



STATE OF WEST VIRGINIA

Offices of the Insurance Commissioner

***Actuarial Review of the
Worker's Compensation Old Fund,
Coal Worker's Pneumoconiosis Fund,
Uninsured Employer's Fund
and Self-Insured Funds***

As of June 30, 2011

September 2011



***Pinnacle Actuarial Resources, Inc.
3040 Riverside Drive, Suite 206
Upper Arlington, Ohio 43221
(614) 602-6594***

TABLE OF CONTENTS

| <i>Section</i> | <i>Page</i> |
|---|-------------|
| <i>Purpose & Scope</i> | 1 |
| <i>Distribution & Use</i> | 1 |
| <i>Reliances & Limitations</i> | 2 |
| <i>Qualifications to Provide Statement of Actuarial Opinion</i> | 3 |
| <i>Background</i> | 3 |
| <i>Data</i> | 4 |
| <i>Discount Rate</i> | 4 |
| <i>Workers Compensation Old Fund</i> | 5 |
| <i>Summary</i> | 6 |

REPORT & EXHIBIT SECTIONS

Old Fund *

Indemnity Claims

- A. Permanent Total Disability
- B. Fatality – Survivor Benefits
- C. Permanent Partial Disability
- D. Temporary Total Disability

Medical Claims

- E. Medical Benefits

Other Funds and Expenses

- F. Coal Workers Pneumoconiosis Fund
- G. Uninsured Employer Fund
- H. Self-Insured Employers Guaranty Fund
- I. Self-Insured Employers Security Fund
- J. Loss Adjustment Expenses

* Old Fund includes the Self-Insured Second Injury Fund and Self-Insured Employers Buyouts, Bankruptcies and Catastrophes

The State of West Virginia Offices of the Insurance Commissioner

Actuarial Review of the *Worker's Compensation Old Fund, Coal Worker's Pneumoconiosis Fund, Uninsured Employer's Fund and Self-Insured Funds* As of June 30, 2011

Purpose & Scope

Pinnacle Actuarial Resources, Inc. (Pinnacle) has been engaged by the Offices of the Insurance Commissioner of the State of West Virginia (OIC) to provide an actuarial analysis of claims liability and claims adjustment expense reserves as of June 30, 2011 for the:

- West Virginia Workers' Compensation Old Fund,
- Coal Worker's Pneumoconiosis Fund,
- Uninsured Employer's Fund and
- the Self-Insured Funds
 - Self-Insured Employers Guaranty Fund
 - Self-Insured Employers Security Fund

The actuarial central estimates developed within this report are presented on both an undiscounted basis and discounted basis with respect to the time value of money. The financial statements of the State carry these liabilities on a discounted basis.

Distribution & Use

This report has been prepared for use by the OIC in understanding the relative adequacy of the unpaid claims liability and unpaid claims adjustment expense liability displayed in the financial statements of the Old Fund and other related Funds under the supervision of the OIC. We understand that the public records policy will apply to this report. Distribution is hereby granted on the condition that the entire report is distributed, rather than excerpts thereof, and that all recipients are made aware that Pinnacle is available to answer any questions regarding the report. These third parties should recognize that the furnishing of this report is not a substitute for their own due diligence and they should place no reliance on this report or the data contained herein that would result in the creation of any duty or liability of Pinnacle to the third party.

In the event that as part of the audit, the OIC or the auditors discover any error or inaccuracy in the data underlying this report, Pinnacle requests to be notified as soon as possible.

Judgments as to conclusions, recommendations, methods, and data contained in this report should be made only after studying the report in its entirety. Furthermore, we are available to explain any matter presented herein, and it is assumed that the user of this report will seek such explanation as to any matter in question.

Reliances & Limitations

Claim and claim adjustment expense reserve estimates (also referred to within this report as unpaid claim liability estimates) for workers compensation are subject to potential errors of estimation due to the fact that the ultimate liability for compensation (both medical and indemnity as well as the related expenses) is subject to the outcome of events yet to occur, e.g., jury decisions and attitudes of claimants with respect to settlements. Thus, no assurance can be given as to the adequacy of any estimated reserve level.

Our projection of future claim emergence and future claim payment amounts and timing are based primarily on the West Virginia Funds' historical experience without independent audit or verification on the part of Pinnacle. This experience base includes partial data summaries of paid losses by claim category and exposure period.

We have employed available and applicable actuarial techniques and assumptions that we believe are appropriate, and we believe the conclusions presented herein are reasonable, given the information currently available. However, it should be recognized that future claim emergence will likely deviate, perhaps substantially, from our estimates. We have not anticipated any extraordinary changes to the legal, social, medical and economic environment which might affect the cost and frequency of workers compensation payments in West Virginia.

Further reliance and limitations are contained in the subsequent text, and in the exhibits accompanying the text. The exhibits should be considered an integral part of this report. In the event that Suttle & Stalnaker, PLLC, as the auditors of the OIC, discover any error or inaccuracy in the data underlying this report, we request to be notified as soon as possible.

We have relied upon information from multiple sources including the data from the Third Party Administrators and the files of the Offices of the Insurance Commissioner. We specifically would like to thank Melinda Kiss and Amy Rhodes for their efforts in support of our data gathering and our understanding of the West Virginia workers compensation operating environment. Their assistance in support of our efforts is greatly appreciated.

Qualification to Provide Statement of Actuarial Opinion

This report is provided to the OIC by Christopher S. Carlson, FCAS, MAAA who meets the basic education standards of the Casualty Actuarial Society and the American Academy of Actuaries and continuing education standards of the American Academy of Actuaries to make this statement of actuarial opinion.

Background

From 1913 until July 1st, 2005, the State of West Virginia through the Worker's Compensation Fund was the sole provider of workers compensation coverage to employees in the Mountain State. Larger companies could apply for a self-insurance option. All claims cost and expense was 100 percent retained by the state-operated Fund, known as the Old Fund. As of June 30, 2005, the program was closed to new exposure in preparation for the privatization of the workers compensation insurance program. At that time, the State Legislature established a mutual insurer to insure the workers compensation exposure from July 1, 2005 forward in preparation for allowing private insurers to begin writing compensation coverage along with other commercial coverage.

The run-off of the unpaid claims liability from the policies insured in the Worker's Compensation Fund prior to July 1, 2005, continued under the purview of the Offices of the Insurance Commissioner in the Old Fund. The claims handling of the pending claims in the Old Fund was performed between July 2005 and January 1st, 2008 by BrickStreet Third Party Administrative Services. Since January 1, 2008, the claims have been handled by three Third Party Administrators (TPAs) – Sedgwick, Wells Fargo and American Mining.

The OIC is also responsible for the oversight of the following Funds. The assets and liabilities of these Funds are separate from those of the Old Fund. These Funds include:

1. Coal Workers' Pneumoconiosis Fund
2. Uninsured Employers' Fund
3. Self-Insured Guaranty Fund
4. Self-Insured Security Fund

Data

For portions of our Old Fund analysis, the data used is based on incremental paid losses provided by the OIC and this year directly by the TPAs. We have appended this data to information previously collected and summarized by Ernst & Young on behalf of the OIC and the analyses which they performed. Historical case reserve information prior to the transition to the TPAs was not collected. Therefore, complete historical incurred loss triangles are not available. We are collecting the current case reserve information in hopes of developing sufficient information to create and analyze incurred loss development patterns for use in projecting some of the Old Fund segments where the paid loss development method is the only projection method available. Typically, more than three years of stable reserving is required to begin consideration of the use of incurred loss development patterns.

The available historical payment level of detail is not sufficient enough to allow for the complete construction of paid loss development triangles. Thus, we have relied upon the historical data compilations up to July 2008 developed by the OIC's previous actuarial consultant – Ernst & Young led by Arthur I. Cohen, ACAS, MAAA, in their analyses of the Old Fund's reserves. To this information, we have added the incremental annual payment information in the years of our involvement.

For the longer payment horizon Permanent Total Disability and Fatal claims, we have developed estimates of future costs based upon the specifics of each individual claim and a mortality or lifetime pension model. This technique is a typical approach for these types of claims and can provide a more robust estimate than the traditional triangular model in most cases.

Discount Rate

In order to reflect the time value of money and the fact that many of the projected payment dollars will not be made available to the claimant for some time into the future, we have developed an estimate of discounted value of the unpaid claim estimates. The discounted estimates were developed using a 5.0 percent discount rate as selected by the management of the OIC. This rate is the same rate as was used in many previous analyses. It is our understanding that, even in light of the recent and current investment environment, the selected discount rate is reasonable given the extremely long tailed nature of the payment pattern. We note that no implicit risk load has been included as part of our estimates but we have biased our estimates slightly on the conservative side in areas of judgment to provide some cushion should the long-term actual investment return be less than the expected level in the discount.

Workers Compensation - Old Fund

The Old Fund analysis is comprised of the following components:

- Indemnity Sections
 - Permanent Total Disability
 - Fatal
 - Permanent Partial Disability
 - Temporary Total Disability
- Medical

For each of these types of losses, we have analyzed the paid losses arising from fiscal accident years between July 1, 1985 and June 30, 2005 evaluated as of each June 30th. For Permanent Partial and Medical loss payment types, we had complete payment history for fiscal years from July 1, 1979 as well. The available history between 1979 and 1985 for the Temporary Total losses has a multi-year gap but this is fairly immaterial since there is minimal payment activity for this type of claim beyond 10 years after the occurrence of the accident. To this data, we applied the traditional actuarial loss development technique for the paid loss history. We understand that prior to the privatization of the workers compensation market in West Virginia, there were many changes to the laws which impacted the future payments. With the passage of six years since the privatization and eight years since the last major change in benefits, these changes occurred long enough ago as to not cause any new impacts to the most recent loss developments.

As mentioned above, the Permanent Total Disability and Fatal claims have an extremely long payment horizon based in large part on the claimant or their dependants continuing survival. We have utilized the specific claimant level detail information from the TPA claim files with respect to the age, gender, dependants, benefits awarded and annual survival probability of the claimant and/or the dependant to develop an estimate of future payments.

With this analysis, we have included the liabilities of the Self-Insured Second Injury Fund and Self-Insured Employer Buyouts, Bankruptcies and Catastrophes that have been the financial responsibility of the Old Fund since the conclusion of the monopolistic State Fund. The claims, payments and estimated future costs have been included with the Old Fund analysis rather than performing the separate analyses of these liabilities as had been done in the past.

Summary

The following table displays our estimated required reserves for the West Virginia Workers' Compensation Old Fund and other related Funds unpaid loss and loss adjustment expense costs as of June 30, 2011 on a discounted basis:

| West Virginia Workers' Compensation As of June 30, 2011 (\$ in Millions & Discounted @ 5.00%) | | | |
|--|---|---------------------------------|------------------|
| Old Fund * | | | |
| Indemnity Benefits | | | |
| | <i>Permanent Total Disability</i> | \$1,137.8 | |
| | <i>Fatality (Survivor Benefits)</i> | \$306.3 | |
| | <i>Permanent Partial Disability</i> | \$21.5 | |
| | <i>Temporary Total Disability</i> | \$0.8 | |
| | | Old Fund Indemnity Total | \$1,466.3 |
| Medical Benefits | | | |
| | | Old Fund Medical | \$355.9 |
| | | Old Fund Total | \$1,822.2 |
| Other Related Funds | | | |
| | <i>Coal Workers Pneumoconiosis Fund</i> | \$128.9 | |
| | <i>Uninsured Employers Fund</i> | \$4.5 | |
| | <i>Self Insured Guaranty Fund</i> | \$0.3 | |
| | <i>Self Insured Security Fund</i> | \$0.0 | |
| | | | |
| | <i>Loss Adjustment Expenses (for all Funds under OIC)</i> | \$106.8 | |
| | | | |
| | | Total Indicated Reserves | \$2,062.7 |

* Old Fund includes the Self-Insured Second Injury Fund and Self-Insured Employers Buyouts, Bankruptcies and Catastrophes

A detailed description of the methodology used in the development of these figures along with a discussion of the analysis is provided in the following sections. This report is further supplemented by a number of attached exhibits.

Permanent Total Disability

The largest long-term unpaid cost component of the West Virginia Workers Compensation Old Fund arises from the 7,374 open and any potential future IBNR claims within the permanent total disability (PTD) claim type. PTD Claims are characterized as having long payment duration with relatively large periodic payments, which combine to generate the significant total long-term costs.

The various West Virginia workers compensation law revisions including the privatization of the system have impacted the benefit levels and payment duration of Permanent Total Disability (PTD) benefits provided under the statute. Perhaps most important to our analysis was the impact of Senate Bill 2013 which eliminated benefit escalation for all claims awarded and unawarded as of the effective date of July 1st, 2003. This change essentially takes the inflation in wages out of the estimation and thus for an individual claim, it becomes a question of the length of time in which the benefits will be received (duration). This law and Senate Bill 250 effective May 12th, 1995, made a very significant impact on the ultimate costs for the Old Fund. The projected annual PTD costs for fiscal years after 1995 are less than a quarter of the annual projected costs of the fiscal years prior to 1995.

A summary of the benefit changes is shown below:

| Award Date | Accident Date | Escalation | Maximum Age | Minimum | Maximum |
|--------------------|------------------------|-------------------|--------------------|----------------|----------------|
| Prior to 7/1/2003 | Prior to 7/1/1994 | To 6/30/03 wage | Lifetime | State | 70% of AWW |
| Prior to 7/1/2003 | 7/1/1994 to 5/12/1995 | To 6/30/03 wage | Lifetime | Federal | 70% of AWW |
| Prior to 7/1/2003 | 5/12/1995 to 6/30/2003 | None | 65 | Federal | 66-2/3% of AWW |
| 7/1/2003 & forward | | None | 70 | Federal | 66-2/3% of AWW |

With this analysis, we are including the information from the PTD claims of the Self-Insured 2nd Injury Fund now the financial responsibility of the Old Fund and PTD claims that the Old Fund assumed responsibility for under the Self-Insured Buyout, Bankruptcy and Catastrophe Fund program. The following chart provides a summary of the pending claims receiving permanent total benefits and included in our modeling procedure. We have separated the claims by source but as stated above, understand that all are and have been the financial responsibility of the Old Fund.

| Permanent Total Disability Pending Claim Counts | | | | |
|--|---------------------|---|--------------------------------------|------------------------------|
| | Regular Fund | Self Insured 2nd Injury | SI Buyouts & Bankruptcies | PTD Total Claim Count |
| As of June 2011 | 5,604 | 1,522 | 310 | 7,436 |
| As of June 2010 | 5,866 | 1,640 | 340 | 7,846 |
| Change | -262 | -118 | -30 | - 410 |

With this analysis, we have again developed estimates based upon a mortality model approach to the currently open PTD claims. Within the mortality based analysis model, we have included all currently open claims and the current claimant information on those claims provided from the TPAs and OIC with respect to:

- age,
- gender,
- relationship to claimant, and
- monthly benefit level.

The claimant level detail is used to develop our estimate of unpaid claim liability using a mortality based analysis model (also known as the life pension model). The mortality table, which provides the probability of an individual at age X to survive each successive year, is based upon the US Decennial Life Tables for 1989-91. The mortality model estimates are separated into three components – PTD, Future Fatal and Appeals. The mortality model calculates an estimated unpaid liability using each claimant’s age, gender and monthly benefit level and the probability in each year that the claimant is alive to receive the benefit. The model also considers the potential subsequent payments should the claimant’s death be related to their injuries and a dependant eligible for continued benefits. We note that the dependant related estimate also includes an adjustment for the probability the dependant is not alive to receive the payment.

With this analysis, we are using the mortality model to project the future payments to claimants receiving PTD benefits under the Self-Insured 2nd Injury Fund and claims that the Old Fund assumed responsibility for under the Self-Insured Buyout, Bankruptcy and Catastrophe Fund program. Of the nominal estimated indemnity reserve of the 2nd Injury Fund from the 2010 review of \$406.2 million and based upon the case reserves used in the estimation, we have allocated \$284.3 million to the PTD section.

Similarly of the \$248.1 million in 2010 nominal reserve estimate for the Self-Insured Buyout, Bankruptcy and Catastrophe Fund, we have allocated \$138.2 million to the PTD portion of the benefits. The remainder of the reserve has been allocated to the fatality benefit and medical sections.

Also as part of the claims included within the PTD section, there are 70 claims previously included within the structured settlement portion of the Permanent Partial Disability (PPD) section. These claims are part of a program begun in mid-1999 which allowed the Fund and the claimants to enter into lump sum settlements and structured settlements. These structured settlements obligate the Old Fund based upon the details of the agreement. In prior reviews, a separate amount was included within the PPD estimate for structured settlements. Of the nominal reserve estimate of \$26.7 million for structure settlements included in our estimate of unpaid liability for PPD, we have allocated 85% to the PTD section. This allocation results in an addition of \$22.7 million on a nominal basis and \$18.1 million on a discounted basis to the reserves previously considered to have been held for PTD claims as of June 2010.

Thus, in total, with the \$1,420.9 million from the “regular” portion of the Old Fund, we estimate that the total PTD reserves were \$1,866.2 million as of June 30, 2010.

As part of the mortality modeling, in addition to the estimation of future benefits directly to the injured worker, we have modeled the projected potential cost of survivor (fatality) benefits associated with these PTD claims should the claimant’s death be attributed to their injury. Survivors are typically granted 104 weeks of benefits while their application for fatality benefits is reviewed. This area is where the estimates developed through the use of the traditional paid loss development method based upon historical payment data and our understanding components of the case reserves established by the TPAs differ. The case reserves include their best estimate of the future benefits to the injured work and if applicable, the additional 104 weeks to the surviving dependant(s) as well as a provision for on-going survivor benefits if the nature of the injury is likely to be the ultimate cause of death of the worker. They do not establish a separate fatality (survivor benefit) reserve until the application for this benefit is submitted. Thus, a straight comparison of the model estimates in the report with the TPA case reserves requires an addition of the modeled survivor benefits from claims where the injured worker is still alive or application for survivor benefits has not yet been made. As such, we have not included the case reserves from the TPAs in our presentations.

In the actuarial analysis and following the process used in prior reviews both by Pinnacle and the prior actuaries, a separate provision within the Fatality section of the estimates was estimated for these IBNR claims. We are attempting to estimate the future costs as they will be ultimately recorded/reported. These IBNR Fatality claims are only Incurred But Not Reported in the sense that, for a majority of the future survivor benefits awards, the injured worker is already receiving PTD benefits but a survivor award has not yet been determined. We have assumed in our estimation that 70 percent of the claims with eligible beneficiaries will be awarded survivor benefits.

We have also reviewed the inception to date payment data in the traditional loss development format for fiscal years 1986 through 2005. This information was used to develop estimates of costs and ultimate claim counts using the traditional paid loss development methodology. We included the incremental payment data from past 12 months as supplied by the TPAs to our triangle data from our prior analysis. The claim count development data is utilized to estimate the number of ultimate claims and the still to emerge IBNR claims.

This year, we have included the available historical information of the Self-Insured Second Injury Fund and the information from the Self-Insured Buyouts, Bankruptcies and Catastrophes in the last three diagonals of the payment triangle and the last diagonal of the claim count triangle. We have removed the known payments from the settlements being aggressively pursued by the TPAs. The selected age to age factors for the payment triangle reflect the latest two factor diagonals while the claim counts rely upon the historical changes prior to the last 12 months.

In reflecting the potential future development of the losses and expected claim payments beyond 26 years in the traditional paid loss development method, we have developed a tail factor. We used the paid information for fiscal year 1986 and our projection of 1985 from the mortality

model to develop a tail factor of slightly less than 32%. This factor tells us that in addition to the payments made in the first 26 years of a policy periods development, we would expect to pay an additional 32% in dollar terms more before all of the claims from that policy period are closed. In another way of thinking about it, after 26 years roughly three-quarters (76%) of the total payments have been made

Based on the historical development of the PTD awards, we expect an additional 332 claims to be awarded PTD status for the years under the obligation of the Old Fund including the Self-Insured Second Injury Fund and Self-Insured Buyout, Bankruptcies and Catastrophes. We have added an IBNR expectation based upon the expected future claim count and average claim cost to the estimates developed with the mortality model to reflect the total unpaid liability for all known and unknown PTD claims. We note that the traditional paid loss development method implicitly includes this component. The estimated cost of PTD claims not yet reported is \$141 million.

With various estimates in hand – mortality model estimates and loss development methods, we have placed less reliance upon the development methods with this analysis by averaging the estimated reserves from the development method with the estimated reserves from the mortality model plus the IBNR estimates. As mentioned above, we have removed the paid losses from the increased efforts to enter into settlement agreements with PTD claimants from the triangular data to limit the potential impact on the loss development method.

In order to moderate the impact of the continued methodology transition and reflect some of the uncertainty that is inherent in any estimates, we have in some cases tempered the reflection of the newer information with the previous estimates. We feel this is a reasonable approach to the inclusion and reflection of the updated estimates based upon new data.

| Old Fund Permanent Total Disability * | | |
|---|--------------------------|--------------------------|
| Estimated Unpaid Liabilities as of June 30, 2011 | | |
| | Nominal | Discounted |
| Current Total PTD Liability* | \$1,791.7 Million | \$1,137.8 Million |
| Prior Total PTD Liability* | \$1,866.2 Million | \$1,172.8 Million |
| <i>Change in Total PTD Liability</i> | <i>-\$74.5 Million</i> | <i>-\$34.9 Million</i> |

*including liabilities within the Self-Insured 2nd Injury Fund and the Self-Insured Buyouts, Bankruptcies and Catastrophe programs as well as claims previously included in the Structured Settlement program.

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

(Dollar Amounts in Thousands)

Permanent Total Disability Central Estimates by Accident Year

| Accident Year | Prior Central Estimate Nominal Reserves (1) | 2011 Fiscal Year Payments (2) | Adjusted Prior Central Estimate Nominal Reserves (3) | Model Central Estimate Nominal Reserves (4) | Estimated IBNR Reserves (5) | Model Plus IBNR Reserves (6) | Triangle Central Estimate Nominal Reserves (7) | Final Central Estimate Nominal Reserves (8) | Model Central Estimate Discounted Reserves (9) | Implied Discount (10) | Final Central Estimate Discounted Reserves (11) |
|---------------|---|-------------------------------|--|---|-----------------------------|------------------------------|--|---|--|-----------------------|---|
| Prior | 12,859 | 1,554 | 11,305 | 10,899 | 0 | 10,899 | | 10,899 | 8,120 | 0.745 | 8,120 |
| 1969 | 1,935 | 236 | 1,699 | 1,436 | 0 | 1,436 | | 1,436 | 1,025 | 0.714 | 1,025 |
| 1970 | 3,872 | 410 | 3,462 | 3,382 | 0 | 3,382 | | 3,382 | 2,458 | 0.727 | 2,458 |
| 1971 | 4,440 | 491 | 3,949 | 4,028 | 0 | 4,028 | | 4,028 | 2,848 | 0.707 | 2,848 |
| 1972 | 4,959 | 455 | 4,503 | 4,214 | 0 | 4,214 | | 4,214 | 2,973 | 0.705 | 2,973 |
| 1973 | 7,272 | 579 | 6,692 | 5,254 | 0 | 5,254 | | 5,254 | 3,669 | 0.698 | 3,669 |
| 1974 | 5,128 | 571 | 4,557 | 5,018 | 0 | 5,018 | | 5,018 | 3,449 | 0.687 | 3,449 |
| 1975 | 7,751 | 684 | 7,066 | 6,955 | 0 | 6,955 | | 6,955 | 4,756 | 0.684 | 4,756 |
| 1976 | 11,644 | 1,105 | 10,539 | 10,831 | 0 | 10,831 | | 10,831 | 7,487 | 0.691 | 7,487 |
| 1977 | 14,054 | 1,172 | 12,882 | 12,088 | 0 | 12,088 | | 12,088 | 8,213 | 0.679 | 8,213 |
| 1978 | 18,477 | 1,534 | 16,944 | 17,158 | 0 | 17,158 | | 17,158 | 11,479 | 0.669 | 11,479 |
| 1979 | 27,468 | 2,561 | 24,907 | 26,215 | 0 | 26,215 | | 26,215 | 17,767 | 0.678 | 17,767 |
| 1980 | 33,340 | 2,719 | 30,621 | 32,369 | 0 | 32,369 | | 32,369 | 21,172 | 0.654 | 21,172 |
| 1981 | 37,890 | 3,161 | 34,729 | 36,777 | 0 | 36,777 | | 36,777 | 23,971 | 0.652 | 23,971 |
| 1982 | 55,011 | 4,308 | 50,703 | 52,690 | 500 | 53,190 | | 53,190 | 34,348 | 0.652 | 34,674 |
| 1983 | 55,911 | 4,506 | 51,405 | 54,370 | 1,000 | 55,370 | | 55,370 | 35,469 | 0.652 | 36,121 |
| 1984 | 70,145 | 5,353 | 64,792 | 67,672 | 1,000 | 68,672 | | 68,672 | 43,764 | 0.647 | 44,411 |
| 1985 | 96,406 | 7,177 | 89,229 | 93,699 | 1,500 | 95,199 | | 95,199 | 60,053 | 0.641 | 61,014 |
| 1986 | 98,847 | 7,979 | 90,868 | 101,436 | 2,500 | 103,936 | 105,307 | 101,183 | 65,298 | 0.644 | 65,135 |
| 1987 | 102,673 | 8,224 | 94,449 | 110,989 | 3,000 | 113,989 | 71,554 | 93,191 | 70,651 | 0.637 | 59,321 |
| 1988 | 104,794 | 8,240 | 96,553 | 114,742 | 3,500 | 118,242 | 79,917 | 98,448 | 71,561 | 0.624 | 61,399 |
| 1989 | 113,031 | 8,412 | 104,619 | 123,375 | 4,000 | 127,375 | 92,342 | 108,549 | 76,921 | 0.623 | 67,677 |
| 1990 | 118,132 | 9,027 | 109,105 | 135,690 | 4,500 | 140,190 | 111,444 | 121,639 | 84,473 | 0.623 | 75,726 |
| 1991 | 125,079 | 9,177 | 115,902 | 139,709 | 4,500 | 144,209 | 115,984 | 126,548 | 86,211 | 0.617 | 78,090 |
| 1992 | 134,756 | 9,577 | 125,179 | 154,372 | 4,863 | 159,235 | 117,953 | 135,240 | 94,258 | 0.611 | 82,576 |
| 1993 | 122,485 | 8,004 | 114,482 | 128,026 | 4,723 | 132,749 | 110,316 | 119,770 | 77,599 | 0.606 | 72,595 |
| 1994 | 118,563 | 7,670 | 110,893 | 123,538 | 4,515 | 128,053 | 111,174 | 117,433 | 75,102 | 0.608 | 71,392 |
| 1995 | 105,797 | 5,966 | 99,831 | 93,149 | 4,117 | 97,266 | 102,831 | 99,994 | 56,490 | 0.606 | 60,641 |
| 1996 | 20,311 | 1,614 | 18,696 | 10,064 | 1,417 | 11,482 | 27,405 | 19,257 | 7,147 | 0.710 | 13,675 |
| 1997 | 22,848 | 1,458 | 21,390 | 11,727 | 1,456 | 13,182 | 25,580 | 19,884 | 8,420 | 0.718 | 14,276 |
| 1998 | 24,339 | 1,436 | 22,902 | 12,120 | 1,609 | 13,729 | 30,070 | 22,150 | 8,525 | 0.703 | 15,580 |
| 1999 | 26,308 | 1,677 | 24,631 | 14,346 | 2,436 | 16,783 | 36,964 | 26,313 | 9,867 | 0.688 | 18,098 |
| 2000 | 33,054 | 1,569 | 31,485 | 15,074 | 10,516 | 25,590 | 29,684 | 28,599 | 10,109 | 0.671 | 19,178 |
| 2001 | 28,642 | 745 | 27,898 | 6,022 | 15,731 | 21,753 | 26,027 | 24,892 | 4,283 | 0.711 | 17,705 |
| 2002 | 25,533 | 543 | 24,991 | 6,208 | 12,556 | 18,764 | 18,700 | 18,732 | 3,863 | 0.622 | 11,654 |
| 2003 | 28,985 | 632 | 28,353 | 6,874 | 16,218 | 23,092 | 19,328 | 21,210 | 4,057 | 0.590 | 12,517 |
| 2004 | 21,862 | 146 | 21,716 | 1,856 | 17,150 | 19,006 | 20,099 | 19,553 | 1,245 | 0.671 | 13,114 |
| 2005 | 21,626 | 97 | 21,529 | 1,763 | 17,500 | 19,263 | 20,903 | 20,083 | 1,041 | 0.590 | 11,857 |
| Total | 1,866,226 | 130,769 | 1,735,457 | 1,756,138 | 140,806 | 1,896,944 | | 1,791,724 | 1,110,142 | | 1,137,814 |

Notes:

- (1) Pinnacle prior report (incl SI 2nd Injury, Buyouts, Bankruptcies & Cats, and Structured Settlements).
- (2) Provided by client.
- (3) = (1) - (2)
- (4) Calculated by individual claim using actuarial life table
- (5) Page 6, Col (6)
- (6) = (4) + (5)
- (7) Page 7, Col (19) - Page 7, Col (2)
- (8) Judgmental Selection
- (9) Calculated by individual claim using actuarial life tables.
- (10) = (9) / (4)
- (11) = Col (10) x Col (8)

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

PTD Section
 Page 6

(Dollar Amounts in Thousands)

Permanent Total Disability Central Estimates by Accident Year

| <u>Policy Period</u> | <u>Awarded Claim Counts</u> | <u>Selected Losses Counts</u> | <u>Estimated IBNR Counts</u> | <u>Selected Losses Severity</u> | <u>Estimated IBNR Costs (000s)</u> |
|-----------------------|-----------------------------|-------------------------------|------------------------------|---------------------------------|------------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 6/30/1979 - 6/30/1980 | 301 | 301 | 0 | 500,000 | - |
| 6/30/1980 - 6/30/1981 | 340 | 340 | 0 | 500,000 | - |
| 6/30/1981 - 6/30/1982 | 381 | 382 | 1 | 500,000 | 500 |
| 6/30/1982 - 6/30/1983 | 350 | 352 | 2 | 500,000 | 1,000 |
| 6/30/1983 - 6/30/1984 | 407 | 409 | 2 | 500,000 | 1,000 |
| 6/30/1984 - 6/30/1985 | 472 | 475 | 3 | 500,000 | 1,500 |
| 6/30/1985 - 6/30/1986 | 498 | 503 | 5 | 500,000 | 2,500 |
| 6/30/1986 - 6/30/1987 | 531 | 537 | 6 | 500,000 | 3,000 |
| 6/30/1987 - 6/30/1988 | 561 | 568 | 7 | 500,000 | 3,500 |
| 6/30/1988 - 6/30/1989 | 576 | 584 | 8 | 500,000 | 4,000 |
| 6/30/1989 - 6/30/1990 | 583 | 592 | 9 | 500,000 | 4,500 |
| 6/30/1990 - 6/30/1991 | 551 | 560 | 9 | 500,000 | 4,500 |
| 6/30/1991 - 6/30/1992 | 532 | 542 | 10 | 486,289 | 4,863 |
| 6/30/1992 - 6/30/1993 | 449 | 459 | 10 | 472,344 | 4,723 |
| 6/30/1993 - 6/30/1994 | 415 | 424 | 9 | 501,687 | 4,515 |
| 6/30/1994 - 6/30/1995 | 322 | 330 | 8 | 514,577 | 4,117 |
| 6/30/1995 - 6/30/1996 | 94 | 97 | 3 | 472,426 | 1,417 |
| 6/30/1996 - 6/30/1997 | 80 | 83 | 3 | 485,184 | 1,456 |
| 6/30/1997 - 6/30/1998 | 80 | 83 | 3 | 536,344 | 1,609 |
| 6/30/1998 - 6/30/1999 | 80 | 84 | 4 | 609,095 | 2,436 |
| 6/30/1999 - 6/30/2000 | 51 | 70 | 19 | 553,462 | 10,516 |
| 6/30/2000 - 6/30/2001 | 33 | 65 | 32 | 491,583 | 15,731 |
| 6/30/2001 - 6/30/2002 | 27 | 63 | 36 | 348,769 | 12,556 |
| 6/30/2002 - 6/30/2003 | 17 | 61 | 44 | 368,582 | 16,218 |
| 6/30/2003 - 6/30/2004 | 10 | 59 | 49 | 350,000 | 17,150 |
| 6/30/2004 - 6/30/2005 | 7 | 57 | 50 | 350,000 | 17,500 |
| Total | 7,748 | 8,080 | 332 | | 140,806 |

Notes:

- (2) Provided by Client
- (3) Page 3, Col (13)
- (4) Col (3) - Col (2)
- (5) Judgmental Selection
- (6) Col (4) x Col (5) / 1,000

State of West Virginia
Workers' Compensation Fund - Old Fund

Reserves as of 06/30/2011

Development of Indicated Loss Reserves (in 000s)

Permanent Total Disability

| Policy Period (1) | CENTRAL ESTIMATE | | | | | | | | | | | | | | | | Cnts. & Avgs. Ultimate Losses (000s) (18) | Central Ultimate Losses (in 000s) (19) |
|-----------------------|------------------------------|------------------------------|--|-----------------|---------------------------------|--|--|--|------------------------------------|-------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|-------------------------------|--|--|---|--|
| | Paid Losses (000s) (2) | Expected % of Ult. (3) | Estimated Ultimate Losses (000s) (4) | Exposure (5) | Preliminary Loss Cost (6) | Loss Cost Trended at 2.0% (7) | Selected "a priori" Loss Cost (8) | B-F Ultimate Losses (000s) (9) | Awarded Claim Counts (10) | Expected % of Ult. (11) | Ultimate Losses Counts (12) | Selected Losses Counts (13) | Paid Claim Severity (14) | Expected % of Ult. (15) | Ultimate Losses Severity (16) | Selected Losses Severity (17) | | |
| 6/30/1979 - 6/30/1980 | | | | | | | | | 301 | 99.90% | 301 | 301 | | | | | | |
| 6/30/1980 - 6/30/1981 | | | | | | | | | 340 | 99.90% | 340 | 340 | | | | | | |
| 6/30/1981 - 6/30/1982 | | | | | | | | | 381 | 99.70% | 382 | 382 | | | | | | |
| 6/30/1982 - 6/30/1983 | | | | | | | | | 350 | 99.60% | 352 | 352 | | | | | | |
| 6/30/1983 - 6/30/1984 | | | | | | | | | 407 | 99.45% | 409 | 409 | | | | | | |
| 6/30/1984 - 6/30/1985 | | | | | | | | | 472 | 99.30% | 475 | 475 | | | | | | |
| 6/30/1985 - 6/30/1986 | 191,467 | 64.52% | 296,774 | | | | | 498 | 99.10% | 503 | 503 | 384,357 | 66.51% | 577,855 | 577,855 | 290,661 | 296,774 | |
| 6/30/1986 - 6/30/1987 | 190,682 | 72.71% | 262,236 | | | | | 531 | 98.88% | 537 | 537 | 358,876 | 64.78% | 553,967 | 553,967 | 297,480 | 262,236 | |
| 6/30/1987 - 6/30/1988 | 181,121 | 69.39% | 261,038 | | | | | 561 | 98.78% | 568 | 568 | 322,797 | 63.18% | 510,900 | 510,900 | 290,191 | 261,038 | |
| 6/30/1988 - 6/30/1989 | 179,652 | 66.05% | 271,994 | | | | | 576 | 98.64% | 584 | 584 | 311,896 | 61.11% | 510,397 | 510,397 | 298,072 | 271,994 | |
| 6/30/1989 - 6/30/1990 | 174,874 | 62.72% | 278,807 | 634 | 439.76 | 591.86 | 439.76 | 583 | 98.46% | 592 | 592 | 299,956 | 58.93% | 509,021 | 509,021 | 301,340 | 286,318 | |
| 6/30/1990 - 6/30/1991 | 158,441 | 59.37% | 266,860 | 630 | 423.65 | 559.00 | 439.76 | 551 | 98.27% | 560 | 560 | 287,797 | 56.46% | 509,705 | 509,705 | 285,435 | 274,425 | |
| 6/30/1991 - 6/30/1992 | 139,053 | 55.80% | 249,204 | 637 | 391.52 | 506.48 | 423.65 | 532 | 98.06% | 542 | 542 | 261,461 | 53.77% | 486,289 | 486,289 | 263,569 | 257,006 | |
| 6/30/1992 - 6/30/1993 | 107,930 | 51.97% | 207,689 | 650 | 319.33 | 404.98 | 391.52 | 449 | 97.92% | 459 | 459 | 240,208 | 50.85% | 472,344 | 472,344 | 216,806 | 218,246 | |
| 6/30/1993 - 6/30/1994 | 99,239 | 47.91% | 207,151 | 674 | 307.30 | 382.09 | 319.33 | 415 | 97.80% | 424 | 424 | 239,131 | 47.67% | 501,687 | 501,687 | 212,715 | 210,413 | |
| 6/30/1994 - 6/30/1995 | 73,706 | 43.97% | 167,609 | 688 | 243.55 | 296.88 | 307.30 | 322 | 97.45% | 330 | 330 | 228,900 | 44.48% | 514,577 | 514,577 | 169,811 | 176,536 | |
| 6/30/1995 - 6/30/1996 | 18,420 | 40.20% | 45,825 | 700 | 65.46 | 78.24 | 65.46 | 94 | 96.87% | 97 | 97 | 195,811 | 41.19% | 475,399 | 475,399 | 46,114 | 45,825 | |
| 6/30/1996 - 6/30/1997 | 14,690 | 36.48% | 40,270 | 707 | 56.98 | 66.77 | 56.98 | 80 | 96.68% | 83 | 83 | 183,623 | 37.67% | 487,470 | 487,470 | 40,460 | 40,270 | |
| 6/30/1997 - 6/30/1998 | 14,447 | 32.45% | 44,517 | 718 | 62.01 | 71.23 | 62.01 | 80 | 95.98% | 83 | 83 | 180,587 | 34.13% | 529,158 | 529,158 | 43,920 | 44,517 | |
| 6/30/1998 - 6/30/1999 | 14,200 | 27.75% | 51,164 | 726 | 70.48 | 79.38 | 70.48 | 80 | 95.36% | 84 | 84 | 177,494 | 29.68% | 597,971 | 597,971 | 50,230 | 51,164 | |
| 6/30/1999 - 6/30/2000 | 9,059 | 23.38% | 38,742 | 735 | 52.71 | 58.20 | 52.71 | 51 | 94.95% | 54 | 70 | 177,618 | 25.29% | 702,420 | 597,971 | 41,858 | 38,742 | |
| 6/30/2000 - 6/30/2001 | 5,926 | 18.55% | 31,953 | 736 | 43.41 | 46.99 | 43.41 | 33 | 91.71% | 36 | 65 | 179,575 | 21.05% | 853,192 | 597,971 | 38,868 | 31,953 | |
| 6/30/2001 - 6/30/2002 | 3,272 | 14.89% | 21,972 | 731 | 30.04 | 31.88 | 30.04 | 27 | 89.13% | 30 | 63 | 121,194 | 16.86% | 718,664 | 597,971 | 37,672 | 21,972 | |
| 6/30/2002 - 6/30/2003 | 3,156 | 11.52% | 27,402 | 727 | 37.69 | 39.21 | 30.04 | 17 | 86.12% | 20 | 61 | 185,642 | 12.66% | 1,466,205 | 597,971 | 36,476 | 22,483 | |
| 6/30/2003 - 6/30/2004 | 1,098 | 9.08% | 12,101 | 736 | 16.45 | 16.78 | 30.04 | 10 | 82.64% | 12 | 59 | 109,826 | 9.37% | 1,172,397 | 597,971 | 35,280 | 21,197 | |
| 6/30/2004 - 6/30/2005 | 461 | 6.94% | 6,636 | 748 | 8.88 | 8.88 | 30.04 | 7 | 73.34% | 10 | 57 | 65,810 | 7.07% | 930,187 | 597,971 | 34,084 | 21,364 | |
| Total | 1,580,894 | | 2,789,946 | 11,177 | 160.58 | | | 1,781,328 | 7,748 | | 7,867 | 8,080 | | | | 3,031,042 | 2,854,457 | |

