

SERFF Tracking Number: LMBR-125370432 State: Arkansas  
Filing Company: Lumbermen's Underwriting Alliance State Tracking Number: EFT \$100  
Company Tracking Number: 2007-155-WC-R  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers Compensation Rates and Rating Values  
Project Name/Number: AR Workers Compensation Rate Filing/2007-155-WC-R

## Filing at a Glance

Company: Lumbermen's Underwriting Alliance

Product Name: Workers Compensation Rates and Rating Values SERFF Tr Num: LMBR-125370432 State: Arkansas

TOI: 16.0 Workers Compensation

SERFF Status: Closed

State Tr Num: EFT \$100

Sub-TOI: 16.0004 Standard WC

Co Tr Num: 2007-155-WC-R

State Status: Fees verified and received

Filing Type: Rate

Co Status: Pending

Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding

Author: Judy Smith

Disposition Date: 11/30/2007

Date Submitted: 11/28/2007

Disposition Status: Approved

Effective Date Requested (New): 01/01/2008

Effective Date (New): 01/01/2008

Effective Date Requested (Renewal): 01/01/2008

Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: AR Workers Compensation Rate Filing

Status of Filing in Domicile: Not Filed

Project Number: 2007-155-WC-R

Domicile Status Comments:

Reference Organization: NCCI, Inc.

Reference Number: AR-2007-10

Reference Title: Arkansas Voluntary Advisory Loss Costs and Rating Values

Advisory Org. Circular: AR-2007-10

Filing Status Changed: 11/30/2007

State Status Changed: 11/29/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Lumbermen's Underwriting Alliance is a subscriber of the National Council on Compensation Insurance, Inc. and we follow NCCI for advisory loss costs, rules, classifications, rating plans, policy forms/ endorsements, and statistical reporting.

This letter and the attached supporting documentation constitute the filing in caption for Lumbermen's Underwriting

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Alliance. We propose to adopt a revised loss cost multiplier of 1.440 to be applied to the advisory loss costs set forth in NCCI Filing AR-2007-10. In addition, we are filing to adopt the retrospective rating plan values as set forth in this same circular. We request an effective date of January 1, 2008, applicable to new and renewal business only.

## Company and Contact

### Filing Contact Information

Judy Smith, Judy.Smith@ins-lua.com  
 1905 N.W. Corporate Blvd. (561) 994-1900 [Phone]  
 Boca Raton, FL 33431-7303 (561) 988-8297[FAX]

### Filing Company Information

Lumbermen's Underwriting Alliance CoCode: 23108 State of Domicile: Missouri  
 1905 N.W. Corporate Blvd. Group Code: Company Type: Commercial  
 Property and Casualty  
 Boca Raton, FL 33431-7303 Group Name: State ID Number:  
 (561) 994-1900 ext. [Phone] FEIN Number: 43-0799570  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation:  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Lumbermen's Underwriting Alliance	\$100.00	11/28/2007	16853727

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	11/30/2007	11/30/2007

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Carol Stiffler	11/29/2007	11/29/2007	Judy Smith	11/30/2007	11/30/2007

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## Disposition

Disposition Date: 11/30/2007  
 Effective Date (New): 01/01/2008  
 Effective Date (Renewal):  
 Status: Approved  
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Lumbermen's Underwriting Alliance	5.000%	\$3,819	12	\$76,382	%	%	5.000%

SERFF Tracking Number: LMBR-125370432 State: Arkansas  
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 Product Name: Workers Compensation Rates and Rating Values  
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate	Rates and Legend	Approved	Yes
Rate	Miscellaneous Values	Approved	Yes
Rate	Retrospective Rating Plan Manual State Special Rating Values	Approved	Yes

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Product Name: Workers Compensation Rates and Rating Values  
Project Name/Number: AR Workers Compensation Rate Filing/2007-155-WC-R

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 11/29/2007

Submitted Date 11/29/2007

Respond By Date

Dear Judy Smith,

This will acknowledge receipt of the captioned filing.

In your filing you indicate you are "filing to adopt the retrospective rating plan values as set forth in this same circular. We request an effective date of January 1, 2008, applicable to new and renewal business only."

Since we don't receive circulars you will need to state the Item Filing number for the retrospective rating plan you are adopting. Once I receive that I can approve your filing.

Please feel free to contact me if you have questions.

Sincerely,

Carol Stiffler

## Response Letter

Response Letter Status Submitted to State

Response Letter Date 11/30/2007

Submitted Date 11/30/2007

Dear Carol Stiffler,

### Comments:

#### Response 1

Comments: Thank you for your letter dated November 29, 2007. Lumbermen's Underwriting Alliance is filing to adopt the retrospective rating plan values as set forth in NCCI Item Filing #AR-2007-10.

Please let me know if you have any further questions.

Regards,

*SERFF Tracking Number:* LMBR-125370432      *State:* Arkansas  
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*TOI:* 16.0 Workers Compensation      *Sub-TOI:* 16.0004 Standard WC  
*Product Name:* Workers Compensation Rates and Rating Values  
*Project Name/Number:* AR Workers Compensation Rate Filing/2007-155-WC-R  
Judy L. Smith

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Judy Smith

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**Rate Information**

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** -0.400%  
**Effective Date of Last Rate Revision:** 07/01/2007  
**Filing Method of Last Filing:** Prior Approval

**Company Rate Information**

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Lumbermen's Underwriting Alliance	5.000%	5.000%	\$3,819	12	\$76,382	%	%

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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Filing Attachments
Approved	Rates and Legend	Pages 1-12	Replacement	SERFF#LMBR-125156043	01-01-2008 Rates.pdf
Approved	Miscellaneous Values	Pages 13-16	Replacement	SERFF#LMBR-125156043	Legend Misc Values.pdf
Approved	Retrospective Rating Plan Manual State Special Rating Values	Pages 1-7	Replacement	SERFF#LMBR-125156043	RETRO.pdf

The rates listed below are the NCCI Loss Costs of  
January 1, 2008, multiplied by 1.440.

See Legend.

