

SERFF Tracking Number: HART-126616073 State: Arkansas
 Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
 Company Tracking Number: FN.14.799.2010.01
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Sentinel Homeowners Rate and Rule Revision
 Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Filing at a Glance

Company: Sentinel Insurance Company Limited

Product Name: Sentinel Homeowners Rate and SERFF Tr Num: HART-126616073 State: Arkansas

Rule Revision

TOI: 04.0 Homeowners

SERFF Status: Closed-Filed

State Tr Num: EFT \$100

Sub-TOI: 04.0000 Homeowners Sub-TOI

Co Tr Num: FN.14.799.2010.01

State Status: Fees verified and received

Combinations

Filing Type: Rate/Rule

Reviewer(s): Becky Harrington, Betty Montesi

Authors: Joyce Driscoll, Marilu Gonzalez, David Logan, Angela Isaac, Desiree Dupree, Omayra Vega

Disposition Date: 10/11/2010

Date Submitted: 05/06/2010

Disposition Status: Filed

Effective Date Requested (New): 08/07/2010

Effective Date (New): 11/06/2010

Effective Date Requested (Renewal): 09/23/2010

Effective Date (Renewal): 12/23/2010

State Filing Description:

General Information

Project Name: Homeowners Multi Peril

Status of Filing in Domicile:

Project Number: FN.14.799.2010.01

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 10/11/2010

Deemer Date:

State Status Changed: 05/07/2010

Submitted By: Joyce Driscoll

Created By: Joyce Driscoll

Corresponding Filing Tracking Number:

Filing Description:

We are filing changes to our homeowners business written in the Sentinel Insurance Company, Ltd. We are proposing these changes to be effective for all new business policies written on or after August 7, 2010 and for all renewal policies effective on or after September 23, 2010. The overall impact of these changes is 17.1%.

We are revising unities flat across territories, as well as changing the format of our rate pages, and replacing rule 508 as

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it was previously filed with incorrect factors. Included are revised rate pages, rule 508, and rule page changes that correspond to the changing rate page format.

Company and Contact

Filing Contact Information

Joyce Driscoll, Senior Business Analyst joyce.driscoll@thehartford.com
 1 Hartford Plaza 860-547-3468 [Phone]
 HO-GL-19 860-547-5941 [FAX]
 Hartford, CT 06155

Filing Company Information

Sentinel Insurance Company Limited CoCode: 11000 State of Domicile: Connecticut
 Hartford Plaza Group Code: 91 Company Type: Property
 Hartford, CT 06115 Group Name: State ID Number:
 (860) 547-5000 ext. [Phone] FEIN Number: 06-1552103

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Sentinel Insurance Company Limited	\$100.00	05/06/2010	36268387

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	10/11/2010	10/11/2010

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	05/14/2010	05/14/2010	Joyce Driscoll	10/11/2010	10/11/2010
Pending Industry Response	Becky Harrington	05/07/2010	05/07/2010	Joyce Driscoll	05/14/2010	05/14/2010

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Response to Filer Note Regarding Status Dated 10/01/2010	Note To Reviewer	Joyce Driscoll	10/04/2010	10/04/2010
Filing Status	Note To Filer	Becky Harrington	10/01/2010	10/01/2010
Individual increase amounts	Note To Filer	Becky Harrington	08/13/2010	08/13/2010
Extension to respond	Note To Filer	Becky Harrington	06/11/2010	06/11/2010
EXTENSION TO RESPOND	Note To Reviewer	Joyce Driscoll	06/10/2010	06/10/2010
Date to Respond to Objection Letter	Note To Reviewer	Joyce Driscoll	05/27/2010	05/27/2010

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Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01
Dated 05/14/2010

Commissioner's opinion

Note To Filer

Becky Harrington 05/19/2010 05/19/2010

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Disposition

Disposition Date: 10/11/2010
 Effective Date (New): 11/06/2010
 Effective Date (Renewal): 12/23/2010
 Status: Filed
 Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Sentinel Insurance Company Limited	37.300%	13.000%	\$	1,622	\$1,325,532	13.000%	5.000%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document (revised)	Explanatory Memorandum and Actuarial Exhibits	Filed	Yes
Supporting Document	Explanatory Memorandum and Actuarial Exhibits		Yes
Supporting Document	Response to Objection No. 4 - Histogram Dated 05/07/2010	Filed	Yes
Supporting Document	Response to Objection Letter Dated 05/14/2010	Filed	Yes
Rate (revised)	Rule 406. DEDUCTIBLES	Filed	Yes
Rate	Rule 406. DEDUCTIBLES		Yes
Rate (revised)	Rule 406. DEDUCTIBLES	Filed	Yes
Rate	Rule 406. DEDUCTIBLES		Yes
Rate	Rule 501 BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES	Filed	Yes
Rate	Rule 502 BUILDING ADDITIONS AND ALTERATIONS - INCREASED LIMIT - HO 00 04	Filed	Yes
Rate	Rule 507 FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE - HO 00 06	Filed	Yes
Rate	Rule 508 FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS	Filed	Yes
Rate	Rule 513 ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE - HO 00 04 AND HO 00 06	Filed	Yes
Rate	Rule 900 BASE PREMIUM	Filed	Yes

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COMPUTATION

Rate (revised)	Rate Pages	Filed	Yes
Rate	Rate Pages		Yes

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Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 05/14/2010

Submitted Date 05/14/2010

Respond By Date

Dear Joyce Driscoll,

This will acknowledge receipt of the response dated 5/14/10.

Objection 1

- Explanatory Memorandum and Actuarial Exhibits (Supporting Document)
- Response to Objection No. 4 - Histogram Dated 05/07/2010 (Supporting Document)

Comment: Please revise your indications using historical CAT losses instead of modeled losses.

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,

Becky Harrington

SERFF Tracking Number: HART-126616073 State: Arkansas
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 Company Tracking Number: FN.14.799.2010.01
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 Product Name: Sentinel Homeowners Rate and Rule Revision
 Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 10/11/2010
 Submitted Date 10/11/2010

Dear Becky Harrington,

Comments:

Below is our response to your Objection Letter dated 05/14/2010.

Response 1

Comments: Attached is our response.

Related Objection 1

Applies To:

- Explanatory Memorandum and Actuarial Exhibits (Supporting Document)
- Response to Objection No. 4 - Histogram Dated 05/07/2010 (Supporting Document)

Comment:

Please revise your indications using historical CAT losses instead of modeled losses.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment: Attached is the HPCS-Homeowners Premium Comparison Survey in Excel and PDF formats.

Satisfied -Name: Response to Objection Letter Dated 05/14/2010

Comment: Attached is our response.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rate Pages	ARKANSAS-R-1 THRU ARKANSAS-R-3	Replacement	
Previous Version			
Rate Pages	ARKANSAS-R-1 THRU ARKANSAS-R-3	Replacement	

SERFF Tracking Number: HART-126616073 *State:* Arkansas
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TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

We hope this will enable you to continue your review.

Sincerely,

Angela Isaac, David Logan, Desiree Dupree, Joyce Driscoll, Marilu Gonzalez, Omayra Vega

SERFF Tracking Number: HART-126616073 State: Arkansas
Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 05/07/2010

Submitted Date 05/07/2010

Respond By Date

Dear Joyce Driscoll,

This will acknowledge receipt of the captioned filing.

Objection 1

- NAIC loss cost data entry document (Supporting Document)

Comment: Please amend the 5-year history to show the most recent 5-year's policy counts and loss information. Please show all rate changes within those 5-years.

Objection 2

- Explanatory Memorandum and Actuarial Exhibits (Supporting Document)

Comment: Please provide an exhibit showing the development of the trended ultimate CAT losses. (Row 10 - Statewide Rate Level Indication)

Objection 3

- Rule 406. DEDUCTIBLES, AR-406.1 (Rate)

Comment: Please verify the item number for optional theft deductibles. There appears to be a numbering sequence error.

Objection 4

Comment: Please provide a disruption chart detailing the number of insureds/percentage increase in 5% increments.

What is the major type of loss driving the overall loss ratio?

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,

Becky Harrington

SERFF Tracking Number: HART-126616073 State: Arkansas
Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/14/2010
Submitted Date 05/14/2010

Dear Becky Harrington,

Comments:

This is a response to the objection letter from Becky Harrington dated 5/7/2010.

Response 1

Comments: Please find attached a revised NAIC loss cost data entry document.

Related Objection 1

Applies To:

- NAIC loss cost data entry document (Supporting Document)

Comment:

Please amend the 5-year history to show the most recent 5-year's policy counts and loss information. Please show all rate changes within those 5-years.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NAIC loss cost data entry document

Comment: Attached is the NAIC loss cost data entry document.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: Please see attached exhibit detailing the trended ultimate CAT losses.

Related Objection 1

Applies To:

- Explanatory Memorandum and Actuarial Exhibits (Supporting Document)

Comment:

SERFF Tracking Number: HART-126616073 State: Arkansas
 Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
 Company Tracking Number: FN.14.799.2010.01
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Sentinel Homeowners Rate and Rule Revision
 Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Please provide an exhibit showing the development of the trended ultimate CAT losses. (Row 10 - Statewide Rate Level Indication)

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Explanatory Memorandum and Actuarial Exhibits
 Comment: Attached is the Explanatory Memorandum and Actuarial Exhibits.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments: Thank you for bringing this to our attention. Attached are revised manual pages with the correct numbering.

Related Objection 1

Applies To:
 - Rule 406. DEDUCTIBLES, AR-406.1 (Rate)

Comment:
 Please verify the item number for optional theft deductibles. There appears to be a numbering sequence error.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rule 406. DEDUCTIBLES	AR-406.1	Replacement	
Previous Version			
Rule 406. DEDUCTIBLES	AR-406.1	Replacement	
Rule 406. DEDUCTIBLES	AR-406.4	Replacement	
Previous Version			

SERFF Tracking Number: HART-126616073 State: Arkansas
Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01
Rule 406. DEDUCTIBLES AR-406.4 Replacement

Response 4

Comments: Please see attached histogram exhibit.

The main driver of the total loss ratio over the last 5 years is wind/hail losses with a loss ratio of 36.4%.

Related Objection 1

Comment:

Please provide a disruption chart detailing the number of insureds/percentage increase in 5% increments.

What is the major type of loss driving the overall loss ratio?

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Response to Objection No. 4 - Histogram Dated 05/07/2010

Comment: Attached is the histogram.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

We hope that this additional information will enable you to continue your review.

Sincerely,

Angela Isaac, David Logan, Desiree Dupree, Joyce Driscoll, Marilu Gonzalez, Omayra Vega

SERFF Tracking Number: HART-126616073 *State:* Arkansas
Filing Company: Sentinel Insurance Company Limited *State Tracking Number:* EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Reviewer

Created By:

Joyce Driscoll on 10/04/2010 07:10 AM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Response to Filer Note Regarding Status Dated 10/01/2010

Comments:

Attached is our response.

HARTFORD FINANCIAL SERVICES GROUP
SENTINEL INSURANCE COMPANY LTD.
Company Tracking No.: FN.14.799.2010.01
ARKANSAS HOMEOWNERS

This memo is a response to the filing HART-126616073. We have revised our base rates to reflect the agreed upon 13% rate increase across all forms. We are going to implement this change effective 11/6/2010 for new business and 12/23/2010 for renewals. If you have any questions, please let either myself or Randy know. Thank you.

Joseph Bochicchio, Senior Actuarial Analyst
860-843-8756
Joseph.Bochicchio@thehartford.com

Randy Termeer, Director , Product Management
860-843-8912
Randy.Termeer@thehartford.com

SERFF Tracking Number: HART-126616073 *State:* Arkansas
Filing Company: Sentinel Insurance Company Limited *State Tracking Number:* EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Filer

Created By:

Becky Harrington on 10/01/2010 07:14 AM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Filing Status

Comments:

A response to the objection of 5/14/10 and revisions to overall rate impact have not been received. Do you wish for this filing to remain open or should it be closed as incomplete?

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Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Filer

Created By:

Becky Harrington on 08/13/2010 06:32 AM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Individual increase amounts

Comments:

Per discussions between Commissioner Bradford, Jay Bruns, and Tim Nelligan, increase may be amended to 13%.

SERFF Tracking Number: HART-126616073 *State:* Arkansas
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Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Filer

Created By:

Becky Harrington on 06/11/2010 06:33 AM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Extension to respond

Comments:

The filing will be held in abeyance pending your response.

SERFF Tracking Number: HART-126616073 *State:* Arkansas
Filing Company: Sentinel Insurance Company Limited *State Tracking Number:* EFT \$100
Company Tracking Number: FN.14.799.2010.01
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Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Reviewer

Created By:

Joyce Driscoll on 06/10/2010 12:40 PM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

EXTENSION TO RESPOND

Comments:

May we please have an extension to respond to your Objection Letter to June 25, 2010?

Thank you.

Joyce

SERFF Tracking Number: HART-126616073 *State:* Arkansas
Filing Company: Sentinel Insurance Company Limited *State Tracking Number:* EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Reviewer

Created By:

Joyce Driscoll on 05/27/2010 12:21 PM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Date to Respond to Objection Letter Dated 05/14/2010

Comments:

Dear Becky,

We will be responding to your Objection Letter by June 11, 2010.

Thank you.

Joyce

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Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Note To Filer

Created By:

Becky Harrington on 05/19/2010 08:18 AM

Last Edited By:

Becky Harrington

Submitted On:

10/11/2010 12:00 PM

Subject:

Commissioner's opinion

Comments:

Pursuant to discussions with Commissioner Bradford, please hold individual increases to no more than 10%.

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Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: %
Overall Percentage of Last Rate Revision: 0.000%
Effective Date of Last Rate Revision: 01/08/2009
Filing Method of Last Filing: Prior Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Sentinel Insurance Company Limited	37.300%	17.100%	\$226,666	1,622	\$1,325,532	19.900%	5.000%

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Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
Filed 10/11/2010	Rule 406. DEDUCTIBLES	AR-406.1	Replacement	AR-406.1 Obj 3.pdf
Filed 10/11/2010	Rule 406. DEDUCTIBLES	AR-406.4	Replacement	AR-406.4 Obj 3.pdf
Filed 10/11/2010	Rule 501 BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES	AR-501.1	Replacement	AR Dim Filing 8-7- 2010 AR-501.1.pdf
Filed 10/11/2010	Rule 502 BUILDING ADDITIONS AND ALTERATIONS - INCREASED LIMIT - HO 00 04	AR-502.1	Replacement	AR Dim Filing 8-7- 2010 AR-502.1.pdf
Filed 10/11/2010	Rule 507 FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE - HO 00 06	AR-507.1	Replacement	AR Dim Filing 8-7- 2010 AR-507.1.pdf
Filed 10/11/2010	Rule 508 FORM HO 00 06 UNITS REGULARLY RENTED TO	AR-508.1	Replacement	AR Dim Filing 8-7- 2010 AR-508.1.pdf

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OTHERS

Filed 10/11/2010 Rule 513	AR-513.1	Replacement	AR Dim Filing 8-7-2010 AR-513.1.pdf
ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE - HO 00 04 AND HO 00 06			
Filed 10/11/2010 Rule 900 BASE	AR-900.1 thru	Replacement	AR Dim Filing 8-7-2010 AR-900.1 thru
PREMIUM COMPUTATION	AR-900.3		AR-900.3.pdf
Filed 10/11/2010 Rate Pages	ARKANSAS-R-1	Replacement	AR DOI Reponse
	THRU		Final FN14799201001
	ARKANSAS-R-3		Rate Pages.pdf



406 DEDUCTIBLES

All policies are subject to a deductible that applies to loss from all Section I Perils, except Earthquake. A separate deductible provision applies to Earthquake Coverage as described in Rule 505.

A. Base Deductible

\$250 Deductible - All Forms

B. Optional Deductibles

1. Optional Special Theft Deductibles

All forms except HO 00 05, HO 00 04 with Special Personal Property Coverage Endorsement HO 05 24 and HO 00 06 with Unit-Owners Coverage C (Special Coverage) Endorsement HO 17 31.

- a. Policies are subject to a \$250 minimum Section I deductible. A \$500 Special Theft Deductible may be purchased to apply to loss by Theft of property covered under Coverage C.

Rating:

- ★Forms HO 00 02 and HO 00 03: apply the factor .98 to the Base Premium. as calculated in Rule 900, subject to a maximum credit of \$20.
- ★Forms HO 00 04 and HO 00 06: apply the factor .95 to the Base Premium, as calculated in Rule 900, subject to a maximum credit of \$20.

C. Optional Higher Deductibles

★1. Fixed Dollar Deductible

All Forms - The Homeowners Policy may be endorsed to provide a higher flat deductible. To compute the premium for the higher deductible options multiply the Base Premium, as calculated in Rule 900, by the factors shown below:

Coverage A or C Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than 100,000	1.00	0.91	0.84	0.81	0.74	0.72	0.70	0.67	0.64
100-199,999	1.00	0.92	0.86	0.84	0.79	0.78	0.76	0.70	0.64
200-299,999	1.00	0.93	0.87	0.86	0.82	0.81	0.77	0.72	0.67
300-399,999	1.00	0.94	0.88	0.87	0.84	0.82	0.80	0.74	0.69
400-499,999	1.00	0.94	0.88	0.87	0.84	0.83	0.81	0.75	0.70
Greater than 499,999	1.00	0.94	0.88	0.88	0.85	0.85	0.84	0.77	0.73

2. Theft Deductible (Forms HO 00 04 And HO 00 06 Only)

a. Deductible Amounts

This option provides for higher Theft deductible amounts of \$1,000 and \$2,500 to be used in conjunction with the deductible that applies to All Other Section I Perils.



