

# Memorandum

**To:** E. Allen, S. Leeret, B. Harris, R. D' Alfonso, J. Parker, A. Yasan, R. Condell  
**CC:** R. Cole, A. Markham  
**From:** Division 66 Actuarial  
 Mike Tranfaglia (617) 772 - 4556  
 Emily Turek (617) 235 - 7929  
**Date:** 12/2/2013  
**Re:** Division 66 - Siegel Social Services 2013 Profitability Study

Attached please find the combined profitability analysis for the Siegel Social Services program using gross policy year data as of 3<sup>rd</sup> quarter 2013. Estimated incurred and LAE (ILAE) ratios for PY 2013 are shown below:

Estimated incurred and LAE (ILAE) ratios for PY 2013 are shown below:

LOB	PY 2013 GWP	Gross PY 2013 Ultimate ILAE Ratio *	RAP Neutral Target Ratio#	RAP Neutral PY 2013 Rate Need*#	UW Neutral Target Ratio#	UW Neutral PY 2013 Rate Need*	PY 2013 Rate Achieved
GL:	15,700	71.6%	61.5%	16.0%	67.6%	5.8%	7.2%
AL:	17,213	79.6%	64.6%	22.7%	67.3%	17.9%	10.5%
Prop - incl Cat & XOL:	14,400	55.2%	60.6%	-8.6%	66.8%	-16.9%	4.5%
APD:	2,837	75.2%	64.7%	15.8%	67.5%	11.1%	5.9%
Excess Liability:	8,500	64.5%	62.3%	3.4%	68.4%	-5.6%	5.4%
<b>Total:</b>	<b>58,650</b>	<b>69.1%</b>	<b>62.5%</b>	<b>10.3%</b>	<b>67.4%</b>	<b>2.4%</b>	<b>7.2%</b>

\* - Before impact of 2013 rate change

# - RAP rate need based on overall Div 66 breakeven combined ratio of 94.3%

**Headlines:**

- **General Liability:** The ultimate loss ratio increased 4.5% and the expenses have decreased 0.4%.
- **Auto Liability & PhysDam:** This program is one of Div 66's largest auto writers. The auto segment (auto liability and auto physical damage) comprise almost 40% of the program. AL is in line with expectations. The ultimate loss ratio for AL has decreased less than 1% and the expenses have increased 1.2%. The ultimate loss ratio for APD has increased 3.2% and the expenses have increased 1.3%.
- **Property:** This line of business is in line with expectations. The ultimate loss ratio has increased 0.5% and the expenses have decreased 1.5%.
- **Excess Liability:** There have been 26 excess claims since 2003. The RAP rate need on the excess is being driven primarily by the overall Division 66 Excess study completed as of 9/30/2012 which produced an expected loss ratio of 68.5%. For purposes of this analysis, we use a credibility weighted average of the program's results with the 68.5%, adjusted for relative break-even loss ratio differences between this program and the Division, as the compliment of credibility.

For purposes of this analysis, the loss ratio indications are based on a 3.5% trend assumption for GL, 4% for AL, 5% for XS and 0.0% for Property and APD.

**Data and Limitations:**

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

**Property Cat Load:**

The division 66 cat models produce average annual loss (AAL) estimates for named storms and earthquakes. The property analysis for PY's 2012 and prior will result in "ex-cat" property ultimate loss ratios. The expected losses from these modeled events are reflected in the form of a program specific cat load of 9.9%, calculated based on the current catastrophe exposure. The current year rate need indications incorporate this cat load, as it is critically important to price for modeled cats. The cat load is applied to the PY 2013 "ex-cat" ultimate loss ratio at the bottom of exhibit 3. For your reference, an all year average empirical cat load, based on the program's actual modeled cat history, is also displayed. In this case it came out to 8.1%. The "including cat-load" PY 2013 ultimate loss ratio will flow through to exhibit 1 (property policy year rate needs) and summary sheets 1 and 2 (policy year rate need summaries).

**Corporate Cat Reinsurance Charge:**

We have incorporated a corporate catastrophe charge of 2.5% to the property portion of this analysis. This charge is program specific and is based on the corporate cat reinsurance that AIG buys. The charge factor is applied to the PY 2013 ultimate loss ratio as a reduction in premium by dividing the PY 2013 ultimate loss ratio plus the AAL load by 1 minus the corporate cat factor.

**XOL Loss Cost:**

We have incorporated a XOL loss cost of 2.7% to the property portion of this analysis. This is equal to the XOL Reinsurance Charge \* (1 - Expenses). The XOL treaty has been non-renewed effective 7/1/2013. The XOL charge was previously used to account for the property XOL reinsurance treaty, which covers the portion of any property loss above \$5M. The XOL loss cost is now used as a proxy for losses in the \$35M excess of \$5M layer. All property losses used in this analysis are capped at \$5M.

**Comparison to Prior Profit Study**

The following table depicts an approximate comparison of results to our prior profit study, which was done on an accident year basis as opposed to the current study, which is on a policy year basis. The prior year study was converted from an accident year to a policy year basis by taking the average of the current and the subsequent accident year as a proxy for the policy year. The comparison is based on years 2003 through 2011.

LOB	Ultimate Loss Ratio PY 03 - 11		
	Valued @ 2012/3	Valued @ 2013/3	Difference
GL	54.2%	57.0%	2.8%
AL	69.6%	70.1%	0.5%
Property	34.6%	34.2%	-0.4%
APD	77.5%	80.5%	3.0%
All Lines excl XS	55.2%	56.3%	1.1%

## Appendix - Methodology:

Please note that the analysis is split into five sections:

- Section I - General Liability
- Section II - Auto Liability
- Section III - Property
- Section IV- Auto Physical Damage
- Section V- Excess Liability

Exhibit 1 - Summarizes PY 2013 ultimate ILAE ratios and PY 2013 rate need.

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

Exhibit 3 - Indexing PY 2003 - 2013 ultimate ILAE (incurred + LAE) ratios to PY 2013 and selection of PY 2013 ultimate ILAE ratios.

Exhibit 4 - Frequency/Severity method used to calculate an indicated PY 2013 ultimate ILAE ratio

Exhibit 5 - Summarizes various methods (Exhibit 6a - Exhibit 8f) used to calculate ultimate + LAE & ratios for PY's 2003 - 2013.

- 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).

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

Program Summary by LOB - PY 2013

LOB	PY 2013 GWP	Before 2013 Rate Change		RAP Neutral		UW Breakeven		After 2013 Rate Change	
		PY 2013 Ultimate ILAE Ratio	ILAE Ratio	Target Ratio	Before 2013 Rate Change PY 2013 Rate Need	Target Ratio	Before 2013 Rate Change PY 2013 Rate Need	PY 2013 Rate Achieved	PY 2013 Ultimate ILAE Ratio
GL	15,700	71.6%	61.5%	16.0%	67.6%	5.8%	7.2%	66.8%	
AL	17,213	79.6%	64.6%	22.7%	67.3%	17.9%	10.5%	72.0%	
Property	14,400	55.2%	60.6%	-8.6%	66.8%	-16.9%	4.5%	52.8%	
APD	2,837	75.2%	64.7%	15.8%	67.5%	11.1%	5.9%	71.0%	
Excess Liability	8,500	64.5%	62.3%	3.4%	68.4%	-5.6%	5.4%	61.2%	
Total Casualty	41,413	73.5%	63.0%	16.3%	67.7%	8.4%	8.2%	67.8%	
Total Property	17,237	58.5%	61.2%	-4.4%	66.9%	-12.3%	4.7%	55.8%	
All Lines Combined	58,650	69.1%	62.5%	10.3%	67.4%	2.4%	7.2%	64.3%	

Program Summary by LOB - PY 2014

LOB	PY 2013 GWP	After 2013 Rate Change PY 2014 Ultimate ILAE Ratio
GL	15,700	69.1%
AL	17,213	74.9%
Property	14,400	52.8%
APD	2,837	71.0%
Excess Liability	8,500	64.2%
Total Casualty	41,413	70.5%
Total Property	17,237	55.8%
All Lines Combined	58,650	66.2%

RAP Neutral		After 2013 Rate Change PY 2014 Rate Need
	Target Ratio	
	61.5%	12.1%
	64.6%	15.6%
	60.6%	-12.4%
	64.7%	9.5%
	62.3%	3.0%
	63.0%	11.7%
	61.2%	-8.6%
	62.5%	5.9%

UW Breakeven		After 2013 Rate Change PY 2014 Rate Need
	Target Ratio	
	67.6%	2.2%
	67.3%	11.0%
	66.8%	-20.4%
	67.5%	5.0%
	68.4%	-6.0%
	67.7%	4.1%
	66.9%	-16.2%
	67.4%	-1.8%

Program Summary by LOB

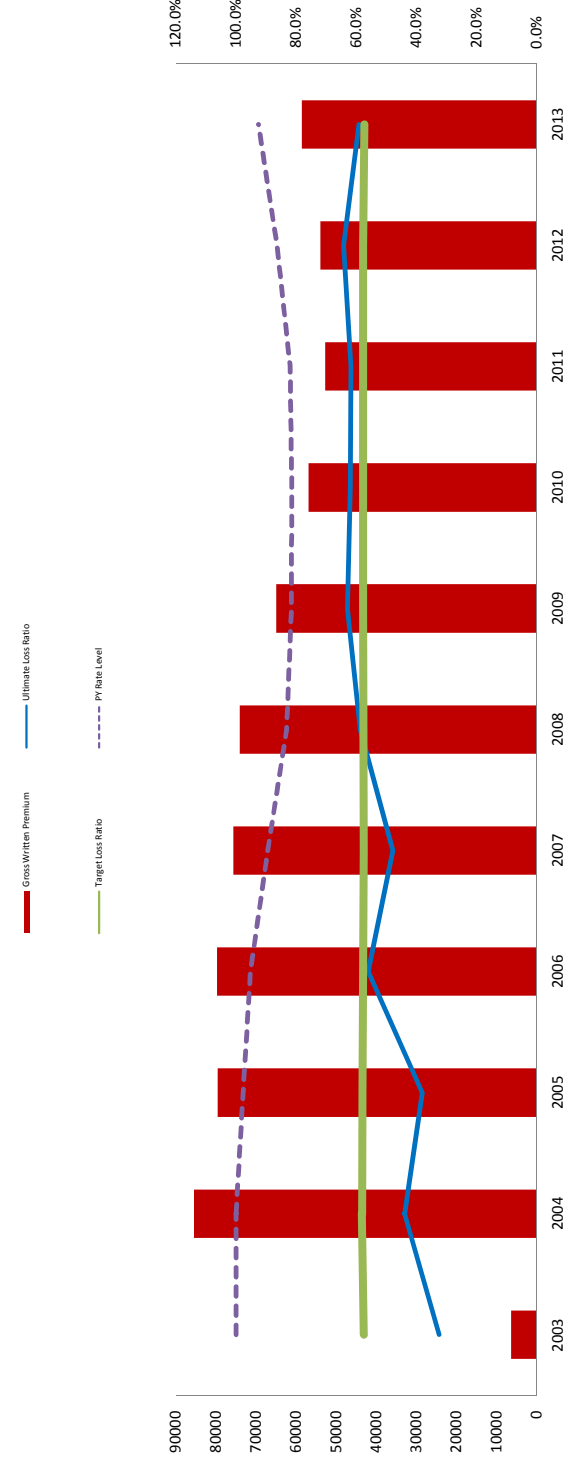
PY	GL				AL				Property - ex Cat Load & Reinsurance Charges				APD				
	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	
2003	2,377	816	34.3%	34.9%	985	725	73.7%	726	1,278	347	27.1%	347	267	184	68.9%	184	69.0%
2004	30,476	13,389	43.9%	44.8%	21,311	12,916	60.6%	12,960	15,337	4,281	27.9%	4,281	3,585	2,783	77.6%	2,783	77.6%
2005	27,973	9,598	34.3%	35.4%	20,307	14,129	69.6%	14,234	14,965	3,537	23.6%	3,537	3,337	2,644	79.2%	2,644	79.2%
2006	28,002	14,475	51.7%	54.8%	20,295	18,377	90.5%	18,659	16,111	3,208	19.9%	3,208	3,405	2,465	72.4%	2,465	72.4%
2007	24,694	15,278	61.9%	61.9%	19,735	10,834	54.9%	11,088	16,484	4,571	27.7%	4,571	3,187	2,311	72.5%	2,311	72.5%
2008	22,924	12,527	54.6%	65.7%	20,159	11,374	56.4%	11,899	16,199	10,674	65.9%	10,674	3,171	2,802	88.4%	2,802	88.4%
2009	20,194	12,149	60.2%	76.4%	18,128	10,702	66.7%	13,109	12,768	4,548	33.0%	4,548	3,046	1,959	64.3%	1,959	64.3%
2010	17,335	6,868	39.6%	66.6%	15,816	10,971	67.7%	12,780	12,004	4,870	40.5%	4,871	2,926	2,465	84.3%	2,465	84.3%
2011	16,051	4,034	25.1%	70.0%	14,810	7,038	47.5%	10,758	11,199	4,089	36.5%	4,098	2,718	3,023	111.2%	3,028	111.4%
2012	16,342	1,150	7.0%	66.0%	15,462	6,345	41.0%	12,230	11,391	4,600	40.4%	4,950	2,845	2,342	82.3%	2,468	86.8%
2013	15,700	95	0.6%	64.0%	17,213	348	2.0%	71.0%	14,400	720	5.0%	5.0%	2,837	268	9.4%	2,468	70.0%

Total Casualty

PY	Excess Liability				Total Casualty				Property - ex Cat Load & Reinsurance				All Lines Combined				
	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	Reported GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE Ratio	
2003	1,512	0	0.0%	0.0%	4,874	1,542	31.6%	1,555	1,545	531	34.3%	531	6,418	2,072	32.3%	2,085	32.5%
2004	14,777	3,588	24.3%	26.5%	66,564	29,893	44.9%	30,518	18,921	7,064	37.3%	7,064	85,486	36,958	43.2%	37,582	44.0%
2005	13,037	22	0.2%	0.2%	61,316	23,749	38.7%	24,175	18,302	6,181	33.8%	6,181	79,618	29,930	37.6%	30,356	38.1%
2006	11,933	4,156	34.8%	42.4%	60,229	37,008	61.4%	39,072	19,516	5,672	29.1%	5,673	79,746	42,681	53.5%	44,745	56.1%
2007	11,580	2,228	19.2%	25.9%	56,009	28,340	50.6%	29,367	19,671	6,882	35.0%	6,882	75,680	35,223	46.5%	36,249	47.9%
2008	11,636	1,012	8.7%	26.2%	54,718	24,913	45.5%	30,005	19,370	13,475	69.6%	13,476	74,088	38,389	51.8%	43,481	58.7%
2009	9,836	4,268	43.4%	60.0%	48,158	28,509	59.2%	34,428	16,813	6,507	38.7%	6,507	64,972	35,016	53.9%	40,935	63.0%
2010	8,849	766	8.7%	41.4%	42,000	18,336	43.7%	27,990	14,929	7,335	49.1%	7,336	56,929	25,671	45.1%	35,326	62.1%
2011	8,014	0	0.0%	43.9%	38,874	11,072	28.5%	25,518	13,917	7,111	51.1%	7,126	52,791	18,183	34.4%	32,644	61.8%
2012	7,935	0	0.0%	53.7%	39,739	7,496	18.9%	27,280	14,236	6,941	48.8%	7,418	53,976	14,437	26.7%	34,698	64.3%
2013	8,500	0	0.0%	61.7%	41,413	443	1.1%	66.3%	17,237	987	5.7%	5.7%	58,650	1,431	2.4%	34,698	59.3%

Total Program Summary

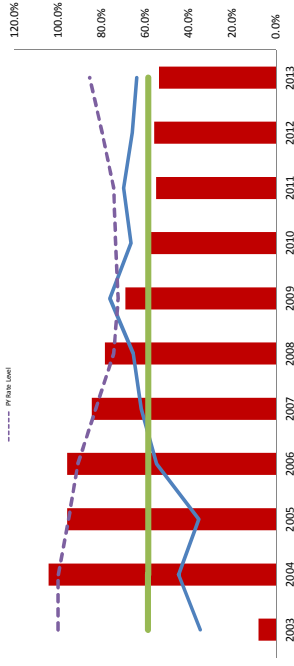
PY	GWP	Loss Ratio		Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	Rt Chg	Rt Lvl
		Reported	Ultimate	Target *	Ultimate				
2003	6,418	32.3%	32.5%	57.5%	69.5%	1,104	1,956	0.0%	1.00
2004	85,486	43.2%	44.0%	58.1%	80.7%	8,273	16,462	0.0%	1.00
2005	79,618	37.6%	38.1%	58.0%	75.0%	10,824	19,872	-2.3%	0.98
2006	79,746	53.5%	56.1%	57.7%	93.3%	891	5,379	-2.6%	0.95
2007	75,680	46.5%	47.9%	57.6%	85.2%	5,006	11,166	-5.9%	0.90
2008	74,088	51.8%	58.7%	57.6%	96.0%	-545	2,949	-7.0%	0.83
2009	64,972	53.9%	63.0%	57.7%	100.2%	-2,338	-156	-1.9%	0.82
2010	56,929	45.1%	62.1%	57.8%	99.3%	-1,661	423	-0.1%	0.82
2011	52,791	34.4%	61.8%	57.8%	99.1%	-1,467	495	0.6%	0.82
2012	53,976	26.7%	64.3%	57.8%	101.5%	-2,389	-809	5.4%	0.86
2013	58,650	2.4%	59.2%	57.3%	96.9%	-731	1,844	7.1%	0.93
Total	688,354	40.7%	54.2%			16,967	59,581		



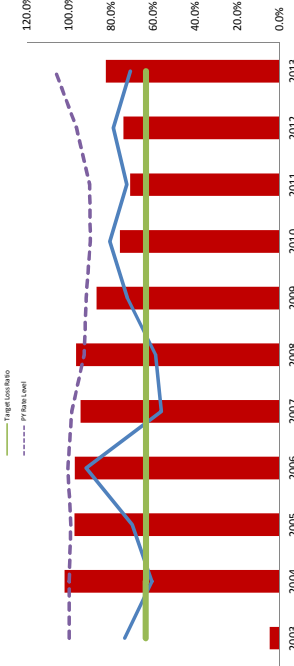
\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)  
 \* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

Program Summary by LOB - Casualty Lines

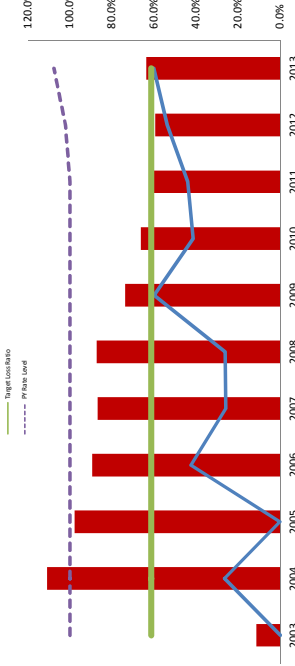
PY	GWP	Loss Ratio		Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	RT Chg	RT Lvl
		Reported	Ultimate	Ultimate	BECR				
2003	2,377	34.3%	34.9%	70.0%	93.9%	393	712	0.0%	1.00
2004	30,476	43.9%	44.8%	79.9%	93.9%	2,943	6,111	0.0%	1.00
2005	27,973	34.3%	34.8%	70.6%	93.9%	4,512	8,225	-4.7%	0.95
2006	28,002	51.7%	54.8%	90.0%	93.9%	757	2,801	-4.5%	0.91
2007	24,694	61.9%	61.9%	100.8%	93.9%	-536	732	-9.0%	0.83
2008	22,924	54.6%	65.7%	100.8%	93.9%	-1,102	-194	-10.0%	0.75
2009	20,194	60.2%	76.4%	111.5%	93.9%	-2,463	-2,326	-2.7%	0.73
2010	17,335	39.6%	66.6%	101.8%	93.9%	-947	-311	1.5%	0.74
2011	16,051	25.1%	70.0%	105.2%	93.9%	-1,255	-833	1.2%	0.74
2012	16,342	7.0%	66.0%	101.2%	93.9%	-825	-195	7.1%	0.80
2013	15,700	0.6%	64.0%	99.2%	93.9%	-572	131	7.2%	0.86
Total	222,069	40.7%	58.1%			905	14,853		



PY	GWP	Loss Ratio		Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	RT Chg	RT Lvl
		Reported	Ultimate	Ultimate	BECR				
2003	985	73.7%	73.7%	107.4%	97.3%	-66	-73	0.0%	1.00
2004	21,311	60.6%	60.8%	94.5%	97.3%	397	1,170	0.0%	1.00
2005	20,307	69.6%	70.1%	103.8%	97.3%	-880	-770	-0.7%	0.99
2006	20,295	90.5%	91.9%	125.6%	97.3%	-3,842	-5,203	1.4%	1.01
2007	19,735	54.9%	56.2%	89.9%	97.3%	978	1,997	-1.8%	0.99
2008	20,159	56.4%	59.0%	92.7%	97.3%	617	1,467	-6.0%	0.93
2009	18,128	66.7%	72.3%	106.0%	97.3%	-1,055	-1,090	-1.1%	0.92
2010	15,816	67.7%	80.8%	114.5%	97.3%	-1,818	-2,294	-2.1%	0.90
2011	14,810	47.5%	72.6%	106.3%	97.3%	-894	-938	0.3%	0.90
2012	15,462	41.0%	79.1%	112.8%	97.3%	-1,600	-1,978	6.9%	0.96
2013	17,213	2.0%	71.0%	104.7%	97.3%	-850	-808	10.5%	1.07
Total	184,219	56.9%	70.9%			-9,013	-8,519		



PY	GWP	Loss Ratio		Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	RT Chg	RT Lvl
		Reported	Ultimate	Ultimate	BECR				
2003	1,512	0.0%	0.0%	32.6%	93.9%	642	1,019	0.0%	1.00
2004	14,777	24.3%	26.5%	59.0%	93.9%	3,565	6,052	0.0%	1.00
2005	13,037	0.2%	0.2%	32.8%	93.9%	5,512	8,758	0.0%	1.00
2006	11,933	34.8%	42.4%	75.0%	93.9%	1,562	2,984	0.0%	1.00
2007	11,580	19.2%	25.9%	58.5%	93.9%	2,838	4,806	0.0%	1.00
2008	11,636	8.7%	26.2%	58.8%	93.9%	2,827	4,794	0.0%	1.00
2009	9,836	43.4%	60.0%	92.6%	93.9%	90	731	0.0%	1.00
2010	8,849	8.7%	41.4%	73.9%	93.9%	1,222	2,305	0.0%	1.00
2011	8,014	0.0%	43.9%	76.5%	93.9%	964	1,882	0.0%	1.00
2012	7,935	0.0%	53.7%	86.3%	93.9%	419	1,089	2.1%	1.02
2013	8,500	0.0%	60.2%	92.8%	93.9%	67	616	5.4%	1.08
Total	107,608	14.9%	34.9%			19,709	35,036		

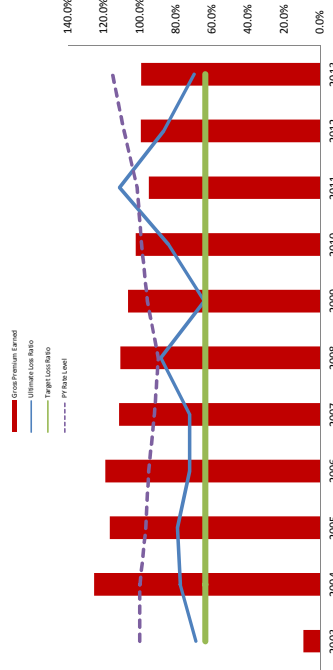


\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)  
 \* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance



Program Summary by LOB - Property Lines

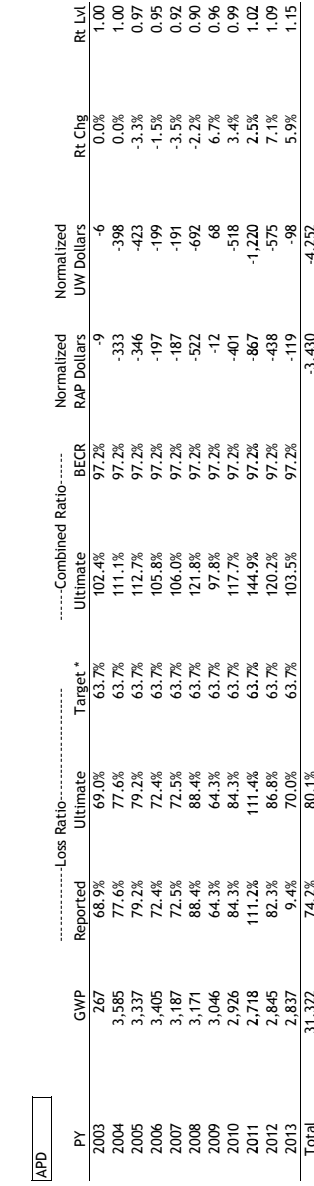
Property	PY	GWP	Loss Ratio		Target *	Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	RT Chg	RT Lvl
			Reported	Ultimate		Ultimate	Ultimate				
2003	1,278	27.1%	27.2%	44.7%	76.2%	93.8%	156	304	0.0%	1.00	
2004	15,337	27.9%	27.9%	44.7%	77.0%	93.8%	1,785	3,527	0.0%	1.00	
2005	14,965	23.6%	23.6%	44.7%	72.7%	93.8%	2,186	4,082	-1.5%	0.99	
2006	16,111	19.9%	19.9%	44.7%	69.0%	93.8%	2,769	4,995	-6.0%	0.93	
2007	16,484	27.7%	27.7%	44.7%	76.8%	93.8%	1,940	3,822	-10.1%	0.83	
2008	16,199	65.9%	65.9%	44.7%	115.0%	93.8%	-2,377	-2,426	-9.5%	0.75	
2009	13,768	33.0%	33.0%	44.7%	82.1%	93.8%	1,114	2,462	-4.8%	0.72	
2010	12,004	40.6%	40.6%	44.7%	89.7%	93.8%	344	1,241	-0.8%	0.71	
2011	11,199	36.5%	36.5%	44.7%	85.7%	93.8%	630	1,604	0.0%	0.71	
2012	11,391	40.4%	40.4%	44.7%	92.5%	93.8%	99	850	3.0%	0.73	
2013	14,400	5.0%	37.0%	44.7%	86.1%	93.8%	770	2,004	4.5%	0.77	
Total	143,136	31.7%	35.2%				9,416	22,463			



APD

Property	PY	GWP	Loss Ratio		Target *	Combined Ratio		Normalized RAP Dollars	Normalized UW Dollars	RT Chg	RT Lvl
			Reported	Ultimate		Ultimate	Ultimate				
2003	267	68.9%	69.0%	63.7%	102.4%	97.2%	-9	-6	0.0%	1.00	
2004	3,585	77.6%	77.6%	63.7%	111.1%	97.2%	-333	-398	0.0%	1.00	
2005	3,337	79.2%	79.2%	63.7%	112.7%	97.2%	-346	-423	-3.3%	0.97	
2006	3,405	72.4%	72.4%	63.7%	105.8%	97.2%	-197	-199	-1.5%	0.95	
2007	3,187	72.5%	72.5%	63.7%	106.0%	97.2%	-187	-191	-3.5%	0.92	
2008	3,171	88.4%	88.4%	63.7%	121.8%	97.2%	-522	-692	-2.2%	0.90	
2009	3,046	64.3%	64.3%	63.7%	97.8%	97.2%	-12	68	6.7%	0.96	
2010	2,926	84.3%	84.3%	63.7%	117.7%	97.2%	-401	-518	3.4%	0.99	
2011	2,718	111.4%	111.4%	63.7%	144.9%	97.2%	-867	-1,220	2.5%	1.02	
2012	2,845	82.3%	82.3%	63.7%	120.2%	97.2%	-438	-575	7.1%	1.09	
2013	2,837	9.4%	70.0%	63.7%	103.5%	97.2%	-119	-98	5.9%	1.15	
Total	31,322	74.2%	80.1%				-3,430	-4,252			

APD



\* 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

GL

Rate Need Indications

	Target		Before 2013			Before 2013		PY 2013		After 2013	
	Combined	Ratio	ILAE Ratio	Target ILAE Ratio	Rate Change	Rate Change	Rate Change	Rate Change	Rate Change	Rate Change	Rate Change
RAP Neutral:	93.9%	61.5%	71.6%	71.6%	16.0%	16.0%	7.2%	7.2%	66.8%	66.8%	12.1%
UW Breakeven:	100.0%	67.6%	71.6%	71.6%	5.8%	5.8%	7.2%	7.2%	66.8%	66.8%	2.2%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	4.2%
Other Acquisition Fees:	0.6%
Direct Expense:	1.4%
Indirect Expense:	4.3%
	<u>32.4%</u>



GL

Indexing - PY 2013 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP
2003	2,377	0.0%	1.000	2,034
2004	30,476	0.0%	1.000	26,071
2005	27,973	-4.7%	0.953	25,110
2006	28,002	-4.5%	0.910	26,320
2007	24,694	-9.0%	0.828	25,507
2008	22,924	-10.0%	0.745	26,309
2009	20,194	-2.7%	0.725	23,820
2010	17,335	1.5%	0.736	20,145
2011	16,051	1.2%	0.745	18,432
2012	16,342	7.1%	0.798	17,522
2013	15,700	7.2%	0.855	15,700

All Yr Wtd ex 2013:	
Last 7 Wtd ex 2013:	
Last 5 Wtd ex 2013:	
Last 3 Wtd ex 2013:	

Selected Ultimate:	
ILF:	
Policy Limits Ultimate:	

Policy Limits		3.5%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio		Trend to PY 2013	
34.9%	1.411	57.5%	
44.8%	1.363	71.3%	
35.4%	1.317	52.0%	
54.8%	1.272	74.2%	
61.9%	1.229	73.6%	
65.7%	1.188	68.0%	
76.4%	1.148	74.3%	
66.6%	1.109	63.6%	
70.0%	1.071	65.3%	
66.0%	1.035	63.7%	
65.4%	1.000	65.4%	
			67.6%
			69.5%
			67.4%
			64.2%
			64.0%
			1.00
			64.0%

Weight: 61%

Capped @ 250k		3.3%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio		Trend to PY 2013	
34.7%	1.377	55.9%	
30.1%	1.334	46.9%	
29.1%	1.292	41.8%	
32.8%	1.251	43.6%	
39.3%	1.212	46.1%	
42.0%	1.173	42.9%	
52.2%	1.136	50.3%	
46.0%	1.101	43.5%	
40.4%	1.066	37.5%	
41.5%	1.033	40.0%	
42.4%	1.000	42.4%	
			44.0%
			43.8%
			43.3%
			40.4%
			41.0%
			1.55
			63.6%

Weight: 19%

Capped @ 100k		3.0%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio		Trend to PY 2013	
25.7%	1.344	40.4%	
19.5%	1.305	29.7%	
18.6%	1.267	26.3%	
21.5%	1.230	28.2%	
25.2%	1.194	29.1%	
27.5%	1.159	27.7%	
34.4%	1.126	32.8%	
29.8%	1.093	28.0%	
26.0%	1.061	24.0%	
26.7%	1.030	25.6%	
27.5%	1.000	27.5%	
			28.2%
			28.2%
			27.9%
			25.9%
			26.0%
			2.40
			62.4%

Weight: 19%

Frequency/Severity Indication: 63.5%  
 Weighted Average: 63.6%  
 PY 2013 Selected: 64.0%

ULE: 2.8%  
 Claims Fees: 0.0%  
 PY 2013 Ultimate ILAE Ratio: 66.8%

GL

Frequency/Severity Method

PY	Frequency			Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	Reported ILAE @ 2013/3	Selected Ultimate ILAE	Average Severity	3.5% Trend to PY 2013	Average Severity @ PY 2013
2003	2,034	30	30	816	829	28	1.411	38.92
2004	26,071	263	265	13,389	13,648	52	1.363	70.25
2005	25,110	235	238	9,598	9,911	42	1.317	54.83
2006	26,320	314	320	14,475	15,353	48	1.272	61.03
2007	25,507	288	296	15,278	15,278	52	1.229	63.52
2008	26,309	340	352	12,527	15,056	43	1.188	50.80
2009	23,820	309	323	12,149	15,419	48	1.148	54.70
2010	20,145	194	207	6,868	11,550	56	1.109	61.88
2011	18,432	114	127	4,034	11,240	89	1.071	94.91
2012	17,522	115	160	1,150	10,790	67	1.035	69.76
2013	15,700	29	173	95	10,260	59	1.000	59.25
All Yr Wtd:								63.29
Last 7 Wtd:								63.80
Last 5 Wtd:								64.56
Last 3 Wtd:								75.19
								PY 2013 Selected Severity: 63.50
								PY 2013 Selected Frequency: 0.010

Indicated PY 2013 Ult ILAE Ratio: 63.5%

GL

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve		Selected Ultimate ILAE	Ultimate ILAE Ratio
		ILAE @ 2013/3	816					Development Method	940		
2003	2,377	816	829	788	829	788	829	940	829	34.9%	
2004	30,476	13,389	13,733	13,563	13,731	13,566	13,648	14,132	13,648	44.8%	
2005	27,973	9,598	9,992	9,829	9,989	9,834	9,911	10,403	9,911	35.4%	
2006	28,002	14,475	15,371	15,334	15,370	15,336	15,353	15,440	15,353	54.8%	
2007	24,694	15,278	16,906	13,628	16,748	13,875	15,278	21,815	15,278	61.9%	
2008	22,924	12,527	14,671	15,442	14,738	15,372	15,056	13,535	15,056	65.7%	
2009	20,194	12,149	15,295	15,544	15,057	15,045	15,419	15,073	15,419	76.4%	
2010	17,335	6,868	10,237	11,745	10,976	12,133	11,550	9,052	11,550	66.6%	
2011	16,051	4,034	8,129	12,615	10,180	12,306	11,240	5,669	11,240	70.0%	
2012	16,342	1,150	4,841	7,343	10,120	11,462	10,790	4,065	10,790	66.0%	
2013	15,700	95	3,905	1,496	10,205	10,323	10,260	4,429	10,260	65.4%	
Total	222,069	90,380	113,909	117,326	127,941	130,041	129,334	114,553	129,334	58.2%	

GL

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve		Selected Ultimate ILAE	Ultimate ILAE Ratio
		ILAE @ 2013/3	ILAE					Development Method	Method		
2003	2,377	816	826	826	784	826	784	956	826	826	34.7%
2004	30,476	9,086	9,243	9,242	9,095	9,242	9,097	9,473	9,169	9,169	30.1%
2005	27,973	7,944	8,162	8,161	8,093	8,161	8,094	8,255	8,127	8,127	29.1%
2006	28,002	8,871	9,252	9,249	9,103	9,249	9,108	9,424	9,177	9,177	32.8%
2007	24,694	9,219	9,827	9,819	9,566	9,819	9,580	10,109	9,696	9,696	39.3%
2008	22,924	8,603	9,437	9,495	9,803	9,495	9,853	9,135	9,620	9,620	42.0%
2009	20,194	8,875	10,135	10,030	10,964	10,030	10,489	9,671	10,550	10,550	52.2%
2010	17,335	5,786	7,533	7,676	8,363	7,676	8,267	7,030	7,970	7,970	46.0%
2011	16,051	2,778	4,555	5,784	6,135	5,784	7,191	3,842	6,490	6,490	40.4%
2012	16,342	1,150	3,551	6,232	5,486	6,232	7,331	3,032	6,780	6,780	41.5%
2013	15,700	95	2,545	6,594	982	6,594	6,712	2,878	6,650	6,650	42.4%
Total	222,069	63,225	75,068	83,108	78,373	83,108	86,508	73,807	85,055	85,055	38.3%

GL

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported		Inc. Dev.	Paid Dev.	Inc. BF	Paid BF	Case Reserve		Selected	Ultimate	Ultimate
		ILAE @ 2013/3	ILAE					Method	Method			
2003	2,377	607	612	596	612	596	596	635	612	612	612	25.7%
2004	30,476	5,889	5,966	5,899	5,965	5,899	5,899	6,048	5,932	5,932	5,932	19.5%
2005	27,973	5,106	5,214	5,199	5,213	5,199	5,199	5,230	5,206	5,206	5,206	18.6%
2006	28,002	5,878	6,062	6,004	6,061	6,006	6,006	6,127	6,033	6,033	6,033	21.5%
2007	24,694	5,912	6,188	6,244	6,189	6,241	6,241	6,128	6,216	6,216	6,216	25.2%
2008	22,924	5,849	6,245	6,342	6,256	6,352	6,352	6,168	6,294	6,294	6,294	27.5%
2009	20,194	6,213	6,835	7,040	6,764	6,821	6,821	6,724	6,937	6,937	6,937	34.4%
2010	17,335	4,047	4,999	5,166	5,070	5,245	5,245	4,893	5,160	5,160	5,160	29.8%
2011	16,051	2,102	3,116	3,641	3,774	4,559	4,559	2,887	4,170	4,170	4,170	26.0%
2012	16,342	1,006	2,545	3,605	3,971	4,743	4,743	2,256	4,360	4,360	4,360	26.7%
2013	15,700	95	1,913	652	4,273	4,358	4,358	2,222	4,320	4,320	4,320	27.5%
Total	222,069	42,704	49,694	50,388	54,149	56,021	56,021	49,319	55,240	55,240	55,240	24.9%



GL

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits						Incurred		Paid		Born-Ferg Ultimate ILAE Ratio		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	
2003	2,377	34.3%	32.4%	34.9%	33.1%	33.1%	34.0%	1.5%	34.9%	829	2.1%	33.1%	788	
2004	30,476	43.9%	42.9%	45.1%	44.5%	44.5%	44.8%	2.5%	45.1%	13,731	3.5%	44.5%	13,566	
2005	27,973	34.3%	33.2%	35.7%	35.1%	35.1%	35.4%	3.9%	35.7%	9,989	5.4%	35.2%	9,834	
2006	28,002	51.7%	50.0%	54.9%	54.8%	54.8%	54.8%	5.8%	54.9%	15,370	8.6%	54.8%	15,336	
2007	24,694	61.9%	46.9%	68.5%	61.8%	55.2%	61.8%	9.6%	67.8%	16,748	15.1%	56.2%	13,875	
2008	22,924	54.6%	52.3%	64.0%	67.4%	67.4%	66.0%	14.6%	64.3%	14,738	22.3%	67.1%	15,372	
2009	20,194	60.2%	49.7%	75.7%	77.0%	77.0%	70.0%	20.6%	74.6%	15,057	35.4%	74.5%	15,045	
2010	17,335	39.6%	32.0%	59.1%	67.8%	67.8%	72.0%	32.9%	63.3%	10,976	52.7%	70.0%	12,133	
2011	16,051	25.1%	20.3%	50.6%	78.6%	78.6%	76.0%	50.4%	63.4%	10,180	74.1%	76.7%	12,306	
2012	16,342	7.0%	3.1%	29.6%	44.9%	44.9%	72.0%	76.2%	61.9%	10,120	93.1%	70.1%	11,462	
2013	15,700	0.6%	0.0%	24.9%	9.5%	9.5%	66.0%	97.6%	65.0%	10,205	99.6%	65.7%	10,323	

PY	Capped @ 250k						Incurred		Paid		Born-Ferg Ultimate ILAE Ratio		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	
2003	2,377	34.3%	32.4%	34.8%	33.0%	33.0%	33.9%	1.2%	34.7%	826	1.6%	33.0%	784	
2004	30,476	29.8%	29.0%	30.3%	29.8%	29.8%	30.1%	1.7%	30.3%	9,242	2.8%	29.8%	9,097	
2005	27,973	28.4%	27.6%	29.2%	28.9%	28.9%	29.1%	2.7%	29.2%	8,161	4.6%	28.9%	8,094	
2006	28,002	31.7%	30.1%	33.0%	32.5%	32.5%	32.8%	4.1%	33.0%	9,249	7.4%	32.5%	9,108	
2007	24,694	37.3%	34.4%	39.8%	38.7%	38.7%	39.3%	6.2%	39.8%	9,819	11.3%	38.8%	9,580	
2008	22,924	37.5%	35.2%	41.2%	42.8%	42.8%	44.0%	8.8%	41.4%	9,495	17.7%	43.0%	9,853	
2009	20,194	43.9%	38.9%	50.2%	54.3%	54.3%	46.0%	12.4%	49.7%	10,030	28.3%	51.9%	10,489	
2010	17,335	33.4%	26.8%	43.5%	48.2%	48.2%	47.0%	23.2%	44.3%	7,676	44.4%	47.7%	8,267	
2011	16,051	17.3%	12.5%	28.4%	38.2%	38.2%	48.0%	39.0%	36.0%	5,784	67.3%	44.8%	7,191	
2012	16,342	7.0%	3.1%	21.7%	33.6%	33.6%	46.0%	67.6%	38.1%	6,232	90.8%	44.9%	7,331	
2013	15,700	0.6%	0.0%	16.2%	6.3%	6.3%	43.0%	96.3%	42.0%	6,594	99.3%	42.8%	6,712	

PY	Capped @ 100k						Incurred		Paid		Born-Ferg Ultimate ILAE Ratio		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	
2003	2,377	25.5%	24.7%	25.8%	25.1%	25.1%	25.4%	0.8%	25.7%	612	1.3%	25.1%	596	
2004	30,476	19.3%	18.9%	19.6%	19.4%	19.4%	19.5%	1.3%	19.6%	5,965	2.3%	19.4%	5,899	
2005	27,973	18.3%	17.9%	18.6%	18.6%	18.6%	18.6%	2.1%	18.6%	5,213	3.7%	18.6%	5,199	
2006	28,002	21.0%	20.2%	21.6%	21.4%	21.4%	21.5%	3.0%	21.6%	6,061	5.6%	21.4%	6,006	
2007	24,694	23.9%	23.2%	25.1%	25.3%	25.3%	25.2%	4.5%	25.1%	6,189	8.3%	25.3%	6,241	
2008	22,924	25.5%	24.0%	27.2%	27.7%	27.7%	28.0%	6.3%	27.3%	6,256	13.2%	27.7%	6,352	
2009	20,194	30.8%	27.1%	33.8%	34.9%	34.9%	30.0%	9.1%	33.5%	6,764	22.2%	33.8%	6,821	
2010	17,335	23.3%	18.5%	28.8%	29.8%	29.8%	31.0%	19.0%	29.2%	5,070	37.9%	30.3%	5,245	
2011	16,051	13.1%	8.8%	19.4%	22.7%	22.7%	32.0%	32.5%	23.5%	3,774	61.3%	28.4%	4,559	
2012	16,342	6.2%	2.7%	15.6%	22.1%	22.1%	30.0%	60.5%	24.3%	3,971	87.7%	29.0%	4,743	
2013	15,700	0.6%	0.0%	12.2%	4.2%	4.2%	28.0%	95.0%	27.2%	4,273	99.0%	27.8%	4,358	

GL  
 Bornhuetter-Ferguson Method - Apriori Selection

Capped @ Policy Limits		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	2,377	0.0%	829	34.9%	55.6%	59.1%	60.3%	61.6%	59.6%	57.5%	
2004	30,476	0.0%	13,648	44.8%	68.9%	73.3%	74.8%	76.5%	73.9%	71.3%	
2005	27,973	-4.7%	9,911	35.4%	50.2%	53.4%	54.5%	55.7%	53.8%	52.0%	
2006	28,002	-4.5%	15,353	54.8%	71.7%	76.3%	77.8%	79.6%	76.9%	74.2%	
2007	24,694	-9.0%	15,278	61.9%	71.1%	75.7%	77.2%	78.9%	76.3%	73.6%	
2008	22,924	-10.0%	15,056	65.7%	69.9%	72.9%	71.2%	72.9%	70.4%	68.0%	
2009	20,194	-2.7%	15,419	76.4%	71.9%	79.6%	77.0%	74.3%	74.3%	74.3%	
2010	17,335	1.5%	11,550	66.6%	68.1%	68.1%	68.1%	68.1%	65.9%	63.6%	
2011	16,051	1.2%	11,240	70.0%	66.0%	66.0%	66.0%	66.0%	67.7%	65.3%	
2012	16,342	7.1%	10,790	66.0%	65.4%	65.4%	65.4%	65.4%	67.7%	63.7%	
2013	15,700	7.2%	10,260	65.4%	65.4%	65.4%	65.4%	65.4%	67.7%	63.7%	
All Yr Wtd :					65.4%	69.7%	72.1%	73.1%	70.3%	67.6%	67.6%
Last 7 Wtd :					-	-	72.1%	73.2%	69.9%	69.5%	69.5%
Last 5 Wtd :					65.4%	69.8%	71.7%	76.1%	71.8%	67.4%	67.4%
Last 3 Wtd :					64.5%	73.9%	75.3%	73.8%	70.6%	64.2%	64.2%
ILF Implied :					68.2%	71.3%	72.9%	74.4%	71.3%	66.7%	66.7%
Credibility - Weighted:					60.2%	61.6%	62.1%	65.2%	63.6%	62.7%	62.7%
Selected BF Apriori:					66.0%	70.0%	72.0%	76.0%	72.0%	66.0%	66.0%

Capped @ 250k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	2,377	0.0%	826	34.7%	54.7%	58.0%	59.0%	60.2%	58.1%	55.9%	
2004	30,476	0.0%	9,169	30.1%	45.9%	48.7%	49.5%	50.5%	48.7%	46.9%	
2005	27,973	-4.7%	8,127	29.1%	40.9%	43.4%	44.1%	45.0%	43.4%	41.8%	
2006	28,002	-4.5%	9,177	32.8%	42.7%	45.3%	46.0%	47.0%	45.3%	43.6%	
2007	24,694	-9.0%	9,696	39.3%	45.0%	47.8%	48.6%	49.6%	47.8%	46.1%	
2008	22,924	-10.0%	9,620	42.0%	44.5%	46.2%	45.3%	46.2%	44.6%	42.9%	
2009	20,194	-2.7%	10,550	52.2%	45.0%	44.5%	45.3%	54.2%	52.3%	50.3%	
2010	17,335	1.5%	7,970	46.0%	42.4%	42.4%	42.4%	46.9%	45.2%	43.5%	
2011	16,051	1.2%	6,490	40.4%	41.5%	41.5%	41.5%	39.0%	37.5%	35.9%	
2012	16,342	7.1%	6,780	41.5%	41.5%	41.5%	41.5%	39.0%	37.5%	35.9%	
2013	15,700	7.2%	6,650	42.4%	42.4%	42.4%	42.4%	39.0%	37.5%	35.9%	
All Yr Wtd :					43.8%	46.1%	47.9%	48.6%	46.1%	44.0%	44.0%
Last 7 Wtd :					-	-	47.9%	48.5%	45.6%	43.8%	43.8%
Last 5 Wtd :					43.8%	45.8%	47.4%	48.1%	46.1%	43.3%	43.3%
Last 3 Wtd :					42.9%	45.8%	48.9%	49.1%	46.1%	40.4%	40.4%
ILF Implied :					43.4%	46.5%	48.0%	49.5%	46.5%	43.4%	43.4%
Credibility - Weighted:					41.8%	42.1%	42.7%	44.0%	43.0%	42.8%	42.8%
Selected BF Apriori:					44.0%	46.0%	47.0%	48.0%	46.0%	43.0%	43.0%

Capped @ 100k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	2,377	0.0%	612	25.7%	40.0%	42.4%	43.0%	43.8%	42.1%	40.4%	
2004	30,476	0.0%	5,932	19.5%	29.4%	31.1%	31.6%	32.1%	30.9%	29.7%	
2005	27,973	-4.7%	5,206	18.6%	26.0%	27.5%	27.9%	28.4%	27.3%	26.3%	
2006	28,002	-4.5%	6,033	21.5%	27.9%	29.5%	30.0%	30.5%	29.3%	28.2%	
2007	24,694	-9.0%	6,216	25.2%	28.8%	30.5%	30.9%	31.5%	30.3%	29.1%	
2008	22,924	-10.0%	6,294	27.5%	29.1%	29.1%	29.5%	30.0%	28.9%	27.7%	
2009	20,194	-2.7%	6,937	34.4%	29.1%	29.1%	29.5%	35.5%	34.1%	32.8%	
2010	17,335	1.5%	5,160	29.8%	26.0%	26.0%	26.0%	30.3%	29.1%	28.0%	
2011	16,051	1.2%	4,170	26.0%	26.7%	26.7%	26.7%	25.0%	24.0%	24.0%	
2012	16,342	7.1%	4,360	26.7%	26.7%	26.7%	26.7%	25.0%	24.0%	24.0%	
2013	15,700	7.2%	4,320	27.5%	27.5%	27.5%	27.5%	25.0%	24.0%	24.0%	
All Yr Wtd :					28.3%	29.8%	30.9%	31.3%	29.6%	28.2%	28.2%
Last 7 Wtd :					-	-	30.9%	31.2%	29.3%	28.2%	28.2%
Last 5 Wtd :					28.3%	29.6%	30.6%	31.5%	29.7%	27.9%	27.9%
Last 3 Wtd :					27.6%	29.7%	31.7%	31.9%	29.8%	25.9%	25.9%
Credibility - Weighted:					28.9%	29.1%	29.7%	30.7%	30.1%	30.3%	30.3%
Selected BF Apriori:					28.0%	30.0%	31.0%	32.0%	30.0%	28.0%	28.0%

