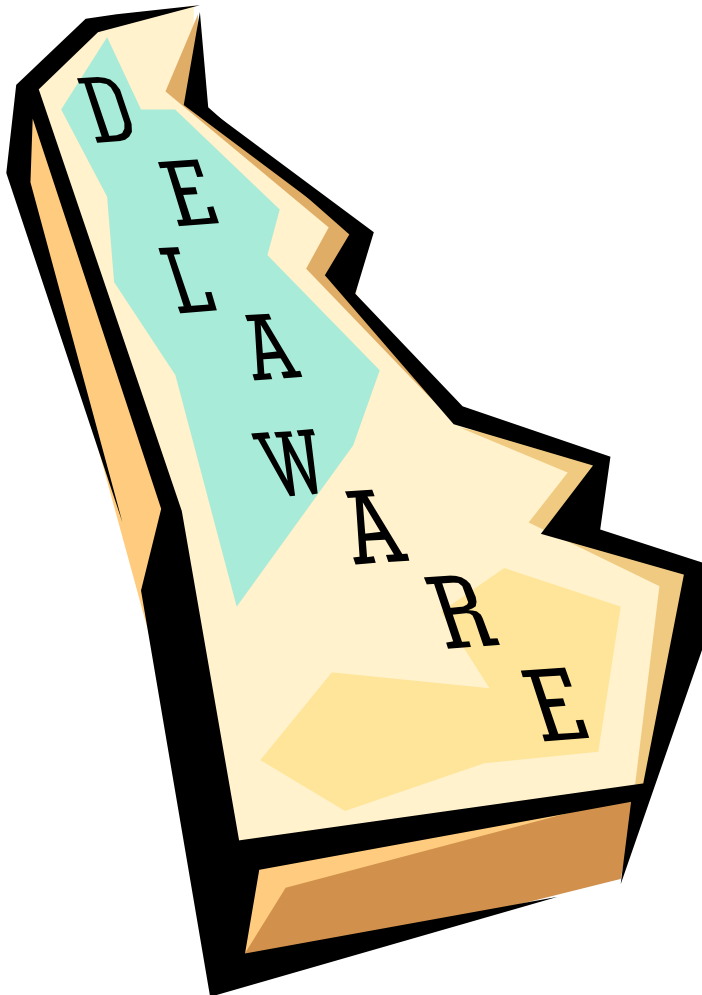


Delaware Compensation Rating Bureau, Inc.

Comparison of Workers' Compensation Rates Effective December 1, 2004

Six Selected Northeastern States



**Delaware
Virginia
Maryland
New Jersey
Pennsylvania
West Virginia**

January 5, 2005

Delaware Compensation Rating Bureau, Inc.

Comparison of Rates: Delaware to Other Northeast States
January 1, 2005

Discussion of workers compensation systems often includes claims or assertions regarding the relative premium costs for this line of insurance in various state jurisdictions. The Delaware Compensation Rating Bureau, Inc. ("DCRB") is mindful that true premium costs for workers compensation insurance in different states are the result of many variables not generally susceptible to simple or generalized analysis. Especially important variables of this type include differences in classification plans approved in different states and competitive pricing differentials applied by insurance carriers in each jurisdiction. As a means of informing various parties interested in, subject to and/or participating in the Delaware workers compensation system regarding comparative system costs, the DCRB has previously produced studies which compared approved rates in several selected northeastern states to those of Delaware. The most recent such study was dated January 8, 2004 and reflected rating values effective December 1, 2003 using an approach which recognized both of these notable variables.

The DCRB has updated its prior study to recognize the revised residual market rates and voluntary market loss costs that were adopted in Delaware effective December 1, 2004. The results of that update are presented and discussed in this report.

QUALIFICATIONS OF STUDY RESULTS

Workers compensation insurance prices are commonly established within the context of statutory and administrative systems which provide substantial flexibility and diversity to participants in the marketplace. In Delaware, one aspect of this flexibility is that significant numbers of insurers have historically elected not to adopt, or have adopted on a deferred basis, revised DCRB loss costs once approved by the Department of Insurance. Thus, the reader should be aware that some carriers, and potentially many carriers, may either not have completed their individual evaluation of those recently revised rating values and market conditions in order to adjust their own prices if and to the extent they may ultimately find appropriate, or may have elected not to adopt the most recent DCRB loss costs.

In order to prepare this report, the DCRB has used the prevailing loss cost multipliers for each Delaware insurer as of January 1, 2005 together with the approved voluntary market loss costs effective that same date. Further, the DCRB has verified that the carrier(s) thus establishing the "low" and "high" Delaware rates used in this study had adopted DCRB loss costs at least for their January 1, 2005 pricing. In some cases, however, carriers had not in fact adopted the approved DCRB December 1, 2004 loss costs as of the date of this report. Individual carriers currently so positioned may or may not adopt the most recently approved DCRB loss costs. Further, such carriers may revise their loss cost multipliers to some extent if and when they do elect to make such an adoption. As a consequence the DCRB views the indications of this specific analysis as subject to ongoing change as market conditions and competitive circumstances evolve.

OVERVIEW OF STUDY RESULTS

- As of January 1, 2005, Delaware rates for the classifications studied tended to be significantly higher than those of New Jersey, Pennsylvania and Virginia. Delaware rates were also higher than those of Maryland except in the contracting classes where Delaware's highest approved rates tended to be somewhat lower than Maryland's highest approved rates. Compared to West Virginia, Delaware rates tended to be higher for manufacturing classes, lower for contracting classes and had lower minimum rates and higher maximum rates for Industry Group III - Other.
- This study was limited by design to a comparison of approved carrier rates in the selected jurisdictions. Such rates exclude potential effects of a broad variety of special rating programs which may be available in some jurisdictions. Thus, this study is directed at the benchmark tabular rates used by insurers as a starting point in determining final premiums but has not analyzed the complex series of possible additional steps which may actually apply in determining each insured's policy premium. As examples of such additional factors, Delaware employers may qualify for some or all of the following special pricing programs:
 - Workplace Safety Program credits premised upon physical inspection of workplace conditions and safety measures in effect in the employer's business.
 - Construction Classification Premium Adjustment Program credits which recognize effects of significant differences in wage levels between employers on workers compensation insurance premiums.
 - Schedule Rating credits or debits applied based on an individual insurer's assessment of features of an employer's business which may differ from the usual circumstances expected in a given business enterprise.
 - Retrospective rating plans which effectively rely on the insured's own loss experience in determining final insurance prices.
 - Deductible coverage which allows employers to reduce their workers compensation insurance premiums in return for accepting responsibility for initial payments on claims which may occur for their employees.
- Each jurisdiction studied showed substantial ranges of approved rates within many given Delaware classifications. These ranges of approved rates are attributable in part to differences in carrier pricing initiatives and values such as deviations or loss cost multipliers, and/or to differences in the structure of approved classifications which cause parts of multiple different classifications in some states to be equivalent to parts of a single common classification in Delaware. Competitive differences in carrier pricing programs are applicable in deriving comparisons of Delaware rates to those of Maryland, Pennsylvania and Virginia and in fact produce very significant ranges of carrier rates even within Delaware itself for any given classification. Differences in classification plans apply in the comparisons with all states except Pennsylvania which uses a classification system identical to that of Delaware for the classifications included in this study.

- While rate comparisons often include statements to the effect that “state X rates are “blank” percent higher (or lower) than those of state Y”, this study did not produce single factors for comparison of rates between states. Actually deriving such point estimates would require a significant amount of detail not generally available for analysis. To accurately establish rate differences in this fashion would require separate exposure data, within a state, consistent with the approved classification plan(s) of any other state(s) being included for comparison, and separately reported for each carrier using different rate levels (i.e., rate deviations or loss cost multipliers). Without such information, the proper weights cannot be determined for purposes of computing average rates in each state, and without benefit of these appropriate weights, averages or other similar statistics taken from different states must be viewed with caution.

