

DELAWARE COMPENSATION RATING BUREAU, INC

Excess Loss Pure Premium Factors
Adjusted to Include Allocated Loss Adjustment Expenses

Average excess loss pure premium ratios by hazard group and loss limitation are derived in Exhibit 17b. Those same excess ratios are presented herein and adjusted to include a provision for allocated loss adjustment expenses.

Pages 1 and 2 show the calculation of excess ratios for hazard groups A-G.

These factors are applicable to voluntary market loss costs.

DELAWARE
 Excess Loss Factor Study
 Excess Loss (Pure Premium) Factors with Adjustment for ALAE

Loss Limitation	DE Hazard Group Excess Loss Factors							ELF adjusted for LBA's						ELF adjusted for LBA's & Risk Load							
	HG A	HG B	HG C	HG D	HG E	HG F	HG G	HG A	TCR	0.9149	1.09302	HG E	HG F	HG G	HG A	HG B	HG C	HG D	HG E	HG F	HG G
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	HG B	HG C	HG D	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
	Pg2	Pg3	Pg4	Pg5	Pg6	Pg7	Pg8	(1)*TCR	(1)*TCR	(2)*TCR	(3)*TCR	(4)*TCR	(5)*TCR	(6)*TCR	Columns (8)-(14) + 0.005 (Max Adj = 1/2 ELF)						
\$10,000	0.876	0.896	0.904	0.910	0.924	0.944	0.954	0.801	0.820	0.827	0.833	0.845	0.864	0.873	0.806	0.825	0.832	0.838	0.850	0.869	0.878
\$15,000	0.846	0.870	0.881	0.886	0.903	0.927	0.940	0.774	0.796	0.806	0.811	0.826	0.848	0.860	0.779	0.801	0.811	0.816	0.831	0.853	0.865
\$20,000	0.821	0.849	0.859	0.867	0.886	0.913	0.928	0.751	0.777	0.786	0.793	0.811	0.835	0.849	0.756	0.782	0.791	0.798	0.816	0.840	0.854
\$25,000	0.801	0.830	0.842	0.849	0.870	0.900	0.917	0.733	0.759	0.770	0.777	0.796	0.823	0.839	0.738	0.764	0.775	0.782	0.801	0.828	0.844
\$30,000	0.782	0.811	0.825	0.834	0.856	0.888	0.904	0.715	0.742	0.755	0.763	0.783	0.812	0.827	0.720	0.747	0.760	0.768	0.788	0.817	0.832
\$35,000	0.764	0.796	0.812	0.819	0.842	0.876	0.895	0.699	0.728	0.743	0.749	0.770	0.801	0.819	0.704	0.733	0.748	0.754	0.775	0.806	0.824
\$40,000	0.748	0.781	0.796	0.807	0.830	0.865	0.885	0.684	0.715	0.728	0.738	0.759	0.791	0.810	0.689	0.720	0.733	0.743	0.764	0.796	0.815
\$50,000	0.721	0.756	0.774	0.781	0.807	0.845	0.868	0.660	0.692	0.708	0.715	0.738	0.773	0.794	0.665	0.697	0.713	0.720	0.743	0.778	0.799
\$75,000	0.665	0.704	0.722	0.733	0.761	0.803	0.829	0.608	0.644	0.661	0.671	0.696	0.735	0.758	0.613	0.649	0.666	0.676	0.701	0.740	0.763
