

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						ELF adjusted for LBA's & Risk Load						
	HG A	HG B	HG C	HG D	HG E	HG F	HG G	TCR	TCR	TCR	TCR	TCR	TCR	HG A	HG B	HG C	HG D	HG E	HG F	HG G	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(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	0.890	0.906	0.906	0.919	0.928	0.943	0.960	0.591	0.602	0.602	0.610	0.616	0.626	0.637	0.596	0.607	0.607	0.615	0.621	0.631	0.642
\$15,000	0.862	0.882	0.882	0.898	0.909	0.927	0.947	0.572	0.586	0.586	0.596	0.604	0.616	0.629	0.577	0.591	0.591	0.601	0.609	0.621	0.634
\$20,000	0.840	0.860	0.862	0.879	0.892	0.913	0.934	0.558	0.571	0.572	0.584	0.592	0.606	0.620	0.563	0.576	0.577	0.589	0.597	0.611	0.625
\$25,000	0.820	0.844	0.844	0.863	0.877	0.898	0.924	0.544	0.560	0.560	0.573	0.582	0.596	0.614	0.549	0.565	0.565	0.578	0.587	0.601	0.619
\$30,000	0.800	0.827	0.829	0.848	0.863	0.887	0.915	0.531	0.549	0.550	0.563	0.573	0.589	0.608	0.536	0.554	0.555	0.568	0.578	0.594	0.613
\$35,000	0.784	0.812	0.815	0.835	0.851	0.876	0.906	0.521	0.539	0.541	0.554	0.565	0.582	0.602	0.526	0.544	0.546	0.559	0.570	0.587	0.607
\$40,000	0.767	0.798	0.800	0.823	0.839	0.865	0.898	0.509	0.530	0.531	0.546	0.557	0.574	0.596	0.514	0.535	0.536	0.551	0.562	0.579	0.601
\$50,000	0.742	0.773	0.776	0.800	0.818	0.847	0.882	0.493	0.513	0.515	0.531	0.543	0.562	0.586	0.498	0.518	0.520	0.536	0.548	0.567	0.591
\$75,000	0.689	0.724	0.728	0.752	0.774	0.806	0.844	0.457	0.481	0.483	0.499	0.514	0.535	0.560	0.462	0.486	0.488	0.504	0.519	0.540	0.565
\$100,000	0.647	0.683	0.689	0.717	0.740	0.773	0.814	0.430	0.454	0.457	0.476	0.491	0.513	0.540	0.435	0.459	0.462	0.481	0.496	0.518	0.545
\$125,000	0.612	0.650	0.657	0.684	0.708	0.744	0.787	0.406	0.432	0.436	0.454	0.470	0.494	0.523	0.411	0.437	0.441	0.459	0.475	0.499	0.528
\$150,000	0.583	0.621	0.628	0.658	0.681	0.718	0.764	0.387	0.412	0.417	0.437	0.452	0.477	0.507	0.392	0.417	0.422	0.442	0.457	0.482	0.512
\$175,000	0.556	0.595	0.604	0.632	0.659	0.695	0.742	0.369	0.395	0.401	0.420	0.438	0.461	0.493	0.374	0.400	0.406	0.425	0.443	0.466	0.498
\$200,000	0.532	0.573	0.581	0.610	0.636	0.673	0.721	0.353	0.380	0.386	0.405	0.422	0.447	0.479	0.358	0.385	0.391	0.410	0.427	0.452	0.484
\$225,000	0.510	0.550	0.561	0.590	0.616	0.655	0.703	0.339	0.365	0.373	0.392	0.409	0.435	0.467	0.344	0.370	0.378	0.397	0.414	0.440	0.472
