

SERFF Tracking Number: NWPC-127190861 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 11H-8033AR-GL
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Filing at a Glance

Company: Nationwide Mutual Fire Insurance Company.

Product Name: Homeowners SERFF Tr Num: NWPC-127190861 State: Arkansas
TOI: 04.0 Homeowners SERFF Status: Closed-Filed State Tr Num:
Sub-TOI: 04.0000 Homeowners Sub-TOI Co Tr Num: 11H-8033AR-GL State Status: Suspended Review
Combinations
Filing Type: Rate/Rule Reviewer(s): Becky Harrington,
Nancy Horton
Disposition Date: 06/24/2011
Authors: Junfang (Grace) Leng,
David James, Joseph Mesaros,
Brent Rossman
Date Submitted: 06/06/2011 Disposition Status: Filed
Effective Date Requested (New): 10/23/2011 Effective Date (New): 10/23/2011
Effective Date Requested (Renewal): 10/23/2011 Effective Date (Renewal):
10/23/2011

State Filing Description:
referred to Commissioner

General Information

Project Name: Arkansas Homeowners Rate Review Status of Filing in Domicile: Not Filed
Project Number: 11H-8033AR-GL Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 06/24/2011
State Status Changed: 06/17/2011 Deemer Date:
Created By: Junfang (Grace) Leng Submitted By: Joseph Mesaros
Corresponding Filing Tracking Number:
Filing Description:

We are filing to make base rate changes and other rating factor changes to Arkansas Homeowner, Tenant, and Condominium policies written in the Nationwide Mutual Fire Insurance Company, effective October 23, 2011.

Company and Contact

Filing Contact Information

SERFF Tracking Number: NWPC-127190861 State: Arkansas
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 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

David James, Pricing Manager jamesd5@nationwide.com
 One Nationwide Plaza 800-882-2822 [Phone] 98715 [Ext]
 1-17-101 614-249-5113 [FAX]
 Columbus, OH 43215

Filing Company Information

Nationwide Mutual Fire Insurance Company. CoCode: 23779 State of Domicile: Ohio
 One Nationwide Plaza Group Code: 140 Company Type: Property and
 Columbus, OH 43215 Group Name: Nationwide Insurance State ID Number:
 (614) 249-7022 ext. [Phone] FEIN Number: 31-4177110

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: One Filing X \$100 = \$100
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Nationwide Mutual Fire Insurance Company.	\$100.00	06/06/2011	48395174

SERFF Tracking Number: NWPC-127190861 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	06/24/2011	06/24/2011

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
No response necessary	Becky Harrington	06/17/2011	06/17/2011	David James	06/17/2011	06/17/2011
Pending Industry Response	Becky Harrington	06/15/2011	06/15/2011	David James	06/16/2011	06/16/2011
Pending Industry Response	Becky Harrington	06/08/2011	06/08/2011	David James	06/13/2011	06/13/2011

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Filing Notes Attachments	Note To Filer	Becky Harrington	06/17/2011	06/17/2011
Additional Filing Response Exhibit	Note To Reviewer	David James	06/16/2011	06/16/2011
Filing Response Exhibits	Note To Reviewer	David James	06/13/2011	06/13/2011

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Disposition

Disposition Date: 06/24/2011
 Effective Date (New): 10/23/2011
 Effective Date (Renewal): 10/23/2011
 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):
Nationwide Mutual Fire Insurance Company.	31.900%	9.500%	\$2,411,385	24,806	\$25,383,001	24.600%	-7.000%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Filing Memorandum & Exhibits	Filed	Yes
Supporting Document	Marked Up Manual Pages	Filed	Yes
Supporting Document	Loss Experience including year-to-date 2011	Filed	Yes
Rate	Table of Content	Filed	Yes
Rate	HO Rating Steps	Filed	Yes
Rate	Minimum Amount of Insurance	Filed	Yes
Rate	HO Base Rate	Filed	Yes
Rate	TN Base Rate	Filed	Yes
Rate	CO Base Rate	Filed	Yes
Rate	Premium Interpolation	Filed	Yes
Rate	Basic Roof Rating	Filed	Yes
Rate	Deductible Factors	Filed	Yes
Rate	Age of Construction	Filed	Yes
Rate	Financial Responsibility	Filed	Yes
Rate	Personal Status, Prior Insurance	Filed	Yes
Rate	Minimum Deductible Changes	Filed	Yes
Rate	Earthquake Rates	Filed	Yes
Rate	Water Back up	Filed	Yes

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Objection Letter

Objection Letter Status No response necessary

Objection Letter Date 06/17/2011

Submitted Date 06/17/2011

Respond By Date

Dear David James,

This will acknowledge receipt of the recent response.

Objection 1

Comment:

Rate change requests greater than 6% are subject to Commissioner Bradford's review.

NOTICE regarding, corrections to filings and scrivener's Errors:

Effective for all filings made on or after June 1, 2011, Arkansas no longer allows the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

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

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Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/17/2011
Submitted Date	06/17/2011

Dear Becky Harrington,

Comments:

Response 1

Comments: Thank you for your consideration. Please let me know when Commissioner Bradford has completed his review.

Related Objection 1

Comment:

Rate change requests greater than 6% are subject to Commissioner Bradford's review.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Loss Experience including year-to-date 2011

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Brent Rossman, David James, Joseph Mesaros, Junfang (Grace) Leng

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 06/15/2011

Submitted Date 06/15/2011

Respond By Date

Dear David James,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: Please provide the 1st quarter 2011 losses for Arkansas as a separate exhibit. (Commissioner Bradford is using this information in his review of the requested increase.)

NOTICE regarding, corrections to filings and scrivener's Errors:

Effective for all filings made on or after June 1, 2011, Arkansas no longer allows the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

Sincerely,

Becky Harrington

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Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/16/2011
Submitted Date 06/16/2011

Dear Becky Harrington,

Comments:

Response 1

Comments: We have attached Exhibit XXII showing the loss experience including year-to-date 2011 data. Although we are expecting a normal amount of non-weather losses, this exhibit illustrates the deteriorating weather loss experience we have been seeing over the last few years. So far in 2011 we have incurred more weather losses than in the full years from 2004 – 2007. Weather fluctuates, but four years in a row of significantly higher than average losses suggests a trend.

Related Objection 1

Comment:

Please provide the 1st quarter 2011 losses for Arkansas as a separate exhibit. (Commissioner Bradford is using this information in his review of the requested increase.)

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

If you have any questions, please contact me in any format convenient to you. I may be reached through SERFF or at (614) 249-8715 or at (800) 882-2822, extension 98715, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at jamesd5@nationwide.com

Sincerely,

David James

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Sincerely,
Brent Rossman, David James, Joseph Mesaros, Junfang (Grace) Leng

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Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 06/08/2011

Submitted Date 06/08/2011

Respond By Date

Dear David James,

This will acknowledge receipt of the captioned filing.

Objection 1

- Filing Memorandum & Exhibits (Supporting Document)

Comment: Provide data supporting the change in the financial responsibility factors. (only current and proposed factors have been provided)

Objection 2

- Filing Memorandum & Exhibits (Supporting Document)

Comment: Provide statistical data supporting the personal status discount.

Objection 3

- Filing Memorandum & Exhibits (Supporting Document)

Comment: Provide data supporting the requested EQ rate increase.

NOTICE regarding, corrections to filings and scrivener's Errors:

Effective for all filings made on or after June 1, 2011, Arkansas no longer allows the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

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

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Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/13/2011
Submitted Date 06/13/2011

Dear Becky Harrington,

Comments:

Three additional exhibits have been included to address your concerns. Exhibit XIX contains quarterly loss experience divided into FRC groupings, Exhibit XX shows countrywide loss ratios for married and single policyholders, and Exhibit XXI details expenses for earthquake reinsurance directly attributable to Arkansas policies.

Response 1

Comments: Loss experience has been deteriorating for high Financial Responsibility factor business, particularly on the recent frequency results. Exhibit XIX breaks down the loss experience by quarter into low, medium, and high FRC categories.

Related Objection 1

Applies To:

- Filing Memorandum & Exhibits (Supporting Document)

Comment:

Provide data supporting the change in the financial responsibility factors. (only current and proposed factors have been provided)

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: The Personal Status Discount is part of a companywide program that is being implemented in all of our states. Exhibit XX shows the better than average loss experience of married policyholders on a countrywide basis.

Related Objection 1

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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Applies To:

- Filing Memorandum & Exhibits (Supporting Document)

Comment:

Provide statistical data supporting the personal status discount.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments: Historically, our earthquake rates have been set to cover net losses and expenses. When our reinsurer broke down the costs for individual states and perils, we realized that our current rates are not even close to covering the cost of reinsurance attributed to these policies. The Arkansas earthquake reinsurance costs are shown on Exhibit XXI. These costs are in addition to net losses and expenses contemplated in the current rates. Nationwide still wants to provide earthquake coverage in Arkansas. While we search for a long term solution, we took the necessary first step of raising rates.

Related Objection 1

Applies To:

- Filing Memorandum & Exhibits (Supporting Document)

Comment:

Provide data supporting the requested EQ rate increase.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

If you have any questions, please contact me in any format convenient to you. I may be reached through SERFF or at (614) 249-8715 or at (800) 882-2822, extension 98715, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at jamesd5@nationwide.com

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Sincerely,
Brent Rossman, David James, Joseph Mesaros, Junfang (Grace) Leng

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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Note To Filer

Created By:

Becky Harrington on 06/17/2011 07:11 AM

Last Edited By:

Becky Harrington

Submitted On:

06/24/2011 11:26 AM

Subject:

Filing Notes Attachments

Comments:

Just curious, I have never had a company attach additional exhibits under the filing notes before. Normally, they are attached under the supporting documentation tab. Why did you attach them here?

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Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Note To Reviewer

Created By:

David James on 06/16/2011 02:16 PM

Last Edited By:

Becky Harrington

Submitted On:

06/24/2011 11:26 AM

Subject:

Additional Filing Response Exhibit

Comments:

Loss Experience including 2011 year-to-date

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Non-Cat Loss Experience by Accounting Year

Accounting Year	Earned Exposure	Earned Premium	Non-Weather Incr Losses	Weather Incr Losses
2002	27,259	13,771,292	5,037,313	1,447,674
2003	28,837	16,607,301	6,614,359	3,667,755
2004	46,189	19,636,732	4,974,047	2,624,206
2005	53,080	21,671,661	8,275,401	2,671,034
2006	55,378	23,202,289	8,000,624	3,159,824
2007	56,745	24,525,044	6,907,118	3,107,504
2008	54,968	25,128,419	7,823,234	5,032,397
2009	51,643	25,365,408	8,244,143	10,504,052
2010	48,549	24,712,362	8,628,905	4,030,755
2011(ytd)	19,837	9,943,541	1,979,060	3,192,516

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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Note To Reviewer

Created By:

David James on 06/13/2011 12:47 PM

Last Edited By:

Becky Harrington

Submitted On:

06/24/2011 11:26 AM

Subject:

Filing Response Exhibits

Comments:

Three additional exhibits have been included to address your concerns. Exhibit XIX contains quarterly loss experience divided into FRC groupings, Exhibit XX shows countrywide loss ratios for married and single policyholders, and Exhibit XXI details expenses for earthquake reinsurance directly attributable to Arkansas policies.

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Average Frequency and Severity by FRC Groups

Quarter	Frequency per 100			Severity		
	1-7	8-15	16-21	1-7	8-15	16-21
2006/2	0.2793	0.4253	0.2071	34,283	115,684	366,958
2006/3	0.7025	0.9597	0.8233	36,184	25,324	43,563
2006/4	0.4162	1.0917	0.9677	12,976	14,238	19,445
2007/1	0.2350	0.6088	1.0098	15,145	14,582	21,832
2007/2	0.3655	0.6208	1.1250	21,365	25,102	20,952
2007/3	0.6908	0.8876	1.2220	30,017	26,312	42,097
2007/4	0.1983	0.6474	0.8734	33,211	16,496	22,874
2008/1	3.6292	3.1708	3.2019	7,020	12,236	25,147
2008/2	3.3642	2.7509	3.3869	29,950	34,519	32,750
2008/3	1.3478	1.9480	2.0881	23,576	20,410	25,334
2008/4	1.4686	2.0467	2.1322	12,679	13,029	20,546
2009/1	5.7807	7.1823	7.5290	15,759	11,758	15,832
2009/2	2.0130	3.1903	3.6888	17,515	13,601	13,881
2009/3	1.7504	2.1148	2.6195	27,600	37,130	29,571
2009/4	1.0099	2.0358	2.6943	23,367	18,775	15,120
2010/1	1.7576	2.7638	2.9666	14,569	20,072	16,299
2010/2	2.5307	2.9954	3.0289	5,633	6,418	22,459
2010/3	1.2264	1.7122	2.1808	17,696	13,225	16,394
Average	1.5981	2.0640	2.3192	21,030	24,384	42,836

Nationwide Mutual Fire Insurance Company

Homeowners

Marital Status	Rerated 5-Year		Loss Ratio
	Countywide Earned Premium	5-Year Countywide Incurred Loss	
Married	2,712,518,237	1,362,051,956	50.2%
Single	988,842,144	520,733,364	52.7%
Total	3,701,360,381	1,882,785,320	50.9%

Condominiums

Marital Status	Rerated 5-Year		Loss Ratio
	Countywide Earned Premium	5-Year Countywide Incurred Loss	
Married	28,669,061	11,605,482	40.5%
Single	25,701,520	12,322,863	47.9%
Total	54,370,580	23,928,345	44.0%

Nationwide Insurance
 Reinsurance Expense Provisions for the 2010-2011 Treaty Year
 Earthquake Peril Allocation

State	Form	Earned Premium	National Tower			Cat Bond			Total Earthquake Reinsurance			Total Reinsurance Provision
			Allocated Treaty Premium	Expected Recoveries	Net Cost	Allocated Treaty Premium	Expected Recoveries	Net Cost	Allocated Treaty Premium	Expected Recoveries	Net Cost	
AR	Home	560,774	1,183,245	203,003	980,242	656,607	64,314	592,293	1,839,852	267,317	1,572,535	280.4%
	Tenant	3,173	6,558	1,153	5,404	3,473	348	3,125	10,031	1,501	8,530	268.8%
	Condo	2,166	2,620	442	2,178	1,495	145	1,351	4,115	586	3,529	162.9%

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Rate Information

Rate data applies to filing.

Filing Method: File & Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 5.000%
Effective Date of Last Rate Revision: 10/23/2010
Filing Method of Last Filing: File & Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Nationwide Mutual Fire Insurance Company.	31.900%	9.500%	\$2,411,385	24,806	\$25,383,001	24.600%	-7.000%

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Rate/Rule Schedule

Schedule Item Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed 06/24/2011	Table of Content	i, ii, iii	Replacement	Table of Content.pdf
Filed 06/24/2011	HO Rating Steps	H-1	Replacement	HO Rating Steps H-1.pdf
Filed 06/24/2011	Minimum Amount of Insurance	H-11 to 12	Replacement	Minimum Amount of Insurance H-11 to 12.pdf
Filed 06/24/2011	HO Base Rate	H-13 to 15	Replacement	HO Base Rate H-13to15.pdf
Filed 06/24/2011	TN Base Rate	H-17	Replacement	TN Base Rate H-17.pdf
Filed 06/24/2011	CO Base Rate	H-18 to 400	Replacement	CO Base Rate H-18 to 400.pdf
Filed 06/24/2011	Premium Interpolation H-401		Replacement	Premium Interpolation H-401.pdf
Filed 06/24/2011	Basic Roof Rating	H-402	Replacement	Basic Roof Rating H-402.pdf
Filed 06/24/2011	Deductible Factors	H-403	Replacement	Deductible Factors H-403.pdf
Filed 06/24/2011	Age of Construction	H-405	Replacement	Age of Construction H-

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405.pdf

Filed 06/24/2011 Financial H-407, H-408 Replacement
 Responsibility

Financial
 Responsibility H-
 407,H-408.pdf

Filed 06/24/2011 Personal Status, Prior H-409 to 410 Replacement
 Insurance

Personal Status, Prior
 Insurance H-409 to
 410.pdf

Filed 06/24/2011 Minimum Deductible H-411, H-412, Replacement
 Changes H-415

Minimum Deductible
 Changes H-411, H-
 412, H-415.pdf

Filed 06/24/2011 Earthquake Rates H-422 Replacement

Earthquake Rates H-
 416 through H-422.pdf

Filed 06/24/2011 Water Back up H-423 Replacement

Water Back Up H-
 423.pdf

TABLE OF CONTENTS

Eff. 11-1-10 ← **10-23-11**

	<u>PAGE</u>
STANDARDS OF INSURABILITY	HIS — 1
TERRITORIAL RULES AND RATES	
STEPS TO RATE A HOMEOWNER POLICY ★	1
TERRITORY DEFINITIONS	2
FIRE PROTECTION REQUIREMENTS	3
CONSTRUCTION OF DWELLING	3
ROOF CONSTRUCTION	3
POLICY DECLARATIONS	4 to 10
STANDARD COVERAGE LIMITS ★	11 to 12
PREMIUM COMPUTATION FOR HOMEOWNER POLICIES	
Base Rate ★	13 to 15
Territory Rating Factors	13 to 15
Protection Class/Construction Type Rating Factors ★	13 to 15
Amount of Insurance Rating Factors	16
PREMIUM COMPUTATION FOR TENANTS POLICIES	
Base Rate ★	17
Territory Rating Factors	17
Protection Class/Number of Families* Rating Factors	17
Amount of Insurance Rating Factors ★	17
PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES	
Base Rate ★	18 to 400
Territory Rating Factors	18 to 400
Protection Class/Number of Families* Rating Factors	18 to 400
Amount of Insurance Rating Factors ★	18 to 400
HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES ★	401
CREDITS AND CHARGES	
Insurance to Value Base Premium Adjustment	402
Basic Roof Rating ★	402
Deductible Rating Rule ★	402
Multi-Family Dwellings	403
Class Rated Townhouses	403
Fire Resistive Construction	403
Secondary Locations	404
Condominium Rental Charge	404
Protective Device Credit Rule	404
Age of Construction/Home Renovation — (Homeowner Policy Only) ★	405
Safe Home Rating Plan	406
Financial Responsibility Rate Factor ★	407
Supplemental Heating Charge	408
Personal Status Rate Factor ★	409 to 410
Nationalwide Associate Discount	409 to 410
Multi-Policy Discount ★	409 to 410
ADDITIONAL SECTION I COVERAGES	
Building Additions and Alterations	411
Extended Replacement Cost ★	411
Condominium Special Coverage	412
Loss Assessment Option N ★	412
Personal Property	413
Other Structures	413
Loss of Use — Tenants Policy Only	413
Fire Department Service Charge	413
Theft Coverage Extension — Tenants Policy Only	413
Credit Card, Forgery and Counterfeit Money Coverage	413

Prior Insurance Discount



TABLE OF CONTENTS (cont’d)

Eff. ~~11-1-10~~ ← **10-23-11**

	<u>PAGE</u>
TERRITORIAL RULES AND RATES (cont’d)	
ADDITIONAL SECTION I COVERAGES (cont’d)	
Personal Property Accidental Direct Physical Loss Coverage Options	414
Tools Increased Theft Limits Option E	414
Money Option F	414
Securities Option G	415
Increased Special Limits of Liability	415
New Construction Theft Coverage ★	415
Earthquake and Volcanic Eruption Coverage ★	416
Replacement Cost Plus — Homeowner Policy	422
Optional Coverage Against Backing of Sewers and Drains ★	422
Inland Marine Coverages	423
Engaged Couples — Personal Property	423
Ordinance or Law Coverage	424 to 430
Watercraft Liability	424 to 430
Identity Theft or Identity Fraud Expenses Coverage Endorsement — H6133	424 to 430
SPECIAL COVERAGE PROVISIONS	
Accidental Death of Insured on Described Premises	431 to 434
Consequential Loss	431 to 434
Lock Replacement	431 to 434
PERSONAL LIABILITY COVERAGES	
Main Dwelling	435
Each Additional Dwelling Unit Owned or Occupied	435
Liability Coverage — Farm	436
Personal Injury Optional Coverage	436
Incidental Occupancies Exposure	436
Co-Owned Dwelling	437 to 450
Home Care Liability	437 to 450
INSTRUCTIONS, FORMS, ETC.	451
GENERAL RULES	
Policy Period	471
Additional Amount or Coverages	471
Rounding of Premium	471
Premium Payment Plans	471
Insufficient Funds	471
Late Payment Fees	471
Cancellation	471
Transfer or Assignment	472
Other Insurance	472
Premium Revisions	472
Restriction of Individual Policies	472
Premium Computation	473 to 500

TABLE OF CONTENTS (cont’d)

Eff. ~~11-1-10~~ ← **10-23-11**

	<u>PAGE</u>
GUIDE TO VALUE	
HOMEOWNER GUIDE TO REPLACEMENT COST VALUE (SQUARE FOOT METHOD).....	501
Determining Replacement Cost (Step by Step Guide).....	502
Replacement Cost Summary Sheet (Blank Example)	506
Ground Floor Area	507
Wall Category	508
Construction Class Calculator	509
Number of Stories.....	510
Garage Types	512
Breezeway/Porch Types	513
Built-ins (Mechanized on AOA and FUS)	514
Adjustments	515
Additional Features Cost Table.....	516
Base Cost Pages	517
Specifications-Photos of the Constructions Classes	524
Location Multipliers	541
APARTMENT AND CONDOMINIUM PERSONAL PROPERTY GUIDE TO REPLACEMENT COST VALUE	571
CONDOMINIUM REAL PROPERTY GUIDE TO REPLACEMENT COST VALUE	575
Condominium Real Property Square Foot Cost	577
Condominium Real Property Location Multipliers	577
Apartments Personal Property Base Cost Table (Square Foot/Room Count Methods)	578
Condominiums Personal Property Base Cost Table (Square Foot/Room Count Methods)	581
MOBILE HOME GUIDE TO REPLACEMENT COST VALUE	591
Mobile Home Class Cost Tables	595
Mobile Home Additions	596
Estimating Actual Cash Value	597

STEPS TO RATE A HOMEOWNER POLICY

Eff. ~~10-23-10~~ ← **10-23-11**

- A. Determine eligibility and desirability.
- B. Classify
 - 1. Determine the Territory Zone.
 - 2. Determine Fire Protection Class using Fire Protection Requirements.
 - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:
 - 1. Insurance to Value Base Premium Adjustment.
 - 2. Basic Roof Rating
 - 3. Deductible Rating Rule.
 - 4. Multi-Family Dwellings.
 - 5. Class Rated Townhouses.
 - 6. Fire Restrictive Construction.
 - 7. Secondary Locations.
 - 8. Condominium Rental Charge.
 - 9. Protective Device Credit Rule.
 - 10. Premium Credits For Age of Construction and Home Renovation.
- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.

J. Apply Personal Status Rate Factor.
← **K. Apply Prior Insurance Discount.**

L. ← ~~K.~~ Apply Nationwide Associate Discount.

M. ← ~~L.~~ Apply Home and Car Discount. **Multi-Policy**

~~M. For applicable endorsements, refer to the buff page headed "Instructions, Forms, Etc." on which are listed all forms used with Homeowner policies.~~

N. For applicable endorsements, refer to the instructions on page H-451 to 470 for a list of all forms used with Homeowners policies.

STANDARD COVERAGE LIMITS

← **Eff. 10-23-11**

Described Dwelling	Homeowner			Tenants and Condominium		
	Other Structures	Personal Property*	Loss of Use**	Loss of Use		
				Personal Property*	Tenants	Condo-minium
\$ 5,000	\$ 500	\$ 2,750	\$ 5,000	\$ 6,000***	\$1,200	\$ 6,000
10,000	1,000	5,500	10,000	7,000***	1,400	7,000
15,000	1,500	8,250	15,000	8,000***	1,600	8,000
20,000	2,000	11,000	20,000	9,000***	1,800	9,000
25,000	2,500	13,750	25,000	10,000***	2,000	10,000
30,000	3,000	16,500	30,000	11,000***	2,200	11,000
35,000	3,500	19,250	35,000	12,000***	2,400	12,000
40,000	4,000	22,000	40,000	13,000***	2,600	13,000
45,000	4,500	24,750	45,000	14,000***	2,800	14,000
50,000	5,000	27,500	50,000	15,000	3,000	15,000
55,000	5,500	30,250	55,000	16,000	3,200	16,000
60,000	6,000	33,000	60,000	17,000	3,400	17,000
65,000	6,500	35,750	65,000	18,000	3,600	18,000
70,000	7,000	38,500	70,000	19,000	3,800	19,000
75,000	7,500	41,250	75,000	20,000	4,000	20,000
80,000	8,000	44,000	80,000	21,000	4,200	21,000
85,000	8,500	46,750	85,000	22,000	4,400	22,000
90,000	9,000	49,500	90,000	23,000	4,600	23,000
95,000	9,500	52,250	95,000	24,000	4,800	24,000
100,000	10,000	55,000	100,000	25,000	5,000	25,000
105,000	10,500	57,750	105,000			
110,000	11,000	60,500	110,000			
115,000	11,500	63,250	115,000			
120,000	12,000	66,000	120,000			
125,000	12,500	68,750	125,000			
130,000	13,000	71,500	130,000			
135,000	13,500	74,250	135,000			
140,000	14,000	77,000	140,000			
145,000	14,500	79,750	145,000			
150,000	15,000	82,500	150,000			

* Homeowner and Condominium Policies: 10 percent of amount shown, but not less than \$1,000 applies to personal property away from the premises. Entire amount shown applies while in transit to or in a newly acquired principal residence for up to 30 days.

← ***** For renewal business only**

1. Other Structures — 10 percent of dwelling amount.
2. Personal Property — 55 percent of dwelling amount for Homeowner Policy.
3. Loss of Use —
 - a. Homeowner Policy — 100 percent of dwelling amount.
 - b. Tenants Policy — 20 percent of Personal Property amount.
 - c. Condominium Policy — 100 percent of Personal Property amount.

3. **Loss of Use -- The limit of liability is the lesser of the actual loss sustained within 12 months, or percentage/amount shown.

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

BASE RATE

Eff. ~~11-1-10~~ ← **10-23-11**

Step (1)

✓ **\$1,581.43**

Multiply the base rate of ~~\$1,655.62~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
79	0.972
81	0.814
84	0.809
85	0.948
89	0.981
90	0.965
91	0.965
92	0.981
93	1.000
94	0.891
100	0.891
101	1.164
102	1.164
103	1.164
104	1.158
105	1.158
106	1.158
107	1.158
108	1.154
109	0.794
110	0.814
111	0.794
112	0.794
113	0.842
114	0.842
115	0.939
116	0.954
117	0.954
118	0.943
119	0.943
120	0.943
121	0.939
122	0.939

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Type of Construction rating factor in Table B. Round to the nearest penny.

TABLE B — PROTECTION CLASS/CONSTRUCTION TYPE RATING FACTORS

Protection Class	Entire State		
	MAS	FRM	MSV
01	1.000	1.099	1.000
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097

PREMIUM COMPUTATION FOR TENANTS POLICIES

BASE RATE
 Eff. ~~10-23-10~~ ← **10-23-11**

Step (1)

↙ **\$149.24**

Multiply the base rate of ~~\$192.45~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS
 Eff. 10-1-05

Rating Territory	Factor
84, 111, 113	0.962
79, 85, 91, 92, 102, 105, 109, 110, 112, 114, 116, 118	1.000
81, 89, 90, 94, 101, 103, 104, 106, 107, 108, 115, 117, 119, 120-122	1.013
93	1.151

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B — PROTECTION CLASS/NUMBER OF FAMILIES* RATING FACTORS

Protection Class	Terr: Entire State	
	1 – 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600

* 1 – 4: One to four families or fire resistive.
 A/O: All other risks.

Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C — AMOUNT OF INSURANCE RATING FACTORS
 ← **Eff. 10-23-11**

Amount of Insurance	All Territories
\$ 4,000 ***	0.620
5,000 ***	0.620
6,000 ***	0.620
7,000 ***	0.652
8,000 ***	0.690
9,000 ***	0.740
10,000 ***	0.780
11,000 ***	0.832
12,000 ***	0.873
13,000 ***	0.912
14,000 ***	0.953
15,000	1.000
16,000	1.040
17,000	1.078
18,000	1.120
19,000	1.155
20,000	1.194
25,000	1.335
30,000	1.496
35,000	1.657
40,000	1.803
45,000	1.940
**5,000	0.121

** Add For Each Additional \$5,000

*** ↙ **For renewal business only**

PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

BASE RATE
 Eff. ~~10-23-10~~ ← **10-23-11**

Step (1)

← **\$281.61**

Multiply the base rate of ~~\$375.47~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B — PROTECTION CLASS/NUMBER OF FAMILIES* RATING FACTORS

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592

* 1 - 4: One to four families or fire resistive.
 A/O: All other risks.

Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C — AMOUNT OF INSURANCE RATING FACTORS

← **Eff. 10-23-11**

Amount of Insurance	All Territories
\$ 4,000***	0.471
5,000***	0.471
6,000***	0.471
7,000***	0.500
8,000***	0.529
9,000***	0.563
10,000***	0.592
11,000***	0.632
12,000***	0.661
13,000***	0.690
14,000***	0.718
15,000	0.753
16,000	0.787
17,000	0.816
18,000	0.845
19,000	0.868
20,000	0.897
25,000	1.000
30,000	1.121
35,000	1.241
40,000	1.351
45,000	1.448
**5,000	0.086

** Add For Each Additional \$5,000

← **For renewal business only**

HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES

INSTRUCTIONS FOR INTERPOLATION OF POLICY AMOUNTS

Eff: ~~10-23-10~~ ← **10-23-11**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than ~~\$250~~, calculate the premium for the desired amount for ~~\$250~~ deductible. Then apply the factor for the desired deductible.

\$1,000

\$1,000

INSTRUCTIONS FOR POLICY AMOUNTS IN EXCESS OF BASE PREMIUM TABLES

To calculate premiums in \$5,000 increments for amounts in excess of those shown in Table C — Amount of Insurance Factors, follow premium computation steps 1 through 3 using the Amount of Insurance Rating Factor for each additional \$5,000. Interpolate as shown above.

Example: A Homeowner policy written in territory 93, protection class 3, and masonry construction type.

Calculation		Example
(1)	Desired amount of insurance.....	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1).....	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1).....	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2).....	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2).....	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places.....	<u>0.449</u>
(7)	Base Premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation.....	<u>\$1,109.00</u>
(8)	Base Premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation.....	<u>\$1,126.00</u>
(9)	Difference in premiums between (8) and (7): (8) - (7).....	<u>\$ 17.00</u>
(10)	Factor in (6) applied to premium difference; (9) * (6). Round to the nearest penny.....	<u>\$ 7.63</u>
(11)	Premium for the desired amount of insurance; (7) + (10).....	<u>\$1,116.63</u>

Insert A

After all calculations for optional deductibles and to other optional coverages, the final annual premium is rounded to the nearest dollar.

Calculation		<u>Example</u>
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,060.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,075.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 15.00</u>
(10)	Factor in (6) applied to the premium difference: (9) * (6). Round to the nearest penny	<u>\$ 6.74</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,066.74</u>

CREDITS AND CHARGES

A. INSURANCE TO VALUE BASE PREMIUM ADJUSTMENT
Eff. 10-23-10

1. For policy limits that are 80 percent or more of replacement cost, use the Homeowner base premiums for the desired Coverage A limit.
2. For other policy limits below 80 percent of replacement cost:
 - a. Determine the full replacement cost of the dwelling.
 - b. Multiply the full replacement cost (Step a) by 0.80.
 - c. Determine the appropriate Homeowner base premium for a Coverage A limit equal to that computed in Step b.
 - d. Select the “Percentage of Full Replacement Cost” desired from the table listed under Step e, and compute the resulting Coverage A limit by multiplying the full replacement cost (Step a) by the desired “Percentage of Full Replacement Cost.”
 - e. Select the appropriate Insurance To Value Rate Factor from the table below:

Percentage of Full Replacement Cost	Insurance To Value Rate Factor
75	0.994
70	0.987
65	0.979
60	0.971
55	0.961
50	0.951
45	0.940
40	0.928

- f. Calculate the Insurance To Value Adjusted Homeowner Base Premium by multiplying the Base Premium computed in Step c. by the appropriate Insurance To Value Rate Factor from Step e.

- g. The coverage limits for Coverage B — Other Structures, Coverage C — Personal Property and Coverage D — Loss of Use will be determined based on the standard coverage percentages as described on H — 11 to H — 12. Coverages B and C may be increased; refer to the appropriate rule within this manual to determine the additional premium to be charged any higher limits of coverage.

B. BASIC ROOF RATING
Eff. ~~10-23-10~~ ← **10-23-11**

This rule applies to Homeowners Policies only.

The following factors will be applied to the accumulated premium according to roof type.

Insert B

Roof Type	Factor
Composite	1.00
Metal	1.00
Tile	1.00
Wood	1.00
Slate	1.00
Gravel/Tar	1.00
Roll	1.00
All Other	1.00

A dwelling with multiple roof types shall be classified according to the predominant roofing material (roof type that covers the greatest percentage of roof) used on the roof.

If multiple roof types apply and they cover an equal percentage of the roof, use the predominant roof type with the lowest factor.

Example:
If the roof is covered by 10 percent metal, 45 percent wood shingle and 45 percent composite, use the Composite Roof as the predominant roof type.

This rule applies to the accumulated premium after the application of the Insurance to Value Base Premium Adjustment..

Insert B
Arkansas Homeowners
Manual Page H-402
Effective 10/23/2011

Roof Type	Factor
Composite	1.00
Metal	0.95
Tile	0.95
Wood	1.15
Slate	1.00
Gravel/Tar	1.15
Roll	1.15
All Other	1.00

CREDITS AND CHARGES (cont’d)

C. DEDUCTIBLE RATING RULE

Eff. 10-23-10 ← **10-23-11**

Homeowner, Tenants, and Condominium

Base premiums contemplate a **\$500** flat deductible applicable to loss by any of the perils insured against under Section I. The premiums for optional deductibles can be developed by applying the factors from the table below to the **\$500** flat deductible manual chart premiums.

\$1,000

\$1,000

Insert C

Deductible Option	Deductible Rating Factors		
	Homeowner	Tenants	Condominium
\$ 250	1.12	1.22	1.22
500	1.00	1.00	1.00
1,000	0.83	0.76	0.76
2,500	0.75	NA	NA
5,000	0.69	NA	NA
100/250*	NA	1.27	NA

*Available for renewals only

Deductible Option	Coverage A Limit			
	up to \$100,000	\$100,000 - \$199,999	\$200,000 - \$499,999	\$500,000 +
500/1,000 WH	0.909	0.934	0.956	0.960
500/2,000 WH	0.811	0.856	0.897	0.907
500/5,000 WH	0.721	0.756	0.810	0.824
1000/2,000 WH	0.696	0.741	0.782	0.792
1000/5,000 WH	0.606	0.641	0.695	0.709
25000/5,000 WH	0.551	0.587	0.640	0.655

D. MULTI-FAMILY DWELLINGS

A Homeowner Policy may be issued to the owner-occupant of a two-, three-, or four-family dwelling.

The limits of liability for Coverage C and Coverage D are revised as follows:

Coverage C — Personal Property:

Number of Families	Homeowner
2	55%
3	30%
4	25%

Coverage D — Loss of Use:

Number of Families	Homeowner
2	100%
3 & 4	50%

To develop the premium for eligible two-, three-, or four-family dwelling, apply the appropriate rate factor shown below to the accumulated premium after the application of the Deductible Rating Rule.

Number of Families	Rate Factor
2	1.00
3 & 4	1.25

For three- and four-family dwellings, attach the appropriate endorsement.

E. CLASS RATED TOWNHOUSES

To develop the premium for an eligible one-, two-, three-, or four-family owner-occupied dwelling unit in a townhouse, apply the appropriate factor below to the accumulated premium after the application of the Multi-Family Dwellings Rule.

One- or Two-Family Dwellings:

Protection Class	Number of Individual Family Units Within a Fire Division*		
	1 – 2	3 – 4	5 – 8
1 – 8	1.00	1.10	1.25
9 – 10	1.00	1.15	1.30

Three- or Four-Family Dwellings:

Protection Class	Number of Individual Family Units Within a Fire Division*	
	3 – 4	5 – 8
1 – 8	1.00	1.10
9 – 10	1.00	1.15

* Each family unit within a two-, three-, or four-family dwelling unit is considered an individual unit when determining the number of individual family units within a fire division.

F. FIRE RESISTIVE CONSTRUCTION

For dwellings rated as fire resistive or fireproof construction, determine premium by applying a factor of 0.85 to the accumulated premium, after application of the class rated townhouse rule, if applicable.

Insert C
Arkansas Homeowners
Manual Page H-403
Effective 10/23/2011

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.349	1.605	1.605
500	1.229	1.342	1.342
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA
100/250*	NA	1.671	NA

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000 - \$199,999	\$200,000 - \$499,999	\$500,000 +
500/1,000WH	1.117	1.148	1.175	1.180
500/2,000WH	0.997	1.052	1.102	1.115
500/5,000WH	0.886	0.929	0.995	1.013
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

CREDITS AND CHARGES (cont’d)

This rule applies to Homeowners Policies only.

J. AGE OF CONSTRUCTION/HOME RENOVATION ~~(HOMEOWNER POLICY ONLY)~~
 Eff. ~~10-23-10~~ **10-23-11**

A premium credit shall be applied for the age of construction or the age of the specified home component renovated for each dwelling insured under a homeowner policy.

For purposes of this rule, age of construction is defined as the difference between the effective year of the policy being rated and the calendar year in which the dwelling construction was completed. Age of home component is defined as the difference between the effective year of the policy being rated and the calendar year in which the qualifying renovation was completed. For home components which have not undergone a qualifying renovation, the age of home is equal to the age of construction.

In order for a renovation to qualify for a premium credit as described in this rule, the following standards must be met. In all cases, work must be completed by a qualified (licensed where required) contractor.

Plumbing — Plumbing must be updated to conform to current local codes with new water supply lines within the structure. New plumbing fixtures and components must be installed throughout the dwelling.

Heating and Cooling — The entire heating and cooling system must be updated to conform to current local codes. For heating, complete replacement of the burners, furnace, heating plant or heat exchanger is required. For cooling, replacement of the central air conditioning unit or a/c compressor is required.

Electrical — Replacement of fuse or breaker boxes to conform to local codes is required. Adding additional circuits without increasing total system service does not qualify. Replacement of switches, wiring, fixtures, and components necessary to meet system demands is required. If aluminum wiring is present, then all wiring must be replaced.

Roof — Complete replacement of current layer of shingles is required for qualification of this discount. Replacement of portions of shingles or a “roof-over” will not qualify for this discount. All roof types including but not limited to metal, asphalt, fiberglass, wood, tile, or slate roofs must be completely removed and replaced.

This rule is not applicable to dwellings in the course of construction or renovation. A qualifying renovation will first be considered for this rule at the first renewal after the renovation is completed and will thereafter continue to be considered based on the premium credit schedule.

Using the table below, calculate the premium credit as follows.

1. Determine the appropriate Age of Construction premium credit.
2. Determine the appropriate Age of Home Renovation credit for each home component.
3. Calculate the total Age of Home Component credit by adding together the credits determined in step 2.
4. Select the maximum credit from steps 1 and 3.

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
<= 0	30
1	27
2	23
3	18
4	13
5	9
6	4
7	0
8	0
9	0
10	0
11	0
12	0
13	0
14	0
15	0
> 15 <= 20	0
> 20 <= 25	0
>25 <= 30	0
>30 <= 35	0
>35 <= 40	0
>40 <= 45	0
>45 <= 50	0
>50 <= 60	0
>60 <= 75	0
> 75	0

Age of Home Component Percent Premium Credit			
Plumbing	Heating/Cooling	Electrical	Roof
2	5	8	8
2	4	7	7
1	4	6	6
1	2	5	4
0	2	3	3
0	1	2	2
0	0	1	1
0	0	0	0

If no renovation has occurred, the age of construction discount will always apply.

These credits apply to the accumulated premium after adjustments for the Protective Device Credit, if applicable, for each dwelling meeting the eligibility requirements. The credits are not applicable to the premiums charged for any other additional coverage.

Insert D
Arkansas Homeowners
Manual Page H-405
Effective 10/23/2011

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
<= 0	36
1	34
2	30
3	25
4	21
5	17
6	13
7	9
8	9
9	9
10	9
11	9
12	9
13	9
14	9
15	9
> 15 <= 20	9
> 20 <= 25	8
> 25 <= 30	7
> 30 <= 35	6
> 35 <= 40	5
> 40 <= 45	4
> 45 <= 50	3
> 50 <= 60	2
> 60 <= 75	1
>75	0

Age of Construction or Home Component	Age of Home Component Percent Premium Credit			
	Plumbing	Heating/Cooling	Electrical	Roof
<= 0	2	5	8	8
1	2	4	7	7
2	1	4	6	6
3	1	2	5	4
4	0	2	3	3
5	0	1	2	2
6	0	0	1	1
7	0	0	0	0

CREDITS AND CHARGES (cont’d)

K. SAFE HOME RATING PLAN (cont’d)
Eff. 8-18-09

The Number of Points Accumulated from Paid Claims in the Last Three Years

The number of points is determined by the number of points accumulated, according to the table below, in the last three years (ending 90 days prior to the policy effective date). A qualified claim is considered to be any claim, which results in a net paid loss during this 3-year period. Weather and catastrophe related losses and losses, which only have payments under Medical Payments coverage, are also NOT considered to be qualified claims.

Cause of Loss	Points
Catastrophe	0
Medical Payments	0
Weather	0
Section II Liability	5
All Other	3

A claim that is qualified for SHRP is any claim chargeable for SHRP with the following exception:

Claim Threshold Exception - If a policyholder has a single claim chargeable for SHRP during the three year period prior to and including the policy effective date with a paid loss amount of \$500 or less, this claim will not be considered a claim qualified for SHRP. Should there be more than one claim chargeable for SHRP with a paid loss during the three-year period prior to and including the policy effective date, then all claims chargeable, regardless of paid amount, will be considered claims qualified for SHRP.

L. FINANCIAL RESPONSIBILITY RATE FACTOR
Eff. ~~10-23-10~~ ← **10-23-11**

Based on Nationwide’s Proprietary Credit Scoring Model for use in Arkansas, the scoring rules listed below are applicable. Based on the resulting credit score and its corresponding Financial Responsibility Class, multiply the accumulated premium by the appropriate factor in the table below:

Insert E

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.93	0.94	0.94
17	0.98	0.99	0.99
18	1.29	1.30	1.30
19	1.37	1.38	1.38
20	1.40	1.41	1.41
21	1.83	1.84	1.81
811 <60 Year Old	0.77	0.67	0.99
811 60+ Year Old	0.59	0.65	0.85
812 <60 Year Old	0.77	0.67	0.99
812 60+ Year Old	0.59	0.65	0.85

New Business Scoring:

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first and second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and no-hits, a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit “no-hits,” the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

CREDITS AND CHARGES (cont'd)**L. FINANCIAL RESPONSIBILITY RATE FACTOR (cont'd)**Eff. ~~10-23-10~~ ← **10-23-11**

Renewal Scoring:

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first or second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and "no-hits," a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.
5. Policies may move up or down only two credit classes per review, subject to the following credit reclassification rules:

Move policies to a better credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the better credit class.

Move policies to a worse credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the worse credit class.

6. Once a policy reaches its true Financial Responsibility Class, credit will only be ordered every three years.

Renewal Scoring Exception:

Policies where the first or second named insureds were all prior "no-hits" or exclusions are subject to the New Business Scoring Rules above.

Added/Deleted Named Insured(s) and Spouse:

1. Do not order a credit report on the added named insured at the time of the change.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

When the first or second named insured is deleted from the policy at any time other than the annual renewal of the policy, the following rules apply:

1. The policy retains the current credit class.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

Spin-Off Policies

Any time a new policy must be set up for an existing customer of a Nationwide Company, a new credit class must be established using the rules outlined in the New Business Scoring portion of the Financial Responsibility Rate Factor section of this rating manual.

M. SUPPLEMENTAL HEATING CHARGE

This rule applies to Homeowner Policies

Charge applies to fuel burning appliances, including wood, coal and pellet stoves, cook-stoves, freestanding stoves, freestanding fireplaces, and fireplaces with fireplace inserts. Conventional masonry fireplaces and factory-built fireplaces without fireplace inserts, and coal furnaces as well as portable heating units are not included in this class.

When the charge applies, the otherwise applicable premiums shall be increased by 5 percent (multiply by a factor of 1.05). This charge is applied to the premium after the application of the Financial Responsibility Credit.

The charges are not applicable to the premium charged for Optional Coverage Against Backing of Sewers and Drains or New Construction Theft Coverage.

Insert E
Arkansas Homeowners
Manual Page H-407
Effective 10/23/2011

Financial Responsibility Class	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
1	0.49	0.50	0.48
2	0.49	0.50	0.48
3	0.49	0.50	0.48
4	0.49	0.50	0.48
5	0.53	0.54	0.52
6	0.56	0.56	0.54
7	0.58	0.58	0.57
8	0.60	0.61	0.59
9	0.62	0.63	0.61
10	0.65	0.66	0.64
11	0.68	0.68	0.67
12	0.71	0.71	0.70
13	0.74	0.74	0.73
14	0.77	0.77	0.76
15	0.81	0.81	0.80
16	1.01	1.02	1.02
17	1.07	1.08	1.08
18	1.41	1.42	1.42
19	1.49	1.50	1.50
20	1.53	1.54	1.54
21	1.99	1.97	2.01
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65

N. PERSONAL STATUS RATE FACTOR
 Eff. ~~10-23-10~~ ← **10-23-11**

Status Premium Credit	Homeowners	Tenants	Condominiums
Married or Widowed	1.000 0.975	1.000	1.000 0.975
All Other	1.000	0.000 1.000	1.000

Insert F

This discount is applied after the application of the Supplemental Heating Charge, if applicable.

P.

NATIONWIDE ASSOCIATE DISCOUNT
 Eff. 8-18-09

This rule applies to Homeowner, Tenant, and Condominium policies.

When a Named Insured on the policy is either a current employee or a retiree of Nationwide Mutual Insurance Company, or any subsidiary (direct or indirect) company of Nationwide Mutual Insurance Company, or any affiliate company of Nationwide Mutual Insurance Company, the otherwise applicable premium shall be reduced by 10 percent (multiply by .90).

This discount applies to the accumulated premium after the application of the Replacement Cost Plus charge, if applicable.

Q.

MULTI POLICY DISCOUNT
 Eff. 11-1-10

This rule applies to Homeowner and Condominium policies only.

When the Named Insured is also the Named Insured under a Nationwide Insurance Company Standard Auto Policy, the otherwise applicable premiums shall be reduced by 30 percent (multiply by a factor of 0.70). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.

This rule applies to Tenant policies only.

When the Named Insured is also the Named Insured under a Nationwide Insurance Company Standard Auto Policy, the otherwise applicable premiums shall be reduced by 20 percent (multiply by a factor of 0.80). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.

Insert F
Arkansas Homeowners
Manual Page H-409 to 410
Effective 10/23/2011

O. PRIOR INSURANCE DISCOUNT
Eff. 10-23-11

This rule applies to new business homeowner policies effective 9/30/11 and after and their subsequent renewals.

For new policy holders, a premium factor will be applied from the table below. The factor will be based on the number of years the policy holder was continuously insured with the prior carrier (Prior Carrier Years in the rate table) and the number of years the homeowner policy has been written with Nationwide (Current Years with Nationwide in the rate table).

If a new policy holder was insured with a Nationwide company immediately prior to the most recent prior carrier, the number of years with the prior carrier shall be increased by the number of years previously insured with Nationwide.

For existing policy holders transferring from a tenant or condominium policy to a homeowner policy, a premium factor will be applied from the table below. The factor will be based on the number of years the policy holder continuously maintained the tenant or condominium policy with a Nationwide company (Prior Carrier Years in the rate table) and the number of years the homeowner policy has been written with Nationwide (Current Years with Nationwide in the rate table).

Rating Factors

Prior Carrier Years	Current Years with Nationwide					
	0	1	2	3	4	5+
1	1.00	1.00	1.00	1.00	1.00	1.00
2	1.00	1.00	1.00	1.00	1.00	1.00
3	0.93	0.93	0.93	0.96	0.98	1.00
4	0.91	0.91	0.91	0.95	0.97	1.00
5+	0.90	0.90	0.90	0.94	0.97	1.00

ADDITIONAL SECTION I COVERAGES

A. BUILDING ADDITIONS AND ALTERATIONS

1. Tenants Policy

Coverage for Building Additions and Alterations is included up to a limit of 10 percent of the Personal Property limit. This limit may be increased. The premium for each additional \$1,000 of coverage is developed as follows:

- a. Multiply the Tenants Base Rate by the appropriate Territory Rating Factor.
- b. Multiply the result of a. by the appropriate Tenants Protection Class/Number of Families Rating Factor.
- c. Multiply the result of b. by the Tenants Amount of Insurance Rating Factor for “Each Additional \$5,000.”
- d. Multiply the result of c. by the appropriate Tenants Deductible Rating Factor.
- e. Multiply the result of d. by 0.20.

2. Condominium Policy

Coverage for Building Additions and Alterations equal to 20 percent of the Personal Property limit subject to a \$1,000 minimum is provided within the policy. This limit may be increased. The premium for each additional \$1,000 of coverage is developed as follows:

- a. Multiply the Condominiums Base Rate by the appropriate Territory Rating Factor.
- b. Multiply the result of a. by the appropriate Condominiums Protection Class/Number of Families Rating Factor.
- c. Multiply the result of b. by the Condominiums Amount of Insurance Rating Factor for “Each Additional \$5,000.”
- d. Multiply the result of c. by the appropriate Condominiums Deductible Rating Factor.
- e. Multiply the result of d. by 0.20.

B. EXTENDED REPLACEMENT COST

← **Eff. 10-23-11**

1. Homeowner Policy — Option J

This option extends the application of replacement cost loss settlement provisions to personal property and to outdoor antennas, carpeting, domestic appliances, cloth awnings and outdoor equipment, subject to limitations on certain kinds of personal property. The option is subject to the following rules and rating provisions:

✓ **\$500**

- a. A minimum ~~\$100~~ All Peril Deductible is required.
- b. The Inflation Protection Coverage is required.
- c. The premium for this coverage option is developed by applying nine percent to the accumulated premium after application of the Premium Credit for Age of Construction, if applicable. This premium is subject to a minimum premium of \$28.00. The minimum premium applies to each insured location to which the coverage option is extended.
- d. In addition to providing Extended Replacement Cost Coverage, the premium for this endorsement increases the Personal Property policy limit by the following percent of the building limit, in addition to any other changes in the Personal Property limit, depending on the number of living units in the owner-occupied dwelling:

Number of Living Units	Added Percent of the Building Limit
1	15
2, 3, or 4	4

If even higher Personal Property limits are desired, apply the rate shown in Rule E — Personal Property (Increased Limits). The percent factor for Extended Replacement Cost Coverage does not apply to the premium for this additional increase in the Personal Property limit.

ADDITIONAL SECTION I COVERAGES (cont’d)

B. EXTENDED REPLACEMENT COST (cont’d)

- ← **Eff. 10-23-11**
 2. Tenants Policy — Option I

This option applies replacement cost loss settlement provisions to property covered subject to limitations on certain kinds of personal property. The option is subject to the following rules and rating provisions:

- a. A minimum ~~\$250~~ **\$500** All Peril Deductible is required.
- b. A minimum of \$20,000 coverage on contents is required.
- c. The Inflation Protection Coverage is required.
- d. The premium for this coverage option is developed by applying 24 percent to the accumulated premium after application of charges for increased Building Additions and Alterations. This premium is subject to a minimum premium of \$24.00. The minimum premium applies to each insured location to which the coverage option is extended.

3. Condominium Policy — Option I

This option extends the application of replacement cost loss settlement provisions to personal property and to outdoor antennas, carpeting, domestic appliances, awnings and outdoor equipment, subject to limitation on certain kinds of personal property. The endorsement is subject to the following rules and rating provisions:

- a. A minimum of ~~\$250~~ **\$500** All Peril Deductible is required.
- b. A minimum of \$20,000 coverage on contents is required.
- c. The Personal Property Inflation Protection Coverage is required.
- d. The premium for this coverage option is developed by applying 24 percent to the accumulated premium after application of charges for increased Building Additions and Alterations. This premium is subject to a minimum premium of \$24.00. The minimum premium applies to each insured location to which the coverage option is extended.

C. CONDOMINIUM SPECIAL COVERAGE

Comprehensive Endorsement

This endorsement provides all risk type coverage on Coverage B — Loss of Use, Coverage C — Condominium Loss Assessment and Building Additions and Alterations Coverage. The premium for this coverage is \$0.20 for each \$1,000 of the total, combined limits for Coverages B and C and Building Additions and Alterations Coverage.

D. LOSS ASSESSMENT OPTION N

- ← **Eff. 10-23-11**
 1. Homeowner Policy

This optional coverage may be activated with the Homeowner policy when the Insured is a member of an association of property owners. The coverage provides protection for special assessments of the association for which the Insured may be liable as a result of membership.

\$500
 This option requires a minimum Section I deductible of ~~\$250~~. We will pay, up to the coverage limit, that part of the assessment that exceeds the Section I deductible. This coverage is excess over any other valid and collectible insurance.

The minimum coverage limit is \$1,000, which is provided in accordance with the following schedule of annual premium charges:

Section I — Deductible	\$1,000 Limit Charge
\$250*	\$4.00
500	3.00
1,000	2.00
2,500, 5,000	1.00

- *
 2. Condominium Policy

The minimum limit of \$1,000 Loss Assessment Coverage is included for the perils covered in the policy.

For interim change only. Not applicable for new and renewal business after 10/23/2011.

ADDITIONAL SECTION I COVERAGES (cont’d)

N. SECURITIES* OPTION G (INCREASED LIMITS)

Increased limits for securities may be provided by activating Option G. A limit of \$1,000 is included in the accumulated premiums for the Homeowner and Condominium policies. A limit of \$500 is included in the accumulated premiums for the Tenants form. Increased limits may be provided at the additional annual rate shown below:

Total Limit of Liability	Tenants
\$ 600	\$ 4.00
700	8.00
800	12.00
900	16.00
1,000	20.00
Each add'l \$100	4.00

Total Limit of Liability	Homeowner and Condominium
\$1,100	\$ 4.00
1,200	8.00
1,300	12.00
1,400	16.00
1,500	20.00
Each add'l \$100	4.00

*For limits in excess of \$5,000, refer to Underwriting.

