

SERFF Tracking Number: USAA-126649629 State: Arkansas  
 First Filing Company: Garrison Property and Casualty Insurance Company, ... State Tracking Number: EFT \$100  
 Company Tracking Number: AR1012507  
 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
 Product Name: Rate Revision  
 Project Name/Number: /

## Filing at a Glance

Companies: Garrison Property and Casualty Insurance Company, United Services Automobile Association, USAA Casualty Insurance Company, USAA General Indemnity Company

Product Name: Rate Revision	SERFF Tr Num: USAA-126649629	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed-Filed	State Tr Num: EFT \$100
Sub-TOI: 04.0003 Owner Occupied Homeowners	Co Tr Num: AR1012507	State Status: Fees verified and received
Filing Type: Rate		Reviewer(s): Becky Harrington, Betty Montesi
	Author: Scott Hawthorne	Disposition Date: 07/09/2010
	Date Submitted: 06/02/2010	Disposition Status: Filed
Effective Date Requested (New): 10/01/2010		Effective Date (New): 10/01/2010
Effective Date Requested (Renewal): 10/01/2010		Effective Date (Renewal): 10/01/2010

State Filing Description:

## General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 07/14/2010	
State Status Changed: 06/04/2010	Deemer Date:
Created By: Scott Hawthorne	Submitted By: Scott Hawthorne
Corresponding Filing Tracking Number:	
Filing Description:	
USAA Group (USAA, USAA-CIC, USAA-GIC, and Garrison) wishes to revise Homeowners premiums with an overall effect of 11.9%. The effects by form apply as follows:	

USAA Owners Forms	12.0%
USAA Unit-Owners Forms	0.0%
USAA All Forms Combined	11.9%

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USAA-CIC Owners Forms 13.7%  
 USAA-CIC Unit-Owners Forms 0.0%  
 USAA-CIC All Forms Combined 13.6%

USAA-GIC Owners Forms 3.6%  
 USAA-GIC Unit-Owners Forms 0.0%  
 USAA-GIC All Forms Combined 3.6%

Garrison Owners Forms 1.3%  
 Garrison Unit-Owners Forms 0.0%  
 Garrison All Forms Combined 1.3%

USAA Group All Forms Combined 11.9%

The proposed changes include the revision of Territory factors, Fiberglass Shingle Roof factors and Base Rates.

USAA-GIC and Garrison were introduced on July 1, 2006 with all rates and factors matching those of USAA-CIC. Since then, adjustments have been made causing the rates of the above three companies to differ. With this filing we are revising USAA-GIC and Garrison's base rates to match USAA-CIC once again due to low credibility of the individual companies.

An effective date of October 1, 2010, for these revisions will apply to all policies. Details of these revisions are attached.

## Company and Contact

### Filing Contact Information

Scott Hawthorne, Compliance Analyst scott.hawthorne@usaa.com  
 A-03-W Insurance Regulatory Compliance 800-531-8722 [Phone] 85315 [Ext]  
 9800 Fredericksburg Road 866-358-3638 [FAX]  
 San Antonio, TX 78288-1033

### Filing Company Information

Garrison Property and Casualty Insurance Company	CoCode: 21253	State of Domicile: Texas
9800 Fredericksburg Road	Group Code: 200	Company Type: Stock
San Antonio, TX 78284-8496	Group Name: USAA	State ID Number:
(800) 531-8722 ext. [Phone]	FEIN Number: 43-1803614	

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 United Services Automobile Association CoCode: 25941 State of Domicile: Texas  
 9800 Fredericksburg Road Group Code: 200 Company Type: Reciprocal  
 San Antonio, TX 78288 Group Name: USAA State ID Number:  
 (800) 531-8722 ext. [Phone] FEIN Number: 74-0959140

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 USAA Casualty Insurance Company CoCode: 25968 State of Domicile: Texas  
 9800 Fredericksburg Road Group Code: 200 Company Type: Stock  
 San Antonio, TX 78288 Group Name: USAA State ID Number:  
 (800) 531-8722 ext. [Phone] FEIN Number: 59-3019540

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 USAA General Indemnity Company CoCode: 18600 State of Domicile: Texas  
 9800 Fredericksburg Road Group Code: 200 Company Type: Stock  
 San Antonio, TX 78288 Group Name: USAA State ID Number:  
 (800) 531-8722 ext. [Phone] FEIN Number: 74-1718283

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation: \$100 per rate/rule filing.  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Garrison Property and Casualty Insurance Company	\$0.00	06/02/2010	
United Services Automobile Association	\$100.00	06/02/2010	36957428
USAA Casualty Insurance Company	\$0.00	06/02/2010	
USAA General Indemnity Company	\$0.00	06/02/2010	

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 Product Name: Rate Revision  
 Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	07/09/2010	07/14/2010

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	06/23/2010	06/23/2010	Scott Hawthorne	07/06/2010	07/06/2010
Pending Industry Response	Becky Harrington	06/18/2010	06/18/2010	Scott Hawthorne	07/06/2010	07/06/2010
Pending Industry Response	Becky Harrington	06/04/2010	06/04/2010	Scott Hawthorne	06/16/2010	06/16/2010

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Rate	AR HO Rate Pages	Scott Hawthorne	07/12/2010	07/12/2010

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Revised Manual Pages	Note To Filer	Becky Harrington	07/09/2010	07/09/2010



SERFF Tracking Number: USAA-126649629 State: Arkansas  
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 Product Name: Rate Revision  
 Project Name/Number: /

## Disposition

Disposition Date: 07/09/2010  
 Effective Date (New): 10/01/2010  
 Effective Date (Renewal): 10/01/2010  
 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):
Garrison Property and Casualty Insurance Company	82.800%	-0.500%	\$-44,637	12,085	\$8,927,358	21.100%	0.000%
United Services Automobile Association	82.800%	9.900%	\$408,692	4,849	\$4,128,201	21.100%	2.300%
USAA Casualty Insurance Company	82.800%	11.600%	\$45,188	458	\$389,548	14.700%	-2.000%
USAA General Indemnity Company	82.800%	1.800%	\$7,448	472	\$413,766	8.200%	-3.600%

SERFF Tracking Number: USAA-126649629 State: Arkansas  
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Product Name: Rate Revision  
Project Name/Number: /

**Overall Rate Information for Multiple Company Filings**

<b>Overall Percentage Rate Indicated For This Filing</b>	82.800%
<b>Overall Percentage Rate Impact For This Filing</b>	10.000%
<b>Effect of Rate Filing-Written Premium Change For This Program</b>	\$416,691
<b>Effect of Rate Filing - Number of Policyholders Affected</b>	17,864

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 Product Name: Rate Revision  
 Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
<b>Supporting Document</b>	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
<b>Supporting Document</b>	H-1 Homeowners Abstract	Filed	Yes
<b>Supporting Document (revised)</b>	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
<b>Supporting Document</b>	HPCS-Homeowners Premium Comparison Survey		Yes
<b>Supporting Document</b>	HPCS-Homeowners Premium Comparison Survey		Yes
<b>Supporting Document (revised)</b>	NAIC loss cost data entry document	Filed	Yes
<b>Supporting Document</b>	NAIC loss cost data entry document		Yes
<b>Supporting Document</b>	AR HO Filing Memorandum	Filed	Yes
<b>Supporting Document</b>	AR HO Explanatory Memorandum and Actuarial Support	Filed	Yes
<b>Supporting Document</b>	Objection Response 06-16-10	Filed	Yes
<b>Supporting Document</b>	Objection Response 07-06-10	Filed	Yes
<b>Rate (revised)</b>	AR HO Rate Pages	Filed	Yes
<b>Rate</b>	AR HO Rate Pages		Yes

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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 06/23/2010  
Submitted Date 06/23/2010  
Respond By Date  
Dear Scott Hawthorne,

Objection 1

No Objections

Comment: Per my meeting with Commissioner Bradford, please amend the overall increase to 10%, with individual increases no more than the current 21%.

Please feel free to contact me if you have questions.

Sincerely,

Becky Harrington

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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 07/06/2010  
Submitted Date 07/06/2010

Dear Becky Harrington,

### Comments:

### Response 1

Comments: As requested, we revised Base Rates to achieve an overall increase of 10%; please refer to Exhibit C for the revised distribution of effects.

### Related Objection 1

Comment:

Per my meeting with Commissioner Bradford, please amend the overall increase to 10%, with individual increases no more than the current 21%.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment:

Satisfied -Name: NAIC loss cost data entry document

Comment:

Satisfied -Name: Objection Response 07-06-10

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Scott Hawthorne

SERFF Tracking Number: USAA-126649629 State: Arkansas  
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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 06/18/2010

Submitted Date 06/18/2010

Respond By Date

Dear Scott Hawthorne,

This will acknowledge receipt of the response dated 6/16/2010.

Objection 1

No Objections

Comment: What criteria will determine company placement now that the rates for the three companies will match?

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: USAA-126649629 State: Arkansas  
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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 07/06/2010  
Submitted Date 07/06/2010

Dear Becky Harrington,

### Comments:

#### Response 1

Comments: With this filing we are not revising the criteria that determine company placement. Company assignment is still based on the nature of the insured's relationship with the military.

#### Related Objection 1

Comment:

What criteria will determine company placement now that the rates for the three companies will match?

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Scott Hawthorne

SERFF Tracking Number: USAA-126649629 State: Arkansas  
First Filing Company: Garrison Property and Casualty Insurance State Tracking Number: EFT \$100  
Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 06/04/2010

Submitted Date 06/04/2010

Respond By Date

Dear Scott Hawthorne,

This will acknowledge receipt of the captioned filing.

### Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: The survey worksheet name has been changed. This is not permitted. Please re-submit using the prescribed form with NO changes.

### Objection 2

- AR HO Explanatory Memorandum and Actuarial Support (Supporting Document)

Comment: AIR is not a licensed advisory organization in Arkansas. The model must be filed along with the specific thunderstorm characteristics used to run USAA's exposures in order for the Department to determine acceptability.

### Objection 3

- AR HO Explanatory Memorandum and Actuarial Support (Supporting Document)

Comment: Define severe and non-severe thunderstorm.

### Objection 4

No Objections

Comment: Please indicate the percentage change in base rates. Indicate the amount due to the leveling of GIC and Garrison to match CIC.

### Objection 5

No Objections

Comment: Please indicate the major type of losses driving your loss ratio.

### Objection 6

No Objections

Comment: Please provide a disruption chart.

Please feel free to contact me if you have questions.



SERFF Tracking Number: USAA-126649629 State: Arkansas  
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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 06/16/2010  
Submitted Date 06/16/2010

Dear Becky Harrington,

### Comments:

### Response 1

Comments: The worksheet names have been corrected.

### Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

The survey worksheet name has been changed. This is not permitted. Please re-submit using the prescribed form with NO changes.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 2

Comments: We have prepared the exhibits to show the historical loss information instead of loss provisions from AIR. Additionally, we found a data discrepancy in the calculation of the Large Loss Adjustment (Exhibit III); the number of excess losses was not counted appropriately, so we have made this correction with the revision of this exhibit.

All of the impacted exhibits have been revised and can be found in the Explanatory Memorandum (Revised).

SERFF Tracking Number: USAA-126649629 State: Arkansas  
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Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

### Related Objection 1

Applies To:

- AR HO Explanatory Memorandum and Actuarial Support (Supporting Document)

Comment:

AIR is not a licensed advisory organization in Arkansas. The model must be filed along with the specific thunderstorm characteristics used to run USAA's exposures in order for the Department to determine acceptability.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: Objection Response 06-16-10

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 3

Comments: See response to Objection 2.

#### Related Objection 1

Applies To:

- AR HO Explanatory Memorandum and Actuarial Support (Supporting Document)

Comment:

Define severe and non-severe thunderstorm.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 4

SERFF Tracking Number: USAA-126649629 State: Arkansas  
First Filing Company: Garrison Property and Casualty Insurance State Tracking Number: EFT \$100  
Company, ...  
Company Tracking Number: AR1012507  
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

Comments: Please Refer to Exhibit A.

### **Related Objection 1**

Comment:

Please indicate the percentage change in base rates. Indicate the amount due to the leveling of GIC and Garrison to match CIC.

### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Response 5**

Comments: The major types of losses driving the loss ratio are due to a large number of wind and hail claims in 2008 and 2009.

### **Related Objection 1**

Comment:

Please indicate the major type of losses driving your loss ratio.

### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Response 6**

Comments: Please refer to Exhibit B.

### **Related Objection 1**

Comment:

Please provide a disruption chart.



SERFF Tracking Number: USAA-126649629 State: Arkansas  
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Company, ...  
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TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
Product Name: Rate Revision  
Project Name/Number: /

**Amendment Letter**

Submitted Date: 07/12/2010

**Comments:**

The revised rate pages are attached to the Rate/Rule Schedule.

**Changed Items:**

**Rate/Rule Schedule Item Changes:**

<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action:</b>	<b>Previous State Filing Number:</b>	<b>Attach Document:</b>
AR HO Rate Pages	AR-R-1.1; AR-R-3.1; AR-R-6.1	Replacement		AR HO Rate Pages - Revised.pdf

*SERFF Tracking Number:* USAA-126649629      *State:* Arkansas  
*First Filing Company:* Garrison Property and Casualty Insurance      *State Tracking Number:* EFT \$100  
*Company,* ...  
*Company Tracking Number:* AR1012507  
*TOI:* 04.0 Homeowners      *Sub-TOI:* 04.0003 Owner Occupied Homeowners  
*Product Name:* Rate Revision  
*Project Name/Number:* /

**Note To Filer**

**Created By:**

Becky Harrington on 07/09/2010 07:21 AM

**Last Edited By:**

Becky Harrington

**Submitted On:**

07/14/2010 09:31 AM

**Subject:**

Revised Manual Pages

**Comments:**

Please attach revised manual pages so the filing may be closed.

SERFF Tracking Number: USAA-126649629 State: Arkansas  
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 Product Name: Rate Revision  
 Project Name/Number: /

## Rate Information

Rate data applies to filing.

**Filing Method:** File and Use  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 0.000%  
**Effective Date of Last Rate Revision:** 05/30/2010  
**Filing Method of Last Filing:** File and Use

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Garrison Property and Casualty Insurance Company	106.200%	11.900%	\$1,062,356	12,085	\$8,927,358	21.100%	0.000%
United Services Automobile Association	106.200%	13.600%	\$561,435	4,849	\$4,128,201	21.100%	2.300%
USAA Casualty Insurance Company	106.200%	3.600%	\$14,024	458	\$389,548	14.700%	-2.000%
USAA General Indemnity Company	106.200%	1.200%	\$4,965	472	\$413,766	8.200%	-3.600%

<i>SERFF Tracking Number:</i>	<i>USAA-126649629</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Garrison Property and Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>AR1012507</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0003 Owner Occupied Homeowners</i>
<i>Product Name:</i>	<i>Rate Revision</i>		
<i>Project Name/Number:</i>	<i>/</i>		

### **Overall Rate Information for Multiple Company Filings**

<b>Overall % Rate Indicated:</b>	106.400%
<b>Overall Percentage Rate Impact For This Filing:</b>	11.900%
<b>Effect of Rate Filing - Written Premium Change For This Program:</b>	\$1,642,780
<b>Effect of Rate Filing - Number of Policyholders Affected:</b>	17864

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 Project Name/Number: /

## Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
Filed 07/14/2010	AR HO Rate Pages	AR-R-1.1; AR-R-3.1; AR-R-6.1	Replacement	AR HO Rate Pages - Revised.pdf

State: **ARKANSAS**  
 Line of Business: **HOMEOWNERS**  
 Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**BASE RATES AND MINIMUM PREMIUMS**

**BASE RATES**

<u>Form Type</u>	<u>Peril</u>	<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	Other Perils	<b>1046.26</b>	<b>1251.84</b>	<b>1251.84</b>	<b>1251.84</b>
	Fire	<b>1134.12</b>	<b>1319.55</b>	<b>1319.55</b>	<b>1319.55</b>
Unit-Owners	Other Perils	331.68	281.75	281.75	281.75
	Fire	37.49	26.84	26.84	26.84

\* Base limits are \$300,000 Liability and \$5,000 Medical Payments to Others

**MINIMUM PREMIUMS**

<u>Form Type</u>	<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	\$250	\$250	\$250	\$250
Unit-Owners	\$125	\$125	\$125	\$125

State: **ARKANSAS**  
Line of Business: **HOMEOWNERS**  
Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**TERRITORY FACTORS**

**USAA GROUP  
OWNERS FORMS**

<u>Territory</u>	<u>Other Perils</u>	<u>Fire</u>
58	1.1350	0.7944
59	1.1622	0.9056
60	1.1363	0.9158
61	<b>1.1079</b>	<b>0.9076</b>
62	1.0180	1.0936
63	1.0110	1.0236
64	1.0000	0.9366
65	<b>0.9767</b>	<b>0.9585</b>
66	<b>1.0167</b>	<b>0.9947</b>
67	<b>0.9394</b>	<b>0.9500</b>
68	<b>1.0669</b>	<b>1.2062</b>
69	<b>1.0353</b>	<b>1.1636</b>
70	1.0423	1.0938
71	1.0647	1.0683
72	1.0888	0.7943
73	1.1344	0.8657
74	1.1890	0.9311
75	1.2194	0.9388
76	<b>1.1196</b>	<b>0.9302</b>
77	<b>1.1283</b>	<b>0.9131</b>
78	1.0850	0.7179

State: **ARKANSAS**  
 Line of Business: **HOMEOWNERS**  
 Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**ROOF FACTORS**

**USAA GROUP  
 OWNERS FORMS**

Roof <u>Type</u>	<u>Code</u>	Other <u>Perils</u>	<u>Fire</u>
Aluminum	AL	0.9908	1.0000
Asbestos	AS	1.0983	1.0000
Cloth	CL	1.0744	1.0000
Concrete Tile	CN	0.8606	0.8456
Composition Shingle	CS	1.0000	1.0000
Clay Tile	CT	0.9078	1.0000
Composition Over Wood	CW	1.0579	1.4699
Fiberglass Shingle	FB	<b>0.9877</b>	<b>0.8971</b>
Fiber Cement	FC	0.9767	0.8456
Resin Formed Shingle	FE	0.9728	0.8456
Foam	FM	1.0698	1.0000
Metal	MT	0.9727	1.0000
None	NA	1.1618	1.4699
Other	OT	1.1618	1.0000
Plastic	PL	1.0713	1.0000
Reinforced Plastic	RP	1.0750	1.0000
Slate	SL	1.0827	0.8456
Tar	TR	0.9360	1.0000
Unknown	UN	1.1618	1.4699
Wood Shake	WS	1.1234	1.4699
No Data	X	1.1618	1.4699

SERFF Tracking Number: USAA-126649629 State: Arkansas  
 First Filing Company: Garrison Property and Casualty Insurance State Tracking Number: EFT \$100  
 Company, ...  
 Company Tracking Number: AR1012507  
 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
 Product Name: Rate Revision  
 Project Name/Number: /

## Supporting Document Schedules

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	H-1 Homeowners Abstract	Filed	07/09/2010
<b>Comments:</b>			
<b>Attachments:</b>			
	H-1 200-25941.pdf		
	H-1 200-25968.pdf		
	H-1 200-18600.pdf		
	H-1 200-21253.pdf		

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey	Filed	07/09/2010
<b>Comments:</b>			
<b>Attachments:</b>			
	HPCS 200-25941.xlsx		
	HPCS 200-25968.xlsx		
	HPCS 200-18600.xlsx		
	HPCS 200-21253.xlsx		

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	NAIC loss cost data entry document	Filed	07/09/2010
<b>Comments:</b>			
<b>Attachments:</b>			
	RF-1 200-25941.pdf		
	RF-1 200-25968.pdf		
	RF-1 200-18600.pdf		
	RF-1 200-21253.pdf		

		<b>Item Status:</b>	<b>Status</b>
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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 United Services Automobile Association  
 NAIC No. 25941 Group No. 200

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact. We encourage homeowners to insure for 100% of replacement cost based on various valuation tools.

