

REQUEST FOR PROPOSALS FOR

**Actuarial Advisory Services
Related to Automobile and General Tort Self-Insurance Liability**

ISSUING OFFICE

**Pennsylvania Turnpike Commission
Accounting and Financial Reporting Department**

**RFP NUMBER
11-10230-2982**

February 10, 2011

REQUEST FOR PROPOSAL FOR

Actuarial Advisory Services Related to Automobile and General Tort Self-Insurance Liability

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PART I

GENERAL INFORMATION FOR PROPOSERS

I-1. Purpose. This request for proposals (RFP) provides interested actuarial consultants with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for an actuarial calculation of the Commission's automobile and general tort self-insurance liability.

I-2. Issuing Office. This RFP is issued for the Commission by the Accounting and Financial Reporting Department.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Pennsylvania Turnpike Commission is seeking a qualified Actuarial firm to provide the available resources to effectively analyze and calculate the Commission's automobile and general tort self-insurance liability for fiscal years ending May 31, 2011, 2012 and 2013. The calculation will be based on GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be recorded if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability analysis and calculation should include Incurred But Not Reported (IBNR) claims. The liability should be estimated based on the ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that would modify past experience.

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a fixed fee and paid upon completion and submittal of the Actuary's report. The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing Proposers.

I-7. Subcontracting. Any use of subcontractors by a Proposer must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer, which were not previously identified in the proposal, must be approved in advance in writing by the Commission.

A firm that responds to this solicitation as a prime may not be included as a designated subcontractor to another firm that responds to the same solicitation. **Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved.** This does not preclude a firm from being set forth as a designated subcontractor to more than one prime contractor responding to the project advertisement.

I-8. Incurring Costs. The Commission is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of contract.

I.9. Questions and Answers. Written questions may be submitted to clarify any points in the RFP which may not have been clearly understood. Written questions should be submitted by email to RFP-Q@paturndpike.com with **RFP 11-10230-2982** in the Subject Line to be received no later than **Thursday, February 24, 2011 by 4:00 p.m.** All questions and written answers will be posted to the website as an addendum to and become part of this RFP.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the Commission's website under the original RFP document. It is the responsibility of the Proposer to periodically check the website for any new information or addenda to the RFP.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to ensure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Stephanie Newbury, on or before **12:00 P.M., Monday, March 21, 2011.** The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

Please note that use of U.S. Mail delivery does not guarantee delivery to this address by the above-listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open. Unless the Proposers are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, Proposers should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted with five (5) hard copies and one **complete and exact** copy of the technical proposal on CD-ROM in Microsoft Office or Microsoft Office-compatible format. to the Contract Administration Department. No other distribution of proposals will be made by the Proposer. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the Proposer to its provisions and include the Proposer's Federal Identification Number. For this RFP, the proposal must remain valid for at least **120 days, taking into consideration time required for evaluation of proposals and processing of the contract** days. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is entered into.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the Proposer chooses to attempt to provide such written notice by telefax transmission, the Commission shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided its

identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this RFP.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Proposers who submit proposals may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Proposer responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-15. Best and Final Offers. The Issuing Office reserves the right to conduct discussions with Proposers for the purpose of obtaining "best and final offers." To obtain best and final offers from Proposers, the Issuing Office may do one or more of the following: a) enter into pre-selection negotiations; b) schedule oral presentations; and c) request revised proposals. The Issuing Office will limit any discussions to responsible Proposers whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award.

I-16. Prime Proposer Responsibilities. The selected Proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected Proposer to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission's option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing Proposers at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains confidential proprietary information or is protected by a trade secret. Proposals shall include a written statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that "trade secrets" and "confidential proprietary information" are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both "trade secrets" and "confidential proprietary information" as follows:

Confidential proprietary information: Commercial or financial information received by an agency: (1) which is privileged or confidential; **and** (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

Trade secret: Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic

value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; **and** (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure.

65 P.S. §67.102 (emphasis added).

The Office of Open Records has determined that a third party must establish a trade secret based upon factors established by the appellate courts, which include the following:

- the extent to which the information is known outside of his business;
- the extent to which the information is known by employees and others in the business;
- the extent of measures taken to guard the secrecy of the information;
- the value of the information to his business and to competitors;
- the amount of effort or money expended in developing the information; and
- the ease of difficulty with which the information could be properly acquired or duplicated by others.

See Crum v. Bridgestone/Firestone North Amer. Tire., 907 A.2d 578, 585 (Pa. Super. 2006).

The Office of Open Records also notes that with regard to “confidential proprietary information the standard is equally high and may only be established when the party asserting protection shows that the information at issue is either ‘commercial’ or ‘financial’ and is privileged or confidential, and the disclosure **would** cause substantial competitive harm.” (emphasis in original).

For more information regarding the RTKL, visit the Office of Open Records’ website at www.openrecords.state.pa.us.

I-18. Debriefing Conferences. Proposers whose proposals are not selected will be notified of the name of the selected Proposer and given the opportunity to be debriefed, at the Proposer’s request. The Issuing Office will schedule the time and location of the debriefing. The Proposer will not be compared with other Proposers, other than the position of its proposal in relation to all other proposals.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, Proposers must provide all services to complete the identified work.

- A Commission representative will be available to assist in the scheduling (via Microsoft Outlook) of Commission personnel and conference rooms for meetings if necessary.
- The Commission will provide a listing of known claims. Where applicable, the listing will include: the Commission’s estimated exposure amount, damages paid, attorney’s fees and costs paid, settlements and status of the claims.
- It is the responsibility of the selected actuarial firm to plan and staff the engagement so it can provide the Commission with the final report according to the due date listed in PART IV – WORK STATEMENT.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal. **Failure to meet this requirement may result in disqualification of the proposal.**

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end once the Commission accepts the final report (report for fiscal year ending May 31, 2013) as described in PART IV – WORK STATEMENT and final payment has been made. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Proposer's Representations and Authorizations. Each Proposer by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this RFP.
- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.
- g. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.

- h. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.
- j. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

PART II

INFORMATION REQUIRED FROM PROPOSERS

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Part II-1 through II-6 hereof; (ii) Cost Submittal, in response to Part II-7 hereof.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Commission may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the Commission that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV – WORK STATEMENT of this RFP as your reference point. The work plan should highlight any differences between the initial year and subsequent years of the engagement.

II-4. Prior Experience. Include a narrative description of actuarial experience and qualifications. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. Personnel. Include the number, and names where practicable, of professional personnel, actuaries, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Include through a resume or similar document education and experience in actuarial science, the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.

II-6. DBE/MBE/WBE Participation. The Turnpike Commission is committed to the inclusion of disadvantaged, minority, and woman firms in contracting opportunities. Responding firms shall clearly identify DBE/MBE/WBE firms, expected to participate in this contract, in their Proposal. Proposed DBE/MBE/WBE firms must be certified by the Pennsylvania Department of General Services (www.dgs.state.pa.us) or the Pennsylvania Unified Certification Program (www.paucp.com) at the time of the submission of the proposal. While D/M/WBE participation is not a requirement for this RFP, inclusion of D/M/WBEs will be a factor in the evaluation determination. **If further information is desired concerning DBE/MBE/WBE participation,** direct inquiries to the Pennsylvania Turnpike Commission's Contract Administration Department by calling (717) 939-9551 Ext. 4241.

II-7. Cost Submittal. The information requested in this section shall constitute your cost submittal. **The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separate from the technical submittal.** The total cost you are proposing must be broken down but not limited to the following components:

Proposers should **not** include any assumptions in their cost submittals. If the proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal.

- a. **Direct Labor Costs.** Itemize to show the following for each category of personnel with a different rate per hour:
 - (1) Category: e.g., partner, project manager, analyst, senior auditor, research associate.
 - (2) Estimated hours.
 - (3) Rate per hour.
 - (4) Total cost for each category and for all direct labor costs.
- b. **Labor Overhead.** Specify what is included and rate used. If there is no labor overhead rate in your proposal, so state.
- c. **Travel and Subsistence.** Itemize transportation, lodging and meals per diem costs separately. Travel and subsistence costs must not exceed current Conus rates and IRS approved mileage rates. If there are no travel and subsistence in your proposal, so state.
- d. **Subcontract Costs.** Itemize as in (a) above. If there are no subcontract costs in your proposal, so state.
- e. **Cost of Supplies and Materials.** Itemize. If there are no supplies and materials in your proposal, so state.
- f. **Other Direct Costs.** Itemize. If there are no other direct costs in your proposal, so state.
- g. **Total Cost.** Inclusive of items a to f.

Any costs not provided in the cost proposal will be assumed as no charge to the Commission.

The selected Proposer shall only perform work on this contract after the Effective Date is affixed and the fully-executed contract sent to the selected Proposer. The Commission shall issue a written Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after the Effective Date. The selected Proposer shall not start the performance of any work prior to the date set forth in the Notice of Proceed and the Commission shall not be liable to pay the selected Proposer for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No Commission employee has the authority to verbally direct the commencement of any work under this Contract.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal should be (a) timely received from a Proposer; (b) properly signed by the Proposer; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposals will be reviewed and evaluated by a committee of qualified personnel selected by the Commission. This committee will recommend for selection the proposal that most closely meets the requirements of the RFP and satisfies Commission needs. Award will only be made to a Proposer determined to be responsive and responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-3. The following criteria will be used in evaluating each proposal:

a. Understanding the Problem. This refers to the Proposer's understanding of the Commission needs that generated the RFP, of the Commission's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.

b. Proposer Qualifications. This refers to the ability of the Proposer to meet the terms of the RFP, especially the time constraint and the quality, relevancy, and recency of studies and projects completed by the Proposer. This also includes the Proposer's financial ability to undertake a project of this size.

c. Personnel Qualifications. This refers to the competence of professional personnel who would be assigned to the job by the Proposer. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project manager.

d. Soundness of Approach. Emphasis here is on the techniques for collecting and analyzing data, sequence and relationships of major steps, and methods for managing the service/project. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in the RFP and if it appears to meet Commission objectives.

e. Cost. While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

f. DBE/MBE/WBE Participation. This refers to the inclusion of D/M/WBE firms, as described in Part II-6, and the extent to which they are expected to participate in this contract. Participation will be measured in terms of total dollars committed or percentage of total contract amount to certified D/M/WBE firms.

