

Delaware Compensation Rating Bureau, Inc.

Comparison of Workers' Compensation Rates

Delaware Rating Values Effective December 1, 2009

Six Selected Northeastern States



March 24, 2010

Delaware Compensation Rating Bureau, Inc.

Comparison of Rates: Delaware to Other Northeast States Delaware December 1, 2009 Rating Values

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 November 10, 2009 and reflected rating values effective December 1, 2008 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, 2009. The results of that update are presented and discussed in this report.

NOTE: Delaware's Chancery Court issued a decision, Memorandum Opinion and Order dated July 24, 2009 requiring carriers to reduce December 1, 2009 rating values by an additional six percent of December 1, 2008 Rating Values to reflect savings accruing on open medical claims that occurred prior to the implementation of the medical fee schedule on May 24, 2008. The Delaware rating values reflected in this study include the effect of the Chancery Court Decision.

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 March 22, 2010 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, 2010 pricing. In some cases, however, carriers had not in fact adopted the approved DCRB December 1, 2009 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

- Delaware lowest approved rates for the classifications studied tended to be lower than the lowest rates for New Jersey and Pennsylvania except in the Pennsylvania manufacturing classifications. Delaware lowest rates tended to be higher than the highest rates in Maryland, Virginia and West Virginia. Delaware highest rates were lower than that of all states included in the study with the exception of Virginia and West Virginia classifications in the manufacturing industry group.
- In addition to the rating values shown in Exhibits 1 and 3, the final costs to policyholders may be significantly influenced by various assessments and/or surcharges that are applicable to premiums rather than rates. The following list shows additional costs that apply to premiums rather than rates for the states included in this study.

Delaware – None

Pennsylvania - Employer assessment factor 2.07%

Maryland – Premium Tax 2.0%, Subsequent Injury Fund 6.5%, Uninsured Employers Fund 2.0% and Workers Compensation Commission Tax 0.02%

New Jersey – Plan Premium Adjustment Program (assigned risk) minimum surcharge 15%, Second Injury Fund 6.90% and Uninsured Employers Fund 0.11%

West Virginia – Regulatory Surcharge 5.5%, Premium Tax 4.0% (waived while Deficit Reduction Surcharge is being charged), Premium Tax Surcharge 0.55% and Deficit Reduction Surcharge 9.0%

Virginia - Administrative Fund Tax 1.84%, Uninsured Employer's Fund 0.25%, Insurance Fraud Investigation Unit Assessment 0.05%, Maintenance Assessment 0.03% and VA Neurological Injury Compensation Program Assessment 0.25%

- 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 December 1, 2009. 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 subsequent to December 1, 2009 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 December 1, 2009.

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 annual 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 over 31 percent of total Delaware expected losses and over 35 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 nine (9) 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 4717 is applicable to part of the Delaware code 104 in Maryland and code 4825 is applicable to part of Delaware code 104 in West Virginia, code 4717 in Maryland is not identical to code 4825 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, Virginia and West 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 0.8630 to 2.1910
Approved Loss Costs Effective December 1, 2009

Maryland: Loss Cost Multipliers Approved Range from 0.8910 to 2.5350
Approved Loss Costs Effective January 1, 2010
Note: For Maryland, the rating values for the Injured Workers Insurance Fund (IWIF) were not available for this study.

Pennsylvania: Loss Cost Multipliers Approved Range from 0.9000 to 2.5430
Approved Loss Costs Effective April 1, 2010

Virginia: Loss Cost Multipliers Approved Range from 1.000 to 2.2050
Approved Loss Costs Effective April 1, 2010

West Virginia: Loss Cost Multipliers Approved Range from 0.7060 to 1.7940
Approved Loss Costs Effective November 1, 2009

As of January 1, 2010 New Jersey does not allow carriers to deviate from the approved New Jersey Bureau rates in the voluntary market. Thus, there is no variation in price from carrier to carrier. Thus, the only variation 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.

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. In its previous rate comparison studies, however, the DCRB offered some general observations in order to illustrate the kinds of differences which may arise between different state workers compensation systems.

- The Delaware maximum indemnity benefit is set at two-thirds of the Statewide Average Weekly Wage (SAWW). Other states' maximum benefit may be set at another level of SAWW or a set dollar amount. In addition, the SAWW can vary widely from state to state so that states with the same benefit percentage may have significantly different benefit amounts.
- Delaware has a medical fee schedule in place. Other states may not have a fee schedule or may have fee schedules in place, although the schedules may be based on reimbursement rates that differ significantly from state to state.
- Delaware does not specify the use of the AMA Guide to the Evaluation of Permanent Impairment in the evaluation of permanent disability. Other states may use this guide.
- Delaware does not allow offsets for unemployment benefits, Social Security old age benefits and employer funded pension benefits. Other states may allow for benefit offsets or may allow them at varying levels.
- Delaware allows an employee to have free choice of physician. Practices in this regard vary greatly by state, with some allowing employee choice of physician for the life of the claim or for a certain amount of time after the injury.

- Delaware provides no scheduled or pre-funded cost-of-living adjustment for indemnity benefits. Some states do provide such adjustments for certain types of injuries.
- In Delaware, permanent partial and temporary total disability benefits are payable for the duration of disability without limitation. Other states may have different maximum payment levels and/or duration of payments for these types of benefits.

The above observations identify provisions of the Delaware Workers Compensation system and offer alternative provisions that directly influence the cost of insurance in other states and any comparison to Delaware costs. The points noted may produce either lower or higher insurance costs and, therefore, lower or higher insurance rates in a 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. Finally, significant system differences are often manifest in controlling judicial decisions and administrative procedures.

