

DELAWARE COMPENSATION RATING BUREAU, INC.

Review of Experience Rating Plan Parameters

Page 20.1 contains Collectible Premium Ratios.

Page 20.2 contains Expected Loss Rate Factors. They are applied to residual market rates by classification to produce Table A, Expected Loss Factors, which are the basis for the calculation of Expected Losses.

**COLLECTIBLE PREMIUM RATIOS \***

Manual Years 2021 to 2023 Market Profile Report Data

Manual Year	Premium at Manual Rates	Collected Premium (Excluding Constants)	Collectible Premium Ratio (2)/(3)
(1)	(2)	(3)	(4)
ALL INDUSTRIES			
2021	372,456,279	392,544,956	0.9488
2022	315,028,858	328,058,806	0.9603
2023	262,352,085	270,154,305	0.9711
TOTAL	949,837,222	990,758,067	0.9587
MANUFACTURING AND UTILITIES			
2021	48,032,702	42,495,489	1.1303
2022	36,083,631	34,477,638	1.0466
2023	28,335,265	25,532,525	1.1098
TOTAL	112,451,598	102,505,652	1.0970
CONTRACTING AND QUARRYING			
2021	78,077,018	75,367,391	1.0360
2022	71,628,965	69,753,120	1.0269
2023	61,462,007	58,489,361	1.0508
TOTAL	211,167,990	203,609,872	1.0371
OTHER INDUSTRIES			
2021	246,346,559	274,682,076	0.8968
2022	207,316,262	223,828,048	0.9262
2023	172,554,813	186,132,419	0.9271
TOTAL	626,217,634	684,642,543	0.9147

\* Excludes classifications and coverages not subject to experience rating.

**EXPECTED LOSS RATE FACTORS**

**CALCULATION OF EXPECTED LOSS RATE FACTORS**

<b>Policy Year Beginning 12/1 (1)</b>	<b>Average Law Multiplier (2)</b>	<b>Adjustment Factor (3)</b>	<b>Loss Ratio Development Factor (4)</b>	<b>Expense Allowance * 1 / (PLR/CPR) (5)</b>	<b>Trend Factor (6)</b>	<b>Product (2) * (3) * (4) * (5) * (6) (7)</b>	<b>Expected Loss Rate Factor 1.0 / (7) (8)</b>
<b><u>Manufacturing and Utilities</u></b>							
2020	1.0413	1.0000	1.1838	1.8596	1.0556	2.4198	0.4133
2021	1.0332	1.0000	1.2387	1.8596	1.0413	2.4783	0.4035
2022	1.0177	1.0000	1.4865	1.8596	1.0272	2.8897	0.3461
<b><u>Contracting and Quarrying</u></b>							
2020	1.0413	1.0000	1.1887	1.7581	1.0556	2.2972	0.4353
2021	1.0332	1.0000	1.2966	1.7581	1.0413	2.4525	0.4077
2022	1.0177	1.0000	1.4471	1.7581	1.0272	2.6596	0.3760
<b><u>Other Industries</u></b>							
2020	1.0413	1.0000	1.1775	1.5506	1.0556	2.0069	0.4983
2021	1.0332	1.0000	1.2532	1.5506	1.0413	2.0906	0.4783
2022	1.0177	1.0000	1.5056	1.5506	1.0272	2.4405	0.4098

\* Permissible Loss Ratio = 0.5899  
 Collectible Premium Ratios  
     Manufacturing = 1.0970  
     Contracting = 1.0371  
     All Other = 0.9147