.024	1.001	1.001	1.002
06/30/2014	1.032	1.004	1.000	1.000
06/30/2015	1.031	0.999	1.002	1.000
06/30/2016	1.031	1.003	1.001	1.000
06/30/2017	1.031	1.002	1.001	1.000
06/30/2018	1.036	1.000	0.999	1.000
06/30/2019	1.030	1.002	1.002	
06/30/2020	1.029	1.002		
06/30/2021	1.037			
Average Factor: ( Best 3 of 5 )	1.032	1.002	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) =	1.003
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.035

## VERISK

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

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
06/30/2011	178,859,814	178,860,433	178,851,177	178,847,780	178,833,761
06/30/2012	189,709,525	189,731,409	189,726,682	189,731,269	189,690,531
06/30/2013	217,887,362	217,888,209	217,930,434	217,911,272	217,892,206
06/30/2014	186,575,424	186,598,793	186,596,547	186,593,380	
06/30/2015	182,212,170	182,217,101	182,224,436		
06/30/2016	202,178,430	202,173,905			
06/30/2017	241,634,867				

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>
06/30/2011	1.000	1.000	1.000	1.000	1.000
06/30/2012	0.999	1.000	1.000	1.000	1.000
06/30/2013	1.000	1.000	1.000	1.000	1.000
06/30/2014	1.000	1.000	1.000	1.000	
06/30/2015	1.000	1.000	1.000		
06/30/2016	1.000	1.000			
06/30/2017	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

## VERISK

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>
06/30/2011	396,981,553	392,160,941	390,850,133	390,345,970	390,579,655
06/30/2012	409,933,261	403,950,751	402,534,185	402,169,745	402,160,437
06/30/2013	424,964,131	416,456,403	415,671,245	414,946,747	415,490,991
06/30/2014	464,798,429	456,154,045	454,515,324	453,240,210	453,040,363
06/30/2015	494,633,943	482,498,561	479,597,749	479,050,159	479,011,636
06/30/2016	523,624,845	512,356,186	509,002,432	507,901,413	507,885,729
06/30/2017	549,940,508	535,156,172	530,795,963	530,170,479	530,024,344
06/30/2018	579,577,916	562,618,888	558,752,012	557,472,925	557,134,566
06/30/2019	623,067,362	605,830,521	602,452,353	601,710,302	
06/30/2020	566,927,276	552,033,640	550,769,560		
06/30/2021	603,068,149	590,964,005			
06/30/2022	736,955,573				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
06/30/2011	0.988	0.997	0.999	1.001
06/30/2012	0.985	0.996	0.999	1.000
06/30/2013	0.980	0.998	0.998	1.001
06/30/2014	0.981	0.996	0.997	1.000
06/30/2015	0.975	0.994	0.999	1.000
06/30/2016	0.978	0.993	0.998	1.000
06/30/2017	0.973	0.992	0.999	1.000
06/30/2018	0.971	0.993	0.998	0.999
06/30/2019	0.972	0.994	0.999	
06/30/2020	0.974	0.998		
06/30/2021	0.980			
Average Factor: ( Best 3 of 5 )	0.973	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) =	0.965

## VERISK

Physical Damage Loss Development  
Trucks, Tractors and Trailers - 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>
06/30/2011	390,575,287	390,556,068	390,501,098	390,479,806	390,541,481
06/30/2012	402,093,707	402,111,764	402,089,307	402,078,276	402,060,604
06/30/2013	415,328,185	415,282,334	415,011,326	414,985,727	414,957,509
06/30/2014	452,736,635	452,904,318	452,901,469	452,900,657	
06/30/2015	479,242,600	479,792,035	479,767,632		
06/30/2016	507,839,981	507,634,552			
06/30/2017	530,057,319				

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>
06/30/2011	1.000	1.000	1.000	1.000	1.000
06/30/2012	1.000	1.000	1.000	1.000	1.000
06/30/2013	1.000	1.000	0.999	1.000	1.000
06/30/2014	0.999	1.000	1.000	1.000	
06/30/2015	1.000	1.001	1.000		
06/30/2016	1.000	1.000			
06/30/2017	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

## VERISK

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>
06/30/2011	68,790,318	70,385,128	70,349,093	70,333,513	70,304,878
06/30/2012	72,116,513	72,781,253	72,802,621	72,796,365	72,796,454
06/30/2013	81,517,107	82,103,069	82,158,588	82,230,860	82,243,509
06/30/2014	62,128,286	64,098,986	64,422,602	64,439,936	64,447,018
06/30/2015	55,688,723	56,767,568	56,842,305	56,845,982	56,851,910
06/30/2016	60,455,521	61,530,352	61,487,579	61,454,997	61,425,925
06/30/2017	65,462,479	67,287,047	67,228,314	67,243,525	67,286,056
06/30/2018	68,396,145	69,393,460	69,017,738	68,989,150	69,022,485
06/30/2019	64,214,463	65,493,085	65,390,974	65,268,654	
06/30/2020	62,688,872	63,764,260	63,809,213		
06/30/2021	61,313,480	62,998,341			
06/30/2022	73,898,207				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
06/30/2011	1.023	0.999	1.000	1.000
06/30/2012	1.009	1.000	1.000	1.000
06/30/2013	1.007	1.001	1.001	1.000
06/30/2014	1.032	1.005	1.000	1.000
06/30/2015	1.019	1.001	1.000	1.000
06/30/2016	1.018	0.999	0.999	1.000
06/30/2017	1.028	0.999	1.000	1.001
06/30/2018	1.015	0.995	1.000	1.000
06/30/2019	1.020	0.998	0.998	
06/30/2020	1.017	1.001		
06/30/2021	1.027			
Average Factor: ( Best 3 of 5 )	1.021	0.999	1.000	1.000

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.999
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.020



## VERISK

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>
06/30/2011	70,311,283	70,305,081	70,309,890	70,305,323	70,313,434
06/30/2012	72,816,535	72,853,166	72,824,627	72,824,095	72,810,061
06/30/2013	82,250,027	82,245,248	82,255,122	82,250,533	82,248,884
06/30/2014	64,451,310	64,451,856	64,450,347	64,448,404	
06/30/2015	56,858,217	56,859,937	56,859,038		
06/30/2016	61,479,375	61,478,886			
06/30/2017	67,279,429				

## 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>
06/30/2011	1.000	1.000	1.000	1.000	1.000
06/30/2012	1.000	1.001	1.000	1.000	1.000
06/30/2013	1.000	1.000	1.000	1.000	1.000
06/30/2014	1.000	1.000	1.000	1.000	
06/30/2015	1.000	1.000	1.000		
06/30/2016	1.001	1.000			
06/30/2017	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

## VERISK

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>
06/30/2011	154,402,706	148,780,915	148,367,148	148,159,052	148,161,524
06/30/2012	165,674,098	159,822,357	159,056,458	159,002,774	158,937,243
06/30/2013	165,568,869	158,414,054	157,446,061	157,330,900	157,349,437
06/30/2014	170,783,131	162,935,937	162,207,953	162,001,008	162,009,021
06/30/2015	176,485,267	167,731,154	166,262,095	166,021,760	166,157,346
06/30/2016	183,614,032	174,758,886	173,200,245	172,924,546	172,785,047
06/30/2017	172,798,263	165,307,651	164,317,723	163,913,321	163,916,696
06/30/2018	175,849,959	166,414,590	165,414,463	165,391,366	165,393,489
06/30/2019	191,189,251	181,567,329	180,850,416	180,881,577	
06/30/2020	172,144,112	165,443,895	164,579,380		
06/30/2021	161,180,241	154,399,052			
06/30/2022	192,615,887				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
06/30/2011	0.964	0.997	0.999	1.000
06/30/2012	0.965	0.995	1.000	1.000
06/30/2013	0.957	0.994	0.999	1.000
06/30/2014	0.954	0.996	0.999	1.000
06/30/2015	0.950	0.991	0.999	1.001
06/30/2016	0.952	0.991	0.998	0.999
06/30/2017	0.957	0.994	0.998	1.000
06/30/2018	0.946	0.994	1.000	1.000
06/30/2019	0.950	0.996	1.000	
06/30/2020	0.961	0.995		
06/30/2021	0.958			
Average Factor: ( Best 3 of 5 )	0.955	0.994	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) =	0.993
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.948

## VERISK

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

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
06/30/2011	148,102,370	148,098,319	148,090,797	148,080,254	148,068,750
06/30/2012	158,906,913	158,878,717	158,858,060	158,827,225	158,822,097
06/30/2013	157,315,089	157,289,448	157,219,622	157,216,524	157,209,062
06/30/2014	161,958,804	161,946,089	161,934,354	161,929,633	
06/30/2015	166,207,470	165,984,879	165,961,143		
06/30/2016	172,755,093	172,703,309			
06/30/2017	163,828,093				

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>
06/30/2011	1.000	1.000	1.000	1.000	1.000
06/30/2012	1.000	1.000	1.000	1.000	1.000
06/30/2013	1.000	1.000	1.000	1.000	1.000
06/30/2014	1.000	1.000	1.000	1.000	
06/30/2015	1.000	0.999	1.000		
06/30/2016	1.000	1.000			
06/30/2017	0.999				
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

## VERISK

<b>(1)</b>	<b>Public Automobiles Liability</b>	Differentials to Base Loss Cost CSL Liab	
	Taxis & Limos		4.02
	School and Church Buses		0.38
	Other Buses		3.16
	Van Pools		0.95
<b>(2)</b>	<b>Public Automobiles Physical Damage</b>		
	Taxis, Limos and Van Pools		
	Other Than Collision:		1.52
	Collision		2.25
	School, Church, and Other Buses		
	Other Than Collision:		0.68
	Collision		0.63
<b>(3)</b>	<b>Medical Payments Relativities</b>	<b><u>EXHIBIT C20</u></b>	
<b>(4)</b>	<b>Specified Cause of Loss Relativity</b>		0.720
	This factor is used for Trucks, Tractors, & Trailers and Private Passenger Types.		
<b>(5)</b>	The loss cost for hired autos is set forth in Section E. It applies in all territories and is calculated as 0.25% of the statewide \$100,000 Combined Single Limit average loss cost for all Trucks, Tractors, & Trailers.		

