

SERFF Tracking Number: FARM-125679578 State: Arkansas
First Filing Company: Farmers Insurance Company, Inc., ... State Tracking Number: #2 CKS. TOTAL \$50
Company Tracking Number: AAR0801-203050, AAR0801-403050
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Product Name: A-AR-2008-PA-F
Project Name/Number: AR Reinstatement Fee/B-08-034

Filing at a Glance

Companies: Farmers Insurance Company, Inc., Mid-Century Insurance Company

Product Name: A-AR-2008-PA-F SERFF Tr Num: FARM-125679578 State: Arkansas
TOI: 19.0 Personal Auto SERFF Status: Closed State Tr Num: #2 CKS. TOTAL \$50
Sub-TOI: 19.0001 Private Passenger Auto (PPA) Co Tr Num: AAR0801-203050, State Status: Fees verified and received
Filing Type: Rule AAR0801-403050
Co Status: Reviewer(s): Alexa Grissom, Betty Montesi
Authors: Anahit Bekarian, Jeanette Campion, Gayane Rupchian, Mina Villegas, Chris SalvaCruz, Edmond Balaian
Disposition Date: 06/26/2008
Date Submitted: 06/23/2008 Disposition Status: Filed
Effective Date Requested (New): 10/18/2008 Effective Date (New): 10/18/2008
Effective Date Requested (Renewal): 10/18/2008 Effective Date (Renewal):
State Filing Description:
ck # 3010727386 \$25 and Ck # 3040009173 \$25

General Information

Project Name: AR Reinstatement Fee Status of Filing in Domicile: Authorized
Project Number: B-08-034 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 06/26/2008
State Status Changed: 06/26/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

We respectfully submit for your approval revisions to our private passenger automobile rates and rules for Farmers Insurance Company, Inc and Mid-Century Insurance Company . We are designating this filing with a proposed effective date of October 18, 2008. The proposed changes involve the Reinstatement Fee.

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Company and Contact

Filing Contact Information

Feliksa Barran, Manager - Business Feliksa_Barran@farmersinsurance.com
 Implementation
 4700 Wilshire Blvd. (323) 932-3056 [Phone]
 Los Angeles, CA 90010

Filing Company Information

Farmers Insurance Company, Inc. CoCode: 21628 State of Domicile: Kansas
 10850 Lowell Avenue Group Code: 212 Company Type:
 Overland Park, KS 66210-1667 Group Name: State ID Number:
 (323) 932-3056 ext. [Phone] FEIN Number: 48-0609012

Mid-Century Insurance Company CoCode: 21687 State of Domicile: California
 4680 Wilshire Blvd. Group Code: 212 Company Type:
 Los Angeles, CA 90010 Group Name: State ID Number:
 (323) 932-3056 ext. [Phone] FEIN Number: 95-6016640

Filing Fees

Fee Required? Yes
 Fee Amount: \$25.00
 Retaliatory? No
 Fee Explanation: \$25.00 is the fee amount required of each filing company, in this case, FICI & MC for a total of \$50.00. The checks will be mailed to DOI via DHL on Tuesday, 06-24-2008.
 Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|---------------------------------|--------|----------------|---------------|
| Farmers Insurance Company, Inc. | \$0.00 | 06/23/2008 | |
| Mid-Century Insurance Company | \$0.00 | 06/23/2008 | |

| CHECK NUMBER | CHECK AMOUNT | CHECK DATE |
|--------------|--------------|------------|
| 3040009173 | \$25.00 | 06/12/2008 |
| 3010727386 | \$25.00 | 06/16/2008 |

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Project Name/Number: AR Reinstatement Fee/B-08-034

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|--------|---------------|------------|----------------|
| Filed | Alexa Grissom | 06/26/2008 | 06/26/2008 |

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Disposition

Disposition Date: 06/26/2008
Effective Date (New): 10/18/2008
Effective Date (Renewal):
Status: Filed
Comment:

