

Filing at a Glance

Company: Shelter General Insurance Company

Product Name: PPA

SERFF Tr Num: SHEL-125253251 State: Arkansas

TOI: 19.0 Personal Auto

SERFF Status: Closed

State Tr Num: AR-PC-07-025703

Sub-TOI: 19.0001 Private Passenger Auto
(PPA)

Co Tr Num: 03G00207

State Status:

Filing Type: Rule

Co Status:

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

Authors: Brian Marcks, Sue
Burlingame

Disposition Date: 08-13-2007

Date Submitted: 08-03-2007

Disposition Status: Filed

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

Effective Date (New): 10-07-2007

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

Effective Date (Renewal):

General Information

Project Name: Rooney

Status of Filing in Domicile:

Project Number:

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 08-13-2007

State Status Changed: 08-03-2007

Deemer Date:

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.

Company and Contact

Filing Contact Information

Brian Marcks, Coordinator of Insurance

BCMarcks@shelterinsurance.com

Department Affairs

1817 West Broadway

(573) 214-4165 [Phone]

Columbia, MO 65218

(573) 446-7317[FAX]

Filing Company Information

Shelter General Insurance Company

CoCode: 23361

State of Domicile: Missouri

1817 West Broadway

Group Code:

Company Type:

Columbia, MO 65218

Group Name:

State ID Number:

(573) 445-8441 ext. [Phone]

FEIN Number: 43-6031499

Filing Fees

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

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

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
1010757	\$25.00	07-20-2007

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
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.

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	Manual Pages	Filed	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:
Filed	Manual Pages	GR-19 through GR-22	Replacement	GR Pages.pdf

8. EXPERIENCE RATING PLAN (Cont.)

B. HABITUAL OFFENDER SURCHARGE

The premiums for Liability, Medical Payments and Collision coverage shall be increased 25% if the individual driving record of the rated driver of the automobile includes: three or more violations in the 36 month period immediately preceding the date of the application.

The surcharge will be reviewed at each renewal. If the driving record or any rated driver of the automobile includes violations as described above for the 36 month period ending 30 days prior to the effective date of the renewal, the surcharge will be continued.

C. ACCIDENT SURCHARGE

Chargeable Accident Definition

(1) 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.

(2) 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.

(3) Exceptions to (1) and (2) 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.

8. EXPERIENCE RATING PLAN (Cont.)

C. ACCIDENT SURCHARGE (Cont.)

- (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.
- (f) The applicant or insured is (1) determined to be 50% or less negligent or (2) if the company receives reimbursement regardless of the percentage of the loss that is paid to or on behalf of the insured.
- (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:

The premiums for Liability, Medical Payments and Collision coverages shall be subject to adjustment by the following Accident Table:

Accidents	Rating Table	Factor
0	1	1.00
1	2	1.40
2	3	2.00
3	4	3.00
4 or more	5	4.00

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.

A 10% Safe Driver Discount will apply to Shelter General policies:

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

9. OTHER DISCOUNTS (Cont.)

A. SAFE DRIVER DISCOUNT (Cont.)

A 15% Safe Driver Discount will apply to Shelter General policies:

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

This discount will apply to the premiums for Liability, Medical Payments and Collision coverages.

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 Experience Rating 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:

- (1) the policy is rewritten within 36 months, and
- (2) 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.

Passive Restraint System	Discount
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

