



February 1, 2011

Honorable Wayne Goodwin
Commissioner of Insurance
North Carolina Department of Insurance
PO Box 26387
Raleigh, North Carolina 27611

RECEIVED

FEB 01 2011

N.C. Dept of Insurance
Property & Casualty

Re: Review of Automobile Insurance Rates -
Private Passenger Cars and Motorcycles

Dear Commissioner Goodwin:

In accordance with Article 36 of Chapter 58 of the General Statutes of North Carolina, the North Carolina Rate Bureau hereby submits experience, data, statistics and information for automobile insurance – private passenger cars and motorcycles. This constitutes the rate review required by law to be submitted on or before February 1, 2011.

No automobile insurance rate changes are proposed in this review.

Sincerely,

Raymond F. Evans, Jr., CPCU

General Manager

RFE:dms

Enclosures

**NORTH CAROLINA
VOLUNTARY PRIVATE PASSENGER AUTOMOBILE INSURANCE
EXPERIENCE REVIEW**

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North Carolina Private Passenger Automobile

Voluntary & Ceded Combined

	AY 2009	AY 2008	AY 2007
<u>Bodily Injury</u>			
Exposures	6,873,733	6,859,823	6,738,628
Prem at Pres NCRB Rates	1,107,914,211	1,108,540,413	1,088,747,656
B/L Incurred Losses	628,111,216	616,938,853	638,197,308
T/L Incurred Losses	732,643,954	743,221,673	778,004,296

Property Damage

Exposures	6,873,733	6,859,823	6,738,628
Prem at Pres NCRB Rates	1,020,395,602	1,022,074,596	1,003,988,901
B/L Incurred Losses	590,724,348	605,867,017	609,706,199
T/L Incurred Losses	595,332,930	610,971,391	614,292,487

Medical Payments

Exposures	5,018,698	5,044,757	4,965,538
Prem at Pres NCRB Rates	154,964,104	158,528,874	157,430,798
Incurred Losses	96,677,946	91,473,527	93,530,775

North Carolina Private Passenger Automobile

Standard & Non-Standard Combined

	CY 2009	CY 2008	CY 2007
<u>Comprehensive</u>			
Exposures	4,859,310	4,849,467	4,735,365
Prem at Pres NCRB Rates	484,738,464	486,509,533	477,236,922
Paid Losses ¹	282,914,246	308,470,937	266,881,704

Collision

Exposures	4,494,784	4,500,466	4,388,589
Prem at Pres NCRB Rates	1,102,779,435	1,109,589,646	1,079,967,996
Paid Losses	617,515,202	631,522,368	619,027,797

Notes:

1 Comprehensive losses exclude excess wind and water losses.

North Carolina Private Passenger Automobile

Voluntary & Ceded Combined

	AY 2009	AY 2008	AY 2007
<u>Uninsured Motorists BI</u>			
Exposures	6,873,733	6,516,832	6,401,697
B/L Prem at Pres NCRB Rates	96,232,262	91,235,648	89,623,758
T/L Prem at Pres NCRB Rates	113,805,625	107,896,598	105,990,330
B/L Incurred Losses	36,364,605	37,450,834	40,892,162
T/L Incurred Losses	44,038,153	46,688,873	52,064,046

Uninsured Motorists PD

Exposures	6,873,733	6,516,832	6,401,697
B/L Prem at Pres NCRB Rates	13,747,466	13,033,664	12,803,394
T/L Prem at Pres NCRB Rates	20,140,032	19,094,318	18,756,969
B/L Incurred Losses	9,466,712	10,465,292	10,743,503
T/L Incurred Losses	9,585,958	10,799,770	10,915,785

Underinsured Motorists BI

Exposures	5,051,724	4,789,426	4,704,810
T/L Prem at Pres NCRB Rates	155,253,919	147,192,611	144,592,306
T/L Incurred Losses	44,588,178	58,502,855	75,025,613

Motorcycle Liability

T/L Prem at Pres NCRB Rates	37,731,322	33,789,583	30,750,733
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NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
COMPREHENSIVE COVERAGES
DERIVATION OF EXCESS WIND AND WATER FACTOR

Year	(1) Wind & Water Paid Losses (a) (b)	(2) Total Paid Losses (a) (b)	(3) (2)-(1) [Total - Wind & Water]	(4) [Wind & Water] / [Total - Wind & Water]	(5) (4)-Avg. (4) Excess Wind & Water Ratio	(6) (3) x (5) Excess Wind & Water Losses
12/31/80	970,069	12,639,553	11,669,484	0.083	0.000	0
6/30/82	776,765	12,888,840	12,112,075	0.064	0.000	0
12/31/82	1,241,071	13,864,486	12,623,415	0.098	0.000	0
12/31/83	580,053	13,722,505	13,142,452	0.044	0.000	0
12/31/84	4,856,972	19,768,396	14,911,424	0.326	0.122	1,819,194
12/31/85	5,463,414	20,781,442	15,318,028	0.357	0.153	2,343,658
12/31/86	2,809,049	18,781,759	15,972,710	0.176	0.000	0
12/31/87	1,484,233	19,918,610	18,434,377	0.081	0.000	0
12/31/88	5,074,247	25,070,383	19,996,136	0.254	0.050	999,807
12/31/89	11,554,992	32,652,862	21,097,870	0.548	0.344	7,257,667
12/31/90	4,423,094	26,845,160	22,422,066	0.197	0.000	0
12/31/91	1,271,154	21,820,454	20,549,300	0.062	0.000	0
12/31/92	1,928,913	21,696,593	19,767,680	0.098	0.000	0
12/31/93	18,640,617	67,247,004	48,606,387	0.384	0.180	8,749,150
12/31/94	3,267,309	54,565,559	51,298,250	0.064	0.000	0
12/31/95	9,648,334	65,189,949	55,541,615	0.174	0.000	0
12/31/96	49,270,157	121,767,966	72,497,809	0.680	0.476	34,508,957
12/31/97	8,337,582	74,959,385	66,621,803	0.125	0.000	0
12/31/98	36,582,228	109,433,029	72,850,801	0.502	0.298	21,709,539
12/31/99	82,839,636	254,543,319	171,703,683	0.482	0.278	47,733,624
12/31/00	26,900,286	219,752,475	192,852,189	0.139	0.000	0
12/31/01	12,205,306	195,182,807	182,977,501	0.067	0.000	0
12/31/02	19,987,319	207,651,735	187,664,416	0.107	0.000	0
12/31/03	71,165,906	270,447,922	199,282,016	0.357	0.153	30,490,148
12/31/04	22,627,816	242,377,216	219,749,400	0.103	0.000	0
12/31/05	15,400,792	234,388,376	218,987,584	0.070	0.000	0
12/31/06	35,338,646	273,491,755	238,153,109	0.148	0.000	0
12/31/07	18,082,928	266,769,682	248,686,754	0.073	0.000	0
12/31/08	40,583,664	308,353,135	267,769,471	0.152	0.000	0
12/31/09	26,292,132	282,846,146	256,554,014	0.102	0.000	0

(7) Average (4) = 6.117 /30 = 0.204

(8) Average Excess Wind & Water Ratio = 2.054 /30 = 0.068

(9) Excess Wind & Water Factor = 1 + (8)/[1+(7)-(8)] = 1.060

- (a) Losses are for Full Coverage and \$50 Deductible Comprehensive for 1980-6/82.
Losses are for Full Coverage, \$50 Deductible and \$100 Deductible Comprehensive for 12/82-1990.
Losses are for Full Coverage, \$50, \$100 and \$250 Deductible Comprehensive for 1991-1992.
Losses are for Full Coverage, \$50, \$100, \$250 and \$500 Deductible Comprehensive for 1993-1996.
Losses are for Full Coverage, \$50, \$100, \$250, \$500 and \$1000 Deductible Comprehensive for 1997-2009.
- (b) Data prior to 1999 is for ISO reporting companies only. Data prior to 2004 excludes Non-Standard Business.

NORTH CAROLINA

DERIVATION OF INCURRED-TO-PAID FACTOR (A)

(1)	(2)	(3)	(4)
<u>Year</u>	<u>Incurred Losses</u>	<u>Paid Losses</u>	<u>Factor</u>
2007	1,015,850,558	1,015,277,283	1.001
2008	1,087,861,639	1,083,058,511	1.004
2009	1,034,619,595	1,034,140,743	1.000

(A) Source: Statutory Page 14 Private Passenger Auto Physical Damage (line 21.1)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2009

Voluntary and Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	294,330,342	1.00	294,330,342	1.00	294,330,342
50/100	304,849,152	1.21	251,941,448	1.18	297,290,909
100/200	6,360,609	1.46	4,356,582	1.39	6,055,649
100/300	432,372,405	1.48	292,143,517	1.40	409,000,924
250/500	81,622,726	1.79	45,599,288	1.66	75,694,818
300/300	56,977,548	1.74	32,745,717	1.62	53,048,062
1000/1000	3,098,948	2.14	1,448,107	1.96	2,838,290
All Other	12,752,725	1.279	9,970,856	1.234	12,304,036
	1,192,364,455	1.279	932,535,857	1.234	1,150,563,030

Year Ending 12/31/2008

Voluntary and Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	291,490,140	1.00	291,490,140	1.00	291,490,140
50/100	293,981,071	1.15	255,635,714	1.18	301,650,143
100/200	6,610,783	1.33	4,970,514	1.39	6,909,014
100/300	418,900,792	1.35	310,296,883	1.40	434,415,636
250/500	74,393,682	1.57	47,384,511	1.66	78,658,288
300/300	53,576,339	1.54	34,789,831	1.62	56,359,526
1000/1000	2,361,426	1.83	1,290,397	1.96	2,529,178
All Other	12,190,629	1.207	10,099,941	1.239	12,513,827
	1,153,504,862	1.207	955,957,931	1.239	1,184,525,752

Year Ending 12/31/2007

Voluntary and Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	294,635,117	1.00	294,635,117	1.00	294,635,117
50/100	289,756,383	1.15	251,962,072	1.18	297,315,245
100/200	6,517,327	1.33	4,900,246	1.39	6,811,342
100/300	419,222,577	1.35	310,535,242	1.40	434,749,339
250/500	72,203,677	1.57	45,989,603	1.66	76,342,741
300/300	49,917,679	1.54	32,414,077	1.62	52,510,805
1000/1000	2,133,078	1.83	1,165,616	1.96	2,284,607
All Other	12,341,788	1.205	10,242,148	1.237	12,669,537
	1,146,727,626	1.205	951,844,121	1.237	1,177,318,733

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2009

Voluntary and Ceded Property Damage - \$25,000 base

Limit Of Liability	(1)	(2)	(3)	(4)	(5)
	Written Premium	Prior ILF	\$25,000 Premium	Current ILF	(3)x(4) T/L Premium
25,000	286,850,798	1.000	286,850,798	1.000	286,850,798
50,000	433,862,661	1.006	431,275,011	1.010	435,587,761
100,000	189,205,340	1.018	185,859,862	1.030	191,435,658
250,000	2,941,143	1.035	2,841,684	1.059	3,009,343
300,000	220,146	1.041	211,476	1.069	226,068
500,000	594,003	1.068	556,183	1.113	619,032
1,000,000	129,526	1.121	115,545	1.202	138,885
All Other	8,064,666	1.007	8,008,606	1.011	8,096,701
	921,868,283	1.007	915,719,165	1.011	925,964,246

Year Ending 12/31/2008

Voluntary and Ceded Property Damage - \$25,000 base

Limit Of Liability	(1)	(2)	(3)	(4)	(5)
	Written Premium	Prior ILF	\$25,000 Premium	Current ILF	(3)x(4) T/L Premium
25,000	273,016,271	1.000	273,016,271	1.000	273,016,271
50,000	420,447,875	1.010	416,285,025	1.010	420,447,875
100,000	177,462,724	1.030	172,293,907	1.030	177,462,724
250,000	2,773,682	1.059	2,619,152	1.059	2,773,682
300,000	189,064	1.069	176,861	1.069	189,064
500,000	630,763	1.113	566,723	1.113	630,763
1,000,000	168,441	1.202	140,134	1.202	168,441
All Other	7,975,846	1.011	7,889,066	1.011	7,975,846
	882,664,666	1.011	872,987,139	1.011	882,664,666

Year Ending 12/31/2007

Voluntary and Ceded Property Damage - \$25,000 base

Limit Of Liability	(1)	(2)	(3)	(4)	(5)
	Written Premium	Prior ILF	\$25,000 Premium	Current ILF	(3)x(4) T/L Premium
25,000	275,503,381	1.000	275,503,381	1.000	275,503,381
50,000	415,247,411	1.010	411,136,050	1.010	415,247,411
100,000	168,114,093	1.030	163,217,566	1.030	168,114,093
250,000	2,667,363	1.059	2,518,756	1.059	2,667,363
300,000	192,737	1.069	180,297	1.069	192,737
500,000	618,311	1.113	555,535	1.113	618,310
1,000,000	174,601	1.202	145,259	1.202	174,601
All Other	8,234,664	1.011	8,145,068	1.011	8,234,664
	870,752,561	1.011	861,401,912	1.011	870,752,560

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS
MEDICAL PAYMENTS

Year Ending 12/31/2009

Voluntary and Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	1,634,539	1.00	1,634,539
750	60,668	1.33	45,615
1,000	43,856,897	1.60	27,410,561
2,000	47,792,731	2.34	20,424,244
3,000	375,776	2.79	134,687
5,000	27,241,412	3.38	8,059,589
10,000	9,939,482	3.86	2,574,995
All Other	4,727,372	2.171	2,177,509
Total	135,628,877	2.171	62,461,739

Year Ending 12/31/2008

Voluntary and Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	1,605,090	1.00	1,605,090
750	64,793	1.33	48,717
1,000	43,884,825	1.60	27,428,016
2,000	48,643,309	2.34	20,787,739
3,000	372,092	2.79	133,366
5,000	28,024,066	3.38	8,291,144
10,000	10,212,307	3.86	2,645,675
All Other	4,647,261	2.179	2,132,749
Total	137,453,743	2.179	63,072,496

Year Ending 12/31/2007

Voluntary and Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	1,646,756	1.00	1,646,756
750	54,800	1.33	41,203
1,000	44,599,457	1.60	27,874,661
2,000	49,192,420	2.34	21,022,402
3,000	355,617	2.79	127,461
5,000	28,865,863	3.38	8,540,196
10,000	9,583,264	3.86	2,482,711
All Other	4,350,278	2.175	2,000,128
Total	138,648,455	2.175	63,735,518

North Carolina Dividends

LIABILITY			
Year	Vol + Ced Manual Earned Prem.	Amount of Dividend	Dividend as % of Vol+Ced Manual Earned Prem.
2004	2,317,791,914	3,789,615	0.16%
2005	2,547,452,137	4,912,765	0.19%
2006	2,474,652,930	5,009,679	0.20%
2007	2,717,387,135	27,779,531	1.02%
2008	2,801,685,252	5,195,164	0.19%
2009	3,090,283,321	9,596,307	0.31%
		6 year average:	0.35%

PHYSICAL DAMAGE

Year	Standard Manual Earned Prem.	Non-Standard Manual Earned Prem.	Amount of Dividend	Dividend as % of Manual Earned Prem.*
2004	1,273,836,672	327,026,519	3,416,980	0.21%
2005	1,410,457,083	357,405,543	4,012,405	0.23%
2006	1,438,586,939	334,940,619	4,562,392	0.26%
2007	1,364,962,501	327,503,907	21,334,703	1.26%
2008	1,498,814,613	340,535,756	2,825,911	0.15%
2009	1,602,160,342	305,957,143	5,403,256	0.28%
			6 year average:	0.40%

* Manual Earned Premium Includes Standard and Non-Standard business.

North Carolina Deviations

LIABILITY

Voluntary Business

Year	(1) Premium at Rate Bureau Rates	(2) Deviation % From RB Manual Rates	(3) Anticipated Premium (1) x (2)	(4) Amount of Deviation (3) - (1)
2004	1,553,051,271	-9.43%	1,406,598,536	(146,452,735)
2005	1,608,654,406	-10.79%	1,435,080,596	(173,573,810)
2006	1,681,686,063	-11.90%	1,481,565,422	(200,120,641)
2007	1,845,850,655	-13.39%	1,598,691,252	(247,159,403)
2008	1,932,947,008	-13.63%	1,669,486,331	(263,460,677)
2009	2,136,397,239	-19.93%	1,710,613,269	(425,783,970)

Ceded Business

Year	(5) O/T Clean Ceded Premium at Rate Bureau Rates	(6) Deviation % From RB Manual Rates	(7) O/T Clean Ceded Anticipated Premium (5) x (6)	(8) O/T Clean Ceded Amount of Deviation (7) - (5)	(9) Clean Risk Ceded Premium at Rate Bureau Rates	(10) Clean Risk Ceded Anticipated Premium = Col (9)	(11) Clean Risk Ceded Amount of Deviation (10) - (9)
2004	213,368,410	35.60%	289,327,564	75,959,154	304,557,276	304,557,276	0
2005	213,091,627	49.70%	318,998,166	105,906,539	303,830,789	303,830,789	0
2006	226,954,916	38.50%	314,332,559	87,377,643	317,929,794	317,929,794	0
2007	235,950,602	32.30%	312,162,646	76,212,044	323,979,144	323,979,144	0
2008	224,329,928	31.00%	293,872,206	69,542,278	329,158,305	329,158,305	0
2009	221,673,431	28.40%	284,628,685	62,955,254	339,360,072	339,360,072	0

All Liability Business

Year	(11) Total Premium at Rate Bureau Rates (1) + (5) + (9)	(12) Total Anticipated Premium (3) + (7) + (10)	(13) Amount of Deviation (12) - (11)	(14) Overall Pct. Deviation (13) / (11)
2004	2,070,976,957	2,000,483,376	(70,493,581)	-3.40%
2005	2,125,576,822	2,057,909,551	(67,667,271)	-3.18%
2006	2,226,570,773	2,113,827,775	(112,742,998)	-5.06%
2007	2,405,780,401	2,234,833,042	(170,947,359)	-7.11%
2008	2,486,435,241	2,292,516,842	(193,918,399)	-7.80%
2009	2,697,430,742	2,334,602,026	(362,828,716)	-13.45%
			6 year average:	-6.67%

Note: This exhibit is based on statistical plan data and Rate Bureau expense call data and reflects the Rate Bureau's best estimate of the information presented.

North Carolina Deviations

PHYSICAL DAMAGE

Year	(1)	(2)	(3)	(4)
	Std Phy Dam Premium at Rate Bureau Rates	Deviation % From RB Manual Rates	Std Phy Dam Anticipated Premium (1) x (2)	Std Phy Dam Amount of Deviation (3) - (1)
2004	1,150,376,820	-8.23%	1,055,700,808	(94,676,012)
2005	1,220,685,395	-8.73%	1,114,119,560	(106,565,835)
2006	1,206,197,717	-11.40%	1,068,691,177	(137,506,540)
2007	1,077,206,719	-13.20%	935,015,432	(142,191,287)
2008	1,097,305,875	-14.07%	942,914,938	(154,390,937)
2009	1,286,251,580	-17.40%	1,062,443,805	(223,807,775)

Year	(5)	(6)	(7)	(8)
	Non-Std Premium at Rate Bureau Rates	Deviation % From RB Manual Rates	Non-Std Phy Dam Anticipated Premium (5) x (6)	Non-Std Phy Dam Amount of Deviation (7) - (5)
2004	281,700,831	42.30%	400,860,283	119,159,452
2005	343,640,180	26.05%	433,158,447	89,518,267
2006	417,481,782	37.68%	574,788,917	157,307,135
2007	403,434,848	37.08%	553,028,490	149,593,642
2008	383,587,173	27.63%	489,572,309	105,985,136
2009	417,198,509	25.96%	525,503,242	108,304,733

Year	(9)	(10)	(11)	(12)
	Total Phy Dam Premium at Rate Bureau Rates (1) + (5)	Total Anticipated Premium (3) + (7)	Amount of Deviation (10) - (9)	Overall Pct. Deviation (11) / (9)
2004	1,432,077,651	1,456,561,091	24,483,440	1.71%
2005	1,564,325,575	1,547,278,007	(17,047,568)	-1.09%
2006	1,623,679,499	1,643,480,094	19,800,595	1.22%
2007	1,480,641,567	1,488,043,922	7,402,355	0.50%
2008	1,480,893,048	1,432,487,247	(48,405,801)	-3.27%
2009	1,703,450,089	1,587,947,047	(115,503,042)	-6.78%
6 year average:				-1.28%

Note: This exhibit is based on statistical plan data and Rate Bureau expense call data and reflects the Rate Bureau's best estimate of the information presented.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Premium Written (Manual Level)	\$2,430,314,065	\$2,564,464,994	\$2,764,624,568	\$2,788,420,515	\$3,130,902,662
Premiums Earned (Manual Level)	2,547,452,137	2,474,652,930	2,717,387,135	2,801,685,252	3,090,283,321
Premium Written (Collected Level)	2,241,463,188	2,341,625,605	2,487,073,360	2,498,650,343	2,644,046,967
Premiums Earned (Collected Level)	2,241,095,799	2,287,577,675	2,462,113,550	2,492,847,663	2,611,697,332
Commission & Brokerage	230,906,890	233,017,253	243,168,267	253,785,389	258,320,278
Other Acquisition	207,284,540	204,265,427	223,796,169	222,427,091	230,761,821
General Expenses	125,500,282	173,722,761	177,063,409	177,612,366	184,990,935
Taxes, Licenses, and Fees	52,183,922	49,233,543	53,983,053	54,212,831	58,919,118
Bodily Injury Losses Incurred	964,678,890	1,055,097,551	1,116,643,376	1,036,107,314	1,061,540,371
BI Allocated Loss Adjustment	33,457,299	25,699,872	35,862,166	37,633,735	41,065,996
BI Unallocated Loss Adjustment	127,744,750	137,537,025	154,374,424	142,025,125	150,081,556
Property Damage Losses Incurred	598,208,979	633,964,336	636,091,908	621,343,642	627,926,980
PD Allocated Loss Adjustment	8,055,918	5,525,868	3,490,502	5,938,396	5,644,490
PD Unallocated Loss Adjustment	74,018,157	70,911,522	74,851,315	72,479,619	71,395,890

COMBINED RATIOS

Commission & Brokerage to Written Premium (a) (b)	.104		.100		.097		.103		.097	
Other Acquisition to Earned Premium (b)	.092		.089		.091		.089		.088	
General Expenses to Earned Premium (b)	.056		.076		.072		.071		.071	
Taxes, Licenses, etc. to Written Premium (b)	.023		.021		.022		.022		.022	
	<u>BI</u>	<u>PD</u>	<u>BI</u>	<u>PD</u>	<u>BI</u>	<u>PD</u>	<u>BI</u>	<u>PD</u>	<u>BI</u>	<u>PD</u>
Unallocated Loss Adjustment Expenses to Losses + Allocated	.128	.122	.127	.111	.134	.117	.132	.116	.136	.113

- Notes:
- (a) Since ceded business has a commission and brokerage provision set at 10%, the provision for voluntary business is found by solving the following expression for X:
.10 (percent ceded written premium) + X (percent voluntary written premium) = overall Commission and Brokerage provision.
- (b) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF PHYSICAL DAMAGE EXPENSE EXPERIENCE - STANDARD BUSINESS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Premium Written (Collected Level)	\$1,326,674,931	\$1,279,641,756	\$1,210,980,203	\$1,315,732,150	\$1,330,621,617
Premium Earned (Collected Level)	1,306,918,917	1,309,711,356	1,201,003,511	1,288,403,968	1,327,829,634
Commission & Brokerage	129,375,083	124,403,406	117,225,476	128,156,154	128,995,290
Other Acquisition	105,824,433	113,504,076	108,955,981	107,805,442	114,365,451
General Expenses	65,097,641	76,976,961	70,496,560	79,426,498	73,433,114
Taxes, Licenses, and Fees	30,080,288	26,102,123	25,935,056	27,936,186	29,536,105
Losses Incurred	670,388,976	727,654,440	742,548,257	818,930,430	814,649,842
All Loss Adjustment Expenses	105,832,266	104,234,881	100,714,645	102,842,089	104,652,163

COMBINED RATIOS

Commission & Brokerage to Written Premium (a)	.098	.097	.097	.097	.097
Other Acquisition to Earned Premium (a)	.081	.087	.091	.084	.086
General Expenses to Earned Premium (a)	.050	.059	.059	.062	.055
Taxes, Licenses, etc. to Written Premium (a)	.023	.020	.021	.021	.022
All Loss Adjustment Expenses to Incurred Losses	.158	.143	.136	.126	.128

Notes:

(a) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

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NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF PHYSICAL DAMAGE EXPENSE EXPERIENCE - NON-STANDARD BUSINESS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Premium Written (Collected Level)	\$452,138,391	\$459,654,128	\$445,130,394	\$424,259,610	\$370,993,307
Premium Earned (Collected Level)	450,620,599	465,158,892	448,118,335	431,592,425	382,223,347
Commission & Brokerage	45,844,098	44,429,692	42,211,337	38,018,659	32,897,885
Other Acquisition	22,871,658	28,527,604	30,242,284	29,769,489	25,931,902
General Expenses	21,249,301	34,311,559	30,788,240	31,609,871	28,633,027
Taxes, Licenses, and Fees	9,934,552	9,520,530	9,851,135	9,723,410	8,606,711
Losses Incurred	213,888,690	240,417,784	240,818,736	235,050,804	193,818,748
All Loss Adjustment Expenses	34,528,978	29,055,977	32,901,495	39,880,006	26,429,669

COMBINED RATIOS

Commission & Brokerage to Written Premium (a)	.101	.097	.095	.090	.089
Other Acquisition to Earned Premium (a)	.051	.061	.067	.069	.068
General Expenses to Earned Premium (a)	.047	.074	.069	.073	.075
Taxes, Licenses, etc. to Written Premium (a)	.022	.021	.022	.023	.023
All Loss Adjustment Expenses to Incurred Losses	.161	.121	.137	.170	.136

Notes:

(a) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
MOTORCYCLE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

<u>Item</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Premiums Written at Manual Level	\$29,756,404	\$27,224,030	\$31,616,263	\$32,396,171	\$35,629,168
Premiums Earned at Manual Level	27,043,109	26,135,507	29,435,255	31,409,692	34,976,516
Premiums Written (Collected Lvl)	28,908,379	26,419,484	30,523,384	31,110,319	33,787,396
Premiums Earned (Collected Lvl)	26,245,060	25,351,086	28,444,755	30,001,718	33,219,219
Commission & Brokerage	2,639,000	2,681,305	2,841,682	2,611,019	2,742,446
Other Acquisition	2,142,314	1,950,960	2,445,885	2,685,186	2,904,397
General Expenses	1,346,681	2,194,401	2,526,749	2,780,096	3,066,194
Taxes, Licenses, and Fees	590,453	520,658	667,218	714,874	793,010
Losses Incurred	11,770,230	13,462,683	18,406,834	20,452,113	16,600,379
All Loss Adjustment Expenses	1,797,976	2,435,410	2,311,282	2,732,224	2,476,721