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 |

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 Product Name: A-AR-2008-PA-F
 Project Name/Number: AR Reinstatement Fee/B-08-034

| Item Type | Item Name | Item Status | Public Access |
|----------------------------|---|--------------------|----------------------|
| Supporting Document | A-1 Private Passenger Auto Abstract | Filed | Yes |
| Supporting Document | APCS-Auto Premium Comparison Survey | Filed | Yes |
| Supporting Document | NAIC loss cost data entry document | Filed | Yes |
| Supporting Document | NAIC Loss Cost Filing Document for OTHER than Workers' Comp | Filed | Yes |
| Supporting Document | Uniform Transmittal Document-Property & Casualty | Filed | Yes |
| Supporting Document | Cover memo | Filed | Yes |
| Supporting Document | Supporting Exhibit | Filed | Yes |
| Rate | Manual page | Filed | Yes |

| | | | |
|---------------------------------|---|-------------------------------|---|
| <i>SERFF Tracking Number:</i> | <i>FARM-125679578</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>First Filing Company:</i> | <i>Farmers Insurance Company, Inc., ...</i> | <i>State Tracking Number:</i> | <i>#2 CKS. TOTAL \$50</i> |
| <i>Company Tracking Number:</i> | <i>AAR0801-203050, AAR0801-403050</i> | | |
| <i>TOI:</i> | <i>19.0 Personal Auto</i> | <i>Sub-TOI:</i> | <i>19.0001 Private Passenger Auto (PPA)</i> |
| <i>Product Name:</i> | <i>A-AR-2008-PA-F</i> | | |
| <i>Project Name/Number:</i> | <i>AR Reinstatement Fee/B-08-034</i> | | |

Rate Information

Rate data does NOT apply to filing.

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Project Name/Number: AR Reinstatement Fee/B-08-034

Rate/Rule Schedule

| Review Status: | Exhibit Name: | Rule # or Page #: | Rate Action | Previous State Filing Attachments Number: |
|----------------|---------------|-------------------|-------------|---|
| Filed | Manual page | Page 301 | Replacement | Manual page 301.pdf |

FARMERS INSURANCE GROUP (FARMERS AND MID-CENTURY)

RATING RULES

All premiums must be rounded by coverage to the nearest ten cents (\$0.10). For this purpose, an amount ending in five cents (\$0.05) shall be rounded upwards. The total premium is the sum of the base premium (plus an applicable discounts or surcharges) and the additive premium for the desired coverages plus the policy fee.

POLICY AND REINSTATEMENT FEES

On all policies issued in Farmers, a policy fee is charged at the time of writing a new policy. Separate policy fees apply to each automobile.

Farmers Policy Fees:

For a new Farmers policy fee, add a \$15.00 Policy Fee to the final premium.

Mid-Century Policy Fees:

For a new Mid-Century policy fee, add a \$15.00 Policy Fee to the final premium.

★ **Reinstatement Fees:**

A Reinstatement Fee is charged on each policy reinstated after being out of force more than 10 days.

Reinstatement Fee \$25.00

Policy and reinstatement fees are not returnable.

Exception: If a policy is cancelled for a cause (including non-renewal) during the initial Policy term, policy fees will be refunded in full.

Policy fees may be applied as credit for fees required for similar insurance in the future and may be transferred between Companies, provided current coverage is being re-written without coverage interruption.

Policy fees are transferable only between members of the immediate family — (such as between spouse, surviving spouse, father, mother, daughter and son). In every such case, the original member or his legal representative must authorize the transfer in writing. Secure a complete new application from the person to whom the membership is transferred and verify eligibility.

Exception: A person in military service, leaving his automobile with a relative, friend, or fiancée may also transfer credits to that person. However, the new insured must meet all underwriting requirements, and a complete new application must be submitted.

| | | | |
|---------------------------------|---|-------------------------------|---|
| <i>SERFF Tracking Number:</i> | <i>FARM-125679578</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>First Filing Company:</i> | <i>Farmers Insurance Company, Inc., ...</i> | <i>State Tracking Number:</i> | <i>#2 CKS. TOTAL \$50</i> |
| <i>Company Tracking Number:</i> | <i>AAR0801-203050, AAR0801-403050</i> | | |
| <i>TOI:</i> | <i>19.0 Personal Auto</i> | <i>Sub-TOI:</i> | <i>19.0001 Private Passenger Auto (PPA)</i> |
| <i>Product Name:</i> | <i>A-AR-2008-PA-F</i> | | |
| <i>Project Name/Number:</i> | <i>AR Reinstatement Fee/B-08-034</i> | | |

