

SERFF Tracking Number: MADC-125431064 State: Arkansas
Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: RIC-2008-001
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Program
Project Name/Number: 2008 Loss Cost Adoption/

Filing at a Glance

Company: Redland Insurance Company

Product Name: Workers Compensation Program

TOI: 16.0 Workers Compensation

Sub-TOI: 16.0004 Standard WC

Filing Type: Rate/Rule

Effective Date Requested (New): 01/01/2008

Effective Date Requested (Renewal): 01/01/2008

State Filing Description:

SERFF Tr Num: MADC-125431064 State: Arkansas

SERFF Status: Closed

Co Tr Num: RIC-2008-001

Co Status:

Authors: Tina Gill, Margaret Lovejoy Disposition Date: 01/14/2008

Date Submitted: 01/14/2008

State Tr Num: EFT \$50

State Status: Fees verified and received

Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding

Disposition Status: Approved

Effective Date (New): 01/14/2008

Effective Date (Renewal):

General Information

Project Name: 2008 Loss Cost Adoption

Project Number:

Reference Organization: NCCI

Reference Title:

Filing Status Changed: 01/14/2008

State Status Changed: 01/14/2008

Corresponding Filing Tracking Number:

Filing Description:

The purpose of this filing is to adopt the NCCI January 1, 2008 advisory loss costs and rating values, filing number AR-2007-10. We will continue to use our currently approved loss cost multipliers of 1.61 for industrial classes and 1.83 for federal classes. We request January 1, 2008 as the effective date to be concurrent with NCCI's effective date.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Company and Contact

SERFF Tracking Number: MADC-125431064 State: Arkansas
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Filing Contact Information

(This filing was made by a third party - madisonconsultinggroup)

Tina Gill, Analyst tina@madisoninc.com
 200 North 2nd Street (706) 342-7750 [Phone]
 Madison, GA 30650 (706) 342-7775[FAX]

Filing Company Information

Redland Insurance Company CoCode: 37303 State of Domicile: New Jersey
 QBE the Americas Group Code: Company Type: Property & Casualty

Wall Street Plaza
 New York, NY 10005 Group Name: State ID Number:
 (212) 422-1212 ext. [Phone] FEIN Number: 42-1113749

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50.00 per fiing
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Redland Insurance Company	\$50.00	01/14/2008	17475663

SERFF Tracking Number: MADC-125431064

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	01/14/2008	01/14/2008

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Disposition

Disposition Date: 01/14/2008

Effective Date (New): 01/14/2008

Effective Date (Renewal):

Status: Approved

Comment: All workers' compensation filings in Arkansas are prior approval and cannot be approved retroactively. I am approving this filing effective today.

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Redland Insurance Company	2.700%	\$0	0	\$0	%	%	2.700%

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation		Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	Authorization Letter		Yes
Rate	Rate/Rule Filing Schedule		Yes
Rate	Exhibits		Yes
Rate	Small Ded		Yes
Rate	Retro		Yes
Rate	Rates		Yes

SERFF Tracking Number: MADC-125431064
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State: Arkansas
 State Tracking Number: EFT \$50
 Sub-TOI: 16.0004 Standard WC

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 7.300%
Effective Date of Last Rate Revision: 07/07/2007
Filing Method of Last Filing: Prior Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Redland Insurance Company	2.700%	2.700%	\$0	0	\$0	%	%

SERFF Tracking Number: MADC-125431064 State: Arkansas
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 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
	Rate/Rule Filing Schedule	1	Replacement	RateRule Filing Schedule.PDF
	Exhibits	1 - 8	Replacement	Exhibits.PDF
	Small Ded	1	Replacement	Small Ded.PDF
	Retro	1 - 2	Replacement	Retro.PDF
	Rates	1 - 9	Replacement	Rates.PDF

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 #	RIC-2008-001
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval
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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)
Redland	+2.7	+2.7	0	N/A	0		

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)	+2.7	
5b	Overall percentage rate impact for this filing	+2.7	
5c	Effect of Rate Filing – Written premium change for this program	0	
5d	Effect of Rate Filing – Number of policyholders affected	0	

6.	Overall percentage of last rate revision	+7.3
7.	Effective Date of last rate revision	7/7/2007
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	Rate Pages	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	Retrospective Page	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	Small Deductible Page	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

SUMMARY OF PROPOSED RATES

Proposed Manual Rates:

Rates are calculated as the 1/01/2008 NCCI
advisory loss costs multiplied by:

1.61 Industrial Classes

1.83 F Classes

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

DEVELOPMENT OF PROPOSED EXPENSE LOAD
INDUSTRIAL CLASSES

Item	Redland Proposed
(1) Production Expenses	19.3 % (a)
(2) General Expense	3.6 (a)
(3) Premium Taxes	6.0 (b)
(4) Profit & Contingency	2.0 (c)
(5) Premium Discount	7.0
(6) Total	37.9 %
(7) Expected Loss and LAE Ratio [1.0 - (6)]	62.1 %
(8) Experience Adjustment Factor	1.000
(9) Selected Loss Cost Multiplier (8) / (7)	1.61

Notes: (a) Based on review of actual Redland expense levels.
(b) Based on actual tax rate in the state.
(c) See Exhibit III, Sheet 1.