STRUCTURE OF THE STUDY

For purposes of this study approved rates and related values were determined as nearly as possible for the effective date of January 1, 2005. This effective date falls approximately 30 days after the effective date of the most recent approved revision in Delaware loss costs and assigned risk rates. In general, the comparable loss costs, rates and/or other rating values pertinent in the other states included in this study initially became effective some time prior to January 1, 2005 but remained in effect as of the date of this comparison. Readers of this report should be aware that subsequent revisions in loss costs, rates or rating values will periodically occur in the various states included in this study subsequent to January 1, 2005.

Because the DCRB wanted to be able to comprehensively and correctly identify and account for differences in classification plans in this study, our analysis was limited to certain selected Delaware classifications. In determining which classifications to include in its January 1, 2005 report, the DCRB selected ten (10) classifications from each of the three traditional “Industry Groups” commonly used in workers compensation pricing analysis: Manufacturing, Contracting and Other Industries. The classifications so selected were the largest Delaware classifications in each Industry Group as measured by “expected losses”, a statistic derived by multiplying recent exposures (generally payrolls) times the currently-approved DCRB loss cost values by classification. Based on the most recent available data, the thirty (30) classifications included in this analysis account for almost 49 percent of total Delaware expected losses and over 56 percent of total Delaware payrolls.

In order to compare Delaware rates to any other jurisdiction(s), a cross-reference between the classification plans used in Delaware and the comparison state(s) was needed. Development of such a cross-reference involved a thorough review of classification manuals provided by each other jurisdiction included in this comparison, and required a significant effort by an expert member of the DCRB staff. Cross-references were developed for the following states: Maryland, New Jersey, Pennsylvania, Virginia and West Virginia, states located in close geographic proximity to Delaware. As was the case in preparing previous studies, a draft of this study has been provided to each contributing jurisdiction for review and comment as a means of verifying the accuracy of information included herein.

Exhibit 1 attached presents the ranges of approved rates by state in any classification(s) part or all of which correspond to the indicated Delaware classifications studied. Where a state has

more than one classification applicable to part(s) of a given Delaware classification, all such classifications are listed in numerical order on successive lines of the exhibit within the Delaware code of interest.

While some comparisons can be made on a "one-for-one" basis, it can be readily seen that review of many classifications requires recognition of multiple classifications in other jurisdictions. In an extreme case (Delaware classification code 454 as compared to Maryland) another state has eleven (11) classifications with some component(s) in common with a single Delaware classification.

In reviewing Exhibit 1, care must be taken to recognize the purpose and inherent limitations on the information as presented. Classifications shown for each state have been grouped within the pertinent Delaware classifications. The classifications shown for states other than Delaware have NOT necessarily been aligned to allow line-by-line comparisons of classifications and rates between those other states independent of Delaware. For example, while code 4493 is applicable to part of the Delaware code 227 in Maryland and code 2688 is applicable to part of Delaware code 227 in West Virginia, code 4493 in Maryland is not identical to code 2688 in West Virginia.

Exhibit 2 attached provides general definitions of each code number presented on Exhibit 1 by state, for purposes of clarification and understanding of the various elements of this study. In addition to the specific separations of various types of businesses between classifications noted on Exhibit 2, the reader should be aware that the West Virginia classification system generally requires the inclusion of such activities as clerical office and sales employees in each field of business classification. Other states generally provide for "standard exceptions" which allow reporting of these activities in separate and generally lower-rated classifications provided certain conditions are met.

Delaware, Maryland, Pennsylvania and Virginia all have workers compensation pricing laws which require insurance carriers to establish independent loss cost multipliers or other similar parameters in order to derive their own approved rate schedules. Thus, for each of these states a "low" and a "high" rate was derived in each classification. These rates reflect the extreme range of approved carrier rating values in each state as provided to the DCRB. While the DCRB cannot determine the extent to which carriers with these extreme values have written business in each of the classifications studied, the ranges shown do reflect the potential variation of prices in each jurisdiction owing to competitive factors. The bases for the ranges as shown are set forth briefly below:

Delaware: Loss Cost Multipliers Approved Range from 0.8960 to 2.2320.

Maryland: Loss Cost Multipliers Approved Range from 0.7500 to 2.6080.

Pennsylvania: Loss Cost Multipliers Approved Range from 0.7240 to 2.5430.

Virginia: Loss Cost Multipliers Approved Range from 1.000 to 2.1560.

New Jersey does not allow carriers to deviate from the approved New Jersey Bureau rates. Workers compensation insurance in West Virginia is provided by an exclusive state fund. Thus, there is no variation in price from carrier to carrier in those two states. Thus, in these two states the only variations in approved rates within a given Delaware classification are due to differences in classification definitions.

Exhibit 3 attached summarizes results from Exhibit 1 and shows the extreme range of prices approved in each state for types of businesses subject to each Delaware classification included in this study. For the states of Delaware and Pennsylvania (having the same classification plan for the types of businesses addressed in this comparison) these ranges are the result of differences in competitive carrier pricing programs. For the remaining states as compared to Delaware, these extremes include the effects of both competitive pricing and classification differences where applicable. For each grouping of classifications (Manufacturing, Contracting and Other Industries) and for all studied classifications combined, averages of the low and high rates have been computed using Delaware payrolls as weights.

The DCRB would emphasize that while the weighting system used on Exhibit 3 provides a means of combining the various endpoints observed for approved rates falling within specified Delaware classifications in other jurisdictions, the "average" values shown would NOT represent averages for those other states themselves. This difference is attributable to the matter previously discussed regarding proper exposure weights and the fact that the DCRB does not generally have other states' exposure data separately for the parts of classifications pertinent to this study.

INTERPRETATION OF STUDY RESULTS

To the extent that prevailing differences in rates are discovered in a study such as this one, questions often arise as to why such differences persist. The DCRB would suggest that state-to-state differences arise between workers compensation insurance rates primarily because each jurisdiction separately establishes benefits and administrative procedures pertinent to this line of business, and each state's workers compensation system must interact with different industrial, economic and social climates. In short, workers compensation insurance costs more where losses and insurer expenses are higher, and less where losses and insurer expenses are lower. It is not generally the case that differences in insurance cost are attributable to differences in insurance carrier requirements for operating margins or profits. Further, each carrier is likely to have consistent objectives in managing and paying claims in various jurisdictions, subject to the specific constraints and requirements of each administrative system. In fact, many of the same insurance carriers actively write workers compensation business in more than one of the states subject to this study.

While it is beyond the scope of this study to definitively establish and/or quantify reasons for the observed differences in workers compensation rates between the jurisdictions addressed herein, the DCRB can offer some general observations in order to illustrate the kinds of differences which may arise between different state workers compensation systems. Following are some specific features of the jurisdictions studied which differ from those of Delaware:

- Maryland:
- (a) Maryland maximum indemnity benefit set at 100% of SAWW, producing a maximum of \$722.00 for 2003.
Delaware maximum indemnity benefit set at 2/3 of SAWW (\$506.81)
 - (b) Permanent total disability or most death benefits limited to \$60,000 per claim.
No limit applies in Delaware.
 - (c) Relative value fee schedule applies to medical payments
No medical fee schedule applies to workers compensation in Delaware.
 - (d) AMA Guide to the Evaluation of Permanent Impairment used in the evaluation of permanent disability.
Delaware does not specify use of the AMA Guide for the evaluation of permanent disability.
 - (e) Maryland allows offsets for social security old age benefits.
Delaware has no offset provisions for workers compensation benefits.
 - (f) Scheduled permanent partial awards generally set at levels higher than comparable provisions in Delaware.
 - (g) Compensation for a permanent total disability is subject to an annual cost of living adjustment.
Delaware provides no cost of living adjustments.
- New Jersey:
- (a) Temporary total disability benefits limited to a maximum duration of 400 weeks.
In Delaware, temporary total disability benefits are payable for the duration of disability without limitation.
 - (b) Employer/insurer directs choice of treating physician for life of claim.
In Delaware employee has free choice of physician.
 - (c) Maryland allows offsets for social security old age benefits.
Delaware has no offset provisions for workers compensation benefits.
 - (d) Scheduled permanent partial awards generally set at levels higher than comparable provisions in Delaware.
- Pennsylvania:
- (a) Medical fee schedule based on medicare reimbursements applies to workers compensation payments.
No medical fee schedule applies to workers compensation in Delaware.
 - (b) AMA Guide to the Evaluation of Permanent Impairment used in the evaluation of permanent disability.
Delaware does not specify use of the AMA Guide for the evaluation of permanent disability.

