

SERFF Tracking Number: FARM-125816684 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

Filing at a Glance

Companies: Farmers Insurance Company, Inc., Farmers Insurance Exchange

Product Name: H-AR-2008-HO-F

SERFF Tr Num: FARM-125816684 State: Arkansas

TOI: 04.0 Homeowners

SERFF Status: Closed

State Tr Num: EFT \$200

Sub-TOI: 04.0000 Homeowners Sub-TOI

Co Tr Num: HAR0803-107110,

State Status: Fees received

Combinations

HAR0803-207110

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Becky Harrington,
Betty Montesi

Authors: Anahit Bekarian, Jeanette Disposition Date: 09/24/2008

Campion, Gayane Rupchian, Mina

Villegas, Chris SalvaCruz, Edmond

Balaian, Karen Lacy

Date Submitted: 09/19/2008

Disposition Status: Filed

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

Effective Date (New): 01/01/2009

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

Effective Date (Renewal):

01/01/2009

State Filing Description:

General Information

Project Name: AR Interior Inspection Modification

Status of Filing in Domicile: Authorized

Project Number: F-08-062

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 09/24/2008

State Status Changed: 09/22/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

On behalf of Farmers Insurance Company, Inc. and Farmers Insurance Exchange, we respectfully submit for your review and approval a rating rule revision to our homeowner's products. The New Household Credit filed with the Arkansas Insurance Department in filings HAR0603-203820 and HAR0603-103820 effective 2/24/2007, provides a credit to Farmers Customers that purchase a new Fire policy on the same day that they purchase a new Auto policy.

SERFF Tracking Number: FARM-125816684 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

The interior inspection discount filed with the Arkansas Insurance Department in filings HAR0503-102600 and HAR0503-202600 effective 9/24/2005, provides a discount to policyholders that have a qualifying inspection performed on the interior of the property insured.

With this submission, we propose to discontinue offering the New Household Credit on our Renters policies. Additionally we propose to discontinue offering the Interior Inspection Discount on Homeowners policies receiving the New Household Credit, and on Homeowners policies in which the age of home is less than 10 years. Under this proposal, policies that have qualified for the discount prior to the proposed effective date will continue to receive the discount for the remaining duration of their eligibility; therefore, there is no premium impact to our existing policyholders.

The proposal to discontinue offering the credit for Renter's policies is based on unprofitable loss results on policies with the discount. Exhibit A provides a loss ratio relativity analysis of countrywide loss experience from our existing Renter's book. As the total number of Renter's policies in Arkansas does not meet the credibility standard, the loss results have been credibility weighted against our countrywide loss experience indication of 68.612%. Additionally, we have experienced a higher level of attrition than expected after the 1st policy term.

The proposal to modify the qualifications for the Interior Inspection discount is based on vendor service levels of interior inspections not meeting our expectations. By restricting the offer of the Interior Inspection Discount to policyholders that do not receive the New Household Credit and are insuring a home older than 10 years of age, we are able to provide a more manageable volume of inspections to our vendor and focus inspections to homes that are more likely to have had renovations and improvements that significantly change the characteristics of the home from its original construction.

This submission also includes final printed manual pages reflecting the above revisions.

Our targeted effective date for this proposal is 01/01/2009.

Very truly yours,
FARMERS INSURANCE EXCHANGE
FARMERS INSURANCE COMPANY, INC.

By: Brian Sniegowski
Product Manager

SERFF Tracking Number: FARM-125816684 State: Arkansas
 First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
 Company Tracking Number: HAR0803-107110, HAR0803-207110
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: H-AR-2008-HO-F
 Project Name/Number: AR Interior Inspection Modification/F-08-062

Home Product Management

Company and Contact

Filing Contact Information

Feliksa Barran, Manager - Business Feliksa_Barran@farmersinsurance.com
 Implementation
 4700 Wilshire Blvd. (323) 932-3056 [Phone]
 Los Angeles, CA 90010

Filing Company Information

Farmers Insurance Company, Inc. CoCode: 21628 State of Domicile: Kansas
 10850 Lowell Avenue Group Code: 212 Company Type:
 Overland Park, KS 66210-1667 Group Name: State ID Number:
 (323) 932-3056 ext. [Phone] FEIN Number: 48-0609012

Farmers Insurance Exchange CoCode: 21652 State of Domicile: California
 4680 Wilshire Blvd. Group Code: 212 Company Type:
 Los Angeles, CA 90010 Group Name: State ID Number:
 (323) 932-3056 ext. [Phone] FEIN Number: 95-2575893