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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. USAA uses the Marshall Swift/Boeckh replacement cost tool.

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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 require 100% insurance to value. Rare exceptions are allowed down to 80%.

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4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact. We use an Adjusted Building Cost (ABC) method. Actual results vary by location. Application of ABC may result in an adjustment in policy limits of as much as 25% or more.

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

a. Fire Extinguisher	<u>N/A</u>	%
b. Burglar Alarm	<u>5% Discount</u>	%
	<u>(if monitored)</u>	
c. Smoke Alarm	<u>N/A</u>	%
d. Insured who has both homeowners and auto with your company	<u>10% Discount</u>	%
e. Deadbolt Locks	<u>N/A</u>	%
f. Window or Door Locks	<u>N/A</u>	%
g. Other (specify)		%
<u>Sprinklers</u>	<u>20% Discount</u>	%
<u>Monitored Fire Alarm</u>	<u>5% Discount</u>	%

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6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? No If so, state areas and explain reason for not writing.

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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 USAA Casualty Insurance Company  
 NAIC No. 25968 Group No. 200

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact. We encourage homeowners to insure for 100% of replacement cost based on various valuation tools.
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. USAA uses the Marshall Swift/Boeckh replacement cost tool.
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 require 100% insurance to value. Rare exceptions are allowed down to 80%.
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact. We use an Adjusted Building Cost (ABC) method. Actual results vary by location. Application of ABC may result in an adjustment in policy limits of as much as 25% or more.
5. Specify the percentage given for credits or discounts for the following:
 

a. Fire Extinguisher	<u>N/A</u>	%
b. Burglar Alarm	<u>5% Discount</u>	%
	<u>(if monitored)</u>	
c. Smoke Alarm	<u>N/A</u>	%
d. Insured who has both homeowners and auto with your company	<u>10% Discount</u>	%
e. Deadbolt Locks	<u>N/A</u>	%
f. Window or Door Locks	<u>N/A</u>	%
g. Other (specify)		%
<u>Sprinklers</u>	<u>20% Discount</u>	%
<u>Monitored Fire Alarm</u>	<u>5% Discount</u>	%
6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? No If so, state areas and explain reason for not writing.



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 USAA General Indemnity Company  
NAIC No. 200 Group No. 18600

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact. We encourage homeowners to insure for 100% of replacement cost based on various valuation tools.
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. USAA uses the Marshall Swift/Boeckh replacement cost tool.
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 require 100% insurance to value. Rare exceptions are allowed down to 80%.
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact. We use an Adjusted Building Cost (ABC) method. Actual results vary by location. Application of ABC may result in an adjustment in policy limits of as much as 25% or more.
5. Specify the percentage given for credits or discounts for the following:

a.	Fire Extinguisher	<u>N/A</u>	%
b.	Burglar Alarm	<u>5% Discount</u>	%
		<u>(if monitored)</u>	
c.	Smoke Alarm	<u>N/A</u>	%
d.	Insured who has both homeowners and auto with your company	<u>10% Discount</u>	%
e.	Deadbolt Locks	<u>N/A</u>	%
f.	Window or Door Locks	<u>N/A</u>	%
g.	Other (specify)		%
	<u>Sprinklers</u>	<u>20% Discount</u>	%
	<u>Monitored Fire Alarm</u>	<u>5% Discount</u>	%
6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? No If so, state areas and explain reason for not writing.

ARKANSAS INSURANCE DEPARTMENT  
FORM H-1 HOMEOWNERS ABSTRACT

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

Form	Premium Volume
<u>HO-3R Homeowners Special Form</u>	<u>\$5,868</u>
<u>HO-9R Preferred Protection Plan Form</u>	<u>\$383,227</u>
<u>HO-6R Unit-Owners Form</u>	<u>\$452</u>
<u> </u>	<u> </u>

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

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

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

Scott Hawthorne

Signature

Compliance Advisor

Title

800-531-8722, ext 85315

Telephone Number

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 Garrison Property And Casualty Insurance Company  
 NAIC No. 200 Group No. 21253

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact. We encourage homeowners to insure for 100% of replacement cost based on various valuation tools.
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. USAA uses the Marshall Swift/Boeckh replacement cost tool.
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 require 100% insurance to value. Rare exceptions are allowed down to 80%.
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact. We use an Adjusted Building Cost (ABC) method. Actual results vary by location. Application of ABC may result in an adjustment in policy limits of as much as 25% or more.
5. Specify the percentage given for credits or discounts for the following:
 

a. Fire Extinguisher	<u>N/A</u>	%
b. Burglar Alarm	<u>5% Discount</u>	%
	<u>(if monitored)</u>	
c. Smoke Alarm	<u>N/A</u>	%
d. Insured who has both homeowners and auto with your company	<u>10% Discount</u>	%
e. Deadbolt Locks	<u>N/A</u>	%
f. Window or Door Locks	<u>N/A</u>	%
g. Other (specify)		%
<u>Sprinklers</u>	<u>20% Discount</u>	%
<u>Monitored Fire Alarm</u>	<u>5% Discount</u>	%
6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? No If so, state areas and explain reason for not writing.



NAIC Number: 25941  
 Company Name: United Services Automobile Association  
 Contact Person: Scott Hawthorne  
 Telephone No.: 800-531-8722, ext. 85315  
 Email Address: [scott.hawthorne@usaa.com](mailto:scott.hawthorne@usaa.com)  
 Effective Date: 10/1/2010

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

Submit to: Arkansas Insurance Department  
 1200 West Third Street  
 Little Rock, AR 72201-1904  
 Telephone: 501-371-2800  
 Email as an attachment to: [insurance.pnc@arkansas.gov](mailto: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	\$798.22	\$861.81	\$772.31	\$835.81	\$874.99	\$949.93	\$818.70	\$891.48	\$814.75	\$899.44	\$775.53	\$856.66	\$807.40	\$894.03	\$823.73	\$896.74	\$844.14	\$939.52
	\$120,000	\$866.60	\$935.50	\$838.46	\$907.25	\$949.92	\$1,031.09	\$888.78	\$967.62	\$884.38	\$976.13	\$841.81	\$929.70	\$876.39	\$970.23	\$894.24	\$973.33	\$916.22	\$1,019.54
	\$160,000	\$932.75	\$1,007.25	\$902.49	\$976.89	\$1,022.52	\$1,110.31	\$956.76	\$1,042.02	\$952.27	\$1,051.49	\$906.44	\$1,001.49	\$943.71	\$1,045.20	\$962.64	\$1,048.17	\$986.70	\$1,098.44
6	\$80,000	\$840.83	\$925.21	\$815.41	\$899.70	\$926.66	\$1,026.16	\$869.57	\$966.25	\$877.01	\$989.66	\$835.28	\$943.20	\$871.66	\$986.91	\$874.70	\$971.67	\$915.89	\$1,042.83
	\$120,000	\$912.72	\$1,004.13	\$885.11	\$976.41	\$1,005.84	\$1,113.62	\$943.84	\$1,048.56	\$951.79	\$1,073.81	\$906.50	\$1,023.40	\$945.96	\$1,070.80	\$949.41	\$1,054.45	\$993.90	\$1,131.41
	\$160,000	\$982.72	\$1,081.58	\$953.03	\$1,051.78	\$1,083.10	\$1,199.68	\$1,016.41	\$1,129.67	\$1,025.26	\$1,157.23	\$976.49	\$1,102.92	\$1,019.04	\$1,154.07	\$1,022.41	\$1,136.01	\$1,070.80	\$1,219.53
9	\$80,000	\$904.95	\$1,019.46	\$880.15	\$994.56	\$1,004.10	\$1,139.21	\$945.68	\$1,076.98	\$969.52	\$1,122.71	\$924.05	\$1,070.81	\$967.04	\$1,123.79	\$950.97	\$1,082.68	\$1,022.19	\$1,194.90
	\$120,000	\$982.13	\$1,106.16	\$955.19	\$1,079.12	\$1,089.67	\$1,236.01	\$1,026.23	\$1,168.46	\$1,051.95	\$1,217.87	\$1,002.61	\$1,161.57	\$1,049.22	\$1,219.01	\$1,031.98	\$1,174.64	\$1,108.99	\$1,296.08
	\$160,000	\$1,057.91	\$1,192.06	\$1,028.95	\$1,162.99	\$1,173.90	\$1,332.19	\$1,105.64	\$1,259.47	\$1,133.71	\$1,313.17	\$1,080.54	\$1,252.48	\$1,130.84	\$1,314.49	\$1,111.82	\$1,266.12	\$1,195.40	\$1,397.76

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

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

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

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

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

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="0"/> %	Deadbolt Lock	<input type="text" value="0"/> %
Burglar Alarm	5 <i>if monitored</i> %	Window Locks	<input type="text" value="0"/> %
Smoke Alarm	<input type="text" value="0"/> %	\$1,000 Deductible	<input type="text" value="varies"/> %
		Other (specify)	
		<b>Sprinklers</b>	<input type="text" value="20"/> %
		Maximum Credit	<input type="text" value="varies"/> %

**EARTHQUAKE INSURANCE**

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?  (yes or no)

WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

	Zone	Brick	Frame
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$ <input type="text" value="2.34"/>	\$ <input type="text" value="0.95"/>
	Lowest Risk	\$ <input type="text" value="0.90"/>	\$ <input type="text" value="0.41"/>

NAIC Number: 25968  
 Company Name: USAA Casualty Insurance Company  
 Contact Person: Scott Hawthorne  
 Telephone No.: 800-531-8722, ext. 85315  
 Email Address: scott.hawthorne@usaa.com  
 Effective Date: 10/1/2010

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

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

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

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	\$1,053.59	\$1,145.50	\$1,020.25	\$1,112.04	\$1,157.21	\$1,265.54	\$1,083.91	\$1,189.14	\$1,084.02	\$1,206.54	\$1,032.06	\$1,149.44	\$1,075.42	\$1,200.76	\$1,090.48	\$1,196.03	\$1,126.44	\$1,264.47
	\$120,000	\$1,143.79	\$1,243.35	\$1,107.58	\$1,207.00	\$1,256.22	\$1,373.56	\$1,176.62	\$1,290.61	\$1,176.59	\$1,309.31	\$1,120.19	\$1,247.33	\$1,167.22	\$1,302.99	\$1,183.75	\$1,298.09	\$1,222.54	\$1,372.06
	\$160,000	\$1,231.25	\$1,338.92	\$1,192.31	\$1,299.84	\$1,352.41	\$1,479.32	\$1,266.79	\$1,390.07	\$1,267.09	\$1,410.63	\$1,206.37	\$1,343.88	\$1,257.08	\$1,403.92	\$1,274.46	\$1,398.12	\$1,316.79	\$1,478.50
6	\$80,000	\$1,117.39	\$1,239.44	\$1,084.68	\$1,206.61	\$1,234.29	\$1,378.24	\$1,159.68	\$1,299.56	\$1,176.19	\$1,339.26	\$1,120.50	\$1,276.73	\$1,170.45	\$1,337.30	\$1,166.41	\$1,306.71	\$1,232.38	\$1,416.18
	\$120,000	\$1,212.85	\$1,345.06	\$1,177.31	\$1,309.39	\$1,339.65	\$1,495.59	\$1,258.64	\$1,410.16	\$1,276.38	\$1,453.01	\$1,215.94	\$1,385.16	\$1,270.11	\$1,450.84	\$1,265.94	\$1,417.92	\$1,337.24	\$1,536.34
	\$160,000	\$1,306.05	\$1,449.05	\$1,267.85	\$1,410.70	\$1,442.78	\$1,611.43	\$1,355.62	\$1,519.50	\$1,375.14	\$1,566.18	\$1,310.04	\$1,493.07	\$1,368.48	\$1,563.95	\$1,363.48	\$1,527.86	\$1,440.96	\$1,656.31
9	\$80,000	\$1,212.93	\$1,378.68	\$1,181.01	\$1,346.64	\$1,349.32	\$1,544.93	\$1,272.58	\$1,462.70	\$1,312.75	\$1,534.61	\$1,251.51	\$1,464.07	\$1,311.10	\$1,538.16	\$1,279.56	\$1,470.25	\$1,388.93	\$1,639.13
	\$120,000	\$1,316.26	\$1,495.80	\$1,281.59	\$1,461.00	\$1,464.18	\$1,676.06	\$1,380.86	\$1,586.80	\$1,424.23	\$1,664.55	\$1,357.78	\$1,588.02	\$1,422.40	\$1,668.34	\$1,388.43	\$1,594.99	\$1,506.75	\$1,777.77
	\$160,000	\$1,418.06	\$1,612.25	\$1,380.79	\$1,574.83	\$1,577.64	\$1,806.81	\$1,487.97	\$1,710.71	\$1,535.20	\$1,795.14	\$1,463.60	\$1,712.63	\$1,533.34	\$1,799.35	\$1,496.12	\$1,719.54	\$1,624.45	\$1,917.59

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

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

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

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

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

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="0"/> %	Deadbolt Lock	<input type="text" value="0"/> %
Burglar Alarm	5 if monitored %	Window Locks	<input type="text" value="0"/> %
Smoke Alarm	<input type="text" value="0"/> %	\$1,000 Deductible	varies %
		Other (specify)	
		Sprinklers	20 %
		Maximum Credit	varies %

**EARTHQUAKE INSURANCE**

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? Yes  (yes or no)

WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

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

	Zone	Brick	Frame
Highest Risk	\$	<input type="text" value="2.34"/>	<input type="text" value="0.95"/>
Lowest Risk	\$	<input type="text" value="0.90"/>	<input type="text" value="0.41"/>

NAIC Number: 18600  
 Company Name: USAA General Indemnity Company  
 Contact Person: Scott Hawthorne  
 Telephone No.: 800-531-8722, ext. 85315  
 Email Address: scott.hawthorne@usaa.com  
 Effective Date: 10/1/2010

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

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

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

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	\$1,103.01	\$1,185.61	\$1,066.64	\$1,149.11	\$1,207.60	\$1,304.91	\$1,129.13	\$1,223.63	\$1,120.15	\$1,230.06	\$1,066.08	\$1,171.37	\$1,109.27	\$1,221.69	\$1,136.14	\$1,230.93	\$1,158.35	\$1,282.11
	\$120,000	\$1,197.55	\$1,287.03	\$1,158.04	\$1,247.38	\$1,311.05	\$1,416.46	\$1,225.83	\$1,328.20	\$1,215.94	\$1,335.01	\$1,157.24	\$1,271.30	\$1,204.10	\$1,325.88	\$1,233.44	\$1,336.13	\$1,257.33	\$1,391.39
	\$160,000	\$1,288.85	\$1,385.62	\$1,246.38	\$1,343.00	\$1,411.13	\$1,525.13	\$1,319.48	\$1,430.19	\$1,309.15	\$1,437.92	\$1,245.96	\$1,369.32	\$1,296.47	\$1,428.18	\$1,327.67	\$1,438.72	\$1,353.90	\$1,498.90
6	\$80,000	\$1,156.88	\$1,266.41	\$1,121.20	\$1,230.60	\$1,273.10	\$1,402.23	\$1,193.71	\$1,319.16	\$1,199.55	\$1,345.68	\$1,142.30	\$1,282.29	\$1,191.29	\$1,340.79	\$1,200.84	\$1,326.67	\$1,250.05	\$1,414.70
	\$120,000	\$1,255.85	\$1,374.50	\$1,217.09	\$1,335.59	\$1,381.94	\$1,521.82	\$1,295.73	\$1,431.62	\$1,301.90	\$1,460.19	\$1,239.76	\$1,391.40	\$1,292.90	\$1,454.83	\$1,303.47	\$1,439.78	\$1,356.60	\$1,534.95
	\$160,000	\$1,352.04	\$1,480.36	\$1,310.37	\$1,438.53	\$1,487.95	\$1,639.23	\$1,395.21	\$1,542.18	\$1,402.25	\$1,573.44	\$1,335.33	\$1,499.33	\$1,392.63	\$1,567.78	\$1,403.54	\$1,550.96	\$1,461.40	\$1,654.29
9	\$80,000	\$1,238.27	\$1,386.81	\$1,203.46	\$1,351.87	\$1,371.62	\$1,546.86	\$1,290.63	\$1,460.94	\$1,317.83	\$1,516.45	\$1,255.80	\$1,446.09	\$1,313.30	\$1,516.55	\$1,297.96	\$1,468.78	\$1,386.17	\$1,610.10
	\$120,000	\$1,343.94	\$1,504.84	\$1,306.12	\$1,466.88	\$1,488.57	\$1,678.40	\$1,400.64	\$1,585.12	\$1,429.94	\$1,645.09	\$1,362.63	\$1,568.75	\$1,424.99	\$1,645.15	\$1,408.60	\$1,593.63	\$1,503.97	\$1,746.54
	\$160,000	\$1,447.48	\$1,621.51	\$1,406.83	\$1,580.70	\$1,603.47	\$1,808.77	\$1,508.85	\$1,708.37	\$1,540.89	\$1,773.60	\$1,468.38	\$1,691.32	\$1,535.66	\$1,773.78	\$1,517.41	\$1,717.53	\$1,620.96	\$1,883.32

