

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Filing at a Glance

Company: Metropolitan Group Property and Casualty Insurance Company
Product Name: Tiering
State: Arkansas
TOI: 19.0 Personal Auto
Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Filing Type: Rate
Date Submitted: 09/12/2012
SERFF Tr Num: METX-G128682653
SERFF Status: Closed-Filed
State Tr Num:
State Status:
Co Tr Num: AR001540200272

Effective Date 10/29/2012
Requested (New):
Effective Date 12/03/2012
Requested (Renewal):
Author(s): Richard Collard
Reviewer(s): Alexa Grissom (primary)
Disposition Date: 10/23/2012
Disposition Status: Filed
Effective Date (New): 10/29/2012
Effective Date (Renewal): 12/03/2012

State Filing Description:

State: Arkansas Filing Company: Metropolitan Group Property and Casualty Insurance Company
 TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
 Product Name: Tiering
 Project Name/Number: /AR001540200272

General Information

Project Name: Status of Filing in Domicile:
 Project Number: AR001540200272 Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 10/23/2012
 State Status Changed: Deemer Date:
 Created By: Richard Collard Submitted By: Richard Collard
 Corresponding Filing Tracking Number:

Filing Description:
 Metropolitan Group Property and Casualty Insurance Company
 Arkansas Automobile Rate Revision
 Revision Introduction

The automobile rates currently in use by Metropolitan Group Property & Casualty Insurance Company were filed with the Arkansas Department of Insurance effective February 13, 2012.

The following statewide revisions are proposed:

I. Rate Change

Liability	No Fault	Physical Damage	Total
3.7%	20.0%	-0.6%	2.5%

II. Summary of Changes

1. Base Rates

Base Rates have been revised by territory and coverage.

2. Model Year Factors

Factors for Model Year 2013 have been added to the Rate Pages for Comprehensive and Collision coverages.

3. Annual Policy Factor

The annual policy factor has been revised to 1.98 from 1.95.

4. Mass Merchandising Account Deviations

Several account deviations have been revised.

5. Roadside Assistance

We are upgrading our existing towing and labor coverage. We expect this new roadside assistance program, which is a preferred provider plan, to increase utilization of this coverage. As a result, we are increasing our towing and labor rates by \$2.

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company

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6. Personal Financial Management

In conjunction with this rate filing, MetLife Auto & Home is updating its Personal Financial Management (PFM) insurance credit scoring model. PFM is a proprietary model developed by MetLife which uses a scoring algorithm to place each risk in one of 48 PFM levels.

The primary reason for updating the PFM model was to utilize more recent experience and credit data in the building of the model. The prior PFM model was built using accident years 2001-2002 premium and loss. The updated version of the PFM model was built using accident years 2005-2007 auto premium and loss.

Company and Contact

Filing Contact Information

Dawn Kelly, Sr. State Filing Specialist dekelly@metlife.com
 700 Quaker Lane 401-827-2893 [Phone]
 Warwick, RI 02887 401-827-3929 [FAX]

Filing Company Information

Metropolitan Group Property and Casualty Insurance Company	CoCode: 34339	State of Domicile: Rhode Island
700 Quaker Lane	Group Code: 241	Company Type: Property and Casualty
Warwick, RI 02887	Group Name: Metropolitan Property and Casualty Insurance Company	State ID Number:
(401) 827-2000 ext. [Phone]	FEIN Number: 13-2915260	

Filing Fees

Fee Required? Yes

Fee Amount: \$100.00

Retaliatory? No

Fee Explanation:

Per Company: No

Company	Amount	Date Processed	Transaction #
Metropolitan Group Property and Casualty Insurance Company	\$100.00	09/12/2012	62628134

State: Arkansas

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Product Name: Tiering

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Filing Company:

Metropolitan Group Property and Casualty Insurance Company

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	10/23/2012	10/23/2012

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	10/04/2012	10/04/2012
Pending Industry Response	Alexa Grissom	09/25/2012	09/25/2012
Pending Industry Response	Alexa Grissom	09/20/2012	09/20/2012
Pending Industry Response	Alexa Grissom	09/18/2012	09/18/2012

Response Letters

Responded By	Created On	Date Submitted
Richard Collard	09/20/2012	09/20/2012
Richard Collard	09/18/2012	09/18/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Status	Note To Reviewer	Richard Collard	10/17/2012	10/17/2012
APCS via email	Note To Filer	Alexa Grissom	10/02/2012	10/02/2012
Email address	Note To Reviewer	Richard Collard	10/01/2012	10/01/2012
APCS	Note To Filer	Alexa Grissom	10/01/2012	10/01/2012
Attachment	Note To Reviewer	Richard Collard	09/26/2012	09/26/2012

State: Arkansas

Filing Company: Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Tiering

Project Name/Number: /AR001540200272

Disposition

Disposition Date: 10/23/2012

Effective Date (New): 10/29/2012

Effective Date (Renewal): 12/03/2012

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 req'd):	Minimum % Change (where req'd):
Metropolitan Group Property and Casualty Insurance Company	3.900%	2.500%	\$98,470	2,211	\$3,938,805	%	%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document (revised)	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	MGRP Filing Exhibits	Filed	Yes
Rate	Semi Annual base rates	Filed	Yes
Rate	Physical Damage rating factors	Filed	Yes
Rate	Annual Policy Factors	Filed	Yes

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/04/2012
Submitted Date	10/04/2012
Respond By Date	

Dear Dawn Kelly,

Introduction:

This will acknowledge receipt of the captioned filing. A Department employee was able to finally open the APCS. She advised that the form has the old vehicles. The vehicle list was updated this year. She also advised that the folder was a compressed zip folder.

