

DELAWARE COMPENSATION RATING BUREAU, INC.

Excess Loss Ratios and Loss Limitations

Page 1 shows a history of loss limits consistent with an excess loss ratio of 0.0757 for excess loss factor revisions since 1983, the 0.0757 ratio corresponding to a loss limit of \$1,043,461 effective with the December 1, 2004 filing when a limited loss approach was first introduced.

An average annual change of 3.09% was selected for Policy Years 2017 and subsequent using an exponential curve fit based on a ten-year average of loss limits.

Previously, an average annual change of 4.61% was selected for Policy Years 2005 through 2016 and an average annual change of 6.27% was selected for Policy Years 2004 and prior.

Page 2 shows the calculation of loss limits by policy year with the underlying annual changes in the loss limit as described above.

Page 3 shows the calculation of the excess loss ratio consistent with a loss limitation of \$1,979,451 per claim in the current filing. Excess ratios, prior to adjustments for expense and risk load, are weighted with standard premiums by hazard group to get an average excess ratio of 0.0596.

All calculations in this exhibit are made on a post-House Bill 373 basis.

Delaware December 1, 2025 Rate & Loss Cost Filing
Loss Limitations for Excess Loss Factor = 0.0757
All Losses at Post-HB373 Levels

Applicable to Policy Years after 12/1/2004

Policy Year	Midpoint	Time (t)	Loss Limit at ELF = 0.0757	Ratio to \$1,043,461	Annual Change from \$1,043,461
12/1/2004	12/1/2005	1.0000	1,043,461	1.0000	
2005	1/1/2006	1.0833	1,049,725	1.0060	1.0745
2006	1/1/2007	2.0833	1,127,930	1.0810	1.0745
2007	1/1/2008	3.0833	1,211,961	1.1615	1.0745
2008	1/1/2009	4.0833	1,296,164	1.2422	1.0729
2009	1/1/2010	5.0833	1,373,286	1.3161	1.0696
2010	1/1/2011	6.0833	1,454,996	1.3944	1.0676
2011	1/1/2012	7.0833	1,541,569	1.4774	1.0663
2012	1/1/2013	8.0833	1,633,292	1.5653	1.0653
2013	1/1/2014	9.0833	1,725,981	1.6541	1.0642
2014	1/1/2015	10.0833	1,823,499	1.7475	1.0634
2015	1/1/2016	11.0833	1,926,526	1.8463	1.0627
12/1/2016	12/1/2017	13.0000	2,140,551	2.0514	1.0617
12/1/2017	12/1/2018	14.0000	1,930,710	1.8503	1.0485
12/1/2018	12/1/2019	15.0000	1,819,104	1.7433	1.0405
12/1/2019	12/1/2020	16.0000	1,657,464	1.5884	1.0313
12/1/2020	12/1/2021	17.0000	1,742,306	1.6697	1.0326
12/1/2021	12/1/2022	18.0000	1,602,134	1.5354	1.0255
12/1/2022	12/1/2023	19.0000	1,445,975	1.3857	1.0183
12/1/2023	12/1/2024	20.0000	1,398,881	1.3406	1.0155
12/1/2024	12/1/2025	21.0000	1,434,477	1.3747	1.0160
12/1/2025	12/1/2026	22.0000	1,330,759	1.2753	1.0116

Average of latest 10 years

$$1,595,757 = (2,140,551 + 1,930,710 + 1,819,104 + 1,657,464 + 1,742,306 + 1,602,134 + 1,445,975 + 1,398,881 + 1,434,477 + 1,330,759) / 10$$

Annual Trend from 12/1/2005 to 12/1/2025

$$= 1,650,236 / 1,043,461 ^{(1/18)} = 1.0309$$

Annual Trend for Policy Years 2017 and subsequent = 0.0256

Annual Trend for Policy Years 2005 through 2016 = 0.0461
(from DCRB Filing No. 1902 effective 12/1/2019)

Annual Trend for Policy Years 1983 through 2004 = 0.0627
(from DCRB Filing No. 0807 effective 12/1/2008)

Delaware December 1, 2025 Rate & Loss Cost Filing
Calculation of Policy Year Loss Limitations