COMBINED RATIOS

Commission & Brokerage to Written Premium (a)	.091	.101	.093	.084	.081
Other Acquisition to Earned Premium (a)	.082	.077	.086	.090	.087
General Expenses to Earned Premium (a)	.052	.087	.089	.093	.092
Taxes, Licenses, etc. to Written Premium (a)	.020	.020	.022	.023	.023
All Loss Adjustment Expenses to Losses	.153	.181	.126	.134	.149

Notes:

(a) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-06	201.8	
Nov-06	201.5	102.6
Dec-06	201.8	
Jan-07	202.4	
Feb-07	203.5	103.5
Mar-07	205.4	
Apr-07	206.7	
May-07	207.9	105.0
Jun-07	208.4	
Jul-07	208.3	
Aug-07	207.9	106.0
Sep-07	208.5	
Oct-07	208.9	
Nov-07	210.2	105.7
Dec-07	210.0	
Jan-08	211.1	
Feb-08	211.7	107.4
Mar-08	213.5	
Apr-08	214.8	
May-08	216.6	107.9
Jun-08	218.8	
Jul-08	220.0	
Aug-08	219.1	108.3
Sep-08	218.8	
Oct-08	216.6	
Nov-08	212.4	108.2
Dec-08	210.2	
Jan-09	211.1	
Feb-09	212.2	109.1
Mar-09	212.7	
Apr-09	213.2	
May-09	213.9	109.7
Jun-09	215.7	
Jul-09	215.4	
Aug-09	215.8	110.2
Sep-09	216.0	
Oct-09	216.2	
Nov-09	216.3	110.0
Dec-09	215.9	
Jan-10	216.7	
Feb-10	216.7	111.3
Mar-10	217.6	
Apr-10	218.0	
May-10	218.2	112.2
Jun-10	218.0	
Jul-10	218.0	
Aug-10	218.3	112.2
Sep-10	218.4	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.80%	2.26%	2.03%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	0.95%	1.99%	1.47%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	1.65%	2.10%	1.87%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	1.33%	2.74%	2.03%
(5) Average Annual Index (D)			
Year Ended 3/31/2008	209.43	106.03	
Year Ended 9/30/2008	214.46	107.33	
Year Ended 3/31/2009	215.28	108.38	
Year Ended 9/30/2009	213.77	109.30	
Year Ended 3/31/2010	215.78	110.30	
Year Ended 9/30/2010	217.36	111.43	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2008	1.04	1.06	1.05
Year Ended 9/30/2008	1.02	1.05	1.04
Year Ended 3/31/2009	1.01	1.04	1.03
Year Ended 9/30/2009	1.02	1.03	1.03
Year Ended 3/31/2010	1.01	1.02	1.02
Year Ended 9/30/2010	1.00	1.01	1.01

Notes: (A) All items CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY

AVERAGE ANNUAL RATES OF CHANGE
DATA ENDED SEPTEMBER 2010

CONSUMER PRICE INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
48 points	1.71%	1.77%	1.80%
36 points	0.92%	0.94%	0.95%
24 points	1.61%	1.63%	1.65%
12 points	1.31%	1.32%	1.33%

COMPENSATION COST INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
16 points	2.14%	2.23%	2.26%
12 points	1.91%	1.96%	1.99%
8 points	2.04%	2.08%	2.10%
4 points	2.67%	2.69%	2.74%

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED SEPTEMBER 2010

CONSUMER PRICE INDEX

	STRAIGHT LINE	EXPONENTIAL
48 points	0.84	0.84
36 points	0.58	0.58
24 points	0.85	0.85
12 points	0.93	0.93

COMPENSATION COST INDEX

	STRAIGHT LINE	EXPONENTIAL
16 points	0.98	0.98
12 points	0.98	0.98
8 points	0.97	0.97
4 points	0.93	0.93

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS - LESS ENERGY CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-06	205.6	
Nov-06	205.3	102.6
Dec-06	205.1	
Jan-07	206.0	
Feb-07	207.1	103.5
Mar-07	207.9	
Apr-07	208.2	
May-07	208.4	105.0
Jun-07	208.6	
Jul-07	209.0	
Aug-07	209.4	106.0
Sep-07	210.0	
Oct-07	210.7	
Nov-07	210.9	105.7
Dec-07	210.9	
Jan-08	211.8	
Feb-08	212.5	107.4
Mar-08	213.4	
Apr-08	213.9	
May-08	214.1	107.9
Jun-08	214.6	
Jul-08	215.3	
Aug-08	215.9	108.3
Sep-08	216.4	
Oct-08	216.7	
Nov-08	216.4	108.2
Dec-08	215.9	
Jan-09	216.6	
Feb-09	217.3	109.1
Mar-09	218.0	
Apr-09	218.4	
May-09	218.3	109.7
Jun-09	218.4	
Jul-09	218.4	
Aug-09	218.6	110.2
Sep-09	219.1	
Oct-09	219.6	
Nov-09	219.3	110.0
Dec-09	219.0	
Jan-10	219.3	
Feb-10	219.7	111.3
Mar-10	220.1	
Apr-10	220.3	
May-10	220.3	112.2
Jun-10	220.3	
Jul-10	220.3	
Aug-10	220.6	112.2
Sep-10	221.0	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items - Less Energy (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.97%	2.26%	2.11%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	1.57%	1.99%	1.78%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	1.08%	2.10%	1.59%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	0.83%	2.74%	1.78%
(5) Average Annual Index (D)			
Year Ended 3/31/2008	210.33	106.03	
Year Ended 9/30/2008	213.37	107.33	
Year Ended 3/31/2009	215.92	108.38	
Year Ended 9/30/2009	217.68	109.30	
Year Ended 3/31/2010	219.02	110.30	
Year Ended 9/30/2010	219.98	111.43	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2008	1.05	1.06	1.06
Year Ended 9/30/2008	1.04	1.05	1.05
Year Ended 3/31/2009	1.02	1.04	1.03
Year Ended 9/30/2009	1.02	1.03	1.03
Year Ended 3/31/2010	1.01	1.02	1.02
Year Ended 9/30/2010	1.00	1.01	1.01

Notes: (A) All items less energy CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY

AVERAGE ANNUAL RATES OF CHANGE
DATA ENDED SEPTEMBER 2010

ALL ITEMS - LESS ENERGY CPI INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
48 points	1.87%	1.94%	1.97%
36 points	1.52%	1.55%	1.57%
24 points	1.07%	1.08%	1.08%
12 points	0.82%	0.82%	0.83%

COMPENSATION COST INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
16 points	2.14%	2.23%	2.26%
12 points	1.91%	1.96%	1.99%
8 points	2.04%	2.08%	2.10%
4 points	2.67%	2.69%	2.74%

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED SEPTEMBER 2010

ALL ITEMS - LESS ENERGY CPI INDEX

	STRAIGHT LINE	EXPONENTIAL
48 points	0.98	0.97
36 points	0.96	0.96
24 points	0.96	0.96
12 points	0.91	0.91

COMPENSATION COST INDEX

	STRAIGHT LINE	EXPONENTIAL
16 points	0.98	0.98
12 points	0.98	0.98
8 points	0.97	0.97
4 points	0.93	0.93

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)		(6) PAID LOSSES (A)	(7) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)			(8) ACTUAL (6)/(7)	(9) EXPONENTIAL CURVE OF BEST FIT (B)
<u>BODILY INJURY (30/60 LIMIT)</u>			<u>PROPERTY DAMAGE (TOTAL LIMITS)</u>					
Sep-04	\$631,978,935	101,974	\$6,197	\$7,080.14	\$615,743,810	242,681	\$2,537	\$2,790.26
Dec-04	636,162,767	102,281	6,220	7,107.22	621,932,792	244,291	2,546	2,788.02
Mar-05	647,242,930	102,772	6,298	7,134.40	627,485,422	246,310	2,548	2,785.79
Jun-05	651,720,039	102,873	6,335	7,161.68	631,671,224	246,705	2,560	2,783.55
Sep-05	651,575,122	102,892	6,333	7,189.07	635,302,673	247,768	2,564	2,781.32
Dec-05	655,758,567	101,642	6,452	7,216.56	628,235,467	243,492	2,580	2,779.09
Mar-06	663,234,374	102,016	6,501	7,244.16	637,159,084	244,730	2,604	2,776.86
Jun-06	664,417,985	101,246	6,562	7,271.86	638,433,955	242,768	2,630	2,774.63
Sep-06	668,375,381	100,053	6,680	7,299.67	644,595,815	242,089	2,663	2,772.40
Dec-06	676,166,414	100,998	6,695	7,327.59	663,272,417	247,014	2,685	2,770.18
Mar-07	682,136,661	100,610	6,780	7,355.61	671,741,530	247,151	2,718	2,767.96
Jun-07	699,111,020	101,122	6,914	7,383.74	681,592,955	249,904	2,727	2,765.74
Sep-07	711,740,528	101,513	7,011	7,411.98	684,780,464	249,592	2,744	2,763.52
Dec-07	718,253,029	99,461	7,221	7,440.32	679,644,016	247,496	2,746	2,761.30
Mar-08	719,096,314	98,200	7,323	7,468.78	675,020,269	245,009	2,755	2,759.09
Jun-08	722,198,981	97,297	7,423	7,497.34	675,703,888	243,367	2,776	2,756.87
Sep-08	721,927,226	96,334	7,494	7,526.01	672,751,650	241,931	2,781	2,754.66
Dec-08	720,034,137	95,923	7,506	7,554.79	676,082,242	241,251	2,802	2,752.45
Mar-09	723,308,522	96,122	7,525	7,583.68	679,951,555	241,790	2,812	2,750.24
Jun-09	721,919,613	96,597	7,474	7,612.68	683,238,178	243,841	2,802	2,748.04
Sep-09	728,332,523	97,485	7,471	7,641.80	688,267,340	246,973	2,787	2,745.83
Dec-09	736,365,800	98,810	7,452	7,671.02	687,050,610	249,233	2,757	2,743.63
Mar-10	732,276,739	98,636	7,424	7,700.36	683,401,936	251,201	2,721	2,741.43
Jun-10	733,093,179	98,172	7,467	7,729.80	682,340,618	253,216	2,695	2,739.23

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:	BODILY <u>INJURY</u>	PROPERTY <u>DAMAGE</u>
6-points	-0.7%	-3.5%
9-points	-0.2%	-1.5%
12-points	1.5%	-0.3%
15-points	3.1%	0.4%

(A) FACTORS OF 1.129 WERE APPLIED TO BODILY INJURY AND 1.116 TO PROPERTY DAMAGE PAID LOSSES TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

(1) YEAR ENDED	AVERAGE PAID CLAIM COST (A)				AVERAGE PAID CLAIM COST (A)			
	(2) PAID LOSSES(A)	(3) PAID CLAIMS	(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)	(6) PAID LOSSES(A)	(7) PAID CLAIMS	(8) ACTUAL (6)/(7)	(9) EXPONENTIAL CURVE OF BEST FIT (B)
	<u>BODILY INJURY (30/60 EXCESS)</u>				<u>BODILY INJURY (TOTAL LIMITS)</u>			
Sep-04	\$118,994,340	101,974	\$1,167	\$1,437.62	\$750,973,275	101,974	\$7,364	\$8,513.71
Dec-04	122,874,014	102,281	1,201	1,435.01	759,036,781	102,281	7,421	8,538.82
Mar-05	123,773,914	102,772	1,204	1,432.41	771,016,844	102,772	7,502	8,564.00
Jun-05	118,675,423	102,873	1,154	1,429.81	770,395,462	102,873	7,489	8,589.26
Sep-05	112,873,217	102,892	1,097	1,427.21	764,448,339	102,892	7,430	8,614.59
Dec-05	107,877,379	101,642	1,061	1,424.62	763,635,946	101,642	7,513	8,639.99
Mar-06	112,967,166	102,016	1,107	1,422.04	776,201,540	102,016	7,609	8,665.47
Jun-06	116,196,242	101,246	1,148	1,419.45	780,614,227	101,246	7,710	8,691.03
Sep-06	130,074,202	100,053	1,300	1,416.88	798,449,583	100,053	7,980	8,716.66
Dec-06	136,602,985	100,998	1,353	1,414.30	812,769,399	100,998	8,047	8,742.37
Mar-07	138,450,209	100,610	1,376	1,411.74	820,586,870	100,610	8,156	8,768.15
Jun-07	145,968,191	101,122	1,443	1,409.17	845,079,211	101,122	8,357	8,794.01
Sep-07	138,145,131	101,513	1,361	1,406.61	849,885,659	101,513	8,372	8,819.95
Dec-07	138,357,452	99,461	1,391	1,404.06	856,610,481	99,461	8,613	8,845.96
Mar-08	135,592,778	98,200	1,381	1,401.51	854,689,092	98,200	8,704	8,872.05
Jun-08	134,272,766	97,297	1,380	1,398.97	856,471,747	97,297	8,803	8,898.21
Sep-08	139,379,023	96,334	1,447	1,396.43	861,306,249	96,334	8,941	8,924.45
Dec-08	141,265,808	95,923	1,473	1,393.89	861,299,945	95,923	8,979	8,950.77
Mar-09	146,526,563	96,122	1,524	1,391.36	869,835,085	96,122	9,049	8,977.17
Jun-09	146,491,264	96,597	1,517	1,388.84	868,410,877	96,597	8,990	9,003.65
Sep-09	139,055,762	97,485	1,426	1,386.31	867,388,285	97,485	8,898	9,030.20
Dec-09	135,431,110	98,810	1,371	1,383.80	871,796,910	98,810	8,823	9,056.83
Mar-10	131,310,984	98,636	1,331	1,381.28	863,587,723	98,636	8,755	9,083.54
Jun-10	128,738,369	98,172	1,311	1,378.78	861,831,548	98,172	8,779	9,110.33

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:	30/60 EXCESS	TOTAL LIMITS
6-points	-12.7%	-2.7%
9-points	-4.3%	-0.8%
12-points	-0.7%	1.2%
15-points	0.0%	2.6%

(A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN MEDICAL PAYMENTS CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
Sep-04	\$102,792,212	60,674	\$1,694	\$1,704.17
Dec-04	103,205,467	59,958	1,721	1,707.99
Mar-05	102,781,502	59,478	1,728	1,711.82
Jun-05	102,943,294	59,246	1,738	1,715.65
Sep-05	102,897,784	59,584	1,727	1,719.50
Dec-05	102,777,869	59,379	1,731	1,723.35
Mar-06	104,035,116	60,025	1,733	1,727.21
Jun-06	103,736,147	59,736	1,737	1,731.08
Sep-06	103,513,028	59,239	1,747	1,734.96
Dec-06	104,952,403	60,575	1,733	1,738.85
Mar-07	104,424,370	60,642	1,722	1,742.75
Jun-07	106,505,075	61,387	1,735	1,746.65
Sep-07	106,628,919	61,930	1,722	1,750.56
Dec-07	105,570,724	60,969	1,732	1,754.49
Mar-08	106,860,699	61,432	1,739	1,758.42
Jun-08	106,754,193	61,602	1,733	1,762.36
Sep-08	106,027,961	60,899	1,741	1,766.31
Dec-08	106,733,924	61,108	1,747	1,770.27
Mar-09	106,035,965	60,214	1,761	1,774.23
Jun-09	107,067,254	60,755	1,762	1,778.21
Sep-09	109,023,191	62,179	1,753	1,782.19
Dec-09	109,927,578	62,251	1,766	1,786.19
Mar-10	111,308,059	63,132	1,763	1,790.19
Jun-10	110,256,766	62,459	1,765	1,794.20

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT: MEDICAL PAYMENTS

6-points	0.2%
9-points	0.9%
12-points	0.9%
15-points	0.7%

- (A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.
(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM FREQUENCIES (A)

ALL CARRIERS

(1)	(2)	(3)	(4)	(5)	(6)
YEAR	EARNED	PAID	PAID	PAID	PAID
ENDED	EXPOSURES	CLAIMS	CLAIM	CLAIMS	CLAIM
			FREQ		FREQ
			(2)/(3)		(5)/(3)
		<u>BODILY INJURY</u>		<u>PROPERTY DAMAGE</u>	
Sep-04	6,144,902	101,974	1.6595	242,681	3.9493
Dec-04	6,192,752	102,281	1.6516	244,291	3.9448
Mar-05	6,268,761	102,772	1.6394	246,310	3.9292
Jun-05	6,329,732	102,873	1.6252	246,705	3.8976
Sep-05	6,386,223	102,892	1.6112	247,768	3.8797
Dec-05	6,430,216	101,642	1.5807	243,492	3.7867
Mar-06	6,459,527	102,016	1.5793	244,730	3.7887
Jun-06	6,514,265	101,246	1.5542	242,768	3.7267
Sep-06	6,563,911	100,053	1.5243	242,089	3.6882
Dec-06	6,617,915	100,998	1.5261	247,014	3.7325
Mar-07	6,665,866	100,610	1.5093	247,151	3.7077
Jun-07	6,700,103	101,122	1.5093	249,904	3.7299
Sep-07	6,733,194	101,513	1.5077	249,592	3.7069
Dec-07	6,762,946	99,461	1.4707	247,496	3.6596
Mar-08	6,793,563	98,200	1.4455	245,009	3.6065
Jun-08	6,829,721	97,297	1.4246	243,367	3.5634
Sep-08	6,868,145	96,334	1.4026	241,931	3.5225
Dec-08	6,898,289	95,923	1.3905	241,251	3.4973
Mar-09	6,922,114	96,122	1.3886	241,790	3.4930
Jun-09	6,938,252	96,597	1.3922	243,841	3.5144
Sep-09	6,950,021	97,485	1.4027	246,973	3.5536
Dec-09	6,964,245	98,810	1.4188	249,233	3.5788
Mar-10	6,978,967	98,636	1.4133	251,201	3.5994
Jun-10	6,992,434	98,172	1.4040	253,216	3.6213

(5) RATE OF CHANGE IN PAID

CLAIM FREQS FOR ANY 12 MONTH
INTERVAL ON THE EXPONENTIAL
CURVE OF BEST FIT:

	<u>B.I.</u>	<u>P.D.</u>
6-points	1.3%	3.0%
9-points	0.1%	1.3%
12-points	-1.9%	-0.7%
15-points	-2.6%	-1.4%
24-points	-3.3%	-2.0%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM FREQUENCIES (A)

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR	EARNED	PAID	PAID
<u>ENDED</u>	<u>EXPOSURES</u>	<u>CLAIMS</u>	<u>CLAIM</u>
			<u>FREQ</u>
			<u>(2)/(3)</u>

MEDICAL PAYMENTS

Sep-04	4,576,988	60,674	1.3256
Dec-04	4,615,995	59,958	1.2989
Mar-05	4,670,206	59,478	1.2736
Jun-05	4,717,196	59,246	1.2560
Sep-05	4,755,565	59,584	1.2529
Dec-05	4,782,499	59,379	1.2416
Mar-06	4,803,998	60,025	1.2495
Jun-06	4,838,249	59,736	1.2347
Sep-06	4,873,424	59,239	1.2156
Dec-06	4,912,612	60,575	1.2331
Mar-07	4,949,155	60,642	1.2253
Jun-07	4,975,256	61,387	1.2338
Sep-07	4,998,637	61,930	1.2389
Dec-07	5,017,698	60,969	1.2151
Mar-08	5,036,058	61,432	1.2198
Jun-08	5,057,392	61,602	1.2181
Sep-08	5,080,510	60,899	1.1987
Dec-08	5,099,040	61,108	1.1984
Mar-09	5,109,479	60,214	1.1785
Jun-09	5,110,449	60,755	1.1888
Sep-09	5,104,575	62,179	1.2181
Dec-09	5,098,030	62,251	1.2211
Mar-10	5,092,607	63,132	1.2397
Jun-10	5,088,603	62,459	1.2274

(5) RATE OF CHANGE IN PAID

CLAIM FREQS FOR ANY 12 MONTH
INTERVAL ON THE EXPONENTIAL
CURVE OF BEST FIT:

6-points
9-points
12-points
15-points
24-points

MEDICAL
PAYMENTS

3.9%
1.4%
0.1%
-0.3%
-1.1%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ALL CARRIERS

BODILY INJURY 30/60 BASIC

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	2.8%	3.0%	3.1%
12 points	1.5%	1.5%	1.5%
9 points	-0.2%	-0.2%	-0.2%
6 points	-0.7%	-0.7%	-0.7%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-3.8%	-3.4%	-3.3%
15 points	-2.8%	-2.7%	-2.6%
12 points	-2.0%	-2.0%	-1.9%
9 points	0.1%	0.1%	0.1%
6 points	1.3%	1.3%	1.3%

PROPERTY DAMAGE TOTAL LIMITS

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	0.4%	0.4%	0.4%
12 points	-0.3%	-0.3%	-0.3%
9 points	-1.5%	-1.5%	-1.5%
6 points	-3.6%	-3.5%	-3.5%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-2.2%	-2.0%	-2.0%
15 points	-1.4%	-1.4%	-1.4%
12 points	-0.7%	-0.7%	-0.7%
9 points	1.3%	1.3%	1.3%
6 points	2.9%	3.0%	3.0%

MEDICAL PAYMENTS TOTAL LIMITS

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	0.7%	0.7%	0.7%
12 points	0.9%	0.9%	0.9%
9 points	0.8%	0.9%	0.9%
6 points	0.2%	0.2%	0.2%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-1.1%	-1.1%	-1.1%
15 points	-0.3%	-0.3%	-0.3%
12 points	0.1%	0.1%	0.1%
9 points	1.3%	1.4%	1.4%
6 points	3.7%	3.8%	3.9%

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ALL CARRIERS

BODILY INJURY 30/60 EXCESS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.1%	0.1%	0.0%
12 points	-0.7%	-0.7%	-0.7%
9 points	-4.5%	-4.3%	-4.3%
6 points	-14.8%	-13.6%	-12.7%

BODILY INJURY TOTAL LIMITS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	2.4%	2.5%	2.6%
12 points	1.1%	1.2%	1.2%
9 points	-0.8%	-0.8%	-0.8%
6 points	-2.8%	-2.7%	-2.7%

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ALL CARRIERS

BODILY INJURY 30/60 BASIC

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.84	0.84
12 points	0.67	0.67
9 points	-0.26	-0.26
6 points	-0.74	-0.74

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.96	-0.96
15 points	-0.85	-0.85
12 points	-0.69	-0.69
9 points	0.07	0.08
6 points	0.72	0.72

PROPERTY DAMAGE TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.29	0.29
12 points	-0.22	-0.23
9 points	-0.72	-0.72
6 points	-0.98	-0.98

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.91	-0.91
15 points	-0.67	-0.66
12 points	-0.33	-0.33
9 points	0.69	0.69
6 points	0.99	0.99

MEDICAL PAYMENTS TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.91	0.91
12 points	0.93	0.93
9 points	0.87	0.87
6 points	0.42	0.41

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.74	-0.74
15 points	-0.25	-0.25
12 points	0.04	0.04
9 points	0.56	0.56
6 points	0.91	0.91

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ALL CARRIERS

BODILY INJURY 30/60 EXCESS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.02	0.01
12 points	-0.12	-0.14
9 points	-0.55	-0.56
6 points	-0.98	-0.98

BODILY INJURY TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.77	0.78
12 points	0.49	0.49
9 points	-0.48	-0.49
6 points	-0.96	-0.96

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1)	(2)	(3)	AVERAGE PAID CLAIM COST (A)	
YEAR ENDED	PAID LOSSES (A)	PAID CLAIMS	ACTUAL (2)/(3)	EXPONENTIAL CURVE OF BEST FIT (B)

FULL COVERAGE COMPREHENSIVE

Sep-04	\$16,112,004	36,118	\$446	\$483.88
Dec-04	15,864,804	35,775	443	480.49
Mar-05	15,162,532	33,912	447	477.13
Jun-05	14,549,915	32,404	449	473.80
Sep-05	14,273,275	31,631	451	470.49
Dec-05	13,825,012	30,525	453	467.20
Mar-06	13,359,831	29,962	446	463.93
Jun-06	12,798,979	28,527	449	460.69
Sep-06	12,093,755	27,140	446	457.47
Dec-06	11,665,817	26,385	442	454.27
Mar-07	11,324,623	25,207	449	451.09
Jun-07	11,052,028	24,868	444	447.94
Sep-07	10,811,348	24,188	447	444.81
Dec-07	10,650,987	23,511	453	441.70
Mar-08	10,576,802	23,069	458	438.61
Jun-08	10,402,119	22,271	467	435.54
Sep-08	10,014,937	21,666	462	432.50
Dec-08	9,721,014	21,199	459	429.48
Mar-09	9,417,892	20,864	451	426.47
Jun-09	9,159,189	20,773	441	423.49
Sep-09	8,957,406	20,628	434	420.53
Dec-09	9,050,320	20,695	437	417.59
Mar-10	9,565,265	22,244	430	414.67
Jun-10	9,985,842	23,779	420	411.77

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-4.7%
9-points	-5.0%
12-points	-2.8%
15-points	-1.3%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
\$50 DEDUCTIBLE COMPREHENSIVE				
Sep-04	\$1,640,314	3,674	\$446	\$563.03
Dec-04	1,519,667	3,563	427	548.44
Mar-05	1,551,558	3,428	453	534.23
Jun-05	1,521,870	3,240	470	520.39
Sep-05	1,474,522	3,286	449	506.91
Dec-05	1,464,937	3,181	461	493.77
Mar-06	1,340,654	3,106	432	480.98
Jun-06	1,362,231	3,028	450	468.52
Sep-06	1,318,997	2,835	465	456.38
Dec-06	1,276,466	2,770	461	444.55
Mar-07	1,256,333	2,677	469	433.03
Jun-07	1,227,300	2,635	466	421.81
Sep-07	1,215,507	2,632	462	410.88
Dec-07	1,190,576	2,593	459	400.24
Mar-08	1,190,862	2,571	463	389.86
Jun-08	1,197,604	2,563	467	379.76
Sep-08	1,166,198	2,574	453	369.92
Dec-08	1,089,301	2,499	436	360.34
Mar-09	1,027,947	2,520	408	351.00
Jun-09	961,929	2,524	381	341.91
Sep-09	929,930	2,480	375	333.05
Dec-09	914,696	2,462	372	324.42
Mar-10	992,399	2,683	370	316.01
Jun-10	1,044,594	2,802	373	307.82