Selected Loss Costs: 95/96 and subs. 50.00
for Trended 89/90 through 94/95 457.00

Notes:

- (2), (5), (10) Provided by Client
- (3), (11), (15) Percentages of Ultimate are based upon Appendix 1
- (4), (12), (16) Col (2) / Col (3), Col (10) / Col (11) and Col (14) / Col (15), respectively
- (6) Col (4) / Col (5)
- (7) Col (6) x trend factor 2.0% per annum
- (8) Selected Col (7) detrended at 2.0% per annum
- (9) {Col (5) x Col (8) x [1 - Col (3)]} + Col (2)
- (13), (17) Judgmental Selection
- (14) Col (2) x 1000 / Col (10)
- (18) Col (13) x Col (17) / 1000

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability
 Cumulative Indemnity Payments (in 000s)

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 |
| 6/30/1985 - 6/30/1986 | 10,416 | 18,069 | 28,418 | 37,709 | 50,194 | 61,865 | 74,588 | 86,446 | 94,596 | 103,137 | 110,907 | 118,716 | 126,498 | 133,514 | 140,422 | 146,852 | 153,260 | 159,387 | 165,203 | 174,605 | 183,488 | 191,467 |
| 6/30/1986 - 6/30/1987 | 10,286 | 18,913 | 27,591 | 41,034 | 52,050 | 63,648 | 75,822 | 85,279 | 94,926 | 103,094 | 112,394 | 120,422 | 127,995 | 135,864 | 143,375 | 150,330 | 157,146 | 163,641 | 173,221 | 182,458 | 190,682 | |
| 6/30/1987 - 6/30/1988 | 9,966 | 16,413 | 29,153 | 39,659 | 50,638 | 61,277 | 70,222 | 80,067 | 89,040 | 98,815 | 108,301 | 116,802 | 124,728 | 132,355 | 139,998 | 147,320 | 154,292 | 163,561 | 172,881 | 181,121 | | |
| 6/30/1988 - 6/30/1989 | 6,003 | 15,486 | 24,665 | 34,294 | 45,277 | 55,481 | 66,834 | 76,769 | 86,945 | 98,225 | 108,284 | 117,400 | 126,459 | 135,208 | 143,478 | 151,874 | 161,790 | 171,240 | 179,652 | | | |
| 6/30/1989 - 6/30/1990 | 9,339 | 16,784 | 23,720 | 32,054 | 41,113 | 54,043 | 64,025 | 74,868 | 87,240 | 98,685 | 108,736 | 118,633 | 127,626 | 136,427 | 145,007 | 155,490 | 165,847 | 174,874 | | | | |
| 6/30/1990 - 6/30/1991 | 12,260 | 16,838 | 22,462 | 29,852 | 41,493 | 50,290 | 61,661 | 72,966 | 83,489 | 92,995 | 102,285 | 111,437 | 120,032 | 128,274 | 139,046 | 149,265 | 158,441 | | | | | |
| 6/30/1991 - 6/30/1992 | 4,975 | 8,520 | 13,475 | 23,269 | 31,560 | 41,285 | 52,799 | 63,906 | 74,004 | 83,040 | 91,657 | 99,917 | 108,115 | 118,848 | 129,475 | 139,053 | | | | | | |
| 6/30/1992 - 6/30/1993 | 1,900 | 4,522 | 10,625 | 16,794 | 25,125 | 34,404 | 43,911 | 52,746 | 60,259 | 67,390 | 75,156 | 81,989 | 91,252 | 99,927 | 107,930 | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1,570 | 5,660 | 10,966 | 18,287 | 27,039 | 35,955 | 43,921 | 52,232 | 59,569 | 67,191 | 74,295 | 83,249 | 91,570 | 99,239 | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 2,598 | 5,238 | 9,467 | 15,596 | 23,415 | 29,885 | 36,023 | 42,252 | 48,164 | 54,103 | 61,148 | 67,739 | 73,706 | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 556 | 1,038 | 1,776 | 4,014 | 5,466 | 7,265 | 9,305 | 11,101 | 12,542 | 14,769 | 16,806 | 18,420 | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 772 | 1,271 | 2,244 | 3,510 | 4,797 | 6,098 | 7,381 | 8,734 | 10,773 | 13,232 | 14,690 | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 789 | 1,377 | 2,287 | 3,790 | 5,101 | 6,573 | 7,989 | 10,492 | 13,011 | 14,447 | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 966 | 1,644 | 2,509 | 3,409 | 5,060 | 6,912 | 9,545 | 12,522 | 14,200 | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 374 | 645 | 1,480 | 2,436 | 3,691 | 5,560 | 7,489 | 9,059 | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 539 | 866 | 1,467 | 2,535 | 3,735 | 5,181 | 5,926 | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 679 | 1,008 | 1,369 | 2,119 | 2,729 | 3,272 | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1,033 | 1,306 | 1,728 | 2,524 | 3,156 | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 669 | 799 | 952 | 1,098 | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 313 | 364 | 461 | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability

Cumulative Indemnity Payments (in

Report-to-Report Development Factors

PTD Section
 Appendix 1
 Page 2

| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | Ultimate |
|--------------------------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|
| | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | Ultimate | |
| 6/30/1985 - 6/30/1986 | 1.7347 | 1.5727 | 1.3269 | 1.3311 | 1.2325 | 1.2057 | 1.1590 | 1.0943 | 1.0903 | 1.0753 | 1.0704 | 1.0655 | 1.0555 | 1.0517 | 1.0458 | 1.0436 | 1.0400 | 1.0365 | 1.0569 | 1.0509 | 1.0435 | | |
| 6/30/1986 - 6/30/1987 | 1.8387 | 1.4588 | 1.4872 | 1.2685 | 1.2228 | 1.1913 | 1.1247 | 1.1131 | 1.0861 | 1.0902 | 1.0714 | 1.0629 | 1.0615 | 1.0553 | 1.0485 | 1.0453 | 1.0413 | 1.0585 | 1.0533 | 1.0451 | | | |
| 6/30/1987 - 6/30/1988 | 1.6469 | 1.7762 | 1.3604 | 1.2768 | 1.2101 | 1.1460 | 1.1402 | 1.1121 | 1.1098 | 1.0960 | 1.0785 | 1.0679 | 1.0611 | 1.0578 | 1.0523 | 1.0473 | 1.0601 | 1.0570 | 1.0477 | | | | |
| 6/30/1988 - 6/30/1989 | 2.5797 | 1.5927 | 1.3904 | 1.3203 | 1.2254 | 1.2046 | 1.1486 | 1.1325 | 1.1297 | 1.1024 | 1.0842 | 1.0772 | 1.0692 | 1.0612 | 1.0585 | 1.0653 | 1.0584 | 1.0491 | | | | | |
| 6/30/1989 - 6/30/1990 | 1.7972 | 1.4133 | 1.3514 | 1.2826 | 1.3145 | 1.1847 | 1.1694 | 1.1653 | 1.1312 | 1.1019 | 1.0910 | 1.0758 | 1.0690 | 1.0629 | 1.0723 | 1.0666 | 1.0544 | | | | | | |
| 6/30/1990 - 6/30/1991 | 1.3734 | 1.3340 | 1.3290 | 1.3900 | 1.2120 | 1.2261 | 1.1833 | 1.1442 | 1.1139 | 1.0999 | 1.0895 | 1.0771 | 1.0687 | 1.0840 | 1.0735 | 1.0615 | | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.7125 | 1.5816 | 1.7269 | 1.3563 | 1.3082 | 1.2789 | 1.2104 | 1.1580 | 1.1221 | 1.1038 | 1.0901 | 1.0820 | 1.0993 | 1.0894 | 1.0740 | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 2.3801 | 2.3496 | 1.5806 | 1.4961 | 1.3693 | 1.2763 | 1.2012 | 1.1424 | 1.1183 | 1.1152 | 1.0909 | 1.1130 | 1.0951 | 1.0801 | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 3.6044 | 1.9374 | 1.6677 | 1.4786 | 1.3297 | 1.2216 | 1.1892 | 1.1405 | 1.1280 | 1.1057 | 1.1205 | 1.1000 | 1.0838 | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 2.0157 | 1.8075 | 1.6474 | 1.5013 | 1.2763 | 1.2054 | 1.1729 | 1.1399 | 1.1233 | 1.1302 | 1.1078 | 1.0881 | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.8673 | 1.7107 | 2.2598 | 1.3616 | 1.3292 | 1.2807 | 1.1930 | 1.1297 | 1.1776 | 1.1379 | 1.0960 | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 1.6464 | 1.7657 | 1.5641 | 1.3667 | 1.2712 | 1.2103 | 1.1834 | 1.2334 | 1.2283 | 1.1101 | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.7463 | 1.6609 | 1.6570 | 1.3461 | 1.2886 | 1.2155 | 1.3133 | 1.2400 | 1.1104 | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.7017 | 1.5256 | 1.3590 | 1.4843 | 1.3661 | 1.3809 | 1.3119 | 1.1339 | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 1.7264 | 2.2935 | 1.6463 | 1.5149 | 1.5064 | 1.3470 | 1.2096 | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.6071 | 1.6930 | 1.7281 | 1.4734 | 1.3872 | 1.1437 | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.4839 | 1.3584 | 1.5478 | 1.2879 | 1.1989 | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.2642 | 1.3230 | 1.4610 | 1.2502 | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.1952 | 1.1909 | 1.1537 | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1.1610 | 1.2662 | | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.8041 | 1.6306 | 1.5392 | 1.3770 | 1.2970 | 1.2324 | 1.1940 | 1.1485 | 1.1284 | 1.1057 | 1.0900 | 1.0809 | 1.0737 | 1.0678 | 1.0607 | 1.0549 | 1.0508 | 1.0503 | 1.0526 | 1.0480 | 1.0435 | | |
| Last 5 | 1.3423 | 1.3663 | 1.5074 | 1.4021 | 1.3494 | 1.2595 | 1.2422 | 1.1754 | 1.1535 | 1.1198 | 1.1011 | 1.0920 | 1.0831 | 1.0755 | 1.0661 | 1.0572 | 1.0508 | | | | | | |
| Last 3 | 1.2068 | 1.2600 | 1.3875 | 1.3372 | 1.3642 | 1.2905 | 1.2782 | 1.2025 | 1.1721 | 1.1261 | 1.1081 | 1.1003 | 1.0927 | 1.0845 | 1.0733 | 1.0645 | 1.0576 | 1.0549 | 1.0526 | | | | |
| Avg. x High/Low | 1.7399 | 1.6151 | 1.5195 | 1.3763 | 1.2895 | 1.2281 | 1.1902 | 1.1454 | 1.1231 | 1.1055 | 1.0888 | 1.0792 | 1.0726 | 1.0669 | 1.0610 | 1.0549 | 1.0514 | 1.0531 | 1.0533 | | | | |
| Avg. x 08-09 Dev | 1.8362 | 1.6468 | 1.5387 | 1.3714 | 1.2839 | 1.2225 | 1.1855 | 1.1420 | 1.1243 | 1.1035 | 1.0870 | 1.0774 | 1.0705 | 1.0655 | 1.0588 | 1.0529 | 1.0485 | 1.0475 | 1.0505 | 1.0480 | 1.0435 | | |
| Volume Weighted | 1.7994 | 1.5853 | 1.4513 | 1.3476 | 1.2641 | 1.2125 | 1.1709 | 1.1347 | 1.1161 | 1.1006 | 1.0874 | 1.0788 | 1.0722 | 1.0669 | 1.0605 | 1.0551 | 1.0509 | 1.0504 | 1.0526 | 1.0479 | 1.0435 | | |
| Regular Fund | 1.8737 | 1.6960 | 1.5676 | 1.3850 | 1.2826 | 1.2190 | 1.1730 | 1.1338 | 1.1153 | 1.0989 | 1.0833 | 1.0726 | 1.0642 | 1.0578 | 1.0513 | 1.0454 | 1.0407 | 1.0365 | | | | | |
| Old Fund | 1.1610 | 1.2286 | 1.3074 | 1.2690 | 1.2931 | 1.2453 | 1.2607 | 1.1870 | 1.1694 | 1.1240 | 1.1019 | 1.0940 | 1.0894 | 1.0848 | 1.0737 | 1.0640 | 1.0564 | 1.0531 | 1.0505 | 1.0480 | 1.0435 | | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | | | | | | | | | 0.582066 |
| Central Estimate | 1.2068 | 1.2892 | 1.4898 | 1.4102 | 1.3968 | 1.2928 | 1.2431 | 1.1790 | 1.1569 | 1.1119 | 1.0955 | 1.0864 | 1.0754 | 1.0682 | 1.0598 | 1.0526 | 1.0442 | 1.0402 | 1.0359 | 1.0338 | 1.3753 | 0.52978 | |
| | | | | | | | | | | | | | | | | | | | | | | | 0.633506 |
| Pinnacle Selected: | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.2068 | 1.2286 | 1.3074 | 1.2690 | 1.2931 | 1.2453 | 1.2607 | 1.1870 | 1.1694 | 1.1240 | 1.1019 | 1.0940 | 1.0894 | 1.0848 | 1.0737 | 1.0640 | 1.0564 | 1.0531 | 1.0505 | 1.0480 | 1.0435 | 1.3179 | |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 21.3583 | 17.6979 | 14.4055 | 11.0188 | 8.6827 | 6.7148 | 5.3920 | 4.2769 | 3.6032 | 3.0814 | 2.7414 | 2.4878 | 2.2740 | 2.0874 | 1.9243 | 1.7922 | 1.6843 | 1.5943 | 1.5140 | 1.4412 | 1.3753 | 1.5500 | |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 4.68% | 5.65% | 6.94% | 9.08% | 11.52% | 14.89% | 18.55% | 23.38% | 27.75% | 32.45% | 36.48% | 40.20% | 43.97% | 47.91% | 51.97% | 55.80% | 59.37% | 62.72% | 66.05% | 69.39% | 72.71% | 64.52% | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability
 Awarded Claim Counts

PTD Section
 Appendix 1
 Page 3

| Years | Report-to-Report Development Factors | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|--|--|
| | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | | | | |
| | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | | | | |
| 6/30/1979 - 6/30/1980 | 56 | 74 | 96 | 134 | 156 | 188 | 210 | 229 | 241 | 249 | 254 | 269 | 275 | 278 | 285 | 288 | 291 | 292 | 292 | 293 | 295 | 295 | 295 | 295 | 295 | 295 | 295 | 296 | 301 | | | |
| 6/30/1980 - 6/30/1981 | 62 | 87 | 124 | 162 | 202 | 227 | 240 | 259 | 269 | 276 | 289 | 295 | 300 | 314 | 318 | 321 | 327 | 331 | 333 | 334 | 334 | 334 | 334 | 334 | 334 | 334 | 334 | 334 | 340 | | | |
| 6/30/1981 - 6/30/1982 | 65 | 94 | 145 | 193 | 233 | 253 | 278 | 295 | 300 | 316 | 331 | 336 | 343 | 351 | 355 | 356 | 363 | 365 | 367 | 367 | 367 | 367 | 367 | 367 | 367 | 371 | 381 | | | | | |
| 6/30/1982 - 6/30/1983 | 74 | 110 | 153 | 183 | 218 | 244 | 261 | 272 | 295 | 305 | 311 | 324 | 329 | 332 | 333 | 338 | 339 | 339 | 339 | 340 | 340 | 340 | 340 | 344 | 346 | 350 | | | | | | |
| 6/30/1983 - 6/30/1984 | 110 | 157 | 220 | 248 | 283 | 311 | 325 | 344 | 351 | 364 | 373 | 379 | 386 | 390 | 392 | 396 | 397 | 399 | 399 | 399 | 399 | 399 | 401 | 403 | 407 | | | | | | | |
| 6/30/1984 - 6/30/1985 | 105 | 166 | 223 | 275 | 309 | 332 | 369 | 391 | 398 | 410 | 423 | 431 | 444 | 453 | 461 | 462 | 462 | 462 | 462 | 462 | 463 | 466 | 472 | | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 130 | 189 | 242 | 282 | 301 | 349 | 377 | 399 | 430 | 442 | 452 | 465 | 473 | 479 | 482 | 483 | 484 | 486 | 486 | 486 | 490 | 498 | | | | | | | | | | |
| 6/30/1986 - 6/30/1987 | 140 | 209 | 262 | 295 | 345 | 375 | 418 | 448 | 477 | 487 | 506 | 511 | 513 | 518 | 520 | 520 | 521 | 521 | 522 | 524 | 531 | | | | | | | | | | | |
| 6/30/1987 - 6/30/1988 | 145 | 201 | 235 | 306 | 354 | 384 | 430 | 467 | 485 | 509 | 526 | 532 | 537 | 543 | 545 | 545 | 545 | 548 | 552 | 561 | | | | | | | | | | | | |
| 6/30/1988 - 6/30/1989 | 110 | 159 | 239 | 294 | 339 | 410 | 465 | 490 | 519 | 545 | 560 | 563 | 568 | 570 | 572 | 572 | 572 | 572 | 576 | | | | | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 111 | 188 | 231 | 283 | 353 | 437 | 466 | 506 | 535 | 551 | 556 | 563 | 568 | 572 | 572 | 573 | 577 | 583 | | | | | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 115 | 139 | 182 | 265 | 373 | 403 | 455 | 496 | 515 | 528 | 537 | 539 | 541 | 541 | 543 | 546 | 551 | | | | | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 51 | 90 | 158 | 287 | 337 | 400 | 450 | 488 | 500 | 504 | 507 | 515 | 523 | 525 | 525 | 532 | | | | | | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 29 | 89 | 189 | 242 | 307 | 358 | 402 | 411 | 420 | 424 | 433 | 433 | 433 | 436 | 449 | | | | | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 38 | 131 | 185 | 270 | 323 | 356 | 370 | 384 | 393 | 406 | 408 | 409 | 410 | 415 | | | | | | | | | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 72 | 107 | 159 | 213 | 255 | 271 | 286 | 291 | 308 | 314 | 316 | 317 | 322 | | | | | | | | | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 17 | 25 | 34 | 58 | 64 | 76 | 88 | 92 | 92 | 92 | 93 | 94 | | | | | | | | | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 18 | 26 | 45 | 53 | 65 | 71 | 75 | 79 | 79 | 79 | 80 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 16 | 26 | 40 | 60 | 64 | 72 | 76 | 78 | 79 | 80 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 19 | 25 | 35 | 42 | 64 | 72 | 76 | 78 | 80 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 10 | 18 | 31 | 43 | 47 | 47 | 47 | 51 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 12 | 15 | 24 | 30 | 31 | 32 | 33 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 14 | 17 | 23 | 26 | 26 | 27 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 15 | 15 | 16 | 16 | 17 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 8 | 9 | 10 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 5 | 6 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability
 Awarded Claim Counts

PTD Section
 Appendix 1
 Page 4

| Policy Period | 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 | 276 288 | 288 300 | 300 312 | 312 324 | 324 336 | 336 348 | 348 360 | 360 372 | 372 384 | 384 Ultimate | | |
|--------------------------|----------|----------|----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------------|--|--|
| 6/30/1979 - 6/30/1980 | 1.3214 | 1.2973 | 1.3958 | 1.1642 | 1.2051 | 1.1170 | 1.0905 | 1.0524 | 1.0332 | 1.0201 | 1.0591 | 1.0223 | 1.0109 | 1.0252 | 1.0105 | 1.0104 | 1.0034 | 1.0000 | 1.0034 | 1.0068 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0034 | 1.0169 | | |
| 6/30/1980 - 6/30/1981 | 1.4032 | 1.4253 | 1.3065 | 1.2469 | 1.1238 | 1.0573 | 1.0792 | 1.0386 | 1.0260 | 1.0471 | 1.0208 | 1.0169 | 1.0467 | 1.0127 | 1.0096 | 1.0187 | 1.0122 | 1.0060 | 1.0030 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0180 | | |
| 6/30/1981 - 6/30/1982 | 1.4462 | 1.5426 | 1.3310 | 1.2073 | 1.0858 | 1.0988 | 1.0612 | 1.0169 | 1.0533 | 1.0475 | 1.0151 | 1.0208 | 1.0233 | 1.0114 | 1.0028 | 1.0197 | 1.0055 | 1.0055 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0109 | 1.0270 | | | | |
| 6/30/1982 - 6/30/1983 | 1.4865 | 1.3909 | 1.1961 | 1.1913 | 1.1193 | 1.0697 | 1.0421 | 1.0846 | 1.0339 | 1.0202 | 1.0418 | 1.0154 | 1.0091 | 1.0030 | 1.0150 | 1.0030 | 1.0000 | 1.0000 | 1.0029 | 1.0000 | 1.0000 | 1.0018 | 1.0058 | 1.0116 | | | | | | |
| 6/30/1983 - 6/30/1984 | 1.4273 | 1.4013 | 1.1273 | 1.1411 | 1.0989 | 1.0450 | 1.0585 | 1.0203 | 1.0370 | 1.0247 | 1.0153 | 1.0185 | 1.0104 | 1.0051 | 1.0102 | 1.0025 | 1.0050 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0050 | 1.0050 | 1.0099 | | | | | | |
| 6/30/1984 - 6/30/1985 | 1.5810 | 1.3434 | 1.2332 | 1.1236 | 1.0744 | 1.1114 | 1.0596 | 1.0179 | 1.0290 | 1.0317 | 1.0189 | 1.0302 | 1.0203 | 1.0177 | 1.0022 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0022 | 1.0065 | 1.0129 | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 1.4538 | 1.2804 | 1.1653 | 1.0674 | 1.1595 | 1.0802 | 1.0584 | 1.0781 | 1.0279 | 1.0226 | 1.0288 | 1.0172 | 1.0127 | 1.0063 | 1.0021 | 1.0021 | 1.0041 | 1.0000 | 1.0000 | 1.0082 | 1.0163 | | | | | | | | | |
| 6/30/1986 - 6/30/1987 | 1.4929 | 1.2536 | 1.1260 | 1.1695 | 1.0870 | 1.1147 | 1.0718 | 1.0647 | 1.0217 | 1.0390 | 1.0099 | 1.0039 | 1.0097 | 1.0039 | 1.0000 | 1.0019 | 1.0000 | 1.0019 | 1.0038 | 1.0134 | | | | | | | | | | |
| 6/30/1987 - 6/30/1988 | 1.3862 | 1.1692 | 1.3021 | 1.1569 | 1.0847 | 1.1198 | 1.0862 | 1.0385 | 1.0495 | 1.0334 | 1.0114 | 1.0094 | 1.0112 | 1.0037 | 1.0000 | 1.0000 | 1.0055 | 1.0073 | 1.0163 | | | | | | | | | | | |
| 6/30/1988 - 6/30/1989 | 1.4455 | 1.5031 | 1.2301 | 1.1531 | 1.2094 | 1.1341 | 1.0538 | 1.0592 | 1.0501 | 1.0275 | 1.0054 | 1.0089 | 1.0035 | 1.0035 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0070 | | | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 1.6937 | 1.2287 | 1.2251 | 1.2473 | 1.2380 | 1.0664 | 1.0858 | 1.0573 | 1.0299 | 1.0091 | 1.0126 | 1.0089 | 1.0070 | 1.0000 | 1.0017 | 1.0070 | 1.0104 | | | | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 1.2087 | 1.3094 | 1.4560 | 1.4058 | 1.0805 | 1.1292 | 1.0902 | 1.0383 | 1.0253 | 1.0171 | 1.0037 | 1.0037 | 1.0000 | 1.0037 | 1.0055 | 1.0092 | | | | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.7647 | 1.7589 | 1.8145 | 1.1726 | 1.1870 | 1.1251 | 1.0845 | 1.0246 | 1.0080 | 1.0060 | 1.0158 | 1.0155 | 1.0038 | 1.0000 | 1.0133 | | | | | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 3.0755 | 2.1227 | 1.2799 | 1.2682 | 1.1660 | 1.1228 | 1.0224 | 1.0219 | 1.0095 | 1.0212 | 1.0000 | 1.0000 | 1.0069 | 1.0298 | | | | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 3.4474 | 1.4122 | 1.4595 | 1.1963 | 1.1022 | 1.0393 | 1.0378 | 1.0234 | 1.0331 | 1.0049 | 1.0025 | 1.0024 | 1.0122 | | | | | | | | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 1.4861 | 1.4860 | 1.3396 | 1.1972 | 1.0627 | 1.0554 | 1.0175 | 1.0584 | 1.0195 | 1.0064 | 1.0032 | 1.0158 | | | | | | | | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.4687 | 1.3590 | 1.7044 | 1.1033 | 1.1873 | 1.1577 | 1.0454 | 1.0000 | 1.0000 | 1.0109 | 1.0107 | | | | | | | | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 1.4444 | 1.7308 | 1.1778 | 1.2264 | 1.0923 | 1.0563 | 1.0533 | 1.0000 | 1.0000 | 1.0127 | | | | | | | | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.6250 | 1.5385 | 1.5000 | 1.0667 | 1.1250 | 1.0556 | 1.0263 | 1.0128 | 1.0127 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.3158 | 1.4000 | 1.2000 | 1.5238 | 1.1250 | 1.0556 | 1.0263 | 1.0256 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 1.8000 | 1.7222 | 1.3871 | 1.0930 | 1.0000 | 1.0000 | 1.0851 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.2500 | 1.6000 | 1.2500 | 1.0333 | 1.0323 | 1.0313 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.2143 | 1.3529 | 1.1304 | 1.0000 | 1.0385 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.0000 | 1.0667 | 1.0000 | 1.0625 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.1250 | 1.1111 | 1.0000 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1.2000 | 1.1667 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.5601 | 1.4220 | 1.2935 | 1.1757 | 1.1167 | 1.0838 | 1.0588 | 1.0367 | 1.0263 | 1.0223 | 1.0162 | 1.0131 | 1.0125 | 1.0090 | 1.0056 | 1.0062 | 1.0042 | 1.0028 | 1.0033 | 1.0038 | 1.0040 | 1.0049 | 1.0031 | 1.0056 | 1.0090 | 1.0107 | 1.0169 | | | |
| Last 5 | 1.1579 | 1.2595 | 1.1535 | 1.1425 | 1.0641 | 1.0397 | 1.0473 | 1.0194 | 1.0130 | 1.0112 | 1.0064 | 1.0075 | 1.0060 | 1.0074 | 1.0041 | 1.0036 | 1.0040 | 1.0032 | 1.0040 | 1.0047 | 1.0056 | 1.0059 | 1.0031 | | | | | | | |
| Last 3 | 1.1083 | 1.1148 | 1.0435 | 1.0319 | 1.0236 | 1.0289 | 1.0459 | 1.0128 | 1.0042 | 1.0100 | 1.0055 | 1.0061 | 1.0076 | 1.0112 | 1.0069 | 1.0054 | 1.0053 | 1.0054 | 1.0067 | 1.0079 | 1.0093 | 1.0099 | 1.0052 | 1.0075 | 1.0090 | | | | | |
| Avg. x High/Low | 1.5048 | 1.4076 | 1.2836 | 1.1679 | 1.1165 | 1.0842 | 1.0594 | 1.0361 | 1.0262 | 1.0218 | 1.0144 | 1.0128 | 1.0109 | 1.0080 | 1.0053 | 1.0055 | 1.0038 | 1.0026 | 1.0019 | 1.0029 | 1.0023 | 1.0042 | 1.0019 | 1.0054 | | | | | | |
| Avg. x 08-09 Dev | 1.5775 | 1.4362 | 1.3003 | 1.1819 | 1.1220 | 1.0851 | 1.0605 | 1.0386 | 1.0278 | 1.0233 | 1.0170 | 1.0140 | 1.0131 | 1.0094 | 1.0059 | 1.0068 | 1.0041 | 1.0029 | 1.0037 | 1.0041 | 1.0038 | 1.0036 | 1.0039 | 1.0075 | 1.0107 | 1.0169 | | | | |
| Volume Weighted | 1.5334 | 1.3947 | 1.2935 | 1.1890 | 1.1280 | 1.0933 | 1.0623 | 1.0414 | 1.0291 | 1.0227 | 1.0145 | 1.0122 | 1.0111 | 1.0079 | 1.0049 | 1.0054 | 1.0041 | 1.0030 | 1.0037 | 1.0044 | 1.0048 | 1.0054 | 1.0034 | 1.0060 | 1.0100 | 1.0111 | 1.0169 | | | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central | 1.1579 | 1.1769 | 1.1268 | 1.0421 | 1.0524 | 1.0370 | 1.0353 | 1.0043 | 1.0065 | 1.0074 | 1.0019 | 1.0060 | 1.0036 | 1.0012 | 1.0015 | 1.0022 | 1.0019 | 1.0018 | 1.0014 | 1.0021 | 1.0023 | 1.0033 | 1.0019 | 1.0033 | 1.0000 | 1.0030 | 1.0000 | | | |
| Pinnacle Selected: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.1579 | 1.1769 | 1.1268 | 1.0421 | 1.0350 | 1.0289 | 1.0353 | 1.0043 | 1.0065 | 1.0074 | 1.0019 | 1.0060 | 1.0036 | 1.0012 | 1.0015 | 1.0022 | 1.0019 | 1.0018 | 1.0014 | 1.0010 | 1.0023 | 1.0020 | 1.0015 | 1.0015 | 1.0010 | 1.0010 | 1.0010 | 1.0010 | | |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.8581 | 1.6048 | 1.3636 | 1.2101 | 1.1612 | 1.1219 | 1.0904 | 1.0532 | 1.0487 | 1.0419 | 1.0343 | 1.0324 | 1.0262 | 1.0225 | 1.0213 | 1.0198 | 1.0176 | 1.0156 | 1.0137 | 1.0124 | 1.0114 | 1.0090 | 1.0070 | 1.0055 | 1.0040 | 1.0030 | 1.0010 | 1.0010 | | |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 53.82% | 62.31% | 73.34% | 82.64% | 86.12% | 89.13% | 91.71% | 94.95% | 95.36% | 95.98% | 96.68% | 96.87% | 97.45% | 97.80% | 97.92% | 98.06% | 98.27% | 98.46% | 98.64% | 98.78% | 98.88% | 99.10% | 99.30% | 99.45% | 99.60% | 99.70% | 99.90% | 99.90% | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability
 Paid Claim Severity

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | |
| 6/30/1985 - 6/30/1986 | 80,123 | 95,603 | 117,430 | 133,720 | 166,757 | 177,264 | 197,846 | 216,656 | 219,915 | 233,262 | 245,288 | 255,222 | 267,353 | 278,648 | 291,242 | 303,948 | 316,554 | 327,857 | 339,820 | 359,159 | 374,352 | 384,357 | |
| 6/30/1986 - 6/30/1987 | 73,471 | 90,493 | 105,309 | 139,098 | 150,870 | 169,728 | 181,391 | 190,355 | 199,005 | 211,550 | 221,978 | 235,507 | 249,342 | 262,119 | 275,547 | 288,912 | 301,433 | 313,892 | 331,632 | 347,983 | 358,876 | | |
| 6/30/1987 - 6/30/1988 | 68,731 | 81,657 | 124,055 | 129,605 | 143,045 | 159,575 | 163,299 | 171,413 | 183,551 | 194,097 | 205,856 | 219,512 | 232,226 | 243,702 | 256,831 | 270,263 | 283,052 | 298,414 | 313,134 | 322,797 | | | |
| 6/30/1988 - 6/30/1989 | 54,573 | 97,396 | 103,201 | 116,646 | 133,560 | 135,320 | 143,730 | 156,672 | 167,524 | 180,229 | 193,364 | 208,526 | 222,638 | 237,207 | 250,836 | 265,513 | 282,849 | 299,371 | 311,896 | | | | |
| 6/30/1989 - 6/30/1990 | 84,135 | 89,277 | 102,684 | 113,265 | 116,467 | 123,668 | 137,393 | 147,960 | 163,065 | 179,101 | 195,569 | 210,716 | 224,693 | 238,508 | 253,508 | 271,361 | 287,431 | 299,956 | | | | | |
| 6/30/1990 - 6/30/1991 | 106,609 | 121,137 | 123,418 | 112,648 | 111,381 | 124,935 | 135,659 | 147,249 | 162,263 | 176,284 | 190,642 | 206,928 | 222,063 | 237,312 | 256,291 | 273,614 | 287,797 | | | | | | |
| 6/30/1991 - 6/30/1992 | 97,549 | 94,665 | 85,121 | 81,008 | 93,697 | 103,257 | 117,375 | 131,001 | 148,057 | 164,818 | 180,844 | 194,078 | 206,788 | 226,451 | 246,700 | 261,461 | | | | | | | |
| 6/30/1992 - 6/30/1993 | 65,516 | 50,702 | 56,122 | 69,306 | 81,757 | 96,016 | 109,145 | 128,236 | 143,365 | 158,820 | 173,443 | 189,211 | 210,588 | 229,022 | 240,208 | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 41,323 | 43,205 | 59,273 | 67,731 | 83,711 | 100,996 | 118,704 | 136,021 | 151,575 | 165,496 | 182,095 | 203,543 | 223,341 | 239,131 | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 36,090 | 48,950 | 59,540 | 73,221 | 91,822 | 110,275 | 125,953 | 145,195 | 156,376 | 172,302 | 193,506 | 213,689 | 228,900 | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 32,576 | 41,419 | 52,137 | 69,125 | 85,309 | 95,507 | 105,654 | 120,573 | 136,217 | 160,412 | 180,571 | 195,811 | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 42,888 | 48,884 | 49,871 | 66,230 | 73,805 | 85,890 | 98,407 | 110,557 | 136,366 | 167,498 | 183,623 | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 49,282 | 52,960 | 57,176 | 63,159 | 79,702 | 91,290 | 105,125 | 134,516 | 164,690 | 180,587 | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 50,859 | 65,776 | 71,676 | 81,172 | 79,065 | 96,006 | 125,596 | 160,544 | 177,494 | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 37,375 | 35,847 | 47,737 | 56,658 | 78,528 | 118,297 | 159,342 | 177,618 | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 44,931 | 57,765 | 61,122 | 84,498 | 120,484 | 161,919 | 179,575 | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 48,518 | 59,292 | 59,532 | 81,511 | 104,977 | 121,194 | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 68,869 | 87,067 | 107,988 | 157,771 | 185,642 | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 83,595 | 88,814 | 95,193 | 109,826 | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 62,675 | 60,637 | 65,810 | | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Permanent Total Disability
 Paid Claim Severity

Report-to-Report Development Factors

PTD Section
 Appendix 1
 Page 6

| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | Ultimate |
|--------------------------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|
| 6/30/1985 - 6/30/1986 | 1.1932 | 1.2283 | 1.1387 | 1.2471 | 1.0630 | 1.1161 | 1.0951 | 1.0150 | 1.0607 | 1.0516 | 1.0405 | 1.0475 | 1.0422 | 1.0452 | 1.0436 | 1.0415 | 1.0357 | 1.0365 | 1.0569 | 1.0423 | 1.0267 | |
| 6/30/1986 - 6/30/1987 | 1.2317 | 1.1637 | 1.3209 | 1.0846 | 1.1250 | 1.0687 | 1.0494 | 1.0454 | 1.0630 | 1.0493 | 1.0609 | 1.0587 | 1.0512 | 1.0512 | 1.0485 | 1.0433 | 1.0413 | 1.0565 | 1.0493 | 1.0313 | | |
| 6/30/1987 - 6/30/1988 | 1.1881 | 1.5192 | 1.0447 | 1.1037 | 1.1156 | 1.0233 | 1.0497 | 1.0708 | 1.0575 | 1.0606 | 1.0663 | 1.0579 | 1.0494 | 1.0539 | 1.0523 | 1.0473 | 1.0543 | 1.0493 | 1.0309 | | | |
| 6/30/1988 - 6/30/1989 | 1.7847 | 1.0596 | 1.1303 | 1.1450 | 1.0132 | 1.0621 | 1.0900 | 1.0693 | 1.0758 | 1.0729 | 1.0784 | 1.0677 | 1.0654 | 1.0575 | 1.0585 | 1.0653 | 1.0584 | 1.0418 | | | | |
| 6/30/1989 - 6/30/1990 | 1.0611 | 1.1502 | 1.1030 | 1.0283 | 1.0618 | 1.1110 | 1.0769 | 1.1021 | 1.0983 | 1.0919 | 1.0775 | 1.0663 | 1.0615 | 1.0629 | 1.0704 | 1.0592 | 1.0436 | | | | | |
| 6/30/1990 - 6/30/1991 | 1.1363 | 1.0188 | 0.9127 | 0.9888 | 1.1217 | 1.0858 | 1.0854 | 1.1020 | 1.0864 | 1.0814 | 1.0854 | 1.0731 | 1.0687 | 1.0800 | 1.0676 | 1.0518 | | | | | | |
| 6/30/1991 - 6/30/1992 | 0.9704 | 0.8992 | 0.9517 | 1.1566 | 1.1020 | 1.1367 | 1.1161 | 1.1302 | 1.1132 | 1.0972 | 1.0732 | 1.0655 | 1.0951 | 1.0894 | 1.0598 | | | | | | | |
| 6/30/1992 - 6/30/1993 | 0.7739 | 1.1069 | 1.2349 | 1.1796 | 1.1744 | 1.1367 | 1.1749 | 1.1180 | 1.1078 | 1.0921 | 1.0909 | 1.1130 | 1.0875 | 1.0488 | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1.0456 | 1.3719 | 1.1427 | 1.2359 | 1.2065 | 1.1753 | 1.1459 | 1.1144 | 1.0918 | 1.1003 | 1.1178 | 1.0973 | 1.0707 | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 1.3563 | 1.2164 | 1.2298 | 1.2540 | 1.2010 | 1.1422 | 1.1528 | 1.0770 | 1.1018 | 1.1231 | 1.1043 | 1.0712 | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.2714 | 1.2588 | 1.3258 | 1.2341 | 1.1195 | 1.1062 | 1.1412 | 1.1297 | 1.1776 | 1.1257 | 1.0844 | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 1.1398 | 1.0202 | 1.3280 | 1.1144 | 1.1637 | 1.1457 | 1.1235 | 1.2334 | 1.2283 | 1.0963 | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.0746 | 1.0796 | 1.1046 | 1.2619 | 1.1454 | 1.1515 | 1.2796 | 1.2243 | 1.0965 | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.2933 | 1.0897 | 1.1325 | 0.9740 | 1.2143 | 1.3082 | 1.2783 | 1.1056 | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 0.9591 | 1.3317 | 1.1869 | 1.3860 | 1.5064 | 1.3470 | 1.1147 | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.2856 | 1.0581 | 1.3824 | 1.4259 | 1.3439 | 1.1090 | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.2221 | 1.0041 | 1.3692 | 1.2879 | 1.1545 | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.2642 | 1.2403 | 1.4610 | 1.1767 | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.0624 | 1.0718 | 1.1537 | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 0.9675 | 1.0853 | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.1641 | 1.1487 | 1.1923 | 1.1825 | 1.1666 | 1.1391 | 1.1316 | 1.1098 | 1.1045 | 1.0869 | 1.0800 | 1.0718 | 1.0658 | 1.0611 | 1.0573 | 1.0514 | 1.0467 | 1.0460 | 1.0457 | 1.0368 | 1.0267 | |
| Last 5 | 1.1604 | 1.0919 | 1.3106 | 1.2501 | 1.2729 | 1.2123 | 1.1874 | 1.1540 | 1.1392 | 1.1075 | 1.0941 | 1.0840 | 1.0767 | 1.0677 | 1.0617 | 1.0534 | 1.0467 | | | | | |
| Last 3 | 1.0981 | 1.1325 | 1.3280 | 1.2968 | 1.3349 | 1.2547 | 1.2242 | 1.1878 | 1.1675 | 1.1150 | 1.1022 | 1.0938 | 1.0844 | 1.0727 | 1.0659 | 1.0588 | 1.0521 | 1.0492 | 1.0457 | | | |
| Avg. x High/Low | 1.1513 | 1.1420 | 1.1929 | 1.1803 | 1.1542 | 1.1325 | 1.1265 | 1.1074 | 1.0976 | 1.0867 | 1.0802 | 1.0697 | 1.0649 | 1.0590 | 1.0573 | 1.0504 | 1.0464 | 1.0456 | 1.0493 | | | |
| Volume Weighted | 1.1479 | 1.1366 | 1.1739 | 1.1675 | 1.1539 | 1.1304 | 1.1235 | 1.1013 | 1.0997 | 1.0845 | 1.0784 | 1.0707 | 1.0646 | 1.0605 | 1.0569 | 1.0511 | 1.0463 | 1.0459 | 1.0461 | 1.0369 | 1.0267 | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | | | | | | | | |
| Central | 1.0981 | 1.1036 | 1.3241 | 1.3516 | 1.3319 | 1.2481 | 1.2014 | 1.1739 | 1.1497 | 1.1038 | 1.0934 | 1.0800 | 1.0715 | 1.0669 | 1.0573 | 1.0502 | 1.0436 | 1.0370 | 1.0339 | 1.0253 | 1.3753 | |
| Pinnacle Selected: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.0981 | 1.1036 | 1.3241 | 1.3516 | 1.3319 | 1.2481 | 1.2014 | 1.1739 | 1.1497 | 1.1038 | 1.0934 | 1.0800 | 1.0715 | 1.0669 | 1.0573 | 1.0502 | 1.0436 | 1.0370 | 1.0339 | 1.0253 | 1.0267 | 1.5034 |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 17.1290 | 15.5994 | 14.1344 | 10.6750 | 7.8980 | 5.9299 | 4.7512 | 3.9547 | 3.3690 | 2.9302 | 2.6547 | 2.4279 | 2.2480 | 2.0980 | 1.9664 | 1.8599 | 1.7711 | 1.6970 | 1.6364 | 1.5827 | 1.5436 | 1.5034 |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 5.84% | 6.41% | 7.07% | 9.37% | 12.66% | 16.86% | 21.05% | 25.29% | 29.68% | 34.13% | 37.67% | 41.19% | 44.48% | 47.67% | 50.85% | 53.77% | 56.46% | 58.93% | 61.11% | 63.18% | 64.78% | 66.51% |

Fatalities (Survivor Benefits)

The fatality component of the West Virginia Old Fund Workers Compensation program provides benefits to the surviving spouse and/or dependants of an injured worker whose death resulted from the injury or injuries and the claimant was receiving benefits at the time of death. Fatality benefit awards are payable until the death or remarriage of the surviving spouse recipient. In the case of a minor child, the benefits are payable until the child reaches 18 years of age, unless they are a full time student in which case they remain payable until the recipient reaches the age of 25. In the case of a disabled child, the benefits are payable for the duration of the life of the deceased worker's child. As such, these survivor benefit payments are of long duration and large relative magnitude, which often do not commence until years after the occurrence of the injury.

