

SERFF Tracking Number: DENT-127302198 State: California
Filing Company: The Dentists Insurance Company State Tracking Number: 11-5668
Company Tracking Number: PL63011RF
TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0007 Dentists - Oral Surgeons
Made/Occurrence
Product Name: Professional Liability
Project Name/Number: CA PL Rate Filing/CAPL63011RF

Filing at a Glance

Company: The Dentists Insurance Company

Product Name: Professional Liability

TOI: 11.0 Medical Malpractice - Claims

Made/Occurrence

Sub-TOI: 11.0007 Dentists - Oral Surgeons

Filing Type: Rate

SERFF Tr Num: DENT-127302198 State: California

SERFF Status: Assigned

State Tr Num: 11-5668

Co Tr Num: PL63011RF

State Status: Accepted

Reviewer(s): Geff Greenfield

Authors: Carolyn Unger, Kara

Cross

Disposition Date:

Date Submitted: 06/30/2011

Disposition Status:

Effective Date Requested (New): 07/01/2012

Effective Date (New):

Effective Date Requested (Renewal): 07/01/2012

Effective Date (Renewal):

General Information

Project Name: CA PL Rate Filing

Project Number: CAPL63011RF

Status of Filing in Domicile: Pending

Domicile Status Comments: This filing was requested by the California Department of Insurance

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07/01/2011

State Status Changed: 07/13/2011

Deemer Date: 09/13/2011

Created By: Kara Cross

Submitted By: Kara Cross

Corresponding Filing Tracking Number:

Filing Description:

Professional and Business Liability rate filing.

Company and Contact

Filing Contact Information

Kara Cross, Corporate Counsel

kara.cross@cda.org

1201 K Street, 14 Floor

916-554-5906 [Phone]

Sacramento, CA 95814

916-554-5949 [FAX]

SERFF Tracking Number: DENT-127302198 State: California
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Filing Company Information

The Dentists Insurance Company	CoCode: 40975	State of Domicile: California
1201 K St. 17th Floor	Group Code:	Company Type: Stock Company
Sacramento, CA 95814	Group Name:	State ID Number:
(800) 733-0634 ext. [Phone]	FEIN Number: 94-2698799	

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Dentists Insurance Company	\$0.00		

State Specific

Variance Requested? (Yes/No): Yes

SERFF Tracking Number: *DENT-127302198* *State:* *California*
Filing Company: *The Dentists Insurance Company* *State Tracking Number:* *11-5668*
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TOI: *11.0 Medical Malpractice - Claims* *Sub-TOI:* *11.0007 Dentists - Oral Surgeons*
 Made/Occurrence
Product Name: *Professional Liability*
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Form Schedule

SERFF Tracking Number: DENT-127302198 State: California
Filing Company: The Dentists Insurance Company State Tracking Number: 11-5668
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TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0007 Dentists - Oral Surgeons
Made/Occurrence
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Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: DENT-127302198 State: California
Filing Company: The Dentists Insurance Company State Tracking Number: 11-5668
Company Tracking Number: PL63011RF
TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0007 Dentists - Oral Surgeons
Made/Occurrence
Product Name: Professional Liability
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Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Prior Approval Rate Application		
Bypass Reason: See attached pdf and filing memorandum which will satisfy prior approval rate application. Due to alternate template inserted, per CCR Section 2644.4(d).		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Prior Approval Rate Application, Filing Memorandum, Template and Exhibits		
Comments:		
Attachment: TDIC PriorApprovalRateApplication040411 @ 2011-06-30 (final).pdf		

PRIOR APPROVAL RATE APPLICATION

Completed by: Kara Cross Date: 6/30/2011

Your File #: 01482-023394

(15 Characters Maximum)

SERFF CD (plus 1 paper copy) Paper (1 original plus 1 copy)

Does this filing include a variance request? Yes No

Is this a variance request submitted after the prior approval application to which it applies? No Yes

If yes, provide the applicable CDI File Number: _____

Does this file contain group data? No Yes

Note: Complete page 2 if this is a group filing

Is this a specialty filing? No Yes

Latest applicable CDI file number in this line, subline and/or program: _____

Company Name The Dentists Insurance Company

NAIC Company Code 40975

Group Name n/a

NAIC Group Code n/a

Organized under the Laws of the State of California

DEPARTMENT USE ONLY	
Filing No.:	_____
SERFF No.:	_____
Date Filed:	_____
Compliance Date:	_____
Date Public Notified:	_____
Deemer Date:	_____
Intake Analyst:	_____
Bureau & Senior:	_____
Group Filing:	Yes <input type="checkbox"/> No <input type="checkbox"/>
X-Reference No.:	_____
<input type="checkbox"/> Rate	<input type="checkbox"/> New Program <input type="checkbox"/> Rule
<input type="checkbox"/> Form	<input type="checkbox"/> Variance _____ % Change

Line Type COMMERCIAL Other

Line of Insurance: MEDICAL MALPRACTICE

Subline Professional Liability-Dentist

Program Professional & Business Liability - Dentist

Home Office 1201 K Street, 17th Floor, Sacramento, CA 95814

Name and Title of Contact Person Kara Cross, Corporate Counsel

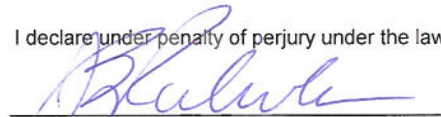
Toll Free Phone No.: 1-800-733-0634

Fax No.: 916-554-5949

Email Address kara.cross@cda.org

Mailing Address 1201 K Street, 14th Floor, Sacramento, California 95814

I declare under penalty of perjury under the laws of the State of California, that the information filed is true, complete, and correct


Authorized Signature
James S. Richardson
President/CEO

June 30, 2011
Date of Filing

916-554-5302
Telephone Number

Important note: Refer to CDI website at <http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/> for the most current rate template and prior approval factors.



Filing Memorandum

The Dentist's Insurance Company ("TDIC") submits this filing in response to a request of the Insurance Commissioner made to numerous medical malpractice/professional liability carriers. TDIC voluntarily agreed to comply with the request and to submit a rate application by June 30, 2011. This application seeks an overall rate reduction of 7.7%. There are no proposed changes to the rating plan.

TDIC is a wholly-owned subsidiary of the California Dental Association ("CDA"), a non-profit association of dental professionals. In California, TDIC writes insurance only for CDA members. CDA exists to provide support and services to its member dentists, and to provide dental care to underserved communities. Due to its structure as a subsidiary of a non-profit, TDIC does not have ready access to capital markets. As a result, TDIC takes a conservative approach, in order to ensure financial stability.

This rate filing presents three issues of note: (1) this filing falls within the exemption for loss and DCCE projections set forth in 10 C.C.R. § 2644.4(d); (2) in this specific case, the regulations project that TDIC will receive investment income it cannot achieve, and that excess does not balance out against any other component in the formula; and (3) the efficiency standard for this line is skewed as applied to TDIC because it is predominantly influenced by medical professional liability policies in which losses represent a much larger proportion of premium than expenses relative to dental professional liability insurance. This memorandum discusses each of these issues.

1. Section 2644.4(d) Exemption

Pursuant to 10 C.C.R. § 2644.4(d), TDIC is exempt from the regulations governing projection of losses and DCCE. Portions of the form rate application (specifically the ratemaking data, pages 7 and 8 of the Application, which feed directly into the template) are specifically keyed to loss projection and the use of the regulatory methodology for loss projection within the formula, and thus, do not contemplate this exemption. Upon TDIC's inquiry, the Department offered that it would be acceptable for TDIC to create new exhibits that track the formula but incorporate the alternative method for projecting losses and DCCE – essentially creating a new "template" with supporting data pages mirroring the form application – rather than attempting to force adjustments to the existing template and associated pages. TDIC has selected this suggested option, because it provides the most straightforward and efficient presentation of the data, and because using entirely separate pages ensures consistency and avoids confusion.

The substitute rate template created by TDIC emulates the form rate application template by incorporating the calculations required by the regulations, as stressed by the Department when it agreed that TDIC could provide an alternate template. TDIC's substitute rate template provides the minimum and maximum permitted earned premium according to the formula set forth in 10 C.C.R. §§ 2644.2 and 2644.3, but substitutes TDIC's projected losses and DCCE. This rate application also includes exhibits developing losses and DCCE and illustrating TDIC's methodology and data used in projecting losses and DCCE. In completing the rate application, TDIC has used its best judgment in determining what portions of the application are superseded by the exemption and has substituted relevant data and calculations where applicable.

The regulatory standard applicable to loss and DCCE projections for this line is "the most actuarially sound". 10 C.C.R. §§ 2644.4(d); 2644.8(c). TDIC relies upon the expertise and judgment of its consulting actuary, James Hurley of Towers Watson, in determining an appropriate and supported methodology for projecting losses and DCCE for this specific insurance. Mr. Hurley has served as TDIC's primary actuary for over 20 years.

Mr. Hurley provides the following explanation of the methodology used to project pure premium:

The rate application includes 4 pages constituting TDIC's alternate "rate template" and data. Loss projections included in the alternate template calculations are summarized on Sheet 2 with underlying documentation in the company's ratemaking calculations in Exhibit 14. Projections of professional liability (PL) and general liability (GL) components of the coverage are made separately reflecting their claims-made and occurrence coverage bases, respectively. The sum of the PL and GL losses at the 2012 cost level in column (11) of Sheet 2 is reflected in the alternate template.

Projection of Historical Ultimate Losses & DCCE (ALAE)

For PL, the frequency, basic limits severity and increased limits factors (ILFs) projections for the historical experience period from Exhibit 14 are used to project ultimate losses. The projection of each of these components follows standard actuarial procedures and is documented in the respective supporting exhibits in Exhibit 14. For purposes of the alternate template, the ultimate losses are the product of the frequency, exposures, basic limits severity and ILFs for each respective report period with adjustment to include the loading for the death, disability and retirement (DD&R) policy provision and the regulatory defense (RD) coverage provision. This is shown in columns (2) through (7) of Sheet 2.

For each report year, the average of the two frequency projections (from Exhibit 14, Sheet 2.2b) are multiplied by exposures to obtain the indicated number of claims expected to close with cost in column (4) of Sheet 2. The number of claims is then multiplied by the average basic limits claim severity (from Exhibit 14, Sheet 2.2a) and the average ILF (from Exhibit 14, Sheet 8) to obtain the initial ultimate losses for each report period.

The PL results are then adjusted to include loadings for DD&R (factor of 1.05, from Exhibit 14, Appendix I, Sheet 1) and RD coverage (factor of 1.028, from Exhibit 14, Appendix J, Sheet 1). Final results are summarized in column (7).

For GL, loss projections are made on an accident year basis since coverage is provided on an occurrence basis. The indications resulting from the total limits paid and reported loss development from Exhibit 14, Sheet 3.2 are included as ultimate losses for this coverage component and are summarized in column (7) of the GL portion of Sheet 2.

Adjustment to 2012 Cost Level

For PL, three adjustments are applied to historical ultimate losses to adjust them to expected 2012 cost levels. The first is to adjust for the expected frequency level. Based on a review of frequency indications (Exhibit 14, Sheet 2.2b), all coverage years are adjusted to a frequency level of 0.027 per exposure with 0% trend. This determination is based on the average of the 2004 through 2009 historical periods after reviewing the experience and considering the trend fits displayed. The frequency index is shown in column (8) of Sheet 2. The second adjustment is for the basic limits severity (basic limits is defined as each claim limited to \$100,000 of

indemnity and unlimited DCCE). Based on a review of the indications (Exhibit 14, Sheet 2.2a) and considering the various trend fits and their respective correlation coefficients, a 6% trend factor is applied to project severity to 2012 cost levels. The severity cost index is shown in column (9) of Sheet 2. Finally, the historical ILFs are adjusted to 2012 cost levels using a 0.5% trend based on a review of the data and judgment that, while the ILF indications are volatile, they are subject to inflationary pressures over time. The ILF cost index is shown in column (10) of Sheet 2. The resulting PL ultimate losses at the 2012 cost level are shown in column (11) of the PL portion of Sheet 2.

For GL, the data is too sparse and volatile to perform detailed trend analyses broken down into frequency and severity. Even annual changes in pure premium are volatile and unstable from year to year. However, considering TDIC experience and other broader, more credible sets of GL experience, an annual trend factor of 2% has been applied to the GL loss costs to reflect 2012 cost levels. This is shown in column (9) of the GL portion of Sheet 2 and applied to obtain GL ultimate losses at the 2012 cost level in column (11).

2. Attributed Investment Income.

Under regulation 2644.21, the formula uses one loss reserves ratio determined for the line of insurance rather than the company's actual loss reserves ratio. This component is used to assign investment income on loss reserves. Currently, the loss reserves ratio for the line is set at 4.21. TDIC's loss reserves ratio over the past five years has averaged 2.5. The consequence of this discrepancy is that the formula assigns to TDIC investment income it does not and will not have. The theory of the formula is that such an assigned excess will "balance" through another component in the formula. This does not, however, occur here and the projection of income to TDIC is inflated.

The regulations do not offer a "variance" capable of addressing this problem. As a result, the formula's "permitted earned premium" calculation is impacted by the attribution of income to TDIC that it does not and will not have.

3. Efficiency Standard Variance.

The efficiency standard implies a lower expense ratio than TDIC's actual expense ratio. The efficiency standard for this line for a 100% captive distribution system, less the 2.62% excluded expense factor calculated for TDIC, is 21.56%. TDIC's expense ratio (excluding DCCE), less the 2.62% excluded expense factor, is 30.98%. TDIC qualifies for a variance from the efficiency standard under both the "superior service" and "small policy size" variances set forth at 10 C.C.R. § 2644.27(f)(2)(A) and (C).

With respect to the superior service variance, every available objective measure demonstrates that TDIC has a sterling customer satisfaction rating. TDIC has supported this variance in Exhibit 13, but underscores here that the Department-calculated justified consumer complaint ratio for TDIC is .00.

TDIC also qualifies for the small policy size variance. Various expenses remain fairly constant in terms of absolute dollar value, even if the amount paid out in claims is relatively lower than average for insurers in the line generally. That is, while claims against dentists tend to be relatively lower in dollar amount than claims against medical providers, it still costs the same to pay underwriters to underwrite policies, and claims handlers to process the claims, as well as the same amount for real estate and systems. This changes the

relative proportion of fixed expenses to the premium. This phenomenon affects TDIC's expense ratio relative to other carriers in the line. The variance is required to correct the distortion created by applying an average dominated by carriers writing for medical providers – with different characteristics – to TDIC's business.

In summary, applying TDIC's loss projections within the formula and using the regulatory mandates for the other components, along with the efficiency standard variance, produces a result of a 7.7% rate reduction. This result, as noted, is substantially affected by the attribution of investment income TDIC does not have. TDIC applies for the maximum permitted result, a 7.7% rate reduction. TDIC appreciates the Department's consideration of the above special circumstances and its unique position compared to other carriers, as a dental-only insurer and a subsidiary of a non-profit professional association.

Thank you for your consideration.

Sincerely,



Kara Cross
Corporate Counsel

Cc: Vanessa Wells, Sedgwick LLP

INSURER GROUP MULTI-COMPANY FILING

For private passenger auto insurance only, does CIC, 1861.16(c) apply? No Yes
If yes, please complete (Super Group) Exhibit 19.

List each insurance company in alphabetical order.

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
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(Department use only)
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Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET

The purpose of this filing is as follows: (More than one may be marked)

TYPE OF FILING

PRIOR APPROVAL RATE APPLICATION
PAGES and EXHIBITS REQUIRED

- | | |
|--|---|
| <input type="checkbox"/> New Program (Including adoption of advisory organization loss costs, forms and rules.) | Pages 1 through 7, 10, 12, 13 & 14, plus exhibit 17 |
| <input checked="" type="checkbox"/> Rates (Including adoption of advisory organization loss costs.) | |
| <input type="checkbox"/> Increase rates | Pages 1 through 10, 13 & 14, plus exhibits |
| <input checked="" type="checkbox"/> Decrease rate | Pages 1 through 10, 13 & 14, plus exhibits |
| <input type="checkbox"/> Zero Overall rate impact | Pages 1 through 10, 13 & 14, plus exhibits |
| <input checked="" type="checkbox"/> Variance | |
| <input checked="" type="checkbox"/> Filed together with the prior approval application to which it applies. | Page 11 and exhibit 13 |
| <input type="checkbox"/> Filed after the prior approval application to which it applies. | Pages 1 through 6, 11, plus exhibit 13 |
| <input type="checkbox"/> Coverage Forms (Including adoption of advisory organization forms.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12a, 13 & 14 plus exhibits |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12a |
| <input type="checkbox"/> Rules (Including adoption of advisory organization rules.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12b, 13 & 14 plus exhibits |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12b, Exhibit 20 |

All Private Passenger Automobile class plans must be filed separately from the Prior Approval Rate Applications.

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET (Continued)

Proposed Earned Premium Per Exposure: \$ 2,042.81

Proposed Overall Rate Change -7.70%

	<u>COVERAGE*</u>	<u>INDICATED CHANGE (%)</u>	<u>PROPOSED CHANGE (%)</u>	<u>ADJUSTED EARNED PREMIUM*</u>	<u>PROJECTED EARNED PREMIUM</u>
1.	Medical Malpractice	Range -4.9% to 2.3%	-7.70%	28,472,808	26,280,402
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
	TOTAL:	Range -4.9% to 2.3%	-7.70%	28,472,808	26,280,402

Total earned premium must include all income derived from miscellaneous fees and other charges.

* Commercial Auto Liability and Physical damage must be combined in one application, with separate rate templates for liability and physical damage.

* Adjusted earned premium is the historical earned premium for the most recent year adjusted to the current rate level and trended to the average date of loss of the proposed rating period.

FILING CHECKLIST

Use this checklist to assemble a complete application

- Prior Approval Rate Application, Page 1
- Group Filing, Page 2
- Property and Liability Filing Submission
Data Sheet, Page 3
- Property and Liability Filing Submission
Data Sheet, Page 4
- Filing Checklist, Page 5
- Supporting Data Exhibits, Page 6
- Ratemaking Data and Template (s), Page 7*
- Reconciliation of Direct Earned Premium, Page 8*
- Additional Data Required by Statute, Page 9
- Miscellaneous Fees and Other Charges, Page 10
- Variance Request, Page 11
- Forms and Rules, Page 12
- Excluded Expenses, Page 13
- Projected Yield and Federal Income Tax Rate on Investment Income, Page 14
- Filing Memorandum

See the prior approval rate filing instructions regarding the following attachments.

- Printed Rate and Rule Manual Pages
- Underwriting Rules
- Forms (Attach all independent forms and list all advisory organization forms)
- Copies of Reinsurance Agreements
(Applies only to Medical Malpractice with facultative reinsurance attachment points above one million dollars and Earthquake, where the cost of reinsurance is included in the rate development.)

* Per CCR §2644.4(d) exemption, pages included in alternate template (Sheets 1 and 3). See filing memorandum for further explanation.