PART IV

WORK STATEMENT

The Actuary shall provide the available resources to effectively review the Commission's exposure to automobile and general tort liability. This would entail the review of all pending claims filed with the Commission's Risk Management and Legal Departments.

IV-1. Objectives.

a. General. The Pennsylvania Turnpike Commission is seeking a qualified Actuarial firm to provide the available resources to effectively analyze and calculate the Commission's automobile and general tort self-insurance liability for the fiscal years ending May 31, 2011, 2012 and 2013. The Commission is required to record a self-insurance liability for automobile and general torts in accordance with GASB Statement No. 10 in its financial records and disclose this liability in the notes to its annual audited financial statements.

b. Specific. Services shall include, but not limited to, the review and analysis of the Commission's records and/or schedules related to automobile and general tort claims and calculation of the Commission's self-insurance liability. As mentioned above, the Commission will provide a listing of known claims. Where applicable, the listing will include: the Commission's estimated exposure amount, damages paid, attorney's fees and costs paid, settlements and status of the claims. The liability analysis and calculation should include Incurred But Not Reported (IBNR) claims. The liability should be estimated based on the ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that would modify past experience. A detailed report is to be prepared for each year of the contract. See IV-2 and IV-3 below for report requirements.

IV-2. Requirements. The annual report will be presented to the Commission by June 30 for the previous fiscal year end or within 30 days of receiving the current list of automobile and general tort claims from the Commission. Requirement dates for this contract would be approximately June 30, 2011, 2012 and 2013. The Commission's fiscal year end is May 31.

IV-3. Reports. The Actuary, upon completion of their analysis and calculation, will present to the Commission a detailed report indicating their findings, method used and the dollar amount of the Commission's automobile and general tort self-insurance liability for of the fiscal years ending May 31, 2011, 2012 and 2013. The reports should summarize the results of the analysis and how the liability was calculated. Additionally, the reports should include, but not be limited to, claims paid, claims incurred and claims liability range with high and low amounts. The report should also indicate if any amount within the range is a better estimate than other amounts within the range.

Addendum No. 1

RFP # 11-10230-2982

Actuarial Advisory Services

Related to Automobile and General Tort Self-Insurance Liability

Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:

Following are the answers to questions submitted in response to the above referenced RFP as of February 24, 2011. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission (PTC).

1. Who performed the most recent study?

Answer: Ernst & Young, LLP.

2. What were the annual fees charged and the terms of the contract?

Answer: The actuarial valuation was included with our annual audit services engagement in previous years. The fees were not split out. Due to independence rules, we need to have a separate agreement/engagement for the actuarial valuation.

3. Has the scope of the work changed since the work was done?

Answer: No

4. Can we get a copy of the most recent actuarial report?

Answer: See attachment "A" for the FY 2010 Actuarial Report. Please Note: According to this RFP, 11-10230-2982, the report should also include a formal summary.

5. Can we get a copy of the proposal of the last successful bidder?

Answer: See number 2

6. Can we get the allocation of points that will be given for each criteria that will be used to make a decision?

Answer: Weighting will not be used in the criteria for selection for this RFP.

7. Do you want us to quote a best and final offer price now, or will you allow us or request us to modify our quote for our best and final offer later? Best and final Offer now

Answer: Please see Section I-15 of the RFP for additional information pertaining to Best and Final Offers.

8. How many firms/individuals bid last time these services were needed?

Answer: See number 2

9. How many are expected to bid this time?

Answer: We cannot estimate how many firms are expected to bid. Please see question number 2.

10. Who is the incumbent Actuary (if any)?

Answer: See number 1

11. How many years has the incumbent Actuary provided the requested services?

Answer: Ernst & Young, LLP has provided these services for more than 10 years.

12. Why is the Commission bidding for these services? (e.g. Required by law? Unhappy with existing provider?, etc.)

Answer: See number 2

13. Is it possible to get a copy of the prior proposal submitted by the incumbent (in any)?

Answer: See number 2

14. Is it possible to get a copy of the previous report(s) and other work performed by the incumbent Actuary?

Answer: See number 4

15. What was the annual cost to the Commission for the most recent auto and general tort actuarial report?

Answer: See number 2

16. In what format will the claims data be delivered to the Actuary (e.g. table of numbers; already in actuarial triangles; electronic vs. paper; etc)?

Answer: The PTC will deliver the raw data in electronic format using Microsoft Excel.

17. What was the expiring contract rate for the previous year's report?

Answer: See number 2

18. Can you please provide a copy of last year's Actuarial Report?

Answer: See number 4

19. Who is the current actuary and how long?

Answer: See numbers 1 and 11

20. What are the current annual fees.

Answer: See number 2

21. For pricing, can we provide a fixed fee for services, inclusive of all the sub-categories?

Answer: Cost submittal should be provided as noted in section II-7 of the RFP.

22. Are on-site meetings to present the reports required?

Answer: No, however it is our expectation that the successful proposer will hold any necessary meetings in person or via telephone or video in order to comply with the due date.

23. The objectives did not seem to include confidence levels, present value calculations, projections/recommendations of funding for future years or a cash flow analysis. Is there an interest for these additional items?

Answer: These items were not specifically listed but please feel free to include them in your proposal if you believe it will enhance the final product. Costs of these additional schedules and calculations should be listed separately in your cost proposal.

24. Who is the Commission's current actuary?

Answer: See number 1

25. What was the cost for the actuarial analysis for the fiscal year ending May 31, 2010?

Answer: See number 2

26. Can you please provide a copy of the prior actuarial report?

Answer: See number 4

27. How many fiscal years of data are available for the auto liability and general liability?

Answer: Clarification for this question was requested by respondent. The reply was, “We would like to know the number of years the commission has been self-insuring auto liability and general liability”. The Commission has been self insured since inception.

28. How many historical evaluations of data are available?

Answer: We can provide 5 years of historical evaluations.

29. Is the data available in electronic format?

Answer: Yes

30. What are the booked auto liability and general liability reserves as of May 31, 2010?

Answer: Our recorded liability was \$23.2 million at May 31, 2010.

31. Is the Scope of Work the same as the prior actuarial report?

Answer: Yes

32. What format will the data be provided?

Answer: See number 16

33. How long has the incumbent been providing actuarial services to the Commission?

Answer: See number 11

34. How many personal visits are expected during the contract period?

Answer: There are no requirements regarding personal visits. The expectation is that the successful proposer will be on-site if necessary to complete the engagement by the due date.

35. Do you have a recent claims audit?

Answer: See number 4

36. Who is the current or previous consultant, and are they eligible to bid again?

Answer: Ernst & Young, LLP. Yes, they are eligible to bid again.

37. Can you provide the hourly rate and total fee of the last successful bidder for each of the employee categories in the RFP?

Answer: See number 2

38. Can you please provide us a copy of the proposal of the last successful bidder?

Answer: See number 2

39. In Section I-20: Commission Participation, the listing of known claims includes the Commission's estimated exposure amount. Is "exposure amount" the total costs on the claim (i.e., does it include both payments and case reserves)?

Answer: "Exposure amount" would be the case reserves, which would ultimately become the amount paid to the claimant/plaintiff and would not include amounts paid to investigate the claim.

40. Will the actuarial study be based on data as of the fiscal year ending May 31st or prior to this date? If prior, what is the valuation date of the data underlying the actuarial analysis?

Answer: The date has not been finalized; however, it will be either April 30 or May 31 with no supplemental analysis required if the April 30 date is used.

41. Will historical loss runs be available so that development triangles based on the Commission's experience be created?

Answer: See Attachment "A"

42. In Section II-7: Cost Submittal – The Direct Labor Costs are to be shown by category of personnel. Is the proposer allowed to use personnel categories other than those shown in the RFP?

Answer: Yes, per Section II-7 of the RFP, "the total cost you are proposing must be broken down but not limited to the following components".

43. Have in-person meetings been part of the services provided by the current actuarial consultant?

Answer: See number 22

44. How long has the Commission been self-insured for automobile and general liability coverages?

Answer: Since its inception.

45. Is the Commission able to provide a history of self-insured per occurrence and aggregate retentions?

Answer: The Commission is 100% self insured.

46. Does the automobile program include automobile physical damage (i.e. collision and comprehensive coverage)?

Answer: Yes, the program includes auto physical damage as well as equipment damage.

47. What coverages are included in the general liability program? For example, premises/operations, employment practices liability, etc.

Answer: Premises and Operations

48. Under Section III-3, Proposer qualifications include Proposer's financial ability to undertake a project of this size. The RFP does not appear to request specific information related to this qualification. What information is to be provided to demonstrate financial ability to undertake a project of this size?

Answer: We would request the following: How long has the proposer been in business providing this service? Also, we would request a copy of the proposer's financial statements. (audited preferable)

49. In part IV - Work Statement, the opening paragraph mentions "...review of all pending claims filed with the Commission's Risk Management and Legal Departments". Is it anticipated that a formal claim review of all pending claims will be performed by a claims specialist?

Answer: No. However, a review of payments, reserves and Incurred But Not Reported (IBNR) will be conducted.

50. Who is the current actuarial consultant and how long have they provided services to the Commission?

Answer: See numbers 1 and 11.

51. What are the actuarial fees paid for each of the past three years?

Answer: See number 2

52. Is a copy of the prior actuarial report and/or last successful proposal available for review?

Answer: See numbers 2 and 4.

53. How long has the Commission been self-insured for automobile and general liability (AL/GL)?

Answer: See number 27

54. Is there excess (or other) insurance coverage? If so, what is the Commission's retention?

Answer: There is no excess insurance coverage.