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-6.0%
9-points	-11.9%
12-points	-10.0%
15-points	-7.9%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)

\$100 DEDUCTIBLE COMPREHENSIVE

Sep-04	\$13,905,381	27,106	\$513	\$578.17
Dec-04	13,541,177	27,014	501	569.11
Mar-05	13,148,928	25,984	506	560.19
Jun-05	12,740,492	25,028	509	551.41
Sep-05	12,120,271	24,186	501	542.77
Dec-05	11,656,606	23,187	503	534.26
Mar-06	11,200,220	22,615	495	525.89
Jun-06	10,767,097	21,678	497	517.64
Sep-06	10,338,512	21,070	491	509.53
Dec-06	10,201,903	20,711	493	501.55
Mar-07	10,071,579	20,269	497	493.69
Jun-07	10,090,435	20,001	504	485.95
Sep-07	9,945,257	19,522	509	478.33
Dec-07	9,792,033	19,131	512	470.84
Mar-08	9,643,234	18,825	512	463.46
Jun-08	9,388,822	18,543	506	456.20
Sep-08	9,195,516	18,133	507	449.05
Dec-08	8,837,282	17,726	499	442.01
Mar-09	8,407,406	17,317	486	435.08
Jun-09	8,143,849	17,346	469	428.26
Sep-09	7,846,163	17,271	454	421.55
Dec-09	7,880,872	17,057	462	414.94
Mar-10	7,970,949	18,062	441	408.44
Jun-10	8,150,170	18,619	438	402.04

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-7.6%
9-points	-7.8%
12-points	-6.1%
15-points	-3.9%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
\$250 DEDUCTIBLE COMPREHENSIVE				
Sep-04	\$5,532,608	7,441	\$744	\$857.67
Dec-04	5,066,998	7,394	685	835.12
Mar-05	4,972,016	7,154	695	813.16
Jun-05	4,744,322	6,912	686	791.78
Sep-05	4,586,158	6,738	681	770.96
Dec-05	4,540,128	6,502	698	750.69
Mar-06	4,414,143	6,473	682	730.95
Jun-06	4,356,683	6,327	689	711.73
Sep-06	4,339,425	6,178	702	693.01
Dec-06	4,310,503	6,202	695	674.79
Mar-07	4,227,060	6,111	692	657.04
Jun-07	4,417,709	6,170	716	639.77
Sep-07	4,241,903	6,134	692	622.94
Dec-07	4,408,687	6,137	718	606.56
Mar-08	4,485,192	6,182	726	590.61
Jun-08	4,222,599	6,220	679	575.08
Sep-08	4,202,808	6,303	667	559.96
Dec-08	3,988,656	6,237	640	545.23
Mar-09	3,871,091	6,105	634	530.90
Jun-09	3,712,047	6,174	601	516.94
Sep-09	3,570,959	6,253	571	503.34
Dec-09	3,562,067	6,180	576	490.11
Mar-10	3,459,214	6,268	552	477.22
Jun-10	3,478,570	6,284	554	464.67

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-10.0%
9-points	-10.7%
12-points	-10.1%
15-points	-7.8%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1) YEAR ENDED	(2) PAID <u>LOSSES (A)</u>	(3) PAID <u>CLAIMS</u>	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL <u>(2)/(3)</u>	(5) EXPONENTIAL CURVE OF <u>BEST FIT (B)</u>
\$500 DEDUCTIBLE COMPREHENSIVE				
Sep-04	\$5,439,234	4,378	\$1,242	\$1,569.18
Dec-04	5,459,152	4,436	1,231	1,509.56
Mar-05	5,195,310	4,465	1,164	1,452.21
Jun-05	5,169,306	4,496	1,150	1,397.04
Sep-05	4,771,537	4,391	1,087	1,343.96
Dec-05	4,909,110	4,367	1,124	1,292.90
Mar-06	4,994,505	4,407	1,133	1,243.78
Jun-06	4,921,086	4,402	1,118	1,196.53
Sep-06	5,125,752	4,398	1,165	1,151.07
Dec-06	5,026,866	4,410	1,140	1,107.34
Mar-07	5,187,308	4,388	1,182	1,065.27
Jun-07	5,132,972	4,440	1,156	1,024.80
Sep-07	5,450,819	4,574	1,192	985.86
Dec-07	5,717,118	4,760	1,201	948.41
Mar-08	5,708,598	5,005	1,141	912.37
Jun-08	6,073,907	5,342	1,137	877.71
Sep-08	6,233,105	5,640	1,105	844.36
Dec-08	5,924,205	5,705	1,038	812.29
Mar-09	5,912,425	5,589	1,058	781.43
Jun-09	5,466,554	5,728	954	751.74
Sep-09	4,938,891	5,939	832	723.18
Dec-09	4,954,167	5,855	846	695.70
Mar-10	4,521,480	5,691	794	669.27
Jun-10	4,766,469	5,386	885	643.84

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-15.0%
9-points	-16.2%
12-points	-14.4%
15-points	-10.9%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u>

FULL COVERAGE COMPREHENSIVE

Sep-04	646,886	36,118	5.5834
Dec-04	644,318	35,775	5.5524
Mar-05	640,257	33,912	5.2966
Jun-05	633,748	32,404	5.1131
Sep-05	624,266	31,631	5.0669
Dec-05	611,578	30,525	4.9912
Mar-06	597,487	29,962	5.0147
Jun-06	582,499	28,527	4.8973
Sep-06	567,380	27,140	4.7834
Dec-06	552,882	26,385	4.7723
Mar-07	539,357	25,207	4.6735
Jun-07	526,967	24,868	4.7191
Sep-07	515,459	24,188	4.6925
Dec-07	505,206	23,511	4.6537
Mar-08	496,032	23,069	4.6507
Jun-08	488,030	22,271	4.5634
Sep-08	481,092	21,666	4.5035
Dec-08	474,384	21,199	4.4687
Mar-09	467,595	20,864	4.4620
Jun-09	460,731	20,773	4.5087
Sep-09	454,087	20,628	4.5427
Dec-09	448,834	20,695	4.6108
Mar-10	445,089	22,244	4.9977
Jun-10	442,876	23,779	5.3692

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

6-points	15.3%
9-points	7.2%
12-points	2.9%
15-points	1.1%
24-points	-2.3%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) (2)/(3)
\$50 DEDUCTIBLE COMPREHENSIVE			
Sep-04	76,723	3,674	4.7887
Dec-04	76,322	3,563	4.6684
Mar-05	75,909	3,428	4.5159
Jun-05	75,284	3,240	4.3037
Sep-05	74,422	3,286	4.4154
Dec-05	73,307	3,181	4.3393
Mar-06	72,092	3,106	4.3084
Jun-06	70,885	3,028	4.2717
Sep-06	69,747	2,835	4.0647
Dec-06	68,688	2,770	4.0327
Mar-07	67,727	2,677	3.9526
Jun-07	66,899	2,635	3.9388
Sep-07	66,148	2,632	3.9790
Dec-07	65,484	2,593	3.9597
Mar-08	64,830	2,571	3.9658
Jun-08	64,170	2,563	3.9941
Sep-08	63,529	2,574	4.0517
Dec-08	62,842	2,499	3.9766
Mar-09	62,108	2,520	4.0574
Jun-09	61,343	2,524	4.1146
Sep-09	60,565	2,480	4.0948
Dec-09	59,828	2,462	4.1151
Mar-10	59,209	2,683	4.5314
Jun-10	58,763	2,802	4.7683

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	13.4%
9-points	7.8%
12-points	5.2%
15-points	3.6%
24-points	-1.2%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1) YEAR ENDED	(2) EARNED EXPOSURES	(3) PAID CLAIMS	(4) PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u>
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\$100 DEDUCTIBLE COMPREHENSIVE

Sep-04	479,255	27,106	5.6559
Dec-04	482,199	27,014	5.6023
Mar-05	483,508	25,984	5.3741
Jun-05	481,990	25,028	5.1926
Sep-05	477,342	24,186	5.0668
Dec-05	469,458	23,187	4.9391
Mar-06	460,529	22,615	4.9107
Jun-06	451,392	21,678	4.8025
Sep-06	442,687	21,070	4.7596
Dec-06	435,316	20,711	4.7577
Mar-07	429,246	20,269	4.7220
Jun-07	423,984	20,001	4.7174
Sep-07	418,992	19,522	4.6593
Dec-07	414,161	19,131	4.6192
Mar-08	409,294	18,825	4.5994
Jun-08	404,652	18,543	4.5825
Sep-08	400,190	18,133	4.5311
Dec-08	395,405	17,726	4.4830
Mar-09	390,123	17,317	4.4389
Jun-09	384,726	17,346	4.5087
Sep-09	379,933	17,271	4.5458
Dec-09	376,795	17,057	4.5269
Mar-10	375,372	18,062	4.8118
Jun-10	375,698	18,619	4.9558

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

6-points	8.8%
9-points	3.6%
12-points	1.2%
15-points	-0.1%
24-points	-2.9%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u>
\$250 DEDUCTIBLE COMPREHENSIVE			
Sep-04	197,701	7,441	3.7638
Dec-04	200,642	7,394	3.6852
Mar-05	202,747	7,154	3.5285
Jun-05	203,638	6,912	3.3943
Sep-05	203,338	6,738	3.3137
Dec-05	201,947	6,502	3.2197
Mar-06	200,293	6,473	3.2318
Jun-06	198,682	6,327	3.1845
Sep-06	197,331	6,178	3.1308
Dec-06	196,707	6,202	3.1529
Mar-07	196,722	6,111	3.1064
Jun-07	196,913	6,170	3.1334
Sep-07	197,063	6,134	3.1127
Dec-07	196,948	6,137	3.1161
Mar-08	196,540	6,182	3.1454
Jun-08	196,200	6,220	3.1702
Sep-08	195,909	6,303	3.2173
Dec-08	195,353	6,237	3.1927
Mar-09	194,509	6,105	3.1387
Jun-09	193,441	6,174	3.1917
Sep-09	192,504	6,253	3.2482
Dec-09	192,367	6,180	3.2126
Mar-10	193,258	6,268	3.2433
Jun-10	195,210	6,284	3.2191

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

6-points	1.9%
9-points	0.9%
12-points	1.3%
15-points	1.1%
24-points	-1.7%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) (2)/(3)
\$500 DEDUCTIBLE COMPREHENSIVE			
Sep-04	217,704	4,378	2.0110
Dec-04	224,091	4,436	1.9796
Mar-05	229,801	4,465	1.9430
Jun-05	234,459	4,496	1.9176
Sep-05	237,928	4,391	1.8455
Dec-05	240,545	4,367	1.8155
Mar-06	243,112	4,407	1.8127
Jun-06	245,720	4,402	1.7915
Sep-06	248,763	4,398	1.7679
Dec-06	252,839	4,410	1.7442
Mar-07	257,993	4,388	1.7008
Jun-07	263,679	4,440	1.6839
Sep-07	269,392	4,574	1.6979
Dec-07	274,557	4,760	1.7337
Mar-08	279,115	5,005	1.7932
Jun-08	283,480	5,342	1.8844
Sep-08	287,726	5,640	1.9602
Dec-08	291,264	5,705	1.9587
Mar-09	293,866	5,589	1.9019
Jun-09	295,404	5,728	1.9390
Sep-09	296,522	5,939	2.0029
Dec-09	298,816	5,855	1.9594
Mar-10	303,181	5,691	1.8771
Jun-10	309,924	5,386	1.7378

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-6.3%
9-points	-2.6%
12-points	2.6%
15-points	3.6%
24-points	0.0%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

FULL COVERAGE COMPREHENSIVE

		STRAIGHT LINE		
COST	END POINT		MID POINT	EXPONENTIAL
15 points	-1.4%		-1.3%	-1.3%
12 points	-2.9%		-2.8%	-2.8%
9 points	-5.5%		-5.1%	-5.0%
6 points	-5.0%		-4.9%	-4.7%

		STRAIGHT LINE		
FREQ	END POINT		MID POINT	EXPONENTIAL
24 points	-2.6%		-2.4%	-2.3%
15 points	1.2%		1.2%	1.1%
12 points	2.9%		3.0%	2.9%
9 points	6.8%		7.3%	7.2%
6 points	13.4%		14.6%	15.3%

\$50 DEDUCTIBLE COMPREHENSIVE

		STRAIGHT LINE		
COST	END POINT		MID POINT	EXPONENTIAL
15 points	-9.3%		-7.9%	-7.9%
12 points	-12.2%		-10.4%	-10.0%
9 points	-14.9%		-12.8%	-11.9%
6 points	-6.6%		-6.3%	-6.0%

		STRAIGHT LINE		
FREQ	END POINT		MID POINT	EXPONENTIAL
24 points	-1.2%		-1.2%	-1.2%
15 points	3.5%		3.7%	3.6%
12 points	4.9%		5.3%	5.2%
9 points	7.2%		7.8%	7.8%
6 points	11.9%		12.9%	13.4%

\$100 DEDUCTIBLE COMPREHENSIVE

		STRAIGHT LINE		
COST	END POINT		MID POINT	EXPONENTIAL
15 points	-4.2%		-3.9%	-3.9%
12 points	-6.8%		-6.2%	-6.1%
9 points	-8.8%		-8.0%	-7.8%
6 points	-8.3%		-7.9%	-7.6%

		STRAIGHT LINE		
FREQ	END POINT		MID POINT	EXPONENTIAL
24 points	-3.3%		-3.0%	-2.9%
15 points	-0.1%		-0.1%	-0.1%
12 points	1.3%		1.3%	1.2%
9 points	3.5%		3.7%	3.6%
6 points	8.1%		8.6%	8.8%

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

\$250 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE			EXPONENTIAL
	END POINT		MID POINT	
15 points	-9.2%		-7.8%	-7.8%
12 points	-12.4%		-10.6%	-10.1%
9 points	-12.8%		-11.2%	-10.7%
6 points	-11.4%		-10.7%	-10.0%

FREQ	STRAIGHT LINE			EXPONENTIAL
	END POINT		MID POINT	
24 points	-1.9%		-1.8%	-1.7%
15 points	1.1%		1.1%	1.1%
12 points	1.3%		1.3%	1.3%
9 points	0.9%		0.9%	0.9%
6 points	1.8%		1.9%	1.9%

\$500 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE			EXPONENTIAL
	END POINT		MID POINT	
15 points	-13.8%		-10.9%	-10.9%
12 points	-19.3%		-15.2%	-14.4%
9 points	-21.5%		-17.3%	-16.2%
6 points	-19.0%		-17.0%	-15.0%

FREQ	STRAIGHT LINE			EXPONENTIAL
	END POINT		MID POINT	
24 points	0.0%		0.0%	0.0%
15 points	3.3%		3.5%	3.6%
12 points	2.4%		2.5%	2.6%
9 points	-2.6%		-2.5%	-2.6%
6 points	-6.6%		-6.3%	-6.3%

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

FULL COVERAGE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.52	-0.52
12 points	-0.78	-0.78
9 points	-0.98	-0.98
6 points	-0.95	-0.95

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.60	-0.61
15 points	0.28	0.26
12 points	0.49	0.48
9 points	0.75	0.75
6 points	0.90	0.91

\$50 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.91	-0.91
12 points	-0.94	-0.94
9 points	-0.93	-0.93
6 points	-0.79	-0.79

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.33	-0.33
15 points	0.72	0.73
12 points	0.78	0.79
9 points	0.81	0.82
6 points	0.87	0.87

\$100 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.82	-0.82
12 points	-0.95	-0.95
9 points	-0.97	-0.97
6 points	-0.94	-0.94

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.76	-0.77
15 points	-0.03	-0.04
12 points	0.36	0.35
9 points	0.68	0.67
6 points	0.91	0.91

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

\$250 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.92	-0.92
12 points	-0.96	-0.96
9 points	-0.98	-0.98
6 points	-0.93	-0.93

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.58	-0.58
15 points	0.82	0.82
12 points	0.82	0.82
9 points	0.56	0.55
6 points	0.69	0.69

\$500 DEDUCTIBLE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.90	-0.89
12 points	-0.95	-0.94
9 points	-0.91	-0.90
6 points	-0.74	-0.73

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	0.00	0.00
15 points	0.63	0.63
12 points	0.41	0.41
9 points	-0.43	-0.44
6 points	-0.61	-0.62

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)

\$50 DEDUCTIBLE COLLISION

Sep-04	\$3,098,216	1,264	2,451	\$2,279.35
Dec-04	3,166,610	1,267	2,499	2,281.65
Mar-05	3,092,434	1,271	2,433	2,283.95
Jun-05	3,034,466	1,279	2,373	2,286.26
Sep-05	2,961,852	1,283	2,309	2,288.57
Dec-05	2,928,030	1,291	2,268	2,290.88
Mar-06	2,910,402	1,262	2,306	2,293.19
Jun-06	2,699,750	1,183	2,282	2,295.51
Sep-06	2,621,338	1,145	2,289	2,297.83
Dec-06	2,603,402	1,130	2,304	2,300.15
Mar-07	2,580,712	1,148	2,248	2,302.47
Jun-07	2,753,436	1,208	2,279	2,304.79
Sep-07	2,893,943	1,262	2,293	2,307.12
Dec-07	3,018,203	1,351	2,234	2,309.45
Mar-08	3,436,160	1,451	2,368	2,311.78
Jun-08	3,469,317	1,535	2,260	2,314.12
Sep-08	3,664,948	1,629	2,250	2,316.45
Dec-08	3,905,538	1,699	2,299	2,318.79
Mar-09	4,299,929	1,828	2,352	2,321.13
Jun-09	4,636,513	1,948	2,380	2,323.48
Sep-09	4,882,481	2,076	2,352	2,325.82
Dec-09	5,178,892	2,173	2,383	2,328.17
Mar-10	5,170,315	2,250	2,298	2,330.52
Jun-10	5,076,725	2,296	2,211	2,332.88

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-4.5%
9-points	0.3%
12-points	0.4%
15-points	0.5%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2) / (3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
\$100 DEDUCTIBLE COLLISION				
Sep-04	\$43,706,347	18,787	2,326	\$2,385.17
Dec-04	43,010,933	18,211	2,362	2,382.27
Mar-05	41,801,275	17,756	2,354	2,379.36
Jun-05	41,062,354	17,536	2,342	2,376.46
Sep-05	39,861,833	17,107	2,330	2,373.56
Dec-05	39,175,816	16,847	2,325	2,370.67
Mar-06	38,932,366	16,728	2,327	2,367.77
Jun-06	38,516,916	16,328	2,359	2,364.89
Sep-06	38,578,012	16,167	2,386	2,362.00
Dec-06	39,273,410	16,299	2,410	2,359.12
Mar-07	39,101,029	16,255	2,405	2,356.25
Jun-07	39,482,313	16,511	2,391	2,353.37
Sep-07	38,644,770	16,391	2,358	2,350.50
Dec-07	37,287,932	16,055	2,323	2,347.64
Mar-08	37,196,996	15,814	2,352	2,344.77
Jun-08	37,112,621	15,546	2,387	2,341.91
Sep-08	36,938,977	15,559	2,374	2,339.06
Dec-08	37,396,168	15,750	2,374	2,336.21
Mar-09	37,281,652	15,682	2,377	2,333.36
Jun-09	36,743,153	15,735	2,335	2,330.51
Sep-09	37,199,731	15,772	2,359	2,327.67
Dec-09	37,023,166	15,620	2,370	2,324.83
Mar-10	36,542,727	15,823	2,309	2,321.99
Jun-10	36,500,126	15,823	2,307	2,319.16

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-2.0%
9-points	-1.5%
12-points	-0.5%
15-points	-0.8%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
\$200 DEDUCTIBLE COLLISION				
Sep-04	\$7,159,456	2,667	2,684	\$2,963.50
Dec-04	6,999,601	2,553	2,742	2,938.89
Mar-05	6,648,105	2,441	2,724	2,914.49
Jun-05	6,795,688	2,459	2,764	2,890.30
Sep-05	6,426,171	2,463	2,609	2,866.30
Dec-05	6,416,636	2,448	2,621	2,842.50
Mar-06	6,771,920	2,551	2,655	2,818.90
Jun-06	6,878,747	2,473	2,782	2,795.50
Sep-06	6,815,533	2,475	2,754	2,772.29
Dec-06	6,970,039	2,489	2,800	2,749.27
Mar-07	7,068,138	2,419	2,922	2,726.45
Jun-07	6,757,494	2,418	2,795	2,703.81
Sep-07	6,861,074	2,342	2,930	2,681.36
Dec-07	6,448,990	2,292	2,814	2,659.10
Mar-08	6,058,284	2,252	2,690	2,637.02
Jun-08	6,048,469	2,267	2,668	2,615.13
Sep-08	6,156,384	2,328	2,644	2,593.42
Dec-08	6,450,788	2,398	2,690	2,571.89
Mar-09	6,725,132	2,441	2,755	2,550.53
Jun-09	6,656,738	2,465	2,701	2,529.36
Sep-09	6,657,519	2,478	2,687	2,508.36
Dec-09	6,532,251	2,443	2,674	2,487.53
Mar-10	6,177,751	2,462	2,509	2,466.88
Jun-10	6,234,332	2,424	2,572	2,446.40

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-6.3%
9-points	-2.2%
12-points	-3.3%
15-points	-3.0%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)

\$250 DEDUCTIBLE COLLISION

Sep-04	\$259,009,698	99,499	2,603	\$2,807.65
Dec-04	255,603,813	97,644	2,618	2,794.53
Mar-05	249,129,895	95,741	2,602	2,781.46
Jun-05	249,207,633	95,034	2,622	2,768.46
Sep-05	247,143,879	93,999	2,629	2,755.51
Dec-05	245,482,182	93,138	2,636	2,742.63
Mar-06	244,103,523	91,358	2,672	2,729.80
Jun-06	242,255,582	90,225	2,685	2,717.04
Sep-06	242,099,774	89,548	2,704	2,704.34
Dec-06	244,726,279	90,193	2,713	2,691.69
Mar-07	243,896,437	90,339	2,700	2,679.11
Jun-07	246,076,705	91,064	2,702	2,666.58
Sep-07	243,986,955	91,058	2,679	2,654.11
Dec-07	241,444,823	90,128	2,679	2,641.70
Mar-08	241,701,779	89,600	2,698	2,629.35
Jun-08	240,609,895	88,828	2,709	2,617.06
Sep-08	239,964,646	88,660	2,707	2,604.82
Dec-08	240,483,769	88,670	2,712	2,592.64
Mar-09	239,884,475	88,735	2,703	2,580.52
Jun-09	236,989,197	88,422	2,680	2,568.45
Sep-09	232,914,859	88,160	2,642	2,556.44
Dec-09	229,448,045	88,001	2,607	2,544.49
Mar-10	228,387,334	88,734	2,574	2,532.59
Jun-10	226,152,058	88,993	2,541	2,520.75

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-4.9%
9-points	-3.3%
12-points	-1.9%
15-points	-1.4%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
\$500 DEDUCTIBLE COLLISION				
Sep-04	\$254,057,711	76,836	3,306	\$3,676.43
Dec-04	256,120,714	77,039	3,325	3,644.71
Mar-05	254,872,594	76,894	3,315	3,613.26
Jun-05	258,727,025	77,692	3,330	3,582.09
Sep-05	259,876,589	78,608	3,306	3,551.18
Dec-05	263,044,633	79,159	3,323	3,520.54
Mar-06	266,503,925	79,462	3,354	3,490.16
Jun-06	271,376,760	80,404	3,375	3,460.05
Sep-06	278,124,509	81,668	3,406	3,430.20
Dec-06	291,014,660	84,461	3,446	3,400.60
Mar-07	298,468,742	86,658	3,444	3,371.26
Jun-07	307,179,953	88,765	3,461	3,342.17
Sep-07	308,444,226	89,790	3,435	3,313.34
Dec-07	306,542,795	89,893	3,410	3,284.75
Mar-08	310,351,324	90,721	3,421	3,256.41
Jun-08	312,641,242	91,631	3,412	3,228.31
Sep-08	316,289,052	93,256	3,392	3,200.46
Dec-08	322,319,676	94,760	3,401	3,172.84
Mar-09	327,197,291	96,587	3,388	3,145.47
Jun-09	326,994,720	98,062	3,335	3,118.33
Sep-09	325,620,135	99,352	3,277	3,091.42
Dec-09	323,853,827	100,779	3,214	3,064.75
Mar-10	326,260,483	103,107	3,164	3,038.30
Jun-10	322,734,521	103,940	3,105	3,012.09

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-6.8%
9-points	-4.8%
12-points	-3.4%
15-points	-2.7%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)

\$1,000 DEDUCTIBLE COLLISION

Sep-04	\$14,653,950	3,285	4,461	\$5,450.01
Dec-04	15,741,994	3,437	4,580	5,364.97
Mar-05	16,573,515	3,550	4,669	5,281.26
Jun-05	17,146,084	3,725	4,603	5,198.86
Sep-05	17,472,734	3,823	4,570	5,117.74
Dec-05	17,763,480	3,895	4,561	5,037.89
Mar-06	18,068,985	3,952	4,572	4,959.28
Jun-06	19,033,039	3,944	4,826	4,881.90
Sep-06	19,586,153	4,095	4,783	4,805.73
Dec-06	20,586,509	4,284	4,805	4,730.75
Mar-07	21,543,428	4,487	4,801	4,656.93
Jun-07	21,407,928	4,610	4,644	4,584.27
Sep-07	22,210,194	4,673	4,753	4,512.74
Dec-07	22,422,302	4,694	4,777	4,442.33
Mar-08	23,041,842	4,788	4,812	4,373.02
Jun-08	24,020,471	4,969	4,834	4,304.78
Sep-08	24,261,424	5,095	4,762	4,237.62
Dec-08	24,715,940	5,260	4,699	4,171.50
Mar-09	24,856,729	5,358	4,639	4,106.41
Jun-09	25,295,594	5,554	4,554	4,042.34
Sep-09	24,812,980	5,689	4,362	3,979.27
Dec-09	25,795,791	5,993	4,304	3,917.18
Mar-10	25,763,740	6,288	4,097	3,856.06
Jun-10	26,108,434	6,396	4,082	3,795.89

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	-10.5%
9-points	-8.7%
12-points	-6.1%
15-points	-4.3%