SUPPORTING DATA EXHIBITS

Use this document to assemble a complete application

- Exhibit 1: Filing History
- Exhibit 2: Rate Level History
- Exhibit 3: Policy Term Distribution
- Exhibit 4: Premium Adjustment Factor
- Exhibit 5: Premium Trend Factor
- Exhibit 6: Miscellaneous Fees and Other Charges
- Exhibit 7: Loss and Defense & Cost Containment Expense (DCCE) Development Factors
- Exhibit 8: Loss and DCCE Trend
- Exhibit 9: Catastrophe Adjustment
- Exhibit 10: Credibility Adjustment
- Exhibit 11: Ancillary Income
- Exhibit 12: Reinsurance Premium and Recoverables
- Exhibit 13: Variance
- Exhibit 14: Insurer's Ratemaking Calculations
- Exhibit 15: Rate Distribution
- Exhibit 16: Rate Classification Relativities
- Exhibit 17: New Program
- Exhibit 18: Group Filing
- Exhibit 19: Super Group Corporate Structure Verification (PPA only)
- Exhibit 20: Rules
- Exhibit 21:

PER FILING MEMORANDUM, SEE SHEETS 1 AND 3 IN ALTERNATE TEMPLATE

RATEMAKING DATA				
<i>(Click + to expand for more than 3 years; - to contract)</i>				
Completed by		Kara Cross		
Date Completed		6/30/2011		
Company/Group		The Dentists Insurance Company		
Line Description		MEDICAL MALPRACTICE (claims-made) ▼		
Coverage				
		%Captive	%Direct	%Independent (Must add up to 100%)
Marketing System:		100.00%		
Prior Effective Date (current rates)				
Proposed Effective Date (new rates)				
CDI File Number (Department use only)		0		
Does the data provided below reflect a Request for Variance?		No ▼	Variance #:	
Data below is:		Report Year Data (Claims Made policies only) ▼		
		2nd Prior Year	1st Prior Year	Most Recent Year
		2008	2009	2010
1	California Direct Written Premium			
2	California Direct Earned Premium			
3	Premium Adjustment Factor (Developed in Exhibit 4)			
4	Premium Trend Factor * (Developed in Exhibit 5)			
5	Miscellaneous Fees and Flat Charges (Not included in Line 2; Developed in Exhibit 6)			
6	Earned Exposure Units			
7	Historic Losses (Projected for New Programs)			
8	Historic Defense and Cost Containment Expense (DCCE)			
9	Loss Development Factor (Developed in Exhibit 7)			
10	DCCE Development Factor (Developed in Exhibit 7)			
11	Loss Trend Factor* (Developed in Exhibit 8)			
12	DCCE Trend Factor* (Developed in Exhibit 8)			
13	Catastrophe Adjustment Factor (Developed in Exh 9)			
14	Credibility Factor for Losses & DCCE (Developed in Exhibit 10)			
15	Excluded Expense Factor (From Page 13)			2.62%
16	Ancillary Income (Developed in Exhibit 11)			
17	Projected Federal Income Tax Rate on Investment Income (From Page 14)			28.85%
18	Projected Yield (From Page 14)			6.19%
<i>Complete 19, 20 & 21 For Earthquake and certain Medical Malpractice with Reinsurance Only (see instructions)</i>				
19	Direct Commissions			
20	Reinsurance Premium (Developed in Exhibit 12)			
21	Reinsurance Recoverables (Developed in Exhibit 12)			
Variance Change to Leverage on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California. (Must be accompanied by Variance Request, subject to CDI approval)				No ▼
Variance Change to Efficiency Standard (Must be accompanied by Variance Request, subject to CDI approval)				
*	For all trend factors, the Projected Column should reflect the annual trend expressed as a percentage.			
**	For New Programs, please see Rate Filing Instructions, Page 4.			

PER FILING MEMORANDUM, SEE SHEETS 1 AND 3 IN ALTERNATE

STATE OF CALIFORNIA
 DEPARTMENT OF INSURANCE (CDI)
 Edition Date: 4/4/2011

Company Name The Dentists Insurance Company
 Line of Insurance MEDICAL MALPRACTICE

STATUTORY PAGE 14 CALENDAR YEAR DATA
RECONCILIATION OF DIRECT EARNED PREMIUM DATA PER PROGRAM

Program	Most Recent CDI File #	2nd Prior Year <u>2008</u>	1st Prior Year <u>2009</u>	Most Recent Year <u>2010</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
	TOTAL	\$ -	\$ -	\$ -
	Statutory Page 14			
	Difference	\$ -	\$ -	\$ -

Explain the Differences:

This exhibit requires insurers to itemize each program until all data is reconciled to the corresponding annual statement line of insurance (Statutory Page 14).

For residual market data, a filing number is not required.

ADDITIONAL DATA REQUIRED BY STATUTE*

<u>Calendar Year</u>	<u>Year</u>	<u>2010</u>
DATA		
1. Number of claims outstanding at beginning of year		<u>595</u>
2. Number of claims during the year		<u>495</u>
3. Number of claims closed during the year		<u>571</u>
4. Number of claims outstanding at year's end ((1) + (2) - (3))		<u>519</u>
5. Unearned Premiums		<u>14,953,681</u>
6. Dollar amount of claims paid		<u>14,747,175</u>
7. Net loss reserves for outstanding claims excluding claims incurred but not reported		<u>12,592,498</u>
8. Net loss reserves for claims incurred but not reported		<u>15,480,192</u>
9. Losses incurred as a percentage of premiums earned - including IBNR		<u>53.9%</u>
10. Net investment gain or loss and other income or gain or loss allocated to the line.		<u>1,771,958</u>
11. Net income before federal and foreign income taxes (line 10 plus line 15)		<u>2,009,413</u>
12. Total number of policies in force on the last day of the reporting period		<u>14,888</u>
13. Total number of policies cancelled		<u>539</u>
14. Total number of policies non-renewed		<u>148</u>
15. Net underwriting gain or loss (=CY earned premiums minus CY incurred loss minus CY incurred expense)		<u>237,454</u>
16. Separate allocations of expenses for:		
a) commissions and brokerage expense,		<u>0</u>
b) other acquisition costs,		<u>0</u>
c) general office expenses,		<u>5,880,364</u>
d) taxes, licenses and fees,		<u>964,907</u>
e) loss adjustment expense (DCCE & AOE), and		<u>4,910,349</u>
f) other expenses		<u>0</u>

*CIC 1857.7, CIC 1857.9 and CIC 1864

MISCELLANEOUS FEES AND OTHER CHARGES

Do any fees or installment finance charges apply to this program? No
If yes, identify the fee and the amount charged for each type of fee and for each transaction.

INDIVIDUAL POLICY CHARGES

	New Business	Renewals
<input type="checkbox"/> Policy fee	_____	_____
<input type="checkbox"/> Installment fee	_____	_____
<input type="checkbox"/> Installment finance charges (ancillary income)	_____ APR	_____
<input type="checkbox"/> Endorsement fee	_____	_____
<input type="checkbox"/> Inspection fee	_____	_____
<input type="checkbox"/> Cancellation fee	_____	_____
<input type="checkbox"/> Reinstatement fee	_____	_____
<input type="checkbox"/> Late fee	_____	_____
<input type="checkbox"/> SR 22	_____	_____
<input type="checkbox"/> Non-sufficient funds (NSF) fee (ancillary income)	_____	_____
<input type="checkbox"/> Membership dues (ancillary income)	_____	_____
<input type="checkbox"/> Other, specify:	_____	_____

Except for installment finance charges, NSF fees, and membership dues, data relating to fees must be included in the ratemaking data, Page 7, Line 2 (direct earned premium) or Line 5 (miscellaneous fees) and Exhibit 6, miscellaneous fees, must be completed. Refer to the instructions for additional information.

REQUEST FOR VARIANCE

1. Identify each variance requested. (See below (F))
2. Identify the extent or amount of the variance requested and the applicable component of the ratemaking formula. [Complete Exhibit 13]
3. Set forth the expected result or impact on the maximum and minimum permitted earned premium that the granting of the variance will have as compared to the expected result if the variance is denied. [Complete Exhibit 13]
4. IMPORTANT: Identify the facts and their source justifying the variance request and provide the documentation supporting the amount of the change to the component of the ratemaking formula. (Complete Exhibit 13)

IDENTIFY THE BASES FOR VARIANCE - Refer to CCR 2644.27 (f) for the full regulation text.

Maximum Permitted Rate Change % Excluding Variance -19.83%
(Change At Max Per Template)

1. Relief from the efficiency standard for bona fide loss-prevention and loss reduction activities.
 - A. Allocated cost for SIU.
 - B. Expenses for loss prevention programs.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)
2. Relief from the efficiency standard due to any of the following:
 - A. Higher quality of service, as demonstrated by objective measures of consumer satisfaction; or
 - B. Demonstrated superior service to underserved communities (CCR 2646.6); or
 - C. Significantly smaller or larger than average California policy premium, including any applicable fees.

Maximum Permitted Rate Change % With Only This Variance -7.71%
(Change At Max Per Template)
3. The leverage factor should be different from the leverage factor determined pursuant to section 2644.17 on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California, and its mix of business presents investment risks different from the risks that are typical of the line as a whole.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)
4. Relief from operation of the efficiency standard for a line of insurance in which the insurer has never written over \$1 million in earned premium annually and the insurer is making a substantial investment in order to enter the market.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)
5. The minimum permitted earned premium should be lower on the basis of the insurer's certification that the rate will not cause the insurer's financial condition to present an undue risk to its solvency.
6. The insurer's financial condition is such that its maximum permitted earned premium should be increased in order to protect solvency.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)
7. The loss development formula in CCR 2644.6 does not produce an actuarially sound result because:
 - A. There is not enough data to be credible
 - B. There is not enough years of data to fully calculate the development to ultimate;
 - C. There are changes in the insurer's reserving or claims closing practices that significantly affect the data; or,
 - D. There are changes in coverage or other policy terms that significantly affect the data; or,
 - E. There are changes in the law that significantly affect the data.
 - F. There is a significant increase or decrease in the amount of business written or significant changes in the mix of business.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

8. The trend formula in CCR 2644.7 does not produce the most an actuarially sound result because:
- A. There is a significant increase/decrease in the amount of business written or changes in the mix of business;
 - B. There are not enough years of data to calculate the trend factor;
 - C. There is a significant change in the law affecting frequency or severity of claims;
 - D. It can be shown that a trend calculated over a period of at least 4 quarters other than a period permitted pursuant to section 2644.7(b) is more reliable prospectively.
 - E. There are changes in the insurer's claims closing practices that significantly affect the data; or,
 - F. There are changes in coverage or other policy terms that significantly affect the data.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

9. The maximum permitted earned premium would be confiscatory if applied.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

Overall Maximum Permitted Rate Change % _____

Notwithstanding any other section of these regulations, the aggregate total adjustment to the efficiency standard for all variances combined shall not exceed the difference between the insurer's most recent year total expense ratio excluding defense and cost containment expenses and the efficiency standard.

Most Recent	
Year Total	
Expense Ratio	<u>34.06%</u>

EXCLUDED EXPENSE FACTOR

(Insurer Group Data)

Company Organization: ▼

	(Enter Year)	2nd Prior Year 2008	1st Prior Year 2009	Most Recent Year 2010
Countrywide direct earned premium:		42,506,737	44,389,985	45,733,259
Countrywide direct earned premium for lines of business subject to Proposition 103:		42,506,737	44,389,985	45,733,259

2644.10 (b): Executive Compensation

	2nd Prior Year 2008		1st Prior Year 2009		Most Recent Year 2010	
	Cash & Salary	Bonus	Cash & Salary	Bonus	Cash & Salary	Bonus
1st Highest Paid	195,385	25,301	205,769	27,651	261,154	24,000
2nd Highest Paid	180,346	28,445	190,039	18,701	225,385	30,000
3rd Highest Paid	180,040	10,000	181,731	21,101	179,231	22,750
4th Highest Paid	175,000	21,875	143,462	16,301	160,962	26,110
5th Highest Paid	135,615	14,160	129,808	13,851	148,923	21,000

	2nd Prior Year 2008		1st Prior Year 2009		Most Recent Year 2010	
	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation
1st Highest Paid	174,311	46,375	174,311	59,109	174,311	110,843
2nd Highest Paid	123,071	85,720	123,071	85,669	123,071	132,314
3rd Highest Paid	92,906	97,134	92,906	109,926	92,906	109,075
4th Highest Paid	87,048	109,827	87,048	72,715	87,048	100,024
5th Highest Paid	81,141	68,634	81,141	62,518	81,141	88,782

Total Excessive Executive Comp:	407,690	389,937	541,038
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Excluded Expense Factor

Countrywide Data	2nd Prior Year 2008	1st Prior Year 2009	Most Recent Year 2010
2644.10 (a): Political contribution and lobbying	213,936	177,546	185,859
2644.10 (b): Excessive Executive Compensation	407,690	389,937	541,038
2644.10 (c): Bad faith judgments and associated DCCE	0	0	0
2644.10 (d): All costs for unsuccessful defense of discrimination claims	0	0	0
2644.10 (e): Fines and penalties	0	0	0
2644.10 (f): Institution advertising expenses	500,790	502,905	560,382
2644.10 (g): Excessive payments to affiliates	0	0	0
Total excluded expenses	1,122,416	1,070,388	1,287,279
Excluded expense factor	2.64%	2.41%	2.81%
3-year average excluded expense factor	2.62%		

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

Line number	Short Term Assets	Intermediate Term Assets		Long Term Assets	
	One year or less	Over 1 yr through 5 yrs	Over 5 yrs through 10 yrs	Over 10 yrs through 20 yrs	Over 20 yrs
1.7 US governments	59,812	11,915,239	7,418,158	7,469,704	923,109
2.7 All other governments	0	0	0	1,294,892	0
3.7 States, territories and possessions	148,270	2,599,018	2,053,867	0	0
4.7 Political subdivisions	0	1,200,980	9,420,062	0	0
5.7 Special revenue and assessment obligations	5,010,893	22,889,543	26,432,125	7,149,010	1,194,533
6.7 Public utilities unaffiliated	7,295,275	11,602,670	17,202,166	633,008	0
7.7 Industrial and miscellaneous	0	0	0	0	0
8.7 Credit tenant loans	0	0	0	0	0
9.7 Parent, subsidiaries and affiliates	0	0	0	0	0
	One year or less	Over 1 year through 10 years		Over 10 years	
(1) US government bonds Sum of line 1.7 and 2.7	59,812	19,333,397		9,687,705	
(2) Other taxable bonds Sum of line 6.7, 7.7, 8.7, 9.7 and half of 5.7	9,800,722	53,465,670		4,804,780	
(3) Tax exempt bonds Sum of line 3.7, 4.7, and half of 5.7	2,653,717	39,934,761		4,171,772	

Data on line 1.7 through 9.7 are from the insurer group's most recent consolidated statutory annual statement, schedule D, part 1A, section 1.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

	Invested Assets [1]	Currently Available Yield * [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
(1) US government bonds					
(A) Short	59,812	0.13%	76	35.00%	27
(B) Intermediate	19,333,397	3.46%	668,936	35.00%	234,127
(C) Long	9,687,705	4.32%	418,832	35.00%	146,591
(2) Other taxable bonds					
(A) Short	9,800,722	0.25%	24,175	35.00%	8,461
(B) Intermediate	53,465,670	4.55%	2,435,253	35.00%	852,338
(C) Long	4,804,780	5.41%	259,919	35.00%	90,972
(3) Tax exempt bonds					
(A) Short	2,653,717	0.16%	4,255	5.25%	223
(B) Intermediate	39,934,761	3.37%	1,346,681	5.25%	70,701
(C) Long	4,171,772	5.12%	213,650	5.25%	11,217
(4) Common Stock	85,796,660				
(A) Dividends		1.65%	1,415,645	14.18%	200,668
(B) Capital gains		8.53%	7,320,362	34.10%	2,496,243
(5) Preferred stock dividends	0	5.75%	0	14.18%	0
(6) Mortgage loans	0	5.41%	0	35.00%	0
(7) Real estate	0	4.18%	0	35.00%	0
(8) Cash**	5,831,747	0.13%	7,387	35.00%	2,585
(9) Other***	-360,055				
(A) Dividends		1.65%	-5,941	14.18%	-842
(B) Capital gains		8.53%	-30,721	34.10%	-10,476
(10) Total Sum of line (1) thru (9)	235,180,686		14,078,508		4,102,836

Data in column [1], line 4 through (9), are from the insurer group's most recent consolidated statutory annual statement page 2 - Assets.

* Currently available yields are defined in CCR §2644.20. Latest values are posted at <http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/0200-prior-approval-factors/>

** Annual statement page 2, line 5, cash only. Cash equivalents and short-term investments are included in Schedule D.

*** Annual statement page 2, line 6 through 9.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

	Invested Assets [1]	Currently Available Yield [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
(10) Total line (10) exhibit 13, page 2	<u>235,180,686</u>		<u>14,078,508</u>		<u>4,102,836</u>
(11) Investment expense Annual Statement (AS) page 11, line 25			<u>660,748</u>	35.00%	<u>231,262</u>
(12) Total after investment expense line (10) - line (11)	<u>235,180,686</u>		<u>13,417,760</u>		<u>3,871,574</u>
(13) Federal income tax rate line (12) column [5] / column [3]				28.85%	
(14) Projected yield on invested assets line (12) column [3] / column [1]		<u>5.71%</u>			
Most Recent Year					
(15) Loss reserves AS page 3, line 1	<u>24,899,989</u>				
(16) Loss adjustment expense reserves AS page 3, line 3	<u>26,297,596</u>				
(17) Unearned premium reserves AS page 3, line 9	<u>18,653,059</u>				
(18) Surplus as regards to policyholders AS page 3, line 35	<u>147,036,656</u>				
(19) Total reserves and surplus Sum of line (15) to (18)	<u>216,887,300</u>				
(20) Projected yield adjusted to reserve and surplus base line (14) * line (12) / line (19)		6.19%			

ALTERNATE TEMPLATE

Sheet 1
Variance

The Dentists Insurance Company

Professional Liability and General Liability

Rate Template Calculations

Coverage Year	Exposures	Direct Earned Premium	Adjusted Losses	Trended Current Rate Level Premium	Loss & DCCE per Exposure	Adjusted Loss & DCCE Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2001	9,207	\$15,588,263	\$19,257,447	\$1,693.15	\$2,091.69	123.54%
2002	9,636	16,269,704	13,493,227	1,688.48	1,400.33	82.93%
2003	10,206	18,591,803	18,962,466	1,821.70	1,858.02	101.99%
2004	10,682	21,580,918	20,081,422	2,020.38	1,879.99	93.05%
2005	11,039	21,749,393	19,319,650	1,970.23	1,750.12	88.83%
2006	11,328	22,336,689	18,584,937	1,971.79	1,640.60	83.20%
2007	11,788	23,190,071	17,493,686	1,967.20	1,483.98	75.44%
2008	12,236	24,130,100	19,626,342	1,971.99	1,603.93	81.34%
2009	12,560	25,469,105	19,339,818	2,027.77	1,539.78	75.93%
2010	12,865	25,995,584	17,775,795	2,020.67	1,381.74	68.38%
Total	111,547	\$214,901,630	\$183,934,789	\$1,926.56	\$1,648.95	85.59%
Last 7	82,499	164,451,860	132,221,650	1,993.39	1,602.71	80.40%
Last 7 ex 2010	69,634	138,456,276	114,445,855	1,988.35	1,643.54	82.66%

CDI Parameters

FIT_UW	35.00%
Eff_Standard	30.98%
Leverage	0.59
Premium_Tax_Rate	2.35%
Surplus_Ratio	1.69
UEP_Res_Ratio	0.42
Loss_Res_Ratio	4.21
Risk Free Rate of Return	2.09%
Maximum Rate of Return	8.09%
Minimum Rate of Return	-6.00%

TDIC Data	Total	Last 7	Last 7 ex 2010
Credibility	100.00%	100.00%	100.00%
Expense Exclusion Factor	2.62%		
Anc_Inc	0		
FIT_Inv	28.85%		
Yield	6.19%		

