

SERFF Tracking Number: AMMH-125480024 State: Arkansas  
Filing Company: American Modern Home Insurance Company State Tracking Number: EFT \$100  
Company Tracking Number: 20080111-05  
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)  
Product Name: Dwelling Base Rate/Terrority Rate Change  
Project Name/Number: Dwelling Base Rate/Terrority Rate Change/20080111-05

## Filing at a Glance

Company: American Modern Home Insurance Company

Product Name: Dwelling Base Rate/Terrority Rate Change SERFF Tr Num: AMMH-125480024 State: Arkansas

TOI: 01.0 Property SERFF Status: Closed State Tr Num: EFT \$100  
Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines) Co Tr Num: 20080111-05 State Status: Fees verified and received  
Filing Type: Rate Co Status: Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding  
Author: Mellisa Holder Disposition Date: 02/20/2008  
Date Submitted: 02/11/2008 Disposition Status: Filed  
Effective Date Requested (New): 03/01/2008 Effective Date (New): 03/01/2008  
Effective Date Requested (Renewal): 03/01/2008 Effective Date (Renewal): 03/01/2008

State Filing Description:

## General Information

Project Name: Dwelling Base Rate/Terrority Rate Change

Project Number: 20080111-05

Reference Organization:

Reference Title:

Filing Status Changed: 02/20/2008

State Status Changed: 02/13/2008

Corresponding Filing Tracking Number:

Filing Description:

We changes the Base Rates for Owner/rental/ Seasonal Rates as well as the Territory relativity for Owner

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

## Company and Contact

SERFF Tracking Number: AMMH-125480024 State: Arkansas  
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 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)  
 Product Name: Dwelling Base Rate/Terrority Rate Change  
 Project Name/Number: Dwelling Base Rate/Terrority Rate Change/20080111-05

**Filing Contact Information**

Mellisa Holder, Filing Analyst mholder@amig.com  
 7000 Midland Blvd (800) 759-9008 [Phone]  
 Amelia, OH 45102 (513) 947-4929[FAX]

**Filing Company Information**

American Modern Home Insurance Company CoCode: 23469 State of Domicile: Ohio  
 7000 Midland Blvd. Group Code: 127 Company Type:  
 Amelia, OH 45102 Group Name: State ID Number:  
 (800) 759-9008 ext. [Phone] FEIN Number: 31-0715697  
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**Filing Fees**

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Modern Home Insurance Company	\$100.00	02/11/2008	17914750

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	02/20/2008	02/20/2008

### 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	02/13/2008	02/13/2008	Mellisa Holder	02/19/2008	02/19/2008

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
Proposed Filing	Rate	Mellisa Holder	02/19/2008	02/19/2008
Proposed filing	Supporting Document	Mellisa Holder	02/19/2008	02/19/2008
Requested Info	Supporting Document	Mellisa Holder	02/19/2008	02/19/2008

*SERFF Tracking Number:*      *AMMH-125480024*                      *State:*                      *Arkansas*  
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*Project Name/Number:*              *Dwelling Base Rate/Terrority Rate Change/20080111-05*

## **Disposition**

Disposition Date: 02/20/2008

Effective Date (New): 03/01/2008

Effective Date (Renewal): 03/01/2008

Status: Filed

Comment:

Rate data does NOT apply to filing.

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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	Filed	No
Supporting Document	Cover Letter	Filed	Yes
Supporting Document (revised)	Proposed filing	Filed	Yes
Supporting Document	Proposed Filing		Yes
Supporting Document	Actuary Support	Filed	Yes
Supporting Document	Requested Info	Filed	Yes
Rate	Proposed Filing	Filed	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 02/13/2008  
Submitted Date 02/13/2008

Respond By Date

Dear Mellisa Holder,

This will acknowledge receipt of the captioned filing.

### Objection 1

- Uniform Transmittal Document-Property & Casualty (Supporting Document)

Comment: Please calculate an indicated rate need and revise the RF-1.

### Objection 2

- Proposed Filing (Supporting Document)

Comment: Please attach the manual pages under the Rate/Rule Schedule tab.

Complete the rate information or submit a completed Transmittal Document with the rate/rule schedule page (pages 1, 2 & 4).

### Objection 3

No Objections

Comment: Provide additional support and details for the changes to the territorial relativities.

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 02/19/2008  
Submitted Date 02/19/2008

SERFF Tracking Number: AMMH-125480024 State: Arkansas  
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Company Tracking Number: 20080111-05  
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)  
Product Name: Dwelling Base Rate/Terrority Rate Change  
Project Name/Number: Dwelling Base Rate/Terrority Rate Change/20080111-05

Dear Becky Harrington,

**Comments:**

**Response 1**

Comments: Good Morning Ms. Harrington,

Please note that I have added a revised RF-1 form  
Placed the proposed filing under the Rate/Rule Schedule Tab.  
Attached completed transmittals of the requested information.  
I also have attached an explanation of the changes to the territorial relativities.

If you have any questions please do not hesitate to contact me,

Thanks

Mellisa

**Related Objection 1**

Applies To:

- Proposed Filing (Supporting Document)

Comment:

Please attach the manual pages under the Rate/Rule Schedule tab.

Complete the rate information or submit a completed Transmittal Document with the rate/rule schedule page (pages 1, 2 & 4).

**Related Objection 2**

Comment:

Provide additional support and details for the changes to the territorial relativities.

**Related Objection 3**

Applies To:

- Uniform Transmittal Document-Property & Casualty (Supporting Document)

Comment:

Please calculate an indicated rate need and revise the RF-1.

**Changed Items:**

No Supporting Documents changed.

*SERFF Tracking Number:*      *AMMH-125480024*                      *State:*                      *Arkansas*  
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**No Form Schedule items changed.**

**No Rate/Rule Schedule items changed.**

Sincerely,  
Mellisa Holder

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**Amendment Letter**

Amendment Date:  
 Submitted Date: 02/19/2008

**Comments:**

Good Morning Ms. Harrington,

Please note that I have added a revised RF-1 form  
 Placed the proposed filing under the Rate/Rule Schedule Tab.  
 Attached completed transmittals of the requested information.  
 I also have attached an explanation of the changes to the territorial relativities.

If you have any questions please do not hesitate to contact me,  
 Thanks  
 Mellisa

**Changed Items:**

**Rate/Rule Schedule Item Changes:**

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
Proposed Filing	all pages	Replacement		Proposed filing with out the forms page.pdf

**Supporting Document Schedule Item Changes:**

**User Added -Name: Proposed filing**

Comment: Removed proposed filing from here

**User Added -Name: Requested Info**

Comment:

- Arkansas 077 D1 Transmittal\_revised021508.pdf
- F777AZ\_021307[1]\_P&C transmittal Doc.pdf
- F779AZ\_021307[1]\_R&R Filing schedule.pdf
- Expl for change to terr.pdf

*SERFF Tracking Number:*      *AMMH-125480024*                      *State:*                      *Arkansas*  
*Filing Company:*              *American Modern Home Insurance Company*      *State Tracking Number:*      *EFT \$100*  
*Company Tracking Number:*      *20080111-05*  
*TOI:*                      *01.0 Property*                      *Sub-TOI:*                      *01.0002 Personal Property (Fire and Allied Lines)*  
  
*Product Name:*                      *Dwelling Base Rate/Terrority Rate Change*  
*Project Name/Number:*              *Dwelling Base Rate/Terrority Rate Change/20080111-05*

## **Rate Information**

Rate data does NOT apply to filing.

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 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)  
 Product Name: Dwelling Base Rate/Terrority Rate Change  
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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Proposed Filing	all pages	Replacement	Proposed filing with out the forms page.pdf

**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**GENERAL RULES**

**1. DEFINITIONS**

- A. Dwelling – a structure used as the insured’s primary residence containing not more than 4 dwelling units or more than 2 stories.
- B. Vacant/Unoccupied Dwelling – a dwelling that is unoccupied and/or being held for sale, whether or not the contents have been removed.
- C. Seasonal Dwelling - a dwelling that is not the primary residence of the insured, but one that is used on an intermittent basis by the insured and his (her) immediate family.
- D. Rental Dwelling – a dwelling that is rented to others for residential purposes. Insurance is written to cover the interest of the owner of a rented dwelling.
- E. Single Building
  - a. All buildings or sections of buildings which communicate through unprotected openings.
  - b. Buildings which are separated by a space shall be considered separate buildings.
  - c. Buildings or sections of buildings which are separated by an eight (8) inch masonry party wall which pierces or rises to the underside of the roof shall be considered separate buildings. Communication between buildings through masonry party walls described above shall be protected by at least a Class “A” Fire Door installed in a masonry wall section.
- F. Construction Types – The three different construction types are defined below.
  - a. Frame (1) - Exterior walls of wood or other combustible construction, including walls with metal, stucco, or metal lath and plaster on combustible supports. Aluminum or plastic siding over frame.
  - b. Masonry Veneer (2) - Exterior wall of combustible construction veneered with masonry materials. Rated as masonry.
  - c. Masonry (3) - Exterior walls constructed of masonry materials such as adobe, brick, concrete, concrete block, stone, tile or similar materials or non-combustible materials on non-combustible supports.
- G. Public Fire Protection  
 Except in areas otherwise classified, all dwellings within the corporate limits shall take the fire protection classification of the municipality. All dwellings located outside of the corporate limits of a municipality shall be considered as unprotected, unless the fire protection in the district in which the dwelling is located is specifically classified.
- H. Supplemental Heating Device  
 Wood, coal, or pellet burning stoves, space heaters, fireplace inserts or any other heating device that is not centralized.

**2. POLICY FORMS**

- Coverage will be written on the Dwelling Property - Basic Form contained within this filing, which will consist of:
- A. Policy form, plus,
  - B. Declaration page, plus
  - C. Required endorsements, if any

**3. POLICY TERM**

All premiums and rates contained in the Rate Section of this manual are annual unless otherwise indicated. A Dwelling Policy must be written for a specified term not to exceed one year. For the purpose of maintaining common anniversary dates, it is permissible to write a Dwelling Policy for a term of less than one year on a pro rata basis.

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**4. CHANGES**

- A. All changes requiring adjustments of premium shall be computed pro rata.
- B. If a policy is amended and results in a premium adjustment of less than \$5.00, such adjustment may be waived. If there is a decrease in coverage requested by the company, the full return premium will be refunded to the Insured.

**5. TRANSFER OR ASSIGNMENT**

Subject to the rules of this manual and any necessary adjustment of premium, a dwelling policy may be endorsed to effect transfer to another location within the same state; or assignment from one insured to another in the event of transfer of title of the dwelling.

**6. CANCELLATION**

If a policy or form of coverage is cancelled or reduced at the request of the insured or by the Company, the return premium shall be calculated pro rata of the premium, subject to any applicable minimum premiums.

**7. MINIMUM WRITTEN AND EARNED PREMIUM**

No policy shall be written for less than the minimum written and earned premiums shown on the rate pages.

**8. WHOLE DOLLAR PREMIUM**

The premium shall be rounded to the nearest whole dollar separately for each coverage provided by the policy.

A premium of \$.50 or more shall be rounded up to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements and cancellations.

**9. MANUAL PREMIUM REVISION**

A manual premium revision, meaning any revision of premium applicable to the Dwelling Programs including changes due to reclassification of community or district, shall be made in accordance with the following procedures. The revision shall apply to any policy or endorsement with the effective date of the renewal of the policy or anniversary date of annual installment policy.

