

SERFF Tracking Number: BMCC-125797690 State: Arkansas
Filing Company: Builders' Mutual Casualty Company State Tracking Number: EFT \$100
Company Tracking Number: WC002
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation
Project Name/Number: /001

Filing at a Glance

Company: Builders' Mutual Casualty Company

Product Name: Workers Compensation

TOI: 16.0 Workers Compensation

Sub-TOI: 16.0004 Standard WC

Filing Type: Rate

Effective Date Requested (New): 09/28/2008

Effective Date Requested (Renewal):

State Filing Description:

SERFF Tr Num: BMCC-125797690 State: Arkansas

SERFF Status: Closed

Co Tr Num: WC002

Co Status:

Author: Rose Kasper

Date Submitted: 08/29/2008

State Tr Num: EFT \$100

State Status: Fees verified and received

Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding

Disposition Date: 09/08/2008

Disposition Status: Approved

Effective Date (New): 09/28/2008

Effective Date (Renewal):

General Information

Project Name:

Project Number: 001

Reference Organization: n/a

Reference Title: n/a

Filing Status Changed: 09/08/2008

State Status Changed: 09/02/2008

Corresponding Filing Tracking Number: 001

Filing Description:

Enclosed please find the initial rate filings as required for the rate filing approval process of Builders' Mutual Casualty Company (BMCC). We would respectfully request that this initial rate filing with the Arkansas Insurance Department be effective 9/28/08 or effective upon approval if sooner. BMCC wishes to adopt the NCCI loss cost filing effective 1/1/08 and revised 7/1/08 subject to the proposed loss cost multiplier being applied for.

The enclosed initial loss cost multiplier for BMCC has been calculated based on the last filed loss cost multiplier and scheduled rating utilized by our previous fronting company in addition to our underwriting experience in the State of

<i>SERFF Tracking Number:</i>	<i>BMCC-125797690</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Builders' Mutual Casualty Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>WC002</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>Workers Compensation</i>		
<i>Project Name/Number:</i>	<i>/001</i>		

Arkansas.

BMCC hereby elects to utilize Hazard Group 3. BMCC has also submitted for approval the use of an expense constant of \$160 based on the historic expense constant previously filed by the NCCI prior to their discontinuance of this practice. Additionally, BMCC wishes to adopt the miscellaneous values as filed by the NCCI for Arkansas effective 1/1/08 and updated on 7/1/08 with the proposed effective date of 9/28/08 or sooner based upon approval. We have provided a detailed listing of the miscellaneous values for BMCC for your approval and review.

If the Department requests any additional support or forms to be completed regarding this information please contact me. Thank you for your help in this matter and we look forward to working with the Arkansas Insurance Department.

Company and Contact

Filing Contact Information

Rose Kasper, Compliance Officer	rkasper@bldrsmutual.com
1100 Walnut	(816) 474-7799 [Phone]
Kansas City, MO 64106	(816) 474-0484[FAX]

Filing Company Information

Builders' Mutual Casualty Company	CoCode: 13126	State of Domicile: Kansas
1100 Walnut	Group Code:	Company Type:
Suite 3010		
Kansas City , MO 64106	Group Name:	State ID Number:
(816) 474-7799 ext. [Phone]	FEIN Number: 26-1832622	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	This is BMCC's initial filing with the Arkansas Insurance Department. No loss cost multiplier is currently on file.
Per Company:	No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Builders' Mutual Casualty Company	\$100.00	08/29/2008	22212651

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	09/08/2008	09/08/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Carol Stiffler	09/02/2008	09/02/2008	Rose Kasper	09/03/2008	09/03/2008
Industry Response						

SERFF Tracking Number: *BMCC-125797690* State: *Arkansas*
 Filing Company: *Builders' Mutual Casualty Company* State Tracking Number: *EFT \$100*
 Company Tracking Number: *WC002*
 TOI: *16.0 Workers Compensation* Sub-TOI: *16.0004 Standard WC*
 Product Name: *Workers Compensation*
 Project Name/Number: */001*

Disposition

Disposition Date: 09/08/2008
 Effective Date (New): 09/28/2008
 Effective Date (Renewal):
 Status: Approved
 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:
Builders' Mutual Casualty Company	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	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate	BMCC Arkansas Basic Manual	Approved	Yes

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TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation
Project Name/Number: /001

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 09/02/2008

Submitted Date 09/02/2008

Respond By Date

Dear Rose Kasper,

This will acknowledge receipt of the captioned filing.

You must state the NCCI Item Filing number that you are adopting. The Item Filing number for the loss costs filed by NCCI that were effective on 7/1/08 is AR-2008-02. On future filings, please put the Item Filing # in the "Reference Number" filed on the General Information tab. The Item Filing # is found in the circular that is sent out from NCCI. Please note that the Circular # is usually NOT the same as the Item Filing #.

Since you are doing your initial rate filing, I want to tell you what else you need to file. Workers' compensation filings in Arkansas are prior approval. When NCCI makes a loss cost/rule filing, you must notify us if you are adopting it or if you are not adopting it. You do not have to notify us to adopt NCCI form filings. You only need to notify us if you are NOT adopting the forms.

On your initial filing only, we will allow you to adopt through SERFF all of the current NCCI filings without naming them. Just state that you want to adopt all of the current NCCI filings. You may do that in one filing with a filing fee of \$25. Or you may amend this filing by asking to adopt all current NCCI filings with no additional fee required. (You will still need to state the loss cost filing item number that you are adopting in this filing).

Please feel free to contact me if you have questions.

