

# Memorandum

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To: E. Allen, S. Leeret, B. Harris, R. D'Alfonso, J. Parker, J. Fellrath, C. Grimm

CC: J. Johnson, K. Hanna, J. Heaney, C. Steinbach, B. McCoy, A. Markham, J. Stracher

Date: 6/17/2015

Re: Division 66 - 2015 ARL Self Storage US Profitability Study

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## I. Executive Summary

### A. Introduction -

The ARL Self Storage Program provides Property, Inland Marine, Crime/General Liability coverage for Self-Storage facilities nationwide.

Last year's analysis resulted in an overall PY 2015 Ultimate Loss Ratio indication of 82.3% which yielded a RAP neutral rate need of 34.9% based on 2014 RAP values.

The year to date rate change for 2015 is 10.4% in total, varying by LOB.

The targeted rate change for 2015 is 13.3% in total, varying by LOB.

For purposes of this analysis we have used a 2015 forecasted rate change of 14.0% in total, varying by LOB.

### B. Summary of Results

IL and LAE evaluated as of: 1<sup>st</sup> Quarter 2015

Currency Employed: USD

#### Exhibit 1:

Line of Business	Sub-Segment	Policy Year	2015	Projected	RAP			
			Forecasted	Ultimate	Target	Breakeven	Projected	
			GWP (000)	IL and LAE Ratio*	Combined Ratio*	Combined Ratio	RAP Rate Need	RAP \$ **
GL	N/A	2015	3,356	78.8%	111.8%	98.6%	19.2%	(292)
Property	N/A	2015	6,861	69.7%	102.3%	95.1%	10.9%	(335)
TOTAL			10,218	72.7%	105.4%	96.3%	13.7%	(627)

\* Includes PY 2015 rate change achieved

\*\* Assumes a tax rate of 35%

- II. Discussion of Material Findings- Despite receiving large rate increases for the fourth consecutive policy year, the program remains unprofitable for both GL and Property. The program underwent several major underwriting changes for both GL and Property in an effort to improve the results. Property implemented a cosmetic loss endorsement and deductible changes for wind/hail claims. The impact of these changes resulted in an explicit PY 2015 selected loss ratio reduction of 10.0% and 0.5% respectively. Three accounts, CubeSmart (formerly U-Stor-It), Sovran and Tuck it Away were non-renewed due to claim frequency issues and resulting claims handling expenses. These two accounts impacted the GL results through a selected PY 2015 loss ratio reduction of 34.0%. These three accounts did not fit the portfolio in terms of premium size and they were not viewed as representative of the go-forward book of business. All three loss ratio adjustments will be phased out over time as we gain more experience under the current book.

### III. Assumptions/Limitations/Data Quality/Other

- A. Assumptions - For purposes of this analysis, the loss ratio indications are based on a 3.5% trend assumption for GL and 0.0% for Property. Division 66 factors in addition to program experience to the extent credible were the basis for the selected development patterns and ILF selections. For the rate changes used in this analysis, we calculate a forecasted rate change by LOB using YTD rate changes and the original targeted rate changes. These two rate change estimates are weighted together to arrive at a forecasted annual rate change.
- B. Limitations/Weakness - The projected PY 2015 loss ratio shown in Exhibit 1 of this report assumes that the YTD rate change achieved in 2015 will be consistent throughout the remainder of the year. To the extent that the annual rate change does not equal the YTD rate change, then the results of this report will vary. Besides that, there are no significant limitations/weaknesses with regards to this study outside of standard actuarial caveats that normally apply to projecting future losses. These include, but are not limited to, actual emerged actuarial parameters (LDF's, ILFs, ELR's, trend, etc.) not being in line with selected parameters; miss-coding/inaccurate representation of the data relied upon in this analysis; and future regulatory/judicial changes affecting the frequency/severity of the results.

Data Quality - The data for all lines of business in this analysis is pulled from Sandbox which aggregates the data from CRS. No adjustments were made to the data.

- C. Other - N/A.

### IV. Methodology

A review of several claim diagnostics shows no clear evidence of case reserve strengthening for this book of business (no consistent increase in average outstanding or decrease in paid to incurred ratios). In addition, a review of implied claim disposal rate does not show any clear evidence of claims closure rate changes.

Several methodologies have been used to project loss & legal expenses to ultimate. This includes the following: paid and incurred loss development and Bornhuetter-Ferguson methods (on a paid and incurred basis) all for losses uncapped and at varying capped levels. Frequency and severity is employed along with ultimate ILAE ratio selections to select a final PY 2015 ultimate loss ratio. The selected frequency and severities are somewhat consistent in comparison to the prior profit study.

The commissions and underwriting expenses are program specific. The RAP neutral ratio is calculated based program specific RAP profit loads. Rate need is based on a ratio of the ultimate ILAE ratio and the target ILAE ratio.

- V. Actuarial Next Steps - We will continue to monitor these results through quarterly actual versus expected analyses.

- VI. Underwriting Action Plans - Below is the response provided by Colleen Grimm.

We have continued to work with All Risk to geographically diversify the portfolio. All Risks is non-renewing accounts in Texas which have been unprofitable as well as other high wind and hail exposed territories. In addition, we have been increasing the wind/hail deductibles beyond what is required. We continue to get at least the minimum AAL pricing and charging excess of that on many accounts. Where appropriate, the wind exposure is being picked up by monoline wind markets. The AAL on the portfolio continues to decrease. The cosmetic loss endorsement continues to be used, however, on a few occasions the insured has hired metallurgical engineering firms to dispute the findings and ultimately, the claims have been at least partially paid.

Eight of the twelve large (>100k) general liability claims are still coming from one of the 3 GL only accounts (Cubesmart aka U Stor It/Sovran/Tuck It Away) all of which have been non renewed.

## Appendix - Methodology:

Please note that the analysis has seven sections:

Section I - General Liability

Section III - Property

Exhibit 1 - Summarizes PY 2015 ultimate ILAE ratios and PY 2015 rate need.

Exhibit 2 - PY reported incurred and paid loss and LAE ratios in triangle format.

Exhibit 3 - Indexing PY 2005 - 2015 ultimate ILAE (incurred + LAE) ratios to PY 2015 and selection of PY 2015 ultimate ILAE ratios.

Exhibit 4 - Frequency/Severity method used to calculate an indicated PY 2015 ultimate ILAE ratio

Exhibit 5 - Summarizes various methods (Exhibit 6a - Exhibit 8f) used to calculate ultimate + LAE & ratios for PY's 2005 - 2015.

- a) Policy Limits
- b) Capped at \$250,000
- c) Capped at \$100,000

Exhibit 6 - Bornhuetter-Ferguson methods

- a) Methodology
- b) A Priori Loss Ratios

Exhibit 7 - ILF selections

Exhibit 8 - Loss development methods. In general, the selected age to age loss development factors are determined by giving weight to the overall Division 66 loss development factors as well as historical results of the program.

- a) Uncapped Incurred
- b) Incurred Capped at \$250,000
- c) Incurred Capped at \$100,000
- d) Uncapped Paid
- e) Paid Capped at \$250,000
- f) Paid Capped at \$100,000

Exhibit 9 - Gross Written Premium developed to an ultimate PY basis. In general, the selected age to age premium development factors are determined by giving weight to the overall Division 66 premium development factors as well as the historical results of the program.

Exhibit 10 - Total claim counts (excluding closed w/no-pay) developed to ultimate. In general, the selected age to age loss development factors are determined by giving weight to the overall Division 66 claim development factors as well as the historical results of the program.

Exhibit 11 - Open claim count, closed with payment claim count, closed without payment claim count and total claim count development.

Exhibits 12 - Key diagnostic triangles.

- a) Case Reserves per Open Claim  
Paid & Legal per Closed With Payment  
Paid per Closed With Payment
- b) Paid & Legal to Incurred & Legal  
Paid to Incurred  
Closed W/Pay to Total Claim Count (Ex CWNP)
- c) Legal to Indemnity
- d) Total Claim Count to Total Policy Count  
Average Account Size - Total - GWP to Total Policy Count  
Average Account Size - New- GWP to New Policy Count  
Average Account Size - Renewal - GWP to Renewal Policy Count

Exhibit 13 - Large loss listing (Incurred + LAE > \$100,000 and >\$250,000 for Excess).

Please let me know if you have any questions or comments regarding this study.