**10. DEDUCTIBLES**

Coverages may be subject to the application of deductibles as shown on the rate pages.

**11. INSPECTION FEE (ZK)**

A \$35.00 inspection fee will apply to all new business policies.

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**ARKANSAS  
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**ELIGIBILITY AND COVERAGES**

**I. DP-1 Program**

**A. Eligible Risks**

- (1) Owner Occupied
- (2) Seasonal
- (3) Rental

**B. Property Coverages**

- (1) Coverage A - Dwelling
- (2) Coverage B - Other Structures - Increase Optional
- (3) Coverage C - Personal Property - Optional
- (4) Coverage D - Fair Rental Value (Rental Program)

**C. Other Coverages**

Automatically included when coverage on the dwelling is provided.

- (1) Other Structures - Up to 10% of Coverage A (Reduces Coverage A)
- (2) Debris Removal
- (3) Improvements, Alterations and Additions (Reduces Coverage C)
- (4) World-Wide Coverage (Reduces Coverage C)
- (5) Rental Value (Reduces Coverage A)
- (6) Reasonable Repairs
- (7) Property Removed
- (8) Fire Department Service Charge

**D. Perils Insured Against**

- (1) Fire - Included
  - a. Fire or Lightning
  - b. Internal Explosion
  
- (2) Extended Coverage - Included
  - a. Windstorm or Hail
  - b. Explosion
  - c. Riot or Civil Commotion
  - d. Aircraft
  - e. Vehicles
  - f. Smoke
  - g. Volcanic Eruption
  
- (3) Vandalism or Malicious Mischief – Optional (Owner Occupied and Rental Risks)
  
- (4) Terrorism (Rental Risks)

**E. Optional Coverages**

The policy may be written to include:

- (1) Additional Living Expense (not available on seasonal or rental)
- (2) Residence Burglary (not available on seasonal)
- (3) Windstorm and Hail Buy-Back for Antennas
- (4) Other Structures

**F. Liability Coverages - Owner Occupied - Optional **For Renewal business on Seasonal****

- (1) Coverage L – Personal Liability
  - a. Animal Liability Sub-Limit - Included when Personal Liability is purchased
  - b. Animal Liability Exclusion - Optional
- (2) Coverage M – Medical Payments to Others
- (3) Additional Coverages
 

Automatically included when liability coverage is purchased.

  - a. Claim Expenses
  - b. First Aid Expenses
  - c. Damage to Property of Others

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G. Liability Coverages – Rental and Seasonal - Optional **For New business on Seasonal**

- (1) Premises Liability
- (2) Premises Medical Payments
- (3) Terrorism (Rental Only)

II. Vacant Program

A. Eligible Risks

- (1) Vacant/Unoccupied dwellings

B. Property Coverages

- (1) Coverage A – Dwelling
- (2) Coverage B - Other Structures – Increase Optional

C. Other Coverages

Automatically included when coverage on the dwelling is provided.

- (1) Other Structures - Up to 10% of Coverage A (Reduces Coverage A)
- (2) Debris Removal
- (3) Rental Value (Reduces Coverage A)
- (4) Reasonable Repairs
- (5) Property Removed
- (6) Fire Department Service Charge

D. Perils Insured Against

- (1) Fire - Included
  - a. Fire or Lightning
  - b. Internal Explosion
- (2) Extended Coverage - Included
  - a. Windstorm or Hail
  - b. Explosion
  - c. Riot or Civil Commotion
  - d. Aircraft
  - e. Vehicles
  - f. Smoke
  - g. Volcanic Eruption
- (3) Vandalism or Malicious Mischief - Optional

E. Optional Coverages

The policy may be written to include:

- (1) Windstorm and Hail Buy-Back for Antennas

F. Liability Coverages - Optional

- (1) Premises Liability
- (2) Premises Medical Payments

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**ARKANSAS  
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RATE SECTION**

**TERRITORY DEFINITION**

Unless otherwise indicated, the rates and/or premiums apply to the entire state.

<b><u>Territory 60</u></b>	<b><u>Territory 61</u></b>	<b><u>Territory 62</u></b>	<b><u>Territory 63</u></b>	<b><u>Territory 64</u></b>
Remainder of State	Pulaski County	Desha County Jefferson County Mississippi County Poinsett County White County Washington County	Benton County Carroll County Crawford County Madison County Sebastian County	Clark County Faulkner County Garland County Hot Spring County Saline County

**DEDUCTIBLES**

**DP-1 and Vacant Dwelling Program**

The rates and/or premiums shown herein for all coverages on the dwelling are subject to a \$500 all peril deductible. The deductible is applicable per home, per loss occurrence.

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**ARKANSAS  
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D1 PROGRAM**

**BASE PREMIUM COMPUTATION**  
(Does not apply to Vacant)

1. Determine the value of the Dwelling = Dwelling limit. (round up to an even thousand)
  
2. Multiply the Flat Base Rate, Coverage Relativity, Territory Relativity, UVRC\* Relativity that corresponds to the Dwelling Limit and Protection Class Relativity.  
(Base Rate \* Coverage Relativity \* Territory Relativity \* UVRC Relativity \* Protection Class Relativity) = Sub Total 1 (round to the nearest penny)
  
3. Multiply Sub Total 1 by the total surcharge/discount percentage, as defined by the applicable Risk Code Relativity Factors (if applies)  
  
(Sub Total 1 \* Total Risk Code percentage) = Hold 1 (round to the nearest penny)
  
4. Add Sub Total 1 and Hold 1.  
  
(Sub Total 1 + Hold 1) = Sub Total 2 (round to the nearest whole dollar)

\*UVRC is defined as Unit Value Relativity Curve. (UVRC Relativity Tables displayed on next page.)

**VACANT – BASE PREMIUM COMPUTATION**

1. Determine the value of the Dwelling.
  
2. Round the Dwelling Limit up to the nearest hundred, and divide by 100.  
(Adjusted Dwelling Limit/100 = Sub Total 1)
  
3. Multiply Sub Total 1 by the Rate per \$100 of Coverage.  
(Sub Total 1 \* Rate per \$100 of Coverage = Sub Total 2)
  
4. Multiply Sub Total 2 by the total surcharge/discount percentage, as defined by the applicable Risk Code Relativity Factors (if applies)  
(Sub Total 2 \* Total Risk Code Percentage) = Hold 1 (round to the nearest penny)
  
5. Add Sub Total 2 and Hold 1.  
(Sub Total 2 + Hold 1) = Total (round to the nearest whole dollar)

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**ARKANSAS  
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D1 PROGRAM**

**OWNER OCCUPIED, RENTAL OCCUPIED AND SEASONAL OCCUPIED**

**DP-1 Program (4V1/4V2/4V3)**

Fire and Extended Coverage

Frame and Masonry Construction

Product	Flat Base Rate	Covg Incr	Base Rate per Incr	Min Prem Amount	Min Rate Value	Min Val Accept	UVRC Code	Cov Relativity	Deductible
4V1	131.11	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00
4V2	139.59	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00
4V3	139.59	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00

**Owner**

Territory Relativity Table				
60	61	62	63	64
1.00	1.32	1.32	0.87	0.92

Protection Class Table									
Class	Factor	Class	Factor	Class	Factor	Class	Factor	Class	Factor
1-3	1.00	4-6	1.07	7-8	1.50	9	2.00	10	2.40

Construction Type	
Masonry	0.94

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**OWNER OCCUPIED, RENTAL OCCUPIED AND SEASONAL OCCUPIED**

**DP-1 Program PERSONAL PROPERTY (7M1/7M2/7M3)**

Fire and Extended Coverage

Frame and Masonry Construction

Product	Flat Base Rate	Covg Incr	Base Rate per Incr	Min Prem Amount	Min Rate Value	Min Val Accept	UVRC Code	Cov Relativity	Deductible
7M1	53.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00
7M2	47.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00
7M3	47.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00

Territory Relativity Table				
60	61	62	63	64
1.00	2.32	2.01	0.87	0.95

Protection Class Table									
Class	Factor	Class	Factor	Class	Factor	Class	Factor	Class	Factor
1-3	1.00	4-6	1.07	7-8	1.50	9	2.00	10	2.40

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**UVRC RELATIVITY TABLES**

For Dwellings valued in excess of the maximum Dwelling Limit indicated, add the Greater Than Factor for each additional \$1,000 to the maximum relativity listed in each table.

**DP-1 Program (4V1/4V2/4V3)**

<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>
10,000	1.250	59,000	5.524	107,000	9.802
11,000	1.336	60,000	5.612	108,000	9.892
12,000	1.422	61,000	5.700	109,000	9.982
13,000	1.508	62,000	5.788	110,000	10.072
14,000	1.594	63,000	5.876	111,000	10.162
15,000	1.680	64,000	5.964	112,000	10.252
16,000	1.766	65,000	6.052	113,000	10.342
17,000	1.852	66,000	6.140	114,000	10.432
18,000	1.938	67,000	6.228	115,000	10.522
19,000	2.024	68,000	6.316	116,000	10.612
20,000	2.110	69,000	6.404	117,000	10.702
21,000	2.196	70,000	6.492	118,000	10.792
22,000	2.282	71,000	6.580	119,000	10.882
23,000	2.368	72,000	6.668	120,000	10.972
24,000	2.454	73,000	6.756	121,000	11.062
25,000	2.540	74,000	6.844	122,000	11.152
26,000	2.626	75,000	6.932	123,000	11.242
27,000	2.712	76,000	7.020	124,000	11.332
28,000	2.798	77,000	7.108	125,000	11.422
29,000	2.884	78,000	7.196	126,000	11.512
30,000	2.972	79,000	7.284	127,000	11.602
31,000	3.060	80,000	7.372	128,000	11.692
32,000	3.148	81,000	7.462	129,000	11.782
33,000	3.236	82,000	7.552	130,000	11.872
34,000	3.324	83,000	7.642	131,000	11.962
35,000	3.412	84,000	7.732	132,000	12.052
36,000	3.500	85,000	7.822	133,000	12.142
37,000	3.588	86,000	7.912	134,000	12.232
38,000	3.676	87,000	8.002	135,000	12.322
39,000	3.764	88,000	8.092	136,000	12.412
40,000	3.852	89,000	8.182	137,000	12.502
41,000	3.940	90,000	8.272	138,000	12.592
42,000	4.028	91,000	8.362	139,000	12.682
43,000	4.116	92,000	8.452	140,000	12.772
44,000	4.204	93,000	8.542	141,000	12.862
45,000	4.292	94,000	8.632	142,000	12.952
46,000	4.380	95,000	8.722	143,000	13.042
47,000	4.468	96,000	8.812	144,000	13.132
48,000	4.556	97,000	8.902	145,000	13.222
49,000	4.644	98,000	8.992	146,000	13.312
50,000	4.732	99,000	9.082	147,000	13.402
51,000	4.820	100,000	9.172	148,000	13.492
52,000	4.908	101,000	9.262	149,000	13.582
53,000	4.996	102,000	9.352	150,000	13.672
54,000	5.084	103,000	9.442		
55,000	5.172	104,000	9.532	Add'l rate	
56,000	5.260	105,000	9.622	per \$1,000	0.090
57,000	5.348	106,000	9.712		
58,000	5.436				

<b>NEW PAGE</b>	<b>X</b>	<b>PAGE NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PUBLICATION DATE</b>
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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**UVRC RELATIVITY TABLES**

For Dwellings valued in excess of the maximum Dwelling Limit indicated, add the Greater Than Factor for each additional \$1,000 to the maximum relativity listed in each table.

