

SERFF Tracking Number: SHEL-125876835 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number: #1382349 \$100
Company Tracking Number: 03M15408
TOI: 03.0 Personal Farmowners Sub-TOI: 03.0000 Personal Farmowners
Product Name: FO
Project Name/Number: Lammers/

Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: FO

TOI: 03.0 Personal Farmowners

Sub-TOI: 03.0000 Personal Farmowners

Filing Type: Rate/Rule

Effective Date Requested (New): 01/14/2009

Effective Date Requested (Renewal): 01/14/2009

State Filing Description:

SERFF Tr Num: SHEL-125876835 State: Arkansas

SERFF Status: Closed

Co Tr Num: 03M15408

Co Status: Approved

Authors: Brian Marcks, Sue
Burlingame

Date Submitted: 10/29/2008

State Tr Num: #1382349 \$100

State Status: Fees verified and
received

Reviewer(s): Becky Harrington,
Brittany Yielding

Disposition Date: 11/07/2008

Disposition Status: Filed

Effective Date (New):

Effective Date (Renewal):

General Information

Project Name: Lammers

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 11/07/2008

State Status Changed: 10/31/2008

Corresponding Filing Tracking Number:

Filing Description:

Base rates have been revised for Form FO-3 and FO-9. Amount of insurance relativities were reduced to one size curve for Form FO-3. Claims surcharge factors were revised. Supplemental rates for Farm Barns, Buildings and Structures, Farm Personal Property, Optional Additional Perils - Livestock and Peak Season have also been revised. This filing will result in an overall increase in revenue of 6.6% or \$194,346.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

SERFF Tracking Number: SHEL-125876835 State: Arkansas
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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 Mutual Insurance Company CoCode: 23388 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: 43-0613000

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$0.00	10/29/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
1382349	\$100.00	10/23/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	11/07/2008	11/07/2008
Filed	Becky Harrington	10/31/2008	10/31/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	10/29/2008	10/29/2008	Brian Marcks	10/29/2008	10/29/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Revised Manual Pages	Rate	Brian Marcks	11/07/2008	11/07/2008

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Request to re-open this filing	Note To Reviewer	Brian Marcks	11/07/2008	11/07/2008
Change of effective date	Note To Reviewer	Brian Marcks	10/31/2008	10/31/2008

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Disposition

Disposition Date: 11/07/2008

Effective Date (New):

Effective Date (Renewal):

- Effective Date (New) changed from 01/14/2009 to 12/20/2008 and Effective Date (Renewal) changed from 01/14/2009 to 12/20/2008 by Harrington, Becky on 10/31/2008.

Status: Filed

Comment: Disposition to re-close filing after corrected manual pages submitted.

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:
Shelter Mutual Insurance Company	6.600%	\$194,346	4,185	\$3,167,935	16.700%	-11.700%	9.400%

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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		Yes
Supporting Document	Explanatory Memorandum	Filed	Yes
Supporting Document	Loss Experience	Filed	Yes
Supporting Document	Form RF-1	Filed	Yes
Supporting Document	Claims Surcharge Comparison	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Revised Manual Pages	Filed	Yes

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Disposition

Disposition Date: 10/31/2008
 Effective Date (New): 12/20/2008
 Effective Date (Renewal): 12/20/2008
 Status: Filed
 Comment:

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:
Shelter Mutual Insurance Company	6.600%	\$194,346	4,185	\$3,167,935	16.700%	-11.700%	9.400%

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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		Yes
Supporting Document	Explanatory Memorandum	Filed	Yes
Supporting Document	Loss Experience	Filed	Yes
Supporting Document	Form RF-1	Filed	Yes
Supporting Document	Claims Surcharge Comparison	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Revised Manual Pages	Filed	Yes

SERFF Tracking Number: SHEL-125876835 State: Arkansas
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Product Name: FO
Project Name/Number: Lammers/

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/29/2008
Submitted Date 10/29/2008

Respond By Date
Dear Brian Marcks,

This will acknowledge receipt of the captioned filing.

Objection 1
No Objections
Comment: Provide an RF-1.

Objection 2
No Objections
Comment: Provide supporting documentation for the changes in claims surcharges.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,
Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/29/2008
Submitted Date 10/29/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: Becky,

SERFF Tracking Number: SHEL-125876835 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number: #1382349 \$100
Company Tracking Number: 03M15408
TOI: 03.0 Personal Farmowners Sub-TOI: 03.0000 Personal Farmowners
Product Name: FO
Project Name/Number: Lammers/

Reference is made to your note of today regarding the captioned filing. Following are responses to your questions in the same order as they appeared in your note.

1. We have attached Form RF-1.
2. With this filing, claims surcharge factors were either reduced or stayed the same. No factors were increased. The factors were revised to be more in line with competition. Attached is a comparison of our current and proposed factors.

Please let me know if you have questions.

Related Objection 1

Comment:

Provide an RF-1.

Related Objection 2

Comment:

Provide supporting documentation for the changes in claims surcharges.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Form RF-1

Comment: Please see attachment.

Satisfied -Name: Claims Surcharge Comparison

Comment: Please see attachment.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Brian Marcks, Sue Burlingame

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 Company Tracking Number: 03M15408
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 Product Name: FO
 Project Name/Number: Lammers/

Amendment Letter

Amendment Date:
 Submitted Date: 11/07/2008

Comments:

Becky,

Last week you approved our property (HO, HOPS, FO, and MHO) rate/rule filings. As we were going thru preparations to program the rates, we detected that several rates in the Farmowners manual were printed incorrectly (off \$1) due to rounding.

We would like to make editorial corrections to these rates on manual pages R-1 and R-2 (masonry base rates in protection class 6N,7N on page R-1 and frame base rates in protection class 9,8N on page R-2). There is no revenue impact to these editorial corrections as the premium effect of the filing reported in our original did not change. Attached are revised manual pages R-1 and R-2 to be substituted for the manual pages of like number submitted in our original filing. Thank you very much for your help.

Brian

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
Revised Manual Pages	R-1 and R-2	Replacement		AR FO R-1 & R-2.pdf

SERFF Tracking Number: *SHEL-125876835* *State:* *Arkansas*
Filing Company: *Shelter Mutual Insurance Company* *State Tracking Number:* *#1382349 \$100*
Company Tracking Number: *03M15408*
TOI: *03.0 Personal Farmowners* *Sub-TOI:* *03.0000 Personal Farmowners*
Product Name: *FO*
Project Name/Number: *Lammers/*

Note To Reviewer

Created By:

Brian Marcks on 11/07/2008 09:07 AM

Subject:

Request to re-open this filing

Comments:

Becky,

Last week you approved our property (HO, HOPS, FO, and MHO) rate/rule filings. As we were going thru preparations to program the rates, we detected that several rates in the Farmowners manual were printed incorrectly (off \$1) due to rounding.

We would like to make editorial corrections to these rates on manual pages R-1 and R-2. There is no revenue impact to these editorial corrections as the premium effect of the filing reported in our original did not change.

Would it be possible to re-open this filing so that we could make these corrections? I apologize for the inconvenience but very much appreciate your help.

Brian

SERFF Tracking Number: *SHEL-125876835* *State:* *Arkansas*
Filing Company: *Shelter Mutual Insurance Company* *State Tracking Number:* *#1382349 \$100*
Company Tracking Number: *03M15408*
TOI: *03.0 Personal Farmowners* *Sub-TOI:* *03.0000 Personal Farmowners*
Product Name: *FO*
Project Name/Number: *Lammers/*

Note To Reviewer

Created By:

Brian Marcks on 10/31/2008 01:34 PM

Subject:

Change of effective date

Comments:

Becky,

Thank you for your approval of the captioned filing. As we discussed in our telephone conversation this morning, we have revised the effective date for this filing to December 20, 2008. Please let me know if you have questions.

Brian

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 Product Name: FO
 Project Name/Number: Lammers/

Rate Information

Rate data applies to filing.

Filing Method: File and Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: -0.100%
Effective Date of Last Rate Revision: 04/20/2007
Filing Method of Last Filing: File and Use

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):
Shelter Mutual Insurance Company	9.400%	6.600%	\$194,346	4,185	\$3,167,935	16.700%	-11.700%

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Manual Pages	GR-10, GR-14, GR-15, GR-29, GR-31, GR-32, GR-33, R-1 thru R-3 and R-6	Replacement	
Filed	Manual Pages	PD-1 thru PD-4	New	FO GR, PD & R Pages.pdf
Filed	Revised Manual Pages	R-1 and R-2	Replacement	AR FO R-1 & R-2.pdf

2. DEDUCTIBLES

All Farmowners forms contain a Loss Deductible Clause applicable to loss under Section I of the policy. The Loss Deductible Clause **DOES NOT** apply to losses under Coverage D or Fire Department Charges. The company is liable only for the amount of loss in excess of the deductible.

Form 3: An optional 1% or 2% (of Coverage A amount) Wind or Hail deductible (B-636-B) is available. The deductible amount applicable to Wind or Hail losses will be the **greater** of 1% or 2% (of Coverage A amount) or the base deductible. The Base Rate pages reflect a \$500 deductible. Other deductible options may be calculated using the adjustments listed below against the \$500 premium.

Form 4: The Base Rate pages reflect a \$250 deductible. Other deductible options may be calculated using the adjustments listed below against the \$250 premium.

Form 9: The Base Rate pages reflect a \$500 deductible. Other deductible options may be calculated using the adjustments listed below against the \$500 premium.

	Form 3			Form 4		Form 9	
	<u>Policy Deductible</u>	<u>Adjustment to Basic Premium</u>	<u>Policy Deductible</u>	<u>Adjustment to Basic Premium</u>			
#	100	Add 39%	#	100	Add 16%		Add 39%
#	100/1%	Add 27%	*	250	No Adjustment		Add 12%
#	100/2%	Add 13%		500	Subtract 18%		No Adjustment
#	250	Add 12%		750	Subtract 29%		Subtract 10%
#	250/1%	Add 5%		1,000	Subtract 38%		Subtract 16%
#	250/2%	Subtract 3%		1,500	Subtract 40%		Subtract 20%
	500	No Adjustment		2,000	Subtract 41%		Subtract 23%
	500/1%	Subtract 5%		2,500	Subtract 43%		Subtract 25%
	500/2%	Subtract 12%		5,000	Subtract 48%		Subtract 29%
	750	Subtract 9%					
	750/1%	Subtract 12%					
	750/2%	Subtract 17%					
	1,000	Subtract 17%					
	1,000/1%	Subtract 19%					
	1,000/2%	Subtract 23%					
	1,500	Subtract 24%					
	1,500/1%	Subtract 26%					
	1,500/2%	Subtract 28%					
	2,000	Subtract 30%					
	2,000/1%	Subtract 31%					
	2,000/2%	Subtract 33%					
	2,500	Subtract 33%					
	2,500/1%	Subtract 34%					
	2,500/2%	Subtract 35%					
	5,000	Subtract 38%					
	5,000/1%	Subtract 39%					
	5,000/2%	Subtract 40%					

SUPPLEMENTAL RATES

The deductible adjustments shown above for Forms 4 and 9 are used to calculate the basic premium only. To calculate supplemental rates for **ALL** forms, use the Form 3 adjustment against the \$500 rate.

All Forms - Available only to policies originally written before 08-25-2004 with a \$100 or \$250 all peril deductible.

* FO-9 - Available only to policies originally written before 08-25-2004 with a \$250 all peril deductible. FO-4 - This option is available to all policies.

5. PREMIUM ADJUSTMENTS (Cont.)

j. Claim Surcharge (Primary and Secondary, All Forms)

A surcharge may apply to a primary or secondary dwelling on a policy based on the policyholder's claims experience. For new business, the surcharge will be determined by the type and number of paid claims **of more than \$250** on the primary or secondary dwelling occurring in the 3-year period immediately preceding the date of the application. For renewal business, the surcharge will be determined, at each renewal, by the type and number of paid claims **of more than \$250** on the primary or secondary dwelling occurring in the 3-year period ending 35 days prior to the renewal effective date.

In determining the surcharge, Earthquake, Medical Payment and Identity Fraud claims will be disregarded. Claims involving a land motor vehicle (not insured, owned or driven by the insured) colliding into the insured's dwelling will also be disregarded. Wind, Hail, Lightning, and Weight of Ice, Sleet, or Snow claims will be considered Weather claims. Per the table below, Weather claims are recorded but not surcharged. All other claims will be considered Non-Weather claims. All Liability claims will be assigned to the primary or secondary dwelling.

Note: For those policies in force prior to 08-25-2004, only eligible claims that occur on or after 08-25-2004 will be considered when calculating the Claims Surcharge.

Number of Claims	Non-Weather					
	Weather	0	1	2	3	4+
0		0%	15%	50%	85%	85%
1		0%	15%	50%	85%	85%
2		0%	15%	50%	85%	85%
3		0%	15%	50%	85%	85%
4+		0%	15%	50%	85%	85%

6. POLICY TERM

All premiums contained in this manual are for a 12 month term. However, 3 and 6 month policy terms are also available. The policy may then be continued for successive terms upon payment of the required premium to the company on or before the inception date of each successive term.