\$100,000	0.624	0.663	0.683	0.694	0.724	0.769	0.796	0.571	0.607	0.625	0.635	0.662	0.704	0.728	0.576	0.612	0.630	0.640	0.667	0.709	0.733
\$125,000	0.588	0.630	0.650	0.661	0.691	0.740	0.768	0.538	0.576	0.595	0.605	0.632	0.677	0.703	0.543	0.581	0.600	0.610	0.637	0.682	0.708
\$150,000	0.559	0.600	0.622	0.633	0.664	0.712	0.742	0.511	0.549	0.569	0.579	0.607	0.651	0.679	0.516	0.554	0.574	0.584	0.612	0.656	0.684
\$175,000	0.531	0.574	0.596	0.608	0.639	0.688	0.719	0.486	0.525	0.545	0.556	0.585	0.629	0.658	0.491	0.530	0.550	0.561	0.590	0.634	0.663
\$200,000	0.507	0.552	0.574	0.585	0.616	0.667	0.697	0.464	0.505	0.525	0.535	0.564	0.610	0.638	0.469	0.510	0.530	0.540	0.569	0.615	0.643
\$225,000	0.484	0.527	0.551	0.563	0.596	0.648	0.679	0.443	0.482	0.504	0.515	0.545	0.593	0.621	0.448	0.487	0.509	0.520	0.550	0.598	0.626
\$250,000	0.461	0.507	0.530	0.544	0.578	0.631	0.662	0.422	0.464	0.485	0.498	0.529	0.577	0.606	0.427	0.469	0.490	0.503	0.534	0.582	0.611
\$275,000	0.441	0.486	0.512	0.526	0.559	0.613	0.645	0.403	0.445	0.468	0.481	0.511	0.561	0.590	0.408	0.450	0.473	0.486	0.516	0.566	0.595
\$300,000	0.419	0.467	0.492	0.508	0.542	0.595	0.629	0.383	0.427	0.450	0.465	0.496	0.544	0.575	0.388	0.432	0.455	0.470	0.501	0.549	0.580
\$325,000	0.400	0.446	0.474	0.490	0.525	0.579	0.612	0.366	0.408	0.434	0.448	0.480	0.530	0.560	0.371	0.413	0.439	0.453	0.485	0.535	0.565
\$350,000	0.381	0.429	0.455	0.473	0.509	0.563	0.598	0.349	0.392	0.416	0.433	0.466	0.515	0.547	0.354	0.397	0.421	0.438	0.471	0.520	0.552
\$375,000	0.364	0.412	0.439	0.455	0.493	0.548	0.583	0.333	0.377	0.402	0.416	0.451	0.501	0.533	0.338	0.382	0.407	0.421	0.456	0.506	0.538
\$400,000	0.347	0.395	0.422	0.440	0.476	0.533	0.568	0.317	0.361	0.386	0.403	0.435	0.488	0.520	0.322	0.366	0.391	0.408	0.440	0.493	0.525
\$425,000	0.330	0.379	0.407	0.424	0.461	0.519	0.556	0.302	0.347	0.372	0.388	0.422	0.475	0.509	0.307	0.352	0.377	0.393	0.427	0.480	0.514
\$450,000	0.316	0.363	0.391	0.409	0.446	0.504	0.540	0.289	0.332	0.358	0.374	0.408	0.461	0.494	0.294	0.337	0.363	0.379	0.413	0.466	0.499
\$475,000	0.300	0.348	0.377	0.394	0.433	0.491	0.528	0.274	0.318	0.345	0.360	0.396	0.449	0.483	0.279	0.323	0.350	0.365	0.401	0.454	0.488
\$500,000	0.286	0.335	0.362	0.380	0.419	0.477	0.514	0.262	0.306	0.331	0.348	0.383	0.436	0.470	0.267	0.311	0.336	0.353	0.388	0.441	0.475
\$600,000	0.238	0.285	0.314	0.329	0.369	0.428	0.467	0.218	0.261	0.287	0.301	0.338	0.392	0.427	0.223	0.266	0.292	0.306	0.343	0.397	0.432
\$700,000	0.198	0.245	0.271	0.287	0.326	0.385	0.423	0.181	0.224	0.248	0.263	0.298	0.352	0.387	0.186	0.229	0.253	0.268	0.303	0.357	0.392
\$800,000	0.168	0.210	0.235	0.251	0.286	0.347	0.387	0.154	0.192	0.215	0.230	0.262	0.317	0.354	0.159	0.197	0.220	0.235	0.267	0.322	0.359
\$900,000	0.142	0.181	0.207	0.220	0.256	0.314	0.351	0.130	0.166	0.189	0.201	0.234	0.287	0.321	0.135	0.171	0.194	0.206	0.239	0.292	0.326
\$1,000,000	0.1204	0.1592	0.1819	0.1943	0.2279	0.2854	0.3230	0.1102	0.1457	0.1664	0.1778	0.2085	0.2611	0.2955	0.1152	0.1507	0.1714	0.1828	0.2135	0.2661	0.3005
\$2,000,000	0.0583	0.0786	0.0913	0.1014	0.1226	0.1647	0.1961	0.0533	0.0719	0.0835	0.0928	0.1122	0.1507	0.1794	0.0583	0.0769	0.0885	0.0978	0.1172	0.1557	0.1844
\$3,000,000	0.0377	0.0511	0.0602	0.0678	0.0834	0.1159	0.1434	0.0345	0.0468	0.0551	0.0620	0.0763	0.1060	0.1312	0.0395	0.0518	0.0601	0.0670	0.0813	0.1110	0.1362
\$4,000,000	0.0273	0.0373	0.0440	0.0505	0.0629	0.0888	0.1124	0.0250	0.0341	0.0403	0.0462	0.0575	0.0812	0.1028	0.0300	0.0391	0.0453	0.0512	0.0625	0.0862	0.1078
\$5,000,000	0.0214	0.0293	0.0344	0.0398	0.0499	0.0714	0.0917	0.0196	0.0268	0.0315	0.0364	0.0457	0.0653	0.0839	0.0246	0.0318	0.0365	0.0414	0.0507	0.0703	0.0889
\$6,000,000	0.0175	0.0239	0.0280	0.0324	0.0412	0.0594	0.0772	0.0160	0.0219	0.0256	0.0296	0.0377	0.0543	0.0706	0.0210	0.0269	0.0306	0.0346	0.0427	0.0593	0.0756
\$7,000,000	0.0144	0.0197	0.0238	0.0274	0.0346	0.0505	0.0662	0.0132	0.0180	0.0218	0.0251	0.0317	0.0462	0.0606	0.0182	0.0230	0.0268	0.0301	0.0367	0.0512	0.0656
\$8,000,000	0.0122	0.0172	0.0204	0.0235	0.0299	0.0440	0.0581	0.0112	0.0157	0.0187	0.0215	0.0274	0.0403	0.0532	0.0162	0.0207	0.0237	0.0265	0.0324	0.0453	0.0582
\$9,000,000	0.0107	0.0148	0.0176	0.0204	0.0262	0.0385	0.0514	0.0098	0.0135	0.0161	0.0187	0.0240	0.0352	0.0470	0.0147	0.0185	0.0211	0.0237	0.0290	0.0402	0.0520
\$10,000,000	0.0096	0.0131	0.0156	0.0181	0.0235	0.0342	0.0459	0.0088	0.0120	0.0143	0.0166	0.0215	0.0313	0.0420	0.0132	0.0170	0.0193	0.0216	0.0265	0.0363	0.0470