ARKANSAS  
WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES EFFECTIVE JANUARY 1, 2008

CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
0005	\$4.91	\$900	0401	\$12.63	\$900	1710E	\$6.75	\$900
0008	3.01	757	0771N	0.32	-	1741E	1.80	533
0016	6.32	900	0917	3.79	900	1745X	2.97	749
0034	4.31	900	1005*	10.07	900	1747	2.48	659
0035	2.51	664	1016&	37.24	900	1748	5.80	900
0036	4.16	900	1164E	7.37	900	1803D	5.56	900
0037	4.51	900	1165E	7.03	900	1852D	2.28	622
0042	7.30	900	1320	2.97	749	1853	2.71	701
0050	5.56	900	1322	11.95	900	1860	1.56	489
0059D	0.30	-	1430	5.39	900	1924	3.30	811
0065D	0.06	-	1438	2.76	711	1925	2.72	703
0066D	0.06	-	1452	1.90	552	2001	2.46	655
0067D	0.06	-	1463	11.84	900	2002	3.41	831
0079	3.24	799	1472	3.60	866	2003	2.87	731
0083	8.51	900	1624E	7.79	900	2014	5.40	900
0106	14.43	900	1642	3.90	900	2016	2.48	659
0113	4.82	900	1654	8.42	900	2021	3.43	835
0170	2.68	696	1655	4.69	900	2039	4.71	900
0251	5.43	900	1699	2.17	601	2041	4.05	900
0400	8.65	900	1701	3.61	868	2065	1.25	431

LUMBERMEN'S UNDERWRITING ALLIANCE

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
2070	\$5.16	\$900	2300	\$2.20	\$607	2600	\$4.97	\$900
2081	4.45	900	2302	1.93	557	2623	2.58	677
2089	2.78	714	2305	2.55	672	2651	2.29	624
2095	3.30	811	2361	1.38	455	2660	1.61	498
2105	2.55	672	2362	1.86	544	2670	2.40	644
2110	2.29	624	2380	6.34	900	2683	2.07	583
2111	2.07	583	2386	1.24	429	2688	2.97	749
2112	2.64	688	2388	1.96	563	2701	8.08	900
2114	3.17	786	2402	2.36	637	2702X	27.73	900
2121	2.02	574	2413	1.89	550	2710	8.54	900
2130	2.97	749	2416	1.96	563	2714	5.14	900
2131	1.81	535	2417	1.81	535	2719X	11.20	900
2143	2.25	616	2501	1.54	485	2731	3.76	896
2157	3.89	900	2503	1.38	455	2735	3.05	764
2172	2.20	607	2534	2.45	653	2759	7.62	900
2174	2.87	731	2570	4.97	900	2790	1.44	466
2211	5.39	900	2585	2.74	707	2802	6.64	900
2220	2.04	577	2586	1.04	392	2812	4.45	900
2286	1.51	479	2587	2.22	611	2835	1.70	515
2288	4.72	900	2589	1.64	503	2836	2.42	648

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
2841	\$4.22	\$900	3076	\$2.84	\$725	3188	\$1.45	\$468
2881	2.33	631	3081D	2.61	683	3220	2.06	581
2883	4.42	900	3082D	4.13	900	3223	3.33	816
2913	3.18	788	3085D	3.05	764	3224	2.72	703
2915	3.95	900	3110	3.11	775	3227	1.81	535
2916	2.52	666	3111	3.10	774	3240	3.41	831
2923	2.09	587	3113	2.22	611	3241	3.02	759
2942	2.48	659	3114	2.62	685	3255	2.68	696
2960	3.10	774	3118	1.47	472	3257	2.75	709
3004	2.64	688	3119	1.11	405	3270	4.51	900
3018	3.17	786	3122	1.18	418	3300	3.77	897
3022	3.40	829	3126	2.02	574	3303	3.72	888
3027	3.08	770	3131	0.92	370	3307	3.64	873
3028	3.24	799	3132	2.10	589	3315	2.72	703
3030	4.28	900	3145	1.96	563	3334	2.59	679
3040	4.25	900	3146	2.64	688	3336	2.52	666
3041	3.67	879	3169	2.71	701	3365	9.95	900
3042	3.33	816	3175D	2.98	751	3372	2.79	716
3064	4.75	900	3179	2.43	650	3373	3.48	844
3069	6.90	900	3180	2.17	601	3383	0.99	383

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
3385	\$0.91	\$368	3685	\$1.89	\$550	4036	\$2.71	\$701
3400	2.65	690	3719	3.48	844	4038	2.17	601
3507	3.00	755	3724	6.87	900	4053	3.31	812
3515	2.42	648	3726	3.67	879	4061	4.44	900
3548	1.28	437	3803	1.90	552	4062	3.21	794
3559	2.22	611	3807	1.64	503	4101	2.03	576
3574	1.22	426	3808	2.81	720	4111	2.39	642
3581	1.24	429	3821	4.32	900	4112	0.98	381
3612	2.28	622	3822	2.82	722	4113	1.73	520
3620	6.25	900	3824	4.95	900	4114	2.48	659
3629	1.96	563	3826	1.07	398	4130	5.76	900
3632	3.17	786	3827	1.22	426	4131	2.78	714
3634	1.96	563	3830	1.18	418	4133	2.65	690
3635	1.83	539	3851	2.94	744	4150	1.34	448
3638	1.63	502	3865	1.32	444	4206	4.09	900
3642	0.95	376	3881	3.90	900	4207	1.18	418
3643	3.08	770	4000	7.60	900	4239	1.37	453
3647	3.31	812	4021	4.61	900	4240	3.01	757
3648	2.16	600	4024E	1.74	522	4243	1.47	472
3681	1.44	466	4034	7.07	900	4244	2.42	648

