

SERFF Tracking Number: SFCC-125639562 State: Arkansas
First Filing Company: Safety National Casualty Corporation, ... State Tracking Number: EFT \$100
Company Tracking Number: 3-SNSFE-08-AR
TOI: 16.0 Workers Compensation Sub-TOI: 16.0000 WC Sub-TOI Combinations
Product Name: 3-SNSFE-08-AR
Project Name/Number: /

Filing at a Glance

Companies: Safety National Casualty Corporation, Safety First Insurance Company

Product Name: 3-SNSFE-08-AR SERFF Tr Num: SFCC-125639562 State: Arkansas
TOI: 16.0 Workers Compensation SERFF Status: Closed State Tr Num: EFT \$100
Sub-TOI: 16.0000 WC Sub-TOI Combinations Co Tr Num: 3-SNSFE-08-AR State Status: Fees verified and received
Filing Type: Rate/Rule Co Status: Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding
Authors: Marilyn Tinnell, Casey Kruse, Paula Kilen Disposition Date: 05/08/2008
Date Submitted: 05/08/2008 Disposition Status: Approved
Effective Date Requested (New): 07/01/2008 Effective Date (New): 07/01/2008
Effective Date Requested (Renewal): 07/01/2008 Effective Date (Renewal):
State Filing Description:

General Information

Project Name: Status of Filing in Domicile: Not Filed
Project Number: Domicile Status Comments:
Reference Organization: NCCI, Inc. Reference Number: AR-2008-02
Reference Title: Voluntary Advisory Loss Costs & Rating Values to be effective July 1, 2008 Advisory Org. Circular: AR-2008-06
Filing Status Changed: 05/08/2008
State Status Changed: 05/08/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:
Ms. Carol Stiffler
Senior Rate & Form Analyst
Property & Casualty Division
Arkansas Insurance Department

SERFF Tracking Number: SFCC-125639562 State: Arkansas
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TOI: 16.0 Workers Compensation Sub-TOI: 16.0000 WC Sub-TOI Combinations
Product Name: 3-SNSFE-08-AR
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Re: Safety National Casualty Corporation (SNCC) and Safety First Insurance Company (SFIC)

Workers' Compensation and Employers' Liability – Rate/Rule Filing – Adoption of NCCI Loss Costs and Rating Values Effective July 1, 2008

SNCC FEIN No. 43-0727872 SNCC NAIC No. 0074-15105

SFIC FEIN No. 43-1901552 SFIC NAIC No. 0074-11123

Company File No.: 3-SNSFE-08-AR

Proposed Effective Date: July 1, 2008

Dear Ms. Stiffler:

Safety National Casualty Corporation (SNCC) and Safety First Insurance Company (SFIC) wish to submit the captioned filing for your consideration and approval. We would like to adopt NCCI loss costs and rating values effective July 1, 2008, as filed and approved in NCCI Approval Circular AR-2008-06 and NCCI Filing Circular AR-2008-02, as well as NCCI Technical Supplement Circular AR-2008-04. We are filing to change our Loss Cost Multipliers (LCM's) from 1.14 to 1.23 in SNCC and from 1.42 to 1.46 in SFIC for all workers' compensation classification codes. We are filing small deductible credits, which have been updated and based on the loss elimination ratios in the NCCI filing. We are also filing to revise our minimum premium factors from 287 to 332 in SNCC and from 338 to 332 in SFIC; and, increase our expense constant for SFIC from \$290 to \$300. These changes have been reflected on our attached Company Exception Pages for each company. For your information, we are not filing to revise our Expense Constant of \$260 in SNCC, premium discount percentages in either company, or our Surcharge LCM Rule in SNCC.

In accordance with the requirements for the State of Arkansas, this filing is being submitted via SERFF and includes the following:

1. Property and Casualty Transmittal Document, PC TD-1,
2. Form RF-WC NAIC Loss Cost Filing Document – For Workers' Compensation, for each company,
3. NAIC Loss Cost Date Entry Document, for each company,
4. Rate/Rule Filing Schedule, PC RRFs-1,
5. Company Rate Pages, WCR 1-5, for each company, and
6. Company Exception Pages, WCE-1-2, for each company.

A filing fee of \$100.00 is submitted via Electronic Funds Transfer in SERFF, which represents the applicable filing fee.

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We would like this filing to be effective July 1, 2008. Please review, acknowledge and indicate approval through SERFF communications. If you need additional information, please feel free to call me at (888) 995-5300, extension 308, e-mail me at marilyn.tinnell@sncc.com, or communicate through SERFF.

Sincerely,

Marilyn Tinnell, CPCU
Compliance Manager

Attachments

Company and Contact

Filing Contact Information

Marilyn Tinnell, Compliance Manager
2043 Woodland Parkway
Saint Louis, MO 63146

marilyn.tinnell@sncc.com
(314) 995-5300 [Phone]
(314) 995-6847[FAX]

Filing Company Information

Safety National Casualty Corporation
2043 Woodland Parkway

CoCode: 15105
Group Code: 74

State of Domicile: Missouri
Company Type: Property and
Casualty

Saint Louis, MO 63146
(314) 995-5300 ext. [Phone]

Group Name: Delphi Financial
FEIN Number: 43-0727872

State ID Number:

Safety First Insurance Company
2043 Woodland Parkway

CoCode: 11123
Group Code: 74

State of Domicile: Illinois
Company Type: Property &
Casualty

Saint Louis, MO 63146
(314) 372-7512 ext. 308[Phone]

Group Name: Delphi Financial
Group
FEIN Number: 43-1901552

State ID Number:

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Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation: \$100.00 to change company LCM.
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Safety National Casualty Corporation	\$100.00	05/08/2008	20167801
Safety First Insurance Company	\$0.00	05/08/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	05/08/2008	05/08/2008

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Disposition

Disposition Date: 05/08/2008
 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:
Safety National Casualty Corporation	-5.900%	\$-9,818	17	\$166,401	26.000%	-60.000%	-5.900%
Safety First Insurance Company	-10.300%	\$-193	4	\$1,871	22.000%	-68.000%	-5.900%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	-5.900%
Overall Percentage Rate Impact For This Filing	-5.900%
Effect of Rate Filing-Written Premium Change For This Program	\$-10,011
Effect of Rate Filing - Number of Policyholders Affected	21

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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	Actuarial Memorandum	Approved	Yes
Supporting Document	Actuarial Exhibits	Approved	Yes
Supporting Document	NAIC Rate Schedule	Approved	Yes
Rate	SNCC Company Exception Pages	Approved	Yes
Rate	SNCC Company Exception Pages	Approved	Yes
Rate	SNCC Company Rate Pages	Approved	Yes
Rate	SNCC Company Rate Pages	Approved	Yes
Rate	SFIC Company Exception Pages	Approved	Yes
Rate	SFIC Company Exception Pages	Approved	Yes
Rate	SFIC Company Rate Pages	Approved	Yes
Rate	SFIC Company Rate Pages	Approved	Yes

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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):
Safety National Casualty Corporation	-5.900%	-5.900%	\$-9,818	17	\$166,401	26.000%	-60.000%
Safety First Insurance Company	-5.900%	-10.300%	\$-193	4	\$1,871	22.000%	-68.000%

Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated:	-5.900%
Overall Percentage Rate Impact For This Filing:	-5.900%
Effect of Rate Filing - Written Premium Change For This Program:	\$-10,011

<i>SERFF Tracking Number:</i>	<i>SFCC-125639562</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Safety National Casualty Corporation, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
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<i>Project Name/Number:</i>	<i>/</i>		

Effect of Rate Filing - Number of Policyholders Affected:

21

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Attachments
Approved	SNCC Company Exception Pages	WCE-1-2	Replacement	1-SNSFE-08-AR	SNCC Co Excp Pg WCE-1-2.pdf
Approved	SNCC Company Exception Pages	WCE-1-2	Withdrawn		
Approved	SNCC Company Rate Pages	WCR-1-5	Replacement	1-SNSFE-08-AR	SNCC WCR-1-5.pdf
Approved	SNCC Company Rate Pages	WCR-1-5	Withdrawn		
Approved	SFIC Company Exception Pages	WCE-1-2	Replacement	1-SNSFE-08-AR	SFIC Co Excp Pg WCE-1-2.pdf
Approved	SFIC Company Exception Pages	WCE-1-2	Withdrawn		
Approved	SFIC Company Rate Pages	WCR-1-5	Replacement	1-SNSFE-08-AR	SFIC WCR-1-5.pdf
Approved	SFIC Company Rate Pages	WCR-1-5	Withdrawn		

Company Exceptions

Loss Cost Multiplier: 1.23

Surcharged LCM Rule:

Required Manual Premium = (((((Required Premium-Expense Constant) / (1-Prem Discount)) – Aircraft Seat Surcharge) / Mandatory Schedule Debit1.25) / (Experience Mod) / (Managed Care Factor x Alcohol & Drug Free Factor)) / Increased Limits Factor)

Required Manual Premium / Original Manual Premium = LCM Surcharge Factor
Current LCM x LCM Surcharge Factor = Surcharged LCM

Required Premium = Expected Ultimate Losses / 65%

Maximum Loss Cost Multiplier: 1.9075

Eligibility: Accounts Developing Manual Premium of at least \$10,000.

Expense Constant applicable in accordance with Basic Manual Rule 3-A-11. Safety National will apply an expense constant equal to \$260. The expense constant will be applied to all policies except Large Deductible policies.

Minimum Premiums by Class Safety National will apply minimum premiums by classification in accordance with Basic Manual Rule 3-A-16. The minimum premium by class will equal the greater of [(332) x (the SNCC rate for the particular class code) + (the expense constant)] or \$750. For per capita classes ("P" classes), the minimum premium will equal the class rate plus the expense constant. Minimum premiums by class will be applied to all policies except Large Deductible policies.

Premium Discount Percentages -- Safety National will apply the following Premium Discount Schedule in accordance with Basic Manual Rule 3-A-19. Premium Discount Percentages will be applied to all policies except Large Deductible policies.

<u>Premium Layer</u>	<u>Discount</u>
first \$5,000	0.0%
next \$95,000	10.9%
next \$400,000	12.6%
over \$500,000	14.4%

Company Exceptions

Total Loss Deductible Program -- The following deductible credits are applicable by hazard group when total losses are subject to a per claim deductible:

<u>Total Loss Deductible Amount</u>	<u>HAZARD GROUP</u>						
	A	B	C	D	E	F	G
\$1,000	7.4%	6.0%	5.1%	4.2%	3.5%	2.5%	1.8%
\$1,500	9.1%	7.3%	6.2%	5.3%	4.5%	3.1%	2.3%
\$2,000	10.4%	8.4%	7.2%	6.1%	5.2%	3.7%	2.8%
\$2,500	11.5%	9.3%	8.1%	6.9%	5.8%	4.2%	3.2%
\$3,000	12.5%	10.2%	8.8%	7.6%	6.5%	4.7%	3.5%
\$3,500	13.4%	10.9%	9.5%	8.2%	7.0%	5.1%	3.9%
\$4,000	14.2%	11.6%	10.2%	8.8%	7.5%	5.5%	4.2%
\$4,500	15.0%	12.3%	10.8%	9.3%	8.0%	6.0%	4.5%
\$5,000	15.7%	12.9%	11.3%	9.9%	8.5%	6.4%	4.8%

Medical Loss Deductible Program – The following deductible credits are applicable by hazard group when only medical losses are subject to a per claim deductible:

<u>Total Medical Loss Deductible Amount</u>	<u>HAZARD GROUP</u>						
	A	B	C	D	E	F	G
\$1,000	7.2%	5.8%	4.9%	4.1%	3.4%	2.3%	1.7%
\$1,500	8.7%	7.0%	6.0%	5.0%	4.2%	2.9%	2.2%
\$2,000	9.8%	7.9%	6.8%	5.7%	4.9%	3.4%	2.6%
\$2,500	10.7%	8.7%	7.5%	6.4%	5.4%	3.8%	2.9%
\$3,000	11.5%	9.4%	8.1%	6.9%	5.8%	4.2%	3.1%
\$3,500	12.2%	10.0%	8.6%	7.4%	6.3%	4.5%	3.4%
\$4,000	12.9%	10.5%	9.2%	7.8%	6.7%	4.9%	3.7%
\$4,500	13.4%	11.0%	9.6%	8.3%	7.0%	5.1%	3.9%
\$5,000	14.0%	11.5%	10.0%	8.6%	7.4%	5.4%	4.1%

Indemnity Loss Deductible Program – The following deductible credits are applicable by hazard group when only indemnity losses are subject to a per claim deductible:

<u>Total Indemnity Loss Deductible Amount</u>	<u>HAZARD GROUP</u>						
	A	B	C	D	E	F	G
\$1,000	1.5%	1.2%	1.1%	1.0%	0.9%	0.7%	0.6%
\$1,500	2.1%	1.7%	1.5%	1.4%	1.3%	1.1%	0.8%
\$2,000	2.6%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
\$2,500	3.1%	2.5%	2.3%	2.2%	1.9%	1.6%	1.2%
\$3,000	3.5%	2.9%	2.6%	2.5%	2.2%	1.8%	1.4%
\$3,500	3.9%	3.2%	3.0%	2.7%	2.5%	2.1%	1.5%
\$4,000	4.3%	3.5%	3.3%	3.0%	2.7%	2.3%	1.7%
\$4,500	4.6%	3.8%	3.5%	3.3%	2.9%	2.5%	1.9%
\$5,000	5.0%	4.1%	3.8%	3.5%	3.1%	2.6%	2.1%

SAFETY NATIONAL CASUALTY CORPORATION
ARKANSAS WORKERS' COMPENSATION RATES
(Minimum Premiums DO NOT Apply To Large Deductible)
EFFECTIVE JULY 1, 2008

CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.
0005	3.88	4.77	1,844	1745X	1.81	2.23	1,000	2386	0.68	0.84	750
0008	1.58	1.94	904	1747	1.58	1.94	904	2388	1.16	1.43	750
0016	3.40	4.18	1,648	1748	4.51	5.55	2,103	2402	1.30	1.60	791
0034	2.61	3.21	1,326	1803D	3.24	3.99	1,585	2413	1.02	1.25	750
0035	1.56	1.92	897	1852D	1.50	1.85	874	2416	1.01	1.24	750
0036	2.48	3.05	1,273	1853	1.40	1.72	831	2417	0.95	1.17	750
0037	2.80	3.44	1,402	1860	1.18	1.45	750	2501	0.82	1.01	750
0042	3.86	4.75	1,837	1924	2.56	3.15	1,306	2503	0.81	1.00	750
0050	3.14	3.86	1,542	1925	1.77	2.18	984	2534	1.30	1.60	791
0059D	0.18	0.22	750	2001	1.44	1.77	848	2570	2.99	3.68	1,482
0065D	0.03	0.04	750	2002	1.81	2.23	1,000	2585	1.87	2.30	1,024
0066D	0.03	0.04	750	2003	2.04	2.51	1,093	2586	0.80	0.98	750
0067D	0.03	0.04	750	2014	3.84	4.72	1,827	2587	1.75	2.15	974
0079	2.56	3.15	1,306	2016	1.20	1.48	751	2589	0.87	1.07	750
0083	5.90	7.26	2,670	2021	2.01	2.47	1,080	2600	3.86	4.75	1,837
0106	6.90	8.49	3,079	2039	2.69	3.31	1,359	2623	1.70	2.09	954
0113	3.46	4.26	1,674	2041	2.58	3.17	1,312	2651	1.59	1.96	911
0170	1.49	1.83	868	2065	0.97	1.19	750	2660	0.88	1.08	750
0251	3.05	3.75	1,505	2070	3.30	4.06	1,608	2670	1.39	1.71	828
0400	4.88	6.00	2,252	2081	2.33	2.87	1,213	2683	1.19	1.46	750
0401	6.66	8.19	2,979	2089	1.53	1.88	884	2688	1.84	2.26	1,010
0771N	0.18	0.22	750	2095	1.65	2.03	934	2701	4.47	5.50	2,086
0908P	86.00	105.78	366	2105	1.47	1.81	861	2702X	18.23	22.42	7,703
0913P	212.00	260.76	521	2110	1.29	1.59	788	2710	5.31	6.53	2,428
0917	2.37	2.92	1,229	2111	1.52	1.87	881	2714	2.52	3.10	1,289
1005*	6.67	8.20	2,982	2112	1.64	2.02	931	2719X	6.69	8.23	2,992
1016X*	24.89	30.61	10,423	2114	1.62	1.99	921	2731	2.24	2.76	1,176
1164E	4.31	5.30	2,020	2121	1.35	1.66	811	2735	1.57	1.93	901
1165E	2.84	3.49	1,419	2130	1.69	2.08	951	2759	5.11	6.29	2,348
1320	1.77	2.18	984	2131	1.14	1.40	750	2790	0.94	1.16	750
1322	9.50	11.69	4,141	2143	1.32	1.62	798	2802	3.18	3.91	1,558
1430	2.62	3.22	1,329	2157	2.45	3.01	1,259	2812	2.23	2.74	1,170
1438	1.47	1.81	861	2172	0.95	1.17	750	2835	0.97	1.19	750
1452	1.02	1.25	750	2174	1.77	2.18	984	2836	1.36	1.67	814
1463	7.04	8.66	3,135	2211	3.31	4.07	1,611	2841	2.25	2.77	1,180
1472	2.45	3.01	1,259	2220	1.18	1.45	750	2881	1.52	1.87	881
1624E	4.59	5.65	2,136	2286	0.86	1.06	750	2883	2.47	3.04	1,269
1642	2.47	3.04	1,269	2288	2.44	3.00	1,256	2913	2.47	3.04	1,269
1654	3.79	4.66	1,807	2300	1.29	1.59	788	2915	2.57	3.16	1,309
1655	2.99	3.68	1,482	2302	1.03	1.27	750	2916	1.41	1.73	834
1699	1.21	1.49	755	2305	1.29	1.59	788	2923	1.45	1.78	851
1701	1.87	2.30	1,024	2361	0.73	0.90	750	2942	1.42	1.75	841
1710E	3.70	4.55	1,771	2362	1.06	1.30	750	2960	1.95	2.40	1,057
1741E	1.12	1.38	750	2380	2.73	3.36	1,376	3004	1.66	2.04	937

SAFETY NATIONAL CASUALTY CORPORATION
ARKANSAS WORKERS' COMPENSATION RATES
(Minimum Premiums DO NOT Apply To Large Deductible)
EFFECTIVE JULY 1, 2008

CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.
3018	1.55	1.91	894	3334	1.29	1.59	788	4024E	1.34	1.65	808
3022	1.92	2.36	1,044	3336	1.33	1.64	804	4034	4.20	5.17	1,976
3027	1.62	1.99	921	3365	6.18	7.60	2,783	4036	1.52	1.87	881
3028	1.40	1.72	831	3372	1.72	2.12	964	4038	1.31	1.61	795
3030	2.43	2.99	1,253	3373	1.75	2.15	974	4053	2.08	2.56	1,110
3040	2.25	2.77	1,180	3383	0.65	0.80	750	4061	2.56	3.15	1,306
3041	2.01	2.47	1,080	3385	0.53	0.65	750	4062	1.39	1.71	828
3042	1.92	2.36	1,044	3400	1.64	2.02	931	4101	1.21	1.49	755
3064	2.78	3.42	1,395	3507	1.87	2.30	1,024	4111	1.85	2.28	1,017
3069	4.77	5.87	2,209	3515	1.32	1.62	798	4112	0.57	0.70	750
3076	1.79	2.20	990	3548	0.82	1.01	750	4113	0.80	0.98	750
3081D	1.74	2.14	970	3559	1.57	1.93	901	4114	1.34	1.65	808
3082D	2.35	2.89	1,219	3574	0.68	0.84	750	4130	2.75	3.38	1,382
3085D	1.96	2.41	1,060	3581	0.87	1.07	750	4131	1.47	1.81	861
3110	1.72	2.12	964	3612	1.33	1.64	804	4133	1.45	1.78	851
3111	1.80	2.21	994	3620	3.51	4.32	1,694	4150	1.01	1.24	750
3113	1.42	1.75	841	3629	1.18	1.45	750	4206	2.22	2.73	1,166
3114	1.58	1.94	904	3632	2.42	2.98	1,249	4207	0.61	0.75	750
3118	0.73	0.90	750	3634	1.03	1.27	750	4239	0.77	0.95	750
3119	0.66	0.81	750	3635	1.25	1.54	771	4240	1.49	1.83	868
3122	0.91	1.12	750	3638	0.89	1.09	750	4243	1.01	1.24	750
3126	1.04	1.28	750	3642	0.51	0.63	750	4244	1.79	2.20	990
3131	0.63	0.77	750	3643	1.79	2.20	990	4250	0.90	1.11	750
3132	1.49	1.83	868	3647	2.03	2.50	1,090	4251	1.07	1.32	750
3145	1.44	1.77	848	3648	1.30	1.60	791	4263	1.33	1.64	804
3146	1.66	2.04	937	3681	0.94	1.16	750	4273	1.16	1.43	750
3169	1.48	1.82	864	3685	1.08	1.33	750	4279	1.09	1.34	750
3175D	1.72	2.12	964	3719	1.58	1.94	904	4282	1.28	1.57	781
3179	1.45	1.78	851	3724	4.11	5.06	1,940	4283	1.19	1.46	750
3180	1.08	1.33	750	3726	1.83	2.25	1,007	4299	1.06	1.30	750
3188	0.92	1.13	750	3803	1.15	1.41	750	4304	1.67	2.05	941
3220	1.14	1.40	750	3807	1.27	1.56	778	4307	1.33	1.64	804
3223	1.81	2.23	1,000	3808	1.66	2.04	937	4351	0.69	0.85	750
3224	1.48	1.82	864	3821	2.50	3.08	1,283	4352	0.61	0.75	750
3227	1.10	1.35	750	3822	2.19	2.69	1,153	4360	0.55	0.68	750
3240	1.83	2.25	1,007	3824	2.93	3.60	1,455	4361	0.80	0.98	750
3241	1.70	2.09	954	3826	0.53	0.65	750	4362	0.70	0.86	750
3255	1.41	1.73	834	3827	0.95	1.17	750	4410	1.94	2.39	1,053
3257	2.06	2.53	1,100	3830	0.68	0.84	750	4420	2.34	2.88	1,216
3270	1.95	2.40	1,057	3851	1.60	1.97	914	4431	0.90	1.11	750
3300	2.70	3.32	1,362	3865	0.77	0.95	750	4432	0.97	1.19	750
3303	2.31	2.84	1,203	3881	2.13	2.62	1,130	4439	1.02	1.25	750
3307	2.03	2.50	1,090	4000	4.37	5.38	2,046	4452	1.97	2.42	1,063
3315	1.59	1.96	911	4021	3.58	4.40	1,721	4459	1.13	1.39	750

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CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.
4470	1.44	1.77	848	5190	2.08	2.56	1,110	6216	4.18	5.14	1,966
4484	1.26	1.55	775	5191X	1.20	1.48	751	6217	3.27	4.02	1,595
4493	1.53	1.88	884	5192	2.59	3.19	1,319	6229	3.24	3.99	1,585
4511	0.45	0.55	750	5213	4.57	5.62	2,126	6233	3.53	4.34	1,701
4557	1.03	1.27	750	5215	2.73	3.36	1,376	6235	9.39	11.55	4,095
4558	1.00	1.23	750	5221	3.36	4.13	1,631	6236	7.73	9.51	3,417
4561	1.20	1.48	751	5222	7.76	9.54	3,427	6237	1.98	2.44	1,070
4568	1.57	1.93	901	5223	3.42	4.21	1,658	6251D	5.15	6.33	2,362
4581	1.05	1.29	750	5348	2.65	3.26	1,342	6252D	3.85	4.74	1,834
4583	3.21	3.95	1,571	5402	2.94	3.62	1,462	6260D	3.40	4.18	1,648
4611	0.58	0.71	750	5403	6.08	7.48	2,743	6306	3.66	4.50	1,754
4635	2.99	3.68	1,482	5437	2.88	3.54	1,435	6319	3.57	4.39	1,717
4653	0.78	0.96	750	5443	2.61	3.21	1,326	6325	2.98	3.67	1,478
4665	4.05	4.98	1,913	5445	3.27	4.02	1,595	6400	4.47	5.50	2,086
4670	2.32	2.85	1,206	5462	3.45	4.24	1,668	6504	1.54	1.89	887
4683	2.96	3.64	1,468	5472	3.14	3.86	1,542	6702M*	4.96	6.10	2,285
4686	0.77	0.95	750	5473	4.30	5.29	2,016	6703M*	8.87	10.91	3,882
4692	0.29	0.36	750	5474	4.72	5.81	2,189	6704M*	5.51	6.78	2,511
4693	0.56	0.69	750	5478	2.87	3.53	1,432	6801F	7.56	9.30	3,348
4703	1.46	1.80	858	5479	5.08	6.25	2,335	6811	3.32	4.08	1,615
4717	1.08	1.33	750	5480	5.14	6.32	2,358	6824F	21.77	26.78	9,151
4720	3.16	3.89	1,551	5491	1.33	1.64	804	6826F	8.35	10.27	3,670
4740	0.93	1.14	750	5506	2.40	2.95	1,239	6834	2.35	2.89	1,219
4741	1.06	1.30	750	5507	3.61	4.44	1,734	6836	3.83	4.71	1,824
4751	0.90	1.11	750	5508D	6.09	7.49	2,747	6843F	9.72	11.96	4,231
4771N	1.03	1.27	750	5535	4.77	5.87	2,209	6845F	14.75	18.14	6,282
4777	1.05	1.29	750	5537	3.15	3.87	1,545	6854	3.32	4.08	1,615
4825	0.54	0.66	750	5551	9.16	11.27	4,002	6872F	12.67	15.58	5,433
4828	1.01	1.24	750	5606	1.09	1.34	750	6874F	25.92	31.88	10,844
4829	0.73	0.90	750	5610	3.57	4.39	1,717	6882	3.32	4.08	1,615
4902	0.81	1.00	750	5645	7.29	8.97	3,238	6884	7.50	9.23	3,324
4923	0.67	0.82	750	5651	5.41	6.65	2,468	7016M	2.95	3.63	1,465
5020	4.45	5.47	2,076	5703	58.96	72.52	24,337	7024M	3.28	4.03	1,598
5022	3.20	3.94	1,568	5705	3.45	4.24	1,668	7038M	3.72	4.58	1,781
5037	12.55	15.44	5,386	5951	0.26	0.32	750	7046M	16.36	20.12	6,940
5040	16.83	20.70	7,132	6003	6.46	7.95	2,899	7047M	5.28	6.49	2,415
5057	12.04	14.81	5,177	6005	4.91	6.04	2,265	7050M	6.65	8.18	2,976
5059	14.30	17.59	6,100	6017	2.52	3.10	1,289	7090M	4.13	5.08	1,947
5069	18.06	22.21	7,634	6018	1.37	1.69	821	7098M	18.18	22.36	7,684
5102	2.65	3.26	1,342	6045	1.59	1.96	911	7099M	29.29	36.03	12,222
5146	3.24	3.99	1,585	6204	6.43	7.91	2,886	7133	2.25	2.77	1,180
5160	2.29	2.82	1,196	6206	4.08	5.02	1,927	7151M	2.73	3.36	1,376
5183	2.27	2.79	1,186	6213	5.37	6.61	2,455	7152M	4.89	6.01	2,255
5188	2.90	3.57	1,445	6214	1.81	2.23	1,000	7153M	3.04	3.74	1,502

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CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SNCC RATE	MIN. PREM.
7222	6.30	7.75	2,833	7612	7.69	9.46	3,401	8265	6.09	7.49	2,747
7228X	4.47	5.50	2,086	7613	3.07	3.78	1,515	8279	5.85	7.20	2,650
7229X	4.69	5.77	2,176	7705	1.69	2.08	951	8288	3.94	4.85	1,870
7230	2.64	3.25	1,339	7710	3.79	4.66	1,807	8291	1.37	1.69	821
7231	3.50	4.31	1,691	7711	3.79	4.66	1,807	8292	1.95	2.40	1,057
7232	8.26	10.16	3,633	7720X	1.69	2.08	951	8293	4.49	5.52	2,093
7309F	14.74	18.13	6,279	7855	4.08	5.02	1,927	8295X	4.91	6.04	2,265
7313F	4.18	5.14	1,966	8001	1.46	1.80	858	8304	4.52	5.56	2,106
7317F	6.61	8.13	2,959	8002	2.13	2.62	1,130	8350	3.72	4.58	1,781
7327F	19.51	24.00	8,228	8006	1.27	1.56	778	8380	2.33	2.87	1,213
7333M	3.54	4.35	1,704	8008	0.80	0.98	750	8381	0.98	1.21	750
7335M	3.93	4.83	1,864	8010	1.24	1.53	768	8385	1.58	1.94	904
7337M	6.33	7.79	2,846	8013	0.32	0.39	750	8392	1.97	2.42	1,063
7350F	12.72	15.65	5,456	8015	0.42	0.52	750	8393	1.12	1.38	750
7360	4.56	5.61	2,123	8017	0.77	0.95	750	8500	4.16	5.12	1,960
7370	3.22	3.96	1,575	8018X*	1.65	2.03	934	8601	0.54	0.66	750
7380X	2.22	2.73	1,166	8021	1.22	1.50	758	8606	1.83	2.25	1,007
7382	1.83	2.25	1,007	8031	2.54	3.12	1,296	8709F	5.24	6.45	2,401
7390	2.37	2.92	1,229	8032	1.04	1.28	750	8719	1.23	1.51	761
7394M	7.18	8.83	3,192	8033	1.24	1.53	768	8720	0.89	1.09	750
7395M	7.98	9.82	3,520	8039	0.90	1.11	750	8721	0.26	0.32	750
7398M	12.86	15.82	5,512	8044	1.81	2.23	1,000	8726F	6.01	7.39	2,713
7403	1.90	2.34	1,037	8045	0.27	0.33	750	8734M	0.42	0.52	750
7405N	0.75	0.92	750	8046	1.75	2.15	974	8737M	0.38	0.47	750
7420X*	16.46	20.25	6,983	8047	0.70	0.86	750	8738M	0.67	0.82	750
7421	1.74	2.14	970	8058	1.80	2.21	994	8742X	0.31	0.38	750
7422	1.47	1.81	861	8072	0.53	0.65	750	8745	3.00	3.69	1,485
7425	2.72	3.35	1,372	8102	1.66	2.04	937	8748	0.27	0.33	750
7431N	1.11	1.37	750	8103	2.45	3.01	1,259	8755	0.17	0.21	750
7445N	0.40	0.49	750	8105	3.17	3.90	1,555	8799	0.63	0.77	750
7453N	0.60	0.74	750	8106	2.51	3.09	1,286	8800	0.63	0.77	750
7502	1.63	2.00	924	8107	2.14	2.63	1,133	8803	0.05	0.06	750
7515	0.70	0.86	750	8111	2.47	3.04	1,269	8805M	0.22	0.27	750
7520	1.48	1.82	864	8116	2.75	3.38	1,382	8810	0.16	0.20	750
7538	6.63	8.15	2,966	8203	3.61	4.44	1,734	8814M	0.19	0.23	750
7539	2.84	3.49	1,419	8204	3.13	3.85	1,538	8815M	0.35	0.43	750
7540	1.86	2.29	1,020	8209	1.96	2.41	1,060	8820	0.14	0.17	750
7580	1.23	1.51	761	8215	3.76	4.62	1,794	8824	1.62	1.99	921
7590	3.40	4.18	1,648	8227	2.05	2.52	1,097	8825	1.38	1.70	824
7600	1.71	2.10	957	8232	4.13	5.08	1,947	8826	1.46	1.80	858
7601	7.71	9.48	3,407	8233	3.36	4.13	1,631	8829	1.76	2.16	977
7605	2.15	2.64	1,136	8235	2.71	3.33	1,366	8831	1.72	2.12	964
7610	0.35	0.43	750	8263	6.12	7.53	2,760	8832	0.18	0.22	750
7611	3.45	4.24	1,668	8264	2.21	2.72	1,163	8833X*	0.59	0.73	750