Conclusion:

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,

Alexa Grissom

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/25/2012
Submitted Date	09/25/2012
Respond By Date	

Dear Dawn Kelly,

Introduction:

This will acknowledge receipt of the captioned filing. The APCS still will not open.

Conclusion:

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,

Alexa Grissom

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/20/2012
Submitted Date	09/20/2012
Respond By Date	

Dear Dawn Kelly,

Introduction:

This will acknowledge receipt of the captioned filing. The APCS forms still will not open.

Conclusion:

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,

Alexa Grissom

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Filing Company: Metropolitan Group Property and Casualty Insurance Company

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/20/2012
Submitted Date 09/20/2012

Dear Alexa Grissom,

Introduction:

Good afternoon:

Response 1

Comments:

We have turned off the Adobe feature.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: APCS-Auto Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Please let us know if you can not open.

Sincerely,

Richard Collard

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/18/2012
Submitted Date	09/18/2012
Respond By Date	

Dear Dawn Kelly,

Introduction:

This will acknowledge receipt of the captioned filing. The APCS forms will not open. Please resubmit them.

Conclusion:

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,

Alexa Grissom

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State: Arkansas

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Tiering

Project Name/Number: /AR001540200272

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/18/2012
Submitted Date	09/18/2012

Dear Alexa Grissom,

Introduction:

Good afternoon:

Response 1

Comments:

Attached is the Excel version of the filing form.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: APCS-Auto Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Please contact us with any additional questions or concerns. Thank you.

Sincerely,

Richard Collard

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Note To Reviewer

Created By:

Richard Collard on 10/17/2012 03:00 PM

Last Edited By:

Alexa Grissom

Submitted On:

10/23/2012 10:11 AM

Subject:

Status

Comments:

Could you please provide us with a status on this fiing at your convenience? Thank you.

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Note To Filer

Created By:

Alexa Grissom on 10/02/2012 09:02 AM

Last Edited By:

Alexa Grissom

Submitted On:

10/23/2012 10:11 AM

Subject:

APCS via email

Comments:

My email address is: alexa.grissom@arkansas.gov

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Note To Reviewer

Created By:

Richard Collard on 10/01/2012 12:34 PM

Last Edited By:

Alexa Grissom

Submitted On:

10/23/2012 10:11 AM

Subject:

Email address

Comments:

Could you provide your email address? Thanks.

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Note To Filer

Created By:

Alexa Grissom on 10/01/2012 09:16 AM

Last Edited By:

Alexa Grissom

Submitted On:

10/23/2012 10:11 AM

Subject:

APCS

Comments:

Email is worth a try to see if we can get it to open!

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Note To Reviewer

Created By:

Richard Collard on 09/26/2012 11:49 AM

Last Edited By:

Alexa Grissom

Submitted On:

10/23/2012 10:11 AM

Subject:

Attachment

Comments:

Would you like us to submit via email? Our systems have been ugraded to Office 2010 and if you haven't been upgraded that could be causing the problem.

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Post Submission Update Request Processed On 10/23/2012

Status: Allowed
Created By: Richard Collard
Processed By: Alexa Grissom
Comments:

General Information:

Field Name	Requested Change	Prior Value
Effective Date Requested (New)	10/29/2012	10/08/2012
Effective Date Requested (Renew)	12/03/2012	11/12/2012

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State: Arkansas

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Tiering

Project Name/Number: /AR001540200272

Rate Information

Rate data applies to filing.

Filing Method: File and Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 0.000%

Effective Date of Last Rate Revision: 02/13/2012

Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Metropolitan Group Property and Casualty Insurance Company	3.900%	2.500%	\$98,470	2,211	\$3,938,805	%	%

SERFF Tracking #:

METX-G128682653

State Tracking #:**Company Tracking #:**

AR001540200272

State: Arkansas**Filing Company:**

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)**Product Name:** Tiering**Project Name/Number:** /AR001540200272

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 10/23/2012	Semi Annual base rates	Rate page 3	Replacement		Rate page 3.PDF
2	Filed 10/23/2012	Physical Damage rating factors	Rate page 6	Replacement		Rate page 6.PDF
3	Filed 10/23/2012	Annual Policy Factors	Rate page 15	Replacement		rate page 15.PDF