Over the history of the state operated workers compensation program various regulation and statute revisions occurred prior to the privatization of the system in July 2005. Many of these changes impact the levels and duration of Fatality benefits provided under the statute. Perhaps most important to our analysis was the impact of Senate Bill 2013, which eliminated benefit escalation for all claims, whether awarded or not yet awarded, as of the effective date of July 1st, 2003. This change essentially takes the inflation in wages out of the estimation. Thus, the estimated future cost of an individual claim becomes a question of the length of time in which the benefits are received (duration).

For all currently open awarded Fatal claims, we have developed estimates are based upon a mortality model (also known as a lifetime pension model) using the current recipient (claimant dependent) information provided by the TPAs and the OIC with respect to:

- Age,
- Gender,
- Relationship to claimant,
- Weekly benefit.

The mortality table used in the model is based upon the US Decennial Life Tables for 1989-91.

With this analysis, we are including the information from the survivor benefits claims of the Self-Insured 2nd Injury Fund now the financial responsibility of the Old Fund and survivor benefits claims that the Old Fund assumed responsibility for under the Self-Insured Buyout, Bankruptcy and Catastrophe Fund program. The following chart provides a summary of the pending claims receiving survivor benefits and included in our modeling procedure. We have separated the claims by source but as stated above, understand that all are and have been the financial responsibility of the Old Fund.

| Pending Fatality Claims | | | | |
|--------------------------------|---------------------|---|--------------------------------------|--------------------------------|
| | Regular Fund | Self Insured 2nd Injury | SI Buyouts & Bankruptcies | Fatal Claim Count Total |
| As of June 2011 | 1,771 | 23 | 210 | 2,004 |
| As of June 2010 | 1,934 | 68 | 261 | 2,263 |
| Change | -163 | -45 | -51 | - 259 |

With this analysis, we are also using the mortality model to project the future payments to claimants receiving fatality benefits under the Self-Insured 2nd Injury Fund and claims that the Old Fund assumed responsibility for under the Self-Insured Buyout, Bankruptcy and Catastrophe Fund program. Of the nominal estimated indemnity reserve of the 2nd Injury Fund from the 2010 review of \$406.2 million and based upon the case reserves used in the estimation, we have allocated \$121.9 million to the Fatalities section. Similarly of the \$248.1 million in 2010 nominal reserve estimate for the Self-Insured Buyout, Bankruptcy and Catastrophe Fund, we have allocated \$69.2 million to the Fatalities portion of the benefits. The remainder of the reserve has been allocated to the PTD and medical claim sections. Thus, in total, with the \$438.8 million from the “regular” portion of the Old Fund, we estimate that the total PTD reserves were \$629.7 million as of June 30, 2010.

While we feel that the mortality model is the superior method of projecting the future unpaid liability of claims of this nature, as in prior analyses, we also have reviewed the inception to date Fatal claims payment data for fiscal years 1986 through 2005 to develop alternative estimates using the traditional paid loss development methodology.

Also as mentioned in the Permanent Total Disability section of the report, we have used the mortality model to develop an estimate of the potential costs of survivor benefits for the dependants of injured workers currently receiving PTD benefits. There are 450 pending PTD claims that have identified dependants that potentially could become fatal/survivor benefit claims in the future. The estimate from the PTD mortality modeling adds \$41.6 million to our projected future fatal benefits costs. This information provides a large portion of the new future fatal awards since this program has been closed to new events since July 2005. We would not expect any new first awards due to injury to be Fatal or Survivor benefit awards.

As such, we can narrow the remainder of the Fatal IBNR estimation to the emergence from the 332 IBNR claims projected in the PTD benefit analysis. Previously, we had independently projected IBNR claims for the Fatality liability estimate. In our data, we have reviewed the ratio of awarded Fatal Benefit claims to award PTD claims. While it has dramatically changed since the 1995 law change, it was running 16% on average for policy years prior to 1996. If we assume that 16% of the future PTD awards ultimately also result in a Fatality Benefit award, that would result in 53 additional Fatal claims beyond those measured in the PTD mortality modeling. Using the average severity of fatal claims developed as part of the loss development analysis described below and the distribution of expected PTD IBNR claims, we develop a nominal estimate for this component of true Fatal IBNR claims for \$30.5 million.

Even though we have 26 years of payment history for this claim type, the long term nature for the benefits may be such that we have only one-half of the total payment pattern in the data. Benefits may very possibly continue to be paid to the survivors of workers injured in 1986 for another 25 years or more. In reflecting the potential development of the losses and expected claim payments beyond 26 years in the traditional paid loss development method, we have developed a tail factor. We used the paid information for policy years 1986 through 1988 and our projection of future costs from the mortality model to develop a tail factor of 50%. This factor tells us that in addition to the payments made in the first 26 years of a policy periods development, we would expect to pay an additional 50% more before all of the claims from that

policy period are closed. In another way of thinking about it, after 26 years roughly two-thirds of the total payments have been made.

In order to moderate the impact of the methodology transition and reflect some of the inherent uncertainty in any estimates of this nature, we have tempered the reflection of the newer information by blending it with the previous estimates. We have relied to a large measure on the results of the mortality model developed estimates especially in the policy years prior to 1994. The prior reserves have been adjusted to reflect the payment activity during the past 12 months. We feel this is a reasonable approach to the inclusion and reflection of the updated and expanded data.

| Old Fund Estimated Fatal Claim Unpaid Liabilities * as of June 30, 2011 | | |
|--|-------------------------|------------------------|
| | Nominal | Discounted |
| Current Total Fatal Liability | \$513.2 Million | \$306.3 Million |
| Prior Total Fatal Liability * | \$629.7 Million | \$386.8 Million |
| <i>Change in Total Fatal Liability</i> | -\$116.4 Million | -\$80.5 Million |

*including liabilities within the Self-Insured 2nd Injury Fund and the Self-Insured Buyouts, Bankruptcies and Catastrophe programs

State of West Virginia
Workers' Compensation Fund - Old Fund

Reserves as of 06/30/2011

(Dollar Amounts in Thousands)

Fatality Central Estimates by Accident Year

| Accident Year | Prior | 2011 Fiscal Year | Adjusted | Fatality | Modeled | Fatality | Model Plus IBNR | Triangle | Final | Model | Implied Discount | Final |
|------------------|--|------------------------|---|--|---|--|-----------------------|--|--|---|---------------------|---|
| | Central Estimate Nominal Reserves | | Prior Central Nominal Reserves | Model Estimate Nominal Reserves | Survivor Benefits From Current PTC Claims | IBNR Reserves From PTD IBNR Claims | | Central Estimate Nominal Reserves | Central Estimate Nominal Reserves | Central Estimate Discounted Reserves | | Central Estimate Discounted Reserves |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| Prior | 22,136 | 2,747 | 19,389 | 17,402 | 371 | 0 | 17,773 | | 17,773 | 13,129 | 0.739 | 13,129 |
| 1969 | 3,533 | 394 | 3,139 | 3,366 | 44 | 0 | 3,410 | | 3,410 | 2,431 | 0.713 | 2,431 |
| 1970 | 3,930 | 401 | 3,529 | 3,282 | 31 | 0 | 3,312 | | 3,312 | 2,248 | 0.679 | 2,248 |
| 1971 | 3,607 | 331 | 3,276 | 2,890 | 124 | 0 | 3,014 | | 3,014 | 2,116 | 0.702 | 2,116 |
| 1972 | 4,678 | 425 | 4,253 | 3,485 | 136 | 0 | 3,621 | | 3,621 | 2,473 | 0.683 | 2,473 |
| 1973 | 6,212 | 549 | 5,663 | 5,290 | 110 | 0 | 5,400 | | 5,400 | 3,632 | 0.673 | 3,632 |
| 1974 | 3,869 | 349 | 3,521 | 2,778 | 41 | 0 | 2,819 | | 2,819 | 2,018 | 0.716 | 2,018 |
| 1975 | 5,466 | 394 | 5,072 | 3,465 | 249 | 0 | 3,714 | | 3,714 | 2,407 | 0.648 | 2,407 |
| 1976 | 6,984 | 485 | 6,499 | 5,006 | 158 | 0 | 5,164 | | 5,164 | 3,404 | 0.659 | 3,404 |
| 1977 | 8,967 | 673 | 8,294 | 7,385 | 1,028 | 0 | 8,413 | | 8,413 | 5,109 | 0.607 | 5,109 |
| 1978 | 13,869 | 796 | 13,073 | 9,834 | 281 | 0 | 10,115 | | 10,115 | 6,368 | 0.630 | 6,368 |
| 1979 | 11,984 | 663 | 11,321 | 8,282 | 733 | 0 | 9,014 | | 9,014 | 5,710 | 0.633 | 5,710 |
| 1980 | 17,023 | 1,004 | 16,019 | 11,987 | 1,472 | 0 | 13,460 | | 13,460 | 7,942 | 0.590 | 7,942 |
| 1981 | 13,528 | 977 | 12,551 | 8,998 | 1,074 | 0 | 10,073 | | 10,073 | 6,092 | 0.605 | 6,092 |
| 1982 | 18,955 | 1,296 | 17,660 | 12,778 | 1,721 | 0 | 14,498 | | 14,498 | 8,939 | 0.617 | 8,939 |
| 1983 | 18,817 | 1,045 | 17,772 | 10,780 | 1,620 | 0 | 12,400 | | 12,400 | 7,716 | 0.622 | 7,716 |
| 1984 | 18,338 | 994 | 17,344 | 10,033 | 1,388 | 0 | 11,421 | | 11,421 | 7,183 | 0.629 | 7,183 |
| 1985 | 23,890 | 1,057 | 22,834 | 10,146 | 1,898 | 0 | 12,044 | | 12,044 | 7,680 | 0.638 | 7,680 |
| 1986 | 28,550 | 1,193 | 27,357 | 13,573 | 1,779 | 440 | 15,792 | 13,797 | 15,792 | 9,562 | 0.623 | 9,836 |
| 1987 | 23,012 | 1,193 | 21,819 | 13,537 | 1,815 | 448 | 15,800 | 12,319 | 15,800 | 9,378 | 0.611 | 9,652 |
| 1988 | 23,266 | 1,100 | 22,167 | 10,347 | 2,102 | 419 | 12,868 | 12,134 | 12,868 | 7,270 | 0.584 | 7,515 |
| 1989 | 19,322 | 825 | 18,497 | 7,944 | 2,719 | 494 | 11,157 | 12,067 | 11,157 | 6,116 | 0.574 | 6,399 |
| 1990 | 20,884 | 1,259 | 19,626 | 13,896 | 3,055 | 385 | 17,336 | 12,090 | 17,336 | 9,653 | 0.569 | 9,872 |
| 1991 | 20,740 | 806 | 19,934 | 10,695 | 2,512 | 443 | 13,650 | 12,023 | 13,650 | 7,251 | 0.549 | 7,494 |
| 1992 | 23,329 | 1,174 | 22,155 | 14,883 | 2,877 | 889 | 18,649 | 15,406 | 18,649 | 9,871 | 0.556 | 10,365 |
| 1993 | 24,656 | 1,468 | 23,187 | 15,502 | 2,226 | 814 | 18,543 | 17,542 | 18,543 | 10,426 | 0.588 | 10,905 |
| 1994 | 20,220 | 1,080 | 19,140 | 13,810 | 3,503 | 521 | 17,834 | 18,373 | 18,373 | 9,384 | 0.542 | 9,958 |
| 1995 | 18,565 | 1,058 | 17,507 | 13,146 | 2,557 | 494 | 16,197 | 19,375 | 19,375 | 8,981 | 0.572 | 11,080 |
| 1996 | 19,165 | 1,009 | 18,156 | 14,398 | 733 | 458 | 15,589 | 19,115 | 19,115 | 8,613 | 0.569 | 10,881 |
| 1997 | 15,287 | 891 | 14,396 | 12,706 | 347 | 473 | 13,526 | 18,705 | 15,038 | 7,685 | 0.589 | 8,854 |
| 1998 | 16,075 | 825 | 15,250 | 12,870 | 546 | 475 | 13,890 | 19,769 | 15,700 | 7,705 | 0.574 | 9,016 |
| 1999 | 16,340 | 1,200 | 15,139 | 16,887 | 1,123 | 544 | 18,554 | 23,948 | 19,049 | 10,508 | 0.583 | 11,115 |
| 2000 | 20,873 | 1,326 | 19,547 | 19,412 | 506 | 1,725 | 21,643 | 28,082 | 22,729 | 11,898 | 0.597 | 13,578 |
| 2001 | 17,931 | 863 | 17,069 | 12,388 | 435 | 2,610 | 15,432 | 24,617 | 18,138 | 7,483 | 0.584 | 10,584 |
| 2002 | 21,858 | 992 | 20,866 | 18,709 | 114 | 4,058 | 22,881 | 30,108 | 24,184 | 10,538 | 0.560 | 13,539 |
| 2003 | 24,009 | 859 | 23,149 | 15,457 | 217 | 4,736 | 20,410 | 31,232 | 23,801 | 8,838 | 0.564 | 13,421 |
| 2004 | 26,304 | 988 | 25,316 | 15,686 | 0 | 5,612 | 21,298 | 33,313 | 25,306 | 8,787 | 0.560 | 14,177 |
| 2005 | 23,519 | 549 | 22,970 | 7,971 | 0 | 4,430 | 12,401 | 27,975 | 18,937 | 4,812 | 0.604 | 11,431 |
| Total | 629,688 | 35,234 | 594,454 | 411,000 | 41,646 | 30,468 | 483,114 | 401,990 | 513,202 | 271,355 | | 306,269 |

Notes:

- (1) Pinnacle prior report.
- (2) Provided by client.
- (3) = (1) - (2)
- (4) Calculated by individual fatality claim using actuarial life tables.
- (5) Calculated by individual PTD claim using actuarial life tables.
- (6) Page 5, Col (6)
- (7) Col (4) + Col (5) + Col (6)
- (8) Page 6, Col (19) - Page 6, Col (2)
- (9) Judgment
- (10) Calculated by individual claim using actuarial life tables.
- (11) = Col (9) / [Col (4) + Col (5)]
- (12) = Col (8) x Col (10)

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Fatality IBNR Claim Counts by Accident Year From Projected PTD IBNR Claims

| <u>Policy Period</u> | Projected PTD IBNR Claims | Fatal Estimated IBNR Counts | Selected Ultimate Severity | Fatal Estimated True IBNR Costs (000s) |
|-----------------------|------------------------------------|--------------------------------------|----------------------------------|---|
| (1) | (2) | (3) | (5) | (6) |
| 6/30/1979 - 6/30/1980 | 0 | 0 | 444,594 | - |
| 6/30/1980 - 6/30/1981 | 0 | 0 | 444,594 | - |
| 6/30/1981 - 6/30/1982 | 1 | 0 | 444,594 | - |
| 6/30/1982 - 6/30/1983 | 2 | 0 | 444,594 | - |
| 6/30/1983 - 6/30/1984 | 2 | 0 | 444,594 | - |
| 6/30/1984 - 6/30/1985 | 3 | 0 | 444,594 | - |
| 6/30/1985 - 6/30/1986 | 5 | 1 | 440,316 | 440,316 |
| 6/30/1986 - 6/30/1987 | 6 | 1 | 447,577 | 447,577 |
| 6/30/1987 - 6/30/1988 | 7 | 1 | 419,290 | 419,290 |
| 6/30/1988 - 6/30/1989 | 8 | 1 | 493,646 | 493,646 |
| 6/30/1989 - 6/30/1990 | 9 | 1 | 384,739 | 384,739 |
| 6/30/1990 - 6/30/1991 | 9 | 1 | 443,181 | 443,181 |
| 6/30/1991 - 6/30/1992 | 10 | 2 | 444,417 | 888,833 |
| 6/30/1992 - 6/30/1993 | 10 | 2 | 407,122 | 814,244 |
| 6/30/1993 - 6/30/1994 | 9 | 1 | 521,061 | 521,061 |
| 6/30/1994 - 6/30/1995 | 8 | 1 | 494,086 | 494,086 |
| 6/30/1995 - 6/30/1996 | 3 | 1 | 458,213 | 458,213 |
| 6/30/1996 - 6/30/1997 | 3 | 1 | 473,475 | 473,475 |
| 6/30/1997 - 6/30/1998 | 3 | 1 | 474,614 | 474,614 |
| 6/30/1998 - 6/30/1999 | 4 | 1 | 543,726 | 543,726 |
| 6/30/1999 - 6/30/2000 | 19 | 3 | 575,163 | 1,725,489 |
| 6/30/2000 - 6/30/2001 | 32 | 5 | 521,923 | 2,609,614 |
| 6/30/2001 - 6/30/2002 | 36 | 6 | 676,319 | 4,057,913 |
| 6/30/2002 - 6/30/2003 | 44 | 7 | 676,617 | 4,736,319 |
| 6/30/2003 - 6/30/2004 | 49 | 8 | 701,543 | 5,612,346 |
| 6/30/2004 - 6/30/2005 | 50 | 8 | 553,702 | 4,429,614 |
| Total | 332 | 53 | | 30,468,298 |

Notes:

- (2) From PTD IBNR Claim Count Exhibit Column (4)
- (3) Column (2) times 0.16 (rounded)
- (4) Col (3) - Col (2)
- (5) Judgmental Selection
- (6) Col (4) x Col (5) / 1,000

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011
 Development of Indicated Loss Reserves (in 000s)
 Fatal

| Policy Period (1) | CENTRAL ESTIMATE | | | | | | | | | | | | | | | | | | |
|-----------------------|------------------|------------------|--------------------|-----------------|------------------------------|------------------------|--------------------------------------|------------------------|---------------|------------------------------|----------------------------|-----------------------------------|----------------------------------|-----------------------------|----------------------------|-------------------------------------|------------------------------------|-----------------------------------|----------------------------------|
| | Limited Paid | | Estimated Ultimate | | Preliminary Loss Cost (6) | Trended at 2.0% (7) | "a priori" Expected Loss Cost (8) | B-F Estimated Ultimate | | Awarded Claim Counts (10) | Expected % of Ult. (11) | Estimated Ultimate Counts (12) | Selected Ultimate Counts (13) | Paid Claim Severity (14) | Expected % of Ult. (15) | Estimated Ultimate Severity (16) | Selected Ultimate Severity (17) | Cnts. & Avgs. | |
| | Losses (2) | % of Ult. (3) | Losses (4) | Exposure (5) | | | | Losses (9) | Losses (9) | | | | | | | | | Estimated Ultimate Losses (18) | Selected Ultimate Losses (19) |
| 6/30/1979 - 6/30/1980 | | | | | | | | | | 78 | 100.00% | 78 | 78 | | | | | | |
| 6/30/1980 - 6/30/1981 | | | | | | | | | | 88 | 100.00% | 88 | 88 | | | | | | |
| 6/30/1981 - 6/30/1982 | | | | | | | | | | 81 | 100.00% | 81 | 81 | | | | | | |
| 6/30/1982 - 6/30/1983 | | | | | | | | | | 82 | 98.68% | 83 | 83 | | | | | | |
| 6/30/1983 - 6/30/1984 | | | | | | | | | | 73 | 97.09% | 75 | 75 | | | | | | |
| 6/30/1984 - 6/30/1985 | | | | | | | | | | 75 | 96.68% | 78 | 78 | | | | | | |
| 6/30/1985 - 6/30/1986 | 27,593 | 66.67% | 41,390 | | | | | | 89 | 94.99% | 94 | 94 | 310,035 | 70.19% | 441,734 | 441,734 | 41,390 | 41,390 | |
| 6/30/1986 - 6/30/1987 | 21,697 | 63.78% | 34,016 | | | | | | 71 | 93.95% | 76 | 76 | 305,592 | 70.19% | 435,402 | 435,402 | 32,904 | 34,016 | |
| 6/30/1987 - 6/30/1988 | 18,894 | 60.89% | 31,027 | | | | | | 69 | 92.81% | 74 | 74 | 273,822 | 69.25% | 395,403 | 395,403 | 29,395 | 31,027 | |
| 6/30/1988 - 6/30/1989 | 16,564 | 57.85% | 28,631 | | | | | | 53 | 91.86% | 58 | 58 | 312,531 | 67.55% | 462,664 | 462,664 | 26,693 | 28,631 | |
| 6/30/1989 - 6/30/1990 | 16,766 | 55.17% | 30,387 | 634 | 47.93 | 64.51 | 37.15 | 27,324 | 69 | 91.86% | 75 | 75 | 242,981 | 64.94% | 374,165 | 374,165 | 28,104 | 28,855 | |
| 6/30/1990 - 6/30/1991 | 13,682 | 52.06% | 26,283 | 630 | 41.73 | 55.06 | 37.89 | 25,126 | 52 | 89.68% | 58 | 58 | 263,110 | 64.17% | 410,026 | 410,026 | 23,775 | 25,705 | |
| 6/30/1991 - 6/30/1992 | 17,925 | 49.40% | 36,288 | 637 | 57.01 | 73.75 | 38.65 | 30,374 | 66 | 88.56% | 75 | 75 | 271,589 | 62.43% | 435,020 | 435,020 | 32,421 | 33,331 | |
| 6/30/1992 - 6/30/1993 | 18,692 | 46.63% | 40,090 | 650 | 61.64 | 78.17 | 39.42 | 32,378 | 89 | 87.43% | 89 | 89 | 239,639 | 59.99% | 399,435 | 399,435 | 35,635 | 36,234 | |
| 6/30/1993 - 6/30/1994 | 16,538 | 43.54% | 37,980 | 674 | 56.34 | 70.05 | 40.21 | 31,842 | 57 | 85.48% | 67 | 67 | 290,137 | 57.82% | 501,779 | 501,779 | 33,460 | 34,911 | |
| 6/30/1994 - 6/30/1995 | 15,211 | 40.83% | 37,257 | 688 | 54.14 | 65.99 | 41.02 | 31,915 | 59 | 84.10% | 70 | 70 | 257,821 | 55.47% | 464,806 | 464,806 | 32,608 | 34,586 | |
| 6/30/1995 - 6/30/1996 | 12,502 | 38.28% | 32,657 | 700 | 46.65 | 55.75 | 41.84 | 30,577 | 58 | 83.72% | 69 | 69 | 215,548 | 52.44% | 411,063 | 411,063 | 28,479 | 31,617 | |
| 6/30/1996 - 6/30/1997 | 9,704 | 35.20% | 27,570 | 707 | 39.01 | 45.71 | 42.67 | 29,247 | 50 | 82.94% | 60 | 60 | 194,072 | 49.26% | 394,013 | 394,013 | 23,753 | 28,409 | |
| 6/30/1997 - 6/30/1998 | 8,708 | 32.19% | 27,055 | 718 | 37.69 | 43.29 | 43.53 | 29,899 | 50 | 82.94% | 60 | 60 | 174,154 | 45.78% | 380,457 | 380,457 | 22,936 | 28,477 | |
| 6/30/1998 - 6/30/1999 | 10,307 | 29.14% | 35,366 | 726 | 48.72 | 54.87 | 44.40 | 33,143 | 52 | 82.39% | 63 | 63 | 198,207 | 42.04% | 471,454 | 471,454 | 29,754 | 34,255 | |
| 6/30/1999 - 6/30/2000 | 11,029 | 25.93% | 42,538 | 735 | 57.87 | 63.90 | 45.29 | 35,684 | 49 | 80.56% | 61 | 68 | 225,086 | 38.99% | 577,298 | 577,298 | 39,256 | 39,111 | |
| 6/30/2000 - 6/30/2001 | 6,698 | 22.61% | 29,620 | 736 | 40.24 | 43.56 | 46.19 | 33,011 | 41 | 80.56% | 51 | 60 | 163,363 | 34.81% | 469,326 | 469,326 | 28,160 | 31,315 | |
| 6/30/2001 - 6/30/2002 | 7,766 | 19.33% | 40,181 | 731 | 54.94 | 58.30 | 47.12 | 35,566 | 39 | 80.23% | 49 | 56 | 199,132 | 30.57% | 651,291 | 651,291 | 36,472 | 37,874 | |
| 6/30/2002 - 6/30/2003 | 6,658 | 16.65% | 39,997 | 727 | 55.01 | 57.23 | 48.06 | 35,785 | 34 | 79.23% | 43 | 56 | 195,831 | 26.16% | 748,651 | 748,651 | 41,924 | 37,891 | |
| 6/30/2003 - 6/30/2004 | 5,974 | 14.33% | 41,698 | 736 | 56.67 | 57.80 | 49.02 | 36,875 | 34 | 79.23% | 43 | 56 | 175,697 | 21.90% | 802,185 | 802,185 | 44,922 | 39,286 | |
| 6/30/2004 - 6/30/2005 | 3,032 | 11.68% | 25,963 | 748 | 34.72 | 34.72 | 50.00 | 36,051 | 22 | 78.42% | 28 | 56 | 137,824 | 17.84% | 772,499 | 772,499 | 43,260 | 31,007 | |
| Total | 265,939 | | 685,994 | 11,177 | 49.39 | | | 514,797 | 1,569 | | 1,745 | 1,823 | | | | | 655,304 | 667,928 | |
| Selected Loss Cost: | | | | | | | | | | | | | | | | | | | 50.00 |

Column
 (2), (5), (10) Provided by Client
 (3), (11), (15) Percentages of Ultimate are based upon Appendix 1
 (4), (12), (16) Col (2) / Col (3), Col (10) / Col (11) and Col (14) / Col (15), respectively
 (6) Col (4) / Col (5)
 (7) Col (6) x trend factor 2.0% per annum
 (8) Selected Col (7) detrended at 2.0% per annum
 (9) {Col (5) x Col (8) x [1 - Col (3)]} + Col (2)
 (13), (17) Judgmental Selection
 (14) Col (2) x 1000 / Col (10)
 (18) Col (13) x Col (17) / 1000

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Fatal
 Cumulative Indemnity Payments (in 000s)

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 |
|-----------------------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 |
| 6/30/1985 - 6/30/1986 | 3,468 | 4,320 | 5,476 | 6,620 | 7,601 | 8,630 | 9,783 | 11,154 | 12,395 | 13,727 | 14,986 | 16,425 | 17,628 | 19,049 | 20,190 | 21,390 | 22,536 | 23,588 | 24,480 | 25,463 | 26,400 | 27,593 |
| 6/30/1986 - 6/30/1987 | 2,746 | 3,700 | 4,502 | 5,392 | 6,194 | 7,157 | 8,132 | 9,100 | 9,971 | 11,013 | 12,063 | 13,127 | 14,094 | 15,109 | 16,121 | 17,106 | 17,965 | 18,772 | 19,653 | 20,504 | 21,697 | |
| 6/30/1987 - 6/30/1988 | 2,555 | 3,142 | 3,854 | 4,476 | 5,484 | 6,442 | 7,220 | 8,143 | 9,159 | 10,053 | 10,860 | 11,753 | 12,663 | 13,625 | 14,591 | 15,456 | 16,243 | 17,033 | 17,794 | 18,894 | | |
| 6/30/1988 - 6/30/1989 | 3,072 | 3,820 | 4,434 | 5,125 | 5,813 | 6,752 | 7,417 | 8,261 | 8,933 | 9,957 | 10,788 | 11,668 | 12,462 | 13,287 | 13,996 | 14,574 | 15,153 | 15,739 | 16,564 | | | |
| 6/30/1989 - 6/30/1990 | 2,984 | 3,610 | 4,319 | 5,104 | 5,845 | 6,466 | 7,103 | 8,161 | 9,072 | 9,934 | 10,675 | 11,681 | 12,571 | 13,434 | 14,128 | 14,838 | 15,507 | 16,766 | | | | |
| 6/30/1990 - 6/30/1991 | 2,738 | 3,365 | 4,021 | 4,796 | 5,393 | 5,938 | 6,714 | 7,439 | 8,309 | 9,002 | 9,768 | 10,479 | 11,140 | 11,707 | 12,277 | 12,876 | 13,682 | | | | | |
| 6/30/1991 - 6/30/1992 | 3,953 | 4,874 | 5,711 | 6,505 | 7,271 | 8,071 | 8,921 | 10,000 | 10,917 | 11,917 | 13,093 | 14,068 | 14,917 | 15,858 | 16,751 | 17,925 | | | | | | |
| 6/30/1992 - 6/30/1993 | 3,323 | 4,141 | 4,975 | 5,992 | 7,041 | 8,061 | 9,266 | 10,435 | 11,802 | 12,968 | 14,114 | 15,150 | 16,201 | 17,224 | 18,692 | | | | | | | |
| 6/30/1993 - 6/30/1994 | 4,169 | 4,860 | 5,831 | 7,011 | 8,157 | 9,142 | 10,188 | 11,135 | 12,123 | 12,970 | 13,752 | 14,607 | 15,458 | 16,538 | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 3,880 | 4,823 | 5,965 | 6,834 | 7,673 | 8,484 | 9,272 | 10,362 | 11,202 | 12,029 | 13,013 | 14,153 | 15,211 | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 3,780 | 4,537 | 5,412 | 6,085 | 6,794 | 7,431 | 8,083 | 8,682 | 9,550 | 10,583 | 11,493 | 12,502 | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 2,805 | 3,361 | 4,325 | 4,853 | 5,341 | 5,802 | 6,331 | 7,039 | 7,982 | 8,813 | 9,704 | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 2,489 | 3,132 | 3,686 | 4,211 | 4,844 | 5,450 | 6,159 | 7,062 | 7,883 | 8,708 | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 3,021 | 3,815 | 4,406 | 5,009 | 5,678 | 6,629 | 7,874 | 9,107 | 10,307 | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 3,486 | 4,185 | 4,992 | 5,733 | 6,721 | 8,139 | 9,703 | 11,029 | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 2,280 | 2,767 | 3,236 | 4,020 | 4,963 | 5,835 | 6,698 | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 3,289 | 3,884 | 4,715 | 5,761 | 6,774 | 7,766 | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 2,664 | 3,657 | 4,620 | 5,799 | 6,658 | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 2,883 | 3,894 | 4,986 | 5,974 | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1,895 | 2,483 | 3,032 | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011
 Fatal

Fatality Section
 Appendix 1

| Cumulative Indemnity Payments (in 000s) | Report-to-Report Development Factors | | | | | | | | | | | | | | | | | | | | | | |
|---|--------------------------------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|
| | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | Ultimate |
| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | Ultimate | |
| 6/30/1985 - 6/30/1986 | 1.2457 | 1.2676 | 1.2089 | 1.1482 | 1.1354 | 1.1336 | 1.1401 | 1.1113 | 1.1074 | 1.0917 | 1.0961 | 1.0732 | 1.0806 | 1.0599 | 1.0594 | 1.0536 | 1.0467 | 1.0378 | 1.0402 | 1.0368 | 1.0452 | | |
| 6/30/1986 - 6/30/1987 | 1.3474 | 1.2168 | 1.1977 | 1.1487 | 1.1555 | 1.1362 | 1.1190 | 1.0957 | 1.1045 | 1.0954 | 1.0883 | 1.0737 | 1.0720 | 1.0670 | 1.0611 | 1.0503 | 1.0449 | 1.0470 | 1.0433 | 1.0582 | | | |
| 6/30/1987 - 6/30/1988 | 1.2297 | 1.2266 | 1.1614 | 1.2252 | 1.1748 | 1.1208 | 1.1278 | 1.1248 | 1.0976 | 1.0803 | 1.0822 | 1.0775 | 1.0759 | 1.0709 | 1.0593 | 1.0509 | 1.0486 | 1.0447 | 1.0618 | | | | |
| 6/30/1988 - 6/30/1989 | 1.2435 | 1.1607 | 1.1558 | 1.1343 | 1.1614 | 1.0986 | 1.1137 | 1.0813 | 1.1147 | 1.0835 | 1.0816 | 1.0680 | 1.0663 | 1.0533 | 1.0413 | 1.0398 | 1.0387 | 1.0524 | | | | | |
| 6/30/1989 - 6/30/1990 | 1.2098 | 1.1964 | 1.1817 | 1.1451 | 1.1064 | 1.0985 | 1.1489 | 1.1117 | 1.0950 | 1.0746 | 1.0942 | 1.0763 | 1.0686 | 1.0517 | 1.0502 | 1.0451 | 1.0812 | | | | | | |
| 6/30/1990 - 6/30/1991 | 1.2290 | 1.1950 | 1.1927 | 1.1246 | 1.1010 | 1.1307 | 1.1079 | 1.1169 | 1.0834 | 1.0851 | 1.0728 | 1.0631 | 1.0509 | 1.0487 | 1.0488 | 1.0626 | | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.2330 | 1.1717 | 1.1390 | 1.1179 | 1.1099 | 1.1053 | 1.1210 | 1.0917 | 1.0915 | 1.0987 | 1.0745 | 1.0604 | 1.0631 | 1.0563 | 1.0701 | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 1.2462 | 1.2016 | 1.2043 | 1.1751 | 1.1449 | 1.1494 | 1.1262 | 1.1309 | 1.0988 | 1.0884 | 1.0734 | 1.0693 | 1.0631 | 1.0853 | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1.1656 | 1.1997 | 1.2025 | 1.1634 | 1.1208 | 1.1144 | 1.0930 | 1.0887 | 1.0699 | 1.0603 | 1.0622 | 1.0582 | 1.0699 | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 1.2430 | 1.2369 | 1.1456 | 1.1228 | 1.1057 | 1.0929 | 1.1175 | 1.0811 | 1.0739 | 1.0818 | 1.0876 | 1.0748 | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.2003 | 1.1927 | 1.1243 | 1.1166 | 1.0937 | 1.0879 | 1.0740 | 1.1000 | 1.1082 | 1.0860 | 1.0878 | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 1.1980 | 1.2870 | 1.1220 | 1.1005 | 1.0862 | 1.0913 | 1.1117 | 1.1340 | 1.1041 | 1.1011 | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.2584 | 1.1769 | 1.1425 | 1.1502 | 1.1251 | 1.1301 | 1.1467 | 1.1162 | 1.1047 | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.2628 | 1.1548 | 1.1368 | 1.1337 | 1.1676 | 1.1877 | 1.1565 | 1.1318 | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 1.2007 | 1.1927 | 1.1484 | 1.1724 | 1.2110 | 1.1921 | 1.1367 | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.2133 | 1.1695 | 1.2425 | 1.2347 | 1.1757 | 1.1478 | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.1808 | 1.2140 | 1.2220 | 1.1758 | 1.1464 | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.3728 | 1.2631 | 1.2553 | 1.1482 | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.3504 | 1.2804 | 1.1982 | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1.3105 | 1.2209 | | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.2470 | 1.2112 | 1.1780 | 1.1521 | 1.1366 | 1.1261 | 1.1227 | 1.1083 | 1.0964 | 1.0856 | 1.0819 | 1.0694 | 1.0678 | 1.0616 | 1.0557 | 1.0504 | 1.0520 | 1.0455 | 1.0484 | 1.0475 | 1.0452 | | |
| Last 5 | 1.2856 | 1.2296 | 1.2133 | 1.1729 | 1.1652 | 1.1498 | 1.1251 | 1.1126 | 1.0922 | 1.0835 | 1.0771 | 1.0652 | 1.0631 | 1.0591 | 1.0539 | 1.0497 | 1.0520 | | | | | | |
| Last 3 | 1.3445 | 1.2548 | 1.2252 | 1.1862 | 1.1777 | 1.1759 | 1.1466 | 1.1273 | 1.1057 | 1.0896 | 1.0792 | 1.0674 | 1.0654 | 1.0634 | 1.0564 | 1.0491 | 1.0561 | 1.0480 | 1.0484 | | | | |
| Avg. x High/Low | 1.2446 | 1.2102 | 1.1767 | 1.1501 | 1.1349 | 1.1241 | 1.1239 | 1.1084 | 1.0972 | 1.0865 | 1.0825 | 1.0698 | 1.0684 | 1.0599 | 1.0558 | 1.0500 | 1.0467 | 1.0458 | 1.0433 | | | | |
| Avg. x 08-09 Dev | 1.2416 | 1.2085 | 1.1755 | 1.1472 | 1.1319 | 1.1220 | 1.1210 | 1.1063 | 1.0955 | 1.0859 | 1.0838 | 1.0695 | 1.0684 | 1.0635 | 1.0567 | 1.0525 | 1.0528 | 1.0450 | 1.0526 | 1.0475 | 1.0452 | | |
| Volume Weighted | 1.2422 | 1.2112 | 1.1770 | 1.1502 | 1.1358 | 1.1261 | 1.1223 | 1.1073 | 1.0957 | 1.0853 | 1.0818 | 1.0694 | 1.0684 | 1.0625 | 1.0565 | 1.0504 | 1.0514 | 1.0447 | 1.0474 | 1.0463 | 1.0452 | | |
| Regular Fund | 1.2378 | 1.2036 | 1.1691 | 1.1453 | 1.1277 | 1.1146 | 1.1168 | 1.1031 | 1.0937 | 1.0842 | 1.0829 | 1.0703 | 1.0690 | 1.0606 | 1.0553 | 1.0516 | 1.0458 | 1.0378 | | | | | |
| Old Fund | 1.3105 | 1.2507 | 1.2267 | 1.1620 | 1.1610 | 1.1700 | 1.1466 | 1.1240 | 1.1044 | 1.0935 | 1.0877 | 1.0665 | 1.0665 | 1.0708 | 1.0594 | 1.0538 | 1.0599 | 1.0486 | 1.0526 | 1.0475 | 1.0452 | | |
| Pinnacle Prior Selected: | 1.3270 | 1.2785 | 1.2597 | 1.1997 | 1.1845 | 1.1464 | 1.1201 | 1.1049 | 1.1039 | 1.0652 | 1.0712 | 1.0564 | 1.0587 | 1.0520 | 1.0442 | 1.0416 | 1.0407 | 1.0396 | 1.0372 | 1.0337 | 1.3685 | | |
| Pinnacle Selected: | 1.3304 | 1.2507 | 1.2267 | 1.1620 | 1.1610 | 1.1700 | 1.1466 | 1.1240 | 1.1044 | 1.0935 | 1.0877 | 1.0665 | 1.0665 | 1.0708 | 1.0594 | 1.0538 | 1.0599 | 1.0486 | 1.0526 | 1.0475 | 1.0452 | 1.5000 | |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | | |
| Pinnacle Selected: | 14.2479 | 10.7091 | 8.5628 | 6.9802 | 6.0071 | 5.1739 | 4.4222 | 3.8568 | 3.4314 | 3.1070 | 2.8412 | 2.6122 | 2.4493 | 2.2966 | 2.1448 | 2.0245 | 1.9210 | 1.8125 | 1.7285 | 1.6422 | 1.5678 | 1.5000 | |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | | |
| Pinnacle Selected: | 7.02% | 9.34% | 11.68% | 14.33% | 16.65% | 19.33% | 22.61% | 25.93% | 29.14% | 32.19% | 35.20% | 38.28% | 40.83% | 43.54% | 46.63% | 49.40% | 52.06% | 55.17% | 57.85% | 60.89% | 63.78% | 66.67% | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Fatal
 Awarded Claim Counts

