

**CONNECTICUT APPENDIX 3
INSURANCE COMPANY RATE FILING FORM
INDEPENDENT COMMERCIAL RATE FILING**

CONNECTICUT APPENDIX 3 INSURANCE COMPANY RATE FILING FORM INDEPENDENT COMMERCIAL RATE FILING					
1.	Insurer Name:	Continental Casualty CompanyCN			
	Group Name:	CNA Insurance Companies			
	Address	125 Broad Street			
	City	New York			
	ZIP Code	!0004			
2.	NAIC Group Number	218			
3.	NAIC Company Number	20443			
4.	Line/subline of insurance: (Check one)				
	Fire/Allied		Comm. Auto Liability		Professional Liability
	CMP-Property		Comm. Auto P. D.		Burglary and theft
	CMP-Liability		Fidelity/Surety		Boiler and Machinery
	Businessowners		Medical Malpractice		Other:
	Inland Marine		Workers' Compensation		
	Products Liability	<input checked="" type="checkbox"/>	Other Liability		
5.	Organization (Check One)	The company is a member or subscriber of the following organization for this line of business:			
	ISO <input checked="" type="checkbox"/>	NCCI <input type="checkbox"/>	AAIS <input type="checkbox"/>	SAA <input type="checkbox"/>	NAII
	Other (name)				
6.	Proposed Effective Date	New business	03/01/2014		
		Renewal business	03/01/2014		
7.	Estimated Company Rate Level Change (%)		-0.2%		
8.	Prior Company Rate Level Change (%)		-0.4%		
9.	Estimated Company Connecticut Market Share (%)		NA		
10.	Connecticut Page 15 Annual Statement LOB Experience – Most Recent 3 Years	Earned Premium	Incurring Losses	Loss Ratio Incurred/Earned	
	2012	\$2,380,282	\$2,374,689	99.76	%
	2011	\$2,367,467	\$383,951	16.22	%
	2010	\$2,399,415	\$1,861,722	77.59	%
	Total Three Years	\$7,147,164	\$4,620,362	193.57	%
11.	Selected Expense Provisions in Loss Cost Adjustment Modifier:				
	A	Commissions		%	
	B	Other Acquisition Expense		%	
	C	General Expense		%	
	D	Taxes, Licenses & Fees		%	
	E	Profit & Contingencies		%	
	F	Other (Explain)		%	
	G	Total		0.00 %	
12.	Multiple Company Filing				
	Company Name:		NAIC Number		

DISTRICT OF COLUMBIA/COUNTRYWIDE 5 YEAR EXPERIENCE & EXPENSE EXHIBIT
EXPERIENCE FOR AS Line 17.2 Other Liability-Claims Made (in 000s)

(Statistics should be identical to Page 15 (Statutory Page 14 Data) of the Annual Statement, Insurance Expense Exhibit)

DISTRICT OF COLUMBIA	2008		2009		2010		2011		2012		All Years	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
1. Direct Premiums Earned	16,883	100%	15,403	100%	14,933	100%	16,366	100%	17,385	100%	80,970	100%
2. Direct Losses Incurred	21,876	129.6%	10,536	68.4%	275	1.8%	9,041	55.2%	7,068	40.7%	48,797	60.3%
3. Direct Defense and Cost Containment Expense	3,610	21.4%	1,572	10.2%	1,586	10.6%	2,375	14.5%	1,340	7.7%	10,483	12.9%
4. Direct Loss & Loss Expenses Incurred (2 & 3)	25,486	151.0%	12,108	78.6%	1,861	12.5%	11,416	69.8%	8,408	48.4%	59,280	73.2%
5. Direct Premiums Written	18,080	100%	14,007	100%	15,560	100%	16,412	100%	17,862	100%	81,921	100%
6. Direct Commission & Brokerage Incurred	2,267	12.5%	2,232	15.9%	2,569	16.5%	2,607	15.9%	2,834	15.9%	12,509	15.3%
7. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred	347	1.9%	434	3.1%	560	3.6%	569	3.5%	657	3.7%	2,566	3.1%
8. Direct General Expenses Incurred	1,099	6.1%	674	4.8%	763	4.9%	775	4.7%	1,045	5.8%	4,357	5.3%
9. Direct Taxes, Licences and Fees Incurred	178	1.0%	189	1.3%	194	1.2%	194	1.2%	263	1.5%	1,017	1.2%
10. Total Expenses Incurred (6-9)	3,891	21.5%	3,529	25.2%	4,086	26.3%	4,144	25.3%	4,798	26.9%	20,448	25.0%

COUNTRYWIDE	2008		2009		2010		2011		2012		All Years	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
1. Direct Premiums Earned	1,338,091	100%	1,428,255	100%	1,383,561	100%	1,434,862	100%	1,497,765	100%	7,082,534	100%
2. Direct Losses Incurred	839,443	62.7%	639,522	44.8%	585,399	42.3%	712,023	49.6%	749,561	50.0%	3,525,948	49.8%
3. Direct Defense and Cost Containment Expense	259,653	19.4%	240,919	16.9%	271,276	19.6%	295,343	20.6%	247,839	16.5%	1,315,030	18.6%
4. Direct Loss & Loss Expenses Incurred (2 & 3)	1,099,096	82.1%	880,441	61.6%	856,675	61.9%	1,007,366	70.2%	997,400	66.6%	4,840,978	68.4%
5. Direct Premiums Written	1,317,871	100%	1,409,901	100%	1,394,147	100%	1,474,180	100%	1,518,116	100%	7,114,215	100%
6. Direct Commission & Brokerage Incurred	214,471	16.3%	228,834	16.2%	233,937	16.8%	251,497	17.1%	258,939	17.1%	1,187,678	16.7%
7. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred	25,320	1.9%	43,716	3.1%	50,143	3.6%	51,068	3.5%	55,806	3.7%	226,053	3.2%
8. Direct General Expenses Incurred	80,088	6.1%	67,881	4.8%	68,404	4.9%	69,645	4.7%	88,787	5.8%	374,805	5.3%
9. Direct Taxes, Licences and Fees Incurred	35,184	2.7%	22,202	1.6%	23,119	1.7%	25,164	1.7%	26,291	1.7%	131,960	1.9%
10. Total Expenses Incurred (6-9)	355,063	26.9%	362,633	25.7%	375,603	26.9%	397,374	27.0%	429,823	28.3%	1,920,496	27.0%

KANSAS PREMIUM AND LOSS EXPERIENCE EXHIBIT

Name of Company: Continental Casualty Company
Line of Business: Accountants Professional Liability

Premiums and Losses Reported Are:

Line of Business: Accountants Professional Liability				Experience Current As Of 3/31/2013				Basic Limits:		Total Limits: X			
		Year: 2008		Year: 2009		Year: 2010		Year: 2011		Year: 2012		TOTAL	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
KANSAS													
1. Direct Premiums Earned		896,357	100%	924,236	100%	953,840	100%	1,100,537	100%	782,482	100%	4,657,451	100%
2. Direct Losses Incurred		290,482	32.4%	41,521	4.5%	1,901,297	199.3%	74,809	6.8%	115,913	14.8%	2,424,021	52.0%
3. Loss Adjustment Expense Incurred		72,632	8.1%	65,455	7.1%	116,121	12.2%	70,872	6.4%	56,476	7.2%	381,555	8.2%
4. Loss & Loss Adjustment Expenses Incurred (2+3)		363,113	40.5%	106,975	11.6%	2,017,417	211.5%	145,681	13.2%	172,389	22.0%	2,805,575	60.2%
5. Direct Premiums Written		924,574	100%	900,458	100%	1,113,869	100%	839,805	100%	841,686	100%	4,620,392	100%
6. Commission and Brokerage Paid		161,800	17.5%	157,580	17.5%	194,927	17.5%	146,966	17.5%	147,295	17.5%	808,569	17.5%
7. Other Acquisition, Field Supervision & Collection Expenses Pd.		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0	0.0%
8. General Expenses Paid		58,263	6.3%	60,075	6.7%	62,000	5.6%	71,535	8.5%	50,861	6.0%	302,734	6.6%
9. Taxes, Licenses & Fees Paid		22,190	2.4%	21,611	2.4%	26,733	2.4%	20,155	2.4%	20,200	2.4%	110,889	2.4%
10. Total Expenses Paid (6+7+8+9)		242,253	26.2%	239,266	26.6%	283,660	25.5%	238,656	28.4%	218,357	25.9%	1,222,192	26.5%
		Year:		Year:		Year:		Year:		Year:		TOTAL	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
COUNTRYWIDE													
1. Direct Premiums Earned		79,659,236	100%	79,191,427	100%	78,400,525	100%	76,584,521	100%	75,781,892	100%	389,617,601	100%
2. Direct Losses Incurred		24,919,486	31.3%	30,624,826	38.7%	24,126,924	30.8%	22,309,711	29.1%	14,467,616	19.1%	116,448,562	29.9%
3. Loss Adjustment Expense Incurred		16,724,155	21.0%	18,841,857	23.8%	13,732,273	17.5%	11,047,038	14.4%	7,338,157	9.7%	67,683,481	17.4%
4. Loss & Loss Adjustment Expenses Incurred (2+3)		41,643,640	52.3%	49,466,683	62.5%	37,859,197	48.3%	33,356,749	43.6%	21,805,774	28.8%	184,132,043	47.3%
5. Direct Premiums Written		80,758,178	100%	79,410,210	100%	78,471,864	100%	77,440,692	100%	74,930,981	100%	391,011,924	100%
6. Commission and Brokerage Paid		14,132,681	17.5%	13,896,787	17.5%	13,732,576	17.5%	13,552,121	17.5%	13,112,922	17.5%	68,427,087	17.5%
7. Other Acquisition, Field Supervision & Collection Expenses Pd.		-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0	0.0%
8. General Expenses Paid		5,177,850	6.4%	5,147,443	6.5%	5,096,034	6.5%	4,977,994	6.4%	4,925,823	6.6%	25,325,144	6.5%
9. Taxes, Licenses & Fees Paid		1,938,196	2.4%	1,905,845	2.4%	1,883,325	2.4%	1,858,577	2.4%	1,798,344	2.4%	9,384,286	2.4%
10. Total Expenses Paid (6+7+8+9)		21,248,728	26.3%	20,950,074	26.4%	20,711,935	26.4%	20,388,692	26.3%	19,837,088	26.5%	103,136,517	26.4%

Notes:

*% of Line 1 (Same for each year and total)

**% of Line 5 (Same for each year and total)

Statistical Agent for this Line of Business:

Rating Bureau Affiliation for this Line of Business:

CNA
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY

PROJECTED EXPENSES (Countrywide Data)

	2010	2011	2012	3 Year	Projected
	\$000	\$000	\$000	Average	Expenses
Written Premium	1,394,147	1,474,180	1,518,116		
Earned Premium	1,383,561	1,434,862	1,497,765		
Commission & Brokerage Fees	233,937	251,497	258,939	17.0%	17.5%
Other Acquisition Expense	14,435	53,917	25,320	2.1%	0.0%
General Expenses	68,404	69,645	88,787	5.2%	6.5%
Taxes, Licenses, & Fees	23,119	25,164	26,291	1.7%	2.4%
ULAE**	89,568	95,801	102,140	6.6%	5.7%

Source: Continental Casualty Corporation Expense Exhibits, Part III, Line 17 (Other Liability-Claims-Made). Projected expenses are specific for Accountants Professional Liability Program. With respect to IEE, Other Liability includes many other lines than Accountants Professional Liability Program.