CDI Calculations

Trended_Current_Rate_Level_Premium	1,926.56	1,993.39	1,988.35
Loss+DCCE_Per_Exp	1,648.95	1,602.71	1,643.54
Comp_Loss+DCCE_Per_Exp	2,695.90	2,789.37	2,782.32
Cred_Loss_Per_Exp	1,648.95	1,602.71	1,643.54
Fixed_Inv_Inc_Factor	28.51%		
Var_Inv_Inc_Factor	14.29%		
Annual_Net_Trend	6.20%		
Comp_Trend	27.20%		
Max_Profit	21.03%		
Min_Profit	-15.60%		
Max_Denom	0.623		
Min_Denom	0.989		
Max_Premium	\$1,892.86	\$1,839.78	\$1,886.65
Min_Premium	\$1,191.80	\$1,158.38	\$1,187.89
Change_At_Min	-38.14%	-41.89%	-40.26%
Change_At_Max	-1.75%	-7.71%	-5.11%

ALTERNATE TEMPLATE

Sheet 1
No Variance

The Dentists Insurance Company

Professional Liability and General Liability

Rate Template Calculations

Coverage Year	Exposures	Direct Earned Premium	Adjusted Losses	Trended Current Rate Level Premium	Loss & DCCE per Exposure	Adjusted Loss & DCCE Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2001	9,207	\$15,588,263	\$19,257,447	\$1,693.15	\$2,091.69	123.54%
2002	9,636	16,269,704	13,493,227	1,688.48	1,400.33	82.93%
2003	10,206	18,591,803	18,962,466	1,821.70	1,858.02	101.99%
2004	10,682	21,580,918	20,081,422	2,020.38	1,879.99	93.05%
2005	11,039	21,749,393	19,319,650	1,970.23	1,750.12	88.83%
2006	11,328	22,336,689	18,584,937	1,971.79	1,640.60	83.20%
2007	11,788	23,190,071	17,493,686	1,967.20	1,483.98	75.44%
2008	12,236	24,130,100	19,626,342	1,971.99	1,603.93	81.34%
2009	12,560	25,469,105	19,339,818	2,027.77	1,539.78	75.93%
2010	12,865	25,995,584	17,775,795	2,020.67	1,381.74	68.38%
Total	111,547	\$214,901,630	\$183,934,789	\$1,926.56	\$1,648.95	85.59%
Last 7	82,499	164,451,860	132,221,650	1,993.39	1,602.71	80.40%
Last 7 ex 2010	69,634	138,456,276	114,445,855	1,988.35	1,643.54	82.66%

CDI Parameters

FIT_UW	35.00%
Eff_Standard	21.56%
Leverage	0.59
Premium_Tax_Rate	2.35%
Surplus_Ratio	1.69
UEP_Res_Ratio	0.42
Loss_Res_Ratio	4.21
Risk Free Rate of Return	2.09%
Maximum Rate of Return	8.09%
Minimum Rate of Return	-6.00%

TDIC Data	Total	Last 7	Last 7 ex 2010
Credibility	100.00%	100.00%	100.00%
Expense Exclusion Factor	2.62%		
Anc_Inc	0		
FIT_Inv	28.85%		
Yield	6.19%		

CDI Calculations

Trended_Current_Rate_Level_Premium	1,926.56	1,993.39	1,988.35
Loss+DCCE_Per_Exp	1,648.95	1,602.71	1,643.54
Comp_Loss+DCCE_Per_Exp	2,696.06	2,789.54	2,782.49
Cred_Loss_Per_Exp	1,648.95	1,602.71	1,643.54
Fixed_Inv_Inc_Factor	28.51%		
Var_Inv_Inc_Factor	14.29%		
Annual_Net_Trend	6.20%		
Comp_Trend	27.20%		
Max_Profit	21.03%		
Min_Profit	-15.60%		
Max_Denom	0.717		
Min_Denom	1.083		
Max_Premium	\$1,644.17	\$1,598.07	\$1,638.78
Min_Premium	\$1,088.17	\$1,057.66	\$1,084.60
Change_At_Min	-43.52%	-46.94%	-45.45%
Change_At_Max	-14.66%	-19.83%	-17.58%

ALTERNATE TEMPLATE

The Dentists Insurance Company
Professional Liability and General Liability
Rate Template Calculations

Coverage Year	Exposures	Average Frequency	Indicated Claims	Avg Basic Limits Claims Cost	ILF to Total Limits	Ultimate Losses at Total Limits	Adjustment to 2012 Cost Level			Ultimate Total Limits Losses at 2012 Cost Level
							Frequency Index	Severity Index	ILF Index	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<i>Professional Liability</i>										
2001	9,207	0.036	333	\$27,571	1.167	\$11,565,785	0.746	1.954	1.059	\$17,868,360
2002	9,636	0.036	344	22,559	1.026	8,596,534	0.756	1.844	1.054	12,627,122
2003	10,206	0.035	359	27,979	1.126	12,225,381	0.767	1.739	1.049	17,093,208
2004	10,682	0.028	303	28,588	1.258	11,752,663	0.952	1.641	1.043	19,161,837
2005	11,039	0.026	290	30,562	1.163	11,134,630	1.027	1.548	1.038	18,373,590
2006	11,328	0.027	309	34,098	1.065	12,122,769	0.989	1.460	1.033	18,092,573
2007	11,788	0.027	315	31,871	1.085	11,756,683	1.011	1.378	1.028	16,823,545
2008	12,236	0.030	363	36,416	1.065	15,188,706	0.911	1.300	1.023	18,385,162
2009	12,560	0.026	332	34,226	1.185	14,530,813	1.022	1.226	1.018	18,525,561
2010	12,865	0.023	296	35,070	1.075	12,031,767	1.175	1.157	1.013	16,556,823
						Selected	0.027	6.0%	0.5%	
<i>General Liability</i>										
2001						\$1,106,184		1.256		\$1,389,087
2002						703,507		1.231		866,104
2003						1,548,701		1.207		1,869,258
2004						777,124		1.183		919,585
2005						815,488		1.160		946,060
2006						432,898		1.137		492,365
2007						600,987		1.115		670,141
2008						1,135,361		1.093		1,241,180
2009						759,733		1.072		814,257
2010						1,160,094		1.051		1,218,972
								2.0%		
						Composite Trend Factor		6.2%		

Notes:

- (2) Exhibit 14, Sheet 2.4, Column (8).
- (3) Average of Exhibit 14, Sheet 2.2b, Column (2) and Exhibit 14, Sheet 2.2b, Column (3).
- (4) = (2) x (3).
- (5) Average of Exhibit 14, Sheet 2.2a, Column (2) and Exhibit 14, Sheet 2.2a, Column (3).
- (6) Exhibit 14, Sheet 8, Column (4).
- (7) = (4) x (5) x (6) x 1.050 x 1.028, where 0.050 is DD&R load from Exhibit 14, Appendix I, Sheet 1 and 0.028 is Regulatory Defense load from Exhibit 14, Appendix J, Sheet 1. From Exhibit 14, Sheet 3.2, Column (5) for GL.
- (8) = (3) / 0.027, where 0.027 is average of last 7 years excluding 2010 from (3).
- (9) Based on Exhibit 14, Sheet 2.2a for PL and Exhibit 14, Sheet 3.1 for GL. Lost cost index for GL.
- (10) From Exhibit 14, Sheet 8.
- (11) = (7) x (8) x (9) x (10).

ALTERNATE TEMPLATE

The Dentists Insurance Company

Professional Liability and General Liability

Determination of Direct Earned Premium

<u>Calendar Year</u>	<u>Direct Earned Premium</u>	<u>Excluded Coverages Earned</u>	<u>Purchased Reporting Endorsements Earned</u>	<u>Policyholder Dividends</u>	<u>Total Reductions to DEP</u>	<u>Adjusted Direct Earned Premium</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2001	\$20,656,253	\$185,680	\$82,162	\$4,800,148	\$5,067,990	\$15,588,263
2002	21,542,795	371,103	102,884	4,799,104	5,273,091	16,269,704
2003	22,920,618	447,338	121,174	3,760,303	4,328,815	18,591,803
2004	23,965,611	504,942	112,712	1,767,039	2,384,693	21,580,918
2005	24,843,988	518,440	143,569	2,432,586	3,094,595	21,749,393
2006	25,576,893	571,270	158,655	2,510,279	3,240,204	22,336,689
2007	26,490,371	584,041	140,802	2,575,457	3,300,300	23,190,071
2008	27,811,584	779,894	190,065	2,711,525	3,681,484	24,130,100
2009	28,856,269	950,750	175,510	2,260,904	3,387,164	25,469,105
2010	29,509,729	1,036,921	140,385	2,336,839	3,514,145	25,995,584

Notes:

(2) From Statutory Page 14 of TDIC Annual Statements for consecutive years.

(3) Includes Employment Practices and Identity Recovery coverages.

(6) = (3) + (4) + (5).

(7) = (2) - (6).

EFFICIENCY STANDARD TABLE

SOURCE: 2007 - 2009 ROLLING AVG

DATE REVISED: 2/10/2011

Blended Captive Direct Indep
ES: 0.00% 24.18% 25.38% 33.17%

Line	Captive	Direct	Indep	Line Description
1.0	39.33%	19.17%	32.04%	FIRE
2.1	40.67%	20.08%	29.42%	ALLIED LINES
3.0	33.24%	43.08%	33.53%	FARMOWNERS MULTIPLE PERIL
4.0	36.21%	27.65%	37.12%	HOMEOWNERS MULTIPLE PERIL
5.0	34.65%	42.03%	38.18%	COMMERCIAL MULTIPLE (5.1 & 5.2 Combined)
5.1	35.79%	42.30%	37.12%	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)
5.2	31.97%	39.07%	39.69%	COMMERCIAL MULTIPLE PERIL(LIABILITY)
9.0	39.06%	25.63%	28.76%	INLAND MARINE
11.0	24.18%	25.38%	33.17%	MEDICAL MALPRACTICE
11.1	24.18%	25.38%	33.17%	MEDICAL MALPRACTICE(occ)
11.2	24.18%	25.38%	33.17%	MEDICAL MALPRACTICE (cm)
12.0	18.07%	17.08%	22.90%	EARTHQUAKE
17.0	32.55%	26.99%	30.50%	OTHER LIABILITY
17.1	32.55%	26.99%	30.50%	OTHER LIABILITY (occ)
17.2	32.55%	26.99%	30.50%	OTHER LIABILITY (cm)
18.0	24.58%	22.59%	31.36%	PRODUCTS LIABILITY
18.1	24.58%	22.59%	31.36%	PRODUCTS LIABILITY (occ)
18.2	24.58%	22.59%	31.36%	PRODUCTS LIABILITY (cm)
19.2	34.03%	26.81%	36.40%	PRIVATE PASSENGER AUTO LIABILITY
19.4	35.77%	31.98%	34.39%	COMMERCIAL AUTO LIABILITY
21.1	34.42%	27.28%	35.01%	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE
21.2	34.41%	35.11%	36.30%	COMMERCIAL AUTO PHYSICAL DAMAGE
22.0	34.10%	34.10%	26.57%	AIRCRAFT
23.0	33.45%	46.91%	32.18%	FIDELITY
24.0	43.84%	43.84%	43.84%	SURETY
26.0	30.37%	30.37%	30.37%	BURGLARY & THEFT
27.0	36.00%	27.67%	39.23%	BOILER & MACHINERY

LEVERAGE RATIO TABLE

SOURCE: Bests Aggregates and Averages, 2010 Edition

DATE REVISED: 10/15/2010

Line	LF	Line Description
1.0	1.2239	Fire
2.1	1.2232	Allied Lines
3.0	1.3061	Farmowners
4.0	1.2665	Homeowners
5.1	1.2062	CMP - NL
5.2	0.5704	CMP - Liab.
5.0	0.8614	CMP
9.0	1.3135	Inland Marine
11.1	0.3440	Med. Mal. Occ.
11.2	0.5916	Med. Mal. cm.
11.0	0.5096	Med. Mal.
12.0	1.0000	Earthquake
17.1	0.4802	O. Liab. Occ.
17.2	0.5835	O. Liab. cm.
17.0	0.5081	O. Liab.
18.1	0.2759	Products - Occ.
18.2	0.5862	Products - cm.
18.0	0.3027	Products
19.2	1.0840	PP Auto Liab.
19.4	0.8037	C. Auto Liab.
21.1	1.7527	PP Auto PD
21.2	1.3809	Comm Auto PD
22.0	0.7175	Aircraft
23.0	0.8986	Fidelity
24.0	0.9888	Surety
26.0	1.2363	Burglary & Theft
27.0	1.1762	Boiler & Mach.

RESERVES RATIO TABLE

SOURCE: AM Best's Aggregates & Averages - Property Casualty, 2010 Edition

DATE REVISED: 9/21/2010

LINE	UEP	LOSS	Line Description
1	0.48	0.98	FIRE
2.1	0.47	1.20	ALLIED LINES
3	0.47	1.90	FARMOWNER MP
4	0.52	1.14	HOMEOWNER MP
5	0.50	2.87	CMP
5.1	0.49	1.12	CMP (N-LIAB)
5.2	0.50	5.16	CMP (LIAB)
9	0.36	0.68	INLAND MRN
11.0	0.46	4.64	MED MAL
11.1	0.58	5.56	MED MAL - occurrence
11.2	0.42	4.21	MED MAL - claims-made
12.0	0.47	1.00	EARTHQUAKE
17.0	0.52	4.41	OTHER LIAB
17.1	0.54	5.21	OTHER LIAB - occurrence
17.2	0.51	3.28	OTHER LIAB - claims-made
18.0	0.52	5.44	PROD LIAB
18.1	0.53	5.63	PROD LIAB - occurrence
18.2	0.43	3.85	PROD LIAB - claims-made
19.2	0.33	1.14	PPA LIAB
19.4	0.45	2.66	COMLA LIAB
21.1	0.33	0.09	PPA PD
21.2	0.51	0.32	COMLA PD
22.0	0.40	2.79	AIRCRAFT
23.0	0.57	2.62	FIDELITY
24.0	0.56	2.52	SURETY
26.0	0.59	0.91	BRGLRY THEFT
27.0	0.45	1.19	BLR & MCHNRY

Loss Cost Multiplier (LCM) Template Instructions

The LCM Template spreadsheet must be completed for those rate filing submissions where the filed line or coverage utilizes a Loss Cost Multiplier. Examples include new or existing program rate filings that involve the adoption of Advisory Organization loss costs, and existing program rate filings where the LCM is being revised.

There are a number of data cells on the LCM Template spreadsheet that automatically populate either by reference to cells on other spreadsheets or by formula calculation. However there are five lines within the LCM Template spreadsheet for which additional data entry is required. The first three data entry items pertain to rate filing submissions that include an adoption of Advisory Organization loss costs. The last two data entry items are required only for existing programs.

Complete the following for existing and new program rate filings when Advisory Organization loss costs are being adopted:

Spreadsheet Item #1.1 CDI Filing Number – Please enter the CDI filing number of the Advisory Organization loss cost filing being adopted. If additional loss cost updates are being covered, please also identify the CDI filing number(s) of the additional loss cost updates being covered.

Spreadsheet Item #1.2 Loss Cost Percent Change Approved for the Line or Coverage – Please enter the CDI percent change approved for the Advisory Organization loss cost filing identified as Item #1.1. If multiple loss cost updates are being covered, identify the cumulative percent change approved.

Spreadsheet Item #1.3 AOE or LAE Load Approved for the Line or Coverage – As identified within the Advisory Organization loss cost filing entered as Item #1.1, please indicate the type of AOE or LAE expense loading the Advisory Organization used in its loss cost filing and enter the load amount.

Complete the following for existing programs only; do not complete the following for new program filings:

Spreadsheet Item #2.1 Current Expense Based LCM – Please enter the current expense based LCM for the filed line/coverage.

Spreadsheet Item #2.2 Current Loss Cost Modification Expressed as a Factor – Please enter the current Loss Cost Modification Factor applicable to the current expense based LCM.

Spreadsheet Items #3 through #7 are calculated fields.

Spreadsheet Item #3 calculates the insurer's current Final LCM.

Spreadsheet Item #4 calculates the Advisory Organization's AOE as a percent of loss and DCCE.

Spreadsheet Item #5 calculates the maximum CDI allowable expense based LCM for the file line/coverage.

Spreadsheet Item #6 calculates the maximum CDI allowable loss cost modification factor for the filed line/coverage.

Spreadsheet Item #7 calculates the **maximum CDI allowable Final LCM** for the filed line/coverage. If the Insurer's current Final LCM (Item #3) and/or proposed Final LCM is greater than the Max Final LCM (Item #7), the Insurer will need to reduce its Final LCM so that it is no greater than the CDI calculated maximum allowable Final LCM. Otherwise, exceeding the CDI calculated maximum allowable Final LCM will require the filing of a Variance.

LCM TEMPLATE

Edition Date:

4/4/2011

CDI FILE NUMBER: 0
COMPANY/GROUP: The Dentists Insurance Company
LINE OF INSURANCE: MEDICAL MALPRACTICE (claims-made)
LINE CODE: 11.2
COVERAGE: 0

ADVISORY ORGANIZATION FILING INFORMATION

- 1 For filings that include an adoption of Advisory Organization loss costs, complete lines 1.1, 1.2, and 1.3; for all other filings skip lines 1.1, 1.2 and 1.3, and go to line 2.

1.1 CDI Filing Number

1.2 Loss Cost Percent Change Approved for the Line or Coverage

1.3 AOE or LAE Load Approved for the Line or Coverage

Type of Load	Amount of Load
(LOSS+DCCE+AOE)/LOSS	<input type="text"/>

COMPANY LCM INFORMATION

- 2 If this is a New Program filing, skip lines 2.1 and 2.2 and review the Max_Final LCM result on line 7; for all other filings complete lines 2.1 and 2.2.

2.1 Current Expense Based LCM

2.2 Current Loss Cost Modification Expressed as a Factor (see examples below)

Example 1: If the company's loss cost modification is +15%, enter 1.15

Example 2: If the company's loss cost modification is -10%, enter 0.9

Example 3: If the company currently does not apply a loss cost modification factor, enter 1.0

3 Insurer's Current <u>Final</u> LCM (Line 2.1 * Line 2.2)	NA	
4 Advisory Organization's AOE as a Percent of Loss and DCCE (Derived from Line 1.3 and the IncLoss&DCCE page)	-1.000	
5 Max_Expense Based Loss Cost Multiplier	N/A	0
6 Max_Loss Cost Modification (Existing program only) Max_Loss Cost Modification for new program is 1.0	N/A	
7 Max_Final LCM (Line 5 * Line 6)	#DIV/0!	

INCURRED LOSS AND DCCE EXHIBIT

Source: 2008 Edition of Best's Aggregates & Averages, Statement File Supplement - Insurance Expense Exhibit

Revised: 2/17/2009

Line	Line Description	INC LOSS	DCCE
1.0	FIRE	4,016,127	151,767
2.1	ALLIED LINES	3,394,918	216,167
3.0	FARM OWNERS MULTIPLE PERIL	1,473,328	55,438
4.0	HOMEOWNERS MULTIPLE PERIL	31,520,720	899,394
5.0	COMMERCIAL MULTIPLE PERIL (COMBINED)	15,043,900	3,062,099
5.1	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)	9,640,109	667,280
5.2	COMMERCIAL MULTIPLE PERIL(LIABILITY)	5,403,791	2,394,819
9.0	INLAND MARINE	5,314,416	125,783
11.0	MEDICAL MALPRACTICE (Combined)	4,334,271	2,067,254
11.1	MEDICAL MALPRACTICE (Occurrence)	4,334,271	2,067,254 *
11.2	MEDICAL MALPRACTICE (Claims-made)	4,334,271	2,067,254 *
12.0	EARTHQUAKE	-32,814	-2,659
17.0	OTHER LIABILITY (Combined)	27,204,022	7,099,766
17.1	OTHER LIABILITY (Occurrence)	27,204,022	7,099,766 *
17.2	OTHER LIABILITY (Claims-made)	27,204,022	7,099,766 *
18.0	PRODUCTS LIABILITY (Combined)	1,611,095	1,423,559
18.1	PRODUCTS LIABILITY (Occurrence)	1,611,095	1,423,559 *
18.2	PRODUCTS LIABILITY (Claims-made)	1,611,095	1,423,559 *
19.2	PRIVATE PASSENGER AUTO LIABILITY	61,960,518	3,457,812
19.4	COMMERCIAL AUTO LIABILITY	11,819,076	1,416,766
21.1	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE	38,742,126	223,827
21.2	COMMERCIAL AUTO PHYSICAL DAMAGE	3,674,613	72,844
22.0	AIRCRAFT	1,608,088	149,853
23.0	FIDELITY	476,389	39,573
24.0	SURETY	962,488	256,711
26.0	BURGLARY & THEFT	28,019	2,792
27.0	BOILER & MACHINERY	376,293	17,336
33	MISCELLANEOUS	2,087,451	26,788

* line totals are used for occurrence and claims-made policies.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Filing History

Date Filed

CDI App. No.

