

<i>SERFF Tracking Number:</i>	<i>NAVG-125693357</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$25</i>
<i>Company Tracking Number:</i>	<i>LPL-R-608-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1019 Professional Errors & Omissions Liability</i>
<i>Product Name:</i>	<i>Lawyers Professional Liability</i>		
<i>Project Name/Number:</i>	<i>Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR</i>		

Filing at a Glance

Company: Navigators Insurance Company	SERFF Tr Num: NAVG-125693357	State: Arkansas
Product Name: Lawyers Professional Liability	SERFF Status: Closed	State Tr Num: EFT \$25
TOI: 17.1 Other Liability - Claims Made Only	Co Tr Num: LPL-R-608-AR	State Status: Fees verified and received
Sub-TOI: 17.1019 Professional Errors & Omissions Liability	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts
Filing Type: Form	Authors: Sean Hayes, Katie Cook	Disposition Date: 07/16/2008
	Date Submitted: 06/12/2008	Disposition Status: Approved
Effective Date Requested (New): On Approval		Effective Date (New):
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal):
State Filing Description:		

General Information

Project Name: Large Lawyers Indemnity Only Form/Rule Filing	Status of Filing in Domicile: Pending
Project Number: LPL-R-0608-AR	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 07/16/2008	
State Status Changed: 07/16/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	

We are attaching an updated Rate Guidelines manual and Indemnity Only Deductible Endorsement for your review and approval. Upon approval this manual will be used with our Large Lawyers Liability Program which is already filed and approved in your state. The changes to this manual are the addition of a 10% surcharge for Indemnity Only coverage and the corresponding Indemnity Only Endorsement. These changes will not affect rate as they are optional coverage.

The form filing was submitted separately under filing number LPL-F-608-AR.

SERFF Tracking Number: NAVG-125693357 State: Arkansas
 Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
 Company Tracking Number: LPL-R-608-AR
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
 Product Name: Lawyers Professional Liability
 Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Company and Contact

Filing Contact Information

Katherine Cook, Compliance Analyst kcook@navg.com
 1375 E. Woodfield Rd. (847) 285-9022 [Phone]
 Schaumburg, IL 60173 (847) 230-1934[FAX]

Filing Company Information

Navigators Insurance Company CoCode: 42307 State of Domicile: New York
 1375 E. Woodfield Rd. Group Code: 510 Company Type: P&C
 Schaumburg, IL 60173 Group Name: Navigators Group, State ID Number:
 Inc.
 (847) 285-9006 ext. [Phone] FEIN Number: 13-3138390

Filing Fees

Fee Required? Yes
 Fee Amount: \$25.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Navigators Insurance Company	\$25.00	06/12/2008	20825480

SERFF Tracking Number: NAVG-125693357 State: Arkansas
 Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
 Company Tracking Number: LPL-R-608-AR
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
 Product Name: Lawyers Professional Liability
 Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	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	Edith Roberts	06/24/2008	06/24/2008	Katie Cook	07/14/2008	07/14/2008

Industry
Response

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
defense w/n limits email from company- Mon 6/30/2008 8:53 AM 'Katherine Cook'	Reviewer Note	Edith Roberts	06/30/2008	

SERFF Tracking Number: NAVG-125693357 *State:* Arkansas
Filing Company: Navigators Insurance Company *State Tracking Number:* EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only *Sub-TOI:* 17.1019 Professional Errors & Omissions
Liability
Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Disposition

Disposition Date: 07/16/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: NAVG-125693357 State: Arkansas
 Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
 Company Tracking Number: LPL-R-608-AR
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
 Product Name: Lawyers Professional Liability
 Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Consent Form	Approved	Yes
Rate (revised)	Rate Guidelines	Approved	Yes
Rate	Rate Guidelines	Approved	Yes

SERFF Tracking Number: NAVG-125693357 State: Arkansas
Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 06/24/2008
Submitted Date 06/24/2008

Respond By Date

Dear Katherine Cook,

This will acknowledge receipt of the captioned filing.

The accompanying forms filing was approved on a defense within the limits of liability with a contingency that the coverage would comply with AID Order 2000-046, which requires a minimum limit of liability of not less than \$1,000,000 and an executed consent form signed by the insured. These rules allow for limits below that amount

You will need to amend this either by exception to sell minimum of \$1,000,000 or endorse the coverage for defense outside the limit on limits less than \$1 ml.

Please feel free to contact me if you have questions.

Sincerely,

Edith Roberts

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/14/2008
Submitted Date 07/14/2008

Dear Edith Roberts,

Comments:

Response 1

Comments: Hi Edith!

This is in response to your objection dated 6/24/08. I have amended the Rule Guideline to remove the limits below \$1Million to conform to AID Order 2007-046. You also mentioned the insured must sign a consent form acknowledging that the limit may be reduced or exhausted in payment of defense expense. I have attached the consent form that gets

SERFF Tracking Number: NAVG-125693357 State: Arkansas
Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

attached to our policies currently.

Thank you, and if you have any other issues or concerns, please don't hesitate to contact me at the number below.
Thanks for all of your assistance in this filing!

Sincerely,
Katie Cook
847-285-9022
kcook@navg.com

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Consent Form
Comment:

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rate Guidelines	Page 1-10	Replacement	
<i>Previous Version</i>			
<i>Rate Guidelines</i>	<i>Page 6</i>	<i>Replacement</i>	

Sincerely,
Katie Cook, Sean Hayes

SERFF Tracking Number: NAVG-125693357 State: Arkansas
Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Reviewer Note

Created By:

Edith Roberts on 06/30/2008 09:02 AM

Subject:

defense w/n limits email from company- Mon 6/30/2008 8:53 AM 'Katherine Cook'

Comments:

"Pasted" copy of email sent to Katherine Cook:

Dear Katie:

Below is where you may access AID Order 2007-046. If it doesn't show up, please let me know.

AID Order 2007-046 requires minimum limits of \$1,000,000 or above in order to contain defense expenses within the limit of liability. For limits less than that, you must pay defense outside the limit or may have a limit for defense equal to the claim limit.

Also, the insured must sign a consent form acknowledging that the limit may be reduced or exhausted in payment of defense expense.

Page 3 of the rule manual contains limits of \$500,000. I need for you to acknowledge that these limits will not be reduced by defense in order to approve the filing. That is why I needed to draw your attention to AID order 2007-046 which does allow defense within the limits, but only on \$1ml or greater.

Hope this helps...

Shortcut to: http://www.insurance.arkansas.gov/LEGAL%20DATASERVICES/Orders/2007_046.pdf

SERFF Tracking Number: *NAVG-125693357* *State:* *Arkansas*
Filing Company: *Navigators Insurance Company* *State Tracking Number:* *EFT \$25*
Company Tracking Number: *LPL-R-608-AR*
TOI: *17.1 Other Liability - Claims Made Only* *Sub-TOI:* *17.1019 Professional Errors & Omissions*
Liability

Product Name: *Lawyers Professional Liability*
Project Name/Number: *Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: NAVG-125693357 State: Arkansas
 Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
 Company Tracking Number: LPL-R-608-AR
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
 Product Name: Lawyers Professional Liability
 Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	Rate Guidelines	Page 1-10	Replacement	Rate Guidelines LPL 1.0 - AR.pdf

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

<i>Mandatory Characteristics</i>	<i>Preferred Characteristics</i>
<p>1. <i>Firm Size</i> Firms consisting of 11-150 attorneys are eligible.</p>	<p>1. <i>Client Communication</i> Use of engagement letters on all new clients, fee agreements and declination letters otherwise apply appropriate surcharge.</p>
<p>2. <i>Revenue Pattern</i> Typical revenue per partner should be between \$250,000 and \$500,000. Any revenue pattern above this must have debit factors appropriately adjusted</p>	<p>2. <i>Fee Disputes</i> Minimal history of suing for fees (no more than 5 times in two years).</p>
<p>3. <i>Areas of Practice</i> An eligible risk must have its S.E.C., Intellectual Property, Workers' Compensation – Plaintiff, and Personal Injury/Bodily Injury/Product Liability – Plaintiff at 25% Area of Practice or under.</p>	<p>3. <i>Conflict Avoidance</i> A formal conflict avoidance system must be in place. Complexity of the firm will dictate the sophistication of the system.</p>
<p>4. <i>Docket Control</i> An eligible risk must have a docket system that is maintained by 2 separate people.</p>	<p>4. <i>Specialization in Areas of Practice</i> Lawyers who specialize in an area of practice tend to present less risk.</p>
<p>5. <i>Disciplinary Action</i> An eligible firm must have acceptable disciplinary action history.</p>	<p>5. <i>Advertising</i> Acceptable advertising practices consisting of ethical statements and truth in advertising must be exhibited.</p>
<p>6. <i>Letterhead Sharing</i> No letterhead sharing.</p>	<p>6. <i>Experience</i> 2 years experience in private practice a minimum.</p>
	<p>7. <i>Continuing Legal Education</i> Continuing legal education regular attendance.</p>

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

Rate Development:

Prior to entering the Lawyers Professional Liability market Navigators hired Perr & Knight, the actuarial consulting firm, to do a comprehensive rate study comparing our internal rating to five (5) admitted markets..

Navigators reviewed the data internally and decided to amend our rating based on the results. We patterned our rating model to function in the same manner as the largest writer nationally, which gradually increased in price and flattened at Fifty(50) attorneys, then gradually increasing through 150.

Base Rates

Size of Firm	Hazard Class		
	1	2	3
11 – 20	1,800	2,250	2,700
21 – 30	1,400	1,750	2,100
31 – 40	1,100	1,375	1,650
41 – 50	850	1,063	1,275
51 – 60	750	938	1,125
61 – 75	700	875	1,050
76 – 100	675	844	1,013
101 – 125	660	825	990
126 - 150	650	813	975

Prior Acts Factors

<u>Number of Years in Retroactive Date</u>	<u>Factor</u>
0	0.00
1	0.10
2	0.20
3	0.30
4	0.40
5 +	0.50

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

****Limits of Liability***

Limit	Limit Factor
\$1,000,000/\$1,000,000	1.00
\$1,000,000/\$2,000,000	1.20
\$2,000,000/\$2,000,000	1.50
\$2,000,000/\$4,000,000	1.70
\$3,000,000/\$3,000,000	1.80
\$4,000,000/\$4,000,000	1.90
\$5,000,000/\$5,000,000	2.00
\$5,000,000/\$10,000,000	2.20
\$7,000,000/\$7,000,000	2.60
\$10,000,000/\$10,000,000	3.00

Retention Factor

<i>Retention</i>	<i>Each Claim Deductible Factor</i>
\$15,000	1.20
\$25,000	1.00
\$50,000	0.85
\$75,000	0.80
\$100,000	0.75
\$125,000	0.70
\$150,000	0.65
\$200,000	0.65
\$250,000	0.55
\$500,000	0.50
\$750,000	0.45

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

<i>Areas of Practice</i>		
<u>Hazard I</u>	Administrative Law – General Arbitration/Mediation Commercial Litigation (Defense) Criminal Law Insurance Defense Personal Injury (Defense) Workers Compensation (Defense)	
<u>Hazard II</u>	Admiralty/Maritime Antitrust/Trade Regulation Bankruptcy Civil Rights Discrimination Commercial Law Commercial Litigation (Plaintiff) Construction Law Environmental Law Family Law General Corporate/Business Healthcare Immigration/Naturalization International Law Labor Relations Civil Litigation Local Government (without Bonds) Public Contract Law Public Utilities	
<u>Hazard III</u>	Banking S/L Collections/Repossession Communications (FCC) Copyright/Patent/Trademark Corporate Organization /Formation Entertainment Estate/ Trust / Probate Mergers and Acquisitions Oil/Gas Pensions Employee Benefits Personal Injury-Plaintiff Real Estate Securities Taxation Workers Compensation-Plaintiff	

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

- ❖ Of Counsel Rating: Calculated as 0.50 of a full-time attorney.
- ❖ Attorneys Joining the Firm Mid-Policy Term: Additional premium will only be assessed mid policy term if the number of attorneys is at or above 15% of the total number of attorneys when written.
- ❖ Attorneys Leaving the Firm Mid-Policy Term: No premium will be returned mid policy term.

<i>Risk Factor Credits & Debits</i>	
<u>Docket and Calendar</u> (+/- 10%)	
The Applicant maintains a central system for control of statute dates and other critical deadlines	“Yes”: 5% Credit “No”: 5% Debit
3 independent date controls are kept on each matter and the Applicant uses Computer Tickler Type and Perpetual Calendar	10% Credit
2 independent date controls, 1 system computerized	5% Credit
2 independent date controls, no computer	5% Credit
1 independent date control system, no computer	10% Debit
<u>New Business & Conflict Checks</u> (+/- 10%)	
New Clients and new matters are subject to approval of the Applicants management committee or at least one Partner or Officer other than the lawyer proposing to handle the case	“Yes”: 5% Credit “No”: 5% Debit
The Applicant maintains a computerized conflict of interest system	“Yes”: 5% Credit “No”: 5% Debit
A conflict search is always completed prior to accepting a client	“Yes”: 5% Credit “No”: 5% Debit
Potential conflicts are always referred to an independent conflict partner or committee	“Yes”: 5% Credit “No”: 5% Debit
<u>Communication</u> (+/- 10%)	
An engagement letter is always used when accepting a new representation	“Yes”: 5% Credit “No”: 5% Debit
When declining a representation a non-engagement letter is always used	“Yes”: 5% Credit “No”: 5% Debit
<u>Firm Management</u> (+/- 10%)	
The Applicant is managed by a committee	“Yes”: 5% Credit “No”: 5% Debit
The Applicant employs a full-time administrator	“Yes”: 5% Credit “No”: 5% Debit
<u>Revenue Pattern</u>	

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

Revenue per Member is between \$250,000 and \$500,000	No applicable Debit/Credit
Revenue per Member is between \$500,001 and \$1,000,000	10% Debit
Revenue per Member is > \$1,000,000	20% Debit

Extended Reporting Period Parameters

<i>Extension Period</i>	<i>Premium</i>
1 year	100% of Named Insured's last annual premium
2 years	150% of Named Insured's last annual premium
3 years	200% of Named Insured's last annual premium
5 Years	250% of Named Insured's last annual premium

****Indemnity Only Coverage***

Add 10% Surcharge to the annual premium for Indemnity Only Deductible Coverage.

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

Endorsements

Applicable Debit and Credits for Endorsements and Exclusions:

- *Limit of Liability and Deductible (LLF NAV ENDT 102)- Increase Limit Factors and deductible Debit/ Credit factors as outlined will be applied.*
- *Period of Insurance (LLF NAV ENDT 405) industry standard pro-rata or short rate premiums will be applied or returned.*
- *Endorsements granting additional coverage under the policy may be debit up to 5% per endorsement but not to exceed 10% under the policy, no credit will be applied for additional coverage granted.*
- *No additional premium will be assessed upon adding any exclusion under said policy.*

Actuarial Exclusion	LLF NAV ENDT 100
Additional Named Insured Endorsement	LLF NAV ENDT 402
Amend Declarations Page: Named Insured and Address	LLF NAV ENDT 101
Amend Declarations Page: Limit of Liability and Deductible	LLF NAV ENDT 102
Amend Declarations Page: Item.2 Period of Insurance	LLF NAV ENDT 405
Amend Declarations Page: Retroactive Date	LLF NAV ENDT 103
Cancellation Endorsement	LLF NAV ENDT 105
Class Action Exclusion	LLF NAV ENDT 106
Computer Systems Exclusion	LLF NAV ENDT 107
Deleting Endorsement	LLF NAV ENDT 110
Extended Reporting Period Option Endorsement	LLF NAV ENDT 111
Financial Services Exclusion	LLF NAV ENDT 112
Investment Advice Exclusion	LLF NAV ENDT 113
Minimum Earned Premium Endorsement	LLF NAV ENDT 114

**NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES
ARKANSAS**

Mold Exclusion	LLF NAV ENDT 403
Mutual Choice of Defense Counsel Endorsement	LLF NAV ENDT 116
OFAC Endorsement	LLF NAV ENDT 404
Outside Interest Endorsement	LLF NAV ENDT 122
Policy Period Extension	LLF NAV ENDT 123
Premium Amendatory Endorsement	LLF NAV ENDT 124
Prior and Pending Litigation Exclusion	LLF NAV ENDT 126
Prohibited Information Exclusion	LLF NAV ENDT 127
SEC Exclusion	LLF NAV ENDT 401
Specific Entity Exclusion	LLF NAV ENDT 128
Specific Litigation Exclusion	LLF NAV ENDT 129
Suits for Fees Exclusion	LLF NAV ENDT 130
Title Agency Exclusions	LLF NAV ENDT 132
Valuation Fluctuation Exclusion	LLF NAV ENDT 133
Vicarious Liability Endorsement	LLF NAV ENDT 134
*Indemnity Only Deductible	LLF NAV ENDT 418

SERFF Tracking Number: NAVG-125693357 State: Arkansas
Filing Company: Navigators Insurance Company State Tracking Number: EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 07/16/2008

Comments:

Attachment:

AR transmittal Document Rule 0608.pdf

Satisfied -Name: Consent Form **Review Status:** Approved 07/16/2008

Comments:

Attachment:

Arkansas Consent Agreement.pdf

Property & Casualty Transmittal Document

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

3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

5. Company Tracking Number	
-----------------------------------	--

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

6.	Name and address	Title	Telephone #s	FAX #	e-mail

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

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

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: <input style="width: 100px;" type="text"/> Renewal: <input style="width: 100px;" type="text"/>
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
------------	--	--

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

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 #:
Amount:

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

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

PC TD-1 pg 2 of 2

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	
-----------	---	--

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
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		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

RATE/RULE FILING SCHEDULE

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

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

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
-----------	---	--

Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)
------------	---

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

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

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

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

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

6.	Overall percentage of last rate revision	
-----------	---	--

7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
-----------	---	--

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
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	

NAVIGATORS INSURANCE COMPANY

This endorsement modifies insurance provided under the following:

LAWYERS PROFESSIONAL LIABILITY INSURANCE

NAMED INSURED:	Policy Number:	Endorsement Number:	Effective Date: 12:01am
----------------	----------------	---------------------	----------------------------

ARKANSAS

CONSENT AGREEMENT

THE UNDERSIGNED AUTHORIZED OFFICER OF THE APPLICANT CONFIRMS BY AFFIXING THEIR SIGNATURE TO THIS STATEMENT THAT IT IS UNDERSTOOD THAT THE LIMIT OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY LEGAL CLAIMS EXPENSES AND TO THE EXTENT THAT THE POLICY'S LIMIT OF LIABILITY ARE THEREBY EXCEEDED, WE SHALL NOT BE LIABLE FOR LEGAL CLAIMS EXPENSES OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT.

IT IS ALSO UNDERSTOOD THAT CLAIMS EXPENSES THAT ARE INCURRED SHALL BE APPLIED AGAINST YOUR DEDUCTIBLE UP TO THE AMOUNT STATED IN ITEM 4 OF THE POLICY DECLARATIONS AND, IN SUCH EVENT, THAT WE SHALL BE LIABLE FOR LEGAL CLAIMS EXPENSES (EXCEPT FOR THOSE DUE TO ANY OFFSET AGAINST LIMIT OF LIABILITY) EXCEEDING THAT AMOUNT OR PERCENTAGE.

IT IS FURTHER UNDERSTOOD THAT IF A POLICY IS ISSUED, THIS STATEMENT WILL BE ATTACHED TO AND FORM A PART OF SAID POLICY.

SIGNED: _____ TITLE: _____
(PRINCIPAL, PARTNER OR OFFICER)

APPLICANT: _____ DATE: _____
(NAME OF INSURED)

SERFF Tracking Number: NAVG-125693357 *State:* Arkansas
Filing Company: Navigators Insurance Company *State Tracking Number:* EFT \$25
Company Tracking Number: LPL-R-608-AR
TOI: 17.1 Other Liability - Claims Made Only *Sub-TOI:* 17.1019 Professional Errors & Omissions Liability

Product Name: Lawyers Professional Liability
Project Name/Number: Large Lawyers Indemnity Only Form/Rule Filing/LPL-R-0608-AR

Superseded Attachments

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

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	Rate Guidelines	06/12/2008	Rate Guidelines LPL 1.0.pdf

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

<i>Mandatory Characteristics</i>	<i>Preferred Characteristics</i>
<p>1. <i>Firm Size</i> Firms consisting of 11-150 attorneys are eligible.</p>	<p>1. <i>Client Communication</i> Use of engagement letters on all new clients, fee agreements and declination letters otherwise apply appropriate surcharge.</p>
<p>2. <i>Revenue Pattern</i> Typical revenue per partner should be between \$250,000 and \$500,000. Any revenue pattern above this must have debit factors appropriately adjusted</p>	<p>2. <i>Fee Disputes</i> Minimal history of suing for fees (no more than 5 times in two years).</p>
<p>3. <i>Areas of Practice</i> An eligible risk must have its S.E.C., Intellectual Property, Workers' Compensation – Plaintiff, and Personal Injury/Bodily Injury/Product Liability – Plaintiff at 25% Area of Practice or under.</p>	<p>3. <i>Conflict Avoidance</i> A formal conflict avoidance system must be in place. Complexity of the firm will dictate the sophistication of the system.</p>
<p>4. <i>Docket Control</i> An eligible risk must have a docket system that is maintained by 2 separate people.</p>	<p>4. <i>Specialization in Areas of Practice</i> Lawyers who specialize in an area of practice tend to present less risk.</p>
<p>5. <i>Disciplinary Action</i> An eligible firm must have acceptable disciplinary action history.</p>	<p>5. <i>Advertising</i> Acceptable advertising practices consisting of ethical statements and truth in advertising must be exhibited.</p>
<p>6. <i>Letterhead Sharing</i> No letterhead sharing.</p>	<p>6. <i>Experience</i> 2 years experience in private practice a minimum.</p>
	<p>7. <i>Continuing Legal Education</i> Continuing legal education regular attendance.</p>

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

Rate Development:

Prior to entering the Lawyers Professional Liability market Navigators hired Perr & Knight, the actuarial consulting firm, to do a comprehensive rate study comparing our internal rating to five (5) admitted markets..

Navigators reviewed the data internally and decided to amend our rating based on the results. We patterned our rating model to function in the same manner as the largest writer nationally, which gradually increased in price and flattened at Fifty(50) attorneys, then gradually increasing through 150.

Base Rates

Size of Firm	Hazard Class		
	1	2	3
11 – 20	1,800	2,250	2,700
21 – 30	1,400	1,750	2,100
31 – 40	1,100	1,375	1,650
41 – 50	850	1,063	1,275
51 – 60	750	938	1,125
61 – 75	700	875	1,050
76 – 100	675	844	1,013
101 – 125	660	825	990
126 - 150	650	813	975

Prior Acts Factors

<u>Number of Years in Retroactive Date</u>	<u>Factor</u>
0	0.00
1	0.10
2	0.20
3	0.30
4	0.40
5 +	0.50

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

Limits of Liability

Limit	Limit Factor
\$500,000/\$500,000	0.70
\$500,000/\$1,000,000	0.90
\$1,000,000/\$1,000,000	1.00
\$1,000,000/\$2,000,000	1.20
\$2,000,000/\$2,000,000	1.50
\$2,000,000/\$4,000,000	1.70
\$3,000,000/\$3,000,000	1.80
\$4,000,000/\$4,000,000	1.90
\$5,000,000/\$5,000,000	2.00
\$5,000,000/\$10,000,000	2.20
\$7,000,000/\$7,000,000	2.60
\$10,000,000/\$10,000,000	3.00

Retention Factor

<i>Retention</i>	<i>Each Claim Deductible Factor</i>
\$15,000	1.20
\$25,000	1.00
\$50,000	0.85
\$75,000	0.80
\$100,000	0.75
\$125,000	0.70
\$150,000	0.65
\$200,000	0.65
\$250,000	0.55
\$500,000	0.50
\$750,000	0.45

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

<i>Areas of Practice</i>		
<u>Hazard I</u>	Administrative Law – General Arbitration/Mediation Commercial Litigation (Defense) Criminal Law Insurance Defense Personal Injury (Defense) Workers Compensation (Defense)	
<u>Hazard II</u>	Admiralty/Maritime Antitrust/Trade Regulation Bankruptcy Civil Rights Discrimination Commercial Law Commercial Litigation (Plaintiff) Construction Law Environmental Law Family Law General Corporate/Business Healthcare Immigration/Naturalization International Law Labor Relations Civil Litigation Local Government (without Bonds) Public Contract Law Public Utilities	
<u>Hazard III</u>	Banking S/L Collections/Repossession Communications (FCC) Copyright/Patent/Trademark Corporate Organization /Formation Entertainment Estate/ Trust / Probate Mergers and Acquisitions Oil/Gas Pensions Employee Benefits Personal Injury-Plaintiff Real Estate Securities Taxation Workers Compensation-Plaintiff	

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

- ❖ Of Counsel Rating: Calculated as 0.50 of a full-time attorney.
- ❖ Attorneys Joining the Firm Mid-Policy Term: Additional premium will only be assessed mid policy term if the number of attorneys is at or above 15% of the total number of attorneys when written.
- ❖ Attorneys Leaving the Firm Mid-Policy Term: No premium will be returned mid policy term.

<u>Risk Factor Credits & Debits</u>	
<u>Docket and Calendar</u> (+/- 10%)	
The Applicant maintains a central system for control of statute dates and other critical deadlines	“Yes”: 5% Credit “No”: 5% Debit
3 independent date controls are kept on each matter and the Applicant uses Computer Tickler Type and Perpetual Calendar	10% Credit
2 independent date controls, 1 system computerized	5% Credit
2 independent date controls, no computer	5% Credit
1 independent date control system, no computer	10% Debit
<u>New Business & Conflict Checks</u> (+/- 10%)	
New Clients and new matters are subject to approval of the Applicants management committee or at least one Partner or Officer other than the lawyer proposing to handle the case	“Yes”: 5% Credit “No”: 5% Debit
The Applicant maintains a computerized conflict of interest system	“Yes”: 5% Credit “No”: 5% Debit
A conflict search is always completed prior to accepting a client	“Yes”: 5% Credit “No”: 5% Debit
Potential conflicts are always referred to an independent conflict partner or committee	“Yes”: 5% Credit “No”: 5% Debit
<u>Communication</u> (+/- 10%)	
An engagement letter is always used when accepting a new representation	“Yes”: 5% Credit “No”: 5% Debit
When declining a representation a non-engagement letter is always used	“Yes”: 5% Credit “No”: 5% Debit
<u>Firm Management</u> (+/- 10%)	
The Applicant is managed by a committee	“Yes”: 5% Credit “No”: 5% Debit
The Applicant employs a full-time administrator	“Yes”: 5% Credit “No”: 5% Debit
<u>Revenue Pattern</u>	
Revenue per Member is between \$250,000 and \$500,000	No applicable Debit/Credit

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

Revenue per Member is between \$500,001 and \$1,000,000	10% Debit
Revenue per Member is > \$1,000,000	20% Debit

Extended Reporting Period Parameters**

<i>Extension Period</i>	<i>Premium</i>
1 year	100% of Named Insured’s last annual premium
2 years	150% of Named Insured’s last annual premium
3 years	200% of Named Insured’s last annual premium
5 Years	250% of Named Insured’s last annual premium

Indemnity Only Coverage

Add 10% Surcharge to the annual premium for Indemnity Only Deductible Coverage.

Endorsements

Applicable Debit and Credits for Endorsements and Exclusions:

- Limit of Liability and Deductible (LLF NAV ENDT 102)- Increase Limit Factors and deductible Debit/ Credit factors as outlined will be applied.*
- Period of Insurance (LLF NAV ENDT 405) industry standard pro-rata or short rate premiums will be applied or returned.*
- Endorsements granting additional coverage under the policy may be debit up to 5% per endorsement but not to exceed 10% under the policy, no credit will be applied for additional coverage granted.*
- No additional premium will be assessed upon adding any exclusion under said policy.*

Actuarial Exclusion	LLF NAV ENDT 100
Additional Named Insured Endorsement	LLF NAV ENDT 402
Amend Declarations Page: Named Insured and Address	LLF NAV ENDT 101
Amend Declarations Page: Limit of Liability and Deductible	LLF NAV ENDT 102
Amend Declarations Page: Item.2 Period of Insurance	LLF NAV ENDT 405

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

Amend Declarations Page:

Retroactive Date	LLF NAV ENDT 103
Cancellation Endorsement	LLF NAV ENDT 105
Class Action Exclusion	LLF NAV ENDT 106
Computer Systems Exclusion	LLF NAV ENDT 107
Deleting Endorsement	LLF NAV ENDT 110
Extended Reporting Period Option Endorsement	LLF NAV ENDT 111
Financial Services Exclusion	LLF NAV ENDT 112
Investment Advice Exclusion	LLF NAV ENDT 113
Minimum Earned Premium Endorsement	LLF NAV ENDT 114
Mold Exclusion	LLF NAV ENDT 403
Mutual Choice of Defense Counsel Endorsement	LLF NAV ENDT 116
OFAC Endorsement	LLF NAV ENDT 404
Outside Interest Endorsement	LLF NAV ENDT 122
Policy Period Extension	LLF NAV ENDT 123
Premium Amendatory Endorsement	LLF NAV ENDT 124
Prior and Pending Litigation Exclusion	LLF NAV ENDT 126
Prohibited Information Exclusion	LLF NAV ENDT 127
SEC Exclusion	LLF NAV ENDT 401
Specific Entity Exclusion	LLF NAV ENDT 128
Specific Litigation Exclusion	LLF NAV ENDT 129
Suits for Fees Exclusion	LLF NAV ENDT 130
Title Agency Exclusions	LLF NAV ENDT 132
Valuation Fluctuation Exclusion	LLF NAV ENDT 133

NAVIGATORS INSURANCE COMPANY RATE LARGE LAW FIRM GUIDELINES

Vicarious Liability Endorsement LLF NAV ENDT 134

Indemnity Only Deductible LLF NAV ENDT 418