



Alberta Finance

Report II

Supporting Analyses – Review of Alternatives

August 2003 – July 2004

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-- CONFIDENTIAL --

TABLE OF CONTENTS

Introduction	1
Introduction	2
Purpose – Part 1 – Quantitative Analyses of Alternatives	5
Purpose – Part 2 – Summary of Premium and Loss Components	8
Purpose – Part 3 – Benchmarking Analysis, An Example – Including Preliminary Dislocation Study	9
Purpose – Part 4 – Territorial Analysis	10
Scope	11
Distribution and Use	12
Reliances and Limitations	13
Glossary	17
 Part 1 – Quantitative Analyses of Alternatives	19
Summary of Findings	20
Data	27
Description of General Methodology	29
Description of Specific Methodology	30
Description of Exhibits	43
 Part 2 – Summary of Premium and Loss Components	46
Summary of Findings and Description of Procedures	47
 Part 3 – Benchmarking Analysis, An Example – Including Preliminary Dislocation Study	50
Summary of Findings	51
Discussion of Dislocation Methodology and Factors Affecting Accuracy	56
Data	58
Description of Methodology	59
Description of Exhibits and Appendices	66
 Part 4 – Territorial Analysis	69
Background	70



REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

Introduction

INTRODUCTION

On August 11, 2003, Alberta Finance retained KPMG LLP (KPMG) to provide actuarial support related to the analysis of automobile insurance reform in Alberta. Our original engagement with Alberta Finance specified that KPMG assist in the:

- Costing of changes to existing product
- Development of a benchmark system for a universal premium structure

We can categorize the original assignment as actuarial support related to the costing of the Minor Injury Regulation of the Insurance Act and the Amendment to the Automobile Accident Insurance Benefits Regulations approved in June 2004.

The original benchmarking analysis was based on a premium grid that assumed all drivers would pay grid premiums based on level of coverage, driving experience, accidents, traffic violations, location and type of driving. It became evident to Alberta Finance that this type of grid was not feasible as it resulted in unacceptable increases for a substantial proportion of insureds.

Alberta Finance then requested us to assist in the evaluation of alternative premium grids, including the final adopted maximum premium grid, whereby the grid provides a cap rather than the expected premium for all drivers. We also assisted Alberta Finance with a review of transition and implementation issues.

We can categorize our continued involvement with Alberta Finance as actuarial support of the Automobile Insurance Premiums Regulation of the Insurance Act, also enacted in June 2004. In particular, Alberta Finance asked KPMG to quantify the impact to overall premium level of the following:

- October 30, 2003 rate freeze
- Maximum premium grid
- Premium refunds and mandated rate decrease

Organization of Reports

We develop two reports for Alberta Finance that together present a comprehensive summary of our analyses and findings from August 2003 to July 2004. The two reports are titled:

- Report I – Costing Analysis of 2004 Auto Reform
- Report II – Supporting Analyses – Review of Alternatives, August 2003-July 2004

Report II is divided into four major parts:

- Part 1 – Quantitative Analyses of Alternatives
- Part 2 – Summary of Premium and Loss Components
- Part 3 – Benchmarking Analysis, an Example – Including Preliminary Dislocation Study
- Part 4 – Territorial Analysis

Each report represents an independent, complete document with thorough text description of our findings and analyses as well as supporting exhibits and appendices. Report I provides a summary of our quantitative analysis of the actual reform passed in June 2004 to be effective October 1, 2004. Report II includes a broad summary of the various alternatives considered throughout the past year as well as important correspondence between KPMG and Alberta Finance.

From August 2003 to July 2004, KPMG worked very closely with Alberta Finance to analyze alternatives to the existing automobile insurance product. The purpose of Report II is to present an extensive summary of our year-long collaboration with Alberta Finance. We prepared quantitative analyses of numerous proposals. Report II is organized as follows:

- General text including purpose; scope; distribution and use; and reliances and limitations
- By Part, text including summary of findings and description of procedures as well as supporting exhibits and appendices

Coverage Definitions

Within Alberta's auto insurance regulations, the term "basic coverage" refers to third party liability (Section A) and accident benefits (Section B); and the term "additional coverage" refers to underinsured motorists, collision, comprehensive, all perils and specified perils. The terms mandatory coverage or compulsory coverage are also used by Alberta Finance to refer to basic coverage; and the term optional coverage refers to additional coverage. We do not address the optional coverages in our reports for Alberta Finance. In Reports I and II, the majority of our exhibits and summary tables use the term compulsory coverage to refer to basic or mandatory coverage.



Report Authors

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PURPOSE – PART 1 – QUANTITATIVE ANALYSES OF ALTERNATIVES

Through the presentation of eleven scenarios, in Part 1 of Report II, we highlight the breadth of options considered for auto reform. In this part, we present a comparison of expected loss costs, average premiums and potential cost savings for eleven different alternatives to the private passenger automobile insurance product. For all eleven scenarios, we assume a limitation on pain and suffering awards for minor injuries. The variation in each scenario is due to the definition of minor injury and to the type of limit applied. We label the scenarios with a number and letter. The number refers to the definition of minor injury and the letter refers to the type of limitation applied to minor injuries.

Definition of Minor Injury

For all the alternatives considered, we assume the introduction of a definition for minor injury where injuries are classified as either minor or non-minor. Injury types classified as non-minor remain entirely within the tort system and have no limitation on the pain and suffering award. Minor injuries are subject to a limitation, by cap or deductible, on the pain and suffering award. In each scenario, we assume all claimants maintain access to tort remedies for economic damages.

For our scenario analysis, we create three categories that vary based on the types of injuries included within the minor injury definition. We begin with the categorization of injury types similar to that enacted as part of the New Brunswick auto reforms during the summer of 2003. For scenarios beginning with the label “1”, we assume the following classification of injury types for non-minor and minor injuries (using the injury type labels contained in the New Brunswick and Nova Scotia Private Passenger Automobile Insurance Tort Bodily Injury 2001 Closed Claim Survey Summary Reports prepared by R.R. Miller, Exactor Insurance Services Inc. for the insurance industry).

Scenarios with the Label “1” – Based on Injury Type		
Non-Minor Injury		Minor Injury
Death	Fracture, weight bearing	Neck sprain/strain
Quadriplegia	Other fracture	Back sprain/strain
Paraplegia	Disfigurement/scarring	Other sprain/strain
Permanent brain	Serious laceration	Minor
Amputation/loss major member	Serious burn	Concussion
Amputation/loss other	TMJ	Other
Loss of sense	Fibromyalgia/chronic pain	
Internal organ		

For the scenario beginning with the label “2”, we assume a similar categorization of injury types except that the following two injury types are moved from non-minor to minor:

- Fibromyalgia/chronic pain
- Other fracture

And finally, for the scenario beginning with the label “3”, we assume a similar categorization to the table except that the following two injury types are moved from minor to non-minor:

- Concussion
- Other

Scenario 3 represents the final definition adopted for the June 2004 auto reform in Alberta.

Limitation of Pain and Suffering Award

The following table summarizes the limits by scenario that are applied to pain and suffering losses for minor injuries.

Scenario	Description of Limit
A	\$4,000 cap
B	\$4,000 award for all
C	\$5,000 cap
D	\$5,000 award for all
E	\$3,000 cap
F	\$10,000 deductible
G	\$20,000 deductible
H	\$30,000 deductible
I	\$9,000 cap

Alternative Scenarios

The first eight scenarios, labeled 1-A through 1-H, are based on the injury definitions in the table on page 5 and the limits summarized in the previous table. Scenario 2-I assumes the second injury type definition (i.e., minor injuries include fibromyalgia/chronic pain and other fracture) with a \$9,000 cap on pain and suffering awards for minor injuries. This scenario assumes that a greater number of injuries are classified as minor injuries but the limit for pain and suffering is much greater than in the previous scenarios.

All the scenarios described above assume that the medical/rehabilitation benefit for accident benefits coverage is increased from the current limit of \$10,000 to \$50,000. We also considered options of increasing the medical/rehabilitation limit only to \$25,000. Thus, we include a scenario labeled 1-A-25K which represents the first definition of injury type, a \$4,000 cap for minor injuries, and an increase of medical/rehabilitation limits to \$25,000 (instead of \$50,000).

Our last scenario is based on the final definition included in the June 2004 auto reform and is labeled 3-A. This includes both the final definition of injury type and the final decision with respect to the \$4,000 limit of pain and suffering for minor injuries.

General

In our analysis, we assume an October 1, 2004 effective date for all proposed changes. Although the reform does include farmers, our analysis is limited to private passenger automobile excluding farmers. Due to the format and content of standard industry data compiled by the Insurance Bureau of Canada, farmers are not included in our analysis. We do not believe that the inclusion of farmers' data would affect our results.

For all scenarios, we assume the proposed changes include:

- Limited future pain and suffering losses for minor injuries
- Changes related to the income base for determining awards and collateral source recoveries for bodily injury losses
- Increase in limit for medical/rehabilitation benefits for accident benefits from \$10,000 to \$50,000 (except for scenario 1-A-25K discussed previously)

We understand that the proposed changes contained within Bill 53 – Insurance Amendment Act, 2003 (No. 2) (Bill 53) also allow the Court to make orders for structured settlements. Our analysis does not quantify the impact of this change.

In addition, our analysis does not consider changes within accident benefits due to revised limits for chiropractic services, psychological services, physical therapy, occupational therapy, grief counseling, massage therapy and acupuncture. We do not consider or quantify these items because the required data was not readily available.

PURPOSE – PART 2 – SUMMARY OF PREMIUM AND LOSS COMPONENTS

In Part 2, we develop tabular and graphic presentations summarizing the major components of both premiums and losses. The source of the data for this part is Insurance Bureau of Canada loss development experience through December 31, 2003.

For premiums, we present the following four major elements:

- Ultimate losses
- Health Levy
- Acquisition expenses
- General expenses

To assist in better understanding ultimate losses, the largest component of premiums, we prepare exhibits summarizing the components of ultimate losses. Ultimate losses are comprised of:

- Paid losses
- Case reserves
- Incurred but not reported
- Unallocated loss adjustment expenses

In the exhibits and appendices of Part 2, we present our analysis for compulsory coverages.

PURPOSE – PART 3 – BENCHMARKING ANALYSIS, AN EXAMPLE – INCLUDING PRELIMINARY DISLOCATION STUDY

A primary purpose of our original engagement with Alberta Finance was to develop benchmark rates for mandatory coverages for private passenger automobile (including farmers) resulting from proposed tort reform. This part of Report II contains an example of benchmark rates based on assumptions regarding a specific reformed auto product as of September 2003. This example, which was provided to Alberta Finance in September 2003, served as input for the development of the final grid. Although numerous changes were made between this example and the final grid, this example was important because it illustrated the potential effects on the insured population of Alberta of implementing various pricing reforms.

We address within Part 3 the resulting dislocation observed in a sample of six large insurers due to the derived benchmark rates. (Dislocation is a measure of the average rate change experienced by a sample of policyholders.) The purpose of the dislocation analysis is to determine the impact on individual policyholders of proposed changes in Alberta private passenger automobile insurance. The proposed changes can be categorized as product changes and rating changes. The primary product changes include limits on pain and suffering for minor injuries, changes from gross income to net income, elimination of the collateral source rule, and increase in medical/rehabilitation limits for accident benefits coverage from \$10,000 to \$50,000. The most significant rating changes include elimination of age, sex and marital status as rating criteria and the replacement of driving record with claims experience.

The product developed for the benchmarking example assumes a minor injury definition similar to that of scenario 1-A in Part 1 of this report. For the example in Part 3, we develop the average premiums based on Insurance Bureau of Canada data as of December 31, 2002 assuming a January 1, 2004 effective date. (This is different from Part 1 where we rely on Insurance Bureau of Canada data as of December 31, 2003 and an effective date of October 1, 2004.) The benchmark rates and resulting dislocation percentages included in Part 3 are only intended to be an example. There have been numerous refinements to actuarial projection and adjustment factors, the definition of minor injury, as well as updated source data from Insurance Bureau of Canada that result in different underlying average premiums based on the final June 2004 reform.

The benchmark rates developed in this example are referred to as “maximum rates”. We first develop rates on an average basis, and then calculate “maximum” rates by applying margins of 5.0%, 7.5%, and 10.0% to the average rates. We perform the dislocation analysis on the average rates and then on the three sets of maximum rates. Per the request of Alberta Finance, we also perform the dislocation analysis with and without the inclusion of the SEF 44 premiums (i.e., underinsured automobile coverage).



PURPOSE – PART 4 – TERRITORIAL ANALYSIS

In October 2003, Alberta Finance requested KPMG to prepare an analysis of industry loss experience by territory. In Part 4 of Report II, we include a copy of our October 24, 2003 letter to Alberta Finance summarizing the results of our analysis of loss costs by territory.

SCOPE

This report represents independent analyses of the impact of proposed changes for Alberta private passenger automobile insurance excluding farmers. The industry data used for this analysis does not include the experience of farmers. We prepare the analysis only for private passenger automobile excluding farmers; we do not analyze the experience of any other class of vehicle. (Note, for Part 3 – Benchmarking Analysis, an Example – Including Preliminary Dislocation Study, we do include an estimate for farmers.)

For Parts 1 and 2, we analyze loss development and trend experience by coverage/sub-coverage based on industry data through December 31, 2003. For Part 3, our analysis is based on industry data as of December 31, 2002. Industry loss experience includes allocated loss adjustment expenses. We do not independently review the unallocated loss adjustment expense, health levy, expense ratio or the industry profit margins. For unallocated loss adjustment expense and expense ratios, we rely on the most recently published figures from the Insurance Bureau of Canada; for health levy, we rely on information from Insurance Bureau of Canada as well as information supplied by Alberta Finance. For industry profit margins, Alberta Finance requested that we assume 5% return on premium less investment income on cash flow; this is equivalent to a 9.2% return on equity assuming a 2-to-1 premium to surplus ratio and 4% return on investment.

As noted in the Reliances and Limitations section of this report, we do not audit or independently verify the data provided for our analysis. However, we review the data for reasonableness and internal consistency.

Our analysis conforms with accepted actuarial practice.

DISTRIBUTION AND USE

We prepare this report and the opinions and conclusions contained herein for Alberta Finance for their internal use in analyzing the impact of proposed changes on private passenger automobile insurance.

We understand that this report will become a public document and will be released upon request both in hard copy form as well as electronically. Permission is hereby granted for the distribution of this report on the conditions that:

- The entire report is distributed (including all text, exhibits and appendices) rather than any excerpt, and
- All recipients are made aware that KPMG remains available to answer any questions which may arise regarding the report

Reports I and II may be issued separately but each report must be issued in its entirety including all exhibits and appendices.

KPMG will not be liable for the consequences of any third party acting upon or relying upon any information or conclusions contained in this report.

The exhibits and appendices attached in support of our findings and recommendations are an integral part of this report. We prepare these sections to document our actuarial assumptions and judgments. Judgments about the conclusions drawn in this report should be made only after considering the report in its entirety. We remain available to answer any questions that may arise regarding this report. We assume that the user(s) of this report will seek such explanation as to any matter in question.

Our conclusions and recommendations are based on a number of assumptions as to future conditions and events. These assumptions, which are documented in subsequent sections of this report, must be understood in order to place our conclusions in their appropriate context. In addition, our findings are subject to inherent limitations, which are also discussed in this report.

RELIANCES AND LIMITATIONS

Inherent Uncertainty

It must be understood that estimates of loss costs and average adequate premiums are subject to large potential errors of estimation due to the fact that the ultimate disposition of claims, whether reported or not, is subject to the outcome of events that have not yet occurred. Examples of these events include jury decisions, court interpretations, public attitudes towards settlements, and social/economic conditions such as inflation. Any estimate of future costs is subject to the inherent limitation on one's ability to predict the aggregate course of future events and emerging experience. It should therefore be expected that the actual loss costs and premiums would vary, perhaps materially, from any estimates. Thus, no assurance can be given that actual experience for Alberta will not ultimately differ from the estimates contained herein.

Increased Uncertainty

The uncertainty associated with estimates of loss costs and average adequate premiums is magnified in our current analysis for numerous reasons. The most important of these are as follows:

- Our assumptions as to the impact of the introduction of a limit on pain and suffering damages for minor injuries, which has never been used in Alberta, may not be realized in practice.
- We estimate the savings of proposed changes based on two limited samples of closed claims. The New Brunswick sample, which includes 921 claims, represents less than 30% of the number of claims incurred and less than 20% of the dollars incurred in New Brunswick in an average accident year (based on the 1997 through 2002 experience period). The Nova Scotia sample, which includes 540 claims, represents less than 20% of the number of claims incurred and less than 15% of the dollars incurred in Nova Scotia in an average accident year (for the 1997 through 2002 experience period). Furthermore, the closed claim database includes limited data for the most serious injury categories: ten death claims, three permanent brain injury claims, and no claims for quadriplegia or paraplegia. As noted previously, we rely on the closed claim samples from New Brunswick and Nova Scotia since there is no other publicly available information; data from an earlier Alberta closed claim study is not readily available and is too dated to be reliable.
- Furthermore, the historical experience of New Brunswick and Nova Scotia may not be representative of current experience or predictive of future experience in Alberta due to differences in the economic, legal, claims, insurance, weather, etc. environments.
- We do not analyze the potential impact of the changes on claim reporting and payment patterns that could result from the alternative reforms.

- We do not estimate the impact of potential changes in consumer behaviour related to the proposed reforms of the auto product. For example, we do not estimate the impact of possible increases in overall costs for medical/rehabilitation due to the combined effect of increases in the limit with greater use by claimants as they seek more medical/rehabilitation services in an attempt to have injuries classified as non-minor instead of minor. On the other hand, we also do not estimate the potential reduction on future bodily injury losses that may result from increased limits for accident benefits. Furthermore, we do not make any adjustment in our estimate of savings from the change in the collateral source rule related to changes in the proportion of the population currently “double dipping” from the system.
- We assume a health levy per exposure of \$35.08 on an undiscounted loss cost basis and \$44.34 on an estimated adequate premium basis that includes discounting and loading for expenses and profit. This is based on the \$60.3 million health levy for 2004, which was frozen at the 2003 level. We recognize that for 2004, the industry is receiving a \$17.5 million credit to reflect overpayment by the industry in 2002. However, we do not believe it is reasonable to project such credit on a going-forward basis. Thus for projecting loss costs and adequate premiums, we assume a total health levy of \$60.3 million for the industry for policies effective October 1, 2004 and later. The provincial government determines the health levy; the insurance industry does not control this factor. If the government of Alberta increases the health levy for 2005, the average adequate premiums would increase accordingly and indicated premium savings would decrease.
- It is important to note that many of the assumptions are highly judgmental because of the lack of specific data related to loss costs under the proposed changes. This is true for the introduction of limitations on pain and suffering for minor injuries; the distribution of losses by heads of damages; and assumptions regarding gross and net income, collateral source benefits, and medical/rehabilitation benefits. This is also true for our estimates of the impact of the rate freeze, the premium grid and the premium refunds and decreases.
- Our loss projections are highly dependent on the selected trend rates and the projection period. The longer the projection period, the greater the uncertainty and the greater the likelihood that actual experience may differ from the projected costs included in this report. Trend factors have a significant impact on overall loss costs as well as the loss elimination ratios, which are critical in determining the impact of the proposed changes.

The uncertainty associated with estimating benchmark rates and costing the implementation scenarios is significant for the following reasons:

- To generate benchmark rates, we require off-balance factors based on numerous assumptions regarding the distribution of insureds by each rating variable. To the extent that the assumed distributions are different from the actual population, the average premium collected through the benchmark premiums will be different from the estimated adequate premium from the sample reformed product.
- In conducting the dislocation analysis and costing the implementation scenarios, we re-rate policyholders using specific exposure and premium information collected from seven insurers in September 2003. Although these insurers represent more than 40% of the private passenger automobile exposures in Alberta, it is still just a sample. Furthermore, our sample did not include any significant portfolios of non-standard auto or the Facility Association. The accuracy of our results depends on the accuracy of the data provided by the insurers, our mapping between the rating criteria in the grid and those of the insurers, and the representative nature of this sample to the entire Alberta market. There are numerous important assumptions contained in the re-rating exercise that could significantly influence the estimated impact of implementation of the grid. Thus, the actual impact may be substantially different than that estimated by our limited sample data.
- The accuracy of the results depends upon the accuracy of the data submitted by each of the insurers and their interpretation of our instructions to them. As well, the accuracy of our results depends upon the accuracy of our interpretation and re-rating of the data provided by each insurer. We believe that our assumptions are appropriate, and that we are consistent between insurers in the application of assumptions.
- Our results also depend on our interpretation of Alberta Finance's intent regarding the underwriting rules. To the extent that the final rules are different from our interpretation for the benchmarking example, the actual dislocation may be different than our estimated dislocation.
- We estimate the impact of the rate freeze on basic coverage based on a list of the private passenger rate filing applications for third party liability received by the Alberta Automobile Insurance Board with renewal effective dates of January 2003 and later. There is no information available for accident benefits. The accuracy of our estimate of the rate freeze impact is based on numerous factors; examples include:
 - Our estimate may be understated to the extent that accident benefit rates increased during 2003
 - Our estimate may be understated to the extent that some insurers had or were ready to file applications for rate increases at the time of the freeze
 - Our estimate may be overstated to the extent that rates for some insureds were not frozen because their risk characteristics had changed

In our judgment, we employ techniques and assumptions that are appropriate and the conclusions presented herein are reasonable, given the information currently available.

Extraordinary Future Emergence

We do not anticipate any extraordinary changes to the social or economic environment or to the interpretation of policy language, which might affect the cost, frequency, or future reporting of claims. We do not anticipate any changes in the legal environment other than those intended by the alternative scenarios.

In our analysis, we attempt to model the impact on future losses and premiums of the major elements of the alternative scenarios:

- Limiting pain and suffering damages for minor injuries
- Change from gross income to net income for determination of loss of income
- Elimination of collateral source rule
- Increasing the medical/rehabilitation limits for accident benefits coverage

However, no actuarial model can possibly capture all the dynamic forces affecting either private passenger automobile insurance costs or major tort reform initiatives. Models can provide insight into the potential future loss experience and the impact of proposed changes to the future costs and the required premium levels.

As noted previously, our analysis does not consider changes in the accident benefits limits for chiropractic services, psychological services, physical therapy, occupational therapy, grief counseling, massage therapy and acupuncture. Data was not available to estimate the impact of changes in limits for these individual services.

Discounting

We present the loss costs on a discounted basis, which again increases the inherent uncertainty in our estimates. That is, in addition to the risk of underestimating or overestimating the overall amount of the loss costs, there are the additional risks that the timing of the future payment of losses or the expected return on investments will differ materially from the assumptions underlying our procedure. Actual payments could occur more or less rapidly than projected due to random variations and the timing of large claim payments. In addition, capital gains or losses, or significant changes in economic conditions may affect the annual yield on assets.

GLOSSARY

Adequate Premium – The premium required as of a certain date to cover all losses and loss adjustment expenses, acquisition costs, premium taxes and other expenses as well as a specified level of profit. In our analysis, we assume that the underlying premiums are in effect for a period of one year.

Allocated Loss Adjustment Expense (ALAE) – Expenses incurred in investigating and settling claims that are directly assignable to specific claims or groups of claims. Examples are legal fees, adjusting fees, court costs, or medical reports.

Collateral Source Recoveries – The ability of an insured to recover damages from multiple sources, e.g., employee benefit plans as well as automobile insurance.

Compulsory Coverages – The combination of third party liability and accident benefits coverages; also known as mandatory coverages or basic coverages.

Discounted Loss Cost – The projected loss and loss adjustment expense per vehicle, after recognizing future investment income. This is calculated as the projected loss costs multiplied by a present value factor.

Dislocation – A measure of the average rate change experienced by a sample of policyholders; expressed as a percentage change from the old rate to the new rate. A distribution by range of average rate change is also included.

Frequency – The number of claims per unit of exposure (per vehicle) per period of time (usually one year).

Health Levy – The cost to the health care system related to automobile accidents; estimated by the government of Alberta. In our analysis, we express the health levy as a loss cost per vehicle.

Increased Limit Factor – The multiplicative factor that is applied to the basic limit to obtain the premium for a higher limit. This represents the expected added cost of each loss to a higher limit.

Loss Cost – The value of losses (with or without ALAE or ULAE) per unit of exposure; the portion of the premium which is required to cover losses with or without ALAE or ULAE.

Loss Development – The change in value of a body of claims from one valuation date to another valuation date.

Loss Elimination Ratio – The percentage of losses that are eliminated due to the effect of a particular change; e.g., in our analysis we estimate the impact of losses “eliminated” due to caps on pain and suffering losses.

Optional Coverages – All coverages except compulsory coverage (i.e. collision, comprehensive, all perils, specified perils, uninsured motorist); also known as additional coverages.

Party to Party Costs – Refers to the percentage of court costs that the losing party may be required to pay.

Present Value Factor – In our analysis a present value factor is applied to loss cost to reflect the time value of money; the factor represents the value today of an amount payable in the future; based on selected assumptions for payout patterns and interest rate.

Section A – Third party liability coverage; (i.e. bodily injury and property damage).

Section B – Accident benefits coverage.

Severity – The average amount of loss per claim.

Street Premium – The estimated average premium currently paid by consumers.

Trend – A factor which recognizes the effect of general and social inflation as well as other external factors on such items as claim costs, claim frequencies, expenses, exposures and premiums.

Unallocated Loss Adjustment Expense (ULAE) – Expenses incurred in settling and investigating claims not directly assigned to specific claims or groups of claim, including expenses for employee salaries and other internal claims related costs of an insurer.

REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

PART 1 – Quantitative Analyses of Alternatives

SUMMARY OF FINDINGS

We analyze various alternative reforms to the Alberta auto insurance product including:

- Limited future pain and suffering losses for minor injuries
- Changes related to the income base for determining awards and collateral source recoveries for bodily injury losses
- Increase in limit for medical/rehabilitation benefits for accident benefits

We review loss experience assuming alternative limits on pain and suffering damages for a range of injury types defined to be minor injuries. Claimants with non-minor injuries maintain the right to recover all losses under tort; claimants with minor injuries retain the right to recover their economic losses under tort but the non-economic (i.e., pain and suffering) losses are limited.

Major Limitations

To the extent that our interpretation of the alternative scenarios and/or our assumptions may not reflect the intent of the government of Alberta or that projected savings may not be realized in practice, actual claim costs and premium savings would differ from our estimates.

The data used to estimate the losses eliminated under the proposed alternative scenarios is limited; no data from Alberta is available for this purpose. To the extent that the closed claim samples from New Brunswick and Nova Scotia are not representative of future losses for Alberta, the actual claim costs and premium savings would differ from our estimates. Actual losses eliminated by the various alternatives may prove to be less than projected in our analysis and thus industry loss costs higher.

We conduct our analysis for the industry in total. The experience of individual companies in Alberta will vary, perhaps materially, from that of the industry as a whole. Thus, we expect the impact of the proposed changes to vary from company to company.

Due to the limitations highlighted above and elsewhere in this report, caution is warranted when using our estimates.

Description of Alternative Scenarios

As described previously, we analyze eleven alternative scenarios. The following description is repeated from an earlier section of this report.

For our scenario analysis, we create three categories that vary based on the types of injuries included within the minor injury definition. We begin with the categorization of injury types similar to that enacted as part of the New Brunswick auto reforms during the summer of 2003. For scenarios beginning with the label “1”, we assume the following classification of injury types for non-minor and minor injuries (using the injury type labels contained in the New Brunswick and Nova Scotia Private Passenger Automobile Insurance Tort Bodily Injury 2001 Closed Claim Survey Summary Reports prepared by R.R. Miller, Exactor Insurance Services Inc. for the insurance industry).

Scenarios with the Label “1” – Based on Injury Type		
Non-Minor Injury		Minor Injury
Death	Fracture, weight bearing	Neck sprain/strain
Quadriplegia	Other fracture	Back sprain/strain
Paraplegia	Disfigurement/scarring	Other sprain/strain
Permanent brain	Serious laceration	Minor
Amputation/loss major member	Serious burn	Concussion
Amputation/loss other	TMJ	Other
Loss of sense	Fibromyalgia/chronic pain	
Internal organ		

For the scenario beginning with the label “2”, we assume a similar categorization of injury types except that the following two injury types are moved from non-minor to minor:

- Fibromyalgia/chronic pain
- Other fracture

And finally, for the scenario beginning with the label “3”, we assume a similar categorization to the table except that the following two injury types are moved from minor to non-minor:

- Concussion
- Other

Scenario 3 represents the final definition adopted for the June 2004 auto reform in Alberta.

Limitation of Pain and Suffering Award

The following table summarizes the limits by scenario that are applied to pain and suffering losses for minor injuries.

Scenario	Description of Limit
A	\$4,000 cap
B	\$4,000 award for all
C	\$5,000 cap
D	\$5,000 award for all
E	\$3,000 cap
F	\$10,000 deductible
G	\$20,000 deductible
H	\$30,000 deductible
I	\$9,000 cap

Alternative Scenarios

The first eight scenarios, labeled 1-A through 1-H, are based on the injury definitions in the table on page 5 and the limits summarized in the previous table. Scenario 2-I assumes the second injury type definition (i.e., minor injuries include fibromyalgia/chronic pain and other fracture) with a \$9,000 cap on pain and suffering awards for minor injuries. This scenario assumes that a greater number of injuries are classified as minor injuries but the limit for pain and suffering is much greater than in the previous scenarios.

All the scenarios described above assume that the medical/rehabilitation benefit for accident benefits coverage is increased from the current limit of \$10,000 to \$50,000. We also considered options of increasing the medical/rehabilitation limit only to \$25,000. Thus, we include a scenario labeled 1-A-25K which represents the first definition of injury type, a \$4,000 cap for minor injuries, and an increase of medical/rehabilitation limits to \$25,000 (instead of \$50,000).

Our last scenario is based on the final definition included in the June 2004 auto reform and is labeled 3-A. This includes both the final definition of injury type and the final decision with respect to the \$4,000 limit of pain and suffering for minor injuries.

Projected Savings from Current System Adequate Premium

We estimate the projected dollar change from the current system for each of the eleven scenarios in Exhibit I, Sheets 1 through 11, Column (8). The table below summarizes the impact of the alternative reforms on compulsory coverages as measured against adequate premiums of the current system.

Scenario	Projected Dollar Savings from Current System (\$ Millions)
1-A	253
1-B	257
1-C	238
1-D	237
1-E	270
1-F	88
1-G	193
1-H	255
2-I	237
1-A-25K	287
3-A	203

Impact of Proposed Changes to Consumers

The direct impact to consumers in Alberta of the various alternative changes is dependent on the current level of adequacy of premiums. If current premiums for the industry are fully adequate, the complete impact of changes would be recognized in a similar impact to average premiums for consumers. However, to the extent that current premiums are inadequate, the impact of any alternative reform is reduced by the rate change that would otherwise be required to return premiums to an adequate level. The adequacy of current auto premiums in Alberta is addressed in Report I – Costing Analysis of 2004 Auto Reform.

Estimated Adequate Premiums

We estimate adequate premiums based on discounted loss costs adjusted for the alternative reforms and adjusted to include variable and fixed expenses, a profit and contingency loading, and the health levy. In the following table, we summarize the estimated adequate premiums for compulsory coverages under the current system as well as under the eleven alternatives reviewed. (See Exhibit I, Sheets 1 through 11 for complete detailed calculations.)

Scenario	Estimated Adequate Premiums (\$)	% Change from Current System
Current System	823	
1-A	675	-17.9
1-B	673	-18.2
1-C	684	-16.8
1-D	685	-16.8
1-E	666	-19.1
1-F	772	-6.2
1-G	710	-13.6
1-H	674	-18.1
2-I	685	-16.8
1-A-25K	656	-20.3
3-A	705	-14.3

Compulsory coverage includes third party liability bodily injury, third party liability property damage, accident benefits and the health levy. The average third party liability limit underlying total industry experience is approximately \$1 million. The mandatory third party liability limit in Alberta is \$200,000; however approximately 90% of policyholders purchase limits of \$1 million and greater.

Discounted Loss Costs

Loss costs represent the portion of premium required for loss and loss adjustment expense. We also include the health levy loss cost which accounts for the cost to the health care system of accident victims. The loss costs developed by coverage are adjusted by present value factors to include the future investment income due to lags in payment of claims to produce discounted loss costs. (Loss costs do not include expense or profit provisions.)

In the following table, we summarize the discounted loss costs for the current system and under the various alternatives for compulsory coverages.

Scenario	Discounted Loss Costs Compulsory Coverages
Current System	\$588
1-A	474
1-B	472
1-C	481
1-D	481
1-E	466
1-F	549
1-G	501
1-H	473
2-I	481
1-A-25K	459
3-A	497

Limited Future Pain and Suffering for Minor Injuries

In Appendix A, we develop loss elimination ratios to reflect the reduction in bodily injury losses expected due to the alternative limits on pain and suffering awards for minor injuries. The loss elimination ratios are based on data contained in the New Brunswick and Nova Scotia closed claim studies and are described in detail in later sections of this report.

Impact of Changes in Income Base and Collateral Source Recoveries

In Appendix C, we estimate the impact of the change from gross to net income on bodily injury losses as the basis for determining loss of income, both past and future. We first develop an average, province-wide ratio of net to gross income of 86.8% based on a comparison of net income to gross income. (Net income is defined to equal gross income less Canadian Pension Plan, Employment Insurance, net Federal and net Provincial taxes.) We estimate that the overall savings based on this change is 2.5% of bodily injury losses.

In Appendix B, we estimate the impact of eliminating the ability of claimants to recover loss of income from automobile policies and from other forms of wage replacement insurance (e.g., employer-sponsored plans, individual disability insurance policies, etc.). In other words, we estimate the impact of changing the collateral source rule on bodily injury losses. We assume that 70% of people with an annual income greater than \$25,000 have collateral insurance; we further assume that the average collateral source benefit is equal to 60% of gross income. We estimate that the overall savings based on this change is 6.6% of bodily injury losses.

The table below summarizes the percentage impact and the total loss cost savings we project from these two changes on bodily injury losses.

	% Change	\$ Savings (000)
Gross to Net Income	2.5	16,735
Collateral Source Change	6.6	44,180
Total		60,915

In the above table, we summarize the impact of each change on losses only.

Impact of Change in Medical/Rehabilitation Limit

In Appendix D, we estimate the impact of changing the medical/rehabilitation limit for accident benefits from \$10,000 to \$50,000 and \$10,000 to \$25,000. We select adjustment factors based on our review of the experience of New Brunswick and Ontario for accident years 1997 through 2001. The adjustment factors are applied to the accident benefits medical/rehabilitation loss cost when developing average adequate premiums by coverage. The table below summarizes the selected adjustment factors.

Change in Accident Benefits Medical/Rehabilitation Limit	Selected Adj. Factor
\$10,000 to \$50,000	1.997
\$10,000 to \$25,000	1.493

DATA

Basis of Data

In our analysis, we analyze only private passenger automobile excluding farmers; we do not analyze any other class of business. We rely on data and information contained in the following:

- All-industry data (for Alberta) contained in the Loss Development Exhibit and the Actual Loss Ratio Exhibit as of December 31, 2003 published by the Insurance Bureau of Canada (IBC)
- Actuarial Report of Selected Loss Development Factors for Incurred Counts and Amounts for All-Industry Alberta Automobile Insurance – Private Passenger (excluding Farmers) and Ordinary Commercial (including Fleets) as of the valuation date December 31, 2003 prepared for IBC by R.R. Miller, Exactor Insurance Services Inc., June 2004
- Tort Bodily Injury 2001 Closed Claim Data Extract for Nova Scotia
- Tort Bodily Injury 2001 Closed Claim Data Extract for New Brunswick
- Nova Scotia Private Passenger Automobile Insurance Tort Bodily Injury 2001 Closed Claim Survey Summary Report prepared by R.R. Miller, Exactor Insurance Services Inc.
- New Brunswick Private Passenger Automobile Insurance Tort Bodily Injury 2001 Closed Claim Survey Summary Report prepared by R.R. Miller, Exactor Insurance Services Inc.
- Alberta income statistics for 2001 tax year from Canada Customs and Revenue Agency (CCRA)
- IBC all industry special data request for size of loss distributions for accident benefits (AB) – medical/rehabilitation (med/rehab) benefits for Ontario and New Brunswick – accident years 1997 through 2001 as of December 31, 2001
- The Handbook of Canadian Pension and Benefit Plans, 12th Edition, Chapter 16
- Alberta Standard Automobile Policy (S.P.F. No. 1)
- Expense Allocation Program – All Industry exhibit from IBC (2002)
- Third party liability (TPL) rate changes, by company, filed with the Alberta Auto Insurance Board with effective dates from October 1, 2002 to January 31, 2004
- Underwriting data (exposure and premium data) for seven insurers in Alberta

Organization of Data

We conduct our analysis by the following coverages and components within coverages:

- TPL bodily injury (BI) out of Province
- TPL BI in Province non-minor injury
- TPL BI in Province minor injury
- TPL property damage (PD) out of Province
- TPL PD in Province
- AB by component (funeral services, med/rehab, death benefits, disability income, supplementary)
- Uninsured automobile (UA) by BI and PD

We assume that 2% of BI and PD losses are out of province. We estimate the proportion of BI losses for non-minor injury and minor injury based on the closed claim data from New Brunswick and Nova Scotia. IBC provides data by component for AB.

Limitations of Data

We rely on the general accuracy of all data and information without audit or independent verification. However, we review this information for reasonableness and internal consistency. The accuracy of our results is dependent upon the accuracy and completeness of the underlying data; therefore, any material discrepancies discovered in this data and information should be reported to us and this report amended accordingly, if warranted.

Where appropriate, we supplement the Alberta, New Brunswick and Nova Scotia information with conclusions drawn from data compiled from general industry sources.

DESCRIPTION OF GENERAL METHODOLOGY

Our analysis is comprised of three primary tasks. First, we select adjustment factors to reflect the impact of proposed changes for each scenario. The adjustment factors represent the losses eliminated due to the selected definition of minor injury and the type of limit applied to pain and suffering losses. In all scenarios, we assume all claimants maintain access to tort remedies for economic damages. We also derive adjustment factors to represent the impact of: change from gross to net income, elimination of collateral source recoveries, and change in AB med/rehab limits.

Second, we develop discounted loss costs by coverage/sub-coverage (coverage) assuming no change to the current system and assuming the implementation of the various alternative changes. Third, we estimate average adequate premiums based on the discounted loss costs and projected expenses and profit loading.

In the following section, we describe each of the tasks in detail. We provide further details in the footnotes and column headings of all the exhibits and appendices.

DESCRIPTION OF SPECIFIC METHODOLOGY

Task 1 – Adjustment Factors for Proposed Changes

Analysis of New Brunswick and Nova Scotia Closed Claim Data

The first step of our analysis is to determine the adjustment factors for the various alternatives directed at limiting pain and suffering losses for minor injuries. We rely on the New Brunswick and Nova Scotia closed claim data provided by R.R. Miller of Exactor Insurance Services Inc. on behalf of IBC to determine loss elimination ratios for minor injury claims.

Trend and Large Loss Capping

We first multiply all the losses and expenses by a trend factor to adjust claims from the actual date of loss to the average date of loss expected for the projection period (i.e., October 1, 2005). We assume an 8% annual trend rate for all BI losses in the closed claim samples. The 8% trend rate is based on historical TPL BI loss experience for New Brunswick and Nova Scotia. Trended pain and suffering losses are limited to \$150,000 based on our review of the largest individual claim values over the 14-year experience period in the closed claim sample. (See Appendix A, Sheet 12.) The purpose of the \$150,000 limit is to mitigate the impact of an exponential trend factor on losses over a long experience period and to reflect our expectations of likely maximum awards for pain and suffering.

The next step is to separate the claims within the closed claim studies into those that would be classified as non-minor injuries and those that would be minor injuries; we then limit the pain and suffering award for those claims classified as minor injuries.

Definition of Minor Injury

Injury types classified as non-minor remain entirely within the tort system and have no limitation on the pain and suffering award. Minor injuries are subject to a limitation, either by cap or deductible, on the pain and suffering award.

For our scenario analysis, we create three categories that vary based on the types of injuries included within the minor injury definition. We begin with the categorization of injury types similar to that enacted as part of the New Brunswick auto reforms during the summer of 2003. For scenarios beginning with the label “1”, we assume the following classification of injury types for non-minor and minor injuries.

Scenarios with the Label “1” – Based on Injury Type		
Non-Minor Injury		Minor Injury
Death	Fracture, weight bearing	Neck sprain/strain
Quadriplegia	Other fracture	Back sprain/strain
Paraplegia	Disfigurement/scarring	Other sprain/strain
Permanent brain	Serious laceration	Minor
Amputation/loss major member	Serious burn	Concussion
Amputation/loss other	TMJ	Other
Loss of sense	Fibromyalgia/chronic pain	
Internal organ		

For the scenario beginning with the label “2”, we assume a similar categorization of injury types except that the following two injury types are moved from non-minor to minor:

- Fibromyalgia/chronic pain
- Other fracture

And finally, for the scenario beginning with the label “3”, we assume a similar categorization to the table except that the following two injury types are moved from minor to non-minor:

- Concussion
- Other

Scenario 3 represents the final definition adopted for the June 2004 auto reforms in Alberta.

Limitation of Pain and Suffering Award

The following table summarizes the limits by scenario that are applied to pain and suffering losses for minor injuries.

Scenario	Description of Limit
A	\$4,000 cap
B	\$4,000 award for all
C	\$5,000 cap
D	\$5,000 award for all
E	\$3,000 cap
F	\$10,000 deductible
G	\$20,000 deductible
H	\$30,000 deductible
I	\$9,000 cap

Alternative Scenarios

The first eight scenarios, labeled 1-A through 1-H, are based on the injury definitions in the table on page 31 and the limits summarized in the previous table. Scenario 2-I assumes the second injury type definition (i.e., minor injuries include fibromyalgia/chronic pain and other fracture) with a \$9,000 cap on pain and suffering awards for minor injuries. This scenario assumes that a greater number of injuries are classified as minor injuries but the limit for pain and suffering is much greater than in the previous scenarios.

All the scenarios described above assume that the med/rehab limit is increased from the current limit of \$10,000 to \$50,000. We also considered options of increasing the med/rehab limit only to \$25,000. Thus, we include a scenario labeled 1-A-25K which represents the first definition of injury type, a \$4,000 cap for minor injuries, and an increase of med/rehab limits to \$25,000 (instead of \$50,000).

Our last scenario is based on the final definition included in the June 2004 auto reform and is labeled 3-A. This includes both the final definition of injury type and the final decision with respect to the \$4,000 limit of pain and suffering for minor injuries.

Adjustments for Prejudgment Interest, LAE and Erosion of Limitation

In addition to limiting pain and suffering losses, we adjust proportionately the prejudgment interest (PJI) and party to party costs to reflect the reduced damages for pain and suffering. We also adjust allocated loss adjustment expense (ALAE) by 50% of the proportionate reduction in total losses. The adjustment to ALAE is to recognize that while there may be a reduction in some expenses, the entire claim will not be eliminated. Furthermore, the cost of adjusting some of the claims with limited pain and suffering may even be greater than prior to the cap. (See Appendix A, Sheets 2 through 11, for summary of limited losses based on the closed claim data.)

For each scenario, we judgmentally select an erosion factor to reflect potential escalation in the claims that would enter the tort system. The intent of the erosion factor is to acknowledge that claimants and their advisors will attempt to overcome the impact of the capping. In addition, we believe that, over time, certain types of injuries assumed to be minor will be deemed non-minor. In fact, this may happen relatively more quickly in Alberta due to existing case law in other jurisdictions. The erosion factor is small and reflects only the erosion in the first year. Experience in other jurisdictions shows that the erosion increases over time.

In the following table, we summarize the selected erosion factors by scenario.

Scenario	Selected Erosion Factor (%)
1-A	4.0
1-B	2.0
1-C	4.0
1-D	2.0
1-E	4.0
1-F	10.0
1-G	7.5
1-H	5.0
2-I	7.5
1-A-25K	4.0
3-A	5.0

Selected Adjustment Factors for Limiting Pain and Suffering Losses

Based on a review of the New Brunswick and Nova Scotia closed claim data, we select loss elimination ratios (i.e., adjustment factors) for the proposed changes in each scenario. We calculate loss elimination ratios relative to total BI losses as well as relative to only those BI losses that relate to minor injuries. These calculations are based on our analysis of individual claim detail in the closed claim studies and the assumptions underlying each alternative scenario.

When projecting loss costs by coverage, we separate the TPL BI loss cost into three components:

- TPL BI out of province
- TPL BI in province, non-minor injury
- TPL BI in province, minor injury

We apply the selected loss elimination ratio for BI minor injury to the final component listed above, TPL BI in province, minor injury. We separate the UA loss cost into two components: BI and PD. We apply the selected loss elimination ratio for total BI to the UA BI loss cost.

In the following table, we summarize the selected loss elimination ratios representing the change from the current private passenger auto insurance system to that proposed under each scenario.

Scenario	Selected Loss Elimination Ratio Relative to	
	Total BI (%)	BI for Minor Injury (%)
1-A	27.5	48.3
1-B	27.9	49.0
1-C	25.7	45.2
1-D	25.7	45.1
1-E	29.4	51.6
1-F	8.5	14.9
1-G	20.6	36.1
1-H	27.7	48.7
2-I	25.6	33.1
1-A-25K	27.5	48.3
3-A	21.7	45.8

We develop the adjustment factors based on BI data only. As requested by Alberta Finance, we summarize pain and suffering losses separately from other losses using the New Brunswick and Nova Scotia closed claim data by type of injury in Appendix A, Sheets 13 and 14.

Adjustment Factors for Changes in Income Base and Collateral Source Recoveries

We estimate the impact of changing from gross income to net income for the determination of past and future income losses; and we estimate the impact of eliminating the collateral source rule. The impact of both of these changes is estimated for BI losses only.

Based on CCRA data for tax year 2001, we calculate by income range the average annual net and gross income in Alberta. To determine net income, we deduct from gross income the following:

- Canadian Pension Plan (CPP) contributions
- CPP from self-employed
- Employment insurance premiums
- Net Federal tax
- Net Provincial tax

Based on the distribution of wage earners by income range, we determine a province-wide ratio of net to gross average annual income of 86.8%. We then estimate the impact of the change on BI losses based on the proportion of total BI losses from the New Brunswick and Nova Scotia closed claim studies that are past and future income. The total impact is a savings of 2.5% of BI losses. (See Appendix C.)

To estimate the impact of eliminating the collateral source rule on BI losses, we start with the gross income data summarized for the proposed change from gross to net income. We assume that 70% of people with an annual income greater than \$25,000 have collateral insurance; we further assume that the average collateral source benefit is equal to 60% of gross income. Based on the distribution of wage earners by income range, we estimate a 35.2% savings in weekly benefits due to elimination of the collateral source rule. We then estimate the impact of this change based on the proportion of total BI losses (from the New Brunswick and Nova Scotia closed claim studies) that are past and future income. The total impact is a savings of 6.6% of BI losses. (See Appendix B.)

Adjustment Factor for Increasing Med/Rehab Limit in AB Coverage

Alberta Finance requested that we estimate the impact of increasing the limit for med/rehab benefits from \$10,000 to \$50,000 and from \$10,000 to \$25,000. We present details of this analysis in Appendix D. Our analysis is based on IBC data for Ontario and New Brunswick. Specifically, IBC provided size of loss distributions for med/rehab experience. By accident year, we adjust the losses for loss development, unallocated loss adjustment expenses (ULAE) and trend. We then combine the experience for accident years 1997 through 2001 to analyze the impact of changing the limit. Based on Ontario historical loss experience, the impact of changing from \$10,000 to \$50,000 is an increase of 127%; based on New Brunswick experience, the impact of the change is an increase of 73%. We select the average of these two indications and assume an increase of 99.7% in AB med/rehab losses due to increasing the limit from \$10,000 to \$50,000. For a change from \$10,000 to \$25,000 limits, we select an increase of 49.3%.

It is likely that higher AB medical coverage would result in lower benefits under BI (Section A). We do not calculate this reduction in TPL benefits. This reduction would likely be partially offset by an increase in AB as a result of increased usage due to higher available limits.

Task 2 – Development of Discounted Loss Costs

We develop loss costs, by coverage, based on the IBC loss and exposure experience for accident years 1998 through 2003. Loss costs are equal to losses divided by exposures. We adjust IBC loss data for the following:

- Loss development
- Trend
- ULAE
- Proposed changes under alternative scenarios

Loss Development

We summarize ultimate losses (including ALAE and ULAE) and claim counts by accident year in Appendix E based on the incurred development technique. The distinguishing characteristic of the loss development technique is that ultimate losses for each accident year are produced from recorded dollars. The underlying assumption in this technique is that losses reported to date will continue in a similar manner in the future. That is, the loss development technique assumes the relative change in a given year's losses from one evaluation point to the next is similar to the relative change in prior years' evaluations.

Generally, the loss development method consists of five basic steps:

1. Display loss data in a loss triangle
2. Calculate age-to-age factors and average age-to-age factors
3. Select loss development factors for each age-to-age period
4. Calculate cumulative loss development factors (age-to-ultimate)
5. Project ultimate losses by multiplying current evaluation of losses by cumulative loss development factors

Step 1 – Display Loss Data

We present incurred loss and claim count development triangles by coverage in Appendix G. For all coverages, we present development triangles for Alberta based on IBC data through December 31, 2003. We rely on IBC half-year data from 1991 through 2003. We also analyze paid loss development experience in Appendix H. We use selected paid loss development factors to produce present value factors to reflect future investment income.

Step 2 – Calculate Age-to-Age Factors

The next step is to calculate age-to-age factors. Age-to-age factors measure the change in incurred and paid losses from one evaluation point to the next. The age-to-age factors based on IBC data are shown in Appendices G and H. We calculate average age-to-age factors for a range of time periods based on the following:

- Simple averages
- Medial average (simple average excluding highest and lowest factors)
- Volume weighted averages

Step 3 – Select Loss Development Factors

The selected loss development factor represents the growth we anticipate in the next development interval. We examine the development experience, the age-to-age factors and the age-to-age averages for the following characteristics:

- *Smoothness of individual age-to-age factors and average factors.* Ideally, the pattern demonstrates steadily decreasing incremental development from evaluation to evaluation, especially in the later evaluations.
- *Stability of age-to-age factors.* Ideally, there is a relatively small range of factors (small variance) within each column.
- *Credibility of the experience.* The credibility is generally based on the volume of losses for a given underwriting year and age.
- *Changes in patterns.* We review factors by column for increasing or decreasing patterns indicating systemic changes in the industry.
- *Applicability of the historical experience.* Based on qualitative information regarding changes in the industry over time, we determine the appropriateness of historical factors for projecting future experience.

We select loss development factors based on a review of the various average factors, the triangle of age-to-age factors, and industry benchmark patterns.

Step 4 – Calculate Cumulative Loss Development Factors

We calculate cumulative loss development factors by successive multiplication, beginning with the tail factor and the oldest age-to-age factor. The cumulative loss development factor is used to project total growth over the remaining evaluations.

Step 5 – Project Ultimate Losses

Ultimate losses are equal to the product of losses as of December 31, 2003 and the appropriate cumulative loss development factors. Projected ultimate values are shown at the bottom of each sheet in Appendix G by accident half-year. In Appendix E, we summarize ultimate losses and claim counts by full accident year for 1993 through 2003.

Ultimate Losses and Claim Counts

As noted above, we summarize ultimate losses and claim counts by coverage and accident year in Appendix E. We also present ultimate loss costs, severities and frequencies. Loss costs are equal to ultimate losses divided by earned exposures. The severity is equal to ultimate losses divided by ultimate claim counts; and the frequency is equal to ultimate claim counts divided by earned exposures. The primary reason for analyzing the loss cost in its severity and frequency components is to assist in the selection of annual trend factors.

Trend

We use trend factors to adjust historical losses (including ALAE and ULAE) for the expected influence of economic, social and related forces over time. We select annual loss cost trend rates in Appendix F by coverage. The loss costs include loss, ALAE and ULAE but exclude the health levy. For each coverage, we analyze the results of different regressions based on four different time periods:

- All years
- Last 7-years
- Last 5-years
- Last 4-years

In selecting trend rates by coverage, we review the results of the R-squared regression statistic, which measures the “goodness of fit” of a particular regression and the resulting annual trend rate. We review the trends of the loss cost statistics as well as its components, severity and frequency. We also review the annual rates of change and the patterns in the annual rates of change over the experience period. We also incorporate our assessment of future social and economic conditions.

For several of the coverages, we assume that observed decreases in frequency will stop and thus, our selected loss cost trend is based on observations in the severity trend. Further comments regarding our selections by coverage are provided below.

The following table summarizes our selected annual trend rates by coverage. For coverages where we select different trend rates for past and future time periods, we assume the past trend applies through July 1, 2003 and the future trend applies from July 1, 2003 to October 1, 2005.

Coverage	Selected Annual Trend (%)
Bodily Injury	1.5 past 6.0 future
Property Damage	3.2
Accident Benefits – Funeral	3.0
Accident Benefits – Med/Rehab	3.0 past 7.0 future
Accident Benefits – Death Benefits	2.0
Accident Benefits – Disability Income	2.0
Accident Benefits - Supplementary	3.0
Uninsured Automobile	3.0

For BI, annual rates of change in loss costs for the most recent four years are significantly lower than for 1999 and prior. There has been variability in both severity and frequency trends in the last few years for this coverage. Our selection of 1.5% for historical trend reflects the decrease in trend seen in the most recent years, and the selection of 6.0% for future trend is more reflective of the longer-term patterns that we expect on a going-forward basis.

For PD, there is significant variability in loss cost trend rates over the entire experience period. While the annual change in severity is positive for all years, there has been a persistent downward trend in frequency rates. We select a 3.2% annual loss cost trend rate based on the regression analysis for all years.

There is also much variability in the annual trend rates for AB. For total AB, we judgmentally select a 3% annual trend rate; we use this trend rate for funeral and supplementary sub-coverages. For med/rehab, we select two different trend rates to reflect past and future experience. We assume a past trend rate of 3% similar to the total AB trend selection and a 7% future trend based on expectations that the downward trends in frequency will not continue for the future. For death and disability, we select a 2% trend rate. For UA, we select a 3% trend rate, similar to total AB experience.

The trending period for losses is based on the average date of loss underlying the experience year to the average date of loss that will occur under the new proposed rates. We assume an October 1, 2004 effective date for new rates and thus the average loss date is October 1, 2005 assuming an even distribution of written policies throughout the year. We further assume 12-month policies and rates effective for a 12-month period.

ULAE

IBC industry data includes loss and ALAE; ULAE, however, is not included. We adjust ultimate losses for each coverage and each accident year by historical ULAE factors as reported by IBC. Ultimate losses shown in Appendix E include loading for ULAE.

Adjustment Factors for the Alternative Scenarios

The final factors for the development of loss costs are the adjustment factors for the alternative reforms. We develop adjustment factors by coverage in Appendices A through D. Adjustment factors to loss costs are summarized in Exhibit IV.

Selected Loss Costs

In Exhibit V, we summarize earned exposures, ultimate claims counts and losses, and trend factors to October 1, 2005. In this exhibit, we select undiscounted loss costs by coverage prior to adjustment for any alternative reforms. We summarize selected loss costs for the current system in the table below by major coverage.