- (c) Offsets for certain workers compensation benefits are allowed for unemployment benefits, social security old age benefits and employer-funded pension benefits.

Delaware applies no offset provisions to workers compensation benefits.

- (d) Employee selects from an employer/insurer list of providers during first ninety days.

In Delaware employee has free choice of physician.

- (e) Pennsylvania maximum indemnity benefit set at 100% of SAWW, producing a maximum of \$675.00 for 2003.

Delaware maximum indemnity benefit set at 2/3 of SAWW (\$506.81)

- (f) Pennsylvania medical providers may not bill workers for any amounts not covered by the insurer or employer.

In Delaware medical providers may "balance bill" workers for amounts not paid by insurers.

- (g) Scheduled permanent partial awards generally set at levels higher than comparable provisions in Delaware.

Virginia:

- (a) Temporary total disability benefits limited to a maximum duration of 500 weeks.

In Delaware, temporary total disability benefits are payable for the duration of disability without limitation.

- (b) Virginia limits initial choice of medical providers and limits subsequent changes of medical providers for workers compensation cases.

In Delaware employee has free choice of physician.

- (c) Scheduled permanent partial awards generally set at levels higher than comparable provisions in Delaware.

West Virginia: (a) Medical fee schedule based on medicare reimbursements applies to workers compensation payments.

No medical fee schedule applies to workers compensation in Delaware.

- (b) Maximum benefit for temporary total disability benefits set at 100% of statewide average weekly wage.

Delaware maximum benefit for temporary total disability benefits set at 2/3 of statewide average weekly wage.

- (c) Death benefits limited by law to 360 times statewide average weekly wage.

No limit applies in Delaware.

- (d) Temporary total disability benefits limited to a maximum duration of 208 weeks.
No limit applies in Delaware.
- (e) West Virginia allows offsets for social security old age benefits.
Delaware has no offset provisions for workers compensation benefits.
- (f) Scheduled permanent partial awards generally set at levels higher than comparable provisions in Delaware.

The above observations were based on the "Survey of Workers Compensation Laws – 2003-2004 Edition" published by the Alliance of American Insurers. Some of the points noted for each state represented some differences which in isolation might produce lower insurance costs, and therefore lower insurance rates, in each jurisdiction than in Delaware. It must be recognized that many system differences (indeed a great majority of such differences which exist) are omitted entirely from these brief illustrative references, and that some such differences may include system features in other states which in isolation would be expected to produce higher insurance costs and thus higher insurance rates in those other jurisdictions as compared to Delaware. Finally, significant system differences are often manifest in controlling judicial decisions and administrative procedures which cannot be addressed in detail in publications such as the Alliance's Survey.

Delaware Compensation Rating Bureau, Inc.
 Rating Value Comparison - 30 Selected Delaware Classifications

Exhibit 1

DE Class Code	DE Description	12/04 Loss Cost	Range of Approved DE Rates as of 12/1/04		MD Class Code	1/05 Loss Cost	Range of Approved MD Rates as of 1/1/05		NJ Class Code	Approved NJ Rates 1/1/05	PA Class Code	4/04 Loss Cost	Range of Approved PA Rates as of 4/1/04		VA Class Code	4/04 Loss Cost	Range of Approved VA Rates as of 4/1/04		WV Class Code	Approved WV Rates 7/1/03
			Low	High			Low	High					Low	High			Low	High		
461	Machine Shops	6.09	5.46	13.59	3507	2.33	1.75	6.08	3507	7.84	461	4.02	2.91	10.22	3507	2.27	2.27	4.89	3507	4.93
					3515	1.94	1.46	5.06	3548	3.83					3515	1.75	1.75	3.77	3628	4.93
					3548	1.95	1.46	5.09	3612	10.68					3516	0.87	0.87	1.88	3632	4.93
					3559	1.81	1.36	4.72	3632	4.04					3548	1.30	1.30	2.80	3827	5.34
					3612	1.55	1.16	4.04	3635	3.81					3559	1.30	1.30	2.80		
					3632	2.36	1.77	6.15	3826	4.25					3612	1.67	1.67	3.60		
					3635	2.34	1.76	6.10							3632	2.18	2.18	4.70		
					3826	1.71	1.28	4.46							3635	1.40	1.40	3.02		
					3827	0.88	0.66	2.30							3826	0.43	0.43	0.93		
551	Acid or Alkali Mfg.	2.88	2.58	6.43	1472	3.34	2.51	8.71	4627	4.50	551	3.38	2.45	8.60	1472	3.52	3.52	7.59	4524	2.80
					4568	1.71	1.28	4.46	4683	4.10					4568	1.26	1.26	2.72	4828	2.80
					4670	5.41	4.06	14.11	4827	4.73					4670	5.22	5.22	11.25		
					4683	2.15	1.61	5.61	4829	2.90					4683	3.80	3.80	8.19		
					4686	1.84	1.38	4.80							4686	1.37	1.37	2.95		
					4828	1.01	0.76	2.63							4828	0.64	0.64	1.38		
					4829	0.98	0.74	2.56							4829	0.98	0.98	2.11		
581	Oil Refining	4.46	4.00	9.95	2305	2.59	1.94	6.75	2420	9.44	581	2.58	1.87	6.56	2305	1.18	1.18	2.54	2305	4.64
					4459	2.40	1.80	6.26	4459	4.79					4459	1.73	1.73	3.73	4740	2.80
					4557	1.53	1.15	3.99	4712	3.17					4557	1.66	1.66	3.58		
					4740	2.35	1.76	6.13	4740	1.33					4740	1.16	1.16	2.50		
					4741	1.31	0.98	3.42	4741	3.51					4741	1.65	1.65	3.56		
					4751	1.16	0.87	3.03	4829	2.90					4751	1.31	1.31	2.82		

