

SERFF Tracking Number: MADC-125641203 State: Arkansas
Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: RIC-AR-2008-002
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Program
Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Filing at a Glance

Company: Redland Insurance Company

Product Name: Workers Compensation Program

TOI: 16.0 Workers Compensation

Sub-TOI: 16.0004 Standard WC

Filing Type: Rate

Effective Date Requested (New): 07/01/2008

Effective Date Requested (Renewal): 07/01/2008

State Filing Description:

SERFF Tr Num: MADC-125641203 State: Arkansas

SERFF Status: Closed

Co Tr Num: RIC-AR-2008-002

Co Status:

Authors: Tina Gill, Margaret Lovejoy Disposition Date: 05/12/2008

Date Submitted: 05/12/2008

State Tr Num: EFT \$50

State Status: Fees verified and received

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

Disposition Status: Approved

Effective Date (New): 07/01/2008

Effective Date (Renewal):

General Information

Project Name: Adoption of NCCI 7/1/08

Project Number: RIC-AR-2008-002

Reference Organization: NCCI

Reference Title:

Filing Status Changed: 05/12/2008

State Status Changed: 05/12/2008

Corresponding Filing Tracking Number:

Filing Description:

The purpose of this filing is to adopt the NCCI July 1, 2008 advisory loss costs and rating values, as shown in filing number AR-2008-02. We will continue to use our currently approved loss cost multipliers of 1.61 for industrial classes and 1.83 for federal classes. We request July 1, 2008 as the effective date to be concurrent with NCCI's effective date.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Company and Contact

SERFF Tracking Number: MADC-125641203 State: Arkansas
Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: RIC-AR-2008-002
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Program
Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	05/12/2008	05/12/2008

SERFF Tracking Number: MADC-125641203 State: Arkansas
 Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: RIC-AR-2008-002
 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
 Product Name: Workers Compensation Program
 Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Disposition

Disposition Date: 05/12/2008
 Effective Date (New): 07/01/2008
 Effective Date (Renewal):
 Status: Approved
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Redland Insurance Company	-12.800%	\$		\$	%	%	%

SERFF Tracking Number: MADC-125641203 State: Arkansas
 Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: RIC-AR-2008-002
 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
 Product Name: Workers Compensation Program
 Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Supporting Document	Authorization Letter	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Filing Exhibits	Approved	Yes
Rate	Small Deductible	Approved	Yes
Rate	Retrospective Rating Values	Approved	Yes
Rate	Rate Pages	Approved	Yes

SERFF Tracking Number: MADC-125641203
 Filing Company: Redland Insurance Company
 Company Tracking Number: RIC-AR-2008-002
 TOI: 16.0 Workers Compensation
 Product Name: Workers Compensation Program
 Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

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

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: Decrease
Overall Percentage of Last Rate Revision: 2.700%
Effective Date of Last Rate Revision: 01/01/2008
Filing Method of Last Filing: Prior Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Redland Insurance Company	%	-12.800%				%	%

SERFF Tracking Number: MADC-125641203 State: Arkansas
 Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: RIC-AR-2008-002
 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
 Product Name: Workers Compensation Program
 Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	Small Deductible	1	Replacement	Small Ded.PDF
Approved	Retrospective Rating Values	1 - 2	Replacement	Retro.PDF
Approved	Rate Pages	1 - 9	Replacement	

Redland Insurance Company

SMALL DEDUCTIBLE PROGRAM

ARKANSAS

		Hazard Group													
		A	B	C	D	E	F	G							
		Premium Reduction Percentages													
Total Losses	\$ 1,000	7.5	%	6.0	%	5.2	%	4.3	%	3.6	%	2.5	%	1.9	%
Applicable by deductible amount	1,500	9.2		7.4		6.4		5.4		4.6		3.2		2.4	
and hazard group on a per claim basis	2,000	10.6		8.6		7.3		6.3		5.3		3.8		2.9	
	2,500	11.8		9.6		8.3		7.1		5.9		4.3		3.3	
	3,000	12.8		10.4		9.0		7.8		6.6		4.8		3.6	
	3,500	13.7		11.2		9.7		8.4		7.1		5.2		3.9	
	4,000	14.5		11.9		10.4		9.0		7.6		5.6		4.3	
	4,500	15.3		12.5		10.9		9.6		8.2		6.0		4.6	
	5,000	16.1		13.2		11.6		10.1		8.6		6.5		4.9	

		Hazard Group													
		A	B	C	D	E	F	G							
		Premium Reduction Percentages													
Medical Losses	\$ 1,000	7.3	%	5.9	%	5.0	%	4.1	%	3.5	%	2.4	%	1.7	%
Applicable by deductible amount	1,500	8.9		7.1		6.0		5.1		4.3		3.0		2.2	
and hazard group on a per claim basis	2,000	10.0		8.1		6.9		5.8		5.0		3.4		2.6	
	2,500	10.9		8.9		7.6		6.5		5.5		3.9		2.9	
	3,000	11.8		9.6		8.3		7.1		5.9		4.2		3.2	
	3,500	12.4		10.2		8.8		7.5		6.4		4.6		3.5	
	4,000	13.2		10.7		9.3		8.0		6.8		5.0		3.7	
	4,500	13.7		11.3		9.8		8.5		7.2		5.2		3.9	
	5,000	14.2		11.8		10.2		8.8		7.5		5.5		4.2	

		Hazard Group													
		A	B	C	D	E	F	G							
		Premium Reduction Percentages													
Indemnity Losses	\$ 1,000	1.6	%	1.3	%	1.0	%	1.0	%	0.9	%	0.7	%	0.5	%
Applicable by deductible amount	1,500	2.1		1.7		1.6		1.5		1.3		1.0		0.8	
and hazard group on a per claim basis	2,000	2.6		2.1		2.0		1.9		1.6		1.4		1.0	
	2,500	3.2		2.5		2.3		2.2		1.9		1.6		1.3	
	3,000	3.6		2.9		2.6		2.5		2.2		1.9		1.4	
	3,500	4.0		3.3		3.1		2.8		2.5		2.1		1.6	
	4,000	4.3		3.6		3.3		3.1		2.8		2.3		1.7	
	4,500	4.8		3.9		3.6		3.3		3.0		2.5		1.9	
	5,000	5.1		4.2		3.8		3.6		3.2		2.6		2.1	

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

PRAETORIAN INSURANCE COMPANY

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

STATE: ARKANSAS

EFFECTIVE DATE: July 1, 2008

1. **Hazard Group Differentials**

A	B	C	D	E	F	G
1.890	1.420	1.260	1.130	0.980	0.790	0.590

3. **Expected Loss Ratio**

0.550

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

6.

Excess Loss Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$ 10,000	0.337	0.367	0.384	0.400	0.416	0.438	0.450
15,000	0.304	0.336	0.355	0.372	0.391	0.417	0.435
20,000	0.278	0.311	0.332	0.350	0.371	0.400	0.421
25,000	0.256	0.291	0.312	0.331	0.354	0.384	0.409
30,000	0.239	0.273	0.295	0.315	0.338	0.371	0.398
35,000	0.223	0.258	0.281	0.300	0.312	0.358	0.388
40,000	0.210	0.244	0.267	0.287	0.291	0.347	0.379
50,000	0.189	0.222	0.245	0.265	0.250	0.327	0.362
75,000	0.152	0.182	0.204	0.224	0.222	0.288	0.329
100,000	0.129	0.155	0.177	0.196	0.200	0.260	0.304
125,000	0.112	0.136	0.157	0.175	0.184	0.237	0.283
150,000	0.101	0.122	0.143	0.160	0.169	0.220	0.266
175,000	0.091	0.111	0.131	0.146	0.158	0.205	0.252
200,000	0.083	0.102	0.121	0.135	0.148	0.193	0.239
225,000	0.077	0.094	0.113	0.127	0.140	0.182	0.228
250,000	0.073	0.088	0.106	0.119	0.133	0.173	0.219
275,000	0.068	0.083	0.101	0.113	0.126	0.164	0.211
300,000	0.064	0.078	0.095	0.107	0.120	0.157	0.203
325,000	0.061	0.074	0.091	0.102	0.116	0.151	0.196
350,000	0.058	0.071	0.087	0.097	0.111	0.145	0.190
375,000	0.056	0.068	0.084	0.094	0.107	0.139	0.184
400,000	0.053	0.065	0.080	0.090	0.103	0.134	0.179
425,000	0.051	0.062	0.077	0.087	0.100	0.130	0.174
450,000	0.049	0.060	0.075	0.084	0.096	0.126	0.169
475,000	0.047	0.058	0.072	0.081	0.094	0.122	0.165
500,000	0.046	0.056	0.070	0.079	0.084	0.119	0.161
600,000	0.041	0.050	0.063	0.070	0.076	0.107	0.148
700,000	0.037	0.045	0.057	0.064	0.071	0.098	0.138
800,000	0.035	0.042	0.053	0.059	0.066	0.091	0.129
900,000	0.032	0.039	0.050	0.056	0.062	0.085	0.122
1,000,000	0.030	0.037	0.047	0.052	0.041	0.080	0.115
2,000,000	0.018	0.023	0.030	0.034	0.031	0.053	0.079
3,000,000	0.013	0.017	0.023	0.025	0.025	0.041	0.062
4,000,000	0.010	0.013	0.018	0.020	0.020	0.033	0.051
5,000,000	0.008	0.010	0.014	0.017	0.017	0.028	0.043
6,000,000	0.006	0.008	0.012	0.014	0.014	0.023	0.037
7,000,000	0.006	0.007	0.010	0.012	0.013	0.020	0.033
8,000,000	0.005	0.006	0.009	0.010	0.011	0.018	0.029
9,000,000	0.004	0.006	0.008	0.009	0.010	0.016	0.026
10,000,000	0.004	0.005	0.007	0.008	0.000	0.014	0.024

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

4. **Table of Expense Ratios**

XXIII-A

PRAETORIAN INSURANCE COMPANY

RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES

STATE: ARKANSAS

EFFECTIVE DATE: July 1, 2008

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

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
10,000	0.295	0.323	0.339	0.354	0.370	0.392	0.410
15,000	0.263	0.293	0.311	0.327	0.345	0.371	0.393
20,000	0.238	0.270	0.288	0.306	0.326	0.354	0.379
25,000	0.218	0.250	0.270	0.288	0.309	0.338	0.366
30,000	0.201	0.233	0.254	0.272	0.294	0.325	0.355
35,000	0.188	0.219	0.240	0.258	0.281	0.313	0.345
40,000	0.175	0.206	0.227	0.246	0.269	0.302	0.336
50,000	0.156	0.185	0.206	0.225	0.249	0.283	0.319
75,000	0.124	0.150	0.170	0.188	0.211	0.246	0.286
100,000	0.104	0.127	0.146	0.162	0.186	0.220	0.262
125,000	0.090	0.110	0.129	0.144	0.167	0.200	0.243
150,000	0.080	0.098	0.117	0.131	0.152	0.185	0.228
175,000	0.073	0.089	0.107	0.120	0.140	0.172	0.215
200,000	0.067	0.082	0.098	0.111	0.130	0.161	0.204
225,000	0.062	0.075	0.092	0.103	0.122	0.151	0.194
250,000	0.058	0.071	0.086	0.097	0.115	0.144	0.186
275,000	0.054	0.067	0.082	0.092	0.109	0.136	0.178
300,000	0.051	0.063	0.078	0.087	0.103	0.130	0.172
325,000	0.048	0.059	0.074	0.083	0.099	0.125	0.166
350,000	0.046	0.057	0.070	0.080	0.095	0.120	0.160
375,000	0.044	0.054	0.068	0.076	0.091	0.116	0.155
400,000	0.042	0.052	0.065	0.073	0.087	0.111	0.151
425,000	0.041	0.050	0.063	0.070	0.084	0.108	0.146
450,000	0.039	0.048	0.061	0.068	0.081	0.104	0.142
475,000	0.038	0.046	0.058	0.066	0.079	0.101	0.139
500,000	0.037	0.045	0.057	0.064	0.076	0.098	0.136
600,000	0.032	0.040	0.051	0.057	0.069	0.089	0.124
700,000	0.030	0.036	0.046	0.052	0.062	0.081	0.115
800,000	0.028	0.034	0.043	0.048	0.058	0.075	0.108
900,000	0.026	0.031	0.041	0.045	0.054	0.070	0.102
1,000,000	0.024	0.030	0.038	0.042	0.051	0.066	0.096
2,000,000	0.014	0.019	0.024	0.028	0.033	0.043	0.065
3,000,000	0.010	0.013	0.018	0.020	0.025	0.033	0.051
4,000,000	0.008	0.010	0.014	0.016	0.020	0.027	0.042
5,000,000	0.006	0.008	0.012	0.013	0.016	0.022	0.035
6,000,000	0.005	0.007	0.009	0.010	0.013	0.019	0.030
7,000,000	0.004	0.006	0.008	0.009	0.011	0.016	0.026
8,000,000	0.004	0.005	0.007	0.008	0.010	0.014	0.023
9,000,000	0.003	0.004	0.006	0.007	0.009	0.012	0.021
10,000,000	0.003	0.004	0.006	0.006	0.008	0.011	0.019

7. Retrospective Development Factors

With Loss Limit

1st	2nd	3rd
<u>Adj.</u>	<u>Adj.</u>	<u>Adj.</u>
0.07	0.07	0.05

Without Loss Limit

1st	2nd	3rd	4th & Subsequent
<u>Adj.</u>	<u>Adj.</u>	<u>Adj.</u>	<u>Adjustment</u>
0.16	0.16	0.12	0.00

<i>SERFF Tracking Number:</i>	<i>MADC-125641203</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Redland Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>RIC-AR-2008-002</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>Workers Compensation Program</i>		
<i>Project Name/Number:</i>	<i>Adoption of NCCI 7/1/08/RIC-AR-2008-002</i>		

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document- Property & Casualty	Review Status:	Approved	05/12/2008
-------------------------	--	-----------------------	----------	------------

Comments:

Attachment:

P&C Transmittal.PDF

Satisfied -Name:	NAIC Loss Cost Filing Document for Workers' Compensation	Review Status:	Approved	05/12/2008
-------------------------	---	-----------------------	----------	------------

Comments:

Attachments:

LC Adoption.PDF
LCM Calc Ind.PDF
LCM Calc Fed.PDF

Satisfied -Name:	NAIC loss cost data entry document	Review Status:	Approved	05/12/2008
-------------------------	------------------------------------	-----------------------	----------	------------

Comments:

Attachments:

loss_cost_data_entry IND.pdf
loss_cost_data_entry FED.pdf

Satisfied -Name:	Authorization Letter	Review Status:	Approved	05/12/2008
-------------------------	----------------------	-----------------------	----------	------------

Comments:

Attachment:

PIC & RIC Authorization 5-18-07.pdf

Satisfied -Name:	Cover Letter	Review Status:	Approved	05/12/2008
-------------------------	--------------	-----------------------	----------	------------

Comments:

Attachment:

SERFF Tracking Number: *MADC-125641203* *State:* *Arkansas*
Filing Company: *Redland Insurance Company* *State Tracking Number:* *EFT \$50*
Company Tracking Number: *RIC-AR-2008-002*
TOI: *16.0 Workers Compensation* *Sub-TOI:* *16.0004 Standard WC*
Product Name: *Workers Compensation Program*
Project Name/Number: *Adoption of NCCI 7/1/08/RIC-AR-2008-002*

Cover Letter.PDF

SERFF Tracking Number: MADC-125641203 State: Arkansas
Filing Company: Redland Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: RIC-AR-2008-002
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Program
Project Name/Number: Adoption of NCCI 7/1/08/RIC-AR-2008-002

Satisfied -Name: Filing Exhibits **Review Status:** Approved 05/12/2008
Comments:
Attachment:
Filing Exhibits.PDF

PROPERTY & CASUALTY TRANSMITTAL DOCUMENT (Revised 1/1/04)

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 filing:		
		e. Effective date of filing:		
		f. State Filing #:		
		g. SERFF Filing #:		
3. Group Name				Group NAIC #
4. Company Name(s)		Domicile	NAIC #	FEIN #
Redland Insurance Company		NJ	37303	

Company Tracking Number	RIC-AR-2008-002
-------------------------	-----------------

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

6.	Name and address	Title	Telephone #s	FAX #	E-mail
	Tina Gill c/o Madison Consulting Group 200 North Second Street Madison, GA 30650	Analyst	706-342-7750	706-342-7775	tina@madisoninc.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Tina Gill		

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

9.	Type of Insurance (TOI)	Workers Compensation
10.	Sub-Type of Insurance (Sub-TOI)	
11.	State Specific Product Code(s) (if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	Workers Compensation Program
13.	Filing Type	[X] Rate/Loss Costs [] Rules [] Rates/Rules [] Forms [] Combination Rates/Rules/Forms [] Withdrawal [] Other (give description)
14.	Effective Date(s) Requested	New: 7/1/08 Renewal: 7/1/08
15.	Reference Filing?	[X] Yes [] No
16.	Reference Organization (if applicable)	NCCI
17.	Reference Organization Number & Title	AR-2008-02
18.	Company's Date of Filing	5/8/08
19.	Status of Filing in Domicile	[X] Not Filed [] Pending [] Authorized [] Disapproved

Effective January 1, 2004

PROPERTY & CASUALTY TRANSMITTAL DOCUMENT

20.	This filing transmittal is part of Company Tracking Number	RIC-AR-2008-002
-----	--	-----------------

21.	Filing Description [This area should be similar to the body of a cover letter and is free-form text]
-----	--

The purpose of this filing is to adopt the NCCI July 1, 2008 advisory loss costs and rating values, filing number AR-2008-02. We will continue to use our currently approved loss cost multipliers of 1.61 for industrial classes and 1.83 for federal classes. We request July 1, 2008 as the effective date to be concurrent with NCCI's effective date.

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 Number:
Amount: \$50.00

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

***Refer to each state's checklist for additional states specific requirements (i.e. number 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 item 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.)

1.	This filing transmittal is part of Company Tracking Number			RIC-AR-2008-002
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)			
	<input type="checkbox"/> Rate Increase <input checked="" type="checkbox"/> Rate Decrease <input type="checkbox"/> Rate Neutral (0%)			
3.	Overall percentage rate impact for this filing			-12.8
4.	Effect of Rate Filing—Written premium change for this program			N/A
5.	Effect of Rate Filing—Number of policyholders			N/A
6.	Filing method (Prior Approval, File & Use, Flex Band, etc.)			Prior Approval
7.	Rate Change by Company			
	Company Name	Percentage Change for this program	Number of policyholders for this program	Written premium for this program
	Praetorian	-12.8	N/A	0
8.	Overall percentage of last rate revision			2.7
9.	Effective Date of last rate revision			1/1/08
10.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)			Prior Approval
11.	Exhibit Name/Description/ Synopsis	Rule # or Page #	Replacement or withdrawn?	Previous state filing number if required by state
01	Rate Pages	1 - 9	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
02	Small Deductible Credits	1	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
03	Retrospective Rating Values	1 - 2	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
04			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
05			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	

To be complete, a rate/rule filing must include the following:

1. A completed Rate/Rule Filing Transmittal document (PC RRFs-1) (do not refer to the body of the filing for the component/exhibit listing) and
2. A completed Property & Casualty Transmittal Document (PC TD-1) and
3. One copy of all rate/rule components/exhibits submitted with the filing, and
4. The appropriate state review requirements, if required, and
5. The appropriate filing fees, if required, and
6. A postage-paid, self-addressed envelope **large enough to accommodate the return.**
7. You should refer to each state's checklist for additional state specific requirements (i.e., number of additional copies required, other state specific forms, etc.)

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

DATE 5/8/2008

1. INSURER NAME Redland Insurance Company
ADDRESS QBE the Americas, Wall Street Plaza, 88 Pine Street
New York, NY 10005

PERSON RESPONSIBLE FOR FILING Tina Gill
TITLE Analyst TELEPHONE NO. 706-342-7750

2. INSURER NAIC NO. 37257 GROUP NO. _____

3. ADVISORY ORGANIZATION NCCI

4. ADVISORY ORGANIZATION REFERENCE FILING NO. AR-2008-02

5. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, expense constants specified in the attachments.

6. A.	PROPOSED RATE LEVEL CHANGE	<u>-12.8</u>	%	EFFECTIVE DATE	<u>7/1/08</u>
B.	PROPOSED PREMIUM LEVEL CHANGE	<u>-12.8</u>	%	EFFECTIVE DATE	<u>7/1/08</u>
7. A.	PRIOR RATE LEVEL CHANGE	<u>+2.7</u>	%	EFFECTIVE DATE	<u>1/1/08</u>
B.	PRIOR PREMIUM LEVEL CHANGE	<u>+2.7</u>	%	EFFECTIVE DATE	<u>1/1/08</u>

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

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

- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and, if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer.
- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	RIC-AR-2008-002
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

(X) **Loss Cost Reference Filing** NCCI AR-2008-02 () **Independent Rate Filing**
(Advisory Org. & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

1. Check one of the following:

- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. **Note: Some states have statutes that prohibit this option for some lines of business.**
- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

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

3. Loss cost modification:

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

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

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

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

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

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

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

NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1.001
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	.93
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1.61
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.61

Yes No

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

NAIC LOSS COST FILING DOCUMENT— WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	RIC-AR-2008-002
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

(X) **Loss Cost Reference Filing** NCCI AR-2008-02 () **Independent Rate Filing**
(Advisory Org. & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

1. Check one of the following:

- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. **Note: Some states have statutes that prohibit this option for some lines of business.**
- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

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

3. Loss cost modification:

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

- () Without Modification (factor = 1.000)
(X) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) 1.135

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

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

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

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

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

NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1 . 0 0 1
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	. 9 3
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1 . 8 3
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1 . 8 3

Yes No

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

NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	RIC-AR-2008-002
-----------	---	------------------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	NCCI AR-2008-02
-----------	--	------------------------

		Company Name			Company NAIC Number
3.	A.	Redland Insurance Company	B.	37303	

		Product Coding Matrix Line of Business (i.e., Type of Insurance)			Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Workers Compensation	B.	Standard	

5.			FOR LOSS COSTS ONLY (Industrial)				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
Workers Compensation	N/A	-12.8	62.1	1.000	1.61	160	1.61
TOTAL OVERALL EFFECT	N/A	-12.8					

6.		5 Year History		Rate Change History			
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	0	+7.3	7/1/07	0	0	0	-1.429
2006	Initial		6/15/07	0	0	0	.715

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	19.3
B. General Expense	3.6
C. Taxes, License & Fees	6.0
D. Underwriting Profit & Contingencies	2.0
E. Other (explain) Prem Disc	7.0
F. TOTAL	37.9

- 8.** Y Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** _____ Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): _____

NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	RIC-AR-2008-002
-----------	---	------------------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	NCCI AR-2008-02
-----------	--	------------------------

		Company Name			Company NAIC Number
3.	A.	Redland Insurance Company	B.	37303	

		Product Coding Matrix Line of Business (i.e., Type of Insurance)			Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Workers Compensation	B.	Standard	

5.			FOR LOSS COSTS ONLY (Federal)				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
Workers Compensation	N/A	-12.8	62.1	1.135	1.83	160	1.83
TOTAL OVERALL EFFECT	N/A	-12.8					

6.		5 Year History		Rate Change History			
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	0	+7.3	7/1/07	0	0	0	-1.429
2006	Initial		6/15/07	0	0	0	.715

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	19.3
B. General Expense	3.6
C. Taxes, License & Fees	6.0
D. Underwriting Profit & Contingencies	2.0
E. Other (explain) Prem Disc	7.0
F. TOTAL	37.9

- 8.** Y Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____



PRAETORIAN
insurance company

May 18, 2007

To Whom It May Concern:

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

Sincerely,

Ming-I Huang
Chief Risk Officer

Praetorian Financial Group
7 Times Square, 37th floor
New York, NY 10036
T: (212) 805-9700
F: (212) 805-9800
www.praetorianfinancial.com



MADISON CONSULTING GROUP

Actuaries • Property/Casualty Consulting Services

May 8, 2007

Honorable Julie Benefield Bowman
Insurance Commissioner
Arkansas Department of Insurance
1200 West Third St.
Little Rock, Arkansas 72201-1904

RE: Redland Insurance Company
NAIC #37303
Workers Compensation Program
Adoption of NCCI July 1, 2008 Advisory Loss Cost Filing

Dear Commissioner Bowman:

In accordance with Arkansas rate and rule regulatory law, we make the enclosed filing for Redland Insurance Company's workers compensation program in Arkansas.

The purpose of this filing is to adopt the NCCI July 1, 2008 advisory loss costs and rating values, as shown in filing number AR-2008-02. We will continue to use our currently approved loss cost multipliers of 1.61 for industrial classes and 1.83 for federal classes. We request July 1, 2008 as the effective date to be concurrent with NCCI's effective date.

This filing consists of the following:

- a. A copy of the completed Departmental forms.
- b. A copy of the proposed rates, minimum premiums, expense constant and premium discount table.
- c. A copy of the small deductible credits based on NCCI's loss elimination ratios.

200 North Second Street • Madison, Georgia 30650

Honorable Julie Benefield Bowman

May 8, 2008

Page 2

Please direct any technical questions related to this filing to:

Tina Gill
Madison Consulting Group, Inc.
200 North Second Street
Madison, Georgia 30650
(706) 342-7750 FAX (706) 342-7775
e-mail: tina@madisoninc.com

Thank you for your consideration and assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tina Gill", written in black ink.

Tina Gill
Analyst

TG/ml
Attachments
cc: NCCI



Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

SUMMARY OF PROPOSED RATES

Proposed Manual Rates:

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

1.61 Industrial Classes

1.83 F Classes

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

DEVELOPMENT OF PROPOSED EXPENSE LOAD
INDUSTRIAL CLASSES

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

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

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

DEVELOPMENT OF PROPOSED EXPENSE LOAD
F CLASSES

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

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

Redland Insurance Company

WORKERS' COMPENSATION ARKANSAS

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

1.	Earned Premium (a)	1.000
2.	Imputed Surplus (b)	0.670
3.	Investment Income from Reserves (post-tax) (c)	0.034
4.	Investment Income from Surplus (post-tax) (d)	0.040
5.	Underwriting Profit (pre-tax) (e)	0.020
6.	Underwriting Profit (post-tax) (f)	0.013
7.	Total Income (post-tax) [(3) + (4) + (6)]	0.087
8.	Return on Surplus [(7) ÷ (2)]	13.0 %

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

Redland Insurance Company

WORKERS' COMPENSATION ARKANSAS

ESTIMATED INVESTMENT INCOME ON UNEARNED PREMIUM AND LOSS RESERVES

I. Unearned Premium Reserve	
A. Direct Earned Premium (a)	\$ 1.00
B. Mean Unearned Premium Reserve (b)	0.25
C. Deduction for Prepaid Expenses (c)	
1. Commissions and Brokerage	16.3 %
2. 50% of Other Acquisition Cost	1.5
3. 50% of General Expense	1.8
4. Total	19.6 %
D. Deduction for Federal Taxes Payable (35% x 20%)	7.0 %
E. [B x (C + D)]	0.07
F. Net Subject to Investment [B - E]	0.18
II. Delayed Remission of Premiums	
A. Direct Earned Premium (a)	1.00
B. Average Agent's Balances (b)	22.0 %
C. Delayed Remission [A x B]	0.22
III. Expected Loss and Loss Adjustment Expense Reserve	
A. Direct Earned Premium (a)	1.00
B. Expected Loss and LAE Ratio (c)	0.62
C. Reserve to Incurred Ratio (b)	1.65
D. Expected Loss and Loss Adjustment Expense Reserve [B x C]	1.02
IV. Net Subject to Investment [I.F - II.C + III.D]	0.98
V. Average Rate of return on Invested Assets (post-tax) (d)	3.5 %
VI. Investment Earnings on Net Subject to Investment [IV. x V.]	3.4 %
VII. Average Investment Income as a Percentage of Direct Earned Premium [VI. ÷ I.A]	3.4 %

Notes: See Sheet 3.

Redland Insurance Company

WORKERS' COMPENSATION
ARKANSAS

NOTES TO SHEET 2

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

Redland Insurance Company

DEVELOPMENT OF DEDUCTIBLE CREDITS
WORKERS COMPENSATION
(DEDUCTIBLES IN RANGE \$1000 - 5,000)
APPLICABLE TO TOTAL LOSSES

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

Deductible Amount	D: Loss Elimination Ratios (a) Hazard Groups							E: Excess Loss Ratios [A x (1-D)] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
	1,000	0.130	0.104	0.089	0.074	0.062	0.043	0.032	0.479	0.493	0.501	0.509	0.516	0.526
1,500	0.159	0.128	0.109	0.092	0.078	0.054	0.041	0.463	0.480	0.490	0.499	0.507	0.520	0.527
2,000	0.181	0.147	0.126	0.107	0.091	0.065	0.049	0.450	0.469	0.481	0.491	0.500	0.514	0.523
2,500	0.201	0.163	0.141	0.121	0.102	0.074	0.056	0.439	0.460	0.472	0.483	0.494	0.509	0.519
3,000	0.218	0.178	0.154	0.132	0.113	0.082	0.062	0.430	0.452	0.465	0.477	0.488	0.505	0.516
3,500	0.234	0.191	0.166	0.143	0.122	0.090	0.068	0.421	0.445	0.459	0.471	0.483	0.501	0.513
4,000	0.248	0.203	0.178	0.154	0.131	0.097	0.074	0.414	0.438	0.452	0.465	0.478	0.497	0.509
4,500	0.262	0.215	0.188	0.163	0.140	0.104	0.079	0.406	0.432	0.447	0.460	0.473	0.493	0.507
5,000	0.274	0.226	0.198	0.173	0.148	0.111	0.084	0.399	0.426	0.441	0.455	0.469	0.489	0.504

Deductible Amount	F: Loss and Expense Ratios [(E+C)xB] Hazard Groups							G: Deductible Credits [1-F] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
1,000	0.925	0.940	0.948	0.957	0.964	0.975	0.981	0.075	0.060	0.052	0.043	0.036	0.025	0.019
1,500	0.908	0.926	0.936	0.946	0.954	0.968	0.976	0.092	0.074	0.064	0.054	0.046	0.032	0.024
2,000	0.894	0.914	0.927	0.937	0.947	0.962	0.971	0.106	0.086	0.073	0.063	0.053	0.038	0.029
2,500	0.882	0.904	0.917	0.929	0.941	0.957	0.967	0.118	0.096	0.083	0.071	0.059	0.043	0.033
3,000	0.872	0.896	0.910	0.922	0.934	0.952	0.964	0.128	0.104	0.090	0.078	0.066	0.048	0.036
3,500	0.863	0.888	0.903	0.916	0.929	0.948	0.961	0.137	0.112	0.097	0.084	0.071	0.052	0.039
4,000	0.855	0.881	0.896	0.910	0.924	0.944	0.957	0.145	0.119	0.104	0.090	0.076	0.056	0.043
4,500	0.847	0.875	0.891	0.904	0.918	0.940	0.954	0.153	0.125	0.109	0.096	0.082	0.060	0.046
5,000	0.839	0.868	0.884	0.899	0.914	0.935	0.951	0.161	0.132	0.116	0.101	0.086	0.065	0.049

Notes: (a) Based on NCCI advisory loss elimination ratios.

Redland Insurance Company

DEVELOPMENT OF DEDUCTIBLE CREDITS WORKERS COMPENSATION (DEDUCTIBLES IN RANGE \$1000 - 5,000) APPLICABLE TO MEDICAL LOSSES

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

Deductible Amount	D: Loss Elimination Ratios (a)						
	Hazard Groups						
	A	B	C	D	E	F	G
1,000	0.126	0.101	0.086	0.071	0.060	0.041	0.030
1,500	0.152	0.122	0.104	0.088	0.074	0.051	0.038
2,000	0.171	0.138	0.119	0.100	0.085	0.059	0.045
2,500	0.187	0.152	0.131	0.111	0.094	0.067	0.050
3,000	0.201	0.164	0.142	0.121	0.102	0.073	0.055
3,500	0.213	0.175	0.151	0.129	0.110	0.079	0.060
4,000	0.225	0.184	0.160	0.137	0.117	0.085	0.064
4,500	0.235	0.193	0.168	0.145	0.123	0.090	0.068
5,000	0.244	0.201	0.175	0.151	0.129	0.095	0.072

Deductible Amount	E: Excess Loss Ratios [A x (1-D)]						
	Hazard Groups						
	A	B	C	D	E	F	G
1,000	0.481	0.494	0.503	0.511	0.517	0.527	0.534
1,500	0.466	0.483	0.493	0.502	0.509	0.522	0.529
2,000	0.456	0.474	0.485	0.495	0.503	0.518	0.525
2,500	0.447	0.466	0.478	0.489	0.498	0.513	0.523
3,000	0.439	0.460	0.472	0.483	0.494	0.510	0.520
3,500	0.433	0.454	0.467	0.479	0.490	0.507	0.517
4,000	0.426	0.449	0.462	0.475	0.486	0.503	0.515
4,500	0.421	0.444	0.458	0.470	0.482	0.501	0.513
5,000	0.416	0.439	0.454	0.467	0.479	0.498	0.510

