

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
EXPERIENCE REVIEW

TABLE OF CONTENTS

<u>Index</u>	<u>Page #</u>
Exposures, Premium at Present Rates, and Losses	Pages 2-4
Loss Trend Data	Pages 5-13
Fast Track Data	Pages 14-21
Loss and Claims Development Data	Pages 22-35
Derivation Of Wind & Water Adjustment	Page 36
Calculation Of Incurred-To-Paid Factor	Page 37
Model Year Trend	Page 38
Symbol Trend	Page 39
Average Increased Limit Factors	Pages 40-42
Underwriting Expense Experience	Pages 43-45
Expense Trend	Pages 46-48
External Indices	Pages 49-59
Calculation Of Policyholder Dividends	Page 60
Calculation Of Net Overall Deviations	Pages 61-62
Review of Liability increased Limit Factors	
Explanatory Memorandum	Pages 63-76
Supporting Exhibits	Pages 77-85

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

EXPERIENCE DATA
FOR LIABILITY COVERAGES
Voluntary and Ceded Combined

BODILY INJURY

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>BASIC LIMITS (A) INCURRED LOSSES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	7,845,328	1,476,257,388	775,291,511	973,531,213
12/31/2023	7,940,870	1,496,861,820	829,525,401	1,034,073,503
12/31/2024	8,064,014	1,519,155,300	788,918,966	951,364,145

PROPERTY DAMAGE

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>BASIC LIMITS (A) INCURRED LOSSES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	7,845,328	2,219,175,325	1,209,306,178	1,255,090,593
12/31/2023	7,940,870	2,250,916,995	1,276,674,557	1,322,204,934
12/31/2024	8,064,014	2,286,344,743	1,202,996,282	1,238,634,784

MEDICAL PAYMENTS

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	5,012,075	144,200,309	67,430,308
12/31/2023	5,064,078	143,857,441	72,308,141
12/31/2024	5,100,510	144,109,987	64,365,310

(A) Throughout this document, Basic Limits refers to 30/60/25 limits.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

EXPERIENCE DATA
FOR PHYSICAL DAMAGE COVERAGES
Standard and Consent-to-Rate Combined

COMPREHENSIVE (A)

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	EARNED PREMIUM AT PRESENT <u>MANUAL RATES</u>	PAID LOSSES (C)
12/31/2022	6,379,760	1,226,559,302	695,406,339
12/31/2023	6,549,543	1,247,677,379	831,427,339
12/31/2024	6,614,371	1,252,607,232	837,314,876

COLLISION (B)

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	EARNED PREMIUM AT PRESENT <u>MANUAL RATES</u>	PAID LOSSES
12/31/2022	5,989,671	3,314,570,437	1,540,948,754
12/31/2023	6,158,580	3,382,695,500	1,610,879,214
12/31/2024	6,214,315	3,404,035,369	1,481,012,119

(A) Throughout this document, Comprehensive Coverage includes Full Coverage Comprehensive, \$50 Deductible, \$100 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Comprehensive.

(B) Throughout this document, Collision Coverage includes \$50 Deductible, \$100 Deductible, \$200 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Collision.

(C) Comprehensive losses include an adjustment for wind and water losses.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

EXPERIENCE DATA

UNINSURED MOTORISTS BODILY INJURY

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	7,845,328	222,881,714	101,621,268
12/31/2023	7,940,870	225,158,672	112,624,423
12/31/2024	8,064,014	226,553,625	104,037,727

UNINSURED MOTORISTS PROPERTY DAMAGE

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	7,845,328	29,498,430	25,401,122
12/31/2023	7,940,870	29,799,786	27,266,656
12/31/2024	8,064,014	29,984,410	28,041,173

UNDERINSURED MOTORISTS BODILY INJURY

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	5,787,307	288,138,676	125,999,676
12/31/2023	5,857,786	291,647,651	116,973,508
12/31/2024	5,948,627	296,170,489	86,404,488

MOTORCYCLE LIABILITY

<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>EARNED PREMIUM AT PRESENT MANUAL RATES</u>	<u>TOTAL LIMITS INCURRED LOSSES</u>
12/31/2022	295,986	57,718,217	23,221,703
12/31/2023	311,442	58,948,925	28,191,501
12/31/2024	315,315	59,571,205	33,962,861

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR LIABILITY COVERAGES

BODILY INJURY
Voluntary and Ceded Combined
Basic Limits

	(1)	(2)	(3)	(4) =(2)/(3)	(5) =(3)/(1) x 100
<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>PAID CLAIM COST</u>	<u>PAID CLAIM FREQ</u>
Sep-19	8,111,343	832,154,155	101,100	8,231	1.2464
Dec-19	8,157,889	843,489,082	101,429	8,316	1.2433
Mar-20	8,218,247	856,720,013	102,077	8,393	1.2421
Jun-20	8,319,856	840,933,061	98,247	8,559	1.1809
Sep-20	8,367,885	817,747,092	94,217	8,679	1.1259
Dec-20	8,402,643	784,127,826	89,294	8,781	1.0627
Mar-21	8,411,003	748,386,035	83,857	8,925	0.9970
Jun-21	8,436,057	744,114,360	82,329	9,038	0.9759
Sep-21	8,486,302	756,456,783	81,684	9,261	0.9625
Dec-21	8,613,371	783,741,611	83,243	9,415	0.9664
Mar-22	8,809,089	815,307,089	85,193	9,570	0.9671
Jun-22	8,906,681	835,998,387	87,066	9,602	0.9775
Sep-22	8,908,177	847,396,855	88,275	9,600	0.9909
Dec-22	8,840,326	847,070,591	88,087	9,616	0.9964
Mar-23	8,714,231	849,702,166	87,831	9,674	1.0079
Jun-23	8,652,031	859,379,946	87,397	9,833	1.0101
Sep-23	8,682,165	865,558,529	87,527	9,889	1.0081
Dec-23	8,717,292	880,458,056	88,328	9,968	1.0133
Mar-24	8,771,721	889,692,718	88,456	10,058	1.0084
Jun-24	8,783,094	895,614,118	89,080	10,054	1.0142
Sep-24	8,790,913	916,642,017	89,859	10,201	1.0222
Dec-24	8,784,594	939,129,998	90,740	10,350	1.0329
Mar-25	8,774,256	961,037,755	91,454	10,508	1.0423
Jun-25	8,823,480	984,048,090	91,871	10,711	1.0412

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	<u>Straight</u>	<u>Exponential</u>	<u>Straight</u>	<u>Exponential</u>
6-points	5.0%	5.4%	98%	98%
9-points	4.1%	4.2%	97%	97%
12-points	3.8%	3.9%	98%	98%
15-points	3.3%	3.4%	97%	97%
24-points	4.2%	4.4%	99%	99%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	<u>Straight</u>	<u>Exponential</u>	<u>Straight</u>	<u>Exponential</u>
6-points	2.9%	2.9%	98%	98%
9-points	1.8%	1.8%	92%	92%
12-points	1.7%	1.7%	94%	95%
15-points	2.0%	2.1%	96%	96%
24-points	-2.8%	-2.6%	-57%	-56%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR LIABILITY COVERAGES

BODILY INJURY

Voluntary and Ceded Combined
Total Limits

	(1)	(2)	(3)	(4) =(2)/(3) PAID CLAIM COST	(5) =(3)/(1) x 100 PAID CLAIM FREQ
<u>YEAR ENDED</u>	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>		
Sep-19	8,111,343	996,101,999	101,100	9,853	1.2464
Dec-19	8,157,889	1,013,946,179	101,429	9,997	1.2433
Mar-20	8,218,247	1,028,209,263	102,077	10,073	1.2421
Jun-20	8,319,856	1,010,467,637	98,247	10,285	1.1809
Sep-20	8,367,885	986,749,256	94,217	10,473	1.1259
Dec-20	8,402,643	947,676,948	89,294	10,613	1.0627
Mar-21	8,411,003	914,003,710	83,857	10,900	0.9970
Jun-21	8,436,057	918,008,407	82,329	11,150	0.9759
Sep-21	8,486,302	937,044,352	81,684	11,472	0.9625
Dec-21	8,613,371	975,347,425	83,243	11,717	0.9664
Mar-22	8,809,089	1,016,164,004	85,193	11,928	0.9671
Jun-22	8,906,681	1,042,843,812	87,066	11,978	0.9775
Sep-22	8,908,177	1,057,656,781	88,275	11,981	0.9909
Dec-22	8,840,326	1,059,098,332	88,087	12,023	0.9964
Mar-23	8,714,231	1,064,039,464	87,831	12,115	1.0079
Jun-23	8,652,031	1,081,089,968	87,397	12,370	1.0101
Sep-23	8,682,165	1,091,820,458	87,527	12,474	1.0081
Dec-23	8,717,292	1,111,232,360	88,328	12,581	1.0133
Mar-24	8,771,721	1,120,388,198	88,456	12,666	1.0084
Jun-24	8,783,094	1,126,081,939	89,080	12,641	1.0142
Sep-24	8,790,913	1,151,449,474	89,859	12,814	1.0222
Dec-24	8,784,594	1,188,079,819	90,740	13,093	1.0329
Mar-25	8,774,256	1,218,457,467	91,454	13,323	1.0423
Jun-25	8,823,480	1,256,871,635	91,871	13,681	1.0412

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	<u>Straight</u>		<u>Straight</u>	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	6.1%	6.7%	96%	96%
9-points	4.7%	4.7%	95%	95%
12-points	4.4%	4.5%	97%	97%
15-points	3.9%	4.0%	97%	97%
24-points	5.3%	5.5%	99%	98%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	<u>Straight</u>		<u>Straight</u>	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	2.9%	2.9%	98%	98%
9-points	1.8%	1.8%	92%	92%
12-points	1.7%	1.7%	94%	95%
15-points	2.0%	2.1%	96%	96%
24-points	-2.8%	-2.6%	-57%	-56%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR LIABILITY COVERAGES

PROPERTY DAMAGE
Voluntary and Ceded Combined

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	EARNED EXPOSURES	PAID LOSSES	PAID CLAIMS	=(2)/(3) PAID CLAIM COST	=(3)/(1) x 100 PAID CLAIM FREQ
Sep-19	8,111,343	1,062,695,794	309,241	3,436	3.8125
Dec-19	8,157,889	1,089,575,547	312,065	3,492	3.8253
Mar-20	8,218,247	1,109,846,578	311,964	3,558	3.7960
Jun-20	8,319,856	1,056,353,836	288,339	3,664	3.4657
Sep-20	8,367,885	1,004,578,278	273,817	3,669	3.2722
Dec-20	8,402,643	955,677,511	256,259	3,729	3.0497
Mar-21	8,411,003	900,710,927	235,579	3,823	2.8008
Jun-21	8,436,057	934,034,073	241,793	3,863	2.8662
Sep-21	8,486,302	979,293,627	239,567	4,088	2.8230
Dec-21	8,613,371	1,033,352,611	240,845	4,291	2.7962
Mar-22	8,809,089	1,107,884,501	247,514	4,476	2.8098
Jun-22	8,906,681	1,181,483,685	253,582	4,659	2.8471
Sep-22	8,908,177	1,253,578,884	258,812	4,844	2.9053
Dec-22	8,840,326	1,315,430,766	262,391	5,013	2.9681
Mar-23	8,714,231	1,378,880,094	266,773	5,169	3.0613
Jun-23	8,652,031	1,427,196,738	267,822	5,329	3.0955
Sep-23	8,682,165	1,448,697,104	267,723	5,411	3.0836
Dec-23	8,717,292	1,467,723,266	268,149	5,474	3.0761
Mar-24	8,771,721	1,478,096,359	268,179	5,512	3.0573
Jun-24	8,783,094	1,474,335,506	268,535	5,490	3.0574
Sep-24	8,790,913	1,469,706,497	268,540	5,473	3.0547
Dec-24	8,784,594	1,456,222,044	267,929	5,435	3.0500
Mar-25	8,774,256	1,445,725,389	266,054	5,434	3.0322
Jun-25	8,823,480	1,440,803,255	263,999	5,458	2.9920

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-1.0%	-1.0%	-82%	-82%
9-points	0.6%	0.6%	40%	40%
12-points	3.5%	3.7%	79%	78%
15-points	6.3%	6.7%	88%	87%
24-points	9.5%	10.2%	97%	96%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-1.5%	-1.5%	-85%	-85%
9-points	-1.4%	-1.4%	-93%	-93%
12-points	0.5%	0.5%	26%	27%
15-points	2.2%	2.2%	71%	71%
24-points	-2.9%	-2.5%	-50%	-48%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR LIABILITY COVERAGES

MEDICAL PAYMENTS
Voluntary and Ceded Combined

YEAR ENDED	(1) EARNED EXPOSURES	(2) PAID LOSSES	(3) PAID CLAIMS	(4) =(2)/(3) PAID CLAIM COST	(5) =(3)/(1) x 100 PAID CLAIM FREQ
Sep-19	5,396,698	98,842,430	56,059	1,763	1.0388
Dec-19	5,408,952	99,263,186	56,181	1,767	1.0387
Mar-20	5,439,968	99,778,112	56,224	1,775	1.0335
Jun-20	5,494,382	95,229,377	52,532	1,813	0.9561
Sep-20	5,506,529	88,941,498	48,710	1,826	0.8846
Dec-20	5,511,254	85,557,947	45,925	1,863	0.8333
Mar-21	5,482,516	80,433,929	42,850	1,877	0.7816
Jun-21	5,457,064	79,946,495	42,413	1,885	0.7772
Sep-21	5,461,032	80,938,695	42,284	1,914	0.7743
Dec-21	5,500,430	80,137,712	42,144	1,902	0.7662
Mar-22	5,571,628	79,995,257	41,778	1,915	0.7498
Jun-22	5,620,335	79,937,253	42,073	1,900	0.7486
Sep-22	5,635,977	78,839,916	42,380	1,860	0.7520
Dec-22	5,624,066	78,736,926	42,255	1,863	0.7513
Mar-23	5,599,988	79,392,681	42,889	1,851	0.7659
Jun-23	5,585,741	80,763,241	43,548	1,855	0.7796
Sep-23	5,602,824	83,064,674	44,496	1,867	0.7942
Dec-23	5,621,900	84,359,740	45,763	1,843	0.8140
Mar-24	5,649,838	85,137,746	46,527	1,830	0.8235
Jun-24	5,646,547	84,464,987	46,388	1,821	0.8215
Sep-24	5,638,734	83,957,578	46,190	1,818	0.8192
Dec-24	5,621,945	83,831,769	45,541	1,841	0.8101
Mar-25	5,600,625	83,233,184	44,447	1,873	0.7936
Jun-25	5,612,001	83,616,082	44,044	1,898	0.7848

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	3.1%	3.2%	87%	87%
9-points	0.6%	0.6%	30%	30%
12-points	0.1%	0.1%	6%	5%
15-points	-0.7%	-0.7%	-49%	-49%
24-points	0.4%	0.5%	34%	34%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-4.0%	-4.0%	-95%	-95%
9-points	0.1%	0.1%	2%	2%
12-points	2.4%	2.4%	64%	65%
15-points	2.4%	2.5%	75%	76%
24-points	-3.8%	-3.4%	-60%	-59%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR PHYSICAL DAMAGE COVERAGES

COMPREHENSIVE

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	EARNED EXPOSURES	PAID LOSSES	PAID CLAIMS	=(2)/(3) PAID CLAIM COST	=(3)/(1) x 100 PAID CLAIM FREQ
Sep-19	823,514	13,343,867	24,347	548	2.9565
Dec-19	855,669	14,003,969	24,616	569	2.8768
Mar-20	873,087	14,028,762	24,720	568	2.8313
Jun-20	885,915	13,844,241	22,878	605	2.5824
Sep-20	891,272	13,713,518	22,579	607	2.5333
Dec-20	884,409	13,813,328	22,357	618	2.5279
Mar-21	892,505	14,454,853	22,402	645	2.5100
Jun-21	898,182	15,614,222	24,681	633	2.7479
Sep-21	901,369	17,082,437	25,032	682	2.7771
Dec-21	899,612	18,170,045	26,051	697	2.8958
Mar-22	897,255	18,742,875	26,848	698	2.9922
Jun-22	897,053	19,506,288	27,435	711	3.0583
Sep-22	898,531	20,660,160	28,102	735	3.1275
Dec-22	904,883	20,891,013	28,137	742	3.1095
Mar-23	909,513	21,883,872	28,509	768	3.1345
Jun-23	915,783	24,059,751	29,042	828	3.1713
Sep-23	920,320	25,579,044	29,666	862	3.2234
Dec-23	925,673	27,518,613	30,518	902	3.2968
Mar-24	931,922	28,805,823	30,498	945	3.2726
Jun-24	934,143	28,613,370	30,856	927	3.3031
Sep-24	936,308	27,824,277	30,876	901	3.2976
Dec-24	936,545	27,380,179	30,552	896	3.2622
Mar-25	945,501	28,340,931	31,512	899	3.3328
Jun-25	960,932	28,423,405	31,877	892	3.3173

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-4.7%	-4.3%	-89%	-90%
9-points	2.3%	2.4%	42%	43%
12-points	7.6%	8.2%	81%	81%
15-points	9.0%	9.5%	90%	90%
24-points	9.7%	10.4%	97%	98%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	1.0%	1.0%	56%	56%
9-points	1.8%	1.8%	78%	78%
12-points	2.5%	2.6%	91%	91%
15-points	3.5%	3.5%	93%	93%
24-points	4.4%	4.6%	85%	83%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR PHYSICAL DAMAGE COVERAGES

COLLISION

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Sep-19	5,545,855	1,101,753,931	296,093	3,721	5.3390
Dec-19	5,583,882	1,111,969,215	296,730	3,747	5.3140
Mar-20	5,642,174	1,118,544,641	294,833	3,794	5.2255
Jun-20	5,704,026	1,028,480,282	272,598	3,773	4.7790
Sep-20	5,744,064	988,468,964	260,726	3,791	4.5391
Dec-20	5,782,654	968,515,871	249,549	3,881	4.3155
Mar-21	5,804,335	957,482,998	243,757	3,928	4.1996
Jun-21	5,834,575	1,092,520,182	259,175	4,215	4.4421
Sep-21	5,886,659	1,222,772,697	265,384	4,608	4.5082
Dec-21	5,997,011	1,333,629,856	272,051	4,902	4.5364
Mar-22	6,144,675	1,438,988,618	276,429	5,206	4.4987
Jun-22	6,235,771	1,504,998,814	284,647	5,287	4.5647
Sep-22	6,246,399	1,545,517,077	290,232	5,325	4.6464
Dec-22	6,202,076	1,579,883,734	290,671	5,435	4.6867
Mar-23	6,103,707	1,605,505,176	292,832	5,483	4.7976
Jun-23	6,054,854	1,639,687,231	291,028	5,634	4.8065
Sep-23	6,069,097	1,652,322,106	287,760	5,742	4.7414
Dec-23	6,084,089	1,642,711,271	286,707	5,730	4.7124
Mar-24	6,119,808	1,627,792,686	282,559	5,761	4.6171
Jun-24	6,122,741	1,585,434,490	276,364	5,737	4.5137
Sep-24	6,118,818	1,532,072,471	269,715	5,680	4.4080
Dec-24	6,101,516	1,499,374,271	265,694	5,643	4.3546
Mar-25	6,083,291	1,471,442,234	262,145	5,613	4.3093
Jun-25	6,105,880	1,447,018,465	258,062	5,607	4.2265

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-2.4%	-2.3%	-98%	-98%
9-points	-0.9%	-0.9%	-56%	-57%
12-points	1.5%	1.6%	56%	57%
15-points	3.2%	3.3%	79%	78%
24-points	8.8%	9.6%	93%	92%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
6-points	-6.8%	-6.6%	-99%	-99%
9-points	-6.6%	-6.5%	-99%	-99%
12-points	-4.3%	-4.2%	-87%	-88%
15-points	-2.0%	-2.0%	-56%	-57%
24-points	-2.0%	-1.9%	-53%	-52%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR UNINSURED MOTORISTS COVERAGES

UNINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined
Basic Limits

YEAR ENDED	(1) EARNED EXPOSURES	(2) INCURRED LOSSES	(3) INCURRED CLAIMS	(4)	(5)
				=(2)/(3) INCURRED CLAIM COST	=(3)/(1) x 100 INCURRED CLAIM FREQ
12/31/2013	6,238,914	36,783,613	4,985	7,379	0.0799
12/31/2014	6,046,751	35,736,195	4,901	7,292	0.0811
12/31/2015	6,100,909	40,963,607	5,378	7,617	0.0882
12/31/2016	6,294,050	47,136,224	5,962	7,906	0.0947
12/31/2017	6,306,632	47,685,173	5,536	8,614	0.0878
12/31/2018	6,409,272	52,861,552	5,529	9,561	0.0863
12/31/2019	6,526,290	56,991,950	5,471	10,417	0.0838
12/31/2020	6,754,508	66,665,391	5,722	11,651	0.0847
12/31/2021	7,018,541	77,872,585	6,493	11,993	0.0925
12/31/2022	7,008,529	72,925,227	5,504	13,249	0.0785
12/31/2023	7,022,549	82,822,216	6,121	13,531	0.0872
12/31/2024	7,019,531	88,602,027	5,939	14,919	0.0846

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	6.7%	7.0%	97%	97%
6-points	6.7%	6.9%	99%	99%
9-points	7.9%	8.1%	100%	99%
12-points	7.1%	7.3%	98%	99%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	-1.8%	-1.6%	-33%	-31%
6-points	-0.1%	-0.1%	-3%	-3%
9-points	-0.9%	-0.9%	-47%	-47%
12-points	0.1%	0.1%	4%	5%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR UNINSURED MOTORISTS COVERAGES