Coverage	Selected Loss Cost
Bodily Injury	\$460.10
Property Damage	111.05
Accident Benefits	47.79
Uninsured Automobile	0.25

Discounted Loss Costs

In Exhibit III, Sheets 1 through 11, we develop loss costs with and without the effect of discounting for future investment income. Loss costs are presented by coverage, and in total for compulsory coverages. A health levy is added to the compulsory coverages. We apply present value factors, developed in Exhibit VI, to adjust for future investment income assuming 4% annual yield on investments. We select a 4% annual yield based on a review of Government of Canada bond rates for 1-year, 3-year and 5-year durations.

We also compare the discounted loss costs after adjustment for the alternative reforms to the current system (by coverage and in total).

Task 3 – Estimated Average Adequate Premium

Selected Expenses

Based on the request of Alberta Finance, we develop expense assumptions assuming a target expense ratio of 25% for the industry. For 2000, the overall expense ratio for the industry was 24.7% and for 2001 it was 23.8%. These industry expense ratios are based on information from IBC and represent total expenses expressed as a percentage of earned premium.

The selected expense ratio is slightly higher than the industry data indicates. In general, the smaller companies and those specializing in the sub-standard market are expected to have higher expense ratios than average. Variations in reinsurance arrangements also affect the expense ratio. In order to generate average adequate premiums that do not unduly penalize these types of companies with “higher than average” expense ratios, an expense ratio slightly higher than otherwise indicated was selected.

We divide the total expenses into variable and fixed components. Variable expenses represent expenses such as premium taxes and commissions; fixed expenses represent those costs that are constant per policyholder and do not vary based on the size of the premium such as underwriting and policy issuance.

Based on 2002 IBC industry expense data for Alberta, we assume a variable expense ratio of 16.81%. We then back into a fixed expense of \$89.55 per exposure assuming that total expenses for the industry cannot exceed 25%. We allocate the total fixed expense to coverage based on the discounted loss costs of the compulsory coverages (excluding health levy) for the current system. We judgmentally assume that 72% of fixed expenses are related to the compulsory coverages. This assumption is based on our review of the relationship between written premiums for compulsory and total coverages (including optional coverages) as well as our analysis of loss costs for compulsory and optional coverages. (See Exhibit II for further details of expenses.)

Profit Provision

Based on the request of Alberta Finance, we assume a profit provision equal to 5% of premium less investment income on cash flow. We reflect the investment income on cash flow by discounting the loss costs assuming a 4% annual return on investments and payment patterns based on the historical experience of each coverage. The selected 5% profit target (as a function of premium) can be converted into a return on equity. Assuming a 2-to-1 premium to surplus ratio and a 4% return on investments, the 5% profit provision (as a percentage of premium) equates to a 9.2% return on equity. We summarize the profit and expense assumptions in Exhibit II.

Estimated Average Adequate Premium

We estimate average adequate premium by coverage in Exhibit I. Average adequate premiums are equal to discounted loss costs adjusted for fixed and variable expenses as well as the profit provision. In Exhibit I, we summarize estimated average adequate premium for total compulsory coverages.

Rounding

The calculations in the attached exhibits and appendices are carried out to a greater number of decimals than are presented. Totals and calculations may differ due to rounding.

DESCRIPTION OF EXHIBITS

Exhibit I – Estimated Adequate Premium and Projected Changes from Current System

In Exhibit I, we present the results for the current system and the alternative scenarios by major coverage and total compulsory coverages. Specifically, we present the following:

- Estimated adequate premiums in Columns (4) and (5)
- Projected percent change from current system in Column (6)
- Projected dollar change from current system in Column (8)

Exhibit II – Summary of Expenses and Profit Assumptions

In Exhibit II, we summarize the expenses and profit assumptions used to develop average adequate premiums.

Exhibit III – Projected Discounted Loss Costs

In this exhibit, extensive details are shown for subcoverages within BI and AB. In Exhibit III, undiscounted loss costs under the current system are adjusted by factors to reflect the alternative reforms. Undiscounted loss costs are then adjusted by present value factors to determine discounted loss costs. The impact is based on the relationship between the discounted loss cost under the alternative scenarios and that of the current system. The impact is calculated by coverage as well as for total compulsory coverages.

Exhibit IV – Adjustment Factors to Loss Costs for Alternative Scenarios

In this exhibit, we present adjustment factors by coverage to represent the impact of changes from the current auto insurance system to that underlying the alternative scenarios.

Exhibit V – Selected Loss Costs

In Exhibit V, we select loss costs by coverage based on a review of historical industry experience.

Exhibit VI – Development of Present Value Factors

Present value factors are used to reflect the future investment income that is expected due to the lag in time between the occurrence of a loss and the actual payment of the claim. In Exhibit VI, we calculate present value factors by coverage based on the selected paid loss development factors from Appendix H.

REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

PART 1 – Exhibits and Appendices

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-A
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-A (3)	Current System (4)	Scenario 1-A (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	256.90	563.26	377.83	-32.9%	1,720,006	(318,931,279)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	398.68	758.53	573.10	-24.4%		(318,931,279)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-27.1%	1,721,187	(139,164)
Total AB	45.61	75.15	64.11	102.18	59.4%		65,536,227
Total Compulsory Coverages	588.15	473.83	822.63	675.28	-17.9%		(253,395,052)

Column Notes:

(2) From Exhibit III, Sheet 1, Column (5).

(3) From Exhibit III, Sheet 1, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-B
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-B (3)	Current System (4)	Scenario 1-B (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	255.27	563.26	375.73	-33.3%	1,720,006	(322,543,337)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	397.06	758.53	571.00	-24.7%		(322,543,337)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-27.4%	1,721,187	(140,740)
Total AB	45.61	75.15	64.11	102.18	59.4%		65,534,651
Total Compulsory Coverages	588.15	472.20	822.63	673.18	-18.2%		(257,008,687)

Column Notes:

(2) From Exhibit III, Sheet 2, Column (5).

(3) From Exhibit III, Sheet 2, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-C
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-C (3)	Current System (4)	Scenario 1-C (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	263.86	563.26	386.81	-31.3%	1,720,006	(303,494,299)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	405.65	758.53	582.08	-23.3%		(303,494,299)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-25.8%	1,721,187	(132,428)
Total AB	45.61	75.15	64.11	102.19	59.4%		65,542,963
Total Compulsory Coverages	588.15	480.80	822.63	684.26	-16.8%		(237,951,337)

Column Notes:

(2) From Exhibit III, Sheet 3, Column (5).

(3) From Exhibit III, Sheet 3, Column (6).

(4) = [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-D
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-D (3)	Current System (4)	Scenario 1-D (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	264.15	563.26	387.17	-31.3%	1,720,006	(302,864,267)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	405.93	758.53	582.44	-23.2%		(302,864,267)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-25.7%	1,721,187	(132,153)
Total AB	45.61	75.15	64.11	102.19	59.4%		65,543,237
Total Compulsory Coverages	588.15	481.08	822.63	684.63	-16.8%		(237,321,030)

Column Notes:

(2) From Exhibit III, Sheet 4, Column (5).

(3) From Exhibit III, Sheet 4, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-E
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-E (3)	Current System (4)	Scenario 1-E (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	249.53	563.26	368.33	-34.6%	1,720,006	(335,281,827)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	391.31	758.53	563.60	-25.7%		(335,281,827)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.21	-28.4%	1,721,187	(146,298)
Total AB	45.61	75.15	64.11	102.18	59.4%		65,529,092
Total Compulsory Coverages	588.15	466.46	822.63	665.77	-19.1%		(269,752,735)

Column Notes:

(2) From Exhibit III, Sheet 5, Column (5).

(3) From Exhibit III, Sheet 5, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-F
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-F (3)	Current System (4)	Scenario 1-F (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	331.56	563.26	474.06	-15.8%	1,720,006	(153,412,124)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	473.34	758.53	669.33	-11.8%		(153,412,124)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.18	0.30	0.26	-13.0%	1,721,187	(66,941)
Total AB	45.61	75.18	64.11	102.22	59.5%		65,608,450
Total Compulsory Coverages	588.15	548.52	822.63	771.56	-6.2%		(87,803,674)

Column Notes:

(2) From Exhibit III, Sheet 6, Column (5).

(3) From Exhibit III, Sheet 6, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-G
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-G (3)	Current System (4)	Scenario 1-G (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	284.16	563.26	412.97	-26.7%	1,720,006	(258,500,817)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	425.94	758.53	608.24	-19.8%		(258,500,817)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.16	0.30	0.23	-21.9%	1,721,187	(112,795)
Total AB	45.61	75.16	64.11	102.20	59.4%		65,562,595
Total Compulsory Coverages	588.15	501.10	822.63	710.43	-13.6%		(192,938,222)

Column Notes:

(2) From Exhibit III, Sheet 7, Column (5).

(3) From Exhibit III, Sheet 7, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-H
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-H (3)	Current System (4)	Scenario 1-H (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	256.00	563.26	376.68	-33.1%	1,720,006	(320,919,863)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	397.79	758.53	571.95	-24.6%		(320,919,863)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-27.2%	1,721,187	(140,032)
Total AB	45.61	75.15	64.11	102.18	59.4%		65,535,359
Total Compulsory Coverages	588.15	472.94	822.63	674.13	-18.1%		(255,384,504)

Column Notes:

(2) From Exhibit III, Sheet 8, Column (5).

(3) From Exhibit III, Sheet 8, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 2-I
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 2-I (3)	Current System (4)	Scenario 2-I (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	264.25	563.26	387.31	-31.2%	1,720,006	(302,635,688)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	406.03	758.53	582.58	-23.2%		(302,635,688)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.15	0.30	0.22	-25.7%	1,721,187	(132,053)
Total AB	45.61	75.15	64.11	102.19	59.4%		65,543,337
Total Compulsory Coverages	588.15	481.19	822.63	684.76	-16.8%		(237,092,351)

Column Notes:

(2) From Exhibit III, Sheet 9, Column (5).

(3) From Exhibit III, Sheet 9, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 1-A - 25K
 For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 1-A - 25K (3)	Current System (4)	Scenario 1-A - 25K (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	256.90	563.26	377.83	-32.9%	1,720,006	(318,931,279)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	398.68	758.53	573.10	-24.4%		(318,931,279)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	60.03	63.81	82.67	29.6%	1,721,187	32,459,310
Uninsured Automobile	0.21	0.15	0.30	0.22	-27.1%	1,721,187	(139,164)
Total AB	45.61	60.18	64.11	82.88	29.3%		32,320,146
Total Compulsory Coverages	588.15	458.86	822.63	655.99	-20.3%		(286,611,133)

Column Notes:

(2) From Exhibit III, Sheet 10, Column (5).

(3) From Exhibit III, Sheet 10, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

**Estimated Adequate Premium and Projected Changes from Current System under Scenario 3-A
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Discounted Loss Cost		Estimated Adequate Premium		Projected Percent Change from Current System (6)	2003 Earned Exposure (7)	Projected Dollar Change from Current System (8)
	Current System (2)	Scenario 3-A (3)	Current System (4)	Scenario 3-A (5)			
<i>Third Party Liability</i>							
Bodily Injury	400.75	279.65	563.26	407.15	-27.7%	1,720,006	(268,500,405)
Property Damage	107.39	107.39	150.93	150.93	0.0%	1,720,006	0
Health Levy	34.40	34.40	44.34	44.34	0.0%	1,720,006	0
Total TPL	542.54	421.43	758.53	602.42	-20.6%		(268,500,405)
<i>Accident Benefits</i>							
Total Excluding UA	45.40	75.00	63.81	101.96	59.8%	1,721,187	65,675,391
Uninsured Automobile	0.21	0.16	0.30	0.23	-22.8%	1,721,187	(117,159)
Total AB	45.61	75.16	64.11	102.20	59.4%		65,558,232
Total Compulsory Coverages	588.15	496.59	822.63	704.62	-14.3%		(202,942,173)

Column Notes:

(2) From Exhibit III, Sheet 11, Column (5).

(3) From Exhibit III, Sheet 11, Column (6).

(4) = { [(2) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(5) = { [(3) x (1.00 + Impact of Premium Delay) / (1.00 - Variable Expenses - Profit Loading in Premium Development)] + Fixed Expenses Allocated to Coverage/Sub-Coverage }.

(6) = [Column (5) / Column (4)] -1.00.

(7) From Exhibit V, Column (3), for accident year 2003. Earned exposure represents the number of vehicles insured over the year.

(8) = Column (7) x [Column (5) - Column (4)].

Summary of Expenses and Profit Assumptions
For Rates Effective October 1, 2004

(1)	Variable Expenses	16.81%
(2)	Profit Loading in Premium Development	5.00%
(3)	Fixed Expenses Per Earned Exposure	\$89.55
(4)	Fixed Expenses Allocated to Coverage/Sub-Coverage	
	(a) Third Party Liability - Bodily Injury	\$46.69
	(b) Third Party Liability - Property Damage	\$12.51
	(c) Accident Benefits - Total Excluding UA	\$5.29
	(d) Accident Benefits - UA	\$0.02
(5)	Impact of Premium Delay	0.787%

Line Notes:

- (1) Based on IBC expense data.
 (2) Selected by Alberta Finance.
 (3) Calculated based on IBC expense data as of 2002 and selection of 25% total expense ratio by Alberta Finance.
 (4) Allocation of (3), based on Discounted Loss Cost for the current system, assuming 72% of fixed expenses are allocated to compulsory coverages. Health levy is excluded from the calculations.
 (5) = { [1.00 + interest rate) ^ 0.2] - 1.00 }. Assuming 20% of premium paid in following year. Reflects the impact of the delay in premium collections to insurers.

Projected Discounted Loss Costs
Scenario 1-A
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-A (7)
	Current System (2)	Scenario 1-A (3)		Current System (5)	Scenario 1-A (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	285.75	0.871	392.74	248.89	-36.6%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		109.25	0.871		95.16	
Total Bodily Injury	460.10	294.95	0.871	400.75	256.90	-35.9%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	441.08		542.54	398.68	-26.5%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.17	0.864	0.21	0.15	-29.5%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-36.6%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	520.27		588.15	473.83	-19.4%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (2)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 2.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-B
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-B (7)
	Current System (2)	Scenario 1-B (3)		Current System (5)	Scenario 1-B (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	283.88	0.871	392.74	247.26	-37.0%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		107.38	0.871		93.53	
Total Bodily Injury	460.10	293.08	0.871	400.75	255.27	-36.3%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	439.21		542.54	397.06	-26.8%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.17	0.864	0.21	0.15	-29.8%
Bodily Injury	0.20	0.12	0.864	0.17	0.11	-37.0%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	518.40		588.15	472.20	-19.7%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (3)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 3.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-C
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-C (7)
	Current System (2)	Scenario 1-C (3)		Current System (5)	Scenario 1-C (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	293.74	0.871	392.74	255.85	-34.9%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		117.24	0.871		102.12	
Total Bodily Injury	460.10	302.94	0.871	400.75	263.86	-34.2%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	449.07		542.54	405.65	-25.2%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.18	0.864	0.21	0.15	-28.1%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-34.9%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	528.27		588.15	480.80	-18.3%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (4)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 4.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-D
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-D (7)
	Current System (2)	Scenario 1-D (3)		Current System (5)	Scenario 1-D (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	294.07	0.871	392.74	256.13	-34.8%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		117.57	0.871		102.40	
Total Bodily Injury	460.10	303.27	0.871	400.75	264.15	-34.1%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	449.40		542.54	405.93	-25.2%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.18	0.864	0.21	0.15	-28.0%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-34.8%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	528.59		588.15	481.08	-18.2%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (5)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 5.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-E
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-E (7)
	Current System (2)	Scenario 1-E (3)		Current System (5)	Scenario 1-E (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	277.28	0.871	392.74	241.51	-38.5%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		100.78	0.871		87.78	
Total Bodily Injury	460.10	286.48	0.871	400.75	249.53	-37.7%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	432.61		542.54	391.31	-27.9%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.17	0.864	0.21	0.15	-31.0%
Bodily Injury	0.20	0.12	0.864	0.17	0.11	-38.5%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	511.80		588.15	466.46	-20.7%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (6)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 6.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-F
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-F (7)
	Current System (2)	Scenario 1-F (3)		Current System (5)	Scenario 1-F (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	371.46	0.871	392.74	323.54	-17.6%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		194.96	0.871		169.81	
Total Bodily Injury	460.10	380.66	0.871	400.75	331.56	-17.3%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	526.79		542.54	473.34	-12.8%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.21	0.864	0.21	0.18	-14.2%
Bodily Injury	0.20	0.16	0.864	0.17	0.14	-17.6%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.23		45.61	75.18	64.8%
Total Compulsory Coverage	654.27	606.02		588.15	548.52	-6.7%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (7)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 7.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-G
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-G (7)
	Current System (2)	Scenario 1-G (3)		Current System (5)	Scenario 1-G (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	317.04	0.871	392.74	276.14	-29.7%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		140.54	0.871		122.41	
Total Bodily Injury	460.10	326.24	0.871	400.75	284.16	-29.1%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	472.37		542.54	425.94	-21.5%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.19	0.864	0.21	0.16	-23.9%
Bodily Injury	0.20	0.14	0.864	0.17	0.12	-29.7%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.20		45.61	75.16	64.8%
Total Compulsory Coverage	654.27	551.58		588.15	501.10	-14.8%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (8)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 8.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-H
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-H (7)
	Current System (2)	Scenario 1-H (3)		Current System (5)	Scenario 1-H (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	284.72	0.871	392.74	247.99	-36.9%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		108.22	0.871		94.26	
Total Bodily Injury	460.10	293.92	0.871	400.75	256.00	-36.1%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	440.05		542.54	397.79	-26.7%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.17	0.864	0.21	0.15	-29.7%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-36.9%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	519.24		588.15	472.94	-19.6%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (9)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 9.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 2-I
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 2-I (7)
	Current System (2)	Scenario 2-I (3)		Current System (5)	Scenario 2-I (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	294.19	0.871	392.74	256.24	-34.8%
Bodily Injury Non-Minor Injury		92.86	0.871		80.88	
Bodily Injury Minor Injury		201.33	0.871		175.36	
Total Bodily Injury	460.10	303.39	0.871	400.75	264.25	-34.1%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	449.52		542.54	406.03	-25.2%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.18	0.864	0.21	0.15	-28.0%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-34.8%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.19		45.61	75.15	64.8%
Total Compulsory Coverage	654.27	528.71		588.15	481.19	-18.2%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (10)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 10.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 1-A-25K
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 1-A - 25K (7)
	Current System (2)	Scenario 1-A - 25K (3)		Current System (5)	Scenario 1-A - 25K (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	285.75	0.871	392.74	248.89	-36.6%
Bodily Injury Non-Minor Injury		176.50	0.871		153.73	
Bodily Injury Minor Injury		109.25	0.871		95.16	
Total Bodily Injury	460.10	294.95	0.871	400.75	256.90	-35.9%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	441.08		542.54	398.68	-26.5%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	46.75	0.948	29.68	44.32	49.3%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.17	0.864	0.21	0.15	-29.5%
Bodily Injury	0.20	0.13	0.864	0.17	0.11	-36.6%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	63.40		45.61	60.18	31.9%
Total Compulsory Coverage	654.27	504.48		588.15	458.86	-22.0%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (11)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 2.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

Projected Discounted Loss Costs
Scenario 3-A
For Rates Effective October 1, 2004

Coverage/ Sub-coverage (1)	Projected Undiscounted Loss Costs		PV Factor (4)	Projected Discounted Loss Costs		Impact of Scenario 3-A (7)
	Current System (2)	Scenario 3-A (3)		Current System (5)	Scenario 3-A (6)	
<i>Third Party Liability</i>						
Bodily Injury Out of Province	9.20	9.20	0.871	8.02	8.02	0.0%
Bodily Injury In Province	450.90	311.86	0.871	392.74	271.63	-30.8%
Bodily Injury Non-Minor Injury		215.63	0.871		187.82	
Bodily Injury Minor Injury		96.23	0.871		83.82	
Total Bodily Injury	460.10	321.06	0.871	400.75	279.65	-30.2%
Property Damage - Out of Province	2.22	2.22	0.967	2.15	2.15	0.0%
Property Damage - In Province	108.83	108.83	0.967	105.24	105.24	0.0%
Total Property Damage	111.05	111.05	0.967	107.39	107.39	0.0%
Health Levy	35.08	35.08	0.981	34.40	34.40	0.0%
Total Third Party Liability	606.23	467.19		542.54	421.43	-22.3%
<i>Accident Benefits</i>						
Funeral Services	0.38	0.38	0.967	0.36	0.36	0.0%
Med/Rehab	31.31	62.54	0.948	29.68	59.29	99.7%
Death Benefits	1.90	1.90	0.956	1.81	1.81	0.0%
Disability Income	14.20	14.20	0.953	13.53	13.53	0.0%
Supplementary	0.00	0.00	0.981	0.00	0.00	0.0%
Uninsured Automobile	0.25	0.18	0.864	0.21	0.16	-24.8%
Bodily Injury	0.20	0.14	0.864	0.17	0.12	-30.8%
Property Damage	0.05	0.05	0.864	0.04	0.04	0.0%
Total Accident Benefits	48.04	79.20		45.61	75.16	64.8%
Total Compulsory Coverage	654.27	546.39		588.15	496.59	-15.6%

Column Notes

- (2) From Exhibit V, Column (9). For further details on TPL and Health Levy see text.
(3) = Column (2) x [Exhibit IV, Column (12)].
BI non-minor injury and minor injury also include calculation using figures from Appendix A, Sheet 11.
(4) From Exhibit VI.
(5) - (6) = { [Undiscounted Loss Costs in Columns (2) to (3)] x PV Factor in Column (4) } respectively.
(7) = [(6) / (5) - 1].

**Adjustment Factors to Loss Costs for Alternative Scenarios
For Rates Effective October 1, 2004**

Coverage/ Sub-coverage (1)	Adjustment Factors for Scenario											
	1-A (2)	1-B (3)	1-C (4)	1-D (5)	1-E (6)	1-F (7)	1-G (8)	1-H (9)	2-I (10)	1-A-25K (11)	3-A (12)	
<i>Third Party Liability</i>												
Bodily Injury Out of Province	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Bodily Injury In Province												
Bodily Injury Non-Minor Injury	0.909	0.909	0.909	0.909	0.909	0.909	0.909	0.909	0.909	0.909	0.909	0.909
Bodily Injury Minor Injury	0.426	0.418	0.457	0.458	0.393	0.760	0.548	0.422	0.577	0.426	0.450	
Total Bodily Injury												
Property Damage - Out of Province	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Property Damage - In Province	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Property Damage												
Health Levy	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
<i>Accident Benefits</i>												
Funeral Services	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Med/Rehab	1.997	1.997	1.997	1.997	1.997	1.997	1.997	1.997	1.997	1.997	1.493	1.997
Death Benefits	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Disability Income	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Supplementary	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Uninsured Automobile												
Bodily Injury	0.634	0.630	0.651	0.652	0.615	0.824	0.703	0.631	0.652	0.634	0.692	
Property Damage	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Notes:

In addition to the scenario limitations on pain and suffering for minor injuries under TPL-BI, includes change in med/rehab limit from \$10,000 to \$50,000 (\$25,000 for Scenario 1-A-25K), elimination of collateral source rule and change from gross income to net income in the calculation of TPL-BI. See Appendices A to D for details of calculations.

Selected Loss Costs
Prior to Adjustments for Alternative Scenarios

Coverage/ Sub-coverage	Accident Year	Earned Exposure	Projected Ultimate		Projected Untrended Loss Cost	Trend to Oct/01/2005	Projected Trended Loss Cost	Selected Loss Cost
			Claim Count	Loss & LAE				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TPL - BI	1998	1,497,826	17,178	559,645,197	373.64	1.229	459.20	
	1999	1,511,048	17,033	595,132,568	393.85	1.210	476.56	
	2000	1,586,371	17,451	617,139,289	389.03	1.192	463.72	
	2001	1,661,161	16,484	645,594,871	388.64	1.175	456.65	
	2002	1,699,684	16,981	709,107,213	417.20	1.158	483.12	
	2003	1,720,006	15,777	669,396,901	389.18	1.140	443.67	460.10
TPL - PD	1998	1,497,826	47,330	132,887,959	88.72	1.257	111.52	
	1999	1,511,048	44,686	133,866,230	88.59	1.218	107.90	
	2000	1,586,371	48,630	155,556,265	98.06	1.180	115.71	
	2001	1,661,161	46,029	157,256,295	94.67	1.143	108.20	
	2002	1,699,684	46,748	182,913,507	107.62	1.108	119.24	
	2003	1,720,006	41,929	168,433,581	97.93	1.074	105.17	111.05
AB - Funeral	1998	1,499,173	183	500,268	0.33	1.239	0.41	
	1999	1,509,044	146	415,439	0.28	1.203	0.33	
	2000	1,581,893	192	570,496	0.36	1.168	0.42	
	2001	1,654,379	192	589,048	0.36	1.134	0.40	
	2002	1,695,944	164	530,941	0.31	1.101	0.34	
	2003	1,721,187	189	605,541	0.35	1.069	0.38	0.38
AB - Med./Rehab.	1998	1,499,173	16,462	33,020,531	22.03	1.350	29.73	
	1999	1,509,044	16,544	36,534,082	24.21	1.311	31.74	
	2000	1,581,893	16,473	40,189,765	25.41	1.273	32.34	
	2001	1,654,379	16,186	43,010,237	26.00	1.236	32.13	
	2002	1,695,944	16,259	46,113,353	27.19	1.200	32.63	
	2003	1,721,187	14,034	43,818,791	25.46	1.165	29.66	31.31
AB - Death	1998	1,499,173	131	2,441,687	1.63	1.154	1.88	
	1999	1,509,044	116	2,182,592	1.45	1.132	1.64	
	2000	1,581,893	141	3,461,318	2.19	1.110	2.43	
	2001	1,654,379	138	2,860,048	1.73	1.088	1.88	
	2002	1,695,944	127	2,745,192	1.62	1.067	1.73	
	2003	1,721,187	147	3,130,569	1.82	1.046	1.90	1.90

See column notes on Exhibit V, Sheet 3.

Selected Loss Costs
Prior to Adjustments for Alternative Scenarios

Coverage/ Sub-coverage	Accident Year	Earned Exposure	Projected Ultimate		Projected Untrended Loss Cost	Trend to Oct/01/2005	Projected Trended Loss Cost	Selected Loss Cost
			Claim Count	Loss & LAE				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
AB - Disability Inc.	1998	1,499,173	3,992	20,382,227	13.60	1.154	15.69	
	1999	1,509,044	4,038	21,911,740	14.52	1.132	16.44	
	2000	1,581,893	4,339	23,490,701	14.85	1.110	16.48	
	2001	1,654,379	4,068	22,534,660	13.62	1.088	14.82	
	2002	1,695,944	4,170	24,324,231	14.34	1.067	15.30	
	2003	1,721,187	3,566	20,559,410	11.94	1.046	12.49	14.20
AB - Supplement.	1998	1,499,173	7	304,337	0.20	1.239	0.25	
	1999	1,509,044	-	-	0.00	1.203	0.00	
	2000	1,581,893	2	1,767	0.00	1.168	0.00	
	2001	1,654,379	1	645	0.00	1.134	0.00	
	2002	1,695,944	1	219	0.00	1.101	0.00	
	2003	1,721,187	1	2,899	0.00	1.069	0.00	0.00
Uninsured Auto.	1998	1,499,173	13	596,273	0.40	1.239	0.49	
	1999	1,509,044	10	99,311	0.07	1.203	0.08	
	2000	1,581,893	14	673,360	0.43	1.168	0.50	
	2001	1,654,379	9	254,704	0.15	1.134	0.17	
	2002	1,695,944	9	354,244	0.21	1.101	0.23	
	2003	1,721,187	8	372,008	0.22	1.069	0.23	0.25

See column notes on Exhibit V, Sheet 3.

Notes to Exhibit V, Sheets 1 - 2
Selected Loss Costs

Columns (3) Based on IBC industry data.

Columns (4) and (5) Based on KPMG analysis of IBC industry data. See Appendix G for development of claim counts and losses to ultimate values. Values in Column (5) are adjusted to include ULAE.

Column (6) Equal to $[(5) / (3)]$.

Column (7) Annual trend factors selected by KPMG to adjust losses from average date of experience period to projected average loss date of October 1, 2005. This assumes annual policies and October 1, 2004 effective date of tort reform change. Annual trend rates by coverage/sub-coverage are:

<u>Coverage</u>	<u>Past Trend rates</u>	<u>Future Trend rates</u>
TPL - Bodily Injury	1.5%	6.0%
TPL - Property Damage	3.2%	3.2%
AB - Funeral	3.0%	3.0%
AB - Med / Rehab	3.0%	7.0%
AB - Death Benefits	2.0%	2.0%
AB - Disability Income	2.0%	2.0%
AB - Supplementary	3.0%	3.0%
Uninsured Automobile	3.0%	3.0%

Past trend rates apply from average accident date of experience period to July 1, 2003. Future trend rates apply from July 1, 2003 to October 1, 2005.

See trend analysis by sub-coverage in Appendix F.

Column (8) Equal to $[(5) \times (7)] / (3)$.

Column (9) Weighted average of last four years of Column (8).
 Weights are 4 for 2003, 3 for 2002, 2 for 2001, and 1 for 2000.

Development of Present Value Factors
Assuming 4.0% Annual Rate of Return

Months	Percentage Paid in Each Interval							
	TPL - BI	TPL - PD	AB Funeral	AB Med/Rehab	AB Death	AB Disability Inc.	AB Supp.	Uninsured Auto.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
12	5.2%	67.8%	70.6%	36.7%	46.9%	43.9%	100.0%	12.0%
24	17.8%	29.5%	25.8%	47.8%	43.1%	43.0%	0.0%	12.0%
36	23.4%	1.8%	1.7%	11.7%	8.4%	10.4%	0.0%	12.0%
48	17.6%	0.5%	1.8%	1.4%	1.4%	1.0%	0.0%	18.0%
60	13.4%	0.2%	0.2%	0.9%	0.3%	1.0%	0.0%	16.2%
72	9.3%	0.2%	0.0%	0.6%	0.0%	0.2%	0.0%	14.0%
84	6.0%	0.1%	0.0%	0.4%	0.0%	0.4%	0.0%	8.4%
96	3.7%	0.0%	0.0%	0.2%	0.0%	0.1%	0.0%	4.6%
108	1.8%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	2.9%
120	1.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
132	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
144	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
156	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
168	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
180	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PV Factor	0.871	0.967	0.967	0.948	0.956	0.953	0.981	0.864

Note: Incremental payment patterns based on industry data (see Appendix H). Present value factors calculated assuming mid-year payments and 4.0% annual rate of return on investments.

Selection of Adjustment Factors for Alternative Scenarios
Third Party Liability - Bodily Injury

Impact on Third Party Liability - Bodily Injury Total All Claims

	Adjustment Factor for Scenario									
	1-A	1-B	1-C	1-D	1-E	1-F	1-G	1-H	2-I	3-A
(1) Elimination Ratio Based on New Brunswick & Nova Scotia Closed Claim Data	30.3%	29.3%	28.6%	27.1%	32.1%	16.8%	26.1%	31.2%	30.8%	25.4%
(2) Erosion Factor	4.0%	2.0%	4.0%	2.0%	4.0%	10.0%	7.5%	5.0%	7.5%	5.0%
(3) Indicated Elimination Ratio for Proposed Tort Reform	27.5%	27.9%	25.7%	25.7%	29.4%	8.5%	20.6%	27.7%	25.6%	21.7%

Impact on Third Party Liability - Bodily Injury Claims Minor Injuries

(4) Elimination Ratio Based on New Brunswick & Nova Scotia Closed Claim Data	53.2%	51.5%	50.2%	47.6%	56.4%	29.5%	45.9%	54.8%	39.9%	53.7%
(5) Indicated Elimination Ratio for Proposed Tort Reform	48.3%	49.0%	45.2%	45.1%	51.6%	14.9%	36.1%	48.7%	33.1%	45.8%

Line Notes:

- (1) Based on losses summarized in Appendix A, Sheets 2 to 11. Elimination ratio equal to [Total Pure Loss and LAE Eliminated] divided by [Total Pure Loss and LAE].
- (2) Judgmentally selected to reflect erosion of minor injury definition over time.
- (3) = { (1) - [(2) x (1.00 - (1))] }. This ratio is used for estimating AB-UA Bodily Injury loss costs.
- (4) Based on losses summarized in Appendix A, Sheets 2 to 11. Elimination ratio equal to [Total Pure Loss and LAE Eliminated] divided by [Total Pure Loss and LAE].
- (5) = { (4) - [(2) x (1.00 - (1)) / Proportion of Losses for Minor Injury] }. This ratio is used for estimating TPL-BI Minor Injury loss costs.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-A: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$4,000 Limit on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		4,389,693	3,844,253	6,770,824	0	556,041	867,327	(156,834)	(68,058)	11,813,553	1,769,659	3,014,287
Average \$		3,552	3,110	5,478	0	450	702	(127)	(55)	9,558	1,432	2,439
% of Total Pure Loss		37%	33%	57%	0%	5%	7%	-1%	-1%	100%	15%	26%
Minor Injury Claims - Eliminated After Capping												
Total \$		16,695,523	0	16,695,523	0	421,931	1,195,810	0	0	18,313,263	563,125	0
Average \$		13,508	0	13,508	0	341	967	0	0	14,817	456	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-B: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$4,000 Award on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		4,944,000	3,844,253	7,325,131	0	556,914	874,457	(156,834)	(68,058)	12,375,863	1,805,659	3,014,287
Average \$		4,000	3,110	5,926	0	451	707	(127)	(55)	10,013	1,461	2,439
% of Total Pure Loss		40%	31%	59%	0%	5%	7%	-1%	-1%	100%	15%	24%
Minor Injury Claims - Eliminated After Capping												
Total \$		16,141,216	0	16,141,216	0	421,057	1,188,680	0	0	17,750,953	527,126	0
Average \$		13,059	0	13,059	0	341	962	0	0	14,362	426	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-C: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$5,000 Limit on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		5,333,645	3,844,253	7,714,776	0	568,888	937,864	(156,834)	(68,058)	12,840,888	1,804,599	3,014,287
Average \$		4,315	3,110	6,242	0	460	759	(127)	(55)	10,389	1,460	2,439
% of Total Pure Loss		42%	30%	60%	0%	4%	7%	-1%	-1%	100%	14%	23%
Minor Injury Claims - Eliminated After Capping												
Total \$		15,751,571	0	15,751,571	0	409,084	1,125,273	0	0	17,285,928	528,186	0
Average \$		12,744	0	12,744	0	331	910	0	0	13,985	427	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-D: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$5,000 Award on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		6,180,000	3,844,253	8,561,131	0	570,619	952,143	(156,834)	(68,058)	13,703,253	1,859,009	3,014,287
Average \$		5,000	3,110	6,926	0	462	770	(127)	(55)	11,087	1,504	2,439
% of Total Pure Loss		45%	28%	62%	0%	4%	7%	-1%	0%	100%	14%	22%
Minor Injury Claims - Eliminated After Capping												
Total \$		14,905,216	0	14,905,216	0	407,352	1,110,995	0	0	16,423,563	473,776	0
Average \$		12,059	0	12,059	0	330	899	0	0	13,288	383	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-E: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$3,000 Limit on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		3,387,987	3,844,253	5,769,118	0	542,843	794,048	(156,834)	(68,058)	10,725,370	1,732,702	3,014,287
Average \$		2,741	3,110	4,668	0	439	642	(127)	(55)	8,677	1,402	2,439
% of Total Pure Loss		32%	36%	54%	0%	5%	7%	-1%	-1%	100%	16%	28%
Minor Injury Claims - Eliminated After Capping												
Total \$		17,697,229	0	17,697,229	0	435,128	1,269,089	0	0	19,401,446	600,083	0
Average \$		14,318	0	14,318	0	352	1,027	0	0	15,697	486	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-F: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$10,000 Deductible on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		11,768,441	3,844,253	14,149,571	0	851,089	1,378,839	(156,834)	(68,058)	19,998,861	1,983,661	3,014,287
Average \$		9,521	3,110	11,448	0	689	1,116	(127)	(55)	16,180	1,605	2,439
% of Total Pure Loss		59%	19%	71%	0%	4%	7%	-1%	0%	100%	10%	15%
Minor Injury Claims - Eliminated After Capping												
Total \$		9,316,775	0	9,316,775	0	126,882	684,298	0	0	10,127,955	349,124	0
Average \$		7,538	0	7,538	0	103	554	0	0	8,194	282	0
% of Total Pure Loss		92%	0%	92%	0%	1%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-G: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$20,000 Deductible on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		6,620,744	3,844,253	9,001,875	0	753,277	975,061	(156,834)	(68,058)	14,349,574	1,842,398	3,014,287
Average \$		5,357	3,110	7,283	0	609	789	(127)	(55)	11,610	1,491	2,439
% of Total Pure Loss		46%	27%	63%	0%	5%	7%	-1%	0%	100%	13%	21%
Minor Injury Claims - Eliminated After Capping												
Total \$		14,464,472	0	14,464,472	0	224,694	1,088,076	0	0	15,777,242	490,387	0
Average \$		11,703	0	11,703	0	182	880	0	0	12,765	397	0
% of Total Pure Loss		92%	0%	92%	0%	1%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 1-H: Cap applied to neck, back, and other sprain/strain, concussion, minor and other injury types

Assuming \$30,000 Deductible on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	225											
Total \$		10,557,533	3,343,582	17,633,370	1,101	704,599	1,169,497	(237,675)	(64,971)	22,549,504	1,991,222	2,300,613
Average \$		46,922	14,860	78,371	5	3,132	5,198	(1,056)	(289)	100,220	8,850	10,225
% of Total Pure Loss		47%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,236											
Total \$		21,085,216	3,844,253	23,466,347	0	977,971	2,063,137	(156,834)	(68,058)	30,126,816	2,332,785	3,014,287
Average \$		17,059	3,110	18,986	0	791	1,669	(127)	(55)	24,374	1,887	2,439
% of Total Pure Loss		70%	13%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		3,815,924	3,844,253	6,197,055	0	681,724	772,348	(156,834)	(68,058)	11,270,487	1,763,483	3,014,287
Average \$		3,087	3,110	5,014	0	552	625	(127)	(55)	9,119	1,427	2,439
% of Total Pure Loss		34%	34%	55%	0%	6%	7%	-1%	-1%	100%	16%	27%
Minor Injury Claims - Eliminated After Capping												
Total \$		17,269,292	0	17,269,292	0	296,248	1,290,789	0	0	18,856,329	569,302	0
Average \$		13,972	0	13,972	0	240	1,044	0	0	15,256	461	0
% of Total Pure Loss		92%	0%	92%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data

Scenario 2-I: Cap applied to neck, back, and other sprain/strain, fibromyalgia/chronic pain, other fracture, concussion, minor and other injury types

Assuming \$9,000 Limit on Pain & Suffering for Claims Below Threshold

Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	104											
Total \$		5,019,271	1,640,132	9,523,179	0	371,120	582,982	(109,590)	(42,377)	11,965,446	917,796	1,238,535
Average \$		48,262	15,770	91,569	0	3,568	5,606	(1,054)	(407)	115,052	8,825	11,909
% of Total Pure Loss		42%	14%	80%	0%	3%	5%	-1%	0%	100%	8%	10%
Minor Injury Claims	1,357											
Total \$		26,623,477	5,547,703	31,576,537	1,101	1,311,451	2,649,652	(284,919)	(90,651)	40,710,874	3,406,210	4,076,365
Average \$		19,619	4,088	23,269	1	966	1,953	(210)	(67)	30,001	2,510	3,004
% of Total Pure Loss		65%	14%	78%	0%	3%	7%	-1%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		9,654,077	5,547,703	14,607,137	1,101	828,501	1,519,878	(284,919)	(90,651)	22,128,750	2,782,507	4,076,365
Average \$		7,114	4,088	10,764	1	611	1,120	(210)	(67)	16,307	2,050	3,004
% of Total Pure Loss		44%	25%	66%	0%	4%	7%	-1%	0%	100%	13%	18%
Minor Injury Claims - Eliminated After Capping												
Total \$		16,969,400	0	16,969,400	0	482,950	1,129,774	0	0	18,582,124	623,703	0
Average \$		12,505	0	12,505	0	356	833	0	0	13,694	460	0
% of Total Pure Loss		91%	0%	91%	0%	3%	6%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Nova Scotia & New Brunswick Closed Claim Data
Scenario 3-A: Cap applied to neck, back, and other sprain/strain and minor injury types
Assuming \$4,000 Limit on Pain & Suffering for Claims Below Threshold
Third Party Liability - Bodily Injury

	Number of Claims	Pain & Suffering	Special	Total General	Punitive	Pre Judgment Interest	Party & Party	AB Offset	CS Offset	Total Pure Loss	ALAE	ULAE
Total All Claims	1,461											
Total \$		31,642,749	7,187,835	41,099,717	1,101	1,682,571	3,232,634	(394,509)	(133,029)	52,676,320	4,324,006	5,314,899
Average \$		21,658	4,920	28,131	1	1,152	2,213	(270)	(91)	36,055	2,960	3,638
% of Total Pure Loss		60%	14%	78%	0%	3%	6%	-1%	0%	100%	8%	10%
Non-Minor Injury Claims	384											
Total \$		13,768,805	4,021,786	21,539,686	1,101	927,189	1,491,575	(274,412)	(91,622)	27,615,303	2,381,605	2,796,019
Average \$		35,856	10,473	56,093	3	2,415	3,884	(715)	(239)	71,915	6,202	7,281
% of Total Pure Loss		50%	15%	78%	0%	3%	5%	-1%	0%	100%	9%	10%
Minor Injury Claims	1,077											
Total \$		17,873,944	3,166,048	19,560,031	0	755,381	1,741,060	(120,097)	(41,407)	25,061,017	1,942,401	2,518,880
Average \$		16,596	2,940	18,162	0	701	1,617	(112)	(38)	23,269	1,804	2,339
% of Total Pure Loss		71%	13%	78%	0%	3%	7%	0%	0%	100%	8%	10%
Minor Injury Claims - After Capping												
Total \$		3,839,148	3,166,048	5,525,235	0	429,907	718,794	(120,097)	(41,407)	9,678,481	1,472,125	2,518,880
Average \$		3,565	2,940	5,130	0	399	667	(112)	(38)	8,987	1,367	2,339
% of Total Pure Loss		40%	33%	57%	0%	4%	7%	-1%	0%	100%	15%	26%
Minor Injury Claims - Eliminated After Capping												
Total \$		14,034,796	0	14,034,796	0	325,474	1,022,265	0	0	15,382,535	470,276	0
Average \$		13,031	0	13,031	0	302	949	0	0	14,283	437	0
% of Total Pure Loss		91%	0%	91%	0%	2%	7%	0%	0%	100%	3%	0%

Notes: Based on analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.; loss data adjusted to include ULAE and trended to October 1, 2005.

Analysis of Pain and Suffering Losses
Based on New Brunswick and Nova Scotia Closed Claim Studies

Loss Year	Number of Claims in Loss Year	Maximum Pain & Suffering Loss in Data Sample
(1)	(2)	(3)
2000	165	17,500
1999	579	60,000
1998	364	55,000
1997	188	90,309
1996	86	138,000
1995	39	70,000
1994	17	80,000
1993	6	56,500
1992	12	150,000
1991	2	50,000
1990	-	-
1989	-	-
1988	1	110,000
1987	-	-
1986	2	9,000
(4) Total / Maximum	1,461	150,000
(5) Selected Maximum Value for Trended Pain and Suffering Loss		150,000

Column/Line Notes:

- (1) - (3) Based on original data from New Brunswick and Nova Scotia closed claim studies conducted by IBC in 2001, not adjusted for trend or ULAE.
- (5) Based on (3), (4) and judgment. Limits effect of trending individual claims in determination of loss elimination ratios.

Summary of New Brunswick and Nova Scotia Closed Claim Studies

All Claims

Injury Type	Number of Claims	Incurred Losses		Average Losses		Number with Other Injury Types
		Pain & Suffering	Total excl. Pain & Suffering	Pain & Suffering	Total excl. Pain & Suffering	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Death	10	251,700	644,312	25,170	64,431	1
Quadriplegia	0	0	0	0	0	0
Paraplegia	0	0	0	0	0	0
Permanent Brain	3	110,000	228,450	36,667	76,150	3
Amputation/Loss Major Member	0	0	0	0	0	0
Amputation/Loss Other	1	37,301	172,705	37,301	172,705	1
Loss of Sense	3	228,000	441,203	76,000	147,068	3
Internal Organ	13	371,509	889,911	28,578	68,455	12
Fracture, Weight Bearing	34	1,080,925	1,824,162	31,792	53,652	30
Other Fracture	68	1,706,900	1,838,948	25,101	27,043	62
Disfigurement/Scarring	11	512,297	589,325	46,572	53,575	11
Serious Laceration	27	907,918	1,395,794	33,627	51,696	26
Serious Burn	3	40,000	57,006	13,333	19,002	3
Neck Sprain/Strain	1,089	13,984,277	11,232,641	12,841	10,315	880
Back Sprain/Strain	898	12,247,809	10,578,244	13,639	11,780	823
Other Sparin/Strain	392	5,641,808	5,409,953	14,392	13,801	362
TMJ	34	989,652	1,118,490	29,107	32,897	34
Fibromyalgia/Chronic Pain	90	2,597,689	4,162,397	28,863	46,249	88
Concussion	53	1,184,036	1,690,521	22,340	31,897	51
Minor	195	1,867,366	1,841,342	9,576	9,443	134
Other	181	2,573,971	2,103,688	14,221	11,623	161

Column Notes:

(1) - (4) From analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.

Based on original data not trended and not loaded to include ULAE.

(5) = [(3) / (2)].

(6) = [(4) / (2)].

(7) From analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.

Summary of New Brunswick and Nova Scotia Closed Claim Studies
Claims with Pain & Suffering Only

Injury Type	Number of Claims	Incurred Losses	Average Incurred	Number with Other Injury Types
(1)	(2)	(3)	(4)	(5)
Death	4	56,700	14,175	1
Quadriplegia	0	0	0	0
Paraplegia	0	0	0	0
Permanent Brain	0	0	0	0
Amputation/Loss Major Member	0	0	0	0
Amputation/Loss Other	0	0	0	0
Loss of Sense	0	0	0	0
Internal Organ	2	9,700	4,850	2
Fracture, Weight Bearing	3	48,000	16,000	3
Other Fracture	9	115,302	12,811	7
Disfigurement/Scarring	1	25,000	25,000	1
Serious Laceration	4	14,809	3,702	3
Serious Burn	0	0	0	0
Neck Sprain/Strain	288	1,652,924	5,739	192
Back Sprain/Strain	200	1,217,524	6,088	171
Other Sprain/Strain	88	572,300	6,503	78
TMJ	3	26,000	8,667	3
Fibromyalgia/Chronic Pain	5	143,500	28,700	5
Concussion	11	124,709	11,337	10
Minor	71	290,293	4,089	35
Other	45	268,520	5,967	38

Column Notes:

- (1) - (3) From analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.
 Based on original data not trended and not loaded to include ULAE.
- (4) = [(3) / (2)].
- (5) From analysis of closed claim data provided by R.R. Miller of Exactor Insurance Services Inc.

Third Party Liability - Bodily Injury - Impact of Elimination of Collateral Source Rule

(1)	Total BI Loss & LAE Based on New Brunswick and Nova Scotia Closed Claim Studies All Categories of Damages - Including ULAE - No Trending of Losses - Prior to Tort Reform	32,199,373
(2)	Damages Related to Income - No Trending of Losses - Prior to Tort Reform	
	(a) Past Wages	2,571,351
	(b) Past Income	212,239
	(c) Future Income	3,287,283
	(d) Total	6,070,873
(3)	Damages Related to Income as a % of Total BI Loss and LAE - Prior to Tort Reform	
	(a) Past Wages	8.0%
	(b) Past Income	0.7%
	(c) Future Income	10.2%
	(d) Total	18.9%
(4)	Impact to Weekly Benefits Due to Elimination of Collateral Source Rule	-35.2%
(5)	Impact to BI Loss Cost of Eliminating the Collateral Source Rule	-6.6%
(6)	Projected Ultimate BI Losses & LAE - Accident Year 2003	669,396,901
(7)	Estimated Savings Due to Elimination of Collateral Source Rule	44,180,195

Line Notes:

- (1) and (2) Based on closed claim summary report prepared by R.R. Miller of Exactor Insurance Services Inc. on behalf of IBC, January 2002 (Exhibit 5). Includes all claims.
 (3) = [(2) / (1)].
 (4) Developed in Appendix B, Sheet 2.
 (5) = [(3d) x (4)].
 (6) From Appendix E, Sheet 1, Column (2).
 (7) = - [(5) x (6)].

**Third Party Liability - Bodily Injury - Impact of Elimination of Collateral Source Rule
 Calculation of Weekly Income Benefits**

Income Ranges		Average Weekly Gross Income	Wage Earners Distribution	% with Collateral Benefit	Average Collateral Benefit	Estimated Weekly Income Benefit		
Lower Bound	Upper Bound					Current	Proposed	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1 -	10,000	101.50	18.9%	0.00%	-	101.50	101.50	
10,000 -	15,000	239.78	12.5%	0.00%	-	239.78	239.78	
15,000 -	20,000	332.72	10.5%	0.00%	-	332.72	332.72	
20,000 -	25,000	432.09	7.9%	0.00%	-	432.09	432.09	
25,000 -	30,000	526.89	7.3%	70.00%	221.30	526.89	305.60	
30,000 -	35,000	622.68	7.0%	70.00%	261.52	622.68	361.15	
35,000 -	40,000	719.88	5.6%	70.00%	302.35	719.88	417.53	
40,000 -	45,000	817.17	4.8%	70.00%	343.21	817.17	473.96	
45,000 -	50,000	911.83	4.3%	70.00%	382.97	911.83	528.86	
50,000 -	60,000	1,052.96	6.2%	70.00%	442.24	1,052.96	610.72	
60,000 -	70,000	1,241.14	4.6%	70.00%	521.28	1,241.14	719.86	
70,000 -	80,000	1,434.95	2.9%	70.00%	602.68	1,434.95	832.27	
80,000 -	90,000	1,627.65	1.8%	70.00%	683.61	1,627.65	944.04	
90,000 -	100,000	1,819.68	1.3%	70.00%	764.27	1,819.68	1,055.41	
100,000 -	150,000	2,279.20	2.6%	70.00%	957.26	2,279.20	1,321.94	
150,000 -	250,000	3,608.37	1.0%	70.00%	1,515.51	3,608.37	2,092.85	
250,000	and over	13,493.33	0.7%	70.00%	5,667.20	13,493.33	7,826.13	
(9) Average		727.74		35.10%	255.95	727.74	471.79	
(10) Impact to Weekly Benefits Due to Elimination of Collateral Source Rule								-35.2%

Column/Line Notes:

(3) and (4) From Appendix C, Sheet 4.

(5) Judgmentally assume 70% of people with an annual income above \$25,000 have collateral insurance.

(6) = [(3) x (5) x .60], assuming average collateral source benefit equal to 60.0% of gross income.

(7) = [(3)] under current tort system.

(8) = {[(1.00 - (5)) x (3)] + [(5) x ((3) - ((3) x .60))]}, assuming collateral source benefit equal to 60.0% of gross income.

(9) Weighted average based on wage earners distribution in (4).

(10) = [(Average (8) / Average (7)) - 1.00].

Third Party Liability - Bodily Injury - Impact of Change from Gross Income to Net Income

(1)	Total BI Loss & LAE Based on New Brunswick and Nova Scotia Closed Claim Studies All Categories of Damages - Including ULAE - No Trending of Losses - Prior to Tort Reform	32,199,373
(2)	Damages Related to Income - No Trending of Losses - Prior to Tort Reform	
	(a) Past Wages	2,571,351
	(b) Past Income	212,239
	(c) Future Income	3,287,283
	(d) Total	6,070,873
(3)	Damages Related to Income as a % of Total BI Loss and LAE - Prior to Tort Reform	
	(a) Past Wages	8.0%
	(b) Past Income	0.7%
	(c) Future Income	10.2%
	(d) Total	18.9%
(4)	Average Ratio of Net to Gross Income Based on CCRA Alberta Data	86.8%
(5)	Impact to BI Loss Costs of Change from Gross to Net Income	-2.5%
(6)	Projected Ultimate BI Losses & LAE - Accident Year 2003	669,396,901
(7)	Estimated Savings Due to Change from Gross to Net Income	16,734,923

Line Notes:

(1) and (2) Based on closed claim summary report prepared by R.R. Miller of Exactor Insurance Services Inc, January 2002 (Exhibit 5). Includes all claims.

(3) = [(2) / (1)].

(4) Developed in Appendix C, Sheet 2.

(5) = [((3d) x (4)) - (3d)].

(6) From Appendix E, Sheet 1, Column (2).

(7) = - [(5) x (6)].

**Third Party Liability - Bodily Injury - Impact of Change from Gross Income to Net Income
 Comparison of Average Net and Gross Annual Income**

Income Range		Average Annual Income		Ratio of Net to Gross	Wage Earners Distribution
Lower Bound	Upper Bound	Gross	Net		
(1)	(2)	(3)	(4)	(5)	(6)
1	- 10,000	5,278	5,125	97.1%	18.9%
10,000	- 15,000	12,469	11,882	95.3%	12.5%
15,000	- 20,000	17,301	15,916	92.0%	10.5%
20,000	- 25,000	22,469	19,657	87.5%	7.9%
25,000	- 30,000	27,399	23,222	84.8%	7.3%
30,000	- 35,000	32,379	26,802	82.8%	7.0%
35,000	- 40,000	37,434	30,341	81.1%	5.6%
40,000	- 45,000	42,493	33,844	79.6%	4.8%
45,000	- 50,000	47,415	37,319	78.7%	4.3%
50,000	- 60,000	54,754	42,677	77.9%	6.2%
60,000	- 70,000	64,539	49,946	77.4%	4.6%
70,000	- 80,000	74,618	57,096	76.5%	2.9%
80,000	- 90,000	84,638	64,296	76.0%	1.8%
90,000	- 100,000	94,623	71,445	75.5%	1.3%
100,000	- 150,000	118,518	88,447	74.6%	2.6%
150,000	- 250,000	187,635	137,176	73.1%	1.0%
250,000	and over	701,653	492,793	70.2%	0.7%

(7) Weighted Average Based on Wage Earners Distribution 86.8%

Column/Line Notes:

(3) and (4) See Appendix C, Sheet 3.

(5) = [(4) / (3)].

(6) Developed in Appendix C, Sheet 4.

(7) Based on weighted average of (5) and (6).