* Other Acquisition Expense is included with Commission & Brokerage Fees as Projected Expenses of 17.5%

CNA
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY

5 Years Premium and Loss Experience

MASSACHUSETTS -- NetProtect Endorsement

Policy Year	Written Premium	Incurred Loss & ALAE	Projected Loss & ALAE Ratio
2008	(1) 0	(2) 0	(5) 0.0%
2009	7,999	0	0.0%
2010	21,290	0	0.0%
2011	19,861	0	0.0%
2012	22,917	0	0.0%
2008-2012	72,067	0	0.0%

COUNTRYWIDE -- NetProtect Endorsement

Policy Year	Written Premium	Incurred Loss & ALAE	Projected Loss & ALAE Ratio
2008	(1) 0	(2) 0	(5) 0.0%
2009	234,905	13,850	5.9%
2010	569,944	0	0.0%
2011	594,619	0	0.0%
2012	739,085	0	0.0%
2008-2012	2,138,553	13,850	0.6%

**MASSACHUSETTS DIVISION OF INSURANCE
RATE FILING ABSTRACT**

Page 1 of 2

NOTE: This abstract is a summary of the submitted Rate Type filing. It is not a substitute for any Rate Type filing materials required by [M.G.L. 174A, §6](#), [M.G.L. 175A, §6](#), or [Bulletin 2008-08](#), nor for any Supplementary Rating Information or Supporting Information as defined within [Bulletin SRB 90-05](#). Exhibit citations alone are insufficient to answer any question.

INSTRUCTIONS: Please complete one abstract per Filing Company for all Rate Type filings EXCEPT those requiring the Loss Costs Adoption Form or the Rate Deviation Abstract. If requested data differs by category, separate abstracts or combined figures are required.

Continental Casualty Company 0218-20443

Please enter the corporate name and nine-digit NAIC number of the Filing Company (e.g. 0000-00000).

Accountants Professional Liability Program

Please enter the program name as filed.

Sub-type of Insurance: 17.0019, 17.1019 & 17.2019 Errors & Omissions Liability

Latest Year Massachusetts Direct Written Premium: \$2,141,111

Please complete items 1 through 8 as applicable to this filing.

1. OVERALL RATE LEVEL CHANGE:

Formula Indicated 1.5 % Proposed/Selected -0.3 %

If the Proposed/Selected is different from the Formula Indicated, please explain why.

See the attached actuarial memo for more detailed information.

2. PROGRAM RATE LEVEL HISTORY: *Please provide data starting with the most recent revision.*

<i>Date (MM/DD/YY)</i>	<i>% Change</i>
<u>4/04/2007</u>	<u>-5.0</u> %
<u>12/19/2005</u>	<u>-3.5</u> %
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %

3. NUMBER OF EXPERIENCE YEARS ANALYZED: 6 Years

4. CREDIBILITY STANDARDS AND METHODS: *Please complete all that apply.*

Most recent year's experience: 0 % Massachusetts versus countrywide experience: 27 %

Other credibility standards/methods used:

5. Have premium exposures have been trended? yes

6. Have historical premiums been adjusted to reflect past rate changes? *If "Yes," please explain.*

Yes, historical premium for both Massachusetts and Countrywide have been adjusted to reflect past countrywide rate changes.

MASSACHUSETTS DIVISION OF INSURANCE
RATE FILING ABSTRACT

Page 2 of 2

7. **LOSS TRENDING:** Please provide data starting with the most recent experience year.

Year	Factor Derived
<u>2012</u>	<u>1.13</u>
<u>2011</u>	<u>1.187</u>
<u>2010</u>	<u>1.248</u>

Method and annual rate of change: 3.5% trended from midpoint of each accident yr to 6 mos past eff. date

8. **LOSS DEVELOPMENT:** Please provide data starting with the most recent experience year.

Year	Maturity	Factor-Ultimate
<u>2012</u>	<u>2.885</u>	<u>15 mos</u>
<u>2011</u>	<u>1.597</u>	<u>27 mos</u>
<u>2010</u>	<u>1.125</u>	<u>39 mos</u>

Based on Massachusetts data, countrywide data, or both? Countrywide data

Items 9 through 13 are required for all Rate Type filings.

Is the following based on Massachusetts data, countrywide data, or both? countrywide

9. **UNDERWRITING PROFIT:**

<i>Provision</i>	<i>Flat or Variable?</i>
<u>4.8</u> %	<u>variable</u>

10. **EXPENSES:** Please include a three-year expense exhibit.

	<i>Provision</i>	<i>Flat or Variable?</i>
General Expense	<u>6.5</u> %	<u>variable</u>
Commissions/Brokerage	<u>17.5</u> %	<u>variable</u>
Other Acquisition	<u>0.0</u> %	<u>variable</u>
Taxes, Licenses, Fees	<u>2.4</u> %	<u>variable</u>
Other Expenses	<u> </u> %	<u> </u>

11. **LOSS ADJUSTMENT EXPENSE FACTORS:** Allocated in loss % Unallocated 10.0 %

12. **UNTRENDED EXPECTED LOSS RATIO:** 68.8 %

13. **If investment income is reflected in the filing, please indicate the method/model used.**

Investment income is based on discounted cash flow method and investment income on surplus.

14. **Please briefly describe any changes in coverage since the last Rate Level Change.**

None.

Rachel Miller

Digitally signed by Rachel Miller
DN: cn=Rachel Miller, o=CNA, ou, email=john.lockhart@cna.com, c=US
Date: 2013.12.02 13:23:23 -05'00'

Signature of Officer in Charge

December 2, 2013

Date

Rachel Miller, Assistant Vice President

Name and Title of Officer in Charge

Andrew Dryden

Name and Title of Person Completing This Abstract

MASSACHUSETTS STATEMENT OF VARIABILITY

CONTINENTAL CASUALTY COMPANY NAIC# 218-20443

ACCOUNTANTS PROFESSIONAL LIABILITY

FILING: 13-00765-FRL

NEW Form #	NEW Edition Date	Name of Form: file - New form name / DISC - existing form name	Variable Data (Y/N)	Variable Field Input
CNA74066XX	07/2013	EMPLOYEE THEFT COVERAGE ENDORSEMENT (INCLUDING PARTNERS)	Y	Amount: aggregate limit of liability; amount: deductible
CNA75704XX	07/2013	ACCOUNTANTS PRIVACY AND NETWORK SECURITY RISK ENDORSEMENT	Y	Amount: premium paid for this endorsement; amount: limit applicable to each claim; amount: limit applicable to all claims in the aggregate; amount: deductible applicable to each claim; amount: limit applicable to all privacy event expenses; date: privacy and network security prior acts date

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

INSURER'S RATEMAKING CALCULATIONS

MASSACHUSETTS -- PREMIER PLAN

Accident Year	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(4)	(5)	(6)	(7)
2007	1,120,128	381,142	1.448	551,877	49.3%
2008	1,158,784	847,413	1.378	1,167,609	100.8%
2009	1,197,328	648,589	1.311	850,390	71.0%
2010	1,392,684	209,751	1.248	261,697	18.8%
2011	1,331,788	269,365	1.187	319,802	24.0%
2012	1,435,882	67,917	1.130	76,730	5.3%
2007-2012	6,200,713	2,356,260		3,151,374	50.8%

COUNTRYWIDE -- PREMIER PLAN

Accident Year	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(4)	(5)	(6)	(7)
2007	84,067,726	26,525,990	1.448	38,408,502	45.7%
2008	84,800,611	65,036,932	1.378	89,611,131	105.7%
2009	86,260,378	50,274,299	1.311	65,916,493	76.4%
2010	86,854,834	54,108,691	1.248	67,508,935	77.7%
2011	85,172,700	36,991,071	1.187	43,917,467	51.6%
2012	85,426,674	51,983,647	1.130	58,729,092	68.7%
2007-2012	427,156,249	232,936,983		305,362,527	71.5%

(8)	Massachusetts Selected Loss Ratio	50.8%
(9)	Countrywide Selected Loss Ratio	71.5%
(10)	Permissible Loss & LAE at 15% ROE	68.8%
(11)	Credibility	27.0%
(12)	Credibility Weighted Projected Loss & ALAE Ratio	65.9%
(13)	ULAE as a Percent of Loss & ALAE	10.0%
(14)	Credibility Weighted Projected Loss & LAE Ratio	72.5%
(15)	Rate Indication	5.3%
(16)	Selected Rate Change	0.0%

- (4) See Exhibit 6
 (5) See Exhibit 9 for 3.5% Loss Trend which was trended to 1/1/2015
 (6) = (5) * (4)
 (7) = (6) / (1)
 (10) See Exhibit 3
 (11) = ((# claims)/1082)^.5
 (12) = (8) * (11) + (9) * (1 - (11))
 (13) See Exhibit 2
 (14) = (12) * [1 + (13)]
 (15) = (14) / (10) - 1

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

Expense Ratios

Projected Expenses (Countrywide Data)