UNINSURED MOTORISTS PROPERTY DAMAGE

Voluntary and Ceded Combined
Basic Limits

YEAR ENDED	(1) EARNED EXPOSURES	(2) INCURRED LOSSES	(3) INCURRED CLAIMS	(4)	(5)
				=(2)/(3) INCURRED CLAIM COST	=(3)/(1) x 100 INCURRED CLAIM FREQ
12/31/2013	6,238,914	9,924,306	7,033	1,411	0.1127
12/31/2014	6,046,751	10,128,492	6,863	1,476	0.1135
12/31/2015	6,100,909	12,185,957	7,786	1,565	0.1276
12/31/2016	6,294,050	14,703,863	9,348	1,573	0.1485
12/31/2017	6,306,632	14,877,008	9,517	1,563	0.1509
12/31/2018	6,409,272	14,749,224	9,816	1,503	0.1532
12/31/2019	6,526,290	15,319,193	9,941	1,541	0.1523
12/31/2020	6,754,508	16,136,927	8,914	1,810	0.1320
12/31/2021	7,018,541	20,454,873	10,160	2,013	0.1448
12/31/2022	7,008,529	23,819,380	9,964	2,391	0.1422
12/31/2023	7,022,549	24,518,636	9,832	2,494	0.1400
12/31/2024	7,019,531	24,198,004	9,510	2,544	0.1355

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	7.2%	7.7%	91%	90%
6-points	10.0%	11.0%	97%	97%
9-points	8.0%	7.8%	93%	93%
12-points	5.8%	5.7%	90%	91%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	-2.1%	-2.1%	-99%	-98%
6-points	-1.3%	-1.2%	-47%	-45%
9-points	-1.3%	-1.3%	-69%	-68%
12-points	1.3%	1.5%	46%	49%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FOR UNDERINSURED MOTORISTS COVERAGES

UNDERINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	EARNED EXPOSURES	INCURRED LOSSES	INCURRED CLAIMS	=(2)/(3) INCURRED CLAIM COST	=(3)/(1) x 100 INCURRED CLAIM FREQ
12/31/2013	4,839,404	91,334,579	1,786	51,139	0.0369
12/31/2014	4,618,201	79,949,170	1,704	46,919	0.0369
12/31/2015	4,526,521	91,994,184	1,860	49,459	0.0411
12/31/2016	4,850,954	99,189,690	2,177	45,563	0.0449
12/31/2017	4,800,735	103,051,321	2,214	46,545	0.0461
12/31/2018	4,680,826	108,790,945	2,422	44,918	0.0517
12/31/2019	4,817,122	121,132,544	2,496	48,531	0.0518
12/31/2020	4,972,591	116,972,961	2,393	48,881	0.0481
12/31/2021	5,165,657	158,316,061	3,003	52,719	0.0581
12/31/2022	5,170,000	151,483,866	2,740	55,286	0.0530
12/31/2023	5,180,341	163,416,436	3,068	53,265	0.0592
12/31/2024	5,178,113	177,966,892	3,379	52,669	0.0653

CLAIM COST

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	-0.4%	-0.4%	-23%	-23%
6-points	2.0%	2.1%	74%	74%
9-points	2.5%	2.5%	89%	89%
12-points	1.1%	1.1%	61%	60%

FREQUENCY

	<u>Best Fits (for 12 month intervals)</u>		<u>Correlation Coefficients</u>	
	Straight		Straight	
	<u>Line</u>	<u>Exponential</u>	<u>Line</u>	<u>Exponential</u>
4-points	4.7%	4.7%	71%	70%
6-points	4.9%	4.9%	83%	82%
9-points	4.2%	4.1%	89%	89%
12-points	4.7%	4.9%	95%	95%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - NORTH CAROLINA

BODILY INJURY

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	4,769,057	481,314,920	31,981	15,050	0.6706
Mar-22	4,769,020	511,038,181	33,194	15,395	0.6960
Jun-22	4,762,198	531,333,720	34,087	15,588	0.7158
Sep-22	4,751,884	536,830,859	34,110	15,738	0.7178
Dec-22	4,739,508	535,616,049	33,753	15,869	0.7122
Mar-23	4,724,045	537,604,348	33,662	15,971	0.7126
Jun-23	4,697,735	536,620,476	33,360	16,086	0.7101
Sep-23	4,665,619	537,030,162	33,092	16,228	0.7093
Dec-23	4,631,175	540,414,558	33,271	16,243	0.7184
Mar-24	4,593,548	537,276,003	32,859	16,351	0.7153
Jun-24	4,554,158	542,593,942	32,400	16,747	0.7114
Sep-24	4,500,331	552,275,319	32,503	16,992	0.7222
Dec-24	4,450,951	564,355,316	32,150	17,554	0.7223
Mar-25	4,401,392	570,627,979	31,651	18,029	0.7191
Jun-25	4,351,030	577,189,191	31,489	18,330	0.7237

CLAIM COST

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	9.4%	9.9%	100%	100%
9-points	7.0%	7.1%	96%	97%
12-points	5.5%	5.6%	95%	95%
15-points	5.0%	5.0%	96%	96%

FREQUENCY

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	1.0%	1.0%	73%	73%
9-points	0.9%	0.9%	81%	81%
12-points	0.5%	0.5%	64%	64%
15-points	1.1%	1.2%	69%	68%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - NORTH CAROLINA

PROPERTY DAMAGE

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	4,769,057	524,879,621	109,577	4,790	2.2977
Mar-22	4,769,020	567,692,129	112,666	5,039	2.3625
Jun-22	4,762,198	606,479,506	114,623	5,291	2.4069
Sep-22	4,751,884	639,090,005	115,339	5,541	2.4272
Dec-22	4,739,508	671,946,269	116,169	5,784	2.4511
Mar-23	4,724,045	695,600,553	116,383	5,977	2.4636
Jun-23	4,697,735	713,038,907	115,905	6,152	2.4673
Sep-23	4,665,619	715,434,600	115,006	6,221	2.4650
Dec-23	4,631,175	715,516,357	114,128	6,269	2.4643
Mar-24	4,593,548	715,743,323	113,393	6,312	2.4685
Jun-24	4,554,158	705,185,886	111,675	6,315	2.4522
Sep-24	4,500,331	694,946,582	109,971	6,319	2.4436
Dec-24	4,450,951	674,807,562	107,669	6,267	2.4190
Mar-25	4,401,392	650,348,993	103,466	6,286	2.3508
Jun-25	4,351,030	634,142,846	100,811	6,290	2.3169

CLAIM COST

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-0.5%	-0.5%	-65%	-65%
9-points	0.8%	0.8%	64%	64%
12-points	3.6%	3.8%	80%	80%
15-points	6.9%	7.4%	88%	87%

FREQUENCY

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-5.2%	-5.1%	-95%	-95%
9-points	-2.9%	-2.9%	-86%	-86%
12-points	-1.5%	-1.5%	-66%	-66%
15-points	0.1%	0.1%	6%	6%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - NORTH CAROLINA

COMPREHENSIVE

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	3,808,932	313,658,485	201,822	1,554	5.2987
Mar-22	3,817,930	341,236,666	208,903	1,633	5.4716
Jun-22	3,822,895	358,531,670	211,466	1,695	5.5316
Sep-22	3,824,814	369,508,544	212,583	1,738	5.5580
Dec-22	3,824,141	385,165,529	213,106	1,807	5.5727
Mar-23	3,819,464	395,264,195	212,133	1,863	5.5540
Jun-23	3,804,315	404,686,268	210,015	1,927	5.5204
Sep-23	3,782,320	427,299,708	213,108	2,005	5.6343
Dec-23	3,756,824	437,944,037	214,127	2,045	5.6997
Mar-24	3,726,988	448,064,087	212,722	2,106	5.7076
Jun-24	3,694,134	443,673,710	210,796	2,105	5.7062
Sep-24	3,648,172	425,921,827	204,490	2,083	5.6053
Dec-24	3,604,813	471,609,895	205,584	2,294	5.7030
Mar-25	3,562,747	459,487,737	203,993	2,252	5.7257
Jun-25	3,521,372	472,945,200	206,001	2,296	5.8500

CLAIM COST

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	8.4%	8.7%	84%	84%
9-points	8.5%	8.8%	94%	94%
12-points	9.8%	10.4%	97%	97%
15-points	10.9%	11.6%	99%	98%

FREQUENCY

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	1.7%	1.7%	59%	59%
9-points	1.8%	1.8%	75%	75%
12-points	1.6%	1.6%	83%	83%
15-points	1.9%	1.9%	88%	88%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - NORTH CAROLINA

COLLISION

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	3,578,067	762,610,800	171,183	4,455	4.7842
Mar-22	3,589,913	836,482,475	176,325	4,744	4.9117
Jun-22	3,597,670	881,803,328	178,399	4,943	4.9587
Sep-22	3,602,324	898,098,324	177,919	5,048	4.9390
Dec-22	3,604,155	920,298,918	176,872	5,203	4.9074
Mar-23	3,602,090	926,169,299	176,465	5,248	4.8990
Jun-23	3,589,992	941,104,693	174,650	5,389	4.8649
Sep-23	3,570,809	940,072,400	173,619	5,415	4.8622
Dec-23	3,547,553	919,404,808	171,817	5,351	4.8433
Mar-24	3,519,272	904,773,819	168,237	5,378	4.7804
Jun-24	3,487,143	868,911,404	163,527	5,314	4.6894
Sep-24	3,442,144	825,309,226	157,117	5,253	4.5645
Dec-24	3,399,314	800,647,035	152,184	5,261	4.4769
Mar-25	3,358,224	767,452,981	145,976	5,257	4.3468
Jun-25	3,318,217	740,461,421	142,035	5,213	4.2805

CLAIM COST

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-2.1%	-2.1%	-91%	-91%
9-points	-1.9%	-1.8%	-94%	-94%
12-points	0.4%	0.4%	18%	19%
15-points	3.2%	3.3%	68%	68%

FREQUENCY

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-9.1%	-8.7%	-100%	-100%
9-points	-6.9%	-6.8%	-97%	-97%
12-points	-5.2%	-5.1%	-94%	-94%
15-points	-3.5%	-3.5%	-85%	-85%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - COUNTRYWIDE

BODILY INJURY

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	EARNED EXPOSURES	PAID LOSSES	PAID CLAIMS	=(2)/(3) PAID CLAIM COST	=(3)/(1) x 100 PAID CLAIM FREQ
Dec-21	106,612,662	15,644,786,741	692,504	22,592	0.6496
Mar-22	106,761,750	16,409,161,614	710,729	23,088	0.6657
Jun-22	106,786,601	17,071,233,690	727,107	23,478	0.6809
Sep-22	106,739,810	17,502,317,354	738,324	23,705	0.6917
Dec-22	106,569,161	17,879,005,659	744,963	24,000	0.6990
Mar-23	106,207,906	18,270,106,648	753,122	24,259	0.7091
Jun-23	105,549,399	18,502,130,099	755,401	24,493	0.7157
Sep-23	104,797,973	18,772,146,463	753,862	24,901	0.7193
Dec-23	103,922,525	19,175,773,890	757,819	25,304	0.7292
Mar-24	103,265,279	19,674,092,292	759,150	25,916	0.7351
Jun-24	102,592,670	20,221,399,662	764,582	26,448	0.7453
Sep-24	101,795,456	20,889,923,724	775,579	26,935	0.7619
Dec-24	101,019,763	21,715,240,830	784,474	27,681	0.7766
Mar-25	99,981,602	22,118,908,378	785,914	28,144	0.7861
Jun-25	98,986,712	22,695,215,815	788,221	28,793	0.7963

CLAIM COST

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	8.5%	8.8%	100%	100%
9-points	8.3%	8.6%	100%	100%
12-points	7.3%	7.5%	99%	99%
15-points	6.8%	6.9%	99%	99%

FREQUENCY

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	6.6%	6.8%	100%	99%
9-points	5.8%	5.9%	99%	99%
12-points	5.2%	5.3%	99%	99%
15-points	5.4%	5.5%	99%	99%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - COUNTRYWIDE

PROPERTY DAMAGE

YEAR <u>ENDED</u>	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	148,972,631	16,820,020,563	3,490,358	4,819	2.3430
Mar-22	149,326,363	18,297,042,167	3,637,055	5,031	2.4356
Jun-22	149,466,460	19,802,805,751	3,753,279	5,276	2.5111
Sep-22	149,462,532	21,134,532,560	3,838,446	5,506	2.5682
Dec-22	149,280,662	22,365,508,982	3,894,110	5,743	2.6086
Mar-23	148,817,426	23,255,607,715	3,912,510	5,944	2.6291
Jun-23	147,942,586	23,807,908,991	3,900,988	6,103	2.6368
Sep-23	146,944,546	23,934,303,505	3,848,220	6,220	2.6188
Dec-23	145,782,754	23,986,160,251	3,819,508	6,280	2.6200
Mar-24	144,916,927	23,954,852,870	3,789,989	6,321	2.6153
Jun-24	143,998,319	23,866,382,424	3,760,782	6,346	2.6117
Sep-24	142,840,397	23,728,625,833	3,734,126	6,355	2.6142
Dec-24	141,718,835	23,370,394,372	3,680,302	6,350	2.5969
Mar-25	140,245,317	22,838,814,177	3,577,182	6,385	2.5507
Jun-25	138,816,620	22,274,638,492	3,477,232	6,406	2.5049

CLAIM COST

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	1.0%	1.0%	95%	95%
9-points	2.0%	2.0%	91%	90%
12-points	4.6%	4.8%	88%	88%
15-points	7.5%	8.0%	91%	90%

FREQUENCY

Best Fits (for 12 month intervals)

Correlation Coefficients

	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-3.3%	-3.3%	-89%	-89%
9-points	-2.0%	-2.0%	-85%	-85%
12-points	-0.9%	-0.9%	-52%	-52%
15-points	1.3%	1.4%	46%	46%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - COUNTRYWIDE

COMPREHENSIVE

<u>YEAR ENDED</u>	(1) <u>EARNED EXPOSURES</u>	(2) <u>PAID LOSSES</u>	(3) <u>PAID CLAIMS</u>	(4) <u>=(2)/(3) PAID CLAIM COST</u>	(5) <u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	126,344,446	14,125,334,864	7,394,115	1,910	5.8523
Mar-22	126,841,073	14,998,846,393	7,589,244	1,976	5.9833
Jun-22	127,161,997	15,600,530,418	7,707,861	2,024	6.0615
Sep-22	127,380,098	15,775,463,455	7,771,854	2,030	6.1013
Dec-22	127,475,244	17,077,307,781	7,862,078	2,172	6.1675
Mar-23	127,360,789	18,078,294,101	7,946,581	2,275	6.2394
Jun-23	126,904,586	19,155,324,545	8,042,235	2,382	6.3372
Sep-23	126,274,537	20,437,121,513	8,146,041	2,509	6.4511
Dec-23	125,430,244	20,135,795,814	8,070,577	2,495	6.4343
Mar-24	124,712,182	20,075,647,031	7,979,827	2,516	6.3986
Jun-24	123,864,621	19,905,254,698	7,815,679	2,547	6.3099
Sep-24	122,790,513	19,298,494,659	7,625,012	2,531	6.2098
Dec-24	121,688,756	19,330,801,127	7,500,169	2,577	6.1634
Mar-25	120,296,247	18,665,419,695	7,243,599	2,577	6.0215
Jun-25	118,960,124	18,004,854,138	7,008,167	2,569	5.8912

CLAIM COST

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT	EXPONENTIAL	STRAIGHT	EXPONENTIAL
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	1.8%	1.8%	83%	83%
9-points	3.0%	3.1%	85%	85%
12-points	7.2%	7.8%	88%	87%
15-points	9.1%	9.7%	94%	93%

FREQUENCY

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT	EXPONENTIAL	STRAIGHT	EXPONENTIAL
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-6.4%	-6.2%	-99%	-99%
9-points	-4.0%	-4.0%	-90%	-90%
12-points	-1.2%	-1.2%	-39%	-39%
15-points	0.5%	0.5%	19%	19%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
FAST TRACK - COUNTRYWIDE

COLLISION

YEAR ENDED	(1)	(2)	(3)	(4)	(5)
	<u>EARNED EXPOSURES</u>	<u>PAID LOSSES</u>	<u>PAID CLAIMS</u>	<u>=(2)/(3) PAID CLAIM COST</u>	<u>=(3)/(1) x 100 PAID CLAIM FREQ</u>
Dec-21	120,216,379	29,869,354,071	6,173,843	4,838	5.1356
Mar-22	120,866,148	33,115,337,587	6,417,350	5,160	5.3095
Jun-22	121,370,112	35,306,802,419	6,542,779	5,396	5.3908
Sep-22	121,765,495	36,290,630,121	6,566,675	5,526	5.3929
Dec-22	122,020,962	37,172,203,699	6,565,314	5,662	5.3805
Mar-23	122,039,416	37,709,156,437	6,584,593	5,727	5.3955
Jun-23	121,694,845	37,860,701,466	6,551,377	5,779	5.3834
Sep-23	121,169,431	37,732,249,736	6,500,659	5,804	5.3649
Dec-23	120,450,546	37,213,467,644	6,434,241	5,784	5.3418
Mar-24	119,877,654	36,410,457,060	6,326,570	5,755	5.2775
Jun-24	119,247,061	35,256,183,900	6,176,156	5,708	5.1793
Sep-24	118,406,517	34,183,096,659	6,032,850	5,666	5.0950
Dec-24	117,536,892	33,162,199,826	5,892,512	5,628	5.0133
Mar-25	116,312,565	31,945,402,952	5,673,734	5,630	4.8780
Jun-25	115,087,552	30,971,413,348	5,508,482	5,622	4.7863

CLAIM COST

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-1.9%	-1.9%	-94%	-94%
9-points	-1.8%	-1.8%	-96%	-96%
12-points	-0.2%	-0.2%	-12%	-12%
15-points	2.6%	2.8%	62%	62%

FREQUENCY

	Best Fits (for 12 month intervals)		Correlation Coefficients	
	STRAIGHT		STRAIGHT	
	<u>LINE</u>	<u>EXPONENTIAL</u>	<u>LINE</u>	<u>EXPONENTIAL</u>
6-points	-7.8%	-7.5%	-100%	-100%
9-points	-6.0%	-5.9%	-98%	-98%
12-points	-4.3%	-4.2%	-93%	-92%
15-points	-2.5%	-2.5%	-72%	-72%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

BODILY INJURY

Voluntary and Ceded Combined

Bodily Injury Total Limits Incurred Losses (A) as of					
Accident	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
Year					
2011					821,035,146
2012				829,183,979	829,247,603
2013			823,606,963	830,776,045	831,041,201
2014		824,010,768	843,963,491	854,080,792	855,347,231
2015	810,170,619	893,472,461	927,185,682	934,047,917	934,963,613
2016	873,185,589	964,085,454	994,763,384	1,002,831,167	1,008,257,409
2017	842,233,368	937,896,036	967,659,782	982,160,685	981,787,672
2018	826,188,078	935,767,785	962,247,919	978,942,890	981,170,809
2019	869,981,940	973,248,942	1,020,570,659	1,029,334,621	1,046,043,724
2020	730,163,406	848,824,468	890,288,510	913,733,496	921,046,391
2021	833,604,115	985,770,726	1,041,991,903	1,056,292,805	
2022	786,557,621	946,602,046	988,740,001		
2023	893,492,900	1,056,389,691			
2024	967,525,612				

Link Ratios				
Accident	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Year				
2012				1.000
2013			1.009	1.000
2014		1.024	1.012	1.001
2015	1.103	1.038	1.007	1.001
2016	1.104	1.032	1.008	1.005
2017	1.114	1.032	1.015	1.000
2018	1.133	1.028	1.017	1.002
2019	1.119	1.049	1.009	1.016
2020	1.163	1.049	1.026	1.008
2021	1.183	1.057	1.014	
2022	1.203	1.045		
2023	1.182			
5-Year				
Average	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
	1.170	1.046	1.016	1.006
3-Year				
Average	1.189	1.05	1.016	1.009

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

PROPERTY DAMAGE

Voluntary and Ceded Combined

Accident	Property Damage Total Limits Incurred Losses (A) as of				
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2011					642,042,165
2012				679,160,845	679,064,830
2013			720,693,872	721,060,440	721,050,475
2014		771,956,718	774,338,590	775,090,826	774,804,431
2015	835,697,530	867,811,745	870,763,151	871,849,406	870,047,809
2016	917,595,695	956,268,680	960,603,932	959,609,415	961,913,022
2017	946,840,760	981,256,188	982,879,581	987,090,195	986,913,114
2018	971,332,877	1,015,730,687	1,024,431,568	1,025,208,839	1,025,471,985
2019	1,056,933,540	1,102,619,639	1,107,497,656	1,108,784,888	1,111,905,444
2020	854,435,966	892,243,942	889,995,523	902,944,671	898,110,170
2021	1,076,646,254	1,169,250,578	1,189,975,606	1,188,485,020	
2022	1,170,566,466	1,242,749,836	1,249,751,760		
2023	1,282,675,783	1,352,371,676			
2024	1,265,026,816				

Accident	Link Ratios			
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2012				1.000
2013			1.001	1.000
2014		1.003	1.001	1.000
2015	1.038	1.003	1.001	0.998
2016	1.042	1.005	0.999	1.002
2017	1.036	1.002	1.004	1.000
2018	1.046	1.009	1.001	1.000
2019	1.043	1.004	1.001	1.003
2020	1.044	0.997	1.015	0.995
2021	1.086	1.018	0.999	
2022	1.062	1.006		
2023	1.054			
5-Year Average	<u>15 to 27</u> 1.058	<u>27 to 39</u> 1.007	<u>39 to 51</u> 1.004	<u>51 to 63</u> 1.000
3-Year Average	1.067	1.007	1.005	0.999

