

## Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: PPA

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto  
(PPA)

Filing Type: Rule

SERFF Tr Num: SHEL-125253186 State: Arkansas

SERFF Status: Closed

Co Tr Num: 03M00207

Co Status:

Authors: Brian Marcks, Sue  
Burlingame

Date Submitted: 08-03-2007

State Tr Num: AR-PC-07-025704

State Status:

Reviewer(s): Alexa Grissom, Betty  
Montesi, Brittany Yielding

Disposition Date: 08-13-2007

Disposition Status: Filed

Effective Date Requested (New): 10-07-2007

Effective Date Requested (Renewal): 10-07-2007

Effective Date (New): 10-07-2007

Effective Date (Renewal):

## General Information

Project Name: Rooney

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 08-13-2007

State Status Changed: 08-03-2007

Corresponding Filing Tracking Number:

Filing Description:

The purpose of this filing is to increase the chargeable accident loss threshold from \$500 to \$1000. This filing will have no revenue impact.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

## Company and Contact

### Filing Contact Information

Brian Marcks, Coordinator of Insurance

Department Affairs

1817 West Broadway

Columbia, MO 65218

BCMarcks@shelterinsurance.com

(573) 214-4165 [Phone]

(573) 446-7317[FAX]

### Filing Company Information

Shelter Mutual Insurance Company

1817 West Broadway

Columbia, MO 65218

(573) 445-8441 ext. [Phone]

CoCode: 23388

Group Code:

Group Name:

FEIN Number: 43-0613000

State of Domicile: Missouri

Company Type:

State ID Number:

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$25.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$0.00	08-03-2007	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
1347060	\$25.00	07-20-2007

## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Filed	Alexa Grissom	08-13-2007	08-13-2007

## Disposition

Disposition Date: 08-13-2007

Effective Date (New): 10-07-2007

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

Created by SERFF on 08-13-2007 01:33 PM

<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Filed	Yes
<b>Supporting Document</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	No
<b>Supporting Document</b>	NAIC loss cost data entry document	Filed	Yes
<b>Rate</b>	Manual Pages	Filed	Yes

**Rate Information**

Rate data does NOT apply to filing.

## Rate/Rule Schedule

<b>Review Status:</b>	<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action</b>	<b>Previous State Filing Attachments Number:</b>
Filed	Manual Pages	GR-19 through GR-22	Replacement	GR Pages.pdf

## 8. GOOD DRIVER PLAN

This plan applies to all private passenger automobiles and motorcycles as defined in this manual, except those written under the Antique or Limited Use Classic Automobile Rule. It also applies to vehicles written under Rule 1.E. Motor Homes.

The premiums for Liability, Medical Payments and Collision coverages shall be subject to adjustment because of the application of this plan.

A chargeable accident shall be defined as follows:

### A. NEW BUSINESS

For accidents occurring on or after October 7, 2007:

Any accident within 36 months immediately preceding the date of the application involving the applicant, all drivers or any other operator residing in the same household which has resulted in, or may be expected to result in, payment of \$1000 or more in settlement of Bodily Injury or Property Damage Liability or, in the event of one car accidents, Collision claims.

For accidents occurring before October 7, 2007:

Any accident within 36 months immediately preceding the date of the application involving the applicant, all drivers or any other operator residing in the same household which has resulted in, or may be expected to result in, payment of \$500 or more in settlement of Bodily Injury or Property Damage Liability or, in the event of one car accidents, Collision claims.

### B. RENEWAL BUSINESS

For accidents occurring on or after October 7, 2007:

Any accident within the 36-month period ending 30 days prior to the effective date of the renewal, for which the Company has paid \$1000 or more in losses as a result of one occurrence under Bodily Injury or Property Damage Liability or, in the event of a one car accident, Collision claims, or any other accident which was chargeable under the expiring policy if it falls within the same 36-month period.

For accidents occurring before October 7, 2007:

Any accident within the 36-month period ending 30 days prior to the effective date of the renewal, for which the Company has paid \$500 or more in losses as a result of one occurrence under Bodily Injury or Property Damage Liability or, in the event of a one car accident, Collision claims, or any other accident which was chargeable under the expiring policy if it falls within the same 36-month period.

**C. Exceptions to A. and B. above** - An accident will not be chargeable if the insured or applicant demonstrates through documentation such as a police report or proof of payment by another carrier that the accident occurred under any of the following circumstances:

- (a) The motor vehicle was lawfully parked.
- (b) The accident was the result of being struck in the rear by another vehicle, and the applicant or other operator of the insured vehicle has not been convicted of a moving traffic violation in connection with the accident.
- (c) The motor vehicle was damaged by a "hit and run" driver, provided the accident is reported to the proper law enforcement agency within 24 hours.
- (d) The operator of the other vehicle involved in the accident was convicted of a moving traffic violation and the applicant or other operator of the insured vehicle was not convicted of a moving traffic violation in connection with the accident.
- (e) The accident occurred while the applicant or other operator of the insured vehicle was operating a vehicle of a type not eligible for this plan.

## 8. GOOD DRIVER PLAN (Cont.)

- (f) The applicant or insured is (1) determined to be 50% or less negligent or (2) reimbursed 50% or more of his or her damages by or on behalf of persons involved in the accidents.
- (g) The accident was as a result of the operation of a motor vehicle in response to an emergency if the applicant or other operator of the insured vehicle at the time of the accident was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or any other law enforcement agency.

The determination of the appropriate Rating Table, based on the number of chargeable accidents, and the relationship between Table 1 (manual premiums) and the other tables are shown below:

Accidents	Rating Table	Factor
0	1	1.00
1	2	1.35
2	3	1.65
3	4	1.75
4 or more	5	2.00

For new business, when two or more vehicles are being insured at the same time for the same applicant or for applicants in the same household, any chargeable accidents for each operator will be assigned to the vehicle most frequently driven by that operator. When the vehicle being driven most frequently cannot be determined for an operator, or when there is only one operator in the household, assign any chargeable accidents to the vehicle otherwise developing the most premium.

If the vehicle being insured is an additional vehicle for the same applicant or for applicants in the same household, use Rating Table 1 unless additional operators are involved. When there are operators of the additional vehicle which were not shown as operators of a vehicle already insured under this plan, determine the rating table for the additional vehicle based only on any chargeable accidents for the additional operators.

When a vehicle being cancelled or having been lapsed more than 90 days is in a rating table higher than the rating table assigned to any remaining vehicle, the rating table of the cancelled or lapsed vehicle will be reassigned to one of the remaining vehicles in that lowest rating table, unless the operators involved in the chargeable accidents for the cancelled or lapsed vehicle are no longer members of the household and will not be operating any remaining vehicles.

In addition, if the Company is furnished evidence that the driver involved in any other chargeable accident is no longer a resident of the named insured's household and will not be a driver of the automobile for the period for which the accident would be chargeable, that accident will not be considered chargeable for the affected vehicle. However, if that driver continues to be insured with this Company under another policy, the accident will be considered in the rating of that other policy.

## 9. OTHER DISCOUNTS

### A. SAFE DRIVER DISCOUNT

This discount applies to all private passenger automobiles, as defined in this manual, except those written under the Antique or Limited Use Classic Automobile Rule. This discount also applies to vehicles written under the Motor Home Rule. This discount will apply to the premiums for Liability, Medical Payments and Collision coverages.

#### (1) New Business

A 10% discount will apply to new Shelter Mutual policies, which meet the following criteria:

- (a) no chargeable accidents (as defined in the Good Driver Plan) or violations in the past 36 months, and
- (b) no driver exclusion endorsement present on the policy, and
- (c) rate classification of B1, B2, B3, B4, B5, B6, B7, D1, D2, D3, D4, D5, D6, D7, H1, H2, H3, H4, H5, H6, or H7.

Eligibility for the discount is determined for a policy at the time the policy is originally written. A policy qualifying for the discount will receive the discount for the first 36 months the policy is in force, unless one of the following applies:

- (a) in the event of a chargeable accident (as defined in the Good Driver Plan), the discount will be removed at the next renewal, or
- (b) if a driver exclusion endorsement is added to the policy, the discount will be removed immediately at the time of the policy change, or
- (c) if the policy is changed to a non-qualifying rate classification, the discount will be removed immediately at the time of the policy change.

In addition to the loss of the discount, the occurrence of a chargeable accident (as defined in the Good Driver Plan) will also result in the policy being assigned to the appropriate Rating Table (as defined in the Good Driver Plan).

#### (2) Renewal Business

A 10% discount will apply to Shelter Mutual policies:

- (a) which have been in force in either Shelter Mutual or Shelter General for at least 36 months, and
- (b) which have had no chargeable accidents (as defined in the Good Driver Plan) within the 36-month period ending 30 days prior to the effective date of the renewal.

A 15% discount will apply to Shelter Mutual policies:

- (a) which have been in force in either Shelter Mutual or Shelter General for at least 72 months, and
- (b) which have had no chargeable accidents (as defined in the Good Driver Plan) within the 72-month period ending 30 days prior to the effective date of renewal.

**9. OTHER DISCOUNTS (Cont.)**

**A. SAFE DRIVER DISCOUNT (Cont.)**

(2) Renewal Business (Cont.)

The occurrence of the first chargeable accident under policies receiving either a 10% or 15% discount will result in the loss of the discount at the next renewal; however, the accident rating table increase that would normally result from the application of the Good Driver Plan will be exempted.

The first otherwise chargeable accident that occurs after the policy has been in force 9 years will be “waived” and will not result in the loss of the 15% Safe Driver Discount. A subsequent chargeable accident within 9 years of the “waived” accident will result in the loss of the discount.

Policies previously in force with Shelter Mutual or Shelter General that were eligible for either a 10% or 15% Safe Driver Discount at the expiration date of the policy may be rewritten with the same 10% or 15% discount provided:

- (a) the policy is rewritten within 36 months, and
- (b) there have been no accidents determined to be the fault of the owner or any operator of the vehicle being insured since the expiration of the previous policy.

**B. PASSIVE RESTRAINT DISCOUNT**

The premium for Medical Payments coverage for a private passenger automobile shall be reduced by the following amount provided the automobile is equipped with a factory-installed air bag or other passive restraint system that meets Federal safety standards.

<b>Passive Restraint System</b>	<b>Discount</b>
Air Bag (Driver side only)	20%
Air Bag (Driver and passenger side)	30%
Air Bag and Automatic Seat Belts (Driver and passenger side)	40%

**C. RESERVED FOR FUTURE USE**

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty

**Review Status:**  
Filed 08-13-2007

**Comments:**  
See attachments.

**Attachments:**  
Explanatory Memo.pdf  
Ex PC TD-1 PC Transmittal Document.pdf  
Ex PC RRFS-1 Rate-Rule Filing Schedule.pdf

**Satisfied -Name:** NAIC loss cost data entry document

**Review Status:**  
Filed 08-13-2007

**Comments:**  
See attachment.

**Attachment:**  
Ex RF-1 Rate Filing Abstract.pdf

**SHELTER MUTUAL INSURANCE COMPANY  
PRIVATE PASSENGER AUTOMOBILE  
ARKANSAS  
EXPLANATORY MEMORANDUM**

**Synopsis**

This filing increases the chargeable accident loss threshold from \$500 to \$1,000. There is no revenue impact as a result of this filing.

**General Rules**

The chargeable accident loss threshold has increased from \$500 to \$1,000 for accidents occurring on or after October 7, 2007. Please refer to manual page GR-19.

**Editorial Changes**

Manual pages GR-20 through GR-22 are included only because the additional text in the Chargeable Accident definition has resulted in some text carrying over into these pages.

**Exhibits**

Information in support of this filing is set forth in the following exhibits:

Property and Casualty Transmittal Document  
Rate/Rule Filing Schedule  
Rate Filing Abstract

**Exhibits**

PC TD-1  
PC RRFS-1  
RF-1

## 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: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">New Business</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">Renewal Business</td> <td style="border-bottom: 1px solid black;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
Shelter Insurance Companies	123

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Shelter Mutual Insurance Company	MO	23388	43-0613000	

<b>5. Company Tracking Number</b>	<b>03M00207</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
	Brian Marcks	Coord of Ins. Dept.	573-214-4165	573-446-7317	BCMarcks@Shelter Shelterinsurance.
		Affairs			com

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

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

9.	Type of Insurance (TOI)	19.0
10.	Sub-Type of Insurance (Sub-TOI)	19.0001
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	<b>Private Passenger Auto - Liability and Physical Damage</b>
13.	Filing Type	<input type="checkbox"/> 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: 10-07-2007      Renewal: 10-07-2007

## Property & Casualty Transmittal Document---

<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16.</b>	<b>Reference Organization</b> (if applicable)	
<b>17.</b>	<b>Reference Organization # &amp; Title</b>	
<b>18.</b>	<b>Company's Date of Filing</b>	8-03-2007
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	03M00207
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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This filing increases the chargeable accident loss threshold from \$500 to \$1,000. There is no revenue impact as a result of this filing.

<b>22.</b>	<b>Filing Fees</b> (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><b>Check #:</b> 1347060 <b>Amount:</b> \$25.00</p> <p><b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b></p>	

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

**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>	03M00207
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	Not 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>	File & Use
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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

**5. Overall Rate Information (Complete for Multiple Company Filings only)**

		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>	-5.4%
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<b>7.</b>	<b>Effective Date of last rate revision</b>	3-22-2007
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<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File & Use
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<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or Withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	Manual pages GR-19, GR-20, GR-21 and GR-22	<input type="checkbox"/> New <input checked="" 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	

**FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT**

<b>1.</b>	This filing transmittal is part of Company Tracking #	03M00207
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
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<b>3.</b>		<b>A.</b>	Company Name	<b>B.</b>	Company NAIC Number
			Shelter Mutual Insurance Company		23388

<b>4.</b>		<b>A.</b>	Product Coding Matrix Line of Business (i.e., Type of Insurance)	<b>B.</b>	Product Coding Matrix Line of Business (i.e., Sub-type of Insurance)
			19.1 and 21.1		19.1000 and 21.1000

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Not Applicable							
<b>TOTAL OVERALL EFFECT</b>							

6.		5 Year History Rate Change History					
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	180,608	-5.4	03-22-2007	99,784	61,133	61.3	63.3
2005	185,856	-6.1	4-17-2005	104,921	55,499	52.9	55.2
2004	177,152	-0.2	11-19-2003	107,087	56,765	53.0	56.5
2003	173,384	+4.7	2-27-2003	105,450	58,134	55.1	58.7
2002	172,337	+4.0	7-10-2002	99,284	63,723	64.2	64.6

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	17.0/16.9
B. General Expense	6.6/6.6
C. Taxes, Licenses & Fees	3.0/3.0
D. Underwriting Profit & Contingencies	1.1/4.0
E. Other (explain)	
<b>F. TOTAL</b>	<b>27.7/30.5</b>

- 8.** \_\_\_\_\_ Apply Loss Cost Factors to Future filings? (Y or N)
- 9.** \_\_\_\_\_ Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): Not Applicable
- 10.** \_\_\_\_\_ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): Not Applicable