55. Are there tort caps or other legal provisions that limit or mitigate the Commission's liability?

Answer: Yes, Pennsylvania sovereign immunity statute 42 Pa. C.S.A Sections 8521-8528 (8522 lists the exceptions and 8528 provides the cap of \$250,000 per plaintiff and \$1,000,000 in the aggregate)

56. Does the Commission handle the claims in-house? Has that always been the case?

Answer: The Commission utilizes the services of a of Third Party Administrator to investigate liability claims.

57. Have there been any changes in claims handling or case reserving procedures over the past several years?

Answer: There have been no changes in the handling or case reserving procedures.

58. Have loss development triangles been compiled? If so, in what detail (e.g., AL vs. GL, loss vs. allocated loss adjustment expense (ALAE), paid vs. incurred losses, reported vs. closed vs. open claim counts)?

Answer: See number 4 for a copy of the most recent report. It shows the requested detail.

59. What detail of exposure data is available (e.g., number of covered vehicles by type and fiscal year)?

Answer: There are currently 1470 registered vehicles.

60. What are the current reserves, current annual funding, current number of vehicles, current budgeted expenditures?

Answer: Our recorded liability at May 31, 2010 was \$23.2 million. We currently budget/accrue \$6.0 million each year for expenses however; we adjust our accrual at year end based on the actuarially calculated ranges.

There are 1470 registered vehicles.

61. Is all the data available in electronic format? If so, what format?

Answer: Raw data is in Microsoft Excel and prior reports are in PDF format

62. Will we have access to prior actuarial reports? May we view the latest actuarial report now?

Answer: Yes, also see number 4.

63. In addition to overall estimates of liability, what other estimates would be expected, such as funding for the upcoming fiscal year, allocations to AL vs. GL or to entities within the Commission?

Answer: A high and low estimate should be calculated for Automobile and General Tort claims.

64. Are the actuarial projections to be discounted for future investment income?

Answer: No, see number 23.

65. Are the actuarial projections to include risk margins at higher confidence levels?

Answer: Projections should include a high and low reserve. Also see number 23 and Attachment "A".

66. Are the actuarial projections to include projections of future payments?

Answer: No but please see number 23.

67. What expenses other than ALAE are to be included in the projections (e.g., claims administration)? If so, what detail of historical data is available for these expenses?

Answer: In addition to ALAE, paid loss, incurred loss and IBNR should be included in the projection.

68. Are any in-person meetings with the Commission anticipated (e.g., to present results)?

Answer: See number 22.

69. What is the expected timing of the project? The award of the contract is March 21, the fiscal year end is May 31 and the report is required by June 30. What would be the evaluation date of the loss data? When could that be provided to us? If, for example, we were to use April 30 data for the actuarial analysis, would there be a supplemental analysis of the May 31 data required for audit purposes?

Answer: The report will be due 30 days after the data is provided. Also see number 40.

All other terms, conditions and requirements of the original RFP dated February 10, 2011 remain unchanged unless modified by this Addendum.

Pennsylvania Turnpike Commission

May 31, 2010

Total Reserves for General and Auto Liabilities

Accident Period	General Liability		Auto Liability		Total		Carried Reserve
	Low Total Reserve	High Total Reserve	Low Total Reserve	High Total Reserve	Low Reserve	High Reserve	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Prior 1990	0	0	0	0	0	0	
1990	0	0	0	0	0	0	
1991	0	0	0	0	0	0	
1992	0	0	0	0	0	0	
1993	0	0	0	0	0	0	
1994	250,000	250,000	0	0	250,000	250,000	
1995	0	0	0	0	0	0	
1996	0	0	0	0	0	0	
1997	0	0	0	0	0	0	
1998	0	0	0	0	0	0	
1999	0	0	0	0	0	0	
2000	0	0	0	0	0	0	
2001	0	0	0	0	0	0	
2002	22,500	22,500	0	0	22,500	22,500	
2003	0	0	0	0	0	0	
2004	0	0	0	0	0	0	
2005	270,000	271,490	0	0	270,000	271,490	
2006	0	45,590	0	6,879	0	52,469	
2007	1,320,564	1,456,492	370	14,927	1,320,934	1,471,419	
2008	285,695	486,004	503,513	517,980	789,209	1,003,983	
2009	242,314	623,792	38,927	62,472	281,241	686,264	
2010	220,947	777,587	65,183	96,482	286,130	874,070	
Claims in Litigation					9,979,052	22,004,161	
Total	2,612,020	3,933,455	607,993	698,740	13,199,065	26,636,356	23,085,989
Prior Yr Total	2,291,798	4,020,117	877,902	1,310,657	10,034,826	19,061,024	
Diff	320,222	-86,662	-269,910	-611,917	3,164,240	7,575,332	

Notes:

(1), (2) Exhibit 1-G

(3), (4) Exhibit 1-A

(5) = (1) + (3)

(6) = (2) + (4)

(7) Client Data

Case Name	Claims in active litigation—unallocated to accident year:	10,552	0
Beach Construction			
Babatz, Ralph v. PTC et al.	150,000	85,457	150,000
Calderon, Richard v. PTC	0	6,017	0
In re Application of Consolidation Coal Sales Company et al.			
Chamberland Farms/Gulf Oil	Demand \$ 9 million. Exposure less than \$3 million	1,322,085	3,000,000
Debert, William F. et al. v. PTC, et al.	1.75 million	493,881	1,750,000
Dice Corporation v. PTC, et al.	50,000	156,188	50,000
Dice Corporation v. PTC, et al.	Exposure less than \$100,000	170,906	100,000
Dowman, Ardelia (Estate of William) v. PTC	Maximum \$500,000	24,605	450,000
Edman, J.D., Inc. v. PTC (3905)	350,000	155,018	350,000
Edman, J.D., Inc. v. PTC et al. (3955)	Demand - \$1.2 million. Exposure \$200,000 - \$250,000	88,976	250,000
Charles F. Evers, et al. v. PTC, et al.	100,000	72,149	100,000
Fay Company v. PTC	Demand - \$4.5 million	79,947	4,500,000
Heath, Caroline v. PTC et al.	Offer to Settle - \$14,400	15,462	0
Hemp Brothers, Inc. v. PTC, et al.	100,000	-	14,400
Korog, Don v. PTC et al.	2 million (threatened). Probable Maximum \$318,000	47,316	100,000
Lightman Dion Superfund Site	Maximum \$318,000	94,503	1,500,000
Mahmud, Corp. v. PTC	\$50,000 each plaintiff plus interest and attorney's fees	830,580	286,200
Odom, Winston & Jefferson v. PTC (Odom is deceased)		41,240	150,000
Stein, Paul (Estate of) v. PTC		76,183	76,183

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A: E* Selected
B: E* Selected
C = A + B
D: Client Data
E = C - D
F = A + E
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Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Summary of Loss & ALAE and Reserves

Accident Period	Paid (1)	Incurred (2)	Case Reserve (3)	Low Ultimate (4)	High Ultimate (5)	Low Total Reserves (6)	High Total Reserves (7)
Prior 1990	6,310,473	6,310,473	0	6,310,473	6,310,473	0	0
1990	424,614	424,614	0	424,614	424,614	0	0
1991	128,155	128,155	0	128,155	128,155	0	0
1992	2,165,727	2,165,727	0	2,165,727	2,165,727	0	0
1993	175,173	175,173	0	175,173	175,173	0	0
1994	396,380	674,271	277,891	674,271	674,271	277,891	277,891
1995	114,088	114,088	0	114,088	114,088	0	0
1996	1,937,244	1,937,244	0	1,937,244	1,937,244	0	0
1997	591,219	591,219	0	591,219	591,219	0	0
1998	351,400	351,400	0	351,400	351,400	0	0
1999	374,156	374,156	0	374,156	374,156	0	0
2000	977,882	977,882	0	977,882	977,882	0	0
2001	502,282	502,282	0	502,282	502,282	0	0
2002	1,038,278	1,074,207	35,929	1,074,207	1,074,207	35,929	35,929
2003	687,529	687,529	0	687,529	687,529	0	0
2004	730,778	730,778	0	730,778	730,778	0	0
2005	462,798	917,991	455,193	917,991	920,677	455,193	457,879
2006	51,955	51,955	0	51,955	89,002	0	37,047
2007	31,429	1,288,865	1,257,436	1,363,686	1,499,614	1,332,257	1,468,185
2008	8,356	83,790	75,433	268,871	448,753	260,514	440,397
2009	9,460	74,211	64,752	212,308	591,981	202,849	582,522
2010	17,455	17,598	143	200,634	775,428	183,179	757,973
Total	17,486,833	19,653,609	2,166,776	20,234,644	21,544,655	2,747,811	4,057,822

Notes:

(1) Exhibit 6-G

(2) Exhibit 7-G

(3) = (2) - (1)

(4), (5) Exhibit 2-G

(6) = (4) - (1)

(7) = (5) - (1)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Comparison of Ultimate Loss & ALAE Estimates

