

DELAWARE COMPENSATION RATING BUREAU, INC

Excess Loss 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 allocated loss adjustment expenses and to express the resulting loss and ALAE as a portion of residual market rates.

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

DELAWARE  
 Excess Loss Factor Study  
 Excess Loss Premium Factors with Adjustment for ALAE

Loss Limitation	DE Hazard Group Excess Loss Factors							ELF adjusted for LBA's 0.6472							ELF adjusted for LBA's & Risk Load						
	HG A	HG B	HG C	HG D	HG E	HG F	HG G	HG A	HG B	HG C	HG D	HG E	HG F	HG G	HG A	HG B	HG C	HG D	HG E	HG F	HG G
	(1) Pg2	(2) Pg3	(3) Pg4	(4) Pg5	(5) Pg6	(6) Pg7	(7) Pg8	(8) (1)*TCR	(9) (1)*TCR	(10) (2)*TCR	(11) (3)*TCR	(12) (4)*TCR	(13) (5)*TCR	(14) (6)*TCR	(15)	(16)	(17)	(18)	(19)	(20)	(21)
\$10,000	0.876	0.896	0.904	0.910	0.924	0.944	0.954	0.567	0.580	0.585	0.589	0.598	0.611	0.617	0.572	0.585	0.590	0.594	0.603	0.616	0.622
\$15,000	0.846	0.870	0.881	0.886	0.903	0.927	0.940	0.548	0.563	0.570	0.573	0.584	0.600	0.608	0.553	0.568	0.575	0.578	0.589	0.605	0.613
\$20,000	0.821	0.849	0.859	0.867	0.886	0.913	0.928	0.531	0.549	0.556	0.561	0.573	0.591	0.601	0.536	0.554	0.561	0.566	0.578	0.596	0.606
\$25,000	0.801	0.830	0.842	0.849	0.870	0.900	0.917	0.518	0.537	0.545	0.549	0.563	0.582	0.593	0.523	0.542	0.550	0.554	0.568	0.587	0.598
\$30,000	0.782	0.811	0.825	0.834	0.856	0.888	0.904	0.506	0.525	0.534	0.540	0.554	0.575	0.585	0.511	0.530	0.539	0.545	0.559	0.580	0.590
\$35,000	0.764	0.796	0.812	0.819	0.842	0.876	0.895	0.494	0.515	0.526	0.530	0.545	0.567	0.579	0.499	0.520	0.531	0.535	0.550	0.572	0.584
\$40,000	0.748	0.781	0.796	0.807	0.830	0.865	0.885	0.484	0.505	0.515	0.522	0.537	0.560	0.573	0.489	0.510	0.520	0.527	0.542	0.565	0.578
\$50,000	0.721	0.756	0.774	0.781	0.807	0.845	0.868	0.467	0.489	0.501	0.505	0.522	0.547	0.562	0.472	0.494	0.506	0.510	0.527	0.552	0.567
\$75,000	0.665	0.704	0.722	0.733	0.761	0.803	0.829	0.430	0.456	0.467	0.474	0.493	0.520	0.537	0.435	0.461	0.472	0.479	0.498	0.525	0.542
\$100,000	0.624	0.663	0.683	0.694	0.724	0.769	0.796	0.404	0.429	0.442	0.449	0.469	0.498	0.515	0.409	0.434	0.447	0.454	0.474	0.503	0.520
\$125,000	0.588	0.630	0.650	0.661	0.691	0.740	0.768	0.381	0.408	0.421	0.428	0.447	0.479	0.497	0.386	0.413	0.426	0.433	0.452	0.484	0.502
\$150,000	0.559	0.600	0.622	0.633	0.664	0.712	0.742	0.362	0.388	0.403	0.410	0.430	0.461	0.480	0.367	0.393	0.408	0.415	0.435	0.466	0.485