**DP-1 Personal Property (7M1/7M2/7M3)**

<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>
10,000	0.726	52,000	3.032	94,000	5.342
11,000	0.781	53,000	3.087	95,000	5.397
12,000	0.836	54,000	3.142	96,000	5.452
13,000	0.890	55,000	3.197	97,000	5.507
14,000	0.946	56,000	3.252	98,000	5.562
15,000	1.000	57,000	3.307	99,000	5.617
16,000	1.055	58,000	3.362	100,000	5.672
17,000	1.111	59,000	3.417	101,000	5.727
18,000	1.166	60,000	3.472	102,000	5.782
19,000	1.221	61,000	3.527	103,000	5.837
20,000	1.275	62,000	3.582	104,000	5.892
21,000	1.330	63,000	3.637	105,000	5.947
22,000	1.385	64,000	3.692	106,000	6.002
23,000	1.440	65,000	3.747	107,000	6.057
24,000	1.495	66,000	3.802	108,000	6.112
25,000	1.549	67,000	3.857	109,000	6.167
26,000	1.604	68,000	3.912	110,000	6.222
27,000	1.659	69,000	3.967	111,000	6.277
28,000	1.714	70,000	4.022	112,000	6.332
29,000	1.769	71,000	4.077	113,000	6.387
30,000	1.823	72,000	4.132	114,000	6.442
31,000	1.878	73,000	4.187	115,000	6.497
32,000	1.933	74,000	4.242	116,000	6.552
33,000	1.988	75,000	4.297	117,000	6.607
34,000	2.043	76,000	4.352	118,000	6.662
35,000	2.098	77,000	4.407	119,000	6.717
36,000	2.153	78,000	4.462	120,000	6.772
37,000	2.208	79,000	4.517	121,000	6.827
38,000	2.263	80,000	4.572	122,000	6.882
39,000	2.318	81,000	4.627	123,000	6.937
40,000	2.373	82,000	4.682	124,000	6.992
41,000	2.428	83,000	4.737	125,000	7.047
42,000	2.483	84,000	4.792	126,000	7.102
43,000	2.538	85,000	4.847	127,000	7.157
44,000	2.593	86,000	4.902	128,000	7.212
45,000	2.647	87,000	4.957	129,000	7.267
46,000	2.702	88,000	5.012	130,000	7.322
47,000	2.757	89,000	5.067	131,000	7.377
48,000	2.812	90,000	5.122	132,000	7.432
49,000	2.867	91,000	5.177	133,000	7.487
50,000	2.922	92,000	5.232	134,000	7.542
51,000	2.977	93,000	5.287	135,000	7.597

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<b>ARKANSAS AMERICAN MODERN HOME D1 PROGRAM</b>					
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<b>136,000</b>	7.652	<b>141,000</b>	7.927	<b>146,000</b>	8.202
<b>137,000</b>	7.707	<b>142,000</b>	7.982	<b>147,000</b>	8.257
<b>138,000</b>	7.762	<b>143,000</b>	8.037	<b>148,000</b>	8.312
<b>139,000</b>	7.817	<b>144,000</b>	8.092	<b>149,000</b>	8.367
<b>140,000</b>	7.872	<b>145,000</b>	8.147	<b>150,000</b>	8.422
<i>add'l rate per \$1,000 – 0.055</i>					

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**VACANT DWELLING Program (324/334)**  
 Fire and Extended Coverage  
 Construction Types -- Frame and Masonry

**3 Month Rate (324)**

**Rates are per \$100 of coverage**

**All Territories**  
 Protection Class: 1 – 8 9-10  
 Rate: \$0.70 \$1.00

**6 Month Rate (334)**

**Rates are per \$100 of coverage**

**All Territories**  
 Protection Class: 1 – 8 9 – 10  
 Rate: \$1.40 \$2.00

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**LIABILITY SECTION**

1. Personal Liability - Basic Premiums

(a) Limit of Liability - - optional

MEDICAL PAYMENTS \$500 EACH PERSON/\$25,000 EACH OCCURRENCE  
PROPERTY OF OTHERS \$500 EACH OCCURRENCE  
ANIMAL LIABILITY \$10,000

(b) Premium - To include Personal Liability coverage on the owner occupied and **Renewal Seasonal** dwellings, add the following premium: (K3)

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

2. Premises Liability - Dwellings Rented to Others (L2) (New Business for Seasonal Programs)

To provide coverage for Premises Liability, the following premiums apply:

(a) Dwelling Premises Liability

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

The premiums include premises medical payments of \$500 each person, \$25,000 each occurrence.

(b) Vacant Premises Liability (V8)

3 month premium:

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

6 month premium:

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$70.00 \$100.00 \$140.00 \$170.00 \$200.00

The premiums include premises medical payments of \$500 each person, \$25,000 each accident.

3. Medical Payments – Personal Liability and Premises Liability (BA)

To increase the Medical Payments coverage, add the following additional premium:

Medical Payments Rate  
\$1,000/\$25,000 \$5.00

4. Animal Liability Exclusion (LE)

The policy may be endorsed to remove coverage for bodily injury or property damage caused by any animal owned by, or in care or custody of any insured person. Not available on policies without Personal Liability Coverage.

Rate: \$3.00 credit per home, per year.

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**MISCELLANEOUS SURCHARGES AND SUPPLEMENTAL COVERAGES**

1. Miscellaneous Surcharges

A. Multiple Family Surcharge

For dwellings containing multiple families, the following surcharge applies:

Number of Families	Risk Code	Surcharge
1	27	Base
2	28	Base
3	29	1.50
4	43	1.50

2. Supplemental Coverages

A. Additional Living Expense (46)

To provide Additional Living Expense for owner occupied dwellings in the Dwelling 1 Program, not to exceed 20% of Coverage A.

Rate: \$5.00 per \$1,000 of coverage

B. Optional Deductibles (H8)

The deductible may be changed by applying the following credit or surcharge to Coverage A, B, and C base premiums, prior to all other surcharges and discounts: For 3- and 6- month policies, the credit will be pro-rated and applied to each policy term. The change in deductible does not apply to the \$500 deductible for Vandalism and Malicious Mischief.

Wind & Hail Deductible Options\* (WH)

	Dwelling 1 Program	3 and 6 month Vacant Program	
<u>Deductible</u>	<u>Credit</u>	<u>Deductible</u>	<u>Credit</u>
\$1,000	\$25	\$1,000	\$25

All Other Peril Deductible\* (H8)

Dwelling I Program		3 and 6 month Vacant Program	
<u>Deductible</u>	<u>Premium</u>	<u>Deductible</u>	<u>Premium</u>
\$250	\$15.00	\$500	Included
\$500	Included	\$1,000	(5%)
\$1,000	(\$15.00)		
\$2,500	(\$35.00)		
\$5,000	(\$60.00)		

C. Dwelling Property Basic Form Windstorm and Hail Buy-Back for Antennas (PK)

Rate: \$5.00

D. Other Structures (A1)

To provide coverage for Other Structures, add the following additional premium:

For each additional \$100, add: \$ 2.00

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**E. Other Structures Exclusion (AZ)**

To remove coverage for Other Structures located at the insured location, subtract the following:

Rate: \$3.00 credit per home, per year.

**F. Residence Burglary (B1)**

To provide coverage for residence burglary on owner occupied or rental residences, add the following additional premium:

Rate: \$30.00 per \$1,000

**G. Supplemental Heating Device (H2)**

For dwellings equipped with a Supplemental Heating Device, the following surcharge applies:

Rate: \$50.00

**H. Vandalism or Malicious Mischief (B2)**

To provide coverage on owner occupied or rental residences or Vacant Dwelling Program, add the following additional premium.

Rate: \$.70 per \$1,000

A \$500 deductible will apply.

**3. Minimum Written and Earned Premium**

**A. Owner Occupied, Seasonal and Rental Dwellings**

Minimum Written & Earned Premium:

Owner Occupied \$100.00

Seasonal \$100.00

Rental \$100.00

**B. Vacant Program**

Minimum Written Premium:

\$250 (Applies to total policy premium)

Minimum Earned Premium:

3 month policies fully earned

6 month policies 50% earned

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SERFF Tracking Number: AMMH-125480024 State: Arkansas  
 Filing Company: American Modern Home Insurance Company State Tracking Number: EFT \$100  
 Company Tracking Number: 20080111-05  
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)  
 Product Name: Dwelling Base Rate/Terrority Rate Change  
 Project Name/Number: Dwelling Base Rate/Terrority Rate Change/20080111-05

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty **Review Status:** Filed 02/20/2008

**Comments:**

**Attachment:**

Arkansas 077 D1 Transmittal.pdf

**Satisfied -Name:** Cover Letter **Review Status:** Filed 02/20/2008

**Comments:**

**Attachment:**

Cover Letter.pdf

**Satisfied -Name:** Proposed filing **Review Status:** Filed 02/20/2008

**Comments:**

Removed proposed filing from here

**Satisfied -Name:** Actuary Support **Review Status:** Filed 02/20/2008

**Comments:**

**Attachments:**

Actuarial memo.pdf  
 DP1\_77\_AR\_1Q07.pdf

**Satisfied -Name:** Requested Info **Review Status:** Filed 02/20/2008

**Comments:**

**Attachments:**

Arkansas 077 D1 Transmittal\_revised021508.pdf  
 F777AZ\_021307[1]\_P&C transmittal Doc.pdf

SERFF Tracking Number: AMMH-125480024 State: Arkansas  
Filing Company: American Modern Home Insurance Company State Tracking Number: EFT \$100  
Company Tracking Number: 20080111-05  
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)

Product Name: Dwelling Base Rate/Terrority Rate Change  
Project Name/Number: Dwelling Base Rate/Terrority Rate Change/20080111-05

F779AZ\_021307[1]\_R&R Filing schedule.pdf

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# ARKANSAS INSURANCE DEPARTMENT RATE FILING ABSTRACT

Form RF-1

Rev. 4/96

Insurer Name: American Modern Home Insurance  
 NAIC Number: 23469  
 Name of Advisory Organization Whose Filing You are Referencing n/a  
 Co. Affiliation to Advisory Organization: Member \_\_\_\_\_ Subscriber \_\_\_\_\_ Service Purchaser \_\_\_\_\_  
 Reference Filing #: \_\_\_\_\_ Proposed Effective Date: 3/1/2008

Contact Person: Mellisa Holder  
 Signature: \_\_\_\_\_  
 Telephone No: 513-947-5835

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
DP1	0.00%	0.00%					
<b>TOTAL OVERALL EFFECT</b>							

N Apply Lost Cost Factors to Future Filings? (Y or N)  
1.30% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
41.80% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

Year	Policy Count	Rate Change History		5 Year History		Arkansas Loss Ratio	Countrywide Loss Ratio
		%	Eff. Date	AR Earned Premium (000)	Incurred Losses (000)		
2001	741	0	-	83	11	.128	.624
2002	1,324	3.8	6/1/2002	336	255	.760	.691
2003	1,855	0	-	779	672	.863	.683
2004	2,109	18.3	5/1/2004	1,121	463	.413	.498
2005	1,687	4.5	7/1/2005	1,232	378	.307	.453
2006	1,245	0	-	945	216	.229	.470

Selected Provisions

A. Total Production Expense	<u>22.7%</u>
B. General Expense	<u>18.4%</u>
C. Taxes, License & Fees	<u>3.6%</u>
D. Underwriting Profit & Contingencies	<u>6.6%</u>
E. Other (explain)	<u>0.8%</u>
F. TOTAL	<u>52.2%</u>



AMERICAN MODERN HOME  
INSURANCE COMPANY

February 11, 2008

ARKANSAS INSURANCE DEPARTMENT  
PROPERTY & CASUALTY DIVISION  
1200 W 3RD ST  
LITTLE ROCK AR 72201-1904

RE: American Modern Home Insurance Company  
NAIC: 127-23469  
FEIN: 31-03715697

Company file number: 20080111-05/ Serff # AMMH-125480024

Dear Commissioner:

On behalf of American Modern Home Insurance Company please accepted the above filing. The changes in this filing are as follows:

**BASE RATE**

- Increase Owner / rental / Seasonal Rates by 1.30%
- Amended the Territory Relativities for Owner Only

Please notice that the **Overall Impact is 0.00%** since the **Maximum change is 1.30%** and the **Min changes is – 41.80%** the average of that is 0.00%.

