

SERFF Tracking Number: WESA-125743292 State: Arkansas  
Filing Company: Tokio Marine & Nichido Fire Insurance Co., Ltd. State Tracking Number: #? \$100  
Company Tracking Number: 08-AR-1-CA-31-1  
TOI: 20.0 Commercial Auto Sub-TOI: 20.0003 Other  
Product Name: Premier Hotel Risk Purchasing Group - Commercial Automobile  
Project Name/Number: Premier Hotel Risk Purchasing Group - Commercial Automobile/08-AR-1-CA-31-1

## Filing at a Glance

Company: Tokio Marine & Nichido Fire Insurance Co., Ltd.

Product Name: Premier Hotel Risk Purchasing Group - Commercial Automobile SERFF Tr Num: WESA-125743292 State: Arkansas

Group - Commercial Automobile

TOI: 20.0 Commercial Auto

SERFF Status: Closed

State Tr Num: #? \$100

Sub-TOI: 20.0003 Other

Co Tr Num: 08-AR-1-CA-31-1

State Status: Fees not received

Filing Type: Rate

Co Status:

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins, Brittany Yielding

Author: Westmont Associates

Disposition Date: 07/30/2008

Date Submitted: 07/24/2008

Disposition Status: Exempt from  
Review

Effective Date Requested (New): 09/01/2008

Effective Date (New): 09/01/2008

Effective Date Requested (Renewal): 09/01/2008

Effective Date (Renewal):

09/01/2008

State Filing Description:

## General Information

Project Name: Premier Hotel Risk Purchasing Group - Commercial Automobile

Status of Filing in Domicile: Pending

Project Number: 08-AR-1-CA-31-1

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07/30/2008

State Status Changed: 07/24/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Submission of rates for Company's Premier Hotel Risk Purchasing Group - Commercial Automobile program.

## Company and Contact

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**Filing Contact Information**

(This filing was made by a third party - westmontassociatesinc)

Sherri Nierzwicki, Analyst sherri@westmontlaw.com  
 25 Chestnut Street (856) 216-0220 [Phone]  
 Haddonfield, NJ 08033 (856) 216-0303[FAX]

**Filing Company Information**

Tokio Marine & Nichido Fire Insurance Co., Ltd. CoCode: 12904 State of Domicile: New York  
 230 Park Avenue Group Code: 3098 Company Type:  
 New York, NY 10169 Group Name: State ID Number:  
 (212) 297-6600 ext. [Phone] FEIN Number: 13-6108722  
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**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation: AR filing fee.  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Tokio Marine & Nichido Fire Insurance Co., Ltd.	\$0.00	07/24/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
30110	\$100.00	07/23/2008

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Llyweyia Rawlins	07/30/2008	07/30/2008

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## Disposition

Disposition Date: 07/30/2008

Effective Date (New): 09/01/2008

Effective Date (Renewal): 09/01/2008

Status: Exempt from Review

Comment:

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

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:
Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.000%	\$0	0	\$0	0.000%	0.000%	0.000%

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Cover Letter	Accepted for Informational Purposes	Yes
Supporting Document	Filing Memo	Accepted for Informational Purposes	Yes
Supporting Document	Rate Support	Accepted for Informational Purposes	Yes
Supporting Document	Letter of Authorization	Accepted for Informational Purposes	Yes
Rate	Rate Page	Accepted for Informational Purposes	Yes

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**Rate Information**

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Neutral  
**Overall Percentage of Last Rate Revision:** 0.000%  
**Effective Date of Last Rate Revision:** 03/23/2004  
**Filing Method of Last Filing:** Prior Approval

**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):
Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	Rate Page	Page 1	New	Rates.pdf