\$175,000	0.531	0.574	0.596	0.608	0.639	0.688	0.719	0.344	0.371	0.386	0.393	0.414	0.445	0.465	0.349	0.376	0.391	0.398	0.419	0.450	0.470
\$200,000	0.507	0.552	0.574	0.585	0.616	0.667	0.697	0.328	0.357	0.371	0.379	0.399	0.432	0.451	0.333	0.362	0.376	0.384	0.404	0.437	0.456
\$225,000	0.484	0.527	0.551	0.563	0.596	0.648	0.679	0.313	0.341	0.357	0.364	0.386	0.419	0.439	0.318	0.346	0.362	0.369	0.391	0.424	0.444
\$250,000	0.461	0.507	0.530	0.544	0.578	0.631	0.662	0.298	0.328	0.343	0.352	0.374	0.408	0.428	0.303	0.333	0.348	0.357	0.379	0.413	0.433
\$275,000	0.441	0.486	0.512	0.526	0.559	0.613	0.645	0.285	0.315	0.331	0.340	0.362	0.397	0.417	0.290	0.320	0.336	0.345	0.367	0.402	0.422
\$300,000	0.419	0.467	0.492	0.508	0.542	0.595	0.629	0.271	0.302	0.318	0.329	0.351	0.385	0.407	0.276	0.307	0.323	0.334	0.356	0.390	0.412
\$325,000	0.400	0.446	0.474	0.490	0.525	0.579	0.612	0.259	0.289	0.307	0.317	0.340	0.375	0.396	0.264	0.294	0.312	0.322	0.345	0.380	0.401
\$350,000	0.381	0.429	0.455	0.473	0.509	0.563	0.598	0.247	0.278	0.294	0.306	0.329	0.364	0.387	0.252	0.283	0.299	0.311	0.334	0.369	0.392
\$375,000	0.364	0.412	0.439	0.455	0.493	0.548	0.583	0.236	0.267	0.284	0.294	0.319	0.355	0.377	0.241	0.272	0.289	0.299	0.324	0.360	0.382
\$400,000	0.347	0.395	0.422	0.440	0.476	0.533	0.568	0.225	0.256	0.273	0.285	0.308	0.345	0.368	0.230	0.261	0.278	0.290	0.313	0.350	0.373
\$425,000	0.330	0.379	0.407	0.424	0.461	0.519	0.556	0.214	0.245	0.263	0.274	0.298	0.336	0.360	0.219	0.250	0.268	0.279	0.303	0.341	0.365
\$450,000	0.316	0.363	0.391	0.409	0.446	0.504	0.540	0.205	0.235	0.253	0.265	0.289	0.326	0.349	0.210	0.240	0.258	0.270	0.294	0.331	0.354
\$475,000	0.300	0.348	0.377	0.394	0.433	0.491	0.528	0.194	0.225	0.244	0.255	0.280	0.318	0.342	0.199	0.230	0.249	0.260	0.285	0.323	0.347
\$500,000	0.286	0.335	0.362	0.380	0.419	0.477	0.514	0.185	0.217	0.234	0.246	0.271	0.309	0.333	0.190	0.222	0.239	0.251	0.276	0.314	0.338
\$600,000	0.238	0.285	0.314	0.329	0.369	0.428	0.467	0.154	0.184	0.203	0.213	0.239	0.277	0.302	0.159	0.189	0.208	0.218	0.244	0.282	0.307
\$700,000	0.198	0.245	0.271	0.287	0.326	0.385	0.423	0.128	0.159	0.175	0.186	0.211	0.249	0.274	0.133	0.164	0.180	0.191	0.216	0.254	0.279
\$800,000	0.168	0.210	0.235	0.251	0.286	0.347	0.387	0.109	0.136	0.152	0.162	0.185	0.225	0.250	0.114	0.141	0.157	0.167	0.190	0.230	0.255
\$900,000	0.142	0.181	0.207	0.220	0.256	0.314	0.351	0.092	0.117	0.134	0.142	0.166	0.203	0.227	0.097	0.122	0.139	0.147	0.171	0.208	0.232
