

DELAWARE COMPENSATION RATING BUREAU, INC.

Paid and Incurred Loss Development and Trend – Limited Losses

Page 1 of the attachment shows the calculation of Standard Earned Premiums. Standard Earned Premiums are developed to ultimate, adjusted to current residual market rate level, adjusted to remove the impact of expense constants, the DCCPAP program and the residual market surcharge program.

Pages 2 through 13 present indemnity losses and loss adjustment expense.

Page 2 shows incurred and paid loss development factors and ratios of incurred to paid losses, based on the current Table I. An average of the latest four factors is shown. Selected factors are generally based upon a fitting of the four-year averages to a curve.

Page 3 arranges the factors according to the loss development approach shown. There are three methods: case incurred, paid to twentieth and the average of the incurred and the paid to twentieth method. The last section of page three shows the loss on-level and loss adjustment expense factors applicable.

Page 4 shows the loss base (paid or incurred losses depending on the method) to which the development factors apply, the projected ultimate level of losses, and ultimate losses adjusted to current benefit levels and including loss adjustment expense.

The top portion of page 5 presents ultimate on-level loss and loss adjustment expense ratios by policy year for each methodology. The middle portion of page 5 presents information on claim frequencies, which are further discussed in Exhibit 23. The first column shows frequencies by policy year. The second column shows normalized values for claim frequency with policy year 1994 set equal to unity. Claim frequency trend factors for policy years 2003, 2004 and 2005 are calculated by relating the frequencies for those policy years to the value for policy year 2006. An annual frequency trend factor of -7.8% was selected for the period 1/1/07 to 12/1/09. The lower portion of page 5 shows severity ratios, which are defined herein as loss ratios adjusted to a common underlying claim frequency level. The severity ratios are calculated by dividing the loss ratios in the top section of page 5 by the normalized claim frequencies in the middle portion of page 5 for each policy year and loss development approach.

Page 6 shows fitted values for severity ratios fitted to a straight line for each loss development approach and using from 4 to 10 points. The top portion of page 7 shows those same straight lines trended to the midpoint of the prospective rating period (12/1/09). The second section of page 7 shows severity trend factors by policy year calculated by dividing the trended points on page 7 by the fitted values on page 6.

Pages 8 and 9 present the analogous exponential severity trend factor calculation. Pages 10 and 11 show the loss ratio trend factors by policy year which are a product of the severity (pages 7 and 9) and frequency (page 5) trend factors that were previously calculated.

Pages 12 and 13 show averages of the four latest policy years trended to the midpoint of the prospective rating period (12/1/09) on a linear and exponential basis respectively.

Pages 14 through 25 show experience for medical loss and loss adjustment expense laid out the same way as pages 2 through 13 while pages 26 and 27 show a summary of annualized severity and loss ratio trend factors.

| PREMIUMS | PDF 03-04 | PDF 04-05 | PDF 05-06 | PDF 06-07 | 4 Year Average | Selected PDF |
|----------|--------------|--------------|--------------|--------------|-------------------|-----------------|
| Beyond | 0.9725 | 1.0000 | 1.0007 | 1.0000 | 0.9933 | 1.0000 |
| 19-20 | 1.0000 | 1.0000 | 0.9997 | 1.0002 | 1.0000 | 1.0000 |
| 18-19 | 1.0000 | 1.0000 | 1.0000 | 1.0006 | 1.0002 | 1.0000 |
| 17-18 | 1.0000 | 1.0000 | 0.9993 | 1.0004 | 0.9999 | 1.0000 |
| 16-17 | 1.0000 | 1.0000 | 1.0035 | 1.0001 | 1.0009 | 1.0000 |
| 15-16 | 1.0000 | 1.0000 | 1.0062 | 1.0004 | 1.0017 | 1.0000 |
| 14-15 | 1.0000 | 1.0019 | 0.9989 | 1.0000 | 1.0002 | 1.0000 |
| 13-14 | 1.0000 | 1.0002 | 0.9946 | 1.0000 | 0.9987 | 1.0000 |
| 12-13 | 1.0001 | 1.0000 | 0.9995 | 1.0001 | 0.9999 | 1.0000 |
| 11-12 | 1.0000 | 0.9999 | 1.0001 | 1.0000 | 1.0000 | 1.0000 |
| 10-11 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 9-10 | 1.0000 | 1.0000 | 0.9999 | 0.9998 | 0.9999 | 1.0000 |
| 8-9 | 1.0002 | 1.0000 | 0.9997 | 0.9999 | 1.0000 | 1.0000 |
| 7-8 | 0.9999 | 1.0000 | 1.0002 | 0.9999 | 1.0000 | 1.0000 |
| 6-7 | 0.9999 | 0.9995 | 1.0007 | 0.9999 | 1.0000 | 1.0000 |
| 5-6 | 1.0034 | 0.9982 | 1.0012 | 0.9971 | 1.0000 | 1.0000 |
| 4-5 | 0.9942 | 0.9973 | 1.0001 | 1.0005 | 0.9980 | 0.9980 |
| 3-4 | 0.9982 | 0.9975 | 0.9991 | 0.9998 | 0.9987 | 0.9987 |
| 2-3 | 0.9943 | 0.9959 | 1.0002 | 0.9992 | 0.9974 | 0.9974 |
| 1-2 | 0.9912 | 0.9995 | 1.0063 | 1.0133 | 1.0026 | 1.0026 |

| PREMIUMS | Policy Year | Reported SEP | Cum PDF | Ultimate SEP | On-Level Factor | ECRF | DCCPAP Factor |
|----------|----------------|-----------------|---------|-----------------|--------------------|--------|---------------|
| Beyond | 1987 | 82225750 | 1.0000 | 82225750 | 1.2820 | 0.9916 | 1.0000 |
| 19-20 | 1988 | 98345982 | 1.0000 | 98345982 | 1.2576 | 0.9914 | 1.0000 |
| 18-19 | 1989 | 106535459 | 1.0000 | 106535459 | 1.2519 | 0.9919 | 1.0000 |
| 17-18 | 1990 | 94130902 | 1.0000 | 94130902 | 1.2519 | 0.9915 | 1.0037 |
| 16-17 | 1991 | 92904056 | 1.0000 | 92904056 | 1.2519 | 0.9913 | 1.0083 |
| 15-16 | 1992 | 85919982 | 1.0000 | 85919982 | 1.2519 | 0.9914 | 1.0137 |
| 14-15 | 1993 | 86944981 | 1.0000 | 86944981 | 1.2519 | 0.9914 | 1.0144 |
| 13-14 | 1994 | 83912349 | 1.0000 | 83912349 | 1.2857 | 0.9942 | 1.0129 |
| 12-13 | 1995 | 80759982 | 1.0000 | 80759982 | 1.3959 | 0.9971 | 1.0112 |
| 11-12 | 1996 | 85197215 | 1.0000 | 85197215 | 1.3997 | 0.9973 | 1.0131 |
| 10-11 | 1997 | 88853555 | 1.0000 | 88853555 | 1.3319 | 0.9979 | 1.0081 |
| 9-10 | 1998 | 94812033 | 1.0000 | 94812033 | 1.2292 | 0.9986 | 1.0001 |
| 8-9 | 1999 | 88669578 | 1.0000 | 88669578 | 1.4163 | 0.9989 | 0.9959 |
| 7-8 | 2000 | 95862477 | 1.0000 | 95862477 | 1.3978 | 0.9988 | 0.9929 |
| 6-7 | 2001 | 98266463 | 1.0000 | 98266463 | 1.4700 | 0.9982 | 0.9956 |
| 5-6 | 2002 | 119887918 | 1.0000 | 119887918 | 1.2318 | 0.9976 | 0.9982 |
| 4-5 | 2003 | 134172879 | 0.9980 | 133904533 | 1.1555 | 0.9966 | 1.0010 |
| 3-4 | 2004 | 150894279 | 0.9967 | 150396328 | 1.2022 | 0.9963 | 0.9999 |
| 2-3 | 2005 | 183361578 | 0.9941 | 182279745 | 1.0566 | 0.9968 | 0.9988 |
| 1-2 | 2006 | 203892331 | 0.9967 | 203219486 | 1.0088 | 0.9969 | 0.9988 |

| PREMIUMS | Policy Year | Other | On-Level SEP |
|----------|----------------|--------|-----------------|
| | 1987 | 1.0000 | 104527939 |
| | 1988 | 1.0000 | 122616260 |
| | 1989 | 1.0000 | 132291430 |
| | 1990 | 1.0000 | 117273126 |
| | 1991 | 1.0000 | 116251667 |
| | 1992 | 1.0000 | 108099125 |
| | 1993 | 1.0000 | 109464251 |
| | 1994 | 1.0000 | 108644026 |
| | 1995 | 1.0000 | 113664880 |
| | 1996 | 1.0000 | 120486530 |
| | 1997 | 1.0000 | 119052101 |
| | 1998 | 1.0000 | 116391429 |
| | 1999 | 1.0000 | 124930260 |
| | 2000 | 1.0000 | 132885540 |
| | 2001 | 1.0000 | 143557244 |
| | 2002 | 1.0000 | 147058328 |
| | 2003 | 1.0000 | 154354818 |
| | 2004 | 1.0000 | 180119468 |
| | 2005 | 1.0000 | 191750092 |
| | 2006 | 1.0000 | 204127046 |

| INDEMNITY | Incurred LDF 99-00 | Incurred LDF 00-01 | Incurred LDF 01-02 | Incurred LDF 02-03 | Incurred LDF 03-04 | Incurred LDF 04-05 | Incurred LDF 05-06 | Incurred LDF 06-07 | 4 Year Average LDF | Selected Incurred LDF |
|-----------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| Beyond | 1.0005 | 1.0867 | 0.9962 | 0.9538 | 0.9621 | 0.9941 | 1.0193 | 0.9992 | 0.9937 | 0.9937 |
| 19-20 | 0.9908 | 1.0075 | 1.0025 | 0.9980 | 1.0043 | 1.0014 | 1.0011 | 1.0038 | 1.0027 | 1.0003 |
| 18-19 | 1.0035 | 0.9931 | 0.9845 | 0.9999 | 0.9998 | 0.9926 | 1.0019 | 1.0007 | 0.9988 | 1.0007 |
| 17-18 | 1.0076 | 1.0091 | 0.9996 | 1.0034 | 0.9965 | 0.9988 | 1.0001 | 0.9983 | 0.9984 | 1.0012 |
| 16-17 | 1.0029 | 1.0179 | 0.9928 | 1.0017 | 1.0031 | 1.0040 | 0.9980 | 0.9987 | 1.0010 | 1.0017 |
| 15-16 | 1.0048 | 1.0180 | 0.9949 | 0.9987 | 0.9950 | 1.0092 | 1.0060 | 1.0014 | 1.0029 | 1.0024 |
| 14-15 | 0.9863 | 1.0056 | 1.0008 | 1.0302 | 1.0015 | 1.0010 | 1.0107 | 0.9962 | 1.0024 | 1.0033 |
| 13-14 | 1.0116 | 0.9974 | 1.0112 | 0.9913 | 1.0153 | 0.9925 | 0.9971 | 1.0439 | 1.0122 | 1.0043 |
| 12-13 | 0.9993 | 0.9999 | 1.0172 | 1.0163 | 1.0119 | 1.0065 | 1.0070 | 0.9938 | 1.0048 | 1.0055 |
| 11-12 | 1.0014 | 1.0124 | 1.0053 | 1.0174 | 1.0099 | 1.0176 | 1.0243 | 0.9999 | 1.0129 | 1.0071 |
| 10-11 | 1.0063 | 1.0291 | 1.0048 | 0.9903 | 1.0153 | 1.0061 | 0.9979 | 0.9961 | 1.0039 | 1.0091 |
| 9-10 | 1.0030 | 0.9991 | 1.0043 | 1.0202 | 1.0069 | 0.9900 | 0.9925 | 1.0123 | 1.0004 | 1.0116 |
| 8-9 | 1.0141 | 1.0049 | 1.0214 | 0.9812 | 1.0064 | 1.0262 | 0.9915 | 1.0131 | 1.0093 | 1.0149 |
| 7-8 | 1.0470 | 0.9968 | 1.0141 | 1.0256 | 1.0086 | 1.0840 | 1.0253 | 1.0158 | 1.0334 | 1.0192 |
| 6-7 | 1.0187 | 1.0100 | 1.0346 | 1.0121 | 1.0616 | 1.0217 | 1.0294 | 1.0071 | 1.0300 | 1.0249 |
| 5-6 | 1.0368 | 1.0062 | 1.0264 | 1.0898 | 1.0416 | 1.0085 | 1.0301 | 1.0161 | 1.0241 | 1.0325 |
| 4-5 | 1.0221 | 1.0117 | 1.0135 | 1.0743 | 1.0817 | 1.0562 | 1.0315 | 1.0094 | 1.0447 | 1.0433 |
| 3-4 | 1.0651 | 1.0313 | 1.0613 | 1.0750 | 1.1176 | 1.0310 | 1.0701 | 1.0330 | 1.0629 | 1.0626 |
| 2-3 | 1.1487 | 1.0950 | 1.2482 | 1.1405 | 1.1874 | 1.1414 | 1.1462 | 1.1298 | 1.1512 | 1.1512 |
| 1-2 | 1.2113 | 1.2942 | 1.4283 | 1.4377 | 1.2981 | 1.3025 | 1.3445 | 1.2374 | 1.2956 | 1.2956 |

| INDEMNITY | Paid LDF 99-00 | Paid LDF 00-01 | Paid LDF 01-02 | Paid LDF 02-03 | Paid LDF 03-04 | Paid LDF 04-05 | Paid LDF 05-06 | Paid LDF 06-07 | 4 Year Average LDF | Selected Paid LDF |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|-------------------|
| 19-20 | 1.0104 | 1.0096 | 1.0052 | 1.0024 | 0.9988 | 1.0028 | 1.0050 | 1.0066 | 1.0033 | 1.0061 |
| 18-19 | 1.0084 | 1.0086 | 1.0116 | 1.0139 | 0.9964 | 1.0101 | 1.0020 | 1.0225 | 1.0078 | 1.0064 |
| 17-18 | 1.0091 | 1.0072 | 1.0026 | 1.0076 | 1.0105 | 1.0040 | 1.0217 | 1.0024 | 1.0097 | 1.0068 |
| 16-17 | 1.0134 | 1.0021 | 1.0019 | 1.0026 | 1.0071 | 1.0111 | 1.0026 | 1.0042 | 1.0063 | 1.0074 |
| 15-16 | 1.0090 | 1.0049 | 1.0078 | 1.0084 | 1.0088 | 1.0039 | 1.0131 | 1.0053 | 1.0078 | 1.0081 |
| 14-15 | 1.0101 | 1.0084 | 1.0049 | 1.0052 | 1.0085 | 1.0101 | 1.0067 | 1.0000 | 1.0063 | 1.0090 |
| 13-14 | 1.0176 | 1.0052 | 1.0129 | 1.0040 | 1.0075 | 1.0092 | 1.0021 | 1.0536 | 1.0181 | 1.0101 |
| 12-13 | 1.0064 | 1.0084 | 1.0078 | 1.0171 | 1.0063 | 1.0108 | 1.0149 | 1.0028 | 1.0087 | 1.0116 |
| 11-12 | 1.0053 | 1.0138 | 1.0050 | 1.0205 | 1.0151 | 1.0176 | 1.0025 | 1.0137 | 1.0122 | 1.0137 |
| 10-11 | 1.0184 | 1.0072 | 1.0159 | 1.0049 | 1.0246 | 1.0203 | 1.0144 | 1.0118 | 1.0178 | 1.0164 |
| 9-10 | 1.0150 | 1.0155 | 1.0091 | 1.0242 | 1.0037 | 1.0150 | 1.0109 | 1.0272 | 1.0142 | 1.0202 |
| 8-9 | 1.0202 | 1.0194 | 1.0191 | 1.0371 | 1.0155 | 1.0158 | 1.0470 | 1.0262 | 1.0261 | 1.0256 |
| 7-8 | 1.0169 | 1.0401 | 1.0430 | 1.0207 | 1.0259 | 1.0599 | 1.0302 | 1.0216 | 1.0344 | 1.0335 |
| 6-7 | 1.0513 | 1.0229 | 1.0311 | 1.0308 | 1.0499 | 1.0414 | 1.0524 | 1.0489 | 1.0482 | 1.0458 |
| 5-6 | 1.0435 | 1.0316 | 1.0848 | 1.1017 | 1.0610 | 1.0583 | 1.0912 | 1.0636 | 1.0685 | 1.0660 |
| 4-5 | 1.0851 | 1.0889 | 1.0679 | 1.0947 | 1.0857 | 1.1013 | 1.1160 | 1.0909 | 1.0985 | 1.1025 |
| 3-4 | 1.1673 | 1.1638 | 1.1181 | 1.1771 | 1.2531 | 1.1720 | 1.1380 | 1.1620 | 1.1813 | 1.1801 |
| 2-3 | 1.3736 | 1.3587 | 1.3878 | 1.3716 | 1.4010 | 1.3539 | 1.4474 | 1.4089 | 1.4028 | 1.4029 |
| 1-2 | 1.7927 | 1.7987 | 1.9393 | 2.0577 | 1.9296 | 1.8426 | 2.1728 | 1.9540 | 1.9748 | 1.9748 |

| INDEMNITY | Pd-Incur LDF 99-00 | Pd-Incur LDF 00-01 | Pd-Incur LDF 01-02 | Pd-Incur LDF 02-03 | Pd-Incur LDF 03-04 | Pd-Incur LDF 04-05 | Pd-Incur LDF 05-06 | Pd-Incur LDF 06-07 | Average Pd-Incur LDF | Selected Pd-Incur LDF |
|-----------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|-----------------------|
| 19-20 | 1.0369 | 1.0903 | 1.0411 | 1.0283 | 1.0282 | 1.0263 | 1.0472 | 1.0203 | 1.0305 | 1.0305 |
| 18-19 | 1.0907 | 1.0446 | 1.0549 | 1.0337 | 1.0229 | 1.0565 | 1.0185 | 1.0491 | 1.0368 | 1.0368 |
| 17-18 | 1.0653 | 1.0878 | 1.0359 | 1.0293 | 1.0785 | 1.0206 | 1.0711 | 1.0223 | 1.0481 | 1.0481 |
| 16-17 | 1.0865 | 1.0604 | 1.0085 | 1.0495 | 1.0258 | 1.0829 | 1.0268 | 1.0810 | 1.0541 | 1.0541 |
| 15-16 | 1.0474 | 1.0278 | 1.0737 | 1.0187 | 1.0938 | 1.0328 | 1.0967 | 1.0525 | 1.0690 | 1.0690 |
| 14-15 | 1.0207 | 1.1014 | 1.0327 | 1.0886 | 1.0228 | 1.1012 | 1.0580 | 1.0136 | 1.0489 | 1.0489 |
| 13-14 | 1.1061 | 1.0534 | 1.0754 | 1.0182 | 1.1108 | 1.0565 | 1.0196 | 1.1081 | 1.0738 | 1.0738 |
| 12-13 | 1.0569 | 1.0729 | 1.0379 | 1.0983 | 1.0672 | 1.0336 | 1.0773 | 1.0618 | 1.0600 | 1.0600 |
| 11-12 | 1.0798 | 1.0558 | 1.0881 | 1.0657 | 1.0453 | 1.0887 | 1.0711 | 1.0581 | 1.0658 | 1.0658 |
| 10-11 | 1.0636 | 1.0569 | 1.0676 | 1.0374 | 1.1013 | 1.0669 | 1.0735 | 1.0791 | 1.0802 | 1.0802 |
| 9-10 | 1.0479 | 1.0804 | 1.0496 | 1.1076 | 1.0725 | 1.0919 | 1.0951 | 1.1511 | 1.1027 | 1.1027 |
| 8-9 | 1.0981 | 1.0795 | 1.1063 | 1.0963 | 1.1257 | 1.1208 | 1.1905 | 1.1200 | 1.1393 | 1.1393 |
| 7-8 | 1.0922 | 1.1287 | 1.1674 | 1.1338 | 1.1254 | 1.2726 | 1.1390 | 1.1206 | 1.1644 | 1.1644 |
| 6-7 | 1.1836 | 1.1486 | 1.1397 | 1.1479 | 1.2293 | 1.1569 | 1.1610 | 1.2001 | 1.1868 | 1.1868 |
| 5-6 | 1.2381 | 1.1194 | 1.2317 | 1.2592 | 1.2036 | 1.1937 | 1.3002 | 1.2356 | 1.2333 | 1.2333 |
| 4-5 | 1.2237 | 1.3152 | 1.2362 | 1.2577 | 1.2983 | 1.3901 | 1.3570 | 1.3268 | 1.3431 | 1.3431 |
| 3-4 | 1.5262 | 1.4294 | 1.3108 | 1.4185 | 1.6410 | 1.5418 | 1.4958 | 1.4466 | 1.5313 | 1.5313 |
| 2-3 | 1.8933 | 1.7006 | 1.8279 | 2.0257 | 2.0718 | 1.8925 | 2.0270 | 1.9763 | 1.9919 | 1.9919 |
| 1-2 | 2.7379 | 2.7076 | 3.4326 | 3.5843 | 3.1847 | 3.2585 | 3.8009 | 3.4500 | 3.4235 | 3.4235 |

| INDEMNITY | Policy Year | Incurred LDF | Paid to 20th LDF |
|-----------|----------------|-----------------|------------------------|
| Beyond | 1987 | 0.9937 | 0.9937 |
| 19-20 | 1988 | 1.0003 | 1.0305 |
| 18-19 | 1989 | 1.0007 | 1.0064 |
| 17-18 | 1990 | 1.0012 | 1.0068 |
| 16-17 | 1991 | 1.0017 | 1.0074 |
| 15-16 | 1992 | 1.0024 | 1.0081 |
| 14-15 | 1993 | 1.0033 | 1.0090 |
| 13-14 | 1994 | 1.0043 | 1.0101 |
| 12-13 | 1995 | 1.0055 | 1.0116 |
| 11-12 | 1996 | 1.0071 | 1.0137 |
| 10-11 | 1997 | 1.0091 | 1.0164 |
| 9-10 | 1998 | 1.0116 | 1.0202 |
| 8-9 | 1999 | 1.0149 | 1.0256 |
| 7-8 | 2000 | 1.0192 | 1.0335 |
| 6-7 | 2001 | 1.0249 | 1.0458 |
| 5-6 | 2002 | 1.0325 | 1.0660 |
| 4-5 | 2003 | 1.0433 | 1.1025 |
| 3-4 | 2004 | 1.0626 | 1.1801 |
| 2-3 | 2005 | 1.1512 | 1.4029 |
| 1-2 | 2006 | 1.2956 | 1.9748 |

| INDEMNITY | Policy Year | Incurred Cum LDF | Paid to 20th Cum LDF |
|-----------|----------------|---------------------|----------------------------|
| Beyond | 1987 | 0.9937 | 0.9937 |
| 19-20 | 1988 | 0.9940 | 1.0240 |
| 18-19 | 1989 | 0.9947 | 1.0306 |
| 17-18 | 1990 | 0.9959 | 1.0376 |
| 16-17 | 1991 | 0.9976 | 1.0452 |
| 15-16 | 1992 | 1.0000 | 1.0537 |
| 14-15 | 1993 | 1.0033 | 1.0632 |
| 13-14 | 1994 | 1.0076 | 1.0739 |
| 12-13 | 1995 | 1.0131 | 1.0864 |
| 11-12 | 1996 | 1.0203 | 1.1013 |
| 10-11 | 1997 | 1.0296 | 1.1193 |
| 9-10 | 1998 | 1.0416 | 1.1419 |
| 8-9 | 1999 | 1.0571 | 1.1712 |
| 7-8 | 2000 | 1.0774 | 1.2104 |
| 6-7 | 2001 | 1.1042 | 1.2659 |
| 5-6 | 2002 | 1.1401 | 1.3494 |
| 4-5 | 2003 | 1.1894 | 1.4877 |
| 3-4 | 2004 | 1.2639 | 1.7557 |
| 2-3 | 2005 | 1.4550 | 2.4630 |
| 1-2 | 2006 | 1.8851 | 4.8639 |

| INDEMNITY | Policy Year | Benefit Level Factor | LAE |
|-----------|----------------|----------------------------|--------|
| Beyond | 1987 | 1.4838 | 1.1239 |
| 19-20 | 1988 | 1.4620 | 1.1239 |
| 18-19 | 1989 | 1.4327 | 1.1239 |
| 17-18 | 1990 | 1.4062 | 1.1239 |
| 16-17 | 1991 | 1.3893 | 1.1239 |
| 15-16 | 1992 | 1.3720 | 1.1239 |
| 14-15 | 1993 | 1.3514 | 1.1239 |
| 13-14 | 1994 | 1.3345 | 1.1239 |
| 12-13 | 1995 | 1.3128 | 1.1239 |
| 11-12 | 1996 | 1.2868 | 1.1239 |
| 10-11 | 1997 | 1.2620 | 1.1239 |
| 9-10 | 1998 | 1.2347 | 1.1239 |
| 8-9 | 1999 | 1.2059 | 1.1239 |
| 7-8 | 2000 | 1.1762 | 1.1239 |
| 6-7 | 2001 | 1.1488 | 1.1239 |
| 5-6 | 2002 | 1.1231 | 1.1239 |
| 4-5 | 2003 | 1.0959 | 1.1239 |
| 3-4 | 2004 | 1.0830 | 1.1239 |
| 2-3 | 2005 | 1.0681 | 1.1239 |
| 1-2 | 2006 | 1.0460 | 1.1239 |

| INDEMNITY | | Incurred | Paid |
|-----------|------|----------|--------------|
| Policy | Year | Base | to 20th Base |
| Beyond | 1987 | 28606834 | 28606834 |
| 19-20 | 1988 | 27170512 | 26481376 |
| 18-19 | 1989 | 29523491 | 28949332 |
| 17-18 | 1990 | 29268379 | 27187316 |
| 16-17 | 1991 | 28606976 | 27323874 |
| 15-16 | 1992 | 24809796 | 24477065 |
| 14-15 | 1993 | 29670576 | 28211094 |
| 13-14 | 1994 | 23640597 | 22326915 |
| 12-13 | 1995 | 24886843 | 23841626 |
| 11-12 | 1996 | 29940715 | 28072192 |
| 10-11 | 1997 | 30995037 | 27660768 |
| 9-10 | 1998 | 27136252 | 24862164 |
| 8-9 | 1999 | 31794905 | 28985509 |
| 7-8 | 2000 | 41585759 | 36347864 |
| 6-7 | 2001 | 34354962 | 29572380 |
| 5-6 | 2002 | 35834800 | 29463585 |
| 4-5 | 2003 | 35597351 | 28594218 |
| 3-4 | 2004 | 34616520 | 24677133 |
| 2-3 | 2005 | 29165067 | 16518168 |
| 1-2 | 2006 | 22190237 | 8625993 |

| INDEMNITY | | Proj Ult | Proj Ult | Proj Ult |
|-----------|------|-------------------------|------------------|------------------|
| Policy | Year | Incurred (Avg Pd & Inc) | Incurred (Incur) | Incurred (Pd-20) |
| Beyond | 1987 | 28426611 | 28426611 | 28426611 |
| 19-20 | 1988 | 27062209 | 27007489 | 27116929 |
| 18-19 | 1989 | 29601099 | 29367016 | 29835182 |
| 17-18 | 1990 | 28678969 | 29148379 | 28209559 |
| 16-17 | 1991 | 28548616 | 28538319 | 28558913 |
| 15-16 | 1992 | 25300640 | 24809796 | 25791483 |
| 14-15 | 1993 | 29881262 | 29768489 | 29994035 |
| 13-14 | 1994 | 23898570 | 23820266 | 23976874 |
| 12-13 | 1995 | 25557202 | 25212861 | 25901542 |
| 11-12 | 1996 | 30732209 | 30548512 | 30915905 |
| 10-11 | 1997 | 31436594 | 31912490 | 30960698 |
| 9-10 | 1998 | 28327613 | 28265120 | 28390105 |
| 8-9 | 1999 | 33779111 | 33610394 | 33947828 |
| 7-8 | 2000 | 44399976 | 44804497 | 43995455 |
| 6-7 | 2001 | 37685213 | 37934749 | 37435676 |
| 5-6 | 2002 | 40306709 | 40855255 | 39758162 |
| 4-5 | 2003 | 42439554 | 42339489 | 42539618 |
| 3-4 | 2004 | 43538731 | 43751820 | 43325642 |
| 2-3 | 2005 | 41559710 | 42435172 | 40684248 |
| 1-2 | 2006 | 41893392 | 41830816 | 41955967 |

| INDEMNITY | | Adjusted Ult | Adjusted Ult | Adjusted Ult |
|-----------|------|-----------------------------|----------------------|----------------------|
| Policy | Year | Limited Loss (Avg Pd & Inc) | Limited Loss (Incur) | Limited Loss (Pd-20) |
| Beyond | 1987 | 47405434 | 47405434 | 47405434 |
| 19-20 | 1988 | 44467047 | 44377134 | 44556960 |
| 18-19 | 1989 | 47664031 | 47287108 | 48040954 |
| 17-18 | 1990 | 45325051 | 46066920 | 44583182 |
| 16-17 | 1991 | 44576787 | 44560709 | 44592865 |
| 15-16 | 1992 | 39013354 | 38256477 | 39770230 |
| 14-15 | 1993 | 45384810 | 45213526 | 45556094 |
| 13-14 | 1994 | 35844140 | 35726696 | 35961584 |
| 12-13 | 1995 | 37708525 | 37200465 | 38216583 |
| 11-12 | 1996 | 44445982 | 44180313 | 44711649 |
| 10-11 | 1997 | 44588464 | 45263457 | 43913471 |
| 9-10 | 1998 | 39309643 | 39222923 | 39396362 |
| 8-9 | 1999 | 45781201 | 45552537 | 46009865 |
| 7-8 | 2000 | 58693713 | 59228462 | 58158964 |
| 6-7 | 2001 | 48656747 | 48978932 | 48334561 |
| 5-6 | 2002 | 50877228 | 51569631 | 50184823 |
| 4-5 | 2003 | 52272035 | 52148787 | 52395282 |
| 3-4 | 2004 | 52994634 | 53254002 | 52735265 |
| 2-3 | 2005 | 49889838 | 50940776 | 48838901 |
| 1-2 | 2006 | 49249846 | 49176282 | 49323410 |

INDEMNITY

| Policy Year | Ult Limited Loss Ratio (Avg Pd & Inc) | Ult Limited Loss Ratio (Incur) | Ult Limited Loss Ratio (Pd-20) |
|-------------|---------------------------------------|--------------------------------|--------------------------------|
| 1987 | 0.4535 | 0.4535 | 0.4535 |
| 1988 | 0.3627 | 0.3619 | 0.3634 |
| 1989 | 0.3603 | 0.3574 | 0.3631 |
| 1990 | 0.3865 | 0.3928 | 0.3802 |
| 1991 | 0.3835 | 0.3833 | 0.3836 |
| 1992 | 0.3609 | 0.3539 | 0.3679 |
| 1993 | 0.4146 | 0.4130 | 0.4162 |
| 1994 | 0.3299 | 0.3288 | 0.3310 |
| 1995 | 0.3318 | 0.3273 | 0.3362 |
| 1996 | 0.3689 | 0.3667 | 0.3711 |
| 1997 | 0.3745 | 0.3802 | 0.3689 |
| 1998 | 0.3377 | 0.3370 | 0.3385 |
| 1999 | 0.3665 | 0.3646 | 0.3683 |
| 2000 | 0.4417 | 0.4457 | 0.4377 |
| 2001 | 0.3389 | 0.3412 | 0.3367 |
| 2002 | 0.3460 | 0.3507 | 0.3413 |
| 2003 | 0.3386 | 0.3379 | 0.3394 |
| 2004 | 0.2942 | 0.2957 | 0.2928 |
| 2005 | 0.2602 | 0.2657 | 0.2547 |
| 2006 | 0.2413 | 0.2409 | 0.2416 |

INDEMNITY FREQUENCY

| Policy Year | Claim Frequency | Normalized Frequency | Trend Factor to 1/1/07 | Selected Ann Trend Factor | Trend Period # Years | Trend 1/1/07-12/1/09 | Combined Trend Factor |
|-------------|-----------------|----------------------|------------------------|---------------------------|----------------------|----------------------|-----------------------|
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 0.9167 | | |
| 1994 | 19.93 | 1.0000 | | | | | |
| 1995 | 20.01 | 1.0040 | | | | | |
| 1996 | 18.85 | 0.9458 | | | | | |
| 1997 | 17.16 | 0.8610 | | | | | |
| 1998 | 15.73 | 0.7893 | | | | | |
| 1999 | 15.12 | 0.7587 | | | | | |
| 2000 | 13.71 | 0.6879 | | | | | |
| 2001 | 11.96 | 0.6001 | | | | | |
| 2002 | 12.10 | 0.6071 | | | | | |
| 2003 | 11.56 | 0.5800 | 0.7838 | | | 0.7891 | 0.6185 |
| 2004 | 10.15 | 0.5093 | 0.8501 | | | 0.7891 | 0.6708 |
| 2005 | 9.15 | 0.4591 | 0.9220 | | | 0.7891 | 0.7276 |
| 2006* | 8.22 | 0.4124 | 1.0000 | | | 0.7891 | 0.7891 |

* Adjusted to a full Policy Year

INDEMNITY SEVERITY RATIOS

| Policy Year | Ult Limited Severity Ratio (Average) | Ult Limited Severity Ratio (Incur) | Ult Limited Severity Ratio (Pd-20) |
|-------------|--------------------------------------|------------------------------------|------------------------------------|
| 1994 | 0.3299 | 0.3288 | 0.3310 |
| 1995 | 0.3305 | 0.3260 | 0.3349 |
| 1996 | 0.3900 | 0.3877 | 0.3924 |
| 1997 | 0.4350 | 0.4416 | 0.4285 |
| 1998 | 0.4278 | 0.4270 | 0.4289 |
| 1999 | 0.4831 | 0.4806 | 0.4854 |
| 2000 | 0.6421 | 0.6479 | 0.6363 |
| 2001 | 0.5647 | 0.5686 | 0.5611 |
| 2002 | 0.5699 | 0.5777 | 0.5622 |
| 2003 | 0.5838 | 0.5826 | 0.5852 |
| 2004 | 0.5777 | 0.5806 | 0.5749 |
| 2005 | 0.5668 | 0.5787 | 0.5548 |
| 2006 | 0.5851 | 0.5841 | 0.5858 |

| INDEMNITY Linear FITTED | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|--------------------------------------|----------------|--------------------------------|------------------------------|------------------------------|
| 4 Point | 2003 | 0.5794 | 0.5811 | 0.5779 |
| | 2004 | 0.5787 | 0.5814 | 0.5761 |
| | 2005 | 0.5780 | 0.5816 | 0.5743 |
| | 2006 | 0.5773 | 0.5819 | 0.5724 |
| 5 Point | 2002 | 0.5740 | 0.5790 | 0.5692 |
| | 2003 | 0.5753 | 0.5799 | 0.5709 |
| | 2004 | 0.5767 | 0.5807 | 0.5726 |
| | 2005 | 0.5780 | 0.5816 | 0.5743 |
| | 2006 | 0.5793 | 0.5825 | 0.5759 |
| 6 Point | 2001 | 0.5685 | 0.5731 | 0.5642 |
| | 2002 | 0.5710 | 0.5754 | 0.5668 |
| | 2003 | 0.5734 | 0.5776 | 0.5694 |
| | 2004 | 0.5759 | 0.5798 | 0.5720 |
| | 2005 | 0.5784 | 0.5821 | 0.5746 |
| | 2006 | 0.5809 | 0.5843 | 0.5772 |
| 7 Point | 2000 | 0.6013 | 0.6066 | 0.5963 |
| | 2001 | 0.5957 | 0.6006 | 0.5909 |
| | 2002 | 0.5900 | 0.5946 | 0.5855 |
| | 2003 | 0.5843 | 0.5886 | 0.5800 |
| | 2004 | 0.5786 | 0.5826 | 0.5746 |
| | 2005 | 0.5729 | 0.5766 | 0.5692 |
| | 2006 | 0.5673 | 0.5706 | 0.5638 |
| 8 Point | 1999 | 0.5554 | 0.5576 | 0.5532 |
| | 2000 | 0.5600 | 0.5626 | 0.5575 |
| | 2001 | 0.5647 | 0.5676 | 0.5618 |
| | 2002 | 0.5693 | 0.5726 | 0.5661 |
| | 2003 | 0.5740 | 0.5776 | 0.5704 |
| | 2004 | 0.5786 | 0.5826 | 0.5746 |
| | 2005 | 0.5833 | 0.5876 | 0.5789 |
| | 2006 | 0.5879 | 0.5926 | 0.5832 |
| 9 Point | 1998 | 0.5043 | 0.5052 | 0.5036 |
| | 1999 | 0.5171 | 0.5185 | 0.5159 |
| | 2000 | 0.5300 | 0.5319 | 0.5282 |
| | 2001 | 0.5428 | 0.5453 | 0.5404 |
| | 2002 | 0.5557 | 0.5586 | 0.5527 |
| | 2003 | 0.5685 | 0.5720 | 0.5650 |
| | 2004 | 0.5814 | 0.5854 | 0.5773 |
| | 2005 | 0.5942 | 0.5987 | 0.5896 |
| | 2006 | 0.6070 | 0.6121 | 0.6019 |
| 10 Point | 1997 | 0.4719 | 0.4745 | 0.4696 |
| | 1998 | 0.4879 | 0.4906 | 0.4853 |
| | 1999 | 0.5038 | 0.5067 | 0.5010 |
| | 2000 | 0.5197 | 0.5228 | 0.5167 |
| | 2001 | 0.5356 | 0.5389 | 0.5325 |
| | 2002 | 0.5516 | 0.5550 | 0.5482 |
| | 2003 | 0.5675 | 0.5711 | 0.5639 |
| | 2004 | 0.5834 | 0.5872 | 0.5796 |
| | 2005 | 0.5993 | 0.6033 | 0.5953 |
| | 2006 | 0.6153 | 0.6194 | 0.6110 |

| INDEMNITY Linear TRENDED | | Severity Ratio (Incur) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|---|--------|----------------------------------|--------------------------------|--------------------------------|
| 4 Point | Fitted | 0.5753 | 0.5826 | 0.5671 |
| 5 Point | Fitted | 0.5832 | 0.5851 | 0.5808 |
| 6 Point | Fitted | 0.5881 | 0.5909 | 0.5848 |
| 7 Point | Fitted | 0.5507 | 0.5530 | 0.5481 |
| 8 Point | Fitted | 0.6015 | 0.6071 | 0.5957 |
| 9 Point | Fitted | 0.6445 | 0.6511 | 0.6377 |
| 10 Point | Fitted | 0.6617 | 0.6664 | 0.6568 |
| INDEMNITY Linear Severity Trend Factor | | Sev Trend Factor (Average) | Sev Trend Factor (Incur) | Sev Trend Factor (Pd-20) |
| 4 Point | 2003 | 0.9929 | 1.0026 | 0.9813 |
| | 2004 | 0.9941 | 1.0022 | 0.9844 |
| | 2005 | 0.9953 | 1.0018 | 0.9875 |
| | 2006 | 0.9965 | 1.0013 | 0.9907 |
| 5 Point | 2003 | 1.0138 | 1.0091 | 1.0174 |
| | 2004 | 1.0114 | 1.0075 | 1.0144 |
| | 2005 | 1.0091 | 1.0060 | 1.0115 |
| | 2006 | 1.0067 | 1.0045 | 1.0085 |
| 6 Point | 2003 | 1.0255 | 1.0230 | 1.0270 |
| | 2004 | 1.0211 | 1.0190 | 1.0223 |
| | 2005 | 1.0168 | 1.0151 | 1.0177 |
| | 2006 | 1.0124 | 1.0112 | 1.0131 |
| 7 Point | 2003 | 0.9425 | 0.9396 | 0.9448 |
| | 2004 | 0.9517 | 0.9493 | 0.9537 |
| | 2005 | 0.9612 | 0.9592 | 0.9628 |
| | 2006 | 0.9708 | 0.9693 | 0.9720 |
| 8 Point | 2003 | 1.0479 | 1.0511 | 1.0444 |
| | 2004 | 1.0395 | 1.0421 | 1.0366 |
| | 2005 | 1.0312 | 1.0333 | 1.0290 |
| | 2006 | 1.0231 | 1.0246 | 1.0214 |
| 9 Point | 2003 | 1.1337 | 1.1383 | 1.1286 |
| | 2004 | 1.1086 | 1.1123 | 1.1046 |
| | 2005 | 1.0847 | 1.0874 | 1.0816 |
| | 2006 | 1.0617 | 1.0637 | 1.0595 |
| 10 Point | 2003 | 1.1660 | 1.1669 | 1.1649 |
| | 2004 | 1.1342 | 1.1349 | 1.1333 |
| | 2005 | 1.1041 | 1.1046 | 1.1034 |
| | 2006 | 1.0755 | 1.0758 | 1.0750 |

| INDEMNITY Expon'l FITTED | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|--------------------------------|----------------|--------------------------------|------------------------------|------------------------------|
| 4 Point | 2003 | 0.5794 | 0.5811 | 0.5778 |
| | 2004 | 0.5787 | 0.5814 | 0.5760 |
| | 2005 | 0.5779 | 0.5816 | 0.5741 |
| | 2006 | 0.5772 | 0.5819 | 0.5722 |
| 5 Point | 2002 | 0.5740 | 0.5790 | 0.5691 |
| | 2003 | 0.5753 | 0.5798 | 0.5708 |
| | 2004 | 0.5766 | 0.5807 | 0.5724 |
| | 2005 | 0.5779 | 0.5816 | 0.5741 |
| | 2006 | 0.5793 | 0.5825 | 0.5758 |
| 6 Point | 2001 | 0.5685 | 0.5731 | 0.5641 |
| | 2002 | 0.5709 | 0.5753 | 0.5667 |
| | 2003 | 0.5734 | 0.5776 | 0.5693 |
| | 2004 | 0.5758 | 0.5798 | 0.5718 |
| | 2005 | 0.5783 | 0.5821 | 0.5744 |
| | 2006 | 0.5808 | 0.5844 | 0.5770 |
| 7 Point | 2000 | 0.6002 | 0.6054 | 0.5951 |
| | 2001 | 0.5947 | 0.5996 | 0.5899 |
| | 2002 | 0.5892 | 0.5938 | 0.5847 |
| | 2003 | 0.5838 | 0.5881 | 0.5795 |
| | 2004 | 0.5784 | 0.5824 | 0.5744 |
| | 2005 | 0.5731 | 0.5768 | 0.5693 |
| | 2006 | 0.5679 | 0.5713 | 0.5643 |
| 8 Point | 1999 | 0.5512 | 0.5530 | 0.5495 |
| | 2000 | 0.5566 | 0.5588 | 0.5544 |
| | 2001 | 0.5620 | 0.5646 | 0.5593 |
| | 2002 | 0.5674 | 0.5705 | 0.5643 |
| | 2003 | 0.5729 | 0.5764 | 0.5693 |
| | 2004 | 0.5784 | 0.5824 | 0.5744 |
| | 2005 | 0.5840 | 0.5885 | 0.5795 |
| | 2006 | 0.5897 | 0.5947 | 0.5846 |
| 9 Point | 1998 | 0.4979 | 0.4983 | 0.4977 |
| | 1999 | 0.5110 | 0.5119 | 0.5101 |
| | 2000 | 0.5244 | 0.5259 | 0.5229 |
| | 2001 | 0.5381 | 0.5402 | 0.5361 |
| | 2002 | 0.5522 | 0.5550 | 0.5495 |
| | 2003 | 0.5667 | 0.5701 | 0.5633 |
| | 2004 | 0.5816 | 0.5857 | 0.5774 |
| | 2005 | 0.5968 | 0.6017 | 0.5919 |
| 10 Point | 1997 | 0.4672 | 0.4696 | 0.4650 |
| | 1998 | 0.4823 | 0.4849 | 0.4799 |
| | 1999 | 0.4979 | 0.5007 | 0.4953 |
| | 2000 | 0.5141 | 0.5170 | 0.5112 |
| | 2001 | 0.5307 | 0.5338 | 0.5276 |
| | 2002 | 0.5479 | 0.5512 | 0.5446 |
| | 2003 | 0.5656 | 0.5691 | 0.5620 |
| | 2004 | 0.5839 | 0.5877 | 0.5801 |
| | 2005 | 0.6028 | 0.6068 | 0.5987 |
| | 2006 | 0.6223 | 0.6266 | 0.6179 |

| INDEMNITY Expon'l TRENDED | | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|--|--------|--------------------------------|------------------------------|------------------------------|
| 4 Point | Fitted | 0.5752 | 0.5826 | 0.5668 |
| 5 Point | Fitted | 0.5832 | 0.5851 | 0.5806 |
| 6 Point | Fitted | 0.5882 | 0.5910 | 0.5847 |
| 7 Point | Fitted | 0.5528 | 0.5554 | 0.5499 |
| 8 Point | Fitted | 0.6065 | 0.6129 | 0.5999 |
| 9 Point | Fitted | 0.6606 | 0.6686 | 0.6523 |
| 10 Point | Fitted | 0.6829 | 0.6880 | 0.6775 |

| INDEMNITY Expon'l Severity Trend Factor | | Sev Trend Factor (Average) | Sev Trend Factor (Incur) | Sev Trend Factor (Pd-20) |
|--|------|----------------------------------|--------------------------------|--------------------------------|
| 4 Point | 2003 | 0.9927 | 1.0026 | 0.9809 |
| | 2004 | 0.9939 | 1.0022 | 0.9841 |
| | 2005 | 0.9952 | 1.0017 | 0.9873 |
| | 2006 | 0.9964 | 1.0013 | 0.9906 |
| 5 Point | 2003 | 1.0138 | 1.0091 | 1.0172 |
| | 2004 | 1.0114 | 1.0076 | 1.0143 |
| | 2005 | 1.0091 | 1.0060 | 1.0114 |
| | 2006 | 1.0068 | 1.0045 | 1.0085 |
| 6 Point | 2003 | 1.0258 | 1.0233 | 1.0271 |
| | 2004 | 1.0214 | 1.0193 | 1.0224 |
| | 2005 | 1.0170 | 1.0154 | 1.0178 |
| | 2006 | 1.0126 | 1.0114 | 1.0132 |
| 7 Point | 2003 | 0.9470 | 0.9444 | 0.9489 |
| | 2004 | 0.9557 | 0.9536 | 0.9573 |
| | 2005 | 0.9646 | 0.9628 | 0.9659 |
| | 2006 | 0.9735 | 0.9722 | 0.9745 |
| 8 Point | 2003 | 1.0587 | 1.0633 | 1.0538 |
| | 2004 | 1.0485 | 1.0523 | 1.0445 |
| | 2005 | 1.0385 | 1.0415 | 1.0353 |
| | 2006 | 1.0285 | 1.0307 | 1.0262 |
| 9 Point | 2003 | 1.1656 | 1.1727 | 1.1579 |
| | 2004 | 1.1358 | 1.1415 | 1.1296 |
| | 2005 | 1.1067 | 1.1112 | 1.1019 |
| | 2006 | 1.0785 | 1.0817 | 1.0750 |
| 10 Point | 2003 | 1.2074 | 1.2088 | 1.2055 |
| | 2004 | 1.1695 | 1.1706 | 1.1680 |
| | 2005 | 1.1329 | 1.1337 | 1.1317 |
| | 2006 | 1.0973 | 1.0980 | 1.0965 |

| INDEMNITY Linear LR Trend Factor | | LR Trend Factor (Average) | LR Trend Factor (Incur) | LR Trend Factor (Pd-20) |
|--|------|---------------------------------|-------------------------------|-------------------------------|
| 4 Point | 2003 | 0.6141 | 0.6201 | 0.6069 |
| | 2004 | 0.6668 | 0.6723 | 0.6603 |
| | 2005 | 0.7242 | 0.7289 | 0.7185 |
| | 2006 | 0.7863 | 0.7901 | 0.7818 |
| 5 Point | 2003 | 0.6270 | 0.6241 | 0.6293 |
| | 2004 | 0.6784 | 0.6758 | 0.6805 |
| | 2005 | 0.7342 | 0.7320 | 0.7360 |
| | 2006 | 0.7944 | 0.7927 | 0.7958 |
| 6 Point | 2003 | 0.6343 | 0.6327 | 0.6352 |
| | 2004 | 0.6850 | 0.6835 | 0.6858 |
| | 2005 | 0.7398 | 0.7386 | 0.7405 |
| | 2006 | 0.7989 | 0.7979 | 0.7994 |
| 7 Point | 2003 | 0.5829 | 0.5811 | 0.5844 |
| | 2004 | 0.6384 | 0.6368 | 0.6397 |
| | 2005 | 0.6994 | 0.6979 | 0.7005 |
| | 2006 | 0.7661 | 0.7649 | 0.7670 |
| 8 Point | 2003 | 0.6481 | 0.6501 | 0.6460 |
| | 2004 | 0.6973 | 0.6990 | 0.6954 |
| | 2005 | 0.7503 | 0.7518 | 0.7487 |
| | 2006 | 0.8073 | 0.8085 | 0.8060 |
| 9 Point | 2003 | 0.7012 | 0.7040 | 0.6980 |
| | 2004 | 0.7436 | 0.7461 | 0.7410 |
| | 2005 | 0.7892 | 0.7912 | 0.7870 |
| | 2006 | 0.8378 | 0.8394 | 0.8361 |
| 10 Point | 2003 | 0.7212 | 0.7217 | 0.7205 |
| | 2004 | 0.7608 | 0.7613 | 0.7602 |
| | 2005 | 0.8033 | 0.8037 | 0.8028 |
| | 2006 | 0.8487 | 0.8489 | 0.8483 |

| INDEMNITY Expon'l LR Trend Factor | | LR Trend Factor (Average) | LR Trend Factor (Incur) | LR Trend Factor (Pd-20) |
|---|------|---------------------------------|-------------------------------|-------------------------------|
| 4 Point | 2003 | 0.6140 | 0.6201 | 0.6067 |
| | 2004 | 0.6667 | 0.6723 | 0.6601 |
| | 2005 | 0.7241 | 0.7288 | 0.7184 |
| | 2006 | 0.7863 | 0.7901 | 0.7817 |
| 5 Point | 2003 | 0.6270 | 0.6241 | 0.6291 |
| | 2004 | 0.6784 | 0.6759 | 0.6804 |
| | 2005 | 0.7342 | 0.7320 | 0.7359 |
| | 2006 | 0.7945 | 0.7927 | 0.7958 |
| 6 Point | 2003 | 0.6345 | 0.6329 | 0.6353 |
| | 2004 | 0.6852 | 0.6837 | 0.6858 |
| | 2005 | 0.7400 | 0.7388 | 0.7406 |
| | 2006 | 0.7990 | 0.7981 | 0.7995 |
| 7 Point | 2003 | 0.5857 | 0.5841 | 0.5869 |
| | 2004 | 0.6411 | 0.6397 | 0.6422 |
| | 2005 | 0.7018 | 0.7005 | 0.7028 |
| | 2006 | 0.7682 | 0.7672 | 0.7690 |
| 8 Point | 2003 | 0.6548 | 0.6577 | 0.6518 |
| | 2004 | 0.7033 | 0.7059 | 0.7007 |
| | 2005 | 0.7556 | 0.7578 | 0.7533 |
| | 2006 | 0.8116 | 0.8133 | 0.8098 |
| 9 Point | 2003 | 0.7209 | 0.7253 | 0.7162 |
| | 2004 | 0.7619 | 0.7657 | 0.7577 |
| | 2005 | 0.8052 | 0.8085 | 0.8017 |
| | 2006 | 0.8510 | 0.8536 | 0.8483 |
| 10 Point | 2003 | 0.7468 | 0.7476 | 0.7456 |
| | 2004 | 0.7845 | 0.7852 | 0.7835 |
| | 2005 | 0.8243 | 0.8249 | 0.8234 |
| | 2006 | 0.8659 | 0.8664 | 0.8652 |

| INDEMNITY Linear TRENDED LR | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-20) |
|--|------------------------|----------------------------|--------------------------|--------------------------|
| 4 Point | 2003 | 0.2079 | 0.2095 | 0.2060 |
| | 2004 | 0.1962 | 0.1988 | 0.1933 |
| | 2005 | 0.1884 | 0.1937 | 0.1830 |
| | 2006 | 0.1897 | 0.1903 | 0.1889 |
| | 4 Yr Ave | 0.1956 | 0.1981 | 0.1928 |
| 5 Point | 2003 | 0.2123 | 0.2109 | 0.2136 |
| | 2004 | 0.1996 | 0.1998 | 0.1993 |
| | 2005 | 0.1910 | 0.1945 | 0.1875 |
| | 2006 | 0.1917 | 0.1910 | 0.1923 |
| | 4 Yr Ave | 0.1987 | 0.1991 | 0.1982 |
| 6 Point | 2003 | 0.2148 | 0.2138 | 0.2156 |
| | 2004 | 0.2015 | 0.2021 | 0.2008 |
| | 2005 | 0.1925 | 0.1962 | 0.1886 |
| | 2006 | 0.1928 | 0.1922 | 0.1931 |
| | 4 Yr Ave | 0.2004 | 0.2011 | 0.1995 |
| 7 Point | 2003 | 0.1974 | 0.1964 | 0.1983 |
| | 2004 | 0.1878 | 0.1883 | 0.1873 |
| | 2005 | 0.1820 | 0.1854 | 0.1784 |
| | 2006 | 0.1849 | 0.1843 | 0.1853 |
| | 4 Yr Ave | 0.1880 | 0.1886 | 0.1873 |
| 8 Point | 2003 | 0.2194 | 0.2197 | 0.2193 |
| | 2004 | 0.2051 | 0.2067 | 0.2036 |
| | 2005 | 0.1952 | 0.1998 | 0.1907 |
| | 2006 | 0.1948 | 0.1948 | 0.1947 |
| | 4 Yr Ave | 0.2036 | 0.2053 | 0.2021 |
| 9 Point | 2003 | 0.2374 | 0.2379 | 0.2369 |
| | 2004 | 0.2188 | 0.2206 | 0.2170 |
| | 2005 | 0.2053 | 0.2102 | 0.2004 |
| | 2006 | 0.2022 | 0.2022 | 0.2020 |
| | 4 Yr Ave | 0.2159 | 0.2177 | 0.2141 |
| 10 Point | 2003 | 0.2442 | 0.2439 | 0.2445 |
| | 2004 | 0.2238 | 0.2251 | 0.2226 |
| | 2005 | 0.2090 | 0.2135 | 0.2045 |
| | 2006 | 0.2048 | 0.2045 | 0.2049 |
| | 4 Yr Ave | 0.2205 | 0.2218 | 0.2191 |

| INDEMNITY Expon'l TRENDED LR | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-20) |
|---|------------------------|----------------------------|--------------------------|--------------------------|
| 4 Point | 2003 | 0.2079 | 0.2095 | 0.2059 |
| | 2004 | 0.1961 | 0.1988 | 0.1933 |
| | 2005 | 0.1884 | 0.1936 | 0.1830 |
| | 2006 | 0.1897 | 0.1903 | 0.1889 |
| | 4 Yr Ave | 0.1955 | 0.1981 | 0.1928 |
| 5 Point | 2003 | 0.2123 | 0.2109 | 0.2135 |
| | 2004 | 0.1996 | 0.1999 | 0.1992 |
| | 2005 | 0.1910 | 0.1945 | 0.1874 |
| | 2006 | 0.1917 | 0.1910 | 0.1923 |
| | 4 Yr Ave | 0.1987 | 0.1991 | 0.1981 |
| 6 Point | 2003 | 0.2148 | 0.2139 | 0.2156 |
| | 2004 | 0.2016 | 0.2022 | 0.2008 |
| | 2005 | 0.1925 | 0.1963 | 0.1886 |
| | 2006 | 0.1928 | 0.1923 | 0.1932 |
| | 4 Yr Ave | 0.2004 | 0.2012 | 0.1996 |
| 7 Point | 2003 | 0.1983 | 0.1974 | 0.1992 |
| | 2004 | 0.1886 | 0.1892 | 0.1880 |
| | 2005 | 0.1826 | 0.1861 | 0.1790 |
| | 2006 | 0.1854 | 0.1848 | 0.1858 |
| | 4 Yr Ave | 0.1887 | 0.1894 | 0.1880 |
| 8 Point | 2003 | 0.2217 | 0.2222 | 0.2212 |
| | 2004 | 0.2069 | 0.2087 | 0.2052 |
| | 2005 | 0.1966 | 0.2013 | 0.1919 |
| | 2006 | 0.1958 | 0.1959 | 0.1956 |
| | 4 Yr Ave | 0.2053 | 0.2070 | 0.2035 |
| 9 Point | 2003 | 0.2441 | 0.2451 | 0.2431 |
| | 2004 | 0.2242 | 0.2264 | 0.2219 |
| | 2005 | 0.2095 | 0.2148 | 0.2042 |
| | 2006 | 0.2053 | 0.2056 | 0.2049 |
| | 4 Yr Ave | 0.2208 | 0.2230 | 0.2185 |
| 10 Point | 2003 | 0.2529 | 0.2526 | 0.2531 |
| | 2004 | 0.2308 | 0.2322 | 0.2294 |
| | 2005 | 0.2145 | 0.2192 | 0.2097 |
| | 2006 | 0.2089 | 0.2087 | 0.2090 |
| | 4 Yr Ave | 0.2268 | 0.2282 | 0.2253 |

| MEDICAL | Incurred LDF 99-00 | Incurred LDF 00-01 | Incurred LDF 01-02 | Incurred LDF 02-03 | Incurred LDF 03-04 | Incurred LDF 04-05 | Incurred LDF 05-06 | Incurred LDF 06-07 | 4 Year Average LDF | Selected Incurred LDF |
|---------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| Beyond | 1.0543 | 1.0057 | 1.1935 | 1.0835 | 1.1167 | 1.0528 | 1.0349 | 1.1050 | 1.0966 | 1.0966 |
| 19-20 | 1.0068 | 0.9897 | 1.0018 | 0.9936 | 1.0222 | 1.0140 | 1.0036 | 1.0080 | 1.0069 | 1.0033 |
| 18-19 | 1.0076 | 1.0050 | 1.0147 | 1.0246 | 1.0127 | 1.0169 | 1.0034 | 1.0111 | 1.0115 | 1.0043 |
| 17-18 | 1.0017 | 0.9965 | 1.0027 | 1.0085 | 1.0040 | 1.0059 | 1.0166 | 0.9992 | 1.0061 | 1.0054 |
| 16-17 | 1.0153 | 1.0071 | 0.9996 | 1.0147 | 1.0158 | 1.0024 | 1.0102 | 1.0115 | 1.0059 | 1.0067 |
| 15-16 | 1.0097 | 1.0039 | 1.0072 | 1.0160 | 1.0028 | 1.0183 | 1.0206 | 0.9984 | 1.0111 | 1.0081 |
| 14-15 | 1.0104 | 1.0024 | 1.0105 | 1.0313 | 1.0270 | 1.0007 | 1.0174 | 1.0041 | 1.0082 | 1.0097 |
| 13-14 | 1.0161 | 1.0124 | 1.0072 | 1.0124 | 1.0356 | 1.0082 | 1.0116 | 1.0146 | 1.0104 | 1.0116 |
| 12-13 | 1.0145 | 1.0072 | 1.0183 | 1.0459 | 1.0428 | 0.9906 | 1.0123 | 1.0006 | 1.0055 | 1.0138 |
| 11-12 | 1.0082 | 1.0091 | 1.0206 | 1.0197 | 1.0262 | 1.0399 | 0.9999 | 1.0171 | 1.0194 | 1.0164 |
| 10-11 | 1.0009 | 1.0036 | 1.0284 | 1.0259 | 1.0077 | 1.0264 | 1.0053 | 0.9926 | 1.0132 | 1.0195 |
| 9-10 | 1.0234 | 1.0106 | 1.0175 | 1.0474 | 1.0766 | 1.0163 | 1.0242 | 1.0090 | 1.0168 | 1.0233 |
| 8-9 | 1.0050 | 1.0256 | 1.0417 | 1.0159 | 1.0467 | 1.0500 | 0.9982 | 1.0093 | 1.0248 | 1.0280 |
| 7-8 | 1.0296 | 1.0097 | 1.0374 | 1.0704 | 1.0214 | 1.0240 | 1.0313 | 1.0613 | 1.0385 | 1.0339 |
| 6-7 | 1.0214 | 1.0366 | 1.0224 | 1.0321 | 1.0444 | 1.0474 | 1.0560 | 1.0474 | 1.0433 | 1.0414 |
| 5-6 | 1.0143 | 1.0274 | 1.0642 | 1.1157 | 1.0669 | 1.0474 | 1.0608 | 1.0230 | 1.0489 | 1.0510 |
| 4-5 | 1.0320 | 1.0408 | 1.0543 | 1.0393 | 1.0845 | 1.1314 | 1.0954 | 1.0326 | 1.0784 | 1.0632 |
| 3-4 | 1.0367 | 1.0550 | 1.0392 | 1.0714 | 1.1625 | 1.0612 | 1.0930 | 1.0633 | 1.0642 | 1.0782 |
| 2-3 | 1.0834 | 1.0485 | 1.0821 | 1.1520 | 1.2077 | 1.1279 | 1.1161 | 1.0903 | 1.1041 | 1.0984 |
| 1-2 | 1.1012 | 1.1548 | 1.2264 | 1.1601 | 1.1282 | 1.1921 | 1.1267 | 1.1286 | 1.1685 | 1.1694 |

| MEDICAL | Paid LDF 99-00 | Paid LDF 00-01 | Paid LDF 01-02 | Paid LDF 02-03 | Paid LDF 03-04 | Paid LDF 04-05 | Paid LDF 05-06 | Paid LDF 06-07 | 4 Year Average LDF | Selected Paid LDF |
|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|-------------------|
| 19-20 | 1.0124 | 1.0078 | 1.0036 | 1.0083 | 1.0054 | 1.0040 | 1.0049 | 1.0073 | 1.0054 | 1.0055 |
| 18-19 | 1.0154 | 1.0028 | 1.0093 | 1.0163 | 1.0011 | 1.0037 | 1.0099 | 1.0059 | 1.0052 | 1.0068 |
| 17-18 | 1.0047 | 1.0102 | 1.0089 | 1.0124 | 1.0092 | 1.0158 | 1.0051 | 1.0128 | 1.0107 | 1.0081 |
| 16-17 | 1.0054 | 1.0101 | 1.0072 | 1.0106 | 1.0114 | 1.0086 | 1.0094 | 1.0109 | 1.0101 | 1.0097 |
| 15-16 | 1.0057 | 1.0030 | 1.0108 | 1.0173 | 1.0075 | 1.0119 | 1.0207 | 1.0104 | 1.0126 | 1.0113 |
| 14-15 | 1.0069 | 1.0084 | 1.0081 | 1.0201 | 1.0109 | 1.0109 | 1.0215 | 1.0115 | 1.0137 | 1.0132 |
| 13-14 | 1.0121 | 1.0107 | 1.0116 | 1.0114 | 1.0151 | 1.0107 | 1.0070 | 1.0172 | 1.0125 | 1.0153 |
| 12-13 | 1.0064 | 1.0092 | 1.0157 | 1.0077 | 1.0146 | 1.0082 | 1.0137 | 1.0309 | 1.0169 | 1.0176 |
| 11-12 | 1.0078 | 1.0088 | 1.0118 | 1.0120 | 1.0197 | 1.0156 | 1.0299 | 1.0336 | 1.0247 | 1.0202 |
| 10-11 | 1.0090 | 1.0088 | 1.0182 | 1.0205 | 1.0195 | 1.0206 | 1.0333 | 1.0376 | 1.0278 | 1.0231 |
| 9-10 | 1.0154 | 1.0097 | 1.0242 | 1.0139 | 1.0093 | 1.0187 | 1.0300 | 1.0341 | 1.0230 | 1.0265 |
| 8-9 | 1.0109 | 1.0208 | 1.0236 | 1.0152 | 1.0163 | 1.0237 | 1.0366 | 1.0271 | 1.0259 | 1.0304 |
| 7-8 | 1.0258 | 1.0175 | 1.0317 | 1.0352 | 1.0164 | 1.0274 | 1.0240 | 1.0268 | 1.0237 | 1.0350 |
| 6-7 | 1.0211 | 1.0288 | 1.0259 | 1.0265 | 1.0404 | 1.0318 | 1.0529 | 1.0500 | 1.0438 | 1.0406 |
| 5-6 | 1.0182 | 1.0230 | 1.0350 | 1.0536 | 1.0494 | 1.0515 | 1.0627 | 1.0439 | 1.0519 | 1.0477 |
| 4-5 | 1.0344 | 1.0399 | 1.0595 | 1.0508 | 1.0432 | 1.1013 | 1.0720 | 1.0548 | 1.0678 | 1.0581 |
| 3-4 | 1.0564 | 1.0574 | 1.0568 | 1.0766 | 1.0931 | 1.0627 | 1.0830 | 1.0428 | 1.0704 | 1.0785 |
| 2-3 | 1.1376 | 1.0945 | 1.1102 | 1.1696 | 1.1432 | 1.1553 | 1.1522 | 1.1383 | 1.1473 | 1.1460 |
| 1-2 | 1.3233 | 1.3483 | 1.4151 | 1.3821 | 1.3111 | 1.3288 | 1.3390 | 1.3230 | 1.3255 | 1.3255 |

| MEDICAL | Pd-Incur LDF 99-00 | Pd-Incur LDF 00-01 | Pd-Incur LDF 01-02 | Pd-Incur LDF 02-03 | Pd-Incur LDF 03-04 | Pd-Incur LDF 04-05 | Pd-Incur LDF 05-06 | Pd-Incur LDF 06-07 | Average Pd-Incur LDF | Selected Pd-Incur LDF |
|---------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|-----------------------|
| 19-20 | 1.0495 | 1.2484 | 1.0254 | 1.0507 | 1.0616 | 1.0563 | 1.0468 | 1.0593 | 1.0560 | 1.0560 |
| 18-19 | 1.2543 | 1.0315 | 1.0672 | 1.0536 | 1.0417 | 1.0469 | 1.0613 | 1.0390 | 1.0472 | 1.0472 |
| 17-18 | 1.0360 | 1.0630 | 1.0375 | 1.0427 | 1.0404 | 1.0744 | 1.0328 | 1.0636 | 1.0528 | 1.0528 |
| 16-17 | 1.0576 | 1.0493 | 1.0412 | 1.0453 | 1.0828 | 1.0247 | 1.0745 | 1.1002 | 1.0706 | 1.0706 |
| 15-16 | 1.0458 | 1.0340 | 1.0494 | 1.0838 | 1.0314 | 1.0764 | 1.1102 | 1.0831 | 1.0753 | 1.0753 |
| 14-15 | 1.0362 | 1.0484 | 1.0754 | 1.0475 | 1.0613 | 1.0997 | 1.1082 | 1.0421 | 1.0778 | 1.0778 |
| 13-14 | 1.0587 | 1.0772 | 1.0275 | 1.0531 | 1.1205 | 1.1009 | 1.0451 | 1.1295 | 1.0990 | 1.0990 |
| 12-13 | 1.0690 | 1.0306 | 1.0566 | 1.0898 | 1.1144 | 1.0415 | 1.1286 | 1.1378 | 1.1056 | 1.1056 |
| 11-12 | 1.0265 | 1.0524 | 1.0543 | 1.0784 | 1.0742 | 1.1322 | 1.1711 | 1.1379 | 1.1289 | 1.1289 |
| 10-11 | 1.0461 | 1.0500 | 1.0819 | 1.0663 | 1.1088 | 1.1954 | 1.1560 | 1.1816 | 1.1605 | 1.1605 |
| 9-10 | 1.0600 | 1.0624 | 1.0647 | 1.1112 | 1.1667 | 1.1713 | 1.2261 | 1.1437 | 1.1770 | 1.1770 |
| 8-9 | 1.0657 | 1.0699 | 1.0861 | 1.0979 | 1.1627 | 1.2255 | 1.1749 | 1.1790 | 1.1855 | 1.1855 |
| 7-8 | 1.0696 | 1.0776 | 1.1149 | 1.1521 | 1.1697 | 1.2092 | 1.1961 | 1.2236 | 1.1997 | 1.1997 |
| 6-7 | 1.0837 | 1.1012 | 1.1043 | 1.1713 | 1.2240 | 1.1966 | 1.2139 | 1.3716 | 1.2515 | 1.2515 |
| 5-6 | 1.0774 | 1.1089 | 1.1749 | 1.2286 | 1.1839 | 1.2087 | 1.3918 | 1.3349 | 1.2798 | 1.2798 |
| 4-5 | 1.1135 | 1.1699 | 1.1653 | 1.1624 | 1.2066 | 1.4449 | 1.3989 | 1.2904 | 1.3352 | 1.3352 |
| 3-4 | 1.1833 | 1.1737 | 1.1819 | 1.1969 | 1.3973 | 1.3571 | 1.3535 | 1.2812 | 1.3473 | 1.3473 |
| 2-3 | 1.2629 | 1.2844 | 1.2414 | 1.4026 | 1.4578 | 1.4307 | 1.3883 | 1.3617 | 1.4096 | 1.4096 |
| 1-2 | 1.6114 | 1.5632 | 1.7258 | 1.6655 | 1.6623 | 1.6528 | 1.6722 | 1.5900 | 1.6443 | 1.6443 |

| MEDICAL | Policy Year | Incurred LDF | Paid to 20th LDF |
|---------|----------------|-----------------|------------------------|
| Beyond | 1987 | 1.0966 | 1.0966 |
| 19-20 | 1988 | 1.0033 | 1.0560 |
| 18-19 | 1989 | 1.0043 | 1.0068 |
| 17-18 | 1990 | 1.0054 | 1.0081 |
| 16-17 | 1991 | 1.0067 | 1.0097 |
| 15-16 | 1992 | 1.0081 | 1.0113 |
| 14-15 | 1993 | 1.0097 | 1.0132 |
| 13-14 | 1994 | 1.0116 | 1.0153 |
| 12-13 | 1995 | 1.0138 | 1.0176 |
| 11-12 | 1996 | 1.0164 | 1.0202 |
| 10-11 | 1997 | 1.0195 | 1.0231 |
| 9-10 | 1998 | 1.0233 | 1.0265 |
| 8-9 | 1999 | 1.0280 | 1.0304 |
| 7-8 | 2000 | 1.0339 | 1.0350 |
| 6-7 | 2001 | 1.0414 | 1.0406 |
| 5-6 | 2002 | 1.0510 | 1.0477 |
| 4-5 | 2003 | 1.0632 | 1.0581 |
| 3-4 | 2004 | 1.0782 | 1.0785 |
| 2-3 | 2005 | 1.0984 | 1.1460 |
| 1-2 | 2006 | 1.1694 | 1.3255 |

| MEDICAL | Policy Year | Incurred Cum LDF | Paid to 20th Cum LDF |
|---------|----------------|---------------------|----------------------------|
| Beyond | 1987 | 1.0966 | 1.0966 |
| 19-20 | 1988 | 1.1002 | 1.1580 |
| 18-19 | 1989 | 1.1049 | 1.1659 |
| 17-18 | 1990 | 1.1109 | 1.1753 |
| 16-17 | 1991 | 1.1184 | 1.1867 |
| 15-16 | 1992 | 1.1274 | 1.2001 |
| 14-15 | 1993 | 1.1384 | 1.2160 |
| 13-14 | 1994 | 1.1516 | 1.2346 |
| 12-13 | 1995 | 1.1675 | 1.2563 |
| 11-12 | 1996 | 1.1866 | 1.2817 |
| 10-11 | 1997 | 1.2097 | 1.3113 |
| 9-10 | 1998 | 1.2379 | 1.3460 |
| 8-9 | 1999 | 1.2726 | 1.3870 |
| 7-8 | 2000 | 1.3157 | 1.4355 |
| 6-7 | 2001 | 1.3702 | 1.4938 |
| 5-6 | 2002 | 1.4401 | 1.5650 |
| 4-5 | 2003 | 1.5311 | 1.6560 |
| 3-4 | 2004 | 1.6508 | 1.7860 |
| 2-3 | 2005 | 1.8133 | 2.0467 |
| 1-2 | 2006 | 2.1204 | 2.7129 |

| MEDICAL | Policy Year | Benefit Level Factor | LAE |
|---------|----------------|----------------------------|--------|
| Beyond | 1987 | 1.0000 | 1.1239 |
| 19-20 | 1988 | 1.0000 | 1.1239 |
| 18-19 | 1989 | 1.0000 | 1.1239 |
| 17-18 | 1990 | 1.0000 | 1.1239 |
| 16-17 | 1991 | 1.0000 | 1.1239 |
| 15-16 | 1992 | 1.0000 | 1.1239 |
| 14-15 | 1993 | 1.0000 | 1.1239 |
| 13-14 | 1994 | 1.0000 | 1.1239 |
| 12-13 | 1995 | 1.0000 | 1.1239 |
| 11-12 | 1996 | 1.0000 | 1.1239 |
| 10-11 | 1997 | 1.0000 | 1.1239 |
| 9-10 | 1998 | 1.0000 | 1.1239 |
| 8-9 | 1999 | 1.0000 | 1.1239 |
| 7-8 | 2000 | 1.0000 | 1.1239 |
| 6-7 | 2001 | 1.0000 | 1.1239 |
| 5-6 | 2002 | 1.0000 | 1.1239 |
| 4-5 | 2003 | 1.0000 | 1.1239 |
| 3-4 | 2004 | 1.0000 | 1.1239 |
| 2-3 | 2005 | 1.0000 | 1.1239 |
| 1-2 | 2006 | 1.0000 | 1.1239 |

| MEDICAL | Policy Year | Incurred Base | Paid to 20th Base |
|---------|-------------|---------------|-------------------|
| Beyond | 1987 | 21870731 | 21870731 |
| 19-20 | 1988 | 22749545 | 22025902 |
| 18-19 | 1989 | 25771188 | 24539478 |
| 17-18 | 1990 | 26893058 | 24710353 |
| 16-17 | 1991 | 28707611 | 26779154 |
| 15-16 | 1992 | 27455269 | 26648573 |
| 14-15 | 1993 | 30277991 | 27267417 |
| 13-14 | 1994 | 27525047 | 24938220 |
| 12-13 | 1995 | 30287054 | 27512185 |
| 11-12 | 1996 | 35091174 | 30815205 |
| 10-11 | 1997 | 32918773 | 29764896 |
| 9-10 | 1998 | 34707012 | 30237904 |
| 8-9 | 1999 | 40764479 | 34206007 |
| 7-8 | 2000 | 52506175 | 40193259 |
| 6-7 | 2001 | 42753727 | 33432013 |
| 5-6 | 2002 | 45148311 | 36903929 |
| 4-5 | 2003 | 45575168 | 37095765 |
| 3-4 | 2004 | 46487681 | 38858553 |
| 2-3 | 2005 | 40437885 | 33648608 |
| 1-2 | 2006 | 34049949 | 24285960 |

| MEDICAL | Policy Year | Proj Ult Incurred (Avg Pd & Inc) | Proj Ult Incurred (Incur) | Proj Ult Incurred (Pd-20) |
|---------|-------------|----------------------------------|---------------------------|---------------------------|
| Beyond | 1987 | 23983444 | 23983444 | 23983444 |
| 19-20 | 1988 | 25267522 | 25029049 | 25505995 |
| 18-19 | 1989 | 28542582 | 28474586 | 28610577 |
| 17-18 | 1990 | 29458788 | 29875498 | 29042078 |
| 16-17 | 1991 | 31942707 | 32106592 | 31778822 |
| 15-16 | 1992 | 31467011 | 30953070 | 31980952 |
| 14-15 | 1993 | 33812822 | 34468465 | 33157179 |
| 13-14 | 1994 | 31243285 | 31697844 | 30788726 |
| 12-13 | 1995 | 34961847 | 35360136 | 34563558 |
| 11-12 | 1996 | 40567518 | 41639187 | 39495848 |
| 10-11 | 1997 | 39426274 | 39821840 | 39030708 |
| 9-10 | 1998 | 41832015 | 42963810 | 40700219 |
| 8-9 | 1999 | 49660304 | 51876876 | 47443732 |
| 7-8 | 2000 | 63389899 | 69082374 | 57697423 |
| 6-7 | 2001 | 54260949 | 58581157 | 49940741 |
| 5-6 | 2002 | 61386366 | 65018083 | 57754649 |
| 4-5 | 2003 | 65605364 | 69780140 | 61430587 |
| 3-4 | 2004 | 73071620 | 76741864 | 69401376 |
| 2-3 | 2005 | 71097312 | 73326017 | 68868606 |
| 1-2 | 2006 | 69042447 | 72199512 | 65885381 |

| MEDICAL | Policy Year | Adjusted Ult Limited Loss (Avg Pd & Inc) | Adjusted Ult Limited Loss (Incur) | Adjusted Ult Limited Loss (Pd-20) |
|---------|-------------|--|-----------------------------------|-----------------------------------|
| Beyond | 1987 | 26954993 | 26954993 | 26954993 |
| 19-20 | 1988 | 28398168 | 28130148 | 28666188 |
| 18-19 | 1989 | 32079008 | 32002587 | 32155427 |
| 17-18 | 1990 | 33108732 | 33577072 | 32640391 |
| 16-17 | 1991 | 35900408 | 36084599 | 35716218 |
| 15-16 | 1992 | 35365774 | 34788155 | 35943392 |
| 14-15 | 1993 | 38002231 | 38739108 | 37265353 |
| 13-14 | 1994 | 35114328 | 35625207 | 34603449 |
| 12-13 | 1995 | 39293620 | 39741257 | 38845983 |
| 11-12 | 1996 | 45593833 | 46798282 | 44389384 |
| 10-11 | 1997 | 44311189 | 44755766 | 43866613 |
| 9-10 | 1998 | 47015002 | 48287026 | 45742976 |
| 8-9 | 1999 | 55813216 | 58304421 | 53322010 |
| 7-8 | 2000 | 71243907 | 77641680 | 64846134 |
| 6-7 | 2001 | 60983881 | 65839362 | 56128399 |
| 5-6 | 2002 | 68992137 | 73073823 | 64910450 |
| 4-5 | 2003 | 73733869 | 78425899 | 69041837 |
| 3-4 | 2004 | 82125194 | 86250181 | 78000206 |
| 2-3 | 2005 | 79906269 | 82411111 | 77401426 |
| 1-2 | 2006 | 77596806 | 81145032 | 74048580 |

MEDICAL

| Policy Year | Ult Limited Loss Ratio (Avg Pd & Inc) | Ult Limited Loss Ratio (Incur) | Ult Limited Loss Ratio (Pd-20) |
|-------------|---------------------------------------|--------------------------------|--------------------------------|
| 1987 | 0.2579 | 0.2579 | 0.2579 |
| 1988 | 0.2316 | 0.2294 | 0.2338 |
| 1989 | 0.2425 | 0.2419 | 0.2431 |
| 1990 | 0.2823 | 0.2863 | 0.2783 |
| 1991 | 0.3088 | 0.3104 | 0.3072 |
| 1992 | 0.3272 | 0.3218 | 0.3325 |
| 1993 | 0.3472 | 0.3539 | 0.3404 |
| 1994 | 0.3232 | 0.3279 | 0.3185 |
| 1995 | 0.3457 | 0.3496 | 0.3418 |
| 1996 | 0.3784 | 0.3884 | 0.3684 |
| 1997 | 0.3722 | 0.3759 | 0.3685 |
| 1998 | 0.4039 | 0.4149 | 0.3930 |
| 1999 | 0.4468 | 0.4667 | 0.4268 |
| 2000 | 0.5361 | 0.5843 | 0.4880 |
| 2001 | 0.4248 | 0.4586 | 0.3910 |
| 2002 | 0.4691 | 0.4969 | 0.4414 |
| 2003 | 0.4777 | 0.5081 | 0.4473 |
| 2004 | 0.4559 | 0.4788 | 0.4330 |
| 2005 | 0.4167 | 0.4298 | 0.4037 |
| 2006 | 0.3801 | 0.3975 | 0.3628 |

MEDICAL FREQUENCY

| Policy Year | Claim Frequency | Normalized Frequency | Trend Factor to 1/1/07 | Selected Ann Trend Factor | Trend Period # Years | Trend 1/1/07-12/1/09 | Combined Trend Factor |
|-------------|-----------------|----------------------|------------------------|---------------------------|----------------------|----------------------|-----------------------|
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 1 | | |
| | | | | -7.8% | 0.9167 | | |
| 1994 | 19.93 | 1.0000 | | | | | |
| 1995 | 20.01 | 1.0040 | | | | | |
| 1996 | 18.85 | 0.9458 | | | | | |
| 1997 | 17.16 | 0.8610 | | | | | |
| 1998 | 15.73 | 0.7893 | | | | | |
| 1999 | 15.12 | 0.7587 | | | | | |
| 2000 | 13.71 | 0.6879 | | | | | |
| 2001 | 11.96 | 0.6001 | | | | | |
| 2002 | 12.10 | 0.6071 | | | | | |
| 2003 | 11.56 | 0.5800 | 0.7838 | | | 0.7891 | 0.6185 |
| 2004 | 10.15 | 0.5093 | 0.8501 | | | 0.7891 | 0.6708 |
| 2005 | 9.15 | 0.4591 | 0.9220 | | | 0.7891 | 0.7276 |
| 2006* | 8.22 | 0.4124 | 1.0000 | | | 0.7891 | 0.7891 |

* Adjusted to a full Policy Year

MEDICAL SEVERITY RATIOS

| Policy Year | Ult Limited Severity Ratio (Average) | Ult Limited Severity Ratio (Incur) | Ult Limited Severity Ratio (Pd-20) |
|-------------|--------------------------------------|------------------------------------|------------------------------------|
| 1994 | 0.3232 | 0.3279 | 0.3185 |
| 1995 | 0.3443 | 0.3482 | 0.3404 |
| 1996 | 0.4001 | 0.4107 | 0.3895 |
| 1997 | 0.4323 | 0.4366 | 0.4280 |
| 1998 | 0.5117 | 0.5257 | 0.4979 |
| 1999 | 0.5889 | 0.6151 | 0.5625 |
| 2000 | 0.7793 | 0.8494 | 0.7094 |
| 2001 | 0.7079 | 0.7642 | 0.6516 |
| 2002 | 0.7727 | 0.8185 | 0.7271 |
| 2003 | 0.8236 | 0.8760 | 0.7712 |
| 2004 | 0.8952 | 0.9401 | 0.8502 |
| 2005 | 0.9076 | 0.9362 | 0.8793 |
| 2006 | 0.9217 | 0.9639 | 0.8797 |

| MEDICAL Linear FITTED | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|------------------------------------|----------------|--------------------------------|------------------------------|------------------------------|
| 4 Point | 2003 | 0.8410 | 0.8901 | 0.7919 |
| | 2004 | 0.8717 | 0.9161 | 0.8274 |
| | 2005 | 0.9024 | 0.9420 | 0.8628 |
| | 2006 | 0.9330 | 0.9680 | 0.8983 |
| 5 Point | 2002 | 0.7878 | 0.8367 | 0.7388 |
| | 2003 | 0.8260 | 0.8718 | 0.7802 |
| | 2004 | 0.8642 | 0.9069 | 0.8215 |
| | 2005 | 0.9024 | 0.9420 | 0.8628 |
| | 2006 | 0.9406 | 0.9771 | 0.9042 |
| 6 Point | 2001 | 0.7277 | 0.7820 | 0.6735 |
| | 2002 | 0.7719 | 0.8225 | 0.7214 |
| | 2003 | 0.8160 | 0.8629 | 0.7692 |
| | 2004 | 0.8602 | 0.9034 | 0.8171 |
| | 2005 | 0.9043 | 0.9438 | 0.8650 |
| | 2006 | 0.9485 | 0.9843 | 0.9129 |
| 7 Point | 2000 | 0.7280 | 0.7916 | 0.6645 |
| | 2001 | 0.7619 | 0.8205 | 0.7034 |
| | 2002 | 0.7958 | 0.8494 | 0.7423 |
| | 2003 | 0.8297 | 0.8783 | 0.7812 |
| | 2004 | 0.8636 | 0.9072 | 0.8201 |
| | 2005 | 0.8975 | 0.9361 | 0.8590 |
| | 2006 | 0.9314 | 0.9650 | 0.8979 |
| 8 Point | 1999 | 0.6503 | 0.7012 | 0.5993 |
| | 2000 | 0.6929 | 0.7424 | 0.6435 |
| | 2001 | 0.7356 | 0.7836 | 0.6876 |
| | 2002 | 0.7783 | 0.8248 | 0.7318 |
| | 2003 | 0.8209 | 0.8660 | 0.7760 |
| | 2004 | 0.8636 | 0.9072 | 0.8201 |
| | 2005 | 0.9063 | 0.9484 | 0.8643 |
| | 2006 | 0.9489 | 0.9896 | 0.9085 |
| 9 Point | 1998 | 0.5714 | 0.6093 | 0.5335 |
| | 1999 | 0.6204 | 0.6594 | 0.5815 |
| | 2000 | 0.6695 | 0.7096 | 0.6295 |
| | 2001 | 0.7186 | 0.7597 | 0.6775 |
| | 2002 | 0.7676 | 0.8099 | 0.7254 |
| | 2003 | 0.8167 | 0.8601 | 0.7734 |
| | 2004 | 0.8657 | 0.9102 | 0.8214 |
| | 2005 | 0.9148 | 0.9604 | 0.8694 |
| 10 Point | 1997 | 0.4912 | 0.5168 | 0.4657 |
| | 1998 | 0.5452 | 0.5736 | 0.5168 |
| | 1999 | 0.5992 | 0.6305 | 0.5679 |
| | 2000 | 0.6531 | 0.6873 | 0.6190 |
| | 2001 | 0.7071 | 0.7442 | 0.6701 |
| | 2002 | 0.7611 | 0.8010 | 0.7212 |
| | 2003 | 0.8150 | 0.8578 | 0.7724 |
| | 2004 | 0.8690 | 0.9147 | 0.8235 |
| | 2005 | 0.9230 | 0.9715 | 0.8746 |
| 2006 | 0.9770 | 1.0283 | 0.9257 | |

| MEDICAL Linear TRENDED | | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|-------------------------------------|--------|--------------------------------|------------------------------|------------------------------|
| 4 Point | Fitted | 1.0225 | 1.0438 | 1.0017 |
| 5 Point | Fitted | 1.0520 | 1.0795 | 1.0247 |
| 6 Point | Fitted | 1.0773 | 1.1022 | 1.0526 |
| 7 Point | Fitted | 1.0303 | 1.0493 | 1.0114 |
| 8 Point | Fitted | 1.0734 | 1.1098 | 1.0373 |
| 9 Point | Fitted | 1.1070 | 1.1568 | 1.0573 |
| 10 Point | Fitted | 1.1344 | 1.1941 | 1.0748 |

| MEDICAL Linear Severity Trend Factor | | Sev Trend Factor (Average) | Sev Trend Factor (Incur) | Sev Trend Factor (Pd-20) |
|---|------|----------------------------------|--------------------------------|--------------------------------|
| 4 Point | 2003 | 1.2158 | 1.1727 | 1.2649 |
| | 2004 | 1.1730 | 1.1394 | 1.2107 |
| | 2005 | 1.1331 | 1.1080 | 1.1610 |
| | 2006 | 1.0959 | 1.0783 | 1.1151 |
| 5 Point | 2003 | 1.2736 | 1.2382 | 1.3134 |
| | 2004 | 1.2173 | 1.1903 | 1.2474 |
| | 2005 | 1.1658 | 1.1459 | 1.1876 |
| | 2006 | 1.1185 | 1.1048 | 1.1333 |
| 6 Point | 2003 | 1.3201 | 1.2773 | 1.3683 |
| | 2004 | 1.2524 | 1.2201 | 1.2881 |
| | 2005 | 1.1912 | 1.1679 | 1.2168 |
| | 2006 | 1.1358 | 1.1199 | 1.1530 |
| 7 Point | 2003 | 1.2417 | 1.1947 | 1.2947 |
| | 2004 | 1.1930 | 1.1566 | 1.2333 |
| | 2005 | 1.1479 | 1.1209 | 1.1774 |
| | 2006 | 1.1061 | 1.0873 | 1.1264 |
| 8 Point | 2003 | 1.3075 | 1.2815 | 1.3368 |
| | 2004 | 1.2429 | 1.2233 | 1.2648 |
| | 2005 | 1.1844 | 1.1701 | 1.2001 |
| | 2006 | 1.1311 | 1.1214 | 1.1418 |
| 9 Point | 2003 | 1.3554 | 1.3450 | 1.3671 |
| | 2004 | 1.2786 | 1.2709 | 1.2872 |
| | 2005 | 1.2100 | 1.2045 | 1.2162 |
| | 2006 | 1.1485 | 1.1448 | 1.1526 |
| 10 Point | 2003 | 1.3918 | 1.3920 | 1.3916 |
| | 2004 | 1.3054 | 1.3055 | 1.3052 |
| | 2005 | 1.2290 | 1.2291 | 1.2289 |
| | 2006 | 1.1611 | 1.1612 | 1.1611 |

| MEDICAL Expon'l FITTED | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-20) |
|-------------------------------------|----------------|--------------------------------|------------------------------|------------------------------|
| 4 Point | 2003 | 0.8407 | 0.8899 | 0.7914 |
| | 2004 | 0.8708 | 0.9154 | 0.8260 |
| | 2005 | 0.9019 | 0.9417 | 0.8622 |
| | 2006 | 0.9342 | 0.9687 | 0.8999 |
| 5 Point | 2002 | 0.7881 | 0.8368 | 0.7394 |
| | 2003 | 0.8243 | 0.8704 | 0.7782 |
| | 2004 | 0.8622 | 0.9054 | 0.8191 |
| | 2005 | 0.9019 | 0.9417 | 0.8622 |
| | 2006 | 0.9434 | 0.9795 | 0.9075 |
| 6 Point | 2001 | 0.7292 | 0.7832 | 0.6753 |
| | 2002 | 0.7696 | 0.8206 | 0.7185 |
| | 2003 | 0.8122 | 0.8598 | 0.7644 |
| | 2004 | 0.8571 | 0.9009 | 0.8133 |
| | 2005 | 0.9046 | 0.9440 | 0.8653 |
| | 2006 | 0.9547 | 0.9891 | 0.9206 |
| 7 Point | 2000 | 0.7307 | 0.7932 | 0.6684 |
| | 2001 | 0.7612 | 0.8198 | 0.7027 |
| | 2002 | 0.7931 | 0.8473 | 0.7388 |
| | 2003 | 0.8263 | 0.8757 | 0.7767 |
| | 2004 | 0.8608 | 0.9051 | 0.8165 |
| | 2005 | 0.8968 | 0.9354 | 0.8584 |
| | 2006 | 0.9344 | 0.9668 | 0.9025 |
| 8 Point | 1999 | 0.6521 | 0.6998 | 0.6041 |
| | 2000 | 0.6893 | 0.7368 | 0.6417 |
| | 2001 | 0.7287 | 0.7756 | 0.6815 |
| | 2002 | 0.7703 | 0.8166 | 0.7238 |
| | 2003 | 0.8143 | 0.8597 | 0.7688 |
| | 2004 | 0.8608 | 0.9051 | 0.8165 |
| | 2005 | 0.9100 | 0.9528 | 0.8672 |
| | 2006 | 0.9620 | 1.0031 | 0.9211 |
| 9 Point | 1998 | 0.5748 | 0.6083 | 0.5409 |
| | 1999 | 0.6152 | 0.6506 | 0.5796 |
| | 2000 | 0.6585 | 0.6957 | 0.6211 |
| | 2001 | 0.7049 | 0.7440 | 0.6656 |
| | 2002 | 0.7545 | 0.7956 | 0.7132 |
| | 2003 | 0.8076 | 0.8508 | 0.7642 |
| | 2004 | 0.8644 | 0.9098 | 0.8189 |
| | 2005 | 0.9252 | 0.9729 | 0.8776 |
| | 2006 | 0.9903 | 1.0404 | 0.9404 |
| 10 Point | 1997 | 0.4982 | 0.5192 | 0.4768 |
| | 1998 | 0.5397 | 0.5633 | 0.5156 |
| | 1999 | 0.5845 | 0.6111 | 0.5575 |
| | 2000 | 0.6331 | 0.6630 | 0.6028 |
| | 2001 | 0.6857 | 0.7193 | 0.6517 |
| | 2002 | 0.7427 | 0.7804 | 0.7047 |
| | 2003 | 0.8044 | 0.8467 | 0.7620 |
| | 2004 | 0.8713 | 0.9186 | 0.8239 |
| | 2005 | 0.9437 | 0.9966 | 0.8908 |
| | 2006 | 1.0221 | 1.0812 | 0.9632 |

| MEDICAL Expon'l Severity Trend Factor | | Sev Trend Factor (Average) | Sev Trend Factor (Incur) | Sev Trend Factor (Pd-20) |
|---|------|----------------------------------|--------------------------------|--------------------------------|
| 4 Point | 2003 | 1.2311 | 1.1821 | 1.2886 |
| | 2004 | 1.1886 | 1.1491 | 1.2346 |
| | 2005 | 1.1475 | 1.1171 | 1.1828 |
| | 2006 | 1.1079 | 1.0860 | 1.1331 |
| 5 Point | 2003 | 1.3049 | 1.2622 | 1.3540 |
| | 2004 | 1.2475 | 1.2135 | 1.2864 |
| | 2005 | 1.1926 | 1.1666 | 1.2222 |
| | 2006 | 1.1402 | 1.1216 | 1.1611 |
| 6 Point | 2003 | 1.3754 | 1.3183 | 1.4428 |
| | 2004 | 1.3033 | 1.2581 | 1.3561 |
| | 2005 | 1.2349 | 1.2007 | 1.2746 |
| | 2006 | 1.1702 | 1.1459 | 1.1981 |
| 7 Point | 2003 | 1.2744 | 1.2156 | 1.3446 |
| | 2004 | 1.2233 | 1.1761 | 1.2790 |
| | 2005 | 1.1741 | 1.1380 | 1.2165 |
| | 2006 | 1.1270 | 1.1010 | 1.1572 |
| 8 Point | 2003 | 1.3891 | 1.3557 | 1.4283 |
| | 2004 | 1.3140 | 1.2877 | 1.3448 |
| | 2005 | 1.2430 | 1.2232 | 1.2661 |
| | 2006 | 1.1759 | 1.1618 | 1.1921 |
| 9 Point | 2003 | 1.4954 | 1.4872 | 1.5053 |
| | 2004 | 1.3970 | 1.3907 | 1.4048 |
| | 2005 | 1.3052 | 1.3005 | 1.3109 |
| | 2006 | 1.2194 | 1.2161 | 1.2234 |
| 10 Point | 2003 | 1.6038 | 1.6198 | 1.5876 |
| | 2004 | 1.4807 | 1.4930 | 1.4683 |
| | 2005 | 1.3671 | 1.3761 | 1.3580 |
| | 2006 | 1.2622 | 1.2684 | 1.2559 |

| MEDICAL Linear LR Trend Factor | | LR Trend Factor (Average) | LR Trend Factor (Incur) | LR Trend Factor (Pd-20) |
|--------------------------------------|------|---------------------------------|-------------------------------|-------------------------------|
| 4 Point | 2003 | 0.7520 | 0.7253 | 0.7823 |
| | 2004 | 0.7868 | 0.7643 | 0.8121 |
| | 2005 | 0.8244 | 0.8062 | 0.8447 |
| | 2006 | 0.8648 | 0.8509 | 0.8799 |
| 5 Point | 2003 | 0.7877 | 0.7658 | 0.8123 |
| | 2004 | 0.8166 | 0.7985 | 0.8368 |
| | 2005 | 0.8482 | 0.8338 | 0.8641 |
| | 2006 | 0.8826 | 0.8718 | 0.8943 |
| 6 Point | 2003 | 0.8165 | 0.7900 | 0.8463 |
| | 2004 | 0.8401 | 0.8184 | 0.8641 |
| | 2005 | 0.8667 | 0.8498 | 0.8853 |
| | 2006 | 0.8963 | 0.8837 | 0.9098 |
| 7 Point | 2003 | 0.7680 | 0.7389 | 0.8008 |
| | 2004 | 0.8003 | 0.7758 | 0.8273 |
| | 2005 | 0.8352 | 0.8156 | 0.8567 |
| | 2006 | 0.8728 | 0.8580 | 0.8888 |
| 8 Point | 2003 | 0.8087 | 0.7926 | 0.8268 |
| | 2004 | 0.8337 | 0.8206 | 0.8484 |
| | 2005 | 0.8618 | 0.8514 | 0.8732 |
| | 2006 | 0.8926 | 0.8849 | 0.9010 |
| 9 Point | 2003 | 0.8383 | 0.8319 | 0.8456 |
| | 2004 | 0.8577 | 0.8525 | 0.8635 |
| | 2005 | 0.8804 | 0.8764 | 0.8849 |
| | 2006 | 0.9063 | 0.9034 | 0.9095 |
| 10 Point | 2003 | 0.8608 | 0.8610 | 0.8607 |
| | 2004 | 0.8757 | 0.8757 | 0.8755 |
| | 2005 | 0.8942 | 0.8943 | 0.8941 |
| | 2006 | 0.9162 | 0.9163 | 0.9162 |

