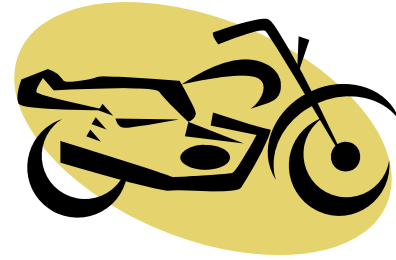

Overview of Motorcycle Insurance



Wasim Chowdhury
Allstate Insurance Company
March 22, 2011

Antitrust Notice

- **The Casualty Actuarial Society is committed to adhering strictly to the letter and spirit of the antitrust laws. Seminars conducted under the auspices of the CAS are designed solely to provide a forum for the expression of various points of view on topics described in the programs or agendas for such meetings.**
- **Under no circumstances shall CAS seminars be used as a means for competing companies or firms to reach any understanding – expressed or implied – that restricts competition or in any way impairs the ability of members to exercise independent business judgment regarding matters affecting competition.**
- **It is the responsibility of all seminar participants to be aware of antitrust regulations, to prevent any written or verbal discussions that appear to violate these laws, and to adhere in every respect to the CAS antitrust compliance policy.**

Agenda

- Motorcycle Types
- Market Information
- Coverages
- Rating Plans
- Collision Losses by Motorcycle Type
- Miscellaneous

