

Delaware Compensation Rating Bureau, Inc.



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August 6, 2013

DCRB CIRCULAR NO. A-34

To All Members of the DCRB:

The following copy of the 2012 audited financial statements of the DCRB is provided for your information. Also following is information pertaining to the adjustment of assessment for the year 2012. This adjustment produces a net refund of \$43,178 to all members combined and is derived from the DCRB's financial results for the year 2012 only. Derivation of this additional assessment is shown on the exhibits titled "Income and Expenses 2012." Member carrier detail of this adjustment of assessment is also attached.

Questions concerning this information should be addressed to Jack Panczner, Vice President - Finance, at (215) 320-4414. Feel free to reproduce these statements as necessary or contact the DCRB for additional copies.

Timothy L. Wisecarver
President

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DELAWARE COMPENSATION RATING BUREAU, INC.

Financial Statements and
Independent Auditors' Report

December 31, 2012

DELAWARE COMPENSATION RATING BUREAU, INC.

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Independent Auditors' Report

To the Governing Board
Delaware Compensation Rating Bureau, Inc.
Philadelphia, Pennsylvania

We have audited the accompanying financial statements of Delaware Compensation Rating Bureau, Inc. ("DCRB") (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to DCRB's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of DCRB's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delaware Compensation Rating Bureau, Inc. as of December 31, 2012 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Fearnley and Associates, LLP

Blue Bell, Pennsylvania
August 5, 2013

DELAWARE COMPENSATION RATING BUREAU, INC.

Statement of Financial Position

December 31, 2012

ASSETS

Current assets:

| | | |
|---------------------------|----|---------|
| Cash and cash equivalents | \$ | 148,332 |
| Accounts receivable | | 12,859 |
| Prepaid expenses | | 3,500 |
| Due from PCRB | | 40,045 |

Total current assets 204,736

| | | |
|------------------------|--|--------|
| Investment in CDX, LLC | | 40,030 |
|------------------------|--|--------|

Total assets \$ 244,766

LIABILITIES AND NET ASSETS

Current liabilities:

| | | |
|--|----|---------|
| Accounts payable and total liabilities | \$ | 161,558 |
| Assessments refundable to members | | 43,178 |

Total current liabilities 204,736

| | | |
|-------------------------|--|--------|
| Unrestricted net assets | | 40,030 |
|-------------------------|--|--------|

Total liabilities and net assets \$ 244,766

The accompanying notes are an integral part of these financial statements.

DELAWARE COMPENSATION RATING BUREAU, INC.

Statement of Activities

For the year ended December 31, 2012

| | |
|--|------------|
| Revenues: | |
| Assessments | \$ 689,322 |
| Assessments - fines | 74,723 |
| Membership fees | 79,000 |
| Printing and special services | 24,343 |
| Interest | 125 |
| Other | 4,271 |
| | <hr/> |
| Total revenue | 871,784 |
| | <hr/> |
| Operating expenses: | |
| Consultant | 4,001 |
| Delaware Insurance Department audit | 22,000 |
| Delaware Insurance Department filing | 28,547 |
| Delaware Insurance Plan expense | 4,960 |
| Insurance | 1,500 |
| Legal | 70,106 |
| Miscellaneous | 1,267 |
| Travel | 150 |
| | <hr/> |
| | 132,531 |
| Allocation of expenses to DCRB from PCRB | 734,955 |
| | <hr/> |
| Total expenses | 867,486 |
| | <hr/> |
| Change in unrestricted net assets | 4,298 |
| | <hr/> |
| Net assets at beginning of year | 35,732 |
| | <hr/> |
| Net assets at end of year | \$ 40,030 |
| | <hr/> |

The accompanying notes are an integral part of these financial statements.

DELAWARE COMPENSATION RATING BUREAU, INC.

Statement of Cash Flows
For the year ended December 31, 2012

| | |
|--|------------------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 4,298 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| (Increase) decrease in operating assets: | |
| Accounts receivable | 17,067 |
| Prepaid expenses and other assets | (7,798) |
| Assessments due from members | 173,525 |
| Due from PCR B | (135,593) |
| Increase in operating liabilities: | |
| Accounts payable | 15,715 |
| Assessments refundable to members | 43,178 |
| | <hr/> |
| Net cash provided by operating activities and net increase in cash and cash equivalents | 110,392 |
| Cash and cash equivalents at beginning of year | <hr/> 37,940 |
| Cash and cash equivalents at end of year | <hr/> <hr/> \$ 148,332 |

The accompanying notes are an integral part of these financial statements.

DELAWARE COMPENSATION RATING BUREAU, INC.

Notes to Financial Statements

December 31, 2012

1. Nature of Activities and Summary of Significant Accounting Policies:

This summary of significant accounting policies of Delaware Compensation Rating Bureau, Inc. ("DCRB") (a nonprofit corporation) is presented to assist in the understanding of DCRB's financial statements. The financial statements and notes are representations of DCRB's management who is responsible for their integrity and objectivity.

Nature of Business:

DCRB provides services to insurers underwriting workers compensation coverage within Delaware. DCRB also provides services and information to a broad variety of non-member constituencies including the Delaware Department of Insurance, the Delaware Industrial Accident Board, employers, insurance agents and brokers.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents:

For purposes of the statements of cash flows, DCRB considers all highly liquid investments available for current use to be cash equivalents.

Investment in CDX, LLC:

DCRB has an investment in Compensation Data Exchange, LLC, (CDX, LLC) a Minnesota Limited Liability Company. CDX, LLC is an Internet based service that facilitates the electronic transmission of workers compensation data between member insurers and data collection organizations in participating states. The investment is valued using the cost method of accounting since DCRB only has a 5.6% membership interest. There are no known issues that would cause impairment in the fair value of the investment.