| MEDICAL Expon'l LR Trend Factor | | LR Trend Factor (Average) | LR Trend Factor (Incur) | LR Trend Factor (Pd-20) |
|---------------------------------------|------|---------------------------------|-------------------------------|-------------------------------|
| 4 Point | 2003 | 0.7614 | 0.7311 | 0.7970 |
| | 2004 | 0.7973 | 0.7708 | 0.8282 |
| | 2005 | 0.8349 | 0.8128 | 0.8606 |
| | 2006 | 0.8742 | 0.8570 | 0.8941 |
| 5 Point | 2003 | 0.8071 | 0.7807 | 0.8374 |
| | 2004 | 0.8368 | 0.8140 | 0.8629 |
| | 2005 | 0.8677 | 0.8488 | 0.8893 |
| | 2006 | 0.8997 | 0.8851 | 0.9162 |
| 6 Point | 2003 | 0.8507 | 0.8154 | 0.8924 |
| | 2004 | 0.8743 | 0.8439 | 0.9097 |
| | 2005 | 0.8985 | 0.8736 | 0.9274 |
| | 2006 | 0.9234 | 0.9042 | 0.9454 |
| 7 Point | 2003 | 0.7882 | 0.7518 | 0.8316 |
| | 2004 | 0.8206 | 0.7889 | 0.8580 |
| | 2005 | 0.8543 | 0.8280 | 0.8851 |
| | 2006 | 0.8893 | 0.8688 | 0.9131 |
| 8 Point | 2003 | 0.8592 | 0.8385 | 0.8834 |
| | 2004 | 0.8814 | 0.8638 | 0.9021 |
| | 2005 | 0.9044 | 0.8900 | 0.9212 |
| | 2006 | 0.9279 | 0.9168 | 0.9407 |
| 9 Point | 2003 | 0.9249 | 0.9198 | 0.9310 |
| | 2004 | 0.9371 | 0.9329 | 0.9423 |
| | 2005 | 0.9497 | 0.9462 | 0.9538 |
| | 2006 | 0.9622 | 0.9596 | 0.9654 |
| 10 Point | 2003 | 0.9920 | 1.0018 | 0.9819 |
| | 2004 | 0.9933 | 1.0015 | 0.9849 |
| | 2005 | 0.9947 | 1.0013 | 0.9881 |
| | 2006 | 0.9960 | 1.0009 | 0.9910 |

| MEDICAL Linear TRENDED LR | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-20) |
|--|------------------------|----------------------------|--------------------------|--------------------------|
| 4 Point | 2003 | 0.3592 | 0.3685 | 0.3499 |
| | 2004 | 0.3587 | 0.3659 | 0.3516 |
| | 2005 | 0.3435 | 0.3465 | 0.3410 |
| | 2006 | 0.3287 | 0.3382 | 0.3192 |
| | 4 Yr Ave | 0.3475 | 0.3548 | 0.3404 |
| 5 Point | 2003 | 0.3763 | 0.3891 | 0.3633 |
| | 2004 | 0.3723 | 0.3823 | 0.3623 |
| | 2005 | 0.3534 | 0.3584 | 0.3488 |
| | 2006 | 0.3355 | 0.3465 | 0.3245 |
| | 4 Yr Ave | 0.3594 | 0.3691 | 0.3497 |
| 6 Point | 2003 | 0.3900 | 0.4014 | 0.3785 |
| | 2004 | 0.3830 | 0.3918 | 0.3742 |
| | 2005 | 0.3612 | 0.3652 | 0.3574 |
| | 2006 | 0.3407 | 0.3513 | 0.3301 |
| | 4 Yr Ave | 0.3687 | 0.3774 | 0.3601 |
| 7 Point | 2003 | 0.3669 | 0.3754 | 0.3582 |
| | 2004 | 0.3649 | 0.3715 | 0.3582 |
| | 2005 | 0.3480 | 0.3505 | 0.3458 |
| | 2006 | 0.3318 | 0.3411 | 0.3225 |
| | 4 Yr Ave | 0.3529 | 0.3596 | 0.3462 |
| 8 Point | 2003 | 0.3863 | 0.4027 | 0.3698 |
| | 2004 | 0.3801 | 0.3929 | 0.3674 |
| | 2005 | 0.3591 | 0.3659 | 0.3525 |
| | 2006 | 0.3393 | 0.3517 | 0.3269 |
| | 4 Yr Ave | 0.3662 | 0.3783 | 0.3542 |
| 9 Point | 2003 | 0.4005 | 0.4227 | 0.3782 |
| | 2004 | 0.3910 | 0.4082 | 0.3739 |
| | 2005 | 0.3669 | 0.3767 | 0.3572 |
| | 2006 | 0.3445 | 0.3591 | 0.3300 |
| | 4 Yr Ave | 0.3757 | 0.3917 | 0.3598 |
| 10 Point | 2003 | 0.4112 | 0.4375 | 0.3850 |
| | 2004 | 0.3992 | 0.4193 | 0.3791 |
| | 2005 | 0.3726 | 0.3844 | 0.3609 |
| | 2006 | 0.3482 | 0.3642 | 0.3324 |
| | 4 Yr Ave | 0.3828 | 0.4014 | 0.3644 |

| MEDICAL Expon'l TRENDED LR | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-20) |
|---|------------------------|----------------------------|--------------------------|--------------------------|
| 4 Point | 2003 | 0.3637 | 0.3715 | 0.3565 |
| | 2004 | 0.3635 | 0.3691 | 0.3586 |
| | 2005 | 0.3479 | 0.3493 | 0.3474 |
| | 2006 | 0.3323 | 0.3407 | 0.3244 |
| | 4 Yr Ave | 0.3519 | 0.3577 | 0.3467 |
| 5 Point | 2003 | 0.3856 | 0.3967 | 0.3746 |
| | 2004 | 0.3815 | 0.3897 | 0.3736 |
| | 2005 | 0.3616 | 0.3648 | 0.3590 |
| | 2006 | 0.3420 | 0.3518 | 0.3324 |
| | 4 Yr Ave | 0.3677 | 0.3758 | 0.3599 |
| 6 Point | 2003 | 0.4064 | 0.4143 | 0.3992 |
| | 2004 | 0.3986 | 0.4041 | 0.3939 |
| | 2005 | 0.3744 | 0.3755 | 0.3744 |
| | 2006 | 0.3510 | 0.3594 | 0.3430 |
| | 4 Yr Ave | 0.3826 | 0.3883 | 0.3776 |
| 7 Point | 2003 | 0.3765 | 0.3820 | 0.3720 |
| | 2004 | 0.3741 | 0.3777 | 0.3715 |
| | 2005 | 0.3560 | 0.3559 | 0.3573 |
| | 2006 | 0.3380 | 0.3453 | 0.3313 |
| | 4 Yr Ave | 0.3612 | 0.3652 | 0.3580 |
| 8 Point | 2003 | 0.4104 | 0.4260 | 0.3951 |
| | 2004 | 0.4018 | 0.4136 | 0.3906 |
| | 2005 | 0.3769 | 0.3825 | 0.3719 |
| | 2006 | 0.3527 | 0.3644 | 0.3413 |
| | 4 Yr Ave | 0.3855 | 0.3966 | 0.3747 |
| 9 Point | 2003 | 0.4418 | 0.4674 | 0.4164 |
| | 2004 | 0.4272 | 0.4467 | 0.4080 |
| | 2005 | 0.3957 | 0.4067 | 0.3850 |
| | 2006 | 0.3657 | 0.3814 | 0.3502 |
| | 4 Yr Ave | 0.4076 | 0.4256 | 0.3899 |
| 10 Point | 2003 | 0.4739 | 0.5090 | 0.4392 |
| | 2004 | 0.4528 | 0.4795 | 0.4265 |
| | 2005 | 0.4145 | 0.4304 | 0.3989 |
| | 2006 | 0.3786 | 0.3979 | 0.3595 |
| | 4 Yr Ave | 0.4300 | 0.4542 | 0.4060 |

| INDEMNITY | | (Average) | (Incur) | (Pd-20) |
|-----------|---------|-----------|---------|---------|
| Severity | | | | |
| Ann Trend | | | | |
| 4 Point | Linear | -0.1% | 0.1% | -0.2% |
| 5 Point | Linear | 0.3% | 0.2% | 0.5% |
| 6 Point | Linear | 0.6% | 0.4% | 0.7% |
| 7 Point | Linear | -1.0% | -1.2% | -0.9% |
| 8 Point | Linear | 1.0% | 1.0% | 1.0% |
| 9 Point | Linear | 2.4% | 2.4% | 2.4% |
| 10 Point | Linear | 2.9% | 2.8% | 2.9% |
| 4 Point | Expon'l | -0.1% | 0.0% | -0.3% |
| 5 Point | Expon'l | 0.2% | 0.2% | 0.3% |
| 6 Point | Expon'l | 0.4% | 0.4% | 0.5% |
| 7 Point | Expon'l | -0.9% | -1.0% | -0.9% |
| 8 Point | Expon'l | 1.0% | 1.0% | 0.9% |
| 9 Point | Expon'l | 2.6% | 2.7% | 2.5% |
| 10 Point | Expon'l | 3.2% | 3.3% | 3.2% |

| MEDICAL | | (Average) | (Incur) | (Pd-20) |
|-----------|---------|-----------|---------|---------|
| Severity | | | | |
| Ann Trend | | | | |
| 4 Point | Linear | 3.1% | 2.5% | 3.7% |
| 5 Point | Linear | 3.9% | 3.5% | 4.4% |
| 6 Point | Linear | 4.6% | 4.1% | 5.1% |
| 7 Point | Linear | 3.4% | 2.8% | 4.1% |
| 8 Point | Linear | 4.4% | 4.2% | 4.7% |
| 9 Point | Linear | 4.8% | 4.8% | 4.8% |
| 10 Point | Linear | 5.3% | 5.5% | 5.1% |
| 4 Point | Expon'l | 3.6% | 2.9% | 4.4% |
| 5 Point | Expon'l | 4.6% | 4.0% | 5.3% |
| 6 Point | Expon'l | 5.5% | 4.8% | 6.4% |
| 7 Point | Expon'l | 4.2% | 3.4% | 5.1% |
| 8 Point | Expon'l | 5.7% | 5.3% | 6.2% |
| 9 Point | Expon'l | 7.0% | 6.9% | 7.2% |
| 10 Point | Expon'l | 8.3% | 8.5% | 8.1% |

| INDEMNITY | | (Average) | (Incur) | (Pd-20) |
|------------|---------|-----------|---------|---------|
| Loss Ratio | | | | |
| Ann. Trend | | | | |
| 4 Point | Linear | -9.0% | -8.9% | -9.3% |
| 5 Point | Linear | -8.7% | -8.8% | -8.6% |
| 6 Point | Linear | -8.5% | -8.5% | -8.5% |
| 7 Point | Linear | -10.0% | -10.0% | -9.9% |
| 8 Point | Linear | -8.1% | -8.0% | -8.2% |
| 9 Point | Linear | -6.7% | -6.7% | -6.8% |
| 10 Point | Linear | -6.2% | -6.2% | -6.3% |
| 4 Point | Expon'l | -9.1% | -8.9% | -9.3% |
| 5 Point | Expon'l | -8.7% | -8.8% | -8.6% |
| 6 Point | Expon'l | -8.5% | -8.5% | -8.5% |
| 7 Point | Expon'l | -9.9% | -9.9% | -9.8% |
| 8 Point | Expon'l | -7.9% | -7.8% | -8.0% |
| 9 Point | Expon'l | -6.2% | -6.1% | -6.3% |
| 10 Point | Expon'l | -5.5% | -5.5% | -5.6% |

| MEDICAL | | (Average) | (Incur) | (Pd-20) |
|------------|---------|-----------|---------|---------|
| Loss Ratio | | | | |
| Ann. Trend | | | | |
| 4 Point | Linear | -5.4% | -6.1% | -4.7% |
| 5 Point | Linear | -4.6% | -5.1% | -4.1% |
| 6 Point | Linear | -4.0% | -4.6% | -3.4% |
| 7 Point | Linear | -5.1% | -5.8% | -4.3% |
| 8 Point | Linear | -4.2% | -4.5% | -3.8% |
| 9 Point | Linear | -3.5% | -3.7% | -3.4% |
| 10 Point | Linear | -3.1% | -3.1% | -3.1% |
| 4 Point | Expon'l | -5.1% | -5.9% | -4.3% |
| 5 Point | Expon'l | -4.1% | -4.7% | -3.4% |
| 6 Point | Expon'l | -3.1% | -3.9% | -2.2% |
| 7 Point | Expon'l | -4.5% | -5.4% | -3.5% |
| 8 Point | Expon'l | -2.9% | -3.4% | -2.4% |
| 9 Point | Expon'l | -1.5% | -1.6% | -1.4% |
| 10 Point | Expon'l | -0.2% | 0.0% | -0.4% |