DELAWARE COMPENSATION RATING BUREAU
F-CLASS FILING

Derivation of F-Class Rates

In the following exhibit, page 1 calculates the pure premium using F-Classifications in Delaware. Page 2 uses Countrywide data gathered from NCCI to determine the final State Base Rate to be used in the filing. Page 3 uses class relativities and capping procedures to determine final rates and loss costs for each class.

Delaware Statewide Pure Premium Calculation

Payroll (000s)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
6824F			49			367	252	305	247	213
6826F									113	
6843F				10						
6872F				13	17	10	3			
7309F	1,580	1,351	860	1,397	1,080	748	240	368	687	582
7313F	546	415	12	12	151	46	19	14	24	20
7317F	693	689	468	664	731	998	763	793	945	
7327F	5	2			107	46				
7366F	881	901	1,197	1,101	884	996	1,066	733	529	447
8709F	142	79	86	148	135	202	138	71	34	6
8726F	614	445	491	481	430	522	506	335	321	
	4,461	3,882	3,163	3,826	3,536	3,934	2,986	2,620	2,900	1,268

Loss

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Weighted 7-Year Average
	92,466	85,443	7,329	88,632	183,224	30,251	76,687	120,433	389,237	19,008	**4.307**

Note: Payroll and Loss information found in Exhibit 5

Countrywide F-Class Relativities

Class Code	Payroll	Credibility Weighted Pure Premium	F-Class Relativity
6824	458,063,048	2.15	1.035
6826	173,710,178	1.832	0.882
6843	707,171,396	2.506	1.206
6872	1,625,319,796	2.584	1.244
7309	1,042,323,296	2.574	1.239
7313	702,958,724	1.659	0.799
7317	1,574,339,142	1.793	0.863
7327	34,929,028	2.461	1.185
7350*	746,960,584	2.132	1.026
8709	462,132,725	1.492	0.718
8726	787,796,471	1.219	0.587
Total	8,315,704,388	2.077	

*NCCI Class 7350 maps to DCRB Class 7366

Countrywide Pure Premium	2.077
DE Statewide Pure Premium	4.307
State Weight	20%
Selected State Base Pure Premium	**2.523**
Permissible Loss Ratio	0.6122
Estimated Effect of the 10/1/27 Benefit Change	1.0010
Final State Base Rate	4.126

Notes: Countrywide information from NCCI F-Class Filing for 2026 - 2027
Permissible Loss Ratio shown in Exhibit 2

DELAWARE COMPENSATION RATING BUREAU

DERIVATION OF F-CLASS RATES

(1) CLASS CODE	(2) COUNTRYWIDE RELATIVITY	(3) INDICATED RATE PRE-CAP	(4) BALANCED RATE PRE-CAP	(5) MINIMUM RATE	(6) MAXIMUM RATE	(7) PROPOSED RATE POST-CAP	(8) CURRENT RATE	(9) % CHANGE RATE	(11) PROPOSED LOSS COST	(12) CURRENT LOSS COST	(13) % CHANGE - LOSS COST
6824F	1.035	4.270	4.270	7.395	12.325	7.395	9.86	-25.0%	5.871	7.98	-26.4%
6826F	0.882	3.638	3.638	5.565	9.275	5.565	7.42	-25.0%	4.418	6.01	-26.5%
6843F	1.206	4.977	4.977	8.243	13.738	8.243	10.99	-25.0%	6.544	8.90	-26.5%
6872F	1.244	5.132	5.132	9.533	15.888	9.533	12.71	-25.0%	7.568	10.29	-26.5%
7309F	1.239	5.112	5.112	17.813	29.688	17.813	23.75	-25.0%	14.142	19.23	-26.5%
7313F	0.799	3.295	3.295	6.623	11.038	6.623	8.83	-25.0%	5.258	7.15	-26.5%
7317F	0.863	3.561	3.561	13.853	23.088	13.853	18.47	-25.0%	10.998	14.95	-26.4%
7327F	1.185	4.888	4.888	13.883	23.138	13.883	18.51	-25.0%	11.022	14.99	-26.5%
7366F	1.026	4.234	4.234	6.803	11.338	6.803	9.07	-25.0%	5.401	7.34	-26.4%
8709F	0.718	2.963	2.963	2.835	4.725	2.963	3.78	-21.6%	2.352	3.06	-23.1%
8726F	0.587	2.421	2.421	2.445	4.075	2.445	3.26	-25.0%	1.941	2.64	-26.5%
TOTAL		4.126	4.126			9.569	12.75		7.597	10.32	

(10) BALANCING FACTOR: 1.000

(3) = Final State Base Rate (Page 2) x (2)
(4) = (3) * (10)
(5) = (8) * .75
(6) = (8) * 1.25
(7) = Median of (4), (5), and (6)
(9) = [(7) / (8)] - 1
(10) = Final State Base Rate (Page 2) / [Total (3)]
(11) = (7) * Permissible Loss & LAE & LBA Ratio (From Exhibit 2)
(13) = [(11) / (12)] - 1