

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Filing at a Glance

Company: Amica Mutual Insurance Company

Product Name: AR-H-10-1-RR

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Filing Type: Rate/Rule

SERFF Tr Num: AMMA-126532224 State: Arkansas

SERFF Status: Closed-Filed

Co Tr Num: AR-H-10-1-RR

Authors: Brenda Miller, Carol Pedro, Brenda Walker, Christina Perfetti

Date Submitted: 04/01/2010

State Tr Num: EFT \$100

State Status: Fees verified and received

Reviewer(s): Becky Harrington, Betty Montesi

Disposition Date: 05/24/2010

Disposition Status: Filed

Effective Date Requested (New): 09/01/2010

Effective Date Requested (Renewal): 09/01/2010

Effective Date (New): 09/01/2010

Effective Date (Renewal): 09/01/2010

State Filing Description:

General Information

Project Name: Rate and Rule Revision

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 05/24/2010

State Status Changed: 04/07/2010

Created By: Carol Pedro

Corresponding Filing Tracking Number:

Filing Description:

Rate and Rule Revision

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Submitted By: Brenda Walker

Company and Contact

Filing Contact Information

Brenda Walker, Sr. Regulatory/Compliance bwalker@amica.com

Anlys

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

P.O. Box 6008 800-652-6422 [Phone] 24584 [Ext]
 Providence, RI 02940 401-334-6518 [FAX]

Filing Company Information

Amica Mutual Insurance Company CoCode: 19976 State of Domicile: Rhode Island
 P.O. Box 6008 Group Code: 28 Company Type:
 Providence, RI 02940 Group Name: State ID Number:
 (800) 652-6422 ext. [Phone] FEIN Number: 05-0348344

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Amica Mutual Insurance Company	\$100.00	04/01/2010	35327307

SERFF Tracking Number: AMMA-126532224

State: Arkansas

Filing Company: Amica Mutual Insurance Company

State Tracking Number: EFT \$100

Company Tracking Number: AR-H-10-1-RR

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: AR-H-10-1-RR

Project Name/Number: Rate and Rule Revision/

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	05/24/2010	05/24/2010

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	04/26/2010	04/26/2010

Response Letters

Responded By	Created On	Date Submitted
Brenda Walker	05/21/2010	05/21/2010

Pending Industry Response	Becky Harrington	04/07/2010	04/07/2010
---------------------------	------------------	------------	------------

Brenda Walker	04/13/2010	04/26/2010
---------------	------------	------------

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Explanatory Memorandum & Filing Support Exhibits	Brenda Walker	04/13/2010	04/26/2010
Supporting Document	Response to Objection dated 4-7-10	Brenda Walker	04/13/2010	04/26/2010

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-I-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-I-RR
 Project Name/Number: Rate and Rule Revision/

Disposition

Disposition Date: 05/24/2010

Effective Date (New): 10/01/2010

Effective Date (Renewal): 10/01/2010

- Effective Date (New) changed from 09/01/2010 to 10/01/2010 and Effective Date (Renewal) changed from 09/01/2010 to 10/01/2010 by Harrington, Becky on 05/24/2010.

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):
Amica Mutual Insurance Company	41.100%	12.100%	\$38,547	274	\$318,573	12.500%	4.500%

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document (revised)	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document (revised)	Explanatory Memorandum & Filing Support Exhibits	Filed	Yes
Supporting Document	Response to Objection dated 4-7-10	Filed	Yes
Supporting Document (revised)	Peril Group Rating Key Page	Filed	No
Supporting Document	Peril Group Rating Key Page		No
Supporting Document	H-1 Homeowners Abstract		Yes
Supporting Document	Explanatory Memorandum & Filing Support Exhibits		Yes
Supporting Document	H-1 Homeowners Abstract Form	Filed	Yes
Rate (revised)	Revised Manual Pages	Filed	Yes
Rate	Revised Manual Pages		Yes
Rate	Revised Manual Pages		Yes

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/26/2010

Submitted Date 04/26/2010

Respond By Date

Dear Brenda Walker,

This will acknowledge receipt of the response dated 4/26/2010.

Objection 1

- H-1 Homeowners Abstract (Supporting Document)

Comment: Please explain why this form was requested to be considered confidential.

Objection 2

- Peril Group Rating Key Page (Supporting Document)

Comment: Providing a key to be kept confidential does not comply with our request to amend your manual pages so that weather related perils are not rated/shown separately. The base rates for weather related perils must be combined with other perils. One solution would be to take the PG1 base rate and the lightning portion of the PG3 base rate and divide it proportionally between the other base rates. Adjustments to applied factors etc may be required.

Reference to those perils should not be reflected in the manual pages.

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: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/21/2010
Submitted Date 05/21/2010

Dear Becky Harrington,

Comments:

Please refer to your objection dated 4-26-10: Amica submits the following response:

Response 1

Comments: The H-1 Homeowners Abstract was marked confidential in error & we cannot undo it from our end. I have revised & created another schedule item and attached it & bypassed the initial submission. We apologize for this error.

Related Objection 1

Applies To:

- H-1 Homeowners Abstract (Supporting Document)

Comment:

Please explain why this form was requested to be considered confidential.

Changed Items:

Supporting Document Schedule Item Changes

Bypassed -Name: H-1 Homeowners Abstract

Comment:

Bypass Reason: We cannot undo confidential mode so I have attached the form again at the bottom

Satisfied -Name: Peril Group Rating Key Page

Comment:

Satisfied -Name: H-1 Homeowners Abstract Form

Comment:

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
--------------	------------------	-------------	-------------------------

Revised Manual Pages		Replacement	
----------------------	--	-------------	--

Previous Version

<i>SERFF Tracking Number:</i>	<i>AMMA-126532224</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Amica Mutual Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>AR-H-10-1-RR</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>AR-H-10-1-RR</i>		
<i>Project Name/Number:</i>	<i>Rate and Rule Revision/</i>		
<i>Revised Manual Pages</i>		<i>Replacement</i>	
<i>Revised Manual Pages</i>		<i>Replacement</i>	

Response 2

Comments: We have provided revised manual pages & a revised peril group key.

Related Objection 1

Applies To:

- Peril Group Rating Key Page (Supporting Document)

Comment:

Providing a key to be kept confidential does not comply with our request to amend your manual pages so that weather related perils are not rated/shown separately. The base rates for weather related perils must be combined with other perils. One solution would be to take the PG1 base rate and the lightning portion of the PG3 base rate and divide it proportionally between the other base rates. Adjustments to applied factors etc may be required.

Reference to those perils should not be reflected in the manual pages.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Peril Group Rating Key Page

Comment:

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Revised Manual Pages		Replacement	
Previous Version			
<i>Revised Manual Pages</i>		<i>Replacement</i>	
<i>Revised Manual Pages</i>		<i>Replacement</i>	

We hope these changes enable you to complete your review of our filing.

SERFF Tracking Number: *AMMA-126532224* *State:* *Arkansas*
Filing Company: *Amica Mutual Insurance Company* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *AR-H-10-I-RR*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0000 Homeowners Sub-TOI Combinations*
Product Name: *AR-H-10-I-RR*
Project Name/Number: *Rate and Rule Revision/*

Sincerely,
Brenda Miller, Brenda Walker, Carol Pedro, Christina Perfetti

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/07/2010

Submitted Date 04/07/2010

Respond By Date

Dear Brenda Walker,

This will acknowledge receipt of the captioned filing.

Objection 1

- Explanatory Memorandum & Filing Support Exhibits (Supporting Document)

Comment: Please explain Exhibit 1 in greater detail. The total change is the same as the base rate change and offset amounts.

Objection 2

No Objections

Comment: Exhibit 3 is an expense exhibit. The memo states Exhibit 3 shows the current and proposed factors for age of home. Please provide an exhibit showing the proposed and current factors.

Objection 3

- Revised Manual Pages, null (Rate)

Comment: Please indicate the anticipated time to phase out the renewal capping on Table A factors.

Objection 4

- Explanatory Memorandum & Filing Support Exhibits (Supporting Document)

Comment: Provide supporting data showing the development of the on-level factors of exhibit 2.

Explain what is meant by O/S Losses and O/S LAE.

Provide additional supporting documentation required by ACA 23-67-209.

Objection 5

- Revised Manual Pages, null (Rate)

Comment: AR does now allow the separately rating of weather related perils. The territory factors were previously adjusted to 1.00, however, the base rates are still shown separately. Please amend the manual pages so that weather related perils are not shown separately.

Please feel free to contact me if you have questions.

SERFF Tracking Number: AMMA-126532224 *State:* Arkansas
Filing Company: Amica Mutual Insurance Company *State Tracking Number:* EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

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: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/13/2010
Submitted Date 04/26/2010

Dear Becky Harrington,

Comments:

Please refer to your objection dated 4-7-10, Amica submits the following responses:

Response 1

Comments: Although they are similar, the offset is the reciprocal of the "other effects" column which reduced premium due to the re-indexing of the age of home factors. The base rate change indicated is independent of this.

Related Objection 1

Applies To:

- Explanatory Memorandum & Filing Support Exhibits (Supporting Document)

Comment:

Please explain Exhibit 1 in greater detail. The total change is the same as the base rate change and offset amounts.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: We have modified the Explanatory Memorandum and also provided the department with Exhibit 6. We apologize for the typographical error and not including the referenced exhibit.

Related Objection 1

Comment:

Exhibit 3 is an expense exhibit. The memo states Exhibit 3 shows the current and proposed factors for age of home. Please provide an exhibit showing the proposed and current factors.

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments: This is not intended to be phased out, as we wish to limit the increase to an insured solely due to credit to no more than 10% per year.

Related Objection 1

Applies To:

- Revised Manual Pages, null (Rate)

Comment:

Please indicate the anticipated time to phase out the renewal capping on Table A factors.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments: We attached Supplemental Exhibit A under the supporting documentation tab. "O/S" means Outstanding Losses and "LAE" means Outstanding Loss Adjusting Expenses. We have provided Filing Exhibits 1-6 in our original submission. We are not sure what additional supporting documentation you are requesting. Please advise.

Related Objection 1

Applies To:

- Explanatory Memorandum & Filing Support Exhibits (Supporting Document)

Comment:

Provide supporting data showing the development of the on-level factors of exhibit 2.

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Explain what is meant by O/S Losses and O/S LAE.

Provide additional supporting documentation required by ACA 23-67-209.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments: We have attached revised pages at the request of the department.

Related Objection 1

Applies To:

- Revised Manual Pages, null (Rate)

Comment:

AR does now allow the separately rating of weather related perils. The territory factors were previously adjusted to 1.00, however, the base rates are still shown separately. Please amend the manual pages so that weather related perils are not shown separately.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Peril Group Rating Key Page

Comment:

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
<i>Revised Manual Pages</i>		<i>Replacement</i>	
<i>Previous Version</i>			
<i>Revised Manual Pages</i>		<i>Replacement</i>	

SERFF Tracking Number: *AMMA-126532224* *State:* *Arkansas*
Filing Company: *Amica Mutual Insurance Company* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *AR-H-10-1-RR*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0000 Homeowners Sub-TOI Combinations*
Product Name: *AR-H-10-1-RR*
Project Name/Number: *Rate and Rule Revision/*

We hope this additional information requested enables you to complete your review of our filing.

Sincerely,
Brenda Miller, Brenda Walker, Carol Pedro, Christina Perfetti

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Amendment Letter

Submitted Date: 04/26/2010

Comments:

Please refer to Mrs. Walker's response of earlier today. The attachments for responses to objections 2 and 4 were inadvertently left from the response please find the attachments for these objections.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Explanatory Memorandum & Filing Support Exhibits

Comment: We have modified the Explanatory Memorandum and original filing exhibits to correct a typographical error and include the original exhibit we inadvertently forgot to attach.

Amended Explanatory Memo.pdf

Amended Filing Exhibits.pdf

User Added -Name: Response to Objection dated 4-7-10

Comment: We have provided the department with requested information in objection #4.

On-Level.pdf

EPAF.pdf

SERFF Tracking Number: AMMA-126532224
 Filing Company: Amica Mutual Insurance Company
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

State: Arkansas
 State Tracking Number: EFT \$100
 Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Rate Information

Rate data applies to filing.

Filing Method: File & Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: -0.200%
Effective Date of Last Rate Revision: 09/01/2009
Filing Method of Last Filing: File & Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Amica Mutual Insurance Company	41.100%	12.100%	\$38,547	274	\$318,573	12.500%	4.500%

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
Filed 05/24/2010	Revised Manual		Replacement	09 10 Amended
	Pages			Manual Pages.pdf

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 101.
LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS**

Effective SEPTEMBER 1, 2009

A. Limits

The limits of liability required under the Homeowners policy are as follows:

1. Section I - Property Damage

Coverage A – Dwelling	
HO 00 03 or HO 00 05	Refer to Rule 301. in the state classification pages. For HO 00 06 refer to Rule 507.A.
HO 00 04 or HO 00 06	
Coverage B – Other Structures	
HO 00 03 or HO 00 05	10% of A (One and two family dwelling) 10% of A (Three and four family dwelling)
Coverage C – Personal Property	
HO 00 03 or HO 00 05	75% of A (One and two family dwelling) 75% of A (Three family dwelling) 75% of A (Four family dwelling) Refer to Rule 301. in the state classification pages.
HO 00 04 or HO 00 06	
Coverage D – Loss Of Use	
HO 00 03 or HO 00 05 HO 00 04 HO 00 06	30% of A 30% of C 50% of C

Table 101.A.1. Property Damage Limits

2. Section II – Liability (All Forms)

Coverage E – Personal Liability And Coverage F – Medical Payments*
Refer to Rule 301. in the state classification pages
* Unless otherwise stated, Coverage E limits apply on an "occurrence" basis; Coverage F limits apply on an "each person" basis.

Table 101.A.2. Liability Limits

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

B. All Forms

The limit of liability for Coverages **C** or **D** of Section **I** and **E** or **F** of Section **II** may be increased.

C. Form HO 00 03 Or HO 00 05.

Under Coverage **B** of Section **I**, an additional amount of insurance may be written on a specific structure. Under Coverage **C** of Section **I**, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit of the dwelling.

D. Form HO 00 06

The limit of liability for Coverage **A** of Section **I** may be increased.

E. Form HO 00 08

1. Does not apply.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 105.
SECONDARY RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

FOR USE IN THE RATING OF PG5

A. Application

Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when another policy is providing Section II coverage for the secondary residence. When the same company insures both the initial and secondary residences, Section II Coverage for both residences shall be provided by the policy covering the initial residence.

Note: Rule 602 allows for coverage for the secondary residence from the policy covering the initial residence.

B. Premium Adjustment

When Section II coverage is being provided by a policy other than the secondary residence policy, the following premium adjustment should be made to the secondary residence policy:

1. Reduce the Liability Base Premium to \$0.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 106.
PROTECTION CLASSIFICATION INFORMATION

Effective SEPTEMBER 1, 2010

The Protection Class listings in the Public Protection Classification Manual apply to PG1 risks insured under Homeowners Program policies.

- A.** The protection class indicated applies in a municipality or classified area where a single class of PG1 protection is available throughout (8, 7, 6, etc.).
- B.** In a classified area where two or more classifications are shown (for example, 6/9), the classification is determined as follows:

Distance To Fire Station	Class
1. 5 road miles or less with hydrant within 1,000 Feet	*
2. 5 road miles or less with hydrant beyond 1,000 Feet	9
3. Over 5 road miles	10
* First protection class (for example, 6/9...use Class 6)	

Table 106.B. Two Or More Classifications

- C.** All other properties are Class 10.
- D.** Subscription type fire departments are identified by a footnote in the Community Mitigation Classification Manual. Class 10 applies to properties which are not subscribers or which are located over 5 miles from the nearest recognized fire station of the listed fire department.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART II
SERVICING TYPE RULES

RULE 201.
POLICY PERIOD

Effective SEPTEMBER 1, 2010

The policy may be written for a period of one year and may be extended for successive policy periods by extension certificate based upon the premiums, forms and endorsements then in effect for the company.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 204.
MULTIPLE COMPANY INSURANCE

Effective **SEPTEMBER 1, 2010**

This rule is not applicable.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 205.
MINIMUM PREMIUM

Effective **SEPTEMBER 1, 2010**

- A. For pre-paid policies, a minimum **annual** premium shall be charged for each peril group.
- B. When policies are written under a premium payment plan, no payment shall be less than the minimum premium by peril for each period.
- C. The minimum premium applies only to the annual basic premium and excludes all chargeable endorsements or other coverages.
- D. Add the rates below for the applicable peril groups.

PERIL	HO 00 03 AND HO 00 05	HO 00 04	HO 00 06
PG1	\$150	\$21	\$45
PG4	5	20	5
PG5	15	5	15
PG6	5	5	5

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART III
BASE PREMIUM COMPUTATION RULES

RULE 301.
BASE PREMIUM COMPUTATION

Effective **SEPTEMBER 1, 2010**

The Base Premium is developed accordingly, as expressed in Paragraphs A, B & C, and rounding to the nearest whole dollar (\$0.50 or more rounded to the next higher whole dollar).

See **Rule A.13** Tables A, B, and C for the complete premium computation formula.

A. All Forms Except HO 00 04 And HO 00 06

1. One And Two Family Dwelling

- a. From the company Base Rate Table, select the **HO 00 03** premium for the applicable peril.
- b. Multiply by the applicable Territory factor by peril that applies to determine the Base Class Premium.
- c. From the Classification Tables, select the Form and Protection-Construction classifications that apply.
- d. Multiply the Base Class Premium by the form factor and round to the nearest whole dollar.
- e. Multiply this result by the applicable Protection-Construction Factor and round to the nearest whole dollar.
- f. From the Coverage A Deductible Table, select the Key Factor for the desired limit of liability, deductible and applicable peril group. If the limit of liability is not shown in the tables, interpolate as illustrated in paragraph **C**.
- g. Multiply the dollar amount from Paragraph **e.** by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.

2. Three And Four Family Dwelling

Multiply the One and Two Family Dwelling Base Premium by the three and four family factor from the Classification Tables to arrive at the Base Premium.

Note: This does not apply to Rule 402 Townhouse or Row house.

B. Form HO 00 04 Or HO 00 06

1. From the company Base Rate Table, select the **HO 00 04** or **HO 00 06** premium for the applicable peril group.
2. Multiply by the applicable Territory factor by peril group that applies to determine the Base Class Premium.
3. From the Form **HO 00 04** or **HO 00 06** Classification Table, select the Protection-Construction factor that applies.
4. Multiply the Base Class Premium by the Protection-Construction Factor and round to the nearest whole dollar.
5. From the Form **HO 00 04** or **HO 00 06** Coverage C Deductible Table, select the Key Factor for the desired limit of liability, deductible and applicable peril group. If the limit of liability is not shown in the tables, interpolate as illustrated in Paragraph **C**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

6. Multiply the dollar amount from Paragraph 4. by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.

C. Interpolation Example

1. When the desired limit of liability is **less** than the highest limit shown, interpolate the Key Factors using the nearest limit above and below the desired limit, for the desired deductible. For example:

a. \$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.

b. For \$200,000 the Key Factor is 2.837; for \$205,000 the Key Factor is 2.937. Figure the difference between the two Key Factors and divide by 5. This provides a factor per \$1,000.

$$\begin{array}{r} 2.937 \\ - 2.837 \\ \hline .100 \div 5 = .02 \end{array}$$

c. Multiply the factor per \$1,000 times 3, and add 2.837; the Key Factor for \$200,000.

$$\begin{array}{r} .02 \\ \times 3 \\ \hline .06 \div 2.837 = 2.897 \end{array}$$

d. The result, 2.897, is the Key Factor for this example.

2. The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Key Factor Table of this Manual.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 302.
LOSS SETTLEMENT OPTIONS**

Effective **SEPTEMBER 1, 2010**

A. Functional Replacement Cost Loss Settlement – HO 00 03 And HO 00 05 Only

This Coverage is Not Available.

B. Actual Cash Value Loss Settlement – HO 00 03 and HO 00 05 Only

This Coverage is Not Available

C. Special Loss Settlement – HO 00 03 And HO 00 05 Only

1. Introduction

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

2. Coverage Description

This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage **A** limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

3. Premium Computation

To develop the Base Premium for the Coverage **A** limit of liability shown in the policy declarations:

- a.** Multiply the Coverage **A** limit of liability by the appropriate factor from the following table and round to the nearest \$1,000:

% Of Replacement Value	Factor
50%	1.60
60%	1.33
70%	1.14

Table 302.C.3.a. Factors

- b.** Develop the Base Premium in accordance with Rule **301**. for the amount of insurance computed in Paragraph **C.3.a.**

- c.** Multiply the premium determined in preceding Paragraph **b.** by the appropriate factor from the following table:

% Of Replacement Value	Factor
50%	.96
60%	.97
70%	.98

Table 302.C.3.c. Factors

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

4. Endorsement

| Use Special Loss Settlement Endorsement **HO 04 56.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 304.

SPECIAL PERSONAL PROPERTY COVERAGE HO 00 04 AND HO 00 06

Effective September 1, 2010

A. Coverage Description

1. Coverage **C**. Personal Property under Forms **HO 00 04** and **HO 00 06** is insured against the peril groups named in the form. The policy may be endorsed to insure Coverage **C** against additional risks of physical loss subject to certain exclusions.
2. This option may only be used when:
 - a. For Form **HO 00 04**, the apartment, dwelling or cooperative unit rented to the insured is not rented or sublet to another; or
 - b. For Form **HO 00 06**, the condominium or cooperative unit is owner occupied and not rented to others.

B. Premium Computation

1. Multiply the Form **HO 00 04** or **HO 00 06** Base Premium for each peril group except PG5 by **1.40**. The Base Premium is developed in accordance with Rule **301**.

C. Endorsement

1. Use Special Personal Property Coverage Endorsement **HO 05 24** for use with **HO 00 04** only.
2. Use Unit-Owners – Coverage **C** – Special Coverage Endorsement **HO 17 31** for use with **HO 00 06** only.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART IV
ADJUSTED BASE PREMIUM COMPUTATION RULES

RULE 401.
SUPERIOR CONSTRUCTION

Effective **SEPTEMBER 1, 2010**

For use in PG1 Rating Only

The PG1 premium for a dwelling or an apartment unit in a building of superior construction is computed by multiplying the masonry PG1 Base Premium for a comparable dwelling or apartment unit by a factor of **0.94**.

The reduced premium is subject to a **maximum credit**. Refer to the **Additional Rule A.11** for the maximum credit calculation.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 402.

TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT HO 00 04 And HO 00 06

For Use in PG1 Rating Only

Effective SEPTEMBER 1, 2010

The premium for an eligible 1, 2, 3 or 4 family dwelling in a town or row house structure is computed by multiplying the PG1 Base Premium by the appropriate factor selected from the following table:

Townhouse And Row House Factors

Total No. Of Individual Family Units Within The Fire Division *	Protection Class	
	1- 8	9 & Over
1 & 2	1.00	1.00
3 & 4	1.10	1.15
5 – 8	1.25	1.30
9 & Over	Refer to Company	

Table 402. Townhouse and Row House Factors

* An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division. An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7 individual family units within a fire division. Four 2 family dwellings not separated by a fire wall would be considered 8 individual family units.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 403.
PERSONAL PROPERTY (COVERAGE C)
REPLACEMENT COST LOSS SETTLEMENT

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides loss settlement on an Actual Cash Value basis for certain types of property.

B. Loss Settlement Option

The policy may be endorsed to provide loss settlement on a Replacement Cost basis for such property whether insured on a blanket or scheduled basis.

C. Endorsement

Use Personal Property Replacement Cost Endorsement **HO 04 90**.

D. Scheduled Personal Property

1. When the Scheduled Personal Property Endorsement **HO 04 61** is attached to a policy with Endorsement **HO 04 90**, the following property, if scheduled, will also be subject to repair or replacement cost loss settlement up to the scheduled limit of liability:
 - a. Jewelry;
 - b. Furs and garments trimmed with fur or consisting principally of fur;
 - c. Cameras, projection machines, films and related articles of equipment;
 - d. Musical equipment and related articles of equipment;
 - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
 - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.
2. Since the loss settlement condition in Endorsement **HO 04 61** will pay the insured the least of the:
 - a. Actual cash value of the property sustaining loss;
 - b. The amount for which the property could be repaired or replaced; or
 - c. The amount of insurance of the property sustaining loss;

the limit of liability that applies to each scheduled item should be carefully evaluated to ensure that the limit selected by the insured represents the cost to replace the item if lost or damaged beyond repair.

E. Scheduled Personal Property (With Agreed Value Loss Settlement)

When Scheduled Personal Property (With Agreed Value Loss Settlement) Endorsement **HO 04 60** is attached to a policy with Endorsement **HO 04 90**, the property subject to agreed value loss settlement will **not** be subject to repair or replacement cost loss settlement.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

F. Premium Determination

1. Multiply the Base Premium by peril group limits by a factor of:

(a) **1.10** for all forms except **HO 00 04** and **HO 00 06**.

(b) **1.35** for Forms **HO 00 04** or **HO 00 06**.

2. Any premium adjustment for additional coverage C limits should also be multiplied by these factors and added to the Miscellaneous premium.

Note: This coverage is automatically included in Form HO 00 05.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 404.

PROTECTIVE DEVICES – HO 00 03 and HO 00 05 ONLY

Effective SEPTEMBER 1, 2010

A. Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a reduced premium – computed by multiplying the PG1 or PG4 Base Premium by the selected factors from the following table:

Protective Devices Factors

Type Of Installation*	Peril	Factor
Central Station Reporting Burglar Alarm	PG4	0.80
Central Station Reporting Fire Alarm	PG1	0.97
Police Station Reporting Burglar Alarm	PG4	0.88
Fire Department Reporting Fire Alarm	PG1	0.98
Local Fire Alarm	PG1	0.99
Local Burglar Alarm	PG4	0.92
Automatic Sprinklers in all areas including attics, bathrooms, closets, attached structures.	PG1	0.94
Automatic Sprinklers in all areas except attics, bathrooms, closets and attached structure areas that are protected by a fire detector.	PG1	0.96
* Refer to company for eligibility, types of systems and devices, installations, and available credits.		

Table 404.A. Protective Devices Factors

B. The reduced premium is subject to a maximum credit. Refer to the **Additional Rule A.11** for the maximum credit calculation.

C. Use Premises Alarm Or Fire Protection System Endorsement **HO 04 16**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 405.
INFLATION GUARD – ALL FORMS EXCEPT
HO 00 04, HO 00 05 AND HO 00 06

Effective **SEPTEMBER 1, 2010**

A. Coverage Description

The policy may be endorsed to provide annual increases of the Section I Limits of Liability as selected by the insured.

B. Premium Computation

1. The premium is computed by multiplying the Base Premium for all peril groups except PG5 by the appropriate factor selected from the following table:

Amount Of Annual Increase	Factor
4%	1.02
6%	1.03
8%	1.04
Each Add'l 4% over 8% add:	.02

Table 405.B.1. Inflation Guard Factors

2. The premium for a 3 year policy is 3.2 times the annual policy premium.

C. Endorsement

Use Inflation Guard Endorsement **HO 04 46**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 406.
DEDUCTIBLES

Effective **SEPTEMBER 1, 2010**

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

A. Base Deductible

\$250 Deductible. Forms **HO 00 04** AND **HO 00 06**.

\$500 Deductible. All forms except **HO 00 04** and **HO 00 06**.

B. Optional Deductibles

1. \$100 Deductible

This deductible is not available.

C. Windstorm Deductibles

The following deductible options are used in conjunction with the deductible applicable to All Other Section I Peril Groups.

1. Percentage Deductibles

(a) Deductible Amounts

This option provides for higher Windstorm percentage deductibles of 1%, 2% or 5% of the Coverage A limit of liability when the dollar amount of the percentage deductible selected exceeds the amount of the deductible applicable to All Other Section I Peril Groups.

(b) Endorsement

Use Windstorm or Hail Percentage Deductible Endorsement **HO 03 12**.

(c) Declarations Instructions

(1) Enter, on the policy declarations, the percentage amount that applies to Windstorm and the dollar amount that applies to All Other Section I Peril Groups. For example:

- Deductible – Windstorm 1% of Coverage A limit and \$500 for All Other Peril Groups.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

(d) Deductible Application

In the event of a Windstorm loss to covered property, the dollar amount is deducted from the total of the loss for all coverages. For example:

			Amount of Loss	
Cov.	Limit of Liability	1% Deductible	Before Ded.	After Ded.
A	\$100,000	\$1,000	\$7,500	
B	50,000		3,000	
C	10,000		1,350	
D	20,000		660	

			\$12,510	\$11,510

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 407.
ADDITIONAL AMOUNTS OF INSURANCE –
FORMS HO 00 03 AND HO 00 05

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides loss settlement for buildings insured under Coverage **A** or **B** on a replacement cost basis without deduction for depreciation, if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the replacement cost of the building immediately before the loss.

B. Coverage Description

The policy may be endorsed to provide additional insurance for Coverage **A** only or for Coverages **A, B, C,** and **D** when loss, to property insured under Coverage **A – Dwelling**, exceeds the limit of liability shown in the policy declarations.

C. Options Available

When either of the following options is selected, the Coverage **A** limit of liability shall be at least 100% of the full replacement cost of the property insured under Coverage **A** at policy inception or at the time the endorsement is added to the policy:

1. Specified Additional Amount Of Insurance For Coverage A Only

- a. An additional amount of insurance equal to 30% of the Coverage **A** limit of liability may be selected. This additional amount is available when loss to property insured under Coverage **A – Dwelling** exceeds the Coverage **A** limit of liability shown in the Declarations.

The additional amount **cannot** be applied to any other coverage nor does it increase the Coverage **A** limit.

- b. The premium for this option is computed by multiplying the Base Premium by Peril Group by the factor displayed below:

Additional Amount Options	Factor
30%	1.00

Table 407.C.1.b Additional Amounts of Insurance Factors.

- c. Use Specified Additional Amount of Insurance for Coverage **A** Endorsement **HO 23 47**. This endorsement is automatically attached to Form **HO 00 05**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Additional Limits Of Liability For Coverages A, B, C, And D

a. This option differs from Paragraph **C.1.**, in that the Coverage **A** limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed property. The limits of liability for Coverages **B**, **C**, and **D** will also be increased by the same percentage applied to the Coverage **A** limit.

When the loss to such property exceeds the Coverage **A** limit, the policy is endorsed, retroactive to the date of loss, to the limit needed to settle the loss.

b. The premium is computed by multiplying the Base Premium by Peril Group by a factor of **1.15**.

c. Use Additional Limits of Liability for Coverages **A, B, C,** and **D** Endorsement **HO 23 49**.

D. Endorsement Exception

Do not use either endorsement when the Special Loss Settlement Endorsement or any other endorsement which modifies the required percentage of replacement value is attached to the policy.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 409.
REPLACEMENT COST LOSS SETTLEMENT FOR CERTAIN NON-BUILDING STRUCTURES –
FORMS HO 00 03 AND HO 00 05 ONLY

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides actual cash value loss settlement for non-building structures covered under Coverage **B**, or specifically scheduled under this policy.

B. Coverage Description

The policy may be endorsed to provide repair or replacement cost loss settlement for the following types of non-building structures only if they are located on the residence premises:

1. Reinforced masonry walls;
2. Metal or fiberglass fences;
3. Fences made of plastic/resin materials such as polyvinylchloride;
4. Patios, walks (not made of wood or wood products); and
5. Driveways.

C. Premium Computation

The premium is computed by multiplying the Base Premium by Peril Group by a factor of **1.02**.

D. Endorsement

Use Replacement Cost Loss Settlement For Certain Non-Building Structures On The Residence Premises Endorsement **HO 04 43**.

E. Endorsement Exception

This loss settlement condition does not apply to covered property insured under Coverage **B – Other Structures Away From The Residence Premises** Endorsement **HO 04 91** and Specific Structures Away From The Residence Premises Endorsement **HO 04 92**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART V

SECTION I – PROPERTY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

RULE 501.

BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES

Effective **SEPTEMBER 1, 2010**

For Use In **PG7 Rating**

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 **HO 00 04** Key Factor for "Each Add'l 1,000" by the **HO 00 04** Base Class Premium.

C. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 502.
BUILDING ADDITIONS AND ALTERATIONS –
INCREASED LIMIT – HO 00 04

Effective **SEPTEMBER 1, 2010**

For Use In **PG7 Rating**

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 **HO 00 04** Key Factor for "Each Add'l \$1,000" by the **HO 00 04** Base Class Premium.

C. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 503.
BUSINESS PROPERTY – INCREASED LIMIT

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. On-Premises

1. The \$2,500 (\$5,000 in Form **HO 00 05**) limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.
2. Rate per \$2,500.....**\$25.**
3. The limit of liability in excess of \$2,500 does not apply to:
 - a. Business property in storage or held as a sample or for sale or delivery after sale.
 - b. Business property pertaining to a business actually conducted on the residence premises.
4. The Property described in Paragraphs **3.a.** and **3.b.** are covered under the following optional endorsements:
 - a. Permitted Incidental Occupancies;
 - b. Home Day Care; or
 - c. Home Business Insurance Coverage.

B. Off – Premises

When the on-premises limit is increased, the off-premises limit of \$500 (\$1,000 in Form **HO 00 05**) is automatically increased, at no additional charge, to an amount that is 20 percent of the total on-premises limit of liability.

C. Endorsement

Use Increased Limits On Business Property Endorsement **HO 04 12.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 504.

**CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE,
FORGERY AND COUNTERFEIT MONEY**

Effective SEPTEMBER 1, 2010

FOR USE IN PG4 RATING

A. Coverage Increase

The limit of \$1000 (\$5,000 in Form HO 00 05) may be increased. Charge the additional rate shown in paragraph B.

B. Premium

Limit	All Forms Except HO 00 05	HO 00 05
\$1,000	NC	NC
\$2,500	\$2	NC
\$5,000	\$3	NC
\$7,500	\$4	\$1
\$10,000*	\$5	\$2

*For Limits in excess of \$10,000, NOT APPLICABLE.

C. Endorsement

Use Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage Increased Limit Endorsement **HO 04 53**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 505.
EARTHQUAKE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use In PG7 Rating

A. Coverage Description

The policy may be endorsed to provide coverage against a loss resulting from the peril of Earthquake. This peril shall apply to all Section I Coverages for the same limits provided in the policy. Use Earthquake Endorsement **HO 04 54**.

B. Deductible

Deductible percentage amounts of 5%, 10%, 15%, 20% and 25% of the limit of liability are included in this rule.

In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages **A, B, and C**.

Earthquake rates are displayed for the 5% and 10% deductible in the state company rates. Credit factors for deductible percentage amounts of 15%, 20% and 25% are provided in Paragraph **E**. Premium for Higher Deductibles of this rule.

C. Loss Assessment Coverage

The policy may also be endorsed to cover loss assessment resulting from loss by this peril. The limit of liability shall be based on the insured's proportionate interest in the total value of all collectively owned buildings and structures of the corporation or association of property owners. Use Loss Assessment Coverage For Earthquake Endorsement **HO 04 36** for all Forms.

D. Base Premium

Develop the base premium as follows:

1. From the state company rates determine whether Construction Table **A, B, and/or C** applies for the appropriate deductible.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

D.1. 5% DEDUCTIBLE – Rate per \$1,000

Table A – FRAME

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$1.17	\$0.57	\$0.69	\$0.52	\$0.76	\$0.57
2	1.17	0.57	0.69	0.52	0.76	0.57
3	1.17	0.57	0.69	0.52	0.76	0.57
4	1.17	0.57	0.69	0.52	0.76	0.57
5	1.17	0.57	0.69	0.52	0.76	0.57
6	1.17	0.57	0.69	0.52	0.76	0.57
7	0.90	0.45	0.50	0.43	0.60	0.38
8	0.50	0.31	0.31	0.31	0.33	0.31

Table B – MASONRY

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$2.48	\$1.36	\$1.57	\$1.19	\$1.55	\$1.33
2	2.48	1.36	1.57	1.19	1.55	1.33
3	2.48	1.36	1.57	1.19	1.55	1.33
4	2.48	1.36	1.57	1.19	1.55	1.33
5	2.48	1.36	1.57	1.19	1.55	1.33
6	2.48	1.36	1.57	1.19	1.55	1.33
7	2.24	1.24	1.36	1.17	1.43	1.14
8	1.36	0.86	0.86	0.86	0.90	0.81

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table C - SUPERIOR

Column -	(A)	(B)	(C)	(D)	(E)	(F)
				HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06			
1	\$1.07	\$0.40	\$0.48	\$0.31	\$0.76	\$0.60
2	1.07	0.40	0.48	0.31	0.76	0.60
3	1.07	0.40	0.48	0.31	0.76	0.60
4	1.07	0.40	0.48	0.31	0.76	0.60
5	1.07	0.40	0.48	0.31	0.76	0.60
6	1.07	0.40	0.48	0.31	0.76	0.60
7	0.81	0.31	0.36	0.29	0.57	0.38
8	0.48	0.29	0.29	0.29	0.33	0.31

D.1.a. 10% DEDUCTIBLE – Rate per \$1,000

Table A – FRAME

Column -	(A)	(B)	(C)	(D)	(E)	(F)
				HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06			
1	\$1.05	\$0.48	\$0.57	\$0.43	\$0.69	\$0.57
2	1.05	0.48	0.57	0.43	0.69	0.57
3	1.05	0.48	0.57	0.43	0.69	0.57
4	1.05	0.48	0.57	0.43	0.69	0.57
5	1.05	0.48	0.57	0.43	0.69	0.57
6	1.05	0.48	0.57	0.43	0.69	0.57
7	0.79	0.38	0.40	0.36	0.52	0.38
8	0.43	0.26	0.26	0.26	0.29	0.26

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table B – MASONRY

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$2.26	\$1.19	\$1.38	\$1.05	\$1.40	\$1.31
2	2.26	1.19	1.38	1.05	1.40	1.31
3	2.26	1.19	1.38	1.05	1.40	1.31
4	2.26	1.19	1.38	1.05	1.40	1.31
5	2.26	1.19	1.38	1.05	1.40	1.31
6	2.26	1.19	1.38	1.05	1.40	1.31
7	2.00	1.05	1.19	1.00	1.26	1.12
8	1.24	0.76	0.79	0.76	0.83	0.79

Table C - SUPERIOR

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$0.93	\$0.31	\$0.40	\$0.24	\$0.67	\$0.57
2	0.93	0.31	0.40	0.24	0.67	0.57
3	0.93	0.31	0.40	0.24	0.67	0.57
4	0.93	0.31	0.40	0.24	0.67	0.57
5	0.93	0.31	0.40	0.24	0.67	0.57
6	0.93	0.31	0.40	0.24	0.67	0.57
7	0.67	0.24	0.29	0.21	0.48	0.38
8	0.43	0.26	0.26	0.26	0.29	0.26

+If exterior Masonry Veneer is covered, rate as Masonry; if **not** covered, rate as Frame.

2. Determine the Earthquake territory according to the ZIP code of the residence premises from the State Territory Definitions pages in this Manual.

3. For Forms **HO 00 03** and **HO 00 05**, add the results of the following three steps:

a. Multiply the Coverage **A** limit by the rate found in Column A of the table;

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

- b. If the Coverage **C** limit is increased, multiply the rate found in Column D by the amount of the increase; and
 - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
4. For Form **HO 00 04**, add the results of the following two steps;
- a. Multiply the Coverage **C** limit by the rate found in Column B of the table and
 - b. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
5. For Form **HO 00 06**, add the results of the following three steps:
- a. Multiply the Coverage **C** limit by the rate found in Column C of the table;
 - b. Multiply the Coverage **A** limit by the rate found in Column E of the table; and
 - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
6. Building Or Non-Building Structure Items – All Forms:

Multiply the rate in Column F of the table by the appropriate limit of liability for Other Building or Structure options. (for example Other Structures – Structures Rented To Others Residence Premises Endorsement **HO 04 40**, Other Structures On The Residence Premises – Increased Limits Endorsement **HO 04 48** and Specific Structures Away From The Residence Premises Endorsement **HO 04 92**; Building Additions And Alterations – Other Residence Endorsement **HO 04 49** and Building Additions And Alterations Increased Limit Form **HO 00 04** Endorsement **HO 04 51**).

7. Ordinance Or Law – Basic And Increased Limit – All Forms:

Multiply the rate determined in Paragraphs **D.3.a.**, **D.4.b.**, **D.5.b.** and/or **D.6.** by the Ordinance or Law total amount of insurance. This includes basic and, if applicable, increased amounts.

E. Premium For Higher Deductibles

Multiply the Earthquake base premium determined in Paragraph **D.** for the 10% deductible by the appropriate factor from the following table:

Deductible Percentage	Factor		
	Frame	Masonry	Superior
15%	.80	.85	.75
20%	.65	.70	.60
25%	.50	.60	.45

Table 505.E. Higher Deductibles Factor

F. Building Code Effectiveness Grading

Refer to Rule **410.** for information which may affect Earthquake rating.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 507.

**FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND
SPECIAL COVERAGE – HO 00 06**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

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. To develop the premium for each additional \$1,000 of insurance, See Steps #1-4:

Step 1. Multiply the Base Rate by the territory factor to determine the Base Class Premium, then

Step 2. Multiply the Base Class Premium by the Protection – Construction factor (PG1 Only – For all other peril groups skip to Step 3) to determine the Base Premium, then

Step 3. Multiply the Base Premium by the Additional Rate per \$1,000 to determine the Adjusted Base Premium, then

Step 4. Multiply the Adjusted Base Premium by the Increase per \$1,000 of Coverage A.

C. Special Coverage

The Section **I** Peril Groups Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as shown:

- 1. Charge per policy for \$5,000 in basic form.....\$2
- 2. Rate for each add'l \$1,000 of Cov.A.....\$1

D. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 508.
FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS

Effective **SEPTEMBER 1, 2010**

For Use In PG7 Rating

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

Multiply the Coverage **C** Base Premium (reflecting the credit or surcharge for optional deductibles) by a factor of **.25**.

C. Endorsement

Use Unit – Owners Rental To Others Endorsement **HO 17 33**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 509.
HOME DAY CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

Coverage for a home day care business is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a home day care business in the dwelling or in an other structure on the residence premises. Use Home Day Care Coverage Endorsement **HO 04 97** for Sections **I** and **II** Coverage.

B. Other Structures

If the home day care business is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **D.** for charge for specific insurance on the structure.

C. Personal Property

The home day care endorsement also covers personal property pertaining to this business within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

D. Premium Computation

1. Section I

- a. If the home day care business is located in the dwelling, no additional charge is made.
- b. If the business is located in an other structure, charge the amount per \$1,000 of specific insurance on the structure.
- c. Rate per \$1,000 for business in other structure.....**\$5**

2. Section II

Refer to Rule **607.** to develop the premium for the increased Coverages **E** and **F** exposure.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 510.
PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

Coverage for a permitted incidental occupancy is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a permitted incidental occupancy in the dwelling or in an other structure on the residence premises. Use Permitted Incidental Occupancies (Residence Premises) Endorsement **HO 04 42** for Sections **I** and **II** Coverage.

B. Permitted Incidental Occupancies

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

C. Other Structures

If the permitted incidental occupancy is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **E.** for charge for specific insurance on the structure.

D. Personal Property

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

E. Premium Computation

1. Section I

- a. If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b. If the permitted incidental occupancy is located in an other structure, charge the amount per \$1,000 of specific insurance on the structure.
- c. Rate per \$1,000 for business in other structure**\$5**

2. Section II

Refer to Rule **608.** to develop the premium for the increased Coverages **E** and **F** exposure.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 511.
LOSS ASSESSMENT COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Residence Premises

1. Coverage Description

The policy automatically provides, under **Section I Additional Coverage** and **Section II Additional Coverage**, a limit of \$1,000 (\$5,000 in Form **HO 00 05**) each for assessments relating to the residence premises, excluding assessments resulting from the peril of earthquake.
(Refer to **Rule 505. Earthquake Coverage** for the Earthquake rule of application.)

2. Higher Limits

The policy may be endorsed to provide a single additional amount of insurance to be applied to one or more assessments arising out of a single loss covered under:

- a. Either **Section I Additional Coverage** or **Section II Additional Coverage**; or
- b. Both **Section I** and **Section II Additional Coverages**.

3. Premium

All Forms except **HO 00 03**, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$5,000.....	\$ 5
\$10,000.....	\$ 8
Each Add'l \$5,000 up to \$50,000.....	\$ 1

HO 00 03 or **HO 00 06** with **HO 17 32**

New Amount of Coverage

\$5,000.....	\$ 6
\$10,000.....	\$11
Each add'l \$5,000 up to \$50,000.....	\$ 2

HO 00 05

New Amount of Coverage

\$10,000.....	\$ 3
Each add'l \$5,000 up to \$50,000.....	\$ 1

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

B. Additional Locations

1. Coverage Description

- a. The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single loss covered as noted in Paragraph **A.2**.
- b. No more than 2 additional locations can be written in addition to the residence premises.

