

SERFF Tracking Number: STNA-125630393 State: Arkansas
Filing Company: State National Insurance Company Inc. State Tracking Number: #2796 \$125
Company Tracking Number: SNIC-PIM-JIBNA-AR-0801R
TOI: 09.0 Inland Marine Sub-TOI: 09.0006 Other Personal Inland Marine
Product Name: Personal Inland Marine
Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Filing at a Glance

Company: State National Insurance Company Inc.

Product Name: Personal Inland Marine	SERFF Tr Num: STNA-125630393	State: Arkansas
TOI: 09.0 Inland Marine	SERFF Status: Closed	State Tr Num: #2796 \$125
Sub-TOI: 09.0006 Other Personal Inland Marine	Co Tr Num: SNIC-PIM-JIBNA-AR-0801R	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding
	Author: Carol Selleck	Disposition Date: 05/09/2008
	Date Submitted: 05/01/2008	Disposition Status: Filed
Effective Date Requested (New): On Approval		Effective Date (New):
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal):

State Filing Description:

General Information

Project Name: JIBNA Personal Jewelry Program
Project Number: SNIC-PIM-JIBNA-0801

Status of Filing in Domicile: Pending
Domicile Status Comments: Pending concurrently in Texas.

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 05/09/2008

State Status Changed: 05/09/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Initial filing of rates and rules for a new Personal Jewelry Program (Personal Inland Marine).

Company and Contact

Filing Contact Information

Carol Selleck, President

Cselleck@aol.com

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7133 W. Honeysuckle DRive (623) 376-2462 [Phone]
Peoria, AZ 85383 (623) 376-2510[FAX]

Filing Company Information

State National Insurance Company Inc. CoCode: 12831 State of Domicile: Texas
8200 Anderson Boulevard Group Code: 93 Company Type: Property &
Casualty
Fort Worth, TX 76120 Group Name: State ID Number:
(800) 877-4567 ext. [Phone] FEIN Number: 75-1980552

SERFF Tracking Number: STNA-125630393 *State:* Arkansas
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Filing Fees

Fee Required? Yes
 Fee Amount: \$125.00
 Retaliatory? No
 Fee Explanation: \$100 rates; \$25 rules
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
State National Insurance Company Inc.	\$0.00	05/01/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
2796	\$125.00	05/01/2008

SERFF Tracking Number: STNA-125630393 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	05/09/2008	05/09/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	05/09/2008	05/09/2008	Carol Selleck	05/09/2008	05/09/2008

SERFF Tracking Number: STNA-125630393 *State:* Arkansas
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Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Disposition

Disposition Date: 05/09/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: STNA-125630393 State: Arkansas
 Filing Company: State National Insurance Company Inc. State Tracking Number: #2796 \$125
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 TOI: 09.0 Inland Marine Sub-TOI: 09.0006 Other Personal Inland Marine
 Product Name: Personal Inland Marine
 Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	No
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	No
Supporting Document	Filing Authorization	Filed	Yes
Supporting Document	Filing memo	Filed	Yes
Rate (revised)	AR Personal Jewelry Rates	Filed	Yes
Rate	AR Personal Jewelry Rates		Yes

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Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 05/09/2008

Submitted Date 05/09/2008

Respond By Date

Dear Carol Selleck,

This will acknowledge receipt of the captioned filing.

Objection 1

- AR Personal Jewelry Rates (Rate)

Comment: Please note that rate ranges are not permitted in accordance with Ark. Code Ann. §23- 65-211(a)(1) which requires all rates to be filed with the commissioner. However, your office could prepare a manual exception page that indicates that an individual risk filing must be made for each classification that is included within a rate range.

Please feel free to contact me if you have questions.

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

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State

Response Letter Date 05/09/2008

Submitted Date 05/09/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: We have removed all rate ranges and filed flat rates/factors in place of those where the ranges existed. Revised manual pages are attached.

Related Objection 1

SERFF Tracking Number: STNA-125630393 State: Arkansas
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Applies To:

- AR Personal Jewelry Rates (Rate)

Comment:

Please note that rate ranges are not permitted in accordance with Ark. Code Ann. §23- 65-211(a)(1) which requires all rates to be filed with the commissioner. However, your office could prepare a manual exception page that indicates that an individual risk filing must be made for each classification that is included within a rate range.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
AR Personal Jewelry Rates	Pages 1 and 2, Ed. 2008	New	
Previous Version			
AR Personal Jewelry Rates	Pages 1 and 2, Ed. 2008	New	

Sincerely,
Carol Selleck

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TOI: 09.0 Inland Marine *Sub-TOI:* 09.0006 Other Personal Inland Marine
Product Name: Personal Inland Marine
Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Rate Information

Rate data does NOT apply to filing.