Program Summary by LOB - PY 2015

(1) LOB	(2) PY 2015 Forecasted GWP		Direct	(3) Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	RAP Neutral		(6) PY 2015 Rate Forecast	(7) After 2015 Rate Change PY 2015 Ultimate ILAE Ratio
					(4) Target Ratio	(5) Before 2015 Rate Change PY 2015 Rate Need		
GL	3,356		3.3%	88.2%	65.6%	32.8%	12.0%	78.8%
Property	6,861		2.9%	80.2%	62.6%	26.9%	15.0%	69.7%
All Lines Combined	10,218		3.0%	82.8%	63.6%	28.9%	14.0%	72.7%

- (1) = Input
- (2) = Exhibit 2
- (3) = (7) \* [1 + (6)]
- (4) = Exhibit 1
- (5) = [(3) + (Direct Expense)] / [(4) + (Direct Expense)] - 1
- (6) = Exhibit 1
- (7) = Exhibit 1

Program Summary by LOB - PY 2016

(1) LOB	(2) PY 2015 Forecasted GWP	Direct	(3) After 2015 Rate Change PY 2016 Ultimate ILAE Ratio	RAP Neutral	
				(4) Target Ratio	(5) After 2015 Rate Change PY 2016 Rate Need
GL	3,356	3.3%	81.6%	65.6%	23.2%
Property	6,861	2.9%	69.7%	62.6%	10.9%
All Lines Combined	10,218	3.0%	73.6%	63.6%	15.1%

- (1) = Input
- (2) = Exhibit 2
- (3) = Exhibit 1
- (4) = Exhibit 1
- (5) = [(3) + (Direct Expense)] / [(4) + (Direct Expense)] - 1

Program Summary by LOB

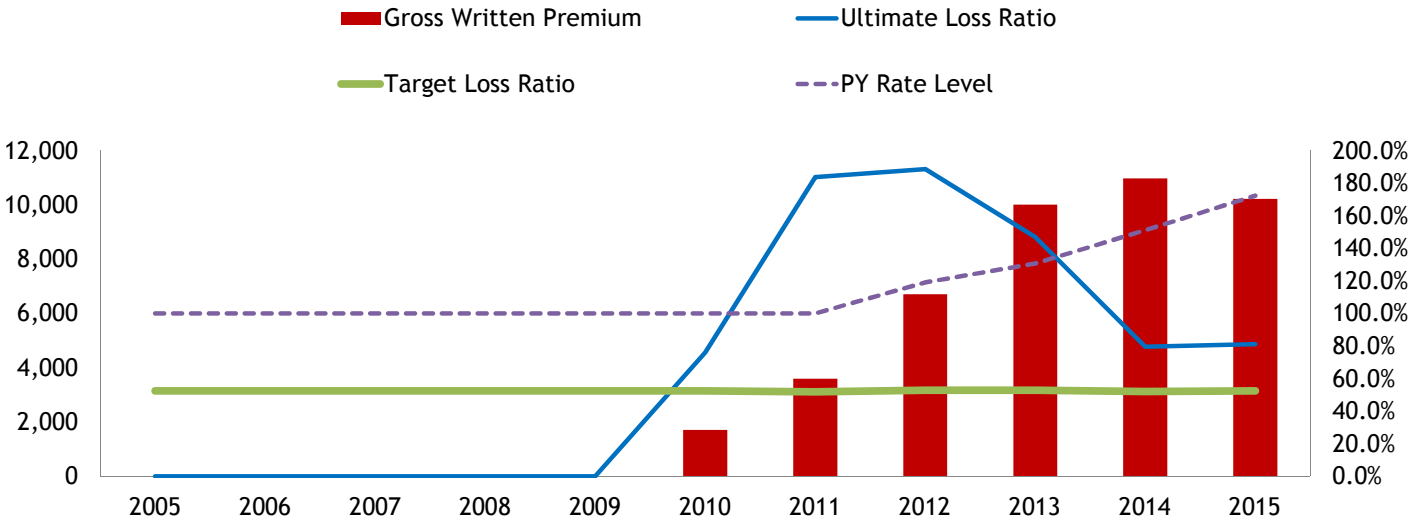
PY	GL					Property - ex Cat Load & Reinsurance Charges					All Lines Combined				
	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2006	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2007	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2008	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2009	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2010	564	575	101.8%	720	127.6%	1,147	581	50.7%	581	50.6%	1,711	1,156	67.5%	1,301	76.0%
2011	1,035	1,174	113.4%	1,620	156.5%	2,567	5,000	194.7%	5,000	194.8%	3,602	6,174	171.4%	6,620	183.8%
2012	2,356	2,921	124.0%	3,770	160.0%	4,353	8,884	204.1%	8,890	204.2%	6,709	11,805	176.0%	12,660	188.7%
2013	3,618	1,892	52.3%	5,000	138.2%	6,391	9,561	149.6%	9,720	152.1%	10,009	11,453	114.4%	14,720	147.1%
2014	3,318	220	6.6%	3,800	114.5%	7,661	2,718	35.5%	4,930	64.4%	10,979	2,939	26.8%	8,730	79.5%
2015	3,356	10	0.3%	2,551	76.0%	6,861	121	1.8%	3,739	54.5%	10,218	131	1.3%	6,290	61.6%

Program Summary by LOB - Prior Profitability Study Indications

PY	GL			Property - ex Cat Load & Reinsurance Charges				All Lines Combined				
	GWP	2013 Ultimate ILAE Ratio	2014 Ultimate ILAE Ratio	2015 Ultimate ILAE Ratio	GWP	2013 Ultimate ILAE Ratio	2014 Ultimate ILAE Ratio	2015 Ultimate ILAE Ratio	GWP	2013 Ultimate ILAE Ratio	2014 Ultimate ILAE Ratio	2015 Ultimate ILAE Ratio
2005	0	-	-	-	0	-	-	-	0	-	-	-
2006	0	-	-	-	0	-	-	-	0	-	-	-
2007	0	-	-	-	0	-	-	-	0	-	-	-
2008	0	-	-	-	0	-	-	-	0	-	-	-
2009	0	-	-	-	0	-	-	-	0	-	-	-
2010	564	101.0%	140.0%	127.6%	1,147	11.0%	50.6%	50.6%	1,711	40.7%	80.1%	76.0%
2011	1,035	114.7%	147.1%	156.5%	2,567	181.4%	186.2%	194.8%	3,602	162.2%	175.0%	183.8%
2012	2,356	83.7%	156.4%	160.0%	4,353	151.3%	196.3%	204.2%	6,709	127.6%	182.3%	188.7%
2013	3,618	82.0%	137.3%	138.2%	6,391	59.5%	143.7%	152.1%	10,009	67.6%	141.4%	147.1%
2014	3,318		83.0%	114.5%	7,661		61.5%	64.4%	10,979		68.0%	79.5%
2015	3,356			76.0%	6,861			54.5%	10,218			61.6%

Total Program Summary

PY	GWP	-----Loss Ratio-----			-----Combined Ratio-----		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	52.4%	119.9%	96.3%	0	0.0%	1.00	-
2006	0	0.0%	0.0%	52.4%	119.9%	96.3%	0	0.0%	1.00	-
2007	0	0.0%	0.0%	52.4%	119.9%	96.3%	0	0.0%	1.00	-
2008	0	0.0%	0.0%	52.4%	119.9%	96.3%	0	0.0%	1.00	-
2009	0	0.0%	0.0%	52.4%	119.9%	96.3%	0	0.0%	1.00	-
2010	1,711	67.5%	76.0%	52.4%	119.9%	96.3%	-272	0.0%	1.00	25.0%
2011	3,602	171.4%	183.8%	51.8%	228.1%	96.1%	-3,214	0.0%	1.00	25.0%
2012	6,709	176.0%	188.7%	52.8%	232.3%	96.4%	-6,151	19.1%	1.19	25.0%
2013	10,009	114.4%	147.1%	52.9%	190.5%	96.4%	-6,353	9.8%	1.31	25.0%
2014	10,979	26.8%	79.5%	52.0%	123.7%	96.2%	-2,040	15.6%	1.51	25.0%
2015	10,218	1.3%	81.1%	52.4%	125.0%	96.3%	-1,980	14.0%	1.72	25.0%
Total	43,228	77.9%	121.0%				-20,010			



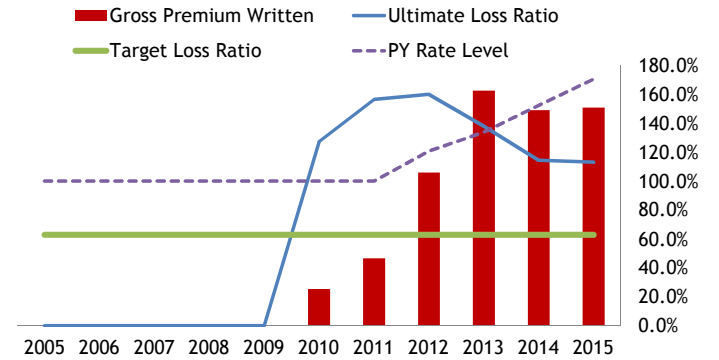
\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

\* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance



Program Summary by LOB - Casualty Lines

PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	62.8%	35.8%	98.6%	0	0.0%	1.00	25.0%
2006	0	0.0%	0.0%	62.8%	35.8%	98.6%	0	0.0%	1.00	25.0%
2007	0	0.0%	0.0%	62.8%	35.8%	98.6%	0	0.0%	1.00	25.0%
2008	0	0.0%	0.0%	62.8%	35.8%	98.6%	0	0.0%	1.00	25.0%
2009	0	0.0%	0.0%	62.8%	35.8%	98.6%	0	0.0%	1.00	25.0%
2010	564	101.8%	127.6%	62.8%	163.5%	98.6%	-241	0.0%	1.00	25.0%
2011	1,035	113.4%	156.5%	62.8%	192.3%	98.6%	-639	0.0%	1.00	25.0%
2012	2,356	124.0%	160.0%	62.8%	195.9%	98.6%	-1,509	21.0%	1.21	25.0%
2013	3,618	52.3%	138.2%	62.8%	174.0%	98.6%	-1,798	10.8%	1.34	25.0%
2014	3,318	6.6%	114.5%	62.8%	150.4%	98.6%	-1,131	13.8%	1.53	25.0%
2015	3,356	0.3%	113.2%	62.8%	149.1%	98.6%	-1,115	12.0%	1.71	25.0%
Total	14,248	47.7%	131.3%				-6,433			