	2009	2010	2011	2012	2009-2012	Projected Expenses*
(1) Written Premium	1,409,901	1,394,147	1,474,180	1,518,116	5,796,344	
(2) Earned Premium	1,428,255	1,383,561	1,434,862	1,497,765	5,744,443	
(3) Incurred Loss	639,522	585,399	712,023	749,561	2,686,505	
(4) ALAE Incurred	240,919	271,276	295,343	247,839	1,055,377	
(5) ULAE Incurred	86,142	89,568	95,801	102,140	373,651	
(6) Comm. & Brokerage Exp.	228,834	233,937	251,497	258,939	973,207	
(7) Taxes, Licenses, & Fees	22,202	23,119	25,164	26,291	96,776	
(8) Other Acquisition	43,716	50,143	51,068	55,806	200,733	
(9) General Expenses	67,881	68,404	69,645	88,787	294,717	
(10) ULAE/(Loss&ALAE) (5) / [(3) + (4)]	9.8%	10.5%	9.5%	10.2%	10.0%	10.0%
(11) Com. Exp. to WP (6)/(1)	16.2%	16.8%	17.1%	17.1%	16.8%	17.5%
(12) Taxes, Lic. & Fees (7)/(1)	1.6%	1.7%	1.7%	1.7%	1.7%	2.4%
(13) Other Acquisition (8)/(1)	3.1%	3.6%	3.5%	3.7%	3.5%	0.0%
(14) General Expenses (9)/(1)	4.8%	4.9%	4.7%	5.8%	5.1%	6.5%
(15) Total Underwriting Expenses	25.7%	26.9%	27.0%	28.3%	27.0%	26.4%
(16) Total Und Exp Less TLF (15) - (12)	24.1%	25.3%	25.2%	26.6%	25.3%	24.0%

Source: Continental Casualty Corporation Expense Exhibits, Part III, Line 17.2 (Other Liability-Claims-Made). Projected expenses are specific for Accountants Professional Liability Program. With respect to IEE, Other Liability-Claims-Made includes many programs other than Accountants Professional Liability Program.

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

Permissible Loss Ratio

A	Target Return on Equity	15%
B	Interest Rate After Tax per Exhibit 5	3.0%
C	Surplus % Investible per Exhibit 5	88.7%
D	Target Premium to Surplus Ratio	1.100
E	Target Return on Premium = (A- B x C) / D	11.2%
F	Expense Ratio per O below	26.4%
H	Target Nominal L&LAE Ratio = 100% - E - F	62.4%
I	Loss + ALAE Discount Factor per Exhibit 4	0.907
J	Target Discounted L&LAE Ratio = H / I	68.8%
K	Adjustment for Investment Income J - H	6.4%
L	Target Combined Ratio = F + J	95.2%
M	Underwriting Profit = 1 - L	4.8%
Expenses per Exhibit 2		
	Commission & Brokerage	17.5%
	Taxes, Lic. & Fees	2.4%
	Other Acquisition	0.0%
	General	6.5%
O	Total	26.4%

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

2012 Interest Rate After Tax

(1)	Investment Income & Capital Gains to Assets 2008-2012	4.4%
(2)	Tax Rate on Investment Income	30.47%
(3)	Interest Rate After Tax	3.0%

Calculation of Average Rate of Federal Income Tax

	2012	2012 Federal Income Tax Rate
Bonds		
(1) Taxable	1,456,356	35.00%
(2) Non-Taxable	233,897	5.25% (A)
(3) Total	1,690,253	30.88%
Stocks		
(4) Taxable	16,165	11.20% (B)
(5) Non-taxable (Affiliates)	30,000	0.00%
(6) Total	46,165	3.92%
(7) Mortgage Loans on Real Estate	14,984	
(8) Real Estate	34,817	
(9) Contract Loans	0	
(10) Cash / Short-Term Investments	3,741	
(11) Derivative Instruments	0	
(12) Other Invested Assets	136,005	
(13) Sub-Total	189,547	35.00%
(14) Total	1,925,965	30.64%
(15) Aggregate Write-In for Investment Income	1,765	35.00%
(16) Investment Deductions	75,105	35.00%
(17) Net Investment Income Earned	1,852,625	30.47%

Notes:

(A) Income on tax-exempt bond is subject to proration; that is, 15% of that income is taxed at a full corporate income tax rate of 35%. The applicable tax rate is thus 5.25% (.15 * .35 = .0525).

(B) 20% of dividend income is subject to a full corporate income tax rate of 35%. 15% of the remaining 80% of dividend income is taxed at a rate of 35%. The applicable tax rate is thus 11.2% ((.20 * .35) + (.8 * .15 * .35) = .0112).

Data Source:

2012 Continental Casualty Company Combined Annual Statement"

- (1) Annual Statement Page 12, Sum of Lines 1 and 1.2, Column 2
 (2) Annual Statement Page 12, Sum of Lines 1.1 and 1.3, Column 2
 (3) = (1) + (2)
 (4) Annual Statement Page 12, Sum of Lines 2.1 and 2.2, Column 2
 (5) Not included - Annual Statement Page 12, Sum of Lines 2.11 and 2.21, Column 2
 (6) = (4) + (5)
 (7) Annual Statement Page 12, Sum Line 3, Column 2
 (8) Annual Statement Page 12, Sum Line 4, Column 2
 (9) Annual Statement Page 12, Sum Line 5, Column 2
 (10) Annual Statement Page 12, Sum Line 6, Column 2
 (11) Annual Statement Page 12, Sum Line 7, Column 2
 (12) Annual Statement Page 12, Sum Line 8, Column 2
 (13) = Sum of (7) through (12)
 (14) = (3) + (6) + (13)
 (15) Annual Statement Page 12, Sum Line 9, Column 2
 (16) Annual Statement Page 12, Sum Line 16, Column 2
 (17) = (14) + (15) - (16)

CNA Insurance Companies
Investment Income & Capital Gains
Summary 2008 - 2012

			Annual Statements				
		2008	2009	2010	2011	2012	Total
(1)	Net Investment Income Earned	1,811,420	1,699,825	1,679,237	1,888,160	1,833,699	8,912,341
(2)	Net Realized Capital Gains or Losses	-944,139	-784,279	104,539	117,875	63,135	-1,442,869
(3)	Total Investment Gain (1) + (2)	867,281	915,546	1,783,776	2,006,035	1,896,834	7,469,472
(4)	Net Unrealized Capital Gains or Losses	-1,281,700	1,041,227	554,049	-207,204	438,816	545,188
(5)	Total (3) + (4)	-414,419	1,956,773	2,337,825	1,798,831	2,335,650	8,014,660
(6)	Mean Cash & Invested Assets	35,255,743	35,635,768	36,747,488	37,192,703	38,068,044	182,899,746
Net Investment Income & Capital Gains / Mean Cash & Invested Assets							
(7)	Net Investment Income Earned (1) / (6)	5.1%	4.8%	4.6%	5.1%	4.8%	4.9%
(8)	Net Realized Capital Gains or Losses (2) / (6)	-2.7%	-2.2%	0.3%	0.3%	0.2%	-0.8%
(9)	Total Investment Gain (3) / (6)	2.5%	2.6%	4.9%	5.4%	5.0%	4.1%
(10)	Net Unrealized Capital Gains or Losses (4) / (6)	-3.6%	2.9%	1.5%	-0.6%	1.2%	0.3%
(11)	Total (5) / (6)	-1.2%	5.5%	6.4%	4.8%	6.1%	4.4%

CNA Insurance Companies
Assets
2012 (000's)

Bonds	31,674,827
Preferred Stocks	251,378
Common Stocks	2,422,952
Other Invested Assets	2,580,090
Investable Assets	36,929,247
Total Assets	41,622,856
Percent Investible Assets	88.7%

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

INSURER'S RATEMAKING CALCULATIONS

MASSACHUSETTS -- PREMIER PLAN

Accident Year	Paid Loss & ALAE	Incurred Loss & ALAE	Ultimate Paid LDF Method	Ultimate Incurred LDF Method	Select Ultimate Loss & ALAE
2007	328,396	410,628	346,686	415,598	381,142
2008	780,724	780,724	900,557	794,270	847,413
2009	468,519	578,621	703,028	594,151	648,589
2010	121,510	121,510	282,746	136,756	209,751
2011	101,834	101,835	376,096	162,634	269,365
2012	8,547	9,558	108,258	27,575	67,917
2007-2012	1,809,530	2,002,876	2,717,370	2,130,985	2,424,177

COUNTRYWIDE -- PREMIER PLAN

Accident Year	Paid Loss & ALAE	Incurred Loss & ALAE	Ultimate Paid LDF Method	Ultimate Incurred LDF Method	Select Ultimate Loss & ALAE
2007	24,522,828	26,838,501	25,888,616	27,163,365	26,525,990
2008	52,325,253	68,528,206	60,356,645	69,717,218	65,036,932
2009	33,691,922	48,686,166	50,555,747	49,992,852	50,274,299
2010	25,066,614	44,327,448	58,328,197	49,889,186	54,108,691
2011	10,715,804	21,543,870	39,575,856	34,406,286	36,991,071
2012	5,384,006	12,398,191	68,196,856	35,770,439	51,983,647
2007-2012	151,706,428	222,322,383	302,901,916	266,939,345	284,920,631

Note: Select Ultimate Loss and ALAE is an average of the methods.