<u>Term</u>	<u>Factor</u>	<u>Term Premium</u>
6 mo.	.50	\$10
3 mo.	.25	\$10

7. RESERVED FOR FUTURE USE

1. FARM STRUCTURES (Cont.)

II - SILOS

Type 1 - Minimum of \$5,000. This is for the Harvester-type silo, of all steel construction with integral roof, foundation and walls, with unloading from the bottom.

Type 2 - All silos not qualifying for Type 1.

III - LAYING, BROODER AND BROILER HOUSES

Type 1 - Minimum of \$15,000. The structure must meet Type 1 barn requirements except that it can have openings for ventilation with provisions for closing.

Type 2 - All laying, brooder and broiler houses not qualifying for Type 1.

Farm Barns, Buildings and Structures - Rates per \$1,000

The supplemental rates shown below reflect the base rates. Please apply the policy tier factor to calculate the appropriate rate for Farm Barns, Buildings and Structures.

	<u>Type</u>	<u>Policy Deductible</u> <u>\$500</u>
a.	Barns and Structures	
	1	\$ 16.45
	2	19.90
	3	25.12
	4	13.29
b.	Silos	
	1	15.55
	2	31.43
c.	Laying, Brooder and Broiler Houses	
	1	15.17
	2	18.45

2. FARM PERSONAL PROPERTY (Cont)

The supplemental rates shown below reflect the base rates. Please apply the policy tier factor to calculate the appropriate rate for Farm Personal Property - Blanket Coverage and Scheduled Coverage.

1) Blanket Coverage (B-461-B)

(a) Full Coverage Blanket

<u>Amount</u>	<u>\$500</u>
\$ 15,000	\$ 216
20,000	276
30,000	394
40,000	519
50,000	643
60,000	761
70,000	881
80,000	1,003
90,000	1,124
100,000	1,247
125,000	1,545
150,000	1,855
200,000	2,463
Each Add'l \$1,000	12.14

(b) Exclusion Blanket

<u>\$500</u>
\$ 238
304
433
571
707
837
969
1,103
1,236
1,372
1,700
2,041
2,709
13.35

2) Scheduled Coverage - Rates per \$1,000

<u>Class</u>	<u>Policy Deductible</u>
	<u>\$500</u>
Livestock	\$ 15.76
Combine Harvesters, Cotton Pickers, and Cane Cutters	21.12
Machinery	10.85
Specific Farm Use Vehicles	10.85
Irrigation Equipment	16.75
Hay (in open - fire only)	19.13
(in buildings)	21.66
All Other	10.85

3. OPTIONAL ADDITIONAL PERILS - LIVESTOCK (B-413-B)

This coverage is included under Blanket, but must be purchased separately for Scheduled livestock.

- a. Coverages - accidental shooting except by the insured, employees of the insured, or tenants of the described premises; attack by dogs or wild animals; collapse of buildings, bridges or culverts; drowning; and loading and unloading of animals from conveyances other than common carriers.
- b. Classification - Coverage applies **only** to HORSES, MULES, CATTLE AND SWINE, all animals covered must be at least 30 days old, and coverage must be written for the same amount as the specific amount of coverage on all eligible livestock in the policy.

Optional Additional Perils - Livestock

- 1) Blanket - Coverage included automatically
- 2) Scheduled - Rates per \$1,000

Policy Deductible\$500

\$1.98

4. PEAK SEASON COVERAGE (B-426-B)

Farm personal property coverage can be increased for a specific period during a calendar year to accommodate for seasonal fluctuations. This coverage can apply to Blanket coverage or can be applied to specific items when written on a scheduled basis. Coverages will automatically increase for the specified period and return to the normal limits each year, unless the coverage is removed at the insured's request.

When written, the time period (on a monthly basis, minimum 1 month, maximum 6 months), amount of additional coverage, and type of property must be specified. Example: April 1 through September 30, additional \$50,000 coverage on grain.

4. PEAK SEASON COVERAGE (Cont)

Peak Season Coverage - Rates per \$1,000 of insurance per month

		<u>Policy Deductible</u>
		<u>\$500</u>
(1)	Blanket	
	Full Coverage	\$ 1.15
	Exclusion	\$ 1.27
(2)	Scheduled	
	Livestock	
	with/o optional	
	perils	1.31
	w/ optional	
	perils	1.48
	Hay	
	in open	
	(fire only)	1.59
	in buildings	1.81
	All Other	.90

Example: April 1 through September 30 (6 months), additional \$50,000 on grain with policy deductible of \$500.

Blanket - \$50,000 x \$1.15 = \$58.00 x 6 months = \$348.00
Scheduled - \$50,000 x \$.90 = \$45.00 x 6 months = \$270.00

5. COLLAPSE DUE TO WEIGHT OF ICE, SLEET OR SNOW (B-405-B)

Coverage for the peril of collapse due to the weight of ice, sleet, or snow may be provided for insured farm structures and insured farm personal property contained in such buildings. When written, coverage must be written on all eligible buildings insured under Farm Structure Coverage. Underwriting may exclude buildings in poor condition or structurally unsound.

		<u>Policy Deductible</u>
		<u>\$500</u>
	Rate per \$1,000	\$2.23

**AR FARMOWNERS FORM 3
PREMIUM DETERMINATION CHART**

Dwelling Package Premium

Step	Description	Reference	Round	Calculation
1	Base Rate	R-1,2	\$	+
2	Amount of Insurance	R-3	\$	x
3	Heating System Discount	GR-13	\$	x
4	Modified Replacement Cost	R-1,2	\$	x
5	Tier	GR-15.a.	\$	x
6	Claim Free Discount	GR-13	\$	x
7	Claim Surcharge	GR-14	\$	x
8	Deductible	GR-10	\$	x
9	Companion Policy Discount	GR-13	\$	x
10	New or Improved Home Discount	GR-12,13.a.	\$	x
11	New Home Under Construction Disc	GR-11	\$	x
12	Protective Device Discount	GR-12	\$	x
13	Coverage C Elimination	GR-13	\$	x
14	Term	GR-15	\$	x
Total Premium			\$	

Other Primary Dwelling Premium

Description	Page	Base Rate	*Deductible	Additional Calculation	Applicable Exposure Units	Term Factor	Total Premium
Additional Living Expense (Increase)	GR-17	+			per \$1,000 Increase	x	
Fire Department Charges (Increase)	GR-17	+			per \$100 Increase	x	
Money (Increase)	GR-17	+	x		per \$100 Increase	x	
Other Structures	GR-17	per Structure	+	x	per \$1,000 Increase	x	
Outdoor Antennas (Increase)	GR-17	+	x		per \$1,000 Increase	x	
Personal Property (Increase)	GR-17	+	x		per \$1,000 Increase	x	
Personal Liability (Increase)	GR-18	+				x	
Additional Residence Liab (Primary Charge)	GR-20	+				x	
Additional Residence Liab Credit (Secondary)	GR-20	per Add'l Res.	-			x	
Permitted Business Activity (Non-Farm)							
Office, Prof., Priv. School, etc. (Basic)	GR-21	+					
Optional Stock of Merchandise	GR-21	+	x		per \$1,000 Coverage		
Home Day Care (Basic)	GR-21	+					
Increased Limits on Other Structures	GR-22	per Structure	+	x	per \$1,000 Increase		
Total Non-Farm Permitted Business Activity							
				= Total Permitted Business Activity Premium (Non-Farm)		x	
Permitted Business Activity (Farm Related)							
Business Sales & Storage (Liab)	GR-23	+					
Optional Equipment/Merchandise	GR-23	+	x		per \$1,000 Coverage		
Total Farm Related Business Sales							
Custom Farming	GR-24	+				x	
Total Farm Related Business Sales Premium							
						x	
Acres Charge	GR-25	+ 0 - 500 acres rate		+	per add'l 500 acres	x	
Chargeable Farm Dwellings	GR-25	per Dwelling	+			x	
Additional Premises Rented to Others (Liab)	GR-25	per Dwelling	+			x	
Animal Collision	GR-34	+				x	
Extra Expense	GR-34	+	x		per \$1,000 Coverage	x	
Farm Employees	GR-35	+ 1-2 employees rate		+	per add'l employee	x	
Limited Pollution Liability - Increase Limits	GR-35	+ 0-500 acres rate		+ >500 acres rate		x	
Named Insured Medical Payments	GR-35	+			per Insured	x	
Back-Up Of Sewer or Drain	GR-36	+				x	
Construction Theft	GR-36	+	x			x	
Earthquake (Dwelling)	GR-37						
Dwelling Charge (Cov A)	GR-37	+	x (EQ Ded)		per \$1,000 Coverage		
Other Structures Increased Limits	GR-37	+	x (EQ Ded)		per \$1,000 Increase		
Personal Property Increased Limit	GR-37	+	x (EQ Ded)		per \$1,000 Increase		
ALE Increased Limit	GR-37	+	x (EQ Ded)		per \$1,000 Increase		
Total Dwelling Earthquake		per Policy					
				= Total Dwelling Earthquake Premium		x	
Guns and Related Equipment	GR-38	+	x			x	
Jewelry and Furs	GR-39	+	x			x	
Personal Computer	GR-40	+	x			x	
Piers, Bulkheads, Wharves and Docks	GR-40	per Structure	+	x	per \$1,000 Coverage	x	
Replacement Cost Coverage - Contents	GR-41	Min Prem Applies	+	x Step 13		x	
Silverware and Goldware	GR-42	+	x			x	
Trees, Shrubs, Plants & Lawns - Wind/Hail	GR-43	+	x		per \$1,000 Covg A Limit	x	
Identity Fraud Expense	GR-43	+				x	
Business Pursuits	GR-45	+			per Person Insured	x	
Personal Injury Liability	GR-46	+				x	
Watercraft Liability	GR-48	per Watercraft	+	x Class Factor		x	

* When the deductible is applied, the result should be rounded to the same number of digits as the item Base Rate.
 Term Fee applies to final policy premium per non-annual policy term.
 The minimum premium of \$1 shall be charged per item or per endorsement for each coverage written regardless of policy term.

**AR FARMOWNERS FORM 4
PREMIUM DETERMINATION CHART**

Package Premium

Step	Description	Reference	Round	Calculation
1	Base Rate	R-4	\$	+
2	Amount of Insurance	R-5	\$	x
3	Heating System Discount	GR-13	\$	x
4	Tier	GR-15.a.	\$	x
5	Claim Free Discount	GR-13	\$	x
6	Claim Surcharge	GR-14	\$	x
7	Deductible	GR-10	\$	x
8	Companion Policy Discount	GR-13	\$	x
9	Protective Device Discount	GR-12	\$	x
10	Term	GR-15	\$	x
Total Premium				

Other Primary Dwelling Premium

Description	Page		Base Rate	*Deductible	Additional Calculation	Applicable Exposure Units	Term Factor	Total Premium
Additional Living Expense (Increase)	GR-17		+			per \$1,000 Increase	x	
Fire Department Charges (Increase)	GR-17		+			per \$100 Increase	x	
Money (Increase)	GR-17		+	x Use Form 3		per \$100 Increase	x	
Building Additions and Alterations	GR-17		+	x Use Form 3		per \$1,000	x	
Outdoor Antennas (Increase)	GR-17		+	x Use Form 3		per \$1,000 Increase	x	
Personal Liability (Increase)	GR-18		+				x	
Additional Residence Liab (Primary Charge)	GR-20		+				x	
Additional Residence Liab Credit (Secondary)	GR-20	per Add'l Res.	-				x	
Permitted Business Activity (Non-Farm)								
Office, Prof, Priv. School, etc. (Basic)	GR-21		+					
Optional Stock of Merchandise	GR-21		+	x Use Form 3		per \$1,000 Coverage		
Home Day Care (Basic)	GR-21		+					
Total Non-Farm Permitted Business Activity			=	Total Permitted Business Activity Premium (Non-Farm)			x	
Permitted Business Activity (Farm Related)								
Business Sales & Storage (Liab)	GR-23		+					
Optional Equipment/Merchandise	GR-23		+	x Use Form 3		per \$1,000 Coverage		
Total Farm Related Business Sales			=	Total Farm Related Business Sales Premium			x	
Custom Farming	GR-24		+					
Acresage Charge	GR-25		+ 0 - 500 acres rate		+	per add'l 500 acres	x	
Chargeable Farm Dwellings	GR-25	per Dwelling	+				x	
Additional Premises Rented to Others (Liab)	GR-25	per Dwelling	+				x	
Animal Collison	GR-34		+				x	
Extra Expense	GR-34		+	x Use Form 3		per \$1,000 Coverage	x	
Farm Employees	GR-35		+ 1-2 employees rate		+	per add'l employee	x	
Limited Pollution Liability - Increase Limits	GR-35		+ 0-500 acres rate		+	+ >500 acres rate	x	
Named Insured Medical Payments	GR-35		+			per Insured	x	
Back-Up Of Sewer or Drain	GR-36		+				x	
Construction Theft	GR-36		+	x Use Form 3			x	
Earthquake (Dwelling)								
Personal Property Charge (Cov C)	GR-37		+	x (EQ Ded)		per \$1,000 Coverage		
ALE Increased Limit	GR-37		+	x (EQ Ded)		per \$1,000 Increase		
Total Earthquake		per Policy	=	Total Dwelling Earthquake Premium			x	
Guns and Related Equipment	GR-38		+	x Use Form 3			x	
Jewelry and Furs	GR-39		+	x Use Form 3			x	
Personal Computer	GR-40		+	x Use Form 3			x	
Piers, Bulkheads, Wharves and Docks	GR-40	per Structure	+	x Use Form 3		per \$1,000 Coverage	x	
Replacement Cost Coverage - Contents	GR-41	Min Prem Applies	+	x Use Form 3	x Step 9		x	
Silverware and Goldware	GR-42		+	x Use Form 3			x	
Trees, Shrubs, Plants & Lawns - Wind/Hail	GR-43		+	x Use Form 3		per \$1,000 Covg A Li	x	
Identity Fraud Expense	GR-43		+				x	
Business Pursuits	GR-45		+			per Person Insured	x	
Personal Injury Liability	GR-46		+				x	
Watercraft Liability	GR-48	per Watercraft	+		x Class Factor		x	

* When the deductible is applied, the result should be rounded to the same number of digits as the item Base Rate.

Term Fee applies to final policy premium per non-annual policy term.

The minimum premium of \$1 shall be charged per item or per endorsement for each coverage written regardless of policy term.

**AR FARMOWNERS FORM 9
PREMIUM DETERMINATION CHART**

Dwelling Package Premium

Step	Description	Reference	Round	Calculation
1	Base Rate	R-6	\$	+
2	Amount of Insurance	R-7	\$	x
3	Heating System Discount	GR-13	\$	x
4	Tier	GR-15.a.	\$	x
5	Claim Free Discount	GR-13	\$	x
6	Claim Surcharge	GR-14	\$	x
7	Deductible	GR-10	\$	x
8	Companion Policy Discount	GR-13	\$	x
9	New Mobile Home Discount	GR-13	\$	x
10	Protective Device Discount	GR-12	\$	x
11	Coverage C Elimination	GR-13	\$	x
12	Term	GR-15	\$	x
Total Premium				

Increased Limits / Mandatory / Optional Coverages

Description	Page		Base Rate	*Deductible	Additional Calculation	Applicable Exposure Units	Term Factor	Total Premium
Additional Living Expense (Increase)	GR-17		+			per \$1,000 Increase	x	
Fire Department Charges (Increase)	GR-17		+			per \$100 Increase	x	
Money (Increase)	GR-17		+	x Use Form 3		per \$100 Increase	x	
Other Structures	GR-17	per Structure	+	x Use Form 3		per \$1,000 Increase	x	
Outdoor Antennas (Increase)	GR-17		+	x Use Form 3		per \$1,000 Increase	x	
Personal Property (Increase)	GR-17		+	x Use Form 3		per \$1,000 Increase	x	
Personal Liability (Increase)	GR-18		+				x	
Additional Residence Liab (Primary Charge)	GR-20		+				x	
Additional Residence Liab Credit (Secondary)	GR-20	per Add'l Res.	-				x	
Permitted Business Activity (Non-Farm)								
Office, Prof., Priv. School, etc. (Basic)	GR-21		+					
Optional Stock of Merchandise	GR-21		+	x Use Form 3		per \$1,000 Coverage		
Home Day Care (Basic)	GR-21		+					
Increased Limits on Other Structures	GR-22	per Structure	+	x		per \$1,000 Increase		
Total Non-Farm Permitted Business Activity								= Total Permitted Business Activity Premium (Non-Farm)
Permitted Business Activity (Farm Related)								x
Business Sales & Storage (Liab)	GR-23		+					
Optional Equipment/Merchandise	GR-23		+	x Use Form 3		per \$1,000 Coverage		
Total Farm Related Business Sales								= Total Farm Related Business Sales Premium
Custom Farming	GR-24		+					x
Acreage Charge	GR-25		+ 0 - 500 acres rate		+	per add'l 500 acres	x	
Chargeable Farm Dwellings	GR-25	per Dwelling	+				x	
Additional Premises Rented to Others (Liab)	GR-25	per Dwelling	+				x	
Animal Collision	GR-34		+				x	
Extra Expense	GR-34		+	x Use Form 3		per \$1,000 Coverage	x	
Farm Employees	GR-35		+ 1-2 employees rate		+	per add'l employee	x	
Limited Pollution Liability - Increase Limits	GR-35		+ 0-500 acres rate		+ >500 acres rate		x	
Named Insured Medical Payments	GR-35		+			per Insured	x	
Back-Up Of Sewer or Drain	GR-36		+				x	
Construction Theft	GR-36		+	x Use Form 3			x	
Earthquake (Dwelling)								
Dwelling Charge (Cov A)	GR-37		+	x (EQ Ded)		per \$1,000 Coverage		
Other Structures Increased Limit	GR-37		+	x (EQ Ded)		per \$1,000 Increase		
Personal Property Increased Limit	GR-37		+	x (EQ Ded)		per \$1,000 Increase		
ALE Increased Limit	GR-37		+	x (EQ Ded)		per \$1,000 Increase		
Total Dwelling Earthquake		per Policy						= Total Dwelling Earthquake Premium
Guns and Related Equipment	GR-38		+	x Use Form 3			x	
Jewelry and Furs	GR-39		+	x Use Form 3			x	
Personal Computer	GR-40		+	x Use Form 3			x	
Piers, Bulkheads, Wharves and Docks	GR-40	per Structure	+	x Use Form 3		per \$1,000 Coverage	x	
Replacement Cost Coverage - Contents	GR-41	Min Prem Applies	+	x Use Form 3	x Step 11		x	
Silverware and Goldware	GR-42		+	x Use Form 3			x	
Trees, Shrubs, Plants & Lawns - Wind/Hail	GR-43		+	x Use Form 3		per \$1,000 Covg A L	x	
Trip Collision an Overturn	GR-43		+	x Use Form 3			x	
Vendor's Single Interest	GR-43	per Mobile Home	+				x	
Identity Fraud Expense	GR-43		+				x	
Business Pursuits	GR-45		+			per Person Insured	x	
Personal Injury Liability	GR-46		+				x	
Watercraft Liability	GR-48	per Watercraft	+		x Class Factor		x	

* When the deductible is applied, the result should be rounded to the same number of digits as the item Base Rate.
Term Fee applies to final policy premium per non-annual policy term.
The minimum premium of \$1 shall be charged per item or per endorsement for each coverage written regardless of policy term.

Farm Structures and Farm Personal Property Premium

Description	Page		Base Rate	Amt of Insurance Factor	Wood Heat Discount	Tier Factor	Deductible	Farm Structure Factor	Companion Policy Discount	Term Factor	Total Premium
Farm Structures (& Related Personal Property)											
Additional Dwellings	GR-27	per Structure	+ Form 3 Base Rates	x Use Form 3	x	x	x Use Form 3	x Add'l Dwelling Factor	x	x	
Personal Property in Additional Dwellings	GR-27	per Structure	+	x \$1,000 Coverage Units		x	x Use Form 3			x	
Mobile Homes	GR-27	per Structure	+ Form 9 Base Rates	x Use Form 9	x	x	x Use Form 3	x MHO Factor	x	x	
Personal Property in Mobile Homes	GR-27	per Structure	+	x \$1,000 Coverage Units		x	x Use Form 3			x	
Barns and Structures	GR-29	per Structure	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Silos	GR-29	per Structure	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Laying, Brooder and Broiler Houses	GR-29	per Structure	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Farm Personal Property - Blanket											
Full Coverage Blanket	GR-31	per Policy	+			x	x Use Form 3		x	x	
Exclusion Blanket	GR-31	per Policy	+			x	x Use Form 3		x	x	
Farm Personal Property - Scheduled											
Livestock	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Combine Harvesters, Cotton Pickers etc.	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Machinery	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Specific Farm Use Vehicles	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3			x	
Irrigation Equipment	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Hay (in open - fire only)	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Hay (in buildings)	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
All Other	GR-31	per Item	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Optional Add'l Perils - Livestock	GR-32	per Policy	+	x \$1,000 Coverage Units		x	x Use Form 3		x	x	
Peak Season Coverage for Farm Personal Property											
Scheduled Livestock w/o optional perils	GR-33	per Item	+	x (\$1,000 Coverage Units) x (Season Months)			x Use Form 3			x	
Scheduled Livestock w/ optional perils	GR-33	per Item	+	x (\$1,000 Coverage Units) x (Season Months)			x Use Form 3			x	
Hay (in open - fire only)	GR-33	per Item	+	x (\$1,000 Coverage Units) x (Season Months)			x Use Form 3			x	
Hay (in buildings)	GR-33	per Item	+	x (\$1,000 Coverage Units) x (Season Months)			x Use Form 3			x	
All Other	GR-33	per Item	+	x (\$1,000 Coverage Units) x (Season Months)			x Use Form 3			x	
Collapse of Farm Structure Due to Ice, Sleet or Snow	GR-33	per Item	+	x \$1,000 Coverage Units			x Use Form 3			x	
Earthquake (Farm)											
Farm Structures	GR-37	per Location	+	x \$1,000 Coverage Units			x EQ Ded			x	
Farm Personal Property	GR-37	per Location	+	x \$1,000 Coverage Units			x EQ Ded			x	

Arkansas Farmowners Form 3 Masonry Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve	
4	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
12	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
13	510	1	535	1	606	1	682	1	946	1	1025	1	1025	1	1372	1	1372	1
15	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
16	510	1	535	1	606	1	682	1	946	1	1025	1	1025	1	1372	1	1372	1
18	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
20	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
21	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
23	436	1	454	1	509	1	572	1	789	1	859	1	858	1	1169	1	1169	1
24	476	1	496	1	562	1	626	1	886	1	952	1	953	1	1278	1	1278	1
26	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
28	454	1	471	1	536	1	595	1	823	1	896	1	897	1	1187	1	1187	1
29	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
31	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
32	690	1	736	1	833	1	934	1	1284	1	1401	1	1401	1	1782	1	1782	1
34	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
35	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
36	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
38	586	1	614	1	690	1	776	1	1074	1	1168	1	1168	1	1499	1	1499	1
40	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
41	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
44	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
45	586	1	614	1	690	1	776	1	1074	1	1168	1	1168	1	1499	1	1499	1
48	454	1	471	1	536	1	595	1	823	1	896	1	897	1	1187	1	1187	1
49	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
50	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
51	476	1	496	1	562	1	626	1	886	1	952	1	953	1	1278	1	1278	1
53	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
55	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
57	454	1	471	1	536	1	595	1	823	1	896	1	897	1	1187	1	1187	1
58	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
62	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
68	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
75	476	1	496	1	562	1	626	1	886	1	952	1	953	1	1278	1	1278	1
77	436	1	454	1	509	1	572	1	789	1	859	1	858	1	1169	1	1169	1
78	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
79	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1
87	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
88	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
91	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
95	526	1	549	1	621	1	697	1	970	1	1049	1	1048	1	1345	1	1345	1

FOR FORM 3 WITH MODIFIED REPLACEMENT COST B-641-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

Arkansas Farmowners Form 3 Frame Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve
4	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
12	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
13	561	1	606	1	672	1	750	1	1114	1	1205	1	1206	1	1585	1	1585	1
15	486	1	521	1	580	1	648	1	952	1	1036	1	1037	1	1374	1	1374	1
16	561	1	606	1	672	1	750	1	1114	1	1205	1	1206	1	1585	1	1585	1
18	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
20	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
21	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
23	476	1	509	1	567	1	631	1	930	1	1008	1	1009	1	1357	1	1357	1
24	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
26	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
28	499	1	536	1	593	1	665	1	970	1	1053	1	1054	1	1373	1	1373	1
29	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
31	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
32	775	1	833	1	924	1	1028	1	1509	1	1645	1	1645	1	2062	1	2062	1
34	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
35	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
36	511	1	545	1	605	1	678	1	989	1	1072	1	1071	1	1425	1	1425	1
38	645	1	690	1	771	1	862	1	1255	1	1365	1	1365	1	1740	1	1740	1
40	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
41	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
44	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
45	645	1	690	1	771	1	862	1	1255	1	1365	1	1365	1	1740	1	1740	1
48	499	1	536	1	593	1	665	1	970	1	1053	1	1054	1	1373	1	1373	1
49	511	1	545	1	605	1	678	1	989	1	1072	1	1071	1	1425	1	1425	1
50	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
51	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
53	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
55	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
57	499	1	536	1	593	1	665	1	970	1	1053	1	1054	1	1373	1	1373	1
58	486	1	521	1	580	1	648	1	952	1	1036	1	1037	1	1374	1	1374	1
62	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
68	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
75	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
77	476	1	509	1	567	1	631	1	930	1	1008	1	1009	1	1357	1	1357	1
78	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
79	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
87	486	1	521	1	580	1	648	1	952	1	1036	1	1037	1	1374	1	1374	1
88	511	1	545	1	605	1	678	1	989	1	1072	1	1071	1	1425	1	1425	1
91	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
95	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1

FOR FORM 3 WITH MODIFIED REPLACEMENT COST B-641-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

Arkansas Farmowners Form 3

Amount of Insurance

\$60,000 Base, \$500 Deductible, \$100,000 Liability, \$1,000 Medical Payments

Amount Insured	Curve 1					
5,000	0.523					
10,000	0.566					
15,000	0.610					
20,000	0.653					
25,000	0.697					
30,000	0.740					
32,000	0.757					
34,000	0.775					
36,000	0.792					
38,000	0.810					
40,000	0.827					
42,000	0.844					
44,000	0.862					
46,000	0.879					
48,000	0.897					
50,000	0.914					
52,000	0.931					
54,000	0.948					
56,000	0.966					
58,000	0.983					
60,000	1.000					
62,000	1.023					
64,000	1.046					
66,000	1.068					
68,000	1.091					
70,000	1.114					
75,000	1.171					
80,000	1.227					
85,000	1.292					
90,000	1.357					
95,000	1.422					
100,000	1.487					
110,000	1.615					
120,000	1.743					
130,000	1.871					
140,000	1.999					
150,000	2.127					
160,000	2.250					
170,000	2.374					
180,000	2.472					
190,000	2.582					
200,000	2.689					
225,000	2.910					
250,000	3.197					
For Each Additional 1,000 Add:	0.0115					

Arkansas Farmowners Form 9 Base Rates

**\$15,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-7,1Y-7Y,1N-5N		8,8Y,6N,7N		8N, 9-11	
	curve		curve		curve	
4	356	1	418	1	690	1
12	356	1	418	1	690	1
13	356	1	418	1	690	1
15	356	1	418	1	690	1
16	356	1	418	1	690	1
18	356	1	418	1	690	1
20	356	1	418	1	690	1
21	356	1	418	1	690	1
23	356	1	418	1	690	1
24	356	1	418	1	690	1
26	356	1	418	1	690	1
28	356	1	418	1	690	1
29	356	1	418	1	690	1
31	356	1	418	1	690	1
32	356	1	418	1	690	1
34	356	1	418	1	690	1
35	356	1	418	1	690	1
36	356	1	418	1	690	1
38	356	1	418	1	690	1
40	356	1	418	1	690	1
41	356	1	418	1	690	1
44	356	1	418	1	690	1
45	356	1	418	1	690	1
48	356	1	418	1	690	1
49	356	1	418	1	690	1
50	356	1	418	1	690	1
51	356	1	418	1	690	1
53	356	1	418	1	690	1
55	356	1	418	1	690	1
57	356	1	418	1	690	1
58	356	1	418	1	690	1
62	356	1	418	1	690	1
68	356	1	418	1	690	1
75	356	1	418	1	690	1
77	356	1	418	1	690	1
78	356	1	418	1	690	1
79	356	1	418	1	690	1
87	356	1	418	1	690	1
88	356	1	418	1	690	1
91	356	1	418	1	690	1
95	356	1	418	1	690	1

Arkansas Farmowners Form 3 Masonry Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve	
4	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
12	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
13	510	1	535	1	606	1	682	1	946	1	1025	1	1025	1	1372	1	1372	1
15	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
16	510	1	535	1	606	1	682	1	946	1	1025	1	1025	1	1372	1	1372	1
18	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
20	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
21	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
23	436	1	454	1	509	1	572	1	789	1	858	1	858	1	1169	1	1169	1
24	476	1	496	1	562	1	626	1	886	1	953	1	953	1	1278	1	1278	1
26	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
28	454	1	471	1	536	1	595	1	823	1	897	1	897	1	1187	1	1187	1
29	614	1	638	1	718	1	807	1	1109	1	1215	1	1215	1	1575	1	1575	1
31	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
32	690	1	736	1	833	1	934	1	1284	1	1401	1	1401	1	1782	1	1782	1
34	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
35	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
36	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
38	586	1	614	1	690	1	776	1	1074	1	1168	1	1168	1	1499	1	1499	1
40	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
41	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
44	547	1	570	1	644	1	726	1	1020	1	1112	1	1112	1	1461	1	1461	1
45	586	1	614	1	690	1	776	1	1074	1	1168	1	1168	1	1499	1	1499	1
48	454	1	471	1	536	1	595	1	823	1	897	1	897	1	1187	1	1187	1
49	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
50	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
51	476	1	496	1	562	1	626	1	886	1	953	1	953	1	1278	1	1278	1
53	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
55	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
57	454	1	471	1	536	1	595	1	823	1	897	1	897	1	1187	1	1187	1
58	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
62	493	1	522	1	584	1	655	1	912	1	987	1	987	1	1299	1	1299	1
68	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
75	476	1	496	1	562	1	626	1	886	1	953	1	953	1	1278	1	1278	1
77	436	1	454	1	509	1	572	1	789	1	858	1	858	1	1169	1	1169	1
78	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
79	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1
87	445	1	462	1	521	1	581	1	810	1	882	1	882	1	1181	1	1181	1
88	463	1	481	1	545	1	613	1	838	1	914	1	914	1	1225	1	1225	1
91	567	1	590	1	671	1	751	1	1041	1	1119	1	1119	1	1467	1	1467	1
95	526	1	549	1	621	1	697	1	970	1	1048	1	1048	1	1345	1	1345	1

FOR FORM 3 WITH MODIFIED REPLACEMENT COST B-641-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

Arkansas Farmowners Form 3 Frame Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve
4	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
12	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
13	561	1	606	1	672	1	750	1	1114	1	1205	1	1205	1	1585	1	1585	1
15	486	1	521	1	580	1	648	1	952	1	1036	1	1036	1	1374	1	1374	1
16	561	1	606	1	672	1	750	1	1114	1	1205	1	1205	1	1585	1	1585	1
18	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
20	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
21	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
23	476	1	509	1	567	1	631	1	930	1	1008	1	1008	1	1357	1	1357	1
24	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
26	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
28	499	1	536	1	593	1	665	1	970	1	1053	1	1053	1	1373	1	1373	1
29	673	1	718	1	803	1	893	1	1305	1	1428	1	1428	1	1823	1	1823	1
31	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
32	775	1	833	1	924	1	1028	1	1509	1	1645	1	1645	1	2062	1	2062	1
34	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
35	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
36	511	1	545	1	605	1	678	1	989	1	1072	1	1072	1	1425	1	1425	1
38	645	1	690	1	771	1	862	1	1255	1	1365	1	1365	1	1740	1	1740	1
40	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
41	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
44	605	1	644	1	719	1	801	1	1206	1	1298	1	1298	1	1670	1	1670	1
45	645	1	690	1	771	1	862	1	1255	1	1365	1	1365	1	1740	1	1740	1
48	499	1	536	1	593	1	665	1	970	1	1053	1	1053	1	1373	1	1373	1
49	511	1	545	1	605	1	678	1	989	1	1072	1	1072	1	1425	1	1425	1
50	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
51	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
53	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
55	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
57	499	1	536	1	593	1	665	1	970	1	1053	1	1053	1	1373	1	1373	1
58	486	1	521	1	580	1	648	1	952	1	1036	1	1036	1	1374	1	1374	1
62	543	1	584	1	655	1	723	1	1072	1	1162	1	1162	1	1513	1	1513	1
68	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
75	522	1	562	1	624	1	697	1	1048	1	1114	1	1114	1	1488	1	1488	1
77	476	1	509	1	567	1	631	1	930	1	1008	1	1008	1	1357	1	1357	1
78	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
79	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1
87	486	1	521	1	580	1	648	1	952	1	1036	1	1036	1	1374	1	1374	1
88	511	1	545	1	605	1	678	1	989	1	1072	1	1072	1	1425	1	1425	1
91	626	1	671	1	745	1	835	1	1220	1	1321	1	1321	1	1704	1	1704	1
95	578	1	621	1	691	1	777	1	1136	1	1233	1	1233	1	1577	1	1577	1

FOR FORM 3 WITH MODIFIED REPLACEMENT COST B-641-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

SERFF Tracking Number: SHEL-125876835

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

State Tracking Number: #1382349 \$100

Company Tracking Number: 03M15408

TOI: 03.0 Personal Farmowners

Sub-TOI: 03.0000 Personal Farmowners

Product Name: FO

Project Name/Number: Lammers/

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document- Property & Casualty	Review Status:	Filed	10/31/2008
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Comments:

Please see attachments.

Attachments:

AR FO Transmittal.pdf
AR FO Rate-Rule Filing.pdf

Satisfied -Name:	Explanatory Memorandum	Review Status:	Filed	10/31/2008
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Comments:

Please see attachment.

Attachment:

AR FO Explanatory Memo.pdf

Satisfied -Name:	Loss Experience	Review Status:	Filed	10/31/2008
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Comments:

Please see attachments.

Attachments:

FO Explanation of Exhibits.pdf
Exhibits 1 thru 13.pdf

Satisfied -Name:	Form RF-1	Review Status:	Filed	10/31/2008
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Comments:

Please see attachment.

Attachment:

AR FO RF1.pdf

Satisfied -Name:	Claims Surcharge Comparison	Review Status:	Filed	10/31/2008
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SERFF Tracking Number: *SHEL-125876835* *State:* *Arkansas*
Filing Company: *Shelter Mutual Insurance Company* *State Tracking Number:* *#1382349 \$100*
Company Tracking Number: *03M15408*
TOI: *03.0 Personal Farmowners* *Sub-TOI:* *03.0000 Personal Farmowners*
Product Name: *FO*
Project Name/Number: *Lammers/*

Comments:

Please see attachment.

Attachment:

Claim Surcharge Comparison.pdf

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 Mutual Insurance Company	MO	23388	43-0613000	

5. Company Tracking Number	03M15408
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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 1817 West Broadway Columbia, MO. 65218	Coordinator of Insurance Dept. Affairs	573-214-4165	573-446-7317	bcmarcks @shelterinsurance.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)	03.0
10.	Sub-Type of Insurance (Sub-TOI)	03.0002
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	N/A
12.	Company Program Title (Marketing title)	Farmowners
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" 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: 01/14/2009 Renewal: 01/14/2009

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	N/A
17.	Reference Organization # & Title	N/A
18.	Company's Date of Filing	October 29, 2008
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	03M15408
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	
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Base rates have been revised for Forms FO-3 & FO-9. Amount of Insurance Relativities were reduced to one for Form FO-3. Claim Surcharge factors were revised for one and two Non-Weather claims. Supplemental rates for Farm Barns, Buildings and Structures, Farm Personal Property, Optional Additional Perils-Livestock and Peak Season have been revised. Editorial changes have also been made. The overall change in revenue with this filing is +6.6% for \$194,346.

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 #: 1382349 Amount: \$100.00</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.)**

These pages are informational only and do not need to be submitted with your filings!

Notes for Uniform Property & Casualty Transmittal Document

DESCRIPTION OF ITEMS IN THE PROPERTY AND CASUALTY TRANSMITTAL DOCUMENT

- 1. Reserved for Insurance Dept. Use Only**—this section is for anything the Dept. wishes to capture—such as date stamps, approval stamps, check routing numbers, accounting codes, etc.
- 2. Insurance Department Use Only Box:** Includes the following information: (It is up to the state to determine which, if any, of this info they wish to record—or it may be recorded in #1 box with stamps (for example))
 - a. Date the filing is received by the Insurance Dept.**
 - b. Analyst**—lead analyst who reviewed the filing and assigns final disposition
 - c. Disposition**—this is the disposition that the Dept. assigns—authorized, approved, filed, withdrawn, disapproved, informational only, etc.
 - d. Date of Disposition of the filing**—date filing is finished
 - e. Effective Date of the Filing**—date the filing goes into effect. This date may vary by state—it might be the “approval” date in some states. It might be the implementation date in some states. It might be the received date in some states. The Dept. should use the date that is applicable in their state.
 - f. State Filing #:** The number the state assigns to the filing (if applicable).
 - g. SERFF Filing #:** Some states may use SERFF to track paper filings and will use that SERFF assigned number.
 - h. Subject Codes** – This field is intended to capture one or more Subject Codes for states to track particular attributes of a filing, such as mold exclusions. The codes or terms used would be variable by state.
- 3. Group Name and Group NAIC #** as assigned by NAIC.
- 4. Company Name(s), State of Domicile, NAIC #, FEIN#, State #:** Every company to which this filing applies must be listed and the company information must be supplied, with the exception of the State # (the company specific code) if not available or not required by the filing jurisdiction. A filing that lists a group without supplying company info will not be accepted in most states.
- 5. Company Tracking Number:** The filing number assigned by the insurance company, if any.
- 6. Contact Info of Filer or Corporate Officer:** The company should supply the information on the person the state should contact if there is a question/problem with the filing. If there is more than one person (perhaps, one for rates, one for forms) then both should be listed.
- 7. Signature of authorized filer:** Some states require a signature of the authorized filer. If the filer is third party, a letter of authorization from the insurer must be submitted according to state requirements.
- 8. Please print name of authorized filer:** So we can decipher #7 above!
- 9. Type of Insurance (TOI):** Refer to Uniform Property & Casualty Product Coding Matrix. This corresponds to the column entitled “SERFF Type of Insurance” and roughly corresponds to the annual statement line of business.
- 10. Sub-type of Insurance (Sub-TOI):** Refer to Uniform Property & Casualty Product Coding Matrix). This corresponds to the column entitled “SERFF Sub-Type of Insurance”.
- 11. State Specific Product code(s):** See State Specific Requirements for these codes
- 12. Company Program Title:** Marketing title, if applicable.
- 13. Filing Type:** Choices are Rate/Loss Cost; Rules; Rates/Rules; Forms; Withdrawal; Other.

14. Effective Date Requested: This is the effective date the company requested when they made the filing. It is not necessarily the date the filing officially becomes effective. This is also where the company can indicate the different effective dates for new or renewal business.

15. Reference Filing: Yes/No

16. Reference Organization (if applicable): The name of the advisory organization—i.e. ISO, NCCI, AAIS, etc. or an Insurance Company name if “me too filing” is permitted. Some states allow companies to reference another company’s filing. A “me too” filing is when one company adopts another company’s filing. Usually they are not part of the same group. You should check with each state to determine their rules on these filings. If permitted, use this area to indicate either an advisory organization name or “me too” company name.

17. Reference Organization Number & Title (if applicable): This is the unique number that the reference organization gives to the filing. It is generally not the same number as the circular number.

18. Company’s Date of filing: The date the company sends the filing.

19. Status of filing in domicile: Place for the company to show if filing has been filed in domicile and its status.

20. This filing transmittal is part of Company Tracking #: This ties all of the pages of the transmittal to the same filing. It is helpful for the state.

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

22. Filing Fees: Please refer to each state’s checklist for additional state specific requirements or instructions on calculating fees.

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 #	03M15408
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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.)	File & Use
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4a.	Rate Change by Company (As Proposed)
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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)
Shelter Mutual Ins.	+9.4	+6.6	194,346	4,185	3,167,935	+16.7	-11.7

4b.	Rate Change by Company (As Accepted) For State Use Only
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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
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	-0.1%
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7.	Effective Date of last rate revision	04/20/2007
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	GR's-10, 14, 15, 29, 31, 32 & 33.	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	PD-1 thru PD-4.	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	R-1 thru R-3 & R-6.	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS FARMOWNERS
Explanatory Memorandum**

SUMMARY

Base rates have been revised for Forms FO-3 & FO-9. Amount of Insurance Relativities were reduced to one for Form FO-3. Claim Surcharge factors were revised for one and two Non-Weather claims. Supplemental rates for Farm Barns, Buildings and Structures, Farm Personal Property, Optional Additional Perils-Livestock and Peak Season have been revised. Editorial changes have also been made. **The overall change in revenue with this filing is +6.6% for \$194,346.**

GENERAL RULE (GR) PAGES

- GR-10** 2. **Deductibles** – an editorial change was made removing the “.1” from the B-636.B under Form 3.
- GR-14** 5.j. **Premium Adjustments – Claim Surcharge** – Factors were revised for one and two Non-Weather claims.
- GR-15** 7. **Premium Determination** – was removed. Refer to Premium Determination Chart (PD Pages 1 thru 4).
- GR-29** 1. **Farm Structures** – Rates for Farm Barns, Buildings and Structures were revised.
- GR-31** 2. **Farm Personal Property** – Rates for Blanket and Scheduled Coverage were revised.
- GR-32** 3. **Optional Additional Perils – Livestock** – Rates were revised.
- GR-33** 4. **Peak Season Coverage** – Rates were revised.

PREMIUM DETERMINATION CHARTS “PD” PAGES

PD-1 thru PD-4: New Pages.

BASE RATES

Base rates were revised for Forms FO-3 and FO-9.

AMOUNT OF INSURANCE RELATIVITIES

For Form FO-3, we have reduced the number of size relativities to one.

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS FARMOWNERS
EXPLANATION OF STATISTICAL EXHIBITS**

In accordance with Arkansas Regulation 23, Section 6.B., the following exhibits supplement this filing:

RF-1	Rate Filing Abstract
H-1	Homeowners Abstract
Exhibit 1	Investment Income Calculation - Farmowners Multiple Peril
Exhibit 2	Underwriting Expenses and Expected Loss Ratio
Exhibit 3	Revenue Summation
Exhibit 4.	Credibility
Exhibit 5	Loss Trending
Exhibit 6.	Current Rate Levels
Exhibit 7	Policy Size Trending
Exhibit 8	Excess Wind and Hail Losses
Exhibit 9	Accident Year Losses and Claims Count
Exhibit 10	Unallocated Loss Adjustment Expense Factor
Exhibit 11	Arkansas Indicated Statewide Change
Exhibit 12	Supplemental Rate Proposal Comparison
Exhibit 13	Revenue Change by Zone

Exhibit RF-1 displays the Arkansas Rate Filing Abstract (Form RF-1).

Exhibit H-1 displays the Arkansas Homeowners Abstract (Form H-1).

Exhibit 1 displays the calculation of the estimate of investment income on net unearned premiums and loss reserves.

Exhibit 2 displays underwriting expenses for Farmowners Multiple Peril and contains the development of Expected Loss Ratio.

Exhibit 3 summarizes the expected revenue effect of Farmowners coverages.

Exhibit 4 displays a credibility table based on a total number of exposure units.

Exhibit 5 displays the calculation of loss trend factors separately for frequency and severity.

For the purpose of this calculation, a revision effective date of January 1, 2009 was used.

Exhibit 6 shows the factors necessary to adjust earned premium for rate changes to current.

Exhibit 7 displays the calculation of policy size trend factors.

For the purpose of this calculation, a revision effective date of January 1, 2009 was used. From our estimate of annual growth in amount of insurance, we project an average size curve factor to one year past the assumed effective date. The premium trend factor is then the change in average size curve factor from the midpoint of each experience year to the projected date. Forms 3 and forms 4 and 9 are then averaged using earned exposures as weights.

Exhibit 8 displays the calculation of excess wind and hail loss loading and smoothing.

Exhibit 9 displays the development of ultimate accident year incurred loss and allocated loss adjustment expense and ultimate accident year claim count.

Exhibit 10 displays the development of the unallocated loss adjustment expense factor.

Exhibit 11 contains the calculation of the Arkansas Statewide Indicated Change based on the following information:

Line 1 contains the recorded earned premiums without adjustment.

Line 2 contains factors necessary to adjust premiums for all rate changes during the experience period as noted in Exhibit 6.

Line 3 contains factors necessary to adjust premiums to reflect anticipated increases in the amounts of insurance purchased as developed in Exhibit 7.

Line 4 is the adjusted earned premium. It is the product of lines 1, 2 and 3.

Line 5 displays developed accident year incurred losses and allocated loss adjustment expenses as developed in Exhibit 9.

Line 6 displays excess wind and hail losses as developed in Exhibit 8.

Line 7 shows incurred losses adjusted for excess Wind/Hail losses.

Line 8 displays the factors necessary to adjust losses to reflect anticipated changes in loss costs as developed in Exhibit 5.

Line 9 displays the Unallocated Loss Adjustment Expense Factor as developed in Exhibit 10.

Line 10 represents the adjusted incurred losses. It is the product of lines 7,8 and 9.

Line 11 shows the formula loss ratios for each year. It is line 10 divided by line 4.

Line 12 displays the weights assigned to each year of the experience period.

Line 13 is the five-year weighted loss ratio. It is calculated by multiplying line 11 by line 12 for each year and then summing the results.

Line 14 is the credibility for the experience period based on the table in Exhibit 4.

Line 15 shows the expected loss ratio, labeled "Available for Losses and Loss Adjustment Expense" in Exhibit 2, page 2.

Line 16 shows the trended expected loss ratio.

Line 17 shows the credibility weighted loss ratio with the complement of credibility given to the Homeowners credibility weighted loss ratio.

Line 18 displays the provision for variable expenses. It is the sum of commission and brokerage expenses, taxes, licenses, and fees, and profit and contingencies from Exhibit 2, page 2.

Line 19 displays the provision for fixed expenses. It is the sum of other acquisition expense and general expense from Exhibit 2, page 2.

Line 20 displays the factor selected to trend fixed expenses. It is based on the trend in the All Items component of the Consumer Price Index.

Line 21 displays the trended provision for fixed expenses. It is line 19 times line 20 raised to the Y power, where Y is the number of years from one year past the last significant rate change to one year past the expected effective date.

Line 22 shows the statewide indicated change with provisions for both variable and fixed expenses.

Exhibit 12 displays the current and proposed rates with percent change for Farm Barns, Buildings and Structures, Farm Personal Property, Optional Additional Perils-Livestock and Peak Season.

Exhibit 13 displays revenue change by zone.

Shelter Mutual Insurance Company

Arkansas

Farmowners Multiple Peril

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2007		\$ 2,984,500
(2) Mean Unearned Premium Reserve: (1.) x 0.41		\$ 1,223,645
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	13.6%	
b. 50% of Other Acquisition Expense	2.1%	
c. 50% of General Expense	3.6%	
d. Taxes, Licenses and Fees	3.0%	
e. Total		22.3%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 950,772
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2007		\$ 2,984,500
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.721		\$ 2,151,825
3. Expected Mean Loss Reserve: (2.) x 0.323		\$ 695,039
C. Net Subject to Investment: A.4 + B.3		\$ 1,645,811
D. Average Rate of Return		0.0558
E. Investment Earnings on Net Subject to Investment: C x D		\$ 91,836
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		3.1%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.729		2.3%

Please refer to the attached explanatory memorandum for details by line

Explanatory Memorandum re Investment Income - Arkansas - Farmowners Multiple Peril

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Farmowners Multiple Peril, for Calendar Year 2007.

Line A.2 - The mean unearned premium reserve is determined by multiplying the direct earned premium in Line A.1 by the mean unearned premium ratio developed below.

1. Direct Earned Premium for Calendar Year 2007	\$	2,984,500
2. Unearned Premium Reserve as of 12/31/2006	\$	1,189,751
3. Unearned Premium Reserve as of 12/31/2007	\$	1,258,537
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$	1,224,144
5. Mean Unearned Premium Ratio: (4.) / (1.)		0.410

Line A.3 - Production and half of other company expenses are incurred with the initial writing and processing of insurance policies, exclusive of claim adjustment expenses. As these expenses are in effect prepaid, the funds will not be available to invest on behalf of the policyholder. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B.2 - The expected loss and loss adjustment ratio reflects expense provisions used in this filing with no provision for profit.

Line B.3 - The expected mean loss reserve is determined by multiplying the expected incurred loss in Line B.2 by the mean loss and loss adjustment reserve ratio as shown below.

1. Incurred Losses for Calendar Year 2006	\$	2,981,577
2. Incurred Losses for Calendar Year 2007	\$	1,324,936
3. Loss Reserves as of 12/31/2005	\$	504,947
4. Loss Reserves as of 12/31/2006	\$	745,732
5. Loss Reserves as of 12/31/2007	\$	408,389
6. Mean Loss Reserve 2006	\$	625,339
7. Mean Loss Reserve 2007	\$	577,060
8. 2006 Ratio: (6.) / (1.)		0.210
9. 2007 Ratio: (7.) / (2.)		0.436
10. Mean Ratio: ((8.) + (9.)) / 2		0.323

Explanatory Memorandum re Investment Income - Continued

Line D - The rate of return is the ratio of Net Income Earned and Net Realized Capital Gains/Losses to Mean Cash and Invested Assets. Due to the inherent variability of Capital Gains/Losses, we have used the most recent ten years of data. All data shown below is from the annual statement

1. Cash and Invested Assets 2005	\$	1,907,698,593
2. Cash and Invested Assets 2006	\$	2,065,958,870
3. Cash and Invested Assets 2007	\$	2,323,262,763
4. Net Investment Income Earned 2006	\$	75,177,951
5. Net Investment Income Earned 2007	\$	89,685,586
6. Mean Cash and Invested Assets 2006: (2. + 3.) / 2	\$	1,986,828,732
7. Mean Cash and Invested Assets 2007: (2. + 3.) / 2	\$	2,194,610,817
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)		0.0394
9. Mean Cash and Invested Assets 1998 - 2007	\$	16,308,604,600
10. Net Realized Capital Gains/Losses 1998 - 2007	\$	267,517,475
11. Mean Rate of Return: 10. / 9.		0.0164
12. Total Rate of Return: 8. + 11.		0.0558

Line G - The average rate of Federal Income Tax was determined by applying the expected average tax rate for Net Investment Income and the expected tax rate applicable to Net Realized Capital Gains/Losses to the rates of return calculated in Line D.

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0394	0.238 (A)
Net Realized Capital Gains/Losses	0.0164	0.350
Total	0.0558	0.271

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2008 tax rates to the distribution of investment income earned for the years 2006 and 2007. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2006	2007	Total		
Bonds (Taxable)	\$ 27,357,731	\$ 30,437,464	\$ 57,795,195	0.350	\$ 20,228,318
Bonds (Tax Exempt)	\$ 26,700,858	\$ 26,516,804	\$ 53,217,662	0.053	\$ 2,820,536
Stocks	\$ 8,430,770	\$ 10,852,003	\$ 19,282,773	0.210	\$ 4,049,382
Short Term	\$ 3,788,433	\$ 3,453,930	\$ 7,242,363	0.350	\$ 2,534,827
Real Estate	\$ 2,855,757	\$ 2,122,960	\$ 4,978,717	0.350	\$ 1,742,551
Other Investments	\$ 6,044,402	\$ 16,302,425	\$ 22,346,827	0.350	\$ 7,821,389
Total	\$ 75,177,951	\$ 89,685,586	\$ 164,863,537	0.238	\$ 39,197,003

(1) Investment deductions have been allocated to the appropriate type in the following manner:
Real Estate - Income Earned less depreciation (Page 6, Line 12), Real Estate Expenses and Taxes (Page 11, Lines 19 and 20, Column 3).
All Other - Investment Expenses less Real Estate Expenses and Taxes prorated by income earned to total income earned less Real Estate Income.

Shelter Mutual Insurance Company

Companywide

Farmowners Multiple Peril

Development of Expense Ratios

Note: 000 s omitted.	2005	2006	2007	Total
1.) Direct Commission and Brokerage	\$ 3,706	\$ 3,624	\$ 3,626	\$ 10,956
2.) Direct Written Premium	26,357	26,522	27,781	80,660
Ratio: 1 / 2	14.1%	13.7%	13.1%	13.6%
3.) Other Acquisition Expense	\$ 1,025	\$ 1,087	\$ 1,268	\$ 3,380
4.) Direct Earned Premium	26,419	26,342	27,135	79,896
Ratio: 3 / 4	3.9%	4.1%	4.7%	4.2%
5.) General Expense	\$ 1,692	\$ 1,823	\$ 2,132	\$ 5,647
6.) Direct Earned Premium	26,419	26,342	27,135	79,896
Ratio: 5 / 6	6.4%	6.9%	7.9%	7.1%
7.) Taxes, Licenses and Fees	\$ 577	\$ 593	\$ 518	\$ 1,688
8.) Direct Written Premium	26,357	26,522	27,781	80,660
Ratio: 7 / 8	2.2%	2.2%	1.9%	2.1%
9.) Direct Loss Adjustment Expense	\$ 1,570	\$ 5,291	\$ 2,528	\$ 9,389
10.) Direct Losses Incurred	12,106	24,452	15,334	51,892
Ratio: 9 / 10	13.0%	21.6%	16.5%	18.1%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Farmowners Multiple Peril

Calculation of Expected Loss Ratio

Commission and Brokerage (a)	13.6%
Other Acquisition Expense (a)	4.2%
General Expense (a)	7.1%
Arkansas Taxes, Licenses and Fees (b)	3.0%
Profit and Contingencies (c)	7.9%
	<hr/>
Sub-total	35.8%
Available for Losses and Loss Adjustment Expense	64.2%

(a) From attached Companywide Expense Ratios

(b) 2007 Premium Tax ratio in Arkansas

(c) From attached Determination of Underwriting Profit & Contingencies Provision

**Shelter Mutual Insurance Company
Arkansas
Farmowners Multiple Peril
Determination of Underwriting Profit & Contingencies Provision**

Target Total Return on Surplus (after federal income tax):	12.0%	(I)
Expected Investment Income on Surplus (% of surplus, after federal income tax, including realized capital gains):	3.9%	(II)
Expected Net Income (% of surplus, after federal income tax):	8.1%	(III)=(I)-(II)
Target Premium to Surplus Ratio:	1.00	(IV)
Expected Net Income (% of earned premium, after federal income tax):	8.1%	(V)=(III)/(IV)
Expected Investment Income on Unearned Premium Reserves and Loss & LAE Reserves (% of earned premium, after federal income tax, including realized capital gains):	2.3%	(VI)
Underwriting Profit Provision (% of earned premium, after federal income tax):	5.8%	(VII)=(V)-(VI)
Expected Federal Income Tax Rate:	27.1%	(VIII)
Underwriting Profit Provision (% of earned premium, before federal income tax):	7.9%	(IX)=(VII)/[1-(VIII)]

**Shelter Mutual Insurance Company
Arkansas Farmowners
Revenue Summation**

	Current Premium	Proposed Change	
		%	\$
FO-3	<u>1,726,472</u>	<u>8.2</u>	<u>141,089</u>
Sub-Total	1,726,472	8.2	141,089
FO-4	12,072	(0.2)	-23
FO-9	<u>69,894</u>	<u>4.6</u>	<u>3,229</u>
Sub-Total	81,966	3.9	3,206
Total, Forms 3 thru 9	1,808,438	8.0	144,295
Farm Barns & Add'l Dwlg's	567,369	4.9	27,623
Farm Personal Property	573,091	3.9	22,428
Supplemental		<u>0.0</u>	<u>0</u>
Total Revenue Change	2,948,898	6.6	194,346

SHELTER MUTUAL INSURANCE COMPANY
 FARMOWNERS
 Credibility Table
 Based on 20,000 Exposure Units

<u>Lower Limit</u>	<u>Upper Limit</u>	<u>Credibility Factor</u>
0	12	0.00
13	112	0.05
113	312	0.10
313	612	0.15
613	1,012	0.20
1,013	1,512	0.25
1,513	2,112	0.30
2,113	2,812	0.35
2,813	3,612	0.40
3,613	4,512	0.45
4,513	5,512	0.50
5,513	6,612	0.55
6,613	7,812	0.60
7,813	9,112	0.65
9,113	10,512	0.70
10,513	12,012	0.75
12,013	13,612	0.80
13,613	15,312	0.85
15,313	17,112	0.90
17,113	19,012	0.95
19,013	20,000 +	1.00

Assumptions:

1. 10% claim frequency distribution with claims following a Poisson distribution.
2. Using the normal approximation with a 90% probability that the sample mean is within 3.5% of the true mean.
3. Partial credibility is based on the square root rule rounded to the nearest 5%.

**Shelter Mutual Insurance Company
Arkansas
Farmowners
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
9/2005	7,955,279	1,867	4,261	4,203		
12/2005	7,374,536	1,851	3,984	4,394		
3/2006	7,852,994	1,849	4,247	4,593		
6/2006	8,301,549	1,820	4,561	4,801		
9/2006	8,280,704	1,700	4,871	5,019		
12/2006	8,364,703	1,661	5,036	5,247		
3/2007	11,423,235	1,692	6,751	5,485	7,319	
6/2007	11,354,113	1,745	6,507	5,733	6,948	
9/2007	12,726,963	1,744	7,298	5,993	6,595	
12/2007	13,224,678	1,737	7,614	6,265	6,260	
3/2008	10,224,133	1,772	5,770	6,549	5,943	
6/2008	8,434,417	1,688	4,997	6,846	5,641	
Annual Percentage Change				19.41%	-18.81%	
r^2				0.508	0.388	

Frequency Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
9/2005	1,867	23,267	8.02	7.89		
12/2005	1,851	23,164	7.99	7.85		
3/2006	1,849	23,090	8.01	7.81		
6/2006	1,820	23,034	7.90	7.78		
9/2006	1,700	22,956	7.41	7.74		
12/2006	1,661	22,865	7.26	7.70		
3/2007	1,692	22,802	7.42	7.66	7.89	
6/2007	1,745	22,750	7.67	7.62	7.85	
9/2007	1,744	22,725	7.67	7.59	7.81	
12/2007	1,737	22,729	7.64	7.55	7.78	
3/2008	1,772	22,718	7.80	7.51	7.74	
6/2008	1,688	22,704	7.43	7.48	7.70	
Annual Percentage Change				-1.84%	-1.91%	
r^2				0.267	0.021	

Severity Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
9/2005	488,693	196	2,493	3,129		
12/2005	539,395	194	2,780	3,369		
3/2006	597,004	187	3,193	3,629		
6/2006	855,440	193	4,432	3,908		
9/2006	895,039	179	5,000	4,209		
12/2006	875,666	178	4,919	4,533		
3/2007	1,141,444	173	6,598	4,882	7,126	
6/2007	1,014,675	161	6,302	5,258	6,671	
9/2007	1,229,345	183	6,718	5,663	6,246	
12/2007	1,225,323	170	7,208	6,099	5,847	
3/2008	1,078,617	202	5,340	6,568	5,474	
6/2008	883,263	195	4,530	7,074	5,125	
Annual Percentage Change				34.54%	-23.17%	
r^2				0.576	0.506	

Frequency Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
9/2005	196	2,197	8.92	8.46		
12/2005	194	2,209	8.78	8.43		
3/2006	187	2,220	8.42	8.40		
6/2006	193	2,227	8.67	8.37		
9/2006	179	2,230	8.03	8.34		
12/2006	178	2,227	7.99	8.32		
3/2007	173	2,215	7.81	8.29	7.49	
6/2007	161	2,205	7.30	8.26	7.74	
9/2007	183	2,202	8.31	8.23	8.01	
12/2007	170	2,207	7.70	8.20	8.29	
3/2008	202	2,214	9.12	8.18	8.57	
6/2008	195	2,218	8.79	8.15	8.87	
Annual Percentage Change				-1.33%	14.60%	
r^2				0.032	0.556	

Severity Trends - Fast Track Arkansas - Homeowners						
Fiscal Acc Year	Non-Catastrophe Incurred Loss and LAE	Non-Catastrophe Paid Claims	Severity	Curve of Best Fit		
				12 Point	6 Point	
12/2004	88,925,611	18,954	4,692	5,271		
3/2005	95,143,955	18,862	5,044	5,234		
6/2005	97,352,657	16,922	5,753	5,198		
9/2005	101,670,536	16,024	6,345	5,162		
12/2005	108,608,710	17,120	6,344	5,126		
3/2006	120,338,843	20,832	5,777	5,091		
6/2006	118,571,033	30,134	3,935	5,055	3,534	
9/2006	127,135,776	31,893	3,986	5,021	3,918	
12/2006	124,074,913	31,921	3,887	4,986	4,345	
3/2007	117,443,953	29,364	4,000	4,951	4,818	
6/2007	122,118,042	20,672	5,907	4,917	5,343	
9/2007	119,803,281	18,803	6,371	4,883	5,925	
Annual Percentage Change				-2.75%	51.23%	
r^2				0.015	0.716	

Frequency Trends - Fast Track Arkansas - Homeowners						
Fiscal Acc Year	Non-Catastrophe Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
12/2004	18,954	295,281	6.42	6.10		
3/2005	18,862	297,015	6.35	6.26		
6/2005	16,922	299,775	5.64	6.42		
9/2005	16,024	303,028	5.29	6.59		
12/2005	17,120	306,629	5.58	6.76		
3/2006	20,832	310,342	6.71	6.93		
6/2006	30,134	313,915	9.60	7.11	11.03	
9/2006	31,893	317,489	10.05	7.29	9.82	
12/2006	31,921	320,935	9.95	7.48	8.74	
3/2007	29,364	323,959	9.06	7.67	7.78	
6/2007	20,672	326,680	6.33	7.87	6.92	
9/2007	18,803	329,447	5.71	8.07	6.16	
Annual Percentage Change				10.70%	-37.27%	
r^2				0.139	0.763	

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2008	Selected Severity 5.00%	Selected Frequency 0.00%	Combined Trend Factor
6/30/2004	1/01/2004	4.5000	1.2455	1.0000	1.2455
6/30/2005	1/01/2005	3.5000	1.1862	1.0000	1.1862
6/30/2006	1/01/2006	2.5000	1.1297	1.0000	1.1297
6/30/2007	1/01/2007	1.5000	1.0759	1.0000	1.0759
6/30/2008	1/01/2008	0.5000	1.0247	1.0000	1.0247

Projection Factor				
Years from 6/30/2008 to 1/01/2010	Selected Severity 5.00%	Selected Frequency 0.00%	Combined Projection Factor	Combined Trend and Projection Factor
1.5068	1.0763	1.0000	1.0763	1.3405
1.5068	1.0763	1.0000	1.0763	1.2767
1.5068	1.0763	1.0000	1.0763	1.2159
1.5068	1.0763	1.0000	1.0763	1.1580
1.5068	1.0763	1.0000	1.0763	1.1029

**Shelter Mutual Insurance Company
Farmowners
Arkansas**

Current Rate Level Factors as of June 30, 2008

The parallelogram method adjusted for exposure changes was used to develop the current rate level factors shown below.