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
4250	\$1.53	\$483	4452	\$3.51	\$849	4693	\$0.89	\$365
4251	1.70	515	4459	2.16	600	4703	2.38	640
4263	2.45	653	4470	2.33	631	4717	2.49	661
4273	1.67	509	4484	2.40	644	4720	4.08	900
4279	1.81	535	4493	2.89	735	4740	1.54	485
4282	2.23	613	4511	0.71	331	4741	1.84	540
4283	2.40	644	4557	1.87	546	4751	1.96	563
4299	1.54	485	4558	1.93	557	4771N	1.83	539
4304	2.85	727	4561	1.96	563	4777	1.81	535
4307	2.76	711	4568	2.75	709	4825	0.78	344
4351	1.12	407	4581	1.73	520	4828	1.47	472
4352	1.05	394	4583	4.71	900	4829	1.60	496
4360	0.82	352	4611	0.96	378	4902	1.76	526
4361	1.38	455	4635	3.95	900	4923	1.17	416
4362	1.11	405	4653	1.38	455	5020	5.92	900
4410	3.01	757	4665	7.01	900	5022	6.47	900
4420	3.57	860	4670	4.51	900	5037	18.04	900
4431	1.51	479	4683	4.78	900	5040	21.08	900
4432	1.63	502	4686	1.18	418	5057	16.60	900
4439	1.92	555	4692	0.37	268	5059	23.83	900

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
5069	\$22.91	\$900	5462	\$6.39	\$900	5951	\$0.39	\$272
5102	4.41	900	5472	5.28	900	6003	10.73	900
5146	5.21	900	5473	5.39	900	6005	7.07	900
5160	4.64	900	5474	7.49	900	6017	4.46	900
5183	3.36	822	5478	4.59	900	6018	2.28	622
5188	5.59	900	5479	10.73	900	6045	3.05	764
5190	3.27	805	5480	10.48	900	6204	9.96	900
5191X	1.83	539	5491	2.25	616	6206	7.68	900
5192	4.12	900	5506	4.59	900	6213	11.88	900
5213	7.92	900	5507	6.00	900	6214	2.87	731
5215	4.15	900	5508D	7.63	900	6216	5.41	900
5221	4.22	900	5535	6.90	900	6217	5.05	900
5222	10.38	900	5537	5.76	900	6229	4.23	900
5223	5.67	900	5551	15.03	900	6233	7.78	900
5348	3.96	900	5606	2.03	576	6235	11.76	900
5402	5.20	900	5610	7.13	900	6236	13.44	900
5403	10.58	900	5645	11.91	900	6237	3.69	883
5437	4.85	900	5651	9.65	900	6251D	8.01	900
5443	3.86	900	5703	103.77	900	6252D	7.26	900
5445	4.91	900	5705	5.23	900	6260D	5.50	900

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
6306	\$5.69	\$900	7380X	\$4.28	\$900	7590	\$4.54	\$900
6319	5.69	900	7382	2.89	735	7600	3.08	770
6325	5.28	900	7390	3.66	877	7601	12.36	900
6400	7.10	900	7403X	2.94	744	7605	3.46	840
6504	2.48	659	7405N	1.56	489	7610	0.49	291
6811	5.80	900	7420X%	22.42	900	7611	6.12	900
6834	4.33	900	7421	2.33	631	7612	17.04	900
6836	9.50	900	7422	2.58	677	7613	4.90	900
6854	5.47	900	7423X	2.94	744	7705	2.85	727
6882	6.26	900	7425	3.63	872	7710	6.88	900
6884	13.75	900	7431N	2.02	574	7711	6.88	900
7133	3.61	868	7445N	0.84	-	7720X	2.85	727
7222	10.31	900	7453N	1.08	-	7855	6.22	900
7228X	8.08	900	7502	3.05	764	8001	2.53	668
7229X	8.04	900	7515	1.12	407	8002	3.33	816
7230	3.93	900	7520	3.12	-	8006	2.33	631
7231	8.68	900	7538	9.99	-	8008	1.21	424
7232	14.77	900	7539	6.35	900	8010	2.23	613
7360	6.09	900	7540	4.22	900	8013	0.52	296
7370	5.27	900	7580	2.13	594	8015	0.72	333

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CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
8017	\$1.24	\$429	8203	\$6.42	\$900	8381	\$1.45	\$468
8018X^	2.78	714	8204	6.48	900	8385	2.79	716
8021	1.79	531	8209	3.18	788	8392	3.60	866
8031	3.24	799	8215	5.70	900	8393	1.70	515
8032	1.67	509	8227	4.52	900	8500	5.26	900
8033	2.03	576	8232	6.70	900	8601	0.72	333
8039	1.51	479	8233	5.05	900	8606	3.73	890
8044	3.33	816	8235	4.23	900	8719	1.86	544
8045	0.48	289	8263	9.50	900	8720	1.24	429
8046	2.95	746	8264	4.22	900	8721	0.42	278
8047	1.27	435	8265	10.01	900	8742X	0.53	298
8058	2.98	751	8279	10.81	900	8745	4.85	900
8072	0.68	326	8288	7.01	900	8748	0.43	280
8102	2.75	709	8291	2.55	672	8755	0.30	256
8103	4.85	900	8292	3.10	774	8799	1.01	387
8105	4.91	900	8293	8.55	900	8800	1.01	387
8106	4.58	900	8295X	6.21	900	8803	0.09	217
8107	4.22	900	8304	7.40	900	8810	0.26	248
8111	3.28	807	8350	5.41	900	8820	0.23	243
8116	4.75	900	8380	3.66	877	8824	2.95	746

LUMBERMEN'S UNDERWRITING ALLIANCE

The rates listed below are the NCCI Loss Costs of  
January 1, 2008, multiplied by 1.440.