Third Party Liability - Bodily Injury - Impact of Change from Gross Income to Net Income
Alberta Net Income Based on 2001 CCRA Income Data

Income Range		Total Income Assessed (in 000s)	Deductions from Gross Income (in 000s)				Total Annual Net Income (in 000s)	Number of Returns	Average Annual Income	
Lower Bound	Upper Bound		CPP	EI	Net Federal Tax	Net Provincial Tax			Gross	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	- 10,000	2,135,299	29,829	23,571	7,905	494	2,073,500	404,570	5,278	5,125
10,000	- 15,000	3,348,049	53,702	30,885	70,689	2,253	3,190,520	268,520	12,469	11,882
15,000	- 20,000	3,886,932	72,669	40,531	169,525	28,455	3,575,752	224,660	17,301	15,916
20,000	- 25,000	3,798,532	93,801	49,897	256,637	75,039	3,323,158	169,060	22,469	19,657
25,000	- 30,000	4,273,074	116,724	60,070	347,582	127,036	3,621,662	155,960	27,399	23,222
30,000	- 35,000	4,880,834	139,349	70,123	446,273	184,949	4,040,140	150,740	32,379	26,802
35,000	- 40,000	4,510,421	133,779	68,772	457,298	194,845	3,655,727	120,490	37,434	30,341
40,000	- 45,000	4,372,526	127,246	66,033	485,883	210,775	3,482,589	102,900	42,493	33,844
45,000	- 50,000	4,370,746	116,566	61,769	526,143	226,182	3,440,086	92,180	47,415	37,319
50,000	- 60,000	7,229,736	171,440	91,298	927,421	404,570	5,635,007	132,040	54,754	42,677
60,000	- 70,000	6,354,552	132,673	69,741	859,402	375,092	4,917,644	98,460	64,539	49,946
70,000	- 80,000	4,577,045	82,599	43,141	663,315	285,734	3,502,256	61,340	74,618	57,096
80,000	- 90,000	3,338,110	53,905	28,063	507,174	213,115	2,535,853	39,440	84,638	64,296
90,000	- 100,000	2,628,638	37,474	19,064	415,540	171,830	1,984,730	27,780	94,623	71,445
100,000	- 150,000	6,486,509	72,581	35,084	1,097,180	440,939	4,840,725	54,730	118,518	88,447
150,000	- 250,000	4,096,073	27,947	11,588	773,107	288,874	2,994,557	21,830	187,635	137,176
250,000	and over	10,693,192	18,700	6,191	2,349,961	808,181	7,510,159	15,240	701,653	492,793
Total		80,980,268	1,480,984	775,821	10,361,035	4,038,363	64,324,065	2,139,940		
Average		37,842	692	363	4,842	1,887	30,059			

Column Notes:

(3) Summarized in Appendix C, Sheet 4.

(4) - (7) Based on CCRA "Final Basic Table 2 - Sample Data for Alberta, All Returns by total income class (all money figures in thousands of dollars)".

(8) = [(3) - (4) - (5) - (6) - (7)].

(9) Summarized in Appendix C, Sheet 4.

(10) = [(3) / (9) x 1,000].

(11) = [(8) / (9) x 1,000].

**Third Party Liability - Bodily Injury - Impact of Change from Gross Income to Net Income
 Alberta Gross Income Based on 2001 CCRA Income Data**

Income Range		Total Income	Number of Returns	Avg. Gross Income		Index to Avg.	Wage Earners Distribution
Lower Bound	Upper Bound	Assessed (in 000s)		Annual	Weekly	Weekly Income	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	- 10,000	2,135,299	404,570	5,278	101	0.139	18.9%
10,000	- 15,000	3,348,049	268,520	12,469	240	0.329	12.5%
15,000	- 20,000	3,886,932	224,660	17,301	333	0.457	10.5%
20,000	- 25,000	3,798,532	169,060	22,469	432	0.594	7.9%
25,000	- 30,000	4,273,074	155,960	27,399	527	0.724	7.3%
30,000	- 35,000	4,880,834	150,740	32,379	623	0.856	7.0%
35,000	- 40,000	4,510,421	120,490	37,434	720	0.989	5.6%
40,000	- 45,000	4,372,526	102,900	42,493	817	1.123	4.8%
45,000	- 50,000	4,370,746	92,180	47,415	912	1.253	4.3%
50,000	- 60,000	7,229,736	132,040	54,754	1,053	1.447	6.2%
60,000	- 70,000	6,354,552	98,460	64,539	1,241	1.705	4.6%
70,000	- 80,000	4,577,045	61,340	74,618	1,435	1.972	2.9%
80,000	- 90,000	3,338,110	39,440	84,638	1,628	2.237	1.8%
90,000	- 100,000	2,628,638	27,780	94,623	1,820	2.500	1.3%
100,000	- 150,000	6,486,509	54,730	118,518	2,279	3.132	2.6%
150,000	- 250,000	4,096,073	21,830	187,635	3,608	4.958	1.0%
250,000	and over	10,693,192	15,240	701,653	13,493	18.541	0.7%
Total/Average		80,980,268	2,139,940	37,842	728		

Column Notes:

(1) - (4) Based on CCRA "Final Basic Table 2 - Sample Data for Alberta, All Returns by total income class (all money figures in thousands of dollars)".

(5) = [(3) / (4) x 1,000].

(6) = [(5) / 52].

(7) = [(6) / Average (6)].

(8) = [(4) / Total (4)].

Accident Benefits Analysis

Impact of Increasing Limit on Medical / Rehabilitation Benefits from \$10,000 to \$50,000

Based on New Brunswick Medical / Rehabilitation Benefits

Accident Years 1997 to 2001

Loss Range	Generated Number of Claims	Shifted Generated Number of Claims	Trended Ultimate		Average Loss Severity	Capped Trended Ultimate Losses (LAE not capped)	
			Losses	LAE		\$10,000	\$50,000
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
0 -	1,560	-	-	1,137,570	-	1,137,570	1,137,570
1 - 1,000	8,386	-	5,714,093	2,696,999	681	2,696,999	2,696,999
1,001 - 2,000	2,729	1,560	7,767,107	2,227,061	2,846	6,667,034	6,667,034
2,001 - 3,000	1,825	8,386	9,030,454	2,134,113	4,948	43,629,666	43,629,666
3,001 - 4,000	1,077	2,729	7,334,929	1,825,583	6,811	20,411,490	20,411,490
4,001 - 5,000	906	1,825	8,290,143	1,794,735	9,150	18,493,976	18,493,976
5,001 - 10,000	2,086	1,077	28,544,948	6,727,123	13,684	17,497,123	21,464,855
10,001 - 15,000	748	906	17,311,913	4,007,504	23,144	13,067,504	24,976,212
15,001 - 20,000	342	2,086	10,970,771	2,534,493	32,078	23,394,493	69,449,779
20,001 - 25,000	247	748	10,203,475	2,221,215	41,310	9,701,215	33,120,806
25,001 - 30,000	148	342	7,335,502	1,767,819	49,564	5,187,819	18,718,776
30,001 - 40,000	142	247	8,982,165	1,868,762	63,255	4,338,762	14,218,762
40,001 - 50,000	75	148	6,395,240	1,145,442	85,270	2,625,442	8,545,442
50,001 - 75,000	75	142	7,802,572	1,623,167	104,034	3,043,167	8,723,167
75,001 - 100,000	13	75	2,087,673	352,299	160,590	1,102,299	4,102,299
100,001 - 150,000	3	75	679,740	74,638	226,580	824,638	3,824,638
150,001 - 200,000	-	13	-	-	-	-	-
200,001 - 300,000	1	4	377,920	38,926	377,920	78,926	238,926
Total	20,363	20,363	138,828,644	34,177,449		173,898,122	300,420,396
			Impact on Medical / Rehabilitation			(9) New Brunswick	1.728
						(10) Ontario	2.267
						(11) Selected	1.997

Column/Line Notes:

- (1) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (2) Sum of Appendix D, Sheets 2 to 6.
- (3) = Column (2) judgmentally shifted by 2 intervals to reflect the impact of inflation on losses and thus the shift in severity range.
- (4) and (5) Sum of Appendix D, Sheets 2 to 6.
- (6) = [(4) / (2)].
- (7) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$10,000.
= [(3) x \$10,000 + (5)], if average severity in Column (6) is greater than \$10,000.
- (8) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$50,000.
= [(3) x \$50,000 + (5)], if average severity in Column (6) is greater than \$50,000.
- (9) = [(8) Total / (7) Total].
- (10) From Appendix D, Sheet 7.
- (11) Judgmentally selected as the average of (9) and (10) .

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on New Brunswick Medical / Rehabilitation Benefits

Accident Year 2001

Loss Range	Reported		Loss Development Factor	ULAE Loading Factor	Ultimate Losses & LAE	Trend Factor	Trended Ultimate		Generated Number of Claims
	Losses	ALAE					Losses	LAE	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
0 -	-	54,857	1.613	1.077	95,272	1.387	-	132,134	208
1 - 1,000	624,206	76,559	1.613	1.077	1,217,042	1.387	1,396,035	291,903	1,267
1,001 - 2,000	1,050,094	73,909	1.613	1.077	1,952,093	1.387	2,348,532	358,862	684
2,001 - 3,000	1,620,028	170,774	1.613	1.077	3,110,145	1.387	3,623,188	690,330	623
3,001 - 4,000	1,067,847	108,203	1.613	1.077	2,042,485	1.387	2,388,237	444,524	299
4,001 - 5,000	1,621,260	85,183	1.613	1.077	2,963,636	1.387	3,625,943	484,379	339
5,001 - 10,000	3,987,719	243,201	1.613	1.077	7,347,978	1.387	8,918,521	1,272,526	556
10,001 - 15,000	1,828,449	140,560	1.613	1.077	3,419,643	1.387	4,089,321	653,446	149
15,001 - 20,000	728,025	58,656	1.613	1.077	1,366,255	1.387	1,628,226	266,659	42
20,001 - 25,000	476,387	21,496	1.613	1.077	864,690	1.387	1,065,438	133,816	22
25,001 - 30,000	139,478	1,313	1.613	1.077	244,516	1.387	311,942	27,182	5
30,001 - 40,000	273,794	5,808	1.613	1.077	485,594	1.387	612,339	61,140	8
40,001 - 50,000	246,635	16,480	1.613	1.077	456,960	1.387	551,598	82,169	5
50,001 - 75,000	404,284	5,708	1.613	1.077	712,047	1.387	904,180	83,371	7
75,001 - 100,000	177,373	3,815	1.613	1.077	314,675	1.387	396,694	39,735	2
100,001 - 150,000	-	-	1.613	1.077	-	1.387	-	-	-
150,001 - 200,000	-	-	1.613	1.077	-	1.387	-	-	-
200,001 - 300,000	-	-	1.613	1.077	-	1.387	-	-	-
Total	14,245,579	1,066,522			26,593,030		31,860,193	5,022,174	4,216

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for New Brunswick Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for New Brunswick.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for New Brunswick Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on New Brunswick Medical / Rehabilitation Benefits

Accident Year 2000

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	103,010	1.269	1.098	143,567	1.498	-	215,045	309
1 - 1,000	522,645	211,225	1.269	1.098	1,022,808	1.498	993,698	538,338	1,654
1,001 - 2,000	720,855	132,338	1.269	1.098	1,189,111	1.498	1,370,552	410,584	493
2,001 - 3,000	937,010	102,398	1.269	1.098	1,448,642	1.498	1,781,524	388,357	376
3,001 - 4,000	834,496	84,623	1.269	1.098	1,280,993	1.498	1,586,616	332,148	239
4,001 - 5,000	884,837	98,356	1.269	1.098	1,370,294	1.498	1,682,328	370,197	195
5,001 - 10,000	3,606,808	437,781	1.269	1.098	5,637,019	1.498	6,857,574	1,585,959	508
10,001 - 15,000	2,369,176	235,083	1.269	1.098	3,629,604	1.498	4,504,482	932,201	196
15,001 - 20,000	1,724,782	177,794	1.269	1.098	2,651,656	1.498	3,279,304	692,537	100
20,001 - 25,000	1,226,111	93,141	1.269	1.098	1,838,666	1.498	2,331,188	422,899	55
25,001 - 30,000	927,129	59,439	1.269	1.098	1,374,998	1.498	1,762,738	296,834	34
30,001 - 40,000	1,091,244	84,765	1.269	1.098	1,639,026	1.498	2,074,767	380,284	32
40,001 - 50,000	587,733	26,855	1.269	1.098	856,563	1.498	1,117,449	165,573	13
50,001 - 75,000	638,157	57,281	1.269	1.098	969,245	1.498	1,213,319	238,486	12
75,001 - 100,000	177,321	12,476	1.269	1.098	264,524	1.498	337,138	59,085	2
100,001 - 150,000	116,621	-	1.269	1.098	162,537	1.498	221,730	21,730	1
150,001 - 200,000	-	-	1.269	1.098	-	1.498	-	-	-
200,001 - 300,000	-	-	1.269	1.098	-	1.498	-	-	-
Total	16,364,925	1,916,565			25,479,254		31,114,406	7,050,256	4,219

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for New Brunswick Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for New Brunswick.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for New Brunswick Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on New Brunswick Medical / Rehabilitation Benefits

Accident Year 1999

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	126,423	1.073	1.103	149,668	1.618	-	242,118	356
1 - 1,000	553,997	225,962	1.073	1.103	923,367	1.618	961,907	531,826	1,722
1,001 - 2,000	740,537	155,464	1.073	1.103	1,060,746	1.618	1,285,797	430,173	503
2,001 - 3,000	689,843	99,342	1.073	1.103	934,290	1.618	1,197,777	313,625	282
3,001 - 4,000	637,922	103,553	1.073	1.103	877,807	1.618	1,107,626	312,404	184
4,001 - 5,000	627,955	115,496	1.073	1.103	880,147	1.618	1,090,321	333,494	140
5,001 - 10,000	2,689,128	420,712	1.073	1.103	3,681,635	1.618	4,669,143	1,286,645	387
10,001 - 15,000	1,924,231	215,417	1.073	1.103	2,533,057	1.618	3,341,049	756,682	159
15,001 - 20,000	1,545,425	184,444	1.073	1.103	2,047,934	1.618	2,683,327	629,619	90
20,001 - 25,000	2,052,373	274,803	1.073	1.103	2,755,066	1.618	3,563,543	893,332	91
25,001 - 30,000	1,286,643	181,814	1.073	1.103	1,738,457	1.618	2,234,003	578,302	47
30,001 - 40,000	1,544,837	172,009	1.073	1.103	2,032,516	1.618	2,682,306	605,699	44
40,001 - 50,000	984,419	66,052	1.073	1.103	1,243,617	1.618	1,709,250	302,552	21
50,001 - 75,000	1,029,221	100,536	1.073	1.103	1,337,481	1.618	1,787,040	376,606	18
75,001 - 100,000	526,547	31,338	1.073	1.103	660,461	1.618	914,245	154,184	6
100,001 - 150,000	-	-	1.073	1.103	-	1.618	-	-	-
150,001 - 200,000	-	-	1.073	1.103	-	1.618	-	-	-
200,001 - 300,000	217,658	-	1.073	1.103	257,678	1.618	377,920	38,926	1
Total	17,050,736	2,473,365			23,113,928		29,605,254	7,786,189	4,051

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for New Brunswick Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for New Brunswick.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for New Brunswick Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on New Brunswick Medical / Rehabilitation Benefits

Accident Year 1998

Loss Range	Reported		Loss Development Factor	ULAE Loading Factor	Ultimate Losses & LAE	Trend Factor	Trended Ultimate		Generated Number of Claims
	Losses	ALAE					Losses	LAE	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
0 -	-	151,635	1.007	1.106	168,855	1.747	-	295,009	368
1 - 1,000	655,849	270,606	1.007	1.106	1,031,664	1.747	1,153,679	648,760	1,864
1,001 - 2,000	765,317	175,938	1.007	1.106	1,048,145	1.747	1,346,240	484,993	529
2,001 - 3,000	655,867	108,357	1.007	1.106	851,010	1.747	1,153,711	333,104	269
3,001 - 4,000	617,425	126,311	1.007	1.106	828,196	1.747	1,086,089	360,866	177
4,001 - 5,000	521,595	107,871	1.007	1.106	700,949	1.747	917,518	307,122	116
5,001 - 10,000	2,293,772	424,005	1.007	1.106	3,026,411	1.747	4,034,888	1,252,610	323
10,001 - 15,000	1,671,589	237,627	1.007	1.106	2,126,029	1.747	2,940,429	773,994	139
15,001 - 20,000	1,235,515	188,501	1.007	1.106	1,585,729	1.747	2,173,348	597,108	72
20,001 - 25,000	864,539	111,844	1.007	1.106	1,087,262	1.747	1,520,778	378,798	38
25,001 - 30,000	978,359	170,386	1.007	1.106	1,279,198	1.747	1,720,994	513,915	36
30,001 - 40,000	1,214,260	157,097	1.007	1.106	1,527,090	1.747	2,135,959	532,047	35
40,001 - 50,000	744,943	72,570	1.007	1.106	910,351	1.747	1,310,401	280,089	16
50,001 - 75,000	1,299,495	135,544	1.007	1.106	1,598,004	1.747	2,285,893	506,009	23
75,001 - 100,000	249,903	27,087	1.007	1.106	308,445	1.747	439,595	99,295	3
100,001 - 150,000	128,058	2,246	1.007	1.106	145,101	1.747	225,262	28,247	1
150,001 - 200,000	-	-	1.007	1.106	-	1.747	-	-	-
200,001 - 300,000	-	-	1.007	1.106	-	1.747	-	-	-
Total	13,896,486	2,467,625			18,222,441		24,444,785	7,391,968	4,009

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for New Brunswick Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for New Brunswick.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for New Brunswick Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on New Brunswick Medical / Rehabilitation Benefits

Accident Year 1997

Loss Range	Reported		Loss Development Factor	ULAE Loading Factor	Ultimate Losses & LAE	Trend Factor	Trended Ultimate		Generated Number of Claims
	Losses	ALAE					Losses	LAE	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
0 -	-	123,017	1.001	1.090	134,223	1.887	-	253,263	319
1 - 1,000	639,978	280,451	1.001	1.090	1,004,271	1.887	1,208,774	686,172	1,879
1,001 - 2,000	749,685	201,582	1.001	1.090	1,037,918	1.887	1,415,986	542,448	520
2,001 - 3,000	674,646	142,811	1.001	1.090	891,919	1.887	1,274,254	408,697	275
3,001 - 4,000	617,523	131,471	1.001	1.090	817,220	1.887	1,166,362	375,640	178
4,001 - 5,000	515,696	102,916	1.001	1.090	674,961	1.887	974,033	299,543	116
5,001 - 10,000	2,152,095	468,023	1.001	1.090	2,858,785	1.887	4,064,822	1,329,383	312
10,001 - 15,000	1,290,060	326,353	1.001	1.090	1,763,652	1.887	2,436,632	891,181	105
15,001 - 20,000	638,809	116,565	1.001	1.090	824,181	1.887	1,206,566	348,571	38
20,001 - 25,000	911,982	115,284	1.001	1.090	1,120,840	1.887	1,722,528	392,370	41
25,001 - 30,000	691,361	113,690	1.001	1.090	878,383	1.887	1,305,825	351,585	26
30,001 - 40,000	781,879	76,104	1.001	1.090	936,137	1.887	1,476,793	289,592	23
40,001 - 50,000	903,518	78,431	1.001	1.090	1,071,395	1.887	1,706,542	315,060	20
50,001 - 75,000	853,538	132,897	1.001	1.090	1,076,289	1.887	1,612,141	418,696	15
75,001 - 100,000	-	-	1.001	1.090	-	1.887	-	-	-
100,001 - 150,000	123,227	1,804	1.001	1.090	136,420	1.887	232,748	24,661	1
150,001 - 200,000	-	-	1.001	1.090	-	1.887	-	-	-
200,001 - 300,000	-	-	1.001	1.090	-	1.887	-	-	-
Total	11,543,997	2,411,399			15,226,593		21,804,005	6,926,862	3,868

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for New Brunswick Medical / Rehabilitation.
- (5) From 2001 IBC Automobile Insurance Experience Exhibits for New Brunswick.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for New Brunswick Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Limit on Medical / Rehabilitation Benefits from \$10,000 to \$50,000
Based on Ontario Medical / Rehabilitation Benefits

Accident Years 1997 to 2001

Loss Range (1)	Generated Number of Claims (2)	Shifted Generated Number of Claims (3)	Trended Ultimate		Average Loss Severity (6)	Capped Trended Ultimate Losses (LAE not capped)	
			Losses (4)	LAE (5)		\$10,000 (7)	\$50,000 (8)
0 -	26,267	-	-	45,744,184	-	45,744,184	45,744,184
1 - 1,000	68,096	-	74,367,449	48,588,740	1,092	48,588,740	48,588,740
1,001 - 2,000	31,426	-	136,055,972	43,526,106	4,329	43,526,106	43,526,106
2,001 - 3,000	26,126	26,267	188,078,509	48,840,345	7,199	237,933,900	237,933,900
3,001 - 4,000	20,559	68,096	203,760,835	50,534,006	9,911	725,435,402	725,435,402
4,001 - 5,000	21,478	31,426	274,805,372	55,517,854	12,795	369,777,854	457,605,275
5,001 - 10,000	45,319	26,126	904,507,325	196,991,825	19,959	458,251,825	718,432,245
10,001 - 15,000	17,879	20,559	611,258,939	129,203,038	34,189	334,793,038	832,087,569
15,001 - 20,000	8,496	21,478	411,698,184	88,251,174	48,458	303,031,174	1,129,029,611
20,001 - 25,000	4,723	45,319	296,906,517	63,776,698	62,864	516,966,698	2,329,726,698
25,001 - 30,000	2,762	17,879	213,616,678	45,085,375	77,341	223,875,375	939,035,375
30,001 - 40,000	3,160	8,496	310,890,799	65,723,269	98,383	150,683,269	490,523,269
40,001 - 50,000	1,539	4,723	196,561,257	40,052,975	127,720	87,282,975	276,202,975
50,001 - 75,000	1,652	2,762	290,795,842	60,876,017	176,027	88,496,017	198,976,017
75,001 - 100,000	735	3,160	186,403,233	36,910,046	253,610	68,510,046	194,910,046
100,001 - 150,000	611	1,539	214,615,244	43,552,614	351,252	58,942,614	120,502,614
150,001 - 200,000	256	1,652	125,154,586	23,052,288	488,885	39,572,288	105,652,288
200,001 - 300,000	217	735	154,936,678	23,906,333	713,994	31,256,333	60,656,333
300,001 - 400,000	116	611	117,708,548	17,504,833	1,014,729	23,614,833	48,054,833
400,001 - 500,000	97	256	124,968,168	17,220,094	1,288,332	19,780,094	30,020,094
500,001 - 750,000	156	217	275,772,773	36,615,930	1,767,774	38,785,930	47,465,930
750,001 - 1,000,000	98	116	243,335,072	30,566,912	2,483,011	31,726,912	36,366,912
1,000,001 - 2,000,000	256	97	1,027,447,722	127,264,129	4,013,468	128,234,129	132,114,129
More than 2,000,000	24	534	170,196,133	20,684,030	7,091,506	26,024,030	47,384,030
Total	282,048	282,048	6,753,841,836	1,359,988,815		4,100,833,765	9,295,974,574

(9) Impact on Medical / Rehabilitation

2.267

Column/Line Notes:

- (1) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (2) Sum of Appendix D, Sheets 8 to 12.
- (3) = Column (2) judgmentally shifted by 3 intervals to reflect the impact of inflation on losses and thus the shift in severity range.
- (4) and (5) Sum of Appendix D, Sheets 8 to 12.
- (6) = [(4) / (2)].
- (7) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$10,000.
= [(3) x \$10,000 + (5)], if average severity in Column (6) is greater than \$10,000.
- (8) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$50,000.
= [(3) x \$50,000 + (5)], if average severity in Column (6) is greater than \$50,000.
- (9) = [(8) Total / (7) Total].

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on Ontario Medical / Rehabilitation Benefits

Accident Year 2001

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	1,982,588	1.393	1.092	3,016,787	1.811	-	5,463,997	3,905
1 -	1,000	3,374,202	1.393	1.092	6,850,740	1.811	8,515,819	3,892,225	8,920
1,001 -	2,000	6,895,714	1.393	1.092	11,776,149	1.811	17,403,419	3,925,513	4,427
2,001 -	3,000	18,158,339	1.393	1.092	29,600,996	1.811	45,828,057	7,785,194	6,806
3,001 -	4,000	21,161,310	1.393	1.092	35,536,777	1.811	53,406,963	10,957,160	5,981
4,001 -	5,000	46,671,859	1.393	1.092	73,874,681	1.811	117,790,544	16,011,097	9,611
5,001 -	10,000	104,291,444	1.393	1.092	167,663,164	1.811	263,210,985	40,460,126	14,381
10,001 -	15,000	67,186,388	1.393	1.092	107,489,793	1.811	169,565,159	25,120,090	5,428
15,001 -	20,000	39,763,583	1.393	1.092	63,481,684	1.811	100,355,422	14,622,449	2,293
20,001 -	25,000	25,676,879	1.393	1.092	40,957,283	1.811	64,803,366	9,378,364	1,149
25,001 -	30,000	17,444,229	1.393	1.092	27,830,094	1.811	44,025,785	6,380,012	638
30,001 -	40,000	21,448,355	1.393	1.092	34,414,229	1.811	54,131,407	8,199,560	621
40,001 -	50,000	10,778,734	1.393	1.092	17,508,844	1.811	27,203,393	4,508,581	241
50,001 -	75,000	13,707,566	1.393	1.092	21,928,357	1.811	34,595,186	5,121,399	228
75,001 -	100,000	8,037,277	1.393	1.092	12,958,281	1.811	20,284,498	3,185,509	93
100,001 -	150,000	10,710,925	1.393	1.092	17,069,412	1.811	27,032,257	3,883,820	88
150,001 -	200,000	7,256,537	1.393	1.092	11,375,916	1.811	18,314,065	2,289,967	42
200,001 -	300,000	7,802,190	1.393	1.092	11,970,124	1.811	19,691,185	1,989,075	33
300,001 -	400,000	7,052,004	1.393	1.092	10,780,598	1.811	17,797,864	1,727,930	20
400,001 -	500,000	5,206,802	1.393	1.092	7,935,454	1.811	13,140,939	1,231,736	12
500,001 -	750,000	14,622,678	1.393	1.092	22,420,139	1.811	36,904,748	3,702,552	24
750,001 -	1,000,000	19,213,188	1.393	1.092	29,544,365	1.811	48,490,288	5,020,394	22
1,000,001 -	2,000,000	52,121,649	1.393	1.092	79,505,454	1.811	131,544,737	12,455,346	41
More than 2,000,000		11,078,671	1.393	1.092	17,079,313	1.811	27,960,375	2,973,635	5
Total		539,660,523	27,206,920		862,568,632		1,361,996,460	200,285,731	65,009

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for Ontario Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for Ontario.
- (6) = [(2) + (3)] x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for Ontario Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on Ontario Medical / Rehabilitation Benefits

Accident Year 2000

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	2,993,673	1.245	1.104	4,116,149	2.083	-	8,573,432	6,078
1 - 1,000	5,368,690	2,575,044	1.245	1.104	10,922,232	2.083	13,926,744	8,822,923	14,125
1,001 - 2,000	10,165,554	1,772,577	1.245	1.104	16,414,325	2.083	26,370,133	7,818,889	6,879
2,001 - 3,000	12,959,265	1,717,921	1.245	1.104	20,180,387	2.083	33,617,208	8,416,059	5,205
3,001 - 4,000	14,591,804	1,635,424	1.245	1.104	22,311,616	2.083	37,852,125	8,620,231	4,179
4,001 - 5,000	17,503,615	1,793,066	1.245	1.104	26,531,958	2.083	45,405,559	9,857,251	3,835
5,001 - 10,000	74,774,038	7,112,595	1.245	1.104	112,589,969	2.083	193,968,903	40,542,175	10,413
10,001 - 15,000	54,743,656	4,741,517	1.245	1.104	81,789,098	2.083	142,008,740	28,347,905	4,477
15,001 - 20,000	39,497,510	3,152,852	1.245	1.104	58,642,086	2.083	102,459,208	19,685,055	2,281
20,001 - 25,000	28,363,711	2,263,268	1.245	1.104	42,110,544	2.083	73,577,381	14,133,709	1,272
25,001 - 30,000	19,984,974	1,359,467	1.245	1.104	29,347,524	2.083	51,842,372	9,284,917	731
30,001 - 40,000	27,266,190	2,024,686	1.245	1.104	40,273,470	2.083	70,730,338	13,154,353	800
40,001 - 50,000	18,991,760	1,290,102	1.245	1.104	27,886,532	2.083	49,265,908	8,818,314	425
50,001 - 75,000	22,856,501	1,503,823	1.245	1.104	33,494,211	2.083	59,291,307	10,473,020	374
75,001 - 100,000	12,611,076	721,112	1.245	1.104	18,331,083	2.083	32,713,983	5,467,411	147
100,001 - 150,000	16,102,118	1,110,369	1.245	1.104	23,666,297	2.083	41,769,981	7,524,009	135
150,001 - 200,000	11,561,589	539,711	1.245	1.104	16,638,674	2.083	29,991,542	4,664,772	68
200,001 - 300,000	10,462,992	406,111	1.245	1.104	14,944,466	2.083	27,141,708	3,985,779	44
300,001 - 400,000	8,703,272	172,546	1.245	1.104	12,203,800	2.083	22,576,875	2,842,141	25
400,001 - 500,000	12,385,306	240,680	1.245	1.104	17,360,091	2.083	32,128,320	4,030,617	27
500,001 - 750,000	18,442,710	184,461	1.245	1.104	25,611,416	2.083	47,841,635	5,503,799	30
750,001 - 1,000,000	15,781,694	129,339	1.245	1.104	21,876,864	2.083	40,938,780	4,628,041	18
1,000,001 - 2,000,000	75,677,749	487,826	1.245	1.104	104,723,805	2.083	196,313,190	21,813,633	56
More than 2,000,000	6,853,537	18,453	1.245	1.104	9,448,638	2.083	17,778,538	1,901,815	3
Total	535,649,311	39,946,623			791,415,232		1,389,510,478	258,910,248	61,627

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for Ontario Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for Ontario.
- (6) = [(2) + (3)] x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for Ontario Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on Ontario Medical / Rehabilitation Benefits

Accident Year 1999

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	2,561,834	1.178	1.130	3,409,828	2.395	-	8,167,592	5,296
1 -	1,000	5,853,975	2,365,202	1.178	1.130	2.395	16,516,402	9,687,825	15,566
1,001 -	2,000	10,790,391	1,746,023	1.178	1.130	2.395	30,444,004	9,524,359	7,298
2,001 -	3,000	12,929,731	1,610,027	1.178	1.130	2.395	36,479,936	9,875,450	5,207
3,001 -	4,000	13,299,958	1,322,765	1.178	1.130	2.395	37,524,495	9,095,399	3,812
4,001 -	5,000	13,964,603	1,442,475	1.178	1.130	2.395	39,399,724	9,720,836	3,097
5,001 -	10,000	57,789,146	5,545,642	1.178	1.130	2.395	163,046,267	38,876,527	8,163
10,001 -	15,000	39,175,971	3,300,863	1.178	1.130	2.395	110,531,065	24,892,788	3,227
15,001 -	20,000	28,503,378	2,666,228	1.178	1.130	2.395	80,419,416	18,954,943	1,653
20,001 -	25,000	21,746,035	1,938,061	1.178	1.130	2.395	61,354,252	14,154,943	975
25,001 -	30,000	15,468,918	1,378,302	1.178	1.130	2.395	43,643,997	10,067,996	568
30,001 -	40,000	23,841,153	1,755,886	1.178	1.130	2.395	67,265,417	14,342,587	693
40,001 -	50,000	15,594,882	1,144,895	1.178	1.130	2.395	43,999,392	9,370,054	351
50,001 -	75,000	24,140,176	1,821,697	1.178	1.130	2.395	68,109,080	14,662,081	397
75,001 -	100,000	13,700,987	998,283	1.178	1.130	2.395	38,655,958	8,207,982	158
100,001 -	150,000	15,633,559	1,121,184	1.178	1.130	2.395	44,108,515	9,308,645	131
150,001 -	200,000	10,820,631	858,485	1.178	1.130	2.395	30,529,323	6,705,818	63
200,001 -	300,000	11,904,449	359,873	1.178	1.130	2.395	33,587,206	5,513,677	48
300,001 -	400,000	8,403,534	375,902	1.178	1.130	2.395	23,709,727	4,280,708	24
400,001 -	500,000	11,015,160	221,370	1.178	1.130	2.395	31,078,167	4,745,929	25
500,001 -	750,000	23,745,388	336,748	1.178	1.130	2.395	66,995,226	9,782,993	40
750,001 -	1,000,000	22,090,522	358,769	1.178	1.130	2.395	62,326,187	9,246,225	26
1,000,001 -	2,000,000	66,755,019	594,798	1.178	1.130	2.395	188,342,576	26,380,859	48
More than 2,000,000	10,172,234	36,467	1.178	1.130	13,587,890	2.395	28,699,936	3,847,255	4
Total	477,339,800	35,861,779			683,076,758		1,346,766,267	289,413,472	56,870

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for Ontario Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for Ontario.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for Ontario Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on Ontario Medical / Rehabilitation Benefits

Accident Year 1998

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	3,217,936	1.133	1.127	4,107,747	2.755	-	11,315,221	5,997
1 -	1,000	5,760,479	1.133	1.127	10,960,945	2.755	17,972,990	12,220,084	15,633
1,001 -	2,000	10,375,421	1.133	1.127	15,734,324	2.755	32,371,846	10,970,002	7,070
2,001 -	3,000	12,147,564	1.133	1.127	18,012,660	2.755	37,901,023	11,716,742	4,913
3,001 -	4,000	12,515,242	1.133	1.127	18,213,659	2.755	39,048,197	11,123,240	3,605
4,001 -	5,000	12,343,684	1.133	1.127	17,741,321	2.755	38,512,927	10,357,406	2,762
5,001 -	10,000	47,548,101	1.133	1.127	68,186,036	2.755	148,352,514	39,473,086	6,826
10,001 -	15,000	30,667,811	1.133	1.127	43,869,069	2.755	95,685,143	25,156,816	2,529
15,001 -	20,000	20,237,578	1.133	1.127	29,190,633	2.755	63,142,281	17,266,384	1,176
20,001 -	25,000	14,876,378	1.133	1.127	21,481,104	2.755	46,415,062	12,756,895	670
25,001 -	30,000	11,403,637	1.133	1.127	16,284,603	2.755	35,579,932	9,277,718	420
30,001 -	40,000	17,668,714	1.133	1.127	24,676,420	2.755	55,127,294	12,846,498	511
40,001 -	50,000	12,541,961	1.133	1.127	17,189,793	2.755	39,131,562	8,219,531	283
50,001 -	75,000	21,071,079	1.133	1.127	28,975,095	2.755	65,742,847	14,072,095	351
75,001 -	100,000	14,679,920	1.133	1.127	20,272,460	2.755	45,802,103	10,040,517	170
100,001 -	150,000	15,489,813	1.133	1.127	21,404,699	2.755	48,329,011	10,632,482	129
150,001 -	200,000	7,489,876	1.133	1.127	10,083,737	2.755	23,368,797	4,407,916	44
200,001 -	300,000	11,177,350	1.133	1.127	14,992,045	2.755	34,873,905	6,423,258	46
300,001 -	400,000	8,320,769	1.133	1.127	10,958,232	2.755	25,961,226	4,224,376	24
400,001 -	500,000	7,217,692	1.133	1.127	9,398,946	2.755	22,519,569	3,370,815	16
500,001 -	750,000	24,012,102	1.133	1.127	31,238,099	2.755	74,918,990	11,129,635	39
750,001 -	1,000,000	17,926,878	1.133	1.127	23,005,279	2.755	55,932,779	7,437,680	20
1,000,001 -	2,000,000	77,482,603	1.133	1.127	99,780,607	2.755	241,749,695	33,106,469	56
More than 2,000,000		11,575,850	1.133	1.127	14,852,010	2.755	36,117,246	4,794,176	5
Total		424,530,502	38,142,478		590,609,522		1,324,556,941	302,339,043	53,295

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for Ontario Medical / Rehabilitation.
- (5) From 2002 IBC Automobile Insurance Experience Exhibits for Ontario.
- (6) = [((2) + (3)) x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for Ontario Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis
Impact of Increasing Medical / Rehabilitation Benefits
Based on Ontario Medical / Rehabilitation Benefits

Accident Year 1997

Loss Range (1)	Reported		Loss Development Factor (4)	ULAE Loading Factor (5)	Ultimate Losses & LAE (6)	Trend Factor (7)	Trended Ultimate		Generated Number of Claims (10)
	Losses (2)	ALAE (3)					Losses (8)	LAE (9)	
0 -	-	3,169,415	1.094	1.113	3,858,816	3.168	-	12,223,943	4,991
1 - 1,000	5,031,497	3,110,177	1.094	1.113	9,912,626	3.168	17,435,494	13,965,682	13,852
1,001 - 2,000	8,503,399	2,063,246	1.094	1.113	12,865,069	3.168	29,466,570	11,287,343	5,752
2,001 - 3,000	9,884,450	1,860,690	1.094	1.113	14,299,907	3.168	34,252,284	11,046,901	3,995
3,001 - 4,000	10,368,329	1,731,465	1.094	1.113	14,731,704	3.168	35,929,056	10,737,976	2,982
4,001 - 5,000	9,724,097	1,494,368	1.094	1.113	13,658,671	3.168	33,696,618	9,571,264	2,173
5,001 - 10,000	39,225,997	5,776,735	1.094	1.113	54,791,589	3.168	135,928,656	37,639,910	5,536
10,001 - 15,000	26,973,033	3,921,200	1.094	1.113	37,614,252	3.168	93,468,832	25,685,439	2,218
15,001 - 20,000	18,850,440	2,681,200	1.094	1.113	26,215,137	3.168	65,321,857	17,722,343	1,093
20,001 - 25,000	14,647,188	1,975,010	1.094	1.113	20,237,808	3.168	50,756,456	13,352,787	657
25,001 - 30,000	11,117,343	1,483,454	1.094	1.113	15,341,684	3.168	38,524,591	10,074,731	405
30,001 - 40,000	18,364,038	2,590,035	1.094	1.113	25,511,939	3.168	63,636,343	17,180,271	535
40,001 - 50,000	10,666,126	1,286,000	1.094	1.113	14,551,916	3.168	36,961,003	9,136,496	239
50,001 - 75,000	18,196,974	2,442,912	1.094	1.113	25,129,411	3.168	63,057,422	16,547,422	302
75,001 - 100,000	14,124,930	1,160,962	1.094	1.113	18,610,833	3.168	48,946,691	10,008,627	167
100,001 - 150,000	15,402,980	1,600,331	1.094	1.113	20,701,819	3.168	53,375,479	12,203,658	128
150,001 - 200,000	6,623,109	619,773	1.094	1.113	8,818,332	3.168	22,950,859	4,983,815	39
200,001 - 300,000	11,439,997	392,788	1.094	1.113	14,406,616	3.168	39,642,674	5,994,545	46
300,001 - 400,000	7,982,887	338,042	1.094	1.113	10,130,872	3.168	27,662,856	4,429,678	23
400,001 - 500,000	7,532,220	231,164	1.094	1.113	9,452,052	3.168	26,101,173	3,840,996	17
500,001 - 750,000	14,172,685	245,609	1.094	1.113	17,554,517	3.168	49,112,175	6,496,952	23
750,001 - 1,000,000	10,286,945	53,530	1.094	1.113	12,589,704	3.168	35,647,038	4,234,572	12
1,000,001 - 2,000,000	77,771,011	791,995	1.094	1.113	95,651,791	3.168	269,497,523	33,507,822	55
More than 2,000,000	17,210,793	110,926	1.094	1.113	21,089,486	3.168	59,640,038	7,167,149	7
Total	384,100,468	41,131,027			517,726,551		1,331,011,690	309,040,321	45,247

Column Notes:

- (1), (2) and (3) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (4) Selected by KPMG for Ontario Medical / Rehabilitation.
- (5) From 2001 IBC Automobile Insurance Experience Exhibits for Ontario.
- (6) = [(2) + (3)] x (4) x (5)].
- (7) = [1 + Annual trend factor selected by KPMG for Ontario Medical / Rehabilitation] ^ Trend period to October 1, 2005.
- (8) = [(2) x (4) x (7)].
- (9) = [(6) x (7) - (8)].
- (10) From IBC Size of Loss Distributions as of Dec 31, 2001.

Accident Benefits Analysis

Impact of Increasing Limit on Medical / Rehabilitation Benefits from \$10,000 to \$25,000

Based on New Brunswick Medical / Rehabilitation Benefits

Accident Years 1997 to 2001

Loss Range	Generated Number of Claims	Shifted Generated Number of Claims	Trended Ultimate		Average Loss Severity	Capped Trended Ultimate Losses (LAE not capped)	
			Losses	LAE		\$10,000	\$25,000
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
0 -	1,560	-	-	1,137,570	-	1,137,570	1,137,570
1 - 1,000	8,386	-	5,714,093	2,696,999	681	2,696,999	2,696,999
1,001 - 2,000	2,729	1,560	7,767,107	2,227,061	2,846	6,667,034	6,667,034
2,001 - 3,000	1,825	8,386	9,030,454	2,134,113	4,948	43,629,666	43,629,666
3,001 - 4,000	1,077	2,729	7,334,929	1,825,583	6,811	20,411,490	20,411,490
4,001 - 5,000	906	1,825	8,290,143	1,794,735	9,150	18,493,976	18,493,976
5,001 - 10,000	2,086	1,077	28,544,948	6,727,123	13,684	17,497,123	21,464,855
10,001 - 15,000	748	906	17,311,913	4,007,504	23,144	13,067,504	24,976,212
15,001 - 20,000	342	2,086	10,970,771	2,534,493	32,078	23,394,493	54,684,493
20,001 - 25,000	247	748	10,203,475	2,221,215	41,310	9,701,215	20,921,215
25,001 - 30,000	148	342	7,335,502	1,767,819	49,564	5,187,819	10,317,819
30,001 - 40,000	142	247	8,982,165	1,868,762	63,255	4,338,762	8,043,762
40,001 - 50,000	75	148	6,395,240	1,145,442	85,270	2,625,442	4,845,442
50,001 - 75,000	75	142	7,802,572	1,623,167	104,034	3,043,167	5,173,167
75,001 - 100,000	13	75	2,087,673	352,299	160,590	1,102,299	2,227,299
100,001 - 150,000	3	75	679,740	74,638	226,580	824,638	1,949,638
150,001 - 200,000	-	13	-	-	-	-	-
200,001 - 300,000	1	4	377,920	38,926	377,920	78,926	138,926
Total	20,363	20,363	138,828,644	34,177,449		173,898,122	247,779,561
			Impact on Medical / Rehabilitation			(9) New Brunswick	1.425
						(10) Ontario	1.561
						(11) Selected	1.493

Column/Line Notes:

- (1) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (2) Sum of Appendix D, Sheets 2 to 6.
- (3) = Column (2) judgmentally shifted by 2 intervals to reflect the impact of inflation on losses and thus the shift in severity range.
- (4) and (5) Sum of Appendix D, Sheets 2 to 6.
- (6) = [(4) / (2)].
- (7) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$10,000.
= [(3) x \$10,000 + (5)], if average severity in Column (6) is greater than \$10,000.
- (8) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$25,000.
= [(3) x \$25,000 + (5)], if average severity in Column (6) is greater than \$25,000.
- (9) = [(8) Total / (7) Total].
- (10) From Appendix D, Sheet 7.
- (11) Judgmentally selected as the average of (9) and (10) .

Accident Benefits Analysis
Impact of Increasing Limit on Medical / Rehabilitation Benefits from \$10,000 to \$25,000
Based on Ontario Medical / Rehabilitation Benefits

Accident Years 1997 to 2001

Loss Range (1)	Generated Number of Claims (2)	Shifted Generated Number of Claims (3)	Trended Ultimate		Average Loss Severity (6)	Capped Trended Ultimate Losses (LAE not capped)	
			Losses (4)	LAE (5)		\$10,000 (7)	\$25,000 (8)
0 -	26,267	-	-	45,744,184	-	45,744,184	45,744,184
1 - 1,000	68,096	-	74,367,449	48,588,740	1,092	48,588,740	48,588,740
1,001 - 2,000	31,426	-	136,055,972	43,526,106	4,329	43,526,106	43,526,106
2,001 - 3,000	26,126	26,267	188,078,509	48,840,345	7,199	237,933,900	237,933,900
3,001 - 4,000	20,559	68,096	203,760,835	50,534,006	9,911	725,435,402	725,435,402
4,001 - 5,000	21,478	31,426	274,805,372	55,517,854	12,795	369,777,854	457,605,275
5,001 - 10,000	45,319	26,126	904,507,325	196,991,825	19,959	458,251,825	718,432,245
10,001 - 15,000	17,879	20,559	611,258,939	129,203,038	34,189	334,793,038	643,178,038
15,001 - 20,000	8,496	21,478	411,698,184	88,251,174	48,458	303,031,174	625,201,174
20,001 - 25,000	4,723	45,319	296,906,517	63,776,698	62,864	516,966,698	1,196,751,698
25,001 - 30,000	2,762	17,879	213,616,678	45,085,375	77,341	223,875,375	492,060,375
30,001 - 40,000	3,160	8,496	310,890,799	65,723,269	98,383	150,683,269	278,123,269
40,001 - 50,000	1,539	4,723	196,561,257	40,052,975	127,720	87,282,975	158,127,975
50,001 - 75,000	1,652	2,762	290,795,842	60,876,017	176,027	88,496,017	129,926,017
75,001 - 100,000	735	3,160	186,403,233	36,910,046	253,610	68,510,046	115,910,046
100,001 - 150,000	611	1,539	214,615,244	43,552,614	351,252	58,942,614	82,027,614
150,001 - 200,000	256	1,652	125,154,586	23,052,288	488,885	39,572,288	64,352,288
200,001 - 300,000	217	735	154,936,678	23,906,333	713,994	31,256,333	42,281,333
300,001 - 400,000	116	611	117,708,548	17,504,833	1,014,729	23,614,833	32,779,833
400,001 - 500,000	97	256	124,968,168	17,220,094	1,288,332	19,780,094	23,620,094
500,001 - 750,000	156	217	275,772,773	36,615,930	1,767,774	38,785,930	42,040,930
750,001 - 1,000,000	98	116	243,335,072	30,566,912	2,483,011	31,726,912	33,466,912
1,000,001 - 2,000,000	256	97	1,027,447,722	127,264,129	4,013,468	128,234,129	129,689,129
More than 2,000,000	24	534	170,196,133	20,684,030	7,091,506	26,024,030	34,034,030
Total	282,048	282,048	6,753,841,836	1,359,988,815		4,100,833,765	6,400,836,606

(9) Impact on Medical / Rehabilitation

1.561

Column/Line Notes:

- (1) From IBC Size of Loss Distributions as of Dec 31, 2001.
- (2) Sum of Appendix D, Sheets 8 to 12.
- (3) = Column (2) judgmentally shifted by 3 intervals to reflect the impact of inflation on losses and thus the shift in severity range.
- (4) and (5) Sum of Appendix D, Sheets 8 to 12.
- (6) = [(4) / (2)].
- (7) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$10,000.
= [(3) x \$10,000 + (5)], if average severity in Column (6) is greater than \$10,000.
- (8) = { [(3) x (6)] + (5) }, if average severity in Column (6) is less than or equal to \$25,000.
= [(3) x \$25,000 + (5)], if average severity in Column (6) is greater than \$25,000.
- (9) = [(8) Total / (7) Total].

Summary of Ultimate Values
Third Party Liability - Bodily Injury

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	345,918	13,464	1,365,646	253.30	25,692	0.99%
1994	367,527	14,428	1,379,634	266.39	25,473	1.05%
1995	420,848	14,915	1,401,444	300.30	28,216	1.06%
1996	451,442	15,666	1,415,264	318.98	28,817	1.11%
1997	493,097	15,993	1,437,064	343.13	30,833	1.11%
1998	559,645	17,178	1,497,826	373.64	32,580	1.15%
1999	595,133	17,033	1,511,048	393.85	34,940	1.13%
2000	617,139	17,451	1,586,371	389.03	35,363	1.10%
2001	645,595	16,484	1,661,161	388.64	39,164	0.99%
2002	709,107	16,981	1,699,684	417.20	41,760	1.00%
2003	669,397	15,777	1,720,006	389.18	42,429	0.92%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta;
 Developed to ultimate in Appendix G, adjusted to include ULAE.
- (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (5) = [(2) / (4) x 1000].
- (6) = [(2) / (3) x 1000].
- (7) = [(3) / (4)].

Summary of Ultimate Values
Third Party Liability - Property Damage

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	104,130	50,167	1,365,646	76.25	2,076	3.67%
1994	106,670	47,414	1,379,634	77.32	2,250	3.44%
1995	110,009	45,004	1,401,444	78.50	2,444	3.21%
1996	121,000	47,553	1,415,264	85.50	2,545	3.36%
1997	123,111	44,286	1,437,064	85.67	2,780	3.08%
1998	132,888	47,330	1,497,826	88.72	2,808	3.16%
1999	133,866	44,686	1,511,048	88.59	2,996	2.96%
2000	155,556	48,630	1,586,371	98.06	3,199	3.07%
2001	157,256	46,029	1,661,161	94.67	3,416	2.77%
2002	182,914	46,748	1,699,684	107.62	3,913	2.75%
2003	168,434	41,929	1,720,006	97.93	4,017	2.44%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
 (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
 (5) = [(2) / (4) x 1000].
 (6) = [(2) / (3) x 1000].
 (7) = [(3) / (4)].

Summary of Ultimate Values
Accident Benefits - Funeral

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	251	197	1,367,654	0.18	1,274	0.01%
1994	299	214	1,382,706	0.22	1,396	0.02%
1995	378	185	1,404,851	0.27	2,044	0.01%
1996	501	174	1,419,434	0.35	2,882	0.01%
1997	530	195	1,441,485	0.37	2,716	0.01%
1998	500	183	1,499,173	0.33	2,734	0.01%
1999	415	146	1,509,044	0.28	2,845	0.01%
2000	570	192	1,581,893	0.36	2,966	0.01%
2001	589	192	1,654,379	0.36	3,064	0.01%
2002	531	164	1,695,944	0.31	3,245	0.01%
2003	606	189	1,721,187	0.35	3,204	0.01%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
 (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
 (5) = [(2) / (4) x 1000].
 (6) = [(2) / (3) x 1000].
 (7) = [(3) / (4)].

Summary of Ultimate Values
Accident Benefits - Medical / Rehabilitation

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	13,374	10,404	1,367,654	9.78	1,285	0.76%
1994	17,001	11,791	1,382,706	12.30	1,442	0.85%
1995	23,119	13,120	1,404,851	16.46	1,762	0.93%
1996	30,771	14,599	1,419,434	21.68	2,108	1.03%
1997	31,214	15,349	1,441,485	21.65	2,034	1.06%
1998	33,021	16,462	1,499,173	22.03	2,006	1.10%
1999	36,534	16,544	1,509,044	24.21	2,208	1.10%
2000	40,190	16,473	1,581,893	25.41	2,440	1.04%
2001	43,010	16,186	1,654,379	26.00	2,657	0.98%
2002	46,113	16,259	1,695,944	27.19	2,836	0.96%
2003	43,819	14,034	1,721,187	25.46	3,122	0.82%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
- (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (5) = [(2) / (4) x 1000].
- (6) = [(2) / (3) x 1000].
- (7) = [(3) / (4)].

Summary of Ultimate Values
Accident Benefits - Death Benefits

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	1,185	139	1,367,654	0.87	8,523	0.01%
1994	1,554	155	1,382,706	1.12	10,027	0.01%
1995	1,605	116	1,404,851	1.14	13,833	0.01%
1996	2,460	108	1,419,434	1.73	22,775	0.01%
1997	2,511	131	1,441,485	1.74	19,167	0.01%
1998	2,442	131	1,499,173	1.63	18,639	0.01%
1999	2,183	116	1,509,044	1.45	18,815	0.01%
2000	3,461	141	1,581,893	2.19	24,548	0.01%
2001	2,860	138	1,654,379	1.73	20,775	0.01%
2002	2,745	127	1,695,944	1.62	21,581	0.01%
2003	3,131	147	1,721,187	1.82	21,329	0.01%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
 (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
 (5) = [(2) / (4) x 1000].
 (6) = [(2) / (3) x 1000].
 (7) = [(3) / (4)].

Summary of Ultimate Values
Accident Benefits - Disability Income

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	9,709	2,723	1,367,654	7.10	3,566	0.20%
1994	10,541	3,031	1,382,706	7.62	3,478	0.22%
1995	12,037	3,034	1,404,851	8.57	3,967	0.22%
1996	18,368	3,394	1,419,434	12.94	5,412	0.24%
1997	18,891	3,585	1,441,485	13.11	5,269	0.25%
1998	20,382	3,992	1,499,173	13.60	5,106	0.27%
1999	21,912	4,038	1,509,044	14.52	5,427	0.27%
2000	23,491	4,339	1,581,893	14.85	5,414	0.27%
2001	22,535	4,068	1,654,379	13.62	5,539	0.25%
2002	24,324	4,170	1,695,944	14.34	5,833	0.25%
2003	20,559	3,566	1,721,187	11.94	5,765	0.21%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
- (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (5) = [(2) / (4) x 1000].
- (6) = [(2) / (3) x 1000].
- (7) = [(3) / (4)].

Summary of Ultimate Values
Accident Benefits - Supplementary

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	28	2	1,367,654	0.02	14,040	0.00%
1994	5	2	1,382,706	0.00	2,378	0.00%
1995	0	0	1,404,851	0.00		0.00%
1996	26	4	1,419,434	0.02	6,430	0.00%
1997	17	3	1,441,485	0.01	5,727	0.00%
1998	304	7	1,499,173	0.20	43,477	0.00%
1999	0	0	1,509,044	0.00		0.00%
2000	2	2	1,581,893	0.00	884	0.00%
2001	1	1	1,654,379	0.00	645	0.00%
2002	0	1	1,695,944	0.00	219	0.00%
2003	3	1	1,721,187	0.00	2,899	0.00%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; Developed to ultimate in Appendix G, adjusted to include ULAE.
 (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
 (5) = [(2) / (4) x 1000].
 (6) = [(2) / (3) x 1000].
 (7) = [(3) / (4)].

Summary of Ultimate Values
Uninsured Automobile

Industry - Alberta

AY Ending June 30, (1)	Projected Ultimate		Earned Exposures (4)	Loss Cost (5)	Severity (6)	Frequency (7)
	Losses (\$000) (2)	Claim Counts (3)				
1993	196	8	1,367,654	0.14	24,527	0.00%
1994	452	11	1,382,706	0.33	41,131	0.00%
1995	471	14	1,404,851	0.34	33,657	0.00%
1996	456	10	1,419,434	0.32	45,618	0.00%
1997	614	8	1,441,485	0.43	76,744	0.00%
1998	596	13	1,499,173	0.40	45,867	0.00%
1999	99	10	1,509,044	0.07	9,931	0.00%
2000	673	14	1,581,893	0.43	48,097	0.00%
2001	255	9	1,654,379	0.15	28,300	0.00%
2002	354	9	1,695,944	0.21	39,360	0.00%
2003	372	8	1,721,187	0.22	46,501	0.00%

Column Notes:

- (2)&(3) Incurred losses from 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta;
 Developed to ultimate in Appendix G, adjusted to include ULAE.
- (4) From 2003-2 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (5) = [(2) / (4) x 1000].
- (6) = [(2) / (3) x 1000].
- (7) = [(3) / (4)].