O. INCREASED SPECIAL LIMITS OF LIABILITY

The special limits of liability which apply to loss of the items listed below may be increased by charging the additional annual premiums shown below:

1. Computer Hardware and Software — Option H

The \$3,000 limit may be increased to one of the following:

Total Limit	Annual Premium
\$ 5,000	\$ 6.00
7,500	14.00
10,000	21.00

2. Business Property on Premises — Option I — Homeowner and Condominium Policies

The \$500 limit may be increased to one of the following:

Total Limit	Annual Premium
\$1,000	\$ 4.00
2,000	12.00
3,000	20.00
4,000	28.00
5,000	36.00

P. NEW CONSTRUCTION THEFT COVERAGE

← **Eff. 10-23-11**

For the following additional premium, coverage may be provided for theft losses in or to a dwelling under construction or to construction materials and supplies, for a period not exceeding 180 days after inception of the endorsement. The premium is fully earned if the endorsement is cancelled by the Insured. The minimum deductible permitted is \$100.

← **\$500**

Deductible	Premium
\$ 250*	\$37.00
500	32.00
1,000	21.00
2,500	11.00
5,000	3.00

* ← **For interim change only. Not applicable for new and renewal business after 10/23/2011.**

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ ← **10-23-11**

Insert G

		FRAME						
		Rate per \$1,000						
5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.55	0.55	0.43	0.43	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.55	0.55	0.43	0.43	0.22
Tenants Form	(Coverage C)	-	-	0.43	0.43	0.35	0.35	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.43	0.37	0.35	0.35	0.16
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.55	0.55	0.43	0.43	0.22
Loss of Use	(Amount of Increase Only)	-	-	0.43	0.37	0.35	0.35	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.55	0.37	0.37	0.37	0.16
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.55	0.55	0.43	0.43	0.22

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont'd)

10-23-11

		ALL OTHER						
		Rate per \$1,000						
5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.62	0.62	0.49	0.49	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.62	0.62	0.49	0.49	0.28
Tenants Form	(Coverage C)	-	-	0.43	0.43	0.35	0.35	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.43	0.43	0.35	0.35	0.16
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.62	0.62	0.49	0.49	0.28
Loss of Use	(Amount of Increase Only)	-	-	0.43	0.43	0.35	0.35	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.55	0.37	0.37	0.37	0.16
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.62	0.62	0.49	0.49	0.28

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont'd)

10-23-11

		FRAME						
		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.40	0.40	0.32	0.28	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.40	0.40	0.32	0.28	0.15
Tenants Form	(Coverage C)	-	-	0.32	0.32	0.27	0.20	0.12
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.32	0.32	0.23	0.18	0.12
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.40	0.40	0.32	0.28	0.15
Loss of Use	(Amount of Increase Only)	-	-	0.32	0.32	0.23	0.18	0.12
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.40	0.32	0.27	0.24	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.40	0.40	0.32	0.28	0.15

ADDITIONAL SECTION I COVERAGES (cont’d)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont’d)

↖ 10-23-11

		ALL OTHER						
		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.45	0.45	0.37	0.29	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.45	0.45	0.37	0.29	0.18
Tenants Form	(Coverage C)	-	-	0.32	0.32	0.27	0.20	0.12
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.32	0.32	0.27	0.27	0.13
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.45	0.45	0.37	0.29	0.18
Loss of Use	(Amount of Increase Only)	-	-	0.32	0.32	0.27	0.27	0.13
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.40	0.32	0.27	0.24	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.45	0.45	0.37	0.29	0.18

ADDITIONAL SECTION I COVERAGES (cont'd)**10-23-11****EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE**Eff. ~~10-23-10~~ (cont'd)**FRAME****Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Tenants Form	(Coverage C)	0.61	0.61	0.26	0.26	0.22	0.16	0.10
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.18	0.14	0.10
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Loss of Use	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.18	0.14	0.10
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.89	0.89	0.32	0.26	0.21	0.19	0.10
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.89	0.89	0.32	0.32	0.26	0.22	0.12

ALL OTHER**Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Tenants Form	(Coverage C)	0.61	0.61	0.26	0.26	0.22	0.16	0.10
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.22	0.22	0.11
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Loss of Use	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.22	0.22	0.10
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.89	0.89	0.32	0.26	0.21	0.19	0.10
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	1.09	1.09	0.36	0.36	0.30	0.23	0.14

ADDITIONAL SECTION I COVERAGES (cont'd)

10-23-11

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. 10-23-10 (cont'd)

		FRAME						
		Rate per \$1,000						
20% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Tenants Form	(Coverage C)	0.49	0.49	0.21	0.21	0.18	0.13	0.08
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.06
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.06
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.49	0.49	0.21	0.20	0.14	0.11	0.08
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Loss of Use	(Amount of Increase Only)	0.49	0.49	0.21	0.20	0.14	0.11	0.08
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.71	0.71	0.26	0.20	0.17	0.15	0.08
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.71	0.71	0.26	0.26	0.21	0.18	0.08
		ALL OTHER						
		Rate per \$1,000						
20% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Tenants Form	(Coverage C)	0.49	0.49	0.21	0.21	0.18	0.13	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.07
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.07
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.49	0.49	0.21	0.21	0.18	0.18	0.09
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Loss of Use	(Amount of Increase Only)	0.49	0.49	0.21	0.21	0.18	0.18	0.08
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.71	0.71	0.26	0.20	0.17	0.15	0.08
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.88	0.88	0.29	0.29	0.24	0.19	0.09

ADDITIONAL SECTION I COVERAGES (cont’d)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont’d)

Eff. ~~10-23-10~~ ← **10-23-11**

Construction Year	Factors	
	Other	Frame
1939 and Prior	2.00	1.00
1940 – 1949	1.30	1.00
1950 and Later	1.00	1.00

Earthquake Rating Zones

Zone 1 — Counties of Clay, Craighead, Crittenden, Cross, Greene, Jackson, Mississippi, and Poinsett.

Zone 2 — Counties of Lee and St. Francis.

Zone 3 — Counties of Independence, Lawrence, Randolph, and Sharp.

Zone 4 — Counties of Arkansas, Monroe, Phillips, Prairie, White, and Woodruff.

Zone 5 — Counties of Baxter, Fulton, and Izard.

Zone 6 — Counties of Cleburne, Conway, Desha, Faulkner, Jefferson, Little River, Lonoke, Marion, Pulaski, Searcy, Sebastian, and Stone.

Zone 7 — Remainder of State.

Construction

Construction materials affect the rate for Earthquake Damage protection as follows:

1. Homeowner
 - a. Exterior Masonry Veneer that is NOT to be covered is rated as “FRAME.”
 - b. Exterior Masonry Veneer that is to be covered is rated as “OTHER.”
 - c. Frame Stucco is to be rated as “FRAME.”

2. Tenants and Condominium

All constructions to be rated as “FRAME.”

R. REPLACEMENT COST PLUS — HOMEOWNER POLICY

Eff. 2-16-08

This option modifies the policy loss settlement provisions to pay up to an additional 25 percent of the dwelling limit, if needed.

The premium for this option is \$10.00.

The guarantee applies to total losses only when:

1. The dwelling is originally insured to 100 percent of replacement cost as determined by the Replacement Guide. If this is not the case, a current replacement cost computation and an adjustment to the policy limit needed to bring it to 100 percent of replacement cost must be submitted with requests to add this coverage.
2. The Inflation Protection Coverage is activated.
3. The Insured notifies us within ninety (90) days of the start of any improvements or additions, which increase the value of the dwelling by \$5,000 or more. We will pay no more than the policy limit if the Insured fails to so notify us.

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS

Eff. ~~10-23-10~~ ← **10-23-11**

1. Option P — Limited Water Back Up of Sewers or Drains Coverage

We will pay up to a maximum of \$5,000 for all damage to:

- a. The Coverage A — Dwelling, AND
- b. The following personal property:
 1. Clothes washers and dryers,
 2. Food freezers and the food in them,
 3. Refrigerators,
 4. Ranges,
 5. Portable dishwashers, AND
 6. Dehumidifiers

caused by or resulting from water or water-borne material which

- a. Backs up through sewers or drains from outside the dwelling’s plumbing system, OR
- b. Overflows a sump pump, sump pump well or other system designed to remove subsurface water or water-borne material from the foundation area.

FRAME - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	Coverage A Limit of Liability
Tenants Form	-	-	0.65	0.65	0.53	0.53	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.65	0.56	0.53	0.53	0.24	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.83	0.83	0.65	0.65	0.33	Amount of Increase Only
Loss of Use	-	-	0.65	0.56	0.53	0.53	0.24	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.83	0.56	0.56	0.56	0.24	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.83	0.83	0.65	0.65	0.33	Desired Limit

ALL OTHER - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.93	0.93	0.74	0.74	0.42	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.93	0.93	0.74	0.74	0.42	Coverage A Limit of Liability
Tenants Form	-	-	0.65	0.65	0.53	0.53	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.65	0.65	0.53	0.47	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.65	0.65	0.53	0.47	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.65	0.65	0.53	0.53	0.24	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.93	0.93	0.74	0.74	0.42	Amount of Increase Only
Loss of Use	-	-	0.65	0.65	0.53	0.53	0.24	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.93	0.93	0.74	0.69	0.24	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.93	0.93	0.74	0.74	0.42	Desired Limit

FRAME - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.30	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.60	0.60	0.48	0.42	0.23	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.60	0.48	0.41	0.36	0.18	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.60	0.60	0.48	0.42	0.23	Desired Limit

ALL OTHER - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.41	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.68	0.68	0.56	0.44	0.27	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.68	0.68	0.56	0.54	0.20	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.68	0.68	0.56	0.44	0.27	Desired Limit

FRAME - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Coverage A Limit of Liability
Tenants Form	0.92	0.92	0.39	0.39	0.33	0.24	0.15	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.92	0.92	0.39	0.39	0.27	0.21	0.15	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Amount of Increase Only
Loss of Use	0.92	0.92	0.39	0.39	0.27	0.21	0.15	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.34	1.34	0.48	0.39	0.32	0.29	0.15	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Desired Limit

ALL OTHER - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Coverage A Limit of Liability
Tenants Form	0.92	0.92	0.39	0.39	0.33	0.33	0.17	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.92	0.92	0.39	0.39	0.33	0.30	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.92	0.92	0.39	0.39	0.33	0.30	0.14	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.92	0.92	0.39	0.39	0.33	0.33	0.17	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Amount of Increase Only
Loss of Use	0.92	0.92	0.39	0.39	0.33	0.33	0.15	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.65	1.65	0.54	0.54	0.45	0.44	0.17	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Desired Limit

FRAME - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.20	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.07	1.07	0.39	0.30	0.26	0.23	0.12	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Desired Limit

ALL OTHER - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.32	0.27	0.27	0.12	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.32	1.32	0.44	0.44	0.36	0.35	0.14	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont’d)

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS (cont’d)

Eff. ~~10-23-10~~ ← **10-23-11**

- 1. Option P — Limited Water Back Up of Sewers or Drains Coverage (cont’d)

We will pay for that part of the covered loss that is above the Section I — Deductible shown on the Declarations or \$500, whichever is greater.

Insert H

Section - I All other Peril Decutable	Homeowner	Tenants	Condominium
\$500 or less	\$8.01	\$2.52	\$7.97
1,000	5.72	1.26	4.55
2,500	5.72	N/A	N/A
5,000	4.58	N/A	N/A

NOTE — For all split theft deductibles use the non-theft portion of the deductible to find the correct premium.

- 2. Option R — Broad Water Back Up of Sewers or Drains Coverage (All Policy Forms)

Eff. ~~10-23-10~~ ← **10-23-11**

We will pay up to the limit of liability shown on the Declarations for this option at the time of loss for direct damage to covered property caused by or resulting from water or water-borne material which:

- a. Backs up through sewers or drains from outside the dwelling’s plumbing system, OR
- b. Overflows a sump pump, sump pump well or other system designed to remove subsurface water or water-borne material from the foundation area.

A \$500 deductible or the Section — I policy deductible, whichever is higher applies to loss under this coverage.

Insert I

Homeowner				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$37.78	\$70.98	\$192.34	\$361.79
500	37.78	70.98	192.34	361.79
1,000	32.06	60.68	162.58	306.83
2,500	28.62	53.81	145.40	274.78
5,000	26.33	49.23	133.95	251.88

Tenants				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$13.84	\$27.68	\$72.99	\$137.17
250	13.84	27.68	72.99	137.17
500	13.84	27.68	72.99	137.17
1,000	12.58	22.65	50.22	117.03
2,500	11.33	20.13	55.37	104.45
5,000	10.07	18.88	50.34	95.64

Condominiums				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1,000	18.22	35.18	93.36	176.47
2,500	15.94	30.74	83.11	157.11
5,000	14.80	28.46	76.28	144.59

T. INLAND MARINE COVERAGES

All risks insurance on outboard motors, boats, trailers and accessories, subject to applicable deductibles, and certain classes of personal property may be added to the Homeowner policy in accordance with the appropriate rates and rules set forth in the Inland Marine Portfolio. Minimum premiums do not apply.

U. ENGAGED COUPLES — PERSONAL PROPERTY

Wedding presents and other personal property of an engaged couple may be covered under the Tenants Policy only when the appropriate endorsement is attached. The policy is issued in the names of both parties and may be written to become effective up to 90 days prior to the wedding date. The endorsement covers personal property of the couple located anywhere in the state until 90 days after the wedding date, and then provides coverage in their permanent residence thereafter. Section II of the policy does not apply until the date of the wedding. The policy premium is based on the rates at the bride’s residence.

Insert H
Arkansas Homeowners
Manual Page H-423
Effective 10/23/2011

Section - I All other Peril Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$8.77	\$2.77	\$7.97
1,000	6.26	1.39	4.55
2,500	6.26	N/A	N/A
5,000	5.02	N/A	N/A

Homeowner

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$41.37	\$77.72	\$210.61	\$396.16
500	41.37	77.72	210.61	396.16
1,000	35.11	66.44	178.03	335.98
2,500	31.34	58.92	159.21	300.88
5,000	28.83	53.91	146.68	275.81

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Tenants

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100*	\$15.22	\$30.45	\$80.29	\$150.89
250*	15.22	30.45	80.29	150.89
500	15.22	30.45	80.29	150.89
1000	13.84	24.92	55.24	128.73
2500	12.46	22.14	60.91	114.90
5000	11.08	20.77	55.37	105.20

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Condominiums

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1000	18.22	35.18	93.36	176.47
2500	15.94	30.74	83.11	157.11
5000	14.80	28.46	76.28	144.59

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

SERFF Tracking Number: NWPC-127190861 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 11H-8033AR-GL
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

Supporting Document Schedules

	Item Status:	Status Date:
<p>Bypassed - Item: Form RF-2 Loss Costs Only (not for workers' compensation)</p> <p>Bypass Reason: Not applicable.</p> <p>Comments:</p>		
<p>Satisfied - Item: H-1 Homeowners Abstract</p> <p>Comments: Attached below is the AR Form H-1 Homeowners Abstract.</p> <p>Attachment: Final Form H-1 Homeowners Abstract H-1 ed1-06.pdf</p>	Filed	06/24/2011
<p>Satisfied - Item: HPCS-Homeowners Premium Comparison Survey</p> <p>Comments: Attached below is the HO Survey FORM HPCS.</p> <p>Attachment: HO Survey FORM HPCS.xls</p>	Filed	06/24/2011
<p>Satisfied - Item: NAIC loss cost data entry document</p> <p>Comments: Attache below is the Form RF-1 Rate Filing Abstract and Loss Cost Data Entry Document.</p> <p>Attachment: Form RF-1 Rate Filing Abstract and Loss Cost Data Entry Document.pdf</p>	Filed	06/24/2011

SERFF Tracking Number: NWPC-127190861 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 11H-8033AR-GL
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Rate Review/11H-8033AR-GL

	Item Status:	Status Date:
Satisfied - Item: Filing Memorandum & Exhibits	Filed	06/24/2011

Comments:

Attached below are the Filing Memorandum and supporting Filing Exhibits.

Attachments:

- Final AR HO Filing Memorandum 10-23-11.pdf
- AR Final Filing Exhibits_Part1.pdf
- AR Final Filing Exhibits_Part2.pdf
- AR Final Filing Exhibits_Part3.pdf

	Item Status:	Status Date:
Satisfied - Item: Marked Up Manual Pages	Filed	06/24/2011

Comments:

Attached below are the marked up manual pages reflecting the changes included in this filing.

Attachment:

- AR Marked-up Manual Pages 10-23-2011.pdf

	Item Status:	Status Date:
Satisfied - Item: Loss Experience including year-to-date 2011	Filed	06/24/2011

Comments:

Attachment:

- Exhibit XXII.pdf

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 Nationwide Mutual Fire Insurance Company

NAIC No. 23779

GROUP No. 140

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

We have discontinued our "Renewal – Insurance to Value" campaign as of October, 2009. Based on 2007 data, this campaign led to approximately 2600 properties per year inspected prior to renewal, with approximately 1800 per year experiencing an increase in ITV of, on average, 20 percent.

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.

We have used a cost estimator for dwelling for approximately 25 years. We moved to a component based tool provided by Marshall-Swift/Boeckh in 2002, which we believe improves the accuracy of the insurance to value calculation, which protects our customers in the event of a loss. As noted in the answer to question #1, some homes experienced an increase.

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.

For dwellings, we require a minimum 90 percent if you do not have earthquake coverage, but if you have earthquake coverage then you must choose 100 percent of reconstruction amount. This decision is made by the customer after a reconstruction amount is determined by a representative of our company. Insuring at less than 100 percent of the reconstruction cost does not provide for the customer to choose our replacement cost plus coverage option, which provides for an additional 25 percent of the dwelling coverage amount to be available in the event of a loss.

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

We do use inflation guard protection, which adjusts the dwelling coverage in accordance with indexes provided by Marshall-Swift/Boeckh. The current average annual adjustment is in the one to two percent range.

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

- | | |
|--|-----------------------------|
| a. Fire Extinguisher | <u>5, 7, 10, 15</u> % |
| b. Burglar Alarm | <u>2, 4, 5, 7, 10, 15</u> % |
| c. Smoke Alarm | <u>2, 4, 5, 7, 10, 15</u> % |
| d. Insured who has both homeowners
and auto with your company | <u>30</u> % |
| e. Deadbolt Locks | <u>5, 7, 10, 15</u> % |
| f. Window or Door Locks | <u>0</u> % |
| g. Other (Specify) | <u> </u> % |

Note: Credits for protective devices vary based on the quality and combination of devices used. Please see manual page H—404 for a complete description of our Protective Device Credit Rule.

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

We do not write insurance for those homes defined to be in ISO Protection Class 10.

If so, state areas and explain reason for not writing These areas are unprotected.

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

<u>FORM</u>	<u>PREMIUM VOLUME</u>
Homeowners (HO-3)	\$24,439,547
Tenants (HO-4)	\$503,205
Condominium (HO-6)	\$92,041

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes
9. Is there a surcharge on risks with wood heat? Yes
 If yes, state surcharge 5%
 Does the surcharge apply to conventional fire places? No
 If yes, state surcharge

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

Grace Leng

Signature

Grace Leng

Printed Name

Sr. Pricing Analyst

Title

614-677-2270

Telephone Number

lengj@nationwide.com

Email Address

NAIC Number: 23779
 Company Name: Nationwide Mutual Fire Insurance Company
 Contact Person: Grace Leng
 Telephone No.: 614-677-2270
 Email Address: lengj@nationwide.com
 Effective Date: 10/23/2011

**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	\$1,345.00	\$1,477.00	\$1,320.00	\$1,450.00	\$1,615.00	\$1,775.00	\$1,934.00	\$2,126.00	\$1,925.00	\$2,115.00	\$1,567.00	\$1,722.00	\$1,561.00	\$1,714.00	\$1,576.00	\$1,732.00	\$1,662.00	\$1,826.00
	\$120,000	\$1,739.00	\$1,911.00	\$1,707.00	\$1,875.00	\$2,089.00	\$2,296.00	\$2,502.00	\$2,749.00	\$2,489.00	\$2,736.00	\$2,027.00	\$2,228.00	\$2,018.00	\$2,218.00	\$2,038.00	\$2,239.00	\$2,150.00	\$2,362.00
	\$160,000	\$2,233.00	\$2,454.00	\$2,191.00	\$2,409.00	\$2,683.00	\$2,948.00	\$3,213.00	\$3,531.00	\$3,195.00	\$3,512.00	\$2,603.00	\$2,860.00	\$2,592.00	\$2,848.00	\$2,617.00	\$2,876.00	\$2,760.00	\$3,033.00
6	\$80,000	\$1,582.00	\$1,762.00	\$1,553.00	\$1,729.00	\$1,901.00	\$2,118.00	\$2,276.00	\$2,535.00	\$2,265.00	\$2,523.00	\$1,845.00	\$2,055.00	\$1,836.00	\$2,045.00	\$1,855.00	\$2,065.00	\$1,955.00	\$2,179.00
	\$120,000	\$2,046.00	\$2,280.00	\$2,009.00	\$2,238.00	\$2,459.00	\$2,739.00	\$2,945.00	\$3,280.00	\$2,930.00	\$3,263.00	\$2,385.00	\$2,657.00	\$2,376.00	\$2,646.00	\$2,399.00	\$2,672.00	\$2,531.00	\$2,818.00
	\$160,000	\$2,628.00	\$2,927.00	\$2,580.00	\$2,873.00	\$3,157.00	\$3,517.00	\$3,782.00	\$4,212.00	\$3,762.00	\$4,190.00	\$3,063.00	\$3,412.00	\$3,050.00	\$3,397.00	\$3,080.00	\$3,430.00	\$3,248.00	\$3,618.00
9	\$80,000	\$2,472.00	\$2,115.00	\$2,425.00	\$2,076.00	\$2,969.00	\$2,540.00	\$3,555.00	\$3,043.00	\$3,537.00	\$3,027.00	\$2,881.00	\$2,465.00	\$2,868.00	\$2,454.00	\$2,896.00	\$2,478.00	\$3,054.00	\$2,614.00
	\$120,000	\$3,197.00	\$2,736.00	\$3,138.00	\$2,685.00	\$3,841.00	\$3,286.00	\$4,599.00	\$3,935.00	\$4,576.00	\$3,916.00	\$3,726.00	\$3,188.00	\$3,710.00	\$3,175.00	\$3,746.00	\$3,205.00	\$3,951.00	\$3,381.00
	\$160,000	\$4,104.00	\$3,512.00	\$4,027.00	\$3,447.00	\$4,931.00	\$4,219.00	\$5,904.00	\$5,054.00	\$5,875.00	\$5,027.00	\$4,783.00	\$4,094.00	\$4,764.00	\$4,077.00	\$4,809.00	\$4,116.00	\$5,072.00	\$4,341.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski		
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	
3	\$5,000	\$119.00	\$119.00	\$119.00	\$119.00	\$125.00	\$125.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$125.00	\$125.00	\$144.00	\$144.00
	\$15,000	\$193.00	\$193.00	\$193.00	\$193.00	\$200.00	\$200.00	\$203.00	\$203.00	\$203.00	\$203.00	\$203.00	\$203.00	\$203.00	\$203.00	\$203.00	\$200.00	\$200.00	\$231.00	\$231.00
	\$25,000	\$258.00	\$258.00	\$258.00	\$258.00	\$267.00	\$267.00	\$271.00	\$271.00	\$271.00	\$271.00	\$271.00	\$271.00	\$271.00	\$271.00	\$271.00	\$267.00	\$267.00	\$307.00	\$307.00
6	\$5,000	\$130.00	\$130.00	\$130.00	\$130.00	\$136.00	\$136.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$136.00	\$136.00	\$157.00	\$157.00
	\$15,000	\$211.00	\$211.00	\$211.00	\$211.00	\$219.00	\$219.00	\$223.00	\$223.00	\$223.00	\$223.00	\$223.00	\$223.00	\$223.00	\$223.00	\$223.00	\$219.00	\$219.00	\$252.00	\$252.00
	\$25,000	\$282.00	\$282.00	\$282.00	\$282.00	\$293.00	\$293.00	\$297.00	\$297.00	\$297.00	\$297.00	\$297.00	\$297.00	\$297.00	\$297.00	\$297.00	\$293.00	\$293.00	\$337.00	\$337.00
9	\$5,000	\$191.00	\$191.00	\$191.00	\$191.00	\$199.00	\$199.00	\$201.00	\$201.00	\$201.00	\$201.00	\$201.00	\$201.00	\$201.00	\$201.00	\$201.00	\$199.00	\$199.00	\$228.00	\$228.00
	\$15,000	\$309.00	\$309.00	\$309.00	\$309.00	\$321.00	\$321.00	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00	\$321.00	\$321.00	\$369.00	\$369.00
	\$25,000	\$412.00	\$412.00	\$412.00	\$412.00	\$428.00	\$428.00	\$433.00	\$433.00	\$433.00	\$433.00	\$433.00	\$433.00	\$433.00	\$433.00	\$433.00	\$428.00	\$428.00	\$493.00	\$493.00

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

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

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

HO3 and HO4 only

Fire Extinguisher	5,7,10,15	%	Deadbolt Lock	5,7,10,15	%
Burglar Alarm	2,4,5,7,10,15	%	Window Locks		%
Smoke Alarm	2,4,5,7,10,15	%	\$1,000 Deductible	0	%
			Other (specify)		

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? yes (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? 5,10,15,20 %

Zone Brick Frame

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	11H-8033AR-GL
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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.	Nationwide Mutual Fire Insurance Company	B.	23779

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.	Homeowners	B.	Combinations

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
Homeowners	32.3%	9.5%					
Tenants	17.5%	10.0%					
Condominiums	0.8%	0.0%					
TOTAL OVERALL EFFECT	31.9%	9.5%					

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
2010	24,254	5.0%	10/23/2010	24,965	14,561	58.3%	61.0%
2009	26,080	8.5%	08/18/2009	25,830	32,081	124.2%	61.6%
2008	28,058	7.0%	08/23/2008	25,519	31,854	124.8%	61.1%
2008	28,937	4.8%	02/16/2008	24,859	11,295	45.4%	42.1%
2007	28,937	6.7%	07/15/2007	24,859	11,295	45.4%	42.1%
2006	29,688	-	-	23,566	18,705	79.4%	47.3%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	14.3
B. General Expense	9.1
C. Taxes, License & Fees	3.5
D. Underwriting Profit & Contingencies	9.2
E. Other (explain)	
F. TOTAL	36.1

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 24.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** -7.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

FILING MEMORANDUM
Arkansas Homeowners

Outlined herein are the details and supporting data relating to the changes in Homeowners rates.

Loss experience for the five fiscal years ending second quarter 2010 result in a homeowners indication of 32.3% and this filing is based on this time period. Nationwide's 2011 results continue to show deterioration and profitability challenges in Arkansas. The table below shows our 2011 results. Although it is still early in 2011, our loss experience at current rate levels continues to deteriorate

Arkansas January – April 2011 Premium and Loss Data

Policy Form	Earned Premium	Net Case Incurred Loss Amount	Loss Ratio
Homeowners	7,972,017	6,133,791	76.9%
Tenants	178,147	203,556	114.3%
Condominium	29,715	2,537	8.5%

STATEWIDE CHANGE

The indication developed in this filing for all policy forms combined is based on an assumed effective date of October 23, 2011. Exhibit II shows five years of homeowners experience ending June 30, 2010, evaluated as of September 30, 2010, by form for the Nationwide Mutual Fire Insurance Company. Exhibit I shows the indicated rate changes as well as our proposed rate changes by policy forms. The effect of all the changes for all policy forms is a statewide premium level increase of 10.3 percent.