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

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

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

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

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

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="0"/>	%	Deadbolt Lock	<input type="text" value="0"/>	%
Burglar Alarm	<input type="text" value="5"/>	(if monitored) %	Window Locks	<input type="text" value="0"/>	%
Smoke Alarm	<input type="text" value="0"/>	%	\$1,000 Deductible	<input type="text" value="varies"/>	%
			Other (specify)		
			<b>Sprinklers</b>	<input type="text" value="20"/>	%
			Maximum Credit	<input type="text" value="varies"/>	%

**EARTHQUAKE INSURANCE**

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	<input type="text" value="Yes"/>	(yes or no)	
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	<input type="text" value="10"/>	%	
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?			
	Zone	Brick	Frame
	Highest Risk	\$ <input type="text" value="2.34"/>	\$ <input type="text" value="0.95"/>
	Lowest Risk	\$ <input type="text" value="0.90"/>	\$ <input type="text" value="0.41"/>

NAIC Number: 21253  
 Company Name: Garrison Property and Casualty Insurance Company  
 Contact Person: Scott Hawthorne  
 Telephone No.: 800-531-8722, ext. 85315  
 Email Address: scott.hawthorne@usaa.com  
 Effective Date: 10/1/2010

**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	\$1,119.19	\$1,206.88	\$1,082.70	\$1,170.26	\$1,226.42	\$1,329.74	\$1,147.30	\$1,247.64	\$1,140.77	\$1,257.51	\$1,085.81	\$1,197.65	\$1,130.26	\$1,249.68	\$1,154.37	\$1,255.02	\$1,181.30	\$1,312.77
	\$120,000	\$1,215.09	\$1,310.08	\$1,175.45	\$1,270.30	\$1,331.45	\$1,443.36	\$1,245.52	\$1,354.21	\$1,238.28	\$1,364.75	\$1,178.63	\$1,299.77	\$1,226.85	\$1,356.20	\$1,253.20	\$1,362.23	\$1,282.19	\$1,424.61
	\$160,000	\$1,307.80	\$1,410.53	\$1,265.20	\$1,367.77	\$1,433.18	\$1,554.21	\$1,340.75	\$1,458.30	\$1,333.30	\$1,470.07	\$1,269.07	\$1,400.10	\$1,321.06	\$1,460.96	\$1,349.02	\$1,466.93	\$1,380.77	\$1,534.80
6	\$80,000	\$1,177.53	\$1,293.85	\$1,141.73	\$1,257.92	\$1,297.20	\$1,434.37	\$1,217.02	\$1,350.28	\$1,226.20	\$1,381.46	\$1,167.81	\$1,316.55	\$1,218.45	\$1,377.30	\$1,224.22	\$1,357.89	\$1,279.80	\$1,454.76
	\$120,000	\$1,278.22	\$1,404.23	\$1,239.34	\$1,365.20	\$1,408.06	\$1,556.63	\$1,320.98	\$1,465.33	\$1,330.77	\$1,498.95	\$1,267.39	\$1,428.51	\$1,322.33	\$1,494.39	\$1,328.81	\$1,473.60	\$1,388.83	\$1,578.35
	\$160,000	\$1,376.22	\$1,512.50	\$1,334.41	\$1,470.54	\$1,516.18	\$1,676.87	\$1,422.50	\$1,578.62	\$1,433.45	\$1,615.35	\$1,365.20	\$1,539.46	\$1,424.45	\$1,610.55	\$1,430.93	\$1,587.52	\$1,496.25	\$1,701.23
9	\$80,000	\$1,265.41	\$1,423.23	\$1,230.48	\$1,388.17	\$1,403.40	\$1,589.61	\$1,321.41	\$1,502.38	\$1,353.22	\$1,564.33	\$1,289.69	\$1,491.94	\$1,349.43	\$1,565.46	\$1,328.83	\$1,510.35	\$1,425.81	\$1,663.84
	\$120,000	\$1,373.34	\$1,544.30	\$1,335.40	\$1,506.21	\$1,523.01	\$1,724.71	\$1,433.98	\$1,630.01	\$1,468.29	\$1,696.96	\$1,399.35	\$1,618.43	\$1,464.13	\$1,698.13	\$1,442.05	\$1,638.67	\$1,546.92	\$1,804.75
	\$160,000	\$1,479.27	\$1,664.17	\$1,438.48	\$1,623.22	\$1,640.69	\$1,858.85	\$1,544.89	\$1,756.91	\$1,582.36	\$1,829.68	\$1,508.08	\$1,745.03	\$1,577.98	\$1,831.07	\$1,553.57	\$1,766.23	\$1,667.40	\$1,946.26

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

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

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

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

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

**HO3 and HO4 only**

Fire Extinguisher	<input type="text" value="0"/> %	Deadbolt Lock	<input type="text" value="0"/> %
Burglar Alarm	5 (if monitored) %	Window Locks	<input type="text" value="0"/> %
Smoke Alarm	<input type="text" value="0"/> %	\$1,000 Deductible	<input type="text" value="varies"/> %
		Other (specify)	
		<b>Sprinklers</b>	<input type="text" value="20"/> %
		Maximum Credit	<input type="text" value="varies"/> %

**EARTHQUAKE INSURANCE**

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

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

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

	Zone	Brick	Frame
Highest Risk	\$	<input type="text" value="2.34"/>	\$ <input type="text" value="0.95"/>
Lowest Risk	\$	<input type="text" value="0.90"/>	\$ <input type="text" value="0.41"/>

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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Company Name		Company NAIC Number		
<b>3.</b>	<b>A.</b>	<b>United Services Automobile Association</b>	<b>B.</b>	<b>200-25941</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b>	<b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>82.8%</b>	<b>10.0%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>82.8%</b>	<b>9.9%</b>					

<b>6.</b>		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
<b>2005</b>	<b>9,210</b>	<b>0.0%</b>	<b>10-1-05</b>	<b>9,323</b>	<b>4,407</b>	<b>47%</b>	<b>76%</b>
<b>2006</b>	<b>9,720</b>	<b>-5.0%</b>	<b>11-01-06</b>	<b>10,115</b>	<b>4,627</b>	<b>46%</b>	<b>41%</b>
<b>2007</b>	<b>10,838</b>	<b>-18.3%</b>	<b>4-15-07</b>	<b>10,337</b>	<b>6,070</b>	<b>59%</b>	<b>49%</b>
<b>2007</b>	<b>10,838</b>	<b>-18.8%</b>	<b>12-31-07</b>	<b>10,337</b>	<b>6,070</b>	<b>59%</b>	<b>49%</b>
<b>2008</b>	<b>11,496</b>	<b>9.2%</b>	<b>11-30-08</b>	<b>8,687</b>	<b>15,857</b>	<b>183%</b>	<b>71%</b>
<b>2010</b>	<b>12,085</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>8,450</b>	<b>15,476</b>	<b>183%</b>	<b>58%</b>

<b>7.</b>	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 18.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
- 10.** 0.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR1012507
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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Company Name		Company NAIC Number		
3.	A.	<b>USAA Casualty Insurance Company</b>	B.	<b>200-25968</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
4.	A.	<b>04.0 Homeowners</b>	B.	<b>04.0003 Owner Occupied Homeowners</b>

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>82.8%</b>	<b>11.7%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>82.8%</b>	<b>11.6%</b>					

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
<b>2005</b>	<b>3,563</b>	<b>0.0%</b>	<b>10-1-05</b>	<b>3,263</b>	<b>1,504</b>	<b>46%</b>	<b>67%</b>
<b>2006</b>	<b>3,782</b>	<b>-5.0%</b>	<b>11-1-06</b>	<b>3,654</b>	<b>2,780</b>	<b>46%</b>	<b>40%</b>
<b>2007</b>	<b>4,025</b>	<b>-20.1%</b>	<b>4-15-07</b>	<b>3,764</b>	<b>1,596</b>	<b>42%</b>	<b>49%</b>
<b>2007</b>	<b>4,025</b>	<b>0.0%</b>	<b>12-31-07</b>	<b>3,764</b>	<b>1,596</b>	<b>42%</b>	<b>49%</b>
<b>2008</b>	<b>4,525</b>	<b>12.6%</b>	<b>11-30-08</b>	<b>3,474</b>	<b>5,187</b>	<b>149%</b>	<b>60%</b>
<b>2010</b>	<b>4,849</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>3,839</b>	<b>6,352</b>	<b>165%</b>	<b>52%</b>

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 18.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
10. 4.3% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR1012507
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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Company Name		Company NAIC Number		
3.	A.	<b>USAA General Indemnity Company</b>	B.	<b>200-18600</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
4.	A.	<b>04.0 Homeowners</b>	B.	<b>04.0003 Owner Occupied Homeowners</b>

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>82.8%</b>	<b>1.8%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>82.8%</b>	<b>1.8%</b>					

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
<b>2006</b>	<b>20</b>	<b>-5.0%</b>	<b>9-01-06</b>	<b>3</b>	<b>1</b>	<b>31%</b>	<b>77%</b>
<b>2008</b>	<b>225</b>	<b>11.6%</b>	<b>11-30-08</b>	<b>112</b>	<b>93</b>	<b>83%</b>	<b>137%</b>
<b>2010</b>	<b>458</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>266</b>	<b>222</b>	<b>83%</b>	<b>72%</b>
<b>2010</b>	<b>458</b>	<b>-11.0%</b>	<b>06-12-10</b>	<b>266</b>	<b>222</b>	<b>83%</b>	<b>72%</b>

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 12.5% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
10. -4.0% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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Company Name		Company NAIC Number		
<b>3.</b>	<b>A.</b>	<b>Garrison Property And Casualty Insurance Company</b>	<b>B.</b>	<b>200-21253</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b>	<b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>82.8%</b>	<b>-0.5%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
<b>TOTAL OVERALL EFFECT</b>	<b>82.8%</b>	<b>-0.5%</b>					

<b>6.</b>		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
<b>2006</b>	<b>63</b>	<b>-5.0%</b>	<b>11-01-06</b>	<b>15</b>	<b>1</b>	<b>5%</b>	<b>69%</b>
<b>2008</b>	<b>333</b>	<b>8.4%</b>	<b>11-30-08</b>	<b>224</b>	<b>678</b>	<b>303%</b>	<b>88%</b>
<b>2010</b>	<b>472</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>341</b>	<b>888</b>	<b>260%</b>	<b>68%</b>

<b>7.</b>	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 6.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
- 10.** -5.6% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):

USAA Group  
*Arkansas*  
Homeowners Filing Memorandum

USAA Group (USAA, USAA-CIC, USAA-GIC, and Garrison) wishes to revise Homeowners premiums with an overall effect of 11.9%. The effects by form apply as follows:

USAA Owners Forms	12.0%
USAA Unit-Owners Forms	0.0%
USAA All Forms Combined	11.9%
USAA-CIC Owners Forms	13.7%
USAA-CIC Unit-Owners Forms	0.0%
USAA-CIC All Forms Combined	13.6%
USAA-GIC Owners Forms	3.6%
USAA-GIC Unit-Owners Forms	0.0%
USAA-GIC All Forms Combined	3.6%
Garrison Owners Forms	1.3%
Garrison Unit-Owners Forms	0.0%
Garrison All Forms Combined	1.3%
USAA Group All Forms Combined	11.9%

The proposed changes include the revision of Territory factors, Fiberglass Shingle Roof factors and Base Rates.

USAA-GIC and Garrison were introduced on July 1, 2006 with all rates and factors matching those of USAA-CIC. Since then, adjustments have been made causing the rates of the above three companies to differ. With this filing we are revising USAA-GIC and Garrison's base rates to match USAA-CIC once again due to low credibility of the individual companies.

An effective date of October 1, 2010, for these revisions will apply to all policies. Details of these revisions are attached.

USAA Group  
*Arkansas*  
Homeowners Explanatory Memorandum Page 1 of 3

*Attachments in support of this filing:*

Explanatory Memorandum

Exhibit I      Indicated Rate Change

Exhibit II     Premium Trend

Exhibit III    Large Loss Adjustment

Exhibit IV    Loss Development

Exhibit V     Loss Trend

Exhibit VI    Loss Adjustment Expense (LAE)

Exhibit VII   Non - Severe Thunderstorm Catastrophe Loss and LAE Ratio

Exhibit VIII  Expected Net Severe Thunderstorm Catastrophe Loss and LAE Ratio

Exhibit IX    Expenses

Exhibit X     Underwriting Profit Provision

Exhibit XI    Territory Factors

Exhibit XII   Roof Factors

USAA Group  
*Arkansas*  
Homeowners Explanatory Memorandum Page 2 of 3

Exhibit I - illustrates USAA Group Arkansas experience for the latest five accident years ending September 30, 2009 as of December 31, 2009. The data is for owners forms only. The indicated rate level change is developed in this exhibit and the proposed change is also provided. A large loss procedure was applied to the losses, which is detailed in Exhibit III.

Exhibit II - provides the calculation of USAA Group premium trend factors for Arkansas. These factors reflect increasing amounts of insurance and other distributional changes. The average earned premium at present rates, shown in column 2, has been fit to an exponential model using 20-, 16-, 12-, 8-, and 4-point values. The selected annual trend value is shown in this exhibit.

Exhibit III - shows the 10-year smoothing technique USAA uses to reflect the excess loss potential in Arkansas. The Large Loss Adjustment establishes an excess loss cut-off as a percentage of the average amount of insurance written for each year. The procedure then removes the portion of developed loss in excess of the cut-off, ratios the excess losses to the developed non-excess (normal) losses, and selects a weighted average of this ratio as the excess loss factor.

Exhibit IV - displays the calculation of USAA Group loss development factors for Arkansas. Loss data used for these calculations excludes catastrophes.

Exhibit V - shows the loss trend underlying the rate level indication. Various exponential fits including 20-, 16-, 12-, 8-, and 4-points are shown. The selected current cost factor (CCF) and trended cost factor (TCF) are based on the results of these exponential fits. Due to the volatility and lack of credibility in Arkansas, the selected Arkansas loss trend was credibility weighted with USAA Group countrywide loss trend data. The Arkansas credibility weighted current cost factor and trended cost factor are displayed on Page 2.

Exhibit VI - develops the loss adjustment expense (LAE) factor used in calculating the indication in Exhibit I. The factor is based upon USAA Group countrywide data for calendar-accident years 2006, 2007, and 2008.

Exhibit VII - Page 1 illustrates the calculation of the Arkansas historical non-severe thunderstorm loss and LAE ratio used to determine the indication in Exhibit I. We are utilizing a procedure based on the methodology presented in "Pricing the Catastrophe Exposure in Homeowners Ratemaking" by David H. Hays and W. Scott Farris. Owners catastrophe losses are considered fully developed. The historical catastrophe loss is divided by the amount of insurance (AOI) in force for each of the last twenty accident years. The mean and standard deviation of these ratios is calculated, along with a t-statistic. A 55% confidence was selected on a state basis to reflect the variability of losses within the twenty-year experience period and to ensure that our countrywide catastrophe provision is sufficient in the long-run. The final catastrophe provision is

USAA Group  
*Arkansas*  
Homeowners Explanatory Memorandum Page 3 of 3

applied to prospective amount of insurance in force. The selected AOI trend is displayed on Page 2. Exhibit VI derives the selected non-hurricane LAE factor.

Exhibit VIII - displays the owners forms expected severe thunderstorm catastrophe loss and LAE ratio calculation based on a severe thunderstorm simulation model developed by Applied Insurance Research (AIR), Inc., of Boston, Massachusetts. AIR's Severe Thunderstorm Model is based on meteorological, engineering, and property damage data. This service estimates thunderstorm damage by five digit ZIP code based on various thunderstorm characteristics, including size, intensity, and storm track. The model generates a large sample of simulated severe thunderstorm events superimposed on USAA Group's geographical distribution of exposures by county and ZIP code within the state. USAA uses the statewide estimated average annual severe thunderstorm loss provided by AIR in calculating the overall indication.

Exhibit IX - shows the development of the variable permissible loss and LAE ratio for Arkansas on Page 1. Provisions for other expense categories are based on countrywide data from the Insurance Expense Exhibit while taxes, licenses, and fees are based upon actual Arkansas experience for USAA Group. The calculation of the selected annual expense trend is shown on Page 2. The trend is derived by taking a weighted average of the Employment Cost Index and the Consumer Price Index. The expense trend is used to trend fixed expenses, which are used to develop the indication shown in Exhibit I.

Exhibit X - details USAA Group's method for selecting its underwriting profit and contingency provision, which is included in the permissible loss ratio. A separate explanatory memorandum is included with the exhibit.

Exhibit XI - shows the proposed revisions to the territory factors for owners. The proposed relativities were chosen based on a review of our competitors. Member impact was also considered.

Exhibit XII- details the revision to the fiberglass shingle roof type factors.