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8835	1.29	1.59	788	9060	1.19	1.46	750	9182	1.77	2.18	984
8842	0.96	1.18	750	9061	0.91	1.12	750	9186	34.91	42.94	14,516
8864	0.96	1.18	750	9063	0.65	0.80	750	9220	2.23	2.74	1,170
8868	0.25	0.31	750	9077F	2.78	3.42	1,395	9402	2.82	3.47	1,412
8869	0.48	0.59	750	9082	1.05	1.29	750	9403	3.75	4.61	1,791
8871	0.15	0.18	750	9083	1.06	1.30	750	9410	1.15	1.41	750
8901	0.17	0.21	750	9084	1.23	1.51	761	9501	2.88	3.54	1,435
9012	1.27	1.56	778	9089	0.75	0.92	750	9505	2.50	3.08	1,283
9014	1.82	2.24	1,004	9093	0.92	1.13	750	9516	2.13	2.62	1,130
9015X	1.58	1.94	904	9101	1.98	2.44	1,070	9519	1.20	1.48	751
9016	4.08	5.02	1,927	9102	1.91	2.35	1,040	9521	3.47	4.27	1,678
9019	1.94	2.39	1,053	9154	1.27	1.56	778	9522	1.03	1.27	750
9033	1.29	1.59	788	9156	0.86	1.06	750	9534	4.58	5.63	2,129
9040*	2.31	2.84	1,203	9170	1.82	2.24	1,004	9554	4.86	5.98	2,245
9052	1.02	1.25	750	9178	17.18	21.13	7,275	9586	0.43	0.53	750
9058	1.17	1.44	750	9179	23.57	28.99	9,885	9600	1.07	1.32	750
9059	1.81	2.23	1,000	9180	2.43	2.99	1,253	9620	0.87	1.07	750

Company Exceptions

Loss Cost Multiplier: 1.46

Expense Constant applicable in accordance with Basic Manual Rule 3-A-11. Safety First will apply an expense constant equal to \$300. The expense constant will be applied to all policies except Large Deductible policies.

Minimum Premiums by Class. Safety First will apply minimum premiums by classification in accordance with Basic Manual Rule 3-A-16. The minimum premium by class will equal the greater of [(332) x (the SFIC rate for the particular class code) + (the expense constant)] or \$750. For per capita classes ("P" Classes), the minimum premium will equal the class rate plus the Expense Constant. Minimum premiums by class will be applied to all policies except Large Deductible Policies.

Premium Discount Percentages -- Safety First will apply the following Premium Discount Schedule in accordance with Basic Manual Rule 3-A-19. The Premium Discount Schedule will be applied to all policies except Large Deductible Policies.

<u>Premium Layer</u>	<u>Discount</u>
first \$5,000	0.0%
next \$95,000	10.9%
next \$400,000	12.6%
over \$500,000	14.4%

Company Exceptions

Total Loss Deductible Program -- The following deductible credits are applicable by hazard group when total losses are subject to a per claim deductible:

Total Loss Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	7.4%	6.0%	5.1%	4.2%	3.5%	2.5%	1.8%
\$1,500	9.1%	7.3%	6.2%	5.3%	4.5%	3.1%	2.3%
\$2,000	10.4%	8.4%	7.2%	6.1%	5.2%	3.7%	2.8%
\$2,500	11.5%	9.3%	8.1%	6.9%	5.8%	4.2%	3.2%
\$3,000	12.5%	10.2%	8.8%	7.6%	6.5%	4.7%	3.5%
\$3,500	13.4%	10.9%	9.5%	8.2%	7.0%	5.1%	3.9%
\$4,000	14.2%	11.6%	10.2%	8.8%	7.5%	5.5%	4.2%
\$4,500	15.0%	12.3%	10.8%	9.3%	8.0%	6.0%	4.5%
\$5,000	15.7%	12.9%	11.3%	9.9%	8.5%	6.4%	4.8%

Medical Loss Deductible Program – The following deductible credits are applicable by hazard group when only medical losses are subject to a per claim deductible:

Medical Loss Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	7.2%	5.8%	4.9%	4.1%	3.4%	2.3%	1.7%
\$1,500	8.7%	7.0%	6.0%	5.0%	4.2%	2.9%	2.2%
\$2,000	9.8%	7.9%	6.8%	5.7%	4.9%	3.4%	2.6%
\$2,500	10.7%	8.7%	7.5%	6.4%	5.4%	3.8%	2.9%
\$3,000	11.5%	9.4%	8.1%	6.9%	5.8%	4.2%	3.1%
\$3,500	12.2%	10.0%	8.6%	7.4%	6.3%	4.5%	3.4%
\$4,000	12.9%	10.5%	9.2%	7.8%	6.7%	4.9%	3.7%
\$4,500	13.4%	11.0%	9.6%	8.3%	7.0%	5.1%	3.9%
\$5,000	14.0%	11.5%	10.0%	8.6%	7.4%	5.4%	4.1%

Indemnity Loss Deductible Program – The following deductible credits are applicable by hazard group when only indemnity losses are subject to a per claim deductible:

Indemnity Loss Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	1.5%	1.2%	1.1%	1.0%	0.9%	0.7%	0.6%
\$1,500	2.1%	1.7%	1.5%	1.4%	1.3%	1.1%	0.8%
\$2,000	2.6%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
\$2,500	3.1%	2.5%	2.3%	2.2%	1.9%	1.6%	1.2%
\$3,000	3.5%	2.9%	2.6%	2.5%	2.2%	1.8%	1.4%
\$3,500	3.9%	3.2%	3.0%	2.7%	2.5%	2.1%	1.5%
\$4,000	4.3%	3.5%	3.3%	3.0%	2.7%	2.3%	1.7%
\$4,500	4.6%	3.8%	3.5%	3.3%	2.9%	2.5%	1.9%
\$5,000	5.0%	4.1%	3.8%	3.5%	3.1%	2.6%	2.1%

Company Exceptions

Foreign Terrorism – Voluntary Loss Cost -- Safety First will not apply the Foreign Terrorism loss costs in accordance with Basic Manual Rule 3-A-24-c. The loss cost is revised to \$0.00 on the Arkansas NCCI Miscellaneous Values Page, Rates/Loss Costs Index.

Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents – Voluntary Loss Cost – Safety First will not apply the Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents loss costs in accordance with Basic Manual Rule 3-A-24-b. The loss cost is revised to \$0.00 on the Arkansas NCCI Miscellaneous Values Page, Rates/Loss Costs Index.

Company Exceptions

NCCI RETROSPECTIVE RATING PLAN MANUAL

PART ONE, II. DEFINITIONS, K. Large Risk Alternative Rating Option is deleted in its entirety and replaced by the following:

- K. Large Risk Alternative Rating Option
The Large Risk Alternative Rating Option provides that a risk may be retrospectively rated as mutually agreed upon by carrier and insured. It is an available option for risks with an estimated annual standard premium in excess of \$250,000 individually or in any combination with General Liability, Hospital Professional Liability, Commercial Automobile, Crime, Glass or Workers Compensation.

PART ONE, III. ELIGIBILITY FOR THE PLAN, E. Large Risk Alternative Rating Option is deleted in its entirety and replaced by the following:

- E. Large Risk Alternative Rating Option
A risk is eligible for the Large Risk Alternative Rating Option if the estimated standard premium individually or in any combination with General Liability, Hospital Professional Liability, Commercial Automobile, Crime, Glass or Workers Compensation exceeds an average of \$250,000 annually for the term of the plan.

NCCI RETROSPECTIVE RATING PLAN MANUAL – STATE SPECIAL RATING VALUES
EXPENSE-RELATED RATING VALUES*

Tax Multiplier:	1.062
Expected Loss And ALAE Ratio:	65.1%
Expected Loss Ratio:	57.7%

	<u>Including Production</u>	<u>Excluding Production</u>
Expense Allowance Including ALAE:	28.9%	16.0%
Expense Allowance Excluding ALAE:	21.5%	8.7%

* Automatically changes if new filing is approved.

SAFETY FIRST INSURANCE COMPANY
Workers Compensation Schedule Rating Table
State of ARKANSAS

The premium for a risk may be modified in accordance with the following, subject to a maximum modification of -25% to +25%, to reflect such characteristics of the risk as are not reflected in its experience. (Note: The "Risk Characteristics" examples given to evaluate the positive or negative conditions of a risk may be interpreted as "including, but not limited to" those examples):

<u>Risk Characteristics</u>	RANGE OF MODIFICATION		
	<u>Credit</u>		<u>Debit</u>
A. Premises-Conditions, Care	10%	to	10%
B. Equipment and Safety Devices-Type, condition, care	10%	to	10%
C. Medical Facilities	10%	to	10%
D. Employees-Selection, Training, Supervision, Experience	10%	to	10%
E. Classification Peculiarities	10%	to	10%
F. Management			
1. Cooperation with insurance carrier	15%	to	15%
2. Safety program	15%	to	15%

Schedule Rating

1. Only the Schedule Rating Table shown above shall be used.
2. This plan applies only to risks that are eligible for Experience Rating. The amount of schedule credit or debit shall be applied in a multiplicative manner, after application of the experience modification, and before the application of premium discounts and the expense constant.
3. SFIC shall report annually to the designated statistical agent, as required, the total dollar amount of schedule debits and the total dollar amount of scheduled credits.
4. All statistical reporting reported to the designated statistical agent shall include the effect of this schedule rating plan where applicable. This includes premiums reported on the Unit Statistical Plan, Policy-Year Premiums, Calendar-Accident Year Premiums and Calendar-Year Premiums.
5. All schedule debits and all schedule credits shall be based on documentation that is contained in the underwriting file at the time the schedule debit or credit is applied.
6. The derivation of the schedule factor must be made available to the insured upon request. To the degree that the insured can correct the reason for any schedule debit to the satisfaction of the insurer, the debit may be removed effective the date the documentation for the correction is received in the insurer's office.

SAFETY FIRST INSURANCE COMPANY
ARKANSAS WORKERS' COMPENSATION RATES
(Minimum Premiums DO NOT Apply To Large Deductible)
EFFECTIVE JULY 1, 2008

CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.
0005	3.88	5.66	2,179	1745X	1.81	2.64	1,176	2386	0.68	0.99	750
0008	1.58	2.31	1,067	1747	1.58	2.31	1,067	2388	1.16	1.69	861
0016	3.40	4.96	1,947	1748	4.51	6.58	2,485	2402	1.30	1.90	931
0034	2.61	3.81	1,565	1803D	3.24	4.73	1,870	2413	1.02	1.49	795
0035	1.56	2.28	1,057	1852D	1.50	2.19	1,027	2416	1.01	1.47	788
0036	2.48	3.62	1,502	1853	1.40	2.04	977	2417	0.95	1.39	761
0037	2.80	4.09	1,658	1860	1.18	1.72	871	2501	0.82	1.20	750
0042	3.86	5.64	2,172	1924	2.56	3.74	1,542	2503	0.81	1.18	750
0050	3.14	4.58	1,821	1925	1.77	2.58	1,157	2534	1.30	1.90	931
0059D	0.18	0.26	750	2001	1.44	2.10	997	2570	2.99	4.37	1,751
0065D	0.03	0.04	750	2002	1.81	2.64	1,176	2585	1.87	2.73	1,206
0066D	0.03	0.04	750	2003	2.04	2.98	1,289	2586	0.80	1.17	750
0067D	0.03	0.04	750	2014	3.84	5.61	2,163	2587	1.75	2.56	1,150
0079	2.56	3.74	1,542	2016	1.20	1.75	881	2589	0.87	1.27	750
0083	5.90	8.61	3,159	2021	2.01	2.93	1,273	2600	3.86	5.64	2,172
0106	6.90	10.07	3,643	2039	2.69	3.93	1,605	2623	1.70	2.48	1,123
0113	3.46	5.05	1,977	2041	2.58	3.77	1,552	2651	1.59	2.32	1,070
0170	1.49	2.18	1,024	2065	0.97	1.42	771	2660	0.88	1.28	750
0251	3.05	4.45	1,777	2070	3.30	4.82	1,900	2670	1.39	2.03	974
0400	4.88	7.12	2,664	2081	2.33	3.40	1,429	2683	1.19	1.74	878
0401	6.66	9.72	3,527	2089	1.53	2.23	1,040	2688	1.84	2.69	1,193
0771N	0.18	0.26	750	2095	1.65	2.41	1,100	2701	4.47	6.53	2,468
0908P	86.00	125.56	426	2105	1.47	2.15	1,014	2702X	18.23	26.62	9,138
0913P	212.00	309.52	610	2110	1.29	1.88	924	2710	5.31	7.75	2,873
0917	2.37	3.46	1,449	2111	1.52	2.22	1,037	2714	2.52	3.68	1,522
1005*	6.67	9.74	3,534	2112	1.64	2.39	1,093	2719X	6.69	9.77	3,544
1016X*	24.89	36.34	12,365	2114	1.62	2.37	1,087	2731	2.24	3.27	1,386
1164E	4.31	6.29	2,388	2121	1.35	1.97	954	2735	1.57	2.29	1,060
1165E	2.84	4.15	1,678	2130	1.69	2.47	1,120	2759	5.11	7.46	2,777
1320	1.77	2.58	1,157	2131	1.14	1.66	851	2790	0.94	1.37	755
1322	9.50	13.87	4,905	2143	1.32	1.93	941	2802	3.18	4.64	1,840
1430	2.62	3.83	1,572	2157	2.45	3.58	1,489	2812	2.23	3.26	1,382
1438	1.47	2.15	1,014	2172	0.95	1.39	761	2835	0.97	1.42	771
1452	1.02	1.49	795	2174	1.77	2.58	1,157	2836	1.36	1.99	961
1463	7.04	10.28	3,713	2211	3.31	4.83	1,904	2841	2.25	3.29	1,392
1472	2.45	3.58	1,489	2220	1.18	1.72	871	2881	1.52	2.22	1,037
1624E	4.59	6.70	2,524	2286	0.86	1.26	750	2883	2.47	3.61	1,499
1642	2.47	3.61	1,499	2288	2.44	3.56	1,482	2913	2.47	3.61	1,499
1654	3.79	5.53	2,136	2300	1.29	1.88	924	2915	2.57	3.75	1,545
1655	2.99	4.37	1,751	2302	1.03	1.50	798	2916	1.41	2.06	984
1699	1.21	1.77	888	2305	1.29	1.88	924	2923	1.45	2.12	1,004
1701	1.87	2.73	1,206	2361	0.73	1.07	750	2942	1.42	2.07	987
1710E	3.70	5.40	2,093	2362	1.06	1.55	815	2960	1.95	2.85	1,246
1741E	1.12	1.64	844	2380	2.73	3.99	1,625	3004	1.66	2.42	1,103