Sincerely,

Carol Stiffler

Response Letter

Response Letter Status Submitted to State

Response Letter Date 09/03/2008

Submitted Date 09/03/2008

Dear Carol Stiffler,

SERFF Tracking Number: BMCC-125797690 State: Arkansas
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Comments:

Response 1

Comments: Hello,

Thank you for the objection letter. The first item addressed asks us to put the item filing number in the "Reference Number" filed on the General Information tab. We will make note to include this on future BMCC filings.

The second item informed us that when the NCCI makes a loss cost/rule filing, we must notify you if we are or are not adopting it, and only notify you if we are NOT adopting NCCI form filings. We have made note of this information for our future filings.

For the last item, we would like to amend this filing by asking to adopt all current NCCI filings at no additional fee. We are adopting the loss cost filing item number AR-2008-02.

Thank you for your help.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Rose Kasper

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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:	
Filing Method of Last Filing:	n/a

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):
Builders' Mutual Casualty Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

BUILDERS' MUTUAL CASUALTY COMPANY

ARKANSAS BASIC MANUAL

EFFECTIVE 9/28/08 - BASED ON NCCI LOSS COST FILING EFFECTIVE 7/1/08

CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE
0005	3.88	2.00	\$7.76	1853	1.40	2.00	\$2.80	2585	1.87	2.00	\$3.74
0008	1.58	2.00	\$3.16	1860	1.18	2.00	\$2.36	2586	0.80	2.00	\$1.60
0016	3.40	2.00	\$6.80	1924	2.56	2.00	\$5.12	2587	1.75	2.00	\$3.50
0034	2.61	2.00	\$5.22	1925	1.77	2.00	\$3.54	2589	0.87	2.00	\$1.74
0035	1.56	2.00	\$3.12	2001	1.44	2.00	\$2.88	2600	3.86	2.00	\$7.72
0036	2.48	2.00	\$4.96	2002	1.81	2.00	\$3.62	2623	1.70	2.00	\$3.40
0037	2.80	2.00	\$5.60	2003	2.04	2.00	\$4.08	2651	1.59	2.00	\$3.18
0042	3.86	2.00	\$7.72	2014	3.84	2.00	\$7.68	2660	0.88	2.00	\$1.76
0050	3.14	2.00	\$6.28	2016	1.20	2.00	\$2.40	2670	1.39	2.00	\$2.78
0059D	0.18	2.00	\$0.36	2021	2.01	2.00	\$4.02	2683	1.19	2.00	\$2.38
0065D	0.03	2.00	\$0.06	2039	2.69	2.00	\$5.38	2688	1.84	2.00	\$3.68
0066D	0.03	2.00	\$0.06	2041	2.58	2.00	\$5.16	2701	4.47	2.00	\$8.94
0067D	0.03	2.00	\$0.06	2065	0.97	2.00	\$1.94	2702X	18.23	2.00	\$36.46
0079	2.56	2.00	\$5.12	2070	3.30	2.00	\$6.60	2710	5.31	2.00	\$10.62
0083	5.90	2.00	\$11.80	2081	2.33	2.00	\$4.66	2714	2.52	2.00	\$5.04
0106	6.90	2.00	\$13.80	2089	1.53	2.00	\$3.06	2719X	6.69	2.00	13.38
0113	3.46	2.00	\$6.92	2095	1.65	2.00	\$3.30	2731	2.24	2.00	\$4.48
0170	1.49	2.00	\$2.98	2105	1.47	2.00	\$2.94	2735	1.57	2.00	\$3.14
0251	3.05	2.00	\$6.10	2110	1.29	2.00	\$2.58	2759	5.11	2.00	\$10.22
0400	4.88	2.00	\$9.76	2111	1.52	2.00	\$3.04	2790	0.94	2.00	\$1.88
0401	6.66	2.00	\$13.32	2112	1.64	2.00	\$3.28	2802	3.18	2.00	\$6.36
0771N	0.18	2.00	\$0.36	2114	1.62	2.00	\$3.24	2812	2.23	2.00	\$4.46
0908P	86.00	2.00	\$172.00	2121	1.35	2.00	\$2.70	2835	0.97	2.00	\$1.94
0913P	212.00	2.00	\$424.00	2130	1.69	2.00	\$3.38	2836	1.36	2.00	\$2.72
0917	2.37	2.00	\$4.74	2131	1.14	2.00	\$2.28	2841	2.25	2.00	\$4.50
1005*	6.67	2.00	\$13.34	2143	1.32	2.00	\$2.64	2881	1.52	2.00	\$3.04
1016X*	24.89	2.00	\$49.78	2157	2.45	2.00	\$4.90	2883	2.47	2.00	\$4.94
1164E	4.31	2.00	\$8.62	2172	0.95	2.00	\$1.90	2913	2.47	2.00	\$4.94
1165E	2.84	2.00	\$5.68	2174	1.77	2.00	\$3.54	2915	2.57	2.00	\$5.14
1320	1.77	2.00	\$3.54	2211	3.31	2.00	\$6.62	2916	1.41	2.00	\$2.82
1322	9.50	2.00	\$19.00	2220	1.18	2.00	\$2.36	2923	1.45	2.00	\$2.90
1430	2.62	2.00	\$5.24	2286	0.86	2.00	\$1.72	2942	1.42	2.00	\$2.84
1438	1.47	2.00	\$2.94	2288	2.44	2.00	\$4.88	2960	1.95	2.00	\$3.90
1452	1.02	2.00	\$2.04	2300	1.29	2.00	\$2.58	3004	1.66	2.00	\$3.32
1463	7.04	2.00	\$14.08	2302	1.03	2.00	\$2.06	3018	1.55	2.00	\$3.10
1472	2.45	2.00	\$4.90	2305	1.29	2.00	\$2.58	3022	1.92	2.00	\$3.84
1624E	4.59	2.00	\$9.18	2361	0.73	2.00	\$1.46	3027	1.62	2.00	\$3.24
1642	2.47	2.00	\$4.94	2362	1.06	2.00	\$2.12	3028	1.40	2.00	\$2.80
1654	3.79	2.00	\$7.58	2380	2.73	2.00	\$5.46	3030	2.43	2.00	\$4.86
1655	2.99	2.00	\$5.98	2386	0.68	2.00	\$1.36	3040	2.25	2.00	\$4.50
1699	1.21	2.00	\$2.42	2388	1.16	2.00	\$2.32	3041	2.01	2.00	\$4.02
1701	1.87	2.00	\$3.74	2402	1.30	2.00	\$2.60	3042	1.92	2.00	\$3.84
1710E	3.70	2.00	\$7.40	2413	1.02	2.00	\$2.04	3064	2.78	2.00	\$5.56
1741E	1.12	2.00	\$2.24	2416	1.01	2.00	\$2.02	3069	4.77	2.00	\$9.54
1745X	1.81	2.00	\$3.62	2417	0.95	2.00	\$1.90	3076	1.79	2.00	\$3.58
1747	1.58	2.00	\$3.16	2501	0.82	2.00	\$1.64	3081D	1.74	2.00	\$3.48
1748	4.51	2.00	\$9.02	2503	0.81	2.00	\$1.62	3082D	2.35	2.00	\$4.70
1803D	3.24	2.00	\$6.48	2534	1.30	2.00	\$2.60	3085D	1.96	2.00	\$3.92
1852D	1.50	2.00	\$3.00	2570	2.99	2.00	\$5.98	3110	1.72	2.00	\$3.44

CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE
3111	1.80	2.00	\$3.60	3648	1.30	2.00	\$2.60	4352	0.61	2.00	\$1.22
3113	1.42	2.00	\$2.84	3681	0.94	2.00	\$1.88	4360	0.55	2.00	\$1.10
3114	1.58	2.00	\$3.16	3685	1.08	2.00	\$2.16	4361	0.80	2.00	\$1.60
3118	0.73	2.00	\$1.46	3719	1.58	2.00	\$3.16	4362	0.70	2.00	\$1.40
3119	0.66	2.00	\$1.32	3724	4.11	2.00	\$8.22	4410	1.94	2.00	\$3.88
3122	0.91	2.00	\$1.82	3726	1.83	2.00	\$3.66	4420	2.34	2.00	\$4.68
3126	1.04	2.00	\$2.08	3803	1.15	2.00	\$2.30	4431	0.90	2.00	\$1.80
3131	0.63	2.00	\$1.26	3807	1.27	2.00	\$2.54	4432	0.97	2.00	\$1.94
3132	1.49	2.00	\$2.98	3808	1.66	2.00	\$3.32	4439	1.02	2.00	\$2.04
3145	1.44	2.00	\$2.88	3821	2.50	2.00	\$5.00	4452	1.97	2.00	\$3.94
3146	1.66	2.00	\$3.32	3822	2.19	2.00	\$4.38	4459	1.13	2.00	\$2.26
3169	1.48	2.00	\$2.96	3824	2.93	2.00	\$5.86	4470	1.44	2.00	\$2.88
3175D	1.72	2.00	\$3.44	3826	0.53	2.00	\$1.06	4484	1.26	2.00	\$2.52
3179	1.45	2.00	\$2.90	3827	0.95	2.00	\$1.90	4493	1.53	2.00	\$3.06
3180	1.08	2.00	\$2.16	3830	0.68	2.00	\$1.36	4511	0.45	2.00	\$0.90
3188	0.92	2.00	\$1.84	3851	1.60	2.00	\$3.20	4557	1.03	2.00	\$2.06
3220	1.14	2.00	\$2.28	3865	0.77	2.00	\$1.54	4558	1.00	2.00	\$2.00
3223	1.81	2.00	\$3.62	3881	2.13	2.00	\$4.26	4561	1.20	2.00	\$2.40
3224	1.48	2.00	\$2.96	4000	4.37	2.00	\$8.74	4568	1.57	2.00	\$3.14
3227	1.10	2.00	\$2.20	4021	3.58	2.00	\$7.16	4581	1.05	2.00	\$2.10
3240	1.83	2.00	\$3.66	4024E	1.34	2.00	\$2.68	4583	3.21	2.00	\$6.42
3241	1.70	2.00	\$3.40	4034	4.20	2.00	\$8.40	4611	0.58	2.00	\$1.16
3255	1.41	2.00	\$2.82	4036	1.52	2.00	\$3.04	4635	2.99	2.00	\$5.98
3257	2.06	2.00	\$4.12	4038	1.31	2.00	\$2.62	4653	0.78	2.00	\$1.56
3270	1.95	2.00	\$3.90	4053	2.08	2.00	\$4.16	4665	4.05	2.00	\$8.10
3300	2.70	2.00	\$5.40	4061	2.56	2.00	\$5.12	4670	2.32	2.00	\$4.64
3303	2.31	2.00	\$4.62	4062	1.39	2.00	\$2.78	4683	2.96	2.00	\$5.92
3307	2.03	2.00	\$4.06	4101	1.21	2.00	\$2.42	4686	0.77	2.00	\$1.54
3315	1.59	2.00	\$3.18	4111	1.85	2.00	\$3.70	4692	0.29	2.00	\$0.58
3334	1.29	2.00	\$2.58	4112	0.57	2.00	\$1.14	4693	0.56	2.00	\$1.12
3336	1.33	2.00	\$2.66	4113	0.80	2.00	\$1.60	4703	1.46	2.00	\$2.92
3365	6.18	2.00	\$12.36	4114	1.34	2.00	\$2.68	4717	1.08	2.00	\$2.16
3372	1.72	2.00	\$3.44	4130	2.75	2.00	\$5.50	4720	3.16	2.00	\$6.32
3373	1.75	2.00	\$3.50	4131	1.47	2.00	\$2.94	4740	0.93	2.00	\$1.86
3383	0.65	2.00	\$1.30	4133	1.45	2.00	\$2.90	4741	1.06	2.00	\$2.12
3385	0.53	2.00	\$1.06	4150	1.01	2.00	\$2.02	4751	0.90	2.00	\$1.80
3400	1.64	2.00	\$3.28	4206	2.22	2.00	\$4.44	4771N	1.03	2.00	\$2.06
3507	1.87	2.00	\$3.74	4207	0.61	2.00	\$1.22	4777	1.05	2.00	\$2.10
3515	1.32	2.00	\$2.64	4239	0.77	2.00	\$1.54	4825	0.54	2.00	\$1.08
3548	0.82	2.00	\$1.64	4240	1.49	2.00	\$2.98	4828	1.01	2.00	\$2.02
3559	1.57	2.00	\$3.14	4243	1.01	2.00	\$2.02	4829	0.73	2.00	\$1.46
3574	0.68	2.00	\$1.36	4244	1.79	2.00	\$3.58	4902	0.81	2.00	\$1.62
3581	0.87	2.00	\$1.74	4250	0.90	2.00	\$1.80	4923	0.67	2.00	\$1.34
3612	1.33	2.00	\$2.66	4251	1.07	2.00	\$2.14	5020	4.45	2.00	\$8.90
3620	3.51	2.00	\$7.02	4263	1.33	2.00	\$2.66	5022	3.20	2.00	\$6.40
3629	1.18	2.00	\$2.36	4273	1.16	2.00	\$2.32	5037	12.55	2.00	\$25.10
3632	2.42	2.00	\$4.84	4279	1.09	2.00	\$2.18	5040	16.83	2.00	\$33.66
3634	1.03	2.00	\$2.06	4282	1.28	2.00	\$2.56	5057	12.04	2.00	\$24.08
3635	1.25	2.00	\$2.50	4283	1.19	2.00	\$2.38	5059	14.30	2.00	\$28.60
3638	0.89	2.00	\$1.78	4299	1.06	2.00	\$2.12	5069	18.06	2.00	\$36.12
3642	0.51	2.00	\$1.02	4304	1.67	2.00	\$3.34	5102	2.65	2.00	\$5.30
3643	1.79	2.00	\$3.58	4307	1.33	2.00	\$2.66	5146	3.24	2.00	\$6.48
3647	2.03	2.00	\$4.06	4351	0.69	2.00	\$1.38	5160	2.29	2.00	\$4.58

CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE
5183	2.27	2.00	\$4.54	6251D	5.15	2.00	\$10.30	7380X	2.22	2.00	\$4.44
5188	2.90	2.00	\$5.80	6252D	3.85	2.00	\$7.70	7382	1.83	2.00	\$3.66
5190	2.08	2.00	\$4.16	6260D	3.40	2.00	\$6.80	7390	2.37	2.00	\$4.74
5191X	1.20	2.00	\$2.40	6306	3.66	2.00	\$7.32	7394M	7.18	2.00	\$14.36
5192	2.59	2.00	\$5.18	6319	3.57	2.00	\$7.14	7395M	7.98	2.00	\$15.96
5213	4.57	2.00	\$9.14	6325	2.98	2.00	\$5.96	7398M	12.86	2.00	\$25.72
5215	2.73	2.00	\$5.46	6400	4.47	2.00	\$8.94	7403	1.90	2.00	\$3.80
5221	3.36	2.00	\$6.72	6504	1.54	2.00	\$3.08	7405N	0.75	2.00	\$1.50
5222	7.76	2.00	\$15.52	6702M*	4.96	2.00	\$9.92	7420X*	16.46	2.00	\$32.92
5223	3.42	2.00	\$6.84	6703M*	8.87	2.00	\$17.74	7421	1.74	2.00	\$3.48
5348	2.65	2.00	\$5.30	6704M*	5.51	2.00	\$11.02	7422	1.47	2.00	\$2.94
5402	2.94	2.00	\$5.88	6801F	7.56	2.00	\$15.12	7425	2.72	2.00	\$5.44
5403	6.08	2.00	\$12.16	6811	3.32	2.00	\$6.64	7431N	1.11	2.00	\$2.22
5437	2.88	2.00	\$5.76	6824F	21.77	2.00	\$43.54	7445N	0.40	2.00	\$0.80
5443	2.61	2.00	\$5.22	6826F	8.35	2.00	\$16.70	7453N	0.60	2.00	\$1.20
5445	3.27	2.00	\$6.54	6834	2.35	2.00	\$4.70	7502	1.63	2.00	\$3.26
5462	3.45	2.00	\$6.90	6836	3.83	2.00	\$7.66	7515	0.70	2.00	\$1.40
5472	3.14	2.00	\$6.28	6843F	9.72	2.00	\$19.44	7520	1.48	2.00	\$2.96
5473	4.30	2.00	\$8.60	6845F	14.75	2.00	\$29.50	7538	6.63	2.00	\$13.26
5474	4.72	2.00	\$9.44	6854	3.32	2.00	\$6.64	7539	2.84	2.00	\$5.68
5478	2.87	2.00	\$5.74	6872F	12.67	2.00	\$25.34	7540	1.86	2.00	\$3.72
5479	5.08	2.00	\$10.16	6874F	25.92	2.00	\$51.84	7580	1.23	2.00	\$2.46
5480	5.14	2.00	\$10.28	6882	3.32	2.00	\$6.64	7590	3.40	2.00	\$6.80
5491	1.33	2.00	\$2.66	6884	7.50	2.00	\$15.00	7600	1.71	2.00	\$3.42
5506	2.40	2.00	\$4.80	7016M	2.95	2.00	\$5.90	7601	7.71	2.00	\$15.42
5507	3.61	2.00	\$7.22	7024M	3.28	2.00	\$6.56	7605	2.15	2.00	\$4.30
5508D	6.09	2.00	\$12.18	7038M	3.72	2.00	\$7.44	7610	0.35	2.00	\$0.70
5535	4.77	2.00	\$9.54	7046M	16.36	2.00	\$32.72	7611	3.45	2.00	\$6.90
5537	3.15	2.00	\$6.30	7047M	5.28	2.00	\$10.56	7612	7.69	2.00	\$15.38
5551	9.16	2.00	\$18.32	7050M	6.65	2.00	\$13.30	7613	3.07	2.00	\$6.14
5606	1.09	2.00	\$2.18	7090M	4.13	2.00	\$8.26	7705	1.69	2.00	\$3.38
5610	3.57	2.00	\$7.14	7098M	18.18	2.00	\$36.36	7710	3.79	2.00	\$7.58
5645	7.29	2.00	\$14.58	7099M	29.29	2.00	\$58.58	7711	3.79	2.00	\$7.58
5651	5.41	2.00	\$10.82	7133	2.25	2.00	\$4.50	7720X	1.69	2.00	\$3.38
5703	58.96	2.00	\$117.92	7151M	2.73	2.00	\$5.46	7855	4.08	2.00	\$8.16
5705	3.45	2.00	\$6.90	7152M	4.89	2.00	\$9.78	8001	1.46	2.00	\$2.92
5951	0.26	2.00	\$0.52	7153M	3.04	2.00	\$6.08	8002	2.13	2.00	\$4.26
6003	6.46	2.00	\$12.92	7222	6.30	2.00	\$12.60	8006	1.27	2.00	\$2.54
6005	4.91	2.00	\$9.82	7228X	4.47	2.00	\$8.94	8008	0.80	2.00	\$1.60
6017	2.52	2.00	\$5.04	7229X	4.69	2.00	\$9.38	8010	1.24	2.00	\$2.48
6018	1.37	2.00	\$2.74	7230	2.64	2.00	\$5.28	8013	0.32	2.00	\$0.64
6045	1.59	2.00	\$3.18	7231	3.50	2.00	\$7.00	8015	0.42	2.00	\$0.84
6204	6.43	2.00	\$12.86	7232	8.26	2.00	\$16.52	8017	0.77	2.00	\$1.54
6206	4.08	2.00	\$8.16	7309F	14.74	2.00	\$29.48	8018X*	1.65	2.00	\$3.30
6213	5.37	2.00	\$10.74	7313F	4.18	2.00	\$8.36	8021	1.22	2.00	\$2.44
6214	1.81	2.00	\$3.62	7317F	6.61	2.00	\$13.22	8031	2.54	2.00	\$5.08
6216	4.18	2.00	\$8.36	7327F	19.51	2.00	\$39.02	8032	1.04	2.00	\$2.08
6217	3.27	2.00	\$6.54	7333M	3.54	2.00	\$7.08	8033	1.24	2.00	\$2.48
6229	3.24	2.00	\$6.48	7335M	3.93	2.00	\$7.86	8039	0.90	2.00	\$1.80
6233	3.53	2.00	\$7.06	7337M	6.33	2.00	\$12.66	8044	1.81	2.00	\$3.62
6235	9.39	2.00	\$18.78	7350F	12.72	2.00	\$25.44	8045	0.27	2.00	\$0.54
6236	7.73	2.00	\$15.46	7360	4.56	2.00	\$9.12	8046	1.75	2.00	\$3.50
6237	1.98	2.00	\$3.96	7370	3.22	2.00	\$6.44	8047	0.70	2.00	\$1.40

CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE	CLASS CODE	LOSS COST	BMCC LCM	RATE
8058	1.80	2.00	\$3.60	8810	0.16	2.00	\$0.32	9505	2.50	2.00	\$5.00
8072	0.53	2.00	\$1.06	8814M	0.19	2.00	\$0.38	9516	2.13	2.00	\$4.26
8102	1.66	2.00	\$3.32	8815M	0.35	2.00	\$0.70	9519	1.20	2.00	\$2.40
8103	2.45	2.00	\$4.90	8820	0.14	2.00	\$0.28	9521	3.47	2.00	\$6.94
8105	3.17	2.00	\$6.34	8824	1.62	2.00	\$3.24	9522	1.03	2.00	\$2.06
8106	2.51	2.00	\$5.02	8825	1.38	2.00	\$2.76	9534	4.58	2.00	\$9.16
8107	2.14	2.00	\$4.28	8826	1.46	2.00	\$2.92	9554	4.86	2.00	\$9.72
8111	2.47	2.00	\$4.94	8829	1.76	2.00	\$3.52	9586	0.43	2.00	\$0.86
8116	2.75	2.00	\$5.50	8831	1.72	2.00	\$3.44	9600	1.07	2.00	\$2.14
8203	3.61	2.00	\$7.22	8832	0.18	2.00	\$0.36	9620	0.87	2.00	\$1.74
8204	3.13	2.00	\$6.26	8833X*	0.59	2.00	\$1.18				
8209	1.96	2.00	\$3.92	8835	1.29	2.00	\$2.58				
8215	3.76	2.00	\$7.52	8842	0.96	2.00	\$1.92				
8227	2.05	2.00	\$4.10	8864	0.96	2.00	\$1.92				
8232	4.13	2.00	\$8.26	8868	0.25	2.00	\$0.50				
8233	3.36	2.00	\$6.72	8869	0.48	2.00	\$0.96				
8235	2.71	2.00	\$5.42	8871	0.15	2.00	\$0.30				
8263	6.12	2.00	\$12.24	8901	0.17	2.00	\$0.34				
8264	2.21	2.00	\$4.42	9012	1.27	2.00	\$2.54				
8265	6.09	2.00	\$12.18	9014	1.82	2.00	\$3.64				
8279	5.85	2.00	\$11.70	9015X	1.58	2.00	\$3.16				
8288	3.94	2.00	\$7.88	9016	4.08	2.00	\$8.16				
8291	1.37	2.00	\$2.74	9019	1.94	2.00	\$3.88				
8292	1.95	2.00	\$3.90	9033	1.29	2.00	\$2.58				
8293	4.49	2.00	\$8.98	9040*	2.31	2.00	\$4.62				
8295X	4.91	2.00	\$9.82	9052	1.02	2.00	\$2.04				
8304	4.52	2.00	\$9.04	9058	1.17	2.00	\$2.34				
8350	3.72	2.00	\$7.44	9059	1.81	2.00	\$3.62				
8380	2.33	2.00	\$4.66	9060	1.19	2.00	\$2.38				
8381	0.98	2.00	\$1.96	9061	0.91	2.00	\$1.82				
8385	1.58	2.00	\$3.16	9063	0.65	2.00	\$1.30				
8392	1.97	2.00	\$3.94	9077F	2.78	2.00	\$5.56				
8393	1.12	2.00	\$2.24	9082	1.05	2.00	\$2.10				
8500	4.16	2.00	\$8.32	9083	1.06	2.00	\$2.12				
8601	0.54	2.00	\$1.08	9084	1.23	2.00	\$2.46				
8606	1.83	2.00	\$3.66	9089	0.75	2.00	\$1.50				
8709F	5.24	2.00	\$10.48	9093	0.92	2.00	\$1.84				
8719	1.23	2.00	\$2.46	9101	1.98	2.00	\$3.96				
8720	0.89	2.00	\$1.78	9102	1.91	2.00	\$3.82				
8721	0.26	2.00	\$0.52	9154	1.27	2.00	\$2.54				
8726F	6.01	2.00	\$12.02	9156	0.86	2.00	\$1.72				
8734M	0.42	2.00	\$0.84	9170	1.82	2.00	\$3.64				
8737M	0.38	2.00	\$0.76	9178	17.18	2.00	\$34.36				
8738M	0.67	2.00	\$1.34	9179	23.57	2.00	\$47.14				
8742X	0.31	2.00	\$0.62	9180	2.43	2.00	\$4.86				
8745	3.00	2.00	\$6.00	9182	1.77	2.00	\$3.54				
8748	0.27	2.00	\$0.54	9186	34.91	2.00	\$69.82				
8755	0.17	2.00	\$0.34	9220	2.23	2.00	\$4.46				
8799	0.63	2.00	\$1.26	9402	2.82	2.00	\$5.64				
8800	0.63	2.00	\$1.26	9403	3.75	2.00	\$7.50				
8803	0.05	2.00	\$0.10	9410	1.15	2.00	\$2.30				
8805M	0.22	2.00	\$0.44	9501	2.88	2.00	\$5.76				