\$1,000,000	0.1204	0.1592	0.1819	0.1943	0.2279	0.2854	0.3230	0.0779	0.1030	0.1177	0.1258	0.1475	0.1847	0.2090	0.0829	0.1080	0.1227	0.1308	0.1525	0.1897	0.2140
\$2,000,000	0.0583	0.0786	0.0913	0.1014	0.1226	0.1647	0.1961	0.0377	0.0509	0.0591	0.0656	0.0793	0.1066	0.1269	0.0427	0.0559	0.0641	0.0706	0.0843	0.1116	0.1319
\$3,000,000	0.0377	0.0511	0.0602	0.0678	0.0834	0.1159	0.1434	0.0244	0.0331	0.0390	0.0439	0.0540	0.0750	0.0928	0.0294	0.0381	0.0440	0.0489	0.0590	0.0800	0.0978
\$4,000,000	0.0273	0.0373	0.0440	0.0505	0.0629	0.0888	0.1124	0.0177	0.0241	0.0285	0.0327	0.0407	0.0575	0.0727	0.0227	0.0291	0.0335	0.0377	0.0457	0.0625	0.0777
\$5,000,000	0.0214	0.0293	0.0344	0.0398	0.0499	0.0714	0.0917	0.0139	0.0190	0.0223	0.0258	0.0323	0.0462	0.0593	0.0189	0.0240	0.0273	0.0308	0.0373	0.0512	0.0643
\$6,000,000	0.0175	0.0239	0.0280	0.0324	0.0412	0.0594	0.0772	0.0113	0.0155	0.0181	0.0210	0.0267	0.0384	0.0500	0.0163	0.0205	0.0231	0.0260	0.0317	0.0434	0.0550
\$7,000,000	0.0144	0.0197	0.0238	0.0274	0.0346	0.0505	0.0662	0.0093	0.0127	0.0154	0.0177	0.0224	0.0327	0.0428	0.0140	0.0177	0.0204	0.0227	0.0274	0.0377	0.0478
\$8,000,000	0.0122	0.0172	0.0204	0.0235	0.0299	0.0440	0.0581	0.0079	0.0111	0.0132	0.0152	0.0194	0.0285	0.0376	0.0119	0.0161	0.0182	0.0202	0.0244	0.0335	0.0426
\$9,000,000	0.0107	0.0148	0.0176	0.0204	0.0262	0.0385	0.0514	0.0069	0.0096	0.0114	0.0132	0.0170	0.0249	0.0333	0.0104	0.0144	0.0164	0.0182	0.0220	0.0299	0.0383
\$10,000,000	0.0096	0.0131	0.0156	0.0181	0.0235	0.0342	0.0459	0.0062	0.0085	0.0101	0.0117	0.0152	0.0221	0.0297	0.0093	0.0128	0.0151	0.0167	0.0202	0.0271	0.0347

\* 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 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	0.572	0.585	0.590	0.594	0.603	0.616	0.622	0.579	0.592	0.599	0.604	0.617	0.627	0.632	-1.2%	-1.2%	-1.5%	-1.7%	-2.3%	-1.8%	-1.6%
\$15,000	0.553	0.568	0.575	0.578	0.589	0.605	0.613	0.560	0.575	0.582	0.588	0.602	0.614	0.620	-1.3%	-1.2%	-1.2%	-1.7%	-2.2%	-1.5%	-1.1%
\$20,000	0.536	0.554	0.561	0.566	0.578	0.596	0.606	0.544	0.560	0.567	0.575	0.588	0.603	0.609	-1.5%	-1.1%	-1.1%	-1.6%	-1.7%	-1.2%	-0.5%
\$25,000	0.523	0.542	0.550	0.554	0.568	0.587	0.598	0.530	0.546	0.555	0.562	0.577	0.592	0.599	-1.3%	-0.7%	-0.9%	-1.4%	-1.6%	-0.8%	-0.2%
\$30,000	0.511	0.530	0.539	0.545	0.559	0.580	0.591	0.518	0.534	0.543	0.551	0.566	0.582	0.590	-1.4%	-0.7%	-0.7%	-1.1%	-1.2%	-0.3%	0.2%
\$35,000	0.499	0.520	0.530	0.535	0.550	0.572	0.584	0.507	0.523	0.532	0.541	0.555	0.573	0.581	-1.6%	-0.6%	-0.4%	-1.1%	-0.9%	-0.2%	0.5%
\$40,000	0.489	0.510	0.520	0.527	0.542	0.565	0.578	0.496	0.514	0.522	0.531	0.546	0.564	0.573	-1.4%	-0.8%	-0.4%	-0.8%	-0.7%	0.2%	0.9%
\$50,000	0.472	0.494	0.506	0.510	0.527	0.552	0.567	0.478	0.496	0.504	0.514	0.530	0.549	0.557	-1.3%	-0.4%	0.4%	-0.8%	-0.6%	0.5%	1.8%
\$75,000	0.435	0.461	0.472	0.479	0.498	0.525	0.542	0.443	0.461	0.470	0.480	0.495	0.516	0.525	-1.8%	0.0%	0.4%	-0.2%	0.6%	1.7%	3.2%
\$100,000	0.409	0.434	0.447	0.454	0.474	0.503	0.520	0.414	0.434	0.442	0.453	0.468	0.491	0.499	-1.2%	0.0%	1.1%	0.2%	1.3%	2.4%	4.2%
\$125,000	0.386	0.413	0.426	0.433	0.452	0.484	0.502	0.390	0.410	0.419	0.429	0.444	0.467	0.478	-1.0%	0.7%	1.7%	0.9%	1.8%	3.6%	5.0%
\$150,000	0.367	0.393	0.408	0.415	0.435	0.466	0.485	0.369	0.388	0.396	0.409	0.424	0.447	0.458	-0.5%	1.3%	3.0%	1.5%	2.6%	4.3%	5.9%
\$175,000	0.349	0.376	0.391	0.398	0.419	0.450	0.470	0.350	0.370	0.378	0.390	0.405	0.430	0.440	-0.3%	1.6%	3.4%	2.1%	3.5%	4.7%	6.8%
\$200,000	0.333	0.361	0.376	0.384	0.404	0.437	0.456	0.333	0.352	0.361	0.373	0.389	0.413	0.425	0.0%	2.6%	4.2%	2.9%	3.9%	5.8%	7.3%
\$225,000	0.318	0.346	0.362	0.369	0.391	0.424	0.444	0.317	0.337	0.346	0.358	0.373	0.398	0.409	0.3%	2.7%	4.6%	3.1%	4.8%	6.5%	8.6%
\$250,000	0.303	0.333	0.348	0.357	0.379	0.413	0.433	0.301	0.321	0.331	0.344	0.359	0.384	0.395	0.7%	3.7%	5.1%	3.8%	5.6%	7.6%	9.6%
\$275,000	0.290	0.320	0.336	0.345	0.367	0.402	0.422	0.287	0.307	0.317	0.329	0.346	0.371	0.382	1.0%	4.2%	6.0%	4.9%	6.1%	8.4%	10.5%
\$300,000	0.276	0.307	0.323	0.334	0.356	0.391	0.412	0.273	0.293	0.304	0.316	0.332	0.359	0.369	1.1%	4.8%	6.3%	5.7%	7.2%	8.9%	11.7%
\$325,000	0.264	0.294	0.311	0.322	0.345	0.380	0.401	0.259	0.280	0.290	0.303	0.319	0.346	0.357	1.9%	5.0%	7.2%	6.3%	8.2%	9.8%	12.3%
\$350,000	0.252	0.283	0.299	0.311	0.334	0.369	0.392	0.245	0.267	0.277	0.290	0.307	0.334	0.346	2.9%	6.0%	7.9%	7.2%	8.8%	10.5%	13.3%
\$375,000	0.241	0.272	0.289	0.299	0.324	0.360	0.382	0.231	0.254	0.265	0.279	0.295	0.322	0.334	4.3%	7.1%	9.1%	7.2%	9.8%	11.8%	14.4%
\$400,000	0.230	0.261	0.278	0.289	0.313	0.350	0.373	0.220	0.242	0.252	0.267	0.284	0.311	0.323	4.5%	7.9%	10.3%	8.2%	10.2%	12.5%	15.5%
\$425,000	0.219	0.250	0.268	0.279	0.303	0.341	0.364	0.209	0.231	0.241	0.256	0.273	0.300	0.312	4.8%	8.2%	11.2%	9.0%	11.0%	13.7%	16.7%