SAFETY FIRST INSURANCE COMPANY
ARKANSAS WORKERS' COMPENSATION RATES
(Minimum Premiums DO NOT Apply To Large Deductible)
EFFECTIVE JULY 1, 2008

CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.
3018	1.55	2.26	1,050	3334	1.29	1.88	924	4024E	1.34	1.96	951
3022	1.92	2.80	1,230	3336	1.33	1.94	944	4034	4.20	6.13	2,335
3027	1.62	2.37	1,087	3365	6.18	9.02	3,295	4036	1.52	2.22	1,037
3028	1.40	2.04	977	3372	1.72	2.51	1,133	4038	1.31	1.91	934
3030	2.43	3.55	1,479	3373	1.75	2.56	1,150	4053	2.08	3.04	1,309
3040	2.25	3.29	1,392	3383	0.65	0.95	750	4061	2.56	3.74	1,542
3041	2.01	2.93	1,273	3385	0.53	0.77	750	4062	1.39	2.03	974
3042	1.92	2.80	1,230	3400	1.64	2.39	1,093	4101	1.21	1.77	888
3064	2.78	4.06	1,648	3507	1.87	2.73	1,206	4111	1.85	2.70	1,196
3069	4.77	6.96	2,611	3515	1.32	1.93	941	4112	0.57	0.83	750
3076	1.79	2.61	1,167	3548	0.82	1.20	750	4113	0.80	1.17	750
3081D	1.74	2.54	1,143	3559	1.57	2.29	1,060	4114	1.34	1.96	951
3082D	2.35	3.43	1,439	3574	0.68	0.99	750	4130	2.75	4.02	1,635
3085D	1.96	2.86	1,250	3581	0.87	1.27	750	4131	1.47	2.15	1,014
3110	1.72	2.51	1,133	3612	1.33	1.94	944	4133	1.45	2.12	1,004
3111	1.80	2.63	1,173	3620	3.51	5.12	2,000	4150	1.01	1.47	788
3113	1.42	2.07	987	3629	1.18	1.72	871	4206	2.22	3.24	1,376
3114	1.58	2.31	1,067	3632	2.42	3.53	1,472	4207	0.61	0.89	750
3118	0.73	1.07	750	3634	1.03	1.50	798	4239	0.77	1.12	750
3119	0.66	0.96	750	3635	1.25	1.83	908	4240	1.49	2.18	1,024
3122	0.91	1.33	750	3638	0.89	1.30	750	4243	1.01	1.47	788
3126	1.04	1.52	805	3642	0.51	0.74	750	4244	1.79	2.61	1,167
3131	0.63	0.92	750	3643	1.79	2.61	1,167	4250	0.90	1.31	750
3132	1.49	2.18	1,024	3647	2.03	2.96	1,283	4251	1.07	1.56	818
3145	1.44	2.10	997	3648	1.30	1.90	931	4263	1.33	1.94	944
3146	1.66	2.42	1,103	3681	0.94	1.37	755	4273	1.16	1.69	861
3169	1.48	2.16	1,017	3685	1.08	1.58	825	4279	1.09	1.59	828
3175D	1.72	2.51	1,133	3719	1.58	2.31	1,067	4282	1.28	1.87	921
3179	1.45	2.12	1,004	3724	4.11	6.00	2,292	4283	1.19	1.74	878
3180	1.08	1.58	825	3726	1.83	2.67	1,186	4299	1.06	1.55	815
3188	0.92	1.34	750	3803	1.15	1.68	858	4304	1.67	2.44	1,110
3220	1.14	1.66	851	3807	1.27	1.85	914	4307	1.33	1.94	944
3223	1.81	2.64	1,176	3808	1.66	2.42	1,103	4351	0.69	1.01	750
3224	1.48	2.16	1,017	3821	2.50	3.65	1,512	4352	0.61	0.89	750
3227	1.10	1.61	835	3822	2.19	3.20	1,362	4360	0.55	0.80	750
3240	1.83	2.67	1,186	3824	2.93	4.28	1,721	4361	0.80	1.17	750
3241	1.70	2.48	1,123	3826	0.53	0.77	750	4362	0.70	1.02	750
3255	1.41	2.06	984	3827	0.95	1.39	761	4410	1.94	2.83	1,240
3257	2.06	3.01	1,299	3830	0.68	0.99	750	4420	2.34	3.42	1,435
3270	1.95	2.85	1,246	3851	1.60	2.34	1,077	4431	0.90	1.31	750
3300	2.70	3.94	1,608	3865	0.77	1.12	750	4432	0.97	1.42	771
3303	2.31	3.37	1,419	3881	2.13	3.11	1,333	4439	1.02	1.49	795
3307	2.03	2.96	1,283	4000	4.37	6.38	2,418	4452	1.97	2.88	1,256
3315	1.59	2.32	1,070	4021	3.58	5.23	2,036	4459	1.13	1.65	848

SAFETY FIRST INSURANCE COMPANY
ARKANSAS WORKERS' COMPENSATION RATES
(Minimum Premiums DO NOT Apply To Large Deductible)
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CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.
4470	1.44	2.10	997	5190	2.08	3.04	1,309	6216	4.18	6.10	2,325
4484	1.26	1.84	911	5191X	1.20	1.75	881	6217	3.27	4.77	1,884
4493	1.53	2.23	1,040	5192	2.59	3.78	1,555	6229	3.24	4.73	1,870
4511	0.45	0.66	750	5213	4.57	6.67	2,514	6233	3.53	5.15	2,010
4557	1.03	1.50	798	5215	2.73	3.99	1,625	6235	9.39	13.71	4,852
4558	1.00	1.46	785	5221	3.36	4.91	1,930	6236	7.73	11.29	4,048
4561	1.20	1.75	881	5222	7.76	11.33	4,062	6237	1.98	2.89	1,259
4568	1.57	2.29	1,060	5223	3.42	4.99	1,957	6251D	5.15	7.52	2,797
4581	1.05	1.53	808	5348	2.65	3.87	1,585	6252D	3.85	5.62	2,166
4583	3.21	4.69	1,857	5402	2.94	4.29	1,724	6260D	3.40	4.96	1,947
4611	0.58	0.85	750	5403	6.08	8.88	3,248	6306	3.66	5.34	2,073
4635	2.99	4.37	1,751	5437	2.88	4.20	1,694	6319	3.57	5.21	2,030
4653	0.78	1.14	750	5443	2.61	3.81	1,565	6325	2.98	4.35	1,744
4665	4.05	5.91	2,262	5445	3.27	4.77	1,884	6400	4.47	6.53	2,468
4670	2.32	3.39	1,425	5462	3.45	5.04	1,973	6504	1.54	2.25	1,047
4683	2.96	4.32	1,734	5472	3.14	4.58	1,821	6702M*	4.96	7.24	2,704
4686	0.77	1.12	750	5473	4.30	6.28	2,385	6703M*	8.87	12.95	4,599
4692	0.29	0.42	750	5474	4.72	6.89	2,587	6704M*	5.51	8.04	2,969
4693	0.56	0.82	750	5478	2.87	4.19	1,691	6801F	7.56	11.04	3,965
4703	1.46	2.13	1,007	5479	5.08	7.42	2,763	6811	3.32	4.85	1,910
4717	1.08	1.58	825	5480	5.14	7.50	2,790	6824F	21.77	31.78	10,851
4720	3.16	4.61	1,831	5491	1.33	1.94	944	6826F	8.35	12.19	4,347
4740	0.93	1.36	752	5506	2.40	3.50	1,462	6834	2.35	3.43	1,439
4741	1.06	1.55	815	5507	3.61	5.27	2,050	6836	3.83	5.59	2,156
4751	0.90	1.31	750	5508D	6.09	8.89	3,251	6843F	9.72	14.19	5,011
4771N	1.03	1.50	798	5535	4.77	6.96	2,611	6845F	14.75	21.54	7,451
4777	1.05	1.53	808	5537	3.15	4.60	1,827	6854	3.32	4.85	1,910
4825	0.54	0.79	750	5551	9.16	13.37	4,739	6872F	12.67	18.50	6,442
4828	1.01	1.47	788	5606	1.09	1.59	828	6874F	25.92	37.84	12,863
4829	0.73	1.07	750	5610	3.57	5.21	2,030	6882	3.32	4.85	1,910
4902	0.81	1.18	750	5645	7.29	10.64	3,832	6884	7.50	10.95	3,935
4923	0.67	0.98	750	5651	5.41	7.90	2,923	7016M	2.95	4.31	1,731
5020	4.45	6.50	2,458	5703	58.96	86.08	28,879	7024M	3.28	4.79	1,890
5022	3.20	4.67	1,850	5705	3.45	5.04	1,973	7038M	3.72	5.43	2,103
5037	12.55	18.32	6,382	5951	0.26	0.38	750	7046M	16.36	23.89	8,231
5040	16.83	24.57	8,457	6003	6.46	9.43	3,431	7047M	5.28	7.71	2,860
5057	12.04	17.58	6,137	6005	4.91	7.17	2,680	7050M	6.65	9.71	3,524
5059	14.30	20.88	7,232	6017	2.52	3.68	1,522	7090M	4.13	6.03	2,302
5069	18.06	26.37	9,055	6018	1.37	2.00	964	7098M	18.18	26.54	9,111
5102	2.65	3.87	1,585	6045	1.59	2.32	1,070	7099M	29.29	42.76	14,496
5146	3.24	4.73	1,870	6204	6.43	9.39	3,417	7133	2.25	3.29	1,392
5160	2.29	3.34	1,409	6206	4.08	5.96	2,279	7151M	2.73	3.99	1,625
5183	2.27	3.31	1,399	6213	5.37	7.84	2,903	7152M	4.89	7.14	2,670
5188	2.90	4.23	1,704	6214	1.81	2.64	1,176	7153M	3.04	4.44	1,774

SAFETY FIRST INSURANCE COMPANY
ARKANSAS WORKERS' COMPENSATION RATES
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CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.
7222	6.30	9.20	3,354	7612	7.69	11.23	4,028	8265	6.09	8.89	3,251
7228X	4.47	6.53	2,468	7613	3.07	4.48	1,787	8279	5.85	8.54	3,135
7229X	4.69	6.85	2,574	7705	1.69	2.47	1,120	8288	3.94	5.75	2,209
7230	2.64	3.85	1,578	7710	3.79	5.53	2,136	8291	1.37	2.00	964
7231	3.50	5.11	1,997	7711	3.79	5.53	2,136	8292	1.95	2.85	1,246
7232	8.26	12.06	4,304	7720X	1.69	2.47	1,120	8293	4.49	6.56	2,478
7309F	14.74	21.52	7,445	7855	4.08	5.96	2,279	8295X	4.91	7.17	2,680
7313F	4.18	6.10	2,325	8001	1.46	2.13	1,007	8304	4.52	6.60	2,491
7317F	6.61	9.65	3,504	8002	2.13	3.11	1,333	8350	3.72	5.43	2,103
7327F	19.51	28.48	9,755	8006	1.27	1.85	914	8380	2.33	3.40	1,429
7333M	3.54	5.17	2,016	8008	0.80	1.17	750	8381	0.98	1.43	775
7335M	3.93	5.74	2,206	8010	1.24	1.81	901	8385	1.58	2.31	1,067
7337M	6.33	9.24	3,368	8013	0.32	0.47	750	8392	1.97	2.88	1,256
7350F	12.72	18.57	6,465	8015	0.42	0.61	750	8393	1.12	1.64	844
7360	4.56	6.66	2,511	8017	0.77	1.12	750	8500	4.16	6.07	2,315
7370	3.22	4.70	1,860	8018X*	1.65	2.41	1,100	8601	0.54	0.79	750
7380X	2.22	3.24	1,376	8021	1.22	1.78	891	8606	1.83	2.67	1,186
7382	1.83	2.67	1,186	8031	2.54	3.71	1,532	8709F	5.24	7.65	2,840
7390	2.37	3.46	1,449	8032	1.04	1.52	805	8719	1.23	1.80	898
7394M	7.18	10.48	3,779	8033	1.24	1.81	901	8720	0.89	1.30	750
7395M	7.98	11.65	4,168	8039	0.90	1.31	750	8721	0.26	0.38	750
7398M	12.86	18.78	6,535	8044	1.81	2.64	1,176	8726F	6.01	8.77	3,212
7403	1.90	2.77	1,220	8045	0.27	0.39	750	8734M	0.42	0.61	750
7405N	0.75	1.10	750	8046	1.75	2.56	1,150	8737M	0.38	0.55	750
7420X*	16.46	24.03	8,278	8047	0.70	1.02	750	8738M	0.67	0.98	750
7421	1.74	2.54	1,143	8058	1.80	2.63	1,173	8742X	0.31	0.45	750
7422	1.47	2.15	1,014	8072	0.53	0.77	750	8745	3.00	4.38	1,754
7425	2.72	3.97	1,618	8102	1.66	2.42	1,103	8748	0.27	0.39	750
7431N	1.11	1.62	838	8103	2.45	3.58	1,489	8755	0.17	0.25	750
7445N	0.40	0.58	750	8105	3.17	4.63	1,837	8799	0.63	0.92	750
7453N	0.60	0.88	750	8106	2.51	3.66	1,515	8800	0.63	0.92	750
7502	1.63	2.38	1,090	8107	2.14	3.12	1,336	8803	0.05	0.07	750
7515	0.70	1.02	750	8111	2.47	3.61	1,499	8805M	0.22	0.32	750
7520	1.48	2.16	1,017	8116	2.75	4.02	1,635	8810	0.16	0.23	750
7538	6.63	9.68	3,514	8203	3.61	5.27	2,050	8814M	0.19	0.28	750
7539	2.84	4.15	1,678	8204	3.13	4.57	1,817	8815M	0.35	0.51	750
7540	1.86	2.72	1,203	8209	1.96	2.86	1,250	8820	0.14	0.20	750
7580	1.23	1.80	898	8215	3.76	5.49	2,123	8824	1.62	2.37	1,087
7590	3.40	4.96	1,947	8227	2.05	2.99	1,293	8825	1.38	2.01	967
7600	1.71	2.50	1,130	8232	4.13	6.03	2,302	8826	1.46	2.13	1,007
7601	7.71	11.26	4,038	8233	3.36	4.91	1,930	8829	1.76	2.57	1,153
7605	2.15	3.14	1,342	8235	2.71	3.96	1,615	8831	1.72	2.51	1,133
7610	0.35	0.51	750	8263	6.12	8.94	3,268	8832	0.18	0.26	750
7611	3.45	5.04	1,973	8264	2.21	3.23	1,372	8833X*	0.59	0.86	750