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(4) Deductible Factors

★To compute the premium for this provision, multiply the base premium, as calculated in Rule 900, by the factor listed below for the deductible amount selected.

1% SPECIAL WIND/HAIL DEDUCTIBLE

Coverage A Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than \$100,000	0.95	0.89	0.84	--	--	--	--	--	--
100-199,999	0.94	0.89	0.84	0.83	--	--	--	--	--
200-299,999	0.95	0.90	0.85	0.84	0.82	--	--	--	--
300-399,999	0.96	0.90	0.85	0.85	0.83	0.82	0.81	--	--
400-499,999	0.96	0.91	0.86	0.85	0.83	0.82	0.82	0.81	--
Greater than \$499,999	0.97	0.92	0.86	0.86	0.84	0.83	0.83	0.82	0.81

2% SPECIAL WIND/HAIL DEDUCTIBLE

Coverage A Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than \$100,000	0.92	0.86	0.81	0.79	--	--	--	--	--
100-199,999	0.92	0.86	0.81	0.80	0.78	0.77	--	--	--
200-299,999	0.93	0.88	0.83	0.82	0.80	0.79	0.78	0.77	--
300-399,999	0.94	0.89	0.84	0.83	0.81	0.80	0.80	0.79	0.78
400-499,999	0.95	0.90	0.85	0.84	0.82	0.81	0.81	0.80	0.79
Greater than \$499,999	0.96	0.91	0.86	0.85	0.83	0.82	0.82	0.81	0.80

4. Percentage Deductibles

Form HO 00 02, HO 00 03, and HO 00 05 - The Homeowners Policy may be endorsed to provide a percentage deductible applicable to any loss under Section I of the policy. The size of the deductible may be either 1/2% or 1% of the amount of insurance for Coverage A.

<u>Coverage A Amount</u>	<u>1/2% Deductible Factor</u>	<u>1% Deductible Factor</u>
Less than 30,000	1.00	1.00
30,000-34,999	1.11	0.97
35,000-39,999	1.08	0.96
40,000-44,999	1.05	0.94
45,000-49,999	1.02	0.92
50,000-59,999	0.99	0.90
60,000-69,999	0.97	0.87
70,000-79,999	0.96	0.84
80,000-89,999	0.94	0.83
90,000-99,999	0.92	0.82
100,000-399,999	0.85	0.81
400,000-499,999	0.84	0.81
Greater than 499,999	0.83	0.82



501 BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES

A. Coverage Description

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

B. Premium Computation

★ To develop the premium per \$1,000 of insurance, multiply the premium in the Unity Table (4A) times the factor for "Each Add'l \$1,000" in the Amount of Insurance Table (4B) by the Premium Factor (Table 3).

C. Endorsement

Use Building Additions And Alterations Other Residence Endorsement HO 04 49.



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502 BUILDING ADDITIONS AND ALTERATIONS - INCREASED LIMIT - HO 00 04

A. Coverage C Increase

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

B. Premium Computation

★ To develop the premium per \$1,000 of insurance, multiply the premium in the Unity Table (4A) times the factor for "Each Add'l \$1,000" in the Amount of Insurance Table (4B) by the Premium Factor (Table 3).

C. Endorsement

Use Building Additions And Alterations Increased Limit Form HO 00 04 Endorsement HO 04 51.



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507 FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE - HO 00 06

A. Basic Limits

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

B. Increased Limits

The basic limit may be increased. The premium is developed based on the additional limit of insurance. The premium for each additional \$1,000 of insurance is developed as follows:

1. ★ Multiply the premium in the Unity Table (6A) times the factor for "Each Add'l \$1,000" in the Amount of Insurance Table (6B) by the Premium Factor (Table 5).
2. Multiply the new rate per \$1,000 determined in step 1 by the increased limit of Coverage A.
3. Enter the total Coverage A limit on the Declarations page.

C. Special Coverage

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

1. \$5,000 basic policy limit is \$6 and
2. Each additional \$1,000 of Coverage A is \$1.
* Refer to Rule 508 if the unit is regularly rented.

D. Endorsement

Use Unit-Owners Coverage A - Special Coverage Endorsement HO 17 32.



508 FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS

A. Coverage C and Section II Liability

1. There is no coverage for Coverage C. Personal Property and Section II Liability when the residence premises is regularly rented or held for rental to others. The policy may be endorsed, however, to provide such coverage, including Theft.
2. The Coverage C minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$15,000.

B. Premium Computation

The premium charge is developed by multiplying the sum of the Adjusted Base Premium plus \$15 times a factor of .25.

For amounts of insurance below \$6,000, first develop the HO 00 06 Base Premium of \$6,000, then apply the factors noted below. For amounts of insurance not displayed below, develop by interpolation.

<u>Coverage C Limit</u>	<u>★Factors</u>
\$1,000 (minimum)	.17
\$2,000	.21
\$3,000	.25
\$4,000	.29
\$5,000	.33

C. Endorsement

Use Unit-Owners Rental to Others Endorsement HO 17 33.



513 ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE - HO 00 04 AND HO 00 06

A. Coverage Increase

1. The basic amount of coverage may be initially increased to 100% of the Form HO 00 04 Building Additions and Alterations limit or 50% of the Form HO 00 06 Coverage A limit.
2. The amount may be further increased in 25% increments above those listed in Paragraph 1.

B. Premium Determination

1. The premium for this additional coverage is determined based on the dollar amount of increase, represented by the increased percentage amount selected above the basic limit.
2. ★For Form HO 00 04: The premium for each additional \$1,000 of insurance is developed by multiplying the premium in the Unity Table (4A) times the factor for "Each Add'l \$1,000" in the Amount of Insurance Table (4B) by the Premium Factor (Table 3).
3. ★For Form HO 00 06: The premium for each additional \$1,000 of insurance is developed by multiplying the premium in the Unity Table (6A) times the factor for "Each Add'l \$1,000" in the Amount of Insurance Table (6B) by the Premium Factor (Table 5).

C. Endorsement

Use Ordinance Or Law - Increased Amount Of Coverage Endorsement HO 04 77.



900 BASE PREMIUM COMPUTATION

A. Computation Instructions

ROUND EACH STEP OF THE FOLLOWING RATING SEQUENCE TO THREE DECIMAL PLACES. USING A SEQUENTIAL RATING METHODOLOGY, MULTIPLY PER THE FOLLOWING:

1. Forms HO 00 02, HO 00 03, HO 00 05

★Unity Table (2A) x Amount of Insurance Table (2B) curve factor

= Base Premium

x Transition Rate Cap Factor =
x Deductible Credit/Debit or Windstorm/Hail Deductible Credit =
x Theft Deductible =
x Table 1 Premium Factor =
x Program Deviation Factor =
x Special Loss Settlement Factor/ITV Factor =
x Town House/Row House Surcharge Factor =
x Ordinance or Law Coverage Factor =
x Sentinel Coverage Package (HW 04 74, HW 04 72, HW 04 71) Factor =
x Superior Construction Credit =
x Age of Dwelling Credit =
x Year of Construction =
x Roof Material Type =
x Roof Age =
x Account Credit =
x Retirement Community/Limited Access Community Factor =
x Replacement Loss Settlement For Certain Non-Building Structures Factor =
+ (Sentinel Coverage Package (HW 04 17, HW 04 09, HW 04 08) Flat
Premium) x (Transition Rate Cap Factor)
= ADJUSTED BASE PREMIUM

All other optional endorsements shall be applied to the ADJUSTED BASE PREMIUM



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NOTE: ROUND THE ADJUSTED BASE PREMIUM TO THE NEAREST WHOLE DOLLAR.

2. Form HO 00 04

- ★Unity Table (4A) x Amount of Insurance Table (4B) curve factor
- = Base Premium
- x Transition Rate Cap Factor =
- x Deductible Credit/Debit =
- x Theft Deductible =
- x Table 3 Premium Factor =
- x Program Deviation Factor =
- x HO 05 24 Special Personal Property Factor (HO 00 04) =
- x Superior Construction Credit =
- x Account Credit =
- x Limited Access Credit =
- = ADJUSTED BASE PREMIUM

All other optional endorsements shall be applied to the ADJUSTED BASE PREMIUM

NOTE: ROUND THE ADJUSTED BASE PREMIUM TO THE NEAREST WHOLE DOLLAR.

3. Form HO 00 06

- ★Unity Table (6A) x Amount of Insurance Table (6B) curve factor
- = Base Premium
- x Transition Rate Cap Factor =
- x Deductible Credit/Debit =
- x Theft Deductible =
- x Table 5 Premium Factor =
- x Program Deviation Factor =
- x Sentinel Gold-Condo (HW 04 73) Factor =
- x HO 17 31 Unit-Owners Coverage C Special Coverage Factor (HO 00 06) =
- x Superior Construction Credit =
- x HO 00 06 Cov. C Less Than \$6,000 Factor =
- x HW 04 29 Additional Coverage - Form HO 00 06 =
- x Account Credit =
- x Limited Access Credit =
- x Modified Other Insurance For Condo Policies Factor =
- + (Sentinel Gold-Condo (HW 04 10) Flat Premium) x (Transition Rate Cap Factor)
- = ADJUSTED BASE PREMIUM

All other optional endorsements shall be applied to the ADJUSTED BASE PREMIUM

NOTE: ROUND THE ADJUSTED BASE PREMIUM TO THE NEAREST WHOLE DOLLAR.



B. ★ Extrapolation and Interpolation

ROUND EACH STEP TO 3 DECIMAL PLACES

1. Extrapolation

If the desired limit of liability is higher than that shown in the Amount of Insurance Table (2B/4B/6B), use the following calculations to develop the base premium:

Step 1

Find the highest displayed limit in the Amount of Insurance Table (2B/4B/6B).

Step 2

Subtract the highest limit from the desired limit. This is the additional amount.

Step 3

Determine the factor for the additional amount by the following formula:

Forms HO 00 02, HO 00 03, HO 00 05:

Additional amount divided by \$10,000 multiplied by the "Each add'l \$10,000" factor

Forms HO 00 04, HO 00 06:

Additional amount divided by \$1,000 multiplied by the "Each add'l \$1,000" factor

Step 4

Add the final factor from Step 3 to the factor displayed for the highest limit in the Amount of Insurance Table (2B/4B/6B).

Step 5

Multiply the premium in the Unity Table (2A/4A/6A) by the factor calculated in Step 4.

***NOTE:** Confirm the limit is HIGHER than the last Coverage A amount listed in the Amount of Insurance Table (2B/4B/6B).

2. Interpolation

If the desired limit of liability is not displayed, but is less than the highest limit in the Amount of Insurance Table (2B/4B/6B), use the following calculations to develop the base premium:

Step 1

Locate the nearest limits to the desired limit of liability.

Step 2

Take the difference between the desired limit and the displayed limit and interpolate the base rate.



POLICY FORMS HO 00 02, HO 00 03, HO 00 05

TABLE 1 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class							
		2,3	4,5	6	7	8	8A	9	10
HO 00 02	Frame	0.98	1.09	1.28	1.42	1.77	2.30	2.91	4.66
	Masonry	0.93	1.04	1.22	1.35	1.69	2.19	2.77	4.44
HO 00 03	Frame	1.00	1.10	1.30	1.45	1.81	2.35	2.97	4.75
	Masonry	0.95	1.05	1.24	1.38	1.72	2.24	2.83	4.52
HO 00 05	Frame	1.10	1.22	1.44	1.59	1.99	2.59	3.27	5.23
	Masonry	1.05	1.16	1.37	1.51	1.90	2.47	3.11	4.98

TABLE 2A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	\$1,093
14	1	\$827
15	1	\$1,527
16	1	\$1,401
17	1	\$1,362
18	1	\$1,108
19	1	\$776
20	1	\$1,051
21	1	\$1,345
22	1	\$911
24	1	\$1,496
29	1	\$905
30	1	\$1,565
31	1	\$1,268
32	1	\$1,479

TABLE 2B - AMOUNT OF INSURANCE TABLE

Coverage A Dwelling Amount	Curve #1
\$ 10,000	0.336
20,000	0.353
30,000	0.374
40,000	0.403
50,000	0.436
60,000	0.469
70,000	0.514
80,000	0.557
90,000	0.622
100,000	0.686
110,000	0.748
120,000	0.815
130,000	0.877
140,000	0.939
150,000	1.000
180,000	1.188
210,000	1.373
240,000	1.562
270,000	1.759
300,000	1.965
330,000	2.170
360,000	2.375
390,000	2.581
420,000	2.786
450,000	2.992
480,000	3.197
510,000	3.403
540,000	3.608
570,000	3.814
600,000	4.020
630,000	4.225
660,000	4.431
690,000	4.637
720,000	4.842
750,000	5.048
Each add'l \$10,000-ADD	0.069



POLICY FORM HO 00 04

TABLE 3 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class			
		2-4	5-6	7-8, 8A	9, 10
HO 00 04	Frame	1.00	1.10	1.28	1.63
	Masonry	1.00	1.10	1.28	1.63

TABLE 4A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	\$257
14	1	\$257
15	1	\$257
16	1	\$257
17	1	\$257
18	1	\$257
19	1	\$257
20	1	\$257
21	1	\$257
22	1	\$257
24	1	\$257
29	1	\$257
30	1	\$257
31	1	\$257
32	1	\$257

TABLE 4B - AMOUNT OF INSURANCE TABLE

Coverage C Dwelling Amount	Curve #1
\$ 6,000	0.123
10,000	0.373
15,000	0.673
20,000	1.000
25,000	1.259
30,000	1.518
35,000	1.777
40,000	2.035
45,000	2.294
50,000	2.553
55,000	2.812
60,000	3.003
65,000	3.193
70,000	3.384
75,000	3.575
80,000	3.766
85,000	3.956
90,000	4.147
95,000	4.338
100,000	4.529
Each add'l \$1,000-ADD	0.038



POLICY FORM HO 00 06

TABLE 5 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class			
		2-4	5-6	7-8, 8A	9, 10
HO 00 06	Frame	1.00	1.10	1.28	1.63
	Masonry	1.00	1.10	1.28	1.63

TABLE 6A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	\$134
14	1	\$134
15	1	\$134
16	1	\$134
17	1	\$134
18	1	\$134
19	1	\$134
20	1	\$134
21	1	\$134
22	1	\$134
24	1	\$134
29	1	\$134
30	1	\$134
31	1	\$134
32	1	\$134

TABLE 6B - AMOUNT OF INSURANCE TABLE

Coverage C Dwelling Amount	Curve #1
\$ 6,000	0.366
10,000	0.526
15,000	0.788
20,000	1.000
25,000	1.212
30,000	1.424
35,000	1.637
40,000	1.849
45,000	2.061
50,000	2.273
55,000	2.486
60,000	2.648
65,000	2.810
70,000	2.973
75,000	3.135
80,000	3.297
85,000	3.459
90,000	3.622
95,000	3.784
100,000	3.946
Each add'l \$1,000-ADD	0.032

SERFF Tracking Number: HART-126616073 State: Arkansas
 Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
 Company Tracking Number: FN.14.799.2010.01
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Sentinel Homeowners Rate and Rule Revision
 Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: H-1 Homeowners Abstract	Filed	10/11/2010
Comments: Attached is the H-1 Homeowners Abstract.		
Attachment: AR Dim Filing 8-7-2010 H-1 Homeowners Abstract.pdf		

	Item Status:	Status Date:
Satisfied - Item: HPCS-Homeowners Premium Comparison Survey	Filed	10/11/2010
Comments: Attached is the HPCS-Homeowners Premium Comparison Survey in Excel and PDF formats.		
Attachments: HO Survey FORM HPCS_for filing FN14799201001.xls AR DOI Reponse Final FN14799201001 HPCS.pdf		

	Item Status:	Status Date:
Satisfied - Item: NAIC loss cost data entry document	Filed	10/11/2010
Comments: Attached is the NAIC loss cost data entry document.		
Attachment: AR LOSS COST DATA ENTRY RF1_revised Obj 1.pdf		

	Item Status:	Status Date:
Satisfied - Item: Explanatory Memorandum and Actuarial Exhibits	Filed	10/11/2010
Comments: Attached is the Explanatory Memorandum and Actuarial Exhibits.		
Attachments:		

SERFF Tracking Number: HART-126616073 *State:* Arkansas
Filing Company: Sentinel Insurance Company Limited *State Tracking Number:* EFT \$100
Company Tracking Number: FN.14.799.2010.01
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Sentinel Homeowners Rate and Rule Revision
Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

AR Dim Filing 8-7-2010 AR EM and Actl Exhs.pdf
 AR Objection 2 response.pdf

		Item Status:	Status Date:
Satisfied - Item:	Response to Objection No. 4 - Histogram Dated 05/07/2010	Filed	10/11/2010

Comments:
 Attached is the histogram.

