

DELAWARE COMPENSATION RATING BUREAU, INC.
F CLASS FILING

Indicated Change in Rate Level

This exhibit shows the indicated change in overall rate level for Delaware Federal Classes. It includes the estimated effect of the 10/1/07 benefit change and a section to reflect the adjustment of the indicated change in overall rate level to the indicated change in manual rate level.

INDICATED CHANGE IN RATE LEVEL

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
(1) Trended Policy Year Loss Ratio for Policy Period 12/1/06 - 12/01/07	0.4640	0.1171	0.5811
(2) Credibility	0.0500	0.0500	0.0500
(3) Loss Ratio Underlying Current Rates Trended at 0.0% to 12/1/07	0.3695	0.2245	0.5940
(4) Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)]	0.3742	0.2191	0.5933
(5) Ratio of Loss Adjustment Expense to Loss	0.1135	0.1135	0.1135
(6) Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5))	0.4167	0.2440	0.6607
(7) Permissible Loss and Loss Adjustment Ratio			0.6059
(8) Indicated Change in Rates (6) / (7)			1.0904
(9) Estimated Effect of the 10/1/07 Benefit Change			1.0003
(10) Indicated Change in Overall Rate Level (8)*(9)			1.0907
(11) Change in Voluntary Market Loss Costs (10) * [0.7212 / 0.7530]			1.0446

INDICATED CHANGE IN MANUAL LEVEL

	Total
(12) Current Collectible Premium Ratio	1.0860
(13) Proposed Collectible Premium Ratio	1.0686
(14) Indicated Change in Manual Rate Level [(10) * (13)] / (12)	1.0732
(15) Indicated Change in Voluntary Market Manual Loss Cost Level (11) * [(13) / (12)]	1.0279