P. 335, near the bottom: times from the **start** of the policy yearr

P. 357, above the last spreadsheet:
The layer $5,000 excess of $10,000 is the layer from **$10,000** to $15,000.

P. 362, last paragraph:
Thus the average benefit level for Accident Year 2012 losses is: (**2/3**)(1) + (**1/3**)(0.939) = **0.980**.
The adjustment factor to bring AY2012 losses to the current benefit level is: 0.939/0.980 = **0.958**.
We would multiply the Accident Year 2012 Losses by **0.958** in order to bring them to the current benefit level.

p. 1727, solution 16.35: Report Year 2014 losses are divided by lag into: $600 given, ($600) (30%/40%) = $4**5**0, ($600) (20%/40%) = $300, and ($600) (10%/40%) = $150.
Then we apply the 3% annual report year loss cost trend:

Report Year	Lag 0	Lag 1	Lag 2	Lag 3
2014	$600.00	**$450.00**	$300.00	$150.00
2015	$630.00	$472.50	$315.00	$157.50
2016	$661.50	$496.12	$330.75	$165.38
2017	$694.58	$520.93	$347.29	$173.64
2018	$729.30	$546.98	$364.65	$182.33
2019	$765.77	$574.33	$382.88	$191.44
2020	$804.06	$603.04	$402.03	$201.01

For example, (600)(1.05) = 630. (630)(1.05) = 661.50.
(a) i. The northwest-southeast diagonal, starting with 2017 @ lag 0:
694.58 + 546.98 + 382.88 + 201.01 = **$1825.45**.
ii. Usually this would be the all of RY19. However due to the retroactive date, accidents occurring prior to January 1, 2018 are not covered by this policy.
This excludes RY19 @ lag 2 and RY19 @ lag 3, which are accidents occurring in 2017 and 2016 reported during 2019.
765.77 + 574.33 = **$1340.10**.
(b) Prior to filling in the coverage gaps:

Report Year	Lag 0	Lag 1	Lag 2	Lag 3
2014	CM14	CM14	CM14	CM14
2015	CM15	CM15	CM15	CM15
2016	CM16	CM16	CM16	CM16
2017	Occ17			
2018	Occ18	Occ17		
2019	Occ19	Occ18	Occ17	
2020	Occ20	Occ19	Occ18	Occ17

Thus in order to provide complete coverage we need to fill in six boxes:
520.93 + 347.29 + 173.64 + 364.65 + 182.33 + 191.44 = $1780.28.
Adding in the cost of a 2017 occurrence policy from part (a): 1780.28 + 1825.45 = **$3605.73**.