VERISK

**(3) Medical Payments Relativities**

Territory	Class of Business					
	Trucks, Tractors, & Trailers	Private Passenger Types	Other Buses	School and Church Buses	Taxicabs and Limousines	Van Pools
	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>
101	0.0128	0.0318	0.0318	0.0439	0.0416	0.0321
108	0.0270	0.0318	0.0418	0.0771	0.0416	0.0321
113	0.0149	0.0318	0.0444	0.0581	0.0416	0.0321
115	0.0161	0.0318	0.0410	0.0542	0.0416	0.0321
116	0.0135	0.0318	0.0421	0.0554	0.0416	0.0321
121	0.0179	0.0318	0.0465	0.0623	0.0416	0.0321
122	0.0207	0.0318	0.0460	0.0629	0.0416	0.0321
123	0.0184	0.0318	0.0424	0.0550	0.0416	0.0321
124	0.0200	0.0318	0.0506	0.0680	0.0416	0.0321
125	0.0204	0.0318	0.0482	0.0649	0.0416	0.0321
129	0.0165	0.0318	0.0450	0.0599	0.0416	0.0321

## VERISK

AUTOMOBILE LIABILITY INSURANCE - TRUCKS, TRACTORS, AND TRAILERS (A)  
 DETERMINATION OF MULTISTATE\* RATIO  
 SINGLE LIMIT LIABILITY COVERAGE

ACCIDENT YEAR ENDING	(1) AGGREGATE LOSS COST AT CURRENT LEVEL (B)	(2) \$100,000 INCURRED LOSSES (C) #	(3) EXPERIENCE RATIO (2) / (1)	(4) NUMBER OF INCURRED CLAIMS
12/31/15	\$1,695,481,129	\$1,216,370,119	0.717	141,720
12/31/16	\$1,694,886,344	\$1,338,862,520	0.790	147,199
12/31/17	\$1,758,623,845	\$1,412,124,224	0.803	148,092
12/31/18	\$1,775,807,756	\$1,493,898,944	0.841	148,382
12/31/19	\$1,816,865,578	\$1,535,666,287	0.845	141,088
COMBINED	\$8,741,664,652	\$6,996,922,094	0.800	

(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 ALLOCATED LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.

\* EXCLUDES MASSACHUSETTS

# INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES ARE NOT TRENDED. TREND FACTORS FOR HIRED AUTOS LIABILITY COVERAGE ARE ASSUMED TO BE THE SAME AS THOSE FOR TRUCKS, TRACTORS & TRAILERS. THEREFORE THEY FAIL TO IMPACT THE RESULT OF THE ANALYSIS.

## VERISK

AUTOMOBILE LIABILITY INSURANCE - TRUCKS, TRACTORS, AND TRAILERS (A)  
 DETERMINATION OF MULTISTATE RATIO  
 SINGLE LIMIT LIABILITY COVERAGE

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	12/31/15	\$741,049,106	\$469,195,278	
ALLOCATED LOSS	12/31/16	\$816,927,778	\$500,825,997	
ADJUSTMENT EXPENSES	12/31/17	\$825,731,341	\$514,768,571	
	12/31/18	\$762,564,883	\$552,987,283	
	12/31/19	\$612,974,289	\$538,742,878	
(2) DEVELOPED LOSSES (A)	12/31/15	\$746,236,450	\$470,133,669	\$1,216,370,119
ALLOCATED LOSS	12/31/16	\$836,534,045	\$502,328,475	\$1,338,862,520
ADJUSTMENT EXPENSES	12/31/17	\$894,267,042	\$517,857,182	\$1,412,124,224
	12/31/18	\$932,616,852	\$561,282,092	\$1,493,898,944
	12/31/19	\$962,982,608	\$572,683,679	\$1,535,666,287

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

1 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	B. I.	P. D.
12/31/15	1.007	1.002
12/31/16	1.024	1.003
12/31/17	1.083	1.006
12/31/18	1.223	1.015
12/31/19	1.571	1.063

## VERISK

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

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	439,353,499	542,693,946	597,649,276	623,261,676	630,849,960
12/31/2009	401,557,300	493,285,209	551,071,107	577,544,124	583,346,772
12/31/2010	429,368,879	528,543,849	585,717,453	615,099,286	625,805,466
12/31/2011	467,222,413	573,293,761	642,470,690	669,865,627	680,194,418
12/31/2012	468,928,545	579,646,313	642,135,152	675,577,797	688,252,766
12/31/2013	469,112,375	585,476,797	657,913,708	705,901,632	721,733,195
12/31/2014	491,731,994	617,212,663	709,907,294	754,903,548	768,642,783
12/31/2015	517,295,745	678,036,454	770,395,228	813,058,719	825,643,781
12/31/2016	592,172,728	765,940,113	865,697,689	908,528,688	
12/31/2017	647,405,741	826,797,971	925,954,071		
12/31/2018	665,324,582	853,140,122			
12/31/2019	671,580,703				

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	1.235	1.101	1.043	1.012
12/31/2009	1.228	1.117	1.048	1.010
12/31/2010	1.231	1.108	1.050	1.017
12/31/2011	1.227	1.121	1.043	1.015
12/31/2012	1.236	1.108	1.052	1.019
12/31/2013	1.248	1.124	1.073	1.022
12/31/2014	1.255	1.150	1.063	1.018
12/31/2015	1.311	1.136	1.055	1.015
12/31/2016	1.293	1.130	1.049	
12/31/2017	1.277	1.120		
12/31/2018	1.282			
Average Factor: ( Best 3 of 5 )	1.284	1.130	1.057	1.017

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.007
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) =	1.223
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.571



## VERISK

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

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	635,767,673	636,344,644	636,794,850	637,052,710	637,210,674
12/31/2009	586,753,888	586,789,252	586,580,333	586,541,323	586,482,648
12/31/2010	626,777,014	627,824,813	628,675,222	629,054,184	629,066,560
12/31/2011	689,840,241	690,628,074	691,258,298	691,061,713	
12/31/2012	690,302,704	691,589,499	692,694,902		
12/31/2013	725,915,042	727,050,222			
12/31/2014	771,137,285				

## 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	1.001	1.001	1.000	1.000
12/31/2009	1.006	1.000	1.000	1.000	1.000
12/31/2010	1.002	1.002	1.001	1.001	1.000
12/31/2011	1.014	1.001	1.001	1.000	
12/31/2012	1.003	1.002	1.002		
12/31/2013	1.006	1.002			
12/31/2014	1.003				
Average Factor: ( Best 3 of 5 )	1.004	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

## VERISK

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

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	415,335,616	425,740,204	427,873,952	428,304,946	428,644,132
12/31/2009	360,662,622	367,936,780	369,234,480	369,935,178	369,637,384
12/31/2010	383,121,625	394,877,122	397,046,974	397,614,411	396,903,589
12/31/2011	418,432,238	431,027,343	434,070,032	435,832,609	436,382,368
12/31/2012	417,809,264	432,184,972	436,322,398	437,086,676	437,861,932
12/31/2013	436,449,371	453,731,745	459,025,371	460,354,924	460,305,063
12/31/2014	457,300,547	478,282,691	482,394,156	483,629,737	484,079,018
12/31/2015	486,178,994	507,706,524	511,861,053	512,575,145	513,842,150
12/31/2016	514,873,275	538,024,503	543,502,850	545,070,501	
12/31/2017	528,534,480	555,508,246	560,312,708		
12/31/2018	568,842,189	600,176,177			
12/31/2019	577,870,351				

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	1.005	1.001	1.001
12/31/2009	1.020	1.004	1.002	0.999
12/31/2010	1.031	1.005	1.001	0.998
12/31/2011	1.030	1.007	1.004	1.001
12/31/2012	1.034	1.010	1.002	1.002
12/31/2013	1.040	1.012	1.003	1.000
12/31/2014	1.046	1.009	1.003	1.001
12/31/2015	1.044	1.008	1.001	1.002
12/31/2016	1.045	1.010	1.003	
12/31/2017	1.051	1.009		
12/31/2018	1.055			
Average Factor: ( Best 3 of 5 )	1.047	1.009	1.003	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.002
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.003
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.006
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.015
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.063

## VERISK

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

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	428,763,175	428,829,267	428,899,898	428,818,170	428,932,829
12/31/2009	369,870,540	369,912,823	370,154,393	370,218,043	370,140,876
12/31/2010	398,137,342	398,165,693	398,103,449	398,154,645	398,212,894
12/31/2011	438,061,177	438,301,930	438,727,627	438,969,640	
12/31/2012	438,533,967	438,840,161	438,699,520		
12/31/2013	460,288,235	460,466,532			
12/31/2014	484,453,839				

## 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	1.001	1.000	1.001	1.000	1.000
12/31/2010	1.003	1.000	1.000	1.000	1.000
12/31/2011	1.004	1.001	1.001	1.001	
12/31/2012	1.002	1.001	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.001				
Average Factor: ( Best 3 of 5 )	1.002	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