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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
2003	829	826	1.00	788	784	1.00	829	612	1.35	788	596	1.32
2004	13,733	9,243	1.49	13,563	9,095	1.49	13,733	5,966	2.30	13,563	5,899	2.30
2005	9,992	8,162	1.22	9,829	8,093	1.21	9,992	5,214	1.92	9,829	5,199	1.89
2006	15,371	9,252	1.66	15,334	9,103	1.68	15,371	6,062	2.54	15,334	6,004	2.55
2007	16,906	9,827	1.72	13,628	9,566	1.42	16,906	6,188	2.73	13,628	6,244	2.18
2008	14,671	9,437	1.55	15,442	9,803	1.58	14,671	6,245	2.35	15,442	6,342	2.43
2009	15,295	10,135	1.51	15,544	10,964	1.42	15,295	6,835	2.24	15,544	7,040	2.21
2010	10,237	7,533	1.36	11,745	8,363	1.40	10,237	4,999	2.05	11,745	5,166	2.27
2011	8,129	4,555	1.78	12,615	6,135	2.06	8,129	3,116	2.61	12,615	3,641	3.46
2012	4,841	3,551	1.36	7,343	5,486	1.34	4,841	2,545	1.90	7,343	3,605	2.04
All Yr Wtd:			1.52			1.50			2.30			2.33
Last 7 Wtd:			1.57			1.54			2.37			2.41
Last 5 Wtd:			1.51			1.54			2.24			2.43
Last 3 Wtd:			1.48			1.59			2.18			2.55
Selected Empirical ILF: 1.55						Selected Empirical ILF: 2.40						
Credibility: 100%						Credibility: 100%						
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: 1.55						Credibility Weighted ILF Indication: 2.40						
Selected: 1.55						Selected: 2.40						

\* Averages exclude PY 2012

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Incurred & LAE - Policy Limits

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	ILAE @ 2013/3	LDF	Ultimate ILAE
2003	2,377	0	202	244	615	626	691	707	713	875	857	816	816	1.016	829
2004	30,476	803	2,307	6,945	9,030	11,526	12,222	12,598	13,232	13,312	13,389		13,389	1.026	13,733
2005	27,973	426	2,492	5,962	8,588	9,149	9,259	9,587	9,928	9,598			9,598	1.041	9,992
2006	28,002	378	3,659	7,242	11,894	12,685	12,841	13,344	14,475				14,475	1.062	15,371
2007	24,694	313	3,591	7,866	11,146	12,703	13,100	15,278					15,278	1.107	16,906
2008	22,924	301	3,563	6,817	8,107	11,232	12,527						12,527	1.171	14,671
2009	20,194	141	3,263	6,764	9,137	12,149							12,149	1.259	15,295
2010	17,335	334	3,098	6,122	6,868								6,868	1.491	10,237
2011	16,051	99	1,817	4,034									4,034	2.015	8,129
2012	16,342	78	1,150										1,150	4.207	4,841
2013	15,700	95											95	41.128	3,905
<hr/>															
PY			9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129			
2003			-	1.206	2.524	1.017	1.104	1.023	1.009	1.227	0.980	0.952			
2004			2.872	3.011	1.300	1.276	1.060	1.031	1.050	1.006	1.006				
2005			5.847	2.392	1.440	1.065	1.012	1.035	1.036	0.967					
2006			9.692	1.979	1.642	1.066	1.012	1.039	1.085						
2007			11.480	2.190	1.417	1.140	1.031	1.166							
2008			11.822	1.913	1.189	1.385	1.115								
2009			23.224	2.073	1.351	1.330									
2010			9.284	1.976	1.122										
2011			18.399	2.219											
2012			14.684												
2013															
<hr/>															
			9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141		
	All Yr Wtd:		8.754	2.167	1.363	1.197	1.047	1.071	1.058	0.996	1.004	0.952			
	Last 7 Wtd:		12.259	2.086	1.357	1.197									
	Last 5 Wtd:		13.532	2.061	1.355	1.185	1.046	1.071							
	Last 3 Wtd:		11.875	2.069	1.224	1.271	1.050	1.085	1.059	0.996					
	Div 66 Age to Age:		4.685	2.175	1.476	1.277	1.126	1.068	1.044	1.032	1.018	1.013			
	Div 66 Age to Ult:		26.347	5.623	2.585	1.752	1.372	1.219	1.141	1.093	1.059	1.040	1.027		
	Div 66 Social Service Age to Age:		8.295	2.262	1.342	1.178	1.075	1.058	1.042	1.020	1.015	1.010			
	Div 66 Social Service Age to Ult:		37.354	4.503	1.990	1.483	1.259	1.171	1.107	1.062	1.041	1.026	1.016		
	Selected Age to Age:		9.775	2.088	1.352	1.184	1.075	1.058	1.042	1.020	1.015	1.010			
	Age to Ult:		41.128	4.207	2.015	1.491	1.259	1.171	1.107	1.062	1.041	1.026	1.016		

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Incurred & LAE - Capped @ \$250k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	250k Cap ILAE @ 2013/3	LDF	250k Cap Ultimate ILAE
2003	2,377	0	202	244	615	626	691	707	713	875	857	816	816	1.012	826
2004	30,476	803	2,150	4,777	6,565	7,895	8,355	8,539	8,948	9,030	9,086	9,086	9,086	1.017	9,243
2005	27,973	426	2,389	5,069	6,962	7,544	7,790	8,062	8,214	7,944			7,944	1.028	8,162
2006	28,002	378	2,640	5,459	7,966	8,018	8,377	8,861	8,871				8,871	1.043	9,252
2007	24,694	313	3,591	6,398	7,780	8,881	9,006	9,219					9,219	1.066	9,827
2008	22,924	301	2,751	5,310	6,422	8,146	8,603						8,603	1.097	9,437
2009	20,194	141	3,263	5,789	7,279	8,875							8,875	1.142	10,135
2010	17,335	334	2,833	5,105	5,786								5,786	1.302	7,533
2011	16,051	99	1,056	2,778									2,778	1.640	4,555
2012	16,342	78	1,150										1,150	3.086	3,551
2013	15,700	95											95	26.804	2,545

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	1.206	2.524	1.017	1.104	1.023	1.009	1.227	0.980	0.952	
2004	2.677	2.222	1.374	1.203	1.058	1.022	1.048	1.009	1.006		
2005	5.604	2.122	1.373	1.084	1.033	1.035	1.019	0.967			
2006	6.993	2.068	1.459	1.006	1.045	1.058	1.001				
2007	11.480	1.782	1.216	1.142	1.014	1.024					
2008	9.129	1.930	1.209	1.268	1.056						
2009	23.224	1.774	1.257	1.219							
2010	8.489	1.802	1.134								
2011	10.695	2.630									
2012	14.684										
2013											
	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
	All Yr Wtd:	1.961	1.294	1.147	1.042	1.034	1.022	0.999	1.004	0.952	
	Last 7 Wtd:	10.520	1.286	1.147							
	Last 5 Wtd:	11.603	1.256	1.139	1.041	1.034					
	Last 3 Wtd:	9.866	1.203	1.206	1.038	1.038	1.022	0.999			
	Div 66 Age to Age:	4.115	1.373	1.194	1.079	1.048	1.033	1.022	1.014	1.011	
	Div 66 Age to Ult:	15.846	2.046	1.490	1.248	1.157	1.104	1.068	1.045	1.031	1.020
	Div 66 Social Service Age to Age:	7.535	1.275	1.147	1.050	1.029	1.020	1.015	1.010	1.007	
	Div 66 Social Service Age to Ult:	24.024	1.684	1.321	1.152	1.097	1.066	1.045	1.030	1.019	1.012
	Selected Age to Age:	8.684	1.259	1.140	1.041	1.029	1.022	1.015	1.010	1.005	
	Age to Ult:	26.804	1.640	1.302	1.142	1.097	1.066	1.043	1.028	1.017	1.012

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Incurred & LAE - Capped @ \$100k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	100k Cap @ 2013/3 ILAE	LDF	100k Cap Ultimate ILAE
2003	2,377	0	202	239	463	445	509	525	530	692	674	607	607	1.008	612
2004	30,476	753	1,702	3,276	4,300	5,205	5,522	5,653	5,790	5,835	5,889	5,889	5,889	1.013	5,966
2005	27,973	426	1,871	3,389	4,598	5,050	5,145	5,253	5,226	5,106	5,889	5,889	5,106	1.021	5,214
2006	28,002	378	2,132	4,351	5,531	5,715	5,868	5,947	5,878	5,106	5,889	5,889	5,878	1.031	6,062
2007	24,694	286	2,842	4,508	5,187	5,834	5,970	5,912	5,878	5,106	5,889	5,889	5,912	1.047	6,188
2008	22,924	276	2,305	3,892	4,692	5,721	5,849	5,912	5,878	5,106	5,889	5,889	5,849	1.068	6,245
2009	20,194	141	2,570	4,455	5,365	6,213							6,213	1.100	6,835
2010	17,335	274	2,232	3,557	4,047								4,047	1.235	4,999
2011	16,051	99	906	2,102									2,102	1.482	3,116
2012	16,342	78	1,006										1,006	2.531	2,545
2013	15,700	95											95	20.150	1,913

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	1.182	1.937	0.961	1.145	1.031	1.010	1.305	0.974	0.901	
2004	2.260	1.925	1.313	1.210	1.061	1.024	1.024	1.008	1.009		
2005	4.390	1.811	1.357	1.098	1.019	1.021	0.995	0.977			
2006	5.646	2.041	1.271	1.033	1.027	1.014	0.988				
2007	9.947	1.586	1.151	1.125	1.023	0.990					
2008	8.339	1.689	1.206	1.219	1.022						
2009	18.292	1.733	1.204	1.158							
2010	8.156	1.593	1.138								
2011	9.177	2.319									
2012	12.835										
2013											
	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
All Yr Wtd:	6.556	1.776	1.236	1.134	1.032	1.012	1.003	1.008	1.006	0.901	
Last 7 Wtd:	9.140	1.767	1.229	1.134							
Last 5 Wtd:	10.394	1.705	1.196	1.125	1.030	1.012					
Last 3 Wtd:	9.193	1.772	1.185	1.166	1.024	1.008	1.002	1.008			
Div 66 Age to Age:	3.859	1.752	1.296	1.135	1.053	1.035	1.026	1.019	1.012	1.010	
Div 66 Age to Ult:	11.717	3.036	1.733	1.337	1.178	1.119	1.082	1.054	1.035	1.022	1.013
Div 66 Social Service Age to Age:	9.500	1.750	1.240	1.125	1.035	1.025	1.030	1.025	1.010	1.006	
Div 66 Social Service Age to Ult:	26.604	2.800	1.600	1.291	1.147	1.108	1.081	1.050	1.024	1.014	1.008
Selected Age to Age:	7.963	1.707	1.200	1.123	1.030	1.020	1.015	1.010	1.008	1.005	
Age to Ult:	20.150	2.531	1.482	1.235	1.100	1.068	1.047	1.031	1.021	1.013	1.008

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Paid & LAE - Policy Limits

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	P+LAE @ 2013/3	LDF	Ultimate ILAE
2003	2,377	0	12	56	105	604	669	704	713	755	737	771	771	1.021	788
2004	30,476	15	598	2,982	5,616	8,853	10,565	11,640	12,486	13,012	13,084		13,084	1.037	13,563
2005	27,973	7	381	2,542	5,134	6,810	8,337	8,670	9,120	9,296			9,296	1.057	9,829
2006	28,002	8	669	2,794	8,079	9,502	11,939	12,530	14,013				14,013	1.094	15,334
2007	24,694	20	981	3,744	6,950	9,013	10,095	11,571					11,571	1.178	13,628
2008	22,924	27	591	4,369	6,446	9,895	11,996						11,996	1.287	15,442
2009	20,194	20	1,458	4,917	7,577	10,036							10,036	1.549	15,544
2010	17,335	47	725	3,679	5,553								5,553	2.115	11,745
2011	16,051	10	1,319	3,262									3,262	3.867	12,615
2012	16,342	17	505										505	14.552	7,343
2013	15,700	7											7	225.585	1,496

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	4,490	1,892	5,740	1,108	1,053	1,012	1,059	0.976	117-129	1,046
2004	39,457	4,989	1,884	1,576	1,193	1,102	1,073	1,042	1,006		
2005	52,887	6,677	2,020	1,327	1,224	1,040	1,052	1,019			
2006	79,515	4,178	2,891	1,176	1,256	1,050	1,118				
2007	47,961	3,818	1,856	1,297	1,120	1,146					
2008	21,558	7,389	1,475	1,535	1,212						
2009	71,228	3,372	1,541	1,325							
2010	15,278	5,074	1,510								
2011	125,814	2,474									
2012	29,600										
2013											
All Yr Wtd: 9-21 21-33 33-45 45-57 57-69 69-81 81-93 93-105 105-117 117-129 129-141											
Last 7 Wtd: 41,576 4,210 1,813 1,371 1,200 1,084 1,083 1,033 1,004 1,046											
Last 5 Wtd: 41,169 4,133 1,812 1,371											
Last 3 Wtd: 37,414 3,936 1,774 1,324 1,201 1,084											
Last 3 Wtd: 33,984 3,387 1,510 1,380 1,198 1,079 1,085 1,033											
Div 66 Age to Age: 7,433 3,638 1,904 1,434 1,250 1,122 1,072 1,045 1,024 1,016											
Div 66 Age to Ult: 125,096 16,831 4,626 2,429 1,694 1,355 1,208 1,126 1,078 1,052 1,036											
Div 66 Social Service Age to Age: 33,000 3,950 1,950 1,400 1,200 1,100 1,075 1,035 1,020 1,018											
Div 66 Social Service Age to Ult: 562,727 17,052 4,317 2,214 1,581 1,318 1,198 1,114 1,077 1,056 1,037											
Selected Age to Age: 15,502 3,763 1,828 1,366 1,203 1,093 1,076 1,035 1,020 1,015											
Age to Ult: 225,585 14,552 3,867 2,115 1,549 1,287 1,178 1,094 1,057 1,037 1,021											

GL

Paid & LAE - Capped @ \$250k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	250k Cap P+LAE @ 2013/3	LDF	250k Cap Ultimate ILAE
2003	2,377	0	12	56	105	604	669	704	713	755	737	771	771	1.016	784
2004	30,476	15	598	2,068	4,131	6,189	6,914	7,697	8,315	8,771	8,843	8,843	8,843	1.028	9,095
2005	27,973	7	381	2,505	4,723	6,126	7,079	7,382	7,664	7,722	8,843	8,843	7,722	1.048	8,093
2006	28,002	8	669	2,324	5,339	6,401	7,475	8,059	8,428	8,428	8,428	8,428	8,428	1.080	9,103
2007	24,694	20	981	3,346	5,724	7,022	7,856	8,488	8,488	8,488	8,488	8,488	8,488	1.127	9,566
2008	22,924	27	591	3,311	5,154	6,809	8,072	8,072	8,072	8,072	8,072	8,072	8,072	1.214	9,803
2009	20,194	20	1,458	3,942	5,743	7,857							7,857	1.395	10,964
2010	17,335	47	725	3,127	4,646								4,646	1.800	8,363
2011	16,051	10	558	2,007									2,007	3.057	6,135
2012	16,342	17	505										505	10.872	5,486
2013	15,700	7											7	148.072	982

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	4,490	1,892	5,740	1,108	1,053	1,012	1,059	0,976	1,046	
2004	39,457	3,460	1,998	1,498	1,117	1,113	1,080	1,055	1,008		
2005	52,887	6,581	1,885	1,297	1,156	1,043	1,038	1,008			
2006	79,515	3,474	2,298	1,199	1,168	1,078	1,046				
2007	47,961	3,412	1,711	1,227	1,119	1,080					
2008	21,559	5,600	1,557	1,321	1,186						
2009	71,232	2,704	1,457	1,368							
2010	15,279	4,312	1,486								
2011	53,211	3,599									
2012	29,600										
2013											

	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
All Yr Wtd:	37,206	3,799	1,720	1,326	1,148	1,078	1,054	1,033	1,006	1,046	
Last 7 Wtd:	36,155	3,835	1,720	1,326							
Last 5 Wtd:	31,222	3,648	1,658	1,282	1,149	1,078					
Last 3 Wtd:	23,836	3,311	1,498	1,305	1,157	1,068	1,055	1,033			
Div 66 Age to Age:	6,647	3,212	1,802	1,380	1,194	1,092	1,060	1,039	1,023	1,016	
Div 66 Age to Ult:	81,345	12,238	3,810	2,115	1,533	1,284	1,176	1,110	1,068	1,044	1,027
Div 66 Social Service Age to Age:	30,000	3,900	1,800	1,320	1,150	1,060	1,042	1,030	1,018	1,012	
Div 66 Social Service Age to Ult:	383,792	12,793	3,280	1,822	1,381	1,201	1,133	1,087	1,055	1,037	1,024
Selected Age to Age:	13,619	3,557	1,698	1,290	1,149	1,078	1,043	1,031	1,019	1,012	
Age to Ult:	148,072	10,872	3,057	1,800	1,395	1,214	1,127	1,080	1,048	1,028	1,016



GL

Paid & LAE - Capped @ \$100k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	100k Cap P+LAE @ 2013/3	LDF	100k Cap Ultimate ILAE
2003	2,377	0	12	56	105	423	487	523	530	572	554	588	588	1.013	596
2004	30,476	15	463	1,583	2,768	3,979	4,506	5,132	5,499	5,712	5,763	5,899	5,763	1.024	5,899
2005	27,973	7	381	1,931	3,386	4,243	4,680	4,917	4,993	5,004		5,199	5,004	1.039	5,199
2006	28,002	8	557	1,948	3,884	4,746	5,206	5,565	5,668			6,004	5,668	1.059	6,004
2007	24,694	20	877	2,639	4,124	4,966	5,419	5,728				6,244	5,728	1.090	6,244
2008	22,924	27	580	2,575	3,796	4,747	5,504					6,342	5,504	1.152	6,342
2009	20,194	20	1,196	2,956	4,181	5,474						7,040	5,474	1.286	7,040
2010	17,335	47	670	2,112	3,210							5,166	3,210	1.609	5,166
2011	16,051	10	408	1,408								3,641	1,408	2.587	3,641
2012	16,342	17	442									3,605	442	8.150	3,605
2013	15,700	7										652	7	98.303	652

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129
2003	-	4,490	1,892	4,020	1,153	1,072	1,014	1,079	0,969	1,061
2004	30,565	3,419	1,748	1,438	1,133	1,139	1,072	1,039	1,009	
2005	52,887	5,072	1,753	1,253	1,103	1,051	1,015	1,002		
2006	66,208	3,497	1,994	1,222	1,097	1,069	1,019			
2007	42,879	3,010	1,563	1,204	1,091	1,057				
2008	21,148	4,441	1,474	1,250	1,160					
2009	58,429	2,472	1,414	1,309						
2010	14,114	3,153	1,520							
2011	38,897	3,453								
2012	25,949									
2013										

	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
All Yr Wtd:	32,085	3,346	1,611	1,285	1,117	1,077	1,034	1,024	1,005	1,061	
Last 7 Wtd:	31,168	3,335	1,610	1,285							
Last 5 Wtd:	26,821	3,134	1,570	1,248	1,116	1,077					
Last 3 Wtd:	20,268	2,849	1,464	1,255	1,116	1,059	1,035	1,024			
Div 66 Age to Age:	6,191	2,967	1,696	1,322	1,156	1,076	1,046	1,028	1,020	1,013	
Div 66 Age to Ult:	58,225	9,405	3,169	1,869	1,414	1,223	1,137	1,087	1,057	1,036	1,023
Div 66 Social Service Age to Age:	25,000	3,500	1,670	1,275	1,125	1,055	1,030	1,022	1,015	1,010	
Div 66 Social Service Age to Ult:	243,362	9,734	2,781	1,665	1,306	1,161	1,101	1,069	1,046	1,030	1,020
Selected Age to Age:	12,062	3,150	1,608	1,251	1,116	1,057	1,029	1,020	1,015	1,010	
Age to Ult:	98,303	8,150	2,587	1,609	1,286	1,152	1,090	1,059	1,039	1,024	1,013



GL

Total Claim Count excluding CWNP

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	Total ex-CWNP @ 2013/3	LDF	Ultimate ex-CWNP
2003	2,377	0	19	27	28	30	29	30	31	32	31	30	30	1.001	30
2004	30,476	47	198	230	249	261	264	265	263	263	263	263	263	1.007	265
2005	27,973	41	192	209	223	233	235	236	234	235	235	235	235	1.013	238
2006	28,002	39	245	295	309	313	314	315	314	314	314	314	314	1.019	320
2007	24,694	56	228	267	284	287	289	288	288	288	288	288	288	1.027	296
2008	22,924	38	276	323	331	338	340	340	340	340	340	340	340	1.035	352
2009	20,194	53	260	302	307	309	309	309	309	309	309	309	309	1.047	323
2010	17,335	40	172	192	194	194	194	194	194	194	194	194	194	1.067	207
2011	16,051	37	120	114	114	114	114	114	114	114	114	114	114	1.113	127
2012	16,342	38	115	115	115	115	115	115	115	115	115	115	115	1.304	160
2013	15,700	29											29	5.971	173
PY		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	117-129			
2003		-	1.421	1.037	1.071	0.967	1.034	1.033	1.032	0.969	0.968	0.968			
2004		4.213	1.162	1.083	1.048	1.011	1.004	0.992	1.000	1.000	1.000	1.000			
2005		4.683	1.089	1.067	1.045	1.009	1.004	0.992	1.004	1.004	1.004	1.004			
2006		6.282	1.204	1.047	1.013	1.003	1.003	0.997	1.004	1.004	1.004	1.004			
2007		4.071	1.171	1.064	1.011	1.007	0.997	0.997	1.004	1.004	1.004	1.004			
2008		7.263	1.170	1.025	1.021	1.006	1.006	1.006	1.006	1.006	1.006	1.006			
2009		4.906	1.162	1.017	1.007	1.007	1.007	1.007	1.007	1.007	1.007	1.007			
2010		4.300	1.116	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010			
2011		3.243	0.950												
2012		3.026													
2013															
		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	117-129			
	All Yr Wtd:	4.692	1.146	1.043	1.023	1.006	1.003	0.995	1.004	0.997	0.968	0.968			
	Last 7 Wtd:	4.704	1.140	1.043	1.023	1.007	1.003	0.994	1.004	1.004	1.004	1.004			
	Last 5 Wtd:	4.578	1.134	1.033	1.018	1.007	1.003	0.994	1.004	1.004	1.004	1.004			
	Last 3 Wtd:	3.539	1.101	1.018	1.013	1.005	1.001	0.994	1.004	1.004	1.004	1.004			
	Div 66 Age to Age:		1.172	1.043	1.019	1.011	1.008	1.007	1.006	1.006	1.006	1.005			
	Div 66 Age to Ult:		1.304	1.113	1.067	1.047	1.035	1.027	1.019	1.013	1.007	1.001			
	Selected Age to Age:	4.578	1.172	1.043	1.019	1.011	1.008	1.007	1.006	1.006	1.006	1.005			
	Age to Ult:	5.971	1.304	1.113	1.067	1.047	1.035	1.027	1.019	1.013	1.007	1.001			















AL

Rate Need Indications

	Target Combined Ratio	Before 2013			After 2013			
		Rate Change		Rate Change	Rate Change		Rate Change	
		Target ILAE Ratio	PY 2013 Ultimate ILAE Ratio	Before 2013 Rate Change PY 2013 Rate Need	PY 2013 Rate Achieved	PY 2013 Ultimate ILAE Ratio	PY 2014 Ultimate ILAE Ratio	PY 2014 Rate Need
RAP Neutral:	97.3%	64.6%	79.6%	22.7%	10.5%	72.0%	74.9%	15.6%
UW Breakeven:	100.0%	67.3%	79.6%	17.9%	10.5%	72.0%	74.9%	11.0%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	4.5%
Other Acquisition Fees:	0.6%
Direct Expense:	1.4%
Indirect Expense:	4.3%
	<u>32.7%</u>



AL

Indexing - PY 2013 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP
2003	985	0.0%	1.000	1,050
2004	21,311	0.0%	1.000	22,724
2005	20,307	-0.7%	0.993	21,806
2006	20,295	1.4%	1.007	21,493
2007	19,735	-1.8%	0.989	21,283
2008	20,159	-6.0%	0.929	23,128
2009	18,128	-1.1%	0.919	21,029
2010	15,816	-2.1%	0.900	18,740
2011	14,810	0.3%	0.903	17,496
2012	15,462	6.9%	0.965	17,088
2013	17,213	10.5%	1.066	17,213
All Yr Wtd ex 2013: Last 7 Wtd ex 2013: Last 5 Wtd ex 2013: Last 3 Wtd ex 2013: Selected Ultimate: ILF: Policy Limits Ultimate:				

Policy Limits			4.0%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio	Trend to PY 2013			
73.7%	1.480		102.3%	
60.8%	1.423		81.2%	
70.1%	1.369		89.3%	
91.9%	1.316		114.2%	
56.2%	1.265		65.9%	
59.0%	1.217		62.6%	
72.3%	1.170		72.9%	
80.8%	1.125		76.7%	
72.6%	1.082		66.5%	
79.1%	1.040		74.4%	
66.0%	1.000		66.0%	
			72.0%	63%
			1.00	
			72.0%	