**Premier Hotel RPG - Multi-state  
Auto Liability**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)		
	SIR	PPV	PPV	Light	Light	Heavy (45,000 or less)	7 Passenger	7 Passenger	Limousine	Limousine	8+ Passenger	8+ Passenger	Bus				
		Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	1-8 seating	9-20 seating	21-60 seating	over 60	
(A)	\$0	1.311	\$1,611	\$1,772	\$1,611	\$1,772	\$1,774	\$2,620	\$2,882	\$2,620	\$2,884	\$2,830	\$3,115	\$6,547	\$6,874	\$7,202	\$9,820
(B)	\$2,500	1.094	\$1,346	\$1,480	\$1,346	\$1,480	\$1,480	\$2,188	\$2,407	\$2,188	\$2,407	\$2,363	\$2,599	\$5,463	\$5,736	\$6,010	\$8,195
(C)	\$5,000	1.000	\$1,230	\$1,353	\$1,230	\$1,353	\$1,353	\$2,000	\$2,200	\$2,000	\$2,200	\$2,160	\$2,376	\$4,994	\$5,243	\$5,493	\$7,491
(D)	\$10,000	0.894	\$1,100	\$1,210	\$1,100	\$1,210	\$1,210	\$1,600	\$1,760	\$1,600	\$1,967	\$1,620	\$1,800	\$4,464	\$4,688	\$4,911	\$6,697
(E)	\$25,000	0.816	\$1,004	\$1,104	\$1,004	\$1,104	\$1,104	\$1,632	\$1,795	\$1,632	\$1,795	\$1,763	\$1,939	\$4,075	\$4,279	\$4,482	\$6,112
(F)	\$50,000	0.728	\$895	\$985	\$895	\$985	\$985	\$1,456	\$1,602	\$1,456	\$1,602	\$1,572	\$1,730	\$3,635	\$3,817	\$3,999	\$5,453

	ISO	PPV	PPV	Light	Light	Heavy (45,000 or less)	7 Passenger	7 Passenger	Limousine	Limousine	8+ Passenger	8+ Passenger	Bus			
	Deductible	Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	1-8 seating	9-20 seating	21-60 seating	over 60
(G)	\$0															
(H)	\$2,500															
(I)	\$5,000	<i>These would all be system generated by GAR depending on state and territory</i>														
(J)	\$10,000															
(K)	\$25,000															
(L)	\$50,000															

	TMM	PPV	PPV	Light	Light	Heavy (45,000 or less)	7 Passenger	7 Passenger	Limousine	Limousine	8+ Passenger	8+ Passenger	Bus			
	Deductible	Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	Non-Fleet	Fleet	1-8 seating	9-20 seating	21-60 seating	over 60
(M)	\$0	\$1,611	\$1,772	\$1,611	\$1,772	\$1,774	\$2,620	\$2,882	\$2,620	\$2,884	\$2,830	\$3,115	\$6,547	\$6,874	\$7,202	\$9,820
(N)	\$2,500	\$1,389	\$1,528	\$1,389	\$1,528	\$1,529	\$2,258	\$2,484	\$2,258	\$2,486	\$2,439	\$2,685	\$5,643	\$5,926	\$6,208	\$8,465
(O)	\$5,000	\$1,287	\$1,416	\$1,287	\$1,416	\$1,417	\$2,093	\$2,303	\$2,093	\$2,304	\$2,261	\$2,489	\$5,231	\$5,492	\$5,754	\$7,846
(P)	\$10,000	\$1,191	\$1,310	\$1,191	\$1,310	\$1,311	\$1,936	\$2,130	\$1,936	\$2,131	\$2,091	\$2,302	\$4,838	\$5,080	\$5,322	\$7,257
(Q)	\$25,000	\$1,015	\$1,117	\$1,015	\$1,117	\$1,117	\$1,651	\$1,816	\$1,651	\$1,817	\$1,783	\$1,962	\$4,125	\$4,331	\$4,537	\$6,187
(R)	\$50,000	\$877	\$964	\$877	\$964	\$965	\$1,425	\$1,568	\$1,425	\$1,569	\$1,539	\$1,695	\$3,561	\$3,740	\$3,918	\$5,342

Notes:

- (1), (3), (6), (8), (10) - proposed rates are same as currently filed for retentions (A),(B),(C)
- (D),(E),(F) retention factors calculated on Exhibit 16, Sheet 2, Column (H)
- (G) - (L) deductible credits calculated on Exhibit 16, Sheet 2, Column (D)
- (M) - (R) deductible credits calculated on Exhibit 16, Sheet 3, Column (G) - ALAE included in Deductible

