

DELAWARE COMPENSATION RATING BUREAU, INC.
F CLASS FILING

Calculation of Expected Loss Rate Factors

The attached exhibit contains Expected Loss Rate Factors. They are applied to residual market rates by classification to produce Table A (Expected Loss Factors) which are the basis for the calculation of Expected Losses in the Experience Rating Plan.

CALCULATION OF EXPECTED LOSS RATE FACTORS

Policy Year Beginning 10/1	Average Law Multiplier	Adjust- ment Factor	Loss Ratio Development Factor	Expense Allowance* 1.0 / (PLR/CPR)	Trend Factor	Product (2) * (3) * (4) * (5) * (6)	Expected Loss Rate Factor 1.0 / (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2016	1.0018	1.0000	1.1314	1.7201	1.0000	1.9496	0.5129
2017	1.0014	1.0000	1.2116	1.7201	1.0000	2.0870	0.4792
2018	1.0010	1.0000	1.7120	1.7201	1.0000	2.9478	0.3392
Average of (8):							0.4438

* Permissible Loss Ratio = 0.5635
 Collectible Premium Ratio = 0.9693