9. OTHER DISCOUNTS (Cont.)

D. COMPANION POLICY DISCOUNT (Cont.)

- (1) A 5% discount applies to all private passenger vehicles written with a Shelter "48 Plus" rating classification if the named insured on the automobile policy is the named insured on a Shelter HO-3, FO-3, HO-5 or HO-6 policy.
- (2) A 10% discount applies to all private passenger vehicles written with a Shelter "48 Plus" rating classification if:
 - (a) The named insured on the automobile policy is the named insured on a Shelter HO-3, FO-3, HO-5 or HO-6 policy, and
 - (b) The named insured is the owner or named insured on a qualifying individual life insurance policy, which includes all life and annuity products except single premium Junior Special policies, non-premium paying annuities with account balances of less than \$5,000 and structured settlement annuities.
- (3) A 5% discount applies to all private passenger vehicles written not qualifying for (1) or (2) above if:
 - (a) The rating classification of the automobile policy meets the definition of private passenger auto, and
 - (b) The named insured on the automobile policy is the named insured on a Shelter Homeowners, Farmowners, Mobile Homeowners, Dwelling Fire or Farm Fire policy, and
 - (c) The named insured on the automobile policy is the owner or named insured on a qualifying individual life insurance policy as described above in (2b)

The maximum allowable discount is 10%. This discount applies to the premiums for Liability, Medical Payments, Collision and Comprehensive coverages.

E. MOTOR VEHICLE ACCIDENT PREVENTION COURSE DISCOUNT

The premium for Liability, Medical Payments and Collision coverages for all Private Passenger Rate Classes (including T2), Motor Homes and Full Use Classics, for which a driver is 55 years of age or older, shall be reduced 10% provided:

- (1) The qualifying driver has successfully completed a Motor Vehicle Accident Prevention Course, approved by the Arkansas Department of Motor Vehicles, taught by an approved instructor, and
- (2) A certificate, or copy thereof, is furnished to the Company signifying the successful completion by that driver of the course within the three years prior to the effective date of the policy term. After that time, the course must be repeated if the discount is to be continued.

This discount will apply only to the vehicle(s) on which the course graduate is listed as a driver.

F. RESERVED FOR FUTURE USE

G. RESERVED FOR FUTURE USE

H. 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 GENERAL 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

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

3. Group Name	Group NAIC #
Shelter Insurance Companies	123

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Shelter General Insurance Company	MO	23361	43-6031499	

5. Company Tracking Number	03G00207
-----------------------------------	-----------------

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. Affairs	573-214-4165	573-446-7317	BCMarcks@ShelterShelterinsurance.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)	Private Passenger Auto - Liability and Physical Damage
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---

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	8-03-2007
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	03G00207
------------	--	----------

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

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

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 #: 1010757 Amount: \$25.00</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.)**

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.)

1.	This filing transmittal is part of Company Tracking #	03G00207
-----------	--	----------

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	Not Applicable
-----------	---	----------------

Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use
-----------	--	------------

4a.	Rate Change by Company (As Proposed)						
------------	---	--	--	--	--	--	--

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)

4b.	Rate Change by Company (As Accepted) For State Use Only						
------------	--	--	--	--	--	--	--

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

6.	Overall percentage of last rate revision	-5.3%
-----------	---	-------

7.	Effective Date of last rate revision	3-22-2007
-----------	---	-----------

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use
-----------	---	------------

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
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

1.	This filing transmittal is part of Company Tracking #	03G00207
-----------	---	----------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
-----------	--	-----

3.		A.	Company Name	B.	Company NAIC Number
			Shelter General Insurance Company		23361

4.		A.	Product Coding Matrix Line of Business (i.e., Type of Insurance)	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							
TOTAL OVERALL EFFECT							

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	8,882	-5.3	3-22-2007	7,487	4,722	63.1	66.1
2005	10,875	-3.5	4-17-2005	8,569	5,281	61.6	83.2
2004	11,887	-0.2	11-19-2003	9,208	5,406	58.7	57.9
2003	11,845	+1.5	2-27-2003	9,341	5,717	61.2	60.0
2002	11,493	+8.4	7-10-2002	9,041	6,285	69.5	71.4

Expense Constants	Selected Provisions
A. Total Production Expense	15.7/15.8
B. General Expense	7.3/7.3
C. Taxes, Licenses & Fees	3.0/3.0
D. Underwriting Profit & Contingencies	0.6/4.1
E. Other (explain)	
F. TOTAL	26.6/30.2

- 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