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Group II: Ten (10) Construction Classifications																				
601	Road Construction	15.59	13.97	34.80	5506	6.84	5.13	17.84	5500	10.06	601	8.92	6.46	22.68	5506	4.14	4.14	8.93	5506	10.89
					9019	2.05	1.54	5.35	7720	4.27					9019	1.79	1.79	3.86		
608	Flat Cement Work	8.27	7.41	18.46	5215	5.04	3.78	13.14	5200	8.25	608	6.76	4.89	17.19	5215	3.91	3.91	8.43	5215	27.37
					5221	4.60	3.45	12.00	5215	15.45					5221	2.86	2.86	6.17		
					6204	8.11	6.08	21.15	6204	11.55					6204	9.24	9.24	19.92		
609	Excavation	8.23	7.37	18.37	5703	19.75	14.81	51.51	1605	8.33	609	5.90	4.27	15.00	1605	8.18	8.18	17.64	4765	8.90
					6018	2.94	2.21	7.67	5703	10.13					5703	15.59	15.59	33.61	5703	48.62
					6045	4.74	3.56	12.36	6005	13.78					6018	1.94	1.94	4.18	6044	8.90
					6217	4.11	3.08	10.72	6039	6.64					6045	2.93	2.93	6.32	6217	8.90
					6229	4.32	3.24	11.27	6217	8.33					6217	3.52	3.52	7.59	6233	9.24
					6233	7.18	5.39	18.73	6229	A					6229	2.93	2.93	6.32		
									6233	7.28					6233	7.65	7.65	16.49		
651	Carpentry	10.56	9.46	23.57	5102	8.11	6.08	21.15	5103	10.72	651	8.95	6.48	22.76	5102	6.13	6.13	13.22	5403	12.30
					5402	6.75	5.06	17.60	5402	7.73					5402	3.27	6.63	7.05	5462	6.99
					5403	6.79	5.09	17.71	5403	12.63					5403	5.25	6.03	11.32	5601	8.80
									5701	26.39									5703	48.62
652	Carpentry - Detached Dwellings	13.10	11.74	29.24	5102	8.11	6.08	21.15	5103	10.72	652	9.68	7.01	24.62	5102	6.13	6.13	13.22	5462	6.99
					5645	7.55	5.66	19.69	5645	12.63					5645	7.87	7.87	16.97	5538	6.99
					5651	7.92	5.94	20.66	5651	12.63					5651	6.45	6.45	13.91	5601	8.80
653	Masonry	10.46	9.37	23.35	5022	7.42	5.57	19.35	5022	12.87	653	8.52	6.17	21.67	5022	4.41	4.41	9.51	5022	11.94
									5458	23.24									5703	48.62
									5459	23.24									9170	8.71
									5701	26.39										
661	Electrical Wiring - Within Buildings	5.74	5.14	12.81	5190	4.84	3.63	12.62	5190	4.50	661	4.71	3.41	11.98	5190	2.39	2.39	5.15	5190	5.86
663	Plumbing	6.86	6.15	15.31	5183	4.97	3.73	12.96	5183	6.14	663	5.25	3.80	13.35	5183	2.97	2.97	6.40	5183	5.48
					5188	5.55	4.16	14.47	5184	5.30					5188	3.10	3.10	6.68		
664	Heating or Ventilating	5.67	5.08	12.66	3724	4.83	3.62	12.60	3724	6.79	664	4.46	3.23	11.34	3724	3.91	3.91	8.43	3724	5.86
					5183	4.97	3.73	12.96	5183	6.14					5183	2.97	2.97	6.40	5183	5.48
					5190	4.84	3.63	12.62	5190	4.50					5190	2.39	2.39	5.15		
									5538	6.17					5538	3.87	3.87	8.34		
675	Machinery or Equipment Erection or Repair	6.39	5.73	14.26	3724	4.83	3.62	12.60	3724	6.79	675	5.71	4.13	14.52	3724	3.91	3.91	8.43	3724	5.86
					5160	4.36	3.27	11.37	5160	4.07					5160	2.01	2.01	4.33	5462	6.99
					9534	8.31	6.23	21.67							9534	2.94	2.94	6.34	9529	10.89

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Group III: Ten (10) "Other" Classifications																				
811	Trucking	11.01	9.86	24.57	7222	3.62	2.72	9.44	7196	10.83	811	8.70	6.30	22.12	7222	5.82	5.82	12.55	5695	10.89
					7228	5.74	4.31	14.97	7219	11.21					7228	5.47	5.47	11.79	7219	11.35
					7229	5.73	4.30	14.94	7230	A					7229	5.08	5.08	10.95		
					7230	5.04	3.78	13.14	7250	13.44					7230	3.48	3.48	7.50		
					9534	8.31	6.23	21.67	9530	5.55					9534	2.94	2.94	6.34		
865	Poultry, Fish Dealers/Processors	3.73	3.34	8.33	2095	3.20	2.40	8.35	2089	5.74	865	5.07	3.67	12.89	2095	2.89	2.89	6.23	0006	5.17
					2114	2.48	1.86	6.47	2095	5.74					2114	3.01	3.01	6.49	0034	5.17
					8021	2.27	1.70	5.92	2114	5.89					8021	1.32	1.32	2.85		
									8021	6.24										
917	Grocery Store, Retail	5.07	4.54	11.32	8006	1.70	1.28	4.43	8006	3.15	917	2.94	2.13	7.48	8006	1.38	1.38	2.98	8292	2.95
					8033	2.30	1.73	6.00	8033	4.84					8033	1.72	1.72	3.71		
									8753	3.15										
928	Retail Store, NOC	3.20	2.87	7.14	4360	1.17	0.88	3.05	4360	1.70	928	2.27	1.64	5.77	4360	0.60	0.60	1.29	4361	1.87
					4361	0.74	0.56	1.93	4361	1.70					4361	0.89	0.89	1.92	8017	2.50
					4362	0.61	0.46	1.59	4362	1.70					4362	0.59	0.59	1.27	8018	2.88
					8017	1.21	0.91	3.16	8017	2.52					8017	0.88	0.88	1.90	8831	1.87
					8072	0.49	0.37	1.28	8831	2.02					8050	0.63	0.63	1.36		
					8831	1.11	0.83	2.89							8072	0.56	0.56	1.21		
						8831	0.84	0.84	1.81											
951	Outside Salesmen	1.09	0.98	2.43	8720	0.97	0.73	2.53	8720	2.35	951	0.70	0.51	1.78	8720	0.83	0.83	1.79	8603	1.34
					8721	0.30	0.23	0.78	8742	0.55					8721	0.23	0.23	0.50	8742	0.88
					8742	0.29	0.22	0.76	8803	0.27					8742	0.25	0.25	0.54	8803	0.44
					8803	0.08	0.06	0.21							8803	0.04	0.04	0.09	9019	0.68
					9012	0.73	0.55	1.90							9012	0.38	0.38	0.82	9520	1.17
953	Clerical Office	0.55	0.49	1.23	8810	0.17	0.13	0.44	8810	0.27	953	0.33	0.24	0.84	8810	0.10	0.10	0.22	8810	0.68
					8871	0.20	0.15	0.52							8871	0.11	0.11	0.24		
960	Nursing Home	6.36	5.70	14.20	8829	1.75	1.31	4.56	8829	4.52	960	4.83	3.50	12.28	8829	1.72	1.72	3.71	8829	7.68
961	Hospitals	1.86	1.67	4.15	8033	2.30	1.73	6.00	9045	1.33	961	1.35	0.98	3.43	8033	1.72	1.72	3.71	9040	1.84
					9040	2.42	1.82	6.31							9040	1.65	1.65	3.56		
971	Building Operation	5.80	5.20	12.95	0917	2.84	2.13	7.41	0917	6.35	971	5.59	4.05	14.22	0917	2.40	2.40	5.17	9014	4.46
					9014	2.00	1.50	5.22	9014	4.81					9014	1.66	1.66	3.58	9031	4.46
					9015	1.95	1.46	5.09	9015	5.09					9015	1.64	1.64	3.54	9170	8.71
														9023	0.82	0.82	1.77			
975	Restaurants	4.03	3.61	8.99	9082	1.38	1.04	3.60	9078	9.12	975	2.41	1.74	6.13	9082	1.08	1.08	2.33	9079	3.08
									9079	3.32										

DELAWARE COMPENSATION RATING BUREAU., INC.

Classification Descriptions for States Other than Delaware Used in Rate Comparison

The following listing presents brief descriptions of classification definitions from states other than Delaware used in the DCRB's rate comparison study. For detailed definitions, refer to each state's classification manual and related rules.