## VERISK

COMMERCIAL AUTOMOBILE LIABILITY  
CLASS 6625 - HIRED AUTOS - NON-TRUCKERS EXCESS LIABILITY  
(NO HOLD HARLEMSS AGREEMENT)  
DETERMINATION OF MULTISTATE\* ADVISORY LOSS COST LEVEL CHANGE  
SINGLE LIMIT LIABILITY COVERAGE

	(1) AGGREGATE	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C) #	EXPERIENCE RATIO (2) / (1)	YEARLY INDICATED CHANGE (3) / (3:Step 1)	NUMBER OF INCURRED CLAIMS
12/31/15	\$7,511,353	\$12,306,486	1.638	2.285	1,289
12/31/16	\$8,333,480	\$13,449,405	1.614	2.043	1,283
12/31/17	\$8,553,464	\$14,932,052	1.746	2.174	1,347
12/31/18	\$9,231,348	\$14,819,905	1.605	1.908	1,557
12/31/19	\$10,248,018	\$15,938,394	1.555	1.840	1,319
COMBINED	\$43,877,663	\$71,446,242	1.628		6,795
(6)	MULTISTATE EXPERIENCE RATIO FOR TRUCKS, TRACTORS & TRAILERS				0.800
(7)	INDICATED CHANGE IN RELATIVITY EXPRESSED AS A MULTIPLICATIVE FACTOR [(3) / (6)]				2.034
(8)	CURRENT RELATIVITY				0.0015
(9)	INDICATED RELATIVITY [(7) * (8)]				0.0031
(10)	SELECTED RELATIVITY@				0.0025
(11)	FILED CHANGE [{(10)/(8)}-1]				66.7%
(A)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.				
(B)	LOSSES INCLUDE ALLOCATED LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.				

\* EXCLUDES MASSACHUSETTS

# INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES ARE NOT TRENDED. TREND FACTORS  
FOR HIRED AUTOS LIABILITY COVERAGE ARE ASSUMED TO BE THE SAME AS THOSE FOR  
TRUCKS, TRACTORS & TRAILERS. THEREFORE THEY FAIL TO IMPACT THE RESULT OF  
THE ANALYSIS.

@ THIS RELATIVITY WAS SELECTED TO TEMPER THE INDICATION AND IN VIEW OF THE APPARENT  
DOWNWARD TREND IN THE INDICATED RELATIVITY OVER TIME.

VERISK

COMMERCIAL AUTOMOBILE LIABILITY  
 CLASS 6625 - HIRED AUTOS - NON-TRUCKERS EXCESS LIABILITY  
 (NO HOLD HARLEMSS AGREEMENT)  
 DETERMINATION OF MULTISTATE ADVISORY LOSS COST LEVEL CHANGE  
 SINGLE LIMIT LIABILITY COVERAGE

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	12/31/15	\$8,600,860	\$3,748,630	
ALLOCATED LOSS	12/31/16	\$9,487,806	\$3,650,688	
ADJUSTMENT EXPENSES	12/31/17	\$9,739,664	\$4,052,847	
	12/31/18	\$7,775,381	\$4,856,746	
	12/31/19	\$6,113,149	\$4,249,244	
(2) DEVELOPED LOSSES AND	12/31/15	\$8,557,856	\$3,748,630	\$12,306,486
ALLOCATED LOSS	12/31/16	\$9,791,416	\$3,657,989	\$13,449,405
ADJUSTMENT EXPENSES	12/31/17	\$10,879,205	\$4,052,847	\$14,932,052
	12/31/18	\$9,929,162	\$4,890,743	\$14,819,905
	12/31/19	\$11,370,457	\$4,567,937	\$15,938,394

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

1 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	B.I.	P.D.
12/31/15	0.995	1.000
12/31/16	1.032	1.002
12/31/17	1.117	1.000
12/31/18	1.277	1.007
12/31/19	1.860	1.075

## VERISK

Basic Limits Loss Development  
Class 6625 - Hired Autos - Non-Truckers Excess Liability  
(No Hold Harmless Agreement)  
Bodily Injury  
Incurred Losses and Expenses

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months
12/31/2008	2,727,127	3,284,885	4,312,074	4,322,507	4,356,438
12/31/2009	2,108,073	2,830,494	3,016,414	3,477,674	3,527,607
12/31/2010	3,189,234	4,814,247	5,186,491	5,275,930	5,586,785
12/31/2011	3,624,563	5,166,337	6,781,273	7,084,483	7,287,458
12/31/2012	5,319,631	7,847,293	9,521,782	9,627,949	9,722,803
12/31/2013	6,446,996	8,963,692	10,053,872	10,779,721	13,401,530
12/31/2014	6,742,182	9,226,224	10,264,164	11,193,977	11,998,124
12/31/2015	5,451,589	8,580,017	10,560,793	11,626,805	11,563,998
12/31/2016	7,182,122	10,742,228	12,436,048	13,516,850	
12/31/2017	7,823,830	11,765,996	13,517,560		
12/31/2018	8,030,788	10,653,095			
12/31/2019	8,770,398				

## Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
12/31/2008	1.205	1.313	1.002	1.008
12/31/2009	1.343	1.066	1.153	1.014
12/31/2010	1.510	1.077	1.017	1.059
12/31/2011	1.425	1.313	1.045	1.029
12/31/2012	1.475	1.213	1.011	1.010
12/31/2013	1.390	1.122	1.072	1.243
12/31/2014	1.368	1.112	1.091	1.072
12/31/2015	1.574	1.231	1.101	0.995
12/31/2016	1.496	1.158	1.087	
12/31/2017	1.504	1.149		
12/31/2018	1.327			
Average Factor: ( Best 3 of 5 )	1.456	1.143	1.083	1.037

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	0.995
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.032
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.117
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.277
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.860

## VERISK

Basic Limits Loss Development  
Class 6625 - Hired Autos - Non-Truckers Excess Liability  
(No Hold Harmless Agreement)  
Bodily Injury  
Incurred Losses and Expenses

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	4,330,982	4,271,928	4,271,928	4,271,928	4,271,928
12/31/2009	3,508,471	3,409,171	3,323,705	3,282,058	3,282,058
12/31/2010	5,597,330	5,609,017	5,620,002	5,640,749	5,626,253
12/31/2011	7,447,076	7,330,351	7,347,214	7,357,686	
12/31/2012	9,640,896	9,632,586	9,619,812		
12/31/2013	13,097,650	13,207,338			
12/31/2014	12,083,009				

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	0.994	0.986	1.000	1.000	1.000
12/31/2009	0.995	0.972	0.975	0.987	1.000
12/31/2010	1.002	1.002	1.002	1.004	0.997
12/31/2011	1.022	0.984	1.002	1.001	
12/31/2012	0.992	0.999	0.999		
12/31/2013	0.977	1.008			
12/31/2014	1.007				
Average Factor: ( Best 3 of 5 )	1.000	0.995	1.000	1.001	0.999

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	0.999
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)	=	0.995

## VERISK

Basic Limits Loss Development  
Class 6625 - Hired Autos - Non-Truckers Excess Liability  
(No Hold Harmless Agreement)  
Property Damage  
Incurred Losses and Expenses

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months
12/31/2008	1,980,622	2,061,594	2,144,981	2,138,447	2,119,916
12/31/2009	1,504,156	1,657,357	1,675,432	1,709,092	1,702,469
12/31/2010	2,545,541	2,476,203	2,508,783	2,575,801	2,475,840
12/31/2011	3,746,362	4,056,985	3,987,156	3,834,780	3,840,198
12/31/2012	5,098,322	5,274,711	5,346,947	5,463,836	5,435,734
12/31/2013	4,937,659	5,263,304	5,225,484	5,255,072	5,272,288
12/31/2014	5,032,042	5,447,866	5,422,221	5,415,705	5,419,431
12/31/2015	4,901,178	5,190,479	5,205,551	5,153,211	5,215,217
12/31/2016	5,610,328	5,733,961	5,857,952	5,779,936	
12/31/2017	4,773,428	5,122,749	5,236,590		
12/31/2018	5,633,009	6,040,575			
12/31/2019	5,546,190				

## Ratios

Accident Year Ending	27:15	39:27	51:39	63:51
12/31/2008	1.041	1.040	0.997	0.991
12/31/2009	1.102	1.011	1.020	0.996
12/31/2010	0.973	1.013	1.027	0.961
12/31/2011	1.083	0.983	0.962	1.001
12/31/2012	1.035	1.014	1.022	0.995
12/31/2013	1.066	0.993	1.006	1.003
12/31/2014	1.083	0.995	0.999	1.001
12/31/2015	1.059	1.003	0.990	1.012
12/31/2016	1.022	1.022	0.987	
12/31/2017	1.073	1.022		
12/31/2018	1.072			
Average Factor: ( Best 3 of 5 )	1.068	1.007	0.998	1.002

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.002
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) =	1.007
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.075



## VERISK

Basic Limits Loss Development  
Class 6625 - Hired Autos - Non-Truckers Excess Liability  
(No Hold Harmless Agreement)  
Property Damage  
Incurred Losses and Expenses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	2,117,516	2,105,313	2,105,313	2,105,313	2,105,313
12/31/2009	1,697,469	1,697,469	1,698,478	1,672,586	1,672,586
12/31/2010	2,439,039	2,439,039	2,439,039	2,439,039	2,439,039
12/31/2011	3,840,078	3,834,669	3,834,669	3,834,669	
12/31/2012	5,432,384	5,435,643	5,435,607		
12/31/2013	5,293,612	5,393,038			
12/31/2014	5,420,193				

## Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	0.999	0.994	1.000	1.000	1.000
12/31/2009	0.997	1.000	1.001	0.985	1.000
12/31/2010	0.985	1.000	1.000	1.000	1.000
12/31/2011	1.000	0.999	1.000	1.000	
12/31/2012	0.999	1.001	1.000		
12/31/2013	1.004	1.019			
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

## VERISK

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE  
CLASS 6614 - HIRED AUTOS  
DETERMINATION OF MULTISTATE\* ADVISORY LOSS COST LEVEL CHANGE

	(1)	(2)	(3)	(4)	(5)
		AGGREGATE LOSS COST AT		EXPERIENCE	NUMBER OF
COVERAGE	ACCIDENT YEAR	CURRENT	INCURRED	RATIO (2) /	PAID
	ENDING	LEVEL (A)	LOSSES (B)	(1)	CLAIMS
O.T.C	03/31/17	\$1,870,852	\$2,358,018	1.260	445
	03/31/18	\$1,424,334	\$2,460,064	1.727	430
	03/31/19	\$1,233,541	\$2,271,727	1.842	521
	03/31/20	\$1,377,505	\$1,726,074	1.253	439
	03/31/21	\$1,394,846	\$1,172,207	0.840	182
5 YEAR TOTAL		\$7,301,078	\$9,988,090	1.368	2,017
COLL.	03/31/17	\$4,104,187	\$12,707,342	3.096	1,629
	03/31/18	\$3,549,939	\$11,007,592	3.101	1,441
	03/31/19	\$3,356,121	\$10,003,508	2.981	1,423
	03/31/20	\$3,524,435	\$8,509,084	2.414	1,253
	03/31/21	\$2,768,330	\$3,411,356	1.232	401
5 YEAR TOTAL		\$17,303,012	\$45,638,882	2.638	6,147
				O.T.C.	COLLISION
(6)	MULTISTATE EXPERIENCE RATIO.			1.368	2.638
(7)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ( (6) - 1.000 ).			36.8%	163.8%
(8)	FILED CHANGE.			36.8%	163.8%

\* EXCLUDES MASSACHUSETTS

(A) THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY DIVIDING THE ANNUAL COST OF HIRE BY ONE HUNDRED AND MULTIPLYING THE RESULT BY THE LOSS COST FOR THE COVERAGE AND DEDUCTIBLE.

(B) LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL.  
SEE FOLLOWING PAGE.

VERISK

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE  
CLASS 6614 - HIRED AUTOS  
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	03/31/17	\$1,434,187	\$8,545,164
	03/31/18	\$1,578,715	\$7,700,579
	03/31/19	\$1,538,162	\$7,274,167
	03/31/20	\$1,234,083	\$6,514,207
	03/31/21	\$836,747	\$2,667,461
(2) DEVELOPED LOSSES AND	03/31/17	\$1,620,631	\$9,656,035
ALL LOSS ADJUSTMENT	03/31/18	\$1,783,948	\$8,701,654
EXPENSES (A)	03/31/19	\$1,738,123	\$8,219,809
	03/31/20	\$1,393,119	\$7,272,721
	03/31/21	\$998,473	\$3,032,316
(3) SELECTED ANNUAL LOSS TREND		5.5%	4.0%
(4) TRENDED LOSSES AND	03/31/17	\$2,358,018	\$12,707,342
ALL LOSS ADJUSTMENT	03/31/18	\$2,460,064	\$11,007,592
EXPENSES (B)	03/31/19	\$2,271,727	\$10,003,508
	03/31/20	\$1,726,074	\$8,509,084
	03/31/21	\$1,172,207	\$3,411,356

## (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.
03/31/17	1.000	1.000
03/31/18	1.000	1.000
03/31/19	1.000	1.000
03/31/20	0.999	0.988
03/31/21	1.056	1.006

(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 10/01/22 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
03/31/17	10/1/16	7.000	7.000
03/31/18	10/1/17	6.000	6.000
03/31/19	10/1/18	5.000	5.000
03/31/20	10/1/19	4.000	4.000
03/31/21	10/1/20	3.000	3.000

## VERISK

Physical Damage Loss Development  
 Class 6614 - Hired Autos Other than Collision  
 Multistate  
 Paid Losses

Accident Year Ending	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
03/31/2010	1,285,108	1,371,867	1,334,046	1,333,044	1,332,928
03/31/2011	2,119,490	2,072,364	2,104,344	1,981,844	1,981,844
03/31/2012	1,973,654	2,127,182	2,163,929	2,161,130	2,163,377
03/31/2013	2,431,661	2,394,546	2,443,704	2,502,330	2,526,387
03/31/2014	1,357,094	1,291,442	1,291,599	1,292,818	1,292,900
03/31/2015	1,367,205	1,348,485	1,348,248	1,348,248	1,347,493
03/31/2016	1,309,499	1,414,147	1,414,251	1,414,251	1,414,251
03/31/2017	1,393,080	1,446,320	1,442,339	1,434,237	1,434,237
03/31/2018	1,492,485	1,590,431	1,578,687	1,578,715	
03/31/2019	1,468,800	1,537,494	1,538,162		
03/31/2020	1,165,313	1,234,083			
03/31/2021	836,747				

## Ratios

Accident Year Ending	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
03/31/2010	1.068	0.972	0.999	1.000
03/31/2011	0.978	1.015	0.942	1.000
03/31/2012	1.078	1.017	0.999	1.001
03/31/2013	0.985	1.021	1.024	1.010
03/31/2014	0.952	1.000	1.001	1.000
03/31/2015	0.986	1.000	1.000	0.999
03/31/2016	1.080	1.000	1.000	1.000
03/31/2017	1.038	0.997	0.994	1.000
03/31/2018	1.066	0.993	1.000	
03/31/2019	1.047	1.000		
03/31/2020	1.059			
Average Factor: ( Best 3 of 5 )	1.057	0.999	1.000	1.000

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.999
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.056

## VERISK

Physical Damage Loss Development  
 Class 6614 - Hired Autos 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>
03/31/2010	1,331,375	1,330,773	1,330,773	1,330,773	1,330,773
03/31/2011	2,030,463	2,037,742	2,037,742	2,037,742	2,037,742
03/31/2012	2,165,790	2,165,790	2,165,790	2,165,790	2,165,790
03/31/2013	2,526,387	2,526,387	2,526,387	2,524,748	
03/31/2014	1,292,900	1,292,900	1,292,900		
03/31/2015	1,349,904	1,349,904			
03/31/2016	1,414,251				

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>
03/31/2010	0.999	1.000	1.000	1.000	1.000
03/31/2011	1.025	1.004	1.000	1.000	1.000
03/31/2012	1.001	1.000	1.000	1.000	1.000
03/31/2013	1.000	1.000	1.000	0.999	
03/31/2014	1.000	1.000	1.000		
03/31/2015	1.002	1.000			
03/31/2016	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

## VERISK

Physical Damage Loss Development  
Class 6614 - Hired Autos Collision  
Multistate  
Paid Losses

Accident Year Ending	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
03/31/2010	5,541,442	5,476,586	5,436,736	5,442,327	5,421,531
03/31/2011	7,395,246	7,124,216	7,052,187	7,022,712	7,021,049
03/31/2012	7,847,913	8,066,066	8,016,194	8,002,310	7,411,632
03/31/2013	7,237,599	7,208,141	7,633,465	7,613,941	7,581,420
03/31/2014	8,304,911	8,502,984	8,476,725	8,494,370	8,499,196
03/31/2015	8,018,911	8,373,250	8,167,327	8,255,027	8,279,449
03/31/2016	7,463,495	7,696,050	7,480,718	7,449,159	7,435,649
03/31/2017	8,748,475	8,684,832	8,603,979	8,529,132	8,545,164
03/31/2018	7,046,439	7,709,671	7,686,166	7,700,579	
03/31/2019	7,057,480	7,259,632	7,274,167		
03/31/2020	6,694,733	6,514,207			
03/31/2021	2,667,461				

## Ratios

Accident Year Ending	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
03/31/2010	0.988	0.993	1.001	0.996
03/31/2011	0.963	0.990	0.996	1.000
03/31/2012	1.028	0.994	0.998	0.926
03/31/2013	0.996	1.059	0.997	0.996
03/31/2014	1.024	0.997	1.002	1.001
03/31/2015	1.044	0.975	1.011	1.003
03/31/2016	1.031	0.972	0.996	0.998
03/31/2017	0.993	0.991	0.991	1.002
03/31/2018	1.094	0.997	1.002	
03/31/2019	1.029	1.002		
03/31/2020	0.973			
Average Factor: ( Best 3 of 5 )	1.018	0.988	1.000	1.000

## Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.988
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.006

## VERISK

Physical Damage Loss Development  
 Class 6614 - Hired Autos 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>
03/31/2010	5,421,422	5,421,286	5,421,286	5,419,786	5,419,786
03/31/2011	7,025,718	7,026,860	7,026,711	7,026,711	7,026,711
03/31/2012	7,400,763	7,399,965	7,399,965	7,399,965	7,399,965
03/31/2013	7,590,229	7,556,370	7,553,406	7,554,231	
03/31/2014	8,485,967	8,481,989	8,480,107		
03/31/2015	8,277,625	8,275,058			
03/31/2016	7,434,356				

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>
03/31/2010	1.000	1.000	1.000	1.000	1.000
03/31/2011	1.001	1.000	1.000	1.000	1.000
03/31/2012	0.999	1.000	1.000	1.000	1.000
03/31/2013	1.001	0.996	1.000	1.000	
03/31/2014	0.998	1.000	1.000		
03/31/2015	1.000	1.000			
03/31/2016	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