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 |
|-----------------------|----|----|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| 6/30/1979 - 6/30/1980 | 38 | 41 | 44 | 45 | 47 | 48 | 50 | 52 | 54 | 56 | 58 | 60 | 62 | 64 | 64 | 64 | 65 | 68 | 69 | 71 | 72 | 72 | 73 | 74 | 74 | 76 | 76 | 78 |
| 6/30/1980 - 6/30/1981 | 38 | 41 | 43 | 45 | 47 | 48 | 50 | 52 | 54 | 56 | 58 | 60 | 63 | 65 | 69 | 73 | 74 | 77 | 81 | 81 | 81 | 82 | 82 | 82 | 82 | 86 | 86 | 88 |
| 6/30/1981 - 6/30/1982 | 38 | 41 | 44 | 46 | 48 | 49 | 51 | 53 | 55 | 57 | 59 | 59 | 60 | 64 | 68 | 71 | 74 | 78 | 78 | 78 | 79 | 79 | 79 | 80 | 80 | 81 | | |
| 6/30/1982 - 6/30/1983 | 38 | 41 | 43 | 45 | 47 | 48 | 50 | 52 | 54 | 56 | 60 | 64 | 67 | 70 | 72 | 74 | 78 | 79 | 79 | 79 | 80 | 80 | 80 | 82 | 82 | 82 | | |
| 6/30/1983 - 6/30/1984 | 38 | 41 | 44 | 46 | 48 | 49 | 51 | 53 | 55 | 55 | 56 | 56 | 59 | 60 | 62 | 64 | 66 | 68 | 69 | 69 | 69 | 71 | 73 | 73 | | | | |
| 6/30/1984 - 6/30/1985 | 38 | 41 | 43 | 45 | 47 | 48 | 50 | 52 | 54 | 56 | 58 | 61 | 64 | 66 | 68 | 69 | 69 | 70 | 71 | 73 | 74 | 74 | 75 | 75 | | | | |
| 6/30/1985 - 6/30/1986 | 45 | 48 | 54 | 56 | 59 | 60 | 63 | 66 | 69 | 71 | 73 | 76 | 77 | 81 | 81 | 83 | 84 | 85 | 85 | 87 | 87 | 89 | 89 | | | | | |
| 6/30/1986 - 6/30/1987 | 42 | 45 | 48 | 51 | 53 | 53 | 57 | 57 | 59 | 62 | 65 | 65 | 67 | 67 | 67 | 67 | 67 | 69 | 69 | 69 | 69 | 71 | | | | | | |
| 6/30/1987 - 6/30/1988 | 33 | 38 | 40 | 43 | 45 | 47 | 47 | 51 | 53 | 55 | 55 | 58 | 59 | 60 | 62 | 63 | 65 | 68 | 68 | 69 | 69 | | | | | | | |
| 6/30/1988 - 6/30/1989 | 31 | 34 | 34 | 34 | 37 | 38 | 39 | 42 | 42 | 43 | 46 | 48 | 49 | 51 | 51 | 51 | 52 | 53 | 53 | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 39 | 40 | 40 | 42 | 44 | 44 | 44 | 48 | 51 | 55 | 56 | 59 | 61 | 62 | 62 | 65 | 65 | 69 | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 31 | 32 | 33 | 36 | 36 | 36 | 37 | 38 | 43 | 43 | 44 | 46 | 46 | 46 | 49 | 49 | 52 | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 40 | 44 | 44 | 45 | 45 | 47 | 49 | 52 | 54 | 55 | 57 | 61 | 61 | 64 | 64 | 65 | 66 | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 44 | 45 | 46 | 49 | 51 | 56 | 58 | 63 | 67 | 68 | 71 | 73 | 74 | 74 | 78 | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 46 | 46 | 48 | 51 | 51 | 54 | 56 | 56 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | | | | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 45 | 48 | 53 | 54 | 56 | 57 | 57 | 58 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | | | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 43 | 48 | 50 | 50 | 51 | 51 | 51 | 51 | 55 | 56 | 56 | 58 | | | | | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 37 | 45 | 48 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 45 | 47 | 47 | 47 | 48 | 49 | 49 | 49 | 49 | 49 | 50 | | | | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 45 | 45 | 45 | 45 | 47 | 49 | 49 | 49 | 49 | 49 | 52 | | | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 46 | 46 | 47 | 48 | 48 | 48 | 49 | 49 | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 38 | 38 | 38 | 38 | 38 | 39 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 28 | 30 | 33 | 34 | 34 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 29 | 32 | 33 | 34 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 19 | 21 | 22 | | | | | | | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Fatality Section
 Appendix 1

Fatal

| Awarded Claim Counts | Report-to-Report Development Factors | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|----------|---------|--|
| | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | | |
| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | Ultimate | | |
| 6/30/1979 - 6/30/1980 | 1.0795 | 1.0736 | 1.0394 | 1.0440 | 1.0211 | 1.0413 | 1.0396 | 1.0381 | 1.0367 | 1.0354 | 1.0342 | 1.0331 | 1.0320 | 1.0000 | 1.0000 | 1.0155 | 1.0458 | 1.0146 | 1.0288 | 1.0140 | 1.0000 | 1.0138 | 1.0136 | 1.0000 | 1.0269 | 0.9938 | 1.0263 | | | |
| 6/30/1980 - 6/30/1981 | 1.0795 | 1.0491 | 1.0415 | 1.0449 | 1.0215 | 1.0421 | 1.0404 | 1.0388 | 1.0374 | 1.0360 | 1.0348 | 1.0504 | 1.0320 | 1.0620 | 1.0584 | 1.0138 | 1.0408 | 1.0523 | 1.0000 | 1.0000 | 1.0124 | 1.0000 | 1.0000 | 1.0491 | 1.0056 | 1.0233 | | | | |
| 6/30/1981 - 6/30/1982 | 1.0795 | 1.0736 | 1.0417 | 1.0439 | 1.0210 | 1.0412 | 1.0395 | 1.0380 | 1.0366 | 1.0354 | 1.0000 | 1.0171 | 1.0671 | 1.0629 | 1.0444 | 1.0425 | 1.0544 | 1.0000 | 1.0000 | 1.0129 | 1.0000 | 1.0000 | 1.0127 | 1.0054 | 1.0125 | | | | | |
| 6/30/1982 - 6/30/1983 | 1.0795 | 1.0491 | 1.0438 | 1.0448 | 1.0214 | 1.0420 | 1.0403 | 1.0387 | 1.0373 | 1.0719 | 1.0671 | 1.0472 | 1.0450 | 1.0287 | 1.0279 | 1.0543 | 1.0129 | 1.0000 | 1.0000 | 1.0127 | 1.0000 | 1.0251 | 1.0046 | 1.0000 | | | | | | |
| 6/30/1983 - 6/30/1984 | 1.0795 | 1.0736 | 1.0439 | 1.0438 | 1.0210 | 1.0411 | 1.0395 | 1.0380 | 1.0000 | 1.0183 | 1.0000 | 1.0539 | 1.0170 | 1.0335 | 1.0324 | 1.0314 | 1.0305 | 1.0148 | 1.0000 | 1.0000 | 1.0291 | 1.0329 | 1.0000 | | | | | | | |
| 6/30/1984 - 6/30/1985 | 1.0795 | 1.0491 | 1.0468 | 1.0447 | 1.0214 | 1.0419 | 1.0402 | 1.0386 | 1.0372 | 1.0359 | 1.0519 | 1.0494 | 1.0314 | 1.0304 | 1.0148 | 1.0000 | 1.0145 | 1.0143 | 1.0283 | 1.0137 | 1.0169 | 1.0000 | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 1.0667 | 1.1250 | 1.0370 | 1.0536 | 1.0169 | 1.0500 | 1.0476 | 1.0455 | 1.0290 | 1.0282 | 1.0411 | 1.0132 | 1.0519 | 1.0000 | 1.0247 | 1.0120 | 1.0119 | 1.0000 | 1.0235 | 1.0230 | 1.0000 | | | | | | | | | |
| 6/30/1986 - 6/30/1987 | 1.0714 | 1.0667 | 1.0625 | 1.0392 | 1.0000 | 1.0755 | 1.0000 | 1.0351 | 1.0508 | 1.0484 | 1.0000 | 1.0308 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0299 | 1.0000 | 1.0000 | 1.0290 | | | | | | | | | | |
| 6/30/1987 - 6/30/1988 | 1.1515 | 1.0526 | 1.0750 | 1.0465 | 1.0444 | 1.0000 | 1.0851 | 1.0402 | 1.0377 | 1.0000 | 1.0545 | 1.0172 | 1.0169 | 1.0333 | 1.0161 | 1.0317 | 1.0461 | 0.9993 | 1.0147 | | | | | | | | | | | |
| 6/30/1988 - 6/30/1989 | 1.0968 | 1.0000 | 1.0000 | 1.0882 | 1.0270 | 1.0263 | 1.0769 | 1.0000 | 1.0238 | 1.0698 | 1.0435 | 1.0208 | 1.0408 | 1.0000 | 1.0000 | 1.0196 | 1.0192 | 1.0000 | | | | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 1.0256 | 1.0000 | 1.0500 | 1.0476 | 1.0000 | 1.0000 | 1.0909 | 1.0625 | 1.0784 | 1.0182 | 1.0536 | 1.0339 | 1.0164 | 1.0000 | 1.0484 | 1.0000 | 1.0615 | | | | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 1.0323 | 1.0313 | 1.0909 | 1.0000 | 1.0000 | 1.0278 | 1.0270 | 1.1316 | 1.0000 | 1.0233 | 1.0455 | 1.0000 | 1.0000 | 1.0652 | 1.0000 | 1.0612 | | | | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.1000 | 1.0000 | 1.0227 | 1.0000 | 1.0444 | 1.0426 | 1.0612 | 1.0385 | 1.0185 | 1.0364 | 1.0702 | 1.0000 | 1.0492 | 1.0156 | 1.0154 | | | | | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 1.0227 | 1.0222 | 1.0652 | 1.0408 | 1.0980 | 1.0357 | 1.0862 | 1.0635 | 1.0149 | 1.0441 | 1.0282 | 1.0137 | 1.0000 | 1.0541 | | | | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1.0000 | 1.0435 | 1.0625 | 1.0000 | 1.0588 | 1.0370 | 1.0000 | 1.0179 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | | | | | | | | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 1.0667 | 1.1042 | 1.0189 | 1.0370 | 1.0179 | 1.0000 | 1.0175 | 1.0172 | 1.0000 | 1.0000 | 1.0000 | | | | | | | | | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.1163 | 1.0417 | 1.0000 | 1.0200 | 1.0000 | 1.0000 | 1.0000 | 1.0784 | 1.0182 | 1.0000 | 1.0357 | | | | | | | | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 1.2162 | 1.0667 | 1.0208 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0204 | | | | | | | | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.0444 | 1.0000 | 1.0000 | 1.0213 | 1.0208 | 1.0000 | 1.0000 | 1.0000 | 1.0204 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.0000 | 1.0000 | 1.0000 | 1.0444 | 1.0426 | 1.0000 | 1.0000 | 1.0612 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 1.0000 | 1.0217 | 1.0213 | 1.0000 | 1.0000 | 1.0208 | 1.0000 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0263 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.0714 | 1.1000 | 1.0303 | 1.0000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.1034 | 1.0313 | 1.0303 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1.1053 | 1.0476 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.0645 | 1.0432 | 1.0338 | 1.0294 | 1.0228 | 1.0257 | 1.0349 | 1.0411 | 1.0251 | 1.0290 | 1.0330 | 1.0238 | 1.0267 | 1.0276 | 1.0217 | 1.0235 | 1.0334 | 1.0095 | 1.0106 | 1.0132 | 1.0084 | 1.0120 | 1.0062 | 1.0136 | 1.0150 | 1.0085 | 1.0263 | | | |
| Last 5 | 1.0560 | 1.0358 | 1.0164 | 1.0089 | 1.0179 | 1.0042 | 1.0000 | 1.0314 | 1.0077 | 1.0129 | 1.0268 | 1.0027 | 1.0131 | 1.0270 | 1.0160 | 1.0225 | 1.0337 | 1.0027 | 1.0133 | 1.0157 | 1.0092 | 1.0116 | 1.0062 | | | | | | | |
| Last 3 | 1.0934 | 1.0596 | 1.0202 | 1.0000 | 1.0088 | 1.0069 | 1.0000 | 1.0204 | 1.0129 | 1.0068 | 1.0119 | 1.0046 | 1.0164 | 1.0450 | 1.0213 | 1.0269 | 1.0423 | 0.9998 | 1.0127 | 1.0219 | 1.0154 | 1.0194 | 1.0058 | 1.0181 | 1.0150 | | | | | |
| Avg. x High/Low | 1.0646 | 1.0416 | 1.0328 | 1.0280 | 1.0203 | 1.0245 | 1.0337 | 1.0383 | 1.0234 | 1.0281 | 1.0327 | 1.0233 | 1.0256 | 1.0267 | 1.0204 | 1.0221 | 1.0327 | 1.0055 | 1.0095 | 1.0127 | 1.0059 | 1.0097 | 1.0058 | 1.0027 | 1.0125 | | | | | |
| Avg. x 08-09 Dev | 1.0625 | 1.0352 | 1.0326 | 1.0258 | 1.0248 | 1.0210 | 1.0352 | 1.0455 | 1.0228 | 1.0262 | 1.0372 | 1.0129 | 1.0158 | 1.0147 | 1.0094 | 1.0210 | 1.0306 | 0.9998 | 1.0074 | 1.0260 | 1.0085 | | | | | | | | | |
| Volume Weighted | 1.0600 | 1.0381 | 1.0304 | 1.0246 | 1.0238 | 1.0205 | 1.0318 | 1.0412 | 1.0226 | 1.0238 | 1.0329 | 1.0133 | 1.0211 | 1.0222 | 1.0188 | 1.0244 | 1.0318 | 1.0092 | 1.0084 | 1.0131 | 1.0090 | 1.0112 | 1.0044 | 1.0182 | 1.0089 | 1.0233 | 1.0263 | | | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central | 1.0934 | 1.0306 | 1.0103 | 1.0131 | 1.0127 | 1.0042 | 1.0035 | 1.0227 | 1.0066 | 1.0000 | 1.0094 | 1.0165 | 1.0213 | 1.0228 | 1.0129 | 1.0127 | 1.0243 | 1.0058 | 1.0104 | 1.0125 | 1.0110 | 1.0178 | 1.0042 | 1.0164 | 1.0134 | 1.0000 | 1.0000 | | | |
| Pinnacle Selected: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.0934 | 1.0306 | 1.0103 | 1.0000 | 1.0127 | 1.0042 | 1.0000 | 1.0227 | 1.0066 | 1.0000 | 1.0094 | 1.0046 | 1.0164 | 1.0228 | 1.0129 | 1.0127 | 1.0243 | 1.0000 | 1.0104 | 1.0122 | 1.0110 | 1.0178 | 1.0042 | 1.0164 | 1.0134 | 1.0000 | 1.0000 | 1.0000 | | |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.4370 | 1.3143 | 1.2752 | 1.2622 | 1.2622 | 1.2464 | 1.2413 | 1.2413 | 1.2137 | 1.2057 | 1.2057 | 1.1945 | 1.1891 | 1.1699 | 1.1438 | 1.1292 | 1.1151 | 1.0886 | 1.0886 | 1.0774 | 1.0644 | 1.0528 | 1.0344 | 1.0300 | 1.0134 | 1.0000 | 1.0000 | 1.0000 | 0.0000 | |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 69.59% | 76.09% | 78.42% | 79.23% | 79.23% | 80.23% | 80.56% | 80.56% | 82.39% | 82.94% | 82.94% | 83.72% | 84.10% | 85.48% | 87.43% | 88.56% | 89.68% | 91.86% | 91.86% | 92.81% | 93.95% | 94.99% | 96.68% | 97.09% | 98.68% | 100.00% | 100.00% | 100.00% | 100.00% | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Fatal
 Paid Claim Severity

Fatality Section
 Appendix 1
 Page 5

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | |
|-----------------------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | Months of Maturity | | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | |
| | | | | | | | | | | | | | 204 | 216 | | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 77,067 | 90,000 | 101,407 | 118,214 | 128,831 | 143,833 | 155,286 | 168,999 | 179,638 | 193,336 | 205,281 | 216,125 | 228,930 | 235,167 | 249,261 | 257,706 | 268,286 | 277,504 | 288,003 | 292,683 | 296,634 | 310,035 | |
| 6/30/1986 - 6/30/1987 | 65,381 | 82,222 | 93,792 | 105,725 | 116,868 | 135,038 | 142,663 | 159,642 | 168,997 | 177,623 | 185,582 | 201,960 | 210,366 | 225,508 | 240,614 | 255,306 | 268,140 | 272,052 | 284,828 | 297,163 | 305,592 | | |
| 6/30/1987 - 6/30/1988 | 77,424 | 82,684 | 96,350 | 104,093 | 121,867 | 137,073 | 153,626 | 159,666 | 172,648 | 182,607 | 197,272 | 202,458 | 214,450 | 226,889 | 235,145 | 245,141 | 249,707 | 250,295 | 261,676 | 273,822 | | | |
| 6/30/1988 - 6/30/1989 | 99,097 | 112,353 | 130,412 | 150,735 | 157,119 | 177,677 | 190,191 | 196,685 | 212,683 | 231,557 | 234,519 | 243,094 | 254,319 | 260,539 | 274,426 | 285,759 | 291,409 | 296,966 | 312,531 | | | | |
| 6/30/1989 - 6/30/1990 | 76,513 | 90,250 | 107,975 | 121,520 | 132,833 | 146,959 | 161,430 | 170,018 | 177,885 | 180,621 | 190,625 | 197,975 | 206,086 | 216,677 | 227,877 | 228,276 | 238,572 | 242,981 | | | | | |
| 6/30/1990 - 6/30/1991 | 88,323 | 105,156 | 121,851 | 133,224 | 149,819 | 164,948 | 181,469 | 195,764 | 193,229 | 209,340 | 222,000 | 227,799 | 242,183 | 254,506 | 250,559 | 262,779 | 263,110 | | | | | | |
| 6/30/1991 - 6/30/1992 | 98,825 | 110,778 | 129,796 | 144,552 | 161,589 | 171,722 | 182,056 | 192,313 | 202,175 | 216,668 | 229,695 | 230,619 | 244,539 | 247,781 | 257,707 | 271,589 | | | | | | | |
| 6/30/1992 - 6/30/1993 | 75,519 | 92,018 | 108,161 | 122,279 | 138,052 | 143,950 | 159,754 | 165,638 | 176,144 | 190,704 | 198,792 | 207,540 | 218,930 | 232,750 | 239,639 | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 90,641 | 105,649 | 121,471 | 137,472 | 159,937 | 169,297 | 181,920 | 198,841 | 212,679 | 227,547 | 241,268 | 256,267 | 271,185 | 290,137 | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 86,218 | 100,472 | 112,550 | 126,553 | 137,019 | 148,839 | 162,664 | 178,648 | 189,861 | 203,887 | 220,561 | 239,884 | 257,821 | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 87,912 | 94,530 | 108,240 | 121,694 | 133,222 | 145,699 | 158,499 | 170,233 | 173,632 | 188,983 | 205,235 | 215,548 | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 75,824 | 74,686 | 90,112 | 99,044 | 109,000 | 118,400 | 129,210 | 143,646 | 162,890 | 179,851 | 194,072 | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 55,302 | 66,633 | 78,419 | 89,595 | 100,909 | 111,216 | 125,686 | 144,124 | 160,868 | 174,154 | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 67,140 | 84,783 | 97,908 | 111,301 | 120,809 | 135,295 | 160,692 | 185,848 | 198,207 | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 75,780 | 90,986 | 106,208 | 119,430 | 140,022 | 169,570 | 198,025 | 225,086 | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 55,618 | 67,481 | 78,917 | 98,051 | 121,059 | 142,324 | 163,363 | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 86,547 | 102,198 | 124,070 | 151,618 | 178,272 | 199,132 | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 95,154 | 121,915 | 139,987 | 170,555 | 195,831 | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 99,430 | 121,686 | 151,083 | 175,697 | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 99,742 | 118,259 | 137,824 | | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011
 Fatal

Fatality Section
 Appendix 1

| Paid Claim Severity Policy Period | Report-to-Report Development Factors | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------------|--------------------------------------|----------|----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------------|
| | 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 | 276 288 | 288 300 | 300 312 | 312 Ultimate |
| 6/30/1985 - 6/30/1986 | 1.1678 | 1.1267 | 1.1657 | 1.0898 | 1.1165 | 1.0796 | 1.0883 | 1.0630 | 1.0763 | 1.0618 | 1.0528 | 1.0592 | 1.0272 | 1.0599 | 1.0339 | 1.0411 | 1.0344 | 1.0378 | 1.0163 | 1.0135 | 1.0452 | |
| 6/30/1986 - 6/30/1987 | 1.2576 | 1.1407 | 1.1272 | 1.1054 | 1.1555 | 1.0565 | 1.1190 | 1.0586 | 1.0510 | 1.0448 | 1.0883 | 1.0416 | 1.0720 | 1.0670 | 1.0611 | 1.0503 | 1.0146 | 1.0470 | 1.0433 | 1.0284 | | |
| 6/30/1987 - 6/30/1988 | 1.0679 | 1.1653 | 1.0804 | 1.1707 | 1.1248 | 1.1208 | 1.0393 | 1.0813 | 1.0577 | 1.0803 | 1.0263 | 1.0592 | 1.0580 | 1.0364 | 1.0425 | 1.0186 | 1.0024 | 1.0455 | 1.0464 | | | |
| 6/30/1988 - 6/30/1989 | 1.1338 | 1.1607 | 1.1558 | 1.0423 | 1.1308 | 1.0704 | 1.0341 | 1.0813 | 1.0887 | 1.0128 | 1.0366 | 1.0462 | 1.0245 | 1.0533 | 1.0413 | 1.0198 | 1.0191 | 1.0524 | | | | |
| 6/30/1989 - 6/30/1990 | 1.1795 | 1.1964 | 1.1254 | 1.0931 | 1.1064 | 1.0985 | 1.0532 | 1.0463 | 1.0154 | 1.0554 | 1.0386 | 1.0410 | 1.0514 | 1.0517 | 1.0017 | 1.0451 | 1.0185 | | | | | |
| 6/30/1990 - 6/30/1991 | 1.1906 | 1.1588 | 1.0933 | 1.1246 | 1.1010 | 1.1002 | 1.0788 | 0.9871 | 1.0834 | 1.0605 | 1.0261 | 1.0631 | 1.0509 | 0.9845 | 1.0488 | 1.0013 | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.1209 | 1.1717 | 1.1137 | 1.1179 | 1.0627 | 1.0602 | 1.0563 | 1.0513 | 1.0717 | 1.0601 | 1.0040 | 1.0604 | 1.0133 | 1.0401 | 1.0539 | | | | | | | |
| 6/30/1992 - 6/30/1993 | 1.2185 | 1.1754 | 1.1305 | 1.1290 | 1.0427 | 1.1098 | 1.0368 | 1.0634 | 1.0827 | 1.0424 | 1.0440 | 1.0549 | 1.0631 | 1.0296 | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1.1656 | 1.1498 | 1.1317 | 1.1634 | 1.0585 | 1.0746 | 1.0930 | 1.0696 | 1.0699 | 1.0603 | 1.0622 | 1.0582 | 1.0699 | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 1.1653 | 1.1202 | 1.1244 | 1.0827 | 1.0863 | 1.0929 | 1.0983 | 1.0628 | 1.0739 | 1.0818 | 1.0876 | 1.0748 | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 1.0753 | 1.1450 | 1.1243 | 1.0947 | 1.0937 | 1.0879 | 1.0740 | 1.0200 | 1.0884 | 1.0860 | 1.0502 | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 0.9850 | 1.2065 | 1.0991 | 1.1005 | 1.0862 | 1.0913 | 1.1117 | 1.1340 | 1.1041 | 1.0791 | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 1.2049 | 1.1769 | 1.1425 | 1.1263 | 1.1021 | 1.1301 | 1.1467 | 1.1162 | 1.0826 | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 1.2628 | 1.1548 | 1.1368 | 1.0854 | 1.1199 | 1.1877 | 1.1565 | 1.0665 | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 1.2007 | 1.1673 | 1.1245 | 1.1724 | 1.2110 | 1.1678 | 1.1367 | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 1.2133 | 1.1695 | 1.2425 | 1.2347 | 1.1757 | 1.1478 | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 1.1808 | 1.2140 | 1.2220 | 1.1758 | 1.1170 | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 1.2812 | 1.1482 | 1.2184 | 1.1482 | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 1.2238 | 1.2416 | 1.1629 | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 1.1856 | 1.1654 | | | | | | | | | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.1741 | 1.1678 | 1.1432 | 1.1254 | 1.1112 | 1.1047 | 1.0882 | 1.0644 | 1.0727 | 1.0604 | 1.0470 | 1.0559 | 1.0478 | 1.0403 | 1.0404 | 1.0293 | 1.0178 | 1.0457 | 1.0353 | 1.0209 | 1.0452 | |
| Last 5 | 1.2170 | 1.1877 | 1.1941 | 1.1633 | 1.1451 | 1.1449 | 1.1251 | 1.0799 | 1.0838 | 1.0699 | 1.0496 | 1.0623 | 1.0497 | 1.0318 | 1.0376 | 1.0270 | 1.0178 | | | | | |
| Last 3 | 1.2302 | 1.1851 | 1.2011 | 1.1862 | 1.1679 | 1.1678 | 1.1466 | 1.1056 | 1.0917 | 1.0823 | 1.0667 | 1.0626 | 1.0488 | 1.0181 | 1.0348 | 1.0220 | 1.0133 | 1.0483 | 1.0353 | | | |
| Avg. x High/Low | 1.1786 | 1.1663 | 1.1411 | 1.1237 | 1.1091 | 1.1023 | 1.0871 | 1.0650 | 1.0751 | 1.0626 | 1.0472 | 1.0554 | 1.0493 | 1.0452 | 1.0441 | 1.0311 | 1.0174 | 1.0462 | 1.0433 | | | |
| Volume Weighted | 1.1722 | 1.1681 | 1.1442 | 1.1246 | 1.1100 | 1.1036 | 1.0868 | 1.0623 | 1.0728 | 1.0597 | 1.0465 | 1.0563 | 1.0473 | 1.0397 | 1.0409 | 1.0288 | 1.0180 | 1.0458 | 1.0349 | 1.0210 | 1.0452 | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | | | | | | | | |
| Central | 1.2282 | 1.2265 | 1.2466 | 1.1997 | 1.1687 | 1.1385 | 1.1201 | 1.0783 | 1.0975 | 1.0652 | 1.0456 | 1.0503 | 1.0405 | 1.0376 | 1.0406 | 1.0304 | 1.0088 | 1.0402 | 1.0252 | 1.0105 | 1.2857 | |
| Pinnacle Selected: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 1.2302 | 1.1877 | 1.2276 | 1.1943 | 1.1689 | 1.1385 | 1.1201 | 1.0783 | 1.0888 | 1.0760 | 1.0646 | 1.0578 | 1.0424 | 1.0376 | 1.0406 | 1.0278 | 1.0120 | 1.0402 | 1.0252 | 1.0135 | 1.0000 | 1.4248 |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 8.1901 | 6.6573 | 5.6050 | 4.5657 | 3.8230 | 3.2707 | 2.8729 | 2.5648 | 2.3786 | 2.1846 | 2.0302 | 1.9071 | 1.8028 | 1.7295 | 1.6668 | 1.6018 | 1.5584 | 1.5399 | 1.4804 | 1.4440 | 1.4248 | 1.4248 |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | |
| Central Estimate | 12.21% | 15.02% | 17.84% | 21.90% | 26.16% | 30.57% | 34.81% | 38.99% | 42.04% | 45.78% | 49.26% | 52.44% | 55.47% | 57.82% | 59.99% | 62.43% | 64.17% | 64.94% | 67.55% | 69.25% | 70.19% | 70.19% |

Permanent Partial Disability

The payment development period for Permanent Partial Disability (PPD) claims allows us to utilize the cumulative payment triangle data for policy years 1980 and subsequent in our analysis.

The benefit structure for PPD claims in West Virginia has been subject to significant change over the past 20 years. The benefits, as a percentage of pre-injury wages, and maximum benefit, as a percentage of the statewide average weekly wage, were revised in 1995 with the passage of Senate Bill 250 and then again in 2003 with the passage of Senate Bill 2013. Perhaps the change with the largest impact in the 2003 legislation was the elimination of the escalation of benefit payments for all existing and future claims. We have included historical paid loss development data that has been restated to more accurately reflect the current benefit structure rather than the past benefit structure as available through June 2008. The fiscal year 2009, 2010 and 2011 payment data for PPD claims is included within the latest diagonals in our paid development triangle. As with the other claim types, any available data from the Self-Insured Buyouts and Bankruptcies have been included as part of the payment history.

A program was begun in mid-1999 which allowed the Fund and the claimants to enter into lump sum settlements and structured settlements. These structured settlements obligate the Old Fund based upon the details of the agreement. In prior reviews, a separate amount was included within the PPD estimate for structured settlements. Last year, a nominal reserve estimate of \$26.7 million for structure settlements was included in our estimate of unpaid liability for PPD.

As part of the claim information provided by the TPA's, we found that a majority (70) of the structured settlement claims are being handled and coded as Permanent Total Disability (PTD) claims while only 15 are listed in the PPD data. We have included the paid losses from these 15 claims as part of the PPD loss development data. We estimate that roughly 15% of the prior reserve or \$4 million on a nominal basis remains in the PPD section. Thus with these changes in the underlying data this year, we do not see the need to include a separate provision for the structured settlements with the estimated unpaid liability for PPD claims.

| Old Fund Permanent Partial Disability Estimated Unpaid Liabilities as of June 30, 2011 | | |
|---|----------------|-------------------|
| | Nominal | Discounted |
| Permanent Partial Disability Liability | \$26.4 Million | \$21.5 Million |

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Permanent Partial Disability Central Estimate

| Accident Year (1) | Paid Losses (2) | Loss Dev. Estimated Ultimate Losses (3) | B-F Estimated Ultimate Losses (4) | Selected Ultimate Losses (5) | Nominal Estimated Required IBNR (6) | Discount Factor (7) | Discounted Estimated Required IBNR (8) |
|-------------------------|-----------------------|---|---|---------------------------------------|---|---------------------------|--|
| Prior Years | | | | | 200 | 100.00% | 200 |
| 1980 | 24,844 | 24,916 | | 24,916 | 72 | 100.00% | 72 |
| 1981 | 27,560 | 27,644 | | 27,644 | 84 | 97.59% | 82 |
| 1982 | 31,190 | 31,287 | | 31,287 | 98 | 94.96% | 93 |
| 1983 | 30,328 | 30,432 | | 30,432 | 105 | 92.61% | 97 |
| 1984 | 31,653 | 31,771 | | 31,771 | 118 | 91.96% | 108 |
| 1985 | 36,464 | 36,609 | | 36,609 | 144 | 90.82% | 131 |
| 1986 | 39,585 | 39,750 | | 39,750 | 165 | 89.04% | 147 |
| 1987 | 37,686 | 37,860 | | 37,860 | 174 | 86.88% | 151 |
| 1988 | 42,585 | 42,804 | | 42,804 | 220 | 86.63% | 190 |
| 1989 | 44,843 | 45,097 | | 45,097 | 254 | 86.10% | 218 |
| 1990 | 48,201 | 48,498 | 48,461 | 48,479 | 279 | 84.83% | 236 |
| 1991 | 50,474 | 50,823 | 50,769 | 50,796 | 322 | 83.41% | 269 |
| 1992 | 55,244 | 55,656 | 55,572 | 55,614 | 370 | 82.82% | 306 |
| 1993 | 56,307 | 56,800 | 56,708 | 56,754 | 447 | 81.05% | 362 |
| 1994 | 52,579 | 53,080 | 53,040 | 53,060 | 481 | 81.71% | 393 |
| 1995 | 53,024 | 53,615 | 53,584 | 53,599 | 575 | 80.11% | 461 |
| 1996 | 53,045 | 53,754 | 53,740 | 53,747 | 702 | 80.43% | 565 |
| 1997 | 61,359 | 62,342 | 62,215 | 62,279 | 920 | 81.02% | 745 |
| 1998 | 76,523 | 77,992 | 77,583 | 77,788 | 1,265 | 81.26% | 1,028 |
| 1999 | 83,343 | 85,262 | 84,649 | 84,955 | 1,612 | 81.29% | 1,310 |
| 2000 | 85,214 | 87,564 | 86,822 | 87,193 | 1,979 | 81.18% | 1,607 |
| 2001 | 77,671 | 80,239 | 79,630 | 79,934 | 2,263 | 80.99% | 1,833 |
| 2002 | 74,776 | 77,738 | 77,140 | 77,439 | 2,663 | 80.75% | 2,151 |
| 2003 | 64,369 | 67,463 | 67,253 | 67,358 | 2,990 | 80.50% | 2,407 |
| 2004 | 52,556 | 55,612 | 56,123 | 56,000 | 3,444 | 80.44% | 2,770 |
| 2005 | 46,589 | 50,237 | 51,475 | 51,000 | 4,411 | 80.27% | 3,541 |
| Total | 1,338,011 | 1,364,845 | 1,014,763 | 1,364,166 | 26,355 | | 21,473 |

Notes:

- (2) Page 4, Col (2)
- (3) Page 4, Col (4)
- (4) Page 4, Col (9)
- (5) Based on Columns (2) through (4)
- (6) Col (5) - Col (2)
- (7) Page 5, Col (5)
- (8) Col (6) x Col (7)

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Permanent Partial Discount Factor Calculation

| Accident Year | Accident Year Age (1) | Cumulative Percentage Paid (2) | Next Incr Percentage Paid (3) | Incremental Percentage Discounted (4) | Discount Factor at 5.0% (5) | |
|------------------|--------------------------------|---|--|--|--------------------------------------|-------|
| | 2005 | 84 | 94.5% | 0.9% | 0.6% | 0.803 |
| | 2004 | 96 | 95.4% | 0.8% | 0.5% | 0.804 |
| | 2003 | 108 | 96.2% | 0.6% | 0.4% | 0.805 |
| | 2002 | 120 | 96.8% | 0.5% | 0.3% | 0.808 |
| | 2001 | 132 | 97.3% | 0.4% | 0.3% | 0.810 |
| | 2000 | 144 | 97.8% | 0.4% | 0.2% | 0.812 |
| | 1999 | 156 | 98.1% | 0.3% | 0.2% | 0.813 |
| | 1998 | 168 | 98.4% | 0.3% | 0.1% | 0.813 |
| | 1997 | 180 | 98.7% | 0.2% | 0.1% | 0.810 |
| | 1996 | 192 | 98.9% | 0.2% | 0.1% | 0.804 |
| | 1995 | 204 | 99.1% | 0.1% | 0.0% | 0.801 |
| | 1994 | 216 | 99.1% | 0.1% | 0.1% | 0.817 |
| | 1993 | 228 | 99.3% | 0.1% | 0.0% | 0.811 |
| | 1992 | 240 | 99.3% | 0.1% | 0.0% | 0.828 |
| | 1991 | 252 | 99.4% | 0.1% | 0.0% | 0.834 |
| | 1990 | 264 | 99.4% | 0.0% | 0.0% | 0.848 |
| | 1989 | 276 | 99.5% | 0.1% | 0.0% | 0.861 |
| | 1988 | 288 | 99.5% | 0.0% | 0.0% | 0.866 |
| | 1987 | 300 | 99.6% | 0.0% | 0.0% | 0.869 |
| | 1986 | 312 | 99.6% | 0.0% | 0.0% | 0.890 |
| | 1985 | 324 | 99.6% | 0.0% | 0.0% | 0.908 |
| | 1984 | 336 | 99.7% | 0.0% | 0.0% | 0.920 |
| | 1983 | 348 | 99.7% | 0.0% | 0.0% | 0.926 |
| | 1982 | 360 | 99.7% | 0.0% | 0.0% | 0.950 |
| | 1981 | 372 | 99.7% | 0.0% | 0.0% | 0.976 |
| | 1980 | 384 | 99.7% | | | 1.000 |