Metropolitan Group Property and Casualty Insurance Company

Private Passenger Automobile

ARKANSAS

SEMI-ANNUAL BASE RATES

Territory	BI	PD	UM	UIM	UMPD	PIP	COMP	COLL	TOW
1	106	79	14	25	11	73	72	169	4
2	137	111	19	26	13	90	59	206	4
3	95	83	16	25	11	66	46	151	4
4	136	105	17	26	8	75	60	171	4
5	149	114	20	31	13	93	56	188	4
6	123	97	16	26	12	95	62	194	4
7	143	108	16	24	11	82	80	194	4
8	123	111	19	32	13	74	59	186	4
9	111	90	13	21	8	60	49	155	4
10	126	101	17	26	11	86	62	236	4
11	112	89	14	23	12	69	54	171	4
12	143	101	15	24	10	70	66	176	4
13	151	107	23	30	13	99	66	198	4
15	143	96	21	27	13	87	56	185	4
28	150	109	20	32	13	90	59	190	4
29	95	77	15	25	9	70	50	157	4
30	102	102	13	22	9	65	49	157	4

Personal Injury
Protection

Accidental Death Benefits	2
Income Disability Benefits	3

Metropolitan Group Property and Casualty Insurance Company

ARKANSAS Private Passenger Automobile

PHYSICAL DAMAGE RATING FACTORS

MODEL YEAR FACTORS		
MODEL YEAR	COMP	COLL
2013	2.39	2.39
2012	2.28	2.28
2011	2.17	2.17
2010	2.07	2.07
2009	1.97	1.97
2008	1.88	1.88
2007	1.79	1.79
2006	1.71	1.71
2005	1.63	1.63
2004	1.55	1.55
2003	1.48	1.48
2002	1.41	1.41
2001	1.34	1.34
2000	1.28	1.28
1999	1.22	1.22
1998	1.16	1.16
1997	1.10	1.10
1996	1.05	1.05
1995	1.00	1.00
1994	0.95	0.95
1993	0.91	0.91
1992	0.86	0.86
1991	0.82	0.82
1990	0.78	0.78
1989	0.75	0.75
1988	0.71	0.71
1987	0.68	0.68
1986	0.64	0.64
1985	0.61	0.61
1984 & PRIOR	0.58	0.58

DEDUCTIBLE FACTORS COMPREHENSIVE		
Deductible	Without Glass Buyback	With Glass Buyback
FULL	1.00	1.00
\$50	0.85	0.88
\$100	0.70	0.79
\$200	0.60	0.71
\$250	0.58	0.70
\$300	0.53	0.66
\$500	0.45	0.59
\$750	0.44	0.56
\$1,000	0.40	0.53
\$1,500	0.39	0.51

DEDUCTIBLE FACTORS COLLISION All Model Years	
Deductible	All Vehicle Symbols
\$100	1.00
\$200	0.85
\$250	0.80
\$300	0.65
\$500	0.60
\$750	0.54
\$1,000	0.40
\$1,500	0.39

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

Annual Policy Factors

<u>Coverage</u>	<u>Auto</u>	<u>Motorcycle</u>
Bodily Injury	1.98	2.00
Property Damage	1.98	2.00
PIP - Medical and Hospital Benefits	1.98	2.00
PIP - Income Disability Benefits	1.98	2.00
PIP - Accidental Death Benefits	1.98	2.00
Uninsured Motorists Bodily Injury	1.98	2.00
Underinsured Motorists Bodily Injury	1.98	2.00
Uninsured Motorists Property Damage	1.98	2.00
Comprehensive	1.98	2.00
Collision	1.98	2.00
Towing	1.98	2.00
Substitute Transportation	2.00	
Motor Home Contents	2.00	
Sound Receiving Equipment	2.00	
Vehicle Conversion/Customization	2.00	
Camping, Travel and Utility Trailers	1.98	
Antique Auto Physical Damage	1.98	
Extended Non Owned	2.00	
Optional or Added Motorcycle Equipment	N/A	2.00

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State: Arkansas

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Tiering

Project Name/Number: /AR001540200272

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	A-1 Private Passenger Auto Abstract	Filed	10/23/2012
Comments:			
Attachment(s):	AR_A_MGPC_Form A-1_092412.PDF		
		Item Status:	Status Date:
Satisfied - Item:	APCS-Auto Premium Comparison Survey	Filed	10/23/2012
Comments:			
Attachment(s):	AR_A_MGPC_Premium Comparison_092412.XLSX		
		Item Status:	Status Date:
Satisfied - Item:	NAIC loss cost data entry document	Filed	10/23/2012
Comments:			
Attachment(s):	AR_A_MGPC_Rate Filing Abstract_100812.PDF		
		Item Status:	Status Date:
Bypassed - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	10/23/2012
Bypass Reason:	n/a		
Comments:			
		Item Status:	Status Date:
Satisfied - Item:	MGRP Filing Exhibits	Filed	10/23/2012
Comments:			
Attachment(s):			

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State:

Arkansas

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Tiering

Project Name/Number:

/AR001540200272

AR_A_MGPC_Filing Exhibits_092412.PDF

AR_A_MGPC_Filing Exhibits_092412.XLSX

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE 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 private passenger auto rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Metropolitan Group Property & Casualty Insurance Company

NAIC # (including group #) 241-34339

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance? [] Yes [x] No

If yes, list the areas:

2. Do you furnish a market for young drivers? [x] Yes [] No

3. Do require collateral business to support a youthful driver? [] Yes [x] No

4. Do you insure drivers with an international or foreign driver's license? [x] Yes [] No

5. Specify the percentage you allow in credit or discounts for the following:

- a. Driver over 55 7.000 %
b. Good Student Discount 19.000 %
c. Multi-car Discount 20.000 %
d. Accident Free Discount* 20.000 %

Please Specify Qualification for Discount:

All drivers on policy have no chargeable accidents, no moving violations, or no more than one minor moving violation in nine years. Discounts for smaller periods of time are also available. (see rule 16)

- e. Anti-Theft Discount 10.000 %
f. Other (specify) (please see manual for additional discounts) _____ %

_____ %
_____ %

6. Do you have an installment payment plan for automobile insurance? [x] Yes [] No
If so, what is the fee for installment payments?

\$2.00 / payment

7. Does your company utilize a tiered rating plan? [x] Yes [] No
If so, list the programs and percentage difference and current volume for each plan:

Table with 3 columns: Program, Percentage Difference, Volume. Includes a note 'Please refer to the filing'.

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

dawn kelly	<small>©2010 MetLife Insurance Company 100 South Wacker Drive, MetLife Tower, 10th Floor New York, NY 10036-3200</small>
<hr/>	
	Signature
Dawn Kelly	
<hr/>	
	Printed Name
Sr. State Filings Specialist	
<hr/>	
	Title
401-827-2893	
<hr/>	
	Telephone Number
dekelly@metlife.com	
<hr/>	
	Email address

AID PC A-1 (1/06)

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Supporting Document Schedules

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Attachment AR_A_MGPC_Premium Comparison_092412.XLSX is not a PDF document and cannot be reproduced here.

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

1.	This filing transmittal is part of Company Tracking #	AR001250200180
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	

Company Name		Company NAIC Number	
3.	A. Metropolitan Group Property and Casualty Insurance Company	B.	241-34339

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

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
Bodily Injury	2.0%	1.9%					
Property Damage	6.0%	5.0%					
UM/UIM	6.4%	5.6%					
UMPD	20.2%	19.9%					
Personal Injury Protection	25.4%	20.0%					
Comprehensive	-3.7%	-2.9%					
Collision	5.2%	0.1%					
Towing	-15.3%	100%					
TOTAL OVERALL EFFECT	3.9%	2.5%					

6. 5 Year History Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2008	1,796	0.1%	04/30/08	3,196	1,815	56.8%	48.7%
2008	1,796	0.1%	11/30/2008	3,196	1,815	56.8%	48.7%
2009	1,862	2.0%	08/31/2009	3,145	1,747	55.5%	55.3%
2010	2,132	0.0%	5/20/2010	3,346	1,879	56.2%	62.7%
2010	2,132	1.0%	8/31/2010	3,346	1,879	56.2%	62.7%
2011	2,157	0.0%	4/10/2011	3,990	2,228	55.8%	58.0%
2011	2,119	0.0%	8/31/2011	3,990	2,228	55.8%	58.0%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	17.8%
B. General Expense	3.4%
C. Taxes, License & Fees	3.1%
D. Underwriting Profit & Contingencies	10.3%
E. Other (explain)	
F. TOTAL	34.6%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 15.8% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 9
10. -1.1% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): 10

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

PROPOSED RATE LEVEL CHANGE

Territory	BI	PD	UMBI/UIMBI	UMPD	NF	COMP	COLL	TOW	LIAB	NF	PHYS	TOTAL
1 REM OF STATE	-1.1%	4.8%	8.6%	10.9%	18.7%	-1.9%	0.8%	100.0%	2.3%	18.7%	0.1%	2.1%
2 NORTH LITTLE ROCK	0.1%	3.6%	0.8%	31.0%	24.3%	2.5%	-1.1%	100.0%	2.0%	24.3%	0.8%	2.4%
3 FORT SMITH	-2.3%	10.1%	0.8%	23.2%	16.7%	0.8%	-2.4%	100.0%	3.3%	16.7%	-0.4%	2.5%
4 MEMPHIS SUBURB	6.3%	3.8%	0.8%	15.2%	16.3%	-7.0%	-2.6%	100.0%	4.9%	16.3%	-4.0%	1.0%
5 LONOKE, WHITE, FAULKNER CNTYS	4.3%	5.4%	6.1%	31.0%	26.7%	-7.5%	1.3%	100.0%	5.2%	26.7%	-1.8%	2.4%
6 TEXARKANA	6.0%	5.1%	7.5%	21.0%	24.4%	-6.7%	-1.7%	100.0%	6.0%	24.4%	-3.3%	2.3%
7 EL DORADO	3.7%	4.7%	0.8%	10.9%	16.4%	7.5%	-5.5%	100.0%	4.0%	16.4%	0.2%	2.4%
8 JONESBORO	2.5%	2.6%	12.7%	31.0%	20.3%	-2.5%	0.3%	100.0%	3.8%	20.3%	-0.3%	2.5%
9 FAYETTEVILLE	9.7%	5.5%	9.2%	15.2%	14.1%	-5.0%	0.2%	100.0%	8.0%	14.1%	-1.4%	4.1%
10 HOT SPRINGS	-3.8%	1.8%	7.1%	23.2%	15.6%	-6.7%	9.1%	100.0%	-0.3%	15.6%	3.8%	2.5%
11 POPE-CONWAY-PERRY	-0.1%	4.3%	8.6%	21.0%	19.9%	-7.7%	0.8%	100.0%	2.7%	19.9%	-2.3%	1.0%
12 SALINE	1.5%	7.2%	8.0%	26.0%	26.0%	-11.3%	8.8%	100.0%	4.5%	26.0%	-1.0%	2.4%
13 LITTLE ROCK SE	0.1%	5.7%	10.4%	31.0%	29.6%	2.4%	0.8%	100.0%	3.8%	29.6%	2.0%	4.0%
15 JEFFERSON, GRANT COUNTIES	8.4%	4.1%	5.8%	19.1%	18.5%	-5.9%	-4.4%	100.0%	6.8%	18.5%	-4.4%	2.8%
28 FAULKNER BREAKOUT	1.5%	8.8%	6.1%	31.0%	22.6%	-5.6%	0.3%	100.0%	5.0%	22.6%	-1.7%	2.4%
29 CRAWFORD/SEBASTIAN	-0.2%	-0.5%	0.8%	13.4%	19.6%	2.9%	2.1%	100.0%	0.0%	19.6%	3.1%	2.4%
30 BENTON/WASHINGTON	1.8%	6.0%	0.8%	13.4%	17.0%	-6.8%	-1.1%	100.0%	3.8%	17.0%	-2.9%	1.1%
TOTAL	1.9%	5.0%	5.6%	19.9%	20.0%	-2.9%	0.1%	100.0%	3.7%	20.0%	-0.6%	2.5%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

SUMMARY OF RATE LEVEL INDICATIONS

Coverage	Acc Yr Ending 03/2012 Trended Earn Prem at Curr Rate Level	Projected Loss & LAE Ratio	Indicated Rate Change	Proposed Rate Change
Bodily Injury	765,615	71.0%	2.0%	1.9%
Property Damage	621,904	75.5%	6.0%	5.0%
Uninsured/Underinsured Motorist - BI	238,782	92.1%	6.4%	5.6%
Uninsured Motorist - PD	28,100	147.3%	20.2%	19.9%
Liability Coverage	1,654,402	76.9%	4.4%	3.7%
No Fault	160,777	122.8%	25.4%	20.0%
Comprehensive	685,674	56.5%	-3.7%	-2.9%
Collision	901,417	66.7%	5.2%	0.1%
Towing	10,383	22.2%	-15.3%	100.0%
Physical Damage Coverage	1,597,474	62.0%	1.3%	-0.6%
Total	3,412,652	72.1%	3.9%	2.5%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

BODILY INJURY RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	764,270	822,436	824,663
2)	Historical Premium Trend Factors	0.951	0.975	1.000
3)	Projected Premium Trend Factors	0.928	0.928	0.928
4)	Trended Earned Premium at Curr Rate Level 1x2x3	674,512	744,458	765,615
5)	Incurring Loss & ALAE	452,966	343,269	451,615
6)	Development Factors	1.062	1.097	1.163
7)	Historical Loss Trend Factors	1.062	1.030	1.000
8)	Projected Loss Trend Factors	0.958	0.958	0.958
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	489,402	371,846	503,304
10)	Projected Loss & ALAE Ratios 9/4	72.6%	49.9%	65.7%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

PROPERTY DAMAGE RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	588,052	637,034	651,231
2)	Historical Premium Trend Factors	0.960	0.980	1.000
3)	Projected Premium Trend Factors	0.955	0.955	0.955
4)	Trended Earned Premium at Curr Rate Level 1x2x3	539,332	596,180	621,904
5)	Incurring Loss & ALAE	312,987	357,801	408,644
6)	Development Factors	1.005	1.020	1.061
7)	Historical Loss Trend Factors	1.020	1.010	1.000
8)	Projected Loss Trend Factors	1.037	1.037	1.037
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	332,518	382,087	449,430
10)	Projected Loss & ALAE Ratios 9/4	61.7%	64.1%	72.3%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

MEDICAL EXPENSE RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	0	0	0
2)	Historical Premium Trend Factors	0.922	0.960	1.000
3)	Projected Premium Trend Factors	0.937	0.937	0.937
4)	Trended Earned Premium at Curr Rate Level 1x2x3	0	0	0
5)	Incurred Loss & ALAE	0	0	0
6)	Development Factors	0.988	0.967	0.909
7)	Historical Loss Trend Factors	1.062	1.030	1.000
8)	Projected Loss Trend Factors	0.958	0.958	0.958
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	0	0	0
10)	Projected Loss & ALAE Ratios 9/4	0.0%	0.0%	0.0%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			0.0%
13)	ULAE Factor			1.140
14)	Catastrophe Provision			1.000
15)	Projected Loss & LAE Ratio 12x13x14			0.0%
16)	Credibility			0.0%
17)	Complement of Credibility Permissible Loss & LAE Ratio			68.7%
18)	Credibility Weighted Loss & LAE Ratio			68.7%
19)	Indicated Rate Change			0.0%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

NO FAULT RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	157,096	171,930	176,509
2)	Historical Premium Trend Factors	0.904	0.951	1.000
3)	Projected Premium Trend Factors	0.911	0.911	0.911
4)	Trended Earned Premium at Curr Rate Level 1x2x3	129,414	148,933	160,777
5)	Incurred Loss & ALAE	132,188	178,049	142,168
6)	Development Factors	1.000	0.980	0.882
7)	Historical Loss Trend Factors	1.061	1.030	1.000
8)	Projected Loss Trend Factors	1.055	1.055	1.055
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	147,989	189,656	132,323
10)	Projected Loss & ALAE Ratios 9/4	114.4%	127.3%	82.3%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

UNINSURED/UNDERINSURED MOTORIST BODILY INJURY RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	243,025	256,905	257,199
2)	Historical Premium Trend Factors	0.937	0.968	1.000
3)	Projected Premium Trend Factors	0.928	0.928	0.928
4)	Trended Earned Premium at Curr Rate Level 1x2x3	211,415	230,877	238,782
5)	Incurred Loss & ALAE	102,582	167,469	197,230
6)	Development Factors	1.040	1.103	1.362
7)	Historical Loss Trend Factors	1.062	1.030	1.000
8)	Projected Loss Trend Factors	0.958	0.958	0.958
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	108,573	182,356	257,427
10)	Projected Loss & ALAE Ratios 9/4	51.4%	79.0%	107.8%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

UNINSURED MOTORIST PROPERTY DAMAGE RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	22,682	28,705	31,450
2)	Historical Premium Trend Factors	0.922	0.960	1.000
3)	Projected Premium Trend Factors	0.893	0.893	0.893
4)	Trended Earned Premium at Curr Rate Level 1x2x3	18,677	24,622	28,100
5)	Incurred Loss & ALAE	21,568	29,176	34,250
6)	Development Factors	1.000	1.010	1.055
7)	Historical Loss Trend Factors	1.000	1.000	1.000
8)	Projected Loss Trend Factors	1.063	1.063	1.063
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	22,921	31,323	38,434
10)	Projected Loss & ALAE Ratios 9/4	122.7%	127.2%	136.8%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

COMPREHENSIVE RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	555,172	601,480	655,541
2)	Historical Premium Trend Factors	1.030	1.015	1.000
3)	Projected Premium Trend Factors	1.046	1.046	1.046
4)	Trended Earned Premium at Curr Rate Level 1x2x3	598,243	638,565	685,674
5)	Incurring Loss & ALAE	279,945	185,840	230,550
6)	Development Factors	1.000	1.000	1.050
7)	Historical Loss Trend Factors	0.995	0.998	1.000
8)	Projected Loss Trend Factors	1.000	1.000	1.000
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	278,547	185,375	242,077
10)	Projected Loss & ALAE Ratios 9/4	46.6%	29.0%	35.3%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

COLLISION RATE LEVEL INDICATIONS

		Accident Year Ending		
		03/2010	03/2011	03/2012
1)	Earned Premium at Current Rate Level	808,610	855,363	904,708
2)	Historical Premium Trend Factors	0.990	0.995	1.000
3)	Projected Premium Trend Factors	0.996	0.996	0.996
4)	Trended Earned Premium at Curr Rate Level 1x2x3	797,633	847,990	901,417
5)	Incurred Loss & ALAE	389,187	466,022	562,625
6)	Development Factors	1.000	0.995	0.950
7)	Historical Loss Trend Factors	1.000	1.000	1.000
8)	Projected Loss Trend Factors	1.063	1.063	1.063
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	413,601	492,891	568,412
10)	Projected Loss & ALAE Ratios 9/4	51.9%	58.1%	63.1%
11)	Yearly Weight	30.0%	35.0%	35.0%
12)	Projected Loss & ALAE Ratio 10x11			
13)	ULAE Factor			
14)	Catastrophe Provision			
15)	Projected Loss & LAE Ratio 12x13x14			
16)	Credibility			
17)	Complement of Credibility Permissible Loss & LAE Ratio			
18)	Credibility Weighted Loss & LAE Ratio			
19)	Indicated Rate Change			