2. Premium

All Forms except **HO 00 03**, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$1,000.....	\$ 8
\$5,000.....	\$12
\$10,000.....	\$15
Each Add'l \$5,000 up to \$50,000.....	\$ 1

HO 00 03, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$1,000.....	\$ 9
\$5,000.....	\$15
\$10,000.....	\$20
Each Add'l \$5,000 up to \$50,000.....	\$ 2

C. Endorsement

Use Loss Assessment Coverage Endorsement **HO 04 35**.

(Note: This Endorsement does not cover loss to property under Section **I** caused by Earthquake.)

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 512.
LOSS OF USE – INCREASED LIMIT**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

- A.** When the limit of liability for Coverage **D** is increased, charge the rate per \$1,000 of additional insurance.
- B.** Rate per \$1,000.....**\$4**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 514.
OTHER STRUCTURES**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. On-Premises Structures

When insurance is written on a specific structure on the residence premises the rates per \$1,000 of insurance shall apply separately to each structure.

1. Specific Structure – Increased Limits

a. Premium

Rate per \$1,000.....**\$4**

b. Endorsement

Use Other Structures On The Residence Premises – Increased Limits Endorsement **HO 04 48.**

2. Structure On The Residence Premises Rented To Others

a. Premium

Use the sum of:

(1) Rate per \$1,000**\$5** and

(2) The premium for the increased Coverages **E** and **F** exposures, as developed from the Section **II** rules of this Manual.

b. Use Structures Rented to Others – Residence Premises Endorsement **HO 04 40.**

B. Structures Off The Residence Premises

1. Forms HO 00 03 And HO 00 05

a. Coverage Description

(1) The policy automatically provides Coverage **B** – Other Structures on a blanket basis to structures located on the residence premises.

(2) This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

b. Premium

Off premises structures charge per policy..... **\$15**

c. Endorsement

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Use Other Structures Away From The Residence Premises **HO 04 91**.

2. All Forms

a. Premium

(1) When insurance is written on a specific structure located away from the residence premises, the rate per \$1,000 of insurance shall apply separately to each location.

(2) Specific structures – Off-Premises

Rate per \$1,000.....\$5

b. Endorsement

Use Specific Structures Away From Residence Premises Endorsement **HO 04 92**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 515.
PERSONAL PROPERTY**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Increased Limit

1. The limit of liability for Coverage **C** may be increased.
2. Charge the additional company rate per \$1,000 of insurance.
3. Rate Per \$1,000
 - a. Minimum purchase of \$5,000 of coverage required.

HO 00 03	\$ 2
HO 00 05	\$ 2.20

Note: Multiply by the applicable factor in Rule **403.F** if Endorsement **HO 04 90** is attached to the policy.

B. Increased Limits – Other Residences

1. Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage **C** or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000.
3. Rate per \$1,000.....**\$7**
4. Use Increased Limits On Personal Property In Other Residences Endorsement **HO 04 50**.

C. Reduction In Limit

This Coverage is not available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

D. Increased Special Limits Of Liability

1. The Special Limits of Liability of \$1,500 (\$2,500 in Form **HO 00 05**) for theft of jewelry, watches and furs may be increased to a maximum of \$6,500 but not exceeding \$1,000 (\$2,500 in Form **HO 00 05**) for any one article.

Special Limits

Personal Property	Limit In Form	Maximum Limit Allowed
1. Jewelry, Watches and Furs	\$1,500	\$6,500*
2. Money	200	1,000
3. Securities	1,500	3,000
4. Silverware, Goldware and Pewterware	2,500	10,000****
5. Firearms	2,500	6,500***
6. Electronic Apparatus		
a. In or upon a motor vehicle or motorized land conveyance	1,500	6,000**
b. Not in or upon a motor vehicle that is away from the residence premises and used for business.	1,500	6,000**
* Not exceeding \$1,000 for any one article		
** Increase must be in increments of \$500		
*** Increase must be in increments of \$100		
**** Increase must be in increments of \$500, subject to a minimum of \$1,000.		

Table 515.D.1. Special Limits

2. Rates for Additional Charges:

a. Jewelry, Watches & Furs – Rate per \$500.....	\$9
b. Money – Rate per \$100.....	\$6
c. Securities – Rate per \$100.....	\$4
d. Silverware – Rate per \$1000.....	\$1
e. Firearms – Rate per \$100.....	\$3

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

f. Electronic Apparatus –
Rate per \$500.....**\$10**

- 3. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 65** – for all forms except as noted in Paragraph 4.
- 4. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 66** for Form **HO 00 05**, Form **HO 00 04** with Endorsement **HO 05 24** and Form **HO 00 06** with Endorsement **HO 17 31**.

E. Refrigerated Personal Property

This coverage is automatically included in forms **HO 00 03**, **HO 00 04**, **HO 00 05** and **HO 00 06**.

- 1. Coverage in the amount of \$500 is provided for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.
- 2. A deductible of \$100 applies.
- 3. Charge per policy.....**NO CHARGE**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 517.

**RENTAL TO OTHERS – EXTENDED THEFT COVERAGE ALL FORMS EXCEPT HO 00 05,
HO 00 04 WITH HO 05 24 OR HO 00 06 WITH HO 17 31**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to insure against loss by theft to covered property when all or part of the residence premises usually occupied by the insured is occasionally rented, in whole or in part, to others, or is regularly or occasionally rented to roomers or boarders.

B. Premium

Rate per Policy.....**\$30**

C. Endorsement

Use Extended Theft Coverage For Residence Premises Occasionally Rented To Others Endorsement **HO 05 41.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 518.
SINKHOLE COLLAPSE COVERAGE ALL FORMS
EXCEPT HO 00 04 AND HO 00 06

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide Sinkhole Collapse Coverage.

B. Premium Determination

1. Rate per \$1,000.....**\$0.35**

a. Minimum purchase of \$5,000 of coverage required.

2. Multiply the rate per \$1,000 by:

a. Coverage **A** amount of insurance;

b. Increased Limits for Coverages **C** and **D**;

c. Loss Assessment Coverage, increased limits and additional locations;

d. Ordinance Or Law Coverage, basic amount and, if applicable, increased amount of coverage;

e. Other Building or Structure options. For example: Other Structures Rented To Others (Residence Premises) Endorsement **HO 04 40**; Other Structures (Increased Limits) Endorsement **HO 04 48**; Specific Structures Away From The Residence Premises Endorsement **HO 04 92**; Building Additions And Alterations (Other Residence) Endorsement **HO 04 49**; and Building Additions And Alterations (Increased Limit Form **HO 00 04**) Endorsement **HO 04 51**.

C. Endorsement

Use Sinkhole Collapse Endorsement **HO 04 99**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 519.
SPECIAL COMPUTER COVERAGE ALL FORMS**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions.

The policy may also be endorsed for limits higher than the basic limit of \$2,500 (\$5,000 in Form **HO 00 05**) on the premises.

When the on-premises limit is increased, the off-premises limit of \$500 (\$1,000 in Form **HO 00 05**) is automatically increased, at no additional charge, to an amount that is 20% of the total on-premises limit of liability.

B. Premium

(1.) Charge per policy..... **\$15**

(2.) Increased Limits:

All forms except **HO 00 05** Rate per \$1,000..... **\$5**

Form **HO 00 05** Rate per \$1,000..... **\$5.50**

C. Endorsement

Use Special Computer Coverage Endorsement **HO 04 14** for all Forms except **HO 00 05**, **HO 00 04** with **HO 05 24** and **HO 00 06** with **HO 17 31**.

Use Special Computer Coverage – Increased Limits Endorsement **AM 04 14** for Forms **HO 00 03**, **HO 00 04** or **HO 00 06**.

Use Special Computer Coverage – Increased Limits Endorsement **AM 05 14** for Forms **HO 00 05**, **HO 00 04** with **HO 05 24** or **HO 00 06** with **HO 17 31**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 520.
LIVESTOCK COLLISION COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

When the policy is endorsed with either Incidental Farming Personal Liability Endorsement **HO 24 72** or Farmers Personal Liability Endorsement **HO 24 73**, the policy may also be endorsed to cover loss resulting in death of covered livestock resulting from:

1. Collision or overturn of a vehicle on which the livestock are being transported; or
2. Livestock running into or being struck by a vehicle.

B. Coverage Exclusion

Coverage is excluded if a vehicle owned or operated by an insured or an insured's employee:

1. Collides with the vehicle on which the livestock are being transported; or
2. Strikes the livestock.

C. Premium

1. Each horse, mule or head of cattle under one year of age at the time of loss will be counted as 1/2 head.
2. No deductible applies to this coverage.
3. The limit per head of livestock is \$400.

4. Estimated No. of Head

1 – 100.....	\$10
101 – 250.....	\$20
251 – 500.....	\$30
501 – 1,000.....	\$40

D. Endorsement

Use Livestock Collision Coverage Endorsement **HO 04 52**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 521.
WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy forms exclude coverage for loss resulting from water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment.

B. Coverage Option

For all forms, the policy may be endorsed to provide such coverage for a limit of liability of \$5,000 subject to a \$500 deductible. This endorsement will automatically be attached to Form **HO 00 05**. Higher limits of liability and other deductible options are also available.

C. Premium

All Forms except HO 00 05

Charge per \$5,000 coverage with \$500 deductible if **HO 04 90** Personal Property Replacement Cost Endorsement is:

- 1. Not attached to the policy..... **\$50**
- 2. Attached to the policy..... **\$55**

Higher Limits of Liability & Additional Deductible Options:

All Forms

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$25	\$15	---	---
25,000	---	42	\$28	---
50,000	---	139	117	\$99

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

All Forms except **HO 00 05**

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is **not** attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$23	\$14	---	---
25,000	---	38	\$25	---
50,000	---	126	106	\$90

D. Endorsement

Use Water Back Up And Sump Discharge Or Over-flow Endorsement **HO 04 95** for all forms.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 522.
LANDLORDS FURNISHINGS

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Basic Limit

Forms **HO 00 03** and **HO 00 05** automatically cover, on a named peril groups basis (except PG4), landlord furnishings in an apartment on the residence premises regularly rented or held for rental. The basic limit per apartment unit is \$2,500.

B. Increased Limits

The basic limit of \$2,500 may be increased in increments of \$500 up to a total of \$10,000 per apartment. The increased limit applies to the same perils that applies to the basic limit and may vary by rented unit.

C. Premium

Rate per \$500 per unit

- | | |
|-------------------------------|-----|
| 1. Form HO 00 03 | \$2 |
| 2. Form HO 00 05 | \$3 |

D. Endorsement

Use Landlord's Furnishings Endorsement **HO 05 46**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 523.
ASSISTED LIVING CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Introduction

The policy provides coverage to named insureds and resident relatives who are members of the insured's household.

B. Coverage Description

1. The policy may be endorsed to provide personal property, additional living expense and personal liability coverage to a person regularly residing in an Assisted Living Care facility, provided such person:
 - a. Is related to an insured by blood, marriage or adoption; and
 - b. Is not a member of that insured's household.
2. An assisted living care facility is a facility that provides assisted living services such as dining, therapy, medical supervision, housekeeping and social activities. It is **not** a hospice, prison or rehabilitation facility.
3. The endorsement provides the following basic limits of coverage:
 - a. \$10,000 for Coverage **C** – Personal Property with limitations ranging from \$100 to \$500 for certain items of property;
 - b. \$6,000 at \$500 per month, for Additional Living Expenses; and
 - c. \$100,000 for Coverage **E** – Personal Liability for all forms **except HO 00 05**.
\$300,000 for Coverage **E** – Personal Liability for Form **HO 00 05**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

C. Premium

1. Section I and Section II Basic Limits
Rate per unit **\$120**

2. Increased Limits
Add to the basic limit rate in Paragraph 1. above.

a.. Coverage C – Rate per \$1,000 **\$ 11**

b. Coverage E (Coverage F does not apply to this option.)

Limit	Rates
\$ 200,000*	\$ 4
\$ 300,000	\$ 6
\$ 400,000	\$ 8
\$ 500,000	\$ 9
\$ 600,000	\$10
\$ 700,000	\$12
\$ 800,000	\$13
\$ 900,000	\$14
\$1,000,000	\$15
\$2,000,000	\$27

* Available for all forms except Form **HO 00 05**

D. Endorsement

Use Assisted Living Care Coverage Endorsement **HO 04 59**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 525.
MOTORIZED GOLF CART – PHYSICAL LOSS COVERAGE**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for physical loss to a motorized golf cart, including permanently installed accessories, equipment and parts, owned by an insured.

Also covered, for an amount equal to 10% of the limit of the highest scheduled cart, are accessories, equipment or parts designed or made solely for the cart that are **not** permanently installed provided such property is at an insured's residence or in or upon the cart off the insured's residence at the time of loss.

Coverage for loss caused by collision is optional and only applies if declared on the schedule of the endorsement.

B. Eligibility

To be eligible for coverage, the motorized golf cart shall be of the type designed to carry up to four people on a golf course for the purpose of playing golf and shall not have been built, or modified after manufacture, to exceed a speed of 25 m.p.h. on level ground.

Read the endorsement for all conditions of coverage.

C. Limit Of Liability

The limit of liability shall be selected by the insured. However, that limit should be representative of the actual cash value of the motorized golf cart including any permanently installed accessories, etc.

D. Deductible

A deductible amount of \$500 applies separately to each involved golf cart and, separately to Section I Property Coverages if not in or upon a golf cart at the time of loss.

The \$500 deductible replaces any other deductible in the policy with respect to property covered under the endorsement.

E. Premium

The following charge is the minimum annual premium for each motorized golf cart for any period within a policy year.

Rate per motorized golf cart Without Collision.....	\$11
Rate per motorized golf cart With Collision.....	\$19

F. Endorsement

Use Owned Motorized Golf Cart – Physical Loss Coverage Endorsement **HO 05 28.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 526.

RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO 00 04

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Trust And Trustee – Named Insured

A Homeowners policy may be issued in the name of both the trust and trustee when:

1. The residence held in trust is a 1, 2, 3, or 4 family dwelling or a condominium unit used exclusively for residential purposes, except as provided in **Rule 104.F.**;
2. Legal title to the dwelling or condominium unit is held solely by the trust;
3. The resident of the residence held in trust includes at least one of the following: the trustee, the grantor of the trust, or the beneficiary of the trust; and
4. The trust and trustee are both shown as the named insured on the policy declarations, regardless of who resides in the residence held in trust.

B. Endorsement

Use Residence Held In Trust Endorsement **HO 05 43**.

C. Other Persons Insured – Grantor And / Or Beneficiary Regularly Resides In The Residence Held In Trust

1. If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
 - a. Is related to the trustee and is a member of the trustee's household, the grantor and/or beneficiary is an insured as defined in the policy form and should **not** be named in Endorsement **HO 05 43**; or
 - b. Is **not** related to the trustee, or is related but not a member of the trustee's household, the grantor and/or beneficiary must be named in Endorsement **HO 05 43** to be covered for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
2. If the trustee does **not** regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in Endorsement **HO 05 43** whether or not they are related to the trustee. This is necessary to provide the grantor or beneficiary with coverage for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.

D. Liability Coverage Explained

1. Coverage **E** – Personal Liability and Coverage **F**– Medical Payments To Others is provided to the trust and trustee named insured who regularly resides on the residence premises. However, if the trustee named insured does **not** regularly reside on the residence premises, coverage for the trust and trustee is **only** provided for bodily injury or property damage arising out of the ownership, maintenance or use of the residence premises (premises liability).

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Endorsement HO 05 43 excludes:

- a. Liability coverage for claims or suits for bodily injury or property damage arising out of any act or decision or failure to act or decide by the trustee named insured in administering the trust except as provided in Paragraph 1.; and
- b. Liability coverage for bodily injury to all insureds covered under this policy; for example, the trustee named insured, the grantor or beneficiary of the trust who is named on the endorsement or any person acting on their behalf.

E. Additional Conditions

The policy may **not** be endorsed or extended to insure:

- 1. Under Section I, any other dwelling on the residence premises, or any other structure, on or away from the residence premises, unless legal title to that other dwelling or structure is held solely by the trust; or
- 2. Under Section II, any location away from the residence premises unless legal title to that other location is held solely by the trust.

F. Premium

Basic Limits Rates

1. Trust / Trustee

Applies whether or not the trustee resides on the residence premises.....**\$40**

2. Beneficiary or Grantor

a. Beneficiary **OR** grantor named in the endorsement; and

(1) Trustee resides on the residence premises.....**\$40**

(2) Trustee does **not** reside on the residence premises.....**No Add'l Charge**

b. Beneficiary **AND** grantor named in the endorsement; and

(1) Trustee resides on the residence premises.....**\$80**

(2) Trustee does **not** reside on the residence premises.....**\$40**

Increased Limits

1. Coverage E

Refer to **Rule 701**. for increased limits factors.

2. Coverage F

Refer to **Rule 702**. for increased limits charges.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 528.
HOME BUSINESS INSURANCE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Eligibility

1. The Home Business Insurance Coverage Endorsement, may be used in conjunction with a Homeowners policy to cover the Section I and Section II exposures of a permitted business.
2. To be eligible for coverage under this endorsement, a risk must meet at least the following criteria:
 - a. The home business:
 - (1) Must be owned by the named insured or by a partnership, joint venture or other organization comprised only of the named insured and resident relatives;
 - (2) Must be operated from the residence premises that is declared on the Homeowners Declarations and used principally for residential purposes.
 - (3) May be operated from the home and/or other structure on the residence premises.
 - (4) May have up to three employees; and
 - (5) May not involve the:
 - (a) Manufacture, sale or distribution of food products;
 - (b) Manufacture of personal care products such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed; or
 - (c) Sale or distribution of personal care products **manufactured by the insured** such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed;
 - b. For all business classifications described in Paragraph C. that follows, the Gross Annual Receipts of the home business may not exceed \$250,000.
3. Certain businesses may be **ineligible** for coverage under this endorsement. Refer to Company for its underwriting instructions.
4. When a permitted business that is operated from the residence premises is afforded coverage under either the Permitted Incidental Occupancy or Home Day Care Coverage Endorsement, that business may not be afforded coverage under the Home Business Endorsement.

B. Classifications

The four principal classifications of business accommodated in this rule follow. Refer to the Company for the businesses that are eligible within each of these classifications and name and describe the business in the Schedule that is part of the endorsement:

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

1. Office

Use this classification when the business involves professional or administrative activities for its customers. It could apply to businesses like accounting, resume writing, telephone answering, etc.

2. Service

Use this classification when the business provides repair or other services for its customers. It could apply to businesses like bicycle repair, clock/jewelry repair, housecleaning, videotaping, etc.

3. Sales

Use this classification when the business involves product sales, other than crafts made in the home or other structure and sold from the home or other locations. It could apply to businesses involving the sale of books and magazines, costume jewelry, plants and flowers, stationery/other paper products, etc.

4. Crafts

Use this classification when the business involves selling, from the home, other structure or other locations, crafts made in the home or other structure. It could apply to crafts like ceramics, dolls, flower arrangements, quilts, etc.

C. Coverages

1. Section I – Property

The Home Business Endorsement:

a. Provides coverage for the property of the described business and for property of others in the care of the business up to the Coverage **C** limit of liability entered on the Homeowners Declarations. Therefore, the Coverage **C** limit should reflect the values of the personal and business property to be insured;

b. Provides coverage for:

(1) Accounts receivable (\$5,000 limit);

(2) Loss of business income/extra expense (actual cost for a maximum of 12 months); and

(3) Valuable papers (\$2,500 limit); and

c. Increases the Coverage **C** Special Limits of Liability on:

(1) Money up to \$1,000;

(2) Credit Cards up to \$1,000 (\$5,000 in **HO 00 05**); and

(3) Business property away from the residence premises up to \$5,000.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

2. Section II – Business Liability

a. The Home Business Endorsement provides coverage for such business liability exposures as premises operations, products-completed operations, advertising injury, and personal injury. The limits of liability for these coverages are on an annual aggregate basis and are determined in the following manner:

- (1) For Products-Completed Operations Hazard Liability, the limit is the **same as** the Coverage **E** limit shown in the Homeowners Declarations;
- (2) For All Other Business Liability, the limit is **twice the sum** of the combined Coverage **E** and Coverage **F** limits shown in the Homeowners Declarations; and
- (3) For the Coverage **F** Sublimit of Liability, the limit is the **same as** the Coverage **F** limit shown in the Homeowners Declarations.

b. The limit of liability for Additional Coverage **3.**, Damage To Property Of Others is increased to \$2,500.

3. Professional Liability

NO professional liability coverage is provided in the Home Business Endorsement.

4. Computer-Related Damage Or Injury Exclusion And Coverage Options

This rule does not apply.

D. Home Business Premium Computation

1. Development Of The Home Business Premium

Add the Section **I** and Section **II** premium components developed according to Paragraphs **D.2.** and **D.3.** that follow, to arrive at the Home Business premium.

2. Section I – Property

a. From the Company Homeowners Premium Tables, select the Base Class Premium that applies to the residence premises with the home business and multiply it by the appropriate factor in the following table:

Gross Annual Receipts*	HO 03 & HO 05	HO 04	HO 06
Up to \$50,000	.03	.17	.22
\$50,001 to \$100,000	.05	.26	.34
100,001 to 175,000	.07	.38	.49
175,001 to 250,000	.10	.51	.68

* New Business, use \$50,001 to \$100,000 classification

Table 528.D.2.a. Factors

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

b. Multiply the result computed in preceding Paragraph a. by the rating factors in the Homeowners Manual for the following risk categories – **For Use in PG1 Rating Only:**

- (1) Protection/Construction (Rule 301. Classification Table) – apply the factor that applies to **HO 00 04** regardless of the Homeowners form attached to the policy; and
- (2) Superior Construction (Rule 401.) and Protection Devices (Rule 404.) – apply these factors only if they are applied to the dwelling building or other structure for the residential exposure; and
- (3) Townhouse or Row House Construction (Rule 402.) in the following manner:
 - (a) For All Forms except **HO 00 04** and **HO 00 06**, apply the same factor used for the residential exposure; or
 - (b) For Forms **HO 00 04** and **HO 00 06**:
 - (i) Apply the factor for the number of individual family units within a fire division that best describes the building that contains the residential and business property; or
 - (ii) If such building has 9 or more individual family units within a fire division, apply the factor for the 5 through 8 units classification.

c. When a home business is operated from one or more other structures on the residence premises and declared in the Schedule, multiply the limit of liability for each structure by the "premium per \$1,000" shown in Rule 514. **Other Structures**, Paragraph A.1.a.

3. Section II – Business Liability

a. Basic Limits Premium Coverages E and F

(1) Office (Gross Annual Receipts Up To \$250,000)

Business Visitors		
<u>Per Week*</u>	<u>Under 10</u>	<u>10 or more</u>
	\$ 4	\$ 6

(2) Service, Sales and Crafts

Business Visitors Per Week*						
Gross Annual Receipts**	Services		Sales		Crafts	
	Under 10	10 or More	Under 10	10 or More	Under 10	10 or More
Up to \$50,000	\$ 31	\$ 47	\$ 15	\$ 22	\$ 18	\$ 27
\$50,001 to \$100,000	94	141	44	66	54	81
\$100,001 to \$175,000	172	259	81	121	99	149
\$175,001 to \$250,000	266	400	125	187	153	230

*New Business, use 10 or more classification.
 ** New Business, use \$50,001 to \$100,000 classification

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

b. Coverage E – Increased Limits

- (1) When the Coverage E limit is increased for Homeowners Insurance, the Home Business limits shall also be increased as illustrated in following Paragraph (2).
- (2) Multiply the Company's basic limits premium determined in preceding Paragraph 3.a. by the appropriate factor from the following table:

Increased Limits of Liability					
Homeowners		Home Business			
Coverage E Personal Liability	Coverage F Med. Payments To Others	Products- Completed Operations	All Forms Except HO 00 05 All Other Liability	HO 00 05 All Other Liability	Increased Limit Factor
\$200,000*	\$1,000*	\$200,000*	\$ 402,000*	-----	1.15
300,000	\$1,000*	300,000	602,000	\$ 610,000	1.24
400,000	\$1,000*	400,000	802,000	810,000	1.30
500,000	\$1,000*	500,000	1,002,000	1,010,000	1.35

*Not available for **HO 00 05**

Table 528.D.3.b. (2) Factors

c. Coverage F – Increased Limits

- (1) When the Coverage F limit is increased for Homeowners Insurance, the Home Business Coverage F limit shall also be increased.
- (2)

ALL Home Business CLASSIFICATIONS				
	Homeowners Increased Limit of Liability			
Business Visitors Per Week	\$2,000*	\$3,000*	\$4,000*	\$5,000
Under 10	\$ 8	\$15	\$23	\$29
10 or More	13	21	31	37

* Not available for Form **HO 00 05**

- (3) Add the premium determined in Paragraph c.(2) to the premium developed in preceding Paragraph 3.a. or b. to compute the Section II premium component.

E. Endorsement

Use Home Business Insurance Coverage Endorsement **HO 07 01**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

F. Options

The following options may only be used when the Home Business Coverage Endorsement is attached to the policy:

1. Additional Insured

a. Managers Or Lessors Of Premises Leased To An Insured

(1) Coverage

Covers persons or organizations designated on the endorsement for their liability as owners of designated premises leased to the named insured.

(2) Premium

Rate Per Location/per additional insured.....**\$22**

(3) Endorsement

Use Additional Insured – Managers Or Lessors Of Premises Leased To An Insured Endorsement **HO 07 50**.

2. Loss Payable Condition

a. Coverage

Enables the naming of a loss payee, lender's loss payee, or loss payable under a contract-of-sale arrangement.

b. Endorsement

Use Loss Payable Provision Endorsement **HO 07 52**

3. Personal and Advertising Injury Exclusion

a. Coverage

Excludes all Personal and Advertising Injury coverage.

b. Endorsement

Use Exclusion – Personal and Advertising Injury Endorsement **HO 07 53**

4. Liquor Liability Exclusion and Exception for Scheduled Activities

a. Coverage

This endorsement excludes liability coverage for:

- (1) Manufacturing, selling or distributing alcoholic beverages or
- (2) Serving or furnishing alcoholic beverages with a charge whether or not such activity requires a license and;
- (3) Serving or furnishing of alcoholic beverages without a charge, if a license is required for such activity.

This exclusion does not apply to bodily injury or property damage arising out of the selling, serving or furnishing of alcoholic beverages for an activity or function described in the Schedule of this endorsement.

b. Endorsement

Use Liquor Liability Exclusion and Exception For Scheduled Activities Endorsement **HO 07 54**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

5. Special Coverage – Spoilage Of Perishable Stock

a. Coverage

Provides special coverage for the perishable stock specifically listed in the Schedule of Endorsement **HO 07 55**. The limit of liability is also listed in the endorsement.

b. Premium

- (1) Florists Rate per \$100.....**\$3**
- (2) Other Classes of Business Rate per \$1,000.....**NOT AVAILABLE**

c. Endorsement

Use Special Coverage – Spoilage Of Perishable Stock Endorsement **HO 07 55**.

6. Valuable Papers And Records Endorsements

a. Increased Limits

(1) Coverage

The Home Business Insurance Coverage Endorsement provides a basic limit of \$2,500 for Valuable Papers And Records Coverage. This limit may be increased. The amount is specified in the Schedule of Endorsement **HO 07 56**.

(2) Premium – Rate per \$1,000

- (a) Named Peril Groups Coverage (**HO 00 03, HO 00 04 and HO 00 06**).....**\$2**
- (b) Open Peril Groups Coverage (**HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**)**\$3**

(3) Endorsement

Use Valuable Papers And Records Coverage Increased Limits Endorsement **HO 07 56**.

b. Special Coverage

(1) Coverage

Extends the basic \$2,500 limit of liability for Valuable Papers And Records Coverage from:

- (a) Named-perils in Forms **HO 00 03, HO 00 04 and HO 00 06**; and
- (b) Special coverage in Forms **HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**;

to expanded special coverage. Increased Limits for expanded special coverage are also available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

(2) Premium

(a) First \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$4
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$3
(b) Each Additional \$1,000	
All Forms.....	\$3

(3) Endorsement

Use Special Coverage Valuable Papers and Records Endorsement **HO 07 57**.

7. Off-Premises Property Coverage – Increased Limits

a. Endorsement

Coverage for business property, other than money and securities, that is away from the residence premises at the time of loss may be increased from \$5,000 to \$10,000. Check the appropriate box in the schedule of the Home Business Endorsement.

b. Premium

Rate per \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$37
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$55

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

PART VI

SECTION II – LIABILITY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

RULE 601.

RESIDENCE PREMISES – BASIC AND INCREASED LIMITS/OTHER EXPOSURES – BASIC LIMITS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Residence Premises

1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 301. The Liability and Medical Payments Base Premium includes the premium for \$100,000 Coverage E and \$1,000 Coverage F.

2. Premium – These charges apply only to the liability premium.

Coverage E – Liability			
1 or 2 Family		3 & 4 Family	
Limit	Rate	Limit	Rate
\$ 100,000*	---	\$ 100,000*	---
200,000*	\$ 7	200,000*	\$ 14
300,000	10	300,000	20
400,000	14	400,000	28
500,000	17	500,000	34
600,000	21	600,000	42
700,000	25	700,000	50
800,000	29	800,000	58
900,000	32	900,000	64
1,000,000	35	1,000,000	70
2,000,000	65	2,000,000	130

* Available For All Forms Except HO 00 05

Coverage F – Medical Payments	
Limit	Rate
\$1,000*	---
2,000*	\$ 3
3,000*	6
4,000*	9
5,000	12

* Available For All Forms Except HO 00 05

3. If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

B. Other Exposures

1. There is an additional charge for Other Exposures listed in the following rules.
2. The minimum limits for Other Exposures are the same as the limits for the Residence Premises, unless otherwise stated.
3. For increased limits for Other Exposures, refer to Rules **701.** and **702.**
4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

C. Rates And Factors Not Shown

1. Rates and factors for limits between the lowest and highest limits shown in this Manual may be developed by interpolation.
2. For rates and factors for limits above the highest shown, refer to company.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 602.
OTHER INSURED LOCATION OCCUPIED BY INSURED

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

1. Section II Coverage may be provided on locations, other than the residence premises, where an insured resides, but which are insured for Section I Coverage under another insurance program or by another company.
2. Make the appropriate charge for each Other Insured Location shown in the Declarations of this policy. If the Other Insured Location is in another state, refer to the Manual for that state.

B. Premium

Rate per Residence

One Family.....	\$ 7
Two Family.....	\$14
Three Family.....	\$27
Four Family.....	\$30

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 603.
RESIDENCE EMPLOYEES**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

- A.** There is no additional charge for up to two residence employees.
- B.** Rate per Person In Excess of Two.....**\$ 5**
- C.** Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section **II** of the policy.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 604.
ADDITIONAL RESIDENCE RENTED TO OTHERS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

1. The policy may be endorsed to provide coverage when an additional residence is rented to others.

B. Premium

Rate per Residence

One Family.....	\$ 19
Two Family.....	\$ 29
Three Family.....	\$ 63
Four Family.....	\$ 78

C. Endorsement

Use Additional Residence Rented To Others Endorsement **HO 24 70.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 605.

OTHER STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

1. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
2. Refer to Rule **514.C.** for rating Section I Coverage.

B. Premium

Rate per Structure.....**\$ 19**

C. Endorsement

Use Structures Rented To Others – Residence Premises Endorsement **HO 04 40.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 607.
HOME DAY CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for the increased exposure arising from a home day care business on the residence premises.

B. Endorsement

1. Use Home Day Care Coverage Endorsement **HO 04 97** for Sections **I** and **II** Coverage.
2. This endorsement provides for an annual aggregate limit of liability for Coverages **E** and **F** combined. Coverage **F** is subject to a sub-limit of liability which applies per-person/per-accident and does not increase the aggregate limit of liability.
3. The annual aggregate limit of liability (Coverages **E** and **F** combined) for this endorsement is the same as the dollar amount of Coverage **E** shown in the Declarations. The Coverage **F** sublimit for this endorsement is the same as the dollar amount of Coverage **F** shown in the Declaration.

C. Premium

1. 1-3 Persons.....**\$114**
2. This premium is for an annual aggregate limit of \$100,000 with a Coverage **F** sub-limit of \$1,000 per-person/per-accident. If other Section **II** exposures are written for higher dollar limits, use the Coverage **E** increased limit factors to raise the aggregate limit, and the Coverage **F** charges to raise the Coverage **F** sub-limit.
3. This premium is for 1 through 3 persons, other than insured's, receiving day care services. If the day care business involves the care of more than 3 persons, other than insured's, refer to company.
4. If the business is located in an other structure on the residence premises, also refer to Rule **509.** for rating the property exposure.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 608.
PERMITTED INCIDENTAL OCCUPANCIES –
RESIDENCE PREMISES AND OTHER RESIDENCES**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

The policy may be endorsed to provide coverage for the increased exposure arising from a permitted incidental occupancy on the residence premises or in an other residence occupied by the insured.

1. Residence Premises

Use Permitted Incidental Occupancies – Residence Premises Endorsement **HO 04 42.**

2. Other Residence

Use Permitted Incidental Occupancies – Other Residence Endorsement **HO 24 43.**

B. Premium

Rate per Residence

1. Residence Premises.....	\$ 17
2. Other Residence.....	\$ 18

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 609.
BUSINESS PURSUITS

Effective **SEPTEMBER 1, 2010**

For Use in **PG5 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for the liability of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control in the business.

B. Premium

Rate per Insured Person

1. Clerical Employees.....	\$ 5
2. Sales person, Collector or Messenger – Installation, demonstration or servicing operation:	
Included.....	\$ 7
Excluded.....	\$ 5
3. Teachers	
a. Laboratory, athletic, manual or physical training.....	\$ 13
b. Not otherwise classified.....	\$ 6
c. Corporal Punishment (add to 3.a or b.).....	\$ 5

C. Endorsement

Use Business Pursuits Endorsement **HO 24 71**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 610.
PERSONAL INJURY**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

Liability coverage for personal injury to others, such as false arrest, malicious prosecution, wrongful eviction, slander, libel or violations of right of privacy, may be added to the policy.

B. Premium

Rate per policy.....**\$13**

C. Endorsement

Use Personal Injury Endorsement **HO 24 82**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 611.
INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Coverage Description

1. The policy may be endorsed to provide liability coverage for certain types of recreational motor vehicles that cannot exceed a speed of 15 miles per hour on level ground. However, even with the endorsement there is no coverage for such vehicles if, at the time and place of an occurrence, the involved vehicle:
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of an "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. The following may not be covered:
 - a. Motorized bicycles;
 - b. Motorized Golf carts; or
 - c. Mopeds.
3. Read the endorsement for conditions of coverage applying to eligible motor vehicles.

B. Premium

Rate per Conveyance..... **\$ 15**

C. Endorsement

Use Incidental Low Power Recreational Motor Vehicles Endorsement **HO 24 13.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 612.
OUTBOARD MOTORS AND WATERCRAFT

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

Coverage is included in the policy form, at no additional charge, for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horsepower or less when not owned by an insured or more than 50 horsepower when not owned by or rented to an insured.

B. Coverage Description

1. The policy may be endorsed to provide coverage for the following types of craft:
 - a. Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower; or powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
 - b. Sailboats 26 feet or more in overall length, with or without auxiliary power.
2. Coverage must be written to expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, the navigational period of each year. Premium shall be adjusted on a pro rata basis.
3. For watercraft not described in preceding paragraphs **A.** and **B.1.**, coverage is not permitted under the Homeowners Policy.
4. The premium in the state where the insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the watercraft from that residence, apply the premium for that state.

C. Premium

1. Outboard, Inboard, or Inboard-Outdrive Engines or Motors

	Length	
	Up to 15 Ft.	Over 15 to 26 Feet
Horsepower	Rate	Rate
Up – 50*	\$ 6	\$ 9
51 – 100	9	12
101 – 150	13	16
151 – 200	17	20
Over 200	21	24

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Sailboats With or Without Auxiliary Power

Overall Length/Feet	Rate
26 to 40 feet*	\$ 6
Over 40 feet	9

*Outboard engines or motors of up to 25 horsepower or sailboats less than 26 feet in overall length with or without auxiliary power are covered in the policy form.

D. Endorsement

Use Watercraft Endorsement **HO 24 75**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 613.
OWNED SNOWMOBILE**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Coverage Description

1. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
2. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.

B. Premium

Rate per snowmobile.....\$ **23**

C. Endorsement

Use Owned Snowmobile Endorsement **HO 24 64.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 614.
FARMERS PERSONAL LIABILITY

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Eligibility

1. The policy may be endorsed to provide coverage when the insured has a farm away from the residence premises and farming is not the insured's primary occupation.
2. This coverage may be extended to include employer's liability including medical payments, for farm employees of any insured.
3. The following may not be covered:
 - a. Farms where the principal purpose of the farm is:
 - (1) To supply commodities for manufacturing or processing by the insured for sale to others, such as creameries and dairies (but not dairy farms).
 - (2) To operate freezing or dehydrating plants, and poultry factories.

The word "processing" does not apply to the slaughtering and dressing of livestock, or to such operations as bunching vegetables or crating berries.

- b. Farms where the principal purpose of the farm is the raising and using of horses for racing purposes.
- c. Incorporated farms.

B. Endorsement

Use Farmers Personal Liability Endorsement **HO 24 73**.

C. Premium And Rating Instructions

1. Owned And Operated By Insured

a. Initial Farm Premises

Total Acreage

Up to 160.....	\$103
Over 160 – 500.....	\$176
Over 500.....	\$323

b. Add'l rate per **each** add'l farm premises **with** buildings..... **\$ 15**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Owned By Insured And Rented To Others

- a. All Farm Premises **without** buildings..... **\$ 15+**
- b. **Each** farm premises **with** buildings..... **\$ 15+**

+Total all acreage of farms which are owned by the insured and rented to others. Add the following flat charge when total acreage is:

- Over 160 to 500 acres..... **\$ 2**
- Over 500 acres..... **\$ 8**

These charges are **not** subject to increased limits factors.

3. Farm Employees

- a. Per 100 person days or fraction thereof..... **\$ 11**
- b. Each Farm Employee Part Time..... **\$ 13**
- c. Each Farm Employee Full Time..... **\$ 31**

Farm employees employed in violation of law may be excluded subject to the rules and rates filed by or on behalf of the Company. Use Exclusion Of Farm Employees Illegally Employed Endorsement **HO 24 96**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 615.
INCIDENTAL FARMING PERSONAL LIABILITY

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. On The Residence Premises

1. Coverage Description

- a. The policy may be endorsed to provide coverage for the liability of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operations is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes.
- b. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals. However, coverage is not available if the residence premises is used for racing purposes.

2. Premium

Farming Done on the Residence Premises.....**\$ 40**

B. Away From The Residence Premises

1. Coverage Description

The policy may be endorsed to provide coverage for the liability of the insured whose incidental farming activities are conducted at the locations specified in the endorsement which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.

2. Premium

Farming Done Away From the Residence Premises.....**\$ 60**

C. Endorsement

Use Incidental Farming Personal Liability Endorsement **HO 24 72.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 616.

OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL AND LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COVERAGES

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Coverage Outline

1. Basic Limits

When the optional Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement is attached to the policy, limited amounts of insurance are automatically provided as follows:

a. Section I – Property Remediation For Escaped Liquid Fuel Coverage

\$10,000 to pay for loss to covered real or personal property, owned by an insured, that is damaged by liquid fuel that escapes from a fuel system on the residence premises as defined in the coverage endorsements. Covered real property includes land, other than farm land, owned by an insured, on which a building or structure is located.

In addition to the primary residence identified in the policy declarations, the defined term "residence premises" also includes other locations owned by an insured but only if such locations have a fuel system, is specifically insured under Section II of the policy and is declared on the schedule in the aforementioned coverage endorsements. Enter the address of such locations on these endorsements or the policy declarations. The other locations may be owner occupied or rented to others.

This Property Remediation Coverage applies only for the policy period in which the insured first discovers or first learns of the escaped fuel, even if the escape began before that policy period.

b. Section II – Limited Lead And Escaped Liquid Fuel Liability Coverages

\$50,000 to pay for damages because of bodily injury or property damage involving fuel that escapes from a fuel system or involving the contamination or exposure of lead from any location insured under the policy.

2. Premium Credit

Credit not applicable

3. Fuel System

a. "Fuel System" is defined in the coverage endorsements. Briefly, it includes one or more fuel storage containers, tanks, or vessels with a total combined capacity of 100 or more U.S. gallons at any one location and any related equipment such as a furnace, a water heater, fittings and pipes connecting a furnace or water heater to the fuel storage tank, and filler pipes and flues connected to a fuel storage tank.

b. When the total combined storage capacity of liquid fuel at any insured location is less than 100 U.S. gallons, the:

(1) Property Remediation Coverage does not apply to that location; and

(2) Policy limits and provisions apply for Escaped Liquid Fuel Liability to that location.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

4. Endorsements

a. Use Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement:

(1) **HO 05 80** – For all forms other than **HO 00 04** and **HO 00 06**.

(2) **HO 05 81** – For Form **HO 00 04**.

(3) **HO 05 82** – For Form **HO 00 06**.

b. These endorsements provide complete details on coverages, limitations, definitions and additional policy conditions applicable to this coverage. Enter the limits of liability that apply to the Property Remediation Coverage and the Limited Liability Coverage on the endorsement. Also enter, on this endorsement, the address of any other location, other than the primary residence, to be insured for Property Remediation Coverage.

c. Do not use these endorsements when Farmers Personal Liability Endorsement **HO 24 73** is part of the policy.

B. Higher Limits

1. Section I – Property Remediation Coverage

a. Limits may be increased to \$25,000, \$50,000 or \$100,000. The limit selected is entered on the coverage endorsements or the policy declarations.

b. Refer to Paragraph **D**. Rating Basis, for premium computation instructions.

2. Section II – Escaped Fuel And Lead Liability Coverage

a. Limits may be increased to \$100,000 or \$300,000. The limit selected is entered on the coverage endorsements or the policy declarations.

b. Refer to Paragraph **D**. Rating Basis, for premium computation instructions.

3. Rating Information For Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement HO 05 83

Attach this optional endorsement to the policy and enter the applicable Risk Class Numbers on the policy declarations. If the insurer shows this rating information elsewhere in the policy, this endorsement does not have to be used.

C. Application Of Limits Of Liability

1. For Property Remediation Coverage, the limit selected is the most coverage that will be provided during the policy period regardless of the number of locations insured for Property Remediation Coverage, the number of escapes of liquid fuel from a fuel system an insured first discovers or learns of during the policy period, or the number of claims made.

2. For Limited Lead And Escaped Liquid Fuel Liability Coverage, the limit selected is an aggregate limit and is the most coverage that will be provided during the policy period regardless of the number of persons injured, the number of persons whose property is damaged, the number of insureds, the number of locations insured under this policy or the number of bodily injury or property damage claims made.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

D. Rating Basis

1. Property Remediation For Escaped Liquid Fuel Coverage

a. From the Liquid Fuel Risk Selection Table located in Paragraph **D.4.**, select:

- (1) The liquid fuel risk description that best describes each location, **with or without** a dwelling building, insured for Property Remediation Coverage; and
- (2) The corresponding Risk Class Number for each description identified.

b. Use the lowest Risk Class Number selected for all such locations.

2. Limited Lead And Escaped Liquid Fuel Liability Coverages

a. Liquid Fuel Hazard

(1) From the Liquid Fuel Risk Selection Table located in Paragraph **D.4.**, select:

- (a) The liquid fuel risk description that best describes each location, **with or without** a dwelling building, insured under Section **II** of the policy; and
- (b) The corresponding Risk Class Number for each description identified.

(2) Use the lowest Risk Class Number selected for all such locations.

b. Lead Hazard

(1) From the Lead Risk Selection Table in Paragraph **D.5.**, select:

- (a) The lead risk description that best describes each location **with a dwelling building**, insured under Section **II** of the policy; and
- (b) The corresponding Risk Class Number for each description identified.

(2) Use the lowest Risk Class Number selected for all such locations.

3. Premium Selection

a. Escaped Liquid Fuel Remediation Coverage

Liquid Fuel Risk Class Number	Limit of Liability		
	\$25,000	\$50,000	\$100,000
100	\$ 51	\$130	\$255
200	17	43	85

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Lead and Escaped Liquid Fuel Liability Coverage

(1) No Insured Location Has a Home Day Care Business

Lead Risk Class No.	Liquid Fuel Risk Class 100		Liquid Fuel Risk Class 200		Liquid Fuel Risk Class 300	
	\$100,000	\$300,000	\$100,000	\$300,000	\$100,000	\$300,000
500	\$ 88	\$ 193	\$ 38	\$ 71	\$ 26	\$ 41
600	75	172	25	51	13	20
700	75	172	25	51	13	20

(2) One or More Insured Locations Have a Home Day Care Business

Multiply the premium charge selected in **D.b.(1)** by a factor of **2.00**.