SAFETY FIRST INSURANCE COMPANY
ARKANSAS WORKERS' COMPENSATION RATES
 (Minimum Premiums DO NOT Apply To Large Deductible)
 EFFECTIVE JULY 1, 2008

CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.	CLASS CODE	LOSS COST	SFIC RATE	MIN. PREM.
8835	1.29	1.88	924	9060	1.19	1.74	878	9182	1.77	2.58	1,157
8842	0.96	1.40	765	9061	0.91	1.33	750	9186	34.91	50.97	17,222
8864	0.96	1.40	765	9063	0.65	0.95	750	9220	2.23	3.26	1,382
8868	0.25	0.37	750	9077F	2.78	4.06	1,648	9402	2.82	4.12	1,668
8869	0.48	0.70	750	9082	1.05	1.53	808	9403	3.75	5.48	2,119
8871	0.15	0.22	750	9083	1.06	1.55	815	9410	1.15	1.68	858
8901	0.17	0.25	750	9084	1.23	1.80	898	9501	2.88	4.20	1,694
9012	1.27	1.85	914	9089	0.75	1.10	750	9505	2.50	3.65	1,512
9014	1.82	2.66	1,183	9093	0.92	1.34	750	9516	2.13	3.11	1,333
9015X	1.58	2.31	1,067	9101	1.98	2.89	1,259	9519	1.20	1.75	881
9016	4.08	5.96	2,279	9102	1.91	2.79	1,226	9521	3.47	5.07	1,983
9019	1.94	2.83	1,240	9154	1.27	1.85	914	9522	1.03	1.50	798
9033	1.29	1.88	924	9156	0.86	1.26	750	9534	4.58	6.69	2,521
9040*	2.31	3.37	1,419	9170	1.82	2.66	1,183	9554	4.86	7.10	2,657
9052	1.02	1.49	795	9178	17.18	25.08	8,627	9586	0.43	0.63	750
9058	1.17	1.71	868	9179	23.57	34.41	11,724	9600	1.07	1.56	818
9059	1.81	2.64	1,176	9180	2.43	3.55	1,479	9620	0.87	1.27	750

SERFF Tracking Number: SFCC-125639562 State: Arkansas
First Filing Company: Safety National Casualty Corporation, ... State Tracking Number: EFT \$100
Company Tracking Number: 3-SNSFE-08-AR
TOI: 16.0 Workers Compensation Sub-TOI: 16.0000 WC Sub-TOI Combinations
Product Name: 3-SNSFE-08-AR
Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 05/08/2008

Comments:

Attachment:

3-SNSFE-08-AR P&C Transmittal.pdf

Satisfied -Name: NAIC Loss Cost Filing Document for Workers' Compensation **Review Status:** Approved 05/08/2008

Comments:

Attachment:

3-SNSFE-08-AR LCM Adoption.pdf

Satisfied -Name: NAIC loss cost data entry document **Review Status:** Approved 05/08/2008

Comments:

Attachments:

3-SNSFE-08-AR Loss Cost Form SNCC.pdf

3-SNSFE-08-AR Loss Cost Form SFIC.pdf

Satisfied -Name: Actuarial Memorandum **Review Status:** Approved 05/08/2008

Comments:

Attachments:

3-SNSFE-08-AR ACT MEMO SNCC.pdf

3-SNSFE-08-AR ACT MEMO SFIC.pdf

Satisfied -Name: Actuarial Exhibits **Review Status:** Approved 05/08/2008

Comments:

Attachments:

3-SNSFE-08-AR ACT EXHIBITS SNCC.pdf

SERFF Tracking Number: SFCC-125639562 *State:* Arkansas
First Filing Company: Safety National Casualty Corporation, ... *State Tracking Number:* EFT \$100
Company Tracking Number: 3-SNSFE-08-AR
TOI: 16.0 Workers Compensation *Sub-TOI:* 16.0000 WC Sub-TOI Combinations
Product Name: 3-SNSFE-08-AR
Project Name/Number: /
3-SNSFE-08-AR ACT EXHIBITS SFIC.pdf

SERFF Tracking Number: SFCC-125639562 State: Arkansas
First Filing Company: Safety National Casualty Corporation, ... State Tracking Number: EFT \$100
Company Tracking Number: 3-SNSFE-08-AR
TOI: 16.0 Workers Compensation Sub-TOI: 16.0000 WC Sub-TOI Combinations
Product Name: 3-SNSFE-08-AR
Project Name/Number: /

Satisfied -Name: NAIC Rate Schedule **Review Status:** Approved 05/08/2008

Comments:

Attachment:

3-SNSFE-08-AR Rate Schedule.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only				
	a. Date the filing is received:				
	b. Analyst:				
	c. Disposition:				
	d. Date of disposition of the filing:				
	e. Effective date of filing:				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; text-align: center;">New Business</td> <td></td> </tr> <tr> <td style="text-align: center;">Renewal Business</td> <td></td> </tr> </table>	New Business		Renewal Business	
New Business					
Renewal Business					
	f. State Filing #:				
	g. SERFF Filing #:				
	h. Subject Codes				
3. Group Name	Group NAIC #				
Delphi Financial Group, Inc.	0074				
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #	
Safety National Casualty Corporation	MO	15105	43-0727872		
Safety First Insurance Company	IL	11123	43-1901552		
5. Company Tracking Number	3-SNSFE-08-AR				
Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]					
6. Name and address	Title	Telephone #s	FAX #	e-mail	
Marilyn Tinnell, CPCU 2043 Woodland Parkway St. Louis, MO 63146	Compliance Manager	(888) 995-5300, ext. 308	(314) 995-6847	marilyn.tinnell@ sncc.com	
7. Signature of authorized filer					
8. Please print name of authorized filer	Marilyn Tinnell				
Filing information (see General Instructions for descriptions of these fields)					
9. Type of Insurance (TOI)	16.0000 Workers' Compensation				
10. Sub-Type of Insurance (Sub-TOI)	16.0001 Alt WC, 16.0002 EL and 16.0004 Std WC				
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	N/A				
12. Company Program Title (Marketing title)	Workers Compensation & Employers Liability				
13. Filing Type	<input checked="" type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)				
14. Effective Date(s) Requested	New: July 1, 2008 Renewal: July 1, 2008				
15. Reference Filing?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
16. Reference Organization (if applicable)	NCCI, Inc.				
17. Reference Organization # & Title	NCCI Approval Circular AR-2008-06 -- Voluntary Advisory Loss Costs & Rating Values & Assigned Risk Rates & Rating Values to be effective July 1, 2008 and Filing Circular AR-2008-02.				
18. Company's Date of Filing	May 8, 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 # 3-SNSFE-08-AR

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

Ms. Carol Stiffler
Senior Rate & Form Analyst
Property & Casualty Division
Arkansas Insurance Department

Re: Safety National Casualty Corporation (SNCC) and Safety First Insurance Company (SFIC)
Workers' Compensation and Employers' Liability – Rate/Rule Filing – Adoption of NCCI Loss
Costs and Rating Values Effective July 1, 2008
SNCC FEIN No. 43-0727872 SNCC NAIC No. 0074-15105
SFIC FEIN No. 43-1901552 SFIC NAIC No. 0074-11123
Company File No.: 3-SNSFE-08-AR
Proposed Effective Date: July 1, 2008

Dear Ms. Stiffler:

Safety National Casualty Corporation (SNCC) and Safety First Insurance Company (SFIC) wish to submit the captioned filing for your consideration and approval. We would like to adopt NCCI loss costs and rating values effective July 1, 2008, as filed and approved in NCCI Approval Circular AR-2008-06 and NCCI Filing Circular AR-2008-02, as well as NCCI Technical Supplement Circular AR-2008-04. We are filing to change our Loss Cost Multipliers (LCM's) from 1.14 to 1.23 in SNCC and from 1.42 to 1.46 in SFIC for all workers' compensation classification codes. We are filing small deductible credits, which have been updated and based on the loss elimination ratios in the NCCI filing. We are also filing to revise our minimum premium factors from 287 to 332 in SNCC and from 338 to 332 in SFIC; and, increase our expense constant for SFIC from \$290 to \$300. These changes have been reflected on our attached Company Exception Pages for each company. For your information, we are not filing to revise our Expense Constant of \$260 in SNCC, premium discount percentages in either company, or our Surcharge LCM Rule in SNCC.

In accordance with the requirements for the State of Arkansas, this filing is being submitted via SERFF and includes the following:

1. Property and Casualty Transmittal Document, PC TD-1,
2. Form RF-WC NAIC Loss Cost Filing Document – For Workers' Compensation, for each company,
3. NAIC Loss Cost Date Entry Document, for each company,
4. Rate/Rule Filing Schedule, PC RRFS-1,
5. Company Rate Pages, WCR 1-5, for each company, and
6. Company Exception Pages, WCE-1-2, for each company.

A filing fee of \$100.00 is submitted via Electronic Funds Transfer in SERFF, which represents the applicable filing fee.

We would like this filing to be effective July 1, 2008. Please review, acknowledge and indicate approval through SERFF communications. If you need additional information, please feel free to call me at (888) 995-5300, extension 308, e-mail me at marilyn.tinnell@sncc.com, or communicate through SERFF.

Sincerely,



Marilyn Tinnell, CPCU
Compliance Manager

Attachments

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 #: EFT Amount: \$100.00 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.)	

FORM RF-WC NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

This filing transmittal is part of Company Tracking #	3-SNSFE-08-AR
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
<input checked="" type="checkbox"/> Loss Cost Reference Filing (Advisory Org. & Reference filing #)	AR-2008-02 & AR-2008-06
<input type="checkbox"/> Independent Rate 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? Yes _____
If no, complete a copy of this form for each affected class with appropriate justification.

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)
 - With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) See Explanatory Memo _____
- B. Loss Cost Modification Expressed as a Factor: (See Examples Below) 0.846
 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	18.6	%
B.	General Expense	6.7	%
C.	Taxes, Licenses & Fee	5.8	%
D.	Underwriting profit & contingencies*	0.00	%
E.	Other (explain)	0.00	%
F.	Total	31.1	%
	* Explain how investment income is taken into account		

5. A.	Expected Loss Ratio: ELR = 100% - 4F =	61.79
B.	ELR in Decimal Form =	0.6179

NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	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)	1
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1.23
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.23

- 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.
- 11. Are you changing your premium discount schedules?**

 If yes, attach schedules and support, detailing premium or rate level changes.

FORM RF-WC NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

This filing transmittal is part of Company Tracking #	3-SNSFE-08-AR
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
<input checked="" type="checkbox"/> Loss Cost Reference Filing (Advisory Org. & Reference filing #)	AR-2008-02 & AR-2008-06
<input type="checkbox"/> Independent Rate 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? Yes _____
If no, complete a copy of this form for each affected class with appropriate justification.

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)
 - With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) See Explanatory Memo
- B. Loss Cost Modification Expressed as a Factor: (See Examples Below) 0.935

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	17.006	%
B.	General Expense	6.126	%
C.	Taxes, Licenses & Fee	5.8	%
D.	Underwriting profit & contingencies*	0.00	%
E.	Other (explain)	0.00	%
F.	Total	28.932	%
	* Explain how investment income is taken into account		

5. A.	Expected Loss Ratio: ELR = 100% - 4F =	61.79
B.	ELR in Decimal Form =	0.6179

NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1.019
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)	0.919
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	1.46
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.46

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.

- 11. Are you changing your premium discount schedules?**

 If yes, attach schedules and support, detailing premium or rate level changes.

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	3-SNSFE-08-AR
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	NCCI, Inc. NCCI Approval Circular AR-2008-06 and NCCI Filing Circular AR-2008-02
-----------	---	--

Company Name		Company NAIC Number	
3.	A.	Safety National Casualty Corporation	B. 15105

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.	16.0000 Workers Compensation	B. 16.0002 Employers Liability

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation & Employers Liability	-5.9%		61.79%		1.23	\$260	1.14
TOTAL OVERALL EFFECT	-5.9%		61.79		1.23	260	1.14

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
2008	19	2.7%	1/1/08	182	141	77.0%	86.0%
2007	19	-5.4%	9/1/07	329	-70	21.0%	82.0%
2006	19	-0.5%	9/1/06	329	-70	21.0%	82.0%
2005	22	-1.5%	9/1/05	30	87	29.0%	79.7%
2004	17	0.5%	7/1/07	80	-404	-505.0%	96.2%

Expense Constants	Selected Provisions
A. Total Production Expense	18.6
B. General Expense	6.7
C. Taxes, License & Fees	5.8
D. Underwriting Profit & Contingencies	0.00
E. Other (explain)	0.00
F. TOTAL	31.1

- 8.** Y Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 26% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** -60% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	3-SNSFE-08-AR
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	NCCI, Inc. NCCI Approval Circular AR-2008-06 and NCCI Filing Circular AR-2008-02
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	Company Name	Company NAIC Number
3.	A. Safety First Insurance Company	B. 11123

	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. 16.0000 Workers Compensation	B. 16.0002 Employers Liability

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation & Employers Liability	-10.3%		61.79%		1.46	\$300	1.42
TOTAL OVERALL EFFECT	-10.3%		61.79		1.46	300	1.42

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
2008	2	2.7%	1/1/08	.318	-4	-12.58%	0.35%
2007	2	-5.4	9/1/07	.318	-2	-7.73%	0.24%
2006	2	-0.5	9/1/07	.318	-2	-7.73%	0.24%
2005	1	-1.5	9/1/05	61	16	26.2%	37.6%
2004	2	0.5	7/1/04	137	.783	0.6%	34.3%

Expense Constants	Selected Provisions
A. Total Production Expense	17.006
B. General Expense	6.126
C. Taxes, License & Fees	5.8
D. Underwriting Profit & Contingencies	0.00
E. Other (explain)	0.00
F. TOTAL	28.932

- 8.** Y Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 22% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** -68% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

Safety National Casualty Corporation
Explanatory Memorandum
Workers Compensation Filing
Arkansas
Proposed effective date: 7/1/08

Safety National Casualty Corporation is adopting NCCI Loss Costs, footnotes and miscellaneous values of 7/1/08 with a 1.23 LCM.