* Excess ratios for loss limits above \$1,000,000 are calculated by applying the relativities from exhibit III to the excess ratios at \$1,000,000.

DELAWARE
EXCESS LOSS FACTOR STUDY
PROPOSED EFFECTIVE DATE: 12/1/12
Excess Loss (Pure Premium) Factors with Adjustment for ALAE

Per Accident Limit	2012 Excess Loss Factors*							2011 Excess Loss Factors							Percentage Change						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G	A	B	C	D	E	F	G
\$10,000	0.806	0.825	0.832	0.838	0.850	0.869	0.878	0.787	0.805	0.813	0.821	0.839	0.852	0.859	2.4%	2.5%	2.3%	2.1%	1.3%	2.0%	2.2%
\$15,000	0.779	0.801	0.811	0.816	0.831	0.853	0.865	0.761	0.781	0.790	0.799	0.818	0.834	0.843	2.4%	2.6%	2.7%	2.1%	1.6%	2.3%	2.6%
\$20,000	0.756	0.782	0.791	0.798	0.816	0.840	0.854	0.740	0.761	0.771	0.781	0.799	0.819	0.827	2.2%	2.8%	2.6%	2.2%	2.1%	2.6%	3.3%
\$25,000	0.738	0.764	0.775	0.782	0.801	0.828	0.843	0.720	0.742	0.753	0.764	0.784	0.804	0.814	2.5%	3.0%	2.9%	2.4%	2.2%	3.0%	3.6%
\$30,000	0.720	0.747	0.760	0.768	0.788	0.817	0.832	0.704	0.726	0.738	0.748	0.769	0.791	0.801	2.3%	2.9%	3.0%	2.7%	2.5%	3.3%	3.9%
\$35,000	0.704	0.733	0.747	0.754	0.775	0.806	0.824	0.688	0.711	0.723	0.735	0.754	0.778	0.789	2.3%	3.1%	3.3%	2.6%	2.8%	3.6%	4.4%
\$40,000	0.689	0.720	0.733	0.743	0.764	0.796	0.815	0.673	0.699	0.709	0.721	0.741	0.766	0.778	2.4%	3.0%	3.4%	3.1%	3.1%	3.9%	4.8%
\$50,000	0.665	0.697	0.713	0.720	0.743	0.778	0.799	0.649	0.674	0.684	0.698	0.719	0.745	0.757	2.5%	3.4%	4.2%	3.2%	3.3%	4.4%	5.5%
\$75,000	0.613	0.649	0.666	0.676	0.701	0.740	0.763	0.602	0.626	0.638	0.651	0.672	0.701	0.713	1.8%	3.7%	4.4%	3.8%	4.3%	5.6%	7.0%
\$100,000	0.576	0.612	0.630	0.640	0.667	0.709	0.733	0.562	0.589	0.600	0.614	0.636	0.667	0.678	2.5%	3.9%	5.0%	4.2%	4.9%	6.3%	8.1%
\$125,000	0.543	0.581	0.600	0.610	0.637	0.682	0.708	0.530	0.556	0.568	0.582	0.603	0.635	0.648	2.5%	4.5%	5.6%	4.8%	5.6%	7.4%	9.3%
\$150,000	0.516	0.554	0.574	0.584	0.612	0.656	0.684	0.500	0.527	0.538	0.555	0.576	0.607	0.622	3.2%	5.1%	6.7%	5.2%	6.3%	8.1%	10.0%
\$175,000	0.491	0.530	0.550	0.561	0.590	0.634	0.663	0.475	0.502	0.513	0.529	0.550	0.583	0.597	3.4%	5.6%	7.2%	6.0%	7.3%	8.7%	11.1%
\$200,000	0.469	0.509	0.530	0.540	0.569	0.615	0.643	0.451	0.478	0.490	0.506	0.528	0.560	0.576	4.0%	6.5%	8.2%	6.7%	7.8%	9.8%	11.6%
\$225,000	0.448	0.487	0.509	0.520	0.550	0.598	0.626	0.429	0.457	0.470	0.486	0.507	0.541	0.555	4.4%	6.6%	8.3%	7.0%	8.5%	10.5%	12.8%
\$250,000	0.427	0.469	0.490	0.503	0.533	0.582	0.611	0.408	0.436	0.449	0.466	0.487	0.521	0.536	4.7%	7.6%	9.1%	7.9%	9.4%	11.7%	14.0%
\$275,000	0.408	0.450	0.473	0.486	0.516	0.565	0.595	0.387	0.417	0.429	0.447	0.469	0.504	0.518	5.4%	7.9%	10.3%	8.7%	10.0%	12.1%	14.9%
\$300,000	0.388	0.432	0.455	0.470	0.501	0.549	0.580	0.369	0.397	0.411	0.428	0.451	0.487	0.502	5.1%	8.8%	10.7%	9.8%	11.1%	12.7%	15.5%
\$325,000	0.371	0.413	0.438	0.453	0.485	0.535	0.565	0.350	0.379	0.393	0.411	0.434	0.470	0.485	6.0%	9.0%	11.5%	10.2%	11.8%	13.8%	16.5%