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

DEVELOPMENT OF PROPOSED EXPENSE LOAD
F CLASSES

Item	Redland Proposed
(1) Production Expenses	19.3 % (a)
(2) General Expense	3.6 (a)
(3) Premium Taxes	6.0 (b)
(4) Profit & Contingency	2.0 (c)
(5) Premium Discount	7.0
(6) Total	37.9 %
(7) Expected Loss and LAE Ratio [1.0 - (6)]	62.1 %
(8) USLHW Special Fund Assessment	1.135
(9) Selected Loss Cost Multiplier (8) / (7)	1.83

Notes: (a) Based on review of actual Redland expense levels.
(b) Based on actual tax rate in the state.
(c) See Exhibit III, Sheet 1.

Redland Insurance Company

WORKERS' COMPENSATION ARKANSAS

REVIEW OF RATE OF RETURN ON IMPUTED SURPLUS INDICATED BY PROPOSED UNDERWRITING PROFIT LOAD

1.	Earned Premium (a)	1.000
2.	Imputed Surplus (b)	0.670
3.	Investment Income from Reserves (post-tax) (c)	0.032
4.	Investment Income from Surplus (post-tax) (d)	0.040
5.	Underwriting Profit (pre-tax) (e)	0.020
6.	Underwriting Profit (post-tax) (f)	0.013
7.	Total Income (post-tax) [(3) + (4) + (6)]	0.085
8.	Return on Surplus [(7) ÷ (2)]	12.7 %

- Notes: (a) Earned Premium is indexed as 1.00.
 (b) Based on insurance industry average surplus levels
 (A.M. Best Commercial Casualty Predominating).
 (c) See Sheet 2.
 (d) Calculated as (2) x 3.5%, where 3.5% is the estimated
 post-tax investment yield.
 (e) Included in Redland's rates.
 (f) (5) x 65%

Redland Insurance Company

WORKERS' COMPENSATION ARKANSAS

ESTIMATED INVESTMENT INCOME ON UNEARNED PREMIUM AND LOSS RESERVES

I. Unearned Premium Reserve	
A. Direct Earned Premium (a)	\$ 1.00
B. Mean Unearned Premium Reserve (b)	0.10
C. Deduction for Prepaid Expenses (c)	
1. Commissions and Brokerage	16.3 %
2. 50% of Other Acquisition Cost	1.5
3. 50% of General Expense	1.8
4. Total	19.6 %
D. Deduction for Federal Taxes Payable (35% x 20%)	7.0 %
E. [B x (C + D)]	0.03
F. Net Subject to Investment [B - E]	0.07
II. Delayed Remission of Premiums	
A. Direct Earned Premium (a)	1.00
B. Average Agent's Balances (b)	10.0 %
C. Delayed Remission [A x B]	0.10
III. Expected Loss and Loss Adjustment Expense Reserve	
A. Direct Earned Premium (a)	1.00
B. Expected Loss and LAE Ratio (c)	0.62
C. Reserve to Incurred Ratio (b)	1.50
D. Expected Loss and Loss Adjustment Expense Reserve [B x C]	0.93
IV. Net Subject to Investment [I.F - II.C + III.D]	0.90
V. Average Rate of return on Invested Assets (post-tax) (d)	3.5 %
VI. Investment Earnings on Net Subject to Investment [IV. x V.]	3.2 %
VII. Average Investment Income as a Percentage of Direct Earned Premium [VI. ÷ I.A]	3.2 %

Notes: See Sheet 3.

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

NOTES TO SHEET 2

- (a) Earned Premium is indexed to 1.00.
- (b) Based on insurance industry data and estimated prospective conditions
- (c) Based on Redland expense loads underlying proposed rates (adjusted to reflect impact of premium discounts and expense gradation).
- (d) Based on estimated prospective yields.

Redland INSURANCE COMPANY

DEVELOPMENT OF DEDUCTIBLE CREDITS WORKERS COMPENSATION (DEDUCTIBLES IN RANGE \$100 - 10,000)

A: Expected Loss Ratio (a)	0.550
B: Tax Multiplier (a)	1.064
C: Overhead Expense [1/B - A]	0.390

Deductible Amount	D: Loss Elimination Ratios (b) Hazard Groups							E: Excess Loss Ratios [A x (1-D)] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
1,000	0.134	0.109	0.094	0.079	0.066	0.046	0.035	0.476	0.490	0.498	0.507	0.514	0.525	0.531
1,500	0.163	0.134	0.116	0.098	0.083	0.059	0.045	0.460	0.476	0.486	0.496	0.504	0.518	0.525
2,000	0.186	0.153	0.133	0.114	0.097	0.070	0.054	0.448	0.466	0.477	0.487	0.497	0.512	0.520
2,500	0.206	0.171	0.149	0.128	0.109	0.079	0.061	0.437	0.456	0.468	0.480	0.490	0.507	0.516
3,000	0.224	0.186	0.163	0.140	0.120	0.088	0.068	0.427	0.448	0.460	0.473	0.484	0.502	0.513
3,500	0.240	0.200	0.176	0.152	0.130	0.097	0.075	0.418	0.440	0.453	0.466	0.479	0.497	0.509
4,000	0.255	0.213	0.188	0.163	0.140	0.105	0.081	0.410	0.433	0.447	0.460	0.473	0.492	0.505
4,500	0.269	0.225	0.199	0.173	0.149	0.113	0.087	0.402	0.426	0.441	0.455	0.468	0.488	0.502
5,000	0.282	0.237	0.210	0.183	0.158	0.120	0.093	0.395	0.420	0.435	0.449	0.463	0.484	0.499