4. Liquid Fuel Risk Selection Table

Description	Risk Class No.
<p>1) Liquid fuel storage containers, tanks, or vessels with a total combined storage capacity, at any one location, of 100 U.S. gallons or more are on covered real property, the location of the residence premises, or on any other insured location; and</p> <p>(a) One or more fuel storage containers, tanks, or vessels are partially or completely buried below ground (inside or outside of a building or structure);</p> <p>(b) Are all completely above ground (inside or outside of a building or structure); or</p> <p>(2) No single location insured under this policy has an escaped fuel hazard described in preceding Items (1)(a) or (b).</p>	<p>100</p> <p>200</p> <p>*300</p>
<p>*This risk class number is only used when lead and escaped fuel liability increased limits is selected.</p>	

Table 616.D.4. Liquid Fuel Risk Selection

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

5. Lead Risk Selection Table

Location Has A Dwelling Built	All Such Locations Are Certified Lead Safe+	Risk Class Number
Before 1980	No or Unknown	500
Before 1980	Yes	600
In 1980 or later	Not Applicable	700
+See Paragraph D.6. for Lead Safe description.		

Table 616.D.5. Lead Risk Selection

6. Lead Safe

a. Description

For the purpose of using the Lead Risk Selection Table, a location certified lead safe means that an authorized person has conducted a risk assessment in all insured locations with dwellings to determine the amount of lead, if any, in paint, dust, bare soil and drinking water and has certified that such locations meet the criteria noted in Paragraph **b.** Standards, that follows. The insurer may require a copy of the inspection report including laboratory results.

b. Standards

- (1)** The lead content of exterior and interior paint or other surface coating applied to dwelling buildings, other structures and fixtures is less than:
 - (a)** 1.0 milligrams per square centimeter based on testing by XRF analysis; or
 - (b)** .5% of lead by weight based on testing by atomic absorption lab analysis.
- (2)** The amount of lead in interior dust particles in the dwelling building is equal to or less than:
 - (a)** 100 micrograms per square foot on uncarpeted floors;
 - (b)** 500 micrograms per square foot on interior window sills; or
 - (c)** 800 micrograms per square foot on window troughs (wells).
- (3)** The lead concentration in bare soil is less than 400 parts per million in any area expected to be used by children.
- (4)** The lead concentration in drinking water is less than 0.015 milligrams per liter.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

c. Authorized Person

For the purposes of this rule, an authorized person means:

- (1) A lead inspector, lead technician, lead risk assessor or another similarly titled person who is trained under an accredited training program and certified by an approving authority; or
- (2) A person otherwise found acceptable to the insurer;
to perform lead risk assessments in residential buildings.

d. Lead Risk Assessment

For the purposes of this rule, a lead risk assessment of a residential building consists of:

- (1) The testing of paint either through use of on site testing equipment such as XRF analyzers or the collection of samples of paint for analysis by a recognized environmental laboratory; and
- (2) The collection of samples of dust, soil and water for analysis by a recognized environmental laboratory.

e. Recognized Environmental Laboratory

For the purposes of this rule, a Recognized Environmental Laboratory is a laboratory:

- (1) Recognized by the U.S. Environmental Protection Agency or otherwise found acceptable by the insurer, as being capable of performing an analysis for lead compounds in paint, soil and dust; and
- (2) Certified by the U.S. Environmental Protection Agency or a state authority as being capable of performing an analysis of the lead concentration in drinking water as specified under Federal regulations.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 702. OTHER EXPOSURES – MEDICAL PAYMENTS TO OTHERS INCREASED LIMITS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

Basic Limit Rule#	Coverage F – Medical Payments	\$2,000*	\$3,000*	\$4,000*	\$5,000*
524.	Other Members of an Insured’s Household		NOT AVAILABLE		
526.	Residence Held in Trust All Forms Except HO 00 04	\$ 1	\$ 2	\$ 3	\$ 4
527.	Student Away From Home		NOT AVAILABLE		
602.	Other Insured Locations Occupied By Insured	1	2	3	4
603.	Residence Employees	1	2	3	4
604.	Add’l Residence Rented to Others	1	2	3	4
605.	Other Structures Rented to Others – Residence Premises	1	2	3	4
606.	Computer Related Damage or Injury Exclusion and Coverage Options		NOT AVAILABLE		
607.	Home Day Care Coverage	5	10	15	19
608.	Permitted Incidental Occupancies				
	1. Residence Premises	5	10	15	19
	2. Other Residence	3	6	9	11
609.	Business Pursuits				
	1. Clerical Employees	1	2	3	4
	2. Salesperson, Installation, etc. Included or Excluded	1	2	3	4
	3. Teachers				
	a. Lab, etc	2	4	6	7
	b. Not otherwise classified	1	2	3	4
	c. Corporal Punishment	MEDICAL PAYMENTS NOT AVAILABLE			
611.	Incidental Motorized Land Conveyances	1	2	3	4

*Not Available For Form **HO 00 05**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Basic Limit Rule#	Coverage F – Medical Payments	\$2,000*	\$3,000*	\$4,000*	\$5,000*
612.	Outboard Motors and Watercraft				
	1. Outboard, Inboard or Inboard-Outboard Engines or Motors				
	a) <u>Up to 15 feet:</u>				
	Up to 50 hp.	3	6	9	11
	51 to 100 hp	4	8	12	14
	101 to 150 hp.	6	12	18	21
	151 to 200 hp.	10	20	30	35
	Over 200 hp.	16	32	48	56
	b) <u>Over 15 to 26 feet:</u>				
	Up to 50 hp	4	8	12	14
	51 to 100 hp.	6	12	18	21
	101 to 150 hp.	8	16	24	28
	151 to 200 hp.	12	24	36	42
	Over 200 hp.	18	36	54	63
	2. Sailboats, with or without auxiliary power				
	26 to 40 feet	3	6	9	11
	Over 40 feet	6	12	18	21
613.	Owned Snowmobile	1	2	3	4
614.	Farmers Personal Liability				
	1. Owned & Operated				
	a. Initial Farm incl'g all add'l acreage	3	6	9	11
	b. Each add'l farm with buildings	1	2	3	4
	2. Owned & Rented				
	a. All farms without buildings	1	2	3	4
	b. Each farm with buildings	1	2	3	4
	3. Farm Employees	1	2	3	4
615.	Incidental Farming Personal Liability	1	2	3	4

*Not Available For Form **HO 00 05**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.2
WOOD ROOF SURCHARGE

Effective SEPTEMBER 1, 2010

For Use in PG1 Rating Only

Forms HO 00 03 or HO 00 05

A premium surcharge will apply to all dwellings with wood roofs. A wood roof is defined as a roof with wood shakes or wood shingles. If the roof of the dwelling is composed of mixed types, it shall be classified according to the predominant type of roof construction. To compute the surcharge, multiply the Adjusted Base Premium by .25.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE A.3
IDENTITY FRAUD EXPENSE COVERAGE

Effective SEPTEMBER 1, 2010

For Use in PG4 Rating

A. Coverage Description

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, \$15,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity fraud first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

B. Limits Of Liability

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period.

C. Premium Computation

Limit of Liability	Rate
\$15,000	\$20

D. Endorsements

1. Use Identity Fraud Expense Coverage Endorsement **HO 04 55**.
2. This endorsement provides complete details on coverages, definitions and additional policy conditions applicable to this coverage.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.5

AGE OF HOME/REMODELED HOME RATING FACTORS

Effective SEPTEMBER 1, 2010

Forms HO 00 03 or HO 00 05

The amount of credit shall be determined by applying the factor below to the base premium.

Dwelling Age	Rating Factor
0-2	0.65
3	0.69
4	0.73
5	0.77
6	0.81
7	0.85
8	0.88
9-40	0.90
41-60	0.95
Over 60	1.00

A premium credit will apply to all dwellings that meet either of the following criteria:

1. All dwellings age 60 years and under. The age of the dwelling will be determined by subtracting the year construction was completed from the year of policy inception.
2. Any residence regardless of age that was remodeled during the past sixty years and meets the criteria below. The credit will be effective from the date when all criteria is completed. The sixty year period will commence from the date when the first remodeling criteria was completed.

The remodeling included roof, electric wiring, plumbing and heating. In order to qualify, the upgrades must meet building code standards. In addition, a satisfactory municipal building inspection must have been completed.

3. These rating factors do not apply to:

- Policies with Special Loss Settlement Endorsement **HO 04 56**.
- Additional premiums for optional or additional coverages.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE A.6
MULTI - LINE DISCOUNT**

Effective SEPTEMBER 1, 2010

All Forms

The homeowner's policy premium shall be reduced if a policyholder has both an automobile and homeowner's policy with Amica or if a policyholder has an automobile, homeowners and personal umbrella policy with Amica. To compute the discount, multiply the premiums by peril, by the following:

Coverage	Dwelling Forms	Contents Forms
Homeowners and Automobile Policy	15%	10%

The discount factors will also apply to any miscellaneous premiums, sump endorsement premiums and earthquake premiums. The factors do not apply to Scheduled Personal Property.

Coverage	Dwelling Forms	Contents Forms
Homeowners, Automobile and Personal Umbrella Policy	Additional 3% Subject to a maximum credit per peril: PG1.....\$100 PG4.....5 PG5.....5 PG6.....5	Additional 3% (No maximum applies)

This applies separately to each of the rating by peril groups 1 through 6.
This does not apply to any individual premium endorsements.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.7
SECONDARY HOME CHARGE

Effective SEPTEMBER 1, 2010

All Forms

A premium charge will apply to all dwellings classified as seasonal or secondary homes. To compute the charge, multiply the Adjusted Base Premium By Peril Group by **.10**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.10
NON-DIVIDEND ENDORSEMENT

Effective SEPTEMBER 1, 2010

The policy may be endorsed to reflect that the policyholder shall not be eligible to receive any dividends declared.

1. Develop the **BASE PREMIUM BY PERIL GROUP** in accordance with **Rule 301**.
2. Multiply the above result by **.795**.
3. Additional charges or credits calculated as a percentage of the **BASE PREMIUM** should be calculated using the **ADJUSTED BASE PREMIUM** resulting from Step 2 above. Dollar charges or credits, which are displayed in the manual, should be multiplied by **.795**.
4. Use Endorsement **AM 00 18**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.11
MAXIMUM CREDIT

Effective SEPTEMBER 1, 2010

Each peril group is subject to a maximum credit of 50% resulting from the sum of the credits from the following:

Rule 401. Superior Construction and **Rule 404.** Protective Devices.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Rule A.12

HOMEOWNERS RISK FACTOR RULE (HRF)

Effective SEPTEMBER 1, 2010

Applicable for All Forms

1. Develop the BASE PREMIUM in accordance with Rule 301.
2. Multiply the above result for each peril group by the applicable HRF.
 - (a) Credit Factor (Table A)
 - i. The Insurance Bureau Score is determined at the time of application or during the preparation of renewal.
 - ii. For new business, select the current credit factor from Table A.
 - iii. For renewal business, the renewal credit factor is equal to:
 - a. For policies effective September 1, 2009 through August 31, 2010, the average of the current credit factor from Table A and the credit factor underlying the expiring policy.
 - b. For policies effective September 1, 2010 and later, use the average of the current credit factor from Table A and unadjusted factor associated with the credit score underlying the expiring policy.
 - c. The maximum renewal credit factor = 1.1 x prior factor (roundest to the nearest 0.001)
 - iv. A factor of 1.000 is used in the above calculations for situations involving a No Hit or Thin File.

(b) Claims Factor (Table B)

- i. A claim considered to be a Qualified Claim must meet the following criteria:
 - The claim must have an occurrence date within the experience period as defined below.
 - The associated claim file must be closed with no subrogation monies received.
 - Loss payments associated with the claim must exceed **\$500**.
 - The claim must not be the result of a catastrophe or other weather related event.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

- All losses with an associated ISO Cat Code occurring on or after September 1, 2009 are excluded.

 - ii. The Experience Period used to determine eligibility in the “No Qualified Claims in Three, Four or Five Years” classification group is defined as the three, four or five years immediately preceding the two months prior to the effective month of the policy. The Experience Period used to determine eligibility in the remaining classification groups is defined as the three years immediately preceding the two months prior to the effective month of the policy.
- (c) Longevity Factor (Table C)
- i. The Number of Years Insured is defined as the number of consecutive years the policyholder has maintained an Amica Homeowner policy without an interruption of more than one year.
- (d) Total HRF is a product of the credit, claims and longevity factors rounded to the nearest .001.
3. Additional charges or credits calculated as a percentage of the BASE PREMIUM should be calculated using the ADJUSTED BASE PREMIUM resulting from Step 2 above. Dollar charges or credits, which are displayed in the manual, should be multiplied by the HRF determined in Step 2 above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table A: Credit Factor Table

IBS	Factor	IBS	Factor								
700	1.950	734	1.210	768	1.070	802	0.990	836	0.930	870	0.870
701	1.850	735	1.210	769	1.070	803	0.980	837	0.930	871	0.870
702	1.760	736	1.210	770	1.060	804	0.980	838	0.930	872	0.870
703	1.700	737	1.200	771	1.060	805	0.980	839	0.930	873	0.870
704	1.650	738	1.190	772	1.060	806	0.980	840	0.930	874	0.870
705	1.610	739	1.190	773	1.060	807	0.980	841	0.920	875	0.870
706	1.580	740	1.180	774	1.050	808	0.980	842	0.920	876	0.870
707	1.550	741	1.180	775	1.050	809	0.980	843	0.920	877	0.870
708	1.520	742	1.170	776	1.050	810	0.980	844	0.920	878	0.860
709	1.500	743	1.160	777	1.040	811	0.970	845	0.920	879	0.860
710	1.480	744	1.160	778	1.040	812	0.970	846	0.910	880	0.860
711	1.460	745	1.160	779	1.040	813	0.970	847	0.910	881	0.860
712	1.440	746	1.150	780	1.040	814	0.960	848	0.910	882	0.860
713	1.420	747	1.150	781	1.030	815	0.960	849	0.910	883	0.860
714	1.400	748	1.140	782	1.030	816	0.960	850	0.910	884	0.860
715	1.390	749	1.140	783	1.030	817	0.960	851	0.900	885	0.860
716	1.380	750	1.140	784	1.030	818	0.960	852	0.900	886	0.860
717	1.360	751	1.130	785	1.020	819	0.960	853	0.900	887	0.860
718	1.350	752	1.130	786	1.020	820	0.960	854	0.900	888	0.860
719	1.340	753	1.120	787	1.020	821	0.950	855	0.900	889	0.850
720	1.330	754	1.120	788	1.010	822	0.950	856	0.900	890	0.850
721	1.320	755	1.120	789	1.010	823	0.950	857	0.890	891	0.850
722	1.310	756	1.110	790	1.010	824	0.950	858	0.890	892	0.850
723	1.300	757	1.110	791	1.010	825	0.950	859	0.890	893	0.850
724	1.290	758	1.110	792	1.000	826	0.950	860	0.890	894	0.850
725	1.280	759	1.100	793	1.000	827	0.950	861	0.890	895	0.850
726	1.280	760	1.100	794	1.000	828	0.940	862	0.890	896	0.850
727	1.270	761	1.100	795	1.000	829	0.940	863	0.890	897	0.850
728	1.260	762	1.090	796	1.000	830	0.940	864	0.880	898	0.850
729	1.250	763	1.090	797	1.000	831	0.940	865	0.880	899	0.850
730	1.240	764	1.090	798	0.990	832	0.940	866	0.880	900+	0.790
731	1.230	765	1.080	799	0.990	833	0.930	867	0.880		
732	1.230	766	1.080	800	0.990	834	0.930	868	0.880		
733	1.220	767	1.080	801	0.990	835	0.930	869	0.870		

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table B: Claims Factor Table

Claims Free 5 Years	0.950
Claims Free 4 Years	0.970
Claims Free 3 Years	0.990

<u>Longevity</u>	1 Claim in 3 Years		
	<u>0-11</u>	<u>12-23</u>	<u>24-35</u>
0	1.170	1.150	1.135
1	1.165	1.150	1.130
2	1.160	1.145	1.130
3	1.155	1.140	1.125
4	1.150	1.135	1.120
5	1.145	1.130	1.115
6	1.140	1.125	1.110
7	1.135	1.120	1.105
8	1.130	1.115	1.105
9	1.125	1.110	1.100
10	1.120	1.105	1.095
11	1.115	1.105	1.090
12	1.110	1.100	1.085
13	1.105	1.095	1.085
14	1.100	1.090	1.080
15	1.095	1.085	1.075
16	1.090	1.080	1.070
17	1.085	1.075	1.065
18	1.080	1.070	1.065
19	1.075	1.065	1.060
20+	1.070	1.060	1.055

*For each claim in addition to one, add 0.430 to the one claim factor in table above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table C: Longevity Factor Table

<u>Years Insured</u>	<u>Factor</u>
New Business	1.000
1	1.000
2	1.000
3	0.980
4	0.965
5	0.950
6	0.935
7	0.920
8	0.910
9+	0.895

Includes Copyrighted Material Of Insurance Services Office, Inc., With Its Permission
Copyright, Insurance Services Office, Inc., 2001, 2002, 2003

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.13
HOMEOWNERS PREMIUM CALCULATION TABLES

Effective SEPTEMBER 1, 2010

The Base Premium by Peril Group is calculated according to Rule **301**. The application of additional charges and credits are summarized in the following tables:

Table A – Rate Order of Calculation – Forms **HO 00 03** and **HO 00 05**

Table B – Rate Order of Calculation – Form **HO 00 04**

Table C – Rate Order of Calculation – Form **HO 00 06**

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Dwelling Forms

	Rating Formulas	PG1	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Form Factor	x Form Factor	x Form Factor		x Form Factor	
4	x Prot-Constr Factor	x Prot-Constr Factor				
5	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor		x Cov A/Ded Factor	
6	x #Family Factor	x #Family Factor		x #Family Factor	x #Family Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
7	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law			+ Ordinance/Law	
8	+ Repl Cost Loss Settle (BP * ReplCost)	+ Repl Cost Loss Settle			+ Repl Cost Loss Settle	
9						
10	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
11	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
12a	+ Protective Device Credit* (ABP * ProtDev)	+ Protective Device Credit*	+ Protective Device Credit*			
12b	+ Superior Constr Credit* (ABP * SupConCr)	+ Superior Constr Credit*				
12c	+ Age of Home/Remodeled (ABP * AgeHome)	+ Age of Home/Remodeled				
12d	+ BCEG (BCP * 5 * 10 * 11 * BCEG)	+ BCEG				
13	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	
14	+ Platinum Charge (10 * 11 * PlatChrg)	+ Platinum Charge	+ Platinum Charge		+ Platinum Charge	
15	+ Incr Covg E/F (10 * 11 * IncrEF)			+ Incr Covg E/F		
16	+ Incr Covg C (10 * 11 * IncrC)					+ Incr Covg C
17	+ Incr Covg D (10 * 11 * IncrD)					+ Incr Covg D
18	+ Townhouse Prem (ABP * Townhouse)	+ Townhouse Prem				
19	+ Inflation Guard Premium (ABP * InflGuard)	+ Inflation Guard Premium	+ Inflation Guard Premium		+ Inflation Guard Premium	
20	+ Personal Prop Repl Cost (ABP * ReplCost)	+Personal Prop Repl Cost	+Personal Prop Repl Cost		+Personal Prop Repl Cost	
21	+ Wood Roof Surcharge (ABP * Wood Roof)	+Wood Roof Surcharge			+Wood Roof Surcharge	
22	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
23	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
24	+ Ann. Other Premium***	+Endorse PG1 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***	+Endorse PG7 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
25	+ PAF Premium					+ PAF Premium
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

*Combine credits from 12a-12b. Maximum total credit of 50% applies.

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Tenants Form

	Rating Formulas	PG1	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor	x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor		x Cov C/Ded Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law			+ Ordinance/Law	
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop	+ Spec Pers Prop		+ Spec Pers Prop	
7						
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
10a	+ Superior Constr Credit* (ABP * SupConCr)	+ Superior Constr Credit				
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG				
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Sec/Seas Charge	+ Sec/Seas Charge	+ Sec/Seas Charge	+ Sec/Seas Charge	
12	+ Incr Covg E/F (8 * 9 * IncrEF)			+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)					+ Incr Covg D
14	+ Personal Prop Repl Cost (ABP * ReplCost)	+Personal Prop Repl Cost	+Personal Prop Repl Cost		+Personal Prop Repl Cost	
15	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
16	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
17	+ Ann. Other Premium ***	+Endorse PG1 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***	+Endorse PG7 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
18	+ PAF Final Prem					+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Condominium Form

	Rating Formulas	PG1	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor	x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor		x Cov C/Ded Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law			+ Ordinance/Law	
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop	+ Spec Pers Prop		+ Spec Pers Prop	
7						
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
10a	+ Superior Constr Credit* (ABP * SupConCr)	+ Superior Constr Credit*				
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG				
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	+ Secondary/Seasonal Charge	
12	+ Incr Covg E/F (8 * 9 * IncrEF)			+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)					+ Incr Covg D
14	+ Incr Covg A (8 * 9 * IncrAChrg)					+ Incr Covg A
15	+ Personal Prop Repl Cost (ABP * ReplCost)	+ Personal Prop Repl Cost	+ Personal Prop Repl Cost		+ Personal Prop Repl Cost	
16	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
17	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
18	+ Ann. Other Premium ***	+Endorse PG1 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***	+Endorse PG7 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
19	+ PAF Final Prem					+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Amica Mutual Insurance Company
 Homeowners Dwelling Page
Arkansas

Effective September 1, 2010

A. HO 00 03, HO 00 05

1. Dwelling Base Rates - \$500 Base Deductible

Peril	Base Rate	Platinum Fee	
		1-2 Family	3-4 Family
PG1	\$1,302.59	\$41.00	\$41.00
PG4	\$63.94	\$9.00	\$9.00
PG5	\$111.01		
PG6	\$76.40	\$9.00	\$9.00

2. Classification Tables

Form Relativities- Applies to All Perils except PG5

Form	Relativity
HO 3	1.00
HO 5	1.15

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.920
2	1.000	0.920
3	1.000	0.920
4	1.000	0.920
5	1.000	0.920
6	1.000	0.920
7	1.080	0.920
8	1.325	1.120
8B	1.650	1.365
9	1.730	1.405
10	1.890	1.730

2. Three and Four Family Factor - All Perils 1.30
--

Amica Mutual Insurance Company
Homeowners Tenant Page

Arkansas

Effective September 1, 2010

HO 00 04

1. Tenants Base Rates - \$250 Base Deductible

Peril	Base Rate
PG1	\$138.44
PG4	\$117.58
PG5	\$54.50
PG6	\$11.89

2. Classification Tables

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.920
2	1.000	0.920
3	1.000	0.920
4	1.000	0.920
5	1.000	0.920
6	1.000	0.920
7	1.160	0.920
8	1.240	1.000
8B	1.400	1.200
9	1.480	1.240
10	1.720	1.400

Amica Mutual Insurance Company
 Homeowners Condominium Page
Arkansas

Effective September 1, 2010

HO 00 06

1. Condominium Base Rates - \$250 Base Deductible

Peril	Base Rate
PG1	\$167.13
PG4	\$21.78
PG5	\$46.82
PG6	\$8.25

2. Classification Tables

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.920
2	1.000	0.920
3	1.000	0.920
4	1.000	0.920
5	1.000	0.920
6	1.000	0.920
7	1.160	0.920
8	1.240	1.000
8B	1.400	1.200
9	1.480	1.240
10	1.720	1.400

Amica Mutual Insurance Company
Homeowners Dwelling Page

Arkansas

Effective September 1, 2010

A. HO 00 03, HO 00 05 Territory Factors
1. One and Two Family Dwellings
d. Dwelling Territory Factors

Territory	PG1	PG4	PG5	PG6
30	1.00	1.09	1.00	1.09
31	1.00	1.09	1.00	1.09
32	1.00	1.14	1.00	1.14
133	1.00	1.04	1.00	1.04
233	1.00	1.05	1.00	1.05
533	1.00	1.38	1.00	1.38
633	1.00	0.84	1.00	0.84
733	1.00	0.91	1.00	0.91
997	1.00	1.18	1.00	1.18
998	1.00	1.07	1.00	1.07
999	1.00	1.07	1.00	1.07

Amica Mutual Insurance Company
Homeowners Tenants Page

Arkansas

Effective September 1, 2010

HO 00 04 Territory Factors

Territory	PG1	PG4	PG5	PG6
30	1.00	1.04	1.00	1.04
31	1.00	1.04	1.00	1.04
32	1.00	1.04	1.00	1.04
133	1.00	1.04	1.00	1.04
233	1.00	0.94	1.00	0.94
533	1.00	1.04	1.00	1.04
633	1.00	0.94	1.00	0.94
733	1.00	0.94	1.00	0.94
997	1.00	1.04	1.00	1.04
998	1.00	0.94	1.00	0.94
999	1.00	0.94	1.00	0.94

Amica Mutual Insurance Company
Homeowners Condominiums Page

Arkansas

Effective September 1, 2010

HO 00 06 Territory Factors

Territory	PG1	PG4	PG5	PG6
30	1.00	1.00	1.00	1.00
31	1.00	1.00	1.00	1.00
32	1.00	1.00	1.00	1.00
133	1.00	1.00	1.00	1.00
233	1.00	1.00	1.00	1.00
533	1.00	1.00	1.00	1.00
633	1.00	1.00	1.00	1.00
733	1.00	1.00	1.00	1.00
997	1.00	1.00	1.00	1.00
998	1.00	1.00	1.00	1.00
999	1.00	1.00	1.00	1.00

Amica Mutual Insurance Company Homeowners Dwelling Page Arkansas

**Dwelling Coverage A/Deductible Factor Tables
Effective September 1, 2010**

All Territories

Additional Rate per \$1000: **0.0075**

(000) Cov A	PG1, PG4, PG6 Deductible										% Deductibles only available for Wind		
	500	1,000	1,500	2,500	5,000	10,000	15,000	25,000	1%	2%	5%		
15	0.740	0.647	0.594	0.495	0.379	0.326					0.864		
20	0.753	0.659	0.605	0.504	0.386	0.331	0.324				0.850		
30	0.781	0.683	0.627	0.523	0.400	0.344	0.336	0.312		0.895	0.836		
40	0.809	0.708	0.651	0.542	0.416	0.359	0.349	0.325		0.932	0.888		
50	0.838	0.734	0.675	0.563	0.433	0.376	0.364	0.339	0.929	0.883	0.807		
60	0.868	0.761	0.700	0.584	0.450	0.392	0.378	0.352	0.932	0.884	0.804		
70	0.899	0.788	0.725	0.606	0.467	0.410	0.394	0.367	0.935	0.884	0.800		
80	0.932	0.818	0.753	0.630	0.486	0.429	0.410	0.382	0.939	0.885	0.797		
90	0.965	0.847	0.780	0.653	0.504	0.444	0.425	0.396	0.942	0.885	0.793		
100	1.000	0.878	0.809	0.677	0.524	0.460	0.440	0.410	0.946	0.885	0.790		
110	1.036	0.910	0.838	0.702	0.543	0.477	0.456	0.425	0.954	0.886	0.796		
120	1.073	0.943	0.869	0.728	0.564	0.494	0.472	0.440	0.961	0.886	0.801		
130	1.112	0.977	0.901	0.755	0.585	0.512	0.489	0.456	0.970	0.888	0.807		
140	1.152	1.013	0.934	0.783	0.607	0.530	0.507	0.472	0.978	0.894	0.813		
150	1.194	1.050	0.968	0.812	0.630	0.549	0.525	0.490	0.986	0.900	0.819		
160	1.237	1.088	1.004	0.844	0.656	0.571	0.547	0.509	0.994	0.905	0.825		
170	1.281	1.128	1.041	0.876	0.681	0.594	0.569	0.530	1.003	0.912	0.832		
180	1.327	1.169	1.080	0.909	0.709	0.617	0.592	0.551	1.011	0.918	0.839		
190	1.375	1.212	1.120	0.944	0.737	0.642	0.616	0.573	1.020	0.925	0.846		
200	1.425	1.257	1.163	0.980	0.767	0.668	0.641	0.596	1.030	0.932	0.854		
210	1.476	1.303	1.206	1.018	0.797	0.694	0.666	0.620	1.039	0.939	0.864		
220	1.529	1.350	1.250	1.057	0.829	0.722	0.693	0.645	1.049	0.947	0.875		
230	1.584	1.400	1.297	1.097	0.862	0.750	0.721	0.671	1.059	0.954	0.886		
240	1.641	1.451	1.345	1.138	0.895	0.780	0.750	0.698	1.069	0.961	0.898		
250	1.701	1.505	1.395	1.182	0.930	0.812	0.780	0.726	1.080	0.969	0.910		
260	1.762	1.559	1.447	1.226	0.967	0.843	0.811	0.755	1.094	0.983	0.922		
270	1.825	1.616	1.500	1.272	1.004	0.877	0.843	0.785	1.109	0.997	0.935		
280	1.891	1.675	1.555	1.320	1.043	0.911	0.876	0.816	1.125	1.012	0.948		
290	1.959	1.736	1.613	1.370	1.084	0.947	0.911	0.849	1.141	1.026	0.963		
300	2.030	1.800	1.673	1.422	1.126	0.985	0.947	0.883	1.157	1.042	0.976		
310	2.103	1.865	1.735	1.475	1.170	1.024	0.984	0.918	1.175	1.059	0.991		
320	2.179	1.934	1.799	1.531	1.215	1.065	1.023	0.955	1.192	1.075	1.007		
330	2.257	2.004	1.865	1.589	1.262	1.106	1.064	0.992	1.210	1.093	1.023		
340	2.339	2.078	1.935	1.650	1.312	1.150	1.106	1.032	1.228	1.111	1.040		
350	2.423	2.154	2.006	1.712	1.363	1.196	1.150	1.073	1.248	1.130	1.057		
360	2.498	2.221	2.070	1.769	1.409	1.237	1.189	1.110	1.265	1.146	1.072		
370	2.573	2.289	2.135	1.825	1.455	1.278	1.229	1.148	1.280	1.161	1.088		
380	2.648	2.362	2.206	1.891	1.503	1.321	1.270	1.187	1.299	1.179	1.105		
390	2.723	2.440	2.285	1.966	1.553	1.365	1.312	1.228	1.319	1.197	1.121		
400	2.798	2.518	2.364	2.043	1.603	1.410	1.355	1.269	1.338	1.213	1.138		
410	2.873	2.597	2.445	2.120	1.654	1.455	1.398	1.310	1.357	1.231	1.154		
420	2.948	2.677	2.526	2.199	1.706	1.500	1.441	1.352	1.375	1.248	1.172		
430	3.023	2.751	2.600	2.267	1.754	1.543	1.483	1.391	1.389	1.264	1.187		
440	3.098	2.819	2.664	2.324	1.798	1.584	1.522	1.428	1.402	1.279	1.201		
450	3.173	2.887	2.729	2.380	1.843	1.625	1.562	1.464	1.414	1.294	1.215		
460	3.248	2.956	2.793	2.436	1.887	1.665	1.602	1.501	1.426	1.308	1.229		
470	3.323	3.024	2.858	2.492	1.932	1.707	1.642	1.537	1.437	1.322	1.243		
480	3.398	3.094	2.924	2.550	1.977	1.747	1.682	1.574	1.449	1.337	1.257		
490	3.473	3.166	2.992	2.610	2.023	1.788	1.721	1.611	1.460	1.351	1.271		
500	3.548	3.238	3.061	2.671	2.069	1.829	1.760	1.648	1.471	1.365	1.285		
550	3.923	3.602	3.406	2.974	2.301	2.033	1.957	1.834	1.561	1.448	1.362		
600	4.298	3.970	3.755	3.282	2.535	2.240	2.156	2.023	1.649	1.531	1.437		
650	4.673	4.342	4.108	3.594	2.772	2.449	2.357	2.214	1.738	1.614	1.511		
700	5.048	4.718	4.465	3.910	3.012	2.661	2.560	2.407	1.823	1.697	1.585		
750	5.423	5.098	4.826	4.230	3.254	2.874	2.766	2.603	1.908	1.779	1.659		
800	5.798	5.462	5.172	4.546	3.517	3.116	2.999	2.824	2.001	1.873	1.745		
850	6.173	5.827	5.519	4.864	3.785	3.363	3.238	3.051	2.095	1.969	1.833		
900	6.548	6.194	5.867	5.186	4.058	3.616	3.483	3.283	2.191	2.069	1.925		
950	6.923	6.563	6.217	5.511	4.336	3.875	3.733	3.520	2.287	2.168	2.015		
1,000	7.298	6.933	6.568	5.838	4.618	4.138	3.988	3.762	2.384	2.268	2.107		
1,100	8.048	7.678	7.275	6.503	5.199	4.683	4.515	4.263	2.611	2.472	2.294		
1,200	8.798	8.428	7.989	7.179	5.799	5.250	5.065	4.786	2.840	2.682	2.487		
1,300	9.548	9.172	8.708	7.868	6.384	5.778	5.577	5.267	3.035	2.862	2.652		
1,400	10.298	9.907	9.433	8.568	6.946	6.254	6.038	5.693	3.234	3.048	2.820		
1,500	11.048	10.643	10.164	9.280	7.517	6.733	6.503	6.121	3.429	3.229	2.985		
1,750	12.923	12.492	12.018	11.114	8.984	7.944	7.680	7.198	3.916	3.682	3.397		
2,000	14.798	14.354	13.910	13.022	10.507	9.175	8.879	8.287	4.403	4.135	3.809		
2,250	16.673	16.256	15.839	15.006	12.505	11.004	10.671	9.920	5.015	4.713	4.346		
2,500	18.548	18.177	17.806	17.064	14.653	12.984	12.613	11.685	5.712	5.377	4.968		
2,750	20.423	20.015	19.606	18.789	16.134	14.296	13.888	12.866	6.233	5.864	5.414		
3,000	22.298	21.852	21.406	20.514	17.615	15.609	15.163	14.048	6.754	6.351	5.859		

Minimum Limits of Liability:

Section I - Property	HO 00 03 & HO 00 05	
Primary Location	\$25,000	
Secondary Location	\$15,000	
All Forms Except		
Section II - Liability	HO 00 05	HO 00 05
Personal Liability	\$100,000	\$300,000
Med. Pay to Others	\$1,000	\$5,000

Amica Mutual Insurance Company

Homeowners Tenants Page

Arkansas

Tenants Coverage C/Deductible Factor Tables
Effective September 1, 2010

Additional Rate per \$1000: 0.0210

(000) Cov C	PG1, PG4, PG6 Deductible						
	250	500	1,000	1,500	2,500	5,000	10,000
8	0.741	0.687	0.597	0.553	0.477	0.397	
10	0.769	0.713	0.620	0.574	0.495	0.412	
15	0.841	0.781	0.682	0.632	0.547	0.456	0.388
20	0.918	0.855	0.749	0.696	0.603	0.504	0.430
25	1.000	0.933	0.821	0.764	0.664	0.556	0.475
30	1.087	1.016	0.898	0.837	0.729	0.612	0.524
35	1.178	1.104	0.979	0.914	0.799	0.671	0.575
40	1.273	1.195	1.065	0.995	0.872	0.734	0.630
45	1.376	1.295	1.158	1.084	0.952	0.802	0.690
50	1.489	1.404	1.261	1.182	1.041	0.879	0.757
60	1.719	1.622	1.457	1.366	1.202	1.014	0.874
70	1.949	1.839	1.653	1.550	1.364	1.150	0.991
80	2.179	2.057	1.850	1.735	1.527	1.286	1.108
90	2.409	2.275	2.047	1.920	1.689	1.422	1.225
100	2.639	2.494	2.244	2.105	1.852	1.558	1.342
110	2.849	2.695	2.432	2.285	2.018	1.705	1.473
120	3.059	2.898	2.622	2.466	2.187	1.855	1.607
130	3.269	3.100	2.813	2.649	2.359	2.009	1.745
140	3.479	3.304	3.005	2.833	2.533	2.166	1.887
150	3.689	3.507	3.199	3.020	2.711	2.327	2.032
160	3.899	3.712	3.394	3.208	2.891	2.491	2.181
170	4.109	3.916	3.590	3.398	3.074	2.659	2.334
180	4.319	4.122	3.788	3.589	3.259	2.830	2.490
190	4.529	4.325	3.982	3.777	3.436	2.988	2.633
200	4.739	4.525	4.172	3.960	3.604	3.132	2.760
225	5.264	5.027	4.649	4.421	4.025	3.493	3.081
250	5.789	5.528	5.129	4.886	4.450	3.858	3.404
275	6.314	6.029	5.611	5.355	4.880	4.225	3.730
300	6.839	6.548	6.112	5.835	5.320	4.611	4.057
325	7.364	7.069	6.618	6.319	5.766	5.002	4.387
350	7.889	7.573	7.110	6.790	6.216	5.378	4.739
375	8.414	8.077	7.604	7.262	6.672	5.757	5.097
400	8.939	8.603	8.100	7.738	7.133	6.161	5.437
425	9.464	9.132	8.600	8.216	7.599	6.570	5.780
450	9.989	9.638	9.127	8.772	8.120	7.034	6.201
500	11.039	10.651	10.086	9.694	8.974	7.774	6.853
750	16.289	15.717	14.883	14.304	13.242	11.471	10.112
1,000	21.539	20.783	19.680	18.914	17.510	15.168	13.371

Minimum Limits of Liability:

Section I - Property	HO 00 04
Minimum Limit	\$10,000
Section II - Liability	All Forms
Personal Liability	\$100,000
Med. Pay to Others	\$1,000

Amica Mutual Insurance Company Homeowners Condominium Page Arkansas

**Condominium Coverage C/Deductible Factor Tables
Effective September 1, 2010**

Additional Rate per \$1000: 0.0210

(000) Cov C	PG1, PG4, PG6 Deductible						
	250	500	1,000	1,500	2,500	5,000	10,000
8	0.741	0.687	0.597	0.553	0.477	0.397	
10	0.769	0.713	0.620	0.574	0.495	0.412	
15	0.841	0.781	0.682	0.632	0.547	0.456	0.388
20	0.918	0.855	0.749	0.696	0.603	0.504	0.430
25	1.000	0.933	0.821	0.764	0.664	0.556	0.475
30	1.087	1.016	0.898	0.837	0.729	0.612	0.524
35	1.178	1.104	0.979	0.914	0.799	0.671	0.575
40	1.273	1.195	1.065	0.995	0.872	0.734	0.630
45	1.376	1.295	1.158	1.084	0.952	0.802	0.690
50	1.489	1.404	1.261	1.182	1.041	0.879	0.757
60	1.719	1.622	1.457	1.366	1.202	1.014	0.874
70	1.949	1.839	1.653	1.550	1.364	1.150	0.991
80	2.179	2.057	1.850	1.735	1.527	1.286	1.108
90	2.409	2.275	2.047	1.920	1.689	1.422	1.225
100	2.639	2.494	2.244	2.105	1.852	1.558	1.342
110	2.849	2.695	2.432	2.285	2.018	1.705	1.473
120	3.059	2.898	2.622	2.466	2.187	1.855	1.607
130	3.269	3.100	2.813	2.649	2.359	2.009	1.745
140	3.479	3.304	3.005	2.833	2.533	2.166	1.887
150	3.689	3.507	3.199	3.020	2.711	2.327	2.032
160	3.899	3.712	3.394	3.208	2.891	2.491	2.181
170	4.109	3.916	3.590	3.398	3.074	2.659	2.334
180	4.319	4.122	3.788	3.589	3.259	2.830	2.490
190	4.529	4.325	3.982	3.777	3.436	2.988	2.633
200	4.739	4.525	4.172	3.960	3.604	3.132	2.760
225	5.264	5.027	4.649	4.421	4.025	3.493	3.081
250	5.789	5.528	5.129	4.886	4.450	3.858	3.404
275	6.314	6.029	5.611	5.355	4.880	4.225	3.730
300	6.839	6.548	6.112	5.835	5.320	4.611	4.057
325	7.364	7.069	6.618	6.319	5.766	5.002	4.387
350	7.889	7.573	7.110	6.790	6.216	5.378	4.739
375	8.414	8.077	7.604	7.262	6.672	5.757	5.097
400	8.939	8.603	8.100	7.738	7.133	6.161	5.437
425	9.464	9.132	8.600	8.216	7.599	6.570	5.780
450	9.989	9.638	9.127	8.772	8.120	7.034	6.201
500	11.039	10.651	10.086	9.694	8.974	7.774	6.853
750	16.289	15.717	14.883	14.304	13.242	11.471	10.112
1,000	21.539	20.783	19.680	18.914	17.510	15.168	13.371

Minimum Limits of Liability:

Section I - Property	HO 00 06
Minimum Limit	\$15,000
with HO 17 33	\$8,000
Section II - Liability	All Forms
Personal Liability	\$100,000
Med. Pay to Others	\$1,000

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

Supporting Document Schedules

		Item Status:	Status Date:
Bypassed - Item:	H-1 Homeowners Abstract	Filed	05/24/2010
Bypass Reason:	We cannot undo confidential mode so I have attached the form again at the bottom		
Comments:			

		Item Status:	Status Date:
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey	Filed	05/24/2010
Comments:			
Attachment:	FORM HPCS.xls		

		Item Status:	Status Date:
Satisfied - Item:	NAIC loss cost data entry document	Filed	05/24/2010
Comments:			
Attachment:	ARRFARF1.pdf		

		Item Status:	Status Date:
Satisfied - Item:	Explanatory Memorandum & Filing Support Exhibits	Filed	05/24/2010
Comments:	We have modified the Explanatory Memorandum and original filing exhibits to correct a typographical error and include the original exhibit we inadvertently forgot to attach.		
Attachments:	Amended Explanatory Memo.pdf Amended Filing Exhibits.pdf		

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

		Item Status:	Status Date:
Satisfied - Item:	Response to Objection dated 4-7-10	Filed	05/24/2010

Comments:

We have provided the department with requested information in objection #4.

