

SFG-NW-8

**State Farm General Insurance Company
California Non-Tenant Homeowners
Catastrophe Adjustment Excluding Fire Following Earthquake Provision**

(1) Calendar Year	(2) AIY	(3) CAT Loss & DCCE	(4) CAT/AIY (3) / (2)	(5) Weight	(6) NCAT Loss & DCCE
1990	128,861,978	77,600,768	0.602	0.0%	234,507,017
1991	142,028,504	218,184,040	1.536	0.0%	221,848,265
1992	158,630,981	43,303,300	0.273	0.0%	257,613,332
1993	172,623,391	107,166,078	0.621	0.0%	290,942,167
1994	182,199,026	43,408,462	0.238	0.0%	310,083,449
1995	185,917,462	101,140,690	0.544	0.0%	278,254,939
1996	186,104,814	50,620,812	0.272	0.0%	261,002,722
1997	186,488,444	17,247,444	0.092	0.0%	263,750,015
1998	191,097,338	50,118,115	0.262	0.0%	297,371,201
1999	202,400,945	10,046,637	0.050	0.0%	297,321,911
2000	213,448,338	17,018,051	0.080	0.0%	339,879,449
2001	225,030,145	22,130,172	0.098	0.0%	434,776,741
2002	240,324,685	35,509,431	0.148	0.0%	428,593,056
2003	243,610,344	461,200,760	1.893	0.0%	313,315,120
2004	260,576,783	-95,030,522	-0.365	0.0%	289,428,804
2005	289,827,403	32,107,759	0.111	0.0%	257,772,432
2006	320,061,744	18,566,051	0.058	2.9%	327,476,035
2007	346,610,084	309,218,258	0.892	3.1%	406,251,367
2008	369,369,713	173,497,117	0.470	3.3%	427,408,903
2009	388,245,682	-12,114,867	-0.031	3.4%	447,135,100
2010	395,460,850	103,625,205	0.262	3.6%	387,376,203
2011	397,170,392	17,606,251	0.044	3.8%	408,729,382
2012	402,597,208	39,507,226	0.098	4.0%	435,578,230
2013	414,665,876	36,697,760	0.088	4.2%	411,194,492
2014	432,660,854	47,482,937	0.110	4.4%	389,493,403
2015	455,545,917	211,948,945	0.465	4.7%	414,568,852
2016	474,012,598	74,778,797	0.158	4.9%	547,357,475
2017	488,192,348	2,819,690,783	5.776	5.2%	544,200,558
2018	513,642,444	517,948,394	1.008	5.4%	537,189,831
2019	545,473,257	124,299,428	0.228	5.7%	647,205,565
2020	592,758,385	-218,854,932	-0.369	6.0%	598,150,352
2021	674,164,147	18,252,961	0.027	6.3%	698,165,728
2022	776,440,162	77,162,159	0.099	6.7%	889,774,608
2023	845,640,269	205,743,447	0.243	7.0%	1,000,584,992
2024	845,501,592	231,008,585	0.273	7.4%	
2025*			7.895	7.8%	

Catastrophe Ratio (Column (4) weighted by Column (5)): 1.1021

* 2025 CAT/AIY value is based on preliminary analysis of the January 2025 wildfires; including, an estimated claim count total of 5,346, an estimated severity per claim of 1,138,695, a DCCE assumption of 5%, and an AIY value of 809,596,207. The frequency assumption is based on fire claim counts reported to date as of the time of this analysis and a by-line of business assumption based on policy distributions in the affected areas. The severity assumption is based on coverage amounts for policies in the affected areas and an estimated loss percent relative to coverage amount based on historical wildfire experience. Annual AIY is based on recent historical patterns of policy lapse and average AIY per exposure.

(3) Non-Hurricane Catastrophe Loss and DCCE net of subrogation. Adjustments have been made as needed to incorporate any significant changes in our contract and in the distribution of our book of business.
NOTE: Calendar year 2020 and 2021 CAT loss & DCCE reflects subrogation recoveries attributed to wildfire events that occurred in calendar years 2017 and 2018.

(5) The latest year is given a weight of 7.8%, with each prior year receiving 5% less weight back to 2006 in alignment with CCR 2644.5 which requires that at least 20 years of data be used. Due to the increasing pattern of CAT/AIY within the state a trend factor is supported but has previously been filed and rejected by the Department. Without the use of the trend factor, the reliance on more recent data is most appropriate to reflect the increasing catastrophic loss per exposure over time.

(6) Non-Catastrophe Loss and DCCE net of subrogation. Adjustments have been made as needed to incorporate any significant changes in our contract and in the distribution of our book of business.

State Farm General Insurance Company
California Non-Tenant Homeowners
Catastrophe Adjustment

	Fiscal Calendar/Accident Year Ending 20234
	Non-Tenant Homeowners
(1) NC Loss + DCCE developed and trended	1,378,780,665
(2) CAT Provision per AIY excluding FFEQ	1.1021
(3) FFEQ Provision per AIY	0.0347
(4) CAT Provision per AIY including FFEQ	1.1368
(5) Projected AIY	1,088,172,188
(6) CAT Provision Dollars	1,237,047,720
(7) CAT Provision to NC Loss + DCCE	0.897
(8) Catastrophe Adjustment Factor incl FFEQ	1.897

- (1) (Historic Losses x To-Ult Factor (Exhibit 7) x Loss & DCCE Trend Factor (Exhibit 8))
+ (Historic DCCE x To-Ult Factor (Exhibit 7) x Loss & DCCE Trend Factor (Exhibit 8))
(2) Exhibit 9 - Page 1
(3) Exhibit 9 - Page 4
(4) = (2) + (3)
(5) See calculation below
(6) = (4) x (5)
(7) = (6) / (1)
(8) = (7) + 1

	Fiscal Calendar/Accident Year Ending 20234
	Non-Tenant Homeowners
AIY	845,640,269
Projected Annual AIY Trend	9.3%
Trend Date	7/1/2023
Projection Date	5/1/2026
Years Trended	2.836
Factor	1.287
Projected AIY	1,088,172,188