

IRS LOSS & SALVAGE/SUBROGATION RESERVE DISCOUNTING FACTORS

"Quick Reference" Table for Tax Year 2023

| Short-Tail Lines | | | | | | | | | | | |
|------------------|-----------------|----------|-----------------|-----------------------------|-------------------------|-------------------------------|-------------------------------|------------------------------|------------------|----------|----------------------|
| Accident Year | Accident/Health | Auto PD | Fidelity/Surety | Financial/Mortgage Guaranty | International Composite | Reinsurance Assumed Financial | Reinsurance Assumed Liability | Reinsurance Assumed Property | Special Property | Warranty | Short Tail Composite |
| 2021 & Prior* | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% | 98.5999% |
| 2022 | 98.6826% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% | 97.3911% |
| 2023 | 98.5707% | 98.3826% | 95.7477% | 95.2511% | 95.8842% | 95.8574% | 94.9260% | 96.2110% | 97.5931% | 98.3742% | 97.2238% |

| Long-Tail Lines | | | | | | | | | | | |
|-----------------|-----------------|---------------------------------|--------------------------------|----------------|-----------------------------|----------------------------|-------------------|--------------------------------|-------------------------------|---------------|---------------------|
| Accident Year | Commercial Auto | Medical Malpractice Claims Made | Medical Malpractice Occurrence | Multiple Peril | Other Liability Claims Made | Other Liability Occurrence | Private Passenger | Products Liability Claims Made | Products Liability Occurrence | Workers' Comp | Long Tail Composite |
| 2013 & Prior* | 98.5513% | 98.5513% | 98.5513% | 96.9185% | 98.0920% | 96.7300% | 98.5513% | 94.7288% | 96.6903% | 91.2579% | 95.0968% |
| 2014 | 98.3585% | 97.7503% | 97.7902% | 94.8530% | 96.6876% | 94.4974% | 97.7282% | 91.5785% | 94.4133% | 86.5946% | 92.1457% |
| 2015 | 96.4102% | 96.0160% | 96.1220% | 93.5200% | 94.9264% | 92.6228% | 95.6473% | 90.2969% | 92.1992% | 84.7150% | 90.3858% |
| 2016 | 94.9804% | 95.1291% | 94.9993% | 91.0177% | 93.8378% | 91.9830% | 95.0550% | 89.0388% | 91.8072% | 84.1036% | 89.1661% |
| 2017 | 95.3260% | 94.2423% | 94.3189% | 91.3154% | 93.0770% | 90.7788% | 94.5205% | 87.8040% | 90.8527% | 83.2567% | 88.6258% |
| 2018 | 95.0498% | 93.3035% | 93.5069% | 91.6039% | 92.6040% | 90.7542% | 94.2824% | 86.4184% | 89.9309% | 82.8905% | 88.6421% |
| 2019 | 94.9707% | 92.9600% | 92.4216% | 91.0050% | 91.7240% | 90.2502% | 93.9560% | 84.4151% | 89.4118% | 82.6909% | 88.2413% |
| 2020 | 95.1096% | 92.8346% | 91.4580% | 92.9075% | 91.9007% | 90.5269% | 94.6635% | 83.1315% | 90.8125% | 83.3180% | 89.8805% |
| 2021 | 95.4344% | 93.0842% | 90.7809% | 94.1554% | 92.4448% | 91.0405% | 95.4048% | 88.4963% | 90.1990% | 85.8758% | 91.7095% |
| 2022 | 95.0679% | 93.3168% | 89.6041% | 94.3300% | 92.9253% | 91.5404% | 95.8589% | 91.1883% | 90.6396% | 88.3566% | 93.2372% |
| 2023 | 94.0669% | 91.7012% | 86.8831% | 95.4382% | 91.4237% | 90.0155% | 95.8562% | 89.1780% | 88.5317% | 88.9551% | 93.4051% |

The 2023 discount factors were determined using the applicable interest rate of 2.90%

*Factors based on composite method of Notice 88-100

These factors have been compiled by Johnson Lambert LLP using the tables issued by the IRS based on the composite method for each of the years shown. For more information, contact Allan Autry at (919) 647-4923 or aautry@johnsonlambert.com or Brandy Vannoy at (919) 719-6417 or bvannoy@johnsonlambert.com