

SERFF Tracking Number: AGNY-125685900 State: Arkansas
 First Filing Company: Granite State Insurance Company, ... State Tracking Number: EFT \$25
 Company Tracking Number: AIC-08-CP-02
 TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
 Product Name: Commercial Property Extension Program - 151640288
 Project Name/Number: Commercial Property Extension Program - 151-640-288/AIC-08-CP-02

Filing at a Glance

Companies: Granite State Insurance Company, New Hampshire Insurance Company

Product Name: Commercial Property Extension SERFF Tr Num: AGNY-125685900 State: Arkansas
 Program - 151640288

TOI: 01.0 Property	SERFF Status: Closed	State Tr Num: EFT \$25
Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)	Co Tr Num: AIC-08-CP-02	State Status: Fees verified and received
Filing Type: Rule	Co Status:	Reviewer(s): Betty Montesi, Llyweyia Rawlins
	Author: Janine Graham	Disposition Date: 06/12/2008
	Date Submitted: 06/06/2008	Disposition Status: Exempt from Review

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

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

Effective Date (New): 07/07/2008

Effective Date (Renewal):
07/07/2008

State Filing Description:

General Information

Project Name: Commercial Property Extension Program - 151-640-288 Status of Filing in Domicile: Pending
 Project Number: AIC-08-CP-02 Domicile Status Comments: This filing is being submitted simultaneously in all states.

Reference Organization: N/A

Reference Title: N/A

Filing Status Changed: 06/12/2008

State Status Changed: 06/12/2008

Corresponding Filing Tracking Number: AGNY-125679679

Filing Description:

The referenced companies submit for your review and approval their Commercial Property Extension Program (the "Program"). This Program revises the ISO Building and Personal Property Coverage Form, Business Income (And Extra Expense) Coverage Form and Causes of Loss – Special Form.

Reference Number: N/A

Advisory Org. Circular: N/A

Deemer Date:

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The Program will be rated using the ISO loss costs and rules currently on file with your Department and the rating rule included in this filing.

Please refer to the attached explanatory memorandum and manual page for information about the rules included in this submission.

Company and Contact

Filing Contact Information

Janine Graham, Filings Analyst Janine.Graham@AIG.com
 175 Water Street (212) 458-7463 [Phone]
 New York, NY 10038 (212) 458-7077[FAX]

Filing Company Information

Granite State Insurance Company	CoCode: 23809	State of Domicile: Pennsylvania
70 Pine Street	Group Code:	Company Type:
New York, NY 10270	Group Name:	State ID Number:
(212) 770-7000 ext. [Phone]	FEIN Number: 02-0140690	

New Hampshire Insurance Company	CoCode: 23841	State of Domicile: Pennsylvania
70 Pine Street	Group Code:	Company Type:
New York, NY 10270	Group Name:	State ID Number:
(212) 770-7000 ext. [Phone]	FEIN Number: 02-0172170	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$25.00
Retaliatory?	No
Fee Explanation:	\$25.00 - Rule filing per group
Per Company:	No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Granite State Insurance Company	\$25.00	06/06/2008	20712338
New Hampshire Insurance Company	\$0.00	06/06/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Llyweyia Rawlins	06/12/2008	06/12/2008

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Disposition

Disposition Date: 06/12/2008

Effective Date (New): 07/07/2008

Effective Date (Renewal): 07/07/2008

Status: Exempt from Review

Comment:

This line is exempt from filing rates/rules in compliance with ACA 23-67-206 which states that P&C insurance for commercial risks, excluding workers' compensation, employers' liability and professional liability insurance, including but not limited to, medical malpractice insurance, are exempted from the rates/rules filing and review requirements.

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

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

SERFF Tracking Number: *AGNY-125685900* *State:* *Arkansas*
First Filing Company: *Granite State Insurance Company, ...* *State Tracking Number:* *EFT \$25*
Company Tracking Number: *AIC-08-CP-02*
TOI: *01.0 Property* *Sub-TOI:* *01.0001 Commercial Property (Fire and Allied Lines)*

Product Name: *Commercial Property Extension Program - 151640288*
Project Name/Number: *Commercial Property Extension Program - 151-640-288/AIC-08-CP-02*

Item Type	Item Name	Item Status	Public Access
Supporting Document	Explanatory Memorandum	Accepted for Informational Purposes	Yes
Supporting Document	Property & Casualty Tranmittal Document	Accepted for Informational Purposes	Yes
Rate	CPE-Exception Page Edition (5/08)	Accepted for Informational Purposes	Yes

SERFF Tracking Number: *AGNY-125685900* *State:* *Arkansas*
First Filing Company: *Granite State Insurance Company, ...* *State Tracking Number:* *EFT \$25*
Company Tracking Number: *AIC-08-CP-02*
TOI: *01.0 Property* *Sub-TOI:* *01.0001 Commercial Property (Fire and Allied Lines)*

Product Name: *Commercial Property Extension Program - 151640288*
Project Name/Number: *Commercial Property Extension Program - 151-640-288/AIC-08-CP-02*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AGNY-125685900 State: Arkansas
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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	CPE-Exception Page Edition (5/08)	1	New	CPE - Exception Page (5-08).pdf

**Commercial Lines Manual
Division Five – Fire and Allied Lines
Exception Page**

ENHANCED PROPERTY COVERAGE FORMS – RATING RULE

Rating rule for use of forms numbers: 97064 – Building and Personal Property Coverage Form; 97070 – Business Income (And Extra Expense) Coverage Form; and 97072 – Causes of Loss – Special Form

All policies will be rated as per our filed and approved ISO loss cost factors, company loss cost multipliers, ISO IRPM rating plan, company deviations and package modifications (if required) for and all property coverages.