In the prior review we increased base rates for the homeowners form by 5.0 percent with the revision effective October 23, 2010. The indicated rate need for the homeowners form at that time was 32.4 percent.

Earned Premium

We have adjusted the earned premiums on Exhibit II, row (1), to current rate level. They are further modified by the premium projection factors shown in row (2). These factors reflect past and anticipated future increases in the average amount of insurance, deductible, and territory relativities.

Accident Year Losses

The following adjustments to losses are summarized in rows (4) through (16) of Exhibit II:

1. The actual losses have been adjusted to ultimate accident year costs. We removed losses greater than \$250,000 for the Homeowners policy form. The losses were developed; then, the large losses were added back into the estimated ultimate losses.

The ultimate losses represent the ultimate cost expected when all claims are finally closed. Row (4) of Exhibit II shows the estimated ultimate accident year loss costs for all non-weather causes combined.

2. The loss cost projection factors, shown in row (5) of Exhibit II, reflect changes that have occurred in average loss costs levels from the midpoint of each year to the present. They also reflect the change anticipated from the present to the future average claim date, assuming an effective date of October 23, 2011. Exhibit IV reflects the determination of the non-weather loss projection factors. Row (6) of Exhibit II shows the projected estimated non-weather ultimate loss costs. Exhibit VI shows the Arkansas and Companywide paid loss trend data for all three policy forms.

3. The calendar year weather losses are decomposed into their frequency and severity components. The average long-term frequency is calculated after adjusting for outlying annual frequencies. This average frequency is used as the estimate of the expected weather frequency in the prospective period. The projected weather severity is calculated as the average of the projected weather severities for each year after adjusting for outlying yearly severities. The severity for each calendar year is projected to the prospective period using the selected severity trend. The loss trend for homeowners does not include hurricane losses and is divided into wind and hail and other weather. The weather loss trends for tenants and condominiums do not split wind and hail from other weather. The weather severity loss trends can be viewed in Exhibits VII and VIII.

The expected frequency and severity are used to calculate the expected weather pure premium for the prospective period, also shown on Exhibits VII and VIII. The expected weather pure premium is multiplied by a provision for allocated loss adjustment expenses. This adjusted weather pure premium determines the expected future weather losses and allocated loss adjustment expenses for each experience year in the calculation of the indicated rate level. The projected weather losses are shown in row (8) of Exhibit II.

4. The estimated loss ratios in row (11) of Exhibit II are calculated as the ratio of the projected estimated ultimate loss costs in row (10) of Exhibit II to the projected current level earned premium in row (3) of Exhibit II, and then are averaged, with greater weight given to the more recent years to be responsive to changes in the portfolio or loss climate.

Projected Expense Adjustments

Fixed Expenses, which include General Expense, Other Acquisition, and Unallocated Loss Adjustment, are calculated as a percentage of projected current-levelled earned premium.

Fixed Expenses	
Homeowners	14.3%
Tenants	24.6%
Condominium	20.3%

The average projected fixed expense is exposure-weighted across all five years as shown on Exhibit II, row (24).

Permissible Loss, Loss Adjustment, and Fixed Expense Ratio

The 65.5 percent permissible loss, loss adjustment, and fixed expense ratio is derived using the components of the variable expense ratio of 25.3 percent, which includes the average commission and brokerage ratio for all agency states, the state premium tax rate, plus an allowance for miscellaneous taxes, licenses, and fees based on Companywide data.

$$\text{Permissible Loss, Loss Adjustment, and Fixed Expense Ratio} \\ (100\% - \text{Variable Expenses} - 9.2\% \text{ Profit Provision}) = 65.5 \text{ percent}$$

Exhibit IX is the Companies' Financial Needs Model, which demonstrates the need for a 9.2 percent loading for underwriting gain and contingencies, considering total investment income from all sources.

CHANGES BY POLICY FORM

The table below shows a summary of the proposed rate level and earthquake changes by policy form:

<u>Policy Form</u>	<u>Rate Level Change</u>	<u>Rate Level Change Including Water Backup and Earthquake</u>
Homeowners	9.5%	10.3%
Tenants	10.0%	10.2%
Condominiums	0.0%	1.2%
Total	9.5%	10.3%

Base Rates

We are revising base rates for the Homeowners, Tenants and Condominium policy forms as shown in Exhibit X. Draft manual pages H-13 to 15, H-17, and H-18 to 400 reflect these changes.

Roof Composition Rating

We are changing the basic Roof Rating factors as shown in Exhibit XI. Draft manual page H-402 reflects the new Roof Rating factors.

Deductibles

We are eliminating the deductible options of \$100 and \$250 for homeowner, tenants, and condominium policies. The current policies with \$100 and \$250 deductibles will be rolled over to \$500 deductibles at renewal. We are changing the base deductible option from \$500 to \$1,000 for the homeowner, tenants, and condominium policies. We are also increasing the deductible factors by 2% for the \$500 deductible option for all policy forms. The changes are reflected in Exhibit XII and on draft manual pages H-403, H-411, H-412, and H-415.

Age of Construction

We are increasing the discounts for newer homes and extended the ages of homes that receive the discount. There is no change in the Home Renovation factors with this review. The new Age of Construction factors may be viewed in Exhibit XIII and on draft manual page H-405.

Financial Responsibility

We are increasing the Financial Responsibility Class factors for the credit buckets 16 to 21 by 9 percent as shown in Exhibit XIV. Draft manual pages H-407 and H-408 reflect this change. The credit neutral class has been updated for homeowner policy form. There is no change to the credit neutral classes for tenants and condominium policy forms.

<u>Form</u>	<u>Neutral Class</u>
HO	15
TN	17
CO	11

Personal Status

We are introducing a 2.5% Discount to Homeowner and Condominium policies with Married or Widowed Personal Status as shown in Exhibit XV. Draft manual page H-409 to 410 shows the new factors.

Prior Insurance Discount

We are introducing the Prior Insurance Discount to new business homeowner policies as shown in Exhibit XVI. Draft manual page H-409 to 410 reflects this change.

Earthquake

We are increasing Earthquake coverage rates by 50% as shown in Exhibit XVII. Draft manual pages H-416 through H-422 reflect these changes.

Water Back Up

We are increasing the water back-up rates by 9.5% for homeowner policy form and by 10% for tenants policy form as shown in Exhibit XVIII. Draft manual page H-422 and H-423 reflect these changes.

Minimum Amount of Insurance

We are implementing a minimum personal property amount of insurance of \$15,000 for new tenants and condominium policies. The changes are reflected on draft manual pages H-11 to 12, H-17, and H-18 to 400.

Miscellaneous Changes

- Editorial revision of Homeowner policy rating steps on draft manual page H-1.
- Homeowner premium interpolation table revision to reflect base rate change on draft manual page H-401.
- Editorial revision of the table of Age of Home Component Percent Premium Credit on draft manual page H-405.
- A typo correction in Personal Status Rate Factor table on draft manual page H-409 to 410.
- Implementation of a mandatory endorsement requiring Homeowner and Condominium policy holders to notify us as soon as possible of any change which may affect the premium or risk under their policy.

INDEX OF FILING EXHIBIT

Exhibit Index	Exhibit Name
Exhibit I	Income Effect
Exhibit II	Statewide Indications
Exhibit III	Premium Projection Factor
Exhibit IV	Loss Projection Factor (Non-Weather)
Exhibit V	Loss Trend Summary (Non-Weather)
Exhibit VI	Loss Trend Data (Non-Weather)
Exhibit VII	Homeowner Weather Losses
Exhibit VIII	Tenant and Condominium Weather Losses
Exhibit IX	Financial Needs Model
Exhibit X	Premium Effects and Base Rates
Exhibit XI	Roof Rating Factors
Exhibit XII	Deductible Factors
Exhibit XIII	Age of Construction Factors
Exhibit XIV	Financial Responsibility Factors
Exhibit XV	Personal Status Factors
Exhibit XVI	Prior Insurance Discount
Exhibit XVII	Earthquake Rates
Exhibit XVIII	Water Backup Rates

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Income Effect**

Nationwide Mutual Fire Insurance Company

Policy Form	Earned Premium	Indicated Rate Level Change	Indicated Premium Effect	Resolved Rate Level Change	Resolved Premium Effect
Homeowners	\$26,320,088	32.3%	\$8,501,400	9.5%	\$2,500,400
Tenants	509,910	17.5%	89,200	10.0%	51,000
Condominium	87,630	0.8%	700	0.0%	0
Subtotal	\$26,917,628	31.9%	\$8,591,300	9.5%	\$2,551,400
<u>Earthquake</u>					
Homeowners	\$560,774	N/A	N/A	50.0%	\$280,400
Tenants	3,173	N/A	N/A	50.0%	1,600
Condominium	2,166	N/A	N/A	50.0%	1,100
<u>Limited WBU</u>					
Homeowners	\$6,958	N/A	N/A	9.5%	\$700
Tenants	409	N/A	N/A	10.0%	0
Condominium	81	N/A	N/A	0.0%	0
<u>Broad WBU</u>					
Homeowners	\$313,789	N/A	N/A	9.5%	\$29,800
Tenants	6,836	N/A	N/A	10.0%	700
Condominium	1,375	N/A	N/A	0.0%	0
<u>Combined</u>					
Homeowners	\$27,201,609	32.3%	\$8,501,400	10.3%	\$2,811,300
Tenants	520,328	17.5%	89,200	10.2%	53,300
Condominium	91,251	0.8%	700	1.2%	1,100
Total	\$27,813,187	31.9%	\$8,591,300	10.3%	\$2,865,700

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Indicated Rate-Level Change Assumed Effective October 23, 2011
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

Fiscal Accident Year Ending	2006/2	2007/2	2008/2	2009/2	2010/2	5-Year
Premium						
1. Current Level Earned Premium	29,930,019	31,853,740	31,921,852	29,629,565	26,994,962	
2. Premium Projection Factor	1.006	0.969	0.955	0.966	0.975	
3. Projected Current Level Earned Premium = (1) × (2)	30,109,599	30,866,274	30,485,369	28,622,160	26,320,088	146,403,490
Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	9,956,694	7,848,784	8,902,375	8,310,116	9,713,311	
5. Non-Weather Loss Projection Factor	1.371	1.340	1.236	1.345	1.132	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	13,650,627	10,517,371	11,003,336	11,177,106	10,995,468	57,343,908
7. Projected Non-Weather Losses and DCC Expense Ratio	45.3%	34.1%	36.1%	39.1%	41.8%	39.2%
8. Projected Weather Losses and DCC Expense	10,921,866	11,233,574	11,035,636	10,391,500	9,558,724	53,141,300
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	36.3%	36.4%	36.2%	36.3%	36.3%	36.3%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	24,572,493	21,750,945	22,038,972	21,568,606	20,554,192	110,827,442
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	81.6%	70.5%	72.3%	75.4%	78.1%	75.7%
12. Experience Year Weights Used Above	15%	15%	20%	25%	25%	
13. Credibility Assigned to Experience						76.1%
14. Trended Permissible Loss and DCC Expense Ratio						58.3%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						71.5%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						104,678,495
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Policies Contemplated in FFEQ Model						24,793
18. Estimated Losses Based on Modeled Results						463,734
19. Selected Prospective Loss Cost Trend						0.0%
20. FFEQ Loss Projection Factor						1.000
21. DCC Expense Ratio to Loss						1.0%
22. Projected FFEQ Losses and DCC Expense = (18) × (20) × [1 + (21)]						468,371
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.3%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	4,305,672	4,413,877	4,359,407	4,092,969	3,763,773	20,935,698
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						126,082,564
26. Permissible Loss and Fixed Expense Ratio						65.5%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						192,492,464
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						31.5%
29. Reinsurance Charge						0.7%
30. Required Premium Including Reinsurance Charge = (27) + ((3) × (29)) + [1 - Commissions - Misc Taxes - Premium Taxes]						193,727,192
31. Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						32.3%

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Indicated Rate-Level Change Assumed Effective October 23, 2011
Tenants / HO-4 (NC)**

Fiscal Accident Year Ending	2006/2	2007/2	2008/2	2009/2	2010/2	5-Year
Premium						
1. Current Level Earned Premium	550,445	557,181	583,342	617,902	576,170	
2. Premium Projection Factor	0.857	0.853	0.849	0.847	0.885	
3. Projected Current Level Earned Premium = (1) × (2)	471,731	475,275	495,257	523,363	509,910	2,475,536
Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	128,110	232,311	127,438	310,653	410,121	
5. Non-Weather Loss Projection Factor	1.089	1.319	1.765	1.641	1.235	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	139,512	306,418	224,928	509,782	506,499	1,687,139
7. Projected Non-Weather Losses and DCC Expense Ratio	29.6%	64.5%	45.4%	97.4%	99.3%	68.2%
8. Projected Weather Losses and DCC Expense	16,599	16,853	17,672	18,669	18,114	87,907
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	3.5%	3.5%	3.6%	3.6%	3.6%	3.6%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	156,111	323,271	242,600	528,451	524,613	2,076,975
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	33.1%	68.0%	49.0%	101.0%	102.9%	83.9%
12. Experience Year Weights Used Above	10%	10%	15%	25%	40%	
13. Credibility Assigned to Experience						27.2%
14. Trended Permissible Loss and DCC Expense Ratio						39.3%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						51.4%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						1,272,426
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Policies Contemplated in FFEQ Model						1,984
18. Estimated Losses Based on Modeled Results						15,214
19. Selected Prospective Loss Cost Trend						9.0%
20. FFEQ Loss Projection Factor						1.425
21. DCC Expense Ratio to Loss						1.0%
22. Projected FFEQ Losses and DCC Expense = (18) × (20) × [1 + (21)]						21,897
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.9%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	116,046	116,917	121,833	128,747	125,438	608,981
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						1,903,304
26. Permissible Loss and Fixed Expense Ratio						65.5%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						2,905,808
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						17.4%
29. Reinsurance Charge						0.1%
30. Required Premium Including Reinsurance Charge = (27) + ((3) × (29)) + [1 - Commissions - Misc Taxes - Premium Taxes]						2,908,791
31. Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						17.5%

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Indicated Rate-Level Change Assumed Effective October 23, 2011
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Fiscal Accident Year Ending	2006/2	2007/2	2008/2	2009/2	2010/2	5-Year
Premium						
1. Current Level Earned Premium	111,055	116,083	115,428	104,545	95,354	
2. Premium Projection Factor	0.866	0.874	0.877	0.892	0.919	
3. Projected Current Level Earned Premium = (1) × (2)	96,174	101,457	101,230	93,254	87,630	479,745
Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	238,971	72,850	30,524	29,204	65,483	
5. Non-Weather Loss Projection Factor	0.659	1.178	1.210	1.692	1.200	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	157,482	85,817	36,934	49,413	78,580	408,226
7. Projected Non-Weather Losses and DCC Expense Ratio	163.7%	84.6%	36.5%	53.0%	89.7%	85.1%
8. Projected Weather Losses and DCC Expense	4,373	4,626	4,609	4,255	4,003	21,866
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	4.5%	4.6%	4.6%	4.6%	4.6%	4.6%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	161,855	90,443	41,543	53,668	82,583	389,073
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	168.3%	89.1%	41.0%	57.6%	94.2%	81.1%
12. Experience Year Weights Used Above	10%	15%	20%	25%	30%	
13. Credibility Assigned to Experience						4.9%
14. Trended Permissible Loss and DCC Expense Ratio						43.5%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						45.3%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						217,324
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Policies Contemplated in FFEQ Model						253
18. Estimated Losses Based on Modeled Results						1,516
19. Selected Prospective Loss Cost Trend						0.0%
20. FFEQ Loss Projection Factor						1,000
21. DCC Expense Ratio to Loss						1.0%
22. Projected FFEQ Losses and DCC Expense = (18) × (20) × [1 + (21)]						1,531
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.3%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	19,523	20,596	20,550	18,931	17,789	97,389
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						316,244
26. Permissible Loss and Fixed Expense Ratio						65.5%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						482,815
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						0.6%
29. Reinsurance Charge						0.1%
30. Required Premium Including Reinsurance Charge = (27) + ((3) × (29)) + [1 - Commissions - Misc Taxes - Premium Taxes]						483,393
31. Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						0.8%

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Premium Projection Factors
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Premium Trend	0.8%	-0.2%	-1.1%	-0.9%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	1.032	0.994	0.978	0.991	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
7. Average Earned Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
8. Years of Trend = (7) - (6)	2.814	2.814	2.814	2.814	2.814
9. Selected Premium Trend	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%
10. Present-to-Future Factor = $[1+(9)](8)$	0.975	0.975	0.975	0.975	0.975
Water Backup Adjustment					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.000	1.000	1.001	1.000	1.000
Past-to-Future Adjustments					
13. Premium Projection Factor = (5) × (10) × (12)	1.006	0.969	0.955	0.966	0.975

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Premium Projection Factors
Tenants / HO-4 (NC)**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Premium Trend	-0.8%	-1.2%	-2.0%	-4.3%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	0.968	0.964	0.960	0.957	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
7. Average Earned Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
8. Years of Trend = (7) - (6)	2.814	2.814	2.814	2.814	2.814
9. Selected Premium Trend	-4.3%	-4.3%	-4.3%	-4.3%	-4.3%
10. Present-to-Future Factor = $[1+(9)](8)$	0.884	0.884	0.884	0.884	0.884
Water Backup Adjustment					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.001	1.001	1.001	1.001	1.001
Past-to-Future Adjustments					
13. Premium Projection Factor = (5) × (10) × (12)	0.857	0.853	0.849	0.847	0.885

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Premium Projection Factors
Condominiums / HO-6 (NC), Comprehensive Condominiums**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Premium Trend	-1.5%	-1.7%	-2.4%	-3.0%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	0.941	0.950	0.953	0.970	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
7. Average Earned Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
8. Years of Trend = (7) - (6)	2.814	2.814	2.814	2.814	2.814
9. Selected Premium Trend	-3.0%	-3.0%	-3.0%	-3.0%	-3.0%
10. Present-to-Future Factor = $[1+(9)](8)$	0.918	0.918	0.918	0.918	0.918
Water Backup Adjustment					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.002	1.002	1.002	1.002	1.001
Past-to-Future Adjustments					
13. Premium Projection Factor = (5) × (10) × (12)	0.866	0.874	0.877	0.892	0.919

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Loss Projection Factors
Non-Weather
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Severity Trend	2.6%	7.6%	10.0%	27.9%	0.0%
5. Selected Frequency Trend	2.2%	-1.7%	-5.0%	-7.1%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	4.9%	5.8%	4.5%	18.8%	0.0%
7. Past-to-Present Factor = [1+(6)](3)	1.211	1.184	1.092	1.188	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
9. Average Loss Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
10. Years of Trend = (9) - (8)	2.814	2.814	2.814	2.814	2.814
11. Selected Severity Trend	4.5%	4.5%	4.5%	4.5%	4.5%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	4.5%	4.5%	4.5%	4.5%	4.5%
14. Present-to-Future Factor = [1+(13)](10)	1.132	1.132	1.132	1.132	1.132
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.371	1.340	1.236	1.345	1.132

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Loss Projection Factors
Non-Weather
Tenants / HO-4 (NC)**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Severity Trend	-17.0%	-9.2%	16.7%	26.3%	0.0%
5. Selected Frequency Trend	16.7%	12.5%	2.4%	5.2%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	-3.1%	2.2%	19.5%	32.9%	0.0%
7. Past-to-Present Factor = [1+(6)](3)	0.882	1.068	1.429	1.329	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
9. Average Loss Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
10. Years of Trend = (9) - (8)	2.814	2.814	2.814	2.814	2.814
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	7.8%	7.8%	7.8%	7.8%	7.8%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	7.8%	7.8%	7.8%	7.8%	7.8%
14. Present-to-Future Factor = [1+(13)](10)	1.235	1.235	1.235	1.235	1.235
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.089	1.319	1.765	1.641	1.235

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Loss Projection Factors
Non-Weather
Condominiums / HO-6 (NC), Comprehensive Condominiums**

	Fiscal Calendar Year Ending				
	2006/2	2007/2	2008/2	2009/2	2010/2
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
2. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.000	0.000
4. Selected Severity Trend	-14.3%	-14.6%	-21.1%	11.0%	0.0%
5. Selected Frequency Trend	0.5%	16.4%	27.3%	27.0%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	-13.9%	-0.6%	0.4%	41.0%	0.0%
7. Past-to-Present Factor = [1+(6)](3)	0.549	0.982	1.008	1.410	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
9. Average Loss Date for Assumed Effective Period	10/23/2012	10/23/2012	10/23/2012	10/23/2012	10/23/2012
10. Years of Trend = (9) - (8)	2.814	2.814	2.814	2.814	2.814
11. Selected Severity Trend	4.4%	4.4%	4.4%	4.4%	4.4%
12. Selected Frequency Trend	2.2%	2.2%	2.2%	2.2%	2.2%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	6.7%	6.7%	6.7%	6.7%	6.7%
14. Present-to-Future Factor = [1+(13)](10)	1.200	1.200	1.200	1.200	1.200
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	0.659	1.178	1.210	1.692	1.200

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Exponential Regression on Four Quarter Ending Trend Data as of September 30, 2010
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

Average Paid Cost

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	6.9%	0.392	0.16	6.5%		7.8%	0.953		7.7%
23	5.9%	0.317	0.14			7.5%	0.953		7.3%
22	5.0%	0.240	0.14			7.4%	0.948		7.1%
21	3.5%	0.142	0.15			7.2%	0.941		6.6%
20	2.6%	0.078	0.16	-0.2%		7.1%	0.932		6.4%
19	2.8%	0.079	0.16		4.1%	7.0%	0.921	4.5%	6.3%
18	3.8%	0.122	0.16		4.0%	6.7%	0.909	4.6%	6.2%
17	5.7%	0.248	0.14		3.7%	6.2%	0.915	4.7%	6.1%
16	7.6%	0.363	0.12	7.5%	3.4%	5.7%	0.919	4.7%	5.9%
15	9.0%	0.416	0.09		3.0%	5.2%	0.926	4.6%	5.5%
14	9.3%	0.379	0.06		2.6%	4.7%	0.934	4.3%	5.0%
13	9.0%	0.315	0.04		2.4%	4.4%	0.928	3.4%	4.6%
12	10.0%	0.314	0.05	13.7%	2.6%	4.4%	0.910	2.4%	4.7%
11	14.1%	0.461	0.06		4.1%	4.4%	0.886	1.6%	5.0%
10	17.9%	0.544	0.07		6.6%	4.4%	0.852	1.9%	5.3%
9	24.5%	0.704	0.10		6.9%	4.3%	0.801	2.5%	6.3%
8	27.9%	0.696	0.08		8.5%	3.5%	0.729	3.4%	5.5%
7	18.4%	0.566	0.10		13.0%	2.7%	0.597	4.7%	4.3%
6	9.6%	0.306	0.14		24.1%	2.9%	0.524	4.3%	3.8%
5	2.1%	0.020	0.17		34.3%	4.0%	0.580	3.4%	3.7%
4	-10.9%	0.676	0.02		50.7%	7.5%	0.995	2.4%	7.1%
3	-15.2%	0.699	#####		75.0%	8.1%	1.000	0.2%	#DIV/0!

Paid Claim Frequency

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	1.8%	0.121	0.30	4.1%		1.3%	0.415		1.5%
23	2.5%	0.239	0.25			1.7%	0.617		1.9%
22	2.8%	0.256	0.23			1.9%	0.668		2.1%
21	2.7%	0.215	0.23			2.0%	0.664		2.2%
20	2.2%	0.141	0.23	3.8%		2.1%	0.658		2.1%
19	0.8%	0.030	0.31		23.3%	2.2%	0.640	5.6%	1.8%
18	-0.3%	0.004	0.37		21.7%	2.3%	0.655	5.9%	1.3%
17	-1.1%	0.076	0.41		20.8%	2.5%	0.670	6.2%	1.0%
16	-1.7%	0.157	0.44	4.0%	23.5%	2.7%	0.659	7.3%	0.8%
15	-2.1%	0.215	0.45		27.3%	2.8%	0.637	9.0%	0.6%
14	-2.6%	0.265	0.47		32.0%	2.7%	0.578	9.9%	0.2%
13	-3.8%	0.470	0.55		36.2%	2.5%	0.491	10.6%	-1.0%
12	-5.0%	0.646	0.64	-1.3%	32.4%	2.2%	0.377	10.1%	-2.4%
11	-6.5%	0.846	0.80		21.9%	1.8%	0.256	8.7%	-4.8%
10	-7.0%	0.843	0.81		3.0%	1.5%	0.156	5.3%	-5.4%
9	-7.3%	0.817	0.81		-15.7%	1.0%	0.057	0.3%	-5.7%
8	-7.1%	0.747	0.79		-23.1%	0.1%	0.001	-5.1%	-5.6%
7	-4.8%	0.711	0.89		-30.7%	-1.5%	0.098	-11.2%	-4.4%
6	-4.1%	0.550	0.83		-37.6%	-3.9%	0.474	-14.7%	-4.1%
5	-3.2%	0.313	0.66		-34.0%	-6.7%	0.808	-16.8%	-4.4%
4	0.0%	0.000	0.06		-46.9%	-9.8%	0.996	-16.4%	-9.2%
3	5.3%	0.603	0.14		-55.3%	-10.3%	0.994	-8.7%	-8.1%

Paid Pure Premium

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	8.8%	0.577	0.15	10.9%		9.3%	0.970		9.2%
23	8.6%	0.538	0.15			9.4%	0.968		9.3%
22	8.0%	0.478	0.16			9.4%	0.964		9.2%
21	6.3%	0.404	0.19			9.4%	0.958		8.8%
20	4.8%	0.310	0.22	3.6%		9.3%	0.952		8.3%
19	3.6%	0.208	0.24		28.4%	9.3%	0.944	10.4%	7.9%
18	3.5%	0.174	0.25		26.6%	9.2%	0.934	10.7%	7.8%
17	4.6%	0.252	0.25		25.3%	8.9%	0.925	11.1%	7.8%
16	5.8%	0.336	0.26	11.8%	27.7%	8.5%	0.913	12.3%	7.8%
15	6.7%	0.366	0.26		31.1%	8.1%	0.897	14.0%	7.7%
14	6.4%	0.301	0.23		35.4%	7.6%	0.880	14.6%	7.3%
13	4.8%	0.180	0.23		39.5%	7.0%	0.855	14.4%	6.5%
12	4.5%	0.133	0.22	12.2%	35.8%	6.7%	0.815	12.8%	6.2%
11	6.7%	0.221	0.24		26.9%	6.3%	0.760	10.4%	6.4%
10	9.6%	0.339	0.27		9.7%	5.9%	0.686	7.3%	6.9%
9	15.4%	0.609	0.37		-9.8%	5.3%	0.576	2.8%	9.0%
8	18.9%	0.653	0.34		-16.5%	3.7%	0.395	-1.8%	8.9%
7	12.8%	0.482	0.23		-21.7%	1.2%	0.100	-7.1%	3.9%
6	5.1%	0.176	0.13		-22.5%	-1.1%	0.203	-11.0%	-0.3%
5	-1.1%	0.011	0.00		-11.4%	-3.0%	0.986	-13.9%	-3.0%
4	-10.9%	0.883	0.05		-20.0%	-3.1%	0.974	-14.5%	-3.5%
3	-10.7%	0.744	0.05		-21.8%	-3.0%	0.936	-8.5%	-3.4%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$, where $K=K \cdot [(1-R2STATE)S2STATE] / [(1-R2COUNTRYWIDE)S2COUNTRYWIDE]$, N is the latest year's earned exposures (22,412), and K=5,000 is the credibility constant for the selected policy forms.