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u>
\$50 DEDUCTIBLE COLLISION			
Sep-04	16,214	1,264	7.7957
Dec-04	16,163	1,267	7.8389
Mar-05	16,110	1,271	7.8895
Jun-05	16,192	1,279	7.8990
Sep-05	16,173	1,283	7.9330
Dec-05	16,134	1,291	8.0017
Mar-06	16,161	1,262	7.8089
Jun-06	16,220	1,183	7.2935
Sep-06	16,345	1,145	7.0052
Dec-06	16,492	1,130	6.8518
Mar-07	16,681	1,148	6.8821
Jun-07	17,035	1,208	7.0913
Sep-07	17,528	1,262	7.1999
Dec-07	18,124	1,351	7.4542
Mar-08	18,799	1,451	7.7185
Jun-08	19,490	1,535	7.8758
Sep-08	20,169	1,629	8.0768
Dec-08	20,806	1,699	8.1659
Mar-09	21,380	1,828	8.5500
Jun-09	21,925	1,948	8.8848
Sep-09	22,486	2,076	9.2324
Dec-09	22,988	2,173	9.4528
Mar-10	23,450	2,250	9.5949
Jun-10	23,871	2,296	9.6184

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	10.1%
9-points	11.9%
12-points	11.8%
15-points	11.4%
24-points	3.7%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR	EARNED	PAID	PAID CLAIM
<u>ENDED</u>	<u>EXPOSURES</u>	<u>CLAIMS</u>	FREQUENCY (A)
			<u>(2) / (3)</u>

\$100 DEDUCTIBLE COLLISION

Sep-04	388,824	18,787	4.8317
Dec-04	384,540	18,211	4.7358
Mar-05	381,185	17,756	4.6581
Jun-05	378,115	17,536	4.6377
Sep-05	374,016	17,107	4.5739
Dec-05	368,822	16,847	4.5678
Mar-06	363,565	16,728	4.6011
Jun-06	358,640	16,328	4.5528
Sep-06	353,852	16,167	4.5689
Dec-06	349,661	16,299	4.6614
Mar-07	346,248	16,255	4.6946
Jun-07	343,408	16,511	4.8080
Sep-07	341,095	16,391	4.8054
Dec-07	338,856	16,055	4.7380
Mar-08	336,471	15,814	4.7000
Jun-08	334,287	15,546	4.6505
Sep-08	332,236	15,559	4.6831
Dec-08	330,087	15,750	4.7715
Mar-09	327,564	15,682	4.7875
Jun-09	324,408	15,735	4.8504
Sep-09	320,935	15,772	4.9144
Dec-09	317,337	15,620	4.9222
Mar-10	313,876	15,823	5.0412
Jun-10	310,584	15,823	5.0946

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	5.0%
9-points	4.6%
12-points	2.7%
15-points	2.0%
24-points	1.2%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u>

\$200 DEDUCTIBLE COLLISION

Sep-04	61,476	2,667	4.3383
Dec-04	60,887	2,553	4.1930
Mar-05	60,411	2,441	4.0407
Jun-05	59,901	2,459	4.1051
Sep-05	59,368	2,463	4.1487
Dec-05	58,803	2,448	4.1631
Mar-06	58,220	2,551	4.3817
Jun-06	57,662	2,473	4.2888
Sep-06	57,124	2,475	4.3327
Dec-06	56,606	2,489	4.3971
Mar-07	56,087	2,419	4.3129
Jun-07	55,649	2,418	4.3451
Sep-07	55,291	2,342	4.2358
Dec-07	54,951	2,292	4.1710
Mar-08	54,634	2,252	4.1220
Jun-08	54,285	2,267	4.1761
Sep-08	53,880	2,328	4.3207
Dec-08	53,447	2,398	4.4867
Mar-09	52,967	2,441	4.6085
Jun-09	52,458	2,465	4.6990
Sep-09	51,905	2,478	4.7741
Dec-09	51,350	2,443	4.7575
Mar-10	50,776	2,462	4.8487
Jun-10	50,196	2,424	4.8291

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	3.8%
9-points	7.5%
12-points	6.9%
15-points	4.3%
24-points	2.5%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) (2) / (3)

\$250 DEDUCTIBLE COLLISION

Sep-04	1,857,418	99,499	5.3568
Dec-04	1,855,161	97,644	5.2634
Mar-05	1,858,035	95,741	5.1528
Jun-05	1,861,622	95,034	5.1049
Sep-05	1,861,937	93,999	5.0485
Dec-05	1,854,840	93,138	5.0213
Mar-06	1,844,260	91,358	4.9536
Jun-06	1,845,111	90,225	4.8899
Sep-06	1,835,833	89,548	4.8778
Dec-06	1,829,329	90,193	4.9304
Mar-07	1,825,382	90,339	4.9490
Jun-07	1,813,111	91,064	5.0225
Sep-07	1,812,187	91,058	5.0248
Dec-07	1,810,591	90,128	4.9778
Mar-08	1,808,013	89,600	4.9557
Jun-08	1,806,748	88,828	4.9165
Sep-08	1,805,653	88,660	4.9101
Dec-08	1,803,254	88,670	4.9172
Mar-09	1,797,223	88,735	4.9373
Jun-09	1,787,630	88,422	4.9463
Sep-09	1,775,580	88,160	4.9651
Dec-09	1,762,428	88,001	4.9932
Mar-10	1,749,961	88,734	5.0706
Jun-10	1,737,532	88,993	5.1218

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	3.1%
9-points	2.0%
12-points	.0.7%
15-points	0.4%
24-points	-0.6%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) (2) / (3)
\$500 DEDUCTIBLE COLLISION			
Sep-04	1,607,622	76,836	4.7795
Dec-04	1,635,208	77,039	4.7113
Mar-05	1,669,731	76,894	4.6052
Jun-05	1,704,067	77,692	4.5592
Sep-05	1,737,927	78,608	4.5231
Dec-05	1,765,802	79,159	4.4829
Mar-06	1,792,611	79,462	4.4328
Jun-06	1,827,567	80,404	4.3995
Sep-06	1,860,990	81,668	4.3884
Dec-06	1,896,015	84,461	4.4547
Mar-07	1,930,510	86,658	4.4889
Jun-07	1,961,345	88,765	4.5257
Sep-07	1,993,042	89,790	4.5052
Dec-07	2,024,330	89,893	4.4406
Mar-08	2,055,065	90,721	4.4145
Jun-08	2,086,943	91,631	4.3907
Sep-08	2,117,159	93,256	4.4048
Dec-08	2,142,501	94,760	4.4229
Mar-09	2,162,679	96,587	4.4661
Jun-09	2,177,125	98,062	4.5042
Sep-09	2,188,057	99,352	4.5406
Dec-09	2,198,373	100,779	4.5843
Mar-10	2,208,863	103,107	4.6679
Jun-10	2,219,719	103,940	4.6826

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	4.1%
9-points	3.5%
12-points	2.0%
15-points	1.1%
24-points	-0.2%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u>

\$1,000 DEDUCTIBLE COLLISION

Sep-04	108,839	3,285	3.0182
Dec-04	113,467	3,437	3.0291
Mar-05	118,476	3,550	2.9964
Jun-05	123,558	3,725	3.0148
Sep-05	128,544	3,823	2.9741
Dec-05	133,379	3,895	2.9202
Mar-06	138,310	3,952	2.8573
Jun-06	143,946	3,944	2.7399
Sep-06	149,651	4,095	2.7364
Dec-06	155,430	4,284	2.7562
Mar-07	161,055	4,487	2.7860
Jun-07	165,993	4,610	2.7772
Sep-07	170,703	4,673	2.7375
Dec-07	175,160	4,694	2.6798
Mar-08	179,494	4,788	2.6675
Jun-08	183,935	4,969	2.7015
Sep-08	188,382	5,095	2.7046
Dec-08	192,676	5,260	2.7300
Mar-09	196,914	5,358	2.7210
Jun-09	200,970	5,554	2.7636
Sep-09	204,900	5,689	2.7765
Dec-09	209,059	5,993	2.8667
Mar-10	213,251	6,288	2.9486
Jun-10	217,363	6,396	2.9425

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

6-points	7.3%
9-points	4.9%
12-points	3.4%
15-points	1.7%
24-points	-1.1%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ALL CARRIERS

\$50 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.5%	0.5%	0.5%
12 points	0.4%	0.4%	0.4%
9 points	0.3%	0.3%	0.3%
6 points	-4.6%	-4.5%	-4.5%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	3.4%	3.8%	3.7%
15 points	9.1%	10.9%	11.4%
12 points	9.7%	11.1%	11.8%
9 points	10.0%	11.3%	11.9%
6 points	9.0%	9.5%	10.1%

\$100 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-0.8%	-0.8%	-0.8%
12 points	-0.5%	-0.5%	-0.5%
9 points	-1.6%	-1.5%	-1.5%
6 points	-2.1%	-2.0%	-2.0%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	1.2%	1.2%	1.2%
15 points	1.9%	2.0%	2.0%
12 points	2.6%	2.7%	2.7%
9 points	4.3%	4.5%	4.6%
6 points	4.8%	4.9%	5.0%

\$200 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-3.2%	-3.1%	-3.0%
12 points	-3.5%	-3.4%	-3.3%
9 points	-2.3%	-2.2%	-2.2%
6 points	-6.8%	-6.5%	-6.3%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	2.3%	2.5%	2.5%
15 points	4.0%	4.3%	4.3%
12 points	6.1%	6.6%	6.9%
9 points	6.6%	7.2%	7.5%
6 points	3.6%	3.7%	3.8%

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2010

ALL CARRIERS

\$250 DEDUCTIBLE COLLISION

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	-1.4%	-1.4%	-1.4%
12 points	-1.9%	-1.9%	-1.9%
9 points	-3.5%	-3.4%	-3.3%
6 points	-5.2%	-5.1%	-4.9%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-0.6%	-0.6%	-0.6%
15 points	0.4%	0.4%	0.4%
12 points	0.7%	0.7%	0.7%
9 points	1.9%	2.0%	2.0%
6 points	3.0%	3.0%	3.1%

\$500 DEDUCTIBLE COLLISION

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	-2.8%	-2.6%	-2.7%
12 points	-3.6%	-3.4%	-3.4%
9 points	-5.1%	-4.8%	-4.8%
6 points	-7.3%	-7.0%	-6.8%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-0.2%	-0.2%	-0.2%
15 points	1.1%	1.1%	1.1%
12 points	1.9%	1.9%	2.0%
9 points	3.4%	3.5%	3.5%
6 points	3.9%	4.0%	4.1%

\$1,000 DEDUCTIBLE COLLISION

STRAIGHT LINE			
COST	END POINT	MID POINT	EXPONENTIAL
15 points	-4.6%	-4.2%	-4.3%
12 points	-6.7%	-6.2%	-6.1%
9 points	-9.9%	-8.9%	-8.7%
6 points	-11.9%	-11.1%	-10.5%

STRAIGHT LINE			
FREQ	END POINT	MID POINT	EXPONENTIAL
24 points	-1.2%	-1.1%	-1.1%
15 points	1.6%	1.7%	1.7%
12 points	3.2%	3.3%	3.4%
9 points	4.6%	4.9%	4.9%
6 points	6.8%	7.1%	7.3%

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ALL CARRIERS

\$50 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.25	0.24
12 points	0.14	0.14
9 points	0.09	0.08
6 points	-0.75	-0.75

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	0.65	0.63
15 points	0.99	0.99
12 points	0.99	0.99
9 points	0.98	0.98
6 points	0.96	0.96

\$100 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.66	-0.66
12 points	-0.38	-0.38
9 points	-0.82	-0.82
6 points	-0.73	-0.73

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	0.70	0.70
15 points	0.80	0.80
12 points	0.84	0.84
9 points	0.99	0.99
6 points	0.98	0.98

\$200 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.81	-0.81
12 points	-0.76	-0.76
9 points	-0.55	-0.56
6 points	-0.88	-0.88

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	0.78	0.78
15 points	0.82	0.81
12 points	0.95	0.95
9 points	0.94	0.94
6 points	0.93	0.93

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

ALL CARRIERS

\$250 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.76	-0.76
12 points	-0.77	-0.77
9 points	-0.94	-0.94
6 points	-1.00	-1.00

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.45	-0.45
15 points	0.41	0.40
12 points	0.49	0.49
9 points	0.91	0.91
6 points	0.95	0.95

\$500 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.89	-0.89
12 points	-0.91	-0.91
9 points	-0.96	-0.95
6 points	-1.00	-1.00

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.13	-0.13
15 points	0.61	0.61
12 points	0.79	0.79
9 points	0.98	0.99
6 points	0.99	0.99

\$1,000 DEDUCTIBLE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.84	-0.84
12 points	-0.92	-0.92
9 points	-0.98	-0.98
6 points	-0.98	-0.98

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.47	-0.46
15 points	0.61	0.60
12 points	0.86	0.86
9 points	0.93	0.94
6 points	0.97	0.97

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
UNINSURED MOTORISTS BODILY INJURY
CLAIM COST TREND

(1) Accident Year Ended	(2) Basic Limit Losses (A)(B)	(3) Incurred Claims	(4) UMBI Claim Cost (2) / (3)
12/31/1998	37,707,093	6,092	6,189.61
12/31/1999	37,047,075	5,999	6,175.54
12/31/2000	37,378,179	6,133	6,094.60
12/31/2001	39,408,380	6,066	6,496.60
12/31/2002	42,427,099	6,479	6,548.40
12/31/2003	44,208,559	6,557	6,742.19
12/31/2004	42,008,457	6,019	6,979.31
12/31/2005	44,029,491	6,068	7,256.01
12/31/2006	46,814,896	6,451	7,257.00
12/31/2007	48,958,078	6,360	7,697.81
12/31/2008	46,822,554	6,053	7,735.43
12/31/2009	50,334,974	6,317	7,968.18

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	2.9%
6 points	2.6%
9 points	2.7%
12 points	2.6%

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

(B) 25/50 limits from 12/31/1998 - 12/31/2009.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNINSURED MOTORISTS PROPERTY DAMAGE
 CLAIM COST TREND

(1) Accident Year Ended	(2) Basic Limit Losses (A)(B)	(3) Incurred Claims	(4) UMPD Claim Cost (2) / (3)
12/31/1998	12,031,861	9,443	1,274.16
12/31/1999	12,455,790	9,972	1,249.08
12/31/2000	12,784,625	9,996	1,278.97
12/31/2001	12,300,019	9,614	1,279.39
12/31/2002	12,977,723	9,468	1,370.69
12/31/2003	13,473,674	9,527	1,414.26
12/31/2004	12,447,771	9,189	1,354.64
12/31/2005	12,894,151	9,120	1,413.83
12/31/2006	12,763,359	8,865	1,439.75
12/31/2007	12,110,709	8,599	1,408.39
12/31/2008	11,789,424	8,066	1,461.62
12/31/2009	10,808,130	7,727	1,398.75

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	-0.5%
6 points	0.7%
9 points	1.0%
12 points	1.3%

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

(B) \$15,000 limits from 12/31/1998 - 12/31/2009.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNDERINSURED MOTORISTS
 CLAIM COST TREND

(1) Accident <u>Year Ended</u>	(2) Total Limit <u>Losses (A)</u>	(3) Incurred <u>Claims</u>	(4) UIM Claim Cost <u>(2) / (3)</u>
12/31/2000	55,377,602	1,326	41,762.90
12/31/2001	56,931,338	1,221	46,626.81
12/31/2002	60,752,864	1,293	46,985.97
12/31/2003	61,202,116	1,261	48,534.59
12/31/2004	73,996,769	1,478	50,065.47
12/31/2005	69,609,023	1,301	53,504.25
12/31/2006	81,246,822	1,578	51,487.21
12/31/2007	87,957,125	1,644	53,501.90
12/31/2008	77,626,948	1,560	49,760.86
12/31/2009	91,080,815	1,689	53,925.88

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	0.7%
6 points	0.6%
10 points	2.2%

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNINSURED MOTORISTS BODILY INJURY
 CLAIM FREQUENCY TREND

(1) Accident Year Ended	(2) Exposures (A)	(3) Incurred Claims (A)	(4) UM Claim Freq (3) / (2)
12/31/1998	5,036,177	6,092	0.1210
12/31/1999	5,253,680	5,999	0.1142
12/31/2000	5,381,629	6,133	0.1140
12/31/2001	5,495,729	6,066	0.1104
12/31/2002	5,646,981	6,479	0.1147
12/31/2003	5,753,498	6,557	0.1140
12/31/2004	5,919,084	6,019	0.1017
12/31/2005	6,074,771	6,068	0.0999
12/31/2006	6,259,907	6,451	0.1031
12/31/2007	6,401,697	6,360	0.0993
12/31/2008	6,516,832	6,053	0.0929
12/31/2009	6,873,733	6,317	0.0919

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	-4.0%
6 points	-2.2%
9 points	-2.7%
12 points	-2.3%

(A) Voluntary and ceded business combined.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNINSURED MOTORISTS PROPERTY DAMAGE
 CLAIM FREQUENCY TREND

(1) Accident Year Ended	(2) Exposures(A)	(3) Incurred Claims(A)	(4) UM Claim Freq (3) / (2)
12/31/1998	5,036,177	9,443	0.1875
12/31/1999	5,253,680	9,972	0.1898
12/31/2000	5,381,629	9,996	0.1857
12/31/2001	5,495,729	9,614	0.1749
12/31/2002	5,646,981	9,468	0.1677
12/31/2003	5,753,498	9,527	0.1656
12/31/2004	5,919,084	9,189	0.1552
12/31/2005	6,074,771	9,120	0.1501
12/31/2006	6,259,907	8,865	0.1416
12/31/2007	6,401,697	8,599	0.1343
12/31/2008	6,516,832	8,066	0.1238
12/31/2009	6,873,733	7,727	0.1124

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	-7.5%
6 points	-6.2%
9 points	-5.2%
12 points	-4.5%

(A) Voluntary and ceded business combined.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNDERINSURED MOTORISTS
 CLAIM FREQUENCY TREND

(1) Accident <u>Year Ended</u>	(2) Incurred <u>Claims (A)</u>	(3) <u>Exposures</u>	(4) UIM Claim Freq <u>(2)/(3)*100</u>
12/31/2000	1,326	3,346,995	0.0396
12/31/2001	1,221	3,417,955	0.0357
12/31/2002	1,293	3,512,024	0.0368
12/31/2003	1,261	3,605,614	0.0350
12/31/2004	1,478	3,844,061	0.0384
12/31/2005	1,301	4,009,773	0.0324
12/31/2006	1,578	4,308,499	0.0366
12/31/2007	1,644	4,704,810	0.0349
12/31/2008	1,560	4,789,426	0.0326
12/31/2009	1,689	5,051,724	0.0334

Annual Rates of Change based on the Exponential Curve of Best Fit:

4 points	-3.4%
6 points	-2.1%
10 points	-1.5%

(A) Voluntary and ceded business combined.

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QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	NO. OF CLAIMS ARISING	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR		PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR		PCT. CHANGE ARISING CLAIM FREQ.
						AVERAGE LOSS					
3/2005	942,274	10,339	15,512	80,805,900	1.10		7,816	85.76			1.65
6/2005	952,419	11,002	16,777	83,409,006	1.16		7,581	87.58			1.76
9/2005	963,146	10,722	15,440	84,710,625	1.11		7,901	87.95			1.60
12/2005	970,436	11,153	16,441	89,596,329	1.15		8,033	92.33			1.69
3/2006	977,137	10,636	15,909	87,001,024	1.09	-0.9	8,180	89.04	3.8		1.63
6/2006	989,438	10,378	15,953	84,628,727	1.05	-9.5	8,155	85.53	-2.3		1.61
9/2006	998,126	10,028	15,428	98,831,218	1.00	-9.9	9,856	99.02	12.6		1.55
12/2006	1,005,982	11,592	17,818	97,349,096	1.15	0.0	8,398	96.77	4.8		1.77
3/2007	1,013,992	10,522	15,923	91,784,136	1.04	-4.6	8,723	90.52	1.7		1.57
6/2007	1,026,945	11,033	15,888	102,527,065	1.07	1.9	9,293	99.84	16.7		1.55
9/2007	1,035,487	10,666	15,052	98,707,501	1.03	3.0	9,254	95.32	-3.7		1.45
12/2007	1,041,949	10,828	16,741	105,791,912	1.04	-9.6	9,770	101.53	4.9		1.61
3/2008	1,046,977	10,485	15,268	92,888,393	1.00	-3.8	8,859	88.72	-2.0		1.46
6/2008	1,057,423	10,586	15,355	100,235,211	1.00	-6.5	9,469	94.79	-5.1		1.45
9/2008	1,061,556	10,488	14,556	105,405,728	0.99	-3.9	10,050	99.29	4.2		1.37
12/2008	1,061,407	10,799	17,013	105,481,658	1.02	-1.9	9,768	99.38	-2.1		1.60
3/2009	1,056,825	10,410	15,282	99,216,467	0.99	-1.0	9,531	93.88	5.8		1.45
6/2009	1,058,501	10,753	16,299	103,375,857	1.02	2.0	9,614	97.66	3.0		1.54
9/2009	1,055,741	10,521	15,571	102,718,692	1.00	1.0	9,763	97.30	-2.0		1.47
12/2009	1,050,735	10,905	17,124	102,865,695	1.04	2.0	9,433	97.90	-1.5		1.63
3/2010	1,048,043	10,325	15,387	96,523,080	0.99	0.0	9,348	92.10	-1.9		1.47
6/2010	1,049,650	10,310	16,486	98,111,724	0.98	-3.9	9,516	93.47	-4.3		1.57
4 QTRS ENDING											
12/2005	3,828,275	43,216	64,170	338,521,860	1.13		7,833	88.43			1.68
3/2006	3,863,138	43,513	64,567	344,716,984	1.13		7,922	89.23			1.67
6/2006	3,900,157	42,889	63,743	345,936,705	1.10		8,066	88.70			1.63
9/2006	3,935,137	42,195	63,731	360,057,298	1.07		8,533	91.50			1.62
12/2006	3,970,683	42,634	65,108	367,810,065	1.07	-5.3	8,627	92.63	4.7		1.64
3/2007	4,007,538	42,520	65,122	372,593,177	1.06	-6.2	8,763	92.97	4.2		1.62
6/2007	4,045,045	43,175	65,057	390,491,515	1.07	-2.7	9,044	96.54	8.8		1.61
9/2007	4,082,406	43,813	64,681	390,367,798	1.07	0.0	8,910	95.62	4.5		1.58
12/2007	4,118,373	43,049	63,604	398,810,614	1.05	-1.9	9,264	96.84	4.5		1.54
3/2008	4,151,358	43,012	62,949	399,914,871	1.04	-1.9	9,298	96.33	3.6		1.52
6/2008	4,181,836	42,565	62,416	397,623,017	1.02	-4.7	9,342	95.08	-1.5		1.49
9/2008	4,207,905	42,387	61,920	404,321,244	1.01	-5.6	9,539	96.09	0.5		1.47
12/2008	4,227,363	42,358	62,192	404,010,990	1.00	-4.8	9,538	95.57	-1.3		1.47
3/2009	4,237,211	42,283	62,206	410,339,064	1.00	-3.8	9,705	96.84	0.5		1.47
6/2009	4,238,289	42,450	63,150	413,479,710	1.00	-2.0	9,740	97.56	2.6		1.49
9/2009	4,232,474	42,483	64,165	410,792,674	1.00	-1.0	9,670	97.06	1.0		1.52
12/2009	4,221,802	42,589	64,276	408,176,711	1.01	1.0	9,584	96.68	1.2		1.52
3/2010	4,213,020	42,504	64,381	405,483,324	1.01	1.0	9,540	96.25	-0.6		1.53
6/2010	4,204,169	42,061	64,568	400,219,191	1.00	0.0	9,515	95.20	-2.4		1.54
ANNUAL RATE OF CHANGE(19 PT.)					-2.7		4.7	1.8			-2.5
ANNUAL RATE OF CHANGE(12 PT.)					-2.0		2.1	0.1			-0.3
ANNUAL RATE OF CHANGE(9 PT.)					-0.4		0.5	0.2			2.4
ANNUAL RATE OF CHANGE(6 PT.)					0.5		-1.9	-1.5			3.6

PRIVATE PASSENGER AUTOMOBILE - PROPERTY DAMAGE

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE		PCT. CHANGE		PCT. CHANGE	
					FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	FROM SAME QTR PRIOR YEAR	PURE PREMIUM	FROM SAME QTR PRIOR YEAR	
3/2005	942,274	32,843	82,125,713	3.49		2,501		87.16		
6/2005	952,419	32,822	80,661,135	3.45		2,458		84.69		
9/2005	963,146	32,357	80,340,025	3.36		2,483		83.41		
12/2005	970,436	30,676	79,338,198	3.16		2,586		81.76		
3/2006	977,137	33,260	86,497,844	3.40	-2.6	2,601	4.0	88.52		1.6
6/2006	989,438	31,007	80,999,315	3.13	-9.3	2,612	6.3	81.86		-3.3
9/2006	998,126	31,869	83,413,204	3.19	-5.1	2,617	5.4	83.57		0.2
12/2006	1,005,982	34,421	89,451,361	3.42	8.2	2,599	0.5	88.92		8.8
3/2007	1,013,992	34,444	93,333,525	3.40	0.0	2,710	4.2	92.05		4.0
6/2007	1,026,945	33,804	87,577,155	3.29	5.1	2,591	-0.8	85.28		4.2
9/2007	1,035,487	33,112	88,065,103	3.20	0.3	2,660	1.6	85.05		1.8
12/2007	1,041,949	33,707	90,786,859	3.23	-5.6	2,693	3.6	87.13		-2.0
3/2008	1,046,977	33,837	91,841,814	3.23	-5.0	2,714	0.1	87.72		-4.7
6/2008	1,057,423	33,211	89,757,268	3.14	-4.6	2,703	4.3	84.88		-0.5
9/2008	1,061,556	32,290	86,963,883	3.04	-5.0	2,693	1.2	81.92		-3.7
12/2008	1,061,407	33,087	91,889,460	3.12	-3.4	2,777	3.1	86.57		-0.6
3/2009	1,056,825	34,079	94,469,192	3.22	-0.3	2,772	2.1	89.39		1.9
6/2009	1,058,501	33,825	90,743,095	3.20	1.9	2,683	-0.7	85.73		1.0
9/2009	1,055,741	32,962	88,178,379	3.12	2.6	2,675	-0.7	83.52		2.0
12/2009	1,050,735	32,503	88,210,305	3.09	-1.0	2,714	-2.3	83.95		-3.0
3/2010	1,048,043	33,452	92,568,628	3.19	-0.9	2,767	-0.2	88.33		-1.2
6/2010	1,049,650	33,913	90,211,453	3.23	0.9	2,660	-0.9	85.94		0.2
4 QTRS ENDING										
12/2005	3,828,275	128,698	322,465,071	3.36		2,506		84.23		
3/2006	3,863,138	129,115	326,837,202	3.34		2,531		84.60		
6/2006	3,900,157	127,300	327,175,382	3.26		2,570		83.89		
9/2006	3,935,137	126,812	330,248,561	3.22		2,604		83.92		
12/2006	3,970,683	130,557	340,361,724	3.29	-2.1	2,607	4.0	85.72		1.8
3/2007	4,007,538	131,741	347,197,405	3.29	-1.5	2,635	4.1	86.64		2.4
6/2007	4,045,045	134,538	353,775,245	3.33	2.1	2,630	2.3	87.46		4.3
9/2007	4,082,406	135,781	358,427,144	3.33	3.4	2,640	1.4	87.80		4.6
12/2007	4,118,373	135,067	359,762,642	3.28	-0.3	2,664	2.2	87.36		1.9
3/2008	4,151,358	134,460	358,270,931	3.24	-1.5	2,665	1.1	86.30		-0.4
6/2008	4,181,836	133,867	360,451,044	3.20	-3.9	2,693	2.4	86.19		-1.5
9/2008	4,207,905	133,045	359,349,824	3.16	-5.1	2,701	2.3	85.40		-2.7
12/2008	4,227,363	132,425	360,452,425	3.13	-4.6	2,722	2.2	85.27		-2.4
3/2009	4,237,211	132,667	363,079,803	3.13	-3.4	2,737	2.7	85.69		-0.7
6/2009	4,238,289	133,281	364,065,630	3.14	-1.9	2,732	1.4	85.90		-0.3
9/2009	4,232,474	133,953	365,280,126	3.16	0.0	2,727	1.0	86.30		1.1
12/2009	4,221,802	133,369	361,600,971	3.16	1.0	2,711	-0.4	85.65		0.4
3/2010	4,213,020	132,742	359,700,407	3.15	0.6	2,710	-1.0	85.38		-0.4
6/2010	4,204,169	132,830	359,168,765	3.16	0.6	2,704	-1.0	85.43		-0.5
ANNUAL RATE OF CHANGE(19 PT.)				-1.5		1.7		0.2		
ANNUAL RATE OF CHANGE(12 PT.)				-1.7		0.9		-0.7		
ANNUAL RATE OF CHANGE(9 PT.)				-0.2		0.1		-0.1		
ANNUAL RATE OF CHANGE(6 PT.)				0.7		-1.0		-0.5		