VERISK

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

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2016	1.19		0.76		0.57	
12/31/2016	1.16		0.73		0.55	
6/30/2017	1.16		0.72		0.55	
12/31/2017	1.21	4.3%	0.76	4.1%	0.57	3.6%
6/30/2018	1.28		0.79		0.59	
12/31/2018	1.34	10.7%	0.82	7.9%	0.61	7.0%
6/30/2019	1.40		0.85		0.63	
12/31/2019	1.42	6.0%	0.85	3.7%	0.63	3.3%
6/30/2020	1.35		0.82		0.60	
12/31/2020	1.34	-5.6%	0.81	-4.7%	0.58	-7.9%

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

Deductible:	Percent of Losses
Full	0.6%
\$50	0.7%
\$100	2.3%
\$200	0.1%
\$250	9.2%
\$500	34.1%
\$1,000	45.7%
\$2,000	4.5%
\$3,000	1.1%
\$5,000	1.7%

\* Multistate data excludes Massachusetts

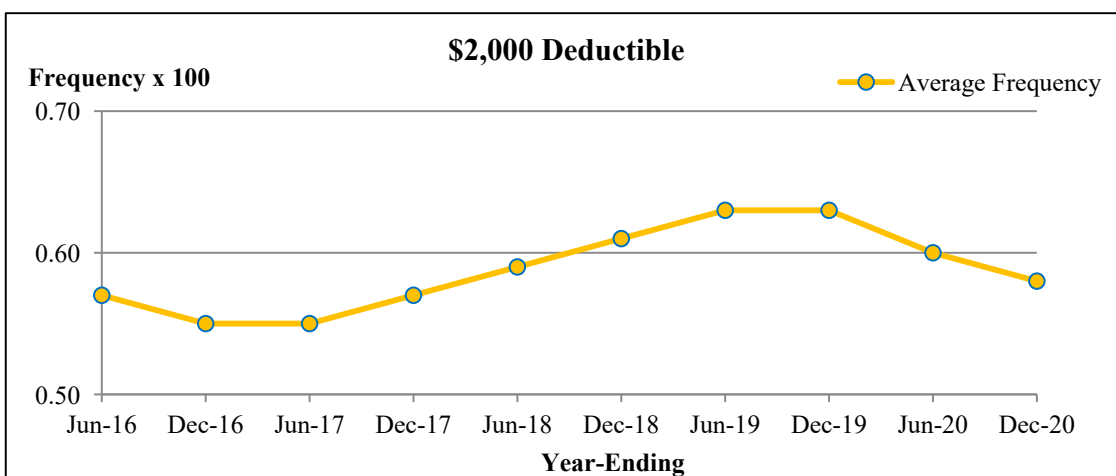
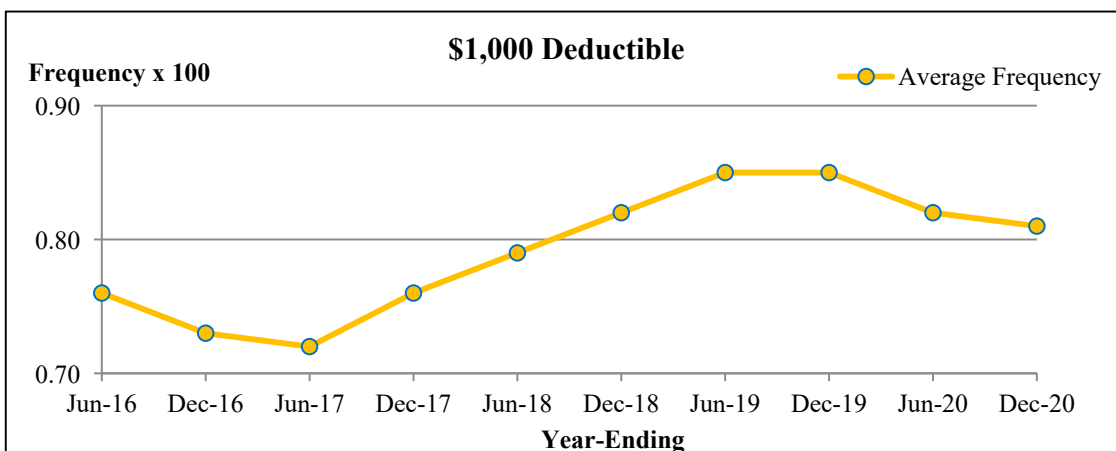
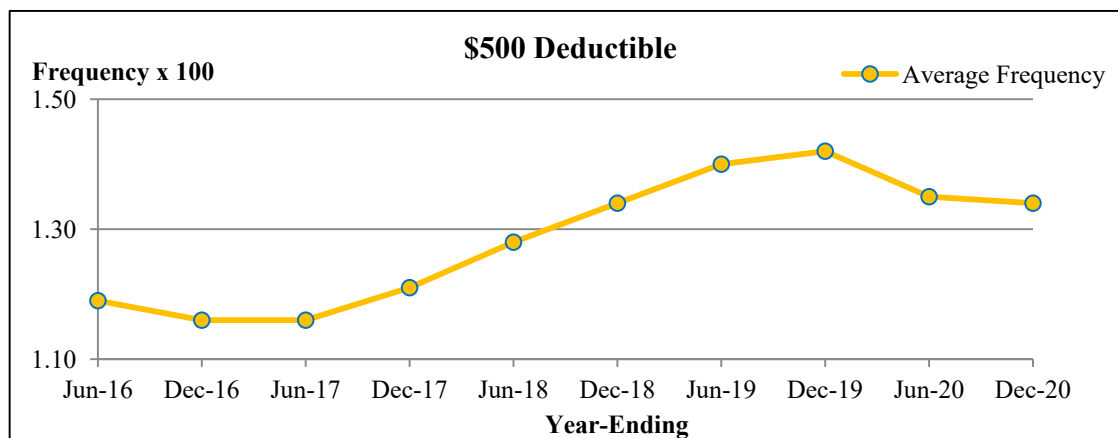
\*\* Change based on years ending 12/31/xxxx

\*\*\* Deductibles above \$2,000, totaling 2.8% of losses, are excluded from the trend calculations.



VERISK

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



\*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

VERISK

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

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2016	4,398.57	6,753.17	8,059.51
12/31/2016	4,414.93	7,057.00	8,435.77
6/30/2017	4,710.32	7,324.30	8,675.68
12/31/2017	5,047.29	7,593.51	8,909.32
6/30/2018	5,106.87	7,930.04	9,410.02
12/31/2018	5,164.55	8,152.85	9,832.47
6/30/2019	5,233.21	8,317.70	10,214.84
12/31/2019	5,414.01	8,816.26	10,875.04
6/30/2020	5,438.32	8,621.98	10,559.97
12/31/2020	5,488.41	8,514.32	10,452.52

Average Annual Change Using Exponential Fits:

10 point fit:	5.3%	5.9%	6.9%
8 point fit:	4.0%	4.9%	6.5%
6 point fit:	3.2%	3.4%	4.7%

Selected severity trend:	5.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	5.5%

\* Multistate data excludes Massachusetts

VERISK

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2016	2.18		1.92		1.57	
12/31/2016	2.23		1.96		1.60	
6/30/2017	2.24		1.96		1.61	
12/31/2017	2.21	-0.9%	1.94	-1.0%	1.60	0.0%
6/30/2018	2.24		1.99		1.65	
12/31/2018	2.25	1.8%	2.01	3.6%	1.66	3.7%
6/30/2019	2.25		2.01		1.66	
12/31/2019	2.24	-0.4%	2.01	0.0%	1.66	0.0%
6/30/2020	2.00		1.76		1.47	
12/31/2020	1.86	-17.0%	1.62	-19.4%	1.37	-17.5%

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

Deductible:	Percent of Losses
\$100	0.1%
\$200	0.0%
\$250	1.2%
\$500	32.5%
\$1,000	53.8%
\$2,000	7.0%
\$3,000	1.6%
\$5,000	3.6%

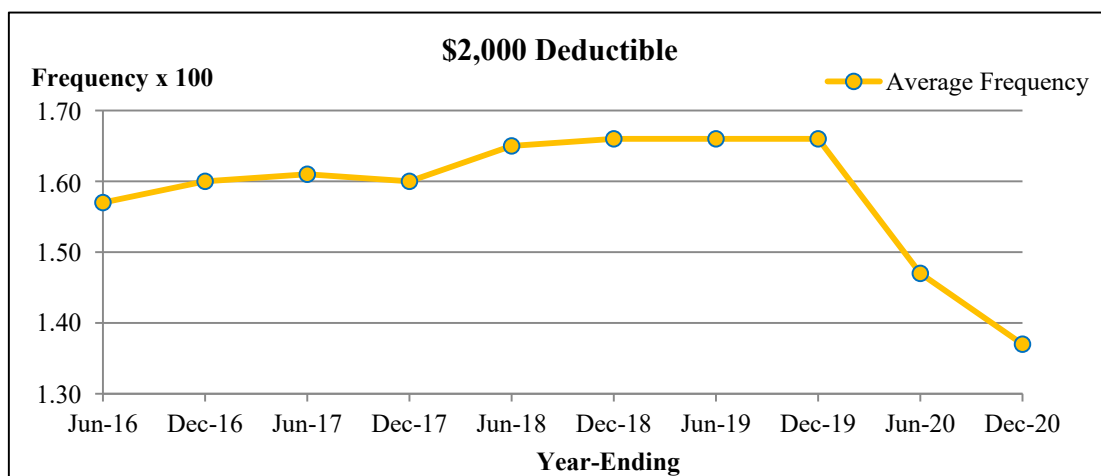
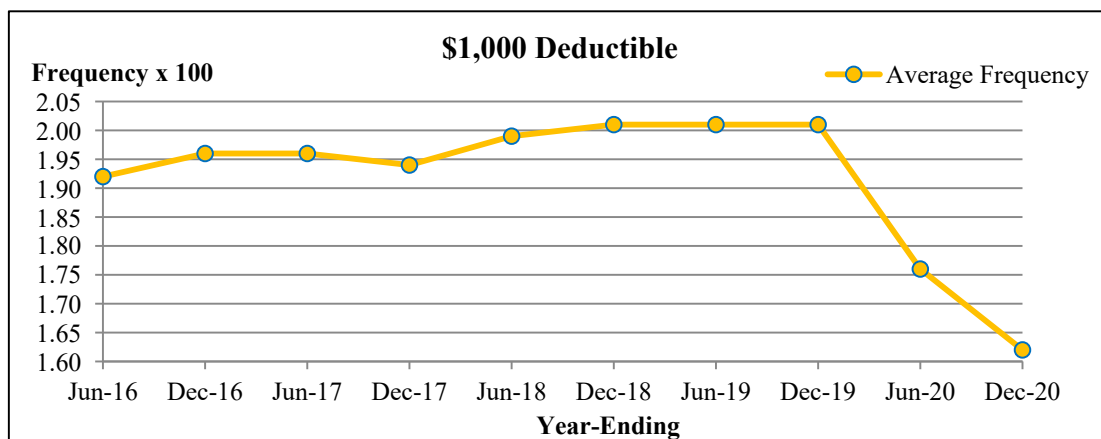
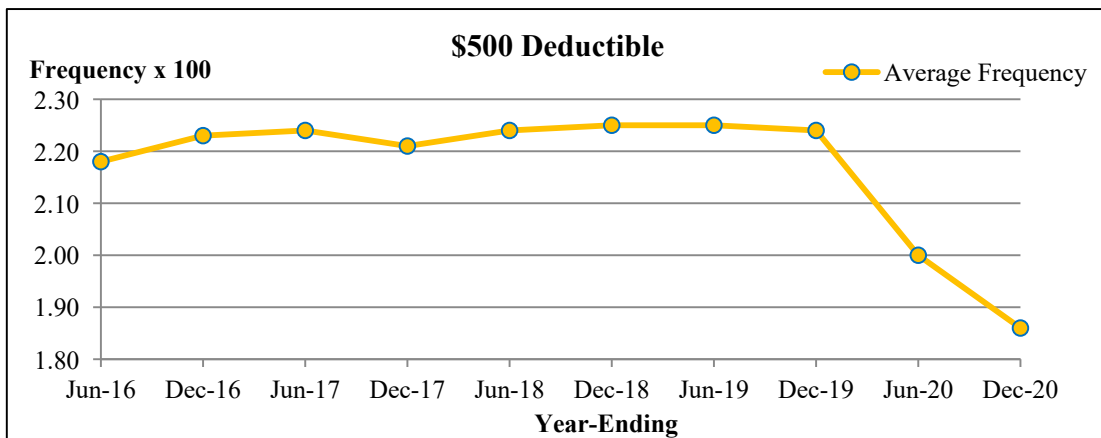
\* Multistate data excludes Massachusetts

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

\*\*\* Deductibles above \$2,000, totaling 5.2% of losses, are excluded from trend calculations.

VERISK

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



\*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

VERISK

Multistate\*  
Trucks, Tractors & Trailers Physical Damage  
Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2016	9,281.28	10,964.08	11,928.82
12/31/2016	9,493.73	11,239.00	12,206.31
6/30/2017	9,513.79	11,238.62	12,181.06
12/31/2017	9,709.62	11,295.33	12,263.07
6/30/2018	9,906.99	11,561.60	12,598.31
12/31/2018	10,098.28	11,783.35	12,807.24
6/30/2019	10,347.84	12,072.56	13,161.79
12/31/2019	10,423.55	12,122.46	13,246.24
6/30/2020	10,771.39	12,506.12	13,649.25
12/31/2020	11,364.54	13,563.81	14,639.24

Average Annual Change Using Exponential Fits:

10 point fit:	4.2%	4.0%	4.0%
8 point fit:	4.7%	4.9%	4.9%
6 point fit:	5.2%	5.8%	5.6%

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

\* Multistate data excludes Massachusetts

## VERISK

Hired Autos OTC

All Perils (excluding specified causes of loss coverage codes)

## Triangle of Shifted Losses

Original Deductible Amount	Shifted to Deductible Amount								
	0	50	100	250	500	1000	2000	3000	5000
0	670,430	664,830	659,367	645,204	626,628	598,514	551,449	511,985	450,264
50	-	80,586	74,136	57,262	38,824	28,152	17,989	13,394	7,910
100	-	-	5,988,943	5,734,102	5,405,626	4,940,276	4,228,035	3,671,705	2,927,337

## Triangle of Relative Loss Ratios

Original Deductible Amount	Deductible Amounts								
	50:0	100:50	250:100	500:250	1000:500	2000:1000	3000:2000	5000:3000	
	0	0.992	0.992	0.979	0.971	0.955	0.921	0.928	0.879
	50	-	0.920	0.772	0.678	0.725	0.639	0.745	0.591
	100	-	-	0.957	0.943	0.914	0.856	0.868	0.797

Weighted Aves:

0.992 0.984 0.957 0.943 0.917 0.862 0.875 0.807

Cumulative:

1.000 0.992 0.976 0.934 0.881 0.808 0.696 0.609 0.491

Hired Autos Collision

All Perils

## Triangle of Shifted Losses

	Shifted to Deductible Amount						
Original Deductible Amount	100	250	500	1000	2000	3000	5000
100	782,997	755,379	711,913	640,710	544,485	477,852	390,789
250	-	631,012	596,037	539,003	467,334	420,596	359,068
500	-	-	6,143,504	5,376,364	4,345,678	3,668,339	2,763,772
1000	-	-	-	25,869,421	22,305,578	19,665,125	15,900,026

## Triangle of Relative Loss Ratios

	Deductible Amounts					
Original Deductible Amount	250:100	500:250	1000:500	2000:1000	3000:2000	5000:3000
100	0.965	0.942	0.900	0.850	0.878	0.818
250	-	0.945	0.904	0.867	0.900	0.854
500	-	-	0.875	0.808	0.844	0.753
1000	-	-	-	0.862	0.882	0.809

Weighted Aves:

0.965 0.943 0.880 0.853 0.876 0.801

Cumulative:

1.000 0.965 0.910 0.801 0.683 0.598 0.479

## VERISK

## Indicated Percentage Discounts

Hired Autos Deductible Amount	OTC	Collision
0	-0.025	---
50	-0.016	---
100	0.000	-0.099
250	0.043	-0.060
500	0.097	0.000
1000	0.172	0.120
2000	0.287	0.249
3000	0.376	0.343
5000	0.497	0.474

VERISK

## CALCULATION OF OFF-BALANCE FACTORS

## HIRED AUTOS PHYSICAL DAMAGE

## OTHER THAN COLLISION

The base loss cost for Other Than Collision is the \$100 deductible.

The off-balance factor to be applied to the current Hired Autos OTC base loss cost is 1.003.

$$1.003 \frac{\$ 1,394,846}{\$ 1,390,110}$$

where \$ 1,394,846 = Aggregate Loss Cost at Current  
Level under the current class plan.  
\$ 1,390,110 = Aggregate Loss Cost at Current  
Level under the revised class plan.

## COLLISION

The base loss cost for Collision is the \$500 deductible.

The off-balance factor to be applied to the current Hired Autos Collision base loss cost is 1.056.

$$1.056 \frac{\$ 2,768,330}{\$ 2,621,629}$$

where \$ 2,768,330 = Aggregate Loss Cost at Current  
Level under the current class plan.  
\$ 2,621,629 = Aggregate Loss Cost at Current  
Level under the revised class plan.



VERISK

## DETERMINATION OF REVISED BASE LOSS COSTS

## HIRED AUTOS PHYSICAL DAMAGE

## OTHER THAN COLLISION

Current Multi-State Base Loss Cost	X	Experience Review Loss Cost Level Change	X	Off-Balance Factor	=	Revised Multi-State Base Loss Cost
\$0.31	X	1.368	X	1.003	=	\$0.43

## COLLISION

Current Multi-State Base Loss Cost	X	Experience Review Loss Cost Level Change	X	Off-Balance Factor	=	Revised Multi-State Base Loss Cost
\$0.46	X	2.638	X	1.056	=	\$1.28

\* The base loss cost for Other Than Collision is the \$100 deductible.  
The base loss cost for Collision is the \$500 deductible.

VERISK

## HIRED AUTOS REVISED LOSS COSTS

## Hired Autos

Deductible Amount	OTC			Collision		
	Current	Indicated	Selected	Current	Indicated	Selected
0	0.34	0.44	0.45	---	---	---
50	0.32	0.44	0.44	---	---	---
100	0.31	0.43	0.43	0.51	1.41	1.41
250	---	0.41	0.41	0.49	1.36	1.36
500	---	0.39	0.39	0.46	1.28	1.28
1000	---	0.36	0.36	0.43	1.13	1.13
2000	---	0.31	0.31	---	0.96	0.96
3000	---	0.27	0.27	---	0.84	0.84
5000	---	0.22	0.22	---	0.67	0.67

## Specified Perils

Current	Indicated	Selected
0.16	0.22	0.22

\* The base loss cost for Other Than Collision is the \$100 deductible.  
The base loss cost for Collision is the \$500 deductible.

