

Memorandum

From: Div 66 Actuarial
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To: E. Allen, S. Leeret, B. Harris, S. Cook, J. Parker, R. Simmons, M. Stembridge

CC: J. Johnson, J. Heaney, C. Steinbach, T. Peterson, J. Baier, J. Stracher, D. Shafer, D. Vanagas

Date: 10/19/2015

Re: Division 66 - 2015 WNH WorkTruckGuard US Profitability Study

I. Executive Summary

A. Introduction -

The WNH WorkTruckGuard program offers Auto, Boiler and Machinery, General Liability, Inland Marine, Property and Umbrella coverage to the truck equipment industry. At least 75 percent of a company's revenue must be generated from truck equipment operations to be eligible for this program. Truck equipment is defined as any equipment that is designed for mounting on bare truck chassis to convert the trucks to a special use vehicle.

Last year's analysis resulted in an overall PY 2015 Ultimate Loss Ratio indication of 74.0% which yielded a RAP neutral rate need of 15.5% based on 2014 RAP values.

The year to date rate change for 2015 is 4.2% in total, varying by LOB.

For purposes of this analysis we have used a 2015 forecasted rate change of 4.6% in total, varying by LOB.

B. Summary of Results

IL and LAE evaluated as of: 2nd Quarter 2015

Currency Employed: USD

Exhibit 1:

Line of Business	Sub-Segment	Policy Year	2015	Projected	RAP			
			GWP (000)	IL and LAE Ratio*	Combined Ratio*	Breakeven Target Combined Ratio	RAP Rate Need	Projected RAP \$ **
GL	N/A	2015	1,716	87.0%	120.8%	98.6%	32.0%	(251)
AL	N/A	2015	391	45.0%	78.6%	98.0%	-28.4%	50
Property	N/A	2015	715	52.3%	86.4%	95.9%	-14.4%	46
APD	N/A	2015	60	61.0%	93.9%	98.0%	-5.9%	2
Excess Liability	N/A	2015	266	60.4%	93.1%	98.7%	-8.1%	10
TOTAL			3,147	71.2%	104.9%	97.9%	10.2%	(143)

* Includes PY 2015 rate change achieved

** Assumes a tax rate of 35%

- C. Discussion of Material Findings- This program continues to experience higher than expected severity. The General Liability, Auto Liability and Property lines all saw deterioration over the prior analysis. The GL line in particular is experiencing a high number of large losses. PY's 11-12 have 6 large losses that total over \$5.4M. The Property line also showed a large loss in PY 14 of \$885K that was not in the previous year's analysis. The XS line has two claims since program inception that total \$1.9M.

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. Development patterns for GL were heavily reliant on program experience, due to both the volume of data and the consistency of claim emergence. For the auto lines we rely on a mix of Div 66 and the indicated program development patterns. XS selected development factors were based on overall Division 66 factors. For the rate changes used in this analysis, we calculate a forecasted rate change by LOB using YTD rate changes and the original targeted rate changes. These two rate change estimates are weighted together to arrive at a forecasted annual rate change.
- B. Limitations/Weakness - The projected PY 2015 loss ratio shown in Exhibit 1 of this report assumes that the YTD rate change achieved in 2015 will be consistent throughout the remainder of the year. To the extent that the annual rate change does not equal the YTD rate change, then the results of this report will vary. Besides that, there are no significant limitations/weaknesses with regards to this study outside of standard actuarial caveats that normally apply to projecting future losses. These include, but are not limited to, actual emerged actuarial parameters (LDF's, ILFs, ELR's, trend, etc.) not being in line with selected parameters; miss-coding/inaccurate representation of the data relied upon in this analysis; and future regulatory/judicial changes affecting the frequency/severity of the results.
- 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 the Program Manager.

The GWP of the program increased 29% over 2014. The 2014 profit study showed an overall 2015 rate need of 15.5% driven largely from the General Liability line. The program achieved annually 4.6% in 2015 varying by LOB. In the 4thQ 14.6% of rate was achieved. The 2015 rate need is 10.2% and the need resides with the GL at 32% down from 52%. Tools remain to achieve this goal. A pre renewal loss control strategy has assisted in improving the quality of the risks, showing our value and assisting in right pricing. This strategy will continue in 2016.

Appendix - Methodology:

Please note that the analysis has seven sections:

- Section I - General Liability
- Section II - Auto Liability
- Section III - Property
- Section IV - Auto Physical Damage
- 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 2005 - 2015 ultimate ILAE (incurred + LAE) ratios to PY 2015 and selection of PY 2015 ultimate ILAE ratios.

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

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

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

Exhibit 6 - Bornhuetter-Ferguson methods

- a) Methodology
- b) A Priori Loss Ratios

Exhibit 7 - ILF selections

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

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

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

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

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

Exhibits 12 - Key diagnostic triangles.

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

Exhibit 13 - Large loss listing (Incurred + LAE > \$100,000 or \$250,000 varying by LOB).

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

Program Summary by LOB - PY 2015

(1) LOB	(2) PY 2015 Forecasted GWP	Direct	(3) Before 2015 Rate Change PY 2015 Ultimate ILAE Ratio	RAP Neutral		(6) PY 2015 Rate Achieved	(7) After 2015 Rate Change PY 2015 Ultimate ILAE Ratio
				(4) Target Ratio	(5) Before 2015 Rate Change PY 2015 Rate Need		
GL	1,716	4.4%	90.3%	64.8%	36.8%	3.8%	87.0%
AL	391	3.8%	48.1%	64.4%	-23.9%	6.8%	45.0%
Property	715	3.8%	55.4%	61.8%	-9.7%	5.9%	52.3%
APD	60	4.0%	60.9%	65.1%	-6.0%	-0.1%	61.0%
Excess Liability	266	3.7%	62.5%	66.0%	-4.9%	3.6%	60.4%
Total Casualty	2,372	4.2%	80.2%	64.9%	22.2%	4.3%	77.1%
Total Property	775	3.8%	55.9%	62.0%	-9.4%	5.4%	53.0%
All Lines Combined	3,147	4.1%	74.2%	64.2%	14.7%	4.6%	71.2%

(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)	(3)	RAP Neutral		
			(4)	(5)	
LOB	PY 2015 Forecasted GWP	Direct	Target Ratio	After 2015 Rate Change PY 2016 Ultimate ILAE Ratio	Rate Need
GL	1,716	4.4%	64.8%	90.0%	36.4%
AL	391	3.8%	64.4%	46.8%	-25.8%
Property	715	3.8%	61.8%	52.3%	-14.4%
APD	60	4.0%	65.1%	61.0%	-5.9%
Excess Liability	266	3.7%	66.0%	63.4%	-3.8%
Total Casualty	2,372	4.2%	64.9%	79.9%	21.8%
Total Property	775	3.8%	62.0%	53.0%	-13.7%
All Lines Combined	3,147	4.1%	64.2%	73.3%	13.3%

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

Program Summary by LOB

PY	GL					AL					Property - ex Cat Load & Reinsurance Charges					APD				
	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	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2006	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2007	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2008	244	28	11.3%	27	10.9%	129	2	1.7%	2	1.2%	107	0	0.0%	0	0.0%	19	2	12.6%	2	13.1%
2009	645	321	49.8%	387	60.1%	283	146	51.7%	155	54.7%	336	7	2.1%	7	2.0%	39	10	25.3%	10	26.2%
2010	600	408	68.0%	541	90.2%	238	56	23.7%	57	23.7%	314	132	42.1%	133	42.2%	32	31	94.7%	31	95.1%
2011	856	3,305	386.0%	3,419	399.3%	257	548	213.2%	616	239.4%	454	206	45.4%	208	45.9%	41	71	171.3%	71	171.4%
2012	948	2,201	232.3%	2,628	277.3%	310	54	17.4%	106	34.0%	452	209	46.3%	213	47.1%	45	1	2.7%	1	2.6%
2013	1,098	30	2.7%	821	74.7%	357	23	6.5%	118	33.1%	565	45	7.9%	44	7.8%	53	25	46.2%	25	46.7%
2014	1,267	28	2.2%	1,177	93.0%	357	75	21.1%	212	59.3%	524	969	185.1%	1,099	209.8%	57	58	101.4%	64	111.7%
2015	1,716	0	0.0%	1,476	86.0%	391	0	0.0%	172	44.0%	715	15	2.2%	336	47.0%	60	0	0.0%	36	60.0%

PY	Excess Liability					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	GWP	Reported ILAE	Reported ILAE Ratio	Selected Ultimate ILAE	Ultimate ILAE Ratio
2005	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2006	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2007	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-	0	0	-	0	-
2008	22	0	0.0%	0	0.0%	395	30	7.6%	28	7.1%	126	2	1.9%	2	1.9%	521	32	6.2%	31	5.9%
2009	61	0	0.0%	0	0.0%	989	467	47.2%	542	54.8%	376	17	4.5%	17	4.6%	1,365	484	35.5%	560	41.0%
2010	74	0	0.0%	20	27.2%	912	464	50.9%	618	67.7%	347	163	47.0%	164	47.2%	1,259	627	49.8%	782	62.1%
2011	131	1,915	1456.7%	1,960	1491.0%	1,245	5,768	463.3%	5,995	481.5%	495	277	55.9%	279	56.4%	1,740	6,045	347.4%	6,274	360.6%
2012	122	0	0.0%	50	41.0%	1,380	2,255	163.4%	2,783	201.7%	497	210	42.3%	214	43.1%	1,877	2,466	131.4%	2,998	159.7%
2013	162	0	0.0%	80	49.3%	1,618	53	3.3%	1,019	63.0%	619	70	11.2%	69	11.2%	2,237	123	5.5%	1,088	48.7%
2014	185	0	0.0%	110	59.4%	1,808	103	5.7%	1,499	82.9%	581	1,027	176.9%	1,163	200.2%	2,389	1,130	47.3%	2,662	111.4%
2015	266	0	0.0%	178	67.0%	2,372	0	0.0%	1,826	77.0%	775	15	2.0%	372	48.0%	3,147	15	0.5%	2,198	69.8%

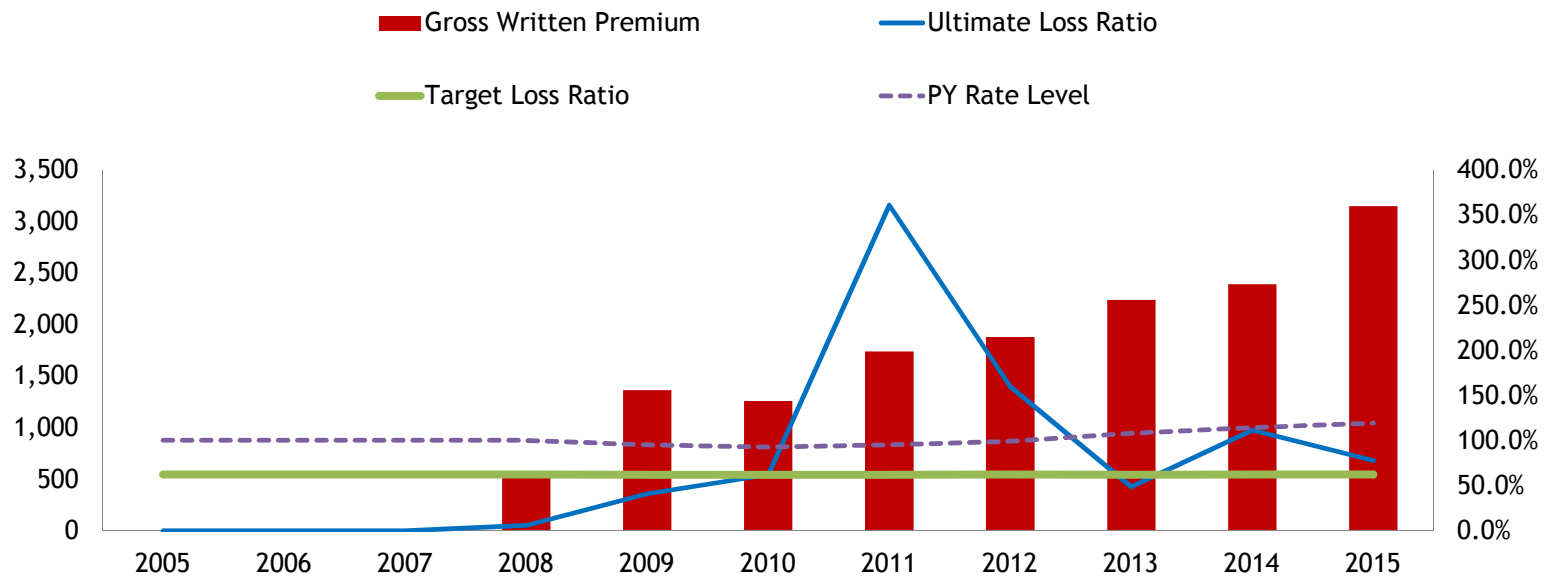
Program Summary by LOB - Prior Profitability Study Indications

PY	GL			AL			Property - ex Cat Load & Reinsurance Charges			APD		
	GWP	2014	2015	GWP	2014	2015	GWP	2014	2015	GWP	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
2005	0	-	-	0	-	-	0	-	-	0	-	-
2006	0	-	-	0	-	-	0	-	-	0	-	-
2007	0	-	-	0	-	-	0	-	-	0	-	-
2008	244	10.9%	10.9%	129	1.2%	1.2%	107	0.0%	0.0%	19	13.1%	13.1%
2009	645	64.7%	60.1%	283	54.7%	54.7%	336	2.0%	2.0%	39	26.2%	26.2%
2010	600	103.8%	90.2%	238	27.9%	23.7%	314	27.0%	42.2%	32	95.1%	95.1%
2011	856	344.6%	399.3%	257	47.3%	239.4%	454	45.9%	45.9%	41	140.0%	171.4%
2012	948	255.7%	277.3%	310	37.2%	34.0%	452	47.1%	47.1%	45	2.6%	2.6%
2013	1,098	90.8%	74.7%	357	30.4%	33.1%	565	3.8%	7.8%	53	44.9%	46.7%
2014	1,267	95.0%	93.0%	357	40.0%	59.3%	524	30.0%	209.8%	57	50.0%	111.7%
2015	1,716		86.0%	391		44.0%	715		47.0%	60		60.0%

PY	Excess Liability			Total Casualty			Total Property - ex Cat Load & Reinsurance			All Lines Combined		
	GWP	2014	2015	GWP	2014	2015	GWP	2014	2015	GWP	2014	2015
		Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	Ultimate ILAE Ratio		Ultimate ILAE Ratio	
2005	0	-	-	0	-	-	0	-	-	0	-	-
2006	0	-	-	0	-	-	0	-	-	0	-	-
2007	0	-	-	0	-	-	0	-	-	0	-	-
2008	22	0.0%	0.0%	395	7.1%	7.1%	126	1.9%	1.9%	521	5.9%	5.9%
2009	61	19.7%	0.0%	989	59.0%	54.8%	376	4.6%	4.6%	1,365	44.1%	41.0%
2010	74	27.2%	27.2%	912	77.8%	67.7%	347	33.3%	47.2%	1,259	65.5%	62.1%
2011	131	1369.2%	1491.0%	1,245	391.4%	481.5%	495	53.7%	56.4%	1,740	295.3%	360.6%
2012	122	46.7%	41.0%	1,380	188.1%	201.7%	497	43.1%	43.1%	1,877	149.7%	159.7%
2013	162	53.6%	49.3%	1,618	73.7%	63.0%	619	7.4%	11.2%	2,237	55.4%	48.7%
2014	185	64.0%	59.4%	1,808	81.0%	82.9%	581	32.0%	200.2%	2,389	69.1%	111.4%
2015	266		67.0%	2,372	0.0%	77.0%	775	0.0%	48.0%	3,147	0.0%	69.8%

Total Program Summary

PY	GWP	-----Loss Ratio-----			-----Combined Ratio-----		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	62.3%	41.5%	97.9%	0	0.0%	1.00	#DIV/0!
2006	0	0.0%	0.0%	62.3%	41.5%	97.9%	0	0.0%	1.00	#DIV/0!
2007	0	0.0%	0.0%	62.3%	41.5%	97.9%	0	0.0%	1.00	#DIV/0!
2008	521	6.2%	5.9%	62.3%	41.5%	97.9%	195	0.0%	1.00	22.0%
2009	1,365	35.5%	41.0%	62.0%	76.8%	97.8%	190	-4.7%	0.95	22.0%
2010	1,259	49.8%	62.1%	62.0%	97.9%	97.8%	-1	-2.8%	0.93	22.0%
2011	1,740	347.4%	360.6%	61.9%	396.4%	97.8%	-3,453	2.9%	0.95	22.0%
2012	1,877	131.4%	159.7%	62.1%	195.5%	97.8%	-1,218	4.0%	0.99	22.0%
2013	2,237	5.5%	48.7%	62.0%	84.5%	97.8%	198	8.8%	1.08	22.0%
2014	2,389	47.3%	111.4%	62.2%	147.1%	97.9%	-780	6.0%	1.14	22.0%
2015	3,147	0.5%	77.9%	62.2%	113.6%	97.9%	-328	4.5%	1.19	22.0%
Total	14,535	75.1%	115.9%				-5,196			

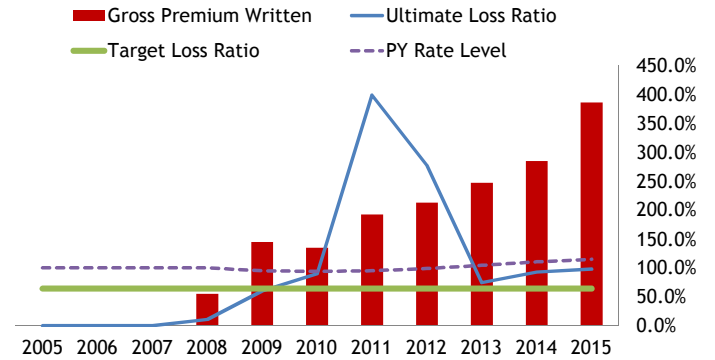


* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

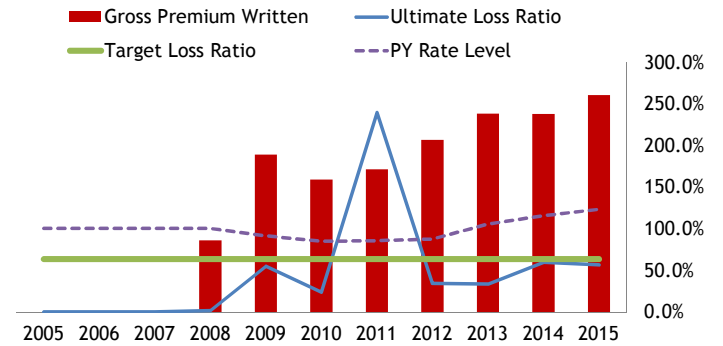
* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

Program Summary by LOB - Casualty Lines

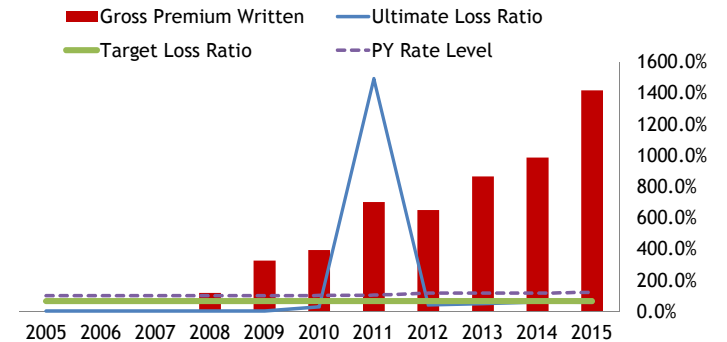
PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	63.8%	34.8%	98.6%	0	0.0%	1.00	22.0%
2006	0	0.0%	0.0%	63.8%	34.8%	98.6%	0	0.0%	1.00	22.0%
2007	0	0.0%	0.0%	63.8%	34.8%	98.6%	0	0.0%	1.00	22.0%
2008	244	11.3%	10.9%	63.8%	45.6%	98.6%	85	0.0%	1.00	22.0%
2009	645	49.8%	60.1%	63.8%	94.8%	98.6%	16	-5.2%	0.95	22.0%
2010	600	68.0%	90.2%	63.8%	125.0%	98.6%	-104	-1.0%	0.94	22.0%
2011	856	386.0%	399.3%	63.8%	434.0%	98.6%	-1,893	1.1%	0.95	22.0%
2012	948	232.3%	277.3%	63.8%	312.0%	98.6%	-1,333	4.0%	0.99	22.0%
2013	1,098	2.7%	74.7%	63.8%	109.5%	98.6%	-79	5.8%	1.04	22.0%
2014	1,267	2.2%	93.0%	63.8%	127.7%	98.6%	-243	6.1%	1.11	22.0%
2015	1,716	0.0%	97.9%	63.8%	132.7%	98.6%	-385	3.8%	1.15	22.0%
Total	7,375	85.7%	144.8%				-3,936			



PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	63.4%	34.6%	98.0%	0	0.0%	1.00	22.0%
2006	0	0.0%	0.0%	63.4%	34.6%	98.0%	0	0.0%	1.00	22.0%
2007	0	0.0%	0.0%	63.4%	34.6%	98.0%	0	0.0%	1.00	22.0%
2008	129	1.7%	1.2%	63.4%	35.9%	98.0%	53	0.0%	1.00	22.0%
2009	283	51.7%	54.7%	63.4%	89.3%	98.0%	16	-8.6%	0.91	22.0%
2010	238	23.7%	23.7%	63.4%	58.3%	98.0%	63	-7.3%	0.85	22.0%
2011	257	213.2%	239.4%	63.4%	274.0%	98.0%	-300	1.1%	0.86	22.0%
2012	310	17.4%	34.0%	63.4%	68.7%	98.0%	60	2.2%	0.88	22.0%
2013	357	6.5%	33.1%	63.4%	67.7%	98.0%	72	20.7%	1.06	22.0%
2014	357	21.1%	59.3%	63.4%	94.0%	98.0%	10	9.3%	1.16	22.0%
2015	391	0.0%	56.3%	63.4%	91.0%	98.0%	18	6.8%	1.23	22.0%
Total	2,322	39.0%	63.9%				-9			



PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	65.0%	33.8%	98.7%	0	0.0%	1.00	22.0%
2006	0	0.0%	0.0%	65.0%	33.8%	98.7%	0	0.0%	1.00	22.0%
2007	0	0.0%	0.0%	65.0%	33.8%	98.7%	0	0.0%	1.00	22.0%
2008	22	0.0%	0.0%	65.0%	33.8%	98.7%	9	0.0%	1.00	22.0%
2009	61	0.0%	0.0%	65.0%	33.8%	98.7%	26	0.0%	1.00	22.0%
2010	74	0.0%	27.2%	65.0%	61.0%	98.7%	18	1.7%	1.02	22.0%
2011	131	1456.7%	1491.0%	65.0%	1524.7%	98.7%	-1,234	2.7%	1.04	22.0%
2012	122	0.0%	41.0%	65.0%	74.7%	98.7%	19	10.6%	1.16	22.0%
2013	162	0.0%	49.3%	65.0%	83.0%	98.7%	17	0.0%	1.16	22.0%
2014	185	0.0%	59.4%	65.0%	93.2%	98.7%	7	1.2%	1.17	22.0%
2015	266	0.0%	56.5%	65.0%	90.2%	98.7%	15	3.6%	1.21	22.0%
Total	1,023	187.2%	231.6%				-1,122			

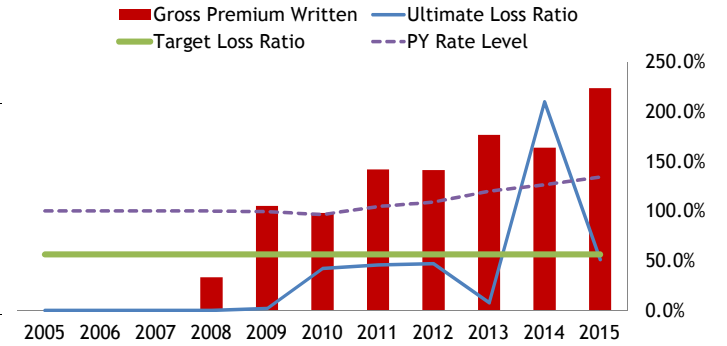


* Target Ratio = 1 - (Expense Ratio) - (AAL) - (XOL) - (Corporate Cat Reinsurance) - (ULE) - (Claim Fees) - (Risk Load)

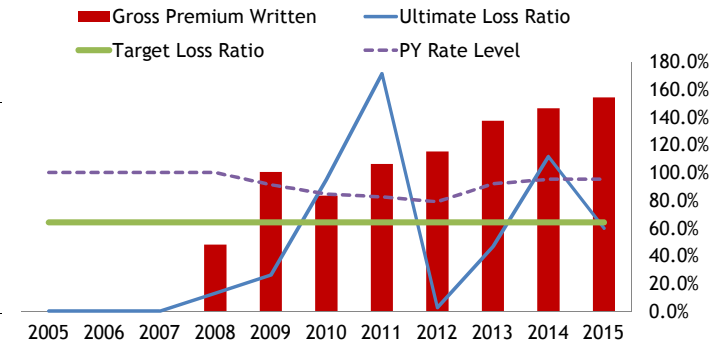
* Ultimate Loss Ratios exclude modeled cats, ULE, non-machine claims fees and the impact of XOL/corporate cat reinsurance

Program Summary by LOB - Property Lines

PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	56.4%	39.4%	95.9%	0	0.0%	1.00	22.0%
2006	0	0.0%	0.0%	56.4%	39.4%	95.9%	0	0.0%	1.00	22.0%
2007	0	0.0%	0.0%	56.4%	39.4%	95.9%	0	0.0%	1.00	22.0%
2008	107	0.0%	0.0%	56.4%	39.4%	95.9%	41	0.0%	1.00	22.0%
2009	336	2.1%	2.0%	56.4%	41.5%	95.9%	124	-0.4%	1.00	22.0%
2010	314	42.1%	42.2%	56.4%	81.7%	95.9%	30	-3.1%	0.96	22.0%
2011	454	45.4%	45.9%	56.4%	85.3%	95.9%	32	8.3%	1.04	22.0%
2012	452	46.3%	47.1%	56.4%	86.6%	95.9%	28	4.4%	1.09	22.0%
2013	565	7.9%	7.8%	56.4%	47.2%	95.9%	186	10.0%	1.20	22.0%
2014	524	185.1%	209.8%	56.4%	249.3%	95.9%	-545	5.5%	1.27	22.0%
2015	715	2.2%	51.2%	56.4%	90.6%	95.9%	25	5.9%	1.34	22.0%
Total	3,468	45.7%	59.7%				-77			



PY	GWP	Loss Ratio			Combined Ratio		Normalized RAP Dollars	Rt Chg	Rt Lvl	Commission
		Reported	Ultimate	Target *	Ultimate	BECR				
2005	0	0.0%	0.0%	64.1%	33.9%	98.0%	0	0.0%	1.00	22.0%
2006	0	0.0%	0.0%	64.1%	33.9%	98.0%	0	0.0%	1.00	22.0%
2007	0	0.0%	0.0%	64.1%	33.9%	98.0%	0	0.0%	1.00	22.0%
2008	19	12.6%	13.1%	64.1%	46.9%	98.0%	6	0.0%	1.00	22.0%
2009	39	25.3%	26.2%	64.1%	60.1%	98.0%	10	-8.6%	0.91	22.0%
2010	32	94.7%	95.1%	64.1%	128.9%	98.0%	-7	-7.3%	0.85	22.0%
2011	41	171.3%	171.4%	64.1%	205.2%	98.0%	-29	-2.5%	0.83	22.0%
2012	45	2.7%	2.6%	64.1%	36.4%	98.0%	18	-4.3%	0.79	22.0%
2013	53	46.2%	46.7%	64.1%	80.6%	98.0%	6	16.5%	0.92	22.0%
2014	57	101.4%	111.7%	64.1%	145.5%	98.0%	-18	3.5%	0.95	22.0%
2015	60	0.0%	60.0%	64.1%	93.8%	98.0%	2	-0.1%	0.95	22.0%
Total	347	56.9%	69.2%				-12			