Fleet = Non-Fleet x 1.1 - consistent with Rule 22 of the ISO State Insurance Manual  
 (5) Heavy = 1.1\* (1) - consistent with Rule 23 of the ISO State Insurance Manual

Bus :

- (12) = 4.06 \* (1) - consistent with Rule 40 of the State Insurance manual (All Other buses)
- (13) = 1.05\* (12)
- (14) = 1.1\* (12)
- (15) = 1.5\* (12)

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## Supporting Document Schedules

**Satisfied -Name:** Cover Letter **Review Status:** Accepted for Informational 07/30/2008  
Purposes

**Comments:**

**Attachment:**

AR.pdf

**Satisfied -Name:** Filing Memo **Review Status:** Accepted for Informational 07/30/2008  
Purposes

**Comments:**

**Attachment:**

Rate Filing Memorandum for Premier Hotel Program AL.pdf

**Satisfied -Name:** Rate Support **Review Status:** Accepted for Informational 07/30/2008  
Purposes

**Comments:**

**Attachment:**

Rate Support.pdf

**Satisfied -Name:** Letter of Authorization **Review Status:** Accepted for Informational 07/30/2008  
Purposes

**Comments:**

Attached is the Letter of Authorization.

**Attachment:**

TMNF (1-1-08).pdf



# WESTMONT ASSOCIATES, INC.

July 23, 2008

The Honorable Julie Benafield-Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West 3rd Street  
Little Rock, AR 72201-1904

Attn: Property and Casualty Division

**RE: Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)**  
**NAIC #: 3098-12904/FEIN #13-6108722**  
**Premier Hotel Risk Purchasing Group Program**  
**Commercial Automobile**  
**Commercial Auto Rates**  
**Company Filing Number: 08-AR-1-CA-31-1**  
**Effective Date: September 1, 2008**

Dear Commissioner Benafield-Bowman:

The Company is filing for your approval the enclosed rates for the Commercial Automobile portion of its Premier Hotel Risk Purchasing Group Programs. A letter authorizing Westmont Associates, Inc., to submit this filing on the Company's behalf is enclosed.

The Company is filing to use the base rates by type of vehicle and retention level for qualifying hotel risks as shown on the enclosed rate pages. The main objective of this filing is to expand the available classes and retention/deductible options to provide flexibility and meet the varied needs of the insureds. New rates were determined by consulting ISO publications as well as use of underwriting judgment.

Please be advised that the rates for the currently approved classes have not changed, therefore, there is no increase or decrease in the rates for this program.

Enclosed are the rates pages for your review and approval. Please be advised that the Company is requesting and effective date of **September 1, 2008**.

Your early approval of this submission is respectfully requested. Enclosed please find a self-addressed stamped envelope for your convenience in returning the duplicate copy of this filing, evidencing your approval.

Respectfully Submitted,

***Sherri Penn***

Sherri Penn  
Senior Analyst  
[sherri@westmontlaw.com](mailto:sherri@westmontlaw.com)

Enc.

Cc: P. Olson – Tokio  
M. Nadler – Tokio  
J. Coleman - Tokio

**Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)**

**Premier Hotel Insurance Group – Commercial Auto Liability**

**Risk Purchasing Group Filing**

**Rate Filing Memorandum**

Tokio Marine & Nichido Fire Insurance Company is filing to use the base rates by type of vehicle and retention level for qualifying hotel risks as shown on the attached rate manual pages. The main objective of this filing is to expand the available classes and retention / deductible options to provide flexibility and meet the varied needs of our insureds. New rates were determined by consulting with ISO publications as well as use of underwriting judgment

We are proposing to maintain the current rate level as charged in the state of California at this time.

The auto liability coverage is considered an ancillary coverage and constitutes less than 10% of total premium written for the purchasing group members (many purchasing group members do not purchase this coverage through the group). A companion filing addressing updates to the general liability rates of the risk purchasing group members has been previously submitted to the Department in a separate filing package.