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

Exhibit 1

DE Class Code	DE Description	12/09 Loss Cost	Range of Approved DE Rates as of 12/1/09	MD Class Code	1/10 Loss Cost	Range of Approved MD Rates as of 1/1/10	NJ Class Code	Approved NJ Rates 1/1/10	PA Class Code	4/10 Loss Cost	Range of Approved PA Rates as of 4/1/10	VA Class Code	4/10 Loss Cost	Range of Approved VA Rates as of 4/1/10	WV Class Code	Approved WV Rates 11/1/2009	Range of Approved WV Rates as of 11/1/09
			Low High			Low High					Low High			Low High			Low High
Group I: Ten (10) Manufacturing Classifications																	
104	Food Sundries Mfg., NOC	3.13	2.70 6.86	4717	2.53	2.25 6.41	2150	10.69	104	2.82	2.54 7.17	2055	1.06	1.06 2.34	4825	0.70	0.49 1.26
				4825	0.51	0.45 1.29	4627	3.47				2150	4.38	4.38 9.66	6504	2.12	1.50 3.80
				6504	1.76	1.57 4.46	4628	1.95				4717	1.38	1.38 3.04	8102	2.17	1.53 3.89
				8102	2.33	2.08 5.91	6504	3.60				4825	0.64	0.64 1.41			
							8102	2.89				6504	2.18	2.18 4.81			
222	Plastic Articles Mfg, NOC	4.13	3.56 10.43	4431	1.34	1.19 3.40	4431	6.39	222	2.99	2.69 7.60	4431	0.95	0.95 2.09	4452	2.42	1.71 4.34
				4452	2.13	1.90 5.40	4452	5.19		1.61		4452	2.30	2.30 5.07	4459	2.82	1.99 5.06
				4459	3.57	3.18 9.05	4459	6.19		0.54		4459	2.29	2.29 5.05	4484	2.35	1.66 4.22
				4470	1.80	1.60 4.56	4470	6.49				4470	2.54	2.54 5.60			
				4484	2.53	2.25 6.41	4484	4.69				4484	1.84	1.84 4.06			
227	Oilcloth, Linoleum & Cork Mfg.	3.26	2.81 7.14	4493	2.02	1.80 5.12	4491	3.32	227	4.07	3.66 10.35	4493	1.84	1.84 4.06	4493	2.72	1.92 4.88
							4493	6.86									
406	Rolling Mill - Ferrous Metals	4.61	3.98 10.10	3018	2.07	1.84 5.25	3018	6.66	406	4.88	4.39 12.41	3018	3.80	3.80 8.38	3018	2.67	1.89 4.79
				3241	3.43	3.06 8.70	3241	7.20				3241	2.37	2.37 5.23			
411	Steel Fabricating	8.87	7.65 19.43	3030	5.83	5.19 14.78	3030	13.88	411	5.32	4.79 13.53	3030	8.18	8.18 18.04	3030	5.64	3.98 10.12
413	Iron Works	6.48	5.59 14.20	3040	4.79	4.27 12.14	3040	13.88	413	5.53	4.98 14.06	3040	3.62	3.62 7.98	3040	4.29	3.03 7.70
				3042	4.12	3.67 10.44	3042	9.30				3042	2.59	2.59 5.71			
454	Sheet Metal Products Fab. - Shop	5.75	4.96 12.60	3064	3.61	3.22 9.15	3045	10.09	454	3.69	3.32 9.38	3064	3.52	3.52 7.76	3064	3.78	2.67 6.78
				3069	4.75	4.23 12.04	3066	6.36				3066	2.00	2.00 4.41	3069	6.38	4.50 11.45
				3169	2.28	2.03 5.78	3075	6.36				3076	2.00	2.00 4.41	3169	2.71	1.91 4.86
				3220	2.09	1.86 5.30	3076	7.88				3169	1.69	1.69 3.73	3220	2.00	1.41 3.59
				3224	3.10	2.76 7.86	3091	13.88				3220	1.92	1.92 4.23	3224	2.91	2.05 5.22
				3227	2.73	2.43 6.92	3169	6.75				3224	2.11	2.11 4.65	3227	2.95	2.08 5.29
				3400	2.58	2.30 6.54	3220	5.10				3227	1.81	1.81 3.99	3400	2.98	2.10 5.35
				3803	2.14	1.91 5.42	3227	3.75				3400	3.21	3.21 7.08	3807	1.93	1.36 3.46
				3807	1.93	1.72 4.89	3400	5.25				3803	2.63	2.63 5.80			
							3807	3.30				3807	1.99	1.99 4.39			
456	Metal Furniture or Finishing	3.51	3.03 7.69	3076	3.08	2.74 7.81	3076	7.88	456	3.87	3.48 9.84	3076	2.00	2.00 4.41	3076	2.82	1.99 5.06
				3179	1.36	1.21 3.45	3632	3.86				3179	1.25	1.25 2.76	3179	1.67	1.18 3.00
				3632	2.03	1.81 5.15	4902	4.63				3632	2.13	2.13 4.70	3632	2.93	2.07 5.26
				4902	1.39	1.24 3.52						4902	1.35	1.35 2.98	4902	2.03	1.43 3.64
581	Oil Refining	2.23	1.92 4.89	2305	2.11	1.88 5.35	2420	13.48	581	2.08	1.87 5.29	2305	1.42	1.42 3.13	2305	2.28	1.61 4.09
				4459	3.57	3.18 9.05	4459	6.19				4459	2.29	2.29 5.05	4459	2.82	1.99 5.06
				4557	1.24	1.10 3.14	4712	3.17				4557	1.62	1.62 3.57	4557	1.59	1.12 2.85
				4740	1.69	1.51 4.28	4740	1.16				4740	0.97	0.97 2.14	4740	1.82	1.28 3.27
				4741	2.59	2.31 6.57	4741	2.89				4741	1.53	1.53 3.37	4741	1.96	1.38 3.52
				4751	1.52	1.35 3.85	4829	3.36				4751	1.52	1.52 3.35			
759	Cable Television Operators	3.47	2.99 7.60	6325	5.14	4.58 13.03	6325	4.73	759	4.63	4.17 11.77	6325	4.58	4.58 10.10	6325	6.58	4.65 11.80
				7600	1.73	1.54 4.39	7600	3.96				7600	1.53	1.53 3.37	7600	2.41	1.70 4.32
				7601	5.61	5.00 14.22	7601	4.61				7601	5.98	5.98 13.19	7601	8.15	5.75 14.62

