

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.

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 LBA Factor 0.9203				ELF adjusted for LBA's & Risk Load			
	HG 1	HG 2	HG 3	HG 4	HG 1	HG 2	HG 3	HG 4	HG 1	HG 2	HG 3	HG 4
	(10) Pg1 Col(1)	(11) Pg2 Col(1)	(12) Pg3 Col(1)	(13) Pg4 Col(1)	(14) (10)*LBA	(15) (11)*LBA	(16) (12)*LBA	(17) (13)*LBA	(18) Columns (14)-(17) + 0.005 (Max Adj = 1/2 ELF)	(19)	(20)	(21)
\$10,000	0.841	0.862	0.904	0.923	0.774	0.793	0.832	0.849	0.779	0.798	0.837	0.854
\$15,000	0.811	0.833	0.880	0.903	0.746	0.767	0.810	0.831	0.751	0.772	0.815	0.836
\$20,000	0.785	0.809	0.860	0.887	0.722	0.745	0.791	0.816	0.727	0.750	0.796	0.821
\$25,000	0.762	0.786	0.842	0.872	0.701	0.723	0.775	0.803	0.706	0.728	0.780	0.808
\$30,000	0.740	0.766	0.826	0.858	0.681	0.705	0.760	0.790	0.686	0.710	0.765	0.795
\$35,000	0.723	0.750	0.810	0.846	0.665	0.690	0.745	0.779	0.670	0.695	0.750	0.784
\$40,000	0.707	0.734	0.797	0.834	0.651	0.676	0.733	0.768	0.656	0.681	0.738	0.773
\$50,000	0.679	0.707	0.773	0.812	0.625	0.651	0.711	0.747	0.630	0.656	0.716	0.752
\$75,000	0.620	0.649	0.725	0.767	0.571	0.597	0.667	0.706	0.576	0.602	0.672	0.711
\$100,000	0.575	0.608	0.681	0.733	0.529	0.560	0.627	0.675	0.534	0.565	0.632	0.680
\$125,000	0.537	0.569	0.647	0.696	0.494	0.524	0.595	0.641	0.499	0.529	0.600	0.646
\$150,000	0.507	0.540	0.619	0.668	0.467	0.497	0.570	0.615	0.472	0.502	0.575	0.620
\$175,000	0.477	0.513	0.593	0.645	0.439	0.472	0.546	0.594	0.444	0.477	0.551	0.599
\$200,000	0.453	0.487	0.572	0.623	0.417	0.448	0.526	0.573	0.422	0.453	0.531	0.578
\$225,000	0.430	0.466	0.550	0.605	0.396	0.429	0.506	0.557	0.401	0.434	0.511	0.562
\$250,000	0.407	0.445	0.530	0.586	0.375	0.410	0.488	0.539	0.380	0.415	0.493	0.544
\$275,000	0.387	0.425	0.513	0.570	0.356	0.391	0.472	0.525	0.361	0.396	0.477	0.530
\$300,000	0.366	0.407	0.496	0.554	0.337	0.375	0.456	0.510	0.342	0.380	0.461	0.515
\$325,000	0.348	0.389	0.479	0.538	0.320	0.358	0.441	0.495	0.325	0.363	0.446	0.500
\$350,000	0.328	0.371	0.463	0.523	0.302	0.341	0.426	0.481	0.307	0.346	0.431	0.486
\$375,000	0.312	0.353	0.448	0.508	0.287	0.325	0.412	0.468	0.292	0.330	0.417	0.473
\$400,000	0.296	0.338	0.433	0.496	0.272	0.311	0.398	0.456	0.277	0.316	0.403	0.461
\$425,000	0.279	0.322	0.418	0.482	0.257	0.296	0.385	0.444	0.262	0.301	0.390	0.449
\$450,000	0.265	0.308	0.404	0.468	0.244	0.283	0.372	0.431	0.249	0.288	0.377	0.436
\$475,000	0.252	0.293	0.390	0.456	0.232	0.270	0.359	0.420	0.237	0.275	0.364	0.425
\$500,000	0.240	0.282	0.379	0.443	0.221	0.260	0.349	0.408	0.226	0.265	0.354	0.413
\$600,000	0.197	0.236	0.332	0.397	0.181	0.217	0.306	0.365	0.186	0.222	0.311	0.370
\$700,000	0.163	0.202	0.293	0.359	0.150	0.186	0.270	0.330	0.155	0.191	0.275	0.335
\$800,000	0.138	0.173	0.262	0.324	0.127	0.159	0.241	0.298	0.132	0.164	0.246	0.303
\$900,000	0.119	0.151	0.235	0.297	0.110	0.139	0.216	0.273	0.115	0.144	0.221	0.278
\$1,000,000	0.1031	0.1321	0.2135	0.2725	0.0949	0.1216	0.1965	0.2508	0.0999	0.1266	0.2015	0.2558
\$2,000,000	0.0558	0.0727	0.1235	0.1746	0.0514	0.0669	0.1137	0.1607	0.0564	0.0719	0.1187	0.1657
\$3,000,000	0.0379	0.0503	0.0882	0.1309	0.0349	0.0463	0.0812	0.1205	0.0399	0.0513	0.0862	0.1255
\$4,000,000	0.0284	0.0379	0.0681	0.1041	0.0261	0.0349	0.0627	0.0958	0.0311	0.0399	0.0677	0.1008
\$5,000,000	0.0228	0.0303	0.0550	0.0858	0.0210	0.0279	0.0506	0.0790	0.0260	0.0329	0.0556	0.0840
\$6,000,000	0.0190	0.0254	0.0459	0.0723	0.0175	0.0234	0.0422	0.0665	0.0225	0.0284	0.0472	0.0715
\$7,000,000	0.0163	0.0217	0.0394	0.0622	0.0150	0.0200	0.0363	0.0572	0.0200	0.0250	0.0413	0.0622
\$8,000,000	0.0145	0.0190	0.0343	0.0544	0.0133	0.0175	0.0316	0.0501	0.0183	0.0225	0.0366	0.0551
\$9,000,000	0.0132	0.0170	0.0306	0.0483	0.0121	0.0156	0.0282	0.0445	0.0171	0.0206	0.0332	0.0495
\$10,000,000	0.0119	0.0156	0.0278	0.0435	0.0110	0.0144	0.0256	0.0400	0.0160	0.0194	0.0306	0.0450