Attachment:
 AR Histogram Obj 4.pdf

		Item Status:	Status Date:
Satisfied - Item:	Response to Objection Letter Dated 05/14/2010	Filed	10/11/2010

Comments:
 Attached is our response.

Attachment:
 AR DOI Reponse Final FN14799201001.pdf

ARKANSAS INSURANCE DEPARTMENT

HOMEOWNERS ABSTRACT

Page 1 of 2

INSTRUCTIONS: All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Sentinel Insurance Company, Ltd.
 NAIC No. 11000 Group No. 00914

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.

2008	3.1	2005	5.7
2007	8.7	2004	8.0
2006	6.5		

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact. Marshall & Swift/Boeckh (American Appraisal Associates) in 2001.
Impact not quantifiable

3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used. 100% ITV is requested

4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.

Annual increases	4%	6%	8%	Each additional 4% over 8%
Charge	2%	3%	4%	2%

5. Specify the percentage given for credit or discounts for the following:

a. Fire Extinguisher	0	%
b. Burglar Alarm	2	%
c. Smoke Alarm	2	%
d. Insured who has both homeowners and auto with your company	20	%
e. Deadbolt Locks	2	%
f. Window or Door Locks	0	%
g. Other (specify)		%
Age of Dwelling	0 to 42.7	%
Limited Access (HO-4, HO-6)	10	%
Full Automatic Sprinklers	13	%
Partial Automatic Sprinklers	8	%

6. Are there any areas in the State of Arkansas in which your company will not write homeowners

insurance? No No If so, state areas and explain reason for not writing. N/A
AID PC H-1 (4./96)

Form H-1
Rev. 4/98

Page 2 of 2

7. Specify the form(s) utilized in writing homeowner insurance. Indicate the Arkansas premium volume for each form.

Form	Premium Volume
<u>HO-2</u>	<u>0</u>
<u>HO-3</u>	<u>1097445</u>
<u>HO-4</u>	<u>12097</u>
<u>HO-5</u>	<u>208258</u>
<u>HO-6</u>	<u>7732</u>

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes

9. Is there a surcharge on risks with wood heat? No
If yes, state surcharge N/A
Does the surcharge apply to conventional fire places? No
If yes, state surcharge N/A

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Beth Stelzner
Signature
Actuarial Assistant
Title
860-843-8706
Telephone Number

NAIC Number: 11000
 Company Name: Sentinel Insurance Company, Ltd.
 Contact Person: Joseph Bochicchio
 Telephone No.: 860-843-8756
 Email Address: joseph.bochicchio@thehartford.com
 Effective Date: 6-Nov-10

Homeowners Premium Comparison Survey Form
FORM HPCS - 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	\$394	\$415	\$434	\$457	\$713	\$750	\$727	\$765	\$727	\$765	\$649	\$683	\$667	\$702	\$521	\$548	\$604	\$636
	\$120,000	\$589	\$620	\$649	\$683	\$1,066	\$1,122	\$1,088	\$1,145	\$1,088	\$1,145	\$970	\$1,021	\$998	\$1,050	\$779	\$820	\$903	\$951
	\$160,000	\$769	\$809	\$846	\$891	\$1,390	\$1,463	\$1,418	\$1,493	\$1,418	\$1,493	\$1,265	\$1,332	\$1,302	\$1,370	\$1,016	\$1,069	\$1,178	\$1,240
6	\$80,000	\$515	\$540	\$567	\$594	\$930	\$975	\$949	\$995	\$949	\$995	\$847	\$888	\$870	\$913	\$680	\$712	\$789	\$827
	\$120,000	\$769	\$806	\$847	\$888	\$1,391	\$1,459	\$1,420	\$1,489	\$1,420	\$1,489	\$1,266	\$1,327	\$1,302	\$1,365	\$1,017	\$1,066	\$1,179	\$1,236
	\$160,000	\$1,003	\$1,052	\$1,105	\$1,158	\$1,814	\$1,902	\$1,851	\$1,941	\$1,851	\$1,941	\$1,652	\$1,732	\$1,699	\$1,781	\$1,326	\$1,390	\$1,538	\$1,612
9	\$80,000	\$1,174	\$1,233	\$1,293	\$1,357	\$2,123	\$2,228	\$2,165	\$2,272	\$2,165	\$2,272	\$1,933	\$2,029	\$1,987	\$2,085	\$1,551	\$1,628	\$1,800	\$1,889
	\$120,000	\$1,755	\$1,841	\$1,933	\$2,029	\$3,175	\$3,332	\$3,240	\$3,401	\$3,240	\$3,401	\$2,889	\$3,032	\$2,972	\$3,119	\$2,321	\$2,435	\$2,691	\$2,824
	\$160,000	\$2,289	\$2,403	\$2,522	\$2,646	\$4,140	\$4,345	\$4,225	\$4,434	\$4,225	\$4,434	\$3,770	\$3,956	\$3,877	\$4,069	\$3,025	\$3,175	\$3,509	\$3,683

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	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156
	\$25,000	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291	\$291
6	\$5,000																		
	\$15,000	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172	\$172
	\$25,000	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320	\$320
9	\$5,000																		
	\$15,000	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254	\$254
	\$25,000	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474	\$474

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																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

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 (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %
 Zone: Brick Highest Risk, Frame Highest Risk
 Lowest Risk: Brick Lowest Risk, Frame Lowest Risk
 WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	FN.14.799.2010.01
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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	N/A
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	Company Name	Company NAIC Number
3.	A. Sentinel Insurance Company, Ltd.	B. 11000

	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. Private Passenger Automobile	B. Automobile

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(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
2,3,5	37%	17.2	0.614	1.301	na	na	na
4,6	57.50%	12.7	0.492	1.301	na	na	na
TOTAL OVERALL EFFECT	37.3%	17.1					

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
2005	392	-3.80%	5/17/2005	55	16	0.29	0.37
2006	1006	N/A	N/A	988	838	0.85	0.6
2007	1411	4.10%	1/3/2007	1345	152	0.11	0.52
2008	1408	N/A	N/A	1306	1001	0.77	0.76
2009	1437	0%	1/8/2009	1327	1444	1.09	0.93

7.

Expense Constants	Selected Provisions
A. Total Production Expense	12.5%
B. General Expense	13.1%
C. Taxes, License & Fees	3.1%
D. Underwriting Profit & Contingencies	9.9%
E. Other (explain)	
F. TOTAL	38.6%

8. N/A Apply Lost Cost Factors to Future filings? (Y or N)

9. 19.9 Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):

NA

10. N/A Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

NA

PC RLC

Sentinel Insurance Company, Ltd.

ARKANSAS HOMEOWNERS

EXPLANATORY MEMORANDUM

We are filing changes to our homeowners business written in the Sentinel Insurance Company, Ltd. We are proposing these changes to be effective for all new business policies written on or after August 7, 2010 and for all renewal policies effective on or after September 23, 2010. The overall impact of these changes is 17.1%.

We are revising unities flat across territories, as well as changing the format of our rate pages, and replacing rule 508 as it was previously filed with incorrect factors. Included are revised rate pages, rule 508, and rule page changes that correspond to the changing rate page format.

The impact of the Homeowners change by form is shown below.

	Written Premium	Indicated Change	Proposed Change
Building	\$ 1,305,703	37.0%	17.2%
Tenant	\$ 12,097	57.5%	16.9%
Condo	\$ 7,732	57.5%	6.1%
Overall	\$ 1,325,532	37.3%	17.1%

Beth Stelzner
Actuarial Assistant
(860) 843 8706
Katherine.Stelzner@thehartford.com

Personal Property Insurance
Statewide Rate Level Indication
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Trended Adjusted EPAPR	(2) Trended Smoothed Ultimate Losses (x-CAT/Hail)	(3) Trended Adjusted Loss Ratio	(4) Selected Accident Year Weights
9/30/2005	352,923	331,942	94.1%	6%
9/30/2006	944,515	511,476	54.2%	17%
9/30/2007	1,338,081	346,902	25.9%	25%
9/30/2008	1,320,915	651,473	49.3%	26%
9/30/2009	1,285,233	617,963	48.1%	26%
	5,241,667	2,459,756	46.9%	100%

(5) Trended Weighted Loss Ratio (x-CAT/Hail).....	46.7%
(6) Trended Ultimate Non-CAT Hail Average Annual Loss.....	90,173
(7) Credibility.....	37%
(8) Complement of Credibility.....	55.1%
(9) Credibility Weighted Non-CAT Loss Ratio.....	54.6%
(10) Trended Ultimate CAT Losses.....	238,004
(11) Risk Load.....	0
(12) Total Loss Ratio.....	73.1%
(13) Projected Loss Adjustment Expense.....	1.150
(14) Reinsurance Load.....	0.1%
(15) Adjusted Weighted Loss Ratio.....	84.1%
(16) Permissible Loss Ratio.....	61.4%
(17) Indicated Rate Level Change.....	37.0%

Notes:

- (1) From Exhibit 2, Column (7)
- (2) From Exhibit 3, Column (4)
- (3) Column (2) / Column (1)
- (5) Weighted Average of Column (3) and Column (4)
- (6) Based on state average annual non-cat hail loss load
- (7) Based on the square root rule with a full credibility standard of 40,000 Earned House Years
- (8) From Exhibit 2c, Row (8)
- (9) $[(\text{Row (5)} + (\text{Row (6)} / \text{Column (1) Latest Year EPAPR})) * \text{Row (7)} + ((\text{Row (8)} * (1 - \text{Row (7))))]$
- (12) $\text{Row (9)} + [\text{Row (10)} + \text{Row (11)}] / \text{Column (1) Latest Year EPAPR}$
- (14) Based on the allocation of Countrywide reinsurance treaty costs to state
- (15) $\text{Row (12)} * \text{Row (13)} + \text{Row (14)}$
- (16) From Exhibit 1a, Row (6)
- (17) $\text{Row (15)} / \text{Row (16)} - 1.0$

Personal Property Insurance
Permissible Loss Ratio
Building Policy Forms
Accident Year Data Ending 9/30/2009

As a percentage of premium:	Combined Ratio @ 90.1% (17.5% ROE)
(1) Commission and Brokerage.....	12.5%
(2) Other Underwriting Expense.....	13.1%
(3) Taxes, Licenses, Fees, Fair Plan.....	3.1%
(4) Underwriting Profit & Contingencies.....	9.9%
(5) Total Expenses.....	38.6%
(6) Permissible Loss & Loss Adjustment Expense Ratio.....	61.4%
(7) Total Premium.....	100.0%

Notes:

- (1) Represents the projected commissions and brokerage to be paid during the period the rates will be in effect for Personal Lines Homeowners policies to our agents in Arkansas.
- (2) The Variable portion of OUE represents the countrywide projected expenses for the period that these rates will be in effect.

Personal Property Insurance
Development of Trended Adjusted Premiums at Present Rates
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Written Premium	(2) Earned Premium	(3) Premium Conversion Factor	(4) Earned Premium at Present Rates	(5) Current Average Premium Factor	(6) Average Premium Projection Factor	(7) Trended Adjusted EPAPR
9/30/2005	649,701	312,270	1.045	326,322	1.074	1.007	352,923
9/30/2006	1,099,540	854,005	1.045	892,435	1.051	1.007	944,515
9/30/2007	1,409,302	1,273,726	1.037	1,320,854	1.006	1.007	1,338,081
9/30/2008	1,240,386	1,307,815	1.004	1,313,046	0.999	1.007	1,320,915
9/30/2009	1,305,703	1,276,299	1.000	1,276,299	1.000	1.007	1,285,233
	5,704,632	5,024,115		5,128,956			5,241,667

Notes:

- (1) From The Hartford Data runs
- (2) From The Hartford Data runs
- (3) Calculated using rateable policy information
- (4) Column (2) x Column (3)
- (5) From Exhibit 5, Column (4)
- (6) From Exhibit 4, Row (7)
- (7) Column (4) x Column (5) x Column (6)

Personal Property Insurance
Development of Non-CAT Loss Ratio Underlying Current Rates
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Permissible Loss Ratio Underlying Current Rates.....	62.3%
(2) Reinsurance Load Underlying Current Rates.....	0.8%
(3) LAE Underlying Current Rates.....	8.0%
(4) Adjusted Permissible Loss Ratio Underlying Current Rates.....	56.9%
(5) Non-CAT Ratio Underlying Current Rates.....	65.6%
(6) Non-CAT Loss Ratio Underlying Current Rates.....	37.4%
(7) Net Trend.....	147.4%
(8) Trended Non-CAT Loss Ratio Underlying Current Rates.....	55.1%

Development of Net Trend

(9) Effective Renewal Date of Current Rates.....	2/18/2007
(10) Average Accident Date of Forecast Period Underlying Current Rates.....	2/18/2008
(11) Average Accident Date of Latest Accident Year.....	4/1/2009
(12) Years of Trend (Retrospective).....	1.12
(13) Retrospective Loss Cost Trend Factor.....	1.140
(14) Average Premium Projection Factor.....	1.00
(15) Historical Net Trend.....	1.141
(16) Average Accident Date of Forecast Period.....	9/23/2011
(17) Years of Trend (Prospective).....	2.48
(18) Projected Loss Cost Trend Factor.....	1.301
(19) Average Premium Projection Factor.....	1.007
(20) Projected Net Trend.....	1.292
(21) Total Net Trend.....	1.474

Notes:

- (1) Permissible Loss Ratio from Previous Filing
- (2) Reinsurance Load from Previous Filing
- (3) LAE from Previous Filing
- (4) [Row(1) - Row(2)] / Row (3))
- (5) 1 - [Prev. Filing CAT Load/ (Latest Yr EPAPR from Prev. Filing * Prev. Filing PLR * (1 + Last Filed Rate Chg))]
- (6) Row (4) * Row (5)
- (7) From Row (20)
- (8) Row (6) * Row (7)

- (12) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (13) (Retrospective loss cost trend based on average accident date underlying current rates) ^ Row (12)
- (14) (Average premium trend based on average accident date underlying current rates) ^ Row (12)
- (15) Row (13) / Row (14)
- (17) Number of years between average accident date of latest accident year to average accident date of forecast period
- (18) (Prospective loss cost trends) ^ Row (17)
- (19) (Average premium projection factor) ^ Row (17)
- (20) Row (18) / Row (19)
- (21) Row (15) * Row (20)

Personal Property Insurance
Development of Trended Adjusted Ultimate Non-CAT (x-Hail) Losses
Building Policy Forms
Accident Year Data Ending 9/30/2009

	(1)	(2)	(3)	(4)
<u>Accident Year Ending</u>	<u>Smoothed Ultimate Losses</u>	<u>Retro. Trend Factors</u>	<u>Projected Trend Factor</u>	<u>Trended Smoothed Ultimate Losses</u>
9/30/2005	154,258	1.654	1.301	331,942
9/30/2006	270,572	1.453	1.301	511,476
9/30/2007	210,618	1.266	1.301	346,902
9/30/2008	445,505	1.124	1.301	651,473
9/30/2009	<u>474,991</u>	<u>1.000</u>	<u>1.301</u>	<u>617,963</u>
	1,555,944			2,459,756

Notes:

- (1) From Exhibit 6, Column (8)
- (2) Retrospective Trend
- (3) $(1+0.112 \text{ Annual Projected Trend})^{(2.48 \text{ Trend Period (\#Years)})}$
- (4) Column (1) x Column (2) x Column (3)

Personal Property Insurance
Development of Compounded Loss Cost Trend
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Selected Annual Loss Cost Trend Factor.....	11.2%
(2) Average Accident Date of Latest Accident Year.....	4/1/2009
(3) Proposed Renewal Date of Rate Change.....	9/23/2010
(4) Anticipated Duration of Filed Rate Change.....	12 Month(s)
(5) Average Policy Period.....	12 Month(s)
(6) Average Accident Date of Forecast Period.....	9/23/2011
(7) Years of Trend.....	2.48
(8) Projected Loss Cost Trend Factor.....	1.301

Notes:

- (1) Selection based on Hartford Data
- (2) Date based on assumption that a claim is equally likely to occur on any given day of the year
- (7) Number of years between average accident dates of experience period and forecast period
- (8) $[1 + \text{Row (1)}] ^ \text{Row (7)}$

Personal Property Insurance
Trend in Average Premium
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Average Premium
9/30/2005	868
9/30/2006	887
9/30/2007	926
9/30/2008	933
9/30/2009	932

(2) 2 Year Average Annual Premium Trend	-0.1%
(3) 3 Year Average Annual Exponential Premium Trend	0.3%
(4) 5 Year Average Annual Exponential Premium Trend	1.9%
(5) Selected Annual Premium Trend	0.3%
(6) Trend Period (# Years)	2.48
(7) Average Premium Projection Factor	1.007

Notes:

- (1) From Exhibit 5, Column (3)
- (2) (Column 1 Latest Year) / (Column 1 Previous Year) - 1
- (3) Derived from the exponential curve of best fit using the method of least-squares
- (4) Derived from the exponential curve of best fit using the method of least-squares
- (5) Represents the number of years from the midpoint of the last year of relativities data to 12 months beyond the anticipated renewal date of September 23, 2010
- (6) [1.0 + Row (5)] ^ Row (6)

Personal Property Insurance
Development of Current Average Premium Factors
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Earned Premium at Present Rates	(2) Earned House Years	(3) Average Premium	(4) Current Average Premium Factors
9/30/2005	326,322	376	868	1.074
9/30/2006	892,435	1,006	887	1.051
9/30/2007	1,320,854	1,427	926	1.006
9/30/2008	1,313,046	1,408	933	0.999
9/30/2009	1,276,299	1,369	932	1.000

Notes:

- (1) From Exhibit 2, Column (4)
- (2) From The Hartford data runs
- (3) Column (1) / Column (2)
- (4) Column (3) Latest Year / Column (3)

Personal Property Insurance
Large Loss Adjustment
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Accident Year Ending	Average Amount of Insurance	Cap Losses at 50% AOI	Ultimate Incurred Losses (x-CAT/Hail)	Excess Losses	Basic Limit Losses	Excess Ratio	Smoothed Ultimate Losses (x-CAT/Hail)
9/30/2005	147,279	73,640	312,598	209,896	102,702	0.502	154,258
9/30/2006	164,038	82,019	180,141	0	180,141	0.502	270,572
9/30/2007	183,661	91,831	140,225	0	140,225	0.502	210,618
9/30/2008	195,197	97,598	296,608	0	296,608	0.502	445,505
9/30/2009	205,082	102,541	316,239	0	316,239	0.502	474,991
			1,245,811		1,035,915		1,555,944

Notes:

- (2) Statewide Building Forms Average Amount of Insurance
- (3) Loss Capping Amount
- (4) From Exhibit 7 Column (10)
- (5) Loss exceeding Capping Amount
- (6) Column (4) - Column (5)
- (7) Excess Ratio based on 10 years of Hartford data
- (8) Column (6) x (1+Column (7))

Personal Property Insurance
Development of Adjusted Incurred Losses to Ultimate (Catastrophe and Non-Cat Hail losses removed)
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	Section I - Property						Section II - Liability			Total
	(1) Total Section I Incurred Losses	(2) Actual CAT Incurred Losses	(3) Non-CAT Hail Incurred Losses	(4) Total Adjusted Incurred Losses	(5) Loss Development Factor	(6) Ultimate Losses	(7) Incurred Losses	(8) Loss Development Factor	(9) Ultimate Losses	(10) Ultimate Losses
9/30/2005	333,319	8,651	12,070	312,598	1.000	312,598	0	1.016	0	312,598
9/30/2006	648,747	335,870	133,210	179,667	1.002	180,026	109	1.054	115	180,141
9/30/2007	156,129	0	20,025	136,104	1.001	136,240	3,646	1.093	3,985	140,225
9/30/2008	963,881	608,964	65,593	289,324	0.997	288,456	5,827	1.399	8,152	296,608
9/30/2009	1,250,637	842,813	138,096	269,728	1.145	308,839	3,125	2.368	7,400	316,239
	3,352,713	1,796,298	368,994	1,187,421		1,226,159	12,707		19,652	1,245,811

Notes:

- (1) , (2), (3) & (7) From The Hartford data runs
- (4) Column (1) - Column (2) - Column (3)
- (5) Western Region factors developed from The Hartford loss triangles
- (6) Column (4) * Column (5)
- (8) Countrywide factors developed from The Hartford loss triangles
- (9) Column (7) * Column (8)
- (10) Column (6) + Column (9)

Personal Property Insurance
Permissible Loss Ratio
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

As a percentage of premium:	Combined Ratio @ 90.1% (17.5% ROE)
(1) Commission and Brokerage.....	12.5%
(2) Other Underwriting Expense.....	25.3%
(3) Taxes, Licenses, Fees, Fair Plan.....	3.1%
(4) Underwriting Profit & Contingencies.....	9.9%
(5) Total Expenses.....	50.8%
(6) Permissible Loss & Loss Adjustment Expense Ratio.....	49.2%
(7) Total Premium.....	100.0%

Notes:

- (1) Represents the projected commissions and brokerage to be paid during the period the rates will be in effect for Personal Lines Homeowners policies to our agents in Arkansas.
- (2) The Variable portion of OUE represents the countrywide projected expenses for the period that these rates will be in effect.

Personal Property Insurance
Development of Trended Adjusted Premiums at Present Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Written Premium	(2) Earned Premium	(3) Premium Conversion Factor	(4) Earned Premium at Present Rates	(5) Current Average Premium Factor	(6) Average Premium Projection Factor	(7) Trended Adjusted EPAPR
9/30/2005	8,254	5,570	1.000	5,570	0.909	1.002	5,073
9/30/2006	10,406	7,853	1.000	7,853	1.074	1.002	8,451
9/30/2007	16,968	13,887	1.000	13,887	1.002	1.002	13,943
9/30/2008	16,314	16,406	1.000	16,406	1.079	1.002	17,737
9/30/2009	19,829	18,589	1.000	18,589	1.000	1.002	18,626
	71,771	62,305		62,305			63,830

Notes:

- (1) From The Hartford Data runs
- (2) From The Hartford Data runs
- (3) Calculated using rateable policy information
- (4) Column (2) x Column (3)
- (5) From Exhibit 5, Column (4)
- (6) From Exhibit 4, Row (7)
- (7) Column (4) x Column (5) x Column (6)

Personal Property Insurance
Development of Non-CAT Loss Ratio Underlying Current Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1) Permissible Loss Ratio Underlying Current Rates.....	53.9%
(2) Reinsurance Load Underlying Current Rates.....	0.9%
(3) LAE Underlying Current Rates.....	8.0%
(4) Adjusted Permissible Loss Ratio Underlying Current Rates.....	49.1%
(5) Non-CAT Ratio Underlying Current Rates.....	97.7%
(6) Non-CAT Loss Ratio Underlying Current Rates.....	47.9%
(7) Net Trend.....	137.2%
(8) Trended Non-CAT Loss Ratio Underlying Current Rates.....	65.7%

Development of Net Trend

(9) Effective Renewal Date of Current Rates.....	2/18/2007
(10) Average Accident Date of Forecast Period Underlying Current Rates.....	2/18/2008
(11) Average Accident Date of Latest Accident Year.....	4/1/2009
(12) Years of Trend (Retrospective).....	1.12
(13) Retrospective Loss Cost Trend Factor.....	1.140
(14) Average Premium Projection Factor.....	1.08
(15) Historical Net Trend.....	1.057
(16) Average Accident Date of Forecast Period.....	9/23/2011
(17) Years of Trend (Prospective).....	2.48
(18) Projected Loss Cost Trend Factor.....	1.301
(19) Average Premium Projection Factor.....	1.002
(20) Projected Net Trend.....	1.298
(21) Total Net Trend.....	1.372

Notes:

- (1) Permissible Loss Ratio from Previous Filing
- (2) Reinsurance Load from Previous Filing
- (3) LAE from Previous Filing
- (4) $[Row(1) - Row(2)] / Row(3)$
- (5) $1 - [Prev. Filing CAT Load / (Latest Yr EPAPR from Prev. Filing * Prev. Filing PLR * (1 + Last Filed Rate Chg))]$
- (6) Row (4) * Row (5)
- (7) From Row (20)
- (8) Row (6) * Row (7)

- (12) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (13) (Retrospective loss cost trend based on average accident date underlying current rates) ^ Row (12)
- (14) (Average premium trend based on average accident date underlying current rates) ^ Row (12)
- (15) Row (13) / Row (14)
- (17) Number of years between average accident date of latest accident year to average accident date of forecast period
- (18) (Prospective loss cost trends) ^ Row (17)
- (19) (Average premium projection factor) ^ Row (17)
- (20) Row (18) / Row (19)
- (21) Row (15) * Row (20)

Personal Property Insurance
Development of Trended Adjusted Ultimate Non-CAT (x-Hail) Losses
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

	(1)	(2)	(3)	(4)
<u>Accident Year Ending</u>	<u>Smoothed Ultimate Losses</u>	<u>Retro. Trend Factors</u>	<u>Projected Trend Factor</u>	<u>Trended Smoothed Ultimate Losses</u>
9/30/2005	0	1.654	1.301	0
9/30/2006	3,639	1.453	1.301	6,880
9/30/2007	824	1.266	1.301	1,358
9/30/2008	1,232	1.124	1.301	1,802
9/30/2009	1,332	1.000	1.301	1,732
	<u>7,028</u>			<u>11,772</u>

Notes:

- (1) From Exhibit 6, Column (8)
- (2) Retrospective Trend
- (3) $(1+0.112 \text{ Annual Projected Trend})^{(2.48 \text{ Trend Period (\#Years)})}$
- (4) Column (1) x Column (2) x Column (3)

Personal Property Insurance
Trend in Average Premium
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Average Premium
9/30/2005	464
9/30/2006	393
9/30/2007	421
9/30/2008	391
9/30/2009	422
(2) 2 Year Average Annual Premium Trend	7.9%
(3) 3 Year Average Annual Exponential Premium Trend	0.1%
(4) 5 Year Average Annual Exponential Premium Trend	-1.9%
(5) Selected Annual Premium Trend	0.1%
(6) Trend Period (# Years)	2.48
(7) Average Premium Projection Factor	1.002

Notes:

- (1) From Exhibit 5, Column (3)
- (2) $(\text{Column 1 Latest Year}) / (\text{Column 1 Previous Year}) - 1$
- (3) Derived from the exponential curve of best fit using the method of least-squares
- (4) Derived from the exponential curve of best fit using the method of least-squares
- (6) Represents the number of years from the midpoint of the last year of relativities data to 12 months beyond the anticipated renewal date of September 23, 2010
- (7) $[1.0 + \text{Row (5)}] ^ \text{Row (6)}$

Personal Property Insurance
Development of Current Average Premium Factors
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Earned Premium at Present Rates	(2) Earned House Years	(3) Average Premium	(4) Current Average Premium Factors
9/30/2005	5,570	12	464	0.909
9/30/2006	7,853	20	393	1.074
9/30/2007	13,887	33	421	1.002
9/30/2008	16,406	42	391	1.079
9/30/2009	18,589	44	422	1.000

Notes:

- (1) From Exhibit 2, Column (4)
- (2) From The Hartford data runs
- (3) Column (1) / Column (2)
- (4) Column (3) Latest Year / Column (3)

Personal Property Insurance
Large Loss Adjustment
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Accident Year Ending	Average Amount of Insurance	Cap Losses at 50% AOI	Ultimate Incurred Losses (x-CAT/Hail)	Excess Losses	Basic Limit Losses	Excess Ratio	Smoothed Ultimate Losses (x-CAT/Hail)
9/30/2005	44,054	22,027	0	0	0	0.225	0
9/30/2006	44,343	22,171	2,971	0	2,971	0.225	3,639
9/30/2007	45,490	22,745	673	0	673	0.225	824
9/30/2008	42,017	21,009	1,006	0	1,006	0.225	1,232
9/30/2009	47,723	23,861	1,087	0	1,087	0.225	1,332
			5,737		5,737		7,028

Notes:

- (2) Statewide T+C Forms Average Amount of Insurance
- (3) Loss Capping Amount
- (4) From Exhibit 7 Column (10)
- (5) Loss exceeding Capping Amount
- (6) Column (4) - Column (5)
- (7) Excess Ratio based on 10 years of Hartford data
- (8) Column (6) x (1+Column (7))

Personal Property Insurance
Development of Adjusted Incurred Losses to Ultimate (Catastrophe and Non-Cat Hail losses removed)
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	Section I - Property					Section II - Liability			Total	
	(1) Total Section I Incurred Losses	(2) Actual CAT Incurred Losses	(3) Non-CAT Hail Incurred Losses	(4) Total Adjusted Incurred Losses	(5) Loss Development Factor	(6) Ultimate Losses	(7) Incurred Losses	(8) Loss Development Factor	(9) Ultimate Losses	(10) Ultimate Losses
9/30/2005	0	0	0	0	0.999	0	0	0.921	0	0
9/30/2006	2,977	0	0	2,977	0.998	2,971	0	0.891	0	2,971
9/30/2007	675	0	0	675	0.997	673	0	0.973	0	673
9/30/2008	1,009	0	0	1,009	0.997	1,006	0	1.155	0	1,006
9/30/2009	1,000	0	0	1,000	1.087	1,087	0	1.627	0	1,087
	5,661	0	0	5,661		5,737	0		0	5,737

Notes:

- (1) , (2), (3) & (7) From The Hartford data runs
- (4) Column (1) - Column (2) - Column (3)
- (5) & (8) Countrywide factors developed from The Hartford loss triangles
- (6) Column (4) * Column (5)
- (9) Column (7) * Column (8)
- (10) Column (6) + Column (9)

Calculation of Total Rate of Return
PID Standard Homeowners

Accident Effective Period: June 1, 2010 through May 31, 2011

<u>Financials</u>	<u>Before-Tax</u>	<u>Premium %</u>
Earned Premium	\$1,000	
Expected Loss & LAE	\$584	58.4%
Expected Expenses	<u>\$312</u>	<u>31.2%</u>
Total Loss, LAE & Expenses	\$896	89.6%
Expected Underwriting Profit	\$104	10.4%
	Incl. 1.0% Cont.	11.4%
	Selected	9.4%

Assumptions

Timing of Accounting Entry

Average Earning Lag (Years)	0.50
Average Loss & LAE Incurral Lag (Years)	0.50
Average Expense Incurral Lag (Years)	0.39

Timing of Cash Flows

Average Premium Payment Lag (Years)	0.23
Average Loss & LAE Payment Lag (Years)	1.15
Average Expense Payment Lag (Years)	0.10

Investment and Tax

Investment Rate Before-tax	2.25%
Tax Loss Discount Rate	4.06%
Federal Income Tax Rate - Underwriting	35.0%
Federal Income Tax Rate - Investment	35.0%

Leverage and Surplus

Premium To Surplus Ratio	2.16
Liability To Surplus Ratio	0.88

Results

	<u>Before-Tax</u>	<u>After-Tax</u>
Underwriting Income (Profit)	\$104	\$68
Investment Income Credit (Operating)	\$11	\$7
Total Operating Income	\$115	\$75
Operating Return On Premium	11.5%	7.5%
Surplus		
Surplus Attributed	\$463	\$463
Investment Income On Surplus	\$10	\$6
Total Net Income	\$124	\$81

Expected Return on Surplus	17.5%
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**Sentinel Insurance Company
State of Arkansas**

Data Evaluated as of 9/30/2009

Loss Cost Trend

SW Dimensions @ 3rd Qtr 2009				
Year	Qtr	Ultimate Ex Cat/Hail Frequency	Ex Mold Capped Ultimate Severity	Ex Mold Capped Loss Cost
2004-4	4	0.000	0	0
2005-1	1	0.044	1,913	84
2005-2	2	0.009	114	1
2005-3	3	0.060	6,282	380
2005-4	4	0.033	3,048	101
2006-1	1	0.039	5,313	206
2006-2	2	0.060	3,722	225
2006-3	3	0.044	3,672	160
2006-4	4	0.036	3,638	131
2007-1	1	0.034	3,975	136
2007-2	2	0.025	3,679	90
2007-3	3	0.019	2,189	41
2007-4	4	0.025	2,964	73
2008-1	1	0.060	5,757	345
2008-2	2	0.061	4,263	260
2008-3	3	0.038	4,350	167
2008-4	4	0.033	4,430	147
2009-1	1	0.053	2,574	136
2009-2	2	0.056	6,755	376
2009-3	3	0.053	5,492	290

FastTrack 2nd Qtr 2009				
Year	Qtr	Frequency	Severity	Loss Cost
2004-3	3	0.061	4,325	264
2004-4	4	0.045	4,801	214
2005-1	1	0.040	6,992	281
2005-2	2	0.053	4,813	257
2005-3	3	0.058	4,837	280
2005-4	4	0.045	6,183	278
2006-1	1	0.043	7,108	307
2006-2	2	0.060	5,324	320
2006-3	3	0.059	4,888	289
2006-4	4	0.041	6,940	286
2007-1	1	0.046	7,409	340
2007-2	2	0.051	5,865	298
2007-3	3	0.054	5,911	319
2007-4	4	0.042	6,856	290
2008-1	1	0.047	7,543	352
2008-2	2	0.064	6,566	420
2008-3	3	0.065	6,431	416
2008-4	4	0.044	9,338	412
2009-1	1	0.058	7,912	458
2009-2	2	0.064	7,863	501

	SW Dimensions @ 3rd Qtr 2009			FastTrack 2nd Qtr 2009		
	Ultimate Ex Cat/Hail Frequency	Ex Mold Capped Ultimate Severity	Ex Mold Capped Ex Cat/Hail Loss Cost	Frequency	Severity	Loss Cost
Annual Trend Factors						
20- Point Regression	0.0%	0.0%	0.0%	3.0%	10.3%	13.6%
16- Point Regression	7.9%	7.6%	16.1%	3.9%	10.2%	14.5%
12- Point Regression	31.7%	17.5%	54.8%	8.0%	12.3%	21.3%
8- Point Regression	10.5%	7.5%	18.8%	11.5%	16.8%	30.3%

Selected	11.2%
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	INCREMENTAL INCURRED LOSS DEVELOPMENT									
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	4,172,768	433,012	(42,545)	47,196	1,436	-	-	(154)	(787)	(2,034)
200106	3,905,631	631,880	78,876	10,983	6,594	12,175	(5,218)	2,284	-	
200206	6,182,951	493,630	(71,653)	26,254	5,553	-	283,853	(607)		
200306	6,570,073	823,217	128,810	(16,903)	6,126	1,287	12,214			
200406	6,999,747	876,058	87,711	101,785	40,474	16,663				
200506	9,813,760	884,124	191,807	14,123	9,106					
200606	16,113,217	1,632,838	(868,379)	(151,911)						
200706	18,504,658	3,286,760	446,544							
200806	19,212,817	3,061,206								
200906	25,858,654									

	CUMULATIVE INCURRED LOSS DEVELOPMENT									
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	4,172,768	4,605,780	4,563,235	4,610,431	4,611,867	4,611,867	4,611,867	4,611,712	4,610,926	4,608,892
200106	3,905,631	4,537,511	4,616,388	4,627,370	4,633,964	4,646,139	4,640,921	4,643,205	4,643,205	
200206	6,182,951	6,676,580	6,604,928	6,631,182	6,636,735	6,636,735	6,920,588	6,919,981		
200306	6,570,073	7,393,291	7,522,100	7,505,198	7,511,324	7,512,611	7,524,825			
200406	6,999,747	7,875,806	7,963,517	8,065,302	8,105,776	8,122,439				
200506	9,813,760	10,697,885	10,889,692	10,903,815	10,912,921					
200606	16,113,217	17,746,056	16,877,677	16,725,766						
200706	18,504,658	21,791,418	22,237,962							
200806	19,212,817	22,274,023								
200906	25,858,654									

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
200006	1.104	0.991	1.010	1.000	1.000	1.000	1.000	1.000	1.000
200106	1.162	1.017	1.002	1.001	1.003	0.999	1.000	1.000	
200206	1.080	0.989	1.004	1.001	1.000	1.043	1.000		
200306	1.125	1.017	0.998	1.001	1.000	1.002			
200406	1.125	1.011	1.013	1.005	1.002				
200506	1.090	1.018	1.001	1.001					
200606	1.101	0.951	0.991						
200706	1.178	1.020							
200806	1.159								

INCURRED LOSS DEVELOPMENT (WEIGHTED AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.133	0.999	1.001	1.002	1.001	1.012	1.000	1.000	1.000	1.000
3-YR AVG	1.148	0.995	0.999	1.002	1.001	1.015	1.000	1.000	1.000	1.000
5-YR AVG	1.138	1.000	0.999	1.002	1.001	1.000	1.000	1.000	1.000	1.000

INCURRED LOSS DEVELOPMENT (STRAIGHT AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.125	1.002	1.003	1.002	1.001	1.011	1.000	1.000	1.000	1.000
3-YR AVG	1.146	0.996	1.002	1.002	1.001	1.014	1.000	1.000	1.000	1.000
5-YR AVG	1.131	1.004	1.001	1.002	1.001	1.011	1.000	1.000	1.000	1.000

X HI-LO	1.129	1.015	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000
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SELECTED LINK RATIOS	1.148	0.995	0.999	1.002	1.001	1.000	1.000	1.000	1.000	1.000
CUMULATIVE LDF	1.145	0.997	1.001	1.002	1.000	1.000	1.000	0.999	1.000	1.000

SELECTED LDF: **1.145** **0.997** **1.001** **1.002** **1.000** (3 yr wtd avg - smoothed 72-84)

INCREMENTAL INCURRED LOSS DEVELOPMENT										
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	4,023,925	2,456,379	1,412,603	(101,788)	343,747	(123,615)	(148,750)	(5,000)	10,000	(20,500)
200106	4,743,525	3,823,439	494,470	(372,165)	130,607	133,048	(108,100)	(30,564)	(5,500)	
200206	4,141,065	1,720,755	478,132	(94,355)	427,818	114,676	136,300	84,000		
200306	3,939,106	3,091,027	1,713,303	548,142	716,675	229,900	76,450			
200406	4,611,396	1,823,182	1,932,732	179,646	93,700	319,691				
200506	2,541,219	1,456,281	1,412,205	695,192	87,610					
200606	3,671,081	3,735,782	1,924,277	84,593						
200706	3,704,286	3,408,594	1,959,371							
200806	5,736,149	3,619,111								
200906	5,737,718									
CUMULATIVE INCURRED LOSS DEVELOPMENT										
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	4,023,925	6,480,304	7,892,907	7,791,120	8,134,867	8,011,251	7,862,501	7,857,501	7,867,501	7,847,001
200106	4,743,525	8,566,963	9,061,433	8,689,268	8,819,875	8,952,923	8,844,823	8,814,259	8,808,759	
200206	4,141,065	5,861,820	6,339,952	6,245,597	6,673,415	6,788,092	6,924,392	7,008,392		
200306	3,939,106	7,030,133	8,743,436	9,291,578	10,008,253	10,238,153	10,314,603			
200406	4,611,396	6,434,578	8,367,309	8,546,955	8,640,656	8,960,347				
200506	2,541,219	3,997,501	5,409,706	6,104,898	6,192,508					
200606	3,671,081	7,406,863	9,331,140	9,415,732						
200706	3,704,286	7,112,880	9,072,252							
200806	5,736,149	9,355,259								
200906	5,737,718									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	
200006	1.610	1.218	0.987	1.044	0.985	0.981	0.999	1.001	0.997	
200106	1.806	1.058	0.959	1.015	1.015	0.988	0.997	0.999		
200206	1.416	1.082	0.985	1.068	1.017	1.020	1.012			
200306	1.785	1.244	1.063	1.077	1.023	1.007				
200406	1.395	1.300	1.021	1.011	1.037					
200506	1.573	1.353	1.129	1.014						
200606	2.018	1.260	1.009							
200706	1.920	1.275								
200806	1.631									
INCURRED LOSS DEVELOPMENT (WEIGHTED AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.677	1.214	1.017	1.039	1.016	0.999	1.002	1.000	0.997	1.000
3-YR AVG	1.821	1.286	1.042	1.038	1.026	1.004	1.002	1.000	0.997	1.000
5-YR AVG	1.693	1.280	1.037	1.037	1.016	1.000	1.002	1.000	0.997	1.000
INCURRED LOSS DEVELOPMENT (STRAIGHT AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.684	1.224	1.022	1.038	1.015	0.999	1.003	1.000	0.997	1.000
3-YR AVG	1.856	1.296	1.053	1.034	1.026	1.005	1.003	1.000	0.997	1.000
5-YR AVG	1.707	1.287	1.041	1.037	1.015	0.999	1.003	1.000	0.997	1.000
X HI-LO	1.708	1.279	1.031	1.033	1.018	0.998	0.999	1.000	0.997	1.000
SELECTED LINK RATIOS	1.693	1.280	1.037	1.037	1.016	1.000	1.000	1.000	1.000	1.000
CUMULATIVE LDF	2.368	1.399	1.093	1.054	1.016	1.000	1.000	1.000	1.000	1.000
SELECTED LDF:	2.368	1.399	1.093	1.054	1.016	(5 Yr Wtd Avg, smoothed tail 84-96,108-120)				

INCREMENTAL INCURRED LOSS DEVELOPMENT										
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	3,209,227	(77,609)	(15,720)	(8,861)	(8,973)	(891)	-	-	-	-
200106	3,639,940	(61,777)	(7,617)	(10,253)	10,098	386	(1,623)	2,367	1,801	
200206	4,222,658	159,881	(30,242)	9,807	(2,857)	(1,460)	5,474	500		
200306	4,031,953	(140,207)	(27,024)	(14,465)	5,303	4,776	-			
200406	2,944,882	272,117	12,046	2,081	5,643	(10,500)				
200506	3,925,916	481,445	(31,955)	(21,922)	(30,731)					
200606	4,542,451	323,742	(544)	10,261						
200706	5,619,136	268,580	47,656							
200806	5,593,416	841,189								
200906	5,909,586									
CUMULATIVE INCURRED LOSS DEVELOPMENT										
	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	3,209,227	3,131,618	3,115,899	3,107,038	3,098,065	3,097,175	3,097,175	3,097,175	3,097,175	3,097,175
200106	3,639,940	3,578,163	3,570,546	3,560,294	3,570,391	3,570,777	3,569,155	3,571,522	3,573,323	
200206	4,222,658	4,382,539	4,352,297	4,362,104	4,359,247	4,357,787	4,363,261	4,363,761		
200306	4,031,953	3,891,746	3,864,722	3,850,257	3,855,560	3,860,336	3,860,336			
200406	2,944,882	3,216,998	3,229,044	3,231,125	3,236,768	3,226,268				
200506	3,925,916	4,407,361	4,375,406	4,353,484	4,322,753					
200606	4,542,451	4,866,193	4,865,649	4,875,910						
200706	5,619,136	5,887,715	5,935,372							
200806	5,593,416	6,434,606								
200906	5,909,586									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
200006	0.976	0.995	0.997	0.997	1.000	1.000	1.000	1.000	1.000	1.000
200106	0.983	0.998	0.997	1.003	1.000	1.000	1.001	1.001		
200206	1.038	0.993	1.002	0.999	1.000	1.001	1.000			
200306	0.965	0.993	0.996	1.001	1.001	1.000				
200406	1.092	1.004	1.001	1.002	0.997					
200506	1.123	0.993	0.995	0.993						
200606	1.071	1.000	1.002							
200706	1.048	1.008								
200806	1.150									
INCURRED LOSS DEVELOPMENT (WEIGHTED AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.055	0.998	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000
3-YR AVG	1.091	1.001	0.999	0.998	0.999	1.000	1.000	1.000	1.000	1.000
5-YR AVG	1.097	1.000	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000
INCURRED LOSS DEVELOPMENT (STRAIGHT AVERAGE LINKS)										
DEV	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
ALL-YR AVG	1.050	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000
3-YR AVG	1.090	1.000	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000
5-YR AVG	1.097	1.000	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000
X HI-LO	1.095	0.999	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000
SELECTED LINK RATIOS	1.090	1.000	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000
CUMULATIVE LDF:	1.087	0.997	0.997	0.998	0.999	1.000	1.000	1.000	1.000	1.000
SELECTED LDF:	1.087	0.997	0.997	0.998	0.999	(3 Yr Str Avg - same as AARP - override calculated links with 1.00				

	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	764,764	274,054	(11,311)	11,080	(99,214)	-	-	-	-	-
200106	463,198	147,302	65,427	(99,250)	(96,000)	(1,000)	-	(5,000)	-	-
200206	677,685	86,713	1,290	347,501	103,000	(325,000)	-	(500)	-	-
200306	409,896	159,656	(95,122)	55,500	(2,510)	24,500	4,935	-	-	-
200406	178,680	526,546	11,471	(14,975)	(6,000)	-	-	-	-	-
200506	1,069,650	160,726	275,390	254,745	(87,823)	-	-	-	-	-
200606	1,039,683	231,675	237,009	60,403	-	-	-	-	-	-
200706	640,287	169,721	828,453	-	-	-	-	-	-	-
200806	625,002	640,013	-	-	-	-	-	-	-	-
200906	344,405	-	-	-	-	-	-	-	-	-

	12 MTH	24 MTH	36 MTH	48 MTH	60 MTH	72 MTH	84 MTH	96 MTH	108 MTH	120 MTH
200006	764,764	1,038,818	1,027,507	1,038,587	939,374	939,374	939,374	939,374	939,374	939,374
200106	463,198	610,500	675,926	576,676	480,676	479,676	479,676	474,676	474,676	-
200206	677,685	764,398	765,687	1,113,188	1,216,188	891,188	891,188	890,688	-	-
200306	409,896	569,551	474,429	529,929	527,420	551,920	556,855	-	-	-
200406	178,680	705,226	716,697	701,722	695,722	695,722	-	-	-	-
200506	1,069,650	1,230,376	1,505,766	1,760,511	1,672,688	-	-	-	-	-
200606	1,039,683	1,271,358	1,508,366	1,568,769	-	-	-	-	-	-
200706	640,287	810,009	1,638,461	-	-	-	-	-	-	-
200806	625,002	1,265,014	-	-	-	-	-	-	-	-
200906	344,405	-	-	-	-	-	-	-	-	-

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
200006	1.358	0.989	1.011	0.904	1.000	1.000	1.000	1.000	1.000
200106	1.318	1.107	0.853	0.834	0.998	1.000	0.990	1.000	-
200206	1.128	1.002	1.454	1.093	0.733	1.000	0.999	-	-
200306	1.390	0.833	1.117	0.995	1.046	1.009	-	-	-
200406	3.947	1.016	0.979	0.991	1.000	-	-	-	-
200506	1.150	1.224	1.169	0.950	-	-	-	-	-
200606	1.223	1.186	1.040	-	-	-	-	-	-
200706	1.265	2.023	-	-	-	-	-	-	-
200806	2.024	-	-	-	-	-	-	-	-

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
DEV	1.408	1.188	1.092	0.967	0.922	1.002	0.998	1.000	1.000	1.000
ALL-YR AVG	1.452	1.405	1.080	0.968	0.877	1.003	0.998	1.000	1.000	1.000
3-YR AVG	1.486	1.274	1.141	0.981	0.922	1.000	0.998	1.000	1.000	1.000
5-YR AVG	-	-	-	-	-	-	-	-	-	-

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-ULT
DEV	1.645	1.173	1.089	0.961	0.955	1.002	0.996	1.000	1.000	1.000
ALL-YR AVG	1.504	1.478	1.063	0.979	0.926	1.003	0.996	1.000	1.000	1.000
3-YR AVG	1.922	1.256	1.152	0.973	0.955	1.002	0.996	1.000	1.000	1.000
5-YR AVG	-	-	-	-	-	-	-	-	-	-

X HI-LO	1.504	1.142	1.109	0.979	0.999	1.000	0.999	1.000	1.000	1.000
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SELECTED LINK RATIOS	1.408	1.188	1.092	0.967	0.922	1.002	0.998	1.000	1.000	1.000
CUMULATIVE LDF	1.627	1.155	0.973	0.891	0.921	0.999	0.998	1.000	1.000	1.000

SELECTED LDF: **1.627** **1.155** **0.973** **0.891** **0.921** (All Yr Wtd Avg)

Trended Ultimate Cat Losses

Arkansas Personal Property Insurance Review of CAT Model Input & Output

The trended ultimate catastrophe losses used in our Hartford Insurance Group property insurance filing was developed using various weather related models. These models were created and implemented by the commercial vendor Risk Management Solutions (RMS).

RMS was founded in 1988 as a provider of products and services for the quantification and management of natural hazard risks, such as earthquakes, hurricanes and other windstorms. Currently, RMS' risk modeling solutions are being used by over 400 insurers. RMS has demonstrated their advancement in this area by utilizing engineers and scientists devoted to the development of risk models.

Though proprietary in nature, the RMS models focus on event-specific probabilistic (stochastic) modeling to quantify risk for individual locations and for portfolios of aggregate risk. The catastrophe models are built upon detailed databases describing highly localized variations in hazard characteristics, as well as databases capturing property and casualty inventory, building stock, and insurance exposures. They are continually maintained and updated to reflect the latest in scientific research and data availability.

All RMS models are extensively validated against a defined set of standards, including, but not limited to:

- 1) State of the art understanding of physical phenomena
- 2) Consistency with historical frequency and pattern of activity
- 3) Ability to reconstruct specific events at all levels of geographic and demographic resolution
- 4) Calibrated against actual loss data (wherever possible)
- 5) "Stress Tested" against real-world portfolios and risk management applications

The Hartford's Arkansas in-force exposures, including total insured value, deductible, and construction, were run through the RMS model. This process resulted in our best estimate of ultimate modeled losses.

In addition, the RMS modeling procedure includes the following policy level detail in its modeling of catastrophe losses;

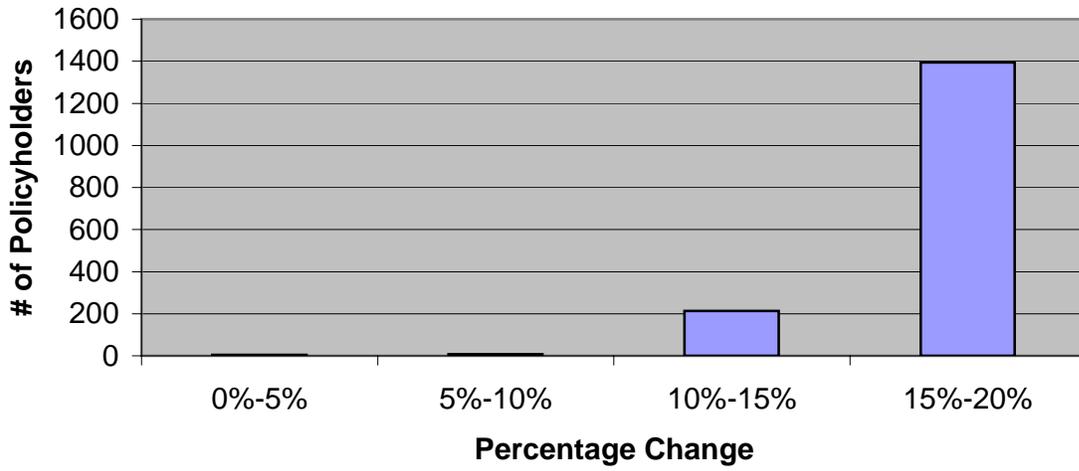
- Deductible
- Limits
- Construction Type
- Location (Zip code level for Other Wind)

The following table summarizes the modeling results used in our Arkansas Personal Property Insurance review.

	Cause of Loss				Total (5)	Total* (6)
	<u>Hurricane</u> (1)	<u>Other Wind</u> (2)	<u>Winter Storm</u> (3)	<u>Fire Following</u> (4)		
Building Average Annual Loss	\$0	\$187,884	\$18,976	\$822	\$207,682	\$238,004
Tenants & Condos Average Annual Loss	\$0	\$801	\$38	\$6	\$845	\$968

* =Column (5)*(1.0563^2.48) This is multiplying our budgeted cat load from column 5 by our statewide increase in Coverage A (ITV), which is 5.63%, to the power of the trend period of 2.48 years.

Arkansas Sentinel Insurance Company Policyholder Dislocation



Range	<u># of Policyholders</u>
0%-5%	5
5%-10%	8
10%-15%	213
15%-20%	1394

HARTFORD FINANCIAL SERVICES GROUP
SENTINEL INSURANCE COMPANY LTD.
Company Tracking No.: FN.14.799.2010.01
ARKANSAS HOMEOWNERS

This is a response to the objection letter from Becky Harrington dated 5/14/2010.

Objection 1

- Explanatory Memorandum and Actuarial Exhibits (Supporting Document)-
- Response to Objection No. 4 - Histogram Dated 05/07/2010 (Supporting Document)

Comment: Please revise your indications using historical CAT losses instead of modeled losses.

We have revised our indication to use historical CAT losses. We calculated our CAT to non CAT losses for all historical years and took an average ratio (See attached exhibit for this calculation). We used that ratio of our credibility weighted non CAT ratio to determine a credibility weighted CAT ratio, and applied that to our current trended EPAPR to calculate our Trended Ultimate CAT losses.

If you have any questions, feel free to contact either myself or Randy. Thank you.

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Ratio of Cat to Non Cat Losses

Building				Tenant & Condo			
Year	Non Cat Losses	Cat Losses	Ratio	Year	Non Cat Losses	Cat Losses	Ratio
1998	604,635.16	30,051.86	4.97%	1998	2,199.92	0.00	0.00%
1999	201,376.06	217,946.98	108.23%	1999	4,413.35	0.00	0.00%
2000	748,568.35	128,167.93	17.12%	2000	2,634.20	0.00	0.00%
2001	393,928.91	24,109.18	6.12%	2001	2,016.65	0.00	0.00%
2002	267,371.83	6,777.63	2.53%	2002	1,821.67	0.00	0.00%
2003	771,368.66	88,902.78	11.53%	2003	10,492.21	0.00	0.00%
2004	219,130.01	16,158.89	7.37%	2004	2,297.41	0.00	0.00%
2005	1,063,905.60	43,190.77	4.06%	2005	4,376.64	0.00	0.00%
2006	738,683.84	521,635.05	70.62%	2006	2,915.23	0.00	0.00%
2007	214,099.19	2,635.00	1.23%	2007	4,674.17	0.00	0.00%
2008	925,755.15	711,161.05	76.82%	2008	1,009.18	0.00	0.00%
2009	700,954.72	945,927.13	134.95%	2009	0.00	0.00	0.00%
Grand Total	6,849,777.48	2,736,664.25	37.13%	Grand Total	38,850.63	0.00	0.00%

Personal Property Insurance
Statewide Rate Level Indication
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Trended Adjusted EPAPR	(2) Trended Smoothed Ultimate Losses (x-CAT/Hail)	(3) Trended Adjusted Loss Ratio	(4) Selected Accident Year Weights
9/30/2005	352,923	331,942	94.1%	6%
9/30/2006	944,515	511,476	54.2%	17%
9/30/2007	1,338,081	346,902	25.9%	25%
9/30/2008	1,320,915	651,473	49.3%	26%
9/30/2009	1,285,233	617,963	48.1%	26%
	5,241,667	2,459,756	46.9%	100%

(5) Trended Weighted Loss Ratio (x-CAT/Hail).....	46.7%
(6) Trended Ultimate Non-CAT Hail Average Annual Loss.....	90,173
(7) Credibility.....	37%
(8) Complement of Credibility.....	55.1%
(9) Credibility Weighted Non-CAT Loss Ratio.....	54.6%
(10) Trended Ultimate CAT Losses.....	260,263
(11) Risk Load.....	0
(12) Total Loss Ratio.....	74.9%
(13) Projected Loss Adjustment Expense.....	1.150
(14) Reinsurance Load.....	0.1%
(15) Adjusted Weighted Loss Ratio.....	86.2%
(16) Permissible Loss Ratio.....	61.4%
(17) Indicated Rate Level Change.....	40.4%

Notes:

- (1) From Exhibit 2, Column (7)
- (2) From Exhibit 3, Column (4)
- (3) Column (2) / Column (1)
- (5) Weighted Average of Column (3) and Column (4)
- (6) Based on state average annual non-cat hail loss load
- (7) Based on the square root rule with a full credibility standard of 40,000 Earned House Years
- (8) From Exhibit 2c, Row (8)
- (9) $[(\text{Row (5)} + (\text{Row (6)} / \text{Column (1) Latest Year EPAPR})) * \text{Row (7)} + ((\text{Row (8)} * (1 - \text{Row (7))))]$
- (12) $\text{Row (9)} + [\text{Row (10)} + \text{Row (11)}] / \text{Column (1) Latest Year EPAPR}$
- (14) Based on the allocation of Countrywide reinsurance treaty costs to state
- (15) $\text{Row (12)} * \text{Row (13)} + \text{Row (14)}$
- (16) From Exhibit 1a, Row (6)
- (17) $\text{Row (15)} / \text{Row (16)} - 1.0$

Personal Property Insurance
Permissible Loss Ratio
Building Policy Forms
Accident Year Data Ending 9/30/2009

As a percentage of premium:	Combined Ratio @ 90.1% (17.5% ROE)
(1) Commission and Brokerage.....	12.5%
(2) Other Underwriting Expense.....	13.1%
(3) Taxes, Licenses, Fees, Fair Plan.....	3.1%
(4) Underwriting Profit & Contingencies.....	9.9%
(5) Total Expenses.....	38.6%
(6) Permissible Loss & Loss Adjustment Expense Ratio.....	61.4%
(7) Total Premium.....	100.0%

Notes:

- (1) Represents the projected commissions and brokerage to be paid during the period the rates will be in effect for Personal Lines Homeowners policies to our agents in Arkansas.
- (2) The Variable portion of OUE represents the countrywide projected expenses for the period that these rates will be in effect.

Personal Property Insurance
Development of Trended Adjusted Premiums at Present Rates
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Written Premium	(2) Earned Premium	(3) Premium Conversion Factor	(4) Earned Premium at Present Rates	(5) Current Average Premium Factor	(6) Average Premium Projection Factor	(7) Trended Adjusted EPAPR
9/30/2005	649,701	312,270	1.045	326,322	1.074	1.007	352,923
9/30/2006	1,099,540	854,005	1.045	892,435	1.051	1.007	944,515
9/30/2007	1,409,302	1,273,726	1.037	1,320,854	1.006	1.007	1,338,081
9/30/2008	1,240,386	1,307,815	1.004	1,313,046	0.999	1.007	1,320,915
9/30/2009	1,305,703	1,276,299	1.000	1,276,299	1.000	1.007	1,285,233
	5,704,632	5,024,115		5,128,956			5,241,667

Notes:

- (1) From The Hartford Data runs
- (2) From The Hartford Data runs
- (3) Calculated using rateable policy information
- (4) Column (2) x Column (3)
- (5) From Exhibit 5, Column (4)
- (6) From Exhibit 4, Row (7)
- (7) Column (4) x Column (5) x Column (6)

Personal Property Insurance
Earned Premium at Present Rates Backup
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Premium On-level Factor	(2) Premium Conversion Factor	(3) Ratio	(4) Difference	(5) Selected
9/30/2005	1.045	0.983	1.063	6.3%	1.045
9/30/2006	1.045	1.016	1.029	2.9%	1.045
9/30/2007	1.037	1.024	1.013	1.3%	1.037
9/30/2008	1.004	0.995	1.009	0.9%	1.004
9/30/2009	1.000	0.993	1.007	0.7%	1.000

Notes:

- (1) From the Hartford Rate History system
- (2) From the Hartford Data runs
- (3) Column (1) / Column (2)
- (4) Column (3) - 1.0
- (5) Based on user-selected premium calculation method: Use PCF's

Personal Property Insurance
Development of Non-CAT Loss Ratio Underlying Current Rates
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Permissible Loss Ratio Underlying Current Rates.....	62.3%
(2) Reinsurance Load Underlying Current Rates.....	0.8%
(3) LAE Underlying Current Rates.....	8.0%
(4) Adjusted Permissible Loss Ratio Underlying Current Rates.....	56.9%
(5) Non-CAT Ratio Underlying Current Rates.....	65.6%
(6) Non-CAT Loss Ratio Underlying Current Rates.....	37.4%
(7) Net Trend.....	147.4%
(8) Trended Non-CAT Loss Ratio Underlying Current Rates.....	55.1%

Development of Net Trend

(9) Effective Renewal Date of Current Rates.....	2/18/2007
(10) Average Accident Date of Forecast Period Underlying Current Rates.....	2/18/2008
(11) Average Accident Date of Latest Accident Year.....	4/1/2009
(12) Years of Trend (Retrospective).....	1.12
(13) Retrospective Loss Cost Trend Factor.....	1.140
(14) Average Premium Projection Factor.....	1.00
(15) Historical Net Trend.....	1.141
(16) Average Accident Date of Forecast Period.....	9/23/2011
(17) Years of Trend (Prospective).....	2.48
(18) Projected Loss Cost Trend Factor.....	1.301
(19) Average Premium Projection Factor.....	1.007
(20) Projected Net Trend.....	1.292
(21) Total Net Trend.....	1.474

Notes:

- (1) Permissible Loss Ratio from Previous Filing
- (2) Reinsurance Load from Previous Filing
- (3) LAE from Previous Filing
- (4) [Row(1) - Row(2)] / Row (3))
- (5) 1 - [Prev. Filing CAT Load/ (Latest Yr EPAPR from Prev. Filing * Prev. Filing PLR * (1 + Last Filed Rate Chg))]
- (6) Row (4) * Row (5)
- (7) From Row (20)
- (8) Row (6) * Row (7)

- (12) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (13) (Retrospective loss cost trend based on average accident date underlying current rates) ^ Row (12)
- (14) (Average premium trend based on average accident date underlying current rates) ^ Row (12)
- (15) Row (13) / Row (14)
- (17) Number of years between average accident date of latest accident year to average accident date of forecast period
- (18) (Prospective loss cost trends) ^ Row (17)
- (19) (Average premium projection factor) ^ Row (17)
- (20) Row (18) / Row (19)
- (21) Row (15) * Row (20)

Personal Property Insurance
Development of Complement of Credibility
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Complement of Credibility from Previous Filing.....	0.0%
(2) Net Trend.....	15491154.2%
(3) Final rate change taken during previous filing.....	0.0%
(4) Complement of Credibility.....	0.0%

Development of Net Trend

(5) Effective Renewal Date of Current Rates.....	1/0/1900
(6) Average Accident Date of Forecast Period Underlying Current Rates.....	12/30/1900
(7) Average Accident Date of Latest Accident Year.....	4/1/2009
(8) Years of Trend (Retrospective).....	108.33
(9) Retrospective Loss Cost Trend Factor.....	828,872.670
(10) Average Premium Projection Factor.....	6.91
(11) Historical Net Trend.....	119,900.574
(12) Average Accident Date of Forecast Period.....	9/23/2011
(13) Years of Trend (Prospective).....	2.48
(14) Projected Loss Cost Trend Factor.....	1.301
(15) Average Premium Projection Factor.....	1.007
(16) Projected Net Trend.....	1.292
(17) Total Net Trend.....	154,911.542

Notes:

- (1) Complement of Credibility from previous filing
- (2) From Row (17)
- (3) From previous filing
- (4) $(\text{Row (1)} * \text{Row (2)}) / (1 + \text{Row (3)})$

- (8) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (9) $(\text{Retrospective loss cost trend based on average accident date underlying current rates}) ^ \text{Row (8)}$
- (10) $(\text{Average premium trend based on average accident date underlying current rates}) ^ \text{Row (8)}$
- (11) $\text{Row (9)} / \text{Row (10)}$
- (13) Number of years between average accident date of latest accident year to average accident date of forecast period
- (14) $(\text{Prospective loss cost trends}) ^ \text{Row (13)}$
- (15) $(\text{Average premium projection factor}) ^ \text{Row (13)}$
- (16) $\text{Row (14)} / \text{Row (15)}$
- (17) $\text{Row (11)} * \text{Row (16)}$

Personal Property Insurance
Development of Non-CAT Ratio Underlying Current Rates
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Previous Filing Trended Ultimate CAT Load.....	165,109
(2) Previous Filing Trended Adjusted Latest Year EPAPR.....	806,566
(3) Permissible Loss Ratio Underlying Current Rates.....	56.9%
(4) Final rate change taken during previous filing.....	4.5%
(5) Non-CAT Ratio Underlying Current Rates.....	65.6%

Notes:

- (1) Trended Ultimate CAT load from previous filing
- (2) Latest year EPAPR from previous filing
- (3) From Exhibit 2C - Bldg (Row 4)
- (4) Final rate change taken from previous filing
- (5) $1 - \text{Row (1)} / (\text{Row (2)} * \text{Row(3)} * [1 + \text{Row (4)}])$

Personal Property Insurance
Development of Trended Adjusted Ultimate Non-CAT (x-Hail) Losses
Building Policy Forms
Accident Year Data Ending 9/30/2009

	(1)	(2)	(3)	(4)
<u>Accident Year Ending</u>	<u>Smoothed Ultimate Losses</u>	<u>Retro. Trend Factors</u>	<u>Projected Trend Factor</u>	<u>Trended Smoothed Ultimate Losses</u>
9/30/2005	154,258	1.654	1.301	331,942
9/30/2006	270,572	1.453	1.301	511,476
9/30/2007	210,618	1.266	1.301	346,902
9/30/2008	445,505	1.124	1.301	651,473
9/30/2009	<u>474,991</u>	<u>1.000</u>	<u>1.301</u>	<u>617,963</u>
	1,555,944			2,459,756

Notes:

- (1) From Exhibit 6, Column (8)
- (2) Retrospective Trend
- (3) $(1+0.112 \text{ Annual Projected Trend})^{(2.48 \text{ Trend Period (\#Years)})}$
- (4) Column (1) x Column (2) x Column (3)

Personal Property Insurance
Development of Compounded Loss Cost Trend
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1) Selected Annual Loss Cost Trend Factor.....	11.2%
(2) Average Accident Date of Latest Accident Year.....	4/1/2009
(3) Proposed Renewal Date of Rate Change.....	9/23/2010
(4) Anticipated Duration of Filed Rate Change.....	12 Month(s)
(5) Average Policy Period.....	12 Month(s)
(6) Average Accident Date of Forecast Period.....	9/23/2011
(7) Years of Trend.....	2.48
(8) Projected Loss Cost Trend Factor.....	1.301

Notes:

- (1) Selection based on Hartford Data
- (2) Date based on assumption that a claim is equally likely to occur on any given day of the year
- (7) Number of years between average accident dates of experience period and forecast period
- (8) $[1 + \text{Row (1)}] ^ \text{Row (7)}$

Personal Property Insurance
Trend in Average Premium
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Average Premium
9/30/2005	868
9/30/2006	887
9/30/2007	926
9/30/2008	933
9/30/2009	932

(2) 2 Year Average Annual Premium Trend	-0.1%
(3) 3 Year Average Annual Exponential Premium Trend	0.3%
(4) 5 Year Average Annual Exponential Premium Trend	1.9%
(5) Selected Annual Premium Trend	0.3%
(6) Trend Period (# Years)	2.48
(7) Average Premium Projection Factor	1.007

Notes:

- (1) From Exhibit 5, Column (3)
- (2) (Column 1 Latest Year) / (Column 1 Previous Year) - 1
- (3) Derived from the exponential curve of best fit using the method of least-squares
- (4) Derived from the exponential curve of best fit using the method of least-squares
- (5) Represents the number of years from the midpoint of the last year of relativities data to 12 months beyond the anticipated renewal date of September 23, 2010
- (6) [1.0 + Row (5)] ^ Row (6)

Personal Property Insurance
Development of Current Average Premium Factors
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Earned Premium at Present Rates	(2) Earned House Years	(3) Average Premium	(4) Current Average Premium Factors
9/30/2005	326,322	376	868	1.074
9/30/2006	892,435	1,006	887	1.051
9/30/2007	1,320,854	1,427	926	1.006
9/30/2008	1,313,046	1,408	933	0.999
9/30/2009	1,276,299	1,369	932	1.000

Notes:

- (1) From Exhibit 2, Column (4)
- (2) From The Hartford data runs
- (3) Column (1) / Column (2)
- (4) Column (3) Latest Year / Column (3)

Personal Property Insurance
Large Loss Adjustment
Building Policy Forms
Accident Year Data Ending 9/30/2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Accident Year Ending	Average Amount of Insurance	Cap Losses at 50% AOI	Ultimate Incurred Losses (x-CAT/Hail)	Excess Losses	Basic Limit Losses	Excess Ratio	Smoothed Ultimate Losses (x-CAT/Hail)
9/30/2005	147,279	73,640	312,598	209,896	102,702	0.502	154,258
9/30/2006	164,038	82,019	180,141	0	180,141	0.502	270,572
9/30/2007	183,661	91,831	140,225	0	140,225	0.502	210,618
9/30/2008	195,197	97,598	296,608	0	296,608	0.502	445,505
9/30/2009	205,082	102,541	316,239	0	316,239	0.502	474,991
			1,245,811		1,035,915		1,555,944

Notes:

- (2) Statewide Building Forms Average Amount of Insurance
- (3) Loss Capping Amount
- (4) From Exhibit 7 Column (10)
- (5) Loss exceeding Capping Amount
- (6) Column (4) - Column (5)
- (7) Excess Ratio based on 10 years of Hartford data
- (8) Column (6) x (1+Column (7))

Personal Property Insurance
Development of Adjusted Incurred Losses to Ultimate (Catastrophe and Non-Cat Hail losses removed)
Building Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	Section I - Property						Section II - Liability			Total
	(1) Total Section I Incurred Losses	(2) Actual CAT Incurred Losses	(3) Non-CAT Hail Incurred Losses	(4) Total Adjusted Incurred Losses	(5) Loss Development Factor	(6) Ultimate Losses	(7) Incurred Losses	(8) Loss Development Factor	(9) Ultimate Losses	(10) Ultimate Losses
9/30/2005	333,319	8,651	12,070	312,598	1.000	312,598	0	1.016	0	312,598
9/30/2006	648,747	335,870	133,210	179,667	1.002	180,026	109	1.054	115	180,141
9/30/2007	156,129	0	20,025	136,104	1.001	136,240	3,646	1.093	3,985	140,225
9/30/2008	963,881	608,964	65,593	289,324	0.997	288,456	5,827	1.399	8,152	296,608
9/30/2009	1,250,637	842,813	138,096	269,728	1.145	308,839	3,125	2.368	7,400	316,239
	3,352,713	1,796,298	368,994	1,187,421		1,226,159	12,707		19,652	1,245,811

Notes:

- (1) , (2), (3) & (7) From The Hartford data runs
- (4) Column (1) - Column (2) - Column (3)
- (5) Western Region factors developed from The Hartford loss triangles
- (6) Column (4) * Column (5)
- (8) Countrywide factors developed from The Hartford loss triangles
- (9) Column (7) * Column (8)
- (10) Column (6) + Column (9)

Personal Property Insurance
Statewide Rate Level Indication
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1)	(2)	(3)	(4)
Trended Adjusted EPAPR	Trended Smoothed Ultimate Losses (x-CAT/Hail)	Trended Adjusted Loss Ratio	Selected Accident Year Weights
9/30/2005	5,073	0	9%
9/30/2006	8,451	6,880	13%
9/30/2007	13,943	1,358	22%
9/30/2008	17,737	1,802	26%
9/30/2009	18,626	1,732	30%
63,830	11,772	18.4%	100%
<p>(5) Trended Weighted Loss Ratio (x-CAT/Hail).....</p> <p>(6) Trended Ultimate Non-CAT Hail Average Annual Loss.....</p> <p>(7) Credibility.....</p> <p>(8) Complement of Credibility.....</p> <p>(9) Credibility Weighted Non-CAT Loss Ratio.....</p> <p>(10) Trended Ultimate CAT Losses.....</p> <p>(11) Risk Load.....</p> <p>(12) Total Loss Ratio.....</p> <p>(13) Projected Loss Adjustment Expense.....</p> <p>(14) Reinsurance Load.....</p> <p>(15) Adjusted Weighted Loss Ratio.....</p> <p>(16) Permissible Loss Ratio.....</p> <p>(17) Indicated Rate Level Change.....</p>			<p>18.2%</p> <p>385</p> <p>8%</p> <p>65.7%</p> <p>62.2%</p> <p>0</p> <p>0</p> <p>62.2%</p> <p>1.150</p> <p>0.0%</p> <p>71.5%</p> <p>49.2%</p> <p>45.3%</p>

Notes:

- (1) From Exhibit 2, Column (7)
- (2) From Exhibit 3, Column (4)
- (3) Column (2) / Column (1)
- (5) Weighted Average of Column (3) and Column (4)
- (6) Based on state average annual non-cat hail loss load
- (7) Based on the square root rule with a full credibility standard of 25,000 Earned House Years
- (8) From Exhibit 2c, Row (8)
- (9) $[(\text{Row (5)} + (\text{Row (6)} / \text{Column (1) Latest Year EPAPR})) * \text{Row (7)} + ((\text{Row (8)} * (1 - \text{Row (7)})))]$
- (12) $\text{Row (9)} + [\text{Row (10)} + \text{Row (11)}] / \text{Column (1) Latest Year EPAPR}$
- (14) Based on the allocation of Countrywide reinsurance treaty costs to state
- (15) $\text{Row (12)} * \text{Row (13)} + \text{Row (14)}$
- (16) From Exhibit 1a, Row (6)
- (17) $\text{Row (15)} / \text{Row (16)} - 1.0$

Personal Property Insurance
Permissible Loss Ratio
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

As a percentage of premium:	Combined Ratio @ 90.1% (17.5% ROE)
(1) Commission and Brokerage.....	12.5%
(2) Other Underwriting Expense.....	25.3%
(3) Taxes, Licenses, Fees, Fair Plan.....	3.1%
(4) Underwriting Profit & Contingencies.....	9.9%
(5) Total Expenses.....	50.8%
(6) Permissible Loss & Loss Adjustment Expense Ratio.....	49.2%
(7) Total Premium.....	100.0%

Notes:

- (1) Represents the projected commissions and brokerage to be paid during the period the rates will be in effect for Personal Lines Homeowners policies to our agents in Arkansas.
- (2) The Variable portion of OUE represents the countrywide projected expenses for the period that these rates will be in effect.

Personal Property Insurance
Development of Trended Adjusted Premiums at Present Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Written Premium	(2) Earned Premium	(3) Premium Conversion Factor	(4) Earned Premium at Present Rates	(5) Current Average Premium Factor	(6) Average Premium Projection Factor	(7) Trended Adjusted EPAPR
9/30/2005	8,254	5,570	1.000	5,570	0.909	1.002	5,073
9/30/2006	10,406	7,853	1.000	7,853	1.074	1.002	8,451
9/30/2007	16,968	13,887	1.000	13,887	1.002	1.002	13,943
9/30/2008	16,314	16,406	1.000	16,406	1.079	1.002	17,737
9/30/2009	19,829	18,589	1.000	18,589	1.000	1.002	18,626
	71,771	62,305		62,305			63,830

Notes:

- (1) From The Hartford Data runs
- (2) From The Hartford Data runs
- (3) Calculated using rateable policy information
- (4) Column (2) x Column (3)
- (5) From Exhibit 5, Column (4)
- (6) From Exhibit 4, Row (7)
- (7) Column (4) x Column (5) x Column (6)

Personal Property Insurance
Earned Premium at Present Rates Backup
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Premium On- level Factor	(2) Premium Conversion Factor	(3) Ratio	(4) Difference	(5) Selected
9/30/2005	1.000	0.990	1.010	1.0%	1.000
9/30/2006	1.000	1.029	0.972	-2.8%	1.000
9/30/2007	1.000	1.056	0.947	-5.3%	1.000
9/30/2008	1.000	1.056	0.947	-5.3%	1.000
9/30/2009	1.000	1.036	0.965	-3.5%	1.000

Notes:

- (1) From the Hartford Rate History system
- (2) From the Hartford Data runs
- (3) Column (1) / Column (2)
- (4) Column (3) - 1.0
- (5) Based on user-selected premium calculation method: Use PCF's

Personal Property Insurance
Development of Non-CAT Loss Ratio Underlying Current Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1) Permissible Loss Ratio Underlying Current Rates.....	53.9%
(2) Reinsurance Load Underlying Current Rates.....	0.9%
(3) LAE Underlying Current Rates.....	8.0%
(4) Adjusted Permissible Loss Ratio Underlying Current Rates.....	49.1%
(5) Non-CAT Ratio Underlying Current Rates.....	97.7%
(6) Non-CAT Loss Ratio Underlying Current Rates.....	47.9%
(7) Net Trend.....	137.2%
(8) Trended Non-CAT Loss Ratio Underlying Current Rates.....	65.7%

Development of Net Trend

(9) Effective Renewal Date of Current Rates.....	2/18/2007
(10) Average Accident Date of Forecast Period Underlying Current Rates.....	2/18/2008
(11) Average Accident Date of Latest Accident Year.....	4/1/2009
(12) Years of Trend (Retrospective).....	1.12
(13) Retrospective Loss Cost Trend Factor.....	1.140
(14) Average Premium Projection Factor.....	1.08
(15) Historical Net Trend.....	1.057
(16) Average Accident Date of Forecast Period.....	9/23/2011
(17) Years of Trend (Prospective).....	2.48
(18) Projected Loss Cost Trend Factor.....	1.301
(19) Average Premium Projection Factor.....	1.002
(20) Projected Net Trend.....	1.298
(21) Total Net Trend.....	1.372

Notes:

- (1) Permissible Loss Ratio from Previous Filing
- (2) Reinsurance Load from Previous Filing
- (3) LAE from Previous Filing
- (4) $[Row(1) - Row(2)] / Row(3)$
- (5) $1 - [Prev. Filing CAT Load / (Latest Yr EPAPR from Prev. Filing * Prev. Filing PLR * (1 + Last Filed Rate Chg))]$
- (6) Row (4) * Row (5)
- (7) From Row (20)
- (8) Row (6) * Row (7)

- (12) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (13) (Retrospective loss cost trend based on average accident date underlying current rates) ^ Row (12)
- (14) (Average premium trend based on average accident date underlying current rates) ^ Row (12)
- (15) Row (13) / Row (14)
- (17) Number of years between average accident date of latest accident year to average accident date of forecast period
- (18) (Prospective loss cost trends) ^ Row (17)
- (19) (Average premium projection factor) ^ Row (17)
- (20) Row (18) / Row (19)
- (21) Row (15) * Row (20)

Personal Property Insurance
Development of Non-CAT Loss Ratio Underlying Current Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1) Complement of Credibility from Previous Filing.....	0.0%
(2) Net Trend.....	#####
(3) Final rate change taken during previous filing.....	0.0%
(4) Complement of Credibility.....	0.0%

Development of Net Trend

(5) Effective Renewal Date of Current Rates.....	1/0/1900
(6) Average Accident Date of Forecast Period Underlying Current Rates.....	12/30/1900
(7) Average Accident Date of Latest Accident Year.....	4/1/2009
(8) Years of Trend (Retrospective).....	108.33
(9) Retrospective Loss Cost Trend Factor.....	828,872.670
(10) Average Premium Projection Factor.....	0.08
(11) Historical Net Trend.....	11,051,635.600
(12) Average Accident Date of Forecast Period.....	9/23/2011
(13) Years of Trend (Prospective).....	2.48
(14) Projected Loss Cost Trend Factor.....	1.301
(15) Average Premium Projection Factor.....	1.002
(16) Projected Net Trend.....	1.298
(17) Total Net Trend.....	14,345,023.009

Notes:

- (1) Complement of Credibility from previous filing
- (2) From Row (16)
- (3) From previous filing
- (4) $(\text{Row (1)} * \text{Row (2)}) / (1 + \text{Row (3)})$

- (8) Number of years between average accident date underlying current rates to average accident date of latest accident year
- (9) $(\text{Retrospective loss cost trend based on average accident date underlying current rates}) ^ \text{Row (8)}$
- (10) $(\text{Average premium trend based on average accident date underlying current rates}) ^ \text{Row (8)}$
- (11) $\text{Row (9)} / \text{Row (10)}$
- (13) Number of years between average accident date of latest accident year to average accident date of forecast period
- (14) $(\text{Prospective loss cost trends}) ^ \text{Row (13)}$
- (15) $(\text{Average premium projection factor}) ^ \text{Row (13)}$
- (16) $\text{Row (14)} / \text{Row (15)}$
- (17) $\text{Row (11)} * \text{Row (16)}$

Personal Property Insurance
Development of Non-CAT Ratio Underlying Current Rates
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1) Previous Filing Trended Ultimate CAT Load.....	81
(2) Previous Filing Trended Adjusted Latest Year EPAPR.....	7,200
(3) Permissible Loss Ratio Underlying Current Rates.....	49.1%
(4) Final rate change taken during previous filing.....	0.0%
(5) Non-CAT Ratio Underlying Current Rates.....	97.7%

Notes:

- (1) Trended Ultimate CAT Load from previous filing
- (2) Latest year EPAPR from previous filing
- (3) From Exhibit 2C - TC (Row 4)
- (4) Final rate change taken from previous filing
- (5) $1 - \text{Row (1)} / (\text{Row (2)} * \text{Row(3)} * [1 + \text{Row (4)}])$

Personal Property Insurance
Development of Trended Adjusted Ultimate Non-CAT (x-Hail) Losses
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

	(1)	(2)	(3)	(4)
<u>Accident Year Ending</u>	<u>Smoothed Ultimate Losses</u>	<u>Retro. Trend Factors</u>	<u>Projected Trend Factor</u>	<u>Trended Smoothed Ultimate Losses</u>
9/30/2005	0	1.654	1.301	0
9/30/2006	3,639	1.453	1.301	6,880
9/30/2007	824	1.266	1.301	1,358
9/30/2008	1,232	1.124	1.301	1,802
9/30/2009	1,332	1.000	1.301	1,732
	<u>7,028</u>			<u>11,772</u>

Notes:

- (1) From Exhibit 6, Column (8)
- (2) Retrospective Trend
- (3) $(1+0.112 \text{ Annual Projected Trend})^{(2.48 \text{ Trend Period (\#Years)})}$
- (4) Column (1) x Column (2) x Column (3)

Personal Property Insurance
Trend in Average Premium
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Average Premium	
9/30/2005	464	
9/30/2006	393	
9/30/2007	421	
9/30/2008	391	
9/30/2009	422	
(2) 2 Year Average Annual Premium Trend		7.9%
(3) 3 Year Average Annual Exponential Premium Trend		0.1%
(4) 5 Year Average Annual Exponential Premium Trend		-1.9%
(5) Selected Annual Premium Trend		0.1%
(6) Trend Period (# Years)	2.48	
(7) Average Premium Projection Factor	1.002	

Notes:

- (1) From Exhibit 5, Column (3)
- (2) $(\text{Column 1 Latest Year}) / (\text{Column 1 Previous Year}) - 1$
- (3) Derived from the exponential curve of best fit using the method of least-squares
- (4) Derived from the exponential curve of best fit using the method of least-squares
- (6) Represents the number of years from the midpoint of the last year of relativities data to 12 months beyond the anticipated renewal date of September 23, 2010
- (7) $[1.0 + \text{Row (5)}] ^ \text{Row (6)}$

Personal Property Insurance
Development of Current Average Premium Factors
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	(1) Earned Premium at Present Rates	(2) Earned House Years	(3) Average Premium	(4) Current Average Premium Factors
9/30/2005	5,570	12	464	0.909
9/30/2006	7,853	20	393	1.074
9/30/2007	13,887	33	421	1.002
9/30/2008	16,406	42	391	1.079
9/30/2009	18,589	44	422	1.000

Notes:

- (1) From Exhibit 2, Column (4)
- (2) From The Hartford data runs
- (3) Column (1) / Column (2)
- (4) Column (3) Latest Year / Column (3)

Personal Property Insurance
Large Loss Adjustment
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Accident Year Ending	Average Amount of Insurance	Cap Losses at 50% AOI	Ultimate Incurred Losses (x-CAT/Hail)	Excess Losses	Basic Limit Losses	Excess Ratio	Smoothed Ultimate Losses (x-CAT/Hail)
9/30/2005	44,054	22,027	0	0	0	0.225	0
9/30/2006	44,343	22,171	2,971	0	2,971	0.225	3,639
9/30/2007	45,490	22,745	673	0	673	0.225	824
9/30/2008	42,017	21,009	1,006	0	1,006	0.225	1,232
9/30/2009	47,723	23,861	1,087	0	1,087	0.225	1,332
			5,737		5,737		7,028

Notes:

- (2) Statewide T+C Forms Average Amount of Insurance
- (3) Loss Capping Amount
- (4) From Exhibit 7 Column (10)
- (5) Loss exceeding Capping Amount
- (6) Column (4) - Column (5)
- (7) Excess Ratio based on 10 years of Hartford data
- (8) Column (6) x (1+Column (7))

Personal Property Insurance
Development of Adjusted Incurred Losses to Ultimate (Catastrophe and Non-Cat Hail losses removed)
Tenant/Condo Policy Forms
Accident Year Data Ending 9/30/2009

Accident Year Ending	Section I - Property					Section II - Liability			Total	
	(1) Total Section I Incurred Losses	(2) Actual CAT Incurred Losses	(3) Non-CAT Hail Incurred Losses	(4) Total Adjusted Incurred Losses	(5) Loss Development Factor	(6) Ultimate Losses	(7) Incurred Losses	(8) Loss Development Factor	(9) Ultimate Losses	(10) Ultimate Losses
9/30/2005	0	0	0	0	0.999	0	0	0.921	0	0
9/30/2006	2,977	0	0	2,977	0.998	2,971	0	0.891	0	2,971
9/30/2007	675	0	0	675	0.997	673	0	0.973	0	673
9/30/2008	1,009	0	0	1,009	0.997	1,006	0	1.155	0	1,006
9/30/2009	1,000	0	0	1,000	1.087	1,087	0	1.627	0	1,087
	5,661	0	0	5,661		5,737	0		0	5,737

Notes:

- (1) , (2), (3) & (7) From The Hartford data runs
- (4) Column (1) - Column (2) - Column (3)
- (5) & (8) Countrywide factors developed from The Hartford loss triangles
- (6) Column (4) * Column (5)
- (9) Column (7) * Column (8)
- (10) Column (6) + Column (9)

SERFF Tracking Number: HART-126616073 State: Arkansas
 Filing Company: Sentinel Insurance Company Limited State Tracking Number: EFT \$100
 Company Tracking Number: FN.14.799.2010.01
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Sentinel Homeowners Rate and Rule Revision
 Project Name/Number: Homeowners Multi Peril/FN.14.799.2010.01

Superseded Schedule Items

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.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
05/06/2010	Rate and Rule	Rule 406. DEDUCTIBLES	05/14/2010	AR Dim Filing 8-7-2010 AR-406.1.pdf (Superseded)
05/06/2010	Rate and Rule	Rule 406. DEDUCTIBLES	05/14/2010	AR Dim Filing 8-7-2010 AR-406.4.pdf (Superseded)
05/06/2010	Rate and Rule	Rate Pages	10/11/2010	AR Dim Filing 8-7-2010 ARKANSAS-R-1 thru ARKANSAS-R-3.pdf (Superseded)
05/06/2010	Supporting Document	HPCS-Homeowners Premium Comparison Survey	10/11/2010	HO Survey FORM HPCS.xls (Superseded) HO Survey FORM HPCS FN14799201001.pdf (Superseded)
05/06/2010	Supporting Document	NAIC loss cost data entry document	05/14/2010	AR Dim Filing 8-7-2010 Loss Cost Data Entry FN14799201001.pdf (Superseded)
05/06/2010	Supporting Document	Explanatory Memorandum and Actuarial Exhibits	05/14/2010	AR Dim Filing 8-7-2010 AR EM and Actl Exhs.pdf



406 DEDUCTIBLES

All policies are subject to a deductible that applies to loss from all Section I Perils, except Earthquake. A separate deductible provision applies to Earthquake Coverage as described in Rule 505.

A. Base Deductible

\$250 Deductible - All Forms

B. Optional Deductibles

1. Optional Special Theft Deductibles

All forms except HO 00 05, HO 00 04 with Special Personal Property Coverage Endorsement HO 05 24 and HO 00 06 with Unit-Owners Coverage C (Special Coverage) Endorsement HO 17 31.

- a. Policies are subject to a \$250 minimum Section I deductible. A \$500 Special Theft Deductible may be purchased to apply to loss by Theft of property covered under Coverage C.

Rating:

- ★Forms HO 00 02 and HO 00 03: apply the factor .98 to the Base Premium. as calculated in Rule 900, subject to a maximum credit of \$20.
- ★Forms HO 00 04 and HO 00 06: apply the factor .95 to the Base Premium, as calculated in Rule 900, subject to a maximum credit of \$20.

C. Optional Higher Deductibles

★1. Fixed Dollar Deductible

All Forms - The Homeowners Policy may be endorsed to provide a higher flat deductible. To compute the premium for the higher deductible options multiply the Base Premium, as calculated in Rule 900, by the factors shown below:

Coverage A or C Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than 100,000	1.00	0.91	0.84	0.81	0.74	0.72	0.70	0.67	0.64
100-199,999	1.00	0.92	0.86	0.84	0.79	0.78	0.76	0.70	0.64
200-299,999	1.00	0.93	0.87	0.86	0.82	0.81	0.77	0.72	0.67
300-399,999	1.00	0.94	0.88	0.87	0.84	0.82	0.80	0.74	0.69
400-499,999	1.00	0.94	0.88	0.87	0.84	0.83	0.81	0.75	0.70
Greater than 499,999	1.00	0.94	0.88	0.88	0.85	0.85	0.84	0.77	0.73

1. Theft Deductible (Forms HO 00 04 And HO 00 06 Only)

a. Deductible Amounts

This option provides for higher Theft deductible amounts of \$1,000 and \$2,500 to be used in conjunction with the deductible that applies to All Other Section I Perils.



Arkansas Homeowners Policy Program

Effective Date 8/7/2010

ISO2000

HO

(4) Deductible Factors

★To compute the premium for this provision, multiply the base premium, as calculated in Rule 900, by the factor listed below for the deductible amount selected.

1% SPECIAL WIND/HAIL DEDUCTIBLE

Coverage A Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than \$100,000	0.95	0.89	0.84	--	--	--	--	--	--
100-199,999	0.94	0.89	0.84	0.83	--	--	--	--	--
200-299,999	0.95	0.90	0.85	0.84	0.82	--	--	--	--
300-399,999	0.96	0.90	0.85	0.85	0.83	0.82	0.81	--	--
400-499,999	0.96	0.91	0.86	0.85	0.83	0.82	0.82	0.81	--
Greater than \$499,999	0.97	0.92	0.86	0.86	0.84	0.83	0.83	0.82	0.81

2% SPECIAL WIND/HAIL DEDUCTIBLE

Coverage A Amount	\$250	\$500	\$750	\$1,000	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
Less than \$100,000	0.92	0.86	0.81	0.79	--	--	--	--	--
100-199,999	0.92	0.86	0.81	0.80	0.78	0.77	--	--	--
200-299,999	0.93	0.88	0.83	0.82	0.80	0.79	0.78	0.77	--
300-399,999	0.94	0.89	0.84	0.83	0.81	0.80	0.80	0.79	0.78
400-499,999	0.95	0.90	0.85	0.84	0.82	0.81	0.81	0.80	0.79
Greater than \$499,999	0.96	0.91	0.86	0.85	0.83	0.82	0.82	0.81	0.80

3. Percentage Deductibles

Form HO 00 02, HO 00 03, and HO 00 05 - The Homeowners Policy may be endorsed to provide a percentage deductible applicable to any loss under Section I of the policy. The size of the deductible may be either 1/2% or 1% of the amount of insurance for Coverage A.

<u>Coverage A Amount</u>	<u>1/2% Deductible Factor</u>	<u>1% Deductible Factor</u>
Less than 30,000	1.00	1.00
30,000-34,999	1.11	0.97
35,000-39,999	1.08	0.96
40,000-44,999	1.05	0.94
45,000-49,999	1.02	0.92
50,000-59,999	0.99	0.90
60,000-69,999	0.97	0.87
70,000-79,999	0.96	0.84
80,000-89,999	0.94	0.83
90,000-99,999	0.92	0.82
100,000-399,999	0.85	0.81
400,000-499,999	0.84	0.81
Greater than 499,999	0.83	0.82

NAIC Number:	11000
Company Name:	Sentinel Insurance Company, Ltd.
Contact Person:	Beth Stelzner
Telephone No.:	860-843-8706
Email Address:	katherine.stelzner@thehartford.com
Effective Date:	8/7/2010

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

Submit to: Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904

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

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

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	\$410.00	\$432.00	\$452.00	\$476.00	\$743.00	\$782.00	\$758.00	\$798.00	\$758.00	\$798.00	\$675.00	\$711.00	\$694.00	\$731.00	\$542.00	\$571.00	\$629.00	\$662.00
	\$120,000	\$614.00	\$646.00	\$676.00	\$712.00	\$1,111.00	\$1,169.00	\$1,133.00	\$1,193.00	\$1,133.00	\$1,193.00	\$1,010.00	\$1,063.00	\$1,039.00	\$1,094.00	\$811.00	\$854.00	\$941.00	\$990.00
	\$160,000	\$801.00	\$843.00	\$882.00	\$928.00	\$1,448.00	\$1,524.00	\$1,477.00	\$1,555.00	\$1,477.00	\$1,555.00	\$1,317.00	\$1,386.00	\$1,355.00	\$1,426.00	\$1,058.00	\$1,114.00	\$1,226.00	\$1,291.00
6	\$80,000	\$536.00	\$562.00	\$590.00	\$619.00	\$970.00	\$1,017.00	\$990.00	\$1,037.00	\$990.00	\$1,037.00	\$882.00	\$924.00	\$906.00	\$950.00	\$708.00	\$742.00	\$821.00	\$861.00
	\$120,000	\$801.00	\$840.00	\$883.00	\$926.00	\$1,450.00	\$1,520.00	\$1,479.00	\$1,551.00	\$1,479.00	\$1,551.00	\$1,318.00	\$1,382.00	\$1,357.00	\$1,422.00	\$1,059.00	\$1,110.00	\$1,228.00	\$1,287.00
	\$160,000	\$1,045.00	\$1,096.00	\$1,151.00	\$1,206.00	\$1,890.00	\$1,981.00	\$1,928.00	\$2,022.00	\$1,928.00	\$2,022.00	\$1,719.00	\$1,802.00	\$1,768.00	\$1,854.00	\$1,381.00	\$1,448.00	\$1,601.00	\$1,678.00
9	\$80,000	\$1,223.00	\$1,283.00	\$1,347.00	\$1,414.00	\$2,213.00	\$2,323.00	\$2,258.00	\$2,370.00	\$2,258.00	\$2,370.00	\$2,012.00	\$2,112.00	\$2,069.00	\$2,171.00	\$1,616.00	\$1,696.00	\$1,873.00	\$1,966.00
	\$120,000	\$1,828.00	\$1,919.00	\$2,015.00	\$2,115.00	\$3,308.00	\$3,472.00	\$3,376.00	\$3,543.00	\$3,376.00	\$3,543.00	\$3,008.00	\$3,157.00	\$3,096.00	\$3,249.00	\$2,417.00	\$2,536.00	\$2,802.00	\$2,940.00
	\$160,000	\$2,386.00	\$2,504.00	\$2,626.00	\$2,756.00	\$4,313.00	\$4,526.00	\$4,401.00	\$4,618.00	\$4,401.00	\$4,618.00	\$3,922.00	\$4,116.00	\$4,036.00	\$4,235.00	\$3,153.00	\$3,309.00	\$3,654.00	\$3,834.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000																		
	\$15,000	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00	\$156.00
	\$25,000	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00	\$292.00
6	\$5,000																		
	\$15,000	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00	\$172.00
	\$25,000	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00	\$321.00
9	\$5,000																		
	\$15,000	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00	\$254.00
	\$25,000	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00	\$476.00

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	2 %
Burglar Alarm	2 %	Window Locks	0 %
Smoke Alarm	2 %	\$1,000 Deductible	%
		Other (specify)	

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	Yes (yes or no)
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	5 %

Zone Brick Frame

		%	WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$	1.8	\$	1
Maximum Credit Allowed	20	%		Lowest Risk	\$	1	\$	0.36

I

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	FN.14.799.2010.01
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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	N/A
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	Company Name	Company NAIC Number
3.	A. Sentinel Insurance Company, Ltd.	B. 11000

	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.	B. Homeowners

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(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
2,3,5	37%	17.2	0.614	1.301	na	na	na
4,6	57.50%	12.7	0.492	1.301	na	na	na
TOTAL OVERALL EFFECT	37.3%	17.1					

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
Aug-04	N/A	N/A	8/15/2004	N/A	N/A	N/A	N/A
May-05	392	-3.80%	5/17/2005	55	16	0.29	0.89
2007	1411	4.10%	1/3/2007	1345	152	0.11	0.52
Jan-09	1437	0%	1/8/2009	1306	1001	0.77	0.76

7.

Expense Constants	Selected Provisions
A. Total Production Expense	12.5%
B. General Expense	13.1%
C. Taxes, License & Fees	3.1%
D. Underwriting Profit & Contingencies	9.9%
E. Other (explain)	
F. TOTAL	38.6%

8. N/A Apply Lost Cost Factors to Future filings? (Y or N)

9. 19.9 Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):

NA

10. N/A Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

NA

PC RLC



POLICY FORMS HO 00 02, HO 00 03, HO 00 05

TABLE 1 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class							
		2,3	4,5	6	7	8	8A	9	10
HO 00 02	Frame	0.98	1.09	1.28	1.42	1.77	2.30	2.91	4.66
	Masonry	0.93	1.04	1.22	1.35	1.69	2.19	2.77	4.44
HO 00 03	Frame	1.00	1.10	1.30	1.45	1.81	2.35	2.97	4.75
	Masonry	0.95	1.05	1.24	1.38	1.72	2.24	2.83	4.52
HO 00 05	Frame	1.10	1.22	1.44	1.59	1.99	2.59	3.27	5.23
	Masonry	1.05	1.16	1.37	1.51	1.90	2.47	3.11	4.98

TABLE 2A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	\$1,139
14	1	\$862
15	1	\$1,591
16	1	\$1,459
17	1	\$1,418
18	1	\$1,154
19	1	\$809
20	1	\$1,094
21	1	\$1,402
22	1	\$949
24	1	\$1,559
29	1	\$943
30	1	\$1,631
31	1	\$1,321
32	1	\$1,541

TABLE 2B - AMOUNT OF INSURANCE TABLE

Coverage A Dwelling Amount	Curve #1
\$ 10,000	0.336
20,000	0.353
30,000	0.374
40,000	0.403
50,000	0.436
60,000	0.469
70,000	0.514
80,000	0.557
90,000	0.622
100,000	0.686
110,000	0.748
120,000	0.815
130,000	0.877
140,000	0.939
150,000	1.000
180,000	1.188
210,000	1.373
240,000	1.562
270,000	1.759
300,000	1.965
330,000	2.170
360,000	2.375
390,000	2.581
420,000	2.786
450,000	2.992
480,000	3.197
510,000	3.403
540,000	3.608
570,000	3.814
600,000	4.020
630,000	4.225
660,000	4.431
690,000	4.637
720,000	4.842
750,000	5.048
Each add'l \$10,000-ADD	0.069



POLICY FORM HO 00 04

TABLE 3 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class			
		2-4	5-6	7-8, 8A	9, 10
HO 00 04	Frame	1.00	1.10	1.28	1.63
	Masonry	1.00	1.10	1.28	1.63

TABLE 4A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	\$258
14	1	\$258
15	1	\$258
16	1	\$258
17	1	\$258
18	1	\$258
19	1	\$258
20	1	\$258
21	1	\$258
22	1	\$258
24	1	\$258
29	1	\$258
30	1	\$258
31	1	\$258
32	1	\$258

TABLE 4B - AMOUNT OF INSURANCE TABLE

Coverage C Dwelling Amount	Curve #1
\$ 6,000	0.123
10,000	0.373
15,000	0.673
20,000	1.000
25,000	1.259
30,000	1.518
35,000	1.777
40,000	2.035
45,000	2.294
50,000	2.553
55,000	2.812
60,000	3.003
65,000	3.193
70,000	3.384
75,000	3.575
80,000	3.766
85,000	3.956
90,000	4.147
95,000	4.338
100,000	4.529
Each add'l \$1,000-ADD	0.038



POLICY FORM HO 00 06

TABLE 5 - PREMIUM FACTORS

Policy Form	Type of Construction	Protection Class			
		2-4	5-6	7-8, 8A	9, 10
HO 00 06	Frame	1.00	1.10	1.28	1.63
	Masonry	1.00	1.10	1.28	1.63

TABLE 6A - UNITY TABLE

TERRITORY	CURVE #	UNITY
13	1	134
14	1	134
15	1	134
16	1	134
17	1	134
18	1	134
19	1	134
20	1	134
21	1	134
22	1	134
24	1	134
29	1	134
30	1	134
31	1	134
32	1	134

TABLE 6B - AMOUNT OF INSURANCE TABLE

Coverage C Dwelling Amount	Curve #1
\$ 6,000	0.366
10,000	0.526
15,000	0.788
20,000	1.000
25,000	1.212
30,000	1.424
35,000	1.637
40,000	1.849
45,000	2.061
50,000	2.273
55,000	2.486
60,000	2.648
65,000	2.810
70,000	2.973
75,000	3.135
80,000	3.297
85,000	3.459
90,000	3.622
95,000	3.784
100,000	3.946
Each add'l \$1,000-ADD	0.032