Capped @ 250k			3.5%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio	Trend to PY 2013			
54.4%	1.411		71.9%	
45.9%	1.363		58.7%	
43.8%	1.317		53.7%	
53.4%	1.272		64.2%	
43.6%	1.229		49.7%	
48.8%	1.188		50.5%	
56.2%	1.148		55.6%	
58.1%	1.109		54.4%	
57.1%	1.071		51.8%	
55.7%	1.035		52.2%	
45.6%	1.000		45.6%	
			52.0%	18%
			1.45	
			75.4%	

Capped @ 100k			3.0%	On-Level Ultimate ILAE Ratio
Ultimate ILAE Ratio	Trend to PY 2013			
39.2%	1.344		49.4%	
37.1%	1.305		45.4%	
33.3%	1.267		39.3%	
37.8%	1.230		43.9%	
34.5%	1.194		38.2%	
37.7%	1.159		38.1%	
42.7%	1.126		41.4%	
46.2%	1.093		42.6%	
44.2%	1.061		39.7%	
41.4%	1.030		38.5%	
33.4%	1.000		33.4%	
			40.0%	18%
			1.95	
			78.0%	

Weight: 18%

Frequency/Severity Indication: 69.6%  
 Weighted Average: 73.7%  
 PY 2013 Selected: 71.0%

ULE: 1.0%  
 Claims Fees: 0.0%  
 PY 2013 Ultimate ILAE Ratio: 72.0%

AL

Frequency/Severity Method

PY	Frequency			
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency
2003	1,050	70	70	0.067
2004	22,724	1,120	1,120	0.049
2005	21,806	1,042	1,042	0.048
2006	21,493	1,089	1,089	0.051
2007	21,283	1,061	1,061	0.050
2008	23,128	1,138	1,139	0.049
2009	21,029	954	957	0.046
2010	18,740	996	1,003	0.053
2011	17,496	823	839	0.048
2012	17,088	692	769	0.045
2013	17,213	120	814	0.047
All Yr Wtd:				0.049
Last 7 Wtd:				0.049
Last 5 Wtd:				0.048
Last 3 Wtd:				0.049
			PY 2013 Selected Frequency:	0.048

Severity	Reported ILAE @ 2013/3	Selected Ultimate ILAE	Average Severity	4.0% Trend to PY 2013		Average Severity @ PY 2013
	725	726	10	1.480	1.480	15.34
	12,916	12,960	12	1.423	1.423	16.47
	14,129	14,234	14	1.369	1.369	18.69
	18,377	18,659	17	1.316	1.316	22.55
	10,834	11,088	10	1.265	1.265	13.22
	11,374	11,899	10	1.217	1.217	12.70
	12,091	13,109	14	1.170	1.170	16.02
	10,702	12,780	13	1.125	1.125	14.34
	7,038	10,758	13	1.082	1.082	13.86
	6,345	12,230	16	1.040	1.040	16.55
	348	11,353	14	1.000	1.000	13.95
					PY 2013 Selected Severity:	14.50
						16.08
						15.62
						14.62
						14.89

Indicated PY 2013 Ult ILAE Ratio: 69.6%

AL

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported I+Legal @ 2013/3	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate I+Legal	Expected Adjuster Load	Actual Adjuster Load	Selected Ultimate I+Legal	Ultimate ILAE Ratio
2003	985	640	641	642	641	642	640	640	1.041	1.134	726	73.7%
2004	21,311	11,730	11,774	10,799	11,772	10,802	12,826	11,774	1.041	1.101	12,960	60.8%
2005	20,307	12,894	12,999	12,264	12,996	12,269	14,129	12,999	1.041	1.095	14,234	70.1%
2006	20,295	17,136	17,394	17,442	17,395	17,441	17,299	17,418	1.041	1.071	18,659	91.9%
2007	19,735	9,680	9,935	8,665	9,919	8,693	11,651	9,935	1.041	1.116	11,088	56.2%
2008	20,159	9,983	10,755	10,261	11,112	10,786	12,079	10,508	1.041	1.132	11,899	59.0%
2009	18,128	10,890	12,464	11,351	12,561	11,734	13,918	11,908	1.041	1.101	13,109	72.3%
2010	15,816	9,446	11,723	11,326	11,381	10,833	12,017	11,524	1.041	1.109	12,780	80.8%
2011	14,810	6,014	9,292	9,385	9,619	9,834	9,211	9,730	1.041	1.106	10,758	72.6%
2012	15,462	5,819	13,834	13,996	12,000	11,361	13,743	11,680	1.041	1.047	12,230	79.1%
2013	17,213	317	3,775	5,345	10,724	11,183	2,994	10,950	1.041	1.037	11,353	66.0%
Total	184,219	94,549	114,587	111,475	120,121	115,578	120,506	119,066			129,796	70.5%

AL

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate I+Legal	Expected		Actual		Selected Ultimate LAE	Ultimate ILAE Ratio
		I+Legal @ 2013/3	444							Adjuster Load	Adjuster Load				
2003	985	444	445	446	444	445	446	444	450	1.041	1.041	1.190	1.138	536	54.4%
2004	21,311	8,566	8,597	8,485	8,719	8,597	8,486	8,719	8,597	1.041	1.041	1.138	1.138	9,783	45.9%
2005	20,307	7,609	7,661	7,424	8,040	7,660	7,426	8,040	7,661	1.041	1.041	1.161	1.161	8,896	43.8%
2006	20,295	9,506	9,613	9,592	9,650	9,613	9,592	9,650	9,603	1.041	1.041	1.129	1.129	10,844	53.4%
2007	19,735	7,326	7,460	7,074	7,904	7,456	7,080	7,904	7,460	1.041	1.041	1.155	1.155	8,613	43.6%
2008	20,159	8,134	8,498	8,390	8,662	8,548	8,479	8,662	8,444	1.041	1.041	1.165	1.165	9,835	48.8%
2009	18,128	8,695	9,486	8,489	10,421	9,436	8,551	10,421	8,987	1.041	1.041	1.134	1.134	10,188	56.2%
2010	15,816	7,165	8,292	7,574	8,762	8,261	7,714	8,762	7,933	1.041	1.041	1.158	1.158	9,189	58.1%
2011	14,810	5,429	7,285	7,068	7,421	7,429	7,435	7,421	7,430	1.041	1.041	1.138	1.138	8,456	57.1%
2012	15,462	4,643	9,264	8,895	9,476	8,345	7,817	9,476	8,080	1.041	1.041	1.067	1.067	8,620	55.7%
2013	17,213	317	2,914	3,887	2,397	7,374	7,754	2,397	7,560	1.041	1.041	1.038	1.038	7,845	45.6%
Total	184,219	67,834	79,514	77,324	81,896	83,164	80,779	81,896	82,205					92,805	50.4%

AL

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate I+Legal	Expected Adjuster Load	Actual Adjuster Load	Selected Ultimate ILAE	Ultimate ILAE Ratio
		I+Legal @ 2013/3	2013/3										
2003	985	296	297	296	297	296	297	296	300	1.041	1.285	386	39.2%
2004	21,311	6,719	6,732	6,719	6,732	6,719	6,732	6,713	6,719	1.041	1.176	7,905	37.1%
2005	20,307	5,531	5,466	5,531	5,467	5,531	5,467	5,584	5,531	1.041	1.223	6,766	33.3%
2006	20,295	6,445	6,424	6,445	6,424	6,445	6,424	6,470	6,435	1.041	1.193	7,676	37.8%
2007	19,735	5,648	5,541	5,647	5,542	5,647	5,542	5,749	5,648	1.041	1.204	6,801	34.5%
2008	20,159	6,262	6,170	6,272	6,192	6,272	6,192	6,390	6,216	1.041	1.224	7,607	37.7%
2009	18,128	6,721	6,343	6,686	6,303	6,686	6,303	6,975	6,532	1.041	1.184	7,733	42.7%
2010	15,816	6,190	5,897	6,127	5,786	6,127	5,786	6,318	6,043	1.041	1.208	7,299	46.2%
2011	14,810	5,695	5,435	5,635	5,395	5,635	5,395	5,816	5,520	1.041	1.186	6,545	44.2%
2012	15,462	6,269	6,017	5,992	5,721	5,992	5,721	6,397	5,860	1.041	1.091	6,394	41.4%
2013	17,213	2,313	2,890	5,368	5,691	5,368	5,691	1,982	5,530	1.041	1.039	5,744	33.4%
Total	184,219	58,087	57,212	60,718	59,549	60,718	59,549	58,691	60,334			70,856	38.5%



AL

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits				Incurred				Paid			
	GWP	Reported ILeg Ratio	Reported PLeg Ratio	Reported Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio
2003	985	65.0%	65.0%	65.0%	65.0%	65.0%	65.2%	65.1%	65.1%	65.1%	65.1%	65.1%
2004	21,311	55.0%	50.3%	55.2%	55.2%	50.7%	50.7%	53.0%	53.0%	53.0%	53.0%	53.0%
2005	20,307	63.5%	59.6%	64.0%	64.0%	60.4%	60.4%	62.2%	62.2%	62.2%	62.2%	62.2%
2006	20,295	84.0%	84.0%	85.7%	85.7%	85.9%	85.9%	85.8%	85.8%	85.8%	85.8%	85.8%
2007	19,735	49.1%	42.0%	50.3%	50.3%	43.9%	43.9%	47.1%	47.1%	47.1%	47.1%	47.1%
2008	20,159	49.5%	46.0%	53.4%	53.4%	50.9%	50.9%	78.0%	78.0%	78.0%	78.0%	78.0%
2009	18,128	60.1%	49.9%	68.8%	68.8%	62.6%	62.6%	73.0%	73.0%	73.0%	73.0%	73.0%
2010	15,816	59.7%	45.7%	74.1%	74.1%	71.6%	71.6%	63.0%	63.0%	63.0%	63.0%	63.0%
2011	14,810	40.6%	29.2%	62.7%	62.7%	63.4%	63.4%	69.0%	69.0%	69.0%	69.0%	69.0%
2012	15,462	37.6%	18.8%	89.5%	89.5%	90.5%	90.5%	69.0%	69.0%	69.0%	69.0%	69.0%
2013	17,213	1.8%	0.9%	21.9%	21.9%	31.1%	31.1%	66.0%	66.0%	66.0%	66.0%	66.0%

Incurred	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	65.0%	
	0.1%	65.0%	641
	0.4%	55.2%	11,772
	0.8%	64.0%	12,996
	1.5%	85.7%	17,395
	2.6%	50.3%	9,919
	7.2%	55.1%	11,112
	12.6%	69.3%	12,561
	19.4%	72.0%	11,381
	35.3%	64.9%	9,619
	57.9%	77.6%	12,000
	91.6%	62.3%	10,724

Paid	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	65.2%	
	0.4%	65.2%	642
	0.7%	50.7%	10,802
	1.3%	60.4%	12,269
	2.2%	85.9%	17,441
	4.4%	44.0%	8,693
	9.6%	53.5%	10,786
	20.3%	64.7%	11,734
	36.2%	68.5%	10,833
	53.9%	66.4%	9,834
	79.2%	73.5%	11,361
	97.0%	65.0%	11,183

PY	Capped @ 250k				Incurred				Paid			
	GWP	Reported ILeg Ratio	Reported PLeg Ratio	Reported Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio
2003	985	45.1%	45.1%	45.2%	45.2%	45.3%	45.3%	45.2%	45.2%	45.2%	45.2%	45.2%
2004	21,311	40.2%	39.5%	40.3%	40.3%	39.8%	39.8%	40.1%	40.1%	40.1%	40.1%	40.1%
2005	20,307	37.5%	36.2%	37.7%	37.7%	36.6%	36.6%	37.1%	37.1%	37.1%	37.1%	37.1%
2006	20,295	46.8%	46.4%	47.4%	47.4%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%	47.3%
2007	19,735	37.1%	34.7%	37.8%	37.8%	35.8%	35.8%	36.8%	36.8%	36.8%	36.8%	36.8%
2008	20,159	40.3%	38.8%	42.2%	42.2%	41.6%	41.6%	48.0%	48.0%	48.0%	48.0%	48.0%
2009	18,128	48.0%	39.4%	52.3%	52.3%	46.8%	46.8%	49.0%	49.0%	49.0%	49.0%	49.0%
2010	15,816	45.3%	34.3%	52.4%	52.4%	47.9%	47.9%	51.0%	51.0%	51.0%	51.0%	51.0%
2011	14,810	36.7%	25.3%	49.2%	49.2%	47.7%	47.7%	53.0%	53.0%	53.0%	53.0%	53.0%
2012	15,462	30.0%	15.4%	59.9%	59.9%	57.5%	57.5%	48.0%	48.0%	48.0%	48.0%	48.0%
2013	17,213	1.8%	0.9%	16.9%	16.9%	22.6%	22.6%	46.0%	46.0%	46.0%	46.0%	46.0%

Incurred	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	45.2%	
	0.1%	45.2%	445
	0.4%	40.3%	8,597
	0.7%	37.7%	7,660
	1.1%	47.4%	9,613
	1.8%	37.8%	7,456
	4.3%	42.4%	8,548
	8.3%	52.0%	9,436
	13.6%	52.2%	8,261
	25.5%	50.2%	7,429
	49.9%	54.0%	8,345
	89.1%	42.8%	7,374

Paid	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	45.3%	
	0.4%	45.3%	446
	0.7%	39.8%	8,486
	1.1%	36.6%	7,426
	1.7%	47.3%	9,592
	3.3%	35.9%	7,080
	6.9%	42.1%	8,479
	15.8%	47.2%	8,551
	28.5%	48.8%	7,714
	47.0%	50.2%	7,435
	73.2%	50.6%	7,817
	95.9%	45.0%	7,754

PY	Capped @ 100k				Incurred				Paid			
	GWP	Reported ILeg Ratio	Reported PLeg Ratio	Reported Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Developed Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio	Apriori Ileg Ratio
2003	985	30.0%	30.0%	30.0%	30.0%	30.1%	30.1%	30.1%	30.1%	30.1%	30.1%	30.1%
2004	21,311	31.5%	31.4%	31.5%	31.5%	31.6%	31.6%	31.6%	31.6%	31.6%	31.6%	31.6%
2005	20,307	27.1%	26.7%	27.2%	27.2%	26.9%	26.9%	27.1%	27.1%	27.1%	27.1%	27.1%
2006	20,295	31.5%	31.3%	31.8%	31.8%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%
2007	19,735	28.3%	27.4%	28.6%	28.6%	28.1%	28.1%	28.3%	28.3%	28.3%	28.3%	28.3%
2008	20,159	30.2%	29.2%	31.1%	31.1%	30.6%	30.6%	33.0%	33.0%	33.0%	33.0%	33.0%
2009	18,128	35.3%	29.2%	37.1%	37.1%	35.0%	35.0%	33.0%	33.0%	33.0%	33.0%	33.0%
2010	15,816	36.1%	29.3%	39.1%	39.1%	37.3%	37.3%	34.0%	34.0%	34.0%	34.0%	34.0%
2011	14,810	32.1%	22.6%	38.5%	38.5%	36.7%	36.7%	36.0%	36.0%	36.0%	36.0%	36.0%
2012	15,462	24.6%	13.3%	43.3%	43.3%	38.9%	38.9%	36.0%	36.0%	36.0%	36.0%	36.0%
2013	17,213	1.8%	0.9%	13.4%	13.4%	16.8%	16.8%	34.0%	34.0%	34.0%	34.0%	34.0%

Incurred	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	30.0%	
	0.0%	30.0%	296
	0.1%	31.5%	6,719
	0.4%	27.2%	5,531
	0.7%	31.8%	6,445
	1.1%	28.6%	5,647
	2.7%	31.1%	6,272
	4.8%	36.9%	6,686
	7.7%	38.7%	6,127
	16.5%	38.1%	5,635
	39.4%	38.7%	5,992
	86.3%	31.2%	5,368

Paid	Born-Ferg Ultimate Ileg Ratio		Born-Ferg Ultimate Ileg
	% Expected Unreported	30.1%	
	0.2%	30.1%	297
	0.5%	31.6%	6,732
	0.8%	26.9%	5,467
	1.3%	31.7%	6,424
	2.2%	28.1%	5,542
	4.6%	30.7%	6,192
	11.1%	34.8%	6,303
	21.4%	36.6%	5,786
	38.4%	36.4%	5,395
	65.8%	37.0%	5,721
	94.5%	33.1%	5,691

AL  
 Bombhuetter-Ferguson Method - Apriori Selection

Capped @ Policy Limits		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
PY	GWP				2008	2009	2010	2011	2012	2013
2003	985	0.0%	640	65.0%	85.1%	89.5%	95.0%	98.5%	95.9%	90.2%
2004	21,311	0.0%	11,774	55.2%	69.5%	73.1%	77.7%	80.5%	78.4%	73.7%
2005	20,307	-0.7%	12,999	64.0%	76.9%	80.9%	85.9%	89.1%	86.7%	81.6%
2006	20,295	1.4%	17,418	85.8%	100.6%	105.7%	112.3%	116.5%	113.3%	106.6%
2007	19,735	-1.8%	9,935	50.3%	55.7%	58.6%	62.2%	64.5%	62.8%	59.1%
2008	20,159	-6.0%	10,508	52.1%	54.8%	58.2%	60.4%	60.5%	58.7%	55.3%
2009	18,128	-1.1%	11,908	65.7%	65.7%	69.8%	72.4%	70.4%	70.4%	66.2%
2010	15,816	-2.1%	11,524	72.9%	72.9%	75.6%	75.6%	75.6%	73.5%	69.2%
2011	14,810	0.3%	9,730	65.7%	65.7%	65.7%	65.7%	65.7%	63.9%	60.2%
2012	15,462	6.9%	11,680	75.5%	75.5%	75.5%	75.5%	75.5%	71.1%	67.1%
2013	17,213	10.5%	10,950	63.6%	63.6%	63.6%	63.6%	63.6%	63.6%	63.6%
All Yr Wtd :					75.8%	74.5%	71.7%	79.9%	76.3%	71.7%
Last 7 Wtd :					-	-	71.7%	79.8%	75.9%	69.8%
Last 5 Wtd :					75.8%	74.4%	77.5%	77.7%	65.6%	64.0%
Last 3 Wtd :					77.8%	72.6%	63.2%	68.9%	69.4%	66.8%
ILF Implied :					69.6%	71.1%	74.0%	76.9%	69.6%	66.7%
Credibility - Weighted:					66.7%	64.8%	66.4%	66.4%	59.7%	61.1%
Selected BF Apriori:					78.0%	73.0%	63.0%	69.0%	69.0%	66.0%

Capped @ 250k

Capped @ 250k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
PY	GWP				2008	2009	2010	2011	2012	2013
2003	985	0.0%	450	45.7%	58.4%	61.1%	64.6%	66.7%	64.5%	60.4%
2004	21,311	0.0%	8,597	40.3%	49.8%	52.1%	55.1%	56.9%	55.1%	51.6%
2005	20,307	-0.7%	9,661	37.7%	44.7%	46.8%	49.4%	51.0%	49.4%	46.3%
2006	20,295	1.4%	9,603	47.3%	54.9%	57.5%	60.8%	62.7%	60.7%	56.8%
2007	19,735	-1.8%	7,460	37.8%	41.6%	43.6%	46.0%	47.5%	46.0%	43.1%
2008	20,159	-6.0%	8,444	41.9%	43.6%	46.3%	47.8%	47.8%	46.3%	43.4%
2009	18,128	-1.1%	8,987	49.6%	49.6%	52.4%	54.1%	54.1%	52.4%	49.0%
2010	15,816	-2.1%	7,933	50.2%	50.2%	50.2%	50.2%	50.2%	50.1%	46.9%
2011	14,810	0.3%	7,430	50.2%	50.2%	50.2%	50.2%	50.2%	48.6%	45.5%
2012	15,462	6.9%	8,080	52.3%	52.3%	52.3%	52.3%	52.3%	48.9%	45.9%
2013	17,213	10.5%	7,560	43.9%	43.9%	43.9%	43.9%	43.9%	48.0%	45.9%
All Yr Wtd :					47.9%	48.8%	51.8%	53.2%	51.2%	48.0%
Last 7 Wtd :					-	-	51.8%	53.1%	50.5%	47.7%
Last 5 Wtd :					47.9%	48.7%	50.9%	52.7%	48.6%	46.6%
Last 3 Wtd :					47.1%	48.2%	48.2%	51.1%	50.5%	47.1%
ILF Implied :					44.4%	44.4%	45.7%	48.4%	48.4%	45.7%
Credibility - Weighted:					44.1%	44.0%	45.2%	46.3%	44.1%	44.6%
Selected BF Apriori:					48.0%	49.0%	51.0%	53.0%	48.0%	46.0%

Capped @ 100k

Capped @ 100k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
PY	GWP				2008	2009	2010	2011	2012	2013
2003	985	0.0%	300	30.3%	38.0%	39.6%	41.6%	42.8%	41.2%	38.4%
2004	21,311	0.0%	6,719	31.5%	38.2%	39.8%	41.8%	43.0%	41.4%	38.6%
2005	20,307	-0.7%	5,531	27.2%	31.8%	33.1%	34.8%	35.8%	34.5%	32.1%
2006	20,295	1.4%	6,435	31.7%	36.4%	38.0%	39.9%	41.0%	39.5%	36.8%
2007	19,735	-1.8%	5,648	28.5%	31.4%	32.7%	34.4%	35.3%	34.0%	31.7%
2008	20,159	-6.0%	6,216	30.8%	32.1%	32.1%	33.8%	34.7%	33.4%	31.2%
2009	18,128	-1.1%	6,532	36.0%	36.0%	36.0%	37.9%	38.9%	37.5%	35.0%
2010	15,816	-2.1%	6,043	38.2%	38.2%	38.2%	39.2%	39.2%	37.8%	35.2%
2011	14,810	0.3%	5,520	37.3%	37.3%	37.3%	37.3%	37.3%	35.9%	33.5%
2012	15,462	6.9%	5,860	37.9%	37.9%	37.9%	37.9%	37.9%	35.9%	33.5%
2013	17,213	10.5%	5,530	32.1%	32.1%	32.1%	32.1%	32.1%	35.3%	35.3%
All Yr Wtd :					34.5%	35.2%	37.1%	38.3%	36.8%	34.4%
Last 7 Wtd :					-	-	37.1%	38.2%	36.0%	34.0%
Last 5 Wtd :					34.5%	35.1%	36.1%	37.7%	35.6%	33.9%
Last 3 Wtd :					33.2%	34.2%	35.3%	37.5%	37.1%	34.7%
Credibility - Weighted:					33.1%	33.0%	33.7%	34.7%	33.5%	33.7%
Selected BF Apriori:					33.0%	33.0%	34.0%	36.0%	36.0%	34.0%

AL

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 Paid Ult	Capped Paid Ult	Implied ILF	
2003	641	445	1.44	642	446	1.44	642	296	2.16	
2004	11,774	8,597	1.37	10,799	8,485	1.27	10,799	6,719	1.75	
2005	12,999	7,661	1.70	12,264	7,424	1.65	12,264	5,531	2.35	
2006	17,394	9,613	1.81	17,442	9,592	1.82	17,442	6,445	2.70	
2007	9,935	7,460	1.33	8,665	7,074	1.22	8,665	5,648	1.76	
2008	10,755	8,498	1.27	10,261	8,390	1.22	10,261	6,262	1.72	
2009	12,464	9,486	1.31	11,351	8,489	1.34	11,351	6,721	1.85	
2010	11,723	8,292	1.41	11,326	7,574	1.50	11,326	6,190	1.89	
2011	9,292	7,285	1.28	9,385	7,068	1.33	9,385	5,695	1.63	
2012	13,834	9,264	1.49	13,996	8,895	1.57	13,996	6,269	2.21	
All Yr Wtd:			1.45			1.45			1.99	
Last 7 Wtd:			1.43			1.44			1.98	
Last 5 Wtd:			1.36			1.39			1.86	
Last 3 Wtd:			1.40			1.47			1.92	
			Selected Empirical ILF:			Selected Empirical ILF:			1.95	
			Credibility:			Credibility:			100%	
			Complement of Credibility - ISO Lt & Med Truck ILF:			Complement of Credibility - ISO Lt & Med Truck ILF:			1.70	
			Credibility Weighted ILF Indication:			Credibility Weighted ILF Indication:			1.95	
			Selected:			Selected:			1.95	