Trend Analysis

Third Party Liability - Bodily Injury - Based on Industry Data as of December 31, 2003

Accident Year Ending June 30, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	253.30	25,692	0.99%			
1994	266.39	25,473	1.05%	5%	-1%	6%
1995	300.30	28,216	1.06%	13%	11%	2%
1996	318.98	28,817	1.11%	6%	2%	4%
1997	343.13	30,833	1.11%	8%	7%	1%
1998	373.64	32,580	1.15%	9%	6%	3%
1999	393.85	34,940	1.13%	5%	7%	-2%
2000	389.03	35,363	1.10%	-1%	1%	-2%
2001	388.64	39,164	0.99%	0%	11%	-10%
2002	417.20	41,760	1.00%	7%	7%	1%
2003	389.18	42,429	0.92%	-7%	2%	-8%

Regression Statistics - R-Squared

All Years	0.86	0.99	0.10
7-Year	0.57	0.98	0.82
5-Year	0.06	0.93	0.92
4-Year	0.07	0.91	0.87

Regression Statistics - Indicated Annual Trend

All Years	4.9%	5.6%	-0.7%
7-Year	2.1%	5.8%	-3.5%
5-Year	0.5%	5.7%	-5.0%
4-Year	0.7%	6.3%	-5.2%

Selections

Past Trend	1.5%
Future Trend	6.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 1. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Third Party Liability - Property Damage - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	76.25	2,076	3.67%			
1994	77.32	2,250	3.44%	1%	8%	-6%
1995	78.50	2,444	3.21%	2%	9%	-7%
1996	85.50	2,545	3.36%	9%	4%	5%
1997	85.67	2,780	3.08%	0%	9%	-8%
1998	88.72	2,808	3.16%	4%	1%	3%
1999	88.59	2,996	2.96%	0%	7%	-6%
2000	98.06	3,199	3.07%	11%	7%	4%
2001	94.67	3,416	2.77%	-3%	7%	-10%
2002	107.62	3,913	2.75%	14%	15%	-1%
2003	97.93	4,017	2.44%	-9%	3%	-11%

Regression Statistics - R-Squared

All Years	0.89	0.99	0.89
7-Year	0.70	0.96	0.79
5-Year	0.43	0.97	0.80
4-Year	0.08	0.94	0.92

Regression Statistics - Indicated Annual Trend

All Years	3.2%	6.6%	-3.2%
7-Year	3.1%	7.0%	-3.7%
5-Year	3.0%	8.2%	-4.8%
4-Year	1.2%	8.5%	-6.7%

Selections 3.2%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 2. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Funeral - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	0.18	1,274	0.01%			
1994	0.22	1,396	0.02%	18%	10%	7%
1995	0.27	2,044	0.01%	25%	46%	-15%
1996	0.35	2,882	0.01%	31%	41%	-7%
1997	0.37	2,716	0.01%	4%	-6%	10%
1998	0.33	2,734	0.01%	-9%	1%	-10%
1999	0.28	2,845	0.01%	-17%	4%	-21%
2000	0.36	2,966	0.01%	31%	4%	26%
2001	0.36	3,064	0.01%	-1%	3%	-4%
2002	0.31	3,245	0.01%	-12%	6%	-17%
2003	0.35	3,204	0.01%	12%	-1%	14%

Regression Statistics - R-Squared

All Years	0.48	0.73	0.64
7-Year	0.00	0.95	0.32
5-Year	0.23	0.91	0.00
4-Year	0.16	0.81	0.40

Regression Statistics - Indicated Annual Trend

All Years	5.0%	8.8%	-3.5%
7-Year	0.0%	3.3%	-3.2%
5-Year	3.6%	3.3%	0.2%
4-Year	-2.0%	2.9%	-4.8%

Selections 3.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 3. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Med / Rehab - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	9.78	1,285	0.76%			
1994	12.30	1,442	0.85%	26%	12%	12%
1995	16.46	1,762	0.93%	34%	22%	10%
1996	21.68	2,108	1.03%	32%	20%	10%
1997	21.65	2,034	1.06%	0%	-4%	4%
1998	22.03	2,006	1.10%	2%	-1%	3%
1999	24.21	2,208	1.10%	10%	10%	0%
2000	25.41	2,440	1.04%	5%	10%	-5%
2001	26.00	2,657	0.98%	2%	9%	-6%
2002	27.19	2,836	0.96%	5%	7%	-2%
2003	25.46	3,122	0.82%	-6%	10%	-15%

Regression Statistics - R-Squared

All Years	0.77	0.94	0.06
7-Year	0.78	0.97	0.75
5-Year	0.40	1.00	0.90
4-Year	0.04	1.00	0.87

Regression Statistics - Indicated Annual Trend

All Years	9.3%	8.3%	0.9%
7-Year	3.6%	8.0%	-4.1%
5-Year	1.7%	8.8%	-6.5%
4-Year	0.5%	8.4%	-7.3%

Selections

Past Trend	3.0%
Future Trend	7.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 4. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Death Benefits - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	0.87	8,523	0.01%			
1994	1.12	10,027	0.01%	30%	18%	10%
1995	1.14	13,833	0.01%	2%	38%	-26%
1996	1.73	22,775	0.01%	52%	65%	-8%
1997	1.74	19,167	0.01%	1%	-16%	19%
1998	1.63	18,639	0.01%	-6%	-3%	-4%
1999	1.45	18,815	0.01%	-11%	1%	-12%
2000	2.19	24,548	0.01%	51%	30%	16%
2001	1.73	20,775	0.01%	-21%	-15%	-7%
2002	1.62	21,581	0.01%	-6%	4%	-10%
2003	1.82	21,329	0.01%	12%	-1%	14%

Regression Statistics - R-Squared

All Years	0.57	0.62	0.32
7-Year	0.03	0.31	0.19
5-Year	0.03	0.04	0.01
4-Year	0.38	0.44	0.17

Regression Statistics - Indicated Annual Trend

All Years	6.3%	8.5%	-2.1%
7-Year	1.1%	2.6%	-1.5%
5-Year	1.6%	1.2%	0.4%
4-Year	-6.0%	-3.8%	-2.3%

Selections 2.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 5. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Disability Income - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	7.10	3,566	0.20%			
1994	7.62	3,478	0.22%	7%	-2%	10%
1995	8.57	3,967	0.22%	12%	14%	-1%
1996	12.94	5,412	0.24%	51%	36%	11%
1997	13.11	5,269	0.25%	1%	-3%	4%
1998	13.60	5,106	0.27%	4%	-3%	7%
1999	14.52	5,427	0.27%	7%	6%	0%
2000	14.85	5,414	0.27%	2%	0%	3%
2001	13.62	5,539	0.25%	-8%	2%	-10%
2002	14.34	5,833	0.25%	5%	5%	0%
2003	11.94	5,765	0.21%	-17%	-1%	-16%

Regression Statistics - R-Squared

All Years	0.58	0.74	0.15
7-Year	0.06	0.83	0.42
5-Year	0.59	0.81	0.80
4-Year	0.66	0.80	0.88

Regression Statistics - Indicated Annual Trend

All Years	6.5%	5.1%	1.3%
7-Year	-0.8%	2.0%	-2.8%
5-Year	-4.2%	2.0%	-6.0%
4-Year	-5.8%	2.4%	-8.1%

Selections 2.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 6. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Supplementary - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	0.02	14,040	0.00%			
1994	0.00	2,378	0.00%	-83%	-83%	-1%
1995	-		0.00%	-100%	-100%	-100%
1996	0.02	6,430	0.00%			
1997	0.01	5,727	0.00%	-34%	-11%	-26%
1998	0.20	43,477	0.00%	1603%	659%	124%
1999	-		0.00%	-100%	-100%	-100%
2000	0.00	884	0.00%			
2001	0.00	645	0.00%	-65%	-27%	-52%
2002	0.00	219	0.00%	-67%	-66%	-2%
2003	0.00	2,899	0.00%	1203%	1223%	-1%

Regression Statistics - R-Squared

All Years	n/a	n/a	n/a
7-Year	n/a	n/a	n/a
5-Year	n/a	n/a	n/a
4-Year	n/a	n/a	n/a

Regression Statistics - Indicated Annual Trend

All Years	n/a	n/a	n/a
7-Year	n/a	n/a	n/a
5-Year	n/a	n/a	n/a
4-Year	n/a	n/a	n/a

Selections 3.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 7. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Uninsured Automobile - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	0.14	24,527	0.00%			
1994	0.33	41,131	0.00%	128%	68%	36%
1995	0.34	33,657	0.00%	3%	-18%	25%
1996	0.32	45,618	0.00%	-4%	36%	-29%
1997	0.43	76,744	0.00%	33%	68%	-21%
1998	0.40	45,867	0.00%	-7%	-40%	56%
1999	0.07	9,931	0.00%	-83%	-78%	-24%
2000	0.43	48,097	0.00%	547%	384%	34%
2001	0.15	28,300	0.00%	-64%	-41%	-39%
2002	0.21	39,360	0.00%	36%	39%	-2%
2003	0.22	46,501	0.00%	3%	18%	-12%

Regression Statistics - R-Squared

All Years	0.03	0.00	0.23
7-Year	0.08	0.01	0.28
5-Year	0.15	0.49	0.59
4-Year	0.27	0.01	0.80

Regression Statistics - Indicated Annual Trend

All Years	-3.0%	0.5%	-3.5%
7-Year	-8.5%	-2.7%	-5.9%
5-Year	18.1%	33.5%	-11.5%
4-Year	-15.9%	2.3%	-17.8%

Selections 3.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E, Sheet 8. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Trend Analysis

Accident Benefits - Total - Based on Industry Data as of December 31, 2003

Accident Year Ending December 31, (1)	Projected Ultimate			Rate of Annual Change		
	Loss Cost (2)	Severity (3)	Frequency (4)	Loss Cost (5)	Severity (6)	Frequency (7)
1993	18.09	1,837	0.99%			
1994	21.59	1,963	1.10%	19%	7%	12%
1995	26.77	2,284	1.17%	24%	16%	7%
1996	37.04	2,875	1.29%	38%	26%	10%
1997	37.31	2,791	1.34%	1%	-3%	4%
1998	38.18	2,754	1.39%	2%	-1%	4%
1999	40.52	2,932	1.38%	6%	6%	0%
2000	43.23	3,232	1.34%	7%	10%	-3%
2001	41.86	3,363	1.24%	-3%	4%	-7%
2002	43.67	3,573	1.22%	4%	6%	-2%
2003	39.79	3,817	1.04%	-9%	7%	-15%

Regression Statistics - R-Squared

All Years	0.72	0.92	0.07
7-Year	0.41	0.96	0.71
5-Year	0.01	0.98	0.89
4-Year	0.40	0.99	0.89

Regression Statistics - Indicated Annual Trend

All Years	8.0%	7.1%	0.9%
7-Year	1.8%	5.9%	-3.9%
5-Year	-0.3%	6.5%	-6.3%
4-Year	-2.0%	5.8%	-7.4%

Selections 3.0%

General Note:

Explanations for the selected trend rates are provided in the text of this report.

Column Notes:

(2),(3)&(4) From Appendix E. Includes loading for ULAE.

(5) = (2) / [(2) prior year].

(6) = (3) / [(3) prior year].

(7) = (4) / [(4) prior year].

Third Party Liability - Bodily Injury
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	47,863	64,199	76,048	86,877	94,530	100,602	103,899	103,682	103,644	105,224	105,002	105,122	105,370	104,732	104,423	104,056	103,930	103,652	103,490	103,452	103,381	103,383	103,748	103,784	103,784	103,784
12-91	62,566	88,907	104,939	115,173	127,792	134,133	136,032	133,966	136,104	135,057	136,183	136,856	137,123	135,495	134,246	134,264	134,277	134,065	133,880	133,691	133,827	134,645	134,642	134,742	134,597	
06-92	57,131	79,556	90,337	102,236	109,782	114,405	116,211	119,693	118,927	118,458	119,638	119,514	120,372	120,328	120,430	118,277	118,565	118,796	118,479	118,605	118,573	118,633	118,269	118,265		
12-92	82,448	109,676	124,751	133,057	140,421	145,418	152,627	151,533	152,844	154,201	153,409	153,133	153,634	154,181	154,141	154,072	154,103	153,916	154,273	154,609	153,942	153,879	153,901			
06-93	79,271	106,255	115,886	126,511	131,882	140,608	140,566	141,958	143,305	143,577	142,648	141,906	141,931	141,715	141,568	141,687	142,156	142,085	142,067	142,053	141,602	141,598				
12-93	104,671	131,733	147,428	157,439	170,869	174,646	175,695	176,345	176,070	175,719	175,847	174,951	175,114	174,233	175,067	174,442	175,513	175,501	175,641	175,884	176,050					
06-94	90,827	118,851	130,307	142,673	152,321	154,476	156,646	157,569	157,134	156,392	156,153	155,599	155,812	155,519	154,507	155,190	155,923	155,701	155,205	155,683						
12-94	112,937	142,430	158,383	170,146	177,514	181,191	186,311	185,614	182,856	182,168	184,930	183,348	183,047	182,650	182,468	183,227	183,082	183,399	183,364							
06-95	109,476	134,153	144,532	153,603	161,890	167,746	170,676	171,781	173,985	174,170	174,419	175,150	175,703	176,516	176,724	177,217	176,717	176,915								
12-95	130,966	164,576	176,301	184,023	197,940	205,535	205,116	202,580	203,417	204,234	205,898	206,894	208,977	209,801	210,361	211,140	211,322									
06-96	127,042	154,211	159,377	171,038	180,409	181,067	184,940	185,780	188,378	191,048	191,242	192,674	193,571	193,229	193,738	193,466										
12-96	136,419	157,649	189,198	200,143	208,924	212,237	215,813	218,728	223,138	224,652	223,708	223,821	222,946	223,375	223,377											
06-97	113,437	158,727	171,439	181,305	185,832	191,422	200,723	206,473	209,596	214,293	213,378	213,449	214,843	214,856												
12-97	147,063	181,554	189,265	197,949	209,274	220,437	225,458	229,764	232,227	234,340	237,544	237,680	239,611													
06-98	143,228	172,242	178,314	187,405	203,727	212,426	220,252	225,673	228,782	230,558	230,571	232,697														
12-98	167,621	202,551	215,514	230,642	242,829	252,774	258,811	263,749	268,053	270,219	273,269															
06-99	155,806	190,175	205,560	218,162	232,467	238,604	245,793	249,294	248,838	251,109																
12-99	177,253	214,841	224,723	242,045	254,710	262,224	269,855	271,969	276,529																	
06-00	169,696	202,529	218,426	226,417	239,328	246,854	251,835	256,367																		
12-00	177,853	234,322	242,116	254,420	265,807	272,817	281,796																			
06-01	175,887	204,386	221,083	230,489	240,314	250,527																				
12-01	197,652	254,301	271,092	282,798	294,814																					
06-02	184,645	234,008	250,500	265,763																						
12-02	197,040	253,880	273,293																							
06-03	181,315	225,003																								
12-03	190,202																									

Third Party Liability - Bodily Injury

Gross Basis

Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
06-91	1.341	1.185	1.142	1.088	1.064	1.033	0.998	1.000	1.015	0.998	1.001	1.002	0.994	0.997	0.996	0.999	0.997	0.998	1.000	0.999	1.000	1.004	1.000	1.000	1.000	1.000	
12-91	1.421	1.180	1.098	1.110	1.050	1.014	0.985	1.016	0.992	1.008	1.005	1.002	0.988	0.991	1.000	1.000	0.998	0.999	0.999	1.001	1.006	1.000	1.001	0.999			
06-92	1.393	1.136	1.132	1.074	1.042	1.016	1.030	0.994	0.996	1.010	0.999	1.007	1.000	1.001	0.982	1.002	1.002	0.997	1.001	1.000	1.001	0.997	1.000				
12-92	1.330	1.137	1.067	1.055	1.036	1.050	0.993	1.009	1.009	0.995	0.998	1.003	1.004	1.000	1.000	1.000	0.999	1.002	1.002	0.996	1.000	1.000					
06-93	1.340	1.091	1.092	1.042	1.066	1.000	1.010	1.009	1.002	0.994	0.995	1.000	0.998	0.999	1.001	1.003	1.000	1.000	1.000	0.997	1.000						
12-93	1.259	1.119	1.068	1.085	1.022	1.006	1.004	0.998	0.998	1.001	0.995	1.001	0.995	1.005	0.996	1.006	1.000	1.001	1.001	1.001							
06-94	1.309	1.096	1.095	1.068	1.014	1.014	1.006	0.997	0.995	0.998	0.996	1.001	0.998	0.993	1.004	1.005	0.999	0.997	1.003								
12-94	1.261	1.112	1.074	1.043	1.021	1.028	0.996	0.985	0.996	1.015	0.991	0.998	0.998	0.999	1.004	0.999	1.002	1.000									
06-95	1.225	1.077	1.063	1.054	1.036	1.017	1.006	1.013	1.001	1.001	1.004	1.003	1.005	1.001	1.003	0.997	1.001										
12-95	1.257	1.071	1.044	1.076	1.038	0.998	0.988	1.004	1.004	1.008	1.005	1.010	1.004	1.003	1.004	1.001											
06-96	1.214	1.034	1.073	1.055	1.004	1.021	1.005	1.014	1.014	1.001	1.007	1.005	0.998	1.003	0.999												
12-96	1.156	1.200	1.058	1.044	1.016	1.017	1.014	1.020	1.007	0.996	1.001	0.996	1.002	1.000													
06-97	1.399	1.080	1.058	1.025	1.030	1.049	1.029	1.015	1.022	0.996	1.000	1.007	1.000														
12-97	1.235	1.042	1.046	1.057	1.053	1.023	1.019	1.011	1.009	1.014	1.001	1.008															
06-98	1.203	1.035	1.051	1.087	1.043	1.037	1.025	1.014	1.008	1.000	1.009																
12-98	1.208	1.064	1.070	1.053	1.041	1.017	1.014	1.024	1.019	1.016	1.008	1.011															
06-99	1.221	1.081	1.061	1.066	1.026	1.030	1.014	0.998	1.009																		
12-99	1.212	1.046	1.077	1.052	1.029	1.029	1.008	1.017																			
06-00	1.193	1.078	1.037	1.057	1.031	1.020	1.018																				
12-00	1.318	1.033	1.051	1.045	1.026	1.033																					
06-01	1.162	1.082	1.043	1.043	1.042																						
12-01	1.287	1.066	1.043	1.042																							
06-02	1.267	1.070	1.061																								
12-02	1.288	1.076																									
06-03	1.241																										
12-03																											

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.242	1.071	1.055	1.054	1.031	1.024	1.011	1.008	1.006	1.003	1.000	1.003	0.999	0.999	0.999	1.001	1.000	0.999	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	
Latest 10	1.240	1.063	1.054	1.053	1.034	1.028	1.014	1.012	1.008	1.004	1.001	1.003	1.000	1.000	0.999	1.001	1.000	0.999	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	
Latest 6	1.260	1.068	1.052	1.051	1.033	1.029	1.017	1.012	1.011	1.003	1.004	1.005	1.001	1.000	1.002	1.002	1.000	0.999	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	
Medial Avg																											
Latest 10x1	1.240	1.065	1.053	1.052	1.034	1.027	1.015	1.013	1.008	1.004	1.001	1.003	1.000	1.001	1.001	1.001	1.000	0.999	1.001	0.999	1.000	1.000	1.000	0.999	1.000	1.000	
Volume Wtd																											
Latest 14	1.241	1.069	1.055	1.053	1.032	1.025	1.011	1.009	1.006	1.003	1.001	1.003	0.999	1.000	1.000	1.001	1.000	0.999	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	
Latest 10	1.242	1.064	1.054	1.052	1.034	1.028	1.014	1.012	1.008	1.004	1.001	1.003	1.000	1.000	1.000	1.001	1.000	0.999	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	
Latest 6	1.262	1.067	1.052	1.050	1.033	1.029	1.017	1.012	1.010	1.003	1.004	1.005	1.001	1.000	1.002	1.002	1.000	1.000	1.001	0.999	1.001	1.000	1.000	0.999	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
Industry 2003	1.275	1.067	1.055	1.056	1.037	1.031	1.018	1.013	1.010	1.003	1.002	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.704	1.336	1.252	1.187	1.124	1.084	1.051	1.032	1.019	1.009	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.260	1.067	1.055	1.052	1.034	1.029	1.017	1.013	1.010	1.003	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	1.667	1.323	1.240	1.175	1.117	1.080	1.050	1.032	1.019	1.009	1.006	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.600	0.756	0.807	0.851	0.895	0.926	0.952	0.969	0.981	0.991	0.994	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	317,036	297,653	338,834	312,321	329,335	270,660	295,862	264,664	281,816	253,375	274,911	233,395	239,611	214,856	223,377	193,466	211,322	176,915	183,364	155,683	176,050	141,598	153,901	118,265	134,597	103,784

Third Party Liability - Bodily Injury
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	4,283	4,821	4,873	4,846	4,933	4,926	4,963	4,956	4,975	4,976	4,982	4,981	4,971	4,972	4,972	4,970	4,970	4,969	4,966	4,964	4,962	4,962	4,962	4,962	4,962	4,962
12-91	5,042	5,880	5,922	6,007	6,066	6,089	6,099	6,099	6,104	6,098	6,116	6,104	6,098	6,105	6,105	6,103	6,105	6,102	6,101	6,100	6,101	6,101	6,101	6,101	6,102	6,102
06-92	4,987	5,430	5,425	5,474	5,543	5,510	5,547	5,548	5,541	5,528	5,517	5,520	5,523	5,526	5,526	5,520	5,519	5,517	5,517	5,517	5,516	5,516	5,516	5,516	5,515	5,515
12-92	5,762	6,606	6,594	6,684	6,733	6,741	6,737	6,730	6,711	6,701	6,694	6,696	6,707	6,710	6,706	6,702	6,702	6,702	6,702	6,701	6,699	6,698	6,698			
06-93	5,504	6,066	6,162	6,237	6,356	6,366	6,362	6,345	6,331	6,321	6,327	6,322	6,318	6,311	6,306	6,301	6,301	6,294	6,295	6,294	6,294	6,294				
12-93	6,482	7,119	7,092	7,239	7,282	7,291	7,265	7,240	7,213	7,224	7,209	7,207	7,200	7,191	7,190	7,179	7,180	7,175	7,173	7,171	7,170					
06-94	6,163	6,706	6,771	6,780	6,892	6,855	6,835	6,823	6,839	6,851	6,857	6,825	6,809	6,804	6,806	6,805	6,806	6,804	6,801	6,800						
12-94	6,763	7,632	7,569	7,734	7,722	7,705	7,691	7,745	7,718	7,727	7,693	7,659	7,642	7,641	7,636	7,635	7,635	7,630	7,628							
06-95	6,463	6,862	7,005	7,042	7,006	6,954	6,996	6,990	7,005	6,959	6,934	6,928	6,924	6,924	6,916	6,910	6,903	6,902								
12-95	7,268	8,338	8,228	8,160	8,179	8,222	8,202	8,178	8,134	8,087	8,054	8,041	8,034	8,027	8,022	8,016	8,013									
06-96	7,300	7,795	7,524	7,493	7,549	7,485	7,492	7,452	7,421	7,407	7,391	7,384	7,373	7,366	7,362	7,351										
12-96	7,679	8,167	8,260	8,652	8,572	8,576	8,476	8,439	8,411	8,389	8,375	8,351	8,342	8,336	8,323											
06-97	6,890	7,728	8,063	7,981	8,024	7,921	7,889	7,824	7,812	7,809	7,774	7,756	7,734	7,725												
12-97	7,672	8,964	8,625	8,673	8,553	8,543	8,462	8,417	8,403	8,362	8,347	8,316	8,308													
06-98	8,332	8,523	8,442	8,294	8,332	8,265	8,273	8,276	8,217	8,171	8,139	8,103														
12-98	8,860	9,817	9,441	9,450	9,373	9,345	9,395	9,318	9,270	9,217	9,171															
06-99	8,584	9,038	8,777	8,698	8,671	8,562	8,521	8,454	8,382	8,329																
12-99	9,559	9,978	9,608	9,434	9,299	9,149	9,100	8,978	8,911																	
06-00	9,640	10,024	9,558	9,282	9,059	8,924	8,769	8,666																		
12-00	9,460	10,646	10,057	9,747	9,583	9,308	9,167																			
06-01	9,151	9,319	8,746	8,509	8,240	8,059																				
12-01	10,093	10,577	9,875	9,343	9,045																					
06-02	10,188	10,269	9,352	8,884																						
12-02	10,129	10,126	9,274																							
06-03	9,430	9,237																								
12-03	8,427																									

Third Party Liability - Bodily Injury

Gross Basis

Claim Count Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	1.126	1.011	0.994	1.018	0.999	1.008	0.999	1.004	1.000	1.001	1.000	0.998	1.000	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-91	1.166	1.007	1.014	1.010	1.004	1.002	1.000	1.001	0.999	1.003	0.998	0.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	1.089	0.999	1.009	1.013	0.994	1.007	1.000	0.999	0.998	0.998	1.001	1.001	1.001	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	1.146	0.998	1.014	1.007	1.001	0.999	0.999	0.997	0.999	0.999	1.000	1.002	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.102	1.016	1.012	1.019	1.002	0.999	0.997	0.998	0.998	1.001	0.999	0.999	0.999	0.999	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.098	0.996	1.021	1.006	1.001	0.996	0.997	0.996	1.002	0.998	1.000	0.999	0.999	1.000	0.998	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.088	1.010	1.001	1.017	0.995	0.997	0.998	1.002	1.001	0.995	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	1.128	0.992	1.022	0.998	0.998	0.998	1.007	0.997	1.001	0.996	0.998	1.000	0.999	1.000	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.062	1.021	1.005	0.995	0.993	1.006	0.999	1.002	0.993	0.996	0.999	0.999	1.000	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.147	0.987	0.992	1.002	1.005	0.998	0.997	0.995	0.994	0.996	0.998	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	1.068	0.965	0.996	1.007	0.992	1.001	0.995	0.996	0.998	0.998	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999
12-96	1.064	1.011	1.047	0.991	1.000	0.988	0.996	0.997	0.997	0.998	0.997	0.999	0.999	0.999	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.122	1.043	0.990	1.005	0.987	0.996	0.992	0.998	1.000	0.996	0.998	1.000	0.996	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.168	0.962	1.006	0.986	0.999	0.991	0.995	0.998	0.995	0.998	0.996	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.023	0.990	0.982	1.005	0.992	1.001	1.000	0.993	0.994	0.996	0.996	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999
12-98	1.108	0.962	1.001	0.992	0.997	1.005	0.992	0.997	1.005	0.992	0.995	0.994	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995
06-99	1.053	0.971	0.991	0.997	0.987	0.995	0.992	0.991	0.994	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995
12-99	1.044	0.963	0.982	0.986	0.984	0.995	0.987	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993	0.993
06-00	1.040	0.954	0.971	0.976	0.985	0.983	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988	0.988
12-00	1.125	0.945	0.969	0.983	0.971	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985	0.985
06-01	1.018	0.939	0.973	0.968	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978	0.978
12-01	1.048	0.934	0.946	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968	0.968
06-02	1.008	0.911	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950
12-02	1.000	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916	0.916
06-03	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980
12-03	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.057	0.962	0.985	0.990	0.991	0.996	0.995	0.996	0.997	0.998	0.998	0.999	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.042	0.948	0.977	0.987	0.988	0.994	0.993	0.996	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.030	0.933	0.965	0.980	0.984	0.994	0.992	0.995	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.040	0.948	0.977	0.987	0.989	0.994	0.993	0.996	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.054	0.959	0.984	0.989	0.990	0.995	0.995	0.996	0.997	0.997	0.998	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.041	0.947	0.977	0.986	0.988	0.994	0.993	0.996	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.029	0.933	0.965	0.980	0.984	0.994	0.992	0.995	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.055	0.941	0.972	0.984	0.988	0.994	0.993	0.995	0.996	0.997	0.997	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	0.907	0.860	0.914	0.940	0.955	0.967	0.973	0.980	0.985	0.989	0.992	0.995	0.997	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.040	0.948	0.977	0.987	0.989	0.994	0.993	0.996	0.996	0.997	0.997	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	0.911	0.876	0.925	0.946	0.959	0.969	0.975	0.982	0.986	0.990	0.993	0.996	0.997	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.097	1.141	1.082	1.057	1.043	1.032	1.025	1.018	1.014	1.0																	

Third Party Liability - Property Damage
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	47,978	50,417	50,634	49,930	49,941	49,730	49,735	49,661	49,627	49,676	49,610	49,606	49,596	49,600	49,607	49,601	49,607	49,598	49,596	49,596	49,591	49,591	49,591	49,591	49,591	49,591
12-91	52,978	56,206	55,218	54,969	54,537	54,518	54,424	54,377	54,330	54,284	54,269	54,269	54,256	54,249	54,248	54,244	54,235	54,235	54,235	54,227	54,227	54,227	54,227	54,227	54,227	54,227
06-92	45,066	45,757	44,850	44,574	44,774	44,657	44,692	44,635	44,593	44,532	44,520	44,491	44,474	44,471	44,461	44,451	44,449	44,447	44,448	44,449	44,449	44,449	44,449	44,449	44,449	44,449
12-92	51,289	54,533	53,635	53,452	53,326	53,154	53,162	53,114	53,090	53,102	53,056	53,054	53,071	53,082	53,082	53,078	53,077	53,077	53,077	53,077	53,077	53,077	53,077	53,077	53,077	53,077
06-93	45,000	46,100	45,715	45,780	45,584	45,480	45,474	45,389	45,385	45,341	45,346	45,353	45,362	45,369	45,372	45,372	45,372	45,382	45,369	45,369	45,369	45,369	45,369	45,369	45,369	45,369
12-93	49,390	51,819	50,966	50,869	50,719	50,574	50,533	50,503	50,355	50,332	50,286	50,274	50,264	50,272	50,262	50,257	50,253	50,251	50,251	50,251	50,251	50,251	50,251	50,251	50,251	50,251
06-94	46,604	47,256	47,044	47,470	47,329	47,436	47,301	47,256	47,211	47,239	47,230	47,227	47,121	47,110	47,109	47,102	47,120	47,120	47,116	47,116	47,116	47,116	47,116	47,116	47,116	47,116
12-94	49,637	53,614	52,363	52,121	51,824	51,873	51,673	51,567	51,618	51,387	51,453	51,324	51,308	51,293	51,294	51,291	51,286	51,286	51,288	51,288	51,288	51,288	51,288	51,288	51,288	51,288
06-95	43,962	46,734	46,386	46,404	46,377	46,115	46,055	46,022	45,960	46,035	45,942	45,824	45,837	45,761	45,759	45,774	45,781	45,785	45,785	45,785	45,785	45,785	45,785	45,785	45,785	45,785
12-95	52,949	57,532	56,646	56,898	56,348	56,105	55,993	55,927	55,851	55,755	55,703	55,733	55,738	55,748	55,743	55,743	55,699	55,699	55,699	55,699	55,699	55,699	55,699	55,699	55,699	55,699
06-96	50,804	52,754	53,107	52,289	51,945	51,930	51,878	51,756	51,728	51,704	51,679	51,652	51,657	51,620	51,586	51,619	51,619	51,619	51,619	51,619	51,619	51,619	51,619	51,619	51,619	51,619
12-96	55,037	62,852	61,533	60,660	60,713	60,599	60,427	60,423	60,019	59,864	59,843	59,940	60,113	60,109	60,108	60,108	60,108	60,108	60,108	60,108	60,108	60,108	60,108	60,108	60,108	60,108
06-97	52,699	57,393	56,385	56,638	57,293	56,783	55,833	55,936	55,885	55,873	55,947	55,928	55,940	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925	55,925
12-97	54,832	59,367	59,299	58,682	58,306	57,907	57,809	57,602	57,625	57,517	57,511	57,544	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541	57,541
06-98	56,234	59,510	57,362	57,655	56,857	56,646	56,514	56,450	56,509	56,338	56,311	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320	56,320
12-98	63,830	66,786	65,955	64,938	64,583	64,491	64,442	64,667	64,442	64,398	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378	64,378
06-99	55,019	58,187	57,742	57,237	56,644	57,456	56,841	56,709	56,592	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608	56,608
12-99	59,725	65,459	64,769	64,319	64,221	63,967	63,901	63,820	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839	63,839
06-00	63,603	67,335	67,348	66,946	67,045	66,622	66,368	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316	66,316
12-00	64,815	76,088	76,815	76,326	75,618	75,351	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329	75,329
06-01	60,733	66,300	67,270	66,689	66,569	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545	66,545
12-01	70,604	82,329	81,025	80,894	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796	80,796
06-02	76,694	85,327	85,678	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475	85,475
12-02	71,024	84,397	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213	85,213
06-03	70,893	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105	80,105
12-03	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785	67,785

Third Party Liability - Property Damage
Gross Basis
Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
06-91	1.051	1.004	0.986	1.000	0.996	1.000	0.999	0.999	1.001	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-91	1.061	0.982	0.995	0.992	1.000	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-92	1.015	0.980	0.994	1.004	0.997	1.001	0.999	0.999	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-92	1.063	0.984	0.997	0.998	0.997	1.000	0.999	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-93	1.024	0.992	1.001	0.996	0.998	1.000	0.998	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-93	1.049	0.984	0.998	0.997	0.997	0.999	0.999	0.997	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-94	1.014	0.996	1.009	0.997	1.002	0.997	0.999	0.999	1.001	1.000	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-94	1.080	0.977	0.995	0.994	1.001	0.996	0.998	1.001	0.996	1.001	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-95	1.063	0.993	1.000	0.999	0.994	0.999	0.999	0.999	1.002	0.998	0.997	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-95	1.087	0.985	1.004	0.990	0.996	0.998	0.999	0.999	0.998	0.999	1.001	1.000	1.000	1.000	1.000	0.999											
06-96	1.038	1.007	0.985	0.993	1.000	0.999	0.998	0.999	1.000	0.999	1.000	0.999	1.000	0.999	1.001												
12-96	1.142	0.979	0.986	1.001	0.998	0.997	1.000	0.993	0.997	1.000	1.002	1.003	1.000	1.000													
06-97	1.089	0.982	1.004	1.012	0.991	0.983	1.002	0.999	1.000	1.001	1.000	1.000	1.000														
12-97	1.083	0.999	0.990	0.994	0.993	0.998	0.996	1.000	0.998	1.000	1.001	1.000															
06-98	1.058	0.964	1.005	0.986	0.996	0.998	0.999	1.001	0.997	1.000	1.000																
12-98	1.046	0.988	0.985	0.995	0.999	0.999	1.003	0.997	0.999	1.000																	
06-99	1.058	0.992	0.991	0.990	1.014	0.989	0.998	0.998	1.000																		
12-99	1.096	0.989	0.993	0.998	0.996	0.999	0.999	1.000																			
06-00	1.059	1.000	0.994	1.001	0.994	0.996	0.999																				
12-00	1.174	1.010	0.994	0.991	0.996	1.000																					
06-01	1.092	1.015	0.991	0.998	1.000																						
12-01	1.166	0.984	0.998	0.999																							
06-02	1.113	1.004	0.998																								
12-02	1.188	1.010																									
06-03	1.130																										
12-03																											

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.107	0.994	0.994	0.996	0.998	0.996	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.112	0.996	0.994	0.996	0.998	0.996	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.144	1.004	0.995	0.996	1.000	0.997	0.999	0.999	0.999	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.111	0.997	0.994	0.996	0.996	0.997	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.109	0.995	0.994	0.996	0.998	0.996	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.115	0.996	0.994	0.996	0.998	0.996	0.999	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.144	1.003	0.995	0.996	0.999	0.997	0.999	0.999	0.999	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.156	1.001	0.993	0.995	0.999	0.995	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.134	0.981	0.980	0.987	0.992	0.993	0.998	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.144	1.000	0.994	0.996	0.998	0.996	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	1.122	0.981	0.981	0.987	0.991	0.993	0.997	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.891	1.019	1.019	1.013	1.009	1.007	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	76,079	78,589	83,601	84,364	80,069	66,080	75,103	66,184	63,776	56,608	64,378	56,320	57,541	55,925	60,108	51,619	55,699	45,785	51,288	47,116	50,251	45,369	53,077	44,449	54,227	49,591	



Third Party Liability - Property Damage
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	25,746	27,114	27,159	26,954	26,852	26,826	26,815	26,804	26,801	26,797	26,793	26,791	26,791	26,791	26,791	26,791	26,791	26,791	26,791	26,791	26,790	26,790	26,790	26,790	26,790	26,790
12-91	26,988	29,085	28,782	28,386	28,334	28,309	28,287	28,273	28,260	28,251	28,245	28,244	28,241	28,239	28,237	28,235	28,234	28,234	28,234	28,233	28,233	28,233	28,233	28,233	28,233	28,233
06-92	23,932	24,302	23,944	23,888	23,858	23,833	23,822	23,803	23,795	23,785	23,780	23,777	23,772	23,772	23,771	23,767	23,766	23,765	23,765	23,765	23,765	23,765	23,765	23,765	23,765	23,765
12-92	25,530	27,758	27,642	27,592	27,552	27,520	27,501	27,485	27,475	27,465	27,461	27,457	27,455	27,451	27,450	27,448	27,448	27,448	27,446	27,446	27,446	27,446	27,446	27,446	27,446	27,446
06-93	24,421	25,306	25,203	25,178	25,123	25,094	25,081	25,067	25,065	25,062	25,057	25,057	25,052	25,051	25,052	25,052	25,052	25,052	25,053	25,052	25,052	25,052	25,052	25,052	25,052	25,052
12-93	24,454	25,395	25,319	25,296	25,246	25,194	25,169	25,158	25,145	25,134	25,127	25,121	25,120	25,119	25,118	25,118	25,116	25,116	25,115	25,115	25,115	25,116	25,115	25,115	25,115	25,115
06-94	23,327	23,965	23,933	23,870	23,827	23,796	23,778	23,761	23,737	23,742	23,738	23,735	23,729	23,725	23,723	23,723	23,723	23,723	23,723	23,723	23,723	23,723	23,723	23,723	23,723	23,723
12-94	22,630	24,041	23,924	23,890	23,834	23,793	23,754	23,736	23,722	23,714	23,712	23,703	23,699	23,695	23,695	23,695	23,694	23,694	23,692	23,691						
06-95	21,374	21,713	21,638	21,587	21,552	21,488	21,463	21,451	21,436	21,431	21,425	21,421	21,420	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413	21,413
12-95	22,623	24,090	23,867	23,842	23,731	23,678	23,651	23,625	23,612	23,604	23,597	23,592	23,589	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590	23,590
06-96	23,567	23,828	23,745	23,583	23,535	23,489	23,455	23,442	23,430	23,420	23,417	23,411	23,408	23,405	23,403	23,404										
12-96	22,948	24,714	24,465	24,405	24,336	24,255	24,223	24,203	24,175	24,161	24,157	24,156	24,150	24,148	24,149											
06-97	22,270	23,141	23,078	23,042	22,960	22,895	22,857	22,831	22,818	22,806	22,795	22,782	22,776	22,775												
12-97	20,400	21,943	21,866	21,766	21,655	21,609	21,558	21,531	21,525	21,520	21,516	21,512	21,511													
06-98	22,796	23,527	23,384	23,300	23,224	23,168	23,137	23,117	23,097	23,079	23,071	23,070														
12-98	23,221	24,768	24,574	24,511	24,415	24,345	24,316	24,295	24,279	24,265	24,260															
06-99	21,906	22,236	22,090	21,957	21,873	21,826	21,805	21,789	21,776	21,771																
12-99	22,779	23,509	23,195	23,098	23,032	22,983	22,945	22,928	22,915																	
06-00	24,604	24,262	24,217	24,083	24,017	23,955	23,903	23,877																		
12-00	23,359	25,190	25,037	25,002	24,929	24,856	24,827																			
06-01	22,941	22,589	22,337	22,227	22,155	22,105																				
12-01	24,611	24,863	24,423	24,242	24,135																					
06-02	25,975	25,089	24,743	24,621																						
12-02	23,987	23,059	22,664																							
06-03	23,565	22,192																								
12-03	20,554																									

Accident Benefits - Funeral
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	119	112	104	101	99	97	97	97	97	97	99	99	99	98	98	98	98	98	98	98	98	98	98	98	98	98
12-91	154	151	148	147	144	139	138	137	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
06-92	122	119	120	116	116	115	115	115	115	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114
12-92	146	133	135	136	132	134	134	134	134	132	131	131	131	131	131	131	131	131	131	131	131	131	131	131	131	131
06-93	90	93	91	89	86	85	85	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84
12-93	162	165	162	169	160	159	155	153	146	146	146	146	146	146	146	146	146	146	146	146	146	146	146	146	146	146
06-94	98	119	115	109	115	108	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106
12-94	165	181	180	187	182	183	176	171	170	170	170	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169
06-95	114	148	149	149	142	148	147	147	149	149	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144
12-95	204	223	208	204	214	221	213	216	229	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205
06-96	173	183	179	213	208	207	205	203	166	164	164	164	164	164	164	164	164	164	164	164	164	164	164	164	164	164
12-96	250	279	286	304	285	287	351	305	299	299	299	299	299	299	299	299	299	299	299	299	299	299	299	299	299	299
06-97	203	223	228	225	222	220	220	218	218	216	216	216	212	212	212	212	212	212	212	212	212	212	212	212	212	212
12-97	268	290	295	290	283	281	281	281	279	279	277	277	277	277	277	277	277	277	277	277	277	277	277	277	277	277
06-98	213	225	224	222	216	211	207	207	207	209	209	209	209	209	209	209	209	209	209	209	209	209	209	209	209	209
12-98	234	261	278	259	251	251	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246
06-99	180	193	182	180	175	169	170	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169	169
12-99	197	234	209	207	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205
06-00	212	207	201	204	204	202	198	196	196	196	196	196	196	196	196	196	196	196	196	196	196	196	196	196	196	196
12-00	280	336	327	324	317	308	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322
06-01	234	275	278	285	268	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267
12-01	259	298	287	292	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284
06-02	211	238	240	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237	237
12-02	260	287	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269	269
06-03	217	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239
12-03	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314

Accident Benefits - Funeral
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	83	89	89	87	86	84	84	84	84	84	84	84	84	83	83	83	83	83	83	83	83	83	83	83	83	83
12-91	112	113	115	113	111	108	107	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106	106
06-92	83	83	80	77	77	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76
12-92	112	116	117	118	115	115	115	115	114	114	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113
06-93	71	74	73	72	70	69	69	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68
12-93	132	134	136	134	134	133	130	130	129	129	129	129	129	129	129	129	129	129	129	129	129	129	129	129	129	129
06-94	91	101	102	97	96	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95
12-94	134	131	124	127	126	124	123	120	120	120	120	119	119	119	119	119	119	119	119	119	119	119	119	119	119	119
06-95	88	93	91	88	85	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84
12-95	111	112	104	104	102	102	102	103	103	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101
06-96	72	69	68	69	69	68	68	67	65	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64
12-96	108	116	114	113	111	111	111	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110
06-97	81	89	94	93	92	91	91	90	90	89	89	89	88	88	88	88	88	88	88	88	88	88	88	88	88	88
12-97	113	117	117	115	110	109	109	109	108	108	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107
06-98	91	91	91	91	87	86	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84
12-98	96	106	105	105	100	100	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99
06-99	71	77	74	73	72	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69	69
12-99	83	80	80	78	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
06-00	71	80	80	80	80	80	79	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78
12-00	118	130	124	123	120	118	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115
06-01	88	99	96	97	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96
12-01	102	105	102	101	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99
06-02	89	87	83	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81
12-02	97	96	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
06-03	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70
12-03	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127	127

Accident Benefits - Funeral

Gross Basis

Claim Count Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
06-91	1.072	1.000	0.978	0.989	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-91	1.009	1.018	0.983	0.982	0.973	0.991	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	1.000	0.964	0.963	1.000	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	1.036	1.009	1.009	0.975	1.000	1.000	1.000	0.991	1.000	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.042	0.986	0.986	0.972	0.986	1.000	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.015	1.015	0.985	1.000	0.993	0.977	1.000	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.110	1.010	0.951	0.990	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	0.978	0.947	1.024	0.992	0.984	0.992	0.976	1.000	1.000	1.000	1.000	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.057	0.978	0.967	0.966	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.009	0.929	1.000	0.981	1.000	1.000	1.010	1.000	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	0.958	0.986	1.015	1.000	0.986	1.000	0.985	0.970	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-96	1.074	0.983	0.991	0.982	1.000	1.000	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.099	1.056	0.989	0.989	0.989	1.000	0.989	1.000	0.989	1.000	1.000	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.035	1.000	0.983	0.957	0.991	1.000	1.000	0.991	1.000	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.000	1.000	1.000	0.956	0.989	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-98	1.104	0.991	1.000	0.952	1.000	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-99	1.085	0.961	0.986	0.986	0.958	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-99	0.964	1.000	0.975	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-00	1.127	1.000	1.000	1.000	1.000	0.988	0.987	1.000	1.000	1.000	1.000	1.000	0.988	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-00	1.102	0.954	0.992	0.976	0.983	0.975	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-01	1.125	0.970	1.010	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-01	1.029	0.971	0.990	0.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-02	0.978	0.954	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-02	0.990	0.938	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-03	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-03	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.051	0.983	0.993	0.979	0.991	0.994	0.996	0.997	0.997	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.050	0.974	0.991	0.977	0.991	0.993	0.996	0.996	0.995	0.999	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.037	0.964	0.991	0.986	0.990	0.988	0.998	0.998	0.998	0.998	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.051	0.975	0.991	0.978	0.994	0.994	0.996	0.999	0.997	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.051	0.982	0.993	0.977	0.991	0.994	0.995	0.997	0.997	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.051	0.973	0.992	0.976	0.992	0.992	0.997	0.997	0.996	0.999	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.041	0.963	0.991	0.986	0.991	0.987	0.998	0.998	0.998	0.998	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.021	0.968	0.991	0.978	0.990	0.991	0.996	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	0.931	0.912	0.942	0.951	0.972	0.982	0.991	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.051	0.975	0.991	0.978	0.994	0.994	0.996	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	0.976	0.929	0.953	0.961	0.983	0.989	0.995	0.999	1.000	1.000	1.000	1.000															

Accident Benefits - Medical / Rehabilitation
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156		
06-91	4,070	3,825	3,969	3,881	3,529	3,394	3,354	3,306	3,271	3,261	3,251	3,249	3,252	3,247	3,246	3,246	3,246	3,250	3,246	3,246	3,238	3,238	3,238	3,238	3,238	3,238	3,238	
12-91	5,220	5,287	5,426	5,577	5,136	4,979	4,936	4,860	4,817	4,796	4,820	4,815	4,824	4,814	4,810	4,805	4,805	4,800	4,802	4,802	4,808	4,808	4,808	4,808	4,808	4,808	4,808	
06-92	5,104	4,670	4,807	4,806	4,267	4,121	4,038	4,026	4,036	4,300	4,118	4,131	4,356	4,093	4,373	4,373	4,408	4,408	4,408	4,701	4,666	4,520	4,522	4,343				
12-92	6,671	7,075	7,043	7,037	6,264	5,924	5,930	5,911	5,908	5,922	5,994	5,955	5,955	5,935	5,935	5,935	5,943	5,940	5,942	5,946	5,946	5,946	5,946	5,946	5,946	5,946	5,946	
06-93	6,136	5,972	6,148	6,099	5,649	5,557	5,497	5,423	5,469	5,439	5,284	5,275	5,266	5,261	5,261	5,255	5,255	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	
12-93	8,074	8,335	8,327	8,020	7,515	7,208	7,139	7,128	7,071	7,065	7,082	7,063	7,022	7,029	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	7,032	
06-94	7,377	7,810	8,035	8,066	7,243	7,112	7,089	7,084	7,046	7,033	7,037	7,029	7,045	7,032	7,030	7,030	7,030	7,030	7,030	7,026	7,030	7,030	7,030	7,030	7,030	7,030	7,030	
12-94	9,179	10,188	10,072	9,971	9,001	8,796	8,742	8,688	8,654	8,626	8,626	8,651	8,627	8,626	8,780	8,655	8,654	8,653	8,653	8,653	8,653	8,653	8,653	8,653	8,653	8,653	8,653	
06-95	9,631	10,522	10,065	9,614	8,942	8,752	8,679	8,776	8,654	9,157	8,654	8,641	8,632	8,621	8,809	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813	8,813
12-95	14,528	15,454	13,818	13,678	12,927	12,665	12,479	12,455	12,477	12,443	12,435	12,468	12,535	12,474	12,484	12,484	12,504											
06-96	14,302	13,907	13,713	13,183	12,291	12,045	11,967	12,421	11,878	11,860	11,856	11,874	11,873	11,868	11,876	11,909												
12-96	17,409	18,223	17,713	17,597	16,648	16,384	16,354	16,276	16,265	16,291	16,389	16,403	16,395	16,397	16,504													
06-97	15,136	16,200	15,359	15,007	14,343	14,843	14,037	14,157	14,108	14,095	14,060	14,137	14,129	14,120														
12-97	18,504	17,754	16,348	16,186	15,194	14,621	14,500	14,679	14,715	14,725	14,701	14,663	14,649															
06-98	17,310	15,961	14,803	14,892	14,202	14,327	14,286	14,273	14,351	13,915	13,910	13,897																
12-98	19,480	18,330	17,302	17,162	16,323	15,996	16,031	16,255	16,243	16,194	16,095																	
06-99	16,809	16,560	16,326	16,032	15,466	15,233	15,235	15,371	15,342	15,347																		
12-99	19,620	18,453	18,014	18,455	17,861	17,702	17,597	17,578	17,508																			
06-00	18,655	17,261	17,261	18,101	17,288	17,104	17,068	17,196																				
12-00	20,197	20,640	20,566	20,629	19,696	19,446	19,375																					
06-01	19,633	18,759	18,634	18,594	17,663	17,885																						
12-01	23,529	25,160	23,546	23,082	22,388																							
06-02	22,822	22,024	21,305	21,163																								
12-02	23,322	24,246	23,460																									
06-03	21,878	20,541																										
12-03	22,846																											

Accident Benefits - Medical / Rehabilitation

Gross Basis

Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	0.940	1.038	0.978	0.909	0.962	0.988	0.986	0.989	0.997	0.997	0.999	1.001	0.999	1.000	1.000	1.000	1.001	0.999	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000
12-91	1.013	1.026	1.028	0.921	0.969	0.991	0.985	0.991	0.995	1.005	0.999	1.002	0.998	0.999	0.999	1.000	0.999	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000
06-92	0.915	1.029	1.000	0.888	0.966	0.980	0.997	1.003	1.065	0.958	1.003	1.055	0.940	1.068	1.000	1.008	1.000	1.000	1.066	0.993	0.969	1.001	0.960			
12-92	1.060	0.995	0.999	0.890	0.946	1.001	0.997	1.000	1.002	1.012	0.994	1.000	0.997	1.000	1.000	1.001	0.999	1.000	1.001	1.000	1.000	1.000	1.000			
06-93	0.973	1.029	0.992	0.926	0.984	0.989	0.987	1.008	0.994	0.972	0.998	0.998	0.999	1.000	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000				
12-93	1.032	0.999	0.963	0.937	0.959	0.990	0.998	0.992	0.999	1.002	0.997	0.994	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
06-94	1.059	1.029	1.004	0.898	0.982	0.997	0.999	0.995	0.998	1.000	0.999	1.002	0.998	1.000	1.000	1.000	0.999	1.001	1.000							
12-94	1.110	0.989	0.990	0.903	0.977	0.994	0.994	0.996	0.997	1.000	1.003	0.997	1.000	1.018	0.986	1.000	1.000	1.000								
06-95	1.093	0.957	0.955	0.930	0.979	0.992	1.011	0.986	1.058	0.945	0.999	0.999	0.999	1.022	1.000	1.000	1.001									
12-95	1.064	0.894	0.990	0.945	0.980	0.985	0.998	1.002	0.997	0.999	1.003	1.005	0.995	1.001	1.000	1.002										
06-96	0.972	0.986	0.961	0.932	0.980	0.994	1.038	0.956	0.999	1.000	1.002	1.000	1.000	1.001	1.003											
12-96	1.047	0.972	0.993	0.946	0.984	0.998	0.995	0.999	1.002	1.006	1.001	1.000	1.000	1.006												
06-97	1.070	0.948	0.977	0.956	1.035	0.946	1.009	0.997	0.999	0.998	1.005	0.999	0.998													
12-97	0.959	0.921	0.990	0.939	0.962	0.992	1.012	1.002	1.001	0.998	0.997	0.999														
06-98	0.922	0.927	1.006	0.954	1.009	0.997	0.999	1.005	0.970	1.000	0.999															
12-98	0.941	0.944	0.992	0.951	0.980	1.002	1.014	0.999	0.997	0.994																
06-99	0.985	0.986	0.982	0.965	0.985	1.000	1.009	0.998	1.000																	
12-99	0.941	0.976	1.024	0.968	0.991	0.994	0.999	0.996																		
06-00	0.925	1.000	1.049	0.955	0.989	0.998	1.008																			
12-00	1.022	0.996	1.003	0.955	0.987	0.996																				
06-01	0.955	0.993	0.998	0.950	1.013																					
12-01	1.069	0.936	0.980	0.970																						
06-02	0.965	0.967	0.993																							
12-02	1.040	0.968																								
06-03	0.939																									
12-03																										

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
Simple Avg																										
Latest 14	0.984	0.966	0.996	0.951	0.989	0.992	1.006	0.995	1.001	0.992	1.000	1.004	0.994	1.010	0.999	1.001	1.000	1.000	1.010	0.999	0.994	1.000	0.987	1.000	1.000	
Latest 10	0.978	0.969	1.002	0.956	0.994	0.992	1.008	0.994	1.002	0.994	1.000	0.999	0.999	1.012	0.999	1.001	1.000	1.000	1.010	0.999	0.994	1.000	0.987	1.000	1.000	
Latest 6	0.998	0.977	1.008	0.960	0.991	0.998	1.007	1.000	0.995	0.999	1.001	1.000	0.999	1.008	0.998	1.000	1.000	1.000	1.011	0.999	0.994	1.000	0.987	1.000	1.000	
Medial Avg																										
Latest 10x1	0.973	0.971	0.999	0.957	0.992	0.996	1.006	0.997	0.999	0.999	1.000	0.999	0.999	1.006	1.000	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																										
Latest 14	0.985	0.965	0.996	0.953	0.990	0.992	1.006	0.995	1.000	0.994	1.000	1.002	0.996	1.008	0.999	1.001	1.000	1.000	1.008	0.999	0.994	1.000	0.986	1.000	1.000	
Latest 10	0.981	0.969	1.001	0.957	0.993	0.992	1.007	0.995	1.000	0.995	1.001	1.000	0.999	1.009	0.999	1.001	1.000	1.000	1.008	0.999	0.994	1.000	0.986	1.000	1.000	
Latest 6	1.000	0.974	1.006	0.961	0.991	0.998	1.007	0.999	0.995	0.999	1.001	1.000	0.999	1.007	0.998	1.000	1.000	1.000	1.009	0.999	0.994	1.000	0.986	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
Industry 2003	1.018	0.978	1.003	0.958	0.990	0.991	1.006	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	0.939	0.922	0.943	0.940	0.981	0.991	1.000	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	0.975	1.005	0.957	0.992	0.996	1.006	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	0.927	0.927	0.951	0.946	0.989	0.997	1.001	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.078	1.078	1.051	1.057	1.011	1.003	0.999	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	21,188	19,050	22,315	20,030	22,141	17,831	19,393	17,110	17,508	15,347	16,095	13,897	14,649	14,120	16,504	11,909	12,504	8,824	8,653	7,030	7,032	5,250	5,946	4,343	4,808	3,238

Accident Benefits - Medical / Rehabilitation
Gross Basis
Claim Count Development

Claim Counts

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	4,339	4,087	4,064	4,045	4,040	4,009	4,002	3,998	3,996	3,994	3,992	3,990	3,990	3,987	3,986	3,986	3,986	3,986	3,986	3,986	3,985	3,985	3,985	3,985	3,985	3,985
12-91	5,082	4,864	4,717	4,705	4,671	4,648	4,636	4,629	4,626	4,622	4,619	4,617	4,618	4,615	4,614	4,613	4,613	4,612	4,612	4,612	4,612	4,612	4,612	4,612	4,612	4,612
06-92	4,846	4,303	4,134	4,121	4,121	4,102	4,092	4,087	4,086	4,083	4,081	4,077	4,076	4,078	4,079	4,075	4,075	4,075	4,075	4,075	4,074	4,074	4,074	4,074	4,074	4,074
12-92	5,873	5,550	5,324	5,445	5,394	5,383	5,374	5,369	5,362	5,357	5,352	5,346	5,346	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343
06-93	5,363	4,780	4,745	4,755	4,816	4,799	4,781	4,773	4,770	4,768	4,765	4,766	4,765	4,764	4,763	4,761	4,761	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760
12-93	6,473	5,926	5,686	5,753	5,714	5,693	5,676	5,667	5,654	5,650	5,649	5,646	5,644	5,644	5,645	5,645	5,645	5,645	5,645	5,645	5,644	5,644	5,644	5,644	5,644	5,644
06-94	5,850	5,363	5,373	5,380	5,420	5,410	5,404	5,398	5,388	5,387	5,389	5,388	5,388	5,388	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386
12-94	6,644	6,393	6,259	6,495	6,456	6,442	6,431	6,427	6,416	6,411	6,409	6,410	6,409	6,408	6,406	6,406	6,406	6,406	6,405	6,405	6,405	6,405	6,405	6,405	6,405	6,405
06-95	6,313	5,862	5,919	5,908	5,909	5,875	5,857	5,849	5,838	5,832	5,832	5,828	5,826	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825	5,825
12-95	7,646	7,502	7,305	7,370	7,365	7,379	7,328	7,314	7,307	7,302	7,298	7,297	7,298	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295	7,295
06-96	7,449	6,939	6,830	6,808	6,879	6,838	6,826	6,820	6,813	6,809	6,807	6,806	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805	6,805
12-96	8,036	7,648	7,472	7,755	7,843	7,833	7,820	7,805	7,802	7,796	7,796	7,795	7,794	7,791	7,792	7,794	7,791	7,792	7,791	7,792	7,791	7,792	7,791	7,792	7,791	7,792
06-97	7,529	7,054	7,300	7,386	7,452	7,454	7,443	7,441	7,436	7,433	7,434	7,432	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431	7,431
12-97	7,929	7,898	7,791	7,989	7,977	7,963	7,928	7,927	7,926	7,924	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918	7,918
06-98	8,589	7,659	7,674	7,686	7,720	7,711	7,706	7,696	7,693	7,692	7,687	7,687	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685	7,685
12-98	9,831	9,144	8,786	8,861	8,827	8,807	8,790	8,785	8,778	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777	8,777
06-99	8,969	8,203	7,983	7,944	7,952	7,933	7,937	7,933	7,929	7,930	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929	7,929
12-99	10,077	8,858	8,664	8,733	8,678	8,648	8,637	8,624	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623	8,623
06-00	9,929	8,405	8,158	8,098	8,091	8,074	8,068	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069	8,069
12-00	10,326	9,114	8,571	8,499	8,477	8,453	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445	8,445
06-01	9,839	8,070	7,606	7,618	7,598	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575	7,575
12-01	11,232	9,324	8,877	8,769	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693	8,693
06-02	10,635	8,822	8,393	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292
12-02	10,586	8,678	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114	8,114
06-03	9,238	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358	7,358
12-03	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703	8,703

Accident Benefits - Death Benefits
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	414	364	374	364	348	336	345	345	345	345	345	345	335	335	335	335	335	335	335	335	335	335	335	335	335	335
12-91	748	712	758	770	694	663	665	665	666	667	664	664	664	664	664	664	664	664	664	664	664	664	664	664	664	664
06-92	494	496	469	472	478	471	471	471	471	471	471	471	471	466	466	466	466	466	466	466	466	466	466	466	466	466
12-92	686	689	639	628	614	610	610	609	609	609	609	609	609	609	609	609	609	609	609	609	609	609	609	609	609	609
06-93	394	432	451	455	455	445	442	432	432	432	432	432	432	432	432	432	432	432	432	432	432	432	432	432	432	432
12-93	695	797	799	768	755	756	741	691	687	670	670	656	656	656	656	656	656	656	656	656	656	656	656	656	656	656
06-94	604	645	656	642	639	642	617	650	651	645	645	645	645	645	645	645	645	645	645	645	645	645	645	645	645	645
12-94	925	951	976	964	926	867	823	807	807	805	805	805	789	789	789	789	789	789	789	789	789	789	789	789	789	789
06-95	599	678	678	689	666	669	670	670	670	673	673	670	651	651	651	651	651	651	651	651	651	651	651	651	651	651
12-95	896	959	898	870	880	912	912	911	909	829	829	829	829	829	829	829	829	829	829	829	829	829	829	829	829	829
06-96	1,015	1,114	1,133	1,062	995	996	1,005	994	995	962	962	962	962	962	962	962	962	962	962	962	962	962	962	962	962	962
12-96	1,041	1,197	1,480	1,452	1,366	1,379	1,334	1,307	1,307	1,311	1,311	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
06-97	719	944	975	931	953	912	879	869	870	869	869	869	869	869	869	869	869	869	869	869	869	869	869	869	869	869
12-97	1,384	1,510	1,541	1,599	1,492	1,491	1,484	1,482	1,482	1,482	1,482	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445
06-98	975	1,105	996	1,017	945	935	912	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904
12-98	1,137	1,542	1,378	1,428	1,364	1,350	1,350	1,350	1,322	1,322	1,322	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317
06-99	670	967	891	856	850	812	812	802	802	802	802	802	802	802	802	802	802	802	802	802	802	802	802	802	802	802
12-99	1,015	1,059	1,186	1,212	1,185	1,174	1,193	1,191	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178
06-00	954	1,146	1,091	1,289	1,229	1,229	1,242	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277
12-00	2,021	2,124	2,007	1,951	1,977	1,925	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921
06-01	1,002	1,695	1,649	1,612	1,658	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629
12-01	1,097	1,212	1,253	1,164	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110
06-02	1,016	1,213	1,218	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261
12-02	1,253	1,458	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405
06-03	988	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098
12-03	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628	1,628

Accident Benefits - Death Benefits

Gross Basis

Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	0.881	1.026	0.974	0.955	0.966	1.028	1.000	1.000	1.000	1.000	1.000	0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-91	0.951	1.064	1.016	0.901	0.955	1.003	1.001	1.001	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	1.004	0.946	1.005	1.012	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	1.004	0.927	0.982	0.978	0.994	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.098	1.042	1.010	1.001	0.976	0.995	0.977	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.147	1.002	0.962	0.983	1.001	0.980	0.933	0.993	0.976	1.000	0.979	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.068	1.016	0.979	0.995	1.005	0.960	1.054	1.002	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	1.028	1.027	0.988	0.960	0.937	0.949	0.981	1.000	0.997	1.000	1.000	0.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.133	1.000	1.017	0.966	1.006	1.001	1.000	1.000	1.005	1.000	0.996	0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.071	0.936	0.969	1.011	1.037	1.000	0.999	0.997	0.913	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	1.097	1.017	0.937	0.937	1.001	1.009	0.989	1.001	0.967	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-96	1.150	1.237	0.981	0.940	1.010	0.967	0.980	1.000	1.003	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.313	1.032	0.955	1.025	0.957	0.964	0.989	1.001	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.091	1.020	1.038	0.933	1.000	0.995	0.998	1.000	1.000	0.975	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.134	0.901	1.021	0.929	0.989	0.976	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-98	1.356	0.894	1.036	0.955	0.990	1.000	1.000	0.979	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-99	1.444	0.921	0.961	0.993	0.956	1.000	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-99	1.044	1.120	1.022	0.978	0.991	1.017	0.998	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-00	1.201	0.951	1.182	0.953	1.000	1.011	1.028	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-00	1.051	0.945	0.972	1.013	0.973	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-01	1.691	0.973	0.978	1.028	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-01	1.105	1.034	0.929	0.953	1.000	1.011	1.028	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-02	1.194	1.004	1.036	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-02	1.164	0.964	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-03	1.112	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-03	1.112	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.218	1.001	1.001	0.972	0.988	0.989	0.995	0.997	0.989	0.998	0.998	0.994	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.236	0.971	1.017	0.976	0.985	0.994	0.996	0.997	0.988	0.997	0.997	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.220	0.978	1.020	0.986	0.982	1.000	1.000	0.995	1.000	0.995	1.000	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.203	0.962	1.008	0.975	0.985	0.995	0.994	0.998	0.996	1.000	0.999	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.196	0.995	1.001	0.973	0.988	0.991	0.995	0.996	0.990	0.997	0.998	0.996	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.212	0.967	1.014	0.977	0.986	0.994	0.997	0.996	0.989	0.996	0.998	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.193	0.974	1.010	0.991	0.983	1.001	1.002	0.994	1.000	0.994	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.091	0.989	1.014	0.975	0.986	0.995	0.996	0.996	0.985	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.018	0.933	0.943	0.930	0.954	0.968	0.973	0.977	0.981	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.190	0.995	1.014	0.975	0.986	0.995	0.995	0.996	0.996	0.996	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	1.127	0.947	0.952	0.939	0.963	0.976	0.981	0.986	0.990	0.994	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.887	1.056	1.051	1.066	1.039	1.024	1.019	1.014	1.010	1.0																	



Accident Benefits - Death Benefits
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	57	54	57	53	53	51	51	51	51	51	51	51	50	50	50	50	50	50	50	50	50	50	50	50	50	50
12-91	89	95	109	122	119	117	117	116	116	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115
06-92	59	60	60	58	57	56	56	56	56	56	56	56	55	55	55	55	55	55	55	55	55	55	55	55	55	55
12-92	92	82	79	80	78	78	78	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
06-93	53	53	53	53	53	52	52	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
12-93	90	91	92	90	89	91	90	90	89	89	89	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
06-94	70	74	78	73	73	73	73	73	73	72	72	72	72	72	72	72	72	72	72	72	72	72	72	72	72	72
12-94	98	97	92	91	93	87	85	84	84	84	84	84	83	83	83	83	83	83	83	83	83	83	83	83	83	83
06-95	64	66	59	58	57	56	55	55	55	55	55	55	54	54	54	54	54	54	54	54	54	54	54	54	54	54
12-95	73	75	69	65	64	63	63	64	63	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62
06-96	52	52	48	46	44	44	45	45	44	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
12-96	77	72	73	70	66	66	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65
06-97	55	60	55	52	54	51	50	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49
12-97	88	89	91	92	83	85	83	83	83	83	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82
06-98	64	71	65	65	63	61	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58
12-98	75	84	75	78	74	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73
06-99	53	57	55	56	56	54	54	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53
12-99	63	55	65	64	63	62	62	64	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
06-00	58	61	59	58	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
12-00	84	87	89	89	90	88	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85
06-01	70	69	66	65	65	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62
12-01	71	78	84	82	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
06-02	58	64	65	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70
12-02	71	69	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64
06-03	72	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64
12-03	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89

Accident Benefits - Death Benefits

Gross Basis

Claim Count Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	0.947	1.056	0.930	1.000	0.962	1.000	1.000	1.000	1.000	1.000	1.000	0.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-91	1.067	1.147	1.119	0.975	0.983	1.000	0.991	1.000	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	1.017	1.000	0.967	0.983	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	0.891	0.963	1.013	0.975	1.000	1.000	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.000	1.000	1.000	1.000	0.981	1.000	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.011	1.011	0.978	0.989	1.022	0.989	1.000	0.989	1.000	1.000	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.057	1.054	0.936	1.000	1.000	1.000	1.000	1.000	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	0.990	0.948	0.989	1.022	0.935	0.977	0.988	1.000	1.000	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.031	0.894	0.983	0.983	0.982	0.982	1.000	1.000	1.000	1.000	1.000	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.027	0.920	0.942	0.985	0.984	1.000	1.016	0.984	0.984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	1.000	0.923	0.958	0.957	1.000	1.023	1.000	0.978	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-96	0.935	1.014	0.959	0.943	1.000	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.091	0.917	0.945	1.038	0.944	0.980	0.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.011	1.022	1.011	0.902	1.024	0.976	1.000	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.109	0.915	1.000	0.969	0.968	0.951	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-98	1.120	0.893	1.040	0.949	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-99	1.075	0.965	1.018	1.000	0.964	1.000	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-99	0.873	1.182	0.985	0.984	0.984	1.000	1.032	0.984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-00	1.052	0.967	0.983	0.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-00	1.036	1.023	1.000	1.011	0.978	0.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-01	0.986	0.957	0.985	1.000	0.954	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-01	1.099	1.077	0.976	0.963	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-02	1.103	1.016	1.077	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-02	0.972	0.928	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-03	0.889	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-03	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult		
Simple Avg																												
Latest 14	1.025	0.986	0.991	0.975	0.979	0.989	1.000	0.995	0.996	0.999	0.999	0.996	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	1.020	0.992	1.007	0.978	0.980	0.988	1.001	0.995	0.996	0.999	0.999	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	1.014	0.994	1.001	0.987	0.978	0.986	1.002	0.997	1.000	0.998	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Medial Avg																												
Latest 10x1	1.026	0.981	1.003	0.980	0.979	0.988	1.000	0.996	0.998	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																												
Latest 14	1.022	0.986	0.993	0.972	0.978	0.987	1.000	0.996	0.997	0.999	0.999	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	1.019	0.988	1.007	0.974	0.982	0.986	1.002	0.995	0.997	0.998	0.998	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	1.012	0.998	1.000	0.988	0.978	0.985	1.003	0.997	1.000	0.997	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	0.995	1.014	1.008	0.980	0.982	0.984	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	0.962	0.967	0.954	0.946	0.965	0.983	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.019	0.998	1.003	0.980	0.979	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	0.967	0.949	0.951	0.948	0.967	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.034	1.054	1.052	1.055	1.034	1.012	1.000	1.000	1.000</																		



Accident Benefits - Disability Income
Gross Basis
Incurred Loss Development

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	2,569	3,558	4,096	4,035	3,969	3,964	3,924	3,891	3,862	3,856	3,848	3,849	3,849	3,850	3,878	3,850	3,850	3,850	3,850	3,850	3,845	3,845	3,845	3,845	3,845	3,845
12-91	3,334	4,204	4,975	5,355	5,222	5,172	4,627	4,842	4,809	4,786	4,761	4,745	4,745	4,741	4,738	4,738	4,738	4,739	4,739	4,734	4,734	4,734	4,734	4,734	4,734	4,734
06-92	3,012	3,942	4,160	3,965	3,989	3,952	3,817	3,823	4,055	3,789	4,030	3,774	3,770	3,770	3,770	3,765	3,765	3,765	3,765	3,765	3,765	3,765	3,765	3,765	3,765	3,765
12-92	4,048	4,692	5,093	5,246	5,252	5,132	5,146	5,150	5,187	5,189	5,649	5,614	5,614	5,599	5,599	5,598	5,598	5,598	5,598	5,598	5,598	5,598	5,597	5,597	5,597	5,597
06-93	3,265	3,677	3,958	4,021	3,994	4,011	3,996	3,998	3,989	3,985	3,986	3,968	3,968	3,968	3,967	3,967	3,967	3,967	3,967	3,967	3,967	3,967	3,967	3,967	3,967	3,967
12-93	3,722	4,792	5,084	5,236	5,054	4,959	4,939	4,982	5,038	5,034	5,049	5,061	4,959	4,968	4,958	4,958	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948
06-94	3,514	4,414	4,579	4,597	4,495	4,448	4,444	4,456	4,477	4,412	4,412	4,397	4,397	4,397	4,397	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403
12-94	4,420	5,328	5,436	5,553	5,478	5,357	5,336	5,335	5,326	5,283	5,294	5,373	5,334	5,333	5,322	5,322	5,322	5,322	5,322	5,322	5,322	5,322	5,322	5,322	5,322	5,322
06-95	3,925	4,391	4,342	4,428	4,357	4,348	4,316	4,244	4,187	4,176	4,176	4,162	4,154	4,154	4,153	4,153	4,153	4,153	4,153	4,153	4,153	4,153	4,153	4,153	4,153	4,153
12-95	5,161	6,546	6,998	7,244	7,168	7,149	7,112	6,982	6,927	7,034	6,940	6,940	6,942	6,942	6,937	6,937	6,937	6,951	6,951	6,951	6,951	6,951	6,951	6,951	6,951	6,951
06-96	5,616	7,069	7,678	7,766	7,643	7,603	7,504	7,492	7,440	7,448	7,446	7,446	7,446	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447	7,447
12-96	6,558	8,526	9,094	9,508	9,531	9,566	9,510	9,651	9,542	9,525	9,542	9,542	9,542	9,545	9,530	9,523	9,513	9,513	9,513	9,513	9,513	9,513	9,513	9,513	9,513	9,513
06-97	5,422	7,017	7,553	7,686	7,608	7,524	7,519	7,533	7,498	7,519	7,506	7,501	7,505	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526	7,526
12-97	7,088	8,748	9,386	9,815	9,657	9,615	9,608	9,856	9,864	9,862	9,870	9,875	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885	9,885
06-98	6,390	7,741	8,707	8,852	8,878	8,796	8,797	8,802	8,906	8,886	8,885	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893	8,893
12-98	7,616	9,041	9,469	9,758	9,622	9,538	9,559	9,571	9,567	9,561	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619	9,619
06-99	6,176	7,611	8,498	8,962	8,951	8,886	8,926	8,953	8,931	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929
12-99	7,398	9,433	10,067	10,756	10,763	10,767	10,811	10,939	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776	10,776
06-00	6,631	7,894	8,665	8,985	8,940	8,901	8,855	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891	8,891
12-00	7,654	10,783	11,948	12,482	12,388	12,418	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444	12,444
06-01	7,013	8,409	8,788	9,035	9,030	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210	9,210
12-01	9,099	10,983	11,186	11,794	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757	11,757
06-02	7,608	9,617	10,072	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251	10,251
12-02	8,751	10,944	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772	11,772
06-03	6,470	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857	7,857
12-03	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344

Accident Benefits - Disability Income

Gross Basis

Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	1.385	1.151	0.985	0.984	0.999	0.990	0.992	0.993	0.998	0.998	1.000	1.000	1.000	1.007	0.993	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
12-91	1.261	1.184	1.076	0.975	0.990	0.895	1.047	0.993	0.995	0.995	0.997	1.000	0.999	0.999	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	1.309	1.055	0.953	1.006	0.991	0.966	1.002	1.061	0.934	1.064	0.937	0.999	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	1.159	1.086	1.030	1.001	0.977	1.003	1.001	1.007	1.000	1.089	0.994	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.126	1.076	1.016	0.993	1.004	0.996	1.001	0.998	0.999	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.287	1.061	1.030	0.965	0.981	0.996	1.009	1.011	0.999	1.003	1.002	0.980	1.002	0.998	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.256	1.037	1.004	0.978	0.990	0.999	1.003	1.005	0.985	1.000	0.997	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	1.205	1.020	1.021	0.987	0.978	0.996	1.000	0.998	0.992	1.002	1.015	0.993	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.119	0.989	1.020	0.984	0.998	0.993	0.983	0.987	0.997	1.000	0.997	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.268	1.069	1.035	0.989	0.997	0.995	0.982	0.992	1.015	0.987	1.000	1.000	1.000	0.999	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	1.259	1.086	1.011	0.984	0.995	0.987	0.998	0.993	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-96	1.300	1.067	1.046	1.002	1.004	0.994	1.015	0.989	0.998	1.002	1.000	0.998	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.294	1.076	1.018	0.990	0.989	0.999	1.002	0.995	1.003	0.998	0.999	1.001	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.234	1.073	1.046	0.984	0.996	0.999	1.026	1.001	1.000	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.211	1.125	1.017	1.003	0.991	1.000	1.001	1.012	0.998	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-98	1.187	1.047	1.030	0.986	0.991	1.002	1.001	1.001	0.999	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-99	1.232	1.117	1.055	0.999	0.993	1.004	1.003	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-99	1.275	1.067	1.068	1.001	1.000	1.004	1.012	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-00	1.191	1.098	1.037	0.995	0.996	0.995	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-00	1.409	1.108	1.045	0.992	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-01	1.199	1.045	1.028	0.999	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-01	1.207	1.018	1.054	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-02	1.264	1.047	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-02	1.251	1.076	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-03	1.214	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-03	1.214	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.248	1.075	1.036	0.993	0.996	0.998	1.003	0.997	0.999	1.011	0.995	0.998	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.243	1.075	1.040	0.995	0.998	0.999	1.004	0.995	1.000	1.000	1.001	0.997	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.257	1.065	1.042	0.997	1.000	1.001	1.008	0.998	1.000	1.001	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.229	1.076	1.039	0.995	0.997	1.000	1.005	0.994	1.000	1.000	1.000	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.248	1.073	1.037	0.994	0.997	0.998	1.004	0.997	1.000	1.008	0.997	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.244	1.073	1.040	0.995	0.998	0.999	1.005	0.995	1.000	1.000	1.001	0.998	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.258	1.065	1.042	0.997	1.000	1.001	1.008	0.998	1.000	1.001	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.285	1.072	1.042	0.997	0.990	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.432	1.114	1.039	0.997	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.250	1.073	1.040	0.995	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	1.385	1.108	1.033	0.993	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.722	0.902	0.968	1.007	1.002	1.000	1.000	1.000	1.000	1.0																	

Accident Benefits - Disability Income
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	1,429	1,436	1,421	1,392	1,365	1,355	1,350	1,349	1,348	1,347	1,345	1,344	1,344	1,344	1,346	1,344	1,344	1,344	1,344	1,344	1,343	1,343	1,343	1,343	1,343	1,343
12-91	1,612	1,563	1,507	1,447	1,439	1,427	1,420	1,420	1,418	1,416	1,414	1,413	1,413	1,411	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
06-92	1,289	1,273	1,200	1,171	1,153	1,148	1,146	1,148	1,145	1,143	1,142	1,142	1,142	1,144	1,145	1,142	1,142	1,142	1,142	1,142	1,142	1,142	1,142	1,142	1,142	1,142
12-92	1,607	1,602	1,559	1,557	1,527	1,512	1,505	1,502	1,499	1,497	1,496	1,494	1,494	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493
06-93	1,269	1,307	1,284	1,262	1,252	1,247	1,240	1,238	1,236	1,235	1,235	1,235	1,235	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233
12-93	1,538	1,657	1,575	1,550	1,523	1,506	1,500	1,498	1,493	1,493	1,491	1,491	1,491	1,491	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490
06-94	1,412	1,440	1,386	1,373	1,372	1,361	1,361	1,361	1,360	1,361	1,361	1,361	1,359	1,359	1,359	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358
12-94	1,569	1,774	1,716	1,728	1,695	1,686	1,682	1,678	1,678	1,675	1,674	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673
06-95	1,338	1,401	1,366	1,337	1,322	1,313	1,305	1,304	1,302	1,300	1,300	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
12-95	1,630	1,859	1,802	1,786	1,753	1,757	1,740	1,741	1,737	1,738	1,736	1,736	1,736	1,736	1,735	1,735	1,735	1,735	1,735	1,735	1,735	1,735	1,735	1,735	1,735	1,735
06-96	1,498	1,608	1,584	1,568	1,562	1,558	1,554	1,552	1,548	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549
12-96	1,733	1,983	1,892	1,884	1,868	1,858	1,854	1,851	1,849	1,846	1,847	1,847	1,846	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845
06-97	1,459	1,686	1,654	1,637	1,621	1,612	1,604	1,600	1,600	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599
12-97	1,774	2,055	2,013	2,020	2,006	1,995	1,991	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986
06-98	1,818	1,958	1,927	1,900	1,894	1,881	1,875	1,872	1,872	1,870	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868
12-98	2,002	2,234	2,168	2,154	2,140	2,130	2,127	2,127	2,125	2,125	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124
06-99	1,721	1,945	1,893	1,888	1,871	1,863	1,863	1,863	1,862	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861
12-99	1,964	2,251	2,230	2,225	2,193	2,187	2,182	2,183	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179	2,179
06-00	1,865	2,126	2,110	2,095	2,084	2,074	2,072	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069	2,069
12-00	2,021	2,366	2,324	2,307	2,295	2,282	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281	2,281
06-01	1,812	1,969	1,911	1,911	1,901	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
12-01	2,170	2,308	2,248	2,227	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213	2,213
06-02	2,066	2,191	2,115	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082	2,082
12-02	2,070	2,276	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173
06-03	1,691	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769
12-03	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783

Accident Benefits - Disability Income

Gross Basis

Claim Count Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
06-91	1.005	0.990	0.980	0.981	0.993	0.996	0.999	0.999	0.999	0.999	0.999	1.000	1.000	1.001	0.999	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
12-91	0.970	0.964	0.960	0.994	0.992	0.995	1.000	0.999	0.999	0.999	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-92	0.988	0.943	0.976	0.985	0.996	0.998	1.002	0.997	0.998	0.999	1.000	1.000	1.002	1.001	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-92	0.997	0.973	0.999	0.981	0.990	0.995	0.998	0.998	0.999	0.999	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-93	1.030	0.982	0.983	0.992	0.996	0.994	0.998	0.998	0.999	1.000	1.000	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-93	1.077	0.951	0.984	0.983	0.989	0.996	0.999	0.997	1.000	0.999	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-94	1.020	0.963	0.991	0.999	0.992	1.000	1.000	0.999	1.001	1.000	0.999	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-94	1.131	0.967	1.007	0.981	0.995	0.998	0.998	1.000	0.998	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-95	1.047	0.975	0.979	0.989	0.993	0.994	0.999	0.998	0.998	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-95	1.140	0.969	0.991	0.982	1.002	0.990	1.001	0.998	1.001	0.999	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-96	1.073	0.985	0.990	0.996	0.997	0.997	0.999	0.997	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-96	1.144	0.954	0.996	0.992	0.995	0.998	0.998	0.999	0.998	1.001	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-97	1.156	0.981	0.990	0.990	0.994	0.995	0.998	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-97	1.158	0.980	1.003	0.993	0.995	0.998	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-98	1.077	0.984	0.986	0.997	0.993	0.997	0.998	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-98	1.116	0.970	0.994	0.994	0.995	0.999	0.999	1.000	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-99	1.130	0.973	0.997	0.991	0.996	1.000	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-99	1.146	0.991	0.998	0.986	0.997	0.998	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-00	1.140	0.992	0.993	0.995	0.995	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-00	1.171	0.982	0.993	0.995	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-01	1.087	0.971	1.000	0.995	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-01	1.064	0.974	0.991	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-02	1.061	0.965	0.984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-02	1.100	0.955	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
06-03	1.046	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12-03	1.046	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.114	0.976	0.993	0.992	0.995	0.997	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.106	0.976	0.994	0.993	0.995	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.088	0.973	0.993	0.992	0.995	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																											
Latest 10x1	1.105	0.976	0.994	0.993	0.995	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																											
Latest 14	1.113	0.975	0.993	0.992	0.995	0.997	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 10	1.106	0.976	0.994	0.993	0.995	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 6	1.089	0.973	0.993	0.992	0.995	0.999	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	1.119	0.975	0.994	0.993	0.995	0.998	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.068	0.954	0.978	0.984	0.991	0.996	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.105	0.976	0.994	0.993	0.995	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	1.054	0.954	0.977	0.983	0.990	0.995	0.997	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.949	1.049	1.023	1.017	1.010	1.005	1.003	1.002	1.001	1.00																	



Accident Benefits - Supplementary
Gross Basis
Incurred Loss Development

Accident Half-Yr	Incurred Losses and ALAE (in 000's)																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-91	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-92	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-92	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	0
06-93	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-93	29	40	24	24	24	24	24	24	24	24	24	26	24	24	24	24	24	24	24	24	24	24	24	24	24	0
06-94	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-94	5	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	0
06-95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-95	0	0	0	0	0	0	0	0	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-96	0	0	0	0	0	12	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	0
12-96	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-97	0	0	0	1	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-97	5	15	36	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	0
06-98	10	14	14	14	14	14	14	14	14	276	276	276	15													0
12-98	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-99	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-99	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-00	4	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
06-01	8	4	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-01	15	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-03	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Accident Benefits - Supplementary

Gross Basis

Incurred Loss Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
06-91																										0.000	
12-91	0.000																										
06-92		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-92	1.000	1.000	1.000	1.077	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-93	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-93	1.351	0.615	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.078	0.928	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-94																											
12-94	0.843	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-95																											
12-95										0.000																	
06-96							0.911	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
12-96																											
06-97				0.000					1.000	1.000	1.000	1.000	1.000	1.000													
12-97	2.711	2.504	0.399	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000														
06-98	1.364	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000															
12-98																											
06-99																											
12-99	0.000																										
06-00	0.272	1.000	1.000	1.000	1.000	1.000	1.000																				
12-00	1.000	1.000	1.000	1.000	1.000	1.000																					
06-01	0.521	0.148	1.000	1.000	1.000																						
12-01	0.127	0.000																									
06-02																											
12-02																											
06-03																											
12-03																											

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	0.856	0.942	0.900	0.857	1.000	0.985	1.000	1.000	3.051	0.900	1.000	1.010	0.990	1.000	1.000	1.000	1.000	1.000	0.800	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	0.856	0.942	0.880	0.833	1.000	0.982	1.000	1.000	4.077	0.857	1.000	1.013	0.988	1.000	1.000	1.000	1.000	1.000	0.800	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	0.384	0.537	1.000	1.000	1.000	1.000	1.000	1.000	5.616	0.800	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.800	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Medial Avg																											
Latest 10x1	0.657	0.787	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																											
Latest 14	0.799	1.455	0.618	0.986	1.000	0.977	1.000	1.000	4.549	0.978	1.000	1.032	0.960	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	0.799	1.455	0.586	0.984	1.000	0.975	1.000	1.000	4.750	0.978	1.000	1.033	0.959	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	0.255	0.291	1.000	1.000	1.000	1.000	1.000	1.000	7.386	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
Industry 2003	1.100	1.075	1.050	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.273	1.157	1.076	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.100	1.075	1.050	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	1.273	1.157	1.076	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.786	0.864	0.929	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	3	0	0	0	0	1	1	1	0	0	0	276	15	1	13	11	0	0	4	0	24	1	2	1	0	0

Accident Benefits - Supplementary
Gross Basis
Claim Count Development

Accident Half-Yr	Claim Counts																									
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156
06-91	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-91	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-92	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-92	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
06-93	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
12-93	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
06-94	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-94	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	0
06-95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-95	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-96	0	0	0	0	0	4	4	4	4	4	4	4	4	4	4	4	0	0	0	0	0	0	0	0	0	0
12-96	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-97	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-97	1	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
06-98	4	6	6	6	6	6	6	6	6	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
12-98	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-99	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-99	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-00	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
12-00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-01	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
12-01	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-02	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
06-03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12-03	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Accident Benefits - Supplementary

Gross Basis

Claim Count Development

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
06-91																											
12-91	0.000																										
06-92																											
12-92	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-93	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-93	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-94																											
12-94	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-95																											
12-95										0.000																	
06-96										1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-96																											
06-97				0.000																							
12-97	3.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-98	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.167	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-98																											
06-99																											
12-99	0.000			0.000																							
06-00	2.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-00																											
06-01		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-01	0.000																										
06-02																											
12-02																											
06-03																											
12-03																											

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Simple Avg																											
Latest 14	1.300	1.000	1.000	0.714	1.000	1.000	1.000	1.000	1.024	0.875	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	1.300	1.000	1.000	0.667	1.000	1.000	1.000	1.000	1.033	0.833	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	0.667	1.000	1.000	0.667	1.000	1.000	1.000	1.000	1.056	0.750	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Medial Avg																											
Latest 10x1	1.167	1.000	1.000	0.750	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																											
Latest 14	1.375	1.000	1.000	0.875	1.000	1.000	1.000	1.000	1.056	0.950	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 10	1.375	1.000	1.000	0.857	1.000	1.000	1.000	1.000	1.063	0.944	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 6	0.667	1.000	1.000	0.750	1.000	1.000	1.000	1.000	1.077	0.933	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult
Industry 2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	1	0	1	0	0	1	0	2	0	0	0	7	3	0	0	4	0	0	2	0	1	1	1	0	0	0

**Uninsured Automobile
 Gross Basis
 Incurred Loss Development**

Incurred Losses and ALAE (in 000's)

Accident Half-Yr	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156		
06-91	22	77	95	92	203	667	68	48	46	30	30	30	40	33	31	31	31	31	31	31	31	31	31	31	31	31	31	
12-91	148	186	188	211	182	198	229	221	232	301	341	345	353	320	320	315	266	266	266	266	266	266	266	266	266	266	266	31
06-92	53	30	33	75	118	84	80	61	51	52	52	50	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
12-92	17	13	23	64	146	154	134	149	84	140	142	153	188	106	105	106	106	106	106	106	106	106	106	107				
06-93	234	49	51	51	92	130	165	149	149	149	148	115	116	116	116	116	116	116	116	116	116	116	116	116	116	116	116	116
12-93	54	117	91	61	66	86	84	287	82	60	60	60	60	60	60	60	60	48	64	64	64	64						
06-94	22	50	40	15	18	15	15	15	15	17	17	21	17	19	19	19	19	80	131	253								
12-94	41	41	32	32	88	65	72	65	65	65	65	65	133	196	165	165	165	165	165									
06-95	6	154	91	91	138	271	270	273	83	81	83	103	85	80	80	80	80	80										
12-95	18	24	26	38	94	93	67	77	113	104	88	86	108	78	57	74	355											
06-96	39	38	191	201	219	187	198	234	216	201	191	191	186	186	186	186	186											
12-96	56	66	919	959	979	1,009	1,027	1,033	313	335	321	285	285	285	235													
06-97	206	308	352	353	403	416	456	468	456	419	416	339	338	333														
12-97	4	151	85	34	45	76	176	117	299	434	429	435	233															
06-98	53	28	22	23	423	53	131	69	39	322	329	329																
12-98	143	230	233	286	206	154	155	143	142	95	210																	
06-99	32	514	504	505	536	541	100	57	40	34																		
12-99	10	14	9	9	28	52	32	49	54																			
06-00	87	249	496	227	240	464	486	509																				
12-00	14	31	73	83	84	83	82																					
06-01	30	30	30	30	48	39																						
12-01	5	20	20	27	164																							
06-02	62	80	70	43																								
12-02	46	102	129																									
06-03	4	63																										
12-03	25																											

**Uninsured Automobile
Gross Basis
Incurred Loss Development**

Age-to-Age Factors

Accident Half-Yr	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult		
06-91	3.455	1.231	0.978	2.195	3.286	0.102	0.708	0.958	0.653	0.985	1.000	1.358	0.811	0.956	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-91	1.256	1.012	1.122	0.863	1.084	1.157	0.968	1.046	1.297	1.136	1.011	1.025	0.904	1.000	0.984	0.844	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
06-92	0.566	1.114	2.236	1.585	0.709	0.948	0.764	0.837	1.020	1.000	0.958	0.842	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-92	0.788	1.772	2.738	2.298	1.055	0.870	1.112	0.564	1.666	1.012	1.081	1.228	0.562	0.996	1.006	1.000	1.000	1.000	1.004	1.000	1.000	1.000	1.003					
06-93	0.209	1.047	1.000	1.806	1.410	1.269	0.904	1.000	1.000	0.989	0.780	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
12-93	2.164	0.781	0.670	1.085	1.301	0.976	3.409	0.285	0.729	1.008	1.000	1.000	1.000	1.000	1.000	1.000	0.801	1.331	1.000	1.000								
06-94	2.244	0.787	0.369	1.205	0.830	1.000	1.011	1.000	1.169	1.000	1.191	0.836	1.077	1.000	1.016	0.984	4.309	1.636	1.936									
12-94	0.995	0.775	1.000	2.747	0.735	1.121	0.892	1.006	1.000	1.000	1.004	2.037	1.473	0.841	1.000	1.000	1.000	1.000	1.000	1.000								
06-95	27.769	0.588	1.007	1.516	1.958	0.996	1.010	0.303	0.984	1.024	1.241	0.828	0.933	1.000	1.000	1.000	1.000											
12-95	1.311	1.074	1.449	2.493	0.989	0.718	1.150	1.474	0.916	0.848	0.980	1.251	0.723	0.734	1.299	4.781												
06-96	0.955	5.077	1.057	1.087	0.853	1.059	1.182	0.923	0.930	0.950	1.000	0.974	1.000	1.000	1.000													
12-96	1.169	13.910	1.044	1.021	1.030	1.018	1.006	0.303	1.069	0.958	0.889	1.000	1.000	0.825														
06-97	1.492	1.145	1.001	1.144	1.032	1.096	1.025	0.975	0.919	0.992	0.815	0.998	0.984															
12-97	37.391	0.563	0.398	1.341	1.666	2.329	0.667	2.542	1.452	0.989	1.016	0.535																
06-98	0.528	0.793	1.040	18.473	0.125	2.484	0.526	0.570	8.209	1.022	1.000																	
12-98	1.609	1.016	1.225	0.721	0.746	1.008	0.921	0.997	0.668	2.209																		
06-99	15.822	0.982	1.001	1.061	1.011	0.184	0.574	0.704	0.844																			
12-99	1.419	0.631	1.000	3.321	1.820	0.620	1.536	1.097																				
06-00	2.850	1.997	0.458	1.056	1.933	1.047	1.048																					
12-00	2.214	2.348	1.136	1.004	0.994	0.984																						
06-01	1.005	1.008	1.000	1.592	0.814																							
12-01	3.650	1.002	1.395	5.988																								
06-02	1.298	0.872	0.619																									
12-02	2.240	1.269																										
06-03	14.026																											
12-03																												

Averages

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult		
Simple Avg																												
Latest 14	6.194	2.329	0.987	2.987	1.122	1.119	1.140	0.941	1.540	1.072	0.998	1.066	0.959	0.946	1.028	1.361	1.346	1.121	1.134	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	
Latest 10	4.613	1.192	0.927	3.570	1.117	1.183	0.963	0.989	1.699	1.099	1.014	1.046	0.975	0.940	1.031	1.361	1.346	1.121	1.134	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	
Latest 6	4.072	1.416	0.935	2.337	1.220	1.055	0.879	1.148	2.194	1.187	0.950	0.931	1.019	0.900	1.053	1.627	1.518	1.161	1.157	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	
Medial Avg																												
Latest 10x1	3.663	1.117	0.935	2.063	1.139	1.145	0.947	0.881	1.014	0.992	1.010	0.986	0.965	0.958	1.003	0.998	1.000	1.055	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																												
Latest 14	2.503	1.686	0.930	1.259	0.991	0.939	1.039	0.681	1.171	1.031	0.961	0.959	0.949	0.932	1.011	1.230	1.056	1.078	1.162	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	
Latest 10	3.073	1.224	0.822	1.381	0.964	0.937	0.975	0.697	1.183	1.037	0.958	0.918	0.961	0.912	1.011	1.230	1.056	1.078	1.162	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	
Latest 6	2.021	1.600	0.602	1.247	1.167	0.732	0.875	1.141	1.271	1.050	0.939	0.858	1.019	0.879	1.031	1.546	1.090	1.120	1.169	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	

Development Factor Selection

	6 - 12	12 - 18	18 - 24	24 - 30	30 - 36	36 - 42	42 - 48	48 - 54	54 - 60	60 - 66	66 - 72	72 - 78	78 - 84	84 - 90	90 - 96	96 - 102	102 - 108	108 - 114	114 - 120	120 - 126	126 - 132	132 - 138	138 - 144	144 - 150	150 - 156	To Ult	
Industry 2003	3.245	1.230	1.142	1.440	1.091	1.031	1.018	1.013	1.010	1.003	1.002	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ind - Age To Ult	7.761	2.392	1.944	1.703	1.183	1.084	1.051	1.032	1.019	1.009	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	3.245	1.230	1.142	1.440	1.091	1.031	1.018	1.013	1.010	1.003	1.002	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	7.759	2.391	1.944	1.702	1.182	1.084	1.051	1.032	1.019	1.009	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.129	0.418	0.514	0.587	0.846	0.923	0.952	0.969	0.981	0.991	0.994	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Projected Ultimate	192	150	252	74	194	43	86	526	55	34	211	330	233	333	235	186	355	80	165	253	64	116	107	42	266	31	

**Uninsured Automobile
 Gross Basis
 Claim Count Development**

Accident Half-Yr	Claim Counts																										
	6	12	18	24	30	36	42	48	54	60	66	72	78	84	90	96	102	108	114	120	126	132	138	144	150	156	
06-91	7	10	11	11	11	11	10	10	10	8	8	8	9	8	8	8	8	8	8	8	8	8	8	8	8	8	8
12-91	7	14	16	16	17	18	20	19	19	20	20	20	20	20	19	18	18	18	18	18	18	18	18	18	18	18	8
06-92	4	4	5	4	8	8	8	6	4	4	4	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
12-92	1	2	4	7	7	9	8	9	7	8	8	9	8	6	6	6	6	6	6	6	6	6	6	6	6	6	
06-93	3	1	2	3	5	7	7	6	6	6	6	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
12-93	5	8	8	6	7	10	8	8	6	4	4	4	4	4	4	4	4	3	4	4	4	4	4	4	4	4	
06-94	3	4	3	2	3	2	2	2	2	2	2	2	2	2	2	3	2	4	3	3	3	3	3	3	3	3	
12-94	5	8	8	8	11	10	9	8	8	9	9	9	9	8	8	8	8	8	8	8	8	8	8	8	8	8	
06-95	3	6	6	5	6	8	9	9	9	8	8	7	7	6	6	6	6	6	6	6	6	6	6	6	6	6	
12-95	5	6	7	9	10	9	8	8	8	8	8	8	8	8	7	8	8	8	8	8	8	8	8	8	8	8	
06-96	4	4	5	5	5	4	5	5	6	6	5	5	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
12-96	14	14	6	7	8	12	11	12	11	12	8	7	7	7	6	6	6	6	6	6	6	6	6	6	6	6	
06-97	5	3	9	7	10	8	9	7	7	5	5	5	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
12-97	1	9	6	4	6	6	7	6	6	6	6	6	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
06-98	12	11	9	8	8	9	10	8	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	
12-98	11	10	10	8	6	3	4	8	8	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
06-99	5	7	6	6	7	10	8	8	7	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	
12-99	3	3	2	2	6	6	4	4	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	
06-00	3	6	5	4	6	6	8	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
12-00	4	5	8	9	9	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	
06-01	1	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
12-01	2	6	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
06-02	8	4	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
12-02	6	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	
06-03	3	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	
12-03	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	

Third Party Liability - Bodily Injury

Gross Basis

Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
1984	3,472	17,836	33,647	47,567	60,282	69,232	75,093	78,950	81,354	82,916	83,595	83,908	83,926	84,102	84,119	84,119	84,119	84,119	84,119	84,119	84,119
1985	4,598	19,559	37,750	54,237	72,208	84,883	92,136	97,055	98,869	100,742	101,635	102,607	102,668	102,709	102,748	102,753	102,753	102,753	102,753	102,753	102,753
1986	5,927	25,525	50,815	73,998	95,267	108,117	117,150	124,995	131,503	134,256	136,714	137,632	138,056	138,162	138,260	138,261	138,262	138,262	138,262	138,262	138,262
1987	5,970	25,544	53,652	81,603	103,964	123,685	137,214	147,624	151,286	152,747	153,817	154,229	154,436	154,440	154,772	154,787	154,791	154,791	154,791	154,791	154,791
1988	6,386	28,588	60,847	90,980	123,895	143,092	157,988	167,417	173,991	175,474	176,626	177,079	177,445	177,526	177,532	177,538	177,538	177,538	177,538	177,538	177,538
1989	8,428	36,317	75,846	110,490	139,806	162,052	176,618	185,069	188,251	193,437	194,202	195,523	196,572	196,857	196,951	196,951	196,951	196,951	196,951	196,951	196,951
1990	9,391	42,808	93,007	135,982	169,794	199,078	214,596	223,178	226,848	232,028	234,197	234,464	235,269	235,310	235,310	235,310	235,310	235,310	235,310	235,310	235,310
1991	9,928	55,625	110,043	151,515	186,118	206,107	219,657	229,526	233,735	235,968	236,221	236,729	236,747	236,747	236,747	236,747	236,747	236,747	236,747	236,747	236,747
1992	16,301	68,691	132,149	178,783	208,954	234,485	251,874	263,006	267,861	270,315	271,052	271,766	271,766	271,766	271,766	271,766	271,766	271,766	271,766	271,766	271,766
1993	18,874	79,325	150,734	202,761	241,440	273,914	292,913	304,616	311,794	314,914	315,249	315,249	315,249	315,249	315,249	315,249	315,249	315,249	315,249	315,249	315,249
1994	21,627	90,372	166,881	221,895	266,319	294,785	315,250	327,981	332,977	334,988	334,988	334,988	334,988	334,988	334,988	334,988	334,988	334,988	334,988	334,988	334,988
1995	24,964	99,184	181,237	250,178	301,727	343,928	363,919	373,190	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266	380,266
1996	26,067	107,838	202,013	269,045	325,469	360,421	384,591	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533	399,533
1997	26,679	108,927	205,230	283,571	343,736	385,601	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445	414,445
1998	27,093	111,927	226,261	317,829	385,394	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468	432,468
1999	28,964	124,157	258,353	354,602	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873	420,873
2000	29,530	130,453	259,516	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498	358,498
2001	28,344	131,783	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450	268,450
2002	30,577	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277	137,277
2003	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299	30,299



Third Party Liability - Bodily Injury

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	5.137	1.887	1.414	1.267	1.148	1.085	1.051	1.030	1.019	1.008	1.004	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	4.253	1.930	1.437	1.331	1.176	1.085	1.053	1.019	1.019	1.009	1.010	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	4.307	1.991	1.456	1.287	1.135	1.084	1.067	1.052	1.021	1.018	1.007	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
1987	4.279	2.100	1.521	1.274	1.190	1.109	1.076	1.025	1.010	1.007	1.003	1.001	1.000	1.002	1.000	1.000				
1988	4.477	2.128	1.495	1.362	1.155	1.104	1.060	1.039	1.009	1.007	1.003	1.002	1.000	1.000	1.000					
1989	4.309	2.088	1.457	1.265	1.159	1.090	1.048	1.017	1.028	1.004	1.007	1.005	1.001	1.000						
1990	4.558	2.173	1.462	1.249	1.172	1.078	1.040	1.016	1.023	1.009	1.001	1.003	1.000							
1991	5.603	1.978	1.377	1.228	1.107	1.066	1.045	1.018	1.010	1.001	1.002	1.000								
1992	4.214	1.924	1.353	1.169	1.122	1.074	1.044	1.018	1.009	1.003	1.003									
1993	4.203	1.900	1.345	1.191	1.134	1.069	1.040	1.024	1.010	1.001										
1994	4.179	1.847	1.330	1.200	1.107	1.069	1.040	1.015	1.006											
1995	3.973	1.827	1.380	1.206	1.140	1.058	1.025	1.019												
1996	4.137	1.873	1.332	1.210	1.107	1.067	1.039													
1997	4.083	1.884	1.382	1.212	1.122	1.075														
1998	4.131	2.022	1.405	1.213	1.122															
1999	4.287	2.081	1.373	1.187																
2000	4.418	1.989	1.381																	
2001	4.649	2.037																		
2002	4.489																			
2003																				

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Simple Avg																				
Latest 10	4.255	1.938	1.366	1.206	1.129	1.075	1.046	1.024	1.014	1.007	1.004	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	4.395	2.003	1.374	1.205	1.120	1.068	1.038	1.019	1.012	1.004	1.003	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	4.519	2.036	1.386	1.204	1.117	1.067	1.035	1.019	1.008	1.002	1.002	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																				
Latest 5x1	4.398	2.016	1.379	1.209	1.117	1.069	1.040	1.019	1.010	1.003	1.002	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																				
Latest 10	4.268	1.948	1.368	1.204	1.126	1.072	1.042	1.022	1.013	1.006	1.004	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	4.398	2.005	1.375	1.205	1.120	1.068	1.037	1.019	1.011	1.003	1.003	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	4.517	2.035	1.385	1.203	1.117	1.067	1.035	1.019	1.008	1.002	1.002	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Selected	4.398	2.016	1.379	1.209	1.120	1.069	1.040	1.019	1.010	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	19.096	4.342	2.154	1.562	1.292	1.153	1.079	1.037	1.018	1.008	1.005	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.052	0.230	0.464	0.640	0.774	0.867	0.927	0.964	0.982	0.992	0.995	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Third Party Liability - Property Damage

Gross Basis

Loss Payment Pattern

Paid Losses and ALAE (in 000's)																				
Accident Yr	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
1984	43,684	63,832	65,141	65,529	65,791	65,952	65,981	66,000	65,863	65,867	65,886	65,886	65,886	65,886	65,886	65,886	65,886	65,886	65,886	65,886
1985	48,385	72,455	73,843	74,337	74,654	74,808	74,858	74,864	74,863	74,876	74,878	74,880	74,889	74,899	74,899	74,899	74,899	74,899	74,899	74,899
1986	57,495	80,702	82,010	82,573	83,162	83,256	83,456	83,472	83,523	83,523	83,520	83,504	83,505	83,504	83,506	83,506	83,505	83,505	83,505	83,505
1987	56,276	81,943	83,689	84,201	84,556	84,715	84,794	84,851	84,900	85,004	85,025	85,025	85,025	85,018	85,018	85,018	85,018	85,018	85,018	85,018
1988	64,428	94,125	95,995	96,718	97,212	97,436	97,536	97,573	97,593	97,596	97,597	97,599	97,599	97,599	97,599	97,599	97,599	97,599	97,599	97,599
1989	69,167	102,817	105,173	105,896	106,279	106,473	106,620	106,680	106,700	106,753	106,692	106,675	106,677	106,676	106,675					
1990	71,649	107,515	110,059	110,473	110,687	111,172	111,281	111,278	111,280	111,281	111,280	111,280	111,280	111,280	111,280					
1991	68,052	101,442	103,040	103,530	103,621	103,774	103,813	103,815	103,816	103,816	103,817	103,818	103,818							
1992	67,667	95,754	97,031	97,309	97,391	97,449	97,486	97,524	97,523	97,525	97,525	97,525	97,525							
1993	70,282	93,716	95,106	95,326	95,442	95,508	95,604	95,614	95,620	95,620	95,620									
1994	70,734	95,761	97,291	97,632	97,839	98,272	98,349	98,359	98,379	98,380										
1995	69,710	99,243	100,677	101,083	101,301	101,351	101,417	101,459	101,465											
1996	75,018	108,173	110,067	110,569	110,806	110,972	111,634	111,639												
1997	80,346	109,589	111,391	112,452	112,823	113,072	113,143													
1998	83,578	117,803	119,424	119,911	120,185	120,305														
1999	85,595	117,264	119,398	119,960	120,229															
2000	93,560	137,283	139,991	140,606																
2001	94,321	142,056	144,898																	
2002	114,512	162,236																		
2003	108,767																			

Third Party Liability - Property Damage
Gross Basis
Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	1.461	1.021	1.006	1.004	1.002	1.000	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	1.497	1.019	1.007	1.004	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.404	1.016	1.007	1.007	1.001	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.456	1.021	1.006	1.004	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.461	1.020	1.008	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	1.486	1.023	1.007	1.004	1.002	1.001	1.001	1.000	1.001	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.501	1.024	1.004	1.002	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.491	1.016	1.005	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.415	1.013	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.333	1.015	1.002	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.354	1.016	1.004	1.002	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.424	1.014	1.004	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.442	1.018	1.005	1.002	1.002	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.364	1.016	1.010	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.409	1.014	1.004	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.370	1.018	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.467	1.020	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.506	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.417	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.417	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Simple Avg																					
Latest 10	1.409	1.016	1.004	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.434	1.018	1.005	1.002	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.463	1.019	1.004	1.003	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																					
Latest 5x1	1.431	1.018	1.005	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																					
Latest 10	1.412	1.017	1.005	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.435	1.018	1.005	1.002	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.460	1.019	1.004	1.003	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Selected	1.435	1.018	1.005	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	1.475	1.028	1.010	1.005	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.678	0.973	0.990	0.995	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Accident Benefits - Funeral
Gross Basis
Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
1984	111	186	187	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188
1985	150	216	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222
1986	172	274	283	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284	284
1987	170	249	253	253	253	253	253	253	253	253	253	253	253	253	253	253	253	253	253	253
1988	146	232	237	240	240	240	240	240	240	240	240	241	241	241	241	241	241	241	241	241
1989	167	265	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273
1990	163	261	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267	267
1991	168	228	231	231	231	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234
1992	151	237	244	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245
1993	160	228	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230
1994	181	269	276	273	276	276	276	276	276	276	276	276	276	276	276	276	276	276	276	276
1995	225	334	343	345	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349
1996	294	430	437	469	463	463	463	463	463	463	463	463	463	463	463	463	463	463	463	463
1997	330	474	486	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488
1998	324	440	448	450	452	452	452	452	452	452	452	452	452	452	452	452	452	452	452	452
1999	266	367	371	371	371	371	371	371	371	371	371	371	371	371	371	371	371	371	371	371
2000	335	479	481	508	508	508	508	508	508	508	508	508	508	508	508	508	508	508	508	508
2001	391	509	522	522	522	522	522	522	522	522	522	522	522	522	522	522	522	522	522	522
2002	350	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474
2003	353	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474	474

Accident Benefits - Funeral

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	1.675	1.005	1.005	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	1.437	1.029	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.593	1.033	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.462	1.014	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.586	1.023	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	1.583	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.605	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.359	1.015	1.001	1.000	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.570	1.031	1.003	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.424	1.005	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.485	1.024	0.989	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.485	1.028	1.007	1.010	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.466	1.014	1.075	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.439	1.024	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.359	1.019	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.381	1.009	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.429	1.005	1.055	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.301	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.355	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Simple Avg																				
Latest 10	1.412	1.018	1.014	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.365	1.016	1.028	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.362	1.013	1.020	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																				
Latest 5x1	1.365	1.017	1.021	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																				
Latest 10	1.403	1.018	1.018	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.362	1.017	1.029	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.358	1.014	1.022	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Selected	1.365	1.018	1.018	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	1.417	1.038	1.020	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.706	0.963	0.980	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000



Accident Benefits - Medical / Rehabilitation

Gross Basis

Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
1984	1,042	2,001	2,255	2,326	2,359	2,408	2,407	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408
1985	1,123	2,297	2,660	2,753	2,780	2,795	2,803	2,806	2,812	2,853	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863
1986	1,483	2,919	3,394	3,463	3,493	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473
1987	1,540	3,307	3,936	4,397	4,023	4,044	4,041	4,060	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058
1988	1,624	3,616	4,316	4,451	4,503	4,508	4,540	4,541	4,542	4,542	4,542	4,544	4,544	4,544	4,544	4,544	4,544	4,544	4,544	4,544	4,544
1989	2,048	4,637	5,537	5,644	5,663	5,661	5,685	5,685	5,686	5,686	5,686	5,687	5,687	5,687	5,687	5,687	5,687	5,687	5,687	5,687	5,687
1990	2,126	5,058	6,284	6,406	6,447	6,480	6,510	6,716	6,761	6,836	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837
1991	2,383	6,121	7,469	7,747	7,948	8,025	8,036	8,038	8,038	8,040	8,046	8,046	8,046	8,046	8,046	8,046	8,046	8,046	8,046	8,046	8,046
1992	2,958	7,519	9,247	9,673	9,778	10,022	10,025	10,307	10,312	10,316	10,320	10,289									
1993	3,928	9,717	11,985	12,144	12,246	12,271	12,271	12,280	12,280	12,280	12,281										
1994	5,064	12,867	15,185	15,578	15,603	15,618	15,626	15,652	15,679	15,683											
1995	7,047	17,490	20,313	20,677	20,887	20,915	20,947	21,172	21,193												
1996	9,733	22,969	27,534	27,830	27,910	28,108	28,145	28,160													
1997	10,662	24,241	27,579	28,015	28,255	28,587	28,628														
1998	11,126	25,152	28,776	29,244	29,725	29,777															
1999	12,765	27,684	31,451	31,886	32,110																
2000	13,248	30,604	34,834	35,338																	
2001	13,615	33,744	38,345																		
2002	16,228	37,105																			
2003	15,767																				

Accident Benefits - Medical / Rehabilitation

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	1.920	1.127	1.032	1.014	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	2.046	1.158	1.035	1.010	1.005	1.003	1.001	1.002	1.014	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.968	1.163	1.020	1.009	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	2.147	1.190	1.117	0.915	1.005	0.999	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	2.226	1.194	1.031	1.012	1.001	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	2.264	1.194	1.019	1.003	1.000	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	2.379	1.243	1.019	1.006	1.005	1.005	1.032	1.007	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	2.568	1.220	1.037	1.026	1.010	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	2.542	1.230	1.046	1.011	1.025	1.000	1.028	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	2.474	1.233	1.013	1.008	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	2.541	1.180	1.026	1.002	1.001	1.001	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	2.482	1.161	1.018	1.010	1.001	1.002	1.011	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	2.360	1.199	1.011	1.003	1.007	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	2.273	1.138	1.016	1.009	1.012	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	2.261	1.144	1.016	1.016	1.002	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	2.169	1.136	1.014	1.007	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	2.310	1.138	1.014	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	2.478	1.136	1.014	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	2.286	1.136	1.014	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	2.286	1.136	1.014	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Simple Avg																					
Latest 7	2.305	1.150	1.016	1.008	1.007	1.001	1.011	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	2.301	1.138	1.014	1.009	1.005	1.001	1.008	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	2.358	1.137	1.015	1.011	1.007	1.001	1.004	1.001	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																					
Latest 5x1	2.286	1.137	1.015	1.009	1.003	1.001	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																					
Latest 7	2.306	1.148	1.016	1.008	1.006	1.001	1.008	1.001	1.001	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	2.303	1.138	1.014	1.009	1.005	1.001	1.006	1.001	1.002	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	2.354	1.137	1.015	1.011	1.007	1.001	1.004	1.001	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Development Factor Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Selected	2.303	1.138	1.015	1.009	1.006	1.004	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	2.725	1.183	1.040	1.024	1.015	1.009	1.005	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.367	0.845	0.962	0.976	0.985	0.991	0.995	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Accident Benefits - Death Benefits

Gross Basis

Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
1984	380	863	991	1,001	1,032	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002
1985	510	1,039	1,245	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
1986	604	1,244	1,423	1,425	1,426	1,426	1,426	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422
1987	603	1,127	1,324	1,333	1,345	1,353	1,354	1,368	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392
1988	492	952	1,118	1,122	1,122	1,122	1,122	1,122	1,122	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132
1989	546	1,134	1,326	1,332	1,334	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335
1990	514	1,137	1,293	1,300	1,305	1,305	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306
1991	453	871	990	991	996	999	999	999	999	999	999	999	999	999	999	999	999	999	999	999	999
1992	497	941	1,059	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
1993	555	999	1,085	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088
1994	729	1,282	1,429	1,420	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434
1995	721	1,332	1,479	1,504	1,506	1,479	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480
1996	1,049	1,873	2,190	2,256	2,268	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271
1997	1,021	2,069	2,309	2,311	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314
1998	1,022	1,894	2,194	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220
1999	987	1,708	1,857	1,884	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
2000	1,192	2,960	3,087	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133
2001	1,125	1,953	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120
2002	1,337	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356
2003	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267

Accident Benefits - Death Benefits

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	2.275	1.148	1.010	1.031	0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	2.038	1.198	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.034	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	2.060	1.144	1.002	1.001	1.000	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.869	1.175	1.007	1.009	1.006	1.000	1.010	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.934	1.174	1.003	1.000	1.000	1.000	1.000	1.000	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	2.077	1.169	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	2.212	1.136	1.006	1.004	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.924	1.137	1.001	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.893	1.126	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.800	1.086	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.759	1.115	0.994	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.849	1.110	1.017	1.002	0.982	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.787	1.169	1.030	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	2.027	1.116	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.853	1.158	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.731	1.087	1.014	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	2.483	1.043	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.736	1.085	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.762	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Simple Avg																					
Latest 10	1.879	1.110	1.010	1.003	0.999	1.000	1.001	1.002	1.001	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.913	1.098	1.014	1.003	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.994	1.072	1.014	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																					
Latest 5x1	1.784	1.096	1.014	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																					
Latest 10	1.893	1.106	1.011	1.004	0.999	1.000	1.001	1.002	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.920	1.093	1.014	1.003	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.989	1.067	1.014	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Selected	1.920	1.093	1.014	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	2.134	1.112	1.017	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.469	0.900	0.983	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Accident Benefits - Disability Income

Gross Basis

Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
1984	1,503	3,238	3,821	3,861	3,889	3,894	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895	3,895
1985	1,758	4,134	4,903	4,996	5,036	5,149	5,149	5,149	5,149	5,155	5,155	5,155	5,155	5,155	5,155	5,155	5,155	5,155	5,155	5,155	5,155
1986	2,159	4,770	5,517	5,633	5,708	5,713	5,715	5,725	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727	5,727
1987	2,174	4,882	5,817	5,885	5,898	5,928	5,919	5,929	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964
1988	2,435	5,484	6,532	6,855	6,931	6,967	7,024	7,026	7,026	7,026	7,027	7,025	7,025	7,025	7,025	7,025	7,025	7,025	7,025	7,025	7,025
1989	2,769	6,352	7,554	7,691	7,700	7,717	7,718	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728	7,728
1990	3,110	7,174	8,592	8,718	8,740	8,816	8,847	8,849	8,862	8,963	8,984	9,007	9,028	9,050							
1991	2,962	6,871	8,009	8,175	8,571	8,581	8,582	8,583	8,583	8,583	8,578	8,578	8,578								
1992	3,124	7,335	8,504	8,710	8,815	9,344	9,361	9,364	9,363	9,363	9,363	9,362									
1993	3,341	7,551	8,627	8,719	8,817	8,867	8,926	8,926	8,916	8,916	8,916										
1994	3,895	8,334	9,493	9,618	9,642	9,654	9,693	9,719	9,719	9,719											
1995	4,043	9,560	10,796	10,914	10,949	10,956	10,996	10,997	11,000												
1996	7,287	14,742	16,111	16,220	16,529	16,542	16,579	16,589													
1997	7,423	14,693	16,756	16,936	17,073	17,129	17,191														
1998	8,251	16,169	17,872	18,031	18,242	18,283															
1999	8,744	16,752	18,844	19,082	19,182																
2000	9,015	18,593	20,642	20,859																	
2001	8,895	18,003	20,225																		
2002	10,078	19,457																			
2003	8,430																				

Accident Benefits - Disability Income

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	2.154	1.180	1.011	1.007	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	2.351	1.186	1.019	1.008	1.022	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	2.209	1.157	1.021	1.013	1.001	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	2.245	1.192	1.012	1.002	1.005	0.999	1.002	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	2.252	1.191	1.049	1.011	1.005	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	2.294	1.189	1.018	1.001	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	2.307	1.198	1.015	1.003	1.009	1.003	1.000	1.002	1.011	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1991	2.320	1.166	1.021	1.048	1.001	1.000	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	2.348	1.159	1.024	1.012	1.060	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	2.260	1.143	1.011	1.011	1.006	1.007	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	2.139	1.139	1.013	1.003	1.001	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	2.365	1.129	1.011	1.003	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	2.023	1.093	1.007	1.019	1.001	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.979	1.140	1.011	1.008	1.003	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.960	1.105	1.009	1.012	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.916	1.125	1.013	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	2.063	1.110	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	2.024	1.123	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.931	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Simple Avg																				
Latest 10	2.066	1.127	1.013	1.012	1.009	1.003	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.979	1.121	1.010	1.009	1.002	1.004	1.001	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	2.006	1.120	1.011	1.008	1.002	1.003	1.001	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																				
Latest 5x1	1.971	1.120	1.010	1.008	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																				
Latest 10	2.027	1.123	1.012	1.011	1.007	1.003	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.978	1.120	1.010	1.010	1.002	1.004	1.001	1.000	1.002	1.000	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	2.003	1.119	1.011	1.008	1.002	1.003	1.001	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Selected	1.978	1.120	1.010	1.010	1.002	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age To Ult	2.276	1.151	1.027	1.017	1.007	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.439	0.869	0.973	0.983	0.993	0.995	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Accident Benefits - Supplementary

Gross Basis

Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
1984	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1985	6	18	26	39	51	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
1986	31	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
1987	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988	2	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
1989	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1990	4	6	6	6	6	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
1991	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1992	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
1993	11	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
1994	1	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
1995	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1996	0	0	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
1997	5	15	15	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
1998	14	14	14	14	276	276	276	276	276	276	276	276	276	276	276	276	276	276	276	276
1999	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
2001	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2002	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Accident Benefits - Supplementary

Gross Basis

Loss Payment Pattern

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	2.342	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	2.895	1.460	1.504	1.320	1.228	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.047	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.507	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	2.490	1.606	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.357	1.000	1.000	1.000	2.578	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991																				
1992	1.000	1.049	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	2.397	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	7.905	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995																				
1996			1.000	1.000	1.000	1.000	2.154													
1997	2.711	1.000	1.088	1.000	1.000	1.000														
1998	1.000	1.000	1.000	19.462	1.000															
1999																				
2000	1.000	1.000	1.000																	
2001	1.000	1.000																		
2002																				
2003																				

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Simple Avg																				
Latest 10	2.430	1.007	1.013	3.308	1.197	1.000	1.144	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.428	1.000	1.022	5.616	1.000	1.000	1.289	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.000	1.000	1.000	7.154	1.000	1.000	1.577	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Medial Avg																				
Latest 5x1	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Wtd																				
Latest 10	1.787	1.002	1.017	4.270	1.026	1.000	1.202	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 5	1.422	1.000	1.031	6.769	1.000	1.000	1.290	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Latest 3	1.000	1.000	1.000	7.386	1.000	1.000	1.826	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Uninsured Automobile
Gross Basis
Loss Payment Pattern

Accident Yr	Paid Losses and ALAE (in 000's)																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
1984	21	46	110	171	210	959	960	978	979	978	978	955	955	955	955	955	955	955	955	955	955
1985	25	66	119	169	233	236	236	237	238	239	239	244	244	248	254	272	380	380	380		
1986	19	85	131	141	141	144	148	145	146	147	158	166	167	167	167	167	167	167	167		
1987	19	89	124	116	126	139	141	141	141	141	141	141	141	141	141	141	141	141	141	141	141
1988	18	44	70	119	149	159	379	786	806	845	1,290	1,355	1,355	1,369	1,330	1,330					
1989	40	61	578	607	704	1,400	1,429	1,434	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559					
1990	10	64	83	151	172	219	222	223	226	226	226	226	226	226	226	226					
1991	14	119	159	208	229	314	328	346	297	297	297	297	297								
1992	12	25	56	124	125	130	131	136	137	137	137	138									
1993	62	64	102	148	155	164	164	164	164	164	164										
1994	19	31	67	70	73	75	87	183	203	226											
1995	10	16	20	36	70	100	101	137	149												
1996	9	149	297	313	420	421	421	421													
1997	8	29	45	256	297	454	467														
1998	24	20	98	98	229	269															
1999	22	27	35	51	77																
2000	9	77	84	136																	
2001	36	40	40																		
2002	7	23																			
2003	21																				

**Uninsured Automobile
Gross Basis
Loss Payment Pattern**

Age-to-Age Factors

Accident Yr	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
1984	2.208	2.405	1.551	1.225	4.574	1.001	1.019	1.001	0.999	1.000	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	2.686	1.788	1.420	1.382	1.013	1.000	1.002	1.006	1.005	1.000	1.021	1.000	1.017	1.023	1.070	1.398	1.000	1.000		
1986	4.516	1.543	1.076	1.000	1.019	1.025	0.982	1.008	1.004	1.078	1.053	1.005	1.001	1.000	1.000	1.000	1.000			
1987	4.578	1.404	0.935	1.083	1.105	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1988	2.476	1.594	1.689	1.254	1.066	2.383	2.074	1.026	1.049	1.525	1.051	1.000	1.011	0.971	1.000					
1989	1.527	9.477	1.050	1.161	1.987	1.021	1.003	1.087	1.001	1.000	1.000	1.000	1.000	1.000						
1990	6.469	1.306	1.816	1.134	1.277	1.015	1.002	1.013	1.000	1.000	1.000	1.000	1.000	1.000						
1991	8.330	1.330	1.311	1.100	1.372	1.046	1.053	0.858	1.000	1.000	1.000	1.000								
1992	2.191	2.218	2.203	1.009	1.046	1.004	1.040	1.005	1.000	1.003	1.002									
1993	1.033	1.591	1.451	1.045	1.056	1.004	1.000	1.000	1.001	1.000										
1994	1.635	2.164	1.035	1.049	1.025	1.161	2.101	1.111	1.113											
1995	1.716	1.199	1.838	1.952	1.414	1.015	1.354	1.091												
1996	16.368	1.993	1.054	1.339	1.004	1.000	1.000													
1997	3.496	1.544	5.634	1.161	1.527	1.027														
1998	0.820	4.936	1.003	2.333	1.172															
1999	1.217	1.310	1.459	1.503																
2000	8.195	1.091	1.614																	
2001	1.115	1.000																		
2002	3.567																			
2003																				

Averages

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult	
Simple Avg																					
Latest 10	3.916	1.905	1.860	1.362	1.288	1.168	1.263	1.020	1.017	1.061	1.012	1.001	1.004	0.999	1.014	1.100	1.000	1.000	1.000	1.000	
Latest 5	2.983	1.976	2.153	1.657	1.228	1.041	1.299	1.013	1.023	1.001	1.011	1.000	1.002	0.999	1.014	1.100	1.000	1.000	1.000	1.000	
Latest 3	4.292	1.134	1.359	1.666	1.234	1.014	1.485	1.067	1.038	1.001	1.001	1.000	1.004	0.990	1.000	1.133	1.000	1.000	1.000	1.000	
Medial Avg																					
Latest 5x1	1.966	1.315	1.376	1.598	1.204	1.015	1.132	1.032	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Wtd																					
Latest 10	2.315	1.764	1.495	1.268	1.433	1.086	1.167	1.036	1.017	1.096	1.011	1.000	1.004	0.992	1.006	1.071	1.000	1.000	1.000	1.000	
Latest 5	1.910	1.568	1.527	1.448	1.210	1.022	1.151	0.984	1.023	1.000	1.019	1.000	1.004	0.990	1.006	1.071	1.000	1.000	1.000	1.000	
Latest 3	2.720	1.107	1.313	1.488	1.209	1.014	1.216	1.068	1.046	1.001	1.000	1.000	1.005	0.987	1.000	1.187	1.000	1.000	1.000	1.000	

Payment Pattern Selection

	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	To Ult
Selected	2.000	1.500	1.500	1.300	1.200	1.100	1.050	1.030	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age to Ult	8.351	4.176	2.784	1.856	1.428	1.190	1.082	1.030	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	0.120	0.239	0.359	0.539	0.700	0.841	0.925	0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000



REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES
PART 2 – Summary of Premium and Loss Components

SUMMARY OF FINDINGS AND DESCRIPTION OF PROCEDURES

We prepare the attached exhibits and charts to assist Alberta Finance in understanding the components of auto premium dollars in Alberta. The data supporting these exhibits is from IBC.

Premium Components

The first exhibit summarizes the four major elements of premium:

- Ultimate losses
- Health levy
- Acquisition expenses
- General expenses

Exhibit I summarizes total dollars, and shows each element as a percentage of earned premiums. We present the results for accident years 1993 through 2003. We do not take into account investment income on premium or surplus.

Ultimate losses are based on KPMG's analysis of IBC loss development experience through December 31, 2003. Health levy is equal to earned premium multiplied by the health levy percentage reported by IBC in the "Automobile Insurance Experience Exhibits for Industry – Alberta". Expenses, both acquisition and general, are also equal to earned premium multiplied by the expense ratios reported by IBC. In the last column of Exhibit I, we calculate underwriting gain/(loss), prior to investment income.

It is immediately evident that until 2003, earned premiums were not sufficient to cover the total of ultimate losses, health levy and expenses for the compulsory coverages. The strong investment returns prior to 2001 have helped mask the underlying losses in these coverages. For compulsory coverages, the underwriting loss, prior to investment income, is 20% or higher for nine of the last eleven years.

We show these results in stacked bar charts in Exhibit II. We draw a bold line at 100% to assist in recognizing at what point underwriting losses begin to occur. We also show in this exhibit the underwriting gain/(loss) by accident year for 1997 through 2003.

Loss Components

Ultimate losses are clearly the most significant component of premium dollars. For compulsory coverages, ultimate losses represent approximately 90% or more of premium dollars for every accident year considered except 2003.

Thus, to assist in better understanding ultimate losses, we prepare Exhibit 3, summarizing the components of ultimate losses. Ultimate losses are comprised of:

- Paid losses
- Case reserves
- Incurred but not reported (IBNR)
- Unallocated loss adjustment expenses (ULAE)

Paid losses and case reserves are based on actual results of Alberta auto insurance companies. These represent the loss and ALAE payments to date as well as estimates of the remaining outstanding liabilities which are estimated by company claims adjusters.

IBNR is typically estimated by actuaries based on a review of historical loss development as reported by IBC. IBNR represents the costs of claims that have not yet been reported to companies as well as the expected development on case reserves. IBNR is greater for the most recent accident years. KPMG develops IBNR based on IBC loss development experience in Alberta as of December 31, 2003.

ULAE represents the costs of handling claims that cannot be allocated to a particular claim file. While ALAE is included with paid losses, case reserves and IBNR estimates, ULAE is estimated based on a percentage of total ultimate losses. The percentages are provided by IBC based on actual reported experience in the province. ULAE is approximately 8% of total ultimate losses over the 11-year experience period. For accident year 2003, the ULAE ratio for auto is 8.2% of total ultimate losses.

It is clear both from the numeric exhibit (Exhibit III) as well as the charts in Exhibit IV, that paid losses and case reserves represent the largest proportion of total ultimate losses. In total for the most recent five accident years, paid losses and case reserves combined represent 82.4% of total ultimate losses. IBNR is equal to 9.1% and ULAE is equal to 8.5% of total ultimate losses for the five-year time period 1999-2003.

By Coverage Analysis

We include as Appendices A and B, following the exhibits, similar analyses of the components of premium and components of losses separately for TPL and AB.



REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

PART 2 – Exhibits and Appendices

Alberta Auto
Summary of Premium Components

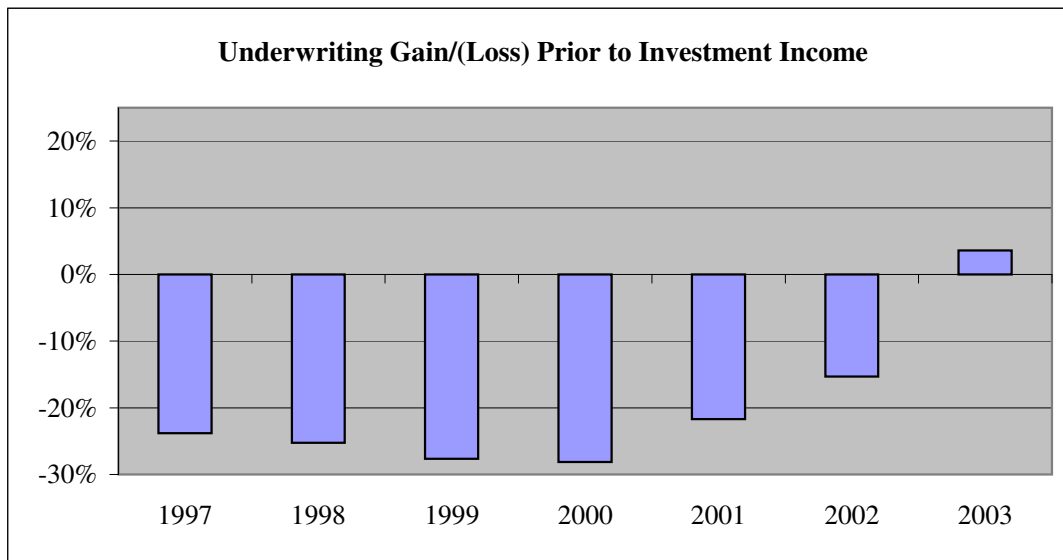
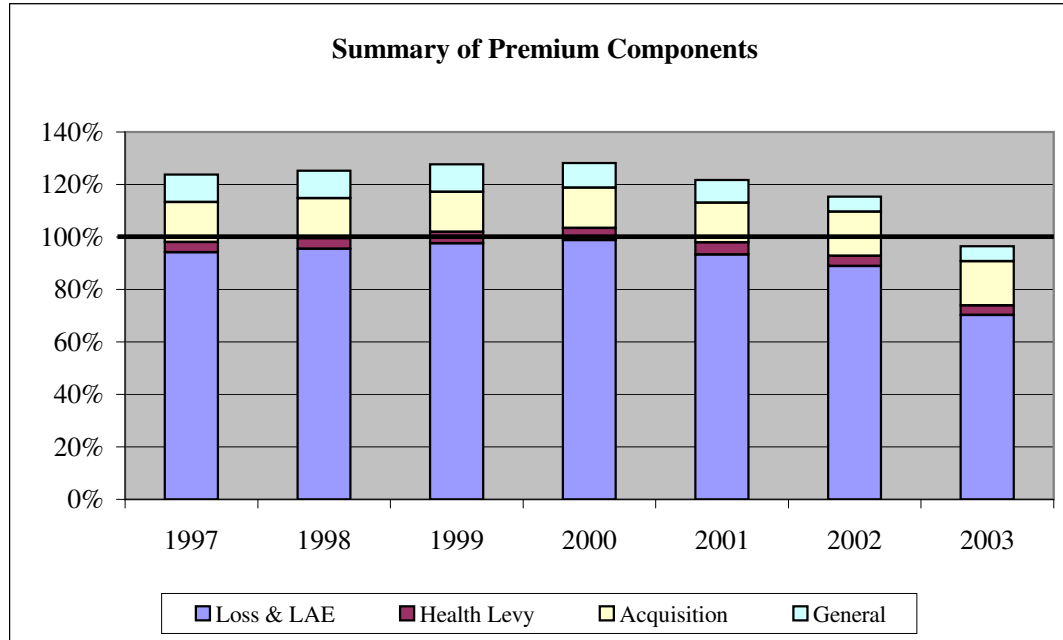
Accident Year	Earned Premium	in \$000s				U/W Gain/(Loss)
		Ultimate Loss & LAE	Health Levy	Expenses		
				Acquisition	General	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Compulsory Coverages						
1993	489,225	474,791	0	74,705	51,173	(111,444)
1994	540,153	504,049	5,235	82,481	56,500	(108,113)
1995	591,563	568,467	6,714	90,332	61,878	(135,826)
1996	651,599	625,024	15,997	99,499	68,157	(157,079)
1997	711,575	669,984	27,769	108,658	74,431	(169,267)
1998	785,053	749,778	31,510	119,878	82,117	(198,230)
1999	809,513	790,142	34,767	123,613	84,675	(223,684)
2000	851,660	841,083	40,092	130,049	79,971	(239,534)
2001	935,221	872,101	43,645	141,967	80,429	(202,919)
2002	1,087,330	966,089	43,310	182,780	61,760	(166,609)
2003	1,291,337	906,320	48,251	217,074	73,348	46,345

	Percentage of Earned Premium				
	(8)	(9)	(10)	(11)	(12)
1993	97.0%	0.0%	15.3%	10.5%	-22.8%
1994	93.3%	1.0%	15.3%	10.5%	-20.0%
1995	96.1%	1.1%	15.3%	10.5%	-23.0%
1996	95.9%	2.5%	15.3%	10.5%	-24.1%
1997	94.2%	3.9%	15.3%	10.5%	-23.8%
1998	95.5%	4.0%	15.3%	10.5%	-25.3%
1999	97.6%	4.3%	15.3%	10.5%	-27.6%
2000	98.8%	4.7%	15.3%	9.4%	-28.1%
2001	93.3%	4.7%	15.2%	8.6%	-21.7%
2002	88.8%	4.0%	16.8%	5.7%	-15.3%
2003	70.2%	3.7%	16.8%	5.7%	3.6%

Column Notes:

- (2) From 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (3) Developed by KPMG based on IBC data as of December 31, 2003. See Exhibit III.
- (4) Based on health levy percentages from 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta. Applied to earned premium.
- (5) & (6) Based on expense ratios from IBC Expense Exhibit 1999 to 2002. Years prior to 1999 set equal to 1999. Year 2003 set equal to 2002. Expense ratios are applied to earned premium.
- (7) = [(2) - (3) - (4) - (5) - (6)]. Represents underwriting gain/(loss) prior to investment income.
- (8) = [(3) / (2)].
- (9) = [(4) / (2)].
- (10) = [(5) / (2)].
- (11) = [(6) / (2)].
- (12) = [(7) / (2)].

**Alberta Auto
 Compulsory Coverages**



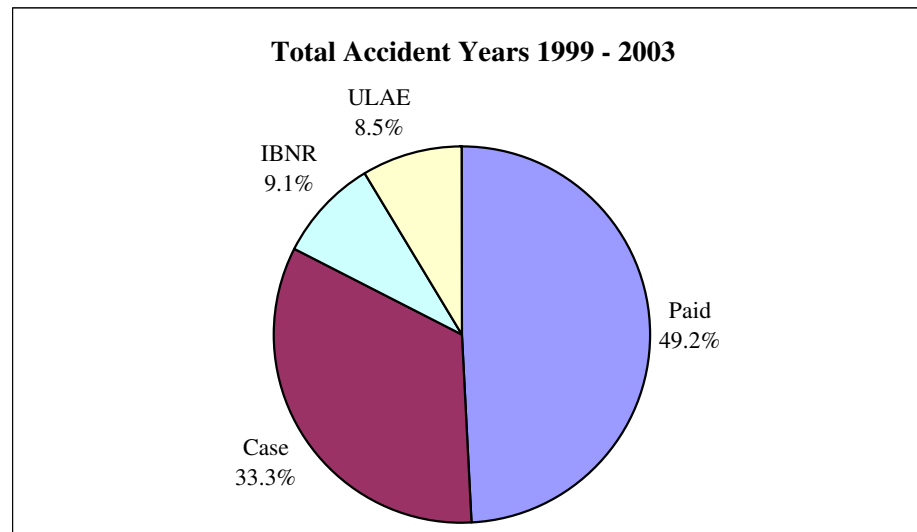
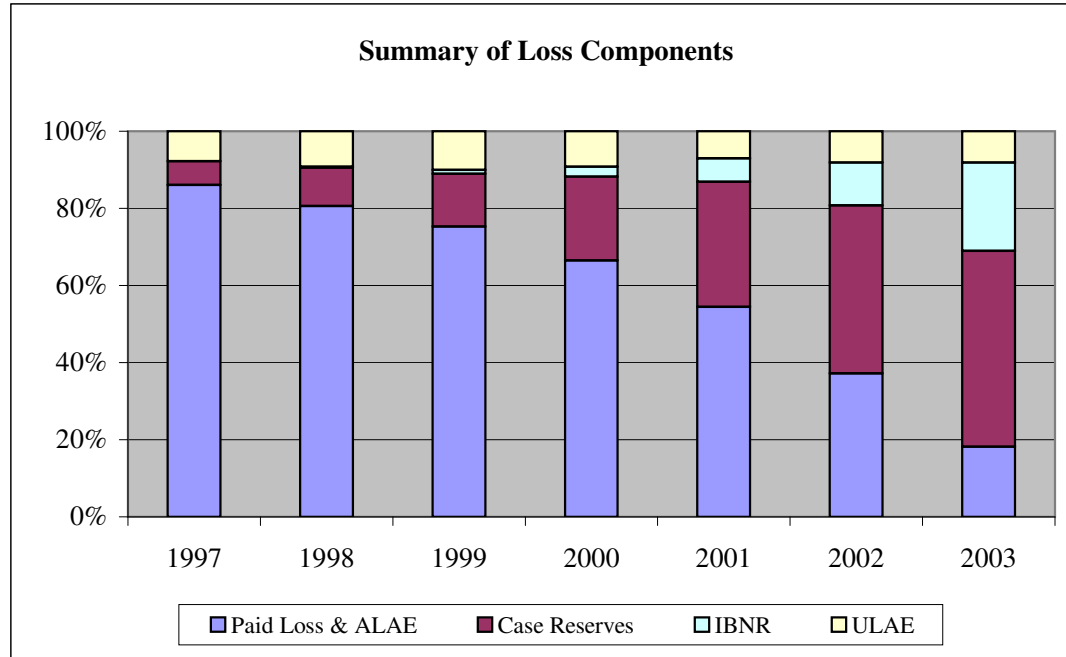
Alberta Auto
Summary of Loss Components

Accident Year	in \$000s					Percentage of Ultimate Loss & LAE			
	Paid Loss & ALAE	Case Reserves	Projected IBNR	ULAE	Ultimate Loss & LAE	Paid Loss & ALAE	Case Reserves	Projected IBNR	ULAE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<u>Compulsory Coverages</u>									
1993	433,574	2,414	0	38,803	474,791	91.3%	0.5%	0.0%	8.2%
1994	460,710	4,280	0	39,059	504,049	91.4%	0.8%	0.0%	7.7%
1995	515,901	8,515	0	44,051	568,467	90.8%	1.5%	0.0%	7.7%
1996	559,100	18,023	0	47,901	625,024	89.5%	2.9%	0.0%	7.7%
1997	576,692	40,805	0	52,487	669,984	86.1%	6.1%	0.0%	7.8%
1998	604,051	74,606	2,340	68,781	749,778	80.6%	10.0%	0.3%	9.2%
1999	594,742	108,343	7,474	79,583	790,142	75.3%	13.7%	0.9%	10.1%
2000	559,078	182,944	21,905	77,157	841,083	66.5%	21.8%	2.6%	9.2%
2001	474,601	282,812	53,089	61,598	872,101	54.4%	32.4%	6.1%	7.1%
2002	358,929	420,806	107,399	78,955	966,089	37.2%	43.6%	11.1%	8.2%
2003	164,903	460,148	207,198	74,070	906,320	18.2%	50.8%	22.9%	8.2%

Column Notes:

- (2) & (3) From 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (4) Based on KPMG analysis of IBC loss development experience as of December 31, 2003.
- (5) Based on ULAE ratios as reported by IBC applied to KPMG projected ultimate loss and ALAE.
- (6) = [(2) + (3) + (4) + (5)].
- (7) = [(2) / (6)].
- (8) = [(3) / (6)].
- (9) = [(4) / (6)].
- (10) = [(5) / (6)].

**Alberta Auto
 Compulsory Coverages**



Alberta Auto
Summary of Premium Components by Coverage

Accident Year	Earned Premium	in \$000s					Percentage of Earned Premium				
		Ultimate Loss & LAE	Health Levy	Expenses		U/W Gain/(Loss)	Ultimate Loss & LAE	Health Levy	Expenses		U/W Gain/(Loss)
				Acquisition	General				Acquisition	General	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Third Party Liability - Total											
1993	462,897	450,048	0	70,684	48,419	(106,254)	97.2%	0.0%	15.3%	10.5%	-23.0%
1994	510,085	474,197	5,235	77,890	53,355	(100,592)	93.0%	1.0%	15.3%	10.5%	-19.7%
1995	556,809	530,856	6,714	85,025	58,242	(124,028)	95.3%	1.2%	15.3%	10.5%	-22.3%
1996	599,362	572,442	15,997	91,523	62,693	(143,293)	95.5%	2.7%	15.3%	10.5%	-23.9%
1997	647,306	616,207	27,769	98,844	67,708	(163,223)	95.2%	4.3%	15.3%	10.5%	-25.2%
1998	712,904	692,533	31,510	108,860	74,570	(194,570)	97.1%	4.4%	15.3%	10.5%	-27.3%
1999	735,031	728,999	34,767	112,239	76,884	(217,858)	99.2%	4.7%	15.3%	10.5%	-29.6%
2000	772,482	772,696	40,092	117,958	72,536	(230,800)	100.0%	5.2%	15.3%	9.4%	-29.9%
2001	849,117	802,851	43,645	128,896	73,024	(199,299)	94.6%	5.1%	15.2%	8.6%	-23.5%
2002	991,065	892,021	43,310	166,598	56,293	(167,156)	90.0%	4.4%	16.8%	5.7%	-16.9%
2003	1,185,516	837,830	48,251	199,285	67,337	32,813	70.7%	4.1%	16.8%	5.7%	2.8%
Accident Benefits - Total											
1993	26,329	24,743		4,020	2,754	(5,189)	94.0%		15.3%	10.5%	-19.7%
1994	30,068	29,852		4,591	3,145	(7,521)	99.3%		15.3%	10.5%	-25.0%
1995	34,755	37,610		5,307	3,635	(11,798)	108.2%		15.3%	10.5%	-33.9%
1996	52,237	52,581		7,977	5,464	(13,785)	100.7%		15.3%	10.5%	-26.4%
1997	64,269	53,777		9,814	6,723	(6,044)	83.7%		15.3%	10.5%	-9.4%
1998	72,150	57,245		11,017	7,547	(3,660)	79.3%		15.3%	10.5%	-5.1%
1999	74,481	61,143		11,373	7,791	(5,826)	82.1%		15.3%	10.5%	-7.8%
2000	79,179	68,387		12,091	7,435	(8,734)	86.4%		15.3%	9.4%	-11.0%
2001	86,104	69,249		13,071	7,405	(3,621)	80.4%		15.2%	8.6%	-4.2%
2002	96,264	74,068		16,182	5,468	546	76.9%		16.8%	5.7%	0.6%
2003	105,821	68,489		17,788	6,011	13,532	64.7%		16.8%	5.7%	12.8%

Column Notes:

- (2) From 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (3) Developed by KPMG based on IBC data as of December 31, 2003.
- (4) Based on health levy percentages from 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta. Applied to earned premium.
- (5) & (6) Based on expense ratios from IBC Expense Exhibit 1999 to 2002. Years prior to 1999 set equal to 1999. Year 2003 set equal to 2002. Expense ratios are applied to earned premium.
- (7) = [(2) - (3) - (4) - (5) - (6)]. Represents underwriting gain/(loss) prior to investment income.
- (8) = [(3) / (2)].
- (9) = [(4) / (2)].
- (10) = [(5) / (2)].
- (11) = [(6) / (2)].
- (12) = [(7) / (2)].

Alberta Auto
Summary of Loss Components by Coverage

Accident Year	in \$000s					Percentage of Ultimate Loss & LAE			
	Paid Loss & ALAE	Case Reserves	Projected IBNR	ULAE	Ultimate Loss & LAE	Paid Loss & ALAE	Case Reserves	Projected IBNR	ULAE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Third Party Liability - Total									
1993	410,869	2,398	0	36,781	450,048	91.3%	0.5%	0.0%	8.2%
1994	433,368	4,084	0	36,746	474,197	91.4%	0.9%	0.0%	7.7%
1995	481,730	7,990	0	41,136	530,856	90.7%	1.5%	0.0%	7.7%
1996	511,171	17,400	0	43,871	572,442	89.3%	3.0%	0.0%	7.7%
1997	527,588	40,345	0	48,274	616,207	85.6%	6.5%	0.0%	7.8%
1998	552,773	73,890	2,340	63,529	692,533	79.8%	10.7%	0.3%	9.2%
1999	541,102	106,983	7,489	73,424	728,999	74.2%	14.7%	1.0%	10.1%
2000	499,104	180,704	22,005	70,883	772,696	64.6%	23.4%	2.8%	9.2%
2001	413,349	279,332	53,463	56,707	802,851	51.5%	34.8%	6.7%	7.1%
2002	299,513	410,232	109,375	72,902	892,021	33.6%	46.0%	12.3%	8.2%
2003	139,066	424,030	206,262	68,473	837,830	16.6%	50.6%	24.6%	8.2%
Accident Benefits - Total									
1993	22,705	16	0	2,022	24,743	91.8%	0.1%	0.0%	8.2%
1994	27,342	197	0	2,313	29,852	91.6%	0.7%	0.0%	7.7%
1995	34,171	525	0	2,914	37,610	90.9%	1.4%	0.0%	7.7%
1996	47,928	623	0	4,030	52,581	91.2%	1.2%	0.0%	7.7%
1997	49,104	460	0	4,213	53,777	91.3%	0.9%	0.0%	7.8%
1998	51,278	716	(0)	5,251	57,245	89.6%	1.3%	0.0%	9.2%
1999	53,640	1,360	(15)	6,158	61,143	87.7%	2.2%	0.0%	10.1%
2000	59,974	2,240	(101)	6,274	68,387	87.7%	3.3%	-0.1%	9.2%
2001	61,252	3,480	(374)	4,891	69,249	88.5%	5.0%	-0.5%	7.1%
2002	59,416	10,574	(1,975)	6,053	74,068	80.2%	14.3%	-2.7%	8.2%
2003	25,837	36,119	936	5,597	68,489	37.7%	52.7%	1.4%	8.2%

Column Notes:

- (2) & (3) From 2003 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (4) Based on KPMG analysis of IBC loss development experience as of December 31, 2003.
- (5) Based on ULAE ratios as reported by IBC applied to KPMG projected ultimate loss and ALAE.
- (6) = [(2) + (3) + (4) + (5)].
- (7) = [(2) / (6)].
- (8) = [(3) / (6)].
- (9) = [(4) / (6)].
- (10) = [(5) / (6)].

REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

PART 3 – Benchmarking Analysis, an Example
– Including Preliminary Dislocation Study

SUMMARY OF FINDINGS

Development of Benchmark Rates

We develop benchmark rates based on an example of a reformed Alberta auto insurance product presented to Alberta Finance in September 2003. This product assumes that pain and suffering losses for minor injuries are limited to \$4,000. The definition of minor injury is similar to that presented in Part 1 of this report and identified by the scenario label “1”. (See page 5 of the Introduction section of Report II.) The sample product also assumes the change from gross to net income, the elimination of the collateral source rule, and the change in med/rehab limits from \$10,000 to \$50,000. The reformed product is based on IBC data as of December 31, 2002 and assumes a January 1, 2004 effective date.

We develop benchmark rates at four alternative limits:

- \$200,000
- \$500,000
- \$1 million
- \$2 million

The average policy limit in Alberta has been approximately \$1 million for the past five years. Based on IBC data for 2002, only 11% of policyholders maintain limits less than \$1 million. Approximately 84% of policyholders in Alberta maintain limits of \$1 million; and 5% maintain limits greater than \$1 million.

We select average increased limits factors (ILFs) for TPL based on the filed ILFs for insurers in Alberta (provided by the Alberta Auto Insurance Board). For SEF 44, we select ILFs based on a sample of insurer’s factors. The table below summarizes the increased limits factors we use for developing benchmark rates.

Limit	Increased Limits Factor	
	TPL	SEF 44
\$200,000	.837	.720
\$500,000	.933	.840
\$1 Million	1.000	1.000
\$2 Million	1.096	1.280

The average premiums at alternative limits underlying our benchmark rates for compulsory coverages (including underinsured motorists) are summarized in the table below.

Limit	Average Premium
\$200,000	\$565.41
\$500,000	\$616.09
\$1 Million	\$651.93
\$2 Million	\$703.81

Our rating algorithm for developing benchmark rates is:

$$\left\{ \left[(\text{Base premium} + \text{fixed expense} + \text{health levy}) \times \text{appropriate differentials} \right] \times \text{claims experience discounts/surcharges} \times \text{demerit points surcharge} \times \text{other discounts} \right\}$$

Note that fixed expenses are not applied at the end of the rating algorithm, but instead we add the fixed expense to the base premium. Thus, fixed expense is affected by all the rating factors that apply to a particular insured. In total, the fixed expense is collected on an industry-wide basis, but each insured pays a different fixed expense amount. We process the health levy in a similar fashion.

The following discounts are included under the benchmark structure:

- Multi-Vehicle
- Driver Training
- Defensive Driver Training
- More Vehicles than Drivers

The maximum discount available for claims-free experience is 65%. A significant portion (79%) of the driving population qualifies for that discount. Overall, the schedule of discounts and surcharges for claims experience produces an average discount of 45%.

Farmers Rates

Farm rates apply to farmers who reside on a farm with no other gainful occupation. If the farmer owns a car, the car is rated for farm pleasure, which is a discounted rate from the private passenger pleasure rates. We determine a discount of 25.8% for TPL and 36.4% for AB.

Dislocation Analysis

The dislocation analysis is essentially a re-rating exercise. We request sufficient underwriting information from each company to be able to re-rate each policy incorporating all the proposed changes under consideration in Alberta. We then calculate the percentage change from the current rate to the new rate. This is called the dislocation.

To analyze the impact of the benchmark rates on individual insureds, we requested detailed data from several insurers in September 2003. We include a copy of our data request in Appendix E. We received data from companies representing over 40% of the Alberta market. To maintain confidentiality, we refer to the companies as Company A through Company G. Our dislocation analysis takes place on a company-by-company and insured-by-insured basis.

In Exhibit V, Sheet 1, we summarize the projected changes in mandatory premium (including SEF 44) for the total population in our sample. We also indicate the changes separately for underage and mature drivers. Underage drivers are those currently coded as classes 08-19 in the IBC statistical plan. Mature drivers are classes 01-07. Under the Alberta rating plan considered for this example, classes 05 and 06 are re-rated under the primary drivers' class.

In this exhibit, we also summarize:

- New benchmark average premium for all insureds as well as underage and mature insureds, separately
- Current average premium for all insureds as well as underage and mature insureds, separately

In Exhibit V, Sheets 2 through 5, we provide similar results for each company.

The following table provides highlights from Exhibit V, Sheet 1 for the total of all companies in our sample. We summarize the percentage of drivers that will experience various levels of premium changes.

% Change in Premium	Total All Drivers	Young Drivers	Mature Drivers
+50% and greater	0.1%	0.0%	0.1%
+10% to +50%	2.4%	0.2%	3.1%
0 to +10%	3.9%	0.7%	8.4%
0 to -10%	15.2%	2.2%	17.3%
-10% to -50%	74.2%	55.9%	70.0%
-50% and greater	4.3%	40.7%	1.1%

In our analysis, we include multi-vehicle, driver training, renewal and group discounts in the new premiums if the insured is currently receiving such discounts. All other discounts included in the current premiums do not flow through to our calculated benchmark rates since we assume they will no longer be allowed under benchmark guidelines. This increases the dislocation.

When interpreting the results of the dislocation analysis, it is important to remember that the rates charged by insurers may likely be below the benchmark rates.

The average premium change for all drivers in our sample is –25%. For young drivers, the average premium change is –51%; and for mature drivers, the average premium change is –19%.

Alberta Finance requested that we develop benchmark premiums that would be appropriate to use as maximum benchmark rates. The product costing analysis and the initial dislocation analysis both focus on average costs and average premiums. One approach to generating maximum benchmarks is to apply a percentage margin to the rates based on average premiums. Thus we test the dislocation assuming increases of 5.0%, 7.5%, and 10.0% from province-wide averages. To do this, we apply margins of 5.0%, 7.5% and 10.0% to our benchmark rates as developed in Exhibit I; the three sets of benchmark premiums are shown in Exhibits II, III and IV, respectively.

We re-run the dislocation study at the three margin levels and estimate what percentage of insureds are affected by the cap. Exhibits VI, VII and VIII show the dislocation results of applying the margins of 5.0%, 7.5% and 10.0%, respectively.

The table below summarizes the percentage of drivers that will experience various levels of premium change at the average premium level and at the three margin levels.

% Change in Premium	Distribution of Insureds			
	Average Premium	Margins of		
		5%	7.5%	10%
+50% and greater	0.1%	0.3%	0.3%	0.4%
+10% to +50%	2.4%	3.9%	4.8%	6.0%
0 to +10%	3.9%	10.3%	11.5%	13.7%
0 to –10%	15.2%	19.4%	23.9%	26.6%
–10% to –50%	74.2%	62.5%	56.0%	50.1%
–50% and greater	4.3%	3.6%	3.4%	3.2%
Weighted Average Premium Change	–25.0%	–21.2%	–19.4%	–17.5%

Because SEF44 is not a mandatory coverage, we also conduct the dislocation study without SEF 44. These results are found in Exhibit IX. This analysis is only performed on an average premium basis (i.e., no adjustment made to generate a maximum benchmark rate). For the calculation without SEF 44, the average change for all drivers is –23.4% compared to –25.0% when SEF 44 is included. The effect on young drivers is minimal.

Finally, the dislocation study is also conducted using higher surcharge values for criminal code violations. For this analysis, we use mandatory coverages including SEF 44. We increase the surcharge from 50% to 100% per violation. We conduct the analysis only at the average premium level (i.e., no adjustment is made to generate a maximum benchmark rate). (See Exhibit X.) Because few policies have many criminal code convictions, the total effect is small; the overall change is –24.5% on average, compared to –25.0% with the lower surcharge.

There are relatively few insureds that will be subject to significant rate increases resulting from the proposed changes in Alberta. Based on this example, only 2.5% of the policyholders will face increases of over 10% as a result of the implementation of the benchmark rates.

Second Example – Edmonton Rates Equal to Calgary Rates

In Appendix F of Part 3, we include another example of benchmark rates developed for Alberta Finance in late October 2003. In this Appendix, we present benchmark rates in which there is no differential in the rates for Edmonton and Calgary (i.e., Edmonton rates are reduced to that of Calgary). We first present benchmark rates assuming the two territories (i.e., urban and rural) are not capped (Appendix F, Exhibit I) and then present benchmark rates assuming the two territories are capped at 10% (Appendix F, Exhibit II). The results labeled “capped” assume that no insureds would have an increase of more than 10% under the maximum grid structure. In Sheet 5 of both Exhibits I and II, we summarize the change in premium (i.e., the dislocation) for all drivers, underage drivers and mature drivers.

It is important to remember that the underlying product and underlying premiums were in a state of constant change throughout the last ten months as KPMG’s model was refined and as Alberta Finance moved closer to their final selections for reform of the auto product. Thus, comparisons between the benchmarking examples are difficult since key assumptions and projection factors may have changed between each benchmarking exercise.

DISCUSSION OF DISLOCATION METHODOLOGY AND FACTORS AFFECTING ACCURACY

Before trying to interpret the results of the dislocation study, it is critical that the user understand the limitations of the study and the reasons for the inaccuracies that are inevitably included.

- There are some errors in the premium information that we received from the companies surveyed that cause the appearance of dislocation when, in fact, there is none. We remove from the study those records that we know are in error. However, to the extent that there are still incorrect records in the database, the amount of the dislocation is incorrect.
- There are discounts that are offered by insurance companies that are not included in the benchmark system. Some of the more common discounts are: experienced driver discount (based on age of driver), loyalty discount (based on number of years insured with the same company), and a home/auto insurance discount (a discount if the insured also has a homeowner policy with the company). There are other discounts as well, such as a renewal claim-free discount that one company we reviewed offers. However, to the extent insurance companies choose to continue to offer these discounts (if they are permitted to do so), the amount of dislocation will be lessened.
- There is variation in the base premiums that are charged by insurance companies, by coverage and by territory. Since the benchmark base premiums represent an average base premium level, drivers that are insured with companies that have base premiums significantly below average will experience dislocation. However, to the extent that insurance companies choose to continue to charge base premiums that are below the benchmark base premiums (if they are permitted to do so), the amount of the dislocation will be lessened.
- There is variation in the rating factors that insurance companies apply to their base premiums (i.e., vehicle use, liability limits, etc.). Since the benchmark rating factors represent average factors, drivers that are insured with companies that have significantly lower than average rating factors will experience dislocation. However, to the extent that insurance companies choose to continue to apply rating factors that are lower than the benchmark rating factors (if they are permitted to do so), the amount of the dislocation will be lessened.
- There is variation in the conviction/violation surcharges that are charged by insurance companies. The amount of the surcharges for particular types of convictions/violations, the types of convictions/violations that result in a surcharge, and the rules for how conviction/surcharges apply, vary from company to company. Drivers that are insured with companies that have conviction/violation surcharge rules and amounts that lead to significantly lower conviction/violation surcharges than the benchmark conviction/violation surcharges, will experience dislocation. However, to the extent that insurance companies choose to continue to apply conviction/violation surcharges that are lower than the benchmark rating conviction/

violation surcharges (if they are permitted to do so), the amount of the dislocation will be lessened.

- There is variation in the discounts/surcharges that are charged by insurance companies for claims experience. The amount of the claim experience discounts/surcharges, the definition of what constitutes a chargeable claim and the rules for claim forgiveness vary from company to company. Drivers that are insured with companies that have claim experience discount/surcharge rules and amounts that lead to significantly lower claim experience discounts/surcharges than the benchmark claim experience grid, will experience dislocation. However, to the extent that insurance companies choose to continue to apply claim experience discounts/surcharges that are lower than those in the benchmark grid (if they are permitted to do so), the amount of the dislocation will be lessened.
- Under the developed benchmark rates, AB is rated by territory, class and claims experience, which is a change from the current rating only by territory (and often the rates are the same for all territories). This change obviously causes dislocation.

DATA

Data used to generate individual benchmark premiums is as follows:

- IBC data – special run for KPMG producing classification exhibit on a statistical territory basis as of December 31, 2002
- Latest Facility Association rate filing
- Mercer’s definitions of various rating criteria
- Average ILF’s calculated by KPMG based on current ILF for insurers in Alberta
- IBC exhibits showing years claim free, number of convictions, and use of vehicle class/driver as of December 31, 2002
- Data provided by seven insurers in Alberta
- KPMG analysis of required average premium under proposed reforms

We conduct our analysis by the following coverages: TPL, AB and UM.

Alberta Finance engaged Mercer to provide guidance on the definitions of the new rating criteria. Thus, we relied on Mercer’s input. They provided the proposed territorial breakdowns as well as the class definitions. In addition, they provided input into the claim experience grid. To generate the claim experience grid, we examined the following sources:

- IBC classification exhibit
- Facility Association charges for convictions
- IBC exhibits that provide a breakdown by vehicle use, by number of years claims-free, and by number of convictions

After our review we undertook discussions with Mercer to develop the figures included in this benchmarking example.

DESCRIPTION OF METHODOLOGY

Development of Benchmark Rates

In Exhibit I, Sheet 1, we present the benchmark rate pages based on the average premium for the sample reformed product. Exhibit I, Sheet 2 contains a summary of the discounts and surcharges; and Exhibit I, Sheet 3, contains the base rates and relativities underlying the benchmark rates. The benchmark rates are developed so that the average premiums collected using those rates balances to the average premium underlying the sample reformed auto product.

We begin with the average premium underlying the sample reformed auto product. Our average premium is based on the following key assumptions:

- Introduction of minor and non-minor injury categories including a \$4,000 cap on pain and suffering losses for minor injuries
- \$60 million total health levy for 2004
- Change from gross to net income for wage loss and elimination of collateral source rule
- Increase in med/rehab limit for AB coverage from \$10,000 to \$50,000

We summarize the average premiums underlying our benchmark rates in the table below and in Appendix A.

Coverage	Estimated Adequate Premium at Industry Average Limits
TPL	\$517.36
Health Levy	43.39
AB	83.61
UM	7.47

Next, we develop differentials for each rating variable to enable us to allocate these average premiums by the required rating variables to generate individual premiums. Differentials (also referred to as rating relativities) represent the relationship between the rate for a given class, limit or territory to the base rate. Associated with each set of differentials (or relativities) is an off-balance factor. Off-balance factors represent the amount of premium that is generated strictly by a set of differentials. For example, an off-balance factor of 1.20 for a certain rating variable means that a rate level increase of 20% is generated as a result of implementing that particular set of differentials. Consequently, we must decrease our base premium by a corresponding amount to keep the entire system in balance. As we select each set of differentials, we calculate a corresponding off-balance factor. We summarize the off-balance factors in Exhibit I, Sheet 4.

In the following sections, we provide further details of our calculations and selections of differentials.

Territorial Differentials and Off-Balance

We use a traditional minimum bias analysis to calculate indicated territorial differentials. In addition, we complete a simple analysis of relative loss costs using both the latest year of data (2002) and the latest five years of data (1998-2002). Results of all approaches are similar, and we select territorial differentials judgmentally in Column (10) of Appendix B, Sheet 1. The corresponding off-balance factor is calculated in Appendix B, Sheet 2. The off-balance factor is equal to the weighted average of the selected differentials using 2002 written exposures as weights.

We conduct the analysis separately for TPL and AB.

Class (Vehicle Use) Differentials and Off-Balance

Class data is not available for AB. Therefore, we use the selected TPL differentials for AB.

Again we use a minimum bias analysis to generate indicated class differentials. We map the IBC data by class into the class definitions provided to us by Alberta Finance in September 2003. We produce indicated class differentials for all territories combined as well as separate differentials for urban and rural territories.

Because IBC classes do not map directly into the Alberta Finance classes, we also examine data from the IBC supplementary exhibits which split data between pleasure, commute and business.

The two sets of calculations indicate that the business differentials should be between 16% and 20% higher than the pleasure, and that the rural surcharge should be higher than the urban. We select a surcharge of 18.5% and then split the surcharge into urban and rural so that the differentials approximately balance to 18.5% giving recognition to the fact that the rural charge should be higher. (See Appendix C.)

The remaining differentials are set following a similar procedure, using the indicated differentials where possible and applying judgment as necessary.

Claims Experience Differentials and Off-Balance

Because the driving records that exist in the IBC data do not match exactly with the definition of claims experience that Alberta Finance was considering in September 2003, we also review several supplementary sources of data (as listed in the Data section of this part of Report II) in addition to driving record exhibits. We review:

- Relative experience by years claims-free
- Relative experience by number of convictions in last 6 years
- Facility Association surcharge percentages

After examination of the driving record differentials resulting from the minimum bias studies in conjunction with the data from the supplementary sources, we select a set of differentials to be used for claims experience. (See Appendix D.)

Because these differentials are the most visible part of the new rating system, it is important to reflect a regular progression up and down the grid while retaining as much information from relevant experience as possible.

Our analysis of the appropriate levels for the claims experience set of rewards and penalties indicates that significant decreases are warranted when moving from four to five years claims-free and from five to six years claims-free. We consider this in our selection of the claims experience reward levels. Additionally, we had discussions with Mercer regarding the claims experience grid.

In analyzing the data, we assume that entry into the grid is determined by the number of years claims-free. An insured that is six years claims-free enters at reward level 6; an insured that is zero years claims-free enters at the base level or lower, depending upon number of convictions and/or demerit points.

Based on a review of the table of selected discounts, it is obvious that the off-balance factor is significant since a great proportion of the book is at five or more years claims-free. We present the calculation of the claims experience off-balance in Appendix D as well as the assumed distribution by reward/penalty level. We select our distribution by examining the various data sources available along with judgment.

Demerit Point Surcharges

In Exhibit I, Sheet 2, we show the selected surcharges for each demerit point. The off-balance factor is very small because we assume almost all insureds (92.4%) have fewer than three demerit points. The demerit point surcharges are selected after considering the following:

- Indicated driving record differentials
- Indicated years claim free differentials
- Facility charges for minor, major and serious convictions
- Available market data

Limit Differentials

The off-balance due to limit differentials is very small since the vast majority of policies (approximately 84%) are written at \$1 million limits.

Farmers Discount

Alberta Finance's class 6 represents farmers. These rates are only offered in the rural territories. Appendix C, Sheet 3, contains our analysis of the relative loss costs of farmers experience compared to regular private passenger, for rural territories only. The indications are a differential of .66 for TPL and .59 for AB. We select differentials of .70 and .60 respectively. We then adjust the differentials by the rural off-balance factor of 1.06, which gives farmers differentials (class 6) of .742 for TPL and .636 for AB.

Multi-Vehicle and Driver Training Off-Balance Factors

The multi-vehicle and driver training selected discounts are 10% and 5%, respectively. The multi-vehicle off-balance factor is calculated by assuming that 54% of the book qualifies for a discount. The driver training off-balance factor assumes 11% of the book qualifies for the driver training credit. These percentages are based on data available in the files received from the insurers in our sample.

Dislocation Analysis

The dislocation analysis is essentially a re-rating exercise. We request sufficient underwriting information from each company to be able to re-rate each policy incorporating all the proposed changes under consideration in Alberta.

To re-rate each policy, we assume that the highest rated driver on each vehicle determines the premium. The key decisions in re-rating the policy are the territory and class code, the location in the claims experience grid, and the demerit points.

A new class code is generated for each policy by examining vehicle use and type of use. The location in the claims experience grid is based on the driving record and the number of accidents. We do not use the number of years claims-free as there is substantial variation between companies in their ability to report this field and in the accuracy of the coding.

The number of demerit points is generated by the formula:

$$(\# \text{ minor convictions} \times 2) + (\# \text{ major convictions} \times 4)$$

Criminal conviction surcharges are generated by surcharging 50% for each such conviction.

Initially, our dislocation analysis included the introduction of a change to a direct compensation (DC) environment for PD coverage. Due to the dislocation resulting from the introduction of DCPD, it was impossible to produce results that did not include very large increases for many drivers. Therefore, based on direction from Alberta Finance, we did not introduce a change to DCPD.

Excluded from Dislocation Analysis

We exclude farmers from our current analysis. We do not receive a substantial volume of farmers' vehicles. We also exclude records from the companies that we believe contain suspect data. Examples include records showing \$0 or very small amounts in the premium fields, invalid codes etc.

To ensure we are analyzing only private passenger non-farm submissions, we also exclude the following records from our analysis:

- Territory codes other than 100, 101, 102 and 105 (mappings are done for some companies as necessary)
- Type of use (class) codes other than 01 to 19
- Vehicle use codes other than 1, 2, 3 and 4
- Type of business codes other than 1, 8 and 9

Summarization of Results

After each vehicle is re-rated, we calculate the percentage increase or decrease that the vehicle will receive and group these percentages into ranges, keeping track of the number of vehicles in each range. In addition, we split the results between mature and young drivers as requested by Alberta Finance. (See Exhibits V through VIII.)

Key Assumptions of Re-Rating Procedures

In our re-rating, we assign class and claims-free levels based on data reported by each company. We apply consistent rules, but to the extent that the companies may have interpreted our data request differently, or to the extent that the companies' underwriting rules may vary, our assignments could be incorrect. Where we discover variations between companies in the data reported, we adjust our assignments as necessary.

Benchmark rates allow renewal discounts, multi-vehicle discounts and driver training discounts. If these discounts are reflected in the data submitted by the individual companies, we reflect the discount in our benchmark rating. We do not reflect any other discounts (e.g., age discount) in our benchmark rating. Therefore, to the extent that discounts other than those listed above will still be allowed under the benchmark rates, we overstate the dislocation by not allowing these discounts in our rating.

We reflect renewal discounts when calculating new rates, as a significant percentage of the submitted data includes renewal discount. We assume that companies will continue to be able to offer accident forgiveness rules as part of their underwriting, and we have reflected this key assumption in our analysis.

It should be noted again that our sample includes less than 50% of the market and does not include any substantial portfolios of non-standard auto or Facility Association. These factors could result in significantly different actual dislocation than we estimate in our analysis.

Key Issues Affecting Dislocation Analysis

The dislocation analysis is a very complex exercise with many critical assumptions. Our task is further complicated by the fact that underwriting guidelines did not exist as of September 2003 when our benchmarking exercise took place. Thus, we are re-rating existing policies based on our assumptions as to the intent of Alberta Finance and the proposed auto reforms without precise guidelines and rules.

Our assumptions regarding data are critical. We make numerous assumptions as we map from existing rating criteria to those under the proposed reforms.

Interpreting and truly understanding the estimated change in individual policies is complicated because of the number of changes taking place. Base rates and all relativities are changing. Furthermore, numerous discounts employed at individual companies (such as loyalty discount or claims-free renewal discount) as well as caps on surcharges are not included in our re-rating of policies. Thus, it is almost impossible to pinpoint the cause of any particular change in a single policy or group of policies.

Analysis by Company

In each of the dislocation exhibits, the first page shows the summary data and subsequent pages show results for individual companies. These pages have been included to illustrate the variation that can exist by company. We conduct significant data verification tests at the individual company level to ensure that we are aware of specific issues pertinent to each company and to ensure that we interpret their data as accurately as possible.

For a few companies, we are unable to separately identify the current premiums attributable to occasional drivers. In one case we are forced to exclude the occasional drivers. In another case the occasional driver premium is combined with the underlying driver's premium, making it impossible for us to properly re-rate these records. In this latter case, the dislocation would be understated.

DESCRIPTION OF EXHIBITS AND APPENDICES

Exhibit I

In Exhibit I, we develop benchmark rates based on the average premium underlying our analysis of the reformed auto product. In Sheet 1, we present benchmark rates by territory, class and limit for TPL, AB and SEF 44. Sheet 2 summarizes the discounts and surcharges to be applied to benchmark rates. In this sheet, there is also a summary of the definition of class. In Sheet 3, we present proposed base rates and relativities; and finally in Sheet 4, we present the base premium calculation, including a summary of off-balance factors.

Exhibits II through IV

Exhibits II through IV are organized the same as Exhibit I; the only difference between these exhibits is the assumed margin to generate maximum rates. The values in Exhibits II through IV are based on the average premiums plus margins of 5%, 7.5% and 10%, respectively.

Exhibit V

In Exhibit V, we summarize the change in premiums (i.e., the dislocation) by percentage change for all drivers, underage drivers and mature drivers. Exhibit V is based on the benchmark rates (including SEF 44) developed in Exhibit I, which are based on the average premium underlying our analysis of the reformed auto product. We present the change for the total of all companies in our sample and for each of the companies individually.

Exhibits VI through VIII

Exhibits VI through VIII are organized the same as Exhibit V; the only difference between these exhibits is the assumed margin. The values in Exhibits VI through VIII are based on the average premiums plus margins of 5%, 7.5% and 10%, respectively.

Exhibits IX and X

Exhibits IX and X are organized the same as Exhibit V. The only difference between Exhibit V and IX is that SEF 44 is excluded from the dislocation analysis in Exhibit IX. The difference between Exhibit V and Exhibit X is that the average premium for Exhibit X assumes a higher criminal code conviction surcharge.

Appendix A

In Appendix A, we summarize the estimated adequate premium for the reformed auto product. These premiums are the input for the benchmarking and dislocation analyses presented in Exhibits I and V.

Appendix B

In Appendix B, we present a high-level summary of our territorial analysis, including selected territorial differentials for Calgary, Edmonton, northern and remainder. We also calculate the territorial off-balance factors for TPL and AB in this appendix.

Appendix C

In Appendix C, we present a high-level summary of our class analysis, including selected class differentials. We calculate the class off-balance factors for TPL and AB in Sheet 2 of this appendix. In Appendix C, Sheet 3, we also present our analysis for farmers.

Appendix D

In Appendix D, we calculate the claims-experience off-balance.

Appendix E

Appendix E contains the letter we sent to CEOs of Alberta Insurers in September 2003 requesting data for the benchmarking and dislocation analyses.

Appendix F

Appendix F contains an analysis of benchmark rates and dislocation with no differential in rates between Calgary and Edmonton. We reduce Edmonton rates to Calgary levels and calculate the dislocation. We also show the results assuming no insureds would experience a rate increase of more than 10% (i.e., capped).

REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES

PART 3 – Exhibits and Appendices

Alberta Private Passenger Vehicles
Based on Average Premium

New Business : Jan/01/2004
 Renewals : Jan/01/2004

Territory 1

Calgary 101

Class	Third Party Liability (Limit in \$000)				Accident Benefits
	200	500	1000	2000	
1	1125	1254	1344	1473	220
2	1238	1380	1479	1621	242
3	1295	1444	1547	1696	253
4	1350	1505	1613	1768	264
5	1277	1424	1526	1672	250
6	N/A	N/A	N/A	N/A	N/A

SEF 44 (Limit in \$000)				
200	500	1000	2000	
13	15	18	23	

Territory 2

Edmonton 102

Class	Third Party Liability (Limit in \$000)				Accident Benefits
	200	500	1000	2000	
1	1339	1493	1600	1753	247
2	1473	1642	1760	1929	271
3	1541	1718	1841	2018	284
4	1607	1791	1920	2104	296
5	1520	1694	1816	1990	280
6	N/A	N/A	N/A	N/A	N/A

SEF 44 (Limit in \$000)				
200	500	1000	2000	
13	15	18	23	

Territory 3

Northern 105

Class	Third Party Liability (Limit in \$000)				Accident Benefits
	200	500	1000	2000	
1	878	978	1049	1149	125
2	965	1076	1153	1264	138
3	1165	1298	1392	1525	167
4	1188	1325	1420	1556	170
5	1058	1179	1264	1385	151
6	637	710	761	834	78

SEF 44 (Limit in \$000)				
200	500	1000	2000	
13	15	18	23	

Territory 4

Remainder 100

Class	Third Party Liability (Limit in \$000)				Accident Benefits
	200	500	1000	2000	
1	821	916	981	1076	128
2	904	1007	1080	1183	140
3	1090	1215	1302	1427	169
4	1112	1240	1329	1456	173
5	990	1103	1183	1296	154
6	596	665	713	781	79

SEF 44 (Limit in \$000)				
200	500	1000	2000	
13	15	18	23	

Summary of Discounts and Surcharges

Claims Experience

Reward Level 10	65% Discount
Reward Level 9	65% Discount
Reward Level 8	65% Discount
Reward Level 7	65% Discount
Reward Level 6	65% Discount
Reward Level 5	50% Discount
Reward Level 4	35% Discount
Reward Level 3	25% Discount
Reward Level 2	15% Discount
Reward Level 1	5% Discount
Base Level	0%
Penalty Level 1	5% Surcharge
Penalty Level 2	10% Surcharge
Penalty Level 3	15% Surcharge
Penalty Level 4	25% Surcharge
Penalty Level 5	35% Surcharge
Penalty Level 6	45% Surcharge
Penalty Level 7	55% Surcharge
Penalty Level 8	70% Surcharge
Penalty Level 9	85% Surcharge
Penalty Level 10	100% Surcharge
Penalty Level 11	115% Surcharge
Penalty Level 12	130% Surcharge
Penalty Level 13	145% Surcharge
Penalty Level 14	160% Surcharge
Penalty Level 15	180% Surcharge
Penalty Level 16	200% Surcharge

+25% for subsequent penalty levels

Demerit Points

0	0% Surcharge
1	0% Surcharge
2	0% Surcharge
3	5% Surcharge
4	10% Surcharge
5	15% Surcharge
6	20% Surcharge
7	25% Surcharge
8	30% Surcharge
9	35% Surcharge
10	40% Surcharge
11	45% Surcharge
12	50% Surcharge
13	55% Surcharge
14	60% Surcharge
15	65% Surcharge
16	70% Surcharge
17	75% Surcharge
18	80% Surcharge
19	85% Surcharge
20	90% Surcharge
21	95% Surcharge
20	90% Surcharge

+10% for subsequent Demerit Points

Criminal Code Convictions

50% surcharge per conviction

Multi Vehicle Discount	10%
More Vehicles than Drivers Discount	10%
Driver Training Discount	5%
Defensive Driver Training Discount	10%
6 Month Policies	52% of 12 month premium

Class	Description
1	Pleasure - annual mileage < 16,000 km, and commute < 8 km one way
2	Pleasure - annual mileage > 16,000 km, and commute > 8 km one way
3	Pleasure or Commute to work between 8 km and 16 km one way
4	Pleasure or Commute to work > 16 km one way
5	Business Use
6	Farmers

Summary of Proposed Base Rates and Relativities

Base Rates - Based on Average Premium

Rating Territory	U/R	Third Party Liability	Accident Benefits	SEF 44
1	U	1,344.39	220.12	17.67
2	U	1,599.82	246.53	17.67
3	R	1,048.62	125.47	17.67
4	R	981.40	127.67	17.67

Expenses

	TPL	Acc. Ben.	SEF 44
Fixed *	60.66	5.64	0.65
Health Levy*	43.49	0.00	0.00

* Included in Base Rates

Classification Relativities

Class	U/R	Third Party Liability	Accident Benefits
1	U	1.000	1.000
2	U	1.100	1.100
3	U	1.151	1.151
4	U	1.200	1.200
5	U	1.135	1.135
1	R	1.000	1.000
2	R	1.100	1.100
3	R	1.327	1.327
4	R	1.354	1.354
5	R	1.205	1.205
6	R	0.726	0.622

Limit Relativities

Limit (\$000)	Third Party Liability	SEF 44
200	0.837	0.720
500	0.933	0.840
1,000	1.000	1.000
2,000	1.096	1.280

Base Premium Calculation

		TPL	AB	SEF 44
Projected Average Premium	(1)	\$560.85	\$83.61	\$7.47
Average Premium Adjustments Due to Rating Factors				
Off Balance Factors:				
(2) Rate Group		1.000	1.000	1.000
(3) Territory		0.935	0.849	1.000
(4) Class		1.055	1.055	1.000
(5) Claim Experience		0.447	0.447	0.447
(6) Demerit Points		1.009	1.009	1.009
(7) Multi Vehicle		0.945	0.945	0.945
(8) Driver Training		0.995	0.995	0.995
(9) Limit		0.998	1.000	0.998
(10) Cumulative Adj.		0.417	0.380	0.423
Provincial Base Premium Underlying Benchmarks	(11)	\$1,344.39	\$220.12	\$17.67

Notes:

- (1) From Appendix A.
- (3) From Appendix B, Sheet 2.
- (4) From Appendix C, Sheet 2.
- (5) From Appendix D.
- (6) 93% of drivers have fewer than 3 demerit points.
- (7) 54% of insureds qualify for discount.
- (8) 11% of book qualifies for discount.
- (9) 84% of policyholders at \$1M.
- (10) = [(2) x (3) x (4) x (5) x (6) x (7) x (8) x (9)].
- (11) = [(1) / (10)].

Alberta Private Passenger Vehicles
Based on Average Premium + 5% Margin

New Business : Jan/01/2004
 Renewals : Jan/01/2004

Territory 1

Calgary 101

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1182	1317	1412	1547	231
2	1300	1449	1553	1702	254
3	1360	1516	1625	1781	266
4	1418	1580	1694	1857	277
5	1341	1495	1602	1756	262
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 2

Edmonton 102

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1406	1567	1680	1841	259
2	1547	1724	1848	2025	285
3	1618	1804	1933	2119	298
4	1687	1881	2016	2209	311
5	1596	1779	1907	2090	294
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 3

Northern 105

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	922	1027	1101	1207	132
2	1014	1130	1211	1327	145
3	1223	1363	1461	1601	175
4	1248	1391	1491	1634	178
5	1111	1238	1327	1454	159
6	669	746	799	876	82

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 4

Remainder 100

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	863	961	1030	1129	134
2	949	1058	1134	1242	147
3	1145	1276	1367	1499	178
4	1168	1302	1395	1529	182
5	1039	1159	1242	1361	162
6	626	698	748	820	83

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	15	18	23	

Summary of Discounts and Surcharges

Claims Experience

Reward Level 10	65% Discount
Reward Level 9	65% Discount
Reward Level 8	65% Discount
Reward Level 7	65% Discount
Reward Level 6	65% Discount
Reward Level 5	50% Discount
Reward Level 4	35% Discount
Reward Level 3	25% Discount
Reward Level 2	15% Discount
Reward Level 1	5% Discount
Base Level	0%
Penalty Level 1	5% Surcharge
Penalty Level 2	10% Surcharge
Penalty Level 3	15% Surcharge
Penalty Level 4	25% Surcharge
Penalty Level 5	35% Surcharge
Penalty Level 6	45% Surcharge
Penalty Level 7	55% Surcharge
Penalty Level 8	70% Surcharge
Penalty Level 9	85% Surcharge
Penalty Level 10	100% Surcharge
Penalty Level 11	115% Surcharge
Penalty Level 12	130% Surcharge
Penalty Level 13	145% Surcharge
Penalty Level 14	160% Surcharge
Penalty Level 15	180% Surcharge
Penalty Level 16	200% Surcharge

+25% for subsequent penalty levels

Demerit Points

0	0% Surcharge
1	0% Surcharge
2	0% Surcharge
3	5% Surcharge
4	10% Surcharge
5	15% Surcharge
6	20% Surcharge
7	25% Surcharge
8	30% Surcharge
9	35% Surcharge
10	40% Surcharge
11	45% Surcharge
12	50% Surcharge
13	55% Surcharge
14	60% Surcharge
15	65% Surcharge
16	70% Surcharge
17	75% Surcharge
18	80% Surcharge
19	85% Surcharge
20	90% Surcharge
21	95% Surcharge
20	90% Surcharge

+10% for subsequent Demerit Points

Criminal Code Convictions

50% surcharge per conviction

Multi Vehicle Discount	10%
More Vehicles than Drivers Discount	10%
Driver Training Discount	5%
Defensive Driver Training Discount	10%
6 Month Policies	52% of 12 month premium

Class	Description
1	Pleasure - annual mileage < 16,000 km, and commute < 8 km one way
2	Pleasure - annual mileage > 16,000 km, and commute > 8 km one way
3	Pleasure or Commute to work between 8 km and 16 km one way
4	Pleasure or Commute to work > 16 km one way
5	Business Use
6	Farmers

Base Rates - Based on Average Premium

Rating Territory	U/R	Third Party Liability	Accident Benefits	SEF 44
1	U	1,411.61	231.12	18.55
2	U	1,679.82	258.85	18.55
3	R	1,101.06	131.74	18.55
4	R	1,030.48	134.05	18.55

Expenses

	TPL	Acc. Ben.	SEF 44
Fixed *	60.66	5.64	0.65
Health Levy*	43.49	0.00	0.00

* Included in Base Rates

Classification Relativities

Class	U/R	Third Party Liability	Accident Benefits
1	U	1.000	1.000
2	U	1.100	1.100
3	U	1.151	1.151
4	U	1.200	1.200
5	U	1.135	1.135
1	R	1.000	1.000
2	R	1.100	1.100
3	R	1.327	1.327
4	R	1.354	1.354
5	R	1.205	1.205
6	R	0.726	0.622

Limit Relativities

Limit (\$000)	Third Party Liability	SEF 44
200	0.837	0.720
500	0.933	0.840
1,000	1.000	1.000
2,000	1.096	1.280

Base Premium Calculation

		TPL	AB	SEF 44
Projected Average Premium with 5% Margin	(1)	\$588.89	\$87.79	\$7.84
Average Premium Adjustments Due to Rating Factors				
Off Balance Factors:				
(2) Rate Group		1.000	1.000	1.000
(3) Territory		0.935	0.849	1.000
(4) Class		1.055	1.055	1.000
(5) Claim Experience		0.447	0.447	0.447
(6) Demerit Points		1.009	1.009	1.009
(7) Multi Vehicle		0.945	0.945	0.945
(8) Driver Training		0.995	0.995	0.995
(9) Limit		0.998	1.000	0.998
(10) Cumulative Adj.		0.417	0.380	0.423
Provincial Base Premium Underlying Benchmarks	(11)	\$1,411.61	\$231.12	\$18.55

Notes:

- (1) From Appendix A.
- (3) From Appendix B, Sheet 2.
- (4) From Appendix C, Sheet 2.
- (5) From Appendix D.
- (6) 93% of drivers have fewer than 3 demerit points.
- (7) 54% of insureds qualify for discount.
- (8) 11% of book qualifies for discount.
- (9) 84% of policyholders at \$1M.
- (10) = [(2) x (3) x (4) x (5) x (6) x (7) x (8) x (9)].
- (11) = [(1) / (10)].

Alberta Private Passenger Vehicles
Based on Average Premium + 7.5% Margin

New Business : Jan/01/2004
 Renewals : Jan/01/2004

Territory 1

Calgary 101

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1210	1348	1445	1584	237
2	1331	1483	1590	1742	260
3	1392	1552	1663	1823	272
4	1452	1618	1734	1901	284
5	1373	1530	1640	1798	269
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	24	

Territory 2

Edmonton 102

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1439	1605	1720	1885	265
2	1583	1765	1892	2073	292
3	1657	1847	1980	2170	305
4	1727	1925	2064	2262	318
5	1634	1821	1952	2139	301
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	24	

Territory 3

Northern 105

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	944	1052	1127	1235	135
2	1038	1157	1240	1359	148
3	1252	1396	1496	1639	179
4	1278	1424	1526	1673	183
5	1137	1267	1358	1489	163
6	685	764	818	897	84

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	24	

Territory 4

Remainder 100

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	883	984	1055	1156	137
2	971	1083	1161	1272	151
3	1172	1306	1400	1534	182
4	1196	1333	1428	1566	186
5	1064	1186	1271	1393	165
6	641	715	766	839	85

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	24	

Summary of Discounts and Surcharges

Claims Experience

Reward Level 10	65% Discount
Reward Level 9	65% Discount
Reward Level 8	65% Discount
Reward Level 7	65% Discount
Reward Level 6	65% Discount
Reward Level 5	50% Discount
Reward Level 4	35% Discount
Reward Level 3	25% Discount
Reward Level 2	15% Discount
Reward Level 1	5% Discount
Base Level	0%
Penalty Level 1	5% Surcharge
Penalty Level 2	10% Surcharge
Penalty Level 3	15% Surcharge
Penalty Level 4	25% Surcharge
Penalty Level 5	35% Surcharge
Penalty Level 6	45% Surcharge
Penalty Level 7	55% Surcharge
Penalty Level 8	70% Surcharge
Penalty Level 9	85% Surcharge
Penalty Level 10	100% Surcharge
Penalty Level 11	115% Surcharge
Penalty Level 12	130% Surcharge
Penalty Level 13	145% Surcharge
Penalty Level 14	160% Surcharge
Penalty Level 15	180% Surcharge
Penalty Level 16	200% Surcharge

+25% for subsequent penalty levels

Demerit Points

0	0% Surcharge
1	0% Surcharge
2	0% Surcharge
3	5% Surcharge
4	10% Surcharge
5	15% Surcharge
6	20% Surcharge
7	25% Surcharge
8	30% Surcharge
9	35% Surcharge
10	40% Surcharge
11	45% Surcharge
12	50% Surcharge
13	55% Surcharge
14	60% Surcharge
15	65% Surcharge
16	70% Surcharge
17	75% Surcharge
18	80% Surcharge
19	85% Surcharge
20	90% Surcharge
21	95% Surcharge
20	90% Surcharge

+10% for subsequent Demerit Points

Criminal Code Convictions

50% surcharge per conviction

Multi Vehicle Discount	10%
More Vehicles than Drivers Discount	10%
Driver Training Discount	5%
Defensive Driver Training Discount	10%
6 Month Policies	52% of 12 month premium

Class	Description
1	Pleasure - annual mileage < 16,000 km, and commute < 8 km one way
2	Pleasure - annual mileage > 16,000 km, and commute > 8 km one way
3	Pleasure or Commute to work between 8 km and 16 km one way
4	Pleasure or Commute to work > 16 km one way
5	Business Use
6	Farmers

Base Rates - Based on Average Premium

Rating Territory	U/R	Third Party Liability	Accident Benefits	SEF 44
1	U	1,445.22	236.63	18.99
2	U	1,719.81	265.03	18.99
3	R	1,127.27	134.88	18.99
4	R	1,055.01	137.25	18.99

Expenses

	TPL	Acc. Ben.	SEF 44
Fixed *	60.66	5.64	0.65
Health Levy*	43.49	0.00	0.00

* Included in Base Rates

Classification Relativities

Class	U/R	Third Party Liability	Accident Benefits
1	U	1.000	1.000
2	U	1.100	1.100
3	U	1.151	1.151
4	U	1.200	1.200
5	U	1.135	1.135
1	R	1.000	1.000
2	R	1.100	1.100
3	R	1.327	1.327
4	R	1.354	1.354
5	R	1.205	1.205
6	R	0.726	0.622

Limit Relativities

Limit (\$000)	Third Party Liability	SEF 44
200	0.837	0.720
500	0.933	0.840
1,000	1.000	1.000
2,000	1.096	1.280

Base Premium Calculation

		TPL	AB	SEF 44
Projected Average Premium with 7.5% Margin	(1)	\$602.91	\$89.88	\$8.03
Average Premium Adjustments Due to Rating Factors				
Off Balance Factors:				
(2) Rate Group		1.000	1.000	1.000
(3) Territory		0.935	0.849	1.000
(4) Class		1.055	1.055	1.000
(5) Claim Experience		0.447	0.447	0.447
(6) Demerit Points		1.009	1.009	1.009
(7) Multi Vehicle		0.945	0.945	0.945
(8) Driver Training		0.995	0.995	0.995
(9) Limit		0.998	1.000	0.998
(10) Cumulative Adj.		0.417	0.380	0.423
Provincial Base Premium Underlying Benchmarks	(11)	\$1,445.22	\$236.63	\$18.99

Notes:

- (1) From Appendix A.
- (3) From Appendix B, Sheet 2.
- (4) From Appendix C, Sheet 2.
- (5) From Appendix D.
- (6) 93% of drivers have fewer than 3 demerit points.
- (7) 54% of insureds qualify for discount.
- (8) 11% of book qualifies for discount.
- (9) 84% of policyholders at \$1M.
- (10) = [(2) x (3) x (4) x (5) x (6) x (7) x (8) x (9)].
- (11) = [(1) / (10)].

Alberta Private Passenger Vehicles

New Business : Jan/01/2004

Based on Average Premium + 10% Margin

Renewals : Jan/01/2004

Territory 1

Calgary 101

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1238	1380	1479	1621	242
2	1362	1518	1627	1783	266
3	1425	1588	1702	1866	279
4	1485	1656	1775	1945	291
5	1405	1566	1678	1840	275
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	25	

Territory 2

Edmonton 102

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1473	1642	1760	1929	271
2	1620	1806	1936	2122	298
3	1695	1890	2026	2220	312
4	1768	1970	2112	2314	325
5	1672	1864	1997	2189	308
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	25	

Territory 3

Northern 105

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	965	1076	1153	1264	138
2	1062	1184	1269	1391	152
3	1281	1428	1531	1678	183
4	1307	1457	1562	1712	187
5	1163	1297	1390	1523	166
6	701	781	837	918	86

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	25	

Territory 4

Remainder 100

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	904	1007	1080	1183	140
2	994	1108	1188	1302	154
3	1199	1337	1433	1570	186
4	1223	1364	1462	1602	190
5	1089	1214	1301	1426	169
6	656	731	784	859	87

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
14	16	19	25	

Summary of Discounts and Surcharges

Claims Experience

Reward Level 10	65% Discount
Reward Level 9	65% Discount
Reward Level 8	65% Discount
Reward Level 7	65% Discount
Reward Level 6	65% Discount
Reward Level 5	50% Discount
Reward Level 4	35% Discount
Reward Level 3	25% Discount
Reward Level 2	15% Discount
Reward Level 1	5% Discount
Base Level	0%
Penalty Level 1	5% Surcharge
Penalty Level 2	10% Surcharge
Penalty Level 3	15% Surcharge
Penalty Level 4	25% Surcharge
Penalty Level 5	35% Surcharge
Penalty Level 6	45% Surcharge
Penalty Level 7	55% Surcharge
Penalty Level 8	70% Surcharge
Penalty Level 9	85% Surcharge
Penalty Level 10	100% Surcharge
Penalty Level 11	115% Surcharge
Penalty Level 12	130% Surcharge
Penalty Level 13	145% Surcharge
Penalty Level 14	160% Surcharge
Penalty Level 15	180% Surcharge
Penalty Level 16	200% Surcharge

+25% for subsequent penalty levels

Demerit Points

0	0% Surcharge
1	0% Surcharge
2	0% Surcharge
3	5% Surcharge
4	10% Surcharge
5	15% Surcharge
6	20% Surcharge
7	25% Surcharge
8	30% Surcharge
9	35% Surcharge
10	40% Surcharge
11	45% Surcharge
12	50% Surcharge
13	55% Surcharge
14	60% Surcharge
15	65% Surcharge
16	70% Surcharge
17	75% Surcharge
18	80% Surcharge
19	85% Surcharge
20	90% Surcharge
21	95% Surcharge
20	90% Surcharge

+10% for subsequent Demerit Points

Criminal Code Convictions

50% surcharge per conviction

Multi Vehicle Discount	10%
More Vehicles than Drivers Discount	10%
Driver Training Discount	5%
Defensive Driver Training Discount	10%
6 Month Policies	52% of 12 month premium

Class	Description
1	Pleasure - annual mileage < 16,000 km, and commute < 8 km one way
2	Pleasure - annual mileage > 16,000 km, and commute > 8 km one way
3	Pleasure or Commute to work between 8 km and 16 km one way
4	Pleasure or Commute to work > 16 km one way
5	Business Use
6	Farmers

Base Rates - Based on Average Premium

Rating Territory	U/R	Third Party Liability	Accident Benefits	SEF 44
1	U	1,478.83	242.13	19.44
2	U	1,759.81	271.19	19.44
3	R	1,153.49	138.01	19.44
4	R	1,079.55	140.44	19.44

Expenses

	TPL	Acc. Ben.	SEF 44
Fixed *	60.66	5.64	0.65
Health Levy*	43.49	0.00	0.00

* Included in Base Rates

Classification Relativities

Class	U/R	Third Party Liability	Accident Benefits
1	U	1.000	1.000
2	U	1.100	1.100
3	U	1.151	1.151
4	U	1.200	1.200
5	U	1.135	1.135
1	R	1.000	1.000
2	R	1.100	1.100
3	R	1.327	1.327
4	R	1.354	1.354
5	R	1.205	1.205
6	R	0.726	0.622

Limit Relativities

Limit (\$000)	Third Party Liability	SEF 44
200	0.837	0.720
500	0.933	0.840
1,000	1.000	1.000
2,000	1.096	1.280

Base Premium Calculation

		TPL	AB	SEF 44
Projected Average Premium with 10% Margin	(1)	\$616.93	\$91.97	\$8.22
Average Premium Adjustments Due to Rating Factors				
Off Balance Factors:				
(2) Rate Group		1.000	1.000	1.000
(3) Territory		0.935	0.849	1.000
(4) Class		1.055	1.055	1.000
(5) Claim Experience		0.447	0.447	0.447
(6) Demerit Points		1.009	1.009	1.009
(7) Multi Vehicle		0.945	0.945	0.945
(8) Driver Training		0.995	0.995	0.995
(9) Limit		0.998	1.000	0.998
(10) Cumulative Adj.		0.417	0.380	0.423
Provincial Base Premium Underlying Benchmarks	(11)	\$1,478.83	\$242.13	\$19.44

Notes:

- (1) From Appendix A.
- (3) From Appendix B, Sheet 2.
- (4) From Appendix C, Sheet 2.
- (5) From Appendix D.
- (6) 93% of drivers have fewer than 3 demerit points.
- (7) 54% of insureds qualify for discount.
- (8) 11% of book qualifies for discount.
- (9) 84% of policyholders at \$1M.
- (10) = [(2) x (3) x (4) x (5) x (6) x (7) x (8) x (9)].
- (11) = [(1) / (10)].

Summary of Change in Premiums
Mandatory Premiums Including SEF 44 - Based on Average Premium

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.5%	0.0%	0.5%
15%	- 25%	0.8%	0.1%	0.9%
10%	- 15%	1.0%	0.1%	1.1%
5%	- 10%	1.6%	0.3%	1.7%
0%	- 5%	2.3%	0.4%	2.5%
-5%	- 0%	8.3%	0.6%	8.9%
-10%	- -5%	6.9%	1.6%	7.4%
-15%	- -10%	14.5%	3.7%	15.5%
-25%	- -15%	34.8%	10.4%	37.0%
-50%	- -25%	24.9%	41.8%	23.3%
-75%	- -50%	4.1%	39.6%	1.0%
-100%	- -75%	0.2%	1.1%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		561.70	830.21	537.27
Current		748.91	1,690.35	666.69
Resulting Change		-25.0%	-50.9%	-19.4%

Summary of Change in Premiums
Mandatory Premiums Including SEF 44 - Based on Average Premium

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.2%	0.0%	0.2%
15%	- 25%	0.7%	0.1%	0.8%
10%	- 15%	1.2%	0.3%	1.3%
5%	- 10%	2.6%	0.9%	2.8%
0%	- 5%	2.5%	0.9%	2.7%
-5%	- 0%	19.2%	1.2%	21.2%
-10%	- -5%	6.8%	3.9%	7.1%
-15%	- -10%	23.3%	8.6%	24.9%
-25%	- -15%	27.7%	22.6%	28.2%
-50%	- -25%	12.7%	29.8%	10.9%
-75%	- -50%	3.2%	31.8%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		503.81	825.20	468.57
Current		626.52	1,430.16	538.76
Resulting Change		-19.6%	-42.3%	-13.0%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.1%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.4%	0.0%	0.5%
25%	- 50%	1.8%	0.1%	1.9%
15%	- 25%	3.1%	0.0%	3.4%
10%	- 15%	2.8%	0.0%	3.0%
5%	- 10%	4.4%	0.1%	4.8%
0%	- 5%	6.7%	0.0%	7.3%
-5%	- 0%	8.6%	0.1%	9.3%
-10%	- -5%	13.0%	0.1%	14.1%
-15%	- -10%	13.8%	0.2%	15.0%
-25%	- -15%	25.5%	1.4%	27.6%
-50%	- -25%	15.4%	45.4%	12.8%
-75%	- -50%	4.1%	51.0%	0.0%
-100%	- -75%	0.1%	1.6%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		583.26	831.58	561.78
Current		750.33	1,920.79	648.93
Resulting Change		-22.3%	-56.7%	-13.4%

Summary of Change in Premiums
Mandatory Premiums Including SEF 44 - Based on Average Premium

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.3%	0.0%	0.3%
15%	- 25%	0.6%	0.0%	0.7%
10%	- 15%	0.9%	0.0%	0.9%
5%	- 10%	1.7%	0.0%	1.8%
0%	- 5%	3.9%	0.0%	4.1%
-5%	- 0%	7.2%	0.0%	7.6%
-10%	- -5%	12.9%	0.0%	13.6%
-15%	- -10%	13.2%	0.1%	13.8%
-25%	- -15%	30.7%	0.9%	32.3%
-50%	- -25%	20.6%	47.0%	19.2%
-75%	- -50%	7.8%	48.2%	5.7%
-100%	- -75%	0.2%	3.7%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		582.80	821.32	570.61
Current		792.92	1,971.76	732.67
Resulting Change		-26.5%	-58.3%	-22.1%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.3%	0.0%	0.3%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	0.3%	0.1%	0.3%
0%	- 5%	0.5%	0.2%	0.5%
-5%	- 0%	1.1%	0.6%	1.2%
-10%	- -5%	3.9%	0.7%	4.2%
-15%	- -10%	9.5%	2.1%	10.1%
-25%	- -15%	50.3%	5.3%	54.4%
-50%	- -25%	29.4%	49.2%	27.6%
-75%	- -50%	3.6%	40.8%	0.3%
-100%	- -75%	0.3%	1.1%	0.3%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		566.80	819.48	543.71
Current		789.28	1,716.25	704.58
Resulting Change		-28.2%	-52.3%	-22.8%

Summary of Change in Premiums
Mandatory Premiums Including SEF 44 - Based on Average Premium

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.4%	0.0%	0.5%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.3%	0.0%	0.3%
0%	- 5%	0.5%	0.1%	0.5%
-5%	- 0%	1.4%	0.1%	1.4%
-10%	- -5%	3.8%	0.5%	4.0%
-15%	- -10%	10.7%	1.1%	11.5%
-25%	- -15%	47.3%	4.2%	50.5%
-50%	- -25%	31.1%	45.3%	30.1%
-75%	- -50%	3.6%	46.9%	0.4%
-100%	- -75%	0.1%	1.8%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		511.48	768.66	492.08
Current		705.16	1,705.23	629.73
Resulting Change		-27.5%	-54.9%	-21.9%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.2%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.4%	0.0%	0.4%
25%	- 50%	1.2%	0.1%	1.4%
15%	- 25%	1.8%	0.2%	2.0%
10%	- 15%	2.3%	0.1%	2.5%
5%	- 10%	2.2%	0.1%	2.4%
0%	- 5%	3.9%	0.2%	4.3%
-5%	- 0%	6.8%	0.4%	7.5%
-10%	- -5%	5.3%	0.4%	5.8%
-15%	- -10%	6.1%	0.8%	6.6%
-25%	- -15%	18.2%	4.3%	19.6%
-50%	- -25%	47.0%	47.6%	46.9%
-75%	- -50%	4.1%	43.2%	0.1%
-100%	- -75%	0.2%	2.5%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		670.58	862.75	650.89
Current		903.93	1,766.48	815.58
Resulting Change		-25.8%	-51.2%	-20.2%

Summary of Change in Premiums
Mandatory Premiums Including SEF 44 - Based on Average Premium

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.3%	0.0%	0.4%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.3%	0.0%	0.3%
0%	- 5%	0.7%	0.1%	0.8%
-5%	- 0%	1.9%	0.1%	2.1%
-10%	- -5%	8.4%	0.5%	9.1%
-15%	- -10%	20.7%	1.4%	22.2%
-25%	- -15%	38.0%	6.5%	40.4%
-50%	- -25%	25.6%	50.6%	23.7%
-75%	- -50%	3.2%	40.7%	0.3%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		576.60	921.82	549.61
Current		772.24	1,758.04	695.16
Resulting Change		-25.3%	-47.6%	-20.9%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 5% Margin

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.8%	0.1%	0.9%
15%	- 25%	1.6%	0.2%	1.7%
10%	- 15%	1.5%	0.3%	1.7%
5%	- 10%	2.2%	0.4%	2.4%
0%	- 5%	8.1%	0.6%	8.7%
-5%	- 0%	6.3%	1.5%	6.7%
-10%	- -5%	13.1%	3.3%	14.0%
-15%	- -10%	15.5%	4.9%	16.5%
-25%	- -15%	30.1%	10.5%	31.8%
-50%	- -25%	16.9%	44.2%	14.4%
-75%	- -50%	3.5%	33.2%	0.9%
-100%	- -75%	0.1%	0.9%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		589.79	872.07	564.13
Current		748.92	1,690.36	666.69
Resulting Change		-21.2%	-48.4%	-15.4%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 5% Margin

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.5%	0.1%	0.6%
15%	- 25%	1.8%	0.3%	1.9%
10%	- 15%	2.4%	0.8%	2.6%
5%	- 10%	2.4%	0.9%	2.6%
0%	- 5%	19.1%	1.1%	21.1%
-5%	- 0%	6.3%	3.7%	6.6%
-10%	- -5%	22.4%	7.5%	24.0%
-15%	- -10%	13.6%	11.4%	13.9%
-25%	- -15%	21.2%	18.0%	21.6%
-50%	- -25%	7.4%	28.0%	5.2%
-75%	- -50%	2.8%	28.0%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		529.00	867.71	492.00
Current		626.54	1,430.16	538.76
Resulting Change		-15.6%	-39.3%	-8.7%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.1%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.6%	0.0%	0.6%
25%	- 50%	3.0%	0.0%	3.2%
15%	- 25%	4.8%	0.0%	5.2%
10%	- 15%	4.2%	0.1%	4.6%
5%	- 10%	6.6%	0.0%	7.1%
0%	- 5%	8.3%	0.1%	9.0%
-5%	- 0%	12.5%	0.1%	13.5%
-10%	- -5%	12.8%	0.2%	13.9%
-15%	- -10%	12.7%	0.4%	13.7%
-25%	- -15%	20.5%	2.0%	22.1%
-50%	- -25%	10.4%	55.6%	6.5%
-75%	- -50%	3.3%	41.2%	0.0%
-100%	- -75%	0.0%	0.2%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		612.42	873.15	589.83
Current		750.33	1,920.79	648.93
Resulting Change		-18.4%	-54.5%	-9.1%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 5% Margin

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.6%	0.0%	0.6%
15%	- 25%	1.2%	0.0%	1.3%
10%	- 15%	1.8%	0.0%	1.8%
5%	- 10%	3.8%	0.0%	4.0%
0%	- 5%	6.6%	0.0%	6.9%
-5%	- 0%	11.1%	0.0%	11.7%
-10%	- -5%	13.7%	0.1%	14.4%
-15%	- -10%	14.5%	0.2%	15.2%
-25%	- -15%	26.2%	2.3%	27.4%
-50%	- -25%	13.1%	50.9%	11.2%
-75%	- -50%	7.3%	43.1%	5.4%
-100%	- -75%	0.2%	3.3%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		611.93	862.38	599.14
Current		792.92	1,971.76	732.67
Resulting Change		-22.8%	-56.3%	-18.2%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.5%
15%	- 25%	0.5%	0.1%	0.5%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	0.5%	0.2%	0.5%
0%	- 5%	1.1%	0.6%	1.1%
-5%	- 0%	3.4%	0.6%	3.7%
-10%	- -5%	6.5%	1.9%	6.9%
-15%	- -10%	19.6%	1.9%	21.2%
-25%	- -15%	44.8%	8.3%	48.2%
-50%	- -25%	19.6%	53.1%	16.6%
-75%	- -50%	2.8%	32.3%	0.1%
-100%	- -75%	0.3%	1.0%	0.2%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		595.14	860.45	570.90
Current		789.28	1,716.25	704.58
Resulting Change		-24.6%	-49.9%	-19.0%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 5% Margin

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.6%	0.0%	0.6%
15%	- 25%	0.5%	0.0%	0.5%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.5%	0.1%	0.5%
0%	- 5%	1.1%	0.1%	1.1%
-5%	- 0%	3.8%	0.5%	4.0%
-10%	- -5%	9.8%	0.9%	10.4%
-15%	- -10%	18.7%	1.4%	20.0%
-25%	- -15%	42.8%	5.8%	45.6%
-50%	- -25%	18.9%	49.6%	16.6%
-75%	- -50%	2.9%	40.2%	0.1%
-100%	- -75%	0.1%	1.4%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		537.04	807.07	516.68
Current		705.16	1,705.23	629.73
Resulting Change		-23.8%	-52.7%	-18.0%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.0%	0.2%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.5%	0.0%	0.5%
25%	- 50%	1.8%	0.2%	2.0%
15%	- 25%	3.6%	0.3%	3.9%
10%	- 15%	2.2%	0.1%	2.4%
5%	- 10%	3.7%	0.2%	4.1%
0%	- 5%	6.6%	0.4%	7.2%
-5%	- 0%	5.3%	0.4%	5.8%
-10%	- -5%	5.8%	0.8%	6.3%
-15%	- -10%	8.5%	1.4%	9.2%
-25%	- -15%	21.0%	6.4%	22.5%
-50%	- -25%	37.3%	54.5%	35.5%
-75%	- -50%	3.2%	33.8%	0.1%
-100%	- -75%	0.2%	1.6%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		704.10	905.88	683.43
Current		903.93	1,766.48	815.58
Resulting Change		-22.1%	-48.7%	-16.2%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 5% Margin

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.5%	0.0%	0.5%
15%	- 25%	0.5%	0.0%	0.5%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.7%	0.1%	0.8%
0%	- 5%	1.9%	0.1%	2.1%
-5%	- 0%	7.5%	0.2%	8.0%
-10%	- -5%	16.4%	1.2%	17.6%
-15%	- -10%	22.5%	3.2%	24.0%
-25%	- -15%	28.9%	11.3%	30.3%
-50%	- -25%	18.0%	47.8%	15.7%
-75%	- -50%	2.7%	36.0%	0.1%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		605.43	967.91	577.08
Current		772.24	1,758.04	695.16
Resulting Change		-21.6%	-44.9%	-17.0%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 7.5% Margin

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	1.0%	0.1%	1.1%
15%	- 25%	2.2%	0.3%	2.4%
10%	- 15%	1.6%	0.3%	1.8%
5%	- 10%	6.4%	0.5%	7.0%
0%	- 5%	5.1%	0.7%	5.5%
-5%	- 0%	10.8%	2.5%	11.5%
-10%	- -5%	13.1%	3.4%	14.0%
-15%	- -10%	17.3%	5.1%	18.4%
-25%	- -15%	24.6%	10.8%	25.8%
-50%	- -25%	14.1%	44.4%	11.3%
-75%	- -50%	3.3%	31.4%	0.8%
-100%	- -75%	0.1%	0.5%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		603.83	892.83	577.57
Current		748.91	1,690.35	666.69
Resulting Change		-19.4%	-47.2%	-13.4%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 7.5% Margin

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.1%
25%	- 50%	0.7%	0.1%	0.8%
15%	- 25%	3.4%	0.7%	3.7%
10%	- 15%	2.1%	0.6%	2.2%
5%	- 10%	15.8%	1.1%	17.4%
0%	- 5%	7.1%	1.5%	7.7%
-5%	- 0%	17.7%	5.7%	19.0%
-10%	- -5%	14.5%	8.0%	15.2%
-15%	- -10%	14.8%	11.9%	15.2%
-25%	- -15%	15.4%	16.5%	15.3%
-50%	- -25%	5.8%	27.5%	3.5%
-75%	- -50%	2.6%	26.3%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		541.60	888.37	503.72
Current		626.52	1,430.16	538.76
Resulting Change		-13.6%	-37.9%	-6.5%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.2%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.7%	0.0%	0.7%
25%	- 50%	3.8%	0.0%	4.1%
15%	- 25%	6.0%	0.1%	6.5%
10%	- 15%	5.3%	0.1%	5.8%
5%	- 10%	7.3%	0.0%	7.9%
0%	- 5%	9.6%	0.1%	10.4%
-5%	- 0%	13.1%	0.2%	14.2%
-10%	- -5%	12.4%	0.3%	13.4%
-15%	- -10%	12.4%	0.3%	13.4%
-25%	- -15%	17.0%	2.4%	18.3%
-50%	- -25%	9.0%	58.4%	4.8%
-75%	- -50%	3.1%	38.0%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		627.00	893.94	603.89
Current		750.33	1,920.79	648.93
Resulting Change		-16.4%	-53.5%	-6.9%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 7.5% Margin

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.7%	0.0%	0.7%
15%	- 25%	1.8%	0.0%	1.9%
10%	- 15%	2.2%	0.0%	2.4%
5%	- 10%	4.7%	0.0%	5.0%
0%	- 5%	7.9%	0.0%	8.3%
-5%	- 0%	13.2%	0.1%	13.9%
-10%	- -5%	14.9%	0.1%	15.7%
-15%	- -10%	13.6%	0.3%	14.3%
-25%	- -15%	23.1%	3.4%	24.1%
-50%	- -25%	10.4%	50.7%	8.3%
-75%	- -50%	7.1%	42.2%	5.3%
-100%	- -75%	0.2%	3.2%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		626.51	882.91	613.40
Current		792.92	1,971.76	732.67
Resulting Change		-21.0%	-55.2%	-16.3%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.5%	0.0%	0.5%
15%	- 25%	0.6%	0.1%	0.6%
10%	- 15%	0.3%	0.1%	0.4%
5%	- 10%	0.6%	0.2%	0.6%
0%	- 5%	1.5%	0.6%	1.6%
-5%	- 0%	4.9%	1.4%	5.2%
-10%	- -5%	12.8%	1.3%	13.8%
-15%	- -10%	24.7%	2.1%	26.7%
-25%	- -15%	34.1%	9.2%	36.4%
-50%	- -25%	16.9%	53.4%	13.6%
-75%	- -50%	2.7%	31.0%	0.1%
-100%	- -75%	0.3%	0.5%	0.2%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		609.31	880.94	584.49
Current		789.28	1,716.25	704.58
Resulting Change		-22.8%	-48.7%	-17.0%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 7.5% Margin

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.7%	0.0%	0.7%
15%	- 25%	0.5%	0.0%	0.5%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	0.7%	0.0%	0.8%
0%	- 5%	2.0%	0.3%	2.1%
-5%	- 0%	5.9%	0.7%	6.3%
-10%	- -5%	12.6%	0.9%	13.5%
-15%	- -10%	22.5%	1.5%	24.1%
-25%	- -15%	35.9%	6.4%	38.1%
-50%	- -25%	16.0%	52.5%	13.2%
-75%	- -50%	2.7%	37.5%	0.1%
-100%	- -75%	0.0%	0.1%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		549.83	826.28	528.98
Current		705.16	1,705.23	629.73
Resulting Change		-22.0%	-51.5%	-16.0%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.0%	0.2%
75%	- 100%	0.2%	0.0%	0.3%
50%	- 75%	0.6%	0.1%	0.6%
25%	- 50%	2.5%	0.3%	2.7%
15%	- 25%	3.7%	0.2%	4.1%
10%	- 15%	2.7%	0.1%	3.0%
5%	- 10%	4.8%	0.3%	5.3%
0%	- 5%	6.1%	0.3%	6.7%
-5%	- 0%	5.4%	0.5%	5.9%
-10%	- -5%	6.8%	0.8%	7.4%
-15%	- -10%	8.2%	1.5%	8.8%
-25%	- -15%	25.1%	8.2%	26.8%
-50%	- -25%	30.6%	55.5%	28.0%
-75%	- -50%	3.1%	31.8%	0.1%
-100%	- -75%	0.0%	0.4%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		720.87	927.45	699.70
Current		903.93	1,766.48	815.58
Resulting Change		-20.3%	-47.5%	-14.2%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 7.5% Margin

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.5%	0.0%	0.6%
15%	- 25%	0.5%	0.1%	0.6%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	1.5%	0.0%	1.7%
0%	- 5%	3.0%	0.2%	3.2%
-5%	- 0%	12.9%	0.7%	13.9%
-10%	- -5%	18.1%	1.8%	19.4%
-15%	- -10%	22.8%	3.4%	24.3%
-25%	- -15%	21.7%	14.5%	22.2%
-50%	- -25%	15.9%	45.1%	13.6%
-75%	- -50%	2.5%	34.0%	0.1%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		619.84	990.96	590.83
Current		772.24	1,758.04	695.16
Resulting Change		-19.7%	-43.6%	-15.0%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 10% Margin

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.1%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	1.3%	0.1%	1.5%
15%	- 25%	2.5%	0.5%	2.7%
10%	- 15%	2.2%	0.4%	2.3%
5%	- 10%	8.0%	0.6%	8.6%
0%	- 5%	5.7%	1.3%	6.1%
-5%	- 0%	12.4%	3.1%	13.2%
-10%	- -5%	14.2%	4.3%	15.1%
-15%	- -10%	17.7%	4.3%	18.9%
-25%	- -15%	20.2%	11.0%	21.0%
-50%	- -25%	12.2%	44.2%	9.3%
-75%	- -50%	3.1%	29.8%	0.8%
-100%	- -75%	0.1%	0.4%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		617.87	913.60	591.00
Current		748.91	1,690.35	666.69
Resulting Change		-17.5%	-46.0%	-11.4%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 10% Margin

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	1.0%	0.1%	1.1%
15%	- 25%	3.7%	1.1%	4.0%
10%	- 15%	2.4%	0.9%	2.6%
5%	- 10%	19.0%	1.1%	21.0%
0%	- 5%	6.1%	3.2%	6.4%
-5%	- 0%	21.2%	7.3%	22.7%
-10%	- -5%	13.1%	10.1%	13.4%
-15%	- -10%	12.6%	8.7%	13.1%
-25%	- -15%	13.6%	16.4%	13.3%
-50%	- -25%	4.7%	26.0%	2.3%
-75%	- -50%	2.5%	25.0%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		554.19	909.03	515.43
Current		626.52	1,430.16	538.76
Resulting Change		-11.5%	-36.4%	-4.3%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.0%	0.2%
75%	- 100%	0.3%	0.0%	0.3%
50%	- 75%	0.8%	0.1%	0.9%
25%	- 50%	4.9%	0.0%	5.3%
15%	- 25%	7.3%	0.1%	7.9%
10%	- 15%	6.0%	0.0%	6.6%
5%	- 10%	8.1%	0.1%	8.8%
0%	- 5%	11.9%	0.1%	12.9%
-5%	- 0%	11.1%	0.2%	12.0%
-10%	- -5%	12.5%	0.3%	13.5%
-15%	- -10%	12.2%	0.5%	13.2%
-25%	- -15%	14.2%	3.5%	15.1%
-50%	- -25%	7.8%	59.9%	3.2%
-75%	- -50%	2.8%	35.2%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		641.59	914.74	617.93
Current		750.33	1,920.79	648.93
Resulting Change		-14.5%	-52.4%	-4.8%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 10% Margin