7/1/2008

08-3743

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Rate Level History

The company has not filed for a rate change in the last five years.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Policy Term Distribution

All policies are for a twelve-month term with a common effective date of July 1. 100% of business is written for this term.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Premium Adjustment Factor

Per Exhibit 2, all premium adjustment factors are 1.000.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Premium Trend Factor

The exemption in CCR §2644.4(d) applies to the premium trend methodology in CCR §2644.7.

Premium trend is not reflected given a review of the data and expectations that little premium trend would be expected in TDIC dental professional and general liability premium.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Miscellaneous Fees and Other Charges

Exhibit 6 is not applicable to this program. The company does not collect any miscellaneous fees or other charges.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Loss and Defense & Cost Containment Expense (DCCE) Development Factors

CCR §§2644.6 and 2644.8 do not apply under the exemption stated in CCR §§2644.4(d) and 2644.8(c).

Support and application of loss development factors are contained in Appendices A through J of the insurer's ratemaking calculations in Exhibit 14. Loss development triangles and factor selections are shown and applied to TDIC historical data to obtain claim frequency indications (Appendices C and D with results summarized on Exhibit 14, Sheet 2.3), average claim costs at basic limits (Appendices A and B with results summarized on Exhibit 14, Sheet 2.2a), increased limits factors (Appendix G with results summarized on Exhibit 14, Sheet 8) and general liability losses (Appendices E and F with results summarized on Exhibit 14, Sheet 3.1).

THE DENTISTS INSURANCE COMPANY

Professional & General Liability - Dentists
Loss and DCCE Trend

CCR §2644.7 does not apply under the exemption stated in CCR §2644.4(d).

Trend factors are based on analyses in the insurer's ratemaking calculations in Exhibit 14 and summarized in the table below:

<u>Component</u>	<u>Annual Trend</u>
PL Basic Limits Severity	6.0%
PL Increased Limits Factor	0.5%
PL Frequency of Claims with Cost	0.0%
GL Total Limits Pure Premium	<u>2.0%</u>
Composite	6.2%

For professional liability (PL), three adjustments are applied to historical ultimate losses to adjust them to expected 2012 cost levels. The first is to adjust for the expected frequency level. Based on a review of frequency indications (Exhibit 14, Sheet 2.2b), all coverage years are adjusted to a frequency level of 0.027 per exposure with 0% trend. This determination is based on the average of the 2004 through 2009 historical periods after reviewing the experience and considering the trend fits. The frequency index is shown in column (8) of Sheet 2 of the template. The second adjustment is for the basic limits severity (basic limits is defined as each claim limited to \$100,000 of indemnity and unlimited DCCE). Based on a review of the indications (Exhibit 14, Sheet 2.2a) and considering the various trend fits and their respective correlation coefficients, a 6% trend factor is applied to project severity to 2012 cost levels. The severity cost index is shown in column (9) of Sheet 2 of the template. Finally, the historical increased limits factors (ILFs) are adjusted to 2012 cost levels using a 0.5% trend based on a review of the data and judgment that, while the ILF indications are volatile, they are subject to inflationary pressures over time. The ILF cost index is shown in column (10) of Sheet 2 of the template. The resulting PL ultimate losses at the 2012 cost level are shown in column (11) of the PL portion of Sheet 2 of the template.

For general liability (GL), the data is too sparse and volatile to perform detailed trend analyses broken down into frequency and severity. Even annual changes in pure premium are volatile and unstable from year to year. However, considering TDIC experience and other broader, more credible sets of GL experience, an annual trend factor of 2% has been applied to the GL loss costs to reflect 2012 cost levels. This is shown in column (9) of the GL portion of Sheet 2 of the template and applied to obtain GL ultimate losses at the 2012 cost level in column (11).

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Catastrophe Adjustment

No catastrophe adjustment is included in this filing.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Credibility Adjustment

The data as used in Exhibit 14 and in the company's alternate rate template are considered fully credible.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Ancillary Income

The company does not have any ancillary income (e.g., premium financing charges or membership dues).

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Reinsurance Premium and Recoverables

Reinsurance premiums and recoverables are not included in the rate development.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Variance

1. Variances requested:

Variance 2A – Higher quality of service, as demonstrated by objective measures of consumer satisfaction

Rationale for variance: TDIC requests a variance from the efficiency standard for superior service as permitted by §2644.27(f)(2)(A). TDIC has a sterling satisfaction rating with its policyholders as demonstrated by: (1) the Department Complaint Study, which shows one justified complaint in 2007 and none in 2008 and 2009 for a 0.00 justified complaint ratio, and (2) an independent survey commissioned by TDIC from Edge Research regarding customer satisfaction. Items (1) and (2) are attached. To the best of TDIC's knowledge, organizations such as J.D. Power and Associates do not conduct unsolicited customer satisfaction surveys for this line.

Variance 2C – Significantly smaller or larger than average California policy premium, including any applicable fees

Rationale for variance: The efficiency standard is calculated as the weighted mean (by premium) expense ratio of insurers writing this coverage. This means that the results reflect, significantly, the expense relationships of the large physician and surgeon insurers. However, the average dental premium of approximately \$2,200 is substantially smaller than the average physician and surgeon premium. The attached Sheet 1 provides a comparison of the California mature claims-made rates at \$1 million / \$3 million limits between TDIC and several of the physician and surgeon insurers. This exhibit indicates the dental premium is approximately 10% - 20% of the physician and surgeon premium. Because TDIC provides the same services – e.g., underwrite insureds, issue policies, handle claims – spread over a smaller per policy premium, it implies the efficiency standard is distorted in application to TDIC.

2. The attached Sheet 2 calculates an alternative expense load based on TDIC experience, including reduction for the expense exclusion. The impact on the efficiency standard expense factor is an increase of 9.42 points (= 33.60% - 24.18%).
3. The impact of the variance on the change at the minimum and maximum is an increase of 5.05 and 12.13 points, respectively.



- Company Profile
- Company Search
- Company Search Results
- Company Information
- Financial Statements PDF's
- Annual Statements
- Quarterly Statements
- CA Supplements
- Company Complaint
- Company Performance & Comparison Data
- Company Enforcement Action
- Composite Complaints Studies
- Additional Info
- Find A Company Representative In Your Area
- View Financial Disclaimer

COMPANY PROFILE

Company Complaint Information

DENTISTS INSURANCE COMPANY (THE)
P.O. BOX 1582
SACRAMENTO, CA 95812-1582
800-733-0635

COMPANY PERFORMANCE

In compliance with California Insurance Code § 12921.1, the California Department of Insurance conducted a Consumer Complaint Study of all admitted insurance carriers. The company performance table provides the complaints determined by the department to require that corrective action be taken against the insurer, or leading to insurer compromise, or other remedy for the complainant, those that are found to be without merit, those with other outcomes, and justified complaints. Justified complaints often require additional review, as violations of California insurance laws may exist.

Year	Closed Complaints (TOTAL of Categories 1-3)	Category 1: Complaints found to require corrective action, leading to insurer compromise, or other remedy for the complainant.	Category 2: Complaints found to be without Merit.	Category 3: Complaints with Other Outcomes	Category 4: Justified Complaints
2009	2	0	1	1	0
2008	3	0	1	2	0
2007	3	1	1	1	1

VIOLATION STUDY

The following table represents number and type of violations found, by reference to the line of insurance and law allegedly violated.

Year	Line of Coverage	Law	Section	Summarized Description of Law	# of Alleged Violations

If complaint data does not appear for this company, this link will provide you with an explanation.
 To view the California Insurance Code (CIC), [Click here](#)
 To view the California Code of Regulations (CCR), [Click here](#)

COMPARISON DATA

The information below is for complaints closed during the study period for this insurance company. The table provides the Justified Complaint Ratio, Market Share, Complaint Share, and Index for this company, grouped by the line of coverage the company was authorized to sell in this study period.

Year	Line of Coverage	Justified Complaint Ratio	Market Share	Complaint Share	Index

2009	Commercial Multi-Peril	.00	.226	.00	.00
------	------------------------	-----	------	-----	-----

If complaint data does not appear for this company, this link will provide you with an explanation.

Last Revised - December 03, 2007 11:57 AM
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CDA Mind of the Dentist #2

Marketing Research Findings

Prepared by Edge Research
November 10, 2009



Research Design: Phase One/Qualitative

- During March, 2009 ten (10) focus groups were conducted across a range of audiences and geographies in order to make sure we captured the broad spectrum of opinion. Below is a summary of the composition:
 - Two (2) in Fresno
 - Stage 1 and 2 members
 - Stage 4 members
 - Three (3) in San Francisco:
 - Stage 1 and 2 non-members
 - Stage 3 members
 - Students
 - Two (2) in San Bernadino:
 - Stage 3 Members
 - Lapsers and non-members
 - Three (3) in San Diego:
 - Stage 1 and 2 members
 - Stage 3 and 4 non-members
 - Stage 4 members

- In all of the member groups, CDA leadership was excluded from participating, and Component leadership was minimized (only a couple, if any, in each group).

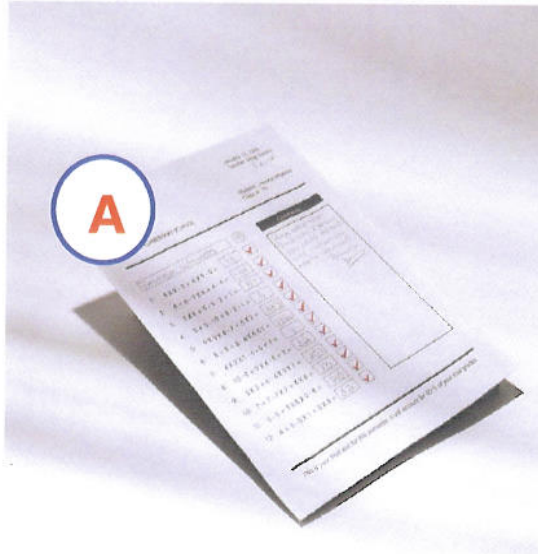
Research Design: Phase Two/Quantitative

- Mail and online surveys of members and non-members conducted in June, 2009.
 - Sample was pulled to be representative by component and gender
 - An over-sample of Stage I dentists was also included for both members and non-members, to ensure there would be substantial base size to support analysis of this group
- 1257 completed member surveys returned
- 165 non-member surveys returned
- For both surveys, data weighted so that total reflects the demographic and component distribution of California dentists
 - Margin of error on the member sample as a whole is +/- 2.8 percentage points at 95% confidence level
 - Margin of error on the non-member sample as a whole is +/- 7.8 percentage points at 95% confidence level
 - Margin or error for subgroups is larger and varies.

TDIC Image

“TDIC, all they’re doing is dentists. It just seems like they’re geared for us.” –CA Policyholder

TDIC Report Card



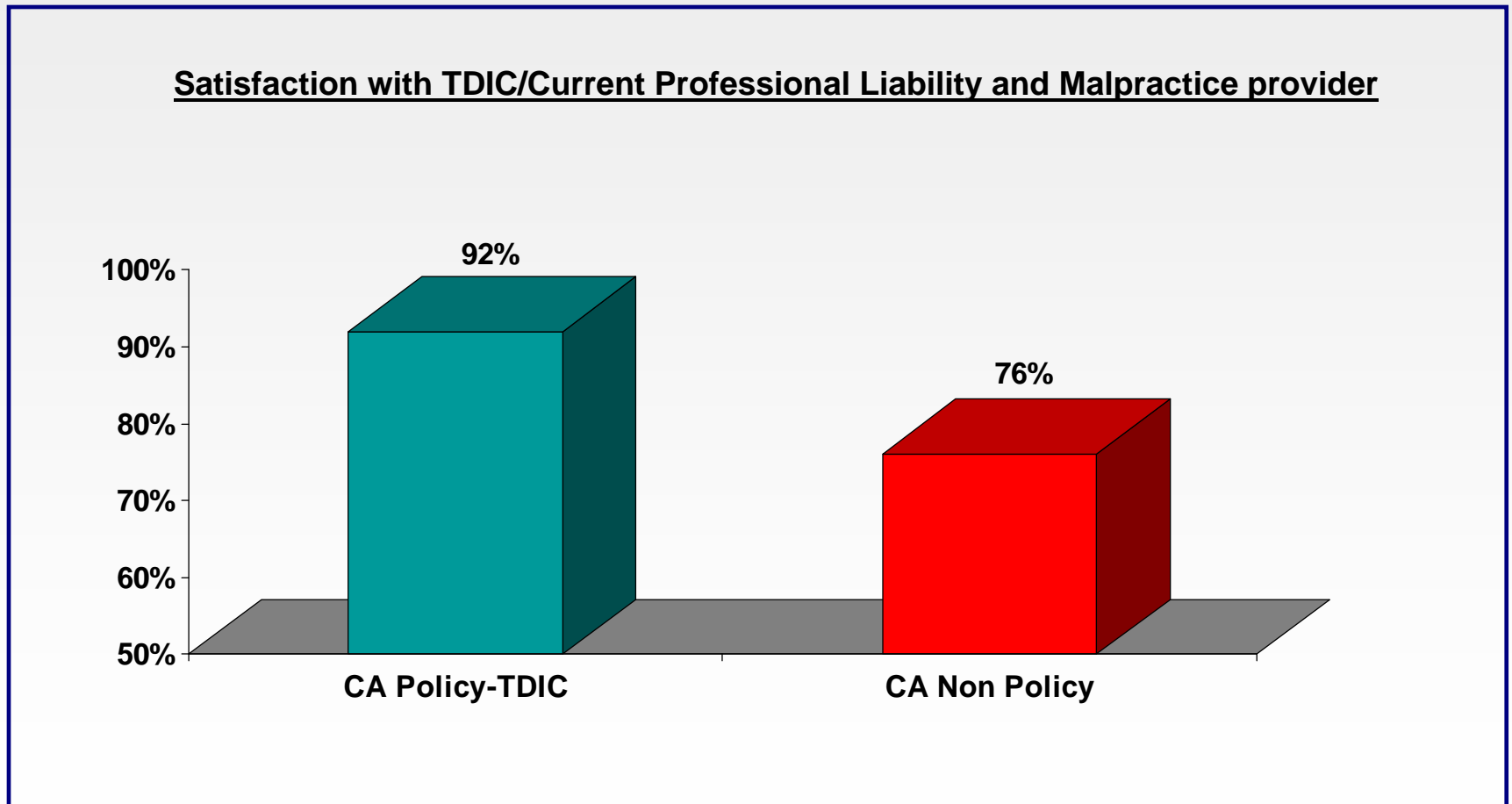
TDIC:	CA Policy	CA Non Policy
Favorability		
Very	71%	29%
TOTAL	93%	58%
Likely to Recommend		
10	54%	16%
Top 3 (8,9,10)	86%	37%
Satisfaction		
Very	71%	NA
TOTAL	92%	NA

Overall, would you say you have a favorable or unfavorable impression of TDIC/1201 Financial and Insurance Services?
 How likely are you to recommend TDIC to another dentist or dental student?
 Overall, how satisfied are you with TDIC/1201 Financial and Insurance Services?
 Which of the following aspects of your TDIC professional liability insurance policy would you like to see improved?

TDIC Image: The vast majority of CA Policyholders say the attributes related to professional, quality, trust, coverage and value describe TDIC well.

	CA Policyholders
	Net Descriptive
Professional	81%
A high quality product	78%
A trusted source	75%
A good value	71%
Coverage will protect me if I need it.	70%
The fact that it is run by the CDA is important to me	69%
Offers comprehensive coverage	69%
Claims department understands dentistry	64%
Focused on the right set of products	62%
Application was easy to complete	55%
Is approved by a committee of dentists	52%
Offers a unique set of benefits and services	52%
Tailored to my specific needs	51%
Agents available to me	51%
Exclusive	44%

TDIC Image: TDIC policyholders are more satisfied with their policy than those with other carriers



Overall, how satisfied are you with TDIC/your current Professional Liability and Malpractice provider?

TDIC Brand Equity

- TDIC has a lot of brand equity. It conveys:
 - Competitive rates
 - Good coverage
 - Customer service
 - Good for dentists
 - Helps organized dentistry
- Dentists look to TDIC for policies, by choice, not because they are the only game in town

“Most of my insurance policies I have are through TDIC, and I do that because I feel that they look out for me and they’re going for the best products available. And I also want to support the Dental Society and TDIC itself because it is for dentists, by dentists...because dentists are using those products mostly, you know that they’re geared for our type of business.”

“Because CDA answers their phone, and I can pretty much get through to CDA, TDIC, most of the time, then that’s appealing to me.”

“I just trust TDIC. I trust TDIC...I met with one other private company, and then I just checked with TDIC. And I have been with TDIC for liability for a good while...”

The Dentists Insurance Company
Comparison of California Rates
Professional Liability Mature Claims-Made

TDIC Territory/County (1)	TDIC Base Class (2)	The Doctors Company		Medical Insurance Exchange of California		NORCAL Mutual Insurance Company		Ratio of Avg Dental to P&S (9)
		Int Med (3)	Gen Surg (4)	Int Med (5)	Gen Surg (6)	Int Med (7)	Gen Surg (8)	
<i>Territory A</i>								
Contra Costa	\$2,494	\$6,782	\$23,365					16.5%
Los Angeles	2,494	10,343	41,775	\$15,832	\$51,812	\$20,283	\$68,007	7.2%
Orange	2,494	10,343	41,775			20,283	68,007	7.1%
San Diego	2,494	9,730	35,273	13,968	45,716	18,115	60,741	8.2%
San Francisco	2,494	6,782	23,365					16.5%
San Mateo	2,494	6,782	23,365			6,869	23,031	16.6%
<i>Territory B</i>								
Santa Clara	2,254	6,782	23,365			6,869	23,031	15.0%
<i>Territory C</i>								
Fresno	1,896					6,869	23,031	12.7%
Madera	1,896	6,782	23,365					12.6%
Kern	1,896	10,343	41,775			10,641	35,679	7.7%
Monterey Bay	1,896	6,782	23,365			6,869	23,031	12.6%
Santa Barbara	1,896					10,641	35,679	8.2%
Ventura	1,896	10,343	41,775	13,968	45,716	18,115	60,741	6.0%

Notes:

- (1) Provided by TDIC.
- (2) Provided by TDIC; based on Class 11 rates effective 07/01/2008, and includes general liability.
- (3)-(8) From *Medical Liability Monitor*, October 2010, Vol. 35, No. 10.
- (9) = (2) / Average [(3) through (8)].