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Exponential Regression on Four Quarter Ending Trend Data as of September 30, 2010
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)

Average Paid Cost

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	-14.4%	0.426	0.03	-7.9%		2.9%	0.423		2.4%
23	-16.0%	0.474	0.04			2.7%	0.358		2.0%
22	-16.8%	0.471	0.03			2.3%	0.287		1.7%
21	-17.0%	0.443	0.03			1.8%	0.198		1.2%
20	-17.0%	0.407	0.03	-1.1%		1.2%	0.099		0.7%
19	-16.9%	0.369	0.02		-1.4%	0.6%	0.031	1.5%	0.3%
18	-16.4%	0.318	0.02		-0.7%	0.5%	0.014	1.7%	0.2%
17	-14.1%	0.231	0.02		-0.1%	0.4%	0.008	2.0%	0.1%
16	-9.2%	0.112	0.04	11.9%		0.1%	0.000	2.4%	-0.3%
15	-5.0%	0.032	0.05		2.5%	-0.5%	0.012	3.0%	-0.7%
14	1.3%	0.002	0.05		3.7%	-1.8%	0.144	3.2%	-1.6%
13	9.6%	0.120	0.06		3.6%	-2.9%	0.322	3.3%	-2.2%
12	16.7%	0.284	0.08	51.4%	2.9%	-3.0%	0.298	3.2%	-1.4%
11	26.6%	0.528	0.12		3.1%	-2.9%	0.236	3.3%	0.6%
10	36.0%	0.672	0.15		2.7%	-2.2%	0.122	3.3%	3.5%
9	36.1%	0.600	0.13		5.0%	-1.0%	0.023	3.3%	3.8%
8	26.3%	0.431	0.11		11.1%	0.9%	0.014	3.8%	3.7%
7	17.5%	0.220	0.08		19.7%	3.8%	0.207	4.0%	4.9%
6	6.6%	0.033	0.08		39.4%	6.4%	0.362	4.1%	6.4%
5	-11.5%	0.101	0.02		57.3%	13.5%	0.873	4.5%	13.0%
4	18.4%	0.227	0.02		61.8%	18.2%	0.956	3.3%	18.2%
3	66.2%	0.835	0.07		82.2%	15.6%	0.897	1.4%	19.1%

Paid Claim Frequency

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	13.3%	0.633	0.03	17.4%		7.1%	0.960		7.3%
23	14.0%	0.636	0.02			7.3%	0.963		7.4%
22	14.8%	0.636	0.03			7.4%	0.959		7.6%
21	15.8%	0.642	0.03			7.4%	0.954		7.7%
20	16.7%	0.643	0.03	27.8%		7.5%	0.947		7.8%
19	17.9%	0.647	0.03		6.9%	7.4%	0.939	-1.6%	7.7%
18	17.7%	0.603	0.03		7.2%	7.4%	0.928	-1.4%	7.7%
17	16.3%	0.536	0.03		7.9%	7.4%	0.917	-1.1%	7.7%
16	12.5%	0.448	0.04	12.8%	8.7%	7.6%	0.906	-0.5%	7.8%
15	8.9%	0.330	0.04		9.4%	7.8%	0.896	-0.1%	7.8%
14	6.4%	0.200	0.05		10.1%	7.8%	0.874	-0.3%	7.7%
13	3.2%	0.064	0.05		10.2%	7.3%	0.844	-0.6%	7.1%
12	2.4%	0.030	0.05	17.1%	8.8%	6.7%	0.806	-1.1%	6.5%
11	2.7%	0.030	0.04		6.9%	6.0%	0.751	-1.7%	5.9%
10	2.8%	0.024	0.04		4.2%	5.1%	0.670	-2.3%	5.0%
9	1.5%	0.005	0.03		0.4%	4.3%	0.547	-3.4%	4.2%
8	5.2%	0.044	0.03		-2.9%	3.0%	0.358	-5.7%	3.1%
7	9.3%	0.090	0.02		-7.2%	1.5%	0.114	-8.3%	1.7%
6	16.6%	0.166	0.02		-13.9%	-0.2%	0.002	-10.5%	0.1%
5	53.8%	0.873	0.04		-15.1%	-3.3%	0.488	-11.7%	-1.0%
4	64.0%	0.843	0.02		-19.3%	-5.5%	0.728	-10.2%	-4.1%
3	107.2%	0.958	0.06		-22.2%	-8.2%	0.812	-5.2%	-1.3%

Paid Pure Premium

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	-3.0%	0.054	0.04	8.1%		10.3%	0.911		9.8%
23	-4.2%	0.098	0.04			10.2%	0.899		9.6%
22	-4.5%	0.095	0.04			9.9%	0.885		9.3%
21	-3.9%	0.065	0.04			9.4%	0.874		8.9%
20	-3.1%	0.036	0.03	26.4%		8.7%	0.868		8.3%
19	-2.0%	0.014	0.03		5.4%	8.1%	0.857	-0.1%	7.8%
18	-1.6%	0.008	0.03		6.5%	7.9%	0.832	0.2%	7.6%
17	-0.1%	0.000	0.03		7.8%	7.8%	0.805	0.9%	7.6%
16	2.1%	0.010	0.03	26.2%	10.1%	7.7%	0.769	1.9%	7.5%
15	3.5%	0.022	0.03		12.1%	7.2%	0.720	2.9%	7.1%
14	7.8%	0.092	0.02		14.2%	5.8%	0.690	3.0%	5.8%
13	13.1%	0.211	0.01		14.2%	4.3%	0.722	2.6%	4.4%
12	19.6%	0.353	0.01	77.2%	11.9%	3.5%	0.666	2.1%	3.7%
11	30.1%	0.605	0.01		10.2%	2.8%	0.567	1.5%	3.1%
10	39.8%	0.741	0.02		7.0%	2.8%	0.486	0.9%	3.5%
9	38.2%	0.663	0.02		5.5%	3.2%	0.491	-0.2%	3.9%
8	32.8%	0.532	0.02		7.9%	3.9%	0.521	-2.1%	4.5%
7	28.5%	0.378	0.01		11.2%	5.3%	0.654	-4.7%	5.5%
6	24.3%	0.226	0.01		20.0%	6.2%	0.634	-6.9%	6.4%
5	36.1%	0.264	0.00		33.5%	9.8%	0.881	-7.8%	9.8%
4	94.2%	0.615	0.00		30.5%	11.7%	0.876	-7.2%	11.7%
3	244.3%	0.914	0.00		41.6%	6.2%	0.981	-3.8%	6.2%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$, where $K=K[(1-R2STATE)S2STATE] / [(1-R2COUNTRYWIDE)S2COUNTRYWIDE]$. N is the latest year's earned exposures (1,923), and K=1,000 is the credibility constant for the selected policy forms.

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Exponential Regression on Four Quarter Ending Trend Data as of September 30, 2010
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums

Average Paid Cost

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	-4.1%	0.046	0.00	-15.5%		4.9%	0.697		4.9%
23	-5.7%	0.083	0.00			4.5%	0.657		4.5%
22	-9.6%	0.257	0.00			4.1%	0.609		4.1%
21	-11.7%	0.344	0.00			3.4%	0.572		3.4%
20	-14.3%	0.470	0.00	-31.6%		2.9%	0.507		2.9%
19	-15.9%	0.504	0.00		-0.8%	2.5%	0.426	7.9%	2.5%
18	-16.1%	0.474	0.00		1.5%	2.1%	0.336	8.8%	2.1%
17	-16.1%	0.429	0.00		2.9%	2.2%	0.305	9.5%	2.2%
16	-14.6%	0.345	0.00	-19.5%	4.7%	2.4%	0.309	9.8%	2.4%
15	-14.1%	0.287	0.00		6.2%	2.6%	0.314	9.6%	2.6%
14	-19.9%	0.529	0.01		6.7%	3.1%	0.364	8.8%	2.9%
13	-21.5%	0.525	0.00		9.4%	3.7%	0.414	7.1%	3.7%
12	-21.1%	0.456	0.00	-5.5%	11.9%	4.4%	0.460	6.0%	4.4%
11	-17.8%	0.324	0.00		15.1%	5.3%	0.500	5.3%	5.3%
10	-11.1%	0.144	0.01		16.6%	6.8%	0.618	4.8%	6.6%
9	-0.4%	0.000	0.01		15.8%	8.6%	0.722	5.0%	8.5%
8	11.0%	0.166	0.01		15.5%	10.3%	0.771	5.1%	10.3%
7	27.1%	0.682	0.01		11.4%	14.0%	0.942	4.7%	14.1%
6	31.6%	0.655	0.01		9.9%	15.4%	0.939	3.5%	15.6%
5	25.2%	0.442	0.01		12.0%	17.0%	0.930	2.2%	17.1%
4	11.2%	0.102	0.01		13.3%	19.5%	0.918	-0.8%	19.4%
3	19.7%	0.120	0.01		15.3%	19.9%	0.823	-2.3%	19.9%

Paid Claim Frequency

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	2.0%	0.013	0.00	5.9%		2.7%	0.672		2.7%
23	1.9%	0.011	0.00			3.1%	0.770		3.1%
22	0.9%	0.002	0.00			3.2%	0.769		3.2%
21	0.4%	0.000	0.00			3.3%	0.764		3.3%
20	0.5%	0.000	0.00	5.7%		3.5%	0.761		3.5%
19	4.0%	0.031	0.00		10.6%	3.7%	0.765	-13.0%	3.7%
18	8.9%	0.146	0.00		10.6%	3.9%	0.777	-13.6%	3.9%
17	13.1%	0.271	0.00		11.4%	4.0%	0.758	-12.9%	4.0%
16	16.4%	0.344	0.00	26.1%	12.2%	3.7%	0.710	-11.1%	3.7%
15	14.4%	0.258	0.00		14.2%	3.4%	0.648	-8.0%	3.4%
14	13.2%	0.196	0.00		15.0%	2.9%	0.567	-4.9%	2.9%
13	19.8%	0.342	0.00		13.2%	2.5%	0.463	-3.0%	2.5%
12	27.3%	0.479	0.00	66.2%	9.5%	2.1%	0.345	-2.2%	2.1%
11	35.3%	0.580	0.00		8.0%	1.8%	0.234	-1.6%	1.8%
10	47.6%	0.724	0.01		7.5%	1.5%	0.140	-1.0%	2.0%
9	33.4%	0.664	0.01		6.2%	0.4%	0.012	-1.0%	0.7%
8	27.0%	0.524	0.01		7.3%	-0.3%	0.005	-1.9%	0.0%
7	11.8%	0.299	0.00		9.6%	-2.6%	0.360	-3.5%	-2.6%
6	3.3%	0.034	0.01		15.2%	-3.7%	0.482	-6.2%	-3.6%
5	-2.8%	0.018	0.00		30.6%	-5.7%	0.676	-7.5%	-5.7%
4	-17.4%	0.501	0.00		55.8%	-8.4%	0.831	-7.0%	-8.4%
3	4.3%	0.986	0.79		79.0%	-4.4%	0.712	-4.0%	2.5%

Paid Pure Premium

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted NW Calendar Year Ending 2010/3	
	NW Calendar Year Ending 2010/3	R ²	Z*	NW Accident Year Ending 2010/2	Non-NW Fast Track Ending 2010/2	NW Calendar Year Ending 2010/3	R ²		Non-NW Fast Track Ending 2010/2
24	-2.2%	0.007	0.00	-10.5%		7.7%	0.937		7.7%
23	-3.9%	0.021	0.00			7.7%	0.929		7.7%
22	-8.7%	0.122	0.00			7.4%	0.923		7.4%
21	-11.3%	0.186	0.00			6.8%	0.947		6.8%
20	-13.9%	0.254	0.00	-27.7%		6.5%	0.951		6.5%
19	-12.5%	0.192	0.00		9.7%	6.3%	0.947	-6.2%	6.3%
18	-8.7%	0.098	0.00		12.3%	6.1%	0.937	-6.0%	6.1%
17	-5.0%	0.032	0.00		14.6%	6.3%	0.932	-4.6%	6.3%
16	-0.5%	0.000	0.00	1.5%	17.4%	6.2%	0.918	-2.4%	6.2%
15	-1.7%	0.003	0.00		21.3%	6.1%	0.901	0.8%	6.1%
14	-9.3%	0.096	0.00		22.8%	6.1%	0.882	3.5%	6.1%
13	-5.9%	0.034	0.00		23.8%	6.3%	0.867	3.9%	6.3%
12	0.4%	0.000	0.00	57.2%	22.5%	6.6%	0.858	3.7%	6.6%
11	11.2%	0.097	0.00		24.3%	7.1%	0.857	3.6%	7.1%
10	31.3%	0.712	0.00		25.3%	8.3%	0.924	3.8%	8.3%
9	32.9%	0.665	0.00		23.0%	9.0%	0.928	3.9%	9.0%
8	40.9%	0.717	0.00		24.0%	10.0%	0.942	3.1%	10.0%
7	42.2%	0.640	0.00		22.1%	11.1%	0.953	1.0%	11.1%
6	36.0%	0.470	0.00		26.7%	11.1%	0.927	-2.9%	11.1%
5	21.6%	0.196	0.00		46.2%	10.4%	0.872	-5.4%	10.4%
4	-8.1%	0.044	0.00		76.6%	9.4%	0.750	-7.7%	9.4%
3	24.9%	0.175	0.00		106.4%	14.6%	0.857	-6.2%	14.6%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$, where $K=K[(1-R2STATE)s2STATE][(1-R2COUNTRYWIDE)s2COUNTRYWIDE]$, N is the latest year's earned exposures (0,236), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Calendar Year Loss Trends
Non-Weather Losses , With Losses Capped at \$250,000**

Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2005/4	9,437	2.300	7,974	2.467
2006/1	10,321	2.556	8,008	2.506
2006/2	11,097	2.742	7,967	2.507
2006/3	10,273	2.900	8,300	2.487
2006/4	9,373	2.986	8,574	2.484
2007/1	8,398	3.019	8,864	2.460
2007/2	8,247	2.912	9,187	2.457
2007/3	9,106	2.998	9,520	2.472
2007/4	10,221	3.028	9,638	2.509
2008/1	9,454	3.230	9,723	2.549
2008/2	9,686	3.233	9,826	2.561
2008/3	8,475	3.245	9,801	2.579
2008/4	7,127	3.290	10,022	2.584
2009/1	8,492	3.051	10,358	2.624
2009/2	9,823	2.991	10,467	2.687
2009/3	10,435	2.966	10,559	2.733
2009/4	11,873	2.886	10,332	2.774
2010/1	12,063	2.783	10,482	2.715
2010/2	11,045	2.871	10,690	2.633
2010/3	11,108	2.856	10,898	2.572

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Calendar Year Loss Trends
Non-Weather Losses , With Losses Capped at \$60,000
Tenants / HO-4 (NC)**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2005/4	8,014	1.693	3,783	1.431
2006/1	8,227	1.435	4,074	1.459
2006/2	9,671	1.361	4,152	1.500
2006/3	11,006	1.190	4,089	1.537
2006/4	7,952	1.415	4,017	1.564
2007/1	7,583	1.744	3,909	1.561
2007/2	6,679	1.844	4,110	1.551
2007/3	4,856	2.318	4,450	1.584
2007/4	4,542	2.510	4,494	1.631
2008/1	3,711	2.486	4,563	1.678
2008/2	2,719	2.396	4,518	1.733
2008/3	2,450	2.769	4,450	1.767
2008/4	3,038	2.625	4,370	1.816
2009/1	3,472	2.593	4,177	1.866
2009/2	3,792	2.922	4,222	1.889
2009/3	5,894	2.069	3,975	1.956
2009/4	4,652	2.290	3,916	1.972
2010/1	4,113	2.312	4,166	1.965
2010/2	4,235	2.596	4,229	1.958
2010/3	5,302	3.328	4,480	1.883

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Calendar Year Loss Trends
Non-Weather Losses , With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2005/4	7,060	5.058	3,871	2.415
2006/1	8,850	5.019	3,990	2.432
2006/2	9,032	3.831	4,257	2.386
2006/3	10,155	3.053	4,349	2.309
2006/4	8,217	1.880	4,354	2.339
2007/1	4,343	2.206	4,427	2.377
2007/2	7,306	3.636	4,410	2.439
2007/3	8,376	3.226	4,387	2.494
2007/4	9,231	2.867	4,367	2.540
2008/1	9,016	2.888	4,439	2.574
2008/2	7,966	1.455	4,385	2.545
2008/3	6,109	2.214	4,302	2.629
2008/4	5,295	2.264	4,398	2.592
2009/1	3,907	3.089	4,177	2.718
2009/2	3,704	3.557	4,264	2.720
2009/3	4,029	3.629	4,371	2.740
2009/4	4,887	4.490	4,456	2.811
2010/1	5,157	3.734	4,707	2.670
2010/2	4,366	3.782	4,749	2.673
2010/3	5,643	3.814	5,154	2.611

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Non-Hurricane Wind and Hail Only Pure Premium
***Based on Wind and Hail Losses less Hurricane Losses**
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1996/3	14,352	5,300	2.667	14,135	0	11.302	1.057	11.946	0	599.01	1,688.57
1997/3	15,888	3,981	2.514	10,008	1	3.701	1.053	3.897	1	147.34	390.01
1998/3	17,527	2,387	2.369	5,655	1	2.819	1.049	2.957	1	67.29	167.22
1999/3	19,180	2,948	2.233	6,583	1	7.987	1.045	8.346	1	235.46	549.42
2000/3	20,464	2,467	2.105	5,193	1	3.386	1.041	3.525	1	83.53	183.05
2001/3	21,504	1,826	1.984	3,623	1	4.990	1.037	5.175	1	91.12	187.49
2002/3	21,848	3,314	1.870	6,197	1	5.177	1.032	5.343	1	171.57	331.11
2003/3	22,838	3,847	1.762	6,778	1	3.928	1.028	4.038	1	151.11	273.70
2004/3	24,283	2,778	1.661	4,614	1	3.756	1.024	3.846	1	104.34	177.45
2005/3	25,103	3,192	1.565	4,995	1	1.984	1.020	2.024	1	63.33	101.10
2006/3	26,349	6,048	1.475	8,921	1	5.829	1.016	5.922	1	352.54	528.30
2007/3	26,917	4,106	1.390	5,707	1	2.040	1.012	2.064	1	83.76	117.79
2008/3	26,040	6,287	1.311	8,242	1	10.545	1.008	10.629	1	662.96	876.04
2009/3	24,375	6,888	1.235	8,507	1	6.983	1.004	7.011	1	480.99	596.43
2010/3	22,412	6,085	1.164	7,083	1	3.730	1.000	3.730	1	226.97	264.20
Wtd Avg		4,011		6,579		4.775		4.893		191.53	321.91

	Retro	Pro		Selected
Severity Trend	6.1%	6.1%	A. Selected Weather Severity:	6,579
Frequency Trend	0.4%	0.0%	B. Selected Weather Frequency (per 100):	4.893
Pure Premium Trend	6.5%	6.1%	C. Wind/Hail Pure Premium = (A) × (B) + 100:	321.91

1. Wind and Hail Earned Exposures
2. Wind and Hail severity, excluding hurricane losses
3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) + (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and Hail frequency per 100 exposures, excluding hurricane losses
7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) + (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) + 100
11. = (4) × (8) + 100

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
***Determination of Non-Hurricane, Non-Wind, and Non-Hail Pure Premium**
Based on Total Weather Losses less Wind and Hail and Hurricane Losses
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1996/3	14,352	1,402	7.812	10,952	1	2.069	0.540	1.117	1	29.01	122.33
1997/3	15,888	1,338	6.852	9,168	1	2.033	0.565	1.149	1	27.20	105.34
1998/3	17,527	1,898	6.011	11,409	1	1.689	0.590	0.997	1	32.06	113.75
1999/3	19,180	1,447	5.273	7,630	1	1.887	0.617	1.164	1	27.30	88.81
2000/3	20,464	1,987	4.625	9,190	1	1.632	0.644	1.051	1	32.43	96.59
2001/3	21,504	1,923	4.057	7,802	1	2.334	0.673	1.571	1	44.88	122.57
2002/3	21,848	2,032	3.559	7,232	1	1.423	0.704	1.002	1	28.92	72.46
2003/3	22,838	1,722	3.122	5,376	1	1.594	0.735	1.172	1	27.45	63.01
2004/3	24,283	3,978	2.738	10,892	1	1.050	0.768	0.806	1	41.77	87.79
2005/3	25,103	2,232	2.402	5,361	1	1.183	0.803	0.950	1	26.40	50.93
2006/3	26,349	4,707	2.107	9,918	1	0.922	0.839	0.774	1	43.40	76.77
2007/3	26,917	5,460	1.848	10,090	1	0.832	0.876	0.729	1	45.43	73.56
2008/3	26,040	7,997	1.621	12,963	1	1.094	0.916	1.002	1	87.49	129.89
2009/3	24,375	6,806	1.422	9,678	1	1.621	0.957	1.551	0	110.33	150.11
2010/3	22,412	5,242	1.248	6,542	1	1.588	1.000	1.588	1	83.24	103.89
Wtd Avg		3,345		8,947		1.524		1.077		50.98	96.36

	Retro	Pro		Selected
Severity Trend	14.0%	9.0%	A. Selected Weather Severity:	8,947
Frequency Trend	-4.3%	0.0%	B. Selected Weather Frequency (per 100):	1.077
Pure Premium Trend	9.1%	9.0%	C. Other Weather Pure Premium = (A) × (B) ÷ 100:	96.36

1. Earned Exposures
2. Non-Wind and Hail severity, excluding hurricane losses
3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) ÷ (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Non-Wind and Hail frequency per 100 exposures, excluding hurricane losses
7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) ÷ (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) ÷ 100
11. = (4) × (8) ÷ 100

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Determination of Non-Hurricane Weather Pure Premium
Based on Total Weather Losses less Hurricane Losses
Tenants / HO-4 (NC)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1996/3	1,135	3,928	1.750	6,874	0	1.322	0.653	0.863	1	51.93	59.32
1997/3	1,166	1,622	1.687	2,736	1	0.943	0.673	0.635	1	15.30	17.37
1998/3	1,246	783	1.627	1,274	1	0.562	0.694	0.390	1	4.40	4.97
1999/3	1,610	551	1.569	865	1	0.621	0.715	0.444	1	3.42	3.84
2000/3	2,077	823	1.513	1,245	1	0.481	0.737	0.354	1	3.96	4.41
2001/3	2,111	679	1.459	991	1	1.042	0.760	0.792	1	7.08	7.85
2002/3	1,877	2,133	1.407	3,001	1	0.799	0.784	0.626	1	17.04	18.79
2003/3	1,660	1,714	1.357	2,326	1	0.542	0.808	0.438	1	9.29	10.19
2004/3	1,633	1,646	1.308	2,153	1	0.245	0.833	0.204	1	4.03	4.39
2005/3	1,693	853	1.262	1,076	1	0.473	0.859	0.406	1	4.03	4.37
2006/3	1,764	1,358	1.217	1,653	1	0.454	0.885	0.402	1	6.17	6.65
2007/3	1,812	652	1.173	765	1	0.386	0.913	0.352	1	2.52	2.69
2008/3	1,914	1,603	1.131	1,813	1	1.045	0.941	0.983	1	16.75	17.82
2009/3	1,982	2,201	1.091	2,401	1	1.312	0.970	1.273	0	28.88	30.56
2010/3	1,923	2,966	1.052	3,120	1	0.364	1.000	0.364	1	10.80	11.36
Wtd Avg		1,399		1,816		0.663		0.518		9.28	9.41

	Retro	Pro		Selected
Severity Trend	3.7%	2.0%	A. Selected Weather Severity:	1,816
Frequency Trend	-3.0%	0.0%	B. Selected Weather Frequency (per 100):	0.518
Pure Premium Trend	0.6%	2.0%	C. Projected Weather Pure Premium= (A)×(B)+100:	9.41

1. Earned Exposures
2. Wind and water severity, excluding hurricane losses
3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) * (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and water frequency per 100 exposures, excluding hurricane losses
7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) * (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) + 100
11. = (4) × (8) + 100

**Arkansas Homeowners
 Nationwide Mutual Fire Insurance Company
 Determination of Non-Hurricane Weather Pure Premium
 Based on Total Weather Losses less Hurricane Losses
 Condominiums / HO-6 (NC), Comprehensive Condominiums**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1996/3	124	349	3.516	1,227	1	1.613	0.565	0.911	1	5.63	11.18
1997/3	143	1,130	3.226	3,645	1	0.699	0.588	0.411	1	7.90	14.98
1998/3	154	1,191	2.959	3,524	1	1.299	0.613	0.796	1	15.47	28.05
1999/3	169	0	2.715		1	0.000	0.638		1	0.00	
2000/3	192	652	2.491	1,624	1	0.521	0.665	0.346	1	3.40	5.62
2001/3	190	2,306	2.285	5,269	1	2.632	0.693	1.824	1	60.69	96.11
2002/3	181	841	2.096	1,763	1	1.105	0.721	0.797	1	9.29	14.05
2003/3	198	598	1.923	1,150	1	1.010	0.751	0.759	1	6.04	8.73
2004/3	236	3,186	1.765	5,623	1	0.847	0.783	0.663	1	26.99	37.28
2005/3	255	2,110	1.619	3,416	1	0.392	0.815	0.319	1	8.27	10.90
2006/3	262	2,794	1.485	4,149	1	0.382	0.849	0.324	1	10.67	13.44
2007/3	279	344	1.363	469	1	0.358	0.885	0.317	1	1.23	1.49
2008/3	271	0	1.250		1	0.000	0.922		1	0.00	
2009/3	248	3,656	1.147	4,193	1	1.210	0.960	1.162	1	44.24	48.72
2010/3	236	2,077	1.052	2,185	1	1.271	1.000	1.271	1	26.40	27.77
Wtd Avg		1,416		2,549		0.889		0.660		12.59	16.82

	Retro	Pro		Selected
Severity Trend	9.0%	2.0%	A. Selected Weather Severity:	2,549
Frequency Trend	-4.0%	0.0%	B. Selected Weather Frequency (per 100):	0.660
Pure Premium Trend	4.6%	2.0%	C. Projected Weather Pure Premium= (A)×(B)+100:	16.82

1. Earned Exposures
2. Wind and water severity, excluding hurricane losses
3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) * (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and water frequency per 100 exposures, excluding hurricane losses
7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) * (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) + 100
11. = (4) × (8) + 100

Nationwide Mutual and Affiliated Insurance Companies

Financial Needs Model

Underwriting Profit Provision Support

Homeowners

The required underwriting profit provision used in this filing's rate level analysis was developed using an internal rate of return model that incorporates the estimated timing of premium receipts, loss payments, expense payments and other underwriting components. This model simulates a single insurance transaction (Premium = \$100.00) and its related assets flow and determines the required underwriting profit provision that would result in the desired rate of return on the surplus that supports the transaction.