SECTION 1: MANUFACTURING CLASSIFICATION CODES

MARYLAND

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
104	4717	Butter Substitute Mfg.
	4825	Flavorings, Licorice or Medicinal Extract Mfg. Rated as Drug, Medicine or Pharmaceutical Mfg.
	6504	Food Sundries Mfg., N.O.C.
	8102	Peanut Handling Rated as Seed Merchant
222	4431	Phonograph Mfg.
	4452	Plastic Extruded Products Mfg., Rated as Plastics Mfg. - of Sheets, Rods, Tubes, etc.
	4459	Plastics Mfg., Sheets, Rods or Tubes
	4470	Cable Mfg., Insulated Electrical
227	4484	Plastics Mfg., Molded Products, N.O.C.
	4493	Oilcloth or Linoleum Mfg. - Rated as Fabric Coating or Impregnating, N.O.C.
305	2714	Veneer Mfg.
	2731	Planing Or Molding Mill
	2735	Furniture Stock Mfg. (for Barrel Stock Mfg.)
	2759	Pallet, Box Or Box Shook Mfg. - Wooden
	2802	Carpentry - Shop Only
	2915	Veneer Products Mfg. - Including Veneer Mfg.

Section 1
MARYLAND (continued)

<u>Delaware Classification Code</u>	<u>Maryland Classification Code</u>	<u>Maryland Description of Business</u>
406	3018	Iron or Steel: Rolling Mill & Drivers
	3241	Wire Drawing - Iron or Steel
413	3040	Iron or Steel Fabrication - Iron Works - Shop - Ornamental & Drivers
	3042	Elevator or Escalator Mfg.
454	3064	Sign Mfg. - Metal Or Neon - Shop Only
	3066	Sheet Metal Work - Shop
	3075	Coppersmith
	3076	Fireproof Equipment Mfg.
	3169	Stove Mfg.
	3220	Can Mfg.
	3224	Enamel Ware Mfg.
	3227	Aluminum Ware Mfg.
	3400	Metal Stamped Goods, Mfg., N.O.C.
	3803	Automobile Wheel Mfg. - Metal - Not Cast
461	3807	Automobile Radiator Mfg.
	3507	Construction or Agricultural Machinery Mfg.
	3515	Textile Machinery Mfg.
	3548	Printing or Bookbinding Machinery Mfg.
	3559	Confection Machine Mfg.
	3612	Pump Mfg.
	3632	Machine Shop, N.O.C.
	3635	Gear Mfg. or Grinding
	3826	Aircraft Engine Mfg.
	3827	Automobile Engine Mfg.
551	1472	Distillation, Wood
	4568	Salt, Borax or Potash Producing
	4670	Cottonseed Oil Mfg.
	4683	Oil Mfg. - , N.O.C. - Vegetable
	4686	Oil Mfg. - Vegetable - Solvent Extraction Process
	4828	Chemical Blending or Mixing, N.O.C.
	4829	Chemical Mfg., N.O.C.

Section 1
MARYLAND (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
581	2305	Textile Mfg. - Synthetic
	4459	Plastic Materials Mfg. - Rated as Plastics Mfg., Sheets, Rods or Tubes
	4557	Lubricants Mfg. - Grease/Oil Mixing Rated as Ink Mfg.
	4740	Oil Refining, Petroleum
	4741	Asphalt or Tar Distilling or Refining
	4751	Synthetic Rubber Mfg.

NEW JERSEY

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
104	2150	Ice Mfg.
	4627	Licorice Extract Mfg. - Rated as Extract Mfg.
	4628	Medicinal or Flavoring Extract Mfg. Rated as Extract Mfg., Perfumes
	4717	Butter Substitute Mfg.
	6504	Food Sundries Mfg., N.O.C.
	8102	Peanut Handling Rated as Seed Merchant
222	4431	Phonograph Mfg.
	4452	Plastic Extruded Products Mfg. - Rated as Plastics Mfg. of Sheets, Rods, Tubes, etc.
227	4459	Plastics Mfg., Sheets, Rods or Tubes
	4470	Cable Mfg., Insulated Electrical
	4484	Plastics Mfg., Molded Products , N.O.C.
	4491	Linoleum Mfg. - Burlap or Felt
	4493	Fabric Coating or Impregnating , N.O.C.

Section 1
NEW JERSEY (continued)

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
305	2731	Planing Or Molding Mill
	2737	Sash, Door Or Assembled Millwork Mfg.
	2759	Box Or Box Shook Mfg.
	2802	Carpentry - Shop Only
406	3018	Iron or Steel: Rolling Mill & Drivers
	3241	Wire Drawing - Iron or Steel
413	3040	Iron or Steel Fabrication - Iron Works - Shop - Ornamental & Drivers
	3042	Elevator or Escalator Mfg.
454	3045	Steel Barrel Or Drum Mfg.
	3066	Sheet Metal Work - Shop
	3075	Coppersmith
	3076	Fireproof Equipment Mfg.
	3091	Enameled Iron Ware Mfg.
	3169	Stove Mfg.
	3220	Can Mfg.
	3227	Aluminum Ware Mfg.
	3400	Metal Goods Mfg., N.O.C., also Metal Stamping
	3807	Automobile Radiator Mfg.
	461	3507
3548		Printing or Bookbinding Machinery Mfg.
3612		Pump Mfg. - includes Engine Mfg., N.O.C.
3632		Machine Shop , N.O.C. - includes Confection Machine Mfg.
3635		Gear Mfg. or Grinding
551	3826	Aircraft Engine Mfg.
	4627	Tanning Extract Mfg., Rated as Extract Mfg., Dyewood, Licorice or Tanning
	4683	Cottonseed Oil Mfg., Oil Mfg., N.O.C. Vegetable Oil Mfg. - Vegetable Solvent Extraction Process Rated as Oil Mfg. - Vegetable - , N.O.C.
	4827	Dye or Dye Intermediate Mfg., N.O.C.
	4829	Chemical Mfg., N.O.C.

Section 1
NEW JERSEY (continued)

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
581	2420	Synthetic Fiber Mfg. Rated as Textile Piece Goods Finishing
	4459	Plastic Materials Mfg. and Synthetic Rubber Mfg. Rated as Plastics Mfg., Sheets, Rods or Tubes
	4712	Grease or Oil Mixing or Blending
	4740	Oil Refining - Petroleum
	4741	Asphalt or Tar Distilling or Refining
	4829	Chemical Mfg., N.O.C.

PENNSYLVANIA

As of January 1, 2005 each of the Delaware manufacturing classifications studied correspond to or fall entirely within the same numerical classification in Pennsylvania.

VIRGINIA

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>
104	2055	Peanut Handling
	2150	Ice Mfg.
	4717	Butter Substitute Mfg.
	4825	Extract Mfg. (Flavoring, Licorice, Perfumery or Medicinal) Rated as Drug, Medicine or Pharmaceutical Mfg.
	6504	Food Sundries Mfg.
222	4431	Phonograph Mfg.
	4452	Plastic Extruded Products Mfg., Rated as Plastics - Mfg. of Sheets, Rods, Tubes, etc.
	4459	Plastics Mfg., Sheets, Rods or Tubes
	4470	Cable Mfg., Insulated Electrical
227	4484	Plastics Mfg., Molded Products, N.O.C.
	4493	Oilcloth or Linoleum Mfg. - Rated as Fabric Coating or Impregnating

Section 1
VIRGINIA (continued)

<u>Delaware Classification Code</u>	<u>Virginia Classification Code</u>	<u>Virginia Description of Business</u>	
305	2714	Veneer Mfg	
	2731	Planing Or Molding Mill	
	2735	Furniture Stock Mfg. (for Barrel Stock Mfg.)	
	2740	Stave Mfg.	
	2759	Pallet, Box Or Box Shook Mfg. - Wooden	
	2802	Carpentry - Shop Only	
	2805	Modular Or Prefabricated Home Mfg.	
	2915	Veneer Products Mfg. - Including Veneer Mfg.	
	406	3018	Iron or Steel: Rolling Mill & Drivers
		3241	Wire Drawing - Iron or Steel
413	3040	Iron or Steel Fabrication - Iron Works - Shop - Ornamental & Drivers	
	3042	Elevator or Escalator Mfg.	
454	3064	Sign Mfg. - Metal Or Neon - Shop Only	
	3066	Sheet Metal Work - Shop	
	3076	Fireproof Equipment Mfg.	
	3169	Stove Mfg.	
	3220	Can Mfg.	
	3224	Enamel Ware Mfg.	
	3227	Aluminum Ware Mfg.	
	3400	Metal Stamped Goods, Mfg., N.O.C.	
	3803	Automobile Wheel Mfg. - Metal - Not Cast	
	3807	Automobile Radiator Mfg.	
461	3507	Construction or Agricultural Machinery Mfg.	
	3515	Textile Machinery Mfg.	
	3516	Loom, Harness or Reed Mfg.	
	3548	Printing or Bookbinding Machinery Mfg.	
	3559	Confection Machine Mfg.	
	3612	Pump Mfg.	
	3632	Machine Shop , N.O.C.	
	3635	Gear Mfg. or Grinding	
	3826	Aircraft Engine Mfg.	
	3827	Automobile Engine Mfg.	

Section 1
VIRGINIA (continued)

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>	
551	1472	Distillation - Wood	
	4568	Salt, Borax or Potash Producing	
	4670	Cottonseed Oil Mfg.	
	4683	Oil Mfg. - Vegetable	
	4686	Oil Mfg. - Vegetable - Solvent Extraction Process	
	4828	Chemical Blending or Mixing , N.O.C.	
	4829	Chemical Mfg., N.O.C.	
	581	2305	Textile Fiber Mfg. - Synthetic
		4459	Plastic Materials Mfg., Rated as Plastics Mfg., Sheets, Rods or Tubes
		4557	Lubricants Mfg. - Grease/Oil Mixing - Rated as Ink Mfg.
4740		Oil Refining - Petroleum	
4741		Asphalt or Tar Distilling or Refining	
	4751	Synthetic Rubber Mfg.	

WEST VIRGINIA

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
104	2050	Ice Mfg.
	6504	Food and Sundries Mfg. , N.O.C.
222	4484	Molding and Fabricated Plastic Products Mfg., N.O.C.
227	2688	Imitation Leather Mfg. - Rated as Leather Goods Mfg.
	4484	Linoleum, Oil Cloth or Fabric Coating - Rated as Molding and Fabricating Plastics Products Mfg.
305	2714	Veneer Mfg.
	2731	Planing Or Molding Mills
	2759	Mfg Boxes, Trucks, Box Shooks, etc.
406		Woodenware Mfg. (includes Pallet Mfg. a 305 assign)
	3017	Wooden Furniture Mfg. (includes Door Mfg - a 305 assign)

Section 1
WEST VIRGINIA (continued)

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
413	3030	Iron or Steel Shop Operations (includes Fabricating)
454	3066	Sheet Metal Shop Operations
	3224	Coating of Metal Ware , N.O.C.
	3227	Aluminum Ware Mfg.
	3400	Metal Goods Mfg., N.O.C.
461	3507	Agricultural and Mining Machinery Mfg.
	3628	Machinery Mfg., N.O.C.
	3632	Machine Shops, N.O.C.
	3827	Automobile Engine Mfg.
551	4524	Chemical Mfg., N.O.C.
	4828	Chemical Mixing, Blending
581	2305	Synthetic Fiber Mfg. - Rated as Manufacturing - Textiles
	4740	Oil Refining

SECTION 2: CONTRACTING CLASSIFICATION CODES

MARYLAND

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
601	5506	Street or Road Construction, Paving or Repaving
	9019	Bridge or Vehicular Tunnel Operation
608	5215	Concrete Work - Incidental to Construction of Private Residences
	5221	Concrete or Cement Work - Floors, Driveways, Yards or Sidewalks
	6204	Drilling, N.O.C.

Section 2
MARYLAND (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
609	5703	Building Moving or Raising
	6018	Dam or Lock Construction: Earth Moving or Placing - All Operations
	6045	Levee Construction - All Operations to Completion
	6217	Excavation
	6229	Irrigation or Drainage System Construction
	6233	Oil or Gas Pipeline Construction
	651	5102
652	5402	Hothouse Erection - All Operations
	5403	Carpentry, N.O.C.
	5102	Door, Door Frame or Sash Erection - Metal or Metal Covered
653	5645	Carpentry - Detached One or Two Family Dwellings
	5651	Carpentry - Dwellings - Three Stories or Less
	5022	Masonry, N.O.C.
661	5190	Electrical Wiring Within Buildings
663	5183	Plumbing, N.O.C.
664	5188	Automatic Sprinkler Installation
	3724	Machinery Or Equipment Erection Or Repair , N.O.C. - for the installation of non-portable air conditioning systems
	5183	Plumbing - for the installation or service of residential heating units
	5190	Electrical Wiring - Within Buildings - for the cleaning, oiling or adjusting of non-portable air conditioning systems

Section 2
MARYLAND (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
675	3724	Machinery or Equipment Erection or Repair
	5160	Elevator Erection or Repair
	9534	Mobile Crane & Hoisting Service

NEW JERSEY

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
601	5500	Street Paving and Yard Employees
	7720	Bridge or Vehicular Tunnel Operation
608	5200	Cement Work - Sidewalks, Cellar Floors, Driveways including Drivers
	5215	Concrete Work - Incidental to Construction of Private Residences
	6204	Drilling, N.O.C.
609	1605	Rock Excavation (Not Tunneling or Street or Road Construction)
	5703	Building Underpinning - Rated as Building Moving or Raising
	6005	Jetty or Breakwater Construction
	6039	Grading of Land , N.O.C.
	6217	Excavation, including Dam or Lock Construction
	6229	Irrigation or Drainage System Construction
	6233	Oil or Gas Pipeline Construction
651	5103	Door, Door Frame or Sash Erection or Repair - Metal
	5402	Hothouse Erection - All Operations
	5403	Carpentry, N.O.C.
	5701	Wrecking: Buildings or Structures

Section 2
NEW JERSEY (continued)

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
652	5103	Door, Door Frame or Sash Erection or Repair - Metal
	5645	Carpentry - Detached One or Two Family Dwellings
	5651	Carpentry - Dwellings - Three Stories or Less
653	5022	Masonry, N.O.C.
	5458	Cleaning Building Exteriors - No Sandblasting or Use of Siliceous Materials
	5459	Cleaning Building Exteriors - , N.O.C.
	5701	Wrecking: Buildings or Structures
661	5190	Electrical Wiring Within Buildings
663	5183	Plumbing, N.O.C.
	5184	Steam Pipe or Boiler Insulating
	5188	Automatic Sprinkler Installation
664	3724	Millwright Work, N.O.C.
	5183	Plumbing, N.O.C.
	5190	Electrical Wiring - Within Buildings
	5538	Sheet Metal Work - Shop and Outside
675	3724	Machinery or Equipment Erection or Repair
	5160	Elevator Erection or Repair

PENNSYLVANIA

As of January 1, 2005 each of the Delaware contracting classifications studied correspond to or fall entirely within the same numerical classification in Pennsylvania.

