

SERFF Tracking Number: EMCC-125729273 State: Arkansas  
First Filing Company: EMCASCO Insurance Company, ... State Tracking Number: EFT \$100  
Company Tracking Number: AR-HO-2008-01  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Rate & Rule Revision  
Project Name/Number: /

## Filing at a Glance

Companies: EMCASCO Insurance Company, Employers Mutual Casualty Company, Union Insurance Company of Providence

Product Name: Rate & Rule Revision	SERFF Tr Num: EMCC-125729273	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: AR-HO-2008-01	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi
	Author: Stephanie McBride	Disposition Date: 07/16/2008
	Date Submitted: 07/11/2008	Disposition Status: Filed
Effective Date Requested (New): 10/01/2008		Effective Date (New): 10/01/2008
Effective Date Requested (Renewal): 10/01/2008		Effective Date (Renewal): 10/01/2008

State Filing Description:

## General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 07/16/2008	
State Status Changed: 07/11/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
July 11, 2008	

Commissioner of Insurance  
Arkansas Insurance Department  
1200 West Third Street

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Product Name: Rate & Rule Revision  
Project Name/Number: /  
Little Rock, AR 72201-1904

EMPLOYERS MUTUAL CASUALTY COMPANY – 062-21415  
EMCASCO INSURANCE COMPANY – 062-21407  
UNION INSURANCE COMPANY OF PROVIDENCE – 062-21423  
Homeowners  
Rate and Rule Revision  
Company Filing #: AR-HO-2008-01  
Effective Date: October 1, 2008

The captioned companies are members of Insurance Services Office and currently have independent rates on file with your department. We are transmitting for filing a rate level revision that will result in an estimated decrease of 15.6% for the companies combined. This revision will be applicable to policies effective on or after October 1, 2008. The corresponding form filing will be sent under separate cover.

Our rate revision consists of the revised items shown below and detailed on the attached exhibits. The attached rule memorandum outlines the rule revisions.

- Revised base rates by territory – Union will continue to be rated at 75% of EMCASCO. Employers Mutual will now be rated at 160% of EMCASCO.
- Revised Deductible Relativities
- Revised Territorial Definitions
- Revised Insurance Score Discounts, including changing the base to a score of less than 601
- Revised various Optional Section I & II rates including removal of the \$400,000 Coverage E limit and addition of the \$1,000,000 limit.

In support of this revision we are providing exhibits displaying the current and revised base rates and relativities for the above items along with the following additional forms and exhibits:

- Transmittal Document
- Rate/Rule Filing Schedule
- Rate Filing Abstract
- Homeowners Premium Comparison Survey- Please note the following:
  - 1) We do not offer Mobile Home Coverage

<i>SERFF Tracking Number:</i>	<i>EMCC-125729273</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>EMCASCO Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>AR-HO-2008-01</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Rate &amp; Rule Revision</i>		
<i>Project Name/Number:</i>	<i>/</i>		

2) We currently follow ISO's earthquake territory definitions  
3) The earthquake underwriting guidelines are in the Agent's Manual

- Calendar Year Actual Experience
- Investment Income Exhibit
- Development of Permissible Loss & LAE Ratio Exhibit
- Expense Provisions
- Rate Level Indications, Explanatory Notes, and Credibility-Weighted Indications
- Supporting Information
- Summary of Changes
- Filing Fee in the amount of \$100, available via EFT

We respectfully request your acknowledgment of this revision to be applicable to policies effective on or after October 1, 2008. Thank you.

Stephanie McBride  
Filings Analyst  
Rates and Filings Dept.  
800-247-2128 Ext. 2684  
Stephanie.M.McBride@EMCIns.com

## Company and Contact

### Filing Contact Information

Stephanie McBride, Filings Analyst  
PO Box 712  
Des Moines, IA 50306-0712

Stephanie.M.McBride@EMCIns.com  
(515) 345-2684 [Phone]  
(515) 345-2223[FAX]

### Filing Company Information

EMCASCO Insurance Company  
717 Mulberry Street  
Des Moines, IA 50309  
(800) 247-2128 ext. [Phone]

CoCode: 21407  
Group Code: 62  
Group Name:  
FEIN Number: 42-6070764  
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State of Domicile: Iowa  
Company Type: P & C  
State ID Number:

Employers Mutual Casualty Company

CoCode: 21415

State of Domicile: Iowa

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Product Name: Rate & Rule Revision  
Project Name/Number: /

717 Mulberry Street  
Des Moines, IA 50309  
(800) 247-2128 ext. [Phone]

Group Code: 62  
Group Name:  
FEIN Number: 42-0234980  
-----

Company Type: P & C  
State ID Number:

Union Insurance Company of Providence  
717 Mulberry Street  
Des Moines, IA 50309  
(800) 247-2128 ext. [Phone]

CoCode: 21423  
Group Code: 62  
Group Name:  
FEIN Number: 05-0230479  
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State of Domicile: Iowa  
Company Type: P & C  
State ID Number:

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
EMCASCO Insurance Company	\$100.00	07/11/2008	21364779
Employers Mutual Casualty Company	\$0.00	07/11/2008	
Union Insurance Company of Providence	\$0.00	07/11/2008	

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	07/16/2008	07/16/2008

### 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	07/11/2008	07/11/2008	Stephanie McBride	07/16/2008	07/16/2008

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## Disposition

Disposition Date: 07/16/2008  
 Effective Date (New): 10/01/2008  
 Effective Date (Renewal): 10/01/2008  
 Status: Filed  
 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:
EMCASCO Insurance Company	-20.300%	\$-154,522	872	\$760,855	28.300%	-46.200%	-5.900%
Employers Mutual Casualty Company	-0.300%	\$-679	259	\$241,122	58.000%	-33.800%	-5.900%
Union Insurance Company of Providence	-19.800%	\$-3,098	20	\$15,682	28.400%	-46.200%	-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	-15.600%
Effect of Rate Filing-Written Premium Change For This Program	\$-158,299

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**Effect of Rate Filing - Number of Policyholders Affected**

1,151



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Item Type	Item Name	Item Status	Public Access
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		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	Rule Memorandum	Filed	Yes
Supporting Document	Actuarial Exhibits	Filed	Yes
Supporting Document	Resp to Obj Letter	Filed	Yes
Rate	Manual Pages	Filed	Yes

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Product Name: Rate & Rule Revision  
Project Name/Number: /

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 07/11/2008

Submitted Date 07/11/2008

Respond By Date

Dear Stephanie McBride,

This will acknowledge receipt of the captioned filing.

### Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: These documents appear to be zip files. We cannot accept them as submitted. Please re-submit as xls only files.

### Objection 2

- Uniform Transmittal Document-Property & Casualty (Supporting Document)

Comment: Please provide the number of insureds actually receiving an increase of more than 20%.

### Objection 3

- Actuarial Exhibits (Supporting Document)

Comment: Provide justification for moving Counties of Territory 71 to 81 and 82.

### Objection 4

- Actuarial Exhibits (Supporting Document)

Comment: It appears no hits/thin files are being moved from the 651-700 range to 601-650. No hits/thin files must be treated as credit neutral. Pursuant to 23-67-405, please identify your neutral tier.

### Objection 5

- Manual Pages (Rate)

Comment: Limits and Coverage Relationships, Page HO-8, Item E(1) is unclear. Actual Cash Value loss settlements wind/hail to roof is not allowed when a dwelling is covered under replacement cost.

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.

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Sincerely,  
Becky Harrington

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 07/16/2008  
Submitted Date 07/16/2008

Dear Becky Harrington,

### Comments:

#### Response 1

Comments: Attached is our response to the 7/11/08 objection letter. Please let me know if you need any additional information.

Thank you  
Stephanie McBride

#### Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

These documents appear to be zip files. We cannot accept them as submitted. Please re-submit as xls only files.

#### Related Objection 2

Applies To:

- Uniform Transmittal Document-Property & Casualty (Supporting Document)

Comment:

Please provide the number of insureds actually receiving an increase of more than 20%.

#### Related Objection 3

Applies To:

- Actuarial Exhibits (Supporting Document)

Comment:

Provide justification for moving Counties of Territory 71 to 81 and 82.

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Product Name: Rate & Rule Revision  
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#### **Related Objection 4**

Applies To:

- Actuarial Exhibits (Supporting Document)

Comment:

It appears no hits/thin files are being moved from the 651-700 range to 601-650. No hits/thin files must be treated as credit neutral. Pursuant to 23-67-405, please identify your neutral tier.

#### **Related Objection 5**

Applies To:

- Manual Pages (Rate)

Comment:

Limits and Coverage Relationships, Page HO-8, Item E(1) is unclear. Actual Cash Value loss settlements wind/hail to roof is not allowed when a dwelling is covered under replacement cost.

#### **Changed Items:**

##### **Supporting Document Schedule Item Changes**

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment:

Satisfied -Name: Resp to Obj Letter

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Stephanie McBride

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## Rate Information

Rate data applies to filing.

**Filing Method:** File & Use  
**Rate Change Type:** Decrease  
**Overall Percentage of Last Rate Revision:** -5.400%  
**Effective Date of Last Rate Revision:** 06/01/2007  
**Filing Method of Last Filing:** File & Use

## 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):
EMCASCO Insurance Company	-5.900%	-20.300%	\$-154,522	872	\$760,855	28.300%	-46.200%
Employers Mutual Casualty Company	-5.900%	-0.300%	\$-679	259	\$241,122	58.000%	-33.800%
Union Insurance Company of Providence	-5.900%	-19.800%	\$-3,098	20	\$15,682	28.400%	-46.200%

## Overall Rate Information for Multiple Company Filings

**Overall % Rate Indicated:** -5.900%

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Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

<b>Overall Percentage Rate Impact For This Filing:</b>	-15.600%
<b>Effect of Rate Filing - Written Premium Change For This Program:</b>	\$-158,299
<b>Effect of Rate Filing - Number of Policyholders Affected:</b>	1151



<i>SERFF Tracking Number:</i>	<i>EMCC-125729273</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Rate &amp; Rule Revision</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Rate/Rule Schedule

<b>Review Status:</b>	<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action</b>	<b>Previous State Filing Attachments Number:</b>
Filed	Manual Pages	HO-INDEX-1 - HO-INDEX-4, HO-1 - HO-59, HO-R-5 - HO-R- 27, HO-T-1 - HO-T-5, HO-X-1 - HO-X-3	Replacement	Manual Pages.pdf

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<b>SECTION I — ADDITIONAL COVERAGES RULES</b>	<b>Rule No.</b>	<b>Page HO-</b>	<b>Endst.</b>
Rental to Others — Extended Theft Coverage.....	517.	38	HO0541
Residence Held In Trust.....	526.	41	HO0543
Sinkhole Collapse Coverage.....	518.	38	HO0499
Student Away From Home.....	527.	43	HO0527
Water Back Up of Sewers or Drains.....	521.	39	
Water Back Up of Sewers or Drains (\$2,000).....	521.	39	HO7163
Water Back Up of Sewers or Drains (\$5,000).....	521.	39	HO7182
Water Back Up of Sewers or Drains (\$10,000).....	521.	39	HO7190.1

<b>SECTION II COVERAGE RULES AND RATES</b>	<b>Rule No.</b>	<b>Rule Page HO-</b>	<b>Rate Page HO-</b>	<b>Endst.</b>
Additional Residence Rented to Others.....	604.	54	R-20	HO2470
Assisted Living Care Coverage.....	523.	40	R-11	HO0459
Business Pursuits.....	609.	55	R-21	HO2471
Farmers Personal Liability.....	614.	57	R-25	HO2473
Exclusion of Farm Employees Illegally Employed.....	614.	57	N/A	HO2496
Home Business Insurance Coverage.....	528.	43	R-13	HO0701
Home Day Care Coverage (Refer to Co.).....	607.	54	N/A	
Incidental Farming Personal Liability.....	615.	58	R-27	HO2472
Incidental Low Power Recreational Motor Vehicles.....	611.	55	R-23	HO2413
Optional Property Remediation for Escaped Liquid Fuel and Limited Lead, etc. (Refer to Co.).....	616.	58	N/A	
Other Insured Location — Occupied by Insured.....	602.	53	R-19	
Other Members of a Named Insured's Household.....	524.	41	R-11	HO0458
Other Structures — Rented to Others.....	605.	54	R-21	HO0440
Outboard Motors and Watercraft.....	612.	56	R-23	
Pleasure Boat Coverage.....	612.	56	N/A	PM7175
Watercraft.....	612.	56	R-23	HO2475
Owned Recreational Vehicles.....	613.	56	R-25	
Liability Coverage.....	613.	56	R-25	HO7164
Physical Damage Coverage.....	613.	56	N/A	PM7164.5
Permitted Incidental Occupancies.....	608.	54	R-21	
Other Residences.....	608.	54	R-21	HO2443
Residence Premises.....	608.	54	R-21	HO0442
Personal Injury.....	610.	55	R-22	HO2482
Residence Employees.....	603.	53	R-20	
Residence Held In Trust.....	526.	41	R-12	HO0543
Residence Premises.....	601.	53	R-19	
Student Away From Home.....	527.	43	R-12	HO0527
Swimming Pool Liability Coverage.....	621.	58	R-27	
Waterbed Liability Coverage.....	617.	58	R-27	HO7112

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**UNDERWRITING ELIGIBILITY**


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**1. NEW BUSINESS ELIGIBILITY**


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The basis of our competitive rate structure is the careful selection of risks. Our underwriting guidelines require that only preferred or superior risks be submitted for coverage. The maximum binding authority is 3 days for both written and oral binders. Applications must be completed in their entirety, with current photographs (front & rear of dwelling) and replacement cost worksheet attached.

**Minimum Limit Requirements:****EMCC**

- \* **HO0008** — \$75,000 Coverage A
- HO0002, HO0003 and HO0005** — \$100,000 Coverage A
- HO0004 and HO0006** — \$15,000 Coverage C

**EMCASCO**

- \* **HO0002, HO0003 and HO0005** — \$150,000 Coverage A
- HO0004 and HO0006** — \$25,000 Coverage C

**UNION**

- HO0003 and HO0005** — \$175,000 Coverage A
- HO0006** — \$50,000 Coverage C

**Maximum Binding Limit Requirements:****EMCC**

- HO0002, HO0003, HO0005 and HO0008** – \$350,000 Coverage A — Protection Class 1-8

**EMCASCO/UNION**

- HO0002 (EMCASCO), HO0003 and HO0005** – \$500,000 Coverage A — Protection Class 1-8

**EMCC/EMCASCO**

- HO0004** – \$100,000 Coverage C — Protection Class 1-8

**EMCC/EMCASCO/UNION**

- HO0006** – \$200,000 Coverage C — Protection Class 1-8

**EMCC**

- HO0002, HO0003 and HO0005** – \$200,000 Coverage A — Protection Class 9

These acceptability provisions are offered as guidelines. The underwriter's discretion shall apply in cases of extenuating circumstances. Due to varying circumstances it may occasionally be necessary to decline a risk due to circumstances not contemplated in the guidelines.

**A. PRIOR APPROVAL**

Coverage shall not be bound for risks with the following characteristics or conditions until (1) all information has been submitted to the company for appropriate underwriting and (2) the agent has approval for binder coverage:

1. Any Business operation at the insured location that is not specifically shown as eligible in the rule section of this manual.
2. Insurance To Value:
  - EMCC** – Dwellings insured for less than 90% of estimated replacement cost, unless ACV or Special Loss Settlement endorsement is attached.
  - EMCASCO/UNION** – Dwellings insured for less than 100% of estimated replacement cost. Replacement Cost as calculated from a current M&S/B Residential Component Technology software system (RCT).
3. Risks with lapse in coverage.

**1. NEW BUSINESS ELIGIBILITY (Cont'd.)**

4. Any risk with a wood burner, freestanding fireplace, wood burning furnace or fireplace insert. Unit must be:
- factory built;
  - U.L. listed and tested;
  - professionally installed.

Photo must be submitted with completed questionnaire. Refer to Wood Burning Supplemental Guidelines (pages A-1 – A-4). Not eligible in **EMCASCO** or **UNION**.

- \* 5. Any Seasonal or Secondary Dwelling – We must insure the primary dwelling.
6. Any watercraft exceeding: \$25,000 in value, or 200 horsepower, or 20 years of age.

**B. UNACCEPTABLE RISKS****THE FOLLOWING RISKS CANNOT BE SUBMITTED, ACCEPTED OR BOUND:**

- Dwellings over 40 years old in which the plumbing, heating and electrical (minimum 100 amp service with circuit breakers) have **not** been updated or which are **not** in compliance with all current building laws. The roof must have been replaced within the past 20 years.
- Roofs with wood shingles or shakes that have not been treated or maintained (must be fire rated and meet local building codes).
- Dwellings in a deteriorating condition or lacking proper upkeep and maintenance.
- Unoccupied, vacant, or isolated dwellings (not visible from another residence).
- Mobile homes (including Manufactured Homes—which is a reference to mobile homes built after 6-97), log homes, or housing using experimental construction techniques.
- Dwellings with exterior synthetic stucco (e.g. "eifs").
- Trampolines or skateboard ramps.
- Exotic pets or animals (llamas, snakes, ostriches, etc.).
- Risks with large dogs (Dalmations, Dobermans, Pit Bulls, Rottweilers, Chow Chows) or dogs that have bitten or attacked someone.
- HO0004** outside of city limits or in commercial buildings.
- \* Swimming pools/spas/hot tubs that are not fenced in with gates that are self-closing and self-latching (exception--hot tubs/spas that are not fenced in must have locked covers). Pools with diving boards or slides must be pre-approved. Any acceptable pool exposure must have a photo and completed Company pool questionnaire submitted with application.
- Primary dwellings located over 5 miles from the responding fire station (PC 10).
- Watercraft:
  - over 26 feet in length (sailboats over 40 ft.);
  - maximum rated speed exceeding 45 MPH;
  - \* any personal watercraft (jet skis, wave runners, etc.) over 140 HP or with operators with less than 3 years experience (may be waived for operators with power school/water safety certificates of completion).
- Replacement or Repair Cost Protection – Coverage A (Form **HO7121**) unless all of the following apply:
  - insured at 100% of the Company's insurable estimated replacement cost (RCT);
  - dwelling is not over 40 years old (subject to underwriter exception);
  - owner-occupied residence (not available for Builder's Risk coverage);
  - protection class 1-8 only;
  - \* a one-family residence;
  - insured at a Coverage A minimum limit of \$100,000 and maximum limit of \$750,000.

**1. NEW BUSINESS ELIGIBILITY (Cont'd.)**

**15. UNION** – Any of the following qualities or hazards are unacceptable for placement in **UNION**:

- a. forms HO0002, HO0004 or HO0008;
- b. year built of home at inception of policy is prior to 1980;
- c. two, three or four family owner-occupied residences (forms HO0003 and HO0005);
- d. any actual protection class 9 or 10 risk;
- e. any risk with a wood stove or wood fireplace insert heating apparatus hazard;

**C. DEDUCTIBLE OPTIONS**

New Business Minimum All Peril Deductible of \$500 applies for forms **HO0002, HO0003, HO0005 & HO0008**; and a \$250 All Peril Deductible for forms **HO0004 & HO0006**. Refer to Deductible Rule 406.

**D. PERSONAL LIABILITY/MEDICAL PAYMENTS:** \$100,000/\$1,000. Refer to Liability Rules 701. and 702. for higher limit options.

**E. BUILDER'S RISK**

Coverage must be insured for 100% of the completed value. A copy of the contractor's bid specifications is required for homes valued at \$250,000 and over. "Spec" homes and/or where construction has been stopped or suspended are unacceptable. The Named Insured must be the intended owner occupant.

**F. HOME BUSINESS INSURANCE (HOBIZ)**

For coverage to be provided, the home business must be specifically listed under Rule 528 as an "eligible business". The maximum binding authority for business property is \$40,000. Coverage is subject to the Section I policy deductible. This endorsement is not available for seasonal or secondary dwellings. The Home Business Coverage Questionnaire must be completed in its entirety and submitted with application.

**G. SCHEDULED PERSONAL PROPERTY**

Refer to Company any Inland Marine schedule that exceeds 50% of the unscheduled personal property limit or \$50,000, or any single scheduled item that exceeds \$10,000 (except watercraft). Current appraisals are required on items valued at \$5,000 or more.

Refer to Inland Marine Section for all scheduled property items.

**H. EARTHQUAKE**

All binding authority for property coverage is suspended for 7 days immediately following an Earthquake measuring 4.0 or higher on the Richter Scale within a 500 mile radius of the insured location.

**I. MAXIMUM ALLOWABLE LOSSES****36 MONTH HISTORY:**

**EMCC** – No more than 2 losses.

**EMCASCO** – No more than 1 loss.

**UNION** – No Losses.

A history of losses outside the three year experience may be considered.

The underwriter's discretion shall apply in cases of extenuating circumstances.

**\*\*See Note under RENEWAL ELIGIBILITY**

**J. NON-PAYMENT CANCELLATION**

When a policy has been cancelled for non-payment of premium, it will not be reinstated after the cancellation date has become effective.

Subject to the underwriter's authorization, a policy may be reinstated prior to the effective date of cancellation. However, this will not be done more than three times or more than twice in a two year period, regardless of how long the policy has been in force.

Agents are not authorized to accept payments for direct bill or premium financed policies on the company's behalf under any circumstance without prior company approval.

**TERRITORY DEFINITIONS AND CODES**

**1. TERRITORY ASSIGNMENT**

- A. *As Zip Code boundaries are changed by the United States Postal Service (USPS), a new Zip Code may be created. This new Zip Code may not yet be listed below. If this is the case, contact Branch Office.*
- B. Future USPS Zip Code changes will be reflected in ISO's territory definitions in accordance with the ISO Zip Code Territory maintenance procedures on file with the Insurance Department. Manual pages will be updated on a regular basis to reflect future Zip Code changes.

**2. TERRITORY DEFINITIONS**

**For all Section I and II Coverages and Perils Other Than Earthquake.**

**A. Cities**

City of	County of	ISO Code	County Code
Little Rock	Pulaski	30	30
N. Little Rock	Pulaski	30	30

\*

**B. Other Than Cities**

County of	ISO Code	Co. Code	County of	ISO Code	Co. Code	County of	ISO Code	Co. Code
Arkansas	33	81	Garland	33	72	Newton	33	72
Ashley	33	81	Grant	33	81	Ouachita	33	81
Baxter	33	72	Greene	33	73	Perry	33	72
Benton	33	72	Hempstead	33	81	Phillips	33	73
Boone	33	72	Hot Spring	33	81	Pike	33	81
Bradley	33	81	Howard	33	81	Poinsett	33	73
Calhoun	33	81	Independence	33	72	Polk	33	82
Carroll	33	72	Izard	33	72	Pope	33	82
Chicot	33	81	Jackson	33	73	Prairie	33	71
Clark	33	81	Jefferson	32	32	Pulaski	31	31
Clay	33	73	Johnson	33	82	Randolph	33	73
Cleburne	33	72	LaFayette	33	81	St. Francis	33	73
Cleveland	33	81	Lawrence	33	73	Saline	33	81
Columbia	33	81	Lee	33	73	Scott	33	72
Conway	33	82	Lincoln	33	81	Searcy	33	72
Craighead	33	73	Little River	33	81	Sebastian	33	72
Crawford	33	72	Logan	33	72	Sevier	33	81
Crittenden	33	73	Lonoke	33	81	Sharp	33	72
Cross	33	73	Madison	33	72	Stone	33	72
Dallas	33	81	Marion	33	72	Union	33	81
Desha	33	81	Miller	33	81	Van Buren	33	72
Drew	33	81	Mississippi	33	73	Washington	33	72
Faulkner	33	72	Monroe	33	73	White	33	73
Franklin	33	82	Montgomery	33	82	Woodruff	33	73
Fulton	33	72	Nevada	33	81	Yell	33	82

**3. TERRITORY DEFINITIONS — EARTHQUAKE**

*Earthquake Territory Definitions are displayed following the rate section of this manual.*

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**HOMEOWNERS MANUAL RULES**


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**SPECIAL STATE REQUIREMENTS**


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**Special Provisions Endorsement – HO0103**

Use this endorsement with all Homeowners Policies.

**No Coverage For Home Day Care Business – HO0496**

This endorsement details the exclusions and restrictions of the policy with respect to a home day care exposure. Use this endorsement with all Homeowners policies.

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**1. ADDITIONAL RULE – IDENTITY FRAUD EXPENSE COVERAGE**


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**A. Coverage Description**

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, \$15,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity fraud first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

**B. Limits of Liability**

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period.

**C. Premium Computation**

\$15,000 Limit of Liability for an additional premium of \$24.00

**D. Endorsements**

1. Use Identity Fraud Expense Coverage Endorsement **HO0455**.
2. This endorsement provides complete details on coverages, definitions and additional policy conditions applicable to this coverage.

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**ADDITIONAL COMPANY RULES — ALL COMPANIES**


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**\* 1. COMBINATION POLICY DISCOUNT**
**A. Eligibility**

*When the same named insured has both a Personal Auto and a Homeowners policy written in any company within the EMC Group, a 20% discount is applied to the Homeowners policy's final premium after application of all other premium modifications.*

**B. Discount Effective Date**

*If a qualifying policy is written with a non-concurrent date, the discount will be applied to both the Auto and Homeowners policies at the earliest date that concurrent coverage is in effect. The discount may be applied or deleted midterm.*

**C. Cancellation or Non-Renewal**

*In the event either the Personal Auto or Homeowners policy is cancelled or non-renewed, the discount may be deleted from the remaining policy midterm (date concurrent coverage is no longer in effect) or at the next renewal date (underwriter discretion shall apply).*

**ADDITIONAL COMPANY RULE – ALL COMPANIES (Cont'd.)**

**\* 2. INSURANCE SCORING**

*A discount will be applied to the Homeowners Policy premium, based upon the current Insurance Score derived from ChoicePoint's insurance scoring model, to reflect the correlation found between an individual's ability to handle and manage credit (responsibility characteristics) and the ability to manage insurance risk in the same responsible manner. The premium is computed by multiplying the Homeowners Policy Premium, following all other modifications except the Combination Policy Discount if applicable, by the appropriate factor as follows (Point of Sale message will indicate score level discount to apply):*

*Score Level A – 1.00*

*Score Level B – .80 (includes Score Level N—No Hits/Unscorable)*

*Score Level C – .70*

*Score Level D – .60*

*Score Level E – .55*

**\* 3. LOSS HISTORY MERIT RATING PLAN (ALL FORMS)**

**A. Introduction**

*The Loss History Merit Rating Plan recognizes the loss history of an insured or applicant (with consideration given for the number of consecutive years an insured has had homeowner's coverage with the EMC Insurance Companies), for both property and liability coverages, in determining the appropriate premium for a new or renewal policy.*

**B. Eligibility**

*A loss shall be considered eligible for rating under this Plan if:*

- 1. The loss occurred during the three years immediately preceding the date of application for a new policy or the preparation (process or generation date) of the renewal policy;*
- 2. The loss occurred with respect to a risk eligible for coverage under the Homeowners Policy Program;*
- 3. The loss was sustained with respect to the property or liability of an "insured" under the policy being rated (whether to the current or prior location of the insured); and*
- 4. The combined claim "payments" generated for the loss equal or exceed \$500.*

**C. Exceptions**

*The following shall not be considered eligible for rating under the Plan:*

- 1. A loss resulting from weather including but not limited to windstorm or hail;*
- 2. A loss resulting from earthquake, mine subsidence or sinkhole collapse;*
- 3. A loss resulting from Identity Fraud;*
- 4. A loss for which payment occurred only with respect to Medical Payments To Others;*
- 5. A loss to a dwelling currently owned by an insured or applicant which occurred prior to ownership.*

**D. Refund of Increased Premium**

*If, after an increased premium is generated based on the requirements of this Plan, it is determined that a loss does not meet the requirements of this Plan, the increased portion of the premium attributable to such loss as generated by the Plan will be refunded in full to the insured.*

**E. Administration of Loss History Merit Rating Plan**

*Information necessary to determine the loss history of the named insured or applicant shall be obtained from any one or combination of the following:*

- 1. An application signed by the applicant;*
- 2. A loss history or claims history database;*
- 3. A company's internal claim's records.*

**F. Premium Computation**

*Multiply the Homeowners Policy Premium, following all other modifications except any applicable Insurance Score or Combination Policy factors, by the appropriate factor shown below:*

Number of Eligible Losses	Claims/Persistency Premium Factor Years Insured With EMC Insurance Companies			
	0-3	Over 3 to 5	Over 5 to 7	Over 7
*0*	1.00	0.95	0.90	0.85
1	1.05	1.00	0.95	0.85
2	1.30	1.25	1.20	1.15
3	1.45	1.40	1.35	1.30
4 or More	1.60	1.60	1.60	1.60

**ADDITIONAL COMPANY RULE – ALL COMPANIES (Cont'd.)****\*CLAIMS FREE DISCOUNT\***

*If the applicant or insured has been Claim Free (including all claims from any cause code or prior location, with the exception that “one paid claim” less than \$500 shall be permitted) for the preceding three-year underwriting period, a 0.90 factor (10% credit) will be applied to the Homeowners Policy Premium, following all other modifications except any applicable Insurance Score or Combination Policy factors, for new or renewal policies (continuous insurance with EMC or other carrier is required).*

*(NOTE—this credit is NOT to be used in addition to the credit factors shown in the Loss History Merit Rating Plan table across from zero (\*0\*) claims. If both discount types are eligible, the highest discount will apply.)*

**PART I  
COVERAGE AND DEFINITION TYPE RULES**

**100. INTRODUCTION****A. About the Homeowners Manual**

The Homeowners Policy Program provides property and liability coverages, using the forms and endorsement specified in this Manual. This Manual contains the rules and classifications governing the writing of the Homeowners Policy. The rules, rates, forms and endorsements of the company for each coverage shall govern in all cases not specifically provided for in this Manual.

**B. Manual Structure****1. Contents**

*The manual includes multi-state general rules with specific state rules and company rules incorporated, where applicable.*

**2. General Rules**

These rules are grouped into the following categories;

- a. **Part I** – Coverage And Definition Type Rules,
- b. **Part II** – Servicing Type Rules,
- c. **Part III** – Base Premium Computation Rules,
- d. **Part IV** – Adjusted Base Premium Computation Rules,
- e. **Part V** – Section I – Property – Additional Coverages And Increased Limits Rules,
- f. **Part VI** – Section II – Liability – Additional Coverages And Increased Limits Rules, and
- g. **Part VII** – Section II – Liability – Other Exposures Increased Limits Rules.

**3. State Rules and Rates**

*Any State Exceptions, Additional Rules, Special State Requirements, etc. are incorporated into the General Rules of this Manual, where applicable.*

*Contact Branch Office for any premiums, credits, etc. that may be applicable and on file with the State Insurance Department, but not displayed in this manual.*

**4. Form References**

*The Manual refers to Forms **HO0002, HO0003, HO0004, HO0005, and HO0006.** These Form references are identified as follows:*

- a. Homeowners 2 Broad Form **HO0002,**
- b. Homeowners 3 Special Form **HO0003,**
- c. Homeowners 4 Contents Broad Form **HO0004,**
- d. Homeowners 5 Comprehensive Form **HO0005,**
- e. Homeowners 6 Unit-Owners Form **HO0006,**
- f. Homeowners 8 Modified Coverage Form **HO0008.**

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**101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS**


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**A. Limits**

The limits of liability required under the Homeowners policy are as follows:

**1. Section I – Property Damage****Coverage A – Dwelling**

**All Forms:** *Refer to Underwriting Guidelines.*

**Coverage B – Other Structures**

**HO0002, HO0003, HO0005 or HO0008:**

10% of **A** (one and two family dwelling)

5% of **A** (three and four family dwelling)

**Coverage C – Personal Property**

**HO0002, HO0003, HO0005 or HO0008:**

50% of **A** (one and two family dwelling)

30% of **A** (three family dwelling)

25% of **A** (four family dwelling)

**HO0004 or HO0006:** *Refer to Underwriting Guidelines.*

**Coverage D – Loss of Use**

**HO0002, HO0003 or HO0005:** 30% of **A**

**HO0004:** 30% of **C**

**HO0006:** 50% of **C**

**HO0008:** 10% of **A**

**2. Section II – Liability (All Forms)\*****Coverage E – Personal Liability And Coverage F – Medical Payments**

**Personal Liability** \$100,000

**Medical Payments to Others** \$1,000

\*Unless otherwise stated, Coverage **E** limits apply on an “occurrence” basis; Coverage **F** limits on an “each person” basis.

**B. All Forms** – The limit of liability for Coverages **C** or **D** of Section **I** and **E** or **F** of Section **II** may be increased.

**C. Form HO0002, HO0003 Or HO0005** – Under Coverage **B** of Section **I**, an additional amount of insurance may be written on a specific structure.

Under Coverage **C** of Section **I**, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit of a one and two family dwelling; 20% of the limit of a three family dwelling; and 15% of the limit of a four family dwelling.

**D. FORM HO0006** – The limit of liability for Coverage **A** of Section **I** may be increased.

**E. FORM HO0008 (EMCC ONLY)****1. Section I**

The following are the only Section **I** options available with this form:

**a.** *This section does not apply.*

**b.** Higher Optional Deductibles,

**c.** On and Off Premises Theft Coverage Increase,

**d.** Actual Cash Value Loss Settlement of Windstorm or Hail Loss to Roof Surfacing, and

**e.** Reduced Coverage **C** Limits.

**2. Section II**

All options available for Form **HO0002** are available for Form **HO0008**.

**102. DESCRIPTION OF COVERAGES**

The following is a general description of the coverages provided by the individual Homeowners Policy forms. The policy shall be consulted for exact contract conditions.

**A. Section I – Property – Perils Insured Against**

*\*Form numbers referenced below, apply as follows:*

**2 = HO0002, 3 = HO0003, 4 = HO0004, 5 = HO0005; 6 = HO0006; 8 = HO0008**

<b>Perils Insured Against</b>	<b>Applies to Forms*</b>
Fire or Lightning	2, 3 (Cov. C), 4, 6, 8
Windstorm or Hail, Explosion, Riot or civil commotion, Aircraft, Vehicles, or Smoke	2, 3 (Cov. C), 4, 6, 8
Vandalism or malicious mischief	2, 3 (Cov. C), 4, 6, 8
Theft	2, 3 (Cov. C), 4, 6, 8
Volcanic eruption	2, 3 (Cov. C), 4, 6, 8
Falling objects, Weight of ice, snow or sleet, Accidental discharge of water or steam, Sudden & accidental tearing apart of a heating system or appliance, Freezing, Sudden accidental damage from electrical current	2, 3 (Cov. C), 4, 6, 8
Additional risks with certain exceptions (Special Coverage)	3 (Cov. A, B and D) 5 (Cov. A, B, C and D)

**B. Section II – Liability – All Forms****1. Coverage E – Personal Liability**

Covers payment on behalf of any insured for all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.