**TOKIO MARINE AND NICHIDO FIRE INSURANCE COMPANY, LTD. (US BRANCH)  
COMMERCIAL AUTO LIABILITY COVERAGE**

Exhibit A  
Sheet 1

**Premier Hotel Insurance Group - Risk Purchasing Group Filing**

INSURER'S RATEMAKING CALCULATIONS  
(Based on Data Evaluated at 12/31/2007)

Based on Risk Purchasing Group's Countrywide Exposures

	(A)	(B)	(C)	(D)	(E)	(F)
Accident Year	Earned Premium	Premium Adjustments	Incurred Loss & ALAE	Age to Ult LDF	Developed Losses	Loss & ALAE Trend
2004	660,249	1.000	97,551	1.066	103,971	1.287
2005	627,417	1.000	106,642	1.130	120,480	1.227
2006	746,349	1.000	361,433	1.299	469,581	1.169
2007	784,062	1.000	217,859	1.767	384,944	1.114
Total	2,818,077		783,485		1,078,976	

	(G)	(H)	(I)	(J)		
Accident Year	Adjusted Premium	Adjusted Loss & ALAE	Catastrophe Factor	Ultimate Trended Loss & ALAE Ratio	Weights	Weighted Ratio
2004	660,249	133,810	1.000	20.3%	0.0%	
2005	627,417	147,828	1.000	23.6%	0.0%	
2006	746,349	548,941	1.000	73.6%	50.0%	
2007	784,062	428,828	1.000	54.7%	50.0%	
Line # (1) - Total	2,818,077	1,259,407		44.69%		<b>64.1%</b>

(2) -	Credibility of the Experience Period Results	100.0%
(3) -	Complement of Credibility	0.0%
(4) -	Permissible Loss and ALAE Ratio - Final Selection	<b>61.89%</b>
(5) -	Credibility Adjusted Loss and ALAE Ratio	64.12%
(6) -	Indicated Rate Level Change	3.60%
(7) -	Selected Rate Level Change	<b>0.0%</b>

**Explanatory Notes:**

- (J) - Ultimate Trended Loss & ALAE Ratio equal to Adjusted Loss & ALAE x Cat. Load / Adjusted Premiums
- (2) - Since the program is to be written through a Federal Risk Purchasing Group (RPG), under Federal law the RPG is entitled to 100% credibility assigned to its historical experience for ratemaking purposes.
- (3) - 100% - Line (1) amount
- (4) - From Exhibit C, Sheet 1, Line (J)
- (5) - [ Line (1) Ultimate Trended Loss & ALAE Ratio x Line (2) ] + [ Line (4) x Line (3) ]
- (6) - Line (5) / Line (4) - 1.0
- (7) - Based on Line (6) and other judgmental underwriting considerations including volatile historical performance, and that this is an ancillary coverage

**TOKIO MARINE & NICHIDO FIRE INSURANCE COMPANY, LTD. (U.S. BRANCH)  
COMMERCIAL AUTO LIABILITY INSURANCE  
INSURANCE EXPENSE EXHIBIT EXPERIENCE  
TOKIO MARINE & FIRE  
(000)**