Deductible Amount	F: Loss and Expense Ratios [(E+C)xB] Hazard Groups							G: Deductible Credits [1-F] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
1,000	0.921	0.936	0.945	0.954	0.962	0.974	0.980	0.079	0.064	0.055	0.046	0.038	0.026	0.020
1,500	0.904	0.921	0.932	0.943	0.951	0.966	0.974	0.096	0.079	0.068	0.057	0.049	0.034	0.026
2,000	0.892	0.911	0.922	0.933	0.944	0.960	0.968	0.108	0.089	0.078	0.067	0.056	0.040	0.032
2,500	0.880	0.900	0.913	0.926	0.936	0.954	0.964	0.120	0.100	0.087	0.074	0.064	0.046	0.036
3,000	0.869	0.892	0.904	0.918	0.930	0.949	0.961	0.131	0.108	0.096	0.082	0.070	0.051	0.039
3,500	0.860	0.883	0.897	0.911	0.925	0.944	0.957	0.140	0.117	0.103	0.089	0.075	0.056	0.043
4,000	0.851	0.876	0.891	0.904	0.918	0.938	0.952	0.149	0.124	0.109	0.096	0.082	0.062	0.048
4,500	0.843	0.868	0.884	0.899	0.913	0.934	0.949	0.157	0.132	0.116	0.101	0.087	0.066	0.051
5,000	0.835	0.862	0.878	0.893	0.908	0.930	0.946	0.165	0.138	0.122	0.107	0.092	0.070	0.054

Notes: (a) See filed retrospective rating plan.

(b) Based on NCCI advisory loss elimination ratios.

WORKSHEET

SUMMARY OF DEVELOPMENT OF RETROSPECTIVE RATING VALUES

State	ARKANSAS	
Effective date	January 1, 2008	
1: Hazard Group Differentials	Current NCCI Advisory Values	
2: Tax multipliers	(a) Provision in loss cost filing for taxes	5.5%
	(b) Provision for residual market subsidy	0.0%
	(c) Miscellaneous taxes, assessments	0.5%
	(d) Total	6.0%
	(e) State Tax Multiplier $[1 / (1 - (d))]$	1.064
	(f) Factor for Federal Assessments	1.074
	(g) Federal Tax Multiplier	1.143
3: Expected Loss Ratio	(a) Loss Cost multiplier in loss cost filing	1.610
	(b) Factor to remove LAE	1.128
	(c) Management Adjustment Factor	1.000
	(d) Expected Loss Ratio $[(c) / ((a) \times (b))]$	0.550
Expected Loss and ALAE Ratio	(d) Redland's Factor to include ALAE	1.070
	(e) Expected Loss and ALAE Ratio $[(c) \times (d)]$	0.590
4: Table of Expense Ratios	Selected based on Redland's filed discounts and expense loads.	
5: Table of Expected Loss Ranges	Current NCCI Table	
6: Excess Loss factors	NCCI advisory pure premium factors multiplied by Redland's expected loss (or loss and ALAE) ratio.	
7: Retrospective Pure Premium Development Factors	Current NCCI Advisory Values multiplied by Redland's expected loss ratio.	
8: State Special Classifications by Hazard Group.	Current NCCI Advisory Values	
Print date:	14-Jan-08	

REDLAND INSURANCE COMPANY**SMALL DEDUCTIBLE PROGRAM****ARKANSAS**

		Hazard Group													
		A		B		C		D		E		F		G	
		Premium Reduction Percentages													
Per Claim Deductible Amount	\$	1,000	7.9 %	6.4 %	5.5 %	4.6 %	3.8 %	2.6 %	2.0 %						
		1,500	9.6	7.9	6.8	5.7	4.9	3.4	2.6						
		2,000	10.8	8.9	7.8	6.7	5.6	4.0	3.2						
		2,500	12.0	10.0	8.7	7.4	6.4	4.6	3.6						
		3,000	13.1	10.8	9.6	8.2	7.0	5.1	3.9						
		3,500	14.0	11.7	10.3	8.9	7.5	5.6	4.3						
		4,000	14.9	12.4	10.9	9.6	8.2	6.2	4.8						
		4,500	15.7	13.2	11.6	10.1	8.7	6.6	5.1						
		5,000	16.5	13.8	12.2	10.7	9.2	7.0	5.4						

Note: If the desired deductible is not shown but is less than the highest limit shown, calculate the credit for the desired limit by interpolating between the nearest amounts shown.

Printed: 14-Jan-08

Effective: January 1, 2008

REDLAND INSURANCE COMPANY

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

STATE: ARKANSAS

EFFECTIVE DATE: January 1, 2008

1. Hazard Group Differentials

A	B	C	D	E	F	G
1.860	1.400	1.250	1.130	0.980	0.790	0.610

3. Expected Loss Ratio

0.550

5. Table of Expected Loss Ranges
Table of Expected Loss Ranges-Effective 1/1/08

6.

Excess Loss Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$ 10,000	0.332	0.362	0.378	0.394	0.410	0.433	0.452
15,000	0.297	0.330	0.348	0.366	0.384	0.411	0.433
20,000	0.271	0.305	0.325	0.343	0.364	0.392	0.418
25,000	0.249	0.284	0.304	0.323	0.345	0.376	0.404
30,000	0.230	0.266	0.287	0.306	0.329	0.362	0.392
35,000	0.215	0.250	0.271	0.291	0.303	0.349	0.381
40,000	0.201	0.236	0.257	0.278	0.281	0.337	0.371
50,000	0.180	0.213	0.234	0.255	0.239	0.316	0.353
75,000	0.143	0.172	0.194	0.213	0.210	0.276	0.316
100,000	0.120	0.146	0.166	0.185	0.188	0.246	0.289
125,000	0.104	0.127	0.146	0.164	0.172	0.224	0.267
150,000	0.092	0.113	0.132	0.148	0.157	0.206	0.249
175,000	0.083	0.102	0.120	0.135	0.146	0.191	0.234
200,000	0.076	0.094	0.111	0.124	0.136	0.178	0.222
225,000	0.070	0.086	0.102	0.116	0.128	0.167	0.211
250,000	0.065	0.080	0.096	0.108	0.121	0.158	0.201
275,000	0.061	0.075	0.091	0.102	0.114	0.150	0.193
300,000	0.058	0.071	0.086	0.097	0.109	0.143	0.185
325,000	0.054	0.067	0.081	0.092	0.104	0.136	0.178
350,000	0.052	0.064	0.078	0.087	0.100	0.130	0.172
375,000	0.049	0.061	0.074	0.084	0.096	0.125	0.166
400,000	0.047	0.058	0.071	0.080	0.092	0.120	0.161
425,000	0.045	0.056	0.068	0.077	0.089	0.117	0.156
450,000	0.043	0.053	0.066	0.074	0.086	0.113	0.151
475,000	0.042	0.052	0.064	0.072	0.083	0.109	0.147
500,000	0.041	0.050	0.062	0.069	0.074	0.106	0.144
600,000	0.036	0.044	0.055	0.062	0.067	0.095	0.130
700,000	0.032	0.040	0.050	0.056	0.062	0.086	0.120
800,000	0.030	0.037	0.046	0.052	0.058	0.080	0.113
900,000	0.028	0.035	0.043	0.048	0.054	0.074	0.106
1,000,000	0.026	0.032	0.041	0.046	0.035	0.070	0.100
2,000,000	0.016	0.020	0.026	0.029	0.026	0.045	0.067
3,000,000	0.011	0.014	0.019	0.021	0.021	0.035	0.052
4,000,000	0.008	0.011	0.015	0.017	0.017	0.028	0.043
5,000,000	0.007	0.009	0.012	0.014	0.014	0.023	0.036
6,000,000	0.005	0.007	0.009	0.011	0.012	0.019	0.031
7,000,000	0.004	0.006	0.008	0.009	0.010	0.017	0.027
8,000,000	0.004	0.006	0.007	0.008	0.009	0.014	0.024
9,000,000	0.004	0.005	0.007	0.007	0.008	0.013	0.021
10,000,000	0.003	0.004	0.006	0.007	0.000	0.012	0.019

2. Tax Multipliers

a. State (non-F classes)	1.064	+
b. Federal classes, or non-F classes where rate is increased by the USL&HW Act Percentage	1.143	+
+ Includes 0.0% residual market subsidy provision.		

4. Table of Expense Ratios

XXIII-A

REDLAND INSURANCE COMPANY

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

STATE: ARKANSAS

EFFECTIVE DATE: January 1, 2008

Excess Loss and Allocated Expense Pure Premium Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
10,000	0.292	0.320	0.336	0.351	0.367	0.389	0.407
15,000	0.258	0.289	0.306	0.323	0.341	0.367	0.389
20,000	0.233	0.265	0.283	0.300	0.320	0.348	0.373
25,000	0.212	0.245	0.263	0.282	0.303	0.332	0.360
30,000	0.195	0.227	0.247	0.265	0.287	0.318	0.348
35,000	0.181	0.212	0.232	0.251	0.274	0.306	0.337
40,000	0.168	0.200	0.219	0.238	0.261	0.294	0.327
50,000	0.149	0.179	0.198	0.217	0.241	0.274	0.309
75,000	0.117	0.142	0.161	0.179	0.202	0.237	0.274
100,000	0.097	0.119	0.138	0.153	0.176	0.209	0.249
125,000	0.084	0.103	0.120	0.135	0.157	0.189	0.229
150,000	0.074	0.092	0.108	0.122	0.142	0.173	0.213
175,000	0.067	0.083	0.098	0.111	0.130	0.160	0.200
200,000	0.061	0.075	0.090	0.102	0.120	0.149	0.188
225,000	0.056	0.069	0.084	0.095	0.112	0.139	0.178
250,000	0.052	0.065	0.079	0.089	0.105	0.132	0.171
275,000	0.049	0.061	0.074	0.084	0.100	0.125	0.163
300,000	0.046	0.057	0.070	0.079	0.094	0.119	0.156
325,000	0.043	0.054	0.066	0.075	0.090	0.113	0.150
350,000	0.041	0.051	0.063	0.072	0.085	0.108	0.145
375,000	0.040	0.049	0.061	0.068	0.082	0.104	0.140
400,000	0.038	0.047	0.058	0.065	0.079	0.100	0.135
425,000	0.036	0.045	0.056	0.063	0.075	0.096	0.131
450,000	0.035	0.043	0.054	0.061	0.073	0.093	0.128
475,000	0.034	0.041	0.052	0.059	0.070	0.090	0.124
500,000	0.032	0.040	0.050	0.057	0.068	0.087	0.120
600,000	0.029	0.036	0.045	0.051	0.061	0.078	0.109
700,000	0.026	0.032	0.041	0.046	0.055	0.071	0.101
800,000	0.025	0.030	0.038	0.042	0.051	0.066	0.095
900,000	0.023	0.028	0.035	0.040	0.047	0.062	0.089
1,000,000	0.021	0.026	0.033	0.037	0.045	0.058	0.084
2,000,000	0.013	0.016	0.021	0.024	0.029	0.037	0.056
3,000,000	0.009	0.012	0.015	0.017	0.021	0.028	0.043
4,000,000	0.007	0.009	0.012	0.013	0.017	0.023	0.035
5,000,000	0.006	0.007	0.009	0.011	0.014	0.019	0.030
6,000,000	0.004	0.006	0.008	0.009	0.011	0.015	0.025
7,000,000	0.004	0.005	0.007	0.007	0.009	0.013	0.021
8,000,000	0.003	0.004	0.006	0.007	0.008	0.012	0.019
9,000,000	0.003	0.004	0.005	0.006	0.007	0.010	0.017
10,000,000	0.000	0.003	0.004	0.006	0.007	0.009	0.015

7. **Retrospective Development Factors****With Loss Limit**

1st Adj.	2nd Adj.	3rd Adj.
0.12	0.11	0.11

Without Loss Limit

1st Adj.	2nd Adj.	3rd Adj.	4th & Subsequent Adjustment
0.55	0.49	0.49	0.00

Redland Insurance Company

WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
	Industrial Classes		1452	2.13	373	2095	3.69	529
0005	5.49	709	1463	13.23	750	2105	2.85	445
0008	3.36	496	1472	4.03	563	2110	2.56	416
0016	7.07	750	1624 E	8.71	750	2111	2.32	392
0034	4.81	641	1642	4.36	596	2112	2.95	455
0035	2.80	440	1654	9.42	750	2114	3.54	514
0036	4.65	625	1655	5.25	685	2121	2.25	385
0037	5.04	664	1699	2.43	403	2130	3.32	492
0042	8.16	750	1701	4.04	564	2131	2.03	363
0050	6.21	750	1710 E	7.55	750	2143	2.51	411
0059 D	0.34	---	1741 E	2.01	361	2157	4.35	595
0065 D	0.06	---	1745 X	3.32	492	2172	2.46	406
0066 D	0.06	---	1747	2.77	437	2174	3.20	480
0067 D	0.06	---	1748	6.49	750	2211	6.02	750
0079	3.62	522	1803 D	6.21	750	2220	2.29	389
0083	9.52	750	1852 D	2.54	414	2286	1.69	329
0106	16.13	750	1853	3.03	463	2288	5.28	688
0113	5.39	699	1860	1.74	334	2300	2.46	406
0170	2.99	459	1924	3.69	529	2302	2.16	376
0251	6.07	750	1925	3.04	464	2305	2.85	445
0400	9.68	750	2001	2.75	435	2361	1.55	315
0401	14.12	750	2002	3.82	542	2362	2.08	368
0771 N	0.35	---	2003	3.20	480	2380	7.08	750
0917	4.23	583	2014	6.04	750	2386	1.38	300
1005	11.25	750	2016	2.77	437	2388	2.19	379
1016	41.63	750	2021	3.83	543	2402	2.64	424
1164 E	8.24	750	2039	5.26	686	2413	2.11	371
1165 E	7.86	750	2041	4.52	612	2416	2.19	379
1320	3.32	492	2065	1.40	300	2417	2.03	363
1322	13.36	750	2070	5.76	736	2501	1.72	332
1430	6.02	750	2081	4.97	657	2503	1.55	315
1438	3.09	469	2089	3.11	471	2534	2.74	434

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
2570	5.55	715	2942	2.77	437	3180	2.43	403
2585	3.06	466	2960	3.46	506	3188	1.63	323
2586	1.16	300	3004	2.95	455	3220	2.30	390
2587	2.48	408	3018	3.54	514	3223	3.72	532
2589	1.84	344	3022	3.80	540	3224	3.04	464
2600	5.55	715	3027	3.45	505	3227	2.03	363
2623	2.88	448	3028	3.62	522	3240	3.82	542
2651	2.56	416	3030	4.78	638	3241	3.38	498
2660	1.80	340	3040	4.75	635	3255	2.99	459
2670	2.69	429	3041	4.11	571	3257	3.08	468
2683	2.32	392	3042	3.72	532	3270	5.04	664
2688	3.32	492	3064	5.31	691	3300	4.22	582
2701	9.03	750	3069	7.71	750	3303	4.15	575
2702 X	31.01	750	3076	3.17	477	3307	4.07	567
2710	9.55	750	3081 D	2.91	451	3315	3.04	464
2714	5.75	735	3082 D	4.62	622	3334	2.90	450
2719 X	12.53	750	3085 D	3.41	501	3336	2.82	442
2731	4.20	580	3110	3.48	508	3365	11.13	750
2735	3.41	501	3111	3.46	506	3372	3.12	472
2759	8.52	750	3113	2.48	408	3373	3.90	550
2790	1.61	321	3114	2.93	453	3383	1.11	300
2802	7.42	750	3118	1.64	324	3385	1.01	300
2812	4.97	657	3119	1.24	300	3400	2.96	456
2835	1.90	350	3122	1.32	300	3507	3.35	495
2836	2.70	430	3126	2.25	385	3515	2.70	430
2841	4.72	632	3131	1.03	300	3548	1.43	303
2881	2.61	421	3132	2.35	395	3559	2.48	408
2883	4.94	654	3145	2.19	379	3574	1.37	300
2913	3.56	516	3146	2.95	455	3581	1.38	300
2915	4.41	601	3169	3.03	463	3612	2.54	414
2916	2.82	442	3175 D	3.33	493	3620	6.99	750
2923	2.33	393	3179	2.72	432	3629	2.19	379

Redland Insurance Company

WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
3632	3.54	514	4061	4.96	656	4410	3.36	496
3634	2.19	379	4062	3.59	519	4420	3.99	559
3635	2.04	364	4101	2.27	387	4431	1.69	329
3638	1.82	342	4111	2.67	427	4432	1.82	342
3642	1.06	300	4112	1.09	300	4439	2.14	374
3643	3.45	505	4113	1.93	353	4452	3.93	553
3647	3.70	530	4114	2.77	437	4459	2.42	402
3648	2.42	402	4130	6.44	750	4470	2.61	421
3681	1.61	321	4131	3.11	471	4484	2.69	429
3685	2.11	371	4133	2.96	456	4493	3.24	484
3719	3.90	550	4150	1.50	310	4511	0.79	300
3724	7.68	750	4206	4.57	617	4557	2.09	369
3726	4.11	571	4207	1.32	300	4558	2.16	376
3803	2.13	373	4239	1.53	313	4561	2.19	379
3807	1.84	344	4240	3.36	496	4568	3.08	468
3808	3.14	474	4243	1.64	324	4581	1.93	353
3821	4.83	643	4244	2.70	430	4583	5.26	686
3822	3.16	476	4250	1.71	331	4611	1.08	300
3824	5.54	714	4251	1.90	350	4635	4.41	601
3826	1.19	300	4263	2.74	434	4653	1.55	315
3827	1.37	300	4273	1.87	347	4665	7.84	750
3830	1.32	300	4279	2.03	363	4670	5.04	664
3851	3.28	488	4282	2.50	410	4683	5.35	695
3865	1.48	308	4283	2.69	429	4686	1.32	300
3881	4.36	596	4299	1.72	332	4692	0.42	300
4000	8.50	750	4304	3.19	479	4693	1.00	300
4021	5.15	675	4307	3.09	469	4703	2.66	426
4024 E	1.95	355	4351	1.26	300	4717	2.79	439
4034	7.91	750	4352	1.18	300	4720	4.56	616
4036	3.03	463	4360	0.92	300	4740	1.72	332
4038	2.43	403	4361	1.55	315	4741	2.06	366
4053	3.70	530	4362	1.24	300	4751	2.19	379

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
4771 N	2.04	364	5445	5.49	709	6217	5.65	725
4777	2.03	363	5462	7.15	750	6229	4.73	633
4825	0.87	300	5472	5.91	750	6233	8.69	750
4828	1.64	324	5473	6.02	750	6235	13.15	750
4829	1.79	339	5474	8.37	750	6236	15.02	750
4902	1.96	356	5478	5.14	674	6237	4.12	572
4923	1.30	300	5479	11.99	750	6251 D	8.95	750
5020	6.62	750	5480	11.72	750	6252 D	8.11	750
5022	7.23	750	5491	2.51	411	6260 D	6.15	750
5037	20.17	750	5506	5.14	674	6306	6.36	750
5040	23.57	750	5507	6.71	750	6319	6.36	750
5057	18.56	750	5508 D	8.53	750	6325	5.91	750
5059	26.65	750	5535	7.71	750	6400	7.94	750
5069	25.62	750	5537	6.44	750	6504	2.77	437
5102	4.93	653	5551	16.81	750	6811	6.49	750
5146	5.83	743	5606	2.27	387	6834	4.85	645
5160	5.18	678	5610	7.97	750	6836	10.63	750
5183	3.75	535	5645	13.31	750	6854	6.12	750
5188	6.25	750	5651	10.79	750	6882	7.00	750
5190	3.65	525	5703	116.02	750	6884	15.38	750
5191 X	2.04	364	5705	5.84	744	7133	4.04	564
5192	4.60	620	5951	0.43	300	7222	11.53	750
5213	8.86	750	6003	11.99	750	7228 X	9.03	750
5215	4.64	624	6005	7.91	750	7229 X	8.98	750
5221	4.72	632	6017	4.99	659	7230	4.40	600
5222	11.61	750	6018	2.54	414	7231	9.71	750
5223	6.34	750	6045	3.41	501	7232	16.52	750
5348	4.43	603	6204	11.14	750	7360	6.81	750
5402	5.81	741	6206	8.58	750	7370	5.89	749
5403	11.83	750	6213	13.28	750	7380 X	4.78	638
5437	5.43	703	6214	3.20	480	7382	3.24	484
5443	4.31	591	6216	6.05	750	7390	4.09	569

Redland Insurance Company

WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
7403 X	3.28	488	8006	2.61	421	8235	4.73	633
7405 N	1.74	334	8008	1.35	300	8263	10.63	750
7420 X	25.07	750	8010	2.50	410	8264	4.72	632
7421	2.61	421	8013	0.58	300	8265	11.19	750
7422	2.88	448	8015	0.81	300	8279	12.09	750
7423 X	3.28	488	8017	1.38	300	8288	7.84	750
7425	4.06	566	8018 X	3.11	471	8291	2.85	445
7431 N	2.25	385	8021	2.00	360	8292	3.46	506
7445 N	0.93	---	8031	3.62	522	8293	9.56	750
7453 N	1.21	---	8032	1.87	347	8295 X	6.94	750
7502	3.41	501	8033	2.27	387	8304	8.28	750
7515	1.26	300	8039	1.69	329	8350	6.05	750
7520	3.49	509	8044	3.72	532	8380	4.09	569
7538	11.17	750	8045	0.53	300	8381	1.63	323
7539	7.10	750	8046	3.30	490	8385	3.12	472
7540	4.72	632	8047	1.42	302	8392	4.03	563
7580	2.38	398	8058	3.33	493	8393	1.90	350
7590	5.07	667	8072	0.76	300	8500	5.88	748
7600	3.45	505	8102	3.08	468	8601	0.81	300
7601	13.81	750	8103	5.43	703	8606	4.17	577
7605	3.86	546	8105	5.49	709	8719	2.08	368
7610	0.55	300	8106	5.12	672	8720	1.38	300
7611	6.84	750	8107	4.72	632	8721	0.47	300
7612	19.05	750	8111	3.67	527	8742 X	0.60	300
7613	5.47	707	8116	5.31	691	8745	5.43	703
7705	3.19	479	8203	7.18	750	8748	0.48	300
7710	7.70	750	8204	7.25	750	8755	0.34	300
7711	7.70	750	8209	3.56	516	8799	1.13	300
7720 X	3.19	479	8215	6.38	750	8800	1.13	300
7855	6.96	750	8227	5.06	666	8803	0.10	300
8001	2.83	443	8232	7.49	750	8810	0.29	300
8002	3.72	532	8233	5.65	725	8820	0.26	300