PRIVATE PASSENGER AUTOMOBILE - ALL COMPREHENSIVE COMBINED

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE		PCT. CHANGE		PURE PREMIUM	PCT. CHANGE	
					FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	FROM SAME QTR PRIOR YEAR	FROM SAME QTR PRIOR YEAR			
3/2005	756,257	44,623	36,927,966	5.90		828		48.83			
6/2005	761,791	47,930	34,325,480	6.29		716		45.06			
9/2005	769,504	48,691	36,424,201	6.33		748		47.33			
12/2005	774,795	44,689	44,228,920	5.77		990		57.08			
3/2006	778,189	44,457	38,968,150	5.71	-3.2	877	5.9	50.08		2.6	
6/2006	786,274	51,053	44,970,268	6.49	3.2	881	23.0	57.19		26.9	
9/2006	794,977	49,965	43,513,959	6.29	-0.6	871	16.4	54.74		15.7	
12/2006	803,122	46,700	47,859,664	5.81	0.7	1,025	3.5	59.59		4.4	
3/2007	809,596	43,893	41,197,729	5.42	-5.1	939	7.1	50.89		1.6	
6/2007	820,305	49,757	42,590,342	6.07	-6.5	856	-2.8	51.92		-9.2	
9/2007	828,942	48,757	41,104,880	5.88	-6.5	843	-3.2	49.59		-9.4	
12/2007	835,590	46,772	50,131,697	5.60	-3.6	1,072	4.6	60.00		0.7	
3/2008	840,470	46,720	45,470,785	5.56	2.6	973	3.6	54.10		6.3	
6/2008	848,490	53,470	52,510,276	6.30	3.8	982	14.7	61.89		19.2	
9/2008	852,774	51,767	51,563,695	6.07	3.2	996	18.1	60.47		21.9	
12/2008	853,497	46,885	55,304,729	5.49	-2.0	1,180	10.1	64.80		8.0	
3/2009	847,943	45,398	45,131,765	5.35	-3.8	994	2.2	53.22		-1.6	
6/2009	846,619	50,941	43,460,596	6.02	-4.4	853	-13.1	51.33		-17.1	
9/2009	845,124	50,308	44,281,598	5.95	-2.0	880	-11.6	52.40		-13.3	
12/2009	841,084	51,005	53,526,357	6.06	10.4	1,049	-11.1	63.64		-1.8	
3/2010	836,871	55,747	47,685,171	6.66	24.5	855	-14.0	56.98		7.1	
6/2010	835,792	60,805	47,034,162	7.28	20.9	774	-9.3	56.27		9.6	
4 QTRS ENDING											
12/2005	3,062,347	185,933	151,906,567	6.07		817		49.60			
3/2006	3,084,279	185,767	153,946,751	6.02		829		49.91			
6/2006	3,108,762	188,890	164,591,539	6.08		871		52.94			
9/2006	3,134,235	190,164	171,681,297	6.07		903		54.78			
12/2006	3,162,562	192,175	175,312,041	6.08	0.2	912	11.6	55.43		11.8	
3/2007	3,193,969	191,611	177,541,620	6.00	-0.3	927	11.8	55.59		11.4	
6/2007	3,228,000	190,315	175,161,694	5.90	-3.0	920	5.6	54.26		2.5	
9/2007	3,261,965	189,107	172,752,615	5.80	-4.4	914	1.2	52.96		-3.3	
12/2007	3,294,433	189,179	175,024,648	5.74	-5.6	925	1.4	53.13		-4.1	
3/2008	3,325,307	192,006	179,297,704	5.77	-3.8	934	0.8	53.92		-3.0	
6/2008	3,353,492	195,719	189,217,638	5.84	-1.0	967	5.1	56.42		4.0	
9/2008	3,377,324	198,729	199,676,453	5.88	1.4	1,005	10.0	59.12		11.6	
12/2008	3,395,231	198,842	204,849,485	5.86	2.1	1,030	11.4	60.33		13.6	
3/2009	3,402,704	197,520	204,510,465	5.80	0.5	1,035	10.8	60.10		11.5	
6/2009	3,400,833	194,991	195,460,785	5.73	-1.9	1,002	3.6	57.47		1.9	
9/2009	3,393,183	193,532	188,178,688	5.70	-3.1	972	-3.3	55.46		-6.2	
12/2009	3,380,770	197,652	186,400,316	5.85	-0.2	943	-8.4	55.14		-8.6	
3/2010	3,369,698	208,001	188,953,722	6.17	6.4	908	-12.3	56.07		-6.7	
6/2010	3,358,871	217,865	192,527,288	6.49	13.3	884	-11.8	57.32		-0.3	
ANNUAL RATE OF CHANGE(19 PT.)				-0.2		2.8		2.6			
ANNUAL RATE OF CHANGE(12 PT.)				2.5		-0.6		1.9			
ANNUAL RATE OF CHANGE(9 PT.)				3.7		-5.8		-2.3			
ANNUAL RATE OF CHANGE(6 PT.)				9.7		-12.0		-3.6			

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE		PCT. CHANGE		PCT. CHANGE	
					FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	FROM SAME QTR PRIOR YEAR	PURE PREMIUM	FROM SAME QTR PRIOR YEAR	
3/2005	698,271	34,863	99,695,171	4.99		2,860		142.77		
6/2005	703,023	33,661	89,552,980	4.79		2,660		127.38		
9/2005	710,053	33,661	92,677,741	4.74		2,753		130.52		
12/2005	714,638	32,039	93,284,990	4.48		2,912		130.53		
3/2006	717,412	34,596	102,539,802	4.82	-3.4	2,964	3.6	142.93		0.1
6/2006	724,946	32,759	92,096,712	4.52	-5.6	2,811	5.7	127.04		-0.3
9/2006	733,063	33,984	96,935,925	4.64	-2.1	2,852	3.6	132.23		1.3
12/2006	740,931	34,765	105,424,456	4.69	4.7	3,032	4.1	142.29		9.0
3/2007	747,161	37,247	109,825,222	4.99	3.5	2,949	-0.5	146.99		2.8
6/2007	757,585	36,112	101,296,403	4.77	5.5	2,805	-0.2	133.71		5.3
9/2007	766,059	36,204	100,215,248	4.73	1.9	2,768	-2.9	130.82		-1.1
12/2007	772,500	36,216	106,036,904	4.69	0.0	2,928	-3.4	137.26		-3.5
3/2008	777,414	37,796	114,067,639	4.86	-2.6	3,018	2.3	146.73		-0.2
6/2008	785,168	36,765	103,551,013	4.68	-1.9	2,817	0.4	131.88		-1.4
9/2008	789,058	37,100	102,996,523	4.70	-0.6	2,776	0.3	130.53		-0.2
12/2008	789,286	36,708	112,161,820	4.65	-0.9	3,056	4.4	142.11		3.5
3/2009	783,408	39,100	118,324,769	4.99	2.7	3,026	0.3	151.04		2.9
6/2009	781,622	36,911	99,436,380	4.72	0.9	2,694	-4.4	127.22		-3.5
9/2009	779,843	36,979	99,030,608	4.74	0.9	2,678	-3.5	126.99		-2.7
12/2009	775,514	35,931	105,853,850	4.63	-0.4	2,946	-3.6	136.50		-3.9
3/2010	771,187	40,251	116,560,839	5.22	4.6	2,896	-4.3	151.14		0.1
6/2010	770,372	37,010	97,381,804	4.80	1.7	2,631	-2.3	126.41		-0.6
4 QTRS ENDING										
12/2005	2,825,985	134,224	375,210,882	4.75		2,795		132.77		
3/2006	2,845,126	133,957	378,055,513	4.71		2,822		132.88		
6/2006	2,867,049	133,055	380,599,245	4.64		2,860		132.75		
9/2006	2,890,059	133,378	384,857,429	4.62		2,885		133.17		
12/2006	2,916,352	136,104	396,996,895	4.67	-1.7	2,917	4.4	136.13		2.5
3/2007	2,946,101	138,755	404,282,315	4.71	0.0	2,914	3.3	137.23		3.3
6/2007	2,978,740	142,108	413,482,006	4.77	2.8	2,910	1.7	138.81		4.6
9/2007	3,011,736	144,328	416,761,329	4.79	3.7	2,888	0.1	138.38		3.9
12/2007	3,043,305	145,779	417,373,777	4.79	2.6	2,863	-1.9	137.14		0.7
3/2008	3,073,558	146,328	421,616,194	4.76	1.1	2,881	-1.1	137.18		-0.0
6/2008	3,101,141	146,981	423,870,804	4.74	-0.6	2,884	-0.9	136.68		-1.5
9/2008	3,124,140	147,877	426,652,079	4.73	-1.3	2,885	-0.1	136.57		-1.3
12/2008	3,140,926	148,369	432,776,995	4.72	-1.5	2,917	1.9	137.79		0.5
3/2009	3,146,920	149,673	437,034,125	4.76	0.0	2,920	1.4	138.88		1.2
6/2009	3,143,374	149,819	432,919,492	4.77	0.6	2,890	0.2	137.72		0.8
9/2009	3,134,159	149,698	428,953,577	4.78	1.1	2,865	-0.7	136.86		0.2
12/2009	3,120,387	148,921	422,645,607	4.77	1.1	2,838	-2.7	135.45		-1.7
3/2010	3,108,166	150,072	420,881,677	4.83	1.5	2,805	-3.9	135.41		-2.5
6/2010	3,096,916	150,171	418,827,101	4.85	1.7	2,789	-3.5	135.24		-1.8
ANNUAL RATE OF CHANGE(19 PT.)				0.6		-0.1		0.5		
ANNUAL RATE OF CHANGE(12 PT.)				0.4		-1.0		-0.6		
ANNUAL RATE OF CHANGE(9 PT.)				1.2		-1.9		-0.8		
ANNUAL RATE OF CHANGE(6 PT.)				1.5		-3.7		-2.2		

NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2010

NORTH CAROLINA BODILY INJURY

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	2.8%	2.9%	3.0%
12 points	1.9%	2.0%	2.1%
9 points	0.5%	0.5%	0.5%
6 points	-2.0%	-1.9%	-1.9%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-2.3%	-2.2%	-2.2%
12 points	-2.1%	-2.0%	-2.0%
9 points	-0.4%	-0.4%	-0.4%
6 points	0.5%	0.5%	0.5%

NORTH CAROLINA PROPERTY DAMAGE

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	1.2%	1.2%	1.2%
12 points	0.9%	0.9%	0.9%
9 points	0.1%	0.1%	0.1%
6 points	-1.0%	-1.0%	-1.0%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-1.8%	-1.8%	-1.8%
12 points	-1.7%	-1.7%	-1.7%
9 points	-0.2%	-0.2%	-0.2%
6 points	0.7%	0.7%	0.7%

NORTH CAROLINA COMPREHENSIVE

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.8%	0.8%	0.8%
12 points	-0.6%	-0.6%	-0.6%
9 points	-6.3%	-5.9%	-5.8%
6 points	-13.8%	-12.7%	-12.0%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.8%	0.8%	0.7%
12 points	2.5%	2.6%	2.5%
9 points	3.6%	3.8%	3.7%
6 points	8.9%	9.4%	9.7%

NORTH CAROLINA COLLISION

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-0.9%	-0.9%	-0.9%
12 points	-1.0%	-1.0%	-1.0%
9 points	-2.0%	-1.9%	-1.9%
6 points	-3.8%	-3.8%	-3.7%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.6%	0.6%	0.6%
12 points	0.4%	0.4%	0.4%
9 points	1.2%	1.2%	1.2%
6 points	1.5%	1.5%	1.5%

NORTH CAROLINA
 EAST TRACK TREND SUMMARY
 CORRELATION COEFFICIENTS
 DATA ENDED JUNE 2010

NORTH CAROLINA BODILY INJURY

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.87	0.86
12 points	0.73	0.73
9 points	0.29	0.29
6 points	-0.95	-0.95

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.89	-0.89
12 points	-0.79	-0.79
9 points	-0.38	-0.38
6 points	0.41	0.41

NORTH CAROLINA PROPERTY DAMAGE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.86	0.86
12 points	0.72	0.72
9 points	0.12	0.12
6 points	-0.97	-0.97

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.85	-0.85
12 points	-0.76	-0.76
9 points	-0.21	-0.21
6 points	0.76	0.76

NORTH CAROLINA COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.18	0.17
12 points	-0.10	-0.11
9 points	-0.75	-0.75
6 points	-1.00	-1.00

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	0.25	0.24
12 points	0.61	0.60
9 points	0.61	0.61
6 points	0.85	0.85

NORTH CAROLINA COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.72	-0.72
12 points	-0.62	-0.63
9 points	-0.82	-0.82
6 points	-1.00	-1.00

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	0.65	0.65
12 points	0.48	0.48
9 points	0.90	0.90
6 points	0.89	0.89

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	NO. OF CLAIMS ARISING	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME		PURE PREMIUM	PCT. CHANGE FROM SAME		ARISING CLAIM FREQ.	PCT. CHANGE FROM SAME	
						QTR PRIOR YEAR	AVERAGE LOSS		QTR PRIOR YEAR	YEAR		QTR PRIOR YEAR	YEAR
3/2005	19,430,504	210,643	305,116	2,028,618,541	1.08		9,631	104.40			1.57		
6/2005	19,682,401	210,847	312,100	2,102,440,080	1.07		9,971	106.82			1.59		
9/2005	19,850,935	205,109	302,348	2,076,225,248	1.03		10,123	104.59			1.52		
12/2005	19,890,625	204,885	307,822	2,093,750,812	1.03		10,219	105.26			1.55		
3/2006	19,878,472	206,252	298,988	2,088,272,590	1.04	-3.7	10,125	105.05	5.1	0.6	1.50	-4.5	
6/2006	20,114,590	205,244	296,148	2,116,400,516	1.02	-4.7	10,312	105.22	3.4	-1.5	1.47	-7.5	
9/2006	20,213,149	200,435	287,578	2,112,365,964	0.99	-3.9	10,539	104.50	4.1	-0.1	1.42	-6.6	
12/2006	20,188,176	206,262	305,410	2,228,952,667	1.02	-1.0	10,806	110.41	5.7	4.9	1.51	-2.6	
3/2007	20,155,592	200,074	287,185	2,126,126,729	0.99	-4.8	10,627	105.49	5.0	0.4	1.42	-5.3	
6/2007	20,355,011	198,975	281,989	2,171,475,061	0.98	-3.9	10,913	106.68	5.8	1.4	1.39	-5.4	
9/2007	20,418,404	193,485	278,722	2,168,116,482	0.95	-4.0	11,206	106.18	6.3	1.6	1.37	-3.5	
12/2007	20,368,947	197,650	290,796	2,280,101,515	0.97	-4.9	11,536	111.94	6.8	1.4	1.43	-5.3	
3/2008	20,379,056	192,039	271,122	2,165,810,539	0.94	-5.1	11,278	106.28	6.1	0.7	1.33	-6.3	
6/2008	20,543,173	194,634	261,944	2,238,827,748	0.95	-3.1	11,503	108.98	5.4	2.2	1.28	-7.9	
9/2008	20,615,044	187,724	252,119	2,235,424,789	0.91	-4.2	11,908	108.44	6.3	2.1	1.22	-10.9	
12/2008	20,537,626	189,776	268,983	2,330,486,829	0.92	-5.2	12,280	113.47	6.4	1.4	1.31	-8.4	
3/2009	20,449,322	186,024	260,100	2,152,394,050	0.91	-3.2	11,571	105.26	2.6	-1.0	1.27	-4.5	
6/2009	20,582,504	186,952	269,237	2,263,677,422	0.91	-4.2	12,108	109.98	5.3	0.9	1.31	2.3	
9/2009	20,575,184	184,450	264,574	2,234,006,231	0.90	-1.1	12,112	108.58	1.7	0.1	1.29	5.7	
12/2009	20,436,417	188,082	274,529	2,281,278,721	0.92	0.0	12,129	111.63	-1.2	-1.6	1.34	2.3	
3/2010	20,327,047	180,207	256,511	2,163,631,118	0.89	-2.2	12,006	106.44	3.8	1.1	1.26	-0.8	
6/2010	20,442,814	183,774	266,278	2,249,630,116	0.90	-1.1	12,241	110.05	1.1	0.1	1.30	-0.8	
4 QTRS ENDING													
12/2005	78,854,465	831,484	1227386	8,301,034,681	1.05		9,983	105.27			1.56		
3/2006	79,302,433	827,093	1221258	8,360,688,730	1.04		10,109	105.43			1.54		
6/2006	79,734,622	821,490	1205306	8,374,649,166	1.03		10,194	105.03			1.51		
9/2006	80,096,836	816,816	1190536	8,410,789,882	1.02		10,297	105.01			1.49		
12/2006	80,394,387	818,193	1188124	8,545,991,737	1.02	-2.9	10,445	106.30	4.6	1.0	1.48	-5.1	
3/2007	80,671,507	812,015	1176321	8,583,845,876	1.01	-2.9	10,571	106.40	4.6	0.9	1.46	-5.2	
6/2007	80,911,928	805,746	1162162	8,638,920,421	1.00	-2.9	10,722	106.77	5.2	1.7	1.44	-4.6	
9/2007	81,117,183	798,796	1153306	8,694,670,939	0.98	-3.9	10,885	107.19	5.7	2.1	1.42	-4.7	
12/2007	81,297,954	790,184	1138692	8,745,819,787	0.97	-4.9	11,068	107.58	6.0	1.2	1.40	-5.4	
3/2008	81,521,418	782,149	1122629	8,785,503,597	0.96	-5.0	11,233	107.77	6.3	1.3	1.38	-5.5	
6/2008	81,709,580	777,808	1102584	8,852,856,284	0.95	-5.0	11,382	108.35	6.2	1.5	1.35	-6.3	
9/2008	81,906,220	772,047	1075981	8,920,164,591	0.94	-4.1	11,554	108.91	6.1	1.6	1.31	-7.7	
12/2008	82,074,899	764,173	1054168	8,970,549,905	0.93	-4.1	11,739	109.30	6.1	1.6	1.28	-8.6	
3/2009	82,145,165	758,158	1043146	8,957,133,416	0.92	-4.2	11,814	109.04	5.2	1.2	1.27	-8.0	
6/2009	82,184,496	750,476	1050439	8,981,983,090	0.91	-4.2	11,968	109.29	5.1	0.9	1.28	-5.2	
9/2009	82,144,636	747,202	1062894	8,980,564,532	0.91	-3.2	12,019	109.33	4.0	0.4	1.29	-1.5	
12/2009	82,043,427	745,508	1068440	8,931,356,424	0.91	-2.2	11,980	108.86	2.1	-0.4	1.30	1.6	
3/2010	81,921,152	739,691	1064851	8,942,593,492	0.90	-2.2	12,090	109.16	2.3	0.1	1.30	2.4	
6/2010	81,781,462	736,513	1061892	8,928,546,186	0.90	-1.1	12,123	109.18	1.3	-0.1	1.30	1.6	
ANNUAL RATE OF CHANGE(19 PT.)					-3.7		4.9	1.0			-4.6		
ANNUAL RATE OF CHANGE(12 PT.)					-3.2		4.0	0.6			-3.2		
ANNUAL RATE OF CHANGE(9 PT.)					-2.6		3.0	0.2			-0.8		
ANNUAL RATE OF CHANGE(6 PT.)					-1.6		1.8	-0.0			2.0		

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QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	PCT. CHANGE FROM SAME QTR PRIOR YEAR	PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR
3/2005	27,317,836	1079580	2,767,728,478	3.95		2,564		101.32	
6/2005	27,686,208	1035216	2,656,295,859	3.74		2,566		95.94	
9/2005	27,902,398	1032512	2,681,428,204	3.70		2,597		96.10	
12/2005	27,917,153	993,574	2,642,912,882	3.56		2,660		94.67	
3/2006	27,906,919	1062897	2,842,102,464	3.81	-3.5	2,674	4.3	101.84	0.5
6/2006	28,276,520	1003187	2,673,679,429	3.55	-5.1	2,665	3.9	94.55	-1.4
9/2006	28,415,967	994,063	2,669,053,017	3.50	-5.4	2,685	3.4	93.93	-2.3
12/2006	28,359,087	1017964	2,773,267,801	3.59	0.8	2,724	2.4	97.79	3.3
3/2007	28,330,914	1070143	2,933,166,714	3.78	-0.8	2,741	2.5	103.53	1.7
6/2007	28,653,412	1035725	2,813,602,723	3.61	1.7	2,717	2.0	98.19	3.8
9/2007	28,747,435	1016474	2,793,516,638	3.54	1.1	2,748	2.3	97.17	3.4
12/2007	28,632,446	1040202	2,873,677,143	3.63	1.1	2,763	1.4	100.36	2.6
3/2008	28,698,805	1074349	3,013,294,076	3.74	-1.1	2,805	2.3	105.00	1.4
6/2008	28,991,320	1022388	2,832,464,411	3.53	-2.2	2,770	2.0	97.70	-0.5
9/2008	29,080,744	989,669	2,759,488,843	3.40	-4.0	2,788	1.5	94.89	-2.3
12/2008	28,957,266	979,577	2,769,240,849	3.38	-6.9	2,827	2.3	95.63	-4.7
3/2009	28,851,008	1064528	2,985,855,756	3.69	-1.3	2,805	0.0	103.49	-1.4
6/2009	29,056,910	1015318	2,813,807,359	3.49	-1.1	2,771	0.0	96.84	-0.9
9/2009	29,034,501	1007964	2,783,669,720	3.47	2.1	2,762	-0.9	95.87	1.0
12/2009	28,793,314	1003023	2,820,665,678	3.48	3.0	2,812	-0.5	97.96	2.4
3/2010	28,653,692	1037894	2,900,940,849	3.62	-1.9	2,795	-0.4	101.24	-2.2
6/2010	28,846,815	998,500	2,766,026,468	3.46	-0.9	2,770	-0.0	95.89	-1.0
4 QTRS ENDING									
12/2005	110823595	4140882	10,748,365,423	3.74		2,596		96.99	
3/2006	111412678	4124199	10,822,739,409	3.70		2,624		97.14	
6/2006	112002990	4092170	10,840,122,979	3.65		2,649		96.78	
9/2006	112516559	4053721	10,827,747,792	3.60		2,671		96.23	
12/2006	112958493	4078111	10,958,102,711	3.61	-3.5	2,687	3.5	97.01	0.0
3/2007	113382488	4085357	11,049,166,961	3.60	-2.7	2,705	3.1	97.45	0.3
6/2007	113759380	4117895	11,189,090,255	3.62	-0.8	2,717	2.6	98.36	1.6
9/2007	114090848	4140306	11,313,553,876	3.63	0.8	2,733	2.3	99.16	3.0
12/2007	114364207	4162544	11,413,963,218	3.64	0.8	2,742	2.0	99.80	2.9
3/2008	114732098	4166750	11,494,090,580	3.63	0.8	2,759	2.0	100.18	2.8
6/2008	115070006	4153413	11,512,952,268	3.61	-0.3	2,772	2.0	100.05	1.7
9/2008	115403315	4126608	11,478,924,473	3.58	-1.4	2,782	1.8	99.47	0.3
12/2008	115728135	4065983	11,374,488,179	3.51	-3.6	2,797	2.0	98.29	-1.5
3/2009	115880338	4056162	11,347,049,859	3.50	-3.6	2,797	1.4	97.92	-2.3
6/2009	115945928	4049092	11,328,392,807	3.49	-3.3	2,798	0.9	97.70	-2.3
9/2009	115899685	4067387	11,352,573,684	3.51	-2.0	2,791	0.3	97.95	-1.5
12/2009	115735733	4090833	11,403,998,513	3.53	0.6	2,788	-0.3	98.53	0.2
3/2010	115538417	4064199	11,319,083,606	3.52	0.6	2,785	-0.4	97.97	0.1
6/2010	115328322	4047381	11,271,302,715	3.51	0.6	2,785	-0.5	97.73	0.0
ANNUAL RATE OF CHANGE(19 PT.)				-1.2		1.6		0.3	
ANNUAL RATE OF CHANGE(12 PT.)				-1.5		0.7		-0.8	
ANNUAL RATE OF CHANGE(9 PT.)				-1.0		0.1		-0.9	
ANNUAL RATE OF CHANGE(6 PT.)				0.5		-0.4		0.1	