Supporting Document Schedules

| | | | | |
|-------------------------|--|-----------------------|-------|------------|
| Bypassed -Name: | A-1 Private Passenger Auto Abstract | Review Status: | Filed | 06/26/2008 |
| Bypass Reason: | not applicable | | | |
| Comments: | | | | |
| Bypassed -Name: | APCS-Auto Premium Comparison Survey | Review Status: | Filed | 06/26/2008 |
| Bypass Reason: | Not applicable | | | |
| Comments: | | | | |
| Bypassed -Name: | NAIC loss cost data entry document | Review Status: | Filed | 06/26/2008 |
| Bypass Reason: | Not applicable | | | |
| Comments: | | | | |
| Bypassed -Name: | NAIC Loss Cost Filing Document for OTHER than Workers' Comp | Review Status: | Filed | 06/26/2008 |
| Bypass Reason: | Not applicable | | | |
| Comments: | | | | |
| Satisfied -Name: | Uniform Transmittal Document- Property & Casualty | Review Status: | Filed | 06/26/2008 |
| Comments: | | | | |
| Attachment: | P&C transmittal.pdf | | | |
| Satisfied -Name: | Cover memo | Review Status: | Filed | 06/26/2008 |

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Project Name/Number: AR Reinstatement Fee/B-08-034

Comments:

Attachment:

Cover memo.pdf

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Product Name: A-AR-2008-PA-F
Project Name/Number: AR Reinstatement Fee/B-08-034

Satisfied -Name: Supporting Exhibit **Review Status:** Filed 06/26/2008
Comments:
Attachment:
Exhibit I.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 # |
| Farmers Insurance Group of Companies | 0212 |

| 4. Company Name(s) | Domicile | NAIC # | FEIN # | | NAIC # |
|--------------------------------|----------|--------|------------|--|--------|
| Farmers Insurance Company, Inc | KS | 21628 | 48-0609012 | | 0212 |
| Mid-Century Insurance Company | CA | 21687 | 95-6016440 | | 0212 |
| | | | | | |
| | | | | | |

| | |
|-----------------------------------|--------------------------------|
| 5. Company Tracking Number | AAR0801-203050, AAR0801-403050 |
|-----------------------------------|--------------------------------|

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

| 6. | Name and address | Title | Telephone #s | FAX # | e-mail |
|----|---|-----------------|----------------|----------------|--------|
| | Antonio Jackson 4700 Wilshire Blvd. Los Angeles, CA 90010 | Product Manager | (323) 932-3841 | (323) 932-3161 | |
| | | | | | |

| | |
|----------------------------------|--|
| 7. Signature of authorized filer |  |
|----------------------------------|--|

| | |
|--|---------------|
| 8. Please print name of authorized filer | Mina Villegas |
|--|---------------|

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

| | |
|--|--|
| 9. Type of Insurance (TOI) | Personal Auto |
| 10. Sub-Type of Insurance (Sub-TOI) | Private Passenger Auto |
| 11. State Specific Product code(s)(if applicable)[See State Specific Requirements] | 19.0 / 19.0000 |
| 12. Company Program Title (Marketing title) | Reinstatement fee |
| 13. Filing Type | <input type="checkbox"/> Rate/Loss Cost <input checked="" 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: 10/18/2008 Renewal: 10/18/2008 |
| 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 | June 23, 2008 |
| 19. Status of filing in domicile | <input 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 # | AAR0801-203050, AAR0801-403050 |
|------------|--|--------------------------------|

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

We respectfully submit for your approval revisions to our private passenger automobile rates and rules for Farmers Insurance Company, Inc and Mid-Century Insurance Company. We are designating this filing with a proposed effective date of October 18, 2008. The proposed changes involve the Reinstatement Fee.

Proposed Change

The Reinstatement Fee amount currently charged to customers is inadequate due to rising labor costs, administrative costs and the costs of other items, such as producing the reminder notices, cancellation notices, as well as postage and handling costs. Farmers currently collects a Policy Reinstatement Fee of \$10 for policies that reinstate after the grace period. We are proposing an increase to the reinstatement fee of \$25 after a ten day grace period. The reinstatement fee increase will mitigate the rising costs and frequency without imposing any part of this burden on policyholders that do not require reinstatement processing. In 2007, Farmers reinstated 1,763,541 country-wide, of which approximately 33% were reinstated after the grace period.

The estimated impact of this change on total annual premium is (0.2%). Please refer to Exhibit 1 for the Arkansas specific impact.

| | |
|------------|---|
| 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: 3040009173
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.)**



FARMERS

June 23, 2008

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

**Subject: Private Passenger Auto Rate and Rule Revision – Reinstatement Fee
Proposed Effective 10/18/2008
Farmers Insurance Company, Inc.
Mid-Century Insurance Company**

| Company | Reference Number | NAIC No. | Group No. |
|---------------------------------|------------------|----------|-----------|
| Farmers Insurance Company, Inc. | AAR0801-203050 | 21628 | 0212 |
| Mid-Century Insurance Company | AAR0801-403050 | 21687 | 0212 |

Dear Commissioner:

We respectfully submit for your approval revisions to our private passenger automobile rates and rules for Farmers Insurance Company, Inc and Mid-Century Insurance Company . We are designating this filing with a proposed effective date of **October 18, 2008**. The proposed changes involve the Reinstatement Fee.

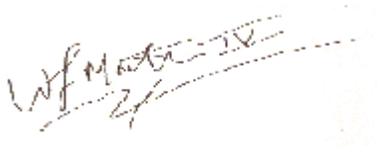
Proposed Change

The Reinstatement Fee amount currently charged to customers is inadequate due to rising labor costs, administrative costs and the costs of other items, such as producing the reminder notices, cancellation notices, as well as postage and handling costs. Farmers currently collects a Policy Reinstatement Fee of \$10 for policies that reinstate after the grace period. We are proposing an increase to the reinstatement fee of \$25 after a ten day grace period. The reinstatement fee increase will mitigate the rising costs and frequency without imposing any part of this burden on policyholders that do not require reinstatement processing. In 2007, Farmers reinstated 1,763,541 country-wide, of which approximately 33% were reinstated after the grace period.

The estimated impact of this change on total annual premium is (0.2%). Please refer to Exhibit 1 for the Arkansas specific impact.

Your consideration and approval of this filing will be greatly appreciated. If you have any questions on this material or require further information, please contact Yuan Li at Product Manager, at 323) 930-7699.

Very truly yours,
FARMERS INSURANCE COMPANY, INC
MID-CENTURY INSURANCE COMPANY

A handwritten signature in blue ink, appearing to read "Bill Martin - MBA", is written over a set of horizontal dashed lines. The signature is slanted and includes a checkmark-like flourish at the end.

Bill Martin, MBA
Vice-President, Auto Product Management

By: Yuan Li
Auto Product Management

Exhibit 1

Arkansas Auto
Farmers and Mid Century Insurance Company
Impact of Reinstatement Fee Change

| | | | |
|---|--|----|------------|
| 1 | Current Reinstatement Fee | \$ | 10.00 |
| 2 | Proposed Reinstatement Fee | \$ | 25.00 |
| 3 | 2007 Number of Reinstated Policies | | 18,889 |
| 4 | % of Reinstatements after grace period | | 51% |
| 5 | # of Reinstatements after grace period | | 9633.39 |
| 6 | Estimated Premium Impact | \$ | 144,500.85 |
| 7 | 2007 Gross Written Premiums | \$ | 99,259,000 |
| 8 | Estimated Premium Impact | | 0.1% |

Notes

(5) = (3) x (4)

(6) = (2 - 1) * (5)

(7) = (6) / (7)