Policy Year *	Midpoint	Time (t)	Trend period To/From 12/1/2005	Annual Trend +	Trend Factor (6) = [1+(5)]^(4)	Loss Limit (7) = (6) * 1,043,461
(1)	(2)	(3)	(4)	(5)		
1983	1/1/1984	1.0000	-21.9167	0.0627	0.263734	275,196
1984	1/1/1985	2.0000	-20.9167	0.0627	0.280270	292,451
1985	1/1/1986	3.0000	-19.9167	0.0627	0.297843	310,787
1986	1/1/1987	4.0000	-18.9167	0.0627	0.316518	330,274
1987	1/1/1988	5.0000	-17.9167	0.0627	0.336363	350,982
1988	1/1/1989	6.0000	-16.9167	0.0627	0.357453	372,989
1989	1/1/1990	7.0000	-15.9167	0.0627	0.379866	396,375
1990	1/1/1991	8.0000	-14.9167	0.0627	0.403683	421,228
1991	1/1/1992	9.0000	-13.9167	0.0627	0.428994	447,639
1992	1/1/1993	10.0000	-12.9167	0.0627	0.455892	475,706
1993	1/1/1994	11.0000	-11.9167	0.0627	0.484477	505,532
1994	1/1/1995	12.0000	-10.9167	0.0627	0.514853	537,229
1995	1/1/1996	13.0000	-9.9167	0.0627	0.547134	570,913
1996	1/1/1997	14.0000	-8.9167	0.0627	0.581440	606,710
1997	1/1/1998	15.0000	-7.9167	0.0627	0.617896	644,750
1998	1/1/1999	16.0000	-6.9167	0.0627	0.656638	685,176
1999	1/1/2000	17.0000	-5.9167	0.0627	0.697809	728,137
2000	1/1/2001	18.0000	-4.9167	0.0627	0.741562	773,791
2001	1/1/2002	19.0000	-3.9167	0.0627	0.788058	822,308
2002	1/1/2003	20.0000	-2.9167	0.0627	0.837469	873,866
2003	1/1/2004	21.0000	-1.9167	0.0627	0.889979	928,658
2004	1/1/2005	22.0000	-0.9167	0.0627	0.945780	986,885
12/1/2004	12/1/2005	22.9167	0.0000	-	1.000000	1,043,461
2005	1/1/2006	23.0000	0.0833	0.0461	1.003763	1,047,387
2006	1/1/2007	24.0000	1.0833	0.0461	1.050036	1,095,672
2007	1/1/2008	25.0000	2.0833	0.0461	1.098443	1,146,182
2008	1/1/2009	26.0000	3.0833	0.0461	1.149081	1,199,021
2009	1/1/2010	27.0000	4.0833	0.0461	1.202054	1,254,296
2010	1/1/2011	28.0000	5.0833	0.0461	1.257468	1,312,119
2011	1/1/2012	29.0000	6.0833	0.0461	1.315438	1,372,608
2012	1/1/2013	30.0000	7.0833	0.0461	1.376079	1,435,885
2013	1/1/2014	31.0000	8.0833	0.0461	1.439517	1,502,080
2014	1/1/2015	32.0000	9.0833	0.0461	1.505878	1,571,325
2015	1/1/2016	33.0000	10.0833	0.0461	1.575299	1,643,764
2016	1/1/2017	34.0000	11.0833	0.0461	1.647921	1,719,541
2017	1/1/2018	35.0000	12.0833	0.0309	1.698842	1,772,675
2018	1/1/2019	36.0000	13.0833	0.0309	1.751336	1,827,451
2019	1/1/2020	37.0000	14.0833	0.0309	1.805452	1,883,919
2020	1/1/2021	38.0000	15.0833	0.0309	1.861240	1,942,132
2021	1/1/2022	39.0000	16.0833	0.0309	1.918753	2,002,144
2022	1/1/2023	40.0000	17.0833	0.0309	1.978042	2,064,010
2023	1/1/2024	41.0000	18.0833	0.0309	2.039164	2,127,788
2024	1/1/2025	42.0000	19.0833	0.0309	2.102174	2,193,536
12/1/2025	12/1/2026	42.9167	21.0000	0.0309	2.167131	2,261,317

* Beginning 1/1/XXXX unless otherwise noted.

+ See page 1.

Delaware December 1, 2025 Rate & Loss Cost Filing
Average Excess Ratio*
(Post-HB373 Basis)

Hazard Group	Standard Earned Premium	Average Excess Ratio
A	38,108,250	0.0197
B	78,948,195	0.0591
C	239,768,186	0.0482
D	223,257,488	0.0836
E	136,151,742	0.0945
F	128,260,664	0.1357
G	75,947,765	0.1935
TOTAL	920,442,290	0.0876

* \$1,979,451 is the average of the loss limits for
Policy Years 2016 through 2025 on page 2.