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	PCT. CHANGE FROM SAME QTR PRIOR YEAR	PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR
3/2005	23,277,849	1505536	1,359,322,860	6.47		903		58.40	
6/2005	23,481,175	1717277	1,549,421,116	7.31		902		65.99	
9/2005	23,636,282	1724756	1,813,291,528	7.30		1,051		76.72	
12/2005	23,722,961	1682157	2,622,529,391	7.09		1,559		110.55	
3/2006	23,719,284	1452832	1,521,297,519	6.13	-5.3	1,047	15.9	64.14	9.8
6/2006	23,963,239	1700052	1,829,688,279	7.09	-3.0	1,076	19.3	76.35	15.7
9/2006	24,094,992	1546155	1,622,761,562	6.42	-12.1	1,050	-0.1	67.35	-12.2
12/2006	24,128,988	1412177	1,705,909,303	5.85	-17.5	1,208	-22.5	70.70	-36.0
3/2007	24,160,214	1330932	1,399,496,502	5.51	-10.1	1,052	0.5	57.93	-9.7
6/2007	24,399,793	1542845	1,546,491,825	6.32	-10.9	1,002	-6.9	63.38	-17.0
9/2007	24,515,687	1546508	1,660,451,060	6.31	-1.7	1,074	2.3	67.73	0.6
12/2007	24,543,214	1390684	1,660,809,390	5.67	-3.1	1,194	-1.2	67.67	-4.3
3/2008	24,589,227	1350760	1,501,064,741	5.49	-0.4	1,111	5.6	61.05	5.4
6/2008	24,763,982	1690411	2,049,232,078	6.83	8.1	1,212	21.0	82.75	30.6
9/2008	24,826,392	1587005	1,908,873,676	6.39	1.3	1,203	12.0	76.89	13.5
12/2008	24,763,940	1353218	1,820,764,764	5.46	-3.7	1,346	12.7	73.52	8.6
3/2009	24,670,476	1349129	1,448,854,441	5.47	-0.4	1,074	-3.3	58.73	-3.8
6/2009	24,718,200	1596795	1,771,052,807	6.46	-5.4	1,109	-8.5	71.65	-13.4
9/2009	24,661,919	1621398	1,826,518,012	6.57	2.8	1,127	-6.3	74.06	-3.7
12/2009	24,528,040	1477967	1,709,082,792	6.03	10.4	1,156	-14.1	69.68	-5.2
3/2010	24,400,924	1401430	1,341,311,862	5.74	4.9	957	-10.9	54.97	-6.4
6/2010	24,458,687	1733091	1,730,371,360	7.09	9.8	998	-10.0	70.75	-1.3
4 QTRS ENDING									
12/2005	94,118,267	6629726	7,344,564,895	7.04		1,108		78.04	
3/2006	94,559,702	6577022	7,506,539,554	6.96		1,141		79.38	
6/2006	95,041,766	6559797	7,786,806,717	6.90		1,187		81.93	
9/2006	95,500,476	6381196	7,596,276,751	6.68		1,190		79.54	
12/2006	95,906,503	6111216	6,679,656,663	6.37	-9.5	1,093	-1.4	69.65	-10.8
3/2007	96,347,433	5989316	6,557,855,646	6.22	-10.6	1,095	-4.0	68.06	-14.3
6/2007	96,783,987	5832109	6,274,659,192	6.03	-12.6	1,076	-9.4	64.83	-20.9
9/2007	97,204,682	5832462	6,312,348,690	6.00	-10.2	1,082	-9.1	64.94	-18.4
12/2007	97,618,908	5810969	6,267,248,777	5.95	-6.6	1,079	-1.3	64.20	-7.8
3/2008	98,047,921	5830797	6,368,817,016	5.95	-4.3	1,092	-0.3	64.96	-4.6
6/2008	98,412,110	5978363	6,871,557,269	6.07	0.7	1,149	6.8	69.82	7.7
9/2008	98,722,815	6018860	7,119,979,885	6.10	1.7	1,183	9.3	72.12	11.1
12/2008	98,943,541	5981394	7,279,935,259	6.05	1.7	1,217	12.8	73.58	14.6
3/2009	99,024,790	5979763	7,227,724,959	6.04	1.5	1,209	10.7	72.99	12.4
6/2009	98,979,008	5886147	6,949,545,688	5.95	-2.0	1,181	2.8	70.21	0.6
9/2009	98,814,535	5920540	6,867,190,024	5.99	-1.8	1,160	-1.9	69.50	-3.6
12/2009	98,578,635	6045289	6,755,508,052	6.13	1.3	1,117	-8.2	68.53	-6.9
3/2010	98,309,083	6097590	6,647,965,473	6.20	2.6	1,090	-9.8	67.62	-7.4
6/2010	98,049,570	6233886	6,607,284,026	6.36	6.9	1,060	-10.2	67.39	-4.0
ANNUAL RATE OF CHANGE(19 PT.)				-2.6		0.0		-2.5	
ANNUAL RATE OF CHANGE(12 PT.)				1.5		0.1		1.6	
ANNUAL RATE OF CHANGE(9 PT.)				1.7		-5.1		-3.4	
ANNUAL RATE OF CHANGE(6 PT.)				4.7		-10.1		-5.8	

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE		PCT. CHANGE		PCT. CHANGE	
					FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	FROM SAME QTR PRIOR YEAR	PURE PREMIUM	FROM SAME QTR PRIOR YEAR	
3/2005	22,057,383	1406881	4,258,067,450	6.38		3,027		193.04		
6/2005	22,323,085	1283247	3,567,009,205	5.75		2,780		159.79		
9/2005	22,504,653	1288607	3,644,688,168	5.73		2,828		161.95		
12/2005	22,505,261	1275740	3,848,161,056	5.67		3,016		170.99		
3/2006	22,507,887	1368331	4,273,085,746	6.08	-4.7	3,123	3.2	189.85	-1.7	
6/2006	22,808,413	1257021	3,632,132,262	5.51	-4.2	2,889	3.9	159.25	-0.3	
9/2006	22,961,123	1268814	3,705,415,079	5.53	-3.5	2,920	3.3	161.38	-0.4	
12/2006	22,943,074	1287463	3,955,694,839	5.61	-1.1	3,072	1.9	172.41	0.8	
3/2007	22,957,124	1432700	4,478,767,697	6.24	2.6	3,126	0.1	195.09	2.8	
6/2007	23,252,711	1322058	3,801,185,447	5.69	3.3	2,875	-0.5	163.47	2.6	
9/2007	23,390,759	1310842	3,842,889,897	5.60	1.3	2,932	0.4	164.29	1.8	
12/2007	23,355,661	1343630	4,122,402,310	5.75	2.5	3,068	-0.1	176.51	2.4	
3/2008	23,372,772	1459712	4,691,903,026	6.25	0.2	3,214	2.8	200.74	2.9	
6/2008	23,593,774	1319131	3,757,083,145	5.59	-1.8	2,848	-0.9	159.24	-2.6	
9/2008	23,675,639	1280544	3,678,279,870	5.41	-3.4	2,872	-2.0	155.36	-5.4	
12/2008	23,539,340	1282267	3,990,269,282	5.45	-5.2	3,112	1.4	169.51	-4.0	
3/2009	23,404,769	1438233	4,492,555,920	6.15	-1.6	3,124	-2.8	191.95	-4.4	
6/2009	23,510,911	1275051	3,529,689,198	5.42	-3.0	2,768	-2.8	150.13	-5.7	
9/2009	23,518,138	1265827	3,585,104,294	5.38	-0.6	2,832	-1.4	152.44	-1.9	
12/2009	23,279,198	1259742	3,838,866,274	5.41	-0.7	3,047	-2.1	164.91	-2.7	
3/2010	23,133,443	1385122	4,202,640,757	5.99	-2.6	3,034	-2.9	181.67	-5.4	
6/2010	23,245,110	1245919	3,465,021,460	5.36	-1.1	2,781	0.5	149.06	-0.7	
4 QTRS ENDING										
12/2005	89,390,382	5254475	15,317,925,879	5.88		2,915		171.36		
3/2006	89,840,886	5215925	15,332,944,175	5.81		2,940		170.67		
6/2006	90,326,214	5189699	15,398,067,232	5.75		2,967		170.47		
9/2006	90,782,684	5169906	15,458,794,143	5.69		2,990		170.28		
12/2006	91,220,497	5181629	15,566,327,926	5.68	-3.4	3,004	3.1	170.65	-0.4	
3/2007	91,669,734	5245998	15,772,009,877	5.72	-1.5	3,006	2.2	172.05	0.8	
6/2007	92,114,032	5311035	15,941,063,062	5.77	0.3	3,001	1.1	173.06	1.5	
9/2007	92,543,668	5353063	16,078,537,880	5.78	1.6	3,004	0.5	173.74	2.0	
12/2007	92,956,255	5409230	16,245,245,351	5.82	2.5	3,003	-0.0	174.76	2.4	
3/2008	93,371,903	5436242	16,458,380,680	5.82	1.7	3,028	0.7	176.27	2.5	
6/2008	93,712,966	5433315	16,414,278,378	5.80	0.5	3,021	0.7	175.15	1.2	
9/2008	93,997,846	5403017	16,249,668,351	5.75	-0.5	3,008	0.1	172.87	-0.5	
12/2008	94,181,925	5341654	16,117,535,323	5.67	-2.6	3,017	0.5	171.13	-2.1	
3/2009	94,213,522	5320175	15,918,188,217	5.65	-2.9	2,992	-1.2	168.96	-4.1	
6/2009	94,130,659	5276095	15,690,794,270	5.61	-3.3	2,974	-1.6	166.69	-4.8	
9/2009	93,973,158	5261378	15,597,618,694	5.60	-2.6	2,965	-1.4	165.98	-4.0	
12/2009	93,713,016	5238853	15,446,215,686	5.59	-1.4	2,948	-2.3	164.82	-3.7	
3/2010	93,441,690	5185742	15,156,300,523	5.55	-1.8	2,923	-2.3	162.20	-4.0	
6/2010	93,175,889	5156610	15,091,632,785	5.53	-1.4	2,927	-1.6	161.97	-2.8	
ANNUAL RATE OF CHANGE(19 PT.)				-1.0		-0.1		-1.1		
ANNUAL RATE OF CHANGE(12 PT.)				-2.0		-1.2		-3.2		
ANNUAL RATE OF CHANGE(9 PT.)				-2.2		-1.8		-3.9		
ANNUAL RATE OF CHANGE(6 PT.)				-1.6		-1.9		-3.4		

NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2010

MULTISTATE BODILY INJURY

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	4.2%	4.5%	4.6%
12 points	3.7%	3.9%	4.0%
9 points	2.9%	3.0%	3.0%
6 points	1.8%	1.8%	1.8%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-4.1%	-3.8%	-3.7%
12 points	-3.4%	-3.2%	-3.2%
9 points	-2.8%	-2.7%	-2.6%
6 points	-1.7%	-1.6%	-1.6%

MULTISTATE PROPERTY DAMAGE

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	1.0%	1.1%	1.1%
12 points	0.7%	0.7%	0.7%
9 points	0.1%	0.1%	0.1%
6 points	-0.4%	-0.4%	-0.4%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-1.2%	-1.2%	-1.2%
12 points	-1.6%	-1.5%	-1.5%
9 points	-1.0%	-1.0%	-1.0%
6 points	0.5%	0.5%	0.5%

MULTISTATE COMPREHENSIVE

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	1.1%	1.1%	1.1%
12 points	0.1%	0.1%	0.1%
9 points	-5.4%	-5.1%	-5.1%
6 points	-11.4%	-10.7%	-10.1%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.1%	0.1%	0.1%
12 points	1.5%	1.5%	1.5%
9 points	1.7%	1.7%	1.7%
6 points	4.5%	4.7%	4.7%

MULTISTATE COLLISION

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-0.8%	-0.8%	-0.8%
12 points	-1.2%	-1.2%	-1.2%
9 points	-1.8%	-1.8%	-1.8%
6 points	-1.9%	-1.9%	-1.9%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-1.2%	-1.2%	-1.2%
12 points	-2.1%	-2.0%	-2.0%
9 points	-2.3%	-2.2%	-2.2%
6 points	-1.6%	-1.6%	-1.6%

NORTH CAROLINA
FAST TRACK TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2010

MULTISTATE BODILY INJURY

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.98	0.98
12 points	0.97	0.97
9 points	0.95	0.95
6 points	0.92	0.92

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.98	-0.98
12 points	-0.98	-0.98
9 points	-0.96	-0.96
6 points	-0.92	-0.92

MULTISTATE PROPERTY DAMAGE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.88	0.88
12 points	0.76	0.76
9 points	0.22	0.22
6 points	-0.96	-0.96

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.84	-0.84
12 points	-0.85	-0.85
9 points	-0.64	-0.64
6 points	0.60	0.61

MULTISTATE COMPREHENSIVE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.26	0.26
12 points	0.02	0.02
9 points	-0.75	-0.76
6 points	-1.00	-1.00

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	0.05	0.05
12 points	0.69	0.69
9 points	0.58	0.58
6 points	0.87	0.87

MULTISTATE COLLISION

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.78	-0.78
12 points	-0.88	-0.88
9 points	-0.98	-0.98
6 points	-0.97	-0.97

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.77	-0.78
12 points	-0.96	-0.96
9 points	-0.97	-0.97
6 points	-0.98	-0.98

CPI GASOLINE INDEX
ANNUAL PERCENT CHANGE

<u>Quarter</u>	(1) <u>Index</u>	(2) <u>Annual Percentage Change</u>
1999:4	1.099	24.3%
2000:1	1.200	42.1%
2000:2	1.313	31.4%
2000:3	1.325	24.7%
2000:4	1.305	18.8%
2001:1	1.253	4.4%
2001:2	1.400	6.7%
2001:3	1.256	-5.2%
2001:4	1.049	-19.6%
2002:1	1.006	-19.7%
2002:2	1.204	-14.0%
2002:3	1.208	-3.8%
2002:4	1.223	16.5%
2003:1	1.376	36.7%
2003:2	1.333	10.8%
2003:3	1.383	14.5%
2003:4	1.313	7.4%
2004:1	1.428	3.8%
2004:2	1.659	24.5%
2004:3	1.621	17.2%
2004:4	1.679	27.9%
2005:1	1.647	15.3%
2005:2	1.883	13.5%
2005:3	2.189	35.1%
2005:4	2.069	23.3%
2006:1	2.000	21.4%
2006:2	2.438	29.5%
2006:3	2.423	10.7%
2006:4	1.937	-6.4%
2007:1	2.022	1.1%
2007:2	2.555	4.8%
2007:3	2.423	0.0%
2007:4	2.519	30.0%
2008:1	2.646	30.8%
2008:2	3.189	24.8%
2008:3	3.275	35.1%
2008:4	1.989	-21.0%
2009:1	1.628	-38.5%
2009:2	1.987	-37.7%
2009:3	2.212	-32.4%
2009:4	2.235	12.4%
2010:1	2.328	43.0%
2010:2	2.415	21.6%
2010:3	2.337	5.6%

NORTH CAROLINA
PERSONAL AUTO INSURANCE

RETAIL PRICES OF MOTOR FUEL

<u>Date</u>	<u>Regular Gasoline</u>	<u>Midgrade Gasoline</u>	<u>Premium Gasoline</u>
Jan-06	\$ 2.314	\$ 2.412	\$ 2.511
Feb-06	2.224	2.348	2.438
Mar-06	2.399	2.500	2.586
Apr-06	2.774	2.876	2.946
May-06	2.791	2.899	2.981
Jun-06	2.770	2.874	2.963
Jul-06	2.894	2.997	3.086
Aug-06	2.889	2.992	3.077
Sep-06	2.431	2.551	2.640
Oct-06	2.156	2.260	2.358
Nov-06	2.190	2.297	2.392
Dec-06	2.264	2.375	2.471
Jan-07	2.163	2.273	2.366
Feb-07	2.186	2.293	2.393
Mar-07	2.481	2.586	2.686
Apr-07	2.764	2.876	2.983
May-07	2.991	3.100	3.241
Jun-07	2.924	3.038	3.177
Jul-07	2.854	2.966	3.108
Aug-07	2.679	2.794	2.938
Sep-07	2.717	2.830	2.975
Oct-07	2.739	2.851	3.000
Nov-07	3.003	3.117	3.252
Dec-07	2.937	3.053	3.188
Jan-08	2.989	3.113	3.242
Feb-08	3.006	3.118	3.246
Mar-08	3.213	3.323	3.453
Apr-08	3.386	3.502	3.639
May-08	3.736	3.846	3.994
Jun-08	3.933	4.051	4.190
Jul-08	3.962	4.089	4.228
Aug-08	3.672	3.795	3.938
Sep-08	3.767	3.879	4.014
Oct-08	3.190	3.263	3.420
Nov-08	2.062	2.183	2.363
Dec-08	1.617	1.733	1.886
Jan-09	1.720	1.840	1.986
Feb-09	1.861	1.979	2.123
Mar-09	1.903	2.021	2.129
Apr-09	1.991	2.110	2.220
May-09	2.232	2.350	2.465
Jun-09	2.565	2.687	2.799
Jul-09	2.451	2.575	2.689
Aug-09	2.522	2.647	2.760
Sep-09	2.413	2.537	2.657
Oct-09	2.464	2.584	2.700
Nov-09	2.582	2.708	2.832
Dec-09	2.557	2.685	2.807
Jan-09	2.683	2.808	2.928
Feb-09	2.625	2.753	2.879
Mar-09	2.730	2.860	2.981
Apr-09	2.781	2.912	3.031
May-09	2.781	2.910	3.027
Jun-09	2.602	2.738	2.865
Jul-09	2.603	2.738	2.862
Aug-09	2.627	2.763	2.887

Source: U.S. Dept. of Transportation, Federal Highway Administration

Monthly Gasoline Sales (in thousands of gallons/day)

Source: U.S. Energy Information Administration

Total Gasoline - All Sales/Deliveries by Prime Suppliers

	Average Daily Gasoline Sales for <u>North Carolina</u>	% change from month one year prior	Year Ending Average Daily Gasoline Sales for <u>North Carolina</u>	% change from one year prior
Jan 2004	10,668.6	-0.7%	11,711.9	0.4%
Feb 2004	11,061.1	0.0%	11,711.7	0.6%
Mar 2004	12,018.0	6.5%	11,772.8	1.2%
Apr 2004	12,201.6	4.1%	11,813.3	1.6%
May 2004	12,091.3	0.1%	11,814.6	1.5%
Jun 2004	12,036.3	0.6%	11,820.9	1.4%
Jul 2004	12,274.3	-0.1%	11,819.9	1.3%
Aug 2004	12,106.1	-2.2%	11,796.7	1.1%
Sep 2004	11,781.5	-0.9%	11,788.1	0.7%
Oct 2004	11,718.1	-2.5%	11,763.2	0.4%
Nov 2004	11,664.9	1.8%	11,780.6	0.7%
Dec 2004	11,779.6	0.3%	11,783.5	0.6%
Jan 2005	10,521.8	-1.4%	11,771.2	0.5%
Feb 2005	11,291.0	2.1%	11,790.4	0.7%
Mar 2005	11,512.3	-4.2%	11,748.2	-0.2%
Apr 2005	11,529.0	-5.5%	11,692.2	-1.0%
May 2005	11,729.7	-3.0%	11,662.1	-1.3%
Jun 2005	11,953.9	-0.7%	11,655.2	-1.4%
Jul 2005	11,968.4	-2.5%	11,629.7	-1.6%
Aug 2005	12,392.4	2.4%	11,653.6	-1.2%
Sep 2005	10,965.7	-6.9%	11,585.6	-1.7%
Oct 2005	11,237.0	-4.1%	11,545.5	-1.9%
Nov 2005	11,577.1	-0.8%	11,538.2	-2.1%
Dec 2005	11,582.7	-1.7%	11,521.8	-2.2%
Jan 2006	10,608.9	0.8%	11,529.0	-2.1%
Feb 2006	11,456.9	1.5%	11,542.8	-2.1%
Mar 2006	11,532.8	0.2%	11,544.5	-1.7%
Apr 2006	11,690.9	1.4%	11,558.0	-1.1%
May 2006	11,705.3	-0.2%	11,556.0	-0.9%
Jun 2006	11,971.8	0.1%	11,557.5	-0.8%
Jul 2006	11,699.9	-2.2%	11,535.1	-0.8%
Aug 2006	12,180.3	-1.7%	11,517.4	-1.2%
Sep 2006	11,559.5	5.4%	11,566.9	-0.2%
Oct 2006	11,681.3	4.0%	11,604.0	0.5%
Nov 2006	11,643.2	0.6%	11,609.5	0.6%
Dec 2006	11,582.2	0.0%	11,609.4	0.8%
Jan 2007	11,207.6	5.6%	11,659.3	1.1%
Feb 2007	11,484.0	0.2%	11,661.6	1.0%
Mar 2007	11,971.4	3.8%	11,698.1	1.3%
Apr 2007	11,496.7	-1.7%	11,681.9	1.1%
May 2007	11,746.1	0.3%	11,685.3	1.1%
Jun 2007	11,798.8	-1.4%	11,670.9	1.0%
Jul 2007	11,569.9	-1.1%	11,660.1	1.1%
Aug 2007	11,881.2	-2.5%	11,635.2	1.0%

Monthly Gasoline Sales (in thousands of gallons/day)
Source: U.S. Energy Information Administration
Total Gasoline - All Sales/Deliveries by Prime Suppliers

	Average Daily Gasoline Sales for <u>North Carolina</u>	% change from month <u>one year prior</u>	Year Ending Average Daily Gasoline Sales for <u>North Carolina</u>	% change from one <u>year prior</u>
Sep 2007	11,526.4	-0.3%	11,632.4	0.6%
Oct 2007	11,681.8	0.0%	11,632.4	0.2%
Nov 2007	11,466.6	-1.5%	11,617.7	0.1%
Dec 2007	11,025.5	-4.8%	11,571.3	-0.3%
Jan 2008	10,703.5	-4.5%	11,529.3	-1.1%
Feb 2008	11,270.9	-1.9%	11,511.6	-1.3%
Mar 2008	11,062.6	-7.6%	11,435.8	-2.2%
Apr 2008	11,253.3	-2.1%	11,415.6	-2.3%
May 2008	11,257.0	-4.2%	11,374.8	-2.7%
Jun 2008	11,147.4	-5.5%	11,320.5	-3.0%
Jul 2008	11,080.0	-4.2%	11,279.7	-3.3%
Aug 2008	11,178.4	-5.9%	11,221.1	-3.6%
Sep 2008	9,985.5	-13.4%	11,092.7	-4.6%
Oct 2008	11,571.7	-0.9%	11,083.5	-4.7%
Nov 2008	10,893.7	-5.0%	11,035.8	-5.0%
Dec 2008	11,080.6	0.5%	11,040.4	-4.6%
Jan 2009	10,342.5	-3.4%	11,010.3	-4.5%
Feb 2009	11,296.3	0.2%	11,012.4	-4.3%
Mar 2009	11,024.8	-0.3%	11,009.3	-3.7%
Apr 2009	11,623.0	3.3%	11,040.1	-3.3%
May 2009	11,366.9	1.0%	11,049.2	-2.9%
Jun 2009	11,861.1	6.4%	11,108.7	-1.9%
Jul 2009	11,567.5	4.4%	11,149.3	-1.2%
Aug 2009	11,503.2	2.9%	11,176.4	-0.4%
Sep 2009	11,236.0	12.5%	11,280.6	1.7%
Oct 2009	11,014.5	-4.8%	11,234.2	1.4%
Nov 2009	10,754.7	-1.3%	11,222.6	1.7%
Dec 2009	10,947.4	-1.2%	11,211.5	1.5%
Jan 2010	9,982.5	-3.5%	11,181.5	1.6%
Feb 2010	10,718.4	-5.1%	11,133.3	1.1%
Mar 2010	11,125.0	0.9%	11,141.7	1.2%
Apr 2010	11,561.2	-0.5%	11,136.5	0.9%
May 2010	11,719.8	3.1%	11,165.9	1.1%
Jun 2010	11,720.3	-1.2%	11,154.2	0.4%
Jul 2010	11,858.9	2.5%	11,178.5	0.3%
Aug 2010	11,813.8	2.7%	11,204.4	0.3%
Sep 2010	11,615.8	3.4%	11,236.0	-0.4%
Oct 2010	11,420.2	3.7%	11,269.8	0.3%

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Miles Driven (billions of miles)	Year ending Miles Driven (billions of miles)	% Change from Year Prior	Average Gasoline Consumption* (million gallons/day)	Year ending Avg. Gasoline Consumption* (million gallons/day)	% Change from Year Prior
1/04	222.0	2,894.6	2.2%	347.5	370.8	0.1%
2/04	213.5	2,905.0	2.6%	354.2	371.1	0.4%
3/04	252.1	2,920.0	3.1%	369.0	372.3	0.9%
4/04	251.7	2,932.8	3.4%	375.4	373.2	1.3%
5/04	257.1	2,936.3	3.3%	373.9	372.9	1.3%
6/04	257.8	2,942.0	3.3%	383.4	373.1	1.4%
7/04	266.2	2,946.9	3.2%	385.5	372.7	1.2%
8/04	262.9	2,949.5	3.2%	384.2	372.2	1.0%
9/04	242.9	2,956.0	3.2%	375.7	372.2	0.7%
10/04	253.7	2,955.9	2.8%	370.6	371.2	0.2%
11/04	238.6	2,959.1	2.7%	368.1	371.4	0.3%
12/04	243.9	2,962.4	2.5%	379.5	372.3	0.4%
1/05	224.2	2,964.6	2.4%	350.4	372.5	0.5%
2/05	220.1	2,971.2	2.3%	369.8	373.8	0.7%
3/05	253.6	2,972.7	1.8%	378.0	374.5	0.6%
4/05	250.9	2,971.9	1.3%	380.8	375.0	0.5%
5/05	262.1	2,976.9	1.4%	388.2	376.2	0.9%
6/05	264.0	2,983.1	1.4%	395.3	377.2	1.1%
7/05	267.4	2,984.3	1.3%	390.7	377.6	1.3%
8/05	265.3	2,986.7	1.3%	399.1	378.9	1.8%
9/05	241.6	2,985.4	1.0%	368.9	378.3	1.6%
10/05	252.1	2,983.8	0.9%	368.9	378.1	1.9%
11/05	243.5	2,988.7	1.0%	373.8	378.6	1.9%
12/05	244.9	2,989.7	0.9%	377.1	378.4	1.7%
1/06	232.9	2,998.4	1.1%	349.5	378.3	1.6%
2/06	220.8	2,999.1	0.9%	370.8	378.4	1.2%
3/06	256.6	3,002.1	1.0%	375.2	378.2	1.0%
4/06	250.4	3,001.6	1.0%	379.2	378.1	0.8%
5/06	264.2	3,003.7	0.9%	381.5	377.5	0.4%
6/06	263.2	3,002.9	0.7%	391.0	377.1	0.0%
7/06	262.8	2,998.3	0.5%	384.6	376.6	-0.3%
8/06	266.5	2,999.5	0.4%	392.5	376.1	-0.7%
9/06	246.4	3,004.3	0.6%	377.4	376.8	-0.4%
10/06	258.1	3,010.3	0.9%	378.4	377.6	-0.1%
11/06	245.8	3,012.6	0.8%	377.1	377.9	-0.2%
12/06	246.3	3,014.0	0.8%	373.9	377.6	-0.2%
1/07	233.7	3,014.8	0.5%	359.1	378.4	0.0%
2/07	218.7	3,012.7	0.5%	372.6	378.5	0.0%
3/07	259.3	3,015.4	0.4%	376.3	378.6	0.1%
4/07	252.4	3,017.4	0.5%	374.1	378.2	0.0%

Source: U. S. Department of Transportation, Federal Highway Administration

U. S. Energy Information Administration

* All Sales/Deliveries by Prime Suppliers

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Miles Driven (billions of miles)	Year ending Miles Driven (billions of miles)	% Change from Year Prior	Average Gasoline Consumption* (million gallons/day)	Year ending Avg. Gasoline Consumption* (million gallons/day)	% Change from Year Prior
5/07	267.2	3,020.4	0.6%	385.2	378.5	0.3%
6/07	265.3	3,022.5	0.7%	390.0	378.4	0.3%
7/07	267.0	3,026.7	0.9%	381.3	378.2	0.4%
8/07	271.5	3,031.7	1.1%	391.7	378.1	0.5%
9/07	246.2	3,031.5	0.9%	375.4	377.9	0.3%
10/07	261.6	3,035.0	0.8%	380.4	378.1	0.1%
11/07	246.0	3,035.2	0.8%	370.6	377.6	-0.1%
12/07	240.9	3,029.8	0.5%	362.6	376.6	-0.3%
1/08	229.5	3,025.6	0.4%	352.2	376.0	-0.6%
2/08	217.6	3,024.5	0.4%	364.6	375.4	-0.8%
3/08	248.2	3,013.4	-0.1%	364.8	374.4	-1.1%
4/08	248.1	3,009.1	-0.3%	371.6	374.2	-1.1%
5/08	257.1	2,999.0	-0.7%	369.0	372.9	-1.5%
6/08	251.8	2,985.5	-1.2%	367.3	371.0	-2.0%
7/08	257.6	2,976.1	-1.7%	363.0	369.4	-2.3%
8/08	257.1	2,961.7	-2.3%	367.1	367.4	-2.8%
9/08	234.9	2,950.4	-2.7%	350.4	365.3	-3.3%
10/08	252.1	2,940.9	-3.1%	367.4	364.2	-3.7%
11/08	233.2	2,928.1	-3.5%	356.4	363.0	-3.8%
12/08	238.6	2,925.8	-3.4%	361.6	363.0	-3.6%
1/09	226.4	2,922.7	-3.4%	342.1	362.1	-3.7%
2/09	219.2	2,924.3	-3.3%	355.3	361.3	-3.7%
3/09	249.1	2,925.2	-2.9%	355.9	360.6	-3.7%
4/09	252.9	2,930.0	-2.6%	366.2	360.1	-3.8%
5/09	260.4	2,933.3	-2.2%	369.8	360.2	-3.4%
6/09	260.5	2,942.0	-1.5%	377.8	361.1	-2.7%
7/09	267.8	2,952.2	-0.8%	375.5	362.1	-2.0%
8/09	263.0	2,958.1	-0.1%	371.4	362.5	-1.3%
9/09	244.1	2,967.3	0.6%	365.3	363.7	-0.4%
10/09	254.6	2,969.8	1.0%	360.3	363.1	-0.3%
11/09	239.3	2,975.9	1.6%	352.9	362.8	-0.1%
12/09	242.0	2,979.3	1.8%	360.6	362.8	-0.1%
1/10	222.5	2,975.4	1.8%	335.3	362.2	0.0%
2/10	212.9	2,969.1	1.5%	351.8	361.9	0.2%
3/10	254.1	2,974.1	1.7%	362.7	362.5	0.5%
4/10	256.2	2,977.4	1.6%	371.5	362.9	0.8%
5/10	260.3	2,977.3	1.5%	372.0	363.1	0.8%
6/10	263.2	2,980.0	1.3%	379.9	363.3	0.6%
7/10	270.0	2,982.2	1.0%	380.7	363.7	0.4%
8/10	267.5	2,986.7	1.0%	379.1	364.3	0.5%
9/10	247.8	2,990.4	0.8%	369.4	364.7	0.3%
10/10	259.5	2,995.3	0.9%	362.1	364.8	0.5%

Source: U. S. Department of Transportation, Federal Highway Administration
U. S. Energy Information Administration

* All Sales/Deliveries by Prime Suppliers

COMPONENTS OF THE CPI INDEX
MONTHLY PERCENT CHANGES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	CPI-U:							
	CPI-U:	CPI-U:	CPI-U:	Hospital & Other	Weekly	CPI-U:	PPI:	PPI:
Month	All Items	Med. Care	Phys. Serv.	Related Services	Income	Auto Bodywork	All Items	Metal/MPR
7/2005	0.5%	0.4%	0.2%	0.7%	0.5%	0.4%	1.3%	-0.1%
8/2005	0.5%	-0.1%	0.1%	-0.3%	0.1%	0.3%	0.8%	0.6%
9/2005	1.2%	0.2%	0.1%	0.0%	0.5%	1.1%	2.9%	1.7%
10/2005	0.2%	0.5%	0.1%	0.9%	0.6%	0.2%	2.5%	0.5%
11/2005	-0.8%	0.6%	0.0%	1.4%	0.1%	0.3%	-1.5%	1.9%
12/2005	-0.4%	0.1%	0.1%	0.0%	0.3%	0.5%	-0.4%	1.0%
1/2006	0.8%	0.3%	-0.3%	0.9%	0.7%	0.2%	0.8%	1.1%
2/2006	0.2%	0.8%	0.5%	1.5%	0.4%	0.9%	-1.5%	1.4%
3/2006	0.6%	0.5%	0.6%	0.6%	0.0%	0.2%	0.2%	0.6%
4/2006	0.9%	0.3%	0.0%	0.3%	0.9%	-0.4%	1.3%	2.8%
5/2006	0.5%	0.3%	0.1%	0.3%	-0.2%	0.4%	0.9%	4.1%
6/2006	0.2%	0.1%	0.0%	0.3%	0.7%	0.4%	0.2%	0.4%
7/2006	0.3%	0.3%	0.1%	0.4%	0.4%	0.4%	0.4%	1.4%
8/2006	0.2%	0.2%	0.1%	0.4%	0.2%	0.3%	0.7%	-0.3%
9/2006	-0.5%	0.2%	0.0%	0.2%	0.0%	0.4%	-1.5%	0.4%
10/2006	-0.5%	0.3%	0.2%	0.5%	0.7%	0.0%	-1.9%	-0.2%
11/2006	-0.1%	0.2%	0.2%	0.7%	0.2%	0.4%	1.5%	-0.7%
12/2006	0.1%	0.0%	0.2%	-0.1%	0.7%	0.3%	0.6%	0.3%
1/2007	0.3%	1.0%	1.2%	1.1%	-0.3%	0.7%	-1.0%	-0.4%
2/2007	0.5%	0.9%	1.3%	1.2%	0.4%	0.4%	1.7%	0.8%
3/2007	0.9%	0.2%	0.1%	0.5%	0.6%	0.1%	1.5%	2.1%
4/2007	0.6%	0.3%	0.0%	0.4%	0.3%	0.1%	1.2%	2.3%
5/2007	0.6%	0.2%	0.1%	0.4%	0.3%	-0.1%	1.1%	0.5%
6/2007	0.2%	0.1%	0.1%	0.2%	0.5%	0.0%	0.3%	-0.2%
7/2007	0.0%	0.6%	0.4%	0.9%	0.0%	0.1%	0.7%	0.4%
8/2007	-0.2%	0.4%	0.2%	0.3%	0.2%	0.2%	-1.5%	-0.6%
9/2007	0.3%	0.2%	0.0%	0.6%	0.3%	0.3%	0.6%	-0.5%
10/2007	0.2%	0.5%	0.4%	1.2%	0.1%	0.9%	0.7%	0.3%
11/2007	0.6%	0.4%	0.0%	1.0%	0.3%	0.3%	2.5%	-0.4%
12/2007	-0.1%	0.2%	0.2%	0.1%	0.3%	0.3%	-0.2%	-0.1%
1/2008	0.5%	0.8%	0.6%	1.5%	0.0%	0.2%	1.3%	1.8%
2/2008	0.3%	0.5%	-0.1%	0.9%	0.3%	-0.2%	0.9%	2.2%
3/2008	0.9%	0.2%	0.2%	0.2%	0.7%	0.1%	2.8%	3.1%
4/2008	0.6%	0.1%	0.0%	0.2%	0.2%	0.0%	1.6%	4.6%
5/2008	0.8%	0.1%	0.7%	0.2%	0.1%	0.3%	3.0%	2.7%
6/2008	1.0%	0.1%	0.1%	0.1%	0.3%	0.4%	2.0%	1.6%
7/2008	0.5%	0.1%	0.1%	0.4%	0.0%	0.2%	2.5%	2.2%
8/2008	-0.4%	0.1%	0.5%	0.4%	0.7%	0.9%	-3.2%	-0.4%
9/2008	-0.1%	0.2%	0.3%	0.4%	-0.4%	0.8%	-1.1%	-3.1%
10/2008	-1.0%	0.2%	0.1%	0.6%	0.3%	0.9%	-5.3%	-6.5%
11/2008	-1.9%	0.2%	0.2%	0.4%	-0.1%	0.2%	-5.2%	-6.3%
12/2008	-1.0%	0.1%	0.2%	0.1%	0.1%	0.2%	-3.3%	-3.2%
1/2009	0.4%	0.7%	0.5%	1.4%	0.2%	0.4%	0.2%	-1.4%
2/2009	0.5%	0.7%	0.3%	1.3%	-0.1%	-0.3%	-1.1%	-1.7%
3/2009	0.2%	0.2%	0.4%	0.5%	0.0%	0.4%	-0.7%	-1.2%
4/2009	0.2%	0.3%	0.0%	0.7%	0.1%	0.5%	0.6%	-1.0%
5/2009	0.3%	0.2%	0.7%	-0.1%	0.1%	0.2%	1.0%	0.3%
6/2009	0.9%	0.0%	0.1%	0.1%	-0.2%	0.1%	1.9%	0.7%
7/2009	-0.2%	0.2%	0.2%	0.7%	0.6%	0.2%	-0.9%	1.0%
8/2009	0.2%	0.2%	0.1%	0.3%	0.4%	-0.1%	1.4%	3.1%
9/2009	0.1%	0.3%	0.1%	0.5%	0.1%	0.5%	-0.5%	1.6%
10/2009	0.1%	0.2%	0.1%	0.4%	0.1%	-0.2%	0.6%	0.6%
11/2009	0.1%	0.3%	0.0%	1.1%	0.7%	0.5%	1.3%	-0.2%
12/2009	-0.2%	0.0%	0.1%	0.1%	0.3%	0.1%	0.4%	1.6%
1/2010	0.3%	0.8%	1.3%	1.1%	0.6%	0.1%	2.1%	2.3%
2/2010	0.0%	0.8%	0.6%	1.7%	-0.2%	0.0%	-0.5%	0.1%
3/2010	0.4%	0.3%	0.0%	0.9%	0.2%	0.1%	1.3%	2.1%
4/2010	0.2%	0.1%	0.2%	0.2%	0.6%	0.6%	0.6%	2.6%
5/2010	0.1%	0.0%	0.0%	0.1%	0.6%	0.7%	0.2%	-0.1%
6/2010	-0.1%	0.1%	0.4%	0.2%	-0.2%	0.3%	-0.7%	-1.3%
7/2010	0.0%	-0.1%	0.5%	-0.3%	0.1%	0.1%	0.4%	-1.3%
8/2010	0.1%	0.1%	0.1%	0.3%	0.6%	0.1%	0.2%	0.5%
9/2010	0.1%	0.6%	0.3%	1.5%	0.1%	0.0%	0.3%	1.3%
10/2010	0.1%	0.2%	-0.1%	0.7%	0.7%	0.3%	0.9%	1.1%

COMPONENTS OF THE CPI INDEX
ANNUAL PERCENT CHANGES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	CPI-U:	CPI-U:	CPI-U:	CPI-U:	Weekly	CPI-U:	PPI:	PPI:
Month	All Items	Med. Care	Phys. Serv.	Hospital & Other Related Services	Income	Auto Bodywork	All Items	Metal/MPR
7/2005	3.2%	4.2%	3.6%	5.2%	2.9%	3.4%	6.0%	4.0%
8/2005	3.6%	3.9%	3.1%	5.0%	2.7%	3.4%	6.5%	2.9%
9/2005	4.7%	3.9%	3.1%	4.6%	3.0%	4.0%	9.8%	4.1%
10/2005	4.3%	4.1%	3.0%	5.0%	3.3%	3.8%	10.8%	3.1%
11/2005	3.5%	4.5%	3.0%	5.8%	3.3%	4.0%	8.1%	4.0%
12/2005	3.4%	4.3%	3.1%	5.1%	3.2%	4.8%	8.5%	4.8%
1/2006	4.0%	4.0%	2.3%	5.2%	3.9%	5.1%	8.9%	5.3%
2/2006	3.6%	4.0%	1.6%	5.9%	3.8%	6.0%	6.7%	6.5%
3/2006	3.4%	4.1%	1.9%	5.9%	3.9%	5.8%	5.5%	7.2%
4/2006	3.5%	4.1%	1.6%	6.3%	4.2%	4.7%	6.0%	9.8%
5/2006	4.2%	4.2%	1.4%	6.6%	4.1%	4.5%	7.5%	15.6%
6/2006	4.3%	4.1%	1.4%	6.8%	4.7%	4.6%	7.6%	17.3%
7/2006	4.1%	4.0%	1.3%	6.4%	4.5%	4.6%	6.7%	19.1%
8/2006	3.8%	4.3%	1.4%	7.2%	4.6%	4.5%	6.5%	18.1%
9/2006	2.1%	4.2%	1.2%	7.3%	4.1%	3.8%	2.0%	16.5%
10/2006	1.3%	4.0%	1.4%	6.9%	4.3%	3.6%	-2.4%	15.7%
11/2006	2.0%	3.7%	1.5%	6.3%	4.4%	3.7%	0.5%	12.7%
12/2006	2.5%	3.6%	1.7%	6.1%	4.8%	3.4%	1.6%	11.9%
1/2007	2.1%	4.3%	3.2%	6.3%	3.8%	3.9%	-0.2%	10.1%
2/2007	2.4%	4.3%	4.1%	6.0%	3.8%	3.5%	3.1%	9.5%
3/2007	2.8%	4.0%	3.6%	5.8%	4.4%	3.4%	4.4%	11.1%
4/2007	2.6%	4.0%	3.7%	5.9%	3.8%	3.9%	4.3%	10.5%
5/2007	2.7%	4.0%	3.6%	6.0%	4.4%	3.4%	4.5%	6.6%
6/2007	2.7%	4.0%	3.8%	5.8%	4.2%	3.1%	4.6%	5.9%
7/2007	2.4%	4.3%	4.0%	6.4%	3.8%	2.8%	5.0%	4.9%
8/2007	2.0%	4.5%	4.1%	6.4%	3.8%	2.8%	2.7%	4.5%
9/2007	2.8%	4.6%	4.1%	6.8%	4.1%	2.6%	4.9%	3.6%
10/2007	3.5%	4.8%	4.3%	7.6%	3.5%	3.5%	7.7%	4.1%
11/2007	4.3%	5.0%	4.1%	7.9%	3.6%	3.5%	8.7%	4.5%
12/2007	4.1%	5.2%	4.1%	8.1%	3.1%	3.5%	7.9%	4.1%
1/2008	4.3%	4.9%	3.5%	8.5%	3.5%	3.0%	10.4%	6.4%
2/2008	4.0%	4.5%	2.1%	8.2%	3.5%	2.4%	9.5%	7.8%
3/2008	4.0%	4.6%	2.1%	7.9%	3.5%	2.3%	11.0%	8.8%
4/2008	3.9%	4.3%	2.1%	7.7%	3.5%	2.2%	11.4%	11.4%
5/2008	4.2%	4.1%	2.8%	7.5%	3.2%	2.6%	13.4%	13.8%
6/2008	5.0%	4.0%	2.8%	7.4%	3.0%	2.9%	15.4%	15.8%
7/2008	5.6%	3.5%	2.4%	6.8%	3.0%	3.1%	17.4%	17.9%
8/2008	5.4%	3.3%	2.7%	6.9%	3.5%	3.7%	15.4%	18.1%
9/2008	4.9%	3.2%	3.0%	6.6%	2.7%	4.2%	13.5%	15.0%
10/2008	3.7%	2.8%	2.7%	6.0%	2.9%	4.2%	6.7%	7.2%
11/2008	1.1%	2.7%	2.9%	5.4%	2.6%	4.1%	-1.2%	0.8%
12/2008	0.1%	2.6%	2.9%	5.4%	2.4%	3.9%	-4.3%	-2.3%
1/2009	0.0%	2.6%	2.8%	5.3%	2.5%	4.1%	-5.4%	-5.3%
2/2009	0.2%	2.8%	3.2%	5.8%	2.1%	4.0%	-7.3%	-8.9%
3/2009	-0.4%	2.8%	3.4%	6.1%	1.4%	4.4%	-10.5%	-12.6%
4/2009	-0.7%	3.0%	3.3%	6.5%	1.2%	4.9%	-11.4%	-17.3%
5/2009	-1.3%	3.2%	3.3%	6.2%	1.2%	4.8%	-13.1%	-19.2%
6/2009	-1.4%	3.2%	3.3%	6.2%	0.7%	4.5%	-13.2%	-19.9%
7/2009	-2.1%	3.2%	3.4%	6.5%	1.2%	4.4%	-16.1%	-20.8%
8/2009	-1.5%	3.3%	3.1%	6.5%	0.9%	3.4%	-12.1%	-18.1%
9/2009	-1.3%	3.5%	2.9%	6.6%	1.5%	3.1%	-11.6%	-14.1%
10/2009	-0.2%	3.5%	2.8%	6.4%	1.2%	2.1%	-6.0%	-7.6%
11/2009	1.8%	3.5%	2.7%	7.1%	2.0%	2.4%	0.3%	-1.5%
12/2009	2.7%	3.4%	2.5%	7.1%	2.2%	2.3%	4.2%	3.3%
1/2010	2.6%	3.5%	3.3%	6.8%	2.6%	2.0%	6.3%	7.2%
2/2010	2.1%	3.6%	3.5%	7.2%	2.4%	2.3%	6.9%	9.2%
3/2010	2.3%	3.7%	3.2%	7.6%	2.7%	1.9%	9.0%	12.8%
4/2010	2.2%	3.6%	3.4%	7.1%	3.2%	2.0%	9.0%	16.9%
5/2010	2.0%	3.4%	2.7%	7.3%	3.7%	2.5%	8.2%	16.4%
6/2010	1.1%	3.5%	3.0%	7.4%	3.7%	2.7%	5.4%	14.1%
7/2010	1.2%	3.2%	3.3%	6.3%	3.2%	2.5%	6.8%	11.6%
8/2010	1.1%	3.2%	3.3%	6.3%	3.4%	2.7%	5.4%	8.8%
9/2010	1.1%	3.4%	3.5%	7.3%	3.3%	2.2%	6.3%	8.5%
10/2010	1.2%	3.4%	3.2%	7.5%	3.9%	2.7%	6.6%	9.1%

CPI ALL ITEMS (URBAN) - LESS ENERGY
ANNUAL PERCENT CHANGE

	(1)	(2)		(1)	(2)
<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>	<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>
1/2004	1.919	1.5%	7/2007	2.090	2.5%
2/2004	1.927	1.6%	8/2007	2.094	2.4%
3/2004	1.937	1.8%	9/2007	2.100	2.5%
4/2004	1.941	2.1%	10/2007	2.107	2.5%
5/2004	1.943	2.1%	11/2007	2.109	2.7%
6/2004	1.944	2.2%	12/2007	2.109	2.8%
7/2004	1.945	2.1%	1/2008	2.118	2.8%
8/2004	1.947	2.0%	2/2008	2.125	2.6%
9/2004	1.952	2.2%	3/2008	2.134	2.7%
10/2004	1.960	2.2%	4/2008	2.139	2.7%
11/2004	1.960	2.3%	5/2008	2.141	2.7%
12/2004	1.958	2.2%	6/2008	2.146	2.9%
1/2005	1.964	2.3%	7/2008	2.153	3.0%
2/2005	1.973	2.4%	8/2008	2.159	3.1%
3/2005	1.983	2.4%	39692	2.164	3.0%
4/2005	1.986	2.3%	39722	2.167	2.8%
5/2005	1.986	2.2%	39753	2.164	2.6%
6/2005	1.985	2.1%	39783	2.159	2.4%
7/2005	1.987	2.2%	39814	2.166	2.2%
8/2005	1.989	2.2%	39845	2.173	2.2%
9/2005	1.992	2.0%	3/2009	2.180	2.2%
10/2005	2.001	2.1%	4/2009	2.184	2.1%
11/2005	2.002	2.1%	5/2009	2.183	2.0%
12/2005	2.001	2.2%	6/2009	2.184	1.8%
1/2006	2.008	2.2%	7/2009	2.184	1.4%
2/2006	2.016	2.2%	8/2009	2.186	1.3%
3/2006	2.026	2.2%	9/2009	2.191	1.2%
4/2006	2.030	2.2%	10/2009	2.196	1.4%
5/2006	2.033	2.4%	11/2009	2.193	1.3%
6/2006	2.036	2.6%	12/2009	2.190	1.4%
7/2006	2.039	2.6%	1/2010	2.193	1.2%
8/2006	2.044	2.8%	2/2010	2.197	1.1%
9/2006	2.049	2.9%	3/2010	2.201	1.0%
10/2006	2.056	2.7%	4/2010	2.203	0.9%
11/2006	2.053	2.5%	5/2010	2.203	0.9%
12/2006	2.051	2.5%	6/2010	2.203	0.9%
1/2007	2.060	2.6%	7/2010	2.203	0.9%
2/2007	2.071	2.7%	8/2010	2.206	0.9%
3/2007	2.079	2.6%	9/2010	2.210	0.9%
4/2007	2.082	2.6%	10/2010	2.212	0.7%
5/2007	2.084	2.5%			
6/2007	2.086	2.5%			

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
FOR 2010 BASE
CALCULATION OF MODEL YEAR RELATIVITY
BEFORE OCTOBER 1, 2010

Automobile Model Year	Comprehensive		Collision	
	Exposure Distribution	Model Year Relativity	Exposure Distribution	Model Year Relativity
2010	0.034	1.000	0.035	1.000
2009	0.068	0.970	0.071	0.930
2008	0.083	0.930	0.087	0.870
2007	0.083	0.890	0.088	0.810
2006	0.087	0.860	0.093	0.750
2005	0.087	0.820	0.092	0.700
2004	0.082	0.780	0.087	0.660
2003	0.077	0.740	0.080	0.610
2002	0.069	0.710	0.071	0.570
2001 & PRIOR	0.330	0.650	0.296	0.470
(1) Average		0.782		0.668

AFTER OCTOBER 1, 2011 (INTRODUCTION OF 2012 MODEL)

Automobile Model Year	Comprehensive		Collision	
	Exposure Distribution	Model Year Relativity	Exposure Distribution	Model Year Relativity
2012	0.034	1.050	0.035	1.110
2011	0.068	1.030	0.071	1.070
2010	0.083	1.000	0.087	1.000
2009	0.083	0.970	0.088	0.930
2008	0.087	0.930	0.093	0.870
2007	0.087	0.890	0.092	0.810
2006	0.082	0.860	0.087	0.750
2005	0.077	0.820	0.080	0.700
2004	0.069	0.780	0.071	0.660
2003	0.068	0.740	0.069	0.610
2002	0.056	0.710	0.055	0.570
2001 & PRIOR	0.206	0.650	0.172	0.470
(2) Average		0.839		0.761

AFTER OCTOBER 1, 2012 (INTRODUCTION OF 2013 MODEL)

Automobile Model Year	Comprehensive		Collision	
	Exposure Distribution	Model Year Relativity	Exposure Distribution	Model Year Relativity
2013	0.034	1.070	0.035	1.150
2012	0.068	1.050	0.071	1.110
2011	0.083	1.030	0.087	1.070
2010	0.083	1.000	0.088	1.000
2009	0.087	0.970	0.093	0.930
2008	0.087	0.930	0.092	0.870
2007	0.082	0.890	0.087	0.810
2006	0.077	0.860	0.080	0.750
2005	0.069	0.820	0.071	0.700
2004	0.068	0.780	0.069	0.660
2003	0.056	0.740	0.055	0.610
2002	0.044	0.710	0.042	0.570
2001 & PRIOR	0.162	0.650	0.130	0.470
(3) Average		0.868		0.811

(4) Number of months from effective date to 10/1/2012: 12

(5) Average relativity based on an effective date of 10/1/2011:

Comp: $(0.839 \times (4) + 0.868 \times (12 - (4))) / 12 = 0.839$

Coll: $(0.761 \times (4) + 0.811 \times (12 - (4))) / 12 = 0.761$

(6) Model year trend factor:

Comp: $(5) / 0.782 = 1.073$ Coll: $(5) / 0.668 = 1.139$

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SYMBOL TREND

COMPREHENSIVE (a)

Year Ended	Full Coverage		\$50 Deductible		\$100 Deductible		\$250 Deductible		\$500 Deductible		\$1000 Deductible	
	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR
12/31/03	1,519,590	1.026	280,898	1.092	988,122	1.139	426,628	1.200	376,079	1.283	39,061	1.486
12/31/04	1,566,869	1.022	274,753	1.090	1,009,604	1.147	442,607	1.211	413,905	1.296	46,333	1.491
12/31/05	1,495,388	1.070	259,596	1.129	1,019,037	1.176	461,472	1.236	472,593	1.315	57,074	1.501
12/31/06	1,468,818	1.083	245,816	1.139	1,026,616	1.186	476,005	1.245	540,403	1.325	68,275	1.497
12/31/07	1,423,711	1.096	239,525	1.151	1,003,425	1.198	483,112	1.258	588,543	1.336	77,921	1.507
12/31/08	1,369,675	1.105	232,022	1.159	957,628	1.205	476,711	1.264	599,396	1.335	84,148	1.500
12/31/09	1,359,883	1.106	225,684	1.158	956,091	1.201	481,599	1.258	633,640	1.327	91,354	1.488

Average Annual Rate of Change:

7 points *	1.5%	1.1%	1.0%	0.9%	0.6%	0.1%
4 points *	0.7%	0.6%	0.4%	0.4%	0.0%	-0.2%
2 year	0.5%	0.3%	0.1%	0.0%	-0.3%	-0.6%
1 year	0.1%	-0.1%	-0.3%	-0.5%	-0.6%	-0.8%

Correlation Coefficients:

7 points *	0.94	0.94	0.94	0.94	0.88	0.30
4 points *	0.94	0.91	0.82	0.72	0.12	-0.56

* Based on exponential curve of best fit.

(a) Standard business only.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SYMBOL TREND

COLLISION(a)

Year Ended	\$50 Deductible		\$100 Deductible		\$200 Deductible		\$250 Deductible		\$500 Deductible		\$1000 Deductible	
	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR	WRITTEN EXPOSURES	SYMBOL FACTOR
12/31/03	14,126	0.736	367,076	0.743	63,806	0.815	1,582,949	0.819	1,276,931	0.892	91,597	0.964
12/31/04	14,645	0.723	362,284	0.731	59,510	0.817	1,583,688	0.815	1,348,774	0.892	104,735	0.966
12/31/05	14,048	0.765	330,906	0.755	56,053	0.828	1,547,065	0.826	1,434,510	0.899	121,910	0.971
12/31/06	14,608	0.773	311,622	0.753	52,789	0.826	1,517,916	0.823	1,522,965	0.898	137,714	0.965
12/31/07	16,021	0.788	296,629	0.754	51,098	0.825	1,461,882	0.820	1,578,818	0.895	150,451	0.961
12/31/08	17,481	0.794	278,888	0.750	49,189	0.818	1,380,106	0.812	1,578,826	0.886	158,402	0.950
12/31/09	19,024	0.791	266,812	0.743	46,571	0.809	1,352,733	0.799	1,619,403	0.869	169,014	0.934

Average Annual Rate of Change:

7 points *	1.6%	0.2%	-0.1%	-0.3%	-0.3%	-0.5%
4 points *	0.8%	-0.5%	-0.7%	-1.0%	-1.1%	-1.1%
2 year	0.2%	-0.7%	-1.0%	-1.3%	-1.5%	-1.4%
1 year	-0.4%	-0.9%	-1.1%	-1.6%	-1.9%	-1.7%

Correlation Coefficients:

7 points *	0.91	0.33	-0.21	-0.62	-0.64	-0.80
4 points *	0.83	-0.88	-0.95	-0.96	-0.95	-0.97

* Based on exponential curve of best fit.

(a) Standard business only.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					508,379,926
1997				513,062,431	515,054,841
1998			494,730,117	499,079,295	500,235,007
1999		497,444,285	506,104,335	511,660,823	514,137,414
2000	467,248,204	494,966,053	505,863,721	512,898,543	515,188,246
2001	468,576,304	486,718,769	497,255,745	504,797,761	506,516,812
2002	502,055,673	533,149,260	548,869,443	557,723,529	557,289,176
2003	515,817,257	559,094,357	578,617,400	585,187,725	587,822,056
2004	539,624,419	573,780,470	593,251,141	599,505,070	601,716,224
2005	534,184,208	576,962,347	593,487,306	599,911,132	601,141,186
2006	555,212,150	599,243,013	614,562,168	620,644,878	
2007	566,258,904	615,386,763	626,175,066		
2008	572,281,295	606,038,122			
2009	636,778,268				

Accident Year	Loss Development Factors			
	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.004
1998			1.009	1.002
1999		1.017	1.011	1.005
2000	1.059	1.022	1.014	1.004
2001	1.039	1.022	1.015	1.003
2002	1.062	1.029	1.016	0.999
2003	1.084	1.035	1.011	1.005
2004	1.063	1.034	1.011	1.004
2005	1.080	1.029	1.011	1.002
2006	1.079	1.026	1.010	
2007	1.087	1.018		
2008	1.059			

Five Year Average	1.074	1.028	1.012	1.003
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Three Year Average	1.075	1.024	1.011	1.004
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	Five Year	Three Year
39 to 63 months:	1.015	1.015
27 to 63 months:	1.043	1.039
15 to 63 months:	1.120	1.117

(a) Losses are on a 30/60 level for 2002-2009.
 Losses are on a 25/50 level for 1996-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Basic Limits(a) Incurred Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1996					434,974,174
1997				441,741,292	441,578,911
1998			452,935,631	452,975,900	453,159,687
1999		483,717,639	485,252,017	485,572,450	485,440,645
2000	499,816,464	510,105,451	508,023,076	508,052,039	508,060,163
2001	494,139,577	501,761,686	502,671,629	503,203,863	502,958,797
2002	521,387,936	529,534,675	531,145,335	532,186,698	531,950,120
2003	537,475,817	547,204,102	549,683,599	549,242,647	549,478,260
2004	540,779,130	552,344,575	560,950,492	561,763,330	561,689,009
2005	560,372,482	572,679,307	574,152,924	574,496,556	574,527,902
2006	585,759,190	596,268,288	597,603,179	602,118,938	
2007	591,554,570	602,565,320	603,840,287		
2008	587,942,423	602,297,429			
2009	600,163,831				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.000
1998			1.000	1.000
1999		1.003	1.001	1.000
2000	1.021	0.996	1.000	1.000
2001	1.015	1.002	1.001	1.000
2002	1.016	1.003	1.002	1.000
2003	1.018	1.005	0.999	1.000
2004	1.021	1.016	1.001	1.000
2005	1.022	1.003	1.001	1.000
2006	1.018	1.002	1.008	
2007	1.019	1.002		
2008	1.024			
Five Year Average	1.021	1.006	1.002	1.000
Three Year Average	1.020	1.002	1.003	1.000
		Five Year	Three Year	
39 to 63 months:		1.002	1.003	
27 to 63 months:		1.008	1.005	
15 to 63 months:		1.029	1.025	

(a) Losses are on a \$25,000 level for 2002-2009.
Losses are on a \$15,000 level for 1996-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Uninsured Motorists Bodily Injury Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					31,794,036
1997				36,875,978	36,519,975
1998			34,181,670	33,882,419	33,680,968
1999		32,978,345	33,190,330	33,444,514	33,492,209
2000	31,236,093	32,637,501	33,073,301	33,677,305	33,379,655
2001	31,401,868	33,755,318	35,021,950	35,507,827	35,426,244
2002	32,704,663	37,596,181	39,565,990	39,583,086	39,653,863
2003	35,307,464	39,489,354	40,993,396	41,853,946	41,929,146
2004	34,894,192	37,454,484	39,846,551	40,160,252	40,566,220
2005	35,135,790	39,433,924	41,021,443	41,261,672	41,475,383
2006	37,169,628	41,698,996	43,084,563	44,235,981	
2007	37,248,189	43,276,060	44,599,011		
2008	36,382,688	40,775,758			
2009	39,667,935				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				0.990
1998			0.991	0.994
1999		1.006	1.008	1.001
2000	1.045	1.013	1.018	0.991
2001	1.075	1.038	1.014	0.998
2002	1.150	1.052	1.000	1.002
2003	1.118	1.038	1.021	1.002
2004	1.073	1.064	1.008	1.010
2005	1.122	1.040	1.006	1.005
2006	1.122	1.033	1.027	
2007	1.162	1.031		
2008	1.121			
Five Year Average	1.120	1.041	1.012	1.003
Three Year Average	1.135	1.035	1.014	1.006

	Five Year	Three Year
39 to 63 months:	1.015	1.020
27 to 63 months:	1.057	1.056
15 to 63 months:	1.184	1.199

(a) Losses are on a 30/60 level for 2002-2009.
Losses are on a 25/50 level for 1996-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Uninsured Motorists Property Damage Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996				10,190,734	10,047,584
1997			10,938,146	10,658,220	10,566,331
1998		11,271,321	10,965,606	10,864,638	10,831,683
1999	12,485,180	11,385,922	11,252,921	11,143,920	11,257,504
2000	12,175,598	11,758,667	11,563,960	11,413,456	11,324,557
2001	11,522,357	11,260,876	11,051,061	10,921,388	10,833,455
2002	12,734,308	11,995,876	11,782,745	11,588,557	11,589,837
2003	12,929,486	12,177,961	11,919,457	11,701,679	11,632,875
2004	11,802,989	11,227,531	11,105,182	10,978,101	10,878,304
2005	12,302,623	11,786,546	11,641,063	11,622,425	11,494,322
2006	11,776,886	11,310,158	11,337,219	11,225,071	
2007	11,055,689	10,741,024	10,613,436		
2008	10,888,944	10,459,558			
2009	9,889,498				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997			0.974	0.991
1998		0.973	0.991	0.997
1999	0.912	0.988	0.990	1.010
2000	0.966	0.983	0.987	0.992
2001	0.977	0.981	0.988	0.992
2002	0.942	0.982	0.984	1.000
2003	0.942	0.979	0.982	0.994
2004	0.951	0.989	0.989	0.991
2005	0.958	0.988	0.998	0.989
2006	0.960	1.002	0.990	
2007	0.972	0.988		
2008	0.961			
Five Year Average	0.960	0.989	0.989	0.993
Three Year Average	0.964	0.993	0.992	0.991

	Five Year	Three Year
39 to 63 months:	0.982	0.983
27 to 63 months:	0.971	0.976
15 to 63 months:	0.932	0.941

(a) Losses are on a \$25,000 level for 2002-2009.
 Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					607,527,453
1997				607,377,686	609,373,618
1998			585,827,205	594,262,071	595,538,970
1999		584,450,486	607,315,095	616,343,115	618,962,876
2000	528,771,428	584,171,819	607,343,649	619,331,394	621,691,752
2001	540,606,810	590,573,084	615,270,128	627,427,574	627,806,583
2002	568,917,216	626,297,432	650,597,403	662,372,926	660,826,093
2003	590,218,744	662,896,265	695,233,004	702,075,913	703,757,654
2004	629,424,611	687,246,213	726,032,756	732,986,233	733,021,137
2005	622,795,154	693,338,754	719,404,608	726,341,510	724,279,324
2006	655,183,999	729,866,505	755,059,193	759,412,892	
2007	672,298,246	754,301,249	769,117,018		
2008	679,520,052	736,955,645			
2009	743,063,871				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.003
1998			1.014	1.002
1999		1.039	1.015	1.004
2000	1.105	1.040	1.020	1.004
2001	1.092	1.042	1.020	1.001
2002	1.101	1.039	1.018	0.998
2003	1.123	1.049	1.010	1.002
2004	1.092	1.056	1.010	1.000
2005	1.113	1.038	1.010	0.997
2006	1.114	1.035	1.006	
2007	1.122	1.020		
2008	1.085			
Five Year Average	1.105	1.040	1.011	1.000
Three Year Average	1.107	1.031	1.009	1.000
		Five Year	Three Year	
39 to 63 months:		1.011	1.009	
27 to 63 months:		1.051	1.040	
15 to 63 months:		1.161	1.151	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					442,611,518
1997				450,323,753	450,139,184
1998			463,368,820	463,408,859	463,353,715
1999		495,074,602	496,620,194	496,760,747	496,603,613
2000	512,061,856	522,380,676	520,124,759	520,292,907	520,234,996
2001	509,607,662	516,507,961	517,508,923	517,801,842	517,592,358
2002	523,908,951	532,151,212	533,775,479	534,777,466	534,427,287
2003	542,796,004	551,748,287	553,314,103	552,864,078	553,073,231
2004	545,709,696	555,915,798	564,500,217	565,402,098	565,293,901
2005	564,664,269	576,768,472	578,211,594	578,476,414	578,537,116
2006	589,948,039	600,531,291	601,871,788	606,394,696	
2007	595,457,699	607,098,069	608,515,719		
2008	592,717,548	607,585,089			
2009	604,856,887				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.000
1998			1.000	1.000
1999		1.003	1.000	1.000
2000	1.020	0.996	1.000	1.000
2001	1.014	1.002	1.001	1.000
2002	1.016	1.003	1.002	0.999
2003	1.016	1.003	0.999	1.000
2004	1.019	1.015	1.002	1.000
2005	1.021	1.003	1.000	1.000
2006	1.018	1.002	1.008	
2007	1.020	1.002		
2008	1.025			
Five Year Average	1.021	1.005	1.002	1.000
Three Year Average	1.021	1.002	1.003	1.000
		Five Year	Three Year	
39 to 63 months:		1.002	1.003	
27 to 63 months:		1.007	1.005	
15 to 63 months:		1.028	1.026	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Medical Payments Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					82,792,510
1997				81,794,233	81,862,986
1998			77,410,266	77,964,001	78,054,472
1999		78,073,695	79,055,962	79,796,175	80,738,717
2000	74,828,822	78,803,485	80,270,062	80,892,530	80,916,479
2001	77,445,610	82,072,374	83,604,663	84,189,088	84,208,944
2002	84,407,330	89,375,713	90,811,468	91,440,492	91,468,157
2003	85,399,350	91,379,102	91,931,978	92,675,518	92,750,269
2004	85,271,787	89,295,154	91,165,945	92,022,820	92,163,988
2005	84,730,224	89,100,195	90,335,758	90,619,975	90,645,560
2006	91,005,311	92,605,615	93,479,636	94,374,535	
2007	91,227,312	92,076,899	93,238,755		
2008	89,217,082	91,595,353			
2009	97,861,611				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.001
1998			1.007	1.001
1999		1.013	1.009	1.012
2000	1.053	1.019	1.008	1.000
2001	1.060	1.019	1.007	1.000
2002	1.059	1.016	1.007	1.000
2003	1.070	1.006	1.008	1.001
2004	1.047	1.021	1.009	1.002
2005	1.052	1.014	1.003	1.000
2006	1.018	1.009	1.010	
2007	1.009	1.013		
2008	1.027			
Five Year Average	1.031	1.013	1.007	1.001
Three Year Average	1.018	1.012	1.007	1.001
		Five Year	Three Year	
39 to 63 months:		1.008	1.008	
27 to 63 months:		1.021	1.020	
15 to 63 months:		1.053	1.038	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Uninsured Motorists Bodily Injury Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					41,897,880
1997				45,023,830	45,597,964
1998			40,232,839	40,165,311	39,676,840
1999		39,401,625	40,895,619	41,968,526	42,065,404
2000	34,492,399	39,823,570	40,854,460	42,011,925	41,324,158
2001	38,089,800	42,975,232	45,262,195	46,148,079	46,341,896
2002	38,918,375	47,611,602	50,400,213	50,208,191	50,666,563
2003	42,683,852	48,534,844	50,786,129	52,305,914	52,299,269
2004	44,012,059	48,971,187	51,836,511	52,026,941	52,216,497
2005	43,302,325	49,506,298	51,967,884	54,437,931	54,865,515
2006	46,363,207	54,796,894	57,328,982	59,078,135	
2007	47,970,814	59,325,668	60,988,628		
2008	47,175,079	53,174,493			
2009	50,684,137				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.013
1998			0.998	0.988
1999		1.038	1.026	1.002
2000	1.155	1.026	1.028	0.984
2001	1.128	1.053	1.020	1.004
2002	1.223	1.059	0.996	1.009
2003	1.137	1.046	1.030	1.000
2004	1.113	1.059	1.004	1.004
2005	1.143	1.050	1.048	1.008
2006	1.182	1.046	1.031	
2007	1.237	1.028		
2008	1.127			
Five Year Average	1.160	1.046	1.022	1.005
Three Year Average	1.182	1.041	1.028	1.004
		Five Year	Three Year	
39 to 63 months:		1.027	1.032	
27 to 63 months:		1.074	1.074	
15 to 63 months:		1.246	1.269	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers Voluntary and Ceded Combined

Accident Year	Uninsured Motorists Property Damage Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996				10,203,061	10,076,383
1997			11,008,017	10,743,091	10,651,143
1998		11,394,293	11,114,149	11,012,708	10,944,152
1999	12,646,423	11,537,251	11,423,295	11,369,299	11,482,883
2000	12,388,721	12,006,427	11,819,962	11,638,277	11,537,925
2001	11,822,624	11,591,092	11,354,463	11,189,105	11,098,552
2002	12,833,292	12,129,687	11,933,562	11,679,374	11,680,654
2003	12,994,158	12,324,915	12,034,219	11,810,327	11,741,523
2004	12,196,649	11,581,589	11,458,158	11,331,060	11,231,280
2005	12,810,536	12,700,498	12,487,733	12,657,940	12,335,727
2006	11,779,484	11,312,727	11,515,084	11,386,140	
2007	11,103,261	10,816,391	10,800,718		
2008	11,025,214	10,897,324			
2009	10,010,944				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997			0.976	0.991
1998		0.975	0.991	0.994
1999	0.912	0.990	0.995	1.010
2000	0.969	0.984	0.985	0.991
2001	0.980	0.980	0.985	0.992
2002	0.945	0.984	0.979	1.000
2003	0.948	0.976	0.981	0.994
2004	0.950	0.989	0.989	0.991
2005	0.991	0.983	1.014	0.975
2006	0.960	1.018	0.989	
2007	0.974	0.999		
2008	0.988			
Five Year Average	0.973	0.993	0.990	0.990
Three Year Average	0.974	1.000	0.997	0.987
		Five Year	Three Year	
39 to 63 months:		0.980	0.984	
27 to 63 months:		0.973	0.984	
15 to 63 months:		0.947	0.958	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Underinsured Motorists Bodily Injury Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					45,933,358
1997				39,911,030	40,453,064
1998			36,458,420	40,879,625	42,204,871
1999		34,418,359	40,993,481	44,827,131	45,514,430
2000	24,055,149	36,995,866	44,712,621	47,905,237	48,554,944
2001	24,421,662	37,415,497	46,420,538	51,011,821	51,502,208
2002	23,147,591	39,559,551	49,215,193	52,127,755	52,109,200
2003	24,095,268	44,137,295	49,768,667	53,408,780	53,363,889
2004	33,532,085	53,425,768	61,714,574	65,610,846	65,346,366
2005	32,329,148	51,262,138	58,093,259	60,282,146	60,466,842
2006	37,987,530	60,187,588	67,430,403	71,284,126	
2007	44,032,591	65,373,281	73,384,226		
2008	36,616,633	57,532,597			
2009	43,173,905				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.014
1998			1.121	1.032
1999		1.191	1.094	1.015
2000	1.538	1.209	1.071	1.014
2001	1.532	1.241	1.099	1.010
2002	1.709	1.244	1.059	1.000
2003	1.832	1.128	1.073	0.999
2004	1.593	1.155	1.063	0.996
2005	1.586	1.133	1.038	1.003
2006	1.584	1.120	1.057	
2007	1.485	1.123		
2008	1.571			

Five Year Average	1.564	1.132	1.058	1.002
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Three Year Average	1.547	1.125	1.053	0.999
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	Five Year	Three Year
39 to 63 months:	1.060	1.052
27 to 63 months:	1.200	1.184
15 to 63 months:	1.877	1.832

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1996					93,519
1997				93,427	93,082
1998			90,712	90,465	89,985
1999		93,415	93,145	92,547	92,151
2000	94,009	92,101	91,137	90,663	90,349
2001	92,965	89,243	88,410	88,149	87,694
2002	96,845	93,413	92,563	92,015	91,069
2003	98,407	94,411	93,472	92,709	92,449
2004	98,867	95,352	94,812	94,245	93,924
2005	96,834	93,155	92,093	91,301	90,958
2006	96,429	92,275	91,098	90,582	
2007	92,115	88,209	87,104		
2008	88,995	84,974			
2009	96,514				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				0.996
1998			0.997	0.995
1999		0.997	0.994	0.996
2000	0.980	0.990	0.995	0.997
2001	0.960	0.991	0.997	0.995
2002	0.965	0.991	0.994	0.990
2003	0.959	0.990	0.992	0.997
2004	0.964	0.994	0.994	0.997
2005	0.962	0.989	0.991	0.996
2006	0.957	0.987	0.994	
2007	0.958	0.987		
2008	0.955			
Five Year Average	0.959	0.989	0.993	0.995
Three Year Average	0.957	0.988	0.993	0.997
		Five Year	Three Year	
39 to 63 months:		0.988	0.990	
27 to 63 months:		0.977	0.978	
15 to 63 months:		0.937	0.936	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1996					215,208
1997				215,587	215,600
1998			216,588	216,617	216,601
1999		223,310	223,277	223,319	223,301
2000	221,905	225,602	223,938	223,917	223,876
2001	221,341	222,619	222,858	222,923	222,788
2002	225,129	226,768	227,050	227,280	227,151
2003	235,482	236,947	237,345	236,866	236,927
2004	239,528	241,668	244,848	245,055	245,032
2005	242,482	245,096	245,287	245,326	245,305
2006	243,912	245,958	246,139	248,533	
2007	242,917	244,857	245,013		
2008	235,760	239,536			
2009	247,723				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.000
1998			1.000	1.000
1999		1.000	1.000	1.000
2000	1.017	0.993	1.000	1.000
2001	1.006	1.001	1.000	0.999
2002	1.007	1.001	1.001	0.999
2003	1.006	1.002	0.998	1.000
2004	1.009	1.013	1.001	1.000
2005	1.011	1.001	1.000	1.000
2006	1.008	1.001	1.010	
2007	1.008	1.001		
2008	1.016			
Five Year Average	1.010	1.004	1.002	1.000
Three Year Average	1.011	1.001	1.004	1.000
		Five Year	Three Year	
39 to 63 months:		1.002	1.004	
27 to 63 months:		1.006	1.005	
15 to 63 months:		1.016	1.016	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Medical Payments Incurred Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996					68,723
1997				66,463	66,475
1998			61,751	61,932	61,904
1999		60,882	61,170	61,296	61,270
2000	58,978	60,351	60,685	60,899	60,840
2001	58,107	59,050	59,472	59,598	59,579
2002	60,999	61,948	62,273	62,406	62,393
2003	59,036	60,027	60,458	60,586	60,594
2004	56,892	57,641	58,405	58,675	58,674
2005	56,522	57,491	57,770	57,839	57,803
2006	59,284	59,258	59,555	59,995	
2007	55,922	56,051	56,356		
2008	52,900	53,510			
2009	58,260				

Accident Year	Claim Development Factors			
	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				1.000
1998			1.003	1.000
1999		1.005	1.002	1.000
2000	1.023	1.006	1.004	0.999
2001	1.016	1.007	1.002	1.000
2002	1.016	1.005	1.002	1.000
2003	1.017	1.007	1.002	1.000
2004	1.013	1.013	1.005	1.000
2005	1.017	1.005	1.001	0.999
2006	1.000	1.005	1.007	
2007	1.002	1.005		
2008	1.012			

Five Year Average	1.009	1.007	1.003	1.000
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Three Year Average	1.005	1.005	1.004	1.000
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	Five Year	Three Year
39 to 63 months:	1.003	1.004
27 to 63 months:	1.010	1.009
15 to 63 months:	1.019	1.014

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Uninsured Motorists Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1996					5,921
1997				6,543	6,508
1998			6,277	6,261	6,245
1999		6,012	6,033	6,040	6,016
2000	6,050	6,100	6,127	6,114	6,082
2001	6,123	6,048	6,072	6,028	5,989
2002	6,506	6,480	6,498	6,426	6,113
2003	6,583	6,533	6,544	6,484	6,366
2004	6,254	6,110	6,207	6,173	6,162
2005	6,348	6,284	6,264	6,234	6,206
2006	6,300	6,193	6,128	6,122	
2007	5,887	5,797	5,739		
2008	5,474	5,445			
2009	6,042				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				0.995
1998			0.997	0.997
1999		1.003	1.001	0.996
2000	1.008	1.004	0.998	0.995
2001	0.988	1.004	0.993	0.994
2002	0.996	1.003	0.989	0.951
2003	0.992	1.002	0.991	0.982
2004	0.977	1.016	0.995	0.998
2005	0.990	0.997	0.995	0.996
2006	0.983	0.990	0.999	
2007	0.985	0.990		
2008	0.995			
Five Year Average	0.986	0.999	0.994	0.984
Three Year Average	0.988	0.992	0.996	0.992
		Five Year	Three Year	
39 to 63 months:		0.978	0.988	
27 to 63 months:		0.977	0.980	
15 to 63 months:		0.963	0.968	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Uninsured Motorists Property Damage Injury Incurred Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1996				8,561	8,591
1997			9,348	9,351	9,364
1998		9,621	9,615	9,616	9,645
1999	9,870	9,909	9,954	10,039	10,063
2000	9,827	9,910	9,992	10,061	10,067
2001	9,343	9,517	9,627	9,684	9,673
2002	9,342	9,463	9,493	9,481	9,383
2003	9,339	9,354	9,314	9,205	9,187
2004	9,078	9,071	9,150	9,123	9,129
2005	9,203	9,224	9,189	9,192	9,182
2006	8,781	8,712	8,715	8,704	
2007	7,838	7,899	7,962		
2008	7,012	7,119			
2009	7,079				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997			1.000	1.001
1998		0.999	1.000	1.003
1999	1.004	1.005	1.009	1.002
2000	1.008	1.008	1.007	1.001
2001	1.019	1.012	1.006	0.999
2002	1.013	1.003	0.999	0.990
2003	1.002	0.996	0.988	0.998
2004	0.999	1.009	0.997	1.001
2005	1.002	0.996	1.000	0.999
2006	0.992	1.000	0.999	
2007	1.008	1.008		
2008	1.015			
Five Year Average	1.003	1.002	0.997	0.997
Three Year Average	1.005	1.001	0.999	0.999
		Five Year	Three Year	
39 to 63 months:		0.994	0.998	
27 to 63 months:		0.996	0.999	
15 to 63 months:		0.999	1.004	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Underinsured Motorists Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1996					1,253
1997				1,263	1,203
1998			1,215	1,282	1,187
1999		1,191	1,357	1,446	1,366
2000	807	1,188	1,322	1,368	1,325
2001	708	1,063	1,243	1,332	1,245
2002	696	1,087	1,311	1,308	1,266
2003	721	1,107	1,260	1,317	1,230
2004	943	1,356	1,503	1,517	1,462
2005	837	1,203	1,359	1,381	1,326
2006	957	1,410	1,549	1,550	
2007	1,125	1,462	1,581		
2008	972	1,381			
2009	1,100				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1997				0.952
1998			1.055	0.926
1999		1.139	1.066	0.945
2000	1.472	1.113	1.035	0.969
2001	1.501	1.169	1.072	0.935
2002	1.562	1.206	0.998	0.968
2003	1.535	1.138	1.045	0.934
2004	1.438	1.108	1.009	0.964
2005	1.437	1.130	1.016	0.960
2006	1.473	1.099	1.001	
2007	1.300	1.081		
2008	1.421			
Five Year Average	1.414	1.111	1.014	0.952
Three Year Average	1.398	1.103	1.009	0.953

Five Year

Three Year

39 to 63 months:	0.965	0.962
27 to 63 months:	1.072	1.061
15 to 63 months:	1.516	1.483