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

TOWING RATE LEVEL INDICATIONS

		Accident Year Ending			
		03/2010	03/2011	03/2012	
1)	Earned Premium at Current Rate Level	9,695	10,058	10,383	
2)	Historical Premium Trend Factors	1.000	1.000	1.000	
3)	Projected Premium Trend Factors	1.000	1.000	1.000	
4)	Trended Earned Premium at Curr Rate Level 1x2x3	9,695	10,058	10,383	
5)	Incurred Loss & ALAE	1,989	1,488	2,252	
6)	Development Factors	1.000	1.000	1.055	
7)	Historical Loss Trend Factors	1.000	1.000	1.000	
8)	Projected Loss Trend Factors	1.000	1.000	1.000	
9)	Ultimate Trended Incurred Loss & ALAE 5x6x7x8	1,989	1,488	2,376	
10)	Projected Loss & ALAE Ratios 9/4	20.5%	14.8%	22.9%	
11)	Yearly Weight	30.0%	35.0%	35.0%	
12)	Projected Loss & ALAE Ratio 10x11				19.3%
13)	ULAE Factor				1.150
14)	Catastrophe Provision				1.000
15)	Projected Loss & LAE Ratio 12x13x14				22.2%
16)	Credibility				32.9%
17)	Complement of Credibility Permissible Loss & LAE Ratio				61.7%
18)	Credibility Weighted Loss & LAE Ratio				48.7%
19)	Indicated Rate Change				-15.3%

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

COUNTRYWIDE

BODILY INJURY

Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	222,596,934	230,911,647	253,457,047	#####	267,560,016	271,226,267
Mar-05	197,487,611	224,071,172	238,204,015	#####	253,984,882	256,381,439
Mar-06	222,424,534	235,804,786	244,482,959	#####	265,912,708	266,398,849
Mar-07	229,473,723	238,729,964	250,669,735	#####	260,674,586	261,941,275
Mar-08	232,733,758	251,848,958	263,692,971	#####	274,681,730	
Mar-09	251,621,717	275,537,907	284,408,719	#####		
Mar-10	272,429,635	291,034,257	303,048,318			
Mar-11	286,269,263	300,411,544				
Mar-12	292,804,989					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				1.017	1.014
Mar-05			1.040	1.025	1.009
Mar-06		1.037	1.075	1.011	1.002
Mar-07	1.040	1.050	1.025	1.014	1.005
Mar-08	1.082	1.047	1.032	1.009	
Mar-09	1.095	1.032	1.020		
Mar-10	1.068	1.041			
Mar-11	1.049				
FIVE YR AVG	1.067	1.041	1.039	1.015	1.007
THREE YR AVG	1.071	1.040	1.026	1.012	1.005
AVG EX HI/LO	1.067	1.042	1.033	1.014	1.007
WEIGHTED AVG	1.067	1.041	1.038	1.015	1.007

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
CW Selected Factor	1.060	1.033	1.033	1.020	1.008
CW To Ultimate	1.163	1.097	1.062	1.028	1.008

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

ARKANSAS

PROPERTY DAMAGE
Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	2,052,815	2,093,893	2,156,131	2,145,259	2,144,792	8,573,454
Mar-05	1,874,047	2,024,876	2,010,195	2,007,975	2,010,217	6,029,225
Mar-06	1,708,815	1,790,846	1,839,130	1,807,116	1,807,116	3,614,232
Mar-07	1,780,789	1,907,811	1,932,546	1,937,242	1,926,992	1,940,992
Mar-08	1,692,141	1,829,695	1,843,195	1,913,820	1,913,820	
Mar-09	1,451,009	1,504,456	1,529,116	1,527,477		
Mar-10	1,596,219	1,618,186	1,648,413			
Mar-11	1,395,152	1,405,584				
Mar-12	1,328,575					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				1.000	3.997
Mar-05			0.999	1.001	2.999
Mar-06		1.027	0.983	1.000	2.000
Mar-07	1.071	1.013	1.002	0.995	1.007
Mar-08	1.081	1.007	1.038	1.000	
Mar-09	1.037	1.016	0.999		
Mar-10	1.014	1.019			
Mar-11	1.007				
FIVE YR AVG	1.042	1.016	1.004	0.999	2.501
THREE YR AVG	1.019	1.014	1.013	0.998	2.002
AVG EX HI/LO	1.041	1.016	1.000	1.000	2.500
WEIGHTED AVG	1.044	1.016	1.004	0.999	2.555

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
AR Selected Factor	1.040	1.015	1.005	1.000	1.000
AR To Ultimate	1.061	1.020	1.005	1.000	1.000

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

COUNTRYWIDE

MEDICAL PAYMENTS
Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	17,993,087	18,175,404	17,830,014	17,629,502	17,504,702	17,439,742
Mar-05	17,938,675	18,188,779	17,974,570	17,707,620	17,627,879	17,596,815
Mar-06	18,071,697	18,111,968	17,682,673	17,473,392	17,443,404	17,374,183
Mar-07	19,269,262	18,675,249	18,368,001	18,226,997	18,137,071	18,097,686
Mar-08	21,284,218	20,289,621	19,709,688	19,527,654	19,454,080	
Mar-09	19,875,457	18,595,834	18,173,553	18,194,331		
Mar-10	21,236,352	19,780,964	19,546,489			
Mar-11	24,781,547	23,461,610				
Mar-12	25,965,510					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				0.993	0.996
Mar-05			0.985	0.995	0.998
Mar-06		0.976	0.988	0.998	0.996
Mar-07	0.969	0.984	0.992	0.995	0.998
Mar-08	0.953	0.971	0.991	0.996	
Mar-09	0.936	0.977	1.001		
Mar-10	0.931	0.988			
Mar-11	0.947				
FIVE YR AVG	0.947	0.979	0.992	0.996	0.997
THREE YR AVG	0.938	0.979	0.995	0.997	0.997
AVG EX HI/LO	0.945	0.979	0.990	0.996	0.997
WEIGHTED AVG	0.947	0.979	0.992	0.996	0.997