Attachments:

On-Level.pdf
EPAF.pdf

		Item Status:	Status Date:
Satisfied - Item:	H-1 Homeowners Abstract Form	Filed	05/24/2010

Comments:

Attachment:

ARFORMH1.pdf

NAIC Number: 028-19976
 Company Name: Amica Mutual Insurance Company
 Contact Person: Brenda M. Walker
 Telephone No.: 1-800-652-6422 ext 24584
 Email Address: bwalker@amica.com
 Effective Date: 9/1/2010

**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
 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	\$950.00	\$1,028.00	\$950.00	\$1,028.00	\$969.00	\$1,047.00	\$1,000.00	\$1,078.00	\$981.00	\$1,059.00	\$981.00	\$1,059.00	\$981.00	\$1,059.00	\$970.00	\$1,048.00	\$973.00	\$1,051.00
	\$120,000	\$1,081.00	\$1,172.00	\$1,081.00	\$1,172.00	\$1,104.00	\$1,195.00	\$1,138.00	\$1,229.00	\$1,116.00	\$1,207.00	\$1,116.00	\$1,207.00	\$1,116.00	\$1,207.00	\$1,105.00	\$1,196.00	\$1,108.00	\$1,199.00
	\$160,000	\$1,234.00	\$1,339.00	\$1,234.00	\$1,339.00	\$1,259.00	\$1,364.00	\$1,300.00	\$1,405.00	\$1,276.00	\$1,381.00	\$1,276.00	\$1,381.00	\$1,276.00	\$1,381.00	\$1,261.00	\$1,366.00	\$1,265.00	\$1,370.00
6	\$80,000	\$950.00	\$1,028.00	\$950.00	\$1,028.00	\$969.00	\$1,047.00	\$1,000.00	\$1,078.00	\$981.00	\$1,059.00	\$981.00	\$1,059.00	\$981.00	\$1,059.00	\$970.00	\$1,048.00	\$973.00	\$1,051.00
	\$120,000	\$1,081.00	\$1,172.00	\$1,081.00	\$1,172.00	\$1,104.00	\$1,195.00	\$1,138.00	\$1,229.00	\$1,116.00	\$1,207.00	\$1,116.00	\$1,207.00	\$1,116.00	\$1,207.00	\$1,105.00	\$1,196.00	\$1,108.00	\$1,199.00
	\$160,000	\$1,234.00	\$1,339.00	\$1,234.00	\$1,339.00	\$1,259.00	\$1,364.00	\$1,300.00	\$1,405.00	\$1,276.00	\$1,381.00	\$1,276.00	\$1,381.00	\$1,276.00	\$1,381.00	\$1,261.00	\$1,366.00	\$1,265.00	\$1,370.00
9	\$80,000	\$1,421.00	\$1,735.00	\$1,421.00	\$1,735.00	\$1,440.00	\$1,754.00	\$1,471.00	\$1,785.00	\$1,452.00	\$1,766.00	\$1,452.00	\$1,766.00	\$1,452.00	\$1,766.00	\$1,441.00	\$1,755.00	\$1,444.00	\$1,758.00
	\$120,000	\$1,623.00	\$1,985.00	\$1,623.00	\$1,985.00	\$1,646.00	\$2,008.00	\$1,680.00	\$2,042.00	\$1,658.00	\$2,020.00	\$1,658.00	\$2,020.00	\$1,658.00	\$2,020.00	\$1,647.00	\$2,009.00	\$1,650.00	\$2,012.00
	\$160,000	\$1,860.00	\$2,277.00	\$1,860.00	\$2,277.00	\$1,885.00	\$2,302.00	\$1,926.00	\$2,343.00	\$1,902.00	\$2,319.00	\$1,902.00	\$2,319.00	\$1,902.00	\$2,319.00	\$1,887.00	\$2,304.00	\$1,891.00	\$2,308.00

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	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$163.00	\$184.00	\$163.00	\$184.00	\$163.00	\$184.00	\$169.00	\$190.00	\$169.00	\$190.00	\$169.00	\$190.00	\$169.00	\$190.00	\$163.00	\$184.00	\$169.00	\$190.00
	\$25,000	\$188.00	\$212.00	\$188.00	\$212.00	\$188.00	\$212.00	\$197.00	\$221.00	\$197.00	\$221.00	\$197.00	\$221.00	\$197.00	\$221.00	\$188.00	\$212.00	\$197.00	\$221.00
6	\$5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$163.00	\$184.00	\$163.00	\$184.00	\$163.00	\$184.00	\$169.00	\$190.00	\$169.00	\$190.00	\$169.00	\$190.00	\$169.00	\$190.00	\$163.00	\$184.00	\$169.00	\$190.00
	\$25,000	\$188.00	\$212.00	\$188.00	\$212.00	\$188.00	\$212.00	\$197.00	\$221.00	\$197.00	\$221.00	\$197.00	\$221.00	\$197.00	\$221.00	\$188.00	\$212.00	\$197.00	\$221.00
9	\$5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$245.00	\$307.00	\$245.00	\$307.00	\$245.00	\$307.00	\$251.00	\$313.00	\$251.00	\$313.00	\$251.00	\$313.00	\$251.00	\$313.00	\$245.00	\$307.00	\$251.00	\$313.00
	\$25,000	\$286.00	\$360.00	\$286.00	\$360.00	\$286.00	\$360.00	\$295.00	\$369.00	\$295.00	\$369.00	\$295.00	\$369.00	\$295.00	\$369.00	\$286.00	\$360.00	\$295.00	\$369.00

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:

Fire Extinguisher	n/a	%	Deadbolt Lock	n/a	%
Burglar Alarm	8 to 20	%	Window Locks	n/a	%
Smoke Alarm	4 to 10	%	\$1,000 Deductible	vary by limit	%
			Other (specify)		%
			sprinkler, multi-line, home age	5 to 35	%
			Maximum Credit Allowed	50	%

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	yes	(yes or no)	
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	5	%	
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Zone	Brick	Frame
	Highest Risk	\$ 2.48	\$ 1.17
	Lowest Risk	\$ 1.36	\$ 0.5

FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR-H-10-1-RR
-----------	---	--------------

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
-----------	--	-----

Company Name		Company NAIC Number	
3.	A. Amica Mutual Insurance Company	B.	028-19976

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Business (i.e., Sub-type of Insurance)	
4.	A. 04.0 Homeowners	B.	04.0000 HO-Sub-TOI Combinations

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Dwelling	46.4%	12.4%					
Tenants	-69.1%	5.0%					
Condominiums	-65.2%	4.5%					
TOTAL OVERALL EFFECT	41.1%	12.1%					

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
2009	274	-0.2	09-01-09	319	250	.784	.492
2008	274	7.7	05-01-08	305	213	.698	.584
2007	257	-4.4	04-01-07	314	280	.892	.365
2006	270	--	--	313	296	.946	.371
2005	291	3.7	10-01-05	284	46	.162	.539

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	.204
B. General Expense	.045
C. Taxes, Licenses & Fees	.033
D. Underwriting Profit & Contingencies	.036
E. Other-Anticipated Dividend	.068
F. TOTAL	.396

- 8.** N/A Apply Loss Cost Factors to Future filings? (Y or N)
- 9.** 12.5% Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): statewide
- 10.** 4.5% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): statewide

**Arkansas
Amica Mutual Insurance Company
Homeowners**

Explanatory Memorandum

Effective September 1, 2010 new business and renewals, Amica will implement the following base rate changes:

<u>Form</u>	<u>Base Rate Changes</u>
Dwelling	12.5%
Tenants	5.0
Condominiums	5.0%

Rate level changes by peril by form are summarized on Exhibit 1. Exhibit 2 displays calendar loss ratios for 2005-2009. Underwriting expenses, an investment income exhibit and an expected loss ratio exhibit are displayed on Exhibits 3 through 5. In addition to the base rate changes Amica will also make the following additional changes:

1. We will revise the rate associated with the Identity Fraud Expense Coverage contained in Rule A.3. Amica's rate for this coverage is changing from \$35 to \$20 due to a revised contract with Identity Theft 911®.
2. We will re-index the Age of Home/Remodeled Home Rating Factors. No policyholder will receive a surcharge based on the age of their home. Base rates have been offset by a factor of 1.124 so that Amica does not realize a change in premium as a result of this revision. Exhibit 6 displays current and proposed factors. Rule A.5 has been revised to reflect this change.
3. We will revise the rates associated with Rules 604, 605, 612 and 613 in response to the revised advisory prospective loss costs contained in Loss Cost Reference filing HO-2009-RLA1.

We will editorially revise the following rules. These changes should have been included in our manual pages when Amica introduced its Rating by Peril program effective September 1, 2009.

1. Rule 101-we will editorially revise Section 1.
2. Rule 106-we will revise the effective date to the Rating by Peril Implementation date.
3. Rule 201-we will revise to reflect that Amica only writes one year policies.
4. Rule 204-we will revise the rule to read it is not applicable.
5. Rule 302-we will revise the endorsement number from HO 23 26 to HO 04 56.
6. Rule 304-we will correct the effective date to display the Rating by Peril effective date.
7. Rule 401-we will revise to add the title indicating the rule is applicable to "Fire Perils Only.
8. Rule 407-we will revise the rule to remove the last sentence regarding HO 00 05 and revise the endorsement numbers from HO 04 20 to HO 23 47 & HO 04 11 to HO 23 49.

9. Rule 515-add a note to exception A.3.a., revise exception E to indicate that this coverage is automatically included in all forms, & remove bullet #4 with endorsement listed as it is not applicable.
10. Rule 521-revise exception B.-endorsement is automatically attached to an HO 00 05.
11. Rule 528-revise the factors displayed exception D.2 so that our premium for the Home Business Insurance Coverage does not change as a result of the change in our base rates, and we also removed the endorsement numbers referenced in the Titles of exception F.6a&b.
12. Rule A.2 Wood Roof Surcharge-revised so that charge applies only Wind/Hail & Fire perils.
13. Rule A.12-we will make treatment of no hit/thin files its own bullet in the Credit Factor Table.
14. Rule A.13- -revise applicability of rule A.2 Wood Surcharge to only Wind/Hail & Fire perils and included minor editorial revisions to the tenant and condominium tables.

The statewide rate level impact associated with all the above mentioned revisions is 12.1%.

Arkansas
Proposed Rate Level Changes - All Forms Combined

	2009 EPPR	Base Rate Change	Other Effects	Offsets	Total Change	Percent Change
<u>DWELLING</u>						
Wind	117,548	1.125	0.890	1.124	1.125	12.5%
Water	88,232	1.125	0.890	1.124	1.125	12.5%
Fire	56,784	1.125	0.890	1.124	1.125	12.5%
Theft	13,342	1.125	0.880	1.136	1.125	12.5%
Liability	14,454	1.125	0.890	1.124	1.125	12.5%
Other	16,390	1.125	0.890	1.124	1.125	12.5%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	3,003	1.000	1.000	1.000	1.000	0.0%
Total Dwelling	309,753				1.124	12.4%
<u>TENANTS</u>						
Wind	234	1.050	1.000	1.000	1.050	5.0%
Water	962	1.050	1.000	1.000	1.050	5.0%
Fire	2,598	1.050	1.000	1.000	1.050	5.0%
Theft	4,224	1.050	1.000	1.000	1.050	5.0%
Liability	1,202	1.050	1.000	1.000	1.050	5.0%
Other	423	1.050	1.000	1.000	1.050	5.0%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	0	1.000	1.000	1.000	1.000	0.0%
Total Tenants	9,643				1.050	5.0%
<u>CONDO</u>						
Wind	113	1.050	1.000	1.000	1.050	5.0%
Water	1,219	1.050	1.000	1.000	1.050	5.0%
Fire	374	1.050	1.000	1.000	1.050	5.0%
Theft	288	1.050	0.932	1.073	1.050	5.0%
Liability	215	1.050	1.000	1.000	1.050	5.0%
Other	93	1.050	1.000	1.000	1.050	5.0%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	228	1.000	1.000	1.000	1.000	0.0%
Total Condo	2,530				1.045	4.5%
<u>OVERALL CHANGE</u>	321,926				1.121	12.1%

	<u>New Business</u>	<u>Renewals</u>
Dwelling Effective Date	September 1, 2010	September 1, 2010
Tenant Effective Date	September 1, 2010	September 1, 2010
Condo Effective Date	September 1, 2010	September 1, 2010

Arkansas
Amica Mutual Insurance Company
Homeowners Insurance

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Total</u>
Collected Earned Prem	\$284,402	\$312,680	\$314,310	\$304,805	\$318,640	\$1,534,837
On-Level Factor	1.073	1.038	1.040	1.055	1.002	
Collected Earned PPR	305,163	324,562	326,882	321,569	319,277	1,597,453
Paid Losses	99,271	256,237	291,131	209,194	262,324	
O/S Losses	10,727	50,317	38,692	42,550	30,331	
Change in O/S	-53,126	39,590	-11,625	3,858	-12,219	
Incurred Losses	46,145	295,827	279,506	213,052	250,105	1,084,634
Paid ALAE	535	85	68	4,572	4,947	
O/S LAE	3,344	13,513	10,449	11,256	10,109	
Change in O/S LAE	-13,995	10,169	-3,064	807	-1,147	
Adj. To O/S LAE	0	0	0	0	0	
Incurred ALAE	-13,460	10,254	-2,996	5,379	3,800	
ULAE	31,539	43,744	25,095	34,259	44,501	
Total Loss Expense	18,079	53,998	22,099	39,638	48,301	182,115
Inc. Loss and LAE	64,224	349,825	301,605	252,690	298,406	1,266,749
Loss Ratio	0.210	1.078	0.923	0.786	0.935	0.793

**Arkansas
Amica Mutual Insurance Company
Homeowners Expense Exhibit**

<u>Year</u>	<u>Earned Premium</u>	<u>Other Acquisition</u>	<u>Ratio To EP</u>	<u>General Expenses</u>	<u>Ratio To EP</u>
2007	314,311	49,867	0.159	12,511	0.040
2008	304,805	69,515	0.228	14,579	0.048
2009	<u>318,640</u>	<u>64,889</u>	<u>0.204</u>	<u>14,250</u>	<u>0.045</u>
3 Yr Total	937,756	184,271	0.197	41,340	0.044
Selection:			0.204		0.045

<u>Year</u>	<u>Earned Premium</u>	<u>Taxes, Lic. and Fees</u>	<u>Ratio To EP</u>	<u>Misc. Tax</u>	<u>Ratio To EP</u>	<u>Dividends to Policyholders</u>	<u>Ratio To EP</u>
2007	314,311	12,260	0.039	3,256	0.010		
2008	304,805	11,772	0.039	2,733	0.009		
2009	<u>318,640</u>	<u>10,037</u>	<u>0.031</u>	<u>1,685</u>	<u>0.005</u>	21,577	0.068
3 Yr Total	937,756	34,069	0.036	7,674	0.008		
Selection:					0.008		0.068

Arkansas
AMICA MUTUAL INSURANCE COMPANY
HOMEOWNERS INSURANCE

ESTIMATED INVESTMENT EARNINGS ON UNEARNED

PREMIUM RESERVES AND ON LOSS RESERVES

A. UNEARNED PREMIUM RESERVE		
1. State Earned Premium for 2009		\$318,640
2. Mean Unearned Premium Reserve: (1) x	0.554	\$176,527
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense	0.0%	
Taxes, Licenses and Fees	3.3%	
50% of Other Acquisition Expense	10.2%	
50% of Company Operating Expense	2.3%	
Total	15.8%	
4. Deduction for Federal Taxes Payable		0.4%
5. [(2) x [(3) + (4)]]		\$28,597
6. Net Subject to Investment (2) - (5)		\$147,930
B. DELAYED REMISSION OF PREMIUM (AGENTS' BALANCES)		
1. State Earned Premium (A-1)		\$318,640
2. Average Agents' Balance		0.287
3. Delayed Remission (1) x (2)		\$91,450
C. LOSS RESERVE		
1. State Earned Premium (A-1)		\$318,640
2. Expected Incurred Losses and Loss Adjustment Expenses (1) x	0.604	\$192,459
3. Expected Mean Loss Reserves (2) x	0.512	\$98,539
D. NET SUBJECT TO INVESTMENT (A-6) - (B-3) + (C-3)		
		\$155,019
E. AVERAGE RATE OF RETURN		
		3.9%
F. INVESTMENT EARNINGS ON NET SUBJECT TO INVESTMENT (D) X (E)		
		\$6,046
G. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED PREMIUM (F) ÷ (A-1)		
		0.019
H. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED PREMIUM AFTER FEDERAL INCOME TAXES (G) X		
	0.739	0.014

Arkansas
Calculation Of Amica Expected Loss Ratios

<u>Expense Provisions</u>	<u>All Forms</u>
1. General	0.045
2. Other Acquisition	0.204
3. Taxes, Licenses, And Fees	
a. Amica Total TLF ([3b]+[3C])	0.033
b. Premium Tax (PCI)	0.025
c. Miscellaneous (AMICA)	0.008
4. Dividend	0.068
5. Profit (include FIT & II if required)	0.036
6. Contingencies	0.010
7. Reinsurance Provision	0.000
8. Fixed Expense Ratio (a) .75*([1]+[2])+[3c]+[7]	0.195
9. Variable Expense Ratio (a) ([1]+[2]+[3A]+[4]+[5]+[6]+[7])-[8]	0.201
10. Variable Expense Excluding Dividend (a) [9]-[4]	0.133
11. Expected Loss Ratio 1-[8]-[9]	0.604
12. Variable Expected Loss Ratio 1-[9]	0.799

(a) Assumes General And Other Acquisition Expenses Are 75% Fixed

**Arkansas
Homeowners**

Dwelling Age of Home Factors

<u>Age</u>	<u>Current Factor</u>	<u>Proposed Factor</u>
0-2	-0.25	-0.35
3	-0.21	-0.31
4	-0.17	-0.27
5	-0.13	-0.23
6	-0.09	-0.19
7	-0.05	-0.15
8	-0.02	-0.12
9-40	0.00	-0.10
41-60	0.05	-0.05
61+	0.10	0.00

Arkansas
Amica Mutual Insurance Company
History of Rate Level Changes

SUPPLEMENTAL EXHIBIT A

Dwelling

<u>Effective Date</u>	<u>Wind/</u>									<u>Comments</u>
	<u>Hail</u>	<u>Water</u>	<u>Fire</u>	<u>Theft</u>	<u>Liability</u>	<u>Other</u>	<u>Hurricane</u>	<u>Misc</u>	<u>Total</u>	
8/2004	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	
10/2005	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	
4/2007	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	
5/2008	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	
9/2009	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	
Cumulative	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	
Annualized	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	

Tenants

<u>Effective Date</u>	<u>Wind/</u>									<u>Comments</u>
	<u>Hail</u>	<u>Water</u>	<u>Fire</u>	<u>Theft</u>	<u>Liability</u>	<u>Other</u>	<u>Hurricane</u>	<u>Misc</u>	<u>Total</u>	
8/2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
10/2005	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	
4/2007	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
5/2008	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
9/2009	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	
Cumulative	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Annualized	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Condominium

<u>Effective Date</u>	<u>Wind/</u>									<u>Comments</u>
	<u>Hail</u>	<u>Water</u>	<u>Fire</u>	<u>Theft</u>	<u>Liability</u>	<u>Other</u>	<u>Hurricane</u>	<u>Misc</u>	<u>Total</u>	
8/2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
10/2005	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	
4/2007	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	
5/2008	-5.4%	-5.4%	-5.4%	-5.4%	-5.4%	-5.4%	-5.4%	-5.4%	-5.4%	
9/2009	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	
Cumulative	-1.8%	-1.8%	-1.8%	-1.8%	-1.8%	-1.8%	-1.8%	-1.8%	-1.8%	
Annualized	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	

All Forms

<u>Effective Date</u>	<u>Wind/</u>									<u>Comments</u>
	<u>Hail</u>	<u>Water</u>	<u>Fire</u>	<u>Theft</u>	<u>Liability</u>	<u>Other</u>	<u>Hurricane</u>	<u>Misc</u>	<u>Total</u>	
8/2004	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
10/2005	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	
4/2007	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	
5/2008	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	
9/2009	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	-0.2%	
Cumulative	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	-100.0%	
Annualized	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	-100.0%	

**Arkansas
Amica Mutual Insurance Company
On-Level Factors**

SUPPLEMENTAL EXHIBIT A

Dwelling

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Wind/Hail	1.076	1.041	1.044	1.059	1.002
Water	1.076	1.041	1.044	1.059	1.002
Fire	1.076	1.041	1.044	1.059	1.002
Theft	1.076	1.041	1.044	1.059	1.002
Liability	1.076	1.041	1.044	1.059	1.002
Other	1.076	1.041	1.044	1.059	1.002
Hurricane	1.076	1.041	1.044	1.059	1.002
Misc	1.076	1.041	1.044	1.059	1.002
Total	1.076	1.041	1.044	1.059	1.002

Tenants

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Wind/Hail	1.023	0.998	0.989	0.994	0.998
Water	1.023	0.998	0.989	0.994	0.998
Fire	1.023	0.998	0.989	0.994	0.998
Theft	1.023	0.998	0.989	0.994	0.998
Liability	1.023	0.998	0.989	0.994	0.998
Other	1.023	0.998	0.989	0.994	0.998
Hurricane	1.023	0.998	0.989	0.994	0.998
Misc	1.023	0.998	0.989	0.994	0.998
Total	1.023	0.998	0.989	0.994	0.998

Condominiums

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Wind/Hail	0.981	0.956	0.950	0.970	1.010
Water	0.981	0.956	0.950	0.970	1.010
Fire	0.981	0.956	0.950	0.970	1.010
Theft	0.981	0.956	0.950	0.970	1.010
Liability	0.981	0.956	0.950	0.970	1.010
Other	0.981	0.956	0.950	0.970	1.010
Hurricane	0.981	0.956	0.950	0.970	1.010
Misc	0.981	0.956	0.950	0.970	1.010
Total	0.981	0.956	0.950	0.970	1.010

All Forms

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Wind/Hail	1.073	1.038	1.040	1.055	1.002
Water	1.073	1.038	1.040	1.055	1.002
Fire	1.073	1.038	1.040	1.055	1.002
Theft	1.073	1.038	1.040	1.055	1.002
Liability	1.073	1.038	1.040	1.055	1.002
Other	1.073	1.038	1.040	1.055	1.002
Hurricane	1.073	1.038	1.040	1.055	1.002
Misc	1.073	1.038	1.040	1.055	1.002
Total	1.073	1.038	1.040	1.055	1.002

**Arkansas
Amica Companies
Homeowners**

**Calculation of On-Level Factor
Dwelling**

1. Rate Level History	<u>Renewal Effective Date</u>	<u>Rate Change</u>	<u>Cumulative</u>						
	8/2004	5.3%	1.053						
	10/2005	3.7%	1.092						
	4/2007	-4.6%	1.042						
	5/2008	8.2%	1.127						
	9/2009	-0.2%	1.125						
	Overall Cumulative		1.125						
2. Average Rating Factor*	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>				
	1.045	1.081	1.078	1.062	1.122				
3. Calculation of On-Level Factor [Overall Cumulative / (2)]	<u>1.125</u>	<u>1.125</u>	<u>1.125</u>	<u>1.125</u>	<u>1.125</u>				
	1.045	1.081	1.078	1.062	1.122	= 1.076	= 1.041	= 1.044	= 1.059
									= 1.002

* Average Rating Factor is the weighted average of the Cumulative Value and the Proportion of each year at that value.

**Arkansas
Amica Companies
Homeowners**

**Calculation of On-Level Factor
Tenants**

1. Rate Level History	<u>Renewal Effective Date</u>	<u>Rate Change</u>	<u>Cumulative</u>							
	8/2004	0.0%	1.000							
	10/2005	3.7%	1.037							
	4/2007	-0.5%	1.032							
	5/2008	-0.5%	1.027							
	9/2009	-0.2%	1.025							
	Overall Cumulative		1.025							
2. Average Rating Factor*	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>					
	1.001	1.027	1.036	1.031	1.027					
3. Calculation of On-Level Factor	<u>1.025</u>	<u>1.025</u>	<u>1.025</u>	<u>1.025</u>	<u>1.025</u>					
[Overall Cumulative / (2)]	1.001	= 1.023	1.027	= 0.998	1.036	= 0.989	1.031	= 0.994	1.027	= 0.998

* Average Rating Factor is the weighted average of the Cumulative Value and the Proportion of each year at that value.

**Arkansas
Amica Companies
Homeowners**

**Calculation of On-Level Factor
Condo**

1. Rate Level History	<u>Renewal Effective Date</u>		<u>Rate Change</u>		<u>Cumulative</u>					
	8/2004		0.0%		1.000					
	10/2005		3.7%		1.037					
	4/2007		-1.3%		1.024					
	5/2008		-5.4%		0.968					
	9/2009		1.4%		0.982					
		Overall Cumulative			0.982					
2. Average Rating Factor*	<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>	
	1.001		1.027		1.033		1.012		0.972	
3. Calculation of On-Level Factor	<u>0.982</u>		<u>0.982</u>		<u>0.982</u>		<u>0.982</u>		<u>0.982</u>	
[Overall Cumulative / (2)]	1.001	= 0.981	1.027	= 0.956	1.033	= 0.95	1.012	= 0.97	0.972	= 1.01

* Average Rating Factor is the weighted average of the Cumulative Value and the Proportion of each year at that value.

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

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 Amica Mutual Insurance Company

NAIC # (including group #) 028-19976

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

We have not had an insurance to value campaign during the filing experience period. All homes have been re-inspected since June of 2006. We adjust dwelling values on our policies with HO 04 20 Replacement Cost Endorsement by our renewal multipliers upon renewal. We have achieved better insurance to value. We also inform our customers without this protection by endorsement to review their dwelling limits and contact us with any questions.

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.

In April of 2005, we began using RCT (Residential Component Technology) by MS&B (Marshall & Swift/Boeckh). This estimator has had a positive impact as we feel it provides a more accurate replacement estimate.

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.

We do not have a hard fast rule. However, we encourage and promote the Replacement Cost Endorsement HO 04 20 for all homeowner policyholders. Also, we inspect each location and estimate the replacement cost which we share with the insured. We point out the 80% replacement cost provision for those customers who don't select the HO 04 20.

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

We don't use the inflation guard endorsement. We use the ISO HO 04 20 endorsement to provide replacement cost protection for homes and the HO 04 90 for contents.

5. Specify the percentage given for credit or discounts for the following:
- | | | | |
|---|---|---------------|---|
| a. Fire Extinguisher | | <u>N/A</u> | % |
| b. Burglar Alarm | | <u>8-20</u> | % |
| c. Smoke Alarm | | <u>4-10</u> | % |
| d. Insured who has both homeowners, auto & Personal Umbrella Policy w/co. | | <u>10-18</u> | % |
| e. Deadbolt Locks | | <u>N/A</u> | % |
| f. Window or Door Locks | | <u>N/A</u> | % |
| g. Other (specify) | <ol style="list-style-type: none"> 1. Additional Discounts or Surcharges may apply based on the Household Risk Factor 2. Age of Home - 5% to 35% 3. Automatic Sprinklers-all areas including attic, bathrooms, closets and attached structures (26%) 4. Automatic Sprinklers-all other areas except attic, bathroom, and closet and attached structures (16%) | <u>varies</u> | % |

6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? If so, state the areas and explain reason for not writing.

No

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

Form	Premium Volume
Form 3	\$283,669
Form 4	13,865
Form 5	18,774
Form 6	2,265

Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes No

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

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

Signature
Brenda M. Walker
Printed Name
Sr. Regulatory Compliance Analyst
Title
1-800-652-6422 ext. 24584
Telephone Number
bwalker@amica.com
Email Address

SERFF Tracking Number: AMMA-126532224 State: Arkansas
Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-H-10-1-RR
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: AR-H-10-1-RR
Project Name/Number: Rate and Rule Revision/

Note To Reviewer

Created By:

Carol Pedro on 05/24/2010 08:35 AM

Last Edited By:

Carol Pedro

Submitted On:

05/24/2010 08:35 AM

Subject:

New Effective Date

Comments:

Your approval has been received. Due to timing constraints, the effective date is changing from September 1, 2010 to October 1, 2010 for new business and renewal policies.

SERFF Tracking Number: AMMA-126532224 State: Arkansas
 Filing Company: Amica Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-H-10-1-RR
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: AR-H-10-1-RR
 Project Name/Number: Rate and Rule Revision/

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)
04/26/2010	Rate and Rule	Revised Manual Pages	05/21/2010	09 10 revised manual pages.pdf (Superseded)
03/22/2010	Rate and Rule	Revised Manual Pages	04/26/2010	09 10 Revised Manual Pages.pdf (Superseded)
03/08/2010	Supporting Document	H-1 Homeowners Abstract	04/26/2010	ARFORMH1.pdf (Superseded)
03/30/2010	Supporting Document	Explanatory Memorandum & Filing Support Exhibits	04/13/2010	Explanatory Memo.pdf (Superseded) Filing Exhibits.pdf (Superseded)

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 105.
SECONDARY RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

FOR USE IN THE RATING OF PG5

A. Application

Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when another policy is providing Section II coverage for the secondary residence. When the same company insures both the initial and secondary residences, Section II Coverage for both residences shall be provided by the policy covering the initial residence.

Note: Rule 602 allows for coverage for the secondary residence from the policy covering the initial residence.

B. Premium Adjustment

When Section II coverage is being provided by a policy other than the secondary residence policy, the following premium adjustment should be made to the secondary residence policy:

1. Reduce the Liability Base Premium to \$0.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 106.
PROTECTION CLASSIFICATION INFORMATION

Effective SEPTEMBER 1, 2010

The Protection Class listings in the Public Protection Classification Manual apply to PG3 risks insured under Homeowners Program policies.

- A.** The protection class indicated applies in a municipality or classified area where a single class of PG3 protection is available throughout (8, 7, 6, etc.).
- B.** In a classified area where two or more classifications are shown (for example, 6/9), the classification is determined as follows:

Distance To Fire Station	Class
1. 5 road miles or less with hydrant within 1,000 Feet	*
2. 5 road miles or less with hydrant beyond 1,000 Feet	9
3. Over 5 road miles	10
* First protection class (for example, 6/9...use Class 6)	

Table 106.B. Two Or More Classifications

- C.** All other properties are Class 10.
- D.** Subscription type fire departments are identified by a footnote in the Community Mitigation Classification Manual. Class 10 applies to properties which are not subscribers or which are located over 5 miles from the nearest recognized fire station of the listed fire department.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 204.
MULTIPLE COMPANY INSURANCE

Effective **SEPTEMBER 1, 2010**

This rule is not applicable.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 205.
MINIMUM PREMIUM

Effective **SEPTEMBER 1, 2010**

- A. For pre-paid policies, a minimum **annual** premium shall be charged for each peril group.
- B. When policies are written under a premium payment plan, no payment shall be less than the minimum premium by peril for each period.
- C. The minimum premium applies only to the annual basic premium and excludes all chargeable endorsements or other coverages.
- D. Add the rates below for the applicable peril groups.

PERIL	HO 00 03 AND HO 00 05	HO 00 04	HO 00 06
PG1	\$30	\$1	\$5
PG2	70	5	30
PG3	50	15	10
PG4	5	20	5
PG5	15	5	15
PG6	5	5	5

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART III
BASE PREMIUM COMPUTATION RULES

RULE 301.
BASE PREMIUM COMPUTATION

Effective **SEPTEMBER 1, 2010**

The Base Premium is developed accordingly, as expressed in Paragraphs A, B & C, and rounding to the nearest whole dollar (\$0.50 or more rounded to the next higher whole dollar).

See **Rule A.13** Tables A, B, and C for the complete premium computation formula.

A. All Forms Except HO 00 04 And HO 00 06

1. One And Two Family Dwelling

- a. From the company Base Rate Table, select the **HO 00 03** premium for the applicable peril.
- b. Multiply by the applicable Territory factor by peril that applies to determine the Base Class Premium.
- c. From the Classification Tables, select the Form and Protection-Construction classifications that apply.
- d. Multiply the Base Class Premium by the form factor and round to the nearest whole dollar.
- e. Multiply this result by the applicable Protection-Construction Factor and round to the nearest whole dollar.
- f. From the Coverage A Deductible Table, select the Key Factor for the desired limit of liability, deductible and applicable peril group. If the limit of liability is not shown in the tables, interpolate as illustrated in paragraph **C**.
- g. Multiply the dollar amount from Paragraph **e.** by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.

2. Three And Four Family Dwelling

Multiply the One and Two Family Dwelling Base Premium by the three and four family factor from the Classification Tables to arrive at the Base Premium.

Note: This does not apply to Rule 402 Townhouse or Row house.

B. Form HO 00 04 Or HO 00 06

1. From the company Base Rate Table, select the **HO 00 04** or **HO 00 06** premium for the applicable peril group.
2. Multiply by the applicable Territory factor by peril group that applies to determine the Base Class Premium.
3. From the Form **HO 00 04** or **HO 00 06** Classification Table, select the Protection-Construction factor that applies.
4. Multiply the Base Class Premium by the Protection-Construction Factor and round to the nearest whole dollar.
5. From the Form **HO 00 04** or **HO 00 06** Coverage C Deductible Table, select the Key Factor for the desired limit of liability, deductible and applicable peril group. If the limit of liability is not shown in the tables, interpolate as illustrated in Paragraph **C**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

6. Multiply the dollar amount from Paragraph 4. by the Key Factor and round to the nearest whole dollar to arrive at the Base Premium.

C. Interpolation Example

1. When the desired limit of liability is **less** than the highest limit shown, interpolate the Key Factors using the nearest limit above and below the desired limit, for the desired deductible. For example:

a. \$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.

b. For \$200,000 the Key Factor is 2.837; for \$205,000 the Key Factor is 2.937. Figure the difference between the two Key Factors and divide by 5. This provides a factor per \$1,000.

$$\begin{array}{r} 2.937 \\ - 2.837 \\ \hline .100 \div 5 = .02 \end{array}$$

c. Multiply the factor per \$1,000 times 3, and add 2.837; the Key Factor for \$200,000.

$$\begin{array}{r} .02 \\ \times 3 \\ \hline .06 \div 2.837 = 2.897 \end{array}$$

d. The result, 2.897, is the Key Factor for this example.

2. The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Key Factor Table of this Manual.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 302.
LOSS SETTLEMENT OPTIONS**

Effective **SEPTEMBER 1, 2010**

A. Functional Replacement Cost Loss Settlement – HO 00 03 And HO 00 05 Only

This Coverage is Not Available.

B. Actual Cash Value Loss Settlement – HO 00 03 and HO 00 05 Only

This Coverage is Not Available

C. Special Loss Settlement – HO 00 03 And HO 00 05 Only

1. Introduction

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

2. Coverage Description

This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage **A** limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

3. Premium Computation

To develop the Base Premium for the Coverage **A** limit of liability shown in the policy declarations:

- a.** Multiply the Coverage **A** limit of liability by the appropriate factor from the following table and round to the nearest \$1,000:

% Of Replacement Value	Factor
50%	1.60
60%	1.33
70%	1.14

Table 302.C.3.a. Factors

- b.** Develop the Base Premium in accordance with Rule **301**. for the amount of insurance computed in Paragraph **C.3.a.**

- c.** Multiply the premium determined in preceding Paragraph **b.** by the appropriate factor from the following table:

% Of Replacement Value	Factor
50%	.96
60%	.97
70%	.98

Table 302.C.3.c. Factors

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

4. Endorsement

| Use Special Loss Settlement Endorsement **HO 04 56.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 304.
SPECIAL PERSONAL PROPERTY COVERAGE HO 00 04 AND HO 00 06

Effective September 1, 2010

A. Coverage Description

1. Coverage **C**. Personal Property under Forms **HO 00 04** and **HO 00 06** is insured against the peril groups named in the form. The policy may be endorsed to insure Coverage **C** against additional risks of physical loss subject to certain exclusions.
2. This option may only be used when:
 - a. For Form **HO 00 04**, the apartment, dwelling or cooperative unit rented to the insured is not rented or sublet to another; or
 - b. For Form **HO 00 06**, the condominium or cooperative unit is owner occupied and not rented to others.

B. Premium Computation

1. Multiply the Form **HO 00 04** or **HO 00 06** Base Premium for each peril group except PG5 by **1.40**. The Base Premium is developed in accordance with Rule **301**.

C. Endorsement

1. Use Special Personal Property Coverage Endorsement **HO 05 24** for use with **HO 00 04** only.
2. Use Unit-Owners – Coverage **C** – Special Coverage Endorsement **HO 17 31** for use with **HO 00 06** only.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART IV
ADJUSTED BASE PREMIUM COMPUTATION RULES

RULE 401.
SUPERIOR CONSTRUCTION

Effective **SEPTEMBER 1, 2010**

For use in PG3 Rating Only

The PG3 premium for a dwelling or an apartment unit in a building of superior construction is computed by multiplying the masonry PG3 Base Premium for a comparable dwelling or apartment unit by a factor of **0.75**.

The reduced premium is subject to a **maximum credit**. Refer to the **Additional Rule A.11** for the maximum credit calculation.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 402.

TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT HO 00 04 And HO 00 06

For Use in PG3 Rating Only

Effective SEPTEMBER 1, 2010

The premium for an eligible 1, 2, 3 or 4 family dwelling in a town or row house structure is computed by multiplying the PG3 Base Premium by the appropriate factor selected from the following table:

Townhouse And Row House Factors

Total No. Of Individual Family Units Within The Fire Division *	Protection Class	
	1- 8	9 & Over
1 & 2	1.00	1.00
3 & 4	1.30	1.45
5 – 8	1.75	1.90
9 & Over	Refer to Company	

Table 402. Townhouse and Row House Factors

* An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division. An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7 individual family units within a fire division. Four 2 family dwellings not separated by a fire wall would be considered 8 individual family units.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 403.
PERSONAL PROPERTY (COVERAGE C)
REPLACEMENT COST LOSS SETTLEMENT

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides loss settlement on an Actual Cash Value basis for certain types of property.

B. Loss Settlement Option

The policy may be endorsed to provide loss settlement on a Replacement Cost basis for such property whether insured on a blanket or scheduled basis.

C. Endorsement

Use Personal Property Replacement Cost Endorsement **HO 04 90**.

D. Scheduled Personal Property

1. When the Scheduled Personal Property Endorsement **HO 04 61** is attached to a policy with Endorsement **HO 04 90**, the following property, if scheduled, will also be subject to repair or replacement cost loss settlement up to the scheduled limit of liability:
 - a. Jewelry;
 - b. Furs and garments trimmed with fur or consisting principally of fur;
 - c. Cameras, projection machines, films and related articles of equipment;
 - d. Musical equipment and related articles of equipment;
 - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
 - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.
2. Since the loss settlement condition in Endorsement **HO 04 61** will pay the insured the least of the:
 - a. Actual cash value of the property sustaining loss;
 - b. The amount for which the property could be repaired or replaced; or
 - c. The amount of insurance of the property sustaining loss;

the limit of liability that applies to each scheduled item should be carefully evaluated to ensure that the limit selected by the insured represents the cost to replace the item if lost or damaged beyond repair.

E. Scheduled Personal Property (With Agreed Value Loss Settlement)

When Scheduled Personal Property (With Agreed Value Loss Settlement) Endorsement **HO 04 60** is attached to a policy with Endorsement **HO 04 90**, the property subject to agreed value loss settlement will **not** be subject to repair or replacement cost loss settlement.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

F. Premium Determination

1. Multiply the Base Premium by peril group limits by a factor of:

(a) **1.10** for all forms except **HO 00 04** and **HO 00 06**.

(b) **1.35** for Forms **HO 00 04** or **HO 00 06**.

2. Any premium adjustment for additional coverage C limits should also be multiplied by these factors and added to the Miscellaneous premium.

Note: This coverage is automatically included in Form HO 00 05.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 404.

PROTECTIVE DEVICES – HO 00 03 and HO 00 05 ONLY

Effective SEPTEMBER 1, 2010

A. Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a reduced premium – computed by multiplying the PG3 or PG4 Base Premium by the selected factors from the following table:

Protective Devices Factors

Type Of Installation*	Peril	Factor
Central Station Reporting Burglar Alarm	PG4	0.80
Central Station Reporting Fire Alarm	PG3	0.90
Police Station Reporting Burglar Alarm	PG4	0.88
Fire Department Reporting Fire Alarm	PG3	0.94
Local Fire Alarm	PG3	0.96
Local Burglar Alarm	PG4	0.92
Automatic Sprinklers in all areas including attics, bathrooms, closets, attached structures.	PG3	0.74
Automatic Sprinklers in all areas except attics, bathrooms, closets and attached structure areas that are protected by a fire detector.	PG3	0.84
* Refer to company for eligibility, types of systems and devices, installations, and available credits.		

Table 404.A. Protective Devices Factors

B. The reduced premium is subject to a maximum credit. Refer to the **Additional Rule A.11** for the maximum credit calculation.

C. Use Premises Alarm Or Fire Protection System Endorsement **HO 04 16**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 405.
INFLATION GUARD – ALL FORMS EXCEPT
HO 00 04, HO 00 05 AND HO 00 06

Effective **SEPTEMBER 1, 2010**

A. Coverage Description

The policy may be endorsed to provide annual increases of the Section I Limits of Liability as selected by the insured.

B. Premium Computation

1. The premium is computed by multiplying the Base Premium for all peril groups except PG5 by the appropriate factor selected from the following table:

Amount Of Annual Increase	Factor
4%	1.02
6%	1.03
8%	1.04
Each Add'l 4% over 8% add:	.02

Table 405.B.1. Inflation Guard Factors

2. The premium for a 3 year policy is 3.2 times the annual policy premium.

C. Endorsement

Use Inflation Guard Endorsement **HO 04 46**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 406.
DEDUCTIBLES

Effective **SEPTEMBER 1, 2010**

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

A. Base Deductible

\$250 Deductible. Forms **HO 00 04** AND **HO 00 06**.

\$500 Deductible. All forms except **HO 00 04** and **HO 00 06**.

B. Optional Deductibles

1. \$100 Deductible

This deductible is not available.

C. Windstorm Deductibles

The following deductible options are used in conjunction with the deductible applicable to All Other Section **I** Peril Groups.

1. Percentage Deductibles

(a) Deductible Amounts

This option provides for higher Windstorm percentage deductibles of 1%, 2% or 5% of the Coverage **A** limit of liability when the dollar amount of the percentage deductible selected exceeds the amount of the deductible applicable to All Other Section **I** Peril Groups.

(b) Endorsement

Use Windstorm or Hail Percentage Deductible Endorsement **HO 03 12**.

(c) Declarations Instructions

(1) Enter, on the policy declarations, the percentage amount that applies to Windstorm and the dollar amount that applies to All Other Section **I** Peril Groups. For example:

- Deductible – Windstorm 1% of Coverage **A** limit and \$500 for All Other Peril Groups.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

(d) Deductible Application

In the event of a Windstorm loss to covered property, the dollar amount is deducted from the total of the loss for all coverages. For example:

			Amount of Loss	
Cov.	Limit of Liability	1% Deductible	Before Ded.	After Ded.
A	\$100,000	\$1,000	\$7,500	
B	50,000		3,000	
C	10,000		1,350	
D	20,000		660	

			\$12,510	\$11,510

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 407.
ADDITIONAL AMOUNTS OF INSURANCE –
FORMS HO 00 03 AND HO 00 05

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides loss settlement for buildings insured under Coverage **A** or **B** on a replacement cost basis without deduction for depreciation, if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the replacement cost of the building immediately before the loss.

B. Coverage Description

The policy may be endorsed to provide additional insurance for Coverage **A** only or for Coverages **A, B, C,** and **D** when loss, to property insured under Coverage **A – Dwelling**, exceeds the limit of liability shown in the policy declarations.

C. Options Available

When either of the following options is selected, the Coverage **A** limit of liability shall be at least 100% of the full replacement cost of the property insured under Coverage **A** at policy inception or at the time the endorsement is added to the policy:

1. Specified Additional Amount Of Insurance For Coverage A Only

- a. An additional amount of insurance equal to 30% of the Coverage **A** limit of liability may be selected. This additional amount is available when loss to property insured under Coverage **A – Dwelling** exceeds the Coverage **A** limit of liability shown in the Declarations.

The additional amount **cannot** be applied to any other coverage nor does it increase the Coverage **A** limit.

- b. The premium for this option is computed by multiplying the Base Premium by Peril Group by the factor displayed below:

Additional Amount Options	Factor
30%	1.00

Table 407.C.1.b Additional Amounts of Insurance Factors.

- c. Use Specified Additional Amount of Insurance for Coverage **A** Endorsement **HO 23 47**. This endorsement is automatically attached to Form **HO 00 05**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Additional Limits Of Liability For Coverages A, B, C, And D

a. This option differs from Paragraph **C.1.**, in that the Coverage **A** limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed property. The limits of liability for Coverages **B**, **C**, and **D** will also be increased by the same percentage applied to the Coverage **A** limit.

When the loss to such property exceeds the Coverage **A** limit, the policy is endorsed, retroactive to the date of loss, to the limit needed to settle the loss.

b. The premium is computed by multiplying the Base Premium by Peril Group by a factor of **1.15**.

c. Use Additional Limits of Liability for Coverages **A, B, C,** and **D** Endorsement **HO 23 49**.

D. Endorsement Exception

Do not use either endorsement when the Special Loss Settlement Endorsement or any other endorsement which modifies the required percentage of replacement value is attached to the policy.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 409.
REPLACEMENT COST LOSS SETTLEMENT FOR CERTAIN NON-BUILDING STRUCTURES –
FORMS HO 00 03 AND HO 00 05 ONLY

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides actual cash value loss settlement for non-building structures covered under Coverage **B**, or specifically scheduled under this policy.

B. Coverage Description

The policy may be endorsed to provide repair or replacement cost loss settlement for the following types of non-building structures only if they are located on the residence premises:

1. Reinforced masonry walls;
2. Metal or fiberglass fences;
3. Fences made of plastic/resin materials such as polyvinylchloride;
4. Patios, walks (not made of wood or wood products); and
5. Driveways.

C. Premium Computation

The premium is computed by multiplying the Base Premium by Peril Group by a factor of **1.02**.

D. Endorsement

Use Replacement Cost Loss Settlement For Certain Non-Building Structures On The Residence Premises Endorsement **HO 04 43**.

E. Endorsement Exception

This loss settlement condition does not apply to covered property insured under Coverage **B – Other Structures Away From The Residence Premises** Endorsement **HO 04 91** and Specific Structures Away From The Residence Premises Endorsement **HO 04 92**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART V

SECTION I – PROPERTY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

RULE 501.

BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES

Effective **SEPTEMBER 1, 2010**

For Use In **PG7 Rating**

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 **HO 00 04** Key Factor for "Each Add'l 1,000" by the **HO 00 04** Base Class Premium.

C. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 502.
BUILDING ADDITIONS AND ALTERATIONS –
INCREASED LIMIT – HO 00 04

Effective **SEPTEMBER 1, 2010**

For Use In **PG7 Rating**

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 **HO 00 04** Key Factor for "Each Add'l \$1,000" by the **HO 00 04** Base Class Premium.

C. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 503.
BUSINESS PROPERTY – INCREASED LIMIT

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. On-Premises

1. The \$2,500 (\$5,000 in Form **HO 00 05**) limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.
2. Rate per \$2,500.....**\$25.**
3. The limit of liability in excess of \$2,500 does not apply to:
 - a. Business property in storage or held as a sample or for sale or delivery after sale.
 - b. Business property pertaining to a business actually conducted on the residence premises.
4. The Property described in Paragraphs **3.a.** and **3.b.** are covered under the following optional endorsements:
 - a. Permitted Incidental Occupancies;
 - b. Home Day Care; or
 - c. Home Business Insurance Coverage.

B. Off – Premises

When the on-premises limit is increased, the off-premises limit of \$500 (\$1,000 in Form **HO 00 05**) is automatically increased, at no additional charge, to an amount that is 20 percent of the total on-premises limit of liability.

C. Endorsement

Use Increased Limits On Business Property Endorsement **HO 04 12.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 504.

**CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE,
FORGERY AND COUNTERFEIT MONEY**

Effective **SEPTEMBER 1, 2010**

FOR USE IN PG4 RATING

A. Coverage Increase

The limit of \$1000 (\$5,000 in Form HO 00 05) may be increased. Charge the additional rate shown in paragraph B.

B. Premium

Limit	All Forms Except HO 00 05	HO 00 05
\$1,000	NC	NC
\$2,500	\$2	NC
\$5,000	\$3	NC
\$7,500	\$4	\$1
\$10,000*	\$5	\$2

***For Limits in excess of \$10,000, NOT APPLICABLE.**

C. Endorsement

Use Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage Increased Limit Endorsement **HO 04 53**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 505.
EARTHQUAKE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use In PG7 Rating

A. Coverage Description

The policy may be endorsed to provide coverage against a loss resulting from the peril of Earthquake. This peril shall apply to all Section I Coverages for the same limits provided in the policy. Use Earthquake Endorsement **HO 04 54**.

B. Deductible

Deductible percentage amounts of 5%, 10%, 15%, 20% and 25% of the limit of liability are included in this rule.

In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages **A, B, and C**.

Earthquake rates are displayed for the 5% and 10% deductible in the state company rates. Credit factors for deductible percentage amounts of 15%, 20% and 25% are provided in Paragraph **E**. Premium for Higher Deductibles of this rule.

C. Loss Assessment Coverage

The policy may also be endorsed to cover loss assessment resulting from loss by this peril. The limit of liability shall be based on the insured's proportionate interest in the total value of all collectively owned buildings and structures of the corporation or association of property owners. Use Loss Assessment Coverage For Earthquake Endorsement **HO 04 36** for all Forms.

D. Base Premium

Develop the base premium as follows:

1. From the state company rates determine whether Construction Table **A, B, and/or C** applies for the appropriate deductible.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

D.1. 5% DEDUCTIBLE – Rate per \$1,000

Table A – FRAME

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$1.17	\$0.57	\$0.69	\$0.52	\$0.76	\$0.57
2	1.17	0.57	0.69	0.52	0.76	0.57
3	1.17	0.57	0.69	0.52	0.76	0.57
4	1.17	0.57	0.69	0.52	0.76	0.57
5	1.17	0.57	0.69	0.52	0.76	0.57
6	1.17	0.57	0.69	0.52	0.76	0.57
7	0.90	0.45	0.50	0.43	0.60	0.38
8	0.50	0.31	0.31	0.31	0.33	0.31

Table B – MASONRY

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$2.48	\$1.36	\$1.57	\$1.19	\$1.55	\$1.33
2	2.48	1.36	1.57	1.19	1.55	1.33
3	2.48	1.36	1.57	1.19	1.55	1.33
4	2.48	1.36	1.57	1.19	1.55	1.33
5	2.48	1.36	1.57	1.19	1.55	1.33
6	2.48	1.36	1.57	1.19	1.55	1.33
7	2.24	1.24	1.36	1.17	1.43	1.14
8	1.36	0.86	0.86	0.86	0.90	0.81

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table C - SUPERIOR

Column -	(A)	(B)	(C)	(D)	(E)	(F)
				HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06			
1	\$1.07	\$0.40	\$0.48	\$0.31	\$0.76	\$0.60
2	1.07	0.40	0.48	0.31	0.76	0.60
3	1.07	0.40	0.48	0.31	0.76	0.60
4	1.07	0.40	0.48	0.31	0.76	0.60
5	1.07	0.40	0.48	0.31	0.76	0.60
6	1.07	0.40	0.48	0.31	0.76	0.60
7	0.81	0.31	0.36	0.29	0.57	0.38
8	0.48	0.29	0.29	0.29	0.33	0.31

D.1.a. 10% DEDUCTIBLE – Rate per \$1,000

Table A – FRAME

Column -	(A)	(B)	(C)	(D)	(E)	(F)
				HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06			
1	\$1.05	\$0.48	\$0.57	\$0.43	\$0.69	\$0.57
2	1.05	0.48	0.57	0.43	0.69	0.57
3	1.05	0.48	0.57	0.43	0.69	0.57
4	1.05	0.48	0.57	0.43	0.69	0.57
5	1.05	0.48	0.57	0.43	0.69	0.57
6	1.05	0.48	0.57	0.43	0.69	0.57
7	0.79	0.38	0.40	0.36	0.52	0.38
8	0.43	0.26	0.26	0.26	0.29	0.26

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table B – MASONRY

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$2.26	\$1.19	\$1.38	\$1.05	\$1.40	\$1.31
2	2.26	1.19	1.38	1.05	1.40	1.31
3	2.26	1.19	1.38	1.05	1.40	1.31
4	2.26	1.19	1.38	1.05	1.40	1.31
5	2.26	1.19	1.38	1.05	1.40	1.31
6	2.26	1.19	1.38	1.05	1.40	1.31
7	2.00	1.05	1.19	1.00	1.26	1.12
8	1.24	0.76	0.79	0.76	0.83	0.79

Table C - SUPERIOR

Column -	(A)	(B)	(C)	(D)	(E)	(F)
Territory	HO 00 03 & HO 00 05	HO 00 04	HO 00 06	HO 00 03 & HO 00 05 Increased Coverage C	HO 00 06 Basic and Increased Coverage A	Increased Cov. D and Other Structure Options
1	\$0.93	\$0.31	\$0.40	\$0.24	\$0.67	\$0.57
2	0.93	0.31	0.40	0.24	0.67	0.57
3	0.93	0.31	0.40	0.24	0.67	0.57
4	0.93	0.31	0.40	0.24	0.67	0.57
5	0.93	0.31	0.40	0.24	0.67	0.57
6	0.93	0.31	0.40	0.24	0.67	0.57
7	0.67	0.24	0.29	0.21	0.48	0.38
8	0.43	0.26	0.26	0.26	0.29	0.26

+If exterior Masonry Veneer is covered, rate as Masonry; if **not** covered, rate as Frame.

2. Determine the Earthquake territory according to the ZIP code of the residence premises from the State Territory Definitions pages in this Manual.

3. For Forms **HO 00 03** and **HO 00 05**, add the results of the following three steps:

a. Multiply the Coverage **A** limit by the rate found in Column A of the table;

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

- b. If the Coverage **C** limit is increased, multiply the rate found in Column D by the amount of the increase; and
 - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
4. For Form **HO 00 04**, add the results of the following two steps;
- a. Multiply the Coverage **C** limit by the rate found in Column B of the table and
 - b. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
5. For Form **HO 00 06**, add the results of the following three steps:
- a. Multiply the Coverage **C** limit by the rate found in Column C of the table;
 - b. Multiply the Coverage **A** limit by the rate found in Column E of the table; and
 - c. If the Coverage **D** limit is increased, multiply the rate found in Column F by the amount of the increase.
6. Building Or Non-Building Structure Items – All Forms:

Multiply the rate in Column F of the table by the appropriate limit of liability for Other Building or Structure options. (for example Other Structures – Structures Rented To Others Residence Premises Endorsement **HO 04 40**, Other Structures On The Residence Premises – Increased Limits Endorsement **HO 04 48** and Specific Structures Away From The Residence Premises Endorsement **HO 04 92**; Building Additions And Alterations – Other Residence Endorsement **HO 04 49** and Building Additions And Alterations Increased Limit Form **HO 00 04** Endorsement **HO 04 51**).

7. Ordinance Or Law – Basic And Increased Limit – All Forms:

Multiply the rate determined in Paragraphs **D.3.a.**, **D.4.b.**, **D.5.b.** and/or **D.6.** by the Ordinance or Law total amount of insurance. This includes basic and, if applicable, increased amounts.

E. Premium For Higher Deductibles

Multiply the Earthquake base premium determined in Paragraph **D.** for the 10% deductible by the appropriate factor from the following table:

Deductible Percentage	Factor		
	Frame	Masonry	Superior
15%	.80	.85	.75
20%	.65	.70	.60
25%	.50	.60	.45

Table 505.E. Higher Deductibles Factor

F. Building Code Effectiveness Grading

Refer to Rule **410.** for information which may affect Earthquake rating.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 507.

**FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND
SPECIAL COVERAGE – HO 00 06**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

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. To develop the premium for each additional \$1,000 of insurance, See Steps #1-4:

Step 1. Multiply the Base Rate by the territory factor to determine the Base Class Premium, then

Step 2. Multiply the Base Class Premium by the Protection – Construction factor (PG3 Only – For all other peril groups skip to Step 3) to determine the Base Premium, then

Step 3. Multiply the Base Premium by the Additional Rate per \$1,000 to determine the Adjusted Base Premium, then

Step 4. Multiply the Adjusted Base Premium by the Increase per \$1,000 of Coverage A.

C. Special Coverage

The Section **I** Peril Groups Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as shown:

- | | |
|---|-----|
| 1. Charge per policy for \$5,000 in basic form..... | \$2 |
| 2. Rate for each add'l \$1,000 of Cov.A..... | \$1 |

D. Endorsement

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

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 508.
FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS

Effective **SEPTEMBER 1, 2010**

For Use In PG7 Rating

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

Multiply the Coverage **C** Base Premium (reflecting the credit or surcharge for optional deductibles) by a factor of **.25**.

C. Endorsement

Use Unit – Owners Rental To Others Endorsement **HO 17 33**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 509.
HOME DAY CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

Coverage for a home day care business is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a home day care business in the dwelling or in an other structure on the residence premises. Use Home Day Care Coverage Endorsement **HO 04 97** for Sections **I** and **II** Coverage.

B. Other Structures

If the home day care business is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **D.** for charge for specific insurance on the structure.

C. Personal Property

The home day care endorsement also covers personal property pertaining to this business within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

D. Premium Computation

1. Section I

- a. If the home day care business is located in the dwelling, no additional charge is made.
- b. If the business is located in an other structure, charge the amount per \$1,000 of specific insurance on the structure.
- c. Rate per \$1,000 for business in other structure.....**\$5**

2. Section II

Refer to Rule **607.** to develop the premium for the increased Coverages **E** and **F** exposure.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 510.
PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

Coverage for a permitted incidental occupancy is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a permitted incidental occupancy in the dwelling or in an other structure on the residence premises. Use Permitted Incidental Occupancies (Residence Premises) Endorsement **HO 04 42** for Sections **I** and **II** Coverage.

B. Permitted Incidental Occupancies

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

C. Other Structures

If the permitted incidental occupancy is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **E.** for charge for specific insurance on the structure.

D. Personal Property

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

E. Premium Computation

1. Section I

- a. If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b. If the permitted incidental occupancy is located in an other structure, charge the amount per \$1,000 of specific insurance on the structure.
- c. Rate per \$1,000 for business in other structure**\$5**

2. Section II

Refer to Rule **608.** to develop the premium for the increased Coverages **E** and **F** exposure.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 511.
LOSS ASSESSMENT COVERAGE**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Residence Premises

1. Coverage Description

The policy automatically provides, under **Section I Additional Coverage** and **Section II Additional Coverage**, a limit of \$1,000 (\$5,000 in Form **HO 00 05**) each for assessments relating to the residence premises, excluding assessments resulting from the peril of earthquake.
(Refer to Rule **505**. Earthquake Coverage for the Earthquake rule of application.)

2. Higher Limits

The policy may be endorsed to provide a single additional amount of insurance to be applied to one or more assessments arising out of a single loss covered under:

- a. Either **Section I Additional Coverage** or **Section II Additional Coverage**; or
- b. Both **Section I** and **Section II Additional Coverages**.

3. Premium

All Forms except **HO 00 03**, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$5,000.....	\$ 5
\$10,000.....	\$ 8
Each Add'l \$5,000 up to \$50,000.....	\$ 1

HO 00 03 or **HO 00 06** with **HO 17 32**

New Amount of Coverage

\$5,000.....	\$ 6
\$10,000.....	\$11
Each add'l \$5,000 up to \$50,000.....	\$ 2

HO 00 05

New Amount of Coverage

\$10,000.....	\$ 3
Each add'l \$5,000 up to \$50,000.....	\$ 1

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

B. Additional Locations

1. Coverage Description

- a. The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single loss covered as noted in Paragraph **A.2**.
- b. No more than 2 additional locations can be written in addition to the residence premises.

2. Premium

All Forms except **HO 00 03**, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$1,000.....	\$ 8
\$5,000.....	\$12
\$10,000.....	\$15
Each Add'l \$5,000 up to \$50,000.....	\$ 1

HO 00 03, **HO 00 06** with **HO 17 32** or **HO 00 05**

New Amount of Coverage

\$1,000.....	\$ 9
\$5,000.....	\$15
\$10,000.....	\$20
Each Add'l \$5,000 up to \$50,000.....	\$ 2

C. Endorsement

Use Loss Assessment Coverage Endorsement **HO 04 35**.

(Note: This Endorsement does not cover loss to property under Section **I** caused by Earthquake.)

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 512.
LOSS OF USE – INCREASED LIMIT**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

- A.** When the limit of liability for Coverage **D** is increased, charge the rate per \$1,000 of additional insurance.
- B.** Rate per \$1,000.....**\$4**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 514.
OTHER STRUCTURES**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. On-Premises Structures

When insurance is written on a specific structure on the residence premises the rates per \$1,000 of insurance shall apply separately to each structure.

1. Specific Structure – Increased Limits

a. Premium

Rate per \$1,000.....**\$4**

b. Endorsement

Use Other Structures On The Residence Premises – Increased Limits Endorsement **HO 04 48.**

2. Structure On The Residence Premises Rented To Others

a. Premium

Use the sum of:

(1) Rate per \$1,000**\$5** and

(2) The premium for the increased Coverages **E** and **F** exposures, as developed from the Section **II** rules of this Manual.

b. Use Structures Rented to Others – Residence Premises Endorsement **HO 04 40.**

B. Structures Off The Residence Premises

1. Forms HO 00 03 And HO 00 05

a. Coverage Description

(1) The policy automatically provides Coverage **B** – Other Structures on a blanket basis to structures located on the residence premises.

(2) This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

b. Premium

Off premises structures charge per policy..... **\$15**

c. Endorsement

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Use Other Structures Away From The Residence Premises **HO 04 91.**

2. All Forms

a. Premium

(1) When insurance is written on a specific structure located away from the residence premises, the rate per \$1,000 of insurance shall apply separately to each location.

(2) Specific structures – Off-Premises

Rate per \$1,000.....\$5

b. Endorsement

Use Specific Structures Away From Residence Premises Endorsement **HO 04 92.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 515.
PERSONAL PROPERTY**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Increased Limit

1. The limit of liability for Coverage **C** may be increased.
2. Charge the additional company rate per \$1,000 of insurance.
3. Rate Per \$1,000
 - a. Minimum purchase of \$5,000 of coverage required.

HO 00 03	\$ 2
HO 00 05	\$ 2.20

Note: Multiply by the applicable factor in Rule **403.F** if Endorsement **HO 04 90** is attached to the policy.

B. Increased Limits – Other Residences

1. Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage **C** or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000.
3. Rate per \$1,000.....**\$7**
4. Use Increased Limits On Personal Property In Other Residences Endorsement **HO 04 50**.

C. Reduction In Limit

This Coverage is not available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

D. Increased Special Limits Of Liability

1. The Special Limits of Liability of \$1,500 (\$2,500 in Form **HO 00 05**) for theft of jewelry, watches and furs may be increased to a maximum of \$6,500 but not exceeding \$1,000 (\$2,500 in Form **HO 00 05**) for any one article.

Special Limits

Personal Property	Limit In Form	Maximum Limit Allowed
1. Jewelry, Watches and Furs	\$1,500	\$6,500*
2. Money	200	1,000
3. Securities	1,500	3,000
4. Silverware, Goldware and Pewterware	2,500	10,000****
5. Firearms	2,500	6,500***
6. Electronic Apparatus		
a. In or upon a motor vehicle or motorized land conveyance	1,500	6,000**
b. Not in or upon a motor vehicle that is away from the residence premises and used for business.	1,500	6,000**
* Not exceeding \$1,000 for any one article		
** Increase must be in increments of \$500		
*** Increase must be in increments of \$100		
**** Increase must be in increments of \$500, subject to a minimum of \$1,000.		

Table 515.D.1. Special Limits

2. Rates for Additional Charges:

a. Jewelry, Watches & Furs – Rate per \$500.....	\$9
b. Money – Rate per \$100.....	\$6
c. Securities – Rate per \$100.....	\$4
d. Silverware – Rate per \$1000.....	\$1
e. Firearms – Rate per \$100.....	\$3

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

f. Electronic Apparatus –
Rate per \$500.....**\$10**

- 3. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 65** – for all forms except as noted in Paragraph 4.
- 4. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 66** for Form **HO 00 05**, Form **HO 00 04** with Endorsement **HO 05 24** and Form **HO 00 06** with Endorsement **HO 17 31**.

E. Refrigerated Personal Property

This coverage is automatically included in forms **HO 00 03**, **HO 00 04**, **HO 00 05** and **HO 00 06**.

- 1. Coverage in the amount of \$500 is provided for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.
- 2. A deductible of \$100 applies.
- 3. Charge per policy.....**NO CHARGE**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 517.

**RENTAL TO OTHERS – EXTENDED THEFT COVERAGE ALL FORMS EXCEPT HO 00 05,
HO 00 04 WITH HO 05 24 OR HO 00 06 WITH HO 17 31**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to insure against loss by theft to covered property when all or part of the residence premises usually occupied by the insured is occasionally rented, in whole or in part, to others, or is regularly or occasionally rented to roomers or boarders.

B. Premium

Rate per Policy.....**\$30**

C. Endorsement

Use Extended Theft Coverage For Residence Premises Occasionally Rented To Others Endorsement **HO 05 41.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 518.
SINKHOLE COLLAPSE COVERAGE ALL FORMS
EXCEPT HO 00 04 AND HO 00 06

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide Sinkhole Collapse Coverage.

B. Premium Determination

1. Rate per \$1,000.....**\$0.35**

a. Minimum purchase of \$5,000 of coverage required.

2. Multiply the rate per \$1,000 by:

a. Coverage **A** amount of insurance;

b. Increased Limits for Coverages **C** and **D**;

c. Loss Assessment Coverage, increased limits and additional locations;

d. Ordinance Or Law Coverage, basic amount and, if applicable, increased amount of coverage;

e. Other Building or Structure options. For example: Other Structures Rented To Others (Residence Premises) Endorsement **HO 04 40**; Other Structures (Increased Limits) Endorsement **HO 04 48**; Specific Structures Away From The Residence Premises Endorsement **HO 04 92**; Building Additions And Alterations (Other Residence) Endorsement **HO 04 49**; and Building Additions And Alterations (Increased Limit Form **HO 00 04**) Endorsement **HO 04 51**.

C. Endorsement

Use Sinkhole Collapse Endorsement **HO 04 99**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 519.
SPECIAL COMPUTER COVERAGE ALL FORMS**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions.

The policy may also be endorsed for limits higher than the basic limit of \$2,500 (\$5,000 in Form **HO 00 05**) on the premises.

When the on-premises limit is increased, the off-premises limit of \$500 (\$1,000 in Form **HO 00 05**) is automatically increased, at no additional charge, to an amount that is 20% of the total on-premises limit of liability.

B. Premium

(1.) Charge per policy.....**\$15**

(2.) Increased Limits:

All forms except **HO 00 05** Rate per \$1,000..... **\$5**

Form **HO 00 05** Rate per \$1,000.....**\$5.50**

C. Endorsement

Use Special Computer Coverage Endorsement **HO 04 14** for all Forms except **HO 00 05**, **HO 00 04** with **HO 05 24** and **HO 00 06** with **HO 17 31**.

Use Special Computer Coverage – Increased Limits Endorsement **AM 04 14** for Forms **HO 00 03**, **HO 00 04** or **HO 00 06**.

Use Special Computer Coverage – Increased Limits Endorsement **AM 05 14** for Forms **HO 00 05**, **HO 00 04** with **HO 05 24** or **HO 00 06** with **HO 17 31**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 520.
LIVESTOCK COLLISION COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

When the policy is endorsed with either Incidental Farming Personal Liability Endorsement **HO 24 72** or Farmers Personal Liability Endorsement **HO 24 73**, the policy may also be endorsed to cover loss resulting in death of covered livestock resulting from:

1. Collision or overturn of a vehicle on which the livestock are being transported; or
2. Livestock running into or being struck by a vehicle.

B. Coverage Exclusion

Coverage is excluded if a vehicle owned or operated by an insured or an insured's employee:

1. Collides with the vehicle on which the livestock are being transported; or
2. Strikes the livestock.

C. Premium

1. Each horse, mule or head of cattle under one year of age at the time of loss will be counted as 1/2 head.
2. No deductible applies to this coverage.
3. The limit per head of livestock is \$400.

4. Estimated No. of Head

1 – 100.....	\$10
101 – 250.....	\$20
251 – 500.....	\$30
501 – 1,000.....	\$40

D. Endorsement

Use Livestock Collision Coverage Endorsement **HO 04 52.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 521.
WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy forms exclude coverage for loss resulting from water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment.

B. Coverage Option

For all forms, the policy may be endorsed to provide such coverage for a limit of liability of \$5,000 subject to a \$500 deductible. This endorsement will automatically be attached to Form **HO 00 05**. Higher limits of liability and other deductible options are also available.

C. Premium

All Forms except HO 00 05

Charge per \$5,000 coverage with \$500 deductible if **HO 04 90** Personal Property Replacement Cost Endorsement is:

- 1. Not attached to the policy..... **\$50**
- 2. Attached to the policy..... **\$55**

Higher Limits of Liability & Additional Deductible Options:

All Forms

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$25	\$15	---	---
25,000	---	42	\$28	---
50,000	---	139	117	\$99

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

All Forms except **HO 00 05**

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is **not** attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$23	\$14	---	---
25,000	---	38	\$25	---
50,000	---	126	106	\$90

D. Endorsement

Use Water Back Up And Sump Discharge Or Over-flow Endorsement **HO 04 95** for all forms.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 522.
LANDLORDS FURNISHINGS

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Basic Limit

Forms **HO 00 03** and **HO 00 05** automatically cover, on a named peril groups basis (except PG4), landlord furnishings in an apartment on the residence premises regularly rented or held for rental. The basic limit per apartment unit is \$2,500.

B. Increased Limits

The basic limit of \$2,500 may be increased in increments of \$500 up to a total of \$10,000 per apartment. The increased limit applies to the same perils that applies to the basic limit and may vary by rented unit.

C. Premium

Rate per \$500 per unit

- | | |
|-------------------------------|-----|
| 1. Form HO 00 03 | \$2 |
| 2. Form HO 00 05 | \$3 |

D. Endorsement

Use Landlord's Furnishings Endorsement **HO 05 46**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 523.
ASSISTED LIVING CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Introduction

The policy provides coverage to named insureds and resident relatives who are members of the insured's household.

B. Coverage Description

1. The policy may be endorsed to provide personal property, additional living expense and personal liability coverage to a person regularly residing in an Assisted Living Care facility, provided such person:
 - a. Is related to an insured by blood, marriage or adoption; and
 - b. Is not a member of that insured's household.
2. An assisted living care facility is a facility that provides assisted living services such as dining, therapy, medical supervision, housekeeping and social activities. It is **not** a hospice, prison or rehabilitation facility.
3. The endorsement provides the following basic limits of coverage:
 - a. \$10,000 for Coverage **C** – Personal Property with limitations ranging from \$100 to \$500 for certain items of property;
 - b. \$6,000 at \$500 per month, for Additional Living Expenses; and
 - c. \$100,000 for Coverage **E** – Personal Liability for all forms **except HO 00 05**.
\$300,000 for Coverage **E** – Personal Liability for Form **HO 00 05**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

C. Premium

1. Section I and Section II Basic Limits
 Rate per unit **\$120**

2. Increased Limits
 Add to the basic limit rate in Paragraph 1. above.

a.. Coverage C – Rate per \$1,000 **\$ 11**

b. Coverage E (Coverage F does not apply to this option.)

Limit	Rates
\$ 200,000*	\$ 4
\$ 300,000	\$ 6
\$ 400,000	\$ 8
\$ 500,000	\$ 9
\$ 600,000	\$10
\$ 700,000	\$12
\$ 800,000	\$13
\$ 900,000	\$14
\$1,000,000	\$15
\$2,000,000	\$27

* Available for all forms except Form **HO 00 05**

D. Endorsement

Use Assisted Living Care Coverage Endorsement **HO 04 59**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 525.
MOTORIZED GOLF CART – PHYSICAL LOSS COVERAGE**

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Coverage Description

The policy may be endorsed to provide coverage for physical loss to a motorized golf cart, including permanently installed accessories, equipment and parts, owned by an insured.

Also covered, for an amount equal to 10% of the limit of the highest scheduled cart, are accessories, equipment or parts designed or made solely for the cart that are **not** permanently installed provided such property is at an insured's residence or in or upon the cart off the insured's residence at the time of loss.

Coverage for loss caused by collision is optional and only applies if declared on the schedule of the endorsement.

B. Eligibility

To be eligible for coverage, the motorized golf cart shall be of the type designed to carry up to four people on a golf course for the purpose of playing golf and shall not have been built, or modified after manufacture, to exceed a speed of 25 m.p.h. on level ground.

Read the endorsement for all conditions of coverage.

C. Limit Of Liability

The limit of liability shall be selected by the insured. However, that limit should be representative of the actual cash value of the motorized golf cart including any permanently installed accessories, etc.

D. Deductible

A deductible amount of \$500 applies separately to each involved golf cart and, separately to Section I Property Coverages if not in or upon a golf cart at the time of loss.

The \$500 deductible replaces any other deductible in the policy with respect to property covered under the endorsement.

E. Premium

The following charge is the minimum annual premium for each motorized golf cart for any period within a policy year.

Rate per motorized golf cart Without Collision.....	\$11
Rate per motorized golf cart With Collision.....	\$19

F. Endorsement

Use Owned Motorized Golf Cart – Physical Loss Coverage Endorsement **HO 05 28.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 526.

RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO 00 04

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Trust And Trustee – Named Insured

A Homeowners policy may be issued in the name of both the trust and trustee when:

1. The residence held in trust is a 1, 2, 3, or 4 family dwelling or a condominium unit used exclusively for residential purposes, except as provided in **Rule 104.F.**;
2. Legal title to the dwelling or condominium unit is held solely by the trust;
3. The resident of the residence held in trust includes at least one of the following: the trustee, the grantor of the trust, or the beneficiary of the trust; and
4. The trust and trustee are both shown as the named insured on the policy declarations, regardless of who resides in the residence held in trust.

B. Endorsement

Use Residence Held In Trust Endorsement **HO 05 43**.

C. Other Persons Insured – Grantor And / Or Beneficiary Regularly Resides In The Residence Held In Trust

1. If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
 - a. Is related to the trustee and is a member of the trustee's household, the grantor and/or beneficiary is an insured as defined in the policy form and should **not** be named in Endorsement **HO 05 43**; or
 - b. Is **not** related to the trustee, or is related but not a member of the trustee's household, the grantor and/or beneficiary must be named in Endorsement **HO 05 43** to be covered for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
2. If the trustee does **not** regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in Endorsement **HO 05 43** whether or not they are related to the trustee. This is necessary to provide the grantor or beneficiary with coverage for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.

D. Liability Coverage Explained

1. Coverage **E** – Personal Liability and Coverage **F**– Medical Payments To Others is provided to the trust and trustee named insured who regularly resides on the residence premises. However, if the trustee named insured does **not** regularly reside on the residence premises, coverage for the trust and trustee is **only** provided for bodily injury or property damage arising out of the ownership, maintenance or use of the residence premises (premises liability).

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Endorsement HO 05 43 excludes:

- a. Liability coverage for claims or suits for bodily injury or property damage arising out of any act or decision or failure to act or decide by the trustee named insured in administering the trust except as provided in Paragraph 1.; and
- b. Liability coverage for bodily injury to all insureds covered under this policy; for example, the trustee named insured, the grantor or beneficiary of the trust who is named on the endorsement or any person acting on their behalf.

E. Additional Conditions

The policy may **not** be endorsed or extended to insure:

- 1. Under Section I, any other dwelling on the residence premises, or any other structure, on or away from the residence premises, unless legal title to that other dwelling or structure is held solely by the trust; or
- 2. Under Section II, any location away from the residence premises unless legal title to that other location is held solely by the trust.

F. Premium

Basic Limits Rates

1. Trust / Trustee

Applies whether or not the trustee resides on the residence premises.....**\$40**

2. Beneficiary or Grantor

a. Beneficiary **OR** grantor named in the endorsement; and

(1) Trustee resides on the residence premises.....**\$40**

(2) Trustee does **not** reside on the residence premises.....**No Add'l Charge**

b. Beneficiary **AND** grantor named in the endorsement; and

(1) Trustee resides on the residence premises.....**\$80**

(2) Trustee does **not** reside on the residence premises.....**\$40**

Increased Limits

1. Coverage E

Refer to **Rule 701**. for increased limits factors.

2. Coverage F

Refer to **Rule 702**. for increased limits charges.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 528.
HOME BUSINESS INSURANCE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in PG7 Rating

A. Eligibility

1. The Home Business Insurance Coverage Endorsement, may be used in conjunction with a Homeowners policy to cover the Section I and Section II exposures of a permitted business.
2. To be eligible for coverage under this endorsement, a risk must meet at least the following criteria:
 - a. The home business:
 - (1) Must be owned by the named insured or by a partnership, joint venture or other organization comprised only of the named insured and resident relatives;
 - (2) Must be operated from the residence premises that is declared on the Homeowners Declarations and used principally for residential purposes.
 - (3) May be operated from the home and/or other structure on the residence premises.
 - (4) May have up to three employees; and
 - (5) May not involve the:
 - (a) Manufacture, sale or distribution of food products;
 - (b) Manufacture of personal care products such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed; or
 - (c) Sale or distribution of personal care products **manufactured by the insured** such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed;
 - b. For all business classifications described in Paragraph C. that follows, the Gross Annual Receipts of the home business may not exceed \$250,000.
3. Certain businesses may be **ineligible** for coverage under this endorsement. Refer to Company for its underwriting instructions.
4. When a permitted business that is operated from the residence premises is afforded coverage under either the Permitted Incidental Occupancy or Home Day Care Coverage Endorsement, that business may not be afforded coverage under the Home Business Endorsement.

B. Classifications

The four principal classifications of business accommodated in this rule follow. Refer to the Company for the businesses that are eligible within each of these classifications and name and describe the business in the Schedule that is part of the endorsement:

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

1. Office

Use this classification when the business involves professional or administrative activities for its customers. It could apply to businesses like accounting, resume writing, telephone answering, etc.

2. Service

Use this classification when the business provides repair or other services for its customers. It could apply to businesses like bicycle repair, clock/jewelry repair, housecleaning, videotaping, etc.

3. Sales

Use this classification when the business involves product sales, other than crafts made in the home or other structure and sold from the home or other locations. It could apply to businesses involving the sale of books and magazines, costume jewelry, plants and flowers, stationery/other paper products, etc.

4. Crafts

Use this classification when the business involves selling, from the home, other structure or other locations, crafts made in the home or other structure. It could apply to crafts like ceramics, dolls, flower arrangements, quilts, etc.

C. Coverages

1. Section I – Property

The Home Business Endorsement:

- a. Provides coverage for the property of the described business and for property of others in the care of the business up to the Coverage **C** limit of liability entered on the Homeowners Declarations. Therefore, the Coverage **C** limit should reflect the values of the personal and business property to be insured;
- b. Provides coverage for:
 - (1) Accounts receivable (\$5,000 limit);
 - (2) Loss of business income/extra expense (actual cost for a maximum of 12 months); and
 - (3) Valuable papers (\$2,500 limit); and
- c. Increases the Coverage **C** Special Limits of Liability on:
 - (1) Money up to \$1,000;
 - (2) Credit Cards up to \$1,000 (\$5,000 in **HO 00 05**); and
 - (3) Business property away from the residence premises up to \$5,000.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

2. Section II – Business Liability

a. The Home Business Endorsement provides coverage for such business liability exposures as premises operations, products-completed operations, advertising injury, and personal injury. The limits of liability for these coverages are on an annual aggregate basis and are determined in the following manner:

- (1) For Products-Completed Operations Hazard Liability, the limit is the **same as** the Coverage **E** limit shown in the Homeowners Declarations;
- (2) For All Other Business Liability, the limit is **twice the sum** of the combined Coverage **E** and Coverage **F** limits shown in the Homeowners Declarations; and
- (3) For the Coverage **F** Sublimit of Liability, the limit is the **same as** the Coverage **F** limit shown in the Homeowners Declarations.

b. The limit of liability for Additional Coverage **3.**, Damage To Property Of Others is increased to \$2,500.

3. Professional Liability

NO professional liability coverage is provided in the Home Business Endorsement.

4. Computer-Related Damage Or Injury Exclusion And Coverage Options

This rule does not apply.

D. Home Business Premium Computation

1. Development Of The Home Business Premium

Add the Section **I** and Section **II** premium components developed according to Paragraphs **D.2.** and **D.3.** that follow, to arrive at the Home Business premium.

2. Section I – Property

a. From the Company Homeowners Premium Tables, select the Base Class Premium that applies to the residence premises with the home business and multiply it by the appropriate factor in the following table:

Gross Annual Receipts*	HO 03 & HO 05	HO 04	HO 06
Up to \$50,000	.03	.17	.22
\$50,001 to \$100,000	.05	.26	.34
100,001 to 175,000	.07	.38	.49
175,001 to 250,000	.10	.51	.68

* New Business, use \$50,001 to \$100,000 classification

Table 528.D.2.a. Factors

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Multiply the result computed in preceding Paragraph a. by the rating factors in the Homeowners Manual for the following risk categories – **For Use in PG3 Rating Only:**

(1) Protection/Construction (Rule 301. Classification Table) – apply the factor that applies to **HO 00 04** regardless of the Homeowners form attached to the policy; and

(2) Superior Construction (Rule 401.) and Protection Devices (Rule 404.) – apply these factors only if they are applied to the dwelling building or other structure for the residential exposure; and

(3) Townhouse or Row House Construction (Rule 402.) in the following manner:

(a) For All Forms except **HO 00 04** and **HO 00 06**, apply the same factor used for the residential exposure; or

(b) For Forms **HO 00 04** and **HO 00 06**:

(i) Apply the factor for the number of individual family units within a fire division that best describes the building that contains the residential and business property; or

(ii) If such building has 9 or more individual family units within a fire division, apply the factor for the 5 through 8 units classification.

c. When a home business is operated from one or more other structures on the residence premises and declared in the Schedule, multiply the limit of liability for each structure by the "premium per \$1,000" shown in Rule 514. **Other Structures**, Paragraph A.1.a.

3. Section II – Business Liability

a. Basic Limits Premium Coverages E and F

(1) Office (Gross Annual Receipts Up To \$250,000)

Business Visitors		
<u>Per Week*</u>	<u>Under 10</u>	<u>10 or more</u>
	\$ 4	\$ 6

(2) Service, Sales and Crafts

Business Visitors Per Week*						
Gross Annual Receipts**	Services		Sales		Crafts	
	Under 10	10 or More	Under 10	10 or More	Under 10	10 or More
Up to \$50,000	\$ 31	\$ 47	\$ 15	\$ 22	\$ 18	\$ 27
\$50,001 to \$100,000	94	141	44	66	54	81
\$100,001 to \$175,000	172	259	81	121	99	149
\$175,001 to \$250,000	266	400	125	187	153	230

*New Business, use 10 or more classification.
** New Business, use \$50,001 to \$100,000 classification

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Coverage E – Increased Limits

- (1) When the Coverage E limit is increased for Homeowners Insurance, the Home Business limits shall also be increased as illustrated in following Paragraph (2).
- (2) Multiply the Company's basic limits premium determined in preceding Paragraph 3.a. by the appropriate factor from the following table:

Increased Limits of Liability					
Homeowners		Home Business			
Coverage E Personal Liability	Coverage F Med. Payments To Others	Products- Completed Operations	All Forms Except HO 00 05 All Other Liability	HO 00 05 All Other Liability	Increased Limit Factor
\$200,000*	\$1,000*	\$200,000*	\$ 402,000*	-----	1.15
300,000	\$1,000*	300,000	602,000	\$ 610,000	1.24
400,000	\$1,000*	400,000	802,000	810,000	1.30
500,000	\$1,000*	500,000	1,002,000	1,010,000	1.35

*Not available for **HO 00 05**

Table 528.D.3.b. (2) Factors

c. Coverage F – Increased Limits

- (1) When the Coverage F limit is increased for Homeowners Insurance, the Home Business Coverage F limit shall also be increased.
- (2)

ALL Home Business CLASSIFICATIONS				
Homeowners Increased Limit of Liability				
Business Visitors Per Week	\$2,000*	\$3,000*	\$4,000*	\$5,000
Under 10	\$ 8	\$15	\$23	\$29
10 or More	13	21	31	37

* Not available for Form **HO 00 05**

- (3) Add the premium determined in Paragraph c.(2) to the premium developed in preceding Paragraph 3.a. or b. to compute the Section II premium component.

E. Endorsement

Use Home Business Insurance Coverage Endorsement **HO 07 01**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

F. Options

The following options may only be used when the Home Business Coverage Endorsement is attached to the policy:

1. Additional Insured

a. Managers Or Lessors Of Premises Leased To An Insured

(1) Coverage

Covers persons or organizations designated on the endorsement for their liability as owners of designated premises leased to the named insured.

(2) Premium

Rate Per Location/per additional insured.....**\$22**

(3) Endorsement

Use Additional Insured – Managers Or Lessors Of Premises Leased To An Insured Endorsement **HO 07 50**.

2. Loss Payable Condition

a. Coverage

Enables the naming of a loss payee, lender's loss payee, or loss payable under a contract-of-sale arrangement.

b. Endorsement

Use Loss Payable Provision Endorsement **HO 07 52**

3. Personal and Advertising Injury Exclusion

a. Coverage

Excludes all Personal and Advertising Injury coverage.

b. Endorsement

Use Exclusion – Personal and Advertising Injury Endorsement **HO 07 53**

4. Liquor Liability Exclusion and Exception for Scheduled Activities

a. Coverage

This endorsement excludes liability coverage for:

- (1) Manufacturing, selling or distributing alcoholic beverages or
- (2) Serving or furnishing alcoholic beverages with a charge whether or not such activity requires a license and;
- (3) Serving or furnishing of alcoholic beverages without a charge, if a license is required for such activity.

This exclusion does not apply to bodily injury or property damage arising out of the selling, serving or furnishing of alcoholic beverages for an activity or function described in the Schedule of this endorsement.

b. Endorsement

Use Liquor Liability Exclusion and Exception For Scheduled Activities Endorsement **HO 07 54**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

5. Special Coverage – Spoilage Of Perishable Stock

a. Coverage

Provides special coverage for the perishable stock specifically listed in the Schedule of Endorsement **HO 07 55**. The limit of liability is also listed in the endorsement.

b. Premium

- (1) Florists Rate per \$100.....**\$3**
- (2) Other Classes of Business Rate per \$1,000.....**NOT AVAILABLE**

c. Endorsement

Use Special Coverage – Spoilage Of Perishable Stock Endorsement **HO 07 55**.

6. Valuable Papers And Records Endorsements

a. Increased Limits

(1) Coverage

The Home Business Insurance Coverage Endorsement provides a basic limit of \$2,500 for Valuable Papers And Records Coverage. This limit may be increased. The amount is specified in the Schedule of Endorsement **HO 07 56**.

(2) Premium – Rate per \$1,000

- (a) Named Peril Groups Coverage (**HO 00 03, HO 00 04 and HO 00 06**).....**\$2**
- (b) Open Peril Groups Coverage (**HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**)**\$3**

(3) Endorsement

Use Valuable Papers And Records Coverage Increased Limits Endorsement **HO 07 56**.

b. Special Coverage

(1) Coverage

Extends the basic \$2,500 limit of liability for Valuable Papers And Records Coverage from:

- (a) Named-perils in Forms **HO 00 03, HO 00 04 and HO 00 06**; and
- (b) Special coverage in Forms **HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**;

to expanded special coverage. Increased Limits for expanded special coverage are also available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

(2) Premium

(a) First \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$4
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$3
(b) Each Additional \$1,000	
All Forms.....	\$3

(3) Endorsement

Use Special Coverage Valuable Papers and Records Endorsement **HO 07 57**.

7. Off-Premises Property Coverage – Increased Limits

a. Endorsement

Coverage for business property, other than money and securities, that is away from the residence premises at the time of loss may be increased from \$5,000 to \$10,000. Check the appropriate box in the schedule of the Home Business Endorsement.

b. Premium

Rate per \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$37
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$55

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

PART VI

SECTION II – LIABILITY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

RULE 601.

RESIDENCE PREMISES – BASIC AND INCREASED LIMITS/OTHER EXPOSURES – BASIC LIMITS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Residence Premises

1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 301. The Liability and Medical Payments Base Premium includes the premium for \$100,000 Coverage E and \$1,000 Coverage F.

2. Premium – These charges apply only to the liability premium.

Coverage E – Liability			
1 or 2 Family		3 & 4 Family	
Limit	Rate	Limit	Rate
\$ 100,000*	---	\$ 100,000*	---
200,000*	\$ 7	200,000*	\$ 14
300,000	10	300,000	20
400,000	14	400,000	28
500,000	17	500,000	34
600,000	21	600,000	42
700,000	25	700,000	50
800,000	29	800,000	58
900,000	32	900,000	64
1,000,000	35	1,000,000	70
2,000,000	65	2,000,000	130

* Available For All Forms Except HO 00 05

Coverage F – Medical Payments	
Limit	Rate
\$1,000*	---
2,000*	\$ 3
3,000*	6
4,000*	9
5,000	12

* Available For All Forms Except HO 00 05

3. If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

B. Other Exposures

1. There is an additional charge for Other Exposures listed in the following rules.
2. The minimum limits for Other Exposures are the same as the limits for the Residence Premises, unless otherwise stated.
3. For increased limits for Other Exposures, refer to Rules **701.** and **702.**
4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

C. Rates And Factors Not Shown

1. Rates and factors for limits between the lowest and highest limits shown in this Manual may be developed by interpolation.
2. For rates and factors for limits above the highest shown, refer to company.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 602.
OTHER INSURED LOCATION OCCUPIED BY INSURED

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

1. Section II Coverage may be provided on locations, other than the residence premises, where an insured resides, but which are insured for Section I Coverage under another insurance program or by another company.
2. Make the appropriate charge for each Other Insured Location shown in the Declarations of this policy. If the Other Insured Location is in another state, refer to the Manual for that state.

B. Premium

Rate per Residence

One Family.....	\$ 7
Two Family.....	\$14
Three Family.....	\$27
Four Family.....	\$30

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 603.
RESIDENCE EMPLOYEES**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

- A.** There is no additional charge for up to two residence employees.
- B.** Rate per Person In Excess of Two.....**\$ 5**
- C.** Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section **II** of the policy.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 604.
ADDITIONAL RESIDENCE RENTED TO OTHERS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

1. The policy may be endorsed to provide coverage when an additional residence is rented to others.

B. Premium

Rate per Residence

One Family.....	\$ 19
Two Family.....	\$ 29
Three Family.....	\$ 63
Four Family.....	\$ 78

C. Endorsement

Use Additional Residence Rented To Others Endorsement **HO 24 70.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 605.

OTHER STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

1. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
2. Refer to Rule **514.C.** for rating Section I Coverage.

B. Premium

Rate per Structure.....**\$ 19**

C. Endorsement

Use Structures Rented To Others – Residence Premises Endorsement **HO 04 40.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 607.
HOME DAY CARE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for the increased exposure arising from a home day care business on the residence premises.

B. Endorsement

1. Use Home Day Care Coverage Endorsement **HO 04 97** for Sections **I** and **II** Coverage.
2. This endorsement provides for an annual aggregate limit of liability for Coverages **E** and **F** combined. Coverage **F** is subject to a sub-limit of liability which applies per-person/per-accident and does not increase the aggregate limit of liability.
3. The annual aggregate limit of liability (Coverages **E** and **F** combined) for this endorsement is the same as the dollar amount of Coverage **E** shown in the Declarations. The Coverage **F** sublimit for this endorsement is the same as the dollar amount of Coverage **F** shown in the Declaration.

C. Premium

1. 1-3 Persons.....**\$114**
2. This premium is for an annual aggregate limit of \$100,000 with a Coverage **F** sub-limit of \$1,000 per-person/per-accident. If other Section **II** exposures are written for higher dollar limits, use the Coverage **E** increased limit factors to raise the aggregate limit, and the Coverage **F** charges to raise the Coverage **F** sub-limit.
3. This premium is for 1 through 3 persons, other than insured's, receiving day care services. If the day care business involves the care of more than 3 persons, other than insured's, refer to company.
4. If the business is located in an other structure on the residence premises, also refer to Rule **509.** for rating the property exposure.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 608.
PERMITTED INCIDENTAL OCCUPANCIES –
RESIDENCE PREMISES AND OTHER RESIDENCES**

Effective **SEPTEMBER 1, 2010**

For Use in **PG7 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for the increased exposure arising from a permitted incidental occupancy on the residence premises or in an other residence occupied by the insured.

1. Residence Premises

Use Permitted Incidental Occupancies – Residence Premises Endorsement **HO 04 42.**

2. Other Residence

Use Permitted Incidental Occupancies – Other Residence Endorsement **HO 24 43.**

B. Premium

Rate per Residence

1. Residence Premises.....	\$ 17
2. Other Residence.....	\$ 18

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 609.
BUSINESS PURSUITS

Effective **SEPTEMBER 1, 2010**

For Use in **PG5 Rating**

A. Coverage Description

The policy may be endorsed to provide coverage for the liability of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control in the business.

B. Premium

Rate per Insured Person

1. Clerical Employees.....	\$ 5
2. Sales person, Collector or Messenger – Installation, demonstration or servicing operation:	
Included.....	\$ 7
Excluded.....	\$ 5
3. Teachers	
a. Laboratory, athletic, manual or physical training.....	\$ 13
b. Not otherwise classified.....	\$ 6
c. Corporal Punishment (add to 3.a or b.).....	\$ 5

C. Endorsement

Use Business Pursuits Endorsement **HO 24 71**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 610.
PERSONAL INJURY**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

Liability coverage for personal injury to others, such as false arrest, malicious prosecution, wrongful eviction, slander, libel or violations of right of privacy, may be added to the policy.

B. Premium

Rate per policy.....**\$13**

C. Endorsement

Use Personal Injury Endorsement **HO 24 82**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 611.
INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Coverage Description

1. The policy may be endorsed to provide liability coverage for certain types of recreational motor vehicles that cannot exceed a speed of 15 miles per hour on level ground. However, even with the endorsement there is no coverage for such vehicles if, at the time and place of an occurrence, the involved vehicle:
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of an "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. The following may not be covered:
 - a. Motorized bicycles;
 - b. Motorized Golf carts; or
 - c. Mopeds.
3. Read the endorsement for conditions of coverage applying to eligible motor vehicles.

B. Premium

Rate per Conveyance..... **\$ 15**

C. Endorsement

Use Incidental Low Power Recreational Motor Vehicles Endorsement **HO 24 13.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 612.
OUTBOARD MOTORS AND WATERCRAFT

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Introduction

Coverage is included in the policy form, at no additional charge, for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horsepower or less when not owned by an insured or more than 50 horsepower when not owned by or rented to an insured.

B. Coverage Description

1. The policy may be endorsed to provide coverage for the following types of craft:
 - a. Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower; or powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
 - b. Sailboats 26 feet or more in overall length, with or without auxiliary power.
2. Coverage must be written to expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, the navigational period of each year. Premium shall be adjusted on a pro rata basis.
3. For watercraft not described in preceding paragraphs **A.** and **B.1.**, coverage is not permitted under the Homeowners Policy.
4. The premium in the state where the insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the watercraft from that residence, apply the premium for that state.

C. Premium

1. Outboard, Inboard, or Inboard-Outdrive Engines or Motors

	Length	
	Up to 15 Ft.	Over 15 to 26 Feet
Horsepower	Rate	Rate
Up – 50*	\$ 6	\$ 9
51 – 100	9	12
101 – 150	13	16
151 – 200	17	20
Over 200	21	24

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

2. Sailboats With or Without Auxiliary Power

Overall Length/Feet	Rate
26 to 40 feet*	\$ 6
Over 40 feet	9

*Outboard engines or motors of up to 25 horsepower or sailboats less than 26 feet in overall length with or without auxiliary power are covered in the policy form.

D. Endorsement

Use Watercraft Endorsement **HO 24 75**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 613.
OWNED SNOWMOBILE**

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Coverage Description

1. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
2. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.

B. Premium

Rate per snowmobile.....\$ **23**

C. Endorsement

Use Owned Snowmobile Endorsement **HO 24 64.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 614.
FARMERS PERSONAL LIABILITY

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. Eligibility

1. The policy may be endorsed to provide coverage when the insured has a farm away from the residence premises and farming is not the insured's primary occupation.
2. This coverage may be extended to include employer's liability including medical payments, for farm employees of any insured.
3. The following may not be covered:
 - a. Farms where the principal purpose of the farm is:
 - (1) To supply commodities for manufacturing or processing by the insured for sale to others, such as creameries and dairies (but not dairy farms).
 - (2) To operate freezing or dehydrating plants, and poultry factories.

The word "processing" does not apply to the slaughtering and dressing of livestock, or to such operations as bunching vegetables or crating berries.

- b. Farms where the principal purpose of the farm is the raising and using of horses for racing purposes.
- c. Incorporated farms.

B. Endorsement

Use Farmers Personal Liability Endorsement **HO 24 73**.

C. Premium And Rating Instructions

1. Owned And Operated By Insured

a. Initial Farm Premises

Total Acreage

Up to 160.....	\$103
Over 160 – 500.....	\$176
Over 500.....	\$323

b. Add'l rate per **each** add'l farm premises **with** buildings..... **\$ 15**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Owned By Insured And Rented To Others

- a. All Farm Premises **without** buildings..... **\$ 15+**
- b. **Each** farm premises **with** buildings..... **\$ 15+**

+Total all acreage of farms which are owned by the insured and rented to others. Add the following flat charge when total acreage is:

- Over 160 to 500 acres..... **\$ 2**
- Over 500 acres..... **\$ 8**

These charges are **not** subject to increased limits factors.

3. Farm Employees

- a. Per 100 person days or fraction thereof..... **\$ 11**
- b. Each Farm Employee Part Time..... **\$ 13**
- c. Each Farm Employee Full Time..... **\$ 31**

Farm employees employed in violation of law may be excluded subject to the rules and rates filed by or on behalf of the Company. Use Exclusion Of Farm Employees Illegally Employed Endorsement **HO 24 96**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 615.
INCIDENTAL FARMING PERSONAL LIABILITY

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

A. On The Residence Premises

1. Coverage Description

- a. The policy may be endorsed to provide coverage for the liability of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operations is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes.
- b. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals. However, coverage is not available if the residence premises is used for racing purposes.

2. Premium

Farming Done on the Residence Premises.....**\$ 40**

B. Away From The Residence Premises

1. Coverage Description

The policy may be endorsed to provide coverage for the liability of the insured whose incidental farming activities are conducted at the locations specified in the endorsement which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.

2. Premium

Farming Done Away From the Residence Premises.....**\$ 60**

C. Endorsement

Use Incidental Farming Personal Liability Endorsement **HO 24 72.**

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 616.

OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL AND LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COVERAGES

Effective **SEPTEMBER 1, 2010**

For Use in **PG5 Rating**

A. Coverage Outline

1. Basic Limits

When the optional Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement is attached to the policy, limited amounts of insurance are automatically provided as follows:

a. Section I – Property Remediation For Escaped Liquid Fuel Coverage

\$10,000 to pay for loss to covered real or personal property, owned by an insured, that is damaged by liquid fuel that escapes from a fuel system on the residence premises as defined in the coverage endorsements. Covered real property includes land, other than farm land, owned by an insured, on which a building or structure is located.

In addition to the primary residence identified in the policy declarations, the defined term "residence premises" also includes other locations owned by an insured but only if such locations have a fuel system, is specifically insured under Section II of the policy and is declared on the schedule in the aforementioned coverage endorsements. Enter the address of such locations on these endorsements or the policy declarations. The other locations may be owner occupied or rented to others.

This Property Remediation Coverage applies only for the policy period in which the insured first discovers or first learns of the escaped fuel, even if the escape began before that policy period.

b. Section II – Limited Lead And Escaped Liquid Fuel Liability Coverages

\$50,000 to pay for damages because of bodily injury or property damage involving fuel that escapes from a fuel system or involving the contamination or exposure of lead from any location insured under the policy.

2. Premium Credit

Credit not applicable

3. Fuel System

a. "Fuel System" is defined in the coverage endorsements. Briefly, it includes one or more fuel storage containers, tanks, or vessels with a total combined capacity of 100 or more U.S. gallons at any one location and any related equipment such as a furnace, a water heater, fittings and pipes connecting a furnace or water heater to the fuel storage tank, and filler pipes and flues connected to a fuel storage tank.

b. When the total combined storage capacity of liquid fuel at any insured location is less than 100 U.S. gallons, the:

(1) Property Remediation Coverage does not apply to that location; and

(2) Policy limits and provisions apply for Escaped Liquid Fuel Liability to that location.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

4. Endorsements

a. Use Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement:

(1) **HO 05 80** – For all forms other than **HO 00 04** and **HO 00 06**.

(2) **HO 05 81** – For Form **HO 00 04**.

(3) **HO 05 82** – For Form **HO 00 06**.

b. These endorsements provide complete details on coverages, limitations, definitions and additional policy conditions applicable to this coverage. Enter the limits of liability that apply to the Property Remediation Coverage and the Limited Liability Coverage on the endorsement. Also enter, on this endorsement, the address of any other location, other than the primary residence, to be insured for Property Remediation Coverage.

c. Do not use these endorsements when Farmers Personal Liability Endorsement **HO 24 73** is part of the policy.

B. Higher Limits

1. Section I – Property Remediation Coverage

a. Limits may be increased to \$25,000, \$50,000 or \$100,000. The limit selected is entered on the coverage endorsements or the policy declarations.

b. Refer to Paragraph **D. Rating Basis**, for premium computation instructions.

2. Section II – Escaped Fuel And Lead Liability Coverage

a. Limits may be increased to \$100,000 or \$300,000. The limit selected is entered on the coverage endorsements or the policy declarations.

b. Refer to Paragraph **D. Rating Basis**, for premium computation instructions.

3. Rating Information For Property Remediation For Escaped Liquid Fuel And Limited Lead And Escaped Liquid Fuel Liability Coverages Endorsement HO 05 83

Attach this optional endorsement to the policy and enter the applicable Risk Class Numbers on the policy declarations. If the insurer shows this rating information elsewhere in the policy, this endorsement does not have to be used.

C. Application Of Limits Of Liability

1. For Property Remediation Coverage, the limit selected is the most coverage that will be provided during the policy period regardless of the number of locations insured for Property Remediation Coverage, the number of escapes of liquid fuel from a fuel system an insured first discovers or learns of during the policy period, or the number of claims made.

2. For Limited Lead And Escaped Liquid Fuel Liability Coverage, the limit selected is an aggregate limit and is the most coverage that will be provided during the policy period regardless of the number of persons injured, the number of persons whose property is damaged, the number of insureds, the number of locations insured under this policy or the number of bodily injury or property damage claims made.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

D. Rating Basis

1. Property Remediation For Escaped Liquid Fuel Coverage

a. From the Liquid Fuel Risk Selection Table located in Paragraph **D.4.**, select:

- (1) The liquid fuel risk description that best describes each location, **with or without** a dwelling building, insured for Property Remediation Coverage; and
- (2) The corresponding Risk Class Number for each description identified.

b. Use the lowest Risk Class Number selected for all such locations.

2. Limited Lead And Escaped Liquid Fuel Liability Coverages

a. Liquid Fuel Hazard

(1) From the Liquid Fuel Risk Selection Table located in Paragraph **D.4.**, select:

- (a) The liquid fuel risk description that best describes each location, **with or without** a dwelling building, insured under Section **II** of the policy; and
- (b) The corresponding Risk Class Number for each description identified.

(2) Use the lowest Risk Class Number selected for all such locations.

b. Lead Hazard

(1) From the Lead Risk Selection Table in Paragraph **D.5.**, select:

- (a) The lead risk description that best describes each location **with a dwelling building**, insured under Section **II** of the policy; and
- (b) The corresponding Risk Class Number for each description identified.

(2) Use the lowest Risk Class Number selected for all such locations.

3. Premium Selection

a. Escaped Liquid Fuel Remediation Coverage

Liquid Fuel Risk Class Number	Limit of Liability		
	\$25,000	\$50,000	\$100,000
100	\$ 51	\$130	\$255
200	17	43	85

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Lead and Escaped Liquid Fuel Liability Coverage

(1) No Insured Location Has a Home Day Care Business

Lead Risk Class No.	Liquid Fuel Risk Class 100		Liquid Fuel Risk Class 200		Liquid Fuel Risk Class 300	
	\$100,000	\$300,000	\$100,000	\$300,000	\$100,000	\$300,000
500	\$ 88	\$ 193	\$ 38	\$ 71	\$ 26	\$ 41
600	75	172	25	51	13	20
700	75	172	25	51	13	20

(2) One or More Insured Locations Have a Home Day Care Business

Multiply the premium charge selected in **D.b.(1)** by a factor of **2.00**.

4. Liquid Fuel Risk Selection Table

Description	Risk Class No.
<p>1) Liquid fuel storage containers, tanks, or vessels with a total combined storage capacity, at any one location, of 100 U.S. gallons or more are on covered real property, the location of the residence premises, or on any other insured location; and</p> <p>(a) One or more fuel storage containers, tanks, or vessels are partially or completely buried below ground (inside or outside of a building or structure);</p> <p>(b) Are all completely above ground (inside or outside of a building or structure); or</p> <p>(2) No single location insured under this policy has an escaped fuel hazard described in preceding Items (1)(a) or (b).</p>	<p>100</p> <p>200</p> <p>*300</p>
<p>*This risk class number is only used when lead and escaped fuel liability increased limits is selected.</p>	

Table 616.D.4. Liquid Fuel Risk Selection

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

5. Lead Risk Selection Table

Location Has A Dwelling Built	All Such Locations Are Certified Lead Safe+	Risk Class Number
Before 1980	No or Unknown	500
Before 1980	Yes	600
In 1980 or later	Not Applicable	700
+See Paragraph D.6. for Lead Safe description.		

Table 616.D.5. Lead Risk Selection

6. Lead Safe

a. Description

For the purpose of using the Lead Risk Selection Table, a location certified lead safe means that an authorized person has conducted a risk assessment in all insured locations with dwellings to determine the amount of lead, if any, in paint, dust, bare soil and drinking water and has certified that such locations meet the criteria noted in Paragraph **b.** Standards, that follows. The insurer may require a copy of the inspection report including laboratory results.

b. Standards

- (1)** The lead content of exterior and interior paint or other surface coating applied to dwelling buildings, other structures and fixtures is less than:
 - (a)** 1.0 milligrams per square centimeter based on testing by XRF analysis; or
 - (b)** .5% of lead by weight based on testing by atomic absorption lab analysis.
- (2)** The amount of lead in interior dust particles in the dwelling building is equal to or less than:
 - (a)** 100 micrograms per square foot on uncarpeted floors;
 - (b)** 500 micrograms per square foot on interior window sills; or
 - (c)** 800 micrograms per square foot on window troughs (wells).
- (3)** The lead concentration in bare soil is less than 400 parts per million in any area expected to be used by children.
- (4)** The lead concentration in drinking water is less than 0.015 milligrams per liter.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

c. Authorized Person

For the purposes of this rule, an authorized person means:

- (1) A lead inspector, lead technician, lead risk assessor or another similarly titled person who is trained under an accredited training program and certified by an approving authority; or
- (2) A person otherwise found acceptable to the insurer;
to perform lead risk assessments in residential buildings.

d. Lead Risk Assessment

For the purposes of this rule, a lead risk assessment of a residential building consists of:

- (1) The testing of paint either through use of on site testing equipment such as XRF analyzers or the collection of samples of paint for analysis by a recognized environmental laboratory; and
- (2) The collection of samples of dust, soil and water for analysis by a recognized environmental laboratory.

e. Recognized Environmental Laboratory

For the purposes of this rule, a Recognized Environmental Laboratory is a laboratory:

- (1) Recognized by the U.S. Environmental Protection Agency or otherwise found acceptable by the insurer, as being capable of performing an analysis for lead compounds in paint, soil and dust; and
- (2) Certified by the U.S. Environmental Protection Agency or a state authority as being capable of performing an analysis of the lead concentration in drinking water as specified under Federal regulations.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 702. OTHER EXPOSURES – MEDICAL PAYMENTS TO OTHERS INCREASED LIMITS

Effective **SEPTEMBER 1, 2010**

For Use in PG5 Rating

**Basic
Limit
Rule#**

Coverage F – Medical Payments	\$2,000*	\$3,000*	\$4,000*	\$5,000*
524. Other Members of an Insured’s Household		NOT AVAILABLE		
526. Residence Held in Trust All Forms		NOT AVAILABLE		
Except HO 00 04	\$ 1	\$ 2	\$ 3	\$ 4
527. Student Away From Home		NOT AVAILABLE		
602. Other Insured Locations Occupied By Insured	1	2	3	4
603. Residence Employees	1	2	3	4
604. Add’l Residence Rented to Others	1	2	3	4
605. Other Structures Rented to Others – Residence Premises	1	2	3	4
606. Computer Related Damage or Injury Exclusion and Coverage Options		NOT AVAILABLE		
607. Home Day Care Coverage	5	10	15	19
608. Permitted Incidental Occupancies				
1. Residence Premises	5	10	15	19
2. Other Residence	3	6	9	11
609. Business Pursuits				
1. Clerical Employees	1	2	3	4
2. Salesperson, Installation, etc. Included or Excluded	1	2	3	4
3. Teachers				
a. Lab, etc	2	4	6	7
b. Not otherwise classified	1	2	3	4
c. Corporal Punishment	MEDICAL PAYMENTS NOT AVAILABLE			
611. Incidental Motorized Land Conveyances	1	2	3	4

*Not Available For Form **HO 00 05**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

Basic Limit Rule#	Coverage F – Medical Payments	\$2,000*	\$3,000*	\$4,000*	\$5,000*
612.	Outboard Motors and Watercraft				
	1.Outboard, Inboard or Inboard-Outboard Engines or Motors				
	a) <u>Up to 15 feet:</u>				
	Up to 50 hp.	3	6	9	11
	51 to 100 hp	4	8	12	14
	101 to 150 hp.	6	12	18	21
	151 to 200 hp.	10	20	30	35
	Over 200 hp.	16	32	48	56
	b) <u>Over 15 to 26 feet:</u>				
	Up to 50 hp	4	8	12	14
	51 to 100 hp.	6	12	18	21
	101 to 150 hp.	8	16	24	28
	151 to 200 hp.	12	24	36	42
	Over 200 hp.	18	36	54	63
	2. Sailboats, with or without auxiliary power				
	26 to 40 feet	3	6	9	11
	Over 40 feet	6	12	18	21
613.	Owned Snowmobile	1	2	3	4
614.	Farmers Personal Liability				
	1. Owned & Operated				
	a. Initial Farm incl'g all add'l acreage	3	6	9	11
	b. Each add'l farm with buildings	1	2	3	4
	2. Owned & Rented				
	a. All farms without buildings	1	2	3	4
	b. Each farm with buildings	1	2	3	4
	3. Farm Employees	1	2	3	4
615.	Incidental Farming Personal Liability	1	2	3	4

*Not Available For Form **HO 00 05**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE A.2
WOOD ROOF SURCHARGE**

Effective SEPTEMBER 1, 2010

For Use in PG1 and PG3 Rating Only

Forms HO 00 03 or HO 00 05

A premium surcharge will apply to all dwellings with wood roofs. A wood roof is defined as a roof with wood shakes or wood shingles. If the roof of the dwelling is composed of mixed types, it shall be classified according to the predominant type of roof construction. To compute the surcharge, multiply the Adjusted Base Premium by .15.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE A.3
IDENTITY FRAUD EXPENSE COVERAGE

Effective SEPTEMBER 1, 2010

For Use in PG4 Rating

A. Coverage Description

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, \$15,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity fraud first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

B. Limits Of Liability

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period.

C. Premium Computation

Limit of Liability	Rate
\$15,000	\$20

D. Endorsements

1. Use Identity Fraud Expense Coverage Endorsement **HO 04 55**.
2. This endorsement provides complete details on coverages, definitions and additional policy conditions applicable to this coverage.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE A.5

AGE OF HOME/REMODELED HOME RATING FACTORS

Effective SEPTEMBER 1, 2010

Forms HO 00 03 or HO 00 05

The amount of credit shall be determined by applying the factor below to the base premium.

Dwelling Age	Rating Factor
0-2	0.65
3	0.69
4	0.73
5	0.77
6	0.81
7	0.85
8	0.88
9-40	0.90
41-60	0.95
Over 60	1.00

A premium credit will apply to all dwellings that meet either of the following criteria:

1. All dwellings age 60 years and under. The age of the dwelling will be determined by subtracting the year construction was completed from the year of policy inception.
2. Any residence regardless of age that was remodeled during the past sixty years and meets the criteria below. The credit will be effective from the date when all criteria is completed. The sixty year period will commence from the date when the first remodeling criteria was completed.

The remodeling included roof, electric wiring, plumbing and heating. In order to qualify, the upgrades must meet building code standards. In addition, a satisfactory municipal building inspection must have been completed.

3. These rating factors do not apply to:

- Policies with Special Loss Settlement Endorsement **HO 04 56**.
- Additional premiums for optional or additional coverages.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE A.6
MULTI - LINE DISCOUNT**

Effective SEPTEMBER 1, 2010

All Forms

The homeowner's policy premium shall be reduced if a policyholder has both an automobile and homeowner's policy with Amica or if a policyholder has an automobile, homeowners and personal umbrella policy with Amica. To compute the discount, multiply the premiums by peril, by the following:

Coverage	Dwelling Forms	Contents Forms
Homeowners and Automobile Policy	15%	10%

The discount factors will also apply to any miscellaneous premiums, sump endorsement premiums and earthquake premiums. The factors do not apply to Scheduled Personal Property.

Coverage	Dwelling Forms	Contents Forms
Homeowners, Automobile and Personal Umbrella Policy	Additional 3% Subject to a maximum credit per peril: PG3\$25 PG130 PG245 PG45 PG55 PG65	Additional 3% (No maximum applies)

This applies separately to each of the rating by peril groups 1 through 6.
 This does not apply to any individual premium endorsements.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.7
SECONDARY HOME CHARGE

Effective SEPTEMBER 1, 2010

All Forms

A premium charge will apply to all dwellings classified as seasonal or secondary homes. To compute the charge, multiply the Adjusted Base Premium By Peril Group by **.10**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.10
NON-DIVIDEND ENDORSEMENT

Effective SEPTEMBER 1, 2010

The policy may be endorsed to reflect that the policyholder shall not be eligible to receive any dividends declared.

1. Develop the **BASE PREMIUM BY PERIL GROUP** in accordance with **Rule 301**.
2. Multiply the above result by **.795**.
3. Additional charges or credits calculated as a percentage of the **BASE PREMIUM** should be calculated using the **ADJUSTED BASE PREMIUM** resulting from Step 2 above. Dollar charges or credits, which are displayed in the manual, should be multiplied by **.795**.
4. Use Endorsement **AM 00 18**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.11
MAXIMUM CREDIT

Effective SEPTEMBER 1, 2010

Each peril group is subject to a maximum credit of 50% resulting from the sum of the credits from the following:

Rule 401. Superior Construction and **Rule 404.** Protective Devices.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Rule A.12

HOMEOWNERS RISK FACTOR RULE (HRF)

Effective SEPTEMBER 1, 2010

Applicable for All Forms

1. Develop the BASE PREMIUM in accordance with Rule 301.
2. Multiply the above result for each peril group by the applicable HRF.
 - (a) Credit Factor (Table A)
 - i. The Insurance Bureau Score is determined at the time of application or during the preparation of renewal.
 - ii. For new business, select the current credit factor from Table A.
 - iii. For renewal business, the renewal credit factor is equal to:
 - a. For policies effective September 1, 2009 through August 31, 2010, the average of the current credit factor from Table A and the credit factor underlying the expiring policy.
 - b. For policies effective September 1, 2010 and later, use the average of the current credit factor from Table A and unadjusted factor associated with the credit score underlying the expiring policy.
 - c. The maximum renewal credit factor = 1.1 x prior factor (roundest to the nearest 0.001)
 - iv. A factor of 1.000 is used in the above calculations for situations involving a No Hit or Thin File.

(b) Claims Factor (Table B)

- i. A claim considered to be a Qualified Claim must meet the following criteria:
 - The claim must have an occurrence date within the experience period as defined below.
 - The associated claim file must be closed with no subrogation monies received.
 - Loss payments associated with the claim must exceed **\$500**.
 - The claim must not be the result of a catastrophe or other weather related event.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

- All losses with an associated ISO Cat Code occurring on or after September 1, 2009 are excluded.

- ii. The Experience Period used to determine eligibility in the “No Qualified Claims in Three, Four or Five Years” classification group is defined as the three, four or five years immediately preceding the two months prior to the effective month of the policy. The Experience Period used to determine eligibility in the remaining classification groups is defined as the three years immediately preceding the two months prior to the effective month of the policy.

- (c) Longevity Factor (Table C)
 - i. The Number of Years Insured is defined as the number of consecutive years the policyholder has maintained an Amica Homeowner policy without an interruption of more than one year.

- (d) Total HRF is a product of the credit, claims and longevity factors rounded to the nearest .001.

- 3. Additional charges or credits calculated as a percentage of the BASE PREMIUM should be calculated using the ADJUSTED BASE PREMIUM resulting from Step 2 above. Dollar charges or credits, which are displayed in the manual, should be multiplied by the HRF determined in Step 2 above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table A: Credit Factor Table

IBS	Factor	IBS	Factor								
700	1.950	734	1.210	768	1.070	802	0.990	836	0.930	870	0.870
701	1.850	735	1.210	769	1.070	803	0.980	837	0.930	871	0.870
702	1.760	736	1.210	770	1.060	804	0.980	838	0.930	872	0.870
703	1.700	737	1.200	771	1.060	805	0.980	839	0.930	873	0.870
704	1.650	738	1.190	772	1.060	806	0.980	840	0.930	874	0.870
705	1.610	739	1.190	773	1.060	807	0.980	841	0.920	875	0.870
706	1.580	740	1.180	774	1.050	808	0.980	842	0.920	876	0.870
707	1.550	741	1.180	775	1.050	809	0.980	843	0.920	877	0.870
708	1.520	742	1.170	776	1.050	810	0.980	844	0.920	878	0.860
709	1.500	743	1.160	777	1.040	811	0.970	845	0.920	879	0.860
710	1.480	744	1.160	778	1.040	812	0.970	846	0.910	880	0.860
711	1.460	745	1.160	779	1.040	813	0.970	847	0.910	881	0.860
712	1.440	746	1.150	780	1.040	814	0.960	848	0.910	882	0.860
713	1.420	747	1.150	781	1.030	815	0.960	849	0.910	883	0.860
714	1.400	748	1.140	782	1.030	816	0.960	850	0.910	884	0.860
715	1.390	749	1.140	783	1.030	817	0.960	851	0.900	885	0.860
716	1.380	750	1.140	784	1.030	818	0.960	852	0.900	886	0.860
717	1.360	751	1.130	785	1.020	819	0.960	853	0.900	887	0.860
718	1.350	752	1.130	786	1.020	820	0.960	854	0.900	888	0.860
719	1.340	753	1.120	787	1.020	821	0.950	855	0.900	889	0.850
720	1.330	754	1.120	788	1.010	822	0.950	856	0.900	890	0.850
721	1.320	755	1.120	789	1.010	823	0.950	857	0.890	891	0.850
722	1.310	756	1.110	790	1.010	824	0.950	858	0.890	892	0.850
723	1.300	757	1.110	791	1.010	825	0.950	859	0.890	893	0.850
724	1.290	758	1.110	792	1.000	826	0.950	860	0.890	894	0.850
725	1.280	759	1.100	793	1.000	827	0.950	861	0.890	895	0.850
726	1.280	760	1.100	794	1.000	828	0.940	862	0.890	896	0.850
727	1.270	761	1.100	795	1.000	829	0.940	863	0.890	897	0.850
728	1.260	762	1.090	796	1.000	830	0.940	864	0.880	898	0.850
729	1.250	763	1.090	797	1.000	831	0.940	865	0.880	899	0.850
730	1.240	764	1.090	798	0.990	832	0.940	866	0.880	900+	0.790
731	1.230	765	1.080	799	0.990	833	0.930	867	0.880		
732	1.230	766	1.080	800	0.990	834	0.930	868	0.880		
733	1.220	767	1.080	801	0.990	835	0.930	869	0.870		

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

Table B: Claims Factor Table

Claims Free 5 Years	0.950
Claims Free 4 Years	0.970
Claims Free 3 Years	0.990

<u>Longevity</u>	1 Claim in 3 Years Months Since Last Claim		
	<u>0-11</u>	<u>12-23</u>	<u>24-35</u>
0	1.170	1.150	1.135
1	1.165	1.150	1.130
2	1.160	1.145	1.130
3	1.155	1.140	1.125
4	1.150	1.135	1.120
5	1.145	1.130	1.115
6	1.140	1.125	1.110
7	1.135	1.120	1.105
8	1.130	1.115	1.105
9	1.125	1.110	1.100
10	1.120	1.105	1.095
11	1.115	1.105	1.090
12	1.110	1.100	1.085
13	1.105	1.095	1.085
14	1.100	1.090	1.080
15	1.095	1.085	1.075
16	1.090	1.080	1.070
17	1.085	1.075	1.065
18	1.080	1.070	1.065
19	1.075	1.065	1.060
20+	1.070	1.060	1.055

*For each claim in addition to one, add 0.430 to the one claim factor in table above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table C: Longevity Factor Table

<u>Years Insured</u>	<u>Factor</u>
New Business	1.000
1	1.000
2	1.000
3	0.980
4	0.965
5	0.950
6	0.935
7	0.920
8	0.910
9+	0.895

Includes Copyrighted Material Of Insurance Services Office, Inc., With Its Permission
Copyright, Insurance Services Office, Inc., 2001, 2002, 2003

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.13
HOMEOWNERS PREMIUM CALCULATION TABLES

Effective SEPTEMBER 1, 2010

The Base Premium by Peril Group is calculated according to Rule **301**. The application of additional charges and credits are summarized in the following tables:

Table A – Rate Order of Calculation – Forms **HO 00 03** and **HO 00 05**

Table B – Rate Order of Calculation – Form **HO 00 04**

Table C – Rate Order of Calculation – Form **HO 00 06**

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Dwelling Forms

	Rating Formulas	PG1	PG2	PG3	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	
4	x Prot-Constr Factor			x Prot-Constr Factor				
5	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor		x Cov A/Ded Factor	
6	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
7	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law						
8	+ Repl Cost Loss Settle (BP * ReplCost)	+ Repl Cost Loss Settle	+ Repl Cost Loss Settle	+ Repl Cost Loss Settle			+ Repl Cost Loss Settle	
9								
10	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
11	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
12a	+ Protective Device Credit* (ABP * ProtDev)			+ Protective Device Credit*	+ Protective Device Credit*			
12b	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit*				
12c	+ Age of Home/Remodeled (ABP * AgeHome)	+ Age of Home/Remodeled						
12d	+ BCEG (BCP * 5 * 10 * 11 * BCEG)	+ BCEG						
13	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge						
14	+ Platinum Charge (10 * 11 * PlatChrg)		+ Platinum Charge		+ Platinum Charge		+ Platinum Charge	
15	+ Incr Covg E/F (10 * 11 * IncrE/F)					+ Incr Covg E/F		
16	+ Incr Covg C (10 * 11 * IncrC)							+ Incr Covg C
17	+ Incr Covg D (10 * 11 * IncrD)							+ Incr Covg D
18	+ Townhouse Prem (ABP * Townhouse)			+ Townhouse Prem				
19	+ Inflation Guard Premium (ABP * InflGuard)	+ Inflation Guard Premium		+ Inflation Guard Premium				
20	+ Personal Prop Repl Cost (ABP * ReplCost)	+ Personal Prop Repl Cost		+ Personal Prop Repl Cost				
21	+ Wood Roof Surcharge (ABP * Wood Roof)	+ Wood Roof Surcharge	+ Wood Roof Surcharge	+ Wood Roof Surcharge			+ Wood Roof Surcharge	
22	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
23	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
24	+ Ann. Other Premium***	+Endorse PG1 ***	+Endorse PG2 ***	+Endorse PG3 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***	+Endorse PG7 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
25	+ PAF Premium							+ PAF Premium
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

*Combine credits from 12a-12b. Maximum total credit of 50% applies.

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Tenants Form

	PG1	PG2	PG3	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor		x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor			x Cov C/Ded Factor
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law			+ Ordinance/Law
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop		+ Spec Pers Prop			
7							
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem
10a	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit			
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG					
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Sec/Seas Charge					
12	+ Incr Covg E/F (8 * 9 * IncrEF)				+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)						+ Incr Covg D
14	+ Personal Prop Repl Cost (ABP * ReplCost)	+Personal Prop Repl Cost		+Personal Prop Repl Cost			
15	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
16	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**
17	+ Ann. Other Premium ***	+Endorse PG1 ***	+Endorse PG2 ***	+Endorse PG3 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
18	+ PAF Final Prem						+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Condominium Form

	Rating Formulas	PG1	PG2	PG3	PG4	PG5	PG6	PG7
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor			x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor		x Cov C/Ded Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law		+ Ordinance/Law	
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop		+ Spec Pers Prop				
7								
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
10a	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit*				
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG						
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge						
12	+ Incr Covg E/F (8 * 9 * IncrEF)					+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)							+ Incr Covg D
14	+ Incr Covg A (8 * 9 * IncrAChrg)							+ Incr Covg A
15	+ Personal Prop Repl Cost (ABP * ReplCost)	+ Personal Prop Repl Cost		+ Personal Prop Repl Cost				
16	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
17	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
18	+ Ann. Other Premium ***	+Endorse PG1 ***	+Endorse PG2 ***	+Endorse PG3 ***	+Endorse PG4 ***	+Endorse PG5 ***	+Endorse PG6 ***	+Endorse PG7 ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
19	+ PAF Final Prem							+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL
TERRITORY PAGES

Effective **SEPTEMBER 1, 2010**

1. Territory Assignment

- a. As ZIP code boundaries are changed by the United States Postal Service (USPS), a new ZIP code may be created. This new ZIP code may not yet be listed below. If this is the case, use the rating territory that corresponds to the ZIP code that formerly applied to the risk.
- b. Future USPS ZIP code changes will be reflected in ISO's territory definitions in accordance with the ISO ZIP Code Territory maintenance procedures on file with the Insurance Department. Manual pages will be updated on a regular basis to reflect future ZIP code changes.

2. TERRITORY DEFINITIONS – (For all Coverages and Perils Other Than Earthquake).

A. Cities

City of	County of	Code
Cherokee Village	Fulton	733
Little Rock	Pulaski	30
No. Little Rock	Pulaski	30

B. Other Than Cities

County of	Code
Arkansas	133
Ashley	997
Baxter	633
Benton	633
Boone	633
Bradley	997
Calhoun	997
Carroll	633
Chicot	997
Clark	133
Clay	533
Cleburne	733
Cleveland	997
Columbia	997
Conway	133
Craighead	233
Crawford	998
Crittendon	233
Cross	533
Dallas	997

Desha	997
Drew	133
Faulkner	133
Franklin	998
Fulton (Excluding Cherokee Village)	998
Garland	733
Grant	133
Greene	533
Hempstead	997
Hot Spring	133
Howard	133
Independence	733
Izard	998
Jackson	533
Jefferson	32
Johnson	998
Lafayette	997
Lawrence	533
Lee	533
Lincoln	133
Little River	133
Logan	733
Lonoke	133
Madison	633
Marion	633
Miller	997
Mississippi	533
Monroe	999
Montgomery	133
Nevada	997
Newton	998
Ouachita	997
Perry	133
Phillips	133
Pike	133
Poinsett	533
Polk	997
Pope	733
Prairie	999
Pulaski	31
Randolph	533
St. Francis	533
Saline	733
Scott	133
Searcy	998
Sebastian	998
Sevier	997
Sharp	733
Stone	998

Union	997
Van Buren	733
Washington	633
White	999
Woodruff	999
Yell	733

3. TERRITORY DEFINITIONS – EARTHQUAKE

A. ZIP Code Based Territories

ZIP CODES/TERRITORIES IN NUMERICAL ORDER BY ZIP CODE

<u>ZIP Code</u>	<u>USPS ZIP Code Name</u>	<u>EQ Territory</u>
71601	Pine Bluff	7
71602	Pine Bluff	8
71603	Pine Bluff	8
71611	Pine Bluff	7
71613	Pine Bluff	8
71630	Arkansas City	7
71631	Banks	8
71635	Crossett	8
71638	Dermott	7
71639	Dumas	7
71640	Eudora	7
71642	Fountain Hill	8
71643	Gould	7
71644	Grady	7
71646	Hamburg	8
71647	Hermitage	8
71651	Jersey	8
71652	Kingsland	8
71653	Lake Village	7
71654	McGehee	7
71655	Monticello	8
71656	Monticello	8
71658	Montrose	7
71659	Moscow	7
71660	New Edinburg	8
71661	Parkdale	7
71662	Pickens	7
71663	Portland	7
71665	Rison	8
71666	McGehee	6
71667	Star City	7
71670	Tillar	7
71671	Warren	8
71674	Watson	6

71675	Wilmar	8
71676	Wilmot	7
71677	Winchester	7
71678	Yorktown	7
71701	Camden	8
71720	Bearden	8
71721	Beirne	8
71722	Bluff City	8
71724	Calion	8
71725	Carthage	8
71726	Chidester	8
71728	Curtis	8
71730	El Dorado	8
71731	El Dorado	8
71740	Emerson	8
71742	Fordyce	8
71743	Gurdon	8
71744	Hampton	8
71745	Harrell	8
71747	Huttig	8
71748	Ivan	8
71749	Junction City	8
71750	Lawson	8
71751	Louann	8
71752	Mc Neil	8
71753	Magnolia	8
71758	Mount Holly	8
71762	Smackover	8
71763	Sparkman	8
71764	Stephens	8
71765	Strong	8
71766	Thornton	8
71768	Urbana	8
71770	Waldo	8
71772	Whelen Springs	8
71801	Hope	8
71802	Hope	8
71820	Alleene	8
71822	Ashdown	8
71823	Ben Lomond	8
71825	Blevins	8
71826	Bradley	8
71827	Buckner	8
71828	Cale	8
71831	Columbus	8
71832	De Queen	8
71833	Dierks	8
71834	Doddridge	8
71835	Emmet	8
71836	Foreman	8

71837	Fouke	8
71838	Fulton	8
71839	Garland City	8
71840	Genoa	8
71841	Gillham	8
71842	Horatio	8
71845	Lewisville	8
71846	Lockesburg	8
71847	McCaskill	8
71851	Mineral Springs	8
71852	Nashville	8
71853	Ogden	8
71854	Texarkana	8
71855	Ozan	8
71857	Prescott	8
71858	Rosston	8
71859	Saratoga	8
71860	Stamps	8
71861	Taylor	8
71862	Washington	8
71864	Willisville	8
71865	Wilton	8
71866	Winthrop	8
71901	Hot Springs National Park	8
71902	Hot Springs National Park	8
71903	Hot Springs National Park	8
71909	Hot Springs Village	8
71910	Hot Springs Village	8
71913	Hot Springs National Park	8
71914	Hot Springs National Park	8
71920	Amity	8
71921	Amity	8
71922	Antoine	8
71923	Arkadelphia	8
71929	Bismarck	8
71932	Board Camp	8
71933	Bonnerdale	8
71935	Caddo Gap	8
71937	Cove	8
71940	Delight	8
71941	Donaldson	8
71942	Friendship	8
71943	Glenwood	8
71944	Grannis	8
71945	Hatfield	8
71949	Jessieville	8
71950	Kirby	8
71952	Langley	8
71953	Mena	8
71956	Mountain Pine	8

71957	Mount Ida	8
71958	Murfreesboro	8
71959	Newhope	8
71960	Norman	8
71961	Oden	8
71962	Okolona	8
71964	Pearcy	8
71965	Pencil Bluff	8
71968	Royal	8
71969	Sims	8
71970	Story	8
71971	Umpire	8
71972	Vandervoort	8
71973	Wickes	8
71998	Arkadelphia	8
71999	Arkadelphia	8
72001	Adona	8
72002	Alexander	8
72003	Almyra	8
72004	Alzheimer	7
72005	Amagon	7
72006	Augusta	6
72007	Austin	8
72010	Bald Knob	6
72011	Bauxite	8
72012	Beebe	8
72013	Bee Branch	8
72014	Beedeville	7
72015	Benton	8
72016	Bigelow	8
72017	Biscoe	7
72018	Benton	8
72019	Benton	8
72020	Bradford	7
72021	Brinkley	7
72022	Bryant	8
72023	Cabot	8
72024	Carlisle	7
72025	Casa	8
72026	Casscoe	7
72027	Center Ridge	8
72028	Choctaw	8
72029	Clarendon	7
72030	Cleveland	8
72031	Clinton	8
72032	Conway	8
72033	Conway	8
72035	Conway	8
72036	Cotton Plant	7
72037	Coy	7

72038	Crocketts Bluff	7
72039	Damascus	8
72040	Des Arc	7
72041	De Valls Bluff	7
72042	De Witt	7
72043	Diaz	7
72044	Edgemont	8
72045	El Paso	8
72046	England	7
72047	Enola	8
72048	Ethel	6
72051	Fox	8
72052	Garner	7
72053	College Station	7
72055	Gillett	7
72057	Grapevine	8
72058	Greenbrier	8
72059	Gregory	6
72060	Griffithville	7
72063	Hattieville	8
72064	Hazen	7
72065	Hensley	7
72066	Hickory Plains	7
72067	Higden	8
72068	Higginson	7
72069	Holly Grove	7
72070	Houston	8
72072	Humnoke	7
72073	Humphrey	7
72074	Hunter	7
72075	Jacksonport	7
72076	Jacksonville	8
72078	Jacksonville	8
72079	Jefferson	8
72080	Jerusalem	8
72081	Judsonia	8
72082	Kensett	7
72083	Keo	7
72084	Leola	8
72085	Letona	8
72086	Lonoke	7
72087	Lonsdale	8
72088	Fairfield Bay	8
72089	Bryant	8
72099	Little Rock Air Force Base	8
72101	McCrary	7
72102	McRae	8
72103	Mabelvale	8
72104	Malvern	8
72105	Jones Mills	8

72106	Mayflower	8
72107	Menifree	8
72108	Monroe	7
72110	Morrilton	8
72111	Mount Vernon	8
72112	Newport	7
72113	Maumelle	8
72114	North Little Rock	7
72115	North Little Rock	7
72116	North Little Rock	7
72118	North Little Rock	8
72119	North Little Rock	7
72120	Sherwood	7
72121	Pangburn	8
72122	Paron	8
72123	Patterson	7
72124	North Little Rock	7
72125	Perry	8
72126	Perryville	8
72127	Plumerville	8
72128	Poyen	8
72129	Prattsville	8
72130	Prim	8
72131	Quitman	8
72132	Redfield	8
72133	Reydell	7
72134	Roe	7
72135	Roland	8
72136	Romance	8
72137	Rose Bud	8
72139	Russell	6
72140	Saint Charles	7
72141	Scotland	8
72142	Scott	7
72143	Searcy	8
72145	Searcy	8
72149	Searcy	8
72150	Sheridan	8
72152	Sherrill	7
72153	Shirley	8
72156	Solgohachia	8
72157	Springfield	8
72160	Stuttgart	7
72164	Sweet Home	7
72165	Thida	7
72166	Tichnor	7
72167	Traskwood	8
72168	Tucker	7
72169	Tupelo	7
72170	Ulm	7

72173	Vilonia	8
72175	Wabbaseka	7
72176	Ward	7
72178	West Point	8
72179	Wilburn	8
72180	Woodson	7
72182	Wright	7
72183	Wrightsville	7
72190	North Little Rock	7
72199	North Little Rock	8
72201	Little Rock	7
72202	Little Rock	7
72203	Little Rock	7
72204	Little Rock	8
72205	Little Rock	8
72206	Little Rock	7
72207	Little Rock	8
72209	Little Rock	8
72210	Little Rock	8
72211	Little Rock	8
72212	Little Rock	8
72214	Little Rock	8
72215	Little Rock	8
72216	Little Rock	7
72217	Little Rock	7
72219	Little Rock	8
72221	Little Rock	8
72222	Little Rock	8
72223	Little Rock	8
72225	Little Rock	8
72227	Little Rock	8
72295	Little Rock	7
72301	West Memphis	2
72303	West Memphis	2
72310	Armored	1
72311	Aubrey	7
72312	Barton	6
72313	Bassett	1
72315	Blytheville	2
72316	Blytheville	2
72319	Gosnell	2
72320	Brickeys	5
72321	Burdette	2
72322	Caldwell	6
72324	Cherry Valley	6
72325	Clarkedale	2
72326	Colt	6
72327	Crawfordsville	4
72328	Crumrod	6

72329	Driver	1
72330	Dyess	3
72331	Earle	2
72333	Elaine	7
72335	Forrest City	6
72336	Forrest City	6
72338	Frenchmans Bayou	1
72339	Gilmore	2
72340	Goodwin	7
72342	Helena	6
72346	Heth	4
72347	Hickory Ridge	7
72348	Hughes	4
72350	Joiner	1
72351	Keiser	3
72353	Lambrook	7
72354	Lepanto	4
72355	Lexa	6
72358	Luxora	1
72359	Madison	6
72360	Marianna	6
72364	Marion	2
72365	Marked Tree	4
72366	Marvell	7
72367	Mellwood	6
72368	Moro	7
72369	Oneida	7
72370	Osceola	2
72372	Palestine	7
72373	Parkin	3
72374	Poplar Grove	7
72376	Proctor	2
72377	Rivervale	4
72379	Snow Lake	6
72383	Turner	7
72384	Turrell	2
72386	Tyronza	3
72387	Vanndale	6
72389	Wabash	7
72390	West Helena	6
72392	Wheatley	7
72394	Widener	4
72395	Wilson	1
72396	Wynne	6
72401	Jonesboro	6
72402	Jonesboro	6
72403	Jonesboro	6
72404	Jonesboro	6
72410	Alicia	7

72411	Bay	6
72412	Beech Grove	6
72413	Biggers	6
72414	Black Oak	6
72415	Black Rock	7
72416	Bono	6
72417	Brookland	6
72419	Caraway	6
72421	Cash	7
72422	Corning	6
72424	Datto	6
72425	Delaplaine	6
72426	Dell	3
72427	Egypt	7
72428	Etowah	4
72429	Fisher	6
72430	Greenway	6
72431	Grubbs	7
72432	Harrisburg	6
72433	Hoxie	7
72434	Imboden	7
72435	Knobel	7
72436	Lafe	6
72437	Lake City	6
72438	Leachville	4
72439	Light	6
72440	Lynn	8
72441	McDougal	6
72442	Manila	5
72443	Marmaduke	6
72444	Maynard	7
72445	Minturn	7
72447	Monette	6
72449	O'Kean	6
72450	Paragould	6
72451	Paragould	6
72453	Peach Orchard	6
72454	Piggott	6
72455	Pocahontas	7
72456	Pollard	6
72457	Portia	6
72458	Powatan	7
72459	Ravenden	8
72460	Ravenden Springs	8
72461	Rector	6
72462	Reyno	6
72464	Saint Francis	6
72465	Sedgwick	7
72466	Smithville	8
72467	State University	6

72469	Strawberry	8
72470	Success	6
72471	Swifton	7
72472	Trumann	6
72473	Tuckerman	7
72474	Walcott	6
72475	Waldenburg	6
72476	Walnut Ridge	7
72478	Warm Springs	7
72479	Weiner	7
72482	Williford	8
72501	Batesville	8
72503	Batesville	8
72512	Franklin	8
72513	Ash Flat	8
72515	Bexar	8
72517	Brockwell	8
72519	Calico Rock	8
72520	Camp	8
72521	Cave City	8
72522	Charlotte	7
72523	Concord	8
72524	Cord	6
72525	Cherokee Village	8
72527	Desha	8
72528	Dolph	8
72529	Cherokee Village	8
72530	Drasco	8
72531	Elizabeth	8
72532	Evening Shade	8
72533	Fifty Six	8
72534	Floral	8
72536	Franklin	8
72537	Gamaliel	8
72538	Gepp	8
72539	Glencoe	8
72540	Guion	8
72542	Hardy	8
72543	Heber Springs	8
72544	Henederson	8
72545	Heber Springs	8
72546	Ida	8
72550	Locust Grove	8
72553	Magness	7
72554	Mammoth Spring	8
72555	Marcella	8
72556	Melbourne	8
72560	Mountain View	8
72561	Mount Pleasant	8
72562	Newark	6

72564	Oil Trough	7
72565	Oxford	8
72566	Pineville	8
72567	Pleasant Grove	8
72568	Pleasant Plains	8
72569	Poughkeepsie	8
72571	Rosie	8
72572	Saffell	8
72573	Sage	8
72575	Salado	8
72576	Salem	8
72577	Sidney	8
72578	Sturkie	8
72579	Sulphur Rock	7
72581	Tumbling Shoals	8
72583	Viola	8
72584	Violet Hill	8
72585	Wideman	8
72587	Wiseman	8
72601	Harrison	8
72602	Harrison	8
72611	Alpena	8
72613	Beaver	8
72615	Bergman	8
72616	Berryville	8
72617	Big Flat	8
72619	Bull Shoals	8
72623	Clarkridge	8
72624	Compton	8
72626	Cotter	8
72628	Deer	8
72629	Dennard	8
72630	Diamond City	8
72631	Eureka Springs	8
72632	Eureka Springs	8
72633	Everton	8
72634	Flippin	8
72635	Gassville	8
72636	Gilbert	8
72638	Green Forest	8
72639	Harriet	8
72640	Hasty	8
72641	Jasper	8
72642	Lakeview	8
72644	Lead Hill	8
72645	Leslie	8
72648	Dogpatch	8
72650	Marshall	8
72651	Midway	8
72653	Mountain Hope	8

72655	Mount Judea	8
72657	Timbo	8
72658	Norfolk	8
72660	Oak Grove	8
72661	Oakland	8
72662	Omaha	8
72663	Onia	8
72666	Parthenon	8
72668	Peel	8
72669	Pindall	8
72670	Ponca	8
72672	Pyatt	8
72675	Saint Joe	8
72677	Summit	8
72679	Tilly	8
72680	Timbo	8
72682	Valley Springs	8
72683	Vendor	8
72685	Western Grove	8
72686	Witts Spring	8
72687	Yellville	8
72701	Fayetteville	8
72702	Fayetteville	8
72703	Fayetteville	8
72704	Fayetteville	8
72711	Avoca	8
72712	Bentonville	8
72714	Bella Vista	8
72715	Bella Vista	8
72717	Canehill	8
72718	Cave Springs	8
72719	Centerton	8
72721	Combs	8
72722	Decatur	8
72727	Elkins	8
72728	Elm Springs	8
72729	Evansville	8
72730	Farmington	8
72732	Garfield	8
72733	Gateway	8
72734	Gentry	8
72735	Goshen	8
72736	Gravette	8
72737	Greenland	8
72738	Hindsville	8
72739	Hiwasse	8
72740	Huntsville	8
72741	Johnson	8
72742	Kingston	8
72744	Lincoln	8

72745	Lowell	8
72747	Maysville	8
72749	Morrow	8
72751	Pea Ridge	8
72752	Pettigrew	8
72753	Prairie Grove	8
72756	Rogers	8
72757	Rogers	8
72758	Rogers	8
72760	St. Paul	8
72761	Siloam Springs	8
72762	Springdale	8
72764	Springdale	8
72765	Springdale	8
72766	Springdale	8
72768	Sulphur Springs	8
72769	Summers	8
72770	Tontitown	8
72773	Wesley	8
72774	West Fork	8
72776	Witter	8
72801	Russellville	8
72802	Russellville	8
72811	Russellville	8
72820	Alix	8
72821	Altus	8
72823	Atkins	8
72824	Belleville	8
72826	Blue Mountain	8
72827	Bluffton	8
72828	Briggsville	8
72829	Centerville	8
72830	Clarksville	8
72832	Coal Hill	8
72833	Danville	8
72834	Dardanelle	8
72835	Delaware	8
72837	Dover	8
72838	Gravelly	8
72839	Hagarville	8
72840	Hartman	8
72841	Harvey	8
72842	Havana	8
72843	Hector	8
72845	Knoxville	8
72846	Lamar	8
72847	London	8
72851	New Blaine	8
72852	Oark	8
72853	Ola	8

72854	Ozone	8
72855	Paris	8
72856	Pelsor	8
72857	Plainview	8
72858	Pottsville	8
72860	Rover	8
72863	Scranton	8
72865	Subiaco	8
72901	Fort Smith	8
72902	Fort Smith	8
72903	Fort Smith	8
72904	Fort Smith	8
72905	Fort Smith	8
72906	Fort Smith	8
72908	Fort Smith	8
72913	Fort Smith	8
72914	Fort Smith	8
72916	Fort Smith	8
72917	Fort Smith	8
72919	Fort Smith	8
72921	Alma	8
72923	Barling	8
72926	Boles	8
72927	Booneville	8
72928	Branch	8
72930	Cecil	8
72932	Cedarville	8
72933	Charleston	8
72934	Chester	8
72935	Dyer	8
72936	Greenwood	8
72937	Hackett	8
72938	Hartford	8
72940	Huntington	8
72941	Lavaca	8
72943	Magazine	8
72944	Mansfield	8
72945	Midland	8
72946	Mountainburg	8
72947	Mulberry	8
72948	Natural Dam	8
72949	Ozark	8
72950	Parks	8
72951	Ratcliff	8
72952	Rudy	8
72955	Uniontown	8
72956	Van Buren	8
72958	Waldron	8
72959	Winslow	8

Amica Mutual Insurance Company
 Homeowners Dwelling Page
Arkansas

Effective September 1, 2010

A. HO 00 03, HO 00 05

1. Dwelling Base Rates - \$500 Base Deductible

Peril	Base Rate	Platinum Fee	
		1-2 Family	3-4 Family
PG1	\$560.31		
PG2	\$405.94	\$41.00	\$41.00
PG3	\$336.34		
PG4	\$63.94	\$9.00	\$9.00
PG5	\$111.01		
PG6	\$76.40	\$9.00	\$9.00

2. Classification Tables

Form Relativities- Applies to All Perils except PG5

Form	Relativity
HO 3	1.00
HO 5	1.15

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.350	0.650
8	2.400	1.525
8B	3.800	2.575
9	4.150	2.750
10	4.850	4.150

2. Three and Four Family Factor - All Perils
1.30

Amica Mutual Insurance Company
Homeowners Tenant Page

Arkansas

Effective September 1, 2010

HO 00 04

1. Tenants Base Rates - \$250 Base Deductible

Peril	Base Rate
PG1	\$6.67
PG2	\$26.44
PG3	\$105.33
PG4	\$117.58
PG5	\$54.50
PG6	\$11.89

2. Classification Tables

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.700	0.650
8	2.050	1.000
8B	2.750	1.875
9	3.100	2.050
10	4.150	2.750

Amica Mutual Insurance Company
 Homeowners Condominium Page
Arkansas

Effective September 1, 2010

HO 00 06

1. Condominium Base Rates - \$250 Base Deductible

Peril	Base Rate
PG1	\$10.79
PG2	\$113.04
PG3	\$43.30
PG4	\$21.78
PG5	\$46.82
PG6	\$8.25

2. Classification Tables

Protection - Construction Relativities (Applicable to PG3 Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.700	0.650
8	2.050	1.000
8B	2.750	1.875
9	3.100	2.050
10	4.150	2.750

Amica Mutual Insurance Company
Homeowners Dwelling Page

Arkansas

Effective September 1, 2010

A. HO 00 03, HO 00 05 Territory Factors
1. One and Two Family Dwellings
d. Dwelling Territory Factors

Territory	PG1	PG2	PG3	PG4	PG5	PG6
30	1.00	1.00	1.00	1.09	1.00	1.09
31	1.00	1.00	1.00	1.09	1.00	1.09
32	1.00	1.00	1.00	1.14	1.00	1.14
133	1.00	1.00	1.00	1.04	1.00	1.04
233	1.00	1.00	1.00	1.05	1.00	1.05
533	1.00	1.00	1.00	1.38	1.00	1.38
633	1.00	1.00	1.00	0.84	1.00	0.84
733	1.00	1.00	1.00	0.91	1.00	0.91
997	1.00	1.00	1.00	1.18	1.00	1.18
998	1.00	1.00	1.00	1.07	1.00	1.07
999	1.00	1.00	1.00	1.07	1.00	1.07

Amica Mutual Insurance Company
Homeowners Tenants Page

Arkansas

Effective September 1, 2010

HO 00 04 Territory Factors

Territory	PG1	PG2	PG3	PG4	PG5	PG6
30	1.00	1.00	1.00	1.04	1.00	1.04
31	1.00	1.00	1.00	1.04	1.00	1.04
32	1.00	1.00	1.00	1.04	1.00	1.04
133	1.00	1.00	1.00	1.04	1.00	1.04
233	1.00	1.00	1.00	0.94	1.00	0.94
533	1.00	1.00	1.00	1.04	1.00	1.04
633	1.00	1.00	1.00	0.94	1.00	0.94
733	1.00	1.00	1.00	0.94	1.00	0.94
997	1.00	1.00	1.00	1.04	1.00	1.04
998	1.00	1.00	1.00	0.94	1.00	0.94
999	1.00	1.00	1.00	0.94	1.00	0.94

Amica Mutual Insurance Company
Homeowners Condominiums Page

Arkansas

Effective September 1, 2010

HO 00 06 Territory Factors

Territory	PG1	PG2	PG3	PG4	PG5	PG6
30	1.00	1.00	1.00	1.00	1.00	1.00
31	1.00	1.00	1.00	1.00	1.00	1.00
32	1.00	1.00	1.00	1.00	1.00	1.00
133	1.00	1.00	1.00	1.00	1.00	1.00
233	1.00	1.00	1.00	1.00	1.00	1.00
533	1.00	1.00	1.00	1.00	1.00	1.00
633	1.00	1.00	1.00	1.00	1.00	1.00
733	1.00	1.00	1.00	1.00	1.00	1.00
997	1.00	1.00	1.00	1.00	1.00	1.00
998	1.00	1.00	1.00	1.00	1.00	1.00
999	1.00	1.00	1.00	1.00	1.00	1.00

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 101.
LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS**

Effective **SEPTEMBER 1, 2009**

A. Limits

The limits of liability required under the Homeowners policy are as follows:

1. Section I - Property Damage

Coverage A – Dwelling	
HO 00 03 or HO 00 05	Refer to Rule 301. in the state classification pages. For HO 00 06 refer to Rule 507.A.
HO 00 04 or HO 00 06	
Coverage B – Other Structures	
HO 00 03 or HO 00 05	10% of A (One and two family dwelling) 10% of A (Three and four family dwelling)
Coverage C – Personal Property	
HO 00 03 or HO 00 05	75% of A (One and two family dwelling) 75% of A (Three family dwelling) 75% of A (Four family dwelling) Refer to Rule 301. in the state classification pages.
HO 00 04 or HO 00 06	
Coverage D – Loss Of Use	
HO 00 03 or HO 00 05	30% of A 30% of C 50% of C
HO 00 04	
HO 00 06	

Table 101.A.1. Property Damage Limits

2. Section II – Liability (All Forms)

Coverage E – Personal Liability And Coverage F – Medical Payments*
Refer to Rule 301. in the state classification pages
* Unless otherwise stated, Coverage E limits apply on an "occurrence" basis; Coverage F limits apply on an "each person" basis.

Table 101.A.2. Liability Limits

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

B. All Forms

The limit of liability for Coverages **C** or **D** of Section **I** and **E** or **F** of Section **II** may be increased.

C. Form HO 00 03 Or HO 00 05.

Under Coverage **B** of Section **I**, an additional amount of insurance may be written on a specific structure. Under Coverage **C** of Section **I**, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit of the dwelling.

D. Form HO 00 06

The limit of liability for Coverage **A** of Section **I** may be increased.

E. Form HO 00 08

1. Does not apply.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 106.
PROTECTION CLASSIFICATION INFORMATION

Effective SEPTEMBER 1, 2009

The Protection Class listings in the Public Protection Classification Manual apply to fire risks insured under Homeowners Program policies.

- A.** The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout (8, 7, 6, etc.).
- B.** In a classified area where two or more classifications are shown (for example, 6/9), the classification is determined as follows:

Distance To Fire Station	Class
1. 5 road miles or less with hydrant within 1,000 Feet	*
2. 5 road miles or less with hydrant beyond 1,000 Feet	9
3. Over 5 road miles	10
* First protection class (for example, 6/9...use Class 6)	

Table 106.B. Two Or More Classifications

- C.** All other properties are Class 10.
- D.** Subscription type fire departments are identified by a footnote in the Community Mitigation Classification Manual. Class 10 applies to properties which are not subscribers or which are located over 5 miles from the nearest recognized fire station of the listed fire department.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART II
SERVICING TYPE RULES

RULE 201.
POLICY PERIOD

Effective SEPTEMBER 1, 2010

The policy may be written for a period of one year and may be extended for successive policy periods by extension certificate based upon the premiums, forms and endorsements then in effect for the company.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 204.
MULTIPLE COMPANY INSURANCE

Effective **SEPTEMBER 1, 2010**

This rule is not applicable.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 302.
LOSS SETTLEMENT OPTIONS

Effective **SEPTEMBER 1, 2010**

A. Functional Replacement Cost Loss Settlement – HO 00 03 And HO 00 05 Only

This Coverage is Not Available.

B. Actual Cash Value Loss Settlement – HO 00 03 and HO 00 05 Only

This Coverage is Not Available

C. Special Loss Settlement – HO 00 03 And HO 00 05 Only

1. Introduction

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

2. Coverage Description

This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage **A** limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

3. Premium Computation

To develop the Base Premium for the Coverage **A** limit of liability shown in the policy declarations:

- a.** Multiply the Coverage **A** limit of liability by the appropriate factor from the following table and round to the nearest \$1,000:

% Of Replacement Value	Factor
50%	1.60
60%	1.33
70%	1.14

Table 302.C.3.a. Factors

- b.** Develop the Base Premium in accordance with Rule **301**. for the amount of insurance computed in Paragraph **C.3.a.**

- c.** Multiply the premium determined in preceding Paragraph **b.** by the appropriate factor from the following table:

% Of Replacement Value	Factor
50%	.96
60%	.97
70%	.98

Table 302.C.3.c. Factors

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

4. Endorsement

Use Special Loss Settlement Endorsement **HO 04 56**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 304.
SPECIAL PERSONAL PROPERTY COVERAGE HO 00 04 AND HO 00 06

Effective September 1, 2009

A. Coverage Description

1. Coverage **C**. Personal Property under Forms **HO 00 04** and **HO 00 06** is insured against perils named in the form. The policy may be endorsed to insure Coverage **C** against additional risks of physical loss subject to certain exclusions.
2. This option may only be used when:
 - a. For Form **HO 00 04**, the apartment, dwelling or cooperative unit rented to the insured is not rented or sublet to another; or
 - b. For Form **HO 00 06**, the condominium or cooperative unit is owner occupied and not rented to others.

B. Premium Computation

Multiply the Form **HO 00 04** or **HO 00 06** Base Premium for each peril except Liability by **1.40**. The Base Premium is developed in accordance with Rule **301**.

C. Endorsement

1. Use Special Personal Property Coverage Endorsement **HO 05 24** for use with **HO 00 04** only.
2. Use Unit-Owners – Coverage **C** – Special Coverage Endorsement **HO 17 31** for use with **HO 00 06** only.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

PART IV
ADJUSTED BASE PREMIUM COMPUTATION RULES

RULE 401.
SUPERIOR CONSTRUCTION

Effective **SEPTEMBER 1, 2010**

For use in Fire Peril Rating Only

The fire premium for a dwelling or an apartment unit in a building of superior construction is computed by multiplying the masonry fire Base Premium for a comparable dwelling or apartment unit by a factor of **0.75**.

The reduced premium is subject to a **maximum credit**. Refer to the **Additional Rule A.11** for the maximum credit calculation.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 407.
ADDITIONAL AMOUNTS OF INSURANCE –
FORMS HO 00 03 AND HO 00 05

Effective **SEPTEMBER 1, 2010**

A. Introduction

The policy provides loss settlement for buildings insured under Coverage **A** or **B** on a replacement cost basis without deduction for depreciation, if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the replacement cost of the building immediately before the loss.

B. Coverage Description

The policy may be endorsed to provide additional insurance for Coverage **A** only or for Coverages **A, B, C,** and **D** when loss, to property insured under Coverage **A – Dwelling**, exceeds the limit of liability shown in the policy declarations.

C. Options Available

When either of the following options is selected, the Coverage **A** limit of liability shall be at least 100% of the full replacement cost of the property insured under Coverage **A** at policy inception or at the time the endorsement is added to the policy:

1. Specified Additional Amount Of Insurance For Coverage A Only

a. An additional amount of insurance equal to 30% of the Coverage **A** limit of liability may be selected. This additional amount is available when loss to property insured under Coverage **A – Dwelling** exceeds the Coverage **A** limit of liability shown in the Declarations.

The additional amount **cannot** be applied to any other coverage nor does it increase the Coverage **A** limit.

b. The premium for this option is computed by multiplying the Base Premium by Peril by the factor displayed below:

Additional Amount Options	Factor
30%	1.00

Table 407.C.1.b Additional Amounts of Insurance Factors.

c. Use Specified Additional Amount of Insurance for Coverage **A** Endorsement **HO 23 47**. This endorsement is automatically attached to Form **HO 00 05**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Additional Limits Of Liability For Coverages A, B, C, And D

- a. This option differs from Paragraph **C.1.**, in that the Coverage **A** limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed property. The limits of liability for Coverages **B**, **C**, and **D** will also be increased by the same percentage applied to the Coverage **A** limit.

When the loss to such property exceeds the Coverage **A** limit, the policy is endorsed, retroactive to the date of loss, to the limit needed to settle the loss.

- b. The premium is computed by multiplying the Base Premium by Peril by a factor of **1.15**.

- c. Use Additional Limits of Liability for Coverages **A, B, C,** and **D** Endorsement **HO 23 49**.

D. Endorsement Exception

Do not use either endorsement when the Special Loss Settlement Endorsement or any other endorsement which modifies the required percentage of replacement value is attached to the policy.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 515.
PERSONAL PROPERTY

Effective **SEPTEMBER 1, 2010**

For Use in Miscellaneous Peril Rating

A. Increased Limit

1. The limit of liability for Coverage **C** may be increased.
2. Charge the additional company rate per \$1,000 of insurance.
3. Rate Per \$1,000
 - a. Minimum purchase of \$5,000 of coverage required.

HO 00 03	\$ 2
HO 00 05	\$ 2.20

Note: Multiply by the applicable factor in Rule **403.F** if Endorsement **HO 04 90** is attached to the policy.

B. Increased Limits – Other Residences

1. Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage **C** or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000.
3. Rate per \$1,000.....**\$7**
4. Use Increased Limits On Personal Property In Other Residences Endorsement **HO 04 50**.

C. Reduction In Limit

This Coverage is not available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

D. Increased Special Limits Of Liability

1. The Special Limits of Liability of \$1,500 (\$2,500 in Form **HO 00 05**) for theft of jewelry, watches and furs may be increased to a maximum of \$6,500 but not exceeding \$1,000 (\$2,500 in Form **HO 00 05**) for any one article.

Special Limits

Personal Property	Limit In Form	Maximum Limit Allowed
1. Jewelry, Watches and Furs	\$1,500	\$6,500*
2. Money	200	1,000
3. Securities	1,500	3,000
4. Silverware, Goldware and Pewterware	2,500	10,000****
5. Firearms	2,500	6,500***
6. Electronic Apparatus		
a. In or upon a motor vehicle or motorized land conveyance	1,500	6,000**
b. Not in or upon a motor vehicle that is away from the residence premises and used for business.	1,500	6,000**
* Not exceeding \$1,000 for any one article		
** Increase must be in increments of \$500		
*** Increase must be in increments of \$100		
**** Increase must be in increments of \$500, subject to a minimum of \$1,000.		

Table 515.D.1. Special Limits

2. Rates for Additional Charges:

a. Jewelry, Watches & Furs – Rate per \$500.....	\$9
b. Money – Rate per \$100.....	\$6
c. Securities – Rate per \$100.....	\$4
d. Silverware – Rate per \$1000.....	\$1
e. Firearms – Rate per \$100.....	\$3

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

f. Electronic Apparatus –
Rate per \$500.....**\$10**

- 3. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 65** – for all forms except as noted in Paragraph 4.
- 4. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO 04 66** for Form **HO 00 05**, Form **HO 00 04** with Endorsement **HO 05 24** and Form **HO 00 06** with Endorsement **HO 17 31**.

E. Refrigerated Personal Property

This coverage is automatically included in forms **HO 00 03**, **HO 00 04**, **HO 00 05** and **HO 00 06**.

- 1. Coverage in the amount of \$500 is provided for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.
- 2. A deductible of \$100 applies.
- 3. Charge per policy.....**NO CHARGE**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 521.
WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW**

Effective **SEPTEMBER 1, 2010**

For Use in Miscellaneous Peril Rating

A. Coverage Description

The policy forms exclude coverage for loss resulting from water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment.

B. Coverage Option

For all forms, the policy may be endorsed to provide such coverage for a limit of liability of \$5,000 subject to a \$500 deductible. This endorsement will automatically be attached to Form **HO 00 05**. Higher limits of liability and other deductible options are also available.

C. Premium

All Forms except HO 00 05

Charge per \$5,000 coverage with \$500 deductible if **HO 04 90** Personal Property Replacement Cost Endorsement is:

- 1. Not attached to the policy..... **\$50**
- 2. Attached to the policy..... **\$55**

Higher Limits of Liability & Additional Deductible Options:

All Forms

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$25	\$15	---	---
25,000	---	42	\$28	---
50,000	---	139	117	\$99

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

All Forms except **HO 00 05**

Additional charge per policy if **HO 04 90** Personal Property Replacement Cost Endorsement is **not** attached to the policy:

Limit	Deductible			
	500	1000	2500	5000
10,000	\$23	\$14	---	---
25,000	---	38	\$25	---
50,000	---	126	106	\$90

D. Endorsement

Use Water Back Up And Sump Discharge Or Over-flow Endorsement **HO 04 95** for all forms.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE 528.
HOME BUSINESS INSURANCE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in Miscellaneous Peril Rating

A. Eligibility

1. The Home Business Insurance Coverage Endorsement, may be used in conjunction with a Homeowners policy to cover the Section I and Section II exposures of a permitted business.
2. To be eligible for coverage under this endorsement, a risk must meet at least the following criteria:
 - a. The home business:
 - (1) Must be owned by the named insured or by a partnership, joint venture or other organization comprised only of the named insured and resident relatives;
 - (2) Must be operated from the residence premises that is declared on the Homeowners Declarations and used principally for residential purposes.
 - (3) May be operated from the home and/or other structure on the residence premises.
 - (4) May have up to three employees; and
 - (5) May not involve the:
 - (a) Manufacture, sale or distribution of food products;
 - (b) Manufacture of personal care products such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed; or
 - (c) Sale or distribution of personal care products **manufactured by the insured** such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed;
 - b. For all business classifications described in Paragraph **C.** that follows, the Gross Annual Receipts of the home business may not exceed \$250,000.
3. Certain businesses may be **ineligible** for coverage under this endorsement. Refer to Company for its underwriting instructions.
4. When a permitted business that is operated from the residence premises is afforded coverage under either the Permitted Incidental Occupancy or Home Day Care Coverage Endorsement, that business may not be afforded coverage under the Home Business Endorsement.

B. Classifications

The four principal classifications of business accommodated in this rule follow. Refer to the Company for the businesses that are eligible within each of these classifications and name and describe the business in the Schedule that is part of the endorsement:

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

1. Office

Use this classification when the business involves professional or administrative activities for its customers. It could apply to businesses like accounting, resume writing, telephone answering, etc.

2. Service

Use this classification when the business provides repair or other services for its customers. It could apply to businesses like bicycle repair, clock/jewelry repair, housecleaning, videotaping, etc.

3. Sales

Use this classification when the business involves product sales, other than crafts made in the home or other structure and sold from the home or other locations. It could apply to businesses involving the sale of books and magazines, costume jewelry, plants and flowers, stationery/other paper products, etc.

4. Crafts

Use this classification when the business involves selling, from the home, other structure or other locations, crafts made in the home or other structure. It could apply to crafts like ceramics, dolls, flower arrangements, quilts, etc.

C. Coverages

1. Section I – Property

The Home Business Endorsement:

- a. Provides coverage for the property of the described business and for property of others in the care of the business up to the Coverage **C** limit of liability entered on the Homeowners Declarations. Therefore, the Coverage **C** limit should reflect the values of the personal and business property to be insured;
- b. Provides coverage for:
 - (1) Accounts receivable (\$5,000 limit);
 - (2) Loss of business income/extra expense (actual cost for a maximum of 12 months); and
 - (3) Valuable papers (\$2,500 limit); and
- c. Increases the Coverage **C** Special Limits of Liability on:
 - (1) Money up to \$1,000;
 - (2) Credit Cards up to \$1,000 (\$5,000 in **HO 00 05**); and
 - (3) Business property away from the residence premises up to \$5,000.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

2. Section II – Business Liability

a. The Home Business Endorsement provides coverage for such business liability exposures as premises operations, products-completed operations, advertising injury, and personal injury. The limits of liability for these coverages are on an annual aggregate basis and are determined in the following manner:

- (1) For Products-Completed Operations Hazard Liability, the limit is the **same as** the Coverage **E** limit shown in the Homeowners Declarations;
- (2) For All Other Business Liability, the limit is **twice the sum** of the combined Coverage **E** and Coverage **F** limits shown in the Homeowners Declarations; and
- (3) For the Coverage **F** Sublimit of Liability, the limit is the **same as** the Coverage **F** limit shown in the Homeowners Declarations.

b. The limit of liability for Additional Coverage **3.**, Damage To Property Of Others is increased to \$2,500.

3. Professional Liability

NO professional liability coverage is provided in the Home Business Endorsement.

4. Computer-Related Damage Or Injury Exclusion And Coverage Options

This rule does not apply.

D. Home Business Premium Computation

1. Development Of The Home Business Premium

Add the Section **I** and Section **II** premium components developed according to Paragraphs **D.2.** and **D.3.** that follow, to arrive at the Home Business premium.

2. Section I – Property

a. From the Company Homeowners Premium Tables, select the Base Class Premium that applies to the residence premises with the home business and multiply it by the appropriate factor in the following table:

Gross Annual Receipts*	HO 03 & HO 05	HO 04	HO 06
Up to \$50,000	.03	.17	.22
\$50,001 to \$100,000	.05	.26	.34
100,001 to 175,000	.07	.38	.49
175,001 to 250,000	.10	.51	.68

* New Business, use \$50,001 to \$100,000 classification

Table 528.D.2.a. Factors

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Multiply the result computed in preceding Paragraph **a.** by the rating factors in the Homeowners Manual for the following risk categories – **For Use in Fire Peril Rating Only:**

- (1)** Protection/Construction (Rule **301.** Classification Table) – apply the factor that applies to **HO 00 04** regardless of the Homeowners form attached to the policy; and
- (2)** Superior Construction (Rule **401.**) and Protection Devices (Rule **404.**) – apply these factors only if they are applied to the dwelling building or other structure for the residential exposure; and
- (3)** Townhouse or Row House Construction (Rule **402.**) in the following manner:
 - (a)** For All Forms except **HO 00 04** and **HO 00 06**, apply the same factor used for the residential exposure; or
 - (b)** For Forms **HO 00 04** and **HO 00 06:**
 - (i)** Apply the factor for the number of individual family units within a fire division that best describes the building that contains the residential and business property; or
 - (ii)** If such building has 9 or more individual family units within a fire division, apply the factor for the 5 through 8 units classification.

c. When a home business is operated from one or more other structures on the residence premises and declared in the Schedule, multiply the limit of liability for each structure by the "premium per \$1,000" shown in Rule **514. Other Structures, Paragraph A.1.a.**

3. Section II – Business Liability

a. Basic Limits Premium Coverages E and F

(1) Office (Gross Annual Receipts Up To \$250,000)

Business Visitors		
<u>Per Week*</u>	<u>Under 10</u>	<u>10 or more</u>
	\$ 4	\$ 6

(2) Service, Sales and Crafts

Business Visitors Per Week*						
Gross Annual Receipts**	Services		Sales		Crafts	
	Under 10	10 or More	Under 10	10 or More	Under 10	10 or More
Up to \$50,000	\$ 31	\$ 47	\$ 15	\$ 22	\$ 18	\$ 27
\$50,001 to \$100,000	94	141	44	66	54	81
\$100,001 to \$175,000	172	259	81	121	99	149
\$175,001 to \$250,000	266	400	125	187	153	230

*New Business, use 10 or more classification.
** New Business, use \$50,001 to \$100,000 classification

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

b. Coverage E – Increased Limits

- (1) When the Coverage E limit is increased for Homeowners Insurance, the Home Business limits shall also be increased as illustrated in following Paragraph (2).
- (2) Multiply the Company's basic limits premium determined in preceding Paragraph 3.a. by the appropriate factor from the following table:

Increased Limits of Liability					
Homeowners		Home Business			
Coverage E Personal Liability	Coverage F Med. Payments To Others	Products- Completed Operations	All Forms Except HO 00 05 All Other Liability	HO 00 05 All Other Liability	Increased Limit Factor
\$200,000*	\$1,000*	\$200,000*	\$ 402,000*	-----	1.15
300,000	\$1,000*	300,000	602,000	\$ 610,000	1.24
400,000	\$1,000*	400,000	802,000	810,000	1.30
500,000	\$1,000*	500,000	1,002,000	1,010,000	1.35

*Not available for **HO 00 05**

Table 528.D.3.b. (2) Factors

c. Coverage F – Increased Limits

- (1) When the Coverage F limit is increased for Homeowners Insurance, the Home Business Coverage F limit shall also be increased.
- (2)

ALL Home Business CLASSIFICATIONS				
	Homeowners Increased Limit of Liability			
Business Visitors Per Week	\$2,000*	\$3,000*	\$4,000*	\$5,000
Under 10	\$ 8	\$15	\$23	\$29
10 or More	13	21	31	37

* Not available for Form **HO 00 05**

- (3) Add the premium determined in Paragraph c.(2) to the premium developed in preceding Paragraph 3.a. or b. to compute the Section II premium component.

E. Endorsement

Use Home Business Insurance Coverage Endorsement **HO 07 01**.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

F. Options

The following options may only be used when the Home Business Coverage Endorsement is attached to the policy:

1. Additional Insured

a. Managers Or Lessors Of Premises Leased To An Insured

(1) Coverage

Covers persons or organizations designated on the endorsement for their liability as owners of designated premises leased to the named insured.

(2) Premium

Rate Per Location/per additional insured.....**\$22**

(3) Endorsement

Use Additional Insured – Managers Or Lessors Of Premises Leased To An Insured Endorsement **HO 07 50**.

2. Loss Payable Condition

a. Coverage

Enables the naming of a loss payee, lender's loss payee, or loss payable under a contract-of-sale arrangement.

b. Endorsement

Use Loss Payable Provision Endorsement **HO 07 52**

3. Personal and Advertising Injury Exclusion

a. Coverage

Excludes all Personal and Advertising Injury coverage.

b. Endorsement

Use Exclusion – Personal and Advertising Injury Endorsement **HO 07 53**

4. Liquor Liability Exclusion and Exception for Scheduled Activities

a. Coverage

This endorsement excludes liability coverage for:

- (1) Manufacturing, selling or distributing alcoholic beverages or
- (2) Serving or furnishing alcoholic beverages with a charge whether or not such activity requires a license and;
- (3) Serving or furnishing of alcoholic beverages without a charge, if a license is required for such activity.

This exclusion does not apply to bodily injury or property damage arising out of the selling, serving or furnishing of alcoholic beverages for an activity or function described in the Schedule of this endorsement.

b. Endorsement

Use Liquor Liability Exclusion and Exception For Scheduled Activities Endorsement **HO 07 54**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

5. Special Coverage – Spoilage Of Perishable Stock

a. Coverage

Provides special coverage for the perishable stock specifically listed in the Schedule of Endorsement **HO 07 55**. The limit of liability is also listed in the endorsement.

b. Premium

- (1) Florists Rate per \$100.....**\$3**
- (2) Other Classes of Business Rate per \$1,000.....**NOT AVAILABLE**

c. Endorsement

Use Special Coverage – Spoilage Of Perishable Stock Endorsement **HO 07 55**.

6. Valuable Papers And Records Endorsements

a. Increased Limits

(1) Coverage

The Home Business Insurance Coverage Endorsement provides a basic limit of \$2,500 for Valuable Papers And Records Coverage. This limit may be increased. The amount is specified in the Schedule of Endorsement **HO 07 56**.

(2) Premium – Rate per \$1,000

- (a) Named Perils Coverage (**HO 00 03, HO 00 04 and HO 00 06**).....**\$2**
- (b) Open Perils Coverage (**HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**)**\$3**

(3) Endorsement

Use Valuable Papers And Records Coverage Increased Limits Endorsement **HO 07 56**.

b. Special Coverage

(1) Coverage

Extends the basic \$2,500 limit of liability for Valuable Papers And Records Coverage from:

- (a) Named-perils in Forms **HO 00 03, HO 00 04 and HO 00 06**; and
- (b) Special coverage in Forms **HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31**;

to expanded special coverage. Increased Limits for expanded special coverage are also available.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

(2) Premium

(a) First \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$4
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$3
(b) Each Additional \$1,000	
All Forms.....	\$3

(3) Endorsement

Use Special Coverage Valuable Papers and Records Endorsement **HO 07 57**.

7. Off-Premises Property Coverage – Increased Limits

a. Endorsement

Coverage for business property, other than money and securities, that is away from the residence premises at the time of loss may be increased from \$5,000 to \$10,000. Check the appropriate box in the schedule of the Home Business Endorsement.

b. Premium

Rate per \$2,500	
HO 00 03, HO 00 04 and HO 00 06	\$37
HO 00 05, HO 00 04 with HO 05 24 and HO 00 06 with HO 17 31	\$55

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 604.
ADDITIONAL RESIDENCE RENTED TO OTHERS

Effective **SEPTEMBER 1, 2010**

For Use in Liability Peril Rating

A. Introduction

1. The policy may be endorsed to provide coverage when an additional residence is rented to others.

B. Premium

Rate per Residence

One Family.....	\$ 19
Two Family.....	\$ 29
Three Family.....	\$ 63
Four Family.....	\$ 78

C. Endorsement

Use Additional Residence Rented To Others Endorsement **HO 24 70.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 605.

OTHER STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES

Effective **SEPTEMBER 1, 2010**

For Use in Miscellaneous Peril Rating

A. Coverage Description

1. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
2. Refer to Rule **514.C.** for rating Section I Coverage.

B. Premium

Rate per Structure.....**\$ 19**

C. Endorsement

Use Structures Rented To Others – Residence Premises Endorsement **HO 04 40.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE 612.
OUTBOARD MOTORS AND WATERCRAFT

Effective **SEPTEMBER 1, 2010**

For Use in Liability Peril Rating

A. Introduction

Coverage is included in the policy form, at no additional charge, for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horsepower or less when not owned by an insured or more than 50 horsepower when not owned by or rented to an insured.

B. Coverage Description

1. The policy may be endorsed to provide coverage for the following types of craft:
 - a. Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower; or powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
 - b. Sailboats 26 feet or more in overall length, with or without auxiliary power.
2. Coverage must be written to expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, the navigational period of each year. Premium shall be adjusted on a pro rata basis.
3. For watercraft not described in preceding paragraphs **A.** and **B.1.**, coverage is not permitted under the Homeowners Policy.
4. The premium in the state where the insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the watercraft from that residence, apply the premium for that state.

C. Premium

1. Outboard, Inboard, or Inboard-Outdrive Engines or Motors

	Length	
	Up to 15 Ft.	Over 15 to 26 Feet
Horsepower	Rate	Rate
Up – 50*	\$ 6	\$ 9
51 – 100	9	12
101 – 150	13	16
151 – 200	17	20
Over 200	21	24

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

2. Sailboats With or Without Auxiliary Power

Overall Length/Feet	Rate
26 to 40 feet*	\$ 6
Over 40 feet	9

*Outboard engines or motors of up to 25 horsepower or sailboats less than 26 feet in overall length with or without auxiliary power are covered in the policy form.

D. Endorsement

Use Watercraft Endorsement **HO 24 75**.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE 613.
OWNED SNOWMOBILE**

Effective **SEPTEMBER 1, 2010**

For Use in Liability Peril Rating

A. Coverage Description

1. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
2. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.

B. Premium

| Rate per snowmobile.....\$ **23**

C. Endorsement

Use Owned Snowmobile Endorsement **HO 24 64.**

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

**RULE A.2
WOOD ROOF SURCHARGE**

Effective SEPTEMBER 1, 2010

For Use in Wind\Hail and Fire Peril Rating Only

Forms HO 00 03 or HO 00 05

A premium surcharge will apply to all dwellings with wood roofs. A wood roof is defined as a roof with wood shakes or wood shingles. If the roof of the dwelling is composed of mixed types, it shall be classified according to the predominant type of roof construction. To compute the surcharge, multiply the Adjusted Base Premium by .15.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.3
IDENTITY FRAUD EXPENSE COVERAGE

Effective **SEPTEMBER 1, 2010**

For Use in Theft Rating

A. Coverage Description

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, \$15,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity fraud first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

B. Limits Of Liability

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period.

C. Premium Computation

Limit of Liability	Rate
\$15,000	\$20

D. Endorsements

1. Use Identity Fraud Expense Coverage Endorsement **HO 04 55**.
2. This endorsement provides complete details on coverages, definitions and additional policy conditions applicable to this coverage.

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

RULE A.5

AGE OF HOME/REMODELED HOME RATING FACTORS

Effective SEPTEMBER 1, 2010

Forms HO 00 03 or HO 00 05

The amount of credit shall be determined by applying the factor below to the base premium.

Dwelling Age	Rating Factor
0-2	0.65
3	0.69
4	0.73
5	0.77
6	0.81
7	0.85
8	0.88
9-40	0.90
41-60	0.95
Over 60	1.00

A premium credit will apply to all dwellings that meet either of the following criteria:

1. All dwellings age 60 years and under. The age of the dwelling will be determined by subtracting the year construction was completed from the year of policy inception.
2. Any residence regardless of age that was remodeled during the past sixty years and meets the criteria below. The credit will be effective from the date when all criteria is completed. The sixty year period will commence from the date when the first remodeling criteria was completed.

The remodeling included roof, electric wiring, plumbing and heating. In order to qualify, the upgrades must meet building code standards. In addition, a satisfactory municipal building inspection must have been completed.

3. These rating factors do not apply to:

- Policies with Special Loss Settlement Endorsement **HO 04 56**.
- Additional premiums for optional or additional coverages.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Rule A.12

HOMEOWNERS RISK FACTOR RULE (HRF)

Effective SEPTEMBER 1, 2010

Applicable for All Forms

1. Develop the BASE PREMIUM in accordance with Rule 301.
2. Multiply the above result for each peril by the applicable HRF.

(a) Credit Factor (Table A)

- i. The Insurance Bureau Score is determined at the time of application or during the preparation of renewal.
- ii. For new business, select the current credit factor from Table A.
- iii. For renewal business, the renewal credit factor is equal to:
 - a. For policies effective September 1, 2009 through August 31, 2010, the average of the current credit factor from Table A and the credit factor underlying the expiring policy.
 - b. For policies effective September 1, 2010 and later, use the average of the current credit factor from Table A and unadjusted factor associated with the credit score underlying the expiring policy.
 - c. The maximum renewal credit factor = 1.1 x prior factor (roundest to the nearest 0.001)
- iv. A factor of 1.000 is used in the above calculations for situations involving a No Hit or Thin File.

(b) Claims Factor (Table B)

- i. A claim considered to be a Qualified Claim must meet the following criteria:
 - The claim must have an occurrence date within the experience period as defined below.
 - The associated claim file must be closed with no subrogation monies received.
 - Loss payments associated with the claim must exceed **\$500**.
 - The claim must not be the result of a catastrophe or other weather related event.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

- All losses with an associated ISO Cat Code occurring on or after September 1, 2009 are excluded.

 - ii. The Experience Period used to determine eligibility in the “No Qualified Claims in Three, Four or Five Years” classification group is defined as the three, four or five years immediately preceding the two months prior to the effective month of the policy. The Experience Period used to determine eligibility in the remaining classification groups is defined as the three years immediately preceding the two months prior to the effective month of the policy.
- (c) Longevity Factor (Table C)
- i. The Number of Years Insured is defined as the number of consecutive years the policyholder has maintained an Amica Homeowner policy without an interruption of more than one year.
- (d) Total HRF is a product of the credit, claims and longevity factors rounded to the nearest .001.
3. Additional charges or credits calculated as a percentage of the BASE PREMIUM should be calculated using the ADJUSTED BASE PREMIUM resulting from Step 2 above. Dollar charges or credits, which are displayed in the manual, should be multiplied by the HRF determined in Step 2 above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table A: Credit Factor Table

IBS	Factor	IBS	Factor								
700	1.950	734	1.210	768	1.070	802	0.990	836	0.930	870	0.870
701	1.850	735	1.210	769	1.070	803	0.980	837	0.930	871	0.870
702	1.760	736	1.210	770	1.060	804	0.980	838	0.930	872	0.870
703	1.700	737	1.200	771	1.060	805	0.980	839	0.930	873	0.870
704	1.650	738	1.190	772	1.060	806	0.980	840	0.930	874	0.870
705	1.610	739	1.190	773	1.060	807	0.980	841	0.920	875	0.870
706	1.580	740	1.180	774	1.050	808	0.980	842	0.920	876	0.870
707	1.550	741	1.180	775	1.050	809	0.980	843	0.920	877	0.870
708	1.520	742	1.170	776	1.050	810	0.980	844	0.920	878	0.860
709	1.500	743	1.160	777	1.040	811	0.970	845	0.920	879	0.860
710	1.480	744	1.160	778	1.040	812	0.970	846	0.910	880	0.860
711	1.460	745	1.160	779	1.040	813	0.970	847	0.910	881	0.860
712	1.440	746	1.150	780	1.040	814	0.960	848	0.910	882	0.860
713	1.420	747	1.150	781	1.030	815	0.960	849	0.910	883	0.860
714	1.400	748	1.140	782	1.030	816	0.960	850	0.910	884	0.860
715	1.390	749	1.140	783	1.030	817	0.960	851	0.900	885	0.860
716	1.380	750	1.140	784	1.030	818	0.960	852	0.900	886	0.860
717	1.360	751	1.130	785	1.020	819	0.960	853	0.900	887	0.860
718	1.350	752	1.130	786	1.020	820	0.960	854	0.900	888	0.860
719	1.340	753	1.120	787	1.020	821	0.950	855	0.900	889	0.850
720	1.330	754	1.120	788	1.010	822	0.950	856	0.900	890	0.850
721	1.320	755	1.120	789	1.010	823	0.950	857	0.890	891	0.850
722	1.310	756	1.110	790	1.010	824	0.950	858	0.890	892	0.850
723	1.300	757	1.110	791	1.010	825	0.950	859	0.890	893	0.850
724	1.290	758	1.110	792	1.000	826	0.950	860	0.890	894	0.850
725	1.280	759	1.100	793	1.000	827	0.950	861	0.890	895	0.850
726	1.280	760	1.100	794	1.000	828	0.940	862	0.890	896	0.850
727	1.270	761	1.100	795	1.000	829	0.940	863	0.890	897	0.850
728	1.260	762	1.090	796	1.000	830	0.940	864	0.880	898	0.850
729	1.250	763	1.090	797	1.000	831	0.940	865	0.880	899	0.850
730	1.240	764	1.090	798	0.990	832	0.940	866	0.880	900+	0.790
731	1.230	765	1.080	799	0.990	833	0.930	867	0.880		
732	1.230	766	1.080	800	0.990	834	0.930	868	0.880		
733	1.220	767	1.080	801	0.990	835	0.930	869	0.870		

**ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL**

Table B: Claims Factor Table

Claims Free 5 Years	0.950
Claims Free 4 Years	0.970
Claims Free 3 Years	0.990

<u>Longevity</u>	1 Claim in 3 Years Months Since Last Claim		
	<u>0-11</u>	<u>12-23</u>	<u>24-35</u>
0	1.170	1.150	1.135
1	1.165	1.150	1.130
2	1.160	1.145	1.130
3	1.155	1.140	1.125
4	1.150	1.135	1.120
5	1.145	1.130	1.115
6	1.140	1.125	1.110
7	1.135	1.120	1.105
8	1.130	1.115	1.105
9	1.125	1.110	1.100
10	1.120	1.105	1.095
11	1.115	1.105	1.090
12	1.110	1.100	1.085
13	1.105	1.095	1.085
14	1.100	1.090	1.080
15	1.095	1.085	1.075
16	1.090	1.080	1.070
17	1.085	1.075	1.065
18	1.080	1.070	1.065
19	1.075	1.065	1.060
20+	1.070	1.060	1.055

*For each claim in addition to one, add 0.430 to the one claim factor in table above.

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

Table C: Longevity Factor Table

<u>Years Insured</u>	<u>Factor</u>
New Business	1.000
1	1.000
2	1.000
3	0.980
4	0.965
5	0.950
6	0.935
7	0.920
8	0.910
9+	0.895

Includes Copyrighted Material Of Insurance Services Office, Inc., With Its Permission
Copyright, Insurance Services Office, Inc., 2001, 2002, 2003

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL

RULE A.13
HOMEOWNERS PREMIUM CALCULATION TABLES

Effective SEPTEMBER 1, 2010

The Base Premium by Peril is calculated according to Rule **301**. The application of additional charges and credits are summarized in the following tables:

Table A – Rate Order of Calculation – Forms **HO 00 03** and **HO 00 05**

Table B – Rate Order of Calculation – Form **HO 00 04**

Table C – Rate Order of Calculation – Form **HO 00 06**

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Dwelling Forms

	Rating Formulas	Wind	Water	Fire	Theft	Liability	Other	Misc.
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	x Form Factor	
4	x Prot-Constr Factor							
5	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor	x Cov A/Ded Factor		x Cov A/Ded Factor	
6	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	x #Family Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
7	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law			+ Ordinance/Law	
8	+ Repl Cost Loss Settle (BP * ReplCost)	+ Repl Cost Loss Settle	+ Repl Cost Loss Settle	+ Repl Cost Loss Settle			+ Repl Cost Loss Settle	
9								
10	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
11	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
12a	+ Protective Device Credit* (ABP * ProtDev)			+ Protective Device Credit*	+ Protective Device Credit*			
12b	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit*				
12c	+ Age of Home/Remodeled (ABP * AgeHome)	+ Age of Home/Remodeled						
12d	+ BCEG (BCP * 5 * 10 * 11 * BCEG)	+ BCEG						
13	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge						
14	+ Platinum Charge (10 * 11 * PlatChrg)		+ Platinum Charge		+ Platinum Charge		+ Platinum Charge	
15	+ Incr Covg E/F (10 * 11 * IncrE/F)					+ Incr Covg E/F		
16	+ Incr Covg C (10 * 11 * IncrC)							+ Incr Covg C
17	+ Incr Covg D (10 * 11 * IncrD)							+ Incr Covg D
18	+ Townhouse Prem (ABP * Townhouse)			+ Townhouse Prem				
19	+ Inflation Guard Premium (ABP * InflGuard)	+ Inflation Guard Premium		+ Inflation Guard Premium				
20	+ Personal Prop Repl Cost (ABP * ReplCost)	+ Personal Prop Repl Cost		+ Personal Prop Repl Cost				
21	+ Wood Roof Surcharge (ABP * Wood Roof)	+ Wood Roof Surcharge		+ Wood Roof Surcharge				
22	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
23	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
24	+ Ann. Other Premium***	+Endorse Wind ***	+Endorse Water ***	+Endorse Fire ***	+Endorse Theft ***	+Endorse Liability ***	+Endorse Other ***	+Endorse Misc.***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
25	+ PAF Premium							+ PAF Premium
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

*Combine credits from 12a-12b. Maximum total credit of 50% applies.

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Tenants Form

	Rating Formulas	Wind	Water	Fire	Theft	Liability	Other	Misc.
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor			x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor		x Cov C/Ded Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law			+ Ordinance/Law	
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop		+ Spec Pers Prop				
7								
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
10a	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit				
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG						
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Sec/Seas Charge						
12	+ Incr Covg E/F (8 * 9 * IncrEF)					+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)							+ Incr Covg D
14	+ Personal Prop Repl Cost (ABP * ReplCost)	+Personal Prop Repl Cost		+Personal Prop Repl Cost				
15	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
16	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
17	+ Ann. Other Premium ***	+Endorse Wind ***	+Endorse Water ***	+Endorse Fire ***	+Endorse Theft ***	+Endorse Liability ***	+Endorse Other ***	+Endorse Misc. ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
18	+ PAF Final Prem							+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

Arkansas
Homeowner's Rating By Peril
Rate Order of Calculation
Condominium Form

	Rating Formulas	Wind	Water	Fire	Theft	Liability	Other	Misc.
1	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	Base Rate	
2	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	x Territory Factor	
BCP	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	Base Class Premium	
3	x Prot-Constr Factor			x Prot-Constr Factor				
4	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor	x Cov C/Ded Factor		x Cov C/Ded Factor	
BP	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	Base Premium	
5	+ Ordinance/Law (BP * OrdLaw)	+ Ordinance/Law	+ Ordinance/Law	+ Ordinance/Law			+ Ordinance/Law	
6	+ Spec Pers Prop (BP * SpecPP)	+ Spec Pers Prop		+ Spec Pers Prop				
7								
8	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	x HRF Factor	
9	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	x Non-Dividend Factor	
ABP	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	Adjusted Base Prem	
10a	+ Superior Constr Credit* (ABP * SupConCr)			+ Superior Constr Credit*				
10b	+ BCEG (BCP * 4 * 8 * 9 * BCEG)	+ BCEG						
11	+ Secondary/Seasonal Charge (ABP * SecSeasChg)	+ Secondary/Seasonal Charge						
12	+ Incr Covg E/F (8 * 9 * IncrEF)					+ Incr Covg E/F		
13	+ Incr Covg D (8 * 9 * IncrD)							+ Incr Covg D
14	+ Incr Covg A (8 * 9 * IncrAChrg)							+ Incr Covg A
15	+ Personal Prop Repl Cost (ABP * ReplCost)	+ Personal Prop Repl Cost		+ Personal Prop Repl Cost				
16	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total	Sub-Total
17	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc	+ Multi Line Disc
Ann.	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium**	Annual Basic Premium
18	+ Ann. Other Premium ***	+Endorse Wind ***	+Endorse Water ***	+Endorse Fire ***	+Endorse Theft ***	+Endorse Liability ***	+Endorse Other ***	+Endorse Misc. ***
Tot.	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium	Total Premium
19	+ PAF Final Prem							+ PAF Final Prem
Fin.	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium	Final Premium

**The Annual Basic Premium is subject to a minimum premium as displayed in rule 205

*** Each endorsement with an associated rate in Annual Other Premium multiplied by HRF, Non-Dividend and Multi-Line where applicable. (HRF does not apply to Earthquake.)

ARKANSAS (03)
HOMEOWNERS POLICY PROGRAM MANUAL
TERRITORY PAGES

Effective **SEPTEMBER 1, 2010**

1. Territory Assignment

- a. As ZIP code boundaries are changed by the United States Postal Service (USPS), a new ZIP code may be created. This new ZIP code may not yet be listed below. If this is the case, use the rating territory that corresponds to the ZIP code that formerly applied to the risk.
- b. Future USPS ZIP code changes will be reflected in ISO's territory definitions in accordance with the ISO ZIP Code Territory maintenance procedures on file with the Insurance Department. Manual pages will be updated on a regular basis to reflect future ZIP code changes.

2. TERRITORY DEFINITIONS – (For all Coverages and Perils Other Than Earthquake).

A. Cities

City of	County of	Code
Cherokee Village	Fulton	733
Little Rock	Pulaski	30
No. Little Rock	Pulaski	30

B. Other Than Cities

County of	Code
Arkansas	133
Ashley	997
Baxter	633
Benton	633
Boone	633
Bradley	997
Calhoun	997
Carroll	633
Chicot	997
Clark	133
Clay	533
Cleburne	733
Cleveland	997
Columbia	997
Conway	133
Craighead	233
Crawford	998
Crittendon	233
Cross	533
Dallas	997

Desha	997
Drew	133
Faulkner	133
Franklin	998
Fulton (Excluding Cherokee Village)	998
Garland	733
Grant	133
Greene	533
Hempstead	997
Hot Spring	133
Howard	133
Independence	733
Izard	998
Jackson	533
Jefferson	32
Johnson	998
Lafayette	997
Lawrence	533
Lee	533
Lincoln	133
Little River	133
Logan	733
Lonoke	133
Madison	633
Marion	633
Miller	997
Mississippi	533
Monroe	999
Montgomery	133
Nevada	997
Newton	998
Ouachita	997
Perry	133
Phillips	133
Pike	133
Poinsett	533
Polk	997
Pope	733
Prairie	999
Pulaski	31
Randolph	533
St. Francis	533
Saline	733
Scott	133
Searcy	998
Sebastian	998
Sevier	997
Sharp	733
Stone	998

Union	997
Van Buren	733
Washington	633
White	999
Woodruff	999
Yell	733

3. TERRITORY DEFINITIONS – EARTHQUAKE

A. ZIP Code Based Territories

ZIP CODES/TERRITORIES IN NUMERICAL ORDER BY ZIP CODE

<u>ZIP Code</u>	<u>USPS ZIP Code Name</u>	<u>EQ Territory</u>
71601	Pine Bluff	7
71602	Pine Bluff	8
71603	Pine Bluff	8
71611	Pine Bluff	7
71613	Pine Bluff	8
71630	Arkansas City	7
71631	Banks	8
71635	Crossett	8
71638	Dermott	7
71639	Dumas	7
71640	Eudora	7
71642	Fountain Hill	8
71643	Gould	7
71644	Grady	7
71646	Hamburg	8
71647	Hermitage	8
71651	Jersey	8
71652	Kingsland	8
71653	Lake Village	7
71654	McGehee	7
71655	Monticello	8
71656	Monticello	8
71658	Montrose	7
71659	Moscow	7
71660	New Edinburg	8
71661	Parkdale	7
71662	Pickens	7
71663	Portland	7
71665	Rison	8
71666	McGehee	6
71667	Star City	7
71670	Tillar	7
71671	Warren	8
71674	Watson	6

71675	Wilmar	8
71676	Wilmot	7
71677	Winchester	7
71678	Yorktown	7
71701	Camden	8
71720	Bearden	8
71721	Beirne	8
71722	Bluff City	8
71724	Calion	8
71725	Carthage	8
71726	Chidester	8
71728	Curtis	8
71730	El Dorado	8
71731	El Dorado	8
71740	Emerson	8
71742	Fordyce	8
71743	Gurdon	8
71744	Hampton	8
71745	Harrell	8
71747	Huttig	8
71748	Ivan	8
71749	Junction City	8
71750	Lawson	8
71751	Louann	8
71752	Mc Neil	8
71753	Magnolia	8
71758	Mount Holly	8
71762	Smackover	8
71763	Sparkman	8
71764	Stephens	8
71765	Strong	8
71766	Thornton	8
71768	Urbana	8
71770	Waldo	8
71772	Whelen Springs	8
71801	Hope	8
71802	Hope	8
71820	Alleene	8
71822	Ashdown	8
71823	Ben Lomond	8
71825	Blevins	8
71826	Bradley	8
71827	Buckner	8
71828	Cale	8
71831	Columbus	8
71832	De Queen	8
71833	Dierks	8
71834	Doddridge	8
71835	Emmet	8
71836	Foreman	8

71837	Fouke	8
71838	Fulton	8
71839	Garland City	8
71840	Genoa	8
71841	Gillham	8
71842	Horatio	8
71845	Lewisville	8
71846	Lockesburg	8
71847	McCaskill	8
71851	Mineral Springs	8
71852	Nashville	8
71853	Ogden	8
71854	Texarkana	8
71855	Ozan	8
71857	Prescott	8
71858	Rosston	8
71859	Saratoga	8
71860	Stamps	8
71861	Taylor	8
71862	Washington	8
71864	Willisville	8
71865	Wilton	8
71866	Winthrop	8
71901	Hot Springs National Park	8
71902	Hot Springs National Park	8
71903	Hot Springs National Park	8
71909	Hot Springs Village	8
71910	Hot Springs Village	8
71913	Hot Springs National Park	8
71914	Hot Springs National Park	8
71920	Amity	8
71921	Amity	8
71922	Antoine	8
71923	Arkadelphia	8
71929	Bismarck	8
71932	Board Camp	8
71933	Bonnerdale	8
71935	Caddo Gap	8
71937	Cove	8
71940	Delight	8
71941	Donaldson	8
71942	Friendship	8
71943	Glenwood	8
71944	Grannis	8
71945	Hatfield	8
71949	Jessieville	8
71950	Kirby	8
71952	Langley	8
71953	Mena	8
71956	Mountain Pine	8

71957	Mount Ida	8
71958	Murfreesboro	8
71959	Newhope	8
71960	Norman	8
71961	Oden	8
71962	Okolona	8
71964	Pearcy	8
71965	Pencil Bluff	8
71968	Royal	8
71969	Sims	8
71970	Story	8
71971	Umpire	8
71972	Vandervoort	8
71973	Wickes	8
71998	Arkadelphia	8
71999	Arkadelphia	8
72001	Adona	8
72002	Alexander	8
72003	Almyra	8
72004	Alzheimer	7
72005	Amagon	7
72006	Augusta	6
72007	Austin	8
72010	Bald Knob	6
72011	Bauxite	8
72012	Beebe	8
72013	Bee Branch	8
72014	Beedeville	7
72015	Benton	8
72016	Bigelow	8
72017	Biscoe	7
72018	Benton	8
72019	Benton	8
72020	Bradford	7
72021	Brinkley	7
72022	Bryant	8
72023	Cabot	8
72024	Carlisle	7
72025	Casa	8
72026	Casscoe	7
72027	Center Ridge	8
72028	Choctaw	8
72029	Clarendon	7
72030	Cleveland	8
72031	Clinton	8
72032	Conway	8
72033	Conway	8
72035	Conway	8
72036	Cotton Plant	7
72037	Coy	7

72038	Crocketts Bluff	7
72039	Damascus	8
72040	Des Arc	7
72041	De Valls Bluff	7
72042	De Witt	7
72043	Diaz	7
72044	Edgemont	8
72045	El Paso	8
72046	England	7
72047	Enola	8
72048	Ethel	6
72051	Fox	8
72052	Garner	7
72053	College Station	7
72055	Gillett	7
72057	Grapevine	8
72058	Greenbrier	8
72059	Gregory	6
72060	Griffithville	7
72063	Hattievile	8
72064	Hazen	7
72065	Hensley	7
72066	Hickory Plains	7
72067	Higden	8
72068	Higginson	7
72069	Holly Grove	7
72070	Houston	8
72072	Humnoke	7
72073	Humphrey	7
72074	Hunter	7
72075	Jacksonport	7
72076	Jacksonville	8
72078	Jacksonville	8
72079	Jefferson	8
72080	Jerusalem	8
72081	Judsonia	8
72082	Kensett	7
72083	Keo	7
72084	Leola	8
72085	Letona	8
72086	Lonoke	7
72087	Lonsdale	8
72088	Fairfield Bay	8
72089	Bryant	8
72099	Little Rock Air Force Base	8
72101	McCrary	7
72102	McRae	8
72103	Mabelvale	8
72104	Malvern	8
72105	Jones Mills	8

72106	Mayflower	8
72107	Menifree	8
72108	Monroe	7
72110	Morrilton	8
72111	Mount Vernon	8
72112	Newport	7
72113	Maumelle	8
72114	North Little Rock	7
72115	North Little Rock	7
72116	North Little Rock	7
72118	North Little Rock	8
72119	North Little Rock	7
72120	Sherwood	7
72121	Pangburn	8
72122	Paron	8
72123	Patterson	7
72124	North Little Rock	7
72125	Perry	8
72126	Perryville	8
72127	Plumerville	8
72128	Poyen	8
72129	Prattsville	8
72130	Prim	8
72131	Quitman	8
72132	Redfield	8
72133	Reydell	7
72134	Roe	7
72135	Roland	8
72136	Romance	8
72137	Rose Bud	8
72139	Russell	6
72140	Saint Charles	7
72141	Scotland	8
72142	Scott	7
72143	Searcy	8
72145	Searcy	8
72149	Searcy	8
72150	Sheridan	8
72152	Sherrill	7
72153	Shirley	8
72156	Solgohachia	8
72157	Springfield	8
72160	Stuttgart	7
72164	Sweet Home	7
72165	Thida	7
72166	Tichnor	7
72167	Traskwood	8
72168	Tucker	7
72169	Tupelo	7
72170	Ulm	7

72173	Vilonia	8
72175	Wabbaseka	7
72176	Ward	7
72178	West Point	8
72179	Wilburn	8
72180	Woodson	7
72182	Wright	7
72183	Wrightsville	7
72190	North Little Rock	7
72199	North Little Rock	8
72201	Little Rock	7
72202	Little Rock	7
72203	Little Rock	7
72204	Little Rock	8
72205	Little Rock	8
72206	Little Rock	7
72207	Little Rock	8
72209	Little Rock	8
72210	Little Rock	8
72211	Little Rock	8
72212	Little Rock	8
72214	Little Rock	8
72215	Little Rock	8
72216	Little Rock	7
72217	Little Rock	7
72219	Little Rock	8
72221	Little Rock	8
72222	Little Rock	8
72223	Little Rock	8
72225	Little Rock	8
72227	Little Rock	8
72295	Little Rock	7
72301	West Memphis	2
72303	West Memphis	2
72310	Armored	1
72311	Aubrey	7
72312	Barton	6
72313	Bassett	1
72315	Blytheville	2
72316	Blytheville	2
72319	Gosnell	2
72320	Brickeys	5
72321	Burdette	2
72322	Caldwell	6
72324	Cherry Valley	6
72325	Clarkedale	2
72326	Colt	6
72327	Crawfordsville	4
72328	Crumrod	6

72329	Driver	1
72330	Dyess	3
72331	Earle	2
72333	Elaine	7
72335	Forrest City	6
72336	Forrest City	6
72338	Frenchmans Bayou	1
72339	Gilmore	2
72340	Goodwin	7
72342	Helena	6
72346	Heth	4
72347	Hickory Ridge	7
72348	Hughes	4
72350	Joiner	1
72351	Keiser	3
72353	Lambrook	7
72354	Lepanto	4
72355	Lexa	6
72358	Luxora	1
72359	Madison	6
72360	Marianna	6
72364	Marion	2
72365	Marked Tree	4
72366	Marvell	7
72367	Mellwood	6
72368	Moro	7
72369	Oneida	7
72370	Osceola	2
72372	Palestine	7
72373	Parkin	3
72374	Poplar Grove	7
72376	Proctor	2
72377	Rivervale	4
72379	Snow Lake	6
72383	Turner	7
72384	Turrell	2
72386	Tyronza	3
72387	Vanndale	6
72389	Wabash	7
72390	West Helena	6
72392	Wheatley	7
72394	Widener	4
72395	Wilson	1
72396	Wynne	6
72401	Jonesboro	6
72402	Jonesboro	6
72403	Jonesboro	6
72404	Jonesboro	6
72410	Alicia	7

72411	Bay	6
72412	Beech Grove	6
72413	Biggers	6
72414	Black Oak	6
72415	Black Rock	7
72416	Bono	6
72417	Brookland	6
72419	Caraway	6
72421	Cash	7
72422	Corning	6
72424	Datto	6
72425	Delaplaine	6
72426	Dell	3
72427	Egypt	7
72428	Etowah	4
72429	Fisher	6
72430	Greenway	6
72431	Grubbs	7
72432	Harrisburg	6
72433	Hoxie	7
72434	Imboden	7
72435	Knobel	7
72436	Lafe	6
72437	Lake City	6
72438	Leachville	4
72439	Light	6
72440	Lynn	8
72441	McDougal	6
72442	Manila	5
72443	Marmaduke	6
72444	Maynard	7
72445	Minturn	7
72447	Monette	6
72449	O'Kean	6
72450	Paragould	6
72451	Paragould	6
72453	Peach Orchard	6
72454	Piggott	6
72455	Pocahontas	7
72456	Pollard	6
72457	Portia	6
72458	Powatan	7
72459	Ravenden	8
72460	Ravenden Springs	8
72461	Rector	6
72462	Reyno	6
72464	Saint Francis	6
72465	Sedgwick	7
72466	Smithville	8
72467	State University	6

72469	Strawberry	8
72470	Success	6
72471	Swifton	7
72472	Trumann	6
72473	Tuckerman	7
72474	Walcott	6
72475	Waldenburg	6
72476	Walnut Ridge	7
72478	Warm Springs	7
72479	Weiner	7
72482	Williford	8
72501	Batesville	8
72503	Batesville	8
72512	Franklin	8
72513	Ash Flat	8
72515	Bexar	8
72517	Brockwell	8
72519	Calico Rock	8
72520	Camp	8
72521	Cave City	8
72522	Charlotte	7
72523	Concord	8
72524	Cord	6
72525	Cherokee Village	8
72527	Desha	8
72528	Dolph	8
72529	Cherokee Village	8
72530	Drasco	8
72531	Elizabeth	8
72532	Evening Shade	8
72533	Fifty Six	8
72534	Floral	8
72536	Franklin	8
72537	Gamaliel	8
72538	Gepp	8
72539	Glencoe	8
72540	Guion	8
72542	Hardy	8
72543	Heber Springs	8
72544	Henederson	8
72545	Heber Springs	8
72546	Ida	8
72550	Locust Grove	8
72553	Magness	7
72554	Mammoth Spring	8
72555	Marcella	8
72556	Melbourne	8
72560	Mountain View	8
72561	Mount Pleasant	8
72562	Newark	6

72564	Oil Trough	7
72565	Oxford	8
72566	Pineville	8
72567	Pleasant Grove	8
72568	Pleasant Plains	8
72569	Poughkeepsie	8
72571	Rosie	8
72572	Saffell	8
72573	Sage	8
72575	Salado	8
72576	Salem	8
72577	Sidney	8
72578	Sturkie	8
72579	Sulphur Rock	7
72581	Tumbling Shoals	8
72583	Viola	8
72584	Violet Hill	8
72585	Wideman	8
72587	Wiseman	8
72601	Harrison	8
72602	Harrison	8
72611	Alpena	8
72613	Beaver	8
72615	Bergman	8
72616	Berryville	8
72617	Big Flat	8
72619	Bull Shoals	8
72623	Clarkridge	8
72624	Compton	8
72626	Cotter	8
72628	Deer	8
72629	Dennard	8
72630	Diamond City	8
72631	Eureka Springs	8
72632	Eureka Springs	8
72633	Everton	8
72634	Flippin	8
72635	Gassville	8
72636	Gilbert	8
72638	Green Forest	8
72639	Harriet	8
72640	Hasty	8
72641	Jasper	8
72642	Lakeview	8
72644	Lead Hill	8
72645	Leslie	8
72648	Dogpatch	8
72650	Marshall	8
72651	Midway	8
72653	Mountain Hope	8

72655	Mount Judea	8
72657	Timbo	8
72658	Norfolk	8
72660	Oak Grove	8
72661	Oakland	8
72662	Omaha	8
72663	Onia	8
72666	Parthenon	8
72668	Peel	8
72669	Pindall	8
72670	Ponca	8
72672	Pyatt	8
72675	Saint Joe	8
72677	Summit	8
72679	Tilly	8
72680	Timbo	8
72682	Valley Springs	8
72683	Vendor	8
72685	Western Grove	8
72686	Witts Spring	8
72687	Yellville	8
72701	Fayetteville	8
72702	Fayetteville	8
72703	Fayetteville	8
72704	Fayetteville	8
72711	Avoca	8
72712	Bentonville	8
72714	Bella Vista	8
72715	Bella Vista	8
72717	Canehill	8
72718	Cave Springs	8
72719	Centerton	8
72721	Combs	8
72722	Decatur	8
72727	Elkins	8
72728	Elm Springs	8
72729	Evansville	8
72730	Farmington	8
72732	Garfield	8
72733	Gateway	8
72734	Gentry	8
72735	Goshen	8
72736	Gravette	8
72737	Greenland	8
72738	Hindsville	8
72739	Hiwasse	8
72740	Huntsville	8
72741	Johnson	8
72742	Kingston	8
72744	Lincoln	8

72745	Lowell	8
72747	Maysville	8
72749	Morrow	8
72751	Pea Ridge	8
72752	Pettigrew	8
72753	Prairie Grove	8
72756	Rogers	8
72757	Rogers	8
72758	Rogers	8
72760	St. Paul	8
72761	Siloam Springs	8
72762	Springdale	8
72764	Springdale	8
72765	Springdale	8
72766	Springdale	8
72768	Sulphur Springs	8
72769	Summers	8
72770	Tontitown	8
72773	Wesley	8
72774	West Fork	8
72776	Witter	8
72801	Russellville	8
72802	Russellville	8
72811	Russellville	8
72820	Alix	8
72821	Altus	8
72823	Atkins	8
72824	Belleville	8
72826	Blue Mountain	8
72827	Bluffton	8
72828	Briggsville	8
72829	Centerville	8
72830	Clarksville	8
72832	Coal Hill	8
72833	Danville	8
72834	Dardanelle	8
72835	Delaware	8
72837	Dover	8
72838	Gravelly	8
72839	Hagarville	8
72840	Hartman	8
72841	Harvey	8
72842	Havana	8
72843	Hector	8
72845	Knoxville	8
72846	Lamar	8
72847	London	8
72851	New Blaine	8
72852	Oark	8
72853	Ola	8

72854	Ozone	8
72855	Paris	8
72856	Pelsor	8
72857	Plainview	8
72858	Pottsville	8
72860	Rover	8
72863	Scranton	8
72865	Subiaco	8
72901	Fort Smith	8
72902	Fort Smith	8
72903	Fort Smith	8
72904	Fort Smith	8
72905	Fort Smith	8
72906	Fort Smith	8
72908	Fort Smith	8
72913	Fort Smith	8
72914	Fort Smith	8
72916	Fort Smith	8
72917	Fort Smith	8
72919	Fort Smith	8
72921	Alma	8
72923	Barling	8
72926	Boles	8
72927	Booneville	8
72928	Branch	8
72930	Cecil	8
72932	Cedarville	8
72933	Charleston	8
72934	Chester	8
72935	Dyer	8
72936	Greenwood	8
72937	Hackett	8
72938	Hartford	8
72940	Huntington	8
72941	Lavaca	8
72943	Magazine	8
72944	Mansfield	8
72945	Midland	8
72946	Mountainburg	8
72947	Mulberry	8
72948	Natural Dam	8
72949	Ozark	8
72950	Parks	8
72951	Ratcliff	8
72952	Rudy	8
72955	Uniontown	8
72956	Van Buren	8
72958	Waldron	8
72959	Winslow	8

Amica Mutual Insurance Company
 Homeowners Dwelling Page
Arkansas

Effective September 1, 2010

A. HO 00 03, HO 00 05

1. Dwelling Base Rates - \$500 Base Deductible

Peril	Base Rate	Platinum Fee	
		1-2 Family	3-4 Family
Wind/Hail	\$560.31		
Water/Freezing	\$405.94	\$41.00	\$41.00
Fire/Lightning	\$336.34		
Theft	\$63.94	\$9.00	\$9.00
Liability	\$111.01		
Other	\$76.40	\$9.00	\$9.00

2. Classification Tables

Form Relativities- Applies to All Perils except Liability

Form	Relativity
HO 3	1.00
HO 5	1.15

Protection - Construction Relativities (Applicable to Fire Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.350	0.650
8	2.400	1.525
8B	3.800	2.575
9	4.150	2.750
10	4.850	4.150

2. Three and Four Family Factor - All Perils
1.30

Amica Mutual Insurance Company
 Homeowners Tenant Page
Arkansas

Effective September 1, 2010

HO 00 04

1. Tenants Base Rates - \$250 Base Deductible

Peril	Base Rate
Wind/Hail	\$6.67
Water/Freezing	\$26.44
Fire/Lightning	\$105.33
Theft	\$117.58
Liability	\$54.50
Other	\$11.89

2. Classification Tables

Protection - Construction Relativities (Applicable to Fire Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.700	0.650
8	2.050	1.000
8B	2.750	1.875
9	3.100	2.050
10	4.150	2.750

Amica Mutual Insurance Company
 Homeowners Condominium Page
Arkansas

Effective September 1, 2010

HO 00 06

1. Condominium Base Rates - \$250 Base Deductible

Peril	Base Rate
Wind/Hail	\$10.79
Water/Freezing	\$113.04
Fire/Lightning	\$43.30
Theft	\$21.78
Liability	\$46.82
Other	\$8.25

2. Classification Tables

Protection - Construction Relativities (Applicable to Fire Premium Only)		
PC	Frame	Masonry
1	1.000	0.650
2	1.000	0.650
3	1.000	0.650
4	1.000	0.650
5	1.000	0.650
6	1.000	0.650
7	1.700	0.650
8	2.050	1.000
8B	2.750	1.875
9	3.100	2.050
10	4.150	2.750

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

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 Amica Mutual Insurance Company

NAIC # (including group #) 028-19976

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

We have not had an insurance to value campaign during the filing experience period. All homes have been re-inspected since June of 2006. We adjust dwelling values on our policies with HO 04 20 Replacement Cost Endorsement by our renewal multipliers upon renewal. We have achieved better insurance to value. We also inform our customers without this protection by endorsement to review their dwelling limits and contact us with any questions.

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.

In April of 2005, we began using RCT (Residential Component Technology) by MS&B (Marshall & Swift/Boeckh). This estimator has had a positive impact as we feel it provides a more accurate replacement estimate.

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.

We do not have a hard fast rule. However, we encourage and promote the Replacement Cost Endorsement HO 04 20 for all homeowner policyholders. Also, we inspect each location and estimate the replacement cost which we share with the insured. We point out the 80% replacement cost provision for those customers who don't select the HO 04 20.

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

We don't use the inflation guard endorsement. We use the ISO HO 04 20 endorsement to provide replacement cost protection for homes and the HO 04 90 for contents.

5. Specify the percentage given for credit or discounts for the following:
- | | | | |
|---|---|---------------|---|
| a. Fire Extinguisher | | <u>N/A</u> | % |
| b. Burglar Alarm | | <u>8-20</u> | % |
| c. Smoke Alarm | | <u>4-10</u> | % |
| d. Insured who has both homeowners, auto & Personal Umbrella Policy w/co. | | <u>10-18</u> | % |
| e. Deadbolt Locks | | <u>N/A</u> | % |
| f. Window or Door Locks | | <u>N/A</u> | % |
| g. Other (specify) | <ol style="list-style-type: none"> 1. Additional Discounts or Surcharges may apply based on the Household Risk Factor 2. Age of Home - 5% to 35% 3. Automatic Sprinklers-all areas including attic, bathrooms, closets and attached structures (26%) 4. Automatic Sprinklers-all other areas except attic, bathroom, and closet and attached structures (16%) | <u>varies</u> | % |

6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? If so, state the areas and explain reason for not writing.
No

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

Form	Premium Volume
Form 3	\$283,669
Form 4	13,865
Form 5	18,774
Form 6	2,265

Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes No

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

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

Signature
Brenda M. Walker
Printed Name
Sr. Regulatory Compliance Analyst
Title
1-800-652-6422 ext. 24584
Telephone Number
bwalker@amica.com
Email Address

**Arkansas
Amica Mutual Insurance Company
Homeowners**

Explanatory Memorandum

Effective September 1, 2010 new business and renewals, Amica will implement the following base rate changes:

<u>Form</u>	<u>Base Rate Changes</u>
Dwelling	12.5%
Tenants	5.0
Condominiums	5.0%

Rate level changes by peril by form are summarized on Exhibit 1. Exhibit 2 displays calendar loss ratios for 2005-2009. Underwriting expenses, an investment income exhibit and an expected loss ratio exhibit are displayed on Exhibits 3 through 5. In addition to the base rate changes Amica will also make the following additional changes:

1. We will revise the rate associated with the Identity Fraud Expense Coverage contained in Rule A.3. Amica's rate for this coverage is changing from \$35 to \$20 due to a revised contract with Identity Theft 911®.
2. We will re-index the Age of Home/Remodeled Home Rating Factors. No policyholder will receive a surcharge based on the age of their home. Base rates have been offset by a factor of 1.124 so that Amica does not realize a change in premium as a result of this revision. Exhibit 3 displays current and proposed factors. Rule A.5 has been revised to reflect this change.
3. We will revise the rates associated with Rules 604, 605, 612 and 613 in response to the revised advisory prospective loss costs contained in Loss Cost Reference filing HO-2009-RLA1.

We will editorially revise the following rules. These changes should have been included in our manual pages when Amica introduced its Rating by Peril program effective September 1, 2009.

1. Rule 101-we will editorially revise Section 1.
2. Rule 106-we will revise the effective date to the Rating by Peril Implementation date.
3. Rule 201-we will revise to reflect that Amica only writes one year policies.
4. Rule 204-we will revise the rule to read it is not applicable.
5. Rule 302-we will revise the endorsement number from HO 23 26 to HO 04 56.
6. Rule 304-we will correct the effective date to display the Rating by Peril effective date.
7. Rule 401-we will revise to add the title indicating the rule is applicable to "Fire Perils Only.
8. Rule 407-we will revise the rule to remove the last sentence regarding HO 00 05 and revise the endorsement numbers from HO 04 20 to HO 23 47 & HO 04 11 to HO 23 49.

9. Rule 515-add a note to exception A.3.a., revise exception E to indicate that this coverage is automatically included in all forms, & remove bullet #4 with endorsement listed as it is not applicable.
10. Rule 521-revise exception B.-endorsement is automatically attached to an HO 00 05.
11. Rule 528-revise the factors displayed exception D.2 so that our premium for the Home Business Insurance Coverage does not change as a result of the change in our base rates, and we also removed the endorsement numbers referenced in the Titles of exception F.6a&b.
12. Rule A.2 Wood Roof Surcharge-revised so that charge applies only Wind/Hail & Fire perils.
13. Rule A.12-we will make treatment of no hit/thin files its own bullet in the Credit Factor Table.
14. Rule A.13- -revise applicability of rule A.2 Wood Surcharge to only Wind/Hail & Fire perils and included minor editorial revisions to the tenant and condominium tables.

The statewide rate level impact associated with all the above mentioned revisions is 12.1%.

Arkansas
Proposed Rate Level Changes - All Forms Combined

	2009 EPPR	Base Rate Change	Other Effects	Offsets	Total Change	Percent Change
<u>DWELLING</u>						
Wind	117,548	1.125	0.890	1.124	1.125	12.5%
Water	88,232	1.125	0.890	1.124	1.125	12.5%
Fire	56,784	1.125	0.890	1.124	1.125	12.5%
Theft	13,342	1.125	0.880	1.136	1.125	12.5%
Liability	14,454	1.125	0.890	1.124	1.125	12.5%
Other	16,390	1.125	0.890	1.124	1.125	12.5%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	3,003	1.000	1.000	1.000	1.000	0.0%
Total Dwelling	309,753				1.124	12.4%
<u>TENANTS</u>						
Wind	234	1.050	1.000	1.000	1.050	5.0%
Water	962	1.050	1.000	1.000	1.050	5.0%
Fire	2,598	1.050	1.000	1.000	1.050	5.0%
Theft	4,224	1.050	1.000	1.000	1.050	5.0%
Liability	1,202	1.050	1.000	1.000	1.050	5.0%
Other	423	1.050	1.000	1.000	1.050	5.0%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	0	1.000	1.000	1.000	1.000	0.0%
Total Tenants	9,643				1.050	5.0%
<u>CONDO</u>						
Wind	113	1.050	1.000	1.000	1.050	5.0%
Water	1,219	1.050	1.000	1.000	1.050	5.0%
Fire	374	1.050	1.000	1.000	1.050	5.0%
Theft	288	1.050	0.932	1.073	1.050	5.0%
Liability	215	1.050	1.000	1.000	1.050	5.0%
Other	93	1.050	1.000	1.000	1.050	5.0%
Hurricane	0	1.000	1.000	1.000	1.000	0.0%
Miscellaneous	228	1.000	1.000	1.000	1.000	0.0%
Total Condo	2,530				1.045	4.5%
<u>OVERALL CHANGE</u>	321,926				1.121	12.1%

	<u>New Business</u>	<u>Renewals</u>
Dwelling Effective Date	September 1, 2010	September 1, 2010
Tenant Effective Date	September 1, 2010	September 1, 2010
Condo Effective Date	September 1, 2010	September 1, 2010

Arkansas
Amica Mutual Insurance Company
Homeowners Insurance

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Total</u>
Collected Earned Prem	\$284,402	\$312,680	\$314,310	\$304,805	\$318,640	\$1,534,837
On-Level Factor	1.073	1.038	1.040	1.055	1.002	
Collected Earned PPR	305,163	324,562	326,882	321,569	319,277	1,597,453
Paid Losses	99,271	256,237	291,131	209,194	262,324	
O/S Losses	10,727	50,317	38,692	42,550	30,331	
Change in O/S	-53,126	39,590	-11,625	3,858	-12,219	
Incurred Losses	46,145	295,827	279,506	213,052	250,105	1,084,634
Paid ALAE	535	85	68	4,572	4,947	
O/S LAE	3,344	13,513	10,449	11,256	10,109	
Change in O/S LAE	-13,995	10,169	-3,064	807	-1,147	
Adj. To O/S LAE	0	0	0	0	0	
Incurred ALAE	-13,460	10,254	-2,996	5,379	3,800	
ULAE	31,539	43,744	25,095	34,259	44,501	
Total Loss Expense	18,079	53,998	22,099	39,638	48,301	182,115
Inc. Loss and LAE	64,224	349,825	301,605	252,690	298,406	1,266,749
Loss Ratio	0.210	1.078	0.923	0.786	0.935	0.793

**Arkansas
Amica Mutual Insurance Company
Homeowners Expense Exhibit**

<u>Year</u>	<u>Earned Premium</u>	<u>Other Acquisition</u>	<u>Ratio To EP</u>	<u>General Expenses</u>	<u>Ratio To EP</u>
2007	314,311	49,867	0.159	12,511	0.040
2008	304,805	69,515	0.228	14,579	0.048
2009	<u>318,640</u>	<u>64,889</u>	<u>0.204</u>	<u>14,250</u>	<u>0.045</u>
3 Yr Total	937,756	184,271	0.197	41,340	0.044
Selection:			0.204		0.045

<u>Year</u>	<u>Earned Premium</u>	<u>Taxes, Lic. and Fees</u>	<u>Ratio To EP</u>	<u>Misc. Tax</u>	<u>Ratio To EP</u>	<u>Dividends to Policyholders</u>	<u>Ratio To EP</u>
2007	314,311	12,260	0.039	3,256	0.010		
2008	304,805	11,772	0.039	2,733	0.009		
2009	<u>318,640</u>	<u>10,037</u>	<u>0.031</u>	<u>1,685</u>	<u>0.005</u>	21,577	0.068
3 Yr Total	937,756	34,069	0.036	7,674	0.008		
Selection:					0.008		0.068

Arkansas
AMICA MUTUAL INSURANCE COMPANY
HOMEOWNERS INSURANCE

ESTIMATED INVESTMENT EARNINGS ON UNEARNED

PREMIUM RESERVES AND ON LOSS RESERVES

A. UNEARNED PREMIUM RESERVE		
1. State Earned Premium for 2009		\$318,640
2. Mean Unearned Premium Reserve: (1) x	0.554	\$176,527
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense	0.0%	
Taxes, Licenses and Fees	3.3%	
50% of Other Acquisition Expense	10.2%	
50% of Company Operating Expense	2.3%	
Total	15.8%	
4. Deduction for Federal Taxes Payable		0.4%
5. [(2) x [(3) + (4)]]		\$28,597
6. Net Subject to Investment (2) - (5)		\$147,930
B. DELAYED REMISSION OF PREMIUM (AGENTS' BALANCES)		
1. State Earned Premium (A-1)		\$318,640
2. Average Agents' Balance		0.287
3. Delayed Remission (1) x (2)		\$91,450
C. LOSS RESERVE		
1. State Earned Premium (A-1)		\$318,640
2. Expected Incurred Losses and Loss Adjustment Expenses (1) x	0.604	\$192,459
3. Expected Mean Loss Reserves (2) x	0.512	\$98,539
D. NET SUBJECT TO INVESTMENT (A-6) - (B-3) + (C-3)		
		\$155,019
E. AVERAGE RATE OF RETURN		
		3.9%
F. INVESTMENT EARNINGS ON NET SUBJECT TO INVESTMENT (D) X (E)		
		\$6,046
G. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED PREMIUM (F) ÷ (A-1)		
		0.019
H. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED PREMIUM AFTER FEDERAL INCOME TAXES (G) X		
	0.739	0.014

Arkansas
Calculation Of Amica Expected Loss Ratios

<u>Expense Provisions</u>	<u>All Forms</u>
1. General	0.045
2. Other Acquisition	0.204
3. Taxes, Licenses, And Fees	
a. Amica Total TLF ([3b]+[3C])	0.033
b. Premium Tax (PCI)	0.025
c. Miscellaneous (AMICA)	0.008
4. Dividend	0.068
5. Profit (include FIT & II if required)	0.036
6. Contingencies	0.010
7. Reinsurance Provision	0.000
8. Fixed Expense Ratio (a) .75*([1]+[2])+[3c]+[7]	0.195
9. Variable Expense Ratio (a) ([1]+[2]+[3A]+[4]+[5]+[6]+[7])-[8]	0.201
10. Variable Expense Excluding Dividend (a) [9]-[4]	0.133
11. Expected Loss Ratio 1-[8]-[9]	0.604
12. Variable Expected Loss Ratio 1-[9]	0.799

(a) Assumes General And Other Acquisition Expenses Are 75% Fixed