**2. Coverage F – Medical Payments to Others**

Covers medical expenses incurred by persons, other than the insured, who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

**103. MANDATORY COVERAGES**

It is mandatory that insurance be written for all coverages provided under Sections I and II of the Homeowners Policy.

**104. ELIGIBILITY****A. All Forms Except HO0004 And HO0006 – A Homeowners Policy may be issued:**

- To the owner-occupant(s) of a 1, 2, 3 or 4 family dwelling which is used exclusively for private residential purposes (except as provided in Paragraphs F. and H.). A 1 family dwelling unit may not be occupied by more than one additional family or two roomers or boarders. In a 2, 3 or 4 family dwelling, an individual family unit may not be occupied by more than two families or one family with two roomers or boarders; or

**104. ELIGIBILITY (Cont'd.)**

2. To the purchaser-occupant(s) who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Additional Insured Endorsement – **HO0441**; or
3. To the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 80% of the dwelling's replacement cost. The owner's interest in the building and premises liability may be covered using Additional Insured Endorsement **HO0441**; or
4. To cover dwellings in the course of construction provided the policy is issued only in the name of the intended owner-occupant(s) of the dwelling.
5. When two or more apartment units in a 2, 3 or 4 family dwelling are occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner(s) in the building and for premises liability. Use Additional Insured Endorsement **HO0441**. A separate Homeowners Policy **HO0004** may be issued to the co-owner(s) occupying the other apartment(s) in the dwelling.

It is permissible to extend the Homeowners Policy, without additional premium charge, to cover the interest of a non-occupant joint owner in the building and for premises liability.

Use **Additional Insured Endorsement HO0441**.

*The endorsement customarily used by the company provides additional insured coverage for Section I only – not including Section II as afforded in ISO HO0441.*

Use Additional Insured (Section I Only) Endorsement **HO7109**.

**B. Form HO0004** – A Homeowners Policy may be issued to:

1. The tenant(s) (non-owner) of a dwelling or an apartment situated in any building; or
2. The owner-occupant(s) of a dwelling, cooperative unit or of a building containing an apartment not otherwise eligible for a Homeowners Policy under Paragraph **A**.

provided the residence premises occupied by the insured is used exclusively for residential purposes (except as provided in Paragraph **F**.). The dwelling or apartment unit may not be occupied by more than one additional family or two boarders or roomers.

**C. Form HO0006** – A Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes (except as provided in Paragraphs **F**. and **H**.). The unit may not be occupied by more than one additional family or two boarders or roomers.

**D. Seasonal Dwelling**

Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling.

**E. Mobile Home, Trailer Home Or House Trailer**

*A Homeowners Policy shall not be issued to cover such structures under Coverage A – Dwelling, or personal property in such structures.*

**F. Permitted Business Occupancies**

Certain business occupancies are permitted provided:

1. The premises is occupied principally for private residential purposes, and
2. There is no other business occupancy on the premises.

When the business is conducted on the residence premises, refer to Rules **509**. and **510**. for Section **I** Coverage and Rules **607**. and **608**. for Section **II** Coverage. When it is conducted from an Other Residence, only Section **II** Coverage is available. Refer to Rules **607**. and **608**.

**104. ELIGIBILITY (Cont'd.)**

**G. Farm Property**

A Homeowners Policy shall not be issued to cover any property to which farm forms or rates apply under the rules of the company, except as noted in following Paragraphs 1. and 2.:

**1. Section I – Property – Livestock Collision**

Coverage may be provided for loss due to collision which results in the death of covered livestock owned by an insured and kept either on or away from the residence premises as specified in Rule 520.

**2. Section II – Liability Coverage**

Certain farm liability exposures may be covered. Refer to Rules 614. and 615.

**H. Residence Held in Trust (All Forms Except HO0004)**

A Homeowners Policy may be issued in the name of a trust and trustee(s) when legal title to a 1 through 4 family dwelling or a condominium unit is held solely by the trust and:

1. The trustee and/or beneficiary or grantor regularly reside in the residence held in trust; and
2. The residence held in trust is used exclusively for residential purposes, except as provided in Paragraph F.

Refer to Rule 526. for the rule of application.

**105. SECONDARY RESIDENCE PREMISES**

**A. Application**

Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.

**B. Premium Adjustment**

When coverage is provided on the initial and secondary residence premises under separate policies in the same company, the following premium adjustments should be made:

1. Reduce the Base Premium for the policy covering the secondary residence by the company credit;
2. The company credit is \$10.
3. Add the charge for Other Insured Location Occupied by Insured, developed from Rule 602., to the policy covering the initial residence.

**106. PROTECTION CLASSIFICATION INFORMATION**

The Protection Class listings in the Community Mitigation Classification Manual apply to risks insured under Homeowners Program policies.

- A. The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout (8, 7, 6, etc.).
- B. In a classified area where two or more classifications are shown (for example, 6/9), the classification is determined as follows:

Distance to Fire Station	Class
1. 5 road miles or less with hydrant within 1,000 feet *First protection class (e.g. 6/9 ... Use Class 6)	*
2. 5 road miles or less with hydrant beyond 1,000 feet	9
3. Over 5 road miles	10

- C. All other properties are Class 10.

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**107. CONSTRUCTION DEFINITIONS**

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**A. Frame**

Exterior wall of wood or other combustible construction, including wood iron-clad, stucco on wood or plaster on combustible supports, or aluminum or plastic siding over frame.

**B. Masonry Veneer**

Exterior walls of combustible construction veneered with brick or stone.

*Rate as Masonry*

**C. Masonry**

Exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (Disregarding floors resting directly on the ground).

**D. Superior Construction****1. Non-Combustible**

Exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.

**2. Masonry Non-Combustible**

Exterior walls constructed of masonry materials (as described in Paragraph C.) and floors and roof of metal or other non-combustible materials.

**3. Fire Resistive**

Exterior walls and floors and roof constructed of masonry or other fire resistive materials.

**E. Mixed (Masonry/Frame)**

A combination of both frame and masonry construction shall be classed as frame when the exterior walls of frame construction (including gables) exceed 33 1/3% of the total exterior wall area; otherwise class as masonry.

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**108. SEASONAL DWELLING DEFINITION**

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A seasonal dwelling is a dwelling with continuous unoccupancy of three or more consecutive months during any one year period.

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**109. SINGLE AND SEPARATE BUILDINGS DEFINITION**

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**A. Single Building**

All buildings or sections of buildings which are accessible through unprotected openings shall be considered as a single building.

**B. Separate Building**

1. Buildings which are separated by space shall be considered separate buildings.
2. Buildings or sections of buildings which are separated by:
  - a. A 6 inch reinforced concrete or an 8 inch masonry party wall; or
  - b. A documented minimum two hour non-combustible wall which has been laboratory tested for independent structural integrity under fire conditions;  
which pierces or rises to the underside of the roof and which pierces or extends to the inner-side of the exterior wall shall be considered separate buildings. Accessibility between buildings with independent walls or through masonry party walls as described, shall be protected by at least a Class A Fire Door installed in a masonry wall section.

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**110. – 200. RESERVED FOR FUTURE USE**

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PART II  
SERVICING TYPE RULES

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**201. POLICY PERIOD**

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*The policy may be written for a period of one year and may be renewed for successive policy periods by using the premiums, forms and endorsements then in effect for the company; or less than one year on a pro rata basis.*

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**202. CHANGES OR CANCELLATIONS**

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- A. It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.
- B. If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro rata basis, subject to the minimum premium requirement.

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**203. MANUAL PREMIUM REVISION**

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A manual premium revision shall be made in accordance with the following procedures:

- A. The effective date of such revision shall be as announced.
- B. The revision shall apply to any policy or endorsement in the manner outlined in the announcement of the revision.
- C. *Unless otherwise provided at the time of the announcement of the premium revision, the revision shall not affect in force policy forms, endorsements or premiums, until the policy is renewed.*

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**204. MULTIPLE COMPANY INSURANCE**

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*This rule does not apply.*

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**205. MINIMUM PREMIUM**

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- A. For prepaid policies a minimum **annual** premium shall be charged for each policy.
- B. When policies are written under a premium payment plan, no payment shall be less than the minimum premium for each annual period.
- C. The minimum premium may include all chargeable endorsements or coverages if written at inception of the policy.
- D. The minimum annual premium is \$50.

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**206. TRANSFER OR ASSIGNMENT**

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Subject to the consent of the company, all the rules of this Manual and any necessary adjustment of premium, a policy may be endorsed to effect:

- A. Transfer to another location within the same state; or
- B. *In the event of assignment, the company requires a new Homeowners application completed and signed by the new owner-occupant.*

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**207. WAIVER OF PREMIUM**

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*This rule does not apply.*

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**208. WHOLE DOLLAR PREMIUM RULE**

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Each premium shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

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**209. RESTRICTION OF INDIVIDUAL POLICIES**

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If a policy would not be issued because of unusual circumstances or exposures, the named insured may request a restriction of the policy provided no reduction in the premium is allowed. Such requests shall be referred to the Company.

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**210. REFER TO COMPANY**

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Whenever a risk is rated on a refer to company basis, the company is responsible for complying with regulatory or statutory rate filing requirements.

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**211. ADDITIONAL INTEREST**

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*This rule does not apply.*

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**212. – 300. RESERVED FOR FUTURE USE**

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**PART III**  
**BASE PREMIUM COMPUTATION RULES**

**301. BASE PREMIUM COMPUTATION**

The BASE PREMIUM is developed by multiplying a Key Premium by a Key Factor and rounding to the nearest whole dollar (\$0.50 or more rounded to the next higher whole dollar).

**A. All Forms except HO0004 & HO0006****1. One And Two Family Dwelling**

- a. *From the rate pages, select the premium for the territory and protection/construction combination that applies.*
- b. *Step b. does not apply.*
- c. *Step c. does not apply.*
- d. *Step d. does not apply, go to step e.*
- e. From the Key Factor Table in this manual, select the Key Factor for the desired limit of liability. If the limit of liability is not shown in the tables, interpolate as illustrated in paragraph **C.** of this rule.
- f. *Multiply the Key Premium from Paragraph a. by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.*

**2. Three And Four Family Dwelling**

*Multiply the One and Two Family Dwelling Base Premium by the Three and Four Family factor of 1.30 to arrive at the Base Premium.*

**B. Form HO0004 or HO0006**

1. *From the rate pages, select the **HO0004** or **HO0006** premium for the territory and protection/construction combination that applies.*
2. *Step 2. does not apply.*
3. *Step 3. does not apply, go to step 4.*
4. From the **HO0004** or **HO0006** Key Factor Table in this manual, select the Key Factor for the desired limit of liability. If the limit of liability is not shown in the tables, interpolate as illustrated in paragraph **C.** of this rule.
5. *Multiply the Key Premium from Paragraph 1. by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.*

**C. Interpolation Example**

1. When the desired limit of liability is **less** than the highest limit shown, interpolate the Key Factors using the nearest limit above and below the desired limit, for example:
  - a. \$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.
  - b. For \$200,000 the Key Factor is 2.837; for \$205,000 the Key Factor is 2.937. Figure the difference between the two Key Factors and divide by 5. This provides a factor per \$1,000.

$$\begin{array}{r} 2.937 \\ -2.837 \\ \hline .100 \div 5 = .02 \end{array}$$

- c. Multiply the factor per \$1,000 times 3, and add 2.837; the Key Factor for \$200,000.

$$\begin{array}{r} .02 \\ \times 3 \\ \hline .06 + 2.837 = 2.897 \end{array}$$

**301. BASE PREMIUM COMPUTATION (Cont'd.)**

- d. The result, 2.897, is the Key Factor for this example.
2. The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Key Factor Table of this manual.

**302. LOSS SETTLEMENT OPTIONS****A. Functional Replacement Cost Loss Settlement****HO0002, HO0003 and HO0005 Only****1. Introduction**

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

**2. Coverage Description**

The policy may be endorsed to provide building loss settlement exclusively on a functional replacement cost basis if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the functional replacement cost of the building immediately before the loss. Functional Replacement Cost means the amount which it would cost to repair or replace the damaged building with less costly common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods.

**3. Premium Computation**

Develop the Base Premium in accordance with Rule 301. For the amount of insurance selected for this option.

4. Use Functional Replacement Cost Loss Settlement Endorsement **HO0530**.

**B. Actual Cash Value Loss Settlement****HO0002, HO0003 and HO0005 Only****1. Introduction**

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

**2. Coverage Description**

The policy may be endorsed to provided building loss settlement exclusively on an actual cash value basis if, on the inception date of the policy, the Coverage A limit of liability selected by the insured is less than 80% of the full replacement cost of the dwelling.

**3. Premium Computation**

The premium is computed by multiplying the Base Premium by the appropriate factor from the following table:

<b>Coverage A Limit of Liability Equals Less Than % Of Replacement Value Below</b>	<b>Factor</b>
80% but not less than 50%	1.05
Less than 50%	1.10

**4. Endorsement**

Use Actual Cash Value Loss Settlement Endorsement **HO0481**.

**302. LOSS SETTLEMENT OPTIONS (Cont'd.)****C. Special Loss Settlement****HO0002, HO0003 and HO0005 Only****1. Introduction**

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

**2. Coverage Description**

This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage A limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

**3. Premium Computation**

To develop the Base Premium for the Coverage A limit of liability shown in the policy declarations:

- a. Multiply the Coverage A limit of liability by the appropriate factor from the following table and round to the nearest \$1,000:

% Of Replacement Value	Factor
50%	1.60
60%	1.33
70%	1.14

- b. Develop a **BASE PREMIUM** in accordance with Rule 301. for the amount of insurance computed in C.3.a. above.

- c. Multiply the premium determined in C.3.b by the appropriate factor from the table below:

% Of Replacement Value	Factor
50%	.96
60%	.97
70%	.98

**4. Endorsement**

Use Special Loss Settlement Endorsement **HO0456**.

**303. ORDINANCE OR LAW COVERAGE – ALL FORMS EXCEPT HO0008****A. Basic Limit**

The policy automatically provides up to 10% of the Coverage **A** limit of liability (or for Form **HO0004**, the Building Additions and Alterations limit) to pay for the increased costs necessary to comply with the enforcement of an ordinance or law.

**B. Increased Amount Of Coverage****1. Description**

The policy may be endorsed to increase the basic Ordinance or Law Coverage amount, as noted in Paragraph **2.** to accommodate the increased costs known or estimated by the insured for materials and labor to repair or replace the damaged property and to demolish the undamaged portion of damaged property and clear the site of resulting debris according to the ordinance or law.

**303. ORDINANCE OR LAW COVERAGE – ALL FORMS EXCEPT HO0008 (Cont'd.)****2. Premium Determination****a. Forms HO0002, HO0003 and HO0005**

To develop the Base Premium multiply the premium computed in accordance with Rule 301. by the appropriate factor selected from the following table:

Percentage of Coverage A		Factors
Increase in Amount	Total Amount	
15%	25%	1.03
40	50	1.07
65	75	1.11
90	100	1.15
For each add'l 25% increment, add		.04

**b. Forms HO0004 and HO0006**

See Rule 513. for rating instructions.

**3. Endorsement**

Use Ordinance Or Law – Increased Amount of Coverage Endorsement **HO0477**.

**304. SPECIAL PERSONAL PROPERTY COVERAGE HO0004 AND HO0006****A. Coverage Description**

1. Coverage **C** – Personal Property under Forms **HO0004** and **HO0006** is insured against perils named in the form. The policy may be endorsed to insure Coverage **C** against additional risks of physical loss subject to certain exclusions.
2. This option may only be used when:
  - a. For Form **HO0004**, the apartment, dwelling or cooperative unit rented to the insured is not rented or sublet to another; or
  - b. For Form **HO0006**, the condominium or cooperative unit is owner occupied and not rented to others.

**B. Premium Computation**

*Rates are displayed on the rate pages.*

**C. Endorsement**

1. Use Special Personal Property Coverage Endorsement **HO0524** for use with **HO0004** only.
2. Use Unit-Owners – Coverage **C** – Special Coverage Endorsement **HO1731** for use with **HO0006** only.

**305. – 400. RESERVED FOR FUTURE USE**

**PART IV**  
**ADJUSTED BASE PREMIUM COMPUTATION RULES**

**401. SUPERIOR CONSTRUCTION**

The premium for a dwelling or apartment unit in a building of superior construction is computed by multiplying the masonry Base Premium for a comparable dwelling or apartment unit by a factor of .85.

**402. TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT HO0004 AND HO0006**

The premium for an eligible 1, 2, 3 or 4 family dwelling in a town or row house structure is computed by multiplying the Base Premium by the appropriate factor selected from the following table:

**Townhouse and Row House Factors**

Dwelling	Total No. of Individual Family Units Within The Fire Division*	Protection Class	
		1-8	9 & Over
1 or 2 Family	1 & 2	1.00	1.00
	3 & 4	1.10	1.15
	5 – 8	1.25	1.30
	9 & Over	Refer to Company	
3 or 4 Family	5 – 8	1.15	1.20
	9 & Over	Refer to Company	

\* An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division. An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7 individual family units within a fire division. Four 2 family dwellings not separated by a fire wall would be considered 8 individual family units.

**403. REPLACEMENT COST COVERAGES**

**A. Dwelling Replacement or Repair Cost Coverage  
(Not applicable to Forms HO0004 or HO0006)**

*NOTE: This option is NOT to be used with the Loss Settlement Options under Rule 302.*

*The policy may be extended for no additional premium to include replacement or repair cost protection for Coverage A Dwelling, if the limit of liability is maintained at 100% of current replacement cost, as determined by valuation or inflation estimates.*

*If a loss exceeds the Coverage A limit of liability, we will provide an additional amount of insurance, up to 25% of the Coverage A limit of liability, as shown on the policy Declaration. When Coverage A is increased, we will also increase Coverage B, C and D.*

**Use Endorsement HO7121 — Dwelling Replacement or Repair Cost Coverage**

*This dwelling coverage automatically includes attachment of HO7120 at no additional premium, affording replacement cost coverage on unscheduled personal property. See Rule 403.B.*

**B. Personal Property Repair or Replacement Cost Coverage**

*Additional Coverage is extended to unscheduled personal property to include the full cost of repair or replacement without reduction for depreciation. Liability on any item, including depreciation, may not exceed:*

- 1) the cost of repair, restoration or replacement with material and labor of like kind and quality, or*
- 2) the company may elect to replace any item(s) damaged or lost without obligation to replace all items.*

*The Coverage C – Personal Property limit will be increased to 80% of the Coverage A – Dwelling limit for one and two family dwellings when this endorsement is attached to the policy. There is no additional premium charge for this increase. For Forms HO0004 and HO0006, Coverage C is not increased.*

**Premium**

*Forms HO0002, HO0003 and HO0005, 15% of the policy base premium. Forms HO0004 and HO0006, 25% of the policy base premium. No minimum premium.*

**Use Endorsement HO7120 — Personal Property Replacement Cost Coverage**

**403. REPLACEMENT COST COVERAGES (Cont'd.)****Exception:**

*When this coverage is extended on policies to which Endorsement HO7121 Replacement Cost Protection – Coverage A – Dwelling has been attached, the contents coverage shall be afforded without additional premium charge.*

**404. PROTECTIVE DEVICES**

- A.** *The following premium credits can be allowed for the installation of burglar and/or fire alarm systems or automatic sprinklers in the dwelling. Only one credit amount will apply — they are not cumulative.*

**Protective Devices Factors**

1. *Local Burglar Alarm — 2%.*
2. *Fire or Smoke Alarm — 2%.*
3. *Local Burglar Alarm & Fire or Smoke Alarm — 4%.*
4. *Fire or Smoke Local Alarm & Deadbolt Locks & Fire Extinguisher — 5%.*
5. *Local Burglar Alarm & Fire or Smoke Local Alarm & Deadbolt Locks & Fire Extinguisher — 8%.*
6. *Fire and Burglar Alarm Reporting to either Fire Department, Police Department or Central Station — 10%.*
7. *Fire and Burglar Alarm Reporting to either Fire Department, Police Department or Central Station & Deadbolt Locks & Fire Extinguisher — 15%.*
8. *Automatic Sprinklers in all areas including attics, bathrooms, closets, attached structures — 13%.*
9. *Automatic Sprinklers in all areas except attic, bathroom, closet and attached structure areas that are protected by a fire detector — 8%.*

*The credit is determined by multiplying the base premium by the appropriate factor above.*

- B.** Use Premises Alarm Or Fire Protection System Endorsement **HO0416**.

**405. INFLATION GUARD****A. ALL FORMS EXCEPT HO0004 AND HO0006****Automatic Adjustment of Section I Limits**

*Section I limits of liability may be adjusted automatically on a quarterly basis as determined by reports from a National Appraisal Agency. Renewals are then issued with an increase of Section I Limits in the amount of the multiplicative product of the previous four quarters.*

**Use Endorsement HO7108 — Automatic Adjustment of Section I Limits of Liability**

**B. FORMS HO0004 and HO0006**

*The limits of liability for Coverage C and Coverage D may be adjusted upward at the time of loss or renewal. The increase will be the same as the rate increase in the Consumer Price Index published by the U.S. Department of Labor.*

**Use Endorsement HO7116 — Inflation Guard Endorsement**

**406. DEDUCTIBLES**

All policies are subject to a deductible applicable to loss from all Section I perils, except Earthquake. A separate deductible provision applies to Earthquake Coverage. Refer to the Earthquake Coverage rule for applicable deductible provision.

**A. Base Deductible**

1. **\$250 All Peril – HO0004 and HO0006**
2. **\$500 All Peril – HO0002, HO0003, HO0005 and HO0008**

*The base deductibles shown above are the MINIMUM deductibles available for both new and renewal business.*

**406. DEDUCTIBLES (Cont'd.)**

**B. Optional Deductibles**

*This section does not apply.*

**C. Optional Higher Deductibles**

**All Forms** — *The Homeowners Program provides a higher deductible applicable to any loss under Section I of the policy in an amount and at a premium credit developed below.*

**1. All Peril Deductibles**

*Determine the credit by multiplying the base premium by the following factors:*

Deductible Amounts	\$500	\$1,000	\$2,500	\$5,000
HO0002, HO0003, HO0005 and HO0008	1.00	.87	.70	.60
HO0004 and HO0006	.93	.81	.65	.56

**2. Windstorm or Hail Deductibles**

**(All Forms Except HO0004 and HO0006)**

The following deductible options are used in conjunction with a deductible applicable to all Other Section I Perils.

**a. Percentage Deductibles**

**(1) Deductible Amounts**

This option provides for higher Windstorm or Hail percentage deductibles of 1%, 2% or 5% of the Coverage **A** limit of liability when the dollar amount of the percentage deductible selected exceeds the amount of the deductible applicable to All Other Section I Perils.

**(2) Endorsement**

Use Windstorm Or Hail Percentage Deductible Endorsement **HO0312**.

**(3) Declarations instructions**

Enter, on the policy declarations, the percentage amount that applies to Windstorm or Hail and the dollar amount that applies to All Other Section I Perils. For example:

- Deductible – Windstorm or Hail 1% of Coverage **A** limit and \$500 for All Other Perils.

**(4) Deductible Application**

In the event of a Windstorm or Hail loss to covered property, the dollar amount is deducted from the total of the loss for all coverages. For example:

Cov.	Limit Of Liability	1% Ded.	Amount Of Loss	
			Before Ded.	After Ded.
<b>A</b>	\$ 100,000	\$ 1,000	\$ 7,500	
<b>B</b>	50,000	–	3,000	
<b>C</b>	10,000	–	1,350	
<b>D</b>	30,000	–	660	
			\$ 12,510	\$ 11,510

**(5) Use Of Factors**

The factors displayed in Paragraph **(6)** incorporate the factors for the All Peril Deductibles shown in Paragraph **C.1.** above. Do **not** use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.

**406. DEDUCTIBLES (Cont'd.)**

**(6) Deductible Factors**

To compute the premium for this provision, multiply the Base Premium by the factor selected from the following table for the deductible amounts desired:

All Other Perils Ded. Amt.	Windstorm Or Hail Deductible Amounts		
	1%	2%	5%
\$ 500	.99	.97	.91
1,000	.85	.81	.79
2,500	-	.69	.65

\*

**b. Higher Fixed-Dollar Deductibles**

**(1) Deductible Amounts**

This option provides for higher fixed dollar deductible amounts of \$1,000, \$2,000 and \$5,000 when the dollar amount of the higher fixed-dollar deductible selected exceeds the amount of the deductible applicable to All Other Perils deductible.

**(2) Endorsement**

An endorsement is not required.

**(3) Declarations Instructions**

Separately enter, on the policy declarations, the deductible amounts that apply to Windstorm or Hail and All Other Section I Perils. For example: \$1,000 for Windstorm or Hail and \$500 for All Other Perils.

**(4) Use Of Factors**

The factors displayed in Paragraph (5) incorporate the factors for the All Perils Deductibles shown in Paragraph C.1. Do **not** use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.

**(5) Deductible Factors**

To compute the premium for this provision, multiply the Base Premium by the factor selected from the following table for the deductible amounts desired:

All Other Perils Ded. Amt.	Windstorm Or Hail Deductible Amounts		
	\$1,000	\$2,500	\$5,000
\$ 500	.96	.90	-
1,000	-	.82	-
2,500	-	-	.66

**407. ADDITIONAL AMOUNTS OF INSURANCE – FORMS HO0002, HO0003 AND HO0005**

*This rule does not apply.*

**408. ACTUAL CASH VALUE LOSS SETTLEMENT  
WINDSTORM OR HAIL LOSSES TO ROOF SURFACING – ALL FORMS EXCEPT HO0004**

*This rule does not apply.*

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**409. REPLACEMENT COST LOSS SETTLEMENT FOR CERTAIN NON-BUILDING STRUCTURES – FORMS HO0002, HO0003 AND HO0005**

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**A. Introduction**

The policy provides actual cash value loss settlement for non-building structures covered under Coverage **B**, or specifically scheduled under the policy.

**B. Coverage Description**

The policy may be endorsed to provide repair or replacement cost loss settlement for the following types of non-building structures only if they are located on the residence premises:

1. Reinforced masonry walls;
2. Metal or fiberglass fences;
3. Fences made of plastic/resin materials such as polyvinylchloride;
4. Patios, walks (not made of wood or wood products); and
5. Driveways.

**C. Premium Computation**

The premium is computed by multiplying the Base Premium by a factor of 1.02.

**D. Endorsement**

Use Replacement Cost Loss Settlement For Certain Non-Building Structures On The Resident Premises Endorsement **HO0443**.

**E. Endorsement Exception**

This loss settlement condition does not apply to covered property insured under Coverage **B – Other Structures Away From The Residence Premises Endorsement HO0491** and Specific Structures Away From The Residence Premises Endorsement **HO0492**.

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**410. BUILDING CODE EFFECTIVENESS GRADING**

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**A. General Information**

1. The Building Code Effectiveness Grading Schedule develops a grade of 1 to 10 for a community based on the adequacy of its building code and the effectiveness of its enforcement of that code. Policies which cover the perils of Windstorm or Hail or Earthquake may be eligible for special rating treatment, subject to the criteria in the following paragraphs. The Building Code Effectiveness Grading factor applies, where applicable, in addition to the Public Protection Classification factors.
2. In some communities, two Building Code Effectiveness Grades may be assigned. One grade will apply to 1 and 2 family dwelling buildings and/ or personal property contained in such buildings. The other grade will apply to all other buildings occupied for residential, commercial and/or manufacturing purposes including personal and business property contained therein. The Community Mitigation Classification Manual will indicate the application of each grade.
3. The Building Code Effectiveness Grade for a community, and their effective dates, are provided in the Community Mitigation Classification Manual published by ISO Commercial Risk Services, Inc.

**B. Community Grading**

1. The Building Code Effectiveness Grade applies to any building that has an original certificate of occupancy dated the year of the effective date of the community grading, or later. A rating factor has been developed for each community grade.
2. If a community is regraded subsequent to its initial grading, the factor for the revised grade applies to buildings that have an original certificate of occupancy dated the year of the effective date of the revised grading, or later.
3. Where certificates of occupancy are not issued, equivalent documentation acceptable to the company may be used.

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**410. BUILDING CODE EFFECTIVENESS GRADING (Cont'd.)**

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4. If, due to an addition or alteration, the original building is changed to comply with the latest building code, the factor for the community grading applicable at the time the reconstruction is completed will apply to such building.
5. The Building Code Effectiveness Grade may apply to Windstorm/Hail or Earthquake, or to both. Specific information is provided in the Community Mitigation Classification Manual. If the grade in the manual does not apply to one of the perils, the factor should not be applied for that peril.

**C. Individual Grading**

Where buildings have been built in full conformance with one of the natural hazard mitigation elements of one of the nationally recognized building codes even though the community grade is greater than 1, exception rating procedures may apply.

1. Any building may be classified as Grade 1 for Windstorm/Hail upon certification by a registered or licensed design professional, based on an onsite inspection, that such building is in compliance with one of the three nationally recognized building codes with respect to mitigation of the windstorm or hail hazard. This classification is effective only from the date of the certification.
2. Any building may be classified as Grade 1 for Earthquake upon certification by a registered or license design professional, based on an on-site inspection, that such building is in compliance with the earthquake mitigation elements of one of the three nationally recognized building codes. This classification is effective only from the date of the certification.

**D. Ungraded Risks**

Buildings which do **not** meet the criteria in **B.** or **C.** for Grade assignments are rated and coded as ungraded risks. Do **not** classify as Grade 10.

**E. Premium Credit Computation****1. Community Grading****a. Windstorm or Hail**

Compute the premium credit as follows:

- (1) Multiply the Base Class Premium by the appropriate factor in **E.1.c.(1)**; and
- (2) Multiply the result from Step (1) above by the Key Factor for the desired amount of insurance.

**b. Earthquake**

When Earthquake endorsement **HO0454** is attached to the policy, multiply the Earthquake Base Premium by the appropriate factor in **E.1.c.(2)**.

**c. Credit Factors**

Credit factors are displayed on the chart following this rule, for:

- (1) Windstorm or Hail, and
- (2) Earthquake

**410. BUILDING CODE EFFECTIVENESS GRADING (Cont'd.)**

**2. Individual Grading**

For any building classified as Grade 1 based upon certification as set forth in **C.** of this rule, use the appropriate factor listed under **E.1.c.** above. Code as follows:

Community Grade	CODE Windstorm/Hail
1	11
2	12
3	13
4	14
5	15
6	16
7	17
8	18
9	19
10	20
Not Graded	99

**(1) Windstorm or Hail Credit Factors**

Forms / Territories	Grade (* = Ungraded)										
	1	2	3	4	5	6	7	8	9	10	*
<b>(a) HO0002, HO0003 &amp; HO0005</b> Terr. 30-33	.03	.03	.03	.02	.02	.02	.02	.01	.01	.00	.00
<b>(b) HO0004</b> Terr. 30-33	.03	.03	.03	.02	.02	.02	.02	.01	.01	.00	.00
<b>(c) HO0006</b> Terr. 30-33	.03	.03	.03	.02	.02	.02	.02	.01	.01	.00	.00

**(2) Earthquake Credit Factors**

Earthquake Territory	Grade (* = Ungraded)										
	1	2	3	4	5	6	7	8	9	10	*
Statewide	.10	.10	.10	.06	.06	.06	.06	.02	.02	.00	.00

\*

**411. NEW OR RENOVATED DWELLING COMPONENTS**

**(Not applicable to Forms HO0004 or HO0006)**

*The following credits shall apply to the Homeowners adjusted base premium, plus Section I adjustments for new or renovated dwellings with components that meet the following requirements:*

- 1. Electrical wiring discount is contingent upon new or evidence of complete replacement (new wiring, new receptacles, new circuit breakers and conduit in exposed areas) of the system. The work must be done by a qualified electrical contractor and/or inspected by a building inspector who certified that the work meets all state and local codes.*

**411. NEW OR RENOVATED DWELLING COMPONENTS (Cont'd.)**

2. *Plumbing system discount is contingent upon new or evidence of complete replacement (lines, valves, faucets, water heaters, toilet floor gaskets and tank gaskets) of the system. Any sinks, tubs, toilets or vent stacks which show any evidence of leaking or cracks in the fixture should be replaced. The work must be done by a qualified plumbing contractor and/or inspected by a building inspector who certifies that the work meets all state and local codes.*
3. *Roof discount is contingent upon a dwelling or other structures having all new roofing material. The work must be done by a qualified roofing or building contractor and/or be inspected by a building inspector who certifies that the work meets all state and local codes.*
4. *Heating and cooling system discount is contingent upon new or replacement (furnace heat exchangers, air conditioners, thermostats, registers, boilers including piping and expansion tanks) of the entire system. Forced air heating and cooling ducts should be repaired or replaced where necessary. The work must be done by a qualified heating and air conditioning contractor and/or inspected by a building inspector who certifies that the work meets all state and local codes.*

<b>Years</b>	<b>Wiring</b>	<b>Plumbing</b>	<b>Roof</b>	<b>Heating &amp; Cooling</b>
Current Calendar Year	6.5%	6.0%	6.5%	6.0%
1st Preceding Calendar Year	6.5%	6.0%	6.5%	6.0%
2nd Preceding Calendar Year	6.5%	6.0%	6.5%	6.0%
3rd Preceding Calendar Year	5.5%	5.0%	5.5%	5.0%
4th Preceding Calendar Year	4.5%	4.0%	4.5%	4.0%
5th Preceding Calendar Year	3.5%	3.0%	3.5%	3.0%
6th Preceding Calendar Year	2.5%	2.5%	2.5%	2.5%
7th Preceding Calendar Year	2.0%	2.0%	2.0%	2.0%
8th Preceding Calendar Year	1.5%	1.5%	1.5%	1.5%
9th Preceding Calendar Year	1.0%	1.0%	1.0%	1.0%
10th Preceding Calendar Year	0.5%	0.5%	0.5%	0.5%

**NOTE:** *The Renovated Dwelling Credit Supplement (HO8090) is required to be completed and submitted with application for attachment of this discount.*

**412. — 500. RESERVED FOR FUTURE USE**

**PART V – SECTION I — PROPERTY  
ADDITIONAL COVERAGES AND INCREASED LIMITS RULES**

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**501. BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES**

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**A. Coverage Description**

The policy may be endorsed to provide this coverage at residences, other than the residence premises, rented to an insured.

**B. Premium Computation**

To develop the premium per \$1,000 of insurance, multiply the **HO0004** Key Factor for “Each Add'l \$1,000” by the **HO0004** Key Premium.

**C. Endorsement**

Use Building Additions and Alterations Other Residence Endorsement **HO0449**.

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**502. BUILDING ADDITIONS AND ALTERATIONS INCREASED LIMIT – HO0004**

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**A. Coverage C Increase**

The limit of liability of 10% of Coverage **C** may be increased.

**B. Premium Computation**

To develop the premium per \$1,000 of insurance, multiply the **HO0004** Key Factor for “Each Add'l \$1,000” by the **HO0004** Key Premium.

**C. Endorsement**

Use Building Additions And Alterations Increased Limit Form **HO0004** Endorsement **HO0451**.

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**503. BUSINESS PROPERTY – INCREASED LIMIT**

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**A. On-Premises**

1. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.
2. Charge the rate of \$22 for each \$2,500 increase.
3. The limit of liability in excess of \$2,500 does not apply to:
  - a. Business property in storage or held as a sample or for sale or delivery after sale.
  - b. Business property pertaining to a business actually conducted on the residence premises.
4. The property described in Paragraphs **3.a.** and **3.b.** are covered under the following optional endorsements:
  - a. Permitted Incidental Occupancies;
  - b. Home Day Care; or
  - c. Home Business Insurance Coverage.

**B. Off-Premises**

When the on-premises limit is increased, the off-premises limit of \$500 is automatically increased, at no additional charge, to an amount that is 20 percent of the total on-premises limit of liability.

**C. Endorsement**

Use Increased Limits On Business Property Endorsement **HO0412**.

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\*

**504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY AND COUNTERFEIT MONEY**

**A. Coverage Increase**

*For no additional premium, the limit of liability for Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money is increased to \$1,000.*

Use Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money – Increased Limits Endorsement **HO7114**.

*For an additional premium, the limit may be increased as shown in Paragraph B.*

**B. Premium**

New Limit of Liability	Premium
\$ 2,500	\$ 3
5,000	4
7,500	5
10,000	6

\*

**C. Endorsement**

Use Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage Increased Limit Endorsement **HO0453**.

**505. EARTHQUAKE COVERAGE**

**A. Coverage Description**

The policy may be endorsed to provide coverage against a loss resulting from the peril of Earthquake. This peril shall apply to all Section I Coverages for the same limits provided in the policy.

Use Earthquake Endorsement **HO0454**

**B. Deductible**

**NOTE:** *The 5% deductible referenced in this rule is not available as “new coverage” on new or renewal policies (also not available to decrease a current higher deductible to the 5% level).*

Deductible percentage amounts of 5%, 10%, 15%, 20% and 25% of the limit of liability are included in this rule.

In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages **A**, **B**, and **C**.

Earthquake rates are displayed for the 5% and 10% deductible in this rule. Credit factors for deductible percentage amounts of 15%, 20% and 25% are provided in Paragraph **E**. Premium for Higher Deductibles of this rule.

**C. Loss Assessment Coverage**

The policy may also be endorsed to cover loss assessment resulting from loss by this peril. The limit of liability shall be based on the insured’s proportionate interest in the total value of all collectively owned buildings and structures of the corporation or association of property owners.

*Contact Branch Office for any applicable rates on file with the Insurance Department.*

Use Loss Assessment Coverage For Earthquake Endorsement **HO0436** for all Forms

**D. Base Premium**

Develop the base premium as follows:

1. From the Earthquake rate tables, determine whether Construction Table **A**, **B**, and/or **C** applies for the appropriate deductible.
2. Determine the Earthquake territory according to the ZIP code of the residence premises from the Earthquake Territory Definitions pages in this Manual.

**505. EARTHQUAKE COVERAGE (Cont'd.)**

3. For Forms **HO0002**, **HO0003** and **HO0005**, add the results of the following three steps:
  - a. Multiply the Coverage **A** limit by the rate found in Column A of the table;
  - b. If the Coverage **C** limit is increased, multiply the rate found in Column D by the amount of the increase; and
  - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
4. For Form **HO0004**, add the results of the following two steps:
  - a. Multiply the Coverage **C** limit by the rate found in Column B of the table and
  - b. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
5. For Form **HO0006**, add the results of the following three steps:
  - a. Multiply the Coverage **C** limit by the rate found in Column C of the table;
  - b. Multiply the Coverage **A** limit by the rate found in Column E of the table; and
  - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.

\*

**6. Building Or Non-Building Structure Items – All Forms**

Multiply the rate in Column G of the table by the appropriate limit of liability for the following Building or Non-Building Structure items, as applicable, and add to the applicable premium determined in Paragraphs **D.3.**, **D.4.** or **D.5.**:

- a. Other Structures – Structures Rented To Others Residence Premises;
- b. Other Structures On The Residence Premises – Increased Limits;
- c. Specific Structures Away From The Residence Premises;
- d. Building Additions And Alterations – Other Residence and
- e. Building Additions And Alterations Increased Limit Form **HO0004**

\*

**7. Ordinance Or Law – Increased Limit – All Forms**

When the basic Ordinance or Law Coverage limit is increased the earthquake premium is developed based on the increased limit of insurance.

- a. For Forms **HO0002**, **HO0003** and **HO0005**, multiply the rate determined in Paragraph **D.3.a.** by the appropriate factor selected from Rule **303.B.2.a.**
- b. For Forms **HO0004** and **HO0006**, the premium for this additional coverage is determined based on the dollar amount of increase, represented by the increased percentage amount selected above the basic limit. The rate for each additional \$1,000 of insurance is determined as follows:
  - (1) For Form **HO0004**, multiply the rate in Column G of the table by .30.
  - (2) For Form **HO0006**, multiply the rate in Column E of the table by .30.
 and add to the applicable premium determined in Paragraphs **D.4.** or **D.5.**

**E. Premium for Higher Deductibles**

Multiply the Earthquake base premium determined in Paragraph **D.** for the 10% deductible by the appropriate factor from the following table:

Deductible Percent	Frame	Masonry	Superior
15%	.80	.85	.75
20%	.65	.70	.60
25%	.50	.60	.45

**F. Building Code Effectiveness Grading**

Refer to Rule **410.** for information which may affect Earthquake rating.

**505. EARTHQUAKE COVERAGE (Cont'd.)**

\*

**5% DEDUCTIBLE  
EARTHQUAKE COVERAGE RATES PER \$1,000  
(Not available as new coverage – new or renewal policies.)**

Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)	
TABLE	TERR	HO0002, HO0003, HO0005	HO0004	HO0006	HO0002, HO0003, HO0005 Incr. Cov. C	HO0006 Basic & Incr. Cov. A	Incr. Cov. D	Bldg or Non-Bldg Structure Items
<b>A - FRAME</b>	<b>21</b>	1.64	0.67	0.83	0.66	1.11	0.78	1.03
	<b>22</b>	1.50	0.64	0.83	0.66	1.00	0.76	0.94
	<b>23</b>	1.40	0.58	0.76	0.62	0.92	0.67	0.94
	<b>24</b>	1.22	0.50	0.66	0.56	0.76	0.58	0.90
	<b>25</b>	0.94	0.45	0.53	0.48	0.53	0.45	0.66
	<b>26</b>	0.44	0.22	0.23	0.28	0.23	0.20	0.33
	<b>27</b>	0.20	0.14	0.14	0.12	0.16	0.11	0.14
<b>B - MASONRY</b>	<b>21</b>	2.07	.94	1.09	0.86	1.34	0.97	1.12
	<b>22</b>	2.07	.94	1.09	0.86	1.34	0.97	1.12
	<b>23</b>	2.07	.94	1.09	0.86	1.34	0.97	1.12
	<b>24</b>	2.07	.94	1.09	0.86	1.34	0.97	1.12
	<b>25</b>	1.79	0.92	1.05	0.86	1.17	0.89	0.92
	<b>26</b>	0.97	0.56	0.53	0.56	0.56	0.50	0.51
	<b>27</b>	0.55	0.34	0.39	0.34	0.39	0.30	0.31
<b>C - SUPERIOR</b>	<b>21</b>	1.78	0.62	0.86	0.66	1.22	0.83	0.94
	<b>22</b>	1.78	0.62	0.86	0.66	1.22	0.83	0.94
	<b>23</b>	1.78	0.62	0.86	0.66	1.22	0.83	0.94
	<b>24</b>	1.56	0.56	0.76	0.66	1.01	0.78	0.90
	<b>25</b>	0.98	0.51	0.67	0.47	0.83	0.47	0.56
	<b>26</b>	0.67	0.27	0.41	0.36	0.48	0.36	0.37
	<b>27</b>	0.20	0.12	0.09	0.12	0.11	0.12	0.12

505. EARTHQUAKE COVERAGE (Cont'd.)

\*

10% DEDUCTIBLE  
EARTHQUAKE COVERAGE RATES PER \$1,000

Column:		(A)	(B)	(C)	(D)	(E)	(F)	(G)
TABLE	TERR	HO0002, HO0003, HO0005	HO0004	HO0006	HO0002, HO0003, HO0005 Incr. Cov. C	HO0006 Basic & Incr. Cov. A	Incr. Cov. D	Bldg or Non-Bldg Structure Items
<b>A - FRAME</b>	21	1.53	0.58	0.73	0.62	1.05	0.78	1.03
	22	1.34	0.53	0.69	0.61	0.90	0.76	0.92
	23	1.26	0.48	0.64	0.58	0.86	0.67	0.92
	24	1.08	0.41	0.56	0.53	0.69	0.58	0.86
	25	0.81	0.37	0.42	0.42	0.45	0.45	0.61
	26	0.36	0.17	0.19	0.22	0.19	0.20	0.28
	27	0.17	0.11	0.12	0.11	0.12	0.09	0.11
<b>B - MASONRY</b>	21	1.89	0.83	0.97	0.80	1.26	0.97	1.11
	22	1.89	0.83	0.97	0.80	1.26	0.97	1.11
	23	1.89	0.83	0.97	0.80	1.26	0.97	1.11
	24	1.89	0.83	0.97	0.80	1.26	0.97	1.11
	25	1.58	0.76	0.89	0.80	1.05	0.89	0.89
	26	0.84	0.47	0.45	0.50	0.50	0.50	0.50
	27	0.48	0.30	0.34	0.30	0.36	0.30	0.30
<b>C - SUPERIOR</b>	21	1.62	0.51	0.76	0.64	1.15	0.83	0.92
	22	1.62	0.51	0.76	0.64	1.15	0.83	0.92
	23	1.62	0.51	0.76	0.64	1.15	0.83	0.92
	24	1.40	0.45	0.66	0.59	0.92	0.76	0.89
	25	0.84	0.41	0.55	0.42	0.75	0.47	0.53
	26	0.58	0.20	0.34	0.31	0.42	0.34	0.36
	27	0.19	0.11	0.08	0.11	0.09	0.11	0.11

**506. FIRE DEPARTMENT SERVICE CHARGE**

*Coverage is available up to the limit of \$500 provided under the policy.*

**507. FORM HO0006 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE – HO0006****A. Basic Limits**

The policy automatically provides a basic Coverage **A** limit of \$5,000 on a named perils basis. If increased limits are not desired, enter “\$5,000” under Coverage **A** – Dwelling in the Policy Declarations.

**B. Increased Limits**

The basic limit may be increased. The premium is developed based on the additional limit of insurance. To develop the premium for each additional \$1,000 of insurance, multiply the **HO0006** Key Factor for “Each Add'l \$1,000” by the **HO0006** Key Premium.

**C. Special Coverage**

The Section **I** Perils Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as follows:

1. Charge per policy for \$5,000 in basic form: \$2
2. Rate for each add'l \$1,000 of Coverage **A**: \$1

**D. Endorsement**

Use Unit-Owners Coverage **A** – Special Coverage Endorsement **HO1732**.

**508. FORM HO0006 UNITS REGULARLY RENTED TO OTHERS****A. Coverage C And Section II Liability**

1. There is no coverage for Coverage **C** – Personal Property and Section **II** Liability when the residence premises is regularly rented or held for rental to others. The policy may be endorsed, however, to provide such coverage, including Theft.
2. The Coverage **C** minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$10,000.

**NOTE:** If the units are rented out purely for rental and investment purposes on a full time basis, a separate dwelling fire policy with contents coverage, liability etc., should be issued.

**B. Premium Computation**

Multiply the Coverage **C** Base Premium (reflecting the credit or surcharge for optional deductibles) by a factor of .25.

**C. Endorsement**

Use Unit-Owners Rental To Others Endorsement **HO1733**.

**509. HOME DAY CARE COVERAGE**

*Refer to company for applicable rates and rules on file with the State Insurance Department.*

**510. PERMITTED INCIDENTAL OCCUPANCIES RESIDENCE PREMISES****A. Coverage Description**

Coverage for a permitted incidental occupancy is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a permitted incidental occupancy in the dwelling or in an other structure on the residence premises.

Use Permitted Incidental Occupancies (Residence Premises) Endorsement **HO0442** for Sections **I** and **II** Coverage

**510. PERMITTED INCIDENTAL OCCUPANCIES RESIDENCE PREMISES (Cont'd.)**

**B. Permitted Incidental Occupancies**

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

**C. Other Structures**

If the permitted incidental occupancy is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **E.** for charge for specific insurance on the structure.

**D. Personal Property**

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

**E. Premium Computation**

**1. Section I**

- a. If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b. If the permitted incidental occupancy is located in an other structure, charge the amount in Paragraph c. per \$1,000 of specific insurance on the structure.
- c. Charge a rate of \$4 per \$1,000.

**2. Section II**

Refer to Rule **608.** to develop the premium for the increased Coverages **E** and **F** exposure.

\*

**511. LOSS ASSESSMENT COVERAGE**

**A. Residence Premises**

**1. Coverage Description**

The policy automatically provides, under Section **I** Additional Coverage and Section **II** Additional Coverage, a limit of \$1,000 each for assessments relating to the residence premises, excluding assessments resulting from the peril of earthquake. (Refer to Rule **505.** Earthquake Coverage for the Earthquake rule of application.)

**2. Higher Limits**

The policy may be endorsed to provide a single additional amount of insurance to be applied to one or more assessments arising out of a single loss covered under:

- a. Either Section **I** Additional Coverage or Section **II** Additional Coverage; or
- b. Both Section **I** and Section **II** Additional Coverages.

**3. Premium**

The following additional charges apply:

New Amount of Coverage	All Forms except HO0003 and HO0005 or HO0006 with HO1732	HO0003 and HO0005 or HO0006 with HO1732
\$ 5,000	\$3	\$4
10,000	4	6
Each Add'l \$5,000 (Up to \$50,000)	1	2

\*

**511. LOSS ASSESSMENT COVERAGE (Cont'd.)**

**B. Additional Locations**

**1. Coverage Description**

- a. The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single loss covered as noted in Paragraph **A.2**.
- b. No more than 2 additional locations can be written in addition to the residence premises.

**2. Premium**

The following additional rates apply to each location covered:

Amount of Coverage	All Forms except HO0003 and HO0005 or HO0006 with HO1732	HO0003 and HO0005 or HO0006 with HO1732
\$ 1,000	\$ 4	\$ 5
5,000	7	9
10,000	9	12
Each Add'l \$5,000 (Up to \$50,000)	1	2

\*

**C. Endorsement**

Use Loss Assessment Coverage Endorsement **HO0435**. (Note: This Endorsement does not cover loss to property under Section **I** caused by Earthquake.)

**512. LOSS OF USE - INCREASED LIMIT**

- A. When the limit of liability for Coverage **D** is increased, charge the rate in Paragraph B. per \$1,000 of additional insurance.
- B. Charge a rate of \$4 per \$1,000.

**513. ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE - HO0004 AND HO0006**

**A. Coverage Increase**

- 1. The basic amount of coverage may be initially increased to 100% of the Form **HO0004** Building Additions and Alterations limit or 50% of the Form **HO0006** Coverage **A** limit.
- 2. The amount may be further increased in 25% increments above those listed in Paragraph **1**.

**B. Premium Determination**

- 1. The premium for this additional coverage is determined based on the dollar amount of increase, represented by the increased percentage amount selected above the basic limit.
- 2. The premium for each additional \$1,000 of insurance is developed by multiplying the **HO0004** or **HO0006**, whichever is appropriate, Key Factor for "Each Add'l \$1,000" by .30 and then multiplying that amount by the appropriate Key Premium.

**C. Endorsement**

Use Ordinance Or Law – Increased Amount of Coverage Endorsement **HO0477**.

**514. OTHER STRUCTURES****Other Structures – Limit**

*If there are no other structures on the residence premises, the limit of liability shown for Coverage B shall be added to the limit of liability Coverage A and the sum of the two shall be the limit of liability under Coverage A.*

*If there are other structures and at time of loss the limit of liability for Coverage B exceeds the replacement cost of other structures, the amount of insurance in excess of the replacement cost shall be applied as an additional amount of insurance under Coverage A.*

**NOTE:** *This endorsement should not be added when Dwelling Replacement or Repair Cost Coverage (Form HO7121) is also added.*

**Use Endorsement Form HO7110 Other Structures Endorsement – Limit****A. On-Premises Structures**

When insurance is written on a specific structure on the residence premises, the rates per \$1,000 of insurance shall apply separately to each structure.

**1. Specific Structure – Increased Limits**

a. **Premium:** \$4 per \$1,000 of insurance.

**b. Endorsement**

Use Other Structures On The Residence Premises – Increased Limits Endorsement **HO0448**.

**2. Structure On The Residence Premises Rented To Others****a. Premium**

Use the sum of:

(1) The rate of \$4 per \$1,000 of insurance, and

(2) The premium for the increased Coverages **E** and **F** exposure, as developed from the Section II rules of this Manual.

b. Use Structures Rented to Others – Residence Premises Endorsement **HO0440**.

**B. Structures Off The Residence Premises****1. Forms HO0002, HO0003 and HO0005****a. Coverage Description**

(1) The policy automatically provides Coverage **B** – Other Structures on a blanket basis to structures located on the residence premises.

(2) The blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

**b. Premium**

Charge the rate of \$13 per policy.

**c. Endorsement**

Use Other Structures Away From The Residence Premises **HO0491**.

**2. All Forms****a. Premium**

(1) When insurance is written on a specific structure located away from the residence premises, the rate in Paragraph (2) per \$1,000 of insurance shall apply separately to each location.

(2) Specific Structures – Off-Premises rate per \$1,000: \$4

**b. Endorsement**

Use Specific Structures Away From Residence Premises Endorsement **HO0492**.

**515. PERSONAL PROPERTY**

**A. Increased Limit**

1. The limit of liability for Coverage C may be increased.
2. Charge the additional company rate per \$1,000 of insurance, in 3. below.
3. Additional rate per \$1,000 of insurance:  
**HO0002 or HO0003:**       \$2  
**HO0005:**                    3

**B. Increased Limits – Other Residences**

1. Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage C or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000, in 3. below.
3. The additional charge per \$1,000 is \$6.
4. Use Increased Limits on Personal Property in Other Residences Endorsement **HO0450**.

**C. Reduction In Limit**

1. The limit of liability for Coverage C may be reduced in accordance with Rule **101.C**.
2. The credit per \$1,000 is \$1.

**D. Increased Special Limits of Liability**

1. The Special Limits of Liability in the policy form for the categories of property noted below may be increased to the maximum limits shown.

**2. Additional Charges**

Additional charges for increased limits are shown in b. below.

**a. Special Limits**

The special limits in the policy form are noted for each category in b. below.

**b. Personal Property**

*Additional increased limits charges for each category are as follows:*

Personal Property	Limit in Form	Maximum Limit Allowed	Charge	Required Increments of Increase
<b>1) Jewelry, Watches &amp; Furs</b> (not exceeding \$1,000 for any one article)	\$1,500	\$6,500	\$ 16 Per \$1,000	N/A
<b>2) Money</b>	200	1,000	5 Per \$100	N/A
<b>3) Securities</b>	1,500	3,000	4 Per \$100	N/A
<b>4) Silverware, Goldware and Pewterware</b>	2,500	10,000	1 Per \$500	\$500
<b>5) Firearms</b>	2,500	6,500	3 Per \$100	100
<b>6) Electronic Apparatus</b>				
<b>a)</b> (in or upon a motor vehicle or motorized land conveyance)	1,500	6,000	9 Per \$500	500
<b>b)</b> (not in or upon a motor vehicle that is away from the residence premises and used for business)	1,500	6,000	9 Per \$500	500

**515. PERSONAL PROPERTY (Cont'd.)**

3. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO0465** – for all forms except as noted in Paragraph 4.
4. Use Coverage **C** Increased Special Limits of Liability Endorsement **HO0466** for Form **HO0005**, Form **HO0004** with Endorsement **HO0524** and Form **HO0006** with Endorsement **HO1731**.

**E. Refrigerated Personal Property**

*This rule does not apply. Refer to item G. below.*

**F. Theft Coverage Increase – HO0008****(Employers Mutual Casualty Company Only)****1. On-Premises**

The \$1,000 limit for on-premises theft may be increased to an aggregate limit of \$3,000 or \$5,000. Charge the additional rate shown below:

**2. Off-Premises**

When On-Premises Theft Coverage is increased, a limit of \$1,000 may be provided for Off-Premises Theft Coverage, the additional charge is shown below:

**3. Premium****On-Premises**

All Territories	30
-----------------	----

**Off-Premises**

All Territories	14
-----------------	----

**4. Endorsement**

Use Theft Coverage Increase Endorsement **HO0430**.

**G. Extensions of Coverage – All Forms****EMCASCO and UNION ONLY**

*The policy will be extended automatically for no additional premium, to include the following coverages:*

1. *Refrigerated Property Coverage — \$500 Limit — No deductible applies.*
2. *Golf Cart Liability Coverage.*
3. *Damage to Property of Others Coverage: \$1,500 Limit*

Use Homeowners Extensions of Coverage Endorsement **HO7103**.

**516. PERSONAL PROPERTY - SCHEDULED****A. Introduction**

Coverage may be provided on scheduled personal property subject to the rules and rates of the Company.

**B. Loss Settlement**

1. Endorsement **HO0461** provides for standard loss settlement for all classes of property except Fine Arts; and agreed value loss settlement for Fine Arts.
2. *This rule does not apply.*

**C. Endorsement**

1. Use Scheduled Personal Property Endorsement **HO0461** for standard loss settlement or agreed value loss settlement for fine arts.
2. *This rule does not apply.*

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**517. RENTAL TO OTHERS – EXTENDED THEFT COVERAGE ALL FORMS EXCEPT HO0005, HO0004 WITH HO0524 OR HO0006 WITH HO1731**


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**A. Coverage Description**

The policy may be endorsed to insure against loss by theft to covered property when all or part of the residence premises usually occupied by the insured is occasionally rented, in whole or in part, to others, or is regularly or occasionally rented to roomers or boarders.

**B. Premium**

\* Charge the rate of \$13 per policy.

**C. Endorsement**

Use Extended Theft Coverage For Residence Premises Occasionally Rented to Others Endorsement **HO0541**.

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**518. SINKHOLE COLLAPSE COVERAGE ALL FORMS EXCEPT HO0004 AND HO0006**


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**A. Coverage Description**

The policy may be endorsed to provide Sinkhole Collapse Coverage.

**B. Premium Determination**

- \* 1. Charge the rate of \$.31 per \$1,000, and
2. Multiply the rate per \$1,000 by:
- a. Coverage **A** amount of insurance;
  - b. Increased Limits for Coverages **C** and **D**;
  - c. Loss Assessment Coverage, increased limits and additional locations;
  - d. Ordinance Or Law Coverage, basic amount and, if applicable, increased amount of coverage;
  - e. Other Building or Structure options for example: Other Structures Rented to Others (Residence Premises) Endorsement **HO0440**; Other Structures (Increased Limits) Endorsement **HO0448**; Specific Structures Away From The Residence Endorsement **HO0492**; Building Additions And Alterations (Other Residence) Endorsement **HO0449**; and Building Additions And Alterations (Increased Limit Form **HO0004**) Endorsement **HO0451**.

**C. Endorsement**

Use Sinkhole Collapse Endorsement **HO0499**.

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**519. PERSONAL COMPUTER COVERAGE ALL FORMS EXCEPT HO0005, HO0004 WITH HO0524 OR HO0006 WITH HO1731**


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*Refer to the Personal Inland Marine Section of this manual for Personal Computer Coverage Endorsement PM7108.*

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**520. LIVESTOCK COLLISION COVERAGE**


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**A. Coverage Description**

When the policy is endorsed with either Incidental Farming Personal Liability Endorsement **HO2472** or Farmers Personal Liability Endorsement **HO2473**, the policy may also be endorsed to cover loss resulting in death of covered livestock resulting from:

1. Collision or overturn of a vehicle on which the livestock are being transported; or
2. Livestock running into or being struck by a vehicle.

**520. LIVESTOCK COLLISION COVERAGE (Cont'd.)**

**B. Coverage Exclusion**

Coverage is excluded if a vehicle owned or operated by an insured or an insured's employee:

1. Collides with the vehicle on which the livestock are being transported; or
2. Strikes the livestock.

**C. Premium**

1. Each horse, mule or head of cattle under one year of age at the time of loss will be counted as 1/2 head.
2. No deductible applies to this coverage.
3. The limit per head of livestock is \$400.
4. **Rates**

Estimated No. of Head	Premium
1 — 100	\$ 9
101 — 250	18
251 — 500	27
501 — 1,000	36

**D. Endorsement**

Use Livestock Collision Coverage Endorsement **HO0452**.

**521. WATER BACKUP OF SEWERS OR DRAINS**

**(FORMS HO0002, HO0003, HO0005 AND HO0006)**

**THIS IS NOT FLOOD INSURANCE**

*New Business and mid-term changes coverage will not become effective until fifteen (15) days after the effective date of this endorsement.*

*The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump.*

**A. \$2,000 Limit**

1. *Annual Aggregate Limit — \$2,000.*
2. *Policy Deductible Applies.*
3. *Additional Premium — \$30.00*

**Use Endorsement HO7163 — Water Back Up of Sewers or Drains (\$2,000 Aggregate)**

**B. \$5,000 Limit**

1. *Annual Aggregate Limit — \$5,000.*
2. *Policy Deductible Applies.*
3. *Additional premium — \$40.00*

\*

**Use Endorsement HO7182 — Water Back Up of Sewers or Drains (\$5,000 Aggregate)**

**C. \$10,000 Limit**

1. *Annual Aggregate Limit — \$10,000.*
2. *Policy Deductible Applies.*
3. *Additional premium — \$55.00*

\*

**Use Endorsement HO7190.1 — Water Back Up of Sewers or Drains (\$10,000 Aggregate)**

**522. LANDLORDS FURNISHINGS****A. Basic Limit**

Forms **HO0002**, **HO0003** and **HO0005** automatically cover, on a named perils basis (except Theft) landlord furnishings in an apartment on the residence premises regularly rented or held for rental. The basic limit per apartment unit is \$2,500.

**B. Increased Limits**

The basic limit of \$2,500 may be increased in increments of \$500 up to a total of \$10,000 per apartment. The increased limit applies to the same perils that applies to the basic limit and may vary by rented unit.

**C. Premium**

Rate per \$500 per unit:

- |  |     |
|--|-----|
| 1. Forms <b>HO0002</b> & <b>HO0003</b> | \$1 |
| 2. Form <b>HO0005</b>                  | 2   |

**D. Endorsement**

Use Landlord's Furnishings Endorsement **HO0546**.

**523. ASSISTED LIVING CARE COVERAGE****A. Introduction**

The policy provides coverage to named insureds and resident relatives who are members of the insured's household.

**B. Coverage Description**

1. The policy may be endorsed to provide personal property, additional living expense and personal liability coverage to a person regularly residing in an Assisted Living Care facility, provided such person:
  - a. is related to an insured by blood, marriage or adoption; and
  - b. is not a member of that insured's household.
2. An assisted living care facility is a facility that provides assisted living services such as dining, therapy, medical supervision, housekeeping and social activities. It is **not** a hospice, prison or rehabilitation facility.
3. The endorsement provides the following basic limits of coverage:
  - a. \$10,000 for Coverage **C** – Personal Property with limitations ranging from \$100 to \$500 for certain items of property;
  - b. \$6,000, at \$500 per month, for Additional Living Expenses; and
  - c. \$100,000 for Coverage **E** – Personal Liability.

**C. Premium****1. Section I and Section II Basic Limits**

Rate per unit: \$70

**2. Increased Limits**

Add to the basic limit rate in Paragraph 1. Above:

- a. Coverage **C** – Rate per \$1,000: \$6.
- b. Coverage **E** (Coverage **F** does not apply to this option): Refer to the Section **II** rate pages for increased Coverage **E** limits rates.

**D. Endorsement**

Use Assisted Living Care Coverage Endorsement **HO0459**.

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**524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD**

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**A. Introduction**

The policy provides coverage to named insureds, resident relatives who are members of the insured's household and persons under the age of 21 who are in the care of an insured.

**B. Coverage Description**

1. The policy may be endorsed to provide coverage to a person who is a member of the named insured's household but does not fall under the definition of insured in the policy. It does not cover a guest, residence employee, roomer, boarder or tenant. Coverage extends to the person named in the endorsement, and a person under the age of 21 who is in the legal custody of that person.
2. All coverages and provisions under Sections I and II of the policy that apply to insureds also apply to the persons described in Paragraph 1. except Coverages A, B and D (Fair Rental Value only).

**C. Premium****1. Section I and Section II Basic Limits**

Rate per person named in the Schedule: \$55

**2. Section II Increased Limits**

Add to the basic limit rate in Paragraph 1. above, the applicable Coverage E/Coverage F rate from the Section II rate pages.

**D. Endorsement**

Use Other Members Of Your Household Endorsement **HO0458**.

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**525. MOTORIZED GOLF CART — PHYSICAL LOSS COVERAGE**

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*This rule does not apply.*

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**526. RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO0004**

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**A. Trust and Trustee – Named Insured**

A Homeowners policy may be issued in the name of both the trust and trustee when:

1. The residence held in trust is a 1, 2, 3 or 4 family dwelling or a condominium unit used exclusively for residential purposes, except as provided in Rule **104.F.**;
2. Legal title to the dwelling or condominium unit is held solely by the trust.
3. The resident of the residence held in trust include at least one of the following: the trustee, the grantor of the trust, or the beneficiary of the trust; and
4. The trust and trustee are both shown as the named insured on the policy declarations, regardless of who resides in the residence held in trust.

**B. Endorsement**

Use Residence Held in Trust Endorsement **HO0543**.

**C. Other Persons Insured – Grantor and/or Beneficiary Regularly Resides In The Residence Held In Trust**

1. If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
  - a. Is related to the trustee and is a member of the trustee's household, the grantor and/or beneficiary is an insured as defined in the policy form and should **not** be named in Endorsement **HO0543**; or

**526. RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO0004 (Cont'd.)**

- b. Is **not** related to the trustee, or is related but not a member of the trustee's household, the grantor and/or beneficiary must be named in Endorsement **HO0543** to be covered for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
- 2. If the trustee does **not** regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in Endorsement **HO0543** whether or not they are related to the trustee. This is necessary to provide the grantor or beneficiary with coverage for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.

**D. Liability Coverage Explained**

- 1. Coverage **E** – Personal Liability and Coverage **F** – Medical Payments To Others is provided to the trust and trustee named insured who regularly resides on the residence premises. However, if the trustee named insured does **not** regularly reside on the residence premises, coverage for the trust and trustee is **only** provided for bodily injury or property damage arising out of the ownership, maintenance or use of the residence premises (premises liability).
- 2. Endorsement **HO0543** excludes:
  - a. Liability coverage for claims or suits for bodily injury or property damage arising out of any act or decision or failure to act or decide by the trustee named insured in administering the trust except as provided in Paragraph 1.; and
  - b. Liability coverage for bodily injury to all insureds covered under this policy, for example, the trustee named insured, the grantor or beneficiary of the trust who is named on the endorsement or any person acting on their behalf.

**E. Additional Conditions**

The policy may **not** be endorsed or extended to insure:

- 1. Under Section **I**, any other dwelling on the residence premises, or any other structure, on or away from the residence premises, unless legal title to that other dwelling or structure is held solely by the trust; or
- 2. Under Section **II**, any location away from the residence premises unless legal title to that other location is held solely by the trust.

**F. Premium**

Additional charges are provided for the trustee and any beneficiary and/or grantor. These charges reflect Section **II** – Liability basic limits.

**1. Trustee**

The charge for the trustee applies whether or not the trustee resides on the residence premises.

\*

Trust/Trustee: \$23

**2. Beneficiary and/or Grantor**

a. Beneficiary **or** grantor named in the endorsement; and

\*

(1) Trustee resides on the residence premises: \$23

(2) Trustee does **not** reside on the residence premises – no additional charge.

b. Beneficiary **and** grantor named in the endorsement; and

\*

(1) Trustee resides on the residence premises: \$47

\*

(2) Trustee does **not** reside on the residence premises: \$23

Refer to the Section **II** rate pages for increased Coverage **E** and Coverage **F** limits rates.

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**527. STUDENT AWAY FROM HOME**


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**A. Introduction**

The policy provides coverage for a full-time student, who was a resident of the named insured's household before moving out to attend school and is under the age of:

1. 24 and a relative of the named insured; or
2. 21 and in the care of the named insured or a resident relative.

**B. Coverage Description**

The policy may be endorsed to provide coverage for other types of students who were residents of the named insured's household before moving out to attend school. For example, part time students or students older than 24.

**C. Premium Determination****1. Section I and Section II Basic Limits**

Rate per location: \$62

**2. Section II Increased Limits**

Add to the basic limit rate in Paragraph 1. above, the applicable Coverage E/Coverage F rate from the Section II rate pages.

**D. Endorsement**

Use Additional Insured – Student Living Away From The Residence Premises Endorsement **HO0527**.

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**528. HOME BUSINESS INSURANCE COVERAGE**


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**A. Eligibility**

1. The Home Business Insurance Coverage Endorsement, may be used in conjunction with a Homeowners policy to cover the Section I and Section II exposures of a permitted business.
2. To be eligible for coverage under this endorsement, a risk must meet at least the following criteria:
  - a. The home business:
    - (1) Must be owned by the named insured or by a partnership, joint venture or other organization comprised only of the named insured and resident relatives;
    - (2) Must be operated from the residence premises that is declared on the Homeowners Declarations and used principally for residential purposes.
    - (3) May be operated from the home and/or other structure on the residence premises.
    - (4) May have up to three employees; and
    - (5) May not involve the:
      - (a) Manufacture, sale or distribution of food products;
      - (b) Manufacture of personal care products such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed; or
      - (c) Sale or distribution of personal care products **manufactured by the insured** such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed.
  - b. For all business classifications described in Paragraph C. that follows, the Gross Annual Receipts of the home business may not exceed \$250,000.

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

**3. The following Company Guidelines apply:**

**a. Application**

*A signed, completed Homeowners application and Home Business Insurance Questionnaire must be submitted at policy inception. If a Home Business is added midterm, a Home Business Insurance Questionnaire must be submitted.*

**b. Binding Authority**

*Coverage can be bound only on the eligible business operations listed below.*

**c. Eligibility**

*Risks must meet all eligibility requirements of the EMC Homeowners Program and the eligibility requirements for the Home Business Insurance Coverage. The business must operate exclusively from the residence premises and there must not be business personal property regularly kept at any location other than the residence premises.*

**d. Deductible**

*The Section I policy deductible applies.*

**e. Eligible/Ineligible Risks**

*Businesses involved in the following operations are generally eligible, and can be quoted and bound. Types of business not specifically listed but similar to those listed, may also be eligible. Such risks should not be quoted or bound, but submitted for company approval. Professional Liability Coverage is not provided under the Home Business Insurance Coverage endorsement, nor can it be added.*

**f. Description of Eligible Businesses and Classifications**

<b>(1) Office Occupancies and Class Codes</b>	<b>Code</b>
<i>Accountants and Tax Preparers.....</i>	<i>01</i>
<i>Computer Consultants (who are not involved in development of custom applications/programs) .....</i>	<i>02</i>
<i>Computer Data Entry/Programmers/Repair.....</i>	<i>01</i>
<i>Financial Planning (excluding discretionary trading authority and/or access to customers' funds) .....</i>	<i>01</i>
<i>Party/Wedding Planners.....</i>	<i>19</i>
<i>Secretarial Service .....</i>	<i>19</i>
<i>Telephone Answering Services (maximum three phone lines) .....</i>	<i>19</i>
<i>Telemarketing (maximum three phone lines) .....</i>	<i>19</i>
<b>(2) Service Occupancies and Class Codes</b>	<b>Code</b>
<i>Antique Dealers (no retail sales) .....</i>	<i>39</i>
<i>Appraisers .....</i>	<i>39</i>
<i>Architects .....</i>	<i>39</i>
<i>Artists (designers, painters, sculptors) .....</i>	<i>39</i>
<i>Barber Shops (3 &amp; 4 chairs only) .....</i>	<i>39</i>
<i>Beauty Shops (3 &amp; 4 chairs only) .....</i>	<i>39</i>
<i>Bed and Breakfast (up to 4 rooms only) .....</i>	<i>39</i>
<i>Bicycle Repairs (no motor bikes or retail sales) .....</i>	<i>41</i>
<i>Inspection Services .....</i>	<i>39</i>
<i>Interior Designers.....</i>	<i>25</i>

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

**f. Description of Eligible Businesses and Classifications**

<b>(2) Service Occupancies and Class Codes (Cont'd.)</b>	<b>Code</b>
<i>Laundry Services</i> .....	39
<i>Mailing Services</i> .....	28
<i>Manicurists (no pedicures)</i> .....	39
<i>Mediators</i> .....	39
<i>Musical Instrument Sales, Service, Repair</i> .....	39
<i>Notary Services</i> .....	39
<i>Photographers (\$10,000-\$250,000 receipts)</i> .....	31
<i>Picture Framers</i> .....	39
<i>Print Shop (subject to underwriting)</i> .....	33
<i>Seamstress (alterations/dressmakers/tailors)</i> .....	23
<i>Shoe Repairs</i> .....	34
<i>Small Appliance Repairs (toasters, mixers, irons, coffee makers, microwaves, etc. - no retail sales)</i> .....	20
<i>Teachers &amp; Tutors: including Art, Computer Use (hardware or software), Language and Music</i> .....	39
<i>Translators</i> .....	39
<i>Watch or Clock Repair</i> .....	39
<b>(3) Sales Occupancies (Other Than Crafts) and Class Codes</b>	<b>Code</b>
<i>Cosmetic Sales (Avon, Mary Kay, etc.)</i> .....	44
<i>Engraving</i> .....	59
<i>Floral Arrangement</i> .....	59
<i>Hobby &amp; Model Supplies (excluding explosives and propellants)</i> .....	59
<i>Household Product Sales (Amway, Fuller Brush, Shaklee, Tupperware, etc.)</i> .....	59
<i>Mercantile/Sales (no retail stores)</i> .....	59
<i>Trophy Sales</i> .....	59
<b>(4) Crafts Occupancies and Class Codes</b>	<b>Code</b>
<i>Clay/Ceramics</i> .....	79
<i>Dolls (including clothing and accessories)</i> .....	79
<i>Fabrics/Textiles (including sewing and knitting)</i> .....	60
<i>Glass (no glass blowers)</i> .....	79
<i>Jewelry (items under \$250 each)</i> .....	79
<i>Leather</i> .....	79
<i>Plastic</i> .....	79
<i>Wood (no cabinets or furniture)</i> .....	63

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**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

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**g. Descriptions of Ineligible Businesses**

*The following business operations are generally not eligible for coverage and should not be bound. This is not a complete list; risks now shown are not necessarily eligible for coverage. The Branch Underwriter will need to determine eligibility of risks not shown.*

*Alarm System Sales and/or Installation*

*Art Dealers*

*Attorney/Lawyer*

*Authors/Writers*

*Auto Dealers*

*Automobile Service & Repair*

*Bakeries/Baked Goods*

*Barber/Beauty School*

*Candy Makers*

*Caterers*

*Clowns, Magicians & Entertainers*

*Coin, Stamp or Rare Book Dealers*

*Contractors*

*Day Care Operations*

*Delivery or Courier Services*

*Dentists/Orthodontics*

*Detective Agencies*

*Engineers*

*Exercise Classes*

*Exterminators*

*Fence Dealers*

*Firearms Dealers*

*Furriers*

*Greenhouses*

*Gunsmiths*

*Hide Dealers*

*Insulation Work*

*Insurance Agency/Sales*

*Janitorial Services*

*Junk Dealers*

*Landscapers*

*Manufacturers Representatives*

*Marriage Counselors*

*Massage Therapists*

*Medical, Hospital or Surgical Supply Dealers*

*Mobile Home Sales*

*Newspaper Delivery*

*Ophthalmologists or Oculists*

*Optometrists*

*Pawn Shops*

*Pet Groomers/Kennels*

*Pharmacists*

*Pharmaceutical Distributors*

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)****g. Descriptions of Ineligible Businesses (Cont'd.)**

*Physicians*  
*Property Managers*  
*Psychics*  
*Psychologists*  
*Publishers*  
*Real Estate Agents*  
*Rental of Personal Property*  
*RV Dealers*  
*Sports Equipment Mfg. Or Assembly*  
*Suntanning Salons*  
*Surveyors*  
*Tattoo Artists/Body Piercing*  
*Taxidermists*  
*Trainers (horse, dog, etc.)*  
*Travel Agencies*  
*Upholsterers*  
*Vending Machine Operations*  
*Veterinarians*  
*Web Site Developers*

4. When a permitted business that is operated from the residence premises is afforded coverage under either the Permitted Incidental Occupancy or Home Day Care Coverage Endorsement, that business may not be afforded coverage under the Home Business Endorsement.

**B. Classifications**

The four principal classifications of business accommodated in this rule follow. Refer to the Company for the businesses that are eligible within each of these classifications and name and describe the business in the Schedule that is part of the endorsement:

**1. Office**

Use this classification when the business involves professional or administrative activities for its customers. It could apply to businesses like accounting, resume writing, telephone answering, etc.

**2. Service**

Use this classification when the business provides repair or other services for its customers. It could apply to businesses like bicycle repair, clock/jewelry repair, housecleaning, videotaping, etc.

**3. Sales**

Use this classification when the business involves product sales, other than crafts made in the home or other structure and sold from the home or other locations. It could apply to businesses involving the sale of books and magazines, costume jewelry, plants and flowers, stationery/other paper products, etc.

**4. Crafts**

Use this classification when the business involves selling, from the home, other structure or other locations, crafts made in the home or other structure. It could apply to crafts like ceramics, dolls, flower arrangements, quilts, etc.

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**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

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**C. Coverages****1. Section I – Property**

The Home Business Endorsement:

- a. Provides coverage for the property of the described business and for property of others in the care of the business up to the Coverage **C** limit of liability entered on the Homeowners Declarations. Therefore, the Coverage **C** limit should reflect the values of the personal and business property to be insured;
- b. Provides coverage for:
  - (1) Accounts receivable (\$5,000 limit);
  - (2) Loss of business income/extra expense (actual cost for a maximum of 12 months); and
  - (3) Valuable papers (\$2,500 limit); and
- c. Increases the Coverage **C** Special Limits of Liability on:
  - (1) Money to \$1,000;
  - (2) Credit Cards to \$1,000; and
  - (3) Business property away from the residence premises to \$5,000.

**2. Section II – Business Liability**

- a. The Home Business Endorsement provides coverage for such business liability exposures as premises operations, products-completed operations, advertising injury, and personal injury. The limits of liability for these coverages are on an annual aggregate basis and are determined in the following manner:
  - (1) For Products-Completed Operations Hazard Liability, the limit is the **same as** the Coverage **E** limit shown in the Homeowners Declarations;
  - (2) For All Other Business Liability, the limit is **twice the sum** of the combined Coverage **E** and Coverage **F** limits shown in the Homeowners Declarations; and
  - (3) For the Coverage **F** Sublimit of Liability, the limit is the **same as** the Coverage **F** limit shown in the Homeowners Declarations.
- b. The limit of liability for Additional Coverage 3., Damage To Property Of Others is increased to \$2,500.

**3. Professional Liability**

NO professional liability coverage is provided in the Home Business Endorsement.

**4. Computer-Related Damage Or Injury Exclusion and Coverage Options**

*This section does not apply.*

**D. Home Business Premium Computation**

1. Add the Section **I** and Section **II** premium components developed according to Paragraphs **D.2.** and **3.** that follow, to arrive at the Home Business Premium.

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

**2. Section I – Property**

- a. From the Company Homeowners Premium Tables, select the Base Class Premium that applies to the residence premises with the home business and multiply it by the appropriate factor in the following table:

Gross Annual Receipts*	Form		
	HO0002, HO0003, & HO0005	HO0004	HO0006
Up to \$50,000	0.08	0.38	0.36
\$ 50,001 to \$100,000	0.13	0.65	0.62
100,001 to 175,000	0.20	0.99	0.94
175,001 to 250,000	0.29	1.39	1.33

\* New business, use \$50,001 to \$100,000 classification

- b. Multiply the result computed in preceding Paragraph a. by the rating factors in the Homeowners Manual for the following risk categories:

- (1) *Protection/Construction — Form HO0004 factors (shown below) apply regardless of the Homeowners form attached to the policy.*

Protection Class											
	1	2	3	4	5	6	7	8	8B	9	10
<b>Masonry</b>	.86	.87	.88	.89	.90	.91	.92	.93	1.15	1.35	1.55
<b>Frame</b>	.96	.97	.98	.99	1.00	1.01	1.30	1.30	1.48	1.60	1.95

- (2) Superior Construction (Rule 401.) and Protection Devices (Rule 404.) – apply these factors only if they are applied to the dwelling building or other structure for the residential exposure; and
- (3) Townhouse or Row House Construction (Rule 402.) in the following manner:
- (a) For All Forms except **HO0004** and **HO0006**, apply the same factor used for the residential exposure; or
- (b) For Forms **HO0004** and **HO0006**:
- (i) Apply the factor for the number of individual family units within a fire division that best describes the building that contains the residential and business property; or
- (ii) If such building has 9 or more individual family units within a fire division, apply the factor for the 5 through 8 units classification.
- c. When a home business is operated from one or more other structures on the residence premises and declared in the Schedule, multiply the limit of liability for each structure by the "premium per \$1,000" shown in Rule 514. **Other Structures**, Paragraph A.1.a.

**3. Section II – Business Liability**

**a. Basic Limits Premium**

*Basic limits premiums applicable to the Office, Service, Sales and Crafts classifications are displayed on the Section II rate pages.*

**b. Coverage E – Increased Limits**

- (1) When the Coverage E limit is increased for Homeowners Insurance, the Home Business limits shall also be increased as illustrated in following Paragraph (2).

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

(2) *Rates for Homeowners Coverage E/Coverage F limits are displayed in the Section II rate pages. The corresponding limits that will apply to the Home Business Insurance exposures are as follows:*

**Increased Limits of Liability**

<b>Products &amp; Completed Operations</b>	
<b>Homeowners Cov. E/F Limits</b>	<b>Home Business Insurance Limits</b>
\$200,000/1,000	\$200,000
300,000/1,000	300,000
500,000/1,000	500,000
1,000,000/1,000	1,000,000
<b>All Other Liability</b>	
<b>Homeowners Cov. E/F Limits</b>	<b>Home Business Insurance Limits</b>
\$200,000/1,000	\$402,000
300,000/1,000	602,000
500,000/1,000	1,002,000
1,000,000/1,000	2,002,000

\*

\*

**c. Coverage F – Increased Limits**

- (1) When the Coverage F limit is increased for Homeowners Insurance, the Home Business Coverage F limit shall also be increased.
- (2) *Home Business premiums for Coverage E and Coverage F limits are displayed on the Section II rate pages.*
- (3) *Coverage F rates are already added to Coverage E rates to develop final Home Business premiums.*

**E. Endorsement**

Use Home Business Insurance Coverage Endorsement **HO0701**.

**F. Options**

The following options may only be used when the Home Business Coverage Endorsement is attached to the policy:

**1. Additional Insured**

*This section does not apply.*

**2. Loss Payable Condition**

**a. Coverage**

Enables the naming of a loss payee, lender's loss payee, or loss payable under a contract-of-sale arrangement.

**b. Premium**

No charge is made for this endorsement.

**c. Endorsement**

Use Loss Payable Provisions Endorsement **HO0752**.

**3. Personal And Advertising Injury Exclusion**

**a. Coverage**

Excludes all Personal and Advertising Injury coverage.

**b. Premium**

*This section does not apply.*

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)****c. Endorsement**

Use Exclusion – Personal And Advertising Injury Endorsement **HO0753**.

**4. Liquor Liability Exclusion And Exception For Scheduled Activities****a. Coverage**

This endorsement excludes liability coverage for:

- (1) Manufacturing, selling or distributing alcoholic beverages or;
- (2) Serving or furnishing alcoholic beverages with a charge whether or not such activity requires a license and;
- (3) Serving or furnishing of alcoholic beverages without a charge, if a license is required for such activity.

This exclusion does not apply to bodily injury or property damage arising out of the selling, serving or furnishing of alcoholic beverages for an activity or function described in the Schedule of this endorsement.

**b. Premium**

*This section does not apply.*

**c. Endorsement**

Use Liquor Liability Exclusion And Exception For Scheduled Activities Endorsement **HO0754**.

**5. Special Coverage – Spoilage Of Perishable Stock**

*This section does not apply.*

**6. Valuable Papers And Records Endorsements****a. Increased Limits****(1) Coverage**

The Home Business Insurance Coverage Endorsement provides a basic limit of \$2,500 for Valuable Papers and Records Coverage. This limit may be increased. The amount is specified in the Schedule of Endorsement **HO0756**.

**(2) Premium****(a) Named Perils Coverage**

**HO0002, HO0003, HO0004 & HO0006:** \$1 per \$1,000

**(b) Open Perils Coverage**

**HO0005, HO0004 with HO0524 & HO0006 with HO1731:** \$2 per \$1,000

**(3) Endorsement**

Use Valuable Papers And Records Coverage Increased Limits Endorsement **HO0756**.

**b. Special Coverage****(1) Coverage**

Extends the basic \$2,500 limit of liability for Valuable Papers And Records Coverage from:

- (a) Named-perils in Forms **HO0002, HO0003, HO0004** and **HO0006**; and
- (b) Special coverage in Forms **HO0005, HO0004 with HO0524** and **HO0006 with HO1731**;

to expanded special coverage. Increased Limits for expanded special coverage are also available.

**528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**

(2) Premium

(a) First \$2,500

HO0002, HO0003, HO0004 & HO0006: Charge \$2

HO0005, HO0004 with HO0524 & HO0006 with HO1731: Charge \$2

(b) Each Add'l \$1,000 – All Forms: Charge \$2

(3) Endorsement

Use Special Coverage Valuable Papers And Records Endorsement **HO0757**.

**7. Off-Premises Property Coverage – Increased Limits**

a. Endorsement

Coverage for business property, other than money and securities, that is away from the residence premises at the time of loss may be increased from \$5,000 to \$10,000. Check the appropriate box in the schedule of the Home Business Endorsement.

b. Premium

Rate per \$2,500

HO0002, HO0003, HO0004 and HO0006:	\$22
HO0005, HO0004 with HO0524 and HO0006 with HO1731:	\$34

**529. MODIFIED OTHER INSURANCE AND SERVICE AGREEMENT CONDITION – HO0006 ONLY**

**A. Introduction**

Form **HO0006** provides that if there is other insurance in the name of a corporation or association of property owners covering the same property covered by **HO0006**, payment for a covered loss under **HO0006** will be excess over the amount recoverable under such insurance. If the Association does not recover under its policy, for any reason, there is no payment to the insured unit-owner under Form **HO0006**.

**B. Coverage Description**

The policy may be endorsed to alter the Other Insurance and Service Agreement Condition to provide for payment of a covered loss in excess of the amount due from the other insurance whether the corporation or association of property owners can collect on it or not.

**C. Premium**

Multiply the Base Premium developed in accordance with Rule **301**. by 1.25.

**D. Endorsement**

Use Unit-Owners Modified Other Insurance And Service Agreement Condition Endorsement **HO1734** with **HO0006** only.

**530. DWELLING UNDER CONSTRUCTION—NEW HO0003 and HO0005 only)**

**A. The Homeowners Policy may be extended to cover the peril of theft while a dwelling is under construction.**

**B. Form HO7137, Theft Coverage Endorsement (\$5,000 occurrence and \$10,000 aggregate limit) will apply only until construction is completed, dwelling or structure occupied, or until expiration or cancellation of the policy.**

**C. The additional premium shall be \$40. The flat premium charge will not be subject to pro or short rate adjustments. Full premium shall be returned in the event of flat cancellation or cancellation effective as of inception date.**

**D. A \$250 deductible will apply to this additional coverage.**

**E. This form will automatically be deleted at renewal.**

Use Theft Coverage Endorsement **HO7137** (Dwelling Under Construction – New).

**531. — 600. RESERVED FOR FUTURE USE**

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**PART VI – SECTION II – LIABILITY**  
**ADDITIONAL COVERAGES AND INCREASED LIMITS RULES**

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**601. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS/OTHER EXPOSURES – BASIC LIMITS**

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**A. Residence Premises**

1. *Minimum limits of liability of \$100,000 for Coverage E (Personal Liability) and \$1,000 for Coverage F (Medical Payments to Others) are included in the Base Premiums displayed on the Section I rate pages.*
2. Refer to the Section II rate pages, Rule **601**, for increased limits rates.
3. If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

**B. Other Exposures**

1. There is an additional charge for Other Exposures listed in the following rules.
2. The minimum limits for Other Exposures are the same as the limits for the Residence Premises, unless otherwise stated.
3. For increased limits for Other Exposures, refer to Rules **701**, and **702**.
4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

**C. Rates And Factors Not Shown**

1. Rates and factors for limits between the lowest and highest limits shown in this manual may be developed by interpolation.
2. For rates and factors for limits above the highest shown, refer to company.

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**602. OTHER INSURED LOCATION OCCUPIED BY INSURED**

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**A. Introduction**

1. Section II Coverage may be provided on locations, other than the residence premises, where an insured resides, but which are insured for Section I Coverage under another insurance program or by another company.
2. Make the appropriate charge for each other insured location shown in the Declarations of this policy. If the insured location is in another state, refer to the manual for that state.

**B. Premium:** Refer to rate pages.

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**603. RESIDENCE EMPLOYEES**

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- A. There is no additional charge for up to two residence employees.
- B. Refer to the rate pages to determine the premium when there are more than two residence employees.
- C. Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section II of the policy.

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**604. ADDITIONAL RESIDENCE RENTED TO OTHERS**

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**A. Introduction**

1. The policy may be endorsed to provide coverage when an additional residence is rented to others.
2. If the additional residence rented to others is in another state, refer to the manual for that state.

*Rates shown are to be used for up to 9 additional families (within 1-4 family residential structures). Refer to company if there are more than 9 families. A photo of the front & back of the premises is required (for assessment of any liability hazards or exposures).*

**B. Premium:** Refer to rate pages.

**C. Endorsement**

Use Additional Residence Rented To Others Endorsement **HO2470**.

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**605. OTHER STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES**

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**A. Coverage Description**

1. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
2. Refer to Rule **514.C.** for rating Section I Coverage.

**B. Premium:** Refer to rate pages.

**C. Endorsement**

Use Structures Rented To Others — Residence Premises Endorsement **HO0440**.

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**606. COMPUTER-RELATED DAMAGE OR INJURY EXCLUSION AND COVERAGE OPTIONS**

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*This rule does not apply.*

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**607. HOME DAY CARE COVERAGE**

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*Contact Branch Office for any applicable rates and rules on file with the Insurance Department.*

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**608. PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES AND OTHER RESIDENCES**

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**A. Coverage Description**

The policy may be endorsed to provide coverage for the increased exposure arising from a permitted incidental occupancy on the residence premises or in an other residence occupied by the insured.

**1. Residence Premises**

Use Permitted Incidental Occupancies — Residence Premises Endorsement **HO0442**.

**2. Other Residence**

Use Permitted Incidental Occupancies — Other Residence Endorsement **HO2443**.

**B. Premium:** Refer to rate pages.

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**609. BUSINESS PURSUITS**

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**A. Coverage Description**

The policy may be endorsed to provide coverage for the liability of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control of the business.

**B. Premium**

1. Refer to the rate pages for eligible business activities and rates.
2. *Eligibility and rates for business activities not listed do not apply.*

**C. Endorsement**

Use Business Pursuits Endorsement **HO2471**.

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**610. PERSONAL INJURY**

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**A. Introduction**

Liability coverage for personal injury to others, such as false arrest, malicious prosecution, wrongful eviction, slander, libel or violations of right of privacy, may be added to the policy.

**B. Premium:** Refer to rate pages.**C. Endorsement**

Use Personal Injury Endorsement **HO2482**.

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**611. INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES**

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**A. Coverage Description**

1. The policy may be endorsed to provide liability coverage for certain types of recreational motor vehicles that cannot exceed a speed of 15 miles per hour on level ground. However, even with the endorsement there is no coverage for such vehicles if, at the time and place of an occurrence, the involved vehicle:

- a. Is registered for use on public roads or property;
- b. Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of an "occurrence"; or
- c. Is being:
  - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
  - (2) Rented to others;
  - (3) Used to carry persons or cargo for a charge; or
  - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.

2. The following may not be covered:

- a. Motorized bicycles;
- b. Motorized golf carts; or
- c. Mopeds.

3. Read the endorsement for conditions of coverage applying to eligible motor vehicles.

**B. Premium:** Refer to rate pages.**C. Endorsement**

Use Incidental Low Power Recreational Motor Vehicles Endorsement **HO2413**.

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**612. OUTBOARD MOTORS AND WATERCRAFT**

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**A. Introduction**

Coverage is included in the policy form, at no additional charge, for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horse power or less when not owned by an insured or more than 50 horsepower when not owned by or rented to an insured.

**B. Coverage Description**

1. The policy may be endorsed to provide coverage for the following types of craft:
  - a. Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower; or powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
  - b. Sailboats 26 feet or more in overall length, with or without auxiliary power.
2. Coverage must be written to expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, the navigational period of each year. Premium shall be adjusted on a pro rata basis.
3. For watercraft not described in preceding Paragraphs **A.** and **B.1.**, coverage is not permitted under the Homeowners Policy.
4. The premium in the state where the Insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the watercraft from that residence, apply the premium for that state.

**C. Premium:** Refer to rate pages.

**D. Endorsement**

Use Watercraft Endorsement **HO2475**.

*Refer to the Personal Inland Marine section of this manual for Pleasure Boat Coverage Endorsement **PM7175**.*

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**613. OWNED RECREATIONAL VEHICLES**

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**A.** *The policy may be endorsed to provide coverage when a snowmobile, golf cart, etc. is used off the insured location.*

**B.** *Rate each recreational vehicle owned by the named insured or any other insured separately. This charge is the minimum annual premium for each recreational vehicle for any period within a policy year.*

**C. Premium:** *Refer to rate pages.*

Use Recreational Vehicle Liability Endorsement **HO7164**.

*Refer to the Personal Inland Marine section of this manual for Recreational Vehicle Physical Damage Endorsement **PM7164.5**.*

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**614. FARMERS PERSONAL LIABILITY**

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**A. Eligibility**

1. The policy may be endorsed to provide coverage when the insured has a farm away from the residence premises and farming is not the insured's primary occupation.
2. This coverage may be extended to include employer's liability including medical payments, for farm employees of any insured.
3. The following may not be covered:
  - a. Farms where the principal purpose of the farm is:
    - (1) To supply commodities for manufacturing or processing by the insured for sale to others, such as creameries and dairies (but not dairy farms).
    - (2) To operate freezing or dehydrating plants, and poultry factories.  
The word "processing" does not apply to the slaughtering and dressing of livestock, or to such operations as bunching vegetables or crating berries.
  - b. Farms where the principal purpose of the farm is the raising and using of horses for racing purposes.
  - c. Incorporated farms.

**B. Endorsement**

Use Farmers Personal Liability Endorsement **HO2473**.

**C. Premium And Rating Instructions****1. Farms Owned By Insured And Operated By Insured Or Insured's Employees**

Refer to the rate pages for rates for the following exposures:

- a. Initial Farm Premises with or without buildings, including all additional farm acreage (with or without buildings).
- b. For **each** additional farm premises with buildings, an additional rate applies.

**2. Farms Owned By Insured And Rented To Others**

Refer to the rate pages for rates for the following exposures:

- a. All Farm Premises **without** buildings.
- b. **Each** farm premises **with** buildings.

**3. Farm Employees**

Refer to the rate pages for rates for the following exposures:

- a. Part time employees working 40 days or fewer per year. Total the number of days worked by all employees in this category and apply the rate to that total.
- b. Part time employees working over 40 days but not more than 180 days per year.
- c. Full time employees (over 180 days per year).

Farm employees employed in violation of law may be excluded subject to the rules and rates filed by or on behalf of the Company. Use Exclusion of Farm Employees Illegally Employed Endorsement **HO2496**.

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**615. INCIDENTAL FARMING PERSONAL LIABILITY**

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**A. On The Residence Premises****1. Coverage Description**

- a. The policy may be endorsed to provide coverage for the liability of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operations is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes.
- b. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals, However, coverage is not available if the residence premises is used for racing purposes.

**2. Premium:** Refer to rate pages.**B. Away From The Residence Premises****1. Coverage Description**

The policy may be endorsed to provide coverage for the liability of the insured whose incidental farming activities are conducted at the locations specified in the endorsement which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.

**2. Premium:** Refer to rate pages.**C. Endorsement**

Use Incidental Farming Personal Liability Endorsement **HO2472**.

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**616. OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL AND LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COVERAGES**

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*Contact Branch Office for any applicable rates and rules on file with the Insurance Department.*

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**617. WATERBED LIABILITY COVERAGE**

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**HO0004 and HO0006:**

*Forms HO0004 and HO0006 may be endorsed to provide coverage for property damage liability caused by the ownership of a waterbed.*

**Premium:** *Refer to rate pages.*

Use Waterbed Liability Endorsement **HO7112**.

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**618. – 620. RESERVED FOR FUTURE USE**

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**621. SWIMMING POOL LIABILITY COVERAGE**

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**HO0002, HO0003, HO0005 and HO0008**

**A.** *A residence premises having a permanent in-ground or above-ground swimming pool will be charged an additional premium to reflect the increase in liability hazard.*

**B.** *Photos and the company swimming pool questionnaire are required.*

**C. Premium:** *Refer to rate pages.*

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**622. – 700. RESERVED FOR FUTURE USE**

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**PART VII - SECTION II - LIABILITY**  
**OTHER EXPOSURES INCREASED LIMITS**

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**701. PERSONAL LIABILITY INCREASED LIMITS**

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In addition to basic limits, rates are displayed for the following increased limits on the rate pages:

**Limit**

\$200,000

300,000

500,000

1,000,000

\*

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**702. MEDICAL PAYMENTS TO OTHERS INCREASED LIMITS**

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In addition to basic limits, rates are displayed for the following increased limits on the rate pages:

**Limit**

\$2,000

3,000

4,000

5,000

**COVERAGE A - ANNUAL KEY PREMIUMS**

TERRITORY: 30,31

\$100,000 COV. A / \$100,000 COV. E. / \$1,000 COV. F

DEDUCTIBLE: \$500 FLAT - ALL SECTION I PERILS

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0002	HO0003	HO0005	HO0008	HO0002	HO0003	HO0005	HO0008
EMCC	01-02	1469	1500	1950	1724	1631	1664	2164	1914
	03	1487	1518	1974	1745	1649	1683	2188	1935
	04	1595	1628	2116	1872	1774	1811	2354	2082
	05	1613	1646	2140	1893	1792	1829	2378	2103
	06	1631	1664	2164	1914	1882	1920	2497	2208
	07	2061	2103	2735	2418	2240	2286	2973	2629
	08	2688	2744	3567	3155	2778	2835	3686	3260
	8B	3405	3475	4518	3996	3763	3841	4994	4416
	09	3942	4024	5232	4627	4480	4573	5945	5258
	10	5376	5487	7134	6309	6362	6493	8442	7466
EMCASCO	01-02	918	937	1219	N/A	1019	1040	1352	N/A
	03	930	949	1233	N/A	1030	1052	1367	N/A
	04	997	1017	1323	N/A	1109	1132	1471	N/A
	05	1008	1029	1337	N/A	1120	1143	1486	N/A
	06	1019	1040	1352	N/A	1176	1200	1560	N/A
	07	1288	1314	1709	N/A	1400	1429	1858	N/A
	08	1680	1715	2229	N/A	1736	1772	2303	N/A
	8B	2128	2172	2823	N/A	2352	2400	3121	N/A
	09	2464	2515	3269	N/A	2800	2858	3715	N/A
	10	3360	3429	4458	N/A	3976	4058	5275	N/A
UNION	01-02	N/A	703	913	N/A	N/A	780	1014	N/A
	03	N/A	711	925	N/A	N/A	788	1025	N/A
	04	N/A	763	991	N/A	N/A	848	1103	N/A
	05	N/A	771	1003	N/A	N/A	857	1114	N/A
	06	N/A	780	1014	N/A	N/A	900	1170	N/A
	07	N/A	986	1281	N/A	N/A	1071	1393	N/A
	08	N/A	1286	1671	N/A	N/A	1328	1727	N/A
	8B	N/A	1628	2117	N/A	N/A	1800	2339	N/A
	09	N/A	1885	2451	N/A	N/A	2143	2785	N/A
	10	N/A	2571	3342	N/A	N/A	3042	3955	N/A

REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)

HO-R-5

EMPLOYERS MUTUAL CASUALTY COMPANY  
EMCASCO INSURANCE COMPANY  
UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

**COVERAGE A - ANNUAL KEY PREMIUMS (Cont'd.)**

TERRITORY: 32

\$100,000 COV. A / \$100,000 COV. E. / \$1,000 COV. F

DEDUCTIBLE: \$500 FLAT - ALL SECTION I PERILS

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0002	HO0003	HO0005	HO0008	HO0002	HO0003	HO0005	HO0008
EMCC	01-02	1390	1419	1844	1632	1542	1574	2047	1811
	03	1407	1436	1867	1652	1559	1592	2069	1831
	04	1509	1540	2002	1771	1678	1713	2227	1970
	05	1526	1557	2024	1791	1695	1730	2249	1990
	06	1542	1574	2047	1811	1780	1817	2361	2090
	07	1949	1990	2586	2289	2119	2163	2811	2488
	08	2543	2595	3374	2985	2627	2682	3486	3085
	8B	3221	3287	4273	3781	3560	3633	4723	4179
	09	3729	3806	4948	4378	4238	4325	5623	4975
	10	5085	5190	6747	5970	6017	6142	7984	7065
EMCASCO	01-02	868	886	1152	N/A	964	984	1279	N/A
	03	879	897	1166	N/A	974	995	1293	N/A
	04	943	962	1250	N/A	1048	1070	1391	N/A
	05	953	973	1265	N/A	1059	1081	1405	N/A
	06	964	984	1279	N/A	1112	1135	1475	N/A
	07	1218	1243	1616	N/A	1324	1351	1756	N/A
	08	1589	1622	2108	N/A	1641	1676	2178	N/A
	8B	2012	2054	2670	N/A	2224	2270	2951	N/A
	09	2330	2378	3091	N/A	2648	2703	3513	N/A
	10	3177	3243	4215	N/A	3759	3838	4988	N/A
UNION	01-02	N/A	665	864	N/A	N/A	738	959	N/A
	03	N/A	673	875	N/A	N/A	746	970	N/A
	04	N/A	722	938	N/A	N/A	803	1043	N/A
	05	N/A	730	949	N/A	N/A	811	1054	N/A
	06	N/A	738	959	N/A	N/A	852	1107	N/A
	07	N/A	933	1212	N/A	N/A	1014	1318	N/A
	08	N/A	1217	1581	N/A	N/A	1257	1634	N/A
	8B	N/A	1541	2003	N/A	N/A	1703	2213	N/A
	09	N/A	1784	2319	N/A	N/A	2028	2635	N/A
	10	N/A	2433	3162	N/A	N/A	2879	3742	N/A

REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)

**COVERAGE A - ANNUAL KEY PREMIUMS (Cont'd.)**

**TERRITORY: 72,82**

**\$100,000 COV. A / \$100,000 COV. E. / \$1,000 COV. F**

**DEDUCTIBLE: \$500 FLAT - ALL SECTION I PERILS**

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0002	HO0003	HO0005	HO0008	HO0002	HO0003	HO0005	HO0008
EMCC	01-02	1059	1081	1405	1243	1176	1199	1559	1380
	03	1072	1094	1422	1258	1189	1213	1576	1395
	04	1150	1173	1525	1349	1279	1305	1696	1501
	05	1163	1186	1542	1364	1292	1318	1713	1516
	06	1176	1199	1559	1380	1357	1384	1799	1592
	07	1486	1516	1970	1743	1615	1648	2141	1895
	08	1938	1977	2570	2274	2003	2043	2655	2350
	8B	2455	2504	3255	2880	2713	2768	3597	3184
	09	2842	2900	3769	3335	3230	3295	4283	3790
	10	3876	3954	5139	4548	4587	4679	6081	5382
EMCASCO	01-02	663	676	878	N/A	735	750	975	N/A
	03	671	684	889	N/A	743	758	985	N/A
	04	719	733	953	N/A	800	816	1060	N/A
	05	727	742	964	N/A	808	824	1071	N/A
	06	735	750	975	N/A	848	865	1125	N/A
	07	929	948	1232	N/A	1010	1030	1339	N/A
	08	1212	1236	1607	N/A	1252	1277	1660	N/A
	8B	1535	1566	2035	N/A	1697	1730	2249	N/A
	09	1778	1813	2356	N/A	2020	2060	2678	N/A
	10	2424	2472	3213	N/A	2868	2925	3802	N/A
UNION	01-02	N/A	507	658	N/A	N/A	562	731	N/A
	03	N/A	513	666	N/A	N/A	569	739	N/A
	04	N/A	550	715	N/A	N/A	612	795	N/A
	05	N/A	556	723	N/A	N/A	618	803	N/A
	06	N/A	562	731	N/A	N/A	649	843	N/A
	07	N/A	711	923	N/A	N/A	773	1004	N/A
	08	N/A	927	1205	N/A	N/A	958	1245	N/A
	8B	N/A	1174	1526	N/A	N/A	1298	1686	N/A
	09	N/A	1360	1767	N/A	N/A	1545	2008	N/A
	10	N/A	1854	2409	N/A	N/A	2194	2851	N/A

**REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)**

**COVERAGE A - ANNUAL KEY PREMIUMS (Cont'd.)**

**TERRITORY: 73**

**\$100,000 COV. A / \$100,000 COV. E. / \$1,000 COV. F**

**DEDUCTIBLE: \$500 FLAT - ALL SECTION I PERILS**

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0002	HO0003	HO0005	HO0008	HO0002	HO0003	HO0005	HO0008
EMCC	01-02	1587	1619	2104	1861	1761	1796	2335	2066
	03	1606	1638	2130	1884	1780	1816	2361	2088
	04	1722	1757	2284	2020	1916	1954	2540	2247
	05	1742	1777	2309	2043	1935	1974	2566	2270
	06	1761	1796	2335	2066	2032	2073	2694	2384
	07	2225	2270	2951	2611	2419	2468	3208	2838
	08	2903	2961	3849	3405	2999	3060	3977	3519
	8B	3677	3751	4875	4313	4064	4145	5389	4767
	09	4257	4343	5645	4994	4838	4935	6415	5675
	10	5805	5922	7698	6810	6869	7008	9109	8059
EMCASCO	01-02	991	1012	1315	N/A	1100	1123	1460	N/A
	03	1003	1024	1331	N/A	1112	1135	1476	N/A
	04	1076	1098	1428	N/A	1197	1222	1588	N/A
	05	1088	1111	1444	N/A	1209	1234	1604	N/A
	06	1100	1123	1460	N/A	1269	1296	1684	N/A
	07	1390	1419	1845	N/A	1511	1543	2005	N/A
	08	1814	1851	2406	N/A	1874	1913	2486	N/A
	8B	2297	2345	3048	N/A	2539	2591	3368	N/A
	09	2660	2715	3529	N/A	3023	3085	4010	N/A
	10	3627	3702	4812	N/A	4292	4381	5694	N/A
UNION	01-02	N/A	759	987	N/A	N/A	843	1096	N/A
	03	N/A	769	999	N/A	N/A	852	1108	N/A
	04	N/A	824	1072	N/A	N/A	917	1192	N/A
	05	N/A	833	1084	N/A	N/A	926	1204	N/A
	06	N/A	843	1096	N/A	N/A	972	1264	N/A
	07	N/A	1065	1385	N/A	N/A	1158	1505	N/A
	08	N/A	1389	1806	N/A	N/A	1435	1866	N/A
	8B	N/A	1759	2288	N/A	N/A	1945	2528	N/A
	09	N/A	2037	2649	N/A	N/A	2315	3010	N/A
	10	N/A	2778	3612	N/A	N/A	3287	4274	N/A

**REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)**

**COVERAGE A - ANNUAL KEY PREMIUMS (Cont'd.)**

TERRITORY: 81

\$100,000 COV. A / \$100,000 COV. E. / \$1,000 COV. F

DEDUCTIBLE: \$500 FLAT - ALL SECTION I PERILS

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0002	HO0003	HO0005	HO0008	HO0002	HO0003	HO0005	HO0008
EMCC	01-02	1364	1392	1810	1601	1514	1545	2008	1777
	03	1381	1409	1832	1621	1531	1562	2030	1797
	04	1481	1511	1964	1738	1647	1681	2185	1933
	05	1498	1528	1986	1758	1664	1698	2207	1953
	06	1514	1545	2008	1777	1747	1783	2317	2051
	07	1914	1953	2538	2246	2080	2123	2759	2441
	08	2496	2547	3311	2930	2579	2632	3421	3027
	8B	3162	3226	4193	3711	3494	3566	4635	4101
	09	3661	3736	4855	4297	4160	4245	5518	4883
	10	4992	5094	6621	5859	5907	6028	7835	6933
EMCASCO	01-02	853	870	1131	N/A	946	966	1255	N/A
	03	863	881	1145	N/A	957	976	1269	N/A
	04	926	944	1227	N/A	1030	1050	1365	N/A
	05	936	955	1241	N/A	1040	1061	1379	N/A
	06	946	966	1255	N/A	1092	1114	1448	N/A
	07	1196	1220	1586	N/A	1300	1326	1724	N/A
	08	1560	1592	2069	N/A	1612	1645	2137	N/A
	8B	1976	2016	2620	N/A	2184	2228	2896	N/A
	09	2288	2334	3034	N/A	2600	2653	3448	N/A
	10	3120	3183	4137	N/A	3692	3767	4895	N/A
UNION	01-02	N/A	653	849	N/A	N/A	724	942	N/A
	03	N/A	661	859	N/A	N/A	732	952	N/A
	04	N/A	708	921	N/A	N/A	788	1025	N/A
	05	N/A	716	932	N/A	N/A	796	1035	N/A
	06	N/A	724	942	N/A	N/A	836	1087	N/A
	07	N/A	915	1190	N/A	N/A	995	1294	N/A
	08	N/A	1194	1553	N/A	N/A	1234	1604	N/A
	8B	N/A	1512	1967	N/A	N/A	1672	2174	N/A
	09	N/A	1751	2277	N/A	N/A	1990	2588	N/A
	10	N/A	2388	3105	N/A	N/A	2826	3674	N/A

REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)

**COVERAGE C - ANNUAL KEY PREMIUMS**

TERRITORY: 30-32,72-73,81-82

\$25,000 COV. C / \$100,000 COV. E. / \$1,000 COV. F

DEDUCTIBLE: \$250 FLAT - ALL SECTION I PERILS

COMPANY	PROT CLASS	MASONRY				FRAME			
		HO0004	HO0524	HO0006	HO0006 & HO1731	HO0004	HO0524	HO0006	HO0006 & HO1731
EMCC	01	411	575	328	458	459	642	366	512
	02	416	582	331	464	464	649	370	517
	03	421	589	335	469	468	656	373	522
	04	425	595	339	474	473	662	377	528
	05	430	602	343	480	478	669	381	533
	06	435	609	347	485	483	676	385	538
	07	440	615	351	490	621	870	495	693
	08	445	622	354	496	621	870	495	693
	8B	550	769	438	613	707	990	564	789
	09	645	903	514	720	765	1070	610	853
10	741	1037	591	826	932	1305	743	1039	
EMCASCO	01	257	360	205	286	287	402	228	320
	02	260	365	207	290	290	406	231	323
	03	263	369	209	293	293	411	233	326
	04	266	373	212	296	296	415	236	330
	05	269	377	214	300	299	419	238	333
	06	272	381	217	303	302	423	240	336
	07	275	385	219	306	389	545	309	433
	08	278	390	221	310	389	545	309	433
	8B	344	482	274	383	443	620	352	493
	09	404	566	321	450	478	670	381	533
10	463	649	369	516	583	817	464	649	
UNION	01	N/A	N/A	154	216	N/A	N/A	172	241
	02	N/A	N/A	156	218	N/A	N/A	174	243
	03	N/A	N/A	158	221	N/A	N/A	175	246
	04	N/A	N/A	159	223	N/A	N/A	177	248
	05	N/A	N/A	161	226	N/A	N/A	179	251
	06	N/A	N/A	163	228	N/A	N/A	181	254
	07	N/A	N/A	165	231	N/A	N/A	233	326
	08	N/A	N/A	166	233	N/A	N/A	233	326
	8B	N/A	N/A	206	289	N/A	N/A	265	371
	09	N/A	N/A	242	339	N/A	N/A	286	402
10	N/A	N/A	277	389	N/A	N/A	349	489	

REFER TO PAGES HO-R-1 THRU HO-R-4 FOR POLICY SIZE RELATIVITIES (KEY FACTORS)

**SECTION II COVERAGE RATES**

**NOTE: THIS SECTION CONTAINS SECTION II RATES ONLY. THE RULES AND APPLICABLE ENDORSEMENTS FOR THESE SECTION II EXPOSURES ARE CONTAINED IN THE RULE SECTION OF THIS MANUAL.**

**ALL APPLICABLE RATES ARE DISPLAYED FOR THE FOLLOWING SECTION II LIMITS:**

<b>COVERAGE E LIABILITY</b>	<b>COVERAGE F MEDICAL PAYMENTS TO OTHERS</b>
\$ 100,000	\$ 1,000
200,000	2,000
300,000	3,000
500,000	4,000
1,000,000	5,000

**SECTION II RATING TERRITORY DEFINITIONS**

**ROS = REMAINDER OF STATE; OR RATES APPLY TO ENTIRE STATE**

<b>LIMITS OF LIABILITY</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$300,000</b>	<b>\$500,000</b>	<b>\$1,000,000</b>
<b>523. ASSISTED LIVING CARE COVERAGE (RATE PER PERSON)</b>					
TERR: ROS					
(COV. F: N/A)	70	72	74	75	77
<b>524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD (RATE PER PERSON)</b>					
TERR: ROS					
1,000	55	62	66	71	77
2,000	56	63	67	72	78
3,000	57	64	68	73	79
4,000	58	65	69	74	80
5,000	59	66	70	75	81

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>526. RESIDENCE HELD IN TRUST (ALL FORMS EXCEPT HO0004)</b>					
TERR: ROS					
TRUST/TRUSTEE					
1,000	23	26	29	31	34
2,000	24	27	30	32	35
3,000	25	28	31	33	36
4,000	26	29	32	34	37
5,000	27	30	33	35	38
BENEFICIARY OR GRANTOR TRUSTEE - RESIDENT					
1,000	23	26	29	31	34
2,000	24	27	30	32	35
3,000	25	28	31	33	36
4,000	26	29	32	34	37
5,000	27	30	33	35	38
BENEFICIARY OR GRANTOR TRUSTEE - NOT RESIDENT					
NO CHARGE					
BENEFICIARY AND GRANTOR TRUSTEE - RESIDENT					
1,000	47	54	58	63	69
2,000	48	55	59	64	70
3,000	49	56	60	65	71
4,000	50	57	61	66	72
5,000	51	58	62	67	73
BENEFICIARY AND GRANTOR TRUSTEE - NOT RESIDENT					
1,000	23	26	29	31	34
2,000	24	27	30	32	35
3,000	25	28	31	33	36
4,000	26	29	32	34	37
5,000	27	30	33	35	38
<b>527. STUDENT AWAY FROM HOME (RATE PER LOCATION)</b>					
TERR: ROS					
1,000	62	69	73	78	84
2,000	63	70	74	79	85
3,000	64	71	75	80	86
4,000	65	72	76	81	87
5,000	66	73	77	82	88

**SECTION II COVERAGE RATES (Cont'd.)**

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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**528. HOME BUSINESS INSURANCE COVERAGE LIABILITY**

\*NEW BUSINESS, USE 10 OR MORE CLASSIFICATION

\*\*NEW BUSINESS, USE \$50,001 TO \$100,000 CLASSIFICATION

**OFFICE**

GROSS ANNUAL RECEIPTS UP TO \$250,000

\*BUSINESS VISITORS PER WEEK

**UNDER 10 VISITORS**

1,000	2	2	2	3	3
2,000	6	6	6	7	7
3,000	11	11	11	12	12
4,000	15	15	15	16	16
5,000	19	19	19	20	20

**10 OR MORE VISITORS**

1,000	4	5	5	5	6
2,000	12	13	13	13	14
3,000	16	17	17	17	18
4,000	22	23	23	23	24
5,000	26	27	27	27	28

**SERVICES**

\*\*GROSS ANNUAL RECEIPTS

\*BUSINESS VISITORS PER WEEK

UP TO \$50,000

UNDER 10 VISITORS

1,000	18	21	22	24	26
2,000	22	25	26	28	30
3,000	27	30	31	33	35
4,000	31	34	35	37	39
5,000	35	38	39	41	43

\$50,001 TO \$100,000

UNDER 10 VISITORS

1,000	55	63	68	74	81
2,000	59	67	72	78	85
3,000	64	72	77	83	90
4,000	68	76	81	87	94
5,000	72	80	85	91	98

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>528. HOME BUSINESS INSURANCE COVERAGE LIABILITY - (CONT.)</b>					
<b>\$100,001 TO \$175,000 UNDER 10 VISITORS</b>					
1,000	101	116	125	136	148
2,000	105	120	129	140	152
3,000	110	125	134	145	157
4,000	114	129	138	149	161
5,000	118	133	142	153	165
<b>\$175,001 TO \$250,000 UNDER 10 VISITORS</b>					
1,000	156	179	193	211	229
2,000	160	183	197	215	233
3,000	165	188	202	220	238
4,000	169	192	206	224	242
5,000	173	196	210	228	246
<b>SERVICES</b>					
<b>**GROSS ANNUAL RECEIPTS *BUSINESS VISITORS PER WEEK</b>					
<b>UP TO \$50,000 10 OR MORE VISITORS</b>					
1,000	28	32	35	38	41
2,000	36	40	43	46	49
3,000	40	44	47	50	53
4,000	46	50	53	56	59
5,000	50	54	57	60	63
<b>\$50,001 TO \$100,000 10 OR MORE VISITORS</b>					
1,000	82	94	102	111	121
2,000	90	102	110	119	129
3,000	94	106	114	123	133
4,000	100	112	120	129	139
5,000	104	116	124	133	143
<b>\$100,001 TO \$175,000 10 OR MORE VISITORS</b>					
1,000	151	174	187	204	222
2,000	159	182	195	212	230
3,000	163	186	199	216	234
4,000	169	192	205	222	240
5,000	173	196	209	226	244

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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## 528. HOME BUSINESS INSURANCE COVERAGE LIABILITY - (CONT.)

**\$175,001 TO \$250,000  
10 OR MORE VISITORS**

1,000	234	269	290	316	344
2,000	242	277	298	324	352
3,000	246	281	302	328	356
4,000	252	287	308	334	362
5,000	256	291	312	338	366

## SALES

**\*\*GROSS ANNUAL RECEIPTS  
\*BUSINESS VISITORS PER WEEK**

**UP TO \$50,000  
UNDER 10 VISITORS**

1,000	9	10	11	12	13
2,000	13	14	15	16	17
3,000	18	19	20	21	22
4,000	22	23	24	25	26
5,000	26	27	28	29	30

**\$50,001 TO \$100,000  
UNDER 10 VISITORS**

1,000	26	30	32	35	38
2,000	30	34	36	39	42
3,000	35	39	41	44	47
4,000	39	43	45	48	51
5,000	43	47	49	52	55

**\$100,001 TO \$175,000  
UNDER 10 VISITORS**

1,000	47	54	58	63	69
2,000	51	58	62	67	73
3,000	56	63	67	72	78
4,000	60	67	71	76	82
5,000	64	71	75	80	86

**\$175,001 TO \$250,000  
UNDER 10 VISITORS**

1,000	73	84	91	99	107
2,000	77	88	95	103	111
3,000	82	93	100	108	116
4,000	86	97	104	112	120
5,000	90	101	108	116	124

HO-R-15

EMPLOYERS MUTUAL CASUALTY COMPANY  
EMCASCO INSURANCE COMPANY  
UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>528. HOME BUSINESS INSURANCE COVERAGE LIABILITY - (CONT.)</b>					
<b>SALES</b>					
<b>**GROSS ANNUAL RECEIPTS</b>					
<b>*BUSINESS VISITORS PER WEEK</b>					
<b>UP TO \$50,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	13	15	16	18	19
2,000	21	23	24	26	27
3,000	25	27	28	30	31
4,000	31	33	34	36	37
5,000	35	37	38	40	41
<b>\$50,001 TO \$100,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	39	45	48	53	57
2,000	47	53	56	61	65
3,000	51	57	60	65	69
4,000	57	63	66	71	75
5,000	61	67	70	75	79
<b>\$100,001 TO \$175,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	71	82	88	96	104
2,000	79	90	96	104	112
3,000	83	94	100	108	116
4,000	89	100	106	114	122
5,000	93	104	110	118	126
<b>\$175,001 TO \$250,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	109	125	135	147	160
2,000	117	133	143	155	168
3,000	121	137	147	159	172
4,000	127	143	153	165	178
5,000	131	147	157	169	182

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>528. HOME BUSINESS INSURANCE COVERAGE LIABILITY - (CONT.)</b>					
<b>CRAFTS</b>					
<b>**GROSS ANNUAL RECEIPTS</b>					
<b>*BUSINESS VISITORS PER WEEK</b>					
<b>UP TO \$50,000</b>					
<b>UNDER 10 VISITORS</b>					
1,000	11	13	14	15	16
2,000	15	17	18	19	20
3,000	20	22	23	24	25
4,000	24	26	27	28	29
5,000	28	30	31	32	33
<b>\$50,001 TO \$100,000</b>					
<b>UNDER 10 VISITORS</b>					
1,000	32	37	40	43	47
2,000	36	41	44	47	51
3,000	41	46	49	52	56
4,000	45	50	53	56	60
5,000	49	54	57	60	64
<b>\$100,001 TO \$175,000</b>					
<b>UNDER 10 VISITORS</b>					
1,000	58	67	72	78	85
2,000	62	71	76	82	89
3,000	67	76	81	87	94
4,000	71	80	85	91	98
5,000	75	84	89	95	102
<b>\$175,001 TO \$250,000</b>					
<b>UNDER 10 VISITORS</b>					
1,000	90	104	112	122	132
2,000	94	108	116	126	136
3,000	99	113	121	131	141
4,000	103	117	125	135	145
5,000	107	121	129	139	149

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>528. HOME BUSINESS INSURANCE COVERAGE LIABILITY - (CONT.)</b>					
<b>CRAFTS</b>					
<b>**GROSS ANNUAL RECEIPTS</b>					
<b>*BUSINESS VISITORS PER WEEK</b>					
<b>UP TO \$50,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	16	18	20	22	24
2,000	24	26	28	30	32
3,000	28	30	32	34	36
4,000	34	36	38	40	42
5,000	38	40	42	44	46
<b>\$50,001 TO \$100,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	47	54	58	63	69
2,000	55	62	66	71	77
3,000	59	66	70	75	81
4,000	65	72	76	81	87
5,000	69	76	80	85	91
<b>\$100,001 TO \$175,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	87	100	108	117	128
2,000	95	108	116	125	136
3,000	99	112	120	129	140
4,000	105	118	126	135	146
5,000	109	122	130	139	150
<b>\$175,001 TO \$250,000</b>					
<b>10 OR MORE VISITORS</b>					
1,000	134	154	166	181	197
2,000	142	162	174	189	205
3,000	146	166	178	193	209
4,000	152	172	184	199	215
5,000	156	176	188	203	219

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>601. RESIDENCE PREMISES</b>					
TERR: ROS					
ONE OR TWO FAMILY					
1,000	0	3	5	8	10
2,000	3	6	8	11	13
3,000	5	8	10	13	15
4,000	8	11	13	16	18
5,000	11	14	16	19	21
<b>602. OTHER INSURED LOCATION OCCUPIED BY INSURED (RATE PER RESIDENCE)</b>					
TERR: ROS					
ONE FAMILY					
1,000	6	7	7	8	9
2,000	7	8	8	9	10
3,000	8	9	9	10	11
4,000	9	10	10	11	12
5,000	10	11	11	12	13
TWO FAMILY					
1,000	12	14	15	16	18
2,000	13	15	16	17	19
3,000	14	16	17	18	20
4,000	15	17	18	19	21
5,000	16	18	19	20	22
THREE FAMILY					
1,000	24	28	30	32	35
2,000	25	29	31	33	36
3,000	26	30	32	34	37
4,000	27	31	33	35	38
5,000	28	32	34	36	39
FOUR FAMILY					
1,000	27	31	33	36	40
2,000	28	32	34	37	41
3,000	29	33	35	38	42
4,000	30	34	36	39	43
5,000	31	35	37	40	44

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>603. RESIDENCE EMPLOYEES (RATE PER PERSON IN EXCESS OF TWO)</b>					
TERR: ROS					
1,000	4	5	5	5	6
2,000	5	6	6	6	7
3,000	6	7	7	7	8
4,000	7	8	8	8	9
5,000	8	9	9	9	10
<b>604. ADDITIONAL RESIDENCE RENTED TO OTHERS (RATE PER RESIDENCE)</b>					
TERR: ROS					
<b>ONE FAMILY</b>					
1,000	18	21	22	24	26
2,000	19	22	23	25	27
3,000	20	23	24	26	28
4,000	21	24	25	27	29
5,000	22	25	26	28	30
<b>TWO FAMILY</b>					
1,000	29	33	36	39	43
2,000	30	34	37	40	44
3,000	31	35	38	41	45
4,000	32	36	39	42	46
5,000	33	37	40	43	47
<b>THREE FAMILY</b>					
1,000	65	75	81	88	96
2,000	66	76	82	89	97
3,000	67	77	83	90	98
4,000	68	78	84	91	99
5,000	69	79	85	92	100
<b>FOUR FAMILY</b>					
1,000	81	93	100	109	119
2,000	82	94	101	110	120
3,000	83	95	102	111	121
4,000	84	96	103	112	122
5,000	85	97	104	113	123

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>605. OTHER STRUCTURES RENTED TO OTHERS - RESIDENCE PREMISES</b>					
(RATE PER STRUCTURE)					
TERR: ROS					
1,000	18	21	22	24	26
2,000	19	22	23	25	27
3,000	20	23	24	26	28
4,000	21	24	25	27	29
5,000	22	25	26	28	30
<b>607. HOME DAY CARE COVERAGE</b>					
CONTACT BRANCH OFFICE FOR ANY APPLICABLE RATES AND RULES ON FILE WITH THE INSURANCE DEPARTMENT.					
<b>608. PERMITTED INCIDENTAL OCCUPANCIES</b>					
RESIDENCE PREMISES AND OTHER RESIDENCES (RATE PER RESIDENCE)					
TERR: ROS					
RESIDENCE PREMISES					
1,000	15	17	19	20	22
2,000	20	22	24	25	27
3,000	24	26	28	29	31
4,000	29	31	33	34	36
5,000	32	34	36	37	39
OTHER RESIDENCES					
1,000	16	18	20	22	24
2,000	19	21	23	25	27
3,000	21	23	25	27	29
4,000	24	26	28	30	32
5,000	26	28	30	32	34
<b>609. BUSINESS PURSUITS (RATE PER INSURED PERSON)</b>					
TERR: ROS					
CLERICAL EMPLOYEES					
1,000	4	5	5	5	6
2,000	5	6	6	6	7
3,000	6	7	7	7	8
4,000	7	8	8	8	9
5,000	8	9	9	9	10

**SECTION II COVERAGE RATES (Cont'd.)**

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>609. BUSINESS PURSUITS (RATE PER INSURED PERSON) - (CONT.)</b>					
<b>SALES PERSON, COLLECTOR OR MESSENGER - INSTALLATION, DEMONSTRATION OR SERVICING:</b>					
<b>INCLUDED</b>					
1,000	6	7	7	8	9
2,000	7	8	8	9	10
3,000	8	9	9	10	11
4,000	9	10	10	11	12
5,000	10	11	11	12	13
<b>EXCLUDED</b>					
1,000	4	5	5	5	6
2,000	5	6	6	6	7
3,000	6	7	7	7	8
4,000	7	8	8	8	9
5,000	8	9	9	9	10
<b>TEACHERS: LABORATORY, ATHLETIC, MANUAL OR PHYSICAL TRAINING</b>					
1,000	11	13	14	15	16
2,000	13	15	16	17	18
3,000	15	17	18	19	20
4,000	16	18	19	20	21
5,000	17	19	20	21	22
<b>TEACHERS: NOT OTHERWISE CLASSIFIED</b>					
1,000	5	6	6	7	7
2,000	6	7	7	8	8
3,000	7	8	8	9	9
4,000	8	9	9	10	10
5,000	9	10	10	11	11
<b>TEACHERS: CORPORAL PUNISHMENT</b>					
(COV. F: N/A)	4	5	5	5	6
<b>610. PERSONAL INJURY (RATE PER POLICY)</b>					
<b>TERR: ROS</b>					
(COV. F: N/A)	12	14	15	16	18

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>611. INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES (RATE PER VEHICLE)</b>					
TERR: ROS					
1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23
<b>612. OUTBOARD MOTORS AND WATERCRAFT</b>					
OUTBOARD, INBOARD OR INBOARD-OUTDRIVE ENGINES OR MOTORS					
TERR: ROS					
*OUTBOARD ENGINES OR MOTORS OF UP TO 25 HORSEPOWER OR SAILBOATS LESS THAN 26 FEET IN OVERALL LENGTH WITH OR WITHOUT AUXILIARY POWER ARE COVERED IN THE POLICY FORM.					
UP TO 15 FT - *UP TO 50 HP					
1,000	8	9	10	11	12
2,000	11	12	13	14	15
3,000	13	14	15	16	17
4,000	16	17	18	19	20
5,000	18	19	20	21	22
UP TO 15 FT - 51 TO 100 HP					
1,000	14	16	17	19	21
2,000	18	20	21	23	25
3,000	21	23	24	26	28
4,000	25	27	28	30	32
5,000	27	29	30	32	34
UP TO 15 FT - 101 TO 150 HP					
1,000	20	23	25	27	29
2,000	25	28	30	32	34
3,000	31	34	36	38	40
4,000	36	39	41	43	45
5,000	39	42	44	46	48

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
<b>612. OUTBOARD MOTORS AND WATERCRAFT - (CONT.)</b>					
<b>OVER 15 TO 26 FT - *UP TO 50 HP</b>					
1,000	13	15	16	18	19
2,000	17	19	20	22	23
3,000	20	22	23	25	26
4,000	24	26	27	29	30
5,000	26	28	29	31	32
<b>OVER 15 TO 26 FT - 51 TO 100 HP</b>					
1,000	19	22	24	26	28
2,000	24	27	29	31	33
3,000	30	33	35	37	39
4,000	35	38	40	42	44
5,000	38	41	43	45	47
<b>OVER 15 TO 26 FT - 101 TO 150 HP</b>					
1,000	24	28	30	32	35
2,000	31	35	37	39	42
3,000	39	43	45	47	50
4,000	46	50	52	54	57
5,000	50	54	56	58	61
<b>OVER 15 TO 26 FT - 151 TO 200 HP</b>					
1,000	30	35	37	41	44
2,000	41	46	48	52	55
3,000	52	57	59	63	66
4,000	63	68	70	74	77
5,000	68	73	75	79	82
<b>OVER 15 TO 26 FT - 201 TO 300 HP</b>					
1,000	51	59	63	69	75
2,000	68	76	80	86	92
3,000	85	93	97	103	109
4,000	102	110	114	120	126
5,000	111	119	123	129	135

**SECTION II COVERAGE RATES (Cont'd.)**

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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**612. OUTBOARD MOTORS AND WATERCRAFT - (CONT.)**

OVER 15 TO 26 FT -  
OVER 300 HP

CONTACT BRANCH OFFICE FOR ANY APPLICABLE RATES AND  
RULES ON FILE WITH THE INSURANCE DEPARTMENT.

SAILBOATS WITH OR WITHOUT  
AUXILIARY POWER

\*26 TO 40 FT

1,000	8	9	10	11	12
2,000	11	12	13	14	15
3,000	13	14	15	16	17
4,000	16	17	18	19	20
5,000	18	19	20	21	22

**613. OWNED RECREATIONAL VEHICLE (RATE PER VEHICLE)**

TERR: ROS

1,000	31	36	38	42	46
2,000	32	37	39	43	47
3,000	33	38	40	44	48
4,000	34	39	41	45	49
5,000	35	40	42	46	50

**614. FARMERS PERSONAL LIABILITY (FPL)**

OWNED AND OPERATED BY INSURED: INITIAL FARM PREMISES  
TERR: ROS

UP TO 160 ACRES

1,000	92	106	114	124	135
2,000	95	109	117	127	138
3,000	97	111	119	129	140
4,000	100	114	122	132	143
5,000	102	116	124	134	145

OVER 160 TO 500 ACRES

1,000	157	181	195	212	231
2,000	160	184	198	215	234
3,000	162	186	200	217	236
4,000	165	189	203	220	239
5,000	167	191	205	222	241

**SECTION II COVERAGE RATES (Cont'd.)**

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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**614. FARMERS PERSONAL LIABILITY (FPL) - (CONT.)**

**OVER 500 ACRES**

1,000	289	332	358	390	425
2,000	292	335	361	393	428
3,000	294	337	363	395	430
4,000	297	340	366	398	433
5,000	299	342	368	400	435

**ADD'L RATE PER EACH ADD'L FARM PREMISES WITH BUILDINGS**

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

**OWNED BY INSURED AND RENTED TO OTHERS**

**\*ALL FARM PREMISES WITHOUT BUILDINGS**

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

**\*EACH FARM PREMISES WITH BUILDINGS**

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

**\*TOTAL ALL ACREAGE OF FARMS OWNED BY INSURED AND RENTED TO OTHERS. ADD THE FOLLOWING FLAT CHARGE (NOT SUBJECT TO INCREASED LIMITS FACTORS) WHEN TOTAL ACREAGE IS:**

<b>OVER 160 TO 500 ACRES</b>	<b>OVER 500 ACRES</b>
\$2	\$7

**FARM EMPLOYEES  
PER 100 PERSON DAYS OR FRACTION THEREOF**

1,000	10	12	12	14	15
2,000	11	13	13	15	16
3,000	12	14	14	16	17
4,000	13	15	15	17	18
5,000	14	16	16	18	19

## SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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## 614. FARMERS PERSONAL LIABILITY (FPL) - (CONT.)

## EACH FARM EMPLOYEE PART TIME

1,000	12	14	15	16	18
2,000	13	15	16	17	19
3,000	14	16	17	18	20
4,000	15	17	18	19	21
5,000	16	18	19	20	22

## EACH FARM EMPLOYEE FULL TIME

1,000	28	32	35	38	41
2,000	29	33	36	39	42
3,000	30	34	37	40	43
4,000	31	35	38	41	44
5,000	32	36	39	42	45

## 615. INCIDENTAL FARMING PERSONAL LIABILITY

TERR: ROS

## FARMING DONE ON THE RESIDENCE PREMISES

1,000	36	41	45	49	53
2,000	37	42	46	50	54
3,000	38	43	47	51	55
4,000	39	44	48	52	56
5,000	40	45	49	53	57

## FARMING DONE AWAY FROM PREMISES

1,000	54	62	67	73	79
2,000	55	63	68	74	80
3,000	56	64	69	75	81
4,000	57	65	70	76	82
5,000	58	66	71	77	83

## 617. WATERBED LIABILITY COVERAGE (HO0004 AND HO0006 ONLY)

(RATE PER WATERBED)

TERR: ROS

(COV. F: N/A)	25	29	31	34	37
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## 621. SWIMMING POOL LIABILITY

TERR: ROS

1,000	35	40	43	47	51
2,000	39	44	47	51	55
3,000	42	47	50	54	58
4,000	46	51	54	58	62
5,000	49	54	57	61	65

HO-R-27

EMPLOYERS MUTUAL CASUALTY COMPANY  
EMCASCO INSURANCE COMPANY  
UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

## EARTHQUAKE TERRITORY DEFINITIONS

ZIP CODE	TERRITORY	ZIP CODE	TERRITORY	ZIP CODE	TERRITORY
71601	26	71743	27	71860	27
71602	27	71744	27	71861	27
71603	27	71745	27	71862	27
71611	26	71747	27	71864	27
71612	27	71748	27	71865	27
71613	27	71749	27	71866	27
71630	25	71750	27	71872	27
71631	27	71751	27	71901	27
71635	27	71752	27	71902	27
71638	26	71753	27	71903	27
71639	25	71754	27	71909	27
71640	27	71758	27	71910	27
71642	27	71759	27	71913	27
71643	25	71762	27	71914	27
71644	25	71763	27	71920	27
71646	27	71764	27	71921	27
71647	27	71765	27	71922	27
71651	27	71766	27	71923	27
71652	27	71768	27	71929	27
71653	27	71770	27	71932	27
71654	26	71801	27	71933	27
71655	27	71802	27	71935	27
71656	27	71820	27	71937	27
71657	27	71822	27	71940	27
71658	27	71823	27	71941	27
71659	26	71825	27	71942	27
71660	27	71826	27	71943	27
71661	27	71827	27	71944	27
71662	25	71828	27	71945	27
71663	27	71831	27	71949	27
71665	27	71832	27	71950	27
71666	26	71833	27	71952	27
71667	27	71834	27	71953	27
71670	26	71835	27	71956	27
71671	27	71836	27	71957	27
71674	25	71837	27	71958	27
71675	27	71838	27	71959	27
71676	27	71839	27	71960	27
71677	25	71840	27	71961	27
71678	26	71841	27	71962	27
71701	27	71842	27	71964	27
71711	27	71844	27	71965	27
71720	27	71845	27	71968	27
71721	27	71846	27	71969	27
71722	27	71847	27	71970	27
71724	27	71851	27	71971	27
71725	27	71852	27	71972	27
71726	27	71853	27	71973	27
71728	27	71854	27	71998	27
71730	27	71855	27	71999	27
71731	27	71857	27	72001	27
71740	27	71858	27	72002	27
71742	27	71859	27	72003	26

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EMPLOYERS MUTUAL CASUALTY COMPANY  
 EMCASCO INSURANCE COMPANY  
 UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

## EARTHQUAKE TERRITORY DEFINITIONS (Cont'd.)

ZIP CODE	TERRITORY	ZIP CODE	TERRITORY	ZIP CODE	TERRITORY
72004	25	72064	25	72130	27
72005	24	72065	27	72131	27
72006	24	72066	26	72132	27
72007	27	72067	27	72133	25
72010	26	72068	25	72134	25
72011	27	72069	25	72135	27
72012	26	72070	27	72136	27
72013	27	72072	24	72137	27
72014	24	72073	24	72139	26
72015	27	72074	25	72140	25
72016	27	72075	24	72141	27
72017	25	72076	26	72142	24
72018	27	72078	26	72143	26
72019	27	72079	27	72145	26
72020	26	72080	27	72149	26
72021	25	72081	26	72150	27
72022	27	72082	25	72152	25
72023	26	72083	24	72153	27
72024	26	72084	27	72156	27
72025	27	72085	26	72157	27
72026	25	72086	26	72160	25
72027	27	72087	27	72164	26
72028	27	72088	27	72165	25
72029	25	72089	27	72166	26
72030	27	72099	27	72167	27
72031	27	72101	24	72168	25
72032	27	72102	26	72169	24
72033	27	72103	27	72170	26
72034	27	72104	27	72173	27
72035	27	72105	27	72175	24
72036	25	72106	27	72176	26
72037	24	72107	27	72178	26
72038	26	72108	25	72179	27
72039	27	72110	27	72180	27
72040	25	72111	27	72181	27
72041	25	72112	24	72182	25
72042	26	72113	26	72183	26
72043	24	72114	26	72189	24
72044	27	72115	26	72190	27
72045	27	72116	27	72198	26
72046	24	72117	25	72199	27
72047	27	72118	27	72201	27
72048	25	72119	26	72202	27
72051	27	72120	27	72203	27
72052	26	72121	26	72204	27
72053	26	72122	27	72205	27
72055	26	72123	24	72206	26
72057	27	72124	27	72207	27
72058	27	72125	27	72209	27
72059	24	72126	27	72210	27
72060	25	72127	27	72211	27
72061	27	72128	26	72212	27
72063	27	72129	27	72214	27

## EARTHQUAKE TERRITORY DEFINITIONS (Cont'd.)

ZIP CODE	TERRITORY	ZIP CODE	TERRITORY	ZIP CODE	TERRITORY
72215	27	72364	22	72438	21
72216	26	72365	21	72439	24
72217	27	72366	25	72440	26
72219	27	72367	26	72441	24
72221	27	72368	25	72442	21
72222	27	72369	26	72443	23
72223	27	72370	21	72444	26
72225	27	72372	24	72445	25
72227	27	72373	21	72447	21
72231	25	72374	25	72449	25
72260	27	72376	22	72450	23
72295	27	72377	21	72451	23
72301	22	72379	25	72453	24
72303	22	72383	25	72454	23
72310	21	72384	21	72455	26
72311	25	72386	21	72456	24
72312	25	72387	24	72457	25
72313	21	72389	26	72458	26
72315	21	72390	25	72459	26
72316	21	72391	21	72460	27
72319	21	72392	25	72461	23
72320	23	72394	23	72462	24
72321	21	72395	21	72464	22
72322	24	72396	24	72465	24
72324	23	72401	23	72466	26
72325	21	72402	23	72467	21
72326	24	72403	23	72469	26
72327	21	72404	23	72470	25
72328	26	72410	25	72471	25
72329	21	72411	21	72472	21
72330	21	72412	24	72473	25
72331	21	72413	24	72474	23
72332	22	72414	21	72475	24
72333	26	72415	26	72476	25
72335	24	72416	24	72478	27
72336	24	72417	23	72479	24
72338	21	72419	21	72482	27
72339	21	72421	24	72501	26
72340	25	72422	24	72503	26
72341	24	72424	25	72512	27
72342	25	72425	24	72513	27
72346	21	72426	21	72515	27
72347	24	72427	24	72517	27
72348	22	72428	21	72519	27
72350	21	72429	24	72520	27
72351	21	72430	23	72521	27
72352	25	72431	24	72522	26
72353	26	72432	23	72523	27
72354	21	72433	25	72524	25
72355	25	72434	26	72525	27
72358	21	72435	24	72526	26
72359	24	72436	24	72527	26
72360	25	72437	21	72528	27

HO-T-3

EMPLOYERS MUTUAL CASUALTY COMPANY  
EMCASCO INSURANCE COMPANY  
UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

## EARTHQUAKE TERRITORY DEFINITIONS (Cont'd.)

ZIP CODE	TERRITORY	ZIP CODE	TERRITORY	ZIP CODE	TERRITORY
72529	27	72626	27	72718	27
72530	27	72628	27	72719	27
72531	27	72629	27	72721	27
72532	27	72630	27	72722	27
72533	27	72631	27	72727	27
72534	27	72632	27	72728	27
72536	27	72633	27	72729	27
72537	27	72634	27	72730	27
72538	27	72635	27	72732	27
72539	27	72636	27	72733	27
72540	27	72638	27	72734	27
72542	27	72639	27	72735	27
72543	27	72640	27	72736	27
72544	27	72641	27	72737	27
72545	27	72642	27	72738	27
72546	27	72644	27	72739	27
72550	27	72645	27	72740	27
72553	25	72648	27	72741	27
72554	27	72650	27	72742	27
72555	27	72651	27	72744	27
72556	27	72653	27	72745	27
72560	27	72654	27	72747	27
72561	27	72655	27	72749	27
72562	25	72657	27	72751	27
72564	24	72658	27	72752	27
72565	27	72660	27	72753	27
72566	27	72661	27	72756	27
72567	27	72662	27	72757	27
72568	26	72663	27	72758	27
72569	27	72666	27	72760	27
72571	26	72668	27	72761	27
72572	26	72669	27	72762	27
72573	27	72670	27	72764	27
72575	26	72672	27	72765	27
72576	27	72675	27	72766	27
72577	27	72677	27	72768	27
72578	27	72679	27	72769	27
72579	26	72680	27	72770	27
72581	27	72682	27	72773	27
72583	27	72683	27	72774	27
72584	27	72685	27	72776	27
72585	27	72686	27	72801	27
72587	27	72687	27	72802	27
72601	27	72701	27	72811	27
72602	27	72702	27	72812	27
72611	27	72703	27	72820	27
72613	27	72704	27	72821	27
72615	27	72711	27	72823	27
72616	27	72712	27	72824	27
72617	27	72714	27	72826	27
72619	27	72715	27	72827	27
72623	27	72716	27	72828	27
72624	27	72717	27	72829	27

HO-T-4

EMPLOYERS MUTUAL CASUALTY COMPANY  
 EMCASCO INSURANCE COMPANY  
 UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

## EARTHQUAKE TERRITORY DEFINITIONS (Cont'd.)

ZIP CODE	TERRITORY	ZIP CODE	TERRITORY	ZIP CODE	TERRITORY
72830	27	72941	27		
72832	27	72943	27		
72833	27	72944	27		
72834	27	72945	27		
72835	27	72946	27		
72837	27	72947	27		
72838	27	72948	27		
72839	27	72949	27		
72840	27	72950	27		
72841	27	72951	27		
72842	27	72952	27		
72843	27	72955	27		
72845	27	72956	27		
72846	27	72957	27		
72847	27	72958	27		
72851	27	72959	27		
72852	27				
72853	27				
72854	27				
72855	27				
72856	27				
72857	27				
72858	27				
72860	27				
72863	27				
72865	27				
72901	27				
72902	27				
72903	27				
72904	27				
72905	27				
72906	27				
72908	27				
72913	27				
72914	27				
72916	27				
72917	27				
72918	27				
72919	27				
72921	27				
72923	27				
72926	27				
72927	27				
72928	27				
72930	27				
72932	27				
72933	27				
72934	27				
72935	27				
72936	27				
72937	27				
72938	27				
72940	27				

HO-T-5

EMPLOYERS MUTUAL CASUALTY COMPANY  
 EMCASCO INSURANCE COMPANY  
 UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 10-01-08

The following rates are on file with the Arkansas Insurance Department, but not displayed in the Agency Manual.

**509. HOME DAY CARE COVERAGE**

**D. Premium**

**1. Section I**

- c. If the business is located in another structure, charge \$5 per \$1,000 of specific insurance on the structure. For Section II, see rule 607. below.

\*

**601. RESIDENCE PREMISES**

**Three or Four Family Dwelling Rates**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	0	16	10	15	20
\$2,000	3	9	13	18	23
\$3,000	5	11	15	20	25
\$4,000	8	14	18	23	28
\$5,000	11	17	21	26	31

\*

**607. HOME DAY CARE COVERAGE**

**1 to 3 Persons**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$ 104	\$120	\$129	\$140	\$153
\$2,000	109	125	134	145	158
\$3,000	113	129	138	149	162
\$4,000	118	134	143	154	167
\$5,000	121	137	146	157	170

\*

**612. OUTBOARD MOTORS AND WATERCRAFT**

**Outboard, Inboard or Inboard-Outdrive Engines or Motors**

**Length Over 15 to 26 Ft  
Over 300 HP**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$66	\$76	\$82	\$89	\$97
\$2,000	91	101	107	114	122
\$3,000	116	126	132	139	147
\$4,000	141	151	157	164	172
\$5,000	154	164	170	177	185

\* **612. OUTBOARD MOTORS AND WATERCRAFT (Cont'd.)**

The following is added to paragraph B.:

- 1.c. Personal Watercraft (jet skis, wave runners, etc.) up to 15 feet in length powered by a jet drive engine up to 140 horsepower. Coverage is not available for personal watercraft over 15 feet, 140 horsepower.

**Length Up to 15 Feet  
Up to 50 Horsepower**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$22	\$25	\$27	\$30	\$32
\$2,000	25	28	30	33	35
\$3,000	27	30	32	35	37
\$4,000	30	33	35	38	40
\$5,000	32	35	37	40	42

**51 to 100 Horsepower**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$36	\$41	\$45	\$49	\$53
\$2,000	40	45	49	53	57
\$3,000	43	48	52	56	60
\$4,000	47	52	56	60	64
\$5,000	49	54	58	62	66

**101 to 140 Horsepower**

Cov. F	Cov. E				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$52	\$60	\$64	\$70	\$76
\$2,000	57	65	69	75	81
\$3,000	63	71	75	81	87
\$4,000	68	76	80	86	92
\$5,000	71	79	83	89	95

\* **616. OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL AND LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COVERAGES**

**A. Coverage Outline**

**2. Premium Credit**

**a. Credit**

All Forms except HO0004 & HO0006	\$6
Form HO0004	\$2
Form HO0006	\$3

**b.** Subtract the premium credit from the total policy premium.

**D. Premium Basis**

**3. Premium Selection**

**a. Escaped Liquid Fuel Remediation**

Liquid Fuel Risk Class Number		Limit of Liability		
		\$25,000	\$50,000	\$100,000
Below Ground	100	\$30	\$76	\$149
Above Ground	200	10	25	50

**b. Lead and Escaped Liquid Fuel Liability Coverage**

**(1) No Insured Location Has a Home Day Care Business**

Liquid Fuel Risk Class Number	Liquid Fuel Risk Class						
	Below Ground – 100		Above Ground – 200		No Fuel Hazard – 300		
	\$100,000	\$300,000	\$100,000	\$300,000	\$100,000	\$300,000	
Before 1980, Not Lead Safe or Unknown	500	\$51	\$113	\$23	\$42	\$15	\$24
Before '80, Lead Safe	600	44	101	15	30	7	12
1980 or Later	700	44	101	15	30	7	12

**(2) ONE or MORE insured locations Have a Home Day Care Business**

Multiply the premium charge selected in **D.b.(1)** by a factor of 2.00.

SERFF Tracking Number: EMCC-125729273 State: Arkansas  
First Filing Company: EMCASCO Insurance Company, ... State Tracking Number: EFT \$100  
Company Tracking Number: AR-HO-2008-01  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Rate & Rule Revision  
Project Name/Number: /

## Supporting Document Schedules

<b>Satisfied -Name:</b> HPCS-Homeowners Premium Comparison Survey	<b>Review Status:</b> Filed	07/16/2008
<b>Comments:</b>		
<b>Attachments:</b>		
FORM HPCS (emcc) 7-15.xls		
FORM HPCS (emcasco) 7-15.xls		
FORM HPCS (union) 7-15.xls		
<b>Satisfied -Name:</b> NAIC loss cost data entry document	<b>Review Status:</b> Filed	07/16/2008
<b>Comments:</b>		
<b>Attachment:</b>		
RF-1.pdf		
<b>Satisfied -Name:</b> Uniform Transmittal Document-Property & Casualty	<b>Review Status:</b> Filed	07/16/2008
<b>Comments:</b>		
<b>Attachment:</b>		
P&C Transmittal- 10-08 RR Rev.pdf		
<b>Satisfied -Name:</b> Rule Memorandum	<b>Review Status:</b> Filed	07/16/2008
<b>Comments:</b>		
<b>Attachment:</b>		
RULE MEMORANDUM.pdf		
<b>Satisfied -Name:</b> Actuarial Exhibits	<b>Review Status:</b> Filed	07/16/2008
<b>Comments:</b>		
<b>Attachments:</b>		
Exhibits.pdf		

*SERFF Tracking Number:* EMCC-125729273      *State:* Arkansas  
*First Filing Company:* EMCASCO Insurance Company, ...      *State Tracking Number:* EFT \$100  
*Company Tracking Number:* AR-HO-2008-01  
*TOI:* 04.0 Homeowners      *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations  
*Product Name:* Rate & Rule Revision  
*Project Name/Number:* /  
Sec I and II rates.pdf

SERFF Tracking Number: EMCC-125729273 State: Arkansas  
First Filing Company: EMCASCO Insurance Company, ... State Tracking Number: EFT \$100  
Company Tracking Number: AR-HO-2008-01  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Rate & Rule Revision  
Project Name/Number: /

**Satisfied -Name:** Resp to Obj Letter **Review Status:** Filed 07/16/2008  
**Comments:**  
**Attachment:**  
Resp to Obj 1.pdf

NAIC Number:	21415
Company Name:	Employers Mutual Casualty Company
Contact Person:	Stephanie McBride
Telephone No.:	800-247-2128 ext 2684
Email Address:	Stephanie.McBride@EMCins.com
Effective Date:	10/1/2008

**Homeowners Premium Comparison Survey Form  
FORM HP3S - last modified August, 2005**

Submit to: Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904  
Telephone: 501-371-2800  
Email as an attachment to: insurance.pnc@arkansas.gov  
You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE  
BLANK**

**Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$972.00	\$1,077.00	\$972.00	\$1,077.00	\$1,455.00	\$1,613.00	\$1,455.00	\$1,613.00	\$1,251.00	\$1,387.00	\$1,251.00	\$1,387.00	\$1,251.00	\$1,387.00	\$972.00	\$1,077.00	\$1,348.00	\$1,494.00
	\$120,000	\$1,313.00	\$1,456.00	\$1,313.00	\$1,456.00	\$1,967.00	\$2,180.00	\$1,967.00	\$2,180.00	\$1,691.00	\$1,874.00	\$1,691.00	\$1,874.00	\$1,691.00	\$1,874.00	\$1,313.00	\$1,456.00	\$1,821.00	\$2,019.00
	\$160,000	\$1,685.00	\$1,868.00	\$1,685.00	\$1,868.00	\$2,524.00	\$2,797.00	\$2,524.00	\$2,797.00	\$2,170.00	\$2,405.00	\$2,170.00	\$2,405.00	\$2,170.00	\$2,405.00	\$1,685.00	\$1,868.00	\$2,338.00	\$2,591.00
6	\$80,000	\$1,065.00	\$1,229.00	\$1,065.00	\$1,229.00	\$1,595.00	\$1,841.00	\$1,595.00	\$1,841.00	\$1,372.00	\$1,583.00	\$1,372.00	\$1,583.00	\$1,372.00	\$1,583.00	\$1,065.00	\$1,229.00	\$1,478.00	\$1,705.00
	\$120,000	\$1,440.00	\$1,661.00	\$1,440.00	\$1,661.00	\$2,156.00	\$2,488.00	\$2,156.00	\$2,488.00	\$1,854.00	\$2,139.00	\$1,854.00	\$2,139.00	\$1,854.00	\$2,139.00	\$1,440.00	\$1,661.00	\$1,997.00	\$2,304.00
	\$160,000	\$1,848.00	\$2,132.00	\$1,848.00	\$2,132.00	\$2,767.00	\$3,193.00	\$2,767.00	\$3,193.00	\$2,379.00	\$2,745.00	\$2,379.00	\$2,745.00	\$2,379.00	\$2,745.00	\$1,848.00	\$2,132.00	\$2,563.00	\$2,957.00
9	\$80,000	\$2,576.00	\$2,927.00	\$2,576.00	\$2,927.00	\$3,857.00	\$4,383.00	\$3,857.00	\$4,383.00	\$3,316.00	\$3,769.00	\$3,316.00	\$3,769.00	\$3,316.00	\$3,769.00	\$2,576.00	\$2,927.00	\$3,573.00	\$4,060.00
	\$120,000	\$3,481.00	\$3,955.00	\$3,481.00	\$3,955.00	\$5,212.00	\$5,923.00	\$5,212.00	\$5,923.00	\$4,482.00	\$5,093.00	\$4,482.00	\$5,093.00	\$4,482.00	\$5,093.00	\$3,481.00	\$3,955.00	\$4,828.00	\$5,486.00
	\$160,000	\$4,467.00	\$5,076.00	\$4,467.00	\$5,076.00	\$6,689.00	\$7,601.00	\$6,689.00	\$7,601.00	\$5,751.00	\$6,536.00	\$5,751.00	\$6,536.00	\$5,751.00	\$6,536.00	\$4,467.00	\$5,076.00	\$6,196.00	\$7,041.00

**Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)**

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00	\$117.00	\$130.00
	\$15,000	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00	\$250.00	\$279.00
	\$25,000	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00	\$392.00	\$436.00
6	\$5,000	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00	\$121.00	\$134.00
	\$15,000	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00	\$259.00	\$287.00
	\$25,000	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00	\$405.00	\$449.00
9	\$5,000	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00
	\$15,000	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00	\$384.00	\$455.00
	\$25,000	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00	\$601.00	\$712.00

**Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$952.00	\$1,056.00	\$952.00	\$1,056.00	\$1,426.00	\$1,581.00	\$1,426.00	\$1,581.00	\$1,226.00	\$1,359.00	\$1,226.00	\$1,359.00	\$1,226.00	\$1,359.00	\$952.00	\$1,056.00	\$826.00	\$915.00
	\$120,000	\$1,287.00	\$1,426.00	\$1,287.00	\$1,426.00	\$1,927.00	\$2,136.00	\$1,927.00	\$2,136.00	\$1,657.00	\$1,837.00	\$1,657.00	\$1,837.00	\$1,657.00	\$1,837.00	\$1,287.00	\$1,426.00	\$1,116.00	\$1,237.00
	\$160,000	\$1,651.00	\$1,831.00	\$1,651.00	\$1,831.00	\$2,473.00	\$2,741.00	\$2,473.00	\$2,741.00	\$2,126.00	\$2,357.00	\$2,126.00	\$2,357.00	\$2,126.00	\$2,357.00	\$1,651.00	\$1,831.00	\$1,432.00	\$1,587.00
6	\$80,000	\$1,044.00	\$1,205.00	\$1,044.00	\$1,205.00	\$1,564.00	\$1,804.00	\$1,564.00	\$1,804.00	\$1,344.00	\$1,551.00	\$1,344.00	\$1,551.00	\$1,344.00	\$1,551.00	\$1,044.00	\$1,205.00	\$905.00	\$1,044.00
	\$120,000	\$1,411.00	\$1,628.00	\$1,411.00	\$1,628.00	\$2,113.00	\$2,438.00	\$2,113.00	\$2,438.00	\$1,817.00	\$2,096.00	\$1,817.00	\$2,096.00	\$1,817.00	\$2,096.00	\$1,411.00	\$1,628.00	\$1,223.00	\$1,411.00
	\$160,000	\$1,811.00	\$2,089.00	\$1,811.00	\$2,089.00	\$2,712.00	\$3,129.00	\$2,712.00	\$3,129.00	\$2,331.00	\$2,690.00	\$2,331.00	\$2,690.00	\$2,331.00	\$2,690.00	\$1,811.00	\$2,089.00	\$1,570.00	\$1,811.00
9	\$80,000	\$2,524.00	\$2,868.00	\$2,524.00	\$2,868.00	\$3,780.00	\$4,296.00	\$3,780.00	\$4,296.00	\$3,250.00	\$3,693.00	\$3,250.00	\$3,693.00	\$3,250.00	\$3,693.00	\$2,524.00	\$2,868.00	\$2,188.00	\$2,487.00
	\$120,000	\$3,411.00	\$3,876.00	\$3,411.00	\$3,876.00	\$5,108.00	\$5,805.00	\$5,108.00	\$5,805.00	\$4,392.00	\$4,991.00	\$4,392.00	\$4,991.00	\$4,392.00	\$4,991.00	\$3,411.00	\$3,876.00	\$2,957.00	\$3,360.00
	\$160,000	\$4,377.00	\$4,974.00	\$4,377.00	\$4,974.00	\$6,555.00	\$7,449.00	\$6,555.00	\$7,449.00	\$5,636.00	\$6,405.00	\$5,636.00	\$6,405.00	\$5,636.00	\$6,405.00	\$4,377.00	\$4,974.00	\$3,795.00	\$4,313.00

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:**

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="2"/>	%	Deadbolt Lock	<input type="text" value="2"/>	%
Burglar Alarm	<input type="text" value="2"/>	%	Window Locks	<input type="text" value="1"/>	%
Smoke Alarm	<input type="text" value="2"/>	%	\$1,000 Deductible	<input type="text" value="13"/>	%
			Other (specify)	<input type="text"/>	%
			Maximum Credit Allowed	<input type="text" value="15"/>	%

**EARTHQUAKE INSURANCE**

**IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover**

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?  (yes or no)

WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

Zone	Brick	Frame
Highest Risk	\$ <input type="text" value="2.07"/>	\$ <input type="text" value="1.64"/>
Lowest Risk	\$ <input type="text" value="0.55"/>	\$ <input type="text" value="0.20"/>

\* For protective devices only

NAIC Number:	21407
Company Name:	EMCASCO Insurance Company
Contact Person:	Stephanie McBride
Telephone No.:	800-247-2128 ext 2684
Email Address:	Stephanie.McBride@EMCins.com
Effective Date:	10/1/2008

**Homeowners Premium Comparison Survey Form  
FORM HP3S - last modified August, 2005**

Submit to: Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904  
Telephone: 501-371-2800  
Email as an attachment to: insurance.pnc@arkansas.gov  
You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE  
BLANK**

**Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$607.00	\$673.00	\$607.00	\$673.00	\$910.00	\$1,008.00	\$910.00	\$1,008.00	\$782.00	\$867.00	\$782.00	\$867.00	\$782.00	\$867.00	\$607.00	\$673.00	\$842.00	\$934.00
	\$120,000	\$821.00	\$910.00	\$821.00	\$910.00	\$1,229.00	\$1,362.00	\$1,229.00	\$1,362.00	\$1,057.00	\$1,171.00	\$1,057.00	\$1,171.00	\$1,057.00	\$1,171.00	\$821.00	\$910.00	\$1,138.00	\$1,262.00
	\$160,000	\$1,053.00	\$1,167.00	\$1,053.00	\$1,167.00	\$1,577.00	\$1,748.00	\$1,577.00	\$1,748.00	\$1,356.00	\$1,503.00	\$1,356.00	\$1,503.00	\$1,356.00	\$1,503.00	\$1,053.00	\$1,167.00	\$1,461.00	\$1,619.00
6	\$80,000	\$666.00	\$768.00	\$666.00	\$768.00	\$997.00	\$1,151.00	\$997.00	\$1,151.00	\$857.00	\$989.00	\$857.00	\$989.00	\$857.00	\$989.00	\$666.00	\$768.00	\$924.00	\$1,066.00
	\$120,000	\$900.00	\$1,038.00	\$900.00	\$1,038.00	\$1,348.00	\$1,555.00	\$1,348.00	\$1,555.00	\$1,159.00	\$1,337.00	\$1,159.00	\$1,337.00	\$1,159.00	\$1,337.00	\$900.00	\$1,038.00	\$1,248.00	\$1,440.00
	\$160,000	\$1,155.00	\$1,332.00	\$1,155.00	\$1,332.00	\$1,729.00	\$1,995.00	\$1,729.00	\$1,995.00	\$1,487.00	\$1,716.00	\$1,487.00	\$1,716.00	\$1,487.00	\$1,716.00	\$1,155.00	\$1,332.00	\$1,602.00	\$1,848.00
9	\$80,000	\$1,610.00	\$1,829.00	\$1,610.00	\$1,829.00	\$2,411.00	\$2,739.00	\$2,411.00	\$2,739.00	\$2,073.00	\$2,355.00	\$2,073.00	\$2,355.00	\$2,073.00	\$2,355.00	\$1,610.00	\$1,829.00	\$2,233.00	\$2,537.00
	\$120,000	\$2,175.00	\$2,472.00	\$2,175.00	\$2,472.00	\$3,258.00	\$3,702.00	\$3,258.00	\$3,702.00	\$2,801.00	\$3,183.00	\$2,801.00	\$3,183.00	\$2,801.00	\$3,183.00	\$2,175.00	\$2,472.00	\$3,018.00	\$3,429.00
	\$160,000	\$2,792.00	\$3,172.00	\$2,792.00	\$3,172.00	\$4,181.00	\$4,751.00	\$4,181.00	\$4,751.00	\$3,595.00	\$4,085.00	\$3,595.00	\$4,085.00	\$3,595.00	\$4,085.00	\$2,792.00	\$3,172.00	\$3,872.00	\$4,401.00

**Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)**

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00	\$73.00	\$81.00
	\$15,000	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00	\$156.00	\$174.00
	\$25,000	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00	\$245.00	\$273.00
6	\$5,000	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00	\$76.00	\$84.00
	\$15,000	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00	\$162.00	\$179.00
	\$25,000	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00	\$253.00	\$281.00
9	\$5,000	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00	\$112.00	\$133.00
	\$15,000	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00	\$240.00	\$284.00
	\$25,000	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00	\$375.00	\$445.00

**Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$595.00	\$660.00	\$595.00	\$660.00	\$891.00	\$988.00	\$891.00	\$988.00	\$766.00	\$849.00	\$766.00	\$849.00	\$766.00	\$849.00	\$595.00	\$660.00	\$826.00	\$915.00
	\$120,000	\$804.00	\$892.00	\$804.00	\$892.00	\$1,204.00	\$1,335.00	\$1,204.00	\$1,335.00	\$1,036.00	\$1,148.00	\$1,036.00	\$1,148.00	\$1,036.00	\$1,148.00	\$804.00	\$892.00	\$1,116.00	\$1,237.00
	\$160,000	\$1,032.00	\$1,144.00	\$1,032.00	\$1,144.00	\$1,546.00	\$1,713.00	\$1,546.00	\$1,713.00	\$1,329.00	\$1,473.00	\$1,329.00	\$1,473.00	\$1,329.00	\$1,473.00	\$1,032.00	\$1,144.00	\$1,432.00	\$1,587.00
6	\$80,000	\$653.00	\$753.00	\$653.00	\$753.00	\$977.00	\$1,128.00	\$977.00	\$1,128.00	\$840.00	\$969.00	\$840.00	\$969.00	\$840.00	\$969.00	\$653.00	\$753.00	\$905.00	\$1,044.00
	\$120,000	\$882.00	\$1,017.00	\$882.00	\$1,017.00	\$1,321.00	\$1,524.00	\$1,321.00	\$1,524.00	\$1,135.00	\$1,310.00	\$1,135.00	\$1,310.00	\$1,135.00	\$1,310.00	\$882.00	\$1,017.00	\$1,223.00	\$1,411.00
	\$160,000	\$1,132.00	\$1,306.00	\$1,132.00	\$1,306.00	\$1,695.00	\$1,955.00	\$1,695.00	\$1,955.00	\$1,457.00	\$1,681.00	\$1,457.00	\$1,681.00	\$1,457.00	\$1,681.00	\$1,132.00	\$1,306.00	\$1,570.00	\$1,811.00
9	\$80,000	\$1,578.00	\$1,793.00	\$1,578.00	\$1,793.00	\$2,363.00	\$2,685.00	\$2,363.00	\$2,685.00	\$2,031.00	\$2,308.00	\$2,031.00	\$2,308.00	\$2,031.00	\$2,308.00	\$1,578.00	\$1,793.00	\$2,188.00	\$2,487.00
	\$120,000	\$2,132.00	\$2,423.00	\$2,132.00	\$2,423.00	\$3,193.00	\$3,628.00	\$3,193.00	\$3,628.00	\$2,745.00	\$3,119.00	\$2,745.00	\$3,119.00	\$2,745.00	\$3,119.00	\$2,132.00	\$2,423.00	\$2,957.00	\$3,360.00
	\$160,000	\$2,736.00	\$3,109.00	\$2,736.00	\$3,109.00	\$4,097.00	\$4,656.00	\$4,097.00	\$4,656.00	\$3,523.00	\$4,003.00	\$3,523.00	\$4,003.00	\$3,523.00	\$4,003.00	\$2,736.00	\$3,109.00	\$3,795.00	\$4,313.00

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:**

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="2"/>	%	Deadbolt Lock	<input type="text" value="2"/>	%
Burglar Alarm	<input type="text" value="2"/>	%	Window Locks	<input type="text" value="1"/>	%
Smoke Alarm	<input type="text" value="2"/>	%	\$1,000 Deductible	<input type="text" value="13"/>	%
			Other (specify)	<input type="text"/>	%
			Maximum Credit Allowed	<input type="text" value="15"/>	%

**EARTHQUAKE INSURANCE**

**IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover.**

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?  (yes or no)

WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

Zone	Brick	Frame
Highest Risk	\$ <input type="text" value="2.07"/>	\$ <input type="text" value="1.64"/>
Lowest Risk	\$ <input type="text" value="0.55"/>	\$ <input type="text" value="0.20"/>

\* For protective devices only

NAIC Number: 21423  
 Company Name: Union Insurance Company of Providence  
 Contact Person: Stephanie McBride  
 Telephone No.: 800-247-2128 ext 2684  
 Email Address: Stephanie.McBride@EMCins.com  
 Effective Date: 10/1/2008

**Homeowners Premium Comparison Survey Form  
 FORM HP3S - last modified August, 2005**

Submit to: Arkansas Insurance Department  
 1200 West Third Street  
 Little Rock, AR 72201-1904  
 Telephone: 501-371-2800  
 Email as an attachment to: insurance.pnc@arkansas.gov  
 You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE  
 BLANK**

**Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$455.00	\$505.00	\$455.00	\$505.00	\$682.00	\$756.00	\$682.00	\$756.00	\$586.00	\$650.00	\$586.00	\$650.00	\$586.00	\$650.00	\$455.00	\$505.00	\$632.00	\$700.00
	\$120,000	\$616.00	\$682.00	\$616.00	\$682.00	\$922.00	\$1,022.00	\$922.00	\$1,022.00	\$793.00	\$879.00	\$793.00	\$879.00	\$793.00	\$879.00	\$616.00	\$682.00	\$854.00	\$946.00
	\$160,000	\$790.00	\$876.00	\$790.00	\$876.00	\$1,183.00	\$1,311.00	\$1,183.00	\$1,311.00	\$1,017.00	\$1,127.00	\$1,017.00	\$1,127.00	\$1,017.00	\$1,127.00	\$790.00	\$876.00	\$1,096.00	\$1,215.00
6	\$80,000	\$499.00	\$576.00	\$499.00	\$576.00	\$748.00	\$863.00	\$748.00	\$863.00	\$643.00	\$742.00	\$643.00	\$742.00	\$643.00	\$742.00	\$499.00	\$576.00	\$693.00	\$799.00
	\$120,000	\$675.00	\$779.00	\$675.00	\$779.00	\$1,011.00	\$1,166.00	\$1,011.00	\$1,166.00	\$869.00	\$1,003.00	\$869.00	\$1,003.00	\$869.00	\$1,003.00	\$675.00	\$779.00	\$936.00	\$1,080.00
	\$160,000	\$866.00	\$999.00	\$866.00	\$999.00	\$1,297.00	\$1,497.00	\$1,297.00	\$1,497.00	\$1,115.00	\$1,287.00	\$1,115.00	\$1,287.00	\$1,115.00	\$1,287.00	\$866.00	\$999.00	\$1,201.00	\$1,386.00
9	\$80,000	\$1,207.00	\$1,372.00	\$1,207.00	\$1,372.00	\$1,808.00	\$2,055.00	\$1,808.00	\$2,055.00	\$1,555.00	\$1,767.00	\$1,555.00	\$1,767.00	\$1,555.00	\$1,767.00	\$1,207.00	\$1,372.00	\$1,675.00	\$1,903.00
	\$120,000	\$1,632.00	\$1,854.00	\$1,632.00	\$1,854.00	\$2,443.00	\$2,777.00	\$2,443.00	\$2,777.00	\$2,101.00	\$2,387.00	\$2,101.00	\$2,387.00	\$2,101.00	\$2,387.00	\$1,632.00	\$1,854.00	\$2,263.00	\$2,572.00
	\$160,000	\$2,094.00	\$2,379.00	\$2,094.00	\$2,379.00	\$3,136.00	\$3,563.00	\$3,136.00	\$3,563.00	\$2,696.00	\$3,064.00	\$2,696.00	\$3,064.00	\$2,696.00	\$3,064.00	\$2,094.00	\$2,379.00	\$2,904.00	\$3,300.00

**Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)**

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00	\$55.00	\$61.00
	\$15,000	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00	\$117.00	\$131.00
	\$25,000	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00	\$184.00	\$204.00
6	\$5,000	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00	\$57.00	\$63.00
	\$15,000	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00	\$121.00	\$135.00
	\$25,000	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00	\$190.00	\$211.00
9	\$5,000	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00	\$84.00	\$100.00
	\$15,000	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00	\$180.00	\$213.00
	\$25,000	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00	\$282.00	\$334.00

**Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)**

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$446.00	\$495.00	\$446.00	\$495.00	\$668.00	\$741.00	\$668.00	\$741.00	\$575.00	\$637.00	\$575.00	\$637.00	\$575.00	\$637.00	\$446.00	\$495.00	\$619.00	\$686.00
	\$120,000	\$603.00	\$669.00	\$603.00	\$669.00	\$903.00	\$1,001.00	\$903.00	\$1,001.00	\$777.00	\$861.00	\$777.00	\$861.00	\$777.00	\$861.00	\$603.00	\$669.00	\$837.00	\$927.00
	\$160,000	\$774.00	\$858.00	\$774.00	\$858.00	\$1,159.00	\$1,285.00	\$1,159.00	\$1,285.00	\$997.00	\$1,105.00	\$997.00	\$1,105.00	\$997.00	\$1,105.00	\$774.00	\$858.00	\$1,074.00	\$1,190.00
6	\$80,000	\$489.00	\$565.00	\$489.00	\$565.00	\$733.00	\$846.00	\$733.00	\$846.00	\$630.00	\$727.00	\$630.00	\$727.00	\$630.00	\$727.00	\$489.00	\$565.00	\$679.00	\$783.00
	\$120,000	\$661.00	\$763.00	\$661.00	\$763.00	\$990.00	\$1,143.00	\$990.00	\$1,143.00	\$852.00	\$983.00	\$852.00	\$983.00	\$852.00	\$983.00	\$661.00	\$763.00	\$917.00	\$1,059.00
	\$160,000	\$849.00	\$979.00	\$849.00	\$979.00	\$1,271.00	\$1,467.00	\$1,271.00	\$1,467.00	\$1,093.00	\$1,261.00	\$1,093.00	\$1,261.00	\$1,093.00	\$1,261.00	\$849.00	\$979.00	\$1,177.00	\$1,358.00
9	\$80,000	\$1,183.00	\$1,345.00	\$1,183.00	\$1,345.00	\$1,772.00	\$2,014.00	\$1,772.00	\$2,014.00	\$1,523.00	\$1,731.00	\$1,523.00	\$1,731.00	\$1,523.00	\$1,731.00	\$1,183.00	\$1,345.00	\$1,641.00	\$1,865.00
	\$120,000	\$1,599.00	\$1,817.00	\$1,599.00	\$1,817.00	\$2,394.00	\$2,721.00	\$2,394.00	\$2,721.00	\$2,059.00	\$2,340.00	\$2,059.00	\$2,340.00	\$2,059.00	\$2,340.00	\$1,599.00	\$1,817.00	\$2,218.00	\$2,520.00
	\$160,000	\$2,052.00	\$2,332.00	\$2,052.00	\$2,332.00	\$3,073.00	\$3,492.00	\$3,073.00	\$3,492.00	\$2,642.00	\$3,002.00	\$2,642.00	\$3,002.00	\$2,642.00	\$3,002.00	\$2,052.00	\$2,332.00	\$2,846.00	\$3,234.00

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:**

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="2"/>	%	Deadbolt Lock	<input type="text" value="2"/>	%
Burglar Alarm	<input type="text" value="2"/>	%	Window Locks	<input type="text" value="1"/>	%
Smoke Alarm	<input type="text" value="2"/>	%	\$1,000 Deductible	<input type="text" value="13"/>	%
			Other (specify)	<input type="text"/>	%
			Maximum Credit Allowed	<input type="text" value="15"/>	%

**EARTHQUAKE INSURANCE**

**IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover**

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	<input type="text" value="yes"/>	(yes or no)	
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	<input type="text" value="5"/>	%	
	Zone	Brick	Frame
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$ <input type="text" value="2.07"/>	\$ <input type="text" value="1.64"/>
	Lowest Risk	\$ <input type="text" value="0.55"/>	\$ <input type="text" value="0.20"/>

\* For protective devices only

ARKANSAS INSURANCE DEPARTMENT  
RATE FILING ABSTRACT

Form RF-1  
Rev. 4/96

Insurer Name: Employers Mutual Casualty Company  
 NAIC Number: 062-21415  
 Name of Advisory Organization Whose Filing You are Referencing \_\_\_\_\_  
 Co. Affiliation to Advisory Organization: Member  Subscriber  Service Purchaser   
 Reference Filing #: \_\_\_\_\_ Proposed Effective Date: 10/1/2008

Contact Person: Stephanie McBride  
 Signature: *Stephanie McBride*  
 Telephone No: 800-247-2128 ext 2684

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Homeowners	-5.9%	-0.3%					
<b>TOTAL OVERALL EFFECT</b>							

N Apply Lost Cost Factors to Future Filings? (Y or N)  
 58.0% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
 -33.8% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

5 Year History

Selected Provisions

Year	Policy Count	Rate Change History		AR Earned Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio	A. Total Production Expense	B. General Expense	C. Taxes, License & Fees	D. Underwriting Profit & Contingencies	E. Other (explain)	F. TOTAL
		%	Eff. Date										
2003	610	18.8%	01/01/03	320,268	603,845	188.5%	78.2%	24.5%	5.5%	3.2%			
2004	553	19.7%	04/15/04	348,032	65,581	18.8%	89.4%						
2005	462	12.2%	11/01/05	361,848	180,505	49.9%	110.2%						
2006	332			317,055	56,723	17.9%	53.1%						
2007	259	-2.3%	06/01/07	266,670	69,560	26.1%	32.1%						

ARKANSAS INSURANCE DEPARTMENT  
RATE FILING ABSTRACT

Form RF-1  
Rev. 4/96

Insurer Name: EMCASCO Insurance Company  
 NAIC Number: 062-21407  
 Name of Advisory Organization Whose Filing You are Referencing \_\_\_\_\_  
 Co. Affiliation to Advisory Organization: Member  Subscriber  Service Purchaser   
 Reference Filing #: \_\_\_\_\_ Proposed Effective Date: 10/1/2008

Contact Person: Stephanie McBride  
 Signature: *Stephanie McBride*  
 Telephone No: 800-247-2128 ext 2684

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Homeowners	-5.9%	-20.3%					
<b>TOTAL OVERALL EFFECT</b>							

N Apply Lost Cost Factors to Future Filings? (Y or N)  
 28.3% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
 -46.2% Estimated Maximum Rate Decrease for any Arkansas Insured (%) Corresponds to Question 3 on RF-2 or RF-WC

5 Year History

Selected Provisions

Year	Policy Count	Rate Change History		AR Earned Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio	Selected Provisions	
		%	Eff. Date					A.	B.
2003	1,872	18.8%	01/01/03	1,075,370	997,807	92.8%	65.6%	A. Total Production Expense	24.5%
2004	1,592	19.8%	04/15/04	1,090,251	761,479	69.8%	59.7%	B. General Expense	5.5%
2005	1,184	10.1%	11/01/05	1,037,826	778,569	75.0%	60.7%	C. Taxes, License & Fees	3.2%
2006	970			893,745	336,311	37.6%	51.4%	D. Underwriting Profit & Contingencies	2.2%
2007	872	-6.6%	06/01/07	820,699	102,489	12.5%	37.5%	E. Other (explain)	0.4%
								F. TOTAL	35.8%

ARKANSAS INSURANCE DEPARTMENT  
RATE FILING ABSTRACT

Form RF-1  
Rev. 4/96

Insurer Name: Union Insurance Company of Providence  
 NAIC Number: 062-21423  
 Name of Advisory Organization Whose Filing You are Referencing \_\_\_\_\_  
 Co. Affiliation to Advisory Organization: Member  Subscriber  Service Purchaser   
 Reference Filing #: \_\_\_\_\_ Proposed Effective Date: 10/1/2008

Contact Person: Stephanie McBride  
 Signature: *Stephanie McBride*  
 Telephone No: 800-247-2128 ext 2684

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Homeowners	-5.9%	-19.8%					
<b>TOTAL OVERALL EFFECT</b>							

N Apply Lost Cost Factors to Future Filings? (Y or N)  
 28.3% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
 -46.2% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

5 Year History

Selected Provisions

Year	Policy Count	Rate Change History		AR Earned Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio	Selected Provisions	
		%	Eff. Date					A.	
2003	0			0	0	0%	60.7%	A.	Total Production Expense <u>24.5%</u>
2004	0			0	0	0%	51.4%	B.	General Expense <u>5.5%</u>
2005	0			0	0	0%	45.5%	C.	Taxes, License & Fees <u>3.2%</u>
2006	0			0	0	0%	47.6%	D.	Underwriting Profit & Contingencies <u>2.2%</u>
2007	20	0.0%	06/01/07	4,900	4,000	81.6%	28.2%	E.	Other (explain) <u>0.4%</u>
								F.	TOTAL <u>35.8%</u>

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> 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-collapse: collapse;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">New Business</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">Renewal Business</td> <td style="border-bottom: 1px solid black;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
EMC Insurance Companies	062

4. Company Name(s)	Domicile	NAIC #	FEIN #
Employers Mutual Casualty Company	IA	21415	42-0234980
EMCASCO Insurance Company	IA	21407	42-6070764
Union Insurance Company of Providence	IA	21423	05-0230479

<b>5. Company Tracking Number</b>	<b>AR-HO-2008-01</b>
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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
	Stephanie McBride P. O. Box 712 Des Moines, IA 50306-0712	Filings Analyst	800-247-2128 ext. 2684	515-345-2223	Stephanie.M.McBride@EMCIns.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Stephanie McBride

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

9.	Type of Insurance (TOI)	4.0000
10.	Sub-Type of Insurance (Sub-TOI)	4.0000
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	Homeowners
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: 10/1/08      Renewal: 10/1/08

## Property & Casualty Transmittal Document---

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	7/11/08	
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed	<input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	AR-HO-2008-01
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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 captioned companies are members of Insurance Services Office and currently have independent rates on file with your department. We are transmitting for filing a rate level revision that will result in an estimated decrease of 15.6% for the companies combined. This revision will be applicable to policies effective on or after October 1, 2008. The corresponding form filing will be sent under separate cover.

Our rate revision consists of the revised items shown below and detailed on the attached exhibits. The attached rule memorandum outlines the rule revisions.

- Revised base rates by territory – Union will continue to be rated at 75% of EMCASCO. Employers Mutual will now be rated at 160% of EMCASCO.
- Revised Deductible Relativities
- Revised Territorial Definitions
- Revised Insurance Score Discounts, including changing the base to a score of less than 601
- Revised various Optional Section I & II rates including removal of the \$400,000 Coverage E limit and addition of the \$1,000,000 limit.

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

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

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

**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related 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.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	AR-HO-2008-01
<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	AR-HO-2008-02

Rate Increase       Rate Decrease       Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File & Use
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>						
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)
EMCC	-5.9%	-0.3%	-679	259	241,122	58.0%	-33.8%
EMCASCO	-5.9%	-20.3%	-154,522	872	760,855	28.3%	-46.2%
Union	-5.9%	-19.8%	-3,098	20	15,682	28.4%	-46.2%

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>						
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)**

		<b>COMPANY USE</b>	<b>STATE USE</b>
<b>5a.</b>	<b>Overall percentage rate indication (when applicable)</b>	-5.9%	
<b>5b.</b>	<b>Overall percentage rate impact for this filing</b>	-15.6%	
<b>5c.</b>	<b>Effect of Rate Filing – Written premium change for this program</b>	-158,299	
<b>5d.</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>	1,151	

<b>6.</b>	<b>Overall percentage of last rate revision</b>	-5.4%
<b>7.</b>	<b>Effective Date of last rate revision</b>	06/01/07
<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File & Use

<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or Withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01		<input 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	

## RULE MEMORANDUM

### **Underwriting Eligibility**

#### 1. New Business Eligibility

Minimum Limit Requirements:

EMCC: Increased the HO8 limit to \$75,000 Coverage A and the HO2, 3, & 5 limit to \$100,000 Cov. A.

EMCASCO: Increased the HO2, 3, & 5 limit to \$150,000 Coverage A.

#### A. Prior Approval

5. Revised to allow seasonal and secondary dwellings in EMCASCO and Union and to allow replacement or repair cost protection on coverage A for seasonal and secondary dwellings.

#### B. Unacceptable Risks

10. Removed guideline stating that secondary or seasonal homes cannot be written in EMCASCO or Union.

11. (Formerly #12) Revised to permit pools with diving boards and slides on a pre-approval basis.

13. (Formerly #14) Revised to allow personal watercraft, 140 hp or less, to be written.

14. (Formerly #15) Revised e. to reflect that replacement or repair cost protection on coverage A can now be endorsed on seasonal and secondary dwellings.

15. (Formerly #16) Revised to reflect that seasonal and secondary homes are now eligible in the Union program.

### **Additional Company Rule – All Companies**

1. Combination Policy Discount- The discount is being increased from 15% to 20%.

2. Insurance Scoring- The base range has been changed to <601 (from 601-650). The reference to "surcharge" has been removed and the factors have been amended.

3. Loss History Merit Rating Plan-

We are introducing the company Loss History Merit Rating Plan which includes the Claims Free Discount. This plan will recognize the loss history of an applicant or insured within the homeowner's rate formula, by use of premium factors within a grid of Number of Eligible Losses (acts of God losses and certain other claims are excluded) and the number of years insured with EMC Insurance Co. Those applicants or insureds with past eligible losses will pay more for insurance than those without losses and those with less consecutive years of insurance with EMC will also pay a higher rate of premium than those with more than 3 years with the company (based upon a graduated scale of the number of eligible losses and years with EMC). A Claims Free Discount of 10% applies for any risk that has had no prior claims and has had continuous insurance for the past 3 years (all loss types are to be included for eligibility for this discount, with the exception of one allowable paid loss less than \$500). If there are zero eligible claims under the Loss History Merit Rating Plan and the Claims Free Discount also applies, only the highest premium discount percentage shall apply (factors are not combined).

### **Other Rules**

Rule 530. Dwelling Under Construction

Added new rule which offers coverage for theft of building material during the course of construction.

Rule 701. Personal Liability Increased Limits

The \$400,000 liability limit has been eliminated and the \$1,000,000 limit has been added. Any current policies with the \$400,000 limit will be renewed at the \$500,000 limit.

### **Exception Pages**

The change in Coverage E limits is also reflected here in the Section II liability rates/premiums.

(Eliminated the \$400,000 limit and added the \$1,000,000 limit)

Attached revised pages:

HO-INDEX-1 – HO-INDEX-4, HO-1 – HO-59, HO-R-5 – HO-R-27, HO-T-1 – HO-T-5, HO-X-1 – HO-X-3

Replaced pages:

HO-INDEX-1 – HO-INDEX-4, HO-1 – HO-58, HO-R-5 – HO-R-27, HO-T-1 – HO-T-5, HO-X-1 – HO-X-3

**ARKANSAS  
HOMEOWNERS  
EMC INSURANCE COMPANIES**

**EMCASCO INSURANCE COMPANY**

Form 3 Base Rates  
\$100,000; \$500 Ded  
P/C: Frame 5  
Cov. E: \$100,000  
Cov. F: \$1,000

Form 4 Base Rates  
\$25,000; \$250 Ded  
P/C: Frame 5  
Cov. E: \$100,000  
Cov. F: \$1,000

Form 6 Base Rates  
\$25,000; \$250 Ded  
P/C: Frame 5  
Cov. E: \$100,000  
Cov. F: \$1,000

<u>TERRITORY</u>	<u>CURRENT</u>	<u>REVISED</u>	<u>CURRENT</u>	<u>REVISED</u>	<u>CURRENT</u>	<u>REVISED</u>
30	1188	1143	311	299	247	238
31	1188	1143	311	299	247	238
32	1124	1081	311	299	247	238
72	857	824	311	299	247	238
73	1283	1234	311	299	247	238
81	1103	1061	311	299	247	238
82	1103	824	311	299	247	238

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**DEDUCTIBLE RELATIVITIES**

<b><u>DEDUCTIBLE</u></b>	<b>CURRENT FORMS 2, 3, 5 RELATIVITY (\$500 Base)</b>	<b>CURRENT FORMS 4, 6 RELATIVITY (\$250 Base)</b>	<b>REVISED FORMS 2, 3, 5 RELATIVITY (\$500 Base)</b>	<b>REVISED FORMS 4, 6 RELATIVITY (\$250 Base)</b>
\$250 Flat	---	1.00	N.C.	N.C.
\$500 Flat	1.00	0.93	N.C.	N.C.
\$500 Flat/ \$1,000 Wind or Hail	0.96	---	N.C.	N.C.
\$500 Flat/ \$2,500 Wind or Hail	0.90	---	N.C.	N.C.
\$500 Flat/ 1% Wind or Hail	0.99	---	N.C.	N.C.
\$500 Flat/ 2% Wind or Hail	0.97	---	N.C.	N.C.
\$500 Flat/ 5% Wind or Hail	0.91	---	N.C.	N.C.
\$1,000 Flat	0.87	0.81	N.C.	N.C.
\$1,000 Flat/ \$2,500 Wind or Hail	0.82	---	N.C.	N.C.
\$1,000 Flat/ 1% Wind or Hail	0.85	---	N.C.	N.C.
\$1,000 Flat/ 2% Wind or Hail	0.82	---	<b>0.81</b>	N.C.
\$1,000 Flat/ 5% Wind or Hail	0.79	---	N.C.	N.C.
\$2,500 Flat	0.70	0.65	N.C.	N.C.
\$2,500 Flat/ \$5,000 Wind or Hail	0.66	---	N.C.	N.C.
\$2,500 Flat/ 2% Wind or Hail	0.69	---	N.C.	N.C.
\$2,500 Flat/ 5% Wind or Hail	0.66	---	<b>0.65</b>	N.C.
\$5,000 Flat	0.60	0.56	N.C.	N.C.

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**TERRITORIAL DEFINITIONS**

<b>TERRITORY</b>		<b>DEFINITION</b>
<b>CUR.</b>	<b>REV.</b>	
<b>EMC</b>	<b>EMC</b>	
30	30	The cities of Little Rock and North Little Rock.
31	31	Pulaski County, excluding the cities of Little Rock and North Little Rock.
32	32	Jefferson County.
72	72	Baxter, Benton, Boone, Carroll, Cleburne, Crawford, Faulkner, Fulton, Garland, Independence, Izard, Logan, Madison, Marion, Newton, Perry, Scott, Searcy, Sebastian, Sharp, Stone, Van Buren, and Washington Counties.
73	73	Clay, Craighead, Crittenden, Cross, Greene, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Randolph, St. Francis, White, and Woodruff Counties.
71	81	Arkansas, Ashley, Bradley, Calhoun, Chicot, Clark, Cleveland, Columbia, Dallas, Desha, Drew, Grant, Hempstead, Hot Spring, Howard, Lafayette, Lincoln, Little River, Lonoke, Miller, Nevada, Ouachita, Pike, Prairie, Saline, Sevier, and Union Counties.
71	82	Conway, Franklin, Johnson, Montgomery, Polk, Pope, and Yell Counties.

**ARKANSAS  
HOMEOWNERS  
EMC INSURANCE COMPANIES**

***INSURANCE SCORING DISCOUNT / SURCHARGE***

<b>Insurance Score Range</b>	<b>Current Discount / Surcharge (Base 601-650)</b>	<b>Current Discount / Surcharge (Base &lt; 601)</b>	<b>Revised Discount (Base &lt; 601)</b>
< 601	20.0%	0.0%	0.0%
601-650	0.0%	-16.7%	-20.0%
651-700	-10.0%	-25.0%	-30.0%
701-750	-10.0%	-25.0%	-30.0%
751-800	-20.0%	-33.3%	-40.0%
801-997	-30.0%	-41.7%	-45.0%
No Hits / No Scores	-10.0%	-25.0%	-20.0%

**EMC INSURANCE COMPANIES**  
 Personal Lines  
 Premium and Loss Experience by Insurance Score Range  
 Countrywide for Policies Expiring between 1/1/06 and 12/31/06\*\*

<u>Insurance Score Range</u>	<u>Policy Count</u>	<u>Actual Earned Premium</u>	<u>Base Earned Premium</u>	<u>Incurred Losses</u>	<u>Capped Incurred Losses*</u>	<u>Loss Ratio</u>	<u>Capped Loss Ratio</u>	<u>Indicated Discount</u>	<u>Selected Discounts</u>
< 601	24,499	14,211,815	13,530,781	9,117,406	8,066,967	67.4%	59.6%	0.0%	0.0%
601-650	20,949	13,228,399	13,587,407	7,705,614	6,626,109	56.7%	48.8%	18.2%	20.0%
651-700	29,882	18,612,250	20,349,952	10,068,876	8,990,952	49.5%	44.2%	25.9%	30.0%
701-750	38,319	23,968,872	26,847,372	12,340,323	11,149,087	46.0%	41.5%	30.3%	30.0%
751-800	39,173	23,319,810	28,149,355	12,128,460	10,469,733	43.1%	37.2%	37.6%	40.0%
801-997	90,459	48,693,743	64,141,792	23,191,704	21,457,948	36.2%	33.5%	43.9%	45.0%
998-999	14,673	6,904,082	7,400,199	3,775,651	3,306,847	51.0%	44.7%		20.0%
All	257,954	148,938,971	174,006,857	78,328,034	70,067,643	45.0%	40.3%		

\*Incurred Losses Capped at \$200,000 for Homeowners and \$50,000 for Personal Auto

\*\* Incurred Losses Evaluated at 12/31/07

**ARKANSAS  
HOMEOWNERS**

**CALENDAR YEAR ACTUAL EXPERIENCE**

**Employers Mutual Casualty Company**

YEAR	WRITTEN PREMIUM	EARNED PREMIUM	INCURRED LOSSES	I/E LOSS RATIO
2003	341,588	320,268	731,826	228.5%
2004	369,432	348,032	(35,171)	-10.1%
2005	345,905	361,848	157,323	43.5%
2006	296,024	317,055	110,476	34.8%
2007	243,914	266,670	28,243	10.6%
<b>TOTAL</b>	<b>1,596,863</b>	<b>1,613,873</b>	<b>992,697</b>	<b>61.5%</b>

**EMCASC0 Insurance Company**

YEAR	WRITTEN PREMIUM	EARNED PREMIUM	INCURRED LOSSES	I/E LOSS RATIO
2003	1,083,090	1,075,370	1,084,960	100.9%
2004	1,115,354	1,090,251	765,115	70.2%
2005	943,465	1,037,826	755,429	72.8%
2006	849,580	893,745	262,187	29.3%
2007	787,128	820,699	88,641	10.8%
<b>TOTAL</b>	<b>4,778,617</b>	<b>4,917,891</b>	<b>2,956,332</b>	<b>60.1%</b>

**Union Insurance Company**

YEAR	WRITTEN PREMIUM	EARNED PREMIUM	INCURRED LOSSES	I/E LOSS RATIO
2003	0	0	0	NA
2004	0	0	0	NA
2005	0	0	0	NA
2006	0	0	0	NA
2007	16,082	4,900	4,000	81.6%
<b>TOTAL</b>	<b>16,082</b>	<b>4,900</b>	<b>4,000</b>	<b>81.6%</b>

**EMC Insurance Companies**

YEAR	WRITTEN PREMIUM	EARNED PREMIUM	INCURRED LOSSES	I/E LOSS RATIO
2003	1,424,678	1,395,638	1,816,786	130.2%
2004	1,484,786	1,438,283	729,944	50.8%
2005	1,289,370	1,399,674	912,752	65.2%
2006	1,145,604	1,210,800	372,663	30.8%
2007	1,047,124	1,092,269	120,884	11.1%
<b>TOTAL</b>	<b>6,391,562</b>	<b>6,536,664</b>	<b>3,953,029</b>	<b>60.5%</b>

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM AND LOSS RESERVES

<b>A. <u>UNEARNED PREMIUM RESERVE</u></b>	
1. Direct Earned Premium for Calendar Year Ended December 31, 2007	\$1,092,269
2. Countrywide Ratio of Mean Unearned Premium Reserve to Earned Premium	54.2%
3. Estimated Mean Unearned Premium Reserve for Arkansas (line A.1 × line A.2)	\$592,010
4. Percentage Total of Prepaid Expense	
a. Commission & Brokerage	17.5%
b. Taxes, Licenses & Fees	3.2%
c. 50% of Other Acquisition Cost	3.5%
d. 50% of General Expense	2.8%
z. 50% of Reinsurance Expense	0.2%
e. Total	27.2%
5. Federal Income Tax Payable on Unearned Reserve	7.0%
6. Dollar Total of Prepaid Expense & Federal Income Tax on Unearned Reserve [line 3 × (line 4e + line 5)]	\$202,467
7. Subject to Investment (line 3 - line 6)	\$389,543
<b>B. <u>DELAYED REMISSION OF PREMIUMS</u></b>	
1. Mean Agents' Balances (Annual Statement, page 2, line 9)	\$282,884,824
2. Countrywide Earned Premium (Annual Statement, page 4, line 1)	\$1,146,229,241
3. Delayed Remission of Premium for Arkansas [(line B.1 ÷ line B.2) × A.1]	\$269,790
<b>C. <u>EXPECTED LOSS &amp; LOSS ADJUSTMENT RESERVE</u></b>	
1. Direct Earned Premium (line A.1) × (Expected Loss & Loss Adjustment Ratio)	\$1,092,269 0.642
2. Expected Incurred Loss & Loss Adjustment × (Countrywide Reserve to Incurred Ratio, Adjusted for Federal Income Tax Payable on Loss & LAE Reserves)	\$701,237 0.606
3. Adjusted Expected Loss & Loss Adjustment Reserve for Arkansas	\$424,950
<b>D. <u>NET SUBJECT TO INVESTMENT</u></b> (line A.7 - line B.3 + line C.3)	<b>\$544,703</b>
<b>E. <u>AVERAGE RATE OF RETURN ON INVESTED ASSETS (AFTER TAX)</u></b>	<b>3.8%</b>
<b>F. <u>INVESTMENT EARNINGS ON NET SUBJECT TO INVESTMENT</u></b>	<b>\$20,699</b>
<b>G. <u>RATIO OF INVESTMENT EARNINGS TO EARNED PREMIUM</u></b> (line F ÷ line A.1)	<b>1.9%</b>

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

*DEVELOPMENT OF PERMISSIBLE LOSS & LOSS ADJUSTMENT EXPENSE RATIO*

We believe a 12.5% return on equity after federal income taxes is reasonable. We have assigned statutory surplus to line of business on the basis of premium plus loss and loss adjustment expense reserves. The resulting premium to statutory surplus ratios by line of business are then adjusted to achieve an overall all-lines premium to statutory surplus ratio of approximately 2 to 1. With this methodology, the selected premium to statutory surplus ratio for this line is 3.00, which translates into a 2.609 premium to equity (GAAP) ratio. The 1.9% investment income on premium is a 5.0% return on equity after federal taxes. Based on an average after tax investment yield we earn an additional 3.8% return on equity. The difference of 0.037 (0.125-0.050-0.038) is the necessary after tax return on equity required from underwriting. The federal tax rate on underwriting profit is 35%, resulting in an underwriting profit loading of 0.022 [(0.037/2.609)/0.65]. Shown below is the development of the permissible loss and loss adjustment expense ratio.

<u>ITEM</u>	<u>Selected Provision</u>
Commision & Brokerage	17.5%
Other Acquisition	7.0% *
General Expense	5.5% *
Reinsurance Expense	0.4%
Premium Taxes	3.0%
Misc. Taxes, Licenses & Fees	0.2% *
Profit & Contingencies	2.2%
TOTAL	35.8%
	100.0%
	- 35.8%
Permissible Loss & Loss Adjustment Expense Ratio	64.2%

\* Based on study of I.E.E. for 2005-2007

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**EXPENSE PROVISIONS**

	<b><u>% of Earned Premium (I.E.E.)</u></b>			<b><u>3-year Average</u></b>	<b><u>Selected Provision</u></b>	
	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>			
<b>Other Acquisition</b>	6.3%	6.9%	7.2%	6.8%	7.0%	
<b>General Expense</b>	5.6%	6.0%	5.6%	5.7%	5.5%	
<b>Misc. Taxes, Licenses, &amp; Fees</b>	0.2%	0.1%	0.2%	0.2%	0.2%	
<b>Premium Taxes</b>	--	--	--	--	3.0%	*
<b>Commissions</b>	--	--	--	--	17.5%	**
<b>Profit &amp; Contingencies</b>	--	--	--	--	2.2%	***
<b>Reinsurance</b>	--	--	--	--	0.4%	****
<b>LAE (% of incurred losses)</b>	18.6%	21.0%	18.4%	19.3%	19.5%	

\* Arkansas Provision

\*\* Budgeted percentage for Arkansas

\*\*\* The profit provision has been selected with consideration given to investment income.

\*\*\*\* Explanation of Reinsurance Cost Allocation

**Property Excess of Loss (Catastrophe) Treaties**

The allocation for Property Excess of Loss treaties is based on Eric Huls' paper titled *Using a Simulation Model to Incorporate the Cost of Catastrophe Excess Reinsurance into the Property Rate Level Indication Using the Net Cost of Reinsurance Method* found in the Casualty Actuarial Society *Forum*, Fall 2005.

The premiums for catastrophe reinsurance treaties are comprised of two basic costs: the expected ceded losses due to a catastrophe and the costs charged by the reinsurer to provide the reinsurance. Huls refers to the latter cost as the Net Cost of Reinsurance. Using RiskLink, a catastrophe model developed by Risk Management Solutions, Inc., and a recent EMC exposure distribution, the estimated ceded catastrophe losses were calculated for each treaty layer for the perils of Earthquake, Hurricane, and Tornado/Hail. These modeled ceded losses were then removed from the anticipated treaty premiums to get the estimated net cost of reinsurance. The net cost of reinsurance was then distributed to each state/line/peril combination proportionally based on modeled losses. This cost is then divided by the latest year's earned premium and this percentage is then included as an expense in the Loss Ratio calculation. The allocated reinsurance cost percent for Arkansas homeowners is 0.4%.

**ARKANSAS  
HOMEOWNERS  
EMC INSURANCE COMPANIES**

**RATE LEVEL INDICATIONS**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Calendar	Current	Projected	Accident	Adjusted	Developed	Incurred	Projected	Projected		Rate	Credibility-
	Year	Level	Cur. Level	Year	Incurred	Incurred	Losses &	Losses &	Loss	Permissible	Level	Weighted
	Earned	Earned	Earned	Incurred	Losses <sup>1</sup>	Losses	Loss Adj.	Loss Adj.	Ratio	Loss Ratio	Indication	Indication
<u>Year</u>	<u>Premium</u>	<u>Premium</u>	<u>Premium</u>	<u>Losses</u>			<u>Expense</u>	<u>Expense</u>				
2003	1,395,638	1,898,067	2,712,338	1,601,652	1,709,093	1,705,675	2,038,282	2,452,053	0.904	0.642	40.8%	
2004	1,438,283	1,715,871	2,304,415	833,798	851,915	850,211	1,016,002	1,186,691	0.515	0.642	-19.8%	
2005	1,399,674	1,472,457	1,858,241	959,074	692,506	689,736	824,235	934,682	0.503	0.642	-21.7%	
2006	1,210,800	1,185,373	1,405,852	393,034	252,648	251,132	300,103	330,413	0.235	0.642	-63.4%	
2007	1,092,269	1,043,118	1,163,077	173,059	136,714	134,390	160,596	171,677	0.148	0.642	-76.9%	
<b>Total</b>	<b>6,536,664</b>	<b>7,314,886</b>	<b>9,443,922</b>	<b>3,960,617</b>	<b>3,642,876</b>	<b>3,631,144</b>	<b>4,339,217</b>	<b>5,075,516</b>	<b>0.537</b>	<b>0.642</b>	<b>-16.4%</b>	<b>-5.9%</b>

<sup>1</sup> Includes the following catastrophe adjustments:

2003	\$352,315	
2004	\$211,053	Catastrophe loading factor: 1.368
2005	\$452,856	
2006	\$208,350	
2007	\$73,122	

**ARKANSAS  
HOMEOWNERS  
EMC INSURANCE COMPANIES**

**RATE LEVEL INDICATIONS EXPLANATORY NOTES**

**COLUMN (1): Direct Earned Premium for Arkansas.**

**COLUMN (2): Current Level Earned Premium for Arkansas.**

**COLUMN (3): Projected Current Level Earned Premium**

The homeowners earned premiums were further adjusted to include annual average rate trends. The trend projects premium from the midpoint of the year to the average date of writing (6 months past the anticipated effective date.)

Average Date of Writing: 4/1/2009  
Anticipated Effective Date: 10/1/2008

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Prem Proj Factor:	1.429	1.343	1.262	1.186	1.115
Years Projected:	5.750	4.750	3.750	2.750	1.750

Trend Factor =  $[1 + (\text{Trend} \div 100)]^n$ , where n = number of years projected

**COLUMN (4): Accident Year Incurred Losses**

**COLUMN (5): Adjusted Incurred Losses**

Catastrophe Losses

<u>Year</u>	<u>Adjustment</u>
2003	\$352,315
2004	\$211,053
2005	\$452,856
2006	\$208,350
2007	\$73,122

Selected Catastrophe Loading Factor:

1.368

**COLUMN (6): Developed Incurred Losses**

Development factors are applied to adjusted incurred losses, which are evaluated from accident year data as of 03/31/08 and are based on countrywide data.

**COLUMN (7): Incurred Losses & Loss Adjustment Expense**

The factors used to adjust the incurred losses to include all loss adjustment expense were developed using 2005-2007 companywide data.

Loss Adjustment Expense Load: 19.5%

**ARKANSAS  
HOMEOWNERS  
EMC INSURANCE COMPANIES**

**RATE LEVEL INDICATIONS EXPLANATORY NOTES**

**COLUMN (8): Projected Losses & Loss Adjustment Expense**

The loss projection factors project losses from the midpoint of the year to the average date of loss (12 months past the anticipated effective date.)

Average Date of Loss: 10/1/2009  
Anticipated Effective Date: 10/1/2008

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Loss Proj Factor:	1.203	1.168	1.134	1.101	1.069
Years Projected:	6.250	5.250	4.250	3.250	2.250

Trend Factor =  $[1 + (\text{Trend} \div 100)]^n$ , where n = number of years projected

**COLUMN (9): Projected Loss Ratio**

Projected Loss Ratio = Column (8) ÷ Column (3)

**COLUMN (10): Permissible Loss Ratio**

Percentage of premium necessary for payment of all losses and loss adjustment expenses based on analysis of all other expense provisions.

**COLUMN (11): Rate Level Indication**

Rate Level Indication =  $\{[\text{Column (9)} \div \text{Column (10)}] - 1.00\} \times 100\%$

**COLUMN (12): Credibility-Weighted Indication**

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**CREDIBILITY-WEIGHTED INDICATIONS**

Partial credibility is determined by the standard square root rule,  
defined as:

$$\text{CREDIBILITY} = \text{SQRT}(n/k),$$

where n is the actual number or earned exposures in the experience  
period and k is the number of earned exposures at the full credibility  
standard of 240,000.

CALCULATION OF CREDIBILITY-WEIGHTED INDICATION

Earned exposures for 1/1/03 through 12/31/07	9,171
Credibility based on the formula: $\text{SQRT}(n/k)$	0.195
Selected Credibility	0.200
Effective date of last rate change:	6/1/07
Proposed effective date of this filing:	10/1/08
Trend period: 6/1/2008 to 10/1/2009	1.000 year
Annual Trend:	-3.2%
Permissible loss & LAE ratio:	0.642
Trended permissible loss & LAE ratio: [0.642 x (0.968) <sup>1.000</sup> ]	0.621
Statewide Projected Loss Ratio	0.537
Credibility-weighted indication: {[(0.537)(0.200) + (0.621)(1 - 0.200)] / 0.642} - 1	-5.9%

# **ARKANSAS HOMEOWNERS**

## **EMC INSURANCE COMPANIES**

### **SUPPORTING INFORMATION**

1. Explain the type of loss information utilized in this rate filing. Specify whether the data reflects a calendar period, accident period, or policy period.

Accident year data evaluated as of 03/31/08 was used in this filing.

2. If the methods used in this filing differ from those used in the insurer's last rate filing for this coverage in Arkansas, or if the Arkansas methods differ from those used countrywide, attach an explanation of the difference.

We now are including a reinsurance load in our expenses (see attached "Expense Provisions" exhibit). In developing losses in our indications, we continued to use a Catastrophe procedure. These are consistent with countrywide indication procedure.

3. Explain any adjustments for large or catastrophic losses that were made in the statistical information on losses.

No adjustments were necessary for large losses. A catastrophe loading of 1.368 was selected based upon statewide data.

4. Display the calculation of the estimate of investment income on net unearned premiums and loss reserves.

See attached "Estimated Investment Earnings on Unearned Premium and Loss Reserves" exhibit.

5. Display the calculation of any loading or contingency factor that is used in this filing.

See attached "Development of Permissible Loss & Loss Adjustment Expense Ratio" exhibit.

6. Display underwriting expenses. State procedures used in the filing to recognize the distinction between expenses that vary directly with losses, and expenses such as general expenses, that do not vary.

We have assumed that loss adjustment expenses vary directly with losses and all other expenses vary directly with premium.

# **ARKANSAS HOMEOWNERS**

## **EMC INSURANCE COMPANIES**

### **SUPPORTING INFORMATION (CONT.)**

7. State steps taken to control losses for the coverage included in this filing.

(1) We maintain and periodically update underwriting guidelines while monitoring and adjusting the book of business according to these guidelines. (2) We monitor and maintain an acceptable mix of new to renewal business. (3) Homeowners' loss critiques are prepared in the Underwriting department to provide us with information about the larger losses that we incur. We review basic policyholder information, loss details, coverage and limits, dwelling information, estimated property valuation, inspection information and whether any special hazards were involved in the loss. This information is reviewed to determine what action needs to be taken on individual files. (4) We offer premium credits for approved and properly maintained protective devices. (5) Wood stove inspections are made to determine proper installation. We also require completion of a questionnaire and a photo of the stove.

8. Explain any adjustments made by the trending components of the filing. If significant trends within this State are utilized, a narrative describing the basis of the trend must be included.

The premium trend used was based on an exponential regression curve fit to ISO's average policy size in Arkansas. The loss trend selected was based on judgment with consideration given to ISO and internal company data.

9. The determination of the weighting of credibility assigned to Arkansas must be fully explained.

See attached "Credibility-weighted Indication" exhibit.

10. If common classes are grouped together for rate making purposes because the data for one particular class is not credible either for Arkansas or countrywide, all class codes utilized in developing credibility must be stated with Arkansas experience for each class affected shown separately.

No grouping was done.

**ARKANSAS  
HOMEOWNERS**

**SUMMARY OF CHANGES**

**EMPLOYERS MUTUAL CASUALTY COMPANY**

<b><u>TERRITORY</u></b>	<b><u>FORMS 2, 3, 5</u></b>	<b><u>FORM 4</u></b>	<b><u>FORM 6</u></b>	<b><u>COMBINED</u></b>	
30	0.6%	2.0%	9.3%	0.6%	
31	0.6%	2.0%	9.3%	0.6%	
32	0.5%	2.0%	9.3%	0.5%	
72	0.5%	2.0%	9.3%	0.5%	
73	0.5%	2.0%	9.3%	0.5%	
81	0.5%	2.0%	9.3%	0.5%	
82	-22.0%	2.0%	9.3%	-22.0%	
Statewide	-0.3%	1.9%	9.3%	<table border="1"><tr><td>-0.3%</td></tr></table>	-0.3%
-0.3%					

**ARKANSAS  
HOMEOWNERS**

**SUMMARY OF CHANGES**

**EMCASCO INSURANCE COMPANY**

<b><u>TERRITORY</u></b>	<b><u>FORMS 2, 3, 5</u></b>	<b><u>FORM 4</u></b>	<b><u>FORM 6</u></b>	<b><u>COMBINED</u></b>	
30	-19.6%	-19.6%	-18.8%	-19.6%	
31	-19.6%	-19.6%	-18.8%	-19.6%	
32	-19.6%	-19.6%	-18.8%	-19.6%	
72	-19.6%	-19.6%	-18.8%	-19.6%	
73	-19.6%	-19.6%	-18.8%	-19.6%	
81	-19.6%	-19.6%	-18.8%	-19.6%	
82	-37.6%	-19.6%	-18.8%	-37.6%	
Statewide	-20.3%	-19.6%	-18.8%	<table border="1"><tr><td>-20.3%</td></tr></table>	-20.3%
-20.3%					

**ARKANSAS  
HOMEOWNERS**

**SUMMARY OF CHANGES**

**UNION INSURANCE COMPANY**

<b><u>TERRITORY</u></b>	<b><u>FORMS 2, 3, 5</u></b>	<b><u>FORM 4</u></b>	<b><u>FORM 6</u></b>	<b><u>COMBINED</u></b>
30	-19.2%	-18.9%	-16.8%	-19.2%
31	-19.2%	-18.9%	-16.8%	-19.2%
32	-19.2%	-18.9%	-16.8%	-19.2%
72	-19.3%	-18.9%	-16.8%	-19.3%
73	-19.2%	-18.9%	-16.8%	-19.2%
81	-19.2%	-18.9%	-16.8%	-19.2%
82	-37.3%	-18.9%	-16.8%	-37.2%
Statewide	-19.8%	-18.9%	-16.8%	-19.8%

**ARKANSAS  
HOMEOWNERS**

**SUMMARY OF CHANGES**

**EMC INSURANCE COMPANIES**

<b><u>TERRITORY</u></b>	<b><u>FORMS 2, 3, 5</u></b>	<b><u>FORM 4</u></b>	<b><u>FORM 6</u></b>	<b><u>COMBINED</u></b>
30	-13.6%	-11.7%	-11.2%	-13.6%
31	-17.0%	-16.6%	-11.2%	-17.0%
32	-19.6%	-16.6%	-11.2%	-19.6%
72	-14.8%	-16.3%	-11.2%	-14.8%
73	-19.6%	-16.6%	-11.2%	-19.6%
81	-15.1%	-19.5%	-11.2%	-15.1%
82	-34.1%	-16.6%	-11.2%	-34.1%
Statewide	-15.6%	-16.6%	-11.2%	-15.6%

**ARKANSAS  
HOMEOWNERS**

**SUMMARY OF CHANGES**

**EMC INSURANCE COMPANIES**

	<b>2007 CURRENT LEVEL <u>WRITTEN PREMIUM</u></b>	<b>PERCENT <u>CHANGE</u></b>	<b>ESTIMATED ANNUAL <u>EFFECT</u></b>	
EMCC	\$241,122	-0.3%	(\$679)	
EMCASCO	\$760,855	-20.3%	(\$154,522)	
UNION	\$15,682	-19.8%	(\$3,098)	
ALL COMPANIES	\$1,017,659	<table border="1"><tr><td style="text-align: center;">-15.6%</td></tr></table>	-15.6%	(\$158,299)
-15.6%				

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u>CUR</u>	<u>REV</u>
<u>503. BUSINESS PROPERTY - INCREASED LIMITS</u>		
A. On-Premises		
2. Rate per \$2,500	\$23	\$22
<u>504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY &amp; COUNTERFEIT MONEY</u>		
B. Premium		
<u>Limit</u>		
\$10,000	5	6
<u>510. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES</u>		
E. Premium Computation		
1. Section I		
c. Rate per \$1,000 for business in other structure	\$5	\$4
<u>511. LOSS ASSESSMENT COVERAGE</u>		
A. Residence Premises		
3. Premium		
All Forms Except HO 00 03 & 05 or 06 with HO 17 32		
New Amount of Coverage		
\$10,000	5	4
B. Additional Locations		
2. Premium		
All Forms Except HO 00 03 & 05 or 06 with HO 17 32		
New Amount of Coverage		
\$ 1,000	\$5	\$4

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND II RATES**

**RULE 505. EARTHQUAKE COVERAGE**

5% DEDUCTIBLE EARTHQUAKE COVERAGE RATES PER \$1,000  
(Not available as new coverage on new or renewal policies)

TABLE A - FRAME							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002 HO0003 &			HO0002 03 & 05 Incr. Cov.C	HO0006 Basic & Incr. Cov. A	Incr. Cov. D	Bldg. Or Non-Bldg. Structure Items
Territory	HO0005	HO0004	HO0006				
21	\$1.64	\$0.67	\$0.83	\$0.66	\$1.11	\$0.78	\$1.03
22	\$1.50	\$0.64	\$0.83	\$0.66	\$1.00	\$0.76	\$0.94
23	\$1.40	\$0.58	\$0.76	\$0.62	\$0.92	\$0.67	\$0.94
24	\$1.22	\$0.50	\$0.66	\$0.56	\$0.76	\$0.58	\$0.90
25	\$0.94	\$0.45	\$0.53	\$0.48	\$0.53	\$0.45	\$0.66
26	\$0.44	\$0.22	\$0.23	\$0.28	\$0.23	\$0.20	\$0.33
27	\$0.20	\$0.14	\$0.14	\$0.12	\$0.16	\$0.11	\$0.14
TABLE B - MASONRY							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002 HO0003 &			HO0002 03 & 05 Incr. Cov.C	HO0006 Basic & Incr. Cov. A	Incr. Cov. D	Bldg. Or Non-Bldg. Structure Items
Territory	HO0005	HO0004	HO0006				
21	\$2.07	\$0.94	\$1.09	\$0.86	\$1.34	\$0.97	\$1.12
22	\$2.07	\$0.94	\$1.09	\$0.86	\$1.34	\$0.97	\$1.12
23	\$2.07	\$0.94	\$1.09	\$0.86	\$1.34	\$0.97	\$1.12
24	\$2.07	\$0.94	\$1.09	\$0.86	\$1.34	\$0.97	\$1.12
25	\$1.79	\$0.92	\$1.05	\$0.86	\$1.17	\$0.89	\$0.92
26	\$0.97	\$0.56	\$0.53	\$0.56	\$0.56	\$0.50	\$0.51
27	\$0.55	\$0.34	\$0.39	\$0.34	\$0.39	\$0.30	\$0.31
TABLE C - SUPERIOR							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002 HO0003 &			HO0002 03 & 05 Incr. Cov.C	HO0006 Basic & Incr. Cov. A	Incr. Cov. D	Bldg. Or Non-Bldg. Structure Items
Territory	HO0005	HO0004	HO0006				
21	\$1.78	\$0.62	\$0.86	\$0.66	\$1.22	\$0.83	\$0.94
22	\$1.78	\$0.62	\$0.86	\$0.66	\$1.22	\$0.83	\$0.94
23	\$1.78	\$0.62	\$0.86	\$0.66	\$1.22	\$0.83	\$0.94
24	\$1.56	\$0.56	\$0.76	\$0.66	\$1.01	\$0.78	\$0.90
25	\$0.98	\$0.51	\$0.67	\$0.47	\$0.83	\$0.47	\$0.56
26	\$0.67	\$0.27	\$0.41	\$0.36	\$0.48	\$0.36	\$0.37
27	\$0.20	\$0.12	\$0.09	\$0.12	\$0.11	\$0.12	\$0.12

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

HO-2000 - OPTIONAL SECTION I AND II RATES

RULE 505. EARTHQUAKE COVERAGE

10% DEDUCTIBLE EARTHQUAKE COVERAGE RATES PER \$1,000

TABLE A - FRAME							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002			HO0002	HO0006		Bldg. Or
	HO0003 &			03 & 05	Basic &		Non-Bldg.
Territory	HO0005	HO0004	HO0006	Incr.	Incr.	Incr.	Structure
				Cov.C	Cov. A	Cov. D	Items
21	\$1.53	\$0.58	\$0.73	\$0.62	\$1.05	\$0.78	\$1.03
22	\$1.34	\$0.53	\$0.69	\$0.61	\$0.90	\$0.76	\$0.92
23	\$1.26	\$0.48	\$0.64	\$0.58	\$0.86	\$0.67	\$0.92
24	\$1.08	\$0.41	\$0.56	\$0.53	\$0.69	\$0.58	\$0.86
25	\$0.81	\$0.37	\$0.42	\$0.42	\$0.45	\$0.45	\$0.61
26	\$0.36	\$0.17	\$0.19	\$0.22	\$0.19	\$0.20	\$0.28
27	\$0.17	\$0.11	\$0.12	\$0.11	\$0.12	\$0.09	\$0.11

  

TABLE B - MASONRY							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002			HO0002	HO0006		Bldg. Or
	HO0003 &			03 & 05	Basic &		Non-Bldg.
Territory	HO0005	HO0004	HO0006	Incr.	Incr.	Incr.	Structure
				Cov.C	Cov. A	Cov. D	Items
21	\$1.89	\$0.83	\$0.97	\$0.80	\$1.26	\$0.97	\$1.11
22	\$1.89	\$0.83	\$0.97	\$0.80	\$1.26	\$0.97	\$1.11
23	\$1.89	\$0.83	\$0.97	\$0.80	\$1.26	\$0.97	\$1.11
24	\$1.89	\$0.83	\$0.97	\$0.80	\$1.26	\$0.97	\$1.11
25	\$1.58	\$0.76	\$0.89	\$0.80	\$1.05	\$0.89	\$0.89
26	\$0.84	\$0.47	\$0.45	\$0.50	\$0.50	\$0.50	\$0.50
27	\$0.48	\$0.30	\$0.34	\$0.30	\$0.36	\$0.30	\$0.30

  

TABLE C - SUPERIOR							
Column:	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	HO0002			HO0002	HO0006		Bldg. Or
	HO0003 &			03 & 05	Basic &		Non-Bldg.
Territory	HO0005	HO0004	HO0006	Incr.	Incr.	Incr.	Structure
				Cov.C	Cov. A	Cov. D	Items
21	\$1.62	\$0.51	\$0.76	\$0.64	\$1.15	\$0.83	\$0.92
22	\$1.62	\$0.51	\$0.76	\$0.64	\$1.15	\$0.83	\$0.92
23	\$1.62	\$0.51	\$0.76	\$0.64	\$1.15	\$0.83	\$0.92
24	\$1.40	\$0.45	\$0.66	\$0.59	\$0.92	\$0.76	\$0.89
25	\$0.84	\$0.41	\$0.55	\$0.42	\$0.75	\$0.47	\$0.53
26	\$0.58	\$0.20	\$0.34	\$0.31	\$0.42	\$0.34	\$0.36
27	\$0.19	\$0.11	\$0.08	\$0.11	\$0.09	\$0.11	\$0.11

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u>CUR</u>	<u>REV</u>
<u>514. OTHER STRUCTURES</u>		
A. On-Premises Structures		
2. Structure on the Residence Premises Rented to Others		
a. Premium		
(1) Rate per \$1,000	\$5	\$4
B. Structures off the Residence Premises		
1. Forms HO 00 02, HO 00 03 and HO 00 05		
b. Premium		
Off premises structures charge per policy	\$14	\$13
2. All Forms		
a. Premium		
(2) Specific structures - Off-Premises Rate per \$1,000	\$5	\$4
 <u>517. RENTAL TO OTHERS-EXTENDED THEFT COVERAGE</u>		
B. Premium		
Rate per policy	\$14	\$13
 <u>518. SINKHOLE COLLAPSE COVERAGE</u>		
B. Premium Determination		
1. Rate per \$1,000	\$0.32	\$0.31
 <u>521. WATER BACKUP AND SUMP OVERFLOW</u>		
EMC Rule		
Annual Aggregate Limit - \$5,000	45	40
Annual Aggregate Limit - \$10,000	100	55

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u>CUR</u>	<u>REV</u>
<u>523. ASSISTED LIVING CARE COVERAGE</u>		
C. Premium		
1. Section I and Section II Basic Limits		
Rate per unit	\$72	\$70
2. Increased Limits		
Add to the basic limit rate in Paragraph 1. above:		
b. Coverage E (Coverage F does not apply to this option.)		
<u>Limit</u>		
\$400,000	5	*
\$500,000	6	5
\$1,000,000	--	7
* <b>Eliminate</b>		
 <u>524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD</u>		
C. Premium		
1. Section I and Section II Basic Limits		
Rate per person named in the Schedule	\$56	\$55
2. Section II Increased Limits		
Add to the basic limit rate in Paragraph 1. above:		
a. Coverage E		
<u>Limit</u>		
\$400,000	14	*
\$500,000	17	16
\$1,000,000	--	22
b. Coverage F		
Refer to Rule 702. for rates for limits above \$1,000		
* <b>Eliminate</b>		

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**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u>CUR</u>	<u>REV</u>
<b><u>526. RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO 00 04</u></b>		
F. Premium		
Basic Limits Rates		
1. Trust / Trustee		
Applies whether or not the trustee resides on the residence premises	\$24	\$23
2. Beneficiary or Grantor		
a. Beneficiary OR grantor named in the endorsement; and		
(1) Trustee resides on the residence premises	\$24	\$23
(2) Trustee does not reside on the residence premises	No add'l charge	
b. Beneficiary AND grantor named in the endorsement; and		
(1) Trustee resides on the residence premises	\$48	\$47
(2) Trustee does not reside on the residence premises	\$24	\$23
Increased Limits		
1. Coverage E		
Refer to Rule 701. for increased limits factors.		
2. Coverage F		
Refer to Rule 702. for increased limits charges.		
<b><u>527. STUDENT AWAY FROM HOME</u></b>		
C. Premium		
1. Section I and Section II Basic Limits		
Rate per location	\$64	\$62
2. Section II Increased Limits		
Add to the basic limit rate in Paragraph 1. above:		
a. Coverage E		
<u>Limit</u>		
\$400,000	14	*
\$500,000	17	16
\$1,000,000	--	22
b. Coverage F		
Refer to Rule 702. for rates for limits above \$1,000		
* <b>Eliminate</b>		

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

CUR    REV

**528. HOME BUSINESS INSURANCE COVERAGE**

D. Home Business Premium Computation

3. Section II - Business Liability

a. Basic Limits Premium - Coverages E and F

(2) Service, Sales, and Crafts

Business Visitors Per Week \*

Gross Annual Receipts**	Services		Sales		Crafts	
	Under 10	10 or more	Under 10	10 or more	Under 10	10 or more
Up to \$50,000	<b>\$18</b>	\$28	\$9	\$13	\$11	\$16
\$50,001 to \$100,000	<b>55</b>	<b>82</b>	26	39	32	<b>47</b>
\$100,001 to \$175,000	<b>101</b>	<b>151</b>	<b>47</b>	<b>71</b>	<b>58</b>	<b>87</b>
\$175,001 to \$250,000	<b>156</b>	<b>234</b>	<b>73</b>	<b>109</b>	<b>90</b>	<b>134</b>

\* New Business, use 10 or more classification.

\*\* New Business, use \$50,001 to \$100,000 classification.

c.(2) Coverage F - Increased Limits

All Home Business CLASSIFICATIONS

Business Visitors Per Week	Homeowners Increased Limit of Liability			
	\$2,000	\$3,000	\$4,000	\$5,000
Under 10	<b>\$4</b>	\$9	<b>\$13</b>	\$17
10 or more	8	12	18	22

6. Valuable Papers and Records

Rate per \$1,000

b. Special Coverage - (HO 07 56 and HO 07 57)

(2) Premium

(a) First \$2,500

HO 00 02, HO 00 03, HO 00 04, and HO 00 06

\$3    \$2

7. Off-Premises Property Coverage - Increased Limits

b. Premium

Rate per \$2,500

HO 00 02, HO 00 03, HO 00 04, and HO 00 06

\$23    \$22

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u>CUR</u>	<u>REV</u>		<u>CUR</u>	<u>REV</u>
<b><u>601. RESIDENCE PREMISES - BASIC AND INCREASED LIMITS</u></b>					
A.2. Residence Premises					
			<b>1 and 2 Family Premium</b>		<b>3 or 4 Family Premium</b>
Coverage E - Liability					
<u>Limit</u>			<u>CUR</u>	<u>REV</u>	<u>CUR</u>
<u>Code</u>					<u>REV</u>
200,000			5	3	10
300,000			8	5	16
400,000			10	*	20
500,000			12	8	24
1,000,000			--	10	--
* <b>Eliminate</b>					
<b><u>602. OTHER INSURED LOCATION OCCUPIED BY INSURED</u></b>					
B. Premium					
Rate per Residence					
Three Family				25	24
<b><u>603. RESIDENCE EMPLOYEES</u></b>					
B. Rate per Person In Excess Of Two				\$5	\$4
<b><u>604. ADDITIONAL RESIDENCE RENTED TO OTHERS</u></b>					
B. Premium					
Rate per Residence					
One Family				\$25	\$18
Two Family				42	29
Three Family				93	65
Four Family				93	81
<b><u>605. OTHER STRUCTURES RENTED TO OTHERS - RESIDENCE PREMISES</u></b>					
B. Premium					
Rate per Structure				\$25	\$18

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

	<u><b>CUR</b></u>	<u><b>REV</b></u>
<u>608. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES AND OTHER RESIDENCES</u>		
B. Premium		
Rate per Residence		
1. Residence Premises	\$16	<b>\$15</b>
2. Other Residence	\$17	<b>\$16</b>
 <u>611. INCIDENTAL MOTORIZED LAND CONVEYANCES</u>		
B. Premium		
Rate per Conveyance	\$14	<b>\$13</b>
 <u>614. FARMERS PERSONAL LIABILITY (FPL)</u>		
C.1. Owned and Operated By Insured		
a. Initial Farm Premises		
Total Acreage		
Up to 160	\$94	<b>\$92</b>
Over 160-500	160	<b>157</b>
Over 500	294	<b>289</b>
b. Add'l rate per each add'l farm premises with bldgs.	14	<b>13</b>
C.2. Owned By Insured and Rented To Others		
a. All farm premises without bldgs.      +	\$14	<b>\$13</b>
b. Each farm premises with bldgs.      +	14	<b>13</b>
 +Total all acreage of farms which are owned by the insured and rented to others. Add the following flat charge when total acreage is:		
Over 160 to 500 acres	\$2	N.C.
Over 500 acres	\$7	N.C.
These charges are not subject to increased limits factors.		
 <u>615. INCIDENTAL FARMING PERSONAL LIABILITY</u>		
A.2. Farming Done on the Residence Premises	\$37	<b>\$36</b>
B.2. Farming Done Away From the Residence Premises	\$55	<b>\$54</b>

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 - OPTIONAL SECTION I AND SECTION II RATES**

CUR    REV

616.\* OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL  
& LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COV.

A. Coverage Outline

2. Premium Credit

a. Credit

All Forms except 4 & 6

\$7    \$6

D. Premium Basis

3. Premium Selection

a. Escaped Liquid Fuel Remediation Coverage

Liquid Fuel Risk Class Number	Limit of Liability		
	\$25,000	\$50,000	\$100,000
100	\$30	<b>\$76</b>	<b>\$149</b>
200	10	<b>25</b>	<b>50</b>

b. Lead and Escaped Liquid Fuel Liability Coverage

(1) No Insured Location Has a Home Day Care Business

Lead Risk Class No.	Liquid Fuel Risk Class 100		Liquid Fuel Risk Class 200		Liquid Fuel Risk Class 300	
	\$100,000	\$300,000	\$100,000	\$300,000	\$100,000	\$300,000
500	<b>\$51</b>	<b>\$113</b>	<b>\$22</b>	\$42	\$15	\$24
600	<b>44</b>	<b>101</b>	15	30	7	12
700	<b>44</b>	<b>101</b>	15	30	7	12

(2) ONE or MORE Insured Locations Have a Home Day Care Business

Multiply the premium charge selected in D.b.(1). by a factor of 2.00

\* Revised rates not included in manual

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**HO-2000 INCREASED LIMITS**

701. OTHER EXPOSURES - PERSONAL LIABILITY INCREASED LIMITS

		Factor	
<u>Limit</u>	<u>Code</u>	<u>Cur</u>	<u>Rev</u>
400,000	6	1.30	NA
1,000,000	8	---	1.47

702. OTHER EXPOSURES - MEDICAL PAYMENTS TO OTHERS INCREASED LIMITS

		<u>\$2,000</u>		<u>\$3,000</u>		<u>\$4,000</u>		<u>\$5,000</u>	
<u>Rule#</u>	<u>COVERAGE F - Medical Payments</u>	<u>CUR</u>	<u>REV</u>	<u>CUR</u>	<u>REV</u>	<u>CUR</u>	<u>REV</u>	<u>CUR</u>	<u>REV</u>
612.	Outboard Motors and Watercraft								
	3. Personal Watercraft (Jet skis, Waverunners, etc.)								
	Engines or Motors								
	Up to 15 feet:								
	Up to 50 hp.	\$3	N.C.	\$5	N.C.	\$8	N.C.	\$9	<b>\$10</b>
	51 to 100 hp.	3	<b>4</b>	7	N.C.	10	<b>11</b>	12	<b>13</b>
	101 to 140 hp.	5	N.C.	10	<b>11</b>	16	N.C.	18	<b>19</b>
	over 140 hp.					Not Available			

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**EMC INSURANCE COMPANIES**

**HOME DAY CARE COVERAGE**

**SECTION II COVERAGES**

**607. HOME DAY CARE COVERAGE**

C.1. 1-3 Persons

<b>Cov. F</b>	<b>Cov. E</b>				
	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$104	\$120	\$129	\$140	\$153
\$2,000	\$109	125	134	145	158
\$3,000	\$113	129	138	149	162
\$4,000	\$118	134	143	154	167
\$5,000	\$121	137	146	157	170

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**THREE OR FOUR FAMILY DWELLINGS**

**SECTION I COVERAGES**

The ISO Additional Rule applicable to Three or Four Family Dwellings applies.

**SECTION II COVERAGES**

**601. RESIDENCE PREMISES - Three or Four Family Dwelling Rates**

**Three or Four Family Dwelling**

<b>Cov. F</b>	<b>Cov. E</b>				
	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$300,000</b>	<b>\$500,000</b>	<b>\$1,000,000</b>
<b>\$1,000</b>	\$0	\$6	\$10	\$15	\$20
<b>\$2,000</b>	3	9	13	18	23
<b>\$3,000</b>	5	11	15	20	25
<b>\$4,000</b>	8	14	18	23	28
<b>\$5,000</b>	11	17	21	26	31

**ARKANSAS  
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**EMC INSURANCE COMPANIES**

**SECTION II COVERAGES**

**612. Outboard Motors and Watercraft**

**F.1. Outboard, Inboard, or Inboard-Outdrive**

**B. Length over 15 to 26 feet**

**Over 300 horsepower**

<b>Cov. F</b>					
	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$300,000</b>	<b>\$500,000</b>	<b>\$1,000,000</b>
<b>\$1,000</b>	<b>\$66</b>	<b>\$76</b>	<b>\$82</b>	<b>\$89</b>	<b>\$97</b>
<b>\$2,000</b>	<b>\$91</b>	<b>\$101</b>	<b>\$107</b>	<b>\$114</b>	<b>\$122</b>
<b>\$3,000</b>	<b>\$116</b>	<b>\$126</b>	<b>\$132</b>	<b>\$139</b>	<b>\$147</b>
<b>\$4,000</b>	<b>\$141</b>	<b>\$151</b>	<b>\$157</b>	<b>\$164</b>	<b>\$172</b>
<b>\$5,000</b>	<b>\$154</b>	<b>\$164</b>	<b>\$170</b>	<b>\$177</b>	<b>\$185</b>

**ARKANSAS  
HOMEOWNERS**

**EMC INSURANCE COMPANIES**

**PERSONAL WATERCRAFT**

**SECTION II COVERAGES**

**612. Outboard Motors and Watercraft**

**F.3. Personal Watercraft (Jet Skis, Waverunners, etc.)**

**Length Up to 15 Feet**

**Up to 50 horsepower**

<b>Cov. F</b>	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$22	\$25	\$27	\$30	\$32
\$2,000	\$25	28	30	33	35
\$3,000	\$27	30	32	35	37
\$4,000	\$30	33	35	38	40
\$5,000	\$32	35	37	40	42

**51 to 100 horsepower**

<b>Cov. F</b>	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$36	\$41	\$45	\$49	\$53
\$2,000	\$40	45	49	53	57
\$3,000	\$43	48	52	56	60
\$4,000	\$47	52	56	60	64
\$5,000	\$49	54	58	62	66

**101 to 140 horsepower**

<b>Cov. F</b>	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
\$1,000	\$52	\$60	\$64	\$70	\$76
\$2,000	\$57	65	69	75	81
\$3,000	\$63	71	75	81	87
\$4,000	\$68	76	80	86	92
\$5,000	\$71	79	83	89	95

July 16, 2008

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

EMPLOYERS MUTUAL CASUALTY COMPANY – 062-21415  
EMCASCO INSURANCE COMPANY – 062-21407  
UNION INSURANCE COMPANY OF PROVIDENCE – 062-21423  
Homeowners  
Rate and Rule Revision  
Company Filing #: AR-HO-2008-01  
Effective Date: October 1, 2008

This is in regards to your objection letter dated 7/11/08. The responses to your objections are as follows:

- 1) Please see the attached files.
- 2) We have estimated the number of insureds that will receive an increase of more than 20% will be less than 10.
- 3) Old territory 71 will be split into new territories 81 and 82 based on marketing and underwriting judgment.
- 4) In regards to the insureds with no hits/thin files, it has been our policy to provide them with the first available discount thus treating them as credit neutral.
- 5) We have removed reference to the Actual Cash Value loss settlement for wind/hail. Please see attached revised manual page HO-8, which replaces that same page currently filed.

With this additional information, your continued review and approval of our filing is respectfully requested.  
Thank you.

Stephanie McBride  
Filings Analyst  
Rates and Filings Dept.  
800-247-2128 Ext. 2684  
Stephanie.M.McBride@EMCIns.com

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**101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS**


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**A. Limits**

The limits of liability required under the Homeowners policy are as follows:

**1. Section I – Property Damage****Coverage A – Dwelling**

**All Forms:** *Refer to Underwriting Guidelines.*

**Coverage B – Other Structures**

**HO0002, HO0003, HO0005 or HO0008:**

10% of **A** (one and two family dwelling)

5% of **A** (three and four family dwelling)

**Coverage C – Personal Property**

**HO0002, HO0003, HO0005 or HO0008:**

50% of **A** (one and two family dwelling)

30% of **A** (three family dwelling)

25% of **A** (four family dwelling)

**HO0004 or HO0006:** *Refer to Underwriting Guidelines.*

**Coverage D – Loss of Use**

**HO0002, HO0003 or HO0005:** 30% of **A**

**HO0004:** 30% of **C**

**HO0006:** 50% of **C**

**HO0008:** 10% of **A**

**2. Section II – Liability (All Forms)\*****Coverage E – Personal Liability And Coverage F – Medical Payments**

**Personal Liability** \$100,000

**Medical Payments to Others** \$1,000

\*Unless otherwise stated, Coverage **E** limits apply on an “occurrence” basis; Coverage **F** limits on an “each person” basis.

**B. All Forms** – The limit of liability for Coverages **C** or **D** of Section **I** and **E** or **F** of Section **II** may be increased.

**C. Form HO0002, HO0003 Or HO0005** – Under Coverage **B** of Section **I**, an additional amount of insurance may be written on a specific structure.

Under Coverage **C** of Section **I**, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit of a one and two family dwelling; 20% of the limit of a three family dwelling; and 15% of the limit of a four family dwelling.

**D. FORM HO0006** – The limit of liability for Coverage **A** of Section **I** may be increased.

**E. FORM HO0008 (EMCC ONLY)****1. Section I**

The following are the only Section **I** options available with this form:

- a. *This section does not apply.*
- b. Higher Optional Deductibles,
- c. On and Off Premises Theft Coverage Increase,
- d. Reduced Coverage **C** Limits.

**2. Section II**

All options available for Form **HO0002** are available for Form **HO0008**.

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