Motorcycle Types



off road



dual purpose



standard



touring



cruiser



chopper

Motorcycle Types



unclad sport



supersport



sport touring



sport

Motorcycle Types

Scooters

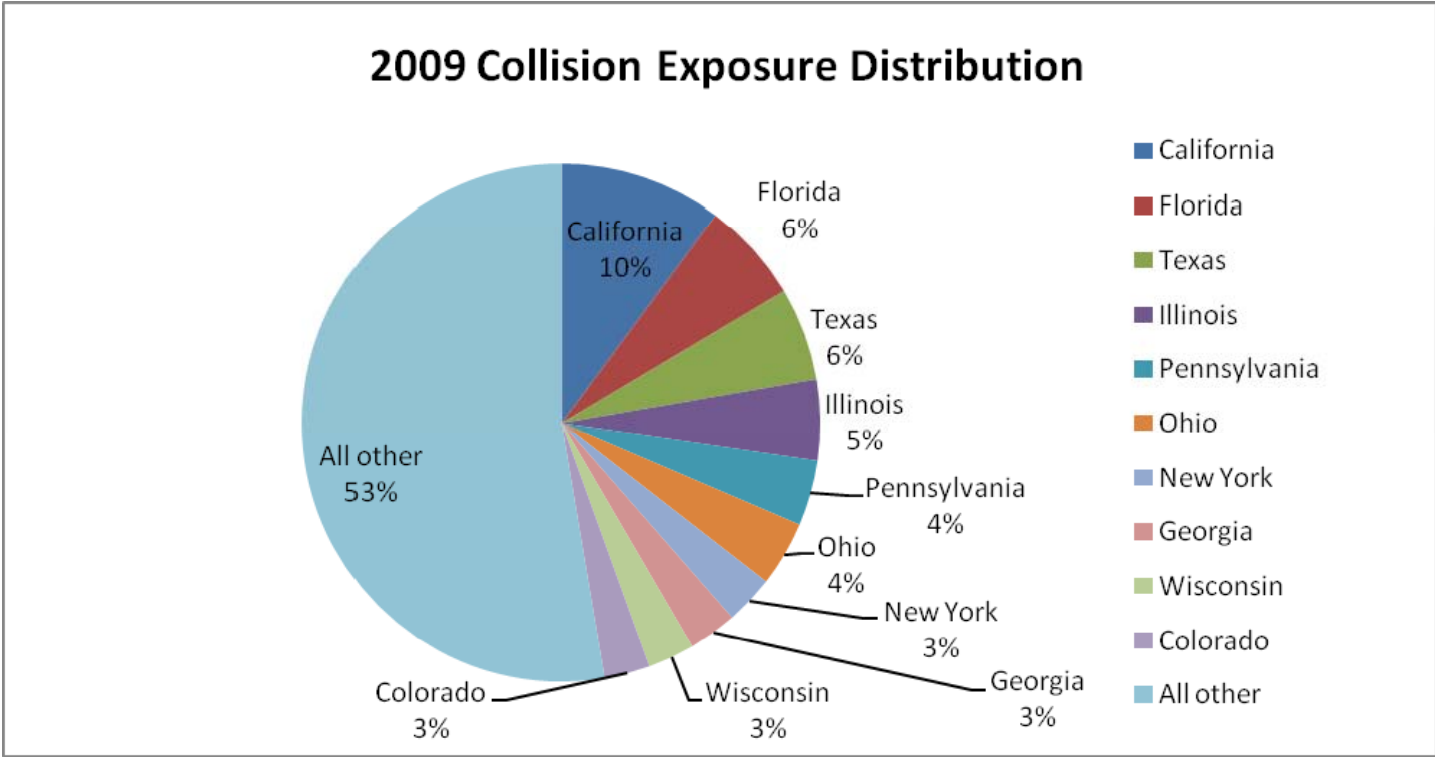


Market Information

- Writers of motorcycle insurance
 - Progressive
 - Geico
 - Allstate
 - State Farm

Market Information

Model Years 2006-2010



*Data from HLDI

Coverages

Model Years 2005-2009

Coverage	Frequency (per 100 exposures)	Severity	Pure Premium
