

INSTRUCTIONS for CONSIDERATIONS AFFECTING DATA

Pennsylvania
Special Schedule "W" - 2004

As identified in the Statement of Principles Regarding Property and Casualty Loss and Loss Adjustment Expense Reserves promulgated by the Casualty Actuarial Society, discuss any considerations that may have had an impact on the data presented in your Schedule "W".

(This statement is available at <http://www.casact.org/library/sppcloss.pdf>, a page within the Casualty Actuarial Society website.)

The expectation is that each consideration will be analyzed separately and completely, and any changes that have occurred in the data reported will be addressed and discussed appropriately. The effect of each consideration upon the data reported in Schedule "W" should be estimated, and the details and documentation of any studies relied upon to estimate these effects should be furnished. If your conclusion is that a particular consideration does not affect your data, you should so state. Your answer should address not only changes in the adequacy of case and bulk reserves and considerations affecting the reserves, but also considerations affecting the underlying data.

NOTE: Any company writing loss portfolio transfer contracts needs to report calendar year 2004 earned premiums and/or paid losses on those contracts as part of the response to the "Portfolio Transfers, Commutations and Structured Settlements" Consideration. Do not include any loss portfolio transfer experience with the amounts otherwise reported in Parts A through E of Schedule W.

Any company which wrote any deductible policies must explain how recoupment of the deductible is recorded and how adjustments were made to bring deductible policies to a first dollar basis. While this explanation could appear in a number of categories, please include your explanation as a response to "Data Organization".

Please provide your answer to each of the considerations in a Word document named "considerations.doc". Include in that document the Company or Group Name, NAIC Number, and the name of the Person (including their Company title) who completed the Considerations document.

CONSIDERATIONS

Data Organization	Changes In Contracts
Homogeneity	External Influences
Credibility	Discounting
Data Availability	Provision For Uncertainty
Emergence Patterns	Reasonableness
Settlement Patterns	Loss-Related Balance Sheet Items
Development Patterns	Loss Reserving Methods
Frequency and Severity	Standards Of Practice
Reopened Claims Potential	
Claims-Made	
Aggregate Limits	
Salvage, Subrogation and Collateral Sources	
Generally Accepted Accounting Principles	
Reinsurance	
Portfolio Transfers, Commutations and Structured Settlements	
Pools and Associations	
Operational Changes	