\* Averages exclude PY 2012

AL

Incurred & Legal - Policy Limits

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	I+Legal @ 2013/3	LDF	Ultimate I+Legal
2003	985	0	209	274	323	342	365	616	640	640	640	640	640	1.001	641
2004	21,311	1,169	7,493	10,247	10,472	10,523	11,652	11,681	11,665	11,683	11,730	11,730	11,730	1.004	11,774
2005	20,307	1,124	5,320	10,967	11,729	11,532	12,501	13,152	13,693	12,894	12,894	12,894	12,894	1.008	12,999
2006	20,295	770	7,472	10,703	14,662	15,995	15,702	16,949	17,136				17,136	1.015	17,394
2007	19,735	929	3,826	6,288	7,089	8,070	9,188	9,680					9,680	1.026	9,935
2008	20,159	1,051	4,699	6,381	8,688	9,365	9,983						9,983	1.077	10,755
2009	18,128	465	5,206	8,606	9,506	10,890							10,890	1.145	12,464
2010	15,816	556	5,171	7,682	9,446								9,446	1.241	11,723
2011	14,810	472	4,292	6,014									6,014	1.545	9,292
2012	15,462	1,137	5,819										5,819	2.377	13,834
2013	17,213	317											317	11.918	3,775
PY		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141			
2003		-	1.309	1.179	1.059	1.068	1.687	1.039	1.000	1.000	1.000	1.000			
2004		6.410	1.368	1.022	1.005	1.107	1.003	0.999	1.002	1.004					
2005		4.731	2.061	1.069	0.983	1.084	1.052	1.041	0.942						
2006		9.699	1.432	1.370	1.091	0.982	1.079	1.011							
2007		4.117	1.643	1.127	1.138	1.139	1.054								
2008		4.471	1.358	1.362	1.078	1.066									
2009		11.202	1.653	1.105	1.146										
2010		9.301	1.486	1.230											
2011		9.085	1.401												
2012		5.117													
2013															
		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141			
All Yr Wtd:		6.451	1.537	1.176	1.068	1.064	1.054	1.017	0.970	1.004	1.000				
Last 7 Wtd:		6.780	1.574	1.176	1.068										
Last 5 Wtd:		6.842	1.508	1.245	1.081	1.064	1.054								
Last 3 Wtd:		7.057	1.520	1.219	1.120	1.043	1.064	1.017	0.970						
Div 66 Age to Age:		3.682	1.663	1.243	1.105	1.053	1.020	1.011	1.007	1.004	1.002				
Div 66 Age to Ult:		9.271	2.518	1.514	1.218	1.102	1.047	1.026	1.015	1.008	1.004	1.001			
Selected Age to Age:		5.013	1.539	1.245	1.084	1.062	1.050	1.011	1.007	1.004	1.002				
Age to Ult:		11.918	2.377	1.545	1.241	1.145	1.077	1.026	1.015	1.008	1.004	1.001			

AL

Incurred & Legal - Capped @ \$250k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	250k Cap I+Legal @ 2013/3	LDF	250k Cap Ultimate I+Legal
2003	985	0	209	274	323	342	365	420	444	444	444	444	444	1.001	445
2004	21,311	1,169	6,338	8,024	7,935	8,137	8,535	8,557	8,579	8,566	8,566	8,566	8,566	1.004	8,597
2005	20,307	855	4,313	5,883	6,583	6,831	7,393	7,468	7,499	7,609	8,566	7,609	7,609	1.007	7,661
2006	20,295	770	4,917	6,733	8,165	8,822	8,942	9,444	9,506				9,506	1.011	9,613
2007	19,735	727	3,747	5,732	6,370	6,799	7,076	7,326					7,326	1.018	7,460
2008	20,159	1,051	4,687	6,366	7,525	7,724	8,134						8,134	1.045	8,498
2009	18,128	465	4,471	7,515	8,076	8,695							8,695	1.091	9,486
2010	15,816	556	4,370	5,971	7,165								7,165	1.157	8,292
2011	14,810	472	3,771	5,429									5,429	1.342	7,285
2012	15,462	984	4,643										4,643	1.995	9,264
2013	17,213	317											317	9.199	2,914

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	1.309	1.179	1.059	1.068	1.151	1.057	1.000	1.000	1.000	
2004	5.422	1.266	0.989	1.025	1.049	1.003	1.003	0.998	1.000		
2005	5.046	1.364	1.119	1.038	1.082	1.010	1.004	1.015			
2006	6.383	1.369	1.213	1.080	1.014	1.056	1.007				
2007	5.158	1.530	1.111	1.067	1.041	1.035					
2008	4.460	1.358	1.182	1.026	1.053						
2009	9.620	1.681	1.075	1.077							
2010	7.861	1.366	1.200								
2011	7.981	1.440									
2012	4.718										
2013											
<hr/>											
	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
All Yr Wtd:	5.883	1.410	1.121	1.053	1.046	1.028	1.005	1.006	1.000	1.000	
Last 7 Wtd:	6.091	1.441	1.121	1.053							
Last 5 Wtd:	6.219	1.474	1.154	1.059	1.046	1.028					
Last 3 Wtd:	6.352	1.500	1.147	1.057	1.035	1.035	1.004	1.006			
Div 66 Age to Age:	3.439	1.541	1.180	1.075	1.031	1.013	1.007	1.004	1.003	1.002	
Div 66 Age to Ult:	7.142	2.077	1.348	1.143	1.063	1.031	1.018	1.011	1.007	1.004	1.001
Selected Age to Age:	4.610	1.487	1.159	1.061	1.044	1.026	1.007	1.004	1.003	1.002	
Age to Ult:	9.199	1.995	1.342	1.157	1.091	1.045	1.018	1.011	1.007	1.004	1.001

AL

Incurred & Legal - Capped @ \$100k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	100k Cap I+Legal @ 2013/3	LDF	100k Cap Ultimate I+Legal
2003	985	0	209	259	265	271	270	272	296	296	296	296	296	1.000	296
2004	21,311	1,118	5,584	6,200	6,253	6,499	6,706	6,710	6,723	6,710	6,710	6,710	6,710	1.001	6,719
2005	20,307	711	3,567	4,544	5,036	5,250	5,414	5,432	5,463	5,511	6,710	6,710	5,511	1.004	5,531
2006	20,295	770	4,191	5,170	5,917	6,073	6,131	6,364	6,401	6,401	6,401	6,401	6,401	1.007	6,445
2007	19,735	577	3,543	4,946	5,190	5,337	5,412	5,586	6,401	6,401	6,401	6,401	5,586	1.011	5,648
2008	20,159	926	4,186	5,262	5,885	5,944	6,093	6,401	6,401	6,401	6,401	6,401	6,093	1.028	6,262
2009	18,128	465	3,981	5,915	6,185	6,401	6,401	6,401	6,401	6,401	6,401	6,401	6,401	1.050	6,721
2010	15,816	546	3,714	4,953	5,716	6,401	6,401	6,401	6,401	6,401	6,401	6,401	5,716	1.083	6,190
2011	14,810	472	3,462	4,755	5,716	6,401	6,401	6,401	6,401	6,401	6,401	6,401	4,755	1.198	5,695
2012	15,462	730	3,796	4,755	5,716	6,401	6,401	6,401	6,401	6,401	6,401	6,401	3,796	1.651	6,269
2013	17,213	317	3,796	4,755	5,716	6,401	6,401	6,401	6,401	6,401	6,401	6,401	317	7.300	2,313

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	1.239	1.022	1.023	0.998	1.005	1.089	1.000	1.000	1.000	1.000
2004	4.994	1.110	1.009	1.039	1.032	1.001	1.002	0.998	1.000	1.000	1.000
2005	5.015	1.274	1.108	1.042	1.031	1.003	1.006	1.009	1.000	1.000	1.000
2006	5.440	1.234	1.145	1.026	1.010	1.038	1.006	1.009	1.000	1.000	1.000
2007	6.145	1.396	1.049	1.028	1.014	1.032	1.006	1.009	1.000	1.000	1.000
2008	4.522	1.257	1.118	1.010	1.025	1.032	1.006	1.009	1.000	1.000	1.000
2009	8.565	1.486	1.046	1.035	1.025	1.032	1.006	1.009	1.000	1.000	1.000
2010	6.806	1.334	1.154	1.035	1.025	1.032	1.006	1.009	1.000	1.000	1.000
2011	7.328	1.373	1.154	1.035	1.025	1.032	1.006	1.009	1.000	1.000	1.000
2012	5.199	1.373	1.154	1.035	1.025	1.032	1.006	1.009	1.000	1.000	1.000
2013	5.199	1.373	1.154	1.035	1.025	1.032	1.006	1.009	1.000	1.000	1.000
All Yr Wtd:											
Last 7 Wtd: 5.737											
Last 5 Wtd: 5.991											
Last 3 Wtd: 6.097											
Div 66 Age to Age: 3.201											
Div 66 Age to Ult: 5.569											
Selected Age to Age: 4.421											
Age to Ult: 7.300											

AL

Paid & Legal - Policy Limits

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	P+Legal @ 2013/3	LDF	Ultimate I+Legal
2003	985	0	79	170	173	187	215	616	640	640	640	640	640	1.004	642
2004	21,311	339	2,898	5,283	8,015	9,063	10,142	10,206	10,640	10,675	10,722	10,722	10,722	1.007	10,799
2005	20,307	253	3,042	6,655	8,679	10,149	11,972	12,756	13,135	12,101	12,101	12,264	12,101	1.014	12,264
2006	20,295	309	4,014	8,485	10,882	14,492	15,444	16,683	17,056	12,101	12,101	17,442	17,056	1.023	17,442
2007	19,735	281	2,506	4,115	4,806	6,322	8,095	8,285	8,285	8,285	8,285	8,665	8,285	1.046	8,665
2008	20,159	280	2,178	4,229	7,553	8,352	9,276	9,276	9,276	9,276	9,276	10,261	9,276	1.106	10,261
2009	18,128	146	2,118	5,151	7,094	9,043						11,351	9,043	1.255	11,351
2010	15,816	170	1,987	5,672	7,226							11,326	7,226	1.567	11,326
2011	14,810	164	1,666	4,328								9,385	4,328	2.168	9,385
2012	15,462	179	2,912									13,996	2,912	4.807	13,996
2013	17,213	158										5,345	158	33.858	5,345
PY			9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129			
2003			-	2,152	1,014	1,081	1,151	2,863	1,039	1,000	1,000	1,000			
2004			8,549	1,823	1,517	1,131	1,119	1,006	1,042	1,003	1,004				
2005			12,026	2,188	1,304	1,169	1,180	1,066	1,030	0,921					
2006			13,002	2,114	1,282	1,332	1,066	1,080	1,022						
2007			8,911	1,642	1,168	1,315	1,280	1,023							
2008			7,774	1,942	1,786	1,106	1,111								
2009			14,540	2,433	1,377	1,275									
2010			11,714	2,855	1,274										
2011			10,152	2,598											
2012			16,262												
2013															
			9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141		
All Yr Wtd:			11,035	2,152	1,369	1,220	1,135	1,058	1,030	0,959	1,004	1,000			
Last 7 Wtd:			11,371	2,207	1,370	1,220									
Last 5 Wtd:			11,571	2,248	1,358	1,240	1,135	1,058							
Last 3 Wtd:			12,802	2,626	1,453	1,219	1,125	1,062	1,030	0,959					
Div 66 Age to Age:			4,628	2,145	1,504	1,274	1,133	1,056	1,023	1,009	1,006	1,004			
Div 66 Age to Ult:			23,799	5,143	2,397	1,593	1,251	1,105	1,046	1,023	1,014	1,007	1,004		
Selected Age to Age:			7,044	2,217	1,383	1,249	1,135	1,058	1,023	1,009	1,006	1,004			
Age to Ult:			33,858	4,807	2,168	1,567	1,255	1,106	1,046	1,023	1,014	1,007	1,004		

AL

Paid & Legal - Capped @ \$250k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	250k Cap P+Legal @ 2013/3	LDF	250k Cap Ultimate I+Legal
2003	985	0	79	170	173	187	215	420	444	444	444	444	444	1.004	446
2004	21,311	339	2,501	4,886	6,230	7,146	8,028	8,093	8,345	8,380	8,428	8,428	8,428	1.007	8,485
2005	20,307	253	2,252	3,844	5,531	6,324	7,048	7,275	7,322	7,343	8,428	8,428	7,343	1.011	7,424
2006	20,295	309	2,531	5,080	6,800	8,141	8,704	9,202	9,426	9,426	9,426	9,426	9,426	1.018	9,592
2007	19,735	281	2,427	3,966	4,657	5,832	6,652	6,841	6,841	6,841	6,841	6,841	6,841	1.034	7,074
2008	20,159	280	2,178	4,229	6,390	7,096	7,812	7,812	7,812	7,812	7,812	7,812	7,812	1.074	8,390
2009	18,128	146	2,118	4,717	6,262	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147	1.188	8,489
2010	15,816	170	1,987	3,985	5,418	5,418	5,418	5,418	5,418	5,418	5,418	5,418	5,418	1.398	7,574
2011	14,810	164	1,666	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	1.888	7,068
2012	15,462	179	2,383	2,383	2,383	2,383	2,383	2,383	2,383	2,383	2,383	2,383	2,383	3.732	8,895
2013	17,213	158											158	24.624	3,887

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	2,152	1,014	1,081	1,151	1,954	1,057	1,000	1,000	1,000	1,000
2004	7,378	1,953	1,275	1,147	1,123	1,008	1,031	1,004	1,006	1,006	
2005	8,901	1,707	1,439	1,143	1,114	1,032	1,007	1,003			
2006	8,200	2,007	1,339	1,197	1,069	1,057	1,024				
2007	8,629	1,635	1,174	1,252	1,140	1,028					
2008	7,774	1,942	1,511	1,111	1,101						
2009	14,540	2,227	1,328	1,141							
2010	11,714	2,005	1,360								
2011	10,152	2,247									
2012	13,310										
2013											
All Yr Wtd:											
	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
	9,489	1,952	1,343	1,162	1,107	1,039	1,022	1,003	1,005	1,000	
Last 7 Wtd:											
	10,003	1,950	1,345	1,162	1,107	1,039					
Last 5 Wtd:											
	11,008	1,989	1,344	1,165	1,107	1,039					
Last 3 Wtd:											
	11,771	2,157	1,397	1,160	1,100	1,041	1,021	1,003			
Div 66 Age to Age:											
	4,243	1,948	1,384	1,209	1,102	1,039	1,016	1,006	1,004	1,003	
Div 66 Age to Ult:											
	16,373	3,859	1,981	1,431	1,184	1,074	1,034	1,018	1,011	1,007	1,004
Selected Age to Age:											
	6,597	1,977	1,351	1,177	1,106	1,039	1,016	1,006	1,004	1,003	
Age to Ult:											
	24,624	3,732	1,888	1,398	1,188	1,074	1,034	1,018	1,011	1,007	1,004



AL

Paid & Legal - Capped @ \$100k

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	100k Cap P+Legal @ 2013/3	LDF	100k Cap Ultimate I+Legal
2003	985	0	79	170	173	187	215	272	296	296	296	296	296	1.002	297
2004	21,311	339	2,351	4,414	5,290	5,852	6,499	6,545	6,639	6,674	6,702	6,702	6,702	1.005	6,732
2005	20,307	253	2,102	3,149	4,348	4,943	5,312	5,380	5,413	5,424	6,702	6,702	5,424	1.008	5,466
2006	20,295	309	2,233	4,005	5,133	5,807	6,036	6,264	6,344	6,344	6,344	6,344	6,344	1.013	6,424
2007	19,735	281	2,277	3,584	4,215	4,902	5,267	5,417	5,417	5,417	5,417	5,417	5,417	1.023	5,541
2008	20,159	280	2,178	3,816	5,056	5,494	5,889	5,889	5,889	5,889	5,889	5,889	5,889	1.048	6,170
2009	18,128	146	2,108	4,096	5,148	5,639	5,639	5,639	5,639	5,639	5,639	5,639	5,639	1.125	6,343
2010	15,816	170	1,962	3,519	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	4,637	1.272	5,897
2011	14,810	164	1,666	3,348	3,348	3,348	3,348	3,348	3,348	3,348	3,348	3,348	3,348	1.623	5,435
2012	15,462	179	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2.921	6,017
2013	17,213	158											158	18.304	2,890

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	2.152	1.014	1.081	1.151	1.264	1.089	1.000	1.000	1.000	1.000
2004	6.936	1.877	1.199	1.106	1.111	1.007	1.014	1.005	1.004	1.004	
2005	8.308	1.498	1.381	1.137	1.075	1.013	1.006	1.002			
2006	7.233	1.794	1.282	1.131	1.039	1.038	1.013				
2007	8.096	1.574	1.176	1.163	1.074	1.028					
2008	7.774	1.752	1.325	1.087	1.072						
2009	14.471	1.944	1.257	1.095							
2010	11.567	1.793	1.318								
2011	10.152	2.010									
2012	11.506										
2013											
All Yr Wtd:											
	8.967	1.775	1.271	1.118	1.075	1.023	1.012	1.004	1.004	1.000	
Last 7 Wtd:											
	9.475	1.757	1.273	1.118	1.074	1.023					
Last 5 Wtd:											
	10.626	1.802	1.272	1.121	1.074	1.023					
Last 3 Wtd:											
	11.093	1.911	1.298	1.112	1.061	1.027	1.011	1.004			
Div 66 Age to Age:											
	3.939	1.793	1.299	1.158	1.071	1.026	1.010	1.005	1.003	1.002	
Div 66 Age to Ult:											
	11.947	3.033	1.692	1.302	1.125	1.050	1.023	1.013	1.008	1.005	1.002
Selected Age to Age:											
	6.267	1.799	1.276	1.131	1.074	1.024	1.010	1.005	1.003	1.002	
Age to Ult:											
	18.304	2.921	1.623	1.272	1.125	1.048	1.023	1.013	1.008	1.005	1.002



















**Property**

Rate Need Indications

	Target		Before 2013			PY 2013		Before 2013		PY 2013		After 2013		
	Combined	Ratio	ILAE Ratio	Target	Rate Change		Ultimate	Rate Change	PY 2013		Rate	Achieved	PY 2013	
					ILAE Ratio	Rate Need			Rate Need	ILAE Ratio			ILAE Ratio	Rate Need
RAP Neutral:	93.8%	60.6%	60.6%	55.2%	55.2%	-8.6%	4.5%	4.5%	52.8%	52.8%	52.8%	52.8%	52.8%	52.8%
UW Breakeven:	100.0%	66.8%	66.8%	55.2%	55.2%	-16.9%	4.5%	4.5%	52.8%	52.8%	52.8%	52.8%	52.8%	52.8%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	4.2%
Other Acquisition Fees:	0.6%
Reinsurance:	0.8%
Direct Expense:	1.4%
Indirect Expense:	4.3%
	<u>33.2%</u>



Property

Indexing - PY 2013 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Ultimate ILAE Ratio	Trend to PY 2013	0.0%	On-Level Ultimate ILAE Ratio
2003	1,278	0.0%	1.000	978	27.2%	1.000	1.000	35.5%
2004	15,337	0.0%	1.000	11,742	27.9%	1.000	1.000	36.5%
2005	14,965	-1.5%	0.985	11,632	23.6%	1.000	1.000	30.4%
2006	16,111	-6.0%	0.926	13,322	19.9%	1.000	1.000	24.1%
2007	16,484	-10.1%	0.832	15,162	27.7%	1.000	1.000	30.1%
2008	16,199	-9.5%	0.753	16,463	65.9%	1.000	1.000	64.8%
2009	13,768	-4.8%	0.717	14,698	33.0%	1.000	1.000	30.9%
2010	12,004	-0.8%	0.711	12,918	40.6%	1.000	1.000	37.7%
2011	11,199	0.0%	0.711	12,052	36.6%	1.000	1.000	34.0%
2012	11,391	3.0%	0.733	11,902	43.5%	1.000	1.000	41.6%
2013	14,400	4.5%	0.766	14,400	30.8%	1.000	1.000	30.8%

Policy Limits	Ultimate ILAE Ratio	Trend to PY 2013	0.0%	On-Level Ultimate ILAE Ratio
27.2%	27.9%	1.000	1.000	35.5%
23.6%	23.6%	1.000	1.000	30.4%
19.9%	19.9%	1.000	1.000	24.1%
27.7%	27.7%	1.000	1.000	30.1%
65.9%	65.9%	1.000	1.000	64.8%
33.0%	33.0%	1.000	1.000	30.9%
40.6%	40.6%	1.000	1.000	37.7%
36.6%	36.6%	1.000	1.000	34.0%
43.5%	43.5%	1.000	1.000	41.6%
30.8%	30.8%	1.000	1.000	30.8%

Capped @ 1M	Ultimate ILAE Ratio	Trend to PY 2013	0.0%	On-Level Ultimate ILAE Ratio
27.2%	27.9%	1.000	1.000	35.5%
23.6%	23.6%	1.000	1.000	30.4%
19.9%	19.9%	1.000	1.000	24.1%
27.7%	27.7%	1.000	1.000	30.1%
50.5%	50.5%	1.000	1.000	49.6%
33.0%	33.0%	1.000	1.000	30.9%
40.6%	40.6%	1.000	1.000	37.7%
36.6%	36.6%	1.000	1.000	34.0%
43.3%	43.3%	1.000	1.000	41.4%
29.6%	29.6%	1.000	1.000	29.6%

Capped @ 250k	Ultimate ILAE Ratio	Trend to PY 2013	0.0%	On-Level Ultimate ILAE Ratio
27.2%	27.9%	1.000	1.000	35.5%
22.0%	22.0%	1.000	1.000	28.8%
19.0%	19.0%	1.000	1.000	24.4%
18.5%	18.5%	1.000	1.000	22.3%
24.7%	24.7%	1.000	1.000	26.9%
33.8%	33.8%	1.000	1.000	33.2%
28.0%	28.0%	1.000	1.000	26.2%
33.9%	33.9%	1.000	1.000	31.5%
36.1%	36.1%	1.000	1.000	33.6%
37.3%	37.3%	1.000	1.000	35.7%
24.9%	24.9%	1.000	1.000	24.9%

Capped @ 100k	Ultimate ILAE Ratio	Trend to PY 2013	0.0%	On-Level Ultimate ILAE Ratio
16.0%	16.2%	1.000	1.000	20.8%
15.7%	15.7%	1.000	1.000	21.1%
16.8%	16.8%	1.000	1.000	20.3%
22.0%	22.0%	1.000	1.000	23.9%
26.3%	26.3%	1.000	1.000	25.8%
25.1%	25.1%	1.000	1.000	23.5%
28.9%	28.9%	1.000	1.000	26.8%
33.1%	33.1%	1.000	1.000	30.8%
28.2%	28.2%	1.000	1.000	27.0%
21.5%	21.5%	1.000	1.000	21.5%

Weight: 59%

Frequency/Severity Indication: 39.6%

Weighted Average: 36.9%

PY 2013 Selected: 37.0%

All Year Avg Empirical Cat Load: 8.1%

Program Specific AAL Cat Load: 9.9%

Selected Cat Load: 9.9%

Corporate Cat Charge: 2.5%

XOL Loss Cost: 2.7%

Indicated XOL Cost: 0.0%

ULE: 1.9%

Claims Fees: 0.0%

PY 2013 Ultimate ILAE Ratio Including AAL Cat Load and Cost of Reinsurance: 52.8%

**Property**

Frequency/Severity Method

		Frequency				Severity			
PY	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2013/3	Selected Ultimate ILAE	Average Severity	Trend to PY 2013	Average Severity @ PY 2013
2003	978	16	16	0.016	347	347	22	1.000	21.69
2004	11,742	261	261	0.022	4,281	4,281	16	1.000	16.40
2005	11,632	230	230	0.020	3,537	3,537	15	1.000	15.38
2006	13,322	277	277	0.021	3,208	3,208	12	1.000	11.58
2007	15,162	359	359	0.024	4,571	4,571	13	1.000	12.73
2008	16,463	375	375	0.023	10,674	10,674	28	1.000	28.46
2009	14,698	340	340	0.023	4,548	4,548	13	1.000	13.36
2010	12,918	227	228	0.018	4,870	4,871	21	1.000	21.38
2011	12,052	194	196	0.016	4,089	4,098	21	1.000	20.91
2012	11,902	155	172	0.014	4,600	4,950	29	1.000	28.78
2013	14,400	42	206	0.014	720	4,440	22	1.000	21.58
					PY 2013 Selected Frequency:				
					PY 2013 Selected Severity:				
All Yr Wtd:	0.020				18.83				
Last 7 Wtd:	0.020				19.51				
Last 5 Wtd:	0.019				22.57				
Last 3 Wtd:	0.016				23.62				

Indicated PY 2013 Ult ILAE Ratio: 39.6%

**Property**

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported		Inc. Dev.		Inc. BF		Selected		Ultimate ILAE Ratio
		ILAE @ 2013/3	Method	Method	Method	Method	Method	Ultimate ILAE		
2003	1,278	347	347	347	347	347	347	347	347	27.2%
2004	15,337	4,281	4,281	4,281	4,281	4,281	4,281	4,281	4,281	27.9%
2005	14,965	3,537	3,537	3,537	3,537	3,537	3,537	3,537	3,537	23.6%
2006	16,111	3,208	3,208	3,208	3,208	3,208	3,208	3,208	3,208	19.9%
2007	16,484	4,571	4,571	4,571	4,571	4,571	4,571	4,571	4,571	27.7%
2008	16,199	10,674	10,674	10,674	10,674	10,674	10,674	10,674	10,674	65.9%
2009	13,768	4,548	4,548	4,548	4,548	4,548	4,548	4,548	4,548	33.0%
2010	12,004	4,870	4,871	4,871	4,871	4,871	4,871	4,871	4,871	40.6%
2011	11,199	4,089	4,098	4,098	4,098	4,098	4,098	4,098	4,098	36.6%
2012	11,391	4,600	4,998	4,998	4,954	4,954	4,954	4,950	4,950	43.5%
2013	14,400	720	2,335	2,335	4,438	4,438	4,440	4,440	4,440	30.8%
Total	143,136	45,443	47,467	47,467	49,526	49,526	49,525	49,525	49,525	34.6%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 1M

PY	GWP	Reported		Inc. Dev. Method	Inc. BF Method	Selected		Ultimate ILAE Ratio
		ILAE @ 2013/3	347			Ultimate ILAE	ILAE Ratio	
2003	1,278	347	347	347	347	347	347	27.2%
2004	15,337	4,281	4,281	4,281	4,281	4,281	4,281	27.9%
2005	14,965	3,537	3,537	3,537	3,537	3,537	3,537	23.6%
2006	16,111	3,208	3,208	3,208	3,208	3,208	3,208	19.9%
2007	16,484	4,571	4,571	4,571	4,571	4,571	4,571	27.7%
2008	16,199	8,174	8,174	8,174	8,174	8,174	8,174	50.5%
2009	13,768	4,548	4,548	4,548	4,548	4,548	4,548	33.0%
2010	12,004	4,870	4,871	4,871	4,871	4,871	4,871	40.6%
2011	11,199	4,089	4,098	4,098	4,098	4,098	4,098	36.6%
2012	11,391	4,600	4,994	4,934	4,934	4,930	4,930	43.3%
2013	14,400	720	2,327	4,256	4,256	4,260	4,260	29.6%
Total	143,136	42,943	44,956	46,824	46,824	46,825	46,825	32.7%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported		Inc. Dev.		Inc. BF		Selected		Ultimate ILAE Ratio
		ILAE @ 2013/3	Method	Method	Method	Ultimate ILAE	Ultimate ILAE Ratio			
2003	1,278	347	347	347	347	347	347	347	27.2%	
2004	15,337	3,379	3,379	3,379	3,379	3,379	3,379	3,379	22.0%	
2005	14,965	2,838	2,838	2,838	2,838	2,838	2,838	2,838	19.0%	
2006	16,111	2,976	2,976	2,976	2,976	2,976	2,976	2,976	18.5%	
2007	16,484	4,079	4,079	4,079	4,079	4,079	4,079	4,079	24.7%	
2008	16,199	5,474	5,474	5,474	5,474	5,474	5,474	5,474	33.8%	
2009	13,768	3,855	3,855	3,855	3,855	3,855	3,855	3,855	28.0%	
2010	12,004	4,065	4,066	4,066	4,066	4,066	4,066	4,066	33.9%	
2011	11,199	4,035	4,044	4,044	4,044	4,044	4,044	4,044	36.1%	
2012	11,391	3,990	4,319	4,251	4,251	4,251	4,250	4,250	37.3%	
2013	14,400	711	2,338	3,588	3,588	3,588	3,590	3,590	24.9%	
Total	143,136	35,747	37,714	38,896	38,896	38,898	38,898	38,898	27.2%	



**Property**

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported		Inc. Dev.		Inc. BF		Selected		Ultimate ILAE Ratio
		ILAE @ 2013/3	Method	Method	Method	Ultimate ILAE	Ultimate ILAE Ratio			
2003	1,278	204	204	204	204	204	204	204	16.0%	
2004	15,337	2,480	2,480	2,480	2,480	2,480	2,480	2,480	16.2%	
2005	14,965	2,343	2,343	2,343	2,343	2,343	2,343	2,343	15.7%	
2006	16,111	2,702	2,702	2,702	2,702	2,702	2,702	2,702	16.8%	
2007	16,484	3,626	3,626	3,626	3,626	3,626	3,626	3,626	22.0%	
2008	16,199	4,253	4,253	4,253	4,253	4,253	4,253	4,253	26.3%	
2009	13,768	3,461	3,461	3,461	3,461	3,461	3,461	3,461	25.1%	
2010	12,004	3,464	3,464	3,464	3,464	3,464	3,464	3,464	28.9%	
2011	11,199	3,696	3,711	3,711	3,711	3,711	3,711	3,711	33.1%	
2012	11,391	2,998	3,235	3,215	3,215	3,215	3,210	3,210	28.2%	
2013	14,400	561	1,901	3,087	3,087	3,090	3,090	3,090	21.5%	
Total	143,136	29,788	31,380	32,546	32,546	32,544	32,544	32,544	22.7%	

Property

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits				Incurred	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Aprion ILAE Ratio			
2003	1,278	27.1%	27.1%	27.1%	0.0%	27.1%	347
2004	15,337	27.9%	27.9%	27.9%	0.0%	27.9%	4,281
2005	14,965	23.6%	23.6%	23.6%	0.0%	23.6%	3,537
2006	16,111	19.9%	19.9%	19.9%	0.0%	19.9%	3,208
2007	16,484	27.7%	27.7%	27.7%	0.0%	27.7%	4,571
2008	16,199	65.9%	65.9%	65.9%	0.0%	65.9%	10,674
2009	13,768	33.0%	33.0%	33.0%	0.0%	33.0%	4,548
2010	12,004	40.6%	40.6%	40.6%	0.0%	40.6%	4,871
2011	11,199	36.5%	36.5%	36.6%	0.2%	36.6%	4,098
2012	11,391	40.4%	43.9%	39.0%	8.0%	43.5%	4,954
2013	14,400	5.0%	16.2%	37.3%	69.2%	30.8%	4,438

PY	Capped @ IM				Incurred	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Aprion ILAE Ratio			
2003	1,278	27.1%	27.1%	27.1%	0.0%	27.1%	347
2004	15,337	27.9%	27.9%	27.9%	0.0%	27.9%	4,281
2005	14,965	23.6%	23.6%	23.6%	0.0%	23.6%	3,537
2006	16,111	19.9%	19.9%	19.9%	0.0%	19.9%	3,208
2007	16,484	27.7%	27.7%	27.7%	0.0%	27.7%	4,571
2008	16,199	50.5%	50.5%	50.5%	0.0%	50.5%	8,174
2009	13,768	33.0%	33.0%	33.0%	0.0%	33.0%	4,548
2010	12,004	40.6%	40.6%	40.6%	0.0%	40.6%	4,871
2011	11,199	36.5%	36.6%	36.6%	0.2%	36.6%	4,098
2012	11,391	40.4%	43.8%	37.1%	7.9%	43.3%	4,934
2013	14,400	5.0%	16.2%	35.5%	69.1%	29.6%	4,256

PY	Capped @ 250k				Incurred	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Aprion ILAE Ratio			
2003	1,278	27.1%	27.1%	27.1%	0.0%	27.1%	347
2004	15,337	22.0%	22.0%	22.0%	0.0%	22.0%	3,379
2005	14,965	19.0%	19.0%	19.0%	0.0%	19.0%	2,838
2006	16,111	18.5%	18.5%	18.5%	0.0%	18.5%	2,976
2007	16,484	24.7%	24.7%	24.7%	0.0%	24.7%	4,079
2008	16,199	33.8%	33.8%	33.8%	0.0%	33.8%	5,474
2009	13,768	28.0%	28.0%	28.0%	0.0%	28.0%	3,855
2010	12,004	33.9%	33.9%	33.9%	0.0%	33.9%	4,066
2011	11,199	36.0%	36.1%	36.1%	0.2%	36.1%	4,044
2012	11,391	35.0%	37.9%	30.0%	7.6%	37.3%	4,251
2013	14,400	4.9%	16.2%	28.7%	69.6%	24.9%	3,588

PY	Capped @ 100k				Incurred	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Aprion ILAE Ratio			
2003	1,278	16.0%	16.0%	16.0%	0.0%	16.0%	204
2004	15,337	16.2%	16.2%	16.2%	0.0%	16.2%	2,480
2005	14,965	15.7%	15.7%	15.7%	0.0%	15.7%	2,343
2006	16,111	16.8%	16.8%	16.8%	0.0%	16.8%	2,702
2007	16,484	22.0%	22.0%	22.0%	0.0%	22.0%	3,626
2008	16,199	26.3%	26.3%	26.3%	0.0%	26.3%	4,253
2009	13,768	25.1%	25.1%	25.1%	0.0%	25.1%	3,461
2010	12,004	28.9%	28.9%	28.9%	0.0%	28.9%	3,464
2011	11,199	33.0%	33.1%	33.1%	0.4%	33.1%	3,711
2012	11,391	26.3%	28.4%	26.0%	7.3%	28.2%	3,215
2013	14,400	3.9%	13.2%	24.9%	70.5%	21.4%	3,087

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		
2003	347	347	1.00		347	347	1.00		347	204	1.70		
2004	4,281	4,281	1.00		4,281	3,379	1.27		4,281	2,480	1.73		
2005	3,537	3,537	1.00		3,537	2,838	1.25		3,537	2,343	1.51		
2006	3,208	3,208	1.00		3,208	2,976	1.08		3,208	2,702	1.19		
2007	4,571	4,571	1.00		4,571	4,079	1.12		4,571	3,626	1.26		
2008	10,674	8,174	1.31		10,674	5,474	1.95		10,674	4,253	2.51		
2009	4,548	4,548	1.00		4,548	3,855	1.18		4,548	3,461	1.31		
2010	4,871	4,871	1.00		4,871	4,066	1.20		4,871	3,464	1.41		
2011	4,098	4,098	1.00		4,098	4,044	1.01		4,098	3,711	1.10		
2012	4,998	4,994	1.00		4,998	4,319	1.16		4,998	3,235	1.55		
All Yr Wtd:			1.06				1.28				1.53		
Last 7 Wtd:			1.07				1.28				1.51		
Last 5 Wtd:			1.09				1.34				1.61		
Last 3 Wtd:			1.00				1.12				1.34		
Selected Empirical Large Loss Load: Credibility: 100%					Selected Empirical Large Loss Load: Credibility: 100%					Selected Empirical Large Loss Load: Credibility: 100%			
Standard Large Loss Load: 1.18					Standard Large Loss Load: 1.45					Standard Large Loss Load: 1.90			
Credibility Weighted ILF Indication: 1.05					Credibility Weighted ILF Indication: 1.30					Credibility Weighted ILF Indication: 1.50			
Selected: 1.05					Selected: 1.30					Selected: 1.50			



Property

Incurred & LAE - Capped @ \$1M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	1M Cap ILAE @ 2013/3	LDF	1M Cap Ultimate ILAE
2003	1,278	0	161	344	347	347	347	347	347	347	347	347	347	1.000	347
2004	15,337	831	3,732	4,504	4,382	4,328	4,328	4,483	4,280	4,280	4,281	4,281	4,281	1.000	4,281
2005	14,965	277	2,974	3,621	3,712	3,583	3,537	3,537	3,537	3,537	4,281	4,281	3,537	1.000	3,537
2006	16,111	747	3,050	3,241	3,229	3,209	3,210	3,208	3,208	3,208	3,208	3,208	3,208	1.000	3,208
2007	16,484	978	4,154	4,605	4,614	4,582	4,578	4,571	4,571	4,571	4,571	4,571	4,571	1.000	4,571
2008	16,199	1,083	6,195	8,506	8,176	8,171	8,174	8,174	8,174	8,174	8,174	8,174	8,174	1.000	8,174
2009	13,768	807	3,515	3,964	3,898	4,548	4,548	4,548	4,548	4,548	4,548	4,548	4,548	1.000	4,548
2010	12,004	757	4,495	4,860	4,870	4,870	4,870	4,870	4,870	4,870	4,870	4,870	4,870	1.000	4,870
2011	11,199	711	3,898	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	1.002	4,089
2012	11,391	2,043	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	1.086	4,994
2013	14,400	720											720	3.234	2,327

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	2.141	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	4.491	1.207	0.973	0.988	1.000	1.036	0.955	1.000	1.000	1.000	
2005	10.755	1.218	1.025	0.965	0.987	1.000	1.000	1.000	1.000		
2006	4.082	1.062	0.996	0.994	1.000	1.000	1.000				
2007	4.247	1.109	1.002	0.993	0.999	0.999					
2008	5.718	1.373	0.961	0.999	1.000						
2009	4.356	1.128	0.983	1.167							
2010	5.934	1.081	1.002								
2011	5.485	1.049									
2012	2.252										
2013											
All Yr Wtd: 9-21 4.466 21-33 1.173 33-45 0.988 45-57 1.014 57-69 0.998 69-81 1.009 81-93 0.982 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Last 7 Wtd: 9-21 4.197 21-33 1.163 33-45 0.987 45-57 1.014 57-69 0.998 69-81 1.009 81-93 0.982 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Last 5 Wtd: 9-21 4.203 21-33 1.169 33-45 0.985 45-57 1.020 57-69 0.998 69-81 1.009 81-93 0.982 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Last 3 Wtd: 9-21 3.701 21-33 1.084 33-45 0.978 45-57 1.037 57-69 1.000 69-81 0.999 81-93 0.982 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Div 66 Age to Age: 9-21 2.489 21-33 1.074 33-45 1.002 45-57 1.000 57-69 1.000 69-81 1.000 81-93 1.000 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Div 66 Age to Ult: 9-21 2.680 21-33 1.077 33-45 1.002 45-57 1.000 57-69 1.000 69-81 1.000 81-93 1.000 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Selected Age to Age: 9-21 2.978 21-33 1.083 33-45 1.002 45-57 1.000 57-69 1.000 69-81 1.000 81-93 1.000 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											
Age to Ult: 9-21 3.234 21-33 1.086 33-45 1.002 45-57 1.000 57-69 1.000 69-81 1.000 81-93 1.000 93-105 1.000 105-117 1.000 117-129 1.000 129-141 1.000											









Property

Total Claim Count excluding CWNP

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	Total ex-CWNP @ 2013/3	LDF	Ultimate ex-CWNP
2003	1,278	0	13	16	16	16	16	16	16	16	16	16	16	1.000	16
2004	15,337	55	241	261	262	261	261	263	261	261	261	261	261	1.000	261
2005	14,965	43	210	229	231	231	230	230	230	230	230	230	230	1.000	230
2006	16,111	55	256	275	276	278	277	277	277	277	277	277	277	1.000	277
2007	16,484	71	329	357	360	360	360	359	359	359	359	359	359	1.000	359
2008	16,199	86	349	374	376	376	375	375	375	375	375	375	375	1.000	375
2009	13,768	81	321	339	340	340	340	340	340	340	340	340	340	1.001	340
2010	12,004	57	223	228	227	227	227	227	227	227	227	227	227	1.004	228
2011	11,199	76	190	194									194	1.010	196
2012	11,391	43	155										155	1.077	172
2013	14,400	42											42	3.769	206
PY		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	117-129			
2003		-	1.231	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2004		4.382	1.083	1.004	0.996	1.000	1.008	0.992	1.000	1.000	1.000	1.000			
2005		4.884	1.090	1.009	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000			
2006		4.655	1.074	1.004	1.007	0.996	1.000	1.000	1.000	1.000	1.000	1.000			
2007		4.634	1.085	1.008	1.000	1.000	0.997								
2008		4.058	1.072	1.005	1.000	0.997									
2009		3.963	1.056	1.003	1.000										
2010		3.912	1.022	0.996											
2011		2.500	1.021												
2012		3.605													
2013															
		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	117-129			
	All Yr Wtd:	4.034	1.066	1.004	1.001	0.998	1.001	0.997	1.000	1.000	1.000	1.000			
	Last 7 Wtd:	3.887	1.063	1.004	1.001										
	Last 5 Wtd:	3.609	1.057	1.004	1.001	0.998	1.001								
	Last 3 Wtd:	3.227	1.037	1.002	1.000	0.998	0.999	0.997	1.000						
	Div 66 Age to Age:	2.471	1.066	1.007	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000			
	Div 66 Age to Ult:	2.661	1.077	1.010	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000			1.000
	Selected Age to Age:	3.500	1.066	1.007	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000			
	Age to Ult:	3.769	1.077	1.010	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000			1.000













APD

Rate Need Indications

	Before 2013			After 2013			
	Target Combined Ratio	Rate Change		PY 2013 Ultimate ILAE Ratio	Rate Change		
		Target ILAE Ratio	PY 2013 Ultimate ILAE Ratio		PY 2013 Rate Achieved	PY 2014 Ultimate ILAE Ratio	PY 2014 Rate Need
RAP Neutral:	97.2%	64.7%	75.2%	15.8%	5.9%	71.0%	9.5%
UW Breakeven:	100.0%	67.5%	75.2%	11.1%	5.9%	71.0%	5.0%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	4.3%
Other Acquisition Fees:	0.6%
Direct Expense:	1.4%
Indirect Expense:	4.3%
	<u>32.5%</u>





APD

Indexing - PY 2013 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP
2003	267	0.0%	1.000	307
2004	3,585	0.0%	1.000	4,132
2005	3,337	-3.3%	0.967	3,978
2006	3,405	-1.5%	0.952	4,121
2007	3,187	-3.5%	0.919	3,997
2008	3,171	-2.2%	0.899	4,066
2009	3,046	6.7%	0.959	3,660
2010	2,926	3.4%	0.992	3,401
2011	2,718	2.5%	1.017	3,082
2012	2,845	7.1%	1.089	3,012
2013	2,837	5.9%	1.153	2,837

All Yr Wtd ex 2013:  
 Last 7 Wtd ex 2013:  
 Last 5 Wtd ex 2013:  
 Last 3 Wtd ex 2013:

Policy Limits		0.0%	On-Level Ultimate
Ultimate ILAE Ratio	Trend to PY 2013	ILAE Ratio	ILAE Ratio
69.0%	1.000	59.8%	59.8%
77.6%	1.000	67.4%	67.4%
79.2%	1.000	66.5%	66.5%
72.4%	1.000	59.8%	59.8%
72.5%	1.000	57.8%	57.8%
88.4%	1.000	68.9%	68.9%
64.3%	1.000	53.5%	53.5%
84.3%	1.000	72.5%	72.5%
111.4%	1.000	98.3%	98.3%
86.8%	1.000	81.9%	81.9%
55.1%	1.000	55.1%	55.1%

PY 2013 Selected: 70.0%

ULE: 1.0%  
 Claims Fees: 0.0%  
 PY 2013 Ultimate ILAE Ratio: 71.0%

Frequency/Severity Indication:

APD

Frequency/Severity Method

PY	Frequency				Severity					
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2013/3	Selected Ultimate ILAE	Average Severity	0.0% Trend to PY 2013	Average Severity @ PY 2013	
2003	307	47	47	0.153	184	184	4	1.000	3.91	
2004	4,132	753	753	0.182	2,783	2,783	4	1.000	3.70	
2005	3,978	673	673	0.169	2,644	2,644	4	1.000	3.93	
2006	4,121	616	616	0.149	2,465	2,465	4	1.000	4.00	
2007	3,997	629	629	0.157	2,311	2,311	4	1.000	3.67	
2008	4,066	733	733	0.180	2,802	2,802	4	1.000	3.82	
2009	3,660	638	639	0.175	1,959	1,959	3	1.000	3.07	
2010	3,401	732	735	0.216	2,465	2,465	3	1.000	3.36	
2011	3,082	610	616	0.200	3,023	3,028	5	1.000	4.91	
2012	3,012	521	562	0.187	2,342	2,468	4	1.000	4.39	
2013	2,837	88	542	0.191	268	1,564	3	1.000	2.88	
All Yr Wtd:				0.178					3.85	
Last 7 Wtd:				0.179					3.86	
Last 5 Wtd:				0.191					3.86	
Last 3 Wtd:				0.202					4.19	
				PY 2013 Selected Frequency:					PY 2013 Selected Severity:	3.85

Indicated PY 2013 Ult ILAE Ratio: 69.3%

APD

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported		Inc. Dev. Method	Inc. BF Method	Selected		Expected Adjuster Load	Actual Adjuster Load	Selected		Ultimate ILAE Ratio
		I+Legal @ 2013/3	I+Legal			Ultimate I+Legal	Ultimate ILAE					
2003	267	136	136	136	136	136	136	1.082	1.352	184	184	69.0%
2004	3,585	2,029	2,029	2,029	2,029	2,029	2,029	1.082	1.372	2,783	2,783	77.6%
2005	3,337	1,912	1,912	1,912	1,912	1,912	1,912	1.082	1.383	2,644	2,644	79.2%
2006	3,405	1,921	1,921	1,921	1,921	1,921	1,921	1.082	1.283	2,465	2,465	72.4%
2007	3,187	1,768	1,768	1,768	1,768	1,768	1,768	1.082	1.307	2,311	2,311	72.5%
2008	3,171	2,191	2,191	2,191	2,191	2,191	2,191	1.082	1.279	2,802	2,802	88.4%
2009	3,046	1,487	1,487	1,487	1,487	1,487	1,487	1.082	1.317	1,959	1,959	64.3%
2010	2,926	1,905	1,905	1,905	1,905	1,905	1,905	1.082	1.294	2,465	2,465	84.3%
2011	2,718	2,490	2,496	2,496	2,496	2,496	2,496	1.082	1.213	3,028	3,028	111.4%
2012	2,845	2,084	2,238	2,206	2,206	2,210	2,210	1.082	1.117	2,468	2,468	86.8%
2013	2,837	247	919	1,462	1,462	1,460	1,460	1.082	1.071	1,564	1,564	55.1%
Total	31,322	18,170	19,003	19,513	19,513	19,515	19,515			24,674	24,674	78.8%

**APD**

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits			Incurred			
	GWP	Reported ILeg Ratio	Developed ILeg Ratio	Apriori ILeg Ratio	% Expected Unreported	Born-Ferg Ultimate ILeg Ratio	Born-Ferg Ultimate ILeg
2003	267	51.0%	51.0%	51.0%	0.0%	51.0%	136
2004	3,585	56.6%	56.6%	56.6%	0.0%	56.6%	2,029
2005	3,337	57.3%	57.3%	57.3%	0.0%	57.3%	1,912
2006	3,405	56.4%	56.4%	56.4%	0.0%	56.4%	1,921
2007	3,187	55.5%	55.5%	55.5%	0.0%	55.5%	1,768
2008	3,171	69.1%	69.1%	69.1%	0.0%	69.1%	2,191
2009	3,046	48.8%	48.8%	48.8%	0.0%	48.8%	1,487
2010	2,926	65.1%	65.1%	65.1%	0.0%	65.1%	1,905
2011	2,718	91.6%	91.9%	91.9%	0.2%	91.9%	2,496
2012	2,845	73.3%	78.7%	62.0%	6.9%	77.5%	2,206
2013	2,837	8.7%	32.4%	58.6%	73.1%	51.5%	1,462



APD

GWP Development

PY	9	21	33	45	57	69	81	93	105	117	129	GWP @ 2013/3	LDF	Ultimate GWP
2003	0	271	267	267	267	267	267	267	267	267	267	267	1.000	267
2004	2,567	3,567	3,586	3,585	3,585	3,585	3,585	3,585	3,585	3,585	3,585	3,585	1.000	3,585
2005	2,350	3,343	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	1.000	3,337
2006	2,369	3,406	3,405	3,405	3,405	3,405	3,405	3,405	3,405	3,405	3,405	3,405	1.000	3,405
2007	2,295	3,186	3,187	3,187	3,187	3,187	3,187	3,187	3,187	3,187	3,187	3,187	1.000	3,187
2008	2,287	3,173	3,171	3,171	3,171	3,171	3,171	3,171	3,171	3,171	3,171	3,171	1.000	3,171
2009	2,094	3,045	3,045	3,046	3,046	3,046	3,046	3,046	3,046	3,046	3,046	3,046	1.000	3,046
2010	1,864	2,916	2,926	2,926	2,926	2,926	2,926	2,926	2,926	2,926	2,926	2,926	1.000	2,926
2011	1,753	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	1.000	2,718
2012	1,722	2,843										2,843	1.001	2,845
2013	1,784											1,784	1.590	2,837
<hr/>														
PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129				
2003	-	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2004	1.389	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2005	1.423	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.438	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2007	1.388	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2008	1.387	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2009	1.454	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2010	1.565	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2011	1.550	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2012	1.651													
2013														
<hr/>														
	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141			
All Yr Wtd:	1.475	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Last 7 Wtd:	1.480	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Last 5 Wtd:	1.512	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Last 3 Wtd:	1.588	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
<hr/>														
Selected Age to Age:	1.589	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Age to Ult:	1.590	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			1.000

APD

Total Claim Count excluding CWNP

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	Total ex-CWNP @ 2013/3	LDF	Ultimate ex-CWNP
2003	267	0	20	45	45	46	46	46	47	47	47	47	47	1.000	47
2004	3,585	39	694	730	735	736	736	752	753	753	753	753	753	1.000	753
2005	3,337	140	642	675	675	675	673	673	673	673	673	673	673	1.000	673
2006	3,405	122	566	605	605	616	616	616	616	616	616	616	616	1.000	616
2007	3,187	121	536	565	630	629	629	629	629	629	629	629	629	1.000	629
2008	3,171	146	675	734	732	733	733	733	733	733	733	733	733	1.000	733
2009	3,046	103	599	638	637	638	638	638	638	638	638	638	638	1.001	639
2010	2,926	122	628	729	732	732	732	732	732	732	732	732	732	1.004	735
2011	2,718	116	549	610	610	610	610	610	610	610	610	610	610	1.010	616
2012	2,845	92	521										521	1.077	562
2013	2,837	88											88	5.923	542
<hr/>															
PY		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129				
2003		-	2,250	1,000	1,022	1,000	1,000	1,022	1,000	1,000	1,000	1,000			
2004		17,795	1,052	1,007	1,001	1,000	1,022	1,001	1,000	1,000	1,000	1,000			
2005		4,586	1,051	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000			
2006		4,639	1,069	1,000	1,018	1,000	1,000	1,000	1,000	1,000	1,000	1,000			
2007		4,430	1,054	1,115	0,998	1,000	1,000	1,000	1,000	1,000	1,000	1,000			
2008		4,623	1,087	0,997	1,001	1,000	1,000	1,000	1,000	1,000	1,000	1,000			
2009		5,816	1,065	0,998	1,002	1,000	1,000	1,000	1,000	1,000	1,000	1,000			
2010		5,148	1,161	1,004											
2011		4,733	1,111												
2012		5,663													
2013															
<hr/>															
		9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141			
	All Yr Wtd:	5,425	1,086	1,015	1,003	0,999	1,006	1,001	1,000	1,000	1,000	1,000			
	Last 7 Wtd:	4,956	1,086	1,015	1,003										
	Last 5 Wtd:	5,133	1,097	1,020	1,004	0,999	1,006								
	Last 3 Wtd:	5,145	1,113	1,000	1,001	1,000	1,000	1,000	1,000	1,000	1,000	1,000			
	Div 66 Age to Age:	2,471	1,066	1,007	1,002	1,001	1,000	1,000	1,000	1,000	1,000	1,000			
	Div 66 Age to Ult:	2,661	1,077	1,010	1,004	1,001	1,000	1,000	1,000	1,000	1,000	1,000			1,000
	Selected Age to Age:	5,500	1,066	1,007	1,002	1,001	1,000	1,000	1,000	1,000	1,000	1,000			
	Age to Ult:	5,923	1,077	1,010	1,004	1,001	1,000	1,000	1,000	1,000	1,000	1,000			1,000













APD

Large Losses - Incurred + Legal > 100k

PY	DSP	Cat #	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	Legal	I+Legal	Acc State	Description
2006	2-6-5		6266971	5492	5/8/2008	Nysarc, Inc., NYC	11	100	2	113	New York	IV WAS Rear Ended By OV
2010	2-6-5		4617050	9883	8/27/2010	The ARC Of Iberia	2	-	102	104	Louisiana	IV WAS Struck By Motorcycle AT Interse
2011	2-6-5	9012	5847965	621	10/29/2011	Nassau County Cha	132	-	1	133	New York	Parked Unoccupied Insd Vehicle Flooded
2012	2-6-6	9012	6144374	9380	10/29/2011	Circle Of Friends	114	-	1	115	New York	Damages Related To Hurricane Sandy FRO

**Excess Liability**

Rate Need Indications

	Target		Before 2013			Before 2013		PY 2013		PY 2013		PY 2013		PY 2014	
	Combined Ratio	ILAE Ratio	62.3%	Rate Change		Rate Change		PY 2013 Ultimate ILAE Ratio	64.5%	PY 2013 Rate Achieved	5.4%	Rate Change		PY 2014 Ultimate ILAE Ratio	64.2%
				68.4%	64.5%	64.5%	61.2%					61.2%			
RAP Neutral:	93.9%	62.3%		64.5%	3.4%	5.4%	61.2%	64.2%			61.2%	64.2%		3.0%	
UW Breakeven:	100.0%	68.4%		64.5%	-5.6%	5.4%	61.2%	64.2%			61.2%	64.2%		-6.0%	

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	3.3%
Other Acquisition Fees:	0.6%
Direct Expense:	1.4%
Indirect Expense:	4.3%
	<u>31.6%</u>





**Excess Liability**

Indexing - PY 2013 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP
2003	1,512	0.0%	1.000	1,627
2004	14,777	0.0%	1.000	15,907
2005	13,037	0.0%	1.000	14,034
2006	11,933	0.0%	1.000	12,845
2007	11,580	0.0%	1.000	12,465
2008	11,636	0.0%	1.000	12,525
2009	9,836	0.0%	1.000	10,588
2010	8,849	0.0%	1.000	9,526
2011	8,014	0.0%	1.000	8,626
2012	7,935	2.1%	1.021	8,366
2013	8,500	5.4%	1.076	8,500
All Yr Wtd ex 2013:				
Last 7 Wtd ex 2013:				
Last 5 Wtd ex 2013:				
Last 3 Wtd ex 2013:				
Selected Ultimate:				
ILF:				
Capped @ \$10M Ultimate:				

Capped @ \$10M				
Ultimate ILAE Ratio	Trend to PY 2013	5.0%	On-Level Ultimate ILAE Ratio	Weight:
0.0%	1,629	0.0%	0.0%	50.0%
26.5%	1,551	41.0%	41.0%	1.00
0.2%	1,477	0.3%	0.3%	50.0%
42.4%	1,407	59.7%	59.7%	
25.9%	1,340	34.7%	34.7%	
26.2%	1,276	33.5%	33.5%	
60.0%	1,216	72.9%	72.9%	
41.4%	1,158	47.9%	47.9%	
43.9%	1,103	48.4%	48.4%	
53.7%	1,050	56.4%	56.4%	
56.0%	1,000	56.0%	56.0%	
				46%

Capped @ 2M				
Ultimate ILAE Ratio	Trend to PY 2013	4.5%	On-Level Ultimate ILAE Ratio	Weight:
0.0%	1,553	-	-	36.0%
25.9%	1,486	38.5%	38.5%	1.50
0.2%	1,422	0.3%	0.3%	54.0%
40.8%	1,361	55.5%	55.5%	
24.4%	1,302	31.8%	31.8%	
17.4%	1,246	21.7%	21.7%	
41.1%	1,193	49.0%	49.0%	
26.2%	1,141	29.9%	29.9%	
25.1%	1,092	27.4%	27.4%	
31.9%	1,045	33.3%	33.3%	
34.0%	1,000	34.0%	34.0%	
				27%

Capped @ 1M				
Ultimate ILAE Ratio	Trend to PY 2013	4.0%	On-Level Ultimate ILAE Ratio	Weight:
0.0%	1,480	-	-	28.0%
22.5%	1,423	32.0%	32.0%	2.05
0.2%	1,369	0.3%	0.3%	57.4%
38.5%	1,316	50.6%	50.6%	
23.5%	1,265	29.7%	29.7%	
13.5%	1,217	16.4%	16.4%	
28.2%	1,170	32.9%	32.9%	
19.1%	1,125	21.5%	21.5%	
16.1%	1,082	17.4%	17.4%	
21.0%	1,040	21.9%	21.9%	
23.1%	1,000	23.1%	23.1%	
				27%

Frequency/Severity Indication: 42.0%

Weighted Average: 53.1%

PY 2013 Selected - Capped @ \$10M: 48.0%

ILF: 1.020  
 Catastrophe/Latency Load: 5.0%  
 ULE: 1.0%  
 PY 2013 Ultimate ILAE Ratio: 55.0%

Credibility: 38%  
 Complement of Credibility: 65.0%  
 Credibility Weighted PY 2013 Ultimate ILAE Ratio: 61.2%

**Excess Liability**

Frequency/Severity Method

		Frequency				Severity			
PY	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2013/3	10M Cap Ultimate ILAE	Average Severity	5.0% Trend to PY 2013	Average Severity @ PY 2013
2003	1,627	0	0	0.0000	0	0	-	1.629	-
2004	15,907	5	5	0.0003	3,588	3,910	799	1.551	1,239.0
2005	14,034	1	1	0.0001	22	30	31	1.477	45.6
2006	12,845	7	7	0.0005	4,156	5,060	749	1.407	1,054.6
2007	12,465	5	5	0.0004	2,228	3,000	628	1.340	841.3
2008	12,525	2	2	0.0002	1,012	3,050	1,612	1.276	2,057.0
2009	10,588	3	3	0.0003	4,268	5,900	2,110	1.216	2,564.8
2010	9,526	3	3	0.0003	766	3,660	1,218	1.158	1,409.6
2011	8,626	0	0	0.0000	0	3,520	-	1.103	-
2012	8,366	0	1	0.0001	0	4,260	6,132	1.050	6,438.3
2013	8,500	0	1	0.0002	0	4,760	3,325	1.000	3,324.6
All Yr Wtd:				0.0002					1,545.3
Last 7 Wtd:				0.0003					1,924.7
Last 5 Wtd:				0.0002					2,422.1
Last 3 Wtd:				0.0001					2,537.5
					PY 2013 Selected Frequency: 0.0002				
					PY 2013 Selected Severity: 2,100.0				

Indicated PY 2013 Ult ILAE Ratio - Capped @ 10M: 42.0%

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 10M

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve		Selected Ultimate ILAE	Ultimate ILAE Ratio
		ILAE @ 2013/3	ILAE					Development Method	ILAE		
2003	1,512	0	0	0	0	0	0	0	0	0	0.0%
2004	14,777	3,588	3,828	3,828	4,163	3,828	4,116	3,594	3,910	3,910	26.5%
2005	13,037	22	24	24	27	24	27	22	30	30	0.2%
2006	11,933	4,156	4,921	4,921	5,641	4,921	5,451	4,159	5,060	5,060	42.4%
2007	11,580	2,228	2,902	2,902	3,470	2,902	3,265	2,240	3,000	3,000	25.9%
2008	11,636	1,012	1,516	1,516	1,976	2,830	3,679	1,012	3,050	3,050	26.2%
2009	9,836	4,268	7,512	7,512	3,157	6,434	4,269	12,050	5,900	5,900	60.0%
2010	8,849	766	1,854	1,854	3,047	3,466	4,211	770	3,660	3,660	41.4%
2011	8,014	0	0	0	0	3,411	3,821	0	3,520	3,520	43.9%
2012	7,935	0	0	0	0	4,221	4,350	0	4,260	4,260	53.7%
2013	8,500	0	0	0	0	4,758	4,760	0	4,760	4,760	56.0%
<b>Total</b>	<b>107,608</b>	<b>16,041</b>	<b>22,557</b>	<b>36,796</b>	<b>21,480</b>	<b>37,950</b>	<b>37,950</b>	<b>23,847</b>	<b>37,150</b>	<b>37,150</b>	<b>34.5%</b>

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 2M

PY	GWP	Reported		Inc. Dev.	Paid Dev.	Inc. BF	Paid BF	Case Reserve		Selected	Ultimate	Ultimate
		ILAE	@ 2013/3					Method	Method			
2003	1,512	0	0	0	0	0	0	0	0	0	0	0.0%
2004	14,777	3,588	3,770	3,770	4,018	3,770	3,991	3,594	3,594	3,830	3,830	25.9%
2005	13,037	22	24	24	26	24	26	22	22	30	30	0.2%
2006	11,933	4,156	4,768	4,768	5,285	4,768	5,174	4,159	4,159	4,870	4,870	40.8%
2007	11,580	2,228	2,748	2,748	3,222	2,748	3,075	2,239	2,239	2,830	2,830	24.4%
2008	11,636	1,012	1,404	1,404	1,688	1,922	2,317	1,012	1,012	2,030	2,030	17.4%
2009	9,836	3,268	5,282	5,282	2,665	4,431	2,867	8,607	8,607	4,040	4,040	41.1%
2010	8,849	766	1,609	1,609	2,411	2,204	2,638	769	769	2,320	2,320	26.2%
2011	8,014	0	0	0	0	1,938	2,211	0	0	2,010	2,010	25.1%
2012	7,935	0	0	0	0	2,502	2,604	0	0	2,530	2,530	31.9%
2013	8,500	0	0	0	0	2,888	2,890	0	0	2,890	2,890	34.0%
<b>Total</b>	<b>107,608</b>	<b>15,041</b>	<b>19,605</b>	<b>27,194</b>	<b>19,315</b>	<b>27,791</b>	<b>20,401</b>	<b>27,791</b>	<b>27,380</b>	<b>27,380</b>	<b>27,380</b>	<b>25.4%</b>

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 1M

PY	GWP	Reported		Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve		Selected		Ultimate ILAE Ratio
		ILAE @ 2013/3	ILAE					Development Method	Ultimate ILAE			
2003	1,512	0	0	0	0	0	0	0	0	0	0	0.0%
2004	14,777	3,145	3,284	3,284	3,416	3,284	3,405	3,152	3,320	3,320	3,320	22.5%
2005	13,037	22	24	24	25	24	25	22	30	30	30	0.2%
2006	11,933	4,029	4,508	4,508	4,879	4,508	4,814	4,032	4,590	4,590	4,590	38.5%
2007	11,580	2,228	2,642	2,642	3,014	2,642	2,917	2,238	2,720	2,720	2,720	23.5%
2008	11,636	1,012	1,290	1,290	1,566	1,489	1,794	1,012	1,570	1,570	1,570	13.5%
2009	9,836	2,268	3,354	3,354	2,452	2,937	2,266	4,304	2,770	2,770	2,770	28.2%
2010	8,849	766	1,388	1,388	2,071	1,598	1,937	768	1,690	1,690	1,690	19.1%
2011	8,014	0	0	0	0	1,222	1,467	0	1,290	1,290	1,290	16.1%
2012	7,935	0	0	0	0	1,639	1,731	0	1,670	1,670	1,670	21.0%
2013	8,500	0	0	0	0	1,953	1,955	0	1,960	1,960	1,960	23.1%
<b>Total</b>	<b>107,608</b>	<b>13,470</b>	<b>16,490</b>	<b>21,295</b>	<b>17,423</b>	<b>22,310</b>	<b>22,310</b>	<b>15,528</b>	<b>21,610</b>	<b>21,610</b>	<b>21,610</b>	<b>20.1%</b>

Excess Liability

Bornhuetter-Ferguson Method

PY	Capped @ \$10M						Incurred		Paid		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE
2003	1,512	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.0%	0
2004	14,777	24.3%	24.2%	25.9%	28.2%	25.9%	28.2%	25.9%	28.2%	25.9%	14.0%	3,828
2005	13,037	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	19.5%	24
2006	11,933	34.8%	34.8%	41.2%	47.3%	41.2%	47.3%	41.2%	47.3%	41.2%	26.4%	4,921
2007	11,580	19.2%	19.2%	25.1%	30.0%	25.1%	30.0%	25.1%	30.0%	25.1%	36.0%	2,902
2008	11,636	8.7%	8.7%	13.0%	17.0%	13.0%	17.0%	13.0%	17.0%	13.0%	48.8%	2,830
2009	9,836	43.4%	12.9%	76.4%	32.1%	51.0%	32.1%	51.0%	32.1%	51.0%	59.8%	6,434
2010	8,849	8.7%	8.6%	20.9%	34.4%	52.0%	34.4%	52.0%	34.4%	52.0%	74.9%	3,466
2011	8,014	0.0%	0.0%	0.0%	0.0%	53.0%	0.0%	53.0%	0.0%	53.0%	90.0%	3,411
2012	7,935	0.0%	0.0%	0.0%	0.0%	55.0%	0.0%	55.0%	0.0%	55.0%	99.7%	4,221
2013	8,500	0.0%	0.0%	0.0%	0.0%	56.0%	0.0%	56.0%	0.0%	56.0%	100.0%	4,758

PY	Capped @ 2M						Incurred		Paid		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE
2003	1,512	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	0
2004	14,777	24.3%	24.2%	25.5%	27.2%	25.5%	27.2%	25.5%	27.2%	25.5%	10.8%	3,770
2005	13,037	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	15.9%	24
2006	11,933	34.8%	34.8%	40.0%	44.3%	40.0%	44.3%	40.0%	44.3%	40.0%	21.4%	4,768
2007	11,580	19.2%	19.2%	23.7%	27.8%	23.7%	27.8%	23.7%	27.8%	23.7%	31.0%	2,748
2008	11,636	8.7%	8.7%	12.1%	14.5%	28.0%	14.5%	28.0%	14.5%	28.0%	40.0%	1,922
2009	9,836	33.2%	12.9%	53.7%	27.1%	31.0%	27.1%	31.0%	27.1%	31.0%	52.4%	4,431
2010	8,849	8.7%	8.6%	18.2%	27.3%	32.0%	27.3%	32.0%	27.3%	32.0%	68.3%	2,204
2011	8,014	0.0%	0.0%	0.0%	0.0%	33.0%	0.0%	33.0%	0.0%	33.0%	99.4%	1,938
2012	7,935	0.0%	0.0%	0.0%	0.0%	34.0%	0.0%	34.0%	0.0%	34.0%	100.0%	2,502
2013	8,500	0.0%	0.0%	0.0%	0.0%	34.0%	0.0%	34.0%	0.0%	34.0%	100.0%	2,888

PY	Capped @ 1M						Incurred		Paid		Born-Ferg Ultimate ILAE	
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	Developed ILAE Ratio	PAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE
2003	1,512	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	0
2004	14,777	21.3%	21.2%	22.2%	23.1%	22.2%	23.1%	22.2%	23.1%	22.2%	8.1%	3,284
2005	13,037	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	12.5%	25
2006	11,933	33.8%	33.7%	37.8%	40.9%	37.8%	40.9%	37.8%	40.9%	37.8%	17.5%	4,814
2007	11,580	19.2%	19.2%	22.8%	26.0%	22.8%	26.0%	22.8%	26.0%	22.8%	26.3%	2,917
2008	11,636	8.7%	8.7%	11.1%	13.5%	19.0%	13.5%	19.0%	13.5%	19.0%	35.4%	1,794
2009	9,836	23.1%	12.9%	34.1%	24.9%	21.0%	24.9%	21.0%	24.9%	21.0%	48.3%	2,266
2010	8,849	8.7%	8.6%	15.7%	23.4%	21.0%	23.4%	21.0%	23.4%	21.0%	63.1%	1,937
2011	8,014	0.0%	0.0%	0.0%	0.0%	22.0%	0.0%	22.0%	0.0%	22.0%	83.2%	1,467
2012	7,935	0.0%	0.0%	0.0%	0.0%	22.0%	0.0%	22.0%	0.0%	22.0%	99.2%	1,731
2013	8,500	0.0%	0.0%	0.0%	0.0%	23.0%	0.0%	23.0%	0.0%	23.0%	100.0%	1,955

Excess Liability  
 Bornhuetter-Ferguson Method - Apriori Selection

Capped @ \$10M		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	1,512	0.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	14,777	0.0%	3,910	26.5%	32.2%	33.8%	35.5%	37.2%	38.3%	38.3%	38.1%
2005	13,037	0.0%	30	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
2006	11,933	0.0%	5,060	42.4%	46.8%	49.1%	51.5%	54.1%	55.7%	55.7%	55.4%
2007	11,580	0.0%	3,000	25.9%	27.2%	28.6%	30.0%	31.5%	32.4%	32.4%	32.3%
2008	11,636	0.0%	3,050	26.2%	27.5%	28.9%	30.3%	31.2%	31.2%	31.2%	31.1%
2009	9,836	0.0%	5,900	60.0%	66.1%	68.0%	66.1%	66.1%	68.0%	68.0%	67.7%
2010	8,849	0.0%	3,660	41.4%	43.4%	44.7%	44.7%	44.7%	44.7%	44.7%	44.5%
2011	8,014	0.0%	3,520	43.9%	45.0%	45.2%	45.2%	45.2%	45.2%	45.2%	45.0%
2012	7,935	2.1%	4,260	53.7%	53.0%	53.0%	53.0%	53.0%	53.0%	53.0%	53.5%
2013	8,500	5.4%	4,760	56.0%	56.0%	56.0%	56.0%	56.0%	56.0%	56.0%	56.0%
All Yr Wtd :				25.6%	27.0%	32.9%	35.2%	37.3%	37.8%	37.8%	38.4%
Last 7 Wtd :				-	-	32.9%	36.2%	37.8%	37.8%	37.8%	46.4%
Last 5 Wtd :				25.6%	27.6%	33.1%	44.6%	43.4%	43.4%	47.7%	47.7%
Last 3 Wtd :				24.0%	35.2%	39.4%	45.8%	53.4%	53.4%	47.5%	47.5%
ILF Implied :				42.0%	46.5%	48.0%	48.0%	49.5%	49.5%	51.0%	51.0%
Div 66:				47.0%	51.0%	52.0%	53.0%	55.0%	55.0%	56.0%	56.0%
Selected BF Apriori:				47.0%	51.0%	52.0%	53.0%	55.0%	55.0%	56.0%	56.0%

Capped @ 2M		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	1,512	0.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	14,777	0.0%	3,830	25.9%	30.9%	32.3%	33.8%	35.3%	36.1%	36.1%	35.8%
2005	13,037	0.0%	30	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
2006	11,933	0.0%	4,870	40.8%	44.6%	46.6%	48.7%	50.9%	52.1%	52.1%	51.6%
2007	11,580	0.0%	2,830	24.4%	25.5%	26.7%	27.9%	29.1%	29.8%	29.8%	29.6%
2008	11,636	0.0%	2,030	17.4%	18.2%	19.1%	19.1%	19.9%	20.2%	20.2%	20.2%
2009	9,836	0.0%	4,040	41.1%	42.9%	44.9%	44.9%	44.9%	45.9%	45.9%	45.5%
2010	8,849	0.0%	2,320	26.2%	27.4%	28.0%	28.0%	28.0%	28.0%	28.0%	27.8%
2011	8,014	0.0%	2,010	25.1%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.4%
2012	7,935	2.1%	2,530	31.9%	31.0%	31.0%	31.0%	31.0%	31.0%	31.0%	31.6%
2013	8,500	5.4%	2,890	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
All Yr Wtd :				24.4%	24.2%	27.6%	28.7%	29.0%	29.0%	29.0%	29.0%
Last 7 Wtd :				-	-	27.6%	29.2%	28.2%	28.2%	28.2%	33.6%
Last 5 Wtd :				24.4%	24.7%	26.7%	34.5%	29.8%	29.8%	29.8%	29.9%
Last 3 Wtd :				22.7%	30.6%	29.3%	30.2%	33.9%	33.9%	28.2%	28.2%
ILF Implied :				26.0%	28.7%	28.7%	30.1%	30.1%	30.1%	31.4%	31.4%
Div 66:				28.0%	31.0%	31.0%	32.0%	33.0%	33.0%	34.0%	34.0%
Selected BF Apriori:				28.0%	31.0%	31.0%	32.0%	33.0%	33.0%	34.0%	34.0%

Capped @ 1M		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year						
PY	GWP				2008	2009	2010	2011	2012	2013	
2003	1,512	0.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	14,777	0.0%	3,320	22.5%	26.3%	27.3%	28.4%	29.6%	30.1%	30.1%	29.7%
2005	13,037	0.0%	30	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
2006	11,933	0.0%	4,590	38.5%	41.6%	43.3%	45.0%	46.8%	47.7%	47.7%	47.0%
2007	11,580	0.0%	2,720	23.5%	24.4%	25.4%	26.4%	27.5%	28.0%	28.0%	27.6%
2008	11,636	0.0%	1,570	13.5%	14.0%	14.6%	15.2%	15.5%	15.5%	15.5%	15.3%
2009	9,836	0.0%	2,770	28.2%	29.3%	29.3%	30.5%	30.5%	31.0%	31.0%	30.6%
2010	8,849	0.0%	1,690	19.1%	19.9%	19.9%	19.9%	19.9%	20.2%	20.2%	20.0%
2011	8,014	0.0%	1,290	16.1%	16.1%	16.1%	16.1%	16.1%	16.4%	16.4%	16.2%
2012	7,935	2.1%	1,670	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	20.8%
2013	8,500	5.4%	1,960	23.1%	23.1%	23.1%	23.1%	23.1%	23.1%	23.1%	23.0%
All Yr Wtd :				22.2%	21.4%	23.2%	23.7%	23.4%	23.4%	23.4%	22.9%
Last 7 Wtd :				-	-	23.2%	24.1%	22.6%	22.6%	22.6%	26.2%
Last 5 Wtd :				22.2%	21.9%	22.5%	28.4%	22.4%	22.4%	20.5%	20.5%
Last 3 Wtd :				21.4%	27.7%	23.1%	21.5%	23.1%	23.1%	19.0%	19.0%
Div 66:				19.0%	21.0%	21.0%	22.0%	22.0%	22.0%	23.0%	23.0%
Selected BF Apriori:				19.0%	21.0%	21.0%	22.0%	22.0%	22.0%	23.0%	23.0%

**Excess Liability**

ILF Selection

PY	Capped at 2M						Capped at 1M							
	10M Cap Inc Ult	2M Cap Inc Ult	2M Cap Paid Ult	10M Cap Paid Ult	2M Cap Paid Ult	Implied ILF	10M Cap Inc Ult	1M Cap Inc Ult	1M Cap Paid Ult	10M Cap Paid Ult	1M Cap Paid Ult	Implied ILF	1M Cap Paid Ult	Implied ILF
2003	0	0	0	0	0	-	0	0	0	0	0	-	0	-
2004	3,828	3,770	4,018	4,163	4,018	1.02	3,828	3,284	4,163	3,416	1.17	3,416	1.22	
2005	24	24	26	27	26	1.02	24	24	27	25	1.04	25	1.09	
2006	4,921	4,768	5,285	5,641	5,285	1.03	4,921	4,508	5,641	4,879	1.09	4,879	1.16	
2007	2,902	2,748	3,222	3,470	3,222	1.06	2,902	2,642	3,470	3,014	1.10	3,014	1.15	
2008	1,516	1,404	1,688	1,976	1,688	1.08	1,516	1,290	1,976	1,566	1.17	1,566	1.26	
2009	7,512	5,282	2,665	3,157	2,665	1.42	7,512	3,354	3,157	2,452	2.24	2,452	1.29	
2010	1,854	1,609	2,411	3,047	2,411	1.15	1,854	1,388	3,047	2,071	1.34	2,071	1.47	
2011	0	0	0	0	0	-	0	0	0	0	-	0	-	
2012	0	0	0	0	0	-	0	0	0	0	-	0	-	
All Yr Wtd:						1.15					1.37		1.23	
Last 7 Wtd:						1.18					1.42		1.24	
Last 5 Wtd:						1.31					1.80		1.34	
Last 3 Wtd:						1.15					1.34		1.47	
						Selected Empirical ILF:							Selected Empirical ILF:	1.35
						Credibility:							Credibility:	38%
						Complement of Credibility - Div 66 ILF:							Complement of Credibility - Div 66 ILF:	2.45
						Credibility Weighted ILF Indication:							Credibility Weighted ILF Indication:	2.03
						Selected:							Selected:	2.05

\* Averages exclude PY 2012



**Excess Liability**

Incurred & LAE - Capped @ \$10M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	ILAE @ 2013/3	LDF	Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.047	0
2004	14,777	2	7	28	635	2,603	3,588	3,588	3,588	3,588	3,588	0	3,588	1.067	3,828
2005	13,037	0	0	1,010	1,110	28	22	22	22	22	0	0	22	1.114	24
2006	11,933	0	501	1,512	4,539	4,539	3,155	3,154	4,156	22	0	0	4,156	1.184	4,921
2007	11,580	0	0	1,210	1,211	1,213	1,228	2,228	0	0	0	0	2,228	1.302	2,902
2008	11,636	0	0	1	0	12	1,012	0	0	0	0	0	1,012	1.498	1,516
2009	9,836	0	0	401	1,239	4,268	0	0	0	0	0	0	4,268	1.760	7,512
2010	8,849	0	0	764	766	0	0	0	0	0	0	0	766	2.420	1,854
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	5.082	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	30.490	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	2,439.193	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	3,900	22,287	4,100	1,378	1,000	1,000	1,000	1,000	1,000	-
2005	-	-	1,099	0.025	0.781	1,000	1,000	1,000	1,000	-	-
2006	-	3,018	3,001	1,000	0.695	1,000	1,318	-	-	-	-
2007	-	-	1,001	1,002	1,013	1,814	-	-	-	-	-
2008	-	-	0.053	214,857	84,112	-	-	-	-	-	-
2009	-	3,549,681	3,088	3,446	-	-	-	-	-	-	-
2010	-	127,287,167	1,003	-	-	-	-	-	-	-	-
2011	-	0,000	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208,831	9,688	1,928	1,450	1,073	1,125	1,148	1,000	1,000	1,000	1,000	1,000
Last 7 Wtd:	-	9,772	1,928	1,450	1,073	1,125	1,148	1,000	1,000	1,000	1,000	1,000
Last 5 Wtd:	-	19,796,217	1,995	1,242	1,073	1,125	1,148	1,000	1,000	1,000	1,000	1,000
Last 3 Wtd:	-	9,706,975	1,719	2,243	0,936	1,227	1,148	1,000	1,000	1,000	1,000	1,000

Selected Age to Age: 80,000  
 Age to Ult: 2,439,193

6,000 2,100 1,375 1,175 1,150 1,100 1,063 1,044 1,019  
 30,490 5,082 2,420 1,760 1,498 1,302 1,184 1,114 1,067 1,047

**Excess Liability**

Incurred & LAE - Capped @ \$2M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	ZM Cap ILAE @ 2013/3	LDF	ZM Cap Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.035	0
2004	14,777	2	7	28	635	2,603	3,588	3,588	3,588	3,588	3,588	0	3,588	1.051	3,770
2005	13,037	0	0	1,010	1,110	28	22	22	22	22	0	0	22	1.093	24
2006	11,933	0	501	1,512	4,030	4,029	3,155	3,154	4,156	22	0	0	4,156	1.147	4,768
2007	11,580	0	0	1,210	1,211	1,213	1,228	2,228	0	0	0	0	2,228	1.233	2,748
2008	11,636	0	0	1	0	12	1,012	0	0	0	0	0	1,012	1.387	1,404
2009	9,836	0	0	401	1,239	3,268	0	0	0	0	0	0	3,268	1.616	5,282
2010	8,849	0	0	764	766	0	0	0	0	0	0	0	766	2.101	1,609
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	4.097	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	22.535	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	1,352.097	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	3,900	22,287	4,100	1,378	1,000	1,000	1,000	1,000	1,000	-
2005	-	-	1,099	0.025	0.781	1,000	1,000	1,000	1,000	-	-
2006	-	3,018	2,665	1,000	0.783	1,000	1,318	-	-	-	-
2007	-	-	1,001	1,002	1,013	1,814	-	-	-	-	-
2008	-	-	0.053	214,857	84,112	-	-	-	-	-	-
2009	-	3,549,681	3,088	2,639	-	-	-	-	-	-	-
2010	-	127,287,000	1,003	-	-	-	-	-	-	-	-
2011	-	0,000	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208,831	9,688	1,825	1,356	1,142	1,125	1,148	1,000	1,000	1,000	1,000	1,000
Last 7 Wtd:	-	9,772	1,825	1,356	1,142	1,125	1,148	1,000	1,000	1,000	1,000	-
Last 5 Wtd:	-	19,796,217	1,864	1,127	1,142	1,125	1,148	1,000	1,000	1,000	1,000	-
Last 3 Wtd:	-	9,706,967	1,719	1,835	1,027	1,227	1,148	1,000	1,000	1,000	1,000	-
Selected Age to Age:	60,000	5,500	1,950	1,300	1,165	1,125	1,075	1,050	1,040	1,015	1,015	1,015
Age to Ult:	1,352,097	22,535	4,097	2,101	1,616	1,387	1,233	1,147	1,093	1,051	1,035	1,035

**Excess Liability**

Incurred & LAE - Capped @ \$1M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	1M Cap ILAE @ 2013/3	LDF	1M Cap Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.032	0
2004	14,777	2	7	28	635	2,159	3,144	3,144	3,145	3,145	3,145	0	3,145	1.044	3,284
2005	13,037	0	0	1,008	1,105	28	22	22	22	22	0	0	22	1.076	24
2006	11,933	0	501	1,511	3,029	3,028	3,028	3,027	4,029	0	0	0	4,029	1.119	4,508
2007	11,580	0	0	1,210	1,211	1,213	1,228	2,228	0	0	0	0	2,228	1.186	2,642
2008	11,636	0	0	1	0	12	1,012	0	0	0	0	0	1,012	1.275	1,290
2009	9,836	0	0	401	1,239	2,268	0	0	0	0	0	0	2,268	1.479	3,354
2010	8,849	0	0	764	766	0	0	0	0	0	0	0	766	1.812	1,388
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	3.261	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	16.304	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	815.177	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	3,900	22,287	3,401	1,456	1,000	1,000	1,000	1,000	1,000	-
2005	-	-	1,096	0.025	0.781	1,000	1,000	1,000	-	-	-
2006	-	3,016	2,004	1,000	1,000	1,000	1,331	-	-	-	-
2007	-	-	1,001	1,002	1,013	1,814	-	-	-	-	-
2008	-	-	0.053	214,857	84,112	-	-	-	-	-	-
2009	-	3,549,681	3,088	1,831	-	-	-	-	-	-	-
2010	-	127,287,000	1,003	-	-	-	-	-	-	-	-
2011	-	0,000	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208,831	9,683	1,622	1,206	1,310	1,135	1,162	1,000	1,000	1,000	-
Last 7 Wtd:	-	9,767	1,622	1,206	1,310	1,135	1,162	1,000	1,000	1,000	-
Last 5 Wtd:	-	19,795,800	1,607	0,995	1,310	1,135	1,234	1,000	1,000	1,000	-
Last 3 Wtd:	-	9,706,967	1,719	1,426	1,239	1,234	1,162	1,000	1,000	1,000	-
Selected Age to Age:	50,000	5,000	1,800	1,225	1,160	1,075	1,060	1,040	1,030	1,012	1,012
Age to Ult:	815,177	16,304	3,261	1,812	1,479	1,275	1,186	1,119	1,076	1,044	1,032

**Excess Liability**

**Paid & LAE - Capped @ \$10M**

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	P+LAE @ 2013/3	LDF	Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.123	0
2004	14,777	2	7	8	621	2,595	3,581	3,581	3,582	3,582	3,582	0	3,582	1.162	4,163
2005	13,037	0	0	3	9	21	22	22	22	22	0	0	22	1.243	27
2006	11,933	0	501	1,504	2,037	2,038	3,154	3,154	4,154	0	0	0	4,154	1.358	5,641
2007	11,580	0	0	210	210	613	1,222	2,222	0	0	0	0	2,222	1.562	3,470
2008	11,636	0	0	0	0	12	1,012	0	0	0	0	0	1,012	1.952	1,976
2009	9,836	0	0	400	1,238	1,268	0	0	0	0	0	0	1,268	2.489	3,157
2010	8,849	0	0	764	765	0	0	0	0	0	0	0	765	3.983	3,047
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	9.956	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	298.688	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	26,881.888	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	1,148	74,119	4,176	1,380	1,000	1,000	1,000	1,000	0	0
2005	-	-	2,945	2,317	1,026	1,000	1,000	1,000	0	0	0
2006	-	3,001	1,355	1,000	1,548	1,000	1,317	0	0	0	0
2007	-	-	1,000	2,923	1,993	1,819	0	0	0	0	0
2008	-	-	1,000	214,857	84,112	0	0	0	0	0	0
2009	-	3,540.823	3,093	1,025	0	0	0	0	0	0	0
2010	-	127,287.167	1,002	0	0	0	0	0	0	0	0
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208,831	5,681	1,689	1,591	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 7 Wtd:	-	5,747	1,689	1,591	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 5 Wtd:	-	11,542.387	1,477	1,131	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 3 Wtd:	-	9,780.134	1,721	1,308	2,023	1,227	1,148	1,000	1,000	1,000	0

Selected Age to Age: 90,000  
 Age to Ult: 26,881.888

30,000 2,500 1,600 1,275 1,250 1,250 1,150 1,093 1,069 1,035  
 298,688 9,956 3,983 2,489 1,952 1,562 1,243 1,358 1,243 1,162 1.123

**Excess Liability**

Paid & LAE - Capped @ \$2M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	ZM Cap P+LAE @ 2013/3	LDF	ZM Cap Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.089	0
2004	14,777	2	7	8	621	2,595	3,581	3,581	3,582	3,582	3,582	0	3,582	1.122	4,018
2005	13,037	0	0	3	9	21	22	22	22	22	0	0	22	1.189	26
2006	11,933	0	501	1,504	2,037	2,038	3,154	3,154	4,154	0	0	0	4,154	1.272	5,285
2007	11,580	0	0	210	210	613	1,222	2,222	0	0	0	0	2,222	1.450	3,222
2008	11,636	0	0	0	0	12	1,012	0	0	0	0	0	1,012	1.668	1,688
2009	9,836	0	0	400	1,238	1,268	0	0	0	0	0	0	1,268	2.101	2,665
2010	8,849	0	0	764	765	0	0	0	0	0	0	0	765	3.152	2,411
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	7.250	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	181.254	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	14,500.303	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	1,148	74,119	4,176	1,380	1,000	1,000	1,000	1,000	0	0
2005	-	-	2,945	2,317	1,026	1,000	1,000	1,000	0	0	0
2006	-	3,001	1,355	1,000	1,548	1,000	1,317	0	0	0	0
2007	-	-	1,000	2,923	1,993	1,819	0	0	0	0	0
2008	-	-	1,000	214,857	84,112	0	0	0	0	0	0
2009	-	3,540.823	3,093	1,025	0	0	0	0	0	0	0
2010	-	127,287.000	1,002	0	0	0	0	0	0	0	0
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208.831	5,681	1,689	1,591	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 7 Wtd:	-	5,747	1,689	1,591	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 5 Wtd:	-	11,542.387	1,477	1,131	1,703	1,125	1,148	1,000	1,000	1,000	0
Last 3 Wtd:	-	9,780.126	1,721	1,308	2,023	1,227	1,148	1,000	1,000	1,000	0

Selected Age to Age: 80,000  
 Age to Ult: 14,500.303

1.500 1.260 1.150 1.140 1.070 1.060 1.030  
 3.152 2.101 1.668 1.450 1.272 1.189 1.122 1.089

**Excess Liability**

Paid & LAE - Capped @ \$1M

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	1M Cap P+LAE @ 2013/3	LDF	1M Cap Ultimate ILAE
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	1.062	0
2004	14,777	2	7	8	621	2,151	3,137	3,137	3,138	3,138	3,138	0	3,138	1.089	3,416
2005	13,037	0	0	3	9	21	22	22	22	22	0	0	22	1.143	25
2006	11,933	0	501	1,503	2,036	2,037	3,027	3,027	4,027	0	0	0	4,027	1.212	4,879
2007	11,580	0	0	210	210	613	1,222	2,222	0	0	0	0	2,222	1.357	3,014
2008	11,636	0	0	0	0	12	1,012	0	0	0	0	0	1,012	1.547	1,566
2009	9,836	0	0	400	1,238	1,268	0	0	0	0	0	0	1,268	1.934	2,452
2010	8,849	0	0	764	765	0	0	0	0	0	0	0	765	2.707	2,071
2011	8,014	0	0	0	0	0	0	0	0	0	0	0	0	5.956	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	119.112	0
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	8,337.871	0

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141
2003	-	-	-	-	-	-	-	-	-	-	-
2004	3,000	1,148	74,119	3,462	1,458	1,000	1,000	1,000	1,000	1,000	-
2005	-	-	2,945	2,317	1,026	1,000	1,000	1,000	-	-	-
2006	-	2,999	1,355	1,000	1,486	1,000	1,330	-	-	-	-
2007	-	-	1,000	2,923	1,993	1,819	-	-	-	-	-
2008	-	-	1,000	214,857	84,112	-	-	-	-	-	-
2009	-	3,540.823	3,093	1,025	-	-	-	-	-	-	-
2010	-	127,287.000	1,002	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-

All Yr Wtd:	208,831	5,679	1,690	1,483	1,742	1,135	1,162	1,000	1,000	1,000	1,000	1,000
Last 7 Wtd:	-	5,745	1,690	1,483	-	-	-	-	-	-	-	-
Last 5 Wtd:	-	11,542.387	1,477	1,131	1,742	1,135	-	-	-	-	-	-
Last 3 Wtd:	-	9,780.126	1,721	1,308	1,977	1,234	1,162	1,000	-	-	-	-
Selected Age to Age:	70,000	20,000	2,200	1,400	1,250	1,140	1,120	1,060	1,050	1,025	1,025	1,025
Age to Ult:	8,337.871	119,112	5,956	2,707	1,934	1,547	1,357	1,212	1,143	1,089	1,089	1,062



**Excess Liability**

Total Claim Count excluding CWNP

PY	GWP	9	21	33	45	57	69	81	93	105	117	129	Total ex-CWNP @ 2013/3	LDF	Ultimate ex-CWNP
2003	1,512	0	0	0	0	0	0	0	0	0	0	0	0	0.985	0
2004	14,777	0	0	3	4	5	5	5	5	5	5	5	5	0.979	5
2005	13,037	0	0	3	4	2	1	1	1	1	1	1	1	0.972	1
2006	11,933	0	1	5	6	6	6	5	7	1	6	7	7	0.964	7
2007	11,580	0	0	3	3	3	4	5	7	1	6	7	5	0.956	5
2008	11,636	0	0	1	0	1	2	5	7	1	6	7	2	0.946	2
2009	9,836	0	0	2	3	3	2	5	7	1	6	7	3	0.932	3
2010	8,849	0	1	2	3	3	3	5	7	1	6	7	3	1.002	3
2011	8,014	0	1	0	3	3	2	5	7	1	6	7	0	1.222	0
2012	7,935	0	0	0	0	0	0	0	0	0	0	0	0	1.834	1
2013	8,500	0	0	0	0	0	0	0	0	0	0	0	0	12.835	1

PY	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141	
2003	-	-	-	-	-	-	-	-	-	-	-	
2004	-	-	1.333	1.250	1.000	1.000	1.000	1.000	1.000	1.000	-	
2005	-	-	1.333	0.500	0.500	1.000	1.000	1.000	1.000	1.000	-	
2006	-	5.000	1.200	1.000	1.000	0.833	1.400	1.000	1.000	1.000	-	
2007	-	-	1.000	1.000	1.333	1.250	1.000	1.000	1.000	1.000	-	
2008	-	-	0.000	-	2.000	1.000	1.000	1.000	1.000	1.000	-	
2009	-	-	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	
2010	-	2.000	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	
2011	-	0.000	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	
2012	-	-	-	-	-	-	-	-	-	-	-	
2013	-	-	-	-	-	-	-	-	-	-	-	
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	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117	117-129	129-141	
	-	6.333	1.211	1.000	1.059	1.000	1.182	1.000	1.000	-	-	
All Yr Wtd:	-	6.333	1.211	1.000	1.059	1.000	1.182	1.000	1.000	-	-	
Last 7 Wtd:	-	5.333	1.211	1.000	1.059	1.000	1.182	1.000	1.000	-	-	
Last 5 Wtd:	-	4.000	1.154	0.938	1.059	1.000	1.182	1.000	1.000	-	-	
Last 3 Wtd:	-	2.000	1.200	1.167	1.200	1.000	1.182	1.000	1.000	-	-	
<hr/>												
Selected Age to Age:	7.000	1.500	1.220	1.075	0.985	0.990	0.991	0.992	0.993	0.994	0.994	
Age to Ult:	12.835	1.834	1.222	1.002	0.932	0.946	0.956	0.964	0.972	0.979	0.985	













**Excess Liability**

Large Losses - Incurred + LAE > 250K

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2004	2-6-60	4659346	3753	1/1/2004	Abbott House, Inc	1,225	-	219	1,444	New York	Sexual Molestation
2004	2-6-57	6441413	9797	1/21/2005	Horizon House, IN	1,000	-	-	1,000	Delaware	Claimant Wandered OFF From Adult Home
2004	2-6-55	4659875	6437	6/28/2004	Star Community, I	604	-	2	606	Maryland	Claimants Reportedly Struck By OUR Ins
2004	2-6-55	573870	9438	8/10/2005	Gatesway Foundati	486	-	31	517	Oklahoma	Claimant Alleges That Insd Staff Membe
2006	2-6-60	273991	8617	6/13/2006	Union Settlement	1,125	-	1	1,126	New York (NYC)	Claimant Struck By AIR Conditioner THA
2006	2-6-55	6354139	5344	4/18/2007	Macdonald Trainin	1,000	-	1	1,001	Florida	Alleged Auto Accident
2006	2-6-55	6441423	9574	8/1/2006	United Cerebral P	1,000	-	-	1,000	New York	Claimant Alleges Abuse And Neglect.
2006	2-6-55	6445899	8040	12/17/2006	Envision Creative	500	-	23	523	Colorado	Agent Of The Insured Charged With Assa
2006	2-6-55	4659773	6204	5/24/2006	Mobile Associatio	500	-	1	501	Alabama	Claimant Allegedly Injured AT OUR Insu
2007	2-6-55	6441423	9575	8/1/2007	United Cerebral P	1,000	-	-	1,000	New York	Claimant Alleges Abuse And Neglect WHI
2007	2-6-55	347500	6800	9/13/2007	Lafourche ARC	600	-	12	612	Louisiana	Vehicle Veered Right/Over Corrected/CR
2007	2-6-52	4659601	1636	10/5/2007	Palouse River Cou	400	-	-	400	Washington	Insured Rear-Ended / Pushed Into Traff
2008	2-6-55	6441423	9576	7/1/2008	United Cerebral P	1,000	-	-	1,000	New York	Claimant IS Alleging Abuse And Neglect
2009	2-6-55	5845521	4974	6/26/2010	Genesis Corporati	-	3,000	-	3,000	California	TWO Employees Of Genesis Were Provided
2009	2-6-55	273624	2225	4/29/2009	Special Kids/Spec	750	0	31	781	Colorado	Detail Of Incident NOT YET Provided
2009	2-6-55	6914712	9680	12/8/2009	Santa Maria EL MI	390	-	97	487	New Mexico	Clmt Died Of Asphyxiation After Chokin
2010	2-6-55	274281	2424	8/27/2010	The ARC Of Iberia	764	-	1	765	Louisiana	Alleged MVA Involving Insured Employee

Division 66 - Programs  
Umbrella Policies effective from  
01/01/2003 to 12/20/2013  
Policies booked through 10/31/2012  
Thousands Omitted

Program: SocSvc Siegel

Limit Profile - Based on PY Written Premium

Occ Limit	PY -->	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
100,000	-	-	-	-	-	-	-	-	-	2	3	5
500,000	-	-	-	-	-	-	-	-	-	-	-	-
900,000	-	-	-	-	-	-	-	-	-	-	-	-
1,000,000	-	4,074	3,513	2,791	2,360	2,112	2,194	1,824	1,824	27,082	-	-
1,500,000	-	-	-	-	-	-	-	-	-	-	-	-
2,000,000	-	883	1,116	1,035	1,079	775	632	601	7,610	-	-	-
2,500,000	-	-	-	-	-	-	-	-	-	-	-	-
3,000,000	-	471	469	373	428	243	363	271	3,168	-	-	-
3,500,000	-	-	-	-	-	-	-	-	-	-	-	-
4,000,000	-	202	191	595	392	467	403	357	3,466	-	-	-
4,500,000	-	-	-	-	-	-	-	-	-	-	-	-
5,000,000	-	3,923	3,283	2,745	1,880	1,018	1,076	1,123	17,656	-	-	-
5,500,000	-	-	-	-	-	-	-	-	-	-	-	-
6,000,000	-	-	-	-	-	51	54	163	-	-	-	-
6,500,000	-	-	-	-	-	-	-	-	-	-	-	-
7,000,000	-	-	-	-	-	23	8	46	-	-	-	-
7,500,000	-	-	-	-	-	-	-	-	-	-	-	-
8,000,000	-	-	-	-	-	70	34	209	-	-	-	-
9,000,000	-	-	-	-	-	-	37	34	34	34	34	209
9,500,000	-	-	-	-	-	-	-	-	-	-	-	-
10,000,000	-	-	-	-	-	503	1,188	1,757	1,548	877	877	7,152
11,000,000	-	-	-	-	-	-	-	-	-	-	-	-
12,000,000	-	-	-	-	-	-	23	90	114	114	79	306
14,000,000	-	-	-	-	-	-	54	224	672	672	369	1,561
15,000,000	-	-	-	-	-	-	-	-	-	-	-	-
19,000,000	-	-	-	-	-	-	104	223	284	284	119	1,087
20,000,000	-	-	-	-	-	-	-	-	-	-	-	-
24,000,000	-	-	-	-	-	-	762	810	810	810	1,031	4,114
25,000,000	-	9,553	9,385	8,636	7,795	8,408	8,139	6,696	73,625	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	-

Average XS Limit - 2,897,100 2,679,169 2,684,345 2,944,580 6,094,315 6,992,443 7,748,783 7,955,793 8,161,932 5,165,752

xs 10M Selected	Am Home ILF
90.4%	1.000
0.0%	1.029
0.4%	1.058
0.0%	1.116
2.1%	1.145
0.0%	1.217
1.5%	1.235
0.0%	1.280
5.6%	1.235
100.0%	1.020