

# Memorandum

From: Div 66 Actuarial  
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Michael Liston

To: E. Allen, S. Leeret, B. Harris, R. D'Alfonso, J. Parker, A. Sandlin

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

Date: 6/10/2015

Re: Division 66 - UIF Tanning America US Profitability Study

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## I. Executive Summary

### A. Introduction -

The Tanning Salon Program provides professional liability and package coverages to the operators of tanning salons. Professional coverage is offered on an occurrence basis nationwide except in New York where claims made coverage is offered. This coverage is made available using a Risk Purchasing Group, The Association for Responsible Tanning Salons (ARTS). Coverage is only available to ARTS members.

Last year's analysis resulted in an overall PY 2015 Ultimate Loss Ratio indication of 57.4% which yielded a RAP neutral rate need of -13.1% based on 2014 RAP values.

The year to date rate change for 2015 is 2.3% in total, varying by LOB.

For purposes of this analysis we have used a 2015 forecasted rate change of 2.2% in total, varying by LOB.

### B. Summary of Results

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

#### Exhibit 1:

Line of Business	Sub-Segment	Policy Year	2015		Projected Ultimate IL and LAE Ratio*	RAP Breakeven		Projected RAP \$ **
			Forecasted GWP (000)	Combined Ratio*		Target Combined Ratio	RAP Rate Need	
GL	N/A	2015	1,371	115.8%	146.7%	98.5%	68.4%	(436)
PL - Occ	N/A	2015	3,094	36.8%	67.8%	97.9%	-43.1%	618
Property	N/A	2015	2,483	62.1%	92.8%	95.6%	-4.2%	48
Excess Liability	N/A	2015	488	55.5%	87.0%	98.8%	-16.8%	38
TOTAL			7,436	61.0%	91.9%	97.3%	-7.7%	267

\* Includes PY 2015 rate change achieved

\*\* Assumes a tax rate of 35%

- I. Discussion of Material Findings- The ultimate loss ratio change on an all LOB combined basis was +2.3% for PY's 05-14. While still profitable, the property segment has significantly deteriorated since the previous study. This deterioration is mainly due to adverse development on prior PY's, most notably PY 13 due to two new large losses totaling \$678K. The ultimate loss ratio selections for GL, Professional Liability and XS have remained relatively flat over the previous year's study. The GL portion continues to require a significant rate need. The Excess segment of the book has had 3 claims since program inception. In addition to the segments analyzed, the claims made portion has a budgeted GWP of around \$160K or 5% of the PL in 2015. It is important to note that commissions have been renegotiated and have increased by approximately two points (varying by LOB).

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

- A. Assumptions For purposes of this analysis, the loss ratio indications are based on a 3.5% trend assumption for GL, 4% for AL, 5% for XS and 0.0% for Property and APD. The rate changes used in this analysis are a weighted average of 2014 expiring rate change, 2015 YTD rate change, and the 2015 Target rate change.
- B. Limitations/Weakness - The projected PY 2015 loss ratio shown in Exhibit 1 of this report assumes that the forecasted rate change for 2015 will be consistent throughout the remainder of the year. To the extent that the annual rate change does not equal the forecasted rate change, then the results of this report will vary. Besides that, there are no significant limitations/weaknesses with regards to this study outside of standard actuarial caveats that normally apply to projecting future losses. These include, but are not limited to, actual emerged actuarial parameters (LDF's, ILFs, ELR's, trend, etc.) not being in line with selected parameters; miss-coding/inaccurate representation of the data relied upon in this analysis; and future regulatory/judicial changes affecting the frequency/severity of the results.
- C. Data Quality - The data for all lines of business in this analysis is pulled from Sandbox which aggregates the data from CRS.
- D. Other -NA

## III. Methodology

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

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

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

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

## V. Underwriting Action Plans - Below is the response provided by Alicia Sandlin.

The program remains profitable. However, the study revealed there has been a deterioration from expiring. We will be developing a strategy with the Program Administrator to improve their portfolio performance.

## Appendix - Methodology:

Please note that the analysis has four sections:

- Section I - General Liability
- Section II - Professional Liability Occurrence
- Section III - Property
- Section V - Excess

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

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

Exhibit 3 - Indexing PY 2004 - 2014 ultimate ILAE (incurred + LAE) ratios to PY 2015 and selection of PY 2015 ultimate ILAE ratios.

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

Exhibit 5 - Summarizes various methods (Exhibit 6a - Exhibit 8f) used to calculate ultimate + LAE & ratios for PY's 2004 - 2014.

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

Exhibit 6 - Bornhuetter-Ferguson methods

- a) Methodology
- b) A Priori Loss Ratios

Exhibit 7 - ILF selections

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

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

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

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

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

Exhibits 12 - Key diagnostic triangles.

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

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

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

Program Summary by LOB - PY 2015

(1) LOB	(2) PY 2016 Forecasted GWP	Direct	(3) Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	RAP Neutral		(6) PY 2015 Rate Forecast	(7) After 2015 Rate Change PY 2015 Ultimate ILAE Ratio
				(4) Target Ratio	(5) Before 2015 Rate Change PY 2015 Rate Need		
GL	1,371	2.9%	121.5%	67.6%	76.5%	5.0%	115.8%
PL - Occ	3,094	2.8%	37.1%	66.9%	-42.7%	0.8%	36.8%
Property	2,483	2.8%	63.1%	64.9%	-2.7%	1.6%	62.1%
Excess Liability	488	2.8%	58.6%	67.3%	-12.4%	5.6%	55.5%
Total Casualty	4,953	2.9%	62.6%	67.1%	-6.5%	2.4%	60.5%
Total Property	2,483	2.8%	63.1%	64.9%	-2.7%	1.6%	62.1%
All Lines Combined	7,436	2.8%	62.8%	66.4%	-5.2%	2.2%	61.0%

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

Program Summary by LOB - PY 2016

(1)	(2)	Direct	(3) After 2015 Rate Change PY 2016 Ultimate ILAE Ratio	RAP Neutral	
				(4) Target Ratio	(5) After 2015 Rate Change PY 2016 Rate Need
LOB	PY 2016 Forecasted GWP				
GL	1,371	2.9%	119.9%	67.6%	74.1%
PL - Occ	3,094	2.8%	38.1%	66.9%	-41.3%
Property	2,483	2.8%	62.1%	64.9%	-4.2%
Excess Liability	488	2.8%	58.3%	67.3%	-12.8%
Total Casualty	4,953	2.9%	62.7%	67.1%	-6.3%
Total Property	2,483	2.8%	62.1%	64.9%	-4.2%
All Lines Combined	7,436	2.8%	62.5%	66.4%	-5.6%

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

Program Summary by LOB

PY	GL					PL - Occ					Property - ex Cat Load & Reinsurance Charges					Excess Liability				
	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	720	265	36.9%	276	38.3%	2,089	303	14.5%	314	15.0%	1,376	336	24.5%	336	24.4%	81	3	3.9%	10	12.3%
2006	775	2,776	358.1%	2,934	378.5%	2,131	313	14.7%	330	15.5%	1,475	379	25.7%	379	25.7%	71	0	0.0%	10	14.2%
2007	757	581	76.8%	632	83.5%	2,143	303	14.1%	325	15.2%	1,432	506	35.4%	506	35.3%	95	0	0.0%	10	10.5%
2008	704	1,468	208.6%	1,666	236.8%	1,977	459	23.2%	508	25.7%	1,341	709	52.9%	709	52.9%	81	0	0.0%	10	12.4%
2009	695	279	40.2%	338	48.6%	1,975	120	6.1%	141	7.1%	1,283	1,202	93.7%	1,202	93.7%	149	0	0.0%	20	13.4%
2010	698	605	86.6%	821	117.6%	1,885	536	28.4%	564	29.9%	1,313	695	53.0%	695	52.9%	129	0	0.0%	30	23.2%
2011	688	698	101.4%	940	136.7%	1,751	324	18.5%	510	29.1%	1,252	375	30.0%	375	30.0%	144	0	0.0%	40	27.7%
2012	718	310	43.1%	790	110.0%	1,729	214	12.4%	470	27.2%	1,327	944	71.1%	920	69.3%	196	20	10.0%	90	45.9%
2013	837	229	27.4%	880	105.1%	1,904	514	27.0%	740	38.9%	1,531	1,674	109.3%	1,658	108.3%	263	0	0.0%	110	41.8%
2014	1,155	142	12.3%	1,230	106.5%	2,402	85	3.5%	700	29.1%	2,049	877	42.8%	1,330	64.9%	387	0	0.0%	170	43.9%
2015	1,371	5	0.3%	1,549	113.0%	3,094	5	0.2%	1,052	34.0%	2,483	26	1.0%	1,415	57.0%	488	0	0.0%	0	0.0%

PY	Total Casualty					Total Property - ex Cat Load & Reinsurance					All Lines Combined				
	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	2,890	571	19.8%	600	20.8%	1,376	336	24.5%	336	24.4%	4,266	908	21.3%	936	21.9%
2006	2,977	3,089	103.8%	3,274	110.0%	1,475	379	25.7%	379	25.7%	4,452	3,469	77.9%	3,653	82.1%
2007	2,995	884	29.5%	967	32.3%	1,432	506	35.4%	506	35.3%	4,427	1,391	31.4%	1,473	33.3%
2008	2,761	1,927	69.8%	2,184	79.1%	1,341	709	52.9%	709	52.9%	4,102	2,636	64.3%	2,893	70.5%
2009	2,818	399	14.2%	499	17.7%	1,283	1,202	93.7%	1,202	93.7%	4,101	1,601	39.0%	1,701	41.5%
2010	2,713	1,141	42.1%	1,415	52.2%	1,313	695	53.0%	695	52.9%	4,025	1,836	45.6%	2,110	52.4%
2011	2,583	1,022	39.6%	1,490	57.7%	1,252	375	30.0%	375	30.0%	3,835	1,398	36.4%	1,865	48.6%
2012	2,643	544	20.6%	1,350	51.1%	1,327	944	71.1%	920	69.3%	3,970	1,488	37.5%	2,270	57.2%
2013	3,004	743	24.7%	1,730	57.6%	1,531	1,674	109.3%	1,658	108.3%	4,535	2,417	53.3%	3,388	74.7%
2014	3,944	227	5.8%	2,100	53.2%	2,049	877	42.8%	1,330	64.9%	5,993	1,104	18.4%	3,430	57.2%
2015	4,953	10	0.2%	2,601	52.5%	2,483	26	1.0%	1,415	57.0%	7,436	36	0.5%	4,016	54.0%

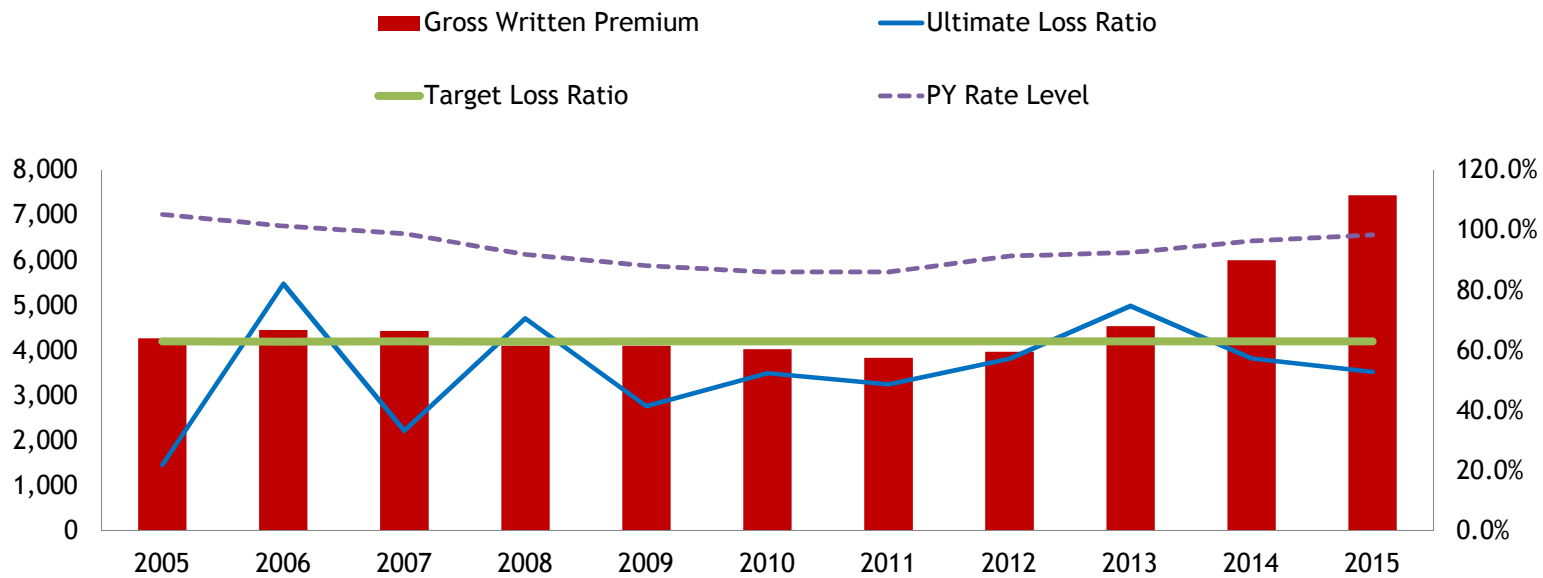
Program Summary by LOB - Prior Profitability Study Indications

PY	GL				PL - Occ				Property - ex Cat Load & Reinsurance Charges				Excess Liability			
	GWP	2013	2014	2015	GWP	2013	2014	2015	GWP	2013	2014	2015	GWP	2013	2014	2015
		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio	
2005	720	39.3%	38.8%	38.3%	2,089	15.5%	15.2%	15.0%	1,376	24.4%	24.4%	24.4%	81	12.3%	12.3%	12.3%
2006	775	395.0%	386.0%	378.5%	2,131	16.2%	15.7%	15.5%	1,475	25.7%	25.7%	25.7%	71	0.0%	14.2%	14.2%
2007	757	88.7%	86.2%	83.5%	2,143	16.3%	15.5%	15.2%	1,432	35.4%	35.3%	35.3%	95	0.0%	10.5%	10.5%
2008	704	260.1%	250.3%	236.8%	1,977	29.4%	26.8%	25.7%	1,341	53.1%	53.1%	52.9%	81	24.8%	12.4%	12.4%
2009	695	56.3%	53.2%	48.6%	1,975	7.2%	7.6%	7.1%	1,283	93.7%	93.7%	93.7%	149	26.9%	20.2%	13.4%
2010	698	106.0%	127.2%	117.6%	1,885	28.6%	29.2%	29.9%	1,313	57.7%	52.9%	52.9%	129	38.7%	31.0%	23.2%
2011	688	116.3%	126.5%	136.7%	1,751	22.3%	26.3%	29.1%	1,252	30.2%	29.4%	30.0%	144	48.5%	34.7%	27.7%
2012	718	111.2%	108.6%	110.0%	1,729	28.9%	24.9%	27.2%	1,327	72.7%	67.6%	69.3%	196	56.2%	45.9%	45.9%
2013	837	106.7%	107.5%	105.1%	1,904	28.6%	31.6%	38.9%	1,531	49.6%	60.0%	108.3%	263	57.2%	53.1%	41.8%
2014	1,155		108.0%	106.5%	2,402		32.0%	29.1%	2,049		48.0%		387		35.0%	43.9%
2015	1,371			113.0%	3,094			34.0%	2,483			57.0%	488			0.0%

PY	Total Casualty				Total Property - ex Cat Load & Reinsurance				All Lines Combined			
	GWP	2013	2014	2015	GWP	2013	2014	2015	GWP	2013	2014	2015
		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio	Ultimate ILAE Ratio
2005	2,890	21.3%	21.0%	20.8%	1,376	24.4%	24.4%	24.4%	4,266	22.3%	22.1%	21.9%
2006	2,977	114.5%	112.1%	110.0%	1,475	25.7%	25.7%	25.7%	4,452	85.0%	83.4%	82.1%
2007	2,995	34.1%	33.2%	32.3%	1,432	35.4%	35.3%	35.3%	4,427	34.5%	33.9%	33.3%
2008	2,761	88.1%	83.3%	79.1%	1,341	53.1%	53.1%	52.9%	4,102	76.6%	73.4%	70.5%
2009	2,818	20.3%	19.5%	17.7%	1,283	93.7%	93.7%	93.7%	4,101	43.3%	42.7%	41.5%
2010	2,713	49.0%	54.5%	52.2%	1,313	57.7%	52.9%	52.9%	4,025	51.9%	54.0%	52.4%
2011	2,583	48.8%	53.4%	57.7%	1,252	30.2%	29.4%	30.0%	3,835	42.7%	45.6%	48.6%
2012	2,643	53.3%	49.2%	51.1%	1,327	72.7%	67.6%	69.3%	3,970	59.8%	55.3%	57.2%
2013	3,004	52.8%	54.6%	57.6%	1,531	49.6%	60.0%	108.3%	4,535	51.8%	56.4%	74.7%
2014	3,944	0.0%	54.5%	53.2%	2,049	0.0%	48.0%	64.9%	5,993	0.0%	52.3%	57.2%
2015	4,953		0.0%	52.5%	2,483		0.0%	57.0%	7,436		0.0%	54.0%

Total Program Summary

PY	GWP	-----Loss Ratio-----			-----Combined Ratio-----		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	4,266	21.3%	21.9%	62.9%	56.3%	97.3%	1,167	5.1%	1.05	21.3%
2006	4,452	77.9%	82.1%	62.8%	116.5%	97.2%	-572	-3.6%	1.01	21.3%
2007	4,427	31.4%	33.3%	62.9%	67.7%	97.3%	876	-2.6%	0.99	21.3%
2008	4,102	64.3%	70.5%	62.8%	104.9%	97.2%	-210	-7.0%	0.92	21.3%
2009	4,101	39.0%	41.5%	62.9%	75.8%	97.3%	588	-4.0%	0.88	21.3%
2010	4,025	45.6%	52.4%	62.9%	86.8%	97.3%	281	-2.4%	0.86	21.3%
2011	3,835	36.4%	48.6%	62.9%	83.0%	97.3%	366	0.0%	0.86	21.3%
2012	3,970	37.5%	57.2%	62.9%	91.5%	97.3%	152	6.3%	0.91	21.3%
2013	4,535	53.3%	74.7%	62.9%	109.1%	97.3%	-358	1.3%	0.93	21.3%
2014	5,993	18.4%	57.2%	62.9%	91.6%	97.3%	227	4.0%	0.96	21.3%
2015	7,436	0.5%	52.8%	62.9%	87.2%	97.3%	501	2.1%	0.98	21.3%
Total	51,144	35.7%	54.1%				3,017			

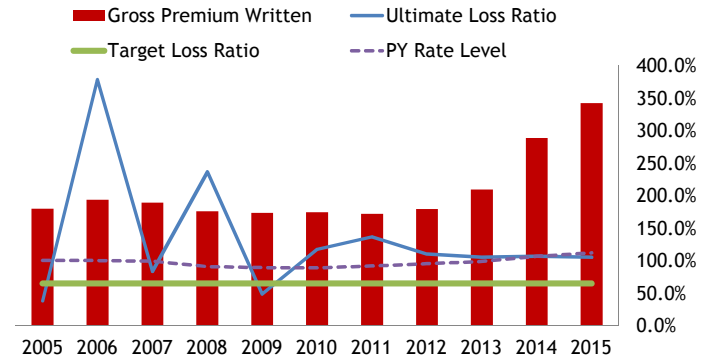


\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)  
 \* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

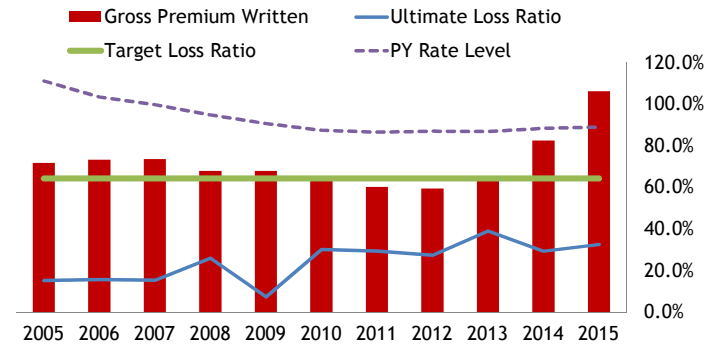


Program Summary by LOB - Casualty Lines

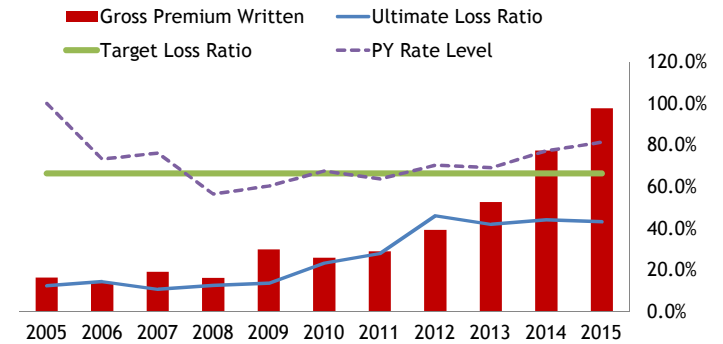
PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	720	36.9%	38.3%	64.8%	72.0%	98.5%	126	0.0%	1.00	21.2%
2006	775	358.1%	378.5%	64.8%	412.2%	98.5%	-1,605	0.0%	1.00	21.2%
2007	757	76.8%	83.5%	64.8%	117.2%	98.5%	-93	-0.7%	0.99	21.2%
2008	704	208.6%	236.8%	64.8%	270.5%	98.5%	-799	-8.5%	0.91	21.2%
2009	695	40.2%	48.6%	64.8%	82.3%	98.5%	74	-1.5%	0.89	21.2%
2010	698	86.6%	117.6%	64.8%	151.3%	98.5%	-243	-0.6%	0.89	21.2%
2011	688	101.4%	136.7%	64.8%	170.4%	98.5%	-326	3.4%	0.92	21.2%
2012	718	43.1%	110.0%	64.8%	143.7%	98.5%	-214	3.8%	0.95	21.2%
2013	837	27.4%	105.1%	64.8%	138.8%	98.5%	-223	3.5%	0.99	21.2%
2014	1,155	12.3%	106.5%	64.8%	140.2%	98.5%	-318	7.9%	1.07	21.2%
2015	1,371	0.3%	105.1%	64.8%	138.8%	98.5%	-364	5.0%	1.12	21.2%
Total	9,118	80.7%	131.0%				-3,987			



PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	2,089	14.5%	15.0%	64.1%	48.8%	97.9%	681	11.0%	1.11	21.4%
2006	2,131	14.7%	15.5%	64.1%	49.3%	97.9%	688	-6.9%	1.03	21.4%
2007	2,143	14.1%	15.2%	64.1%	49.0%	97.9%	696	-3.6%	1.00	21.4%
2008	1,977	23.2%	25.7%	64.1%	59.5%	97.9%	504	-5.0%	0.95	21.4%
2009	1,975	6.1%	7.1%	64.1%	40.9%	97.9%	747	-4.3%	0.91	21.4%
2010	1,885	28.4%	29.9%	64.1%	63.7%	97.9%	428	-3.6%	0.87	21.4%
2011	1,751	18.5%	29.1%	64.1%	62.9%	97.9%	407	-1.1%	0.86	21.4%
2012	1,729	12.4%	27.2%	64.1%	61.0%	97.9%	424	0.5%	0.87	21.4%
2013	1,904	27.0%	38.9%	64.1%	72.7%	97.9%	319	0.0%	0.87	21.4%
2014	2,402	3.5%	29.1%	64.1%	62.9%	97.9%	557	1.6%	0.88	21.4%
2015	3,094	0.2%	32.3%	64.1%	66.1%	97.9%	652	0.8%	0.89	21.4%
Total	23,080	13.8%	24.3%				6,100			



PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	81	3.9%	12.3%	66.3%	44.8%	98.8%	29	0.0%	1.00	21.9%
2006	71	0.0%	14.2%	66.3%	46.6%	98.8%	24	-26.8%	0.73	21.9%
2007	95	0.0%	10.5%	66.3%	43.0%	98.8%	35	4.0%	0.76	21.9%
2008	81	0.0%	12.4%	66.3%	44.8%	98.8%	29	-26.0%	0.56	21.9%
2009	149	0.0%	13.4%	66.3%	45.9%	98.8%	52	6.9%	0.60	21.9%
2010	129	0.0%	23.2%	66.3%	55.7%	98.8%	37	11.9%	0.67	21.9%
2011	144	0.0%	27.7%	66.3%	60.2%	98.8%	37	-5.7%	0.64	21.9%
2012	196	10.0%	45.9%	66.3%	78.4%	98.8%	26	10.5%	0.70	21.9%
2013	263	0.0%	41.8%	66.3%	74.3%	98.8%	42	-1.7%	0.69	21.9%
2014	387	0.0%	43.9%	66.3%	76.4%	98.8%	57	11.7%	0.77	21.9%
2015	488	0.0%	43.0%	66.3%	75.5%	98.8%	75	5.6%	0.81	21.9%
Total	2,084	1.1%	34.1%				442			

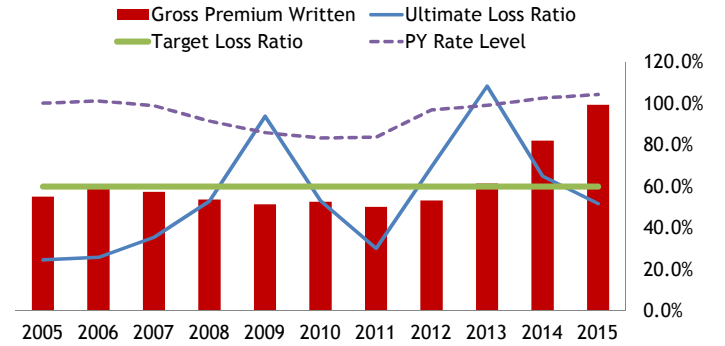


\* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

\* 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-----			-----Combined Ratio-----		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
			Reported	Ultimate	Target *	Ultimate	BECR				
2005	1,376	24.5%	24.4%	59.8%	60.2%	95.6%	331	0.0%	1.00	21.2%	
2006	1,475	25.7%	25.7%	59.8%	61.5%	95.6%	342	1.2%	1.01	21.2%	
2007	1,432	35.4%	35.3%	59.8%	71.1%	95.6%	238	-2.4%	0.99	21.2%	
2008	1,341	52.9%	52.9%	59.8%	88.6%	95.6%	64	-7.5%	0.91	21.2%	
2009	1,283	93.7%	93.7%	59.8%	129.5%	95.6%	-295	-6.0%	0.86	21.2%	
2010	1,313	53.0%	52.9%	59.8%	88.7%	95.6%	61	-3.0%	0.83	21.2%	
2011	1,252	30.0%	30.0%	59.8%	65.7%	95.6%	254	0.4%	0.84	21.2%	
2012	1,327	71.1%	69.3%	59.8%	105.1%	95.6%	-86	15.7%	0.97	21.2%	
2013	1,531	109.3%	108.3%	59.8%	144.0%	95.6%	-504	2.3%	0.99	21.2%	
2014	2,049	42.8%	64.9%	59.8%	100.7%	95.6%	-71	3.5%	1.02	21.2%	
2015	2,483	1.0%	51.5%	59.8%	87.3%	95.6%	140	1.6%	1.04	21.2%	
Total	16,862	45.8%	55.7%				475				



\* 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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target	Target	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.5%	67.6%	121.5%	76.5%	5.0%	115.8%	119.9%	74.1%

Expense Ratio calculated as follows:

Commission:	21.2%
Prem Tax:	2.5%
Other Acquisition Fees:	0.3%
Direct Expense:	2.9%
Indirect Expense:	4.0%
	<u>30.9%</u>

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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



GL

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 250k			Capped @ 100k		
					Ultimate ILAE Ratio	3.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.3% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	720	0.0%	1.000	806	38.3%	1.411	48.3%	37.9%	1.377	46.6%	37.8%	1.344	45.3%
2006	775	0.0%	1.000	868	378.5%	1.363	460.7%	131.7%	1.334	156.9%	84.5%	1.305	98.5%
2007	757	-0.7%	0.993	854	83.5%	1.317	97.5%	81.7%	1.292	93.6%	81.2%	1.267	91.2%
2008	704	-8.5%	0.909	867	236.8%	1.272	244.4%	164.3%	1.251	166.8%	105.2%	1.230	105.0%
2009	695	-1.5%	0.895	869	48.6%	1.229	47.8%	46.2%	1.212	44.7%	45.0%	1.194	43.0%
2010	698	-0.6%	0.890	879	117.6%	1.188	111.0%	107.9%	1.173	100.5%	82.1%	1.159	75.6%
2011	688	3.4%	0.920	837	136.7%	1.148	128.8%	122.1%	1.136	114.0%	97.4%	1.126	90.0%
2012	718	3.8%	0.955	842	110.0%	1.109	104.0%	89.1%	1.101	83.6%	80.7%	1.093	75.2%
2013	837	3.5%	0.989	948	105.1%	1.071	99.4%	81.2%	1.066	76.4%	72.9%	1.061	68.2%
2014	1,155	7.9%	1.067	1,212	106.5%	1.035	105.0%	81.4%	1.033	80.1%	72.7%	1.030	71.4%
2015	1,371	5.0%	1.120	1,371	105.1%	1.000	105.1%	80.3%	1.000	80.3%	72.2%	1.000	72.2%
		0.0%	1.120										
			All Yr Wtd excl 2015:				143.6%			95.8%			76.2%
			Last 7 Wtd excl 2015:				119.0%			94.1%			75.1%
			Last 5 Wtd excl 2015:				109.0%			89.8%			75.5%
			Last 3 Wtd excl 2015:				103.0%			79.9%			71.5%
			Selected Ultimate:				105.0%			80.0%			72.0%
			ILF:				1.00			1.31			1.67
			Policy Limits Ultimate:				105.0%			105.0%			119.9%
			Weight:				12%			44%			44%

\* Averages exclude PY 2015

Frequency/Severity Indication:	115.7%
Weighted Average:	111.6%
PY 2015 Selected:	113.0%
Adjustment:	0.0%
PY 2015:	113.0%
ULE:	2.8%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio:	115.8%

GL

Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	Selected Ultimate ILAE	Average Severity	3.5% Trend to PY 2015	Average Severity @ PY 2015
2005	806	48	48	0.060	265	276	6	1.411	8.1
2006	868	33	33	0.038	2,776	2,934	89	1.363	121.1
2007	854	47	47	0.055	581	632	13	1.317	17.6
2008	867	34	34	0.040	1,468	1,666	48	1.272	61.5
2009	869	25	26	0.029	279	338	13	1.229	16.3
2010	879	44	45	0.052	605	821	18	1.188	21.5
2011	837	34	35	0.042	698	940	26	1.148	30.4
2012	842	26	28	0.033	310	790	28	1.109	31.4
2013	948	15	17	0.018	229	880	51	1.071	55.1
2014	1,212	27	48	0.039	142	1,230	26	1.035	26.8
2015	1,371	1	48	0.035	5	1,440	30	1.000	30.0
All Yr Wtd:				0.040					38.9
Last 7 Wtd:				0.036					34.5
Last 5 Wtd:				0.037					33.0
Last 3 Wtd:				0.031					37.0
				PY 2015 Selected Frequency:					0.036
								PY 2015 Selected Severity:	32.0

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio: 115.7%

GL

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	720	265	274	277	274	277	265	276	38.3%
2006	775	2,776	2,908	2,960	2,909	2,959	2,776	2,934	378.5%
2007	757	581	622	641	623	640	581	632	83.5%
2008	704	1,468	1,624	1,707	1,628	1,701	1,468	1,666	236.8%
2009	695	279	325	351	327	348	288	338	48.6%
2010	698	605	767	875	770	843	653	821	117.6%
2011	688	698	1,017	868	940	820	1,149	940	136.7%
2012	718	310	632	973	720	851	405	790	110.0%
2013	837	229	729	534	872	883	829	880	105.1%
2014	1,155	142	1,495	2,006	1,239	1,230	1,356	1,230	106.5%
2015	1,371	5	1,814	685	1,440	1,439	1,935	1,440	105.1%
Total	9,118	7,358	12,209	11,878	11,744	11,993	11,707	11,947	131.0%

GL

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	720	265	272	274	272	274	265	273	37.9%
2006	775	978	1,015	1,027	1,015	1,027	978	1,021	131.7%
2007	757	581	611	627	612	626	581	619	81.7%
2008	704	1,051	1,130	1,183	1,132	1,180	1,051	1,156	164.3%
2009	695	279	312	331	313	329	287	321	46.2%
2010	698	605	716	791	697	737	644	753	107.9%
2011	688	698	929	755	843	683	1,077	840	122.1%
2012	718	310	536	827	582	705	377	640	89.1%
2013	837	229	584	431	677	686	652	680	81.2%
2014	1,155	142	1,079	1,467	944	940	980	940	81.4%
2015	1,371	5	1,101	409	1,097	1,096	1,177	1,100	80.3%
Total	9,118	5,143	8,284	8,121	8,183	8,285	8,069	8,343	91.5%



GL

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	720	265	271	273	271	273	265	272	37.8%
2006	775	631	650	660	650	660	631	655	84.5%
2007	757	581	607	622	607	622	581	615	81.2%
2008	704	681	725	755	726	754	681	740	105.2%
2009	695	279	305	321	306	320	286	313	45.0%
2010	698	487	553	592	554	585	520	573	82.1%
2011	688	592	738	601	701	583	842	670	97.4%
2012	718	310	470	668	518	634	363	580	80.7%
2013	837	229	498	337	604	619	572	610	72.9%
2014	1,155	142	846	1,120	834	843	776	840	72.7%
2015	1,371	5	775	272	986	986	833	990	72.2%
Total	9,118	4,203	6,438	6,223	6,756	6,878	6,352	6,858	75.2%

GL

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	720	36.9%	36.9%	38.1%	38.5%	38.3%	3.2%	38.1%	274	4.3%	38.5%	277
2006	775	358.1%	358.1%	375.2%	381.9%	378.6%	4.5%	375.4%	2,909	6.2%	381.7%	2,959
2007	757	76.8%	76.8%	82.2%	84.7%	83.4%	6.6%	82.3%	623	9.4%	84.6%	640
2008	704	208.6%	208.6%	230.9%	242.6%	236.7%	9.6%	231.4%	1,628	14.0%	241.8%	1,701
2009	695	40.2%	39.5%	46.8%	50.5%	48.7%	14.2%	47.1%	327	21.9%	50.1%	348
2010	698	86.6%	82.3%	109.9%	125.3%	112.0%	21.1%	110.3%	770	34.3%	120.8%	843
2011	688	101.4%	63.8%	147.9%	126.2%	112.0%	31.4%	136.6%	940	49.5%	119.2%	820
2012	718	43.1%	37.5%	88.0%	135.5%	112.0%	51.0%	100.2%	720	72.3%	118.5%	851
2013	837	27.4%	8.6%	87.1%	63.7%	112.0%	68.6%	104.2%	872	86.6%	105.5%	883
2014	1,155	12.3%	3.8%	129.4%	173.7%	105.0%	90.5%	107.3%	1,239	97.8%	106.5%	1,230
2015	1,371	0.3%	0.0%	132.4%	49.9%	105.0%	99.7%	105.1%	1,440	100.0%	105.0%	1,439

PY	Capped @ 250k						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	720	36.9%	36.9%	37.8%	38.0%	37.9%	2.5%	37.8%	272	3.0%	38.0%	274
2006	775	126.2%	126.2%	130.9%	132.5%	131.7%	3.6%	130.9%	1,015	4.8%	132.5%	1,027
2007	757	76.8%	76.8%	80.7%	82.8%	81.8%	4.9%	80.8%	612	7.3%	82.7%	626
2008	704	149.3%	149.3%	160.6%	168.2%	164.4%	7.0%	160.8%	1,132	11.2%	167.7%	1,180
2009	695	40.2%	39.5%	44.9%	47.6%	46.2%	10.5%	45.0%	313	17.1%	47.3%	329
2010	698	86.6%	82.3%	102.5%	113.3%	85.0%	15.5%	99.8%	697	27.3%	105.6%	737
2011	688	101.4%	63.8%	135.0%	109.7%	85.0%	24.9%	122.6%	843	41.9%	99.4%	683
2012	718	43.1%	37.5%	74.6%	115.1%	90.0%	42.2%	81.1%	582	67.4%	98.2%	705
2013	837	27.4%	8.6%	69.7%	51.5%	88.0%	60.7%	80.8%	677	83.4%	81.9%	686
2014	1,155	12.3%	3.8%	93.4%	127.0%	80.0%	86.8%	81.8%	944	97.0%	81.4%	940
2015	1,371	0.3%	0.0%	80.4%	29.8%	80.0%	99.6%	80.0%	1,097	100.0%	80.0%	1,096

PY	Capped @ 100k						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	720	36.9%	36.9%	37.6%	38.0%	37.8%	1.9%	37.6%	271	2.9%	38.0%	273
2006	775	81.4%	81.4%	83.8%	85.2%	84.5%	2.9%	83.9%	650	4.4%	85.1%	660
2007	757	76.8%	76.8%	80.2%	82.2%	81.2%	4.3%	80.2%	607	6.6%	82.1%	622
2008	704	96.8%	96.8%	103.0%	107.3%	105.2%	6.0%	103.1%	726	9.8%	107.1%	754
2009	695	40.2%	39.5%	43.9%	46.2%	45.0%	8.5%	44.0%	306	14.6%	46.0%	320
2010	698	69.7%	65.4%	79.3%	84.8%	80.0%	12.1%	79.4%	554	22.9%	83.7%	585
2011	688	86.1%	55.8%	107.3%	87.4%	80.0%	19.7%	101.9%	701	36.2%	84.7%	583
2012	718	43.1%	37.5%	65.5%	93.0%	85.0%	34.2%	72.1%	518	59.7%	88.2%	634
2013	837	27.4%	8.6%	59.4%	40.2%	83.0%	54.0%	72.2%	604	78.7%	73.9%	619
2014	1,155	12.3%	3.8%	73.3%	97.0%	72.0%	83.2%	72.2%	834	96.1%	73.0%	843
2015	1,371	0.3%	0.0%	56.5%	19.8%	72.0%	99.4%	71.9%	986	99.9%	72.0%	986

GL

Bornhuetter-Ferguson Method - Apriori Selection

Capped @ Policy Limits

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
					2010	2011	2012	2013	2014	2015
2005	720	0.0%	276	38.3%	51.2%	51.2%	51.1%	51.1%	49.0%	48.3%
2006	775	0.0%	2,934	378.5%	488.3%	488.8%	487.3%	487.2%	467.2%	460.7%
2007	757	-0.7%	632	83.5%	103.3%	103.4%	103.1%	103.0%	98.8%	97.5%
2008	704	-8.5%	1,666	236.8%	259.1%	259.4%	258.5%	258.5%	247.9%	244.4%
2009	695	-1.5%	338	48.6%	50.7%	50.7%	50.5%	50.5%	48.5%	47.8%
2010	698	-0.6%	821	117.6%		117.7%	117.4%	117.3%	112.5%	111.0%
2011	688	3.4%	940	136.7%			136.2%	136.2%	130.6%	128.8%
2012	718	3.8%	790	110.0%				109.9%	105.4%	104.0%
2013	837	3.5%	880	105.1%					100.8%	99.4%
2014	1,155	7.9%	1,230	106.5%						105.0%
2015	1,371	5.0%	1,440	105.1%						
All Yr Wtd :					192.7%	180.1%	173.5%	165.6%	151.7%	143.6%
Last 7 Wtd :					-	-	173.5%	180.9%	120.4%	119.0%
Last 5 Wtd :					192.7%	204.0%	133.1%	134.5%	99.4%	109.0%
Last 3 Wtd :					137.8%	142.4%	101.0%	121.1%	111.8%	103.0%
ILF Implied :					111.6%	111.6%	118.2%	115.5%	105.0%	105.0%
Credibility - Weighted:					53.5%	55.3%	53.9%	58.2%	60.2%	67.9%
Selected BF Apriori:					112.0%	112.0%	112.0%	112.0%	105.0%	105.0%

Capped @ 250k

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
					2010	2011	2012	2013	2014	2015
2005	720	0.0%	273	37.9%	50.0%	50.0%	49.7%	49.5%	47.4%	46.6%
2006	775	0.0%	1,021	131.7%	168.3%	168.1%	167.1%	166.7%	159.5%	156.9%
2007	757	-0.7%	619	81.7%	100.4%	100.3%	99.7%	99.5%	95.2%	93.6%
2008	704	-8.5%	1,156	164.3%	178.9%	178.7%	177.7%	177.2%	169.5%	166.8%
2009	695	-1.5%	321	46.2%	48.0%	47.9%	47.7%	47.5%	45.5%	44.7%
2010	698	-0.6%	753	107.9%		107.7%	107.1%	106.8%	102.2%	100.5%
2011	688	3.4%	840	122.1%			121.5%	121.1%	115.9%	114.0%
2012	718	3.8%	640	89.1%				88.9%	85.0%	83.6%
2013	837	3.5%	680	81.2%					77.7%	76.4%
2014	1,155	7.9%	940	81.4%						80.1%
2015	1,371	5.0%	1,100	80.3%						
All Yr Wtd :					110.0%	109.5%	110.6%	107.7%	99.9%	95.8%
Last 7 Wtd :					-	-	110.6%	115.5%	98.4%	94.1%
Last 5 Wtd :					110.0%	120.5%	110.6%	108.3%	84.9%	89.8%
Last 3 Wtd :					109.1%	111.4%	91.8%	105.6%	92.2%	79.9%
ILF Implied :					101.5%	101.5%	107.8%	105.3%	91.3%	91.3%
Credibility - Weighted:					38.6%	40.0%	41.8%	44.8%	46.7%	52.3%
Selected BF Apriori:					85.0%	85.0%	90.0%	88.0%	80.0%	80.0%

Capped @ 100k

PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	Ultimate ILAE Ratio Indexed to Policy Year					
					2010	2011	2012	2013	2014	2015
2005	720	0.0%	272	37.8%	49.2%	49.1%	48.7%	48.4%	46.2%	45.3%
2006	775	0.0%	655	84.5%	106.9%	106.5%	105.7%	105.1%	100.3%	98.5%
2007	757	-0.7%	615	81.2%	99.1%	98.7%	97.9%	97.4%	93.0%	91.2%
2008	704	-8.5%	740	105.2%	114.0%	113.5%	112.6%	112.1%	107.0%	105.0%
2009	695	-1.5%	313	45.0%	46.7%	46.5%	46.1%	45.9%	43.8%	43.0%
2010	698	-0.6%	573	82.1%		81.8%	81.1%	80.7%	77.0%	75.6%
2011	688	3.4%	670	97.4%			96.6%	96.1%	91.8%	90.0%
2012	718	3.8%	580	80.7%				80.3%	76.7%	75.2%
2013	837	3.5%	610	72.9%					69.5%	68.2%
2014	1,155	7.9%	840	72.7%						71.4%
2015	1,371	5.0%	990	72.2%						
All Yr Wtd :					83.6%	83.0%	84.4%	83.5%	78.4%	76.2%
Last 7 Wtd :					-	-	84.4%	88.2%	79.6%	75.1%
Last 5 Wtd :					83.6%	89.3%	86.7%	82.9%	71.6%	75.5%
Last 3 Wtd :					86.5%	80.6%	74.4%	85.6%	78.9%	71.5%
Credibility - Weighted:					31.2%	32.1%	33.8%	36.0%	38.1%	42.6%
Selected BF Apriori:					80.0%	80.0%	85.0%	83.0%	72.0%	72.0%

GL

ILF Selection

PY	Capped at 250k						Capped at 100k					
	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF
2005	274	272	1.01	277	274	1.01	274	271	1.01	277	273	1.01
2006	2,908	1,015	2.87	2,960	1,027	2.88	2,908	650	4.48	2,960	660	4.48
2007	622	611	1.02	641	627	1.02	622	607	1.03	641	622	1.03
2008	1,624	1,130	1.44	1,707	1,183	1.44	1,624	725	2.24	1,707	755	2.26
2009	325	312	1.04	351	331	1.06	325	305	1.07	351	321	1.09
2010	767	716	1.07	875	791	1.11	767	553	1.39	875	592	1.48
2011	1,017	929	1.10	868	755	1.15	1,017	738	1.38	868	601	1.44
2012	632	536	1.18	973	827	1.18	632	470	1.34	973	668	1.46
2013	729	584	1.25	534	431	1.24	729	498	1.47	534	337	1.58
2014	1,495	1,079	1.39	2,006	1,467	1.37	1,495	846	1.77	2,006	1,120	1.79
2015	1,814	1,101	1.65	685	409	1.68	1,814	775	2.34	685	272	2.52
All Yr Wtd:			1.45			1.45			1.84			1.88
Last 7 Wtd:			1.25			1.26			1.59			1.66
Last 5 Wtd:			1.21			1.23			1.49			1.58
Last 3 Wtd:			1.30			1.29			1.57			1.65
				Selected Empirical ILF:		1.30			Selected Empirical ILF:			1.70
				Credibility:		43%			Credibility:			43%
				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:		1.31			Credibility Weighted ILF Indication:			1.67
				Selected:		1.31			Selected:			1.67

\* Averages exclude PY 2015

GL

Incurred & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	720	0	137	160	181	260	264	265	265	265	265	265	265	1.033	274
2006	775	0	151	260	323	496	795	2,918	2,772	2,776	2,776		2,776	1.048	2,908
2007	757	0	213	451	594	557	581	581	581	581			581	1.071	622
2008	704	0	79	274	394	1,433	1,425	1,468	1,468				1,468	1.107	1,624
2009	695	0	236	365	262	267	277	279					279	1.165	325
2010	698	1	79	168	388	573	605						605	1.268	767
2011	688	0	54	369	558	698							698	1.458	1,017
2012	718	0	75	208	310								310	2.041	632
2013	837	0	77	229									229	3.183	729
2014	1,155	7	142										142	10.499	1,495
2015	1,371	5											5	388.401	1,814

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	1.171	1.129	1.437	1.016	1.005	1.000	1.000	1.000	1.000
2006	-	1.722	1.241	1.534	1.603	3.671	0.950	1.002	1.000	
2007	-	2.117	1.317	0.938	1.044	1.000	1.000	1.000		
2008	-	3.449	1.436	3.641	0.994	1.030	1.000			
2009	-	1.549	0.717	1.018	1.040	1.007				
2010	155.186	2.113	2.310	1.477	1.056					
2011	-	6.793	1.514	1.250						
2012	-	2.775	1.487							
2013	5,901.308	2.987								
2014	19.761									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	160.974	2.255	1.334	1.587	1.101	1.649	0.972	1.001	1.000	1.000	
Last 7 Wtd:	96.148	2.537	1.350	1.587							
Last 5 Wtd:	55.354	2.569	1.381	1.607	1.107	1.649					
Last 3 Wtd:	40.751	3.912	1.686	1.273	1.015	1.020	0.971	1.001			
Div 66 Age to Age:	35.527	3.506	1.719	1.368	1.200	1.088	1.053	1.034	1.022	1.014	
Div 66 Age to Ult:	445.528	12.541	3.577	2.081	1.521	1.268	1.165	1.107	1.071	1.048	1.033
Selected Age to Age:	36.995	3.298	1.559	1.400	1.150	1.088	1.053	1.034	1.022	1.014	
Age to Ult:	388.401	10.499	3.183	2.041	1.458	1.268	1.165	1.107	1.071	1.048	1.033

GL

Incurring & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap ILAE @ 2015/1	LDF	250k Cap Ultimate ILAE
2005	720	0	137	160	181	260	264	265	265	265	265	265	265	1.025	272
2006	775	0	151	260	323	496	795	1,103	978	978	978		978	1.037	1,015
2007	757	0	213	451	594	557	581	581	581	581			581	1.052	611
2008	704	0	79	274	394	894	1,008	1,051	1,051				1,051	1.075	1,130
2009	695	0	236	365	262	267	277	279					279	1.117	312
2010	698	1	79	168	388	573	605						605	1.183	716
2011	688	0	54	369	558	698							698	1.331	929
2012	718	0	75	208	310								310	1.730	536
2013	837	0	77	229									229	2.548	584
2014	1,155	7	142										142	7.579	1,079
2015	1,371	5											5	235.796	1,101

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	1.171	1.129	1.437	1.016	1.005	1.000	1.000	1.000	1.000
2006	-	1.722	1.241	1.534	1.603	1.388	0.887	1.000	1.000	
2007	-	2.117	1.317	0.938	1.044	1.000	1.000	1.000		
2008	-	3.450	1.436	2.272	1.127	1.043	1.000			
2009	-	1.549	0.717	1.018	1.040	1.007				
2010	155.186	2.113	2.310	1.477	1.056					
2011	-	6.793	1.514	1.250						
2012	-	2.775	1.487							
2013	5,901.308	2.987								
2014	19.761									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	160.974	2.255	1.334	1.387	1.159	1.121	0.958	1.000	1.000	1.000	
Last 7 Wtd:	96.148	2.537	1.350	1.387							
Last 5 Wtd:	55.354	2.569	1.381	1.361	1.172	1.121					
Last 3 Wtd:	40.751	3.912	1.686	1.273	1.090	1.024	0.954	1.000			
Div 66 Age to Age:	29.173	3.091	1.554	1.289	1.132	1.059	1.039	1.022	1.014	1.012	
Div 66 Age to Ult:	241.802	8.289	2.682	1.726	1.339	1.183	1.117	1.075	1.052	1.037	1.025
Selected Age to Age:	31.112	2.975	1.472	1.300	1.125	1.059	1.039	1.022	1.014	1.012	
Age to Ult:	235.796	7.579	2.548	1.730	1.331	1.183	1.117	1.075	1.052	1.037	1.025

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Incurring & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap ILAE @ 2015/1	LDF	100k Cap Ultimate ILAE
2005	720	0	137	160	181	260	264	265	265	265	265	265	265	1.019	271
2006	775	0	151	225	261	383	526	628	631	631	631		631	1.030	650
2007	757	0	206	451	594	557	581	581	581	581			581	1.044	607
2008	704	0	79	274	390	597	681	681	681				681	1.064	725
2009	695	0	236	265	262	267	277	279					279	1.093	305
2010	698	1	79	168	386	459	487						487	1.137	553
2011	688	0	54	344	421	592							592	1.246	738
2012	718	0	75	208	310								310	1.519	470
2013	837	0	77	229									229	2.172	498
2014	1,155	7	142										142	5.942	846
2015	1,371	5											5	165.902	775

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	1.171	1.129	1.437	1.016	1.005	1.000	1.000	1.000	1.000
2006	-	1.488	1.159	1.469	1.372	1.195	1.004	1.000	1.000	
2007	-	2.190	1.317	0.938	1.044	1.000	1.000	1.000		
2008	-	3.450	1.424	1.529	1.141	1.000	1.000			
2009	-	1.121	0.990	1.018	1.040	1.007				
2010	155.186	2.113	2.299	1.189	1.060					
2011	-	6.332	1.226	1.406						
2012	-	2.775	1.487							
2013	5,901.308	2.987								
2014	19.761									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	160.057	2.123	1.339	1.248	1.116	1.045	1.001	1.000	1.000	1.000	
Last 7 Wtd:	96.148	2.403	1.356	1.248							
Last 5 Wtd:	55.354	2.327	1.406	1.204	1.128	1.045					
Last 3 Wtd:	40.751	3.791	1.552	1.233	1.093	1.001	1.001	1.000			
Div 66 Age to Age:	25.726	2.852	1.451	1.220	1.095	1.041	1.027	1.019	1.014	1.011	
Div 66 Age to Ult:	161.761	6.288	2.205	1.519	1.246	1.137	1.093	1.064	1.044	1.030	1.019
Selected Age to Age:	27.919	2.736	1.430	1.220	1.095	1.041	1.027	1.019	1.014	1.011	
Age to Ult:	165.902	5.942	2.172	1.519	1.246	1.137	1.093	1.064	1.044	1.030	1.019

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Paid & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	720	0	55	112	152	217	264	265	265	265	265	265	265	1.045	277
2006	775	0	22	71	124	275	450	2,829	2,772	2,776	2,776		2,776	1.066	2,960
2007	757	0	91	260	313	526	581	581	581	581			581	1.103	641
2008	704	0	57	127	267	1,298	1,425	1,468	1,468				1,468	1.163	1,707
2009	695	0	35	162	252	267	272	274					274	1.281	351
2010	698	0	14	133	228	493	575						575	1.522	875
2011	688	0	9	226	250	439							439	1.979	868
2012	718	0	30	136	270								270	3.611	973
2013	837	0	20	72									72	7.451	534
2014	1,155	2	44										44	45.453	2,006
2015	1,371	0											0	4,002.984	685

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	2.032	1.349	1.429	1.218	1.005	1.000	1.000	1.000	1.000
2006	-	3.257	1.738	2.212	1.638	6.288	0.980	1.002	1.000	
2007	-	2.859	1.203	1.680	1.106	1.000	1.000	1.000		
2008	-	2.230	2.107	4.861	1.097	1.030	1.000			
2009	-	4.676	1.561	1.057	1.021	1.007				
2010	1,196.250	9.248	1.715	2.165	1.166					
2011	-	26.301	1.105	1.758						
2012	-	4.518	1.986							
2013	1,689.833	3.532								
2014	20.017									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	169.156	3.900	1.512	2.216	1.160	1.810	0.989	1.001	1.000	1.000	
Last 7 Wtd:	93.675	4.359	1.529	2.216							
Last 5 Wtd:	52.669	6.748	1.618	2.308	1.156	1.810					
Last 3 Wtd:	42.605	7.355	1.511	1.642	1.104	1.020	0.988	1.001			
Div 66 Age to Age:	89.998	6.354	2.416	1.626	1.337	1.189	1.101	1.054	1.035	1.020	
Div 66 Age to Ult:	4,572.546	50.807	7.996	3.309	2.035	1.522	1.281	1.163	1.103	1.066	1.045
Selected Age to Age:	88.068	6.100	2.063	1.825	1.300	1.189	1.101	1.054	1.035	1.020	
Age to Ult:	4,002.984	45.453	7.451	3.611	1.979	1.522	1.281	1.163	1.103	1.066	1.045



GL

Paid & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap	250k Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	720	0	55	112	152	217	264	265	265	265	265	265	265	1.031	274
2006	775	0	22	71	124	275	450	1,052	978	978	978	978	978	1.050	1,027
2007	757	0	91	260	313	526	581	581	581	581			581	1.078	627
2008	704	0	57	127	267	884	1,008	1,051	1,051				1,051	1.126	1,183
2009	695	0	35	162	252	267	272	274					274	1.206	331
2010	698	0	14	133	228	493	575						575	1.376	791
2011	688	0	9	226	250	439							439	1.720	755
2012	718	0	30	136	270								270	3.068	827
2013	837	0	20	72									72	6.016	431
2014	1,155	2	44										44	33.241	1,467
2015	1,371	0											0	2,389.735	409

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	2.032	1.349	1.429	1.218	1.005	1.000	1.000	1.000	1.000
2006	-	3.257	1.738	2.212	1.638	2.339	0.930	1.000	1.000	
2007	-	2.859	1.203	1.680	1.106	1.000	1.000	1.000		
2008	-	2.230	2.107	3.311	1.140	1.043	1.000			
2009	-	4.676	1.561	1.057	1.021	1.007				
2010	1,196.250	9.248	1.715	2.165	1.166					
2011	-	26.301	1.105	1.758						
2012	-	4.518	1.986							
2013	1,689.833	3.532								
2014	20.017									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	169.155	3.900	1.512	1.955	1.184	1.252	0.975	1.000	1.000	1.000	
Last 7 Wtd:	93.675	4.359	1.529	1.955							
Last 5 Wtd:	52.669	6.748	1.618	1.992	1.181	1.252					
Last 3 Wtd:	42.605	7.355	1.511	1.642	1.128	1.024	0.972	1.000			
Div 66 Age to Age:	72.939	5.555	2.232	1.551	1.278	1.141	1.071	1.044	1.027	1.018	
Div 66 Age to Ult:	2,467.713	33.832	6.091	2.729	1.759	1.376	1.206	1.126	1.078	1.050	1.031
Selected Age to Age:	71.892	5.525	1.961	1.784	1.250	1.141	1.071	1.044	1.027	1.018	
Age to Ult:	2,389.735	33.241	6.016	3.068	1.720	1.376	1.206	1.126	1.078	1.050	1.031

GL

Paid & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap	100k Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	720	0	55	112	152	217	264	265	265	265	265	265	265	1.030	273
2006	775	0	22	71	124	275	450	618	631	631	631	631	631	1.047	660
2007	757	0	91	260	313	526	581	581	581	581			581	1.071	622
2008	704	0	57	127	264	587	681	681	681				681	1.109	755
2009	695	0	35	162	252	267	272	274					274	1.170	321
2010	698	0	14	133	228	379	457						457	1.297	592
2011	688	0	9	201	225	384							384	1.568	601
2012	718	0	30	136	270								270	2.479	668
2013	837	0	20	72									72	4.703	337
2014	1,155	2	44										44	25.386	1,120
2015	1,371	0											0	1,588.770	272

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	2.032	1.349	1.429	1.218	1.005	1.000	1.000	1.000	1.000
2006	-	3.257	1.738	2.212	1.638	1.374	1.021	1.000	1.000	
2007	-	2.859	1.203	1.680	1.106	1.000	1.000	1.000		
2008	-	2.230	2.081	2.225	1.161	1.000	1.000			
2009	-	4.676	1.561	1.057	1.021	1.007				
2010	1,196.250	9.248	1.715	1.665	1.204					
2011	-	23.389	1.118	1.707						
2012	-	4.518	1.986							
2013	1,689.833	3.532								
2014	20.017									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	169.155	3.825	1.520	1.691	1.203	1.076	1.006	1.000	1.000	1.000	
Last 7 Wtd:	93.675	4.261	1.538	1.691							
Last 5 Wtd:	52.669	6.516	1.634	1.671	1.201	1.076					
Last 3 Wtd:	42.605	6.930	1.538	1.461	1.144	1.001	1.007	1.000			
Div 66 Age to Age:	63.125	5.064	2.105	1.480	1.230	1.108	1.056	1.036	1.023	1.016	
Div 66 Age to Ult:	1,589.594	25.182	4.973	2.362	1.596	1.297	1.170	1.109	1.071	1.047	1.030
Selected Age to Age:	62.584	5.398	1.897	1.581	1.209	1.108	1.056	1.036	1.023	1.016	
Age to Ult:	1,588.770	25.386	4.703	2.479	1.568	1.297	1.170	1.109	1.071	1.047	1.030



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Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Ultimate Apriori ex-CWNP	Selected Ultimate ex-CWNP	
2005	720	0	21	44	47	48	48	48	48	48	48	48	48	1.000	0.060	0.060	48	48
2006	775	0	23	29	30	31	32	33	33	33	33	33	33	1.001	0.038	0.038	33	33
2007	757	0	22	42	44	47	47	47	47	47			47	1.006	0.055	0.055	47	47
2008	704	0	17	29	33	34	34	34	34				34	1.013	0.040	0.040	34	34
2009	695	0	16	22	23	24	25	25					25	1.021	0.029	0.029	26	26
2010	698	1	12	38	41	44	44						44	1.030	0.052	0.052	45	45
2011	688	0	16	30	33	34							34	1.044	0.042	0.042	35	35
2012	718	0	18	29	26								26	1.074	0.033	0.033	28	28
2013	837	1	9	15									15	1.141	0.018	0.018	17	17
2014	1,155	2	27										27	1.891	0.036	0.036	48	48
2015	1,371	1											1	20.839	0.036	0.036	48	48

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Selected: 2005 thru 2013:	2005 thru 2009:	2010 thru 2013:
2005	-	2.095	1.068	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.036	0.041	0.036
2006	-	1.261	1.034	1.033	1.032	1.031	1.000	1.000	1.000	1.000		0.041	0.044	0.036
2007	-	1.909	1.048	1.068	1.000	1.000	1.000	1.000				0.044		
2008	-	1.706	1.138	1.030	1.000	1.000	1.000							
2009	-	1.375	1.045	1.043	1.042	1.000								
2010	12.000	3.167	1.079	1.073	1.000									
2011	-	1.875	1.100	1.030										
2012	-	1.611	0.897											
2013	9.000	1.667												
2014	13.500													
2015														

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	45.250	1.805	1.053	1.044	1.009	1.005	1.000	1.000	1.000	1.000	
Last 7 Wtd:	28.750	1.864	1.050	1.044							
Last 5 Wtd:	20.500	1.887	1.054	1.052	1.011	1.005					
Last 3 Wtd:	18.000	1.721	1.031	1.052	1.010	1.000	1.000	1.000			
Div 66 Age to Age:	11.021	1.658	1.062	1.029	1.013	1.009	1.008	1.007	1.007	1.006	
Div 66 Age to Ult:	21.175	1.921	1.159	1.091	1.060	1.046	1.037	1.029	1.022	1.015	1.009
Selected Age to Age:	11.021	1.658	1.062	1.029	1.013	1.009	1.008	1.007	1.005	1.001	
Age to Ult:	20.839	1.891	1.141	1.074	1.044	1.030	1.021	1.013	1.006	1.001	1.000













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Large Losses - Incurred + LAE > 100k

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2006	4-0-8	9271790	5262	5/14/2007	Planet TAN Inc And	1,900	-	138	2,038	Texas	Clmt Alleges SHE Slipped & Fell In The
2006	4-0-8	8994296	1049	9/6/2006	Northeast TAN Llc	149	-	116	265	Connecticut	Contractor Fell OFF Ladder Broke LEG L
2006	4-0-8	9271790	4315	5/14/2007	Planet TAN Inc And	(99)	-	238	140	Texas	Claimant Slipped And Fell In Hallway O
2006	4-0-8	8994296	2587	9/6/2006	Northeast TAN Llc	-	-	115	115	Connecticut	Employee Of Subcontractor Fell OFF SCo
2008	4-0-8	3235080	7452	1/29/2009	H T Tans Of Clifto	625	-	46	671	New Jersey	Clmt Slipped And Fell ON ICE In The PA
2008	4-0-8	9658121	9775	4/25/2009	AL Dean Enterprise	200	-	47	247	Rhode Island	Clmt WAS Involved In Motor Vehicle ACC
2008	4-0-8	8995466	5633	11/19/2008	Palm Beach TAN Inc	75	-	101	176	Texas	Lawsuit Clmt Allegedly Fell Outside Of
2008	4-0-8	8995466	3199	3/5/2008	Palm Beach TAN Inc	40	-	68	108	Texas	Ceiling WAS Leaking And Customer Slipp
2009	4-0-8	765622	9148	5/15/2009	TAN South LLC Palm	11	-	90	101	Tennessee	Attorney REP Letter Cust WAS In Tannin
2010	4-0-8	7559416	3276	9/21/2011	M L S W Inc Elite	175	-	47	222	California	Lawsuit Claimant Allegedly Suffered I
2011	4-0-8	2850819	9363	5/23/2012	Rockaway Beach Spa	-	150	4	154	New Jersey	Clmt Slipped And Fell When Entering BU
2011	4-0-8	905288	8258	1/5/2012	Sunny Beaches Of C	105	-	29	134	Colorado	Clmt WAS Getting OUT And Used Machine
2011	4-0-8	797106	6395	3/15/2012	Sunsup Tanning Cen	125	-	4	129	Oregon	Claimant Slipped And Fell Breaking HIS

**PL Occurrence**

Rate Need Indications

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target	Target	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	97.9%	66.9%	37.1%	-42.7%	0.8%	36.8%	38.1%	-41.3%

Expense Ratio calculated as follows:

Commission:	21.4%
Prem Tax:	2.5%
Other Acquisition Fees:	0.3%
Direct Expense:	2.8%
Indirect Expense:	4.0%
	<u>31.0%</u>

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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



PL Occurrence

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 250k			Capped @ 100k		
					Ultimate ILAE Ratio	3.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.3% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	2,089	11.0%	1.110	1,672	15.0%	1.411	26.5%	14.9%	1.377	25.6%	12.3%	1.344	20.6%
2006	2,131	-6.9%	1.033	1,832	15.5%	1.363	24.5%	15.3%	1.334	23.7%	15.0%	1.305	22.7%
2007	2,143	-3.6%	0.996	1,911	15.2%	1.317	22.4%	14.9%	1.292	21.6%	14.7%	1.267	20.9%
2008	1,977	-5.0%	0.946	1,856	25.7%	1.272	34.8%	25.0%	1.251	33.3%	19.8%	1.230	25.9%
2009	1,975	-4.3%	0.905	1,938	7.1%	1.229	8.9%	6.8%	1.212	8.4%	6.6%	1.194	8.0%
2010	1,885	-3.6%	0.873	1,919	29.9%	1.188	34.9%	27.9%	1.173	32.2%	22.4%	1.159	25.6%
2011	1,751	-1.1%	0.863	1,803	29.1%	1.148	32.5%	26.8%	1.136	29.6%	23.4%	1.126	25.6%
2012	1,729	0.5%	0.868	1,771	27.2%	1.109	29.4%	22.6%	1.101	24.2%	19.7%	1.093	21.0%
2013	1,904	0.0%	0.867	1,950	38.9%	1.071	40.6%	34.1%	1.066	35.5%	27.3%	1.061	28.3%
2014	2,402	1.6%	0.882	2,421	29.1%	1.035	29.9%	25.0%	1.033	25.6%	20.8%	1.030	21.3%
2015	3,094	0.8%	0.889	3,094	32.3%	1.000	32.3%	25.9%	1.000	25.9%	22.6%	1.000	22.6%
All Yr Wtd excl 2015:							28.5%			25.9%			21.9%
Last 7 Wtd excl 2015:							30.1%			26.9%			22.2%
Last 5 Wtd excl 2015:							33.4%			29.3%			24.2%
Last 3 Wtd excl 2015:							33.2%			28.4%			23.4%
Selected Ultimate:							32.0%			27.0%			22.0%
ILF:							1.00			1.36			1.63
Policy Limits Ultimate:							32.0%			36.7%			35.9%
Weight:							24%			38%			38%

\* Averages exclude PY 2015

Frequency/Severity Indication:	33.6%
Weighted Average:	35.3%
PY 2015 Selected:	34.0%
Adjustment:	0.0%
PY 2015:	34.0%
ULE:	2.8%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio:	36.8%

**PL Occurrence**

Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	Selected Ultimate ILAE	Average Severity	3.5% Trend to PY 2015	Average Severity @ PY 2015
2005	1,672	13	13	0.008	303	314	24	1.411	34.07
2006	1,832	14	14	0.008	313	330	24	1.363	32.13
2007	1,911	10	10	0.005	303	325	33	1.317	42.80
2008	1,856	7	7	0.004	459	508	72	1.272	92.24
2009	1,938	7	7	0.004	120	141	20	1.229	24.66
2010	1,919	13	13	0.007	536	564	43	1.188	51.07
2011	1,803	7	7	0.004	324	510	71	1.148	82.04
2012	1,771	9	9	0.005	214	470	49	1.109	54.86
2013	1,950	13	15	0.008	514	740	50	1.071	53.50
2014	2,421	14	22	0.009	85	700	32	1.035	33.37
2015	3,094	1	19	0.006	5	1,000	53	1.000	52.88
All Yr Wtd:				0.006					49.53
Last 7 Wtd:				0.006					54.71
Last 5 Wtd:				0.007					53.55
Last 3 Wtd:				0.007					45.96
				PY 2015 Selected Frequency:					0.007
								PY 2015 Selected Severity:	50.00

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio: 33.6%

**PL Occurrence**

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	2,089	303	312	317	312	317	303	314	15.0%
2006	2,131	313	326	334	326	333	313	330	15.5%
2007	2,143	303	320	330	320	330	303	325	15.2%
2008	1,977	459	494	522	494	520	459	508	25.7%
2009	1,975	120	134	148	135	147	120	141	7.1%
2010	1,885	536	650	477	619	476	863	564	29.9%
2011	1,751	324	464	565	467	521	373	510	29.1%
2012	1,729	214	429	398	465	466	462	470	27.2%
2013	1,904	514	1,530	828	880	594	1,913	740	38.9%
2014	2,402	85	695	1,734	717	745	469	700	29.1%
2015	3,094	5	1,375	0	961	959	1,468	1,000	32.3%
Total	23,080	3,177	6,729	5,652	5,697	5,408	7,046	5,602	24.3%

**PL Occurrence**

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	2,089	303	309	314	309	314	303	311	14.9%
2006	2,131	313	322	330	322	329	313	326	15.3%
2007	2,143	303	314	325	314	324	303	319	14.9%
2008	1,977	459	481	507	482	506	459	494	25.0%
2009	1,975	120	128	140	128	139	120	134	6.8%
2010	1,885	536	602	449	578	432	706	526	27.9%
2011	1,751	324	414	526	408	465	352	470	26.8%
2012	1,729	214	374	361	391	395	384	390	22.6%
2013	1,904	514	1,297	706	790	501	1,585	650	34.1%
2014	2,402	85	549	1,364	593	624	377	600	25.0%
2015	3,094	5	902	0	805	804	963	800	25.9%
Total	23,080	3,177	5,691	5,022	5,118	4,834	5,866	5,020	21.8%



**PL Occurrence**

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	2,089	251	254	258	254	258	251	256	12.3%
2006	2,131	310	316	322	316	321	310	319	15.0%
2007	2,143	303	311	318	311	318	303	315	14.7%
2008	1,977	370	385	398	385	397	370	391	19.8%
2009	1,975	120	127	134	127	134	120	130	6.6%
2010	1,885	423	462	384	453	379	510	423	22.4%
2011	1,751	299	359	451	355	405	317	410	23.4%
2012	1,729	214	341	322	343	336	354	340	19.7%
2013	1,904	398	902	613	610	428	1,040	520	27.3%
2014	2,402	85	456	1,058	495	526	323	500	20.8%
2015	3,094	5	677	0	681	680	732	700	22.6%
Total	23,080	2,778	4,589	4,258	4,331	4,184	4,631	4,304	18.6%

PL Occurrence

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	2,089	14.5%	14.5%	14.9%	15.2%	15.1%	3.0%	14.9%	312	4.4%	15.2%	317
2006	2,131	14.7%	14.7%	15.3%	15.7%	15.5%	3.9%	15.3%	326	6.1%	15.6%	333
2007	2,143	14.1%	14.1%	14.9%	15.4%	15.2%	5.2%	14.9%	320	8.3%	15.4%	330
2008	1,977	23.2%	23.2%	25.0%	26.4%	25.7%	7.0%	25.0%	494	12.0%	26.3%	520
2009	1,975	6.1%	6.1%	6.8%	7.5%	7.1%	10.6%	6.8%	135	18.8%	7.4%	147
2010	1,885	28.4%	18.3%	34.5%	25.3%	25.0%	17.5%	32.8%	619	27.8%	25.2%	476
2011	1,751	18.5%	16.9%	26.5%	32.3%	27.0%	30.1%	26.7%	467	47.5%	29.8%	521
2012	1,729	12.4%	7.8%	24.8%	23.0%	29.0%	50.0%	26.9%	465	66.0%	27.0%	466
2013	1,904	27.0%	6.6%	80.4%	43.5%	29.0%	66.4%	46.3%	880	84.9%	31.2%	594
2014	2,402	3.5%	1.8%	29.0%	72.2%	30.0%	87.8%	29.9%	717	97.6%	31.0%	745
2015	3,094	0.2%	0.0%	44.4%	0.0%	31.0%	99.6%	31.0%	961	100.0%	31.0%	959

PY	Capped @ 250k						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	2,089	14.5%	14.5%	14.8%	15.0%	14.9%	1.9%	14.8%	309	3.6%	15.0%	314
2006	2,131	14.7%	14.7%	15.1%	15.5%	15.3%	2.6%	15.1%	322	4.9%	15.5%	329
2007	2,143	14.1%	14.1%	14.6%	15.2%	14.9%	3.4%	14.7%	314	6.7%	15.1%	324
2008	1,977	23.2%	23.2%	24.3%	25.7%	25.0%	4.5%	24.4%	482	9.4%	25.6%	506
2009	1,975	6.1%	6.1%	6.5%	7.1%	6.8%	6.2%	6.5%	128	14.2%	7.0%	139
2010	1,885	28.4%	18.3%	31.9%	23.8%	20.0%	10.9%	30.6%	578	23.3%	22.9%	432
2011	1,751	18.5%	16.9%	23.6%	30.0%	22.0%	21.6%	23.3%	408	43.6%	26.5%	465
2012	1,729	12.4%	7.8%	21.6%	20.9%	24.0%	42.6%	22.6%	391	62.6%	22.8%	395
2013	1,904	27.0%	6.6%	68.1%	37.1%	24.0%	60.4%	41.5%	790	82.3%	26.3%	501
2014	2,402	3.5%	1.8%	22.9%	56.8%	25.0%	84.5%	24.7%	593	96.9%	26.0%	624
2015	3,094	0.2%	0.0%	29.2%	0.0%	26.0%	99.4%	26.0%	805	100.0%	26.0%	804

PY	Capped @ 100k						Incurred			Paid		
	GWP	Reported ILAE Ratio	Reported PLAE Ratio	Incurred Developed ILAE Ratio	Paid Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE	% Expected Unpaid	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	2,089	12.0%	12.0%	12.2%	12.3%	12.2%	1.3%	12.2%	254	2.7%	12.3%	258
2006	2,131	14.6%	14.6%	14.8%	15.1%	15.0%	1.9%	14.8%	316	3.5%	15.1%	321
2007	2,143	14.1%	14.1%	14.5%	14.9%	14.7%	2.7%	14.5%	311	4.8%	14.9%	318
2008	1,977	18.7%	18.7%	19.5%	20.1%	19.8%	3.7%	19.5%	385	6.9%	20.1%	397
2009	1,975	6.1%	6.1%	6.4%	6.8%	6.6%	5.3%	6.4%	127	10.7%	6.8%	134
2010	1,885	22.4%	16.4%	24.5%	20.4%	19.0%	8.4%	24.0%	453	19.3%	20.1%	379
2011	1,751	17.1%	15.8%	20.5%	25.7%	19.0%	16.6%	20.3%	355	38.7%	23.1%	405
2012	1,729	12.4%	7.8%	19.7%	18.6%	20.0%	37.0%	19.8%	343	58.1%	19.4%	336
2013	1,904	20.9%	6.6%	47.4%	32.2%	20.0%	55.9%	32.1%	610	79.6%	22.5%	428
2014	2,402	3.5%	1.8%	19.0%	44.1%	21.0%	81.4%	20.6%	495	96.0%	21.9%	526
2015	3,094	0.2%	0.0%	21.9%	0.0%	22.0%	99.3%	22.0%	681	99.9%	22.0%	680

PL Occurrence  
 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				2010	2011	2012	2013	2014	2015
2005	2,089	11.0%	314	15.0%	22.7%	23.8%	24.5%	25.3%	25.8%	26.5%
2006	2,131	-6.9%	330	15.5%	21.0%	22.0%	22.7%	23.5%	23.9%	24.5%
2007	2,143	-3.6%	325	15.2%	19.2%	20.1%	20.7%	21.4%	21.8%	22.4%
2008	1,977	-5.0%	508	25.7%	29.8%	31.2%	32.2%	33.3%	33.9%	34.8%
2009	1,975	-4.3%	141	7.1%	7.7%	8.0%	8.3%	8.6%	8.7%	8.9%
2010	1,885	-3.6%	564	29.9%		31.3%	32.2%	33.4%	34.0%	34.9%
2011	1,751	-1.1%	510	29.1%			30.0%	31.0%	31.6%	32.5%
2012	1,729	0.5%	470	27.2%				28.1%	28.7%	29.4%
2013	1,904	0.0%	740	38.9%					39.6%	40.6%
2014	2,402	1.6%	700	29.1%						29.9%
2015	3,094	0.8%	1,000	32.3%						
All Yr Wtd :					19.9%	22.6%	24.3%	25.5%	27.5%	28.5%
Last 7 Wtd :					-	-	24.3%	25.5%	28.3%	30.1%
Last 5 Wtd :					19.9%	22.5%	24.5%	26.7%	28.5%	33.4%
Last 3 Wtd :					18.7%	23.4%	23.3%	30.9%	33.5%	33.2%
ILF Implied :					27.2%	29.9%	32.6%	32.6%	34.0%	35.3%
Credibility - Weighted:					49.5%	50.2%	51.6%	53.5%	54.6%	56.8%
Selected BF Apriori:					25.0%	27.0%	29.0%	29.0%	30.0%	31.0%

Capped @ 250k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
PY	GWP				2010	2011	2012	2013	2014	2015
2005	2,089	11.0%	311	14.9%	22.2%	23.2%	23.8%	24.6%	25.0%	25.6%
2006	2,131	-6.9%	326	15.3%	20.6%	21.5%	22.1%	22.8%	23.2%	23.7%
2007	2,143	-3.6%	319	14.9%	18.7%	19.5%	20.1%	20.7%	21.0%	21.6%
2008	1,977	-5.0%	494	25.0%	28.9%	30.2%	31.0%	32.0%	32.5%	33.3%
2009	1,975	-4.3%	134	6.8%	7.3%	7.6%	7.8%	8.0%	8.2%	8.4%
2010	1,885	-3.6%	526	27.9%		29.1%	29.9%	30.9%	31.4%	32.2%
2011	1,751	-1.1%	470	26.8%			27.6%	28.5%	28.9%	29.6%
2012	1,729	0.5%	390	22.6%				23.3%	23.7%	24.2%
2013	1,904	0.0%	650	34.1%					34.7%	35.5%
2014	2,402	1.6%	600	25.0%						25.6%
2015	3,094	0.8%	800	25.9%						
All Yr Wtd :					19.4%	21.7%	23.1%	23.8%	25.4%	25.9%
Last 7 Wtd :					-	-	23.1%	23.7%	25.7%	26.9%
Last 5 Wtd :					19.4%	21.5%	23.1%	24.4%	25.3%	29.3%
Last 3 Wtd :					18.1%	22.2%	21.6%	27.7%	29.3%	28.4%
ILF Implied :					22.8%	22.8%	24.0%	24.0%	25.2%	26.4%
Credibility - Weighted:					36.4%	36.8%	37.7%	39.0%	39.9%	41.7%
Selected BF Apriori:					20.0%	22.0%	24.0%	24.0%	25.0%	26.0%

Capped @ 100k		Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
PY	GWP				2010	2011	2012	2013	2014	2015
2005	2,089	11.0%	256	12.3%	18.1%	18.8%	19.3%	19.9%	20.1%	20.6%
2006	2,131	-6.9%	319	15.0%	19.9%	20.8%	21.3%	21.9%	22.2%	22.7%
2007	2,143	-3.6%	315	14.7%	18.3%	19.1%	19.6%	20.2%	20.4%	20.9%
2008	1,977	-5.0%	391	19.8%	22.7%	23.7%	24.3%	25.0%	25.3%	25.9%
2009	1,975	-4.3%	130	6.6%	7.0%	7.3%	7.5%	7.7%	7.8%	8.0%
2010	1,885	-3.6%	423	22.4%		23.4%	23.9%	24.7%	25.0%	25.6%
2011	1,751	-1.1%	410	23.4%			24.0%	24.7%	25.0%	25.6%
2012	1,729	0.5%	340	19.7%				20.3%	20.5%	21.0%
2013	1,904	0.0%	520	27.3%					27.7%	28.3%
2014	2,402	1.6%	500	20.8%						21.3%
2015	3,094	0.8%	700	22.6%						
All Yr Wtd :					17.1%	18.8%	19.9%	20.5%	21.6%	21.9%
Last 7 Wtd :					-	-	19.9%	20.6%	21.7%	22.2%
Last 5 Wtd :					17.1%	18.8%	19.8%	20.4%	21.2%	24.2%
Last 3 Wtd :					15.9%	18.0%	18.3%	23.3%	24.5%	23.4%
Credibility - Weighted:					30.9%	31.1%	31.8%	32.7%	33.4%	34.8%
Selected BF Apriori:					19.0%	19.0%	20.0%	20.0%	21.0%	22.0%

PL Occurrence

ILF Selection

PY	Capped at 250k						Capped at 100k					
	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Paid Ult	Capped Paid Ult	Implied ILF
2005	312	309	1.01	317	314	1.01	312	254	1.23	317	258	1.23
2006	326	322	1.01	334	330	1.01	326	316	1.03	334	322	1.04
2007	320	314	1.02	330	325	1.02	320	311	1.03	330	318	1.04
2008	494	481	1.03	522	507	1.03	494	385	1.28	522	398	1.31
2009	134	128	1.05	148	140	1.06	134	127	1.06	148	134	1.10
2010	650	602	1.08	477	449	1.06	650	462	1.41	477	384	1.24
2011	464	414	1.12	565	526	1.07	464	359	1.29	565	451	1.25
2012	429	374	1.15	398	361	1.10	429	341	1.26	398	322	1.23
2013	1,530	1,297	1.18	828	706	1.17	1,530	902	1.70	828	613	1.35
2014	695	549	1.27	1,734	1,364	1.27	695	456	1.52	1,734	1,058	1.64
2015	1,375	902	1.52	0	0	-	1,375	677	2.03	0	0	-
All Yr Wtd:			1.12			1.13			1.37			1.33
Last 7 Wtd:			1.14			1.15			1.45			1.39
Last 5 Wtd:			1.16			1.17			1.50			1.41
Last 3 Wtd:			1.20			1.22			1.56			1.48
				Selected Empirical ILF:		1.20			Selected Empirical ILF:			1.45
				Credibility:		25%			Credibility:			25%
				Complement of Credibility - MPL HG4:		1.41			Complement of Credibility - MPL HG4:			1.69
				Credibility Weighted ILF Indication:		1.36			Credibility Weighted ILF Indication:			1.63
				Selected:		1.36			Selected:			1.63

\* Averages exclude PY 2015

PL Occurrence

Incurred & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	2,089	0	13	119	173	294	306	303	303	303	303	303	303	1.031	312
2006	2,131	0	76	124	248	329	333	310	313	313	313		313	1.041	326
2007	2,143	0	60	177	197	257	299	303	303	303			303	1.055	320
2008	1,977	0	49	61	176	343	446	459	459				459	1.075	494
2009	1,975	10	50	103	92	99	140	120					120	1.118	134
2010	1,885	0	169	264	353	389	536						536	1.212	650
2011	1,751	10	44	127	182	324							324	1.431	464
2012	1,729	0	118	177	214								214	2.000	429
2013	1,904	0	187	514									514	2.978	1,530
2014	2,402	34	85										85	8.186	695
2015	3,094	5											5	274.981	1,375

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	9.492	1.450	1.702	1.039	0.990	1.000	1.000	1.000	1.000
2006	-	1.633	1.998	1.328	1.011	0.930	1.012	1.000	1.000	
2007	-	2.971	1.115	1.301	1.166	1.012	1.000	1.000		
2008	-	1.254	2.892	1.948	1.300	1.029	1.000			
2009	5.031	2.044	0.899	1.066	1.420	0.857				
2010	-	1.566	1.337	1.103	1.377					
2011	4.419	2.871	1.431	1.787						
2012	-	1.507	1.211							
2013	-	2.744								
2014	2.484									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	15.675	2.179	1.420	1.432	1.204	0.981	1.003	1.000	1.000	1.000	
Last 7 Wtd:	12.942	2.104	1.416	1.432							
Last 5 Wtd:	13.632	2.086	1.391	1.412	1.238	0.981					
Last 3 Wtd:	11.397	2.343	1.319	1.296	1.350	0.996	1.003	1.000			
Div 66 Age to Age:	36.554	3.570	1.751	1.374	1.180	1.084	1.041	1.019	1.014	1.009	
Div 66 Age to Ult:	449.285	12.291	3.442	1.966	1.431	1.212	1.118	1.075	1.055	1.041	1.031
Selected Age to Age:	33.590	2.749	1.489	1.397	1.180	1.084	1.041	1.019	1.014	1.009	
Age to Ult:	274.981	8.186	2.978	2.000	1.431	1.212	1.118	1.075	1.055	1.041	1.031

PL Occurrence

Incurred & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap	250k Cap	
													ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	2,089	0	13	119	173	294	306	303	303	303	303	303	303	1.019	309
2006	2,131	0	76	124	248	329	333	310	313	313	313		313	1.026	322
2007	2,143	0	60	177	197	257	299	303	303	303			303	1.036	314
2008	1,977	0	49	61	176	343	446	459	459				459	1.048	481
2009	1,975	10	50	103	92	99	140	120					120	1.066	128
2010	1,885	0	169	264	353	389	536						536	1.123	602
2011	1,751	10	44	127	182	324							324	1.275	414
2012	1,729	0	118	177	214								214	1.742	374
2013	1,904	0	187	514									514	2.524	1,297
2014	2,402	34	85										85	6.463	549
2015	3,094	5											5	180.481	902

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	9.492	1.450	1.702	1.039	0.990	1.000	1.000	1.000	1.000	
2006	-	1.633	1.998	1.328	1.011	0.930	1.012	1.000	1.000		
2007	-	2.971	1.115	1.301	1.166	1.012	1.000	1.000			
2008	-	1.254	2.892	1.948	1.300	1.029	1.000				
2009	5.031	2.044	0.899	1.066	1.420	0.857					
2010	-	1.566	1.337	1.103	1.377						
2011	4.419	2.871	1.431	1.787							
2012	-	1.507	1.211								
2013	-	2.744									
2014	2.484										
2015											
All Yr Wtd:	15.675	2.179	1.420	1.432	1.204	0.981	1.003	1.000	1.000	1.000	
Last 7 Wtd:	12.942	2.104	1.416	1.432							
Last 5 Wtd:	13.631	2.086	1.391	1.412	1.238	0.981					
Last 3 Wtd:	11.397	2.343	1.319	1.296	1.350	0.996	1.003	1.000			
Div 66 Age to Age:	30.046	3.150	1.603	1.291	1.136	1.053	1.018	1.011	1.009	1.007	
Div 66 Age to Ult:	249.708	8.311	2.639	1.646	1.275	1.123	1.066	1.048	1.036	1.026	1.019
Selected Age to Age:	27.924	2.561	1.449	1.366	1.136	1.053	1.018	1.011	1.009	1.007	
Age to Ult:	180.481	6.463	2.524	1.742	1.275	1.123	1.066	1.048	1.036	1.026	1.019

PL Occurrence

Incurred & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap ILAE @ 2015/1	LDF	100k Cap Ultimate ILAE
2005	2,089	0	13	119	173	242	254	251	251	251	251	251	251	1.014	254
2006	2,131	0	76	124	248	326	330	306	310	310	310		310	1.019	316
2007	2,143	0	60	177	197	257	299	303	303	303			303	1.028	311
2008	1,977	0	49	61	176	343	379	370	370				370	1.039	385
2009	1,975	10	50	103	92	99	140	120					120	1.056	127
2010	1,885	0	150	245	329	355	423						423	1.092	462
2011	1,751	10	44	127	182	299							299	1.199	359
2012	1,729	0	118	177	214								214	1.588	341
2013	1,904	0	187	398									398	2.268	902
2014	2,402	34	85										85	5.373	456
2015	3,094	5											5	135.363	677

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	9.492	1.450	1.401	1.047	0.989	1.000	1.000	1.000	1.000
2006	-	1.633	1.998	1.316	1.011	0.930	1.012	1.000	1.000	
2007	-	2.971	1.115	1.301	1.166	1.012	1.000	1.000		
2008	-	1.254	2.892	1.948	1.103	0.979	1.000			
2009	5.031	2.044	0.899	1.066	1.420	0.857				
2010	-	1.629	1.343	1.079	1.191					
2011	4.419	2.871	1.431	1.649						
2012	-	1.507	1.211							
2013	-	2.123								
2014	2.484									
2015										

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	15.337	2.051	1.422	1.375	1.125	0.964	1.003	1.000	1.000	1.000	
Last 7 Wtd:	12.604	1.957	1.419	1.375							
Last 5 Wtd:	13.218	1.909	1.394	1.385	1.138	0.964					
Last 3 Wtd:	11.397	2.010	1.321	1.249	1.181	0.970	1.004	1.000			
Div 66 Age to Age:	26.973	2.939	1.516	1.224	1.098	1.034	1.017	1.010	1.008	1.006	
Div 66 Age to Ult:	176.514	6.544	2.226	1.468	1.199	1.092	1.056	1.039	1.028	1.019	1.014
Selected Age to Age:	25.194	2.369	1.428	1.324	1.098	1.034	1.017	1.010	1.008	1.006	
Age to Ult:	135.363	5.373	2.268	1.588	1.199	1.092	1.056	1.039	1.028	1.019	1.014

PL Occurrence

Paid & LAE - Policy Limits

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	2,089	0	3	40	91	257	306	303	303	303	303	303	303	1.047	317
2006	2,131	0	26	64	143	209	283	310	313	313	313	313	313	1.065	334
2007	2,143	0	22	62	132	187	224	303	303	303			303	1.090	330
2008	1,977	0	9	36	91	171	426	459	459				459	1.136	522
2009	1,975	0	25	33	82	84	97	120					120	1.232	148
2010	1,885	0	34	187	255	327	345						345	1.385	477
2011	1,751	0	9	39	151	297							297	1.905	565
2012	1,729	0	5	59	135								135	2.942	398
2013	1,904	0	22	125									125	6.605	828
2014	2,402	0	42										42	41.172	1,734
2015	3,094	0											0	4,317.591	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	15.653	2.280	2.827	1.191	0.990	1.000	1.000	1.000	1.000	1.000
2006	-	2.468	2.230	1.464	1.352	1.095	1.012	1.000	1.000		
2007	-	2.810	2.132	1.411	1.201	1.350	1.000	1.000			
2008	-	4.173	2.539	1.877	2.489	1.077	1.000				
2009	-	1.297	2.511	1.014	1.158	1.240					
2010	-	5.559	1.365	1.285	1.053						
2011	-	4.294	3.836	1.965							
2012	-	11.191	2.298								
2013	-	5.781									
2014	-										
2015	-										
All Yr Wtd:	-	4.182	2.080	1.620	1.361	1.119	1.003	1.000	1.000	1.000	
Last 7 Wtd:	-	4.304	2.063	1.620							
Last 5 Wtd:	-	4.664	2.021	1.497	1.406	1.119					
Last 3 Wtd:	-	6.191	1.899	1.450	1.491	1.180	1.003	1.000			
Div 66 Age to Age:	104.868	7.007	2.421	1.619	1.301	1.155	1.084	1.042	1.024	1.018	
Div 66 Age to Ult:	5,334.841	50.872	7.260	2.999	1.852	1.423	1.232	1.136	1.090	1.065	1.047
Selected Age to Age:	104.868	6.233	2.245	1.545	1.375	1.124	1.084	1.042	1.024	1.018	
Age to Ult:	4,317.591	41.172	6.605	2.942	1.905	1.385	1.232	1.136	1.090	1.065	1.047



PL Occurrence

Paid & LAE - Capped @ \$250k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	250k Cap	250k Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	2,089	0	3	40	91	257	306	303	303	303	303	303	303	1.038	314
2006	2,131	0	26	64	143	209	283	310	313	313	313	313	313	1.052	330
2007	2,143	0	22	62	132	187	224	303	303	303			303	1.071	325
2008	1,977	0	9	36	91	171	426	459	459				459	1.104	507
2009	1,975	0	25	33	82	84	97	120					120	1.166	140
2010	1,885	0	34	187	255	327	345						345	1.304	449
2011	1,751	0	9	39	151	297							297	1.774	526
2012	1,729	0	5	59	135								135	2.670	361
2013	1,904	0	22	125									125	5.639	706
2014	2,402	0	42										42	32.371	1,364
2015	3,094	0											0	2,854.646	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	15.653	2.280	2.827	1.191	0.990	1.000	1.000	1.000	1.000
2006	-	2.468	2.230	1.464	1.352	1.095	1.012	1.000	1.000	
2007	-	2.810	2.132	1.411	1.201	1.350	1.000	1.000		
2008	-	4.174	2.539	1.877	2.489	1.077	1.000			
2009	-	1.297	2.511	1.014	1.158	1.240				
2010	-	5.559	1.365	1.285	1.053					
2011	-	4.294	3.836	1.965						
2012	-	11.191	2.298							
2013	-	5.781								
2014	-									
2015	-									

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	4.182	2.080	1.620	1.361	1.119	1.003	1.000	1.000	1.000	
Last 7 Wtd:	-	4.304	2.063	1.620							
Last 5 Wtd:	-	4.664	2.021	1.497	1.406	1.119					
Last 3 Wtd:	-	6.191	1.899	1.450	1.491	1.180	1.003	1.000			
Div 66 Age to Age:	88.186	6.272	2.183	1.518	1.253	1.116	1.056	1.031	1.019	1.014	
Div 66 Age to Ult:	2,986.963	33.871	5.401	2.474	1.630	1.301	1.166	1.104	1.071	1.052	1.038
Selected Age to Age:	88.186	5.741	2.112	1.505	1.361	1.118	1.056	1.031	1.019	1.014	
Age to Ult:	2,854.646	32.371	5.639	2.670	1.774	1.304	1.166	1.104	1.071	1.052	1.038

PL Occurrence

Paid & LAE - Capped @ \$100k

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	100k Cap	100k Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	2,089	0	3	40	91	205	254	251	251	251	251	251	251	1.027	258
2006	2,131	0	26	64	143	209	280	306	310	310	310	310	1.037	322	
2007	2,143	0	22	62	132	187	224	303	303	303	303	303	1.051	318	
2008	1,977	0	9	36	91	171	364	370	370	370	370	370	1.074	398	
2009	1,975	0	25	33	82	84	97	120					1.119	134	
2010	1,885	0	34	167	235	292	310						1.239	384	
2011	1,751	0	9	39	151	277							1.630	451	
2012	1,729	0	5	59	135								2.384	322	
2013	1,904	0	22	125									4.896	613	
2014	2,402	0	42										25.117	1,058	
2015	3,094	0											1,783.131	0	

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	15.653	2.280	2.254	1.239	0.989	1.000	1.000	1.000	1.000
2006	-	2.468	2.230	1.464	1.337	1.096	1.012	1.000	1.000	
2007	-	2.810	2.132	1.411	1.201	1.350	1.000	1.000		
2008	-	4.174	2.539	1.877	2.122	1.019	1.000			
2009	-	1.297	2.511	1.014	1.158	1.240				
2010	-	4.987	1.407	1.242	1.059					
2011	-	4.294	3.836	1.832						
2012	-	11.191	2.298							
2013	-	5.781								
2014	-									
2015	-									

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	4.058	2.121	1.538	1.331	1.109	1.003	1.000	1.000	1.000	
Last 7 Wtd:	-	4.151	2.108	1.538							
Last 5 Wtd:	-	4.462	2.080	1.460	1.351	1.109					
Last 3 Wtd:	-	6.191	1.964	1.392	1.407	1.159	1.004	1.000			
Div 66 Age to Age:	70.994	5.459	2.033	1.467	1.232	1.097	1.042	1.022	1.014	1.009	
Div 66 Age to Ult:	1,747.556	24.616	4.509	2.218	1.512	1.228	1.119	1.074	1.051	1.037	1.027
Selected Age to Age:	70.994	5.130	2.053	1.462	1.316	1.107	1.042	1.022	1.014	1.009	
Age to Ult:	1,783.131	25.117	4.896	2.384	1.630	1.239	1.119	1.074	1.051	1.037	1.027



PL Occurrence

Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Ultimate Apriori ex-CWNP	Selected Ultimate ex-CWNP	
2005	2,089	0	3	10	12	13	13	13	13	13	13	13	13	1.000	0.008	0.008	13	13
2006	2,131	0	14	14	17	14	14	14	14	14	14	14	14	1.000	0.008	0.008	14	14
2007	2,143	0	7	12	10	11	10	10	10	10	10	10	10	1.000	0.005	0.005	10	10
2008	1,977	0	6	6	8	9	8	7	7				7	1.001	0.004	0.004	7	7
2009	1,975	1	7	7	7	7	7	7					7	1.004	0.004	0.004	7	7
2010	1,885	0	9	16	11	13	13						13	1.009	0.007	0.007	13	13
2011	1,751	1	10	13	7	7							7	1.019	0.004	0.004	7	7
2012	1,729	0	6	12	9								9	1.055	0.005	0.005	9	9
2013	1,904	0	19	13									13	1.140	0.008	0.008	15	15
2014	2,402	4	14										14	2.132	0.006	0.006	22	22
2015	3,094	1											1	28.368	0.006	0.006	19	19

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Selected: 2005 thru 2013:	2005 thru 2009:	2010 thru 2013:
2005	-	3.333	1.200	1.083	1.000	1.000	1.000	1.000	1.000	1.000	1.000		0.006	0.006
2006	-	1.000	1.214	0.824	1.000	1.000	1.000	1.000	1.000	1.000			0.006	0.006
2007	-	1.714	0.833	1.100	0.909	1.000	1.000	1.000						
2008	-	1.000	1.333	1.125	0.889	0.875	1.000							
2009	7.000	1.000	1.000	1.000	1.000	1.000								
2010	-	1.778	0.688	1.182	1.000									
2011	10.000	1.300	0.538	1.000										
2012	-	2.000	0.750											
2013	-	0.684												
2014	3.500													
2015														

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	15.833	1.272	0.900	1.028	0.970	0.981	1.000	1.000	1.000	1.000	
Last 7 Wtd:	11.833	1.234	0.863	1.028							
Last 5 Wtd:	11.600	1.196	0.778	1.093	0.963	0.981					
Last 3 Wtd:	9.750	1.086	0.659	1.080	0.966	0.960	1.000	1.000			
Div 66 Age to Age:	13.306	1.870	1.080	1.036	1.020	1.009	1.006	1.005	1.004	1.003	
Div 66 Age to Ult:	29.416	2.211	1.182	1.094	1.057	1.036	1.026	1.020	1.015	1.011	1.008
Selected Age to Age:	13.306	1.870	1.080	1.036	1.010	1.005	1.003	1.001	1.000	1.000	
Age to Ult:	28.368	2.132	1.140	1.055	1.019	1.009	1.004	1.001	1.000	1.000	1.000













**PL Occurrence**

Large Losses - Incurred + LAE > 100k

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2005	4-0-462	3048099	8613	1/2/2006	P & L Studios	109	0	43	152	California	Suit In Which Plaintiff Burned While T
2006	4-0-462	3048033	1848	3/4/2007	Year Round Brown T	80	0	23	103	South Dakota	Claimant WAS Burned Tanning.
2008	4-0-462	3048111	4273	1/20/2009	Northeast TAN Llc	34	0	130	164	Connecticut	Potential Claim Involving A Malfunction
2008	4-0-462	3047894	552	2/1/2008	Instant Replay Vid	70	0	55	125	Pennsylvania	Civil Suit Brought By A Client Alleging
2010	4-0-462	1824062	3216	4/1/2011	Pocket Investments	0	175	4	179	New Jersey	Lawsuit Brought By AN Individual Alleging
2010	4-0-462	2774018	1332	4/20/2010	Westown Constructi	131	0	4	135	Washington	Claim Brought By A Customer Alleging S
2011	4-0-462	3048202	2021	9/18/2012	Gregory R Hendel &	115	5	5	125	California	Claim Brought By A Client Alleging SHE
2013	4-0-462	3444924	6413	11/6/2013	California Tanning	8	200	8	216	California	Attorney Lettter Brought ON Behalf Of

Property

Rate Need Indications

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target Combined Ratio	Target ILAE Ratio	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	95.6%	64.9%	63.1%	-2.7%	1.6%	62.1%	62.1%	-4.2%

Expense Ratio calculated as follows:

Commission:	21.2%
Prem Tax:	2.5%
Other Acquisition Fees:	0.3%
Reinsurance:	0.0%
Direct Expense:	2.8%
Indirect Expense:	4.0%
	<u>30.7%</u>

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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



Property

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 1M			Capped @ 250k			Capped @ 100k				
					Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY Rate Chg	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio		
2005	1,376	0.0%	1.000	1,433	24.4%	1.000	23.5%	24.4%	1.000	23.5%	24.4%	1.000	23.5%	24.4%	1.000	23.5%		
2006	1,475	1.2%	1.012	1,518	25.7%	1.000	25.0%	25.7%	1.000	25.0%	25.7%	1.000	25.0%	20.9%	1.000	20.3%		
2007	1,432	-2.4%	0.988	1,510	35.3%	1.000	33.5%	35.3%	1.000	33.5%	35.3%	1.000	33.5%	26.2%	1.000	24.8%		
2008	1,341	-7.5%	0.914	1,529	52.9%	1.000	46.4%	52.9%	1.000	46.4%	44.4%	1.000	38.9%	32.1%	1.000	28.1%		
2009	1,283	-6.0%	0.859	1,555	93.7%	1.000	77.3%	93.7%	1.000	77.3%	85.8%	1.000	70.8%	66.7%	1.000	55.0%		
2010	1,313	-3.0%	0.833	1,641	52.9%	1.000	42.4%	52.9%	1.000	42.4%	52.9%	1.000	42.4%	52.9%	1.000	42.4%		
2011	1,252	0.4%	0.836	1,558	30.0%	1.000	24.1%	30.0%	1.000	24.1%	30.0%	1.000	24.1%	30.0%	1.000	24.1%		
2012	1,327	15.7%	0.968	1,428	69.3%	1.000	64.4%	69.3%	1.000	64.4%	69.3%	1.000	64.4%	61.2%	1.000	56.9%		
2013	1,531	2.3%	0.990	1,610	108.3%	1.000	103.0%	108.2%	1.000	102.9%	97.3%	1.000	92.5%	63.6%	1.000	60.5%		
2014	2,049	3.5%	1.025	2,083	64.9%	1.000	63.8%	64.4%	1.000	63.4%	63.4%	1.000	62.4%	51.7%	1.000	50.9%		
2015	2,483	1.6%	1.041	2,483	51.5%	1.000	51.5%	51.5%	1.000	51.5%	49.1%	1.000	49.1%	39.5%	1.000	39.5%		
All Yr Wtd excl 2015:							51.1%	51.0%							48.5%	39.2%		
Last 7 Wtd excl 2015:							60.4%	60.3%							56.8%	45.6%		
Last 5 Wtd excl 2015:							59.8%	59.7%							57.5%	47.1%		
Last 3 Wtd excl 2015:							76.3%	76.1%							72.5%	55.6%		
Selected Ultimate:							54.0%	53.0%							52.0%	45.0%		
ILF:							1.00	1.00							1.05	1.30		
Policy Limits Ultimate:							54.0%	53.0%							54.6%	58.5%		
Weight:					20%			27%			27%			27%				

\* Averages exclude PY 2015

Frequency/Severity Indication:	59.5%
Weighted Average:	55.1%
PY 2015 Selected:	57.0%
Adjustment:	0.0%
PY 2015:	57.0%

All Year Avg Empirical Cat Load:	1.2%
Program Specific AAL Cat Load:	2.2%
Selected Cat Load:	2.2%
Corporate Cat Charge:	0.0%
XOL Loss Cost:	0.9%
Indicated XOL Cost:	0.0%
ULE:	1.9%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio Including AAL Cat Load and Cost of Reinsurance:	62.1%

Property

Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	Selected Ultimate ILAE	Average Severity	0.0% Trend to PY 2015	Average Severity @ PY 2015
2005	1,433	63	63	0.044	336	336	5	1.000	5.33
2006	1,518	46	46	0.030	379	379	8	1.000	8.2
2007	1,510	50	50	0.033	506	506	10	1.000	10.1
2008	1,529	57	57	0.037	709	709	12	1.000	12.4
2009	1,555	68	68	0.044	1,202	1,202	18	1.000	17.7
2010	1,641	78	78	0.048	695	695	9	1.000	8.9
2011	1,558	58	58	0.037	375	375	6	1.000	6.5
2012	1,428	47	47	0.033	944	920	19	1.000	19.5
2013	1,610	38	39	0.024	1,674	1,658	43	1.000	42.8
2014	2,083	47	73	0.035	877	1,330	18	1.000	18.3
2015	2,483	2	87	0.035	26	1,280	15	1.000	14.7
All Yr Wtd:				0.036					15.2
Last 7 Wtd:				0.037					18.1
Last 5 Wtd:				0.035					19.2
Last 3 Wtd:				0.031					26.3
				PY 2015 Selected Frequency:					0.035
								PY 2015 Selected Severity:	17.0

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio: 59.5%

**Property**

Selection of Ultimate Loss & LAE - Capped @ Policy Limits

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	1,376	336	336	336	336	24.4%
2006	1,475	379	379	379	379	25.7%
2007	1,432	506	506	506	506	35.3%
2008	1,341	709	709	709	709	52.9%
2009	1,283	1,202	1,202	1,202	1,202	93.7%
2010	1,313	695	695	695	695	52.9%
2011	1,252	375	375	375	375	30.0%
2012	1,327	944	920	920	920	69.3%
2013	1,531	1,674	1,658	1,658	1,658	108.3%
2014	2,049	877	1,471	1,329	1,330	64.9%
2015	2,483	26	445	1,282	1,280	51.5%
Total	16,862	7,724	8,698	9,393	9,390	55.7%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 1M

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	1,376	336	336	336	336	24.4%
2006	1,475	379	379	379	379	25.7%
2007	1,432	506	506	506	506	35.3%
2008	1,341	709	709	709	709	52.9%
2009	1,283	1,202	1,202	1,202	1,202	93.7%
2010	1,313	695	695	695	695	52.9%
2011	1,252	375	375	375	375	30.0%
2012	1,327	944	920	920	920	69.3%
2013	1,531	1,674	1,656	1,656	1,656	108.2%
2014	2,049	877	1,462	1,325	1,320	64.4%
2015	2,483	26	425	1,278	1,280	51.5%
Total	16,862	7,724	8,667	9,383	9,378	55.6%



**Property**

Selection of Ultimate Loss & LAE - Capped @ 250k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	1,376	336	336	336	336	24.4%
2006	1,475	379	379	379	379	25.7%
2007	1,432	506	506	506	506	35.3%
2008	1,341	595	595	595	595	44.4%
2009	1,283	1,101	1,101	1,101	1,101	85.8%
2010	1,313	695	695	695	695	52.9%
2011	1,252	375	375	375	375	30.0%
2012	1,327	944	920	920	920	69.3%
2013	1,531	1,506	1,490	1,490	1,490	97.3%
2014	2,049	877	1,460	1,303	1,300	63.4%
2015	2,483	26	409	1,216	1,220	49.1%
Total	16,862	7,343	8,268	8,918	8,917	52.9%

**Property**

Selection of Ultimate Loss & LAE - Capped @ 100k

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Inc. BF Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	1,376	336	336	336	336	24.4%
2006	1,475	308	308	308	308	20.9%
2007	1,432	375	375	375	375	26.2%
2008	1,341	430	430	430	430	32.1%
2009	1,283	855	855	855	855	66.7%
2010	1,313	695	695	695	695	52.9%
2011	1,252	375	375	375	375	30.0%
2012	1,327	832	812	812	812	61.2%
2013	1,531	986	974	974	974	63.6%
2014	2,049	746	1,171	1,058	1,060	51.7%
2015	2,483	26	378	982	980	39.5%
Total	16,862	5,965	6,709	7,201	7,200	42.7%

Property

Bornhuetter-Ferguson Method

PY	Capped @ Policy Limits				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	1,376	24.5%	24.5%	24.5%	0.0%	24.5%	336
2006	1,475	25.7%	25.7%	25.7%	0.0%	25.7%	379
2007	1,432	35.4%	35.4%	35.4%	0.0%	35.4%	506
2008	1,341	52.9%	52.9%	52.9%	0.0%	52.9%	709
2009	1,283	93.7%	93.7%	93.7%	0.0%	93.7%	1,202
2010	1,313	53.0%	53.0%	53.0%	0.0%	53.0%	695
2011	1,252	30.0%	30.0%	30.0%	0.0%	30.0%	375
2012	1,327	71.1%	69.4%	69.4%	-2.6%	69.4%	920
2013	1,531	109.3%	108.3%	108.3%	-0.9%	108.3%	1,658
2014	2,049	42.8%	71.8%	54.6%	40.4%	64.8%	1,329
2015	2,483	1.0%	17.9%	53.7%	94.2%	51.6%	1,282

PY	Capped @ 1M				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	1,376	24.5%	24.5%	24.5%	0.0%	24.5%	336
2006	1,475	25.7%	25.7%	25.7%	0.0%	25.7%	379
2007	1,432	35.4%	35.4%	35.4%	0.0%	35.4%	506
2008	1,341	52.9%	52.9%	52.9%	0.0%	52.9%	709
2009	1,283	93.7%	93.7%	93.7%	0.0%	93.7%	1,202
2010	1,313	53.0%	53.0%	53.0%	0.0%	53.0%	695
2011	1,252	30.0%	30.0%	30.0%	0.0%	30.0%	375
2012	1,327	71.1%	69.4%	69.4%	-2.6%	69.4%	920
2013	1,531	109.3%	108.2%	108.2%	-1.0%	108.2%	1,656
2014	2,049	42.8%	71.3%	54.6%	40.0%	64.6%	1,325
2015	2,483	1.0%	17.1%	53.7%	93.9%	51.5%	1,278

PY	Capped @ 250k				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	1,376	24.5%	24.5%	24.5%	0.0%	24.5%	336
2006	1,475	25.7%	25.7%	25.7%	0.0%	25.7%	379
2007	1,432	35.4%	35.4%	35.4%	0.0%	35.4%	506
2008	1,341	44.4%	44.4%	44.4%	0.0%	44.4%	595
2009	1,283	85.8%	85.8%	85.8%	0.0%	85.8%	1,101
2010	1,313	53.0%	53.0%	53.0%	0.0%	53.0%	695
2011	1,252	30.0%	30.0%	30.0%	0.0%	30.0%	375
2012	1,327	71.1%	69.4%	69.4%	-2.6%	69.4%	920
2013	1,531	98.4%	97.3%	97.3%	-1.1%	97.3%	1,490
2014	2,049	42.8%	71.3%	52.0%	39.9%	63.6%	1,303
2015	2,483	1.0%	16.5%	51.2%	93.6%	49.0%	1,216

PY	Capped @ 100k				Incurred		
	GWP	Reported ILAE Ratio	Developed ILAE Ratio	Apriori ILAE Ratio	% Expected Unreported	Born-Ferg Ultimate ILAE Ratio	Born-Ferg Ultimate ILAE
2005	1,376	24.5%	24.5%	24.5%	0.0%	24.5%	336
2006	1,475	20.9%	20.9%	20.9%	0.0%	20.9%	308
2007	1,432	26.2%	26.2%	26.2%	0.0%	26.2%	375
2008	1,341	32.1%	32.1%	32.1%	0.0%	32.1%	430
2009	1,283	66.6%	66.6%	66.6%	0.0%	66.6%	855
2010	1,313	53.0%	53.0%	53.0%	0.0%	53.0%	695
2011	1,252	30.0%	30.0%	30.0%	0.0%	30.0%	375
2012	1,327	62.7%	61.2%	61.2%	-2.6%	61.2%	812
2013	1,531	64.4%	63.6%	63.6%	-1.2%	63.6%	974
2014	2,049	36.4%	57.1%	42.0%	36.3%	51.6%	1,058
2015	2,483	1.0%	15.2%	41.3%	93.1%	39.5%	982

Property

ILF Selection

PY	Capped at 1M			Capped at 250k			Capped at 100k		
	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF	Pol Limits Inc Ult	Capped Inc Ult	Implied ILF
2005	336	336	1.00	336	336	1.00	336	336	1.00
2006	379	379	1.00	379	379	1.00	379	308	1.23
2007	506	506	1.00	506	506	1.00	506	375	1.35
2008	709	709	1.00	709	595	1.19	709	430	1.65
2009	1,202	1,202	1.00	1,202	1,101	1.09	1,202	855	1.41
2010	695	695	1.00	695	695	1.00	695	695	1.00
2011	375	375	1.00	375	375	1.00	375	375	1.00
2012	920	920	1.00	920	920	1.00	920	812	1.13
2013	1,658	1,656	1.00	1,658	1,490	1.11	1,658	974	1.70
2014	1,471	1,462	1.01	1,471	1,460	1.01	1,471	1,171	1.26
2015	445	425	1.05	445	409	1.09	445	378	1.18
All Yr Wtd:			1.00			1.05			1.30
Last 7 Wtd:			1.00			1.06			1.32
Last 5 Wtd:			1.00			1.04			1.27
Last 3 Wtd:			1.00			1.05			1.37
Selected Empirical Large Loss Load:			1.0000	Selected Empirical Large Loss Load:		1.0500	Selected Empirical Large Loss Load:		1.3000
Credibility:			59%	Credibility:		59%	Credibility:		59%
Standard Large Loss Load:			1.1800	Standard Large Loss Load:		1.4500	Standard Large Loss Load:		1.9000
Credibility Weighted ILF Indication:			1.0747	Credibility Weighted ILF Indication:		1.2159	Credibility Weighted ILF Indication:		1.5489
Selected:			1.0003	Selected:		1.0500	Selected:		1.3000

\* Averages exclude PY 2015













Property

Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Apriori Ultimate ex-CWNP	Selected Ultimate ex-CWNP		
2005	1,376	0	45	59	63	63	63	63	63	63	63	63	63	1.000	63	0.044	0.044	63	63
2006	1,475	1	36	47	46	46	46	46	46	46	46	46	46	1.000	46	0.030	0.030	46	46
2007	1,432	0	31	50	51	50	50	50	50	50	50	50	50	1.000	50	0.033	0.033	50	50
2008	1,341	0	44	58	57	57	57	57	57	57	57	57	57	1.000	57	0.037	0.037	57	57
2009	1,283	1	51	69	68	68	68	68	68	68	68	68	68	1.000	68	0.044	0.044	68	68
2010	1,313	1	50	78	78	78	78	78	78	78	78	78	78	1.001	78	0.048	0.048	78	78
2011	1,252	2	40	58	58	58	58	58	58	58	58	58	58	1.002	58	0.037	0.037	58	58
2012	1,327	0	37	48	47	47	47	47	47	47	47	47	47	1.005	47	0.033	0.033	47	47
2013	1,531	2	18	38	38	38	38	38	38	38	38	38	38	1.021	39	0.024	0.024	39	39
2014	2,049	3	47	47	47	47	47	47	47	47	47	47	47	1.494	70	0.037	0.037	73	73
2015	2,483	2	2	2	2	2	2	2	2	2	2	2	2	13.563	27	0.037	0.037	87	87

Selected: 0.037  
 2005 thru 2013: 0.037  
 2005 thru 2009: 0.038  
 2010 thru 2013: 0.036

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	1.311	1.068	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	36.000	1.306	0.979	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2007	-	1.613	1.020	0.980	1.000	1.000	1.000	1.000			
2008	-	1.318	0.983	1.000	1.000	1.000	1.000				
2009	51.000	1.353	0.986	1.000	1.000	1.000					
2010	50.000	1.560	1.000	1.000	1.000						
2011	20.000	1.450	1.000	1.000							
2012	-	1.297	0.979								
2013	9.000	2.111									
2014	15.667										
2015											
All Yr Wtd:	39.900	1.435	1.002	0.998	1.000	1.000	1.000	1.000	1.000	1.000	
Last 7 Wtd:	31.889	1.472	0.993	0.998							
Last 5 Wtd:	24.000	1.485	0.990	0.997	1.000	1.000					
Last 3 Wtd:	20.400	1.516	0.995	1.000	1.000	1.000	1.000	1.000			
Div 66 Age to Age:	9.076	1.464	1.016	1.003	1.001	1.001	1.000	1.000	1.000	1.000	
Div 66 Age to Ult:	13.563	1.494	1.021	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000
Selected Age to Age:	9.076	1.464	1.016	1.003	1.001	1.001	1.000	1.000	1.000	1.000	
Age to Ult:	13.563	1.494	1.021	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000











Property

Large Losses - Incurred + LAE > 100k

PY	DSP	Cat #	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2006	4-0-8		919241	8813	2/7/2007	Robin Meador	152	0	23	175	Missouri	Fire In Restaurant Next Door Water And
2007	4-0-8		8995479	1563	2/19/2008	Premiere Entertain	227	0	7	234	Alabama	Insured Reported Tornado Destroyed BUI
2008	4-0-8		9657779	7412	11/28/2008	Olive TO TAN LLC	299	0	67	366	Minnesota	Fire Damage
2008	4-0-8		9273901	4582	10/15/2008	South Beach Sun LL	112	0	5	118	West Virginia	Water Damage
2009	4-0-8		9270359	4585	11/5/2009	X X X Sleds LLC BA	324	0	29	353	California	Smoke Fire And Water Damage To Tanning
2009	4-0-8		705044	4041	10/26/2009	Joey D Ball And PE	186	0	13	198	California	Hose To Mystic TAN Broke And Flooded S
2009	4-0-8		9658121	898	9/19/2010	AL Dean Enterprise	98	0	5	103	Rhode Island	Hose To Spray Unit Burst Flooding Salo
2010	4-0-8		7321826	105	1/5/2010	Bronze FX Monroevi	82	0	32	114	Pennsylvania	Second Floor Water Pipe Broke With RES
2012	4-0-8	1413	8994429	452	5/21/2013	Girlfriends ETC LL	192	0	3	196	Oklahoma	Tornado Damage
2012	4-0-8		6477319	9551	6/4/2012	Dallco LLC The Mid	118	0	4	122	Kansas	Power Surge Causing 5 Tanning Beds To
2013	4-0-8	2913	7561293	6035	11/17/2013	Deardorff Enterpri	354	0	20	374	Indiana	Natural Perils - Wind Only (Non Tornad
2013	4-0-8		2851325	766	7/3/2013	Brian Beach BUM LL	275	0	39	314	New York	Sprinklers In Tenant. Insured Activate
2013	4-0-8		9908097	4377	5/14/2014	AT The Beach Inc A	288	0	16	304	Oklahoma	Fire - Heating Equipment / Tanning BED
2013	4-0-8	3214	1738825	9643	1/7/2014	GEE DAD Services L	105	10	66	181	Virginia	Natural Perils - Ice
2014	4-0-8		4059032	6954	2/26/2015	Dream Tans LLC	0	180	0	180	New Jersey	Fire - Smoking Material; Fire In Pizza
2014	4-0-8		9659341	4493	12/28/2014	S S T Group LLC AN	0	151	0	151	Washington	Fire - Under Investigation; Claimant a



**Excess Liability**

Rate Need Indications

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Target	Target	Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	Before 2015 Rate Change PY 2015 Rate Need	PY 2015 Rate Forecast	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.8%	67.3%	58.6%	-12.4%	5.6%	55.5%	58.3%	-12.8%

Expense Ratio calculated as follows:

Commission:	21.9%
Prem Tax:	2.5%
Other Acquisition Fees:	0.3%
Direct Expense:	2.8%
Indirect Expense:	4.0%
	<u>31.4%</u>

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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



Excess Liability

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP
2005	81	0.0%	1.000	66
2006	71	-26.8%	0.732	79
2007	95	4.0%	0.762	102
2008	81	-26.0%	0.564	117
2009	149	6.9%	0.603	201
2010	129	11.9%	0.674	156
2011	144	-5.7%	0.636	185
2012	196	10.5%	0.703	227
2013	263	-1.7%	0.690	310
2014	387	11.7%	0.771	409
2015	488	5.6%	0.814	488
All Yr Wtd excl 2015:				31.3%
Last 7 Wtd excl 2015:				33.1%
Last 5 Wtd excl 2015:				38.2%
Last 3 Wtd excl 2015:				42.7%
Selected Ultimate:				40.0%
ILF:				1.00
Capped @ \$10M Ultimate:				40.0%

Capped @ \$10M		
Ultimate ILAE Ratio	5.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
12.3%	1.629	24.6%
14.2%	1.551	19.8%
10.5%	1.477	14.5%
12.4%	1.407	12.1%
13.4%	1.340	13.3%
23.2%	1.276	24.5%
27.7%	1.216	26.3%
45.9%	1.158	45.9%
41.8%	1.103	39.1%
43.9%	1.050	43.7%
43.0%	1.000	43.0%
Weight:		5%

Capped @ 2M		
Ultimate ILAE Ratio	4.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio
12.3%	1.553	23.5%
14.2%	1.486	18.9%
10.5%	1.422	14.0%
12.4%	1.361	11.7%
13.4%	1.302	13.0%
15.5%	1.246	16.0%
13.9%	1.193	12.9%
30.6%	1.141	30.1%
26.6%	1.092	24.7%
25.8%	1.045	25.6%
26.6%	1.000	26.6%
Weight:		48%

Capped @ 1M		
Ultimate ILAE Ratio	4.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
12.3%	1.480	22.4%
14.2%	1.423	18.1%
10.5%	1.369	13.4%
12.4%	1.316	11.3%
6.7%	1.265	6.3%
7.7%	1.217	7.8%
13.9%	1.170	12.7%
20.4%	1.125	19.8%
15.2%	1.082	14.0%
18.1%	1.040	17.8%
18.4%	1.000	18.4%
Weight:		48%

\* Averages exclude PY 2015

Frequency/Severity Indication:	37.5%
Weighted Average:	40.7%
PY 2015 Selected - Capped @ \$10M:	0.0%
Adjustment:	0.0%
PY 2015 - Capped @ \$10M:	0.0%
ILF:	1.043
Catastrophe/Latency Load:	5.0%
ULE:	1.0%
PY 2015 Ultimate ILAE Ratio:	6.0%
Credibility:	8%
Complement of Credibility:	59.8%
Credibility Weighted PY 2015 Ultimate ILAE Ratio:	55.5%

Compliment of Credibility

Loss Ratio for total excess book relative to breakeven for total excess book

**Excess Liability**

Frequency/Severity Method

PY	Frequency				Severity				
	On-Level GWP	Reported excl CWNP Claim Ct.	Ultimate excl CWNP Claim Ct.	On-Level Frequency	Reported ILAE @ 2015/1	10M Cap Ultimate ILAE	Average Severity	5.0% Trend to PY 2015	Average Severity @ PY 2015
2005	66	0	0	0.000	3	10	-	1.629	-
2006	79	0	0	0.000	0	10	-	1.551	-
2007	102	0	0	0.000	0	10	-	1.477	-
2008	117	0	0	0.000	0	10	-	1.407	-
2009	201	0	0	0.000	0	20	-	1.340	-
2010	156	0	0	0.000	0	30	-	1.276	-
2011	185	0	0	0.000	0	40	-	1.216	-
2012	227	3	5	0.024	20	90	17	1.158	19.3
2013	310	0	0	0.000	0	110	-	1.103	-
2014	409	0	1	0.003	0	170	157	1.050	164.8
2015	488	0	1	0.003	0	210	144	1.000	144.0
All Yr Wtd:				0.003					38.8
Last 7 Wtd:				0.004					44.7
Last 5 Wtd:				0.005					55.8
Last 3 Wtd:				0.007					75.8
PY 2015 Selected Frequency:				0.005	PY 2015 Selected Severity:				75.0

\* Averages exclude PY 2015

Indicated PY 2015 Ult ILAE Ratio - Capped @ 10M: 37.5%

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 10M

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	81	3	3	4	5	7	3	10	12.3%
2006	71	0	0	0	2	5	0	10	14.2%
2007	95	0	0	0	5	9	0	10	10.5%
2008	81	0	0	0	7	11	0	10	12.4%
2009	149	0	0	0	17	28	0	20	13.4%
2010	129	0	0	0	22	31	0	30	23.2%
2011	144	0	0	0	34	43	0	40	27.7%
2012	196	20	75	34	82	77	119	90	45.9%
2013	263	0	0	0	102	111	0	110	41.8%
2014	387	0	0	0	165	166	0	170	43.9%
2015	488	0	0	0	210	210	0	210	43.0%
Total	2,084	23	79	37	651	698	122	710	34.1%

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 2M

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	81	3	3	3	4	5	3	10	12.3%
2006	71	0	0	0	1	2	0	10	14.2%
2007	95	0	0	0	3	5	0	10	10.5%
2008	81	0	0	0	3	5	0	10	12.4%
2009	149	0	0	0	9	14	0	20	13.4%
2010	129	0	0	0	12	16	0	20	15.5%
2011	144	0	0	0	18	24	0	20	13.9%
2012	196	20	60	26	54	46	96	60	30.6%
2013	263	0	0	0	59	66	0	70	26.6%
2014	387	0	0	0	99	101	0	100	25.8%
2015	488	0	0	0	127	127	0	130	26.6%
Total	2,084	23	63	29	389	411	99	460	22.1%

**Excess Liability**

Selection of Ultimate Loss & LAE - Capped @ 1M

PY	GWP	Reported ILAE @ 2015/1	Inc. Dev. Method	Paid Dev. Method	Inc. BF Method	Paid BF Method	Case Reserve Development Method	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	81	3	3	3	4	4	3	10	12.3%
2006	71	0	0	0	1	1	0	10	14.2%
2007	95	0	0	0	1	2	0	10	10.5%
2008	81	0	0	0	2	3	0	10	12.4%
2009	149	0	0	0	5	7	0	10	6.7%
2010	129	0	0	0	6	9	0	10	7.7%
2011	144	0	0	0	9	14	0	20	13.9%
2012	196	20	49	21	39	30	77	40	20.4%
2013	263	0	0	0	37	43	0	40	15.2%
2014	387	0	0	0	65	66	0	70	18.1%
2015	488	0	0	0	83	83	0	90	18.4%
Total	2,084	23	52	24	251	262	80	320	15.4%

Excess Liability

Bornhuetter-Ferguson Method

PY	Capped @ \$10M					
	GWP	Reported	Reported	Incurred	Paid	Apriori
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio	
2005	81	3.9%	3.9%	4.1%	4.4%	43.0%
2006	71	0.0%	0.0%	0.0%	0.0%	43.0%
2007	95	0.0%	0.0%	0.0%	0.0%	43.0%
2008	81	0.0%	0.0%	0.0%	0.0%	43.0%
2009	149	0.0%	0.0%	0.0%	0.0%	43.0%
2010	129	0.0%	0.0%	0.0%	0.0%	43.0%
2011	144	0.0%	0.0%	0.0%	0.0%	43.0%
2012	196	10.0%	2.6%	38.5%	17.3%	43.0%
2013	263	0.0%	0.0%	0.0%	0.0%	43.0%
2014	387	0.0%	0.0%	0.0%	0.0%	43.0%
2015	488	0.0%	0.0%	0.0%	0.0%	43.0%

Incurred		
% Expected	Born-Ferg	Born-Ferg
Unreported	Ultimate	Ultimate
	ILAE Ratio	ILAE
5.2%	6.1%	5
8.0%	3.4%	2
12.5%	5.4%	5
18.7%	8.1%	7
27.0%	11.6%	17
39.7%	17.1%	22
54.4%	23.4%	34
74.1%	41.8%	82
90.3%	38.8%	102
99.3%	42.7%	165
100.0%	43.0%	210

Paid		
% Expected	Born-Ferg	Born-Ferg
Unpaid	Ultimate	Ultimate
	ILAE Ratio	ILAE
12.3%	9.2%	7
16.6%	7.1%	5
22.7%	9.7%	9
31.6%	13.6%	11
43.1%	18.5%	28
55.0%	23.6%	31
69.8%	30.0%	43
84.9%	39.1%	77
97.8%	42.1%	111
99.9%	43.0%	166
100.0%	43.0%	210

PY	Capped @ 2M					
	GWP	Reported	Reported	Incurred	Paid	Apriori
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio	
2005	81	3.9%	3.9%	4.0%	4.3%	26.0%
2006	71	0.0%	0.0%	0.0%	0.0%	26.0%
2007	95	0.0%	0.0%	0.0%	0.0%	26.0%
2008	81	0.0%	0.0%	0.0%	0.0%	26.0%
2009	149	0.0%	0.0%	0.0%	0.0%	26.0%
2010	129	0.0%	0.0%	0.0%	0.0%	26.0%
2011	144	0.0%	0.0%	0.0%	0.0%	26.0%
2012	196	10.0%	2.6%	30.6%	13.1%	26.0%
2013	263	0.0%	0.0%	0.0%	0.0%	26.0%
2014	387	0.0%	0.0%	0.0%	0.0%	26.0%
2015	488	0.0%	0.0%	0.0%	0.0%	26.0%

Incurred		
% Expected	Born-Ferg	Born-Ferg
Unreported	Ultimate	Ultimate
	ILAE Ratio	ILAE
4.0%	4.9%	4
6.5%	1.7%	1
10.4%	2.7%	3
15.6%	4.1%	3
23.1%	6.0%	9
34.4%	8.9%	12
47.0%	12.2%	18
67.4%	27.5%	54
86.7%	22.5%	59
98.8%	25.7%	99
100.0%	26.0%	127

Paid		
% Expected	Born-Ferg	Born-Ferg
Unpaid	Ultimate	Ultimate
	ILAE Ratio	ILAE
9.5%	6.3%	5
13.3%	3.5%	2
18.5%	4.8%	5
25.3%	6.6%	5
36.0%	9.4%	14
48.3%	12.6%	16
63.6%	16.5%	24
80.1%	23.4%	46
96.7%	25.2%	66
99.9%	26.0%	101
100.0%	26.0%	127

PY	Capped @ 1M					
	GWP	Reported	Reported	Incurred	Paid	Apriori
		ILAE Ratio	PLAE Ratio	Developed ILAE Ratio	Developed ILAE Ratio	
2005	81	3.9%	3.9%	4.0%	4.2%	17.0%
2006	71	0.0%	0.0%	0.0%	0.0%	17.0%
2007	95	0.0%	0.0%	0.0%	0.0%	17.0%
2008	81	0.0%	0.0%	0.0%	0.0%	17.0%
2009	149	0.0%	0.0%	0.0%	0.0%	17.0%
2010	129	0.0%	0.0%	0.0%	0.0%	17.0%
2011	144	0.0%	0.0%	0.0%	0.0%	17.0%
2012	196	10.0%	2.6%	24.9%	10.5%	17.0%
2013	263	0.0%	0.0%	0.0%	0.0%	17.0%
2014	387	0.0%	0.0%	0.0%	0.0%	17.0%
2015	488	0.0%	0.0%	0.0%	0.0%	17.0%

Incurred		
% Expected	Born-Ferg	Born-Ferg
Unreported	Ultimate	Ultimate
	ILAE Ratio	ILAE
3.6%	4.5%	4
5.6%	0.9%	1
8.6%	1.5%	1
12.4%	2.1%	2
18.1%	3.1%	5
27.4%	4.7%	6
38.5%	6.5%	9
60.0%	20.2%	39
82.7%	14.1%	37
98.2%	16.7%	65
100.0%	17.0%	83

Paid		
% Expected	Born-Ferg	Born-Ferg
Unpaid	Ultimate	Ultimate
	ILAE Ratio	ILAE
7.4%	5.1%	4
10.7%	1.8%	1
15.2%	2.6%	2
20.5%	3.5%	3
29.3%	5.0%	7
40.4%	6.9%	9
56.4%	9.6%	14
75.1%	15.4%	30
95.5%	16.2%	43
99.9%	17.0%	66
100.0%	17.0%	83



**Excess Liability**  
 Bornhuetter-Ferguson Method - Apriori Selection

Capped @ \$10M										
PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	81	0.0%	10	12.3%	23.3%	25.9%	24.7%	26.3%	24.8%	24.6%
2006	71	-26.8%	10	14.2%	18.7%	20.8%	19.8%	21.1%	19.9%	19.8%
2007	95	4.0%	10	10.5%	13.7%	15.3%	14.5%	15.5%	14.6%	14.5%
2008	81	-26.0%	10	12.4%	11.4%	12.7%	12.1%	12.9%	12.1%	12.1%
2009	149	6.9%	20	13.4%	12.6%	14.0%	13.4%	14.3%	13.4%	13.3%
2010	129	11.9%	30	23.2%		25.9%	24.6%	26.3%	24.7%	24.5%
2011	144	-5.7%	40	27.7%			26.4%	28.2%	26.5%	26.3%
2012	196	10.5%	90	45.9%				49.1%	46.1%	45.9%
2013	263	-1.7%	110	41.8%					39.3%	39.1%
2014	387	11.7%	170	43.9%						43.7%
2015	488	5.6%	210	43.0%						
All Yr Wtd :					14.7%	18.4%	19.3%	26.3%	27.9%	31.3%
Last 7 Wtd :					-	-	19.3%	26.3%	28.5%	33.1%
Last 5 Wtd :					14.7%	17.6%	18.8%	28.0%	31.6%	38.2%
Last 3 Wtd :					12.6%	17.6%	21.0%	36.0%	38.2%	42.7%
ILF Implied :					43.1%	43.1%	43.1%	43.1%	43.1%	43.1%
Div 66:					53.0%	53.0%	53.0%	54.0%	55.0%	56.0%
Selected BF Apriori:					43.0%	43.0%	43.0%	43.0%	43.0%	43.0%

Capped @ 2M										
PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	81	0.0%	10	12.3%	22.7%	25.2%	23.8%	25.4%	23.7%	23.5%
2006	71	-26.8%	10	14.2%	18.3%	20.3%	19.2%	20.4%	19.1%	18.9%
2007	95	4.0%	10	10.5%	13.5%	15.0%	14.2%	15.1%	14.1%	14.0%
2008	81	-26.0%	10	12.4%	11.3%	12.5%	11.9%	12.6%	11.8%	11.7%
2009	149	6.9%	20	13.4%	12.6%	13.9%	13.2%	14.0%	13.1%	13.0%
2010	129	11.9%	20	15.5%		17.2%	16.2%	17.3%	16.1%	16.0%
2011	144	-5.7%	20	13.9%			13.1%	14.0%	13.1%	12.9%
2012	196	10.5%	60	30.6%				32.6%	30.4%	30.1%
2013	263	-1.7%	70	26.6%					24.9%	24.7%
2014	387	11.7%	100	25.8%						25.6%
2015	488	5.6%	130	26.6%						
All Yr Wtd :					14.5%	16.3%	14.9%	19.2%	19.5%	20.7%
Last 7 Wtd :					-	-	14.9%	18.9%	19.3%	21.1%
Last 5 Wtd :					14.5%	15.4%	13.7%	19.1%	20.6%	23.2%
Last 3 Wtd :					12.5%	14.6%	14.0%	22.3%	23.6%	26.4%
ILF Implied :					25.6%	25.6%	25.6%	25.6%	25.6%	25.6%
Div 66:					33.0%	33.0%	33.0%	34.0%	35.0%	36.0%
Selected BF Apriori:					26.0%	26.0%	26.0%	26.0%	26.0%	26.0%

Capped @ 1M										
PY	GWP	Annual PY Rate Chg	Selected Ult ILAE	Ultimate ILAE Ratio	-----Ultimate ILAE Ratio Indexed to Policy Year-----					
					2010	2011	2012	2013	2014	2015
2005	81	0.0%	10	12.3%	22.2%	24.5%	23.1%	24.4%	22.7%	22.4%
2006	71	-26.8%	10	14.2%	18.0%	19.8%	18.7%	19.8%	18.4%	18.1%
2007	95	4.0%	10	10.5%	13.3%	14.7%	13.9%	14.7%	13.7%	13.4%
2008	81	-26.0%	10	12.4%	11.2%	12.4%	11.6%	12.3%	11.5%	11.3%
2009	149	6.9%	10	6.7%	6.2%	6.9%	6.5%	6.9%	6.4%	6.3%
2010	129	11.9%	10	7.7%		8.5%	8.0%	8.5%	7.9%	7.8%
2011	144	-5.7%	20	13.9%			13.1%	13.8%	12.9%	12.7%
2012	196	10.5%	40	20.4%				21.6%	20.1%	19.8%
2013	263	-1.7%	40	15.2%					14.2%	14.0%
2014	387	11.7%	70	18.1%						17.8%
2015	488	5.6%	90	18.4%						
All Yr Wtd :					12.1%	12.3%	11.9%	14.4%	13.5%	14.3%
Last 7 Wtd :					-	-	11.9%	13.7%	12.8%	13.9%
Last 5 Wtd :					12.1%	11.0%	10.2%	13.1%	12.8%	15.3%
Last 3 Wtd :					9.4%	8.8%	9.2%	15.5%	15.7%	17.0%
Div 66:					22.0%	22.0%	22.0%	23.0%	23.0%	23.0%
Selected BF Apriori:					17.0%	17.0%	17.0%	17.0%	17.0%	17.0%

Excess Liability

ILF Selection

PY	Capped at 2M						Capped at 1M					
	10M Cap Inc Ult	2M Cap Inc Ult	Implied ILF	10M Cap Paid Ult	2M Cap Paid Ult	Implied ILF	10M Cap Inc Ult	1M Cap Inc Ult	Implied ILF	10M Cap Paid Ult	1M Cap Paid Ult	Implied ILF
2005	3	3	1.01	4	3	1.03	3	3	1.02	4	3	1.06
2006	0	0	-	0	0	-	0	0	-	0	0	-
2007	0	0	-	0	0	-	0	0	-	0	0	-
2008	0	0	-	0	0	-	0	0	-	0	0	-
2009	0	0	-	0	0	-	0	0	-	0	0	-
2010	0	0	-	0	0	-	0	0	-	0	0	-
2011	0	0	-	0	0	-	0	0	-	0	0	-
2012	75	60	1.26	34	26	1.32	75	49	1.55	34	21	1.65
2013	0	0	-	0	0	-	0	0	-	0	0	-
2014	0	0	-	0	0	-	0	0	-	0	0	-
2015	0	0	-	0	0	-	0	0	-	0	0	-
All Yr Wtd:			1.25			1.28			1.51			1.57
Last 7 Wtd:			1.26			1.32			1.55			1.65
Last 5 Wtd:			1.26			1.32			1.55			1.65
Last 3 Wtd:			1.26			1.32			1.55			1.65
				Selected Empirical ILF:		1.28				Selected Empirical ILF:		1.60
				Credibility:		8%				Credibility:		8%
				Complement of Credibility - Div 66 ILF:		1.69			Complement of Credibility - Div 66 ILF:			2.58
				Credibility Weighted ILF Indication:		1.66			Credibility Weighted ILF Indication:			2.50
				Selected:		1.66			Selected:			2.50

\* Averages exclude PY 2015

Excess Liability

Incurred & LAE - Capped @ \$10M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	1.055	3
2006	71	0	0	0	0	0	0	0	0	0	0		0	1.087	0
2007	95	0	0	0	0	0	0	0	0	0	0		0	1.143	0
2008	81	0	0	0	0	0	0	0	0	0	0		0	1.231	0
2009	149	0	0	0	0	0	0	0	0	0	0		0	1.370	0
2010	129	0	0	0	0	0	0	0	0	0	0		0	1.658	0
2011	144	0	0	0	0	0	0	0	0	0	0		0	2.193	0
2012	196	0	0	0	20	0	0	0	0	0	0		20	3.868	75
2013	263	0	0	0	0	0	0	0	0	0	0		0	10.305	0
2014	387	0	0	0	0	0	0	0	0	0	0		0	139.470	0
2015	488	0	0	0	0	0	0	0	0	0	0		0	40,928.757	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	1.748	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	-	12.647	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-
Selected Age to Age:	293.460	13.534	2.664	1.764	1.322	1.210	1.113	1.077	1.051	1.030	
Age to Ult:	40,928.757	139.470	10.305	3.868	2.193	1.658	1.370	1.231	1.143	1.087	1.055

Excess Liability

Incurred & LAE - Capped @ \$2M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	2M Cap	2M Cap	
													ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	1.042	3
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	1.070	0
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	1.116	0
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	1.185	0
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	1.300	0
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	1.524	0
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	1.886	0
2012	196	0	0	0	20	0	0	0	0	0	0	0	20	3.071	60
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	7.509	0
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	86.640	0
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	19,814.827	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	1.748	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	-	12.647	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-
Selected Age to Age:	228.702	11.539	2.445	1.628	1.238	1.172	1.097	1.062	1.043	1.026	
Age to Ult:	19,814.827	86.640	7.509	3.071	1.886	1.524	1.300	1.185	1.116	1.070	1.042

Excess Liability

Incurred & LAE - Capped @ \$1M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	1M Cap	1M Cap	
													ILAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	1.038	3
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	1.059	0
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	1.094	0
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	1.142	0
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	1.221	0
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	1.377	0
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	1.625	0
2012	196	0	0	0	20	0	0	0	0	0	0	0	20	2.499	49
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	5.772	0
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	56.214	0
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	9,862.043	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	1.748	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	-	12.647	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-
Selected Age to Age:	175.436	9.738	2.310	1.538	1.180	1.128	1.069	1.043	1.034	1.020	
Age to Ult:	9,862.043	56.214	5.772	2.499	1.625	1.377	1.221	1.142	1.094	1.059	1.038

Excess Liability

Paid & LAE - Capped @ \$10M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	P+LAE		Ultimate	
													@ 2015/1	LDf	ILAE	
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	3	1.141	4
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	0	1.199	0
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	0	1.293	0
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	0	1.462	0
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	0	1.759	0
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	0	2.220	0
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	0	3.316	0
2012	196	0	0	0	5	0	0	0	0	0	0	0	5	5	6.631	34
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	0	45.743	0
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	0	1,931.166	0
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	0	3,354,722.144	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	-	1.853	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-
All Yr Wtd:	-	-	4.878	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-
Selected Age to Age:	1,737.149	42.217	6.898	2.000	1.494	1.262	1.203	1.131	1.078	1.051	
Age to Ult:	3,354,722.144	1,931.166	45.743	6.631	3.316	2.220	1.759	1.462	1.293	1.199	1.141

Excess Liability

Paid & LAE - Capped @ \$2M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	2M Cap	2M Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	1.105	3
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	1.154	0
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	1.227	0
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	1.338	0
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	1.564	0
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	1.935	0
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	2.746	0
2012	196	0	0	0	5	0	0	0	0	0	0	0	5	5.037	26
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	30.600	0
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	1,116.509	0
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	1,544,104.974	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123
2005	-	-	1.853	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	-	4.878	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-

Selected Age to Age:	1,382.976	36.487	6.075	1.834	1.420	1.237	1.169	1.091	1.063	1.044	
Age to Ult:	1,544,104.974	1,116.509	30.600	5.037	2.746	1.935	1.564	1.338	1.227	1.154	1.105

Excess Liability

Paid & LAE - Capped @ \$1M

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	1M Cap	1M Cap	
													P+LAE	Ultimate	
													@ 2015/1	LDF	ILAE
2005	81	0	0	2	3	3	3	3	3	3	3	3	3	1.080	3
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	1.119	0
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	1.179	0
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	1.258	0
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	1.415	0
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	1.679	0
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	2.296	0
2012	196	0	0	0	5	0	0	0	0	0	0	0	5	4.018	21
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	22.314	0
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	744.163	0
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	894,231.855	0

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	-	1.853	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-
All Yr Wtd:	-	-	4.878	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 7 Wtd:	-	-	-	1.000	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	1.000	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	1.000	-	-	-
Selected Age to Age:	1,201.662	33.350	5.553	1.751	1.367	1.186	1.125	1.067	1.053	1.037	
Age to Ult:	894,231.855	744.163	22.314	4.018	2.296	1.679	1.415	1.258	1.179	1.119	1.080





Excess Liability

Total Claim Count excluding CWNP

PY	GWP	3	15	27	39	51	63	75	87	99	111	123	Total ex-CWNP @ 2015/1	Developed Ultimate LDF ex-CWNP	Ultimate Average ex-CWNP	Born-Ferg Ultimate Apriori ex-CWNP	Selected Ultimate ex-CWNP	
2005	81	0	0	1	0	0	0	0	0	0	0	0	0	1.031	0	0.000	-	-
2006	71	0	0	0	0	0	0	0	0	0	0	0	0	1.049	0	0.000	-	-
2007	95	0	0	0	0	0	0	0	0	0	0	0	0	1.074	0	0.000	-	-
2008	81	0	0	0	0	0	0	0	0	0	0	0	0	1.112	0	0.000	-	-
2009	149	0	0	0	0	0	0	0	0	0	0	0	0	1.164	0	0.000	-	-
2010	129	0	0	0	0	0	0	0	0	0	0	0	0	1.263	0	0.000	-	-
2011	144	0	0	0	0	0	0	0	0	0	0	0	0	1.434	0	0.000	-	-
2012	196	0	0	0	3	0	0	0	0	0	0	0	3	1.795	5	0.024	5	5
2013	263	0	0	0	0	0	0	0	0	0	0	0	0	2.695	0	0.000	-	-
2014	387	0	0	0	0	0	0	0	0	0	0	0	0	8.575	0	0.003	1	1
2015	488	0	0	0	0	0	0	0	0	0	0	0	0	261.777	0	0.003	1	1

PY	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2005	-	-	0.000	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-

	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
All Yr Wtd:	-	-	3.000	-	-	-	-	-	-	-	-
Last 7 Wtd:	-	-	-	-	-	-	-	-	-	-	-
Last 5 Wtd:	-	-	-	-	-	-	-	-	-	-	-
Last 3 Wtd:	-	-	-	-	-	-	-	-	-	-	-
Selected Age to Age:	30.528	3.182	1.501	1.252	1.135	1.085	1.047	1.036	1.023	1.017	-
Age to Ult:	261.777	8.575	2.695	1.795	1.434	1.263	1.164	1.112	1.074	1.049	1.031











Program: UIF Tanning Salons

Limit Profile - Based on PY Written Premium

Occ Limit	PY -->	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
900,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,000,000	-	2,625	8,300	12,778	18,607	17,448	12,625	9,090	16,097	15,090	27,308	11,792	151,760	151,760
1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2,000,000	-	-	8,585	2,577	5,457	13,929	10,598	12,502	15,837	17,176	16,166	14,872	117,699	117,699
2,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3,000,000	-	-	-	-	-	3,535	-	6,060	7,208	21,902	30,302	62,459	50,128	181,594
3,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4,000,000	-	-	-	-	-	3,982	3,283	3,283	3,283	3,283	3,283	5,891	15,109	41,397
4,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5,000,000	-	-	14,056	-	-	-	-	4,282	20,081	54,412	50,867	20,119	163,817	163,817
5,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7,000,000	-	-	-	-	-	-	-	-	-	-	8,615	7,660	8,370	24,645
7,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8,000,000	-	-	-	-	-	-	-	-	-	7,526	-	-	-	7,526
9,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10,000,000	-	-	-	-	-	-	-	-	-	55,617	-	-	-	55,617
11,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15,000,000	-	-	-	-	-	-	-	-	-	-	62,213	66,969	-	129,182
19,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20,000,000	-	-	-	-	-	-	-	-	-	-	-	13,982	83,587	97,569
24,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	2,625	30,941	15,355	31,581	34,660	32,566	36,365	140,343	191,091	251,302	203,977	970,806	

xs 10M Selected	Am Home ILF
76.6%	1.000
0.0%	1.029
0.0%	1.058
0.0%	1.116
13.3%	1.145
0.0%	1.217
10.1%	1.235
0.0%	1.280
0.0%	1.235
100.0%	1.043

Average XS Limit                    -            1,000,000    3,094,599    1,167,828    1,774,928    1,686,036    2,000,031    2,482,057    6,009,505    7,425,991                                    6,792,929