USAA Group  
Arkansas  
Indicated Rate Change  
Owners Forms  
As of 12/31/2009

Calendar/ Accident Year Ending (1)	Earned Premium at Present Rates (2)	Premium Trend Factor <sup>A</sup> (3)	Prospective Earned Premium at Present Rates (4) = (2) * (3)	Smoothed Developed Incurred Losses Excluding Catastrophes <sup>B</sup> (5)	Loss Trend Factor <sup>C</sup> (6)	LAE Factor <sup>D</sup> (7)	Prospective Incurred Losses and LAE Excluding Catastrophes (8) = (5) * (6) * (7)	Prospective Loss and LAE Ratio Excluding Catastrophes (9) = (8) / (4)	Weight (10)
09/30/2005	\$8,274,992	1.327	\$10,980,914	\$4,454,894	1.976	1.190	\$10,475,416	0.954	0.100
09/30/2006	\$9,066,912	1.293	11,723,517	5,911,463	1.730	1.190	12,169,929	1.038	0.150
09/30/2007	\$10,265,723	1.231	12,637,105	6,183,062	1.515	1.190	11,147,133	0.882	0.200
09/30/2008	\$12,027,433	1.165	14,011,959	8,565,577	1.326	1.190	13,515,967	0.965	0.250
09/30/2009	\$13,517,511	1.117	15,099,060	16,895,533	1.162	1.190	23,362,805	1.547	0.300

Five Year Weighted Loss and LAE Ratio Excluding Catastrophes =	1.133
Non-Severe Thunderstorm Catastrophe Loss and LAE Ratio <sup>E</sup> =	0.027
Severe Thunderstorm Catastrophe Loss and LAE Ratio <sup>F</sup> =	0.378
Trended Fixed Expense Ratio <sup>G</sup> =	0.167
Variable Permissible Loss and LAE Ratio <sup>H</sup> =	0.827
Indicated Rate Level Change =	( 1.133 + 0.027 + 0.378 + 0.167 ) / 0.827 - 1
Proposed Rate Level Change =	106.2%
	12.0%

<sup>A</sup> Developed in Exhibit II

<sup>B</sup> Developed in Exhibit III

<sup>C</sup> Developed in Exhibit V, Page 2 of 2

<sup>D</sup> Developed in Exhibit VI

<sup>E</sup> Developed in Exhibit VII

<sup>F</sup> Developed in Exhibit VIII

<sup>G</sup> Developed in Exhibit IX, Page 2 of 2

<sup>H</sup> Developed in Exhibit IX, Page 1 of 2

USAA Group  
Arkansas  
Premium Trend  
Owners Forms

Exhibit II

Year Ending Quarter (1)	Average Earned Premium at Present Rates (2)		Annual Change (3)	Current Amount Factors 816.03 / (2)	<u>Trended Amount Factor:</u>	Least Squares Results				
2004/4	657.76			1.241	Exponential Fits	20 pt	16 pt	12 pt	8 pt	4 pt
2005/1	671.33			1.216	Annualized Change:	4.5%	4.8%	5.2%	4.1%	4.8%
2005/2	680.69			1.199	R-squared Value:	0.986	0.984	0.981	0.985	0.983
2005/3	687.01			1.188						
2005/4	691.70	5.2%		1.180	Selected Annual Trend Factor:	1.045	Premium Trend Factor			
2006/1	696.44	3.7%		1.172			Current Amount Factors (1)	Trended Amount Selection (2)	Trended Amount Period <sup>A</sup> (3)	Trended Amount Factors (4) = (2) ^ (3)
2006/2	701.00	3.0%		1.164	<u>Calendar Year Ending</u>					
2006/3	704.94	2.6%		1.158	09/30/2005	1.188	1.045	2.504	1.117	1.327
2006/4	709.80	2.6%		1.150	09/30/2006	1.158	1.045	2.504	1.117	1.293
2007/1	717.12	3.0%		1.138	09/30/2007	1.102	1.045	2.504	1.117	1.231
2007/2	727.33	3.8%		1.122	09/30/2008	1.043	1.045	2.504	1.117	1.165
2007/3	740.83	5.1%		1.102	09/30/2009	1.000	1.045	2.504	1.117	1.117
2007/4	755.10	6.4%		1.081						
2008/1	767.36	7.0%		1.063						
2008/2	776.39	6.7%		1.051						
2008/3	782.58	5.6%		1.043						
2008/4	787.86	4.3%		1.036						
2009/1	794.19	3.5%		1.027						
2009/2	803.96	3.6%		1.015						
2009/3	816.03	4.3%		1.000						

<sup>A</sup> From the average earned date in the most recent accident year, 03/31/2009, to the average earned date in the effective period, 10/01/2011

USAA Group  
Arkansas  
Calculation of Large Loss Adjustment  
Owners Forms  
As of 12/31/2009

Exhibit III

Calendar/ Accident Year Ending (1)	Average Amount of Insurance (2)	Cutoff 25% of (2) (3)	Incurred Losses Excluding Catastrophes (4)	Loss Development Factors <sup>A</sup> (5)	Developed Incurred Losses Excluding Catastrophes (6) = (4) * (5)	Number of Excess Losses (7)	Large Losses (8)	Excess Losses (9) = (8) - (7) * (3)	Normal Losses (10) = (6) - (9)	Excess Ratio (11) = (9) / (10)	Smoothed Developed Incurred Losses Ex Cats <sup>C</sup> (12)
09/30/2000	\$135,409	\$33,852	\$3,591,273	1.0000	\$3,591,273	6	\$786,336	\$583,224	\$3,008,049	0.194	\$3,675,836
09/30/2001	141,082	35,271	6,071,279	1.0000	6,071,279	13	2,216,500	1,757,977	4,313,302	0.408	5,270,855
09/30/2002	146,396	36,599	3,006,001	1.0000	3,006,001	6	803,120	583,526	2,422,475	0.241	2,960,264
09/30/2003	165,301	41,325	4,404,961	1.0000	4,404,961	5	1,353,617	1,146,992	3,257,969	0.352	3,981,238
09/30/2004	182,336	45,584	2,926,698	1.0000	2,926,698	5	797,585	569,665	2,357,033	0.242	2,880,294
09/30/2005	195,863	48,966	4,290,611	1.0000	4,290,611	7	987,797	645,035	3,645,576	0.177	4,454,894
09/30/2006	206,887	51,722	5,706,279	1.0000	5,706,279	8	1,282,524	868,748	4,837,531	0.180	5,911,463
09/30/2007	221,510	55,378	7,279,547	1.0060	7,323,224	11	2,872,593	2,263,435	5,059,789	0.447	6,183,062
09/30/2008	225,959	56,490	7,386,771	1.0034	7,411,886	6	741,352	402,412	7,009,474	0.057	8,565,577
09/30/2009	240,054	60,014	15,901,414	1.0087	16,039,756	12	2,933,792	2,213,624	13,826,132	0.160	16,895,533
								\$11,034,638	\$49,737,330		

Weighted Average Excess Ratio<sup>B</sup> = 0.222

Weighted Average Excess Factor = 1.222

<sup>A</sup> Developed in Exhibit IV

<sup>B</sup> Weighted Average Excess Ratio = Sum of Column (9) / Sum of Column (10)

<sup>C</sup> (12) = (10) \* Weighted Average Excess Factor

USAA Group  
Arkansas  
Loss Development  
Incurred Losses Excluding Catastrophes  
Owners Forms

Accident Year Ending	15 months	27 months	39 months	51 months
09/30/2002			3,168,250	3,172,268
09/30/2003		4,423,470	4,390,727	4,387,524
09/30/2004	2,924,299	2,967,717	2,938,514	2,928,589
09/30/2005	4,421,161	4,238,856	4,240,883	4,424,133
09/30/2006	5,553,927	5,823,414	5,766,772	5,706,279
09/30/2007	7,353,107	7,181,668	7,279,547	
09/30/2008	7,186,590	7,386,771		
09/30/2009	15,901,414			

Age-to-Age Factors

Accident Year Ending	15 to 27 Months	27 to 39 Months	39 to 51 Months
09/30/2002			1.0013
09/30/2003		0.9926	0.9993
09/30/2004	1.0148	0.9902	0.9966
09/30/2005	0.9588	1.0005	1.0432
09/30/2006	1.0485	0.9903	0.9895
09/30/2007	0.9767	1.0136	
09/30/2008	1.0279		
Latest 3-year Average	1.0177	1.0015	1.0098
Latest 4-year Average	1.0030	0.9987	1.0072
Latest 5-year Average	1.0053	0.9974	1.0060
Latest 3-out-of-5-year Average	1.0065	0.9945	0.9991
Selected Age-to-Age Factors	1.0053	0.9974	1.0060

Cumulative Factors

	15 to 51 Months	27 to 51 Months	39 to 51 Months
Selected Cumulative Factors	1.0087	1.0034	1.0060

USAA Group  
Arkansas  
Paid Losses Excluding Catastrophes  
Owners Forms

Year Ending Quarter	Calendar Year Paid Frequency				Calendar Year Paid Severity				Calendar Year Paid Pure Premium			
	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change
2005/1	0.0711		0.0526		4,284		5,296		304.59		278.57	
2005/2	0.0646		0.0504		4,583		5,644		296.06		284.46	
2005/3	0.0657		0.0499		3,950		5,721		259.52		285.48	
2005/4	0.0666		0.0502		4,979		5,768		331.60		289.55	
2006/1	0.0680	-4.4%	0.0501	-4.8%	5,737	33.9%	5,907	11.5%	390.12	28.1%	295.94	6.2%
2006/2	0.0726	12.4%	0.0506	0.4%	5,844	27.5%	5,948	5.4%	424.27	43.3%	300.97	5.8%
2006/3	0.0733	11.6%	0.0521	4.4%	6,334	60.4%	5,980	4.5%	464.28	78.9%	311.56	9.1%
2006/4	0.0778	16.8%	0.0542	8.0%	5,877	18.0%	6,041	4.7%	457.23	37.9%	327.42	13.1%
2007/1	0.0769	13.1%	0.0557	11.2%	5,676	-1.1%	6,056	2.5%	436.48	11.9%	337.32	14.0%
2007/2	0.0787	8.4%	0.0570	12.6%	6,275	7.4%	6,180	3.9%	493.84	16.4%	352.26	17.0%
2007/3	0.0794	8.3%	0.0586	12.5%	6,802	7.4%	6,433	7.6%	540.08	16.3%	376.97	21.0%
2007/4	0.0744	-4.4%	0.0592	9.2%	6,997	19.1%	6,523	8.0%	520.58	13.9%	386.16	17.9%
2008/1	0.0764	-0.7%	0.0590	5.9%	6,719	18.4%	6,736	11.2%	513.33	17.6%	397.42	17.8%
2008/2	0.0813	3.3%	0.0598	4.9%	6,112	-2.6%	6,773	9.6%	496.91	0.6%	405.03	15.0%
2008/3	0.0794	0.0%	0.0600	2.4%	5,530	-18.7%	6,919	7.6%	439.08	-18.7%	415.14	10.1%
2008/4	0.0796	7.0%	0.0595	0.5%	6,078	-13.1%	7,059	8.2%	483.81	-7.1%	420.01	8.8%
2009/1	0.0840	9.9%	0.0610	3.4%	6,026	-10.3%	7,207	7.0%	506.18	-1.4%	439.63	10.6%
2009/2	0.0770	-5.3%	0.0618	3.3%	7,157	17.1%	7,269	7.3%	551.09	10.9%	449.22	10.9%
2009/3	0.0982	23.7%	0.0621	3.5%	8,651	56.4%	7,263	5.0%	849.53	93.5%	451.03	8.6%
2009/4	0.1151	44.6%	0.0634	6.6%	8,001	31.6%	7,298	3.4%	920.92	90.3%	462.69	10.2%
Exponential Fits	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change
20-point fit	0.618	7.7%	0.910	5.5%	0.654	11.2%	0.977	6.8%	0.673	19.8%	0.982	12.7%
16-point fit	0.530	8.2%	0.916	6.0%	0.390	6.8%	0.971	6.9%	0.506	15.6%	0.987	13.3%
12-point fit	0.466	10.2%	0.921	3.9%	0.323	8.6%	0.959	7.3%	0.464	19.6%	0.977	11.5%
8-point fit	0.579	19.7%	0.897	3.9%	0.509	19.4%	0.924	5.3%	0.630	42.9%	0.979	9.4%
4-point fit	0.770	60.8%	0.941	4.9%	0.713	51.6%	0.821	1.5%	0.910	143.8%	0.938	6.5%

<sup>A</sup> Series 1 is based on USAA Group Arkansas data

<sup>B</sup> Series 2 is based on USAA Group CW EXC CA, FL, & TX data

USAA Group  
Arkansas  
Credibility Weighted Loss Trend  
Owners Forms

	Series 1 Frequency <sup>A</sup>	Series 2 Frequency <sup>B</sup>	Cred-Weighted Frequency <sup>C</sup>	Series 1 Severity <sup>A</sup>	Series 2 Severity <sup>B</sup>	Cred-Weighted Severity <sup>C</sup>	Cred-Weighted Pure Premium
Current Cost Selection	1.080	1.050	1.063	1.080	1.070	1.074	1.142
Trended Cost Selection	1.000	1.050	1.029	1.000	1.040	1.023	1.053

Accident Year Ending	Loss Trend Factor						
	Current Cost Selection (1)	Current Cost Period <sup>D</sup> (2)	Current Cost Factor (3) = (1) ^ (2)	Trended Cost Selection (4)	Trended Cost Period <sup>E</sup> (5)	Trended Cost Factor (6) = (4) ^ (5)	Loss Trend Factor (7) = (3) * (6)
09/30/2005	1.142	4.249	1.758	1.053	2.255	1.124	1.976
09/30/2006	1.142	3.249	1.539	1.053	2.255	1.124	1.730
09/30/2007	1.142	2.249	1.348	1.053	2.255	1.124	1.515
09/30/2008	1.142	1.249	1.180	1.053	2.255	1.124	1.326
09/30/2009	1.142	0.249	1.034	1.053	2.255	1.124	1.162

<sup>A</sup> Series 1 is based on USAA Group Arkansas data

<sup>B</sup> Series 2 is based on USAA Group CW EXC CA, FL, & TX data

<sup>C</sup> USAA Group Arkansas is 41.8% credible based on 1,856 claims; used the Square Root method with a full credibility standard of 10,623 claims.

<sup>D</sup> From the average date of loss in the respective accident year to 06/30/2009

<sup>E</sup> From 06/30/2009 to the average date of loss in the effective period, 10/01/2011

USAA Group  
*Countrywide*  
 Loss Adjustment Expense (LAE) Factor  
*All Forms Combined*  
 As of 06/30/2009

Non-Catastrophe Loss Adjustment Expense Factor

Calendar/Accident Year Ending	Incurred Losses	Loss Adjustment Expense	LAE Ratio
12/31/2006	708,794,557	148,054,815	0.209
12/31/2007	911,547,076	156,062,663	0.171
12/31/2008	1,040,289,637	185,391,504	0.178
Average LAE Ratio			0.186
Selected Non-Catastrophe LAE Factor			1.190

Non-Severe Thunderstorm Catastrophe Loss Adjustment Expense Factor

Calendar/Accident Year Ending	Incurred Losses	Loss Adjustment Expense	LAE Ratio
12/31/2006	208,090,892	12,311,872	0.059
12/31/2007	282,804,323	11,054,321	0.039
12/31/2008	395,384,837	21,776,495	0.055
Average LAE Ratio			0.051
Selected Other Catastrophe LAE Factor			1.050

## Non-Severe Thunderstorm Catastrophe Ratio

## Owners Forms

As of 03/31/2009

Calendar / Accident Year Ending	Total Amount of Insurance in Force/1000	Non-Severe Thunderstorm Catastrophe Losses	Cat/AOI Ratio
12/31/1989	512,730	\$204,098	0.3981
12/31/1990	554,175	\$35,858	0.0647
12/31/1991	609,574	\$2,592	0.0043
12/31/1992	671,241	\$11,260	0.0168
12/31/1993	735,242	\$3,986	0.0054
12/31/1994	807,998	\$50,892	0.0630
12/31/1995	881,062	\$0	0.0000
12/31/1996	933,155	\$5,730	0.0061
12/31/1997	1,009,075	\$0	0.0000
12/31/1998	1,110,129	\$0	0.0000
12/31/1999	1,227,850	\$0	0.0000
12/31/2000	1,350,885	\$402,523	0.2980
12/31/2001	1,469,535	\$20,102	0.0137
12/31/2002	1,591,122	\$1,520	0.0010
12/31/2003	1,879,117	\$1,696	0.0009
12/31/2004	2,214,199	\$12,625	0.0057
12/31/2005	2,538,458	\$117,927	0.0465
12/31/2006	2,864,806	\$11,352	0.0040
12/31/2007	3,362,909	\$157,176	0.0467
12/31/2008	3,725,032	\$1,827,246	0.4905
(1) Mean			0.0733
(2) Standard Deviation			0.1439
(3) t-statistic for 55% confidence and 19 degrees of freedom			0.127
(4) Final Non-Severe Thunderstorm Catastrophe Provision (1) + (2) * (3)			0.0916
(5) Selected AOI trend <sup>A</sup>			4.0%
(6) Prospective Amount of Insurance in Force/1000			4,237,428
(7) Prospective Non-Severe Thunderstorm Catastrophe Losses (4) * (6)			\$388,148
(8) Selected Non-Severe Thunderstorm Catastrophe LAE Factor <sup>B</sup>			1.050
(9) Prospective Non-Severe Thunderstorm Catastrophe Loss and LAE (7) * (8)			\$407,555
(10) Prospective Earned Premium at Present Rates <sup>C</sup>			\$15,099,060
Non-Severe Thunderstorm Catastrophe Loss and LAE Ratio (9) / (10)			0.027

<sup>A</sup> Developed in Exhibit VII, Page 2 of 2<sup>B</sup> Developed in Exhibit VI<sup>C</sup> Developed in Exhibit I