Please do not hesitate to contact me if you have any questions.

Thank you for your time and consideration of this filing.

Sincerely,

Mellisa Holder  
Compliance Analyst  
mholder@amig.com  
1-800-759-9008 Extension 5835

Line Explanation of Investment Income Calculation

**Line A-1**

Direct Earned Premium is total limits earned premium for Fire & Allied Lines written by American Modern Insurance Group for the latest accident year.

**Line A-3**

The mean unearned premium reserve is determined by the average of the last two years unearned premiums for American Modern Insurance Group.

**Line A-4**

Deductions for prepaid expenses:

Production costs and a large part of other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before premium is paid. Therefore, the deduction of these expenses is determined by use of provisions for expenses used in our ratemaking procedures as shown. These provisions are based on American Modern Home Insurance Company's statewide data as shown on the permissible loss ratio exhibit.

**Line A-4 Federal Taxes Payable**

The Tax Reform Act of 1986 taxes 20% of the unearned premium reserve. At a corporate tax rate of 35%, this tax equals 7.0% ( $.20 \times .35 = .070$ ) of the unearned premium reserve.

**Line B-1**

Delayed remission of premium:

This deduction is necessary because the delay in collection and remission of premium to the companies beyond effective dates of the policies. Funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

**Line B-1(c)**

Average agent's balances as a percentage of Direct Unearned Premium **2005** (All Lines).

**Line C-1**

The expected loss and loss adjustment ratio reflects the expense provisions used in the filing.

**Line C-3**

The expected mean loss reserve is determined by multiplying the expected incurred losses in line C-2 by the average ratio of the mean loss and loss adjustment reserves to the incurred losses and loss adjustment expenses. This ratio is based on countrywide data for American Modern Insurance Group.

**Line C-4**

The Expected Mean Loss Reserves include an adjustment for the estimated Federal Income Taxes payable due to discounting of loss reserves. The estimated reserve discount is 12%, the federal taxes payable (% of reserves) is  $(.12 \times .35 = .042)$ , and the appropriate adjustment is .958  $(1.00 - .042 = .958)$ . The 12% is based on all company data provided by the A.M. Best Company.

**Line E**

This rate of return is the ratio of net investment income earned and net realized capital gains (or losses) to mean cash and invested assets (including interest, dividends and real estate income due and accrued) for American Modern Insurance Group.

**Line H-1**

The average rate of Federal Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2004 - 2006 for American Modern Insurance Group.

**American Modern Home Insurance Company**  
**Site Built Dwelling DP-1 Rate Level Indication Description**  
**State: Arkansas**

**General:**

The purpose of this report is to evaluate the rate level adequacy of the Site Built Dwelling DP-1 product in the state of Arkansas. In this evaluation we take historical premiums and losses from our 'experience period' and project them into the future 'effective period'—our estimate of the time period that our proposed rates will be in effect. The trending methodologies used to do this are described below. In general, the data is organized by accident date into "12-month rolling" accident periods.

**Assumptions & Methodologies:**

1. On Exhibit 1, Page 1 we show the overall rate indication for the Site Built Dwelling product. We describe Exhibit 1 data adjustments in the succeeding paragraphs.
2. Earned premiums are adjusted to the current rate levels by program and then trended, using the factors described below:
  - (a) The Rate Level Adjustment Factors take into account any approved rate changes that have an impact upon the experience period. Our model assumes that premium is earned equally throughout experience quarters, and we use each program's average term length in measuring the rate in which premium is earned. By applying these factors to past premium, the adjustment reflects the amount of premium that would have been earned during the given year at our current rate level. On Exhibit 3 we show the rate changes affecting the experience period and the resulting Rate Level Adjustment Factors.
  - (b) The Premium Trend Factor adjusts for any premium effect caused by inflationary changes of the property values in our exposure base. Our model weights the program's Unit Value Relativity Curve (UVRC) with the count of policies that are in force at both the beginning and end of each calendar year, generating a renewal business trend. For each year, the quotient of the beginning and ending average relativities represents the relativity change. The Cumulative Change in Relativity is calculated as the product of the past changes in average relativity. We fit these to an exponential curve and calculate an annual rate of change. We apply this to trend from the middle of each accident year to the average written date in order to estimate the Premium Trend Factor. Exhibit 4 shows this computationz.
3. We adjust incurred losses using the factors described below.
  - (a) Catastrophic Losses (including alae). Because of the unpredictability of large loss events, we use the experience from a longer time period to control our reaction to these types of losses. We rely on ISO to identify catastrophes; and they define them as events that cause at least \$25 million of loss to the insurance industry. Our adjustment involves removing such losses and applying an historical average. Our methodology is based on the relative stability of non-catastrophe losses, and we use these losses as a base for our calculation. We calculate a ratio of catastrophe losses to non-catastrophe losses from the historical data and add unity to get the catastrophe factor. By removing actual catastrophe losses and applying this factor to the non-catastrophe losses, we get incurred losses indicative of normal catastrophe activity for our experience period. Exhibit 5 shows the historical data and calculations used in this process.

**AMHIC Rate Level Indications Description**  
**Arkansas Site Built Dwelling**  
**Page 2**

- (b) The Loss+ALAE Trend Factor projects the values of loss in our experience period to the average date the proposed rates will be in effect. This is a two step process. We first adjust each accident quarter to the "current" level, i.e. the level of our most recent accident year, using Current Cost Factors. Secondly, The Trended Cost Factor adjusts the current level to the effective period level. The Loss+ALAE Trend Factor equals the Current Cost Factor times the Trended Cost Factor. These factors are developed using the United States' Department of BLS Producer Price Index data as shown on Exhibit 6.
- (c) Accident year incurred losses (including alae) are used in the rate indication; therefore, losses for each year may not be fully developed. The loss+alae development factor estimates the further development of these losses by analyzing historical patterns of American Modern Insurance Group countrywide Site Built Dwelling losses. We calculate quarterly factors and weight them together using the incurred losses to get annual numbers. See Exhibit 7.
- (d) We apply a "ulae factor" to the incurred loss+alae data to get incurred loss+lae. The calculation of this factor is shown on Exhibit 8.

4. We weight together the adjusted accident year loss+lae ratios and then credibility-weight the resulting ratio with the trended permissible loss+lae ratio. Credibility is based on the square root rule with 25000 Earned Exposures as the full credibility standard. We show the development of the complement of credibility on Exhibit 1, Page 2. We then divide by the permissible loss+lae ratio to get the Credibility-Weighted Indicated Rate Level Change.

5. Return on investment income is computed with the Clifford/Sterling Formula and is accounted for in the permissible loss+lae ratio. Exhibit 9 shows the calculation of the permissible loss+lae ratio and Exhibit 10, pages 1-3, shows the computation of return on investment income. Appendix A is a line by line explanation of the investment income calculation. Our profit provision is based upon a 16.5% target rate of return on equity.



**American Modern Home Ins. Co.**  
**SITE BUILT DWELLING Rate Level Indication**  
**State: Arkansas**

Exhibit 1  
Page 2

**Complement of Credibility Calculation**

(1) Permissible Loss+LAE Ratio (Exhibit 9)	0.478
(2) Hurricane Load (capped at )	0.000
(3) Non-Hurricane Permissible	0.478
(4) Proposed <b>Renewal</b> Effective Date	12/1/2007
(5) Effective Date of Current Rates	7/1/2005
(6) Time Period in Years $\{(2) - (3)\} / 365$ (Capped at 2 years)	2.00
(7) Ann Prem Trend (Exh 1, Page 1, Column 4 Annualized)	0.3%
(8) Ann Loss Trend (Exhibit 6)	6.7%
(9) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	6.3%
(10) Selected Trend Factor (minimum = 1.000)	1.131
(11) Trended Permissible Loss+LAE Ratio (1) x (8)	0.540

**American Modern Home Ins. Co.**  
**SITE BUILT DWELLING Rate Level Indication**

Exhibit 2

**Program: DP-1**  
**State: Arkansas**  
**SOB: All Channels**  
 Prop Eff. Date: 12/01/07

	(1)	(2)	(3)	(4)	(5)	(6)	
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures	
3/31/03	442,804	1.263	559,131	1.021	570,613	968	
3/31/04	874,737	1.237	1,081,863	1.017	1,100,447	1,671	
3/31/05	1,174,182	1.148	1,348,143	1.014	1,366,788	2,023	
3/31/06	1,099,589	1.033	1,136,337	1.010	1,148,266	1,771	
3/31/07	823,280	1.002	824,594	1.007	830,511	1,343	

  

	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)-(8)}x(9)	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor	ULAE Factor
3/31/03	521,054	7,460	1.141	586,011	1.324	1.000	1.042
3/31/04	390,262	10,995	1.141	432,743	1.289	1.002	1.042
3/31/05	466,859	42,886	1.141	483,754	1.191	0.999	1.042
3/31/06	425,769	30,299	1.141	451,231	1.103	0.993	1.042
3/31/07	251,561	38,834	1.141	242,721	1.041	1.030	1.042

  

	(14)	(15)	(16)	(17)
Accident Year	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
3/31/03	808,787	1.417	0.10	49
3/31/04	582,166	0.529	0.15	81
3/31/05	599,592	0.439	0.20	110
3/31/06	515,014	0.449	0.25	97
3/31/07	271,271	0.327	0.30	74

Weighted Experience Loss+LAE Ratio: **0.519**

**American Modern Home Ins. Co.**  
**SITE BUILT DWELLING**  
**Arkansas**

Rate Change History and Rate Level Adjustment Factors

Rate Changes by Program	
Renewal Effective Date	DP-1
8/1/1995	21.60%
6/1/2002	3.80%
5/1/2004	18.30%
7/1/2005	4.50%

Rate Level Adjustment Factors	
Acc Yr Ending	DP-1
3/31/03	1.263
3/31/04	1.237
3/31/05	1.148
3/31/06	1.033
3/31/07	1.002