Accident Period	Exposure (Traffic Flow) (1)	Paid Loss & ALAE (2)	Incurred Loss & ALAE (3)	Case Development (4)	Paid Development (5)	Incurred Development (6)	Paid B-F (7)	Incurred B-F (8)	Average Paid (9)	Average Incurred (10)	IBNR to Case OS (11)	Average (12)	Low Selected (13)	High Selected (14)	Low UI Ratio (15)	High UI Ratio (16)
Prior 1990		6,310,473	6,310,473	0	6,310,473	6,310,473	0	0	6,310,473	6,310,473	6,310,473	6,310,473	6,310,473	6,310,473		
1990	424,614	424,614	424,614	0	424,798	424,614			424,798	424,614	424,614	424,688	424,614	424,614		
1991	128,155	128,155	128,155	0	128,322	128,155			128,322	128,155	128,155	128,222	128,155	128,155		
1992	2,165,727	2,165,727	2,165,727	0	2,171,363	2,165,727			2,171,363	2,165,727	2,167,982	2,165,727	2,165,727	2,165,727		
1993	175,173	175,173	175,173	0	175,933	175,173			175,933	175,173	175,173	175,477	175,173	175,173		
1994	396,380	396,380	674,271	277,891	398,964	674,271			398,964	674,271	674,271	564,148	674,271	674,271		
1995	114,088	114,088	114,088	0	115,131	114,088			115,131	114,088	114,088	114,505	114,088	114,088		
1996	1,937,244	1,937,244	1,937,244	0	1,960,883	1,937,244	1,945,059	1,937,244	1,960,883	1,937,244	1,945,115	1,945,115	1,937,244	1,937,244	1,494%	1,494%
1997	591,219	591,219	591,219	0	600,511	591,219	601,944	591,219	600,511	591,219	595,406	591,219	591,219	591,219	0.426%	0.426%
1998	144,133,000	351,400	351,400	0	358,317	351,400	365,311	351,400	358,317	351,400	355,364	351,400	351,400	351,400	0.244%	0.244%
1999	151,099,000	374,156	374,156	0	383,177	374,156	391,942	374,156	383,177	374,156	379,274	374,156	374,156	374,156	0.248%	0.248%
2000	977,882	977,882	977,882	0	1,007,308	977,882	1,000,701	977,882	1,007,308	977,882	989,549	977,882	977,882	977,882	0.626%	0.626%
2001	160,103,000	502,282	502,282	0	520,694	502,367	530,589	502,417	520,694	502,367	502,282	511,630	502,282	502,282	0.314%	0.314%
2002	163,365,000	1,038,278	1,074,207	35,929	1,083,770	1,074,567	1,072,565	1,074,481	1,083,770	1,074,567	1,074,496	1,076,888	1,074,207	1,074,207	0.658%	0.658%
2003	172,794,000	687,529	687,529	0	722,993	687,876	729,808	687,964	722,993	687,876	703,877	687,529	687,529	687,529	0.398%	0.398%
2004	179,399,000	730,778	730,778	0	775,613	731,269	782,629	731,380	797,707	731,623	730,778	754,428	730,778	730,778	0.407%	0.407%
2005	188,019,000	462,798	917,991	455,193	540,018	918,762	597,227	918,780	534,156	919,651	920,677	764,181	917,991	920,677	0.488%	0.490%
2006	188,425,000	51,955	51,955	0	65,689	53,728	248,938	83,055	53,817	53,833	51,955	89,002	51,955	89,002	0.028%	0.047%
2007	185,901,000	31,429	1,288,865	1,257,436	47,222	1,401,695	342,291	1,363,686	53,395	1,597,533	1,687,452	927,611	1,363,686	1,499,614	0.734%	0.807%
2008	185,423,000	8,356	83,790	75,433	15,917	109,350	448,753	300,499	268,871	463,505	156,870	251,966	268,871	448,753	0.145%	0.242%
2009	189,551,000	9,460	74,211	64,752	24,547	111,408	591,981	390,649	212,308	365,998	151,216	264,015	212,308	591,981	0.112%	0.312%
2010	186,220,000	17,455	17,598	143	93,876	49,225	775,428	615,822	200,634	345,871	18,134	299,856	200,634	775,428	0.108%	0.416%
Total	2,518,947,000	17,486,833	19,653,609	2,166,776	17,925,519	19,864,649	10,425,267	10,900,635	18,495,524	20,967,226	20,205,793	19,793,657	20,234,644	21,544,655	0.407%	0.459%
Total x 2010										20,034,010			20,769,227			

Notes:

- (1) Client Data
 (2) Exhibit 6-G
 (3) Exhibit 7-G
 (4) = (3)-(2)
 (5) Exhibit 6-G
 (6) Exhibit 7-G
 (7) Exhibit 3-G
 (8) Exhibit 4-G
 (9) Exhibit 8-G
 (10) Exhibit 10-G
 (11) Exhibit 5-C
 (12) Average (5) through (11)
 (13) EY Select
 (14) EY Select
 (15) = (13)/(1)
 (16) = (14)/(1)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Bornhuetter-Ferguson Method Using Paid Loss & ALAE

Accident Period	Exposure (Traffic Flow) (1)	Selected Ratio of Loss & ALAE to Traffic Flow (2)	Expected Loss & ALAE (3)	Paid Factor to Ultimate (4)	Unpaid Percent (5)	Expected Unpaid Loss & ALAE (6)	Paid Loss & ALAE (7)	Ultimate Loss & ALAE (8)
1996	129,653,000	0.50%	648,265	1.012	0.012	7,815	1,937,244	1,945,059
1997	138,630,000	0.50%	693,150	1.016	0.015	10,725	591,219	601,944
1998	144,133,000	0.50%	720,665	1.020	0.019	13,911	351,400	365,311
1999	151,099,000	0.50%	755,495	1.024	0.024	17,786	374,156	391,942
2000	156,232,000	0.50%	781,160	1.030	0.029	22,819	977,882	1,000,701
2001	160,103,000	0.50%	800,515	1.037	0.035	28,306	502,282	530,589
2002	163,365,000	0.50%	816,825	1.044	0.042	34,287	1,038,278	1,072,565
2003	172,794,000	0.50%	863,970	1.052	0.049	42,378	687,529	729,908
2004	179,399,000	0.50%	896,995	1.061	0.058	51,851	730,778	782,629
2005	188,019,000	0.50%	940,095	1.167	0.143	134,428	462,798	597,227
2006	188,425,000	0.50%	942,125	1.264	0.209	196,983	51,955	248,938
2007	185,901,000	0.50%	929,505	1.502	0.334	310,861	31,429	342,291
2008	185,423,000	0.50%	927,115	1.905	0.475	440,397	8,356	448,753
2009	189,551,000	0.50%	947,755	2.595	0.615	582,522	9,460	591,981
2010	186,220,000	0.50%	931,100	5.378	0.814	757,973	17,455	775,428
Total	2,518,947,000		12,594,735			2,653,044	7,772,223	10,425,267

Notes:

- (1) Client Data
(2) EY Select
(3) = (1) x (2)
(4) Exhibit 6-G
(5) = 1 - 1 / (4)
(6) = (3) x (5)
(7) Exhibit 6-G
(8) = (6) + (7)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Bornhuetter-Ferguson Method Using Incurred Loss & ALAE

Accident Period	Exposure (Traffic Flow) (1)	Selected Ratio of Loss & ALAE to Traffic Flow (2)	Expected Loss & ALAE (3)	Incurred Factor to Ultimate (4)	Unreported Percent (5)	Expected Unreported Loss & ALAE (6)	Incurred Loss & ALAE (7)	Ultimate Loss & ALAE (8)
1996	129,653,000	0.50%	648,265	1.000	0.000	0	1,937,244	1,937,244
1997	138,630,000	0.50%	693,150	1.000	0.000	0	591,219	591,219
1998	144,133,000	0.50%	720,665	1.000	0.000	0	351,400	351,400
1999	151,099,000	0.50%	755,495	1.000	0.000	0	374,156	374,156
2000	156,232,000	0.50%	781,160	1.000	0.000	0	977,882	977,882
2001	160,103,000	0.50%	800,515	1.000	0.000	134	502,282	502,417
2002	163,365,000	0.50%	816,825	1.000	0.000	274	1,074,207	1,074,481
2003	172,794,000	0.50%	863,970	1.001	0.001	435	687,529	687,964
2004	179,399,000	0.50%	896,995	1.001	0.001	602	730,778	731,380
2005	188,019,000	0.50%	940,095	1.001	0.001	789	917,991	918,780
2006	188,425,000	0.50%	942,125	1.034	0.033	31,100	51,955	83,055
2007	185,901,000	0.50%	929,505	1.088	0.080	74,821	1,288,865	1,363,686
2008	185,423,000	0.50%	927,115	1.305	0.234	216,710	83,790	300,499
2009	189,551,000	0.50%	947,755	1.501	0.334	316,438	74,211	390,649
2010	186,220,000	0.50%	931,100	2.797	0.642	598,224	17,598	615,822
Total	2,518,947,000		12,594,735			1,239,527	9,661,108	10,900,635

Notes:

- (1) Provided by Company
(2) EY Select
(3) = (1) x (2)
(4) Exhibit 7-G
(5) = 1 - 1 / (4)
(6) = (3) x (5)
(7) Exhibit 7-G
(8) = (6) + (7)

Accident Period	Paid		Incurred		Case Factor		Incurred Factor		Paid Factor		IBNR to Case O/S		Indicated IBNR		Indicated Ultimate	
	Loss & ALAE (1)	Loss & ALAE (2)	Loss & ALAE (3)	to Ultimate (4)	to Ultimate (5)	Factor (6)	Factor (7)	Loss & ALAE (8)								
1990	424,614	424,614	0	1,000	1,000	0.000	0	424,614								
1991	128,155	128,155	0	1,000	1,001	0.000	0	128,155								
1992	2,165,727	2,165,727	0	1,000	1,003	0.000	0	2,165,727								
1993	175,173	175,173	0	1,000	1,004	0.000	0	175,173								
1994	396,380	674,271	277,891	1,000	1,007	0.000	0	674,271								
1995	114,088	114,088	0	1,000	1,009	0.000	0	114,088								
1996	1,937,244	1,937,244	0	1,000	1,012	0.000	0	1,937,244								
1997	591,219	591,219	0	1,000	1,016	0.000	0	591,219								
1998	351,400	351,400	0	1,000	1,020	0.000	0	351,400								
1999	374,156	374,156	0	1,000	1,024	0.000	0	374,156								
2000	977,882	977,882	0	1,000	1,030	0.000	0	977,882								
2001	502,282	502,282	0	1,000	1,037	0.005	0	502,282								
2002	1,038,278	1,074,207	35,929	1,000	1,044	0.008	290	1,074,496								
2003	687,529	687,529	0	1,001	1,052	0.010	0	687,529								
2004	730,778	730,778	0	1,001	1,061	0.012	0	730,778								
2005	462,798	917,991	455,193	1,001	1,167	0.006	2,686	920,677								
2006	51,955	51,955	0	1,034	1,264	0.187	0	51,955								
2007	31,429	1,288,865	1,257,436	1,088	1,502	0.317	398,587	1,687,452								
2008	8,356	83,790	75,433	1,305	1,905	0.969	73,080	156,870								
2009	9,460	74,211	64,752	1,501	2,595	1.189	77,005	151,216								
2010	17,455	17,598	143	2,797	5,378	3.745	536	18,134								
Total	11,176,360	13,343,136	2,166,776				552,184	13,895,319								