USAA Group  
*Arkansas*  
Average Amount of Insurance Trend  
*Owners Forms*

In Force Data as of	Average AOI	Annual Change	12 point fit	6 point fit
2005/3	195,863			
2005/4	198,767			
2006/1	200,226			
2006/2	203,524			
2006/3	206,887	5.6%		
2006/4	210,880	6.1%	212,761	
2007/1	214,631	7.2%	214,877	
2007/2	218,482	7.3%	217,015	
2007/3	221,510	7.1%	219,174	
2007/4	223,093	5.8%	221,354	
2008/1	224,091	4.4%	223,556	
2008/2	224,838	2.9%	225,781	223,148
2008/3	225,959	2.0%	228,027	226,164
2008/4	227,469	2.0%	230,295	229,219
2009/1	230,880	3.0%	232,586	232,316
2009/2	235,763	4.9%	234,900	235,455
2009/3	240,054	6.2%	237,237	238,637
Exponential Trend			4.0%	5.5%
R-squared			0.946	0.939
Selected AOI Trend				4.0%

USAA Group  
*Arkansas*  
 Expected Net Severe Thunderstorm Catastrophe  
 Loss and LAE Ratio  
*Owners Forms*

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(1) Expected Annual Net Severe Thunderstorm Catastrophe Loss and LAE <sup>A</sup>	\$5,706,161
(2) Prospective Earned Premium at Present Rates	\$15,099,060
(3) Severe Thunderstorm Catastrophe Loss and LAE Ratio (1) / (2)	0.378
Selected Severe Thunderstrom Catastrophe Loss and LAE Ratio	0.378

<sup>A</sup> Based on Applied Insurance Research, Inc. (AIR) methodology and assumptions; net losses are based on exposure levels as of 05/31/2009 and trended for loss severity

USAA Group  
Arkansas  
Fixed and Variable Expense Provisions  
All Forms Combined

Exhibit IX

	2007	2008	2-Year Straight Average	Selected
(1) Average General Expenses Per Earned Exposure <sup>A</sup>	\$9.15	\$11.30		
(2) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(3) Trend Period <sup>C</sup>	4.26	3.26		
(4) Projected Average General Expenses Per Earned Exposure (1) * [ 1.02 ] ^ (3)	\$9.95	\$12.05	\$11.00	\$11.00
(5) Average Other Acquisition Expense Per Written Exposure <sup>A</sup>	\$134.11	\$122.82		
(6) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(7) Trend Period <sup>D</sup>	3.75	2.75		
(8) Projected Average Other Acquisition Expense Per Written Exposure (5) * [ 1.02 ] ^ (7)	\$144.46	\$129.70	\$137.08	\$137.08
(9) Average Licenses and Fees Expense Per Written Exposure <sup>E</sup>	\$4.73	\$2.72		
(10) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(11) Trend Period <sup>D</sup>	3.75	2.75		
(12) Projected Average Licenses and Fees Expense Per Written Exposure (9) * [ 1.02 ] ^ (11)	\$5.09	\$2.87	\$3.98	\$3.98
(13) Total Fixed Expense (4) + (8) + (12)				\$152.06
(14) Average Projected Premium at Present Rates <sup>F</sup>				\$911.45
(15) Projected Fixed Expense Provision (13) / (14)				0.167
(16) Commission and Brokerage	0.0%	0.0%	0.0%	0.0%
(17) Taxes <sup>G</sup>	3.3%	2.5%	2.9%	2.9%
(18) Profit and Contingencies Provision <sup>H</sup>				14.4%
(19) Total Variable Expenses (16) + (17) + (18)				17.3%
(20) Variable Permissible Loss and LAE Ratio 1 - (19)				82.7%

<sup>A</sup> USAA Group Countrywide data

<sup>B</sup> Developed in Exhibit IX, Page 2 of 2

<sup>C</sup> From the midpoint of the respective year to the average earned date in effective period, 10/01/2011

<sup>D</sup> From the midpoint of the respective year to the average written date in effective period, 04/01/2011

<sup>E</sup> Arkansas USAA Group data

<sup>F</sup> Arkansas USAA data for Owners Forms only

<sup>G</sup> Arkansas USAA Group data as a percent of direct written premium

<sup>H</sup> Developed in Exhibit X

USAA Group  
*Countrywide*  
Calculation of Annual Expense Trend

Exhibit IX

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(1) Employment Cost Index - Finance, Insurance & Real Estate, excluding Sales Occupations - (annual change over latest 2 years ending 09/30/2009) U.S. Department of Labor	2.1%
(2) % of Total Acquisition and General Expenses used for Salaries and Employee Relations & Welfare - USAA Group Insurance Expense Exhibit, 2008	53.9%
(3) Consumer Price Index, All Items - (annual change over latest 2 years ending 09/30/2009)	1.8%
(4) Annual Expense Trend - $\{ (1) * (2) \} + \{ (3) * [1 - (2)] \}$	2.0%
<hr/> Selected Annual Expense Trend	<hr/> 2.0%

USAA GROUP  
ARKANSAS HOMEOWNERS  
UNDERWRITING PROFIT PROVISION  
EXPLANATORY MEMORANDUM

This exhibit is submitted in support of the underwriting profit and contingency provision included in the permissible loss ratio.

UNDERWRITING PROFIT PROVISION

The target underwriting profit and contingency provision needed to achieve our desired overall profit level is developed on Page 2. The selected target rate of return is 10.0% on GAAP (generally accepted accounting principles) equity.

The target underwriting return on an after-tax basis is derived by subtracting the after-tax investment rate of return on GAAP surplus from the target rate of return. This target underwriting rate of return is then adjusted to a before-tax basis, using the current corporate tax rate of 35.0%, and then divided by the premium-to-surplus ratio to yield the target underwriting profit and contingency provision.

TARGET RATE OF RETURN

Results from the Capital Asset Pricing Model (CAPM), commonly used in evaluating investments, suggest a required rate of return around 9.0%. Historically, the CAPM has consistently supported a 10.0% rate of return. However, the unusually poor market performance in 2008 impacted the results. We still believe 10.0% is a reasonable rate of return and is consistent with our historical selection.

The data points used in the CAPM method are published historical values from Value Line, Inc.'s *Investment Survey* (as of 9/18/09) and from Ibbotson Associates' 2009 Stocks, Bonds, Bills & Inflation (SBBI) Yearbook. The companies composing the "P&C Insurance Industry", as identified by Value Line, Inc., were selected to determine the appropriate rate of return for a P&C company.

INVESTMENT RATE OF RETURN

The investment rate of return is determined by dividing the estimated investment earnings by the Countrywide Homeowners allocation of USAA Group surplus. The estimated investment earnings are calculated by applying a selected after-tax rate of return to the total funds subject to investment.

The selected after-tax rate of return is a weighted average after-tax return, using the projected proportion of the portfolio held in each component as weight. The composition of the portfolio is projected for 2010 and 2011 and an after-tax return for each year is calculated.

USAA GROUP  
ARKANSAS HOMEOWNERS  
UNDERWRITING PROFIT PROVISION

A. Target Rate of Return (% of GAAP Surplus)		
1.	Capital Asset Pricing Model	8.9%
2.	Selected Target Rate of Return	10.0%
B. Target Underwriting Rate of Return (% of GAAP Surplus)		
1.	Investment Rate of Return After Tax	3.8%
2.	Target Underwriting Return After Tax (A2) - (B1)	6.2%
3.	Target Underwriting Return Before Tax (B2) / ( 1.00 - 0.35 )	9.5%
C. Target Underwriting Profit Provision (% of Direct Earned Premium)		
1.	Direct Written Premium / GAAP Surplus Ratio	0.662
2.	Indicated Underwriting Profit Provision (B3) / (C1)	14.4%
3.	Target Underwriting Profit Provision Before Competitive Advantage Adjustment	14.4%
4.	Competitive Advantage Adjustment	0.0%
3.	Selected Underwriting Profit Provision	14.4%

**USAA Group**  
**Arkansas Homeowners**  
**Territory Factors - Owners**

<u>Territory</u>	<b>Current Factors</b>		<b>Proposed Factors</b>		<b>% Change</b>	
	<u>Other</u> <u>Perils</u>	<u>Fire</u>	<u>Other</u> <u>Perils</u>	<u>Fire</u>	<u>Other</u> <u>Perils</u>	<u>Fire</u>
58	1.1350	0.7944	1.1350	0.7944	0.0%	0.0%
59	1.1622	0.9056	1.1622	0.9056	0.0%	0.0%
60	1.1363	0.9158	1.1363	0.9158	0.0%	0.0%
61	1.1662	0.9554	1.1079	0.9076	-5.0%	-5.0%
62	1.0180	1.0936	1.0180	1.0936	0.0%	0.0%
63	1.0110	1.0236	1.0110	1.0236	0.0%	0.0%
64	1.0000	0.9366	1.0000	0.9366	0.0%	0.0%
65	1.0281	1.0089	0.9767	0.9585	-5.0%	-5.0%
66	1.0702	1.0471	1.0167	0.9947	-5.0%	-5.0%
67	0.9888	1.0000	0.9394	0.9500	-5.0%	-5.0%
68	1.1230	1.2697	1.0669	1.2062	-5.0%	-5.0%
69	1.0898	1.2248	1.0353	1.1636	-5.0%	-5.0%
70	1.0423	1.0938	1.0423	1.0938	0.0%	0.0%
71	1.0647	1.0683	1.0647	1.0683	0.0%	0.0%
72	1.0888	0.7943	1.0888	0.7943	0.0%	0.0%
73	1.1344	0.8657	1.1344	0.8657	0.0%	0.0%
74	1.1890	0.9311	1.1890	0.9311	0.0%	0.0%
75	1.2194	0.9388	1.2194	0.9388	0.0%	0.0%
76	1.1785	0.9792	1.1196	0.9302	-5.0%	-5.0%
77	1.1877	0.9612	1.1283	0.9131	-5.0%	-5.0%
78	1.0850	0.7179	1.0850	0.7179	0.0%	0.0%

**USAA Group  
Arkansas Homeowners  
Roof Factors**

<u>Roof Type</u>		<u>Other Perils</u>	<u>Fire</u>
Fiberglass Shingle	Current	0.9815	0.8456
	Proposed	0.9877	0.8971
	% Change	0.6%	6.1%

USAA Group  
Arkansas  
Homeowners  
Explanatory Memorandum (Revised) - Page 1 of 3

*Attachments in support of this filing:*

Explanatory Memorandum

Exhibit I - (revised)	Indicated Rate Change
Exhibit II	Premium Trend
Exhibit III- (revised)	Large Loss Adjustment
Exhibit IV	Loss Development
Exhibit V	Loss Trend
Exhibit VI - (revised)	Loss Adjustment Expense (LAE) –only revised CAT LAE Factor table title
Exhibit VII - (revised)	Non - Modeled Catastrophe Loss and LAE Ratio
Exhibit VIII	<i>Withdrawn</i>
Exhibit IX	Expenses
Exhibit X	Underwriting Profit Provision
Exhibit XI	Territory Factors
Exhibit XII	Roof Factors

USAA Group  
Arkansas  
Homeowners  
Explanatory Memorandum (Revised) - Page 2 of 3

Exhibit I (revised) - illustrates USAA Group Arkansas experience for the latest five accident years ending September 30, 2009 as of December 31, 2009. The data is for owners forms only. The indicated rate level change is developed in this exhibit and the proposed change is also provided. A large loss procedure was applied to the losses, which is detailed in Exhibit III.

Exhibit II - provides the calculation of USAA Group premium trend factors for Arkansas. These factors reflect increasing amounts of insurance and other distributional changes. The average earned premium at present rates, shown in column 2, has been fit to an exponential model using 20-, 16-, 12-, 8-, and 4-point values. The selected annual trend value is shown in this exhibit.

Exhibit III (revised) - shows the 10-year smoothing technique USAA uses to reflect the excess loss potential in Arkansas. The Large Loss Adjustment establishes an excess loss cut-off as a percentage of the average amount of insurance written for each year. The procedure then removes the portion of developed loss in excess of the cut-off, ratios the excess losses to the developed non-excess (normal) losses, and selects a weighted average of this ratio as the excess loss factor.

Exhibit IV - displays the calculation of USAA Group loss development factors for Arkansas. Loss data used for these calculations excludes catastrophes.

Exhibit V - shows the loss trend underlying the rate level indication. Various exponential fits including 20-, 16-, 12-, 8-, and 4-points are shown. The selected current cost factor (CCF) and trended cost factor (TCF) are based on the results of these exponential fits. Due to the volatility and lack of credibility in Arkansas, the selected Arkansas loss trend was credibility weighted with USAA Group countrywide loss trend data. The Arkansas credibility weighted current cost factor and trended cost factor are displayed on Page 2.

Exhibit VI (revised) - develops the loss adjustment expense (LAE) factor used in calculating the indication in Exhibit I. The factor is based upon USAA Group countrywide data for calendar-accident years 2006, 2007, and 2008.

Exhibit VII (revised) - Page 1 illustrates the calculation of the Arkansas historical loss and LAE ratio used to determine the indication in Exhibit I. We are utilizing a procedure based on the methodology presented in "Pricing the Catastrophe Exposure in Homeowners Ratemaking" by David H. Hays and W. Scott Farris. Owners catastrophe losses are considered fully developed. The historical catastrophe loss is divided by the amount of insurance (AOI) in force for each of the last twenty accident years. The mean and standard deviation of these ratios is calculated, along with a t-statistic. A 55% confidence was selected on a state basis to reflect the variability of losses within the twenty-year experience period and to ensure that our countrywide catastrophe provision is sufficient in the long-run. The final catastrophe provision is applied to prospective amount of insurance in force. The selected AOI trend is displayed on Page 2. Exhibit VI derives the selected non-catastrophe LAE factor.

USAA Group  
*Arkansas*  
Homeowners  
Explanatory Memorandum (Revised) - Page 3 of 3

Exhibit VIII - Withdrawn

Exhibit IX - shows the development of the variable permissible loss and LAE ratio for Arkansas on Page 1. Provisions for other expense categories are based on countrywide data from the Insurance Expense Exhibit while taxes, licenses, and fees are based upon actual Arkansas experience for USAA Group. The calculation of the selected annual expense trend is shown on Page 2. The trend is derived by taking a weighted average of the Employment Cost Index and the Consumer Price Index. The expense trend is used to trend fixed expenses, which are used to develop the indication shown in Exhibit I.

Exhibit X - details USAA Group's method for selecting its underwriting profit and contingency provision, which is included in the permissible loss ratio. A separate explanatory memorandum is included with the exhibit.

Exhibit XI - shows the proposed revisions to the territory factors for owners. The proposed relativities were chosen based on a review of our competitors. Member impact was also considered.

Exhibit XII- details the revision to the fiberglass shingle roof type factors.

USAA Group  
Arkansas  
Indicated Rate Change  
Owners Forms  
As of 12/31/2009

Calendar/ Accident Year Ending (1)	Earned Premium at Present Rates (2)	Premium Trend Factor <sup>A</sup> (3)	Prospective Earned Premium at Present Rates (4) = (2) * (3)	Smoothed Developed Incurred Losses Excluding Catastrophes <sup>B</sup> (5)	Loss Trend Factor <sup>C</sup> (6)	LAE Factor <sup>D</sup> (7)	Prospective Incurred Losses and LAE Excluding Catastrophes (8) = (5) * (6) * (7)	Prospective Loss and LAE Ratio Excluding Catastrophes (9) = (8) / (4)	Weight (10)
09/30/2005	\$8,274,992	1.327	\$10,980,914	\$4,183,131	1.976	1.190	\$9,836,382	0.896	0.100
09/30/2006	\$9,066,912	1.293	11,723,517	5,657,389	1.730	1.190	11,646,867	0.993	0.150
09/30/2007	\$10,265,723	1.231	12,637,105	6,276,095	1.515	1.190	11,314,858	0.895	0.200
09/30/2008	\$12,027,433	1.165	14,011,959	8,790,737	1.326	1.190	13,871,256	0.990	0.250
09/30/2009	\$13,517,511	1.117	15,099,060	16,944,315	1.162	1.190	23,430,260	1.552	0.300

Five Year Weighted Loss and LAE Ratio Excluding Catastrophes =	1.131
Catastrophe Loss and LAE Ratio <sup>E</sup> =	0.214
Trended Fixed Expense Ratio <sup>F</sup> =	0.167
Variable Permissible Loss and LAE Ratio <sup>G</sup> =	0.827
Indicated Rate Level Change = $(1.131 + 0.214 + 0.167) / 0.827 - 1$	82.8%
Proposed Rate Level Change =	12.0%

<sup>A</sup> Developed in Exhibit II

<sup>B</sup> Developed in Exhibit III

<sup>C</sup> Developed in Exhibit V, Page 2 of 2

<sup>D</sup> Developed in Exhibit VI

<sup>E</sup> Developed in Exhibit VII

<sup>F</sup> Developed in Exhibit IX, Page 2 of 2

<sup>G</sup> Developed in Exhibit IX, Page 1 of 2

USAA Group  
Arkansas  
Premium Trend  
Owners Forms

Exhibit II

Year Ending Quarter (1)	Average Earned Premium at Present Rates (2)	Annual Change (3)	Current Amount Factors 816.03 / (2)	<u>Trended Amount Factor:</u>						
				Least Squares Results						
				Exponential Fits		20 pt	16 pt	12 pt	8 pt	4 pt
				Annualized Change:		4.5%	4.8%	5.2%	4.1%	4.8%
				R-squared Value:		0.986	0.984	0.981	0.985	0.983
				Selected Annual Trend Factor:		1.045				
				Premium Trend Factor						
				<u>Calendar Year Ending</u>		Current Amount Factors (1)	Trended Amount Selection (2)	Trended Amount Period <sup>A</sup> (3)	Trended Amount Factors (4) = (2) ^ (3)	Premium Trend Factors (5) = (1) * (4)
2004/4	657.76		1.241							
2005/1	671.33		1.216							
2005/2	680.69		1.199							
2005/3	687.01		1.188							
2005/4	691.70	5.2%	1.180							
2006/1	696.44	3.7%	1.172							
2006/2	701.00	3.0%	1.164							
2006/3	704.94	2.6%	1.158							
2006/4	709.80	2.6%	1.150							
2007/1	717.12	3.0%	1.138							
2007/2	727.33	3.8%	1.122							
2007/3	740.83	5.1%	1.102							
2007/4	755.10	6.4%	1.081							
2008/1	767.36	7.0%	1.063							
2008/2	776.39	6.7%	1.051	09/30/2005		1.188	1.045	2.504	1.117	1.327
2008/3	782.58	5.6%	1.043	09/30/2006		1.158	1.045	2.504	1.117	1.293
2008/4	787.86	4.3%	1.036	09/30/2007		1.102	1.045	2.504	1.117	1.231
2009/1	794.19	3.5%	1.027	09/30/2008		1.043	1.045	2.504	1.117	1.165
2009/2	803.96	3.6%	1.015	09/30/2009		1.000	1.045	2.504	1.117	1.117
2009/3	816.03	4.3%	1.000							