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DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES**

**ALABAMA (01)  
TERRITORY 101**

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 732	\$ 9	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 466	\$ 15	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
– TAXICABS AND LIMOUSINES		
\$ 2943	\$ 122	N/A
– SCHOOL AND CHURCH BUSES		
\$ 278	\$ 12	N/A
– OTHER BUSES		
\$ 2313	\$ 74	N/A
– VAN POOLS		
\$ 695	\$ 22	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 734	Refer to Rule 249.	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule 222. for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule 232. for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule 239. for premium development.</li> <li>• For liability increased limits factors, refer to Rule 300.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 249.</li> </ul>		

COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 358	\$ 10	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 452	\$ 14	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1439	\$ 60	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 136	\$ 10	N/A
<b>– OTHER BUSES</b>		
\$ 1131	\$ 47	N/A
<b>– VAN POOLS</b>		
\$ 340	\$ 11	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 359	Refer to Rule 249.	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule 222. for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule 232. for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule 239. for premium development.</li> <li>• For liability increased limits factors, refer to Rule 300.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 249.</li> </ul>		

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DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES**

**ALABAMA (01)  
TERRITORY 113**

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 515	\$ 8	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 368	\$ 12	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
– TAXICABS AND LIMOUSINES		
\$ 2070	\$ 86	N/A
– SCHOOL AND CHURCH BUSES		
\$ 196	\$ 11	N/A
– OTHER BUSES		
\$ 1627	\$ 72	N/A
– VAN POOLS		
\$ 489	\$ 16	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 517	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

COMMERCIAL LINES MANUAL  
DIVISION ONE  
AUTOMOBILE  
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 549	\$ 9	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 480	\$ 15	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 2207	\$ 92	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 209	\$ 11	N/A
<b>– OTHER BUSES</b>		
\$ 1735	\$ 71	N/A
<b>– VAN POOLS</b>		
\$ 522	\$ 17	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 550	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

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DIVISION ONE  
AUTOMOBILE  
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**ALABAMA (01)  
TERRITORY 116**

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 501	\$ 7	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 477	\$ 15	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 2014	\$ 84	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 190	\$ 11	N/A
<b>– OTHER BUSES</b>		
\$ 1583	\$ 67	N/A
<b>– VAN POOLS</b>		
\$ 476	\$ 15	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 502	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

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DIVISION ONE  
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LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 478	\$ 9	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 479	\$ 15	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1922	\$ 80	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 182	\$ 11	N/A
<b>– OTHER BUSES</b>		
\$ 1510	\$ 70	N/A
<b>– VAN POOLS</b>		
\$ 454	\$ 15	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 479	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		



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**ALABAMA (01)  
TERRITORY 122**

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 492	\$ 10	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 453	\$ 14	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1978	\$ 82	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 187	\$ 12	N/A
<b>– OTHER BUSES</b>		
\$ 1555	\$ 72	N/A
<b>– VAN POOLS</b>		
\$ 467	\$ 15	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 493	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

COMMERCIAL LINES MANUAL  
DIVISION ONE  
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LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 484	\$ 9	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 401	\$ 13	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1946	\$ 81	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 184	\$ 10	N/A
<b>– OTHER BUSES</b>		
\$ 1529	\$ 65	N/A
<b>– VAN POOLS</b>		
\$ 460	\$ 15	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 485	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

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**ALABAMA (01)  
TERRITORY 124**

LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 374	\$ 7	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 361	\$ 11	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1503	\$ 63	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 142	\$ 10	N/A
<b>– OTHER BUSES</b>		
\$ 1182	\$ 60	N/A
<b>– VAN POOLS</b>		
\$ 355	\$ 11	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 375	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

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LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 437	\$ 9	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 394	\$ 13	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1757	\$ 73	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 166	\$ 11	N/A
<b>– OTHER BUSES</b>		
\$ 1381	\$ 67	N/A
<b>– VAN POOLS</b>		
\$ 415	\$ 13	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 438	Refer to Rule 249.	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule 222. for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule 232. for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule 239. for premium development.</li> <li>• For liability increased limits factors, refer to Rule 300.</li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 249.</li> </ul>		

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LIABILITY	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person \$5000	Basic Limits
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>		
\$ 445	\$ 7	N/A
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>		
\$ 400	\$ 13	N/A
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS –</b>		
<b>– TAXICABS AND LIMOUSINES</b>		
\$ 1789	\$ 74	N/A
<b>– SCHOOL AND CHURCH BUSES</b>		
\$ 169	\$ 10	N/A
<b>– OTHER BUSES</b>		
\$ 1406	\$ 63	N/A
<b>– VAN POOLS</b>		
\$ 423	\$ 14	N/A
<b>RULE 249. AUTO DEALERS – PREMIUM DEVELOPMENT</b>		
\$ 445	Refer to Rule <b>249.</b>	N/A
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222.</b> for premium development.</li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232.</b> for premium development.</li> <li>• For Other Than Zone-rated Public Autos, refer to Rule <b>239.</b> for premium development.</li> <li>• For liability increased limits factors, refer to Rule <b>300.</b></li> <li>• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule <b>249.</b></li> </ul>		

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PHYSICAL DAMAGE Original Cost New Range \$25,000 – 29,999			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 117	\$ 162	\$ 502
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 89	\$ 123	\$ 453
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 178	\$ 246	\$ 1130
– SCHOOL AND CHURCH BUSES			
	\$ 80	\$ 110	\$ 316
– OTHER BUSES			
	\$ 80	\$ 110	\$ 316
– VAN POOLS			
	\$ 178	\$ 246	\$ 1130
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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**ALABAMA (01)  
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<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 96	\$ 133	\$ 437
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 103	\$ 143	\$ 389
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 146	\$ 202	\$ 983
– SCHOOL AND CHURCH BUSES			
	\$ 65	\$ 90	\$ 275
– OTHER BUSES			
	\$ 65	\$ 90	\$ 275
– VAN POOLS			
	\$ 146	\$ 202	\$ 983
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 124	\$ 172	\$ 443
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 91	\$ 126	\$ 400
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 188	\$ 261	\$ 997
– SCHOOL AND CHURCH BUSES			
	\$ 84	\$ 117	\$ 279
– OTHER BUSES			
	\$ 84	\$ 117	\$ 279
– VAN POOLS			
	\$ 188	\$ 261	\$ 997
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			



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**ALABAMA (01)  
TERRITORY 115**

<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	<b>Specified Causes Of Loss</b>	<b>Comp.</b>	<b>\$500 Ded. Coll.</b>
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b> – Local And Intermediate – All Vehicles – Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 86	\$ 120	\$ 399
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 75	\$ 104	\$ 391
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b> – TAXICABS AND LIMOUSINES			
	\$ 131	\$ 182	\$ 898
– SCHOOL AND CHURCH BUSES	\$ 58	\$ 82	\$ 251
– OTHER BUSES	\$ 58	\$ 82	\$ 251
– VAN POOLS	\$ 131	\$ 182	\$ 898
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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PHYSICAL DAMAGE Original Cost New Range \$25,000 – 29,999			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 115	\$ 160	\$ 369
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 127	\$ 176	\$ 544
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 175	\$ 243	\$ 830
– SCHOOL AND CHURCH BUSES			
	\$ 78	\$ 109	\$ 232
– OTHER BUSES			
	\$ 78	\$ 109	\$ 232
– VAN POOLS			
	\$ 175	\$ 243	\$ 830
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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**ALABAMA (01)  
TERRITORY 121**

<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 102	\$ 141	\$ 401
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 91	\$ 126	\$ 403
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 155	\$ 214	\$ 902
– SCHOOL AND CHURCH BUSES			
	\$ 69	\$ 96	\$ 253
– OTHER BUSES			
	\$ 69	\$ 96	\$ 253
– VAN POOLS			
	\$ 155	\$ 214	\$ 902
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	<b>Specified Causes Of Loss</b>	<b>Comp.</b>	<b>\$500 Ded. Coll.</b>
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 122	\$ 169	\$ 444
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 89	\$ 123	\$ 446
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 185	\$ 257	\$ 999
– SCHOOL AND CHURCH BUSES			
	\$ 83	\$ 115	\$ 280
– OTHER BUSES			
	\$ 83	\$ 115	\$ 280
– VAN POOLS			
	\$ 185	\$ 257	\$ 999
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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**ALABAMA (01)  
TERRITORY 123**

<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 84	\$ 116	\$ 383
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 76	\$ 105	\$ 448
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 128	\$ 176	\$ 862
– SCHOOL AND CHURCH BUSES			
	\$ 57	\$ 79	\$ 241
– OTHER BUSES			
	\$ 57	\$ 79	\$ 241
– VAN POOLS			
	\$ 128	\$ 176	\$ 862
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 94	\$ 131	\$ 361
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 84	\$ 117	\$ 359
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 143	\$ 199	\$ 812
– SCHOOL AND CHURCH BUSES			
	\$ 64	\$ 89	\$ 227
– OTHER BUSES			
	\$ 64	\$ 89	\$ 227
– VAN POOLS			
	\$ 143	\$ 199	\$ 812
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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**ALABAMA (01)  
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<b>PHYSICAL DAMAGE</b> <b>Original Cost New Range</b> <b>\$25,000 – 29,999</b>			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 95	\$ 132	\$ 371
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 74	\$ 103	\$ 496
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 144	\$ 201	\$ 835
– SCHOOL AND CHURCH BUSES			
	\$ 65	\$ 90	\$ 234
– OTHER BUSES			
	\$ 65	\$ 90	\$ 234
– VAN POOLS			
	\$ 144	\$ 201	\$ 835
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			