**American Modern Home Ins. Co.**  
**Calculation of Premium Trend Factors**

Exhibit 4

**State:** Arkansas  
**Product:** SITE BUILT DWELLING  
**SOB:** All Channels  
**Program:** DP-1

Cov A Amount Group	Policies In Force *										Unit Value Relativity Curve
	Year: 2002		Year: 2003		Year: 2004		Year: 2005		Year: 2006		
	Beg @ 12/31/01	End @ 12/31/02	Beg @ 12/31/02	End @ 12/31/03	Beg @ 12/31/03	End @ 12/30/04	Beg @ 12/30/04	End @ 12/31/05	Beg @ 12/31/05	End @ 12/31/06	
6,000	6	6	5	5	4	4	3	3	3	3	0.592
12,000	24	24	37	42	51	50	57	56	51	51	0.674
18,000	85	85	188	183	238	237	257	256	242	239	0.918
24,000	57	57	159	159	222	222	210	211	191	190	1.163
30,000	44	44	131	129	175	173	175	172	153	152	1.409
36,000	23	23	70	70	113	110	124	126	117	121	1.659
42,000	17	17	93	93	174	171	176	172	148	145	1.909
48,000	9	9	48	48	98	103	90	87	76	76	2.159
54,000	0	0	15	16	32	36	36	38	35	37	2.409
60,000	0	0	8	8	41	41	52	54	43	44	2.660
66,000	0	0	10	11	23	24	29	29	25	23	2.910
72,000	0	0	9	9	15	15	15	15	12	13	3.160
78,000	0	0	6	6	22	22	25	29	23	25	3.410
84,000	0	0	3	3	15	15	15	16	13	12	3.664
90,000	0	0	1	1	7	7	6	5	5	5	3.920
96,000	0	0	0	0	5	5	3	3	3	3	4.176
102,000	0	0	2	2	5	5	8	8	8	9	4.432
108,000	0	0	0	0	2	2	2	2	2	2	4.688
114,000	0	0	0	0	2	2	1	2	2	2	4.944
120,000	0	0	0	0	1	1	1	1	0	0	5.200
126,000	0	0	3	3	2	2	2	2	3	3	5.456
132,000	0	0	0	0	0	0	1	1	0	0	5.712
138,000	0	0	1	1	1	1	1	1	1	1	5.968
144,000	0	0	0	0	0	0	1	1	1	1	6.224
150,000	0	0	0	0	0	0	4	4	2	2	6.480
Total PIF	265	265	789	789	1,248	1,248	1,294	1,294	1,159	1,159	
Avg Rel	1.193	1.193	1.456	1.458	1.629	1.636	1.658	1.668	1.640	1.647	

\* Includes only those policies on the books at the beginning and end of calendar year

Calendar Year	Beginning Average Relativity	Ending Average Relativity	Change In Average Relativity During Year	Cumulative Change in Relativity	Fitted Exponential Curve	Selected Annual Rate of Change
	2002	1.193	1.193	1.000	1.000	1.001
2003	1.456	1.458	1.001	1.001	1.004	
2004	1.629	1.636	1.004	1.006	1.008	
2005	1.658	1.668	1.006	1.012	1.011	
2006	1.640	1.647	1.004	1.016	1.014	0.003

Acc Year Ending	Trend Period			Premium Trend Factor
	Begins	Ends	Years	
3/31/2003	3/30/2002	5/31/2008	6.17	1.021
3/30/2004	3/31/2003	5/31/2008	5.17	1.018
3/30/2005	3/30/2004	5/31/2008	4.17	1.014
3/31/2006	3/30/2005	5/31/2008	3.17	1.011
3/31/2007	3/30/2006	5/31/2008	2.17	1.007

## American Modern Insurance Group

(Using American Modern Insurance Group Data)

### Dwelling Average Catastrophe Factor

ALL Dwelling Programs

## Arkansas

Accident Year Ending	(1) Catastrophe Losses	(2) All Losses	(3) All Less Catastrophe (2)-(1)	(4) Catastrophe Ratio (1)/(3)
12/31/1990	36,507	451,080	414,573	0.088
12/31/1991	28,758	324,344	295,586	0.097
12/31/1992	27,609	196,566	168,957	0.163
12/31/1993	1,067	293,493	292,426	0.004
12/31/1994	7,486	361,522	354,036	0.021
12/31/1995	15,965	263,202	247,237	0.065
12/31/1996	75,061	408,515	333,454	0.225
12/31/1997	98,119	286,510	188,390	0.521
12/31/1998	25,740	291,298	265,558	0.097
12/31/1999	249,611	421,403	171,791	1.453
12/31/2000	2,521	289,183	286,662	0.009
12/31/2001	11,377	44,503	33,126	0.343
12/31/2002	3,085	193,001	189,916	0.016
12/31/2003	9,670	726,333	716,664	0.013
12/31/2004	45,640	523,993	478,353	0.095
12/31/2005	11,814	417,690	405,875	0.029
12/31/2006	54,822	206,018	151,196	0.363

Wtd. Average: 0.141

**Selected Catastrophe Factor: 1.141**

**American Modern Home Ins. Co.**  
**State: Arkansas**  
**Product: SITE BUILT DWELLING**  
**U.S. Dept. of Labor - Bureau of Labor Statistics**  
**Producer Price Index -- "Residential"**

Exhibit 6

**Current Cost Factors**

12 Months Ending	Average CPI	Current Cost factor	Loss+ALAE Trend Factors *
3/31/2003	137.3	174.6 / 137.3 = 1.272	1.324
3/31/2004	141.1	174.6 / 141.1 = 1.238	1.289
3/31/2005	152.7	174.6 / 152.7 = 1.143	1.191
3/31/2006	164.8	174.6 / 164.8 = 1.059	1.103
3/31/2007	174.7	174.6 / 174.7 = 0.999	1.041

Average Value of the Latest Quarter = 174.6  
 The Latest Quarter = 1 st quarter of 2007

**Trended Cost Factors**

Year	Quarter Ending	Average CPI	12 Point
2004	June	149.3	149.9
2004	September	151.8	152.3
2004	December	153.5	154.8
2005	March	156.4	157.3
2005	June	159.6	159.9
2005	September	163.7	162.5
2005	December	166.8	165.1
2006	March	169.3	167.8
2006	June	174.8	170.6
2006	September	176.3	173.4
2006	December	173.1	176.2
2007	March	174.6	179.1

Quartely Trend = 1.6%  
 Annual Trend = 6.7%  
 Trend Period Begins: 2/14/2007  
 Trend Period Ends: 11/30/2008  
 Trended Period (Years) = 1.79  
 Trended Cost Factor = 1.123

\* Loss Trend Factor = Current Cost Factor X Trended Cost Factor



American Modern Home Ins. Co.  
 Incurred Loss & ALAE Development Factors  
 Arkansas SITE BUILT DWELLING  
 Countrywide Consolidated AMIG Data

**Indicated Incurred Age-to-Age Factors**

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to Ult
<b>Wtd Averages</b>																			
All Qtrs	1.050	1.006	1.002	1.018	1.001	0.999	1.002	0.995	1.003	0.998	0.997	0.999	0.999	0.999	1.002	0.997	1.004	1.000	1.000
4 Point	1.048	1.000	0.994	1.038	0.998	0.994	1.007	1.001	1.001	0.999	1.000	1.000	0.997	0.999	1.003	0.997			
8 Point	1.025	1.003	1.002	1.023	0.995	0.997	1.005	0.996	1.004	0.999	0.996	0.999							
12 Point	1.023	0.999	0.998	1.019	0.999	0.999	1.003	0.995											
Avg (4,8)	1.036	1.001	0.998	1.030	0.997	0.995	1.006	0.998	1.003	0.999	0.998	0.999							
<b>Arithmetic Averages</b>																			
All Qtrs	1.054	1.002	1.004	1.018	1.000	0.998	1.002	0.995	1.003	0.998	0.997	0.998	0.998	0.999	1.003	0.997	1.004	1.000	1.000
4 Point	1.046	1.005	1.002	1.042	0.998	0.990	1.006	1.000	1.001	1.000	1.001	0.999	0.997	0.999	1.003	0.997			
8 Point	1.032	0.997	1.009	1.023	0.994	0.996	1.005	0.996	1.004	0.999	0.997	0.998							
12 Point	1.028	0.995	1.002	1.020	0.998	0.998	1.003	0.995											
8 Pt H/L	1.030	0.995	1.010	1.022	0.996	0.997	1.004	0.994	1.001	0.998	0.998	0.998							
12 Pt H/L	1.025	0.993	1.002	1.018	0.998	0.999	1.002	0.994											
<b>Geometric Averages</b>																			
All Qtrs	1.053	1.002	1.004	1.018	1.000	0.998	1.002	0.995	1.003	0.998	0.997	0.998	0.998	0.999	1.003	0.997	1.004	1.000	1.000
4 Point	1.045	1.004	1.002	1.042	0.998	0.990	1.006	1.000	1.001	1.000	1.001	0.999	0.997	0.999	1.003	0.997			
8 Point	1.031	0.996	1.008	1.023	0.994	0.996	1.005	0.996	1.004	0.999	0.997	0.998							
12 Point	1.026	0.994	1.002	1.020	0.998	0.998	1.003	0.995											

**Selected Factors**

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to Ult
<b>Age-to-Age Factors</b>	1.042	0.980	1.028	1.022	0.999	0.993	1.001	0.996	1.000	0.999	1.002	0.996	1.000	1.001	1.000	1.000	1.002	1.000	1.000	1.000
	7614932.585																			
<b>Quarterly Age-to-Ult Factors</b>	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult
	1.059	1.017	1.037	1.009	0.988	0.989	0.996	0.995	0.999	0.999	1.000	0.998	1.002	1.002	1.001	1.002	1.002	1.000	1.000	1.000
<b>Wtd Annual Age-to-Ult Factors</b>	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult			
	1.030	1.012	1.005	0.996	0.993	0.995	0.997	0.998	0.999	0.999	1.000	1.001	1.002	1.002	1.001	1.001	1.000			

American Modern Home Ins. Co.  
SITE BUILT DWELLING  
**Arkansas**

**Calculation of ULAE Factor**  
Ratio to Incurred Loss+ALAE

All Annual Statement Lines Consolidated AMIG Data

Calendar Year	2006	2005	2004
ULAE Incurred	15,194,970	13,597,575	14,164,401
Adjusted Loss+ALAE Incu	286,958,949	449,443,085	330,745,172
Ratio to Incurred Loss+AL	5.3%	3.0%	4.3%
3 Year Average	4.2%		

Selected ULAE Factor: **1.042**

**American Modern Home Ins. Co.**

**Exhibit 9**

State: Arkansas

Product: SB / DP-1

**Determination of Permissible Loss Ratio**

	Calendar Year			Budget	Selected
	2004	2005	2006	2007	
(1) Pre-Paid Commissions	18.6%	18.0%	17.5%		17.8%
(1a) Contingent Commissions	5.3%	7.7%	6.1%	4.9%	4.9%
(2) Other Acquisition Expense (Consolidated AMIG)	3.8%	4.9%	5.1%	5.6%	5.4%
(3) General Expense (Consolidated AMIG)	11.4%	13.0%	12.9%	13.2%	13.0%
(4) Taxes, Licenses and Fees	3.9%	3.6%	3.4%		3.6%
(6) Reinsurance Expense (Consolidated AMIG)			0.6%	0.8%	0.8%
(7) Total Expense					45.6%