Bodily Injury	.25	\$20,842	\$52
Property Damage	.44	\$2,797	\$12
Medical	1.81	\$2,414	\$44
Collision	3.25	\$5,905	\$192
Comprehensive	1.16	\$5,959	\$69
UM/UIM	-	-	-

Coverages (Comprehensive)

- Most comprehensive payments are due to theft

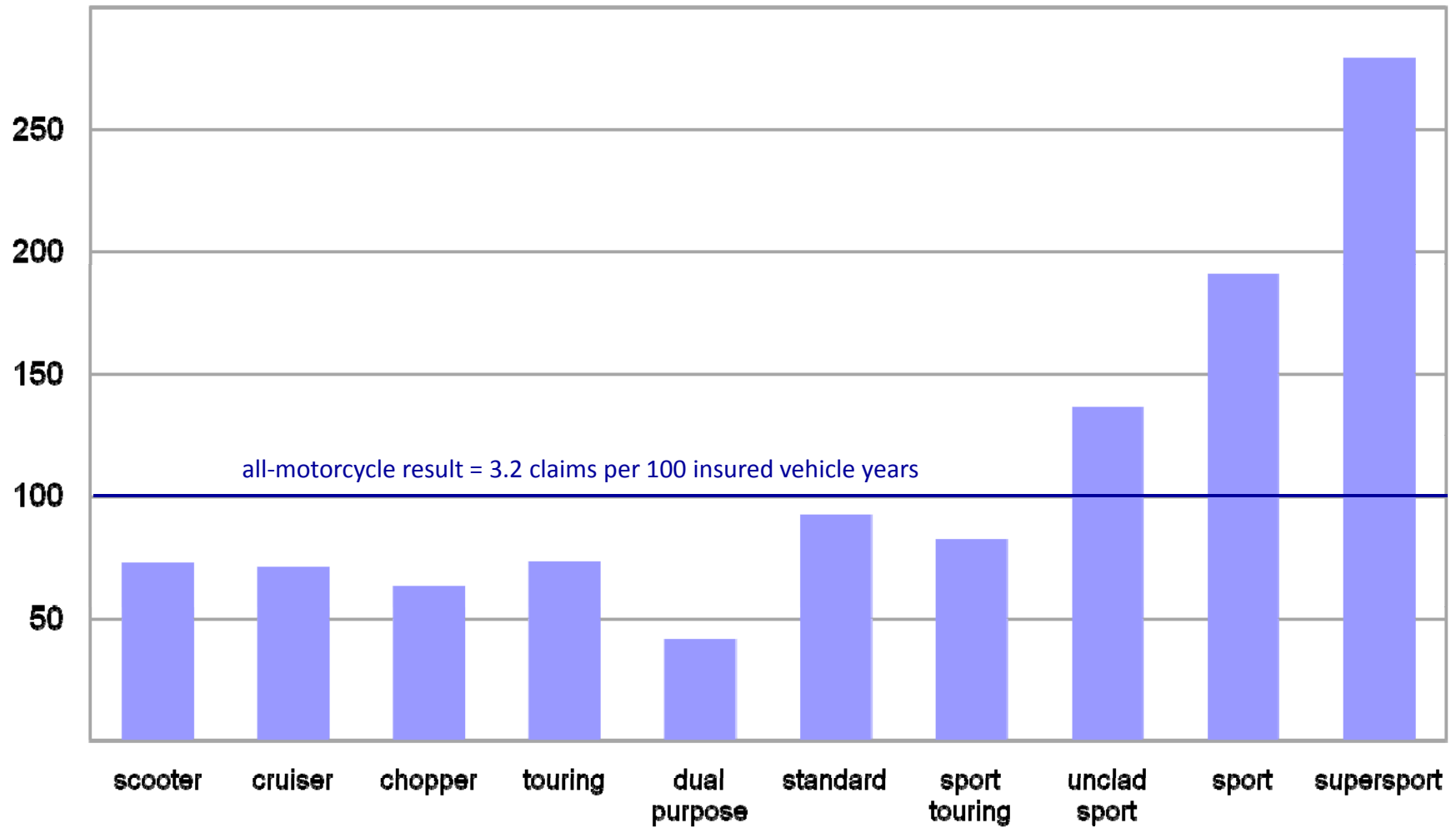
MODEL YEARS 2005-2009	Theft	Other	Total
Claim Frequency (per 1000 vehicle years)	5.5	6.1	11.6
Severity	\$8,451	\$3,685	\$5,959
Pure Premium	\$47	\$22	\$69