\$250,000	0.488	0.529	0.539	0.570	0.596	0.636	0.686	0.324	0.351	0.358	0.378	0.396	0.422	0.456	0.329	0.356	0.363	0.383	0.401	0.427	0.461
\$275,000	0.467	0.510	0.520	0.553	0.580	0.620	0.669	0.310	0.339	0.345	0.367	0.385	0.412	0.444	0.315	0.344	0.350	0.372	0.390	0.417	0.449
\$300,000	0.445	0.492	0.502	0.534	0.562	0.603	0.655	0.295	0.327	0.333	0.355	0.373	0.400	0.435	0.300	0.332	0.338	0.360	0.378	0.405	0.440
\$325,000	0.425	0.470	0.483	0.517	0.546	0.589	0.639	0.282	0.312	0.321	0.343	0.363	0.391	0.424	0.287	0.317	0.326	0.348	0.368	0.396	0.429
\$350,000	0.407	0.451	0.466	0.500	0.529	0.572	0.625	0.270	0.299	0.309	0.332	0.351	0.380	0.415	0.275	0.304	0.314	0.337	0.356	0.385	0.420
\$375,000	0.389	0.434	0.448	0.485	0.514	0.558	0.611	0.258	0.288	0.297	0.322	0.341	0.371	0.406	0.263	0.293	0.302	0.327	0.346	0.376	0.411
\$400,000	0.371	0.418	0.433	0.468	0.498	0.543	0.596	0.246	0.278	0.288	0.311	0.331	0.361	0.396	0.251	0.283	0.293	0.316	0.336	0.366	0.401
\$425,000	0.355	0.402	0.416	0.452	0.484	0.528	0.583	0.236	0.267	0.276	0.300	0.321	0.351	0.387	0.241	0.272	0.281	0.305	0.326	0.356	0.392
\$450,000	0.340	0.385	0.400	0.436	0.471	0.514	0.571	0.226	0.256	0.266	0.290	0.313	0.341	0.379	0.231	0.261	0.271	0.295	0.318	0.346	0.384
\$475,000	0.323	0.370	0.387	0.422	0.455	0.501	0.557	0.214	0.246	0.257	0.280	0.302	0.333	0.370	0.219	0.251	0.262	0.285	0.307	0.338	0.375
\$500,000	0.309	0.357	0.370	0.407	0.440	0.488	0.544	0.205	0.237	0.246	0.270	0.292	0.324	0.361	0.210	0.242	0.251	0.275	0.297	0.329	0.366
\$600,000	0.259	0.303	0.320	0.356	0.390	0.438	0.497	0.172	0.201	0.212	0.236	0.259	0.291	0.330	0.177	0.206	0.217	0.241	0.264	0.296	0.335
\$700,000	0.217	0.260	0.275	0.312	0.346	0.393	0.454	0.144	0.173	0.183	0.207	0.230	0.261	0.301	0.149	0.178	0.188	0.212	0.235	0.266	0.306
\$800,000	0.183	0.225	0.239	0.273	0.307	0.355	0.415	0.122	0.149	0.159	0.181	0.204	0.236	0.276	0.127	0.154	0.164	0.186	0.209	0.241	0.281
\$900,000	0.155	0.194	0.207	0.242	0.272	0.321	0.380	0.103	0.129	0.137	0.161	0.181	0.213	0.252	0.108	0.134	0.142	0.166	0.186	0.218	0.257
* \$1,000,000	0.1326	0.1693	0.1816	0.2132	0.2440	0.2897	0.3496	0.0880	0.1124	0.1206	0.1416	0.1620	0.1924	0.2321	0.0930	0.1174	0.1256	0.1466	0.1670	0.1974	0.2371
\$2,000,000	0.0647	0.0840	0.0913	0.1113	0.1310	0.1657	0.2105	0.0430	0.0558	0.0606	0.0739	0.0870	0.1100	0.1398	0.0480	0.0608	0.0656	0.0789	0.0920	0.1150	0.1448
\$3,000,000	0.0423	0.0547	0.0599	0.0736	0.0874	0.1141	0.1496	0.0281	0.0363	0.0398	0.0489	0.0580	0.0758	0.0993	0.0331	0.0413	0.0448	0.0539	0.0630	0.0808	0.1043
\$4,000,000	0.0309	0.0396	0.0436	0.0542	0.0649	0.0855	0.1147	0.0205	0.0263	0.0290	0.0360	0.0431	0.0568	0.0762	0.0255	0.0313	0.0340	0.0410	0.0481	0.0618	0.0812
\$5,000,000	0.0237	0.0313	0.0343	0.0426	0.0512	0.0678	0.0919	0.0157	0.0208	0.0228	0.0283	0.0340	0.0450	0.0610	0.0207	0.0258	0.0278	0.0333	0.0390	0.0500	0.0660
\$6,000,000	0.0192	0.0252	0.0281	0.0350	0.0417	0.0559	0.0762	0.0127	0.0167	0.0187	0.0232	0.0277	0.0371	0.0506	0.0177	0.0217	0.0237	0.0282	0.0327	0.0421	0.0556
\$7,000,000	0.0163	0.0213	0.0232	0.0292	0.0354	0.0472	0.0650	0.0108	0.0141	0.0154	0.0194	0.0235	0.0313	0.0432	0.0158	0.0191	0.0204	0.0244	0.0285	0.0363	0.0482
\$8,000,000	0.0139	0.0179	0.0202	0.0252	0.0305	0.0408	0.0563	0.0092	0.0119	0.0134	0.0167	0.0203	0.0271	0.0374	0.0138	0.0169	0.0184	0.0217	0.0253	0.0321	0.0424
\$9,000,000	0.0117	0.0156	0.0174	0.0217	0.0266	0.0356	0.0493	0.0078	0.0104	0.0116	0.0144	0.0177	0.0236	0.0327	0.0117	0.0154	0.0166	0.0194	0.0227	0.0286	0.0377
\$10,000,000	0.0101	0.0137	0.0153	0.0192	0.0234	0.0316	0.0440	0.0067	0.0091	0.0102	0.0127	0.0155	0.0210	0.0292	0.0101	0.0137	0.0152	0.0177	0.0205	0.0260	0.0342

\* 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: 12/1/13  
Excess Loss Premium Factors with Adjustment for ALAE

Per Accident Limit	2013 Excess Loss Factors*							2012 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	0.596	0.607	0.607	0.615	0.621	0.631	0.642	0.572	0.585	0.590	0.594	0.603	0.616	0.622	4.2%	3.8%	2.9%	3.5%	3.0%	2.4%	3.2%
\$15,000	0.577	0.591	0.591	0.601	0.609	0.621	0.634	0.553	0.568	0.575	0.578	0.589	0.605	0.613	4.3%	4.0%	2.8%	4.0%	3.4%	2.6%	3.4%
\$20,000	0.563	0.576	0.577	0.589	0.597	0.611	0.625	0.536	0.554	0.561	0.566	0.578	0.596	0.606	5.0%	4.0%	2.9%	4.1%	3.3%	2.5%	3.1%
\$25,000	0.549	0.565	0.565	0.578	0.587	0.601	0.619	0.523	0.542	0.550	0.554	0.568	0.587	0.598	5.0%	4.2%	2.7%	4.3%	3.3%	2.4%	3.5%
\$30,000	0.536	0.554	0.555	0.568	0.578	0.593	0.613	0.511	0.530	0.539	0.545	0.559	0.580	0.591	4.9%	4.5%	3.0%	4.2%	3.4%	2.2%	3.7%
\$35,000	0.525	0.544	0.546	0.559	0.570	0.586	0.607	0.499	0.520	0.530	0.535	0.550	0.572	0.584	5.2%	4.6%	3.0%	4.5%	3.6%	2.4%	3.9%
