

Filing at a Glance

Company: Austin Mutual Insurance Company
Product Name: Supermarket/Grocers Program SERFF Tr Num: MEDJ-125241247 State: Arkansas
TOI: 17.0 Other Liability - Claims SERFF Status: Closed State Tr Num: AR-PC-07-025598
Made/Occurrence
Sub-TOI: 17.0001 Commercial General Liability Co Tr Num: AMJ-AR-2007-GLR01 State Status:
Filing Type: Rate Co Status: Reviewer(s): Betty Montesi, Edith
Roberts, Brittany Yielding
Authors: Melanie French, John Disposition Date: 08-01-2007
Spain, Terrel Madsen
Date Submitted: 07-26-2007 Disposition Status: Exempt from
Review
Effective Date Requested (New): On Approval Effective Date (New):
Effective Date Requested (Renewal): Effective Date (Renewal):

General Information

Project Name: Status of Filing in Domicile: Not Filed
Project Number: Domicile Status Comments: Minnesota is not in
the trade area for the Supermarket/Grocery
Stores Program at this time. Territory is
currently limited to AR, IL, KS, MO & OK.
Reference Organization: ISO Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 08-01-2007
State Status Changed: 07-27-2007 Deemer Date:
Corresponding Filing Tracking Number:

Filing Description:

Austin Mutual Insurance Company is entering the supermarket/grocers insurance market in several Midwestern states to aid retailers in securing property and liability coverages for their operations. Beginning in March of 2007, another insurer that wrote a significant block of business for grocery retailers began non-renewing its entire block of retail grocery/supermarket business coverage. In the absence of that insurer, only a few specialty carriers remain.

Austin Mutual is partnering with a Kansas City-area based general agency (Med James, Inc. MJJ) to underwrite and service this business. MJJ has employed several insurance professionals previously associated with the carrier that non-renewed its book of business. Accordingly, significant knowledge of coverage, underwriting and service can be replicated for Austin Mutual.

This submission represents the initial filing of Austin Mutual for this business segment. The coverage is designed to

closely recreate a product which the retailers desire and have purchased historically

Commercial General Liability forms and manuals are ISO-based. This filing contains the exceptions.

Company and Contact

Filing Contact Information

John Spain, spainj@medjames.com
8595 College Blvd, Ste. 200 (913) 663-5500 [Phone]
Overland Park, KS 66210 (913) 663-2014[FAX]

Filing Company Information

Austin Mutual Insurance Company	CoCode: 13412	State of Domicile: Minnesota
10 Second Street NE, Suite 300	Group Code:	Company Type: Property/Casualty
Minneapolis, MN 55413-2282	Group Name:	State ID Number:
(612) 378-8600 ext. [Phone]	FEIN Number: 41-0134100	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$100 for each filing.

Make check payable to "The State Insurance Department Trust Fund".

Per Company:	No
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CHECK NUMBER	CHECK AMOUNT	CHECK DATE
28559	\$100.00	07-26-2007

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	08-01-2007	08-01-2007

Disposition

Disposition Date: 08-01-2007

Effective Date (New):

Effective Date (Renewal):

Status: Exempt from Review

Comment:

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Authority Letter	Accepted for Informational Purposes	Yes
Supporting Document	Form RF-2	Accepted for Informational Purposes	Yes
Rate	CGL Manual Page	Accepted for Informational Purposes	Yes

Rate Information

Rate data does NOT apply to filing.

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	CGL Manual Page		New	AMJ-GL-LCM.pdf

AUSTIN MUTUAL INSURANCE COMPANY

ARKANSAS MANUAL PAGE

DIVISION SIX – GENERAL LIABILITY

LOSS COST MULTIPLIER: Multiply the classification loss costs found on the current ISO state pages by the company loss cost multiplier to obtain the desired classification rate.

The company loss cost multiplier is **1.278**

ISO Filing Reference #s

Loss Costs – GL-2006-BGL1

Rules - GL-2006-OCTRU, CL-2006-OTR01 (Terrorism)

Forms - GL-2006-OCTFR, CL-2006-OTF01 (Terrorism)

Supporting Document Schedules

Satisfied -Name: Authority Letter

Review Status:

Accepted for Informational 08-01-2007
Purposes

Comments:

Attachment:

AR Filing Letter.pdf

Satisfied -Name: Form RF-2

Review Status:

Accepted for Informational 08-01-2007
Purposes

Comments:

Reference filing abstract NAIC Loss Cost Filing Document.

Attachment:

ARRFAF2.pdf



AUSTIN MUTUAL INSURANCE COMPANY

Street Address: 10 Second Street NE, Suite 300, Minneapolis, MN 55413-2282

Mailing Address: PO Box 401, Minneapolis, MN 55440-0401

612-378-8600 Fax: 612-378-8653

May 14, 2007

HONORABLE JULIE BENAFIELD BOWMAN
COMMISSIONER OF INSURANCE
ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK AR 72201-1904

Re: Filing Authority
Grocer's Program

With this letter, Austin Mutual Insurance Company authorizes Med James, Inc. to prepare and submit on its behalf rate, rule and form filings for use with its Grocer's Program.

This authorization remains in effect until amended or terminated.

Please contact me should you have any questions at 612-378-8613 or
tmadsen@autinmutual.com.

Thank you.

Sincerely,

Terrel Madsen, CPCU, ARe
VP – Compliance and Product Development

**FORM RF2-Reference filing abstract NAIC LOSS COST FILING DOCUMENT—OTHER THAN
WORKERS' COMPENSATION**

CALCULATION OF COMPANY LOSS COST MULTIPLIER

This filing transmittal is part of Company Tracking # AMJ-AR-2007-GLR01	
This filing corresponds to form filing number (Company tracking number of form filing, if applicable) AMJ-AR-2007-GLF01	

() **Loss Cost Reference Filing** GL-2006-BGL1 () **Independent Rate Filing**
(Advisory Org, & Reference 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 insurance. 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:

<input type="checkbox"/>	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 insurance. 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.
<input checked="" type="checkbox"/>	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. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies: Commercial General Liability

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)
(X) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) -15% for competitive reasons

B. Loss Cost Modification Expressed as a Factor: (See Examples Below) .85

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

Example 2: Loss cost Modification Factor: If your 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 4-8 BELOW.

4. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

		Selected Provisions	
A.	Total Production Expense	22.5	%
B.	General Expense	1.0	%
C.	Taxes, Licenses & Fees	2.0	%
D.	Underwriting Profit & Contingencies (explain how investment income is taken into account)	3.0	%
E.	Other (explain)	5.0	%
F.	Total	33.5	%

5.	A. Expected Loss Ratio: ELR = 100% - 4F = A	66.5	%
	B. ELR in Decimal Form =	.665	
6.	Company Formula Loss Cost Multiplier (3B/5B)	1.278	
7.	Company Selected Loss Cost Multiplier =	1.278	

8.	(Attach explanation for any differences between 6 and 7)		
	Rate Level Change for the coverage(s) to which this page applies		