Filing Fees

Fee Required? Yes
 Fee Amount: \$200.00
 Retaliatory? No
 Fee Explanation: \$100.00 is the required filing fee for each filing company, in this case, FIE & FICO, for a total of \$200.00. Checks will be sent via EFT.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Farmers Insurance Company, Inc.	\$0.00	09/19/2008	
Farmers Insurance Exchange	\$200.00	09/19/2008	22620160

SERFF Tracking Number: FARM-125816684 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	09/24/2008	09/24/2008

SERFF Tracking Number: FARM-125816684 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

Disposition

Disposition Date: 09/24/2008
Effective Date (New): 01/01/2009
Effective Date (Renewal): 01/01/2009
Status: Filed
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	43,117

SERFF Tracking Number: FARM-125816684 State: Arkansas
 First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
 Company Tracking Number: HAR0803-107110, HAR0803-207110
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: H-AR-2008-HO-F
 Project Name/Number: AR Interior Inspection Modification/F-08-062

Item Type	Item Name	Item Status	Public Access
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp		Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	Exhibit A	Filed	Yes
Supporting Document	Cover letter	Filed	Yes
Rate	Manual pages	Filed	Yes

SERFF Tracking Number: FARM-125816684 State: Arkansas
 First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
 Company Tracking Number: HAR0803-107110, HAR0803-207110
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: H-AR-2008-HO-F
 Project Name/Number: AR Interior Inspection Modification/F-08-062

Rate Information

Rate data applies to filing.

Filing Method: File & Use
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: 13.9000%
Effective Date of Last Rate Revision: 04/16/2008
Filing Method of Last Filing: Fule & 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):
Farmers Insurance Company, Inc.	0.000%	0.000%	\$0	876	\$604,536	0.000%	0.000%
Farmers Insurance Exchange	0.000%	0.000%	\$0	42,241	\$37,671,823	0.000%	0.000%

Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated:
Overall Percentage Rate Impact For This Filing:
Effect of Rate Filing - Written Premium Change For This Program: \$0

SERFF Tracking Number: FARM-125816684
First Filing Company: Farmers Insurance Company, Inc., ...
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

State: Arkansas
State Tracking Number: EFT \$200
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Effect of Rate Filing - Number of Policyholders Affected:

43117

SERFF Tracking Number: FARM-125816684 State: Arkansas
 First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
 Company Tracking Number: HAR0803-107110, HAR0803-207110
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: H-AR-2008-HO-F
 Project Name/Number: AR Interior Inspection Modification/F-08-062

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Manual pages	Pages 118, 118a	New	Page 118.pdf Page 118a.pdf

**HOMEOWNERS PACKAGE
FARMERS INSURANCE COMPANY
FARMERS INSURANCE EXCHANGE
RATING RULES**

NON-SMOKER DISCOUNT
(Farmers Insurance Company only)

Multiply the premium or rate by 0.98 when all resident members of the household have not smoked tobacco products in the past two years.

AGE 50 PLUS DISCOUNT
All Forms

A credit shall apply to the premiums if the oldest named insured is age 50 or older. Multiply the premium by the applicable factor based on the age of insured

Age of Insured	Factor
Under age 50	1.00
50-54	0.95
55-59	0.90
60-64	0.85
Over age 64	0.80

INTERIOR INSPECTION DISCOUNT

- ★ Available on policies that are not receiving the new household credit and the age of home is older than 10 years. Does not apply to Course of Construction, Renters, Townhouse (Contents) and Condominium.

Dwellings which have an interior inspection completed are eligible for the Interior Inspection Discount based on the criteria listed below:

New Business

The applicant agrees to an interior inspection at the time of application. The interior inspection is completed by the Farmers vendor and returned to Underwriting. If the interior inspection cannot be completed, the vendor will complete an exterior inspection and the discount will be removed.

In Force Policies

The customer may provide a completed interior inspection from either the Farmers vendor or an independent inspector who is a member of one of the following associations:

- American Institute of Inspectors (AII)
- American Home Inspectors Training Institute (AHIT)
- American Society of Home Inspectors (ASHI)
- National Associations of Home Inspectors, Inc. (NAHI)

The customer must submit to Underwriting an original Property Inspection Report (SRN 51-1039) or the submitted inspection report must provide the same information as requested in the Property Inspection Report.

The interior inspection is no more than 90 days old at the time of submission. The discount is applied on renewal only. (It cannot be added midterm.)

Policy Period	Discount Code	Factor
1	I1	0.90
2	I2	0.93
3	I3	0.97

**HOMEOWNERS PACKAGE
FARMERS INSURANCE COMPANY
FARMERS INSURANCE EXCHANGE**

RATING RULES

NEW HOUSEHOLD CREDIT

★ **All Forms Except Renters**

New policies are eligible for the New Business credit of 8% provided they meet the following criteria:

1. The Insured has no existing auto or homeowner policies with a Farmers Insurance Group company.
2. An auto policy is written in Farmers Insurance Company or Farmers Insurance Exchange on the same effective date as the homeowner policy.