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	1.0%	0.0%	1.0%
15%	- 25%	2.7%	0.0%	2.8%
10%	- 15%	3.7%	0.0%	3.9%
5%	- 10%	6.5%	0.0%	6.8%
0%	- 5%	9.7%	0.0%	10.2%
-5%	- 0%	12.8%	0.1%	13.4%
-10%	- -5%	14.2%	0.2%	14.9%
-15%	- -10%	14.9%	0.5%	15.7%
-25%	- -15%	19.1%	4.2%	19.9%
-50%	- -25%	8.5%	50.5%	6.4%
-75%	- -50%	6.7%	41.4%	4.9%
-100%	- -75%	0.2%	3.1%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		641.08	903.45	627.67
Current		792.92	1,971.76	732.67
Resulting Change		-19.1%	-54.2%	-14.3%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.6%	0.0%	0.7%
15%	- 25%	0.5%	0.1%	0.6%
10%	- 15%	0.5%	0.2%	0.5%
5%	- 10%	1.0%	0.6%	1.1%
0%	- 5%	2.7%	0.5%	2.9%
-5%	- 0%	6.5%	1.8%	6.9%
-10%	- -5%	17.2%	1.6%	18.6%
-15%	- -10%	28.3%	2.4%	30.7%
-25%	- -15%	24.1%	9.7%	25.4%
-50%	- -25%	15.5%	53.2%	12.1%
-75%	- -50%	2.5%	29.4%	0.1%
-100%	- -75%	0.3%	0.5%	0.2%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		623.48	901.43	598.09
Current		789.28	1,716.25	704.58
Resulting Change		-21.0%	-47.5%	-15.1%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 10% Margin

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.7%	0.0%	0.8%
15%	- 25%	0.5%	0.1%	0.6%
10%	- 15%	0.5%	0.1%	0.5%
5%	- 10%	1.0%	0.1%	1.1%
0%	- 5%	3.3%	0.3%	3.5%
-5%	- 0%	7.9%	0.9%	8.4%
-10%	- -5%	17.4%	1.2%	18.6%
-15%	- -10%	22.7%	2.3%	24.3%
-25%	- -15%	29.4%	6.4%	31.1%
-50%	- -25%	14.0%	54.9%	10.9%
-75%	- -50%	2.4%	33.6%	0.0%
-100%	- -75%	0.0%	0.1%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		562.62	845.51	541.29
Current		705.16	1,705.23	629.73
Resulting Change		-20.2%	-50.4%	-14.0%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.3%	0.0%	0.3%
75%	- 100%	0.3%	0.0%	0.3%
50%	- 75%	0.6%	0.1%	0.7%
25%	- 50%	3.3%	0.3%	3.6%
15%	- 25%	4.1%	0.2%	4.5%
10%	- 15%	3.6%	0.2%	4.0%
5%	- 10%	6.3%	0.4%	6.9%
0%	- 5%	5.1%	0.4%	5.6%
-5%	- 0%	5.5%	0.5%	6.0%
-10%	- -5%	7.8%	1.2%	8.5%
-15%	- -10%	7.4%	2.2%	7.9%
-25%	- -15%	26.7%	7.8%	28.6%
-50%	- -25%	26.0%	56.1%	23.0%
-75%	- -50%	2.9%	30.6%	0.1%
-100%	- -75%	0.0%	0.1%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		737.63	949.02	715.98
Current		903.93	1,766.48	815.58
Resulting Change		-18.4%	-46.3%	-12.2%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium + 10% Margin

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.2%	0.0%	0.2%
25%	- 50%	0.6%	0.1%	0.7%
15%	- 25%	0.5%	0.0%	0.5%
10%	- 15%	0.7%	0.1%	0.8%
5%	- 10%	1.9%	0.1%	2.0%
0%	- 5%	6.5%	0.2%	7.0%
-5%	- 0%	15.9%	0.9%	17.0%
-10%	- -5%	17.9%	2.7%	19.1%
-15%	- -10%	21.9%	3.1%	23.4%
-25%	- -15%	17.2%	15.0%	17.3%
-50%	- -25%	14.4%	46.4%	11.9%
-75%	- -50%	2.3%	31.3%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		634.26	1,014.01	604.57
Current		772.24	1,758.04	695.16
Resulting Change		-17.9%	-42.3%	-13.0%

Summary of Change in Premiums
Mandatory Premiums Excluding SEF 44 - Based on Average Premium

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.2%
25%	- 50%	0.7%	0.0%	0.7%
15%	- 25%	1.5%	0.1%	1.6%
10%	- 15%	1.3%	0.2%	1.5%
5%	- 10%	2.1%	0.3%	2.3%
0%	- 5%	7.2%	0.4%	7.8%
-5%	- 0%	5.3%	0.6%	5.7%
-10%	- -5%	11.7%	2.2%	12.5%
-15%	- -10%	14.0%	3.7%	14.9%
-25%	- -15%	31.5%	10.6%	33.4%
-50%	- -25%	20.2%	41.6%	18.3%
-75%	- -50%	4.0%	38.6%	0.9%
-100%	- -75%	0.2%	1.6%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		555.11	820.52	530.99
Current		725.16	1,666.94	642.90
Resulting Change		-23.4%	-50.8%	-17.4%

Summary of Change in Premiums
Mandatory Premiums Excluding SEF 44 - Based on Average Premium

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.3%	0.0%	0.3%
15%	- 25%	1.8%	0.1%	2.0%
10%	- 15%	2.0%	0.4%	2.2%
5%	- 10%	2.9%	0.7%	3.1%
0%	- 5%	17.7%	1.0%	19.5%
-5%	- 0%	6.2%	1.2%	6.8%
-10%	- -5%	19.6%	4.9%	21.2%
-15%	- -10%	12.6%	8.9%	13.1%
-25%	- -15%	24.3%	22.6%	24.5%
-50%	- -25%	9.3%	28.4%	7.2%
-75%	- -50%	3.1%	31.6%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		497.50	816.03	462.70
Current		603.31	1,407.41	515.48
Resulting Change		-17.5%	-42.0%	-10.2%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.1%	0.0%	0.1%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.5%	0.0%	0.6%
25%	- 50%	3.1%	0.0%	3.3%
15%	- 25%	4.7%	0.0%	5.1%
10%	- 15%	4.2%	0.1%	4.6%
5%	- 10%	6.3%	0.1%	6.8%
0%	- 5%	7.8%	0.0%	8.4%
-5%	- 0%	10.9%	0.2%	11.9%
-10%	- -5%	12.0%	0.2%	13.0%
-15%	- -10%	12.1%	0.2%	13.1%
-25%	- -15%	21.1%	1.6%	22.8%
-50%	- -25%	12.9%	46.2%	10.0%
-75%	- -50%	3.9%	47.9%	0.0%
-100%	- -75%	0.3%	3.7%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		576.15	820.97	554.94
Current		725.19	1,895.82	623.78
Resulting Change		-20.6%	-56.7%	-11.0%

Summary of Change in Premiums
Mandatory Premiums Excluding SEF 44 - Based on Average Premium

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.5%	0.0%	0.5%
15%	- 25%	1.1%	0.0%	1.1%
10%	- 15%	1.5%	0.0%	1.6%
5%	- 10%	3.3%	0.0%	3.4%
0%	- 5%	5.6%	0.0%	5.9%
-5%	- 0%	9.1%	0.0%	9.6%
-10%	- -5%	11.3%	0.0%	11.9%
-15%	- -10%	15.0%	0.1%	15.8%
-25%	- -15%	27.4%	1.1%	28.7%
-50%	- -25%	17.4%	47.5%	15.9%
-75%	- -50%	7.6%	47.5%	5.6%
-100%	- -75%	0.2%	3.8%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		576.47	811.92	564.44
Current		769.29	1,948.61	709.02
Resulting Change		-25.1%	-58.3%	-20.4%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	0.4%	0.2%	0.4%
0%	- 5%	0.7%	0.2%	0.8%
-5%	- 0%	1.9%	0.5%	2.1%
-10%	- -5%	6.7%	1.4%	7.2%
-15%	- -10%	17.2%	1.5%	18.7%
-25%	- -15%	46.3%	5.8%	50.0%
-50%	- -25%	21.7%	49.6%	19.1%
-75%	- -50%	3.5%	39.3%	0.2%
-100%	- -75%	0.4%	1.5%	0.3%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		560.12	809.56	537.33
Current		763.79	1,691.11	679.06
Resulting Change		-26.7%	-52.1%	-20.9%

Summary of Change in Premiums
Mandatory Premiums Excluding SEF 44 - Based on Average Premium

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.5%	0.0%	0.5%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.4%	0.1%	0.4%
0%	- 5%	0.8%	0.0%	0.9%
-5%	- 0%	2.5%	0.2%	2.7%
-10%	- -5%	7.6%	0.8%	8.1%
-15%	- -10%	14.6%	1.0%	15.6%
-25%	- -15%	45.8%	4.3%	48.9%
-50%	- -25%	23.3%	45.7%	21.6%
-75%	- -50%	3.3%	43.0%	0.3%
-100%	- -75%	0.4%	4.8%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		505.80	759.81	486.65
Current		682.99	1,683.21	607.56
Resulting Change		-25.9%	-54.9%	-19.9%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.0%	0.2%
75%	- 100%	0.2%	0.0%	0.2%
50%	- 75%	0.5%	0.1%	0.5%
25%	- 50%	1.7%	0.1%	1.8%
15%	- 25%	3.2%	0.2%	3.5%
10%	- 15%	1.8%	0.2%	2.0%
5%	- 10%	2.9%	0.1%	3.2%
0%	- 5%	5.6%	0.2%	6.1%
-5%	- 0%	5.3%	0.4%	5.8%
-10%	- -5%	5.7%	0.5%	6.3%
-15%	- -10%	7.6%	0.8%	8.3%
-25%	- -15%	16.9%	4.3%	18.2%
-50%	- -25%	44.3%	47.7%	43.9%
-75%	- -50%	4.1%	42.9%	0.1%
-100%	- -75%	0.2%	2.5%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		663.11	852.38	643.72
Current		880.14	1,742.73	791.77
Resulting Change		-24.7%	-51.1%	-18.7%

Summary of Change in Premiums
Mandatory Premiums Excluding SEF 44 - Based on Average Premium

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.7%	0.0%	0.7%
0%	- 5%	1.2%	0.1%	1.3%
-5%	- 0%	5.5%	0.1%	5.9%
-10%	- -5%	13.8%	0.5%	14.9%
-15%	- -10%	18.0%	1.7%	19.2%
-25%	- -15%	33.2%	6.4%	35.3%
-50%	- -25%	23.3%	50.3%	21.2%
-75%	- -50%	3.2%	40.9%	0.3%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		569.62	911.20	542.91
Current		752.13	1,738.20	675.02
Resulting Change		-24.3%	-47.6%	-19.6%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium with Higher Criminal Code Conviction Surcharge

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.1%	0.2%
75%	- 100%	0.1%	0.1%	0.1%
50%	- 75%	0.1%	0.1%	0.1%
25%	- 50%	0.4%	0.1%	0.5%
15%	- 25%	0.8%	0.1%	0.9%
10%	- 15%	1.0%	0.1%	1.0%
5%	- 10%	1.6%	0.3%	1.7%
0%	- 5%	2.3%	0.4%	2.5%
-5%	- 0%	8.3%	0.6%	8.9%
-10%	- -5%	6.9%	1.6%	7.4%
-15%	- -10%	14.5%	3.7%	15.5%
-25%	- -15%	34.8%	10.4%	37.0%
-50%	- -25%	24.8%	41.8%	23.3%
-75%	- -50%	4.1%	39.5%	1.0%
-100%	- -75%	0.2%	1.1%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		565.12	834.65	540.60
Current		748.91	1,690.35	666.69
Resulting Change		-24.5%	-50.6%	-18.9%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium with Higher Criminal Code Conviction Surcharge

Company A

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.0%	0.0%	0.0%
25%	- 50%	0.2%	0.0%	0.2%
15%	- 25%	0.7%	0.1%	0.8%
10%	- 15%	1.2%	0.3%	1.3%
5%	- 10%	2.6%	0.9%	2.8%
0%	- 5%	2.5%	0.9%	2.7%
-5%	- 0%	19.2%	1.2%	21.2%
-10%	- -5%	6.8%	3.9%	7.1%
-15%	- -10%	23.3%	8.6%	24.9%
-25%	- -15%	27.7%	22.6%	28.2%
-50%	- -25%	12.7%	29.7%	10.9%
-75%	- -50%	3.2%	31.8%	0.0%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium		Total	Young	Old
Benchmark		504.07	827.04	468.80
Current		626.54	1,430.16	538.76
Resulting Change		-19.5%	-42.2%	-13.0%

Company B

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.8%	0.1%	0.9%
75%	- 100%	0.1%	0.0%	0.1%
50%	- 75%	0.3%	0.1%	0.3%
25%	- 50%	1.6%	0.2%	1.7%
15%	- 25%	3.0%	0.0%	3.3%
10%	- 15%	2.7%	0.1%	3.0%
5%	- 10%	4.4%	0.1%	4.8%
0%	- 5%	6.7%	0.0%	7.3%
-5%	- 0%	8.6%	0.1%	9.3%
-10%	- -5%	12.9%	0.1%	14.1%
-15%	- -10%	13.8%	0.2%	15.0%
-25%	- -15%	25.5%	1.3%	27.6%
-50%	- -25%	15.4%	45.1%	12.8%
-75%	- -50%	4.1%	51.0%	0.0%
-100%	- -75%	0.1%	1.6%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium		Total	Young	Old
Benchmark		596.07	840.42	574.91
Current		750.32	1,920.79	648.93
Resulting Change		-20.6%	-56.2%	-11.4%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium with Higher Criminal Code Conviction Surcharge

Company C

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.6%	0.0%	0.7%
10%	- 15%	0.9%	0.0%	0.9%
5%	- 10%	1.7%	0.0%	1.8%
0%	- 5%	3.9%	0.0%	4.1%
-5%	- 0%	7.2%	0.1%	7.6%
-10%	- -5%	12.9%	0.0%	13.6%
-15%	- -10%	13.2%	0.1%	13.8%
-25%	- -15%	30.7%	0.9%	32.2%
-50%	- -25%	20.5%	47.0%	19.1%
-75%	- -50%	7.7%	48.2%	5.7%
-100%	- -75%	0.2%	3.7%	0.0%
> -100%		0.0%	0.0%	0.0%
Total				
Average Premium		Total	Young	Old
Benchmark		586.19	822.78	574.09
Current		792.92	1,971.76	732.67
Resulting Change		-26.1%	-58.3%	-21.6%

Company D

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.3%	0.0%	0.3%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.1%	0.3%
5%	- 10%	0.3%	0.1%	0.3%
0%	- 5%	0.5%	0.2%	0.5%
-5%	- 0%	1.1%	0.6%	1.2%
-10%	- -5%	3.9%	0.7%	4.2%
-15%	- -10%	9.4%	2.1%	10.1%
-25%	- -15%	50.3%	5.3%	54.4%
-50%	- -25%	29.4%	49.2%	27.6%
-75%	- -50%	3.6%	40.7%	0.3%
-100%	- -75%	0.3%	1.1%	0.3%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium		Total	Young	Old
Benchmark		567.82	820.90	544.69
Current		789.28	1,716.25	704.58
Resulting Change		-28.1%	-52.2%	-22.7%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium with Higher Criminal Code Conviction Surcharge

Company E

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.4%	0.0%	0.4%
15%	- 25%	0.4%	0.0%	0.5%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.3%	0.0%	0.3%
0%	- 5%	0.5%	0.1%	0.5%
-5%	- 0%	1.4%	0.1%	1.4%
-10%	- -5%	3.8%	0.5%	4.0%
-15%	- -10%	10.7%	1.1%	11.5%
-25%	- -15%	47.3%	4.2%	50.5%
-50%	- -25%	31.1%	45.3%	30.1%
-75%	- -50%	3.6%	46.9%	0.4%
-100%	- -75%	0.1%	1.8%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		511.69	769.33	492.26
Current		705.15	1,705.23	629.73
Resulting Change		-27.4%	-54.9%	-21.8%

Company F

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		1.2%	0.4%	1.3%
75%	- 100%	0.2%	0.3%	0.2%
50%	- 75%	0.3%	0.3%	0.2%
25%	- 50%	0.9%	0.3%	1.0%
15%	- 25%	1.7%	0.2%	1.8%
10%	- 15%	2.2%	0.1%	2.4%
5%	- 10%	2.0%	0.1%	2.2%
0%	- 5%	3.8%	0.1%	4.2%
-5%	- 0%	6.8%	0.3%	7.5%
-10%	- -5%	5.3%	0.4%	5.8%
-15%	- -10%	6.1%	0.7%	6.6%
-25%	- -15%	18.2%	4.0%	19.6%
-50%	- -25%	46.9%	47.2%	46.9%
-75%	- -50%	4.1%	43.0%	0.1%
-100%	- -75%	0.2%	2.5%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		685.54	884.13	665.20
Current		903.93	1,766.48	815.58
Resulting Change		-24.2%	-49.9%	-18.4%

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premium with Higher Criminal Code Conviction Surcharge

Company G

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.0%	0.0%	0.0%
75%	- 100%	0.0%	0.0%	0.0%
50%	- 75%	0.1%	0.0%	0.1%
25%	- 50%	0.3%	0.1%	0.4%
15%	- 25%	0.4%	0.0%	0.4%
10%	- 15%	0.3%	0.0%	0.3%
5%	- 10%	0.3%	0.0%	0.3%
0%	- 5%	0.7%	0.1%	0.8%
-5%	- 0%	1.9%	0.1%	2.1%
-10%	- -5%	8.4%	0.5%	9.1%
-15%	- -10%	20.7%	1.4%	22.2%
-25%	- -15%	38.0%	6.5%	40.4%
-50%	- -25%	25.6%	50.5%	23.7%
-75%	- -50%	3.2%	40.7%	0.3%
-100%	- -75%	0.0%	0.0%	0.0%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		577.10	923.94	549.98
Current		772.24	1,758.04	695.16
Resulting Change		-25.3%	-47.4%	-20.9%

Summary of Projected Average Premiums

(\$)

Coverage	Average Premium	Premium + 5%	Premium + 7.5%	Premium + 10%
(1)	(2)	(3)	(4)	(5)
TPL	560.85	588.89	602.91	616.93
AB	83.61	87.79	89.88	91.97
SEF44	7.47	7.84	8.03	8.22

Source: Based on KPMG analysis of IBC industry data as of June 30, 2003 and proposed auto reforms as of September 2003. See text for further description of reforms included in this example.

Territorial Analysis

Selection of Territorial Differentials

Terr (1)	Name (2)	Statistical Code (3)	Minimum Bias Indicated Differentials (4) (5)		Loss Cost (\$)		Relative Loss Cost		Selected Differential (10)
					2002 (6)	1998-2002 (7)	2002 (8)	1998-2002 (9)	
Third Party Liability									
1	Calgary	101	1.366	1.000	572.99	546.98	1.000	1.000	1.000
2	Edmonton	102	1.629	1.193	642.46	633.60	1.121	1.158	1.190
3	Northern	105	1.071	0.784	466.18	435.87	0.814	0.797	0.780
4	Remainder	100	1.000	0.732	407.80	394.76	0.712	0.722	0.730
Accident Benefits									
1	Calgary	101	1.366	1.000	50.32	41.17	1.000	1.000	1.000
2	Edmonton	102	1.629	1.193	56.34	53.96	1.120	1.311	1.120
3	Northern	105	1.071	0.784	30.39	27.64	0.604	0.671	0.570
4	Remainder	100	1.000	0.732	29.29	28.32	0.582	0.688	0.580

Column Notes:

- (4) For TPL, output of minimum bias analysis; For AB, data for minimum bias not available, TPL results used.
 (5) = {[Column (4)] / [Column (4) for Territory 1]}.
 (6) and (7) 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta; untrended.
 (8) = {[Column (6)] / [Column (6) for Territory 1]}.
 (9) = {[Column (7)] / [Column (7) for Territory 1]}.
 (10) Judgmentally selected based on Columns (5), (8) and (9).

Territorial Analysis
Calculation of Territorial Off-Balance

Terr	Name	Statistical Code	Selected Differential	2002 Written Exposures (#000)
(1)	(2)	(3)	(4)	(5)
Third Party Liability				
1	Calgary	101	1.000	545
2	Edmonton	102	1.190	438
3	Northern	105	0.780	96
4	Remainder	100	0.730	645
Total			0.935	1,724

Accident Benefits				
1	Calgary	101	1.000	540
2	Edmonton	102	1.120	437
3	Northern	105	0.570	97
4	Remainder	100	0.580	643
Total			0.849	1,717

Column Notes:

(4) From Appendix B, Sheet 1, Column (10); total is a weighted average of Columns (4) and (5).

(5) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

Class Analysis - Other than Farmers**Selection of Class Differentials**

Class	Min. Bias		Relative Loss Cost		
	All Terrs Combined	Loss Cost 2000-2002 (\$)	Urban	Rural	
(1)	(2)	(3)	(4)	(5)	(6)
Third Party Liability and Accident Benefits					
Pleasure	1.000	525.86	339.57	1.000	1.000
Commute	1.241	626.61	459.60	1.192	1.353
Business	1.161	598.87	398.23	1.139	1.173
Total		578.54	388.45	1.100	1.144

Class	IBC Class	Minimum Bias			Selected Differentials	
		All Terrs Combined	Urban	Rural	Urban	Rural
(7)	(8)	(9)	(10)	(11)	(12)	(13)
Third Party Liability and Accident Benefits						
1	01	1.000	1.000	1.000	1.000	1.000
2	02	1.059	1.074	1.014	1.100	1.100
3	n/a	n/a	n/a	n/a	1.151	1.327
4	03	1.296	1.217	1.383	1.200	1.354
5	07	1.212	1.189	1.264	1.135	1.205

Column Notes:

- (1) Class breakdown from IBC Supplementary Exhibit.
(2) From minimum bias analysis.
(3) and (4) From IBC Supplementary Exhibit; untrended.
(5) = {[Column (3)] / [Column (3) for pleasure]}.
(6) = {[Column (4)] / [Column (4) for pleasure]}.
(7) Class 1 - pleasure, annual mileage < 16,000 km, short commute
Class 2 - pleasure, annual mileage > 16,000 km, short commute
Class 3 - drive to work under 16 km one way
Class 4 - drive to work over 16 km one way
Class 5 - business use
(8) IBC Statistical Codes.
(9) - (11) From minimum bias analysis.
(12) and (13) Judgmentally selected based on Columns (2), (5), (6), (9), (10) and (11).
More discussion of selection provided in text of report.

Class Analysis - Other than Farmers**Calculation of Class Off-Balance**

Class	IBC Class	Urban		Rural		All Territories Differential
		Selected Differential	Distribution	Selected Differential	Distribution	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Third Party Liability and Accident Benefits						
1	01	1.000	52.5	1.000	61.0	
2	02	1.100	39.0	1.100	28.7	
3	n/a	1.151	2.2	1.327	3.7	
4	03	1.200	2.2	1.354	3.7	
5	07	1.135	4.2	1.205	3.0	
Total		1.053	100.0	1.061	100.0	1.055

Column Notes:

(3) From Appendix C, Sheet 1, Column (12); total is a weighted average of Columns (3) and (4).

(4) and (6) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

IBC class 03 judgmentally split into classes 3 and 4.

(5) From Appendix C, Sheet 1, Column (13); total is a weighted average of Columns (5) and (6).

(7) Weighted average of Columns (3) and (5); using 55% for urban and 45% for rural as weights.

Class Analysis - Farmers
Analysis of Relative Loss Cost

Acc. Year	Earned Vehicle	Earned Premium	Claim Count	Loss	Trend	Weight	Loss Cost	Relative Loss Cost
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TPL - Private Passenger Excluding Farmers								
1998	626,521	247,632,294	18,502	227,328,829	1.225	0.20	444	
1999	633,642	252,440,303	18,323	251,235,675	1.164	0.20	462	
2000	671,181	264,241,852	19,994	275,204,470	1.107	0.20	454	
2001	713,311	288,982,520	19,623	293,300,047	1.052	0.20	433	
2002	734,455	335,555,395	20,896	304,578,047	1.000	0.20	415	
Total	3,379,110	1,388,852,364	97,338	1,351,647,068			441	1.00
TPL - Farmers								
1998	74,156	16,308,840	1,240	18,230,511	1.225	0.20	301	
1999	71,202	15,964,366	1,120	17,965,054	1.164	0.20	294	
2000	69,376	15,464,464	1,161	18,257,879	1.107	0.20	291	
2001	68,142	15,288,712	1,051	16,334,094	1.052	0.20	252	
2002	66,918	16,466,812	1,093	21,776,531	1.000	0.20	325	
Total	349,794	79,493,194	5,665	92,564,069			293	0.66

Column Notes:

- (2) - (5) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (6) Trended to 2002.
- (7) Judgmentally selected.
- (8) = [(5) x (6) / (2)].
- (9) = {[(8) total] / [(8) total TPL - private passenger excluding farmers]}.

Class Analysis - Farmers**Analysis of Relative Loss Cost**

Acc. Year	Earned Vehicle	Earned Premium	Claim Count	Loss	Trend	Weight	Loss Cost	Relative Loss Cost
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
AB - Private Passenger Excluding Farmers								
1998	626,643	29,857,492	5,267	16,452,844	1.179	0.20	31	
1999	631,862	30,635,713	5,414	17,782,206	1.131	0.20	32	
2000	668,152	33,008,362	5,705	19,142,167	1.086	0.20	31	
2001	709,605	36,037,374	5,563	20,186,591	1.042	0.20	30	
2002	732,165	39,120,485	6,135	21,551,622	1.000	0.20	29	
Total	3,368,427	168,659,426	28,084	95,115,430			31	1.00
AB - Farmers								
1998	74,157	3,640,737	316	1,080,355	1.179	0.20	17	
1999	71,204	3,505,375	301	1,097,420	1.131	0.20	17	
2000	69,403	3,521,280	281	1,037,324	1.086	0.20	16	
2001	68,185	3,536,315	309	1,031,225	1.042	0.20	16	
2002	66,968	3,433,570	317	1,587,908	1.000	0.20	24	
Total	349,917	17,637,277	1,524	5,834,232			18	0.59

Column Notes:

(2) - (5) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(6) Trended to 2002.

(7) Judgmentally selected.

(8) = [(5) x (6) / (2)].

(9) = {[(8) total] / [(8) total AB - private passenger excluding farmers]}.

Class Analysis - Farmers
Analysis of Relative Loss Cost

Acc. Year	Earned Vehicle	Earned Premium	Claim Count	Loss	Trend	Weight	Loss Cost	Relative Loss Cost
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SEF 44 - Private Passenger Excluding Farmers								
1998	601,488	13,286,455	21	5,191,790	1.262	0.20	11	
1999	615,439	14,136,321	21	4,906,155	1.191	0.20	9	
2000	647,608	14,349,838	15	2,372,780	1.124	0.20	4	
2001	685,493	15,082,340	26	6,822,273	1.060	0.20	11	
2002	717,342	16,602,610	23	2,934,709	1.000	0.20	4	
Total	3,267,370	73,457,564	106	22,227,707			8	1.00
SEF 44 - Farmers								
1998	71,196	1,744,532	1	59,697	1.262	0.20	1	
1999	68,694	1,716,504	1	146,067	1.191	0.20	3	
2000	67,256	1,603,582	1	59,511	1.124	0.20	1	
2001	66,285	1,553,751	1	35,811	1.060	0.20	1	
2002	65,452	1,582,651	0	9,513	1.000	0.20	0	
Total	338,883	8,201,020	4	310,599			1	0.14

Column Notes:

- (2) - (5) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.
- (6) Trended to 2002.
- (7) Judgmentally selected.
- (8) = [(5) x (6) / (2)].
- (9) = {[(8) total] / [(8) total SEF 44 - private passenger excluding farmers]}.

Claims Experience**Calculation of Claims Experience Off-Balance**

	Reward / Penalty Level	Discount / Surcharge	Distribution
	(1)	(2)	(3)
Reward	6-10	0.350	79.12
	5	0.500	3.62
	4	0.650	3.31
	3	0.750	3.39
	2	0.850	3.31
	1	0.950	3.54
	Base	1.000	0.77
Penalty	1	1.050	0.77
	2	1.100	0.77
	3	1.150	0.77
	4	1.250	0.15
	5	1.350	0.15
	6	1.450	0.15
	7	1.550	0.15
	8	1.700	0.02
	9	1.850	0.02
	10	2.000	0.02
	11	2.150	0.02
	12	2.300	0.00
	13	2.450	0.00
	14	2.600	0.00
	15	2.800	0.00
	16	3.000	0.00
	Total	0.447	100.00

Column Notes:

- (2) Determined judgmentally based on analysis of loss cost statistics split by number of years claims-free and number of convictions as well as discussions with Alberta Finance and Mercer; total is a weighted average of columns (2) and (3). More discussion of selection provided in text of report.
- (3) Determined judgmentally based on IBC distribution by driving record and distribution by number of claims in last six years.



Appendix E

Dear CEO of Alberta Insurers

As you may be aware, KPMG has been retained by the Alberta Ministry of Finance to provide assistance as a variety of options for private passenger automobile insurance in Alberta (including farmers) are reviewed. Information on the proposed framework can be found on the Alberta Finance website (www.autoinsurance.gov.ab.ca).

As part of the project, we have been asked to determine a measure of the rate change that individual insureds would face if Alberta Finance implements changes to the current rating algorithm in Alberta. To that end, we are requesting that you submit data to us to enable us to measure that effect. The attached page describes a record layout that we would like you to use.

Basically what we are asking for is selected underwriting information, and the corresponding premium, on your current in-force book. By using the underwriting information we will be able to re-rate your insureds using criteria that Alberta Finance is currently considering and provide a measure of the rate level change that would be expected to occur.

The timeline here is quite short, and we are requesting that you submit your data to us by September 12, 2003.

Thank you in advance for your help on this project. Do not hesitate to contact me with any questions. Data files can be sent electronically to hhcheng@kpmg.ca.

Yours very truly,

Claudette Cantin, FCAS, FCIA, MAAA
Partner
Insurance Industry Practice
P&C Actuarial Services
(416) 777-8614

Jacqueline Friedland, FCAS, FCIA, MAAA
Senior Manager
Insurance Industry Practice
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Alberta Private Passenger Dislocation Study Reporting Requirements for Participating Insurers

Reporting Instructions

- Data to be submitted to KPMG in zipped Excel spreadsheet format.
- Please e-mail your file to hhcheng@kpmg.ca before end of business on September 12, 2003. Any questions can be addressed to Claudette Cantin at 416-777-8714 or ccantin@kpmg.ca.
- Each of the criteria listed below will be a different column in the spreadsheet.
- Use your current in-force file to make up the submission.
- One row in the spreadsheet is required for each operator on each vehicle.
- We are only collecting information on third party, accident benefits, and SEF 44, as well as the property damage rate group assigned to each vehicle.

Criteria	Contents
Policy ID Number	Will be repeated if more than one vehicle and/or operator on policy
Vehicle #	Vehicles should be listed sequentially
Operator #	Operators should be listed sequentially on each vehicle
Stat Territory	101, 102, 105, 100
Type of Business	1 – non farm 2 – farm 8 – claim free new drivers with driver training 9 – claim free new drivers without driver training
Type of Use (Class)	01 to 19
Vehicle Use	1 – pleasure 2 – short commute 3 – long commute 4 – business
Claim History	0 – 9 representing the number of claims in last 6 years (a code of 9 includes 9 or more years)
# Years Claim Free	0 – 9 representing the number of years claim free
# Chargeable Accidents	0 – 9 representing the number of chargeable accidents in the last 6 years
# Major Convictions	0 – 9 representing the number of major convictions in the last 6 years
# Minor Convictions	0 – 9 representing the number of minor convictions in the last 6 years
# Serious Convictions	0 – 9 representing the number of serious convictions in the last 6 years
Driver Training	0 – no driver training 1 – driver training
Driving Record	
Third Party Limit	2 – \$200,000 3 – \$300,000 5 – \$500,000 6 – \$1,000,000 7 – \$2,000,000 – \$5,000,000 8 – over \$5,000,000 9 – all other
Third Party Premium	For each charged operator show the actual charged premium – show \$0 if operator is not charged. Premium should include any discounts or surcharges.
Acc Ben Premium	As above
SEF 44 Premium	As above
Rate Group	CLEAR vehicle rate group for property damage
Discounts	Discounts should have already been applied to the premium reported above – set up a column for each type of discount your company offers and indicate with a % those that apply to the particular policy/vehicle/operator. Please include in a footnote a brief description of each discount.
Surcharges	Surcharges should have already been applied to the premium reported above – set up a column for each type of surcharge your company applies and indicate with a % those that apply to the particular policy/vehicle/operator. Please include in a footnote a brief description of each surcharge.

Alberta Private Passenger Vehicles

New Business : Jan/01/2004

Based on Average Premium - 60th Percentile of Premium - Two Territories Not Capped

Renewals : Jan/01/2004

Territory 1

Calgary 101

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1151	1283	1375	1507	237
2	1266	1411	1512	1657	261
3	1324	1476	1582	1734	273
4	1381	1539	1650	1808	285
5	1306	1456	1560	1710	269
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 2

Edmonton 102

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	1151	1283	1375	1507	237
2	1266	1411	1512	1657	261
3	1324	1476	1582	1734	273
4	1381	1539	1650	1808	285
5	1306	1456	1560	1710	269
6	N/A	N/A	N/A	N/A	N/A

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 3

Northern 105

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	977	1089	1167	1279	154
2	1075	1198	1284	1407	169
3	1296	1445	1549	1697	204
4	1323	1474	1580	1732	208
5	1177	1312	1406	1541	185
6	709	791	847	929	96

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Territory 4

Remainder 100

Class	Third Party Liability				Accident Benefits
	(Limit in \$000)				
	200	500	1000	2000	
1	977	1089	1167	1279	154
2	1075	1198	1284	1407	169
3	1296	1445	1549	1697	204
4	1323	1474	1580	1732	208
5	1177	1312	1406	1541	185
6	709	791	847	929	96

SEF 44				
(Limit in \$000)				
200	500	1000	2000	
13	16	19	24	

Summary of Discounts and Surcharges

Claims Experience

Reward Level 10	65% Discount
Reward Level 9	65% Discount
Reward Level 8	65% Discount
Reward Level 7	65% Discount
Reward Level 6	65% Discount
Reward Level 5	50% Discount
Reward Level 4	35% Discount
Reward Level 3	25% Discount
Reward Level 2	15% Discount
Reward Level 1	5% Discount
Base Level	0%
Penalty Level 1	5% Surcharge
Penalty Level 2	10% Surcharge
Penalty Level 3	15% Surcharge
Penalty Level 4	25% Surcharge
Penalty Level 5	35% Surcharge
Penalty Level 6	45% Surcharge
Penalty Level 7	55% Surcharge
Penalty Level 8	70% Surcharge
Penalty Level 9	85% Surcharge
Penalty Level 10	100% Surcharge
Penalty Level 11	115% Surcharge
Penalty Level 12	130% Surcharge
Penalty Level 13	145% Surcharge
Penalty Level 14	160% Surcharge
Penalty Level 15	180% Surcharge
Penalty Level 16	200% Surcharge

+25% for subsequent penalty levels

Demerit Points

0	0% Surcharge
1	0% Surcharge
2	0% Surcharge
3	5% Surcharge
4	10% Surcharge
5	15% Surcharge
6	20% Surcharge
7	25% Surcharge
8	30% Surcharge
9	35% Surcharge
10	40% Surcharge
11	45% Surcharge
12	50% Surcharge
13	55% Surcharge
14	60% Surcharge
15	65% Surcharge
16	70% Surcharge
17	75% Surcharge
18	80% Surcharge
19	85% Surcharge
20	90% Surcharge
21	95% Surcharge
20	90% Surcharge

+10% for subsequent Demerit Points

Criminal Code Convictions

50% surcharge per conviction

Multi Vehicle Discount	10%
More Vehicles than Drivers Discount	10%
Driver Training Discount	5%
Defensive Driver Training Discount	10%
6 Month Policies	52% of 12 month premium

Class	Description
1	Pleasure - annual mileage < 16,000 km, and commute < 8 km one way
2	Pleasure - annual mileage > 16,000 km, and commute > 8 km one way
3	Pleasure or Commute to work between 8 km and 16 km one way
4	Pleasure or Commute to work > 16 km one way
5	Business Use
6	Farmers

Summary of Proposed Base Rates and Relativities

Base Rates - Based on Average Premium

Rating Territory	U/R	Third Party Liability	Accident Benefits	SEF 44
1	U	1,374.73	237.20	18.63
2	U	1,374.73	237.20	18.63
3	R	1,167.15	153.71	18.63
4	R	1,167.15	153.71	18.63

Expenses

	TPL	Acc. Ben.	SEF 44
Fixed *	60.66	5.64	0.65
Health Levy*	43.49	0.00	0.00

* Included in Base Rates

Classification Relativities

Class	U/R	Third Party Liability	Accident Benefits
1	U	1.000	1.000
2	U	1.100	1.100
3	U	1.151	1.151
4	U	1.200	1.200
5	U	1.135	1.135
1	R	1.000	1.000
2	R	1.100	1.100
3	R	1.327	1.327
4	R	1.354	1.354
5	R	1.205	1.205
6	R	0.726	0.622

Limit Relativities

Limit (\$000)	Third Party Liability	SEF 44
200	0.837	0.720
500	0.933	0.840
1,000	1.000	1.000
2,000	1.096	1.280

Base Premium Calculation

		TPL	AB	SEF 44
Projected Average Premium	(1)	\$575.80	\$90.44	\$7.91
Average Premium Adjustments Due to Rating Factors				
Off Balance Factors:				
(2) Rate Group		1.000	1.000	1.000
(3) Territory		0.935	0.849	1.000
(4) Class		1.055	1.055	1.000
(5) Claim Experience		0.447	0.447	0.447
(6) Demerit Points		1.013	1.013	1.013
(7) Multi Vehicle		0.945	0.945	0.945
(8) Driver Training		0.995	0.995	0.995
(9) Limit		0.998	1.000	0.998
(10) Capping		1.000	1.000	1.000
(11) Cumulative Adj.		0.419	0.381	0.425
Provincial Base Premium Underlying Benchmarks	(12)	\$1,374.73	\$237.20	\$18.63

Notes:

(1) - (10) Based on KPMG analysis of industry loss experience.

(11) = [(2) x (3) x (4) x (5) x (6) x (7) x (8) x (9) x (10)].

(12) = [(1) / (11)].

Summary of Change in Premiums

Mandatory Premiums Including SEF 44 - Based on Average Premiums - 60th Percentile of Premiums - Two Territories Not Capped

Total - All Companies

Range		All Drivers	Underage	Mature
Lower	Upper			
> 100%		0.2%	0.1%	0.3%
75%	- 100%	0.2%	0.1%	0.2%
50%	- 75%	0.5%	0.2%	0.5%
25%	- 50%	2.9%	0.8%	3.1%
15%	- 25%	6.6%	0.8%	7.1%
10%	- 15%	3.1%	0.8%	3.3%
5%	- 10%	7.0%	1.8%	7.5%
0%	- 5%	6.0%	2.4%	6.4%
-5%	- 0%	10.2%	3.6%	10.8%
-10%	- -5%	8.2%	2.9%	8.7%
-15%	- -10%	7.7%	3.8%	8.0%
-25%	- -15%	18.6%	11.3%	19.2%
-50%	- -25%	25.3%	39.9%	24.0%
-75%	- -50%	3.4%	30.6%	0.9%
-100%	- -75%	0.1%	1.0%	0.1%
> -100%		0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
Average Premium				
Benchmark		656.12	951.65	629.31
Current		810.13	1,721.48	729.85
Resulting Change		-19.0%	-44.7%	-13.8%

REPORT II
SUPPORTING ANALYSES – REVIEW OF ALTERNATIVES
PART 4 – Territorial Analysis



BACKGROUND

In October 2003, Alberta Finance requested KPMG to conduct an analysis of loss costs by territory. The following letter was submitted on October 24, 2003 to Alberta Finance.



KPMG LLP

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Mr. Dennis Gartner
Assistant Deputy Minister, Pensions,
Insurance and Financial Institutions
Superintendent of Financial Institutions
Alberta Finance
#409, Terrace Building
9515 – 107 Street
Edmonton, AB T5K 2C3

October 24, 2003

Dear Dennis:

Attached please find the results of our analysis of loss costs by territory in Alberta for the mandatory coverages: Third Party Liability (TPL), Accident Benefits (AB) (including Uninsured Motorist) and Underinsured Motorist.

We include eight years of trended, developed loss costs (accident years 1995-2002) for each territory. We then calculate relativities to territory 101, Calgary.

The exhibits you will find attached are as follows:

Exhibit I: Summary of territorial relativities:

This exhibit shows a summary by coverage of the trended, developed loss cost as well as the resulting relativities to territory 101, Calgary.

Exhibit II – Determination of Loss Costs and Territorial Relativities

This exhibit starts with data from the IICC – Territorial Exhibit for Alberta. We remove the industry calculated Loss Development factors (LDFs) and include the LDFs selected for our prior Alberta study. We then trend the developed losses to January 2005, as in our prior Alberta Study. We calculate the Loss Costs by dividing the trended, developed losses by the earned exposures and compare them to the Loss Costs calculated for territory 101, Calgary.

Conclusions

For TPL and AB the results are consistent for all years in the analysis and show that Edmonton has a higher loss cost than Calgary whereas both rural territories show lower loss costs than for the Calgary territory.

Yours very truly,



Claudette Cantin, FCAS, FCIA, MAAA
Partner
Insurance Industry Practice
P&C Actuarial Services
(416) 777-8614

Summary of Territorial Relativities

Acc. Year	Loss costs per vehicles				Relativity with respect to Calgary			
	Calgary	Edmonton	Northern District	Remainder of Province	Calgary	Edmonton	Northern District	Remainder of Province
	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)
Third Party Liability								
1995	572.94	614.57	423.33	384.77	1.00	1.07	0.74	0.67
1996	608.35	678.24	410.54	404.33	1.00	1.11	0.67	0.66
1997	615.97	691.52	466.08	415.24	1.00	1.12	0.76	0.67
1998	656.56	734.72	453.67	449.05	1.00	1.12	0.69	0.68
1999	634.36	787.60	512.68	475.91	1.00	1.24	0.81	0.75
2000	616.55	773.27	497.76	484.10	1.00	1.25	0.81	0.79
2001	628.61	725.23	566.40	461.06	1.00	1.15	0.90	0.73
2002	641.04	724.13	525.43	458.81	1.00	1.13	0.82	0.72
Accident Benefits								
1995	52.81	50.04	24.06	23.29	1.00	0.95	0.46	0.44
1996	63.18	75.38	36.89	34.01	1.00	1.19	0.58	0.54
1997	60.88	68.88	33.00	34.91	1.00	1.13	0.54	0.57
1998	58.51	64.42	37.75	33.84	1.00	1.10	0.65	0.58
1999	56.22	70.10	36.15	35.43	1.00	1.25	0.64	0.63
2000	61.61	68.91	31.88	35.27	1.00	1.12	0.52	0.57
2001	58.40	60.35	28.17	33.91	1.00	1.03	0.48	0.58
2002	56.44	63.20	34.08	32.86	1.00	1.12	0.60	0.58
Underinsured Motorists								
1995	22.85	7.11	12.02	5.63	1.00	0.31	0.53	0.25
1996	10.07	8.95	0.40	6.17	1.00	0.89	0.04	0.61
1997	4.23	4.41	5.40	15.78	1.00	1.04	1.28	3.73
1998	9.32	9.37	2.21	14.90	1.00	1.01	0.24	1.60
1999	2.90	2.68	11.40	11.67	1.00	0.92	3.93	4.02
2000	8.75	6.54	11.40	4.15	1.00	0.75	1.30	0.47
2001	6.04	3.64	31.56	10.02	1.00	0.60	5.23	1.66
2002	3.93	8.51	-	5.82	1.00	2.16	0.00	1.48

Column Notes:

(1) From Exhibit II, Sheet 1 to 4, Column (7).

(2) From Exhibit II, Sheet 1 to 4, Column (8).

Determination of Loss Costs and Territorial Relativities

Calgary (Territory 101)

Acc. Year	Number of Earned Vehicles (1)	Claims and Adjustment Expenses Incurred (2)	Industry LDF (3)	KPMG LDF (4)	Trend Factor (5)	Trended Ultimate Claim (6)	Loss Cost (7)	Territorial Relativity with respect to Calgary (8)
Third Party Liability								
1995	441,580	188,155,692	1.003	1.007	1.340	253,000,081	572.94	1.00
1996	451,367	205,102,290	1.005	1.030	1.306	274,587,069	608.35	1.00
1997	464,128	213,776,840	1.023	1.074	1.273	285,888,725	615.97	1.00
1998	494,848	262,189,616	1.008	1.007	1.241	324,898,111	656.56	1.00
1999	497,541	260,400,377	1.027	1.030	1.209	315,618,688	634.36	1.00
2000	517,869	269,467,474	1.069	1.074	1.178	319,294,371	616.55	1.00
2001	532,681	290,174,765	1.152	1.158	1.149	334,846,899	628.61	1.00
2002	544,724	309,810,949	1.344	1.354	1.120	349,191,452	641.04	1.00
Accident Benefits								
1995	442,491	15,809,059	1.000	0.999	1.479	23,368,422	52.81	1.00
1996	452,464	20,019,037	0.997	1.003	1.419	28,587,964	63.18	1.00
1997	464,954	20,565,955	0.988	0.998	1.362	28,308,166	60.88	1.00
1998	484,926	21,699,151	0.999	0.999	1.307	28,373,346	58.51	1.00
1999	486,114	21,651,369	0.997	1.003	1.254	27,328,907	56.22	1.00
2000	506,786	25,677,216	0.989	0.998	1.204	31,220,794	61.61	1.00
2001	525,175	26,298,113	0.963	0.972	1.155	30,670,518	58.40	1.00
2002	537,517	27,046,519	1.015	1.027	1.109	30,334,874	56.44	1.00
Underinsured Motorists								
1995	419,251	4,902,511	0.913	1.025	1.740	9,581,382	22.85	1.00
1996	428,626	2,293,942	0.917	1.050	1.642	4,315,312	10.07	1.00
1997	440,373	1,027,095	0.986	1.155	1.549	1,863,281	4.23	1.00
1998	464,549	2,811,453	0.973	1.025	1.461	4,328,516	9.32	1.00
1999	476,639	947,798	0.992	1.050	1.379	1,383,526	2.90	1.00
2000	489,666	3,097,753	1.086	1.155	1.301	4,286,394	8.75	1.00
2001	505,234	2,381,715	1.581	1.650	1.227	3,050,600	6.04	1.00
2002	519,901	1,647,665	3.155	3.382	1.157	2,044,736	3.93	1.00

Column Notes:

(1) - (3) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(4) - (5) Based on an analysis by KPMG based on 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(6) = $\{[(2) / (3)] \times (4) \times (5)\}$.

(7) = $[(6) / (1)]$.

(8) = $[(7) / (7) \text{ Calgary}]$.

Determination of Loss Costs and Territorial Relativities

Edmonton (Territory 102)

Acc. Year	Number of Earned Vehicles (1)	Claims and Adjustment Expenses Incurred (2)	Industry LDF (3)	KPMG LDF (4)	Trend Factor (5)	Trended Ultimate Claim (6)	Loss Cost (7)	Territorial Relativity with respect to Calgary (8)
Third Party Liability								
1995	379,939	173,653,667	1.003	1.007	1.340	233,500,200	614.57	1.07
1996	376,301	190,638,175	1.005	1.030	1.306	255,222,785	678.24	1.11
1997	375,232	194,029,506	1.023	1.074	1.273	259,480,157	691.52	1.12
1998	386,975	229,441,033	1.008	1.007	1.241	284,316,974	734.72	1.12
1999	390,932	254,031,444	1.027	1.030	1.209	307,899,213	787.60	1.24
2000	407,638	266,023,269	1.069	1.074	1.178	315,213,302	773.27	1.25
2001	421,902	265,154,070	1.152	1.158	1.149	305,974,291	725.23	1.15
2002	433,199	278,314,027	1.344	1.354	1.120	313,690,913	724.13	1.13
Accident Benefits								
1995	381,591	12,918,172	1.000	0.999	1.479	19,095,209	50.04	0.95
1996	378,210	19,963,096	0.997	1.003	1.419	28,508,078	75.38	1.19
1997	377,009	18,865,768	0.988	0.998	1.362	25,967,930	68.88	1.13
1998	387,604	19,094,475	0.999	0.999	1.307	24,967,527	64.42	1.10
1999	391,070	21,720,316	0.997	1.003	1.254	27,415,933	70.10	1.25
2000	406,954	23,064,439	0.989	0.998	1.204	28,043,932	68.91	1.12
2001	419,518	21,709,567	0.963	0.972	1.155	25,319,066	60.35	1.03
2002	432,041	24,343,288	1.015	1.027	1.109	27,302,980	63.20	1.12
Underinsured Motorists								
1995	353,704	1,286,794	0.913	1.025	1.740	2,514,888	7.11	0.31
1996	350,413	1,666,307	0.917	1.050	1.642	3,134,619	8.95	0.89
1997	349,338	849,795	0.986	1.155	1.549	1,541,636	4.41	1.04
1998	366,124	2,228,301	0.973	1.025	1.461	3,430,695	9.37	1.01
1999	384,590	705,829	0.992	1.050	1.379	1,030,317	2.68	0.92
2000	397,175	1,876,920	1.086	1.155	1.301	2,597,114	6.54	0.75
2001	406,250	1,154,179	1.581	1.650	1.227	1,478,320	3.64	0.60
2002	419,569	2,877,983	3.155	3.382	1.157	3,571,548	8.51	2.16

Column Notes:

(1) - (3) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(4) - (5) Based on an analysis by KPMG based on 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(6) = $\{[(2) / (3)] \times (4) \times (5)\}$.

(7) = $[(6) / (1)]$.

(8) = $[(7) / (7) \text{ Calgary}]$.

Determination of Loss Costs and Territorial Relativities

Northern District (Territory 105)

Acc. Year	Number of Earned Vehicles	Claims and Adjustment Expenses Incurred	Industry LDF	KPMG LDF	Trend Factor	Trended Ultimate Claim	Loss Cost	Territorial Relativity with respect to Calgary
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Third Party Liability								
1995	72,954	22,967,889	1.003	1.007	1.340	30,883,348	423.33	0.74
1996	74,594	22,874,274	1.005	1.030	1.306	30,623,646	410.54	0.67
1997	74,321	25,901,919	1.023	1.074	1.273	34,639,237	466.08	0.76
1998	78,525	28,748,298	1.008	1.007	1.241	35,624,095	453.67	0.69
1999	80,365	33,993,295	1.027	1.030	1.209	41,201,627	512.68	0.81
2000	85,843	36,061,515	1.069	1.074	1.178	42,729,605	497.76	0.81
2001	90,895	44,614,899	1.152	1.158	1.149	51,483,321	566.40	0.90
2002	94,824	44,204,676	1.344	1.354	1.120	49,823,594	525.43	0.82
Accident Benefits								
1995	72,748	1,184,227	1.000	0.999	1.479	1,750,485	24.06	0.46
1996	74,576	1,926,613	0.997	1.003	1.419	2,751,278	36.89	0.58
1997	74,341	1,782,177	0.988	0.998	1.362	2,453,091	33.00	0.54
1998	78,337	2,261,714	0.999	0.999	1.307	2,957,369	37.75	0.65
1999	80,081	2,293,349	0.997	1.003	1.254	2,894,723	36.15	0.64
2000	85,557	2,243,087	0.989	0.998	1.204	2,727,358	31.88	0.52
2001	90,542	2,187,046	0.963	0.972	1.155	2,550,671	28.17	0.48
2002	94,632	2,875,446	1.015	1.027	1.109	3,225,047	34.08	0.60
Underinsured Motorists								
1995	69,331	426,525	0.913	1.025	1.740	833,593	12.02	0.53
1996	71,858	15,125	0.917	1.050	1.642	28,453	0.40	0.04
1997	72,050	214,329	0.986	1.155	1.549	388,820	5.40	1.28
1998	76,480	109,873	0.973	1.025	1.461	169,161	2.21	0.24
1999	77,879	608,264	0.992	1.050	1.379	887,899	11.40	3.93
2000	82,482	679,829	1.086	1.155	1.301	940,687	11.40	1.30
2001	86,933	2,142,016	1.581	1.650	1.227	2,743,583	31.56	5.23
2002	91,560	-	3.155	3.382	1.157	-	-	0.00

Column Notes:

(1) - (3) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(4) - (5) Based on an analysis by KPMG based on 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(6) = $\{[(2) / (3)] \times (4) \times (5)\}$.

(7) = $[(6) / (1)]$.

(8) = $[(7) / (7) \text{ Calgary}]$.

Determination of Loss Costs and Territorial Relativities

Remainder of Province (Territory 100)

Acc. Year	Number of Earned Vehicles (1)	Claims and Adjustment Expenses Incurred (2)	Industry LDF (3)	KPMG LDF (4)	Trend Factor (5)	Trended Ultimate Claim (6)	Loss Cost (7)	Territorial Relativity with respect to Calgary (8)
Third Party Liability								
1995	506,967	145,071,653	1.003	1.007	1.340	195,067,922	384.77	0.67
1996	512,997	154,931,857	1.005	1.030	1.306	207,419,842	404.33	0.66
1997	523,281	162,480,065	1.023	1.074	1.273	217,288,358	415.24	0.67
1998	547,996	198,580,531	1.008	1.007	1.241	246,075,494	449.05	0.68
1999	553,277	217,242,380	1.027	1.030	1.209	263,308,970	475.91	0.75
2000	585,338	239,142,955	1.069	1.074	1.178	283,362,582	484.10	0.79
2001	622,416	248,685,148	1.152	1.158	1.149	286,969,994	461.06	0.73
2002	639,631	260,373,371	1.344	1.354	1.120	293,469,795	458.81	0.72
Accident Benefits								
1995	508,018	8,004,751	1.000	0.999	1.479	11,832,355	23.29	0.44
1996	514,179	12,245,083	0.997	1.003	1.419	17,486,455	34.01	0.54
1997	525,076	13,315,792	0.988	0.998	1.362	18,328,624	34.91	0.57
1998	548,306	14,191,130	0.999	0.999	1.307	18,556,018	33.84	0.58
1999	551,781	15,488,857	0.997	1.003	1.254	19,550,428	35.43	0.63
2000	582,595	16,899,080	0.989	0.998	1.204	20,547,504	35.27	0.57
2001	619,063	17,999,545	0.963	0.972	1.155	20,992,204	33.91	0.58
2002	637,533	18,676,176	1.015	1.027	1.109	20,946,853	32.86	0.58
Underinsured Motorists								
1995	476,927	1,375,005	0.913	1.025	1.740	2,687,286	5.63	0.25
1996	489,323	1,605,972	0.917	1.050	1.642	3,021,118	6.17	0.61
1997	498,596	4,335,637	0.986	1.155	1.549	7,865,396	15.78	3.73
1998	525,008	5,081,917	0.973	1.025	1.461	7,824,125	14.90	1.60
1999	537,560	4,297,891	0.992	1.050	1.379	6,273,745	11.67	4.02
2000	565,126	1,692,951	1.086	1.155	1.301	2,342,554	4.15	0.47
2001	598,560	4,680,257	1.581	1.650	1.227	5,994,668	10.02	1.66
2002	625,782	2,934,709	3.155	3.382	1.157	3,641,945	5.82	1.48

Column Notes:

(1) - (3) From 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(4) - (5) Based on an analysis by KPMG based on 2002 IBC Automobile Insurance Experience Exhibits for Industry - Alberta.

(6) = $\{[(2) / (3)] \times (4) \times (5)\}$.

(7) = $[(6) / (1)]$.

(8) = $[(7) / (7) \text{ Calgary}]$.