ARKANSAS  
WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES EFFECTIVE JANUARY 1, 2008

CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
8825	\$2.45	\$653	9052	\$1.83	\$539	9186	\$56.61	\$900
8826	2.35	635	9058	1.79	531	9220	3.93	900
8829	2.79	716	9059	3.07	768	9402	5.47	900
8831	3.10	774	9060	1.87	546	9403	6.72	900
8832	0.29	254	9061	1.43	465	9410	2.04	577
8833X#	1.17	416	9063	1.14	411	9501	5.03	900
8835	2.25	616	9082	1.71	516	9505	3.69	883
8842	1.22	426	9083	1.53	483	9516	2.94	744
8864	1.22	426	9084	2.12	592	9519	2.56	674
8868	0.42	278	9089	1.37	453	9521	5.50	900
8869	0.78	344	9093	1.53	483	9522	1.60	496
8871	0.26	248	9101	3.18	788	9534	7.79	900
8901	0.30	256	9102	3.12	777	9554	9.00	900
9012	1.74	522	9154	2.55	672	9586	0.76	341
9014	2.43	650	9156	1.45	468	9600	1.68	511
9015X	2.88	733	9170	2.43	650	9620	1.27	435
9016	5.16	900	9178	26.02	900	9740~	0.03	-
9019	3.47	842	9179	45.42	900	9741=	0.01	-
9033	1.89	550	9180	4.51	900			
9040#	3.64	873	9182	2.78	714			

LUMBERMEN'S UNDERWRITING ALLIANCE

The rates listed below are the NCCI Loss Costs of  
January 1, 2008, multiplied by 1.440.

ARKANSAS  
WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES EFFECTIVE JANUARY 1, 2008

CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM	CLASS CODE	RATE INCL DISEASE	MIN PREM
PER CAPITA			MARITIME AND FEDERAL CLASSIFICATIONS (CONT.)			F CLASSIFICATIONS		
0908	\$128.16	\$328	7098	\$33.06	\$900	6801F	\$14.52	\$900
0913	342.72	543	7099	52.40	900	6824F	25.08	900
			7151	4.39	900	6826F	12.14	900
			7152	7.73	900	6843F	16.68	900
			7153	4.88	900	6845F	19.63	900
MARITIME AND FEDERAL CLASSIFICATIONS			7333	7.66	900	6872F	22.67	900
			7335	8.51	900	6874F	40.26	900
6702<	\$7.56	\$900	7337	13.49	900	7309F	27.94	900
6703>	13.31	900	7394	15.36	900	7313F	6.44	900
6704+	8.40	900	7395	17.06	900	7317F	10.31	900
7016	5.69	900						
7024	6.32	900	7398	27.04	900	7327F	22.48	900
			8734	0.72	333	7350F	24.41	900
7038	6.75	900	8737	0.65	320	8709F	8.50	900
7046	29.75	900	8738	1.14	411	8726F	10.09	900
7047	10.02	900	8805	0.35	265	9077F	4.13	900
7050	11.89	900	8814	0.32	259			
7090	7.50	900	8815	0.56	304			

LUMBERMEN'S UNDERWRITING ALLIANCE

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES**

**LEGEND**

Effective January 1, 2008

N A separate statistical code number is assigned for the non-ratable element for this basic classification code. As these codes are associated, the rate corresponding to the statistical code must be applied to the basic classification rate when determining premium. The non-ratable element is not subject to experience rating and applies to the full payroll of the associated basic classification.

<u>Class Code</u>	<u>Non-Ratable Element Code</u>
4771	0771
7405	7445
7431	7453

- D Rate for classification already includes the specific disease loading shown in the table. See Basic Manual Rule 3-A-7.
- F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate contains a provision for federal assessment.
- E Classification includes specific disease loading. Refer to Governmental Affairs if removal of loading is necessary.
- X Refer to special classification phraseology in these pages which is applicable in this state.
- \* 1005 – Rate includes a non-ratable disease element of \$4.10. (For coverage written separately for federal benefits only, \$3.10. For coverage written separately for state benefits only, \$1.01.)
- & 1016 – Rate includes a non-ratable disease element of \$16.42. (For coverage written separately for federal benefits only, \$12.37. For coverage written separately for state benefits only, \$4.05), and a catastrophe load of \$0.14. Refer to the Manual of Underground Coal Mine Rules, Classifications, and Rates for the rules applicable to the use of this classification code.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUESLEGEND (Continued)  
Effective January 1, 2008

- < 6702 – Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.215.
- > 6703 – Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate x 2.14 and elr each x 1.982.
- + 6704 – Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.35.
- 7409 - Payroll is subject to a maximum of \$600 per week per employee effective January 1, 2005. The ELR on the rate page should be applied to policies with effective dates on or after January 1, 2005 (\$600 payroll limitation). An ELR of 11.36 should be applied to policies with effective dates prior to January 1, 2005 (\$300 payroll limitation).
- % 7420 - Payroll is subject to a maximum of \$600 per week per employee effective July 1, 2006. The ELR on the rate page should be applied to policies with effective dates on or after July 1, 2006 (\$600 payroll limitation). An ELR of 4.16 should be applied to policies with effective dates prior to July 1, 2006 (uncapped payroll).
- ^ 8018 – See Arkansas Special Classification for Warehousing - groceries exclusively.
- # 8833 – The ex-medical rate for this classification is \$0.62. A charge of \$0.10 is to be added to this rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to NCCI, Inc. for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- @ 9040 – The ex-medical rate for this classification is \$1.79. A charge of \$0.10 is to be added to this rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to NCCI, Inc. for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- ~ 9740 – Foreign Terrorism (The statistical code 9740 has been established for the reporting of premium associated with this terrorism rate.)
- = 9741 – Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents (The statistical code 9741 has been established for the reporting of premium associated with this rate.)
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**WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES**

**MISCELLANEOUS VALUES**

Effective January 1, 2008

**Basis of Premium** applicable in accordance with the Basic Manual footnote instructions for Code: 7370 – 7370 Taxicab Co.:

Employee operated vehicle.....	\$46,220
Leased or rented vehicle.....	\$30,813

7420 Aviation-Aerial Application, Seeding, Herding, or Scintillometer Surveying-Flying Crew Maximum payroll per week per employee.....	\$600
---	-------

**Expense Constant** applicable in accordance with Basic Manual Rule 3-A-11 ..... \$200

**Maximum Remuneration** applicable in accordance with Basic Manual Rule 2-E-1 - Executive Officers and the Basic Manual footnote instructions for Code 9178 - Athletic Sports or Park: Non-Contact Sports, Code 9179 - Athletic Sports or Park: Contact Sports, and Code 9186 - Carnival – Traveling..... \$2,400