THE DENTISTS INSURANCE COMPANY

Professional and General Liability

Direct Expense Ratio
California

Calendar Year	CA Direct Premium Earned (\$000's)	Countrywide Direct Premium Earned (\$000's)	Commission & Brokerage Expense Incurred		General Expense Incurred		Taxes, Licenses & Fees Incurred		Adjusting and Other Expenses Incurred	
			(\$000's)	Percent	(\$000's)	Percent	(\$000's)	Percent	(\$000's)	Percent
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2006	\$25,577	\$28,827	\$0	0.0%	\$6,187	21.5%	\$870	3.4%	\$2,427	8.4%
2007	26,490	29,981	0	0.0%	5,965	19.9%	694	2.6%	3,224	10.8%
2008	27,812	31,760	0	0.0%	6,590	20.7%	779	2.8%	599	1.9%
2009	28,856	33,046	0	0.0%	7,094	21.5%	910	3.2%	2,833	8.6%
2010	29,510	33,929	0	0.0%	7,042	20.8%	1,005	3.4%	3,358	9.9%
Total/Average	\$138,245	\$157,543	\$0	0.0%	\$32,878	20.9%	\$4,258	3.1%	\$12,441	7.9%
(12) Selected				0.0%		21.0%		3.1%	6,790	9.5%
(13) Selected Expense Ratio										33.6%
(14) Expense Exclusion										2.6%
(15) Adjusted Expense Load for Variance										31.0%

Notes:

- (2),(4),(8) Annual Statement, Statutory Page 14; provided by TDIC.
- (3),(6),(10) IEE, Part III, Medical Malpractice; provided by TDIC.
2009 for Column (6) reflects revised amounts provided by TDIC.
- (5) = (4) / (2).
- (7) = (6) / (3).
- (9) = (8) / (2).
- (11) = (10) / (3).
- (13) Total of (12).
- (14) Per CDI Prior Approval Rate Application, Page 13.
- (15) = (13) - (14).

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Insurer's Ratemaking Calculations

Attached are supporting exhibits providing the insurer's ratemaking calculations.

The Dentists Insurance Company

California Rate Filing Memorandum

Dentists Professional and General Liability Rates

This memorandum and the attached exhibits present the development of indicated dentists professional and general liability rates for The Dentists Insurance Company (TDIC) in the state of California. Rates are developed for annual policies to be issued during the July 1, 2012 through June 30, 2013 period with a common renewal date of July 1, 2012.

The key components of the rates - pure premium, expense loadings, etc. – are based on TDIC experience. The determination of these components is discussed below. The components are documented and summarized on the attached exhibits.

Pure Premium

The professional liability claims-made basic limits (\$100,000) pure premium is developed on Exhibit 14, Sheet 2.1. Selected frequency and severity components of the pure premium are also shown on Exhibit 14, Sheet 2.1, with supporting detail on Exhibit 14, Sheets 2.2a and 2.2b. Selected frequency and severity are based on reviews of several statistical fits of indicated historical frequencies and severities.

The general liability occurrence total limits pure premium is selected on Exhibit 14, Sheet 3.1. This indication is based on loss and allocated loss adjustment expense projections. The selected pure premium considers indications before and after application of 2% annual trend.

Claims-Made and Tail Factors

No changes to current factors are proposed.

Increased Limits Factors

The professional liability increased limits factor (ILF) to total limits is based on the analysis of TDIC's experience. The selected ILF is shown on Exhibit 14, Sheet 8, with supporting detail in Exhibit 14, Appendix G, and considers results before and after application of 0.5% trend.

Class Plan and Relativities

TDIC plans to maintain the current class plan.

Territory Relativities

TDIC plans to maintain the current territory alignment and relativities.

Other Adjustments to Pure Premium

Unallocated loss adjustment expense (ULAE) is included as 16.0% of the pure premium. The ULAE provision is based on the review on Exhibit 14, Sheet 5. The charge for the waiver of extended reporting premium in circumstances of death, disability and qualifying retirement (DD&R) is included as 5.0% of the pure premium based on calculations in Exhibit 14, Appendix I. A provision for regulatory defense (RD) coverage is included as 2.8% of the pure premium based on calculations in Exhibit 14, Appendix J. The adjustments for ULAE, DD&R and RD are incorporated on Exhibit 14, Sheet 1.1.

Present Value Factors

Exhibit 14, Sheets 6.1 and 6.2 present the calculation of the present value (discount) factors for professional liability and general liability, respectively. The present value factors use an interest rate of 6.19% which is determined by the procedure in the California Department of Insurance (CDI) template.

Expenses

Expense provisions for general expenses and taxes, licenses and fees are incorporated based on a review of TDIC companywide and California-specific medical malpractice expense experience. These items are documented on Exhibit 14, Sheet 7. The expense ratio of 24.0% is selected by TDIC management. The non-premium tax portion of the expense ratio is adjusted on Exhibit 14, Sheet 1.1 to reflect the indicated rate change prior to the adjustment to maintain the current general expense level. There are no expenses incorporated on a fixed basis.

Premium Discount Programs

TDIC management projects an impact of 14.1% due to premium adjustment programs as shown on Exhibit 14, Sheet 4 and incorporated on Exhibit 14, Sheet 1.1.

THE DENTISTS INSURANCE COMPANY

Professional and General Liability

Indicated Rate Change at 07/01/12
 Territory A, Class 11, Total Limits Rates
 California

(1) Pure Premium	
(a) Professional Liability - Mature Claims-Made (\$100,000 Limits)	\$1,155
(b) General Liability - Occurrence (Total Limits)	84
(c) Professional Liability & General Liability	<u>\$1,239</u>
(2) ILF to Total Limits	1.175
(3) Pure Premium Adjustments	
(a) DD&R	1.050
(b) Regulatory Defense	1.028
(c) Class Changes	1.000
(d) Territory Changes	1.000
(e) Total Adjustments	<u>1.079</u>
(4) Discount Factors	
(a) Professional Liability	0.884
(b) General Liability	0.849
(5) ULAE	1.160
(6) Premium Discount Adjustment	1.141
(7) Expenses	
(a) Fixed Expense	\$0
(b) Variable Expense	24.8%
(8) Indicated Base Rate	\$2,405
(9) Current Base Rate	\$2,529
(10) Indicated Change	-4.9%

See notes on Exhibit 14, Sheet 1.2.

THE DENTISTS INSURANCE COMPANY

Professional and General Liability

Indicated Rate Change at 07/01/12
 Territory A, Class 11, Total Limits Rates
 California

(1) Pure Premium	
(a) Professional Liability - Mature Claims-Made (\$100,000 Limits)	\$1,275
(b) General Liability - Occurrence (Total Limits)	84
(c) Professional Liability & General Liability	<u>\$1,359</u>
(2) ILF to Total Limits	1.175
(3) Pure Premium Adjustments	
(a) DD&R	1.050
(b) Regulatory Defense	1.028
(c) Class Changes	1.000
(d) Territory Changes	1.000
(e) Total Adjustments	<u>1.079</u>
(4) Discount Factors	
(a) Professional Liability	0.884
(b) General Liability	0.849
(5) ULAE	1.160
(6) Premium Discount Adjustment	1.141
(7) Expenses	
(a) Fixed Expense	\$0
(b) Variable Expense	23.3%
(8) Indicated Base Rate	\$2,587
(9) Current Base Rate	\$2,529
(10) Indicated Change	2.3%

See notes on Exhibit 14, Sheet 1.2.

THE DENTISTS INSURANCE COMPANY

Professional and General Liability

Indicated Rate Change at 07/01/12
California

Notes to Exhibit 1, Sheet 1

- (1a) Exhibit 14, Sheet 2.1.
- (1b) Exhibit 14, Sheet 3.1.
- (1c) = (1a) + (1b).
- (2) Exhibit 14, Sheet 8, Item (12).
- (3a) Exhibit 14, Appendix I, Sheet 1, Item (8).
- (3b) Based on Exhibit 14, Appendix J, Sheet 1.
- (3c) Assumes no changes in classifications.
- (3d) Assumes no changes in territories.
- (3e) = (3a) x (3c) x (3d).
- (4) Exhibit 14, Sheet 6.1 and Exhibit 14, Sheet 6.2, respectively.
- (5) Based on Exhibit 14, Sheet 5.
- (6) Exhibit 14, Sheet 4.
- (7) Based on Exhibit 14, Sheet 7. Non-premium tax portion of expense ratio adjusted to reflect indicated rate change to maintain the current general expense level. Assumes no fixed expenses.
- (8) = $\{[(1a) \times (2) \times (3e) \times (4a) + (1b) \times (4b)] \times (5)\} + (7a) \times (6) / [1.0 - (7b)]$.
- (9) Based on information provided by TDIC.
- (10) = $[(8) / (9)] - 1.0$.

THE DENTISTS INSURANCE COMPANY

Professional Liability - Basic Limits

Development of Pure Premium at 01/01/13 Level
California

	<u>Low</u>	<u>High</u>
(1) Severity at 01/01/13	\$44,500	\$45,500
(2) Selected Frequency	0.026	0.028
(3) Indicated Pure Premium	\$1,157	\$1,274
(4) Selected Pure Premium	\$1,155	\$1,275

Notes:

- (1) Exhibit 14, Sheet 2.2a.
- (2) Exhibit 14, Sheet 2.2b.
- (3) = (1) x (2).

THE DENTISTS INSURANCE COMPANY

Professional Liability - Basic Limits

Summary of Severity Indications
California

Report Year	Projected Ultimate Severity Based on	
	Reported Loss & ALAE	Paid Loss & ALAE
(1)	(2)	(3)
1985	\$15,614	\$15,614
1986	13,715	13,715
1987	12,879	12,879
1988	15,396	15,396
1989	16,476	16,476
1990	17,809	17,809
1991	16,237	16,237
1992	15,997	15,997
1993	15,700	15,700
1994	18,589	18,589
1995	19,222	19,222
1996	23,085	23,152
1997	20,870	20,870
1998	24,265	24,290
1999	24,715	24,739
2000	25,536	25,562
2001	27,557	27,584
2002	22,548	22,570
2003	27,965	27,993
2004	28,553	28,624
2005	30,524	30,600
2006	34,045	34,151
2007	32,088	31,654
2008	36,662	36,170
2009	34,530	33,923
2010	38,726	31,415

Period	Annual Trend	Annual Trend
(4)	(5)	(6)
2000-2008	4.8%	4.6%
2001-2009	4.8%	4.5%
2001-2008	5.4%	5.2%
2002-2009	5.9%	5.6%
2002-2008	7.1%	6.8%

Period	R ²	R ²
(4)	(5)	(6)
2000-2008	0.747	0.731
2001-2009	0.746	0.717
2001-2008	0.743	0.722
2002-2009	0.820	0.786
2002-2008	0.868	0.843

Period	Severity at 01/01/13	Severity at 01/01/13
(4)	(5)	(6)
2000-2008	\$43,525	\$42,865
2001-2009	42,929	41,989
2001-2008	45,254	44,445
2002-2009	45,572	44,433
2002-2008	50,075	48,998
Selected	\$45,500	\$44,500

Notes:
 (2) Exhibit 14, Appendix A, Sheet 1, Column (4).
 (3) Exhibit 14, Appendix B, Sheet 1, Column (4).
 (5),(6) Based on exponential fits of (2) and (3), respectively.

THE DENTISTS INSURANCE COMPANY

Professional Liability - Basic Limits

Summary of Frequency Indications
California

Report Year	Projected Ultimate Frequency Based on	
	Reported Claims (Net CNP)	Closed Claims with Payment
(1)	(2)	(3)
1985	0.039	0.039
1986	0.046	0.046
1987	0.066	0.066
1988	0.082	0.082
1989	0.076	0.076
1990	0.071	0.071
1991	0.068	0.068
1992	0.061	0.061
1993	0.057	0.057
1994	0.054	0.054
1995	0.056	0.056
1996	0.043	0.043
1997	0.047	0.047
1998	0.044	0.044
1999	0.037	0.037
2000	0.040	0.040
2001	0.036	0.036
2002	0.036	0.036
2003	0.035	0.035
2004	0.028	0.028
2005	0.026	0.026
2006	0.027	0.027
2007	0.027	0.026
2008	0.030	0.030
2009	0.026	0.027
2010	0.022	0.024

Period	Annual Trend	Annual Trend
(4)	(5)	(6)
2003-2009	-2.7%	-2.6%
2004-2009	-0.1%	0.0%
2005-2009	0.8%	1.1%

Period	R ²	R ²
(4)	(5)	(6)
2003-2009	0.333	0.311
2004-2009	0.001	0.001
2005-2009	0.060	0.120

Period	Frequency at 01/01/13	Frequency at 01/01/13
(4)	(5)	(6)
2003-2009	0.024	0.024
2004-2009	0.027	0.027
2005-2009	0.028	0.029
Selected	0.026	0.028

Notes:

- (2) Exhibit 14, Sheet 2.3a, Column (4).
- (3) Exhibit 14, Sheet 2.3b, Column (4).
- (5),(6) Based on exponential fits of (2) and (3), respectively.

THE DENTISTS INSURANCE COMPANY

Professional Liability - Basic Limits

Frequency Analysis
Based on Reported Claims (Net CNP)
California

Report Year	Weighted Average Exposure	Projected Ultimate Counts	Frequency
(1)	(2)	(3)	(4)
1985	9,161	355	0.039
1986	7,347	339	0.046
1987	6,461	425	0.066
1988	5,864	478	0.082
1989	5,540	422	0.076
1990	5,906	420	0.071
1991	6,423	436	0.068
1992	6,951	422	0.061
1993	7,257	414	0.057
1994	7,487	407	0.054
1995	7,804	434	0.056
1996	8,059	349	0.043
1997	8,306	387	0.047
1998	8,666	385	0.044
1999	8,821	327	0.037
2000	8,996	359	0.040
2001	9,207	333	0.036
2002	9,636	344	0.036
2003	10,206	359	0.035
2004	10,682	303	0.028
2005	11,039	290	0.026
2006	11,328	310	0.027
2007	11,788	320	0.027
2008	12,236	362	0.030
2009	12,560	329	0.026
2010	12,865	280	0.022

Notes:

- (2) Exhibit 14, Sheet 2.4, Column (8).
- (3) Exhibit 14, Appendix C, Sheet 1, Column (4).
- (4) = (3) / (2).

THE DENTISTS INSURANCE COMPANY

Professional Liability - Basic Limits

Frequency Analysis
Based on Closed Claims with Payment
California

Report Year	Weighted Average Exposure	Projected Ultimate Counts	Frequency
(1)	(2)	(3)	(4)
1985	9,161	355	0.039
1986	7,347	339	0.046
1987	6,461	425	0.066
1988	5,864	478	0.082
1989	5,540	422	0.076
1990	5,906	420	0.071
1991	6,423	436	0.068
1992	6,951	422	0.061
1993	7,257	414	0.057
1994	7,487	407	0.054
1995	7,804	434	0.056
1996	8,059	348	0.043
1997	8,306	387	0.047
1998	8,666	385	0.044
1999	8,821	327	0.037
2000	8,996	359	0.040
2001	9,207	333	0.036
2002	9,636	344	0.036
2003	10,206	360	0.035
2004	10,682	303	0.028
2005	11,039	291	0.026
2006	11,328	308	0.027
2007	11,788	310	0.026
2008	12,236	363	0.030
2009	12,560	335	0.027
2010	12,865	312	0.024

Notes:

- (2) Exhibit 14, Sheet 2.4, Column (8).
- (3) Exhibit 14, Appendix D, Sheet 1, Column (4).
- (4) = (3) / (2).

THE DENTISTS INSURANCE COMPANY

Professional Liability

Class 11, Territory A Equivalent Exposures
California

Report Year	Accident Year Lag						Weighted Average Exposure
	0	1	2	3	4	5 or More	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980	5,482						
1981	11,493	5,504					
1982	12,189	11,535	5,506				
1983	12,048	12,233	11,539	5,507			
1984	9,752	12,092	12,237	11,545	5,507		
1985	7,041	9,085	12,096	12,243	11,544	5,491	9,161
1986	6,207	6,071	8,243	12,102	12,244	11,509	7,347
1987	5,968	5,840	5,646	5,044	12,102	12,207	6,461
1988	5,748	5,610	5,438	5,246	4,246	12,065	5,864
1989	5,892	5,646	5,450	5,280	5,070	4,041	5,540
1990	6,292	5,999	5,692	5,491	5,300	5,027	5,906
1991	6,913	6,530	6,165	5,864	5,642	5,413	6,423
1992	7,446	7,107	6,675	6,323	6,006	5,756	6,951
1993	7,738	7,419	7,028	6,631	6,286	5,968	7,257
1994	7,939	7,642	7,276	6,929	6,553	6,220	7,487
1995	8,212	7,960	7,614	7,285	6,942	6,565	7,804
1996	8,464	8,195	7,885	7,554	7,238	6,899	8,059
1997	8,759	8,437	8,088	7,792	7,463	7,149	8,306
1998	9,130	8,817	8,417	8,082	7,782	7,459	8,666
1999	9,262	8,976	8,609	8,234	7,908	7,624	8,821
2000	9,450	9,144	8,785	8,447	8,081	7,762	8,996
2001	9,690	9,352	8,977	8,632	8,303	7,940	9,207
2002	10,193	9,793	9,353	8,976	8,619	8,284	9,636
2003	10,831	10,393	9,884	9,439	9,038	8,663	10,206
2004	11,343	10,889	10,357	9,850	9,403	8,987	10,682
2005	11,640	11,276	10,741	10,232	9,725	9,281	11,039
2006	11,934	11,532	11,090	10,572	10,071	9,570	11,328
2007	12,538	11,972	11,440	10,998	10,481	9,980	11,788
2008	12,975	12,482	11,805	11,295	10,863	10,355	12,236
2009	13,223	12,810	12,242	11,618	11,137	10,718	12,560
2010	13,489	13,096	12,607	12,074	11,476	11,009	12,865

(9) Selected Emergence Pattern

22.5%	47.5%	14.0%	5.5%	5.3%	5.3%
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Notes:

(2)-(7) Exposures provided by TDIC.

(8) Weighted average exposures calculated using selected emergence pattern as weights.

(9) Based on TDIC claims-made step factors underlying current rates.

THE DENTISTS INSURANCE COMPANY

General Liability - Total Limits

Development of Pure Premium at 01/01/13 Level
Based on Ultimate Loss & ALAE
California

Accident Year	Selected Ultimate Loss & ALAE	Exposure	Indicated Pure Premium	Trend Factor to 01/01/13	Trended Pure Premium
(1)	(2)	(3)	(4)	(5)	(6)
1984	\$1,027,868	9,752	\$105	1.758	\$185
1985	681,377	7,041	97	1.724	167
1986	803,799	6,207	130	1.690	219
1987	462,809	5,968	78	1.657	128
1988	276,557	5,748	48	1.624	78
1989	771,579	5,892	131	1.593	209
1990	337,068	6,292	54	1.561	84
1991	345,549	6,913	50	1.531	77
1992	435,261	7,446	58	1.501	88
1993	219,413	7,738	28	1.471	42
1994	345,819	7,939	44	1.442	63
1995	85,179	8,212	10	1.414	15
1996	812,623	8,464	96	1.386	133
1997	295,844	8,759	34	1.359	46
1998	772,935	9,130	85	1.333	113
1999	588,396	9,262	64	1.306	83
2000	465,234	9,450	49	1.281	63
2001	1,106,184	9,690	114	1.256	143
2002	703,507	10,193	69	1.231	85
2003	1,548,701	10,831	143	1.207	173
2004	777,124	11,343	69	1.183	81
2005	815,488	11,640	70	1.160	81
2006	432,898	11,934	36	1.137	41
2007	600,987	12,538	48	1.115	53
2008	1,135,361	12,975	88	1.093	96
2009	759,733	13,223	57	1.072	62
2010	1,160,094	13,489	86	1.051	90

(7) Average Pure Premium at 01/01/13 Level

(a) 2000 - 2009	\$86
(b) 2003 - 2009	82
(c) 2005 - 2009	67

(8) Selected Occurrence Pure Premium at 01/01/13 Level \$84

Notes:

- (2) Exhibit 14, Sheet 3.2, Column (5).
- (3) Exhibit 14, Sheet 2.4, Column (2).
- (4) = (2) / (3).
- (5) Assume annual trend rate of 2.0%.
- (6) = (4) x (5).