\$450,000	0.209	0.240	0.258	0.270	0.294	0.331	0.355	0.198	0.221	0.231	0.244	0.262	0.290	0.302	5.6%	8.6%	11.7%	10.7%	12.2%	14.1%	17.5%
\$475,000	0.199	0.230	0.249	0.260	0.285	0.323	0.347	0.188	0.210	0.220	0.233	0.251	0.279	0.292	5.9%	9.5%	13.2%	11.6%	13.5%	15.8%	18.8%
\$500,000	0.190	0.222	0.239	0.251	0.276	0.314	0.338	0.179	0.201	0.211	0.223	0.240	0.269	0.282	6.1%	10.4%	13.3%	12.6%	15.0%	16.7%	19.9%
\$600,000	0.159	0.189	0.208	0.218	0.244	0.282	0.307	0.146	0.167	0.176	0.188	0.205	0.234	0.246	8.9%	13.2%	18.2%	16.0%	19.0%	20.5%	24.8%
\$700,000	0.133	0.164	0.180	0.191	0.216	0.254	0.279	0.121	0.140	0.148	0.161	0.176	0.203	0.216	9.9%	17.1%	21.6%	18.6%	22.7%	25.1%	29.2%
\$800,000	0.114	0.141	0.157	0.167	0.190	0.230	0.255	0.102	0.119	0.127	0.137	0.152	0.179	0.190	11.8%	18.5%	23.6%	21.9%	25.0%	28.5%	34.2%
\$900,000	0.097	0.122	0.139	0.147	0.171	0.208	0.232	0.086	0.103	0.109	0.119	0.133	0.158	0.169	12.8%	18.4%	27.5%	23.5%	28.6%	31.6%	37.3%
\$1,000,000	0.0829	0.1080	0.1227	0.1308	0.1525	0.1897	0.2140	0.0747	0.0897	0.0954	0.1044	0.1165	0.1419	0.1511	11.0%	20.4%	28.6%	25.3%	30.9%	33.7%	41.6%
\$2,000,000	0.0427	0.0559	0.0641	0.0706	0.0843	0.1116	0.1319	0.0395	0.0475	0.0513	0.0580	0.0659	0.0844	0.0942	8.1%	17.7%	25.0%	21.7%	27.9%	32.2%	40.0%
\$3,000,000	0.0294	0.0381	0.0440	0.0489	0.0590	0.0800	0.0978	0.0274	0.0329	0.0357	0.0408	0.0466	0.0608	0.0697	7.3%	15.8%	23.2%	19.9%	26.6%	31.6%	40.3%
\$4,000,000	0.0227	0.0291	0.0335	0.0377	0.0457	0.0625	0.0777	0.0213	0.0255	0.0277	0.0316	0.0364	0.0477	0.0554	6.6%	14.1%	20.9%	19.3%	25.5%	31.0%	40.3%
\$5,000,000	0.0189	0.0240	0.0273	0.0308	0.0373	0.0512	0.0643	0.0179	0.0210	0.0227	0.0260	0.0299	0.0395	0.0462	5.6%	14.3%	20.3%	18.5%	24.7%	29.6%	39.2%
\$6,000,000	0.0163	0.0205	0.0231	0.0260	0.0317	0.0434	0.0550	0.0154	0.0180	0.0197	0.0224	0.0256	0.0336	0.0395	5.8%	13.9%	17.3%	16.1%	23.8%	29.2%	39.2%
\$7,000,000	0.0140	0.0177	0.0204	0.0227	0.0274	0.0377	0.0478	0.0131	0.0160	0.0173	0.0195	0.0225	0.0293	0.0345	6.9%	10.6%	17.9%	16.4%	21.8%	28.7%	38.6%
\$8,000,000	0.0119	0.0160	0.0182	0.0202	0.0244	0.0335	0.0426	0.0108	0.0140	0.0155	0.0176	0.0201	0.0261	0.0308	10.2%	14.3%	17.4%	14.8%	21.4%	28.4%	38.3%
\$9,000,000	0.0104	0.0144	0.0164	0.0182	0.0220	0.0299	0.0383	0.0097	0.0123	0.0137	0.0160	0.0182	0.0236	0.0278	7.2%	17.1%	19.7%	13.8%	20.9%	26.7%	37.8%
\$10,000,000	0.0093	0.0128	0.0151	0.0167	0.0202	0.0271	0.0347	0.0086	0.0107	0.0120	0.0146	0.0166	0.0214	0.0253	8.1%	19.6%	25.8%	14.4%	21.7%	26.6%	37.2%

\* Adjusted