Notes:

- (2) Percentages of Ultimate are based upon Page 5 and 6
- (3) Prior Col (2) - Col (2)
- (4) Col (3) discounted at 5.0%
- (5) Downward sum of Col (4) / Downward sum of Col (3) trended at 5.0%

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Development of Indicated Loss Reserves (in 000s)
 Permanent Partial Disability

| CENTRAL ESTIMATE | | | | | | | | |
|-----------------------|-----------------------|------------------------------|--|-----------------|---------------------------------|--|--|---|
| Policy Period (1) | Paid Losses (2) | Expected % of Ult. (3) | Estimated Ultimate Losses (4) | Exposure (5) | Preliminary Loss Cost (6) | Loss Cost Trended at 2.0% (7) | "a priori" Expected Loss Cost (8) | B-F Estimated Ultimate Losses (9) |
| | | | | | | | | 6/30/1979 - 6/30/1980 |
| 6/30/1980 - 6/30/1981 | 27,560 | 99.70% | 27,644 | | | | | |
| 6/30/1981 - 6/30/1982 | 31,190 | 99.69% | 31,287 | | | | | |
| 6/30/1982 - 6/30/1983 | 30,328 | 99.66% | 30,432 | | | | | |
| 6/30/1983 - 6/30/1984 | 31,653 | 99.63% | 31,771 | | | | | |
| 6/30/1984 - 6/30/1985 | 36,464 | 99.61% | 36,609 | | | | | |
| 6/30/1985 - 6/30/1986 | 39,585 | 99.58% | 39,750 | | | | | |
| 6/30/1986 - 6/30/1987 | 37,686 | 99.54% | 37,860 | | | | | |
| 6/30/1987 - 6/30/1988 | 42,585 | 99.49% | 42,804 | | | | | |
| 6/30/1988 - 6/30/1989 | 44,843 | 99.44% | 45,097 | | | | | |
| 6/30/1989 - 6/30/1990 | 48,201 | 99.39% | 48,498 | 634 | 76.50 | 102.95 | 66.87 | 48,461 |
| 6/30/1990 - 6/30/1991 | 50,474 | 99.31% | 50,823 | 630 | 80.68 | 106.46 | 68.21 | 50,769 |
| 6/30/1991 - 6/30/1992 | 55,244 | 99.26% | 55,656 | 637 | 87.44 | 113.11 | 69.57 | 55,572 |
| 6/30/1992 - 6/30/1993 | 56,307 | 99.13% | 56,800 | 650 | 87.33 | 110.76 | 70.96 | 56,708 |
| 6/30/1993 - 6/30/1994 | 52,579 | 99.06% | 53,080 | 674 | 78.74 | 97.91 | 72.38 | 53,040 |
| 6/30/1994 - 6/30/1995 | 53,024 | 98.90% | 53,615 | 688 | 77.91 | 94.97 | 73.83 | 53,584 |
| 6/30/1995 - 6/30/1996 | 53,045 | 98.68% | 53,754 | 700 | 76.79 | 91.77 | 75.31 | 53,740 |
| 6/30/1996 - 6/30/1997 | 61,359 | 98.42% | 62,342 | 707 | 88.22 | 103.36 | 76.81 | 62,215 |
| 6/30/1997 - 6/30/1998 | 76,523 | 98.12% | 77,992 | 718 | 108.64 | 124.79 | 78.35 | 77,583 |
| 6/30/1998 - 6/30/1999 | 83,343 | 97.75% | 85,262 | 726 | 117.46 | 132.28 | 79.92 | 84,649 |
| 6/30/1999 - 6/30/2000 | 85,214 | 97.32% | 87,564 | 735 | 119.14 | 131.53 | 81.52 | 86,822 |
| 6/30/2000 - 6/30/2001 | 77,671 | 96.80% | 80,239 | 736 | 109.01 | 117.99 | 83.15 | 79,630 |
| 6/30/2001 - 6/30/2002 | 74,776 | 96.19% | 77,738 | 731 | 106.29 | 112.79 | 84.81 | 77,140 |
| 6/30/2002 - 6/30/2003 | 64,369 | 95.41% | 67,463 | 727 | 92.78 | 96.53 | 86.51 | 67,253 |
| 6/30/2003 - 6/30/2004 | 52,556 | 94.51% | 55,612 | 736 | 75.58 | 77.09 | 88.24 | 56,123 |
| 6/30/2004 - 6/30/2005 | 46,589 | 92.74% | 50,237 | 748 | 67.19 | 67.19 | 90.00 | 51,475 |
| Total | 1,338,011 | | 1,364,845 | 11,177 | 90.61 | | | 1,014,763 |

Selected Loss Cost : 90.00

Notes:

- (2) Provided by Client
- (3) Percentages of Ultimate are based upon Page 5 and 6
- (4) Col (2) / Col (3)
- (5) Bureau of Labor Statistics
- (6) Col (4) / Col (5)
- (7) Col (6) x trend factor 2.0% per annum
- (8) Selected Col (7) detrended at 2.0% per annum
- (9) Col (5) x Col (8) x [1 - Col (3)] + Col (2)

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Permanent Partial Disability
 Cumulative Indemnity Payments (in 000s)

PPD Section
 Page 5

| Years | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | Months of Maturity | | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | |
| 6/30/1979 - 6/30/1980 | 15,472 | 17,335 | 18,724 | 19,851 | 20,732 | 21,635 | 22,155 | 22,648 | 23,169 | 23,508 | 23,567 | 23,813 | 23,964 | 24,169 | 24,311 | 24,466 | 24,562 | 24,648 | 24,739 | 24,800 | 24,802 | 24,823 | 24,814 | 24,823 | 24,829 | 24,833 | 24,840 | 24,844 | |
| 6/30/1980 - 6/30/1981 | 16,210 | 18,696 | 20,259 | 21,582 | 22,507 | 23,360 | 24,002 | 24,600 | 25,019 | 25,429 | 25,697 | 25,962 | 26,363 | 26,623 | 26,894 | 27,021 | 27,139 | 27,262 | 27,386 | 27,416 | 27,472 | 27,541 | 27,540 | 27,544 | 27,560 | 27,560 | 27,560 | 27,560 | |
| 6/30/1981 - 6/30/1982 | 18,141 | 21,166 | 23,362 | 24,714 | 25,694 | 26,640 | 27,476 | 28,211 | 28,861 | 29,328 | 29,645 | 30,086 | 30,268 | 30,477 | 30,662 | 30,829 | 30,960 | 31,050 | 31,068 | 31,116 | 31,121 | 31,165 | 31,176 | 31,188 | 31,189 | 31,190 | 31,190 | 31,190 | |
| 6/30/1982 - 6/30/1983 | 19,150 | 21,935 | 23,784 | 25,004 | 25,787 | 26,856 | 27,472 | 28,003 | 28,304 | 28,607 | 29,268 | 29,508 | 29,670 | 29,846 | 29,940 | 30,162 | 30,239 | 30,307 | 30,298 | 30,301 | 30,307 | 30,308 | 30,319 | 30,319 | 30,328 | 30,328 | 30,328 | 30,328 | |
| 6/30/1983 - 6/30/1984 | 21,354 | 23,815 | 25,272 | 26,687 | 27,861 | 28,493 | 29,073 | 29,376 | 29,763 | 30,156 | 30,424 | 30,656 | 30,868 | 31,092 | 31,304 | 31,456 | 31,520 | 31,557 | 31,585 | 31,594 | 31,607 | 31,626 | 31,626 | 31,653 | 31,653 | 31,653 | 31,653 | 31,653 | |
| 6/30/1984 - 6/30/1985 | 24,575 | 27,596 | 29,136 | 30,822 | 32,014 | 32,907 | 33,414 | 33,843 | 34,485 | 34,902 | 35,290 | 35,594 | 35,981 | 36,076 | 36,215 | 36,398 | 36,421 | 36,427 | 36,433 | 36,450 | 36,460 | 36,460 | 36,464 | 36,464 | 36,464 | 36,464 | 36,464 | 36,464 | |
| 6/30/1985 - 6/30/1986 | 26,350 | 29,362 | 32,286 | 34,034 | 35,080 | 35,452 | 36,328 | 37,304 | 37,793 | 38,242 | 38,649 | 38,929 | 39,220 | 39,325 | 39,400 | 39,442 | 39,461 | 39,472 | 39,489 | 39,531 | 39,585 | 39,585 | 39,585 | 39,585 | 39,585 | 39,585 | 39,585 | 39,585 | 39,585 |
| 6/30/1986 - 6/30/1987 | 26,021 | 28,940 | 31,086 | 32,685 | 33,401 | 34,355 | 35,224 | 35,912 | 36,310 | 36,664 | 36,944 | 37,217 | 37,442 | 37,569 | 37,604 | 37,614 | 37,639 | 37,648 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 |
| 6/30/1987 - 6/30/1988 | 29,500 | 33,174 | 35,572 | 36,795 | 37,956 | 39,127 | 39,829 | 40,591 | 41,175 | 41,459 | 41,870 | 42,129 | 42,273 | 42,342 | 42,388 | 42,416 | 42,453 | 42,532 | 42,554 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 | 42,585 |
| 6/30/1988 - 6/30/1989 | 31,202 | 34,504 | 36,741 | 38,590 | 40,454 | 41,543 | 42,439 | 43,194 | 43,580 | 44,072 | 44,423 | 44,543 | 44,623 | 44,655 | 44,696 | 44,741 | 44,795 | 44,821 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 | 44,843 |
| 6/30/1989 - 6/30/1990 | 34,003 | 37,292 | 39,824 | 42,608 | 43,977 | 45,382 | 46,095 | 46,665 | 47,398 | 47,710 | 47,872 | 48,060 | 48,116 | 48,129 | 48,150 | 48,186 | 48,198 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 | 48,201 |
| 6/30/1990 - 6/30/1991 | 34,576 | 38,646 | 42,303 | 44,443 | 46,246 | 47,460 | 48,260 | 49,137 | 49,700 | 49,959 | 50,174 | 50,271 | 50,334 | 50,348 | 50,398 | 50,411 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 | 50,474 |
| 6/30/1991 - 6/30/1992 | 37,990 | 43,372 | 46,378 | 48,853 | 50,562 | 51,854 | 53,060 | 53,955 | 54,480 | 54,708 | 54,785 | 55,007 | 55,098 | 55,185 | 55,202 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 | 55,244 |
| 6/30/1992 - 6/30/1993 | 40,226 | 45,339 | 48,653 | 50,830 | 52,410 | 53,785 | 54,749 | 55,361 | 55,738 | 55,848 | 55,990 | 56,059 | 56,113 | 56,137 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 | 56,307 |
| 6/30/1993 - 6/30/1994 | 37,392 | 42,253 | 45,607 | 47,716 | 49,658 | 50,662 | 51,548 | 52,018 | 52,219 | 52,405 | 52,440 | 52,521 | 52,526 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 | 52,579 |
| 6/30/1994 - 6/30/1995 | 38,597 | 43,280 | 46,408 | 49,276 | 50,884 | 51,848 | 52,317 | 52,548 | 52,744 | 52,845 | 52,894 | 52,940 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 | 53,024 |
| 6/30/1995 - 6/30/1996 | 38,704 | 42,942 | 47,378 | 49,519 | 51,097 | 51,913 | 52,143 | 52,485 | 52,649 | 52,716 | 52,739 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 | 53,045 |
| 6/30/1996 - 6/30/1997 | 45,751 | 51,918 | 56,081 | 58,489 | 59,557 | 60,211 | 60,486 | 60,687 | 60,781 | 60,843 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 |
| 6/30/1997 - 6/30/1998 | 59,732 | 66,251 | 70,861 | 73,586 | 75,701 | 75,320 | 75,598 | 75,752 | 75,828 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 | 76,523 |
| 6/30/1998 - 6/30/1999 | 68,607 | 75,627 | 79,244 | 80,748 | 81,741 | 82,119 | 82,341 | 82,468 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 | 83,343 |
| 6/30/1999 - 6/30/2000 | 70,396 | 76,582 | 79,241 | 83,487 | 84,124 | 84,587 | 84,755 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 | 85,214 |
| 6/30/2000 - 6/30/2001 | 68,641 | 72,892 | 75,549 | 76,315 | 76,782 | 77,157 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 | 77,671 |
| 6/30/2001 - 6/30/2002 | 67,270 | 71,342 | 72,697 | 73,702 | 74,239 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 | 74,776 |
| 6/30/2002 - 6/30/2003 | 59,305 | 61,856 | 63,208 | 63,796 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 | 64,369 |
| 6/30/2003 - 6/30/2004 | 49,694 | 51,160 | 52,040 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 | 52,556 |
| 6/30/2004 - 6/30/2005 | 44,290 | 45,762 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 | 46,589 |

Temporary Total Disability

As implied by the name of this loss type, the time horizon for payments for Temporary Total Disability is generally short. Based upon the history of these claims in West Virginia, the payments are essentially complete after 14 years from the beginning of an accident period. Since we are now six full years into the run-off of the Old Fund, there are only eight years of expected additional payment activity remaining. We have utilized the cumulative paid loss development method and the Bornheutter-Fergusson Method for the projection of ultimate losses for temporary total disability claims.

The impacts on this claim type of Senate Bill 2013 are evident in the lower cumulative loss development factors for this coverage. The actual payments during the past 12 months declined to only \$257,000. This amount is well within the range of expected and a significant decline in the payment amounts seen in prior years but not totally unexpected. As a result, we feel comfortable in decreasing the selected ultimate loss slightly and the indicated nominal reserve by more than just the actual payments during the past 12 months.

About 37 percent of the indicated future costs are for claims with dates of injury during fiscal year 2005, the last year of the Old Fund's operation, while over 80 percent of the indicated future costs are for the remaining pending claims of the last four years of the Fund's operation (2002 through 2005). We continue to expect the estimated future liability to decline fairly rapidly over the next two to four years.

We note that the impact of including the data from the Self-Insured Buyouts and Bankruptcies is negligible within the projected reserves for this claim type.

The following summarizes our nominal and discounted actuarial central estimate for this claim type:

| Old Fund Temporary Total Disability Estimated Unpaid Liabilities as of June 30, 2011 | | |
|---|----------------|-------------------|
| | Nominal | Discounted |
| Current Estimate | \$854,000 | \$773,000 |
| Prior Estimate | \$1,359,000 | \$1,239,000 |

Workers' Compensation Fund - Old Fund

including SI Buyouts, Bankruptcies and Catastrophes and SI 2nd Injuries

Reserves as of 06/30/2011

Temporary Total Disability Central Estimate

| Accident Year (1) | Inception to to Date Paid Losses (2) | Loss Dev. Estimated Ultimate Losses (3) | B-F Estimated Ultimate Losses (4) | Selected Ultimate Losses (5) | Estimated Nominal Required IBNR (6) | Discount Factor (7) | Estimated Discounted Required IBNR (8) |
|-------------------------|--|---|---|---------------------------------------|---|---------------------------|--|
| Prior | | | | | | | |
| 1980 | 38,677 | 38,677 | 38,677 | 38,677 | 0 | 0.00% | 0 |
| 1981 | 41,199 | 41,199 | 41,199 | 41,199 | 0 | 0.00% | 0 |
| 1982 | 40,729 | 40,729 | 40,729 | 40,729 | 0 | 0.00% | 0 |
| 1983 | 38,084 | 38,084 | 38,084 | 38,084 | 0 | 0.00% | 0 |
| 1984 | 43,561 | 43,561 | 43,561 | 43,561 | 0 | 0.00% | 0 |
| 1985 | 46,391 | 46,391 | 46,391 | 46,391 | 0 | 0.00% | 0 |
| 1986 | 50,394 | 50,394 | 50,394 | 50,394 | 0 | 0.00% | 0 |
| 1987 | 57,136 | 57,136 | 57,136 | 57,136 | 0 | 0.00% | 0 |
| 1988 | 59,892 | 59,892 | 59,892 | 59,892 | 0 | 0.00% | 0 |
| 1989 | 66,702 | 66,702 | 66,702 | 66,702 | 0 | 0.00% | 0 |
| 1990 | 73,730 | 73,730 | 73,730 | 73,730 | 0 | 0.00% | 0 |
| 1991 | 80,989 | 80,989 | 80,989 | 80,989 | 0 | 0.00% | 0 |
| 1992 | 89,743 | 89,743 | 89,743 | 89,743 | 0 | 0.00% | 0 |
| 1993 | 90,413 | 90,413 | 90,413 | 90,413 | 0 | 0.00% | 0 |
| 1994 | 91,322 | 91,322 | 91,322 | 91,322 | 0 | 0.00% | 0 |
| 1995 | 78,907 | 78,907 | 78,907 | 78,907 | 0 | 0.00% | 0 |
| 1996 | 74,315 | 74,315 | 74,315 | 74,315 | 0 | 0.00% | 0 |
| 1997 | 85,100 | 85,100 | 85,100 | 85,100 | 0 | 0.00% | 0 |
| 1998 | 96,831 | 96,844 | 96,841 | 96,831 | 0 | 97.59% | 0 |
| 1999 | 103,538 | 103,564 | 103,558 | 103,564 | 27 | 95.11% | 26 |
| 2000 | 106,411 | 106,463 | 106,450 | 106,463 | 52 | 93.86% | 49 |
| 2001 | 105,414 | 105,488 | 105,471 | 105,488 | 73 | 91.86% | 67 |
| 2002 | 108,207 | 108,303 | 108,280 | 108,303 | 97 | 89.70% | 87 |
| 2003 | 85,783 | 85,866 | 85,864 | 85,866 | 83 | 86.37% | 72 |
| 2004 | 58,293 | 58,407 | 58,462 | 58,500 | 207 | 90.00% | 186 |
| 2005 | 52,384 | 52,566 | 52,695 | 52,700 | 316 | 90.91% | 288 |
| Total | 1,864,145 | 1,864,787 | 1,864,907 | 1,865,000 | 855 | | 774 |

Notes:

- (2) Page 3, Col (2)
- (3) Page 3, Col (4)
- (4) Page 3, Col (9)
- (5) Based on Columns (2) through (4)
- (6) Col (5) - Col (2)
- (7) Calculated using payment patterns and a discount rate of 5.0%
- (8) Col (6) x Col (7)

Temporary Total Disability

| CENTRAL ESTIMATE | | | | | | | | |
|-----------------------|----------------------------------|------------------------------|--|-----------------|---------------------------------|--|--|---|
| Policy Period (1) | Limited Paid Losses (2) | Expected % of Ult. (3) | Estimated Ultimate Losses (4) | Exposure (5) | Preliminary Loss Cost (6) | Loss Cost Trended at 2.0% (7) | "a priori" Expected Loss Cost (8) | B-F Estimated Ultimate Losses (9) |
| | 6/30/1979 - 6/30/1980 | 38,677 | 100.00% | 38,677 | | | | |
| 6/30/1980 - 6/30/1981 | 41,199 | 100.00% | 41,199 | | | | | 41,199 |
| 6/30/1981 - 6/30/1982 | 40,729 | 100.00% | 40,729 | | | | | 40,729 |
| 6/30/1982 - 6/30/1983 | 38,084 | 100.00% | 38,084 | | | | | 38,084 |
| 6/30/1983 - 6/30/1984 | 43,561 | 100.00% | 43,561 | | | | | 43,561 |
| 6/30/1984 - 6/30/1985 | 46,391 | 100.00% | 46,391 | | | | | 46,391 |
| 6/30/1985 - 6/30/1986 | 50,394 | 100.00% | 50,394 | | | | | 50,394 |
| 6/30/1986 - 6/30/1987 | 57,136 | 100.00% | 57,136 | | | | | 57,136 |
| 6/30/1987 - 6/30/1988 | 59,892 | 100.00% | 59,892 | | | | | 59,892 |
| 6/30/1988 - 6/30/1989 | 66,702 | 100.00% | 66,702 | | | | | 66,702 |
| 6/30/1989 - 6/30/1990 | 73,730 | 100.00% | 73,730 | 634 | 116.29 | 156.52 | 89.16 | 73,730 |
| 6/30/1990 - 6/30/1991 | 80,989 | 100.00% | 80,989 | 630 | 128.57 | 169.65 | 90.95 | 80,989 |
| 6/30/1991 - 6/30/1992 | 89,743 | 100.00% | 89,743 | 637 | 141.00 | 182.39 | 92.76 | 89,743 |
| 6/30/1992 - 6/30/1993 | 90,413 | 100.00% | 90,413 | 650 | 139.01 | 176.30 | 94.62 | 90,413 |
| 6/30/1993 - 6/30/1994 | 91,322 | 100.00% | 91,322 | 674 | 135.47 | 168.44 | 96.51 | 91,322 |
| 6/30/1994 - 6/30/1995 | 78,907 | 100.00% | 78,907 | 688 | 114.66 | 139.77 | 98.44 | 78,907 |
| 6/30/1995 - 6/30/1996 | 74,315 | 100.00% | 74,315 | 700 | 106.16 | 126.88 | 100.41 | 74,315 |
| 6/30/1996 - 6/30/1997 | 85,100 | 100.00% | 85,100 | 707 | 120.42 | 141.09 | 102.42 | 85,100 |
| 6/30/1997 - 6/30/1998 | 96,831 | 99.99% | 96,844 | 718 | 134.90 | 154.96 | 104.47 | 96,841 |
| 6/30/1998 - 6/30/1999 | 103,538 | 99.97% | 103,564 | 726 | 142.67 | 160.67 | 106.56 | 103,558 |
| 6/30/1999 - 6/30/2000 | 106,411 | 99.95% | 106,463 | 735 | 144.85 | 159.92 | 108.69 | 106,450 |
| 6/30/2000 - 6/30/2001 | 105,414 | 99.93% | 105,488 | 736 | 143.31 | 155.12 | 110.86 | 105,471 |
| 6/30/2001 - 6/30/2002 | 108,207 | 99.91% | 108,303 | 731 | 148.08 | 157.14 | 113.08 | 108,280 |
| 6/30/2002 - 6/30/2003 | 85,783 | 99.90% | 85,866 | 727 | 118.09 | 122.86 | 115.34 | 85,864 |
| 6/30/2003 - 6/30/2004 | 58,293 | 99.80% | 58,407 | 736 | 79.38 | 80.97 | 117.65 | 58,462 |
| 6/30/2004 - 6/30/2005 | 52,384 | 99.65% | 52,566 | 748 | 70.30 | 70.30 | 120.00 | 52,695 |
| Total | 1,864,145 | | 1,864,787 | 11,177 | 123.95 | | | 1,864,907 |

Selected Loss Cost :

120.00

Notes:

- (2) Provided by Client
- (3) Percentages of Ultimate are based upon Appendix 1
- (4) Col (2) / Col (3)
- (5) Bureau of Labor Statistics
- (6) Col (4) / Col (5)
- (7) Col (6) x trend factor 2.0% per annum
- (8) Selected Col (7) detrended at 2.0% per annum
- (9) Col (5) x Col (8) x [1 - Col (3)] + Col (2)

State of West Virginia

Workers' Compensation Fund - Old Fund

including SI Buyouts, Bankruptcies and Catastrophes and SI 2nd Injuries

Reserves as of 06/30/2011

Temporary Total Disability

Cumulative Indemnity Payments (in 000s)

TTD Section
Page 4

| Years | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | | | |
|-----------------------|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Policy Period | Months of Maturity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1979 - 6/30/1980 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | | | |
| 6/30/1980 - 6/30/1981 | 36,637 | 37,246 | 37,650 | 37,938 | 38,176 | 38,340 | 38,479 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1981 - 6/30/1982 | 39,311 | 39,951 | 40,471 | 40,792 | 40,859 | 41,007 | 41,163 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1982 - 6/30/1983 | 38,845 | 39,411 | 40,022 | 40,330 | 40,555 | 40,676 | 40,690 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1983 - 6/30/1984 | 36,333 | 36,902 | 37,368 | 37,597 | 37,776 | 37,755 | 37,936 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1984 - 6/30/1985 | 42,307 | 42,907 | 43,205 | 43,523 | 43,500 | 43,613 | 43,581 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 44,072 | 44,812 | 45,274 | 45,508 | 45,555 | 45,753 | 45,955 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1986 - 6/30/1987 | 48,446 | 49,013 | 49,178 | 49,374 | 49,178 | 49,588 | 50,262 | 50,439 | 50,401 | 50,399 | 50,452 | 50,472 | 50,460 | 50,466 | 50,468 | 50,397 | 50,394 | 50,394 | 50,394 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | 46,391 | |
| 6/30/1987 - 6/30/1988 | 55,211 | 55,925 | 55,870 | 55,869 | 56,180 | 56,674 | 56,980 | 57,055 | 57,152 | 57,177 | 57,185 | 57,193 | 57,192 | 57,158 | 57,143 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 | 57,136 |
| 6/30/1988 - 6/30/1989 | 57,708 | 58,741 | 57,983 | 58,734 | 59,505 | 60,019 | 59,797 | 59,884 | 59,938 | 59,946 | 59,839 | 59,824 | 59,822 | 59,819 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 | 59,817 |
| 6/30/1989 - 6/30/1990 | 63,906 | 64,285 | 65,230 | 66,322 | 67,001 | 66,751 | 66,834 | 66,927 | 66,977 | 66,873 | 66,829 | 66,780 | 66,738 | 66,738 | 66,689 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 | 66,702 |
| 6/30/1990 - 6/30/1991 | 68,738 | 70,905 | 72,972 | 74,014 | 73,790 | 74,054 | 74,194 | 74,140 | 74,038 | 74,001 | 73,880 | 73,791 | 73,727 | 73,728 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 | 73,730 |
| 6/30/1991 - 6/30/1992 | 75,660 | 78,628 | 80,375 | 80,685 | 81,206 | 81,446 | 81,202 | 81,168 | 81,133 | 81,080 | 81,001 | 81,002 | 80,990 | 80,990 | 80,990 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 | 80,989 |
| 6/30/1992 - 6/30/1993 | 85,431 | 87,609 | 88,556 | 89,340 | 89,828 | 90,127 | 90,149 | 90,178 | 90,067 | 89,811 | 89,748 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 | 89,743 |
| 6/30/1993 - 6/30/1994 | 86,348 | 87,894 | 89,085 | 89,971 | 90,451 | 90,743 | 90,688 | 90,742 | 90,495 | 90,403 | 90,403 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 | 90,413 |
| 6/30/1994 - 6/30/1995 | 88,311 | 89,437 | 90,411 | 91,118 | 91,485 | 91,612 | 91,597 | 91,465 | 91,283 | 91,295 | 91,313 | 91,313 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 | 91,322 |
| 6/30/1995 - 6/30/1996 | 75,811 | 77,362 | 78,283 | 78,897 | 79,074 | 79,037 | 78,904 | 78,879 | 78,874 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 | 78,907 |
| 6/30/1996 - 6/30/1997 | 70,797 | 72,746 | 73,822 | 74,300 | 74,361 | 74,348 | 74,310 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 | 74,312 |
| 6/30/1997 - 6/30/1998 | 81,205 | 83,917 | 84,727 | 84,945 | 84,914 | 85,002 | 85,020 | 85,070 | 85,101 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 | 85,100 |
| 6/30/1998 - 6/30/1999 | 94,416 | 96,068 | 96,834 | 96,836 | 96,788 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 | 96,831 |
| 6/30/1999 - 6/30/2000 | 101,878 | 103,098 | 103,400 | 103,461 | 103,440 | 103,472 | 103,528 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 | 103,538 |
| 6/30/2000 - 6/30/2001 | 105,522 | 106,048 | 106,258 | 106,339 | 106,371 | 106,402 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 | 106,411 |
| 6/30/2001 - 6/30/2002 | 104,893 | 105,129 | 105,222 | 105,335 | 105,415 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 | 105,414 |
| 6/30/2002 - 6/30/2003 | 107,280 | 107,692 | 108,033 | 108,206 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 | 108,207 |
| 6/30/2003 - 6/30/2004 | 85,259 | 85,620 | 85,703 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 | 85,783 |
| 6/30/2004 - 6/30/2005 | 57,895 | 58,257 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 | 58,293 |
| 6/30/2005 - 6/30/2006 | 52,263 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 | 52,384 |

Note: the data in the latest three diagonals include the Regular Fund and Self-Insured Buyouts and Bankruptcies (aka Old Fund Total)

State of West Virginia
 Workers' Compensation Fund - Old Fund
including SI Buyouts, Bankruptcies and Catastrophes and SI 2nd Injuries
 Reserves as of 06/30/2011
 Temporary Total Disability

| Policy Period | Report-to-Report Development Factors | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------------|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 |
| | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | Ultimate |
| 6/30/1979 - 6/30/1980 | 1.0166 | 1.0108 | 1.0076 | 1.0063 | 1.0043 | 1.0036 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1980 - 6/30/1981 | 1.0163 | 1.0130 | 1.0079 | 1.0016 | 1.0036 | 1.0038 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1981 - 6/30/1982 | 1.0146 | 1.0155 | 1.0077 | 1.0056 | 1.0030 | 1.0003 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1982 - 6/30/1983 | 1.0157 | 1.0126 | 1.0061 | 1.0048 | 0.9994 | 1.0048 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1983 - 6/30/1984 | 1.0142 | 1.0069 | 1.0074 | 0.9995 | 1.0026 | 0.9993 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1984 - 6/30/1985 | 1.0168 | 1.0103 | 1.0052 | 1.0010 | 1.0043 | 1.0044 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1985 - 6/30/1986 | 1.0117 | 1.0034 | 1.0040 | 0.9960 | 1.0083 | 1.0136 | 1.0035 | 0.9992 | 1.0000 | 1.0011 | 1.0004 | 0.9998 | 1.0001 | 1.0000 | 0.9986 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1986 - 6/30/1987 | 1.0129 | 0.9990 | 1.0000 | 1.0056 | 1.0088 | 1.0054 | 1.0013 | 1.0017 | 1.0004 | 1.0001 | 1.0001 | 1.0000 | 0.9994 | 0.9997 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1987 - 6/30/1988 | 1.0179 | 0.9871 | 1.0130 | 1.0131 | 1.0086 | 0.9963 | 1.0015 | 1.0009 | 1.0001 | 0.9982 | 0.9998 | 1.0000 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1988 - 6/30/1989 | 1.0059 | 1.0147 | 1.0167 | 1.0102 | 0.9963 | 1.0012 | 1.0014 | 1.0007 | 0.9985 | 0.9993 | 0.9993 | 0.9994 | 1.0000 | 0.9993 | 1.0002 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1989 - 6/30/1990 | 1.0315 | 1.0291 | 1.0143 | 0.9970 | 1.0036 | 1.0019 | 0.9993 | 0.9986 | 0.9995 | 0.9984 | 0.9988 | 0.9991 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1990 - 6/30/1991 | 1.0392 | 1.0222 | 1.0039 | 1.0065 | 1.0030 | 0.9970 | 0.9996 | 0.9996 | 0.9994 | 0.9990 | 1.0000 | 0.9998 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1991 - 6/30/1992 | 1.0255 | 1.0108 | 1.0089 | 1.0055 | 1.0033 | 1.0002 | 1.0003 | 0.9988 | 0.9972 | 0.9993 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1992 - 6/30/1993 | 1.0179 | 1.0136 | 1.0099 | 1.0053 | 1.0032 | 0.9994 | 1.0006 | 0.9973 | 0.9990 | 1.0000 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1993 - 6/30/1994 | 1.0128 | 1.0109 | 1.0078 | 1.0040 | 1.0014 | 0.9998 | 0.9986 | 0.9980 | 1.0001 | 1.0002 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1994 - 6/30/1995 | 1.0205 | 1.0119 | 1.0078 | 1.0022 | 0.9995 | 0.9983 | 0.9997 | 0.9999 | 1.0004 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1995 - 6/30/1996 | 1.0275 | 1.0148 | 1.0065 | 1.0008 | 0.9998 | 0.9995 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1996 - 6/30/1997 | 1.0334 | 1.0097 | 1.0026 | 0.9996 | 1.0010 | 1.0002 | 1.0006 | 1.0004 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1997 - 6/30/1998 | 1.0175 | 1.0080 | 1.0000 | 0.9995 | 1.0004 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1998 - 6/30/1999 | 1.0120 | 1.0029 | 1.0006 | 0.9998 | 1.0003 | 1.0005 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/1999 - 6/30/2000 | 1.0050 | 1.0020 | 1.0008 | 1.0003 | 1.0003 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/2000 - 6/30/2001 | 1.0022 | 1.0009 | 1.0011 | 1.0008 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/2001 - 6/30/2002 | 1.0038 | 1.0032 | 1.0016 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/2002 - 6/30/2003 | 1.0042 | 1.0010 | 1.0009 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/2003 - 6/30/2004 | 1.0062 | 1.0006 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 6/30/2004 - 6/30/2005 | 1.0023 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Averages: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All | 1.0155 | 1.0086 | 1.0059 | 1.0028 | 1.0025 | 1.0014 | 1.0005 | 0.9996 | 0.9995 | 0.9996 | 0.9998 | 0.9998 | 0.9999 | 0.9999 | 0.9998 | 1.0000 | 1.0003 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Last 5 | 1.0038 | 1.0015 | 1.0010 | 1.0001 | 1.0004 | 1.0001 | 1.0001 | 0.9997 | 0.9999 | 0.9999 | 1.0000 | 0.9998 | 1.0000 | 0.9998 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Last 3 | 1.0043 | 1.0016 | 1.0012 | 1.0004 | 1.0002 | 1.0002 | 1.0002 | 1.0001 | 1.0001 | 1.0001 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0001 | 1.0000 | 1.0004 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Avg. x High/Low | 1.0151 | 1.0086 | 1.0057 | 1.0027 | 1.0025 | 1.0010 | 1.0004 | 0.9997 | 0.9997 | 0.9996 | 0.9999 | 0.9998 | 1.0000 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Avg. x 08-09 Dev | 1.0160 | 1.0088 | 1.0061 | 1.0029 | 1.0026 | 1.0015 | 1.0004 | 0.9996 | 0.9995 | 0.9996 | 0.9998 | 0.9998 | 0.9999 | 0.9999 | 0.9997 | 1.0000 | 1.0004 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Volume Weighted | 1.0152 | 1.0082 | 1.0053 | 1.0025 | 1.0021 | 1.0009 | 1.0003 | 0.9995 | 0.9995 | 0.9996 | 0.9998 | 0.9998 | 0.9999 | 0.9999 | 0.9998 | 1.0000 | 1.0003 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Regular Fund | 1.0170 | 1.0096 | 1.0066 | 1.0032 | 1.0029 | 1.0016 | 1.0005 | 0.9995 | 0.9993 | 0.9994 | 0.9998 | 0.9997 | 0.9999 | 0.9997 | 0.9995 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Old Fund (Last 2 diagonals) | 1.0043 | 1.0008 | 1.0013 | 1.0004 | 1.0001 | 1.0003 | 1.0000 | 1.0002 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Pinnacle Prior Selected: | 1.0048 | 1.0020 | 1.0011 | 1.0003 | 1.0003 | 1.0003 | 1.0002 | 1.0001 | 1.0002 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Pinnacle Selected: | 1.0043 | 1.0015 | 1.0010 | 1.0001 | 1.0002 | 1.0002 | 1.0002 | 1.0001 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| LDF to Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pinnacle Selected: | 1.0078 | 1.0035 | 1.0020 | 1.0010 | 1.0009 | 1.0007 | 1.0005 | 1.0003 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| % of Ultimate: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pinnacle Selected: | 99.23% | 99.65% | 99.80% | 99.90% | 99.91% | 99.93% | 99.95% | 99.97% | 99.99% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Medical Claims

For the medical treatment component of the West Virginia Workers' Compensation Old Fund, we have developed estimates of the unpaid liability using three analytic methods. The three methods are:

- the cumulative paid loss development method,
- the incremental paid loss development method and
- the paid Bornheutter-Fergusson method.

The results of these methods, our selected ultimate losses, and resulting nominal and discounted required IBNR reserves are summarized on Page 3 of this Medical Claims section. The details of the cumulative and incremental methods including our loss development factor selections are displayed on the subsequent exhibit pages.

With this year's analysis, we are including the medical portion of the claims from the Self-Insured Second Injury Fund and the Self-Insured Employer Buyouts, Bankruptcies and Catastrophes within this estimate rather than developing separate estimates. The Old Fund has been financially responsible for these liabilities and had accounted for them on a combined basis since the ending of the state-operated insurance program. Treatment of all medical claims under the responsibility of the Old Fund on a common and consistent basis has been discussed as highly desirable from an accounting and analysis/projection basis in the past. By directly calculating the total liability, we have eliminated the use of rules of thumb and payment adjustments to prior reserve estimates from the process.

From the reserves held in 2010, there were nominal medical reserves of \$16.9 million for the Self-Insured 2nd Injury Fund and \$40.9 million was included in the Self-Insured Buyouts, Bankruptcies and Catastrophes for future medical costs. These figures when added to the "regular" component of the Old Fund result in a nominal medical reserve of \$580.6 million as of June 30, 2010.

We have the 'regular' portion of the Old Fund paid loss history for this claim payment type for claims back to fiscal year 1969. We recognize that Senate Bill 2013 revised some of the operating procedures related to the payment of workers compensation medical costs. These changes are well summarized in prior reports and are not repeated here.

In our development factor and ultimate loss selections, we have attempted to reflect the implementation of the new operating environment both due to legislation and the recent change in the handling of claims – now by the TPAs - by relying upon the most recent payment patterns rather than the older year patterns prior to when the law revisions took place and the handling assignments transferred. We also understand that there are instances where a single large payment or claim may exist within the data in recent years. We have not made any specific adjustments for these losses or large payments but recognize that while these specific claims may not repeat; there is a chance that claims of similar size are possible in the long term future of the currently pending claim inventory. We are also relying upon the recent information to a greater extent this year due to the inclusion of the second injury, buyout and bankruptcy related data.

Finally, we understand that there have been a number of final claim settlements entered into during the past two years or more. We have removed the portions of those settlements as reported to us. We have not removed the total history of those claims from the complete loss development history due to the lack of complete transactional history. As such, we understand that the use for the paid loss development without full adjustment for the complete loss history may result in a slight overstatement of the future unpaid liability at least on a short term basis. Thus, in our final selection, we have tempered the current indications with the prior indications.

We have used a procedure to assist in

- the moderation of the impact of the final settlements just mentioned,
- the moderation of the underlying data transition from the OIC to the TPA supplied payment data,
- the reflection of the uncertainty in the revised estimates due to final settlements and the moderation of the impact of one year’s payment activity in developing the revised estimates.

For the accident years 1980 and subsequent, we have tempered the reflection of the newest information – using a 50% current indications /50% prior central estimate nominal reserves including the SI Second Injury Fund and Buyouts, Bankruptcies and Catastrophe figures from the 2010 analysis. As noted above, the 2010 2nd Injury Fund nominal reserve estimate was \$16.9 million with the Buyouts, Bankruptcies and Catastrophe nominal reserve estimate in 2010 totaled \$40.8 million. The combined nominal prior year final central estimate figures of \$580.6 million have been adjusted to reflect the \$42.8 million in total medical related payment activity during the past 12 months. We feel this approach is a reasonable one to reflect both the current with the inclusion of the new expanded data from the other related Funds and the prior final central estimate.

The discounted values are determined by applying the underlying discount factors based upon our current loss development patterns. Due to the lengthy expected time horizon over which the medical costs will likely be paid, the impact from the discounting at 5% is significant as well.

| Old Fund Medical Costs Estimated Unpaid Liabilities as of June 30, 2011 | | |
|--|------------------------|------------------------|
| | Nominal | Discounted |
| <i>Medical Claims</i> | \$591.2 Million | \$355.9 Million |

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011
 (Dollar Amounts in Thousands)

Medical Central Estimates by Accident Year

| Accident Year | Prior Indicated Central Estimate Nominal Reserves (1) | Fiscal Year 2010 Claim Payments (2) | Adjusted Prior Central Nominal Reserves (3) | Current Central Estimate Nominal Reserves (4) | Final Central Estimate Nominal Reserves (5) | Medical Discount (6) | Final Central Estimate Discounted Reserves (7) |
|---------------|---|-------------------------------------|---|---|---|----------------------|--|
| 1969 | 124 | 33 | 91 | 7 | 91 | 98.80% | 90 |
| 1970 | 242 | 89 | 153 | 107 | 153 | 97.59% | 149 |
| 1971 | 214 | 31 | 184 | 197 | 197 | 94.62% | 186 |
| 1972 | 398 | 80 | 318 | 331 | 331 | 92.17% | 305 |
| 1973 | 678 | 189 | 489 | 684 | 684 | 89.98% | 616 |
| 1974 | 509 | 132 | 378 | 531 | 531 | 87.95% | 467 |
| 1975 | 712 | 135 | 577 | 685 | 685 | 86.06% | 589 |
| 1976 | 1,115 | 144 | 971 | 973 | 973 | 84.29% | 820 |
| 1977 | 1,579 | 168 | 1,411 | 1,417 | 1,417 | 82.60% | 1,170 |
| 1978 | 1,593 | 176 | 1,417 | 1,762 | 1,762 | 80.60% | 1,420 |
| 1979 | 3,142 | 241 | 2,901 | 2,858 | 2,858 | 78.96% | 2,257 |
| 1980 | 3,676 | 428 | 3,248 | 3,264 | 3,256 | 77.00% | 2,507 |
| 1981 | 4,402 | 404 | 3,998 | 4,141 | 4,070 | 75.65% | 3,079 |
| 1982 | 5,680 | 665 | 5,014 | 4,473 | 4,744 | 74.28% | 3,523 |
| 1983 | 6,204 | 455 | 5,749 | 5,185 | 5,467 | 73.58% | 4,022 |
| 1984 | 7,109 | 881 | 6,228 | 6,600 | 6,414 | 72.23% | 4,633 |
| 1985 | 10,324 | 1,448 | 8,876 | 8,954 | 8,915 | 71.47% | 6,371 |
| 1986 | 10,240 | 836 | 9,405 | 10,316 | 9,860 | 70.64% | 6,966 |
| 1987 | 10,145 | 879 | 9,266 | 11,449 | 10,358 | 69.72% | 7,222 |
| 1988 | 11,716 | 1,157 | 10,558 | 13,365 | 11,962 | 68.46% | 8,189 |
| 1989 | 14,769 | 2,454 | 12,315 | 17,058 | 14,687 | 67.41% | 9,901 |
| 1990 | 15,829 | 1,191 | 14,638 | 18,086 | 16,362 | 67.09% | 10,978 |
| 1991 | 18,210 | 1,420 | 16,790 | 20,029 | 18,409 | 65.98% | 12,146 |
| 1992 | 21,524 | 1,967 | 19,558 | 23,686 | 21,622 | 64.66% | 13,980 |
| 1993 | 22,732 | 1,665 | 21,067 | 25,473 | 23,270 | 63.46% | 14,767 |
| 1994 | 24,432 | 1,586 | 22,846 | 28,226 | 25,536 | 62.34% | 15,918 |
| 1995 | 26,572 | 1,910 | 24,661 | 30,622 | 27,642 | 61.12% | 16,895 |
| 1996 | 26,223 | 1,454 | 24,770 | 31,251 | 28,010 | 60.10% | 16,834 |
| 1997 | 28,977 | 1,393 | 27,584 | 35,364 | 31,474 | 59.08% | 18,594 |
| 1998 | 36,534 | 1,806 | 34,728 | 41,228 | 37,978 | 58.11% | 22,067 |
| 1999 | 36,550 | 2,339 | 34,211 | 45,458 | 39,834 | 56.82% | 22,636 |
| 2000 | 42,324 | 3,760 | 38,564 | 49,818 | 44,191 | 55.85% | 24,680 |
| 2001 | 43,476 | 2,676 | 40,799 | 51,786 | 46,293 | 55.13% | 25,521 |
| 2002 | 40,224 | 2,263 | 37,961 | 40,340 | 39,150 | 54.98% | 21,526 |
| 2003 | 41,367 | 2,685 | 38,681 | 41,721 | 40,201 | 54.27% | 21,817 |
| 2004 | 29,433 | 1,501 | 27,933 | 31,902 | 29,917 | 53.57% | 16,028 |
| 2005 | 31,598 | 2,170 | 29,428 | 34,457 | 31,943 | 53.24% | 17,005 |
| Total | 580,575 | 42,811 | 537,763 | 643,805 | 591,246 | | 355,876 |

Notes:

- (1) Pinnacle prior report (incl Self Insured 2nd Injury and Self Insured Buyouts, Bankruptcies and Catastrophes).
- (2) Provided by client.
- (3) Col (1) - Col (2)
- (4) Page 4, Col (7)
- (5) Judgmental Selection
- (6) Calculated using payment patterns and a discount rate of 5.0%
- (7) Col (5) x Col (6)

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Medical Section
 Page 4

Medical Central Estimate

| Accident Year (1) | Paid Losses (2) | Loss Dev. Estimated Ultimate Losses (3) | B-F Estimated Ultimate Losses (4) | Incremental Estimated Ultimate Losses (5) | Selected Estimated Ultimate Losses (6) | Nominal Estimated Required IBNR (7) | Discount Factor (8) | Discounted Estimated Required IBNR (9) |
|-------------------------|-----------------------|---|---|---|--|---|---------------------------|--|
| 1969 | 7,465 | 7,472 | | 7,597 | 7,472 | 7 | 98.80% | 7 |
| 1970 | 11,292 | 11,399 | | 11,381 | 11,399 | 107 | 97.59% | 104 |
| 1971 | 13,750 | 13,947 | | 13,812 | 13,947 | 197 | 94.62% | 186 |
| 1972 | 17,023 | 17,354 | | 17,264 | 17,354 | 331 | 92.17% | 305 |
| 1973 | 27,470 | 28,155 | | 28,228 | 28,155 | 684 | 89.98% | 616 |
| 1974 | 17,292 | 17,823 | | 17,949 | 17,823 | 531 | 87.95% | 467 |
| 1975 | 18,593 | 19,278 | | 19,324 | 19,278 | 685 | 86.06% | 589 |
| 1976 | 22,442 | 23,415 | | 23,271 | 23,415 | 973 | 84.29% | 820 |
| 1977 | 28,186 | 29,603 | | 29,209 | 29,603 | 1,417 | 82.60% | 1,170 |
| 1978 | 31,368 | 33,130 | | 32,490 | 33,130 | 1,762 | 80.60% | 1,420 |
| 1979 | 45,303 | 48,161 | | 46,901 | 48,161 | 2,858 | 78.96% | 2,257 |
| 1980 | 47,393 | 50,657 | 50,657 | 50,334 | 50,657 | 3,264 | 77.00% | 2,513 |
| 1981 | 54,075 | 58,216 | 58,216 | 56,940 | 58,216 | 4,141 | 75.65% | 3,133 |
| 1982 | 52,995 | 57,468 | 57,468 | 57,837 | 57,468 | 4,473 | 74.28% | 3,322 |
| 1983 | 54,468 | 59,652 | 59,652 | 58,043 | 59,652 | 5,185 | 73.58% | 3,815 |
| 1984 | 63,458 | 70,058 | 70,058 | 70,877 | 70,058 | 6,600 | 72.23% | 4,767 |
| 1985 | 77,339 | 86,293 | 86,293 | 90,302 | 86,293 | 8,954 | 71.47% | 6,399 |
| 1986 | 80,489 | 90,805 | 90,805 | 88,388 | 90,805 | 10,316 | 70.64% | 7,288 |
| 1987 | 81,264 | 92,713 | 92,713 | 89,996 | 92,713 | 11,449 | 69.72% | 7,983 |
| 1988 | 87,776 | 101,141 | 101,141 | 99,792 | 101,141 | 13,365 | 68.46% | 9,150 |
| 1989 | 103,273 | 120,331 | 120,331 | 129,806 | 120,331 | 17,058 | 67.41% | 11,500 |
| 1990 | 105,510 | 124,879 | 122,314 | 118,883 | 123,597 | 18,086 | 67.09% | 12,135 |
| 1991 | 110,703 | 132,617 | 128,847 | 127,196 | 130,732 | 20,029 | 65.98% | 13,215 |
| 1992 | 130,947 | 158,593 | 150,674 | 154,512 | 154,634 | 23,686 | 64.66% | 15,315 |
| 1993 | 129,891 | 159,152 | 151,577 | 150,430 | 155,364 | 25,473 | 63.46% | 16,165 |
| 1994 | 134,436 | 166,734 | 158,591 | 154,523 | 162,663 | 28,226 | 62.34% | 17,595 |
| 1995 | 136,982 | 171,869 | 163,339 | 161,781 | 167,604 | 30,622 | 61.12% | 18,717 |
| 1996 | 124,710 | 158,494 | 153,426 | 144,018 | 155,960 | 31,251 | 60.10% | 18,782 |
| 1997 | 138,265 | 178,016 | 169,243 | 157,161 | 173,629 | 35,364 | 59.08% | 20,892 |
| 1998 | 160,279 | 209,148 | 193,866 | 185,278 | 201,507 | 41,228 | 58.11% | 23,956 |
| 1999 | 172,200 | 227,218 | 208,098 | 204,133 | 217,658 | 45,458 | 56.82% | 25,831 |
| 2000 | 181,024 | 242,055 | 219,630 | 231,715 | 230,843 | 49,818 | 55.85% | 27,823 |
| 2001 | 174,144 | 236,485 | 215,376 | 209,802 | 225,930 | 51,786 | 55.13% | 28,550 |
| 2002 | 159,660 | 221,410 | 203,870 | 189,479 | 200,000 | 40,340 | 54.98% | 22,180 |
| 2003 | 128,279 | 180,955 | 175,070 | 163,302 | 170,000 | 41,721 | 54.27% | 22,642 |
| 2004 | 93,098 | 133,677 | 132,186 | 111,010 | 125,000 | 31,902 | 53.57% | 17,091 |
| 2005 | 90,543 | 132,888 | 132,238 | 114,404 | 125,000 | 34,457 | 53.24% | 18,343 |
| Total | 3,113,388 | 3,871,262 | | 3,617,366 | 3,757,193 | 643,805 | | 387,043 |

Notes:

- (2) Page 6, Col (2) and Page 7, Col (2)
- (3) Page 6, Col (4) and Page 7, Col (4)
- (4) Page 6, Col (9)
- (5) Page 6, Col (11) and Page 7, Col (11)
- (6) Based on Columns (3) through (5)
- (7) Col (6) - Col (2)
- (8) Calculated using payment patterns and a discount rate of 5.0%
- (9) Col (7) x Col (8)

Medical Discount Factors

| Accident Year | Accident Year Age (1) | Cumulative Percentage Paid (2) | Incremental Percentage Paid (3) | Incremental Percentage Discounted (4) | Discount Factor at 5.00% (5) |
|---------------|-----------------------|--------------------------------|---------------------------------|---------------------------------------|------------------------------|
| | 0 | 0.00% | 0.00% | 0.00% | 53.76% |
| 2011 | 12 | 22.38% | 23.0% | 21.9% | 71.1% |
| 2010 | 24 | 45.39% | 9.5% | 8.6% | 62.8% |
| 2009 | 36 | 54.90% | 5.5% | 4.7% | 58.3% |
| 2008 | 48 | 60.39% | 4.0% | 3.3% | 55.5% |
| 2007 | 60 | 64.36% | 2.0% | 1.5% | 53.3% |
| 2006 | 72 | 66.34% | 1.8% | 1.3% | 53.2% |
| 2005 | 84 | 68.14% | 1.5% | 1.1% | 53.2% |
| 2004 | 96 | 69.64% | 1.2% | 0.8% | 53.6% |
| 2003 | 108 | 70.89% | 1.2% | 0.8% | 54.3% |
| 2002 | 120 | 72.11% | 1.5% | 0.9% | 55.0% |
| 2001 | 132 | 73.64% | 1.1% | 0.7% | 55.1% |
| 2000 | 144 | 74.79% | 1.0% | 0.6% | 55.8% |
| 1999 | 156 | 75.79% | 0.8% | 0.4% | 56.8% |
| 1998 | 168 | 76.63% | 1.0% | 0.5% | 58.1% |
| 1997 | 180 | 77.67% | 1.0% | 0.5% | 59.1% |
| 1996 | 192 | 78.68% | 1.0% | 0.5% | 60.1% |
| 1995 | 204 | 79.70% | 0.9% | 0.4% | 61.1% |
| 1994 | 216 | 80.63% | 1.0% | 0.4% | 62.3% |
| 1993 | 228 | 81.61% | 1.0% | 0.4% | 63.5% |
| 1992 | 240 | 82.57% | 0.9% | 0.3% | 64.7% |
| 1991 | 252 | 83.48% | 1.0% | 0.4% | 66.0% |
| 1990 | 264 | 84.49% | 1.3% | 0.5% | 67.1% |
| 1989 | 276 | 85.82% | 1.0% | 0.3% | 67.4% |
| 1988 | 288 | 86.79% | 0.9% | 0.3% | 68.5% |
| 1987 | 300 | 87.65% | 1.0% | 0.3% | 69.7% |
| 1986 | 312 | 88.64% | 1.0% | 0.3% | 70.6% |
| 1985 | 324 | 89.62% | 1.0% | 0.3% | 71.5% |
| 1984 | 336 | 90.58% | 0.7% | 0.2% | 72.2% |
| 1983 | 348 | 91.31% | 0.9% | 0.2% | 73.6% |
| 1982 | 360 | 92.22% | 0.7% | 0.2% | 74.3% |
| 1981 | 372 | 92.89% | 0.7% | 0.1% | 75.7% |
| 1980 | 384 | 93.56% | 0.5% | 0.1% | 77.0% |
| 1979 | 396 | 94.07% | 0.6% | 0.1% | 79.0% |
| 1978 | 408 | 94.68% | 0.5% | 0.1% | 80.6% |
| 1977 | 420 | 95.21% | 0.6% | 0.1% | 82.6% |
| 1976 | 432 | 95.85% | 0.6% | 0.1% | 84.3% |
| 1975 | 444 | 96.45% | 0.6% | 0.1% | 86.1% |
| 1974 | 456 | 97.02% | 0.5% | 0.1% | 88.0% |
| 1973 | 468 | 97.57% | 0.5% | 0.1% | 90.0% |
| 1972 | 480 | 98.09% | 0.5% | 0.1% | 92.2% |
| 1971 | 492 | 98.59% | 0.5% | 0.1% | 94.6% |
| 1970 | 504 | 99.06% | 0.8% | 0.1% | 97.6% |
| 1969 | 516 | 99.90% | 0.0% | 0.0% | 98.8% |

Notes:

- (2) Percentages of Ultimate are based upon Appendix 1
- (3) Prior Col (2) - Col (2)
- (4) Col (3) discounted at 5.0%
- (5) Downward sum of Col (4) / Downward sum of Col (3) trended at 5.0%

State of West Virginia
 Workers' Compensation Fund - Old Fund
 Reserves as of 06/30/2011

Medical Section
 Page 6

Development of Indicated Loss Reserves (in 000s)
 Medical

| Policy Period (1) | CENTRAL ESTIMATE | | | | | | | | | |
|-----------------------|-------------------------|------------------------------|--|-----------------------------|---------------------------------|--|--|--|---------------------------------------|---|
| | Paid Development Method | | | Bornheutter-Ferguson Method | | | | | Incremental Method | |
| | Paid Losses (2) | Expected % of Ult. (3) | Estimated Ultimate Losses (4) | Exposure (5) | Preliminary Loss Cost (6) | Loss Cost Trended at 2.0% (7) | "a priori" Expected Loss Cost (8) | Estimated Ultimate Losses (9) | Incremental Paid Losses (10) | Estimated Ultimate Losses (11) |
| | | | | | | | | | | |
| 6/30/1979 - 6/30/1980 | 47,393 | 93.56% | 50,657 | | | | 50,657 | 428 | 50,334 | |
| 6/30/1980 - 6/30/1981 | 54,075 | 92.89% | 58,216 | | | | 58,216 | 404 | 56,940 | |
| 6/30/1981 - 6/30/1982 | 52,995 | 92.22% | 57,468 | | | | 57,468 | 665 | 57,837 | |
| 6/30/1982 - 6/30/1983 | 54,468 | 91.31% | 59,652 | | | | 59,652 | 455 | 58,043 | |
| 6/30/1983 - 6/30/1984 | 63,458 | 90.58% | 70,058 | | | | 70,058 | 881 | 70,877 | |
| 6/30/1984 - 6/30/1985 | 77,339 | 89.62% | 86,293 | | | | 86,293 | 1,448 | 90,302 | |
| 6/30/1985 - 6/30/1986 | 80,489 | 88.64% | 90,805 | | | | 90,805 | 836 | 88,388 | |
| 6/30/1986 - 6/30/1987 | 81,264 | 87.65% | 92,713 | | | | 92,713 | 879 | 89,996 | |
| 6/30/1987 - 6/30/1988 | 87,776 | 86.79% | 101,141 | | | | 101,141 | 1,157 | 99,792 | |
| 6/30/1988 - 6/30/1989 | 103,273 | 85.82% | 120,331 | | | | 120,331 | 2,454 | 129,806 | |
| 6/30/1989 - 6/30/1990 | 105,510 | 84.49% | 124,879 | 634 | 196.97 | 265.09 | 170.89 | 122,314 | 1,191 | 118,883 |
| 6/30/1990 - 6/30/1991 | 110,703 | 83.48% | 132,617 | 630 | 210.54 | 277.80 | 174.31 | 128,847 | 1,420 | 127,196 |
| 6/30/1991 - 6/30/1992 | 130,947 | 82.57% | 158,593 | 637 | 249.16 | 322.32 | 177.80 | 150,674 | 1,967 | 154,512 |
| 6/30/1992 - 6/30/1993 | 129,891 | 81.61% | 159,152 | 650 | 244.70 | 310.34 | 181.35 | 151,577 | 1,665 | 150,430 |
| 6/30/1993 - 6/30/1994 | 134,436 | 80.63% | 166,734 | 674 | 247.34 | 307.54 | 184.98 | 158,591 | 1,586 | 154,523 |
| 6/30/1994 - 6/30/1995 | 136,982 | 79.70% | 171,869 | 688 | 249.74 | 304.43 | 188.68 | 163,339 | 1,910 | 161,781 |
| 6/30/1995 - 6/30/1996 | 124,710 | 78.68% | 158,494 | 700 | 226.42 | 270.59 | 192.45 | 153,426 | 1,454 | 144,018 |
| 6/30/1996 - 6/30/1997 | 138,265 | 77.67% | 178,016 | 707 | 251.90 | 295.14 | 196.30 | 169,243 | 1,393 | 157,161 |
| 6/30/1997 - 6/30/1998 | 160,279 | 76.63% | 209,148 | 718 | 291.33 | 334.65 | 200.23 | 193,866 | 1,806 | 185,278 |
| 6/30/1998 - 6/30/1999 | 172,200 | 75.79% | 227,218 | 726 | 313.02 | 352.51 | 204.23 | 208,098 | 2,339 | 204,133 |
| 6/30/1999 - 6/30/2000 | 181,024 | 74.79% | 242,055 | 735 | 329.33 | 363.60 | 208.32 | 219,630 | 3,760 | 231,715 |
| 6/30/2000 - 6/30/2001 | 174,144 | 73.64% | 236,485 | 736 | 321.27 | 347.75 | 212.48 | 215,376 | 2,676 | 209,802 |
| 6/30/2001 - 6/30/2002 | 159,660 | 72.11% | 221,410 | 731 | 302.72 | 321.25 | 216.73 | 203,870 | 2,263 | 189,479 |
| 6/30/2002 - 6/30/2003 | 128,279 | 70.89% | 180,955 | 727 | 248.87 | 258.93 | 221.07 | 175,070 | 2,685 | 163,302 |
| 6/30/2003 - 6/30/2004 | 93,098 | 69.64% | 133,677 | 736 | 181.68 | 185.31 | 175.00 | 132,186 | 1,501 | 111,010 |
| 6/30/2004 - 6/30/2005 | 90,543 | 68.14% | 132,888 | 748 | 177.73 | 177.73 | 175.00 | 132,238 | 2,170 | 114,404 |
| Total | 2,873,203 | | 3,621,525 | 11,177 | 252.67 | | | 3,465,681 | 41,393 | 3,369,940 |

Selected Loss Cost : 230.00

Notes:

- (2) Provided by Client, excludes expense payments included with medical
- (3) Percentages of Ultimate are calculated in Appendix 1
- (4) Col (2) / Col (3)
- (5) Bureau of Labor Statistics
- (6) Col (4) / Col (5)
- (7) Col (6) x trend factor 2.0% per annum
- (8) Selected Col (7) detrended at 2.0% per annum
- (9) Col (5) x Col (8) x [1 - Col (3)] + Col (2)
- (10) Provided by Client
- (11) Extending Col (10) with factors calculated in Appendix 1

State of West Virginia
Workers' Compensation Fund
Reserves as of 06/30/2011

Medical
Cumulative Indemnity Payments (in 000s)

Medical Section
Appendix 1
Page 1

| Years | Months of Maturity | | | | | | | | | | | Months of Maturity | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|
| | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | |
| Policy Period | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | |
| 6/30/1979 - 6/30/1980 | 26,997 | 28,265 | 29,528 | 30,628 | 31,466 | 32,216 | 33,162 | 33,920 | 34,693 | 35,400 | 36,051 | 37,024 | 37,811 | 38,770 | 39,526 | 40,454 | 41,252 | 41,623 | 42,274 | 42,963 | 43,773 | 44,450 | 44,917 | 45,333 | 45,736 | 46,519 | 46,965 | 47,393 | |
| 6/30/1980 - 6/30/1981 | 30,390 | 32,961 | 34,738 | 36,131 | 37,345 | 38,336 | 39,611 | 40,610 | 41,596 | 42,642 | 43,783 | 44,771 | 45,849 | 46,676 | 47,541 | 48,443 | 49,132 | 49,845 | 50,495 | 51,048 | 51,523 | 51,913 | 52,247 | 52,566 | 53,154 | 53,671 | 54,075 | | |
| 6/30/1981 - 6/30/1982 | 32,297 | 33,953 | 35,191 | 36,435 | 37,639 | 38,462 | 39,447 | 40,469 | 41,360 | 42,715 | 43,585 | 44,554 | 45,303 | 46,231 | 46,914 | 47,505 | 48,056 | 48,702 | 49,241 | 49,675 | 50,098 | 50,413 | 50,731 | 51,552 | 52,300 | 52,995 | | | |
| 6/30/1982 - 6/30/1983 | 34,515 | 36,052 | 37,372 | 38,477 | 39,748 | 40,825 | 42,044 | 43,144 | 44,282 | 45,310 | 46,568 | 47,213 | 48,180 | 48,736 | 49,227 | 49,821 | 50,429 | 51,081 | 51,601 | 52,000 | 52,385 | 52,792 | 53,426 | 54,013 | 54,468 | | | | |
| 6/30/1983 - 6/30/1984 | 42,565 | 44,852 | 46,326 | 47,569 | 48,748 | 49,967 | 51,022 | 52,195 | 53,178 | 54,580 | 55,529 | 56,414 | 57,036 | 57,653 | 58,247 | 58,819 | 59,495 | 60,051 | 60,552 | 60,903 | 61,258 | 61,901 | 62,577 | 63,458 | | | | | |
| 6/30/1984 - 6/30/1985 | 47,108 | 48,876 | 50,458 | 52,074 | 53,710 | 55,311 | 57,028 | 58,208 | 59,824 | 60,879 | 62,322 | 63,600 | 64,699 | 66,128 | 67,394 | 68,811 | 70,003 | 71,083 | 72,224 | 73,340 | 74,641 | 75,891 | 77,339 | | | | | | |
| 6/30/1985 - 6/30/1986 | 53,407 | 55,838 | 57,927 | 59,745 | 61,222 | 62,880 | 64,439 | 66,526 | 67,867 | 69,087 | 70,213 | 71,230 | 72,284 | 73,217 | 74,206 | 75,179 | 76,460 | 77,274 | 77,836 | 78,811 | 79,653 | 80,489 | | | | | | | |
| 6/30/1986 - 6/30/1987 | 54,605 | 57,074 | 59,245 | 61,174 | 63,038 | 64,820 | 66,551 | 68,020 | 69,534 | 70,686 | 71,904 | 73,098 | 74,340 | 75,427 | 76,411 | 77,204 | 77,858 | 78,501 | 79,417 | 80,384 | 81,264 | | | | | | | | |
| 6/30/1987 - 6/30/1988 | 58,314 | 61,300 | 63,681 | 66,025 | 68,132 | 70,251 | 71,888 | 73,688 | 74,984 | 76,485 | 78,027 | 79,456 | 80,655 | 81,709 | 82,554 | 83,387 | 84,198 | 85,148 | 86,619 | 87,776 | | | | | | | | | |
| 6/30/1988 - 6/30/1989 | 64,138 | 67,516 | 71,045 | 73,802 | 76,665 | 79,013 | 81,491 | 83,506 | 85,470 | 87,522 | 89,541 | 91,495 | 93,038 | 94,498 | 95,919 | 97,201 | 98,678 | 100,819 | 103,273 | | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 70,172 | 74,296 | 78,007 | 81,675 | 84,360 | 87,066 | 89,213 | 91,228 | 93,531 | 95,643 | 97,424 | 98,964 | 100,233 | 101,285 | 102,145 | 103,199 | 104,319 | 105,510 | | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 74,835 | 78,650 | 82,561 | 85,577 | 89,179 | 91,858 | 94,274 | 96,783 | 99,252 | 101,282 | 103,120 | 104,471 | 105,667 | 106,669 | 107,947 | 109,283 | 110,703 | | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 86,225 | 92,040 | 95,981 | 100,604 | 104,044 | 107,410 | 110,740 | 114,201 | 117,120 | 119,571 | 121,526 | 123,198 | 124,850 | 126,696 | 128,981 | 130,947 | | | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 92,746 | 97,077 | 102,102 | 106,016 | 109,452 | 112,957 | 116,146 | 118,799 | 121,001 | 122,608 | 124,070 | 125,157 | 126,692 | 128,225 | 129,891 | | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 97,634 | 103,597 | 108,190 | 111,658 | 115,287 | 118,947 | 121,691 | 124,052 | 126,019 | 127,737 | 129,181 | 131,050 | 132,851 | 134,436 | | | | | | | | | | | | | | | |
| 6/30/1994 - 6/30/1995 | 101,079 | 106,519 | 110,972 | 115,614 | 119,702 | 122,969 | 125,411 | 127,512 | 129,386 | 130,843 | 133,016 | 135,072 | 136,982 | | | | | | | | | | | | | | | | |
| 6/30/1995 - 6/30/1996 | 95,730 | 100,517 | 105,191 | 109,512 | 112,581 | 115,040 | 117,093 | 118,693 | 120,055 | 121,557 | 123,256 | 124,710 | | | | | | | | | | | | | | | | | |
| 6/30/1996 - 6/30/1997 | 106,753 | 113,817 | 119,826 | 124,609 | 127,801 | 130,166 | 132,041 | 133,650 | 135,353 | 136,873 | 138,265 | | | | | | | | | | | | | | | | | | |
| 6/30/1997 - 6/30/1998 | 126,411 | 134,943 | 141,370 | 145,866 | 148,934 | 151,528 | 153,532 | 156,196 | 158,473 | 160,279 | | | | | | | | | | | | | | | | | | | |
| 6/30/1998 - 6/30/1999 | 139,333 | 146,774 | 152,372 | 156,770 | 159,958 | 162,758 | 167,303 | 169,861 | 172,200 | | | | | | | | | | | | | | | | | | | | |
| 6/30/1999 - 6/30/2000 | 152,052 | 158,520 | 163,179 | 166,645 | 169,174 | 172,313 | 177,264 | 181,024 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000 - 6/30/2001 | 152,758 | 157,674 | 161,737 | 164,987 | 168,507 | 171,468 | 174,144 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001 - 6/30/2002 | 144,265 | 148,345 | 151,820 | 154,960 | 157,398 | 159,660 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002 - 6/30/2003 | 114,854 | 118,342 | 122,280 | 125,593 | 128,279 | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003 - 6/30/2004 | 86,365 | 89,158 | 91,598 | 93,098 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004 - 6/30/2005 | 85,766 | 88,373 | 90,543 | | | | | | | | | | | | | | | | | | | | | | | | | | |

Report to Report Development Factors

Report to Report Development Factors

| Policy Period | Report to Report Development Factors | | | | | | | | | | | Report to Report Development Factors | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|
| | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | Ultimate |
| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | Ultimate | |
| 6/30/1979 - 6/30/1980 | 1.0470 | 1.0447 | 1.0373 | 1.0274 | 1.0270 | 1.0262 | 1.0229 | 1.0223 | 1.0204 | 1.0184 | 1.0270 | 1.0213 | 1.0254 | 1.0195 | 1.0235 | 1.0141 | 1.0146 | 1.0157 | 1.0163 | 1.0189 | 1.0155 | 1.0105 | 1.0093 | 1.0089 | 1.0171 | 1.0096 | 1.0091 | | |
| 6/30/1980 - 6/30/1981 | 1.0657 | 1.0539 | 1.0401 | 1.0336 | 1.0319 | 1.0279 | 1.0259 | 1.0248 | 1.0251 | 1.0268 | 1.0226 | 1.0241 | 1.0180 | 1.0185 | 1.0190 | 1.0142 | 1.0145 | 1.0131 | 1.0109 | 1.0093 | 1.0076 | 1.0064 | 1.0062 | 1.0111 | 1.0097 | 1.0075 | | | |
| 6/30/1981 - 6/30/1982 | 1.0513 | 1.0365 | 1.0353 | 1.0330 | 1.0319 | 1.0256 | 1.0259 | 1.0220 | 1.0328 | 1.0204 | 1.0222 | 1.0168 | 1.0205 | 1.0148 | 1.0126 | 1.0116 | 1.0134 | 1.0111 | 1.0088 | 1.0085 | 1.0063 | 1.0063 | 1.0162 | 1.0151 | 1.0127 | | | | |
| 6/30/1982 - 6/30/1983 | 1.0445 | 1.0366 | 1.0296 | 1.0330 | 1.0271 | 1.0299 | 1.0262 | 1.0264 | 1.0232 | 1.0278 | 1.0138 | 1.0205 | 1.0115 | 1.0101 | 1.0121 | 1.0122 | 1.0129 | 1.0102 | 1.0077 | 1.0074 | 1.0078 | 1.0120 | 1.0110 | 1.0084 | | | | | |
| 6/30/1983 - 6/30/1984 | 1.0537 | 1.0329 | 1.0268 | 1.0248 | 1.0250 | 1.0211 | 1.0230 | 1.0188 | 1.0264 | 1.0174 | 1.0159 | 1.0110 | 1.0108 | 1.0103 | 1.0098 | 1.0115 | 1.0094 | 1.0083 | 1.0058 | 1.0058 | 1.0105 | 1.0109 | 1.0141 | | | | | | |
| 6/30/1984 - 6/30/1985 | 1.0375 | 1.0324 | 1.0320 | 1.0314 | 1.0298 | 1.0310 | 1.0207 | 1.0278 | 1.0176 | 1.0237 | 1.0205 | 1.0173 | 1.0221 | 1.0191 | 1.0210 | 1.0173 | 1.0154 | 1.0161 | 1.0154 | 1.0177 | 1.0167 | 1.0191 | | | | | | | |
| 6/30/1985 - 6/30/1986 | 1.0455 | 1.0374 | 1.0314 | 1.0247 | 1.0271 | 1.0248 | 1.0324 | 1.0208 | 1.0180 | 1.0163 | 1.0145 | 1.0148 | 1.0129 | 1.0135 | 1.0131 | 1.0170 | 1.0106 | 1.0073 | 1.0125 | 1.0107 | 1.0105 | | | | | | | | |
| 6/30/1986 - 6/30/1987 | 1.0452 | 1.0380 | 1.0326 | 1.0305 | 1.0283 | 1.0267 | 1.0221 | 1.0223 | 1.0166 | 1.0172 | 1.0166 | 1.0170 | 1.0146 | 1.0130 | 1.0104 | 1.0085 | 1.0083 | 1.0117 | 1.0122 | 1.0109 | | | | | | | | | |
| 6/30/1987 - 6/30/1988 | 1.0512 | 1.0388 | 1.0368 | 1.0319 | 1.0311 | 1.0233 | 1.0250 | 1.0176 | 1.0200 | 1.0202 | 1.0183 | 1.0151 | 1.0131 | 1.0103 | 1.0101 | 1.0097 | 1.0113 | 1.0173 | 1.0134 | | | | | | | | | | |
| 6/30/1988 - 6/30/1989 | 1.0527 | 1.0523 | 1.0388 | 1.0388 | 1.0306 | 1.0314 | 1.0247 | 1.0235 | 1.0240 | 1.0231 | 1.0218 | 1.0169 | 1.0157 | 1.0150 | 1.0134 | 1.0152 | 1.0217 | 1.0243 | | | | | | | | | | | |
| 6/30/1989 - 6/30/1990 | 1.0588 | 1.0499 | 1.0470 | 1.0329 | 1.0321 | 1.0247 | 1.0226 | 1.0252 | 1.0226 | 1.0186 | 1.0158 | 1.0128 | 1.0105 | 1.0085 | 1.0103 | 1.0109 | 1.0114 | | | | | | | | | | | | |
| 6/30/1990 - 6/30/1991 | 1.0510 | 1.0497 | 1.0365 | 1.0421 | 1.0300 | 1.0263 | 1.0265 | 1.0205 | 1.0205 | 1.0182 | 1.0131 | 1.0115 | 1.0095 | 1.0120 | 1.0124 | 1.0130 | | | | | | | | | | | | | |
| 6/30/1991 - 6/30/1992 | 1.0674 | 1.0428 | 1.0482 | 1.0342 | 1.0324 | 1.0310 | 1.0313 | 1.0256 | 1.0209 | 1.0163 | 1.0138 | 1.0134 | 1.0148 | 1.0180 | 1.0152 | | | | | | | | | | | | | | |
| 6/30/1992 - 6/30/1993 | 1.0467 | 1.0518 | 1.0383 | 1.0324 | 1.0320 | 1.0282 | 1.0228 | 1.0185 | 1.0133 | 1.0119 | 1.0088 | 1.0123 | 1.0121 | 1.0130 | | | | | | | | | | | | | | | |
| 6/30/1993 - 6/30/1994 | 1.0611 | 1.0443 | 1.0321 | 1.0325 | 1.0317 | 1.0 | | | | | | | | | | | | | | | | | | | | | | | |

State of West Virginia
 Workers' Compensation Fund
 Reserves as of 06/30/2011

Medical

Cumulative Indemnity Payments (in 000s)

Medical Section
 Appendix 1
 Page 3

| Years | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Policy Period | 360 | 372 | 384 | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 |
| 6/30/1968 - 6/30/1969 | 7,060 | 7,115 | 7,147 | 7,172 | 7,219 | 7,239 | 7,270 | 7,295 | 7,330 | 7,370 | 7,382 | 7,411 | 7,432 | 7,465 |
| 6/30/1969 - 6/30/1970 | 9,811 | 10,053 | 10,231 | 10,398 | 10,507 | 10,714 | 10,807 | 10,889 | 10,954 | 11,028 | 11,124 | 11,203 | 11,292 | |
| 6/30/1970 - 6/30/1971 | 13,125 | 13,203 | 13,266 | 13,354 | 13,407 | 13,444 | 13,509 | 13,551 | 13,651 | 13,684 | 13,720 | 13,750 | | |
| 6/30/1971 - 6/30/1972 | 16,127 | 16,270 | 16,380 | 16,470 | 16,555 | 16,592 | 16,715 | 16,810 | 16,891 | 16,943 | 17,023 | | | |
| 6/30/1972 - 6/30/1973 | 25,153 | 25,509 | 25,807 | 26,060 | 26,313 | 26,509 | 26,757 | 27,061 | 27,281 | 27,470 | | | | |
| 6/30/1973 - 6/30/1974 | 16,327 | 16,409 | 16,430 | 16,520 | 16,593 | 16,648 | 16,983 | 17,160 | 17,292 | | | | | |
| 6/30/1974 - 6/30/1975 | 18,023 | 18,081 | 18,167 | 18,210 | 18,236 | 18,303 | 18,458 | 18,593 | | | | | | |
| 6/30/1975 - 6/30/1976 | 21,837 | 21,931 | 21,981 | 22,044 | 22,182 | 22,298 | 22,442 | | | | | | | |
| 6/30/1976 - 6/30/1977 | 27,210 | 27,337 | 27,517 | 27,810 | 28,018 | 28,186 | | | | | | | | |
| 6/30/1977 - 6/30/1978 | 30,685 | 30,843 | 31,020 | 31,192 | 31,368 | | | | | | | | | |
| 6/30/1978 - 6/30/1979 | 44,547 | 44,845 | 45,062 | 45,303 | | | | | | | | | | |

Report-to-Report Development Factors

| Policy Period | 360 | 372 | 384 | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 | Ultimate |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|
| 6/30/1968 - 6/30/1969 | 1.0078 | 1.0045 | 1.0035 | 1.0066 | 1.0027 | 1.0043 | 1.0035 | 1.0048 | 1.0054 | 1.0016 | 1.0039 | 1.0028 | 1.0044 | | |
| 6/30/1969 - 6/30/1970 | 1.0246 | 1.0177 | 1.0163 | 1.0104 | 1.0197 | 1.0087 | 1.0077 | 1.0059 | 1.0068 | 1.0086 | 1.0071 | 1.0079 | | | |
| 6/30/1970 - 6/30/1971 | 1.0060 | 1.0047 | 1.0067 | 1.0039 | 1.0028 | 1.0048 | 1.0031 | 1.0074 | 1.0025 | 1.0026 | 1.0022 | | | | |
| 6/30/1971 - 6/30/1972 | 1.0089 | 1.0068 | 1.0055 | 1.0052 | 1.0022 | 1.0074 | 1.0056 | 1.0048 | 1.0031 | 1.0047 | | | | | |
| 6/30/1972 - 6/30/1973 | 1.0141 | 1.0117 | 1.0098 | 1.0097 | 1.0074 | 1.0094 | 1.0114 | 1.0081 | 1.0069 | | | | | | |
| 6/30/1973 - 6/30/1974 | 1.0050 | 1.0013 | 1.0055 | 1.0044 | 1.0033 | 1.0202 | 1.0104 | 1.0077 | | | | | | | |
| 6/30/1974 - 6/30/1975 | 1.0032 | 1.0048 | 1.0023 | 1.0014 | 1.0037 | 1.0084 | 1.0073 | | | | | | | | |
| 6/30/1975 - 6/30/1976 | 1.0043 | 1.0023 | 1.0029 | 1.0063 | 1.0052 | 1.0065 | | | | | | | | | |
| 6/30/1976 - 6/30/1977 | 1.0047 | 1.0066 | 1.0107 | 1.0075 | 1.0060 | | | | | | | | | | |
| 6/30/1977 - 6/30/1978 | 1.0051 | 1.0057 | 1.0055 | 1.0056 | | | | | | | | | | | |
| 6/30/1978 - 6/30/1979 | 1.0067 | 1.0048 | 1.0053 | | | | | | | | | | | | |
| Averages: | | | | | | | | | | | | | | | |
| All | 1.0082 | 1.0064 | 1.0067 | 1.0061 | 1.0059 | 1.0087 | 1.0070 | 1.0065 | 1.0049 | 1.0044 | 1.0044 | 1.0054 | 1.0044 | | |
| Last 5 | 1.0048 | 1.0048 | 1.0053 | 1.0050 | 1.0051 | 1.0104 | 1.0076 | 1.0068 | 1.0049 | | | | | | |
| Last 3 | 1.0055 | 1.0057 | 1.0072 | 1.0065 | 1.0050 | 1.0117 | 1.0097 | 1.0069 | 1.0042 | 1.0053 | 1.0044 | | | | |
| Avg. x High/Low | 1.0070 | 1.0058 | 1.0061 | 1.0062 | 1.0045 | 1.0075 | 1.0069 | 1.0065 | 1.0051 | 1.0037 | 1.0039 | | | | |
| Avg. x 08-09 Dev | 1.0084 | 1.0065 | 1.0063 | 1.0061 | 1.0062 | 1.0071 | 1.0063 | 1.0068 | 1.0056 | 1.0030 | 1.0047 | 1.0054 | 1.0044 | | |
| Volume Weighted | 1.0074 | 1.0061 | 1.0065 | 1.0062 | 1.0057 | 1.0091 | 1.0078 | 1.0068 | 1.0051 | 1.0045 | 1.0043 | 1.0059 | 1.0044 | | |
| Regular Fund | 1.0084 | 1.0067 | 1.0065 | 1.0060 | 1.0064 | 1.0069 | 1.0050 | 1.0060 | 1.0061 | 1.0016 | | | | | |
| Old Fund | | 1.0048 | 1.0054 | 1.0066 | 1.0056 | 1.0074 | 1.0089 | 1.0079 | 1.0050 | 1.0037 | 1.0047 | 1.0054 | 1.0044 | | |
| Pinnacle Prior Selected: | | | | | | | | | | | | | | | |
| Central | | 1.0048 | 1.0055 | 1.0045 | 1.0035 | 1.0090 | 1.0072 | 1.0046 | 1.0036 | 1.0025 | 1.0049 | 1.0022 | 1.0050 | | |
| Pinnacle Selected: | | | | | | | | | | | | | | | |
| Central Estimate | | | 1.0054 | 1.0066 | 1.0056 | 1.0066 | 1.0063 | 1.0060 | 1.0056 | 1.0053 | 1.0051 | 1.0048 | 1.0044 | 1.0050 | |
| LDF to Ultimate: | | | | | | | | | | | | | | | |
| Central Estimate | | | 1.0689 | 1.0631 | 1.0562 | 1.0503 | 1.0433 | 1.0368 | 1.0307 | 1.0249 | 1.0195 | 1.0143 | 1.0095 | 1.0010 | |
| % of Ultimate: | | | | | | | | | | | | | | | |
| Central Estimate | | | 93.56% | 94.07% | 94.68% | 95.21% | 95.85% | 96.45% | 97.02% | 97.57% | 98.09% | 98.59% | 99.06% | 99.90% | |

State of West Virginia
Workers' Compensation Fund
Reserves as of 06/30/2011
Medical
Incremental Indemnity Payments (in 000s)

| Years | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 |
| 6/30/1968-6/30/1969 | 69 | 58 | 52 | 71 | 67 | 135 | 97 | 128 | 177 | 229 | 165 | 155 | 111 | 120 | 95 | 86 | 80 | 109 | 101 | 56 | 110 | 247 | - | - | 12 | 55 | 32 | 25 | 47 | 20 | 31 | 26 | 35 | 40 | 12 | 29 | 21 | 33 |
| 6/30/1969-6/30/1970 | 111 | 77 | 91 | 67 | 78 | 62 | 47 | 63 | 75 | 95 | 110 | 201 | 319 | 355 | 211 | 270 | 455 | 230 | 209 | 352 | 278 | - | - | 243 | 273 | 242 | 178 | 167 | 109 | 207 | 63 | 63 | 65 | 74 | 82 | 79 | 89 | |
| 6/30/1970-6/30/1971 | 69 | 107 | 96 | 83 | 60 | 74 | 112 | 191 | 89 | 209 | 264 | 510 | 774 | 470 | 736 | 321 | 379 | 354 | 404 | 535 | 231 | 326 | 192 | 175 | 94 | 78 | 62 | 88 | 53 | 38 | 64 | 42 | 100 | 34 | 35 | 11 | | |
| 6/30/1971-6/30/1972 | 228 | 139 | 122 | 124 | 136 | 125 | 145 | 184 | 509 | 538 | 671 | 801 | 568 | 614 | 903 | 483 | 424 | 392 | 431 | 329 | 572 | 297 | 374 | 114 | 98 | 143 | 111 | 89 | 86 | 36 | 123 | 94 | 81 | 52 | 80 | | | |
| 6/30/1972-6/30/1973 | 222 | 203 | 144 | 226 | 199 | 283 | 302 | 642 | 640 | 833 | 927 | 708 | 1,192 | 1,301 | 1,054 | 941 | 776 | 1,296 | 765 | 1,133 | 576 | 1,117 | 449 | 591 | 393 | 356 | 299 | 253 | 253 | 196 | 248 | 304 | 320 | 189 | | | | |
| 6/30/1973-6/30/1974 | 170 | 179 | 163 | 138 | 199 | 185 | 308 | 251 | 391 | 471 | 266 | 315 | 312 | 461 | 320 | 290 | 361 | 289 | 481 | 852 | 969 | 393 | 353 | 341 | 119 | 82 | 21 | 90 | 73 | 55 | 336 | 177 | 132 | | | | | |
| 6/30/1974-6/30/1975 | 393 | 444 | 312 | 364 | 284 | 312 | 338 | 313 | 276 | 386 | 347 | 565 | 251 | 312 | 534 | 325 | 638 | 216 | 158 | 103 | 112 | 158 | 116 | 92 | 59 | 86 | 42 | 26 | 67 | 155 | 135 | | | | | | | |
| 6/30/1975-6/30/1976 | 412 | 397 | 383 | 333 | 389 | 353 | 658 | 519 | 386 | 483 | 559 | 354 | 374 | 299 | 525 | 355 | 429 | 367 | 388 | 221 | 206 | 213 | 218 | 173 | 129 | 94 | 50 | 63 | 138 | 116 | 144 | | | | | | | |
| 6/30/1976-6/30/1977 | 519 | 516 | 523 | 978 | 666 | 646 | 438 | 537 | 488 | 693 | 337 | 397 | 610 | 632 | 321 | 509 | 417 | 427 | 303 | 464 | 343 | 1,037 | 413 | 355 | 220 | 127 | 180 | 434 | 355 | 220 | 127 | 180 | 434 | 208 | 168 | | | |
| 6/30/1977-6/30/1978 | 809 | 863 | 763 | 734 | 775 | 537 | 486 | 463 | 822 | 579 | 695 | 547 | 556 | 634 | 702 | 539 | 640 | 371 | 542 | 418 | 302 | 249 | 194 | 194 | 162 | 158 | 177 | 172 | 172 | 176 | | | | | | | | |
| 6/30/1978-6/30/1979 | 1,059 | 1,142 | 1,173 | 1,008 | 652 | 600 | 688 | 720 | 674 | 779 | 693 | 909 | 627 | 596 | 598 | 671 | 424 | 545 | 496 | 357 | 424 | 324 | 297 | 190 | 251 | 299 | 216 | 241 | | | | | | | | | | |
| 6/30/1979-6/30/1980 | 1,268 | 1,263 | 1,100 | 838 | 850 | 846 | 758 | 773 | 707 | 651 | 973 | 787 | 699 | 756 | 928 | 689 | 598 | 622 | 689 | 810 | 677 | 667 | 417 | 403 | 781 | 445 | 428 | | | | | | | | | | | |
| 6/30/1980-6/30/1981 | 2,031 | 1,777 | 1,393 | 1,214 | 1,191 | 1,075 | 999 | 986 | 1,046 | 1,141 | 988 | 1,078 | 826 | 865 | 902 | 689 | 712 | 651 | 553 | 475 | 391 | 333 | 323 | 585 | 517 | 404 | | | | | | | | | | | | |
| 6/30/1981-6/30/1982 | 1,656 | 1,238 | 1,244 | 1,204 | 823 | 895 | 1,022 | 891 | 1,355 | 870 | 969 | 748 | 928 | 683 | 591 | 550 | 646 | 539 | 434 | 423 | 315 | 318 | 822 | 777 | 665 | | | | | | | | | | | | | |
| 6/30/1982-6/30/1983 | 1,537 | 1,320 | 1,105 | 1,271 | 1,077 | 1,219 | 1,100 | 1,138 | 1,028 | 1,258 | 645 | 968 | 556 | 491 | 594 | 608 | 652 | 520 | 399 | 385 | 407 | 633 | 587 | 455 | | | | | | | | | | | | | | |
| 6/30/1983-6/30/1984 | 2,287 | 1,474 | 1,243 | 1,179 | 1,219 | 1,055 | 1,173 | 983 | 1,402 | 1,949 | 885 | 622 | 617 | 594 | 572 | 675 | 557 | 500 | 351 | 356 | 643 | 676 | 881 | | | | | | | | | | | | | | | |
| 6/30/1984-6/30/1985 | 1,768 | 1,582 | 1,616 | 1,636 | 1,601 | 1,717 | 1,180 | 1,616 | 1,055 | 1,442 | 1,278 | 1,099 | 1,429 | 1,266 | 1,417 | 1,192 | 1,081 | 1,141 | 1,115 | 1,301 | 1,250 | 1,448 | | | | | | | | | | | | | | | | |
| 6/30/1985-6/30/1986 | 2,431 | 2,089 | 1,818 | 1,477 | 1,658 | 1,559 | 2,087 | 1,341 | 1,219 | 1,127 | 1,016 | 1,055 | 932 | 990 | 973 | 1,281 | 814 | 563 | 975 | 842 | 836 | | | | | | | | | | | | | | | | | |
| 6/30/1986-6/30/1987 | 2,469 | 2,171 | 1,929 | 1,864 | 1,782 | 1,731 | 1,469 | 1,515 | 1,152 | 1,218 | 1,194 | 1,243 | 1,087 | 918 | 794 | 654 | 643 | 916 | 968 | 879 | | | | | | | | | | | | | | | | | | |
| 6/30/1987-6/30/1988 | 2,986 | 2,381 | 2,344 | 2,107 | 2,119 | 1,636 | 1,801 | 1,296 | 1,501 | 1,542 | 1,429 | 1,199 | 1,054 | 845 | 832 | 811 | 951 | 1,471 | 1,157 | | | | | | | | | | | | | | | | | | | |
| 6/30/1988-6/30/1989 | 3,378 | 3,529 | 2,757 | 2,803 | 2,348 | 2,478 | 2,015 | 1,964 | 2,052 | 2,019 | 1,954 | 1,544 | 1,459 | 1,421 | 1,282 | 1,476 | 2,142 | 2,454 | | | | | | | | | | | | | | | | | | | | |
| 6/30/1989-6/30/1990 | 4,124 | 3,711 | 3,668 | 2,685 | 2,706 | 2,147 | 2,015 | 2,303 | 2,112 | 1,781 | 1,539 | 1,269 | 1,052 | 860 | 1,054 | 1,120 | 1,191 | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1990-6/30/1991 | 3,815 | 3,911 | 3,016 | 3,602 | 2,680 | 2,415 | 2,509 | 2,469 | 2,030 | 1,838 | 1,350 | 1,196 | 1,002 | 1,272 | 1,336 | 1,420 | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1991-6/30/1992 | 5,815 | 3,942 | 4,623 | 3,440 | 3,366 | 3,329 | 3,461 | 2,920 | 2,450 | 1,955 | 1,672 | 1,652 | 1,817 | 2,283 | 1,967 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1992-6/30/1993 | 4,332 | 3,024 | 3,914 | 3,636 | 3,396 | 3,189 | 2,652 | 2,203 | 1,607 | 1,605 | 1,467 | 1,087 | 935 | 1,533 | 1,665 | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1993-6/30/1994 | 5,463 | 5,593 | 3,469 | 3,629 | 3,660 | 3,743 | 2,361 | 1,967 | 1,719 | 1,443 | 1,869 | 1,301 | 1,586 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1994-6/30/1995 | 5,440 | 4,453 | 4,642 | 4,088 | 3,266 | 2,443 | 2,101 | 1,874 | 1,457 | 2,173 | 2,056 | 1,910 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1995-6/30/1996 | 4,787 | 4,674 | 4,321 | 3,069 | 2,459 | 2,053 | 1,599 | 1,363 | 1,502 | 1,699 | 1,454 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1996-6/30/1997 | 7,064 | 6,009 | 4,783 | 3,193 | 2,365 | 1,874 | 1,609 | 1,703 | 1,520 | 1,393 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1997-6/30/1998 | 8,532 | 6,427 | 4,496 | 3,068 | 2,594 | 2,055 | 2,664 | 2,277 | 1,806 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1998-6/30/1999 | 7,442 | 5,597 | 4,399 | 3,188 | 2,799 | 4,545 | 2,559 | 2,339 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/1999-6/30/2000 | 6,468 | 4,658 | 3,466 | 2,526 | 3,142 | 4,951 | 3,760 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2000-6/30/2001 | 4,916 | 4,062 | 3,251 | 3,520 | 2,960 | 2,676 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2001-6/30/2002 | 4,080 | 3,474 | 3,140 | 2,438 | 2,263 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2002-6/30/2003 | 3,488 | 3,938 | 3,134 | 2,685 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2003-6/30/2004 | 2,793 | 2,440 | 1,501 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/30/2004-6/30/2005 | 2,607 | 2,170 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Report-to-Report Development Factors

| Policy Period | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 | 420 | 432 | 444 | 456 | 468 | 480 | 492 | 504 | 516 | Ultimate |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-----|-----|-----|-----|----------|
| 6/30/1968-6/30/1969 | 0.606 | 0.896 | 1.365 | 0.947 | 2.049 | 0.7185 | 1.3196 | 1.3828 | 1.2938 | 0.7205 | 0.9394 | 0.7161 | 1.0811 | 0.7917 | 0.9053 | 0.9302 | 1.3625 | 0.9266 | 0.5545 | 1.9643 | 2.2455 | 0.0000 | | | | | | | | | | | | | | | | | |
| 6/30/1969-6/30/1970 | 0.848 | 1.1818 | 0.6848 | 1.3220 | 0.8718 | 0.9118 | 0.7581 | 1.7660 | 0.9036 | 1.2667 | 1.1579 | 1.8273 | 1.5871 | 0.4859 | 1.4903 | 1.1688 | 1.6852 | 0.5008 | 1.6842 | 0.8989 | 0.0000 | | | | | | | | | | | | | | | | | | |
| 6/30/1970-6/30/1971 | 1.5507 | 0.8972 | 0.8646 | 0.7298 | 1.2333 | 1.1335 | 1.0754 | 0.4660 | 2.3083 | 1.4232 | 1.9318 | 1.3216 | 0.6973 | 1.5660 | 0.7079 | 0.2724 | 0.9340 | 1.4142 | 1.3243 | 0.4318 | 1.4107 | 0.5893 | 0.9135 | 0.3630 | 0.8305 | 0.8345 | 0.7921 | 1.4258 | 0.6946 | 0.7210 | 1.6932 | 0.6527 | 2.3896 | 0.334 | | | | | |

Coal Workers Pneumoconiosis Fund (CWPF)

The State of West Virginia retained responsibility for the outstanding liabilities from the former Coal Worker’s Pneumoconiosis Fund claims covered as part of the Federal Black Lung Program. With the passage of House Bill 501 on November 14, 2005, the CWPF liabilities relating to accidents (currently classified as date of last exposure) subsequent to December 31, 2005 became the responsibility of BrickStreet Mutual Insurance Company and not the OIC. Thus, this analysis does not include any liability to the CWPF related to currently working miners.

Payment, claim type and claimant level information was provided by the TPAs – Wells Fargo and American Mining for the CWPF claims in order to project the future costs. There are four types of claims within the database as listed below:

1. Active (Open) Claims
2. Claims pending designation of CWPF eligibility
3. Claims in litigation regarding CWPF eligibility
4. Closed claims

The following is a table that displays the distribution of the claim counts in the data base by claim type for those with future payment potential. Due to revised reporting templates provide to and used by the TPAs to report the latest data, the claim count categorization has changed to some degree this year. In many cases, we were able to identify additional dependants with this year’s data.

| Coal Workers Pneumoconiosis Fund | | | | | |
|--|-------------------|-------------|----------------|-------------------|--------------|
| <i>Claim Counts as of June 30, 2011</i> | | | | | |
| Claimant | Dependents | Open | Pending | Litigation | Total |
| Miner | 0 | 60 | 58 | 29 | 147 |
| Miner | 1 | 284 | 228 | 120 | 632 |
| Miner | 2 | 48 | 23 | 8 | 79 |
| Miner | 3 or more | 26 | 2 | 6 | 34 |
| Widow | 0 | 232 | 16 | 98 | 346 |
| Widow | 1 | 41 | 1 | 10 | 52 |
| Widow | 2 or more | 8 | 0 | 5 | 13 |
| Orphans | | 18 | 0 | 2 | 20 |
| Medical Only | | 14 | 0 | 0 | 14 |
| Total CWPF Claim Count | | 731 | 328 | 278 | 1,337 |
| Prior CWPF Claim Count | | 721 | 497 | 26 | 1,244 |

Projection of Known Claims

The projection of the future expected indemnity and medical costs of the open, pending and litigated claims is based upon a claim by claim mortality based model. We have used the Group Annuity Mortality Table from 1983. The table in the model is adjusted for the mine worker claimants by an 11% factor as developed by Ernst & Young in their previous efforts in this area. The adjustment factor attempts to reflect the impact of this catastrophic disease on the survival expectation of the impacted mine worker. No adjustment is made to the mortality assumptions for the surviving spouse or the orphans. The model includes the following assumptions:

- a long term indemnity benefit inflation rate of 3.0%
- a long term medical cost inflation rate of 7.0%
- a ratio of future medical costs to future indemnity costs on current miner claims with medical reserves of 20.0%.
- a discount assumption of 5.0% - equal to the other West Virginia Funds

We have used a mortality based model to project the estimated future costs for the open claims, pending claims and claims in litigation. We mention that estimates based on mortality tables, which factor in the probability of survival in each of the subsequent years, will often differ from estimates based upon a life expectancy which assumes the claimant will live exactly the expected number of years – no fewer or greater.

For the pending and litigation claims, we have included a variable in the analysis to represent the probability or likelihood of a currently claim pending designation or currently in litigation actually becoming an active claim with payments. In order to account for the fact that not all of the pending or claims in litigation will develop into active claims and based upon information from the OIC and TPAs, we have incorporated the assumptions regarding the probability of a pending claim will be ultimately approved for payment by the CWPF. In continued reflection of the changes to the “Black Lung rules” included in the 2010 Patient Protection and Affordable Health Care Act (aka Federal Health Care Act); we have decreased the probability of the pending claims being awarded benefits in the CWPF from 50% to 20%. This percentage is in line with the probability assumed for claims currently in litigation and slightly above the percentage provided by the major handler of CWPF claims for West Virginia. In doing so, we have implicitly included 121 claims from the pending and litigating category will become awarded claims. The procedure attempts to reflect some of the future claim emergence by utilizing the claims in the “claims pipeline”.

Estimated IBNR Claims and Costs

Given the added uncertainty within the Coal Workers Pneumoconiosis Fund due to the rule changes contained in the 2010 Federal Health Care Act (see additional narrative on this issue below), we feel it is still prudent to include an implicit calculation of IBNR claim expectation. In our review last year in order to reflect the Federal Health Care impact, we established an IBNR claim estimate of 86 claims and an expectation that 14 of those claims would emerge during fiscal year 2011. We are in the process of updating our estimate the number of not yet reported claims that will ultimately result in an award of benefits. It is noted that the total claim count in the Coal Workers Fund increased by 93 during the past 12 months. We have not reviewed the newly open claims to determine whether they were newly reported or had been in

the pending or litigating status as of June 2010. The final number of unreported claims as of June 2011 that will ultimately result in an award will not be known for some time.

As we continue to utilize the schedule established last year, for now we estimate an additional 72 IBNR claims will be filed and ultimately develop into an award in the future. Based upon the average cost of claims, both with and without dependants, we develop an estimate of the potential IBNR costs to the Coal Workers Fund of \$60.3 million on a nominal basis.

The combined estimates from our review of the current claims and the estimates of future claim emergence result in the following preliminary unpaid liabilities estimates:

| Coal Workers Pneumoconiosis Fund | |
|--|-------------------------------|
| <i>Central Unpaid Liability Estimate</i> | |
| As of June 30, 2011 | |
| <i>Nominal Unpaid Liability Estimate</i> | |
| <i>Open Claims</i> | \$140.6 million |
| <i>Pending Claims</i> | 18.8 million |
| <i>Litigated Claims</i> | 11.2 million |
| <i>IBNR Claims</i> | 60.3 million |
| <i>Total</i> | <i>\$231.0 million</i> |
| <i>Discounted Unpaid Liability Estimate</i> | |
| <i>Total</i> | <i>\$128.9 million</i> |

2010 Patient Protection and Affordable Health Care Act Impact

Amendments to the Federal Coal Mine Health and Safety Act were included in the 2010 Patient Protection and Affordable Health Care Act (Federal Health Care legislation) passed by Congress. The original Federal Coal Mine Act was enacted in 1969 after a major mine disaster in West Virginia, with mine safety requirements being the main focus of the bill. The bill also included provisions compensating miners suffering from Coal Workers Pneumoconiosis – commonly referred to as CWP or "black lung" disease.

The 2010 amendments in the Health Care Act have created a rebuttable presumption that the miner is totally disabled due to pneumoconiosis, that death was due to pneumoconiosis, or that at the time of death the coal miner was totally disabled by pneumoconiosis, if the miner

- had 15 or more years of underground mine employment,
- was totally disabled by a respiratory condition and
- has x ray interpreted as negative for complicated pneumoconiosis.

A second amendment enacted provides for an automatic survivor benefit to be paid on the death of a miner with an awarded Federal Black Lung claim without the requirement to prove that the miner's death was due to the disease.

The potential effect of these operational changes cannot be specifically measured at this time. Until the Federal Department of Labor has enacted interpretive rules to govern the application of the new federal law, it will not be possible to understand fully and more accurately estimate the ultimate impact on the CWP Fund.

In this analysis, we continue our expectation of claims in the process of being reviewed actually being awarded benefits. We also maintain our estimate of expected number of IBNR claims awarded from June 2011 and beyond of 72. We feel that given the unknowns within the system, these assumptions are reasonable.

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011
(Dollar Amounts in Thousands)

Exhibit 1

| Group | | Paid to Date | Estimated Unpaid Claim Liabilities | | | | Actual Open Counts as of June 30, 2011 | | | | |
|--|---------------|--------------|------------------------------------|------------|-----------|----------|--|---------|------------|------|-------|
| | | | Pending | Litigating | Open | IBNR | Total | Pending | Litigating | Open | Total |
| Miner | 0 Dependents | \$11,951 | \$1,892 | \$592 | \$5,531 | \$8,014 | 58 | 29 | 60 | 147 | |
| Miner | 1 Dependent | 68,284 | 14,074 | 6,083 | 60,606 | 80,763 | 228 | 120 | 284 | 632 | |
| Miner | 2 Dependents | 14,388 | 1,872 | 471 | 15,594 | 17,937 | 23 | 8 | 48 | 79 | |
| Miner | 3+ Dependents | 7,877 | 213 | 574 | 11,621 | 12,408 | 2 | 6 | 26 | 34 | |
| Widow | 0 Dependents | 16,744 | 569 | 2,455 | 22,260 | 25,285 | 16 | 98 | 232 | 346 | |
| Widow | 1 Dependent | 5,973 | 54 | 330 | 6,081 | 6,466 | 1 | 10 | 41 | 52 | |
| Widow | 2 Dependents | 430 | 0 | 233 | 1,289 | 1,522 | 0 | 4 | 6 | 10 | |
| Widow | 3+ Dependents | 195 | 0 | 74 | 256 | 330 | 0 | 1 | 2 | 3 | |
| Orphans | | 863 | 0 | 89 | 4,202 | 4,291 | 0 | 2 | 18 | 20 | |
| Medical | | \$7,793 | 146 | 319 | 13,163 | 13,628 | 0 | 0 | 14 | 14 | |
| IBNR including the Potential Impact of the Amendments to the Federal Coal Mine Health and Safety Act | | | | | 60,322 | | | | | | |
| Undiscounted | | \$134,500 | \$18,820 | \$11,221 | \$140,602 | \$60,322 | \$230,965 | 328 | 278 | 731 | 1,337 |
| Discounted | | | \$9,823 | \$6,069 | \$79,360 | \$33,672 | \$128,924 | | | | |

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011
(Dollar Amounts in Thousands)
Including Reflection of IBNR

Exhibit 2

Page 1

| <u>Fiscal</u> <u>Year</u> | <u>Indemnity</u> <u>Paid</u> | <u>Medical</u> <u>Paid</u> | <u>Total</u> <u>Paid</u> | <u>Calendar</u> <u>Year</u> | <u>Indemnity</u> <u>Paid</u> | <u>Medical</u> <u>Paid</u> | <u>Total</u> <u>Paid</u> |
|------------------------------|---------------------------------|-------------------------------|-----------------------------|--------------------------------|---------------------------------|-------------------------------|-----------------------------|
| 2012 | 10,476.1 | 935.9 | 11,412.0 | 2073 | 25.8 | 0.0 | 25.8 |
| 2013 | 10,250.6 | 729.2 | 10,979.8 | 2074 | 21.5 | 0.0 | 21.5 |
| 2014 | 10,009.7 | 729.8 | 10,739.4 | 2075 | 17.9 | 0.0 | 17.9 |
| 2015 | 9,756.7 | 728.9 | 10,485.6 | 2076 | 15.0 | 0.0 | 15.0 |
| 2016 | 9,487.7 | 726.5 | 10,214.2 | 2077 | 12.6 | 0.0 | 12.6 |
| 2017 | 9,205.0 | 722.5 | 9,927.5 | 2078 | 10.6 | 0.0 | 10.6 |
| 2018 | 8,913.8 | 717.2 | 9,631.0 | 2079 | 9.1 | 0.0 | 9.1 |
| 2019 | 8,618.4 | 710.3 | 9,328.7 | 2080 | 7.9 | 0.0 | 7.9 |
| 2020 | 8,319.2 | 702.0 | 9,021.2 | 2081 | 7.0 | 0.0 | 7.0 |
| 2021 | 8,016.2 | 692.1 | 8,708.3 | 2082 | 6.3 | 0.0 | 6.3 |
| 2022 | 7,710.5 | 680.8 | 8,391.2 | 2083 | 5.8 | 0.0 | 5.8 |
| 2023 | 7,402.4 | 667.8 | 8,070.2 | 2084 | 5.4 | 0.0 | 5.4 |
| 2024 | 7,092.1 | 653.2 | 7,745.3 | 2085 | 5.1 | 0.0 | 5.1 |
| 2025 | 6,782.2 | 637.0 | 7,419.2 | 2086 | 4.8 | 0.0 | 4.8 |
| 2026 | 6,473.4 | 619.1 | 7,092.5 | 2087 | 4.6 | 0.0 | 4.6 |
| 2027 | 6,165.0 | 599.6 | 6,764.6 | 2088 | 4.4 | 0.0 | 4.4 |
| 2028 | 5,857.7 | 578.4 | 6,436.1 | 2089 | 4.3 | 0.0 | 4.3 |
| 2029 | 5,548.3 | 555.7 | 6,104.0 | 2090 | 4.1 | 0.0 | 4.1 |
| 2030 | 5,237.1 | 531.6 | 5,768.6 | 2091 | 3.9 | 0.0 | 3.9 |
| 2031 | 4,930.7 | 506.1 | 5,436.8 | 2092 | 3.7 | 0.0 | 3.7 |
| 2032 | 4,629.5 | 479.3 | 5,108.8 | 2093 | 3.5 | 0.0 | 3.5 |
| 2033 | 4,330.2 | 451.5 | 4,781.8 | 2094 | 3.3 | 0.0 | 3.3 |
| 2034 | 4,031.1 | 422.9 | 4,454.0 | 2095 | 3.1 | 0.0 | 3.1 |
| 2035 | 3,735.9 | 393.6 | 4,129.6 | 2096 | 2.8 | 0.0 | 2.8 |
| 2036 | 3,452.1 | 364.1 | 3,816.2 | 2097 | 2.6 | 0.0 | 2.6 |
| 2037 | 3,179.4 | 334.4 | 3,513.8 | 2098 | 2.3 | 0.0 | 2.3 |
| 2038 | 2,915.9 | 305.0 | 3,220.9 | 2099 | 2.0 | 0.0 | 2.0 |
| 2039 | 2,662.8 | 276.0 | 2,938.7 | 2100 | 1.8 | 0.0 | 1.8 |
| 2040 | 2,421.0 | 247.8 | 2,668.8 | 2101 | 1.5 | 0.0 | 1.5 |
| 2041 | 2,191.7 | 220.6 | 2,412.3 | 2102 | 1.3 | 0.0 | 1.3 |
| 2042 | 1,975.8 | 194.7 | 2,170.5 | 2103 | 1.1 | 0.0 | 1.1 |
| 2043 | 1,774.0 | 170.2 | 1,944.2 | 2104 | 0.9 | 0.0 | 0.9 |
| 2044 | 1,586.6 | 147.4 | 1,734.0 | 2105 | 0.7 | 0.0 | 0.7 |
| 2045 | 1,413.9 | 126.3 | 1,540.2 | 2106 | 0.5 | 0.0 | 0.5 |
| 2046 | 1,255.8 | 107.1 | 1,362.9 | 2107 | 0.4 | 0.0 | 0.4 |
| 2047 | 1,111.9 | 89.8 | 1,201.7 | 2108 | 0.3 | 0.0 | 0.3 |
| 2048 | 982.0 | 74.3 | 1,056.3 | 2109 | 0.2 | 0.0 | 0.2 |
| 2049 | 865.3 | 60.8 | 926.1 | 2110 | 0.1 | 0.0 | 0.1 |
| 2050 | 761.1 | 49.2 | 810.3 | 2111 | 0.1 | 0.0 | 0.1 |
| 2051 | 668.9 | 39.2 | 708.1 | 2112 | 0.1 | 0.0 | 0.1 |
| 2052 | 587.4 | 30.9 | 618.2 | 2113 | 0.0 | 0.0 | 0.0 |
| 2053 | 515.5 | 24.0 | 539.5 | 2114 | 0.0 | 0.0 | 0.0 |
| 2054 | 452.1 | 18.4 | 470.5 | 2115 | 0.0 | 0.0 | 0.0 |
| 2055 | 396.1 | 13.9 | 410.0 | 2116 | 0.0 | 0.0 | 0.0 |
| 2056 | 346.6 | 10.4 | 357.0 | 2117 | 0.0 | 0.0 | 0.0 |
| 2057 | 303.4 | 7.7 | 311.1 | 2118 | 0.0 | 0.0 | 0.0 |
| 2058 | 265.9 | 5.6 | 271.5 | 2119 | 0.0 | 0.0 | 0.0 |
| 2059 | 233.0 | 4.0 | 237.0 | 2120 | 0.0 | 0.0 | 0.0 |
| 2060 | 203.9 | 2.8 | 206.7 | 2121 | 0.0 | 0.0 | 0.0 |
| 2061 | 177.8 | 1.9 | 179.7 | 2122 | 0.0 | 0.0 | 0.0 |
| 2062 | 154.7 | 1.3 | 156.0 | 2123 | 0.0 | 0.0 | 0.0 |
| 2063 | 134.4 | 0.9 | 135.3 | 2124 | 0.0 | 0.0 | 0.0 |
| 2064 | 116.5 | 0.6 | 117.1 | 2125 | 0.0 | 0.0 | 0.0 |
| 2065 | 100.4 | 0.4 | 100.8 | 2126 | 0.0 | 0.0 | 0.0 |
| 2066 | 86.1 | 0.2 | 86.3 | 2127 | 0.0 | 0.0 | 0.0 |
| 2067 | 73.4 | 0.1 | 73.5 | 2128 | 0.0 | 0.0 | 0.0 |
| 2068 | 62.1 | 0.1 | 62.2 | 2129 | 0.0 | 0.0 | 0.0 |
| 2069 | 52.3 | 0.1 | 52.4 | 2130 | 0.0 | 0.0 | 0.0 |
| 2070 | 44.0 | 0.0 | 44.0 | | | | |
| 2071 | 37.0 | 0.0 | 37.0 | Future | 5,484 | 600 | 6,084 |
| 2072 | 31.0 | 0.0 | 31.0 | | | | |
| | | | | Total | 212,264 | 18,701 | 230,965 |

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011

Exhibit 2
Page 2

| <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | <u>Central Estimate Nominal Reserves</u> | <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | <u>Central Estimate Nominal Reserves</u> |
|-----------------|------------|---------------|--|-----------------|------------|---------------|--|
| Miner | 40 | 0 | 0 | Miner | 80 | 18 | 1,333,436 |
| | 41 | 0 | 0 | | 81 | 14 | 1,550,438 |
| | 42 | 0 | 0 | | 82 | 17 | 1,360,571 |
| | 43 | 0 | 0 | | 83 | 16 | 1,209,493 |
| | 44 | 1 | 78,867 | | 84 | 9 | 688,424 |
| | 45 | 1 | 96,085 | | 85 | 12 | 927,628 |
| | 46 | 2 | 639,327 | | 86 | 12 | 708,009 |
| | 47 | 1 | 120,947 | | 87 | 5 | 134,633 |
| | 48 | 1 | 65,811 | | 88 | 9 | 512,682 |
| | 49 | 8 | 839,052 | | 89 | 4 | 225,632 |
| | 50 | 3 | 328,008 | | 90 | 7 | 278,128 |
| | 51 | 6 | 1,161,420 | | 91 | 1 | 24,573 |
| | 52 | 15 | 3,300,024 | | 92 | 1 | 45,423 |
| | 53 | 13 | 3,033,818 | | 93 | 1 | 48,282 |
| | 54 | 14 | 2,527,634 | | 94 | 1 | 51,952 |
| | 55 | 21 | 4,144,613 | | 95 | 1 | 0 |
| | 56 | 27 | 5,507,378 | | 96 | 0 | 0 |
| | 57 | 35 | 4,041,927 | | 97 | 1 | 16,993 |
| | 58 | 22 | 4,499,354 | | 98 | 0 | 0 |
| | 59 | 31 | 4,129,237 | | 99 | 0 | 0 |
| | 60 | 37 | 9,005,468 | | 100 | 0 | 0 |
| | 61 | 36 | 5,145,128 | | 101 | 0 | 0 |
| | 62 | 35 | 5,405,892 | | 102 | 0 | 0 |
| | 63 | 26 | 2,594,577 | | 103 | 0 | 0 |
| | 64 | 35 | 4,361,422 | | 104 | 0 | 0 |
| | 65 | 36 | 5,250,441 | | 105 | 0 | 0 |
| | 66 | 36 | 6,364,301 | | 106 | 0 | 0 |
| | 67 | 35 | 5,243,254 | | 107 | 0 | 0 |
| | 68 | 30 | 4,002,012 | | 108 | 0 | 0 |
| | 69 | 27 | 3,265,367 | | 109 | 0 | 0 |
| | 70 | 26 | 2,980,127 | | 110 | 0 | 0 |
| | 71 | 33 | 4,056,750 | | 111 | 0 | 0 |
| | 72 | 29 | 3,318,953 | | 112 | 0 | 0 |
| | 73 | 23 | 1,709,217 | | 113 | 0 | 0 |
| | 74 | 20 | 2,036,009 | | 114 | 0 | 0 |
| | 75 | 30 | 3,443,962 | | 115 | 0 | 0 |
| | 76 | 23 | 2,529,521 | | 116 | 0 | 0 |
| | 77 | 24 | 2,586,269 | | 117 | 0 | 0 |
| | 78 | 11 | 1,090,189 | | 118 | 0 | 0 |
| | 79 | 10 | 1,102,390 | | 119 | 0 | 0 |

892 119,121,044

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011

Exhibit 2
Page 3

| <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | Central Estimate Nominal <u>Reserves</u> | <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | Central Estimate Nominal <u>Reserves</u> |
|-----------------|------------|---------------|---|-----------------|------------|---------------|---|
| Widow | 25 | 0 | 0 | Widow | 65 | 13 | 1,536,085 |
| | 26 | 0 | 0 | | 66 | 13 | 1,028,298 |
| | 27 | 0 | 0 | | 67 | 8 | 1,133,243 |
| | 28 | 0 | 0 | | 68 | 12 | 1,588,770 |
| | 29 | 0 | 0 | | 69 | 7 | 966,669 |
| | 30 | 0 | 0 | | 70 | 10 | 717,244 |
| | 31 | 0 | 0 | | 71 | 10 | 830,936 |
| | 32 | 0 | 0 | | 72 | 6 | 763,729 |
| | 33 | 0 | 0 | | 73 | 15 | 1,146,442 |
| | 34 | 0 | 0 | | 74 | 9 | 816,511 |
| | 35 | 0 | 0 | | 75 | 13 | 1,293,993 |
| | 36 | 0 | 0 | | 76 | 9 | 680,398 |
| | 37 | 0 | 0 | | 77 | 21 | 1,534,992 |
| | 38 | 1 | 436,248 | | 78 | 17 | 1,069,103 |
| | 39 | 0 | 0 | | 79 | 22 | 1,267,940 |
| | 40 | 2 | 532,645 | | 80 | 14 | 804,362 |
| | 41 | 1 | 433,905 | | 81 | 13 | 721,032 |
| | 42 | 0 | 0 | | 82 | 10 | 829,330 |
| | 43 | 1 | 82,096 | | 83 | 17 | 674,886 |
| | 44 | 0 | 0 | | 84 | 10 | 368,953 |
| | 45 | 0 | 0 | | 85 | 16 | 721,408 |
| | 46 | 0 | 0 | | 86 | 19 | 870,566 |
| | 47 | 0 | 0 | | 87 | 10 | 374,267 |
| | 48 | 1 | 363,112 | | 88 | 13 | 489,457 |
| | 49 | 1 | 351,239 | | 89 | 4 | 139,363 |
| | 50 | 3 | 748,408 | | 90 | 5 | 161,201 |
| | 51 | 0 | 0 | | 91 | 6 | 179,026 |
| | 52 | 3 | 194,616 | | 92 | 3 | 82,846 |
| | 53 | 2 | 60,369 | | 93 | 0 | 0 |
| | 54 | 3 | 637,090 | | 94 | 2 | 47,304 |
| | 55 | 5 | 888,238 | | 95 | 1 | 21,879 |
| | 56 | 2 | 319,026 | | 96 | 2 | 40,462 |
| | 57 | 3 | 359,602 | | 97 | 0 | 0 |
| | 58 | 5 | 632,675 | | 98 | 0 | 0 |
| | 59 | 4 | 558,084 | | 99 | 1 | 15,774 |
| | 60 | 6 | 771,949 | | 100 | 0 | 0 |
| | 61 | 7 | 807,153 | | 101 | 0 | 0 |
| | 62 | 6 | 251,230 | | 102 | 0 | 0 |
| | 63 | 13 | 1,120,782 | | 103 | 0 | 0 |
| | 64 | 11 | 1,137,666 | | 104 | 0 | 0 |
| | | | | | | 374 | 33,602,600 |

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011

Exhibit 2
Page 4

| <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | Central Estimate Nominal <u>Reserves</u> | <u>Claimant</u> | <u>Age</u> | <u>Claims</u> | Central Estimate Nominal <u>Reserves</u> |
|-----------------|------------|---------------|---|-----------------|------------|---------------|---|
| Orphan | All | 20 | 4,290,858 | Medical | All | 14 | 13,628,016 |

**State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011**

Exhibit 2
Page 5

Example Reserve Calculation - Indemnity

Claim # 770089418
Report Year 1977
Monthly Benefit 938
Escalation 3.0%
Discount Rate 5.0%

Nominal Reserve: 172,091
Discounted Reserve: 116,378

| Payee # | Payee Type | Claimant | Dep #1 Spouse | Dep #2 Child | Expected Monthly Benefit (2) | Expected Annual Payment (3) | Discount Factor (4) | Actuarial Present Value (5) |
|--------------|------------|---|------------------|-----------------|---------------------------------------|--------------------------------------|---------------------------|--------------------------------------|
| Payee Gender | Payee Age | Male | Female | Female | | | | |
| Maximum Age | | 75 | 73 | 36 | | | | |
| k | Year | N/A | N/A | 18 | | | | |
| | | (1) Probability of Receiving Benefits During Year | | | | | | |
| 1 | 2012 | 0.9451 | 0.9658 | 0.0000 | 910 | 10,918 | 0.976 | 10,655 |
| 2 | 2013 | 0.9429 | 0.9645 | 0.0000 | 936 | 11,232 | 0.929 | 10,439 |
| 3 | 2014 | 0.8846 | 0.9275 | 0.0000 | 930 | 11,164 | 0.885 | 9,882 |
| 4 | 2015 | 0.8254 | 0.8890 | 0.0000 | 921 | 11,053 | 0.843 | 9,318 |
| 5 | 2016 | 0.7655 | 0.8490 | 0.0000 | 908 | 10,895 | 0.803 | 8,747 |
| 6 | 2017 | 0.7049 | 0.8074 | 0.0000 | 890 | 10,684 | 0.765 | 8,170 |
| 7 | 2018 | 0.6438 | 0.7641 | 0.0000 | 868 | 10,415 | 0.728 | 7,585 |
| 8 | 2019 | 0.5828 | 0.7189 | 0.0000 | 840 | 10,084 | 0.694 | 6,994 |
| 9 | 2020 | 0.5228 | 0.6719 | 0.0000 | 808 | 9,691 | 0.661 | 6,401 |
| 10 | 2021 | 0.4649 | 0.6232 | 0.0000 | 770 | 9,239 | 0.629 | 5,812 |
| 11 | 2022 | 0.4095 | 0.5730 | 0.0000 | 727 | 8,729 | 0.599 | 5,230 |
| 12 | 2023 | 0.3568 | 0.5216 | 0.0000 | 680 | 8,161 | 0.571 | 4,657 |
| 13 | 2024 | 0.3070 | 0.4696 | 0.0000 | 628 | 7,541 | 0.543 | 4,098 |
| 14 | 2025 | 0.2606 | 0.4178 | 0.0000 | 573 | 6,879 | 0.518 | 3,560 |
| 15 | 2026 | 0.2180 | 0.3669 | 0.0000 | 516 | 6,187 | 0.493 | 3,050 |
| 16 | 2027 | 0.1794 | 0.3177 | 0.0000 | 457 | 5,481 | 0.469 | 2,573 |
| 17 | 2028 | 0.1451 | 0.2709 | 0.0000 | 398 | 4,774 | 0.447 | 2,134 |
| 18 | 2029 | 0.1150 | 0.2271 | 0.0000 | 340 | 4,084 | 0.426 | 1,739 |
| 19 | 2030 | 0.0894 | 0.1870 | 0.0000 | 285 | 3,426 | 0.406 | 1,389 |
| 20 | 2031 | 0.0681 | 0.1510 | 0.0000 | 235 | 2,817 | 0.386 | 1,088 |
| 21 | 2032 | 0.0509 | 0.1193 | 0.0000 | 189 | 2,267 | 0.368 | 834 |
| 22 | 2033 | 0.0374 | 0.0922 | 0.0000 | 149 | 1,785 | 0.350 | 625 |
| 23 | 2034 | 0.0269 | 0.0695 | 0.0000 | 114 | 1,372 | 0.334 | 458 |
| 24 | 2035 | 0.0189 | 0.0510 | 0.0000 | 86 | 1,028 | 0.318 | 327 |
| 25 | 2036 | 0.0131 | 0.0363 | 0.0000 | 63 | 750 | 0.303 | 227 |
| 26 | 2037 | 0.0088 | 0.0251 | 0.0000 | 44 | 532 | 0.288 | 153 |
| 27 | 2038 | 0.0058 | 0.0168 | 0.0000 | 30 | 365 | 0.274 | 100 |
| 28 | 2039 | 0.0037 | 0.0108 | 0.0000 | 20 | 241 | 0.261 | 63 |
| 29 | 2040 | 0.0023 | 0.0066 | 0.0000 | 13 | 152 | 0.249 | 38 |
| 30 | 2041 | 0.0014 | 0.0038 | 0.0000 | 8 | 92 | 0.237 | 22 |
| 31 | 2042 | 0.0008 | 0.0021 | 0.0000 | 4 | 53 | 0.226 | 12 |

Reserve 172,091 116,378

(1) = Probability of being eligible for benefits in year based on actuarial life tables

(1) Total = P(Claimant Alive) + [1-P(Claimant Alive)] x [P(Dependent Eligible)]

(2) = Monthly Benefit x (1 + escalation rate) ^ (k + 0.5) x (1)

(3) = 1 / (1 + discount rate) ^ (k+0.5)

(4) = (2) x (3)

State of West Virginia
Coal Workers Pneumoconiosis Fund
Reserves as of 06/30/2011
(Dollar Amounts in Thousands)

Exhibit 3
Page 1

IBNR Claim Count and Nominal Unpaid Liability Estimate

| Fiscal Year | IBNR Claims | | | Benefit Dependants Included | | |
|-------------|----------------|------------------------|---------------------------|-----------------------------------|------------|------------|
| | Total Reported | Claims With Dependants | Claims With No Dependants | Yes | No | |
| | | | | | | |
| 2012 | 12 | 10 | 2 | 7,066,154 | 494,631 | |
| 2013 | 12 | 10 | 2 | 6,487,568 | 454,130 | |
| 2014 | 10 | 8 | 2 | 5,834,380 | 408,407 | |
| 2015 | 8 | 6 | 2 | 5,220,382 | 365,427 | |
| 2016 | 8 | 6 | 2 | 4,596,922 | 321,785 | |
| 2017 | 4 | 4 | 0 | 3,929,214 | 275,045 | |
| 2018 | 4 | 4 | 0 | 3,248,678 | 227,407 | |
| 2019 | 4 | 4 | 0 | 2,736,258 | 191,538 | |
| 2020 | 2 | 2 | 0 | 2,360,588 | 165,241 | |
| 2021 | 2 | 2 | 0 | 2,003,520 | 140,246 | |
| 2022 | 2 | 2 | 0 | 1,741,624 | 121,914 | |
| 2023 | 2 | 2 | 0 | 1,488,154 | 104,171 | |
| 2024 | 2 | 2 | 0 | 1,190,742 | 83,352 | |
| 2025 | 0 | 0 | 0 | 884,320 | 61,902 | |
| 2026 | 0 | 0 | 0 | 608,684 | 42,608 | |
| 2027 | 0 | 0 | 0 | 371,524 | 26,007 | |
| 2028 | 0 | 0 | 0 | 209,354 | 14,655 | |
| 2029 | 0 | 0 | 0 | 131,642 | 9,215 | |
| 2030 | 0 | 0 | 0 | 96,904 | 6,783 | |
| 2031 | 0 | 0 | 0 | 70,686 | 4,948 | |
| 2032 | 0 | 0 | 0 | 39,814 | 2,787 | |
| 2033 | 0 | 0 | 0 | 11,528 | 807 | |
| 2034 | 0 | 0 | 0 | 0 | 0 | |
| 2035 | 0 | 0 | 0 | 0 | 0 | |
| 2036 | 0 | 0 | 0 | 0 | 0 | |
| 2037 | 0 | 0 | 0 | 0 | 0 | |
| 2038 | 0 | 0 | 0 | 0 | 0 | |
| 2039 | 0 | 0 | 0 | 0 | 0 | |
| 2040 | 0 | 0 | 0 | 0 | 0 | |
| 2041 | 0 | 0 | 0 | 0 | 0 | |
| 2042 | 0 | 0 | 0 | 0 | 0 | |
| | 72 | 62 | 10 | 50,328,640 | 3,523,005 | |
| | | | | 2 Years of Back Benefits | 1,164,032 | 233,383 |
| | | | | Expected Medical Costs | 4,368,526 | 704,601 |
| | | | | Total for IBNR Claims | 55,861,198 | 4,460,989 |
| | | | | Total IBNR - Claim Types Combined | | 60,322,187 |

Benefit based upon annuity for Miner Aged 59
Medical Costs for No Dependant Claims based upon 20% for Indemnity
Medical Costs for Claims with Dependants based on \$70,460 per claim (Avg of No Dep Claims)

Uninsured Employer Fund (UEF)

The Uninsured Employer Fund (UEF) was established as part of the enactment of Senate Bill 1004, which privatized the state’s worker’s compensation system. The purpose of the UEF is to prevent workers injured in the course of employment with uninsured employers from experiencing delays in obtaining medical treatment and wage replacement benefits. The UEF began operations on January 1st, 2006 and is only responsible for the injuries incurred on or subsequent to that date. The insurance carrier established as part of the privatization retains the responsibility for claims of employees of uninsured employers that occurred between July 1st, 2005 and December 31st, 2005. Any benefits payable to the workers of uninsured employers that occurred prior to July 1st, 2005 are the responsibility of the Old Fund.

In return for receiving compensation from the Uninsured Employer Fund, the injured worker irrevocably assigns rights of recovery to the Office of the Insurance Commissioner. Therefore, the OIC may be able to mitigate some costs of this Fund to the extent collections from the employer are possible.

Given the limited history and the general nature of this specific program, we have relied upon the claim payment history and case reserve information available from Sedgwick Claim Management Services and Wells Fargo, the TPAs handling these losses on behalf of the UEF and the OIC. The loss payment and case reserve data for the UEF was provided through June 30, 2011. To date, close to \$2.9 million in payments from this Fund have been made to injured workers of uninsured employers and the current case reserves total slightly more than \$3.2 million. Payments during the past 12 months totaled \$428,000 while case reserves decreased by slightly less than \$1.3 million, primarily from accident years 2007 and 2010 where the case reserves declined by \$552,000 and \$790,000, respectively. As a result, the indicated unpaid liability estimates in those years have declined slightly since our last review.

Since this Fund continues to assume additional exposure and risk as the program covers current employers in the State, it should be expected that the total cost and required reserve will increase over time. Also, due to the specific nature uninsured of employers and their injured workers who participate in this Fund, the reporting of claims to this Fund tends to be considerably slower than in the insured sector. This contributes to the strong tendency for more IBNR (incurred but not reported) claims as an inherent part of the Uninsured Employers Fund. Accordingly, we feel that some additional conservatism is prudent in estimating the future liabilities of the Fund.

| Uninsured Employers Fund | | | |
|---|---------|----------------|---------|
| Estimated Unpaid Liabilities as of June 30, 2011 | | | |
| <i>(\$ in 000s)</i> | | | |
| | Low | Central | High |
| <i>Nominal</i> | \$4,514 | \$6,514 | \$8,514 |
| <i>Discounted @5%</i> | \$3,123 | \$4,504 | \$5,885 |
| <i>Prior Discounted Estimate</i> | \$3,688 | \$5,175 | \$6,663 |

State of West Virginia
 Workers' Compensation Fund
 Uninsured Fund

(Dollar Amounts in Thousands)

| Policy Period (1) | Paid Losses (2) | Case Reserves (3) | Incurred Losses (4) | Selected Ultimate Losses | | | Selected Ultimate Reserves | | | Discount Factor (7) | Discounted Reserves | | |
|----------------------|-----------------------|-------------------------|---------------------------|--------------------------|-----------------|--------------|----------------------------|-----------------|--------------|---------------------------|---------------------|-----------------|--------------|
| | | | | Low (5a) | Central (5b) | High (5c) | Low (6a) | Central (6b) | High (6c) | | Low (8a) | Central (8b) | High (8c) |
| 2006 | \$441 | \$19 | \$460 | \$525 | \$575 | \$625 | \$84 | \$134 | \$184 | 0.662 | \$56 | \$89 | \$122 |
| 2007 | 1,435 | 2,533 | 3,968 | 4,500 | 6,000 | 7,500 | 3,065 | 4,565 | 6,065 | 0.677 | 2,074 | 3,089 | 4,105 |
| 2008 | 357 | 73 | 430 | 525 | 575 | 625 | 168 | 218 | 268 | 0.703 | 118 | 153 | 188 |
| 2009 | 241 | 157 | 398 | 650 | 700 | 750 | 409 | 459 | 509 | 0.728 | 297 | 334 | 370 |
| 2010 | 384 | 213 | 597 | 750 | 1,000 | 1,250 | 366 | 616 | 866 | 0.760 | 278 | 468 | 659 |
| 2011 | 28 | 231 | 258 | 450 | 550 | 650 | 422 | 522 | 622 | 0.709 | 300 | 371 | 441 |
| Total | \$2,886 | \$3,225 | \$6,112 | \$7,400 | \$9,400 | \$11,400 | \$4,514 | \$6,514 | \$8,514 | | \$3,123 | \$4,504 | \$5,885 |

Column

- (2) Provided by Client (Claims handled by Wells Fargo and Sedgwick)
- (3) Provided by Client (Claims handled by Wells Fargo and Sedgwick)
- (4) Col (2) + Col (3)
- (5) Judgmental Selection
- (6) Col (5) - Col (2)
- (7) Discount Factor based on payout from Page 2, Col (8) and an interest rate of 5.0%
- (8) Col (6) x Col (7)

State of West Virginia
 Workers' Compensation Fund
 Uninsured Fund

(Dollar Amounts in Thousands)

| Policy Period (1) | Loss Eval. Date (2) | Effective Months of Maturity (3) | Incurred Losses (4) | Paid Losses (5) | Case Reserves (6) | Incurred % of Ultimate (7) | Incurred Loss Dev. Method (8) | Paid % of Ultimate (9) | Paid Loss Dev. Method (10) | IBNR to Case Factor (11) | IBNR to Case Method (12) | Selected Ultimate Losses | | |
|-------------------------|---------------------------|---|---------------------------|-----------------------|-------------------------|-------------------------------------|--|---------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|--------------------------|------------------|---------------|
| | | | | | | | | | | | | Low (12a) | Central (12b) | High (12c) |
| 06/30/2005 - 06/30/2006 | 6/30/2011 | 72 | \$460 | \$441 | \$19 | 89.56% | \$514 | 80.22% | \$550 | 1.117 | \$482 | \$525 | \$575 | \$625 |
| 06/30/2006 - 06/30/2007 | 6/30/2011 | 60 | 3,968 | 1,435 | 2,533 | 88.22% | 4,498 | 77.49% | 1,852 | 1.098 | 6,748 | 4,500 | 6,000 | 7,500 |
| 06/30/2007 - 06/30/2008 | 6/30/2011 | 48 | 430 | 357 | 73 | 86.41% | 498 | 73.69% | 485 | 1.069 | 508 | 525 | 575 | 625 |
| 06/30/2008 - 06/30/2009 | 6/30/2011 | 36 | 398 | 241 | 157 | 83.60% | 476 | 67.53% | 357 | 1.020 | 558 | 650 | 700 | 750 |
| 06/30/2009 - 06/30/2010 | 6/30/2011 | 24 | 597 | 384 | 213 | 79.04% | 755 | 59.11% | 649 | 1.052 | 821 | 750 | 1,000 | 1,250 |
| 06/30/2010 - 06/30/2011 | 6/30/2011 | 12 | 258 | \$28 | 231 | 71.26% | 362 | 44.78% | 62 | 1.086 | 509 | 450 | 550 | 650 |
| Total | | | \$6,112 | \$2,886 | \$3,225 | | \$7,103 | | \$3,955 | | \$9,625 | \$7,400 | \$9,400 | \$11,400 |

Column

- (3), (4) Provided by Client (Claims handled by Wells Fargo and Sedgwick)
- (5) Col (3) - Col (4)
- (6), (8) The percentages of losses reported at various levels of maturity are based upon Pinnacle analysis of insurance industry data.
- (7), (9) Col (3) / Col (6), Col (4) / Col (8)
- (10) [1 - Col (6)] / [Col (6) - Col (8)]
- (11) Col (5) x Col (10) + Col (3)
- (12) Judgmental selection

Self-Insured Employers Guaranty Fund

The Guaranty Fund is responsible for the claims of self-insured employers that have become bankrupt and have defaulted on workers compensation payment to injured employees for events on or **after July 1, 2004**. The obligation of the Guaranty Fund was established in the 2005 West Virginia code revisions and limited to the claims from self-insured employers who have defaulted on payment obligations after June 30, 2004. All active self-insured employers are required to participate in the assessments for the Guaranty Fund. Self-insured employers who become either inactive via the subsequent purchase of insurance or closure of operations after July 1st, 2004 are also required to participate in the assessment process of the Guaranty Fund

Given the brief period of exposure, during the five and one-half year history of this specific program, there has been very limited claim activity in this program. One of the eight claims pending as of June 30, 2011 was related to a fatality while the other claims were medical only.

We have not attempted to estimate the potential impact of the current or future economic environments on this Fund through potential increased corporate bankruptcies and defaults. It should be noted that through the OIC's financial solvency monitoring processes, all self-insured employers who demonstrate a decline in their financial position are required to fully collateralize their estimated liabilities for their self-insured worker's compensation claims. Self-insured employers are not required to provide surety for claims with dates of injury on or after July 1st, 2004 unless the Insurance Commissioner determines that the employer's financial condition, warrants such action.

To date, the only activity in this program remains the default of a single employer during 2004 - the year of the Guaranty Fund's inception.

Using the payment and case reserve information as provided by the OIC and Wells Fargo (third party administrator of this Fund), we have applied industry benchmark loss development factors to the paid losses, incurred losses and case reserves to develop estimated ultimate losses.

During the past 12 months paid losses increased by \$28,000 while case reserves increased by \$24,000 which combine to increase the reported loss by \$52,000. Our selected ultimate and resulting reserve estimates increased very slightly over those of last year.

| Guaranty Fund | | | |
|---|-------|--------------|-------|
| Estimated Unpaid Liabilities as of June 30, 2011 | | | |
| <i>(\$ in 000s)</i> | | | |
| | Low | Central | High |
| <i>Nominal</i> | \$277 | \$527 | \$777 |
| <i>Discounted @5%</i> | \$181 | \$344 | \$507 |
| <i>Prior Discounted Estimate</i> | \$202 | \$335 | \$468 |

Our analysis is focused upon the unpaid cost of the claims primarily from the employer(s) who have defaulted on their self-insured obligations. In this respect, the act of default is the trigger of the liability. We have not considered the potential impact on the Guaranty Fund from employers with self-insured claims that have occurred but have yet to be defaulted. This additional exposure to the Guaranty Fund is considered to be outside the scope of this analysis.

State of West Virginia
 Workers' Compensation Fund
 Guaranty Fund

(Dollar Amounts in Thousands)

| Policy Period (1) | Paid Losses (2) | Case Reserves (3) | Incurred Losses (4) | Selected Ultimate Losses | | | Selected Ultimate Reserves | | | Discount Factor (7) | Discounted Reserves | | |
|----------------------|--------------------|----------------------|------------------------|--------------------------|-----------------|--------------|----------------------------|-----------------|--------------|------------------------|---------------------|-----------------|--------------|
| | | | | Low (5a) | Central (5b) | High (5c) | Low (6a) | Central (6b) | High (6c) | | Low (8a) | Central (8b) | High (8c) |
| 2005 | \$823 | \$358 | \$1,181 | \$1,100 | \$1,350 | \$1,600 | \$277 | \$527 | \$777 | 0.653 | \$181 | \$344 | \$507 |
| Total | \$823 | \$358 | \$1,181 | \$1,100 | \$1,350 | \$1,600 | \$277 | \$527 | \$777 | | \$181 | \$344 | \$507 |

Column

- (2) Provided by Client (Claims handled by Wells Fargo)
- (3) Provided by Client (Claims handled by Wells Fargo)
- (4) Col (2) + Col (3)
- (5) Judgmental Selection
- (6) Col (5) - Col (2)
- (7) Discount Factor based on payout from Page 2, Col (8) and an interest rate of 5.0%
- (8) Col (6) x Col (7)

State of West Virginia
 Workers' Compensation Fund
 Guaranty Fund
 (Dollar Amounts in Thousands)

| Policy Period (1) | Loss Eval. Date (2) | Effective Months of Maturity (3) | Incurred Losses (4) | Paid Losses (5) | Case Reserves (6) | Incurred % of Ultimate (7) | Incurred Loss Dev. Method (8) | Paid % of Ultimate (9) | Paid Loss Dev. Method (10) | IBNR to Case Factor (11) | IBNR to Case Method (12) | Selected Ultimate Losses | | |
|-------------------------|---------------------------|---|---------------------------|-----------------------|-------------------------|-------------------------------------|--|---------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|--------------------------|------------------|---------------|
| | | | | | | | | | | | | Low (12a) | Central (12b) | High (12c) |
| 06/30/2004 - 06/30/2005 | 6/30/2011 | 84 | \$1,181 | \$823 | \$358 | 90.50% | \$1,305 | 82.30% | \$1,000 | 1.157 | \$1,595 | \$1,100 | \$1,350 | \$1,600 |
| Total | | | \$1,181 | \$823 | \$358 | | \$1,305 | | \$1,000 | | \$1,595 | \$1,100 | \$1,350 | \$1,600 |

Column

- (3) Col (4) + Col (5)
- (4) Provided by Client (Claims handled by Wells Fargo)
- (5) Provided by Client (Claims handled by Wells Fargo)
- (6), (8) The percentages of losses reported at various levels of maturity are based upon Pinnacle analysis of insurance industry data.
- (7), (9) Col (3) / Col (6), Col (4) / Col (8)
- (10) [1 - Col (6)] / [Col (6) - Col (8)]
- (11) Col (5) x Col (10) + Col (3)
- (12) Judgmental selection

Self-Insured Employers Security Fund

The Security Fund is responsible for the claims of self-insured employers that have become bankrupt and have defaulted on workers compensation payment to injured employees for events prior **July 1, 2004**. However, this responsibility is limited to the claims from self-insured employers who have defaulted on payment obligations after **December 31, 2005**.

While the exposure period is lengthy, over the 5 and one-half year short history of this specific program, there has been a limited amount of claim activity. There are currently two pending claims in the program which arise from accidents which occurred in fiscal year 1967 and 1980. The cost of the 1967 is shared with the Old Fund while the 1980 claim is a medical only claim.

Using the payment and case reserve information as provided by the OIC and Wells Fargo (third party administrator of this account), we have applied industry benchmark loss development factors to the paid losses, incurred losses and case reserves.

Since last year’s review, the case reserves for policy period 1979 were decreased to zero with no additional payments. Overall during the past twelve months, total payments-to-date remain unchanged while case reserves declined by \$83,000, resulting in a 12 month decrease in program reported losses of \$83,000.

| Self-Insured Employers Security Fund | | | |
|---|------|-------------|------|
| Estimated Unpaid Liabilities as of June 30, 2011 | | | |
| <i>(\$ in 000s)</i> | | | |
| | Low | Central | High |
| <i>Nominal</i> | \$16 | \$37 | \$58 |
| <i>Discounted @ 5%</i> | \$11 | \$25 | \$39 |
| <i>Prior Discounted</i> | \$44 | \$66 | \$87 |

As with the other self-insurance related backup funds, we have not attempted to estimate the potential impact of the current or future economic environments on this Fund for any changes in corporate bankruptcies and defaults.

State of West Virginia
 Workers' Compensation Fund
 Security Fund

(Dollar Amounts in Thousands)

| Policy Period | Paid Losses | Case Reserves | Incurred Losses | Selected Ultimate Losses | | | Selected Ultimate Reserves | | | Discount Factor | Discounted Reserves | | |
|---------------|-------------|---------------|-----------------|--------------------------|------------|-------|----------------------------|-----------|------|-----------------|---------------------|-----------|------|
| | | | | Low | Central | High | Low | Central | High | | Low | Central | High |
| (1) | (2) | (3) | (4) | (5a) | (5b) | (5c) | (6a) | (6b) | (6c) | (7) | (8a) | (8b) | (8c) |
| 1967 | \$256 | \$9 | \$264 | \$265 | \$270 | \$275 | \$9 | \$14 | \$19 | 0.667 | \$6 | \$9 | \$13 |
| 1973 | 157 | 0 | 157 | 157 | 157 | 157 | 0 | 0 | 0 | 0.666 | 0 | 0 | 0 |
| 1976 | 72 | 0 | 72 | 72 | 72 | 72 | 0 | 0 | 0 | 0.666 | 0 | 0 | 0 |
| 1978 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.666 | 0 | 0 | 0 |
| 1979 | 240 | 0 | 240 | 240 | 250 | 260 | 0 | 10 | 20 | 0.666 | 0 | 6 | 13 |
| 1980 | 9 | 7 | 16 | 16 | 18 | 20 | 7 | 9 | 11 | 0.666 | 5 | 6 | 8 |
| 1981 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.666 | 0 | 0 | 0 |
| 1982 | 17 | 0 | 17 | 17 | 21 | 25 | 0 | 4 | 8 | 0.665 | 0 | 3 | 5 |
| 1983 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.665 | 0 | 0 | 0 |
| Total | 751 | 16 | 766 | 766 | 787 | 808 | 16 | 37 | 58 | | 11 | 25 | 39 |

Column

- (2) Provided by Client (Claims handled by Wells Fargo)
- (3) Provided by Client (Claims handled by Wells Fargo)
- (4) Col (2) + Col (3)
- (5) Judgmental Selection
- (6) Col (5) - Col (2)
- (7) Discount Factor based on payout from Page 2, Col (8) and an interest rate of 5.0%
- (8) Col (6) x Col (7)

State of West Virginia
 Workers' Compensation Fund
 Security Fund

(Dollar Amounts in Thousands)
 Losses Evaluated as of June 30, 2011

| Policy Period (1) | Loss Eval. Date (2) | Effective Months of Maturity (3) | Incurred Losses (3) | Paid Losses (4) | Case Reserves (5) | Incurred % of Ultimate (6) | Incurred Loss Dev. Method (7) | Paid % of Ultimate (8) | Paid Loss Dev. Method (9) | IBNR to Case Factor (10) | IBNR to Case Method (11) | Selected Ultimate Losses | | |
|-------------------------|---------------------------|---|---------------------------|-----------------------|-------------------------|-------------------------------------|--|---------------------------------|------------------------------------|-----------------------------------|-----------------------------------|--------------------------|------------------|---------------|
| | | | | | | | | | | | | Low (11a) | Central (11b) | High (11c) |
| 06/30/1966 - 06/30/1967 | 6/30/2011 | 540 | \$264 | \$256 | \$9 | 100.00% | \$264 | 99.64% | \$257 | 0.008 | \$265 | \$265 | \$270 | \$275 |
| 06/30/1972 - 06/30/1973 | 6/30/2011 | 468 | 157 | 157 | 0 | 99.99% | 157 | 99.32% | 158 | 0.016 | 157 | 157 | 157 | 157 |
| 06/30/1975 - 06/30/1976 | 6/30/2011 | 432 | 72 | 72 | 0 | 99.98% | 72 | 99.07% | 72 | 0.023 | 72 | 72 | 72 | 72 |
| 06/30/1977 - 06/30/1978 | 6/30/2011 | 408 | 0 | 0 | 0 | 99.97% | 0 | 98.85% | 0 | 0.029 | 0 | 0 | 0 | 0 |
| 06/30/1978 - 06/30/1979 | 6/30/2011 | 396 | 240 | 240 | 0 | 99.96% | 240 | 98.72% | 243 | 0.033 | 240 | 240 | 250 | 260 |
| 06/30/1979 - 06/30/1980 | 6/30/2011 | 384 | 16 | 9 | 7 | 99.95% | 16 | 98.58% | 9 | 0.037 | 16 | 16 | 18 | 20 |
| 06/30/1980 - 06/30/1981 | 6/30/2011 | 372 | 0 | 0 | 0 | 99.94% | 0 | 98.42% | 0 | 0.042 | 0 | 0 | 0 | 0 |
| 06/30/1981 - 06/30/1982 | 6/30/2011 | 360 | 17 | 17 | 0 | 99.92% | 17 | 98.25% | 17 | 0.047 | 17 | 17 | 21 | 25 |
| 06/30/1982 - 06/30/1983 | 6/30/2011 | 348 | 0 | 0 | 0 | 99.90% | 0 | 98.06% | 0 | 0.054 | 0 | 0 | 0 | 0 |
| Total | | | 766 | 751 | 16 | | 766 | | 757 | | 766 | 766 | 787 | 808 |

Column

- (3) Col (4) + Col (5)
- (4) Provided by Client (Claims handled by Wells Fargo)
- (5) Provided by Client (Claims handled by Wells Fargo)
- (6), (8) The percentages of losses reported at various levels of maturity are based upon Pinnacle analysis of insurance industry data.
- (7), (9) Col (3) / Col (6), Col (4) / Col (8)
- (10) [1 - Col (6)] / [Col (6) - Col (8)]
- (11) Col (5) x Col (10) + Col (3)
- (12) Judgmental selection

Loss Adjustment Expenses

With this year's review, we have separated costs associated with a unit that specializes in the pursuit of final claim settlements (settlement unit) from the contracted claims administration costs from the three third party administrators (TPAs). The settlement unit is expected to have a much shorter time horizon of operation than the need of claims administration for the remainder of the claims for which the OIC has oversight responsibility. Four expense components are now separately identified and used in the estimation of future loss adjustment expenses related to the operation of the various Funds under the supervision of the Offices of the Insurance Commissioner. These are:

- Legal Expenses related to the Funds
- Contracted administration costs from the TPAs – on-going claims.
- Miscellaneous additional claims handling expenses
- Settlement unit costs

We have the actual costs paid for the each component from the past three years. The estimation methodology is based upon an expected decay or decline in these costs on a year over year basis. The current decay methodology uses decay rates that vary slightly during three segments of time – near term (usually during the next 3 to 5 years), mid-term (usually after 3 to 5 years up to 10 years) and long term (after 10 years). We expect these expenses to decline at a slower rate at first and then more rapidly as processes begin to wind down. We expect that a number of the currently open claims will remain open for the next 40 to 50 years. Thus, the TPA claim handling fees, which are typically related to the number of open claims, will decline more in relation to the closure of claims.

The estimation includes an assumption that the underlying loss adjustment costs will be impacted by inflation by 3% annually. The loss adjustment expense estimates are also developed on a discounted basis using a discount rate of 5%.

The legal costs for the Funds have declined by 2.5% and 6.8% over the past two years, respectively. With this analysis, we continue to anticipate the rate of annual decline over the next 12 months and following 4 years to be 10%. Given the various Funds requiring legal involvement are now six years into run-off, we expect the involvement to fall off more rapidly in another six years and beyond. As such, we have selected a decay rate of 30% from 6 to 10 years and 50% from 10 years onward.

We understand that the agreements with two of the three Third Party Administrators (TPAs) are on a per claim basis while the TPA handling the majority of the claims has been contracted on a fixed fee arrangement. Thus, the expected expenses may not decline as quickly as perhaps the pending claim counts. As we noted above, we have removed the settlement unit costs from this category this year. Over the past 12 months, the direct TPA costs for claims handling services (after the settlement unit cost extraction) increased by 11.6%. We also understand that there is another settlement unit in the Charleston office which was created instead of contracting the workforce as the claim counts have declined. The costs of that unit are not separately available. We understand that unit contraction is expected in the near future.

Given the cost levels over the past three years and the understanding of the design of the various TPA units, our decay assumptions include a decline of 10% annually for the next two years, and then a 20% decline for the subsequent 7 years and by 35% annually thereafter. Combining the 3 percent cost inflation assumption for fiscal year 2012 with the anticipated 10% decline in annual costs before inflation, the expected 2012 fiscal year TPA costs are about 7.3% less than the 2011 costs. As might be expected since this expense component is the largest of the four, the impact of the revised decay assumptions are the most significant drivers of our increased estimated future expense cost.

The Additional Charges are understood to be specific claims costs not included in the actual claims handling fees paid to the TPAs. This category might include costs such as medical evaluations, investigations by outside firms, etc. The costs in 2010 were identified through the coding of the TPAs and the diligence of the staff at the OIC. In this year's data, we were provided these figures directly as part of the overall data. While we were pleased to see that these Additional Charges have declined over the past year, they are not yet declining by the rates previously anticipated. Thus, we have decreased our selected near term rate decline from 25% to 15% for Additional Charges over the next 5 fiscal years with decline rates increasing to 25% percent mid-term and 50% long term.

We have two full years of expenses related to the operation of the Settlement Unit. These costs were previously included as part of the TPA Expenses. In order to reflect the shorter term expected time frame that this unit will be in full operation compared to the normal TPA processing, we believe that this is a prudent separation. We have assumed the Settlement Unit will provide service for a total of an additional 9 years with a near term cost decline rate of 10% over the next 3 years and a subsequent rate of decline of 40% in years 4 through 9.

We will continue to review and adjust, as appropriate, the actual and the selected projection rates for decay and inflation in subsequent analyses as we continue to add more observations.

**Estimated Unpaid
Loss Adjustment Expense Liabilities
as of June 30, 2011**
(figure in millions)

| Category | | Nominal | Discounted |
|--|----------------|----------------|----------------|
| Legal Expenses | Current | \$14.1 | \$11.9 |
| | Prior | \$15.2 | \$12.7 |
| | Change | -\$1.1 | -\$0.8 |
| TPA Claim Handling Fees including Settlement Unit | Current TPA | \$87.3 | \$72.6 |
| | Current SU | \$5.8 | \$5.2 |
| | Total TPA | \$93.2 | \$77.8 |
| | Prior | \$83.2 | \$69.2 |
| | Change | \$10.0 | \$8.6 |
| Other Claim Handling Expenses | Current | \$26.5 | \$22.3 |
| | Prior | \$20.2 | \$17.2 |
| | Change | \$6.3 | \$5.1 |
| Total Estimated Future Loss Adjustment Expense | Current | \$133.9 | \$106.8 |
| | Prior | \$118.6 | \$99.1 |
| | Change | \$15.3 | \$7.7 |

West Virginia Workers' Compensation Fund
Loss Adjustment Expense

Charges Combined (Dollar Amounts in Thousands)

| Calendar Year | Nominal | | | | | Discounted | | | | |
|---------------|---------------|---------------|----------------|----------------------|------------------|---------------|---------------|----------------|----------------------|------------------|
| | Legal Charges | TPA Charges | Other Expenses | Settlement Unit Cost | Combined Charges | Legal Charges | TPA Charges | Other Expenses | Settlement Unit Cost | Combined Charges |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 2012 | 2,353 | 15,505 | 4,809 | 1,425 | 24,093 | 2,297 | 15,132 | 4,693 | 1,390 | 22,122 |
| 2013 | 2,182 | 14,373 | 4,211 | 1,321 | 22,086 | 2,028 | 13,359 | 3,913 | 1,227 | 19,300 |
| 2014 | 2,022 | 11,844 | 3,686 | 1,224 | 18,777 | 1,790 | 10,484 | 3,263 | 1,084 | 15,537 |
| 2015 | 1,875 | 9,759 | 3,227 | 757 | 15,618 | 1,580 | 8,227 | 2,721 | 638 | 12,528 |
| 2016 | 1,738 | 8,042 | 2,826 | 468 | 13,073 | 1,395 | 6,456 | 2,269 | 375 | 10,120 |
| 2017 | 1,253 | 6,626 | 2,183 | 289 | 10,351 | 958 | 5,067 | 1,669 | 221 | 7,694 |
| 2018 | 903 | 5,460 | 1,686 | 179 | 8,228 | 658 | 3,976 | 1,228 | 130 | 5,862 |
| 2019 | 651 | 4,499 | 1,303 | 110 | 6,563 | 452 | 3,120 | 903 | 77 | 4,476 |
| 2020 | 470 | 3,707 | 1,006 | 68 | 5,251 | 310 | 2,449 | 665 | 45 | 3,424 |
| 2021 | 339 | 2,482 | 777 | 0 | 3,598 | 213 | 1,561 | 489 | 0 | 2,263 |
| 2022 | 174 | 1,662 | 400 | 0 | 2,236 | 104 | 996 | 240 | 0 | 1,340 |
| 2023 | 90 | 1,113 | 206 | 0 | 1,408 | 51 | 635 | 118 | 0 | 804 |
| 2024 | 46 | 745 | 106 | 0 | 897 | 25 | 405 | 58 | 0 | 488 |
| 2025 | 24 | 499 | 55 | 0 | 577 | 12 | 258 | 28 | 0 | 299 |
| 2026 | 12 | 334 | 28 | 0 | 374 | 6 | 165 | 14 | 0 | 184 |
| 2027 | 6 | 224 | 15 | 0 | 244 | 3 | 105 | 7 | 0 | 115 |
| 2028 | 3 | 150 | 7 | 0 | 160 | 1 | 67 | 3 | 0 | 72 |
| 2029 | 2 | 100 | 4 | 0 | 106 | 1 | 43 | 2 | 0 | 45 |
| 2030 | 1 | 67 | 2 | 0 | 70 | 0 | 27 | 1 | 0 | 28 |
| 2031 | 0 | 45 | 1 | 0 | 46 | 0 | 17 | 0 | 0 | 18 |
| 2032 | 0 | 30 | 1 | 0 | 31 | 0 | 11 | 0 | 0 | 11 |
| 2033 | 0 | 20 | 0 | 0 | 21 | 0 | 7 | 0 | 0 | 7 |
| 2034 | 0 | 13 | 0 | 0 | 14 | 0 | 4 | 0 | 0 | 5 |
| 2035 | 0 | 9 | 0 | 0 | 9 | 0 | 3 | 0 | 0 | 3 |
| 2036 | 0 | 6 | 0 | 0 | 6 | 0 | 2 | 0 | 0 | 2 |
| 2037 | 0 | 4 | 0 | 0 | 4 | 0 | 1 | 0 | 0 | 1 |
| 2038 | 0 | 3 | 0 | 0 | 3 | 0 | 1 | 0 | 0 | 1 |
| 2039 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 |
| 2040 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 2041 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 2042 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 2043 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2044 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2046 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2047 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2048 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2049 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2050 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2051 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2052 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2053 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2054 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2055 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2056 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2057 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 14,146 | 87,326 | 26,540 | 5,839 | 133,851 | 11,886 | 72,579 | 22,284 | 5,187 | 106,750 |