THE DENTISTS INSURANCE COMPANY

General Liability - Total Limits

Development of Selected Ultimate Loss & ALAE
California

Accident Year	Projected Ultimate Loss & ALAE		Actual Reported Loss & ALAE at 12/31/10	Selected Ultimate Loss & ALAE
	Reported	Paid		
(1)	(2)	(3)	(4)	(5)
1980	\$67,035	\$67,035	\$67,035	\$67,035
1981	199,426	199,426	199,426	199,426
1982	455,320	455,320	455,320	455,320
1983	512,424	512,424	512,424	512,424
1984	1,027,868	1,027,868	1,027,868	1,027,868
1985	681,377	681,377	681,377	681,377
1986	803,799	803,799	803,799	803,799
1987	462,809	462,809	462,809	462,809
1988	276,557	276,557	276,557	276,557
1989	771,579	771,579	771,579	771,579
1990	337,068	337,068	337,068	337,068
1991	345,895	345,895	345,549	345,549
1992	435,696	435,696	435,261	435,261
1993	219,632	219,632	219,413	219,413
1994	346,165	346,165	345,819	345,819
1995	85,264	85,264	85,179	85,179
1996	813,436	813,436	812,623	812,623
1997	296,140	296,140	295,844	295,844
1998	773,708	773,708	772,935	772,935
1999	588,984	588,984	588,396	588,396
2000	465,699	465,699	465,234	465,234
2001	1,107,290	1,107,290	1,106,184	1,106,184
2002	704,211	704,211	703,507	703,507
2003	1,556,451	1,568,853	1,548,701	1,548,701
2004	775,200	779,049	765,978	777,124
2005	805,386	825,589	796,602	815,488
2006	420,802	444,994	442,309	432,898
2007	488,494	713,480	564,863	600,987
2008	865,742	1,404,979	813,893	1,135,361
2009	567,504	951,962	518,480	759,733
2010	1,167,065	1,153,123	607,895	1,160,094
Total	\$18,424,026	\$19,619,411	\$17,829,927	\$19,001,592

Notes:

- (2) Exhibit 14, Appendix E, Sheet 1.
- (3) Exhibit 14, Appendix F, Sheet 1.
- (4) Exhibit 14, Appendix E, Sheet 1.

THE DENTISTS INSURANCE COMPANY

Development of Adjustment Factor for Discounts
California

(1) Gross Premium	\$33,829,077
(2) Premium Discounts	
(a) Loss Prevention Discount	\$504,101
(b) Disability Discount	9,139
(c) Faculty Discount	44,966
(d) Graduate Student Discount	28,266
(e) New Dentist Discount	1,249,054
(f) Part-Time Dentist Discount	658,806
(g) Leave of Absence Discount	75,195
(h) Package Premium Discount	<u>1,603,376</u>
(i) Total Premium Discounts	\$4,172,903
(3) Premium After Discounts	\$29,656,174
(4) Off-Balance Factor for Discounts	1.141

Notes:

(1),(2) Provided by TDIC.

(3) = (1) - (2i).

(4) = (1) / (3).

The Dentists Insurance Company

Professional and General Liability

Unallocated Loss Adjustment Expense Factor
Medical Malpractice - Countrywide

Calendar Year	Direct Paid Loss & ALAE (\$000's)	Direct Paid ULAE (\$000's)	Ratio
(1)	(2)	(3)	(4)
2006	\$13,204	\$2,708	0.205
2007	14,441	2,572	0.178
2008	15,340	2,468	0.161
2009	15,395	2,304	0.150
2010	17,475	2,793	0.160
Total	\$75,855	\$12,845	0.169
Latest 3	48,210	7,565	0.157
		(5) Selected	0.160

Notes:

(2)-(3) From Schedule P of TDIC Annual Statements for consecutive years.

(4) = (3) / (2).

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Discount Factor
California

Calendar Year	Cumulative Payout	Incremental Payout	Present Value Factor 6.19%	Discount Factor
(1)	(2)	(3)	(4)	(5)
1	0.115	0.115	0.970	0.112
2	0.558	0.443	0.914	0.405
3	0.861	0.303	0.861	0.261
4	0.957	0.096	0.811	0.078
5	0.986	0.029	0.763	0.022
6	0.987	0.001	0.719	0.001
7	0.989	0.002	0.677	0.001
8	0.990	0.001	0.637	0.001
9	0.990	0.000	0.600	0.000
10	0.990	0.000	0.565	0.000
11	0.990	0.000	0.532	0.000
12	0.990	0.000	0.501	0.000
13	0.990	0.000	0.472	0.000
14	0.993	0.003	0.445	0.001
15	0.993	0.000	0.419	0.000
16	0.994	0.001	0.394	0.000
17	0.998	0.004	0.371	0.001
18	0.999	0.001	0.350	0.000
19	1.000	0.001	0.329	0.000
Total		1.000		0.884

Notes:

- (2) Based on Exhibit 14, Appendix H.
- (3) Downward difference of (2).
- (4) Assumes that payments are made at mid-year and an annual rate of return of 6.19%, per CA DOI rate application.
- (5) = (3) x (4).

THE DENTISTS INSURANCE COMPANY

General Liability

Development of Discount Factor
California

Calendar Year	Cumulative Payout	Incremental Payout	Present Value Factor 6.19%	Discount Factor
(1)	(2)	(3)	(4)	(5)
1	0.153	0.153	0.970	0.148
2	0.364	0.211	0.914	0.193
3	0.529	0.165	0.861	0.142
4	0.766	0.237	0.811	0.192
5	0.950	0.184	0.763	0.140
6	0.965	0.015	0.719	0.011
7	0.983	0.018	0.677	0.012
8	0.987	0.004	0.637	0.003
9	0.999	0.012	0.600	0.007
10	0.999	0.000	0.565	0.000
11	0.999	0.000	0.532	0.000
12	0.999	0.000	0.501	0.000
13	0.999	0.000	0.472	0.000
14	0.999	0.000	0.445	0.000
15	0.999	0.000	0.419	0.000
16	0.999	0.000	0.394	0.000
17	0.999	0.000	0.371	0.000
18	0.999	0.000	0.350	0.000
19	0.999	0.000	0.329	0.000
20	0.999	0.000	0.310	0.000
21	1.000	0.001	0.292	0.000
Total		1.000		0.849

Notes:

- (2) Based on Exhibit 14, Appendix F, Sheet 2.
- (3) Downward difference of (2).
- (4) Assumes that payments are made at mid-year and an annual rate of return of 6.19%, per CA DOI rate application.
- (5) = (3) x (4).

THE DENTISTS INSURANCE COMPANY

Professional and General Liability

Direct Expense Ratio
Medical Malpractice
California

Calendar Year	CA Direct Premium Earned (\$000's)	Countrywide Direct Premium Earned (\$000's)	Commission & Brokerage Expense Incurred		General Expense Incurred		Taxes, Licenses & Fees Incurred	
			(\$000's)	Percent	(\$000's)	Percent	(\$000's)	Percent
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2008	\$27,812	\$31,760	\$0	0.0%	\$6,590	20.7%	\$779	2.8%
2009	28,856	33,046	0	0.0%	7,094	21.5%	910	3.2%
2010	<u>29,510</u>	<u>33,929</u>	<u>0</u>	<u>0.0%</u>	<u>7,042</u>	<u>20.8%</u>	<u>1,005</u>	<u>3.4%</u>
Total/Average	\$86,178	\$98,735	\$0	0.0%	\$20,726	21.0%	\$2,694	3.1%
(10) Selected				0.0%		21.0%		3.1%
(11) Indicated Expense Ratio								24.1%
(12) Selected Expense Ratio								24.0%

Notes:

- (2),(4),(8) Annual Statement, Statutory Page 14; provided by TDIC.
- (3),(6) IEE, Part III, Medical Malpractice; provided by TDIC.
- 2009 for Column (6) reflects revised amounts provided by TDIC.
- (5) = (4) / (2).
- (7) = (6) / (3).
- (9) = (8) / (2).
- (11) Total of (10).

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Selected Total Limits ILF
California

Report Year	Projected Ultimate Total Limits ILF		Selected Ultimate Total Limits ILF	Trend Factor	Trended Total Limits ILF
	Reported	Paid			
(1)	(2)	(3)	(4)	(5)	(6)
1984	1.215	1.215	1.215	1.153	1.401
1985	1.005	1.005	1.005	1.147	1.152
1986	1.021	1.021	1.021	1.141	1.166
1987	1.038	1.038	1.038	1.136	1.178
1988	1.064	1.064	1.064	1.130	1.203
1989	1.040	1.040	1.040	1.124	1.169
1990	1.095	1.095	1.095	1.119	1.226
1991	1.158	1.158	1.158	1.113	1.289
1992	1.036	1.036	1.036	1.108	1.147
1993	1.030	1.030	1.030	1.102	1.135
1994	1.116	1.116	1.116	1.097	1.223
1995	1.093	1.093	1.093	1.091	1.193
1996	1.078	1.078	1.078	1.086	1.171
1997	1.037	1.037	1.037	1.080	1.120
1998	1.315	1.315	1.315	1.075	1.413
1999	1.174	1.174	1.174	1.070	1.256
2000	1.079	1.079	1.079	1.064	1.148
2001	1.167	1.167	1.167	1.059	1.236
2002	1.026	1.026	1.026	1.054	1.081
2003	1.126	1.126	1.126	1.049	1.181
2004	1.258	1.258	1.258	1.043	1.312
2005	1.163	1.163	1.163	1.038	1.207
2006	1.065	1.066	1.065	1.033	1.100
2007	1.093	1.075	1.085	1.028	1.115
2008	1.059	1.066	1.065	1.023	1.089
2009	1.144	1.228	1.185	1.018	1.206
2010	1.042	1.105	1.075	1.013	1.088

Trend Period	Annual Trend	R ²	Period	Average
(7)	(8)	(9)	(10)	(11)
1989-2005	0.6%	0.171	Total	1.193
1991-2005	0.6%	0.125	1989-2008	1.191
1994-2005	0.5%	0.068	1994-2005	1.212
			1999-2008	1.173
Selected	0.5%		(12) Selected	1.175

Notes:

- (2) Exhibit 14, Appendix G, Sheet 1, Column (4).
- (3) Exhibit 14, Appendix G, Sheet 3, Column (4).
- (5) Based on (8).
- (6) = (4) x (5).
- (8),(9) Based on exponential fit of (4).
- (11) Based on (6).

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Ultimate Severity - Basic Limits
Based on Reported Loss & ALAE
California

Report Year	Average Reported Loss & ALAE at 12/31/10	Development Factor to Ultimate	Projected Ultimate Severity
(1)	(2)	(3)	(4)
1984	\$13,282	1.000	\$13,282
1985	15,614	1.000	15,614
1986	13,728	0.999	13,715
1987	12,892	0.999	12,879
1988	15,411	0.999	15,396
1989	16,492	0.999	16,476
1990	17,827	0.999	17,809
1991	16,253	0.999	16,237
1992	16,013	0.999	15,997
1993	15,731	0.998	15,700
1994	18,626	0.998	18,589
1995	19,203	1.001	19,222
1996	23,062	1.001	23,085
1997	20,891	0.999	20,870
1998	24,241	1.001	24,265
1999	24,715	1.000	24,715
2000	25,537	1.000	25,536
2001	27,557	1.000	27,557
2002	22,548	1.000	22,548
2003	27,993	0.999	27,965
2004	28,611	0.998	28,553
2005	30,647	0.996	30,524
2006	34,216	0.995	34,045
2007	32,249	0.995	32,088
2008	37,032	0.990	36,662
2009	30,866	1.119	34,530
2010	17,834	2.171	38,726

Notes:

(2),(3) Exhibit 14, Appendix A, Sheet 2.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	13,342	13,342	13,354	13,354	13,318	13,318	13,318	13,318	13,318	13,318	13,284	13,282
1985	15,622	15,622	15,622	15,622	15,622	15,604	15,604	15,611	15,614	15,614	15,614	
1986	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	
1987	12,888	12,888	12,888	12,892	12,892	12,892	12,892	12,892	12,892			
1988	15,405	15,405	15,405	15,405	15,405	15,405	15,405	15,411				
1989	16,531	16,492	16,492	16,492	16,492	16,492	16,492					
1990	17,879	17,879	17,842	17,824	17,824	17,827						
1991	16,291	16,291	16,291	16,253	16,253							
1992	15,887	16,013	16,008	16,013								
1993	15,707	15,724	15,731									
1994	18,626	18,626										
1995	19,203											
1996												
1997												
1998												
1999												
2000												
2001												
2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												

Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.001	1.000	.997	1.000	1.000	1.000	1.000	1.000	.997	1.000	
1985	1.000	1.000	1.000	1.000	.999	1.000	1.000	1.000	1.000	1.000		
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
1989	.998	1.000	1.000	1.000	1.000	1.000						
1990	1.000	.998	.999	1.000	1.000							
1991	1.000	1.000	.998	1.000								
1992	1.008	1.000	1.000									
1993	1.001	1.000										
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2010												

[1]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	.999	1.000	1.000
[2]	1.003	1.000	.999	1.000	1.000	1.000	1.000	1.000	1.000	.999	1.000	1.000
[3]	1.002	1.000	.999	1.000	1.000	1.000	1.000	1.000	1.000	.999	1.000	1.000
[4]	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	.999	1.000	1.000
[5]	1.003	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	0.999	1.000	1.000
Selected	1.003	1.000	.999	1.000	1.000	1.000	1.000	1.000	1.000	.999	1.000	1.000
Dev To Ult	1.001	0.998	0.998	0.999	0.999	0.999	0.999	0.999	0.999	0.999	1.000	1.000

THE DENTISTS INSURANCE COMPANY

Professional Liability - Including Catastrophe Claims

Development of Ultimate Severity - Basic Limits
Based on Paid Loss & ALAE
California

Report Year	Average Paid Loss & ALAE at 12/31/10	Development Factor to Ultimate	Projected Ultimate Severity
(1)	(2)	(3)	(4)
1984	\$13,282	1.000	\$13,282
1985	15,614	1.000	15,614
1986	13,728	0.999	13,715
1987	12,892	0.999	12,879
1988	15,411	0.999	15,396
1989	16,492	0.999	16,476
1990	17,827	0.999	17,809
1991	16,253	0.999	16,237
1992	16,013	0.999	15,997
1993	15,731	0.998	15,700
1994	18,626	0.998	18,589
1995	19,203	1.001	19,222
1996	23,129	1.001	23,152
1997	20,891	0.999	20,870
1998	24,241	1.002	24,290
1999	24,715	1.001	24,739
2000	25,537	1.001	25,562
2001	27,557	1.001	27,584
2002	22,548	1.001	22,570
2003	27,993	1.000	27,993
2004	28,681	0.998	28,624
2005	30,723	0.996	30,600
2006	34,357	0.994	34,151
2007	31,813	0.995	31,654
2008	35,850	1.009	36,170
2009	29,676	1.143	33,923
2010	15,500	2.027	31,415

Notes:

(2),(3) Exhibit 14, Appendix B, Sheet 2.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	13,342	13,342	13,354	13,354	13,318	13,318	13,318	13,318	13,318	13,318	13,284	13,282
1985	15,622	15,622	15,622	15,622	15,622	15,604	15,604	15,611	15,614	15,614	15,614	
1986	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	13,728	
1987	12,888	12,888	12,888	12,892	12,892	12,892	12,892	12,892	12,892			
1988	15,405	15,405	15,405	15,405	15,405	15,405	15,405	15,405	15,411			
1989	16,531	16,492	16,492	16,492	16,492	16,492	16,492					
1990	17,879	17,879	17,842	17,824	17,824	17,827						
1991	16,291	16,291	16,291	16,253	16,253							
1992	15,887	16,013	16,008	16,013								
1993	15,707	15,724	15,731									
1994	18,626	18,626										
1995	19,203											
1996												
1997												
1998												
1999												
2000												
2001												
2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												

Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.001	1.000	.997	1.000	1.000	1.000	1.000	1.000	.997	1.000	
1985	1.000	1.000	1.000	1.000	.999	1.000	1.000	1.000	1.000	1.000		
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
1989	.998	1.000	1.000	1.000	1.000	1.000						
1990	1.000	.998	.999	1.000	1.000							
1991	1.000	1.000	.998	1.000								
1992	1.008	1.000	1.000									
1993	1.001	1.000										
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[2] 1.003 1.000 .999 1.000 1.000 1.000 1.000 1.000 1.000 1.000 .999 1.000 1.000

[3] 1.002 1.000 .999 1.000 1.000 1.000 1.000 1.000 1.000 1.000 .999 1.000 1.000

[4] 1.001 1.000 1.000 1.000 1.000 1.000 1.000 1.000 1.000 1.000 .999 1.000 1.000

[5] 1.003 1.000 0.999 1.000 1.000 1.000 1.000 1.000 1.000 1.000 0.999 1.000 1.000

Selected 1.003 1.000 .999 1.000 1.000 1.000 1.000 1.000 1.000 1.000 .999 1.000 1.000

Dev To Ult 1.001 0.998 0.998 0.999 0.999 0.999 0.999 0.999 0.999 0.999 0.999 1.000 1.000

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Ultimate Claim Counts
Based on Reported Claim Counts (Net CNP)
California

Report Year	Reported Claim Counts (Net CNP) at 12/31/10	Development Factor to Ultimate	Projected Ultimate Claim Counts
(1)	(2)	(3)	(4)
1984	184	1.000	184
1985	355	1.000	355
1986	339	1.001	339
1987	425	1.001	425
1988	478	1.001	478
1989	422	1.001	422
1990	420	1.001	420
1991	436	1.001	436
1992	422	1.001	422
1993	413	1.002	414
1994	406	1.003	407
1995	432	1.005	434
1996	348	1.006	349
1997	384	1.007	387
1998	382	1.009	385
1999	325	1.009	327
2000	356	1.009	359
2001	330	1.009	333
2002	341	1.009	344
2003	356	1.009	359
2004	300	1.009	303
2005	287	1.009	290
2006	307	1.010	310
2007	317	1.009	320
2008	359	1.009	362
2009	330	0.997	329
2010	319	0.877	280
Total	9,768		9,774

Notes:

(2),(3) Exhibit 14, Appendix C, Sheet 2.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	183	183	183	183	183	183	183	183	183	183	184	184
1985	354	354	354	354	354	355	355	355	355	355	355	
1986	339	339	339	339	339	339	339	339	339	339	339	
1987	425	425	425	425	425	425	425	425	425			
1988	478	478	478	478	478	478	478	478				
1989	421	422	422	422	422	422	422					
1990	418	418	419	420	420	420						
1991	435	435	435	436	436							
1992	420	421	422	422								
1993	412	413	413									
1994	406	406										
1995	432											
1996												
1997												
1998												
1999												
2000												
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2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												

Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.003	1.000	
1985	1.000	1.000	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1989	1.002	1.000	1.000	1.000	1.000	1.000						
1990	1.000	1.002	1.002	1.000	1.000							
1991	1.000	1.000	1.002	1.000								
1992	1.002	1.002	1.000									
1993	1.002	1.000										
1994	1.000											
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2001												
2002												
2003												
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2006												
2007												
2008												
2009												
2010												

[1]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[2]	1.002	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[3]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[4]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
Selected	1.002	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
Dev To Ult	1.005	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000

THE DENTISTS INSURANCE COMPANY

Professional Liability - Including Catastrophe Claims

Development of Ultimate Claim Counts
Based on Closed Claims with Payment
California