(1) Exhibit 12-G	(3) = (2) - (1)	(5) Exhibit 12-G	(7) = (3) x (6)
(2) Exhibit 13-G	(4) Exhibit 13-G	(6) = [1 - 1/(4)] / [1/(4) - 1/(5)]	(8) = (2) + (7)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Paid Loss & ALAE Development Method

Accident Period	Paid Loss & ALAE (1)	Factor to Ultimate (2)	Ultimate Loss & ALAE (3)
1990	424,614	1.000	424,798
1991	128,155	1.001	128,322
1992	2,165,727	1.003	2,171,363
1993	175,173	1.004	175,933
1994	396,380	1.007	398,964
1995	114,088	1.009	115,131
1996	1,937,244	1.012	1,960,883
1997	591,219	1.016	600,511
1998	351,400	1.020	358,317
1999	374,156	1.024	383,177
2000	977,882	1.030	1,007,308
2001	502,282	1.037	520,694
2002	1,038,278	1.044	1,083,770
2003	687,529	1.052	722,993
2004	730,778	1.061	775,613
2005	462,798	1.167	540,018
2006	51,955	1.264	65,689
2007	31,429	1.502	47,222
2008	8,356	1.905	15,917
2009	9,460	2.595	24,547
2010	17,455	5.378	93,876
Total	11,176,360		11,615,046

Notes:

(1) Exhibit 12-G

(2) Exhibit 12-G

(3) = (1) x (2)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Incurred Loss & ALAE Development Method

Accident Period	Incurred Loss & ALAE (1)	Factor to Ultimate (2)	Ultimate Loss & ALAE (3)
1990	424,614	1.000	424,614
1991	128,155	1.000	128,155
1992	2,165,727	1.000	2,165,727
1993	175,173	1.000	175,173
1994	674,271	1.000	674,271
1995	114,088	1.000	114,088
1996	1,937,244	1.000	1,937,244
1997	591,219	1.000	591,219
1998	351,400	1.000	351,400
1999	374,156	1.000	374,156
2000	977,882	1.000	977,882
2001	502,282	1.000	502,367
2002	1,074,207	1.000	1,074,567
2003	687,529	1.001	687,876
2004	730,778	1.001	731,269
2005	917,991	1.001	918,762
2006	51,955	1.034	53,728
2007	1,288,865	1.088	1,401,695
2008	83,790	1.305	109,350
2009	74,211	1.501	111,408
2010	17,598	2.797	49,225
Total	13,343,136		13,554,176

Notes:

- (1) Exhibit 13-G
(2) Exhibit 13-G
(3) = (1) x (2)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Average Paid Loss & ALAE per Ultimate Claim Method

Accident Period	Average Paid Loss & ALAE (1)	Factor to Ultimate (2)	Selected		Ultimate Claim Count (5)	Ultimate Loss & ALAE (6)
			Ultimate Average Paid Loss & ALAE (3)	Ultimate Average Paid Loss & ALAE (4)		
1990	2,969	1.000	2,971	2,971	143	424,798
1991	903	1.001	904	904	142	128,322
1992	16,407	1.003	16,450	16,450	132	2,171,363
1993	1,075	1.004	1,079	1,079	163	175,933
1994	1,645	1.007	1,655	1,655	241	398,964
1995	718	1.009	724	724	159	115,131
1996	7,070	1.012	7,157	7,157	274	1,960,883
1997	2,802	1.016	2,846	2,846	211	600,511
1998	1,740	1.020	1,774	1,774	202	358,317
1999	2,563	1.024	2,624	2,624	146	383,177
2000	3,518	1.030	3,623	3,623	278	1,007,308
2001	1,726	1.037	1,789	1,789	291	520,694
2002	5,090	1.044	5,313	5,313	204	1,083,770
2003	2,913	1.052	3,064	3,064	236	722,993
2004	2,648	1.091	2,889	2,889	276	797,707
2005	1,361	1.153	1,570	1,570	340	534,156
2006	266	1.264	337	337	195	65,817
2007	174	1.694	294	294	181	53,395
2008	50	2.372	119	1,598	168	268,871
2009	74	3.522	262	1,646	129	212,308
2010	0	5.463	0	1,696	118	200,634
Total			2,880		4,231	12,185,051

Notes:

(1) Exhibit 9-G
(2) Exhibit 9-G
(3) = (1) x (2)

(4) selected
(5) Exhibit 14-G
(6) = (4) x (5)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Average Paid Loss & ALAE per Reported Claim

Accident Period	Months of Development																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
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2010																								

Accident Period	Development Factors																							
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		
1990																								
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2009																								
Avg All	1.809	1.385	1.989	1.518	1.057	1.062	1.038	1.035	0.967	1.000	1.009	1.008	1.004	1.004	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
Avg 5	1.538	1.082	1.279	1.167	1.060	1.170	1.012	1.040	1.000	1.000	1.006	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
5 Yr Avg Excl Lo	1.368	1.033	1.217	1.113	1.005	1.025	1.006	1.026	1.000	1.000	1.006	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
All Yr Avg Excl Lo	1.789	1.195	1.871	1.431	1.029	1.054	1.010	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Prior Selection	1.831	1.298	1.774	1.421	1.094	1.125	1.026	1.011	1.010	1.009	1.008	1.005	1.004	1.004	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
Set LDF*	1.589	1.290	1.603	1.315	1.084	1.099	1.009	1.007	1.007	1.006	1.006	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
Smoothed LDF	1.551	1.485	1.400	1.340	1.097	1.057	1.038	1.007	1.007	1.006	1.006	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
CDF	5.483	3.439	2.666	1.663	1.264	1.167	1.061	1.052	1.044	1.037	1.030	1.024	1.020	1.016	1.012	1.009	1.007	1.004	1.003	1.001	1.000	1.000	1.000	
Smoothed CDF	5.463	3.522	2.372	1.694	1.264	1.153	1.091	1.052	1.044	1.037	1.030	1.024	1.020	1.016	1.012	1.009	1.007	1.004	1.003	1.001	1.000	1.000	1.000	

*We set the LDF after age 60 equal to the smoothed LDF of paid development factors since there are little developments of number of claims.

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Average Incurred Loss & ALAE per Ultimate Claim Method

Accident Period	Average Incurred Loss & ALAE (1)	Factor to Ultimate (2)	Ultimate Average Incurred Loss & ALAE (3)	Selected Ultimate Avg Incd Loss & ALAE (4)	Ultimate Claim Count (5)	Ultimate Loss & ALAE (6)
1990	2,969	1.000	2,969	2,969	143	424,614
1991	903	1.000	903	903	142	128,155
1992	16,407	1.000	16,407	16,407	132	2,165,727
1993	1,075	1.000	1,075	1,075	163	175,173
1994	2,798	1.000	2,798	2,798	241	674,271
1995	718	1.000	718	718	159	114,088
1996	7,070	1.000	7,070	7,070	274	1,937,244
1997	2,802	1.000	2,802	2,802	211	591,219
1998	1,740	1.000	1,740	1,740	202	351,400
1999	2,563	1.000	2,563	2,563	146	374,156
2000	3,518	1.000	3,518	3,518	278	977,882
2001	1,726	1.000	1,726	1,726	291	502,367
2002	5,266	1.000	5,267	5,267	204	1,074,567
2003	2,913	1.001	2,915	2,915	236	687,876
2004	2,648	1.001	2,650	2,650	276	731,623
2005	2,700	1.001	2,702	2,702	340	919,651
2006	266	1.034	276	276	195	53,833
2007	7,121	1.236	8,802	8,802	181	1,597,533
2008	502	1.531	768	2,755	168	463,505
2009	584	2.111	1,234	2,838	129	365,998
2010	183	3.126	573	2,923	118	345,871
Total			3,464		4,231	14,656,753

Notes:

(1) Exhibit 11-G
(2) Exhibit 11-G
(3) = (1) x (2)

(4) Selected
(5) Exhibit 14-G
(6) = (4) x (5)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Average Incurred Loss & ALAE per Reported Claim

Accident Period	Months of Development*																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252
1990										2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969
1991										1,650	1,008	903	903	903	903	903	903	903	903	903	903
1992										10,969	10,856	10,876	10,913	10,875	16,464	10,725	10,725	10,725	16,407	16,407	16,407
1993										1,508	1,179	1,133	1,138	1,136	1,075	1,075	1,075	1,075	1,075	1,075	1,075
1994										5,796	6,867	5,840	6,025	6,010	1,651	1,653	1,695	1,652	2,698		
1995										2,273	928	951	718	718	718	718	718	718	718		
1996										1,836	8,162	11,833	15,293	10,777	7,515	7,070	7,070	7,070	7,070		
1997										827	5,204	3,781	5,159	7,129	5,302	2,802	2,802	2,802	2,802		
1998										1,069	1,177	1,279	1,845	1,928	1,928	1,616	1,740	1,740	1,740		
1999										777	1,828	1,667	1,636	2,087	2,828	3,084	3,102	2,563	8,813	2,563	
2000										3,265	1,664	1,469	2,682	3,512	4,088	3,949	3,633	3,518	3,518		
2001										1,502	861	1,399	5,774	7,677	7,048	6,864	1,726	1,726			
2002										592	1,227	5,806	5,238	5,321	6,793	6,315	6,315				
2003										1,109	1,596	1,881	2,158	1,642	4,820	3,973	2,913				
2004										893	1,600	1,540	2,648	2,648	2,648						
2005										919	1,192	994	1,383	1,361	2,700						
2006										307	1,459	266									
2007										518	325	176									
2008										162	325	502									
2009										501	584										
2010										183											
Development Factors	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264

*We set the LDF after age 60 equal to the smoothed LDF of Incurred development factors, since there are little developments of number of claims.