Deductible Amount	F: Loss and Expense Ratios [(E+C)xB]						
	Hazard Groups						
	A	B	C	D	E	F	G
1,000	0.927	0.941	0.950	0.959	0.965	0.976	0.983
1,500	0.911	0.929	0.940	0.949	0.957	0.970	0.978
2,000	0.900	0.919	0.931	0.942	0.950	0.966	0.974
2,500	0.891	0.911	0.924	0.935	0.945	0.961	0.971
3,000	0.882	0.904	0.917	0.929	0.941	0.958	0.968
3,500	0.876	0.898	0.912	0.925	0.936	0.954	0.965
4,000	0.868	0.893	0.907	0.920	0.932	0.950	0.963
4,500	0.863	0.887	0.902	0.915	0.928	0.948	0.961
5,000	0.858	0.882	0.898	0.912	0.925	0.945	0.958

Deductible Amount	G: Deductible Credits [1-F]						
	Hazard Groups						
	A	B	C	D	E	F	G
1,000	0.073	0.059	0.050	0.041	0.035	0.024	0.017
1,500	0.089	0.071	0.060	0.051	0.043	0.030	0.022
2,000	0.100	0.081	0.069	0.058	0.050	0.034	0.026
2,500	0.109	0.089	0.076	0.065	0.055	0.039	0.029
3,000	0.118	0.096	0.083	0.071	0.059	0.042	0.032
3,500	0.124	0.102	0.088	0.075	0.064	0.046	0.035
4,000	0.132	0.107	0.093	0.080	0.068	0.050	0.037
4,500	0.137	0.113	0.098	0.085	0.072	0.052	0.039
5,000	0.142	0.118	0.102	0.088	0.075	0.055	0.042

Notes: (a) Based on NCCI advisory loss elimination ratios.

Redland Insurance Company

DEVELOPMENT OF DEDUCTIBLE CREDITS
WORKERS COMPENSATION
(DEDUCTIBLES IN RANGE \$1000 - 5,000)
APPLICABLE TO INDEMNITY LOSSES

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

Deductible Amount	D: Loss Elimination Ratios (a) Hazard Groups							E: Excess Loss Ratios [A x (1-D)] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
	1,000	0.027	0.021	0.019	0.018	0.016	0.013	0.010	0.535	0.538	0.540	0.540	0.541	0.543
1,500	0.037	0.029	0.027	0.025	0.022	0.019	0.014	0.530	0.534	0.535	0.536	0.538	0.540	0.542
2,000	0.046	0.037	0.034	0.032	0.028	0.023	0.018	0.525	0.530	0.531	0.532	0.535	0.537	0.540
2,500	0.054	0.044	0.040	0.038	0.033	0.028	0.021	0.520	0.526	0.528	0.529	0.532	0.535	0.538
3,000	0.062	0.050	0.046	0.043	0.038	0.032	0.024	0.516	0.523	0.525	0.526	0.529	0.532	0.537
3,500	0.069	0.056	0.052	0.048	0.043	0.036	0.027	0.512	0.519	0.521	0.524	0.526	0.530	0.535
4,000	0.075	0.062	0.057	0.053	0.047	0.040	0.030	0.509	0.516	0.519	0.521	0.524	0.528	0.534
4,500	0.081	0.067	0.062	0.057	0.051	0.043	0.033	0.505	0.513	0.516	0.519	0.522	0.526	0.532
5,000	0.087	0.072	0.066	0.062	0.055	0.046	0.036	0.502	0.510	0.514	0.516	0.520	0.525	0.530

Deductible Amount	F: Loss and Expense Ratios [(E+C)xB] Hazard Groups							G: Deductible Credits [1-F] Hazard Groups						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
	1,000	0.984	0.987	0.990	0.990	0.991	0.993	0.995	0.016	0.013	0.010	0.010	0.009	0.007
1,500	0.979	0.983	0.984	0.985	0.987	0.990	0.992	0.021	0.017	0.016	0.015	0.013	0.010	0.008
2,000	0.974	0.979	0.980	0.981	0.984	0.986	0.990	0.026	0.021	0.020	0.019	0.016	0.014	0.010
2,500	0.968	0.975	0.977	0.978	0.981	0.984	0.987	0.032	0.025	0.023	0.022	0.019	0.016	0.013
3,000	0.964	0.971	0.974	0.975	0.978	0.981	0.986	0.036	0.029	0.026	0.025	0.022	0.019	0.014
3,500	0.960	0.967	0.969	0.972	0.975	0.979	0.984	0.040	0.033	0.031	0.028	0.025	0.021	0.016
4,000	0.957	0.964	0.967	0.969	0.972	0.977	0.983	0.043	0.036	0.033	0.031	0.028	0.023	0.017
4,500	0.952	0.961	0.964	0.967	0.970	0.975	0.981	0.048	0.039	0.036	0.033	0.030	0.025	0.019
5,000	0.949	0.958	0.962	0.964	0.968	0.974	0.979	0.051	0.042	0.038	0.036	0.032	0.026	0.021

Notes: (a) Based on NCCI advisory loss elimination ratios.

WORKSHEET

SUMMARY OF DEVELOPMENT OF RETROSPECTIVE RATING VALUES

State ARKANSAS

Effective date July 1, 2008

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