\$40,000	0.514	0.535	0.536	0.551	0.562	0.579	0.601	0.489	0.510	0.520	0.527	0.542	0.565	0.578	5.1%	4.9%	3.1%	4.6%	3.7%	2.5%	4.0%
\$50,000	0.498	0.518	0.520	0.536	0.548	0.567	0.590	0.472	0.494	0.506	0.510	0.527	0.552	0.567	5.5%	4.9%	2.8%	5.1%	4.0%	2.7%	4.1%
\$75,000	0.462	0.486	0.488	0.504	0.519	0.540	0.565	0.435	0.461	0.472	0.479	0.498	0.525	0.542	6.2%	5.4%	3.4%	5.2%	4.2%	2.9%	4.2%
\$100,000	0.435	0.459	0.462	0.481	0.496	0.518	0.545	0.409	0.434	0.447	0.454	0.474	0.503	0.520	6.4%	5.8%	3.4%	5.9%	4.6%	3.0%	4.8%
\$125,000	0.411	0.437	0.441	0.459	0.475	0.499	0.528	0.386	0.413	0.426	0.433	0.452	0.484	0.502	6.5%	5.8%	3.5%	6.0%	5.1%	3.1%	5.2%
\$150,000	0.392	0.417	0.422	0.442	0.457	0.482	0.512	0.367	0.393	0.408	0.415	0.435	0.466	0.485	6.8%	6.1%	3.4%	6.5%	5.1%	3.4%	5.6%
\$175,000	0.374	0.400	0.406	0.425	0.442	0.466	0.498	0.349	0.376	0.391	0.398	0.419	0.450	0.470	7.2%	6.4%	3.8%	6.8%	5.5%	3.6%	6.0%
\$200,000	0.358	0.385	0.391	0.410	0.427	0.452	0.484	0.333	0.361	0.376	0.384	0.404	0.437	0.456	7.5%	6.6%	4.0%	6.8%	5.7%	3.4%	6.1%
\$225,000	0.344	0.370	0.377	0.397	0.414	0.440	0.472	0.318	0.346	0.362	0.369	0.391	0.424	0.444	8.2%	6.9%	4.1%	7.6%	5.9%	3.8%	6.3%
\$250,000	0.329	0.357	0.363	0.383	0.401	0.427	0.461	0.303	0.333	0.348	0.357	0.379	0.413	0.433	8.6%	7.2%	4.3%	7.3%	5.8%	3.4%	6.5%
\$275,000	0.315	0.343	0.350	0.372	0.390	0.416	0.449	0.290	0.320	0.336	0.345	0.367	0.402	0.422	8.6%	7.2%	4.2%	7.8%	6.3%	3.5%	6.4%
\$300,000	0.300	0.330	0.338	0.360	0.378	0.405	0.439	0.276	0.307	0.323	0.334	0.356	0.391	0.412	8.7%	7.5%	4.6%	7.8%	6.2%	3.6%	6.6%
\$325,000	0.287	0.317	0.326	0.349	0.367	0.395	0.429	0.264	0.294	0.311	0.322	0.345	0.380	0.401	8.7%	7.8%	4.8%	8.4%	6.4%	3.9%	7.0%
\$350,000	0.275	0.304	0.314	0.337	0.356	0.385	0.420	0.252	0.283	0.299	0.311	0.334	0.369	0.392	9.1%	7.4%	5.0%	8.4%	6.6%	4.3%	7.1%
\$375,000	0.263	0.293	0.302	0.327	0.346	0.375	0.410	0.241	0.272	0.289	0.299	0.324	0.360	0.382	9.1%	7.7%	4.5%	9.4%	6.8%	4.2%	7.3%
\$400,000	0.251	0.282	0.292	0.316	0.336	0.365	0.401	0.230	0.261	0.278	0.289	0.313	0.350	0.373	9.1%	8.0%	5.0%	9.3%	7.3%	4.3%	7.5%
\$425,000	0.240	0.272	0.281	0.306	0.326	0.356	0.392	0.219	0.250	0.268	0.279	0.303	0.341	0.364	9.6%	8.8%	4.9%	9.7%	7.6%	4.4%	7.7%
\$450,000	0.230	0.261	0.271	0.295	0.316	0.346	0.383	0.209	0.240	0.258	0.270	0.294	0.331	0.355	10.0%	8.8%	5.0%	9.3%	7.5%	4.5%	7.9%
\$475,000	0.219	0.251	0.261	0.285	0.307	0.338	0.375	0.199	0.230	0.249	0.260	0.285	0.323	0.347	10.1%	9.1%	4.8%	9.6%	7.7%	4.6%	8.1%
\$500,000	0.210	0.242	0.251	0.275	0.297	0.329	0.366	0.190	0.222	0.239	0.251	0.276	0.314	0.338	10.5%	9.0%	5.0%	9.6%	7.6%	4.8%	8.3%
\$600,000	0.177	0.206	0.217	0.241	0.264	0.296	0.335	0.159	0.189	0.208	0.218	0.244	0.282	0.307	11.3%	9.0%	4.3%	10.6%	8.2%	5.0%	9.1%
\$700,000	0.149	0.178	0.188	0.212	0.235	0.266	0.306	0.133	0.164	0.180	0.191	0.216	0.254	0.279	12.0%	8.5%	4.4%	11.0%	8.8%	4.7%	9.7%
\$800,000	0.127	0.154	0.164	0.186	0.209	0.241	0.281	0.114	0.141	0.157	0.167	0.190	0.230	0.255	11.4%	9.2%	4.5%	11.4%	10.0%	4.8%	10.2%
\$900,000	0.108	0.134	0.142	0.166	0.186	0.218	0.257	0.097	0.122	0.139	0.147	0.171	0.208	0.232	11.3%	9.8%	2.2%	12.9%	8.8%	4.8%	10.8%
\$1,000,000	0.0930	0.1174	0.1256	0.1466	0.1670	0.1974	0.2371	0.0829	0.1080	0.1227	0.1308	0.1525	0.1897	0.2140	12.2%	8.7%	2.4%	12.1%	9.5%	4.1%	10.8%
\$2,000,000	0.0480	0.0608	0.0656	0.0789	0.0920	0.1150	0.1448	0.0427	0.0559	0.0641	0.0706	0.0843	0.1116	0.1319	12.4%	8.8%	2.3%	11.8%	9.1%	3.0%	9.8%
\$3,000,000	0.0331	0.0413	0.0448	0.0539	0.0630	0.0808	0.1043	0.0294	0.0381	0.0440	0.0489	0.0590	0.0800	0.0978	12.6%	8.4%	1.8%	10.2%	6.8%	1.0%	6.6%
\$4,000,000	0.0255	0.0313	0.0340	0.0410	0.0481	0.0618	0.0812	0.0227	0.0291	0.0335	0.0377	0.0457	0.0625	0.0777	12.3%	7.6%	1.5%	8.8%	5.3%	-1.1%	4.5%
\$5,000,000	0.0207	0.0258	0.0278	0.0333	0.0390	0.0500	0.0660	0.0189	0.0240	0.0273	0.0308	0.0373	0.0512	0.0643	9.5%	7.5%	1.8%	8.1%	4.6%	-2.3%	2.6%
\$6,000,000	0.0177	0.0217	0.0237	0.0282	0.0327	0.0421	0.0556	0.0163	0.0205	0.0231	0.0260	0.0317	0.0434	0.0550	8.6%	5.9%	2.6%	8.5%	3.2%	-3.0%	1.1%
\$7,000,000	0.0157	0.0191	0.0204	0.0244	0.0285	0.0363	0.0482	0.0140	0.0177	0.0204	0.0227	0.0274	0.0377	0.0478	12.1%	7.9%	0.0%	7.5%	4.0%	-3.7%	0.8%
\$8,000,000	0.0137	0.0169	0.0184	0.0217	0.0253	0.0321	0.0424	0.0119	0.0160	0.0182	0.0202	0.0244	0.0335	0.0426	15.1%	5.6%	1.1%	7.4%	3.7%	-4.2%	-0.5%
\$9,000,000	0.0117	0.0153	0.0166	0.0194	0.0227	0.0286	0.0377	0.0104	0.0144	0.0164	0.0182	0.0220	0.0299	0.0383	12.5%	6.3%	1.2%	6.6%	3.2%	-4.3%	-1.6%
\$10,000,000	0.0101	0.0137	0.0152	0.0177	0.0205	0.0260	0.0342	0.0093	0.0128	0.0151	0.0167	0.0202	0.0271	0.0347	8.6%	7.0%	0.7%	6.0%	1.5%	-4.1%	-1.4%

\* Adjusted