Report Year	Claims Closed with Payment at 12/31/10	Development Factor to Ultimate	Projected Ultimate Claim Counts
(1)	(2)	(3)	(4)
1984	184	1.000	184
1985	355	1.000	355
1986	339	1.001	339
1987	425	1.001	425
1988	478	1.001	478
1989	422	1.001	422
1990	420	1.001	420
1991	436	1.001	436
1992	422	1.001	422
1993	413	1.002	414
1994	406	1.003	407
1995	432	1.005	434
1996	347	1.006	348
1997	384	1.007	387
1998	382	1.008	385
1999	325	1.009	327
2000	356	1.009	359
2001	330	1.009	333
2002	341	1.009	344
2003	356	1.010	360
2004	299	1.013	303
2005	286	1.017	291
2006	302	1.020	308
2007	298	1.041	310
2008	324	1.122	363
2009	224	1.495	335
2010	80	3.896	312
Total	9,361		9,801

Notes:

(2),(3) Exhibit 14, Appendix D, Sheet 2.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	183	183	183	183	183	183	183	183	183	183	184	184
1985	354	354	354	354	354	355	355	355	355	355	355	
1986	339	339	339	339	339	339	339	339	339	339	339	
1987	425	425	425	425	425	425	425	425	425	425		
1988	478	478	478	478	478	478	478	478	478			
1989	421	422	422	422	422	422	422					
1990	418	418	419	420	420	420						
1991	435	435	435	436	436							
1992	420	421	422	422								
1993	412	413	413									
1994	406	406										
1995	432											
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2006												
2007												
2008												
2009												
2010												

Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.003	1.000	
1985	1.000	1.000	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1989	1.002	1.000	1.000	1.000	1.000	1.000						
1990	1.000	1.002	1.002	1.000	1.000							
1991	1.000	1.000	1.002	1.000								
1992	1.002	1.002	1.000									
1993	1.002	1.000										
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[1]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[2]	1.002	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[3]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
[4]	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
Selected	1.002	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000
Dev To Ult	1.005	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000

THE DENTISTS INSURANCE COMPANY

General Liability

Development of Ultimate Loss and ALAE - Total Limits
Based on Reported Loss & ALAE
California

Report Year	Reported Loss & ALAE at 12/31/10	Development Factor to Ultimate	Projected Ultimate Loss & ALAE
(1)	(2)	(3)	(4)
1980	\$67,035	1.000	\$67,035
1981	199,426	1.000	199,426
1982	455,320	1.000	455,320
1983	512,424	1.000	512,424
1984	1,027,868	1.000	1,027,868
1985	681,377	1.000	681,377
1986	803,799	1.000	803,799
1987	462,809	1.000	462,809
1988	276,557	1.000	276,557
1989	771,579	1.000	771,579
1990	337,068	1.000	337,068
1991	345,549	1.001	345,895
1992	435,261	1.001	435,696
1993	219,413	1.001	219,632
1994	345,819	1.001	346,165
1995	85,179	1.001	85,264
1996	812,623	1.001	813,436
1997	295,844	1.001	296,140
1998	772,935	1.001	773,708
1999	588,396	1.001	588,984
2000	465,234	1.001	465,699
2001	1,106,184	1.001	1,107,290
2002	703,507	1.001	704,211
2003	1,548,701	1.005	1,556,451
2004	765,978	1.012	775,200
2005	796,602	1.011	805,386
2006	442,309	0.951	420,802
2007	564,863	0.865	488,494
2008	813,893	1.064	865,742
2009	518,480	1.095	567,504
2010	607,895	1.920	1,167,065
Total	\$17,829,927		\$18,424,026

Notes:

(2),(3) Exhibit 14, Appendix E, Sheet 2.

(4) = (2) x (3).

THE DENTISTS INSURANCE COMPANY

General Liability

Development of Ultimate Loss and ALAE - Total Limits
Based on Paid Loss & ALAE
California

Report Year	Paid Loss & ALAE at 12/31/10	Development Factor to Ultimate	Projected Ultimate Loss & ALAE
(1)	(2)	(3)	(4)
1980	\$67,035	1.000	\$67,035
1981	199,426	1.000	199,426
1982	455,320	1.000	455,320
1983	512,424	1.000	512,424
1984	1,027,868	1.000	1,027,868
1985	681,377	1.000	681,377
1986	803,799	1.000	803,799
1987	462,809	1.000	462,809
1988	276,557	1.000	276,557
1989	771,579	1.000	771,579
1990	337,068	1.000	337,068
1991	345,549	1.001	345,895
1992	435,261	1.001	435,696
1993	219,413	1.001	219,632
1994	345,819	1.001	346,165
1995	85,179	1.001	85,264
1996	812,623	1.001	813,436
1997	295,844	1.001	296,140
1998	772,935	1.001	773,708
1999	588,396	1.001	588,984
2000	465,234	1.001	465,699
2001	1,106,184	1.001	1,107,290
2002	703,507	1.001	704,211
2003	1,548,701	1.013	1,568,853
2004	765,978	1.017	779,049
2005	796,602	1.036	825,589
2006	422,608	1.053	444,994
2007	546,442	1.306	713,480
2008	742,615	1.892	1,404,979
2009	346,058	2.751	951,962
2010	175,980	6.553	1,153,123
Total	\$17,116,190		\$19,619,411

Notes:

(2),(3) Exhibit 14, Appendix F, Sheet 2.

(4) = (2) x (3).

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Total Limits ILF
Based on Reported Losses
California

Report Year	Ratio of Total to Basic at 12/31/10	Development Factor to Ultimate	Projected Ultimate Total Limits ILF
(1)	(2)	(3)	(4)
1984	1.215	1.000	1.215
1985	1.005	1.000	1.005
1986	1.021	1.000	1.021
1987	1.038	1.000	1.038
1988	1.064	1.000	1.064
1989	1.040	1.000	1.040
1990	1.095	1.000	1.095
1991	1.158	1.000	1.158
1992	1.036	1.000	1.036
1993	1.030	1.000	1.030
1994	1.116	1.000	1.116
1995	1.093	1.000	1.093
1996	1.078	1.000	1.078
1997	1.037	1.000	1.037
1998	1.315	1.000	1.315
1999	1.174	1.000	1.174
2000	1.079	1.000	1.079
2001	1.167	1.000	1.167
2002	1.026	1.000	1.026
2003	1.126	1.000	1.126
2004	1.258	1.000	1.258
2005	1.163	1.000	1.163
2006	1.065	1.000	1.065
2007	1.084	1.008	1.093
2008	1.047	1.011	1.059
2009	1.133	1.010	1.144
2010	1.009	1.033	1.042

Notes:

(2),(3) Exhibit 14, Appendix G, Sheet 2.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215
1985	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005
1986	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021
1987	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038
1988	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065
1989	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040
1990	1.096	1.096	1.096	1.095	1.095	1.095	1.095	1.095	1.095	1.095	1.095	1.095
1991	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158
1992	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036
1993	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
1994	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116
1995	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093
1996												
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2010												

Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
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[1]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[2]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[3]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[4]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[5]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dev To Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

THE DENTISTS INSURANCE COMPANY

Professional Liability

Development of Total Limits ILF
Based on Paid Losses
California

Report Year	Ratio of Total to Basic at 12/31/10	Development Factor to Ultimate	Projected Ultimate Total Limits ILF
(1)	(2)	(3)	(4)
1984	1.215	1.000	1.215
1985	1.005	1.000	1.005
1986	1.021	1.000	1.021
1987	1.038	1.000	1.038
1988	1.064	1.000	1.064
1989	1.040	1.000	1.040
1990	1.095	1.000	1.095
1991	1.158	1.000	1.158
1992	1.036	1.000	1.036
1993	1.030	1.000	1.030
1994	1.116	1.000	1.116
1995	1.093	1.000	1.093
1996	1.078	1.000	1.078
1997	1.037	1.000	1.037
1998	1.315	1.000	1.315
1999	1.174	1.000	1.174
2000	1.079	1.000	1.079
2001	1.167	1.000	1.167
2002	1.026	1.000	1.026
2003	1.126	1.000	1.126
2004	1.258	1.000	1.258
2005	1.163	1.000	1.163
2006	1.066	1.000	1.066
2007	1.065	1.010	1.075
2008	1.036	1.029	1.066
2009	1.168	1.052	1.228
2010	1.000	1.105	1.105

Notes:

(2),(3) Exhibit 14, Appendix G, Sheet 4.

(4) = (2) x (3).

Report Year	192	204	216	228	240	252	264	276	288	300	312	324
1984	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215	1.215
1985	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005
1986	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021
1987	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038	1.038
1988	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065	1.065
1989	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040
1990	1.096	1.096	1.096	1.095	1.095	1.095	1.095	1.095	1.095	1.095	1.095	1.095
1991	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158	1.158
1992	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036	1.036
1993	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
1994	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116	1.116
1995	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093	1.093
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Report Year	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
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[1]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[2]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[3]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[4]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[5]	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dev To Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Report	192	204	216	228	240	252	264	276	288	300	312	324
1984	2,958,935	2,958,935	2,961,070	2,961,070	2,961,246	2,961,246	2,961,246	2,961,246	2,961,246	2,961,246	2,961,640	2,961,246
1985	5,555,033	5,555,033	5,555,033	5,555,033	5,555,033	5,564,522	5,564,522	5,566,876	5,567,941	5,567,940	5,567,940	
1986	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822	4,753,822		
1987	5,676,384	5,676,532	5,676,532	5,678,157	5,678,157	5,678,157	5,678,157	5,678,157	5,678,157			
1988	7,838,374	7,838,374	7,838,374	7,838,374	7,838,374	7,838,374	7,838,374	7,841,432				
1989	7,229,474	7,229,740	7,229,740	7,229,740	7,229,740	7,229,740	7,229,740					
1990	8,187,935	8,187,935	8,190,432	8,200,762	8,200,894	8,202,033						
1991	8,193,225	8,193,225	8,193,225	8,193,234	8,193,234							
1992	6,906,769	6,976,020	6,989,552	6,991,648								
1993	6,658,248	6,681,135	6,684,111									
1994	8,425,522	8,425,522										
1995	9,056,567											
1996												
1997												
1998												
1999												
2000												
2001												
2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												

Report	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - 300	300 - 312	312 - 324	324 - Ult
1984	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1985	1.000	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
1986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
1988	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
1989	1.000	1.000	1.000	1.000	1.000	1.000						
1990	1.000	1.000	1.001	1.000	1.000							
1991	1.000	1.000	1.000	1.000								
1992	1.010	1.002	1.000									
1993	1.003	1.000										
1994	1.000											
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2005												
2006												
2007												
2008												
2009												
2010												

[1]	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[2]	1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[3]	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
[4]	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dev To Ult	1.006	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

THE DENTISTS INSURANCE COMPANY

Professional Liability

Tail Waiver Loading

California

(1) Estimated Number of DD&Rs	281
(2) Factor to Convert from Claims-Made to Tail Liability Basis	1.482
(3) Average Maturity	0.960
(4) Number of Insureds	14,913
(5) Indicated Factor to Include the Cost of Tail Waiver	1.029
(6) Experience Modification Factor	1.800
(7) Adjusted Factor to Include the Cost of Tail Waiver	1.052
(8) Selected Factor to Include the Cost of Tail Waiver	1.050

Notes:

- (1),(4) Exhibit 14, Appendix I, Sheet 2.2.
- (2) Provided by TDIC; based on current rates.
- (3) Based on data provided by TDIC.
- (5) = $1.0 + [(1) \times (2)] / [(3) \times (4)]$.
- (6) Exhibit 14, Appendix I, Sheet 3.
- (7) = $1.0 + \{[(5) - 1.0] \times (6)\}$.

THE DENTISTS INSURANCE COMPANY

Professional Liability

Estimated Number of Insureds Eligible for Death,
Disability and Retirement Benefits in 2011

California

Age in 2011	Total Number of Insureds	Decrement Rates			Total	Number of DD&R Insureds
		Death	Disability	Retirement		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
27 & Under	178	0.0007	0.0008	0.0000	0.0008	0
28	131	0.0007	0.0008	0.0000	0.0008	0
29	217	0.0007	0.0008	0.0000	0.0008	0
30	261	0.0007	0.0008	0.0000	0.0008	0
31	290	0.0007	0.0008	0.0000	0.0008	0
32	358	0.0007	0.0008	0.0000	0.0008	0
33	337	0.0007	0.0008	0.0000	0.0008	0
34	378	0.0007	0.0008	0.0000	0.0008	0
35	400	0.0007	0.0008	0.0000	0.0008	0
36	418	0.0007	0.0008	0.0000	0.0008	0
37	445	0.0011	0.0008	0.0000	0.0009	0
38	418	0.0011	0.0008	0.0000	0.0009	0
39	430	0.0011	0.0008	0.0000	0.0009	0
40	422	0.0011	0.0008	0.0000	0.0009	0
41	432	0.0011	0.0008	0.0000	0.0009	0
42	396	0.0017	0.0014	0.0000	0.0016	1
43	380	0.0017	0.0014	0.0050	0.0041	2
44	385	0.0017	0.0014	0.0050	0.0041	2
45	376	0.0017	0.0014	0.0050	0.0041	2
46	389	0.0017	0.0014	0.0050	0.0041	2
47	463	0.0030	0.0024	0.0050	0.0052	2
48	406	0.0030	0.0024	0.0100	0.0077	3
49	377	0.0030	0.0024	0.0100	0.0077	3
50	363	0.0030	0.0024	0.0100	0.0077	3
51	336	0.0030	0.0024	0.0100	0.0077	3
52	402	0.0053	0.0041	0.0100	0.0097	4
53	382	0.0053	0.0041	0.0100	0.0097	4
54	360	0.0053	0.0041	0.0100	0.0097	3
55	364	0.0053	0.0041	0.0250	0.0172	6
56	383	0.0053	0.0041	0.0150	0.0122	5
57	314	0.0094	0.0080	0.0150	0.0162	5
58	361	0.0094	0.0080	0.0225	0.0200	7
59	287	0.0094	0.0080	0.0300	0.0237	7

Note: See Exhibit 14, Appendix I, Sheet 2.2.

THE DENTISTS INSURANCE COMPANY

Professional Liability

Estimated Number of Insureds Eligible for Death,
Disability and Retirement Benefits in 2011

California

Age in 2011 (1)	Total Number of Insureds at 12/31/2010 (2)	Decrement Rates			Total (6)	Number of DD&R Insureds (7)
		Death (3)	Disability (4)	Retirement (5)		
60	294	0.0094	0.0080	0.0500	0.0337	10
61	282	0.0094	0.0080	0.0350	0.0262	7
62	306	0.0103	0.0110	0.0350	0.0281	9
63	307	0.0103	0.0110	0.0350	0.0281	9
64	277	0.0103	0.0110	0.0350	0.0281	8
65	237	0.0103	0.0110	0.2000	0.1106	26
66	210	0.0103	0.0110	0.1500	0.0856	18
67	192	0.0174	0.0000	0.1500	0.0837	16
68	171	0.0174	0.0000	0.1500	0.0837	14
69	116	0.0174	0.0000	0.1500	0.0837	10
70	111	0.0174	0.0000	0.2000	0.1087	12
71	95	0.0174	0.0000	0.2000	0.1087	10
72	78	0.0304	0.0000	0.2000	0.1152	9
73	72	0.0304	0.0000	0.2000	0.1152	8
74	55	0.0304	0.0000	0.2000	0.1152	6
75	52	0.0304	0.0000	0.2000	0.1152	6
76	36	0.0304	0.0000	0.2000	0.1152	4
77	34	0.0506	0.0000	0.2000	0.1253	4
78	39	0.0506	0.0000	0.2000	0.1253	5
79	29	0.0506	0.0000	0.2000	0.1253	4
80	21	0.0506	0.0000	0.2000	0.1253	3
81	17	0.0506	0.0000	0.2000	0.1253	2
82	8	0.0506	0.0000	0.2000	0.1253	1
83	9	0.0506	0.0000	0.2000	0.1253	1
84	3	0.0506	0.0000	0.2000	0.1253	0
85	7	0.0506	0.0000	0.9494	0.5000	3
86 & Above	16	0.0506	0.0000	1.0000	0.5253	8
Total	14,913					281

Notes:

- (2) Provided by TDIC.
- (3),(4) Based on TSA tables and estimated retirements.
- (5) Judgmentally selected.
- (6) = Minimum of $\{(3) + (4) + (5)\}$ x utilization adjustment} and 1.0;
adjustment based on TDIC experience.
- (7) = (2) x (6).

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement

Summary of Experience Ratio

	<u>Reported</u> (A)	<u>Paid</u> (B)
Tail Experience	1.815	1.793
	Selected	<input type="text" value="1.800"/>

Notes: (A) Exhibit 14, Appendix I, Sheet 4.1.
(B) Exhibit 14, Appendix I, Sheet 4.2.

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement

Development of Reported Experience Ratio
Basic Limits

Report Year	Initial Expected Loss & ALAE	Percent Reported	Expected Reported Loss & ALAE at 12/31/10	Actual Reported Loss & ALAE at 12/31/10	Experience Ratio
(1)	(2)	(3)	(4)	(5)	(6)
1985	\$66,338	100.0%	\$66,338	\$295,917	4.461
1986	138,428	100.0%	138,428	1,151,954	8.322
1987	81,370	100.0%	81,370	887,670	10.909
1988	65,697	100.0%	65,697	1,007,088	15.329
1989	71,697	100.0%	71,697	371,354	5.180
1990	70,299	100.0%	70,299	510,536	7.262
1991	68,063	100.0%	68,063	632,798	9.297
1992	70,560	100.0%	70,560	563,252	7.983
1993	76,401	99.9%	76,324	584,371	7.656
1994	79,649	99.8%	79,490	1,043,755	13.131
1995	84,007	99.4%	83,506	565,601	6.773
1996	97,662	99.3%	96,982	446,335	4.602
1997	118,774	99.3%	117,946	333,831	2.830
1998	128,387	99.0%	127,111	708,970	5.578
1999	140,463	99.0%	139,068	369,709	2.658
2000	151,479	99.0%	149,974	300,864	2.006
2001	162,847	99.0%	161,228	262,185	1.626
2002	165,981	99.0%	164,331	389,689	2.371
2003	181,622	99.1%	179,997	251,815	1.399
2004	201,706	99.2%	200,102	205,494	1.027
2005	227,523	99.4%	226,166	295,956	1.309
2006	253,369	99.4%	251,858	254,805	1.012
2007	286,069	99.5%	284,647	537,218	1.887
2008	321,060	99.9%	320,747	636,911	1.986
2009	312,856	89.1%	278,815	268,941	0.965
2010	274,099	52.2%	143,018	245,461	1.716
Total	\$3,896,404		\$3,713,761	\$13,122,480	3.533
1995-2009	\$2,833,805		\$2,782,479	\$5,828,324	2.095
2000-2009	\$2,264,512		\$2,217,866	\$3,403,878	1.535
Selected					1.815

- Notes: (2) Exhibit 14, Appendix I, Sheet 5.1.
(3) Based on TDIC experience.
(4) (2) x (3).
(5) Provided by TDIC.
(6) (5) / (4).

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement

Development of Paid Experience Ratio
Basic Limits

Report Year	Initial Expected Loss & ALAE	Percent Paid	Expected Paid Loss & ALAE at 12/31/10	Actual Paid Loss & ALAE at 12/31/10	Experience Ratio
(1)	(2)	(3)	(4)	(5)	(6)
1985	\$66,338	100.0%	\$66,338	\$295,917	4.461
1986	138,428	100.0%	138,428	1,151,954	8.322
1987	81,370	100.0%	81,370	887,670	10.909
1988	65,697	100.0%	65,697	1,007,088	15.329
1989	71,697	100.0%	71,697	371,354	5.180
1990	70,299	100.0%	70,299	510,536	7.262
1991	68,063	100.0%	68,063	632,798	9.297
1992	70,560	100.0%	70,560	563,252	7.983
1993	76,401	99.9%	76,324	584,371	7.656
1994	79,649	99.8%	79,490	1,043,755	13.131
1995	84,007	99.4%	83,506	565,601	6.773
1996	97,662	99.3%	96,982	446,335	4.602
1997	118,774	99.3%	117,946	333,831	2.830
1998	128,387	99.0%	127,111	708,970	5.578
1999	140,463	99.0%	139,068	369,709	2.658
2000	151,479	99.0%	149,974	300,864	2.006
2001	162,847	99.0%	161,228	262,185	1.626
2002	165,981	99.0%	164,331	389,689	2.371
2003	181,622	99.0%	179,817	251,815	1.400
2004	201,706	98.9%	199,502	205,494	1.030
2005	227,523	98.7%	224,588	295,956	1.318
2006	253,369	98.5%	249,602	254,805	1.021
2007	286,069	96.4%	275,749	418,213	1.517
2008	321,060	88.2%	283,145	561,023	1.981
2009	312,856	58.3%	182,239	150,002	0.823
2010	274,099	12.6%	34,499	123,333	3.575
Total	\$3,896,404		\$3,457,553	\$12,686,520	3.669
1995-2009	\$2,833,805		\$2,634,789	\$5,514,492	2.093
2000-2009	\$2,264,512		\$2,070,176	\$3,090,046	1.493
Selected					1.793

- Notes: (2) Exhibit 14, Appendix I, Sheet 5.1.
(3) Based on TDIC experience.
(4) (2) x (3).
(5) Provided by TDIC.
(6) (5) / (4).

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement
Development of Expected Loss and ALAE
Basic Limits

Accident Year	Report Year																												
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		
1984	\$862																												
1985		\$47,579																											
1986			\$32,640																										
1987				\$15,389																									
1988					\$13,029																								
1989						\$15,076																							
1990							\$0																						
1991								\$0																					
1992									\$0																				
1993										\$0																			
1994											\$0																		
1995												\$0																	
1996													\$0																
1997														\$0															
1998															\$0														
1999																\$0													
2000																	\$0												
2001																		\$0											
2002																			\$0										
2003																				\$0									
2004																					\$0								
2005																						\$0							
2006																							\$0						
2007																								\$0					
2008																									\$0				
2009																										\$0			
2010																											\$0		
Total	\$862	\$66,338	\$138,428	\$81,370	\$65,697	\$71,697	\$70,299	\$68,063	\$70,560	\$76,401	\$79,649	\$84,007	\$97,662	\$118,774	\$128,387	\$140,463	\$151,479	\$162,847	\$165,981	\$181,622	\$201,706	\$227,523	\$253,369	\$286,069	\$321,060	\$312,856	\$274,099		

Note: Exhibit 14, Appendix I, Sheet 5.2 x Exhibit 14, Appendix I, Sheet 5.3.

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement

Summary of Report Pure Premium by Lag
Basic Limits

Accident Year	Report Year																											
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
1984	\$45	\$100	\$31	\$13	\$13	\$14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1985		47	107	34	14	14	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1986			51	114	36	15	15	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1987				54	121	38	16	16	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988					57	129	41	17	17	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989						61	138	43	18	18	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990							65	147	46	19	20	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1991								70	157	49	21	21	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1992									74	167	52	22	22	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1993										79	178	56	23	24	25	0	0	0	0	0	0	0	0	0	0	0	0	0
1994											84	189	60	25	25	27	0	0	0	0	0	0	0	0	0	0	0	0
1995												90	202	63	27	27	29	0	0	0	0	0	0	0	0	0	0	0
1996													96	215	68	28	29	31	0	0	0	0	0	0	0	0	0	0
1997														102	229	72	30	31	33	0	0	0	0	0	0	0	0	0
1998															109	244	77	32	33	35	0	0	0	0	0	0	0	0
1999																116	260	82	34	35	37	0	0	0	0	0	0	0
2000																	123	278	87	37	37	40	0	0	0	0	0	0
2001																		131	296	93	39	40	42	0	0	0	0	0
2002																			140	315	99	41	42	45	0	0	0	0
2003																				149	336	106	44	45	48	0	0	0
2004																					159	358	112	47	48	51	0	0
2005																						170	382	120	50	51	54	0
2006																							181	407	128	53	54	0
2007																								193	433	136	57	0
2008																									205	462	145	0
2009																										219	492	0
2010																											233	0

Note: Based on 2010 pure premium of \$1,036, annual trend of 6.6% and report year lag pattern based on claims-made step factors underlying current rates.

THE DENTISTS INSURANCE COMPANY

Professional Liability
Extended Reporting Endorsement - Waiver

Summary of Exposure Data by Report Year / Accident Year
Class 11/Territory A Equivalents

Accident Year	Report Year																										
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1984	19.35	474.58	1036.50	1167.23	971.47	1054.78	1152.38	1257.39	1364.71	1453.14	1536.11	1624.86	1729.98	1847.53	1961.20	2114.92	1741.71	1856.93	1959.45	2055.35	2154.19	2246.22	2356.34	2467.18	2578.28	2667.96	2735.96
1985		395.03	957.49	1103.23	922.65	1019.52	1136.77	1261.39	1385.90	1492.47	1599.97	1711.72	1838.35	1984.11	2124.45	2277.96	1998.62	2134.33	2253.85	2374.90	2501.70	2626.25	2769.68	2912.65	3061.38	3173.40	3256.14
1986			68.91	233.55	392.75	491.62	610.93	736.54	862.79	972.79	1081.34	1196.01	1324.88	1474.74	1621.79	1767.79	1871.87	2010.75	2135.76	2261.34	2390.29	2522.57	2670.01	2822.43	2984.26	3102.12	3184.81
1987				43.82	193.06	321.08	442.63	568.30	693.85	808.55	920.27	1037.14	1166.72	1320.51	1471.99	1625.47	1767.12	1912.03	2039.63	2167.49	2301.47	2438.69	2590.51	2745.75	2909.63	3031.81	3116.96
1988					38.78	157.23	297.23	428.06	554.27	670.84	783.98	901.16	1031.52	1186.14	1339.88	1495.82	1642.88	1789.57	1916.20	2044.21	2182.00	2323.87	2477.50	2634.62	2801.85	2927.80	3015.82
1989						34.52	161.84	304.79	439.87	560.42	674.43	792.35	924.85	1085.94	1243.81	1403.91	1556.54	1707.17	1834.89	1964.89	2105.73	2251.68	2407.85	2567.23	2738.66	2865.14	2952.32
1990							34.22	164.61	306.29	431.95	556.35	676.15	814.36	980.48	1138.33	1300.38	1455.51	1607.93	1736.75	1869.74	2014.44	2160.76	2319.37	2481.92	2655.51	2783.40	2874.68
1991								154.16	291.23	421.89	545.66	688.60	857.91	1016.69	1184.61	1340.90	1495.37	1627.52	1764.10	1909.47	2058.71	2221.13	2389.48	2566.13	2695.58	2791.08	
1992									36.85	167.18	300.70	429.92	579.97	752.40	913.71	1081.14	1241.55	1397.58	1531.80	1671.42	1820.22	1972.51	2137.14	2309.24	2488.03	2621.11	2719.82
1993										39.84	160.48	292.63	449.69	626.93	790.09	960.74	1123.46	1283.46	1420.24	1562.29	1714.44	1870.40	2039.83	2211.85	2391.69	2527.57	2627.93
1994											29.61	151.88	300.69	486.01	651.21	825.36	990.51	1152.39	1294.19	1437.01	1590.95	1750.48	1917.94	2092.76	2274.41	2411.40	2512.52
1995												43.16	182.44	359.18	534.23	713.36	880.59	1040.44	1181.13	1327.36	1483.53	1646.12	1817.67	1996.20	2182.76	2319.76	2421.31
1996													42.93	213.28	380.64	567.73	737.77	906.24	1047.89	1196.85	1357.23	1525.51	1699.51	1879.77	2069.22	2206.91	2308.41
1997														50.86	206.77	382.85	557.88	730.86	875.96	1023.39	1185.06	1363.95	1540.12	1722.64	1914.66	2054.38	2160.15
1998															41.64	203.98	375.25	556.12	707.57	859.33	1027.69	1212.75	1393.00	1577.44	1771.36	1913.66	2021.01
1999																46.67	205.79	376.76	536.60	694.29	867.33	1056.58	1237.35	1422.51	1621.06	1764.73	1872.05
2000																	45.87	206.69	361.07	527.05	704.89	895.40	1080.10	1266.21	1465.62	1610.87	1719.14
2001																		49.83	195.58	359.24	543.20	736.97	926.18	1115.71	1317.51	1468.82	1579.23
2002																			46.31	216.09	398.00	606.74	804.54	1002.66	1209.59	1361.55	1478.83
2003																			45.16	220.45	415.65	625.82	827.49	1041.24	1194.47	1314.38	
2004																					54.75	234.60	429.26	646.52	865.13	1023.94	1149.57
2005																						58.39	247.26	453.28	687.80	848.24	978.08
2006																							55.85	263.53	482.44	658.24	798.57
2007																								61.61	276.22	442.74	596.94
2008																									67.67	235.59	356.54
2009																										59.41	181.07
2010																											11.01

Note: Provided by TDIC.

The Dentists Insurance Company

Regulatory Defense

**Summary of Ultimate Ratio of RD Cost to PL Loss & ALAE
Claims-Made Coverage
Total Limits**

Report Year	Ultimate Ratio of RD to PL		Actual Ratio of Reported RD to Reported PL at 12/31/10	Selected Ultimate Ratio of RD to PL
	Reported RD Cost Ratio Development Method	Paid RD Cost Ratio Development Method		
(1)	(2)	(3)	(4)	(5)
1998	0.006	0.006	0.006	0.006
1999	0.019	0.019	0.019	0.019
2000	0.004	0.004	0.004	0.004
2001	0.006	0.006	0.006	0.006
2002	0.008	0.008	0.008	0.008
2003	0.021	0.019	0.021	0.020
2004	0.026	0.026	0.026	0.026
2005	0.018	0.018	0.018	0.018
2006	0.020	0.020	0.021	0.020
2007	0.053	0.058	0.058	0.056
2008	0.023	0.023	0.029	0.023
2009	0.020	0.021	0.024	0.020
2010	0.042	0.030	0.071	0.036
			<u>Averages</u>	
			Last 7 x-2010	0.027
			Last 5 x-2010	0.030
			Selected RD Load:	0.028

Notes:

- (2) Exhibit 14, Appendix J, Sheet 2.1, Column (4).
- (3) Exhibit 14, Appendix J, Sheet 2.2, Column (4).
- (4) Exhibit 14, Appendix J, Sheet 2.1, Column (2).

The Dentists Insurance Company

Regulatory Defense

Development of Ultimate Ratio of RD Cost to PL Loss & ALAE

Reported Development Method

Claims-Made Coverage

Total Limits

Report Year	Ratio of Reported RD to Reported PL at 12/31/10	Development Factor	Projected Ultimate Ratio of RD to PL
(1)	(2)	(3)	(4)
1998	0.006	1.000	0.006
1999	0.019	1.000	0.019
2000	0.004	1.000	0.004
2001	0.006	1.000	0.006
2002	0.008	1.000	0.008
2003	0.021	1.001	0.021
2004	0.026	1.002	0.026
2005	0.018	1.005	0.018
2006	0.021	0.944	0.020
2007	0.058	0.914	0.053
2008	0.029	0.787	0.023
2009	0.024	0.831	0.020
2010	0.071	0.596	0.042

Notes:

(2),(3) Exhibit 14, Appendix J, Sheet 3.

(4) = (2) x (3).

The Dentists Insurance Company

Regulatory Defense

Development of Ultimate Ratio of RD Cost to PL Loss & ALAE

Paid Development Method

Claims-Made Coverage

Total Limits

Report Year	Ratio of Paid RD to Paid PL at 12/31/10	Development Factor	Projected Ultimate Ratio of RD to PL
(1)	(2)	(3)	(4)
1998	0.006	1.000	0.006
1999	0.019	1.000	0.019
2000	0.004	1.000	0.004
2001	0.006	1.000	0.006
2002	0.008	1.000	0.008
2003	0.019	1.000	0.019
2004	0.026	0.999	0.026
2005	0.018	0.998	0.018
2006	0.019	1.008	0.020
2007	0.059	0.984	0.058
2008	0.025	0.896	0.023
2009	0.026	0.794	0.021
2010	0.061	0.497	0.030

Notes:

(2),(3) Exhibit 14, Appendix J, Sheet 4.

(4) = (2) x (3).

The Dentists Insurance Company

Regulatory Defense
 Claims-Made Coverage
 California
 Total Limits

Ratio of RD Reported Cost & ALAE to PL Reported Loss & ALAE
 Data Evaluated as of 12/31/2010

Report Year	Evaluation Age in Months												
	12	24	36	48	60	72	84	96	108	120	132	144	156
1998	0.008	0.003	0.005	0.005	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
1999	0.029	0.022	0.016	0.019	0.020	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
2000	0.010	0.008	0.008	0.006	0.006	0.006	0.006	0.004	0.004	0.004	0.004	0.004	0.004
2001	0.009	0.008	0.008	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
2002	0.015	0.008	0.005	0.011	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008
2003	0.029	0.021	0.026	0.025	0.021	0.021	0.021	0.021	0.021	0.021	0.021	0.021	0.021
2004	0.028	0.029	0.029	0.025	0.025	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026
2005	0.028	0.029	0.027	0.025	0.023	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018
2006	0.029	0.022	0.031	0.021	0.021	0.021	0.021	0.021	0.021	0.021	0.021	0.021	0.021
2007	0.062	0.057	0.060	0.058	0.058	0.058	0.058	0.058	0.058	0.058	0.058	0.058	0.058
2008	0.095	0.041	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029
2009	0.030	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024
2010	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071

Report Year	Age Interval in Months												
	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - Ult.
1998	.350	1.911	.983	1.057	1.001	1.005	.999	1.000	1.000	1.000	1.000	1.000	1.000
1999	.784	.729	1.138	1.057	.991	.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2000	.795	.950	.792	1.006	1.007	.681	1.007	1.000	1.000	1.000	.999	1.000	1.000
2001	.903	.915	.783	1.006	.980	.996	1.000	1.002	1.000	1.000	1.000	1.000	1.000
2002	.551	.649	2.092	.672	1.011	1.005	.998	1.000	1.000	1.000	1.000	1.000	1.000
2003	.707	1.255	.951	.857	1.002	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.047	.978	.873	.996	1.028	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	1.030	.930	.945	.913	.787	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	.753	1.424	.673	.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	.924	1.043	.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008	.432	.703	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009	.796	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

	Simple Average of Middle 3 of Latest 5 (Non-contiguous, Average High Low)												
[1]	.824	.984	.923	.921	.998	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 3 (Non-contiguous)												
[2]	.717	1.057	.861	.968	.939	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 5 (Non-contiguous)												
[3]	.787	1.016	.882	.886	.961	.937	1.002	1.001	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 7 (Non-contiguous)												
[4]	.813	.997	1.040	.920	.972	.956	1.002	1.001	1.000	1.000	1.000	1.000	1.000
	Selected												
Selected	.717	1.057	.861	.968	.939	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000
Dev To Ult	.596	.831	.787	.914	.944	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000

Report Year	Evaluation Age in Months												
	12	24	36	48	60	72	84	96	108	120	132	144	156
1998	0.003	0.003	0.004	0.005	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
1999	0.023	0.017	0.016	0.017	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
2000	0.001	0.002	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
2001	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
2002	0.013	0.007	0.006	0.006	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008
2003	0.005	0.008	0.012	0.018	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
2004	0.075	0.041	0.029	0.025	0.025	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026
2005	0.058	0.029	0.022	0.019	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018
2006	0.023	0.025	0.021	0.020	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
2007	0.080	0.063	0.065	0.059	0.059	0.059	0.059	0.059	0.059	0.059	0.059	0.059	0.059
2008	0.087	0.033	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
2009	0.037	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026
2010	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061

Report Year	Age Interval in Months												
	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - Ult.
1998	1.002	1.290	1.303	1.046	.994	1.005	.999	1.000	1.000	1.000	1.000	1.000	1.000
1999	.742	.896	1.113	1.123	.999	.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.339	2.191	.935	1.145	1.004	1.000	1.005	1.000	1.000	1.000	.999	1.000	1.000
2001	.942	1.086	1.002	.992	.978	.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	.509	.883	.975	1.350	1.007	.999	.998	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.532	1.452	1.493	1.085	1.001	.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	.547	.716	.836	1.010	1.028	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	.500	.749	.876	.955	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	1.075	.870	.940	.964	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	.785	1.034	.917	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008	.384	.753	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009	.709	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

	Simple Average of Middle 3 of Latest 5 (Non-contiguous, Average High Low)												
[1]	.665	.791	.911	1.020	1.003	.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 3 (Non-contiguous)												
[2]	.626	.886	.911	.976	1.010	.999	.999	1.000	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 5 (Non-contiguous)												
[3]	.690	.824	1.012	1.073	1.003	.995	1.001	1.000	1.000	1.000	1.000	1.000	1.000
	Simple Average of Latest 7 (Non-contiguous)												
[4]	.790	.922	1.006	1.072	1.003	.997	1.001	1.000	1.000	1.000	1.000	1.000	1.000
	Selected												
Selected	.626	.886	.911	.976	1.010	.999	.999	1.000	1.000	1.000	1.000	1.000	1.000
Dev To Ult	.497	.794	.896	.984	1.008	.998	.999	1.000	1.000	1.000	1.000	1.000	1.000

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Rate Distribution

The company anticipates applying the change in rates in a uniform percentage across all territories, classification and limits.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Rate Classification Relativities

The company does not propose to make any changes to its current rate classification relativities. The current relativities are listed below.

<u>Class Code</u>	<u>Class Relativity</u>
01	0.10
09	0.70
10	0.80
11	1.00
12	1.15
20	1.00
30	1.00
40	2.80
50	4.75
60	2.80

TDIC
Class Descriptions

TDIC's class definitions are as follows:

- Class 01 Volunteer Dentist – permits all types of anesthesia except I.V. or I.M. sedation and general anesthesia.
- Class 09 Pediatric Dentist with all types of anesthesia allowed.
- Class 10 Periodontist and Oral Pathologist with all types of anesthesia allowed.
- Class 11 Endodontist with all types of anesthesia allowed and General Dentist with local, nitrous or oral sedation.
- Class 12 Orthodontist with all types of anesthesia allowed.
- Class 20 General Dentist with anesthesia included in Class 11 and I.V. or I.M. sedation or general anesthesia administered in office, hospital or surgi-center by M.D. Anesthesiologist, Dental Anesthesiologist or Oral Surgeon. Also includes any anesthetic delivered in a hospital or surgi-center.
- Class 30 Prosthodontist with all types of anesthesia allowed.
- Class 40 General Dentist with anesthesia included in Class 11, 20 and I.V. or I.M. Sedation administered in office by policyholder.
- Class 50 Oral Surgeon with all types of anesthesia allowed. Dental Anesthesiologist who also performs dental procedures and General Dentist with anesthesia included in Class 11, 20, and 40 and general anesthesia administered in office by policyholder.
- Class 60 Dental Anesthesiologist who does not perform dental procedures.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
New Program

This is not a filing for a new program.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Group Filing

This is not a filing for a group.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Super Group Corporate Structure Verification (PPA only)

This is not a filing for Private Passenger Auto line of insurance.

THE DENTISTS INSURANCE COMPANY
Professional & General Liability - Dentists
Rules

The company does not propose to amend any rules with this filing.