	2000	2001	2002	2003	2004	2005	2006
DIRECT W.P.	25,324	25,011	40,520	50,134	53,829	53,685	52,527
DIRECT E.P.	22,917	26,803	39,476	46,243	53,814	54,343	50,849
DIRECT INC. LOSS	11,757	16,858	50,888	46,963	36,577	42,384	32,155
DIRECT ALAE INC	(1,156)	2,082	6,156	6,300	3,272	5,874	6,673
DIRECT LAE INC.	327	2,948	10,259	10,876	7,492	11,206	11,321
DIRECT COMM	1,265	1,328	1,639	1,876	1,942	2,008	2,142
DIRECT TAXES, L & F	600	441	1,002	1,309	1,639	2,263	1,865
DIRECT OTHER ACQ.	1,745	1,610	1,702	1,944	2,347	2,699	2,562
DIRECT GENERAL EXP	1,097	1,080	1,246	1,526	1,926	2,398	2,076
<b>EXPENSE RATIOS</b>							
COMM./WP	0.050	0.053	0.040	0.037	0.036	0.037	0.041
OTHER ACQ/EP	0.076	0.060	0.043	0.042	0.044	0.050	0.050
GEN EXP/EP	0.048	0.040	0.032	0.033	0.036	0.044	0.041
TAXES/WP	0.024	0.018	0.025	0.026	0.030	0.042	0.036
TOT EXPENSE	0.198	0.171	0.140	0.139	0.146	0.173	0.167
PROFIT	0.050	0.050	0.050	0.050	0.050	0.050	0.050
TOTAL EXPENSE	0.248	0.221	0.190	0.189	0.196	0.223	0.217
ALAE/L	-0.098	0.124	0.121	0.134	0.089	0.139	0.208
LAE/L	0.028	0.175	0.202	0.232	0.205	0.264	0.352
(L+LAE)/EP	0.527	0.739	1.549	1.251	0.819	0.986	0.855
COMBINED RATIO*	0.725	0.910	1.689	1.389	0.965	1.159	1.022
ULAE/LOSS **	0.126	0.051	0.081	0.097	0.115	0.126	0.145
ULAE/(LOSS +ALAE)**	0.140	0.046	0.072	0.086	0.106	0.110	0.120
ULAE/EP	0.065	0.032	0.104	0.099	0.078	0.098	0.091

\* Combined ratio excludes profit

\*\* Outside Adjuster expenses are re-stated as ULAE.

1) Selected to correspond to NSU Commission Schedule

2) Selected to reflect ULAE costs associated with using a TPA to handle claims

NCH)

2007	5 YEAR TOTAL	3 year TOTAL	
57,974	268,149	164,186	
56,115	261,364	161,307	
33,242	191,321	107,781	
9,099	31,218	21,646	
13,332	54,227	35,859	
3,346	11,314	7,496	
1,515	8,591	5,643	
3,680	13,232	8,941	
2,561	10,487	7,035	
			Selected
0.058	0.042	0.046	0.175 1)
0.066	0.051	0.055	0.070
0.046	0.040	0.044	0.048
0.026	0.032	0.034	0.035
0.195	0.165	0.179	
0.050	0.050	0.050	0.050
0.245	0.215	0.229	
0.274	0.163	0.201	0.165
0.401	0.283	0.333	0.285
0.830	0.939	0.890	
1.025	1.104	1.070	
0.127	0.120	0.132	0.120
0.100	0.103	0.110	0.105
0.075	0.088	0.088	0.035 2)

	Auto Liability
(A) - Commission	17.50%
(B) - Other Acquisition Expense	7.00%
(C) - Unallocated Loss Adjustment Expense	3.50%
(D) - General Expense	4.80%
(E) - Taxes, Licenses, Fees	3.51%
(F) - Profit & Contingencies Provision	5.00%
(G) - Investment Income Offset	-3.20%
(H) - Total Expense (Excluding Loss + ALAE)	38.11%
Permissible Loss + LAE Ratio - Final Selection	65.39%
(I) - Permissible Loss + ALAE Ratio - Final Selection	61.89%
Permissible Loss Ratio	53.12%

NOTES:

- (A) - Based on TMF's agreement with its agent on this program
- (B) - Based on TMF's expense selections using IEE data through calendar year 2007
- (C) - Based on TMF's internal allocation of costs on exposures for which a TPA provides claims handling services
- (D) - Based on TMF's expense selections using IEE data through calendar year 2007
- (E) - Based on countrywide distribution of risks -See Exhibit B, Sheet 2
- (F) - Traditional profit & contingencies provision prior to offset by investment income attributable to policyholder funds.
- (G) - Exhibit B, Sheet 3 for auto liability
- (H) - Sum of (A) through (G)
- (I) - 1.0 minus (H)

Liability Taxes from ISO Circular AS-CA-2005-030 dated November 15, 2005

	Liability		Other State Taxes and			
	Premier	Premium	Special	Municipal	misc.	
	WP	Tax	Assessmer	Tax	tax	total
Alabama	3,970	3.6%		1.0%	0.3%	4.92%
Alaska	-	2.7%			0.3%	3.02%
Arizona	72,363	2.0%	0.4%		0.3%	2.75%
Arkansas	-	2.5%			0.3%	2.82%
California	184,734	2.4%			0.3%	2.67%
Colorado	105,667	2.0%			0.3%	2.32%
Connecticut	4,286	1.8%			0.3%	2.07%
Delaware	-	1.8%	0.3%		0.3%	2.32%
District of Columbia	2,220	1.7%			0.3%	2.02%
Florida	115,242	1.8%	0.9%		0.3%	2.92%
Georgia	321,720	2.3%		2.3%	0.3%	4.87%
Hawaii	12,949	4.3%			0.3%	4.59%
Idaho	3,252	2.3%			0.3%	2.62%
Illinois	-	0.5%			0.3%	0.82%
Indiana	-	1.3%			0.3%	1.62%
Iowa	-	1.0%			0.3%	1.32%
Kansas	-	2.0%			0.3%	2.32%
Kentucky	-	2.0%	1.8%	0.6%	0.3%	4.72%
Louisiana	-	3.0%	1.0%	0.5%	0.3%	4.81%
Maine	-	2.0%			0.3%	2.32%
Maryland	2,014	2.0%	0.0%		0.3%	2.36%
Massachusetts	20,750	2.3%			0.3%	2.60%
Michigan	-	1.1%			0.3%	1.39%
Minnesota	-	2.0%			0.3%	2.32%
Mississippi	-	3.0%			0.3%	3.32%
Missouri	21,000	2.0%			0.3%	2.32%
Montana	-	2.8%			0.3%	3.07%
Nebraska	-	1.0%			0.3%	1.32%
Nevada	28,747	3.5%			0.3%	3.82%
New Hampshire	-	2.0%	0.7%		0.3%	2.97%
New Jersey	23,440	2.1%	0.2%		0.3%	2.62%
New Mexico	2,255	3.0%	0.1%		0.3%	3.42%
New York	16,894	4.0%			0.3%	4.30%
North Carolina	12,243	1.9%	0.1%		0.3%	2.32%
North Dakota	-	1.8%			0.3%	2.07%
Ohio	4,183	1.4%			0.3%	1.72%
Oklahoma	-	2.3%			0.3%	2.57%
Oregon	-	2.2%	0.1%		0.3%	2.60%
Pennsylvania	14,605	2.0%	0.4%		0.3%	2.77%
Puerto Rico	-	4.0%			0.3%	4.32%
Rhode Island	-	2.0%			0.3%	2.32%
South Carolina	14,947	1.3%	0.0%	1.2%	0.3%	2.72%

South Dakota	-	2.5%		0.3%	2.82%
Tennessee	1,800	2.5%		0.3%	2.82%
Texas	10,604	1.6%	6.0%	0.3%	7.92%
Utah	-	2.3%	0.1%	0.3%	2.63%
Vermont	-	2.0%		0.3%	2.32%
Virginia	(4,478)	2.3%	0.1%	0.3%	2.65%
Washington	3,222	2.0%		0.3%	2.32%
West Virginia	8,137	4.0%		0.3%	4.32%
Wisconsin	-	0.0%		0.3%	0.32%
Wyoming	1,611	0.8%		0.3%	1.07%
<b>Total</b>	<b>1,008,377</b>				<b>3.51%</b>

Premier Hotel RPG  
Commercial Automobile Liability Insurance  
Estimated Investment Earnings on Unearned  
Premium Reserves and on Loss Reserves

A. Unearned Premium Reserve

1. Base Premium	\$1,000
2. Mean Unearned Premium Reserve $0.361 \times (1)$	361
3. Deduction for Prepaid Expenses	
Commission and Brokerage Expense	17.50%
Taxes Licenses & Fees	3.51%
50% of Other Acquisition Expense	3.50%
50% of Company Operating Expense	3.50%
Total	28.01%
4. Deduction for Federal Taxes Payable	7.0%
5. $(2) \times [(3) + (4)]$	126
6. Net Subject to Investment $(2) - (5)$	235

B. Delayed Remission of Premium (Agent's Balances)

1. Direct Earned Premium (A-1)	1,000
2. Average Agents Balances	0.146
3. Delayed Remission $(1) \times (2)$	146

C. Loss Reserve

1. Direct Earned Premium (A-1)	1,000
2. Expected Incurred Losses and Loss Adjustment $0.6539 \times (1)$	654
3. Expected Mean Loss Reserves $3.202 \times (2)$	2,094

Premier Hotel RPG  
Commercial Automobile Liability Insurance  
Estimated Investment Earnings on Unearned  
Premium Reserves and on Loss Reserves

Explanatory Notes

Line A-1

Direct earned premiums are the collected earned premiums for Commercial Auto Liability Insurance for the 2006 calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (A-1) by the countrywide ratio of the mean unearned premium reserve to the net earned premium for 2006 for Auto Liability Insurance as shown in our Annual Statement, Underwriting and Investment Exhibit, Part 1.

1. Net Earned Premium for Calendar Year 2007 (Col. 4)	52,561,463
2. Unearned Premium Reserve as of 12/31/06 (Col. 2)	18,180,599
3. Unearned Premium Reserve as of 12/31/07 (Col. 3)	19,735,939
4. Mean Unearned Premium Reserve 1/2 [(2) + (3)]	18,958,269
5. Ratio (4)/(1)	0.361

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Commercial Auto Liability Insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line A-4

The Tax Reform Act of 1986 taxes 20% of the unearned premium reserve. At a corporate tax rate of 35%, this tax equals 7.0% ( $0.20 \times 0.35 = 0.070$ ) of the unearned premium reserve. These numbers are appropriate at the present but may need to be reviewed and updated in the future.

Line B-2

Delayed remission of premium:

Premier Hotel RPG  
Commercial Automobile Liability Insurance  
Estimated Investment Earnings on Unearned  
Premium Reserves and on Loss Reserves

Explanatory Notes

Line B-2 (cont.)

The above percentage must be multiplied by a factor of 1.25 to include the effects of agents' balances or uncollected premiums overdue for more than 90 days. The 1.25 is based on TMM data on attached exhibit.

$$0.117 \times 1.25 = 0.146$$

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in the filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (C-2) by the average countrywide ratio of the mean loss and loss adjustment reserves to the incurred losses and loss adjustment expenses in 2006 and 2007 for Commercial Auto Liability Insurance. This ratio includes an adjustment for the estimated Federal Income Taxes payable due to discounting of loss reserves. Entries are from the Insurance Expense Exhibit, Part II.

1. Incurred Losses(A) for Calendar Year 2006	40,081,000
2. Incurred Losses(A) for Calendar Year 2007	42,520,000
3. Loss Reserves(A) as of 12/31/05	126,605,000
4. Loss Reserves(A) as of 12/31/06	134,855,000
5. Loss Reserves(A) as of 12/31/07	142,994,000
6. Mean Loss Reserve 2006: 1/2 [(3) + (4)]	130,730,000
7. Mean Loss Reserve 2007: 1/2 [(4) + (5)]	138,924,500
8. Ratio (6)/(1)	3.262
9. Ratio (7)/(2)	3.267
10. 1/2 [(8) + (9)]	3.265
11. Estimated Reserve Discount	5.49%
12. Federal Taxes Payable (% of Reserves): (11) x .35	0.019
13. (10) x [1.0 - (12)]	3.202

Premier Hotel RPG  
Commercial Automobile Liability Insurance  
Estimated Investment Earnings on Unearned  
Premium Reserves and on Loss Reserves

Explanatory Notes

Line H

The average rate of Federal Income Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2006 on a countrywide basis. All entries below from Exhibit of Net Investment Income.

	Investment Income <u>Earned</u>	Federal Income <u>Tax Rate</u>
<u>Bonds</u>		
Taxable (lines 1 + 1.2)	57,492,628	0.350
Non-Taxable (A) (line 1.1)	36,357	0.052
Total	57,528,985	0.350
 <u>Stocks</u>		
Taxable (B) (lines 2.1 + 2.2)	25,490	0.108
Non-Taxable (Affiliates) (lines 2.11 + 2.21)	0	--
Total	25,490	0.108
Mortgage Loans and Real Estate (line 3)	0	
Real Estate (line 4)	0	
Contract Loans (line 5)	0	
Cash/Short Term Investments (line 6)	3,726,263	
All Other (lines 7 + 8 + 9)	23,035	
Sub Total	3,749,298	0.350
Total	61,303,773	0.350
Investment Expenses (line 11)	2,238,252	0.350
Net Investment Income Earned	59,065,521	0.350

Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)  
 Factor to Adjust the Ratio of Overdue Agents Balances

Line B-2 Explanation (continued)

	**Amount Over 90 Days Overdue	**Amount Under 90 Days Overdue	Ratio
1998	1,480,492	1,471,578	1.006
1999	2,150,637	9,409,969	0.229
2000	2,069,104	8,477,603	0.244
2001	5,950,122	19,203,179	0.310
2002	6,150,480	19,257,201	0.319
2003	7,584,093	20,529,432	0.369
2004	5,964,503	14,620,899	0.408
2005	7,792,782	26,525,824	0.294
2006	6,884,489	35,199,307	0.196
2007	7,860,345	30,840,859	0.255
		Three Point Average	0.248
		Four Point Average	0.288
		Five Point Average	0.304
		Volume Average	0.290
		Selected from TMM Data	0.350
		From A.M. Best's Review	0.07
		Selected for Investment Income	0.25
		Selected Factor to apply to 90 days or less overdue ratio	1.25

\*\* - Amounts above are from the annual statement, Page 2 - Assets;

**PREMIER RISK PURCHASING GROUP RATES FILED BY TOKIO MARINE & FIRE INS. CO.**

**LOSS TREND**

**MULTI-STATE**

	(A) Total Limits Bodily <u>Injury</u>	(B) Total Limits Property Damage <u>Injury</u>	(C) =(A)*(D)+(B)+(E)  Weighted Average <u>Severity Trend</u>	(D)  Weight applied to <u>Bodily Injury</u>	(E)  Weight applied to <u>Property Damage</u>
Loss Severity Trend	5.0%	4.6%	4.9%	80%	20%
Loss Frequency Trend	0.0%	0.0%	0.0%	80%	20%
Weighted Average Loss Trend			4.9%		
Selected Loss Trend			4.9%		

(A) From ISO Circular AS-CA-2008-07, Exhibit 6  
 (B) From ISO Circular AS-CA-2008-07, Exhibit 6  
 (D) Based on Judgment  
 (E) Based on Judgment

Accident Year	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Annual loss trend factor	1.049	1.049	1.049	1.049
Number of Years of Trend (from 7/1/xx to 10/1/2009)	5.255	4.255	3.255	2.255
<b>Overall Trend Factor</b>	1.287	1.227	1.169	1.114

\* Trend period determined from midpoint of historical accident year period to an average assumed earned date for the filed rates of 10/1/2009





Tokio Marine Management, Inc.  
U.S. Manager and/or Manager for  
Tokio Marine & Nichido Fire  
Insurance Co., Ltd. (U.S. Branch)  
Trans Pacific Insurance Company  
TM Casualty Insurance Company  
TNUS Insurance Company

230 Park Avenue  
New York, New York 10169  
Phone: (212) 297-6600  
Main Fax: (212) 297-6062  
Claims Fax: (212) 297-6064

MILLEA GROUP

January 1, 2008

Re: Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)  
NAIC # 3098-12904  
FEIN # 13-6108722  
Letter of Authorization  
Filing of Forms, Rates, and Rules

In accordance with applicable statutes and regulations of your state, Nancy Stepanki, Wesley Pohler, Jennifer Waldron, and Westmont Associates, Inc. are hereby authorized to file rates, rules, and forms on behalf of the Company.

Sincerely,

Pamela J. Olson  
Vice President – Corporate Underwriting