<u>Fiscal Year Ending</u>	<u>Factors</u>
June 30, 2004	1.0039
June 30, 2005	0.9957
June 30, 2006	0.9989
June 30, 2007	0.9990
June 30, 2008	0.9997

Rate Change History (Percent Changes)

<u>Effective Date</u>	<u>% Changes</u>
April 20, 2007	-0.1 %
September 24, 2004	-0.5 %
December 28, 2002	12.9 %

Shelter Mutual Insurance Company
Farmowners Forms 3,4,9
Arkansas

Premium Adjustment for Increases in Amount of Insurance Purchased

Form 3									
All Policies Present Mid-Year			Policies Persisting to Subsequent Year						
Experience Year	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)
2004	1,683	113,813	1,584	114,554	121,956	1.667	1.755	5.3%	1.388
2005	1,681	123,295	1,593	123,726	133,477	1.777	1.894	6.6%	1.318
2006	1,711	135,100	1,603	135,828	146,249	1.922	2.048	6.6%	1.236
2007	1,703	146,421	1,624	146,792	160,433	2.055	2.226	8.3%	1.160
2008*	1,740	161,853	1,683	162,816	166,070	2.254	2.293	1.7%	1.071
Projected**								7.1%	

Form 4									
All Policies Present Mid-Year			Policies Persisting to Subsequent Year						
Experience Year	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)
2004	28	51,750	17	51,482	53,835	3.117	3.228	3.6%	1.049
2005	20	58,610	16	54,500	55,963	3.272	3.301	0.9%	1.013
2006	25	55,370	20	60,300	58,600	3.572	3.480	-2.6%	1.004
2007	27	56,000	21	54,857	55,571	3.299	3.327	0.9%	1.031
2008*	26	53,151	24	52,163	52,996	3.146	3.188	1.3%	1.022
Projected**								2.2%	

Form 9									
All Policies Present Mid-Year			Policies Persisting to Subsequent Year						
Experience Year	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)
2004	121	38,236	106	37,294	37,889	2.141	2.168	1.3%	1.001
2005	118	36,831	106	36,854	36,854	2.119	2.119	0.0%	0.989
2006	114	37,934	99	39,924	39,924	2.268	2.268	0.0%	0.989
2007	103	40,413	92	41,897	41,299	2.365	2.336	-1.2%	0.989
2008*	107	42,720	99	41,243	41,284	2.342	2.344	0.1%	1.001
Projected**								0.1%	

Combined
Premium Trend Factor
(10)
1.369
1.301
1.224
1.152
1.068

* 2007 Data compare December exposures to corresponding June exposures for semi-annual growth rate as 2007 data not yet realized.

** Projection period is from midpoint of latest experience year (fiscal year ending 6/30/2008) to one year past effective date (1/1/2009), which is 2.007 years. Projection is based on simple average of annual growth rates in amount of insurance during prior years of experience period.

Notes:

The calculation of Trend in Amount of Insurance is restricted to observed changes in specific policies for which amount of insurance data is available for the following experience field. The adjustment for a trend in amount of insurance seeks to restate past premium levels at the expected amount of insurance at current valuations for those past exposures. The changing composition of this book of business due to steady growth prevents the use of simple averages in each experience field, which would be skewed significantly by differences between existing book and new policies being added to book.

- Total number of policies present in June of experience period.
- Average Coverage A amount for Form 3 & 9 policies; average Coverage C amount for Form 4 policies as of June of experience period.
- Number of policies present in June of experience period for which renewal data found during June of following experience period.
- Average principle coverage amount for policies for which renewal data is available; number of policies and average amount indicate this should be a fully representative sample.
- Average principle coverage amount for renewed policies.
- Average of approximate size curve factor attached to each policy according to experience period amount of insurance. Current rather than historical size curves used, but should approximate past rating well.
- Average of approximate size curve factor attached to each policy according to amount of insurance observed in subsequent experience period.
- Overall average percentage change in size curve factors used in premium determination.
- Cumulative factor to project amount of insurance premium increases from past level to mid-point of experience projection period. See notes above regarding use of most recent trend data to extrapolate into the near future.
- Average Premium Trend Factor from Form 3, 4 and 9 weighted by premium distribution shown below.

	Form 3	Form 4	Form 9	Combined
% Distribution of Current Premium	95%	1%	4%	100%

Shelter Mutual Insurance Company
Farmowners
Arkansas
Development of Excess Wind and Hail Loss Loading

Fiscal Accident Year Ending	Earned Premium (1)	Wind Incurred Loss (2)	Wind Loss Ratio (3)	*Normal Wind Loss Ratio (4)	Excess Wind Incurred Loss (5)	**Adjusted Wind Incurred Loss (6)	Re-Distributed Excess Wind Incurred Loss Adjustment (7)	Net Wind Incurred Loss Adjustment (8)
06/30/1990	2,226,352	206,332	9%	12%	(59,893)	266,226	142,668	
06/30/1991	2,350,394	333,790	14%	14%	0	333,790	150,617	
06/30/1992	2,316,164	295,613	13%	13%	0	295,613	148,423	
06/30/1993	2,219,643	128,285	6%	12%	(137,139)	265,423	142,238	
06/30/1994	2,056,114	433,526	21%	21%	0	433,526	131,759	
06/30/1995	2,033,063	284,466	14%	14%	0	284,466	130,282	
06/30/1996	2,106,330	857,751	41%	38%	61,170	796,581	134,977	
06/30/1997	2,174,235	745,566	34%	34%	0	745,566	139,328	
06/30/1998	2,306,371	385,447	17%	17%	0	385,447	147,796	
06/30/1999	2,452,031	856,110	35%	35%	0	856,110	157,130	
06/30/2000	2,479,498	1,639,623	66%	38%	701,916	937,707	158,890	
06/30/2001	2,508,908	1,252,837	50%	38%	304,008	948,829	160,775	
06/30/2002	2,640,760	525,414	20%	20%	0	525,414	169,224	
06/30/2003	2,919,388	325,595	11%	12%	(23,504)	349,099	187,079	
06/30/2004	2,955,340	644,871	22%	22%	0	644,871	189,383	189,383
06/30/2005	2,877,400	238,430	8%	12%	(105,647)	344,078	184,388	290,036
06/30/2006	2,851,488	2,121,655	74%	38%	1,043,267	1,078,388	182,728	(860,539)
06/30/2007	2,921,555	275,203	9%	12%	(74,154)	349,358	187,218	261,372
06/30/2008	3,052,236	2,484,780	81%	38%	1,330,473	1,154,307	195,592	(1,134,881)
Total	47,447,270				3,040,496		3,040,496	(1,254,629)

*Normal Range:

25th Percentile of (3) 12%
75th Percentile of (3) 38%

**Wind Load: Total (5) / Total (1) = 6.4%

(3) = (2) / (1).

(4) = (3) capped at max and min specified by "Normal Range".

(5) = [(3) - (4)] x (1); the amount of wind loss outside the "Normal Range" to be removed (added) across all years.

(6) = (2) - (5); the smoothed ratio of wind losses to earned premium.

(7) = Wind Load x (1); the amount of excess wind losses to be loaded back into Total Losses.

(8) = (7) - (5); Net Wind Losses to be added (removed) by Fiscal Accident Year.

Shelter Mutual Insurance Company Farmowners Projected Ultimate Loss and Allocated Loss Adjustment Expense

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	12,345,547	14,852,894	16,143,135	17,522,901	17,649,519	17,680,248	17,706,791	17,713,954	17,714,058	17,716,858
6/30/2000	11,251,929	13,339,338	13,727,870	14,087,284	14,184,400	14,415,887	14,454,536	14,454,286	14,459,896	
6/30/2001	14,502,713	17,627,480	18,064,321	18,468,554	18,531,522	18,583,805	18,632,836	18,650,957		
6/30/2002	17,544,015	21,209,277	21,778,633	21,990,684	22,060,213	22,208,998	22,459,608			
6/30/2003	17,062,540	20,705,230	21,764,412	21,907,111	22,102,982	22,199,099				
6/30/2004	11,415,476	14,474,363	15,117,000	15,278,183	15,323,186					
6/30/2005	7,684,961	9,775,464	10,162,059	10,480,679						
6/30/2006	19,416,269	24,542,730	24,936,280							
6/30/2007	12,194,641	15,736,216								
6/30/2008	16,808,846									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	15,035,881	16,216,045	16,773,544	17,781,751	17,869,540	17,827,748	17,854,291	17,753,954	17,734,058	17,736,858
6/30/2000	13,106,521	13,806,079	13,797,570	14,137,840	14,229,800	14,462,887	14,471,536	14,464,286	14,459,896	
6/30/2001	17,309,886	18,193,572	18,623,587	18,540,522	18,583,805	18,632,836	18,650,957			
6/30/2002	20,745,390	22,513,471	22,733,133	22,641,684	22,452,013	22,515,798	22,627,908			
6/30/2003	23,685,921	22,265,480	22,114,215	22,138,491	22,277,762	22,216,947				
6/30/2004	15,624,914	15,135,147	15,292,490	15,388,924	15,411,927					
6/30/2005	10,680,972	10,286,285	10,500,376	10,772,115						
6/30/2006	28,717,785	25,128,305	25,212,474							
6/30/2007	17,476,078	16,278,876								
6/30/2008	25,007,567									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	6,558	7,217	7,252	7,265	7,289	7,294	7,295	7,296	7,297	7,297
6/30/2000	5,556	6,142	6,178	6,196	6,201	6,203	6,204	6,204	6,204	
6/30/2001	7,241	7,900	7,952	7,967	7,975	7,975	7,975	7,975		
6/30/2002	7,235	7,805	7,825	7,827	7,830	7,831	7,832			
6/30/2003	5,378	5,842	5,854	5,861	5,861	5,867				
6/30/2004	4,107	4,465	4,476	4,487	4,488					
6/30/2005	2,977	3,212	3,222	3,226						
6/30/2006	5,949	6,414	6,458							
6/30/2007	3,837	4,102								
6/30/2008	5,310									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year (1)	Non-Wind Losses							Wind		Total	
	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss/ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Loss/ALAE (9)	Estimated Claim Count (10)	Selected Incurred Loss/ALAE (11) = (8) + (9)	
6/30/1999	11,979,194	1.0000	11,979,194	11,959,194	1.0000	11,959,194	11,979,194	5,757,665	7,297	17,736,859	
6/30/2000	9,392,071	1.0000	9,392,071	9,392,071	1.0000	9,392,071	9,392,071	5,067,824	6,204	14,459,895	
6/30/2001	11,098,930	1.0000	11,098,930	11,098,930	1.0000	11,098,930	11,098,930	7,552,026	7,975	18,650,956	
6/30/2002	12,017,076	1.0000	12,017,076	11,854,576	1.0010	11,866,431	12,017,076	10,610,831	7,832	22,627,907	
6/30/2003	11,114,559	1.0000	11,114,559	11,096,710	1.0045	11,146,685	11,114,559	11,113,491	5,867	22,228,050	
6/30/2004	8,782,246	1.0020	8,799,811	8,693,505	1.0125	8,802,518	8,799,811	6,642,947	4,488	15,442,758	
6/30/2005	7,318,030	0.9990	7,310,668	7,026,594	1.0176	7,150,278	7,310,668	3,471,380	3,228	10,782,048	
6/30/2006	8,301,607	1.0000	8,301,549	8,095,556	1.0329	8,361,627	8,301,549	17,046,526	6,472	25,348,075	
6/30/2007	11,275,266	1.0070	11,354,113	10,784,714	1.0845	11,696,125	11,354,113	5,079,055	4,120	16,433,168	
6/30/2008	8,590,610	0.9818	8,434,417	6,008,625	1.5183	9,122,976	8,434,417	14,998,045	5,752	23,432,462	
5-yr Total			44,200,558			45,133,524	44,200,558	47,237,953	24,060	91,438,511	
10-yr Total			99,802,388			100,596,835	99,802,388	87,339,790		187,142,178	

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	1,783,471	1,931,242	1,935,018	1,935,555	1,944,106	1,946,985	1,947,566	1,947,566	1,947,566	1,947,566
6/30/2000	2,332,949	2,505,281	2,568,712	2,580,281	2,582,524	2,797,955	2,816,030	2,816,030	2,816,030	2,816,030
6/30/2001	1,317,288	1,665,374	1,730,408	1,983,197	2,015,549	2,015,549	2,015,549	2,015,549		
6/30/2002	1,800,444	1,967,481	2,048,548	2,168,999	2,182,061	2,388,525	2,390,686			
6/30/2003	1,657,666	1,805,075	1,796,649	1,814,831	1,828,368	1,837,678				
6/30/2004	1,230,425	1,473,519	1,483,997	1,494,230	1,516,887					
6/30/2005	522,321	716,677	717,112	719,924						
6/30/2006	2,473,674	2,897,753	2,916,383							
6/30/2007	1,140,471	1,250,568								
6/30/2008	2,583,090									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	1,978,460	1,936,242	1,940,018	1,935,555	1,945,531	1,946,985	1,947,566	1,947,566	1,947,566	1,947,566
6/30/2000	2,453,514	2,551,177	2,568,712	2,582,419	2,582,524	2,797,955	2,816,030	2,816,030	2,816,030	2,816,030
6/30/2001	1,789,363	1,918,360	1,950,817	1,983,197	2,015,549	2,015,549	2,015,549	2,015,549		
6/30/2002	2,059,617	2,234,807	2,330,048	2,268,999	2,282,061	2,388,525	2,390,686			
6/30/2003	1,889,497	1,819,575	1,796,649	1,840,831	1,854,368	1,837,678				
6/30/2004	1,538,133	1,525,515	1,492,497	1,510,230	1,517,887					
6/30/2005	743,903	717,677	717,112	719,924						
6/30/2006	3,351,366	2,907,623	2,916,383							
6/30/2007	1,315,742	1,250,568								
6/30/2008	3,694,415									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/1999	747	821	823	824	825	825	825	825	825	825
6/30/2000	702	747	750	752	752	752	752	752	752	
6/30/2001	770	837	842	843	847	847	847	847		
6/30/2002	514	559	560	560	560	561	561			
6/30/2003	485	508	508	513	513	513				
6/30/2004	445	495	495	498	498					
6/30/2005	275	306	308	308						
6/30/2006	620	660	665							
6/30/2007	267	285								
6/30/2008	684									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year (1)	Non-Wind Losses							Wind		Total	
	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss/ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Loss/ALAE (9)	Estimated Claim Count (10)	Selected Incurred Loss/ALAE (11) = (8) + (9)	
6/30/1999	1,091,456	1.0000	1,091,456	1,091,456	1.0000	1,091,456	1,091,456	856,110	825	1,947,566	
6/30/2000	1,176,407	1.0000	1,176,407	1,176,407	1.0000	1,176,407	1,176,407	1,639,623	752	2,816,030	
6/30/2001	762,712	1.0000	762,712	762,712	1.0000	762,712	762,712	1,252,837	847	2,015,549	
6/30/2002	1,865,272	1.0000	1,865,272	1,865,272	1.0000	1,865,272	1,865,272	525,414	561	2,390,686	
6/30/2003	1,512,084	1.0000	1,512,084	1,512,084	1.0007	1,513,142	1,512,084	325,595	513	1,837,679	
6/30/2004	873,210	1.0200	890,674	872,210	1.0507	916,461	890,674	644,871	498	1,535,545	
6/30/2005	483,340	1.0231	494,486	483,340	1.0570	510,909	494,486	238,430	308	732,916	
6/30/2006	831,998	1.0282	855,440	831,998	1.0676	888,249	855,440	2,121,655	667	2,977,095	
6/30/2007	981,276	1.0340	1,014,675	981,276	1.0756	1,055,477	1,014,675	275,203	287	1,289,878	
6/30/2008	867,198	1.0185	883,263	718,599	1.2638	908,201	883,263	2,484,780	739	3,368,043	
5-yr Total			4,138,537			4,279,298	4,138,538	5,764,939	2,499	9,903,477	
10-yr Total			10,546,467			10,688,287	10,546,469	10,364,518		20,910,987	

Shelter Mutual Insurance Company Farmowners Companywide

Development of Unallocated Loss Adjustment Expense Factor

	2005	2006	2007	Total
Note: Amounts in 000's				
1. Direct Loss and Defense/Cost Containment Expense Incurred	\$12,456	\$24,913	\$16,014	\$53,383
2. Direct Adjusting and Other Expense Incurred (ULAE)	\$1,220	\$4,830	\$1,848	\$7,898
3. Ratio of Direct ULAE Incurred to Direct Loss and Defense Incurred	9.8%	19.4%	11.5%	14.8%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Farmowners Indicated Rate Level Change

	Fiscal Year Ending 6/30/2004	Fiscal Year Ending 6/30/2005	Fiscal Year Ending 6/30/2006	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008
1. Earned Premium	\$2,955,340	\$2,877,400	\$2,851,488	\$2,921,555	\$3,052,236
2. Current Rate Level Factor	1.0039	0.9957	0.9989	0.9990	0.9997
3. Effect of Trend in Amount of Insurance	1.3686	1.3015	1.2238	1.1517	1.0677
4. Trended Premium at Current Rates [(1) x (2) x (3)]	\$4,060,701	\$3,728,876	\$3,485,920	\$3,361,600	\$3,257,874
5. Incurred Loss and Allocated Loss Adjustment Expense	\$1,535,545	\$732,916	\$2,977,095	\$1,289,878	\$3,368,043
6. Wind/Hail Loss Adjustment	189,383	290,036	-860,539	261,372	-1,134,881
7. Losses Adjusted for Wind/Hail Losses [(5) + (6)]	\$1,724,928	\$1,022,952	\$2,116,556	\$1,551,250	\$2,233,162
8. Factor to Trend and Project Losses to 1/1/2010	1.3405	1.2767	1.2159	1.158	1.1029
9. Unallocated Loss Adjustment Expense Factor	1.1479	1.1479	1.1479	1.1479	1.1479
10. Trended Loss and Loss Adjustment Expense [(7) x (8) x (9)]	\$2,654,365	\$1,499,225	\$2,954,272	\$2,062,117	\$2,827,348
11. Formula Loss Ratio [(10) / (4)]	65.4%	40.2%	84.7%	61.3%	86.8%
12. Experience Year Weight	10%	15%	20%	25%	30%
13. Weighted Formula Loss Ratio [sum the products of (11) & (12)]			70.9%		
14. Credibility - Based on 20,000 Earned House Years			75.0%		
15. Expected Loss Ratio			64.2%		
16. Trended Expected Loss Ratio [(15) X (20) ^ 1]			66.4%		
17. Credibility Weighted Formula Loss Ratio* [(13) X (14) + 0.71 X (1 - (14))]			70.9%		
18. Current Provision for Variable Expenses of Commissions, Taxes and Profit			24.5%		
19. Current Provision for Fixed Expenses of General and Other Acquisition Expense			11.3%		
20. Factor to Trend Fixed Costs			1.035		
21. Trended Fixed Costs [(19) X (20) ^ 1]			11.7%		
22. Indicated Rate Level Change with Provision for Fixed and Variable Expenses [(17) + (21)] / [1.000 - (18)] - 1.000			9.4%		

Line 14 -- Partial Credibility is based on the square root rule rounded to the nearest five percent.

Lines 16 & 21 -- Projecting of fixed expenses is done from one year past the effective date of the last rate change (04/20/2007) to one year past the expected effective date (01/01/2009), limited to one year.

Line 17 -- Complement of Credibility is the Homeowners Credibility Weighted Loss Ratio.

**ARKANSAS SUPPLEMENTAL RATE COMPARISON
Farmowners**

Farm Barns, Buildings and Structures – Rates per \$1,000, \$500 Deductible

	Current	Proposed	% Change
a. Barns and Structures	\$	\$	
1	15.82	16.45	4.0
2	19.13	19.90	4.0
3	24.15	25.12	4.0
4	12.78	13.29	4.0
b. Silos			
1	14.95	15.55	4.0
2	30.22	31.43	4.0
c. Laying, Brooder and Broiler Houses			
1	14.59	15.17	4.0
2	17.74	18.45	4.0

Farm Personal Property Scheduled Coverage- Rates per \$1000, \$500 Deductible

Class	Current	Proposed	% Change
Livestock	15.15	15.76	4.0
Combine Harvesters etc.	20.31	21.12	4.0
Machinery	10.43	10.85	4.0
Specific Farm Use Vehicles	10.43	10.85	4.0
Irrigation Equipment	16.11	16.75	4.0
Hay (in open-fire only)	18.39	19.13	4.0
Hay (in buildings)	20.83	21.66	4.0
All Other	10.43	10.85	4.0

Optional Additional Perils-Livestock Scheduled-Rates per \$1000, \$500 Deductible

Current	Proposed	% Change
1.90	1.98	4.2

**ARKANSAS SUPPLEMENTAL RATE COMPARISON
Farmowners**

Farm Personal Property - \$500 Deductible

Blanket Coverage

(a) Full Coverage Blanket

	Current	Proposed	% Change
Coverage Amount			
\$15,000	208	216	4.0
20,000	265	276	4.0
30,000	379	394	4.0
40,000	499	519	4.0
50,000	618	643	4.0
60,000	732	761	4.0
70,000	847	881	4.0
80,000	964	1,003	4.0
90,000	1,081	1,124	4.0
100,000	1,199	1,247	4.0
125,000	1,486	1,545	4.0
150,000	1,784	1,855	4.0
200,000	2,368	2,463	4.0
Each Addnl. 1,000	11.67	12.14	4.0

(b) Exclusion Blanket

	Current	Proposed	% Change
Coverage Amount			
\$15,000	229	238	4.0
20,000	292	304	4.0
30,000	417	433	3.8
40,000	549	571	4.0
50,000	679	707	4.1
60,000	805	837	4.0
70,000	932	969	4.0
80,000	1,060	1,103	4.1
90,000	1,190	1,236	3.8
100,000	1,319	1,372	4.0
125,000	1,635	1,700	4.0
150,000	1,962	2,041	4.1
200,000	2,605	2,709	4.0
Each Addnl. 1,000	12.83	13.35	4.1

Peak Season Coverage - Rates per \$1,000, \$500 Deductible

	Current	Proposed	% Change
Blanket			
Full Coverage	1.10	1.15	4.5
Exclusion	1.22	1.27	4.1
Scheduled			
Livestock			
with optional perils	1.42	1.48	4.2
without optional perils	1.26	1.31	4.0
Hay in open (fire only)	1.53	1.59	3.9
Hay in buildings	1.74	1.81	4.0
All Other	0.87	0.90	3.4

**Shelter Mutual Insurance Company
Revenue Change By Zone
Arkansas Farmowners**

		Data		
Zone	Annual Policy Premium	Total % Change	Total \$ Change	
4	112,408	5.7%	6,367	
12	25,182	4.7%	1,173	
13	17,915	7.3%	1,302	
15	71,766	8.8%	6,303	
16	79,195	2.3%	1,785	
18	144,336	8.2%	11,808	
20	17,388	2.4%	413	
21	16,214	5.3%	859	
23	132,636	8.7%	11,497	
24	206,588	5.1%	10,509	
26	155,067	2.3%	3,593	
28	85,556	9.3%	7,979	
29	61,422	3.5%	2,175	
31	90,043	7.7%	6,899	
32	21,760	3.4%	735	
34	43,050	5.9%	2,559	
35	60,241	8.2%	4,943	
36	276,031	10.2%	28,112	
38	58,729	5.6%	3,297	
40	53,810	0.3%	146	
41	3,598	10.4%	375	
44	84,221	3.5%	2,922	
45	35,036	2.9%	1,011	
49	64,035	9.8%	6,261	
50	71,701	10.7%	7,685	
51	54,005	7.9%	4,291	
53	269,692	8.0%	21,444	
55	12,336	3.6%	445	
57	5,512	6.2%	343	
58	26,717	10.4%	2,768	
62	78,776	5.2%	4,088	
68	62,903	4.2%	2,658	
75	40,269	7.3%	2,959	
77	20,617	0.3%	55	
78	2,895	4.0%	115	
79	26,621	1.2%	316	
87	125,115	10.4%	12,985	
88	177,912	5.9%	10,442	
91	21,010	3.4%	722	
95	36,590	0.0%	9	
Grand Total	2,948,898	6.6%	194,346	

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

1.	This filing transmittal is part of Company Tracking #	03M15408
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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
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3.		A.	Company Name	B.	Company NAIC Number
			Shelter Mutual Insurance Company		23388

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)
			Shelter Mutual Farmowners		Farmowners

(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
Farmowners	+9.4	+6.6	64.2	N/A	N/A	N/A	N/A
TOTAL OVERALL EFFECT							

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
2003	1,792	+12.9	4/18/2002	2,966	1,643	55.4	87.5
2004	1,780	+12.9	11/28/2002	2,922	867	29.7	45.9
2005	1,809	-0.5	8/25/2004	2,843	1,161	40.8	45.8
2006	1,804	-0.1	04/20/2007	2,885	2,982	103.4	92.8
2007	1,830			2,985	1,325	44.4	56.5

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	17.8
B. General Expense	7.1
C. Taxes, Licenses & Fees	3.0
D. Underwriting Profit & Contingencies	7.9
E. Other (explain)	
F. TOTAL	35.8

- 8.** N/A Apply Loss Cost Factors to Future filings? (Y or N)
- 9.** +16.7 Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): 87
- 10.** -11.7 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 26

**SHELTER MUTUAL INSURANCE COMPANY
 ARKANSAS
 HOMEOWNERS, FARMOWNERS, PLATINUM SHIELD & MOBILE HOMEOWNERS
 CLAIMS SURCHARGE COMPARISON**

CURRENT

Number of Claims	Non-Weather				
Weather	0	1	2	3	4+
0	0	30%	85%	85%	85%
1	0	30%	85%	85%	85%
2	0	30%	85%	85%	85%
3	0	30%	85%	85%	85%
4+	0	30%	85%	85%	85%

PROPOSED

Number of Claims	Non-Weather				
Weather	0	1	2	3	4+
0	0	15%	50%	85%	85%
1	0	15%	50%	85%	85%
2	0	15%	50%	85%	85%
3	0	15%	50%	85%	85%
4+	0	15%	50%	85%	85%