SNCC underwrote \$166,401 of primary Workers' Compensation premium in Arkansas and we estimate that this filing will change rate levels by -5.9% including the impact of loss cost decreases as estimated by NCCI of -12.8% .

Following are descriptions of the attachments, assumptions and methods we used.

Exhibit 1, Page 1 ---- Calculation of Loss Cost Multiplier

This exhibit shows how the LCM has been determined. All of our current business in Arkansas is large deductible business. Since expense constants and premium discounts do not apply to large deductible policies, we apply unity adjustment factor in lines 4 and 5.

Expense assumptions are consistent with SNCC experience in Workers Compensation (its traditional area of expertise) and its operating practices. Distribution is through independent brokers; SNCC has no agency force of its own. Claims handling is through independent third party administrators (TPAs). Safety National, being responsible for the policyholders' claims, closely monitors the TPAs.

We have selected to apply an expected loss deviation of -9.5% . We selected this deviation so that the rate level change is -5.9% . Exhibit B shows support for our selected rate level change of -5.9% .

Exhibit 1, Page 2 ---- Calculation of Permissible Loss Ratio

This exhibit calculates the permissible loss ratio based on the same expense provisions shown on Page 1. On page 1, the Production and ULAE expenses are stated as a percentage of standard premium before the application of premium discount and this is consistent with NCCI ratemaking standards. On page 2, these expenses are stated as a percentage of net premium (after premium discount). The exhibit also provides a list of the tax and assessment items that are included in the filed rates. The Profit & Contingency provision is explained below.

Exhibit A ---- Calculation of Profit & Contingency Load

Exhibit A shows that a selected 0% profit and contingency load will result in a reasonable 9.8% rate of return on surplus. This exhibit is based on a model used by NCCI in administered pricing states and is fully explained in the paper: 'Pricing Insurance Policies: The Internal Rate Of Return Model' by Sholom Feldblum .

We have adjusted the NCCI model to better fit SNCC circumstances. We use expense provisions that we expect to incur in your state. We use loss payout patterns derived from NCCI's 2007 Annual Statistical Bulletin for your state. Other expense payout patterns are consistent with those found in the Feldblum paper.

Exhibit 2 ---- Small Deductible Credits

This exhibit converts the NCCI loss elimination ratios to deductible credits, as shown. The .70 safety factor is based on judgement. All General expenses and all loss-based expenses are considered "fixed" expenses, because they are not affected by the selection of a deductible credit. All other expenses are considered "variable," because they depend on the final premium net of deductible credit.

**Safety First Insurance Company
Explanatory Memorandum
Workers Compensation Filing
Arkansas
Proposed effective date: 7/1/08**

Safety First Insurance Company (SFIC) is adopting NCCI Loss Costs, footnotes and miscellaneous values of 7/1/08 with a 1.46 loss cost multiplier (LCM). We are filing (small) deductible credits based on the loss elimination ratios in the 7/1/08 NCCI filing.

We underwrote \$1,817 of premium policies in Arkansas in 2007, so this filing has little effect on Arkansas employers. We are targeting standard Workers' Compensation Business.

Following are descriptions of the attachments, assumptions and methods we used.

Exhibit 1, Page 1 ---- Calculation of Loss Cost Multiplier

This exhibit shows how the LCM has been determined, including the impact of the \$290 expense constant and the premium discount plan. These items are based on recent NCCI filings in other states and appear to be relatively standard in the industry, and reasonable and fair for SFIC. We do not have a credible volume of primary WC experience or company data by which to determine company-specific values at this time.

Expense assumptions are consistent with Safety National Casualty Corporation's (our parent company) experience in Workers Compensation (its traditional area of expertise) and its operating practices. Distribution is through independent brokers; SFIC has no agency force of its own. Claims handling is through independent third party administrators. Safety First, being responsible for the policyholders' claims, closely monitors the TPAs.

We have selected no (0%) expected loss deviation (line 3a) which is consistent with our countrywide plans for SFIC.

Exhibit 1, Page 2 ---- Calculation of Permissible Loss Ratio

This exhibit calculates the permissible loss ratio based on the same expense provisions shown on Page 1. On page 1, the Production and ULAE expenses are stated as a percentage of standard premium before the application of premium discount and this is consistent with NCCI ratemaking standards. On page 2, these expenses are stated as a percentage of net premium (after premium discount). The exhibit also provides a list of the tax and assessment items that are included in the filed rates. The Profit & Contingency provision is explained below.

Exhibit A ---- Calculation of Profit & Contingency Load

Exhibit A shows that a selected 0% profit and contingency load will result in a reasonable 9.3% rate of return on surplus. This exhibit is based on a model used by NCCI in administered pricing states and is fully explained in the paper: 'Pricing Insurance Policies: The Internal Rate Of Return Model' by Sholom Feldblum .

We have adjusted the NCCI model to better-fit SFIC's circumstances. We use expense provisions that we expect to incur in your state. We use loss payout patterns derived from NCCI's 2007 Annual Statistical Bulletin for your state. Other expense payout patterns are consistent with those found in the Feldblum paper.

Exhibit 2 ---- Small Deductible Credits

This exhibit converts the NCCI loss elimination ratios to deductible credits, as shown. The .70 safety factor is based on judgement. All General expenses and all loss-based expenses are considered "fixed" expenses, because they are not affected by the selection of a deductible credit. All other expenses are considered "variable," because they depend on the final premium net of deductible credit.

Safety First Exception Page

These pages indicate the revised LCM, revised Expense Constant, revised Minimum Premiums by Class, current Premium Discount Percentages and revised Deductible Program.

Primary Workers Compensation
Calculation of Loss Cost Multiplier
ARKANSAS

Bureau Loss Costs effective SNCC LCM effective date	7/1/2008 7/1/2008	Provision in Bureau Rates/ <u>Loss Costs</u>	Provision in Authorized <u>SNCC Rates</u>
(1) <u>Expenses based on Premium</u>			
Production and ULAE			18.600%
General Expense			6.700%
Profit and Contingency			0.000%
Taxes and Assessments levied on Premium			<u>5.800%</u>
Total		0.000%	31.100%
(2) <u>Expenses based on Incurred Losses</u>			
Allocated Loss Adjustment Expenses		11.500%	11.500%
Unallocated Loss Adjustment Expenses		7.800%	Included In (1)
Taxes and Assessments levied on Losses			<u>0.000%</u>
Total		19.300%	11.500%
(3) <u>Deviations from Bureau Loss Costs</u>			
(a) Deviation from Expected Losses			-9.500%
(b) Deviation from Loss-based Expenses			-6.538%
(c) Total Deviation, as a factor = [1.00 + (3a)] x [1.00 + (3b)] x [1.00 + (3c)]			0.846
(4) <u>Overall Impact of Expense Constant</u>			
(a) Expected ARKANSAS Premium			\$509,335
(b) Expected Number of Policies			36
(c) Expense Constant			0.00
(d) Premium Due to Expense Constant = (c) x (b)			\$0
(e) Overall Impact of Expense Constant = (d) / (a) =			0.0%
(f) Overall Impact of Expense Constant as a factor = 1.00 + (e)			1.000
(5) <u>Overall Impact of Premium Discount</u>			
	(a)		(b)
	Expected Premium subject to <u>Discount</u>	Premium Discount <u>Gradation</u>	Expected Premium after <u>Discount</u>
first	5,000	24.8%	0.0%
next	95,000	67.4%	0.0%
next	400,000	7.8%	0.0%
over	500,000	<u>0.0%</u>	<u>0.00%</u>
Total		100.0%	100.00%
Overall Impact of Premium Discount = Total column (b) =			1.000
(6) <u>Indicated SNCC Loss Cost Multiplier =</u>			1.23
(3d) / [(5) - (1)] x (4f)			
(7) <u>Selected SNCC Loss Cost Multiplier =</u>			1.23
<hr/>			
(8) <u>Overall SNCC Rate Level Change</u>			
(a) Current SNCC Loss Cost Multiplier			1.14
(b) Proposed SNCC Loss Cost Multiplier			1.23
(c) Approved Bureau Loss Cost Change effective	7/1/2008		-12.8%
(d) Approved Bureau Loss Cost Change effective			
(e) Overall SNCC Rate Level Change = [(b) / (a)] x [1.00 + (c)] x [1.00 + (d)] - 1.00			-5.9%

Primary Workers Compensation
Calculation of Permissible Loss Ratio
ARKANSAS

Expenses based on Premium		
Production and ULAE	18.600%	
General Expense	6.700%	
Profit and Contingency	0.00%	
Residual Market Load	0.000%	
<u>Taxes and Assessments</u>	<u>5.800%</u>	(from below)
(1) Total	31.100%	
(2) Permissible Loss, ALAE and Loss Assessment Ratio	68.900%	1.00 - (1)

Expenses based on Incurred Losses		
Loss Adjustment Expenses	11.50%	
<u>Taxes and Assessments levied on Losses *</u>	<u>0.000%</u>	(from below)
(3) Total	11.500%	
 (4) Permissible Loss Ratio	 61.79%	 (2) / [1.00 + (3)]

* Taxes & Assessments	Levied on Premium	
		<u>% of Premium</u>
Premium Tax		2.500%
Workers' Compensation Fund Tax		1.550%
Second Injury Trust Fund		0.250%
Death and Permanent Total Disability Trust Fund		1.200%
Miscellaneous Tax Allowance		0.300%
<u>Insurance Guaranty Fund-Offset to premium tax</u>		
Total		5.800%
	Levied on Losses	
	% of Losses	% of Premium
 Total	 0.000%	 0.000%
Total Taxes and Assessments as % of Premium		5.800%

Primary Workers Compensation
Small Deductible Credits
ARKANSAS

Bureau advisory loss elimination ratios

	Total-loss deductibles:							Indemnity-only deductibles:							
	A	B	C	D	E	F	G	A	B	C	D	E	F	G	
1,000	13.0%	10.4%	8.9%	7.4%	6.2%	4.3%	3.2%	1,000	2.7%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
1,500	15.9%	12.8%	10.9%	9.2%	7.8%	5.4%	4.1%	1,500	3.7%	2.9%	2.7%	2.5%	2.2%	1.9%	1.4%
2,000	18.1%	14.7%	12.6%	10.7%	9.1%	6.5%	4.9%	2,000	4.6%	3.7%	3.4%	3.2%	2.8%	2.3%	1.8%
2,500	20.1%	16.3%	14.1%	12.1%	10.2%	7.4%	5.6%	2,500	5.4%	4.4%	4.0%	3.8%	3.3%	2.8%	2.1%
3,000	21.8%	17.8%	15.4%	13.2%	11.3%	8.2%	6.2%	3,000	6.2%	5.0%	4.6%	4.3%	3.8%	3.2%	2.4%
3,500	23.4%	19.1%	16.6%	14.3%	12.2%	9.0%	6.8%	3,500	6.9%	5.6%	5.2%	4.8%	4.3%	3.6%	2.7%
4,000	24.8%	20.3%	17.8%	15.4%	13.1%	9.7%	7.4%	4,000	7.5%	6.2%	5.7%	5.3%	4.7%	4.0%	3.0%
4,500	26.2%	21.5%	18.8%	16.3%	14.0%	10.4%	7.9%	4,500	8.1%	6.7%	6.2%	5.7%	5.1%	4.3%	3.3%
5,000	27.4%	22.6%	19.8%	17.3%	14.8%	11.1%	8.4%	5,000	8.7%	7.2%	6.6%	6.2%	5.5%	4.6%	3.6%

Medical-only deductibles:							
	A	B	C	D	E	F	G
1,000	12.6%	10.1%	8.6%	7.1%	6.0%	4.1%	3.0%
1,500	15.2%	12.2%	10.4%	8.8%	7.4%	5.1%	3.8%
2,000	17.1%	13.8%	11.9%	10.0%	8.5%	5.9%	4.5%
2,500	18.7%	15.2%	13.1%	11.1%	9.4%	6.7%	5.0%
3,000	20.1%	16.4%	14.2%	12.1%	10.2%	7.3%	5.5%
3,500	21.3%	17.5%	15.1%	12.9%	11.0%	7.9%	6.0%
4,000	22.5%	18.4%	16.0%	13.7%	11.7%	8.5%	6.4%
4,500	23.5%	19.3%	16.8%	14.5%	12.3%	9.0%	6.8%
5,000	24.4%	20.1%	17.5%	15.1%	12.9%	9.5%	7.2%

(1) Permissible Loss Ratio	61.79%	Exh ,1 Pg 2
(2) Safety Factor	0.7	see below
(3) Fixed Expense Provision		
General	6.70%	
Loss-based Expenses as % of	7.11%	
Total	13.81%	
(4) Variable Expense Provision	24.40%	1.00 - (1) - (3)

Deductible Credit = [(LER) x (2) x (1)] / [1.00 - (4)]

Safety First Deductible Credits

	Total-loss deductibles:							Indemnity-only deductibles:							
	A	B	C	D	E	F	G	A	B	C	D	E	F	G	
1,000	7.4%	6.0%	5.1%	4.2%	3.5%	2.5%	1.8%	1,000	1.5%	1.2%	1.1%	1.0%	0.9%	0.7%	0.6%
1,500	9.1%	7.3%	6.2%	5.3%	4.5%	3.1%	2.3%	1,500	2.1%	1.7%	1.5%	1.4%	1.3%	1.1%	0.8%
2,000	10.4%	8.4%	7.2%	6.1%	5.2%	3.7%	2.8%	2,000	2.6%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
2,500	11.5%	9.3%	8.1%	6.9%	5.8%	4.2%	3.2%	2,500	3.1%	2.5%	2.3%	2.2%	1.9%	1.6%	1.2%
3,000	12.5%	10.2%	8.8%	7.6%	6.5%	4.7%	3.5%	3,000	3.5%	2.9%	2.6%	2.5%	2.2%	1.8%	1.4%
3,500	13.4%	10.9%	9.5%	8.2%	7.0%	5.1%	3.9%	3,500	3.9%	3.2%	3.0%	2.7%	2.5%	2.1%	1.5%
4,000	14.2%	11.6%	10.2%	8.8%	7.5%	5.5%	4.2%	4,000	4.3%	3.5%	3.3%	3.0%	2.7%	2.3%	1.7%
4,500	15.0%	12.3%	10.8%	9.3%	8.0%	6.0%	4.5%	4,500	4.6%	3.8%	3.5%	3.3%	2.9%	2.5%	1.9%
5,000	15.7%	12.9%	11.3%	9.9%	8.5%	6.4%	4.8%	5,000	5.0%	4.1%	3.8%	3.5%	3.1%	2.6%	2.1%

Medical-only deductibles:							
	A	B	C	D	E	F	G
1,000	7.2%	5.8%	4.9%	4.1%	3.4%	2.3%	1.7%
1,500	8.7%	7.0%	6.0%	5.0%	4.2%	2.9%	2.2%
2,000	9.8%	7.9%	6.8%	5.7%	4.9%	3.4%	2.6%
2,500	10.7%	8.7%	7.5%	6.4%	5.4%	3.8%	2.9%
3,000	11.5%	9.4%	8.1%	6.9%	5.8%	4.2%	3.1%
3,500	12.2%	10.0%	8.6%	7.4%	6.3%	4.5%	3.4%
4,000	12.9%	10.5%	9.2%	7.8%	6.7%	4.9%	3.7%
4,500	13.4%	11.0%	9.6%	8.3%	7.0%	5.1%	3.9%
5,000	14.0%	11.5%	10.0%	8.6%	7.4%	5.4%	4.1%

Safety Factor

A safety factor is included for the following reasons:

- a) Potential adverse selection against the insurer.
- b) Difficulties or delays in collecting funds from some insureds
- c) Insurer must pay full coverage if insured becomes bankrupt or is otherwise unable to pay the deductible amount.