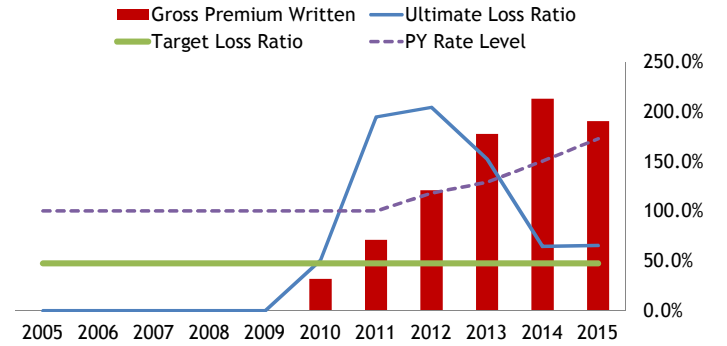


\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

\* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

Program Summary by LOB - Property Lines

PY	GWP	-----Loss Ratio-----			-----Combined Ratio-----		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	47.4%	47.8%	95.1%	0	0.0%	1.00	25.0%
2006	0	0.0%	0.0%	47.4%	47.8%	95.1%	0	0.0%	1.00	25.0%
2007	0	0.0%	0.0%	47.4%	47.8%	95.1%	0	0.0%	1.00	25.0%
2008	0	0.0%	0.0%	47.4%	47.8%	95.1%	0	0.0%	1.00	25.0%
2009	0	0.0%	0.0%	47.4%	47.8%	95.1%	0	0.0%	1.00	25.0%
2010	1,147	50.7%	50.6%	47.4%	98.4%	95.1%	-26	0.0%	1.00	25.0%
2011	2,567	194.7%	194.8%	47.4%	242.5%	95.1%	-2,586	0.0%	1.00	25.0%
2012	4,353	204.1%	204.2%	47.4%	252.0%	95.1%	-4,666	18.1%	1.18	25.0%
2013	6,391	149.6%	152.1%	47.4%	199.9%	95.1%	-4,573	9.3%	1.29	25.0%
2014	7,661	35.5%	64.4%	47.4%	112.1%	95.1%	-890	16.4%	1.50	25.0%
2015	6,861	1.8%	65.4%	47.4%	113.2%	95.1%	-848	15.0%	1.73	25.0%
Total	28,980	92.7%	116.0%				-13,588			



\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

\* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

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Rate Need Indications

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target Combined Ratio	Target ILAE Ratio	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.6%	65.6%	88.2%	32.8%	12.0%	78.8%	81.6%	23.2%

Expense Ratio calculated as follows:

Commission:	25.0%
Prem Tax:	1.3%
Other Acquisition Fees:	0.3%
Direct Expense:	3.3%
Indirect Expense:	3.2%
	<u>33.0%</u>

(1) = [1 - (Calculated RAP)]

(2) = [(1) - (Total Expense)]

(3) = (6) x [1 + (5)]

(4) = [(3) + (Direct Expense)] / [(2) + (Direct Expense)] - 1

(5) = Input

(6) = Exhibit 3

(7) = (6) x [1 + (Trend)]

(8) = [(7) + (Direct Expense)] / [(2) + (Direct Expense)] - 1



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Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 250k			Capped @ 100k			
					Ultimate ILAE Ratio	3.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.3% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	
2005	0	0.0%	1.000	-	-	1.411	-	-	1.377	-	-	-	1.344	-
2006	0	0.0%	1.000	-	-	1.363	-	-	1.334	-	-	-	1.305	-
2007	0	0.0%	1.000	-	-	1.317	-	-	1.292	-	-	-	1.267	-
2008	0	0.0%	1.000	-	-	1.272	-	-	1.251	-	-	-	1.230	-
2009	0	0.0%	1.000	-	-	1.229	-	-	1.212	-	-	-	1.194	-
2010	564	0.0%	1.000	964	127.6%	1.188	88.7%	118.8%	1.173	81.6%	93.9%	1.159	63.8%	
2011	1,035	0.0%	1.000	1,768	156.5%	1.148	105.1%	135.2%	1.136	90.0%	114.0%	1.126	75.1%	
2012	2,356	21.0%	1.210	3,326	160.0%	1.109	125.7%	121.4%	1.101	94.7%	95.5%	1.093	73.9%	
2013	3,618	10.8%	1.340	4,610	138.2%	1.071	116.2%	107.8%	1.066	90.2%	91.2%	1.061	75.9%	
2014	3,318	13.8%	1.525	3,716	114.5%	1.035	105.9%	87.4%	1.033	80.6%	69.3%	1.030	63.8%	
2015	3,356	12.0%	1.708	3,356	113.2%	1.000	113.2%	86.4%	1.000	86.4%	71.5%	1.000	71.5%	
All Yr Wtd excl 2015:							112.5%			88.1%				71.4%
Last 7 Wtd excl 2015:							112.5%			88.1%				71.4%
Last 5 Wtd excl 2015:							112.5%			88.1%				71.4%
Last 3 Wtd excl 2015:							115.6%			88.4%				71.5%
Selected Ultimate:							113.0%			88.0%				70.0%
ILF:							1.00			1.35				1.69
Policy Limits Ultimate:							113.0%			118.5%				118.4%
Weight:							25%			37%				37%

\* Averages exclude PY 2015

Frequency/Severity Indication:	106.6%
Weighted Average:	117.1%
PY 2015 Selected:	110.0%
Sovran/CubeSmart/Tuck it Away Adjustment:	-34.0%
PY 2015:	76.0%
ULE:	2.8%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio:	78.8%

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Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	Selected Ultimate ILAE	Average Severity	3.5% Trend to PY 2015	Average Severity @ PY 2015
2005	-	0	0	-	0	0	-	1.411	-
2006	-	0	0	-	0	0	-	1.363	-
2007	-	0	0	-	0	0	-	1.317	-
2008	-	0	0	-	0	0	-	1.272	-
2009	-	0	0	-	0	0	-	1.229	-
2010	964	140	147	0.152	575	720	5	1.188	5.8
2011	1,768	91	96	0.055	1,174	1,620	17	1.148	19.3
2012	3,326	122	133	0.040	2,921	3,770	28	1.109	31.4
2013	4,610	108	125	0.027	1,892	5,000	40	1.071	42.8
2014	3,716	37	77	0.021	220	3,800	49	1.035	50.9
2015	3,356	1	96	0.029	10	3,800	40	1.000	39.6
All Yr Wtd:				0.040					36.9
Last 7 Wtd:				0.040					36.9
Last 5 Wtd:				0.040					36.9
Last 3 Wtd:				0.029					42.1
PY 2015 Selected Frequency:				0.026	PY 2015 Selected Severity:				41.0

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio: 106.6%

GL

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	0	0	0	-
2006	0	0	0	0	0	0	0	0	-
2007	0	0	0	0	0	0	0	0	-
2008	0	0	0	0	0	0	0	0	-
2009	0	0	0	0	0	0	0	0	-
2010	564	575	728	874	682	749	575	720	127.6%
2011	1,035	1,174	1,725	2,001	1,587	1,644	1,491	1,620	156.5%
2012	2,356	2,921	5,571	3,719	4,322	3,216	7,345	3,770	160.0%
2013	3,618	1,892	5,114	7,059	4,969	5,265	4,014	5,000	138.2%
2014	3,318	220	1,509	3,455	3,763	4,128	1,087	3,800	114.5%
2015	3,356	10	2,497	0	3,787	3,793	2,503	3,800	113.2%
Total	14,248	6,792	17,145	17,108	19,111	18,793	17,015	18,710	131.3%

GL

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	0	0	0	-
2006	0	0	0	0	0	0	0	0	-
2007	0	0	0	0	0	0	0	0	-
2008	0	0	0	0	0	0	0	0	-
2009	0	0	0	0	0	0	0	0	-
2010	564	575	680	791	644	698	575	670	118.8%
2011	1,035	1,174	1,540	1,695	1,408	1,399	1,419	1,400	135.2%
2012	2,356	2,054	3,378	3,007	3,024	2,691	3,672	2,860	121.4%
2013	3,618	1,806	4,048	5,693	3,910	4,192	3,255	3,900	107.8%
2014	3,318	220	1,123	2,582	2,887	3,289	827	2,900	87.4%
2015	3,356	10	1,549	0	2,944	2,954	1,552	2,900	86.4%
Total	14,248	5,839	12,317	13,768	14,818	15,223	11,300	14,630	102.7%



GL

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	0	0	0	-
2006	0	0	0	0	0	0	0	0	-
2007	0	0	0	0	0	0	0	0	-
2008	0	0	0	0	0	0	0	0	-
2009	0	0	0	0	0	0	0	0	-
2010	564	466	530	605	510	550	466	530	93.9%
2011	1,035	1,018	1,245	1,360	1,179	1,189	1,167	1,180	114.0%
2012	2,356	1,639	2,560	2,303	2,359	2,143	2,807	2,250	95.5%
2013	3,618	1,645	3,457	4,180	3,257	3,346	3,056	3,300	91.2%
2014	3,318	220	1,002	1,994	2,291	2,621	767	2,300	69.3%
2015	3,356	9	1,102	0	2,406	2,417	1,105	2,400	71.5%
Total	14,248	4,998	9,897	10,442	12,003	12,265	9,368	11,960	83.9%