Rating Plans

- Motorcycle Type
- Engine Size (cc's)
- Age of Motorcycle
- Driver Classification
- Accidents/Violations
- Motorcycle Riding Experience

Relative Collision Claim Frequencies

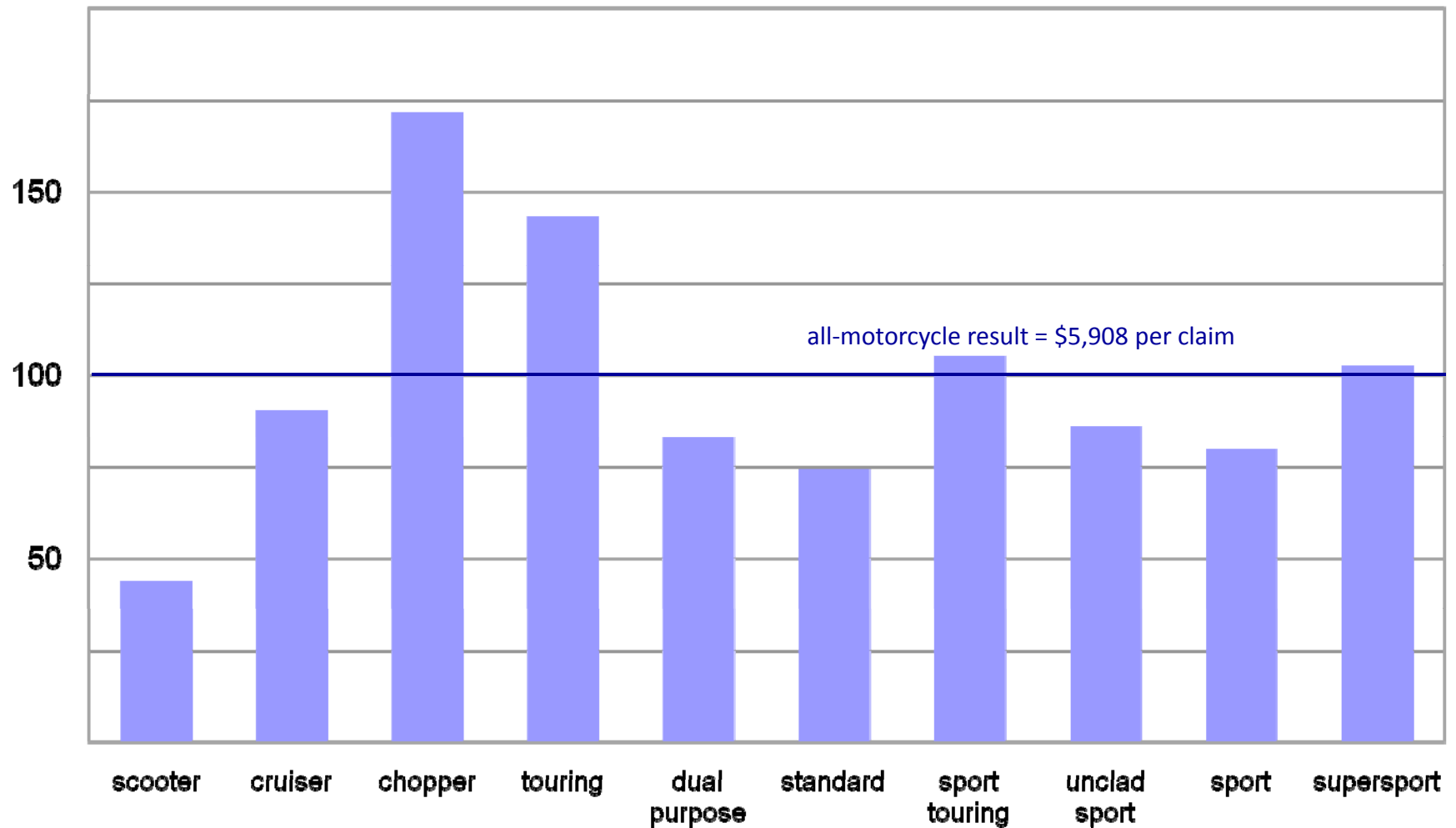
Model Years 2006-2010



*Data from HLDI Insurance Motorcycle Collision Report, December 2010

Relative Collision Claim Severities

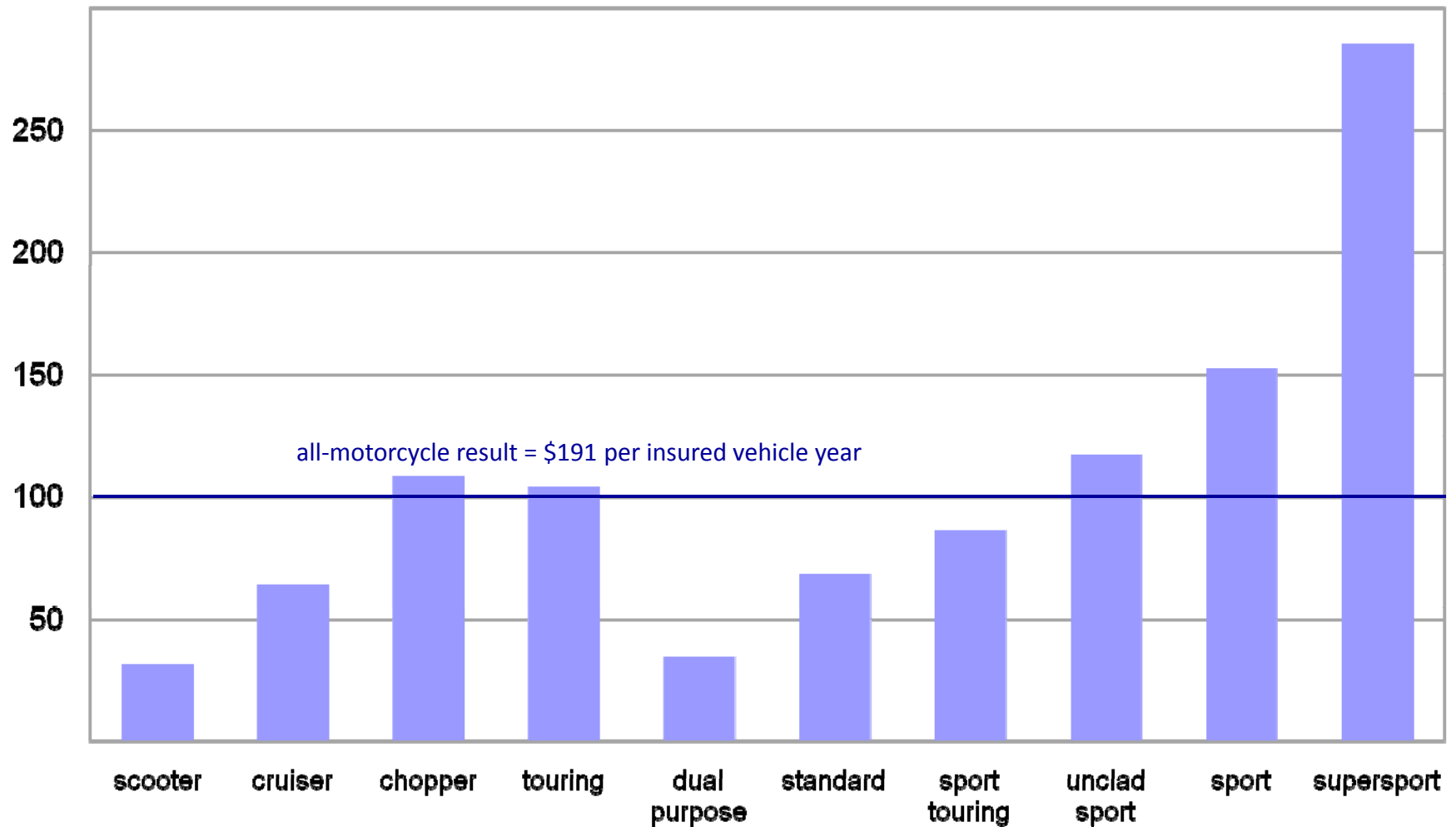
Model Years 2006-2010



*Data from HLDI Insurance Motorcycle Collision Report, December 2010

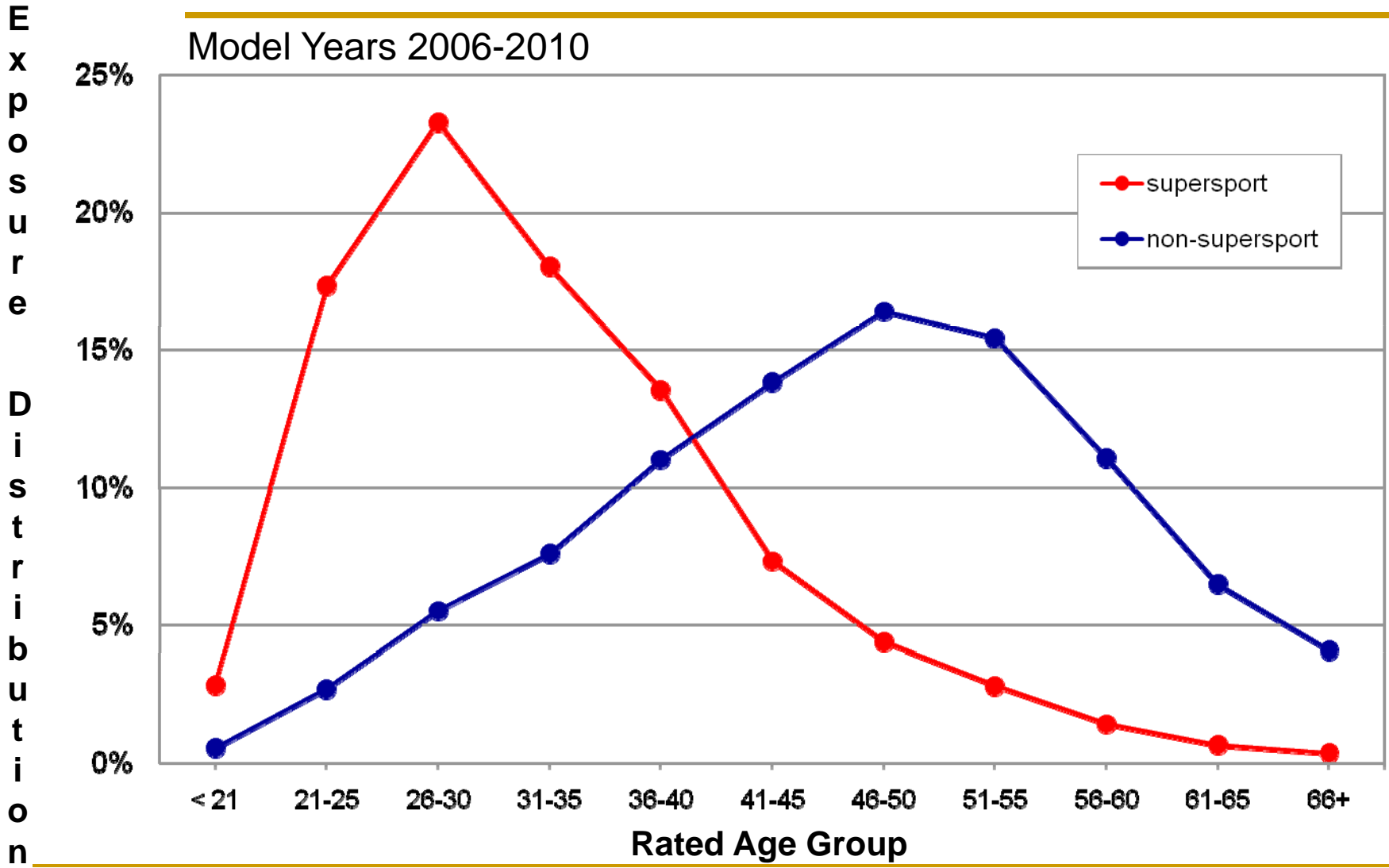
Relative Collision Overall Losses

Model Years 2006-2010



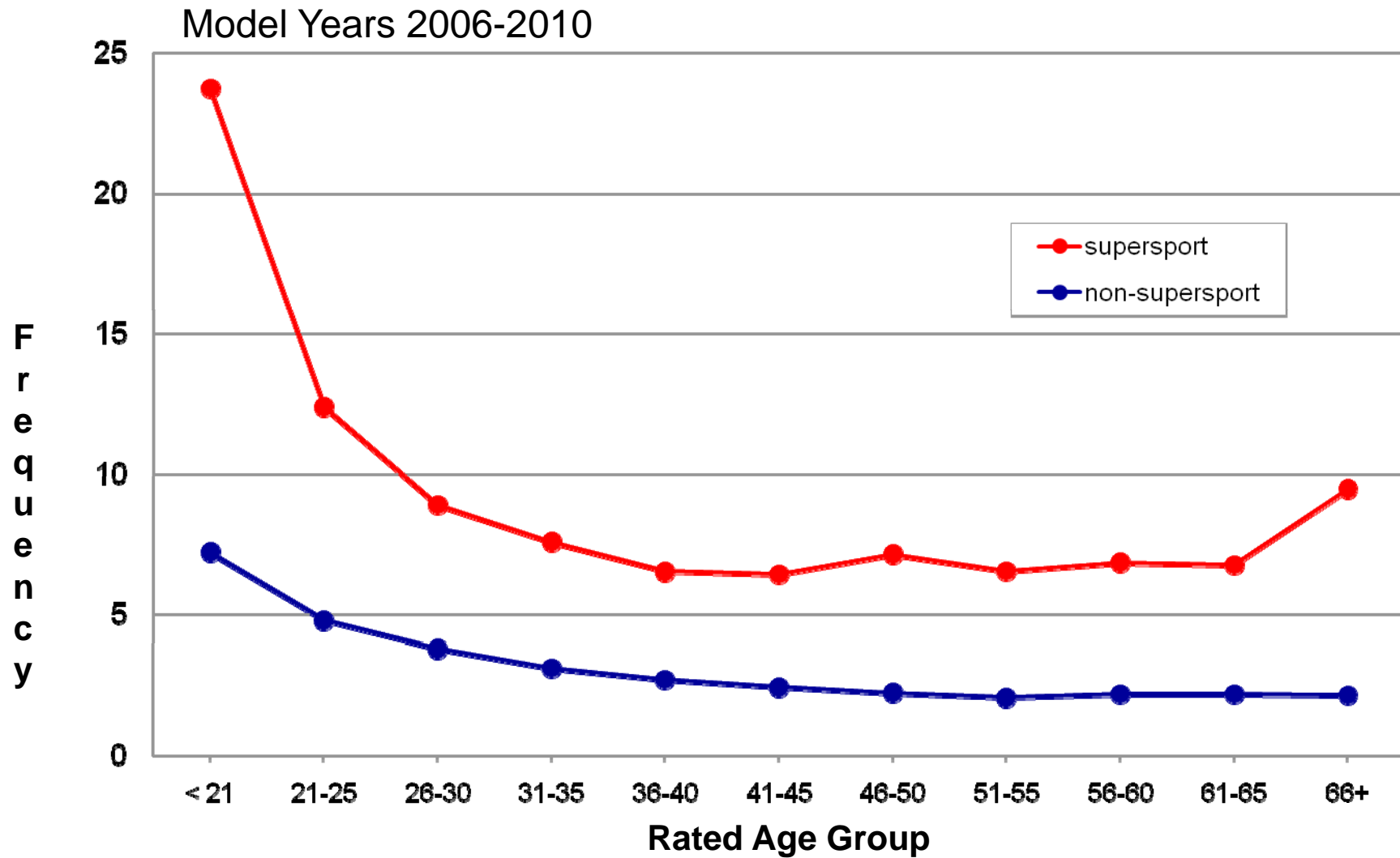
*Data from HLDI Insurance Motorcycle Collision Report, December 2010

Collision Exposure Distribution



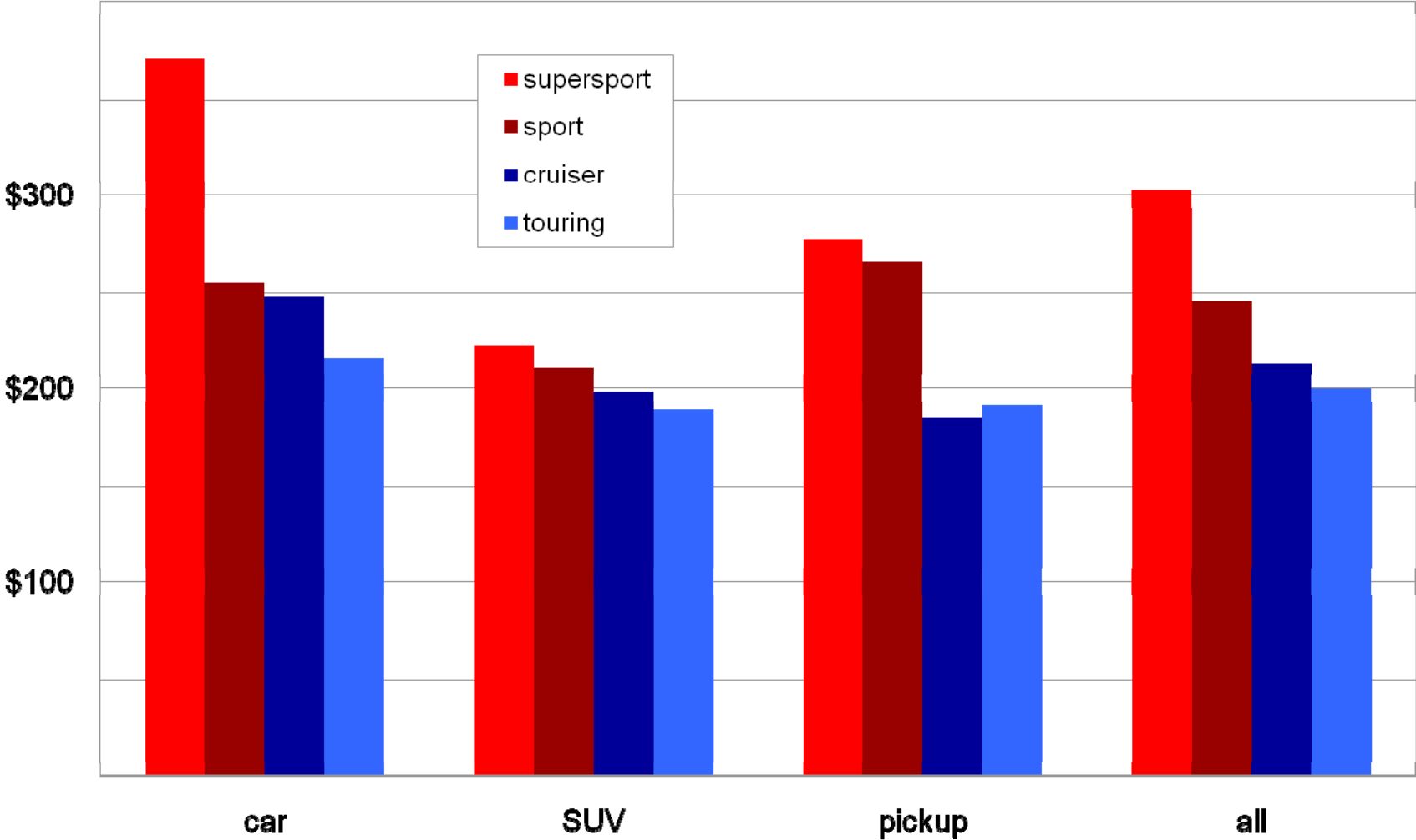
*Data from HLDI Insurance Motorcycle Collision Report, December 2010

Collision Frequency Comparison



*Data from HLDI Insurance Motorcycle Collision Report, December 2010

Passenger Vehicle Collision Overall Losses



*Data from HLDI

Miscellaneous

- Annual Statement Line
- Filing Status
- Seasonality/Short rating

Questions?

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