See Exhibit 7 for Paid LDFs

See Exhibit 8 for Incurred LDFs

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013
BASED ON ACCIDENT YEAR**

COUNTRYWIDE ANALYSIS -- PREMIER

Paid Loss + ALAE Development Triangle

Month

Accident Year	15	27	39	51	63	75	87	99	111	123
2003	2,629,619	15,048,890	32,703,082	42,445,710	48,252,089	49,790,418	50,330,593	50,991,506	51,377,947	51,783,708
2004	2,313,805	7,616,049	13,695,381	28,221,769	36,196,324	38,890,706	39,094,924	39,181,676	39,191,882	
2005	1,927,940	7,867,860	17,963,702	34,232,442	40,774,180	42,209,761	48,183,758	48,578,317		
2006	2,454,895	7,129,063	13,323,698	18,866,377	22,648,915	30,929,682	31,075,494			
2007	1,788,750	14,908,224	16,458,185	21,718,919	22,673,310	24,522,828				
2008	4,696,014	14,279,749	22,048,268	31,193,084	52,325,253					
2009	3,197,536	9,132,927	20,294,119	33,691,922						
2010	4,396,491	15,785,481	25,066,614							
2011	4,821,583	10,715,804								
2012	5,384,006									
2003	5,723	2,173	1,298	1,137	1,032	1,011	1,013	1,008	1,008	
2004	3,292	1,798	2,061	1,283	1,074	1,005	1,002	1,000		
2005	4,081	2,283	1,906	1,191	1,035	1,142	1,008			
2006	2,904	1,869	1,416	1,200	1,366	1,005				
2007	8,334	1,104	1,320	1,044	1,082					
2008	3,041	1,544	1,415	1,677						
2009	2,856	2,222	1,660							
2010	3,590	1,588								
2011	2,222									
Wtd Avg	3,631	1,760	1,541	1,261	1,093	1,042	1,008	1,004	1,008	
3 - Yr Wtd	2,870	1,720	1,473	1,360	1,134	1,056	1,008	1,004		
5 - Yr Wtd	3,430	1,587	1,551	1,301	1,093	1,042	1,008			
5 - Yr x hi/lo	3,163	1,667	1,497	1,225	1,064	1,008				
Selected	3,430	1,587	1,551	1,301	1,093	1,042	1,008	1,004	1,000	1,000
Cumulative	12,667	3,693	2,327	1,501	1,153	1,056	1,013	1,004	1,000	1,000

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013
BASED ON ACCIDENT YEAR**

COUNTRYWIDE ANALYSIS -- PREMIER

Incurred Loss + Incurred ALAE Development Triangle

Accident Year	15	27	39	51	63	75	87	99	111	123
					Month					
2003	16,023,825	37,860,120	44,178,209	49,157,928	50,943,825	51,669,048	51,337,662	51,506,673	52,081,822	53,235,660
2004	12,947,069	22,589,705	39,853,092	38,930,990	42,493,956	40,935,155	39,844,052	39,467,678	39,477,883	
2005	18,537,909	24,856,327	40,578,044	45,800,936	44,402,801	45,583,440	48,986,125	48,992,998		
2006	16,731,831	25,270,509	26,426,940	29,071,091	31,397,099	32,846,830	32,076,592			
2007	14,095,654	26,686,367	26,949,714	27,542,764	27,614,896	26,838,501				
2008	18,929,036	34,874,595	71,225,476	71,109,725	68,528,206					
2009	19,571,113	31,365,004	37,557,090	48,686,166						
2010	15,361,148	27,319,823	44,327,448							
2011	10,529,138	21,543,870								
2012	12,398,191									
2003	2.363	1.167	1.113	1.036	1.014	0.994	1.003	1.011	1.022	
2004	1.745	1.764	0.977	1.092	0.963	0.973	0.991	1.000		
2005	1.341	1.633	1.129	0.969	1.027	1.075	1.000			
2006	1.510	1.046	1.100	1.080	1.046	0.977				
2007	1.893	1.010	1.022	1.003	0.972					
2008	1.842	2.042	0.998	0.964						
2009	1.603	1.197	1.296							
2010	1.779	1.623								
2011	2.046									
Wtd Avg	1.768	1.434	1.082	1.014	1.005	1.007	0.999	1.006	1.022	
3 - Yr Wtd	1.765	1.637	1.086	0.999	1.018	1.013	0.999	1.006		
5 - Yr Wtd	1.807	1.419	1.096	1.009	1.005	1.007	0.999			
5 - Yr x hi/lo	1.838	1.289	1.084	1.017	1.004	0.985	1.000			
Selected	1.807	1.419	1.096	1.009	1.005	1.007	0.999	1.006	1.000	1.000
Cumulative	2.885	1.597	1.125	1.027	1.017	1.012	1.005	1.006	1.000	1.000

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013**

SEVERITY TREND ANALYSIS

Accident Year	Projected Incurred Counts	Projected Incurred Ultimates	Indicated Severity	2003-2012 Fitted Severity	2006-2012 Fitted Severity
2003	492	84,472,761	171,693	103,302	
2004	465	39,667,339	85,306	101,679	
2005	462	41,030,157	88,810	100,080	
2006	491	43,399,706	88,390	98,507	79,707
2007	473	31,606,579	66,822	96,958	83,343
2008	570	39,963,143	70,115	95,434	87,144
2009	611	85,954,406	140,574	93,934	91,119
2010	584	57,679,476	98,843	92,458	95,275
2011	573	55,926,944	97,620	91,004	99,621
2012	574	53,289,202	92,841	89,574	104,165

2003-2012 Exponential Fit Trend:	-1.6%	2006-2012 Exponential Fit Trend:	4.6%
----------------------------------	-------	----------------------------------	------

FREQUENCY TREND ANALYSIS

Accident Year	Projected Incurred Counts	Billings	Indicated Frequency	2003-2012 Fitted Frequency	2006-2012 Fitted Frequency
2003	492	8,262	0.0595	0.0560	
2004	465	9,163	0.0507	0.0560	
2005	462	8,558	0.0540	0.0560	
2006	491	8,674	0.0566	0.0560	0.0583
2007	473	8,828	0.0536	0.0560	0.0577
2008	570	9,223	0.0618	0.0560	0.0571
2009	611	9,981	0.0613	0.0560	0.0566
2010	584	10,381	0.0562	0.0560	0.0560
2011	573	10,500	0.0546	0.0560	0.0555
2012	574	10,903	0.0526	0.0560	0.0549

2003-2012 Exponential Fit Trend:	0.0%	2006-2012 Exponential Fit Trend:	-1.0%
----------------------------------	------	----------------------------------	-------

Selected Severity Trend = 4.6%
Selected Frequency Trend = -1.0%
Selected Overall Trend = 3.5%

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

INSURER'S RATEMAKING CALCULATIONS

MASSACHUSETTS -- VALUE PLAN

Accident Year	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(4)	(5)	(6)	(7)
2007	489,803	628,989	1.069	672,254	137.2%
2008	515,344	218,878	1.059	231,868	45.0%
2009	535,485	113,357	1.050	119,024	22.2%
2010	535,957	187,477	1.041	195,111	36.4%
2011	531,595	196,069	1.032	202,251	38.0%
2012	546,384	344,175	1.022	351,892	64.4%
2007-2012	2,608,184	1,344,772		1,420,509	54.5%

COUNTRYWIDE -- VALUE PLAN

Accident Year	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(4)	(5)	(6)	(7)
2007	18,634,996	9,978,972	1.069	10,665,369	57.2%
2008	19,206,056	10,175,783	1.059	10,779,681	56.1%
2009	19,763,398	12,536,591	1.050	13,163,322	66.6%
2010	19,989,998	8,071,417	1.041	8,400,087	42.0%
2011	20,077,640	10,749,805	1.032	11,088,750	55.2%
2012	20,090,071	12,323,422	1.022	12,599,733	62.7%
2007-2012	97,672,088	51,512,569		54,097,209	55.4%

(8) Massachusetts Selected Loss & ALAE Ratio	54.5%
(9) Countrywide Selected Loss & ALAE Ratio	55.4%
(10) Permissible Loss & LAE at 15% ROE	67.0%
(11) Credibility	24.5%
(12) Credibility Weighted Projected Loss & ALAE Ratio	55.2%
(13) ULAE as a Percent of Loss & ALAE	10.0%
(14) Credibility Weighted Projected Loss & LAE Ratio	60.7%
(15) Rate Indication	-9.5%
(16) Selected Rate Change	0.0%

- (4) See Exhibit 6
 (5) See Exhibit 9 for 0.9% Loss Trend which was trended to 1/1/2015
 (6) = (5) * (4)
 (7) = (6) / (1)
 (10) See Exhibit 3
 (11) = ((# claims)/1082)^.5
 (12) = (8) * (11) + (9) * (1 - (11))
 (13) See Exhibit 2
 (14) = (12) * [1 + (13)]
 (15) = (14) / (10) - 1

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

Expense Ratios

Projected Expenses (Countrywide Data)

	2009	2010	2011	2012	2009-2012	Projected Expenses*
(1) Written Premium	1,409,901	1,394,147	1,474,180	1,518,116	5,796,344	
(2) Earned Premium	1,428,255	1,383,561	1,434,862	1,497,765	5,744,443	
(3) Incurred Loss	639,522	585,399	712,023	749,561	2,686,505	
(4) ALAE Incurred	240,919	271,276	295,343	247,839	1,055,377	
(5) ULAE Incurred	86,142	89,568	95,801	102,140	373,651	
(6) Comm. & Brokerage Exp.	228,834	233,937	251,497	258,939	973,207	
(7) Taxes, Licenses, & Fees	22,202	23,119	25,164	26,291	96,776	
(8) Other Acquisition	43,716	50,143	51,068	55,806	200,733	
(9) General Expenses	67,881	68,404	69,645	88,787	294,717	
(10) ULAE/(Loss&ALAE) (5) / [(3) + (4)]	9.8%	10.5%	9.5%	10.2%	10.0%	10.0%
(11) Com. Exp. to WP (6)/(1)	16.2%	16.8%	17.1%	17.1%	16.8%	17.5%
(12) Taxes, Lic. & Fees (7)/(1)	1.6%	1.7%	1.7%	1.7%	1.7%	2.4%
(13) Other Acquisition (8)/(1)	3.1%	3.6%	3.5%	3.7%	3.5%	0.0%
(14) General Expenses (9)/(1)	4.8%	4.9%	4.7%	5.8%	5.1%	6.5%
(15) Total Underwriting Expenses	25.7%	26.9%	27.0%	28.3%	27.0%	26.4%
(16) Total Und Exp Less TLF (15) - (12)	24.1%	25.3%	25.2%	26.6%	25.3%	24.0%

Source: Continental Casualty Corporation Expense Exhibits, Part III, Line 17.2 (Other Liability-Claims-Made). Projected expenses are specific for Accountants Professional Liability Program. With respect to IEE, Other Liability-Claims-Made includes many programs other than Accountants Professional Liability Program.

