

SERFF Tracking Number: HNVR-125745663 State: Arkansas
First Filing Company: Massachusetts Bay Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: DF-AR-08327-01R
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Filing at a Glance

Companies: Massachusetts Bay Insurance Company, The Hanover Insurance Company

Product Name: Dwelling Fire SERFF Tr Num: HNVR-125745663 State: Arkansas
TOI: 01.0 Property SERFF Status: Closed State Tr Num: EFT \$100
Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines) Co Tr Num: DF-AR-08327-01R State Status: Fees verified and received
Filing Type: Rate/Rule Co Status: Reviewer(s): Becky Harrington, Betty Montesi
Authors: Eleanor Doherty, Kathryn Husson, Cheryl Richards, Susan Whitworth Disposition Date: 09/05/2008
Date Submitted: 08/12/2008 Disposition Status: Filed
Effective Date Requested (New): 10/13/2008 Effective Date (New):
Effective Date Requested (Renewal): 10/13/2008 Effective Date (Renewal):
State Filing Description:

General Information

Project Name: Dwelling Fire
Project Number: DF-AR-08327-01R
Reference Organization:
Reference Title:
Filing Status Changed: 09/05/2008
State Status Changed: 08/13/2008
Corresponding Filing Tracking Number:
Filing Description:

Status of Filing in Domicile:
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:
Deemer Date:

With this filing, we submit a revision to our Dwelling Fire Program with a proposed effective date of 10/13/2008 for new and renewal business. We are revising base rates and introducing an Annual Rate Factor Rule. Please refer to the Explanatory Memorandum for specifics regarding this filing.

SERFF Tracking Number: HNVN-125745663 State: Arkansas
 First Filing Company: Massachusetts Bay Insurance Company, ... State Tracking Number: EFT \$100
 Company Tracking Number: DF-AR-08327-01R
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Company and Contact

Filing Contact Information

Eleanor Doherty, Product Specialist elfdoherty@hanover.com
 440 Lincoln Street (508) 855-3251 [Phone]
 Worcester, MA 01653 (508) 855-4311[FAX]

Filing Company Information

Massachusetts Bay Insurance Company	CoCode: 22306	State of Domicile: New Hampshire
440 Lincoln Street	Group Code: 88	Company Type: Property & Casualty
Worcester, MA 01653	Group Name: The Hanover Ins Group	State ID Number:
(508) 855-1000 ext. [Phone]	FEIN Number: 04-2217600	

The Hanover Insurance Company	CoCode: 22292	State of Domicile: New Hampshire
440 Lincoln Street	Group Code: 88	Company Type: Property & Casualty
Worcester, MA 01653	Group Name: The Hanover Ins Group	State ID Number:
(508) 855-1000 ext. [Phone]	FEIN Number: 13-5129825	

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: \$100.00 for each rate filing. \$100 X 1 = \$100
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Massachusetts Bay Insurance Company	\$100.00	08/12/2008	21903605
The Hanover Insurance Company	\$0.00	08/12/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	09/05/2008	09/05/2008
Filed	Becky Harrington	08/29/2008	08/29/2008

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	08/13/2008	08/13/2008

Response Letters

Responded By	Created On	Date Submitted
Eleanor Doherty	08/20/2008	08/25/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Base Rates	Rate	Susan Whitworth	09/04/2008	09/04/2008

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Re-Open Filing	Note To Reviewer	Susan Whitworth	09/02/2008	09/02/2008

SERFF Tracking Number: *HNVR-125745663* State: *Arkansas*
 First Filing Company: *Massachusetts Bay Insurance Company, ...* State Tracking Number: *EFT \$100*
 Company Tracking Number: *DF-AR-08327-01R*
 TOI: *01.0 Property* Sub-TOI: *01.0002 Personal Property (Fire and Allied Lines)*
 Product Name: *Dwelling Fire*
 Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

Disposition

Disposition Date: 09/05/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment: Disposition to re-close after addition of revised manual pages.

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:
Massachusetts Bay Insurance Company	5.000%	\$18,230	704	\$364,601	5.000%	5.000%	0.000%
The Hanover Insurance Company	5.000%	\$15,330	543	\$306,602	5.000%	5.000%	0.000%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	5.000%
Effect of Rate Filing-Written Premium Change For This Program	\$33,560
Effect of Rate Filing - Number of Policyholders Affected	1,247

SERFF Tracking Number: HNVR-125745663 State: Arkansas
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 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Item Type	Item Name	Item Status	Public Access
Supporting Document (revised)	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	Filed	Yes
Supporting Document	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines		Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document (revised)	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document (revised)	Actuarial Memorandum	Filed	Yes
Supporting Document	Actuarial Memorandum	Filed	Yes
Supporting Document	Rate/Rule Schedule	Filed	Yes
Rate (revised)	Base Rates	Filed	Yes
Rate	Base Rates		Yes
Rate (revised)	Annual Rate Factor	Filed	Yes
Rate	Annual Rate Factor		Yes
Rate	Rating Methodology	Filed	Yes

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Disposition

Disposition Date: 08/29/2008
 Effective Date (New): 10/13/2008
 Effective Date (Renewal): 10/13/2008
 Status: Filed
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Massachusetts Bay Insurance Company	5.000%	\$18,230	704	\$364,601	5.000%	5.000%	16.000%
The Hanover Insurance Company	5.000%	\$15,330	543	\$306,602	5.000%	5.000%	16.000%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	5.000%
Effect of Rate Filing-Written Premium Change For This Program	\$33,560
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Item Type	Item Name	Item Status	Public Access
Supporting Document (revised)	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	Filed	Yes
Supporting Document	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines		Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document (revised)	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document (revised)	Actuarial Memorandum	Filed	Yes
Supporting Document	Actuarial Memorandum	Filed	Yes
Supporting Document	Rate/Rule Schedule	Filed	Yes
Rate (revised)	Base Rates	Filed	Yes
Rate	Base Rates		Yes
Rate (revised)	Annual Rate Factor	Filed	Yes
Rate	Annual Rate Factor		Yes
Rate	Rating Methodology	Filed	Yes

SERFF Tracking Number: HNVR-125745663 State: Arkansas
First Filing Company: Massachusetts Bay Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: DF-AR-08327-01R
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 08/13/2008

Submitted Date 08/13/2008

Respond By Date

Dear Eleanor Doherty,

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: The HPCS must not be altered. Please remove the additional worksheet that was added.

Provide an HPCS for Mass Bay.

Objection 2

- Annual Rate Factor (Rate)

Comment: The annual rate factor does not comply with AR statutes. Pursuant to Arkansas Code Annotated 23-67-211 all rates, supplementary rate information and supporting information must be filed with the Department. The proposed factor allows for a future unknown/undetermined component. The factor and supporting justification used to determine it must be filed each year. Please withdraw the rule and make appropriate rate filings at such times as they are needed.

Objection 3

- Actuarial Memorandum (Supporting Document)

Comment: Although it has been several years since these companies have filed rate changes, all requests for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Please revise all applicable manual pages, exhibits and required forms.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

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Product Name: Dwelling Fire
Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 08/20/2008
Submitted Date 08/25/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: The following are our responses to the objections.

Objection 1

HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: The HPCS must not be altered. Please remove the additional worksheet that was added. Provide an HPCS for Mass Bay.

Response: The forms (Hanover, Mass Bay) are being resubmitted with changes as requested.

Objection 2

Annual Rate Factor, Page 9 (Rate)

Comment: The annual rate factor does not comply with AR statutes. Pursuant to Arkansas Code Annotated 23-67-211 all rates, Supplementary rate information and supporting information must be filed with the Department. The proposed factor allows for a future Unknown/undetermined component. The factor and supporting justification used to determine it must be filed each year. Please withdraw the rule and make appropriate rate filings at such times as they are needed.

Response: We are withdrawing the Annual Rate Factor rule. Reference to this rule has been removed from the Transmittal Form and marked as withdrawn on the rate/rule schedule tab.

Objection 3

Actuarial Memorandum (Supporting Document)

Comment: Although it has been several years since these companies have filed rate changes, all requests for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

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Product Name: Dwelling Fire
Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Response: We are submitting a rate indication and all the supporting exhibits. Please see the memorandum and exhibits 1 to 8. The fields on the rate/rule schedule tab can not be revised so I have attached, as a supporting document, a .pdf file with the revised information.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

The HPCS must not be altered. Please remove the additional worksheet that was added.

Provide an HPCS for Mass Bay.

Related Objection 2

Applies To:

- Annual Rate Factor (Rate)

Comment:

The annual rate factor does not comply with AR statutes. Pursuant to Arkansas Code Annotated 23-67-211 all rates, supplementary rate information and supporting information must be filed with the Department. The proposed factor allows for a future unknown/undetermined component. The factor and supporting justification used to determine it must be filed each year. Please withdraw the rule and make appropriate rate filings at such times as they are needed.

Related Objection 3

Applies To:

- Actuarial Memorandum (Supporting Document)

Comment:

Although it has been several years since these companies have filed rate changes, all requests for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines

Comment: Revised copies of RF-1 for Hanover and Mass Bay are attached.

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 Company Tracking Number: DF-AR-08327-01R
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment: I have attached both the excel and .pdf version of the files.

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Comment:

Satisfied -Name: Actuarial Memorandum

Comment: Attached is an Actuarial Memorandum, including the rate indication data and supporting exhibits 1-8.

Satisfied -Name: Rate/Rule Schedule

Comment: Since the rate/rule schedule tab could not be revised, attached is a .pdf file containing the new information for the indication.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Annual Rate Factor	Page 9	Withdrawn	
Previous Version			
Annual Rate Factor	Page 9	New	

Sincerely,
 Cheryl Richards, Eleanor Doherty, Kathryn Husson, Susan Whitworth

SERFF Tracking Number: *HNVR-125745663* State: *Arkansas*
 First Filing Company: *Massachusetts Bay Insurance Company, ...* State Tracking Number: *EFT \$100*
 Company Tracking Number: *DF-AR-08327-01R*
 TOI: *01.0 Property* Sub-TOI: *01.0002 Personal Property (Fire and Allied Lines)*
 Product Name: *Dwelling Fire*
 Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

Amendment Letter

Amendment Date:
 Submitted Date: 09/04/2008

Comments:

Dear Ms. Harrington,

Due to a rounding error in the generation of our manual rate pages, we are submitting corrected pages, RS-1 and RS-2. The difference in the base rates is no more than a \$1. The effect of this rate revision remains 5 percent. We apologize for this error.

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
Base Rates	RS-1 and RS-2	Replacement	Previous State Filing Num: not available - 1998	AR DF Manual Page RS-1; RS-2 revised.pdf

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TOI: *01.0 Property* *Sub-TOI:* *01.0002 Personal Property (Fire and Allied Lines)*

Product Name: *Dwelling Fire*
Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

Note To Reviewer

Created By:

Susan Whitworth on 09/02/2008 03:23 PM

Subject:

Re-Open Filing

Comments:

Dear Ms. Harrington,

Would it be possible to re-open this filing? We noticed after we received approval for this filing that we need to correct two of the rate structure pages in the manual. We noticed a rounding error in calculations on the two rate structure pages (RS-1 and RS-2) of the manual.

Thank you,

Susan Whitworth

(508)-855-4664

swhitworth@hanover.com

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First Filing Company:	Massachusetts Bay Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	DF-AR-08327-01R		
TOI:	01.0 Property	Sub-TOI:	01.0002 Personal Property (Fire and Allied Lines)
Product Name:	Dwelling Fire		
Project Name/Number:	Dwelling Fire/DF-AR-08327-01R		

Rate Information

Rate data applies to filing.

Filing Method:	File and Use
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	-5.500%
Effective Date of Last Rate Revision:	07/01/1998
Filing Method of Last Filing:	File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Massachusetts Bay Insurance Company	0.000%	5.000%	\$18,230	704	\$364,601	5.000%	5.000%
The Hanover Insurance Company	0.000%	5.000%	\$15,330	543	\$306,602	5.000%	5.000%

Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated:	0.000%
Overall Percentage Rate Impact For This Filing:	5.000%
Effect of Rate Filing - Written Premium Change For This Program:	\$33,560

SERFF Tracking Number: *HNVR-125745663* State: *Arkansas*
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 Company Tracking Number: *DF-AR-08327-01R*
 TOI: *01.0 Property* Sub-TOI: *01.0002 Personal Property (Fire and Allied Lines)*
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 Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Attachments
Filed	Base Rates	RS-1 and RS-2	Replacement	not available - 1998	AR DF Manual Page RS-1; RS-2 revised.pdf
Filed	Annual Rate Factor	Page 9	Withdrawn		
Filed	Rating Methodology	Page 19	Replacement	not available - 1994	AR DF Manual Page 19 - 10.13.08.pdf

HANOVER/MASS BAY

ARKANSAS

DWELLING FIRE

STANDARD COMPANY - HANOVER

PREFERRED COMPANY - MASSACHUSETTS BAY

Base Rates - (\$20,000)
Coverage A; Non-Seasonal

Base Rates - (\$20,000)
Coverage A; Non-Seasonal

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	116	56	84	100
2	138	56	84	100
3	192	56	84	100
4	246	56	84	100
5	153	56	84	100
6	184	56	84	100
7	200	56	84	100
8	277	56	84	100
9	353	56	84	100
10	65	39	59	70
11	78	39	59	70
12	107	39	59	70
13	138	39	59	70
14	86	39	59	70
15	86	39	59	70
16	111	39	59	70
17	155	39	59	70
18	197	39	59	70
19	90	43	65	78
20	107	43	65	78
21	150	43	65	78
22	192	43	65	78
23	120	43	65	78
24	144	43	65	78
25	155	43	65	78
26	216	43	65	78
27	275	43	65	78

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	104	50	76	90
2	124	50	76	90
3	173	50	76	90
4	221	50	76	90
5	138	50	76	90
6	166	50	76	90
7	180	50	76	90
8	249	50	76	90
9	318	50	76	90
10	59	35	53	63
11	70	35	53	63
12	96	35	53	63
13	124	35	53	63
14	77	35	53	63
15	77	35	53	63
16	100	35	53	63
17	140	35	53	63
18	177	35	53	63
19	81	39	59	70
20	96	39	59	70
21	135	39	59	70
22	173	39	59	70
23	108	39	59	70
24	130	39	59	70
25	140	39	59	70
26	194	39	59	70
27	248	39	59	70

<u>KEY FACTORS</u>	<u>COV A</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.00
<u>V&MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

HANOVER/MASS BAY

ARKANSAS

DWELLING FIRE

STANDARD COMPANY - HANOVER

PREFERRED COMPANY - MASSACHUSETTS BAY

Base Rates - (\$6,000)

Base Rates - (\$6,000)

Coverage C; Non-Seasonal

Coverage C; Non-Seasonal

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	33	5	13	13
2	39	5	13	13
3	54	5	13	13
4	69	5	13	13
5	43	5	13	13
6	51	5	13	13
7	56	5	13	13
8	78	5	13	13
9	99	5	13	13
10	23	4	8	8
11	27	4	8	8
12	38	4	8	8
13	48	4	8	8
14	30	4	8	8
15	30	4	8	8
16	39	4	8	8
17	55	4	8	8
18	69	4	8	8
19	25	4	9	9
20	30	4	9	9
21	42	4	9	9
22	54	4	9	9
23	34	4	9	9
24	40	4	9	9
25	43	4	9	9
26	61	4	9	9
27	77	4	9	9

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	30	5	12	12
2	35	5	12	12
3	49	5	12	12
4	62	5	12	12
5	39	5	12	12
6	46	5	12	12
7	50	5	12	12
8	70	5	12	12
9	89	5	12	12
10	21	4	7	7
11	24	4	7	7
12	34	4	7	7
13	43	4	7	7
14	27	4	7	7
15	27	4	7	7
16	35	4	7	7
17	50	4	7	7
18	62	4	7	7
19	23	4	8	8
20	27	4	8	8
21	38	4	8	8
22	49	4	8	8
23	31	4	8	8
24	36	4	8	8
25	39	4	8	8
26	55	4	8	8
27	69	4	8	8

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.00
<u>V&MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**DWELLING POLICY PROGRAM
RATING METHODOLOGY EXHIBIT**

- Step 1:** For Coverage A and/or Coverage C find the premium(s) on the appropriate rate pages (Hanover or Mass Bay, if applicable) by:
- a) Occupancy Group (owner or non-owner)
 - b) Policy Form
 - c) Coverages Selected
 - d) Limit Chosen
- Step 2:** If dwelling is seasonal, multiply the Coverage A and/or Coverage C premiums by the seasonal factor displayed on the rate pages and round.
- Step 3:** If the number of families is greater than 2, multiply the Coverage A and/or Coverage C premiums by the # of families factor displayed on the rate pages and round.
- Step 4:** Steps 1-3 will provide you with a Coverage A and/or Coverage C premium. To develop the BASE PREMIUM, add the coverage A and Coverage C premiums together.
- Step 5:** Calculate any applicable credits by using the BASE PREMIUM.
- Step 6:** Add premium(s) for Section II Liability (if applicable).
- Step 7:** Add premium(s) for Additional Premium Endorsements (if applicable).
- Step 8:** Multiply the adjusted base premium by the Annual Rate factor

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<i>First Filing Company:</i>	<i>Massachusetts Bay Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>DF-AR-08327-01R</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0002 Personal Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Dwelling Fire</i>		
<i>Project Name/Number:</i>	<i>Dwelling Fire/DF-AR-08327-01R</i>		

Supporting Document Schedules

Satisfied -Name:	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	Review Status:	Filed	08/29/2008
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Comments:

Revised copies of RF-1 for Hanover and Mass Bay are attached.

Attachments:

AR RF-1 loss_cost_data_entry(hanover) - Revised.pdf
 AR RF-1 loss_cost_data_entry(Mass Bay) - Revised.pdf

Satisfied -Name:	HPCS-Homeowners Premium Comparison Survey	Review Status:	Filed	08/29/2008
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Comments:

I have attached both the excel and .pdf version of the files.

Attachments:

AR Home Survey FORM HPCS (Hanover).xls
 AR Home Survey FORM HPCS (Mass Bay).xls
 AR Home Survey FORM HPCS (Hanover).pdf
 AR Home Survey FORM HPCS (Mass Bay).pdf

Bypassed -Name:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Review Status:	Filed	08/29/2008
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Bypass Reason: This does not apply to this filing.

Comments:

Satisfied -Name:	Uniform Transmittal Document-Property & Casualty	Review Status:	Filed	08/29/2008
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Comments:

Attachments:

AR PC TD for DF 10-13-08 - Revised.pdf

SERFF Tracking Number: *HNVR-125745663* *State:* *Arkansas*
First Filing Company: *Massachusetts Bay Insurance Company, ...* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *DF-AR-08327-01R*
TOI: *01.0 Property* *Sub-TOI:* *01.0002 Personal Property (Fire and Allied Lines)*

Product Name: *Dwelling Fire*
Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

AR RR FS for DF 10-13-08 Revised.pdf

SERFF Tracking Number: HNVR-125745663 State: Arkansas
First Filing Company: Massachusetts Bay Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: DF-AR-08327-01R
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: Dwelling Fire/DF-AR-08327-01R

Review Status:

Satisfied -Name: Actuarial Memorandum Filed 08/29/2008

Comments:

Attached is an Actuarial Memorandum, including the rate indication data and supporting exhibits 1-8.

Attachments:

AR DF Actuarial Filing Memo.pdf
AR filing support (CW).pdf

Review Status:

Satisfied -Name: Rate/Rule Schedule Filed 08/29/2008

Comments:

Since the rate/rule schedule tab could not be revised, attached is a .pdf file containing the new information for the indication.

Attachment:

AR DF Rate-Rule Schedule Data Revised.pdf

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

1.	This filing transmittal is part of Company Tracking #	DF-AR-08327-01R
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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	
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		Company Name			Company NAIC Number
3.	A.	Hanover	B.	0088-22292	
		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.	Property	B.	Fire and Allied Lines	

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
Dwelling Fire	16.0%	5.0%					
TOTAL OVERALL EFFECT	16.0%	5.0%					

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		
2003	241	0.0%	-	83,222	4,797	.06			
2004	362	0.0%	-	135,156	16,989	.13			
2005	483	0.0%	-	194,516	85,160	.44			
2006	524	0.0%	-	237,564	198,211	.83			
2007	543	0.0%	-	272,818	88,789	.33			

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	15.1%
B. General Expense	11.5%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	5.2%
E. Other (explain)	9.4%
F. TOTAL	44.8%

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 5.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** 5.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

NAIC Number: 0088-22292
 Company Name: Hanover
 Contact Person: Eleanor F. Doherty
 Telephone No.: 508-855-3251
 Email Address: elfdoherty@hanover.com
 Effective Date: 10/13/2008

**Homeowners Premium Comparison Survey Form
 FORM HP3S - last modified August, 2005**

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment to: insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
 BLANK**

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000																		
	\$15,000																		
	\$25,000																		
6	\$5,000																		
	\$15,000																		
	\$25,000																		
9	\$5,000																		
	\$15,000																		
	\$25,000																		

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	364	431	364	431	364	431	364	431	364	431	364	431	364	431	364	431	285	337
	\$120,000	479	567	479	567	479	567	479	567	479	567	479	567	479	567	479	567	375	444
	\$160,000	594	704	594	704	594	704	594	704	594	704	594	704	594	704	594	704	464	550
6	\$80,000	364	431	364	431	364	431	364	431	364	431	364	431	364	431	364	431	285	337
	\$120,000	479	567	479	567	479	567	479	567	479	567	479	567	479	567	479	567	375	444
	\$160,000	594	704	594	704	594	704	594	704	594	704	594	704	594	704	594	704	464	550
9	\$80,000	500	650	500	650	500	650	500	650	500	650	500	650	500	650	500	650	391	509
	\$120,000	659	858	659	858	659	858	659	858	659	858	659	858	659	858	659	858	515	671
	\$160,000	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	639	833

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher %
 Burglar Alarm %
 Smoke Alarm %

Deadbolt Lock %
 Window Locks %
 \$1,000 Deductible %
 Other (specify) %
 Maximum Credit Allowed %

EARTHQUAKE INSURANCE

IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover.

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

Zone
 Highest Risk \$ \$
 Lowest Risk \$ \$

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

NAIC Number: 0088-22306
 Company Name: Mass Bay
 Contact Person: Eleanor F. Doherty
 Telephone No.: 508-855-3251
 Email Address: elfdoherty@hanover.com
 Effective Date: 10/13/2008

**Homeowners Premium Comparison Survey Form
 FORM HP3S - last modified August, 2005**

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment to: insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
 BLANK**

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Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000																		
	\$15,000																		
	\$25,000																		
6	\$5,000																		
	\$15,000																		
	\$25,000																		
9	\$5,000																		
	\$15,000																		
	\$25,000																		

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	364	431	364	431	364	431	364	431	364	431	364	431	364	431	364	431	285	337
	\$120,000	479	567	479	567	479	567	479	567	479	567	479	567	479	567	479	567	375	444
	\$160,000	594	704	594	704	594	704	594	704	594	704	594	704	594	704	594	704	464	550
6	\$80,000	364	431	364	431	364	431	364	431	364	431	364	431	364	431	364	431	285	337
	\$120,000	479	567	479	567	479	567	479	567	479	567	479	567	479	567	479	567	375	444
	\$160,000	594	704	594	704	594	704	594	704	594	704	594	704	594	704	594	704	464	550
9	\$80,000	500	650	500	650	500	650	500	650	500	650	500	650	500	650	500	650	391	509
	\$120,000	659	858	659	858	659	858	659	858	659	858	659	858	659	858	659	858	515	671
	\$160,000	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	818	1067	639	833

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher %
 Burglar Alarm %
 Smoke Alarm %

Deadbolt Lock %
 Window Locks %
 \$1,000 Deductible %
 Other (specify) %
 Maximum Credit Allowed %

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IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover.

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

Zone
 Highest Risk \$ Brick Frame
 Lowest Risk \$ Brick Frame

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

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="border: none;">New Business</td> <td style="border: none; width: 150px;"></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 #
The Hanover Insurance Company	088

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
The Hanover Insurance Company	NH	22292	13-5129825	
Massachusetts Bay Insurance Company	NH	22306	04-2217600	

5. Company Tracking Number	DF-AR-08327-01R
-----------------------------------	------------------------

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

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Eleanor Doherty 440 Lincoln St. Worcester, MA 01653	Product Specialist	508-855-3251	508-855-4311	elfdoherty@hanover.com

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

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

9. Type of Insurance (TOI)	01.0 Property
10. Sub-Type of Insurance (Sub-TOI)	01.0002 Personal Property (Fire and Allied Lines)
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Dwelling Fire
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: October 13, 2008 Renewal: October 13, 2008

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	DF-AR-0832701R
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
------------	--

With this filing, we are submitting a base rate revision to our Dwelling Fire Program with a proposed effective date of 10/13/2008 for new and renewal business. Please refer to the Explanatory Memorandum for specifics regarding this filing.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
------------	---

Check #: EFT
Amount: \$100.00

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

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

RATE/RULE FILING SCHEDULE

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

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

1.	This filing transmittal is part of Company Tracking #	DF-AR-08327-01R
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
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Rate Increase Rate Decrease Rate Neutral (0%)

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

4a.	Rate Change by Company (As Proposed)						
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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)
Hanover Ins Company	16.0%	5.0	15,330	543	306,602	5.0	5.0
Mass Bay Insurance Company	16.0%	5.0	18,230	704	364,601	5.0	5.0

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)	16.0%	
5b.	Overall percentage rate impact for this filing	5.0	
5c.	Effect of Rate Filing – Written premium change for this program	33,560	
5d.	Effect of Rate Filing – Number of policyholders affected	1,247	

6.	Overall percentage of last rate revision	-5.5
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7.	Effective Date of last rate revision	7/1/1998
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File and Use
-----------	---	--------------

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Rate Pages – RS-1 & RS-2	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	Rating Methodology – Page 19	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03			

THE HANOVER INSURANCE GROUP
ARKANSAS DWELLING FIRE
RATE PROPOSAL EFFECTIVE 10/13/2008
OVERALL INDICATION DESCRIPTION

General Philosophy: Hanover writes almost \$15 million annually in dwelling fire and rental dwelling line of business across 17 states. Arkansas comprises approximately 5% of the total book of business. Due to very small credibility of Arkansas specific data, we are using countrywide data to develop the rate indication.

Support for Overall Increase: Our proposal of a +5.0% increase is effected through base rate changes only, as no other aspects of the rating structure were revised. The effective dates for the proposal are 10/13/2008 for new and renewal business.

Description of Actuarial Calculations:

The underlying experience is that of the Hanover Insurance Companies. Experience for the most recently available five year review period (01/01/2003 to 12/31/2007) is on a calendar/accident year basis. Because of the small amount of exposures in Arkansas, countrywide data was used to derive an indicated rate change.

Hanover assigns cat codes based on both internal company criteria (1,500 claims producing \$500,000 in incurred loss) and industry losses (PCS Codes) for non-hurricane cat losses. The cat numbers are associated with a type of loss description. Cats with a hurricane indicator were considered hurricane and cats without a hurricane indicator were considered non-hurricane cats.

Full credibility standard of 40,000 Earned House Years is used. Partial credibility is determined using the square root rule.

On-Level Premiums

Reported premiums are adjusted to current rate level by using the parallelogram method. During the five-year experience period, no rate changes took place.

Premium Trend

Exhibit 2 calculates the average exponential premium trend rate used in the indications. First, earned premium is adjusted to current rate level in column (4). Next, average on-level premium for each experience period is computed in column (5). After looking at premium trend for the three most recent years, we have made a selection of +7.3%.

Loss Trend

Industry ISO Non-Cat Loss Trend data was used (Exhibit 3) to calculate the loss trend component. A severity of +8.2% was selected by fitting an exponential curve to 6 data points. Frequency trend was selected at +1.2%. A pure premium trend of +9.5% was implied from the frequency and severity trend selections. Loss trend factors project losses from the midpoint of each accident year to one year past the assumed renewal effective date (11/10/2008).

Loss Development

Countrywide, non-cat, incurred loss data was used to determine loss development factors (Exhibit 4).

ALAE Allocations

ALAE as a percentage of incurred losses (Exhibit 6) was derived with countrywide data using projections of losses along with ALAE.

ULAE Allocations

Exhibit 8 includes detail of the derivation of the +5.7% unallocated loss adjustment expense load. The ULAE-to-Loss ratio was selected using countrywide data.

Expense Provisions

Exhibit 7 lists expense provision in the rates. The selected commission ratio is our actual 2007 commission ratio for Arkansas policies. Countrywide general and other acquisition expenses were the finest detail available. Expected Premium Taxes, Miscellaneous Licenses & Fees were based on a review of IEE data.

Profit and Contingency Factor

The profit and contingency factor is outlined in Exhibit 8.1 and calculations in Exhibit 8.2.

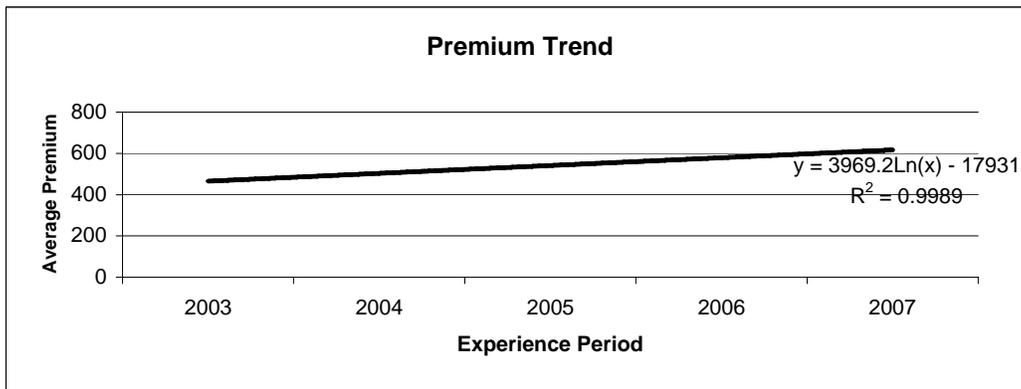
Countrywide (ex. LA and FL)
Dwelling Fire Rate Indication for Rates Effective 10/13/2008 - Ex Cat Methodology
Combined Coverage

		Accident Year Ending:				
		<u>12/31/03</u>	<u>12/30/04</u>	<u>12/31/05</u>	<u>12/31/06</u>	<u>12/31/07</u>
1	Earned Premium	7,954,525	8,053,404	8,109,796	8,466,520	8,856,642
2	Current Rate Level Factor	1.000	1.000	1.000	1.000	1.000
3 = 1-2	Premium at CRL	7,954,525	8,053,404	8,109,796	8,466,520	8,856,642
4	Annual Premium Trend	7.3%	7.3%	7.3%	7.3%	7.3%
5	Premium Trend Factor	1.557	1.451	1.352	1.260	1.175
6 = 3-5	Trended Premium	12,386,956	11,689,252	10,967,471	10,671,278	10,403,887
7	Incurred Loss Evaluated @ excl Cat 12/31/2007	3,413,303	3,255,838	3,550,818	4,326,881	3,371,979
9 = 7 - 8	Basic Incurred Loss	3,413	3,256	3,551	4,327	3,372
11	Loss Development Factor:	0.987	0.985	1.014	1.007	1.083
12 = 9-11	Estimated Ultimate Incurred Loss	3,370,233	3,206,722	3,600,065	4,358,684	3,650,776
13	Est. Annual Loss Trend	9.5%	9.5%	9.5%	9.5%	9.5%
14	Loss Trend Factor	1.769	1.616	1.475	1.347	1.230
15 = 14-12	Trended Incurred Losses	5,960,786	5,180,621	5,309,970	5,871,649	4,491,722
16	ALAE (% of Loss)	5.1%	5.1%	5.1%	5.1%	5.1%
17 = (1.00 +16)·15	Trended Loss & ALAE	6,266,120	5,445,992	5,581,967	6,172,416	4,721,805
18	Projected Loss & ALAE Ratio	50.6%	46.6%	50.9%	57.8%	45.4%
19	Accident Year Weights	10.0%	15.0%	20.0%	25.0%	30.0%
20 = Sum(19-18)	Projected (Formula Weighted) Loss & ALAE Ratio					50.3%
21a	Hurricane Loss & ALAE Ratio					0.0%
21b	Other Catastrophes Loss & ALAE Ratio					15.9%
22	Permissible Loss & ALAE Ratio Excluding All Catastrophes (to yield a Combined Ratio of 94.8%)					39.3%
23	Loss Ratio Trend Factor					2.0%
24 = (1+(23))*(22)	Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					40.1%
24a	Fixed Expense					13.3%
24b	Variable Expense(incl Profit)					31.5%
25a	Earned House Years	17,174	15,954	14,977	14,577	14,415
25b	Credibility					100.0%
25c	Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					50.3%
26 =	Indicated Rate Change					16.0%
	(25c + 21a + 21b+24a) / (1-24b)-1					

The Hanover Group Countrywide: Combined Coverage

Premium Trend Calculation

Calendar Year Ending	(1) Earned House Years	(2) Earned Premiums	(3) Current Rate Level Factors	(4)=(2)x(3) On-Level Earned Premium	(5)=(4)/(1)x1000 Average Adjusted Premium	Avg EP
12/31/2003	17,174	7,954,525	1.000	7,954,525	463	463
12/31/2004	15,954	8,053,404	1.000	8,053,404	505	505
12/31/2005	14,977	8,109,796	1.000	8,109,796	541	541
12/31/2006	14,577	8,466,520	1.000	8,466,520	581	581
12/31/2007	14,415	8,856,642	1.000	8,856,642	614	614



Fitting an exponential curve to the data above yields a premium Trend of: 7.3%.

Fitted Trend 7.3%

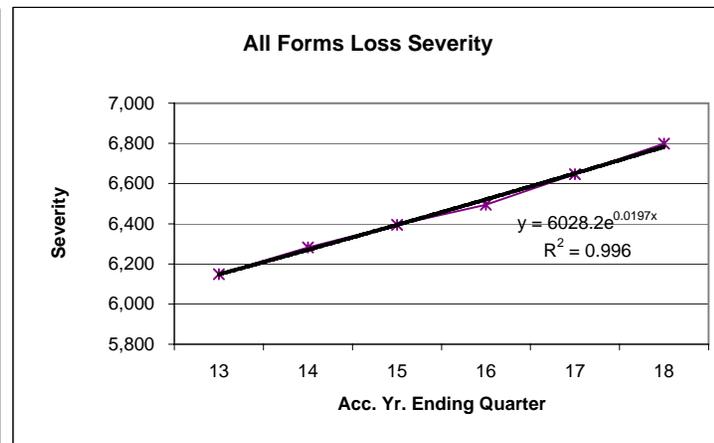
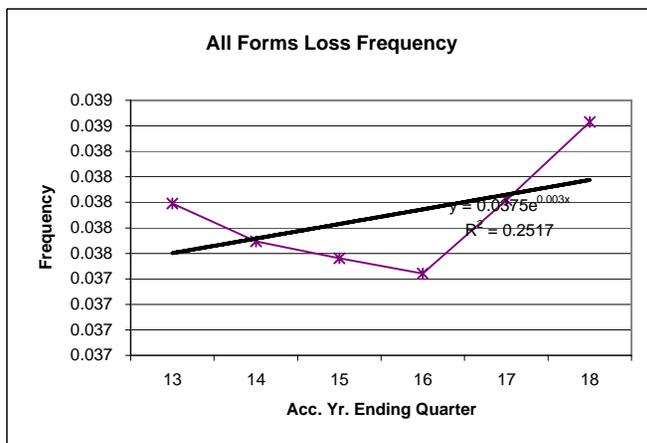
Select: **7.3%**

Note: Data come from Imart. Earned house years is estimated from year-end PIF counts.

Countrywide Loss Trend Selections All HO Policy Forms Combined, ISO Data Excluding Catastrophes

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rolling 12 Month	Quarter X Value	Exposure	Claims	Paid Losses	=(4)/(3) Frequency	=(5)/(4) Severity
6	2003/06	1	25,366,730	1,479,345	7,291,502,676	0.058	4,929
9	2003/09	2	25,423,812	1,373,202	6,819,379,189	0.054	4,966
12	2003/12	3	25,808,671	1,291,495	6,513,887,347	0.050	5,044
3	2004/03	4	26,293,670	1,244,053	6,358,911,236	0.047	5,111
6	2004/06	5	26,764,821	1,203,639	6,238,979,310	0.045	5,183
9	2004/09	6	27,063,315	1,146,056	6,117,796,498	0.042	5,338
12	2004/12	7	27,305,396	1,100,117	5,984,313,850	0.040	5,440
3	2005/03	8	27,527,495	1,079,433	6,008,684,554	0.039	5,567
6	2005/06	9	27,754,837	1,053,465	6,032,300,704	0.038	5,726
9	2005/09	10	27,968,899	1,291,495	6,182,758,537	0.046	4,787
12	2005/12	11	28,195,380	1,076,400	6,365,938,951	0.038	5,914
3	2006/03	12	28,405,353	1,080,068	6,529,131,818	0.038	6,045
6	2006/06	13	28,625,697	1,087,529	6,686,419,618	0.038	6,148
9	2006/09	14	28,849,553	1,087,476	6,832,277,222	0.038	6,283
12	2006/12	15	29,087,134	1,092,543	6,986,529,944	0.038	6,395
3	2007/03	16	29,301,327	1,097,121	7,125,479,130	0.037	6,495
6	2007/06	17	29,486,769	1,121,040	7,451,563,229	0.038	6,647
9	2007/09	18	29,636,587	1,144,888	7,784,544,009	0.039	6,799

6 Points: 1.2% 8.2%
Selected Trends (frequency, severity, loss): 1.2% 8.2% 9.5%



Note: Data is from Fast Track (Industry data)

The Hanover Insurance Group
Countrywide: Combined Coverage
Loss Development Factors
Countrywide: Non-CAT Incurred Losses (\$000)

Acc. Yr. Ending	Months Development									
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
12/31/1998	4,887	4,716	4,725	4,790	4,818	4,787	4,798	4,798	4,836	4,836
12/31/1999	2,842	3,986	3,909	4,041	4,052	3,971	3,968	3,968	3,943	
12/31/2000	3,110	3,172	3,262	3,327	3,458	3,384	3,387	3,387		
12/31/2001	2,210	2,344	2,373	2,535	2,320	2,293	2,293			
12/31/2002	2,968	3,046	3,053	3,319	3,290	3,288				
12/31/2003	3,000	3,123	3,418	3,418	3,413					
12/31/2004	3,281	3,419	3,303	3,256						
12/31/2005	3,134	3,678	3,551							
12/31/2006	3,791	4,327								
12/31/2007	3,372									

Acc. Yr.	Link Ratios									
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-Ending</u>
12/31/1998	0.965	1.002	1.014	1.006	0.994	1.002	1.000	1.008	1.000	1.000
12/31/1999	1.402	0.981	1.034	1.003	0.980	0.999	1.000	0.994	0.000	1.000
12/31/2000	1.020	1.028	1.020	1.039	0.979	1.001	1.000			
12/31/2001	1.061	1.012	1.068	0.915	0.989	1.000				
12/31/2002	1.027	1.002	1.087	0.991	1.000					
12/31/2003	1.041	1.095	1.000	0.999						
12/31/2004	1.042	0.966	0.986							
12/31/2005	1.174	0.965								
12/31/2006	1.141									
12/31/2007										

Method	Average Link Ratios									
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-Ending</u>
3-yr	1.119	1.009	1.024	0.968	0.989	1.000	1.000	1.001	1.000	1.000
5-yr	1.085	1.008	1.032	0.989	0.988	1.001	1.000	1.001	1.000	1.000
all-yr	1.097	1.006	1.030	0.992	0.988	1.001	1.000	1.001	0.500	1.000
all-yr wtd.	1.089	1.004	1.027	0.996	0.988	1.001	1.000	1.001	1.000	1.000
5-yr x/ hi,low	1.075	0.994	1.029	0.998	0.987	#N/A	#N/A	#N/A	#N/A	#N/A
SELECTED	1.075	0.994	1.029	0.998	0.987	1.000	1.000	1.000	1.000	1.000
ULTIMATE	1.083	1.007	1.014	0.985	0.987	1.000	1.000	1.000	1.000	1.000

Note: Data comes from Imart

**The Hanover Insurance Group
Countrywide ALAE to Loss Ratio**

Acc. Yr. <u>Ending</u>	ALAE <u>As Of 3/31/2008</u>	Losses <u>As Of 3/31/2008</u>	Reprted <u>ALAE Ratio</u>
12/31/2003	191,589	5,284,022	3.6%
12/31/2004	288,205	6,154,734	4.7%
12/31/2005	568,266	10,967,836	5.2%
12/31/2006	654,053	11,002,007	5.9%
12/31/2007	286,963	5,602,148	5.1%
All Years	1,989,076	39,010,746	5.1%
		3 Yr. Average	5.4%
		5 Yr. Average	4.9%
		All Yr. Ex. Hi/Lo	5.1%
		Selected	5.1%

Note: Data comes from Imart. Varies by coverage

**The Hanover Insurance Group
Countrywide: Combined Coverage
ULAE-to-Premium Ratio**

Year	Earned Premium Col. 3	Incurred AAO Col. 11	ULAE Ratio
2003	20,089	1,024	5.1%
2004	20,855	954	4.6%
2005	25,557	1,463	5.7%
2006	30,075	2,481	8.2%
2007	33,605	1,712	5.1%

2-yr Average	6.7%
3-yr Average	6.4%
5-yr Average	5.7%
Selected	5.7%

Note: Data from Annual Statement and not state specific. Is specified by combined coverage, allied lines, or dwelling. Data does include all forms.

The Hanover Insurance Group
PROSPECTIVE EXPENSE PROVISIONS (% OF PREMIUM):
AR DWELLING FIRE

Category of Expected Expense	Fixed Expense Loading *	Variable Expense Loading	Total Expense Loading	
Commissions		15.1%	15.1%	Coded to Policy
Other Acquisition	1.8%	1.8%	3.7%	From IEE (Lines 1 & 2.1)
General	5.7%	5.7%	11.5%	From IEE (Lines 1 & 2.1)
Premium Taxes		3.6%	3.6%	From Page 14 Annual Statement
Misc. Licenses & Fees	0.0%	0.0%	0.0%	
Profit & Contingency		5.2%	5.2%	From IRR Model
Reins. Cost		0.0%	0.0%	
ULAE (% of Premium)	5.7%		5.7%	
TOTAL EXPENSES	13.3%	31.5%	44.8%	
PERMISSIBLE LOSS & ALAE Ratio			55.2%	

Reflection of Investment Income in Rates AR Dwelling Fire

Hanover Insurance Group utilizes an Internal Rate of Return (IRR) model to determine the profit provision for our various lines of business. The IRR is the expected rate of return generated from modeling insurance company operations. Hanover Insurance Group targets a 15% after-tax rate of return. This implies that the underwriting and investment income attributable to the insurance transaction yields a 15% return on the required equity to support the insurance writings.

The results for the Other Personal Lines Line of Business, which includes dwelling fire business, are shown in the following pages. The total combined ratio is 94.8%, which yields underwriting profit provisions of 5.2%.

The IRR model is a single policyholder model. This means the profit provision is determined by modeling the cash flows for a hypothetical policyholder. The cash flows in the IRR model can be segregated into three categories: Premium, Loss and Expense.

Listed below are the expense percentages. The split of General and Other Acquisition expenses between fixed and variable was based on a review of our Insurance Expense Exhibit.

Expense	
ULAE	5.7%
Commission	15.1%
Other Acquisition	3.7%
General Expense	11.5%
Taxes	3.6%
Dividends	0.0%

To properly model the cash flows requires estimating when the premium is collected and expenses are paid. The premium collection pattern is based on a countrywide analysis of the payment plans for the Other Personal Lines book of business. Premium is earned evenly over the policy term. The acquisition expenses are paid as premium is collected with all other expenses, excluding dividends, paid as premium is earned. Dividends are not applicable to this line of business.

The Loss and ALAE payment pattern is based on a countrywide analysis of our direct paid and incurred loss development triangles. The forecast Loss Ratio (including expected CAT losses) is an input to the model and represents the actuarial expected losses at the same premium level as the Premium-to-Surplus ratio (needed for consistency within the model). The undiscounted Loss and ALAE reserve represents the difference between the incurred Loss and ALAE and any payments made to date. The published IRS discount factors are used to determine the Discounted Loss Reserve used in the income tax calculation.

The unearned premium and loss reserves were determined from the expense and loss payment patterns. The required surplus is based on the Other Personal Lines Reserve-to-Surplus assumption. This analysis assumed overall Premium-to-Surplus ratios of 2.56. The total surplus was allocated to individual lines of business based on the risk associated with a particular line. For Other Personal Lines, 1.62 Reserve-to-Surplus ratios were assumed. The Total Assets is the sum of the Unearned Premium and Loss Reserves plus Required Surplus. The assets available for investment are the Total Assets less any Premium Receivable and Paid Expense.

The investment income is that attributable to the Average Invested Assets from the balance sheet. A pre-tax investment yield of 5.2% was used. The Statutory Underwriting Income represents the difference between earned premium and incurred loss and expense. The model assumes expense is incurred based on each expense component's assumed patterns. The Change in Surplus represents the difference between the ending and beginning Required Surplus from the Balance Sheet. The Post-tax Equity Flow is the difference between the Statutory Pre-tax Income and the Change in Surplus adjusted for the estimated Income Tax. These equity flows are what is evaluated to determine the implied internal rate of return.

The tax rate assumed in the model is 31.5%.

**AR Dwelling Fire
Effective 10/13/2008**

<u>Company Name</u>	<u>Overall % Indicated Change</u>	<u>Overall % Rate Impact</u>	<u>Written Premium Change for this Program</u>	<u># of Policyholders Affected for this Program</u>	<u>Premium</u>	<u>Maximum % change</u>	<u>Minimum % Change</u>
Hanover Insurance Company	16.0%	5.0%	\$15,330	543	\$306,602	5.0%	5.0%
Mass Bay Insurance Company	16.0%	5.0%	\$18,230	704	\$364,601	5.0%	5.0%
Total Indicated Change	16.0%	5.0%	\$33,560	1,247	\$671,203	5.0%	5.0%

Filing Method:	File and Use	File and Use, Prior Approval, etc.
Rate Change Type:	Increase	Increase, Decrease, Neutral
Overall Percentage of Last Rate Revision:	-5.5%	
Effective Date of Last Rate Revision:	07/01/1998	
Filing Method of Last Filing:	File and Use	File and Use, Prior Approval, etc.

SERFF Tracking Number: *HNVR-125745663* State: *Arkansas*
 First Filing Company: *Massachusetts Bay Insurance Company, ...* State Tracking Number: *EFT \$100*
 Company Tracking Number: *DF-AR-08327-01R*
 TOI: *01.0 Property* Sub-TOI: *01.0002 Personal Property (Fire and Allied Lines)*
 Product Name: *Dwelling Fire*
 Project Name/Number: *Dwelling Fire/DF-AR-08327-01R*

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	Base Rates	08/11/2008	AR DF Manual Page RS-1;RS-2 10.13.08.pdf
No original date	Rate and Rule	Annual Rate Factor	08/11/2008	AR DF Manual Page 9 - 10.13.08.pdf
No original date	Supporting Document	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	07/23/2008	AR RF-1 loss_cost_data_e ntry(hanover).pdf AR RF-1 loss_cost_data_e ntry(Mass Bay).pdf
No original date	Supporting Document	Uniform Transmittal Document- Property & Casualty	07/23/2008	AR PC TD for DF 10-13-08.pdf AR RR FS for DF 10-13-08.pdf
No original date	Supporting Document	Actuarial Memorandum	08/11/2008	AR DF Filing Memo.pdf

HANOVER/MASS BAY

ARKANSAS

DWELLING FIRE

STANDARD COMPANY - HANOVER

PREFERRED COMPANY - MASSACHUSETTS BAY

Base Rates - (\$20,000)
Coverage A; Non-Seasonal

Base Rates - (\$20,000)
Coverage A; Non-Seasonal

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	116	56	84	100
2	138	56	84	100
3	192	56	84	100
4	246	56	84	100
5	153	56	84	100
6	184	56	84	100
7	200	56	84	100
8	277	56	84	100
9	353	56	84	100
10	65	39	59	70
11	78	39	59	70
12	107	39	59	70
13	138	39	59	70
14	86	39	59	70
15	86	39	59	70
16	111	39	59	70
17	155	39	59	70
18	197	39	59	70
19	90	43	65	78
20	107	43	65	78
21	150	43	65	78
22	192	43	65	78
23	120	43	65	78
24	144	43	65	78
25	155	43	65	78
26	216	43	65	78
27	275	43	65	78

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3
1	104	50	76	90
2	124	50	76	90
3	173	50	76	90
4	222	50	76	90
5	138	50	76	90
6	166	50	76	90
7	180	50	76	90
8	250	50	76	90
9	317	50	76	90
10	59	35	53	63
11	70	35	53	63
12	97	35	53	63
13	124	35	53	63
14	78	35	53	63
15	78	35	53	63
16	100	35	53	63
17	140	35	53	63
18	177	35	53	63
19	81	39	59	70
20	97	39	59	70
21	135	39	59	70
22	173	39	59	70
23	108	39	59	70
24	129	39	59	70
25	140	39	59	70
26	194	39	59	70
27	248	39	59	70

<u>KEY FACTORS</u>	<u>COV A</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.00
<u>V&MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

HANOVER/MASS BAY

ARKANSAS

DWELLING FIRE

PREFERRED COMPANY - MASSACHUSETTS BAY

Base Rates - (\$6,000)
Coverage C; Non-Seasonal

Base Rates - (\$6,000)
Coverage C; Non-Seasonal

PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE			PREM. GROUP	OWNER FIRE (ALL)	OWNER and/or NON-OWNER EXTENDED COVERAGE		
		DP-1	DP-2	DP-3			DP-1	DP-2	DP-3
1	33	5	13	13	1	29	5	12	12
2	39	5	13	13	2	35	5	12	12
3	54	5	13	13	3	48	5	12	12
4	69	5	13	13	4	62	5	12	12
5	43	5	13	13	5	39	5	12	12
6	51	5	13	13	6	46	5	12	12
7	56	5	13	13	7	50	5	12	12
8	78	5	13	13	8	70	5	12	12
9	99	5	13	13	9	89	5	12	12
10	23	4	8	8	10	21	4	7	7
11	27	4	8	8	11	24	4	7	7
12	38	4	8	8	12	34	4	7	7
13	48	4	8	8	13	43	4	7	7
14	30	4	8	8	14	27	4	7	7
15	30	4	8	8	15	27	4	7	7
16	39	4	8	8	16	35	4	7	7
17	55	4	8	8	17	49	4	7	7
18	69	4	8	8	18	62	4	7	7
19	25	4	9	9	19	23	4	8	8
20	30	4	9	9	20	27	4	8	8
21	42	4	9	9	21	38	4	8	8
22	54	4	9	9	22	48	4	8	8
23	34	4	9	9	23	30	4	8	8
24	40	4	9	9	24	36	4	8	8
25	43	4	9	9	25	39	4	8	8
26	61	4	9	9	26	55	4	8	8
27	77	4	9	9	27	69	4	8	8

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.00
<u>V&MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**DWELLING POLICY PROGRAM
GENERAL RULES
SECTION I COVERAGES**

INFLATION GUARD - ALL FORMS

At each anniversary date, the limits shown on the Declarations Page for Coverages A and B, if applicable, may be changed. The new limits will reflect current costs in the area where the described location is located. These costs will be based on data supplied by recognized appraisal firms as well as other internal and external sources.

ANNUAL RATE FACTOR

The rate calculation for the adjusted base premium will include an annual rate factor multiplied by the number of years that the last approved rates have been effective. The adjustment factor will be equivalent to the annual projected trend for the product line.

GUARANTEED REPLACEMENT COST

Forms DP 00 02 and DP 00 03 - Homes that are insured at 100% of replacement cost are eligible for this coverage which provides for replacement of the dwelling, without regard to the Coverage A limit shown on the Declarations Page.

The insured agrees as a term of this endorsement to accept all annual increases in Coverage A as outlined in the Inflation Guard Rule.

This coverage is available at an annual charge of \$10.00.

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

1.	This filing transmittal is part of Company Tracking #	DF-AR-08327-01R
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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	
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		Company Name			Company NAIC Number
3.	A.	Hanover	B.	0088-22292	
		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.	Property	B.	Fire and Allied Lines	

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
Dwelling Fire	n/a	5.0%					
TOTAL OVERALL EFFECT	n/a	5.0%					

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
2003	241	0.0%	-	83,222	4,797	.06	
2004	362	0.0%	-	135,156	16,989	.13	
2005	483	0.0%	-	194,516	85,160	.44	
2006	524	0.0%	-	237,564	198,211	.83	
2007	543	0.0%	-	272,818	88,789	.33	

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	15.1%
B. General Expense	15.2%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	2.7%
E. Other (explain)	5.7%
F. TOTAL	42.3%

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 5.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** 5.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

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

1.	This filing transmittal is part of Company Tracking #	DF-AR-08327-01R
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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	
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	Company Name		Company NAIC Number	
3.	A.	Mass Bay	B.	0088-22306
		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.	Property	B.	Fire and Allied Lines

5.			FOR LOSS COSTS ONLY					
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
	Dwelling Fire	n/a	5.0%					
	TOTAL OVERALL EFFECT	n/a	5.0%					

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
	2003	846	0.0%	-	333058	75306	.23	
	2004	772	0.0%	-	328195	295652	.9	
	2005	757	0.0%	-	330326	225832	.68	
	2006	702	0.0%	-	324407	539052	1.66	
	2007	704	0.0%	-	330728	11353	.4	

7.	Expense Constants		Selected Provisions	
	A. Total Production Expense	15.1%		
	B. General Expense	15.2%		
	C. Taxes, License & Fees	3.6%		
	D. Underwriting Profit & Contingencies	2.7%		
	E. Other (explain)	5.7%		
	F. TOTAL	42.3%		

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 5.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** 5.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

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 border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></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 #
The Hanover Insurance Company	088

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
The Hanover Insurance Company	NH	22292	13-5129825	
Massachusetts Bay Insurance Company	NH	22306	04-2217600	

5. Company Tracking Number	DF-AR-08327-01R
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Eleanor Doherty 440 Lincoln St. Worcester, MA 01653	Product Specialist	508-855-3251	508-855-4311	elfdoherty@hanover.com

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

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

9. Type of Insurance (TOI)	01.0 Property
10. Sub-Type of Insurance (Sub-TOI)	01.0002 Personal Property (Fire and Allied Lines)
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Dwelling Fire
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: October 13, 2008 Renewal: October 13, 2008

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	DF-AR-0832701R
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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With this filing, we are submitting a revision to our Dwelling Fire Program with a proposed effective date of 10/13/2008 for new and renewal business. We are revising base rates and introducing an Annual Rate Factor Rule. Please refer to the Explanatory Memorandum for specifics regarding this filing.

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]
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Check #: EFT
Amount: \$100.00

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

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

RATE/RULE FILING SCHEDULE

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

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

1.	This filing transmittal is part of Company Tracking #	DF-AR-08327-01R
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
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Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File and Use
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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)
Hanover Ins Company	n/a	5.0	15,330	543	306,602	5.0	5.0
Mass Bay Insurance Company	n/a	5.0	18,230	704	364,601	5.0	5.0

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)	n/a	
5b.	Overall percentage rate impact for this filing	5.0	
5c.	Effect of Rate Filing – Written premium change for this program	33,560	
5d.	Effect of Rate Filing – Number of policyholders affected	1,247	

6.	Overall percentage of last rate revision	-5.5
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7.	Effective Date of last rate revision	7/1/1998
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File and Use
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Rate Pages – RS-1 & RS-2	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	Annual Rate Factor – Page 9	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	Rating Methodology – Page 19	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**State of Arkansas
Dwelling Fire Program**

Effective: October 13, 2008 New and Renewal Business

Explanatory Memorandum – Page 1 of 1

Base Rates

Based on our business evaluation we propose an adjustment to the base rates by coverage in The Hanover Insurance Company and Massachusetts Bay Insurance Company. The overall rate level impact of all changes is +5.0%. A rate change has not been done in the past five years. The number of policies affected for this program is 1,247. The total written premium at the end of 2007 was \$671,203.

Coverage	Proposed Change
Fire	5.0%
Extended Coverage	5.0%

Annual Rate Factor

We are also filing a new rule that adjusts the premium based on the number of years since the last approved rates has been effective to account for the loss ratio trend and maintain rate level adequacy. The detail can be found in Annual Rate Factor rule on page 9 of the manual.