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Rating Value Comparison - 30 Selected Delaware Classifications

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			Low	High			Low	High					Low	High			Low	High			Low	High
Group II: Ten (10) Construction Classifications																						
601	Road Construction	8.34	7.20	18.27	5506	6.63	5.91	16.81	5500	7.59	601	7.2	6.48	18.31	5506	6.01	6.01	13.25	5506	6.06	4.28	10.87
					9019	2.12	1.89	5.37	6042	7.10				9019	1.47	1.47	3.24	9019	1.96	1.38	3.52	
									7720	3.94												
608	Flat Cement Work	4.77	4.12	12.05	5215	3.92	3.49	9.94	5200	9.32	608	6.16	5.54	15.66	5215	3.07	3.07	6.77	5215	4.41	3.11	7.91
					5221	3.40	3.03	8.62	5215	16.00				5221	3.03	3.03	6.68	5221	3.63	2.56	6.51	
					6204	8.21	7.32	20.81	6204	11.08				6204	7.43	7.43	16.38	6204	10.19	7.19	18.28	
609	Excavation	4.42	3.81	9.68	5703	16.81	14.98	42.61	1605	8.00	609	5.10	4.59	12.97	1605	8.06	8.06	17.77	5703	16.22	11.45	29.10
					6018	2.29	2.04	5.81	5703	14.25				5703	13.38	13.38	29.50	6018	2.74	1.93	4.92	
					6045	2.69	2.40	6.82	6005	16.15				6018	2.69	2.69	5.93	6217	5.13	3.62	9.20	
					6217	5.12	4.56	12.98	6039	8.94				6045	1.79	1.79	3.95	6229	4.52	3.19	8.11	
					6229	4.68	4.17	11.86	6217	8.00				6217	4.22	4.22	9.31	6233	5.29	3.73	9.49	
					6233	3.37	3.00	8.54	6229	A				6229	3.91	3.91	8.62					
									6233	7.83				6233	4.61	4.61	10.17					
651	Carpentry	5.58	4.82	12.23	5102	6.18	5.51	15.67	5103	9.23	651	6.73	6.06	17.11	5102	3.76	3.76	8.29	5102	4.71	3.33	8.45
					5402	3.81	3.39	9.66	5402	13.37				5402	3.13	3.13	6.90					
					5403	5.66	5.04	14.35	5403	14.81				5403	4.93	4.93	10.87					
									5701	16.52												
652	Carpentry - Detached Dwellings	7.43	6.41	18.78	5102	6.18	5.51	15.67	5103	9.23	652	8.32	7.49	21.16	5102	3.76	3.76	8.29	5102	4.71	3.33	8.45
					5645	6.62	5.90	16.78	5645	14.81				5645	8.31	8.31	18.32	5645	11.55	8.15	20.72	
					5651	10.18	9.07	25.81	5651	14.81				5651	5.92	5.92	13.05	5651	8.51	6.01	15.27	
653	Masonry	6.52	5.63	16.48	5022	5.63	5.02	14.27	5022	12.88	653	7.23	6.51	18.39	5022	4.24	4.24	9.35	5022	6.00	4.24	10.76
									5458	15.10												
									5459	15.10												
									5701	16.52												
661	Electrical Wiring - Within Buildings	2.56	2.21	5.61	5190	3.40	3.03	8.62	5190	4.32	661	3.48	3.13	8.85	5190	2.49	2.49	5.49	5190	3.79	2.68	6.80
663	Plumbing	3.79	3.27	8.30	5183	4.05	3.61	10.27	5183	5.67	663	4.40	3.96	11.19	5183	2.79	2.79	6.15	5183	4.01	2.83	7.19
					5188	5.10	4.54	12.93	5184	4.71				5188	2.57	2.57	5.67	5188	4.64	3.28	8.32	
									5188	6.11												
664	Heating or Ventilating	3.49	3.01	7.65	5537	3.73	3.32	9.46	3724	7.49	664	4.17	3.75	10.60	3724	4.36	4.36	9.61	5537	4.83	3.41	8.67
									5183	5.67				5183	2.79	2.79	6.15					
									5190	4.32				5190	2.49	2.49	5.49					
									5538	6.72												
675	Machinery or Equipment Erection or Repair	3.37	2.91	8.51	3724	4.42	3.94	11.20	3724	7.49	675	4.32	3.89	10.99	3724	4.36	4.36	9.61	3724	4.79	3.38	8.59
					5160	3.38	3.01	8.57	5160	5.36				5160	2.44	2.44	5.38	5160	4.03	2.85	7.23	
					9534	5.79	5.16	14.68						9534	3.44	3.44	7.59	9534	4.96	3.50	8.90	

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

Exhibit 1

DE Class Code	DE Description	12/09 Loss Cost	Range of Approved DE Rates as of 12/1/09		MD Class Code	1/10 Loss Cost	Range of Approved MD Rates as of 1/1/10		NJ Class Code	Approved NJ Rates 1/1/10	PA Class Code	4/10 Loss Cost	Range of Approved PA Rates as of 4/1/10		VA Class Code	4/10 Loss Cost	Range of Approved VA Rates as of 4/1/10		WV Class Code	Approved WV Rates 11/1/2009	Range of Approved WV Rates as of 11/1/09	
			Low	High			Low	High					Low	High			Low	High			Low	High
811	Trucking	6.75	5.83	14.79	7222	7.05	6.28	17.87	7196	9.84	811	7.62	6.86	19.38	7222	7.26	7.26	16.01	7228	6.49	4.58	11.64
					7228	5.68	5.06	14.40	7219	12.15					7228	5.96	5.96	13.14	7229	6.73	4.75	12.07
					7229	5.83	5.19	14.78	7230	A					7229	6.34	6.34	13.98	7230	5.08	3.59	9.11
					7230	3.97	3.54	10.06	7250	14.59					7230	5.57	5.57	12.28	9534	4.96	3.50	8.90
					9534	5.79	5.16	14.68	9530	6.47					9534	3.44	3.44	7.59				
818	Automobile Dealer	1.32	1.14	2.89	8002	1.62	1.44	4.11	7369	3.86	818	1.35	1.22	3.43	8002	1.37	1.37	3.02	8002	1.60	1.13	2.87
					8380	1.82	1.62	4.61	8398	4.24					8380	1.89	1.89	4.17	8380	2.51	1.77	4.50
					8385	2.32	2.07	5.88							8385	1.59	1.59	3.51	8385	3.25	2.29	5.83
855	Lumber & Building Material Dealer	4.66	4.02	10.21	1463	7.82	6.97	19.82	1463	15.04	855	4.86	4.37	12.36	1463	10.08	10.08	22.23	1463	11.51	8.13	20.65
					1803	4.89	4.36	12.40	1814	9.38					1803	5.03	5.03	11.09	1803	6.91	4.88	12.40
					2960	3.55	3.16	9.00	1815	9.38					2960	3.11	3.11	6.86	2960	3.54	2.50	6.35
					8203	5.46	4.86	13.84	2960	4.14					8203	4.38	4.38	9.66	8203	5.36	3.78	9.62
					8232	3.58	3.19	9.08	8203	12.19					8232	2.95	2.95	6.50	8232	3.79	2.68	6.80
					8304	4.21	3.75	10.67	8232	8.06					8304	4.89	4.89	10.78	8304	4.69	3.31	8.41
865	Poultry, Fish Dealers Processors	1.72	1.48	3.77	2095	2.42	2.16	6.13	2089	7.31	865	3.28	2.95	8.34	2095	2.64	2.64	5.82	2095	2.80	1.98	5.02
					2114	2.20	1.96	5.58	2095	7.31					2114	1.34	1.34	2.95	8021	2.53	1.79	4.54
					8021	3.76	3.35	9.53	2114	6.15					8021	1.65	1.65	3.64				
									8021	6.62												
928	Retail Store, NOC	1.73	1.49	3.79	4360	0.97	0.86	2.46	4360	2.16	928	2.10	1.89	5.34	4360	0.90	0.90	1.98	4361	1.23	0.87	2.21
					4361	0.96	0.86	2.43	4361	2.16					4361	1.05	1.05	2.32	8017	1.41	1.00	2.53
					4362	0.63	0.56	1.60	4362	2.16					4362	0.69	0.69	1.52	8072	0.81	0.57	1.45
					8017	1.49	1.33	3.78	8017	2.89					8017	1.18	1.18	2.60	8831	1.17	0.83	2.10
					8072	0.76	0.68	1.93							8050	1.16	1.16	2.56				
					8831	0.88	0.78	2.23							8072	0.55	0.55	1.21				
						8831	1.03	1.03	2.27													
951	Outside Salesmen	0.39	0.34	0.85	8720	1.09	0.97	2.76	8720	2.94	951	0.47	0.42	1.20	8720	0.85	0.85	1.87	8720	1.46	1.03	2.62
					8721	0.21	0.19	0.53	8742	0.51					8721	0.21	0.21	0.46	8721	0.36	0.25	0.65
					8742	0.25	0.22	0.63	8803	0.24					8742	0.23	0.23	0.51	8742	0.51	0.36	0.91
					8803	0.07	0.06	0.18							8803	0.05	0.05	0.11	8803	0.08	0.06	0.14
					9012	0.67	0.60	1.70							9012	0.74	0.74	1.63	9012	1.09	0.77	1.96
953	Clerical Office	0.25	0.22	0.55	8810	0.15	0.13	0.38	8810	0.24	953	0.25	0.23	0.64	8810	0.12	0.12	0.26	8810	0.21	0.15	0.38
					8871	0.14	0.12	0.35							8871	0.16	0.16	0.35	8871	0.21	0.15	0.38
960	Nursing Home	3.67	3.17	8.04	8829	1.74	1.55	4.41	8829	4.03	960	3.35	3.02	8.52	8829	2.09	2.09	4.61	8829	2.40	1.69	4.31
971	Building Operation	3.41	2.94	7.47	0917	3.73	3.32	9.46	0917	6.84	971	4.04	3.64	10.27	0917	2.53	2.53	5.58	0917	3.38	2.39	6.06
					9014	2.30	2.05	5.83	9014	5.87					9014	1.74	1.74	3.84	9014	2.26	1.60	4.05
					9015	2.20	1.96	5.58	9015	5.81					9015	1.95	1.95	4.30	9015	2.61	1.84	4.68
					9170	2.30	2.05	5.83							9023	0.99	0.99	2.18	9170	2.26	1.60	4.05
						9170	1.74	1.74	3.84													
975	Restaurants	1.68	1.45	3.68	9082	1.28	1.14	3.24	9078	7.2	975	1.71	1.54	4.35	9082	1.16	1.16	2.56	9082	1.38	0.97	2.48
					9079	3.11			9079	3.11												

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
	4484	Plastics Mfg., Molded Products, N.O.C.
227	4493	Oilcloth or Linoleum Mfg. - Rated as Fabric Coating or Impregnating, N.O.C.
406	3018	Iron or Steel: Rolling Mill & Drivers
	3241	Wire Drawing - Iron or Steel
411	3030	Iron or Steel Works - Shop - Structural & Drivers
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
	3069	Sheet Metal Products Mfg.
	3075	Coppersmith
	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.	

Section 1
MARYLAND (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
456	3076	Sheet Metal Products Mfg.
	3179	Electrical Apparatus Mfg.
	3632	Laundry Equipment Mfg - Commercial
	4902	Exercise Equipment Mfg.
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
759	4751	Synthetic Rubber Mfg.
	6325	Main Coaxial Cable - Underground Only. Cable laid with automatic equipment - Rated as Conduit Construction
	7600	Cable Television - Extension, Line Maintenance & Service Connections (house connections only) - Rated as Telephone or Telegraph Company - all other employees
	7601	Cable Television - Stringing of Cable on Existing Utility Poles rated as Telephone or Telegraph Company

Section 1
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
	6504	Food Sundries Mfg., N.O.C.
	8102	Peanut Handling Rated as Seed Merchant
222	4431	Magnetic or Optical Recording Media Mfg.
	4452	Plastics Mfg: Fabricated Products N.O.C.
	4459	Plastics Mfg., Sheets, Rods or Tubes
227	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.
406	3018	Iron or Steel: Rolling Mill & Drivers
	3241	Wire Drawing - Iron or Steel

Section 1
NEW JERSEY (continued)

<u>Delaware</u> Classification <u>Code</u>	<u>New Jersey</u> Classification <u>Code</u>	<u>New Jersey</u> Description of <u>Business</u>
411	3030	Iron or Steel Works - Shop - Structural & Drivers
413	3040	Iron or Steel Fabrication - Iron Works - Shop - Ornamental & Drivers
454	3042	Elevator or Escalator Mfg.
	3045	Steel Barrel Or Drum Mfg.
	3066	Sheet Metal Work - Shop
	3075	Coppersmith - Shop
	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 - Shop
456	3807	Automobile Radiator Mfg.
	3076	Sheet Metal Products Mfg.
	3632	Laundry Equipment Mfg - Commercial
581	4902	Exercise Equipment Mfg.
	2420	Textile Piece Goods Finishing
	4459	Plastic Materials Mfg., Sheets, Rods or Tubes
	4712	Grease or Oil Mixing or Blending
759	4740	Oil Refining - Petroleum
	4741	Asphalt or Tar Distilling or Refining
	4829	Chemical Mfg., N.O.C.
	6325	Main Coaxial Cable - Underground Only. Cable laid with automatic equipment - Rated as Conduit Construction
	7600	Cable Television - Extension, Line Maintenance & Service Connections (house connections only) - Rated as Telephone or Telegraph Company - all other employees
	7601	Cable Television - Stringing of Cable on Existing Utility Poles rated as Telephone or Telegraph Company

PENNSYLVANIA

As of January 1, 2006 each of the Delaware manufacturing classifications studied correspond to or fall entirely within the same numerical classification in Pennsylvania.

Section 1
VIRGINIA

<u>Delaware</u> <u>Classification</u> <u>Code</u>	<u>Virginia</u> <u>Classification</u> <u>Code</u>	<u>Virginia</u> <u>Description of</u> <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.
222	6504	Food Sundries Mfg.
	4431	Phonograph Mfg.
	4452	Plastic Extruded Products Mfg., Rated as Plastics - Mfg. of Sheets, Rods, Tubes, etc.
	4459	Plastics Mfg., Sheets, Rods or Tubes
227	4470	Cable Mfg., Insulated Electrical
	4484	Plastics Mfg., Molded Products, N.O.C.
	4493	Oilcloth or Linoleum Mfg. - Rated as Fabric Coating or Impregnating
406	3018	Iron or Steel: Rolling Mill & Drivers
	3241	Wire Drawing - Iron or Steel
411	3030	Iron or Steel Works - Shop - Structural & Drivers
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.
456	3076	Sheet Metal Products Mfg.
	3179	Electrical Apparatus Mfg.
	3632	Laundry Equipment Mfg - Commercial
	4902	Exercise Equipment Mfg.
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.
759		Main Coaxial Cable - Underground Only.
		Cable laid with automatic equipment - Rated as Conduit Construction
		Cable Television - Extension, Line Maintenance & Service Connections (house connections only) - Rated as Telephone or Telegraph Company - all other employees
		Cable Television - Stringing of Cable on Existing Utility Poles rated as Telephone or Telegraph Company

**Section 1
WEST VIRGINIA**

<u>Delaware Classification Code</u>	<u>West Virginia Classification Code</u>	<u>West Virginia Description of Business</u>
104	4825	Drug, Medicine or Pharmaceutical Preparation Mfg. - Includes Mfg. of Ingredients
	6504	Food and Sundries Mfg. , N.O.C.
	8102	Seed Merchant
222	4452	Plastics Mfg - Fabricated Products N.O.C.
	4459	Plastics Mfg. Sheets, Rods or Tubes
	4484	Molding and Fabricated Plastic Products Mfg., N.O.C.
227	4493	Fabric Coating or Impregnating N.O.C.
406	3018	Iron or Steel: Manufacturing: Rolling Mill & Drivers
411	3030	Iron or Steel Works - Shop - Structural & Drivers
413	3040	Iron or Steel: Fabrication: Iron Works - Shop - Ornamental & Drivers
454	3064	Sign Manufacturing Metal
	3069	Awning Mfg - Metal
	3169	Stove Mfg.
	3220	Can Mfg.
	3224	Coating of Metal Ware , N.O.C.
	3227	Aluminum Ware Mfg.
	3400	Metal Goods Mfg., N.O.C.
	3807	Automobile Radiator Mfg.
456	3076	Sheet Metal Products Mfg.
	3179	Electrical Apparatus Mfg.
	3632	Laundry Equipment Mfg - Commercial
	4902	Exercise Equipment Mfg.
581	2305	Synthetic Fiber Mfg. - Rated as Manufacturing - Textiles
	4459	Plastics Mfg Sheets, Rods or Tubes
	4557	Ink Mfg.
	4740	Oil Refining
	4741	Asphalt or Tar Distilling or Refining & Drivers
759	6325	Main Coaxial Cable - Underground Only. Cable laid with automatic equipment - Rated as Conduit Construction
	7600	Cable Television - Extension, Line Maintenance & Service Connections (house connections only) - Rated as Telephone or Telegraph Company - all other employees
	7601	Cable Television - Stringing of Cable on Existing Utility Poles rated as Telephone or Telegraph Company

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
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.
	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
663	5183	Plumbing, N.O.C.
	5188	Automatic Sprinkler Installation
664	5537	Heating, Ventilation, Air-Conditioning And Refrigerations Systems - Insallation, Service and Repair, Shop, Yard & Drivers
675	3724	Machinery or Equipment Erection or Repair
	5160	Elevator Erection or Repair
	9534	Mobile Crane & Hoisting Service

**Section 2
NEW JERSEY**

<u>Delaware Classification Code</u>	<u>New Jersey Classification Code</u>	<u>New Jersey Description of Business</u>
601	5500	Street Paving
	6042	Street or Road Construction & Drivers
	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
	6229	Irrigation or Drainage System Construction
	6233	Oil or Gas Pipeline Construction
651	5103	Door, Door Frame or Sash Erection or Repair - Metal or Metal Covered
	5402	Hothouse Erection - All Operations
	5403	Carpentry, N.O.C.
	5701	Wrecking: Buildings or Structures
652	5103	Door, Door Frame or Sash Erection or Repair - Metal or Metal Covered
	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
	3724	Millwright Work, N.O.C.
664	5183	Plumbing, N.O.C.
	5190	Electrical Wiring - Within Buildings
	5538	Sheet Metal Work - Shop and Outside
	3724	Machinery or Equipment Erection or Repair
675	3724	Machinery or Equipment Erection or Repair
	5160	Elevator Erection or Repair

PENNSYLVANIA

As of January 1, 2006 each of the Delaware contracting classifications studied correspond to or fall entirely within the same numerical classification in Pennsylvania.

Section 2
VIRGINIA

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

Section 2
WEST VIRGINIA

<u>Delaware</u> <u>Classification</u> <u>Code</u>	<u>West Virginia</u> <u>Classification</u> <u>Code</u>	<u>West Virginia</u> <u>Description of</u> <u>Business</u>
601	5506	Street and Road Construction
	9019	Bridge or Vehicular Tunnel Operation
608	5215	Cellar, Concrete Floor, Sidewalk, Driveway and Foundation Construction
	5221	Concrete or Cement Work - Floors, Driveways, Yards or Sidewalks & Drivers
	6204	Drilling N.O.C. & Drivers
609	5703	Building Moving Rated as Building Razing, Moving or Demolition
	6018	Dam or Lock Construction: Earth Moving or Placing - All Operations & Drivers
	6217	Excavation, N.O.C.
	6229	Irrigation or Drainage System Construction & Drivers
	6233	Oil or Gas Pipeline Construction
651	5102	Door, Door Frame or Sash Erection - Metal or Metal Covered
652	5102	Door, Door Frame or Sash Erection - Metal or Metal Covered
	5645	Carpentry - Detached One or Two Family Dwelling
	5651	Carpentry - Dwellings - Three Stories or Less
653	5022	Masonry, N.O.C.
655	3719	Oil Still Erection Or Repair
	5037	Painting - Metal Structures - Over Two Stories In Height
	5040	Iron Or Steel Erection - Frame Structures
	5057	Iron Or Steel Erection N.O.C.
	5069	Iron Or Steel Erection - Dwellings not Exceeding Two Stories
	5222	Concrete Construction In Connection With Bridges Or Culverts
661	5190	Electrical Wiring Within Buildings
663	5183	Plumbing and Pipefitting , N.O.C.
	5188	Automatic Sprinkler Installation & Drivers
664	5537	Heating, Ventilation, Air-Conditioning and Refrigeration Systems - Installation, Service and Repair & Drivers
675	3724	Millwright Work
	5160	Elevator Erection or Repair
	9534	Mobile Crane and Hoisting Service Contractors - N.O.C. - All Operations & Drivers

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
	9534	Mobile Crane and Hoisting Service Contractor , N.O.C. - All Operations (Including Yard)
818	8002	Auto Rental Co - All Other Employees
	8380	Auto Sales or Service Agency
855	8385	Auto Rental Garage Employees
	1463	Asphalt Mixing Plants Operated By a Paving contractor
865	1803	Stone Cutting or Polishing N.O.C.
	2960	Wood Preserving
	8203	Ice Dealer
	8232	Lumber Yard - New Materials Only - All Other Employees
	8304	Grain Elevator Operation
928	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
951	8021	Fish, Meat Or Poultry Dealer - Wholesale
	4360	Motion Picture - Development of Negatives, Printing and All Subsequent Operations
	4361	Photographer
	4362	Motion Picture - Film Exchange
	8017	Store: Retail, N.O.C.
953	8072	Store: Book, Record, Compact Disk, Software, Video or Audio Cassette - Retail
	8831	Pet Grooming - Rated as Hospital - Veterinary
	8720	Inspection of Risks for Insurance or Valuation Purposes
	8721	Real Estate Appraisal Company - Outside Employees
	8742	Salespersons, Collectors or Messengers
951	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
	8810	Clerical Office Employees, N.O.C.
	8871	Clerical Telecommuter Employees

Section 3**MARYLAND** (continued)

Delaware Classification <u>Code</u>	Maryland Classification <u>Code</u>	Maryland Description of <u>Business</u>
960 **	8829	Convalescent or Nursing Home - All Employees
971	0917	Domestic Service Contractor - Inside
	9014	Buildings - Operation by Contractor
	9015	Buildings - Operation by Owner
		Janitorial Services by Contractors - Includes Window Cleaning Above Ground Level & Drivers
975 **	9170	
	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.
	7230	Parcel or Package Delivery
	7250	Truckmen - Hauling of Explosives or Ammunition
	9530	Mobile Crane and Hoisting Service, N.O.C.
818	7369	Auto or Truck Rental or Leasing
	8398	Automobile Sales or Service Agency
855	1463	Asphalt Works & Drivers
	1814	Stone Cutting or Polishing N.O.C. & Drivers
	1815	Stone Cutting or Polishing - No Granite or Sandstone & Drivers
	2960	Wood Preserving
	8203	Ice Dealer
	8232	Lumber Yard - No Secondhand Materials - & Local Managers, Drivers
865	2089	Packing House - Meat
	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
	8021	Fish, Meat Or Poultry Dealer - Wholesale
928	4360	Duplication & Replication Service of Prerecorded Audio, Video or Data
	4361	Photographer
	4362	Motion Picture - Film Exchange
	8017	Store: Retail , N.O.C.

Section 3**NEW JERSEY** (continued)

Delaware Classification <u>Code</u>	New Jersey Classification <u>Code</u>	New Jersey Description of <u>Business</u>
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 Drivers
971	0917	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, 2006 each of the Delaware other industries 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>
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)
818	8002	Auto Rental Co - All Other Employees
	8380	Auto Sales or Service Agency
	8385	Auto Rental Garage Employees
855	1463	Asphalt Mixing Plants Operated By a Paving contractor
	1803	Stone Cutting or Polishing N.O.C.
	2960	Wood Preserving
	8203	Ice Dealer
	8304	Grain Elevator Operation

Section 3
VIRGINIA

<u>Delaware</u> <u>Classification</u> <u>Code</u>	<u>Virginia</u> <u>Classification</u> <u>Code</u>	<u>Virginia</u> <u>Description of</u> <u>Business</u>
865	2095	Meat Products Mfg., N.O.C.
	2114	Oyster Processing
	8021	Fish, Meat Or Poultry Dealer - Wholesale
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.
	8050	Store: Five & Ten Cent
	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
	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
953	8810	Office , N.O.C.
	8871	Clerical Telecommuter Employees
960 **	8829	Convalescent or Nursing Home - All Employees
975 **	9082	Restaurant, N.O.C.
971	0917	Domestic Service Contractor - Inside
	9014	Buildings - Operation by Contractor
	9015	Buildings - Operation by Owner
	9023	Buildings - Residential - Operation by Owner or Lessee
	9170	Janitorial Services by Contractors - Includes Window Cleaning Above Ground Level & Drivers

**Section 3
WEST VIRGINIA**

<u>Delaware Classification Code</u>	<u>West Virginia Classification Code</u>	<u>West Virginia Description of Business</u>
811	7228	Trucking Local Hauling Only - All Employees & Drivers
818	8002	Automobile Rental Co.: All Other Employees & Counter Personnel & Drivers
	8380	Automobile Service or Repair Center & Dri
	8385	Automobile/Truck Equipment Rental Operations
855	1463	Coal Billet or Briquette Mfg & Drivers
	1803	Stone Cutting or Polishing N.O.C. & Drivers
	2960	Wood Preserving & Drivers
	8203	Ice Mfg. or Distribution & Drivers
	8232	Coal Merchant & Local Managers, Drivers
	8304	Grain Elevator Operation and Local Managers, Drivers
865	2095	Meat Products Mfg N.O.C.
	8021	Store: Meat, Fish or Poultry Dealer - Wholesale
928	4361	Photographers
	8017	Retail Stores, N.O.C.
	8072	Store: Book, Record, Compact Disk, Software, Video or Audio Cassette Retail
	8831	Dog Salons - Rated as Veterinarian Hospital
951	8720	Inspection of Risks for Insurance or Valuation Purposes N.O.C.
	8721	Real Estate Appraisal Company - Outside Employees
	8742	Salespersons (includes Inspectors)
	8803	Accountants, Auditors
	9012	Buildings - Operation by Owner, Lessee or Real Estate Management Firm
953	8810	Clerical Employees, N.O.C.
	8871	Clerical Telecommuter Employees
960**	8829	Nursing Homes
971	0917	Residential Cleaning Services by Contractor - Inside
	9014	Building Maintenance
	9015	Buildings - Operation by Owner, Lessee or Real Estate Management Firm
	9170	Buildings - Operation by Contractors - Includes window cleaning above one story
975 **	9082	Restaurant N.O.C.

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

Delaware Compensation Rating Bureau, Inc.
Summary Rate Comparison for Selected Largest Delaware Classifications

Exhibit 3

DE Code	Description	Approved DE Rates Effective 12/1/09		Approved MD Rates Effective 1/1/10		Approved NJ Rates Effective 1/1/10		Approved PA Rates Effective 4/1/10		Approved VA Rates Effective 4/1/10		Approved WV Rates Effective 11/1/09	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Group I: Manufacturing Classifications													
104	Food Sundries Mfg., NOC	\$2.70	\$6.86	\$0.45	\$6.41	\$1.95	\$10.69	\$2.54	\$7.17	\$0.64	\$9.66	\$0.49	\$3.89
222	Plastic Articles Mfg, NOC	3.56	10.43	1.19	9.05	4.69	6.49	2.69	7.60	0.95	5.60	1.66	5.06
227	Oilcloth, Linoleum &	2.81	7.14	1.80	5.12	3.32	6.86	3.66	10.35	1.84	4.06	1.92	4.88
406	Rolling Mill - Ferrous	3.98	10.10	1.84	8.70	6.66	7.20	4.39	12.41	2.37	8.38	1.89	4.79
411	Steel Fabricating	7.65	19.43	5.19	14.78	13.88	13.88	4.79	13.53	8.18	18.04	3.98	10.12
413	Iron Works	5.59	14.20	3.67	12.14	9.30	13.88	4.98	14.06	2.59	7.98	3.03	7.70
454	Sheet Metal Products	4.96	12.60	1.72	12.04	3.30	13.88	3.32	9.38	1.69	7.76	1.36	11.45
456	Metal Furniture	3.03	7.69	1.21	7.81	3.86	7.88	3.48	9.84	1.25	4.70	1.18	5.26
581	Oil Refining	1.92	4.89	1.10	9.05	1.16	13.48	1.87	5.29	0.97	5.05	1.12	5.06
759	Cable Television Operators	2.99	7.60	1.54	14.22	3.96	4.73	4.17	11.77	1.53	13.19	1.70	14.62
Group I Average *		\$3.24	\$8.41	\$1.54	\$9.03	\$3.80	\$9.80	\$3.15	\$8.89	\$1.57	\$6.99	\$1.55	\$6.38
Group II: Contracting Classifications													
601	Road Construction	7.20	18.27	1.89	16.81	3.94	7.59	6.48	18.31	1.47	13.25	1.38	10.87
608	Flat Cement Work	4.12	12.05	3.03	20.81	9.32	16.00	5.54	15.66	3.03	16.38	2.56	18.28
609	Excavation	3.81	9.68	2.04	42.61	7.83	16.15	4.59	12.97	1.79	29.50	1.93	29.10
651	Carpentry	4.82	12.23	3.39	15.67	9.23	16.52	6.06	17.11	3.13	10.87	3.33	8.45
652	Carpentry - Detached Dwellings	6.41	18.78	5.51	25.81	9.23	14.81	7.49	21.16	3.76	18.32	3.33	20.72
653	Masonry	5.63	16.48	5.02	14.27	12.88	16.52	6.51	18.39	4.24	9.35	4.24	10.76
661	Electrical Wiring -	2.21	5.61	3.03	8.62	4.32	4.32	3.13	8.85	2.49	5.49	2.68	6.80
663	Plumbing	3.27	8.30	3.61	12.93	4.71	6.11	3.96	11.19	2.57	6.15	2.83	8.32
664	Heating or Ventilating	3.01	7.65	3.32	9.46	4.32	7.49	3.75	10.60	2.49	9.61	3.41	8.67
675	Machinery or Equipment Erection or Repair	2.91	8.51	3.01	14.68	5.36	7.49	3.89	10.99	2.44	9.61	2.85	8.90
Group II Average *		\$3.92	\$10.57	\$3.47	\$18.09	\$6.70	\$10.47	\$4.82	\$13.62	\$2.76	\$12.55	\$2.96	\$13.08
Group III: "Other" Classifications													
811	Trucking	5.83	14.79	3.54	17.87	6.47	14.59	6.86	19.38	3.44	16.01	3.50	12.07
818	Automobile Dealer	1.14	2.89	1.44	5.88	3.86	4.24	1.22	3.43	1.37	4.17	1.13	5.83
855	Lumber & Building	4.02	10.21	3.16	19.82	4.14	15.04	4.37	12.36	2.95	22.23	2.50	20.65
865	Poultry, Fish Dealers	1.48	3.77	1.96	9.53	6.15	7.31	2.95	8.34	1.34	5.82	1.79	5.02
928	Retail Store, NOC	1.49	3.79	0.56	3.78	2.16	2.89	1.89	5.34	0.55	2.60	0.57	2.53
951	Outside Salesmen	0.34	0.85	0.06	2.76	0.24	2.94	0.42	1.20	0.05	1.87	0.06	2.62
953	Clerical Office	0.22	0.55	0.12	0.38	0.24	0.24	0.23	0.64	0.12	0.35	0.15	0.38
960	Nursing Home	3.17	8.04	1.55	4.41	4.03	4.03	3.02	8.52	2.09	4.61	1.69	4.31
971	Building Operation	2.94	7.47	1.96	9.46	5.81	6.84	3.64	10.27	0.99	5.58	1.60	6.06
975	Restaurants	1.45	3.68	1.14	3.24	3.11	7.20	1.54	4.35	1.16	2.56	0.97	2.48
Group III Average *		\$0.65	\$1.63	\$0.44	\$2.22	\$1.12	\$1.97	\$0.76	\$2.15	\$0.40	\$1.72	\$0.42	\$1.85
Combined Average - All Groups *		\$1.10	\$2.87	\$0.80	\$4.18	\$1.82	\$3.21	\$1.29	\$3.65	\$0.70	\$3.08	\$0.73	\$3.22

* - Averages Computed Using Delaware Payrolls by Classification as Weights