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Paid Loss & ALAE

Accident Period	Months of Development																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
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2010																								

Accident Period	Development Factors																							
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		

Avg All	2.050	1.399	2.000	1.522	1.058	1.064	1.039	1.035	0.967	1.000	1.049	0.974	1.010	0.999	1.044	1.001	1.005	1.033	1.000	1.000	1.000	1.000	1.000	1.000
Avg 5	1.942	1.088	1.284	1.168	1.060	1.170	1.012	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.106	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Avg 3	2.176	1.023	1.145	1.000	1.060	1.158	1.014	1.000	1.000	1.000	1.000	1.000	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 Yr Avg Ex Hi/Low	1.744	1.037	1.223	1.115	1.005	1.025	1.006	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wld Avg All	2.073	1.345	1.863	1.582	1.092	0.975	1.014	1.010	0.990	0.999	1.121	0.901	1.004	1.000	1.108	1.002	1.017	1.106	0.999	1.000	1.000	1.000	1.000	1.000
Wld Avg 5	1.871	1.133	1.486	1.159	1.084	1.099	1.009	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.336	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wld Avg 3	2.400	1.008	1.345	1.000	1.000	1.139	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Industry	2.478	1.634	1.334	1.184	1.109	1.072	1.041	1.033	1.027	1.083	1.027	1.000	1.006	1.000	1.000	1.000	1.003	1.018	1.000	1.000	1.000	1.000	1.000	1.000
Prior Selection	2.076	1.219	1.876	1.241	1.094	1.125	1.026	1.012	1.000	1.000	1.027	1.000	1.000	1.000	1.000	1.000	1.003	1.018	1.000	1.000	1.000	1.000	1.000	1.000
Set LDF	2.073	1.191	1.486	1.159	1.084	1.099	1.009	1.010	1.000	1.000	1.016	1.000	1.005	1.000	1.000	1.003	1.003	1.016	1.000	1.000	1.000	1.000	1.000	1.000
Smoothed LDF	2.073	1.362	1.268	1.188	1.084	1.099	1.009	1.007	1.007	1.006	1.006	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000
COF	5.378	2.595	1.905	1.502	1.264	1.167	1.061	1.052	1.044	1.037	1.030	1.024	1.020	1.016	1.012	1.009	1.007	1.004	1.003	1.001	1.000	1.000	1.000	1.000
Smoothed COF	5.378	2.595	1.905	1.502	1.264	1.167	1.061	1.052	1.044	1.037	1.030	1.024	1.020	1.016	1.012	1.009	1.007	1.004	1.003	1.001	1.000	1.000	1.000	1.000

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Incurred Loss & LAE

Accident Period	Months of Development*																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
1992																								
1993																								
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Accident Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		

Development Factors

Avg All	1.895	1.751	5.016	1.187	1.496	0.968	0.800	0.970	1.171	1.054	1.054	0.974	1.068	0.961	1.190	1.060	0.987	1.008	0.948	1.000	1.000	1.000	1.000	1.000
Avg 5	2.403	0.818	9.191	0.953	1.623	0.939	0.782	0.941	1.488	0.858	1.000	1.005	0.995	1.126	1.029	1.140	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Avg 3	1.482	0.759	14.359	0.995	1.973	0.918	0.662	0.934	1.813	0.764	1.000	1.000	1.000	1.210	0.871	1.234	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Yr Avg Excl/Lo	1.863	0.787	1.423	0.995	1.863	0.995	0.884	0.934	1.813	0.764	1.000	1.000	1.000	1.210	0.871	1.234	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wld Avg All	1.279	1.547	1.894	1.246	1.330	0.888	0.736	0.960	1.096	0.837	1.113	0.908	1.093	0.886	1.712	1.032	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wld Avg 5	2.198	0.753	2.371	0.962	1.270	0.939	0.683	0.916	1.326	0.823	1.000	1.003	0.997	1.062	1.202	1.084	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wld Avg 3	1.241	0.424	4.297	0.994	1.762	0.909	0.587	0.912	1.492	0.651	1.000	1.000	1.000	1.102	0.733	1.102	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Industry	1.685	1.316	1.161	1.082	1.044	1.034	0.937	1.020	1.014	1.044	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last*	2.059	1.278	1.164	1.100	1.168	0.957	0.919	1.010	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Seil LDF	1.863	1.150	1.200	1.100	1.157	0.957	0.894	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Smoothed LDF	1.863	1.150	1.200	1.052	1.033	1.000	0.893	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CDP	2.797	1.501	1.305	1.088	0.988	0.854	0.893	1.010	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Smoothed CDP	2.797	1.501	1.305	1.088	1.034	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Ultimate Claims Development

Accident Period	Reported Claims (1)	Factor to Ultimate (2)	Ultimate Claim Count (3)
1990	143	1.000	143
1991	142	1.000	142
1992	132	1.000	132
1993	163	1.000	163
1994	241	1.000	241
1995	159	1.000	159
1996	274	1.000	274
1997	211	1.000	211
1998	202	1.000	202
1999	146	1.000	146
2000	278	1.000	278
2001	291	1.000	291
2002	204	1.000	204
2003	236	1.000	236
2004	276	1.000	276
2005	340	1.001	340
2006	195	1.002	195
2007	181	1.003	181
2008	167	1.007	168
2009	127	1.015	129
2010	96	1.232	118
Total	4,204		4,231

Notes:

(1) Exhibit 15-G

(2) Exhibit 15-G

(3) = (1) x (2)

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Ultimate Claims Development

Accident Period	Reported Claims (1)	Factor to Ultimate (2)	Ultimate Claim Count (3)
1990	143	1.000	143
1991	142	1.000	142
1992	132	1.000	132
1993	163	1.000	163
1994	241	1.000	241
1995	159	1.000	159
1996	274	1.000	274
1997	211	1.000	211
1998	202	1.000	202
1999	146	1.000	146
2000	278	1.000	278
2001	291	1.000	291
2002	204	1.000	204
2003	236	1.000	236
2004	276	1.000	276
2005	340	1.001	340
2006	195	1.002	195
2007	181	1.003	181
2008	167	1.007	168
2009	127	1.015	129
2010	96	1.232	118
Total	4,204		4,231

Notes:

(1) Exhibit 15-G

(2) Exhibit 15-G

(3) = (1) x (2)

For Enrol & Yours

Pennsylvania Turnpike Commission
General Liability
May 31, 2010
Paid to Incurred Loss & ALAE Ratios

Accident Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252
1990																					
1991								0.893	1.000	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							0.979	0.990	0.986	0.988	0.988	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993						0.740	0.573	0.892	0.946	0.946	0.946	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994					0.528	0.219	0.197	0.233	0.278	0.276	1.000	0.999	0.975	1.000	0.613	1.000	0.588				
1995				0.970	0.773	0.754	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
1996			0.535	0.439	0.599	0.550	0.678	0.970	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
1997		0.743	0.402	0.495	0.908	0.649	0.528	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
1998		0.795	0.709	0.733	0.630	0.630	0.711	1.000	1.000	1.000	1.000	1.000	1.000								
1999		0.554	0.645	0.642	0.934	0.709	0.733	0.735	1.000	1.000	1.000	1.000									
2000	0.613	0.270	0.253	0.606	0.885	0.819	0.882	0.968	1.000	1.000	1.000										
2001	0.150	0.441	0.413	0.144	0.206	0.227	0.241	1.000	1.000	1.000											
2002	0.394	0.220	0.102	0.564	0.744	0.749	0.806	0.806	0.967												
2003	0.237	0.458	0.477	0.509	1.000	0.341	0.733	1.000													
2004	0.566	0.917	0.982	1.000	1.000																
2005	0.550	0.603	0.956	0.984	1.000	0.504															
2006	0.976	0.163	1.000	1.000	1.000																
2007	0.127	0.544	0.992																		
2008	0.220	0.145	0.100	0.024																	
2009	0.109	0.127																			
2010	0.992																				

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Summary of Loss & ALAE Reserves

Accident Period	Paid (1)	Incurred (2)	Case Reserve (3)	Low Ultimate (4)	High Ultimate (5)	Low Total Reserves (6)	High Total Reserves (7)
Prior 1990	1,152,651	1,152,651	0	1,152,651	1,152,651	0	0
1990	53,731	53,731	0	53,731	53,731	0	0
1991	55,997	55,997	0	55,997	55,997	0	0
1992	121,508	121,508	0	121,508	121,508	0	0
1993	66,421	66,421	0	66,421	66,421	0	0
1994	33,998	33,998	0	33,998	33,998	0	0
1995	20,437	20,437	0	20,437	20,437	0	0
1996	103,748	103,748	0	103,748	103,748	0	0
1997	51,226	51,226	0	51,226	51,226	0	0
1998	37,458	37,458	0	37,458	37,458	0	0
1999	10,894	10,894	0	10,894	10,894	0	0
2000	182,252	182,252	0	182,252	182,252	0	0
2001	23,143	23,143	0	23,143	23,143	0	0
2002	248,248	248,248	0	248,248	248,248	0	0
2003	41,363	41,363	0	41,363	41,363	0	0
2004	101,369	101,369	0	101,369	101,369	0	0
2005	43,591	43,591	0	43,591	43,591	0	0
2006	163,754	163,754	0	163,754	170,633	0	6,879
2007	30,333	30,333	0	30,703	45,260	370	14,927
2008	40,557	623,140	582,583	626,653	641,120	586,096	600,563
2009	67,078	67,078	0	106,005	121,604	38,927	54,526
2010	3,243	3,243	0	68,426	85,011	65,183	81,768
Total	2,653,000	3,235,583	582,583	3,343,576	3,411,662	690,576	758,662

Notes:

- (1) Exhibit 6-A
(2) Exhibit 7-A
(3) = (2) - (1)
- (4), (5) Exhibit 2-A
(6) = (4) - (1)
(7) = (5) - (1)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Comparison of Ultimate Loss & ALAE Estimates

2-A

Accident Period	Exposure (Traffic Flow) (1)	Paid Loss & ALAE (2)	Incurred Loss & ALAE (3)	Case Loss & ALAE (4)	Paid Development (5)	Incurred Development (6)	Paid B-F (7)	Incurred B-F (8)	Avg Pd Method (9)	IBNR to Case OS (10)	Average (11)	Low Selected (12)	High Selected (13)	Low Ult Ratio (14)	High Ult Ratio (15)
Prior 1990		1,152,651	1,152,651	0	1,152,651	1,152,651			1,152,651	1,152,651	1,152,651	1,152,651	1,152,651		
1990		53,731	53,731	0	53,731	53,731			53,731	53,731	53,731	53,731	53,731		
1991		55,997	55,997	0	55,997	55,997			55,997	55,997	55,997	55,997	55,997		
1992		121,508	121,508	0	121,508	121,508			121,508	121,508	121,508	121,508	121,508		
1993		66,421	66,421	0	66,421	66,421			66,421	66,421	66,421	66,421	66,421		
1994		33,998	33,998	0	33,998	33,998			33,998	33,998	33,998	33,998	33,998		
1995		20,437	20,437	0	20,437	20,437			20,437	20,437	20,437	20,437	20,437		
1996		103,748	103,748	0	103,748	103,748			103,748	103,748	103,748	103,748	103,748	0.080%	0.080%
1997		51,226	51,226	0	51,226	51,226			51,226	51,226	51,226	51,226	51,226	0.037%	0.037%
1998		37,458	37,458	0	37,458	37,458			37,458	37,458	37,458	37,458	37,458	0.026%	0.026%
1999		10,894	10,894	0	10,894	10,894			10,894	10,894	10,894	10,894	10,894	0.007%	0.007%
2000		182,252	182,252	0	182,252	182,252			182,252	182,252	182,252	182,252	182,252	0.117%	0.117%
2001		23,143	23,143	0	23,143	23,143			23,143	23,143	23,143	23,143	23,143	0.014%	0.014%
2002		248,248	248,248	0	248,248	248,248			248,248	248,248	248,248	248,248	248,248	0.152%	0.152%
2003		41,363	41,363	0	41,363	41,363			41,363	41,363	41,363	41,363	41,363	0.024%	0.024%
2004		101,369	101,369	0	102,383	101,410			102,257	101,369	101,862	101,369	101,369	0.057%	0.057%
2005		43,591	43,591	0	44,931	43,652			46,394	43,685	44,531	43,591	43,591	0.023%	0.023%
2006		163,754	163,754	0	179,827	164,179			179,827	163,754	170,633	163,754	163,754	0.087%	0.091%
2007		30,333	30,333	0	36,136	30,454			36,136	30,703	34,837	30,703	30,703	0.017%	0.024%
2008		40,557	623,140	582,583	55,455	673,981			65,464	630,167	402,006	626,653	641,120	0.338%	0.346%
2009		67,078	67,078	0	138,530	113,818			115,962	106,005	109,433	106,005	121,604	0.056%	0.064%
2010		3,243	3,243	0	14,688	10,812			75,796	66,426	85,011	66,426	85,011	0.037%	0.046%
Total	2,518,947,000	2,653,000	3,235,583	582,583	2,775,025	3,341,381	1,321,639	1,842,722	3,155,045	3,463,025	3,151,387	3,343,576	3,411,662	0.073%	0.076%
Total Ex 2010												3,275,150	3,326,652		

NOTES:

- (1) Client Data
(2) Exhibit 6-A
(3) Exhibit 7-A
(4) = (3) - (2)
(5) Exhibit 6-A
(6) Exhibit 7-A
(7) Exhibit 3-A
(8) Exhibit 4-A
(9) Exhibit 8-A
(10) Exhibit 5-A
(11) Average (5) through (10)
(12) EV Select
(13) EV Select
(14) = (12) / (1)
(15) = (13) / (1)

Pennsylvania Turnpike Commission
Automobile Liability

May 31, 2010

Bornhuetter-Ferguson Method Using Paid Loss & ALAE

Accident Period	Exposure (Traffic Flow) (1)	Selected Ratio of Loss & ALAE to Traffic Flow (2)	Expected Loss & ALAE (3)	Paid Factor to Ultimate (4)	Unpaid Percent (5)	Expected Unpaid Loss & ALAE (6)	Paid Loss & ALAE (7)	Ultimate Loss & ALAE (8)
1996	129,653,000	0.050%	64,827	1.000	0.0%	0	103,748	103,748
1997	138,630,000	0.050%	69,315	1.000	0.0%	0	51,226	51,226
1998	144,133,000	0.050%	72,067	1.000	0.0%	0	37,458	37,458
1999	151,099,000	0.050%	75,550	1.000	0.0%	0	10,894	10,894
2000	156,232,000	0.050%	78,116	1.000	0.0%	0	182,252	182,252
2001	160,103,000	0.050%	80,052	1.000	0.0%	0	23,143	23,143
2002	163,365,000	0.050%	81,683	1.000	0.0%	0	248,248	248,248
2003	172,794,000	0.050%	86,397	1.000	0.0%	0	41,363	41,363
2004	179,399,000	0.050%	89,700	1.010	1.0%	888	101,369	102,257
2005	188,019,000	0.050%	94,010	1.031	3.0%	2,803	43,591	46,394
2006	188,425,000	0.050%	94,213	1.098	8.9%	8,421	163,754	172,174
2007	185,901,000	0.050%	92,951	1.191	16.1%	14,927	30,333	45,260
2008	185,423,000	0.050%	92,712	1.367	26.9%	24,907	40,557	65,464
2009	189,551,000	0.050%	94,776	2.065	51.6%	48,884	67,078	115,962
2010	186,220,000	0.050%	93,110	4.529	77.9%	72,553	3,243	75,796
Total	2,518,947,000		1,259,474			173,382	1,148,257	1,321,639

Notes:

- (1) Client Data
 (2) EY Select
 (3) = (1) x (2)
 (4) Exhibit 6-A
 (5) = 1 - 1 / (4)
 (6) = (3) x (5)
 (7) Exhibit 6-A
 (8) = (6) + (7)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Bornhuetter-Ferguson Method Using Incurred Loss & ALAE

Accident Period	Exposure (Traffic Flow) (1)	Selected Ratio of Loss & ALAE to Traffic Flow (2)	Expected Loss & ALAE (3)	Incurred Factor to Ultimate (4)	Unreported Percent (5)	Expected Unreported Loss & ALAE (6)	Incurred Loss & ALAE (7)	Ultimate Loss & ALAE (8)
1996	129,653,000	0.050%	64,827	1.000	0.0%	0	103,748	103,748
1997	138,630,000	0.050%	69,315	1.000	0.0%	0	51,226	51,226
1998	144,133,000	0.050%	72,067	1.000	0.0%	0	37,458	37,458
1999	151,099,000	0.050%	75,550	1.000	0.0%	0	10,894	10,894
2000	156,232,000	0.050%	78,116	1.000	0.0%	0	182,252	182,252
2001	160,103,000	0.050%	80,052	1.000	0.0%	0	23,143	23,143
2002	163,365,000	0.050%	81,683	1.000	0.0%	0	248,248	248,248
2003	172,794,000	0.050%	86,397	1.000	0.0%	0	41,363	41,363
2004	179,399,000	0.050%	89,700	1.000	0.0%	0	101,369	101,369
2005	188,019,000	0.050%	94,010	1.001	0.1%	94	43,591	43,685
2006	188,425,000	0.050%	94,213	1.003	0.3%	282	163,754	164,035
2007	185,901,000	0.050%	92,951	1.004	0.4%	370	30,333	30,703
2008	185,423,000	0.050%	92,712	1.082	7.6%	7,026	623,140	630,167
2009	189,551,000	0.050%	94,776	1.697	41.1%	38,927	67,078	106,005
2010	186,220,000	0.050%	93,110	3.334	70.0%	65,183	3,243	68,426
Total	2,518,947,000		1,259,474			111,881	1,730,840	1,842,722

Notes:

- (1) Client Data
(2) EY Select
(3) = (1) x (2)
(4) Exhibit 7-A
- (5) = 1 - 1 / (4)
(6) = (3) x (5)
(7) Exhibit 7-A
(8) = (6) + (7)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
IBNR to Case Outstanding Method Using Loss & ALAE