**BUILDERS' MUTUAL CASUALTY COMPANY
 ARKANSAS BASIC MANUAL
 EFFECTIVE 9/28/08 - BASED ON NCCI LOSS COST FILING EFFECTIVE 7/1/08**

FOOTNOTES

- D Advisory loss cost for classification already includes the specific disease loading shown in the table below. See Basic Manual Rule 3-A-7.
- E Advisory loss cost for classification already includes the specific disease loading shown in the table below.

Disease			Disease			Disease		
Code No.	Loading	Symbol	Code No.	Loading	Symbol	Code No.	Loading	Symbol
0059D	0.18	S	1710E	0.03	S	3175D	0.02	S
0065D	0.03	S	1741E	0.15	S	4024E	0.01	S
0066D	0.03	S	1803D	0.15	S	5508D	0.02	S
0067D	0.03	S	1852D	0.03	S	6251D	0.04	S
1164E	0.05	S	3081D	0.03	Asb	6252D	0.02	S
1165E	0.02	S	3082D	0.03	S	6260D	0.02	S
1624E	0.03	S	3085D	0.03	S			

S=Silica, Asb=Asbestos

- F Advisory loss cost provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Loss cost does not contain a provision for federal assessment.
- M Advisory loss cost provides for coverage under Admiralty Law and Federal Employers' Liability Act (FELA). A provision for the USL&HW assessments is included for those classifications under Program II USL Act.
- N This code is part of a ratable/non-ratable group shown below. The statistical non-ratable code and corresponding advisory loss cost are applied in addition to the basic classification when determining premium.

Class Code	Non-Ratable Element Code
4771	0771
7405	7445
7431	7453

- P Classification is computerd on a per capita basis.
- X Refer to special classification phraseology in these pages which is applicable in the state of Arkansas.

***Class Codes with Specific Footnotes**

- 1005 Advisory loss cost includes a non-ratable disease element of \$3.26. (For coverage written separately for federal benefits only, \$2.15. For coverage written separately for state benefits only, \$1.11.)
- 1016 Advisory loss cost includes a non-ratable element of \$13.02. (For coverage written separately for federal benefits only, \$8.58. For coverage written separately for state benefits only, \$4.44.) It also includes a catastrophe loading of \$0.08.
- 6702 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign construction or erection code loss cost and elr each x 1.215.

**BUILDERS' MUTUAL CASUALTY COMPANY
ARKANSAS BASIC MANUAL
EFFECTIVE 9/28/08 - BASED ON NCCI LOSS COST FILING EFFECTIVE 7/1/08**

FOOTNOTES CONTINUED

***Class Codes with Specific Footnotes Continued**

- 6703 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost x 2.175 and elr x 2.032.
- 6704 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection loss cost and elr each x 1.35.
- 7409 The ELR on the rate page is based on payroll subject to a maximum of \$750 per week per employee. Payroll is subject to a maximum of \$600 per week per employee effective January 1, 2005. An ELR of 7.71 should be applied to policies with effective dates on or after January 1, 2005 (\$600 payroll limit). An ELR of 15.43 should be applied to policies with effective dates prior to January 1, 2005 (\$300 payroll limit).
- 7420 Payroll is subject to a maximum of \$750 per week per employee effective July 1, 2008. The ELR on the rate page should be applied to policies with effective dates on or after July 1, 2008 (\$750 payroll limit). An ELR of 7.71 should be applied to policies with effective dates prior to July 1, 2008 and on or after July 1, 2006 (\$600 payroll limit). An ELR of 5.65 should be applied to policies with effective dates prior to July 1, 2006 (uncapped payroll).
- 8018 See Arkansas Special Classification for Warehousing-groceries exclusively.
- 8833 The ex-medical loss cost for this classification is \$0.30. A charge of \$0.10 is to be added to this loss cost whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- 9040 The ex-medical loss cost for this classification is \$1.11. A charge of \$0.10 is to be added to this loss cost whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

**BUILDERS' MUTUAL CASUALTY COMPANY
 ARKANSAS BASIC MANUAL
 EFFECTIVE 9/28/08 - BASED ON NCCI LOSS COST FILING EFFECTIVE 7/1/08**

BMCC MISCELLANEOUS VALUES

Advisory Loss Elimination Ratios - The following percentages are applicable by deductible amount and hazard group on a per claim basis.

Total Losses	
Deductible Amount	HAZARD GROUP
	3
\$1,000	5.2%
\$1,500	6.6%
\$2,000	7.7%
\$2,500	8.7%
\$3,000	9.7%
\$3,500	10.5%
\$4,000	11.4%
\$4,500	12.1%
\$5,000	12.9%

Medical Losses	
Deductible Amount	HAZARD GROUP
	3
\$1,000	5.0%
\$1,500	6.2%
\$2,000	7.1%
\$2,500	8.0%
\$3,000	8.7%
\$3,500	9.4%
\$4,000	10.0%
\$4,500	10.6%
\$5,000	11.1%

Indemnity Losses	
Deductible Amount	HAZARD GROUP
	3
\$1,000	1.4%
\$1,500	2.0%
\$2,000	2.6%
\$2,500	3.0%
\$3,000	3.5%
\$3,500	3.9%
\$4,000	4.3%
\$4,500	4.7%
\$5,000	5.0%

**BUILDERS' MUTUAL CASUALTY COMPANY
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BMCC MISCELLANEOUS VALUES (cont.)

Basis of premium applicable in accordance with *NCCI Basic Manual* footnote instructions for Code 7370 -- "Taxicab Co.":

Employee operated vehicle.....	\$48,893.00
Leased or rented vehicle.....	\$32,595.00

Code 7420 -- "Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew" Maximum payroll per week per employee	\$750.00
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Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents - (Advisory Loss Cost) ** <i>Discontinued effective 9/1/08</i>	0.01
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Catastrophe (other than Certified Acts of Terrorism) - (Advisory Loss Cost) ** <i>Effective 9/1/08</i>	0.01
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Foreign Terrorism (Advisory Loss Cost) ** <i>Discontinued effective 9/1/08</i>	0.02
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Terrorism (Advisory Loss Cost) ** <i>Effective 9/1/08</i>	0.01
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Maximum Payroll applicable in accordance with <i>Basic Manual</i> Rule 2-E-1 -- "Executive Officers" and the <i>Basic Manual</i> footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," Code 9179 -- "Athletic Sports or Park: Contact Sports," and Code 9186 -- "Carnival--Traveling"...	\$2,500.00
---	------------

Minimum Payroll applicable in accordance with <i>Basic Manual</i> Rule 2-E-1 -- "Executive Officers"	\$300.00
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Per Passenger Seat Surcharge - In accordance with <i>Basic Manual</i> footnote instructions for classification Code 7421, the surcharge is	
Maximum surcharge per aircraft.....	\$1,000.00
Per passenger seat.....	\$100

Premium Determination for Partners and Sole Proprietors and members of limited liability companies in accordance with <i>Basic Manual</i> Rule 2-E	\$31,900.00
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United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with <i>Basic Manual</i> Rule 3-A-4.....	86%
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(Multiply a Non-F classification loss cost by a factor of 1.86 to adjust for differences in benefits and loss based expenses. This factor is the product of the adjustment for differences in benefits (1.67) and the adjustment for differences in loss-based expenses (1.116).

Experience Rating Eligibility

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the *Experience Rating Plan Manual* should be referenced for the latest eligibility amounts by state.

Expense Constant	\$160.00
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Minimum Premium (No minimum premium requirements on Arkansas policies)	\$0
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Arkansas Alcohol and Drug Free Workplace Premium Credit Available to all qualifying Arkansas Insureds	5%
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** Per Item B-1407

SERFF Tracking Number: BMCC-125797690 State: Arkansas
Filing Company: Builders' Mutual Casualty Company State Tracking Number: EFT \$100
Company Tracking Number: WC002
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation
Project Name/Number: /001

Supporting Document Schedules

Review Status:
Bypassed -Name: Uniform Transmittal Document- Property & Casualty **Approved** 09/08/2008
Bypass Reason: General instructions indicate that transmittal is not required for SERFF filings.
Comments:

Review Status:
Satisfied -Name: NAIC Loss Cost Filing Document for Workers' Compensation **Approved** 09/08/2008

Comments:

Attached are the Loss Cost Filing Document Cover Form, the Calculation for the Loss Cost Multiplier Form, and our support detail for the loss cost filing.

Attachments:

AR Loss Cost Filing Document.pdf
BMCC AR Loss Cost Cover001.pdf
BMCC Arkansas Support Detail for NAIC Loss Cost Filing.pdf

Review Status:
Satisfied -Name: NAIC loss cost data entry document **Approved** 09/08/2008

Comments:

Attachment:

NAIC Loss Cost Data Entry Document.pdf

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	001
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	

() **Loss Cost Reference Filing NCCI - 7/1/08 Filing _____** () **Independent Rate Filing**
(Advisory Org. & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

1. Check one of the following:

- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. **Note: Some states have statutes that prohibit this option for some lines of business.**
- The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

2. Does this filing apply to all class codes? Yes _____ If no, complete a copy of this form for each affected class with appropriate justification.

3. Loss cost modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(Check One)

() Without Modification (factor = 1.000)

() With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) See Attached Explanation

B. Loss Cost Modification Expressed as a Factor: (See Examples Below) 1.2

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio. (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)
PROJECTED EXPENSES: Compared to standard premium at company rates.

			Selected Provisions
	A.	Total Production Expense	6%
	B.	General Expense	22%
	C.	Taxes, Licenses & Fee	2%
	D.	Underwriting profit & contingencies*	10%
	E.	Other (explain)	0%
	F.	Total	40%
	* Explain how investment income is taken into account		
	See Attached Explanation		
5.	A.	Expected Loss Ratio: ELR = 100% - 4F =	60%
	B.	ELR in Decimal Form =	.60

NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1.0
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	1.0
8.	Company Formula Loss Cost Multiplier [3B / ((7 - 4F) X 6)]	2.0
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	2.0

Yes No

10. Are you amending your minimum premium formula? If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc.

() (X)

11. Are you changing your premium discount schedules? If yes, attach schedules and support, detailing premium or rate level changes.

() (X)

Date: _____

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**WORKERS' COMPENSATION
LOSS COST FILING DOCUMENT COVER FORM**

INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOSS COSTS

1. INSURER NAME _____
ADDRESS _____

2. PERSON RESPONSIBLE FOR FILING _____
TITLE _____ TELEPHONE # _____
3. INSURER NAIC # _____
4. ADVISORY ORGANIZATION _____
- 5A. PROPOSED RATE LEVEL CHANGE _____ % EFFECTIVE DATE _____
- 5B. PROPOSED PREMIUM LEVEL CHANGE* _____ % EFFECTIVE DATE _____
- 6A. PRIOR RATE LEVEL CHANGE _____ % EFFECTIVE DATE _____
- 6B. PRIOR PREMIUM LEVEL CHANGE* _____ % EFFECTIVE DATE _____
7. ATTACH "NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION"
(Attach this document separately for each insurer selected loss cost multiplier.)

* The premium level change is the change in the insurer's annual collectible premium.

Builders' Mutual Casualty Company
Arkansas Rate Filing
Support Detail of NAIC Loss Cost Filing Document

3. Loss Cost Modification:

The loss cost modification factor of 1.2 was calculated by backing into that factor based on a company-desired loss cost multiplier of 2.0. The loss cost multiplier of 2.0 was arrived at based on previous experience as a Kansas group self-insured workers' compensation pool that utilized a fronting arrangement with Benchmark Insurance Company to provide coverage to members needing Arkansas coverage.

We have based our desired loss cost multiplier of 2.0 on the previously used multiplier by Benchmark and factored in our adverse loss experience and our desire to not be a competitive writer of workers' compensation coverage in Arkansas. Builders' Mutual Casualty Company will only be providing Arkansas coverage to our Kansas and Missouri domiciled contractors as an additional service in order to accommodate their needs when they have an opportunity to conduct work in the state of Arkansas.

4. Due to this being our initial filing and having not conducted business prior to July 1, 2008 we are providing our estimated budget amounts. These amounts were determined, in part, from our twenty-five years of experience as a group self-insured workers' compensation pool. During that time period we have utilized a 60% expected loss ratio, we pay a flat 6% commissions, we estimate general expenses of 22% and premium taxes to account for 2%. Again these are estimates that we have budgeted for. An expected loss ratio of 60% plus expenses of 30% provide for a 10% profit/contingency amount, which is what we have shown. In the past we have been required to maintain a 30% administrative expense ratio and plan to continue this practice, although not required.

4d. Explanation of how investment income is taken into account:

Investment income is included in item 4d as part of "profit and contingencies". Builders' Mutual Casualty Company believes we will produce a conservatively invested rate of return of just under five percent annually.

NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	001
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	NCCI – Filing Effective 7/1/08
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Company Name		Company NAIC Number	
3.	A.	Builders' Mutual Casualty Company	B. 13126

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A.	16.0 Workers' Compensation	B. 16.0004 Standard WC

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Initial Filing							
TOTAL OVERALL EFFECT							

6.		5 Year History		Rate Change History			
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
Initial Filing							

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	6
B. General Expense	22
C. Taxes, License & Fees	2
D. Underwriting Profit & Contingencies	10
E. Other (explain)	0
F. TOTAL	40

- 8.** Y Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** ---- Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** ---- Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____