VIRGINIA

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>
601	5506	Street or Road Construction, Paving or Repaving
608	9019	Bridge or Vehicular Tunnel Operation
	5215	Concrete Work - Incidental to Construction of Private Residences
609	5221	Concrete or Cement Work - Floors, Driveways, Yards or Sidewalks
	6204	Drilling, N.O.C.
	1605	Excavation - Rock
	5703	Building Moving or Raising
	6018	Dam or Lock Construction: Earth Moving or Placing - All Operations
	6045	Levee Construction - All Operations to Completion
	6217	Excavation
651	6229	Irrigation or Drainage System Construction
	6233	Oil or Gas Pipeline Construction
	5102	Door, Door Frame or Sash Erection - Metal or Metal Covered
	5402	Hothouse Erection - All Operations
652	5403	Carpentry, N.O.C.
	5102	Door, Door Frame or Sash Erection - Metal or Metal Covered
	5645	Carpentry - Detached One or Two Family Dwellings
653	5651	Carpentry - Dwellings - Three Stories or Less
	5022	Masonry, N.O.C.
661	5190	Electrical Wiring Within Buildings

Section 2

VIRGINIA (continued)

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>
663	5183	Plumbing, N.O.C.
	5188	Automatic Sprinkler Installation
664	3724	Machinery Or Equipment Erection Or Repair , N.O.C. - for the installation of non- portable air conditioning systems
	5183	Plumbing - for the installation or service of residential heating units
	5190	Electrical Wiring - Within Buildings - for the cleaning, oiling or adjusting of non- portable air conditioning systems
	5536	Heating and Air Conditioning Duct Work - Shop and Outside
675	3724	Machinery or Equipment Erection or Repair
	5160	Elevator Erection or Repair
	9534	Mobile Crane & Hoisting Service

WEST VIRGINIA

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
601	5506	Street and Road Construction
608	5215	Cellar, Concrete Floor, Sidewalk, Driveway and Foundation Construction
609	4765	Blasting or Dynamite Operations (Blasting Contractor)
	5703	Building Moving Rated as Building Razing, Moving or Demolition
	6044	Clearing and Grading Land, N.O.C.
	6217	Excavation, N.O.C.
	6233	Oil or Gas Pipeline Construction

Section 2
WEST VIRGINIA (continued)

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
651	5403	Carpentry, N.O.C.
	5462	Window Glass and Sash Installation
	5601	General Building Construction, N.O.C.
	5703	Demolition of Wood Structures Rated as Building Razing, Moving or Demolition
652	5462	Window Glass and Sash Installation
	5538	Sheet Metal Erection
	5601	General Building Construction. , N.O.C.
653	5022	Masonry, N.O.C.
	5703	Demolition of Masonry Structures Rated as Building Razing, Moving or Demolition
	9170	Window Washing and Sandblasting
661	5190	Electrical Wiring Within Buildings
663	5183	Plumbing and Pipefitting , N.O.C.
664	3724	Millwright Work (for the installation of commercial air conditioning)
	5183	Plumbing & Pipefitting, N.O.C.
	3724	Millwright Work
675	5462	Window Glass and Sash Installation
	9529	Scaffolding Construction

SECTION 3: OTHER INDUSTRIES CLASSIFICATION CODES

MARYLAND

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
811	7222	Trucking, Oil Field Equipment All Employees & Drivers
	7228	Trucking, Local Hauling
	7229	Trucking - Long Distance Hauling
	7230	Trucking - Parcel or Package Delivery

Section 3
MARYLAND (continued)

Delaware Classification	Maryland Classification	Maryland Description of
<u>Code</u>	<u>Code</u>	<u>Business</u>
811 (cont.)	9534	Mobile Crane and Hoisting Service Contractor , N.O.C. - All Operations (Including Yard)
865	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
	8021	Fish, Meat Or Poultry Dealer - Wholesale
917	8006	Store: Grocery Retail
	8033	Store: Meat, Grocery & Provision Combined , N.O.C.
928	4360	Motion Picture - Development of Negatives, Printing and All Subsequent Operations
	4361	Photographer
	4362	Motion Picture - Film Exchange
	8017	Store: Retail, N.O.C.
	8072	Store: Book, Record, Compact Disk, Software, Video or Audio Cassette - Retail
	8831	Pet Grooming - Rated as Hospital - Veterinary
951	8720	Inspection of Risks for Insurance or Valuation Purposes
	8721	Real Estate Appraisal Company - Outside Employees
	8742	Salespersons, Collectors or Messengers
	8803	Auditors, Accountants or Factory Cost or Office Systematizer
	9012	Building Operation by Owner, Lessee or Real Estate Management Firm: Professional Employees, Property Managers & Leasing Agents including Clerical Office & Sales

Section 3
MARYLAND (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
953	8810	Clerical Office Employees, N.O.C.
	8871	Clerical Telecommuter Employees
960 **	8829	Convalescent or Nursing Home - All Employees
961	8033	Hospital - Professional Employees
	9040	Hospital - All Other Employees
971	917	Domestic Service Contractor - Inside
	9014	Buildings - Operation by Contractor
	9015	Buildings - Operation by Owner
975 **	9082	Restaurant, N.O.C.

NEW JERSEY

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
811	7196	Truckmen - Hauling Liquid or Liquefied Products in Tank Trucks
	7219	Trucking, N.O.C., includes Trucking, Oil Field Equipment, All Employees & Drivers
	7230	Parcel or Package Delivery
	7250	Truckmen - Hauling of Explosives
	9530	Mobile Crane, N.O.C.
865	2089	Packing House - Meat
	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
	8021	Fish, Meat Or Poultry Dealer - Wholesale
917	8006	Store: Grocery Retail, includes Store - Grocery Convenience - Retail
	8033	Store: Meat, Grocery & Provision Combined , N.O.C.
	8753	Grocery, Tea or Coffee Dealer-Retail

Section 3
NEW JERSEY (continued)

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
928	4360	Motion Picture - Development of Negatives, Printing and All Subsequent Operations
	4361	Photographer
	4362	Motion Picture - Film Exchange
	8017	Store: Retail , N.O.C.
	8831	Pet Grooming - Rated as Hospital - Veterinary
951	8720	Inspection of Risks for Insurance or Valuation Purposes
	8742	Salespersons, Collectors or Messengers
	8803	Auditors, Accountants or Factory Cost or Office Systematizer
953	8810	Clerical Office Employees, N.O.C.
960 **	8829 *	Convalescent or Nursing Home including Clerical and Drivers
961	9045	Hospital
971	917	Domestic Service Contractor - Inside
	9014	Buildings - Operation by Contractor
	9015	Buildings - Operation by Owner
975 **	9078	Commisary Work
	9079	Restaurant, N.O.C.

PENNSYLVANIA

As of January 1, 2005 each of the Delaware other industries classifications studied correspond to or fall entirely within the same numerical classification in Pennsylvania.

Section 3
VIRGINIA

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>
811	7222	Trucking, Oil Field Equipment, All Employees & Drivers
	7228	Trucking, Local Hauling
	7229	Trucking, Long Distance Hauling
	7230	Trucking - Parcel or Package Delivery
	9534	Mobile Crane and Hoisting Service Contractor , N.O.C. - All Operations (Including Yard)
865	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
917	8021	Fish, Meat Or Poultry Dealer - Wholesale
	8006	Store: Grocery Retail
917	8033	Store: Meat, Grocery & Provision Combined , N.O.C.
	4360	Motion Picture Development of Negatives, Printing and All Subsequent Operations
928	4361	Photographer
	4362	Motion Picture - Film Exchange
928	8017	Store: Retail , N.O.C.
	8050	Store: Five & Ten Cent
951	8072	Store: Book, Record, Compact Disc, Software, Video or Audio Cassette Store-Retail
	8831	Pet Grooming - Rated as Hospital - Veterinary
951	8720	Inspection of Risks for Insurance or Valuation Purposes
	8721	Real Estate Appraisal Company - Outside Employees
951	8742	Salespersons, Collectors or Messengers
	8803	Auditors, Accountants or Factory Cost or Office Systematizer

Section 3
VIRGINIA (continued)

Delaware Classification <u>Code</u>	Virginia Classification <u>Code</u>	Virginia Description of <u>Business</u>
951 (cont.)	9012	Building Operation by Owner, Lessee or Real Estate Management Firm: Professional Employees, Property Managers & Leasing Agents including Clerical Office & Sales
953	8810	Office , N.O.C.
	8871	Clerical Telecommuter Employees
960 **	8829	Convalescent or Nursing Home - All Employees
961	8033	Hospital - Professional Employees
	9040	Hospital - All Other Employees
971	917	Domestic Service Contractor - Inside
	9014	Buildings - Operation by Contractor
	9015	Buildings - Operation by Owner
	9023	Buildings - Residential - Operation by Owner or Lessee
975 **	9082	Restaurant, N.O.C.