The premium determined, as per our filed and approved rating plan, shall in all instances be increased by three percent (3%) when the following forms are utilized for policy issuance: 97064 – Building and Personal Property Coverage Form; 97070 – Business Income (And Extra Expense) Coverage Form; and 97072 – Causes of Loss – Special Form

The three percent (3%) premium charge for use of the forms is further subject to a minimum policy premium charge of \$225, and a maximum policy premium charge of \$1,000.

No single form, or combination of two forms, may be used for a policy. All forms must be included as coverage forms on an individual policy.

Form Number 76030 - ADDITIONAL COVERAGES – HUMAN SERVICES

Additional Premium: \$125

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Supporting Document Schedules

Satisfied -Name: Explanatory Memorandum **Review Status:** Accepted for Informational Purposes 06/12/2008

Comments:

Attachment:

UW Narrative - Rating Rule Premium Development.pdf

Satisfied -Name: Property & Casualty Tranmittal Document **Review Status:** Accepted for Informational Purposes 06/12/2008

Comments:

Attachment:

06-06-08 AR PCTD-1 PE (Rule).pdf

Rating rule pricing development

- Data utilized to analyze exposures and develop estimated account exposure bases encompass:
 - \$55,660,000,000 in building values
 - \$12,818,000,000 in contents values
 - \$ 8,368,000,000 in business income values
 - over 22,000 policies
 - 66,992 locations
- Average exposed values per policy = \$3,454,532
- Average exposed values per location = \$1,147,093
- On average building values are 72.4% of exposed values; contents 16.7% of exposed values; business income 10.9% of exposed values;
- The average policy property premium is: \$7,403.
- The average location property premium is: \$2,458.

Utilizing the above average policy and average location value information, we have estimated the average exposure for Additional Coverages and Coverage Extensions, for which a premium charge will be made.

- If there is a limit currently included in the ISO policy form, we have rated:
 - Using the difference between the estimated average exposure and the ISO policy limit, as an exposure base;
 - Utilizing the currently adopted and approved ISO rating rules, to generate an average premium charge for the increased exposure.
- If the coverage is not provided within the current ISO policy form, we have rated at the estimated average exposure, utilizing the currently adopted and approved ISO rating rules for such exposure.

The average additional premium developed, using the estimated exposures referenced above, is \$312.

It is anticipated that, on average, there will likely be exposure for any one account to approximately 80% of the extensions offered, for which a premium charge is to be calculated.

There will be efficiencies gained via inclusion of the various extensions within a set of policy forms, and therefore a credit of 10% is anticipated to be reasonable for such benefit.

The average premium charge, for an average policy, is calculated using the premium and factors at:
 $\$312 \times .80 \times .90 = \225 .

At an average policy property premium of \$7,403. this results in a premium charge for the extensions of 3.03%.

We will round this to a proposed charge of 3% of the property policy premium.

It is further contemplated that there is a need to assure reasonable premium be obtained for these extensions of coverage, irrespective of the property policy premium generated by any one account. The proposed minimum premium is equal to our estimated average, being \$225.

It is further understood that as accounts become larger, there is not a proportional increase in exposure. Therefore, a maximum additional premium charge of \$1,000 for these extensions will be instituted.

The rating rule for use of the filed forms is:

- Calculate the additional premium at 3% of the policy property premium, subject to;
- A minimum premium charge of \$225; and
- A maximum premium charge of \$1,000 per policy.

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 #
American International Group, Inc.	012

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Granite State Insurance Company	PA	23809	02-0140690	
New Hampshire Insurance Company	PA	23841	02-0172170	

5. Company Tracking Number	AIC-08-CP-02
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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
	Janine Graham 175 Water Street, 17 th Floor New York, New York 10038	Filings Analyst	(212) 458-7463	(212) 458-7077	janine.graham@aig.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Janine Graham

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

9. Type of Insurance (TOI)	01.0000 Property
10. Sub-Type of Insurance (Sub-TOI)	01.0001 Commercial Property (Fire and Allied Lines)
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Commercial Property Extension 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: July 7, 2008 Renewal: July 7, 2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	N/A
17. Reference Organization # & Title	N/A
18. Company's Date of Filing	June 6, 2008
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 #	AIC-08-CP-02
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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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The referenced companies in Item 4 of this document submit for your review and approval their Commercial Property Extension Program (the “Program”). This Program revises the ISO Building and Personal Property Coverage Form, Business Income (And Extra Expense) Coverage Form and Causes of Loss – Special Form.

The Program will be rated using the ISO loss costs and rules on file with your Department and the rating rule included in this filing.

Please refer to the attached Explanatory Memorandum and Manual Page for information about the rules included in this submission.

The forms for this Program are submitted separately under SERFF Tracking No. AGNY-125679679.

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 #: N/A
Amount: \$25.00

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.)**

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 #	AIC-08-CP-02
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
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4a.	Rate Change by Company (As Proposed)
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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)
Granite State Insurance Company	N/A						
New Hampshire Insurance Company	N/A						

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	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)	N/A	
5b	Overall percentage rate impact for this filing	N/A	
5c	Effect of Rate Filing – Written premium change for this program	N/A	
5d	Effect of Rate Filing – Number of policyholders affected	N/A	

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	CPE-Exception Page Editon (5/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	