**Profit Loading Provision**

(8a) After Tax Return on Equity Goal	16.5%
(8b) Target Premium to Surplus Ratio	2.3:1
(8c) After Tax Return on Premium [(8a)/(8b)]	7.2%
(8d) After Tax Return Generated by Investment Income (Exhibit 10, Page 1)	2.9%
(8e) After Tax Return Needed from Underwriting Profit [(8c)-(8d)]	4.3%
(8f) Before Tax Return Needed from Underwriting Profit [(8e)/(1.000-0.35)]	6.6%
(8) Selected Profit Loading Provision	6.6%
(9) Total Expenses and Profit Provision [(7) + (8)]	52.2%
(10) Permissible Loss+LAE Ratio [1.000 - (9)]	47.8%

Data applied to calculate commission ratio:

AMHIC Arkansas SB / DP-1 Written Premium  
 AMHIC Arkansas SB / DP-1 Paid Commission

Calendar Year		
2004	2005	2006
1,385,009	1,076,451	771,427
257,695	193,921	135,279

Calendar Year

Estimated Investment Earnings on Unearned Premium and Loss Reserves

**A. Unearned Premium Reserve**

(1) Direct Earned Premium for 2006	\$157,362,467
(2) Mean Unearned Premium Reserve Ratio	46.9%
(3) Mean Unearned Premium Reserve (1) x (2)	\$73,825,981
(4) Deduction for Prepaid Expenses and Federal Taxes Payable	
(a) Commission	22.7%
(b) 50% of Other Acquisition	2.7%
(c) 50% of General Expenses	6.5%
(d) Taxes, Licenses, and Fees	3.6%
(e) Reinsurance Expense	0.8%
(f) Subtotal	36.3%
(g) Federal Taxes Payable	7.0%
(4T) Total Deductions	43.3%
(5) Unearned Premium Reserve Subject to Investment (3) x [1.0 - (4T)]	\$41,871,293

**B. Delayed Remission of Premium (Agent's Balances)**

(1) Agent's Balance or Uncollected Premium to Unearned Premium	
(a) Average Agent's Balance	\$124,288,418
(b) Direct Unearned Premium 2006 (All Lines)	\$394,423,161
(c) Ratio (a) / (b)	31.5%
(d) Direct Unearned Premium 2006 (ASLOB 1 & 2.1 Fire and Allied Lines)	\$81,353,142
(2) Delayed Remission (1c) x (1d)	\$25,635,546

**C. Loss and Loss Adjustment Expense Reserve**

(1) Expected Loss and Loss Adjustment Expense Ratio	47.8%
(2) Expected Losses and Loss Adjustment Expenses (A.1) x (C.1)	\$75,217,040
(3) Percent of Mean Loss & ALAE Reserves to Incurred Loss & ALAE	
(a) 2006 Mean Loss & ALAE Reserve to Incurred Loss & ALAE Ratio	54.9%
(b) 2005 Mean Loss & ALAE Reserve to Incurred Loss & ALAE Ratio	36.6%
(c) Average of Mean Loss Reserve to Incurred Loss Ratios $1/2 \times [(a) + (b)]$	45.8%
(4) Expected Mean Loss Reserves (2) x (3c) x .958	\$32,983,288

**D. Net Subject to Investment**

(A.5) - (B.2) + (C.4) \$49,219,034

**E. Before Tax Rate of Return**

[(Exhibit 10, Page 3)] 5.0%

**F. Average Rate of Return as a % of Direct Earned Premium**

[(D) x (E)] / (A.1) 1.6%

**G. Before Tax Investment Income Return (Including Surplus)**

(F) + [(E) x (1.0/Premium to Surplus Ratio)] 3.7%

**H. After Tax Average Rate of Return as a Percent of Direct Earned Premium**

(1) Average Federal Tax Rate on Inv. Inc. (Exhibit 10, Page 2)	22.3%
(2) After Tax Return Generated by Investment Income (G) x [1.0 - (H.1)]	2.9%
3 H.2 Adjusted for Assumed Data	0.03002107

**American Modern Home Ins. Co.**  
**Investment Income and Other Income**  
**ASLOB 1 & 2.1 Fire and Allied Lines**  
**Countrywide Consolidated AMIG Data**

**Exhibit 10**  
**Page 2**

Average Federal Tax Rate on Investment Income

	(1) Investment Income 2004-2006 (A)	(2) Allocation	(3) Current Tax Rate (B)	(4) Total Tax (2)x(3)
Bonds				
- Taxable	53,722,932	0.487	0.350	0.170
- Tax Exempt Municipal	35,250,174	0.319	0.053	0.017
Stocks				
- Acquired prior to 1987	0	0.000	0.105	0.000
- Acquired after 1987	\$17,021,019	15.4%	14.2%	2.2%
Short-Term Investments	4,348,938	0.039	0.350	0.014
Total	110,343,063	1.000		0.223

Notes: (A) From AMIG Annual Statement, Part 1.

(B) Under the 1986 Tax Reform Act, 15% of formerly tax-exempt income from securities purchased after August 7, 1986 is now taxable. Thus the estimated effective tax rates in 2007 will be:

Ordinary Income =	0.35
Tax Exempt Municipal - 35.0% x 15.0% =	0.0525
Stock Dividends (Acquired after 1987) - 40.5% x 35.0% =	0.14175
Stock Dividends (Acquired before 1987) - 30.0% x 35.0% =	0.105

**Investment Income as a Percentage of Invested Assets**

1995	5.5%
1996	5.1%
1997	5.1%
1998	4.7%
1999	4.5%
2000	5.0%
2001	5.2%
2002	5.2%
2003	4.5%
2004	4.3%
2005	4.4%
2006	4.5%
Twelve Year Average	4.8%
Latest Six Year Average	4.7%
Latest Year	4.5%
Projected 2007 (12 Year Trend)	4.4%
Projected 2007 ( 6 Year Trend)	4.1%

**Selected 2007 Rate of Return**

Before Tax	5.0%
After Tax [(1-0.223) x 5%]	3.9%

# ARKANSAS INSURANCE DEPARTMENT RATE FILING ABSTRACT

Form RF-1

Rev. 4/96

Insurer Name: American Modern Home Insurance  
 NAIC Number: 23469  
 Name of Advisory Organization Whose Filing You are Referencing n/a  
 Co. Affiliation to Advisory Organization: Member \_\_\_\_\_ Subscriber \_\_\_\_\_ Service Purchaser \_\_\_\_\_  
 Reference Filing #: \_\_\_\_\_ Proposed Effective Date: 3/1/2008

Contact Person: Mellisa Holder  
 Signature: \_\_\_\_\_  
 Telephone No: 513-947-5835

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
DP1	10.5%	0.00%					
<b>TOTAL OVERALL EFFECT</b>							

N Apply Lost Cost Factors to Future Filings? (Y or N)  
1.30% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
41.80% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

Year	Policy Count	Rate Change History		5 Year History		Arkansas Loss Ratio	Countrywide Loss Ratio
		%	Eff. Date	AR Earned Premium (000)	Incurred Losses (000)		
2001	741	0	-	83	11	.128	.624
2002	1,324	3.8	6/1/2002	336	255	.760	.691
2003	1,855	0	-	779	672	.863	.683
2004	2,109	18.3	5/1/2004	1,121	463	.413	.498
2005	1,687	4.5	7/1/2005	1,232	378	.307	.453
2006	1,245	0	-	945	216	.229	.470

Selected Provisions

A. Total Production Expense	<u>22.7%</u>
B. General Expense	<u>18.4%</u>
C. Taxes, License & Fees	<u>3.6%</u>
D. Underwriting Profit & Contingencies	<u>6.6%</u>
E. Other (explain)	<u>0.8%</u>
F. TOTAL	<u>52.2%</u>



17. Reference Organization # & Title	n/a
18. Company's Date of Filing	02/11/2008
19. Status of filing in domicile	<input checked="" 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 #	20080111-05
21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

The changes in this filing are as follows:

BASE RATE

- Increase Owner / rental / Seasonal Rates by 1.30%
- Amended the Territory Relativities for Owner Only

Please notice that the Overall Impact is 0.00% since the Maximum change is 1.30% and the Min changes is – 41.80% the average of that is 0.00%.

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

**Check #:**  
**Amount:**

Used EFT

**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.)**

## RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>20080111-05</b>
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
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Rate Increase     
  Rate Decrease     
 x     
 Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval</b>
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
American	10.5	0.00	0	970	577,229	1.30	-41.80

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE

<b>5a.</b>	Overall percentage rate indication (when applicable)		
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<b>5b.</b>	Overall percentage rate impact for this filing		
------------	--	--	--

<b>5c.</b>	Effect of Rate Filing – Written premium change for this program		
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<b>5d.</b>	Effect of Rate Filing – Number of policyholders affected		
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<b>6.</b>	Overall percentage of last rate revision		
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<b>7.</b>	Effective Date of last rate revision		
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<b>8.</b>	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)		
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Complete rate/rule filing	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

## **Explanation for the details/changes to the territorial relativities**

We are doing this for the Jim Walters conversion.

The justification for the filing is that we are converting business formerly with State National and our rates for two of our territories are much higher than the policy holder's former rate. The overall impact is 0.0%. Are rates were too high and we are requesting to lower them.

*SERFF Tracking Number:*      *AMMH-125480024*                      *State:*                      *Arkansas*  
*Filing Company:*              *American Modern Home Insurance Company*      *State Tracking Number:*      *EFT \$100*  
*Company Tracking Number:*      *20080111-05*  
*TOI:*                      *01.0 Property*                      *Sub-TOI:*                      *01.0002 Personal Property (Fire and Allied Lines)*  
  
*Product Name:*                      *Dwelling Base Rate/Terrority Rate Change*  
*Project Name/Number:*              *Dwelling Base Rate/Terrority Rate Change/20080111-05*

## **Superseded Attachments**

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

<b>Original Date:</b>	<b>Schedule</b>	<b>Document Name</b>	<b>Replaced Date</b>	<b>Attach Document</b>
No original date	Supporting Document	Proposed Filing	02/11/2008	Proposed filing with out the forms page.pdf

**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**GENERAL RULES**

**1. DEFINITIONS**

- A. Dwelling – a structure used as the insured’s primary residence containing not more than 4 dwelling units or more than 2 stories.
- B. Vacant/Unoccupied Dwelling – a dwelling that is unoccupied and/or being held for sale, whether or not the contents have been removed.
- C. Seasonal Dwelling - a dwelling that is not the primary residence of the insured, but one that is used on an intermittent basis by the insured and his (her) immediate family.
- D. Rental Dwelling – a dwelling that is rented to others for residential purposes. Insurance is written to cover the interest of the owner of a rented dwelling.
- E. Single Building
  - a. All buildings or sections of buildings which communicate through unprotected openings.
  - b. Buildings which are separated by a space shall be considered separate buildings.
  - c. Buildings or sections of buildings which are separated by an eight (8) inch masonry party wall which pierces or rises to the underside of the roof shall be considered separate buildings. Communication between buildings through masonry party walls described above shall be protected by at least a Class “A” Fire Door installed in a masonry wall section.
- F. Construction Types – The three different construction types are defined below.
  - a. Frame (1) - Exterior walls of wood or other combustible construction, including walls with metal, stucco, or metal lath and plaster on combustible supports. Aluminum or plastic siding over frame.
  - b. Masonry Veneer (2) - Exterior wall of combustible construction veneered with masonry materials. Rated as masonry.
  - c. Masonry (3) - Exterior walls constructed of masonry materials such as adobe, brick, concrete, concrete block, stone, tile or similar materials or non-combustible materials on non-combustible supports.
- G. Public Fire Protection  
 Except in areas otherwise classified, all dwellings within the corporate limits shall take the fire protection classification of the municipality. All dwellings located outside of the corporate limits of a municipality shall be considered as unprotected, unless the fire protection in the district in which the dwelling is located is specifically classified.
- H. Supplemental Heating Device  
 Wood, coal, or pellet burning stoves, space heaters, fireplace inserts or any other heating device that is not centralized.