Accident Period	Paid Loss & ALAE (1)	Incurred Loss & ALAE (2)	Case Loss & ALAE (3)	Incurred Factor to Ultimate (4)	Paid Factor to Ultimate (5)	IBNR to Case O/S Factor (6)	Indicated IBNR (7)	Indicated Ultimate Loss & ALAE (8)
1990	53,731	53,731	0	1.000	1.000	0.000	0	53,731
1991	55,997	55,997	0	1.000	1.000	0.000	0	55,997
1992	121,508	121,508	0	1.000	1.000	0.000	0	121,508
1993	66,421	66,421	0	1.000	1.000	0.000	0	66,421
1994	33,998	33,998	0	1.000	1.000	0.000	0	33,998
1995	20,437	20,437	0	1.000	1.000	0.000	0	20,437
1996	103,748	103,748	0	1.000	1.000	0.000	0	103,748
1997	51,226	51,226	0	1.000	1.000	0.000	0	51,226
1998	37,458	37,458	0	1.000	1.000	0.000	0	37,458
1999	10,894	10,894	0	1.000	1.000	0.000	0	10,894
2000	182,252	182,252	0	1.000	1.000	0.000	0	182,252
2001	23,143	23,143	0	1.000	1.000	0.000	0	23,143
2002	248,248	248,248	0	1.000	1.000	0.000	0	248,248
2003	41,363	41,363	0	1.000	1.000	0.000	0	41,363
2004	101,369	101,369	0	1.000	1.010	0.042	0	101,369
2005	43,591	43,591	0	1.001	1.031	0.049	0	43,591
2006	163,754	163,754	0	1.003	1.098	0.030	0	163,754
2007	30,333	30,333	0	1.004	1.191	0.025	0	30,333
2008	40,557	623,140	582,583	1.082	1.367	0.390	227,442	850,582
2009	67,078	67,078	0	1.697	2.065	3.906	0	67,078
2010	3,243	3,243	0	3.334	4.529	8.845	0	3,243
Total	1,500,349	2,082,933	582,583				227,442	2,310,375

Notes:

- (1) Exhibit 10-A
(2) Exhibit 11-A
(3) = (2) - (1)
(4) Exhibit 11-A
(5) Exhibit 10-A
(6) = (1 - 1/(4)) / (1/(4) - 1/(5))
(7) = (3) x (6)
(8) = (2) + (7)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Paid Loss & ALAE Development Method

Accident Period	Paid Loss & ALAE (1)	Factor to Ultimate (2)	Ultimate Loss & ALAE (3)
1990	53,731	1.000	53,731
1991	55,997	1.000	55,997
1992	121,508	1.000	121,508
1993	66,421	1.000	66,421
1994	33,998	1.000	33,998
1995	20,437	1.000	20,437
1996	103,748	1.000	103,748
1997	51,226	1.000	51,226
1998	37,458	1.000	37,458
1999	10,894	1.000	10,894
2000	182,252	1.000	182,252
2001	23,143	1.000	23,143
2002	248,248	1.000	248,248
2003	41,363	1.000	41,363
2004	101,369	1.010	102,383
2005	43,591	1.031	44,931
2006	163,754	1.098	179,827
2007	30,333	1.191	36,136
2008	40,557	1.367	55,455
2009	67,078	2.065	138,530
2010	3,243	4.529	14,688
Total	1,500,349		1,622,374

Notes:
(1) Exhibit 10-A
(2) Exhibit 10-A
(3) = (1) x (2)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Incurred Loss & ALAE Development Method

Accident Period	Incurred Loss & ALAE (1)	Factor to Ultimate (2)	Ultimate Loss & ALAE (3)
1990	53,731	1.000	53,731
1991	55,997	1.000	55,997
1992	121,508	1.000	121,508
1993	66,421	1.000	66,421
1994	33,998	1.000	33,998
1995	20,437	1.000	20,437
1996	103,748	1.000	103,748
1997	51,226	1.000	51,226
1998	37,458	1.000	37,458
1999	10,894	1.000	10,894
2000	182,252	1.000	182,252
2001	23,143	1.000	23,143
2002	248,248	1.000	248,248
2003	41,363	1.000	41,363
2004	101,369	1.000	101,410
2005	43,591	1.001	43,652
2006	163,754	1.003	164,179
2007	30,333	1.004	30,454
2008	623,140	1.082	673,981
2009	67,078	1.697	113,818
2010	3,243	3.334	10,812
Total	2,082,933		2,188,730

Notes:

(1) Exhibit 11-A

(2) Exhibit 11-A

(3) = (1) x (2)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Paid Loss & ALAE to Reported Count Development Method

Accident Period	Current Paid Loss & ALAE per Reported Claim	Factor to Ultimate (2)	Ultimate per Reported Claim	Ultimate Reported Count	Indicated Ultimate Loss & ALAE
(1)	(2)	(3)	(4)	(5)	
1990	3,838	1.000	3,838	14	53,731
1991	5,091	1.000	5,091	11	55,997
1992	10,126	1.000	10,126	12	121,508
1993	2,460	1.000	2,460	27	66,421
1994	1,889	1.000	1,889	18	33,998
1995	1,277	1.000	1,277	16	20,437
1996	3,458	1.000	3,458	30	103,748
1997	1,829	1.000	1,829	28	51,226
1998	2,081	1.000	2,081	18	37,458
1999	990	1.000	990	11	10,894
2000	18,225	1.000	18,225	10	182,252
2001	1,361	1.000	1,361	17	23,143
2002	15,516	1.000	15,516	16	248,248
2003	1,970	1.000	1,970	21	41,363
2004	5,335	1.010	5,389	19	102,383
2005	1,981	1.031	2,042	22	44,931
2006	12,596	1.098	13,833	13	179,827
2007	3,792	1.191	4,517	8	36,136
2008	5,016	1.430	7,171	19	136,389
2009	5,166	2.426	12,534	9	115,206
2010	5,321	4.338	23,082	15	337,098
Total	109,319		138,679	354	2,002,394

Notes:

(1) Exhibit 9-A

(2) Exhibit 9-A

(3) = (1) x (2)

(4) Exhibit 12-A

(5) = (3) x (4)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Average Paid Loss & ALAE per Reported Claim

Accident Period	Months of Development*																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990									3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838	3,838		
1991								5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091	5,091		
1992							10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126		
1993							2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460		
1994							1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889		
1995							1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277		
1996							3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,452		
1997							2,008	2,197	2,232	2,232	2,232	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829		
1998							2,113	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081	2,081		
1999							1,392	1,040	980	990	990	990	990	990	990	990	990	990	990	990	990	990		
2000							1,605	1,775	4,031	5,205	5,643	10,038	11,094	18,225	18,225	18,225	18,225	18,225	18,225	18,225	18,225	18,225		
2001							1,338	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361	1,361		
2002							1,137	5,999	7,226	11,365	15,516	15,516	15,516	15,516	15,516	15,516	15,516	15,516	15,516	15,516	15,516	15,516		
2003							428	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970		
2004							3,068	3,102	3,955	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335	5,335		
2005							1,509	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981	1,981		
2006							551	850	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596	12,596		
2007							4,977	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792	3,792		
2008							852	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135	2,135		
2009							2,267	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453	7,453		
2010							295																	
Accident Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		
Development Factors																								
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	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	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	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	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	1.000	1.000		
1995									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1996									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1997									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1998									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1999									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2000									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2001									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2002									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2003									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2005									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2006									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2007									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2008									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2009									1.000	1.000	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	1.000		

* We set the LDF after age 48 equal to the smoothed LDF of paid development factors, since there are little developments of number of claims.

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Paid Loss & ALAE

Accident Period	Months of Development*																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
1992																								
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2010																								

Accident
Period

Development Factors

1990	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	
1991																							
1992																							
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2009																							
2010																							
Avg All	2,595	2,327	1,110	1,038	1,075	0,987	1,054	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Avg 5	2,491	3,848	1,070	1,073	1,000	1,021	1,129	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Avg 3	2,675	5,605	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	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 Yr Avg Ex H/L/6	2,411	1,142	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wtd Avg All	2,193	1,510	1,148	1,085	1,065	0,991	1,082	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wtd Avg 5	2,576	1,982	1,074	1,125	1,000	1,021	1,164	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wtd Avg 3	2,627	2,863	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Prior Selection	17-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	
Set LDF	1.990	1.561	1.154	1.105	1.069	1.025	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Smoothed LDF	2.193	1.510	1.148	1.085	1.065	1.021	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CDF	4,529	2,065	1,367	1,191	1,098	1,031	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Smoothed CDF	4,529	2,065	1,367	1,191	1,098	1,031	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Incurred Loss & ALAE

Accident Period	Months of Development*																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
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2009																								
2010																								
Accident Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		
1990																								
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2007																								
2008																								
2009																								
2010																								
Development Factors	1.24	2.36	3.68	48.60	60.72	72.84	84.96	96.108	108.120	120.132	132.144	144.156	156.168	168.180	180.192	192.204	204.216	216.228	228.240	240.252	252.264	264.276		
Avg All:																								
Avg S:																								
Avg 3:																								
5 Yr Avg Ex-H/L:																								
Wtd Avg All:																								
Wtd Avg S:																								
Wtd Avg 3:																								
Prior Selection	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276		
Set LDF	2.371	1.300	1.077	1.000	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Smoothed LDF	1.965	1.569	1.077	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
CDF	3.334	1.406	1.082	1.004	1.004	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Smoothed CDF	3.334	1.697	1.082	1.004	1.004	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Ultimate Claims Development

Accident Period	Reported Claims (1)	Factor to Ultimate (2)	Ultimate Claim Count (3)
1990	14	1.000	14
1991	11	1.000	11
1992	12	1.000	12
1993	27	1.000	27
1994	18	1.000	18
1995	16	1.000	16
1996	30	1.000	30
1997	28	1.000	28
1998	18	1.000	18
1999	11	1.000	11
2000	10	1.000	10
2001	17	1.000	17
2002	16	1.000	16
2003	21	1.000	21
2004	19	1.000	19
2005	22	1.000	22
2006	13	1.000	13
2007	8	1.000	8
2008	19	1.001	19
2009	9	1.021	9
2010	11	1.328	15
Total	350		354

Notes:

(1) Exhibit 13-A

(2) Exhibit 13-A

(3) = (1) x (2)

Pennsylvania Turnpike Commission
Automobile Liability
May 31, 2010
Claims Reported

Accident Period	Months of Development*																							
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264		
1990																								
1991																								
1992																								
1993																								
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2006																								
2007																								
2008																								
2009																								
2010																								
Development Factors																								
12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276			
1990																								
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2007																								
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2009																								
2010																								
Prior Selection																								
Avg All	1.413	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg 5	1.489	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg 3	1.414	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg Ex H/L	1.414	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg All	1.261	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg 5	1.365	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Avg 3	1.241	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								