<sup>A</sup> From the average earned date in the most recent accident year, 03/31/2009, to the average earned date in the effective period, 10/01/2011

USAA Group  
Arkansas  
Calculation of Large Loss Adjustment  
Owners Forms  
As of 12/31/2009

Exhibit III (Revised)

Calendar/ Accident Year Ending (1)	Average Amount of Insurance (2)	Cutoff 25% of (2) (3)	Incurred Losses Excluding Catastrophes (4)	Loss Development Factors <sup>A</sup> (5)	Developed Incurred Losses Excluding Catastrophes (6) = (4) * (5)	Number of Excess Losses (7)	Large Losses (8)	Excess Losses (9) = (8) - (7) * (3)	Normal Losses (10) = (6) - (9)	Excess Ratio (11) = (9) / (10)	Smoothed Developed Incurred Losses Ex Cats <sup>C</sup> (12)
09/30/2000	\$135,409	\$33,852	\$3,591,273	1.0000	\$3,591,273	9	\$1,348,592	\$1,043,924	\$2,547,349	0.410	\$3,367,595
09/30/2001	141,082	35,271	6,071,279	1.0000	6,071,279	16	2,550,292	1,985,956	4,085,323	0.486	5,400,797
09/30/2002	146,396	36,599	3,006,001	1.0000	3,006,001	7	879,306	623,113	2,382,888	0.261	3,150,178
09/30/2003	165,301	41,325	4,404,961	1.0000	4,404,961	8	1,646,307	1,315,707	3,089,254	0.426	4,083,994
09/30/2004	182,336	45,584	2,926,698	1.0000	2,926,698	7	1,034,857	715,769	2,210,929	0.324	2,922,848
09/30/2005	195,863	48,966	4,290,611	1.0000	4,290,611	8	1,518,095	1,126,367	3,164,244	0.356	4,183,131
09/30/2006	206,887	51,722	5,706,279	1.0000	5,706,279	14	2,150,970	1,426,862	4,279,417	0.333	5,657,389
09/30/2007	221,510	55,378	7,279,547	1.0060	7,323,224	13	3,295,714	2,575,800	4,747,424	0.543	6,276,095
09/30/2008	225,959	56,490	7,386,771	1.0034	7,411,886	10	1,327,212	762,312	6,649,574	0.115	8,790,737
09/30/2009	240,054	60,014	15,901,414	1.0087	16,039,756	17	4,242,812	3,222,574	12,817,182	0.251	16,944,315
								\$14,798,384	\$45,973,584		

Weighted Average Excess Ratio<sup>B</sup> = 0.322

Weighted Average Excess Factor = 1.322

<sup>A</sup> Developed in Exhibit IV

<sup>B</sup> Weighted Average Excess Ratio = Sum of Column (9) / Sum of Column (10)

<sup>C</sup> (12) = (10) \* Weighted Average Excess Factor

USAA Group  
Arkansas  
Loss Development  
Incurred Losses Excluding Catastrophes  
*Owners Forms*

Accident Year Ending	15 months	27 months	39 months	51 months
09/30/2002			3,168,250	3,172,268
09/30/2003		4,423,470	4,390,727	4,387,524
09/30/2004	2,924,299	2,967,717	2,938,514	2,928,589
09/30/2005	4,421,161	4,238,856	4,240,883	4,424,133
09/30/2006	5,553,927	5,823,414	5,766,772	5,706,279
09/30/2007	7,353,107	7,181,668	7,279,547	
09/30/2008	7,186,590	7,386,771		
09/30/2009	15,901,414			

Age-to-Age Factors

Accident Year Ending	15 to 27 Months	27 to 39 Months	39 to 51 Months
09/30/2002			1.0013
09/30/2003		0.9926	0.9993
09/30/2004	1.0148	0.9902	0.9966
09/30/2005	0.9588	1.0005	1.0432
09/30/2006	1.0485	0.9903	0.9895
09/30/2007	0.9767	1.0136	
09/30/2008	1.0279		
Latest 3-year Average	1.0177	1.0015	1.0098
Latest 4-year Average	1.0030	0.9987	1.0072
Latest 5-year Average	1.0053	0.9974	1.0060
Latest 3-out-of-5-year Average	1.0065	0.9945	0.9991
Selected Age-to-Age Factors	1.0053	0.9974	1.0060

Cumulative Factors

	15 to 51 Months	27 to 51 Months	39 to 51 Months
Selected Cumulative Factors	1.0087	1.0034	1.0060

USAA Group  
Arkansas  
Paid Losses Excluding Catastrophes  
Owners Forms

Year Ending Quarter	Calendar Year Paid Frequency				Calendar Year Paid Severity				Calendar Year Paid Pure Premium			
	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change	Series 1 <sup>A</sup>	Annual Change	Series 2 <sup>B</sup>	Annual Change
2005/1	0.0711		0.0526		4,284		5,296		304.59		278.57	
2005/2	0.0646		0.0504		4,583		5,644		296.06		284.46	
2005/3	0.0657		0.0499		3,950		5,721		259.52		285.48	
2005/4	0.0666		0.0502		4,979		5,768		331.60		289.55	
2006/1	0.0680	-4.4%	0.0501	-4.8%	5,737	33.9%	5,907	11.5%	390.12	28.1%	295.94	6.2%
2006/2	0.0726	12.4%	0.0506	0.4%	5,844	27.5%	5,948	5.4%	424.27	43.3%	300.97	5.8%
2006/3	0.0733	11.6%	0.0521	4.4%	6,334	60.4%	5,980	4.5%	464.28	78.9%	311.56	9.1%
2006/4	0.0778	16.8%	0.0542	8.0%	5,877	18.0%	6,041	4.7%	457.23	37.9%	327.42	13.1%
2007/1	0.0769	13.1%	0.0557	11.2%	5,676	-1.1%	6,056	2.5%	436.48	11.9%	337.32	14.0%
2007/2	0.0787	8.4%	0.0570	12.6%	6,275	7.4%	6,180	3.9%	493.84	16.4%	352.26	17.0%
2007/3	0.0794	8.3%	0.0586	12.5%	6,802	7.4%	6,433	7.6%	540.08	16.3%	376.97	21.0%
2007/4	0.0744	-4.4%	0.0592	9.2%	6,997	19.1%	6,523	8.0%	520.58	13.9%	386.16	17.9%
2008/1	0.0764	-0.7%	0.0590	5.9%	6,719	18.4%	6,736	11.2%	513.33	17.6%	397.42	17.8%
2008/2	0.0813	3.3%	0.0598	4.9%	6,112	-2.6%	6,773	9.6%	496.91	0.6%	405.03	15.0%
2008/3	0.0794	0.0%	0.0600	2.4%	5,530	-18.7%	6,919	7.6%	439.08	-18.7%	415.14	10.1%
2008/4	0.0796	7.0%	0.0595	0.5%	6,078	-13.1%	7,059	8.2%	483.81	-7.1%	420.01	8.8%
2009/1	0.0840	9.9%	0.0610	3.4%	6,026	-10.3%	7,207	7.0%	506.18	-1.4%	439.63	10.6%
2009/2	0.0770	-5.3%	0.0618	3.3%	7,157	17.1%	7,269	7.3%	551.09	10.9%	449.22	10.9%
2009/3	0.0982	23.7%	0.0621	3.5%	8,651	56.4%	7,263	5.0%	849.53	93.5%	451.03	8.6%
2009/4	0.1151	44.6%	0.0634	6.6%	8,001	31.6%	7,298	3.4%	920.92	90.3%	462.69	10.2%
Exponential Fits	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change	R-squared Value	Annualized Change
20-point fit	0.618	7.7%	0.910	5.5%	0.654	11.2%	0.977	6.8%	0.673	19.8%	0.982	12.7%
16-point fit	0.530	8.2%	0.916	6.0%	0.390	6.8%	0.971	6.9%	0.506	15.6%	0.987	13.3%
12-point fit	0.466	10.2%	0.921	3.9%	0.323	8.6%	0.959	7.3%	0.464	19.6%	0.977	11.5%
8-point fit	0.579	19.7%	0.897	3.9%	0.509	19.4%	0.924	5.3%	0.630	42.9%	0.979	9.4%
4-point fit	0.770	60.8%	0.941	4.9%	0.713	51.6%	0.821	1.5%	0.910	143.8%	0.938	6.5%

<sup>A</sup> Series 1 is based on USAA Group Arkansas data

<sup>B</sup> Series 2 is based on USAA Group CW EXC CA, FL, & TX data

USAA Group  
Arkansas  
Credibility Weighted Loss Trend  
Owners Forms

	Series 1 Frequency <sup>A</sup>	Series 2 Frequency <sup>B</sup>	Cred-Weighted Frequency <sup>C</sup>	Series 1 Severity <sup>A</sup>	Series 2 Severity <sup>B</sup>	Cred-Weighted Severity <sup>C</sup>	Cred-Weighted Pure Premium
Current Cost Selection	1.080	1.050	1.063	1.080	1.070	1.074	1.142
Trended Cost Selection	1.000	1.050	1.029	1.000	1.040	1.023	1.053

Accident Year Ending	Loss Trend Factor						
	Current Cost Selection (1)	Current Cost Period <sup>D</sup> (2)	Current Cost Factor (3) = (1) ^ (2)	Trended Cost Selection (4)	Trended Cost Period <sup>E</sup> (5)	Trended Cost Factor (6) = (4) ^ (5)	Loss Trend Factor (7) = (3) * (6)
09/30/2005	1.142	4.249	1.758	1.053	2.255	1.124	1.976
09/30/2006	1.142	3.249	1.539	1.053	2.255	1.124	1.730
09/30/2007	1.142	2.249	1.348	1.053	2.255	1.124	1.515
09/30/2008	1.142	1.249	1.180	1.053	2.255	1.124	1.326
09/30/2009	1.142	0.249	1.034	1.053	2.255	1.124	1.162

<sup>A</sup> Series 1 is based on USAA Group Arkansas data

<sup>B</sup> Series 2 is based on USAA Group CW EXC CA, FL, & TX data

<sup>C</sup> USAA Group Arkansas is 41.8% credible based on 1,856 claims; used the Square Root method with a full credibility standard of 10,623 claims.

<sup>D</sup> From the average date of loss in the respective accident year to 06/30/2009

<sup>E</sup> From 06/30/2009 to the average date of loss in the effective period, 10/01/2011

USAA Group  
*Countrywide*  
 Loss Adjustment Expense (LAE) Factor  
*All Forms Combined*  
 As of 06/30/2009

Non-Catastrophe Loss Adjustment Expense Factor

Calendar/Accident Year Ending	Incurred Losses	Loss Adjustment Expense	LAE Ratio
12/31/2006	708,794,557	148,054,815	0.209
12/31/2007	911,547,076	156,062,663	0.171
12/31/2008	1,040,289,637	185,391,504	0.178
Average LAE Ratio			0.186
Selected Non-Catastrophe LAE Factor			1.190

Catastrophe Loss Adjustment Expense Factor

Calendar/Accident Year Ending	Incurred Losses	Loss Adjustment Expense	LAE Ratio
12/31/2006	208,090,892	12,311,872	0.059
12/31/2007	282,804,323	11,054,321	0.039
12/31/2008	395,384,837	21,776,495	0.055
Average LAE Ratio			0.051
Selected Catastrophe LAE Factor			1.050

USAA Group  
Arkansas  
Catastrophe Ratio  
Owners Forms  
As of 03/31/2009

Calendar / Accident Year Ending	Total Amount of Insurance in Force/1000	Catastrophe Losses	Cat/AOI Ratio
12/31/1989	512,730	\$551,213	1.0751
12/31/1990	554,175	\$383,630	0.6923
12/31/1991	609,574	\$346,354	0.5682
12/31/1992	671,241	\$276,102	0.4113
12/31/1993	735,242	\$67,920	0.0924
12/31/1994	807,998	\$92,798	0.1148
12/31/1995	881,062	\$429,986	0.4880
12/31/1996	933,155	\$1,464,110	1.5690
12/31/1997	1,009,075	\$520,764	0.5161
12/31/1998	1,110,129	\$13,802	0.0124
12/31/1999	1,227,850	\$1,830,279	1.4906
12/31/2000	1,350,885	\$509,198	0.3769
12/31/2001	1,469,535	\$78,926	0.0537
12/31/2002	1,591,122	\$119,819	0.0753
12/31/2003	1,879,117	\$149,754	0.0797
12/31/2004	2,214,199	\$240,655	0.1087
12/31/2005	2,538,458	\$142,629	0.0562
12/31/2006	2,864,806	\$2,935,079	1.0245
12/31/2007	3,362,909	\$312,466	0.0929
12/31/2008	3,725,032	\$13,040,318	3.5007
(1) Mean			0.6199
(2) Standard Deviation			0.8315
(3) t-statistic for 55% confidence and 19 degrees of freedom			0.127
(4) Final Catastrophe Provision (1) + (2) * (3)			0.7255
(5) Selected AOI trend <sup>A</sup>			4.0%
(6) Prospective Amount of Insurance in Force/1000			4,237,428
(7) Prospective Catastrophe Losses (4) * (6)			\$3,074,254
(8) Selected Catastrophe LAE Factor <sup>B</sup>			1.050
(9) Prospective Catastrophe Loss and LAE (7) * (8)			\$3,227,967
(10) Prospective Earned Premium at Present Rates <sup>C</sup>			\$15,099,060
Catastrophe Loss and LAE Ratio (9) / (10)			0.214

<sup>A</sup> Developed in Exhibit VII, Page 2 of 2

<sup>B</sup> Developed in Exhibit VI

<sup>C</sup> Developed in Exhibit I

USAA Group  
*Arkansas*  
Average Amount of Insurance Trend  
*Owners Forms*

In Force Data as of	Average AOI	Annual Change	12 point fit	6 point fit
2005/3	195,863			
2005/4	198,767			
2006/1	200,226			
2006/2	203,524			
2006/3	206,887	5.6%		
2006/4	210,880	6.1%	212,761	
2007/1	214,631	7.2%	214,877	
2007/2	218,482	7.3%	217,015	
2007/3	221,510	7.1%	219,174	
2007/4	223,093	5.8%	221,354	
2008/1	224,091	4.4%	223,556	
2008/2	224,838	2.9%	225,781	223,148
2008/3	225,959	2.0%	228,027	226,164
2008/4	227,469	2.0%	230,295	229,219
2009/1	230,880	3.0%	232,586	232,316
2009/2	235,763	4.9%	234,900	235,455
2009/3	240,054	6.2%	237,237	238,637
Exponential Trend			4.0%	5.5%
R-squared			0.946	0.939
Selected AOI Trend				4.0%

USAA Group  
Arkansas  
Fixed and Variable Expense Provisions  
All Forms Combined

Exhibit IX

	2007	2008	2-Year Straight Average	Selected
(1) Average General Expenses Per Earned Exposure <sup>A</sup>	\$9.15	\$11.30		
(2) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(3) Trend Period <sup>C</sup>	4.26	3.26		
(4) Projected Average General Expenses Per Earned Exposure (1) * [ 1.02 ] ^ (3)	\$9.95	\$12.05	\$11.00	\$11.00
(5) Average Other Acquisition Expense Per Written Exposure <sup>A</sup>	\$134.11	\$122.82		
(6) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(7) Trend Period <sup>D</sup>	3.75	2.75		
(8) Projected Average Other Acquisition Expense Per Written Exposure (5) * [ 1.02 ] ^ (7)	\$144.46	\$129.70	\$137.08	\$137.08
(9) Average Licenses and Fees Expense Per Written Exposure <sup>E</sup>	\$4.73	\$2.72		
(10) Selected Annual Expense Trend <sup>B</sup>	2.0%	2.0%		
(11) Trend Period <sup>D</sup>	3.75	2.75		
(12) Projected Average Licenses and Fees Expense Per Written Exposure (9) * [ 1.02 ] ^ (11)	\$5.09	\$2.87	\$3.98	\$3.98
(13) Total Fixed Expense (4) + (8) + (12)				\$152.06
(14) Average Projected Premium at Present Rates <sup>F</sup>				\$911.45
(15) Projected Fixed Expense Provision (13) / (14)				0.167
(16) Commission and Brokerage	0.0%	0.0%	0.0%	0.0%
(17) Taxes <sup>G</sup>	3.3%	2.5%	2.9%	2.9%
(18) Profit and Contingencies Provision <sup>H</sup>				14.4%
(19) Total Variable Expenses (16) + (17) + (18)				17.3%
(20) Variable Permissible Loss and LAE Ratio 1 - (19)				82.7%

<sup>A</sup> USAA Group Countrywide data

<sup>B</sup> Developed in Exhibit IV, Page 2 of 2

<sup>C</sup> From the midpoint of the respective year to the average earned date in effective period, 10/01/2011

<sup>D</sup> From the midpoint of the respective year to the average written date in effective period, 04/01/2011

<sup>E</sup> Arkansas USAA Group data

<sup>F</sup> Arkansas USAA Group data for Owners Forms only

<sup>G</sup> Arkansas USAA Group data as a percent of direct written premium

<sup>H</sup> Developed in Exhibit X

USAA Group  
*Countrywide*  
 Calculation of Annual Expense Trend

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(1) Employment Cost Index - Finance, Insurance & Real Estate, excluding Sales Occupations - (annual change over latest 2 years ending 09/30/2009) U.S. Department of Labor	2.1%
(2) % of Total Acquisition and General Expenses used for Salaries and Employee Relations & Welfare - USAA Group Insurance Expense Exhibit, 2008	53.9%
(3) Consumer Price Index, All Items - (annual change over latest 2 years ending 09/30/2009)	1.8%
(4) Annual Expense Trend - { (1) * (2) } + { (3) * [1 - (2)] }	2.0%
Selected Annual Expense Trend	2.0%

USAA GROUP  
ARKANSAS HOMEOWNERS  
UNDERWRITING PROFIT PROVISION  
EXPLANATORY MEMORANDUM

This exhibit is submitted in support of the underwriting profit and contingency provision included in the permissible loss ratio.