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Product Name: Personal Inland Marine
Project Name/Number: JIBNA Personal Jewelry Program/SNIC-PIM-JIBNA-0801

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	AR Personal Jewelry Rates	Pages 1 and 2, Ed. 2008	New	Arkansas_revised.pdf

State National Insurance Company, Inc.
Personal Inland Marine
Arkansas

Rates, Rules and Premiums

1. Annual Policy Premium - The annual policy premium is determined by summing the total premium for each item of jewelry insured. The base rates shown vary according to the value of each item. The premium is rounded to the nearest dollar per item.

Base Rates					
Rates per \$100 effective 04/01/2007		Retail Value Per Item			Minimum Annual GWP
State	City / County	<= \$15,000	\$15,001 - \$30,000	>= \$30,001	
Arkansas	Pulaski	1.25	1.55	1.90	50.00
Arkansas	All Other	1.15	1.45	1.75	50.00

Examples:

Assuming no deductible option was selected and no discounts apply.

Pulaski - \$15,750 retail value at \$1.55 rate per \$100 = \$244.00 premium.
 (157.50 x 1.55 = 244.125)

Fayetteville - \$37450.00 retail value at \$1.75 rate per \$100 = \$655.00 premium.
 (374.50 x 1.75 = 655.375)

Deductible - The deductible options are selected on a per occurrence basis.

If a loss occurs, the deductible option selected as shown on the declarations page, will apply. The options are:

- a) No deductible.
- b) A flat deductible

Amount	Factor
\$0	1.00
\$100	0.98
\$250	0.97
\$500	0.96
\$1,000	0.95

**State National Insurance Company, Inc.
Personal Inland Marine
Arkansas**

3. Available Discounts / Surcharges - if applicable. Apply Per Item

- a. Documentation
 - i. JISO/ACORD Appraisal (Form #78/79)
 - ii. JISO/ACORD Sales Receipt / (Form #805/806)
- b. Loss Experience: Theft/Mysterious Disappearance <\$5,000
- c. Loss Experience: Theft/Mysterious Disappearance >=\$5,000
- d. Agreed Value Contract
- e. Professional Athlete / Entertainer

Factors
0.95
0.98
1.05
1.10
1.20
3.00

4. Optional Coverage Endorsements - If Selected By Insured.

JIBNA ENDT 0006 – Central Station Alarm - Whenever, the risk qualifies for attachment of this endorsement, apply a factor of .95.

JIBNA ENDT 0007 – Comprehensive Vault - Whenever, the risk qualifies for attachment of this endorsement, apply a factor of .95.

JIBNA ENDT 0010 – Jewelry in Vaults - Whenever, the risk qualifies for attachment of this endorsement, apply a factor of .95.

JIBNA ENDT 0004 - Bank Vault (Safe Deposit Box) – The rate for this endorsement will be \$0.25 per \$100 of value.

JIBNA ENDT 0023 – Seasonal Bank Vault – Calculate the additional charge for this coverage as follows:

.80 x bank vault rate + .2 x the .30K rate x scheduled amount identified as “In Bank Vault”

JIBNA ENDT 0013 – No Claims Credit – For risks with no claims for the first two year, a credit of 5% will apply to year three (the second renewal term) and beyond.

5. Minimum Premium - \$50.00

6. Eligibility Guidelines

- a. Insurance is available on items that have been appraised or have acceptable documentation.
- b. If the total value of a single item is \$30,000 or more, and/or the total value of all items is \$50,000 or more, applicants need prior approval.

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Filed 05/09/2008

Comments:

NAIC forms attached.

Attachments:

NAIC_TD1_2007_AR_Rates.pdf

NAIC_RRFS_2007_AR.pdf

Satisfied -Name: Filing Authorization **Review Status:** Filed 05/09/2008

Comments:

Filing authorization for ProFilers, LLC attached.

Attachment:

Auth Letters AR 04-29-2008.pdf

Satisfied -Name: Filing memo **Review Status:** Filed 05/09/2008

Comments:

Filing memo attached.

Attachment:

JIBNA Filing Memo_Rates Only.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #
State National Insurance Company, Inc.	Texas	12831	75-1980552

5. Company Tracking Number	SNIC-PIM-JIBNA-AR-0801R
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Carol Selleck 7133 W. Honeysuckle Drive Peoria, AZ 85383	President, ProFilers	623/376-2462	623/376-2510	cselleck@cox.net
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Carol Selleck		

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

9. Type of Insurance (TOI)	09.0 Inland Marine
10. Sub-Type of Insurance (Sub-TOI)	09.0006 Other Personal Inland Marine
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Personal Jewelry Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: June 1, 2008 Renewal: n/a
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	SNIC-PIM-JIBNA-AR-0801R
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Initial filing of rates and rules for a new Personal Inland Marine program insuring Personal Jewelry.

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]
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Check #: \$125
Amount: 2796

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

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

PC TD-1 pg 2 of 2

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 #	SNIC-PIM-JIBNA-AR-0801R
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	SNIC-PIM-JIBNA-AR-0801F
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File and Use
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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)
State National	0	0	0	0	0	0	0

4b.	Rate Change by Company (As Accepted) For State Use Only						
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)

5. Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)	0	
5b	Overall percentage rate impact for this filing	0	
5c	Effect of Rate Filing – Written premium change for this program	0	
5d	Effect of Rate Filing – Number of policyholders affected	0	

6.	Overall percentage of last rate revision	n/a
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7.	Effective Date of last rate revision	n/a
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	n/a
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	Pages 1 and 2, Ed. 2008	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



April 29, 2008

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904

**Re: Letter of Filing Authorization
State National Insurance Company, Inc.
Personal Inland Marine – Personal Jewelry Insurance
Initial Rule, Rate, Form Filing**

Dear Ladies/Gentlemen:

This letter will certify that ProFilers, L.L.C. has been given full authorization to submit the captioned filing on behalf of State National Insurance Company, Inc. This authorization extends to all correspondence regarding this particular filing only. It does not apply to any subsequent filings made after the approval of the referenced filing.

Please direct all correspondence in relation to this filing directly to ProFilers, L.L.C., 7133 W. Honeysuckle Drive, Peoria, AZ 85383. Should you have any questions concerning this filing, please contact Carol Selleck at (623) 376-2462, or by e-mail at Cselleck@cox.net.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Cleff", written over a horizontal line.

David M. Cleff
Senior Vice President and General Counsel

Cc: File (JIBNA)

FILING MEMORANDUM
STATE NATIONAL INSURANCE COMPANY, Inc.
Personal Inland Marine Jewelry Program

State National Insurance Company, Inc. (SNIC) is introducing a new Personal Inland Marine Jewelry program. SNIC has formed a strategic partnership with Jewelry Insurance Brokerage of North America (JIBNA). JIBNA has extensive experience underwriting these types of exposures which will contribute to the viability of the program. This is a personal lines jewelry insurance product and is separate from any other Inland Marine coverages offered by SNIC.

Rates and Rules

Inasmuch as this is a new program for SNIC, the company is proposing rates and rules that generate competitive rate levels for profitable segments of risk. This program will be filed for approval in all states which require approval of personal inland marine rates and rules. As competitive data is limited in the stand alone personal jewelry line, SNIC is benchmarking Jewelers Mutual Insurance Company, who specializes in this coverage offering. The base rates will mirror those currently used by Jewelers Mutual. SNIC is proposing modifications to the Jewelers Mutual approach as explained below.

1. SNIC is proposing a \$50 minimum premium which reflects the company's anticipated incremental costs since the initial pilot of this program requires that all policies and supporting documents (e.g., appraisals) be processed manually with all data being individually keyed into our policy issuance and billing systems. It also reflects the commission expense related to this program. Once the experience on this program has had an opportunity to develop, the company will be in a position to gauge the actual expenses associated with this program and file adjustments as appropriate.
2. SNIC is offering fewer deductible options which are based on a per occurrence basis rather than per item.
3. SNIC is offering additional discounts and surcharges for endorsements not currently offered by Jewelers. New Rule 4. is the same as a rule contained in the Personal Inland Marine offered by the Chubb Group of companies. The availability of the surcharges affords the company the ability to use underwriting discretion for risks with a high exposure in these areas that would otherwise be uninsurable in the standard market.
4. Jewelers Mutual currently offers a Valued Policyholder credit of 2% for insureds who have been insured for more than three years. SNIC is proposing a credit of 5% for insureds who have remained claim free for the first two years.