Fixed Expenses

Expenses in which the dollar costs are unaffected by the insured's selection of a deductible. Examples are administrative costs, underwriting and marketing costs, and claims-handling expenses.

Variable Expenses

Expenses that are generally incurred as a percentage of final policy premium (after the deductible credit). State premium taxes are an example.

As percentages of full-coverage premium,

Fixed Expenses + Variable Expenses + Permissible Loss Ratio = 100%.

Assumptions For Internal Rate Of Return Calculation
ARKANSAS

Loss Ratio To Std. Prem.	73.7%
Commission	13.8%
Other Expenses	6.7%
Average Gradation	0.0%
Premium Taxes	5.8%
Profit & Contingencies	0.0%
Deviations & Sch. Rating	0.0%
Policyholder Dividends	0.0%
Investment Income:	
Pre-Tax	5.0%
Post-Tax	3.5%
Reserve/Surplus	246.0% From MA 2007 Filing
Premiums Written	1000000
Internal Rate Of Return	9.8%

Safety National Casualty Corporation
Cash Flows For Loss And Unearned Premium Reserves

Exhibit A
Page 2

Time Interval	Premium Collected	Admitted Agents Balances	Losses Incurred	Unearned Premium	Cumm. Prem. Net Of Reserves	Premium In Period
-1 to 0	1900	-1900	0	0	0	0
0 to 1	510200	489800	368600	500000	131400	131400
1 to 2	980600	19400	737199	0	262801	131400
2 to 3	990938	0	737199	0	253739	-9062
3 to 4	992900	0	737199	0	255701	1962
4 to 5	1000000	0	737199	0	262801	7100
5 to 6	1000000	0	737199	0	262801	0
6 to 7	1000000	0	737199	0	262801	0
7 to 8	1000000	0	737199	0	262801	0
8 to 9	1000000	0	737199	0	262801	0
9 to 10	1000000	0	737199	0	262801	0
Over 10	1000000	0	737199	0	262801	0

Safety National Casualty Corporation
Tax Credits Available From Underwriting Operations

Exhibit A
Page 3

Time Interval	Premium Written	Change In Unearned Prem. Res.	Expenses	Dividends	Losses Paid:		Change In Discounted Loss Reserve*		Tax Credit
					Acc. Year 1		Acc. Year 1	Acc. Year 2	
-1 to 0	0	0	17889	0	0	0	0	0	6261
0 to 1	1000000	500000	147130	0	257815	413596	0	0	76489
1 to 2	0	-500000	87728	0	223493	218403	413596	413596	-99390
2 to 3	0	0	8869	0	85053	142684	218403	218403	6371
3 to 4	0	0	323	0	39476	107446	142684	142684	1597
4 to 5	0	0	714	0	21824	87332	107446	107446	848
5 to 6	0	0	102	0	13550	75354	87332	87332	586
6 to 7	0	0	1	0	9111	68859	75354	75354	916
7 to 8	0	0	0	0	6487	64006	68859	68859	572
8 to 9	0	0	0	0	7825	58998	64006	64006	986
9 to 10	0	0	0	0	6758	54987	58998	58998	961
Over 10	0	0	0	0	65808	0	54987	54987	3787

0.349722711

Safety National Casualty Corporation

Net Cash Flow From Underwriting

Exhibit A
Page 4

Time Interval	Premium Net Of Reserves	Tax Credit	Expenses	Dividends	Net Cash From Underwriting
-1 to 0	0	6261	17889	0	-11628
0 to 1	131400	76489	147130	0	60760
1 to 2	131400	-99390	87728	0	-55718
2 to 3	-9062	6371	8869	0	-11560
3 to 4	1962	1597	323	0	3235
4 to 5	7100	848	714	0	7234
5 to 6	0	586	102	0	484
6 to 7	0	916	1	0	914
7 to 8	0	572	0	0	572
8 to 9	0	986	0	0	986
9 to 10	0	961	0	0	961
Over 10	0	3787	0	0	3787

Derivation Of Cash Level And Funds In Surplus Account

Exhibit A
Page 5

Time Interval	Loss&Loss Adjustment Reserves	Unearned Premium	Admitted Agents Balances	Cash Level	Funds In Surplus Account
-1 to 0	0	0	-1900	1900	0
0 to 1	247211	500000	489800	257411	303744
1 to 2	353336	0	19400	333936	143632
2 to 3	206684	0	0	206684	84018
3 to 4	145866	0	0	145866	59295
4 to 5	120451	0	0	120451	48964
5 to 6	102764	0	0	102764	41774
6 to 7	91434	0	0	91434	37168
7 to 8	83635	0	0	83635	33998
8 to 9	76478	0	0	76478	31089
9 to 10	69187	0	0	69187	28125
Over 10	32904	0	0	32904	0

Safety National Casualty Corporation

Nominal Cash Flow To Investor

Exhibit A
Page 6

Time Interval	Net Cash From Underwriting	Pre-Tax Investment Income On Cash Level	Tax On Investment Income On Cash Level	Net Flow Of Surplus Account	Pre-Tax Investment Income On Surplus	Tax On Investment Income On Surplus	Net Cash Flow To Investor
-1 to 0	-11628	48	-14	0	0	0	-11595
0 to 1	60760	6483	-1945	-303744	7594	-2278	-233131
1 to 2	-55718	14784	-4435	160112	11184	-3355	122572
2 to 3	-11560	13515	-4055	59614	5691	-1707	61499
3 to 4	3235	8814	-2644	24723	3583	-1075	36635
4 to 5	7234	6658	-1997	10332	2706	-812	24121
5 to 6	484	5580	-1674	7190	2268	-681	13168
6 to 7	914	4855	-1456	4606	1974	-592	10300
7 to 8	572	4377	-1313	3170	1779	-534	8052
8 to 9	986	4003	-1201	2909	1627	-488	7836
9 to 10	961	3642	-1092	2964	1480	-444	7511
Over 10	3787	2552	-766	28125	703	-211	34191

Internal Rate Of Return: 0.097571578

**SNCC Arkansas Ground Up Premium And Losses For Large Deductible Policies
As Of 12/31/2007**

Exhibit B

Policy Year	Written Premium	Case Incurred			Total	Loss Ratio
		Medical Losses	Indemnity Losses	ALAE		
2000	\$137,224	\$79,000	\$37,190	\$7,133	\$123,323	90%
2001	\$142,775	\$34,192	\$7,581	\$4,012	\$45,785	32%
2002	\$4,766	\$7,688	\$0	\$516	\$8,204	172%
2003	\$220,577	\$128,919	\$56,647	\$19,265	\$204,831	93%
2004	\$633,672	\$526,248	\$189,848	\$105,030	\$821,126	130%
2005	\$853,520	\$227,100	\$96,679	\$23,020	\$346,799	41%
2006	\$579,923	\$99,212	\$27,014	\$19,550	\$145,776	25%
2007	\$531,684	\$14,393	\$5,856	\$1,137	\$21,386	4%
Total	\$3,104,141	\$1,116,752	\$420,815	\$179,663	\$1,717,230	55%

Policy Year	Estimated Loss Development Factors (LDFs)*			
2000	1.118	1.010	1.064	1.082
2001	1.122	1.013	1.068	1.099
2002	1.119	1.016	1.068	1.116
2003	1.141	1.027	1.084	1.104
2004	1.172	1.035	1.104	1.132
2005	1.190	1.058	1.124	1.149
2006	1.191	1.094	1.143	1.167
2007	1.191	1.206	1.199	1.196
Total	1.168	1.043	1.106	1.131

* Source NCCI Circular AR-2008-04 Appendix A-II

Policy Year	Written Premium	Estimated Ultimate Losses (Case Incurred x LDFS)			Total	Loss Ratio
		Medical Losses	Indemnity Losses	ALAE		
2000	\$137,224	\$88,322	\$37,562	\$7,590	\$133,473	97%
2001	\$142,775	\$38,363	\$7,680	\$4,283	\$50,326	35%
2002	\$4,766	\$8,603	\$0	\$551	\$9,154	192%
2003	\$220,577	\$147,097	\$58,176	\$20,883	\$226,156	103%
2004	\$633,672	\$616,763	\$196,493	\$115,901	\$929,156	147%
2005	\$853,520	\$270,249	\$102,286	\$25,874	\$398,410	47%
2006	\$579,923	\$118,161	\$29,553	\$22,336	\$170,051	29%
2007	\$531,684	\$17,142	\$7,062	\$1,363	\$25,567	5%
Total	\$3,104,141	\$1,304,700	\$438,813	\$198,780	\$1,942,293	63%

Policy Year	Current Rate Level Factors (CRLFs)+	Trend & Benefit Level Change Factors (TBLCFs)**			
2000	96.3%	1.037	0.862	1.000	0.985
2001	102.4%	1.037	0.862	1.000	1.007
2002	109.0%	1.037	0.862	1.000	1.034
2003	111.5%	1.037	0.862	1.000	0.988
2004	92.1%	1.037	0.862	1.000	0.995
2005	96.7%	1.027	0.893	1.000	0.991
2006	96.7%	1.017	0.926	1.000	0.999
2007	98.7%	1.006	0.959	1.000	0.993
Total					

+ Not Including -13.8%

Change Effective 7/1/2008

* Source NCCI Circular AR-2008-04 Exhibit I and Appendix A III

Policy Year	Current Level Premium (Written X CRLFs)	Estimated Current Level Losses (Estimate Ultimate Losses x TBLCFs)			Total	Current Level Loss Ratio (CLLR)	Permissible Loss Ratio (PLR)	Rate Level Indication CLLR/PLR-1
		Medical Losses	Indemnity Losses	ALAE				
2000	\$132,089	\$91,553	\$32,381	\$7,590	\$131,524	100%	68.9%	45%
2001	\$146,151	\$39,767	\$6,620	\$4,283	\$50,670	35%	68.9%	-50%
2002	\$5,193	\$8,918	\$0	\$551	\$9,468	182%	68.9%	165%
2003	\$246,016	\$152,478	\$50,152	\$20,883	\$223,513	91%	68.9%	32%
2004	\$583,738	\$639,328	\$169,389	\$115,901	\$924,617	158%	68.9%	130%
2005	\$825,050	\$277,458	\$91,389	\$25,874	\$394,722	48%	68.9%	-31%
2006	\$560,579	\$120,112	\$27,363	\$22,336	\$169,811	30%	68.9%	-56%
2007	\$524,833	\$17,253	\$6,776	\$1,363	\$25,391	5%	68.9%	-93%
Total	\$3,023,649	\$1,346,867	\$384,070	\$198,780	\$1,929,717	64%	68.9%	-7%

Total 04-06	\$1,969,367	\$1,036,898	\$288,141	\$164,111	\$1,489,150	76%	68.9%	10%
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Selected

-5.9%

Primary Workers Compensation
Calculation of Loss Cost Multiplier
ARKANSAS

Bureau Loss Costs effective SFIC LCM effective date	7/1/2008 7/1/2008	Provision in Bureau Rates/ <u>Loss Costs</u>	Provision in Authorized SFIC Rates
(1) <u>Expenses based on Premium</u>			
Production and ULAE			17.006%
General Expense			6.126%
Profit and Contingency			0.000%
Taxes and Assessments levied on Premium			<u>5.800%</u>
Total		0.000%	28.932%
(2) <u>Expenses based on Incurred Losses</u>			
Allocated Loss Adjustment Expenses		11.500%	11.500%
Unallocated Loss Adjustment Expenses		7.800%	Included In (1)
Taxes and Assessments levied on Losses			<u>0.000%</u>
Total		19.300%	11.500%
(3) <u>Deviations from Bureau Loss Costs</u>			
(a) Deviation from Expected Losses			0.000%
(b) Deviation from Loss-based Expenses			-6.538%
(c) Total Deviation, as a factor = [1.00 + (3a)] x [1.00 + (3b)] x [1.00 + (3c)]			0.935
(4) <u>Overall Impact of Expense Constant</u>			
(a) Expected ARKANSAS Premium			\$22,283
(b) Expected Number of Policies			1
(c) Expense Constant			300.00
(d) Premium Due to Expense Constant = (c) x (b)			\$430
(e) Overall Impact of Expense Constant = (d) / (a) =			1.9%
(f) Overall Impact of Expense Constant as a factor = 1.00 + (e)			1.019
(5) <u>Overall Impact of Premium Discount</u>			
	(a)		(b)
	Expected Premium subject to <u>Discount</u>	Premium Discount <u>Gradation</u>	Expected Premium after <u>Discount</u>
first	5,000	22.7%	0.0%
next	95,000	68.1%	10.3%
next	400,000	9.2%	11.9%
over	500,000	<u>0.0%</u>	<u>0.00%</u>
Total		100.0%	91.91%
Overall Impact of Premium Discount = Total column (b) =			0.919
(6) Indicated SFIC Loss Cost Multiplier = (3d) / [(5) - (1)] x (4f)			1.46
(7) Selected SFIC Loss Cost Multiplier =			1.46
<hr/> <hr/>			
(8) <u>Overall SFIC Rate Level Change</u>			
(a) Current SFIC Loss Cost Multiplier			1.42
(b) Proposed SFIC Loss Cost Multiplier			1.46
(c) Approved Bureau Loss Cost Change effective	7/1/2008		-12.8%
(d) Approved Bureau Loss Cost Change effective	7/1/2005		
(e) Overall SFIC Rate Level Change = [(b) / (a)] x [1.00 + (c)] x [1.00 + (d)] - 1.00			-10.3%

Primary Workers Compensation
Calculation of Permissible Loss Ratio
ARKANSAS

Expenses based on Premium

Production and ULAE	18.600%
General Expense	6.700%
Profit and Contingency	0.00%
Residual Market Load	0.000%
<u>Taxes and Assessments</u>	<u>5.800%</u> (from below)
(1) Total	31.100%
(2) Permissible Loss, ALAE and Loss Assessment Ratio	68.900% 1.00 - (1)