DELAWARE  
EXCESS LOSS FACTOR STUDY  
PROPOSED EFFECTIVE DATE: 12/1/09  
**Excess Loss (Pure Premium) Factors with Adjustment for ALAE**

Per Accident Limit	2009 Excess Loss Factors				2008 RR Current Excess Loss Factors Based on New HG definition*				Percentage Change			
	1	2	3	4	1	2	3	4	1	2	3	4
\$10,000	0.779	0.798	0.837	0.854	0.788	0.807	0.845	0.860	-1.1%	-1.1%	-0.9%	-0.7%
\$15,000	0.751	0.772	0.815	0.836	0.762	0.784	0.827	0.845	-1.4%	-1.5%	-1.5%	-1.1%
\$20,000	0.727	0.750	0.796	0.821	0.740	0.764	0.811	0.833	-1.8%	-1.8%	-1.8%	-1.4%
\$25,000	0.706	0.728	0.780	0.808	0.721	0.745	0.797	0.821	-2.1%	-2.3%	-2.1%	-1.6%
\$30,000	0.686	0.710	0.765	0.795	0.704	0.731	0.784	0.811	-2.6%	-2.9%	-2.4%	-2.0%
\$35,000	0.670	0.695	0.750	0.784	0.689	0.716	0.772	0.800	-2.8%	-2.9%	-2.8%	-2.0%
\$40,000	0.656	0.681	0.738	0.773	0.675	0.703	0.762	0.792	-2.8%	-3.1%	-3.1%	-2.4%
\$50,000	0.630	0.656	0.716	0.752	0.651	0.680	0.743	0.777	-3.2%	-3.5%	-3.6%	-3.2%
\$75,000	0.576	0.602	0.672	0.711	0.600	0.634	0.705	0.743	-4.0%	-5.0%	-4.7%	-4.3%
\$100,000	0.534	0.565	0.632	0.679	0.562	0.599	0.674	0.717	-5.0%	-5.7%	-6.2%	-5.4%
\$125,000	0.499	0.529	0.600	0.646	0.529	0.568	0.648	0.693	-5.7%	-6.9%	-7.4%	-6.8%
\$150,000	0.472	0.502	0.575	0.620	0.500	0.540	0.626	0.673	-5.7%	-7.0%	-8.1%	-7.9%
\$175,000	0.444	0.477	0.551	0.599	0.476	0.517	0.603	0.654	-6.7%	-7.7%	-8.6%	-8.4%
\$200,000	0.422	0.453	0.531	0.578	0.452	0.496	0.585	0.636	-6.6%	-8.7%	-9.2%	-9.1%
\$225,000	0.401	0.434	0.511	0.561	0.431	0.476	0.568	0.621	-7.0%	-8.8%	-10.0%	-9.7%
\$250,000	0.380	0.415	0.493	0.545	0.411	0.458	0.552	0.607	-7.5%	-9.4%	-10.7%	-10.2%
\$275,000	0.361	0.397	0.477	0.530	0.393	0.441	0.536	0.592	-8.1%	-10.0%	-11.0%	-10.5%
\$300,000	0.342	0.380	0.461	0.515	0.374	0.425	0.523	0.579	-8.6%	-10.6%	-11.9%	-11.1%
\$325,000	0.325	0.363	0.446	0.500	0.357	0.409	0.508	0.567	-9.1%	-11.2%	-12.2%	-11.8%
\$350,000	0.307	0.346	0.431	0.486	0.338	0.393	0.496	0.554	-9.2%	-12.0%	-13.1%	-12.3%