\$350,000	0.354	0.397	0.421	0.437	0.470	0.520	0.552	0.332	0.361	0.376	0.393	0.417	0.453	0.469	6.6%	10.0%	12.0%	11.2%	12.7%	14.8%	17.7%
\$375,000	0.338	0.382	0.406	0.421	0.455	0.506	0.539	0.313	0.344	0.359	0.377	0.400	0.437	0.453	8.0%	11.0%	13.1%	11.7%	13.8%	15.8%	19.0%
\$400,000	0.322	0.366	0.391	0.407	0.440	0.493	0.526	0.298	0.327	0.342	0.361	0.385	0.421	0.438	8.1%	11.9%	14.3%	12.7%	14.3%	17.1%	20.1%
\$425,000	0.307	0.352	0.377	0.393	0.427	0.479	0.513	0.283	0.312	0.326	0.346	0.370	0.406	0.423	8.5%	12.8%	15.6%	13.6%	15.4%	18.0%	21.3%
\$450,000	0.293	0.337	0.363	0.379	0.413	0.466	0.500	0.268	0.298	0.312	0.330	0.355	0.392	0.409	9.3%	13.1%	16.3%	14.8%	16.3%	18.9%	22.2%
\$475,000	0.279	0.323	0.350	0.365	0.401	0.454	0.487	0.254	0.284	0.298	0.316	0.340	0.378	0.395	9.8%	13.7%	17.4%	15.5%	17.9%	20.1%	23.3%
\$500,000	0.267	0.311	0.336	0.353	0.388	0.441	0.475	0.242	0.272	0.285	0.302	0.325	0.365	0.382	10.3%	14.3%	17.9%	16.9%	19.4%	20.8%	24.3%
\$600,000	0.223	0.266	0.292	0.306	0.343	0.397	0.432	0.197	0.225	0.238	0.254	0.277	0.317	0.333	13.2%	18.2%	22.7%	20.5%	23.8%	25.2%	29.7%
\$700,000	0.186	0.229	0.253	0.268	0.303	0.357	0.392	0.162	0.189	0.200	0.218	0.238	0.275	0.292	14.8%	21.2%	26.5%	22.9%	27.3%	29.8%	34.2%
\$800,000	0.159	0.197	0.220	0.235	0.267	0.322	0.359	0.137	0.161	0.171	0.185	0.206	0.243	0.257	16.1%	22.4%	28.7%	27.0%	29.6%	32.5%	39.7%
\$900,000	0.135	0.171	0.194	0.206	0.239	0.292	0.326	0.115	0.138	0.147	0.161	0.179	0.214	0.229	17.4%	23.9%	32.0%	28.0%	33.5%	36.4%	42.4%
\$1,000,000	0.1152	0.1507	0.1714	0.1828	0.2135	0.2661	0.3005	0.0999	0.1204	0.1282	0.1404	0.1569	0.1914	0.2039	15.3%	25.2%	33.7%	30.2%	36.1%	39.0%	47.4%
\$2,000,000	0.0583	0.0769	0.0885	0.0978	0.1172	0.1557	0.1844	0.0520	0.0629	0.0681	0.0772	0.0879	0.1132	0.1265	12.1%	22.3%	30.0%	26.7%	33.3%	37.5%	45.8%
\$3,000,000	0.0395	0.0518	0.0601	0.0670	0.0813	0.1110	0.1362	0.0355	0.0429	0.0468	0.0538	0.0616	0.0810	0.0931	11.3%	20.7%	28.4%	24.5%	32.0%	37.0%	46.3%
\$4,000,000	0.0300	0.0391	0.0453	0.0512	0.0625	0.0862	0.1078	0.0272	0.0329	0.0359	0.0413	0.0477	0.0632	0.0737	10.3%	18.8%	26.2%	24.0%	31.0%	36.4%	46.3%
\$5,000,000	0.0246	0.0318	0.0365	0.0414	0.0507	0.0703	0.0889	0.0226	0.0267	0.0291	0.0335	0.0389	0.0520	0.0611	8.8%	19.1%	25.4%	23.6%	30.3%	35.2%	45.5%
\$6,000,000	0.0210	0.0269	0.0306	0.0346	0.0427	0.0593	0.0756	0.0192	0.0228	0.0250	0.0287	0.0330	0.0439	0.0520	9.4%	18.0%	22.4%	20.6%	29.4%	35.1%	45.4%
\$7,000,000	0.0182	0.0230	0.0268	0.0301	0.0367	0.0512	0.0656	0.0169	0.0199	0.0218	0.0248	0.0288	0.0381	0.0452	7.7%	15.6%	22.9%	21.4%	27.4%	34.4%	45.1%
\$8,000,000	0.0162	0.0207	0.0237	0.0265	0.0324	0.0453	0.0582	0.0149	0.0176	0.0195	0.0222	0.0255	0.0337	0.0402	8.7%	17.6%	21.5%	19.4%	27.1%	34.4%	44.8%
\$9,000,000	0.0147	0.0185	0.0211	0.0237	0.0290	0.0402	0.0520	0.0132	0.0161	0.0175	0.0200	0.0230	0.0303	0.0360	11.4%	14.9%	20.6%	18.5%	26.1%	32.7%	44.4%
\$10,000,000	0.0132	0.0170	0.0193	0.0216	0.0265	0.0363	0.0470	0.0116	0.0146	0.0160	0.0182	0.0208	0.0274	0.0326	13.8%	16.4%	20.6%	18.7%	27.4%	32.5%	44.2%

* Adjusted