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

MEDICAL PAYMENTS

Voluntary and Ceded Combined

Accident	Medical Payments Total Limits Incurred Losses (A) as of				
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2011					98,115,360
2012				98,910,915	98,689,925
2013			97,860,162	97,858,080	98,046,357
2014		95,512,681	96,851,396	97,650,027	97,727,825
2015	95,948,353	100,420,856	102,971,324	103,648,834	103,718,138
2016	102,264,187	106,966,826	108,894,516	109,495,909	109,672,412
2017	99,064,485	102,156,647	103,650,319	104,529,756	104,591,730
2018	93,139,589	96,990,413	98,599,118	99,556,349	99,614,224
2019	92,638,083	96,370,579	98,332,014	98,784,049	99,152,434
2020	73,159,118	75,639,922	76,182,382	77,507,259	77,611,854
2021	77,775,783	80,442,308	81,963,307	82,458,432	
2022	65,280,530	66,218,157	67,373,003		
2023	71,110,835	74,547,239			
2024	66,040,713				

Accident	Link Ratios			
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2012				0.998
2013			1.000	1.002
2014		1.014	1.008	1.001
2015	1.047	1.025	1.007	1.001
2016	1.046	1.018	1.006	1.002
2017	1.031	1.015	1.008	1.001
2018	1.041	1.017	1.010	1.001
2019	1.040	1.020	1.005	1.004
2020	1.034	1.007	1.017	1.001
2021	1.034	1.019	1.006	
2022	1.014	1.017		
2023	1.048			
5-Year Average	<u>15 to 27</u> 1.034	<u>27 to 39</u> 1.016	<u>39 to 51</u> 1.009	<u>51 to 63</u> 1.002
3-Year Average	1.032	1.014	1.009	1.002

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

BODILY INJURY

Voluntary and Ceded Combined

Bodily Injury Basic Limits Incurred Losses (A) as of					
Accident	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
Year					
2011					679,001,826
2012				682,100,471	683,645,062
2013			679,850,899	688,465,873	686,687,252
2014		685,511,442	699,316,996	703,227,016	707,826,806
2015	696,388,761	744,161,515	764,655,824	767,752,936	768,941,328
2016	746,254,527	803,385,854	820,194,385	823,929,639	827,312,520
2017	720,842,437	779,117,099	794,316,931	803,129,554	805,729,596
2018	703,666,187	773,432,181	790,078,522	802,226,196	803,223,831
2019	738,594,513	806,534,395	832,567,186	835,110,265	847,054,246
2020	615,036,523	691,351,492	714,587,402	727,625,939	727,798,658
2021	697,214,027	801,548,607	833,228,573	837,754,325	
2022	660,887,810	761,644,525	782,536,217		
2023	746,993,493	845,872,073			
2024	800,813,887				

Link Ratios				
Accident	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Year				
2012				1.002
2013			1.013	0.997
2014		1.020	1.006	1.007
2015	1.069	1.028	1.004	1.002
2016	1.077	1.021	1.005	1.004
2017	1.081	1.020	1.011	1.003
2018	1.099	1.022	1.015	1.001
2019	1.092	1.032	1.003	1.014
2020	1.124	1.034	1.018	1.000
2021	1.150	1.040	1.005	
2022	1.152	1.027		
2023	1.132			
5-Year				
Average	1.130	1.031	1.010	1.004
3-Year				
Average	1.145	1.034	1.009	1.005

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

PROPERTY DAMAGE

Voluntary and Ceded Combined

Property Damage Basic Limits Incurred Losses (A) as of					
Accident	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
Year					
2011					636,935,467
2012				672,672,573	672,828,719
2013			713,953,296	714,435,768	714,454,874
2014		763,487,631	765,503,500	766,476,520	766,429,387
2015	825,271,105	856,359,697	859,583,993	860,538,054	858,733,663
2016	905,529,154	943,611,862	947,762,013	946,401,199	948,761,500
2017	933,429,513	966,862,089	968,399,526	972,189,159	972,084,969
2018	956,716,106	999,951,129	1,008,146,264	1,008,799,481	1,009,298,057
2019	1,040,291,321	1,084,323,589	1,088,961,743	1,089,951,441	1,092,650,825
2020	838,824,118	875,911,198	873,044,072	885,041,591	880,319,742
2021	1,050,868,528	1,137,371,610	1,156,794,475	1,154,071,093	
2022	1,129,292,683	1,197,090,489	1,202,312,333		
2023	1,240,320,869	1,305,368,717			
2024	1,228,087,123				

Link Ratios				
Accident	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Year				
2012				1.000
2013			1.001	1.000
2014		1.003	1.001	1.000
2015	1.038	1.004	1.001	0.998
2016	1.042	1.004	0.999	1.002
2017	1.036	1.002	1.004	1.000
2018	1.045	1.008	1.001	1.000
2019	1.042	1.004	1.001	1.002
2020	1.044	0.997	1.014	0.995
2021	1.082	1.017	0.998	
2022	1.060	1.004		
2023	1.052			
5-Year	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Average	1.056	1.006	1.004	1.000
3-Year				
Average	1.065	1.006	1.004	0.999

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

BODILY INJURY

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

Accident <u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2011					98,767
2012				102,323	102,291
2013			100,801	101,164	101,039
2014		101,370	102,058	102,092	101,936
2015	112,037	112,450	112,782	112,844	112,430
2016	115,451	114,803	114,710	114,536	114,483
2017	106,244	104,863	105,037	105,231	105,258
2018	99,714	99,072	99,465	99,900	99,605
2019	101,155	100,519	100,809	100,981	101,028
2020	82,743	81,714	81,441	82,200	81,786
2021	88,189	87,988	88,129	87,987	
2022	80,671	78,938	78,655		
2023	85,237	84,678			
2024	85,824				

Link Ratios

Accident <u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2012				1.000
2013			1.004	0.999
2014		1.007	1.000	0.998
2015	1.004	1.003	1.001	0.996
2016	0.994	0.999	0.998	1.000
2017	0.987	1.002	1.002	1.000
2018	0.994	1.004	1.004	0.997
2019	0.994	1.003	1.002	1.000
2020	0.988	0.997	1.009	0.995
2021	0.998	1.002	0.998	
2022	0.979	0.996		
2023	0.993			
5-Year Average	<u>15 to 27</u> 0.990	<u>27 to 39</u> 1.000	<u>39 to 51</u> 1.003	<u>51 to 63</u> 0.998
3-Year Average	0.99	0.998	1.003	0.997

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

PROPERTY DAMAGE

Voluntary and Ceded Combined

Property Damage Incurred Claims as of

Accident					
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2011					246,577
2012				253,891	253,879
2013			253,124	253,217	253,223
2014		258,699	259,204	259,288	259,219
2015	275,692	281,473	281,894	281,974	281,499
2016	287,326	291,784	292,458	291,953	293,352
2017	276,679	281,213	281,114	282,768	281,441
2018	269,105	274,155	275,953	276,264	276,086
2019	274,102	279,505	279,957	280,098	280,854
2020	217,915	221,040	219,310	222,387	221,784
2021	237,595	243,860	247,291	247,052	
2022	219,896	221,164	221,410		
2023	225,188	229,284			
2024	221,312				

Link Ratios

Accident				
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2012				1.000
2013			1.000	1.000
2014		1.002	1.000	1.000
2015	1.021	1.001	1.000	0.998
2016	1.016	1.002	0.998	1.005
2017	1.016	1.000	1.006	0.995
2018	1.019	1.007	1.001	0.999
2019	1.020	1.002	1.001	1.003
2020	1.014	0.992	1.014	0.997
2021	1.026	1.014	0.999	
2022	1.006	1.001		
2023	1.018			
5-Year	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Average	1.017	1.003	1.004	1.000
3-Year				
Average	1.017	1.002	1.005	1.000

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

MEDICAL PAYMENTS

Voluntary and Ceded Combined

Medical Payments Incurred Claims as of

Accident					
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2011					54,761
2012				54,527	54,538
2013			53,018	53,189	53,214
2014		51,548	52,146	52,309	52,320
2015	51,586	54,207	54,931	55,131	55,123
2016	55,321	57,753	58,333	58,485	58,493
2017	51,796	53,642	54,165	54,339	54,362
2018	47,759	49,838	50,332	50,623	50,512
2019	46,649	48,396	48,987	49,063	49,209
2020	37,216	38,320	38,207	38,850	38,789
2021	39,220	40,252	40,931	41,021	
2022	34,009	34,398	34,698		
2023	36,186	37,242			
2024	34,194				

Link Ratios

Accident				
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2012				1.000
2013			1.003	1.000
2014		1.012	1.003	1.000
2015	1.051	1.013	1.004	1.000
2016	1.044	1.010	1.003	1.000
2017	1.036	1.010	1.003	1.000
2018	1.044	1.010	1.006	0.998
2019	1.037	1.012	1.002	1.003
2020	1.030	0.997	1.017	0.998
2021	1.026	1.017	1.002	
2022	1.011	1.009		
2023	1.029			
5-Year	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Average	1.027	1.009	1.006	1.000
3-Year				
Average	1.022	1.008	1.007	1.000

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined

Uninsured Motorists Bodily Injury Total Limits Incurred Losses (A) as of

Accident					
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2013			42,790,601	44,064,436	42,856,707
2014		39,852,172	41,440,067	41,057,268	40,880,373
2015	43,114,850	49,545,130	49,788,808	50,449,098	50,503,115
2016	50,187,250	54,598,670	55,357,415	55,682,449	55,696,555
2017	59,216,888	62,694,056	64,088,447	65,295,983	66,172,063
2018	69,066,743	76,147,813	77,570,356	78,394,061	78,109,250
2019	73,801,336	83,676,464	87,960,698	88,162,551	88,765,697
2020	77,845,285	92,894,854	96,453,325	98,577,903	97,081,575
2021	95,748,158	113,556,001	116,122,035	114,731,148	
2022	84,811,470	99,785,017	104,317,104		
2023	103,504,022	118,195,873			
2024	107,484,010				

Link Ratios

Accident				
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2013			1.030	0.973
2014		1.040	0.991	0.996
2015	1.149	1.005	1.013	1.001
2016	1.088	1.014	1.006	1.000
2017	1.059	1.022	1.019	1.013
2018	1.103	1.019	1.011	0.996
2019	1.134	1.051	1.002	1.007
2020	1.193	1.038	1.022	0.985
2021	1.186	1.023	0.988	
2022	1.177	1.045		
2023	1.142			
5-Year				
Average	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
	1.166	1.035	1.008	1.000
3-Year				
Average	1.168	1.035	1.004	0.996

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNINSURED MOTORISTS PROPERTY DAMAGE

Voluntary and Ceded Combined

Uninsured Motorists Property Damage Total Limits Incurred Losses (A) as of

Accident <u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2013			9,233,329	9,131,699	9,075,803
2014		9,893,426	9,686,580	9,504,738	9,431,891
2015	12,671,513	12,313,034	12,017,963	11,908,159	11,719,982
2016	14,773,364	14,167,281	13,857,930	13,645,626	13,530,714
2017	17,220,241	16,486,598	16,158,992	16,022,862	15,941,974
2018	18,815,996	17,983,729	17,660,074	17,621,975	17,555,351
2019	19,300,960	18,492,177	18,219,102	18,119,145	18,040,247
2020	18,802,044	18,053,579	17,737,511	17,779,617	17,613,978
2021	23,664,792	23,699,870	23,751,646	23,457,078	
2022	26,553,256	25,768,415	25,461,915		
2023	29,590,886	29,019,961			
2024	30,136,047				

Link Ratios

Accident <u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2013			0.989	0.994
2014		0.979	0.981	0.992
2015	0.972	0.976	0.991	0.984
2016	0.959	0.978	0.985	0.992
2017	0.957	0.980	0.992	0.995
2018	0.956	0.982	0.998	0.996
2019	0.958	0.985	0.995	0.996
2020	0.960	0.982	1.002	0.991
2021	1.001	1.002	0.988	
2022	0.970	0.988		
2023	0.981			
5-Year Average	<u>15 to 27</u> 0.974	<u>27 to 39</u> 0.988	<u>39 to 51</u> 0.995	<u>51 to 63</u> 0.994
3-Year Average	0.984	0.991	0.995	0.994

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNDERINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined

Underinsured Motorists Bodily Injury Total Limits Incurred Losses (A) as of

Accident	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
<u>Year</u>					
2013			77,927,626	80,971,235	79,597,833
2014		61,021,239	68,443,875	73,531,964	72,293,014
2015	49,509,530	67,578,350	78,698,144	85,580,844	85,083,473
2016	53,314,671	72,657,073	84,270,802	90,022,478	91,902,232
2017	51,881,053	78,772,635	91,623,289	97,933,289	98,697,727
2018	53,460,556	80,831,454	96,388,534	104,044,660	104,134,213
2019	60,670,672	91,472,702	108,759,255	116,729,140	119,860,736
2020	61,737,275	90,291,532	105,374,933	114,635,287	117,244,381
2021	79,519,235	120,860,681	142,384,787	149,626,825	
2022	75,544,436	114,581,154	130,276,816		
2023	88,009,406	119,389,586			
2024	90,203,631				

Link Ratios

Accident	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
<u>Year</u>				
2013			1.039	0.983
2014		1.122	1.074	0.983
2015	1.365	1.165	1.087	0.994
2016	1.363	1.160	1.068	1.021
2017	1.518	1.163	1.069	1.008
2018	1.512	1.192	1.079	1.001
2019	1.508	1.189	1.073	1.027
2020	1.463	1.167	1.088	1.023
2021	1.520	1.178	1.051	
2022	1.517	1.137		
2023	1.357			
5-Year	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
Average	1.473	1.173	1.072	1.016
3-Year				
Average	1.465	1.161	1.071	1.017

(A) Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined

Uninsured Motorists Bodily Injury Incurred Claims as of

Accident <u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2013			5,100	5,128	5,115
2014		4,906	4,970	4,967	4,960
2015	5,550	5,757	5,738	5,750	5,702
2016	6,335	6,402	6,394	6,350	6,339
2017	6,652	6,588	6,556	6,548	6,572
2018	7,836	7,898	7,896	7,932	7,857
2019	7,777	7,836	7,834	7,836	7,822
2020	7,828	7,945	7,846	7,922	7,846
2021	8,699	8,798	8,831	8,682	
2022	7,760	7,760	7,695		
2023	8,622	8,706			
2024	8,581				

Link Ratios

Accident <u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2013			1.005	0.997
2014		1.013	0.999	0.999
2015	1.037	0.997	1.002	0.992
2016	1.011	0.999	0.993	0.998
2017	0.990	0.995	0.999	1.004
2018	1.008	1.000	1.005	0.991
2019	1.008	1.000	1.000	0.998
2020	1.015	0.988	1.010	0.990
2021	1.011	1.004	0.983	
2022	1.000	0.992		
2023	1.010			
5-Year Average	<u>15 to 27</u> 1.009	<u>27 to 39</u> 0.997	<u>39 to 51</u> 0.999	<u>51 to 63</u> 0.996
3-Year Average	1.007	0.995	0.998	0.993

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNINSURED MOTORISTS PROPERTY DAMAGE

Voluntary and Ceded Combined

Uninsured Motorists Property Damage Incurred Claims as of

Accident					
<u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2013			7,043	7,062	7,074
2014		6,879	6,901	6,915	6,920
2015	7,788	8,062	8,072	8,096	8,036
2016	9,341	9,586	9,627	9,591	9,590
2017	10,709	11,082	11,072	11,070	11,130
2018	12,163	12,440	12,454	12,569	12,509
2019	12,490	12,764	12,858	12,850	12,906
2020	10,901	11,274	11,179	11,339	11,310
2021	12,034	12,656	12,834	12,830	
2022	11,629	11,791	11,784		
2023	12,129	12,562			
2024	12,012				

Link Ratios

Accident				
<u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2013			1.003	1.002
2014		1.003	1.002	1.001
2015	1.035	1.001	1.003	0.993
2016	1.026	1.004	0.996	1.000
2017	1.035	0.999	1.000	1.005
2018	1.023	1.001	1.009	0.995
2019	1.022	1.007	0.999	1.004
2020	1.034	0.992	1.014	0.997
2021	1.052	1.014	1.000	
2022	1.014	0.999		
2023	1.036			
5-Year				
Average	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
	1.032	1.003	1.004	1.000
3-Year				
Average	1.034	1.002	1.004	0.999

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

LOSS DEVELOPMENT

UNDERINSURED MOTORISTS BODILY INJURY

Voluntary and Ceded Combined

Underinsured Motorists Incurred Claims as of

Accident <u>Year</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
2013			1,834	1,909	1,816
2014		1,572	1,757	1,851	1,769
2015	1,336	1,718	1,935	2,004	1,926
2016	1,579	1,946	2,232	2,274	2,233
2017	1,512	2,096	2,327	2,446	2,294
2018	1,665	2,201	2,327	2,463	2,373
2019	1,836	2,222	2,588	2,654	2,621
2020	1,663	2,241	2,466	2,611	2,574
2021	2,065	2,789	3,171	3,213	
2022	2,068	2,757	2,958		
2023	2,351	2,978			
2024	2,441				

Link Ratios

Accident <u>Year</u>	<u>15 to 27</u>	<u>27 to 39</u>	<u>39 to 51</u>	<u>51 to 63</u>
2013			1.041	0.951
2014		1.118	1.054	0.956
2015	1.286	1.126	1.036	0.961
2016	1.232	1.147	1.019	0.982
2017	1.386	1.110	1.051	0.938
2018	1.322	1.057	1.058	0.963
2019	1.210	1.165	1.026	0.988
2020	1.348	1.100	1.059	0.986
2021	1.351	1.137	1.013	
2022	1.333	1.073		
2023	1.267			
5-Year Average	<u>1.302</u>	<u>1.106</u>	<u>1.041</u>	<u>0.971</u>
3-Year Average	1.317	1.103	1.033	0.979

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DERIVATION OF WIND & WATER ADJUSTMENT

Year Ending	(1) Wind & Water Paid Losses (A)(B)	(2) Total Paid Losses (A)(B)	(3) Reported Non-Wind Losses (2)-(1)	(4) Wind to Non-Wind Ratio (1)/(3)	(5) Variation from Ave. Wind Ratio Ave(4)-(4)	(6) Wind and Water Adjustment (3)*(5)
12/1995	\$9,648,334	\$65,189,949	\$55,541,615	0.174	0.046	\$2,554,914
12/1996	49,270,157	121,767,966	72,497,809	0.680	-0.460	-33,348,992
12/1997	8,337,582	74,959,385	66,621,803	0.125	0.095	6,329,071
12/1998	36,582,228	109,433,029	72,850,801	0.502	-0.282	-20,543,926
12/1999	82,839,636	254,543,319	171,703,683	0.482	-0.262	-44,986,365
12/2000	26,900,286	219,752,475	192,852,189	0.139	0.081	15,621,027
12/2001	12,205,306	195,182,807	182,977,501	0.067	0.153	27,995,558
12/2002	19,987,319	207,651,735	187,664,416	0.107	0.113	21,206,079
12/2003	71,165,906	270,447,922	199,282,016	0.357	-0.137	-27,301,636
12/2004	22,627,816	242,377,216	219,749,400	0.103	0.117	25,710,680
12/2005	15,400,792	234,388,376	218,987,584	0.070	0.150	32,848,138
12/2006	35,338,646	273,491,755	238,153,109	0.148	0.072	17,147,024
12/2007	18,082,928	266,769,682	248,686,754	0.073	0.147	36,556,953
12/2008	40,583,664	308,375,011	267,791,347	0.152	0.068	18,209,812
12/2009	26,400,184	283,714,317	257,314,133	0.103	0.117	30,105,754
12/2010	28,265,837	298,598,932	270,333,095	0.105	0.115	31,088,306
12/2011	203,657,338	480,977,217	277,319,879	0.734	-0.514	-142,542,418
12/2012	62,581,368	321,750,613	259,169,245	0.241	-0.021	-5,442,554
12/2013	19,758,670	278,450,013	258,691,343	0.076	0.144	37,251,553
12/2014	37,932,870	302,875,301	264,942,431	0.143	0.077	20,400,567
12/2015	39,044,951	329,490,008	290,445,057	0.134	0.086	24,978,275
12/2016	134,032,466	450,053,876	316,021,410	0.424	-0.204	-64,468,368
12/2017	46,380,142	333,331,249	286,951,107	0.162	0.058	16,643,164
12/2018	113,865,780	432,253,026	318,387,246	0.358	-0.138	-43,937,440
12/2019	96,928,582	495,757,037	398,828,455	0.243	-0.023	-9,173,054
12/2020	67,120,357	463,814,767	396,694,410	0.169	0.051	20,231,415
12/2021	40,390,777	509,836,120	469,445,343	0.086	0.134	62,905,676
12/2022	54,032,977	624,169,551	570,136,574	0.095	0.125	71,267,072
12/2023	68,798,917	750,334,154	681,535,237	0.101	0.119	81,102,693
12/2024	168,902,296	855,126,753	686,224,457	0.246	-0.026	-17,841,836

(7) Normal Wind to Non-Wind Ratio = Ave of Col. (4) = 0.220

(A) Losses are for Full Coverage, \$50, \$100, \$250 and \$500 Deductible Comprehensive for 1995-1996.
Losses are for Full Coverage, \$50, \$100, \$250, \$500 and \$1000 Deductible Comprehensive for 1997-2024.

(B) Data prior to 1999 is for ISO reporting companies only. Data prior to 2004 excludes Non-Standard Business.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF INCURRED-TO-PAID FACTOR
FOR PHYSICAL DAMAGE COVERAGES

<u>Year</u>	(1) Incurred Losses (A)	(2) Paid Losses (A)	(3) Incurred to Paid Factor (1) / (2)
2022	2,631,027,809	2,546,754,393	1.033
2023	2,787,997,753	2,747,236,812	1.015
2024	2,764,186,243	2,764,838,533	1.000

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

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

MODEL YEAR TREND

<u>Model Year Relativity Underlying Rate Provisions At Current Manual Level</u>					
Model Year	Vehicle Age Group	<u>Comprehensive</u>		<u>Collision</u>	
		Year-ended 12/31/2024	Model Year	Year-ended 12/31/2024	Model Year
		<u>Age Distribution</u>	<u>Relativity</u>	<u>Age Distribution</u>	<u>Relativity</u>
2025	1	0.047	1.00	0.050	1.00
2024	2	0.044	0.97	0.046	0.93
2023	3	0.044	0.93	0.047	0.87
2022	4	0.055	0.89	0.058	0.81
2021	5	0.057	0.86	0.060	0.75
2020	6	0.068	0.82	0.071	0.70
2019	7	0.068	0.78	0.072	0.66
2018	8	0.072	0.74	0.076	0.61
2017	9	0.068	0.71	0.071	0.57
2016 & prior	10 & Older	0.477	0.65	0.449	0.47
	(1) Average		0.749		0.621

<u>Average Relativity For the Year Starting October 1, 2025 (Introduction of 2026 Model Year)</u>					
Model Year	Vehicle Age Group	<u>Comprehensive</u>		<u>Collision</u>	
		Year-ended 12/31/2026	Model Year	Year-ended 12/31/2026	Model Year
		<u>Age Distribution</u>	<u>Relativity</u>	<u>Age Distribution</u>	<u>Relativity</u>
2026		0.042	1.03	0.046	1.07
2025		0.040	1.00	0.043	1.00
2024		0.046	0.97	0.050	0.93
2023		0.050	0.93	0.053	0.87
2022		0.050	0.89	0.053	0.81
2021		0.058	0.86	0.061	0.75
2020		0.058	0.82	0.061	0.70
2019		0.067	0.78	0.071	0.66
2018		0.065	0.74	0.070	0.61
2017		0.068	0.71	0.072	0.57
2016 & prior		0.456	0.65	0.420	0.47
	(2) Average		0.761		0.644

<u>Average Relativity For the Year Starting October 1, 2026 (Introduction of 2027 Model Year)</u>					
Model Year	Vehicle Age Group	<u>Comprehensive</u>		<u>Collision</u>	
		Year-ended 12/31/2027	Model Year	Year-ended 12/31/2027	Model Year
		<u>Age Distribution</u>	<u>Relativity</u>	<u>Age Distribution</u>	<u>Relativity</u>
2027		0.043	1.05	0.047	1.11
2026		0.038	1.03	0.042	1.07
2025		0.041	1.00	0.045	1.00
2024		0.048	0.97	0.051	0.93
2023		0.052	0.93	0.055	0.87
2022		0.049	0.89	0.051	0.81
2021		0.057	0.86	0.061	0.75
2020		0.055	0.82	0.058	0.70
2019		0.064	0.78	0.069	0.66
2018		0.061	0.74	0.065	0.61
2017		0.063	0.71	0.068	0.57
2016 & prior		0.429	0.65	0.388	0.47
	(3) Average		0.777		0.671

	<u>Comprehensive</u>	<u>Collision</u>
(4) Months from 10/01/2026 effective date to 10/1/2026	0	0
(5) Projected avg. relativity: [(2) x (4) + (3) x (12 - (4))] ÷ 12	0.777	0.671
(6) Model year trend factor: (5) ÷ (1)	1.037	1.081

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF SYMBOL TREND FACTORS

A. Average Symbol Relativity of Experience Period:

Year ended	<u>Comprehensive</u>	<u>Collision</u>
06/30/2024	2.468	1.596

B. Summary of Average Symbol Relativities by year-ended quarter for determining symbol trend for the prospective effective date.

Year ended	<u>Comprehensive</u>	<u>Collision</u>
09/30/2026	2.660	1.649
12/31/2026	2.684	1.655
03/31/2027	2.709	1.661
06/30/2027	2.707	1.660
09/30/2027	2.728	1.666
12/31/2027	2.751	1.671
03/31/2028	2.773	1.676
06/30/2028	2.789	1.679
09/30/2028	2.813	1.685
12/31/2028	2.837	1.691

C. Proposed Projection Date: 7/21/2027

D. Number of months to next year ended quarter (in B above): 2.30

E. Average Symbol Relativity as of prior year ended quarter:

<u>Year ended</u>	<u>Comprehensive</u>	<u>Collision</u>
06/30/2027	2.707	1.660

F. Average Symbol Relativity as of next year ended quarter:

<u>Year ended</u>	<u>Comprehensive</u>	<u>Collision</u>
09/30/2027	2.728	1.666

G. Average Symbol Relativity as of Projection Date (Date in C above):

$$(D/3)(E) + ((3-D)/3)(F) = \text{Av. Sym. Rel.}$$

Comprehensive:	$(2.3 / 3) \times 2.707 + (0.7 / 3) \times 2.728 =$	2.712
Collision:	$(2.3 / 3) \times 1.66 + (0.7 / 3) \times 1.666 =$	1.661

H. Symbol Trend Factors:

(G)/(A)

<u>Year-Ended</u>	Comprehensive:	2.712 / 2.468 =	1.099
12/31/2024	Collision:	1.661 / 1.596 =	1.040

I. Annualized

Trend	$(H) \wedge (1 / 3.06)$	<u>Year-Ended</u>	Comprehensive:	3.1%
		12/31/2024	Collision:	1.3%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF AVERAGE INCREASED LIMIT FACTORS

LIABILITY

Bodily Injury - Voluntary and Ceded Combined

	(1)	(2)	(3)	(4)	(5)	
	Written	Prior	(1) x (2)	Current (B)	(3) x (4)	
Limit of Liability	Premium	Increased Limit Factor	30/60 Premium	Increased Limit Factor	Total Limits Premium	
Year Ending 12/31/2024	30/60	475,362,142	1.00	475,362,142	1.00	475,362,142
	50/100	387,587,703	1.23	315,111,954	1.21	381,285,464
	100/100	2,237,012	1.39	1,609,361	1.43	2,301,386
	100/200	5,171,991	1.49	3,471,135	1.49	5,171,991
	100/300	536,796,688	1.50	357,864,459	1.51	540,375,333
	250/500	199,623,802	1.83	109,084,045	1.93	210,532,207
	300/300	33,457,768	1.78	18,796,499	1.98	37,217,068
	500/500	6,825,242	1.95	3,500,124	2.26	7,910,280
	500/1000	1,807,230	2.07	873,058	2.30	2,008,033
	1000/1000	4,689,981	2.20	2,131,810	2.63	5,606,660
	1000/2000	151,975	2.28	66,656	2.66	177,305
	All Other	5,916,403	1.284	4,607,790	1.295	5,967,088
	Total	1,659,627,937	1.284	1,292,479,033	1.295	1,673,914,957

	(1)	(2)	(3)	(4)	(5)	
	Written	Prior (A)	(1) x (2)	Current (B)	(3) x (4)	
Limit of Liability	Premium	Increased Limit Factor	30/60 Premium	Increased Limit Factor	Total Limits Premium	
Year Ending 12/31/2023	30/60	420,734,058	1.000	420,734,058	1.00	420,734,058
	50/100	334,091,270	1.184	282,171,681	1.21	341,427,734
	100/100	2,111,833	1.317	1,603,518	1.43	2,293,031
	100/200	4,471,603	1.398	3,198,572	1.49	4,765,872
	100/300	458,201,216	1.408	325,427,000	1.51	491,394,770
	250/500	158,312,499	1.674	94,571,385	1.93	182,522,773
	300/300	31,916,299	1.633	19,544,580	1.98	38,698,268
	500/500	6,239,992	1.776	3,513,509	2.26	7,940,530
	500/1000	1,561,384	1.868	835,859	2.30	1,922,476
	1000/1000	3,776,453	1.980	1,907,300	2.63	5,016,199
	1000/2000	144,602	2.042	70,814	2.66	188,365
	All Other	5,354,353	1.232	4,346,066	1.298	5,641,194
	Total	1,426,915,563	1.232	1,157,924,342	1.298	1,502,545,270

	(1)	(2)	(3)	(4)	(5)	
	Written	Prior	(1) x (2)	Current (B)	(3) x (4)	
Limit of Liability	Premium	Increased Limit Factor	30/60 Premium	Increased Limit Factor	Total Limits Premium	
Year Ending 12/31/2022	30/60	406,394,091	1.00	406,394,091	1.00	406,394,091
	50/100	323,643,736	1.18	274,274,353	1.21	331,871,967
	100/100	2,042,499	1.31	1,559,160	1.43	2,229,599
	100/200	4,250,294	1.39	3,057,765	1.49	4,556,070
	100/300	430,407,819	1.40	307,434,156	1.51	464,225,576
	250/500	148,415,110	1.66	89,406,693	1.93	172,554,917
	300/300	33,133,044	1.62	20,452,496	1.98	40,495,942
	500/500	5,017,646	1.76	2,850,935	2.26	6,443,113
	500/1000	1,697,865	1.85	917,765	2.30	2,110,860
	1000/1000	3,182,594	1.96	1,623,772	2.63	4,270,520
	1000/2000	169,697	2.02	84,008	2.66	223,461
	All Other	4,824,922	1.226	3,935,499	1.295	5,096,471
	Total	1,363,179,317	1.226	1,111,990,693	1.295	1,440,472,587

(A) Prior ILF for 2023 represents a weighted average of the factors effective 12/1/2023 and those effective previously.

(B) Current ILF represent those factors effective 7/1/2025 indexed to a 30/60 base limit.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF AVERAGE INCREASED LIMIT FACTORS

LIABILITY

Property Damage - Voluntary and Ceded Combined

	(1)	(2)	(3)	(4)	(5)	
	Limit of <u>Liability</u>	Written <u>Premium</u>	Prior Increased <u>Limit Factor</u>	(1) x (2) 30/60 <u>Premium</u>	Current (B) Increased <u>Limit Factor</u>	(3) x (4) Total Limits <u>Premium</u>
Year Ending	25,000	565,659,024	1.000	565,659,024	1.000	565,659,024
12/31/2024	35,000	449,929	1.008	446,358	1.046	466,890
	50,000	761,881,417	1.016	749,883,284	1.091	818,122,663
	100,000	517,523,529	1.048	493,820,161	1.159	572,337,567
	250,000	14,886,643	1.095	13,595,108	1.204	16,368,510
	300,000	428,327	1.115	384,150	1.212	465,590
	500,000	7,162,179	1.182	6,059,373	1.240	7,513,623
	750,000	10,468	1.247	8,395	1.265	10,620
	1,000,000	683,483	1.326	515,447	1.283	661,319
	All Other	1,945,925	1.021	1,905,901	1.083	2,064,091
	Total	1,870,630,924	1.021	1,832,277,201	1.083	1,983,669,897

	(1)	(2)	(3)	(4)	(5)	
	Limit of <u>Liability</u>	Written <u>Premium</u>	Prior (A) Increased <u>Limit Factor</u>	(1) x (2) 30/60 <u>Premium</u>	Current (B) Increased <u>Limit Factor</u>	(3) x (4) Total Limits <u>Premium</u>
Year Ending	25,000	470,141,251	1.000	470,141,251	1.000	470,141,251
12/31/2023	35,000	394,921	1.005	392,956	1.046	<u>411,032</u>
	50,000	627,106,922	1.011	620,283,800	1.091	676,729,626
	100,000	421,474,735	1.032	408,405,751	1.159	473,342,265
	250,000	11,388,310	1.062	10,723,456	1.204	12,911,041
	300,000	421,776	1.075	392,350	1.212	475,528
	500,000	5,507,383	1.119	4,921,701	1.240	6,102,909
	750,000	6,621	1.161	5,703	1.265	7,214
	1,000,000	543,233	1.212	448,212	1.283	575,056
	All Other	1,173,160	1.014	1,156,963	1.082	1,251,834
	Total	1,538,158,312	1.014	1,516,872,143	1.082	1,641,947,756

	(1)	(2)	(3)	(4)	(5)	
	Limit of <u>Liability</u>	Written <u>Premium</u>	Prior Increased <u>Limit Factor</u>	(1) x (2) 30/60 <u>Premium</u>	Current (B) Increased <u>Limit Factor</u>	(3) x (4) Total Limits <u>Premium</u>
Year Ending	25,000	449,348,139	1.000	449,348,139	1.000	449,348,139
12/31/2022	35,000	458,769	1.005	456,487	1.046	477,485
	50,000	600,155,382	1.010	594,213,250	1.091	648,286,656
	100,000	383,772,949	1.030	372,595,096	1.159	<u>431,837,716</u>
	250,000	9,831,777	1.059	9,284,020	1.204	11,177,960
	300,000	387,103	1.071	361,441	1.212	438,066
	500,000	4,714,596	1.113	4,235,935	1.240	5,252,559
	750,000	5,680	1.153	4,926	1.265	6,231
	1,000,000	478,716	1.202	398,266	1.283	510,975
	All Other	1,171,192	1.013	1,156,162	1.081	1,249,811
	Total	1,450,324,303	1.013	1,432,053,722	1.081	1,548,585,598

(A) Prior ILF for 2023 represents a weighted average of the factors effective 12/1/2023 and those effective previously.

(B) Current ILF represent those factors effective 7/1/2025 indexed to a \$25,000 base limit.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF AVERAGE INCREASED LIMIT FACTORS

LIABILITY

Medical Payments - Voluntary and Ceded Combined

		(1)	(2)	(3)	(4)	(5)
	Limit of	Written	Prior	(1) x (2)	Current	(3) x (4)
Year Ending	Liability	Premium	Increased	30/60	Increased	Total Limits
			Limit Factor	Premium	Limit Factor	Premium
12/31/2024	500	2,899,613	1.00	2,899,613	1.00	2,899,613
	750	102,997	1.45	71,032	1.45	102,996
	1,000	32,847,754	1.83	17,949,592	1.83	32,847,753
	2,000	44,911,290	2.98	15,070,903	2.98	44,911,291
	3,000	384,185	3.73	102,999	3.73	384,186
	5,000	27,932,942	4.62	6,046,091	4.62	27,932,940
	10,000	4,559,669	5.74	794,367	5.74	4,559,667
	25,000	422,265	7.25	58,243	7.25	422,262
	50,000	360,960	8.38	43,074	8.38	360,960
	75,000	25,052	8.89	2,818	8.89	25,052
	100,000	153,867	9.12	16,871	9.12	153,864
	All Other	6,053,445	2.662	2,274,021	2.662	6,053,444
	Total	120,654,039	2.662	45,329,624	2.662	120,654,028

		(1)	(2)	(3)	(4)	(5)
	Limit of	Written	Prior	(1) x (2)	Current	(3) x (4)
Year Ending	Liability	Premium	Increased	30/60	Increased	Total Limits
			Limit Factor	Premium	Limit Factor	Premium
12/31/2023	500	2,962,870	1.00	2,962,870	1.00	2,962,870
	750	105,119	1.45	72,496	1.45	105,119
	1,000	34,727,050	1.83	18,976,530	1.83	34,727,050
	2,000	45,517,257	2.98	15,274,247	2.98	45,517,256
	3,000	518,462	3.73	138,998	3.73	518,463
	5,000	29,596,779	4.62	6,406,229	4.62	29,596,778
	10,000	5,057,583	5.74	881,112	5.74	5,057,583
	25,000	514,669	7.25	70,989	7.25	514,670
	50,000	433,517	8.38	51,732	8.38	433,514
	75,000	38,261	8.89	4,304	8.89	38,263
	100,000	164,947	9.12	18,086	9.12	164,944
	All Other	6,889,633	2.667	2,583,289	2.667	6,889,632
	Total	126,526,147	2.667	47,440,882	2.667	126,526,142

		(1)	(2)	(3)	(4)	(5)
	Limit of	Written	Prior	(1) x (2)	Current	(3) x (4)
Year Ending	Liability	Premium	Increased	30/60	Increased	Total Limits
			Limit Factor	Premium	Limit Factor	Premium
12/31/2022	500	2,847,070	1.00	2,847,070	1.00	2,847,070
	750	104,015	1.45	71,734	1.45	104,014
	1,000	34,992,087	1.83	19,121,359	1.83	34,992,087
	2,000	45,360,434	2.98	15,221,622	2.98	45,360,434
	3,000	596,781	3.73	159,995	3.73	596,781
	5,000	29,019,873	4.62	6,281,358	4.62	29,019,874
	10,000	5,331,939	5.74	928,909	5.74	5,331,938
	25,000	539,141	7.25	74,364	7.25	539,139
	50,000	484,322	8.38	57,795	8.38	484,322
	75,000	48,354	8.89	5,439	8.89	48,353
	100,000	166,073	9.12	18,210	9.12	166,075
	All Other	7,497,921	2.668	2,810,315	2.668	7,497,920
	Total	126,988,010	2.668	47,598,170	2.668	126,988,007

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

UNDERWRITING EXPENSE EXPERIENCE

LIABILITY

Voluntary and Ceded Combined

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Commission and Brokerage	296,500,786	289,740,265	292,755,696	314,116,162	338,822,514
Written Premium	3,415,474,605	3,516,437,006	3,708,729,847	4,007,294,341	4,468,345,368
Ratio	0.087	0.082	0.079	0.078	0.076
Other Acquisition Expenses	346,706,647	340,916,455	329,718,469	300,074,845	359,579,539
Earned Premium (Actual)	3,388,495,463	3,495,556,466	3,626,347,451	3,885,443,639	4,365,845,886
Earned Premium (Manual)	4,256,663,342	4,462,986,924	4,512,939,244	4,632,841,166	5,124,330,029
Ratio to Actual Premium	0.102	0.098	0.091	0.077	0.082
Ratio to Manual Premium	0.081	0.076	0.073	0.065	0.070
General Expenses	261,647,379	257,017,858	235,089,880	251,614,014	280,448,164
Earned Premium (Actual)	3,388,495,463	3,495,556,466	3,626,347,451	3,885,443,639	4,365,845,886
Earned Premium (Manual)	4,256,663,342	4,462,986,924	4,512,939,244	4,632,841,166	5,124,330,029
Ratio to Actual Premium	0.077	0.074	0.065	0.065	0.064
Ratio to Manual Premium	0.061	0.058	0.052	0.054	0.055
Taxes, Licenses and Fees	76,676,782	81,767,752	87,759,426	96,645,688	101,601,064
Written Premium	3,415,474,605	3,516,437,006	3,708,729,847	4,007,294,341	4,468,345,368
Ratio	0.022	0.023	0.024	0.024	0.023
<u>Bodily Injury</u>					
Unallocated LAE	174,524,801	157,084,978	162,060,864	167,045,393	169,073,173
Incurred Losses and Allocated LAE	1,214,499,204	1,415,788,358	1,561,976,464	1,777,030,078	1,772,412,987
Ratio	0.144	0.111	0.104	0.094	0.095
<u>Property Damage</u>					
Unallocated LAE	136,426,150	133,065,260	163,882,124	159,157,208	164,206,164
Incurred Losses and Allocated LAE	985,915,037	1,123,460,846	1,480,834,788	1,653,180,068	1,594,178,610
Ratio	0.138	0.118	0.111	0.096	0.103

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

UNDERWRITING EXPENSE EXPERIENCE

PHYSICAL DAMAGE

Standard Physical Damage

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Commission and Brokerage	150,199,556	158,188,128	170,019,296	191,918,760	187,440,597
Written Premium	1,834,569,758	2,021,388,360	2,174,659,018	2,441,461,813	2,527,590,393
Ratio	0.082	0.078	0.078	0.079	0.074
Other Acquisition Expenses	172,549,414	176,375,849	174,237,123	161,602,740	179,179,036
Earned Premium	1,813,797,113	1,974,749,820	2,098,749,741	2,339,207,140	2,502,191,935
Ratio to Actual Premium	0.095	0.089	0.083	0.069	0.072
General Expenses	120,642,308	122,568,937	121,827,484	129,449,576	122,733,777
Earned Premium	1,813,797,113	1,974,749,820	2,098,749,741	2,339,207,140	2,502,191,935
Ratio to Actual Premium	0.067	0.062	0.058	0.055	0.049
Taxes, Licenses and Fees	42,024,271	47,311,882	50,256,419	58,668,651	58,656,491
Written Premium	1,834,569,758	2,021,388,360	2,174,659,018	2,441,461,813	2,527,590,393
Ratio	0.023	0.023	0.023	0.024	0.023

Consent to Rate Physical Damage

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Other Acquisition Expenses	113,943,417	116,061,429	113,342,321	100,913,560	154,206,698
Earned Premium	1,305,834,201	1,379,884,376	1,511,817,953	1,782,997,301	2,224,874,446
Ratio to Actual Premium	0.087	0.084	0.075	0.057	0.069
General Expenses	105,767,444	101,453,095	93,643,952	108,242,418	147,247,608
Earned Premium	1,305,834,201	1,379,884,376	1,511,817,953	1,782,997,301	2,224,874,446
Ratio to Actual Premium	0.081	0.074	0.062	0.061	0.066

Standard and Consent to Rate Physical Damage Combined

All Loss Adjustment Expense	227,630,826	236,939,762	281,223,797	269,466,865	290,060,650
Losses Incurred	1,642,659,080	2,095,179,730	2,579,291,315	2,735,995,947	2,682,914,001
Ratio	0.139	0.113	0.109	0.098	0.108

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

UNDERWRITING EXPENSE EXPERIENCE
FOR MOTORCYCLE INSURANCE

LIABILITY

Voluntary and Ceded Combined

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Commission and Brokerage	3,112,123	3,690,405	3,049,394	3,100,530	3,195,957
Written Premium	43,053,840	45,323,448	43,730,077	43,259,301	45,135,538
Ratio	0.072	0.081	0.070	0.072	0.071
Other Acquisition Expenses	4,838,689	4,666,423	4,123,613	3,653,266	4,318,324
Earned Premium (Actual)	42,160,590	44,207,070	42,919,321	42,278,085	44,625,449
Earned Premium (Manual)	47,701,673	50,941,800	48,386,999	46,295,032	49,176,666
Ratio to Actual Premium	0.115	0.106	0.096	0.086	0.097
Ratio to Manual Premium	0.101	0.092	0.085	0.079	0.088
General Expenses	3,984,162	3,619,740	3,347,707	3,192,358	3,334,386
Earned Premium (Actual)	42,160,590	44,207,070	42,919,321	42,278,085	44,625,449
Earned Premium (Manual)	47,701,673	50,941,800	48,386,999	46,295,032	49,176,666
Ratio to Actual Premium	0.094	0.082	0.078	0.076	0.075
Ratio to Manual Premium	0.084	0.071	0.069	0.069	0.068
Taxes, Licenses and Fees	821,008	1,045,222	967,332	1,223,002	957,121
Written Premium	43,053,840	45,323,448	43,730,077	43,259,301	45,135,538
Ratio	0.019	0.023	0.022	0.028	0.021
Unallocated LAE	2,058,373	1,963,834	1,632,687	2,560,977	2,333,892
Incurred Losses and Allocated LAE	19,913,278	17,168,719	18,981,319	28,156,983	24,637,556
Ratio	0.103	0.114	0.086	0.091	0.095

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF TREND FOR EXPENSES

<u>Month</u>	<u>All Items CPI Index (A)</u>	<u>All Items (Less Energy) CPI Index (B)</u>	<u>Compensation Cost Index (C)</u>
Oct-21	276.6	281.2	
Nov-21	277.9	282.4	147.1
Dec-21	278.8	283.6	
Jan-22	281.1	285.8	
Feb-22	283.7	288.0	150.1
Mar-22	287.5	289.5	
Apr-22	289.1	291.2	
May-22	292.3	293.1	153.4
Jun-22	296.3	295.4	
Jul-22	296.3	296.7	
Aug-22	296.2	298.3	154.4
Sep-22	296.8	299.7	
Oct-22	298.0	300.8	
Nov-22	297.7	301.1	155.1
Dec-22	296.8	301.7	
Jan-23	299.2	303.6	
Feb-23	300.8	305.6	157.8
Mar-23	301.8	306.9	
Apr-23	303.4	308.2	
May-23	304.1	309.3	160.0
Jun-23	305.1	310.1	
Jul-23	305.7	310.6	
Aug-23	307.0	311.3	160.6
Sep-23	307.8	312.0	
Oct-23	307.7	312.6	
Nov-23	307.1	312.7	159.9
Dec-23	306.7	313.0	
Jan-24	308.4	314.8	
Feb-24	310.3	316.4	162.1
Mar-24	312.3	317.8	
Apr-24	313.5	318.7	
May-24	314.1	319.3	165.0
Jun-24	314.2	319.7	
Jul-24	314.5	320.0	
Aug-24	314.8	320.7	164.0
Sep-24	315.3	321.9	
Oct-24	315.7	322.5	
Nov-24	315.5	322.7	164.6
Dec-24	315.6	322.8	
Jan-25	317.7	324.7	
Feb-25	319.1	326.0	168.3
Mar-25	319.8	326.8	
Apr-25	320.8	327.5	
May-25	321.5	328.2	170.7
Jun-25	322.6	329.1	
Jul-25	323.0	329.7	
Aug-25	324.0	330.7	
Sep-25	324.8	331.6	

(A) CPI - All Urban Consumers - All items. Source: Bureau of Labor Statistics.
(Series ID: CUUR0000SA0)

(B) CPI - All Urban Consumers - All items less energy. Source: Bureau of Labor Statistics
(Series ID: CUUR0000SA0LE)

(C) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics (Series ID: CIU2015240000000I)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF TREND FOR EXPENSES

Average Annual Rates of Change

	All Items CPI Index	All Items (Less Energy) CPI Index	Compensation Cost Index	Combined (A)
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	3.66%	4.01%	3.73%	3.78%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	2.98%	3.28%	3.35%	3.24%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	2.89%	3.10%	3.50%	3.25%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	3.48%	3.26%	5.86%	4.62%

(5) Average Annual Index (B)

Year Ended	All Items CPI Index	All Items (Less Energy) CPI Index	Compensation Cost Index
	4/2/2023	296.8	299.5
10/1/2023	302.3	306.8	158.4
3/31/2024	307.1	312.4	160.7
9/30/2024	311.6	317.3	162.8
3/31/2025	315.8	322.2	165.5
9/30/2025	320.0	326.9	167.9

(6) Current Cost Factor (Index Value Divided by Average Annual Index)

Year Ended	All Items CPI Index	All Items (Less Energy) CPI Index	Compensation Cost Index	Combined (A)
	4/2/2023	1.09	1.11	1.10
10/1/2023	1.07	1.08	1.08	1.08
3/31/2024	1.06	1.06	1.06	1.06
9/30/2024	1.04	1.05	1.05	1.05
3/31/2025	1.03	1.03	1.03	1.03
9/30/2025	1.02	1.01	1.02	1.02

(A) Weighted Average determined as .25 (All items) + .25 (All items - Less Energy) + .50 (CCI).

(B) Average year ended index for period shown.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF TREND FOR EXPENSES
Average Annual Rates of Change

All Items Consumer Price Index

	<u>Average Annual Rates of Change</u>			<u>Correlation Coefficients</u>	
	Straight Line			<u>Straight Line</u>	<u>Exponential</u>
	<u>End Point</u>	<u>Mid Point</u>	<u>Exponential</u>		
48 points	3.33%	3.56%	3.66%	0.97	0.97
36 points	2.81%	2.93%	2.98%	0.99	0.99
24 points	2.77%	2.85%	2.89%	0.98	0.98
12 points	3.37%	3.42%	3.48%	0.99	0.99

All Items (Less Energy) Consumer Price Index

	<u>Average Annual Rates of Change</u>			<u>Correlation Coefficients</u>	
	Straight Line			<u>Straight Line</u>	<u>Exponential</u>
	<u>End Point</u>	<u>Mid Point</u>	<u>Exponential</u>		
48 points	3.65%	3.90%	4.01%	0.99	0.98
36 points	3.09%	3.22%	3.28%	1.00	0.99
24 points	2.97%	3.05%	3.10%	0.99	0.99
12 points	3.16%	3.21%	3.26%	0.99	0.99

Compensation Cost Index

	<u>Average Annual Rates of Change</u>			<u>Correlation Coefficients</u>	
	Straight Line			<u>Straight Line</u>	<u>Exponential</u>
	<u>End Point</u>	<u>Mid Point</u>	<u>Exponential</u>		
16 points	3.40%	3.63%	3.73%	-0.27	0.98
12 points	3.15%	3.29%	3.35%	-0.40	0.97
8 points	3.35%	3.45%	3.50%	-0.53	0.94
4 points	5.58%	5.70%	5.86%	-0.76	0.97

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CPI GASOLINE INDEX

<u>Quarter</u>	<u>Index</u>	<u>Annual Percentage Change</u>
2015:3	2.272	-25.0%
2015:4	1.898	-24.1%
2016:1	1.655	-16.6%
2016:2	1.968	-15.4%
2016:3	1.928	-15.1%
2016:4	1.953	2.9%
2017:1	2.042	23.4%
2017:2	2.092	6.3%
2017:3	2.138	10.9%
2017:4	2.199	12.6%
2018:1	2.260	10.7%
2018:2	2.506	19.8%
2018:3	2.519	17.8%
2018:4	2.338	6.3%
2019:1	2.111	-6.6%
2019:2	2.484	-0.9%
2019:3	2.364	-6.2%
2019:4	2.322	-0.7%
2020:1	2.159	2.3%
2020:2	1.743	-29.8%
2020:3	1.949	-17.5%
2020:4	1.915	-17.5%
2021:1	2.256	4.5%
2021:2	2.616	50.1%
2021:3	2.771	42.2%
2021:4	2.918	52.4%
2022:1	3.210	42.3%
2022:2	3.947	50.9%
2022:3	3.582	29.2%
2022:4	3.171	8.7%
2023:1	2.991	-6.8%
2023:2	3.163	-19.9%
2023:3	3.313	-7.5%
2023:4	2.996	-5.5%
2024:1	2.902	-3.0%
2024:2	3.173	0.3%
2024:3	3.001	-9.4%
2024:4	2.753	-8.1%
2025:1	2.770	-4.5%
2025:2	2.834	-10.7%
2025:3	2.831	-5.7%

Source: CPI - All Urban Consumers - Gasoline. Bureau of Labor Statistics.
(Series ID: CUUR0000SETB01)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

RETAIL PRICES OF MOTOR FUEL*

<u>Date</u>	<u>Regular Gasoline</u>	<u>Midgrade Gasoline</u>	<u>Premium Gasoline</u>	<u>Date</u>	<u>Regular Gasoline</u>	<u>Midgrade Gasoline</u>	<u>Premium Gasoline</u>
Jan-21	2.203	2.539	2.845	Jun-23	3.284	3.693	4.031
Feb-21	2.375	2.718	3.020	Jul-23	3.338	3.751	4.090
Mar-21	2.670	3.005	3.309	Aug-23	3.623	4.035	4.376
Apr-21	2.688	3.030	3.336	Sep-23	3.501	3.918	4.266
May-21	2.810	3.160	3.460	Oct-23	3.215	3.651	4.019
Jun-21	2.871	3.228	3.536	Nov-23	2.968	3.416	3.781
Jul-21	2.918	3.274	3.580	Dec-23	2.969	3.416	3.781
Aug-21	2.926	3.284	3.598	Jan-24	2.956	3.409	3.772
Sep-21	2.965	3.323	3.638	Feb-24	3.109	3.548	3.915
Oct-21	3.106	3.468	3.781	Mar-24	3.280	3.712	4.072
Nov-21	3.228	3.595	3.905	Apr-24	3.386	3.813	4.174
Dec-21	3.127	3.503	3.823	May-24	3.385	3.821	4.179
Jan-22	3.120	3.490	3.813	Jun-24	3.259	3.705	4.072
Feb-22	3.372	3.736	4.043	Jul-24	3.325	3.763	4.124
Mar-22	4.052	4.419	4.743	Aug-24	3.213	3.661	4.028
Apr-22	3.876	4.249	4.585	Sep-24	3.021	3.480	3.860
May-22	4.182	4.542	4.867	Oct-24	2.938	3.399	3.765
Jun-22	4.588	4.972	5.298	Nov-24	2.928	3.384	3.751
Jul-22	4.193	4.605	4.957	Dec-24	2.905	3.363	3.730
Aug-22	3.610	4.029	4.378	Jan-25	2.959	3.407	3.767
Sep-22	3.334	3.741	4.086	Feb-25	2.937	3.392	3.755
Oct-22	3.280	3.678	4.013	Mar-25	2.891	3.353	3.716
Nov-22	3.296	3.697	4.037	Apr-25	2.948	3.410	3.775
Dec-22	2.954	3.374	3.724	May-25	2.898	3.360	3.727
Jan-23	3.197	3.601	3.942	Jun-25	2.910	3.380	3.734
Feb-23	3.234	3.646	3.991	Jul-25	2.909	3.375	3.736
Mar-23	3.222	3.626	3.964	Aug-25	2.896	3.369	3.731
Apr-23	3.432	3.830	4.168	Sep-25	2.899	3.380	3.743
May-23	3.321	3.737	4.083	Oct-25	2.826	3.310	3.676

* Data shown is for the LOWER ATLANTIC REGION
Source: U.S. Energy Information Administration, Conventional Areas

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

GROSS VOLUME OF GASOLINE/GASOHOL

		Monthly Gasoline Sales (gallons)	% change from month one year prior	Year Ending Average Monthly Gasoline Sales (gallons)	% change from one year prior
Jan	2021	364,953,670	-11.5%	374,965,859	-11.5%
Feb	2021	251,738,953	-33.0%	364,655,293	-14.0%
Mar	2021	415,861,947	26.3%	371,871,794	-10.5%
April	2021	425,337,419	92.1%	388,865,146	-2.0%
May	2021	533,617,685	84.6%	409,244,738	7.5%
June	2021	415,032,446	-24.0%	398,310,251	0.9%
July	2021	437,363,939	11.5%	402,074,735	3.2%
Aug	2021	493,424,421	18.1%	408,383,746	5.5%
Sep	2021	427,475,972	10.3%	411,696,467	7.1%
Oct	2021	426,247,224	6.8%	413,972,510	8.5%
Nov	2021	428,703,348	10.1%	417,236,846	9.9%
Dec	2021	436,377,770	12.7%	421,344,566	11.2%
Jan	2022	374,914,562	2.7%	422,174,641	12.6%
Feb	2022	380,385,365	51.1%	432,895,175	18.7%
Mar	2022	437,333,205	5.2%	434,684,446	16.9%
April	2022	403,339,755	-5.2%	432,851,308	11.3%
May	2022	452,210,356	-15.3%	426,067,364	4.1%
June	2022	428,257,429	3.2%	427,169,446	7.2%
July	2022	430,928,398	-1.5%	426,633,150	6.1%
Aug	2022	450,113,106	-8.8%	423,023,874	3.6%
Sep	2022	436,988,314	2.2%	423,816,569	2.9%
Oct	2022	434,477,851	1.9%	424,502,455	2.5%
Nov	2022	419,531,821	-2.1%	423,738,161	1.6%
Dec	2022	420,603,541	-3.6%	422,423,642	0.3%
Jan	2023	391,496,516	4.4%	423,805,471	0.4%
Feb	2023	387,580,607	1.9%	424,405,075	-2.0%
Mar	2023	463,837,719	6.1%	426,613,784	-1.9%
April	2023	418,678,856	3.8%	427,892,043	-1.1%
May	2023	454,583,828	0.5%	428,089,832	0.5%
June	2023	456,464,517	6.6%	430,440,423	0.8%
July	2023	446,321,123	3.6%	431,723,150	1.2%
Aug	2023	459,244,608	2.0%	432,484,108	2.2%
Sep	2023	424,649,093	-2.8%	431,455,840	1.8%
Oct	2023	446,100,616	2.7%	432,424,404	1.9%
Nov	2023	404,197,234	-3.7%	431,146,522	1.7%
Dec	2023	463,500,968	10.2%	434,721,307	2.9%
Jan	2024	416,321,203	6.3%	436,790,031	3.1%
Feb	2024	398,850,557	2.9%	437,729,194	3.1%
Mar	2024	465,994,947	0.5%	437,908,963	2.6%
April	2024	434,119,923	-3.7%	439,195,718	2.6%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

GROSS VOLUME OF GASOLINE/GASOHOL

		Monthly Gasoline Sales (gallons)	% change from month one year prior	Year Ending Average Monthly Gasoline Sales (gallons)	% change from one year prior
May	2024	469,627,354	3.3%	440,449,345	2.9%
June	2024	460,825,194	1.0%	440,812,735	2.4%
July	2024	442,743,373	-0.8%	440,514,589	2.0%
Aug	2024	459,975,903	0.2%	440,575,530	1.9%
Sep	2024	441,531,504	4.0%	441,982,398	2.4%
Oct	2024	476,612,617	6.8%	444,525,065	2.8%
Nov	2024	434,400,555	7.5%	447,042,008	3.7%
Dec	2024	511,807,976	10.4%	451,067,592	3.8%
Jan	2025	402,915,679	-3.2%	449,950,465	3.0%
Feb	2025	380,421,080	-4.6%	448,414,675	2.4%
Mar	2025	464,877,659	-0.2%	448,321,568	2.4%
April	2025	448,647,897	3.3%	449,532,233	2.4%
May	2025	467,519,779	-0.4%	449,356,601	2.0%
June	2025	453,744,704	-1.5%	448,766,561	1.8%

Source: U. S. Department of Transportation, Federal Highway Administration
Total Gasoline Sales in gallons

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Year ending			Monthly	Year Ending	
	Miles	Miles	% Change	Gasoline	Average Monthly	% Change
	Driven	Driven	from Year	Sales	Gasoline Sales	from Year
	(billions	(billions	Prior	(millions of gallons)	(millions of gallons)	Prior
	of miles)	of miles)				
11/21	260.4	3120.6	6.4%	11,359	11,614	7.8%
12/21	261.0	3140.1	8.1%	11,426	11,675	9.4%
1/22	236.1	3151.2	9.9%	10,915	11,711	10.8%
2/22	231.1	3175.1	12.1%	10,552	11,803	13.2%
3/22	271.9	3184.9	11.1%	11,554	11,811	12.3%
4/22	258.0	3190.7	8.1%	11,485	11,765	8.3%
5/22	282.7	3196.8	6.3%	11,833	11,758	6.0%
6/22	277.1	3194.7	5.2%	11,462	11,679	4.1%
7/22	282.0	3188.3	4.2%	11,486	11,582	2.2%
8/22	284.3	3193.0	3.9%	11,848	11,529	1.1%
9/22	275.6	3198.1	3.6%	11,482	11,471	-0.1%
10/22	280.7	3200.9	3.3%	11,488	11,408	-1.4%
11/22	258.7	3199.2	2.5%	11,168	11,392	-1.9%
12/22	258.0	3196.2	1.8%	10,899	11,348	-2.8%
1/23	248.7	3208.8	1.8%	11,102	11,363	-3.0%
2/23	236.2	3213.9	1.2%	10,675	11,374	-3.6%
3/23	272.8	3214.8	0.9%	11,684	11,384	-3.6%
4/23	267.3	3224.1	1.0%	11,891	11,418	-2.9%
5/23	288.7	3230.1	1.0%	12,404	11,466	-2.5%
6/23	284.1	3237.1	1.3%	12,408	11,545	-1.2%
7/23	287.6	3242.7	1.7%	12,446	11,625	0.4%
8/23	288.8	3247.2	1.7%	12,529	11,681	1.3%
9/23	273.1	3244.7	1.5%	11,460	11,680	1.8%
10/23	280.5	3244.5	1.4%	11,662	11,694	2.5%
11/23	260.3	3246.1	1.5%	11,248	11,701	2.7%
12/23	258.7	3246.8	1.6%	11,715	11,769	3.7%
1/24	246.4	3244.5	1.1%	11,144	11,772	3.6%
2/24	241.0	3249.3	1.1%	10,746	11,778	3.6%
3/24	274.6	3251.1	1.1%	11,678	11,778	3.5%
4/24	273.2	3257.0	1.0%	11,984	11,785	3.2%
5/24	292.5	3260.8	1.0%	12,444	11,789	2.8%
6/24	283.1	3259.8	0.7%	12,275	11,778	2.0%
7/24	291.1	3263.3	0.6%	12,375	11,772	1.3%
8/24	292.1	3266.6	0.6%	12,532	11,772	0.8%
9/24	272.9	3266.4	0.7%	11,812	11,801	1.0%
10/24	288.2	3274.1	0.9%	11,977	11,828	1.1%
11/24	261.1	3274.9	0.9%	11,611	11,858	1.3%
12/24	263.0	3279.2	1.0%	11,731	11,859	0.8%
1/25	251.1	3283.9	1.2%	11,207	11,864	0.8%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Year ending			Monthly	Year Ending	
	Miles	Miles	% Change	Gasoline	Average Monthly	% Change
	Driven	Driven	from Year	Sales	Gasoline Sales	from Year
	(billions	(billions		(millions of gallons)	(millions of gallons)	
	<u>of miles)</u>	<u>of miles)</u>	<u>Prior</u>			<u>Prior</u>
2/25	237.5	3280.4	1.0%	10,401	11,836	0.5%
3/25	277.6	3283.4	1.0%	11,433	11,815	0.3%
4/25	277.3	3287.5	0.9%	11,566	11,780	0.0%
5/25	293.9	3288.9	0.9%	12,093	11,751	-0.3%
6/25	285.6	3291.4	1.0%	11,904	11,720	-0.5%
7/25	295.9	3296.2	1.0%			
8/25	294.6	3298.7	1.0%			
9/25	278.3	3304.1	1.2%			

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

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF THE CPI INDEX
ANNUAL PERCENT CHANGES

<u>Month</u>	<u>CPI-U: All Items</u>	<u>CPI-U: Med. Care</u>	<u>CPI-U: Phys. Serv.</u>	<u>CPI-U: Hospital & Other Related Services</u>	<u>Weekly Income</u>	<u>CPI-U: Auto Bodywork</u>	<u>PPI: All Items</u>	<u>PPI: Metal/MPR</u>
2/2020	2.3%	4.6%	0.8%	4.1%	3.6%	3.8%	-1.3%	-3.3%
3/2020	1.5%	4.7%	1.4%	4.2%	2.8%	3.8%	-3.8%	-3.6%
4/2020	0.3%	4.8%	1.2%	5.0%	7.2%	4.3%	-8.2%	-4.5%
5/2020	0.1%	4.9%	1.8%	4.6%	8.4%	4.5%	-6.5%	-4.1%
6/2020	0.6%	5.1%	2.1%	5.0%	6.5%	3.7%	-4.5%	-2.4%
7/2020	1.0%	5.0%	2.6%	4.7%	6.4%	3.3%	-3.8%	-1.7%
8/2020	1.3%	4.5%	2.7%	3.9%	6.2%	3.3%	-2.5%	-0.2%
9/2020	1.4%	4.2%	2.1%	4.5%	6.2%	3.4%	-1.5%	1.6%
10/2020	1.2%	2.9%	1.9%	3.0%	6.4%	3.2%	-1.1%	2.8%
11/2020	1.2%	2.4%	1.9%	3.0%	6.9%	3.1%	-0.4%	4.1%
12/2020	1.4%	1.8%	1.7%	3.1%	7.4%	2.6%	0.8%	7.3%
1/2021	1.4%	1.9%	3.4%	2.9%	7.9%	3.3%	2.8%	9.9%
2/2021	1.7%	2.0%	5.1%	2.7%	6.3%	3.7%	7.1%	12.9%
3/2021	2.6%	1.8%	5.3%	3.0%	8.1%	4.5%	11.3%	18.6%
4/2021	4.2%	1.5%	4.9%	2.8%	4.1%	3.7%	17.5%	26.6%
5/2021	5.0%	0.9%	4.2%	2.8%	3.6%	3.7%	19.2%	32.4%
6/2021	5.4%	0.4%	4.1%	2.7%	5.4%	5.1%	19.7%	36.8%
7/2021	5.4%	0.3%	3.9%	3.0%	6.2%	5.5%	20.1%	41.3%
8/2021	5.3%	0.4%	3.9%	3.7%	5.9%	6.5%	20.1%	43.1%
9/2021	5.4%	0.4%	3.8%	3.3%	6.4%	6.0%	20.6%	43.8%
10/2021	6.2%	1.3%	3.9%	4.1%	6.6%	6.8%	22.4%	46.1%
11/2021	6.8%	1.7%	4.3%	3.5%	6.6%	8.0%	22.7%	48.0%
12/2021	7.0%	2.2%	4.3%	3.3%	6.4%	10.6%	20.4%	42.6%
1/2022	7.5%	2.5%	2.6%	3.6%	5.3%	10.8%	20.3%	38.5%
2/2022	7.9%	2.4%	0.5%	3.4%	7.4%	11.9%	20.0%	33.8%
3/2022	8.5%	2.9%	0.7%	3.4%	6.4%	12.4%	20.9%	29.2%
4/2022	8.3%	3.2%	1.2%	3.6%	6.0%	13.0%	21.8%	25.0%
5/2022	8.6%	3.7%	1.1%	3.8%	5.7%	13.7%	21.5%	21.7%
6/2022	9.1%	4.5%	1.0%	3.9%	6.0%	14.4%	22.4%	15.4%
7/2022	8.5%	4.8%	0.8%	4.0%	5.6%	14.6%	17.4%	7.6%
8/2022	8.3%	5.4%	1.1%	4.1%	5.6%	11.5%	15.5%	3.6%
9/2022	8.2%	6.0%	1.8%	3.9%	5.3%	12.6%	13.7%	-0.7%
10/2022	7.7%	5.0%	1.8%	3.4%	5.2%	13.1%	10.2%	-4.8%
11/2022	7.1%	4.2%	1.5%	3.2%	4.9%	12.4%	8.2%	-7.2%
12/2022	6.5%	4.0%	1.7%	4.6%	4.3%	10.1%	6.9%	-7.5%
1/2023	6.4%	3.1%	1.7%	4.0%	5.9%	9.9%	5.6%	-7.3%
2/2023	6.0%	2.3%	1.2%	4.0%	4.8%	9.2%	2.4%	-5.5%
3/2023	5.0%	1.5%	0.5%	3.2%	4.2%	9.3%	-1.1%	-6.4%
4/2023	4.9%	1.1%	0.3%	3.3%	4.6%	8.8%	-3.2%	-7.2%
5/2023	4.0%	0.7%	-0.1%	3.9%	4.1%	7.2%	-7.2%	-7.8%
6/2023	3.0%	0.1%	0.5%	4.2%	4.0%	5.5%	-9.4%	-7.2%
7/2023	3.2%	-0.5%	0.4%	3.4%	4.3%	5.4%	-6.8%	-5.4%
8/2023	3.7%	-1.0%	0.3%	3.5%	4.1%	7.1%	-4.4%	-4.7%
9/2023	3.7%	-1.4%	-0.2%	4.7%	4.1%	5.9%	-3.3%	-3.0%
10/2023	3.2%	-0.8%	-1.2%	5.6%	3.6%	3.7%	-3.7%	-1.4%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF THE CPI INDEX
ANNUAL PERCENT CHANGES

<u>Month</u>	<u>CPI-U: All Items</u>	<u>CPI-U: Med. Care</u>	<u>CPI-U: Phys. Serv.</u>	<u>CPI-U: Hospital & Other Related Services</u>	<u>Weekly Income</u>	<u>CPI-U: Auto Bodywork</u>	<u>PPI: All Items</u>	<u>PPI: Metal/MPR</u>
11/2023	3.1%	0.2%	-0.7%	6.3%	4.1%	3.3%	-3.9%	-1.4%
12/2023	3.4%	0.5%	-0.6%	5.6%	4.4%	4.1%	-3.1%	0.4%
1/2024	3.1%	1.1%	0.1%	6.5%	2.8%	4.3%	-3.4%	0.7%
2/2024	3.2%	1.4%	0.4%	6.1%	3.4%	3.1%	-1.4%	0.8%
3/2024	3.5%	2.2%	0.7%	7.7%	4.2%	1.9%	-0.8%	-2.2%
4/2024	3.4%	2.6%	0.9%	7.9%	3.4%	1.7%	0.0%	-2.9%
5/2024	3.3%	3.1%	1.4%	7.3%	3.8%	1.3%	0.6%	-2.1%
6/2024	3.0%	3.3%	0.8%	7.1%	3.8%	0.7%	0.8%	-1.6%
7/2024	2.9%	3.2%	0.7%	6.2%	3.7%	0.2%	1.4%	-0.8%
8/2024	2.5%	3.0%	0.6%	5.8%	3.9%	-0.2%	-0.9%	-1.2%
9/2024	2.4%	3.3%	1.5%	4.8%	3.9%	-0.3%	-2.4%	-0.6%
10/2024	2.6%	3.3%	3.1%	4.3%	4.2%	0.4%	-0.8%	1.1%
11/2024	2.7%	3.1%	2.8%	4.3%	3.5%	1.3%	0.1%	1.5%
12/2024	2.9%	2.8%	2.6%	4.0%	3.7%	3.1%	1.4%	-0.9%
1/2025	3.0%	2.6%	2.1%	3.2%	4.3%	1.7%	2.4%	-1.7%
2/2025	2.8%	2.9%	2.6%	3.8%	3.9%	0.2%	1.8%	-0.8%
3/2025	2.4%	2.6%	2.9%	3.9%	3.9%	1.3%	1.3%	4.3%
4/2025	2.3%	2.7%	3.1%	3.8%	4.0%	2.2%	0.6%	5.6%
5/2025	2.4%	2.5%	2.9%	3.9%	3.9%	3.3%	1.3%	5.8%
6/2025	2.7%	2.8%	3.0%	4.2%	3.6%	4.4%	1.8%	5.7%
7/2025	2.7%	3.5%	3.1%	5.7%	3.9%	5.7%	2.0%	7.3%
8/2025	2.9%	3.4%	3.5%	5.3%	3.6%	0.0%	2.6%	9.1%
9/2025	3.0%	3.3%	2.4%	5.8%	3.8%	5.4%	3.8%	9.0%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF THE CPI INDEX
MONTHLY PERCENT CHANGES

<u>Month</u>	CPI-U:					<u>CPI-U: Auto Bodywork</u>	<u>PPI: All Items</u>	<u>PPI: Metal/MPR</u>
	<u>All Items</u>	<u>Med. Care</u>	<u>Phys. Serv.</u>	<u>Hospital & Other Related Services</u>	<u>Weekly Income</u>			
2/2020	0.3%	0.3%	0.4%	0.4%	0.6%	0.2%	-1.3%	-0.6%
3/2020	-0.2%	0.3%	0.1%	0.2%	-0.1%	0.0%	-1.8%	0.3%
4/2020	-0.7%	0.3%	0.1%	0.4%	4.5%	1.4%	-3.9%	-1.5%
5/2020	0.0%	0.4%	0.6%	-0.1%	1.2%	0.4%	1.7%	-0.7%
6/2020	0.5%	0.3%	0.4%	0.1%	-1.5%	0.0%	1.4%	0.5%
7/2020	0.5%	0.4%	0.6%	0.2%	-0.1%	-0.3%	0.9%	0.5%
8/2020	0.3%	0.1%	0.0%	0.0%	0.6%	0.5%	0.7%	1.1%
9/2020	0.1%	-0.1%	-0.1%	0.5%	0.2%	0.7%	0.6%	1.2%
10/2020	0.0%	-0.3%	-0.1%	-0.1%	0.5%	0.1%	0.5%	0.4%
11/2020	-0.1%	-0.2%	0.0%	0.2%	0.4%	-0.1%	0.9%	1.0%
12/2020	0.1%	-0.2%	-0.1%	0.0%	0.9%	-0.1%	1.1%	3.7%
1/2021	0.4%	0.6%	1.6%	1.0%	0.7%	0.4%	2.1%	3.7%
2/2021	0.5%	0.4%	2.0%	0.2%	-0.8%	0.6%	2.8%	2.1%
3/2021	0.7%	0.1%	0.3%	0.5%	1.5%	0.8%	2.1%	5.4%
4/2021	0.8%	0.0%	-0.3%	0.1%	0.7%	0.6%	1.3%	5.2%
5/2021	0.8%	-0.1%	0.0%	-0.1%	0.7%	0.4%	3.2%	3.8%
6/2021	0.9%	-0.2%	0.3%	0.0%	0.2%	1.3%	1.8%	3.8%
7/2021	0.5%	0.2%	0.4%	0.5%	0.6%	0.1%	1.3%	3.8%
8/2021	0.2%	0.2%	0.0%	0.7%	0.3%	1.5%	0.7%	2.4%
9/2021	0.3%	-0.1%	-0.3%	0.2%	0.7%	0.2%	1.0%	1.7%
10/2021	0.8%	0.5%	0.0%	0.6%	0.6%	0.9%	2.0%	1.9%
11/2021	0.5%	0.2%	0.4%	-0.3%	0.4%	1.0%	1.2%	2.3%
12/2021	0.3%	0.2%	0.0%	-0.2%	0.7%	2.3%	-0.8%	-0.1%
1/2022	0.8%	0.9%	-0.1%	1.2%	-0.4%	0.6%	2.1%	0.8%
2/2022	0.9%	0.4%	-0.1%	0.1%	1.1%	1.6%	2.5%	-1.3%
3/2022	1.3%	0.5%	0.5%	0.5%	0.5%	1.2%	2.9%	1.8%
4/2022	0.6%	0.3%	0.2%	0.3%	0.3%	1.3%	2.0%	1.7%
5/2022	1.1%	0.4%	-0.1%	0.2%	0.4%	1.0%	3.0%	1.0%
6/2022	1.4%	0.6%	0.1%	0.1%	0.5%	1.8%	2.6%	-1.5%
7/2022	0.0%	0.5%	0.3%	0.6%	0.2%	0.3%	-2.8%	-3.3%
8/2022	0.0%	0.7%	0.2%	0.7%	0.3%	-1.2%	-1.0%	-1.4%
9/2022	0.2%	0.5%	0.5%	0.1%	0.4%	1.2%	-0.6%	-2.5%
10/2022	0.4%	-0.4%	0.0%	0.0%	0.5%	1.4%	-1.1%	-2.3%
11/2022	-0.1%	-0.6%	0.0%	-0.5%	0.2%	0.4%	-0.7%	-0.2%
12/2022	-0.3%	0.0%	0.1%	1.1%	0.1%	0.2%	-2.0%	-0.4%
1/2023	0.8%	0.1%	-0.1%	0.7%	1.2%	0.4%	0.9%	0.9%
2/2023	0.6%	-0.4%	-0.5%	0.1%	0.1%	0.9%	-0.6%	0.6%
3/2023	0.3%	-0.3%	-0.2%	-0.2%	0.0%	1.3%	-0.6%	0.9%
4/2023	0.5%	-0.1%	0.0%	0.4%	0.6%	0.8%	-0.1%	0.8%
5/2023	0.3%	0.0%	-0.5%	0.8%	0.0%	-0.5%	-1.3%	0.5%
6/2023	0.3%	0.0%	0.7%	0.3%	0.4%	0.2%	0.1%	-0.9%
7/2023	0.2%	-0.1%	0.2%	-0.2%	0.5%	0.2%	0.0%	-1.5%
8/2023	0.4%	0.3%	0.1%	0.8%	0.1%	0.4%	1.5%	-0.6%
9/2023	0.2%	0.1%	0.0%	1.2%	0.3%	0.0%	0.5%	-0.8%
10/2023	0.0%	0.2%	-1.0%	1.0%	0.1%	-0.7%	-1.4%	-0.8%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF THE CPI INDEX
MONTHLY PERCENT CHANGES

<u>Month</u>	<u>CPI-U: All Items</u>	<u>CPI-U: Med. Care</u>	<u>CPI-U: Phys. Serv.</u>	<u>CPI-U: Hospital & Other Related Services</u>	<u>Weekly Income</u>	<u>CPI-U: Auto Bodywork</u>	<u>PPI: All Items</u>	<u>PPI: Metal/MPR</u>
11/2023	-0.2%	0.4%	0.6%	0.1%	0.7%	-0.1%	-0.9%	-0.1%
12/2023	-0.1%	0.3%	0.2%	0.5%	0.3%	1.0%	-1.2%	1.4%
1/2024	0.5%	0.7%	0.6%	1.6%	-0.4%	0.7%	0.6%	1.3%
2/2024	0.6%	0.0%	-0.2%	-0.3%	0.8%	-0.3%	1.4%	0.7%
3/2024	0.6%	0.5%	0.1%	1.2%	0.7%	0.0%	0.1%	-2.2%
4/2024	0.4%	0.3%	0.1%	0.6%	-0.1%	0.6%	0.7%	0.1%
5/2024	0.2%	0.5%	0.0%	0.3%	0.4%	-0.9%	-0.6%	1.3%
6/2024	0.0%	0.2%	0.1%	0.1%	0.3%	-0.4%	0.2%	-0.4%
7/2024	0.1%	-0.2%	0.1%	-1.0%	0.3%	-0.3%	0.5%	-0.7%
8/2024	0.1%	0.1%	0.0%	0.4%	0.3%	0.1%	-0.7%	-1.0%
9/2024	0.2%	0.3%	0.9%	0.3%	0.4%	-0.1%	-1.1%	-0.2%
10/2024	0.1%	0.3%	0.5%	0.5%	0.4%	-0.1%	0.2%	0.9%
11/2024	-0.1%	0.2%	0.3%	0.1%	0.0%	0.8%	0.1%	0.3%
12/2024	0.0%	0.1%	0.1%	0.2%	0.6%	2.8%	0.1%	-1.0%
1/2025	0.7%	0.5%	0.1%	0.9%	0.1%	-0.7%	1.6%	0.4%
2/2025	0.4%	0.2%	0.4%	0.2%	0.4%	-1.8%	0.8%	1.6%
3/2025	0.2%	0.2%	0.3%	1.3%	0.8%	1.2%	-0.4%	2.8%
4/2025	0.3%	0.4%	0.3%	0.5%	0.0%	1.5%	-0.1%	1.4%
5/2025	0.2%	0.2%	-0.3%	0.4%	0.3%	0.2%	0.1%	1.5%
6/2025	0.3%	0.5%	0.2%	0.4%	0.1%	0.7%	0.7%	-0.5%
7/2025	0.2%	0.5%	0.2%	0.4%	0.6%	0.9%	0.7%	0.9%
8/2025	0.3%	0.0%	0.3%	0.0%	0.0%		-0.1%	0.6%
9/2025	0.3%	0.2%	-0.1%	0.8%	0.5%		0.1%	-0.2%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

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

<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>	<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>
6/2019	2.617	2.1%	9/2022	2.997	7.3%
7/2019	2.621	2.1%	10/2022	3.008	7.0%
8/2019	2.626	2.3%	11/2022	3.011	6.6%
9/2019	2.630	2.3%	12/2022	3.017	6.4%
10/2019	2.635	2.3%	1/2023	3.036	6.2%
11/2019	2.635	2.3%	2/2023	3.056	6.1%
12/2019	2.635	2.2%	3/2023	3.069	6.0%
1/2020	2.645	2.2%	4/2023	3.082	5.8%
2/2020	2.657	2.3%	5/2023	3.093	5.5%
3/2020	2.659	2.1%	6/2023	3.101	5.0%
4/2020	2.655	1.7%	7/2023	3.106	4.7%
5/2020	2.655	1.6%	8/2023	3.113	4.3%
6/2020	2.661	1.7%	9/2023	3.120	4.1%
7/2020	2.671	1.9%	10/2023	3.126	3.9%
8/2020	2.681	2.1%	11/2023	3.127	3.9%
9/2020	2.683	2.0%	12/2023	3.130	3.8%
10/2020	2.687	2.0%	1/2024	3.148	3.7%
11/2020	2.687	1.9%	2/2024	3.164	3.5%
12/2020	2.686	2.0%	3/2024	3.178	3.6%
1/2021	2.692	1.8%	4/2024	3.187	3.4%
2/2021	2.701	1.6%	5/2024	3.193	3.2%
3/2021	2.710	1.9%	6/2024	3.197	3.1%
4/2021	2.731	2.9%	7/2024	3.200	3.0%
5/2021	2.749	3.5%	8/2024	3.207	3.0%
6/2021	2.772	4.2%	9/2024	3.219	3.2%
7/2021	2.782	4.1%	10/2024	3.225	3.2%
8/2021	2.787	4.0%	11/2024	3.227	3.2%
9/2021	2.794	4.1%	12/2024	3.228	3.1%
10/2021	2.812	4.7%	1/2025	3.247	3.1%
11/2021	2.824	5.1%	2/2025	3.260	3.0%
12/2021	2.836	5.6%	3/2025	3.268	2.8%
1/2022	2.858	6.2%	4/2025	3.275	2.8%
2/2022	2.880	6.6%	5/2025	3.282	2.8%
3/2022	2.895	6.8%	6/2025	3.291	2.9%
4/2022	2.912	6.6%	7/2025	3.297	3.0%
5/2022	2.931	6.6%	8/2025	3.307	3.1%
6/2022	2.954	6.6%	9/2025	3.316	3.0%
7/2022	2.967	6.6%			
8/2022	2.983	7.1%			

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF POLICYHOLDER DIVIDENDS

<u>Liability</u>			
<u>Year</u>	(1) Voluntary + Ceded Manual <u>Earned Premium</u>	(2) Amount of <u>Dividend</u>	(3) Dividend as % of Voluntary + Ceded Manual <u>Earned Premium</u>
2019	3,934,856,692	18,559,790	0.47%
2020	4,256,663,342	73,239,681	1.72%
2021	4,462,986,924	13,788,423	0.31%
2022	4,512,939,244	12,195,660	0.27%
2023	4,632,841,166	11,752,621	0.25%
2024	5,124,330,029	17,367,401	0.34%

<u>Physical Damage</u>				
<u>Year</u>	(1) Standard Manual <u>Earned Premium</u>	(2) Non-Standard Manual <u>Earned Premium</u>	(3) Amount of <u>Dividend</u>	(4) Dividend as % of Manual <u>Earned Premium</u>
2019	2,584,017,845	765,853,691	16,609,272	0.50%
2020	2,575,384,581	891,679,759	71,116,310	2.05%
2021	2,822,132,284	944,540,499	13,420,967	0.36%
2022	2,938,761,333	997,009,621	12,217,938	0.31%
2023	3,124,525,327	1,129,459,884	11,351,656	0.27%
2024	3,337,234,050	1,416,998,921	16,446,704	0.35%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF NET OVERALL DEVIATIONS
FOR LIABILITY COVERAGES

Voluntary Business

<u>Year</u>	(1) <u>Premium at Rate Bureau Rates</u>	(2) <u>Deviation % From RB Manual Rates</u>	(3) <u>(1) x (2) Anticipated Premium</u>	(4) <u>(3) - (1) Amount of Deviation</u>
2019	2,405,907,198	-22.74%	1,858,803,901	(547,103,297)
2020	2,754,663,372	-27.12%	2,007,598,666	(747,064,706)
2021	3,086,587,505	-27.60%	2,234,689,354	(851,898,151)
2022	3,100,437,632	-24.33%	2,346,101,156	(754,336,476)
2023	2,821,913,252	-21.56%	2,213,508,755	(608,404,497)
2024	2,912,572,658	-20.91%	2,303,553,715	(609,018,943)

Ceded Business

<u>Year</u>	(5) <u>O/T Clean Ceded Premium at Rate Bureau Rates</u>	(6) <u>Deviation % From RB Manual Rates</u>	(7) <u>(5) x (6) O/T Clean Ceded Anticipated Premium</u>	(8) <u>(7) - (5) O/T Clean Ceded Amount of Deviation</u>	(9) <u>Clean Risk Ceded Premium at Rate Bureau Rates</u>	(10) <u>= Col (9) Clean Risk Ceded Anticipated Premium</u>	(11) <u>(10) - (9) Clean Risk Ceded Amount of Deviation</u>
2019	225,691,688	37.65%	310,664,609	84,972,921	433,365,902	433,365,902	0.0%
2020	246,543,493	15.71%	285,275,476	38,731,983	470,698,538	470,698,538	0.0%
2021	281,973,922	20.79%	340,596,300	58,622,378	491,191,045	491,191,045	0.0%
2022	295,802,427	30.32%	385,489,723	89,687,296	508,131,737	508,131,737	0.0%
2023	279,329,157	44.17%	402,708,846	123,379,689	587,919,748	587,919,748	0.0%
2024	301,169,271	61.35%	485,936,619	184,767,348	742,137,517	742,137,517	0.0%

All Liability Business

<u>Year</u>	(12) <u>(1) + (5) + (9) Total Premium at Rate Bureau Rates</u>	(13) <u>(3) + (7) + (10) Total Anticipated Premium</u>	(14) <u>(13) - (12) Amount of Deviation</u>	(15) <u>Clean Risk Recoupment Factor</u>	(16) <u>[(1) + (7) + (9)] x (15) Recoupment Amount</u>	(17) <u>[(14) + (16)] / (12) Overall Pct. Deviation</u>
2019	3,064,964,788	2,602,834,412	(462,130,376)	6.75%	212,620,795	-8.1%
2020	3,471,905,403	2,763,572,680	(708,332,723)	4.63%	162,542,511	-15.7%
2021	3,859,752,472	3,066,476,699	(793,275,773)	6.12%	239,804,541	-14.3%
2022	3,904,371,796	3,239,722,616	(664,649,180)	7.67%	306,344,332	-9.2%
2023	3,689,162,157	3,204,137,349	(485,024,808)	9.45%	360,285,204	-3.4%
2024	3,955,879,446	3,531,627,851	(424,251,595)	11.21%	464,166,506	1.0%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF NET OVERALL DEVIATIONS
FOR PHYSICAL DAMAGE COVERAGES

Standard Physical Damage

	(1)	(2)	(3)	(4)
	Premium at Rate	Deviation	(1) x (2)	(3) - (1)
<u>Year</u>	<u>Bureau Rates</u>	% From RB	Anticipated	Amount of
		<u>Manual Rates</u>	<u>Premium</u>	<u>Deviation</u>
2019	2,384,328,980	-30.09%	1,666,884,390	(717,444,590)
2020	2,447,124,839	-29.48%	1,725,712,436	(721,412,403)
2021	2,769,854,546	-30.05%	1,937,513,255	(832,341,291)
2022	2,868,385,331	-28.14%	2,061,221,699	(807,163,632)
2023	2,819,035,033	-24.63%	2,124,706,704	(694,328,329)
2024	2,974,629,520	-25.83%	2,206,282,715	(768,346,805)

Non-Standard Physical Damage

	(5)	(6)	(7)	(8)
	Premium at Rate	Deviation	(5) x (6)	(7) - (5)
<u>Year</u>	<u>Bureau Rates</u>	% From RB	Anticipated	Amount of
		<u>Manual Rates</u>	<u>Premium</u>	<u>Deviation</u>
2019	381,078,041	49.80%	570,854,905	189,776,864
2020	460,015,940	47.40%	678,063,496	218,047,556
2021	523,178,363	43.64%	751,493,401	228,315,038
2022	671,806,539	54.25%	1,036,261,586	364,455,047
2023	819,276,664	60.48%	1,314,775,190	495,498,526
2024	1,150,198,657	56.94%	1,805,121,772	654,923,115

All Physical Damage

	(9)	(10)	(11)	(17)
	(1) + (5)	(3) + (7)	(10) - (9)	[(14) + (16)] / (12)
	Total Premium	Total	Amount of	Overall Pct.
<u>Year</u>	<u>Bureau Rates</u>	<u>Anticipated</u>	<u>Deviation</u>	<u>Deviation</u>
		<u>Premium</u>		
2019	2,765,407,021	2,237,739,295	(527,667,726)	-19.1%
2020	2,907,140,779	2,403,775,932	(503,364,847)	-17.3%
2021	3,293,032,909	2,689,006,656	(604,026,253)	-18.3%
2022	3,540,191,870	3,097,483,285	(442,708,585)	-12.5%
2023	3,638,311,697	3,439,481,894	(198,829,803)	-5.5%
2024	4,124,828,177	4,011,404,487	(113,423,690)	-2.7%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

HISTORICAL
SOURCE DATA

For this analysis, we used the following data:

- Personal Auto BI increased limits data for North Carolina. We review North Carolina BI data on its own. We calculate PD increased limit factors based on multistate, rather than state group, data.
- State-specific basic limit written premium weights for the calculation of overall BI and PD indicated changes.
- Experience for risks subject to Personal Automobile (BI and PD) as reported to ISO under the Personal Automobile Statistical Plan.
- For BI and PD, experience for accident dates between 1/1/2016 and 12/31/2023, and average payment dates between 1/1/2019 and 12/31/2023.

OVERVIEW OF
INCREASED
LIMIT FACTOR
CALCULATIONS

This overview describes the methods we use to calculate increased limit factors. ISO defines an increased limit factor as the ratio of the expected cost (to the insurer) of a higher limit policy divided by the expected cost of a basic limit policy. For Bodily Injury (BI), the basic limit is \$50,000 per claim/\$100,000 per occurrence. The Property Damage (PD) basic limit is \$50,000 per occurrence. The cost components of the increased limit factor calculation are:

- Limited Average Severity (LAS)

For BI, the LAS is the average indemnity, limited to a given per claim/per occurrence policy limit combination, at ultimate settlement value, and reflecting trend to the average accident date in the prospective experience period. For PD, the LAS represents the average PD indemnity limited to a given per occurrence policy limit.

In this document, we use the term “indemnity” to mean the amount paid to the claimant (excluding all loss adjustment expense). Indemnity is subject to policy limits. We construct an indemnity size distribution that describes the indemnity before the effect of policy limits. By using this distribution, we can calculate expected future indemnity for any given policy limit combination.

For BI, the indemnity size distribution is on a per claim basis. For PD, the indemnity size distribution is on a per occurrence basis. As we describe the indemnity size distribution estimation process in the document, we will refer to "claim/occurrence" to reflect the fact that the BI claim and PD occurrence size distributions are developed using the same procedures.

- Allocated Loss Adjustment Expense (ALAE)

The average settlement expense per occurrence for those expenses in the settlement process that can be assigned to an individual claim. The largest component of ALAE is legal defense costs.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

The ISO increased limit factor is the ratio of these costs at a specified limit divided by the corresponding costs at the basic limit. Given a basic limit b , the factor at each selected policy limit PL is as follows:

$$ILF(PL) = \left[\frac{LAS(PL) + ALAE(PL)}{LAS(b) + ALAE(b)} \right]$$

DATA FOR
ESTIMATING
INDEMNITY

The limited average severity in this increased limits review is determined from using loss data reported to ISO under the Personal Automobile Statistical Plan. In addition, automobile-related excess and umbrella experience reported to ISO under the Personal Lines Statistical Plan – Other Than Automobile supplements primary data for pricing higher policy limits. The data includes paid (settled) occurrences on policies with accident dates between 1/1/2016 and 12/31/2023, and “average payment dates” between 1/1/2019 and 12/31/2023. The data is evaluated as of 3/31/2024.

We consider a claim/occurrence to be settled if it has no outstanding reserve. If there are multiple payments, we consider the payment date to be the dollar-weighted average of the dates of the individual payments.

We use “payment lag” or “lag” to measure the amount of time between the accident and the payments made towards the loss settlement. A lag of 1 indicates that the average payment date is in the same accident year as the accident. A lag of 2 indicates that the average payment date falls in the following year, and so on.

For each claim/occurrence, we determine the accident year, payment lag, indemnity amount, policy limit and any applicable attachment point.

EXCESS AND
UMBRELLA
DATA

As stated, we include umbrella and excess data reported to ISO under its statistical plans. This data enhances the credibility of our increased limit factors but does not affect the lowest layers.

These excess and umbrella policies have attachment points that exclude smaller losses much the same way as a large deductible would. While we can reconstruct the full size of loss for those occurrences greater than the attachment point of their policy, occurrences below the attachment point are not reported.

When we construct the empirical survival distribution, we exclude occurrences where the attachment points do not meet certain criteria, to avoid bias. We describe this in more detail later in this document.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE

LIABILITY INCREASED LIMIT FACTORS

MIXED
EXPONENTIAL
METHODOLOGY

We fit a continuous distribution to the lag-weighted indemnity size distribution from the data. The resulting distribution is used to produce the limited average severity component of the increased limit factor.

Using a continuous distribution (such as the mixed exponential) offers several advantages over using a purely empirical fit, including:

- calculation of LAS for all possible limits,
- smoothing of data, and
- simplified handling of trend.

The fitting procedure uses a mixture of exponential distributions to calculate indemnity. ISO found that the mixed exponential distribution provides a good fit to empirical data over a wide range of loss sizes, is flexible and is simple to use.

DERIVATION OF
LIMITED
AVERAGE
SEVERITY

For PD, the mixed exponential indemnity distribution and the policy limits are both on a per occurrence basis. Therefore, the LAS values for each policy limit are obtained directly from the mixed exponential curve.

For BI, it is necessary to calculate ILFs for split limits (per claim/per occurrence). However, the mixed exponential indemnity distribution is on a per claim basis. Therefore, we need information regarding the number of claims per occurrence to calculate LAS values on a per claim/per occurrence basis.

We use a mixed zero-truncated negative binomial distribution to approximate the number of claims per occurrence for BI. This claims per occurrence distribution is combined with the mixed exponential indemnity distribution through a stochastic simulation to obtain the LAS values on a per claim/per occurrence policy limit basis.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

OVERVIEW OF
MIXED
EXPONENTIAL
PROCESS

The major steps in the calculation of the limited average severities of indemnity are:

1. Trend

Trending the indemnity amount of each claim/occurrence to reflect the expected conditions during the period when the increased limit factors are assumed to be in effect.

2. Construction of the Empirical Survival Distributions

Using the trended data to calculate the empirical survival distributions by payment lag.

3. Payment Lag Process

Combining the empirical distributions for each payment lag to produce an overall empirical survival distribution.

4. Tail of the Distribution

Smoothing the tail of the lag-weighted empirical survival distribution.

5. Fitting a Mixed Exponential Distribution

Fitting mixed exponential curves to the overall empirical survival distributions for BI (per claim) and for PD (per occurrence).

6. Final Limited Average Severities

Using the fitted PD mixed exponential per occurrence indemnity distribution to generate LAS values for each desired PD policy limit. Using simulation to combine the fitted BI mixed exponential per claim indemnity distribution and the claims per occurrence distribution to generate LAS values for each desired BI policy limit combination.

INDEMNITY
SEVERITY
TREND

We expect severity to increase due to cost inflation from accident year to accident year.

If annual cost inflation is 4.0%, an injury that cost \$100,000 in 2023 would cost $1.04 \times$ \$100,000 in 2024. The probability of that particular injury stays the same — only the nominal value of it changes.

To bring different accident years to the same level, we project each claim/occurrence from the average date of its accident year to 7/1/2026, one year beyond the assumed effective date of 7/1/2025 (date assumed for trending purposes).

In this review, we modify our trend application approach to capture potential variation in future severities, selecting one trend factor to apply to the end of the experience period and a separate trend factor to apply from the end of the experience period to the prospective trend date. For BI, we select an annual severity trend of +8.5% for the experience period ending 12/31/2023 and an annual severity trend of +6.5% for the prospective period through 7/1/2026. Similarly for PD, we select an annual severity trend of +12.0% for the experience period ending 12/31/2023 and an annual severity trend of +7.5% for the prospective period through 7/1/2026. Our selections are based on a review of Personal Automobile Liability trend indications and recent Consumer Price Index data.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

CONSTRUCTION
OF THE
EMPIRICAL
SURVIVAL
DISTRIBUTIONS

The construction of the empirical survival distributions is based on the Product-Limit Estimator described in Loss Models: From Data to Decisions¹. First, paid (settled) occurrences are organized by accident year and payment lag and trended to the average accident date for which the loss distribution is desired.

Payment lags five and beyond generally have similar loss sizes and are combined to increase credibility. Other lags are handled separately. We define payment lag and explain the reasons for its use later in this section.

Next, a survival distribution is constructed for each payment lag using discrete loss size layers. The probability that a claim exceeds the upper bound of a discrete layer given that it exceeds the lower bound of the layer is known as the conditional survival probability (CSP). The ground-up survival distribution is generated by multiplying the successive CSPs of the discrete layers.

This procedure allows for the easy inclusion of censored losses as well as excess, umbrella and deductible data (where available). Two conditions must be met for an occurrence to be used in the calculation of the conditional survival probability in a particular layer of loss. These conditions are:

- The policy limit (plus attachment point or deductible) must be greater than or equal to the upper bound of the layer of loss. This avoids a downward severity bias by excluding losses that are precluded by their policy limit from penetrating the upper bound of layer of loss.
- Only those occurrences with attachment points or deductibles less than or equal to the lower bound of the layer of loss are included. This condition is necessary to avoid an upward severity bias since loss information below the attachment point or deductible is not known.

ILLUSTRATION

An illustration should aid in the conceptual understanding of this construction.

Assume we have twelve occurrences, all for a single payment lag. We will calculate the empirical survival probabilities for three layers using combinations of conditional survival probabilities. The three layers used are \$10,000, \$20,000 and \$40,000 (in practice we begin with layers as small as \$10, but larger layers better illustrate the handling of deductibles and policy limits). The following two pages display sample calculations for these three layers.

¹ Klugman, S. A., H.H. Panjer, and G. E. Willmot, *Loss Models: From Data to Decisions*, John Wiley and Sons, New York, 2004

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

Illustrative Data (Trended) for One Payment Lag

<u>Occurrence ID Number</u>	<u>Occurrence Size</u>	<u>Attachment Point</u>	<u>Policy Limit</u>	<u>Comment</u>
1	5,000	0	15,000	
2	5,000	0	15,000	
3	15,000	0	15,000	Censored Data
4	5,000	7,500	15,000	Deductible Data
5	5,000	0	30,000	
6	15,000	0	30,000	
7	25,000	0	30,000	
8	10,000	15,000	30,000	Excess Data
9	15,000	0	100,000	
10	25,000	0	100,000	
11	30,000	0	100,000	
12	50,000	15,000	100,000	Excess Data

Where attachment point is non-zero, we define policy limit as the maximum payment.

Conditional Survival Probabilities

	<u>Condition:</u>
$CSP_{e_1}(10,000 0) = P(X \geq 10,000 X > 0)$	PL + AP \geq 10,000 AP = 0
$CSP_{e_1}(20,000 10,000) = P(X \geq 20,000 X \geq 10,000)$	PL + AP \geq 20,000 AP \leq 10,000
$CSP_{e_1}(40,000 20,000) = P(X \geq 40,000 X \geq 20,000)$	PL + AP \geq 40,000 AP \leq 20,000

where AP = attachment point, PL = policy limit, X= loss size, e_1 = empirical lag 1

Calculation of Conditional Survival Probability at \$10,000

$$\begin{aligned}
 CSP_{e_1}(10,000 | 0) &= P(X \geq 10,000 | X > 0) = \text{number of occurrences with:} \\
 &\quad \text{occurrence size + AP} \geq 10,000, \\
 &\quad \text{policy limit + AP} \geq 10,000, \text{ and AP} = 0 \\
 &\quad \text{number of occurrences with:} \\
 &\quad \text{occurrence size + AP} > 0, \\
 &\quad \text{policy limit + AP} \geq 10,000, \text{ and AP} = 0 \\
 &= \frac{6 \text{ (occurrences 3, 6, 7, 9, 10, 11)}}{9 \text{ (occurrences 1, 2, 3, 5, 6, 7, 9, 10, 11)}}
 \end{aligned}$$

Only occurrences with policy limit plus attachment point greater than or equal to 10,000 are used. Only occurrences with attachment point equal to zero are used.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

Calculation of Conditional Survival Probability at \$20,000

$$\begin{aligned} \text{CSP}_{e1}(20,000 | 10,000) &= P(X \geq 20,000 | X \geq 10,000) = \text{number of occurrences with:} \\ &\quad \text{occurrence size} + \text{AP} \geq 20,000, \\ &\quad \text{policy limit} + \text{AP} \geq 20,000, \text{ and } \text{AP} \leq 10,000 \\ &\quad \text{number of occurrences with:} \\ &\quad \text{occurrence size} + \text{AP} \geq 10,000, \\ &\quad \text{policy limit} + \text{AP} \geq 20,000, \text{ and } \text{AP} \leq 10,000 \\ &= \frac{3 \text{ (occurrences 7, 10, 11)}}{6 \text{ (occurrences 4, 6, 7, 9, 10, 11)}} \end{aligned}$$

Only occurrences with policy limit plus attachment point greater than or equal to 20,000 are used. Only occurrences with attachment point less than or equal to 10,000 are used.

Calculation of Conditional Survival Probability at \$40,000

$$\begin{aligned} \text{CSP}_{e1}(40,000 | 20,000) &= P(X \geq 40,000 | X \geq 20,000) = \text{number of occurrences with:} \\ &\quad \text{occurrence size} + \text{AP} \geq 40,000, \\ &\quad \text{policy limit} + \text{AP} \geq 40,000, \text{ and } \text{AP} \leq 20,000 \\ &\quad \text{number of occurrences with:} \\ &\quad \text{occurrence size} + \text{AP} \geq 20,000, \\ &\quad \text{policy limit} + \text{AP} \geq 40,000, \text{ and } \text{AP} \leq 20,000 \\ &= \frac{1 \text{ (occurrence 12)}}{4 \text{ (occurrences 8, 10, 11, 12)}} \end{aligned}$$

Only occurrences with policy limit plus attachment point greater than or equal to 40,000 are used. Only occurrences with attachment point less than or equal to 20,000 are used.

Calculation of Empirical Survival Distribution

The CSPs generate the following empirical survival probabilities:

$$\begin{aligned} S_{e1}(10,000) &= P(X \geq 10,000) = \text{CSP}_{e1}(10,000 | 0) = P(X \geq 10,000 | X > 0) \\ &= 6/9 \end{aligned}$$

$$\begin{aligned} S_{e1}(20,000) &= P(X \geq 20,000) = \text{CSP}_{e1}(10,000 | 0) * \text{CSP}_{e1}(20,000 | 10,000) \\ &= P(X \geq 10,000 | X > 0) * P(X \geq 20,000 | X \geq 10,000) \\ &= 6/9 * 3/6 = 1/3 \end{aligned}$$

$$\begin{aligned} S_{e1}(40,000) &= P(X \geq 40,000) = \text{CSP}_{e1}(10,000 | 0) * \text{CSP}_{e1}(20,000 | 10,000) * \text{CSP}_{e1}(40,000 | 20,000) \\ &= P(X \geq 10,000 | X > 0) * P(X \geq 20,000 | X \geq 10,000) * P(X \geq 40,000 | X \geq 20,000) \\ &= 6/9 * 3/6 * 1/4 = 1/12 \end{aligned}$$

In practice, to generate the trended empirical loss distribution for each lag, we use 88 discrete loss size layers for BI and 94 for PD to allow for a refined selection of the tail-smoothing parameters, discussed in the Tail of the Distribution section.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

PAYMENT LAG
PROCESS

Development for paid (settled) data has two aspects. One aspect is that many claims/occurrences are paid within a short period of time after the accident occurs, with a small number taking longer to be paid. The second aspect is the tendency of higher severity claims/occurrences to take longer to be paid.

To properly reflect an accident year at ultimate, we must include each payment lag with its appropriate weight. We do this by:

- accounting for the rate of payment using the probability-of-payment-lag process, and
- constructing severity distributions by payment lag.

A lag-weighting procedure combines the by-lag empirical loss distributions to generate an overall distribution. This procedure implicitly accounts for development, as all possible payment lags are represented and given weight at the prospective average accident date. We refer to the distribution of the overall survival probabilities by size of loss as the “empirical survival distribution function (SDF)”.

PAYMENT LAG

As stated, payment lag is the length of time between the date that an accident occurs and the date that the associated indemnity is paid. In the mixed exponential approach, the average payment date is the dollar-weighted average of indemnity payments. ISO approximates payment lag based on the year in which an accident occurs and the year in which the claim/occurrence is paid:

$$\text{Payment Lag} = (\text{Payment Year} - \text{Accident Year}) + 1$$

Payment lag can vary considerably by line of business and by type of claim. While most property claims are paid quickly, liability claims generally take longer to settle, particularly those involving protracted litigation. Among liability claims, there is considerable variation in payment lag.

DIFFERENCES
IN LOSS SIZE BY
PAYMENT LAG

Loss experience generally shows that the average loss size tends to increase with development age. For example, the average loss size for claims paid in lag 4 will tend to be considerably higher than the average loss size for those paid in lag 1.

The mixed exponential methodology reflects this by fitting (the continuous mixed exponential distribution) to a lag-weighted empirical survival distribution. We do not directly fit to the severity distributions of individual lags.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

PAYMENT LAG
DISTRIBUTION

The payment lag distribution is determined to avoid distortions that may otherwise result from:

- differing exposure amounts by accident year,
- an asymmetrical experience period with fewer than five accident years for lags five through eight, and
- a finite number of lags (no data for lags beyond eight).

The lag-weighting procedure implicitly accounts for ultimate development, as all possible payment lags are represented and given weight at the prospective average accident date.

The payment lag process uses three parameters (R1, R2 and R3) to generate the weights given to the severity distribution associated with each claim/occurrence payment lag.

The parameters are represented as follows:

$$R1 = \frac{\text{expected percentage of claims/occurrences paid in lag 2}}{\text{expected percentage of claims/occurrences paid in lag 1}}$$

$$R2 = \frac{\text{expected percentage of claims/occurrences paid in lag 3}}{\text{expected percentage of claims/occurrences paid in lag 2}}$$

$$R3 = \frac{\text{expected percentage of claims/occurrences paid in lag } (n + 1)}{\text{expected percentage of claims/occurrences paid in lag } (n)}, \text{ all } n \geq 3$$

The weights for each lag are then calculated as follows:

$$\text{lag 1 weight} = \frac{1}{k}$$

$$\text{lag 2 weight} = \frac{R1}{k}$$

$$\text{lag 3 weight} = \frac{R1 \times R2}{k}$$

$$\text{lag 4 weight} = \frac{R1 \times R2 \times R3}{k}$$

$$\text{lag 5 weight} = \frac{R1 \times R2 \times \left(\frac{R3^2}{1 - R3} \right)}{k}$$

$$\text{where } k = \left(1 + R1 + \frac{R1 \times R2}{1 - R3} \right)$$

Note that the lag 5 weight includes lag 5 and all subsequent lags.

The lag weights represent the percentage of ground-up claims/occurrences in each lag. Therefore, claims/occurrences from umbrella or excess policies with non-zero attachment points are not included.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE

LIABILITY INCREASED LIMIT FACTORS

METHOD OF
ESTIMATION:
PAYMENT LAG
PARAMETERS

For stability, we calculate the payment lag parameters (R1, R2 and R3) via maximum likelihood. A claim/occurrence with accident year a and payment lag L is reflected in the likelihood function by the probability that the lag equals L given that the accident year equals a . This conditional probability can be easily expressed in terms of the payment lag parameters.

TAIL OF THE
DISTRIBUTION

For the higher limits of liability, the empirical data may be sparse. To account for this, and to limit random fluctuations between consecutive reviews in the higher limits, a procedure is used to adjust the tail of the empirical SDF.

For BI, we select a truncation point (\$300,000 for this BI state group) above which the empirical SDF can be relatively less stable. Then we select a parametric curve family that successfully projects the behavior of the empirical distribution in the layers around the truncation point. During this process, we examine which curve parameters would minimize the overall severity difference between the empirical and adjusted distributions.

The resulting curve is used to extrapolate the empirical distribution above the selected truncation point. The empirical distribution below the truncation point is unaffected by this procedure.

Essentially, this procedure smoothes the tail of the empirical distribution by extending relationships from the highest credible limits (those limits around the truncation point) to those limits above the truncation point. We then fit a mixed exponential distribution to the resulting SDF to define the BI per claim severity distribution.

For Property Damage (PD), only a small percentage (less than two percent) of loss occurrences is greater than \$35,000. For high limits of PD liability, the percentage is considerably smaller still. As a result, it is difficult to evaluate ILFs for higher limits of PD liability using standard procedures. Therefore, it is necessary to use the tail smoothing procedure described above to smooth the occurrence size distribution and produce unique ILFs for each of the limits that we publish.

As a rule, as the limit increases, the ILF should increase, but at a decreasing rate. In other words, as the limit increases, the marginal ILF should decrease. The marginal ILF between two limits is defined as the difference in ILFs divided by the difference in limits. For PD, we accomplish this goal by selecting a truncation point of \$35,000 and using a truncated Pareto curve to determine the severity distribution for limits between \$35,000 and \$1,000,000.

FITTING A MIXED
EXPONENTIAL
DISTRIBUTION

ISO generates a best-fitting mixed exponential distribution to approximate the lag-weighted empirical survival distribution. The lag-weighted SDFs reflect smoothing. The resulting mixed exponential distribution defines the final indemnity distribution used in calculating the limited average severity component of the increased limit factor.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE

LIABILITY INCREASED LIMIT FACTORS

THE SIMPLE
EXPONENTIAL
DISTRIBUTION

To understand the mixed exponential distribution, first consider the simple exponential distribution. The simple exponential is a one-parameter distribution. The formulas for the survival distribution function (SDF(x)) and the limited average severity (LAS) at a given policy limit (PL) for an exponential distribution with mean parameter μ are given by:

$$\text{SDF}(x) = e^{-\frac{x}{\mu}} = 1 - \text{CDF}(x)$$

$$\text{LAS}(\text{PL}) = \mu(1 - e^{-\frac{\text{PL}}{\mu}})$$

THE MIXED
EXPONENTIAL
DISTRIBUTION

The mixed exponential distribution is a weighted average of exponential distributions. Each exponential distribution has two parameters, a mean μ_i and a weight w_i . Since the SDF at zero is unity, the weights will sum to 1.000.

The formulas for the survival distribution function and limited average severity for the mixed exponential distribution are the weighted averages of the respective single exponential formulas:

$$\text{SDF}(x) = \sum_i \left(w_i e^{-\frac{x}{\mu_i}} \right)$$

$$\text{LAS}(\text{PL}) = \sum_i w_i \mu_i (1 - e^{-\frac{\text{PL}}{\mu_i}})$$

ISO found that the mixed exponential distribution provides a good fit to empirical data over a wide range of loss sizes, is flexible and is simple to use. In fact, any distribution whose probability density function (pdf) has alternating derivatives,

$$\begin{aligned} \text{pdf}(x) &> 0, \\ d \text{ pdf}(x)/dx &< 0, \\ d^2 \text{ pdf}(x)/dx^2 &> 0, \\ d^3 \text{ pdf}(x)/dx^3 &< 0, \text{ etc., for all } x > 0, \end{aligned}$$

can be constructed as a mixture of exponentials with positive means and weights. Such distributions can be thought of as special cases of the mixed exponential distribution.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE

LIABILITY INCREASED LIMIT FACTORS

THE MIXED
EXPONENTIAL
DISTRIBUTION
SEVERITY
PARAMETERS

ISO estimates the mixed exponential distribution parameters using minimum distance estimation. We compare the fitted SDF to the empirical SDF at many discrete loss size layers resulting from the construction.

We seek a mixed exponential distribution that minimizes the weighted sum of the square of the differences of these survival probabilities (fitted minus empirical) taken at each loss size layer. This procedure is known as the “minimum distance” method.

The number of exponential distributions needed to produce an optimal fit to the empirical SDF may vary by coverage and can be as large as necessary.

We have limited the maximum possible mean to \$10,000,000 for stability. Limiting the size of the maximum mean to a reasonable value has negligible impact on the quality of the mixed exponential distribution fit through the highest limit that we evaluate.

FITTED LIMITED
AVERAGE
SEVERITIES

We compared the fitted limited average severities (per claim for BI and per occurrences for PD) to the trended empirical limited average severities. The trended empirical limited average severities are constructed in a manner analogous to the empirical survival distributions.

DEVELOPMENT
OF PROPERTY
DAMAGE
LIMITED
AVERAGE
SEVERITIES

ISO calculates the PD limited average severities using the fitted mixed exponential distributions. Because the PD mixed exponential indemnity distribution and the policy limits are both on a per occurrence basis, the LAS values for each policy limit are obtained directly from the mixed exponential curve.

DEVELOPMENT
OF BODILY
INJURY LIMITED
AVERAGE
SEVERITIES

ISO calculates the BI limited average severities on a split limit (per claim/per occurrence) basis. Because the BI mixed exponential distribution is on a per claim basis, we need to include information regarding the number of claims per occurrence to obtain LAS values for BI. We use a mixed zero-truncated negative binomial distribution to approximate the number of claims per occurrence.

The fitted claim size distribution and the claims per occurrence distribution are combined in a stochastic simulation to determine the expected indemnity per occurrence for each BI policy limit combination. When generating the indemnity experience for each occurrence, the simulation first determines the number of claims involved through the zero-truncated negative binomial distribution of claims per occurrence. Then the mixed exponential severity distribution is used to generate the indemnity amount for each claim.

Millions of occurrences are simulated. The insured losses for each desired policy limit combination are calculated and stored. The result provides the LAS amount for each BI policy limit combination that is used in the calculation of ILFs.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE
LIABILITY INCREASED LIMIT FACTORS

MIXED ZERO-
TRUNCATED
NEGATIVE
BINOMIAL
DISTRIBUTION

We employ a weighted mixture of zero-truncated negative binomial distributions to approximate the number of claims for each simulated BI occurrence.

The probability of k claims is equal to

$$p_k = \sum_j w_j p_{kj}$$

where:

w_j is the weight of each component zero-truncated negative binomial distribution j; and p_{kj} is the probability of k claims for each component distribution, such that:

$$p_{kj} = \frac{\Gamma(k+r_j)}{k! \Gamma(r_j)} \left(\frac{\beta_j}{1+\beta_j} \right)^k \left(\frac{1}{(1+\beta_j)^{r_j}-1} \right)$$

The grand mean of the mixture distribution is equal to:

$$m = \sum_j w_j m_j$$

where m_j is the mean for component distribution j, calculated as:

$$m_j = \frac{r_j \times \beta_j}{1-(1+\beta_j)^{-r_j}}$$

The total variance of the mixture distribution is equal to:

$$v = -m^2 + \sum_j w_j (m_j^2) + \sum_j w_j v_j$$

where v_j is the variance for component distribution j, calculated as:

$$v_j = m_j \left(1 + \beta_j - \frac{m_j}{(1+\beta_j)^{r_j}} \right)$$

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE

LIABILITY INCREASED LIMIT FACTORS

LOSS
ADJUSTMENT
EXPENSE

The standard liability policy contains a policy limit which represents the maximum amount an insurer will pay for any loss for which the policyholder is held liable. The associated loss adjustment expenses (LAE) are not affected by the policy limit. These expenses are subdivided into allocated loss adjustment expense (ALAE) and unallocated loss adjustment expense (ULAE).

In the calculation of Personal Automobile Liability increased limit factors, we include a provision for ALAE but not for ULAE. This is because the inclusion of ULAE would have no effect on the indicated factors since it is a general expense that is proportional to the sum of the expected indemnity and ALAE.

ALLOCATED
LOSS
ADJUSTMENT
EXPENSE

ALAE is independent of the policy limit purchased. Therefore, a constant average ALAE provision is assumed at each policy limit. We estimate the ALAE per occurrence as the product of two numbers. The first number is the ratio of ALAE to total limits (all limits combined) indemnity. The second number is the average (across all policy limits) limited average severity (LAS) calculated using the indemnity severity approach.

We determine the ALAE to total limits indemnity loss ratios based on the latest available twelve accident years of data. Our procedure uses a triangle of incremental ALAE emergence (at each evaluation) as a percentage of ultimate total limits indemnity losses to determine additive incremental ALAE emergence ratios. Specifically, "incremental ALAE percentages" are calculated as the emergence of ALAE between two evaluation points, divided by ultimate incurred indemnity losses. For example, the difference between historic ALAE evaluated at 27 months and ALAE evaluated at 15 months is expressed as a percentage of ultimate incurred indemnity losses. Similar percentages are calculated for the 27-to-39 month period, the 39-to-51 month period, etc. These percentages are summed, then combined with the ratios from the most recent diagonals, to determine the ratios of ALAE to total limits indemnity at ultimate. We then examine the six, seven, eight, nine, ten and eleven-year averages (leaving out the most recent year to enhance stability) and select an overall ratio for the ALAE provision calculation. (We selected the eight-year averages in this review.)

SUMMARY

In summary, we calculate LASs based on a continuous distribution of indemnity size. For BI, we combine the per claim indemnity distribution with a distribution of claims per occurrence to obtain the LAS for each per claim/per occurrence limit combination. In this process, we fit mixed exponential distributions to trended lag-weighted indemnity size distributions. We calculate ALAE per occurrence that does not vary by policy limit.

We then calculate the sum of the LAS and ALAE. The ratio of this sum at the limit desired to this sum at the basic limit is the increased limit factor. For BI, this ratio uses LAS values based on per claim/per occurrence limits. For PD, the LAS values are on a per occurrence basis.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

SUMMARY OF INCREASED LIMIT FACTOR CHANGES

Bodily Injury (\$50,000/100,000 Basic Limit)

Policy Limit (\$,000)	Basic Limit Premium Weight	Current Increased Limit Factor	Indicated Increased Limit Factor	Indicated Percent Change
50/100	0.6151	1.00	1.00	0.0%
100/100	0.0013	1.18	1.20	1.7%
100/200	0.0027	1.24	1.25	0.8%
100/300	0.2763	1.26	1.26	0.0%
250/500	0.0848	1.61	1.65	2.5%
300/300	0.0146	1.64	1.70	3.7%
500/500	0.0027	1.88	1.96	4.3%
500/1,000	0.0007	1.91	1.98	3.7%
1,000/1,000	0.0017	2.18	2.29	5.0%
1,000/2,000	0.0001	2.21	2.31	4.5%
TOTAL	1.0000	1.139	1.144	0.4%

Property Damage (\$50,000 Basic Limit)

Policy Limit (\$,000)	Basic Limit Premium Weight	Current Increased Limit Factor	Indicated Increased Limit Factor	Indicated Percent Change
50	0.7189	1.000	1.000	0.0%
100	0.2699	1.062	1.073	1.0%
250	0.0074	1.104	1.123	1.7%
300	0.0002	1.112	1.131	1.7%
500	0.0033	1.137	1.155	1.6%
750	0.0000	1.160	1.179	1.6%
1,000	0.0003	1.177	1.197	1.7%
TOTAL	1.0000	1.018	1.021	0.3%

Summary

Coverage	Coverage Weight ^a	Current Increased Limit Factor	Indicated Increased Limit Factor	Indicated Percent Change
Bodily Injury	0.4591	1.139	1.144	0.4%
Property Damage	0.5409	1.018	1.021	0.3%
TOTAL	1.0000	1.074	1.077	0.3%

^a Based on earned premium at present manual rates through 12/31/2024.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

CALCULATION OF INCREASED LIMIT FACTORS

Bodily Injury (\$50,000/\$100,000 Basic Limit)

Based on Review Parameters

(1)	(2) ^a	(3)	(4) ^b
Policy Limit <u>(\$,000)</u>	Limited Average <u>Severity</u>	ALAE per <u>Occurrence</u>	Indicated Increased Limit <u>Factor</u>
50/100	19,069	521	1.00
100/100	22,960	521	1.20
100/200	24,027	521	1.25
100/300	24,081	521	1.26
250/500	31,727	521	1.65
300/300	32,788	521	1.70
500/500	37,801	521	1.96
500/1,000	38,264	521	1.98
1,000/1,000	44,393	521	2.29
1,000/2,000	44,661	521	2.31

Property Damage (\$50,000 Basic Limit)

Based on Review Parameters

(1)	(2) ^a	(3)	(4) ^b
Policy Limit <u>(\$,000)</u>	Limited Average <u>Severity</u>	ALAE per <u>Occurrence</u>	Indicated Increased Limit <u>Factor</u>
50	7,828	39	1.000
100	8,402	39	1.073
250	8,797	39	1.123
300	8,855	39	1.131
500	9,047	39	1.155
750	9,236	39	1.179
1,000	9,381	39	1.197

^a At ultimate maturity and trended to an average loss date of July 1, 2026.

^b Derived by taking the ratio of columns [(2) + (3)] at the policy limit to columns [(2) + (3)] at the basic limit (\$50,000/\$100,000).

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

TREND SELECTION

Multistate Trend Data

Average Paid Claim Cost

<u>Year Ended</u>	<u>Total Limits Bodily Injury^a</u>	<u>Total Limits Property Damage^b</u>
3/31/2021	18,596	4,206
6/30/2021	19,315	4,159
9/30/2021	19,935	4,295
12/31/2021	20,744	4,438
3/31/2022	21,351	4,639
6/30/2022	21,458	4,872
9/30/2022	21,637	5,094
12/31/2022	21,665	5,305
3/31/2023	21,743	5,468
6/30/2023	22,073	5,591
9/30/2023	22,420	5,693
12/31/2023	22,984	5,782

12/31/2023 Claims		102,181	517,925
Average Annual	6 PT	4.9%	10.4%
Change	8 PT	3.9%	13.3%
	10 PT	5.0%	14.9%
	12 PT	6.8%	14.5%

^a Multistate Bodily Injury excludes Colorado, Delaware, District of Columbia, Florida, Hawaii, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Dakota, Pennsylvania, Puerto Rico, Texas and Utah.

^b Multistate Property Damage excludes Massachusetts, Michigan and Texas.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

TREND SELECTION
Multistate Trend Data

Consumer Price Index 12 Months Percent Change^a

Year: 2023	Medical	Hospitals & Related	Motor Vehicle	Motor Vehicle
<u>Month</u>	<u>Care</u>	<u>Services</u>	<u>Body Work</u>	<u>Repair</u>
January	3.1%	4.0%	9.9%	14.2%
February	2.3%	4.0%	9.2%	12.5%
March	1.5%	3.2%	9.0%	13.3%
April	1.1%	3.3%	8.8%	13.3%
May	0.7%	3.9%	7.2%	13.5%
June	0.1%	4.2%	5.5%	12.7%
July	-0.5%	3.4%	5.4%	12.7%
August	-1.0%	3.5%	7.1%	12.0%
September	-1.4%	4.7%	5.9%	10.2%
October	-0.8%	5.6%	3.7%	9.6%
November	0.2%	6.3%	3.3%	8.5%
December	0.5%	5.6%	4.1%	7.1%

Selected Bodily Injury Trend Factors:

-- +8.5% to end of review experience period, 12/31/2023
-- +6.5% from 1/1/2024 to 7/1/2026

Selected Property Damage Trend Factors:

-- +12.0% to end of review experience period, 12/31/2023
-- +7.5% from 1/1/2024 to 7/1/2026

^a For example, the 4.0% Medical Care value listed for December 2023 represents the percent difference between the December 2023 and December 2022 CPI values.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

PAYMENT LAG PARAMETERS AND LAG WEIGHTS

Payment Lag Parameters

	Bodily <u>Injury</u>	Property Damage <u>(Multistate)</u>
R1 =	0.69879848	0.26624790
R2 =	0.23225794	0.05308775
R3 =	0.34867493	0.25673082
$k = 1 + R1 + ((R1 \cdot R2) / (1 - R3)) =$	1.94798510	1.28526457

Generation of Lag Weights

	Bodily <u>Injury</u>	Property Damage <u>(Multistate)</u>
Lag 1 =	$1/k =$ 0.51335094	0.77804992
Lag 2 =	$R1/k =$ 0.35872886	0.20715416
Lag 3 =	$R1 \cdot R2/k =$ 0.08331763	0.01099735
Lag 4 =	$R1 \cdot R2 \cdot R3/k =$ 0.02905077	0.00282336
Lag 5 =	$R1 \cdot R2 \cdot (R3^2 / (1 - R3)) / k =$ 0.01555180	0.00097521
	TOTAL = 1.00000000	1.00000000

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

PARAMETERS FOR MIXED EXPONENTIAL DISTRIBUTIONS^a

Bodily Injury

<u>Mean</u>	<u>Weight</u>
2,331	0.150768
9,688	0.634638
33,963	0.145868
169,436	0.048092
517,789	0.014094
1,684,251	0.005006
10,000,000	0.001534

Property Damage (Multistate)

<u>Mean</u>	<u>Weight</u>
6,483	0.942051
42,106	0.056513
965,830	0.001436

^a Mixed exponential parameters are based on an average accident date of July 1, 2026.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

COMPARISON OF EMPIRICAL AND FITTED LIMITED AVERAGE SEVERITIES

Policy Limit (.000s)	Bodily Injury (Per Claim)			Property Damage - Multistate (Per Occurrence)		
	Trended Empirical <u>LAS^a</u>	Fitted <u>LAS</u>	Percent <u>Difference</u>	Trended Empirical <u>LAS^a</u>	Fitted <u>LAS</u>	Percent <u>Difference</u>
10	6,210	6,240	0.48%	5,409	5,319	-1.66%
15	7,935	7,957	0.28%	6,305	6,238	-1.06%
20	9,214	9,238	0.26%	6,845	6,756	-1.30%
25	10,213	10,240	0.26%	7,195	7,079	-1.61%
50	13,331	13,359	0.21%	7,912	7,828	-1.06%
100	16,718	16,746	0.17%	8,421	8,402	-0.23%
200	20,658	20,672	0.07%	8,814	8,726	-1.00%
300	23,266	23,253	-0.06%	9,001	8,855	-1.62%
400	25,163	25,145	-0.07%	9,117	8,957	-1.75%
500	26,621	26,609	-0.05%	9,199	9,047	-1.65%
800	29,650	29,638	-0.04%	9,350	9,268	-0.88%
1,000	31,068	31,055	-0.04%	9,413	9,381	-0.34%

^a This is the empirical LAS supplemented with the tail adjustment.

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

BODILY INJURY CLAIMS PER OCCURRENCE FREQUENCY PARAMETERS
Based on Mixed Zero-truncated Negative Binomial Distribution

<u>Distribution</u>	<u>Weight</u>	r	β	<u>Mean</u>	<u>Variance</u>
1	1.000000	0.227074	0.770599	1.438192	0.729724
Overall				1.438192	0.729724

NORTH CAROLINA
PERSONAL AUTOMOBILE LIABILITY INCREASED LIMIT FACTORS

CALCULATION OF ALLOCATED LOSS ADJUSTMENT EXPENSE PER OCCURRENCE

Ratios of ALAE to Total Limits Indemnity - Paid Data^a

<u>Accident Year</u>	<u>Bodily Injury</u>	<u>Property Damage (Multistate)</u>
2014	0.02724	0.00442
2015	0.02650	0.00435
2016	0.02702	0.00404
2017	0.02377	0.00483
2018	0.02426	0.00498
2019	0.02317	0.00740
2020	0.02247	0.00636
2022	0.02456	0.00561
2023	0.02455	0.00613
8-Year Average (excluding latest year)	0.025	0.005

Indicated ALAE per Occurrence

<u>Coverage</u>	(1) ALAE per Total Limits <u>Indemnity</u>	(2) Mixed Exponential Total Limits <u>Average Severity</u>	(1) x (2) ALAE per <u>Occurrence</u>
Bodily Injury	0.025	20,849	521
Property Damage	0.005	7,790	39

^a Derived from paid aggregate data developed to ultimate.