

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	07-19-2007	07-19-2007

Disposition

Disposition Date: 07-19-2007

Effective Date (New): 08-15-2007

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Rate	Table of Contents	Filed	Yes
Rate	R39 - Transition Rule	Filed	Yes

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Table of Contents	1	Replacement	Table of Contents.pdf
Filed	R39 - Transition Rule	12	New	Transition Rule R39 Page 12.pdf

State of AR
Allmerica Financial Benefit Insurance Company
Private Passenger Automobile
Rules Filing - Filing Number: PA-AR-06187-61R

Arkansas - [Allmerica](#) Financial Benefit (AFB.) - 1.0 Rules.doc 1

Effective Date: [08/15/2007](#) - New Business and their Subsequent Renewals

<u>RULE CLASSIFICATION</u>	<u>RULE NUMBER</u>	<u>DESCRIPTION</u>
Common	C1	Definition of Private Passenger Auto; Motor Home;
	C2	Permitted Named Insured Unacceptable Risks
Money	M1	Cancellation Effective Dates/Times
	M2	Non-Sufficient Funds (NSF) Fee
	M3	Installment Fee
	M4	Return Premium Calculation on Cancelled Policies
	M5	Late Fee Charges/Grace Period
	M6	Reinstatement after Cancellation for Non-payment
Risk	R1	Policy Period
	R2	ZIP Code Level Rating
	R3	Residence Classification
	R4	Summary of Coverages Offered
	R5	Liability Increased Limits
	R6	Uninsured Motorists Limits
	R6.4	Underinsured Motorists Limits
	R6.5	Uninsured Motorists Property Damage
	R7	Account Credit
	R8	Physical Damage Deductibles
	R10	Multi-car Discount
	R11	Paid-in-Full Discount
	R12	Homeowner Discount
	R15	Insurance Score
	R16	No Hits
	R17	Thin Files
	R18	Underwriting Tier Re-Evaluation
	R19	Average Driver Factor
	R20	Household Structure Factor
	R21	Driver/Points Matrix Factor
	R22	Motor Vehicle Record Requests
	R23	Association Discount
	R26.1	Personal Injury Protection Limits
R29	Hanover/Citizens As Proof of Prior	
	R39	Transition Rule – Modification Factors
Operator	O1	Operator Definitions
	O2	Operator Classification
	O3	Driving Record Points
	O4	Financial Responsibility Filings
	O5	Named Operator Exclusion
	O6	Operator Related Discounts
	O7	Unverifiable Driving Record and Foreign Driver's License
	O8	Undisclosed Operator Surcharge
	O9	Driver Tier Factor
	O11	Permit Drivers

R29 - Hanover/Citizens as Proof of Prior

Proof of private passenger automobile liability insurance from Hanover Insurance Company, Citizen's Insurance Company of America, or an affiliated company will not be treated as valid prior insurance unless the named insured:

- A. Moved from another state
- B. Was "child" of named insured on previous policy. No limitation as to child's age
- C. Was "parent" of named insured on previous policy. Parent was a covered operator on that policy
- D. Was divorced/separated "spouse" of named insured from previous policy
- E. Was named insured on policy that cancelled or lapsed due to military deployment
- F. Is writing a 5-car policy. Original policy must remain active

If one of these criteria is met, the prior insurance status associated with the previous policy from Hanover Insurance, Citizen's Insurance Company of America, or an affiliated company, and any lapse in coverage between such previous policy and the new policy will be applied to the new policy.

R39 – Transition Rule – Modification Factors

From time to time, The Hanover Insurance group of companies ("Hanover") may acquire another insurance company or agree to accept books of business from other insurers or insurance agencies. To minimize any possible rate disruption in placing the affected customers, the insuring Hanover company intends to use a transition modification factor determined by dividing the policyholder's former premium by the premium outlined in this manual ("original premium"). The resulting transition modification factor would be multiplied by Hanover's original premium to arrive at a transition premium for affected customers. At renewals, a transition modification factor would be applied, if necessary, to minimize continuing rate disruption and with the objective of bringing the transitioned customers in line with the rating program applicable to the rest of Hanover's book of business over time.

OPERATOR RULES

O1 - Operator Definitions

The term "eligible-to-be-rated operator" refers to any person who is required to be disclosed on the application (all persons above the legal age to drive who reside with named insured, and any other person who regularly or frequently drives a covered vehicle), other than excluded operators.

O2 - Operator Classification

Operators are classified by age, gender, and marital status.

Age refers to the age attained by the operator's last birthday before inception of the policy term. Marital status is defined as follows:

Single - An operator who is not married, as defined below;

Married - An operator who is legally married, or who is deemed married pursuant to state law, but not including an operator who is legally separated. (The inability of married persons to live together because of career obligations or military service does not deny them the married classification.)

O3 - Driving Record Points

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Filed 07-19-2007

Comments:

Attachment:

P&C Transmittal Form.pdf

Bypassed -Name: NAIC Loss Cost Filing Document
for OTHER than Workers' Comp **Review Status:** Filed 07-19-2007

Bypass Reason: This is a rule only filing - not rate and Loss Costs do not apply.

Comments:

Bypassed -Name: NAIC loss cost data entry document **Review Status:** Filed 07-19-2007

Bypass Reason: This is a rule only filing - not rate and Loss Costs do not apply.

Comments:

Property & Casualty Transmittal Document (Revised 1/1/06)

1. Reserved for Insurance Dept. Use Only

2. Insurance Department Use only	
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	

3. Group Name	Group NAIC #
The Hanover Insurance Group	0088

4. Company Name(s)	Domicile	NAIC #	FEIN #
Allmerica Financial Benefits	MI	41840	23-2643430

5. Company Tracking Number	PA-AR-07379-61R
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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
	Sandy Nunez	Filing Analyst	508-855-4369	508-855-4311	snunez@hanover.com

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

Filing Information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	19.0
10.	Sub-Type of Insurance (Sub-TOI)	19.1
11.	State Specific Product code(s) (if applicable) [See State Specific Requirements]	
12.	Company Program Title (Marketing Title)	Personal Auto
13.	Filing Type	Rate/Loss Cost <input checked="" 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: 08-15-2007 Renewal: 08-15-2007
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	July 17, 2007
19.	Status of filing in domicile	<input checked="" 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 #	PA-AR-07379-61R
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We are filing an addition to our Rule Guide - Rule 39 Transition Rule - We are introducing an additional rating factor that may be used to move large volumes of business to the Hanover Insurance Group via book transfers or purchases and limit the disruption to transitioning customers.

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]
	<p>Check #: 0010128229 Amount: \$25.00</p> <p>Independent Rule Filing</p> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>

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