GL

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits						Incurred			Paid		
	GWP	Reported	Reported	Incurred	Paid	Apriori	% Expected Unreported	Born-Ferg	Born-Ferg	% Expected Unpaid	Born-Ferg	Born-Ferg
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio			Ultimate ILAE Ratio	Ultimate ILAE		Ultimate ILAE	
2005	0	-	-	0.0%	0.0%	0.0%	3.2%	0.0%	0	4.3%	0.0%	0
2006	0	-	-	0.0%	0.0%	0.0%	4.5%	0.0%	0	6.2%	0.0%	0
2007	0	-	-	0.0%	0.0%	0.0%	6.6%	0.0%	0	9.4%	0.0%	0
2008	0	-	-	0.0%	0.0%	0.0%	9.6%	0.0%	0	14.0%	0.0%	0
2009	0	-	-	0.0%	0.0%	0.0%	14.2%	0.0%	0	21.9%	0.0%	0
2010	564	101.8%	101.8%	129.1%	155.0%	90.0%	21.1%	120.9%	682	34.3%	132.7%	749
2011	1,035	113.4%	95.6%	166.6%	193.3%	125.0%	31.9%	153.3%	1,587	50.5%	158.8%	1,644
2012	2,356	124.0%	55.3%	236.5%	157.8%	125.0%	47.6%	183.4%	4,322	65.0%	136.5%	3,216
2013	3,618	52.3%	34.1%	141.4%	195.1%	135.0%	63.0%	137.4%	4,969	82.5%	145.5%	5,265
2014	3,318	6.6%	3.1%	45.5%	104.1%	125.0%	85.4%	113.4%	3,763	97.0%	124.4%	4,128
2015	3,356	0.3%	0.0%	74.4%	0.0%	113.0%	99.6%	112.8%	3,787	100.0%	113.0%	3,793

PY	Capped @ 250k						Incurred			Paid		
	GWP	Reported	Reported	Incurred	Paid	Apriori	% Expected Unreported	Born-Ferg	Born-Ferg	% Expected Unpaid	Born-Ferg	Born-Ferg
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio			Ultimate ILAE Ratio	Ultimate ILAE		Ultimate ILAE	
2005	0	-	-	0.0%	0.0%	0.0%	2.5%	0.0%	0	3.0%	0.0%	0
2006	0	-	-	0.0%	0.0%	0.0%	3.6%	0.0%	0	4.8%	0.0%	0
2007	0	-	-	0.0%	0.0%	0.0%	4.9%	0.0%	0	7.3%	0.0%	0
2008	0	-	-	0.0%	0.0%	0.0%	7.0%	0.0%	0	11.2%	0.0%	0
2009	0	-	-	0.0%	0.0%	0.0%	10.5%	0.0%	0	17.1%	0.0%	0
2010	564	101.8%	101.8%	120.5%	140.1%	80.0%	15.5%	114.2%	644	27.3%	123.7%	698
2011	1,035	113.4%	95.6%	148.7%	163.8%	95.0%	23.7%	136.0%	1,408	41.6%	135.1%	1,399
2012	2,356	87.2%	52.0%	143.4%	127.7%	105.0%	39.2%	128.3%	3,024	59.3%	114.2%	2,691
2013	3,618	49.9%	32.7%	111.9%	157.4%	105.0%	55.4%	108.1%	3,910	79.2%	115.9%	4,192
2014	3,318	6.6%	3.1%	33.8%	77.8%	100.0%	80.4%	87.0%	2,887	96.0%	99.1%	3,289
2015	3,356	0.3%	0.0%	46.1%	0.0%	88.0%	99.4%	87.7%	2,944	100.0%	88.0%	2,954

PY	Capped @ 100k						Incurred			Paid		
	GWP	Reported	Reported	Incurred	Paid	Apriori	% Expected Unreported	Born-Ferg	Born-Ferg	% Expected Unpaid	Born-Ferg	Born-Ferg
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio			Ultimate ILAE Ratio	Ultimate ILAE		Ultimate ILAE	
2005	0	-	-	0.0%	0.0%	0.0%	1.9%	0.0%	0	2.9%	0.0%	0
2006	0	-	-	0.0%	0.0%	0.0%	2.9%	0.0%	0	4.4%	0.0%	0
2007	0	-	-	0.0%	0.0%	0.0%	4.3%	0.0%	0	6.6%	0.0%	0
2008	0	-	-	0.0%	0.0%	0.0%	6.0%	0.0%	0	9.8%	0.0%	0
2009	0	-	-	0.0%	0.0%	0.0%	8.5%	0.0%	0	14.6%	0.0%	0
2010	564	82.6%	82.6%	94.0%	107.2%	65.0%	12.1%	90.5%	510	22.9%	97.5%	550
2011	1,035	98.3%	84.7%	120.3%	131.4%	85.0%	18.2%	113.9%	1,179	35.6%	114.9%	1,189
2012	2,356	69.6%	45.6%	108.6%	97.8%	85.0%	36.0%	100.1%	2,359	53.4%	91.0%	2,143
2013	3,618	45.5%	28.3%	95.6%	115.5%	85.0%	52.4%	90.0%	3,257	75.5%	92.5%	3,346
2014	3,318	6.6%	3.1%	30.2%	60.1%	80.0%	78.0%	69.1%	2,291	94.9%	79.0%	2,621
2015	3,356	0.3%	0.0%	32.8%	0.0%	72.0%	99.2%	71.7%	2,406	100.0%	72.0%	2,417

GL

Bornhuetter-Ferguson Method - Apriori Selection

Capped @ Policy Limits

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	0	0.0%	0	-	-	-	-	-	-	-
2006	0	0.0%	0	-	-	-	-	-	-	-
2007	0	0.0%	0	-	-	-	-	-	-	-
2008	0	0.0%	0	-	-	-	-	-	-	-
2009	0	0.0%	0	-	-	-	-	-	-	-
2010	564	0.0%	720	127.6%		132.1%	113.0%	105.6%	96.0%	88.7%
2011	1,035	0.0%	1,620	156.5%			133.9%	125.1%	113.8%	105.1%
2012	2,356	21.0%	3,770	160.0%				149.5%	136.0%	125.7%
2013	3,618	10.8%	5,000	138.2%					125.7%	116.2%
2014	3,318	13.8%	3,800	114.5%						105.9%
2015	3,356	12.0%	3,800	113.2%						
All Yr Wtd :					#DIV/0!	132.1%	126.5%	135.4%	124.2%	112.5%
Last 7 Wtd :					-	-	126.5%	135.4%	124.2%	112.5%
Last 5 Wtd :					#DIV/0!	132.1%	126.5%	135.4%	124.2%	112.5%
Last 3 Wtd :					#DIV/0!	132.1%	126.5%	135.4%	127.0%	115.6%
ILF Implied :					107.7%	127.9%	141.3%	141.3%	134.6%	118.5%
Credibility - Weighted:					28.6%	39.2%	48.9%	64.1%	67.0%	70.7%
Selected BF Apriori:					90.0%	125.0%	125.0%	135.0%	125.0%	113.0%

Capped @ 250k

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	0	0.0%	0	-	-	-	-	-	-	-
2006	0	0.0%	0	-	-	-	-	-	-	-
2007	0	0.0%	0	-	-	-	-	-	-	-
2008	0	0.0%	0	-	-	-	-	-	-	-
2009	0	0.0%	0	-	-	-	-	-	-	-
2010	564	0.0%	670	118.8%		122.6%	104.6%	97.5%	88.5%	81.6%
2011	1,035	0.0%	1,400	135.2%			115.4%	107.6%	97.6%	90.0%
2012	2,356	21.0%	2,860	121.4%				113.1%	102.7%	94.7%
2013	3,618	10.8%	3,900	107.8%					97.8%	90.2%
2014	3,318	13.8%	2,900	87.4%						80.6%
2015	3,356	12.0%	2,900	86.4%						
All Yr Wtd :					#DIV/0!	122.6%	111.6%	109.0%	98.4%	88.1%
Last 7 Wtd :					-	-	111.6%	109.0%	98.4%	88.1%
Last 5 Wtd :					#DIV/0!	122.6%	111.6%	109.0%	98.4%	88.1%
Last 3 Wtd :					#DIV/0!	122.6%	111.6%	109.0%	99.4%	88.4%
ILF Implied :					81.7%	106.8%	106.8%	106.8%	100.5%	90.5%
Credibility - Weighted:					21.9%	32.0%	40.2%	50.4%	51.9%	54.3%
Selected BF Apriori:					80.0%	95.0%	105.0%	105.0%	100.0%	88.0%

Capped @ 100k

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	0	0.0%	0	-	-	-	-	-	-	-
2006	0	0.0%	0	-	-	-	-	-	-	-
2007	0	0.0%	0	-	-	-	-	-	-	-
2008	0	0.0%	0	-	-	-	-	-	-	-
2009	0	0.0%	0	-	-	-	-	-	-	-
2010	564	0.0%	530	93.9%		96.8%	82.4%	76.6%	69.3%	63.8%
2011	1,035	0.0%	1,180	114.0%			97.0%	90.2%	81.7%	75.1%
2012	2,356	21.0%	2,250	95.5%				88.8%	80.4%	73.9%
2013	3,618	10.8%	3,300	91.2%					82.6%	75.9%
2014	3,318	13.8%	2,300	69.3%						63.8%
2015	3,356	12.0%	2,400	71.5%						
All Yr Wtd :					#DIV/0!	96.8%	91.9%	87.3%	80.5%	71.4%
Last 7 Wtd :					-	-	91.9%	87.3%	80.5%	71.4%
Last 5 Wtd :					#DIV/0!	96.8%	91.9%	87.3%	80.5%	71.4%
Last 3 Wtd :					#DIV/0!	96.8%	91.9%	87.3%	81.6%	71.5%
Credibility - Weighted:					18.0%	25.8%	32.9%	40.6%	42.3%	43.9%
Selected BF Apriori:					65.0%	85.0%	85.0%	85.0%	80.0%	72.0%

GL

ILF Selection

PY	Capped at 250k						Capped at 100k					
	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF
2005	0	0	-	0	0	-	0	0	-	0	0	-
2006	0	0	-	0	0	-	0	0	-	0	0	-
2007	0	0	-	0	0	-	0	0	-	0	0	-
2008	0	0	-	0	0	-	0	0	-	0	0	-
2009	0	0	-	0	0	-	0	0	-	0	0	-
2010	728	680	1.07	874	791	1.11	728	530	1.37	874	605	1.45
2011	1,725	1,540	1.12	2,001	1,695	1.18	1,725	1,245	1.39	2,001	1,360	1.47
2012	5,571	3,378	1.65	3,719	3,007	1.24	5,571	2,560	2.18	3,719	2,303	1.61
2013	5,114	4,048	1.26	7,059	5,693	1.24	5,114	3,457	1.48	7,059	4,180	1.69
2014	1,509	1,123	1.34	3,455	2,582	1.34	1,509	1,002	1.51	3,455	1,994	1.73
2015	2,497	1,549	1.61	0	0	-	2,497	1,102	2.27	0	0	-
All Yr Wtd:			1.36			1.24			1.67			1.64
Last 7 Wtd:			1.36			1.24			1.67			1.64
Last 5 Wtd:			1.36			1.24			1.67			1.64
Last 3 Wtd:			1.43			1.26			1.74			1.68
				Selected Empirical ILF:		1.35			Selected Empirical ILF:			1.70
				Credibility:		86%			Credibility:			86%
				Complement of Credibility - ISO Prem/Op Table 2 ILF:		1.32			Complement of Credibility - ISO Prem/Op Table 2 ILF:			1.64
				Credibility Weighted ILF Indication:		1.35			Credibility Weighted ILF Indication:			1.69
				Selected:		1.35			Selected:			1.69

\* Averages exclude PY 2015

GL

Incurred & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	ILAE	Ultimate	
													@ 2015/1	LDf	ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.033	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.048	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.071	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.107	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.165	0
2010	564	0	131	370	427	639	575						575	1.268	728
2011	1,035	20	299	550	843	1,174							1,174	1.469	1,725
2012	2,356	0	353	1,378	2,921								2,921	1.907	5,571
2013	3,618	1	965	1,892									1,892	2.704	5,114
2014	3,318	1	220										220	6.849	1,509
2015	3,356	10											10	249.665	2,497

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	2.817	1.156	1.495	0.899					
2011	14.926	1.843	1.532	1.393						
2012	-	3.910	2.119							
2013	964.959	1.960								
2014	220.146									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	89.397	2.398	1.824	1.427	0.899	-	-	-	-	-	-
Last 7 Wtd:	89.397	2.398	1.824	1.427							
Last 5 Wtd:	89.397	2.398	1.824	1.427	0.899	-					
Last 3 Wtd:	768.557	2.364	1.824	1.427	0.899	-	-	-			
Div 66 Age to Age:	35.527	3.506	1.719	1.368	1.200	1.088	1.053	1.034	1.022	1.014	
Div 66 Age to Ult:	445.528	12.541	3.577	2.081	1.521	1.268	1.165	1.107	1.071	1.048	1.033
Selected Age to Age:	36.452	2.533	1.418	1.298	1.158	1.088	1.053	1.034	1.022	1.014	
Age to Ult:	249.665	6.849	2.704	1.907	1.469	1.268	1.165	1.107	1.071	1.048	1.033

GL

Incurred & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap	250k Cap	
													ILAE	Ultimate	
													@ 2015/1	LDf	ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.025	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.037	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.052	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.075	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.117	0
2010	564	0	131	370	427	615	575						575	1.183	680
2011	1,035	20	299	550	843	1,174							1,174	1.311	1,540
2012	2,356	0	353	1,363	2,054								2,054	1.644	3,378
2013	3,618	1	915	1,806									1,806	2.242	4,048
2014	3,318	1	220										220	5.095	1,123
2015	3,356	10											10	154.871	1,549

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	2.817	1.156	1.438	0.934					
2011	14.926	1.843	1.532	1.393						
2012	-	3.865	1.508							
2013	914.959	1.973								
2014	220.146									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	87.125	2.409	1.456	1.408	0.934	-	-	-	-	-	-
Last 7 Wtd:	87.125	2.409	1.456	1.408							
Last 5 Wtd:	87.125	2.409	1.456	1.408	0.934	-					
Last 3 Wtd:	743.570	2.374	1.456	1.408	0.934	-	-	-			
Div 66 Age to Age:	29.173	3.091	1.554	1.289	1.132	1.059	1.039	1.022	1.014	1.012	
Div 66 Age to Ult:	241.802	8.289	2.682	1.726	1.339	1.183	1.117	1.075	1.052	1.037	1.025
Selected Age to Age:	30.396	2.273	1.363	1.254	1.108	1.059	1.039	1.022	1.014	1.012	
Age to Ult:	154.871	5.095	2.242	1.644	1.311	1.183	1.117	1.075	1.052	1.037	1.025

GL

Incurring & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap	100k Cap	
													ILAE	Ultimate	
													@ 2015/1	LDf	ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.019	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.030	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.044	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.064	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.093	0
2010	564	0	131	256	303	440	466						466	1.137	530
2011	1,035	20	294	534	803	1,018							1,018	1.223	1,245
2012	2,356	0	353	1,164	1,639								1,639	1.562	2,560
2013	3,618	1	706	1,645									1,645	2.102	3,457
2014	3,318	1	220										220	4.549	1,002
2015	3,356	9											9	121.238	1,102

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	1.952	1.183	1.452	1.058					
2011	14.676	1.819	1.504	1.267						
2012	-	3.301	1.408							
2013	705.655	2.331								
2014	220.146									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	77.389	2.427	1.405	1.318	1.058	-	-	-	-	-	-
Last 7 Wtd:	77.389	2.427	1.405	1.318							
Last 5 Wtd:	77.389	2.427	1.405	1.318	1.058	-	-	-	-	-	-
Last 3 Wtd:	638.971	2.473	1.405	1.318	1.058	-	-	-	-	-	-
Div 66 Age to Age:	25.726	2.852	1.451	1.220	1.095	1.041	1.027	1.019	1.014	1.011	
Div 66 Age to Ult:	161.761	6.288	2.205	1.519	1.246	1.137	1.093	1.064	1.044	1.030	1.019
Selected Age to Age:	26.654	2.164	1.346	1.277	1.076	1.041	1.027	1.019	1.014	1.011	
Age to Ult:	121.238	4.549	2.102	1.562	1.223	1.137	1.093	1.064	1.044	1.030	1.019

GL

Paid & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	P+LAE	Ultimate	
													@ 2015/1	LDf	ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.045	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.066	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.103	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.163	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.281	0
2010	564	0	47	123	274	478	575						575	1.522	874
2011	1,035	0	202	308	634	990							990	2.022	2,001
2012	2,356	0	136	483	1,303								1,303	2.855	3,719
2013	3,618	0	241	1,235									1,235	5.714	7,059
2014	3,318	0	102										102	33.825	3,455
2015	3,356	0											0	91,698.738	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	2.606	2.236	1.745	1.202					
2011	16,815.083	1.529	2.054	1.562						
2012	-	3.538	2.698							
2013	-	5.135								
2014	-									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	60,663.500	3.434	2.419	1.617	1.202	-	-	-	-	-	-
Last 7 Wtd:	60,663.500	3.434	2.419	1.617							
Last 5 Wtd:	60,663.500	3.434	2.419	1.617	1.202	-					
Last 3 Wtd:	-	3.501	2.419	1.617	1.202	-	-	-			
Div 66 Age to Age:	89.998	6.354	2.416	1.626	1.337	1.189	1.101	1.054	1.035	1.020	
Div 66 Age to Ult:	4,572.546	50.807	7.996	3.309	2.035	1.522	1.281	1.163	1.103	1.066	1.045
Selected Age to Age:	2,710.944	5.920	2.002	1.412	1.328	1.189	1.101	1.054	1.035	1.020	
Age to Ult:	91,698.738	33.825	5.714	2.855	2.022	1.522	1.281	1.163	1.103	1.066	1.045



GL

Paid & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap	250k Cap	
													P+LAE @ 2015/1	LDf	Ultimate ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.031	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.050	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.078	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.126	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.206	0
2010	564	0	47	123	274	478	575						575	1.376	791
2011	1,035	0	202	308	634	990							990	1.713	1,695
2012	2,356	0	136	483	1,224								1,224	2.457	3,007
2013	3,618	0	241	1,182									1,182	4.818	5,693
2014	3,318	0	102										102	25.278	2,582
2015	3,356	0											0	68,132.353	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	2.606	2.236	1.745	1.202					
2011	16,815.083	1.529	2.054	1.562						
2012	-	3.538	2.536							
2013	-	4.912								
2014	-									
2015	-									

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	60,663.583	3.348	2.333	1.617	1.202	-	-	-	-	-	-
Last 7 Wtd:	60,663.583	3.348	2.333	1.617							
Last 5 Wtd:	60,663.583	3.348	2.333	1.617	1.202	-					
Last 3 Wtd:	-	3.408	2.333	1.617	1.202	-	-	-			
Div 66 Age to Age:	72.939	5.555	2.232	1.551	1.278	1.141	1.071	1.044	1.027	1.018	
Div 66 Age to Ult:	2,467.713	33.832	6.091	2.729	1.759	1.376	1.206	1.126	1.078	1.050	1.031
Selected Age to Age:	2,695.297	5.247	1.961	1.434	1.245	1.141	1.071	1.044	1.027	1.018	
Age to Ult:	68,132.353	25.278	4.818	2.457	1.713	1.376	1.206	1.126	1.078	1.050	1.031

GL

Paid & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap	100k Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDf	ILAE
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.030	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.047	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.071	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.109	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.170	0
2010	564	0	47	122	250	379	466						466	1.297	605
2011	1,035	0	197	303	629	876							876	1.552	1,360
2012	2,356	0	136	483	1,074								1,074	2.144	2,303
2013	3,618	0	241	1,023									1,023	4.085	4,180
2014	3,318	0	102										102	19.524	1,994
2015	3,356	0											0	51,771.446	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	2.595	2.047	1.519	1.229					
2011	16,397.417	1.542	2.072	1.394						
2012	-	3.538	2.225							
2013	-	4.253								
2014	-									
2015	-									

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	60,245.917	3.111	2.150	1.430	1.229	-	-	-	-	-	-
Last 7 Wtd:	60,245.917	3.111	2.150	1.430							
Last 5 Wtd:	60,245.917	3.111	2.150	1.430	1.229	-	-	-	-	-	-
Last 3 Wtd:	-	3.153	2.150	1.430	1.229	-	-	-	-	-	-
Div 66 Age to Age:	63.125	5.064	2.105	1.480	1.230	1.108	1.056	1.036	1.023	1.016	
Div 66 Age to Ult:	1,589.594	25.182	4.973	2.362	1.596	1.297	1.170	1.109	1.071	1.047	1.030
Selected Age to Age:	2,651.734	4.779	1.905	1.382	1.197	1.108	1.056	1.036	1.023	1.016	
Age to Ult:	51,771.446	19.524	4.085	2.144	1.552	1.297	1.170	1.109	1.071	1.047	1.030



GL

Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Ultimate ex-CWNP Apriori	Selected Ultimate ex-CWNP
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.009	0	-	-
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.015	0	-	-
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.022	0	-	-
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.029	0	-	-
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.037	0	-	-
2010	564	0	52	142	141	141	140						140	1.046	147	0.152	0.152
2011	1,035	1	70	88	93	91							91	1.060	96	0.055	0.055
2012	2,356	0	104	113	122								122	1.091	133	0.040	0.040
2013	3,618	1	106	108									108	1.159	125	0.027	0.027
2014	3,318	2	37										37	1.564	58	0.030	0.030
2015	3,356	1											1	17.241	17	0.030	0.030

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-
2010	-	2.731	0.993	1.000	0.993						
2011	70.000	1.257	1.057	0.978							
2012	-	1.087	1.080								
2013	106.000	1.019									
2014	18.500										
2015											

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	92.250	1.358	1.038	0.991	0.993	-	-	-	-	-	-
Last 7 Wtd:	92.250	1.358	1.038	0.991							
Last 5 Wtd:	92.250	1.358	1.038	0.991	0.993	-	-	-	-	-	-
Last 3 Wtd:	82.333	1.104	1.038	0.991	0.993	-	-	-	-	-	-
Div 66 Age to Age:	11.021	1.658	1.062	1.029	1.013	1.009	1.008	1.007	1.007	1.006	
Div 66 Age to Ult:	21.175	1.921	1.159	1.091	1.060	1.046	1.037	1.029	1.022	1.015	1.009
Selected Age to Age:	11.021	1.350	1.062	1.029	1.013	1.009	1.008	1.007	1.007	1.006	
Age to Ult:	17.241	1.564	1.159	1.091	1.060	1.046	1.037	1.029	1.022	1.015	1.009













GL

Large Losses - Incurred + LAE > 100k

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2010	2-0-58	8174460	7466	12/11/2010	City Closet Storag	75	-	118	193	New York	S And C Claiming That The Storage Faci
2010	2-0-58	8174466	2715	1/31/2011	U Store It Inc.	65	-	66	131	New York	Claimant Alleges A Slip Fall ON Insure
2011	2-0-58	8174566	1965	11/21/2011	Tuck it Away Assoc	175	-	38	212	New York	Clmt Allegedly WAS Injured While ON In
2011	2-0-58	8174590	7095	8/9/2011	U Store It	-	100	47	147	Illinois	Claimant Misstepped The Curb In The LO
2011	2-0-58	8174539	7933	2/5/2011	A AAA Key Mini Sto	105	-	4	109	Texas	Claimant Slipped Fell ON Insureds Prem
2011	2-0-58	8174574	2123	7/31/2011	Veritas Group IV I	90	-	11	101	New York	Atty Letter Of REP Received Stating PE
2012	2-0-58	8174590	2057	6/1/2012	Cubsmart	-	1,000	41	1,041	New York	Clmt Allegedly WAS Injured When HE FEL
2012	2-0-58	9260066	9208	7/1/2012	Sovran Acquisition	287	1	45	333	Texas	Plaintiffs Allege Insured Negligently
2012	2-0-58	8174590	9146	12/14/2012	Cubsmart	5	200	9	214	DC	594-Clmt Fell OFF The Ladder AT HIS St
2012	2-0-58	9260073	1830	8/9/2012	Tuck it Away Assoc	-	70	38	108	New York	Clmt Slip And Fell From The Ladder
2013	2-0-58	9260002	5251	9/10/2014	Mini City Westpark	264	36	9	309	Texas	Fire - Under Investigation
2013	2-0-58	9260066	6844	5/4/2013	Sovran Acquisition	125	-	10	135	Florida	Customer Said HE WAS Standing Against

Property

Rate Need Indications

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target Combined Ratio	Target ILAE Ratio	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	95.1%	62.6%	80.2%	26.9%	15.0%	69.7%	69.7%	10.9%

Expense Ratio calculated as follows:

Commission:	25.0%
Prem Tax:	1.3%
Other Acquisition Fees:	0.3%
Reinsurance:	0.0%
Direct Expense:	2.9%
Indirect Expense:	3.2%
	<u>32.6%</u>

(1) = [1 - (Calculated RAP)]

(2) = [(1) - (Total Expense)]

(3) = (6) x [1 + (5)]

(4) = [(3) + (Direct Expense)] / [(2) + (Direct Expense)] - 1

(5) = Input

(6) = Exhibit 3

(7) = (6) x [1 + (Trend)]

(8) = [(7) + (Direct Expense)] / [(2) + (Direct Expense)] - 1



Property

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 1M			Capped @ 250k			Capped @ 100k		
					Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY Rate Chg	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2006	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2007	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2008	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2009	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2010	1,147	0.0%	1.000	1,982	50.6%	1.000	29.3%	50.6%	1.000	29.3%	32.8%	1.000	19.0%	19.7%	1.000	11.4%
2011	2,567	0.0%	1.000	4,436	194.8%	1.000	112.7%	188.9%	1.000	109.3%	121.5%	1.000	70.3%	70.5%	1.000	40.8%
2012	4,353	18.1%	1.181	6,370	204.2%	1.000	139.6%	137.4%	1.000	93.9%	83.9%	1.000	57.3%	52.6%	1.000	36.0%
2013	6,391	9.3%	1.290	8,559	152.1%	1.000	113.6%	105.5%	1.000	78.8%	65.4%	1.000	48.8%	38.8%	1.000	29.0%
2014	7,661	16.4%	1.502	8,811	64.4%	1.000	56.0%	58.6%	1.000	51.0%	42.6%	1.000	37.0%	28.3%	1.000	24.6%
2015	6,861	15.0%	1.728	6,861	65.4%	1.000	65.4%	54.8%	1.000	54.8%	42.7%	1.000	42.7%	30.0%	1.000	30.0%
		0.0%	1.728													
			All Yr Wtd excl 2015:				96.6%			75.1%			48.4%			29.8%
			Last 7 Wtd excl 2015:				96.6%			75.1%			48.4%			29.8%
			Last 5 Wtd excl 2015:				96.6%			75.1%			48.4%			29.8%
			Last 3 Wtd excl 2015:				99.2%			72.5%			46.7%			29.2%
			Selected Ultimate:				65.0%			55.0%			42.0%			30.0%
			ILF:				1.00			1.19			1.53			2.21
			Policy Limits Ultimate:				65.0%			65.5%			64.2%			66.4%
			Weight:				41%			20%			20%			20%

\* Averages exclude PY 2015

Frequency/Severity Indication:	64.5%
Weighted Average:	65.2%
PY 2015 Selected:	65.0%
Adjustment For Deductible:	-0.5%
Adjustment for Wind/Hail Roof Coverage:	-10.0%

PY 2015: 54.5%

All Year Avg Empirical Cat Load:	0.8%
Program Specific AAL Cat Load:	12.2%
Selected Cat Load:	12.2%
Corporate Cat Charge:	0.0%
XOL Loss Cost:	1.1%
Indicated XOL Cost:	0.0%
ULE:	1.9%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio Including AAL Cat Load and Cost of Reinsurance:	69.7%

0.0%

Property

Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	Selected Ultimate ILAE	Average Severity	0.0% Trend to PY 2015	Average Severity @ PY 2015
2005	-	0	0	-	0	0	-	1.000	-
2006	-	0	0	-	0	0	-	1.000	-
2007	-	0	0	-	0	0	-	1.000	-
2008	-	0	0	-	0	0	-	1.000	-
2009	-	0	0	-	0	0	-	1.000	-
2010	1,982	14	14	0.007	581	581	41	1.000	41.5
2011	4,436	52	52	0.012	5,000	5,000	96	1.000	96.0
2012	6,370	54	54	0.009	8,884	8,890	164	1.000	163.9
2013	8,559	65	66	0.008	9,561	9,720	147	1.000	146.5
2014	8,811	39	74	0.008	2,718	4,930	67	1.000	66.7
2015	6,861	3	61	0.009	121	4,490	74	1.000	73.7
All Yr Wtd:				0.009					112.5
Last 7 Wtd:				0.009					112.5
Last 5 Wtd:				0.009					112.5
Last 3 Wtd:				0.008					121.6
PY 2015 Selected Frequency:				0.009	PY 2015 Selected Severity:				75.0

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio: 64.5%

**Property**

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	-
2006	0	0	0	0	0	-
2007	0	0	0	0	0	-
2008	0	0	0	0	0	-
2009	0	0	0	0	0	-
2010	1,147	581	581	581	581	50.6%
2011	2,567	5,000	5,000	5,000	5,000	194.8%
2012	4,353	8,884	8,892	8,892	8,890	204.2%
2013	6,391	9,561	9,724	9,724	9,720	152.1%
2014	7,661	2,718	4,363	4,925	4,930	64.4%
2015	6,861	121	2,895	4,489	4,490	65.4%
Total	28,980	26,865	31,456	33,611	33,611	116.0%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 1M

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	-
2006	0	0	0	0	0	-
2007	0	0	0	0	0	-
2008	0	0	0	0	0	-
2009	0	0	0	0	0	-
2010	1,147	581	581	581	581	50.6%
2011	2,567	4,851	4,851	4,851	4,850	188.9%
2012	4,353	5,970	5,975	5,975	5,980	137.4%
2013	6,391	6,632	6,737	6,737	6,740	105.5%
2014	7,661	2,718	4,252	4,492	4,490	58.6%
2015	6,861	121	2,488	3,764	3,760	54.8%
Total	28,980	20,873	24,885	26,401	26,401	91.1%



**Property**

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	-
2006	0	0	0	0	0	-
2007	0	0	0	0	0	-
2008	0	0	0	0	0	-
2009	0	0	0	0	0	-
2010	1,147	376	376	376	376	32.8%
2011	2,567	3,124	3,124	3,124	3,120	121.5%
2012	4,353	3,650	3,654	3,654	3,650	83.9%
2013	6,391	4,116	4,178	4,178	4,180	65.4%
2014	7,661	1,943	2,964	3,262	3,260	42.6%
2015	6,861	121	2,070	2,929	2,930	42.7%
Total	28,980	13,331	16,366	17,524	17,516	60.4%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	0	0	0	-
2006	0	0	0	0	0	-
2007	0	0	0	0	0	-
2008	0	0	0	0	0	-
2009	0	0	0	0	0	-
2010	1,147	226	226	226	226	19.7%
2011	2,567	1,815	1,815	1,815	1,810	70.5%
2012	4,353	2,287	2,289	2,289	2,290	52.6%
2013	6,391	2,444	2,479	2,479	2,480	38.8%
2014	7,661	1,287	1,937	2,174	2,170	28.3%
2015	6,861	112	2,066	2,060	2,060	30.0%
Total	28,980	8,171	10,812	11,044	11,036	38.1%

Property

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	0	-	0.0%	0.0%	0.0%	0.0%	0
2006	0	-	0.0%	0.0%	0.0%	0.0%	0
2007	0	-	0.0%	0.0%	0.0%	0.0%	0
2008	0	-	0.0%	0.0%	0.0%	0.0%	0
2009	0	-	0.0%	0.0%	0.0%	0.0%	0
2010	1,147	50.7%	50.7%	50.7%	0.0%	50.7%	581
2011	2,567	194.7%	194.7%	194.7%	0.0%	194.7%	5,000
2012	4,353	204.1%	204.3%	204.3%	0.1%	204.3%	8,892
2013	6,391	149.6%	152.2%	152.2%	1.7%	152.2%	9,724
2014	7,661	35.5%	57.0%	76.4%	37.7%	64.3%	4,925
2015	6,861	1.8%	42.2%	66.4%	95.8%	65.4%	4,489

PY	Capped @ 1M				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	0	-	0.0%	0.0%	0.0%	0.0%	0
2006	0	-	0.0%	0.0%	0.0%	0.0%	0
2007	0	-	0.0%	0.0%	0.0%	0.0%	0
2008	0	-	0.0%	0.0%	0.0%	0.0%	0
2009	0	-	0.0%	0.0%	0.0%	0.0%	0
2010	1,147	50.7%	50.7%	50.7%	0.0%	50.7%	581
2011	2,567	189.0%	189.0%	189.0%	0.0%	189.0%	4,851
2012	4,353	137.2%	137.3%	137.3%	0.1%	137.3%	5,975
2013	6,391	103.8%	105.4%	105.4%	1.6%	105.4%	6,737
2014	7,661	35.5%	55.5%	64.2%	36.1%	58.6%	4,492
2015	6,861	1.8%	36.3%	55.8%	95.1%	54.9%	3,764

PY	Capped @ 250k				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	0	-	0.0%	0.0%	0.0%	0.0%	0
2006	0	-	0.0%	0.0%	0.0%	0.0%	0
2007	0	-	0.0%	0.0%	0.0%	0.0%	0
2008	0	-	0.0%	0.0%	0.0%	0.0%	0
2009	0	-	0.0%	0.0%	0.0%	0.0%	0
2010	1,147	32.8%	32.8%	32.8%	0.0%	32.8%	376
2011	2,567	121.7%	121.7%	121.7%	0.0%	121.7%	3,124
2012	4,353	83.9%	83.9%	83.9%	0.1%	83.9%	3,654
2013	6,391	64.4%	65.4%	65.4%	1.5%	65.4%	4,178
2014	7,661	25.4%	38.7%	50.0%	34.4%	42.6%	3,262
2015	6,861	1.8%	30.2%	43.5%	94.2%	42.7%	2,929

PY	Capped @ 100k				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	0	-	0.0%	0.0%	0.0%	0.0%	0
2006	0	-	0.0%	0.0%	0.0%	0.0%	0
2007	0	-	0.0%	0.0%	0.0%	0.0%	0
2008	0	-	0.0%	0.0%	0.0%	0.0%	0
2009	0	-	0.0%	0.0%	0.0%	0.0%	0
2010	1,147	19.7%	19.7%	19.7%	0.0%	19.7%	226
2011	2,567	70.7%	70.7%	70.7%	0.0%	70.7%	1,815
2012	4,353	52.5%	52.6%	52.6%	0.1%	52.6%	2,289
2013	6,391	38.2%	38.8%	38.8%	1.4%	38.8%	2,479
2014	7,661	16.8%	25.3%	34.5%	33.5%	28.4%	2,174
2015	6,861	1.6%	30.1%	30.0%	94.6%	30.0%	2,060

Property

ILF Selection

PY	Capped at 1M			Capped at 250k			Capped at 100k		
	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF
2005	0	0	-	0	0	-	0	0	-
2006	0	0	-	0	0	-	0	0	-
2007	0	0	-	0	0	-	0	0	-
2008	0	0	-	0	0	-	0	0	-
2009	0	0	-	0	0	-	0	0	-
2010	581	581	1.00	581	376	1.54	581	226	2.57
2011	5,000	4,851	1.03	5,000	3,124	1.60	5,000	1,815	2.75
2012	8,892	5,975	1.49	8,892	3,654	2.43	8,892	2,289	3.88
2013	9,724	6,737	1.44	9,724	4,178	2.33	9,724	2,479	3.92
2014	4,363	4,252	1.03	4,363	2,964	1.47	4,363	1,937	2.25
2015	2,895	2,488	1.16	2,895	2,070	1.40	2,895	2,066	1.40
All Yr Wtd:			1.28			2.00			3.27
Last 7 Wtd:			1.28			2.00			3.27
Last 5 Wtd:			1.28			2.00			3.27
Last 3 Wtd:			1.35			2.13			3.43
Selected Empirical Large Loss Load:			1.20	Selected Empirical Large Loss Load:		1.60	Selected Empirical Large Loss Load:		2.50
Credibility:			52%	Credibility:		52%	Credibility:		52%
Standard Large Loss Load:			1.18	Standard Large Loss Load:		1.45	Standard Large Loss Load:		1.90
Credibility Weighted ILF Indication:			1.19	Credibility Weighted ILF Indication:		1.53	Credibility Weighted ILF Indication:		2.21
Selected:			1.19	Selected:		1.53	Selected:		2.21

\* Averages exclude PY 2015













Property

Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Ultimate Apriori ex-CWNP	Selected Ultimate ex-CWNP		
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	1.000	0	-	-	-	
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	1.000	0	-	-	-	
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	1.000	0	-	-	-	
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	1.000	0	-	-	-	
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	1.000	0	-	-	-	
2010	1,147	0	6	13	13	13	14						14	1.001	14	0.007	0.007	14	14
2011	2,567	1	23	52	52	52							52	1.002	52	0.012	0.012	52	52
2012	4,353	1	30	53	54								54	1.005	54	0.009	0.009	54	54
2013	6,391	2	38	65									65	1.021	66	0.008	0.008	66	66
2014	7,661	1	39										39	1.786	70	0.009	0.009	74	74
2015	6,861	3											3	16.209	49	0.009	0.009	61	61

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-
2010	-	2.167	1.000	1.000	1.077						
2011	23.000	2.261	1.000	1.000							
2012	30.000	1.767	1.019								
2013	19.000	1.711									
2014	39.000										
2015											

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	27.200	1.887	1.008	1.000	1.077	-	-	-	-	-	-
Last 7 Wtd:	27.200	1.887	1.008	1.000							
Last 5 Wtd:	27.200	1.887	1.008	1.000	1.077	-	-	-	-	-	-
Last 3 Wtd:	26.750	1.868	1.008	1.000	1.077	-	-	-	-	-	-
Div 66 Age to Age:	9.076	1.464	1.016	1.003	1.001	1.001	1.000	1.000	1.000	1.000	
Div 66 Age to Ult:	13.563	1.494	1.021	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000
Selected Age to Age:	9.076	1.750	1.016	1.003	1.001	1.001	1.000	1.000	1.000	1.000	
Age to Ult:	16.209	1.786	1.021	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000

Selected:  
 2005 thru 2013: 0.009  
 2005 thru 2009: -  
 2010 thru 2013: 0.009











Property

Large Losses - Incurred + LAE > 100k

PY	DSP	Cat #	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2010	2-0-58		8174484	4652	5/24/2011	SV2020 Joint Ventu	-	455	0	455	Texas	Natural Perils - Hail (No Wind) Old
2011	2-0-58	7412	9259989	8082	4/29/2012	Affordable Storage	1,134	-	17	1,151	Texas	Hail Damage To Roof
2011	2-0-58	7612	8174655	9987	5/29/2012	New May Avenue Sto	665	-	27	692	Oklahoma	Hail Damage To Roof
2011	2-0-58		8174631	9410	6/1/2012	Express Storage	366	-	46	412	Texas	Fire Damage To Building
2011	2-0-58		8174591	6004	7/21/2011	Mr D's Self Stora	372	-	14	386	New York	A GAS CAN In Front Of Insureds Buildin
2011	2-0-58		8174544	1221	10/18/2011	Ideal Storage	345	-	19	364	Tennessee	Building Damage DUE To Storm
2011	2-0-58		9260001	9629	6/5/2012	National Self Stor	304	-	59	363	Nevada	Insured Alleges Damage To Back Wall Of
2011	2-0-58		9260013	2545	4/3/2012	Equity Based Servi	287	-	17	304	Texas	Natural Perils - Hail and Wind Hail
2011	2-0-58		8174582	2047	11/9/2011	Longhorn Self Stor	-	150	73	223	Texas	Severe Hail Damage To Roof
2011	2-0-58		8174669	4050	6/13/2012	Abby's Storage	182	-	9	191	Texas	There WAS Reportedly 2 Hail In The ARN
2011	2-0-58	7112	9260013	6864	4/3/2012	Equity Based Servi	107	-	52	159	Texas	UNK Extent Of Tornado Damage
2011	2-0-58		9259989	9822	6/11/2012	Affordable Storage	98	-	12	110	Texas	Fire Damage To 4 Units
2012	2-0-58	1513	8174577	2879	5/28/2013	Another Attic Ltd	3,000	-	33	3,033	Texas	Hail Damage To Property.
2012	2-0-58	1413	8174660	85	5/20/2013	Virtus Storage Inv	1,914	-	21	1,935	Oklahoma	Hail And Wind Damage To Roof And A/C I
2012	2-0-58	9313	9260155	5230	3/18/2013	Statestreet Group	627	-	22	649	Mississippi	Damage DUE To Hail Storm.
2012	2-0-58	1513	9259989	3686	6/5/2013	Affordable Storage	384	-	68	452	Texas	Storm Collapsed Building Under Constru
2012	2-0-58		8174576	9627	5/1/2012	Colonial Mini Stor	393	-	25	419	Texas	Hail Damage To Roof
2012	2-0-58		9260278	7167	2/2/2013	Quality Storage	336	-	23	359	Illinois	Fire Undetermined, Possible Electrical
2012	2-0-58	1313	9260157	9690	5/15/2013	Armor Self Storage	-	307	21	328	Texas	Hail Storm Damage
2012	2-0-58	7812	9260099	1414	6/12/2012	ALL Storage Inc	206	-	11	217	Texas	Hail Damage To Roof
2012	2-0-58		8174643	70	7/1/2013	Plano Storage Stat	173	-	27	200	Texas	The Roofing Granules Have Been Greatly
2012	2-0-58		9260161	4026	6/7/2013	Twss Odessa Twss M	-	150	39	189	Texas	Wind/Hail Damage To Buildings
2012	2-0-58		8174575	965	3/14/2013	City Closet Stora	161	-	1	162	New Jersey	Damage Caused By Storm ON 3 14 2013
2012	2-0-58		9260065	7018	3/10/2012	Cy Fair Storage LP	117	-	5	122	Texas	Heavy Rain Caused Scurity System To SH
2012	2-0-58		9260190	8626	5/28/2013	Camp Lane Storage	-	100	7	107	Texas	Natural Perils - Hail (No Wind); hail
2013	2-0-58		9260520	4536	10/27/2013	Metro Mini Storage	3,578	-	92	3,670	Texas	Fire - Arson
2013	2-0-58	4314	8174694	3203	5/22/2014	Route 10 Self Stor	1,207	144	9	1,360	Pennsylvania	Natural Perils - Hail (No Wind); Hail
2013	2-0-58		9260511	7552	11/6/2013	Macho Self Storage	790	-	24	814	Texas	Collapse (Non Natural Peril) - Under I
2013	2-0-58		9260220	7616	12/8/2013	Keller Country Sto	573	-	14	587	Texas	Natural Perils - Snow (No Wind) Hevy a
2013	2-0-58		9260285	1618	8/27/2013	The Storage Neighb	139	181	37	357	Georgia	Ground Movement (Non Earthquake) - Und
2013	2-0-58		9260329	2198	5/28/2013	Sparky's Storage S	60	240	3	303	Texas	Hail Damage To Buildings
2013	2-0-58		8174684	7315	12/6/2013	A-1 Storage LTD	269	-	4	273	Texas	Weight Of ICE From ICE Storm HAS Colla
2013	2-0-17		4063399	3523	1/14/2014	B Lak Logistics Se	-	250	19	269	Arkansas	Inland Marine - Cargo Loss (In Transit
2013	2-0-58		9260039	7070	5/6/2013	Cain Jones Self St	223	-	34	257	Florida	Fire Caused Damage To Several Units @
2013	2-0-58		9260337	1037	8/29/2013	Park Street Stora	241	-	4	245	Colorado	Natural Perils - Hail (No Wind)
2013	2-0-58	3814	8174660	7685	4/3/2014	Virtus Real Estate	178	-	4	182	Texas	Natural Perils - Hail (No Wind)
2013	2-0-58	3814	9260460	5764	4/3/2014	Budget Self Storage	-	150	20	170	Texas	Natural Perils - Hail (No Wind) - Hail
2013	2-0-58		9260292	6272	3/15/2013	Stor IT Safe	158	-	3	161	Mississippi	Hail Damage To Buildings
2013	2-0-58		9260002	5251	9/10/2014	Mini City Westpark	51	0	-	51	Texas	Fire - Under Investigation
2014	2-0-58		9260021	4089	2/4/2014	A-AAA Key Mini Sto	502	398	57	957	Louisiana	Fire - Under Investigation ; Fire occu
2014	2-0-58		8174694	1971	12/20/2014	Route 10 Self Stor	-	375	3	378	Pennsylvania	Fire - Electrical (non-heating or kitc
2014	2-0-58		8174600	1607	2/16/2015	SHS Bayridge LLC(S	-	200	-	200	New York	Fire - Vehicle
2014	2-0-58		9260638	2853	7/3/2014	AAA Self Storage	186	-	4	190	Texas	Natural Perils - Hail (No Wind) very b
2014	2-0-58		9260365	5	7/26/2014	Arizona Storage IN	176	-	4	181	Arizona	Natural Perils - Hurricane, Typhoon, C
2014	2-0-58	5068	9260567	4164	2/19/2015	Medford Self Stora	-	169	-	169	Massachusetts	Collapse (Non Natural Peril) - Undeter
2014	2-0-58		9260381	9329	3/5/2015	Liberty Self Stora	-	120	-	120	New Jersey	Fire - Smoking Material; Fire AT Facil
2014	2-0-58		9260679	2941	5/11/2014	First Class Proper	105	-	-	105	Arizona	Natural Perils - Wind Only (Non Tornado
2014	2-0-58	5068	8174574	2145	2/16/2015	TVG Partners LLC	15	85	-	100	New York	Water (Non Natural Peril) - Burst/Leak
2015	2-0-58		9260597	4728	1/27/2015	Big Blue Storage	20	80	-	100	Texas	Fire - Undetermined After Investigatio