Expenses based on Incurred Losses

Loss Adjustment Expenses	11.50%
<u>Taxes and Assessments levied on Losses *</u>	<u>0.000%</u> (from below)
(3) Total	11.500%

(4) **Permissible Loss Ratio** **61.79%** (2) / [1.00 + (3)]

* Taxes & Assessments	Levied on Premium	
	<u>% of Premium</u>	
Premium Tax		2.500%
Workers' Compensation Fund Tax		1.550%
Second Injury Trust Fund		0.250%
Death and Permanent Total Disability Trust Fund		1.200%
Miscellaneous Tax Allowance		0.300%
<u>Insurance Guaranty Fund-Offset to premium tax</u>		
Total		5.800%
	Levied on Losses	
	% of Losses	% of Premium
Total	0.000%	0.000%
Total Taxes and Assessments as % of Premium		5.800%

- 1 **Insurance Guaranty Association Asses:** Latest year 0%
- 2 **WC Administration Assessment** 1.71%, included in loss costs
- 3 **Second Injury Fund** 6%, included in loss costs

Bureau advisory loss elimination ratios

	Total-loss deductibles:							Indemnity-only deductibles:							
	A	B	C	D	E	F	G	A	B	C	D	E	F	G	
1,000	13.0%	10.4%	8.9%	7.4%	6.2%	4.3%	3.2%	1,000	2.7%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
1,500	15.9%	12.8%	10.9%	9.2%	7.8%	5.4%	4.1%	1,500	3.7%	2.9%	2.7%	2.5%	2.2%	1.9%	1.4%
2,000	18.1%	14.7%	12.6%	10.7%	9.1%	6.5%	4.9%	2,000	4.6%	3.7%	3.4%	3.2%	2.8%	2.3%	1.8%
2,500	20.1%	16.3%	14.1%	12.1%	10.2%	7.4%	5.6%	2,500	5.4%	4.4%	4.0%	3.8%	3.3%	2.8%	2.1%
3,000	21.8%	17.8%	15.4%	13.2%	11.3%	8.2%	6.2%	3,000	6.2%	5.0%	4.6%	4.3%	3.8%	3.2%	2.4%
3,500	23.4%	19.1%	16.6%	14.3%	12.2%	9.0%	6.8%	3,500	6.9%	5.6%	5.2%	4.8%	4.3%	3.6%	2.7%
4,000	24.8%	20.3%	17.8%	15.4%	13.1%	9.7%	7.4%	4,000	7.5%	6.2%	5.7%	5.3%	4.7%	4.0%	3.0%
4,500	26.2%	21.5%	18.8%	16.3%	14.0%	10.4%	7.9%	4,500	8.1%	6.7%	6.2%	5.7%	5.1%	4.3%	3.3%
5,000	27.4%	22.6%	19.8%	17.3%	14.8%	11.1%	8.4%	5,000	8.7%	7.2%	6.6%	6.2%	5.5%	4.6%	3.6%

	Medical-only deductibles:						
	A	B	C	D	E	F	G
1,000	12.6%	10.1%	8.6%	7.1%	6.0%	4.1%	3.0%
1,500	15.2%	12.2%	10.4%	8.8%	7.4%	5.1%	3.8%
2,000	17.1%	13.8%	11.9%	10.0%	8.5%	5.9%	4.5%
2,500	18.7%	15.2%	13.1%	11.1%	9.4%	6.7%	5.0%
3,000	20.1%	16.4%	14.2%	12.1%	10.2%	7.3%	5.5%
3,500	21.3%	17.5%	15.1%	12.9%	11.0%	7.9%	6.0%
4,000	22.5%	18.4%	16.0%	13.7%	11.7%	8.5%	6.4%
4,500	23.5%	19.3%	16.8%	14.5%	12.3%	9.0%	6.8%
5,000	24.4%	20.1%	17.5%	15.1%	12.9%	9.5%	7.2%

(1) Permissible Loss Ratio	61.79%	Exh ,1 Pg 2
(2) Safety Factor	0.7	see below
(3) Fixed Expense Provision		
General	6.70%	
Loss-based Expenses as % of	7.11%	
Total	13.81%	
(4) Variable Expense Provision	24.40%	1.00 - (1) - (3)

Deductible Credit = [(LER) x (2) x (1)] / [1.00 - (4)]

Safety First Deductible Credits

	Total-loss deductibles:							Indemnity-only deductibles:							
	A	B	C	D	E	F	G	A	B	C	D	E	F	G	
1,000	7.4%	6.0%	5.1%	4.2%	3.5%	2.5%	1.8%	1,000	1.5%	1.2%	1.1%	1.0%	0.9%	0.7%	0.6%
1,500	9.1%	7.3%	6.2%	5.3%	4.5%	3.1%	2.3%	1,500	2.1%	1.7%	1.5%	1.4%	1.3%	1.1%	0.8%
2,000	10.4%	8.4%	7.2%	6.1%	5.2%	3.7%	2.8%	2,000	2.6%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
2,500	11.5%	9.3%	8.1%	6.9%	5.8%	4.2%	3.2%	2,500	3.1%	2.5%	2.3%	2.2%	1.9%	1.6%	1.2%
3,000	12.5%	10.2%	8.8%	7.6%	6.5%	4.7%	3.5%	3,000	3.5%	2.9%	2.6%	2.5%	2.2%	1.8%	1.4%
3,500	13.4%	10.9%	9.5%	8.2%	7.0%	5.1%	3.9%	3,500	3.9%	3.2%	3.0%	2.7%	2.5%	2.1%	1.5%
4,000	14.2%	11.6%	10.2%	8.8%	7.5%	5.5%	4.2%	4,000	4.3%	3.5%	3.3%	3.0%	2.7%	2.3%	1.7%
4,500	15.0%	12.3%	10.8%	9.3%	8.0%	6.0%	4.5%	4,500	4.6%	3.8%	3.5%	3.3%	2.9%	2.5%	1.9%
5,000	15.7%	12.9%	11.3%	9.9%	8.5%	6.4%	4.8%	5,000	5.0%	4.1%	3.8%	3.5%	3.1%	2.6%	2.1%

	Medical-only deductibles:						
	A	B	C	D	E	F	G
1,000	7.2%	5.8%	4.9%	4.1%	3.4%	2.3%	1.7%
1,500	8.7%	7.0%	6.0%	5.0%	4.2%	2.9%	2.2%
2,000	9.8%	7.9%	6.8%	5.7%	4.9%	3.4%	2.6%
2,500	10.7%	8.7%	7.5%	6.4%	5.4%	3.8%	2.9%
3,000	11.5%	9.4%	8.1%	6.9%	5.8%	4.2%	3.1%
3,500	12.2%	10.0%	8.6%	7.4%	6.3%	4.5%	3.4%
4,000	12.9%	10.5%	9.2%	7.8%	6.7%	4.9%	3.7%
4,500	13.4%	11.0%	9.6%	8.3%	7.0%	5.1%	3.9%
5,000	14.0%	11.5%	10.0%	8.6%	7.4%	5.4%	4.1%

Safety Factor

A safety factor is included for the following reasons:

- a) Potential adverse selection against the insurer.
- b) Difficulties or delays in collecting funds from some insureds
- c) Insurer must pay full coverage if insured becomes bankrupt or is otherwise unable to pay the deductible amount.

Fixed Expenses

Expenses in which the dollar costs are unaffected by the insured's selection of a deductible. Examples are administrative costs, underwriting and marketing costs, and claims-handling expenses.

Variable Expenses

Expenses that are generally incurred as a percentage of final policy premium (after the deductible credit). State premium taxes are an example.

As percentages of full-coverage premium,

Fixed Expenses + Variable Expenses + Permissible Loss Ratio = 100%.

Assumptions For Internal Rate Of Return Calculation
 ARKANSAS

Loss Ratio To Std. Prem.	65.6%
Commission	13.8%
Other Expenses	6.7%
Average Gradation	8.1%
Premium Taxes	5.8%
Profit & Contingencies	0.0%
Deviations & Sch. Rating	0.0%
Policyholder Dividends	0.0%
Investment Income:	
Pre-Tax	5.0%
Post-Tax	3.5%
Reserve/Surplus	246.0% From MA 2007 Filing
Premiums Written	1000000
Internal Rate Of Return	9.3%

Safety First Insurance Company
Cash Flows For Loss And Unearned Premium Reserves

Exhibit A
Page 2

Time Interval	Premium Collected	Admitted Agents Balances	Losses Incurred	Unearned Premium	Cumm. Prem. Net Of Reserves	Premium In Period
-1 to 0	1900	-1900	0	0	0	0
0 to 1	510200	489800	328100	500000	171900	171900
1 to 2	980600	19400	656199	0	343801	171900
2 to 3	990938	0	656199	0	334739	-9062
3 to 4	992900	0	656199	0	336701	1962
4 to 5	1000000	0	656199	0	343801	7100
5 to 6	1000000	0	656199	0	343801	0
6 to 7	1000000	0	656199	0	343801	0
7 to 8	1000000	0	656199	0	343801	0
8 to 9	1000000	0	656199	0	343801	0
9 to 10	1000000	0	656199	0	343801	0
Over 10	1000000	0	656199	0	343801	0

Safety First Insurance Company
Tax Credits Available From Underwriting Operations

Exhibit A
Page 3

Time Interval	Premium Written	Change In Unearned Prem. Res.	Expenses	Dividends	Losses Paid:		Change In Discounted Loss Reserve*		Tax Credit
					Acc. Year 1		Acc. Year 1	Acc. Year 2	
-1 to 0	0	0	23403	0	0	0	0	0	8191
0 to 1	1000000	500000	192478	0	229488	368152	0	0	66541
1 to 2	0	-500000	114768	0	198937	194406	368152	368152	-91015
2 to 3	0	0	11602	0	75707	127006	194406	194406	6969
3 to 4	0	0	423	0	35138	95641	127006	127006	1468
4 to 5	0	0	935	0	19426	77736	95641	95641	860
5 to 6	0	0	133	0	12061	67074	77736	77736	536
6 to 7	0	0	2	0	8110	61293	67074	67074	815
7 to 8	0	0	0	0	5775	56974	61293	61293	509
8 to 9	0	0	0	0	6966	52515	56974	56974	877
9 to 10	0	0	0	0	6015	48945	52515	52515	856
Over 10	0	0	0	0	58577	0	48945	48945	3371
					0.349722711				

Safety First Insurance Company

Net Cash Flow From Underwriting

Exhibit A
Page 4

Time Interval	Premium Net Of Reserves	Tax Credit	Expenses	Dividends	Net Cash From Underwriting
-1 to 0	0	8191	23403	0	-15212
0 to 1	171900	66541	192478	0	45964
1 to 2	171900	-91015	114768	0	-33882
2 to 3	-9062	6969	11602	0	-13696
3 to 4	1962	1468	423	0	3007
4 to 5	7100	860	935	0	7025
5 to 6	0	536	133	0	403
6 to 7	0	815	2	0	814
7 to 8	0	509	0	0	509
8 to 9	0	877	0	0	877
9 to 10	0	856	0	0	856
Over 10	0	3371	0	0	3371

Derivation Of Cash Level And Funds In Surplus Account

Time Interval	Loss&Loss Adjustment Reserves	Unearned Premium	Admitted Agents Balances	Cash Level	Funds In Surplus Account
-1 to 0	0	0	-1900	1900	0
0 to 1	220049	500000	489800	230249	292703
1 to 2	314513	0	19400	295113	127851
2 to 3	183975	0	0	183975	74786
3 to 4	129839	0	0	129839	52780
4 to 5	107216	0	0	107216	43584
5 to 6	91473	0	0	91473	37184
6 to 7	81387	0	0	81387	33084
7 to 8	74445	0	0	74445	30262
8 to 9	68075	0	0	68075	27673
9 to 10	61585	0	0	61585	25035
Over 10	29289	0	0	29289	0

Safety First Insurance Company

Nominal Cash Flow To Investor

Exhibit A
Page 6

Time Interval	Net Cash From Underwriting	Pre-Tax Investment Income On Cash Level	Tax On Investment Income On Cash Level	Net Flow Of Surplus Account	Pre-Tax Investment Income On Surplus	Tax On Investment Income On Surplus	Net Cash Flow To Investor
-1 to 0	-15212	48	-14	0	0	0	-15179
0 to 1	45964	5804	-1741	-292703	7318	-2195	-237554
1 to 2	-33882	13134	-3940	164852	10514	-3154	147524
2 to 3	-13696	11977	-3593	53064	5066	-1520	51299
3 to 4	3007	7845	-2354	22006	3189	-957	32738
4 to 5	7025	5926	-1778	9196	2409	-723	22056
5 to 6	403	4967	-1490	6400	2019	-606	11694
6 to 7	814	4322	-1296	4100	1757	-527	9168
7 to 8	509	3896	-1169	2822	1584	-475	7167
8 to 9	877	3563	-1069	2589	1448	-435	6975
9 to 10	856	3242	-972	2638	1318	-395	6685
Over 10	3371	2272	-682	25035	626	-188	30434

Internal Rate Of Return: 0.092912062

RATE/RULE FILING SCHEDULE

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

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

1.	This filing transmittal is part of Company Tracking #	3-SNSFE-08-AR
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
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Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval
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4a.	Rate Change by Company (As Proposed)						
-----	---	--	--	--	--	--	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
SNCC	-5.9%	-5.9%	-\$9,818	17	\$166,401		
SFIC	-5.9%	-10.3%	-\$193	4	\$1,871		

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

Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)	-5.9% SNCC -5.9% SFIC	
5b.	Overall percentage rate impact for this filing	-5.9% SNCC -10.3% SFIC	
5c.	Effect of Rate Filing – Written premium change for this program	-\$9,818 SNCC -\$193 SFIC	
5d.	Effect of Rate Filing – Number of policyholders affected	17 SNCC 4 SFIC	

6.	Overall percentage of last rate revision	2.7% SNCC; 2.7% SFIC
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7.	Effective Date of last rate revision	January 1, 2008
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	SNCC Company Exception Pages WCE-1-2 (Ed. 07/08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	1-SNSFE-08-AR (company filing number)
02	SNCC Company Exception Pages WCE-1-2 (Ed. 01/08)	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn	
03	SNCC Company Rate Pages WCR-1-5 (Ed. 07/08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	1-SNSFE-08-AR (company filing number)

Effective March 1, 2007

04	SNCC Company Rate Pages WCR-1-5 (Ed. 01/08)	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn	
05	SFIC Company Exception Pages WCE-1-2 (Ed. 07/08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	1-SNSFE-08-AR (company filing number)
06	SFIC Company Exception Pages WCE-1-2 (Ed. 01/08)	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn	
07	SFIC Company Rate Pages WCR-1-5 (Ed. 07/08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	1-SNSFE-08-AR (company filing number)
08	SFIC Company Rate Pages WCR-1-5 (Ed. 01/08)	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn	