

DELAWARE COMPENSATION RATING BUREAU, INC.

Graphs of Ultimate and Trended Experience Components

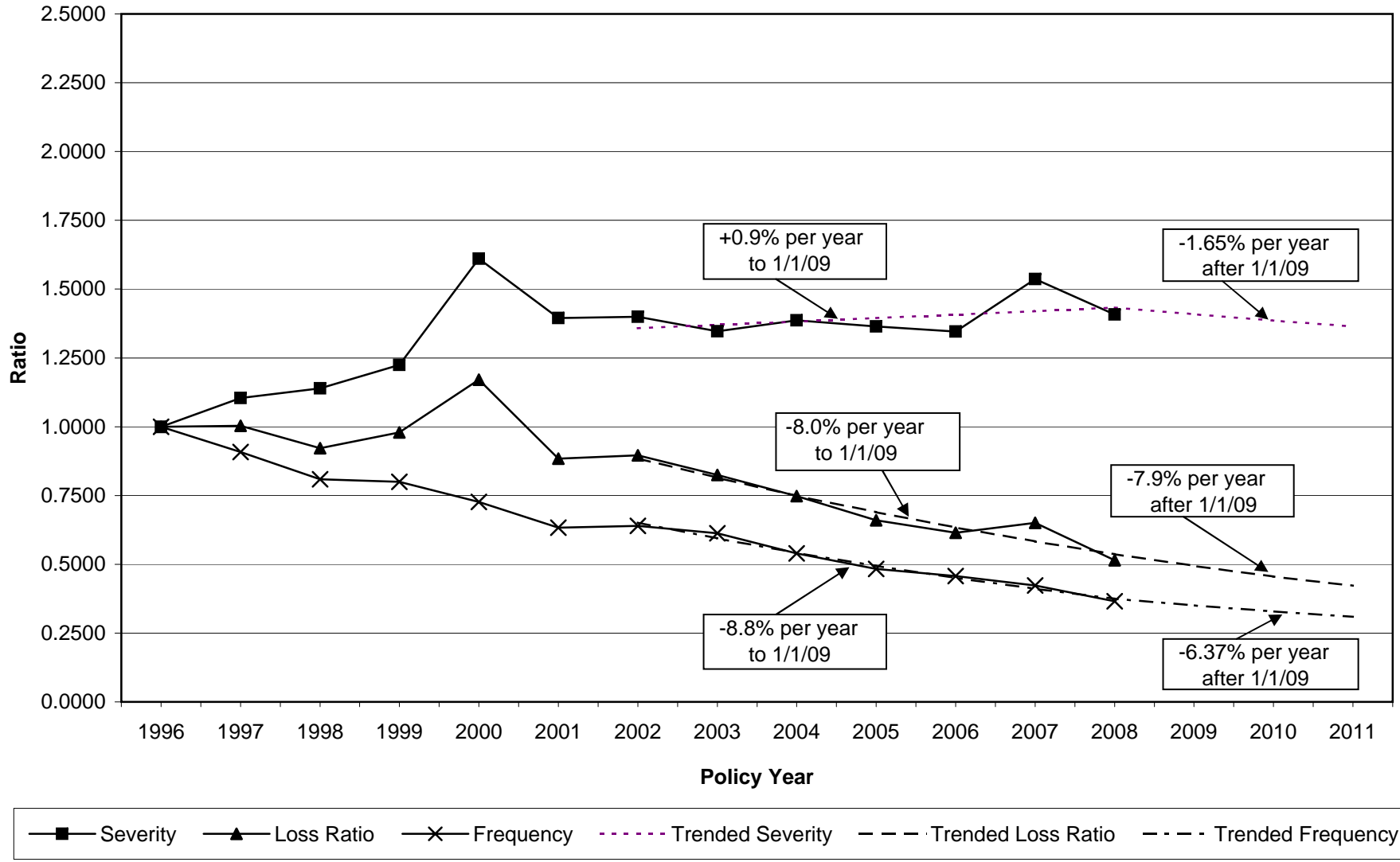
This exhibit shows graphs of trended loss and loss adjustment expense ratios for indemnity and medical as well as their frequency and severity components. Please note that frequency, severity and loss ratio are all expressed on a normalized basis with policy year 1996 set equal to unity.

For the 2010 Filing, the Bureau has made an adjustment to the frequency trend to recognize the slowing of wage growth subsequent to 1/1/2009. Thus, frequency trend prior to 1/1/2009 is based on an average annual reduction of 8.8 percent. Frequency trend after 1/1/2009 is projected to decline at an annual rate of 6.37 percent.

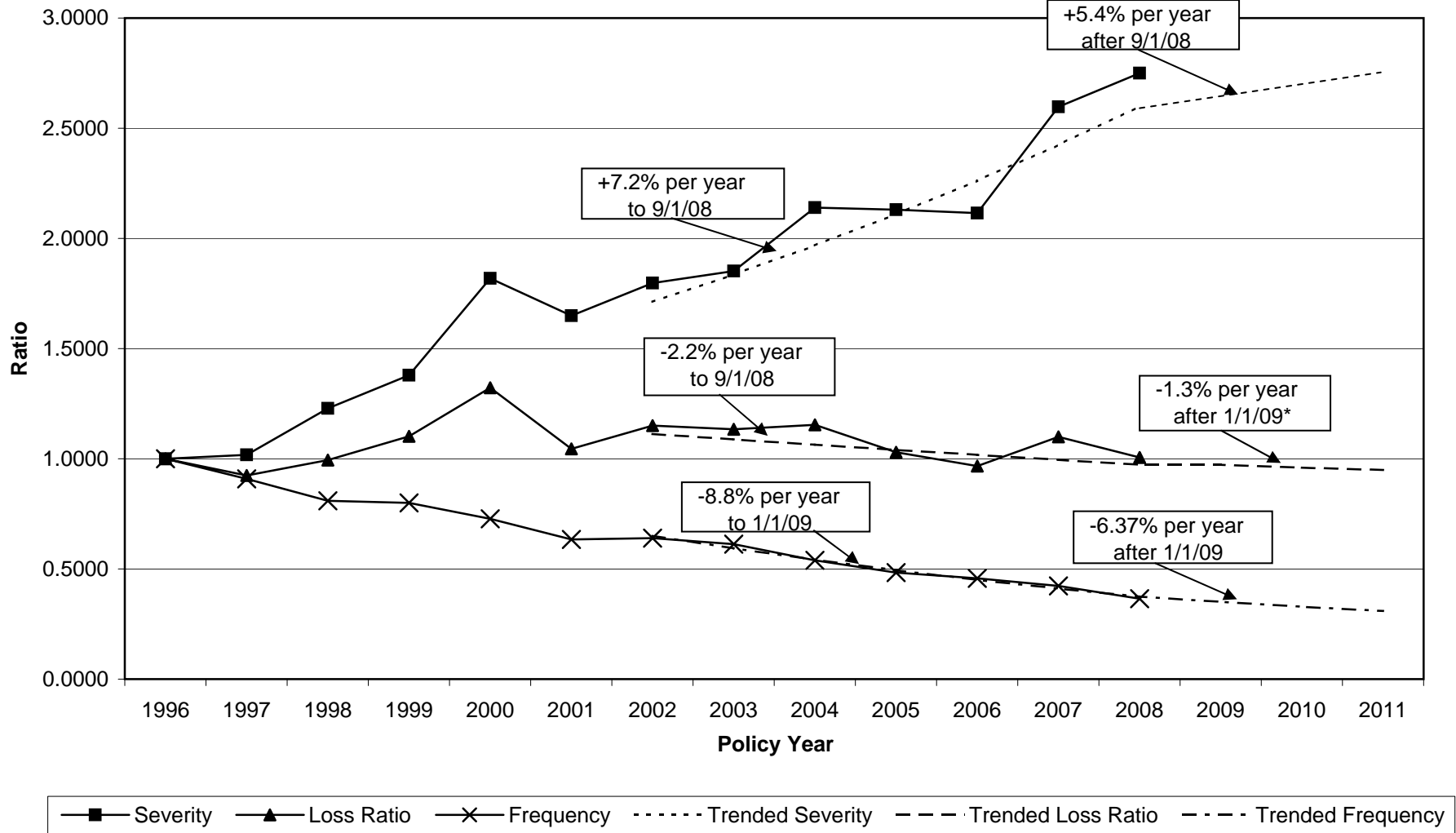
Because indemnity benefits are defined in part by wage levels, a similar adjustment has been made to indemnity severity trend. An observed annual trend of +0.9 percent applies prior to 1/1/2009. An annual indemnity severity trend rate of -1.65 percent is applicable to periods subsequent to 1/1/2009 to reflect slower wage growth anticipated during that period.

Medical severities are not directly affected by wage growth and so no comparable wage adjustment has been made to the medical severity trend. However, due to the impact of Senate Bill 1 and consistent with an adjustment to medical severity trend that was a part of the compromise reached with the Insurance Department for the 2009 Filing, medical severity trend is separated between pre-Senate Bill 1 and Post Senate Bill 1 trends. The difference between the two trend rates is a reduction of 1.8 points in medical trend attributed in the resolution of last year's filing to effects of the implementation of a medical fee schedule which was substantially operational beginning 9/1/2008.

Indemnity Loss Experience Components Indexed to 1.0000 at Policy Year 1996



Medical Loss Experience Components Indexed to 1.0000 at Policy Year 1996



Between 9/1/08 and 1/1/09, annual medical loss trend = -3.9%