

SERFF Tracking Number:	FARM-125265431	State:	Arkansas
Filing Company:	Farmers Insurance Exchange	State Tracking Number:	AR-PC-07-025824
Company Tracking Number:	FAR0740-105440		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	F-AR-2007-HO-F		
Project Name/Number:	J6234, 3rd ed - Modified Loss Settlement Endt/F-07-082		

Filing at a Glance

Company: Farmers Insurance Exchange

Product Name: F-AR-2007-HO-F

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Filing Type: Form

SERFF Tr Num: FARM-125265431 State: Arkansas

SERFF Status: Closed

Co Tr Num: FAR0740-105440

Co Status:

Authors: Vivian Alarcon, Anahit Bekarian, Jeanette Campion, Gayane Rupchian, Mina Villegas, Chris SalvaCruz, Edmond Balaian

Date Submitted: 08/17/2007

State Tr Num: AR-PC-07-025824

State Status:

Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding

Disposition Date: 08/17/2007

Disposition Status: Rejected

Effective Date Requested (New): 02/16/2008

Effective Date Requested (Renewal): 02/16/2008

Effective Date (New):

Effective Date (Renewal):

General Information

Project Name: J6234, 3rd ed - Modified Loss Settlement Endt

Project Number: F-07-082

Reference Organization:

Reference Title:

Filing Status Changed: 08/17/2007

State Status Changed: 08/17/2007

Corresponding Filing Tracking Number:

Filing Description:

We submit for your review and approval J6234, 3rd Edition - Modified Loss Settlement Endorsement. The revision to this endorsement has no change to coverages as currently provided. The change in language is being provided to clarify the intent of coverage and to provide an easier to understand explanation of how claims will be settled in the event of loss.

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

This endorsement will only be used with our Next Generation Homeowners Policy.

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The proposed implementation date is February 16, 2008 for both new business and renewals.

Company and Contact

Filing Contact Information

Feliksa Barran, Manager - Business Feliksa_Barran@farmersinsurance.com
Implementation
4700 Wilshire Blvd. (323) 932-3056 [Phone]
Los Angeles, CA 90010 () -[FAX]

Filing Company Information

Farmers Insurance Exchange CoCode: 21652 State of Domicile: California
4680 Wilshire Blvd. Group Code: 212 Company Type:
Los Angeles, CA 90010 Group Name: State ID Number:
(323) 932-3056 ext. [Phone] FEIN Number: 95-2575893

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: \$50.00 is the filing fee amount for form filing for each company - FIE.
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
3020016796	\$50.00	06/01/2007

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Rejected	Becky Harrington	08/17/2007	08/17/2007

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Disposition

Disposition Date: 08/17/2007

Effective Date (New):

Effective Date (Renewal):

Status: Rejected

Comment: The Next Generation Program has not been approved in Arkansas to date. Revisions to the program will not be reviewed until the pending initial program filing has been approved.

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Form	Modified Loss Settlement Endt		Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
	Modified Loss Settlement Endt	J6234, 3rd ed	07-07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:41.80 Previous Filing #:	41.80	Endorsement J6234, 3rd ed.pdf

In exchange for a reduction in your premium, you have agreed to the Loss Settlement provisions and coverage changes set forth below.

Refer to the Declarations or renewal notice for the revised **stated limit** for Coverage A (Dwelling) and for other revised coverages, as applicable.

In exchange for a reduction in premium;

You have agreed:

1. to a **stated limit** of insurance for Coverage A (**Dwelling**) that is lower than the estimated cost to replace the **dwelling**. This will result in a lower limit for any coverage that is a percentage of Coverage A, including but not limited to **Separate Structures, Personal Property, and Loss of Use**;
2. to our use of less costly but functionally equivalent construction and materials in settling loss or damage to **building structures** under Coverage A (**Dwelling**) and Coverage B (**Separate Structures**). Replacing custom, obsolete, upgraded or unique construction or materials means a higher replacement cost;
3. to our use of replacement cost less depreciation for settlement of all **separate structures** other than **building structures**; and
4. that **SECTION I - EXTENSIONS OF COVERAGE, 2. Extended replacement cost-Coverage A** does not apply

You understand and agree that in the event of a loss, you may not have enough coverage to completely repair or return a damaged **building structure** to its pre-loss custom, upgraded or unique condition. Please read this endorsement carefully.

SECTION I - PROPERTY CONDITION, 5.a. How we settle covered loss, Coverage A (**Dwelling**) and Coverage B (**Separate Structures**), is deleted and replaced with the following:

5. How we settle covered loss.

- a. Coverage A (**Dwelling**) and Coverage B (**Separate Structures**).
 1. Settlement for covered loss or damage to **building structures** under Coverage A (**Dwelling**) or Coverage B (**Separate Structures**) will be settled as follows:
 - a) Repair cost - if you decide to repair or replace the damaged or destroyed **building structure**, we will pay the smallest of the following amounts:
 - i. the **stated limit** or other limit of insurance under this policy that applies to the damaged or destroyed **building structures**; or
 - ii. the amount you actually and necessarily spend to repair or replace damage to the **building structures**; or
 - iii. the loss to the interest of the **insured** in the **building structures**.

Repair or replacement will be based on the use of common construction methods and basic common standard grade materials, surfaces, finishes and fixtures, locally available, which are equal in function and less costly than obsolete, antique, custom, upgraded or unique construction methods, materials, surfaces, finishes or fixtures.

- b) Market value - if the **building structure** is a total loss and you decide not to repair or replace the damaged or destroyed **building structures**, we will pay the smallest of the following amounts:
- i. the **stated limit** or other limit of insurance under this policy that applies to the damaged or destroyed **building structures**.
 - ii. fair market value of the **building structures** at the time of loss or damage, meaning the price that a willing buyer would pay a willing seller, or
 - iii. the loss to the interest of the **insured** in the **building structures**.
- c) Repair cost less depreciation - if the **building structures** is a partial loss and you decide not to repair or replace the damaged or destroyed **building structures**, we will pay the smallest of the following amounts:
- i. the **stated limit** or other limit of insurance under this policy that applies to the damaged or destroyed **building structures**.
 - ii. the amount you would necessarily have to spend to repair or replace damage to the **building structures**, less a fair and reasonable deduction for physical depreciation.
 - iii. the loss to the interest of the **insured** in the **building structures**.

Repair or replacement will be estimated using common construction methods and basic common standard grade materials, surfaces, finishes and fixtures, locally available, which are equal in function and less costly than obsolete, antique, custom, upgraded or unique construction methods, materials, surfaces, finishes or fixtures.

2. Loss settlement for **separate structures** that are not **building structures** will be settled at **actual cash value**, but for no more than the smallest of the following:
- i. the **stated limit** or other limit of insurance under this policy that applies to the damaged or destroyed property that applies; or
 - ii. the loss to the interest of the **insured** in the property.

Loss or damage to a **separate structure** attached to a **building structure** will be settled as a **separate structure**.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all other terms of the policy.

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Rate Information

Rate data does NOT apply to filing.

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Supporting Document Schedules

Review Status:

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty

08/17/2007

Comments:

Attachment:

P&C transmittal.pdf

Property & Casualty Transmittal Document

<p>1. Reserved for Insurance Dept. Use Only</p>	<p>2. Insurance Department Use only</p> <p>a. Date the filing is received:</p> <p>b. Analyst:</p> <p>c. Disposition:</p> <p>d. Date of disposition of the filing:</p> <p>e. Effective date of filing:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> <p>f. State Filing #:</p> <p>g. SERFF Filing #:</p> <p>h. Subject Codes</p>	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #
Farmers Insurance Group of Companies	0212

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Farmers Insurance Exchange	CA	21652	95-2575893	

5. Company Tracking Number	FAR0740-105440
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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
	Julie Whittington 4700 Wilshire Blvd, A1-3 Los Angeles, CA 90010	Sr. Contracts Analyst	323-932-3170	323-932-3161	julie_whittington@farmersinsurance.com

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

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

9. Type of Insurance (TOI)	Homeowners
10. Sub-Type of Insurance (Sub-TOI)	Homeowners Sub-TOI Combinations
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	4.0000
12. Company Program Title (Marketing title)	J6234, 3 rd ed
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" 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: 02/16/2008 Renewal: 02/16/2008
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	August 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 #	FAR0740-105440
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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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Please see filing memorandum

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 #: 3020016796 Amount: \$50.00	
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.)