DELAWARE COMPENSATION RATING BUREAU, INC.

Notes to Financial Statements, continued

December 31, 2012

1. Nature of Activities and Summary of Significant Accounting Policies, continued:

Assessments Due From/Refundable to Members:

Under the terms of DCRB's by-laws, the balance of net revenues assessed or expenditures paid by DCRB (after deducting membership fees, increases in unrestricted net assets, and all other income) is refundable to, or due from, members according to their respective proportion of applicable total net written insurance premiums for the calendar year during which revenues have been earned and expenditures have been paid. The amounts reflected as assessments due from, or refundable to members in the accompanying statements of financial position reflect the adjustment of assessments based upon actual net premiums written and expenditures paid. At December 31, 2012, there was \$43,178 in assessments refundable to members.

Income Taxes:

DCRB is a not-for-profit organization that is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

DCRB recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in general and administrative expenses. No such interest or penalties were recognized in 2012.

DCRB's Forms 990, Return of Organization Exempt from Income Tax for the years ended 2009 through 2012 remain subject to examination by the Internal Revenue Service.

Revenue Recognition:

Assessments:

Quarterly provisional assessments of member companies for budgeted expenses of DCRB are the primary source of revenue. The assessments are levied pro rata upon companies according to their respective proportions of the total Delaware workers compensation premium written in prior years. Assessments made each year are adjusted in the following year according to actual DCRB expenses and insurer premium writings during the assessment year.

Membership Revenue:

DCRB assesses membership fees to its members on an annual basis.

DELAWARE COMPENSATION RATING BUREAU, INC.

Notes to Financial Statements, continued

December 31, 2012

1. Nature of Activities and Summary of Significant Accounting Policies, continued:

Subsequent Events:

Subsequent events have been evaluated through August 5, 2013, the date that the financial statements were available to be issued.

2. Related Party Services:

Pennsylvania Compensation Rating Bureau ("PCRB") provides services which enable DCRB to carry out its principal functions. PCRB is a separate not-for-profit performing similar activities for the state of Pennsylvania. PCRB assesses DCRB for its share of the cost of services provided to members based on the proportion of DCRB's members' workers compensation premium writings in Delaware to the total of PCRB members' workers compensation premium writings in Pennsylvania and DCRB's members' workers compensation premium writings in Delaware for the year. During the year ended December 31, 2012, DCRB paid \$775,000 to PCRB relating to such services. As of December 31, 2012, the allocated expenses for such services were \$719,555. Additionally, as of December 31, 2012, the allocated expenses for the Technology Fund were \$15,400. Accordingly, as of December 31, 2012, \$40,045 was due from PCRB.

DELAWARE COMPENSATION RATING BUREAU, INC.

INCOME AND EXPENSES 2012

INCOME

| | | | |
|-----------------------|----|---------------|------------|
| Membership Fees | \$ | 79,250 | |
| Tentative Assessments | | 732,500 | |
| Other | | <u>98,914</u> | |
| | | | \$ 910,664 |

EXPENSES

| | | | |
|--|----|-----------------|-------------------------|
| Direct Expenses | \$ | (132,531) | |
| DCRB Share of PCRB Expenses | | (719,555) | |
| DCRB Share of PCRB Technology Funding | | <u>(15,400)</u> | \$ (867,486) |
| Refundable Assessment - the difference between columns (5) and (6) of the attached member detail. | | | <u><u>\$ 43,178</u></u> |

APPORTIONMENT OF EXPENSES

| | | | | |
|--------------------------|----|---------------|---------|-----------------------|
| DCRB Allocated Expenses | | \$ | 867,486 | |
| Less: | | | | |
| Membership Fees | \$ | 79,250 | | |
| Other Income | \$ | <u>98,914</u> | \$ | <u>(178,164)</u> |
| 2012 Adjusted Assessment | | | \$ | <u><u>689,322</u></u> |

| | | | | | |
|--------------------------|----|----------------|---|----------------|-----------------------|
| 2012 Adjusted Assessment | \$ | <u>689,322</u> | = | 0.004434724669 | Adjusted Assessment |
| Delaware Premiums | \$ | 155,437,404 | | | per dollar of premium |