UNDERWRITING PROFIT PROVISION

The target underwriting profit and contingency provision needed to achieve our desired overall profit level is developed on Page 2. The selected target rate of return is 10.0% on GAAP (generally accepted accounting principles) equity.

The target underwriting return on an after-tax basis is derived by subtracting the after-tax investment rate of return on GAAP surplus from the target rate of return. This target underwriting rate of return is then adjusted to a before-tax basis, using the current corporate tax rate of 35.0%, and then divided by the premium-to-surplus ratio to yield the target underwriting profit and contingency provision.

TARGET RATE OF RETURN

Results from the Capital Asset Pricing Model (CAPM), commonly used in evaluating investments, suggest a required rate of return around 9.0%. Historically, the CAPM has consistently supported a 10.0% rate of return. However, the unusually poor market performance in 2008 impacted the results. We still believe 10.0% is a reasonable rate of return and is consistent with our historical selection.

The data points used in the CAPM method are published historical values from Value Line, Inc.'s *Investment Survey* (as of 9/18/09) and from Ibbotson Associates' 2009 Stocks, Bonds, Bills & Inflation (SBBI) Yearbook. The companies composing the "P&C Insurance Industry", as identified by Value Line, Inc., were selected to determine the appropriate rate of return for a P&C company.

INVESTMENT RATE OF RETURN

The investment rate of return is determined by dividing the estimated investment earnings by the Countrywide Homeowners allocation of USAA Group surplus. The estimated investment earnings are calculated by applying a selected after-tax rate of return to the total funds subject to investment.

The selected after-tax rate of return is a weighted average after-tax return, using the projected proportion of the portfolio held in each component as weight. The composition of the portfolio is projected for 2010 and 2011 and an after-tax return for each year is calculated.

USAA GROUP  
ARKANSAS HOMEOWNERS  
UNDERWRITING PROFIT PROVISION

A. Target Rate of Return (% of GAAP Surplus)		
1.	Capital Asset Pricing Model	8.9%
2.	Selected Target Rate of Return	10.0%
B. Target Underwriting Rate of Return (% of GAAP Surplus)		
1.	Investment Rate of Return After Tax	3.8%
2.	Target Underwriting Return After Tax (A2) - (B1)	6.2%
3.	Target Underwriting Return Before Tax (B2) / ( 1.00 - 0.35 )	9.5%
C. Target Underwriting Profit Provision (% of Direct Earned Premium)		
1.	Direct Written Premium / GAAP Surplus Ratio	0.662
2.	Indicated Underwriting Profit Provision (B3) / (C1)	14.4%
3.	Target Underwriting Profit Provision Before Competitive Advantage Adjustment	14.4%
4.	Competitive Advantage Adjustment	0.0%
3.	Selected Underwriting Profit Provision	14.4%

**USAA Group**  
**Arkansas Homeowners**  
**Territory Factors - Owners**

<u>Territory</u>	<b>Current Factors</b>		<b>Proposed Factors</b>		<b>% Change</b>	
	<u>Other</u> <u>Perils</u>	<u>Fire</u>	<u>Other</u> <u>Perils</u>	<u>Fire</u>	<u>Other</u> <u>Perils</u>	<u>Fire</u>
58	1.1350	0.7944	1.1350	0.7944	0.0%	0.0%
59	1.1622	0.9056	1.1622	0.9056	0.0%	0.0%
60	1.1363	0.9158	1.1363	0.9158	0.0%	0.0%
61	1.1662	0.9554	1.1079	0.9076	-5.0%	-5.0%
62	1.0180	1.0936	1.0180	1.0936	0.0%	0.0%
63	1.0110	1.0236	1.0110	1.0236	0.0%	0.0%
64	1.0000	0.9366	1.0000	0.9366	0.0%	0.0%
65	1.0281	1.0089	0.9767	0.9585	-5.0%	-5.0%
66	1.0702	1.0471	1.0167	0.9947	-5.0%	-5.0%
67	0.9888	1.0000	0.9394	0.9500	-5.0%	-5.0%
68	1.1230	1.2697	1.0669	1.2062	-5.0%	-5.0%
69	1.0898	1.2248	1.0353	1.1636	-5.0%	-5.0%
70	1.0423	1.0938	1.0423	1.0938	0.0%	0.0%
71	1.0647	1.0683	1.0647	1.0683	0.0%	0.0%
72	1.0888	0.7943	1.0888	0.7943	0.0%	0.0%
73	1.1344	0.8657	1.1344	0.8657	0.0%	0.0%
74	1.1890	0.9311	1.1890	0.9311	0.0%	0.0%
75	1.2194	0.9388	1.2194	0.9388	0.0%	0.0%
76	1.1785	0.9792	1.1196	0.9302	-5.0%	-5.0%
77	1.1877	0.9612	1.1283	0.9131	-5.0%	-5.0%
78	1.0850	0.7179	1.0850	0.7179	0.0%	0.0%

**USAA Group  
Arkansas Homeowners  
Roof Factors**

<b><u>Roof Type</u></b>		<b><u>Other Perils</u></b>	<b><u>Fire</u></b>
Fiberglass Shingle	Current	0.9815	0.8456
	Proposed	0.9877	0.8971
	% Change	0.6%	6.1%

USAA Group  
Arkansas  
*Owners Forms*  
**Exhibit A**

Percentage change in Base Rates

<u>Form Type</u>	<u>Peril</u>	<b>Current</b>			
		<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	Other Perils	913.16	1073.79	1274.92	1287.22
	Fire	1004.39	1171.09	1162.76	1246.80

<u>Form Type</u>	<u>Peril</u>	<b>Proposed</b>			
		<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	Other Perils	1068.39	1277.50	1277.50	1277.50
	Fire	1158.11	1346.59	1346.59	1346.59

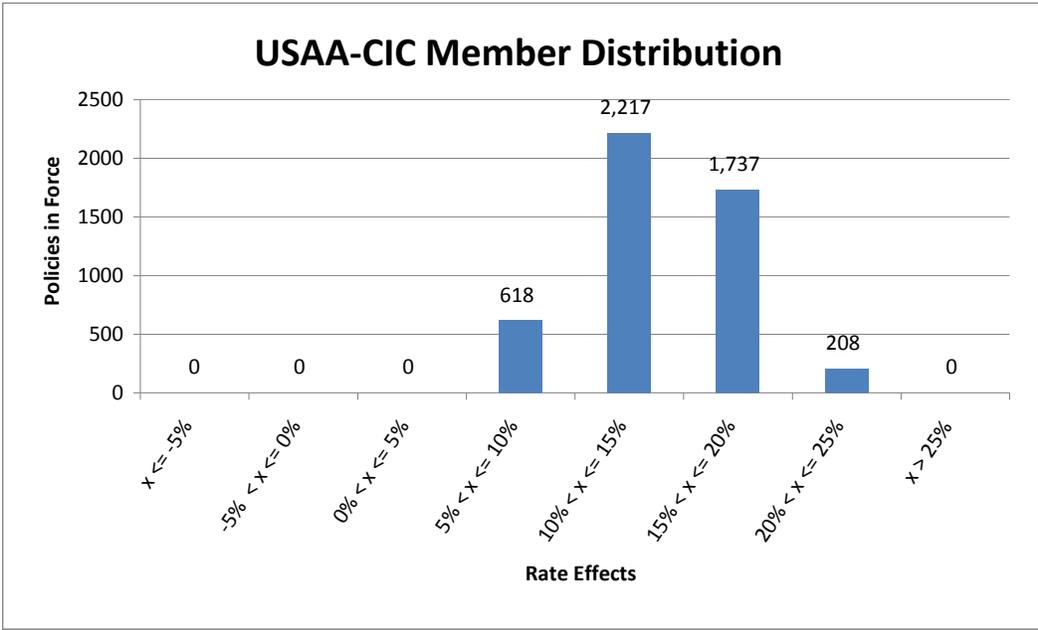
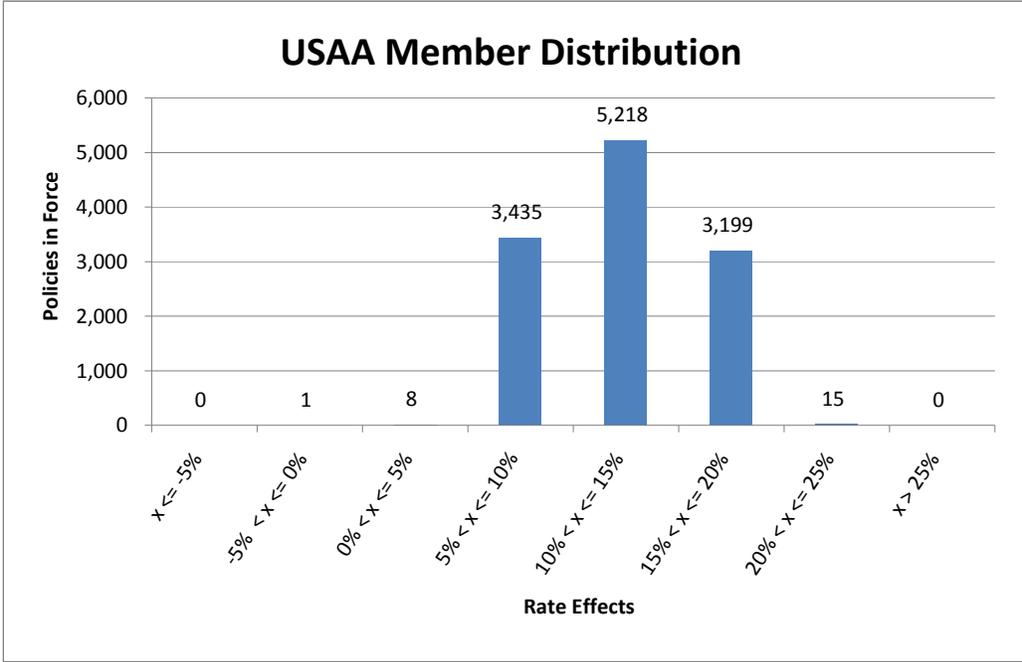
<u>Form Type</u>	<u>Peril</u>	<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	Other Perils	<b>17.0%</b>	<b>19.0%</b>	<b>0.2%</b>	<b>-0.8%</b>
	Fire	<b>15.3%</b>	<b>15.0%</b>	<b>15.8%</b>	<b>8.0%</b>

Amount due to the leveling of GIC and Garrison to match CIC

<b>Percentage Change</b>	
<u>USAA-GIC</u>	<u>Garrison</u>
<b>-15.8%</b>	<b>-16.6%</b>
<b>0.7%</b>	<b>-6.1%</b>

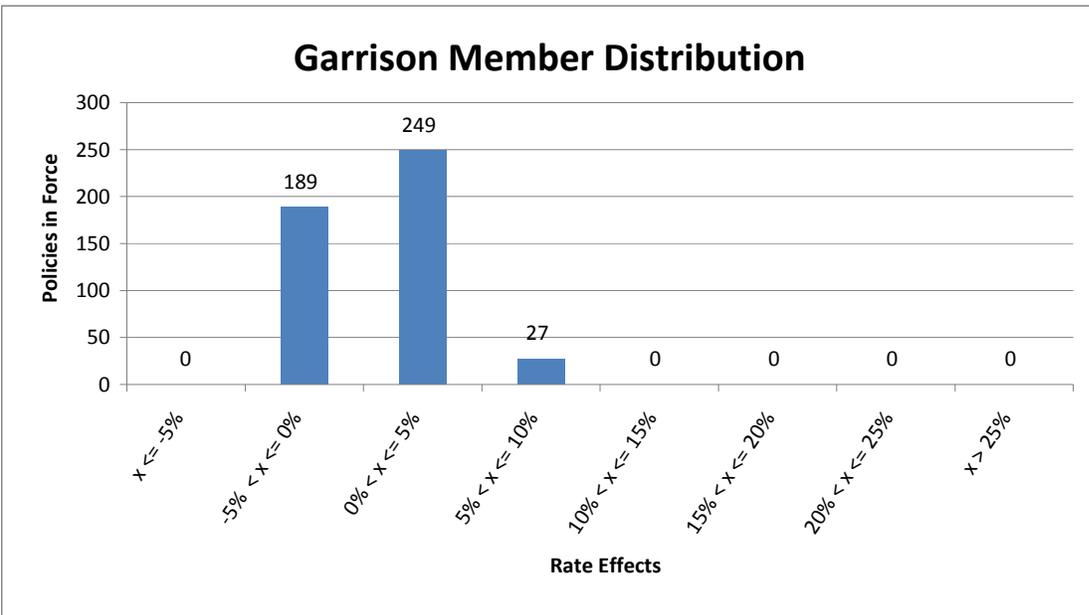
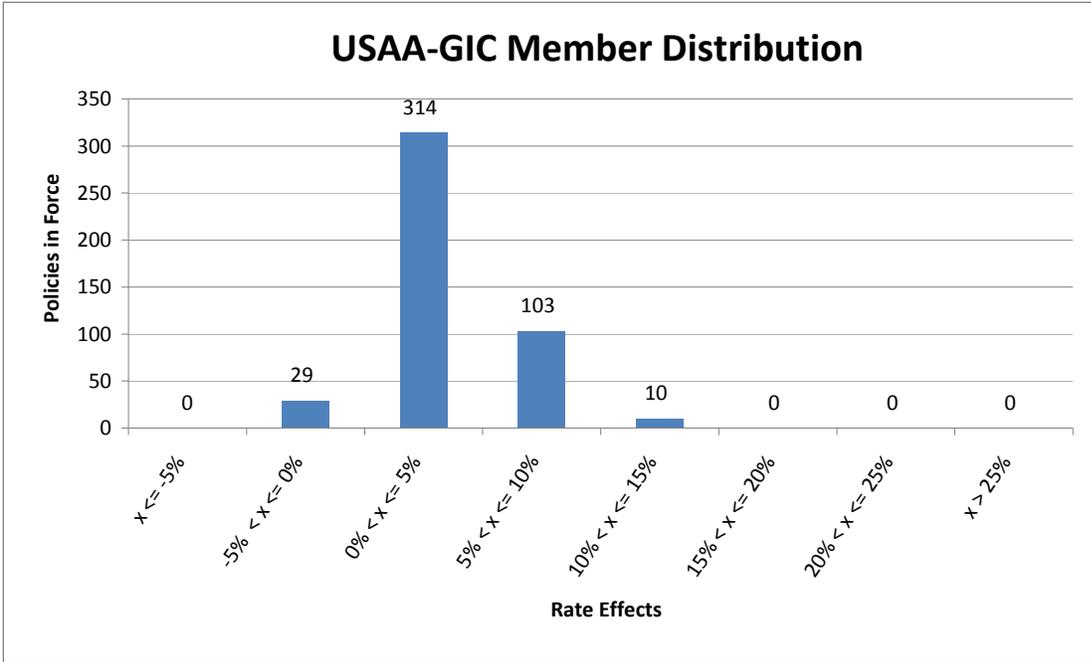
USAA and USAA-CIC  
Arkansas  
Owners Forms  
**Exhibit B**

Distribution of Effects



USAA-GIC and Garrison  
Arkansas  
Owners Forms  
Exhibit B

Distribution of Effects



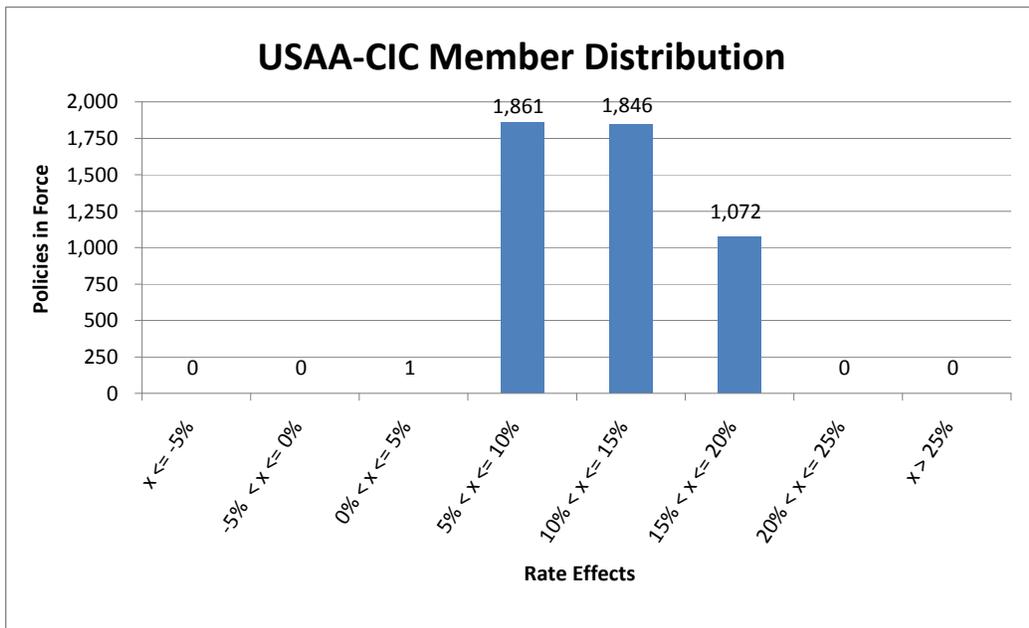
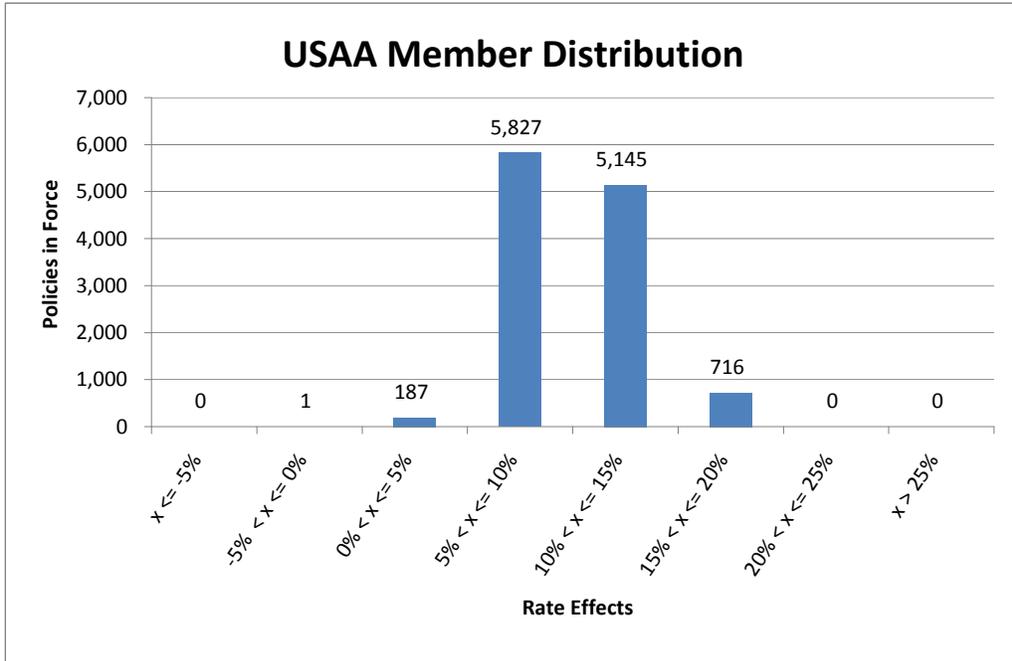
**Arkansas  
USAA Group  
Homeowners  
Filing Proposed Effective 10/01/2010**

**Comment: Per my meeting with Commissioner Bradford, please amend the overall increase to 10%, with individual increases no more than the current 21%.**

As requested, we revised Base Rates to achieve an overall increase of 10%; please refer to Exhibit C for the revised distribution of effects.

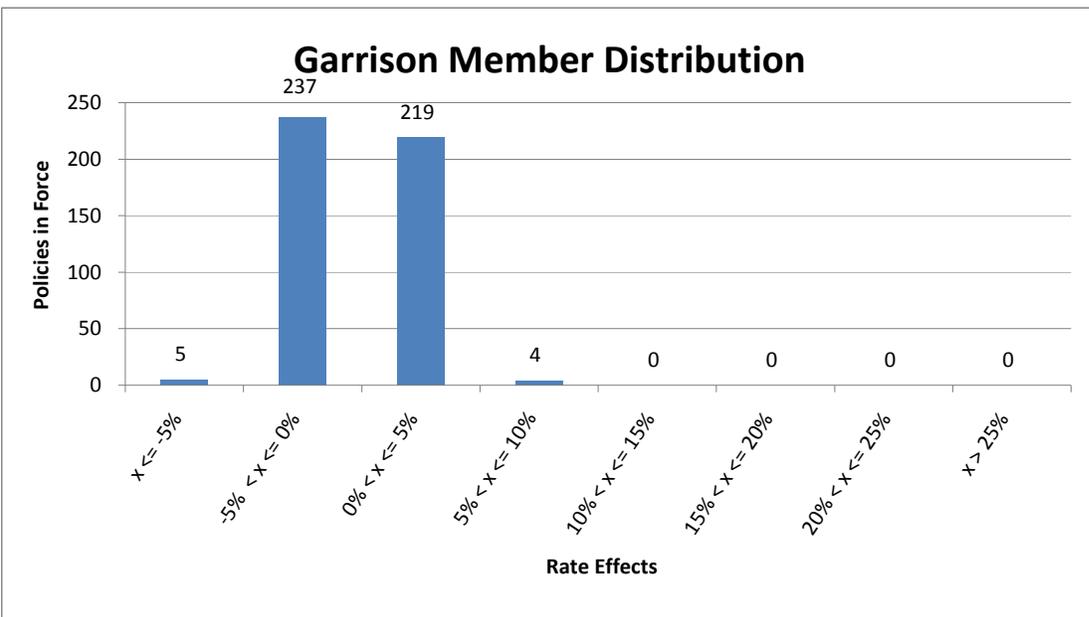
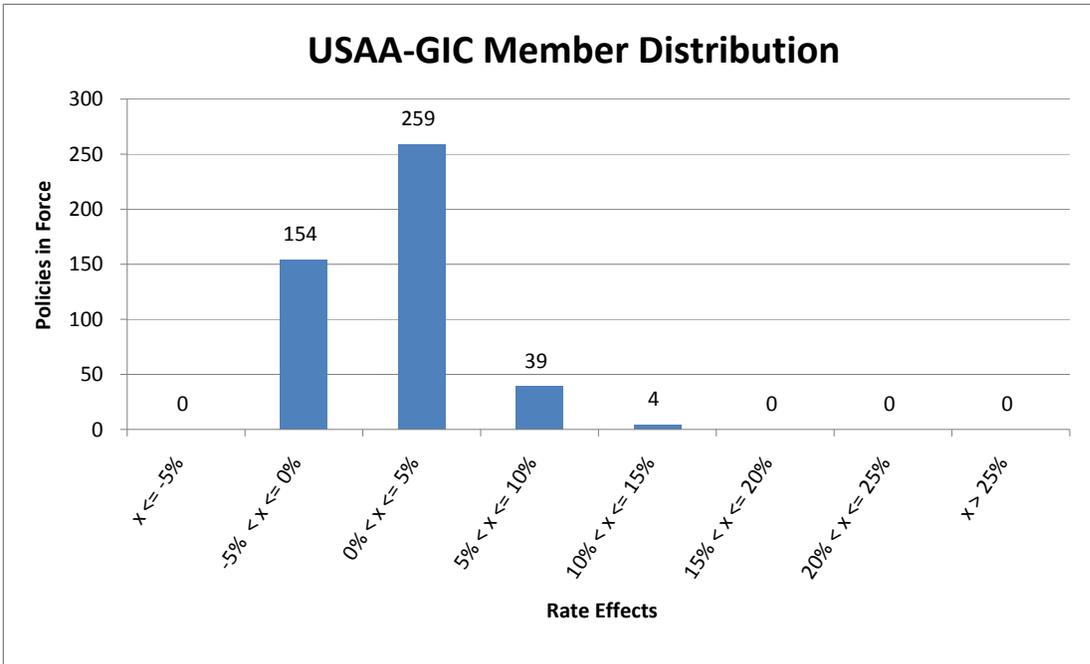
USAA and USAA-CIC  
 Arkansas  
 Owners Forms  
 Exhibit C

Distribution of Effects



USAA-GIC and Garrison  
Arkansas  
Owners Forms  
Exhibit C

Distribution of Effects



SERFF Tracking Number: USAA-126649629 State: Arkansas  
 First Filing Company: Garrison Property and Casualty Insurance State Tracking Number: EFT \$100  
 Company, ...  
 Company Tracking Number: AR1012507  
 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners  
 Product Name: Rate Revision  
 Project Name/Number: /

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
05/27/2010	Rate and Rule	AR HO Rate Pages	07/12/2010	AR HO Rate Pages.pdf (Superseded)
06/16/2010	Supporting Document	HPCS-Homeowners Premium Comparison Survey	07/06/2010	HPCS 200-25941.xls (Superseded) HPCS 200-25968.xls (Superseded) HPCS 200-18600.xls (Superseded) HPCS 200-21253.xls (Superseded)
05/27/2010	Supporting Document	HPCS-Homeowners Premium Comparison Survey	06/16/2010	HPCS 200-25941.xls (Superseded) HPCS 200-25968.xls (Superseded) HPCS 200-18600.xls (Superseded) HPCS 200-21253.xls (Superseded)
05/27/2010	Supporting Document	NAIC loss cost data entry document	07/06/2010	RF-1 200-25941.pdf (Superseded) RF-1 200-25968.pdf (Superseded) RF-1 200-18600.pdf (Superseded)

*SERFF Tracking Number:* USAA-126649629      *State:* Arkansas  
*First Filing Company:* Garrison Property and Casualty Insurance      *State Tracking Number:* EFT \$100  
Company, ...  
*Company Tracking Number:* AR1012507  
*TOI:* 04.0 Homeowners      *Sub-TOI:* 04.0003 Owner Occupied Homeowners  
*Product Name:* Rate Revision  
*Project Name/Number:* /

RF-1 200-21253.pdf  
(Superseded)

State: **ARKANSAS**  
 Line of Business: **HOMEOWNERS**  
 Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**BASE RATES AND MINIMUM PREMIUMS**

**BASE RATES**

<u>Form Type</u>	<u>Peril</u>	<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	Other Perils	<b>1068.39</b>	<b>1277.50</b>	<b>1277.50</b>	<b>1277.50</b>
	Fire	<b>1158.11</b>	<b>1346.59</b>	<b>1346.59</b>	<b>1346.59</b>
Unit-Owners	Other Perils	331.68	281.75	281.75	281.75
	Fire	37.49	26.84	26.84	26.84

\* Base limits are \$300,000 Liability and \$5,000 Medical Payments to Others

**MINIMUM PREMIUMS**

<u>Form Type</u>	<u>USAA</u>	<u>USAA-CIC</u>	<u>USAA-GIC</u>	<u>Garrison</u>
Owners	\$250	\$250	\$250	\$250
Unit-Owners	\$125	\$125	\$125	\$125

State: **ARKANSAS**  
Line of Business: **HOMEOWNERS**  
Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**TERRITORY FACTORS**

**USAA GROUP  
OWNERS FORMS**

<u>Territory</u>	<u>Other Perils</u>	<u>Fire</u>
58	1.1350	0.7944
59	1.1622	0.9056
60	1.1363	0.9158
61	<b>1.1079</b>	<b>0.9076</b>
62	1.0180	1.0936
63	1.0110	1.0236
64	1.0000	0.9366
65	<b>0.9767</b>	<b>0.9585</b>
66	<b>1.0167</b>	<b>0.9947</b>
67	<b>0.9394</b>	<b>0.9500</b>
68	<b>1.0669</b>	<b>1.2062</b>
69	<b>1.0353</b>	<b>1.1636</b>
70	1.0423	1.0938
71	1.0647	1.0683
72	1.0888	0.7943
73	1.1344	0.8657
74	1.1890	0.9311
75	1.2194	0.9388
76	<b>1.1196</b>	<b>0.9302</b>
77	<b>1.1283</b>	<b>0.9131</b>
78	1.0850	0.7179

State: **ARKANSAS**  
 Line of Business: **HOMEOWNERS**  
 Effective: **OCTOBER 1, 2010**

Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**  
**USAA CASUALTY INSURANCE COMPANY**  
**USAA GENERAL INDEMNITY COMPANY**  
**GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY**

**ROOF FACTORS**

**USAA GROUP  
 OWNERS FORMS**

Roof <u>Type</u>	<u>Code</u>	Other <u>Perils</u>	<u>Fire</u>
Aluminum	AL	0.9908	1.0000
Asbestos	AS	1.0983	1.0000
Cloth	CL	1.0744	1.0000
Concrete Tile	CN	0.8606	0.8456
Composition Shingle	CS	1.0000	1.0000
Clay Tile	CT	0.9078	1.0000
Composition Over Wood	CW	1.0579	1.4699
Fiberglass Shingle	FB	<b>0.9877</b>	<b>0.8971</b>
Fiber Cement	FC	0.9767	0.8456
Resin Formed Shingle	FE	0.9728	0.8456
Foam	FM	1.0698	1.0000
Metal	MT	0.9727	1.0000
None	NA	1.1618	1.4699
Other	OT	1.1618	1.0000
Plastic	PL	1.0713	1.0000
Reinforced Plastic	RP	1.0750	1.0000
Slate	SL	1.0827	0.8456
Tar	TR	0.9360	1.0000
Unknown	UN	1.1618	1.4699
Wood Shake	WS	1.1234	1.4699
No Data	X	1.1618	1.4699

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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Company Name		Company NAIC Number		
<b>3.</b>	<b>A.</b>	<b>United Services Automobile Association</b>	<b>B.</b>	<b>200-25941</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b>	<b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>106.2%</b>	<b>12.0%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>106.2%</b>	<b>11.9%</b>					

<b>6.</b>		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
<b>2005</b>	<b>9,210</b>	<b>0.0%</b>	<b>10-1-05</b>	<b>9,323</b>	<b>4,407</b>	<b>47%</b>	<b>76%</b>
<b>2006</b>	<b>9,720</b>	<b>-5.0%</b>	<b>11-01-06</b>	<b>10,115</b>	<b>4,627</b>	<b>46%</b>	<b>41%</b>
<b>2007</b>	<b>10,838</b>	<b>-18.3%</b>	<b>4-15-07</b>	<b>10,337</b>	<b>6,070</b>	<b>59%</b>	<b>49%</b>
<b>2007</b>	<b>10,838</b>	<b>-18.8%</b>	<b>12-31-07</b>	<b>10,337</b>	<b>6,070</b>	<b>59%</b>	<b>49%</b>
<b>2008</b>	<b>11,496</b>	<b>9.2%</b>	<b>11-30-08</b>	<b>8,687</b>	<b>15,857</b>	<b>183%</b>	<b>71%</b>
<b>2010</b>	<b>12,085</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>8,450</b>	<b>15,476</b>	<b>183%</b>	<b>58%</b>

<b>7.</b>	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 21.1% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
- 10.** 0.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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Company Name		Company NAIC Number		
<b>3.</b>	<b>A.</b>	<b>USAA Casualty Insurance Company</b>	<b>B.</b>	<b>200-25968</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)		
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b>	<b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>106.2%</b>	<b>13.7%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
<b>TOTAL OVERALL EFFECT</b>	<b>106.2%</b>	<b>13.6%</b>					

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
<b>2005</b>	<b>3,563</b>	<b>0.0%</b>	<b>10-1-05</b>	<b>3,263</b>	<b>1,504</b>	<b>46%</b>	<b>67%</b>
<b>2006</b>	<b>3,782</b>	<b>-5.0%</b>	<b>11-1-06</b>	<b>3,654</b>	<b>2,780</b>	<b>46%</b>	<b>40%</b>
<b>2007</b>	<b>4,025</b>	<b>-20.1%</b>	<b>4-15-07</b>	<b>3,764</b>	<b>1,596</b>	<b>42%</b>	<b>49%</b>
<b>2007</b>	<b>4,025</b>	<b>0.0%</b>	<b>12-31-07</b>	<b>3,764</b>	<b>1,596</b>	<b>42%</b>	<b>49%</b>
<b>2008</b>	<b>4,525</b>	<b>12.6%</b>	<b>11-30-08</b>	<b>3,474</b>	<b>5,187</b>	<b>149%</b>	<b>60%</b>
<b>2010</b>	<b>4,849</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>3,839</b>	<b>6,352</b>	<b>165%</b>	<b>52%</b>

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 21.1% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
- 10.** 0.0% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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	Company Name		Company NAIC Number
<b>3.</b>	<b>A.</b>	<b>USAA General Indemnity Company</b>	<b>B.</b> <b>200-18600</b>

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b> <b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>106.2%</b>	<b>3.6%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>106.2%</b>	<b>3.6%</b>					

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
<b>2006</b>	<b>20</b>	<b>-5.0%</b>	<b>9-01-06</b>	<b>3</b>	<b>1</b>	<b>31%</b>	<b>77%</b>
<b>2008</b>	<b>225</b>	<b>11.6%</b>	<b>11-30-08</b>	<b>112</b>	<b>93</b>	<b>83%</b>	<b>137%</b>
<b>2010</b>	<b>458</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>266</b>	<b>222</b>	<b>83%</b>	<b>72%</b>
<b>2010</b>	<b>458</b>	<b>-11.0%</b>	<b>06-12-10</b>	<b>266</b>	<b>222</b>	<b>83%</b>	<b>72%</b>

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

8.   N   Apply Lost Cost Factors to Future filings? (Y or N)
9.  14.7%  Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
10.  -2.0%  Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):

### NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>AR1012507</b>
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<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>N/A</b>
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	Company Name		Company NAIC Number
<b>3.</b>	<b>A.</b>	<b>Garrison Property And Casualty Insurance Company</b>	<b>B.</b>
			<b>200-21253</b>

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
<b>4.</b>	<b>A.</b>	<b>04.0 Homeowners</b>	<b>B.</b>
			<b>04.0003 Owner Occupied Homeowners</b>

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Owners</b>	<b>106.2%</b>	<b>1.3%</b>					
<b>Condos</b>	<b>N/A</b>	<b>N/A</b>					
TOTAL OVERALL EFFECT	<b>106.2%</b>	<b>1.2%</b>					

<b>6.</b>		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
<b>2006</b>	<b>63</b>	<b>-5.0%</b>	<b>11-01-06</b>	<b>15</b>	<b>1</b>	<b>5%</b>	<b>69%</b>
<b>2008</b>	<b>333</b>	<b>8.4%</b>	<b>11-30-08</b>	<b>224</b>	<b>678</b>	<b>303%</b>	<b>88%</b>
<b>2010</b>	<b>472</b>	<b>0.0%</b>	<b>05-30-10</b>	<b>341</b>	<b>888</b>	<b>260%</b>	<b>68%</b>

<b>7.</b>	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>15.1%</b>
B. General Expense	<b>1.2%</b>
C. Taxes	<b>2.9%</b>
D. Underwriting Profit & Contingencies	<b>14.4%</b>
E. License & Fees	<b>0.4%</b>
F. TOTAL	<b>34.0%</b>

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 8.2% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):
10. -3.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable)