

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Filing at a Glance

Companies: The Hanover American Insurance Company, Massachusetts Bay Insurance Company

Product Name: *PLnon- PL non-group SERFF Tr Num: HNVX- G127793505 State: Arkansas

TOI: 04.0 Homeowners SERFF Status: Closed-Filed State Tr Num:

Sub-TOI: 04.0000 Homeowners Sub-TOI Co Tr Num: AR11473CG00001 State Status:

Combinations

Filing Type: Rate/Rule

Reviewer(s): Nancy Horton, Becky Harrington

Author: SPI Hanover

Disposition Date: 01/18/2012

Date Submitted: 11/09/2011

Disposition Status: Filed

Effective Date Requested (New):

Effective Date (New):

Effective Date Requested (Renewal): 02/24/2012

Effective Date (Renewal):

02/24/2012

State Filing Description:

referrd to commissioner 12/2/11; meeting held 1/4/12

General Information

Project Name: *PLnon- PL non-group

Status of Filing in Domicile:

Project Number: AR11473CG00001

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 01/18/2012

State Status Changed: 01/05/2012

Deemer Date:

Created By: SPI Hanover

Submitted By: SPI Hanover

Corresponding Filing Tracking Number:

Filing Description:

With this filing, we propose the following summary of changes:

- 1) All Peril Deductible Factors and Caps
- 2) Wind Hail Deductible Factors and Caps
- 3) Base Rates
- 4) Amount of Insurance Relativity
- 5) Protection Class by Form

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- 6) Account Credit
- 7) New Home Credit
- 8) Alarm Credit
- 9) Section II E&F - Residence Premises Liability
- 10) Cap on Credits
- 11) Rate Capping

For a more detail description of this filing, please refer to the Actuarial Memorandum and Actuarial Support documents.

This filing is submitted with an effective date of February 24, 2012 for renewal business only.

Should you have any questions, please do not hesitate to contact us. Thank you.

Company and Contact

Filing Contact Information

Robin Sipowicz, State Filings Analyst

100 North Parkway

508-855-2805 [Phone] 855-2805
[Ext]

Worcester, MA 01605-1396

508-855-4786 [FAX]

Filing Company Information

The Hanover American Insurance Company

440 Lincoln Street

Worcester, MA 01653

(508) 853-7200 ext. [Phone]

Massachusetts Bay Insurance Company

440 Lincoln Street

Worcester, MA 06153

(508) 853-7200 ext. [Phone]

CoCode: 36064

Group Code: 88

Group Name: The Hanover
Insurance Group

FEIN Number: 04-3063898

CoCode: 22306

Group Code: 88

Group Name: The Hanover
Insurance Group

FEIN Number: 04-2217600

State of Domicile: New Hampshire

Company Type:

State ID Number:

State of Domicile: New Hampshire

Company Type:

State ID Number:

Filing Fees

Fee Required? Yes

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Fee Amount: \$150.00
Retaliatory? No
Fee Explanation: 1 rule filing (\$50) + 1 rate filing (\$100) = \$150 per AR requirements.
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Hanover American Insurance Company	\$150.00	11/09/2011	53621911
Massachusetts Bay Insurance Company	\$0.00	11/09/2011	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	01/18/2012	01/18/2012

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	01/04/2012	01/04/2012	SPI Hanover	01/10/2012	01/10/2012
No response necessary	Becky Harrington	12/02/2011	12/02/2011			
Pending Industry Response	Becky Harrington	11/16/2011	11/16/2011	SPI Hanover	11/30/2011	11/30/2011

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Actuarial Memorandum	SPI Hanover	11/10/2011	11/10/2011

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Status of Approval	Note To Reviewer	SPI Hanover	01/13/2012	01/13/2012

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Disposition

Disposition Date: 01/18/2012
 Effective Date (New):
 Effective Date (Renewal): 02/24/2012
 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):
The Hanover American Insurance Company	26.400%	15.500%	\$	3,874	\$1,939,553	25.000%	-9.400%
Massachusetts Bay Insurance Company	26.400%	16.300%	\$	1,830	\$3,926,903	25.000%	-7.900%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	5,704

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document (revised)	Actuarial Memorandum	Filed	Yes
Supporting Document	Actuarial Memorandum		Yes
Supporting Document	Actuarial Support	Filed	Yes
Supporting Document (revised)	AR Homeowners Rate Manual RS-1 thru RS-7 DRAFT	Filed	Yes
Supporting Document	AR Homeowners Rate Manual RS-1 thru RS-7 DRAFT		Yes
Supporting Document	AR Homeowners Rule Manual Pgs 13,14,15 DRAFT	Filed	Yes
Supporting Document	AR Homeowners Rule Manual Pgs 19,20	Filed	Yes
Supporting Document	AR Homeowners Rule Manual Pg 27 DRAFT	Filed	Yes
Supporting Document	AR Homeowners Rule Manual Pg 34 DRAFT	Filed	Yes
Supporting Document	AR Homeowners Rule Manual Pg 42 DRAFT	Filed	Yes
Supporting Document	AR Homeowners Manual - Coversheet & Index B DRAFT	Filed	Yes
Supporting Document	AR Homeowners Rule Manual Pg 43 DRAFT	Filed	Yes
Supporting Document	Arkansas Notice	Filed	Yes
Supporting Document	HPCS - Hanover, HPCS - MassBay	Filed	Yes
Rate	AR Homeowners Manual	Filed	Yes
Rate (revised)	AR Homeowners Rate Manual	Filed	Yes
Rate	AR Homeowners Rate Manual		Yes

SERFF Tracking Number: *HNXX-G127793505* State: *Arkansas*
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Rate	AR Homeowners Rule Manual	Filed	Yes
Rate	AR Homeowners Rule Manual	Filed	Yes
Rate	AR Homeowners Rule Manual	Filed	Yes
Rate	AR Homeowners Rule Manual	Filed	Yes
Rate	AR Homeowners Rule Manual	Filed	Yes
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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 01/04/2012

Submitted Date 01/04/2012

Respond By Date

Dear Robin Sipowicz,

Pursuant to our meeting today, 1/4/12, please amend the overall increase amount to 15%.

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 01/10/2012
 Submitted Date 01/10/2012

Dear Becky Harrington,

Comments:

Thank you for your letter dated 1/4/2012. Our response is below.

Response 1

Comments: We have amended our Manual Pages and Supporting documentation to reflect a base rate increase of 15%.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment:

Satisfied -Name: NAIC loss cost data entry document

Comment:

Satisfied -Name: AR Homeowners Rate Manual RS-1 thru RS-7 DRAFT

Comment:

Satisfied -Name: HPCS - Hanover, HPCS - MassBay

Comment:

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
AR Homeowners Rate Manual	RS-1 thru RS-7	Replacement	
Previous Version			
AR Homeowners Rate Manual	RS-1 thru RS-7	Replacement	

Thank you for your time in reviewing our response.

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Sincerely,
SPI Hanover

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Objection Letter

Objection Letter Status No response necessary

Objection Letter Date 12/02/2011

Submitted Date 12/02/2011

Respond By Date

Dear Robin Sipowicz,

This will acknowledge receipt of the recent response.

The filing is being referred to Commissioner Bradford for review of the overall increase amount.

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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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 11/16/2011

Submitted Date 11/16/2011

Respond By Date

Dear Robin Sipowicz,

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: The worksheet names have been changed. Companies may not change the form in any way or include formulas.

Objection 2

Comment: Please provide a sample notice to insureds regarding the deductible increase.

Please consider a buy-back option at an additional charge.

Objection 3

Comment: Rate change requests greater than 6% are subject to Commissioner Bradford's review. You may either amend the overall change to 6% or request the filing be reviewed by the Commissioner.

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	11/30/2011
Submitted Date	11/30/2011

Dear Becky Harrington,

Comments:

Thank you for your 11/16/2011 letter. Our response follows below.

Response 1

Comments: We have fixed the naming convention of the worksheets. We apologize for the inconvenience.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

The worksheet names have been changed. Companies may not change the form in any way or include formulas.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: We are submitting a sample of this customer notification.

Given the higher frequency of loss we are experiencing for deductible options less than \$1,000 and the impact of inflationary pressures over time, we prefer to not offer a buy-back option. We believe the best approach is to remove these lower options from our filed program and move customers to \$1,000 minimum with an appropriate premium credit for doing so. Our goal is to keep this process simple and transparent for our policyholders and agents.

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Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Related Objection 1

Comment:

Please provide a sample notice to insureds regarding the deductible increase.

Please consider a buy-back option at an additional charge.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Arkansas Notice

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

The Homeowners product has proven to be under-priced in the Arkansas market in recent years. It would be irresponsible for us to lower our requested rate change as we strive to offer rates which are adequate, not excessive, and not unfairly discriminatory. Therefore, we understand that Commissioner Bradford will review our rate request.

We have coupled this shift to higher all-peril deductibles with the level of rate increase necessary to bring our rates to adequacy, so that the two changes will largely offset each other for many customers. That is, customers being moved to higher all-peril deductibles will experience a premium decrease from this movement at the same time that base rates are increasing so upon renewal they will have more stability in their final premium.

Related Objection 1

Comment:

Rate change requests greater than 6% are subject to Commissioner Bradford's review. You may either amend the overall change to 6% or request the filing be reviewed by the Commissioner.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

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No Rate/Rule Schedule items changed.

Sincerely,
SPI Hanover

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Note To Reviewer

Created By:

SPI Hanover on 01/13/2012 12:25 PM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

Status of Approval

Comments:

Becky,

I submitted our objection response with revised documents show the rate increase of 15%. Have you had a chance to review and approve?

Thank you,

Robin

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Note To Reviewer

Created By:

SPI Hanover on 12/15/2011 09:26 AM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

Request to Suspend Disposition

Comments:

Becky,

We would like to request to suspend the disposition of this filing until after SERFF Filings HNVX-G127890339(Rule) & HNVX-G1278900362(Form) are approved. These two filings were submitted today and are effective 1/16/2012, which is before the requested effective date of this filing (2/24/2012). We would like to incorporate the changes to our manual from SERFF Filings HNVX-G127890339(Rule) & HNVX-G1278900362(Form) by amending this filing prior to the disposition being sent.

Thank you.

Robin Sipowicz

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Note To Filer

Created By:

Becky Harrington on 12/06/2011 11:21 AM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

Commissioner Bradford's Review

Comments:

Commissioner Bradford has reviewed the requested rate increase and would like to meet with company representatives, either in person or by telephone.

Please contact Seleta Yearian to schedule a meeting or call. Seleta.Yearian@arkansas.gov or 501-371-2621

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Note To Reviewer

Created By:

SPI Hanover on 12/05/2011 09:52 AM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

Re-Submitting HPCS

Comments:

Becky,

I've re-attached and am resubmitting our HPCS forms.

Please let me know if they are still transmitting with the incorrect naming convention.

Thank you.

Robin Sipowicz

NAIC Number: 36064
 Company Name: Hanover American Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$694.00	\$772.00	\$818.00	\$909.00	\$1,180.00	\$1,312.00	\$1,081.00	\$1,202.00	\$1,081.00	\$1,202.00	\$1,026.00	\$1,141.00	\$1,030.00	\$1,145.00	\$729.00	\$810.00	\$773.00	\$860.00
	\$120,000	\$799.00	\$887.00	\$941.00	\$1,046.00	\$1,357.00	\$1,508.00	\$1,243.00	\$1,382.00	\$1,243.00	\$1,382.00	\$1,179.00	\$1,313.00	\$1,185.00	\$1,316.00	\$839.00	\$931.00	\$889.00	\$989.00
	\$160,000	\$1,033.00	\$1,147.00	\$1,215.00	\$1,352.00	\$1,754.00	\$1,949.00	\$1,606.00	\$1,786.00	\$1,606.00	\$1,786.00	\$1,524.00	\$1,696.00	\$1,531.00	\$1,700.00	\$1,083.00	\$1,203.00	\$1,148.00	\$1,278.00
6	\$80,000	\$842.00	\$956.00	\$991.00	\$1,127.00	\$1,430.00	\$1,625.00	\$1,310.00	\$1,488.00	\$1,310.00	\$1,488.00	\$1,243.00	\$1,413.00	\$1,248.00	\$1,418.00	\$884.00	\$1,004.00	\$937.00	\$1,065.00
	\$120,000	\$968.00	\$1,101.00	\$1,140.00	\$1,296.00	\$1,644.00	\$1,869.00	\$1,506.00	\$1,711.00	\$1,506.00	\$1,711.00	\$1,430.00	\$1,625.00	\$1,435.00	\$1,631.00	\$1,016.00	\$1,154.00	\$1,079.00	\$1,225.00
	\$160,000	\$1,251.00	\$1,422.00	\$1,473.00	\$1,674.00	\$2,125.00	\$2,415.00	\$1,947.00	\$2,212.00	\$1,947.00	\$2,212.00	\$1,848.00	\$2,100.00	\$1,855.00	\$2,108.00	\$1,313.00	\$1,491.00	\$1,393.00	\$1,583.00
9	\$80,000	\$2,295.00	\$3,303.00	\$2,704.00	\$3,890.00	\$3,899.00	\$5,610.00	\$3,572.00	\$5,141.00	\$3,572.00	\$5,141.00	\$3,390.00	\$4,879.00	\$3,403.00	\$4,898.00	\$2,408.00	\$3,463.00	\$2,556.00	\$3,679.00
	\$120,000	\$2,639.00	\$3,798.00	\$3,110.00	\$4,473.00	\$4,482.00	\$6,451.00	\$4,107.00	\$5,911.00	\$4,107.00	\$5,911.00	\$3,898.00	\$5,610.00	\$3,912.00	\$5,632.00	\$2,769.00	\$3,983.00	\$2,939.00	\$4,231.00
	\$160,000	\$3,409.00	\$4,907.00	\$4,019.00	\$5,780.00	\$5,793.00	\$8,335.00	\$5,307.00	\$7,638.00	\$5,307.00	\$7,638.00	\$5,037.00	\$7,249.00	\$5,056.00	\$7,278.00	\$3,577.00	\$5,146.00	\$3,798.00	\$5,468.00

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

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

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %
		Maximum Credit Allowed	45 %

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	Yes	(yes or no)	
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	10	%	
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Zone	Brick	Frame
	Highest Risk	\$ 1.4	\$ 0.61
	Lowest Risk	\$ 1.02	\$ 0.37

NAIC Number: 22306
 Company Name: Massachusetts Bay Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$772.00	\$858.00	\$908.00	\$1,011.00	\$1,312.00	\$1,457.00	\$1,201.00	\$1,335.00	\$1,201.00	\$1,335.00	\$1,140.00	\$1,268.00	\$1,145.00	\$1,272.00	\$810.00	\$899.00	\$859.00	\$955.00
	\$120,000	\$887.00	\$987.00	\$1,045.00	\$1,163.00	\$1,508.00	\$1,676.00	\$1,381.00	\$1,536.00	\$1,381.00	\$1,536.00	\$1,310.00	\$1,457.00	\$1,316.00	\$1,463.00	\$931.00	\$1,035.00	\$988.00	\$1,099.00
	\$160,000	\$1,147.00	\$1,275.00	\$1,351.00	\$1,502.00	\$1,949.00	\$2,165.00	\$1,784.00	\$1,985.00	\$1,784.00	\$1,985.00	\$1,693.00	\$1,884.00	\$1,700.00	\$1,891.00	\$1,203.00	\$1,336.00	\$1,277.00	\$1,420.00
6	\$80,000	\$935.00	\$1,063.00	\$1,102.00	\$1,252.00	\$1,588.00	\$1,805.00	\$1,456.00	\$1,654.00	\$1,456.00	\$1,654.00	\$1,381.00	\$1,570.00	\$1,388.00	\$1,576.00	\$981.00	\$1,114.00	\$1,042.00	\$1,184.00
	\$120,000	\$1,075.00	\$1,222.00	\$1,267.00	\$1,440.00	\$1,827.00	\$2,076.00	\$1,674.00	\$1,902.00	\$1,674.00	\$1,902.00	\$1,588.00	\$1,805.00	\$1,595.00	\$1,812.00	\$1,128.00	\$1,281.00	\$1,198.00	\$1,361.00
	\$160,000	\$1,390.00	\$1,579.00	\$1,637.00	\$1,861.00	\$2,360.00	\$2,684.00	\$2,164.00	\$2,457.00	\$2,164.00	\$2,457.00	\$2,053.00	\$2,333.00	\$2,061.00	\$2,342.00	\$1,458.00	\$1,656.00	\$1,549.00	\$1,758.00
9	\$80,000	\$2,550.00	\$3,669.00	\$3,005.00	\$4,322.00	\$4,332.00	\$6,233.00	\$3,968.00	\$5,711.00	\$3,968.00	\$5,711.00	\$3,765.00	\$5,420.00	\$3,781.00	\$5,442.00	\$2,675.00	\$3,848.00	\$2,840.00	\$4,088.00
	\$120,000	\$2,932.00	\$4,219.00	\$3,455.00	\$4,971.00	\$4,982.00	\$7,168.00	\$4,563.00	\$6,568.00	\$4,563.00	\$6,568.00	\$4,331.00	\$6,233.00	\$4,348.00	\$6,257.00	\$3,076.00	\$4,426.00	\$3,266.00	\$4,701.00
	\$160,000	\$3,789.00	\$5,452.00	\$4,464.00	\$6,423.00	\$6,437.00	\$9,261.00	\$5,897.00	\$8,486.00	\$5,897.00	\$8,486.00	\$5,596.00	\$8,054.00	\$5,618.00	\$8,086.00	\$3,974.00	\$5,719.00	\$4,220.00	\$6,074.00

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
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SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? 10 %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? Zone Highest Risk Brick \$ 1.4 Frame \$ 0.61

Maximum Credit Allowed

45%

Lowest Risk

\$ 1.02

\$ 0.37

I

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Note To Filer

Created By:

Becky Harrington on 12/05/2011 08:39 AM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

HPCS Follow-up

Comments:

The worksheet name is still not correct. The revised attachments are showing FORM HPCS_MB and FORM HPCS_Han AM. The worksheet name should be FORM HPCS

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Note To Reviewer

Created By:

SPI Hanover on 12/02/2011 08:43 AM

Last Edited By:

Becky Harrington

Submitted On:

01/18/2012 07:26 AM

Subject:

HPCS

Comments:

Becky,

Thank you for your message this morning. We did correct the HPCS forms with our last submission however it appears that the renamed documents did not carry over into SERFF from our Tracker system. We apologize for the inconvenience and know the importance of submitting these documents without changing the naming convention. With this Note, I have re-attached and submitted both HPCS Surveys. Please let me know if for some reason they did not transmit properly or if you are unable to open/read data.

We look forward to hearing from you and Commissioner Bradford.

Thank you.

Robin Sipowicz

NAIC Number: 36064
 Company Name: Hanover American Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

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

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 BLANK**

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Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$694.00	\$772.00	\$818.00	\$909.00	\$1,180.00	\$1,312.00	\$1,081.00	\$1,202.00	\$1,081.00	\$1,202.00	\$1,026.00	\$1,141.00	\$1,030.00	\$1,145.00	\$729.00	\$810.00	\$773.00	\$860.00
	\$120,000	\$799.00	\$887.00	\$941.00	\$1,046.00	\$1,357.00	\$1,508.00	\$1,243.00	\$1,382.00	\$1,243.00	\$1,382.00	\$1,179.00	\$1,313.00	\$1,185.00	\$1,316.00	\$839.00	\$931.00	\$889.00	\$989.00
	\$160,000	\$1,033.00	\$1,147.00	\$1,215.00	\$1,352.00	\$1,754.00	\$1,949.00	\$1,606.00	\$1,786.00	\$1,606.00	\$1,786.00	\$1,524.00	\$1,696.00	\$1,531.00	\$1,700.00	\$1,083.00	\$1,203.00	\$1,148.00	\$1,278.00
6	\$80,000	\$842.00	\$956.00	\$991.00	\$1,127.00	\$1,430.00	\$1,625.00	\$1,310.00	\$1,488.00	\$1,310.00	\$1,488.00	\$1,243.00	\$1,413.00	\$1,248.00	\$1,418.00	\$884.00	\$1,004.00	\$937.00	\$1,065.00
	\$120,000	\$968.00	\$1,101.00	\$1,140.00	\$1,296.00	\$1,644.00	\$1,869.00	\$1,506.00	\$1,711.00	\$1,506.00	\$1,711.00	\$1,430.00	\$1,625.00	\$1,435.00	\$1,631.00	\$1,016.00	\$1,154.00	\$1,079.00	\$1,225.00
	\$160,000	\$1,251.00	\$1,422.00	\$1,473.00	\$1,674.00	\$2,125.00	\$2,415.00	\$1,947.00	\$2,212.00	\$1,947.00	\$2,212.00	\$1,848.00	\$2,100.00	\$1,855.00	\$2,108.00	\$1,313.00	\$1,491.00	\$1,393.00	\$1,583.00
9	\$80,000	\$2,295.00	\$3,303.00	\$2,704.00	\$3,890.00	\$3,899.00	\$5,610.00	\$3,572.00	\$5,141.00	\$3,572.00	\$5,141.00	\$3,390.00	\$4,879.00	\$3,403.00	\$4,898.00	\$2,408.00	\$3,463.00	\$2,556.00	\$3,679.00
	\$120,000	\$2,639.00	\$3,798.00	\$3,110.00	\$4,473.00	\$4,482.00	\$6,451.00	\$4,107.00	\$5,911.00	\$4,107.00	\$5,911.00	\$3,898.00	\$5,610.00	\$3,912.00	\$5,632.00	\$2,769.00	\$3,983.00	\$2,939.00	\$4,231.00
	\$160,000	\$3,409.00	\$4,907.00	\$4,019.00	\$5,780.00	\$5,793.00	\$8,335.00	\$5,307.00	\$7,638.00	\$5,307.00	\$7,638.00	\$5,037.00	\$7,249.00	\$5,056.00	\$7,278.00	\$3,577.00	\$5,146.00	\$3,798.00	\$5,468.00

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

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

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %
		Maximum Credit Allowed	45 %

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WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	10	%	
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Zone	Brick	Frame
	Highest Risk	\$ 1.4	\$ 0.61
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NAIC Number: 22306
 Company Name: Massachusetts Bay Insurance Company
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**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
 BLANK**

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Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$772.00	\$858.00	\$908.00	\$1,011.00	\$1,312.00	\$1,457.00	\$1,201.00	\$1,335.00	\$1,201.00	\$1,335.00	\$1,140.00	\$1,268.00	\$1,145.00	\$1,272.00	\$810.00	\$899.00	\$859.00	\$955.00
	\$120,000	\$887.00	\$987.00	\$1,045.00	\$1,163.00	\$1,508.00	\$1,676.00	\$1,381.00	\$1,536.00	\$1,381.00	\$1,536.00	\$1,310.00	\$1,457.00	\$1,316.00	\$1,463.00	\$931.00	\$1,035.00	\$988.00	\$1,099.00
	\$160,000	\$1,147.00	\$1,275.00	\$1,351.00	\$1,502.00	\$1,949.00	\$2,165.00	\$1,784.00	\$1,985.00	\$1,784.00	\$1,985.00	\$1,693.00	\$1,884.00	\$1,700.00	\$1,891.00	\$1,203.00	\$1,336.00	\$1,277.00	\$1,420.00
6	\$80,000	\$935.00	\$1,063.00	\$1,102.00	\$1,252.00	\$1,588.00	\$1,805.00	\$1,456.00	\$1,654.00	\$1,456.00	\$1,654.00	\$1,381.00	\$1,570.00	\$1,388.00	\$1,576.00	\$981.00	\$1,114.00	\$1,042.00	\$1,184.00
	\$120,000	\$1,075.00	\$1,222.00	\$1,267.00	\$1,440.00	\$1,827.00	\$2,076.00	\$1,674.00	\$1,902.00	\$1,674.00	\$1,902.00	\$1,588.00	\$1,805.00	\$1,595.00	\$1,812.00	\$1,128.00	\$1,281.00	\$1,198.00	\$1,361.00
	\$160,000	\$1,390.00	\$1,579.00	\$1,637.00	\$1,861.00	\$2,360.00	\$2,684.00	\$2,164.00	\$2,457.00	\$2,164.00	\$2,457.00	\$2,053.00	\$2,333.00	\$2,061.00	\$2,342.00	\$1,458.00	\$1,656.00	\$1,549.00	\$1,758.00
9	\$80,000	\$2,550.00	\$3,669.00	\$3,005.00	\$4,322.00	\$4,332.00	\$6,233.00	\$3,968.00	\$5,711.00	\$3,968.00	\$5,711.00	\$3,765.00	\$5,420.00	\$3,781.00	\$5,442.00	\$2,675.00	\$3,848.00	\$2,840.00	\$4,088.00
	\$120,000	\$2,932.00	\$4,219.00	\$3,455.00	\$4,971.00	\$4,982.00	\$7,168.00	\$4,563.00	\$6,568.00	\$4,563.00	\$6,568.00	\$4,331.00	\$6,233.00	\$4,348.00	\$6,257.00	\$3,076.00	\$4,426.00	\$3,266.00	\$4,701.00
	\$160,000	\$3,789.00	\$5,452.00	\$4,464.00	\$6,423.00	\$6,437.00	\$9,261.00	\$5,897.00	\$8,486.00	\$5,897.00	\$8,486.00	\$5,596.00	\$8,054.00	\$5,618.00	\$8,086.00	\$3,974.00	\$5,719.00	\$4,220.00	\$6,074.00

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		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000																		
	\$15,000																		
	\$25,000																		
6	\$5,000																		
	\$15,000																		
	\$25,000																		
9	\$5,000																		
	\$15,000																		
	\$25,000																		

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

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

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HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %

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Maximum Credit Allowed

45%

Lowest Risk

\$ 1.02

\$ 0.37

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SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Amendment Letter

Submitted Date: 11/10/2011

Comments:

We have corrected only the effective on our Filing Memorandum from 2011 to 2012. We apologize for the inconvenience.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Actuarial Memorandum

Comment:

AR Home Memo 20120224v3.PDF

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
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 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Rate Information

Rate data applies to filing.

Filing Method: File and Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: %
Effective Date of Last Rate Revision:
Filing Method of Last Filing:

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):
The Hanover American Insurance Company	26.400%	18.900%	\$366,766	3,874	\$1,939,553	25.000%	-9.400%

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):
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SERFF Tracking Number: *HNWX-G127793505* State: *Arkansas*
 First Filing Company: *The Hanover American Insurance Company, ...* State Tracking Number:
 Company Tracking Number: *AR11473CG00001*
 TOI: *04.0 Homeowners* Sub-TOI: *04.0000 Homeowners Sub-TOI Combinations*
 Product Name: **PLnon- PL non-group*
 Project Name/Number: **PLnon- PL non-group/AR11473CG00001*

Massachusetts Bay Insurance Company	26.400%	19.900%	\$781,978	1,830	\$3,926,903	25.000%	-7.900%
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Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated:

Overall Percentage Rate Impact For This Filing:

Effect of Rate Filing - Written Premium Change For This Program:

\$1,148,744

Effect of Rate Filing - Number of Policyholders Affected:

5704

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR11473CG00001
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
Filed 01/18/2012	AR Homeowners Manual	Coversheet, Index B	Replacement	AR HO MB-HA 02 24 12 Coversheet, Index B CLEAN.PDF
Filed 01/18/2012	AR Homeowners Rate Manual	RS-1 thru RS-7	Replacement	AR HO MB-HA 02 24 12 RS-1 thru RS-7 CLEANv2.PDF
Filed 01/18/2012	AR Homeowners Rule Manual	Pgs 13,14,15	Replacement	AR HO MB-HA 02 24 12 Rule Pgs 13,14,15 CLEAN.PDF
Filed 01/18/2012	AR Homeowners Rule Manual	Pgs 19,20	Replacement	AR HO MB-HA 02 24 12 Rule Pgs 19,20.PDF
Filed 01/18/2012	AR Homeowners Rule Manual	Pg 27	Replacement	AR HO MB-HA 02 24 12 Rule Pg 27 CLEAN.PDF
Filed 01/18/2012	AR Homeowners Rule Manual	Pg 34	Replacement	AR HO MB-HA 02 24 12 Rule Pg 34 CLEAN.PDF
Filed 01/18/2012	AR Homeowners Rule Manual	Pg 42	Replacement	AR HO MB-HA 02 24 12 Rule Pg 42 CLEAN.PDF
Filed 01/18/2012	AR Homeowners Rule	Pg 43	Replacement	AR HO MB-HA 02 24

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Manual

12 Rule Pg 43
CLEAN.PDF

ANNOUNCEMENT OF REVISIONS

MANUAL PAGES INCLUDED HEREWITH:

ENTIRE HOMEOWNERS MANUAL

Revised pages with this revision:

Index.....B
Rate Structure Pages..... RS-1 thru RS-7
State Pages..... 13, 14, 15, 19, 20, 27, 34, 42
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SUMMARY OF CHANGE

- Revised Base Rates
- Revised Rule 8.3 Caps on Credits/Discounts
- Revised Rule 8.4 Account Credit Program
- Revised Rule 8.6 New Home Discount
- Revised Rule 8.8 Alarm Credit
- Revised Rule 8.14 Deductibles – All Perils
- Revised Rule 8.15 Windstorm or Hail Deductibles
- Revised Rule 8.30 Section II Liability Coverages
- Revised Rule 8.40 Unit-Owners – Rental to Others
- Added Renewal Rate Capping Rule 8.89 (& added to Index)
- Removed the Umbrella Renewal Questionnaire Language

EFFECTIVE DATE: 2/24/12 Renewals

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5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
31	001	692	623
	002	770	693
	003	839	755
	004	955	860
	005	1373	1236
	006	2287	2058
	007	3291	2962
	008	953	858
	009	1075	968
	010	1616	1454
	011	3125	2813
37	012	723	651
	013	804	724
	014	876	788
	015	998	898
	016	1434	1291
	017	2389	2150
	018	3438	3094
	019	996	896
	020	1123	1011
	021	1688	1519
	022	3264	2938
42	023	747	672
	024	831	748
	025	905	815
	026	1031	928
	027	1481	1333
	028	2468	2221
	029	3551	3196
	030	1029	926
	031	1160	1044
	032	1744	1570
	033	3372	3035

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
49	034	547	492
	035	608	547
	036	663	597
	037	755	680
	038	1084	976
	039	1806	1625
	040	2599	2339
	041	753	678
	042	849	764
	043	1276	1148
	044	2468	2221
50	045	993	894
	046	1104	994
	047	1203	1083
	048	1370	1233
	049	1969	1772
	050	3280	2952
	051	4719	4247
	052	1367	1230
	053	1541	1387
	054	2317	2085
	055	4481	4033
51	056	1026	923
	057	1140	1026
	058	1243	1119
	059	1416	1274
	060	2034	1831
	061	3389	3050
	062	4877	4389
	063	1413	1272
	064	1592	1433
	065	2395	2156
	066	4630	4167

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
52	089	630	567
	090	700	630
	091	763	687
	092	869	782
	093	1249	1124
	094	2081	1873
	095	2995	2696
	096	868	781
	097	978	880
	098	1471	1324
	099	2843	2559
53	100	662	596
	101	736	662
	102	803	723
	103	914	823
	104	1313	1182
	105	2188	1969
	106	3149	2834
	107	912	821
	108	1028	925
	109	1546	1391
	110	2989	2690
54	067	1103	993
	068	1226	1103
	069	1336	1202
	070	1522	1370
	071	2187	1968
	072	3643	3279
	073	5243	4719
	074	1519	1367
	075	1712	1541
	076	2574	2317
	077	4978	4480

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
55	111	649	584
	112	722	650
	113	787	708
	114	896	806
	115	1287	1158
	116	2145	1931
	117	3086	2777
	118	894	805
	119	1008	907
	120	1516	1364
	121	2930	2637
56	122	668	601
	123	743	669
	124	810	729
	125	923	831
	126	1326	1193
	127	2208	1987
	128	3178	2860
	129	921	829
	130	1038	934
	131	1561	1405
	132	3017	2715
61	155	726	653
	156	807	726
	157	880	792
	158	1002	902
	159	1440	1296
	160	2399	2159
	161	3453	3108
	162	1000	900
	163	1127	1014
	164	1695	1526
	165	3278	2950

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
62	078	548	493
	079	609	548
	080	664	598
	081	756	680
	082	1086	977
	083	1809	1628
	084	2603	2343
	085	754	679
	086	850	765
	087	1278	1150
	088	2471	2224
63	133	649	584
	134	722	650
	135	787	708
	136	896	806
	137	1287	1158
	138	2145	1931
	139	3086	2777
	140	894	805
	141	1008	907
	142	1516	1364
	143	2930	2637
64	144	1010	909
	145	1123	1011
	146	1224	1102
	147	1394	1255
	148	2004	1804
	149	3338	3004
	150	4804	4324
	151	1391	1252
	152	1569	1412
	153	2359	2123
	154	4560	4104

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
65	166	765	689
	167	850	765
	168	927	834
	169	1055	950
	170	1516	1364
	171	2526	2273
	172	3636	3272
	173	1053	948
	174	1187	1068
	175	1785	1607
	176	3452	3107
66	210	959	863
	211	1066	959
	212	1162	1046
	213	1323	1191
	214	1901	1711
	215	3168	2851
	216	4558	4102
	217	1320	1188
	218	1488	1339
	219	2238	2014
	220	4328	3895
67	232	751	676
	233	835	752
	234	910	819
	235	1036	932
	236	1489	1340
	237	2481	2233
	238	3570	3213
	239	1034	931
	240	1166	1049
	241	1753	1578
	242	3389	3050

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
68	243	815	734
	244	907	816
	245	988	889
	246	1126	1013
	247	1617	1455
	248	2694	2425
	249	3877	3489
	250	1123	1011
	251	1266	1139
	252	1904	1714
	253	3681	3313
69	254	963	867
	255	1070	963
	256	1167	1050
	257	1329	1196
	258	1909	1718
	259	3180	2862
	260	4577	4119
	261	1326	1193
	262	1494	1345
	263	2247	2022
	264	4345	3911
70	276	681	613
	277	757	681
	278	825	743
	279	940	846
	280	1350	1215
	281	2249	2024
	282	3237	2913
	283	938	844
	284	1057	951
	285	1589	1430
	286	3073	2766

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
71	287	879	791
	288	977	879
	289	1065	959
	290	1213	1092
	291	1742	1568
	292	2903	2613
	293	4177	3759
	294	1210	1089
	295	1364	1228
	296	2051	1846
	297	3966	3569
72	221	766	689
	222	852	767
	223	929	836
	224	1058	952
	225	1520	1368
	226	2532	2279
	227	3643	3279
	228	1055	950
	229	1190	1071
	230	1789	1610
	231	3459	3113
73	265	708	637
	266	788	709
	267	859	773
	268	978	880
	269	1405	1265
	270	2341	2107
	271	3368	3031
	272	976	878
	273	1100	990
	274	1654	1489
	275	3198	2878

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
74	177	872	785
	178	970	873
	179	1057	951
	180	1204	1084
	181	1730	1557
	182	2883	2595
	183	4148	3733
	184	1202	1082
	185	1355	1220
	186	2037	1833
	187	3938	3544
75	199	978	880
	200	1087	978
	201	1185	1067
	202	1350	1215
	203	1940	1746
	204	3231	2908
	205	4650	4185
	206	1347	1212
	207	1518	1366
	208	2283	2055
	209	4414	3973
76	188	795	716
	189	884	796
	190	964	868
	191	1098	988
	192	1578	1420
	193	2628	2365
	194	3782	3404
	195	1096	986
	196	1235	1112
	197	1857	1671
	198	3591	3232

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

(HO-00-02 is only available for policies written prior to 04/30/2007)

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>
30,000	0.960	95,000	1.070	240,000	2.197	385,000	3.874
31,000	0.961	100,000	1.080	245,000	2.226	390,000	3.927
32,000	0.962	105,000	1.094	250,000	2.231	395,000	3.980
33,000	0.963	110,000	1.123	255,000	2.260	400,000	4.033
34,000	0.964	115,000	1.152	260,000	2.288	405,000	4.081
35,000	0.965	120,000	1.181	265,000	2.317	410,000	4.129
36,000	0.966	125,000	1.210	270,000	2.326	415,000	4.177
37,000	0.967	130,000	1.263	275,000	2.356	420,000	4.225
38,000	0.968	135,000	1.307	280,000	2.455	425,000	4.273
39,000	0.969	140,000	1.358	285,000	2.483	430,000	4.321
40,000	0.970	145,000	1.409	290,000	2.563	435,000	4.369
41,000	0.972	150,000	1.453	295,000	2.622	440,000	4.417
42,000	0.973	155,000	1.475	300,000	2.663	445,000	4.465
43,000	0.975	160,000	1.526	305,000	2.747	450,000	4.513
44,000	0.977	165,000	1.575	310,000	2.831	455,000	4.569
45,000	0.979	170,000	1.625	315,000	2.915	460,000	4.625
46,000	0.981	175,000	1.675	320,000	2.999	465,000	4.681
47,000	0.983	180,000	1.725	325,000	3.083	470,000	4.737
48,000	0.987	185,000	1.775	330,000	3.167	475,000	4.793
49,000	0.991	190,000	1.825	335,000	3.251	480,000	4.849
50,000	0.995	195,000	1.874	340,000	3.335	485,000	4.905
55,000	0.998	200,000	1.924	345,000	3.419	490,000	4.961
60,000	1.002	205,000	1.982	350,000	3.503	495,000	5.017
65,000	1.009	210,000	2.010	355,000	3.556	500,000	5.073
70,000	1.016	215,000	2.038	360,000	3.609		
75,000	1.022	220,000	2.053	365,000	3.662	Each Additional \$5,000	
80,000	1.027	225,000	2.110	370,000	3.715	add	0.072
85,000	1.042	230,000	2.138	375,000	3.768		
90,000	1.061	235,000	2.168	380,000	3.821		

5. RATE STRUCTURE

HO-00-04 AND HO-00-06

**\$25,000 BASE RATES
\$1,000 DEDUCTIBLE COVERAGE**

Premium Group	Mass Bay	Hanover American
	<u>HO-00-06</u>	<u>HO-00-06</u>
1	133	120
2	147	132
3	161	145
4	227	204
5	319	287

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>
20,000	.870
21,000	.896
22,000	.922
23,000	.948
24,000	.974
25,000	1.000
30,000	1.130
35,000	1.261
40,000	1.391
45,000	1.522
50,000	1.652
Each additional 5,000	0.131

8. STATE PAGES – RATING RULES

8.2 PERSONAL UMBRELLA LIABILITY RULE – 231-2322

ALL FORMS - The Personal Umbrella Liability Supplement provides excess liability coverage which applies after the Primary Insurance Limits of Liability are exhausted.

Minimum Limit of Liability is \$1,000,000. Increased limits are available.

For eligibility, forms, rules and rates see the Umbrella section of this manual.

8.3 CAPS ON CREDITS/DISCOUNTS

There is a cap on total credits/discounts of 45% in our Massachusetts Bay and Hanover American companies, which is applicable to both new and renewal business. The individual credits/discounts will be shown on the declarations page and when the cap is reached a message will read "maximum credit applies to policy."

Credits for optional higher deductibles or the Homeowner Loss Free Credit/Surcharge are not subject to this cap.

8.4 ACCOUNT CREDIT PROGRAM

ALL FORMS - The 26% Account Credit will be applicable to those insureds who have their private passenger automobiles and primary homeowners (dwellings, tenants, condos) insured with one of the Hanover Insurance Companies. Both policies do not have to be with the same company.

Compute the credit to be deducted by applying the percentage of credit to the basic premium from the Premium Chart.

The applicable credit will apply to policies covering seasonal locations, as long as the primary homeowners and private passenger automobiles are insured by one of the Hanover Companies.

For a risk with a dwelling and private passenger auto in multiple states, the program must be approved in all states involved for the credits to apply.

The credit will apply to new business on inception as long as the companion policy is to be written by Hanover within the following six months. The companion policy will receive the credit on its effective date.

If one of the policies is canceled for non-payment or cause, the credit will be deleted at renewal from the companion policy. If one of the policies is non-renewed, the credit will be deleted at renewal from the companion policy.

8.5 RESERVED FOR FUTURE USE

8. STATE PAGES – RATING RULES

8.6 NEW HOME DISCOUNT

FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007) Insured dwellings that are less than ten years old are eligible for a premium credit.

Credit Determination

- A. Determine the percentage of credit by subtracting the year in which construction is completed from the year the policy becomes effective or is renewed. If the dwelling is not yet complete, enter the current year on the application.
- B. Compute the premium credit by applying the appropriate credit percentage to the Basic Premium developed from the Basic Premium Chart.

<u>Age of Dwelling</u>	<u>Credit Percentage</u>
0	28%
1	28
2	26
3	24
4	21
5	18
6	16
7	13
8	10
9	7

8.7 NON-SMOKER DISCOUNT

(HO-00-02 is only available for policies written prior to 04/30/2007)

ALL FORMS - An insured who signs the Non-Smoker Form, stating that neither he nor any other resident of the household now smokes or has smoked for at least the past twelve (12) months shall be eligible for the 1% Non-Smoker Credit. This discount is not available to those insureds residing in Dwellings with three or more families.

Compute the premium credit by applying the percentage of credit to the premium developed from the Basic Premium Chart.

8. STATE PAGES – RATING RULES

8.8 PREMISES ALARM OR FIRE PROTECTION SYSTEM

ALL FORMS

A.	Fire or smoke detector.	4%
B.	Local burglar alarm that is installed on all accessible doors and windows and includes an outside bell or siren and is capable of operating off battery power.	7%
C.	Fire or smoke detector, a fire extinguisher and deadbolt locks on all exterior doors.	7%
D.	Both A and B.	9%
E.	Both B and C.	12%
F.	Fire and/or burglar alarm reporting to either central station or fire department and/or police department.	12%
G.	Both A and F.	14%
H.	Both C and F.	17%
I.	An approved and properly maintained automatic sprinkler system with sprinklers in all areas including bathrooms, attics, and attached structures.	12%
J.	Both B and I.	17%
K.	Both F and I.	22%
L.	An approved and properly maintained automatic sprinkler system with sprinklers totally or partly omitted in bathrooms, closets, attics and attached structures and with fire detectors in all omitted areas.	7%
M.	Both B and L.	12%
N.	Both F and L.	17%

Alarm Credit Waiver of Deductible (Theft) - Policies that qualify for alarm credit B or F (burglar alarm) will have the deductible waived for any burglary loss if it is determined that the alarm system functioned as designed at the time of the loss. Use Form 391-0565.

NOTE: These credits apply to the Basic Premium Charts.

8.9 INFLATION GUARD ENDORSEMENT - 231-0600

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

8. STATE PAGES – RATING RULES

8.14 DEDUCTIBLES-ALL PERILS

(HO-00-02 is only available for policies written prior to 04/30/2007)

- a. All Homeowners Forms are subject to a \$1,000 flat deductible applicable to any loss under Section I of the policy. This loss deductible applies to each occurrence. The rates shown in this manual include that deductible.
- b. Higher Deductibles Premium Credits:

ALL FORMS		
Deductibles*	\$2,500	\$5,000
Percentage	12%	26%
Max. Surcharge/Credit	\$165	\$450

***Effective 2/24/2012, all other All Peril Deductibles less than \$1000 will no longer be available**

The reduced premium shall be computed by applying the deductible percentage of surcharge/credit to the premium developed from the Basic Premium Chart.

8.15 WINDSTORM OR HAIL DEDUCTIBLE – HO-03-12

(HO-00-02 is only available for policies written prior to 04/30/2007)

There are two optional deductibles applicable to the perils of Windstorm or Hail. They are:

- 1. Percentage deductibles in the amounts of 1%, 2% or 5% of the Coverage A limit of liability. The deductible amount is determined by applying the percentage amount to the Coverage A limit of liability. Attach Endorsement HO-03-12.

Note: The percentage deductible must exceed the amount of the deductible applicable to All Other Section I perils. For example, if the Coverage A value is \$100,000 and a \$2,500 Section deductible is selected, a 1% or 2% Windstorm or Hail Deductible option cannot be chosen.

- 2. Fixed dollar deductibles for Windstorm or Hail in the amounts of \$1,000, \$2,000 or \$5,000.

The premium for these deductible options shall be developed by applying the factors listed on the next page to the base premium.

Note: The fixed dollar deductible must equal or exceed the normal policy deductible.

8. STATE PAGES – RATING RULES

8.15 WINDSTORM OR HAIL DEDUCTIBLE – HO-03-12 (continued)

Select a normal policy deductible from the left hand column. Moving to the right, select the factor under the appropriate Wind/Hail deductible column and multiply by the base premium. This premium reflects the total premium for the selected Windstorm & Hail deductible and the normal Section I deductible.

WIND/HAIL DEDUCTIBLE						
ALL OTHER PERILS DEDUCTIBLE	1% WIND/HAIL		2% WIND/HAIL		5 % WIND/HAIL	
	DED	MAX CREDIT	DED	MAX CREDIT	DED	MAX CREDIT
\$1,000	0.97	\$100	0.96	\$135	0.94	\$200
\$2,500	0.86	\$230	0.85	\$260	0.82	\$325
\$5,000	0.72	\$540	0.71	\$585	0.69	\$625

ALL OTHER PERILS DEDUCTIBLE	\$2,000 WIND/HAIL		\$5,000 WIND/HAIL	
	DED	MAX CREDIT	DED	MAX CREDIT
\$1,000	0.96	\$135	0.94	\$200
\$2,500	N/A	0	0.82	\$285
\$5,000	N/A	0	N/A	0

***Effective 2/24/2012, all other All Peril Deductibles less than \$1000 will no longer be available**

8.16-8.17 RESERVED FOR FUTURE USE

8.18 PERSONAL PROPERTY

1. Increased Limit
FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007) - The limit of liability for Coverage C may be increased. The additional charge shall be \$2.00 for each \$1,000 increase.

2. Reduction in Limit
FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007.) - The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit of Coverage A at a credit of \$1.00 for each \$1,000 reduction.

8. STATE PAGES – RATING RULES

8.30 SECTION II COVERAGES

When the limit of liability for Coverage E or F is increased or coverage for additional exposures is provided, the additional premium shall be developed from the following tables.

The respective limits of liability for Coverage E and for Coverage F must be uniform for all exposures covered under the policy.

Limits of Liability												
Coverage E	\$100,000			\$200,000			\$300,000			\$400,000		
Coverage F	1000	2000	5000	1000	2000	5000	1000	2000	5000	1000	2000	5000
Residence Premises	-	5	14	9	11	20	13	16	25	17	21	29
b. Add'l Locations Occupied by Insured												
1 Family	8	9	12	11	12	15	13	14	17	15	16	19
2 Family	14	15	18	18	19	22	21	22	25	23	24	27

Limits of Liability									
Coverage E	\$500,000			\$600,000			\$1,000,000		
Coverage F	1000	2000	5000	1000	2000	5000	1000	2000	5000
a. Residence Premises	21	24	32	24	28	36	36	41	49
b. Add'l Locations Occupied by Insured									
1 Family	16	17	20	19	20	23	24	25	28
2 Family	25	26	29	29	30	33	36	37	40

8. STATE PAGES - RATING RULES**8.38 RESIDENCE HELD IN TRUST – 231-2349**

Available with FORMS HO-00-03 and HO-00-06

A. Trust and Trustee-Named insured

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

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

8.39 OFF PREMISES STRUCTURES – HO-04-91

HO-00-03 - (HO-00-02 is only available for policies written prior to 04/30/2007) - Coverage B - other structures may be endorsed to include structures away from the residence premises if used in connection with the residence premises. The additional premium is \$17.00.

8.40 UNIT-OWNERS - RENTAL TO OTHERS – HO-17-33

FORM HO-00-06 - Coverage may be extended to include personal property on premises regularly rented to others. To compute the additional premium apply the factor of .25 to the sum of:

- A.** The base premium for the \$1,000 deductible (less credit for any higher deductibles).
- B.** \$17.00 per policy.

8.41 IDENTITY FRAUD EXPENSE COVERAGE – 231-1937

For a flat premium charge of \$35, we will pay for identity fraud expenses of an insured up to \$25,000 for any one occurrence of identity fraud. Identity fraud is the act of transfer or use of the means of identity of an insured without lawful authority, in violation of law.

“Identity fraud expenses” is defined as expenses incurred:

1. To prepare and notarize documents, affidavits or similar documents for:
 - a. credit bureaus;
 - b. financial institutions and similar credit grantors; and
 - c. law enforcement agencies.
2. Sending certified mail to:
 - a. credit bureaus;
 - b. financial institutions and similar credit grantors; and
 - c. law enforcement agencies.
3. To reapply for credit or loan or loans as a result of a rejection of credit or a loan due to the lender having incorrect credit information as a result of “identity fraud”.

8. STATE PAGES - RATING RULES**8.84 WATERCRAFT COVERAGE (Continued)**III. POLICY CREDITS**New Watercraft Credit**

Watercraft and motors up to five years old will receive a 10% credit off the physical damage premium. Multiply the base premium for the watercraft and motor by the rating factor of 0.90.

8.85-8.88 RESERVED FOR FUTURE USE8.89 RENEWAL RATE CAPPING

In order to better manage renewal customer disruption created by the introduction of rating events, renewal premiums may be capped in accordance with the following rules.

- A. The expiring premium including any changes in risk exposure and/or chargeable incidents is captured.
- B. The uncapped renewal premium is calculated.
- C. If the change between steps A and B exceeds the cap, then a capping factor will be determined and applied to the uncapped premium.
- D. The capping factor applies to rate increases.
- E. The capping factor will apply to all coverages, with the exception of any state mandated assessments or charges.

The capping factor is the final factor in the premium determination rate order.

9. STATE PAGES – PERSONAL UMBRELLA LIABILITY SUPPLEMENT**9.1 GENERAL RULES****1. Coverage (Product Description)**

Personal Umbrella policy coverage is designed to provide individuals with limits in excess of adequate third party primary liability insurance (Underlying Coverage) or in excess of the policy's self-insured retention (SIR). It is a product that can respond to unanticipated casualty occurrences and accidents, catastrophic in nature, that could not have been foreknown in the underwriting evaluation of the individual's various coverage needs.

The Hanover personal umbrella program is for those Hanover insureds who meet our automobile and homeowners market definition profile of a preferred risk.

2. Applications

Each risk must be submitted on an ACORD 83 Personal Umbrella application, with all questions answered. THE APPLICATION MUST BE SIGNED BY THE APPLICANT.

3. Limits of Liability

Coverages may be purchased for limits of \$1,000,000 to \$5,000,000 in increments of \$1,000,000. The single limit is applicable to each occurrence in excess of underlying limits or self-insured retention.

4. Higher Retained Limit (Self-Insured Retention)

If optional self-insured retention limits are to be applied, the policy premium will be reduced by the amount shown in the "Rates and Rules" section of this manual. However, this reduction shall not reduce the minimum premium.

5. Underlying Insurance Requirements

Umbrella Coverage is intended to apply only after the insured's underlying coverage is exhausted. Therefore, all risks must carry at least the minimum underlying limits that are outlined in our Required Minimum Underlying Limits section of the Risk Selection Standards. Higher underlying limits are available for those insureds who may want additional protection from financial loss due to the exposure of his or her automobile, property ownership and watercraft & recreational vehicle usage. All homeowners or personal liability policies must be endorsed to cover personal injury coverage as part of the underlying liability coverages

We must decline to write risks with inadequate underlying limits. Underlying limits must meet any minimum limit requirement found in this manual. The underlying limit requirements are displayed in the Risk Selection Standards section of this manual.

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR11473CG00001
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Form RF-2 Loss Costs Only (not for workers' compensation) Bypass Reason: N/A for this filing. Comments:		
Satisfied - Item: H-1 Homeowners Abstract Comments: Attachments: ARKANSAS INSURANCE DEPARTMENT H-1_Han_Am 20120224.PDF ARKANSAS INSURANCE DEPARTMENT H-1_Mass_Bay 20120224.PDF	Filed	01/18/2012
Satisfied - Item: HPCS-Homeowners Premium Comparison Survey Comments: Attachments: HO Survey FORM HPCS.PDF HO Survey FORM HPCS.XLS HO Survey FORM HPCS[[1]].PDF HO Survey FORM HPCS[[1]].XLS	Filed	01/18/2012
Satisfied - Item: NAIC loss cost data entry document Comments: Attachments: AR rate filing abstract HanAmer 20120105.PDF AR rate filing abstract MB 20120105.PDF	Filed	01/18/2012

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR11473CG00001
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: Actuarial Memorandum
Comments:
Attachment:
 AR Home Memo 20120224v3.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: Actuarial Support
Comments:
Attachment:
 Actuarial Support.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: AR Homeowners Rate Manual RS-1 thru RS-7 DRAFT
Comments:
Attachment:
 AR HO MB-HA 02 24 12 RS-1 thru RS-7 MARKEDv2.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: AR Homeowners Rule Manual Pgs 13,14,15 DRAFT
Comments:
Attachment:
 AR HO MB-HA 02 24 12 Rule Pgs 13,14,15 CLEAN.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: AR Homeowners Rule Manual Pgs 19,20

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR11473CG00001
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Comments:

Attachment:

AR HO MB-HA 02 24 12 Rule Pgs 19,20 DRAFT.PDF

	Item Status:	Status Date:
Satisfied - Item: AR Homeowners Rule Manual Pg 27 DRAFT	Filed	01/18/2012

Comments:

Attachment:

AR HO MB-HA 02 24 12 Rule Pg 27 DRAFT.PDF

	Item Status:	Status Date:
Satisfied - Item: AR Homeowners Rule Manual Pg 34 DRAFT	Filed	01/18/2012

Comments:

Attachment:

AR HO MB-HA 02 24 12 Rule Pg 34 DRAFT.PDF

	Item Status:	Status Date:
Satisfied - Item: AR Homeowners Rule Manual Pg 42 DRAFT	Filed	01/18/2012

Comments:

Attachment:

AR HO MB-HA 02 24 12 Rule Pg 42 DRAFT.PDF

	Item Status:	Status Date:
Satisfied - Item: AR Homeowners Manual - Coversheet & Index B DRAFT	Filed	01/18/2012

Comments:

Attachment:

AR HO MB-HA 02 24 12 CoverSheet, Index B DRAFT.PDF

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: AR Homeowners Rule Manual Pg 43 DRAFT

Comments:

Attachment:

AR HO MB-HA 02 24 12 Rule Pg 43 DRAFT.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: Arkansas Notice

Comments:

Attachment:

AR DED CONDITIONAL NOTICE.PDF

Item Status: Filed **Status Date:** 01/18/2012
Satisfied - Item: HPCS - Hanover, HPCS - MassBay

Comments:

Attachments:

HO Survey FORM HPCS.PDF
HO Survey FORM HPCS.XLS
HO Survey FORM HPCS[[1]].PDF
HO Survey FORM HPCS[[1]].XLS

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 Hanover American Insurance Company
NAIC # (including group #) 0088-36064

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

Not applicable.

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.

For our companies already being used, a cost estimator has been required since 1985 on all new submissions. The Boeckh value guide is distributed to our agents; however we will accept cost estimators from other sources.

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

We require between 80 – 100% of the estimated replacement to be written. However, when guaranteed dwelling replacement cost is written the dwelling must be insured at 100% of the replacement cost.

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

Inflation guard endorsement 231-0600 is currently used on all policies. The endorsement tells the insured that the Company will increase coverage at each renewal as determined by an appraisal firm.

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

a. Fire Extinguisher	0 %
b. Burglar Alarm	7 – 12 %
c. Smoke Alarm	4 %
d. Insured who has both homeowners and auto with your company	26 %
e. Deadbolt Locks	0 %
f. Window or Door Locks	0 %
g. Other (specify)	

Combination of fire extinguisher, smoke alarm, and deadbolt locks 7 %
Approved automatic sprinkler 7-12 %
Non-Smoke discount 1 %
Loss Free Credit 3 years 5 %
Loss Free Credit 4 years 5 %
Loss Free Credit 5+ years 10 %
New home discount 7-28 %
Deductible credits 3%-31 %

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

No

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

Form	Premium Volume
HO - 3	\$3,916,428
HO - 6	\$10,475

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

9. Is there a surcharge on risks with wood heat?

No

If yes, state the surcharge

N/A

Does the surcharge apply to conventional fire places?

N/A

If yes, state the surcharge

N/A

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

Signature

Nathan Senra

Printed Name

Actuarial Asst.

Title

(508) 855 2105

Telephone Number

nsenra@hanover.com

Email address

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 Massachusetts Bay Insurance Company
NAIC # (including group #) 0088-22306

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

Not applicable.

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.

For our companies already being used, a cost estimator has been required since 1985 on all new submissions. The Boeckh value guide is distributed to our agents; however we will accept cost estimators from other sources.

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

We require between 80 – 100% of the estimated replacement to be written. However, when guaranteed dwelling replacement cost is written the dwelling must be insured at 100% of the replacement cost.

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

Inflation guard endorsement 231-0600 is currently used on all policies. The endorsement tells the insured that the Company will increase coverage at each renewal as determined by an appraisal firm.

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

a. Fire Extinguisher	0 %
b. Burglar Alarm	7 – 12 %
c. Smoke Alarm	4 %
d. Insured who has both homeowners and auto with your company	26 %
e. Deadbolt Locks	0 %
f. Window or Door Locks	0 %
g. Other (specify)	

Combination of fire extinguisher, smoke alarm, and deadbolt locks 7 %
Approved automatic sprinkler 7-12 %
Non-Smoke discount 1 %
Loss Free Credit 3 years 5 %
Loss Free Credit 4 years 5 %
Loss Free Credit 5+ years 10 %
New home discount 7-28 %
Deductible credits 3%-31 %

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

No

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

Form	Premium Volume
Dwelling	\$1,913,751
Condo	\$25,802
Tenant	

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

9. Is there a surcharge on risks with wood heat? **No**

If yes, state the surcharge **N/A**

Does the surcharge apply to conventional fire places? **N/A**

If yes, state the surcharge **N/A**

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

Signature

Nathan Senra

Printed Name

Actuarial Asst.

Title

(508) 855 2105

Telephone Number

nsenra@hanover.com

Email address

NAIC Number: 36064
 Company Name: Hanover American Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$694.00	\$772.00	\$818.00	\$909.00	\$1,180.00	\$1,312.00	\$1,081.00	\$1,202.00	\$1,081.00	\$1,202.00	\$1,026.00	\$1,141.00	\$1,030.00	\$1,145.00	\$729.00	\$810.00	\$773.00	\$860.00
	\$120,000	\$799.00	\$887.00	\$941.00	\$1,046.00	\$1,357.00	\$1,508.00	\$1,243.00	\$1,382.00	\$1,243.00	\$1,382.00	\$1,179.00	\$1,313.00	\$1,185.00	\$1,316.00	\$839.00	\$931.00	\$889.00	\$989.00
	\$160,000	\$1,033.00	\$1,147.00	\$1,215.00	\$1,352.00	\$1,754.00	\$1,949.00	\$1,606.00	\$1,786.00	\$1,606.00	\$1,786.00	\$1,524.00	\$1,696.00	\$1,531.00	\$1,700.00	\$1,083.00	\$1,203.00	\$1,148.00	\$1,278.00
6	\$80,000	\$842.00	\$956.00	\$991.00	\$1,127.00	\$1,430.00	\$1,625.00	\$1,310.00	\$1,488.00	\$1,310.00	\$1,488.00	\$1,243.00	\$1,413.00	\$1,248.00	\$1,418.00	\$884.00	\$1,004.00	\$937.00	\$1,065.00
	\$120,000	\$968.00	\$1,101.00	\$1,140.00	\$1,296.00	\$1,644.00	\$1,869.00	\$1,506.00	\$1,711.00	\$1,506.00	\$1,711.00	\$1,430.00	\$1,625.00	\$1,435.00	\$1,631.00	\$1,016.00	\$1,154.00	\$1,079.00	\$1,225.00
	\$160,000	\$1,251.00	\$1,422.00	\$1,473.00	\$1,674.00	\$2,125.00	\$2,415.00	\$1,947.00	\$2,212.00	\$1,947.00	\$2,212.00	\$1,848.00	\$2,100.00	\$1,855.00	\$2,108.00	\$1,313.00	\$1,491.00	\$1,393.00	\$1,583.00
9	\$80,000	\$2,295.00	\$3,303.00	\$2,704.00	\$3,890.00	\$3,899.00	\$5,610.00	\$3,572.00	\$5,141.00	\$3,572.00	\$5,141.00	\$3,390.00	\$4,879.00	\$3,403.00	\$4,898.00	\$2,408.00	\$3,463.00	\$2,556.00	\$3,679.00
	\$120,000	\$2,639.00	\$3,798.00	\$3,110.00	\$4,473.00	\$4,482.00	\$6,451.00	\$4,107.00	\$5,911.00	\$4,107.00	\$5,911.00	\$3,898.00	\$5,610.00	\$3,912.00	\$5,632.00	\$2,769.00	\$3,983.00	\$2,939.00	\$4,231.00
	\$160,000	\$3,409.00	\$4,907.00	\$4,019.00	\$5,780.00	\$5,793.00	\$8,335.00	\$5,307.00	\$7,638.00	\$5,307.00	\$7,638.00	\$5,037.00	\$7,249.00	\$5,056.00	\$7,278.00	\$3,577.00	\$5,146.00	\$3,798.00	\$5,468.00

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

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

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

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

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:
 HO3 and HO4 only**

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %
		Maximum Credit Allowed	45 %

EARTHQUAKE INSURANCE

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

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

	Zone	Brick	Frame
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$ 1.4	\$ 0.61
	Lowest Risk	\$ 1.02	\$ 0.37

NAIC Number: 22306
 Company Name: Massachusetts Bay Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$772.00	\$858.00	\$908.00	\$1,011.00	\$1,312.00	\$1,457.00	\$1,201.00	\$1,335.00	\$1,201.00	\$1,335.00	\$1,140.00	\$1,268.00	\$1,145.00	\$1,272.00	\$810.00	\$899.00	\$859.00	\$955.00
	\$120,000	\$887.00	\$987.00	\$1,045.00	\$1,163.00	\$1,508.00	\$1,676.00	\$1,381.00	\$1,536.00	\$1,381.00	\$1,536.00	\$1,310.00	\$1,457.00	\$1,316.00	\$1,463.00	\$931.00	\$1,035.00	\$988.00	\$1,099.00
	\$160,000	\$1,147.00	\$1,275.00	\$1,351.00	\$1,502.00	\$1,949.00	\$2,165.00	\$1,784.00	\$1,985.00	\$1,784.00	\$1,985.00	\$1,693.00	\$1,884.00	\$1,700.00	\$1,891.00	\$1,203.00	\$1,336.00	\$1,277.00	\$1,420.00
6	\$80,000	\$935.00	\$1,063.00	\$1,102.00	\$1,252.00	\$1,588.00	\$1,805.00	\$1,456.00	\$1,654.00	\$1,456.00	\$1,654.00	\$1,381.00	\$1,570.00	\$1,388.00	\$1,576.00	\$981.00	\$1,114.00	\$1,042.00	\$1,184.00
	\$120,000	\$1,075.00	\$1,222.00	\$1,267.00	\$1,440.00	\$1,827.00	\$2,076.00	\$1,674.00	\$1,902.00	\$1,674.00	\$1,902.00	\$1,588.00	\$1,805.00	\$1,595.00	\$1,812.00	\$1,128.00	\$1,281.00	\$1,198.00	\$1,361.00
	\$160,000	\$1,390.00	\$1,579.00	\$1,637.00	\$1,861.00	\$2,360.00	\$2,684.00	\$2,164.00	\$2,457.00	\$2,164.00	\$2,457.00	\$2,053.00	\$2,333.00	\$2,061.00	\$2,342.00	\$1,458.00	\$1,656.00	\$1,549.00	\$1,758.00
9	\$80,000	\$2,550.00	\$3,669.00	\$3,005.00	\$4,322.00	\$4,332.00	\$6,233.00	\$3,968.00	\$5,711.00	\$3,968.00	\$5,711.00	\$3,765.00	\$5,420.00	\$3,781.00	\$5,442.00	\$2,675.00	\$3,848.00	\$2,840.00	\$4,088.00
	\$120,000	\$2,932.00	\$4,219.00	\$3,455.00	\$4,971.00	\$4,982.00	\$7,168.00	\$4,563.00	\$6,568.00	\$4,563.00	\$6,568.00	\$4,331.00	\$6,233.00	\$4,348.00	\$6,257.00	\$3,076.00	\$4,426.00	\$3,266.00	\$4,701.00
	\$160,000	\$3,789.00	\$5,452.00	\$4,464.00	\$6,423.00	\$6,437.00	\$9,261.00	\$5,897.00	\$8,486.00	\$5,897.00	\$8,486.00	\$5,596.00	\$8,054.00	\$5,618.00	\$8,086.00	\$3,974.00	\$5,719.00	\$4,220.00	\$6,074.00

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

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

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? 10 %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? Zone Highest Risk \$ 1.4 \$ 0.61

Maximum Credit Allowed	45%	Lowest Risk	\$ 1.02	\$ 0.37
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FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	HO AR 09751-03R
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A

Company Name		Company NAIC Number	
3.	A. Hanover American Insurance Company	B.	0088-36064

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. 4.0000	B.	4.0000

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
HO 2,3	26.8%	15.6%					
HO 4	N/A	N/A					
HO 6	2.2%	0.0%					
TOTAL OVERALL EFFECT	26.4%	15.5%					

6. 5 Year Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2006	2,024	2.2%	07/1/2006	\$1,273	\$894	70.2%	95.0%
2007	2,830	4.0%	07/15/2007	\$1,895	\$859	45.3%	33.3%
2008	4,136	3.0%	05/05/2008	\$2,595	\$2,338	90.1%	138.5%
2009	4,750	5.0%	06/04/2009	\$3,695	\$3,706	100.3%	135.8%
2010	4,235	7.2%, 2.7%	01/16/2010, 06/04/2010	\$3,876	\$2,093	54.0%	117.4%
201106	3,967	7.0%	02/10/2011	\$1,900	\$3,920	206.3%	111.8%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.1%
B. General Expense	12.4%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	7.3%
E. Other (explain) Reinsurance Expense	1.7%
F. TOTAL	40.8%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 25.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Multiple Territories
10. -12.1% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): 63

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

1.	This filing transmittal is part of Company Tracking #	HO AR 09751-03R
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A

Company Name		Company NAIC Number	
3.	A. Massachusetts Bay Insurance Company	B.	0088-22306

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. 4.0000	B.	4.0000

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
HO 2,3	26.8%	16.6%					
HO 4	N/A	N/A					
HO 6	2.2%	0.4%					
TOTAL OVERALL EFFECT	26.4%	16.3%					

6. 5 Year Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2006	3,817	2.0%	7/1/2006	\$3,105	\$4,997	160.9%	69.2%
2007	3,373	4.8%	7/15/2007	\$2,751	\$883	32.1%	34.5%
2008	2,868	3.0%	5/05/2008	\$2,399	\$2,182	90.9%	55.8%
2009	2,265	5.0%	6/04/2009	\$2,265	\$2,198	97.0%	50.8%
2010	2,120	7.2%, 3.4%	01/16/2010, 06/04/2010	\$2,076	\$1,349	65.0%	47.7%
201106	1,910	6.9%	02/10/2011	\$962	\$1,954	203.0%	80.5%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.1%
B. General Expense	12.4%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	7.3%
E. Other (explain) Reinsurance Expense	1.7%
F. TOTAL	40.8%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 25.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Multiple Territories
10. -10.8% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): 63

EXPLANATORY MEMORANDUM
ARKANSAS HOMEOWNERS
Hanover American Insurance Company
Mass Bay Insurance Company
Effective 02/24/2012 for Renewal Business

Summary of Proposed Changes

- 1) All Peril Deductible Factors and Caps
- 2) Wind Hail Deductible Factors and Caps
- 3) Base Rates
- 4) Amount of Insurance Relativity
- 5) Protection Class by Form
- 6) Account Credit
- 7) New Home Credit
- 8) Alarm Credit
- 9) Section II E&F - Residence Premises Liability
- 10) Cap on Credits
- 11) Rate Capping

Please see *Exhibit 7* for the current and proposed rates.

Overall Rate Change

Based on the data through the 2nd quarter of 2011, the overall indicated change is +26.4% (*Exhibit 1*). We propose to adjust the following rating elements to realize a capped overall increase of +17.9% (19.2% uncapped).

Form	Uncapped Rate Effect	Capped Rate Effect
Condo (HO-6)	0.3%	0.3%
Owners (HO-2/HO-3)	19.4%	18.0%
All Forms Combined	19.2%	17.9%

For more details please see *Exhibit 8*.

All Peril Deductible Rebase and Off Balancing

With this revision we propose to rebase our All Peril Deductible rates to \$1,000. In order to appropriately off balance any change caused by the rebasing and maintain current policy holder credit levels we had to adjust the following rating elements:

- 1) Base Rate
- 2) Amount of Insurance Relativity
- 3) Protection Class
- 4) Account Credit
- 5) New Home Credit
- 6) Alarm Credit.

Wind hail deductibles and caps were then selected to maintain their relativity to the all peril

deductible factors and caps.

Account Credit

The amount of Account credit needed to off balance was 22%. Based on loss experience, competitive considerations, and lifetime value considerations, we propose to further increase our account credit to 26%.

Section II E&F

Based on competitive considerations, we propose an increase to our Section II E & F rates as outlined in *Exhibit 7*.

Cap on Credits

Our current Hanover American cap on the total amount of credit for account, alarm, new home and non smoker is 50%. We propose to decrease this cap to 45% to align with Massachusetts Bay Insurance Company cap.

Rate Capping

In order to better manage renewal customer disruption created by the introduction of rating events, we propose to introduce rate capping such that proposed premiums are capped in accordance with the rules set out in the revised manual. As a result of rate capping, we will realize an 18.0% rate increase in the first year of renewals (*Exhibit 8*). The proposed rate capping rule is consistent with the rule recently filed for our new business company, The Hanover Insurance Company.

Base Rate

In order to achieve an overall capped rate impact of +18.0% we increased our off balanced base rates by 20.3%.

Overall Indication Description

General Philosophy

Hanover data, within the state of Arkansas, is used whenever possible. If Hanover data, within the state of Arkansas, is not available, then Arkansas industry or Hanover countrywide/regional data may be used in its place.

Overall Indication

The following is a detailed explanation of the indication calculation shown in Exhibit 1. The overall indicated rate increase is +26.4%.

Description of Actuarial Calculations

Data

The underlying experience is that of the Hanover Insurance Companies. Experience for the most recently available five year review period is on a calendar/accident year basis, as reported under ISO's Personal Lines Statistical Plan (PLSP).

On-Level Premiums

Reported premiums are adjusted to current rate level by using the parallelogram method.

Premium Trend

The current rate level earned premium and average adjusted earned premium are developed for each of the past 5 accident years, shown in Exhibit 3. Earned house years are used as the exposure base. The fitted premium trend is an exponential fit of the average adjusted earned premium of the past 5 years.

Losses

Actual incurred losses for accident years ending 6/30/05 to 6/30/11 as of 6/30/11 are shown in row 7 of Exhibit 2. Non-hurricane catastrophe losses are displayed and removed in rows 8 and 9 of Exhibit 2. A non-hurricane catastrophe load is added in later.

Loss Development

Regional data was used to select loss development factors and countrywide data is used to select condo and tenant loss development factors (Exhibit 4). Loss development factors are applied to generate the Estimated Ultimate Incurred Loss (row 11, Exhibit 2).

Loss Trend Selections

Loss trend selections (Exhibit 5) were made after reviewing Arkansas, ISO industry and Hanover loss data.

Non-Hurricane Catastrophe Losses

Consistent with Actuarial Standards of Practice, we utilize catastrophe models to complement our actual experience in the state to help stabilize results and avoid pricing swings subsequent to a large event or conversely a lull in activity. Our goal is to price our products with consistency and stability to help protect consumers from premium volatility. Based on most up to date catastrophe model information, a non-hurricane catastrophe load of 15.6%, which translates to a catastrophes loss and ALAE ratio of 15.9%, is established for Arkansas (row 20b, Exhibit 2).

Five-Year Projected Loss and LAE ratio

The 5-Year Projected Loss and LAE ratio results from using the standard 10%, 15%, 20%, 25%, and 30% weights by accident year (row 18, Exhibit 2).

Credibility

We use classic credibility. The full credibility standard during the five-year experience period is 40,000 exposures for Owners; 25,000 exposures for Condo & Tenant.

Permissible Loss Ratio

Exhibit 6 shows selected expense provisions. Prospective Arkansas Homeowners commission rates, General and Other Acquisition expenses, and ULAE/premium ratio were selected. Expected Arkansas Taxes, Licenses, & Fees were calculated based on ISO's expense circular.

Exhibit Index

Exhibit 1	Indication Summary
Exhibit 2	Indication by Coverage
Exhibit 3	Premium Trend
Exhibit 4	Loss Development
Exhibit 5	Loss Trend
Exhibit 6	Expenses
Exhibit 7	Proposed Changes
Exhibit 8	Rate Impact Summary

Arkansas
Homeowners - All Companies Combined
Rate Indication for Rates Effective 2/24/12 - Summary Exhibit

	Selected Retrospective	Selected Prospective	Selected Retrospective	Selected Prospective	Underwriting Profit Provision	Non-CAT Target Loss & ALAE Ratio	Modeled Cats Loss & ALAE Ratio	Indication
	Annual Loss Trend	Annual Loss Trend	Annual Premium Trend	Annual Premium Trend				
Homeowners	6.0%	5.0%	-1.5%	-0.5%	7.3%	36.4%	15.9%	26.8%
Condo	4.0%	3.0%	4.0%	-1.0%	7.2%	36.5%	16.8%	2.2%
<u>Tenant</u>	<u>5.0%</u>	<u>4.0%</u>	<u>1.0%</u>	<u>-1.0%</u>	<u>7.2%</u>	<u>36.5%</u>	<u>16.8%</u>	<u>-4.3%</u>
Condo and Tenant	5.0%	4.0%	2.1%	-1.0%	7.2%	36.5%	16.8%	-1.9%
Total	6.0%	5.0%	-1.4%	-0.5%	7.3%	36.4%	15.9%	26.4%

Arkansas Homeowners - All Companies Combined
Homeowners Form Rate Indication for Rates Effective 2/24/12
Dollars in Thousands

		Accident Year Ending:				
		06/30/2007	06/30/2008	06/30/2009	06/30/2010	06/30/2011
1a	Earned Premium	5,242	5,603	6,040	7,501	10,194
1b	Endorsement Premium	227	234	259	335	545
1c	Uncapped Earned Premium	5,242	5,603	6,040	7,501	10,188
1d	Uncapped Endorsement Premium	227	234	259	335	544
2	Current Rate Level Factor - Owners	1.349	1.303	1.249	1.194	1.096
3 = (1c-1d)-(2) + 1d	Premium at CRL	6,994	7,229	7,480	8,890	11,110
4a	Annual Premium Trend - Retrospective	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%
5a	Premium Trend Factor - Retrospective	0.941	0.956	0.970	0.985	1.000
4b	Annual Premium Trend - Prospective	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
5b	Premium Trend Factor - Prospective	0.989	0.989	0.989	0.989	0.989
6 = 3-5a-5b	Trended Premium	6,512	6,834	7,179	8,663	10,990
7	Incurred Loss Evaluated @ 6/30/11	2,869	4,752	6,768	4,833	11,626
8	Catastrophe Incurred Losses	635	3,317	2,140	491	7,882
9a = 7-8	Non-Cat Incurred Losses	2,234	1,435	4,628	4,342	3,744
9b	Large Loss Threshold (50th AOI Percentile in 000s)	171	178	185	193	201
9c	Excess Loss above Threshold	628	0	160	97	368
9d	Excess Loss Load	8.7%	8.7%	8.7%	8.7%	8.7%
9=(9a-9c)*(1+9d)	Adjusted Non-Cat Incurred Losses	1,745	1,559	4,857	4,615	3,670
10	Loss Development Factor:	0.999	1.000	0.996	1.006	1.109
11 = 9-10	Est. Ultimate Incurred Loss Non-Cat	1,743	1,559	4,838	4,641	4,070
12a	Est. Annual Loss Trend - Retrospective	6.0%	6.0%	6.0%	6.0%	6.0%
13a	Loss Trend Factor - Retrospective	1.263	1.191	1.124	1.060	1.000
12b	Est. Annual Loss Trend - Prospective	5.0%	5.0%	5.0%	5.0%	5.0%
13b	Loss Trend Factor - Prospective	1.111	1.111	1.111	1.111	1.111
14 = 13a-13b-11	Trended Incurred Losses	2,446	2,063	6,040	5,466	4,522
15	ALAE (% of Loss)	1.9%	1.9%	1.9%	1.9%	1.9%
16 = (1.00 +15)-14	Trended Loss & ALAE	2,493	2,103	6,156	5,571	4,609
17 = 16÷6	Projected Loss & ALAE Ratio	38.3%	30.8%	85.7%	64.3%	41.9%
18	Accident Year Weights	10.0%	15.0%	20.0%	25.0%	30.0%
19a = Sum(18-17)	Projected (Formula Weighted) Loss&ALAE Ratio Excluding All Catastrophes					54.3%
20a	Hurricane Loss & ALAE Ratio					0.0%
20b	Other Catastrophes Loss & ALAE Ratio					15.9%
20c	Permissible Loss & ALAE Ratio Excluding All Catastrophes to yield a Combined Ratio of	92.7%				36.4%
21a	Cat Loss Annual Trend - Prospective					0.0%
21b	Cat Loss Ratio Trend Factor - Prospective					1.011
21c = 13b/5b	NonCat Loss Ratio Trend Factor - Prospective					1.123
22a = 21b-20a	Trended Hurricane Loss & ALAE Ratio					0.0%
22b = 21b-20b	Trended Other Catastrophes Loss & ALAE Ratio					16.1%
22c = 21c-20c	Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					40.9%
23a	Fixed Expense					14.7%
23b	Variable Expense(incl Profit)					33.0%
24a	Earned House Years	6,831	7,006	7,605	9,095	11,300
24b	Credibility					100.0%
25 = 19a-24b + 22c-(1-24b)	Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					54.3%
27 = (25+22a+22b+23a) / (1-23b)	Indicated Rate Change - Credibility Weighted					26.8%

Arkansas Homeowners - All Companies Combined
Condominium Form Rate Indication for Rates Effective 2/24/12
Dollars in Thousands

		Accident Year Ending:				
		<u>06/30/07</u>	<u>06/30/08</u>	<u>06/30/09</u>	<u>06/30/10</u>	<u>06/30/11</u>
1a	Earned Premium	22	27	38	51	60
1b	Uncapped Earned Premium	22	27	38	51	60
2	Current Rate Level Factor	0.951	0.973	0.998	0.987	0.993
3 = 1-2	Premium at CRL	21	27	38	50	60
4a	Annual Premium Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
5a	Premium Trend Factor - Retrospective	1.170	1.125	1.082	1.040	1.000
4b	Annual Premium Trend - Prospective	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
5b	Premium Trend Factor - Prospective	0.979	0.979	0.979	0.979	0.979
6 = 3-5a-5b	Trended Premium	24	29	41	51	58
7	Incurred Loss Evaluated @ 6/30/11	23	0	3	16	0
8	Catastrophe Incurred Losses	0	0	0	0	0
9 = 7-8	Non-Cat Incurred Losses	23	0	3	16	0
10	Loss Development Factor:	1.002	0.999	0.977	0.985	1.094
11 = 9-10	Estim. Ultimate Incurred Loss Non-Cat	23	0	3	16	0
12a	Est. Annual Loss Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
13a	Loss Trend Factor - Retrospective	1.170	1.125	1.082	1.040	1.000
12b	Est. Annual Loss Trend - Prospective	3.0%	3.0%	3.0%	3.0%	3.0%
13b	Loss Trend Factor - Prospective	1.066	1.066	1.066	1.066	1.066
14 = 13a-13b-11	Trended Incurred Losses	29	0	3	17	0
15	ALAE (% of Loss)	3.7%	3.7%	3.7%	3.7%	3.7%
16 = (1.00 +15)-14	Trended Loss & ALAE	30	0	3	18	0
17 = 16÷6	Projected Loss & ALAE Ratio	123.9%	0.0%	7.8%	35.6%	0.2%
18	Accident Year Weights	10.0%	15.0%	20.0%	25.0%	30.0%
19a = Sum(18-17)	Projected (Formula Weighted) Loss&ALAE Ratio Excluding All Catastrophes					22.9%
20a	Hurricane Loss & ALAE Ratio					0.0%
20b	Other Catastrophes Loss & ALAE Ratio					16.8%
20c	Permissible Loss & ALAE Ratio Excluding All Catastrophes to yield a Combined Ratio of					36.5%
		92.8%				
21a	Cat Loss Annual Trend - Prospective					0.0%
21b	Cat Loss Ratio Trend Factor - Prospective					1.022
21c = 13b/5b	NonCat Loss Ratio Trend Factor - Prospective					1.089
22a = 21b-20a	Trended Hurricane Loss & ALAE Ratio					0.0%
22b = 21b-20b	Trended Other Catastrophes Loss & ALAE Ratio					17.1%
22c = 21c-20c	Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					39.8%
23a	Fixed Expense					13.8%
23b	Variable Expense(incl Profit)					32.9%
24a	Earned House Years	53	65	77	96	116
24b	Credibility					12.8%
25= 19a-24b + 22c-(1-24b)	Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					37.6%
27 = (25+22a+22b+23a) / (1-23b Indicated Rate Change - Credibility Weighted						2.2%

Arkansas Homeowners - All Companies Combined
Tenant Form Rate Indication for Rates Effective 2/24/12
Dollars in Thousands

		Accident Year Ending:				
		<u>06/30/07</u>	<u>06/30/08</u>	<u>06/30/09</u>	<u>06/30/10</u>	<u>06/30/11</u>
1a	Earned Premium	60	61	63	77	106
1b	Uncapped Earned Premium	60	61	63	77	105
2	Current Rate Level Factor	0.994	0.995	0.975	0.963	0.981
3 = 1b-2	Premium at CRL	59	61	61	74	103
4a	Annual Premium Trend - Retrospective	1.0%	1.0%	1.0%	1.0%	1.0%
5a	Premium Trend Factor - Retrospective	1.041	1.030	1.020	1.010	1.000
4b	Annual Premium Trend - Prospective	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
5b	Premium Trend Factor - Prospective	0.979	0.979	0.979	0.979	0.979
6 = 3-5a-5b	Trended Premium	60	61	61	74	101
7	Incurred Loss Evaluated @ 6/30/11	2	2	0	1	13
8	Catastrophe Incurred Losses	0	0	0	0	0
9 = 7-8	Non-Cat Incurred Losses	2	2	0	1	13
10	Loss Development Factor:	1.002	0.999	0.993	0.970	0.993
11 = 9-10	Estim. Ultimate Incurred Loss Non-Cat	2	2	0	1	13
12a	Est. Annual Loss Trend - Retrospective	5.0%	5.0%	5.0%	5.0%	5.0%
13a	Loss Trend Factor - Retrospective	1.216	1.158	1.103	1.050	1.000
12b	Est. Annual Loss Trend - Prospective	4.0%	4.0%	4.0%	4.0%	4.0%
13b	Loss Trend Factor - Prospective	1.088	1.088	1.088	1.088	1.088
14 = 13a-13b-11	Trended Incurred Losses	3	3	0	1	14
15	ALAE (% of Loss)	3.7%	3.7%	3.7%	3.7%	3.7%
16 = (1.00 +15)-14	Trended Loss & ALAE	3	3	0	1	15
17 = 16÷6	Projected Loss & ALAE Ratio	5.2%	5.0%	0.5%	1.2%	14.7%
18	Accident Year Weights	10.0%	15.0%	20.0%	25.0%	30.0%
19a = Sum(18-17)	Projected (Formula Weighted) Loss&ALAE Ratio Excluding All Catastrophes					6.1%
20a	Hurricane Loss & ALAE Ratio					0.0%
20b	Other Catastrophes Loss & ALAE Ratio					16.8%
20c	Permissible Loss & ALAE Ratio Excluding All Catastrophes to yield a Combined Ratio of		92.8%			36.5%
21a	Cat Loss Annual Trend - Prospective					0.0%
21b	Cat Loss Ratio Trend Factor - Prospective					1.022
21c = 13b/5b	NonCat Loss Ratio Trend Factor - Prospective					1.112
22a = 21b-20a	Trended Hurricane Loss & ALAE Ratio					0.0%
22b = 21b-20b	Trended Other Catastrophes Loss & ALAE Ratio					17.2%
22c = 21c-20c	Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					40.6%
23a	Fixed Expense					13.8%
23b	Variable Expense(incl Profit)					32.9%
24a	Earned House Years	196	190	183	230	324
24b	Credibility					21.2%
25= 19a-24b + 22c-(1-24b)	Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					33.2%
27 = (25+22a+22b+23a) / (1-23b Indicated Rate Change - Credibility Weighted						-4.3%

HO Premium Trend Analysis (Average On-Level Premium Method)
State AR

Earned Premium at Current Rate Level

AY-QTR Ending	OWN	CON	TEN
2007Q2	6,451,692	21,312	59,757
2007Q3	6,455,516	21,967	59,097
2007Q4	6,508,265	23,247	58,465
2008Q1	6,589,239	24,718	59,000
2008Q2	6,672,250	26,811	61,042
2008Q3	6,717,081	28,983	62,453
2008Q4	6,759,119	31,946	63,616
2009Q1	6,812,917	35,067	62,519
2009Q2	6,897,597	38,521	61,769
2009Q3	7,072,542	41,989	61,979
2009Q4	7,360,504	45,118	63,940
2010Q1	7,721,398	48,036	69,357
2010Q2	8,174,603	50,167	74,992
2010Q3	8,694,254	52,699	82,941
2010Q4	9,214,106	55,413	90,056
2011Q1	9,702,069	57,198	96,013
2011Q2	10,146,996	60,049	104,042

Earned House Years

AY-QTR Ending	OWN	CON	TEN
2007Q2	6,831	53	196
2007Q3	6,799	55	194
2007Q4	6,832	58	192
2008Q1	6,904	61	190
2008Q2	7,006	65	190
2008Q3	7,129	67	188
2008Q4	7,263	70	186
2009Q1	7,421	74	183
2009Q2	7,605	77	183
2009Q3	7,852	83	186
2009Q4	8,200	87	196
2010Q1	8,604	92	212
2010Q2	9,095	96	230
2010Q3	9,655	101	254
2010Q4	10,217	107	276
2011Q1	10,775	110	296
2011Q2	11,300	116	324

Average Earned Premium at Current Rate Level

AY-QTR Ending	OWN	CON	TEN
2007Q2	945	399	305
2007Q3	949	399	305
2007Q4	953	403	304
2008Q1	954	406	311
2008Q2	952	414	321
2008Q3	942	432	332
2008Q4	931	454	342
2009Q1	918	477	341
2009Q2	907	498	338
2009Q3	901	507	334
2009Q4	898	516	327
2010Q1	897	520	326
2010Q2	899	523	327
2010Q3	900	522	326
2010Q4	902	520	326
2011Q1	900	519	324
2011Q2	898	516	321

Year Over Year

Latest 4 Quarters Ending	OWN	CON	TEN
2008Q2	0.8%	3.8%	5.2%
2009Q2	-4.8%	20.2%	5.2%
2010Q2	-0.9%	5.1%	-3.5%
2011Q2	-0.1%	-1.3%	-1.8%

Latest 4 Year	-1.3%	6.7%	1.2%
Latest 3 Year	-1.9%	7.6%	-0.1%
Latest 2 Year	-0.5%	1.8%	-2.6%

Fitted Annual Premium Trend*

4 Year Trend	-1.8%	8.7%	1.4%
3 Year Trend	-1.7%	7.3%	-1.2%
2 Year Trend	-0.2%	1.6%	-2.0%
1 Year Trend	-0.1%	-1.3%	-1.7%

* Log Fit

Selected Trend

	OWN	CON	TEN
Retrospective	-1.5%	4.0%	1.0%
Prospective	-0.5%	-1.0%	-1.0%

Hanover Property and Casualty Insurance Companies
 South (AL, AR, GA, LA, MO, MS, NC, OK, SC, TN, TX, VA)
 Homeowners - Owners Form + Sewer/Sump Endorsement, Data Net of Cats
 Direct Case Incurred Losses (000)

Acc. Yr. Ending	Actual Data as of:									
	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.	72 mos.	84 mos.	96 mos.	108 mos.	120 mos.
200206	14,945,213	16,264,523	16,471,299	16,579,121	16,584,132	16,664,114	16,602,114	16,602,104	16,574,301	16,574,301
200306	14,095,085	16,467,852	16,249,136	16,245,398	16,278,378	16,279,295	16,224,232	16,224,232	16,224,232	
200406	14,562,874	15,768,033	15,807,998	15,767,093	15,794,656	15,974,156	15,974,156	15,974,156		
200506	12,173,274	13,330,150	13,477,033	13,453,959	13,396,147	13,384,492	13,384,492			
200606	18,024,593	18,922,784	18,812,291	18,751,035	18,723,990	18,703,991				
200706	19,589,937	20,982,089	21,104,871	21,001,232	21,010,412					
200806	24,837,048	28,305,504	28,708,558	28,566,310						
200906	42,339,861	50,814,422	51,429,345							
201006	43,433,194	47,685,333								
201106	32,845,877									

Acc. Yr.	Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
200206	1.088	1.013	1.007	1.000	1.005	0.996	1.000	0.998	1.000	1.000
200306	1.168	0.987	1.000	1.002	1.000	0.997	1.000	1.000		1.000
200406	1.083	1.003	0.997	1.002	1.011	1.000	1.000			
200506	1.095	1.011	0.998	0.996	0.999	1.000				
200606	1.050	0.994	0.997	0.999	0.999					
200706	1.071	1.006	0.995	1.000						
200806	1.140	1.014	0.995							
200906	1.200	1.012								
201006	1.098									
201106										

Method	Average Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
3-yr	1.146	1.011	0.996	0.998	1.003	0.999	1.000	0.999	1.000	1.000
5-yr	1.112	1.007	0.997	1.000	1.003	0.998	1.000	0.999	1.000	1.000
all-yr	1.110	1.005	0.998	1.000	1.003	0.998	1.000	0.999	1.000	1.000
all-yr wtd.	1.120	1.007	0.998	1.000	1.003	0.998	1.000	0.999	1.000	1.000
5-yr x/ hi,low	1.103	1.010	0.996	1.000	1.001					
SELECTED	1.103	1.010	0.996	1.000	1.001	0.999	1.000	0.999	1.000	1.000
ULTIMATE	1.109	1.006	0.996	1.000	0.999	0.998	0.999	0.999	1.000	1.000

Hanover Property and Casualty Insurance Companies
Countrywide
Homeowners - Condos Form, Data Net of Cats
Direct Case Incurred Losses (000)

Acc. Yr. Ending	Actual Data as of:									
	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.	72 mos.	84 mos.	96 mos.	108 mos.	120 mos.
200206	2,199,786	2,301,837	2,400,722	2,388,858	2,386,268	2,381,495	2,426,495	2,438,395	2,438,395	2,438,395
200306	2,264,744	2,603,708	2,568,403	2,594,934	2,589,534	2,594,034	2,594,034	2,594,034	2,592,391	
200406	3,473,869	3,843,018	3,866,814	3,789,155	3,711,448	3,716,027	3,716,027	3,716,027		
200506	3,863,924	4,702,753	4,646,732	4,571,623	4,562,931	4,565,149	4,565,149			
200606	4,330,966	5,044,747	4,851,655	4,512,995	4,538,437	4,563,185				
200706	4,030,941	4,591,194	4,782,092	4,775,780	4,745,515					
200806	5,673,470	6,312,533	6,419,826	6,225,976						
200906	6,109,008	5,898,846	6,008,339							
201006	4,687,174	5,074,725								
201106	5,759,262									

Acc. Yr.	Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
200206	1.046	1.043	0.995	0.999	0.998	1.019	1.005	1.000	1.000	1.000
200306	1.150	0.986	1.010	0.998	1.002	1.000	1.000	0.999		
200406	1.106	1.006	0.980	0.979	1.001	1.000	1.000			
200506	1.217	0.988	0.984	0.998	1.000	1.000				
200606	1.165	0.962	0.930	1.006	1.005					
200706	1.139	1.042	0.999	0.994						
200806	1.113	1.017	0.970							
200906	0.966	1.019								
201006	1.083									
201106										

Method	Average Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
3-yr	1.054	1.026	0.966	0.999	1.002	1.000	1.002	1.000	1.000	1.000
5-yr	1.093	1.005	0.972	0.995	1.001	1.005	1.002	1.000	1.000	1.000
all-yr	1.109	1.008	0.981	0.996	1.001	1.005	1.002	1.000	1.000	1.000
all-yr wtd.	1.102	1.007	0.977	0.996	1.002	1.003	1.001	1.000	1.000	1.000
5-yr x/ hi,low	1.111	1.008	0.978	0.997	1.001					
SELECTED	1.111	1.008	0.978	0.997	1.001	1.000	1.002	1.000	1.000	1.000
ULTIMATE	1.094	0.985	0.977	0.999	1.002	1.001	1.001	1.000	1.000	1.000

Hanover Property and Casualty Insurance Companies
Countrywide
Homeowners - Tenants Form, Data Net of Cats
Direct Case Incurred Losses (000)

Acc. Yr. Ending	Actual Data as of:									
	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.	72 mos.	84 mos.	96 mos.	108 mos.	120 mos.
200206	5,292,855	5,757,789	5,753,446	5,742,264	5,717,207	5,746,218	5,748,078	5,748,078	5,748,078	5,748,078
200306	5,013,085	5,264,590	5,464,129	5,456,186	5,423,869	5,423,869	5,423,869	5,415,732	5,415,732	
200406	3,327,455	3,955,705	3,781,493	3,827,438	3,762,552	3,822,982	3,822,982	3,892,982		
200506	1,834,837	1,945,911	1,894,442	1,864,889	1,864,661	1,864,646	1,864,596			
200606	2,618,470	2,668,519	2,407,386	2,322,176	2,342,241	2,342,031				
200706	2,020,100	2,041,585	2,011,655	2,005,434	2,003,784					
200806	2,385,913	2,665,567	2,862,649	2,863,143						
200906	2,715,920	2,504,843	2,431,291							
201006	2,772,185	2,887,641								
201106	2,474,108									

Acc. Yr.	Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
200206	1.088	0.999	0.998	0.996	1.005	1.000	1.000	1.000	1.000	1.000
200306	1.050	1.038	0.999	0.994	1.000	1.000	0.998	1.000		
200406	1.189	0.956	1.012	0.983	1.016	1.000	1.018			
200506	1.061	0.974	0.984	1.000	1.000	1.000				
200606	1.019	0.902	0.965	1.009	1.000					
200706	1.011	0.985	0.997	0.999						
200806	1.117	1.074	1.000							
200906	0.922	0.971								
201006	1.042									
201106										

Method	Average Link Ratios									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult.
3-yr	1.027	1.010	0.987	1.003	1.005	1.000	1.006	1.000	1.000	1.000
5-yr	1.022	0.981	0.992	0.997	1.004	1.000	1.006	1.000	1.000	1.000
all-yr	1.055	0.987	0.994	0.997	1.004	1.000	1.006	1.000	1.000	1.000
all-yr wtd.	1.061	0.993	0.996	0.995	1.005	1.000	1.004	1.000	1.000	1.000
5-yr x/ hi,low	1.024	0.977	0.994	0.998	1.002					
SELECTED	1.024	0.977	0.994	0.998	1.002	1.000	1.000	1.000	1.000	1.000
ULTIMATE	0.993	0.970	0.993	0.999	1.002	1.000	1.000	1.000	1.000	1.000

FREQUENCY TREND

SEVERITY TREND

PURE PREMIUM

Hanover		Industry	
4 Qtrs. Ending	CY Paid Feature Frequency	AY Est Ult Feature Frequency	Paid Feature Frequency
6-07	7.85%	7.85%	6.46%
9-07	6.16%	6.16%	5.92%
12-07	5.97%	5.97%	5.63%
3-08	8.52%	8.52%	7.88%
6-08	13.42%	13.42%	14.85%
9-08	15.36%	15.36%	16.34%
12-08	16.62%	16.62%	17.80%
3-09	18.47%	18.47%	21.89%
6-09	15.99%	15.99%	16.78%
9-09	15.68%	15.68%	17.78%
12-09	15.21%	15.21%	17.38%
3-10	11.30%	11.30%	12.00%
6-10	10.49%	10.49%	11.23%
9-10	9.27%	9.27%	9.16%
12-10	8.31%	8.31%	8.46%
3-11	7.65%	7.65%	7.72%
6-11	16.27%	16.27%	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY	Industry
4 Years	7.6%	7.6%	9.1%
3 Years	-16.7%	-16.7%	-15.8%
2 Years	-20.8%	-20.8%	-41.3%
Latest Year	31.6%	31.6%	-37.3%

Selected
Retrospective 2.0%
Prospective 1.0%

Hanover		Industry	
4 Qtrs. Ending	CY Average Paid Severity	AY Average Est Ult Severity	Average Paid Severity
6-07	5,985	5,985	6,075
9-07	5,635	5,635	6,433
12-07	4,798	4,798	6,594
3-08	4,843	4,843	5,948
6-08	4,268	4,268	6,201
9-08	4,583	4,583	6,356
12-08	4,654	4,654	6,462
3-09	4,460	4,460	5,707
6-09	4,995	4,995	5,570
9-09	5,334	5,334	5,647
12-09	5,610	5,610	5,622
3-10	6,635	6,635	7,198
6-10	6,393	6,393	7,535
9-10	5,943	5,943	7,728
12-10	5,684	5,684	7,845
3-11	5,580	5,580	8,196
6-11	6,038	6,038	

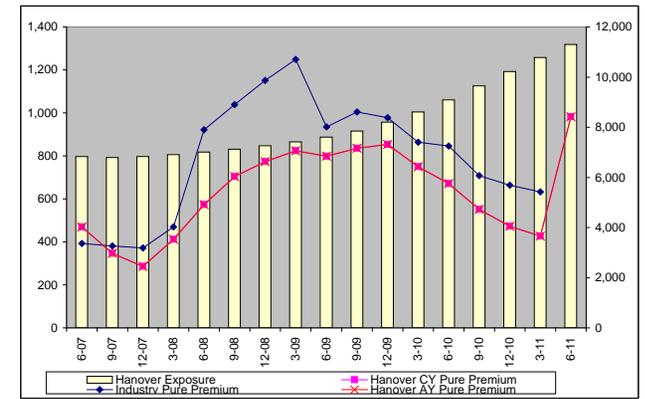
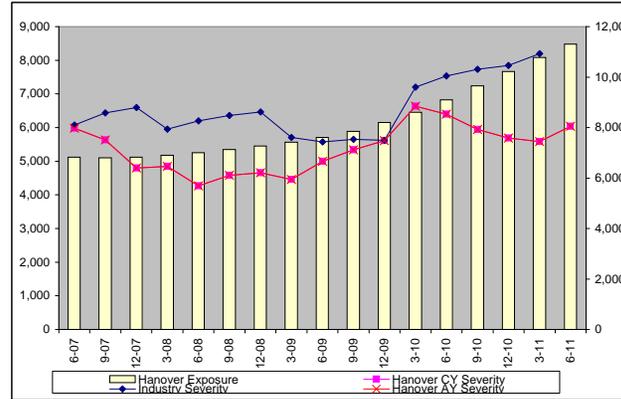
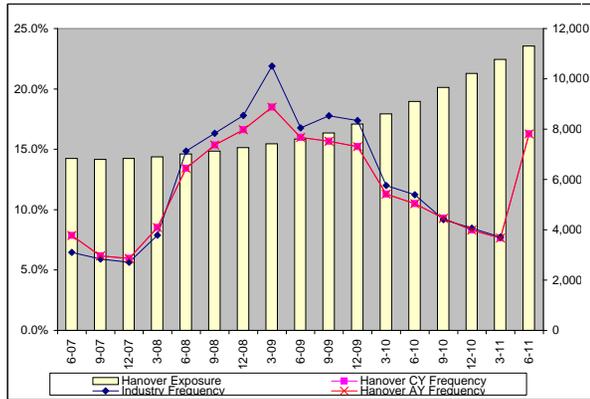
EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY	Industry
4 Years	5.4%	5.4%	6.4%
3 Years	12.7%	12.7%	11.2%
2 Years	5.5%	5.5%	25.4%
Latest Year	-6.8%	-6.8%	12.8%

Selected
Retrospective 4.0%
Prospective 4.0%

Hanover		Industry	
4 Qtrs. Ending	CY Average Pure Premium	AY Average Pure Premium	Average Pure Premium
6-07	470	470	393
9-07	347	347	381
12-07	287	287	371
3-08	412	412	469
6-08	573	573	921
9-08	704	704	1,038
12-08	773	773	1,151
3-09	824	824	1,249
6-09	799	799	935
9-09	836	836	1,004
12-09	853	853	977
3-10	750	750	863
6-10	671	671	846
9-10	551	551	708
12-10	472	472	664
3-11	427	427	632
6-11	983	983	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY	Industry
4 Years	13.4%	13.4%	16.0%
3 Years	-6.2%	-6.2%	-6.4%
2 Years	-16.4%	-16.4%	-26.4%
Latest Year	22.6%	22.6%	-29.3%

Selected
Retrospective 6.0%
Prospective 5.0%



FREQUENCY TREND

SEVERITY TREND

PURE PREMIUM TREND

4 Qtrs. Ending	Hanover		Industry
	CY Paid Feature Frequency	AY Est Ult Feature Frequency	Paid Feature Frequency
6-07	1.54%	1.19%	2.46%
9-07	1.50%	1.29%	2.45%
12-07	1.34%	1.51%	2.48%
3-08	1.67%	1.56%	2.45%
6-08	1.85%	1.67%	2.43%
9-08	1.87%	1.96%	2.64%
12-08	2.43%	1.77%	3.09%
3-09	2.13%	1.82%	3.11%
6-09	2.10%	1.82%	3.12%
9-09	2.20%	1.79%	2.91%
12-09	1.84%	1.73%	2.51%
3-10	1.87%	1.73%	2.52%
6-10	1.77%	1.79%	2.49%
9-10	1.54%	1.45%	2.51%
12-10	1.62%	1.99%	2.50%
3-11	1.71%	1.81%	2.49%
6-11	1.88%	1.75%	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY Hanover	Industry
4 Years	2.5%	6.7%	0.9%
3 Years	-7.3%	-0.9%	-2.7%
2 Years	-10.4%	-0.1%	-11.6%
Latest Year	9.5%	7.5%	-1.0%

Selected
Retrospective 1.0%
Prospective 0.0%

4 Qtrs. Ending	Hanover		Industry
	CY Average Paid Severity	AY Average Est Ult Severity	Average Paid Severity
6-07	8,587	5,008	3,312
9-07	5,674	4,548	3,384
12-07	6,047	3,094	3,340
3-08	3,542	3,517	3,354
6-08	2,787	3,024	3,418
9-08	2,676	2,627	3,237
12-08	2,624	2,584	3,248
3-09	2,512	1,727	3,272
6-09	2,302	3,043	3,237
9-09	2,481	3,505	3,454
12-09	2,537	3,308	3,578
3-10	2,399	3,493	3,587
6-10	2,377	2,243	3,676
9-10	3,263	1,934	3,680
12-10	3,441	4,495	3,703
3-11	3,943	4,593	3,761
6-11	3,542	4,458	

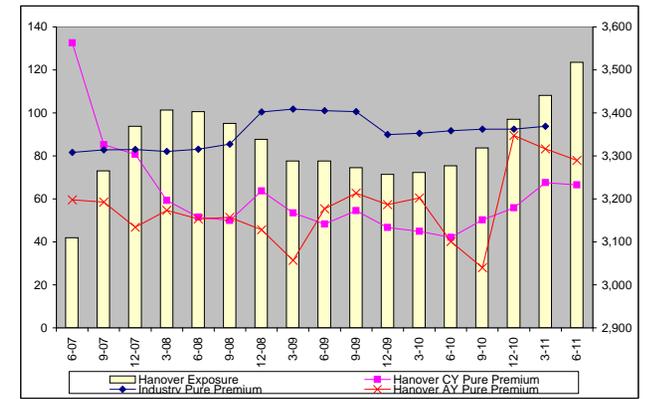
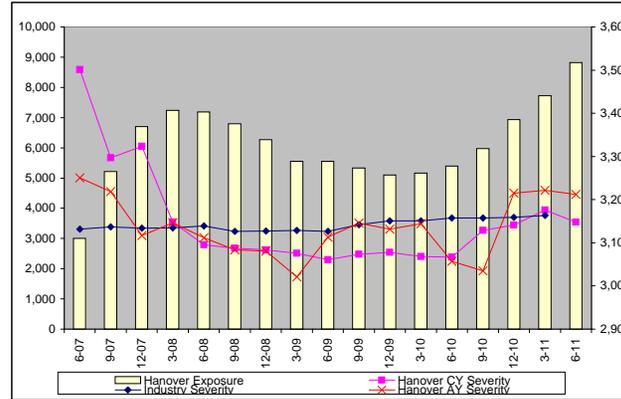
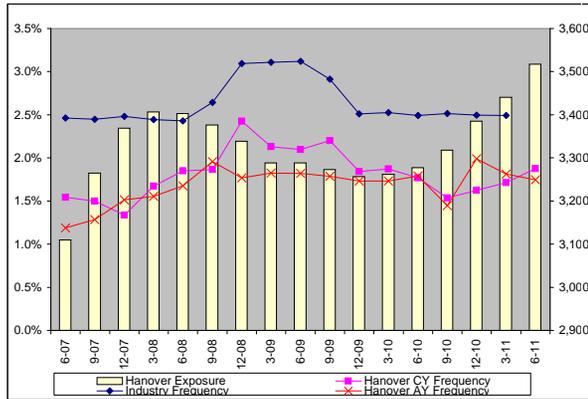
EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY Hanover	Industry
4 Years	-13.2%	-0.7%	3.0%
3 Years	12.3%	16.8%	5.1%
2 Years	30.8%	17.0%	7.7%
Latest Year	48.4%	144.9%	4.2%

Selected
Retrospective 4.0%
Prospective 4.0%

4 Qtrs. Ending	Hanover		Industry
	CY Average Pure Premium	AY Average Pure Premium	Average Pure Premium
6-07	133	60	82
9-07	85	58	83
12-07	81	47	83
3-08	59	55	82
6-08	52	51	83
9-08	50	51	86
12-08	64	46	101
3-09	53	31	102
6-09	48	55	101
9-09	55	63	101
12-09	47	57	90
3-10	45	60	91
6-10	42	40	92
9-10	50	28	93
12-10	56	90	92
3-11	68	83	94
6-11	66	78	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	Hanover	AY Hanover	Industry
4 Years	-11.0%	5.9%	3.9%
3 Years	4.1%	15.8%	2.3%
2 Years	17.3%	16.9%	-4.8%
Latest Year	62.5%	163.1%	3.2%

Selected
Retrospective 5.0%
Prospective 4.0%



FREQUENCY TREND

SEVERITY TREND

PURE PREMIUM

4 Qtrs. Ending	Hanover		Industry
	CY Paid Feature	AY Est Ult Feature	Paid Feature
	Frequency	Frequency	Frequency
6-07	4.44%	3.94%	3.51%
9-07	4.51%	3.63%	3.45%
12-07	3.51%	3.50%	3.44%
3-08	3.51%	3.25%	3.39%
6-08	3.55%	3.58%	3.43%
9-08	3.64%	3.62%	3.63%
12-08	4.71%	3.54%	4.34%
3-09	4.69%	4.04%	4.55%
6-09	4.92%	4.37%	4.67%
9-09	4.90%	3.99%	4.55%
12-09	4.12%	4.76%	3.99%
3-10	4.71%	4.80%	3.93%
6-10	4.65%	4.54%	3.92%
9-10	4.98%	4.76%	3.96%
12-10	5.16%	4.17%	3.92%
3-11	4.84%	4.08%	3.94%
6-11	4.50%	3.55%	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	CY		AY
	Hanover	Hanover	Industry
4 Years	6.4%	5.3%	4.5%
3 Years	7.4%	4.4%	2.6%
2 Years	0.8%	-6.7%	-8.9%
Latest Year	-3.6%	-22.7%	0.3%

Selected
Retrospective 3.0%
Prospective 0.0%

4 Qtrs. Ending	Hanover		Industry
	CY Average Paid Severity	AY Average Est Ult Severity	Average Paid Severity
	Severity	Severity	Severity
6-07	3,309	3,301	4,236
9-07	3,419	3,765	4,292
12-07	3,952	4,596	4,282
3-08	4,198	5,607	4,330
6-08	4,643	5,302	4,307
9-08	4,182	4,618	4,228
12-08	3,792	4,189	4,288
3-09	4,429	2,979	4,409
6-09	4,281	3,121	4,427
9-09	4,118	3,114	4,562
12-09	3,924	3,808	4,680
3-10	3,269	3,920	4,739
6-10	3,326	3,862	4,783
9-10	4,051	3,836	4,795
12-10	4,605	3,659	4,767
3-11	4,437	3,824	4,828
6-11	4,497	3,815	

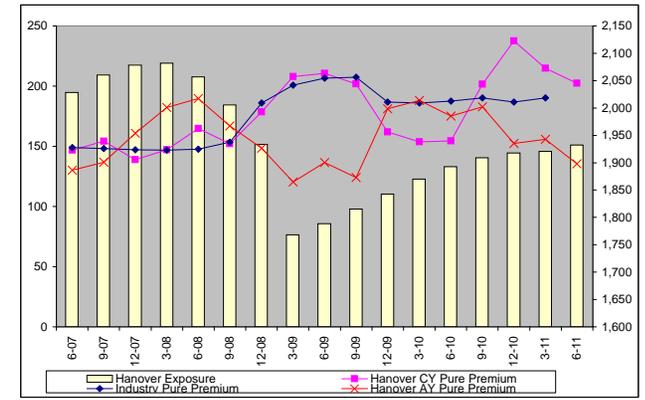
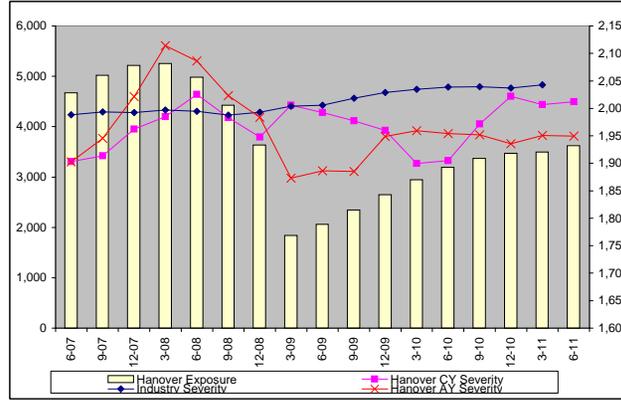
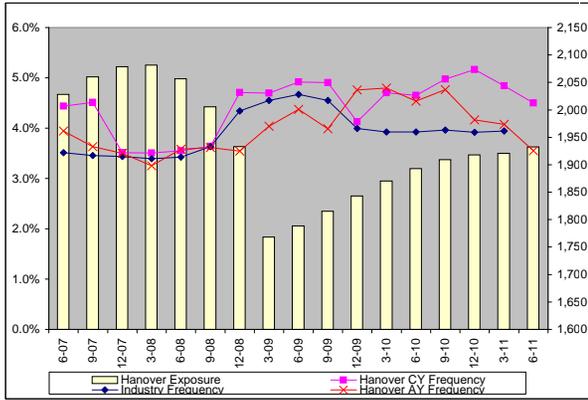
EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	CY		AY
	Hanover	Hanover	Industry
4 Years	2.9%	-3.8%	3.8%
3 Years	-0.3%	-4.4%	4.9%
2 Years	6.6%	9.2%	4.8%
Latest Year	32.0%	-1.1%	1.4%

Selected
Retrospective 1.0%
Prospective 3.0%

4 Qtrs. Ending	Hanover		Industry
	CY Average Pure Premium	AY Average Pure Premium	Average Pure Premium
	Premium	Premium	Premium
6-07	147	130	149
9-07	154	137	148
12-07	139	161	147
3-08	147	182	147
6-08	165	190	148
9-08	152	167	154
12-08	178	148	186
3-09	208	120	201
6-09	211	136	207
9-09	202	124	207
12-09	162	181	187
3-10	154	188	186
6-10	155	175	188
9-10	202	183	190
12-10	238	152	187
3-11	215	156	190
6-11	202	136	

EXPONENTIAL FIT ANNUAL RATE OF CHANGE			
Period	CY		AY
	Hanover	Hanover	Industry
4 Years	9.5%	1.4%	8.5%
3 Years	7.1%	-0.2%	7.6%
2 Years	7.4%	1.9%	-4.5%
Latest Year	27.3%	-23.6%	1.6%

Selected
Retrospective 4.0%
Prospective 3.0%



Arkansas Homeowners Development of Target Loss & ALAE Ratio

Owners Form							
	<u>2008</u>	<u>2009</u>	<u>2010</u>	Average	Selected Provision	% Fixed Expense	% Variable Expense
Commissions	15.0%	15.0%	15.1%	15.0%	14.9%	0%	100%
Contingent Commissions					1.2%	0%	100%
General & Other Acq.	11.5%	13.7%	12.5%	12.6%	12.4%	50%	50%
Taxes, Licenses, and Fees					3.4%	0%	100%
ULAE/Premium	8.4%	7.8%	8.0%	8.1%	6.8%	100%	0%
Profit and Contingency					7.3%	0%	100%
Other Fixed Expense Load					1.7%	100%	0%
Total Fixed Expense						14.7%	
Total Variable Expense							33.0%
Total Expenses					47.6%		
Target Loss & ALAE Ratio					52.4%		
ALAE/Loss	2.1%	2.1%	2.2%	2.1%	1.9%		

Arkansas Homeowners Development of Target Loss & ALAE Ratio

Condo & Tenants Form							
	<u>2008</u>	<u>2009</u>	<u>2010</u>	Average	Selected Provision	% Fixed Expense	% Variable Expense
Commissions	15.0%	15.1%	15.1%	15.0%	14.9%	0%	100%
Contingent Commissions					1.2%	0%	100%
General & Other Acq.	11.5%	13.7%	12.5%	12.6%	12.4%	50%	50%
Taxes, Licenses, and Fees					3.4%	0%	100%
ULAE/Premium	8.4%	7.8%	8.0%	8.1%	5.9%	100%	0%
Profit and Contingency					7.2%	0%	100%
Other Fixed Expense Load					1.7%	100%	0%
Total Fixed Expense						13.8%	
Total Variable Expense							32.9%
Total Expenses					46.7%		
Target Loss & ALAE Ratio					53.3%		
ALAE/Loss	2.1%	2.1%	2.2%	2.1%	3.7%		

State of ARKANSAS
Homeowners
Hanover American & Mass Bay
Rates Effective 2/24/2011 Renewal

Proposed Changes

Implement Rate Capping

Max: 25%
Min: NA

Wind / Hail Deductible Caps

All-Peril Deductible	Wind / Hail Deductible									
	1%		2%		5%		2,000		5,000	
	Current Cap	Proposed Cap	Current Cap	Proposed Cap	Current Cap	Proposed Cap	Current Cap	Proposed Cap	Current Cap	Proposed Cap
1000	250	100	325	135	500	200	325	135	400	200
2500	675	230	725	260	800	325			700	285
5000	1050	540	1125	585	1150	625				

Wind / Hail Deductible Factors

All-Peril Deductible	Wind / Hail Deductible									
	1%		2%		5%		2,000		5,000	
	Current Factor	Proposed Factor	Current Factor	Proposed Factor	Current Factor	Proposed Factor	Current Cap	Proposed Factor	Current Cap	Proposed Factor
1000	0.76	0.97	0.75	0.96	0.73	0.94	0.75	0.96	0.73	0.94
2500	0.67	0.86	0.66	0.85	0.64	0.82			0.64	0.82
5000	0.56	0.72	0.55	0.71	0.54	0.69				

All-Peril Deductible Factors and Credit Caps

All-Peril Deductible	Current Factor	Proposed Factor	Current Cap	Proposed Cap
1000	0.78	1.00	305	N/A
2500	0.69	0.88	525	165
5000	0.58	0.74	900	450

Change Base Rates

Form	Proposed Change
Owner	1.3%
Condo	-13.0%

Protection Class

Protection Class	Masonry	Frame
	Proposed Change	Proposed Change
1	1.0%	1.0%
2	1.0%	1.0%
3	1.0%	1.0%
4	1.0%	0.0%
5	1.0%	0.0%
6	0.0%	0.0%
7	4.5%	4.5%
8	8.5%	8.5%
9	20.0%	20.0%
10	20.0%	0.0%

Amount of Insurance Relativity Curve

Amount of Insurance (owners only)	Proposed Change
[30,000-100,000]	-4.0%
(100,000-200,000]	-3.6%
(200,000-300,000]	-2.0%
(300,000-400,000]	5.5%
(400,000-500,000]	9.0%

	Current Factor	Proposed Factor
Over 500K additive Factor	0.055	0.072

Age of Dwelling Factor

Age of Dwelling	Current Credit	Proposed Credit
0	25%	28%
1	25%	28%
2	23%	26%
3	21%	24%
4	18%	21%
5	15%	18%
6	12%	16%
7	9%	13%
8	6%	10%
9	3%	7%

Alarm Credit

Category	Description	Current Credit	Proposed Credit
A.	Fire or smoke detector	2%	4%
B.	Local burglar alarm that is installed on all accessible doors and windows and includes an outside bell or siren and is capable of operating off battery power	5%	7%
C.	Fire or smoke detector, a fire extinguisher and dead bolt locks on all exterior doors	5%	7%
D.	Both A and B	7%	9%
E.	Both B and C	10%	12%
F.	Fire and/or burglar alarm reporting to either central station or fire department and/or police department	10%	12%
G.	Both A and F	12%	14%
H.	Both C and F	15%	17%
I.	An approved and properly maintained automatic sprinkler system with sprinklers in all areas including bathrooms, attics, and attached structures	10%	12%
J.	Both B and I	15%	17%
K.	Both F and I	20%	22%
L.	An approved and properly maintained automatic sprinkler system with sprinklers totally or partly omitted in bathrooms, closets, attics and attached structures and with fire detectors in all omitted areas 5%	5%	7%
M.	Both B and L	10%	12%
N.	Both F and L	15%	17%

Account Credit

Account Credit	Current Credit	Proposed Credit
Mass Bay	17.0%	26.0%
Hanover American	17.0%	26.0%

Cap on Credits

Age of Dwelling	Current Cap	Proposed Cap
Hanover American	50%	45%

Coverage E & F

Coverage E	Coverage F	Current	Proposed
100,000	1,000	0	0
100,000	2,000	5	5
100,000	5,000	14	14
200,000	1,000	8	9
200,000	2,000	11	11
200,000	5,000	20	20
300,000	1,000	13	13
300,000	2,000	16	16
300,000	5,000	25	25
400,000	1,000	16	17
400,000	2,000	19	21
400,000	5,000	28	29
500,000	1,000	19	21
500,000	2,000	22	24
500,000	5,000	31	32
600,000	1,000	24	24
600,000	2,000	27	28
600,000	5,000	36	36
1,000,000	1,000	36	36
1,000,000	2,000	39	41
1,000,000	5,000	48	49

State of ARKANSAS
Homeowners
Hanover American & Mass Bay
Rates Effective 2/24/2011 Renewal
Rate Impact Summary

Company	Form	Policy Count	On-Level Written Premium	Uncapped Rate Impact	Capped Rate Impact
Hanover American	C	15	10,475	0.0%	0.0%
	O	3,859	3,916,428	19.0%	17.5%
Mass Bay	C	36	25,802	0.4%	0.4%
	O	1,794	1,913,751	20.2%	19.2%
	Total	5,704	5,866,455	19.2%	17.9%

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
31	001	692	623
	002	770	693
	003	839	755
	004	955	860
	005	1373	1236
	006	2287	2058
	007	3291	2962
	008	953	858
	009	1075	968
	010	1616	1454
	011	3125	2813
37	012	723	651
	013	804	724
	014	876	788
	015	998	898
	016	1434	1291
	017	2389	2150
	018	3438	3094
	019	996	896
	020	1123	1011
	021	1688	1519
	022	3264	2938
42	023	747	672
	024	831	748
	025	905	815
	026	1031	928
	027	1481	1333
	028	2468	2221
	029	3551	3196
	030	1029	926
	031	1160	1044
	032	1744	1570
	033	3372	3035

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
49	034	547	492
	035	608	547
	036	663	597
	037	755	680
	038	1084	976
	039	1806	1625
	040	2599	2339
	041	753	678
	042	849	764
	043	1276	1148
	044	2468	2221
50	045	993	894
	046	1104	994
	047	1203	1083
	048	1370	1233
	049	1969	1772
	050	3280	2952
	051	4719	4247
	052	1367	1230
	053	1541	1387
	054	2317	2085
	055	4481	4033
51	056	1026	923
	057	1140	1026
	058	1243	1119
	059	1416	1274
	060	2034	1831
	061	3389	3050
	062	4877	4389
	063	1413	1272
	064	1592	1433
	065	2395	2156
	066	4630	4167

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
52	089	630	567
	090	700	630
	091	763	687
	092	869	782
	093	1249	1124
	094	2081	1873
	095	2995	2696
	096	868	781
	097	978	880
	098	1471	1324
	099	2843	2559
53	100	662	596
	101	736	662
	102	803	723
	103	914	823
	104	1313	1182
	105	2188	1969
	106	3149	2834
	107	912	821
	108	1028	925
	109	1546	1391
	110	2989	2690
54	067	1103	993
	068	1226	1103
	069	1336	1202
	070	1522	1370
	071	2187	1968
	072	3643	3279
	073	5243	4719
	074	1519	1367
	075	1712	1541
	076	2574	2317
	077	4978	4480

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
55	111	649	584
	112	722	650
	113	787	708
	114	896	806
	115	1287	1158
	116	2145	1931
	117	3086	2777
	118	894	805
	119	1008	907
	120	1516	1364
	121	2930	2637
56	122	668	601
	123	743	669
	124	810	729
	125	923	831
	126	1326	1193
	127	2208	1987
	128	3178	2860
	129	921	829
	130	1038	934
	131	1561	1405
	132	3017	2715
61	155	726	653
	156	807	726
	157	880	792
	158	1002	902
	159	1440	1296
	160	2399	2159
	161	3453	3108
	162	1000	900
	163	1127	1014
	164	1695	1526
	165	3278	2950

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
62	078	548	493
	079	609	548
	080	664	598
	081	756	680
	082	1086	977
	083	1809	1628
	084	2603	2343
	085	754	679
	086	850	765
	087	1278	1150
	088	2471	2224
63	133	649	584
	134	722	650
	135	787	708
	136	896	806
	137	1287	1158
	138	2145	1931
	139	3086	2777
	140	894	805
	141	1008	907
	142	1516	1364
	143	2930	2637
64	144	1010	909
	145	1123	1011
	146	1224	1102
	147	1394	1255
	148	2004	1804
	149	3338	3004
	150	4804	4324
	151	1391	1252
	152	1569	1412
	153	2359	2123
	154	4560	4104

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
65	166	765	689
	167	850	765
	168	927	834
	169	1055	950
	170	1516	1364
	171	2526	2273
	172	3636	3272
	173	1053	948
	174	1187	1068
	175	1785	1607
	176	3452	3107
66	210	959	863
	211	1066	959
	212	1162	1046
	213	1323	1191
	214	1901	1711
	215	3168	2851
	216	4558	4102
	217	1320	1188
	218	1488	1339
	219	2238	2014
	220	4328	3895
67	232	751	676
	233	835	752
	234	910	819
	235	1036	932
	236	1489	1340
	237	2481	2233
	238	3570	3213
	239	1034	931
	240	1166	1049
	241	1753	1578
	242	3389	3050

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
68	243	815	734
	244	907	816
	245	988	889
	246	1126	1013
	247	1617	1455
	248	2694	2425
	249	3877	3489
	250	1123	1011
	251	1266	1139
	252	1904	1714
	253	3681	3313
69	254	963	867
	255	1070	963
	256	1167	1050
	257	1329	1196
	258	1909	1718
	259	3180	2862
	260	4577	4119
	261	1326	1193
	262	1494	1345
	263	2247	2022
	264	4345	3911
70	276	681	613
	277	757	681
	278	825	743
	279	940	846
	280	1350	1215
	281	2249	2024
	282	3237	2913
	283	938	844
	284	1057	951
	285	1589	1430
	286	3073	2766

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
71	287	879	791
	288	977	879
	289	1065	959
	290	1213	1092
	291	1742	1568
	292	2903	2613
	293	4177	3759
	294	1210	1089
	295	1364	1228
	296	2051	1846
	297	3966	3569
72	221	766	689
	222	852	767
	223	929	836
	224	1058	952
	225	1520	1368
	226	2532	2279
	227	3643	3279
	228	1055	950
	229	1190	1071
	230	1789	1610
	231	3459	3113
73	265	708	637
	266	788	709
	267	859	773
	268	978	880
	269	1405	1265
	270	2341	2107
	271	3368	3031
	272	976	878
	273	1100	990
	274	1654	1489
	275	3198	2878

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
74	177	872	785
	178	970	873
	179	1057	951
	180	1204	1084
	181	1730	1557
	182	2883	2595
	183	4148	3733
	184	1202	1082
	185	1355	1220
	186	2037	1833
	187	3938	3544
75	199	978	880
	200	1087	978
	201	1185	1067
	202	1350	1215
	203	1940	1746
	204	3231	2908
	205	4650	4185
	206	1347	1212
	207	1518	1366
	208	2283	2055
	209	4414	3973
76	188	795	716
	189	884	796
	190	964	868
	191	1098	988
	192	1578	1420
	193	2628	2365
	194	3782	3404
	195	1096	986
	196	1235	1112
	197	1857	1671
	198	3591	3232

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

(HO-00-02 is only available for policies written prior to 04/30/2007)

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>
30,000	0.960	95,000	1.070	240,000	2.197	385,000	3.874
31,000	0.961	100,000	1.080	245,000	2.226	390,000	3.927
32,000	0.962	105,000	1.094	250,000	2.231	395,000	3.980
33,000	0.963	110,000	1.123	255,000	2.260	400,000	4.033
34,000	0.964	115,000	1.152	260,000	2.288	405,000	4.081
35,000	0.965	120,000	1.181	265,000	2.317	410,000	4.129
36,000	0.966	125,000	1.210	270,000	2.326	415,000	4.177
37,000	0.967	130,000	1.263	275,000	2.356	420,000	4.225
38,000	0.968	135,000	1.307	280,000	2.455	425,000	4.273
39,000	0.969	140,000	1.358	285,000	2.483	430,000	4.321
40,000	0.970	145,000	1.409	290,000	2.563	435,000	4.369
41,000	0.972	150,000	1.453	295,000	2.622	440,000	4.417
42,000	0.973	155,000	1.475	300,000	2.663	445,000	4.465
43,000	0.975	160,000	1.526	305,000	2.747	450,000	4.513
44,000	0.977	165,000	1.575	310,000	2.831	455,000	4.569
45,000	0.979	170,000	1.625	315,000	2.915	460,000	4.625
46,000	0.981	175,000	1.675	320,000	2.999	465,000	4.681
47,000	0.983	180,000	1.725	325,000	3.083	470,000	4.737
48,000	0.987	185,000	1.775	330,000	3.167	475,000	4.793
49,000	0.991	190,000	1.825	335,000	3.251	480,000	4.849
50,000	0.995	195,000	1.874	340,000	3.335	485,000	4.905
55,000	0.998	200,000	1.924	345,000	3.419	490,000	4.961
60,000	1.002	205,000	1.982	350,000	3.503	495,000	5.017
65,000	1.009	210,000	2.010	355,000	3.556	500,000	5.073
70,000	1.016	215,000	2.038	360,000	3.609		
75,000	1.022	220,000	2.053	365,000	3.662	Each Additional \$5,000	
80,000	1.027	225,000	2.110	370,000	3.715	add	0.072
85,000	1.042	230,000	2.138	375,000	3.768		
90,000	1.061	235,000	2.168	380,000	3.821		

5. RATE STRUCTURE

HO-00-04 AND HO-00-06

\$25,000 BASE RATES
\$1,000 DEDUCTIBLE COVERAGE

Premium Group	Mass Bay	Hanover American
	<u>HO-00-06</u>	<u>HO-00-06</u>
1	133	120
2	147	132
3	161	145
4	227	204
5	319	287

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>
20,000	.870
21,000	.896
22,000	.922
23,000	.948
24,000	.974
25,000	1.000
30,000	1.130
35,000	1.261
40,000	1.391
45,000	1.522
50,000	1.652
Each additional 5,000	0.131

8. STATE PAGES – RATING RULES

8.2 PERSONAL UMBRELLA LIABILITY RULE – 231-2322

ALL FORMS - The Personal Umbrella Liability Supplement provides excess liability coverage which applies after the Primary Insurance Limits of Liability are exhausted.

Minimum Limit of Liability is \$1,000,000. Increased limits are available.

For eligibility, forms, rules and rates see the Umbrella section of this manual.

8.3 CAPS ON CREDITS/DISCOUNTS

There is a cap on total credits/discounts of 45% in our Massachusetts Bay and Hanover American companies, which is applicable to both new and renewal business. The individual credits/discounts will be shown on the declarations page and when the cap is reached a message will read "maximum credit applies to policy."

Credits for optional higher deductibles or the Homeowner Loss Free Credit/Surcharge are not subject to this cap.

8.4 ACCOUNT CREDIT PROGRAM

ALL FORMS - The 26% Account Credit will be applicable to those insureds who have their private passenger automobiles and primary homeowners (dwellings, tenants, condos) insured with one of the Hanover Insurance Companies. Both policies do not have to be with the same company.

Compute the credit to be deducted by applying the percentage of credit to the basic premium from the Premium Chart.

The applicable credit will apply to policies covering seasonal locations, as long as the primary homeowners and private passenger automobiles are insured by one of the Hanover Companies.

For a risk with a dwelling and private passenger auto in multiple states, the program must be approved in all states involved for the credits to apply.

The credit will apply to new business on inception as long as the companion policy is to be written by Hanover within the following six months. The companion policy will receive the credit on its effective date.

If one of the policies is canceled for non-payment or cause, the credit will be deleted at renewal from the companion policy. If one of the policies is non-renewed, the credit will be deleted at renewal from the companion policy.

8.5 RESERVED FOR FUTURE USE

8. STATE PAGES – RATING RULES

8.6 NEW HOME DISCOUNT

FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007) Insured dwellings that are less than ten years old are eligible for a premium credit.

Credit Determination

- A. Determine the percentage of credit by subtracting the year in which construction is completed from the year the policy becomes effective or is renewed. If the dwelling is not yet complete, enter the current year on the application.
- B. Compute the premium credit by applying the appropriate credit percentage to the Basic Premium developed from the Basic Premium Chart.

<u>Age of Dwelling</u>	<u>Credit Percentage</u>
0	28%
1	28
2	26
3	24
4	21
5	18
6	16
7	13
8	10
9	7

8.7 NON-SMOKER DISCOUNT

(HO-00-02 is only available for policies written prior to 04/30/2007)

ALL FORMS - An insured who signs the Non-Smoker Form, stating that neither he nor any other resident of the household now smokes or has smoked for at least the past twelve (12) months shall be eligible for the 1% Non-Smoker Credit. This discount is not available to those insureds residing in Dwellings with three or more families.

Compute the premium credit by applying the percentage of credit to the premium developed from the Basic Premium Chart.

8. STATE PAGES – RATING RULES

8.8 PREMISES ALARM OR FIRE PROTECTION SYSTEM

ALL FORMS

A.	Fire or smoke detector.	4%
B.	Local burglar alarm that is installed on all accessible doors and windows and includes an outside bell or siren and is capable of operating off battery power.	7%
C.	Fire or smoke detector, a fire extinguisher and deadbolt locks on all exterior doors.	7%
D.	Both A and B.	9%
E.	Both B and C.	12%
F.	Fire and/or burglar alarm reporting to either central station or fire department and/or police department.	12%
G.	Both A and F.	14%
H.	Both C and F.	17%
I.	An approved and properly maintained automatic sprinkler system with sprinklers in all areas including bathrooms, attics, and attached structures.	12%
J.	Both B and I.	17%
K.	Both F and I.	22%
L.	An approved and properly maintained automatic sprinkler system with sprinklers totally or partly omitted in bathrooms, closets, attics and attached structures and with fire detectors in all omitted areas.	7%
M.	Both B and L.	12%
N.	Both F and L.	17%

Alarm Credit Waiver of Deductible (Theft) - Policies that qualify for alarm credit B or F (burglar alarm) will have the deductible waived for any burglary loss if it is determined that the alarm system functioned as designed at the time of the loss. Use Form 391-0565.

NOTE: These credits apply to the Basic Premium Charts.

8.9 INFLATION GUARD ENDORSEMENT - 231-0600

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

8. STATE PAGES – RATING RULES

8.14 DEDUCTIBLES-ALL PERILS

(HO-00-02 is only available for policies written prior to 04/30/2007)

- a. All Homeowners Forms are subject to a \$1,000 flat deductible applicable to any loss under Section I of the policy. This loss deductible applies to each occurrence. The rates shown in this manual include that deductible.
- b. Higher Deductibles Premium Credits:

ALL FORMS		
Deductibles*	\$2,500	\$5,000
Percentage	12%	26%
Max. Surcharge/Credit	\$165	\$450

***Effective 2/24/2012, all other All Peril Deductibles less than \$1000 will no longer be available**

The reduced premium shall be computed by applying the deductible percentage of surcharge/credit to the premium developed from the Basic Premium Chart.

8.15 WINDSTORM OR HAIL DEDUCTIBLE – HO-03-12

(HO-00-02 is only available for policies written prior to 04/30/2007)

There are two optional deductibles applicable to the perils of Windstorm or Hail. They are:

- 1. Percentage deductibles in the amounts of 1%, 2% or 5% of the Coverage A limit of liability. The deductible amount is determined by applying the percentage amount to the Coverage A limit of liability. Attach Endorsement HO-03-12.

Note: The percentage deductible must exceed the amount of the deductible applicable to All Other Section I perils. For example, if the Coverage A value is \$100,000 and a \$2,500 Section deductible is selected, a 1% or 2% Windstorm or Hail Deductible option cannot be chosen.

- 2. Fixed dollar deductibles for Windstorm or Hail in the amounts of \$1,000, \$2,000 or \$5,000.

The premium for these deductible options shall be developed by applying the factors listed on the next page to the base premium.

Note: The fixed dollar deductible must equal or exceed the normal policy deductible.

8. STATE PAGES – RATING RULES

8.15 WINDSTORM OR HAIL DEDUCTIBLE – HO-03-12 (continued)

Select a normal policy deductible from the left hand column. Moving to the right, select the factor under the appropriate Wind/Hail deductible column and multiply by the base premium. This premium reflects the total premium for the selected Windstorm & Hail deductible and the normal Section I deductible.

WIND/HAIL DEDUCTIBLE						
ALL OTHER PERILS DEDUCTIBLE	1% WIND/HAIL		2% WIND/HAIL		5 % WIND/HAIL	
	DED	MAX CREDIT	DED	MAX CREDIT	DED	MAX CREDIT
\$1,000	0.97	\$100	0.96	\$135	0.94	\$200
\$2,500	0.86	\$230	0.85	\$260	0.82	\$325
\$5,000	0.72	\$540	0.71	\$585	0.69	\$625

ALL OTHER PERILS DEDUCTIBLE	\$2,000 WIND/HAIL		\$5,000 WIND/HAIL	
	DED	MAX CREDIT	DED	MAX CREDIT
\$1,000	0.96	\$135	0.94	\$200
\$2,500	N/A	0	0.82	\$285
\$5,000	N/A	0	N/A	0

***Effective 2/24/2012, all other All Peril Deductibles less than \$1000 will no longer be available**

8.16-8.17 RESERVED FOR FUTURE USE

8.18 PERSONAL PROPERTY

1. Increased Limit
FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007) - The limit of liability for Coverage C may be increased. The additional charge shall be \$2.00 for each \$1,000 increase.
2. Reduction in Limit
FORM HO-00-03 (HO-00-02 is only available for policies written prior to 04/30/2007.) - The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit of Coverage A at a credit of \$1.00 for each \$1,000 reduction.

8. STATE PAGES – RATING RULES

8.30 SECTION II COVERAGES

When the limit of liability for Coverage E or F is increased or coverage for additional exposures is provided, the additional premium shall be developed from the following tables.

The respective limits of liability for Coverage E and for Coverage F must be uniform for all exposures covered under the policy.

Limits of Liability												
Coverage E	\$100,000			\$200,000			\$300,000			\$400,000		
Coverage F	1000	2000	5000	1000	2000	5000	1000	2000	5000	1000	2000	5000
Residence Premises	-	5	14	9	11	20	13	16	25	17	21	29
b. Add'l Locations Occupied by Insured												
1 Family	8	9	12	11	12	15	13	14	17	15	16	19
2 Family	14	15	18	18	19	22	21	22	25	23	24	27

Limits of Liability									
Coverage E	\$500,000			\$600,000			\$1,000,000		
Coverage F	1000	2000	5000	1000	2000	5000	1000	2000	5000
a. Residence Premises	21	24	32	24	28	36	36	41	49
b. Add'l Locations Occupied by Insured									
1 Family	16	17	20	19	20	23	24	25	28
2 Family	25	26	29	29	30	33	36	37	40

8. STATE PAGES - RATING RULES**8.38 RESIDENCE HELD IN TRUST – 231-2349**

Available with FORMS HO-00-03 and HO-00-06

A. Trust and Trustee-Named insured

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

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

8.39 OFF PREMISES STRUCTURES – HO-04-91

HO-00-03 - (HO-00-02 is only available for policies written prior to 04/30/2007) - Coverage B - other structures may be endorsed to include structures away from the residence premises if used in connection with the residence premises. The additional premium is \$17.00.

8.40 UNIT-OWNERS - RENTAL TO OTHERS – HO-17-33

FORM HO-00-06 - Coverage may be extended to include personal property on premises regularly rented to others. To compute the additional premium apply the factor of .25 to the sum of:

- A. The base premium for the \$1,000 deductible (less credit for any higher deductibles).
- B. \$17.00 per policy.

8.41 IDENTITY FRAUD EXPENSE COVERAGE – 231-1937

For a flat premium charge of \$35, we will pay for identity fraud expenses of an insured up to \$25,000 for any one occurrence of identity fraud. Identity fraud is the act of transfer or use of the means of identity of an insured without lawful authority, in violation of law.

“Identity fraud expenses” is defined as expenses incurred:

1. To prepare and notarize documents, affidavits or similar documents for:
 - a. credit bureaus;
 - b. financial institutions and similar credit grantors; and
 - c. law enforcement agencies.
2. Sending certified mail to:
 - a. credit bureaus;
 - b. financial institutions and similar credit grantors; and
 - c. law enforcement agencies.
3. To reapply for credit or loan or loans as a result of a rejection of credit or a loan due to the lender having incorrect credit information as a result of “identity fraud”.

8. STATE PAGES - RATING RULES

8.84 WATERCRAFT COVERAGE (Continued)

III. POLICY CREDITS**New Watercraft Credit**

Watercraft and motors up to five years old will receive a 10% credit off the physical damage premium. Multiply the base premium for the watercraft and motor by the rating factor of 0.90.

8.85-8.88 RESERVED FOR FUTURE USE

8.89 RENEWAL RATE CAPPING

In order to better manage renewal customer disruption created by the introduction of rating events, renewal premiums may be capped in accordance with the following rules.

- A. The expiring premium including any changes in risk exposure and/or chargeable incidents is captured.
- B. The uncapped renewal premium is calculated.
- C. If the change between steps A and B exceeds the cap, then a capping factor will be determined and applied to the uncapped premium.
- D. The capping factor applies to rate increases.
- E. The capping factor will apply to all coverages, with the exception of any state mandated assessments or charges.

The capping factor is the final factor in the premium determination rate order.

ANNOUNCEMENT OF REVISIONS

MANUAL PAGES INCLUDED HEREWITH:

ENTIRE HOMEOWNERS MANUAL

Revised pages with this revision:

Index.....	B
Rate Structure Pages.....	RS-1 thru RS-7
State Pages.....	13, 14, 15, 19, 20, 27, 34, 42
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SUMMARY OF CHANGE

- Revised Base Rates
- Revised Rule 8.3 Caps on Credits/Discounts
- Revised Rule 8.4 Account Credit Program
- Revised Rule 8.6 New Home Discount
- Revised Rule 8.8 Alarm Credit
- Revised Rule 8.14 Deductibles – All Perils
- Revised Rule 8.15 Windstorm or Hail Deductibles
- Revised Rule 8.30 Section II Liability Coverages
- Revised Rule 8.40 Unit-Owners – Rental to Others
- Added Renewal Rate Capping Rule 8.89 (& added to Index)
- Removed the Umbrella Renewal Questionnaire Language

EFFECTIVE DATE: 2/24/12 Renewals

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- RATE STRUCTURE.....AR-RS-1
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- FARMERS PERSONAL LIABILITY – HO-24-73 – HO73 67
- GUARANTEED REPLACEMENT COST – 231-0695 - HGRC 58

9. STATE PAGES – PERSONAL UMBRELLA LIABILITY SUPPLEMENT**9.1 GENERAL RULES****1. Coverage (Product Description)**

Personal Umbrella policy coverage is designed to provide individuals with limits in excess of adequate third party primary liability insurance (Underlying Coverage) or in excess of the policy's self-insured retention (SIR). It is a product that can respond to unanticipated casualty occurrences and accidents, catastrophic in nature, that could not have been foreknown in the underwriting evaluation of the individual's various coverage needs.

The Hanover personal umbrella program is for those Hanover insureds who meet our automobile and homeowners market definition profile of a preferred risk.

2. Applications

Each risk must be submitted on an ACORD 83 Personal Umbrella application, with all questions answered. THE APPLICATION MUST BE SIGNED BY THE APPLICANT.

~~A Personal Umbrella Renewal Questionnaire should be completed whenever there has been a significant increase or change in exposure in any primary policy or at every third renewal, whichever occurs first.~~

3. Limits of Liability

Coverages may be purchased for limits of \$1,000,000 to \$5,000,000 in increments of \$1,000,000. The single limit is applicable to each occurrence in excess of underlying limits or self-insured retention.

4. Higher Retained Limit (Self-Insured Retention)

If optional self-insured retention limits are to be applied, the policy premium will be reduced by the amount shown in the "Rates and Rules" section of this manual. However, this reduction shall not reduce the minimum premium.

5. Underlying Insurance Requirements

Umbrella Coverage is intended to apply only after the insured's underlying coverage is exhausted. Therefore, all risks must carry at least the minimum underlying limits that are outlined in our Required Minimum Underlying Limits section of the Risk Selection Standards. Higher underlying limits are available for those insureds who may want additional protection from financial loss due to the exposure of his or her automobile, property ownership and watercraft & recreational vehicle usage. All homeowners or personal liability policies must be endorsed to cover personal injury coverage as part of the underlying liability coverages

We must decline to write risks with inadequate underlying limits. Underlying limits must meet any minimum limit requirement found in this manual. The underlying limit requirements are displayed in the Risk Selection Standards section of this manual.

THE HANOVER INSURANCE COMPANY
NORTHPARK TOWN CENTER
1000 ABERNATHY ROAD SUITE 175
ATLANTA GA 30328
CONDITIONAL RENEWAL NOTICE

Named Insured & Mailing Address:

Producer: 7706694

JOHN DOE
1234 MAIN STREET
STILLWATER AR 74075

WILCOX & MCGRATH INSURANCE
808 S. MAIN STREET
PO BOX 1717
STILLWATER OK 74076

Policy No.: ABC1234567
Type of Policy: HOMEOWNERS
Date: 11/28/2011

WE VALUE YOUR BUSINESS.

At The Hanover, we strive to provide you with superior service and a wide range of coverage options at competitive, responsible prices.

We have made a change in our Homeowners product offering which impacts your policy. We no longer offer an all-peril deductible less than \$1,000 in the state of Arkansas. As a result, we have increased the all-peril deductible on your policy to \$1,000. You are receiving a premium credit on your policy which reflects this reduction in coverage.

You can feel confident having your Homeowners policy with us. The Hanover Insurance Group has been delivering on its promises to its customers for more than 150 years, and today is one of the country's leading regional property and casualty companies, rated "excellent" in financial strength by A.M. Best. For generations, our goal has been to help our valued customers protect their way of life and recover quickly in the event of a loss.

If you have any questions about this policy change or would like more information about Hanover products, please contact your local Independent Insurance Agent or visit us at www.hanover.com/personalinsurance.

Thank you.

Named Insured

HNT1234567
JOHN DOE
1234 MAIN STREET
STILLWATER AR 74075

Date Mailed:
28th day of November, 2011



MICHAEL WHARTON

THE HANOVER INSURANCE COMPANY
NORTHPARK TOWN CENTER
1000 ABERNATHY ROAD SUITE 175
ATLANTA GA 30328

Named Insured: JOHN DOE

Policy Number: ABC1234567

This page is separate and independent from the notice given.
We are informing you that the following parties were notified of this action.

PARTIES NOTIFIED

Named Insured
JOHN DOE
1234 MAIN STREET
STILLWATER AR 74075

Producer
WILCOX & MCGRATH INSURANCE
808 S. MAIN STREET
PO BOX 1717
STILLWATER OK 74076

Mortgagee/Lienholder
BANK OF AMERICA, NA
P O BOX 740030
ATLANTA GA 30374

Mortgagee/Lienholder
TOYOTA MOTOR CREDIT CORP
P O BOX 105386
ATLANTA GA 30348

Preview
Notice

DO NOT
MAIL

THE HANOVER INSURANCE COMPANY
NORTHPARK TOWN CENTER
1000 ABERNATHY ROAD SUITE 175
ATLANTA GA 30328
CONDITIONAL RENEWAL NOTICE

Named Insured & Mailing Address:

JOHN DOE
1234 MAIN STREET
STILLWATER AR 74075

Producer: 7706694

WILCOX & MCGRATH INSURANCE
808 S. MAIN STREET
PO BOX 1717
STILLWATER OK 74076

Policy No.: ABC1234567
Type of Policy: HOMEOWNERS
Date: 11/28/2011

WE VALUE YOUR BUSINESS.

At The Hanover, we strive to provide you with superior service and a wide range of coverage options at competitive, responsible prices.

We have made a change in our Homeowners product offering which impacts your policy. We no longer offer an all-peril deductible less than \$1,000 in the state of Arkansas. As a result, we have increased the all-peril deductible on your policy to \$1,000. You are receiving a premium credit on your policy which reflects this reduction in coverage.

You can feel confident having your Homeowners policy with us. The Hanover Insurance Group has been delivering on its promises to its customers for more than 150 years, and today is one of the country's leading regional property and casualty companies, rated "excellent" in financial strength by A.M. Best. For generations, our goal has been to help our valued customers protect their way of life and recover quickly in the event of a loss.

If you have any questions about this policy change or would like more information about Hanover products, please contact your local Independent Insurance Agent or visit us at www.hanover.com/personalinsurance.

Thank you.

Branch Office Copy

Named Insured

HNT1234567
JOHN DOE
1234 MAIN STREET
STILLWATER AR 74075

Date Mailed:
28th day of November, 2011



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PO BOX 1717
STILLWATER OK 74076

Date Mailed:
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1000 ABERNATHY ROAD SUITE 175
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Mortgagee/Lienholder
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P O BOX 740030
ATLANTA GA 30374

Mortgagee/Lienholder
TOYOTA MOTOR CREDIT CORP
P O BOX 105386
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Preview
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Policy No.: ABC1234567
Type of Policy: HOMEOWNERS
Date: 11/28/2011

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Thank you.

Mortgagee/Lienholder

HNT1234567
BANK OF AMERICA, NA
P O BOX 740030
ATLANTA GA 30374

Date Mailed:
28th day of November, 2011



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ATLANTA GA 30328
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STILLWATER AR 74075

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WILCOX & MCGRATH INSURANCE
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Policy No.: ABC1234567
Type of Policy: HOMEOWNERS
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Thank you.

Mortgagee/Lienholder

HNT1234567
TOYOTA MOTOR CREDIT CORP
P O BOX 105386
ATLANTA GA 30348

Date Mailed:
28th day of November, 2011



MICHAEL WHARTON

NAIC Number: 36064
 Company Name: Hanover American Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$694.00	\$772.00	\$818.00	\$909.00	\$1,180.00	\$1,312.00	\$1,081.00	\$1,202.00	\$1,081.00	\$1,202.00	\$1,026.00	\$1,141.00	\$1,030.00	\$1,145.00	\$729.00	\$810.00	\$773.00	\$860.00
	\$120,000	\$799.00	\$887.00	\$941.00	\$1,046.00	\$1,357.00	\$1,508.00	\$1,243.00	\$1,382.00	\$1,243.00	\$1,382.00	\$1,179.00	\$1,313.00	\$1,185.00	\$1,316.00	\$839.00	\$931.00	\$889.00	\$989.00
	\$160,000	\$1,033.00	\$1,147.00	\$1,215.00	\$1,352.00	\$1,754.00	\$1,949.00	\$1,606.00	\$1,786.00	\$1,606.00	\$1,786.00	\$1,524.00	\$1,696.00	\$1,531.00	\$1,700.00	\$1,083.00	\$1,203.00	\$1,148.00	\$1,278.00
6	\$80,000	\$842.00	\$956.00	\$991.00	\$1,127.00	\$1,430.00	\$1,625.00	\$1,310.00	\$1,488.00	\$1,310.00	\$1,488.00	\$1,243.00	\$1,413.00	\$1,248.00	\$1,418.00	\$884.00	\$1,004.00	\$937.00	\$1,065.00
	\$120,000	\$968.00	\$1,101.00	\$1,140.00	\$1,296.00	\$1,644.00	\$1,869.00	\$1,506.00	\$1,711.00	\$1,506.00	\$1,711.00	\$1,430.00	\$1,625.00	\$1,435.00	\$1,631.00	\$1,016.00	\$1,154.00	\$1,079.00	\$1,225.00
	\$160,000	\$1,251.00	\$1,422.00	\$1,473.00	\$1,674.00	\$2,125.00	\$2,415.00	\$1,947.00	\$2,212.00	\$1,947.00	\$2,212.00	\$1,848.00	\$2,100.00	\$1,855.00	\$2,108.00	\$1,313.00	\$1,491.00	\$1,393.00	\$1,583.00
9	\$80,000	\$2,295.00	\$3,303.00	\$2,704.00	\$3,890.00	\$3,899.00	\$5,610.00	\$3,572.00	\$5,141.00	\$3,572.00	\$5,141.00	\$3,390.00	\$4,879.00	\$3,403.00	\$4,898.00	\$2,408.00	\$3,463.00	\$2,556.00	\$3,679.00
	\$120,000	\$2,639.00	\$3,798.00	\$3,110.00	\$4,473.00	\$4,482.00	\$6,451.00	\$4,107.00	\$5,911.00	\$4,107.00	\$5,911.00	\$3,898.00	\$5,610.00	\$3,912.00	\$5,632.00	\$2,769.00	\$3,983.00	\$2,939.00	\$4,231.00
	\$160,000	\$3,409.00	\$4,907.00	\$4,019.00	\$5,780.00	\$5,793.00	\$8,335.00	\$5,307.00	\$7,638.00	\$5,307.00	\$7,638.00	\$5,037.00	\$7,249.00	\$5,056.00	\$7,278.00	\$3,577.00	\$5,146.00	\$3,798.00	\$5,468.00

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

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

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %
		Maximum Credit Allowed	45 %

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	Yes	(yes or no)	
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	10	%	
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Zone	Brick	Frame
	Highest Risk	\$ 1.4	\$ 0.61
	Lowest Risk	\$ 1.02	\$ 0.37

NAIC Number: 22306
 Company Name: Massachusetts Bay Insurance Company
 Contact Person: Nathan Senra
 Telephone No.: (508) 855 2105
 Email Address: nsenra@hanover.com
 Effective Date: February 24, 2012

**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	\$772.00	\$858.00	\$908.00	\$1,011.00	\$1,312.00	\$1,457.00	\$1,201.00	\$1,335.00	\$1,201.00	\$1,335.00	\$1,140.00	\$1,268.00	\$1,145.00	\$1,272.00	\$810.00	\$899.00	\$859.00	\$955.00
	\$120,000	\$887.00	\$987.00	\$1,045.00	\$1,163.00	\$1,508.00	\$1,676.00	\$1,381.00	\$1,536.00	\$1,381.00	\$1,536.00	\$1,310.00	\$1,457.00	\$1,316.00	\$1,463.00	\$931.00	\$1,035.00	\$988.00	\$1,099.00
	\$160,000	\$1,147.00	\$1,275.00	\$1,351.00	\$1,502.00	\$1,949.00	\$2,165.00	\$1,784.00	\$1,985.00	\$1,784.00	\$1,985.00	\$1,693.00	\$1,884.00	\$1,700.00	\$1,891.00	\$1,203.00	\$1,336.00	\$1,277.00	\$1,420.00
6	\$80,000	\$935.00	\$1,063.00	\$1,102.00	\$1,252.00	\$1,588.00	\$1,805.00	\$1,456.00	\$1,654.00	\$1,456.00	\$1,654.00	\$1,381.00	\$1,570.00	\$1,388.00	\$1,576.00	\$981.00	\$1,114.00	\$1,042.00	\$1,184.00
	\$120,000	\$1,075.00	\$1,222.00	\$1,267.00	\$1,440.00	\$1,827.00	\$2,076.00	\$1,674.00	\$1,902.00	\$1,674.00	\$1,902.00	\$1,588.00	\$1,805.00	\$1,595.00	\$1,812.00	\$1,128.00	\$1,281.00	\$1,198.00	\$1,361.00
	\$160,000	\$1,390.00	\$1,579.00	\$1,637.00	\$1,861.00	\$2,360.00	\$2,684.00	\$2,164.00	\$2,457.00	\$2,164.00	\$2,457.00	\$2,053.00	\$2,333.00	\$2,061.00	\$2,342.00	\$1,458.00	\$1,656.00	\$1,549.00	\$1,758.00
9	\$80,000	\$2,550.00	\$3,669.00	\$3,005.00	\$4,322.00	\$4,332.00	\$6,233.00	\$3,968.00	\$5,711.00	\$3,968.00	\$5,711.00	\$3,765.00	\$5,420.00	\$3,781.00	\$5,442.00	\$2,675.00	\$3,848.00	\$2,840.00	\$4,088.00
	\$120,000	\$2,932.00	\$4,219.00	\$3,455.00	\$4,971.00	\$4,982.00	\$7,168.00	\$4,563.00	\$6,568.00	\$4,563.00	\$6,568.00	\$4,331.00	\$6,233.00	\$4,348.00	\$6,257.00	\$3,076.00	\$4,426.00	\$3,266.00	\$4,701.00
	\$160,000	\$3,789.00	\$5,452.00	\$4,464.00	\$6,423.00	\$6,437.00	\$9,261.00	\$5,897.00	\$8,486.00	\$5,897.00	\$8,486.00	\$5,596.00	\$8,054.00	\$5,618.00	\$8,086.00	\$3,974.00	\$5,719.00	\$4,220.00	\$6,074.00

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

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

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

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

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

HO3 and HO4 only

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	7-12 %	Window Locks	0 %
Smoke Alarm	4 %	\$1,000 Deductible	0 %
		Other (specify)	
		Non-Smoke	1 %

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? 10 %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? Zone Highest Risk Brick \$ 1.4 Frame \$ 0.61

Maximum Credit Allowed

45%

Lowest Risk

\$ 1.02

\$ 0.37

I

SERFF Tracking Number: HNVX-G127793505 State: Arkansas
 First Filing Company: The Hanover American Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR11473CG00001
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: *PLnon- PL non-group
 Project Name/Number: *PLnon- PL non-group/AR11473CG00001

Superseded Schedule Items

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

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
11/09/2011	Rate and Rule	AR Homeowners Rate Manual	01/10/2012	AR HO MB-HA 02 24 12 RS-1 thru RS-7 CLEAN.PDF (Superseded)
11/30/2011	Supporting Document	HPCS-Homeowners Premium Comparison Survey	01/10/2012	HO Survey FORM HPCS.PDF (Superseded) HO Survey FORM HPCS.XLS (Superseded) HO Survey FORM HPCS[[1]].PDF (Superseded) HO Survey FORM HPCS[[1]].XLS (Superseded)
11/09/2011	Supporting Document	HPCS-Homeowners Premium Comparison Survey	11/30/2011	HPCS Hanover American 20120224.PDF (Superseded) HPCS Hanover American 20120224.XLS (Superseded) HPCS Mass Bay 20120224.PDF (Superseded) HPCS Mass Bay 20120224.XLS (Superseded)
11/09/2011	Supporting Document	NAIC loss cost data entry document	01/10/2012	AR rate filing abstract HanAmer 20120224.PDF (Superseded) AR rate filing abstract MB 20120224.PDF (Superseded)

SERFF Tracking Number: HNVX-G127793505 *State:* Arkansas
First Filing Company: The Hanover American Insurance Company, ... *State Tracking Number:*
Company Tracking Number: AR11473CG00001
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: *PLnon- PL non-group
Project Name/Number: *PLnon- PL non-group/AR11473CG00001

11/09/2011	Supporting Actuarial Memorandum Document	11/10/2011	AR Home Memo 20110224 v2.PDF (Superceded)
11/09/2011	Supporting AR Homeowners Rate Manual RS- Document 1 thru RS-7 DRAFT	01/10/2012	AR HO MB-HA 02 24 12 RS-1 thru 7 DRAFT.PDF (Superceded)

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
31	001	716	644
	002	796	716
	003	867	780
	004	988	889
	005	1419	1277
	006	2364	2128
	007	3402	3062
	008	986	887
	009	1111	1000
	010	1671	1504
	011	3230	2907
37	012	747	672
	013	831	748
	014	906	815
	015	1032	929
	016	1482	1334
	017	2469	2222
	018	3554	3199
	019	1029	926
	020	1160	1044
	021	1745	1571
	022	3374	3037
42	023	772	695
	024	858	772
	025	936	842
	026	1066	959
	027	1531	1378
	028	2551	2296
	029	3671	3304
	030	1063	957
	031	1199	1079
	032	1803	1623
	033	3485	3137

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
49	034	565	509
	035	628	565
	036	685	617
	037	780	702
	038	1121	1009
	039	1867	1680
	040	2687	2418
	041	778	700
	042	877	789
	043	1319	1187
	044	2551	2296
50	045	1026	923
	046	1141	1027
	047	1243	1119
	048	1416	1274
	049	2035	1832
	050	3390	3051
	051	4878	4390
	052	1413	1272
	053	1593	1434
	054	2395	2156
	055	4631	4168
51	056	1060	954
	057	1179	1061
	058	1285	1157
	059	1463	1317
	060	2103	1893
	061	3503	3153
	062	5041	4537
	063	1460	1314
	064	1646	1481
	065	2475	2228
	066	4786	4307

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
52	089	651	586
	090	724	652
	091	789	710
	092	899	809
	093	1291	1162
	094	2151	1936
	095	3096	2786
	096	897	807
	097	1011	910
	098	1520	1368
	099	2939	2645
53	100	685	617
	101	761	685
	102	830	747
	103	945	851
	104	1358	1222
	105	2262	2036
	106	3255	2930
	107	943	849
	108	1063	957
	109	1598	1438
	110	3090	2781
54	067	1140	1026
	068	1267	1140
	069	1381	1243
	070	1573	1416
	071	2261	2035
	072	3766	3389
	073	5419	4877
	074	1570	1413
	075	1770	1593
	076	2661	2395
	077	5145	4631

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
55	111	671	604
	112	746	671
	113	813	732
	114	926	833
	115	1331	1198
	116	2217	1995
	117	3190	2871
	118	924	832
	119	1042	938
	120	1567	1410
	121	3029	2726
56	122	691	622
	123	768	691
	124	837	753
	125	954	859
	126	1370	1233
	127	2283	2055
	128	3285	2957
	129	952	857
	130	1073	966
	131	1613	1452
	132	3119	2807
61	155	751	676
	156	835	752
	157	910	819
	158	1036	932
	159	1489	1340
	160	2480	2232
	161	3569	3212
	162	1034	931
	163	1165	1049
	164	1752	1577
	165	3388	3049

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
62	078	566	509
	079	629	566
	080	686	617
	081	781	703
	082	1122	1010
	083	1870	1683
	084	2691	2422
	085	779	701
	086	879	791
	087	1321	1189
	088	2555	2300
63	133	671	604
	134	746	671
	135	813	732
	136	926	833
	137	1331	1198
	138	2217	1995
	139	3190	2871
	140	924	832
	141	1042	938
	142	1567	1410
	143	3029	2726
64	144	1044	940
	145	1161	1045
	146	1266	1139
	147	1441	1297
	148	2071	1864
	149	3450	3105
	150	4965	4469
	151	1438	1294
	152	1621	1459
	153	2438	2194
	154	4714	4243

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
65	166	790	711
	167	879	791
	168	958	862
	169	1091	982
	170	1568	1411
	171	2612	2351
	172	3758	3382
	173	1089	980
	174	1227	1104
	175	1845	1661
	176	3568	3211
66	210	991	892
	211	1102	992
	212	1201	1081
	213	1368	1231
	214	1965	1769
	215	3274	2947
	216	4712	4241
	217	1365	1229
	218	1539	1385
	219	2314	2083
	220	4473	4026
67	232	776	698
	233	863	777
	234	941	847
	235	1071	964
	236	1539	1385
	237	2564	2308
	238	3690	3321
	239	1069	962
	240	1205	1085
	241	1812	1631
	242	3503	3153

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
68	243	843	759
	244	937	843
	245	1022	920
	246	1163	1047
	247	1672	1505
	248	2785	2507
	249	4008	3607
	250	1161	1045
	251	1309	1178
	252	1968	1771
	253	3805	3425
69	254	995	896
	255	1106	995
	256	1206	1085
	257	1373	1236
	258	1973	1776
	259	3287	2958
	260	4731	4258
	261	1370	1233
	262	1545	1391
	263	2323	2091
	264	4491	4042
70	276	704	634
	277	782	704
	278	853	768
	279	971	874
	280	1395	1256
	281	2325	2093
	282	3346	3011
	283	969	872
	284	1092	983
	285	1643	1479
	286	3176	2858

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
71	287	908	817
	288	1010	909
	289	1101	991
	290	1254	1129
	291	1801	1621
	292	3001	2701
	293	4318	3886
	294	1251	1126
	295	1410	1269
	296	2120	1908
	297	4100	3690
72	221	792	713
	222	881	793
	223	960	864
	224	1093	984
	225	1571	1414
	226	2617	2355
	227	3766	3389
	228	1091	982
	229	1230	1107
	230	1849	1664
	231	3575	3218
73	265	732	659
	266	814	733
	267	887	798
	268	1011	910
	269	1452	1307
	270	2420	2178
	271	3482	3134
	272	1009	908
	273	1137	1023
	274	1710	1539
	275	3306	2975

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03
 \$30,000 BASE RATES
 \$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
74	177	902	812
	178	1003	903
	179	1093	984
	180	1245	1121
	181	1789	1610
	182	2980	2682
	183	4288	3859
	184	1242	1118
	185	1400	1260
	186	2106	1895
	187	4071	3664
75	199	1011	910
	200	1124	1012
	201	1225	1103
	202	1395	1256
	203	2005	1805
	204	3340	3006
	205	4806	4325
	206	1392	1253
	207	1569	1412
	208	2360	2124
	209	4563	4107
76	188	822	740
	189	914	823
	190	996	896
	191	1135	1022
	192	1631	1468
	193	2717	2445
	194	3909	3518
	195	1132	1019
	196	1277	1149
	197	1920	1728
	198	3712	3341

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

(HO-00-02 is only available for policies written prior to 04/30/2007)

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>
30,000	0.960	95,000	1.070	240,000	2.197	385,000	3.874
31,000	0.961	100,000	1.080	245,000	2.226	390,000	3.927
32,000	0.962	105,000	1.094	250,000	2.231	395,000	3.980
33,000	0.963	110,000	1.123	255,000	2.260	400,000	4.033
34,000	0.964	115,000	1.152	260,000	2.288	405,000	4.081
35,000	0.965	120,000	1.181	265,000	2.317	410,000	4.129
36,000	0.966	125,000	1.210	270,000	2.326	415,000	4.177
37,000	0.967	130,000	1.263	275,000	2.356	420,000	4.225
38,000	0.968	135,000	1.307	280,000	2.455	425,000	4.273
39,000	0.969	140,000	1.358	285,000	2.483	430,000	4.321
40,000	0.970	145,000	1.409	290,000	2.563	435,000	4.369
41,000	0.972	150,000	1.453	295,000	2.622	440,000	4.417
42,000	0.973	155,000	1.475	300,000	2.663	445,000	4.465
43,000	0.975	160,000	1.526	305,000	2.747	450,000	4.513
44,000	0.977	165,000	1.575	310,000	2.831	455,000	4.569
45,000	0.979	170,000	1.625	315,000	2.915	460,000	4.625
46,000	0.981	175,000	1.675	320,000	2.999	465,000	4.681
47,000	0.983	180,000	1.725	325,000	3.083	470,000	4.737
48,000	0.987	185,000	1.775	330,000	3.167	475,000	4.793
49,000	0.991	190,000	1.825	335,000	3.251	480,000	4.849
50,000	0.995	195,000	1.874	340,000	3.335	485,000	4.905
55,000	0.998	200,000	1.924	345,000	3.419	490,000	4.961
60,000	1.002	205,000	1.982	350,000	3.503	495,000	5.017
65,000	1.009	210,000	2.010	355,000	3.556	500,000	5.073
70,000	1.016	215,000	2.038	360,000	3.609		
75,000	1.022	220,000	2.053	365,000	3.662	Each Additional \$5,000	
80,000	1.027	225,000	2.110	370,000	3.715	add	0.072
85,000	1.042	230,000	2.138	375,000	3.768		
90,000	1.061	235,000	2.168	380,000	3.821		

5. RATE STRUCTURE

HO-00-04 AND HO-00-06

**\$25,000 BASE RATES
\$1,000 DEDUCTIBLE COVERAGE**

Premium Group	Mass Bay	Hanover American
	<u>HO-00-06</u>	<u>HO-00-06</u>
1	133	120
2	147	132
3	161	145
4	227	204
5	319	287

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>
20,000	.870
21,000	.896
22,000	.922
23,000	.948
24,000	.974
25,000	1.000
30,000	1.130
35,000	1.261
40,000	1.391
45,000	1.522
50,000	1.652
Each additional 5,000	0.131

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

1.	This filing transmittal is part of Company Tracking #	HO AR 09751-03R
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A

Company Name		Company NAIC Number	
3.	A. Hanover American Insurance Company	B.	0088-36064

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. 4.0000	B.	4.0000

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
HO 2,3	26.8%	19.0%					
HO 4	N/A	N/A					
HO 6	2.2%	0.0%					
TOTAL OVERALL EFFECT	26.4%	18.9%					

6. 5 Year Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2006	2,024	2.2%	07/1/2006	\$1,273	\$894	70.2%	95.0%
2007	2,830	4.0%	07/15/2007	\$1,895	\$859	45.3%	33.3%
2008	4,136	3.0%	05/05/2008	\$2,595	\$2,338	90.1%	138.5%
2009	4,750	5.0%	06/04/2009	\$3,695	\$3,706	100.3%	135.8%
2010	4,235	7.2%, 2.7%	01/16/2010, 06/04/2010	\$3,876	\$2,093	54.0%	117.4%
201106	3,967	7.0%	02/10/2011	\$1,900	\$3,920	206.3%	111.8%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.1%
B. General Expense	12.4%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	7.3%
E. Other (explain) Reinsurance Expense	1.7%
F. TOTAL	40.8%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 25.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Multiple Territories
10. -9.4% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): 63

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

1.	This filing transmittal is part of Company Tracking #	HO AR 09751-03R
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A

Company Name		Company NAIC Number	
3.	A. Massachusetts Bay Insurance Company	B.	0088-22306

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. 4.0000	B.	4.0000

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
HO 2,3	26.8%	20.2%					
HO 4	N/A	N/A					
HO 6	2.2%	0.4%					
TOTAL OVERALL EFFECT	26.4%	19.9%					

6. 5 Year Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2006	3,817	2.0%	7/1/2006	\$3,105	\$4,997	160.9%	69.2%
2007	3,373	4.8%	7/15/2007	\$2,751	\$883	32.1%	34.5%
2008	2,868	3.0%	5/05/2008	\$2,399	\$2,182	90.9%	55.8%
2009	2,265	5.0%	6/04/2009	\$2,265	\$2,198	97.0%	50.8%
2010	2,120	7.2%, 3.4%	01/16/2010, 06/04/2010	\$2,076	\$1,349	65.0%	47.7%
201106	1,910	6.9%	02/10/2011	\$962	\$1,954	203.0%	80.5%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.1%
B. General Expense	12.4%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	7.3%
E. Other (explain) Reinsurance Expense	1.7%
F. TOTAL	40.8%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 25.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Multiple Territories
10. -7.9% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): 63

EXPLANATORY MEMORANDUM
ARKANSAS HOMEOWNERS
Hanover American Insurance Company
Mass Bay Insurance Company
Effective 02/24/2011 for Renewal Business

Summary of Proposed Changes

- 1) All Peril Deductible Factors and Caps
- 2) Wind Hail Deductible Factors and Caps
- 3) Base Rates
- 4) Amount of Insurance Relativity
- 5) Protection Class by Form
- 6) Account Credit
- 7) New Home Credit
- 8) Alarm Credit
- 9) Section II E&F - Residence Premises Liability
- 10) Cap on Credits
- 11) Rate Capping

Please see *Exhibit 7* for the current and proposed rates.

Overall Rate Change

Based on the data through the 2nd quarter of 2011, the overall indicated change is +26.4% (*Exhibit 1*). We propose to adjust the following rating elements to realize a capped overall increase of +17.9% (19.2% uncapped).

Form	Uncapped Rate Effect	Capped Rate Effect
Condo (HO-6)	0.3%	0.3%
Owners (HO-2/HO-3)	19.4%	18.0%
All Forms Combined	19.2%	17.9%

For more details please see *Exhibit 8*.

All Peril Deductible Rebase and Off Balancing

With this revision we propose to rebase our All Peril Deductible rates to \$1,000. In order to appropriately off balance any change caused by the rebasing and maintain current policy holder credit levels we had to adjust the following rating elements:

- 1) Base Rate
- 2) Amount of Insurance Relativity
- 3) Protection Class
- 4) Account Credit
- 5) New Home Credit
- 6) Alarm Credit.

Wind hail deductibles and caps were then selected to maintain their relativity to the all peril

deductible factors and caps.

Account Credit

The amount of Account credit needed to off balance was 22%. Based on loss experience, competitive considerations, and lifetime value considerations, we propose to further increase our account credit to 26%.

Section II E&F

Based on competitive considerations, we propose an increase to our Section II E & F rates as outlined in *Exhibit 7*.

Cap on Credits

Our current Hanover American cap on the total amount of credit for account, alarm, new home and non smoker is 50%. We propose to decrease this cap to 45% to align with Massachusetts Bay Insurance Company cap.

Rate Capping

In order to better manage renewal customer disruption created by the introduction of rating events, we propose to introduce rate capping such that proposed premiums are capped in accordance with the rules set out in the revised manual. As a result of rate capping, we will realize an 18.0% rate increase in the first year of renewals (*Exhibit 8*). The proposed rate capping rule is consistent with the rule recently filed for our new business company, The Hanover Insurance Company.

Base Rate

In order to achieve an overall capped rate impact of +18.0% we increased our off balanced base rates by 20.3%.

Overall Indication Description

General Philosophy

Hanover data, within the state of Arkansas, is used whenever possible. If Hanover data, within the state of Arkansas, is not available, then Arkansas industry or Hanover countrywide/regional data may be used in its place.

Overall Indication

The following is a detailed explanation of the indication calculation shown in Exhibit 1. The overall indicated rate increase is +26.4%.

Description of Actuarial Calculations

Data

The underlying experience is that of the Hanover Insurance Companies. Experience for the most recently available five year review period is on a calendar/accident year basis, as reported under ISO's Personal Lines Statistical Plan (PLSP).

On-Level Premiums

Reported premiums are adjusted to current rate level by using the parallelogram method.

Premium Trend

The current rate level earned premium and average adjusted earned premium are developed for each of the past 5 accident years, shown in Exhibit 3. Earned house years are used as the exposure base. The fitted premium trend is an exponential fit of the average adjusted earned premium of the past 5 years.

Losses

Actual incurred losses for accident years ending 6/30/05 to 6/30/11 as of 6/30/11 are shown in row 7 of Exhibit 2. Non-hurricane catastrophe losses are displayed and removed in rows 8 and 9 of Exhibit 2. A non-hurricane catastrophe load is added in later.

Loss Development

Regional data was used to select loss development factors and countrywide data is used to select condo and tenant loss development factors (Exhibit 4). Loss development factors are applied to generate the Estimated Ultimate Incurred Loss (row 11, Exhibit 2).

Loss Trend Selections

Loss trend selections (Exhibit 5) were made after reviewing Arkansas, ISO industry and Hanover loss data.

Non-Hurricane Catastrophe Losses

Consistent with Actuarial Standards of Practice, we utilize catastrophe models to complement our actual experience in the state to help stabilize results and avoid pricing swings subsequent to a large event or conversely a lull in activity. Our goal is to price our products with consistency and stability to help protect consumers from premium volatility. Based on most up to date catastrophe model information, a non-hurricane catastrophe load of 15.6%, which translates to a catastrophes loss and ALAE ratio of 15.9%, is established for Arkansas (row 20b, Exhibit 2).

Five-Year Projected Loss and LAE ratio

The 5-Year Projected Loss and LAE ratio results from using the standard 10%, 15%, 20%, 25%, and 30% weights by accident year (row 18, Exhibit 2).

Credibility

We use classic credibility. The full credibility standard during the five-year experience period is 40,000 exposures for Owners; 25,000 exposures for Condo & Tenant.

Permissible Loss Ratio

Exhibit 6 shows selected expense provisions. Prospective Arkansas Homeowners commission rates, General and Other Acquisition expenses, and ULAE/premium ratio were selected. Expected Arkansas Taxes, Licenses, & Fees were calculated based on ISO's expense circular.

Exhibit Index

Exhibit 1	Indication Summary
Exhibit 2	Indication by Coverage
Exhibit 3	Premium Trend
Exhibit 4	Loss Development
Exhibit 5	Loss Trend
Exhibit 6	Expenses
Exhibit 7	Proposed Changes
Exhibit 8	Rate Impact Summary

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
31	001	716	644
	002	796	716
	003	867	780
	004	988	889
	005	1419	1277
	006	2364	2128
	007	3402	3062
	008	986	887
	009	1111	1000
	010	1671	1504
	011	3230	2907
37	012	747	672
	013	831	748
	014	906	815
	015	1032	929
	016	1482	1334
	017	2469	2222
	018	3554	3199
	019	1029	926
	020	1160	1044
	021	1745	1571
	022	3374	3037
42	023	772	695
	024	858	772
	025	936	842
	026	1066	959
	027	1531	1378
	028	2551	2296
	029	3671	3304
	030	1063	957
	031	1199	1079
	032	1803	1623
	033	3485	3137

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
49	034	565	509
	035	628	565
	036	685	617
	037	780	702
	038	1121	1009
	039	1867	1680
	040	2687	2418
	041	778	700
	042	877	789
	043	1319	1187
	044	2551	2296
50	045	1026	923
	046	1141	1027
	047	1243	1119
	048	1416	1274
	049	2035	1832
	050	3390	3051
	051	4878	4390
	052	1413	1272
	053	1593	1434
	054	2395	2156
	055	4631	4168
51	056	1060	954
	057	1179	1061
	058	1285	1157
	059	1463	1317
	060	2103	1893
	061	3503	3153
	062	5041	4537
	063	1460	1314
	064	1646	1481
	065	2475	2228
	066	4786	4307

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
52	089	651	586
	090	724	652
	091	789	710
	092	899	809
	093	1291	1162
	094	2151	1936
	095	3096	2786
	096	897	807
	097	1011	910
	098	1520	1368
	099	2939	2645
53	100	685	617
	101	761	685
	102	830	747
	103	945	851
	104	1358	1222
	105	2262	2036
	106	3255	2930
	107	943	849
	108	1063	957
	109	1598	1438
	110	3090	2781
54	067	1140	1026
	068	1267	1140
	069	1381	1243
	070	1573	1416
	071	2261	2035
	072	3766	3389
	073	5419	4877
	074	1570	1413
	075	1770	1593
	076	2661	2395
	077	5145	4631

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
55	111	671	604
	112	746	671
	113	813	732
	114	926	833
	115	1331	1198
	116	2217	1995
	117	3190	2871
	118	924	832
	119	1042	938
	120	1567	1410
	121	3029	2726
56	122	691	622
	123	768	691
	124	837	753
	125	954	859
	126	1370	1233
	127	2283	2055
	128	3285	2957
	129	952	857
	130	1073	966
	131	1613	1452
	132	3119	2807
61	155	751	676
	156	835	752
	157	910	819
	158	1036	932
	159	1489	1340
	160	2480	2232
	161	3569	3212
	162	1034	931
	163	1165	1049
	164	1752	1577
	165	3388	3049

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
62	078	566	509
	079	629	566
	080	686	617
	081	781	703
	082	1122	1010
	083	1870	1683
	084	2691	2422
	085	779	701
	086	879	791
	087	1321	1189
	088	2555	2300
63	133	671	604
	134	746	671
	135	813	732
	136	926	833
	137	1331	1198
	138	2217	1995
	139	3190	2871
	140	924	832
	141	1042	938
	142	1567	1410
	143	3029	2726
64	144	1044	940
	145	1161	1045
	146	1266	1139
	147	1441	1297
	148	2071	1864
	149	3450	3105
	150	4965	4469
	151	1438	1294
	152	1621	1459
	153	2438	2194
	154	4714	4243

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
65	166	790	711
	167	879	791
	168	958	862
	169	1091	982
	170	1568	1411
	171	2612	2351
	172	3758	3382
	173	1089	980
	174	1227	1104
	175	1845	1661
	176	3568	3211
66	210	991	892
	211	1102	992
	212	1201	1081
	213	1368	1231
	214	1965	1769
	215	3274	2947
	216	4712	4241
	217	1365	1229
	218	1539	1385
	219	2314	2083
	220	4473	4026
67	232	776	698
	233	863	777
	234	941	847
	235	1071	964
	236	1539	1385
	237	2564	2308
	238	3690	3321
	239	1069	962
	240	1205	1085
	241	1812	1631
	242	3503	3153

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
68	243	843	759
	244	937	843
	245	1022	920
	246	1163	1047
	247	1672	1505
	248	2785	2507
	249	4008	3607
	250	1161	1045
	251	1309	1178
	252	1968	1771
	253	3805	3425
69	254	995	896
	255	1106	995
	256	1206	1085
	257	1373	1236
	258	1973	1776
	259	3287	2958
	260	4731	4258
	261	1370	1233
	262	1545	1391
	263	2323	2091
	264	4491	4042
70	276	704	634
	277	782	704
	278	853	768
	279	971	874
	280	1395	1256
	281	2325	2093
	282	3346	3011
	283	969	872
	284	1092	983
	285	1643	1479
	286	3176	2858

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
71	287	908	817
	288	1010	909
	289	1101	991
	290	1254	1129
	291	1801	1621
	292	3001	2701
	293	4318	3886
	294	1251	1126
	295	1410	1269
	296	2120	1908
	297	4100	3690
72	221	792	713
	222	881	793
	223	960	864
	224	1093	984
	225	1571	1414
	226	2617	2355
	227	3766	3389
	228	1091	982
	229	1230	1107
	230	1849	1664
	231	3575	3218
73	265	732	659
	266	814	733
	267	887	798
	268	1011	910
	269	1452	1307
	270	2420	2178
	271	3482	3134
	272	1009	908
	273	1137	1023
	274	1710	1539
	275	3306	2975

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by .95.

5. RATE STRUCTURE

HO-00-03

\$30,000 BASE RATES

\$1,000 DEDUCTIBLE COVERAGE

Terr	Prem. Group	Mass Bay Pref. HO-00-03	Han Am. Sup. HO-00-03
74	177	902	812
	178	1003	903
	179	1093	984
	180	1245	1121
	181	1789	1610
	182	2980	2682
	183	4288	3859
	184	1242	1118
	185	1400	1260
	186	2106	1895
	187	4071	3664
75	199	1011	910
	200	1124	1012
	201	1225	1103
	202	1395	1256
	203	2005	1805
	204	3340	3006
	205	4806	4325
	206	1392	1253
	207	1569	1412
	208	2360	2124
	209	4563	4107
76	188	822	740
	189	914	823
	190	996	896
	191	1135	1022
	192	1631	1468
	193	2717	2445
	194	3909	3518
	195	1132	1019
	196	1277	1149
	197	1920	1728
	198	3712	3341

Note: HO-00-02 Form is no longer available for policies written effective 4/30/2007 or later

To determine the HO-00-02 base rates for policies with an original inception date prior to 4/30/2007, multiply HO-00-03 by 95.

5. RATE STRUCTURE

HO-00-03

(HO-00-02 is only available for policies written prior to 04/30/2007)

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>	<u>Policy Amount</u>	<u>Relativity</u>
30,000	0.960	95,000	1.070	240,000	2.197	385,000	3.874
31,000	0.961	100,000	1.080	245,000	2.226	390,000	3.927
32,000	0.962	105,000	1.094	250,000	2.231	395,000	3.980
33,000	0.963	110,000	1.123	255,000	2.260	400,000	4.033
34,000	0.964	115,000	1.152	260,000	2.288	405,000	4.081
35,000	0.965	120,000	1.181	265,000	2.317	410,000	4.129
36,000	0.966	125,000	1.210	270,000	2.326	415,000	4.177
37,000	0.967	130,000	1.263	275,000	2.356	420,000	4.225
38,000	0.968	135,000	1.307	280,000	2.455	425,000	4.273
39,000	0.969	140,000	1.358	285,000	2.483	430,000	4.321
40,000	0.970	145,000	1.409	290,000	2.563	435,000	4.369
41,000	0.972	150,000	1.453	295,000	2.622	440,000	4.417
42,000	0.973	155,000	1.475	300,000	2.663	445,000	4.465
43,000	0.975	160,000	1.526	305,000	2.747	450,000	4.513
44,000	0.977	165,000	1.575	310,000	2.831	455,000	4.569
45,000	0.979	170,000	1.625	315,000	2.915	460,000	4.625
46,000	0.981	175,000	1.675	320,000	2.999	465,000	4.681
47,000	0.983	180,000	1.725	325,000	3.083	470,000	4.737
48,000	0.987	185,000	1.775	330,000	3.167	475,000	4.793
49,000	0.991	190,000	1.825	335,000	3.251	480,000	4.849
50,000	0.995	195,000	1.874	340,000	3.335	485,000	4.905
55,000	0.998	200,000	1.924	345,000	3.419	490,000	4.961
60,000	1.002	205,000	1.982	350,000	3.503	495,000	5.017
65,000	1.009	210,000	2.010	355,000	3.556	500,000	5.073
70,000	1.016	215,000	2.038	360,000	3.609		
75,000	1.022	220,000	2.053	365,000	3.662	Each Additional \$5,000	
80,000	1.027	225,000	2.110	370,000	3.715	add	0.072
85,000	1.042	230,000	2.138	375,000	3.768		
90,000	1.061	235,000	2.168	380,000	3.821		

5. RATE STRUCTURE

HO-00-04 AND HO-00-06

\$25,000 BASE RATES
\$1,000 DEDUCTIBLE COVERAGE

Premium Group	Mass Bay	Hanover American
	<u>HO-00-06</u>	<u>HO-00-06</u>
1	133	120
2	147	132
3	161	145
4	227	204
5	319	287

RELATIVITY CURVE

<u>Policy Amount</u>	<u>Relativity</u>
20,000	.870
21,000	.896
22,000	.922
23,000	.948
24,000	.974
25,000	1.000
30,000	1.130
35,000	1.261
40,000	1.391
45,000	1.522
50,000	1.652
Each additional 5,000	0.131