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

Permissible Loss Ratio

A	Target Return on Equity	15%
B	Interest Rate After Tax per Exhibit 5	3.0%
C	Surplus % Investible per Exhibit 5	88.7%
D	Target Premium to Surplus Ratio	1.100
E	Target Return on Premium = (A - B x C) / D	11.2%
F	Expense Ratio per O below	26.4%
H	Target Nominal L&LAE Ratio = 100% - E - F	62.4%
I	Loss + ALAE Discount Factor per Exhibit 4	0.931
J	Target Discounted L&LAE Ratio = H / I	67.0%
K	Adjustment for Investment Income J - H	4.6%
L	Target Combined Ratio = F + J	93.4%
M	Underwriting Profit = 1 - L	6.6%
Expenses per Exhibit 2		
	Commission & Brokerage	17.5%
	Taxes, Lic. & Fees	2.4%
	Other Acquisition	0.0%
	General	6.5%
O	Total	26.4%

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

2012 Interest Rate After Tax

(1)	Investment Income & Capital Gains to Assets 2008-2012	4.4%
(2)	Tax Rate on Investment Income	30.47%
(3)	Interest Rate After Tax	3.0%

Calculation of Average Rate of Federal Income Tax

	2012	2012 Federal Income Tax Rate
Bonds		
(1) Taxable	1,456,356	35.00%
(2) Non-Taxable	233,897	5.25% (A)
(3) Total	1,690,253	30.88%
Stocks		
(4) Taxable	16,165	11.20% (B)
(5) Non-taxable (Affiliates)	30,000	0.00%
(6) Total	46,165	3.92%
(7) Mortgage Loans on Real Estate	14,984	
(8) Real Estate	34,817	
(9) Contract Loans	0	
(10) Cash / Short-Term Investments	3,741	
(11) Derivative Instruments	0	
(12) Other Invested Assets	136,005	
(13) Sub-Total	189,547	35.00%
(14) Total	1,925,965	30.64%
(15) Aggregate Write-In for Investment Income	1,765	35.00%
(16) Investment Deductions	75,105	35.00%
(17) Net Investment Income Earned	1,852,625	30.47%

Notes:

(A) Income on tax-exempt bond is subject to proration; that is, 15% of that income is taxed at a full corporate income tax rate of 35%. The applicable tax rate is thus 5.25% (.15 * .35 = .0525).

(B) 20% of dividend income is subject to a full corporate income tax rate of 35%. 15% of the remaining 80% of dividend income is taxed at a rate of 35%. The applicable tax rate is thus 11.2% ((.20 * .35) + (.8 * .15 * .35) = .0112).

Data Source:

2012 Continental Casualty Company Combined Annual Statement"

- (1) Annual Statement Page 12, Sum of Lines 1 and 1.2, Column 2
- (2) Annual Statement Page 12, Sum of Lines 1.1 and 1.3, Column 2
- (3) = (1) + (2)
- (4) Annual Statement Page 12, Sum of Lines 2.1 and 2.2, Column 2
- (5) Not included - Annual Statement Page 12, Sum of Lines 2.11 and 2.21, Column 2
- (6) = (4) + (5)
- (7) Annual Statement Page 12, Sum Line 3, Column 2
- (8) Annual Statement Page 12, Sum Line 4, Column 2
- (9) Annual Statement Page 12, Sum Line 5, Column 2
- (10) Annual Statement Page 12, Sum Line 6, Column 2
- (11) Annual Statement Page 12, Sum Line 7, Column 2
- (12) Annual Statement Page 12, Sum Line 8, Column 2
- (13) = Sum of (7) through (12)
- (14) = (3) + (6) + (13)
- (15) Annual Statement Page 12, Sum Line 9, Column 2
- (16) Annual Statement Page 12, Sum Line 16, Column 2
- (17) = (14) + (15) - (16)

CNA Insurance Companies
Investment Income & Capital Gains
Summary 2008 - 2012

		Annual Statements					
		2008	2009	2010	2011	2012	Total
(1)	Net Investment Income Earned	1,811,420	1,699,825	1,679,237	1,888,160	1,833,699	8,912,341
(2)	Net Realized Capital Gains or Losses	-944,139	-784,279	104,539	117,875	63,135	-1,442,869
(3)	Total Investment Gain (1) + (2)	867,281	915,546	1,783,776	2,006,035	1,896,834	7,469,472
(4)	Net Unrealized Capital Gains or Losses	-1,281,700	1,041,227	554,049	-207,204	438,816	545,188
(5)	Total (3) + (4)	-414,419	1,956,773	2,337,825	1,798,831	2,335,650	8,014,660
(6)	Mean Cash & Invested Assets	35,255,743	35,635,768	36,747,488	37,192,703	38,068,044	182,899,746
Net Investment Income & Capital Gains / Mean Cash & Invested Assets							
(7)	Net Investment Income Earned (1) / (6)	5.1%	4.8%	4.6%	5.1%	4.8%	4.9%
(8)	Net Realized Capital Gains or Losses (2) / (6)	-2.7%	-2.2%	0.3%	0.3%	0.2%	-0.8%
(9)	Total Investment Gain (3) / (6)	2.5%	2.6%	4.9%	5.4%	5.0%	4.1%
(10)	Net Unrealized Capital Gains or Losses (4) / (6)	-3.6%	2.9%	1.5%	-0.6%	1.2%	0.3%
(11)	Total (5) / (6)	-1.2%	5.5%	6.4%	4.8%	6.1%	4.4%

CNA Insurance Companies
Assets
2012 (000's)

Bonds	31,674,827
Preferred Stocks	251,378
Common Stocks	2,422,952
Other Invested Assets	2,580,090
Investable Assets	36,929,247
Total Assets	41,622,856
Percent Investible Assets	88.7%

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY**

INSURER'S RATEMAKING CALCULATIONS

MASSACHUSETTS -- VALUE PLAN

Accident Year	Paid Loss & ALAE	Incurred Loss & ALAE	Ultimate Paid LDF Method	Ultimate Incurred LDF Method	Select Ultimate Loss & ALAE
2007	616,040	616,040	636,622	621,357	628,989
2008	199,762	199,762	232,617	205,140	218,878
2009	96,960	100,776	123,946	102,769	113,357
2010	131,940	153,683	210,659	164,295	187,477
2011	12,537	322,537	26,420	365,719	196,069
2012	63,044	191,860	349,881	338,469	344,175
2007-2012	1,120,282	1,584,657	1,580,145	1,797,749	1,688,947

COUNTRYWIDE -- VALUE PLAN

Accident Year	Paid Loss & ALAE	Incurred Loss & ALAE	Ultimate Paid LDF Method	Ultimate Incurred LDF Method	Select Ultimate Loss & ALAE
2007	9,547,474	10,005,126	9,866,455	10,091,490	9,978,972
2008	8,790,961	9,849,611	10,236,790	10,114,776	10,175,783
2009	9,559,732	12,603,499	12,220,452	12,852,731	12,536,591
2010	5,427,659	6,993,886	8,665,978	7,476,855	8,071,417
2011	5,410,376	8,905,846	11,401,445	10,098,164	10,749,805
2012	2,800,206	5,161,804	15,540,644	9,106,200	12,323,422
2007-2012	41,536,407	53,519,771	67,931,764	59,740,217	63,835,991

Note: Select Ultimate Loss and ALAE is an average of the methods.

See Exhibit 7 for Paid LDFs

See Exhibit 8 for Incurred LDFs

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013
BASED ON ACCIDENT YEAR**

COUNTRYWIDE ANALYSIS -- VALUE

Paid Loss + ALAE Development Triangle

Accident Year	15	27	39	51	63	75	87	99	111	123
2003	1,886,532	5,047,253	6,391,992	7,159,653	7,339,636	7,346,784	7,388,304	7,395,704	7,395,704	7,396,948
2004	994,826	3,873,869	5,978,398	6,748,630	7,110,414	7,394,097	7,467,535	7,532,199	7,534,699	
2005	1,627,304	4,627,158	6,196,146	6,790,025	7,035,826	8,279,334	8,289,712	8,293,922		
2006	1,350,365	2,778,467	3,998,109	5,873,381	6,189,270	6,311,120	6,883,393			
2007	2,319,810	4,511,826	6,094,160	7,032,378	8,196,173	9,547,474				
2008	2,459,570	5,492,548	6,536,779	8,206,366	8,790,961					
2009	2,191,311	4,482,936	7,223,678	9,559,732						
2010	1,689,417	4,562,524	5,427,659							
2011	1,608,314	5,410,376								
2012	2,800,206									
2003	2,675	1,266	1,120	1,025	1,001	1,006	1,001	1,000	1,000	
2004	3,894	1,543	1,129	1,054	1,040	1,010	1,009	1,000		
2005	2,843	1,339	1,096	1,036	1,177	1,001	1,001			
2006	2,058	1,439	1,469	1,054	1,020	1,091				
2007	1,945	1,351	1,154	1,165	1,165					
2008	2,233	1,190	1,255	1,071						
2009	2,046	1,611	1,323							
2010	2,701	1,190								
2011	3,364									
Wtd Avg	2,529	1,353	1,211	1,068	1,084	1,024	1,003	1,000	1,000	
3 - Yr Wtd	2,634	1,320	1,249	1,098	1,127	1,030	1,003	1,000		
5 - Yr Wtd	2,382	1,341	1,247	1,077	1,084	1,024	1,003			
5 - Yr x hi/lo	2,327	1,327	1,244	1,060	1,075	1,008	1,001			
Selected	2,634	1,320	1,249	1,098	1,127	1,030	1,003	1,000	1,000	1,000
Cumulative	5,550	2,107	1,597	1,278	1,164	1,033	1,003	1,000	1,000	1,000

CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013
BASED ON ACCIDENT YEAR

COUNTRYWIDE ANALYSIS -- VALUE

Accident Year	Incurred Loss + Incurred ALAE Development Triangle									
	15	27	39	51	63	75	87	99	111	123
2003	5,223,281	7,988,808	7,416,605	7,636,233	7,588,603	7,522,387	7,563,193	7,552,872	7,552,872	7,552,873
2004	4,865,636	6,511,529	7,218,999	7,495,794	7,586,814	7,547,685	7,585,014	7,576,102	7,580,193	
2005	5,574,153	7,993,513	7,918,158	7,686,792	7,771,593	8,381,679	8,387,270	8,349,523		
2006	4,829,161	5,394,181	6,593,432	6,991,848	6,934,293	6,991,266	7,196,039			
2007	7,502,690	9,668,967	9,997,836	10,512,646	10,220,204	10,005,126				
2008	7,013,535	9,783,472	9,227,187	9,688,860	9,849,611					
2009	6,579,075	10,127,029	12,067,743	12,603,499						
2010	5,492,913	6,761,030	6,993,886							
2011	4,506,642	8,905,846								
2012	5,161,804									
2003	1.529	0.928	1.030	0.994	0.991	1.005	0.999	1.000	1.000	
2004	1.338	1.109	1.038	1.012	0.995	1.005	0.999	1.001		
2005	1.434	0.991	0.971	1.011	1.079	1.001	0.995			
2006	1.117	1.222	1.060	0.992	1.008	1.029				
2007	1.289	1.034	1.051	0.972	0.979					
2008	1.395	0.943	1.050	1.017						
2009	1.539	1.192	1.044							
2010	1.231	1.034								
2011	1.976									
Wtd Avg	1.418	1.050	1.036	0.999	1.009	1.009	0.998	1.000	1.000	
3 - Yr Wtd	1.556	1.061	1.048	0.993	1.018	1.011	0.998	1.000		
5 - Yr Wtd	1.455	1.075	1.037	1.000	1.009	1.009	0.998			
5 - Yr x hi/lo	1.408	1.087	1.049	1.005	0.998	1.005	0.999			
Selected	1.556	1.061	1.048	0.993	1.018	1.011	0.998	1.000	1.000	1.000
Cumulative	1.764	1.134	1.069	1.020	1.027	1.009	0.998	1.000	1.000	1.000

**CNA INSURANCE COMPANIES
2013 MASSACHUSETTS FILING
ACCOUNTANTS PROFESSIONAL LIABILITY
AS OF 3/31/2013**

SEVERITY TREND ANALYSIS

Accident Year	Projected Incurred Counts	Projected Incurred Ultimates	Indicated Severity	2003-2012 Fitted Severity	2006-2012 Fitted Severity
2003	227	7,567,979	33,339	31,421	
2004	256	7,595,353	29,669	30,909	
2005	290	8,366,222	28,849	30,407	
2006	270	7,210,431	26,705	29,912	30,251
2007	317	10,135,252	31,972	29,425	29,695
2008	328	10,164,895	30,991	28,946	29,150
2009	370	12,961,751	35,032	28,475	28,615
2010	373	8,016,849	21,493	28,012	28,090
2011	370	10,856,119	29,341	27,556	27,574
2012	374	10,051,063	26,875	27,108	27,068

2003-2012 Exponential Fit Trend:	-1.6%	2006-2012 Exponential Fit Trend:	-1.8%
----------------------------------	-------	----------------------------------	-------

FREQUENCY TREND ANALYSIS

Accident Year	Projected Incurred Counts	Billings	Indicated Frequency	2003-2012 Fitted Frequency	2006-2012 Fitted Frequency
2003	227	1,943	0.1168	0.1206	
2004	256	2,052	0.1247	0.1229	
2005	290	2,121	0.1367	0.1253	
2006	270	2,272	0.1188	0.1278	0.1234
2007	317	2,430	0.1305	0.1302	0.1268
2008	328	2,557	0.1283	0.1328	0.1304
2009	370	2,634	0.1405	0.1353	0.1340
2010	373	2,676	0.1394	0.1380	0.1377
2011	370	2,655	0.1393	0.1406	0.1415
2012	374	2,618	0.1429	0.1434	0.1455

2003-2012 Exponential Fit Trend:	1.9%	2006-2012 Exponential Fit Trend:	2.8%
----------------------------------	------	----------------------------------	------

Selected Severity Trend = -1.8%
Selected Frequency Trend = 2.8%
Selected Overall Trend = 0.9%

SERFF Tracking #:	CNAC-129295312	State Tracking #:	Company Tracking #:
State:	Massachusetts	Filing Company:	Continental Casualty Company
TO/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability		
Product Name:	Accountants Professional Liability Program		
Project Name/Number:	2013 Revision/2013040287		

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
11/13/2013		Supporting Document	Rate Filing Abstract (SRB-RA)	12/02/2013	SRB-RA ed0111.pdf (Superseded)

MASSACHUSETTS DIVISION OF INSURANCE
RATE FILING ABSTRACT

Page 1 of 2

NOTE: This abstract is a summary of the submitted Rate Type filing. It is not a substitute for any Rate Type filing materials required by [M.G.L. 174A, §6](#), [M.G.L. 175A, §6](#), or [Bulletin 2008-08](#), nor for any Supplementary Rating Information or Supporting Information as defined within [Bulletin SRB 90-05](#). Exhibit citations alone are insufficient to answer any question.

INSTRUCTIONS: Please complete one abstract per Filing Company for all Rate Type filings EXCEPT those requiring the Loss Costs Adoption Form or the Rate Deviation Abstract. If requested data differs by category, separate abstracts or combined figures are required.

Continental Casualty Company 0218-20443

Please enter the corporate name and nine-digit NAIC number of the Filing Company (e.g. 0000-00000).

Accountants Professional Liability Program

Please enter the program name as filed.

Sub-type of Insurance: 17.0019, 17.1019 & 17.2019 Errors & Omissions Liability

Latest Year Massachusetts Direct Written Premium: \$2,141,111

Please complete items 1 through 8 as applicable to this filing.

1. OVERALL RATE LEVEL CHANGE:

Formula Indicated N/A % Proposed/Selected -0.3 %

If the Proposed/Selected is different from the Formula Indicated, please explain why.

See the attached actuarial memo

2. PROGRAM RATE LEVEL HISTORY: *Please provide data starting with the most recent revision.*

Date (MM/DD/YY)	% Change
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %
<u> </u>	<u> </u> %

3. NUMBER OF EXPERIENCE YEARS ANALYZED: N/A

4. CREDIBILITY STANDARDS AND METHODS: *Please complete all that apply.*

Most recent year's experience: % Massachusetts versus countrywide experience: %

Other credibility standards/methods used:

5. Have premium exposures have been trended?

6. Have historical premiums been adjusted to reflect past rate changes? *If "Yes," please explain.*

MASSACHUSETTS DIVISION OF INSURANCE
RATE FILING ABSTRACT

Page 2 of 2

7. **LOSS TRENDING:** Please provide data starting with the most recent experience year.

Year	Factor Derived
_____	_____
_____	_____
_____	_____

Method and annual rate of change: _____

8. **LOSS DEVELOPMENT:** Please provide data starting with the most recent experience year.

Year	Maturity	Factor-Ultimate
_____	_____	_____
_____	_____	_____
_____	_____	_____

Based on Massachusetts data, countrywide data, or both? _____

Items 9 through 13 are required for all Rate Type filings.

Is the following based on Massachusetts data, countrywide data, or both? _____ countrywide

9. UNDERWRITING PROFIT:	<i>Provision</i> _____ 1.7 %	<i>Flat or Variable?</i> _____ variable
--------------------------------	---------------------------------	--

10. **EXPENSES:** Please include a three-year expense exhibit.

	<i>Provision</i>	<i>Flat or Variable?</i>
General Expense	_____ 6.5 %	_____ variable
Commissions/Brokerage	_____ 17.5 %	_____ variable
Other Acquisition	_____ %	_____
Taxes, Licenses, Fees	_____ 2.4 %	_____ variable
Other Expenses	_____ %	_____

11. **LOSS ADJUSTMENT EXPENSE FACTORS:** Allocated _____ % Unallocated 5.7 %

12. **UNTRENDED EXPECTED LOSS RATIO:** 66.2 %

13. **If investment income is reflected in the filing, please indicate the method/model used.**

_____ Difference between Discounted Permissible Loss Ratio and Non-discounted Permissible Loss Ratio

14. **Please briefly describe any changes in coverage since the last Rate Level Change.**

Rachel Miller

Digitally signed by Rachel Miller
DN: cn=Rachel Miller, o=CNA, ou, email=john.lockhart@cna.com, c=US
Date: 2013.11.21 10:32:05 -05'00'

Signature of Officer in Charge

November 21, 2013

Date

Rachel Miller, Assistant Vice President

Name and Title of Officer in Charge

Andrew Dryden

Name and Title of Person Completing This Abstract

**Mississippi Department of Insurance
Property and Casualty Rate Filing Exhibits**

Exhibit A - Statewide Average Rate Level Information

Exhibit completed on a statewide, all classes combined basis

(A)	(B)	[C]	(D)	(E)
Coverage/Form	Latest Year Direct Written Premiums	Proposed Change Due to Overall Experience	Proposed Change Due to Other Factors	Proposed Rate Level Change Percent [C*D]-1
NetProtect Endorsements	5,051	0.0%	-28.0%	-28.0%
Rest (Value Plan, Premier Firm Plan, other endorsements)	404,559	0.0%	0.0%	0.0%
Total Statewide Average Change				-0.3%

**Mississippi Department of Insurance
Property and Casualty Rate Filing Exhibits**

Exhibit B - Historical Experience

The following data is on a Calendar Year Basis

Coverage/Form: Value & Premier Plan

Mississippi						
	(A)	(B)	[C]	(D)	(E)	
Year	Direct Premiums Written	Direct Premiums Earned	Direct Losses & ALAE Paid	Direct Losses & ALAE Incurred	Incurred Loss & ALAE Ratio (D)/(B)	
2004	490,466	562,572	135,013	135,013	24.00%	
2005	453,012	450,277	358,340	543,527	120.71%	
2006	389,349	396,349	141,116	237,898	60.02%	
2007	395,378	391,459	22,996	334,360	85.41%	
2008	372,276	377,245	132,722	401,811	106.51%	

Countrywide						
	(A)	(B)	[C]	(D)	(E)	
Year	Direct Premiums Written	Direct Premiums Earned	Direct Losses & ALAE Paid	Direct Losses & ALAE Incurred	Incurred Loss & ALAE Ratio (D)/(B)	
2004	80,758,178	79,659,236	33,988,838	37,040,424	46.50%	
2005	79,410,210	79,191,427	33,033,050	44,940,301	56.75%	
2006	78,471,864	78,400,525	26,295,370	33,386,301	42.58%	
2007	77,440,692	76,584,521	15,487,155	28,942,630	37.79%	
2008	74,930,981	75,781,892	8,182,921	17,534,708	23.14%	

**Mississippi Department of Insurance
Property and Casualty Rate Filing Exhibits**

Exhibit C - Expense Information

Coverage/Form: Value & Premier Plan (Line 17.2 Other Liability - Claims Made)

Underwriting Expenses as Percents of Direct Premiums Written

MS Annual Statement Page 14

	2010		2011		2012		
	Amount (000)	Percent	Amount (000)	Percent	Amount (000)	Percent	Mean Percent
1. Premiums Written	9,622	----	10,850	----	10,856	----	----
2. Commission & Brokerage Expenses Incurred	1,812	18.8%	1,891	17.4%	1,874	17.3%	17.8%
3. Taxes Licenses and Fees Incurred	61	0.6%	287	2.6%	239	2.2%	1.9%

Countrywide IEE, Part III

	Amount (000)	Percent	Amount (000)	Percent	Amount (000)	Percent	Mean Percent
4. Premiums Written	1,394,147	----	1,474,180	----	1,518,116	----	----
5. Commission & Brokerage Expenses Incurred	233,937	16.8%	250,818	17.0%	258,939	17.1%	17.0%
6. Other Acquisition Expenses Incurred	50,143	3.6%	51,068	3.5%	55,806	3.7%	3.6%
7. General Expenses Incurred	68,404	4.9%	70,324	4.8%	88,787	5.8%	5.2%

LAE as Percents of Direct Losses Incurred

MS Annual Statement Page 14

	Amount (000)	Percent	Amount (000)	Percent	Amount (000)	Percent	Mean Percent
8. Losses Incurred	5	----	8,511	----	11,116	----	----
9. Allocated LAE Incurred	1,854	35055.6%	2,091	24.6%	1,622	14.6%	28.4%

Countrywide IEE, Part III

	Amount (000)	Percent	Amount (000)	Percent	Amount (000)	Percent	Mean Percent
10. Losses Incurred	585,399	----	712,023	----	749,561	----	----
11. Allocated LAE Incurred	629,765	107.6%	295,343	41.5%	247,839	33.1%	57.3%
12. Unallocated LAE Incurred	59,961	10.2%	95,801	13.5%	102,140	13.6%	12.6%

Expense Provisions Underlying Proposed Rates, as a Percent of Premium

13. Commission & Brokerage Expenses Incurred	17.5%
14. Other Acquisition Expenses Incurred	0.0%
15. General Expenses Incurred	6.5%
16. Taxes, Licenses, & Fees Incurred	2.4%
17. Profit & Contingencies	1.7%
18. Total Expenses & Profit (Sum of Lines 13-17)	28.1%
19. Permissible L & LAE Rate (1 minus line 18)	71.9%

Loss Adjustment Expense Provisions Underlying Your Proposed Rates, % of Loss

20. Allocated LAE	28.4%
21. Unallocated LAE	5.7%
22. Total LAE (Sum of 20-21)	34.1%

**NORTH CAROLINA DEPARTMENT OF INSURANCE
RATE FILING QUESTIONNAIRE: COMMERCIAL LINES**

INSURER/RATING ORGANIZATION'S NAME Continental Casualty Company

CONTACT PERSON FOR FILING John Lockhart

TITLE Regulatory Filing Technician TELEPHONE NUMBER (212) 440-3270 EXT

1. INSURER/RATING ORGANIZATION'S FILE NUMBER 13-00765-RL

2. ANNUAL STATEMENT PAGE 14 LINE(S) OF INSURANCE Line 17.2 (Other Liability-Claims Made)

3. SUBLINE/PROGRAM TITLE (IF APPLICABLE) Accountants Professional Liability

4. TYPE OF POLICIES INVOLVED: OCCURRENCE ✓ CLAIMS MADE OTHER
(DESCRIBE)

5. PROPOSED EFFECTIVE DATE(S): NEW 01/15/2013 RENEWAL 01/15/2013

6. APPROXIMATE MARKET SHARE OF NORTH CAROLINA WRITTEN PREMIUM FOR
LINE(S) INVOLVED: LINE Accountants PL 35.00 % LINE %

7. AVERAGE RATE CHANGE PROPOSED: -0.4%

The following are attached as part of the filing:

- Exhibits 1, 3, 4, and 5.
- Exhibit 2 for each expected loss ratio.
- Five-year rate filing history including NCDOI file #, effective date, and average rate change.

I certify that the information contained in this questionnaire is true and correct and the filing complies with statutory requirements to the best of my knowledge.

Rachel Miller

SIGNATURE OF COMPANY OFFICER/FILINGS DEPARTMENT HEAD

Digitally signed by Rachel Miller
DN: cn=Rachel Miller, o=CNA, ou,
email=john.lockhart@cna.com, c=US
Date: 2013.11.15 10:27:04 -05'00'

EXHIBIT 1

EFFECT OF THE PROPOSED FILING ON ACTIVE FILINGS

NCDOI File #	Effective Date	Effect of Proposed Filing (Superseded, Modified or None)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT 2

EXPECTED LOSS RATIO

1. Line, Subline, Coverage, Territory, Class, etc. or combination to which this exhibit applies:
Accountants Professional Liability
2. Development of Expected Loss Ratio:

Note: 5.7% for Other in item E below is based on ULAE

	Selected Provision
A. Total Production Expense	17.50 %
B. General Expense	6.50 %
C. Taxes, Licenses & Fees	2.40 %
D. Underwriting Profit & Contingencies	1.70 %
E. Other (explain)	5.70 %
F. TOTAL	33.80 %
3. Expected Loss Ratio (ELR=100-2F) 66.20 %
4. Rate level change for which this exhibit applies -0.40 %

EXHIBIT 3

NORTH CAROLINA EXPERIENCE ☒ Direct ☐ Net

Year of Experience	2008		2009		2010	
(1) Written Premiums	21,129.00		27,153.00		24,962.00	
(2) Earned Premiums	22,597.00	100%	27,832.00	100%	25,672.00	100%
(3) Incurred Loss and LAE	15,421.00	68.00 %	8,585.00	31 %	6,365.00	25 %
(4) Total Production Expense	3,263.00	14 %	3,834.00	14 %	3,712.00	14 %
(5) General Expense	1,352.00	6 %	1,323.00	5 %	1,269.00	5 %
(6) Taxes, Licenses & Fees	632.00	3 %	509.00	2 %	481.00	2 %
(7) Other	0.00	0 %	0.00	0 %	-11.00	0 %

Year of Experience	2011		2012		5-Years Combined	
(1) Written Premiums	26,341.00		26,390.00		125,976.00	
(2) Earned Premiums	25,086.00	100%	25,644.00	100%	126,831.00	100%
(3) Incurred Loss and LAE	23,577.00	94 %	5,165.00	20 %	59,113.00	47 %
(4) Total Production Expense	3,715.00	15 %	3,888.00	15 %	18,412.00	15 %
(5) General Expense	1,230.00	5 %	1,520.00	6 %	6,694.00	5 %
(6) Taxes, Licenses & Fees	513.00	2 %	605.00	2 %	2,740.00	2 %
(7) Other	-7.00	0 %	10.00	0 %	-8.00	0 %

COUNTRYWIDE EXPERIENCE ☒ Direct ☐ Net

Year of Experience	2008		2009		2010	
(1) Written Premiums	1,317,871.00		1,409,901.00		1,394,147.00	
(2) Earned Premiums	1,338,091.00	100%	1,428,255.00	100%	1,383,561.00	100%
(3) Incurred Loss and LAE	1,253,400.00	94 %	966,583.00	68 %	946,243.00	68 %
(4) Total Production Expense	214,471.00	16 %	228,834.00	16 %	233,937.00	17 %
(5) General Expense	80,088.00	6 %	67,881.00	5 %	68,404.00	5 %
(6) Taxes, Licenses & Fees	35,184.00	3 %	22,202.00	2 %	23,119.00	2 %
(7) Other	0.00	0 %	9.00	0 %	-610.00	0 %

Year of Experience	2011		2012		5-Years Combined	
(1) Written Premiums	1,474,180.00		1,518,116.00		7,114,215.00	
(2) Earned Premiums	1,434,862.00	100%	1,497,765.00	100%	7,082,534.00	100%
(3) Incurred Loss and LAE	1,103,167.00	77 %	1,099,540.00	73 %	5,368,933.00	76 %
(4) Total Production Expense	250,818.00	17 %	258,939.00	17 %	1,186,999.00	17 %
(5) General Expense	70,324.00	5 %	88,787.00	6 %	375,484.00	5 %
(6) Taxes, Licenses & Fees	25,164.00	2 %	26,291.00	2 %	131,960.00	2 %
(7) Other	-401.00	0 %	567.00	0 %	-435.00	0 %

EXHIBIT 4

UNDERWRITING PROFIT AND CONTINGENCY PROVISION

1.	Target after tax rate of return	15.00	%
2.	Ratio of premium to surplus	3.00	%
3.	Target rate of return as a percent of premium (1/2)	5.00	%
4.	Anticipated investment income as a percent of premium	3.30	%
5.	Target profit and contingency provision (3-4)	1.70	%
6.	Company selected profit and contingency provision	1.70	%
	Explain any differences between 5 and 6: <u>NA</u>		
7.	Methodology used to derive the anticipated investment income as a percent of premium: <u>Difference between Discounted Permissible Loss Ratio and Non-discounted Permissible Loss Ratio</u>		

EXHIBIT 5

ACTUARIAL SUPPORT FOR RATE MODIFICATION

This exhibit should provide actuarial support for the proposed rate modification and must include the following information as required in NCGS 58-41-50:

- (1) North Carolina earned premiums at the actual and current rate level; losses and loss adjustment expenses, each on paid and incurred bases without trending or other modification for the experience period, including the loss ratio anticipated at the time the rates were promulgated for the experience period;
- (2) Credibility factor development and application;
- (3) Loss development factor derivation and application on both paid and incurred bases and in both numbers and dollars of claims;
- (4) Trending factor development and application;
- (5) Changes in premium base resulting from rating exposure trends;
- (6) Limiting factor development and application.

OKLAHOMA/COUNTRYWIDE 5 YEAR EXPERIENCE & EXPENSE EXHIBIT
EXPERIENCE FOR AS Line 17.2 Other Liability-Claims Made (in 000s)

(Statistics should be identical to Page 15 (Statutory Page 14 Data) of the Annual Statement, Insurance Expense Exhibit)

OKLAHOMA	2008		2009		2010		2011		2012		All Years	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
1. Direct Premiums Earned	14,222	100%	11,602	100%	10,531	100%	10,268	100%	10,426	100%	57,049	100%
2. Direct Losses Incurred	13,401	94.2%	6,958	60.0%	4,400	41.8%	6,286	61.2%	(380)	-3.6%	30,664	53.7%
3. Direct Defense and Cost Containment Expense	3,444	24.2%	1,974	17.0%	3,027	28.7%	3,099	30.2%	2,192	21.0%	13,736	24.1%
4. Direct Loss & Loss Expenses Incurred (2 & 3)	16,845	118.4%	8,931	77.0%	7,427	70.5%	9,385	91.4%	1,812	17.4%	44,400	77.8%
5. Direct Premiums Written	13,590	100%	10,963	100%	10,213	100%	10,515	100%	10,491	100%	55,772	100%
6. Direct Commision & Brokerage Incurred	2,119	15.6%	2,108	19.2%	1,930	18.9%	1,962	18.7%	1,907	18.2%	10,026	18.0%
7. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred	261	1.9%	340	3.1%	367	3.6%	364	3.5%	386	3.7%	1,718	3.1%
8. Direct General Expenses Incurred	826	6.1%	528	4.8%	501	4.9%	497	4.7%	614	5.8%	2,965	5.3%
9. Direct Taxes, Licences and Fees Incurred	425	3.1%	216	2.0%	141	1.4%	182	1.7%	169	1.6%	1,133	2.0%
10. Total Expenses Incurred (6-9)	3,631	26.7%	3,192	29.1%	2,939	28.8%	3,005	28.6%	3,075	29.3%	15,842	28.4%

COUNTRYWIDE	2008		2009		2010		2011		2012		All Years	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
1. Direct Premiums Earned	1,338,091	100%	1,428,255	100%	1,383,561	100%	1,434,862	100%	1,497,765	100%	7,082,534	100%
2. Direct Losses Incurred	839,443	62.7%	639,522	44.8%	585,399	42.3%	712,023	49.6%	749,561	50.0%	3,525,948	49.8%
3. Direct Defense and Cost Containment Expense	259,653	19.4%	240,919	16.9%	271,276	19.6%	295,343	20.6%	247,839	16.5%	1,315,030	18.6%
4. Direct Loss & Loss Expenses Incurred (2 & 3)	1,099,096	82.1%	880,441	61.6%	856,675	61.9%	1,007,366	70.2%	997,400	66.6%	4,840,978	68.4%
5. Direct Premiums Written	1,317,871	100%	1,409,901	100%	1,394,147	100%	1,474,180	100%	1,518,116	100%	7,114,215	100%
6. Direct Commision & Brokerage Incurred	214,471	16.3%	228,834	16.2%	233,937	16.8%	251,497	17.1%	258,939	17.1%	1,187,678	16.7%
7. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred	25,320	1.9%	43,716	3.1%	50,143	3.6%	51,068	3.5%	55,806	3.7%	226,053	3.2%
8. Direct General Expenses Incurred	80,088	6.1%	67,881	4.8%	68,404	4.9%	69,645	4.7%	88,787	5.8%	374,805	5.3%
9. Direct Taxes, Licences and Fees Incurred	35,184	2.7%	22,202	1.6%	23,119	1.7%	25,164	1.7%	26,291	1.7%	131,960	1.9%
10. Total Expenses Incurred (6-9)	355,063	26.9%	362,633	25.7%	375,603	26.9%	397,374	27.0%	429,823	28.3%	1,920,496	27.0%

PROPERTY AND CASUALTY INSURANCE RATE FILING ABSTRACT

INSTRUCTIONS: All questions must be answered; if the answer is “none” or “not applicable”, so state. Companies filing as a group must use a consolidated abstract if the rates are identical.

1. a) Class/Coverage affected by filing: See attached actuarial memo for more detailed information.
 b) Term of policy to be written: 12 months
 c) Is coverage written on a claims-made or occurrence basis?
 Claims-Made X Occurrence _____
 d) Company gross written premium (latest calendar year) for 1(a)
 West Virginia \$ 2,058 Countrywide \$ 739,085

2. List all rate level changes for the last five years for the class/coverage affected by this filing:

<u>Effective Date</u>		<u>Individual Coverages</u>	<u>All Coverages Combined</u>
New	Renewal		
<u>1/15/2009</u>	<u>1/15/2009</u>	<u>N/A since new product for Netprotect</u>	<u>N/A since new product for Netprotect</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. Number of West Virginia policies in force in each of the last five years:

			<u>Number of Policies</u>	<u>Percent Change</u>
5 th Prior Year	2008	39	_____	8.3%
4 th Prior Year	2009	35	_____	-10.3%
3 rd Prior Year	2010	28	_____	-20.0%
2 nd Prior Year	2011	30	_____	7.1%
1 st Prior Year	2012	31	_____	3.3%

4. a) Estimated premium effect of the filing:

<u>Coverage</u>	<u>Annual Written Premium</u>	<u>Percent Change Requested</u>	<u>Additional Annual Premium</u>
NetProtect Endorsement	\$ 6,735 (inforce 7/1/2013)	-30.7% %	\$ -2,918
Rest (Value, Premier, other)	\$ 352,590 (inforce 7/1/2013)	0.0% %	\$ 0
Total	\$ 359,325 (inforce 7/1/2013)	-0.6% %	\$ -2,918
	\$ _____	_____ %	\$ _____
	\$ _____	_____ %	\$ _____

b) Components of proposed rate level change(s):

Coverage	Indicated Rate Level Change(s)	Proposed Rate Level Change(s)	Components of Proposed Rate Level Changes			
			(A) Basic Rate Change	(B)	(C)	(D)
NetProtect Endors	_____ %	-30.7% %	-30.7% %	_____ %	_____ %	_____ %
Rest	_____ %	0.0% %	0.0% %	_____ %	_____ %	_____ %
Total	_____ %	-0.6% %	-0.6% %	_____ %	_____ %	_____ %
	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

**Examples of some components are classification changes, increased limit changes, deductible changes, age or symbol changes, policy form changes, changes in tier factors, and other manual rate changes.*

5. Provide the following calendar year information for the coverage stated in 1(a):

5(a)

WEST VIRGINIA

		Earned Premium (000)	Incurred Losses (000)	Unadjusted Loss Ratio
5 th Prior Year	2008	\$ 0	\$ 0	0 %
4 th Prior Year	2009	\$ 0	\$ 0	0 %
3 rd Prior Year	2010	\$ 1.3	\$ 0	0 %
2 nd Prior Year	2011	\$ 1.8	\$ 0	0 %
1 st Prior Year	2012	\$ 1.5	\$ 0	0 %
TOTAL		\$ 4.6	\$ 0	0 %

5(b)

COUNTRYWIDE

		Earned Premium (000)	Incurred Losses (000)	Unadjusted Loss Ratio
5 th Prior Year	2008	\$ 0	\$ 0	0 %
4 th Prior Year	2009	\$ 117.5	\$ 0	0 %
3 rd Prior Year	2010	\$ 402.4	\$ 13.9	3.5 %
2 nd Prior Year	2011	\$ 582.3	\$ 0	0 %
1 st Prior Year	2012	\$ 666.9	\$ 0	0 %
TOTAL		\$ 1,769.1	\$ 13.9	0.8 %

6. PROPERTY CASUALTY PROCEDURAL INFORMATION (include exhibits)

The filing should be easy to read and understand. It should be self-explanatory and should be well documented.

The answers to the following questions should be a part of the filing:

- a) If the methods used in this filing differ from those used in the last rate filing for this coverage in West Virginia, or if the West Virginia methods differ from those used countrywide, attach an explanation of the differences.
- b) Are the proposed rates specific to West Virginia, or are the same rates to be charged on a Countrywide basis?
- c) Are there any insureds that will be affected by the proposed changes (i.e. do you have any West Virginia business that will be impacted by the proposal)? If so, what is the overall impact of all of the proposed changes?
- d) Explain the type of loss information used in this rate filing. For example, was it Calendar Period or Accident period; and was it based on Basic limits data or Total limits data? Provide the date at which the data was evaluated.
- e) Explain and support any premium trend, premium-on-level, or loss trend factors utilized in the indication.
- f) If Policy or Accident period data has been used, explain any tests or adjustments that were made to loss development factors so as to make them appropriate for use in this filing. Loss development factors should be shown by coverage both for West Virginia and countrywide. Provide support for loss development factors utilized.
- g) Explain any adjustments for large or catastrophic losses that were made in the statistical information on losses. Provide support for catastrophic loss factors utilized.
- h) Demonstrate how the expected income from investments have been taken into account in arriving at the proposed rates?
- i) Provide the derivation of your permissible and expected loss ratios. Explain any changes in those provisions between this filing and the previous filing.
- j) Provide any additional information supporting and clarifying your request.

7. Provide a summary of the developed data and experience in 4(a) above as follows:

	Current Level Earned	Trended Developed Incurred Losses	Adjusted Loss Ratio
5 th Prior Year	\$ NA since immaterial data	\$ NA since immaterial data	NA since immaterial data %
4 th Prior Year	\$	\$	%
3 rd Prior Year	\$	\$	%
2 nd Prior Year	\$	\$	%
1 st Prior Year	\$	\$	%
TOTAL	\$	\$	%

8. Business Expense Provisions that are used to determine Permissible Loss Ratio.

Commission and Brokerage	17.5	%
New Acquisition	0	%
General	6.5	%
Taxes, Licenses, Fees, Etc.	2.4	%
Other	0	%
Profit and Contingencies	1.7	%
TOTAL EXPENSES	28.1	%
Pure Permissible Loss Ratio	71.9	%
Loss Adjustment	5.7	%
Allocated	0 (already included)	%
Unallocated	5.7	%
Total permissible loss and loss adjustment expense ratio	66.2	%

9. Insurance Expense Exhibit. Expense Ratios (%) on a written premium basis over the past 5 years for the coverage in 1(a) above:

	Year	Percent Annual Year	Year	Year	Year	5 year Average
a) Commission & Brokerage						NA since immaterial
b) New Acquisition						NA since immaterial
c) General						NA since immaterial
d) Taxes, etc.						NA since immaterial
e) SUBTOTAL (a)+(b)+(c)+(d)						NA since immaterial
f) WV Calendar Yr Loss Ratio						NA since immaterial
g) Combined Ratio (e)+(f)						NA since immaterial
h) Investment Gain/(Loss)						NA since immaterial