★

Policies written on an effective other than the initial effective date of the household do not qualify for the credit.

The credit will only be applied for the initial policy period.

The credit applies to all policies in the household with a new business date that is the same as a qualifying policy.

**PROTECTIVE DEVICES DISCOUNT
(Farmers Insurance Company only)**

Apply a Protective Device(s) factor when the insured maintains any of the following protection devices.

<u>Description</u>	<u>Factors</u>	
	<u>Protector Plus</u>	<u>All Other Forms</u>
1. Local Fire and/or Smoke Alarms.	included	.01
2. Local Burglar Alarm covering all accessible exterior doors and windows.	.01	.01
3. Deadbolt locks on all exterior doors including sliding glass doors, at least one working smoke alarm, at least one 2½ pound or larger CO ₂ or chemical type fire extinguisher.	included	.01
4. Burglar and/or Fire Alarm connected to a central station or Police Station.	.10	.10
5. Automatic Sprinkler System (partial) totally or partially omitted in bathrooms, attics, closets and attached structures.	.05	.05
6. Automatic Sprinkler System (complete) with sprinkler system in all areas including bathrooms, attics, closets, and attached structures.	.10	.10

To determine the Protective Device(s) factor subtract the corresponding factor(s) from 1.00. (Example: If the insured maintains both a local burglar alarm and a sprinkler system (partial) subtract .08 (.03 + .05) from 1.00. Apply .92 factor to the rate.)

If a risk qualifies for more than one of the above factors, the compounded factor may not exceed the maximum Protective Devices factor of .80 for Protector Plus and .75 for all other forms.

Note: Protective Device 1 cannot be used in conjunction with 3 and 4, and Protective Device 2 cannot be used in conjunction with 4.

SERFF Tracking Number: FARM-125816684 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: EFT \$200
Company Tracking Number: HAR0803-107110, HAR0803-207110
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: H-AR-2008-HO-F
Project Name/Number: AR Interior Inspection Modification/F-08-062

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Filed 09/24/2008

Comments:

Attachment:

P&C transmittal.pdf

Satisfied -Name: Exhibit A **Review Status:** Filed 09/24/2008

Comments:

Attachment:

Exhibit A.pdf

Satisfied -Name: Cover letter **Review Status:** Filed 09/24/2008

Comments:

Attachment:

Cover memo.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 style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></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 #
Farmers Insurance Group of Companies	0212

4. Company Name(s)	Domicile	NAIC #	FEIN #		NAIC #
Farmers Insurance Exchange	CA	21652	95-2575893		0212
Farmers Insurance Company, Inc.	KS	21628	48-0609012		0212

5. Company Tracking Number	HAR0803-107110, HAR0803-207110
-----------------------------------	--------------------------------

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Brian Sniegowski 4700 Wilshire Blvd. Los Angeles, CA 90010	Product Manager	(323) 964-8036	(323) 932-3161	

7. Signature of authorized filer	
----------------------------------	--

8. Please print name of authorized filer	Mina Villegas
--	---------------

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

9. Type of Insurance (TOI)	Homeowners
10. Sub-Type of Insurance (Sub-TOI)	Homeowners Sub TOI combinations
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	4.0 / 4.0000
12. Company Program Title (Marketing title)	Interior Inspection Discount Modification
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: 1/1/2009 Renewal: 1/1/2009
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	September 16, 2008
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	HAR0803-107110, HAR0803-207110
------------	--	--------------------------------

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

On behalf of Farmers Insurance Company, Inc. and Farmers Insurance Exchange, we respectfully submit for your review and approval a rating rule revision to our homeowner's products. The New Household Credit filed with the Arkansas Insurance Department in filings HAR0603-203820 and HAR0603-103820 effective 2/24/2007, provides a credit to Farmers Customers that purchase a new Fire policy on the same day that they purchase a new Auto policy. The interior inspection discount filed with the Arkansas Insurance Department in filings HAR0503-102600 and HAR0503-202600 effective 9/24/2005, provides a discount to policyholders that have a qualifying inspection performed on the interior of the property insured.

With this submission, we propose to discontinue offering the New Household Credit on our Renters policies. Additionally we propose to discontinue offering the Interior Inspection Discount on Homeowners policies receiving the New Household Credit, and on Homeowners policies in which the age of home is less than 10 years. Under this proposal, policies that have qualified for the discount prior to the proposed effective date will continue to receive the discount for the remaining duration of their eligibility; therefore, there is no premium impact to our existing policyholders.

The proposal to discontinue offering the credit for Renter's policies is based on unprofitable loss results on policies with the discount. Exhibit A provides a loss ratio relativity analysis of countrywide loss experience from our existing Renter's book. As the total number of Renter's policies in Arkansas does not meet the credibility standard, the loss results have been credibility weighted against our countrywide loss experience indication of 68.612%. Additionally, we have experienced a higher level of attrition than expected after the 1st policy term.

The proposal to modify the qualifications for the Interior Inspection discount is based on vendor service levels of interior inspections not meeting our expectations. By restricting the offer of the Interior Inspection Discount to policyholders that do not receive the New Household Credit and are insuring a home older than 10 years of age, we are able to provide a more manageable volume of inspections to our vendor and focus inspections to homes that are more likely to have had renovations and improvements that significantly change the characteristics of the home from its original construction.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
------------	---

Check: Not available yet
Amount: \$100.00 per filing company – Fie & FICO

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.



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

PC TD-1 pg 2 of 2

© 2007 National Association of Insurance Commissioners

Farmers Insurance Exchange
State of Arkansas
Homeowners Multiple Peril
New Household Credit Analysis
Renters Form

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Earned Policies		Loss Ratio		Indicated	Cred.	Credibility	Current	Proposed
<u>State</u>	<u>w/o NHC</u>	<u>w/ NHC</u>	<u>w/o NHC</u>	<u>w/ NHC</u>	<u>Discount</u>	<u>Factor</u>	<u>Indicated</u>	<u>Discount</u>	<u>Discount</u>
AR	205	130	12.3%	0.0%	-100.0%	0.0564	59.1%	-10.0%	0.0%

Notes:

(6) Credibility Factor = (Earned Policy Years / Earned Policy Years Required for Full Credibility)^(2/3) = [(1) + (2) / 25,000]^(2/3)

PIF for Full Credibility is 25,000 for Renters

(7) Indicated discount is Credibility Weighted with the Country Wide Indicated Discount = (6) x (7) + [1 - (6)] x 68.612%

The countrywide indicated discount is 68.6%



FARMERS

Bian Sniekowski
4700 Wilshire Blvd., A1-3
Los Angeles, CA 90010
Bus. (323) 964-8036
Fax (323) 932-3950
www.farmersinsurance.com

September 9, 2008

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201

Attention: Ms. Becky Harrington
Certified Analyst
Property & Casualty Division

Subject: HOMEOWNERS RATING RULE REVISION

Table with 4 columns: Company, Reference Number, NAIC No, Group No. Rows include Farmers Insurance Exchange and Farmers Insurance Company, Inc.

Dear Commissioner:

On behalf of Farmers Insurance Company, Inc. and Farmers Insurance Exchange, we respectfully submit for your review and approval a rating rule revision to our homeowner's products. The New Household Credit filed with the Arkansas Insurance Department in filings HAR0603-203820 and HAR0603-103820 effective 2/24/2007, provides a credit to Farmers Customers that purchase a new Fire policy on the same day that they purchase a new Auto policy. The interior inspection discount filed with the Arkansas Insurance Department in filings HAR0503-102600 and HAR0503-202600 effective 9/24/2005, provides a discount to policyholders that have a qualifying inspection performed on the interior of the property insured.

With this submission, we propose to discontinue offering the New Household Credit on our Renters policies. Additionally we propose to discontinue offering the Interior Inspection Discount on Homeowners policies receiving the New Household Credit, and on Homeowners policies in which the age of home is less than 10 years. Under this proposal, policies that have qualified for the discount prior to the proposed effective date will continue to receive the discount for the remaining duration of their eligibility; therefore, there is no premium impact to our existing policyholders.

The proposal to discontinue offering the credit for Renter's policies is based on unprofitable loss results on policies with the discount. Exhibit A provides a loss ratio relativity analysis of countrywide loss experience from our existing Renter's book. As the total number of Renter's policies in Arkansas does not meet the credibility standard, the loss results have been credibility weighted against our countrywide loss experience indication of 68.612%. Additionally, we have experienced a higher level of attrition than expected after the 1st policy term.

The proposal to modify the qualifications for the Interior Inspection discount is based on vendor service levels of interior inspections not meeting our expectations. By restricting the offer of the Interior Inspection Discount to policyholders that do not receive the New Household Credit and are insuring a home older than 10 years of age, we are able to provide a more manageable volume of inspections to our vendor and focus inspections to homes that are more likely to have had renovations and improvements that significantly change the characteristics of the home from its original construction.

This submission also includes final printed manual pages reflecting the above revisions.

Our targeted effective date for this proposal is 01/01/2009.

Very truly yours,
FARMERS INSURANCE EXCHANGE
FARMERS INSURANCE COMPANY, INC.

By: Brian Sniegowski
Product Manager
Home Product Management