Inasmuch as this is a new program for SNIC, the loss ratio is projected at 53.9%. The underlying expense components are reflected below:

Expenses	
Commission	10.0%
General & Other Acquisition	27.9%
Taxes, Licenses & Fees	5.2%
Unallocated LAE	3.0%

State National Insurance Company, Inc. believes the rates contained in this filing are not excessive, inadequate or unfairly discriminatory. SNIC will closely monitor the experience on this program and file adjustments as appropriate.

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Superseded Attachments

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

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	AR Personal Jewelry Rates	05/01/2008	Arkansas.pdf

State National Insurance Company, Inc.
Personal Inland Marine
Arkansas

Rates, Rules and Premiums

1. Annual Policy Premium - The annual policy premium is determined by summing the total premium for each item of jewelry insured. The base rates shown vary according to the value of each item. The premium is rounded to the nearest dollar per item.

Base Rates					
Rates per \$100 effective 04/01/2007		Retail Value Per Item			Minimum Annual GWP
State	City / County	<= \$15,000	\$15,001 - \$30,000	>= \$30,001	
Arkansas	Pulaski	1.25	1.55	1.90	50.00
Arkansas	All Other	1.15	1.45	1.75	50.00

Examples:

Assuming no deductible option was selected and no discounts apply.

Pulaski - \$15,750 retail value at \$1.55 rate per \$100 = \$244.00 premium.
 (157.50 x 1.55 = 244.125)

Fayetteville - \$37450.00 retail value at \$1.75 rate per \$100 = \$655.00 premium.
 (374.50 x 1.75 = 655.375)

Deductible - The deductible options are selected on a per occurrence basis.

If a loss occurs, the deductible option selected as shown on the declarations page, will apply. The options are:

- a) No deductible.
- b) A flat deductible

Amount	Factor
\$0	1.00
\$100	0.98
\$250	0.97
\$500	0.96
\$1,000	0.95

**State National Insurance Company, Inc.
Personal Inland Marine
Arkansas**

3. Available Discounts / Surcharges - if applicable. Apply Per Item

- a. Documentation
 - i. JISO/ACORD Appraisal (Form #78/79)
 - ii. JISO/ACORD Sales Receipt / (Form #805/806)
- b. Loss Experience: Theft/Mysterious Disappearance <\$5,000
- c. Loss Experience: Theft/Mysterious Disappearance >=\$5,000
- d. Agreed Value Contract
- e. Professional Athlete / Entertainer (4% minimum rate to 6% maximum rate)

Factors
0.95
0.98
1.05
1.10
1.20
3.00

4. Additional Available Discounts / Surcharges - if applicable. Apply Per Item

- Age / Lifestyle
- Exposure Away From Premises
- Jewelry Type
- Off-premises Theft Protection
- On-premises Theft Protection
- Public Exposure
- Qualifying Alarm (CSS / Police)
- Qualifying Safe
- Quality of Documentation
- Residence Location
- Residence Type

Factors*	
Minimum	Maximum
0.00	1.15
0.90	1.25
0.90	1.25
0.95	1.25
0.90	1.25
0.00	1.25
0.95	1.00
0.95	1.00
0.95	1.15
0.95	1.15
0.95	1.15

*Subject to an overall maximum .60 to 1.40.

The following endorsements are attached, as applicable, when the risk qualifies for the above factors:

JIBNA ENDT 0006 – Central Station Alarm, JIBNA ENDT 0007 – Comprehensive Vault, JIBNA ENDT 0010 – Jewelry in Vaults.

5. Optional Coverage Endorsements - If Selected By Insured.

JIBNA ENDT 0004 – Bank Vault (Safe Deposit Box) – Apply a factor of .15 to the first tier rate, subject to a minimum rate of \$0.25/100 and maximum of \$0.40/100.

JIBNA ENDT 0023 – Seasonal Bank Vault – Calculate the additional charge for this coverage as follows:

.80 x bank vault rate + .2 x the >\$30K rate x scheduled amount identified as "In Bank Vault"

JIBNA ENDT 0013 – No Claims Credit – For risks with no claims for the first two year, a credit of 5% will apply to year three (the second renewal term) and beyond.

6. Minimum Premium - \$50.00

7. Eligibility Guidelines

- a. Insurance is available on items that have been appraised or have acceptable documentation.
- b. If the total value of a single item is \$30,000 or more, and/or the total value of all items is \$50,000 or more, applicants need prior approval.