**2. POLICY FORMS**

- Coverage will be written on the Dwelling Property - Basic Form contained within this filing, which will consist of:
- A. Policy form, plus,
  - B. Declaration page, plus
  - C. Required endorsements, if any

**3. POLICY TERM**

All premiums and rates contained in the Rate Section of this manual are annual unless otherwise indicated. A Dwelling Policy must be written for a specified term not to exceed one year. For the purpose of maintaining common anniversary dates, it is permissible to write a Dwelling Policy for a term of less than one year on a pro rata basis.

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**4. CHANGES**

- A. All changes requiring adjustments of premium shall be computed pro rata.
- B. If a policy is amended and results in a premium adjustment of less than \$5.00, such adjustment may be waived. If there is a decrease in coverage requested by the company, the full return premium will be refunded to the Insured.

**5. TRANSFER OR ASSIGNMENT**

Subject to the rules of this manual and any necessary adjustment of premium, a dwelling policy may be endorsed to effect transfer to another location within the same state; or assignment from one insured to another in the event of transfer of title of the dwelling.

**6. CANCELLATION**

If a policy or form of coverage is cancelled or reduced at the request of the insured or by the Company, the return premium shall be calculated pro rata of the premium, subject to any applicable minimum premiums.

**7. MINIMUM WRITTEN AND EARNED PREMIUM**

No policy shall be written for less than the minimum written and earned premiums shown on the rate pages.

**8. WHOLE DOLLAR PREMIUM**

The premium shall be rounded to the nearest whole dollar separately for each coverage provided by the policy.

A premium of \$.50 or more shall be rounded up to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements and cancellations.

**9. MANUAL PREMIUM REVISION**

A manual premium revision, meaning any revision of premium applicable to the Dwelling Programs including changes due to reclassification of community or district, shall be made in accordance with the following procedures. The revision shall apply to any policy or endorsement with the effective date of the renewal of the policy or anniversary date of annual installment policy.

**10. DEDUCTIBLES**

Coverages may be subject to the application of deductibles as shown on the rate pages.

**11. INSPECTION FEE (ZK)**

A \$35.00 inspection fee will apply to all new business policies.

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**ELIGIBILITY AND COVERAGES**

**I. DP-1 Program**

**A. Eligible Risks**

- (1) Owner Occupied
- (2) Seasonal
- (3) Rental

**B. Property Coverages**

- (1) Coverage A - Dwelling
- (2) Coverage B - Other Structures - Increase Optional
- (3) Coverage C - Personal Property - Optional
- (4) Coverage D - Fair Rental Value (Rental Program)

**C. Other Coverages**

Automatically included when coverage on the dwelling is provided.

- (1) Other Structures - Up to 10% of Coverage A (Reduces Coverage A)
- (2) Debris Removal
- (3) Improvements, Alterations and Additions (Reduces Coverage C)
- (4) World-Wide Coverage (Reduces Coverage C)
- (5) Rental Value (Reduces Coverage A)
- (6) Reasonable Repairs
- (7) Property Removed
- (8) Fire Department Service Charge

**D. Perils Insured Against**

- (1) Fire - Included
  - a. Fire or Lightning
  - b. Internal Explosion
- (2) Extended Coverage - Included
  - a. Windstorm or Hail
  - b. Explosion
  - c. Riot or Civil Commotion
  - d. Aircraft
  - e. Vehicles
  - f. Smoke
  - g. Volcanic Eruption
- (3) Vandalism or Malicious Mischief – Optional (Owner Occupied and Rental Risks)
- (4) Terrorism (Rental Risks)

**E. Optional Coverages**

The policy may be written to include:

- (1) Additional Living Expense (not available on seasonal or rental)
- (2) Residence Burglary (not available on seasonal)
- (3) Windstorm and Hail Buy-Back for Antennas
- (4) Other Structures

**F. Liability Coverages - Owner Occupied - Optional **For Renewal business on Seasonal****

- (1) Coverage L – Personal Liability
  - a. Animal Liability Sub-Limit - Included when Personal Liability is purchased
  - b. Animal Liability Exclusion - Optional
- (2) Coverage M – Medical Payments to Others
- (3) Additional Coverages
 

Automatically included when liability coverage is purchased.

  - a. Claim Expenses
  - b. First Aid Expenses
  - c. Damage to Property of Others

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

G. Liability Coverages – Rental and Seasonal - Optional **For New business on Seasonal**

- (1) Premises Liability
- (2) Premises Medical Payments
- (3) Terrorism (Rental Only)

II. Vacant Program

A. Eligible Risks

- (1) Vacant/Unoccupied dwellings

B. Property Coverages

- (1) Coverage A – Dwelling
- (2) Coverage B - Other Structures – Increase Optional

C. Other Coverages

Automatically included when coverage on the dwelling is provided.

- (1) Other Structures - Up to 10% of Coverage A (Reduces Coverage A)
- (2) Debris Removal
- (3) Rental Value (Reduces Coverage A)
- (4) Reasonable Repairs
- (5) Property Removed
- (6) Fire Department Service Charge

D. Perils Insured Against

- (1) Fire - Included
  - a. Fire or Lightning
  - b. Internal Explosion
- (2) Extended Coverage - Included
  - a. Windstorm or Hail
  - b. Explosion
  - c. Riot or Civil Commotion
  - d. Aircraft
  - e. Vehicles
  - f. Smoke
  - g. Volcanic Eruption
- (3) Vandalism or Malicious Mischief - Optional

E. Optional Coverages

The policy may be written to include:

- (1) Windstorm and Hail Buy-Back for Antennas

F. Liability Coverages - Optional

- (1) Premises Liability
- (2) Premises Medical Payments

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM  
RATE SECTION**

**TERRITORY DEFINITION**

Unless otherwise indicated, the rates and/or premiums apply to the entire state.

<b><u>Territory 60</u></b>	<b><u>Territory 61</u></b>	<b><u>Territory 62</u></b>	<b><u>Territory 63</u></b>	<b><u>Territory 64</u></b>
Remainder of State	Pulaski County	Desha County Jefferson County Mississippi County Poinsett County White County Washington County	Benton County Carroll County Crawford County Madison County Sebastian County	Clark County Faulkner County Garland County Hot Spring County Saline County

**DEDUCTIBLES**

**DP-1 and Vacant Dwelling Program**

The rates and/or premiums shown herein for all coverages on the dwelling are subject to a \$500 all peril deductible. The deductible is applicable per home, per loss occurrence.

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**BASE PREMIUM COMPUTATION**  
(Does not apply to Vacant)

1. Determine the value of the Dwelling = Dwelling limit. (round up to an even thousand)
  
2. Multiply the Flat Base Rate, Coverage Relativity, Territory Relativity, UVRC\* Relativity that corresponds to the Dwelling Limit and Protection Class Relativity.  
(Base Rate \* Coverage Relativity \* Territory Relativity \* UVRC Relativity \* Protection Class Relativity) = Sub Total 1 (round to the nearest penny)
  
3. Multiply Sub Total 1 by the total surcharge/discount percentage, as defined by the applicable Risk Code Relativity Factors (if applies)  
  
(Sub Total 1 \* Total Risk Code percentage) = Hold 1 (round to the nearest penny)
  
4. Add Sub Total 1 and Hold 1.  
  
(Sub Total 1 + Hold 1) = Sub Total 2 (round to the nearest whole dollar)

\*UVRC is defined as Unit Value Relativity Curve. (UVRC Relativity Tables displayed on next page.)

**VACANT – BASE PREMIUM COMPUTATION**

1. Determine the value of the Dwelling.
  
2. Round the Dwelling Limit up to the nearest hundred, and divide by 100.  
(Adjusted Dwelling Limit/100 = Sub Total 1)
  
3. Multiply Sub Total 1 by the Rate per \$100 of Coverage.  
(Sub Total 1 \* Rate per \$100 of Coverage = Sub Total 2)
  
4. Multiply Sub Total 2 by the total surcharge/discount percentage, as defined by the applicable Risk Code Relativity Factors (if applies)  
(Sub Total 2 \* Total Risk Code Percentage) = Hold 1 (round to the nearest penny)
  
5. Add Sub Total 2 and Hold 1.  
(Sub Total 2 + Hold 1) = Total (round to the nearest whole dollar)

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**OWNER OCCUPIED, RENTAL OCCUPIED AND SEASONAL OCCUPIED**

**DP-1 Program (4V1/4V2/4V3)**

Fire and Extended Coverage

Frame and Masonry Construction

Product	Flat Base Rate	Covg Incr	Base Rate per Incr	Min Prem Amount	Min Rate Value	Min Val Accept	UVRC Code	Cov Relativity	Deductible
4V1	131.11	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00
4V2	139.59	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00
4V3	139.59	N/A	N/A	100.00	10,000	1,000	New	1.00	500.00

**Owner**

Territory Relativity Table				
60	61	62	63	64
1.00	1.32	1.32	0.87	0.92

Protection Class Table									
Class	Factor	Class	Factor	Class	Factor	Class	Factor	Class	Factor
1-3	1.00	4-6	1.07	7-8	1.50	9	2.00	10	2.40

Construction Type	
Masonry	0.94

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**OWNER OCCUPIED, RENTAL OCCUPIED AND SEASONAL OCCUPIED**

**DP-1 Program PERSONAL PROPERTY (7M1/7M2/7M3)**

Fire and Extended Coverage

Frame and Masonry Construction

Product	Flat Base Rate	Covg Incr	Base Rate per Incr	Min Prem Amount	Min Rate Value	Min Val Accept	UVRC Code	Cov Relativity	Deductible
7M1	53.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00
7M2	47.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00
7M3	47.00	1,000	N/A	100.00	10,000	1,000	C5	1.00	500.00

Territory Relativity Table				
60	61	62	63	64
1.00	2.32	2.01	0.87	0.95

Protection Class Table									
Class	Factor	Class	Factor	Class	Factor	Class	Factor	Class	Factor
1-3	1.00	4-6	1.07	7-8	1.50	9	2.00	10	2.40

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**UVRC RELATIVITY TABLES**

For Dwellings valued in excess of the maximum Dwelling Limit indicated, add the Greater Than Factor for each additional \$1,000 to the maximum relativity listed in each table.

**DP-1 Program (4V1/4V2/4V3)**

<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>
10,000	1.250	59,000	5.524	107,000	9.802
11,000	1.336	60,000	5.612	108,000	9.892
12,000	1.422	61,000	5.700	109,000	9.982
13,000	1.508	62,000	5.788	110,000	10.072
14,000	1.594	63,000	5.876	111,000	10.162
15,000	1.680	64,000	5.964	112,000	10.252
16,000	1.766	65,000	6.052	113,000	10.342
17,000	1.852	66,000	6.140	114,000	10.432
18,000	1.938	67,000	6.228	115,000	10.522
19,000	2.024	68,000	6.316	116,000	10.612
20,000	2.110	69,000	6.404	117,000	10.702
21,000	2.196	70,000	6.492	118,000	10.792
22,000	2.282	71,000	6.580	119,000	10.882
23,000	2.368	72,000	6.668	120,000	10.972
24,000	2.454	73,000	6.756	121,000	11.062
25,000	2.540	74,000	6.844	122,000	11.152
26,000	2.626	75,000	6.932	123,000	11.242
27,000	2.712	76,000	7.020	124,000	11.332
28,000	2.798	77,000	7.108	125,000	11.422
29,000	2.884	78,000	7.196	126,000	11.512
30,000	2.972	79,000	7.284	127,000	11.602
31,000	3.060	80,000	7.372	128,000	11.692
32,000	3.148	81,000	7.462	129,000	11.782
33,000	3.236	82,000	7.552	130,000	11.872
34,000	3.324	83,000	7.642	131,000	11.962
35,000	3.412	84,000	7.732	132,000	12.052
36,000	3.500	85,000	7.822	133,000	12.142
37,000	3.588	86,000	7.912	134,000	12.232
38,000	3.676	87,000	8.002	135,000	12.322
39,000	3.764	88,000	8.092	136,000	12.412
40,000	3.852	89,000	8.182	137,000	12.502
41,000	3.940	90,000	8.272	138,000	12.592
42,000	4.028	91,000	8.362	139,000	12.682
43,000	4.116	92,000	8.452	140,000	12.772
44,000	4.204	93,000	8.542	141,000	12.862
45,000	4.292	94,000	8.632	142,000	12.952
46,000	4.380	95,000	8.722	143,000	13.042
47,000	4.468	96,000	8.812	144,000	13.132
48,000	4.556	97,000	8.902	145,000	13.222
49,000	4.644	98,000	8.992	146,000	13.312
50,000	4.732	99,000	9.082	147,000	13.402
51,000	4.820	100,000	9.172	148,000	13.492
52,000	4.908	101,000	9.262	149,000	13.582
53,000	4.996	102,000	9.352	150,000	13.672
54,000	5.084	103,000	9.442		
55,000	5.172	104,000	9.532	Add'l rate	
56,000	5.260	105,000	9.622	per \$1,000	0.090
57,000	5.348	106,000	9.712		
58,000	5.436				

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**UVRC RELATIVITY TABLES**

For Dwellings valued in excess of the maximum Dwelling Limit indicated, add the Greater Than Factor for each additional \$1,000 to the maximum relativity listed in each table.

**DP-1 Personal Property (7M1/7M2/7M3)**

<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>	<u>Home Value</u>	<u>UVRC</u>
10,000	0.726	52,000	3.032	94,000	5.342
11,000	0.781	53,000	3.087	95,000	5.397
12,000	0.836	54,000	3.142	96,000	5.452
13,000	0.890	55,000	3.197	97,000	5.507
14,000	0.946	56,000	3.252	98,000	5.562
15,000	1.000	57,000	3.307	99,000	5.617
16,000	1.055	58,000	3.362	100,000	5.672
17,000	1.111	59,000	3.417	101,000	5.727
18,000	1.166	60,000	3.472	102,000	5.782
19,000	1.221	61,000	3.527	103,000	5.837
20,000	1.275	62,000	3.582	104,000	5.892
21,000	1.330	63,000	3.637	105,000	5.947
22,000	1.385	64,000	3.692	106,000	6.002
23,000	1.440	65,000	3.747	107,000	6.057
24,000	1.495	66,000	3.802	108,000	6.112
25,000	1.549	67,000	3.857	109,000	6.167
26,000	1.604	68,000	3.912	110,000	6.222
27,000	1.659	69,000	3.967	111,000	6.277
28,000	1.714	70,000	4.022	112,000	6.332
29,000	1.769	71,000	4.077	113,000	6.387
30,000	1.823	72,000	4.132	114,000	6.442
31,000	1.878	73,000	4.187	115,000	6.497
32,000	1.933	74,000	4.242	116,000	6.552
33,000	1.988	75,000	4.297	117,000	6.607
34,000	2.043	76,000	4.352	118,000	6.662
35,000	2.098	77,000	4.407	119,000	6.717
36,000	2.153	78,000	4.462	120,000	6.772
37,000	2.208	79,000	4.517	121,000	6.827
38,000	2.263	80,000	4.572	122,000	6.882
39,000	2.318	81,000	4.627	123,000	6.937
40,000	2.373	82,000	4.682	124,000	6.992
41,000	2.428	83,000	4.737	125,000	7.047
42,000	2.483	84,000	4.792	126,000	7.102
43,000	2.538	85,000	4.847	127,000	7.157
44,000	2.593	86,000	4.902	128,000	7.212
45,000	2.647	87,000	4.957	129,000	7.267
46,000	2.702	88,000	5.012	130,000	7.322
47,000	2.757	89,000	5.067	131,000	7.377
48,000	2.812	90,000	5.122	132,000	7.432
49,000	2.867	91,000	5.177	133,000	7.487
50,000	2.922	92,000	5.232	134,000	7.542
51,000	2.977	93,000	5.287	135,000	7.597

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<b>ARKANSAS AMERICAN MODERN HOME D1 PROGRAM</b>					
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<b>136,000</b>	7.652	<b>141,000</b>	7.927	<b>146,000</b>	8.202
<b>137,000</b>	7.707	<b>142,000</b>	7.982	<b>147,000</b>	8.257
<b>138,000</b>	7.762	<b>143,000</b>	8.037	<b>148,000</b>	8.312
<b>139,000</b>	7.817	<b>144,000</b>	8.092	<b>149,000</b>	8.367
<b>140,000</b>	7.872	<b>145,000</b>	8.147	<b>150,000</b>	8.422

*add'l rate per \$1,000 – 0.055*

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**VACANT DWELLING Program (324/334)**  
 Fire and Extended Coverage  
 Construction Types -- Frame and Masonry

**3 Month Rate (324)**

**Rates are per \$100 of coverage**

**All Territories**  
 Protection Class: 1 – 8 9-10  
 Rate: \$0.70 \$1.00

**6 Month Rate (334)**

**Rates are per \$100 of coverage**

**All Territories**  
 Protection Class: 1 – 8 9 – 10  
 Rate: \$1.40 \$2.00

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**LIABILITY SECTION**

1. Personal Liability - Basic Premiums

(a) Limit of Liability - - optional

MEDICAL PAYMENTS \$500 EACH PERSON/\$25,000 EACH OCCURRENCE  
PROPERTY OF OTHERS \$500 EACH OCCURRENCE  
ANIMAL LIABILITY \$10,000

(b) Premium - To include Personal Liability coverage on the owner occupied and **Renewal Seasonal** dwellings, add the following premium: (K3)

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

2. Premises Liability - Dwellings Rented to Others (L2) (New Business for Seasonal Programs)

To provide coverage for Premises Liability, the following premiums apply:

(a) Dwelling Premises Liability

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

The premiums include premises medical payments of \$500 each person, \$25,000 each occurrence.

(b) Vacant Premises Liability (V8)

3 month premium:

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$35.00 \$50.00 \$70.00 \$85.00 \$100.00

6 month premium:

\$25,000 \$50,000 \$100,000 \$200,000 \$300,000  
\$70.00 \$100.00 \$140.00 \$170.00 \$200.00

The premiums include premises medical payments of \$500 each person, \$25,000 each accident.

3. Medical Payments – Personal Liability and Premises Liability (BA)

To increase the Medical Payments coverage, add the following additional premium:

Medical Payments Rate  
\$1,000/\$25,000 \$5.00

4. Animal Liability Exclusion (LE)

The policy may be endorsed to remove coverage for bodily injury or property damage caused by any animal owned by, or in care or custody of any insured person. Not available on policies without Personal Liability Coverage.

Rate: \$3.00 credit per home, per year.

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**ARKANSAS  
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D1 PROGRAM**

**MISCELLANEOUS SURCHARGES AND SUPPLEMENTAL COVERAGES**

1. Miscellaneous Surcharges

A. Multiple Family Surcharge

For dwellings containing multiple families, the following surcharge applies:

Number of Families	Risk Code	Surcharge
1	27	Base
2	28	Base
3	29	1.50
4	43	1.50

2. Supplemental Coverages

A. Additional Living Expense (46)

To provide Additional Living Expense for owner occupied dwellings in the Dwelling 1 Program, not to exceed 20% of Coverage A.

Rate: \$5.00 per \$1,000 of coverage

B. Optional Deductibles (H8)

The deductible may be changed by applying the following credit or surcharge to Coverage A, B, and C base premiums, prior to all other surcharges and discounts: For 3- and 6- month policies, the credit will be pro-rated and applied to each policy term. The change in deductible does not apply to the \$500 deductible for Vandalism and Malicious Mischief.

Wind & Hail Deductible Options\* (WH)

	Dwelling 1 Program	3 and 6 month Vacant Program	
<u>Deductible</u>	<u>Credit</u>	<u>Deductible</u>	<u>Credit</u>
\$1,000	\$25	\$1,000	\$25

All Other Peril Deductible\* (H8)

Dwelling I Program		3 and 6 month Vacant Program	
<u>Deductible</u>	<u>Premium</u>	<u>Deductible</u>	<u>Premium</u>
\$250	\$15.00	\$500	Included
\$500	Included	\$1,000	(5%)
\$1,000	(\$15.00)		
\$2,500	(\$35.00)		
\$5,000	(\$60.00)		

C. Dwelling Property Basic Form Windstorm and Hail Buy-Back for Antennas (PK)

Rate: \$5.00

D. Other Structures (A1)

To provide coverage for Other Structures, add the following additional premium:

For each additional \$100, add: \$ 2.00

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**ARKANSAS  
AMERICAN MODERN HOME  
D1 PROGRAM**

**E. Other Structures Exclusion (AZ)**

To remove coverage for Other Structures located at the insured location, subtract the following:

Rate: \$3.00 credit per home, per year.

**F. Residence Burglary (B1)**

To provide coverage for residence burglary on owner occupied or rental residences, add the following additional premium:

Rate: \$30.00 per \$1,000

**G. Supplemental Heating Device (H2)**

For dwellings equipped with a Supplemental Heating Device, the following surcharge applies:

Rate: \$50.00

**H. Vandalism or Malicious Mischief (B2)**

To provide coverage on owner occupied or rental residences or Vacant Dwelling Program, add the following additional premium.

Rate: \$.70 per \$1,000

A \$500 deductible will apply.

**3. Minimum Written and Earned Premium**

**A. Owner Occupied, Seasonal and Rental Dwellings**

Minimum Written & Earned Premium:

Owner Occupied \$100.00

Seasonal \$100.00

Rental \$100.00

**B. Vacant Program**

Minimum Written Premium:

\$250 (Applies to total policy premium)

Minimum Earned Premium:

3 month policies fully earned

6 month policies 50% earned

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