**Minimum Remuneration** applicable in accordance with Basic Manual Rule 2-E-1 - Executive Officers ..... \$300

**Per Passenger Seat Surcharge** - In accordance with the Basic Manual footnote instructions for classification Code 7421, the surcharge per passenger seat is..... \$100  
Maximum Surcharge per aircraft ..... \$1,000

**Premium Determination for Partners and Sole Proprietors and Members of Limited Liability Companies** in accordance with Basic Manual Rule 2-E-3..... \$30,800

**Foreign Terrorism (Rate)**.....\$0.03

**Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents (Rate)**.....\$0.01

**United States Longshore and Harbor Workers’ Compensation Coverage Percentage** applicable only in connection with Basic Manual .....90%

(Multiply a Non-F classification rate by a factor of 1.90 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.67) and the adjustment for differences in loss-based expenses (1.139).)

**Minimum Premiums** (by Class) = [(185 x Class Rate) + Expense Constant]  
Subject to a maximum of ..... \$900

**For Per Capita** classes, Minimum Premiums = Class Rate + Expense Constant  
Subject to a maximum of ..... \$900

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**WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES**

**MISCELLANEOUS VALUES (Continued)**  
Effective January 1, 2008

**Premium Discount Percentages** (See Basic Manual Rule 3-A-19): The following premium discounts are applicable to Standard Premiums:

	<u>Type B Company</u>	
First	\$10,000	0.0%
Next	190,000	5.1%
Next	1,550,000	6.5%
Over	1,750,000	7.5%

**BENEFITS DEDUCTIBLE COVERAGE**

**Premium Reduction Percentages** - The following reduction percentages are applicable by hazard group for employers electing deductibles as designated below:

<u>Deductible Amount</u>	<u>Total Losses Hazard Groups</u>						
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
\$1,000	7.8%	6.3%	5.4%	4.6%	3.8%	2.7%	2.0%
1,500	9.4%	7.8%	6.7%	5.7%	4.8%	3.4%	2.6%
2,000	10.8%	8.9%	7.7%	6.6%	5.6%	4.1%	3.1%
2,500	11.9%	9.9%	8.6%	7.4%	6.3%	4.6%	3.5%
3,000	13.0%	10.8%	9.4%	8.1%	6.9%	5.1%	3.9%
3,500	13.9%	11.6%	10.2%	8.8%	7.5%	5.6%	4.3%
4,000	14.8%	12.3%	10.9%	9.4%	8.1%	6.1%	4.7%
4,500	15.6%	13.0%	11.5%	10.0%	8.6%	6.5%	5.0%
5,000	16.3%	13.7%	12.2%	10.6%	9.1%	6.9%	5.4%

<u>Deductible Amount</u>	<u>Medical Losses Hazard Groups</u>						
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
\$1,000	7.5%	6.1%	5.3%	4.4%	3.7%	2.5%	2.0%
1,500	9.0%	7.4%	6.4%	5.4%	4.5%	3.2%	2.4%
2,000	10.1%	8.3%	7.2%	6.1%	5.2%	3.7%	2.8%
2,500	11.1%	9.1%	8.0%	6.8%	5.8%	4.2%	3.2%
3,000	11.9%	9.9%	8.6%	7.4%	6.3%	4.6%	3.5%
3,500	12.7%	10.5%	9.2%	7.9%	6.7%	4.9%	3.8%
4,000	13.3%	11.1%	9.7%	8.4%	7.2%	5.3%	4.1%
4,500	13.9%	11.6%	10.2%	8.8%	7.6%	5.6%	4.3%
5,000	14.5%	12.2%	10.7%	9.2%	7.9%	5.9%	4.6%

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUES

MISCELLANEOUS VALUES (Continued)  
Effective January 1, 2008

Deductible Amount	Indemnity Losses Hazard Groups						
	A	B	C	D	E	F	G
\$1,000	1.7%	1.4%	1.3%	1.2%	1.0%	0.9%	0.6%
1,500	2.3%	1.9%	1.7%	1.6%	1.4%	1.2%	0.9%
2,000	2.9%	2.4%	2.2%	2.0%	1.8%	1.6%	1.2%
2,500	3.4%	2.8%	2.6%	2.4%	2.1%	1.9%	1.4%
3,000	3.8%	3.2%	3.0%	2.8%	2.5%	2.1%	1.6%
3,500	4.3%	3.6%	3.4%	3.1%	2.8%	2.4%	1.8%
4,000	4.6%	3.9%	3.6%	3.4%	3.0%	2.6%	2.0%
4,500	5.0%	4.3%	3.9%	3.7%	3.3%	2.8%	2.2%
5,000	5.4%	4.6%	4.2%	3.9%	3.5%	3.0%	2.4%

EXPERIENCE RATING ELIGIBILITY

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest approved eligibility amounts by state.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
RATES AND RATING VALUESTABLE OF SPECIFIC DISEASE LOADINGS  
Effective January 1, 2008DISEASE SYMBOLS  
Asb = Asbestos      S = Silica

<u>Code Number</u>	<u>Specific Disease Loadings *</u>	<u>Disease Symbol</u>
0059D	.21	S
0065D	.04	S
0066D	.04	S
0067D	.04	S
1164E	.06	S
1165E	.03	S
1624E	.03	S
1710E	.04	S
1741E	.17	S
1803D	.17	S
1852D	.03	Asb
3081D	.03	S
3082D	.04	S
3085D	.04	S
3175D	.02	S
4024E	.01	S
5508D	.02	S
6251D	.04	S
6252D	.03	S
6260D	.02	S

\* Note: The above Specific Disease Loadings are to be multiplied by LUA's Loss Cost Multiplier of 1.440

RETROSPECTIVE RATING PLAN MANUAL  
STATE SPECIAL RATING VALUES

1. **HAZARD GROUP DIFFERENTIALS**

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	
1.890	1.420	1.260	1.130	0.980	0.790	0.590	EFF. 01-01-08
1.860	1.400	1.240	1.130	0.970	0.780	0.590	EFF. 07-01-07

2. **TAX MULTIPLIERS**

a. State (non-F classes)	1.059	LUA EFF. 01-01-08
b. Federal classes, or non-F classes where rate is increased by USL&H Act Percentage	1.142	LUA EFF. 01-01-08

3.a. **EXPECTED LOSS RATIO**

.627	LUA EFF. 01-01-08
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3.b. **EXPECTED LOSS AND ALLOCATED EXPENSE RATIO +**

.687	LUA EFF. 01-01-08
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4.a. **TABLE OF EXPENSE RATIOS**

2007-01 (28F) (Type B Company)	LUA EFF. 01-01-08
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4.b. **TABLE OF EXPENSE RATIOS FOR ALAE OPTION +**

2007-01 (28H) (Type B Company)	LUA EFF. 01-01-08
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5. **TABLE OF EXPECTED LOSS RANGES**

2008	EFF. 01-01-08
2007	LUA EFF. 07-01-07

+ Retrospective Rating Flexibility Values - choice of option a or b available.

LUMBERMEN'S UNDERWRITING ALLIANCE

RETROSPECTIVE RATING PLAN MANUAL  
STATE SPECIAL RATING VALUES

6a. EXCESS LOSS PURE PREMIUM  
FACTORS

EFF. 07-01-07

Per Accident Limitation	Hazard						
	A	B	C	D	E	F	G
\$10,000 †	.530	.582	.611	.638	.667	.708	.740
\$15,000 †	.469	.526	.557	.587	.620	.667	.707
\$20,000 †	.423	.481	.514	.546	.582	.633	.679
\$25,000	.385	.445	.479	.512	.550	.604	.654
\$30,000	.354	.413	.449	.482	.522	.579	.632*
\$35,000	.329	.386	.422	.456	.498	.556	.613*
\$40,000	.306	.363	.399	.433	.475	.535	.594*
\$50,000	.271	.325	.360	.394	.438	.498	.562*
\$75,000	.212	.259	.293	.325	.368	.430	.499*
\$100,000	.176	.217	.250	.279	.320	.380	.452*
\$125,000	.152	.187	.219	.246	.285	.343	.416
\$150,000	.135	.167	.196	.221	.259	.315	.388
\$175,000	.121	.150	.178	.201	.236	.291	.363
\$200,000	.110	.137	.164	.185	.218	.271	.342
\$225,000	.102	.126	.152	.172	.203	.253	.324
\$250,000	.095	.118	.143	.161	.191	.240	.310
\$275,000	.089	.110	.134	.152	.181	.227	.296
\$300,000	.084	.104	.127	.144	.171	.216	.284
\$325,000	.079	.098	.120	.136	.163	.206	.273
\$350,000	.075	.093	.115	.130	.155	.197	.263
\$375,000	.072	.089	.110	.124	.149	.189	.254
\$400,000	.069	.085	.105	.119	.143	.182	.246
\$425,000	.066	.081	.101	.115	.137	.175	.238
\$450,000	.063	.078	.098	.110	.132	.169	.232
\$475,000	.061	.075	.094	.107	.128	.164	.225
\$500,000	.059	.073	.091	.103	.124	.159	.219
\$600,000	.053	.065	.081	.092	.110	.142	.199
\$700,000	.048	.059	.074	.083	.100	.129	.184
\$800,000	.045	.055	.069	.077	.093	.120	.172

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RETROSPECTIVE RATING PLAN MANUAL  
STATE SPECIAL RATING VALUES

Per Accident Limitation			Hazard		Groups		
	A	B	C	D	E	F	G
\$900,000	.042	.051	.064	.072	.086	.112	.161
\$1,000,000	.039	.048	.060	.068	.081	.105	.152
\$2,000,000	.023	.029	.038	.043	.052	.068	.101
\$3,000,000	.016	.021	.027	.031	.038	.051	.078
\$4,000,000	.012	.016	.021	.024	.030	.041	.064
\$5,000,000	.010	.013	.017	.020	.025	.034	.054
\$6,000,000	.008	.010	.014	.016	.020	.028	.045
\$7,000,000	.007	.009	.012	.013	.017	.024	.039
\$8,000,000	.006	.008	.010	.012	.015	.021	.035
\$9,000,000	.006	.007	.009	.011	.013	.018	.031
\$10,000,000	.005	.006	.008	.010	.012	.016	.028

6b. EXCESS LOSS AND ALLOCATED EXPENSE  
PURE PREMIUM FACTORS+

EFF. 07-01-07

Per Accident Limitation			Hazard		Groups		
	A	B	C	D	E	F	G
\$10,000 †	.603	.658	.688	.717	.746	.788	.821
\$15,000 †	.540	.600	.633	.665	.699	.748	.788
\$20,000 †	.492	.554	.590	.623	.661	.713	.760
\$25,000	.452	.516	.553	.588	.628	.684	.735
\$30,000	.419	.483	.521	.557	.599	.658	.713*
\$35,000	.391	.454	.493	.529	.573	.634	.693*
\$40,000	.366	.429	.468	.505	.550	.613	.674*
\$50,000	.327	.387	.426	.463	.510	.575	.641*
\$75,000	.260	.313	.352	.387	.434	.501	.575*
\$100,000	.218	.265	.302	.336	.382	.448	.525*
\$125,000	.189	.231	.266	.298	.342	.407	.485
\$150,000	.168	.206	.240	.269	.312	.374	.453
\$175,000	.151	.186	.218	.245	.286	.347	.426
\$200,000	.138	.170	.201	.226	.265	.324	.403

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RETROSPECTIVE RATING PLAN MANUAL  
STATE SPECIAL RATING VALUES

Per Accident Limitation			Hazard		Groups		
	A	B	C	D	E	F	G
\$225,000	.127	.156	.186	.210	.247	.304	.383
\$250,000	.119	.146	.175	.197	.233	.288	.366
\$275,000	.111	.137	.165	.186	.220	.273	.350
\$300,000	.105	.129	.156	.176	.208	.260	.336
\$325,000	.099	.122	.148	.167	.198	.248	.323
\$350,000	.094	.116	.141	.159	.189	.237	.312
\$375,000	.089	.110	.135	.152	.181	.228	.301
\$400,000	.086	.105	.129	.146	.174	.219	.292
\$425,000	.082	.101	.124	.140	.167	.212	.283
\$450,000	.079	.097	.120	.135	.161	.205	.275
\$475,000	.076	.094	.116	.131	.156	.198	.268
\$500,000	.074	.090	.112	.126	.151	.192	.261
\$600,000	.065	.080	.100	.112	.134	.172	.237
\$700,000	.059	.072	.091	.102	.122	.156	.219
\$800,000	.055	.067	.084	.095	.113	.145	.205
\$900,000	.051	.063	.079	.088	.105	.135	.192
\$1,000,000	.048	.059	.074	.083	.098	.127	.181
\$2,000,000	.029	.036	.047	.053	.063	.082	.122
\$3,000,000	.020	.026	.035	.039	.048	.063	.095
\$4,000,000	.015	.020	.027	.031	.038	.051	.078
\$5,000,000	.012	.016	.022	.025	.031	.042	.066
\$6,000,000	.009	.013	.017	.020	.025	.035	.056
\$7,000,000	.008	.011	.015	.017	.022	.030	.049
\$8,000,000	.007	.010	.013	.015	.019	.026	.044
\$9,000,000	.007	.009	.012	.013	.017	.023	.039
\$10,000,000	.006	.008	.011	.012	.015	.021	.035

+ Retrospective Rating Flexibility Values – choice of option a or b available.

\* Also applicable to Underground Coal Mine classifications.

† This loss limit is not applicable for retrospective rating in this state.

RETROSPECTIVE RATING PLAN MANUAL  
STATE SPECIAL RATING VALUES

7. RETROSPECTIVE PURE PREMIUM DEVELOPMENT FACTORS      EFF. 07-01-07

<u>With Loss Limit</u>			<u>Without Loss Limit</u>			<u>4th &amp; Subsequent Adjustment</u>
<u>1st Adj.</u>	<u>2nd Adj.</u>	<u>3rd Adj.</u>	<u>1st Adj.</u>	<u>2nd Adj.</u>	<u>3rd Adj.</u>	
.09	.06	.06	.21	.15	.15	.00

SERFF Tracking Number: LMBR-125370432 State: Arkansas  
Filing Company: Lumbermen's Underwriting Alliance State Tracking Number: EFT \$100  
Company Tracking Number: 2007-155-WC-R  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers Compensation Rates and Rating Values  
Project Name/Number: AR Workers Compensation Rate Filing/2007-155-WC-R

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty **Review Status:** Approved 11/30/2007

**Comments:**

**Attachments:**

industry\_rates\_PCtransDoc\_intelligent.pdf  
FILING LETTER.pdf

**Satisfied -Name:** NAIC Loss Cost Filing Document  
for Workers' Compensation **Review Status:** Approved 11/30/2007

**Comments:**

**Attachments:**

loss\_cost\_wc\_coverLC.pdf  
NAIC Summary Filing Form.pdf

**Satisfied -Name:** NAIC loss cost data entry document **Review Status:** Approved 11/30/2007

**Comments:**

**Attachment:**

Abstract.pdf

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: New Business Renewal Business f. State Filing #: g. SERFF Filing #: h. Subject Codes
---	---

<b>3. Group Name</b>	<b>Group NAIC #</b>

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

<b>5. Company Tracking Number</b>	
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7. Signature of authorized filer	
8. Please print name of authorized filer	

**Filing information** (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New:    _____    Renewal:    _____
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

22. Filing Fees (Filer must provide check # and fee amount if applicable)  
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:  
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

PC TD-1 pg 2 of 2

## FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)  
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	
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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	
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<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

## RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

**(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
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Rate Increase                     
  Rate Decrease                     
  Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

<b>5. Overall Rate Information (Complete for Multiple Company Filings only)</b>			
---	--	--	--

		COMPANY USE	STATE USE
<b>5a</b>	<b>Overall percentage rate indication (when applicable)</b>		
<b>5b</b>	<b>Overall percentage rate impact for this filing</b>		
<b>5c</b>	<b>Effect of Rate Filing – Written premium change for this program</b>		
<b>5d</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>		

<b>6.</b>	<b>Overall percentage of last rate revision</b>	
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<b>7.</b>	<b>Effective Date of last rate revision</b>	
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<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

## LUMBERMEN'S UNDERWRITING ALLIANCE

A RECIPROCAL INTER-INSURANCE EXCHANGE  
A MEMBER COMPANY OF THE LYNN INSURANCE GROUP  
HOME OFFICE • BOCA RATON, FLORIDA

1905 N.W. CORPORATE BOULEVARD, BOCA RATON, FLORIDA 33431-7303  
TELEPHONE (561) 994-1900 • FAX (561) 994-8362



November 16, 2007

Honorable Julie Benafield Bowman  
Insurance Commissioner  
Arkansas Department of Insurance  
1200 West Third Street  
Little Rock, AR 72201-1904

**RE: Lumbermen's Underwriting Alliance  
Workers Compensation and Employers Liability  
Revised Rates and Rating Values  
Filing No. 2007-73-WC-R  
NAIC No. 00023108  
FEIN No. 43-0799570**

Dear Commissioner Bowman:

Lumbermen's Underwriting Alliance is a subscriber of the National Council on Compensation Insurance, Inc. and we follow NCCI for advisory loss costs, rules, classifications, rating plans, policy forms/ endorsements, and statistical reporting.

This letter and the attached supporting documentation constitute the filing in caption for Lumbermen's Underwriting Alliance. We propose to adopt a revised loss cost multiplier of 1.440 to be applied to the advisory loss costs set forth in NCCI Filing AR-2007-10. In addition, we are filing to adopt the retrospective rating plan values as set forth in this same circular. We request an effective date of January 1, 2008, applicable to new and renewal business only.

Your consideration is greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads 'Judy L. Smith'.

Judy L. Smith  
Lead Property and Casualty Filing Analyst  
Governmental Affairs  
[judy.smith@ins-lua.com](mailto:judy.smith@ins-lua.com)  
(800) 327-0630 Ext. 511

Date: November 28, 2007

Space Reserved for Insurance Department Use

**WORKERS' COMPENSATION  
LOSS COST FILING DOCUMENT COVER FORM**

**INSURER RATE FILING  
ADOPTION OF ADVISORY ORGANIZATION  
PROSPECTIVE LOSS COSTS**

1. INSURER NAME Lumbermen's Underwriting Alliance  
ADDRESS 1905 NW Corporate Blvd  
Boca Raton, Florida 33431-7303  
\_\_\_\_\_
2. PERSON RESPONSIBLE FOR FILING Judy L. Smith  
TITLE Lead Analyst TELEPHONE # (800)327-0630 Ext.511
3. INSURER NAIC # 23108
4. ADVISORY ORGANIZATION NCCI, Inc.
- 5A. PROPOSED RATE LEVEL CHANGE 5.0 % EFFECTIVE DATE 01-01-08  
5B. PROPOSED PREMIUM LEVEL CHANGE\* 5.0 % EFFECTIVE DATE 01-01-08
- 6A. PRIOR RATE LEVEL CHANGE -0.4 % EFFECTIVE DATE 07-01-2007  
6B. PRIOR PREMIUM LEVEL CHANGE\* -0.4 % EFFECTIVE DATE 07-01-2007
7. ATTACH "NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION"  
(Attach this document separately for each insurer selected loss cost multiplier.)

\* The premium level change is the change in the insurer's annual collectible premium.

**NAIC LOSS COST FILING DOCUMENT - FOR WORKERS' COMPENSATION  
CALCULATION OF COMPANY LOSS COST MULTIPLIER**

<b>This filing transmittal is part of Company Tracking #</b>	
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

**Loss Cost Reference Filing**  
Advisory Org. & Reference filing #)

NCCI AR-2007-10

**Independent Rate Filing**

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of business. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

**1. Check one of the following:**

- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of business. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. **Note: Some states have statutes that prohibit this option for some lines of business.**
- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

**2. Does this filing apply to all class codes?** Yes **If no, complete a copy of this form for each affected class with appropriate justification.**

**3. Loss cost modification:**

**A.** The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)

Without Modification (factor = 1.000)

With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

LAE Adjustment. See Exhibit 2 - Loss Cost Multiplier

**B.** Loss Cost Modification Expressed as a Factor: (See Examples Below) 1.025

Example 1: Loss cost Modification Factor: If you company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If you company's loss cost modification is +15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4 - 11 BELOW.

**4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio.** (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)

PROJECTED EXPENSES: Compared to standard premium at company rates.

	<u>Selected Provisions</u>
A. Total Production Expense	<u>18.8%</u>
B. General Expense	<u>0.7%</u>
C. Taxes, Licenses and Fees	<u>5.2%</u>
D. Underwriting profit and contingencies *	<u>-2.1%</u>
E. Other (explain)	<u>0.0%</u>
F. Total	<u>22.6%</u>

\* Explain how investment income is taken into account

**NAIC LOSS COST FILING DOCUMENT - FOR WORKERS' COMPENSATION**

5. A. Expected Loss Ratio:  $ELR = 100\% - 4F =$  77.4%  
B. ELR in decimal form = 0.774
6. Overall impact of expense constant and minimum premiums:  
(a 2.3% impact would be expressed as 1.023) 1.000
7. Overall impact of size-of-risk discounts  
(An 8.6% average discount would be expressed as 0.914) 0.938
8. Company Formula Loss Cost Multiplier:  $3B / [(7 - 4F) \times 6] =$  1.440
9. Company Selected Loss Cost Multiplier: 1.440  
Attach exhibit explaining any differences between 8 and 9.
10. Are you amending your minimum premium formula?  Yes  No. If Yes, attach documentation including rate level impact as well as changes in multipliers, expense constants, maximum, etc.
11. Are you changing your premium discount schedules?  Yes  No. If Yes, attach schedules and support detailing premium or rate level change.

**ARKANSAS INSURANCE DEPARTMENT**

**WORKERS' COMPENSATION ABSTRACT**

INSTRUCTIONS: All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group.

Company Name Lumbermen's Underwriting Alliance  
 NAIC Number 23108 Group Number 23108  
 Deviation From: not applicable Proposed Effective Date 1/1/2008

1. What type of deviation(s) are you currently utilizing? (Specify whether deviation is a schedule rating plan or an across-the-board deviation.)

TYPE	APPROVED	PERCENTAGE
<u>Schedule Rating</u>	<u>10/1/1996</u>	<u>25% max credit or debit</u>

2. What, if any, restrictions apply to the deviation? All debits and credits shall be based on evidence that is contained in the file at the time the schedule debit or credit is applied.

3. What is the minimum premium requirement for eligibility for the deviation? Experience rated risks.

4. What was the average percentage of credit given on policies eligible under the deviation? 19.6%

5. What was the average percentage of debit given on policies eligible under the deviation? 0.9%

6. State the number of Arkansas policies issued since the approval of your deviation. 378  
 Of these policies, how many received a deviation? 166

7. Do you allow both schedule rating plans and across-the-board deviations on the same risk? No

8. Does your company offer a dividend plan? If so, please describe the type of dividend, including the amount paid in dividends for the preceding calendar year. Dividend plan not offered in Arkansas

9. When promulgating an individual policy premium, at what point is the deviation applied? After application of the experience mod and before the application of premium discount and expense constant.

10. Do plans for the future market provide for:  
 (a) A greater market penetration for this type of business No.  
 (b) A lesser penetration No.  
 (c) Status quo Yes.

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Signature

Lead Analyst

Title

(800) 327-0630 Ext. 511

Telephone Number