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

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Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
8824	3.30	490	9101	3.56	516	7016 M	6.36	750
8825	2.74	434	9102	3.49	509	7024 M	7.07	750
8826	2.62	422	9154	2.85	445	7038 M	7.55	750
8829	3.12	472	9156	1.63	323	7046 M	33.26	750
8831	3.46	506	9170	2.72	432	7047 M	11.21	750
8832	0.32	300	9178	29.09	750	7050 M	13.30	750
8833 X	1.30	300	9179	50.79	750	7090 M	8.39	750
8835	2.51	411	9180	5.04	664	7098 M	36.97	750
8842	1.37	300	9182	3.11	471	7099 M	58.59	750
8864	1.37	300	9186	63.29	750	7151 M	4.91	651
8868	0.47	300	9220	4.40	600	7152 M	8.65	750
8869	0.87	300	9402	6.12	750	7153 M	5.46	706
8871	0.29	300	9403	7.52	750	7333 M	8.57	750
8901	0.34	300	9410	2.29	389	7335 M	9.52	750
9012	1.95	355	9501	5.62	722	7337 M	15.09	750
9014	2.72	432	9505	4.12	572	7394 M	17.18	750
9015 X	3.22	482	9516	3.28	488	7395 M	19.08	750
9016	5.76	736	9519	2.87	447	7398 M	30.24	750
9019	3.88	548	9521	6.15	750	8734 M	0.81	300
9033	2.11	371	9522	1.79	339	8737 M	0.72	300
9040	4.07	567	9534	8.71	750	8738 M	1.27	300
9052	2.04	364	9554	10.06	750	8805 M	0.39	300
9058	2.00	360	9586	0.85	300	8814 M	0.35	300
9059	3.43	503	9600	1.88	348	8815 M	0.63	300
9060	2.09	369	9620	1.42	302		F-Classes	
9061	1.59	319		Per Capita Classes		6801 F	18.45	750
9063	1.27	300	0908 P	143.00	303	6824 F	31.88	750
9082	1.92	352	0913 P	383.00	543	6826 F	15.43	750
9083	1.71	331		Maritime Classes		6843 F	21.19	750
9084	2.37	397	6702 M	8.45	750	6845 F	24.94	750
9089	1.53	313	6703 M	14.88	750	6872 F	28.80	750
9093	1.71	331	6704 M	9.39	750	6874 F	51.17	750

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Effective Date: 1/1/2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
7309 F	35.50	750						
7313 F	8.18	750						
7317 F	13.10	750						
7327 F	28.57	750						
7350 F	31.02	750						
8709 F	10.80	750						
8726 F	12.83	750						
9077 F	5.25	685						

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Legend

- a** Rate for each individual risk must be obtained from your home office.
- A** Minimum Premium \$100 per ginning location for policy minimum premium computation.
- b** See Schedule of annual loss costs for volunteer firemen.
- c** New York only - see page 6 of miscellaneous values section.
- D** Special disease rule for the classification - See Rule IV of Manual supplement - Treatment of Disease Coverage.

- D** For New York Only - This classification may only be used upon the specific assignment of the Board.
- E** Classification involving Specific disease loading. Refer to your home office.
- e** New York only - see page 7, rates for volunteer firefighters.
- F** Rate/Loss Cost provides for coverage under the United States Longshore and Harbor Workers' Compensation Act and its Extensions. Rates contain a provision for federal assessment.

- d** OD: \$1.50 Supplemental applies when coverage for Federal black lung is provided. It is not subject to experience rating. Code as 0164.

- i** Per hazardous materials response team.
- j** Code 9108 may also apply.
- k** Not subject to experience rating
- L** Not applicable where Code Nos. 9412-13-14 Municipal Operations are indicated, for reference to which see Wisconsin exception page.

- M** Rate/Loss Costs provides for coverage under Admiralty Law and Federal Employers' Liability Act (FELA).
- N** This is part of a ratable/non-ratable group.
- P** Classification is computed on a per capita basis.
- S** Rate provides for exclusive state act coverage.
- X** Refer to special classification phraseology in these pages which is applicable in this state.
- Z** Classification potentially available. If needed, Home Office should contact the Massachusetts Bureau.
- #** Indicates a classification without state exposure - Item B - 1139.

Redland Insurance Company
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY

State: Arkansas

Expense Constant: \$160

Worker's Compensation Premium Discount Table

		<u>Discount</u>
First:	\$5,000	0.0%
Next:	\$95,000	10.9%
Next:	\$400,000	12.6%
Over:	\$500,000	14.4%

SERFF Tracking Number: MADC-125431064 State: Arkansas
Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: RIC-2008-001
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Program
Project Name/Number: 2008 Loss Cost Adoption/

Supporting Document Schedules

Review Status:
Satisfied -Name: Uniform Transmittal Document-Property & Casualty 01/14/2008

Comments:

Attachment:

P&C Transmittal.PDF

Review Status:
Satisfied -Name: NAIC Loss Cost Filing Document for Workers' Compensation 01/14/2008

Comments:

Attachment:

LC Ref Adoption Form.PDF

Review Status:
Satisfied -Name: NAIC loss cost data entry document 01/14/2008

Comments:

Attachments:

Calc LCM Ind. Class.PDF

Calc LCM Fed. Class.PDF

Review Status:
Satisfied -Name: Authorization Letter 01/14/2008

Comments:

Attachment:

PIC & RIC Authorization 5-18-07.pdf

Property & Casualty Transmittal Document

Reset Form

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

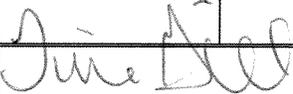
3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Redland Insurance Company	NJ	37303	42-1113749	

5. Company Tracking Number	RIC-2008-001
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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
Tina Gill 200 North Second Street Madison, GA 30650	Analyst	706-342-7750	706-342-7775	tina@madisoninc.com

7. Signature of authorized filer 

8. Please print name of authorized filer Tina Gill

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

9. Type of Insurance (TOI)	16.0 Workers Compensation
10. Sub-Type of Insurance (Sub-TOI)	16.0004 Standard WC
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input checked="" type="checkbox"/> Rate/Loss Cost <input 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: 1/1/08 Renewal:
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	12/14/2007
19. Status of filing in domicile	<input 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 # RIC-2008-001

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

The purpose of this filing is to adopt the NCCI January 1, 2008 advisory loss costs and rating values, filing number AR-2007-10. We will continue to use our currently approved loss cost multipliers of 1.61 for industrial classes and 1.83 for federal classes. We request January 1, 2008 as the effective date to be concurrent with NCCI's effective date.

[View Complete Filing Description](#)

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 #:
Amount:

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.)

ARKANSAS INSURANCE DEPARTMENT
WORKERS COMPENSATION INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE
LOSS COSTS REFERENCE FILING ADOPTION FORM

DATE 1/14/20081. INSURER NAME Redland Insurance CompanyADDRESS QBE the Americas, Wall Street Plaza, 88 Pine StreetNew York, NY 10005PERSON RESPONSIBLE FOR FILING Tina GillTITLE Analyst TELEPHONE NO. 706-342-77502. INSURER NAIC NO. 37303 GROUP NO. _____3. ADVISORY ORGANIZATION NCCI4. ADVISORY ORGANIZATION REFERENCE FILING NO. AR-2007-10

5. 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, expense constants specified in the attachments.

6. A. PROPOSED RATE LEVEL CHANGE +2.7 % EFFECTIVE DATE 1/1/08B. PROPOSED PREMIUM LEVEL CHANGE +2.7 % EFFECTIVE DATE 1/1/087. A. PRIOR RATE LEVEL CHANGE +7.3 % EFFECTIVE DATE 7/7/07B. PRIOR PREMIUM LEVEL CHANGE +7.3 % EFFECTIVE DATE 7/7/07

8. ATTACH "SUMMARY OF SUPPORTING INFORMATION FORM"
 (Use a separate Summary for each insurer-selected loss cost multiplier.)

9. Check **one** of the following:

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.

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.

NAIC LOSS COST FILING DOCUMENT— WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	RIC-2008-001
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

(X) **Loss Cost Reference Filing** NCCI AR-2007-10 () **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:

- 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.**
- 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. Does this filing apply to all class codes? NO If no, complete a copy of this form for each affected class with appropriate justification. Industrial Classes

3. Loss cost modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(Check One)

- (X) Without Modification (factor = 1.000)
- () With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) _____

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

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 4-11 BELOW.

4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio. (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)
PROJECTED EXPENSES: Compared to standard premium at company rates.

		Selected Provisions	
A.	Total Production Expense	19.3	%
B.	General Expense	3.6	%
C.	Taxes, Licenses & Fee	6.0	%
D.	Underwriting profit & contingencies*	2.0	%
E.	Other (explain)		%
F.	Total	30.9	%
* Explain how investment income is taken into account			

5.	A.	Expected Loss Ratio: $ELR = 100\% - 4F =$	69.1
	B.	ELR in Decimal Form =	.691

NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1 . 001
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	. 93
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1 . 61
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1 . 61

Yes No

10. **Are you amending your minimum premium formula?** If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc.

() (X)

11. **Are you changing your premium discount schedules?** If yes, attach schedules and support, detailing premium or rate level changes.

() (X)

NAIC LOSS COST FILING DOCUMENT— WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	RIC-2008-001
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

(X) **Loss Cost Reference Filing** NCCI AR-2007-10 () **Independent Rate Filing**
(Advisory Org. & Reference filing #)

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1. Check one of the following:

- 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.**
- 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. Does this filing apply to all class codes? NO If no, complete a copy of this form for each affected class with appropriate justification. Federal Classes - The company is not currently writing

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.) 1.135

B. Loss Cost Modification Expressed as a Factor: (See Examples Below) 1.135

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 4-11 BELOW.

4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio. (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)
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NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

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8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1.83
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.83

Yes No

10. **Are you amending your minimum premium formula?** If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc. () (X)

11. **Are you changing your premium discount schedules?** If yes, attach schedules and support, detailing premium or rate level changes. () (X)



PRAETORIAN
insurance company

May 18, 2007

To Whom It May Concern:

Madison Consulting Group, Inc. is authorized to make filings on behalf of Praetorian Financial Group. This includes Praetorian Insurance Company, NAIC number 37257 and Redland Insurance Company, NAIC number 37303.

Sincerely,

Ming-I Huang
Chief Risk Officer

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