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PHYSICAL DAMAGE Original Cost New Range \$25,000 – 29,999			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
<b>RULE 223. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS</b>			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 125	\$ 173	\$ 428
<b>RULE 232. PRIVATE PASSENGER TYPES CLASSIFICATIONS</b>			
	\$ 139	\$ 193	\$ 505
<b>RULE 240. PUBLIC AUTO CLASSIFICATIONS</b>			
– TAXICABS AND LIMOUSINES			
	\$ 190	\$ 263	\$ 963
– SCHOOL AND CHURCH BUSES			
	\$ 85	\$ 118	\$ 270
– OTHER BUSES			
	\$ 85	\$ 118	\$ 270
– VAN POOLS			
	\$ 190	\$ 263	\$ 963
<ul style="list-style-type: none"> <li>• For Other Than Zone-rated Trucks, Tractors and Trailers Classifications, refer to Rule <b>222. for premium development.</b></li> <li>• For Private Passenger Types Classifications, refer to Rule <b>232. for premium development.</b></li> <li>• For Other Than Zone-rated Publics Autos, refer to Rule <b>239. for premium development.</b></li> <li>• For Deductible factors, refer to Rule <b>298.</b></li> <li>• For Vehicle Value factors, refer to Rule <b>301.</b></li> </ul>			



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**290. HIRED AUTOS**


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<b>Cost Of Hire Basis – All Territories Liability Base Loss Cost</b>
\$ 1.19

**Table 290.B.3.a.(1)(LC) Cost Of Hire Basis Liability Loss Cost**

<b>Coverage</b>	<b>All Perils Deductible</b>	<b>Loss Cost Per Each \$100 Annual Cost Of Hire</b>
<b>Comprehensive</b>	No Deductible	\$ 0.45
	\$ 50 Deductible	0.44
	100 Deductible	0.43
	250 Deductible	0.41
	500 Deductible	0.39
	1,000 Deductible	0.36
	2,000 Deductible	0.31
	3,000 Deductible	0.27
	5,000 Deductible	0.22
<b>Collision</b>	\$ 100 Deductible	1.41
	250 Deductible	1.36
	500 Deductible	1.28
	1,000 Deductible	1.13
	2,000 Deductible	0.96
	3,000 Deductible	0.84
	5,000 Deductible	0.67
<b>Specified Causes Of Loss</b>	No Deductible	0.22

**Table 290.C.3.a.(1)(LC) Hired Autos Physical Damage Loss Costs**

## Supplementary Information – Alabama

### 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 Alabama

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

### Trends in Liability Claim Costs

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

#### Multistate Paid Claim Cost Trends

<u>Data Through</u>	<u>\$100,000 Bodily Injury</u>	<u>\$100,000 Property Damage</u>
09/30/2018	+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%
03/31/2020	+6.0%	+6.2%
06/30/2020	+5.9%	+6.8%
09/30/2020	+5.7%	+7.3%
12/31/2020	+5.6%	+7.8%
03/31/2021	+5.3%	+8.0%
06/30/2021	+5.7%	+8.0%
09/30/2021	+6.3%	+8.2%
12/31/2021	+7.1%	+8.2%
03/31/2022	+7.8%	+8.5%
06/30/2022	+8.1%	+9.5%

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 – Alabama

### Trends in Medical Care Costs

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

<u>Period</u>	<u>CPI – Medical Care Annual Rate of Change<sup>1</sup></u>	<u>CPI – Hospital &amp; Other Related Services Annual Rate of Change</u>
October 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	+4.2%	+4.5%
October 2020 - September 2021	+0.4%	+3.3%
October 2021 - September 2022	+6.0%	+3.9%

### Claim Frequencies

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

### Claim Counts

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

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

## Supplementary Information – Alabama

### Alabama Trends

#### Liability Loss Trend

	Current Trends <u>Data through</u> <u>6/30/2022</u>	Previous Trends <u>Data through</u> <u>6/30/2021</u>
Alabama Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	+6.1%	1.5%
Property Damage (\$100,000 Limit)	+7.0%	4.7%
Credibility-Weighted Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	+8.1%	5.7%
Property Damage (\$100,000 Limit)	+9.3%	7.7%
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)	+8.1%	5.7%
Property Damage (\$100,000 Limit)	+9.3%	7.7%
Private Passenger Types*		
Bodily Injury (\$100,000 Limit)	+8.1%	5.7%
Property Damage (\$100,000 Limit)	+9.3%	7.7%

\*The Private Passenger Types trend is also used for the Auto Dealers coverage.

#### Liability Premium Trend

	Current Trends <u>Data through 6/30/2022</u>
Trucks, Tractors & Trailers	+0.2%
Private Passenger Types	0.0%

Alabama bodily injury severity trend receives 0% weight when combined with multistate trend in the filing, property damage trend receives 10% weight.

Liability premium trends are being introduced to correspond with the new class plan.

If the prior trends were used to calculate the indicated changes in this document, the Truck, Tractors & Trailers Liability indication would have been -2.6% instead of 2.6%. For the Private Passenger Types coverage, the indication would have been 13.3% instead of 19.4%. For the Auto Dealers coverage, the indication would have been 18.2% instead of 27.4%.

## Supplementary Information – Alabama

### Physical Damage Loss Trend

		Current Trends <u>Data through 6/30/2022</u>	Previous Trends <u>Data through 6/30/2021</u>
Trucks, Tractors & Trailers	<u>Coverage</u>		
	OTC	+8.0%	+5.0%
	Collision	+10.0%	+6.0%
Private Passenger Types	OTC	+7.5%	+6.5%
	Collision	+10.0%	+6.0%

### Physical Damage Premium Trend

		Current VVF Trends <u>Data through 6/30/2022</u>	Previous OCN Trends <u>Data through 6/30/2021</u>
Trucks, Tractors & Trailers	<u>Coverage</u>		
	OTC	+2.0%	+0.9%
	Collision	+2.0%	+1.6%
Private Passenger Types	OTC	+1.8%	+1.0%
	Collision	+1.0%	+0.5%

Physical Damage premium trends are now based on trends in Vehicle Value Factor (VVF), rather than the previous Original Cost New (OCN) trends, to correspond with the new class plan.

The loss trend has increased by 3.0 points for Trucks, Tractors & Trailers OTC and has increased by 1.0 points for Private Passenger Types OTC. The premium trend has increased by 1.1 points for Trucks, Tractors & Trailers OTC and has increased by 0.8 points for Private Passenger Types OTC. If the prior loss and premium trends were used, the Trucks, Tractors and Trailers and Private Passenger Types OTC indications in this document would have 9.7%, instead of 16.1%, and 15.5%, instead of 16.0%, respectively.

The loss trend has increased by 4.0 points for both Trucks, Tractors & Trailers Collision and Private Passenger Types Collision. The premium trend has increased by 0.4 points for Trucks, Tractors, & Trailers Collision and has increased by 0.5 points for Private Passenger Types Collision. If the prior loss and premium trends were used, the Trucks, Tractors & Trailers and Private Passenger Types Collision indications in this document would have been 22.1%, instead of 36.2%, and 6.8%, instead of 20.1%, respectively.

## Supplementary Information – Alabama

### Loss Development

#### Methodology

For the Trucks, Tractors & Trailers and Private Passenger Types Liability coverages, we continue to employ a credibility-weighted combination of Alabama 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. Auto Dealers Liability losses are developed using multistate data. 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	1.078	1.075
27 to Ultimate	1.160	1.176
15 to Ultimate	1.349	1.398
Trucks, Tractors and Trailers PD		
39 to Ultimate	1.008	1.006
27 to Ultimate	1.018	1.016
15 to Ultimate	1.032	1.036
Private Passenger Types BI		
39 to Ultimate	1.080	1.081
27 to Ultimate	1.147	1.147
15 to Ultimate	1.405	1.389
Private Passenger Types PD		
39 to Ultimate	1.004	1.004
27 to Ultimate	1.011	1.011
15 to Ultimate	1.068	1.044
Auto Dealers BI		
39 to Ultimate	1.100	-
27 to Ultimate	1.292	-
15 to Ultimate	1.820	-
Auto Dealers PD		
39 to Ultimate	1.032	-
27 to Ultimate	1.065	-
15 to Ultimate	1.142	-

## Supplementary Information – Alabama

### **Other Factors**

Unallocated Loss Adjustment Expense factors:

	<u>Data through 12/31/2021</u>	<u>Data through 12/31/2020</u>
Bodily Injury	1.065	1.070
Property Damage	1.105	1.100
Physical Damage	1.125	1.130

### **Indicated vs. Filed Changes**

An overall change of 9.1% is indicated when each of the coverage indications is weighted by its respective loss cost volume. Staff will file the indications, which reflect a 5/1/2024 proposed effective date, with the following exceptions:

<u>Coverage</u>	<u>Indicated Change</u>	<u>Filed Change</u>
Trucks, Tractors & Trailers Liability	2.6%	0.0%
Auto Dealers Liability	27.4%	0.0%

The overall filed change is 7.0%.

### **Notes**

- The Auto Dealers and Garagekeepers Physical Damage coverages are not being reviewed this year.
- Trucks, Tractors and Trailers Other Than Collision (16.1%) - the high indication is due to poor experience, especially in the year ending 06/30/22.
- Trucks, Tractors and Trailers Collision (36.2%) - the high indication is due to very poor experience in all years of the review.
- Private Passenger Types Liability (19.4%) - The high indication is due to the poor experience in all years of the review.
- Private Passenger Types Other Than Collision (16.0%) - The high indication is due to the poor experience in all years of the review.
- Private Passenger Types Collision (20.1%) - The high indication is due to the poor experience in all years of the review.
- Auto Dealers Liability (27.4%) – The high indication is due to a higher expected experience ratio, caused by a longer period of time since this coverage was last reviewed.