DELAWARE 2012

| | COMPENSATION | ASSESSMENTS | ADJUSTED 2012 | BALANCE | BALANCE |
|--|--------------|-------------|---------------|---------|---------|
| | PREMIUM | MEMBERSHIP | ASSESSMENTS | DUE | DUE |
| BUREAU MEMBERS | WRITINGS | FEES PAID | INC.MEM.FEE | MEMBERS | BUREAU |
| (1) | (2) | (3) | (4) | (5) | (6) |
| TOTALS | 155,437,404 | 811,750 | 768,572 | 180,226 | 137,048 |
| ACADIA INSURANCE CO | 133,939 | 880 | 844 | 36 | |
| ACCIDENT FUND GENERAL INSURANCE CO | 43,936 | 334 | 445 | | 111 |
| ACCIDENT FUND INSURANCE CO OF AMERICA | 122,462 | 656 | 793 | | 137 |
| ACCIDENT FUND NATIONAL INSURANCE CO | 84,035 | 370 | 623 | | 253 |
| ACE AMERICAN INSURANCE CO | 1,930,747 | 17,490 | 8,811 | 8,679 | |
| ACE FIRE UNDERWRITERS INSURANCE CO | 230,922 | 2,304 | 1,274 | 1,030 | |
| ACE INDEMNITY INS CO | | 250 | 250 | | |
| ACE PROPERTY & CASUALTY INSURANCE CO | 10,509 | 376 | 297 | 79 | |
| ACIG INSURANCE CO | 9,218 | 454 | 291 | 163 | |
| ACUITY A MUTUAL INSURANCE COMPANY | | 250 | 250 | | |
| ADVANTAGE WORKERS COMPENSATION INS CO | 2,583 | 254 | 261 | | 7 |
| AIU INSURANCE CO | -20,118 | 600 | 250 | 350 | |
| ALEA NORTH AMERICA INSURANCE CO | | 250 | 250 | | |
| ALLIED EASTERN INDEMNITY CO | 1,452,924 | 4,860 | 6,692 | | 1,832 |
| ALLIED PROPERTY & CASUALTY INSURANCE CO | | 250 | 250 | | |
| ALLMERICA FINANCIAL BENEFIT INSURANCE CO | | 250 | 250 | | |
| ALLSTATE INDEMNITY CO | | 250 | 250 | | |
| ALLSTATE INSURANCE CO | | 250 | 250 | | |
| AMCO INSURANCE CO | | 250 | 250 | | |
| AMERICAN ALTERNATIVE INSURANCE CORP | 53,684 | 284 | 488 | | 204 |
| AMERICAN AUTOMOBILE INSURANCE CO | 3,084 | 260 | 264 | | 4 |
| AMERICAN CASUALTY CO OF READING | 1,227,620 | 4,784 | 5,693 | | 909 |
| AMERICAN ECONOMY INSURANCE CO | 8,023 | 284 | 286 | | 2 |
| AMERICAN EUROPEAN INSURANCE CO | | 250 | 250 | | |
| AMERICAN FIRE AND CASUALTY CO | 133,630 | 322 | 843 | | 521 |
| AMERICAN GUARANTEE & LIABILITY INS CO | 127,078 | 756 | 814 | | 58 |
| AMERICAN HOME ASSURANCE CO | -412,769 | 250 | 250 | | |
| AMERICAN INSURANCE CO | 39,834 | 538 | 427 | 111 | |
| AMERICAN INTERSTATE INSURANCE CO | 3,461,131 | 8,784 | 15,598 | | 6,814 |
| AMERICAN MINING INSURANCE CO | | 250 | 250 | | |
| AMERICAN SAFETY CASUALTY INSURANCE CO | | 250 | 250 | | |
| AMERICAN SELECT INSURANCE CO | 851,464 | 296 | 4,026 | | 3,730 |
| AMERICAN STATES INSURANCE CO | 6,100 | 260 | 277 | | 17 |
| AMERICAN ZURICH INSURANCE CO | 3,333,656 | 15,506 | 15,034 | 472 | |
| AMERIHEALTH CASUALTY INSURANCE CO | 1,600,619 | 8,414 | 7,348 | 1,066 | |
| AMERISURE MUTUAL INSURANCE CO | 148,861 | 844 | 910 | | 66 |
| AMGUARD INSURANCE CO | 3,943,554 | 10,038 | 17,738 | | 7,700 |
| ARCH INSURANCE CO | 1,756,708 | 6,544 | 8,041 | | 1,497 |
| ARGONAUT INSURANCE CO | 34,282 | 1,196 | 402 | 794 | |
| ARGONAUT-MIDWEST INSURANCE CO | 14,683 | 466 | 315 | 151 | |
| ARI CASUALTY CO | | 250 | 250 | | |
| ARI MUTUAL INSURANCE CO | | 250 | 250 | | |
| ASSOCIATED INDEMNITY CORPORATION | 3,062 | 254 | 264 | | 10 |
| ASSURANCE CO OF AMERICA | 122,224 | 758 | 792 | | 34 |
| ATHENA ASSURANCE CO | | 250 | 250 | | |
| ATLANTIC SPECIALTY INSURANCE CO | 47,528 | 250 | 461 | | 211 |
| ATLANTIC STATES INSURANCE CO | 2,003,880 | 8,778 | 9,137 | | 359 |
| AUTOMOBILE INSURANCE CO OF HARTFORD CT | | 250 | 250 | | |