\$375,000	0.292	0.330	0.417	0.473	0.323	0.379	0.484	0.543	-9.6%	-12.9%	-13.8%	-12.9%
\$400,000	0.277	0.316	0.403	0.461	0.308	0.365	0.471	0.533	-10.1%	-13.6%	-14.4%	-13.5%
\$425,000	0.262	0.301	0.390	0.449	0.293	0.349	0.459	0.522	-10.6%	-13.8%	-15.0%	-14.0%
\$450,000	0.249	0.288	0.377	0.437	0.281	0.337	0.448	0.511	-11.4%	-14.5%	-15.8%	-14.5%
\$475,000	0.237	0.276	0.364	0.425	0.268	0.326	0.435	0.502	-11.6%	-15.4%	-16.3%	-15.3%
\$500,000	0.226	0.265	0.353	0.413	0.256	0.313	0.425	0.492	-11.7%	-15.3%	-17.1%	-16.1%
\$600,000	0.186	0.222	0.311	0.370	0.214	0.270	0.383	0.454	-13.1%	-17.8%	-18.8%	-18.5%
\$700,000	0.155	0.191	0.275	0.335	0.180	0.235	0.349	0.421	-13.9%	-18.7%	-21.2%	-20.4%
\$800,000	0.132	0.164	0.246	0.303	0.153	0.204	0.316	0.390	-13.7%	-19.6%	-22.2%	-22.3%
\$900,000	0.115	0.144	0.221	0.278	0.134	0.195	0.288	0.362	-14.2%	-26.2%	-23.3%	-23.2%
\$1,000,000	0.0999	0.1266	0.2015	0.2558	0.1174	0.1595	0.2642	0.3364	-14.9%	-20.6%	-23.7%	-24.0%
\$2,000,000	0.0564	0.0719	0.1187	0.1657	0.0628	0.0908	0.1599	0.2323	-10.2%	-20.8%	-25.8%	-28.7%
\$3,000,000	0.0399	0.0513	0.0862	0.1255	0.0427	0.0634	0.1164	0.1808	-6.6%	-19.1%	-25.9%	-30.6%
\$4,000,000	0.0311	0.0399	0.0677	0.1008	0.0324	0.0484	0.0911	0.1469	-4.0%	-17.6%	-25.7%	-31.4%
\$5,000,000	0.0260	0.0329	0.0556	0.0840	0.0261	0.0389	0.0738	0.1224	-0.4%	-15.4%	-24.7%	-31.4%
\$6,000,000	0.0225	0.0284	0.0472	0.0715	0.0223	0.0325	0.0619	0.1040	0.9%	-12.6%	-23.7%	-31.3%
\$7,000,000	0.0200	0.0250	0.0413	0.0622	0.0197	0.0281	0.0528	0.0897	1.5%	-11.0%	-21.8%	-30.7%
\$8,000,000	0.0183	0.0225	0.0366	0.0551	0.0177	0.0250	0.0462	0.0786	3.4%	-10.0%	-20.8%	-29.9%
\$9,000,000	0.0171	0.0206	0.0332	0.0495	0.0166	0.0226	0.0411	0.0694	3.0%	-8.8%	-19.2%	-28.7%
\$10,000,000	0.0160	0.0194	0.0306	0.0450	0.0153	0.0210	0.0370	0.0623	4.6%	-7.6%	-17.3%	-27.8%

\* HG A+B = HG 1, HG C+D = HG 2, HG E+F = HG 3, HG G = HG 4