The underlying surplus supporting the transaction at any given point in time is a function of the insurance reserves being held. Also, if the cash balance is insufficient to offset the insurance liabilities less receivables, additional surplus is committed to fund these reserves.

In addition to the historical payout patterns and expense provisions, the model reflects the following assumptions:

Desired Rate of Return:	15.0 %
Equity Allocated to Line of Business Using Premium to Surplus Ratio:	1.07 to 1.00
Reserve to Premium Ratio:	0.85 to 1.00
Investment Yield – Single Rate Equivalent:	6.00 %
Portion of Assets Available for Investments:	93.0 %
Federal Tax Rate:	35.0 %

Page 2 of this exhibit displays the cash flow resulting from these assumptions. The model derives an underwriting profit of \$13.99 (sum the net underwriting flow across all time periods) in order to achieve the desired rate of return. Page 3 provides the model's required assets (sum of reserve and surplus requirements) as well as the available assets (sum of receivables and cash balance from insurance operations). If the available assets are not sufficient to offset the required assets, additional assets (from surplus) must be infused to support the transaction. Page 4 displays the assets flow (negative values indicate flow to insurance operations while positive values indicate flow back to surplus). The total asset flow is then discounted at the desired rate of return, and the resulting sum of the discounted asset flow is \$0.00. Thus, an underwriting profit provision of 13.99 percent (\$13.99/\$100.00) is expected to achieve a 15.0 percent rate of return.

For this filing, we have selected to use a 9.2 underwriting profit provision which results in a 12.2 percent return on surplus.

Nationwide Mutual and Affiliated Insurance Companies

Homeowners

Cash Flow Related to Insurance Operations

Months from Policy Inception	Cash Flow				Actual Cash Balance	Excess Cash Flow	Adjusted Cash Balance
	Net Underwriting	Investment Income	Federal Income Tax	Total			
-1	(0.11)	0.00	0.00	(0.11)	0.00	0.00	0.00
0	61.65	0.00	4.28	65.93	65.93	0.00	65.93
3	(7.59)	2.42	(3.45)	(8.63)	57.31	0.00	57.31
6	(0.63)	1.99	(3.11)	(1.75)	55.56	0.00	55.56
9	(14.18)	1.58	(2.91)	(15.51)	40.04	0.00	40.04
12	(11.68)	0.96	(2.67)	(13.38)	26.66	0.00	26.66
15	(5.74)	0.46	(0.03)	(5.31)	21.35	4.62	16.73
18	(2.18)	0.27	0.02	(1.90)	14.83	2.76	12.07
21	(1.19)	0.19	(0.01)	(1.00)	11.07	1.56	9.51
24	(0.81)	0.15	(0.01)	(0.67)	8.84	1.08	7.76
27	(0.49)	0.14	(0.02)	(0.37)	7.40	0.70	6.69
30	(0.36)	0.12	(0.03)	(0.26)	6.43	0.52	5.91
33	(0.33)	0.11	(0.02)	(0.24)	5.66	0.50	5.16
36	(0.26)	0.10	(0.02)	(0.18)	4.98	0.39	4.59
39	(0.21)	0.09	(0.05)	(0.17)	4.42	0.29	4.12
42	(0.21)	0.08	(0.01)	(0.15)	3.98	0.31	3.66
45	(0.18)	0.07	(0.01)	(0.12)	3.54	0.27	3.27
48	(0.16)	0.06	(0.01)	(0.11)	3.16	0.25	2.91
51	(0.13)	0.06	0.00	(0.07)	2.85	0.22	2.63
54	(0.14)	0.05	(0.01)	(0.10)	2.53	0.21	2.32
57	(0.12)	0.05	(0.01)	(0.08)	2.23	0.18	2.05
60	(0.11)	0.04	(0.01)	(0.07)	1.98	0.17	1.81
72	(0.34)	0.16	(0.04)	(0.22)	1.59	0.51	1.08
84	(0.24)	0.10	(0.02)	(0.16)	0.92	0.35	0.56
96	(0.08)	0.05	(0.01)	(0.04)	0.53	0.13	0.39
108	(0.07)	0.04	(0.01)	(0.04)	0.35	0.11	0.24
120	(0.04)	0.02	(0.01)	(0.02)	0.22	0.06	0.16
132	(0.03)	0.01	(0.00)	(0.02)	0.14	0.05	0.09
144	(0.02)	0.01	(0.00)	(0.02)	0.07	0.03	0.04
156	(0.01)	0.00	(0.00)	(0.01)	0.03	0.02	0.01
168	(0.00)	0.00	(0.00)	(0.00)	0.01	0.00	0.01
180	(0.00)	0.00	(0.00)	(0.00)	0.01	0.00	0.00
192	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
204	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
216	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
228	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
240	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
252	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
264	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
276	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
288	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
300	0.00	0.00	0.00	0.00	0.00	0.00	0.00
312	0.00	0.00	0.00	0.00	0.00	0.00	0.00
324	0.00	0.00	0.00	0.00	0.00	0.00	0.00
336	0.00	0.00	0.00	0.00	0.00	0.00	0.00
348	0.00	0.00	0.00	0.00	0.00	0.00	0.00
360	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	13.99	9.38	(8.18)	15.19			

Nationwide Mutual and Affiliated Insurance Companies

Homeowners

Infused and Excess Asset Flows Resulting from Insurance Operations

Months from Policy Inception	Required Assets	Assets Prior to Infusion	Required Infused Assets	Infused Asset Flow	Excess Asset Flow	Total Asset Flow	Discount Factor at 15.0% ROR	Discounted Asset Flow
-1	0.00	0.00	0.00	0.00	(0.11)	(0.11)	1.0117	(0.11)
0	211.11	84.92	126.19	(126.19)	0.00	(126.19)	1.0000	(126.19)
3	174.36	74.08	100.28	25.92	0.00	25.92	0.9657	25.03
6	128.38	58.92	69.47	30.81	0.00	30.81	0.9325	28.73
9	77.71	41.19	36.52	32.94	0.00	32.94	0.9005	29.66
12	29.06	27.10	1.96	34.56	0.00	34.56	0.8696	30.05
15	17.11	17.11	0.00	1.96	4.62	6.58	0.8397	5.53
18	12.40	12.40	0.00	0.00	2.76	2.76	0.8109	2.24
21	9.80	9.80	0.00	0.00	1.56	1.56	0.7830	1.22
24	8.01	8.01	0.00	0.00	1.08	1.08	0.7561	0.82
27	6.92	6.92	0.00	0.00	0.70	0.70	0.7302	0.51
30	6.11	6.11	0.00	0.00	0.52	0.52	0.7051	0.37
33	5.33	5.33	0.00	0.00	0.50	0.50	0.6809	0.34
36	4.73	4.73	0.00	0.00	0.39	0.39	0.6575	0.26
39	4.25	4.25	0.00	0.00	0.29	0.29	0.6349	0.19
42	3.77	3.77	0.00	0.00	0.31	0.31	0.6131	0.19
45	3.37	3.37	0.00	0.00	0.27	0.27	0.5921	0.16
48	2.99	2.99	0.00	0.00	0.25	0.25	0.5718	0.14
51	2.70	2.70	0.00	0.00	0.22	0.22	0.5521	0.12
54	2.38	2.38	0.00	0.00	0.21	0.21	0.5332	0.11
57	2.11	2.11	0.00	0.00	0.18	0.18	0.5149	0.09
60	1.86	1.86	0.00	0.00	0.17	0.17	0.4972	0.08
72	1.11	1.11	0.00	0.00	0.51	0.51	0.4323	0.22
84	0.58	0.58	0.00	0.00	0.35	0.35	0.3759	0.13
96	0.40	0.40	0.00	0.00	0.13	0.13	0.3269	0.04
108	0.25	0.25	0.00	0.00	0.11	0.11	0.2843	0.03
120	0.16	0.16	0.00	0.00	0.06	0.06	0.2472	0.02
132	0.09	0.09	0.00	0.00	0.05	0.05	0.2149	0.01
144	0.04	0.04	0.00	0.00	0.03	0.03	0.1869	0.01
156	0.01	0.01	0.00	0.00	0.02	0.02	0.1625	0.00
168	0.01	0.01	0.00	0.00	0.00	0.00	0.1413	0.00
180	0.00	0.00	0.00	0.00	0.00	0.00	0.1229	0.00
192	0.00	0.00	0.00	0.00	0.00	0.00	0.1069	0.00
204	0.00	0.00	0.00	0.00	0.00	0.00	0.0929	0.00
216	0.00	0.00	0.00	0.00	0.00	0.00	0.0808	0.00
228	0.00	0.00	0.00	0.00	0.00	0.00	0.0703	0.00
240	0.00	0.00	0.00	0.00	0.00	0.00	0.0611	0.00
252	0.00	0.00	0.00	0.00	0.00	0.00	0.0531	0.00
264	0.00	0.00	0.00	0.00	0.00	0.00	0.0462	0.00
276	0.00	0.00	0.00	0.00	0.00	0.00	0.0402	0.00
288	0.00	0.00	0.00	0.00	0.00	0.00	0.0349	0.00
300	0.00	0.00	0.00	0.00	0.00	0.00	0.0304	0.00
312	0.00	0.00	0.00	0.00	0.00	0.00	0.0264	0.00
324	0.00	0.00	0.00	0.00	0.00	0.00	0.0230	0.00
336	0.00	0.00	0.00	0.00	0.00	0.00	0.0200	0.00
348	0.00	0.00	0.00	0.00	0.00	0.00	0.0174	0.00
360	0.00	0.00	0.00	0.00	0.00	0.00	0.0151	0.00
Total				0.00	15.19	15.19		(0.00)

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011**

Premium Effects and Base Rates

Description of Change	Rate impact on ...		
	Homeowner	Tenants	Condominium
Current Base Rate	1,655.62	192.45	375.47
Financial Responsibility Class	3.42%	5.92%	1.82%
Age of Construction	-7.18%	0.00%	0.00%
Rebase Deductible Option to \$1,000	20.48%	31.58%	31.58%
Deductible Factor Change	1.03%	1.78%	1.44%
Personal Status	-1.89%	0.00%	-1.89%
Roof Rating	0.00%	0.00%	0.00%
Selected Base Rate Change	9.50%	10.00%	0.00%
Resolved Base Rate	1,581.43	149.24	281.61

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Basic Roof Rating Factor**

Roof Type	Age of Home Five-Year Exposures	Five-Year Current Level Earned Premium	Current Factor	Proposed Factor
Composite	44,379	26,851,831	1.00	1.00
Metal	661	562,882	1.00	0.95
Tile	96	95,213	1.00	0.95
Wood	91	97,242	1.00	1.15
Slate	263	174,653	1.00	1.00
Gravel/Tar	137	89,493	1.00	1.15
Roll	36	24,597	1.00	1.15

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Deductible Rating Factor**

Current Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
\$250	1.120	1.220	1.220
500	1.000	1.000	1.000
1,000	0.830	0.760	0.760
2,500	0.750	NA	NA
5,000	0.690	NA	NA
100/250*	NA	1.270	NA

*Available for renewals only.

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	0.909	0.934	0.956	0.960
500/2,000WH	0.811	0.856	0.897	0.907
500/5,000WH	0.721	0.756	0.810	0.824
1,000/2,000WH	0.696	0.741	0.782	0.792
1,000/5,000WH	0.606	0.641	0.695	0.709
2,500/5,000WH	0.551	0.587	0.640	0.655

Proposed Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.349	1.605	1.605
500	1.229	1.342	1.342
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA
100/250*	NA	1.671	NA

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	1.117	1.148	1.175	1.180
500/2,000WH	0.997	1.052	1.102	1.115
500/5,000WH	0.886	0.929	0.995	1.013
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Age of Construction Rate Impact**

Age of Construction	Current Factors	Proposed Factors
0	0.70	0.64
1	0.73	0.66
2	0.77	0.70
3	0.82	0.75
4	0.87	0.79
5	0.91	0.83
6	0.96	0.87
7	1.00	0.91
8	1.00	0.91
9	1.00	0.91
10	1.00	0.91
11	1.00	0.91
12	1.00	0.91
13	1.00	0.91
14	1.00	0.91
15	1.00	0.91
> 15 <= 20	1.00	0.91
> 20 <= 25	1.00	0.92
> 25 <= 30	1.00	0.93
> 30 <= 35	1.00	0.94
> 35 <= 40	1.00	0.95
> 40 <= 45	1.00	0.96
> 45 <= 50	1.00	0.97
> 50 <= 60	1.00	0.98
> 60 <= 75	1.00	0.99
> 75 <= 300	1.00	1.00

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Financial Responsibility Class Rate Impact**

Homeowners		Current Factors	Proposed Factors
Financial Responsibility Class			
1		0.49	0.49
2		0.49	0.49
3		0.49	0.49
4		0.49	0.49
5		0.53	0.53
6		0.56	0.56
7		0.58	0.58
8		0.60	0.60
9		0.62	0.62
10		0.65	0.65
11		0.68	0.68
12		0.71	0.71
13		0.74	0.74
14		0.77	0.77
15		0.81	0.81
16		0.93	1.01
17		0.98	1.07
18		1.29	1.41
19		1.37	1.49
20		1.40	1.53
21		1.83	1.99
811 & <60 Years Old		0.77	0.77
811 & 60+ Years Old		0.59	0.59
812 & <60 Years Old		0.77	0.77
812 & 60+ Years Old		0.59	0.59
Total		0.79	0.82

Tenants

Financial Responsibility Class	Current Factors	Proposed Factors
1	0.50	0.50
2	0.50	0.50
3	0.50	0.50
4	0.50	0.50
5	0.54	0.54
6	0.56	0.56
7	0.58	0.58
8	0.61	0.61
9	0.63	0.63
10	0.66	0.66
11	0.68	0.68
12	0.71	0.71
13	0.74	0.74
14	0.77	0.77
15	0.81	0.81
16	0.94	1.02
17	0.99	1.08
18	1.30	1.42
19	1.38	1.50
20	1.41	1.54
21	1.81	1.97
811 & <60 Years Old	0.99	0.99
811 & 60+ Years Old	0.85	0.85
812 & <60 Years Old	0.99	0.99
812 & 60+ Years Old	0.85	0.85
Total	1.02	1.09

Condominiums		Current Factors	Proposed Factors
Financial Responsibility Class			
1		0.48	0.48
2		0.48	0.48
3		0.48	0.48
4		0.48	0.48
5		0.52	0.52
6		0.54	0.54
7		0.57	0.57
8		0.59	0.59
9		0.61	0.61
10		0.64	0.64
11		0.67	0.67
12		0.70	0.70
13		0.73	0.73
14		0.76	0.76
15		0.80	0.80
16		0.94	1.02
17		0.99	1.08
18		1.30	1.42
19		1.38	1.50
20		1.41	1.54
21		1.84	2.01
811 & <60 Years Old		0.67	0.67
811 & 60+ Years Old		0.65	0.65
812 & <60 Years Old		0.67	0.67
812 & 60+ Years Old		0.65	0.65
Total		0.67	0.68

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Personal Status Factor**

Personal Status	Current Factors	Proposed Factors
Married	1.000	0.975
Single	1.000	1.000

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective September 30, 2011
Prior Insurance Discount**

Years with	Current Years with Nationwide					
	0	1	2	3	4	5+
1	1.00	1.00	1.00	1.00	1.00	1.00
2	1.00	1.00	1.00	1.00	1.00	1.00
3	0.93	0.93	0.93	0.96	0.98	1.00
4	0.91	0.91	0.91	0.95	0.97	1.00
5+	0.90	0.90	0.90	0.94	0.97	1.00

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake Rates
Effective October 23, 2011

Current Earthquake Rates

Description	FRAME: 5% Deductible Rate per \$1000 Zones							ALL OTHER: 5% Deductible Rate per \$1000 Zones							FRAME: 10% Deductible Rate per \$1000 Zones							ALL OTHER: 10% Deductible Rate per \$1000 Zones							
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	
HO Form w/o Extended Repl. Cost Option	-	-	0.55	0.55	0.43	0.43	0.22	-	-	0.62	0.62	0.49	0.49	0.28	-	-	0.40	0.40	0.32	0.32	0.28	0.15	-	-	0.45	0.45	0.37	0.29	0.18
HO Form w/ Extended Repl. Cost Option	-	-	0.55	0.55	0.43	0.43	0.22	-	-	0.62	0.62	0.49	0.49	0.28	-	-	0.40	0.40	0.32	0.32	0.28	0.15	-	-	0.45	0.45	0.37	0.29	0.18
TN Form	-	-	0.43	0.43	0.35	0.35	0.16	-	-	0.43	0.43	0.35	0.35	0.16	-	-	0.32	0.32	0.27	0.20	0.12	-	-	0.32	0.32	0.27	0.27	0.13	
CO Form w/o Extended Repl. Cost Option	-	-	0.41	0.25	0.25	0.25	0.16	-	-	0.43	0.43	0.35	0.31	0.16	-	-	0.32	0.21	0.17	0.15	0.11	-	-	0.32	0.32	0.27	0.25	0.11	
CO Form w/ Extended Repl. Cost Option	-	-	0.41	0.25	0.25	0.25	0.16	-	-	0.43	0.43	0.35	0.31	0.16	-	-	0.32	0.21	0.17	0.15	0.11	-	-	0.32	0.32	0.27	0.25	0.11	
Pers., Prop., HO Inc. of Basic Cov. C Limit or Inc. Occ.	-	-	0.43	0.37	0.35	0.35	0.16	-	-	0.43	0.43	0.35	0.35	0.16	-	-	0.32	0.32	0.23	0.18	0.12	-	-	0.32	0.32	0.27	0.27	0.13	
Other Structures, Inc. of Basic Cov. B Limit	-	-	0.55	0.55	0.43	0.43	0.22	-	-	0.62	0.62	0.49	0.49	0.28	-	-	0.40	0.40	0.32	0.28	0.15	-	-	0.45	0.45	0.37	0.29	0.18	
Loss of Use	-	-	0.43	0.37	0.35	0.35	0.16	-	-	0.43	0.43	0.35	0.35	0.16	-	-	0.32	0.32	0.23	0.18	0.12	-	-	0.32	0.32	0.27	0.27	0.13	
Add. and Alt. for CO and TN	-	-	0.55	0.37	0.37	0.37	0.16	-	-	0.62	0.62	0.49	0.46	0.16	-	-	0.40	0.32	0.27	0.24	0.12	-	-	0.45	0.45	0.37	0.36	0.13	
Loss Assessment Option (all forms excl. TN)	-	-	0.55	0.55	0.43	0.43	0.22	-	-	0.62	0.62	0.49	0.49	0.28	-	-	0.40	0.40	0.32	0.28	0.15	-	-	0.45	0.45	0.37	0.29	0.18	

Proposed Earthquake Rates

Description	FRAME: 5% Deductible Rate per \$1000 Zones							ALL OTHER: 5% Deductible Rate per \$1000 Zones							FRAME: 10% Deductible Rate per \$1000 Zones							ALL OTHER: 10% Deductible Rate per \$1000 Zones						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
HO Form w/o Extended Repl. Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27
HO Form w/ Extended Repl. Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27
TN Form	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.30	0.18	-	-	0.48	0.48	0.41	0.41	0.20
CO Form w/o Extended Repl. Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17
CO Form w/ Extended Repl. Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17
Pers., Prop., HO Inc. of Basic Cov. C Limit or Inc. Occ.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.20
Other Structures, Inc. of Basic Cov. B Limit	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27
Loss of Use	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.20
Add. and Alt. for CO and TN	-	-	0.83	0.56	0.56	0.56	0.24	-	-	0.93	0.93	0.74	0.69	0.24	-	-	0.60	0.48	0.41	0.36	0.18	-	-	0.68	0.68	0.56	0.54	0.20
Loss Assessment Option (all forms excl. TN)	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake Rates
Effective October 23, 2011

Current Earthquake Rates

Description	FRAME: 15% Deductible Rate per \$1000							ALL OTHER: 15% Deductible Rate per \$1000							FRAME: 20% Deductible Rate per \$1000							ALL OTHER: 20% Deductible Rate per \$1000						
	Zones							Zones							Zones							Zones						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Coverage A	0.89	0.89	0.32	0.32	0.26	0.22	0.12	1.09	1.09	0.36	0.36	0.30	0.23	0.14	0.71	0.71	0.26	0.26	0.21	0.18	0.08	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Coverage B	0.89	0.89	0.32	0.32	0.26	0.22	0.12	1.09	1.09	0.36	0.36	0.30	0.23	0.14	0.71	0.71	0.26	0.26	0.21	0.18	0.08	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Coverage C	0.61	0.61	0.26	0.26	0.22	0.16	0.10	0.61	0.61	0.26	0.26	0.22	0.22	0.11	0.49	0.49	0.21	0.21	0.18	0.13	0.08	0.49	0.49	0.21	0.21	0.18	0.13	0.09
CO Form w/o Extended Repl. Cost Option	0.61	0.61	0.26	0.17	0.14	0.12	0.09	0.61	0.61	0.26	0.26	0.22	0.20	0.09	0.49	0.49	0.21	0.14	0.11	0.10	0.06	0.49	0.49	0.21	0.21	0.18	0.16	0.07
CO Form w/ Extended Repl. Cost Option	0.61	0.61	0.26	0.17	0.14	0.12	0.09	0.61	0.61	0.26	0.26	0.22	0.20	0.09	0.49	0.49	0.21	0.14	0.11	0.10	0.06	0.49	0.49	0.21	0.21	0.18	0.16	0.07
Pers. Prop., HO Inc. of Basic Cov. C Limit or Inc. Occ.	0.61	0.61	0.26	0.26	0.18	0.14	0.10	0.61	0.61	0.26	0.26	0.22	0.22	0.11	0.49	0.49	0.21	0.20	0.14	0.11	0.08	0.49	0.49	0.21	0.21	0.18	0.16	0.09
Other Structures, Inc. of Basic Cov. B Limit	0.89	0.89	0.32	0.32	0.26	0.22	0.12	1.09	1.09	0.36	0.36	0.30	0.23	0.14	0.71	0.71	0.26	0.26	0.21	0.18	0.08	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Loss of Use	0.61	0.61	0.26	0.26	0.18	0.14	0.10	0.61	0.61	0.26	0.26	0.22	0.22	0.11	0.49	0.49	0.21	0.20	0.14	0.11	0.08	0.49	0.49	0.21	0.21	0.18	0.16	0.08
Add. and Alt. for CO and TN	0.89	0.89	0.32	0.26	0.21	0.19	0.10	1.10	1.10	0.36	0.36	0.30	0.29	0.11	0.71	0.71	0.26	0.20	0.17	0.15	0.08	0.88	0.88	0.29	0.29	0.24	0.23	0.09
Loss Assessment Option (all forms excl. TN)	0.89	0.89	0.32	0.32	0.26	0.22	0.12	1.09	1.09	0.36	0.36	0.30	0.23	0.14	0.71	0.71	0.26	0.26	0.21	0.18	0.08	0.88	0.88	0.29	0.29	0.24	0.19	0.09

Proposed Earthquake Rates

Description	FRAME: 15% Deductible Rate per \$1000							ALL OTHER: 15% Deductible Rate per \$1000							FRAME: 20% Deductible Rate per \$1000							ALL OTHER: 20% Deductible Rate per \$1000						
	Zones							Zones							Zones							Zones						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Coverage A	1.34	1.34	0.48	0.48	0.39	0.33	0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14
Coverage B	1.34	1.34	0.48	0.48	0.39	0.33	0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14
Coverage C	0.92	0.92	0.39	0.39	0.33	0.24	0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.17	0.74	0.74	0.32	0.32	0.27	0.20	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.14
CO Form w/o Extended Repl. Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	0.92	0.92	0.39	0.39	0.33	0.30	0.14	0.74	0.74	0.32	0.21	0.17	0.15	0.09	0.74	0.74	0.32	0.32	0.27	0.24	0.11
CO Form w/ Extended Repl. Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	0.92	0.92	0.39	0.39	0.33	0.30	0.14	0.74	0.74	0.32	0.21	0.17	0.15	0.09	0.74	0.74	0.32	0.32	0.27	0.24	0.11
Pers. Prop., HO Inc. of Basic Cov. C Limit or Inc. Occ.	0.92	0.92	0.39	0.39	0.27	0.21	0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.17	0.74	0.74	0.32	0.30	0.21	0.17	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.14
Other Structures, Inc. of Basic Cov. B Limit	1.34	1.34	0.48	0.48	0.39	0.33	0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14
Loss of Use	0.92	0.92	0.39	0.39	0.27	0.21	0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.15	0.74	0.74	0.32	0.30	0.21	0.17	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.12
Add. and Alt. for CO and TN	1.34	1.34	0.48	0.39	0.32	0.29	0.15	1.65	1.65	0.54	0.54	0.45	0.44	0.17	1.07	1.07	0.39	0.30	0.26	0.23	0.12	1.32	1.32	0.44	0.44	0.36	0.35	0.14
Loss Assessment Option (all forms excl. TN)	1.34	1.34	0.48	0.48	0.39	0.33	0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2011
Water Back UP

Option P - Limited

Current

Policy Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$8.01	\$2.52	\$7.97
1,000	5.72	1.26	4.55
2,500	5.72	N/A	N/A
5,000	4.58	N/A	N/A

Proposed

Policy Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$8.77	\$2.77	\$7.97
1,000	6.26	1.39	4.55
2,500	6.26	N/A	N/A
5,000	5.02	N/A	N/A

Option R - Broad

Homeowners

Current

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$37.78	\$70.98	\$192.34	\$361.79
500	37.78	70.98	192.34	361.79
1,000	32.06	60.68	162.58	306.83
2,500	28.62	53.81	145.40	274.78
5,000	26.33	49.23	133.95	251.88

Proposed

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$41.37	\$77.72	\$210.61	\$396.16
500	41.37	77.72	210.61	396.16
1,000	35.11	66.44	178.03	335.98
2,500	31.34	58.92	159.21	300.88
5,000	28.83	53.91	146.68	275.81

Tenants

Current

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$13.84	\$27.68	\$72.99	\$137.17
250	13.84	27.68	72.99	137.17
500	13.84	27.68	72.99	137.17
1,000	12.58	22.65	50.22	117.03
2,500	11.33	20.13	55.37	104.45
5,000	10.07	18.88	50.34	95.64

Proposed

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$15.22	\$30.45	\$80.29	\$150.89
250	15.22	30.45	80.29	150.89
500	15.22	30.45	80.29	150.89
1,000	13.84	24.92	55.24	128.73
2,500	12.46	22.14	60.91	114.90
5,000	11.08	20.77	55.37	105.20

Condominiums

Current

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1,000	18.22	35.18	93.36	176.47
2,500	15.94	30.74	83.11	157.11
5,000	14.80	28.46	76.28	144.59

Proposed

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1,000	18.22	35.18	93.36	176.47
2,500	15.94	30.74	83.11	157.11
5,000	14.80	28.46	76.28	144.59

TABLE OF CONTENTS

Eff. 11-1-10 ← 10-23-11

	<u>PAGE</u>
STANDARDS OF INSURABILITY	HIS — 1
TERRITORIAL RULES AND RATES	
STEPS TO RATE A HOMEOWNER POLICY ★	1
TERRITORY DEFINITIONS	2
FIRE PROTECTION REQUIREMENTS	3
CONSTRUCTION OF DWELLING	3
ROOF CONSTRUCTION	3
POLICY DECLARATIONS	4 to 10
STANDARD COVERAGE LIMITS ★	11 to 12
PREMIUM COMPUTATION FOR HOMEOWNER POLICIES	
Base Rate ★	13 to 15
Territory Rating Factors	13 to 15
Protection Class/Construction Type Rating Factors ★	13 to 15
Amount of Insurance Rating Factors	16
PREMIUM COMPUTATION FOR TENANTS POLICIES	
Base Rate ★	17
Territory Rating Factors	17
Protection Class/Number of Families* Rating Factors	17
Amount of Insurance Rating Factors ★	17
PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES	
Base Rate ★	18 to 400
Territory Rating Factors	18 to 400
Protection Class/Number of Families* Rating Factors	18 to 400
Amount of Insurance Rating Factors ★	18 to 400
HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES ★	401
CREDITS AND CHARGES	
Insurance to Value Base Premium Adjustment	402
Basic Roof Rating ★	402
Deductible Rating Rule ★	402
Multi-Family Dwellings	403
Class Rated Townhouses	403
Fire Resistive Construction	403
Secondary Locations	404
Condominium Rental Charge	404
Protective Device Credit Rule	404
Age of Construction/Home Renovation — (Homeowner Policy Only) ★	405
Safe Home Rating Plan	406
Financial Responsibility Rate Factor ★	407
Supplemental Heating Charge	408
Personal Status Rate Factor ★	409 to 410
Nationalwide Associate Discount	409 to 410
Multi-Policy Discount ★	409 to 410
ADDITIONAL SECTION I COVERAGES	
Building Additions and Alterations	411
Extended Replacement Cost ★	411
Condominium Special Coverage	412
Loss Assessment Option N ★	412
Personal Property	413
Other Structures	413
Loss of Use — Tenants Policy Only	413
Fire Department Service Charge	413
Theft Coverage Extension — Tenants Policy Only	413
Credit Card, Forgery and Counterfeit Money Coverage	413

Prior Insurance Discount



TABLE OF CONTENTS (cont’d)

Eff. ~~11-1-10~~ ← **10-23-11**

	<u>PAGE</u>
TERRITORIAL RULES AND RATES (cont’d)	
ADDITIONAL SECTION I COVERAGES (cont’d)	
Personal Property Accidental Direct Physical Loss Coverage Options	414
Tools Increased Theft Limits Option E	414
Money Option F	414
Securities Option G	415
Increased Special Limits of Liability	415
New Construction Theft Coverage★	415
Earthquake and Volcanic Eruption Coverage★	416
Replacement Cost Plus — Homeowner Policy	422
Optional Coverage Against Backing of Sewers and Drains★	422
Inland Marine Coverages	423
Engaged Couples — Personal Property	423
Ordinance or Law Coverage	424 to 430
Watercraft Liability	424 to 430
Identity Theft or Identity Fraud Expenses Coverage Endorsement — H6133	424 to 430
SPECIAL COVERAGE PROVISIONS	
Accidental Death of Insured on Described Premises	431 to 434
Consequential Loss	431 to 434
Lock Replacement	431 to 434
PERSONAL LIABILITY COVERAGES	
Main Dwelling	435
Each Additional Dwelling Unit Owned or Occupied	435
Liability Coverage — Farm	436
Personal Injury Optional Coverage	436
Incidental Occupancies Exposure	436
Co-Owned Dwelling	437 to 450
Home Care Liability	437 to 450
INSTRUCTIONS, FORMS, ETC.	451
GENERAL RULES	
Policy Period	471
Additional Amount or Coverages	471
Rounding of Premium	471
Premium Payment Plans	471
Insufficient Funds	471
Late Payment Fees	471
Cancellation	471
Transfer or Assignment	472
Other Insurance	472
Premium Revisions	472
Restriction of Individual Policies	472
Premium Computation	473 to 500

TABLE OF CONTENTS (cont’d)

Eff. ~~11-1-10~~ ← **10-23-11**

	<u>PAGE</u>
GUIDE TO VALUE	
HOMEOWNER GUIDE TO REPLACEMENT COST VALUE (SQUARE FOOT METHOD).....	501
Determining Replacement Cost (Step by Step Guide).....	502
Replacement Cost Summary Sheet (Blank Example)	506
Ground Floor Area	507
Wall Category	508
Construction Class Calculator	509
Number of Stories.....	510
Garage Types	512
Breezeway/Porch Types	513
Built-ins (Mechanized on AOA and FUS)	514
Adjustments	515
Additional Features Cost Table.....	516
Base Cost Pages	517
Specifications-Photos of the Constructions Classes	524
Location Multipliers	541
APARTMENT AND CONDOMINIUM PERSONAL PROPERTY GUIDE TO REPLACEMENT COST VALUE	571
CONDOMINIUM REAL PROPERTY GUIDE TO REPLACEMENT COST VALUE	575
Condominium Real Property Square Foot Cost	577
Condominium Real Property Location Multipliers	577
Apartments Personal Property Base Cost Table (Square Foot/Room Count Methods)	578
Condominiums Personal Property Base Cost Table (Square Foot/Room Count Methods)	581
MOBILE HOME GUIDE TO REPLACEMENT COST VALUE	591
Mobile Home Class Cost Tables	595
Mobile Home Additions	596
Estimating Actual Cash Value	597

STEPS TO RATE A HOMEOWNER POLICY

Eff. ~~10-23-10~~ ← **10-23-11**

- A. Determine eligibility and desirability.
- B. Classify
 - 1. Determine the Territory Zone.
 - 2. Determine Fire Protection Class using Fire Protection Requirements.
 - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:
 - 1. Insurance to Value Base Premium Adjustment.
 - 2. Basic Roof Rating
 - 3. Deductible Rating Rule.
 - 4. Multi-Family Dwellings.
 - 5. Class Rated Townhouses.
 - 6. Fire Restrictive Construction.
 - 7. Secondary Locations.
 - 8. Condominium Rental Charge.
 - 9. Protective Device Credit Rule.
 - 10. Premium Credits For Age of Construction and Home Renovation.
- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.

J. Apply Personal Status Rate Factor.
← **K. Apply Prior Insurance Discount.**

L. ← ~~K.~~ Apply Nationwide Associate Discount.

M. ← ~~L.~~ Apply Home and Car Discount. **Multi-Policy**

~~M. For applicable endorsements, refer to the buff page headed "Instructions, Forms, Etc." on which are listed all forms used with Homeowner policies.~~

N. For applicable endorsements, refer to the instructions on page H-451 to 470 for a list of all forms used with Homeowners policies.

STANDARD COVERAGE LIMITS

← **Eff. 10-23-11**

Described Dwelling	Homeowner			Tenants and Condominium		
	Other Structures	Personal Property*	Loss of Use**	Loss of Use		
				Personal Property*	Tenants	Condo-minium
\$ 5,000	\$ 500	\$ 2,750	\$ 5,000	\$ 6,000***	\$1,200	\$ 6,000
10,000	1,000	5,500	10,000	7,000***	1,400	7,000
15,000	1,500	8,250	15,000	8,000***	1,600	8,000
20,000	2,000	11,000	20,000	9,000***	1,800	9,000
25,000	2,500	13,750	25,000	10,000***	2,000	10,000
30,000	3,000	16,500	30,000	11,000***	2,200	11,000
35,000	3,500	19,250	35,000	12,000***	2,400	12,000
40,000	4,000	22,000	40,000	13,000***	2,600	13,000
45,000	4,500	24,750	45,000	14,000***	2,800	14,000
50,000	5,000	27,500	50,000	15,000	3,000	15,000
55,000	5,500	30,250	55,000	16,000	3,200	16,000
60,000	6,000	33,000	60,000	17,000	3,400	17,000
65,000	6,500	35,750	65,000	18,000	3,600	18,000
70,000	7,000	38,500	70,000	19,000	3,800	19,000
75,000	7,500	41,250	75,000	20,000	4,000	20,000
80,000	8,000	44,000	80,000	21,000	4,200	21,000
85,000	8,500	46,750	85,000	22,000	4,400	22,000
90,000	9,000	49,500	90,000	23,000	4,600	23,000
95,000	9,500	52,250	95,000	24,000	4,800	24,000
100,000	10,000	55,000	100,000	25,000	5,000	25,000
105,000	10,500	57,750	105,000			
110,000	11,000	60,500	110,000			
115,000	11,500	63,250	115,000			
120,000	12,000	66,000	120,000			
125,000	12,500	68,750	125,000			
130,000	13,000	71,500	130,000			
135,000	13,500	74,250	135,000			
140,000	14,000	77,000	140,000			
145,000	14,500	79,750	145,000			
150,000	15,000	82,500	150,000			

* Homeowner and Condominium Policies: 10 percent of amount shown, but not less than \$1,000 applies to personal property away from the premises. Entire amount shown applies while in transit to or in a newly acquired principal residence for up to 30 days.

← ***** For renewal business only**

1. Other Structures — 10 percent of dwelling amount.
2. Personal Property — 55 percent of dwelling amount for Homeowner Policy.
3. Loss of Use —
 - a. Homeowner Policy — 100 percent of dwelling amount.
 - b. Tenants Policy — 20 percent of Personal Property amount.
 - c. Condominium Policy — 100 percent of Personal Property amount.

3. **Loss of Use -- The limit of liability is the lesser of the actual loss sustained within 12 months, or percentage/amount shown.

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

BASE RATE
 Eff. ~~11-1-10~~ ← **10-23-11**

Step (1)

✓ **\$1,581.43**

Multiply the base rate of ~~\$1,655.62~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
79	0.972
81	0.814
84	0.809
85	0.948
89	0.981
90	0.965
91	0.965
92	0.981
93	1.000
94	0.891
100	0.891
101	1.164
102	1.164
103	1.164
104	1.158
105	1.158
106	1.158
107	1.158
108	1.154
109	0.794
110	0.814
111	0.794
112	0.794
113	0.842
114	0.842
115	0.939
116	0.954
117	0.954
118	0.943
119	0.943
120	0.943
121	0.939
122	0.939

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Type of Construction rating factor in Table B. Round to the nearest penny.

TABLE B — PROTECTION CLASS/CONSTRUCTION TYPE RATING FACTORS

Protection Class	Entire State		
	MAS	FRM	MSV
01	1.000	1.099	1.000
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097

PREMIUM COMPUTATION FOR TENANTS POLICIES

BASE RATE
 Eff. ~~10-23-10~~ ← **10-23-11**

Step (1)

↙ **\$149.24**

Multiply the base rate of ~~\$192.45~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS
 Eff. 10-1-05

Rating Territory	Factor
84, 111, 113	0.962
79, 85, 91, 92, 102, 105, 109, 110, 112, 114, 116, 118	1.000
81, 89, 90, 94, 101, 103, 104, 106, 107, 108, 115, 117, 119, 120-122	1.013
93	1.151

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B — PROTECTION CLASS/NUMBER OF FAMILIES* RATING FACTORS

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600

* 1 - 4: One to four families or fire resistive.
 A/O: All other risks.

Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C — AMOUNT OF INSURANCE RATING FACTORS
 ← **Eff. 10-23-11**

Amount of Insurance	All Territories
\$ 4,000 ***	0.620
5,000 ***	0.620
6,000 ***	0.620
7,000 ***	0.652
8,000 ***	0.690
9,000 ***	0.740
10,000 ***	0.780
11,000 ***	0.832
12,000 ***	0.873
13,000 ***	0.912
14,000 ***	0.953
15,000	1.000
16,000	1.040
17,000	1.078
18,000	1.120
19,000	1.155
20,000	1.194
25,000	1.335
30,000	1.496
35,000	1.657
40,000	1.803
45,000	1.940
**5,000	0.121

** Add For Each Additional \$5,000

*** ↙ **For renewal business only**

PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

BASE RATE
 Eff. ~~10-23-10~~ ← **10-23-11**

Step (1)

← **\$281.61**

Multiply the base rate of ~~\$375.47~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

**TABLE B —
 PROTECTION CLASS/NUMBER OF FAMILIES*
 RATING FACTORS**

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592

* 1 - 4: One to four families or fire resistive.
 A/O: All other risks.

Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

**TABLE C —
 AMOUNT OF INSURANCE RATING FACTORS**

← **Eff. 10-23-11**

Amount of Insurance	All Territories
\$ 4,000***	0.471
5,000***	0.471
6,000***	0.471
7,000***	0.500
8,000***	0.529
9,000***	0.563
10,000***	0.592
11,000***	0.632
12,000***	0.661
13,000***	0.690
14,000***	0.718
15,000	0.753
16,000	0.787
17,000	0.816
18,000	0.845
19,000	0.868
20,000	0.897
25,000	1.000
30,000	1.121
35,000	1.241
40,000	1.351
45,000	1.448
**5,000	0.086

** Add For Each Additional \$5,000

*** ← **For renewal business only**

HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES

INSTRUCTIONS FOR INTERPOLATION OF POLICY AMOUNTS

Eff: ~~10-23-10~~ ← **10-23-11**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than ~~\$250~~, calculate the premium for the desired amount for ~~\$250~~ deductible. Then apply the factor for the desired deductible.

\$1,000

\$1,000

INSTRUCTIONS FOR POLICY AMOUNTS IN EXCESS OF BASE PREMIUM TABLES

To calculate premiums in \$5,000 increments for amounts in excess of those shown in Table C — Amount of Insurance Factors, follow premium computation steps 1 through 3 using the Amount of Insurance Rating Factor for each additional \$5,000. Interpolate as shown above.

Example: A Homeowner policy written in territory 93, protection class 3, and masonry construction type.

Calculation		<u>Example</u>
(1)	Desired amount of insurance.....	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1).....	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1).....	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2).....	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2).....	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places.....	<u>0.449</u>
(7)	Base Premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation.....	<u>\$1,109.00</u>
(8)	Base Premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation.....	<u>\$1,126.00</u>
(9)	Difference in premiums between (8) and (7): (8) - (7).....	<u>\$ 17.00</u>
(10)	Factor in (6) applied to premium difference; (9) * (6). Round to the nearest penny.....	<u>\$ 7.63</u>
(11)	Premium for the desired amount of insurance; (7) + (10).....	<u>\$1,116.63</u>

Insert A

After all calculations for optional deductibles and to other optional coverages, the final annual premium is rounded to the nearest dollar.

CREDITS AND CHARGES

A. INSURANCE TO VALUE BASE PREMIUM ADJUSTMENT
Eff. 10-23-10

1. For policy limits that are 80 percent or more of replacement cost, use the Homeowner base premiums for the desired Coverage A limit.
2. For other policy limits below 80 percent of replacement cost:
 - a. Determine the full replacement cost of the dwelling.
 - b. Multiply the full replacement cost (Step a) by 0.80.
 - c. Determine the appropriate Homeowner base premium for a Coverage A limit equal to that computed in Step b.
 - d. Select the “Percentage of Full Replacement Cost” desired from the table listed under Step e, and compute the resulting Coverage A limit by multiplying the full replacement cost (Step a) by the desired “Percentage of Full Replacement Cost.”
 - e. Select the appropriate Insurance To Value Rate Factor from the table below:

Percentage of Full Replacement Cost	Insurance To Value Rate Factor
75	0.994
70	0.987
65	0.979
60	0.971
55	0.961
50	0.951
45	0.940
40	0.928

- f. Calculate the Insurance To Value Adjusted Homeowner Base Premium by multiplying the Base Premium computed in Step c. by the appropriate Insurance To Value Rate Factor from Step e.

- g. The coverage limits for Coverage B — Other Structures, Coverage C — Personal Property and Coverage D — Loss of Use will be determined based on the standard coverage percentages as described on H — 11 to H — 12. Coverages B and C may be increased; refer to the appropriate rule within this manual to determine the additional premium to be charged any higher limits of coverage.

B. BASIC ROOF RATING
Eff. ~~10-23-10~~ ← **10-23-11**

This rule applies to Homeowners Policies only.

The following factors will be applied to the accumulated premium according to roof type.

Insert B

Roof Type	Factor
Composite	1.00
Metal	1.00
Tile	1.00
Wood	1.00
Slate	1.00
Gravel/Tar	1.00
Roll	1.00
All Other	1.00

A dwelling with multiple roof types shall be classified according to the predominant roofing material (roof type that covers the greatest percentage of roof) used on the roof.

If multiple roof types apply and they cover an equal percentage of the roof, use the predominant roof type with the lowest factor.

Example:
If the roof is covered by 10 percent metal, 45 percent wood shingle and 45 percent composite, use the Composite Roof as the predominant roof type.

This rule applies to the accumulated premium after the application of the Insurance to Value Base Premium Adjustment..

CREDITS AND CHARGES (cont’d)

C. DEDUCTIBLE RATING RULE

Eff. 10-23-10 ← **10-23-11**

Homeowner, Tenants, and Condominium

Base premiums contemplate a **\$500** flat deductible applicable to loss by any of the perils insured against under Section I. The premiums for optional deductibles can be developed by applying the factors from the table below to the **\$500** flat deductible manual chart premiums.

\$1,000

\$1,000

Insert C

Deductible Option	Deductible Rating Factors		
	Homeowner	Tenants	Condominium
\$ 250	1.12	1.22	1.22
500	1.00	1.00	1.00
1,000	0.83	0.76	0.76
2,500	0.75	NA	NA
5,000	0.69	NA	NA
100/250*	NA	1.27	NA

*Available for renewals only

Deductible Option	Coverage A Limit			
	up to \$100,000	\$100,000 - \$199,999	\$200,000 - \$499,999	\$500,000 +
500/1,000 WH	0.909	0.934	0.956	0.960
500/2,000 WH	0.811	0.856	0.897	0.907
500/5,000 WH	0.721	0.756	0.810	0.824
1000/2,000 WH	0.696	0.741	0.782	0.792
1000/5,000 WH	0.606	0.641	0.695	0.709
25000/5,000 WH	0.551	0.587	0.640	0.655

D. MULTI-FAMILY DWELLINGS

A Homeowner Policy may be issued to the owner-occupant of a two-, three-, or four-family dwelling.

The limits of liability for Coverage C and Coverage D are revised as follows:

Coverage C — Personal Property:

Number of Families	Homeowner
2	55%
3	30%
4	25%

Coverage D — Loss of Use:

Number of Families	Homeowner
2	100%
3 & 4	50%

To develop the premium for eligible two-, three-, or four-family dwelling, apply the appropriate rate factor shown below to the accumulated premium after the application of the Deductible Rating Rule.

Number of Families	Rate Factor
2	1.00
3 & 4	1.25

For three- and four-family dwellings, attach the appropriate endorsement.

E. CLASS RATED TOWNHOUSES

To develop the premium for an eligible one-, two-, three-, or four-family owner-occupied dwelling unit in a townhouse, apply the appropriate factor below to the accumulated premium after the application of the Multi-Family Dwellings Rule.

One- or Two-Family Dwellings:

Protection Class	Number of Individual Family Units Within a Fire Division*		
	1 – 2	3 – 4	5 – 8
1 – 8	1.00	1.10	1.25
9 – 10	1.00	1.15	1.30

Three- or Four-Family Dwellings:

Protection Class	Number of Individual Family Units Within a Fire Division*	
	3 – 4	5 – 8
1 – 8	1.00	1.10
9 – 10	1.00	1.15

* Each family unit within a two-, three-, or four-family dwelling unit is considered an individual unit when determining the number of individual family units within a fire division.

F. FIRE RESISTIVE CONSTRUCTION

For dwellings rated as fire resistive or fireproof construction, determine premium by applying a factor of 0.85 to the accumulated premium, after application of the class rated townhouse rule, if applicable.

CREDITS AND CHARGES (cont’d)

This rule applies to Homeowners Policies only.

J. AGE OF CONSTRUCTION/HOME RENOVATION ~~(HOMEOWNER POLICY ONLY)~~
 Eff. ~~10-23-10~~ **10-23-11**

A premium credit shall be applied for the age of construction or the age of the specified home component renovated for each dwelling insured under a homeowner policy.

For purposes of this rule, age of construction is defined as the difference between the effective year of the policy being rated and the calendar year in which the dwelling construction was completed. Age of home component is defined as the difference between the effective year of the policy being rated and the calendar year in which the qualifying renovation was completed. For home components which have not undergone a qualifying renovation, the age of home is equal to the age of construction.

In order for a renovation to qualify for a premium credit as described in this rule, the following standards must be met. In all cases, work must be completed by a qualified (licensed where required) contractor.

Plumbing — Plumbing must be updated to conform to current local codes with new water supply lines within the structure. New plumbing fixtures and components must be installed throughout the dwelling.

Heating and Cooling — The entire heating and cooling system must be updated to conform to current local codes. For heating, complete replacement of the burners, furnace, heating plant or heat exchanger is required. For cooling, replacement of the central air conditioning unit or a/c compressor is required.

Electrical — Replacement of fuse or breaker boxes to conform to local codes is required. Adding additional circuits without increasing total system service does not qualify. Replacement of switches, wiring, fixtures, and components necessary to meet system demands is required. If aluminum wiring is present, then all wiring must be replaced.

Roof — Complete replacement of current layer of shingles is required for qualification of this discount. Replacement of portions of shingles or a “roof-over” will not qualify for this discount. All roof types including but not limited to metal, asphalt, fiberglass, wood, tile, or slate roofs must be completely removed and replaced.

This rule is not applicable to dwellings in the course of construction or renovation. A qualifying renovation will first be considered for this rule at the first renewal after the renovation is completed and will thereafter continue to be considered based on the premium credit schedule.

Using the table below, calculate the premium credit as follows.

1. Determine the appropriate Age of Construction premium credit.
2. Determine the appropriate Age of Home Renovation credit for each home component.
3. Calculate the total Age of Home Component credit by adding together the credits determined in step 2.
4. Select the maximum credit from steps 1 and 3.

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
<= 0	30
1	27
2	23
3	18
4	13
5	9
6	4
7	0
8	0
9	0
10	0
11	0
12	0
13	0
14	0
15	0
> 15 <= 20	0
> 20 <= 25	0
>25 <= 30	0
>30 <= 35	0
>35 <= 40	0
>40 <= 45	0
>45 <= 50	0
>50 <= 60	0
>60 <= 75	0
> 75	0

Age of Home Component Percent Premium Credit			
Plumbing	Heating/Cooling	Electrical	Roof
2	5	8	8
2	4	7	7
1	4	6	6
1	2	5	4
0	2	3	3
0	1	2	2
0	0	1	1
0	0	0	0

If no renovation has occurred, the age of construction discount will always apply.

These credits apply to the accumulated premium after adjustments for the Protective Device Credit, if applicable, for each dwelling meeting the eligibility requirements. The credits are not applicable to the premiums charged for any other additional coverage.

CREDITS AND CHARGES (cont’d)

K. SAFE HOME RATING PLAN (cont’d)
Eff. 8-18-09

The Number of Points Accumulated from Paid Claims in the Last Three Years

The number of points is determined by the number of points accumulated, according to the table below, in the last three years (ending 90 days prior to the policy effective date). A qualified claim is considered to be any claim, which results in a net paid loss during this 3-year period. Weather and catastrophe related losses and losses, which only have payments under Medical Payments coverage, are also NOT considered to be qualified claims.

Cause of Loss	Points
Catastrophe	0
Medical Payments	0
Weather	0
Section II Liability	5
All Other	3

A claim that is qualified for SHRP is any claim chargeable for SHRP with the following exception:

Claim Threshold Exception - If a policyholder has a single claim chargeable for SHRP during the three year period prior to and including the policy effective date with a paid loss amount of \$500 or less, this claim will not be considered a claim qualified for SHRP. Should there be more than one claim chargeable for SHRP with a paid loss during the three-year period prior to and including the policy effective date, then all claims chargeable, regardless of paid amount, will be considered claims qualified for SHRP.

L. FINANCIAL RESPONSIBILITY RATE FACTOR
Eff. ~~10-23-10~~ ← **10-23-11**

Based on Nationwide’s Proprietary Credit Scoring Model for use in Arkansas, the scoring rules listed below are applicable. Based on the resulting credit score and its corresponding Financial Responsibility Class, multiply the accumulated premium by the appropriate factor in the table below:

Insert E

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.93	0.94	0.94
17	0.98	0.99	0.99
18	1.29	1.30	1.30
19	1.37	1.38	1.38
20	1.40	1.41	1.41
21	1.83	1.84	1.81
811 <60 Year Old	0.77	0.67	0.99
811 60+ Year Old	0.59	0.65	0.85
812 <60 Year Old	0.77	0.67	0.99
812 60+ Year Old	0.59	0.65	0.85

New Business Scoring:

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first and second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and no-hits, a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit “no-hits,” the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

CREDITS AND CHARGES (cont'd)**L. FINANCIAL RESPONSIBILITY RATE FACTOR (cont'd)**Eff. ~~10-23-10~~ ← **10-23-11**

Renewal Scoring:

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first or second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and "no-hits," a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.
5. Policies may move up or down only two credit classes per review, subject to the following credit reclassification rules:

Move policies to a better credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the better credit class.

Move policies to a worse credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the worse credit class.

6. Once a policy reaches its true Financial Responsibility Class, credit will only be ordered every three years.

Renewal Scoring Exception:

Policies where the first or second named insureds were all prior "no-hits" or exclusions are subject to the New Business Scoring Rules above.

Added/Deleted Named Insured(s) and Spouse:

1. Do not order a credit report on the added named insured at the time of the change.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

When the first or second named insured is deleted from the policy at any time other than the annual renewal of the policy, the following rules apply:

1. The policy retains the current credit class.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

Spin-Off Policies

Any time a new policy must be set up for an existing customer of a Nationwide Company, a new credit class must be established using the rules outlined in the New Business Scoring portion of the Financial Responsibility Rate Factor section of this rating manual.

M. SUPPLEMENTAL HEATING CHARGE

This rule applies to Homeowner Policies

Charge applies to fuel burning appliances, including wood, coal and pellet stoves, cook-stoves, freestanding stoves, freestanding fireplaces, and fireplaces with fireplace inserts. Conventional masonry fireplaces and factory-built fireplaces without fireplace inserts, and coal furnaces as well as portable heating units are not included in this class.

When the charge applies, the otherwise applicable premiums shall be increased by 5 percent (multiply by a factor of 1.05). This charge is applied to the premium after the application of the Financial Responsibility Credit.

The charges are not applicable to the premium charged for Optional Coverage Against Backing of Sewers and Drains or New Construction Theft Coverage.

N. PERSONAL STATUS RATE FACTOR
 Eff. ~~10-23-10~~ ← **10-23-11**

Status Premium Credit	Homeowners	Tenants	Condominiums
Married or Widowed	1.000 0.975	1.000	1.000 0.975
All Other	1.000	0.000 1.000	1.000

Insert F

This discount is applied after the application of the Supplemental Heating Charge, if applicable.

P.

NATIONWIDE ASSOCIATE DISCOUNT
 Eff. 8-18-09

This rule applies to Homeowner, Tenant, and Condominium policies.

When a Named Insured on the policy is either a current employee or a retiree of Nationwide Mutual Insurance Company, or any subsidiary (direct or indirect) company of Nationwide Mutual Insurance Company, or any affiliate company of Nationwide Mutual Insurance Company, the otherwise applicable premium shall be reduced by 10 percent (multiply by .90).

This discount applies to the accumulated premium after the application of the Replacement Cost Plus charge, if applicable.

Q.

MULTI POLICY DISCOUNT
 Eff. 11-1-10

This rule applies to Homeowner and Condominium policies only.

When the Named Insured is also the Named Insured under a Nationwide Insurance Company Standard Auto Policy, the otherwise applicable premiums shall be reduced by 30 percent (multiply by a factor of 0.70). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.

This rule applies to Tenant policies only.

When the Named Insured is also the Named Insured under a Nationwide Insurance Company Standard Auto Policy, the otherwise applicable premiums shall be reduced by 20 percent (multiply by a factor of 0.80). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.

ADDITIONAL SECTION I COVERAGES

A. BUILDING ADDITIONS AND ALTERATIONS

1. Tenants Policy

Coverage for Building Additions and Alterations is included up to a limit of 10 percent of the Personal Property limit. This limit may be increased. The premium for each additional \$1,000 of coverage is developed as follows:

- a. Multiply the Tenants Base Rate by the appropriate Territory Rating Factor.
- b. Multiply the result of a. by the appropriate Tenants Protection Class/Number of Families Rating Factor.
- c. Multiply the result of b. by the Tenants Amount of Insurance Rating Factor for “Each Additional \$5,000.”
- d. Multiply the result of c. by the appropriate Tenants Deductible Rating Factor.
- e. Multiply the result of d. by 0.20.

2. Condominium Policy

Coverage for Building Additions and Alterations equal to 20 percent of the Personal Property limit subject to a \$1,000 minimum is provided within the policy. This limit may be increased. The premium for each additional \$1,000 of coverage is developed as follows:

- a. Multiply the Condominiums Base Rate by the appropriate Territory Rating Factor.
- b. Multiply the result of a. by the appropriate Condominiums Protection Class/Number of Families Rating Factor.
- c. Multiply the result of b. by the Condominiums Amount of Insurance Rating Factor for “Each Additional \$5,000.”
- d. Multiply the result of c. by the appropriate Condominiums Deductible Rating Factor.
- e. Multiply the result of d. by 0.20.

B. EXTENDED REPLACEMENT COST

← **Eff. 10-23-11**

1. Homeowner Policy — Option J

This option extends the application of replacement cost loss settlement provisions to personal property and to outdoor antennas, carpeting, domestic appliances, cloth awnings and outdoor equipment, subject to limitations on certain kinds of personal property. The option is subject to the following rules and rating provisions:

✓ **\$500**

- a. A minimum ~~\$100~~ All Peril Deductible is required.
- b. The Inflation Protection Coverage is required.
- c. The premium for this coverage option is developed by applying nine percent to the accumulated premium after application of the Premium Credit for Age of Construction, if applicable. This premium is subject to a minimum premium of \$28.00. The minimum premium applies to each insured location to which the coverage option is extended.
- d. In addition to providing Extended Replacement Cost Coverage, the premium for this endorsement increases the Personal Property policy limit by the following percent of the building limit, in addition to any other changes in the Personal Property limit, depending on the number of living units in the owner-occupied dwelling:

Number of Living Units	Added Percent of the Building Limit
1	15
2, 3, or 4	4

If even higher Personal Property limits are desired, apply the rate shown in Rule E — Personal Property (Increased Limits). The percent factor for Extended Replacement Cost Coverage does not apply to the premium for this additional increase in the Personal Property limit.

ADDITIONAL SECTION I COVERAGES (cont’d)

B. EXTENDED REPLACEMENT COST (cont’d)

- ← **Eff. 10-23-11**
 2. Tenants Policy — Option I

This option applies replacement cost loss settlement provisions to property covered subject to limitations on certain kinds of personal property. The option is subject to the following rules and rating provisions:

- a. A minimum ~~\$250~~ **\$500** All Peril Deductible is required.
- b. A minimum of \$20,000 coverage on contents is required.
- c. The Inflation Protection Coverage is required.
- d. The premium for this coverage option is developed by applying 24 percent to the accumulated premium after application of charges for increased Building Additions and Alterations. This premium is subject to a minimum premium of \$24.00. The minimum premium applies to each insured location to which the coverage option is extended.

3. Condominium Policy — Option I

This option extends the application of replacement cost loss settlement provisions to personal property and to outdoor antennas, carpeting, domestic appliances, awnings and outdoor equipment, subject to limitation on certain kinds of personal property. The endorsement is subject to the following rules and rating provisions:

- a. A minimum of ~~\$250~~ **\$500** All Peril Deductible is required.
- b. A minimum of \$20,000 coverage on contents is required.
- c. The Personal Property Inflation Protection Coverage is required.
- d. The premium for this coverage option is developed by applying 24 percent to the accumulated premium after application of charges for increased Building Additions and Alterations. This premium is subject to a minimum premium of \$24.00. The minimum premium applies to each insured location to which the coverage option is extended.

C. CONDOMINIUM SPECIAL COVERAGE

Comprehensive Endorsement

This endorsement provides all risk type coverage on Coverage B — Loss of Use, Coverage C — Condominium Loss Assessment and Building Additions and Alterations Coverage. The premium for this coverage is \$0.20 for each \$1,000 of the total, combined limits for Coverages B and C and Building Additions and Alterations Coverage.

D. LOSS ASSESSMENT OPTION N

- ← **Eff. 10-23-11**
 1. Homeowner Policy

This optional coverage may be activated with the Homeowner policy when the Insured is a member of an association of property owners. The coverage provides protection for special assessments of the association for which the Insured may be liable as a result of membership.

\$500
 This option requires a minimum Section I deductible of ~~\$250~~. We will pay, up to the coverage limit, that part of the assessment that exceeds the Section I deductible. This coverage is excess over any other valid and collectible insurance.

The minimum coverage limit is \$1,000, which is provided in accordance with the following schedule of annual premium charges:

Section I — Deductible	\$1,000 Limit Charge
\$250*	\$4.00
500	3.00
1,000	2.00
2,500, 5,000	1.00

- *
 2. Condominium Policy

The minimum limit of \$1,000 Loss Assessment Coverage is included for the perils covered in the policy.

For interim change only. Not applicable for new and renewal business after 10/23/2011.

ADDITIONAL SECTION I COVERAGES (cont’d)

N. SECURITIES* OPTION G (INCREASED LIMITS)

Increased limits for securities may be provided by activating Option G. A limit of \$1,000 is included in the accumulated premiums for the Homeowner and Condominium policies. A limit of \$500 is included in the accumulated premiums for the Tenants form. Increased limits may be provided at the additional annual rate shown below:

Total Limit of Liability	Tenants
\$ 600	\$ 4.00
700	8.00
800	12.00
900	16.00
1,000	20.00
Each add'l \$100	4.00

Total Limit of Liability	Homeowner and Condominium
\$1,100	\$ 4.00
1,200	8.00
1,300	12.00
1,400	16.00
1,500	20.00
Each add'l \$100	4.00

*For limits in excess of \$5,000, refer to Underwriting.

O. INCREASED SPECIAL LIMITS OF LIABILITY

The special limits of liability which apply to loss of the items listed below may be increased by charging the additional annual premiums shown below:

1. Computer Hardware and Software — Option H

The \$3,000 limit may be increased to one of the following:

Total Limit	Annual Premium
\$ 5,000	\$ 6.00
7,500	14.00
10,000	21.00

2. Business Property on Premises — Option I — Homeowner and Condominium Policies

The \$500 limit may be increased to one of the following:

Total Limit	Annual Premium
\$1,000	\$ 4.00
2,000	12.00
3,000	20.00
4,000	28.00
5,000	36.00

P. NEW CONSTRUCTION THEFT COVERAGE

← **Eff. 10-23-11**

For the following additional premium, coverage may be provided for theft losses in or to a dwelling under construction or to construction materials and supplies, for a period not exceeding 180 days after inception of the endorsement. The premium is fully earned if the endorsement is cancelled by the Insured. The minimum deductible permitted is \$100.

← **\$500**

Deductible	Premium
\$ 250*	\$37.00
500	32.00
1,000	21.00
2,500	11.00
5,000	3.00

* ← **For interim change only. Not applicable for new and renewal business after 10/23/2011.**

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ ← **10-23-11**

Insert G

		FRAME						
		Rate per \$1,000						
5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.55	0.55	0.43	0.43	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.55	0.55	0.43	0.43	0.22
Tenants Form	(Coverage C)	-	-	0.43	0.43	0.35	0.35	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.43	0.37	0.35	0.35	0.16
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.55	0.55	0.43	0.43	0.22
Loss of Use	(Amount of Increase Only)	-	-	0.43	0.37	0.35	0.35	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.55	0.37	0.37	0.37	0.16
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.55	0.55	0.43	0.43	0.22

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont'd)

10-23-11

		ALL OTHER						
		Rate per \$1,000						
5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.62	0.62	0.49	0.49	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.62	0.62	0.49	0.49	0.28
Tenants Form	(Coverage C)	-	-	0.43	0.43	0.35	0.35	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.41	0.25	0.25	0.25	0.16
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.43	0.43	0.35	0.35	0.16
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.62	0.62	0.49	0.49	0.28
Loss of Use	(Amount of Increase Only)	-	-	0.43	0.43	0.35	0.35	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.55	0.37	0.37	0.37	0.16
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.62	0.62	0.49	0.49	0.28

ADDITIONAL SECTION I COVERAGES (cont'd)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont'd)

10-23-11

		FRAME						
		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.40	0.40	0.32	0.28	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.40	0.40	0.32	0.28	0.15
Tenants Form	(Coverage C)	-	-	0.32	0.32	0.27	0.20	0.12
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.32	0.32	0.23	0.18	0.12
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.40	0.40	0.32	0.28	0.15
Loss of Use	(Amount of Increase Only)	-	-	0.32	0.32	0.23	0.18	0.12
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.40	0.32	0.27	0.24	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.40	0.40	0.32	0.28	0.15

ADDITIONAL SECTION I COVERAGES (cont’d)

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. ~~10-23-10~~ (cont’d)

↖ **10-23-11**

		ALL OTHER						
		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.45	0.45	0.37	0.29	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.45	0.45	0.37	0.29	0.18
Tenants Form	(Coverage C)	-	-	0.32	0.32	0.27	0.20	0.12
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.32	0.21	0.17	0.15	0.11
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.32	0.32	0.27	0.27	0.13
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.45	0.45	0.37	0.29	0.18
Loss of Use	(Amount of Increase Only)	-	-	0.32	0.32	0.27	0.27	0.13
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.40	0.32	0.27	0.24	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.45	0.45	0.37	0.29	0.18

ADDITIONAL SECTION I COVERAGES (cont'd)**10-23-11****EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE**Eff. ~~10-23-10~~ (cont'd)**FRAME****Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Tenants Form	(Coverage C)	0.61	0.61	0.26	0.26	0.22	0.16	0.10
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.18	0.14	0.10
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.89	0.89	0.32	0.32	0.26	0.22	0.12
Loss of Use	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.18	0.14	0.10
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.89	0.89	0.32	0.26	0.21	0.19	0.10
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.89	0.89	0.32	0.32	0.26	0.22	0.12

ALL OTHER**Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Tenants Form	(Coverage C)	0.61	0.61	0.26	0.26	0.22	0.16	0.10
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.61	0.61	0.26	0.17	0.14	0.12	0.09
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.22	0.22	0.11
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	1.09	1.09	0.36	0.36	0.30	0.23	0.14
Loss of Use	(Amount of Increase Only)	0.61	0.61	0.26	0.26	0.22	0.22	0.10
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.89	0.89	0.32	0.26	0.21	0.19	0.10
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	1.09	1.09	0.36	0.36	0.30	0.23	0.14

ADDITIONAL SECTION I COVERAGES (cont'd)

10-23-11

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

Eff. 10-23-10 (cont'd)

		FRAME						
		Rate per \$1,000						
20% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Tenants Form	(Coverage C)	0.49	0.49	0.21	0.21	0.18	0.13	0.08
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.06
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.06
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.49	0.49	0.21	0.20	0.14	0.11	0.08
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.71	0.71	0.26	0.26	0.21	0.18	0.08
Loss of Use	(Amount of Increase Only)	0.49	0.49	0.21	0.20	0.14	0.11	0.08
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.71	0.71	0.26	0.20	0.17	0.15	0.08
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.71	0.71	0.26	0.26	0.21	0.18	0.08
		ALL OTHER						
		Rate per \$1,000						
20% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Tenants Form	(Coverage C)	0.49	0.49	0.21	0.21	0.18	0.13	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.07
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.49	0.49	0.21	0.14	0.11	0.10	0.07
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.49	0.49	0.21	0.21	0.18	0.18	0.09
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.88	0.88	0.29	0.29	0.24	0.19	0.09
Loss of Use	(Amount of Increase Only)	0.49	0.49	0.21	0.21	0.18	0.18	0.08
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.71	0.71	0.26	0.20	0.17	0.15	0.08
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.88	0.88	0.29	0.29	0.24	0.19	0.09

ADDITIONAL SECTION I COVERAGES (cont’d)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont’d)

Eff. ~~10-23-10~~ ← **10-23-11**

Construction Year	Factors	
	Other	Frame
1939 and Prior	2.00	1.00
1940 – 1949	1.30	1.00
1950 and Later	1.00	1.00

Earthquake Rating Zones

Zone 1 — Counties of Clay, Craighead, Crittenden, Cross, Greene, Jackson, Mississippi, and Poinsett.

Zone 2 — Counties of Lee and St. Francis.

Zone 3 — Counties of Independence, Lawrence, Randolph, and Sharp.

Zone 4 — Counties of Arkansas, Monroe, Phillips, Prairie, White, and Woodruff.

Zone 5 — Counties of Baxter, Fulton, and Izard.

Zone 6 — Counties of Cleburne, Conway, Desha, Faulkner, Jefferson, Little River, Lonoke, Marion, Pulaski, Searcy, Sebastian, and Stone.

Zone 7 — Remainder of State.

Construction

Construction materials affect the rate for Earthquake Damage protection as follows:

1. Homeowner
 - a. Exterior Masonry Veneer that is NOT to be covered is rated as “FRAME.”
 - b. Exterior Masonry Veneer that is to be covered is rated as “OTHER.”
 - c. Frame Stucco is to be rated as “FRAME.”
2. Tenants and Condominium
All constructions to be rated as “FRAME.”

R. REPLACEMENT COST PLUS — HOMEOWNER POLICY

Eff. 2-16-08

This option modifies the policy loss settlement provisions to pay up to an additional 25 percent of the dwelling limit, if needed.

The premium for this option is \$10.00.

The guarantee applies to total losses only when:

1. The dwelling is originally insured to 100 percent of replacement cost as determined by the Replacement Guide. If this is not the case, a current replacement cost computation and an adjustment to the policy limit needed to bring it to 100 percent of replacement cost must be submitted with requests to add this coverage.
2. The Inflation Protection Coverage is activated.
3. The Insured notifies us within ninety (90) days of the start of any improvements or additions, which increase the value of the dwelling by \$5,000 or more. We will pay no more than the policy limit if the Insured fails to so notify us.

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS

Eff. ~~10-23-10~~ ← **10-23-11**

1. Option P — Limited Water Back Up of Sewers or Drains Coverage

We will pay up to a maximum of \$5,000 for all damage to:

- a. The Coverage A — Dwelling, AND
- b. The following personal property:
 1. Clothes washers and dryers,
 2. Food freezers and the food in them,
 3. Refrigerators,
 4. Ranges,
 5. Portable dishwashers, AND
 6. Dehumidifiers

caused by or resulting from water or water-borne material which

- a. Backs up through sewers or drains from outside the dwelling’s plumbing system, OR
- b. Overflows a sump pump, sump pump well or other system designed to remove subsurface water or water-borne material from the foundation area.

ADDITIONAL SECTION I COVERAGES (cont’d)

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS (cont’d)

Eff. ~~10-23-10~~ ← **10-23-11**

- 1. Option P — Limited Water Back Up of Sewers or Drains Coverage (cont’d)

We will pay for that part of the covered loss that is above the Section I — Deductible shown on the Declarations or \$500, whichever is greater.

Insert H

Section - I All other Peril Decutable	Homeowner	Tenants	Condominium
\$500 or less	\$8.01	\$2.52	\$7.97
1,000	5.72	1.26	4.55
2,500	5.72	N/A	N/A
5,000	4.58	N/A	N/A

NOTE — For all split theft deductibles use the non-theft portion of the deductible to find the correct premium.

- 2. Option R — Broad Water Back Up of Sewers or Drains Coverage (All Policy Forms)

Eff. ~~10-23-10~~ ← **10-23-11**

We will pay up to the limit of liability shown on the Declarations for this option at the time of loss for direct damage to covered property caused by or resulting from water or water-borne material which:

- a. Backs up through sewers or drains from outside the dwelling’s plumbing system, OR
- b. Overflows a sump pump, sump pump well or other system designed to remove subsurface water or water-borne material from the foundation area.

A \$500 deductible or the Section — I policy deductible, whichever is higher applies to loss under this coverage.

Insert I

Homeowner				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$37.78	\$70.98	\$192.34	\$361.79
500	37.78	70.98	192.34	361.79
1,000	32.06	60.68	162.58	306.83
2,500	28.62	53.81	145.40	274.78
5,000	26.33	49.23	133.95	251.88

Tenants				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$13.84	\$27.68	\$72.99	\$137.17
250	13.84	27.68	72.99	137.17
500	13.84	27.68	72.99	137.17
1,000	12.58	22.65	50.22	117.03
2,500	11.33	20.13	55.37	104.45
5,000	10.07	18.88	50.34	95.64

Condominiums				
Section - I All other Peril Decutable	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1,000	18.22	35.18	93.36	176.47
2,500	15.94	30.74	83.11	157.11
5,000	14.80	28.46	76.28	144.59

T. INLAND MARINE COVERAGES

All risks insurance on outboard motors, boats, trailers and accessories, subject to applicable deductibles, and certain classes of personal property may be added to the Homeowner policy in accordance with the appropriate rates and rules set forth in the Inland Marine Portfolio. Minimum premiums do not apply.

U. ENGAGED COUPLES — PERSONAL PROPERTY

Wedding presents and other personal property of an engaged couple may be covered under the Tenants Policy only when the appropriate endorsement is attached. The policy is issued in the names of both parties and may be written to become effective up to 90 days prior to the wedding date. The endorsement covers personal property of the couple located anywhere in the state until 90 days after the wedding date, and then provides coverage in their permanent residence thereafter. Section II of the policy does not apply until the date of the wedding. The policy premium is based on the rates at the bride’s residence.

Calculation		<u>Example</u>
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,060.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,075.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 15.00</u>
(10)	Factor in (6) applied to the premium difference: (9) * (6). Round to the nearest penny	<u>\$ 6.74</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,066.74</u>

Insert B
Arkansas Homeowners
Manual Page H-402
Effective 10/23/2011

Roof Type	Factor
Composite	1.00
Metal	0.95
Tile	0.95
Wood	1.15
Slate	1.00
Gravel/Tar	1.15
Roll	1.15
All Other	1.00

Insert C
Arkansas Homeowners
Manual Page H-403
Effective 10/23/2011

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.349	1.605	1.605
500	1.229	1.342	1.342
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA
100/250*	NA	1.671	NA

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000 - \$199,999	\$200,000 - \$499,999	\$500,000 +
500/1,000WH	1.117	1.148	1.175	1.180
500/2,000WH	0.997	1.052	1.102	1.115
500/5,000WH	0.886	0.929	0.995	1.013
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

Insert D
 Arkansas Homeowners
 Manual Page H-405
 Effective 10/23/2011

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
<= 0	36
1	34
2	30
3	25
4	21
5	17
6	13
7	9
8	9
9	9
10	9
11	9
12	9
13	9
14	9
15	9
> 15 <= 20	9
> 20 <= 25	8
> 25 <= 30	7
> 30 <= 35	6
> 35 <= 40	5
> 40 <= 45	4
> 45 <= 50	3
> 50 <= 60	2
> 60 <= 75	1
>75	0

Age of Construction or Home Component	Age of Home Component Percent Premium Credit			
	Plumbing	Heating/Cooling	Electrical	Roof
<= 0	2	5	8	8
1	2	4	7	7
2	1	4	6	6
3	1	2	5	4
4	0	2	3	3
5	0	1	2	2
6	0	0	1	1
7	0	0	0	0

Insert E
Arkansas Homeowners
Manual Page H-407
Effective 10/23/2011

Financial Responsibility Class	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
1	0.49	0.50	0.48
2	0.49	0.50	0.48
3	0.49	0.50	0.48
4	0.49	0.50	0.48
5	0.53	0.54	0.52
6	0.56	0.56	0.54
7	0.58	0.58	0.57
8	0.60	0.61	0.59
9	0.62	0.63	0.61
10	0.65	0.66	0.64
11	0.68	0.68	0.67
12	0.71	0.71	0.70
13	0.74	0.74	0.73
14	0.77	0.77	0.76
15	0.81	0.81	0.80
16	1.01	1.02	1.02
17	1.07	1.08	1.08
18	1.41	1.42	1.42
19	1.49	1.50	1.50
20	1.53	1.54	1.54
21	1.99	1.97	2.01
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65

Insert F
Arkansas Homeowners
Manual Page H-409 to 410
Effective 10/23/2011

O. PRIOR INSURANCE DISCOUNT
Eff. 10-23-11

This rule applies to new business homeowner policies effective 9/30/11 and after and their subsequent renewals.

For new policy holders, a premium factor will be applied from the table below. The factor will be based on the number of years the policy holder was continuously insured with the prior carrier (Prior Carrier Years in the rate table) and the number of years the homeowner policy has been written with Nationwide (Current Years with Nationwide in the rate table).

If a new policy holder was insured with a Nationwide company immediately prior to the most recent prior carrier, the number of years with the prior carrier shall be increased by the number of years previously insured with Nationwide.

For existing policy holders transferring from a tenant or condominium policy to a homeowner policy, a premium factor will be applied from the table below. The factor will be based on the number of years the policy holder continuously maintained the tenant or condominium policy with a Nationwide company (Prior Carrier Years in the rate table) and the number of years the homeowner policy has been written with Nationwide (Current Years with Nationwide in the rate table).

Rating Factors

Prior Carrier Years	Current Years with Nationwide					
	0	1	2	3	4	5+
1	1.00	1.00	1.00	1.00	1.00	1.00
2	1.00	1.00	1.00	1.00	1.00	1.00
3	0.93	0.93	0.93	0.96	0.98	1.00
4	0.91	0.91	0.91	0.95	0.97	1.00
5+	0.90	0.90	0.90	0.94	0.97	1.00

FRAME - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.83	0.83	0.65	0.65	0.33	Coverage A Limit of Liability
Tenants Form	-	-	0.65	0.65	0.53	0.53	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.62	0.38	0.38	0.38	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.65	0.56	0.53	0.53	0.24	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.83	0.83	0.65	0.65	0.33	Amount of Increase Only
Loss of Use	-	-	0.65	0.56	0.53	0.53	0.24	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.83	0.56	0.56	0.56	0.24	Amount of Increase Only
Loss Assessment Option	-	-						
All Forms excluding Tenants	-	-	0.83	0.83	0.65	0.65	0.33	Desired Limit

ALL OTHER - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.93	0.93	0.74	0.74	0.42	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.93	0.93	0.74	0.74	0.42	Coverage A Limit of Liability
Tenants Form	-	-	0.65	0.65	0.53	0.53	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.65	0.65	0.53	0.47	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.65	0.65	0.53	0.47	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.65	0.65	0.53	0.53	0.24	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.93	0.93	0.74	0.74	0.42	Amount of Increase Only
Loss of Use	-	-	0.65	0.65	0.53	0.53	0.24	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.93	0.93	0.74	0.69	0.24	Amount of Increase Only
Loss Assessment Option	-	-						
All Forms excluding Tenants	-	-	0.93	0.93	0.74	0.74	0.42	Desired Limit

FRAME - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.30	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.60	0.60	0.48	0.42	0.23	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.60	0.48	0.41	0.36	0.18	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.60	0.60	0.48	0.42	0.23	Desired Limit

ALL OTHER - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.41	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.68	0.68	0.56	0.44	0.27	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.68	0.68	0.56	0.54	0.20	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.68	0.68	0.56	0.44	0.27	Desired Limit

FRAME - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Coverage A Limit of Liability
Tenants Form	0.92	0.92	0.39	0.39	0.33	0.24	0.15	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.92	0.92	0.39	0.26	0.21	0.18	0.14	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.92	0.92	0.39	0.39	0.27	0.21	0.15	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Amount of Increase Only
Loss of Use	0.92	0.92	0.39	0.39	0.27	0.21	0.15	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.34	1.34	0.48	0.39	0.32	0.29	0.15	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.34	1.34	0.48	0.48	0.39	0.33	0.18	Desired Limit

ALL OTHER - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Coverage A Limit of Liability
Tenants Form	0.92	0.92	0.39	0.39	0.33	0.33	0.17	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.92	0.92	0.39	0.39	0.33	0.30	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.92	0.92	0.39	0.39	0.33	0.30	0.14	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.92	0.92	0.39	0.39	0.33	0.33	0.17	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Amount of Increase Only
Loss of Use	0.92	0.92	0.39	0.39	0.33	0.33	0.15	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.65	1.65	0.54	0.54	0.45	0.44	0.17	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.64	1.64	0.54	0.54	0.45	0.35	0.21	Desired Limit

FRAME - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.20	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.07	1.07	0.39	0.30	0.26	0.23	0.12	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Desired Limit

ALL OTHER - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.32	0.27	0.27	0.12	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.32	1.32	0.44	0.44	0.36	0.35	0.14	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Desired Limit

Insert H
Arkansas Homeowners
Manual Page H-423
Effective 10/23/2011

Section - I All other Peril Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$8.77	\$2.77	\$7.97
1,000	6.26	1.39	4.55
2,500	6.26	N/A	N/A
5,000	5.02	N/A	N/A

Homeowner

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$41.37	\$77.72	\$210.61	\$396.16
500	41.37	77.72	210.61	396.16
1,000	35.11	66.44	178.03	335.98
2,500	31.34	58.92	159.21	300.88
5,000	28.83	53.91	146.68	275.81

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Tenants

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100*	\$15.22	\$30.45	\$80.29	\$150.89
250*	15.22	30.45	80.29	150.89
500	15.22	30.45	80.29	150.89
1000	13.84	24.92	55.24	128.73
2500	12.46	22.14	60.91	114.90
5000	11.08	20.77	55.37	105.20

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Condominiums

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$21.63	\$40.99	\$110.43	\$207.21
500	21.63	40.99	110.43	207.21
1000	18.22	35.18	93.36	176.47
2500	15.94	30.74	83.11	157.11
5000	14.80	28.46	76.28	144.59

* For interim change only. Not applicable for new and renewal business after 10/23/2011.

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Non-Cat Loss Experience by Accounting Year

Accounting Year	Earned Exposure	Earned Premium	Non-Weather Incr Losses	Weather Incr Losses
2002	27,259	13,771,292	5,037,313	1,447,674
2003	28,837	16,607,301	6,614,359	3,667,755
2004	46,189	19,636,732	4,974,047	2,624,206
2005	53,080	21,671,661	8,275,401	2,671,034
2006	55,378	23,202,289	8,000,624	3,159,824
2007	56,745	24,525,044	6,907,118	3,107,504
2008	54,968	25,128,419	7,823,234	5,032,397
2009	51,643	25,365,408	8,244,143	10,504,052
2010	48,549	24,712,362	8,628,905	4,030,755
2011(ytd)	19,837	9,943,541	1,979,060	3,192,516