DELAWARE 2012

| - | COMPENSATION PREMIUM WRITINGS | ASSESSMENTS MEMBERSHIP FEES PAID | ADJUSTED 2012 ASSESSMENTS INC.MEM.FEE | BALANCE DUE MEMBERS | BALANCE DUE BUREAU |
|---|-------------------------------------|--|---|---------------------------|--------------------------|
| BUREAU MEMBERS (1) | (2) | (3) | (4) | (5) | (6) |
| BANCINSURE INC | 124 | 254 | 251 | 3 | |
| BANKERS STANDARD FIRE & MARINE CO | | 250 | 250 | | |
| BANKERS STANDARD INSURANCE CO | 342,673 | 1,162 | 1,770 | | 608 |
| BENCHMARK INSURANCE CO | | 250 | 250 | | |
| BERKLEY NATIONAL INSURANCE CO | 4,457 | 250 | 270 | | 20 |
| BERKLEY REGIONAL INSURANCE CO | | 250 | 250 | | |
| BERKSHIRE HATHAWAY HOMESTATE INS CO | 331,002 | 298 | 1,718 | | 1,420 |
| BITUMINOUS CASUALTY CORPORATION | 85,082 | 444 | 627 | | 183 |
| BITUMINOUS FIRE & MARINE INSURANCE CO | 50,452 | 310 | 474 | | 164 |
| BROTHERHOOD MUTUAL INSURANCE CO | 36,846 | 256 | 413 | | 157 |
| CAMDEN FIRE INSURANCE ASSOCIATION (THE) | | 250 | 250 | | |
| CASTLEPOINT NATIONAL INSURANCE CO | -671 | 250 | 250 | | |
| CENTURY INDEMNITY CO | | 250 | 250 | | |
| CHARTER OAK FIRE INSURANCE CO | 1,283,576 | 2,482 | 5,942 | | 3,460 |
| CHARTIS PROPERTY CASUALTY CO | 8,796 | 370 | 289 | 81 | |
| CHEROKEE INSURANCE CO | 50,025 | 398 | 472 | | 74 |
| CHUBB INDEMNITY INSURANCE CO | 488,653 | 1,344 | 2,417 | | 1,073 |
| CHUBB NATIONAL INSURANCE CO | | 250 | 250 | | |
| CHURCH MUTUAL INSURANCE CO | 829,678 | 4,130 | 3,929 | 201 | |
| CINCINNATI CASUALTY CO | 957,863 | 5,232 | 4,498 | 734 | |
| CINCINNATI INDEMNITY CO | 617,103 | 2,036 | 2,987 | | 951 |
| CINCINNATI INSURANCE CO | 1,146,222 | 8,860 | 5,333 | 3,527 | |
| CITIZENS INSURANCE CO OF AMERICA | | 250 | 250 | | |
| CLARENDON NATIONAL INSURANCE CO | | 250 | 250 | | |
| CLERMONT INSURANCE CO | | 250 | 250 | | |
| COMMERCE & INDUSTRY INSURANCE CO | 3,564,697 | 22,454 | 16,058 | 6,396 | |
| COMMERCIAL CASUALTY INSURANCE CO | | 250 | 250 | | |
| COMPANION COMMERCIAL INSURANCE CO | 193,546 | 1,144 | 1,108 | 36 | |
| COMPANION PROP & CASUALTY INSURANCE CO | 503,756 | 2,002 | 2,484 | | 482 |
| CONTINENTAL CASUALTY CO | 1,068,024 | 13,318 | 4,986 | 8,332 | |
| CONTINENTAL INDEMNITY CO | 222,395 | 1,834 | 1,236 | 598 | |
| CONTINENTAL INSURANCE CO | 15,309 | 296 | 318 | | 22 |
| COREPOINTE INSURANCE CO | | 250 | 250 | | |
| CRUM & FORSTER INDEMNITY CO | 73,629 | 340 | 577 | | 237 |
| CUMBERLAND INSURANCE CO INC | 242,724 | 1,442 | 1,326 | 116 | |
| DALLAS NATIONAL INSURANCE CO | 35,203 | 748 | 406 | 342 | |
| DEPOSITORS INSURANCE CO | | 250 | 250 | | |
| DIAMOND STATE INSURANCE CO | | 250 | 250 | | |
| DISCOVER PROPERTY & CASUALTY INSUR CO | 5,791 | 274 | 276 | | 2 |
| DONEGAL MUTUAL INSURANCE CO | 1,957,759 | 8,536 | 8,932 | | 396 |
| EASTERN ADVANTAGE ASSURANCE CO | 585,554 | 706 | 2,847 | | 2,141 |
| EASTERN ALLIANCE INSURANCE CO | 1,630,195 | 6,976 | 7,479 | | 503 |
| EASTGUARD INSURANCE CO | 45,943 | 800 | 454 | 346 | |
| ELECTRIC INSURANCE CO | 72,403 | 858 | 571 | 287 | |
| EMPLOYERS FIRE INSURANCE CO | 15,585 | 610 | 319 | 291 | |
| EMPLOYERS INSURANCE CO OF WAUSAU | 3,081,843 | 5,024 | 13,917 | | 8,893 |
| EMPLOYERS MUTUAL CASUALTY CO | 21,752 | 350 | 346 | 4 | |
| EVEREST NATIONAL INSURANCE CO | 318,784 | 1,338 | 1,664 | | 326 |

DELAWARE 2012

| - | COMPENSATION | ASSESSMENTS | ADJUSTED 2012 | BALANCE | BALANCE |
|--|--------------|-------------|---------------|---------|---------|
| | PREMIUM | MEMBERSHIP | ASSESSMENTS | DUE | DUE |
| BUREAU MEMBERS | WRITINGS | FEES PAID | INC.MEM.FEE | MEMBERS | BUREAU |
| (1) | (2) | (3) | (4) | (5) | (6) |
| EXCELSIOR INSURANCE CO | 1,547,028 | 11,462 | 7,111 | 4,351 | |
| FAIRFIELD INSURANCE CO | | 250 | 250 | | |
| FAIRMONT INSURANCE CO | | 250 | 250 | | |
| FAIRMONT PREMIER INSURANCE CO | | 250 | 250 | | |
| FAIRMONT SPECIALTY INSURANCE CO | | 250 | 250 | | |
| FARM FAMILY CASUALTY INSURANCE CO | 768,732 | 5,032 | 3,659 | 1,373 | |
| FARMINGTON CASUALTY CO | 1,501,855 | 14,122 | 6,910 | 7,212 | |
| FARMLAND MUTUAL INSURANCE CO | -41 | 250 | 250 | | |
| FEDERAL INSURANCE CO | 1,426,371 | 8,194 | 6,576 | 1,618 | |
| FEDERATED MUTUAL INSURANCE CO | 1,033,028 | 3,344 | 4,831 | | 1,487 |
| FEDERATED RURAL ELECTRIC INS EXCHANGE | 87,168 | 1,018 | 637 | 381 | |
| FEDERATED SERVICE INSURANCE CO | 163,688 | 330 | 976 | | 646 |
| FIDELITY & GUARANTY INS UNDERWRITERS INC | | 250 | 250 | | |
| FIDELITY & GUARANTY INSURANCE CO | 18,313 | 1,182 | 331 | 851 | |
| FIDELITY AND DEPOSIT CO OF MARYLAND | -451 | 250 | 250 | | |
| FIREMANS FUND INSURANCE CO | 13,751 | 264 | 311 | | 47 |
| FIREMENS INSURANCE CO OF WASHINGTON DC | 540,918 | 1,904 | 2,649 | | 745 |
| FIRST LIBERTY INSURANCE CORP | 541,313 | 11,788 | 2,651 | 9,137 | |
| FIRST NONPROFIT INSURANCE CO | 194,548 | 250 | 1,113 | | 863 |
| FIRSTLINE NATIONAL INSURANCE CO | 47,573 | 584 | 461 | 123 | |
| FLORISTS MUTUAL INSURANCE CO | 19,127 | 358 | 335 | 23 | |
| FRANK WINSTON CRUM INSURANCE COMPANY | 7,466 | 262 | 283 | | 21 |
| GATEWAY INSURANCE CO | 270 | 952 | 251 | 701 | |
| GENERAL CASUALTY CO OF WISCONSIN | 955 | 256 | 254 | 2 | |
| GENERAL INSURANCE CO OF AMERICA | | 250 | 250 | | |
| GENESIS INSURANCE CO | | 250 | 250 | | |
| GRANITE STATE INSURANCE CO | 3,872 | 282 | 267 | 15 | |
| GRAPHIC ARTS MUTUAL INSURANCE CO | 258,624 | 1,788 | 1,397 | 391 | |
| GRAY INSURANCE CO (THE) | | 250 | 250 | | |
| GREAT AMERICAN ASSURANCE CO | 45,109 | 428 | 450 | | 22 |
| GREAT AMERICAN INSURANCE CO | 3,296 | 290 | 265 | 25 | |
| GREAT AMERICAN INSURANCE CO OF NEW YORK | 54,887 | 412 | 493 | | 81 |
| GREAT DIVIDE INSURANCE CO | 219,922 | 702 | 1,225 | | 523 |
| GREAT NORTHERN INSURANCE CO | 210,960 | 964 | 1,186 | | 222 |
| GREAT WEST CASUALTY CO | 27,427 | 424 | 372 | 52 | |
| GREATER NEW YORK MUTUAL INSURANCE CO | 270 | 324 | 251 | 73 | |
| GREENWICH INSURANCE CO | 26,593 | 722 | 368 | 354 | |
| GUARANTEE INSURANCE CO | 325,727 | 3,466 | 1,695 | 1,771 | |
| GUIDEONE MUTUAL INSURANCE CO | 100,362 | 782 | 695 | 87 | |
| HANOVER INSURANCE CO | 81,633 | 438 | 612 | | 174 |
| HARBOR SPECIALTY INSURANCE CO | | 250 | 250 | | |
| HARCO NATIONAL INSURANCE CO | | 270 | 250 | 20 | |
| HARFORD MUTUAL INSURANCE CO | 1,998,619 | 8,610 | 9,113 | | 503 |
| HARLEYSVILLE INSURANCE CO | 420,066 | 2,096 | 2,113 | | 17 |
| HARLEYSVILLE MUTUAL INSURANCE CO | 454,060 | 3,142 | 2,264 | 878 | |
| HARLEYSVILLE PREFERRED INSURANCE CO | 187,723 | 1,264 | 1,082 | 182 | |
| HARLEYSVILLE WORCESTER INSURANCE CO | 157,979 | 1,340 | 951 | 389 | |
| HARTFORD ACCIDENT & INDEMNITY CO | 1,615,636 | 2,848 | 7,415 | | 4,567 |

DELAWARE 2012

| | COMPENSATION | ASSESSMENTS | ADJUSTED 2012 | BALANCE | BALANCE |
|--|--------------|-------------|---------------|---------|---------|
| | PREMIUM | MEMBERSHIP | ASSESSMENTS | DUE | DUE |
| BUREAU MEMBERS | WRITINGS | FEES PAID | INC.MEM.FEE | MEMBERS | BUREAU |
| (1) | (2) | (3) | (4) | (5) | (6) |
| HARTFORD CASUALTY INSURANCE CO | 1,343,624 | 4,592 | 6,209 | | 1,617 |
| HARTFORD FIRE INSURANCE CO | 817,060 | 3,056 | 3,873 | | 817 |
| HARTFORD INSURANCE CO OF THE MIDWEST | 1,984,568 | 12,632 | 9,051 | 3,581 | |
| HARTFORD UNDERWRITERS INSURANCE CO | 1,691,810 | 6,130 | 7,753 | | 1,623 |
| HDI-GERLING AMERICA INSURANCE CO | 186,502 | 250 | 1,077 | | 827 |
| IMPERIUM INSURANCE CO | 206 | 680 | 251 | 429 | |
| INDEMNITY INSURANCE CO OF NORTH AMERICA | 3,682,756 | 17,840 | 16,582 | 1,258 | |
| INSURANCE CO OF GREATER NEW YORK | | 250 | 250 | | |
| INSURANCE CO OF NORTH AMERICA / INA | 576 | 250 | 253 | | 3 |
| INSURANCE CO OF THE AMERICAS | | 250 | 250 | | |
| INSURANCE CO OF THE STATE OF PA | 3,588,428 | 13,982 | 16,164 | | 2,182 |
| INSURANCE CO OF THE WEST | -22 | 250 | 250 | | |
| LANCER INSURANCE CO | | 250 | 250 | | |
| LIBERTY INSURANCE CORPORATION | 4,615,725 | 27,916 | 20,719 | 7,197 | |
| LIBERTY MUTUAL FIRE INSURANCE CO | 2,462,223 | 13,192 | 11,169 | 2,023 | |
| LIBERTY MUTUAL INSURANCE CO | 670,223 | 2,682 | 3,222 | | 540 |
| LINCOLN GENERAL INSURANCE CO | | 250 | 250 | | |
| LM INSURANCE CORP | 9,508,264 | 26,168 | 42,417 | | 16,249 |
| LUMBERMENS UNDERWRITING ALLIANCE | 156,327 | 666 | 943 | | 277 |
| MANUFACTURERS ALLIANCE INSURANCE CO | 1,154,063 | 3,714 | 5,368 | | 1,654 |
| MARKEL INSURANCE CO | 621,589 | 772 | 3,007 | | 2,235 |
| MARYLAND CASUALTY CO | 320,602 | 1,300 | 1,672 | | 372 |
| MASSACHUSETTS BAY INSURANCE CO | 67,924 | 580 | 551 | 29 | |
| MEMIC INDEMNITY CO | 546,486 | 296 | 2,674 | | 2,378 |
| MERCHANTS MUTUAL INSURANCE CO | | 250 | 250 | | |
| MID-CENTURY INSURANCE CO | 147,065 | 554 | 902 | | 348 |
| MIDDLESEX INSURANCE CO | -3,102 | 250 | 250 | | |
| MIDWEST EMPLOYERS CASUALTY CO | 426,344 | 6,186 | 2,141 | 4,045 | |
| MITSUI SUMITOMO INSURANCE CO OF AMERICA | 118,706 | 906 | 776 | 130 | |
| MITSUI SUMITOMO INSURANCE USA INC | 20,644 | 348 | 342 | 6 | |
| MONTGOMERY MUTUAL INSURANCE CO | 376,925 | 1,860 | 1,922 | | 62 |
| MOTORISTS COMMERCIAL MUTUAL INSURANCE CO | 7,048 | 522 | 281 | 241 | |
| NATIONAL CASUALTY CO | 3,395 | 250 | 265 | | 15 |
| NATIONAL FIRE INSURANCE CO OF HARTFORD | 444,262 | 2,312 | 2,220 | 92 | |
| NATIONAL INTERSTATE INSURANCE CO | 381,129 | 2,130 | 1,940 | 190 | |
| NATIONAL LIABILITY & FIRE INSURANCE CO | | 250 | 250 | | |
| NATIONAL SURETY CORP | 3,052 | 264 | 264 | | |
| NATIONAL UNION FIRE INS OF PITTSBURGH | -3,877,371 | 9,068 | 250 | 8,818 | |
| NATIONWIDE AGRIBUSINESS INSURANCE CO | 28,889 | 330 | 378 | | 48 |
| NATIONWIDE MUTUAL FIRE INSURANCE CO | 474,798 | 3,082 | 2,356 | 726 | |
| NATIONWIDE MUTUAL INSURANCE CO | 799,663 | 1,630 | 3,796 | | 2,166 |
| NATIONWIDE PROPERTY/CASUALTY INSURANCE | 557,374 | 1,512 | 2,722 | | 1,210 |
| NETHERLANDS INSURANCE CO | 1,361,693 | 11,726 | 6,289 | 5,437 | |
| NEW HAMPSHIRE INSURANCE CO | 4,154,507 | 23,934 | 18,674 | 5,260 | |
| NEW JERSEY MANUFACTURERS INS CO | | 250 | 250 | | |
| NEW YORK MARINE AND GENERAL INSURANCE CO | 10,546 | 250 | 297 | | 47 |
| NGM INSURANCE CO | 601,849 | 3,322 | 2,919 | 403 | |
| NIPPONKOA INSURANCE CO LTD US BRANCH | | 250 | 250 | | |

DELAWARE 2012

| | COMPENSATION PREMIUM WRITINGS | ASSESSMENTS MEMBERSHIP FEES PAID | ADJUSTED 2012 ASSESSMENTS INC.MEM.FEE | BALANCE DUE MEMBERS | BALANCE DUE BUREAU |
|--|-------------------------------------|--|---|---------------------------|--------------------------|
| BUREAU MEMBERS (1) | (2) | (3) | (4) | (5) | (6) |
| NORGUARD INSURANCE CO | 1,674,864 | 5,624 | 7,678 | | 2,054 |
| NORTH AMERICAN SPECIALTY INSURANCE CO | | 250 | 250 | | |
| NORTH POINTE INSURANCE CO | 5,965 | 250 | 276 | | 26 |
| NORTH RIVER INSURANCE CO | 58,352 | 710 | 509 | 201 | |
| NORTHBROOK INDEMNITY CO | | 250 | 250 | | |
| NORTHERN ASSURANCE CO OF AMERICA | | 250 | 250 | | |
| NORTHERN INSURANCE CO OF NY | 983,656 | 4,996 | 4,612 | 384 | |
| NOVA CASUALTY CO | 112,966 | 1,058 | 751 | 307 | |
| OHIO CASUALTY INSURANCE CO | 59,160 | 314 | 512 | | 198 |
| OHIO SECURITY INSURANCE CO | 29,155 | 250 | 379 | | 129 |
| OLD REPUBLIC GENERAL INSURANCE CORP | 631,294 | 2,146 | 3,050 | | 904 |
| OLD REPUBLIC INSURANCE CO | 407,342 | 2,244 | 2,056 | 188 | |
| ONEBEACON AMERICA INSURANCE CO | 12,698 | 308 | 306 | 2 | |
| ONEBEACON INSURANCE CO | 89,495 | 682 | 647 | 35 | |
| PACIFIC EMPLOYERS INSURANCE CO | -7,579 | 792 | 250 | 542 | |
| PACIFIC INDEMNITY CO | 281,368 | 1,662 | 1,498 | 164 | |
| PEERLESS INDEMNITY INSURANCE CO | 8,494 | 274 | 288 | | 14 |
| PEERLESS INSURANCE CO | 896,694 | 4,790 | 4,227 | 563 | |
| PENINSULA INDEMNITY CO | 2,353,859 | 10,390 | 10,689 | | 299 |
| PENINSULA INSURANCE CO (THE) | 103,938 | 826 | 711 | 115 | |
| PENN NATIONAL SECURITY INSURANCE CO | 601,578 | 2,754 | 2,918 | | 164 |
| PENN-AMERICA INSURANCE CO | | 250 | 250 | | |
| PENNSYLVANIA INSURANCE CO | | 250 | 250 | | |
| PENNSYLVANIA LUMBERMENS MUTUAL INS CO | | 250 | 250 | | |
| PENNSYLVANIA MANUFACTURERS ASSN INS CO | 3,838,976 | 11,126 | 17,275 | | 6,149 |
| PENNSYLVANIA MANUFACTURERS INDEMNITY CO | 136,182 | 5,048 | 854 | 4,194 | |
| PENNSYLVANIA NATIONAL MUTUAL CASUALTY | 964,001 | 5,616 | 4,525 | 1,091 | |
| PETROLEUM CASUALTY CO | | 250 | 250 | | |
| PHARMACISTS MUTUAL INSURANCE CO | 24,409 | 346 | 358 | | 12 |
| PHOENIX INSURANCE CO | 1,180,557 | 7,094 | 5,485 | 1,609 | |
| PRAETORIAN INSURANCE CO | 142,438 | 1,692 | 882 | 810 | |
| PREFERRED PROFESSIONAL INSURANCE CO | | 250 | 250 | | |
| PRINCETON INSURANCE CO | | 250 | 250 | | |
| PROPERTY AND CASUALTY INS CO OF HARTFORD | 692,776 | 458 | 3,322 | | 2,864 |
| PROTECTIVE INSURANCE CO | 303,674 | 1,438 | 1,597 | | 159 |
| PUBLIC SERVICE INSURANCE CO | 39,762 | 632 | 426 | 206 | |
| QBE INSURANCE CORPORATION | 422,851 | 532 | 2,125 | | 1,593 |
| REDWOOD FIRE AND CASUALTY INSURANCE CO | -13,677 | 748 | 250 | 498 | |
| REGENT INSURANCE CO | 4,735 | 256 | 271 | | 15 |
| REPUBLIC-FRANKLIN INSURANCE CO | 832,826 | 6,210 | 3,943 | 2,267 | |
| RIVERPORT INSURANCE CO | 1,018,825 | 264 | 4,768 | | 4,504 |
| RLI INSURANCE CO | 1,383 | 250 | 256 | | 6 |
| ROCKWOOD CASUALTY INSURANCE CO | 55,346 | 512 | 495 | 17 | |
| SAFECO INSURANCE CO OF AMERICA | | 250 | 250 | | |
| SAFETY FIRST INSURANCE CO | 1,061 | 260 | 255 | 5 | |
| SAFETY NATIONAL CASUALTY CORP | 94,282 | 572 | 668 | | 96 |
| SEA BRIGHT INSURANCE CO | 708,609 | 3,676 | 3,392 | 284 | |
| SELECT INSURANCE CO | | 250 | 250 | | |

DELAWARE 2012

| - | COMPENSATION PREMIUM WRITINGS | ASSESSMENTS MEMBERSHIP FEES PAID | ADJUSTED 2012 ASSESSMENTS INC.MEM.FEE | BALANCE DUE MEMBERS | BALANCE DUE BUREAU |
|--|-------------------------------------|--|---|---------------------------|--------------------------|
| BUREAU MEMBERS (1) | (2) | (3) | (4) | (5) | (6) |
| SELECTIVE INSURANCE CO OF AMERICA | 1,231,347 | 7,848 | 5,711 | 2,137 | |
| SELECTIVE INSURANCE CO OF SOUTH CAROLINA | 405,611 | 2,618 | 2,049 | 569 | |
| SELECTIVE WAY INSURANCE CO | 1,227,732 | 6,584 | 5,695 | 889 | |
| SENECA INSURANCE CO INC | | 250 | 250 | | |
| SENTINEL INSURANCE CO LTD | 1,236,915 | 9,196 | 5,735 | 3,461 | |
| SENTRY CASUALTY CO | 234,735 | 468 | 1,291 | | 823 |
| SENTRY INSURANCE A MUTUAL COMPANY | 118,862 | 720 | 777 | | 57 |
| SENTRY SELECT INSURANCE CO | 56,814 | 378 | 502 | | 124 |
| SOMPO JAPAN INSURANCE CO OF AMERICA | -8,496 | 388 | 250 | 138 | |
| SOUTHERN INSURANCE CO | 32,418 | 3,030 | 394 | 2,636 | |
| SOUTHERN INSURANCE CO OF VIRGINIA | 330,721 | 250 | 1,717 | | 1,467 |
| SOUTHERN STATES INSURANCE EXCHANGE | 147,726 | 878 | 905 | | 27 |
| SPARTA INSURANCE CO | 359,204 | 1,016 | 1,843 | | 827 |
| ST PAUL FIRE & MARINE INSURANCE CO | -241 | 254 | 250 | 4 | |
| ST PAUL GUARDIAN INSURANCE CO | | 250 | 250 | | |
| ST PAUL MEDICAL LIABILITY INSURANCE CO | | 250 | 250 | | |
| ST PAUL MERCURY INSURANCE CO | | 250 | 250 | | |
| ST PAUL PROTECTIVE INSURANCE CO | | 250 | 250 | | |
| STANDARD FIRE INSURANCE CO | 1,404,874 | 4,634 | 6,480 | | 1,846 |
| STAR INSURANCE CO | 497,737 | 2,376 | 2,457 | | 81 |
| STARNET INSURANCE CO | | 250 | 250 | | |
| STARR INDEMNITY & LIABILITY COMPANY | 141,499 | 250 | 878 | | 628 |
| STATE AUTOMOBILE MUTUAL INSURANCE CO | 163,367 | 400 | 974 | | 574 |
| STATE FARM FIRE & CASUALTY CO | 661,090 | 3,834 | 3,182 | 652 | |
| STATE NATIONAL INSURANCE CO INC | 9,290 | 250 | 291 | | 41 |
| STONINGTON INSURANCE COMPANY | | 250 | 250 | | |
| STRATHMORE INSURANCE CO | | 250 | 250 | | |
| SUNZ INSURANCE CO | 32,455 | 264 | 394 | | 130 |
| T H E INSURANCE CO | 2,140 | 266 | 259 | 7 | |
| TECHNOLOGY INSURANCE CO | 2,236,638 | 9,012 | 10,169 | | 1,157 |
| THE HANOVER AMERICAN INS CO | | 250 | 250 | | |
| TIG INSURANCE CO | | 250 | 250 | | |
| TOKIO MARINE & NICHIDO FIRE INS CO LTD | 10,070 | 316 | 295 | 21 | |
| TORUS NATIONAL INSURANCE CO | | 250 | 250 | | |
| TOWER INSURANCE CO OF NEW YORK | 257,146 | 1,272 | 1,390 | | 118 |
| TOWER NATIONAL INSURANCE CO | 92,789 | 592 | 661 | | 69 |
| TRANS PACIFIC INSURANCE CO | 6,003 | 262 | 277 | | 15 |
| TRANSGUARD INSURANCE CO OF AMERICA INC | 77,774 | 570 | 595 | | 25 |
| TRANSPORTATION INSURANCE CO | 409,365 | 1,572 | 2,065 | | 493 |
| TRAVELERS CASUALTY & SURETY CO | 70,325 | 1,272 | 562 | 710 | |
| TRAVELERS CASUALTY & SURETY CO OF AMER | | 250 | 250 | | |
| TRAVELERS CASUALTY CO OF CONNECTICUT | | 250 | 250 | | |
| TRAVELERS CASUALTY INS CO OF AMERICA | 1,892,310 | 3,598 | 8,642 | | 5,044 |
| TRAVELERS COMMERCIAL INSURANCE CO | | 250 | 250 | | |
| TRAVELERS INDEMNITY CO | 291,935 | 8,336 | 1,545 | 6,791 | |
| TRAVELERS INDEMNITY CO OF AMERICA | 881,023 | 10,200 | 4,157 | 6,043 | |
| TRAVELERS INDEMNITY CO OF CONNECTICUT | 465,936 | 4,284 | 2,316 | 1,968 | |
| TRAVELERS PROPERTY CASUALTY CO OF AMER | 3,859,169 | 12,000 | 17,364 | | 5,364 |

DELAWARE 2012

| - | COMPENSATION | ASSESSMENTS | ADJUSTED 2012 | BALANCE | BALANCE |
|--|--------------|-------------|---------------|---------|---------|
| | PREMIUM | MEMBERSHIP | ASSESSMENTS | DUE | DUE |
| BUREAU MEMBERS | WRITINGS | FEES PAID | INC.MEM.FEE | MEMBERS | BUREAU |
| (1) | (2) | (3) | (4) | (5) | (6) |
| TRI-STATE INSURANCE CO OF MN | | 250 | 250 | | |
| TRUCK INSURANCE EXCHANGE | 264,111 | 250 | 1,421 | | 1,171 |
| TRUMBULL INSURANCE CO | 137,957 | 946 | 862 | 84 | |
| TWIN CITY FIRE INSURANCE CO | 4,073,400 | 19,152 | 18,314 | 838 | |
| ULLICO CASUALTY CO | 536,898 | 2,870 | 2,631 | 239 | |
| UNION INSURANCE CO | 374,262 | 2,908 | 1,910 | 998 | |
| UNITED NATIONAL SPECIALTY INSURANCE CO | | 250 | 250 | | |
| UNITED STATES FIDELITY & GUARANTY CO | 110,551 | 2,452 | 740 | 1,712 | |
| UNITED STATES FIRE INSURANCE CO | 1,056,409 | 1,760 | 4,935 | | 3,175 |
| UNITED WISCONSIN INSURANCE CO | 37,570 | 330 | 417 | | 87 |
| UNIVERSAL UNDERWRITERS INSURANCE CO | -3 | 250 | 250 | | |
| US SPECIALTY INSURANCE CO | | 250 | 250 | | |
| UTICA MUTUAL INSURANCE CO | 257,268 | 1,622 | 1,391 | 231 | |
| VALLEY FORGE INSURANCE CO | 419,820 | 3,056 | 2,112 | 944 | |
| VANLINER INSURANCE CO | 135,870 | 702 | 853 | | 151 |
| VIGILANT INSURANCE CO | 77,605 | 542 | 594 | | 52 |
| WAUSAU BUSINESS INSURANCE CO | 90,525 | 5,532 | 651 | 4,881 | |
| WAUSAU UNDERWRITERS INSURANCE CO | 1,010,876 | 13,290 | 4,733 | 8,557 | |
| WESCO INSURANCE CO | 847,136 | 3,100 | 4,007 | | 907 |
| WEST AMERICAN INSURANCE CO | 165,245 | 278 | 983 | | 705 |
| WESTFIELD INSURANCE CO | 2,515,236 | 25,192 | 11,404 | 13,788 | |
| WESTFIELD NATIONAL INSURANCE CO | 535,975 | 250 | 2,627 | | 2,377 |
| WESTPORT INSURANCE CORPORATION | -3,512 | 250 | 250 | | |
| WILLIAMSBURG NATIONAL INSURANCE CO | | 250 | 250 | | |
| WORK FIRST CASUALTY CO | 16,590 | 422 | 324 | 98 | |
| XL INSURANCE AMERICA INC | 111,182 | 600 | 743 | | 143 |
| XL SPECIALTY INSURANCE CO | 278,638 | 1,478 | 1,486 | | 8 |
| ZENITH INSURANCE CO | 484,259 | 3,060 | 2,398 | 662 | |
| ZURICH AMERICAN INSURANCE CO | 4,010,292 | 21,622 | 18,035 | 3,587 | |