WEST VIRGINIA

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
811	5695	Crane Operations
	7219	Trucking
865	0006	Fish Curing rated as Farming, N.O.C.
	0034	Poultry Operation
917	8292	Retail Grocery Stores

Section 3
WEST VIRGINIA (continued)

Delaware Classification <u>Code</u>	West Virginia Classification <u>Code</u>	West Virginia Description of <u>Business</u>
928	4361	Photographers
	8017	Retail Stores, N.O.C.
	8018	Medical Equipment Rental - Rated as Wholesalers and Retailers with Delivery
	8831	Dog Salons - Rated as Veterinarian Hospital
	8603	Building, Construction and Mine Inspectors
951	8742	Salespersons (includes Inspectors)
	8803	Accountants, Auditors
	9019	Bridge & Tunnel Toll Collectors
	9520	Miscellaneous Repair and Maintenance
	8810	Clerical Employees, N.O.C.
953	8829	Nursing Homes
960**	9040	Hospital
961	9014	Building Maintenance
971	9031	Pest Control
975 **	9079	Restaurants

NOTES:

- “N.O.C.” Not otherwise classified in state manual
- * Designates classification which includes all employees including office
- ** Designates classification which includes all employees EXCEPT office

Unlike the other five states addressed in this comparison, West Virginia does not use “standard exception” classifications for employment such as clerical office and/or outside sales. Thus, unless specifically noted by other footnote designation, all West Virginia classifications apply to all employees including clerical office.

Delaware Compensation Rating Bureau, Inc.

Exhibit 3

Summary Rate Comparison for Selected Largest Delaware Classifications

DE Code	Description	Approved DE Rates Effective 12/1/04		Approved MD Rates Effective 1/1/05		Approved NJ Rates Effective 1/1/05		Approved PA Rates Effective 4/1/04		Approved VA Rates Effective 4/1/04		Approved WV Rates Effective 7/1/03	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Group I: Manufacturing Classifications													
104	Food Sundries Mfg., NOC	\$4.17	\$10.38	\$0.62	\$5.61	\$2.14	\$10.64	\$2.93	\$10.30	\$0.55	\$11.41	\$5.17	\$7.55
222	Plastic Articles Mfg, NOC	6.16	15.36	1.05	6.47	3.55	11.12	3.00	10.55	0.76	6.19	3.39	3.39
227	Oilcloth, Linoleum & Cork Mfg.	5.91	14.73	1.88	6.55	2.92	5.49	2.98	10.45	1.68	3.62	3.39	4.51
305	Carpentry Shop	10.29	25.62	2.48	14.68	7.99	14.05	4.54	15.94	1.96	8.11	5.80	5.80
406	Rolling Mill - Ferrous Metals	7.54	18.77	2.71	15.62	4.58	7.88	3.61	12.69	1.80	4.10	7.49	7.49
413	Iron Works	10.51	26.18	1.70	14.47	8.51	10.32	4.79	16.81	1.58	10.41	7.49	7.49
454	Sheet Metal Products Fab. - Sho	8.60	21.43	1.63	15.91	2.31	10.32	3.11	10.91	1.45	6.83	4.23	6.80
461	Machine Shops	5.46	13.59	0.66	6.15	3.81	10.68	2.91	10.22	0.43	4.89	4.93	5.34
551	Acid or Alkali Mfg.	2.58	6.43	0.74	14.11	2.90	4.73	2.45	8.60	0.64	11.25	2.80	2.80
581	Oil Refining	4.00	9.95	0.87	6.75	1.33	9.44	1.87	6.56	1.16	3.73	2.80	4.64
Group I Average *		\$5.49	\$13.67	\$1.22	\$9.54	\$3.27	\$8.67	\$2.91	\$10.22	\$1.06	\$7.14	\$4.03	\$4.88
Group II: Contracting Classifications													
601	Road Construction	\$13.97	\$34.80	\$1.54	\$17.84	\$4.27	\$10.06	\$6.46	\$22.68	\$1.79	\$8.93	\$10.89	\$10.89
608	Flat Cement Work	7.41	18.46	3.45	21.15	8.25	15.45	4.89	17.19	2.86	19.92	27.37	27.37
609	Excavation	7.37	18.37	2.21	51.51	6.64	13.78	4.27	15.00	1.94	33.61	8.90	48.62
651	Carpentry	9.46	23.57	5.06	21.15	7.73	26.39	6.48	22.76	6.03	13.22	6.99	48.62
652	Carpentry - Detached Dwellings	11.74	29.24	5.66	21.15	10.72	12.63	7.01	24.62	6.13	16.97	6.99	8.80
653	Masonry	9.37	23.35	5.57	19.35	12.87	26.39	6.17	21.67	4.41	9.51	8.71	48.62
661	Electrical Wiring -	5.14	12.81	3.63	12.62	4.50	4.50	3.41	11.98	2.39	5.15	5.86	5.86
663	Plumbing	6.15	15.31	3.73	14.47	4.02	6.14	3.80	13.35	2.97	6.68	5.48	5.48
664	Heating or Ventilating	5.08	12.66	3.62	12.96	4.50	6.79	3.23	11.34	2.39	8.43	5.48	5.86
675	Machinery or Equipment Erection or Repair	5.73	14.26	3.27	21.67	4.07	6.79	4.13	14.52	2.01	8.43	5.86	10.89
Group II Average *		\$7.18	\$17.90	\$3.79	\$19.89	\$6.10	\$10.98	\$4.52	\$15.87	\$3.15	\$11.90	\$8.44	\$18.34
Group III: "Other" Classifications													
811	Trucking	\$9.86	\$24.57	\$2.72	\$21.67	\$5.55	\$13.44	\$6.30	\$22.12	\$2.94	\$12.55	\$10.89	\$11.35
865	Poultry, Fish Dealers/Processors	3.34	8.33	1.70	8.35	5.74	6.24	3.67	12.89	1.32	6.49	5.17	5.17
917	Grocery Store, Retail	4.54	11.32	1.28	6.00	3.15	4.84	2.13	7.48	1.38	3.71	2.95	2.95
928	Retail Store, NOC	2.87	7.14	0.37	3.16	1.70	2.52	1.64	5.77	0.56	1.92	1.87	2.88
951	Outside Salesmen	0.98	2.43	0.06	2.53	0.27	2.35	0.51	1.78	0.04	1.79	0.44	1.34
953	Clerical Office	0.49	1.23	0.13	0.52	0.27	0.27	0.24	0.84	0.10	0.24	0.68	0.68
960	Nursing Home	5.70	14.20	1.31	4.56	4.52	4.52	3.50	12.28	1.72	3.71	7.68	7.68
961	Hospitals	1.67	4.15	1.73	6.31	1.33	1.33	0.98	3.43	1.65	3.71	1.84	1.84
971	Building Operation	5.20	12.95	1.46	7.41	4.81	6.35	4.05	14.22	0.82	5.17	4.46	8.71
975	Restaurants	3.61	8.99	1.04	3.60	3.32	9.12	1.74	6.13	1.08	2.33	3.08	3.08
Group III Average *		\$1.30	\$3.23	\$0.39	\$2.12	\$0.95	\$1.65	\$0.78	\$2.72	\$0.36	\$1.34	\$1.34	\$1.60
Combined Average - All Groups *		\$2.05	\$5.12	\$0.74	\$4.12	\$1.53	\$2.87	\$1.23	\$4.31	\$0.65	\$2.60	\$2.13	\$3.28

* - Averages Computed Using Delaware Payrolls by Classification as Weights