* 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 Achieved	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.6%	64.8%	90.3%	36.8%	3.8%	87.0%	90.0%	36.4%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	2.3%
Other Acquisition Fees:	1.8%
Direct Expense:	4.4%
Indirect Expense:	3.3%
	<u>33.8%</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	0	0.0%	1.000	-	-	1.411	-	-	1.377	-	-	1.344	-
2006	0	0.0%	1.000	-	-	1.363	-	-	1.334	-	-	1.305	-
2007	0	0.0%	1.000	-	-	1.317	-	-	1.292	-	-	1.267	-
2008	244	0.0%	1.000	281	10.9%	1.272	12.0%	10.9%	1.251	11.8%	10.9%	1.230	11.6%
2009	645	-5.2%	0.948	782	60.1%	1.229	60.9%	47.7%	1.212	47.6%	19.7%	1.194	19.4%
2010	600	-1.0%	0.939	735	90.2%	1.188	87.5%	56.8%	1.173	54.4%	25.1%	1.159	23.8%
2011	856	1.1%	0.949	1,037	399.3%	1.148	378.3%	154.0%	1.136	144.5%	95.6%	1.126	88.8%
2012	948	4.0%	0.986	1,104	277.3%	1.109	263.8%	80.8%	1.101	76.4%	34.3%	1.093	32.1%
2013	1,098	5.8%	1.043	1,210	74.7%	1.071	72.7%	46.1%	1.066	44.6%	21.2%	1.061	20.4%
2014	1,267	6.1%	1.107	1,315	93.0%	1.035	92.7%	59.3%	1.033	59.0%	34.0%	1.030	33.8%
2015	1,716	3.8%	1.149	1,716	97.9%	1.000	97.9%	65.3%	1.000	65.3%	32.6%	1.000	32.6%
All Yr Wtd:							143.9%			68.2%			35.3%
Last 7 Wtd:							148.5%			70.3%			36.1%
Last 5 Wtd:							166.3%			74.8%			39.6%
Last 3 Wtd:							89.1%			57.4%			29.5%
Selected Ultimate:							97.0%			65.0%			34.0%
ILF:							1.00			1.48			2.02
Policy Limits Ultimate:							97.0%			96.2%			68.7%
					Weight:		15%			43%			43%

* Averages include PY 2015

Frequency/Severity Indication:	88.0%
Weighted Average:	84.6%
PY 2015 Selected:	86.0%
Adjustment:	0.0%
PY 2015:	86.0%
ULE:	1.0%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio:	87.0%

GL

Large Losses - Incurred + Legal > 100k

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	Legal	I+Legal	Acc State	Description
2009	1-0-39	9658777	8441	11/29/2009	Mirage Enterprises	35	-	272	306	Idaho	CV Struck IV That WAS Pulled OFF To TH
2010	1-0-39	6477246	9351	7/21/2010	Strong Industries	240	-	140	380	Texas	Clmt Died When HE Fell Into The Auger
2011	1-0-39	7560128	8860	4/14/2011	Loadmaster Corp	990	-	136	1,126	Virginia	Clmt Injured Hand And IS Alleging His
2011	1-0-39	7560275	5314	3/18/2011	Pulliam Enterprise	-	1,000	70	1,070	Indiana	Malfunction Which Caused Plaintiff To
2011	1-0-39	7560275	2511	3/18/2011	Pulliam Enterprise	(0)	0	932	932	Indiana	Breach Of Contract
2011	1-0-39	7560275	3578	3/17/2011	Pulliam Enterprise	25	-	99	124	Indiana	Hitch Assembly Improperly Installed WH
2012	1-0-39	6481351	8035	8/20/2012	Ledwell & SON Ente	1,000	-	195	1,195	Texas	Upset Of Truck From Water Tank
2012	1-0-39	2850234	4103	2/19/2013	B & G Truck Conver	868	-	132	1,000	Texas	Wrongful Death Lawsuit.

AL

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 Achieved	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.0%	64.4%	48.1%	-23.9%	6.8%	45.0%	46.8%	-25.8%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	2.8%
Other Acquisition Fees:	1.8%
Direct Expense:	3.8%
Indirect Expense:	3.3%
	<u>33.6%</u>

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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

AL

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	4.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	3.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	0	0.0%	1.000	-	-	1.480	-	-	1.411	-	-	1.344	-
2006	0	0.0%	1.000	-	-	1.423	-	-	1.363	-	-	1.305	-
2007	0	0.0%	1.000	-	-	1.369	-	-	1.317	-	-	1.267	-
2008	129	0.0%	1.000	159	1.2%	1.316	1.3%	1.2%	1.272	1.3%	1.2%	1.230	1.2%
2009	283	-8.6%	0.914	382	54.7%	1.265	51.3%	54.7%	1.229	49.8%	44.1%	1.194	39.0%
2010	238	-7.3%	0.847	347	23.7%	1.217	19.8%	23.7%	1.188	19.4%	23.7%	1.159	18.9%
2011	257	1.1%	0.857	370	239.4%	1.170	194.6%	115.0%	1.148	91.7%	52.8%	1.126	41.3%
2012	310	2.2%	0.876	437	34.0%	1.125	27.2%	27.6%	1.109	21.7%	24.4%	1.093	18.9%
2013	357	20.7%	1.057	417	33.1%	1.082	30.7%	24.7%	1.071	22.7%	19.1%	1.061	17.4%
2014	357	9.3%	1.155	381	59.3%	1.040	57.8%	30.9%	1.035	30.0%	30.9%	1.030	29.8%
2015	391	6.8%	1.234	391	56.3%	1.000	56.3%	28.2%	1.000	28.2%	28.2%	1.000	28.2%
All Yr Wtd:							58.1%			35.1%			25.9%
Last 7 Wtd:							61.4%			37.1%			27.4%
Last 5 Wtd:							70.5%			37.7%			26.6%
Last 3 Wtd:							47.8%			26.8%			24.9%
Selected Ultimate:							55.0%			30.0%			27.0%
ILF:							1.00			1.34			1.64
Policy Limits Ultimate:							55.0%			40.2%			44.2%
					Weight:		4%			48%			48%

* Averages Include PY 2015

Frequency/Severity Indication:	46.3%
Weighted Average:	42.7%
PY 2015 Selected:	44.0%
Adjustment:	0.0%
PY 2015:	44.0%
ULE:	1.0%
Claims Fees:	0.0%
PY 2015 Ultimate ILAE Ratio:	45.0%

AL

Large Losses - Incurred + Legal > 100k

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	Legal	I+Legal	Acc State	Description
2009	1-0-39	5847515	841	9/3/2010	H & H Chief Sales	123	-	4	127	Mississippi	Insd Driver Rear Ended Clmts Vehicle
2011	1-0-39	5847695	989	7/10/2012	BAR LO Enterprises	3	500	13	517	California	ID Pulled From A Stop Sign In Front Of

Property

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 Achieved	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	95.9%	61.8%	55.4%	-9.7%	5.9%	52.3%	52.3%	-14.4%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	3.3%
Other Acquisition Fees:	1.8%
Reinsurance:	0.0%
Direct Expense:	3.8%
Indirect Expense:	3.3%
	34.1%

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

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

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

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

(5) = Input

(6) = Exhibit 3

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

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

Property

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits			Capped @ 1M			Capped @ 250k			Capped @ 100k		
					Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY Rate Chg	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2006	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2007	0	0.0%	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-	-	1.000	-
2008	107	0.0%	1.000	144	0.0%	1.000	0.0%	0.0%	1.000	0.0%	0.0%	1.000	-	0.0%	1.000	-
2009	336	-0.4%	0.996	453	2.0%	1.000	1.5%	2.0%	1.000	1.5%	2.0%	1.000	1.5%	2.0%	1.000	1.5%
2010	314	-3.1%	0.965	437	42.2%	1.000	30.4%	42.2%	1.000	30.4%	42.2%	1.000	30.4%	42.2%	1.000	30.4%
2011	454	8.3%	1.045	582	45.9%	1.000	35.7%	45.9%	1.000	35.7%	45.9%	1.000	35.7%	43.7%	1.000	34.0%
2012	452	4.4%	1.091	556	47.1%	1.000	38.4%	47.1%	1.000	38.4%	47.1%	1.000	38.4%	31.7%	1.000	25.8%
2013	565	10.0%	1.200	631	7.8%	1.000	7.0%	7.8%	1.000	7.0%	7.8%	1.000	7.0%	7.8%	1.000	7.0%
2014	524	5.5%	1.266	555	209.8%	1.000	198.1%	209.8%	1.000	198.1%	81.8%	1.000	77.3%	47.4%	1.000	44.7%
2015	715	5.9%	1.341	715	51.2%	1.000	51.2%	49.7%	1.000	49.7%	36.1%	1.000	36.1%	27.0%	1.000	27.0%
All Yr Wtd:							50.8%			50.6%			31.7%			23.7%
Last 7 Wtd:							52.7%			52.4%			32.9%			24.6%
Last 5 Wtd:							63.5%			63.2%			37.9%			27.2%
Last 3 Wtd:							79.4%			78.8%			38.4%			25.5%
Selected Ultimate:							51.0%			50.0%			32.0%			26.0%
ILF:							1.00			1.02			1.46			1.92
Policy Limits Ultimate:							51.0%			51.0%			46.7%			49.9%
Weight:							7%			31%			31%			31%

* Averages include PY 2015

Frequency/Severity Indication:	46.2%
Weighted Average:	49.3%
PY 2015 Selected:	47.0%
Adjustment:	0.0%
PY 2015:	47.0%

All Year Avg Empirical Cat Load:	0.0%
Program Specific AAL Cat Load:	2.4%
Selected Cat Load:	2.4%
Corporate Cat Charge:	0.0%
XOL Loss Cost:	2.0%
Indicated XOL Cost:	0.0%
ULE:	1.0%
Claims Fees:	0.0%

PY 2015 Ultimate ILAE Ratio Including AAL Cat Load and Cost of Reinsurance: 52.3%

Property

Large Losses - Incurred + Legal > 100k

PY	DSP	Cat #	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	Legal	I+Legal	Acc State	Description
2011	1-0-39		6142961	2557	7/17/2012	Momentum Transport	107	-	6	113	Texas	Lightning Strike Caused Damage
2012	1-0-39		2849945	9915	4/13/2013	Crouch's Wrecker A	162	-	3	166	Tennessee	Theft Of 5 Carrier Bodies, 1 Completed
2014	1-0-39		9659419	1644	8/21/2014	Kruz Inc Kruz Prop	541	309	35	885	Indiana	Building Damage DUE To Fire.

APD

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 Achieved	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.0%	65.1%	60.9%	-6.0%	-0.1%	61.0%	61.0%	-5.9%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	2.6%
Other Acquisition Fees:	1.8%
Direct Expense:	4.0%
Indirect Expense:	2.5%
	<hr/>
	32.9%

(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

APD

Indexing - PY 2015 Ultimate Loss & LAE Selection

PY	GWP	Annual PY Rate Chg	Cumulative PY Rate Chg	On-Level GWP	Policy Limits	Ultimate ILAE Ratio	0.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	0	0.0%	1.000	-		-	1.000	-
2006	0	0.0%	1.000	-		-	1.000	-
2007	0	0.0%	1.000	-		-	1.000	-
2008	19	0.0%	1.000	18		13.1%	1.000	13.7%
2009	39	-8.6%	0.914	41		26.2%	1.000	25.2%
2010	32	-7.3%	0.847	36		95.1%	1.000	84.6%
2011	41	-2.5%	0.826	48		171.4%	1.000	148.7%
2012	45	-4.3%	0.790	54		2.6%	1.000	2.1%
2013	53	16.5%	0.921	55		46.7%	1.000	45.2%
2014	57	3.5%	0.953	57		111.7%	1.000	111.8%
2015	60	-0.1%	0.952	60		60.0%	1.000	60.0%
				All Yr Wtd:				65.1%
				Last 7 Wtd:				67.7%
				Last 5 Wtd:				71.8%
				Last 3 Wtd:				72.4%
				Frequency/Severity Indication:				59.5%

* Averages include PY 2015

PY 2015 Selected:

Adjustment:

PY 2015:

ULE: 1.0%

Claims Fees: 0.0%

PY 2015 Ultimate ILAE Ratio: 61.0%

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 Achieved	After 2015 Rate Change PY 2015 Ultimate ILAE Ratio	PY 2016 Ultimate ILAE Ratio	PY 2016 Rate Need
RAP Neutral:	98.7%	66.0%	62.5%	-4.9%	3.6%	60.4%	63.4%	-3.8%

Expense Ratio calculated as follows:

Commission:	22.0%
Prem Tax:	2.1%
Other Acquisition Fees:	1.8%
Direct Expense:	3.7%
Indirect Expense:	3.3%
	<u>32.8%</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	Capped @ \$10M			Capped @ 2M			Capped @ 1M		
					Ultimate ILAE Ratio	5.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	4.5% Trend to PY 2015	On-Level Ultimate ILAE Ratio	Ultimate ILAE Ratio	4.0% Trend to PY 2015	On-Level Ultimate ILAE Ratio
2005	0	0.0%	1.000	-	-	1.629	-	-	1.553	-	-	1.480	-
2006	0	0.0%	1.000	-	-	1.551	-	-	1.486	-	-	1.423	-
2007	0	0.0%	1.000	-	-	1.477	-	-	1.422	-	-	1.369	-
2008	22	0.0%	1.000	27	0.0%	1.407	0.0%	0.0%	1.361	-	0.0%	1.316	-
2009	61	0.0%	1.000	74	0.0%	1.340	0.0%	0.0%	1.302	-	0.0%	1.265	-
2010	74	1.7%	1.017	88	27.2%	1.276	29.1%	13.6%	1.246	14.2%	13.6%	1.217	13.9%
2011	131	2.7%	1.044	152	1491.0%	1.216	1562.8%	1475.7%	1.193	1517.6%	1468.1%	1.170	1481.0%
2012	122	10.6%	1.155	128	41.0%	1.158	45.3%	24.6%	1.141	26.8%	16.4%	1.125	17.6%
2013	162	0.0%	1.155	170	49.3%	1.103	51.8%	30.8%	1.092	32.1%	24.6%	1.082	25.4%
2014	185	1.2%	1.169	192	59.4%	1.050	60.2%	37.8%	1.045	38.1%	27.0%	1.040	27.1%
2015	266	3.6%	1.211	266	56.5%	1.000	56.5%	37.6%	1.000	37.6%	26.3%	1.000	26.3%
All Yr Wtd:							257.2%			236.1%			224.2%
Last 7 Wtd:							263.7%			242.0%			229.8%
Last 5 Wtd:							307.7%			283.6%			269.3%
Last 3 Wtd:							56.3%			36.3%			26.3%
Selected Ultimate:							56.0%			38.0%			27.0%
ILF:							1.00			1.67			2.53
Capped @ \$10M Ultimate:							56.0%			63.5%			68.2%
					Weight:		3%			49%			49%

* Averages include PY 2015

Frequency/Severity Indication:	67.5%
Weighted Average:	65.6%
PY 2015 Selected - Capped @ \$10M:	67.0%
Adjustment:	0.0%
PY 2015 - Capped @ \$10M:	67.0%
ILF:	1.000
Catastrophe/Latency Load:	5.0%
ULE:	1.0%
PY 2015 Ultimate ILAE Ratio:	73.0%
Credibility:	4%
Complement of Credibility:	59.8%
Credibility Weighted PY 2015 Ultimate ILAE Ratio:	60.4%

Compliment of Credibility

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

Excess Liability

Large Losses - Incurred + LAE

PY	DSP	Policy #	Case #	DOL	Insured	Ind Paid	Ind OS	LAE	ILAE	Acc State	Description
2011	1-0-40	2856300	179	4/14/2011	Load Master Corp	960	-	-	960	Virginia	Claimant Alleges HIS Hand WAS Injured
2011	1-0-40	2856325	1256	3/18/2011	Pulliam Enterprise	-	950	5	955	Indiana	Clmt Allegedly Caught In Machine AT In