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
CW Selected Factor	0.940	0.979	0.995	0.996	0.997
CW To Ultimate	0.909	0.967	0.988	0.993	0.997

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

ARKANSAS

NO FAULT

Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	275,373	316,204	321,197	306,181	302,848	1,206,391
Mar-05	402,982	333,012	342,840	326,302	346,083	1,027,406
Mar-06	261,636	258,132	243,866	241,574	240,433	480,866
Mar-07	440,591	336,659	329,618	336,285	333,517	338,517
Mar-08	450,624	378,392	369,162	367,058	362,521	
Mar-09	292,833	271,420	262,822	264,979		
Mar-10	320,526	311,248	313,136			
Mar-11	386,292	341,592				
Mar-12	288,880					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				0.989	3.983
Mar-05			0.952	1.061	2.969
Mar-06		0.945	0.991	0.995	2.000
Mar-07	0.764	0.979	1.020	0.992	1.015
Mar-08	0.840	0.976	0.994	0.988	
Mar-09	0.927	0.968	1.008		
Mar-10	0.971	1.006			
Mar-11	0.884				
FIVE YR AVG	0.877	0.975	0.993	1.005	2.492
THREE YR AVG	0.927	0.983	1.008	0.992	1.995
AVG EX HI/LO	0.884	0.974	0.998	0.992	2.484
WEIGHTED AVG	0.867	0.976	0.992	1.005	2.497

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
AR Selected Factor	0.900	0.980	1.000	1.000	1.000
AR To Ultimate	0.882	0.980	1.000	1.000	1.000

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

COUNTRYWIDE

UNINSURED/UNDERINSURED MOTORIST BODILY INJURY
Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	42,343,806	55,642,444	62,922,714	66,255,493	67,273,142	68,052,495
Mar-05	38,631,534	60,350,517	64,731,727	68,048,488	69,568,628	70,332,388
Mar-06	49,518,765	63,646,688	70,759,984	75,810,698	76,136,196	76,989,008
Mar-07	50,493,019	64,984,557	72,499,143	75,415,957	76,812,451	77,043,981
Mar-08	53,504,553	71,811,152	77,940,552	80,285,374	80,346,670	
Mar-09	56,315,479	75,056,513	80,232,652	82,263,171		
Mar-10	63,150,995	78,239,738	82,682,540			
Mar-11	65,976,382	81,945,484				
Mar-12	64,222,071					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				1.015	1.012
Mar-05			1.051	1.022	1.011
Mar-06		1.112	1.071	1.004	1.011
Mar-07	1.287	1.116	1.040	1.019	1.003
Mar-08	1.342	1.085	1.030	1.001	
Mar-09	1.333	1.069	1.025		
Mar-10	1.239	1.057			
Mar-11	1.242				
FIVE YR AVG	1.289	1.088	1.044	1.012	1.009
THREE YR AVG	1.271	1.070	1.032	1.008	1.008
AVG EX HI/LO	1.287	1.089	1.041	1.013	1.011
WEIGHTED AVG	1.285	1.086	1.043	1.012	1.009

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
CW Selected Factor	1.235	1.060	1.025	1.008	1.007
CW To Ultimate	1.362	1.103	1.040	1.015	1.007

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

ARKANSAS

UNINSURED MOTORIST PROPERTY DAMAGE

Total Limits Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-04	328,893	330,037	329,493	321,686	319,707	1,250,790
Mar-05	175,261	171,703	166,030	165,484	165,098	492,443
Mar-06	138,776	148,102	152,414	150,657	155,989	309,455
Mar-07	254,649	260,000	248,528	248,528	248,528	248,528
Mar-08	233,362	237,189	236,567	235,367	234,431	
Mar-09	222,252	243,749	243,749	243,749		
Mar-10	222,190	222,793	236,058			
Mar-11	219,259	233,428				
Mar-12	209,618					

	Development Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>
Mar-04				0.994	3.912
Mar-05			0.997	0.998	2.983
Mar-06		1.029	0.988	1.035	1.984
Mar-07	1.021	0.956	1.000	1.000	1.000
Mar-08	1.016	0.997	0.995	0.996	
Mar-09	1.097	1.000	1.000		
Mar-10	1.003	1.060			
Mar-11	1.065				
FIVE YR AVG	1.040	1.008	0.996	1.005	2.470
THREE YR AVG	1.055	1.019	0.998	1.010	1.989
AVG EX HI/LO	1.034	1.009	0.997	0.998	2.483
WEIGHTED AVG	1.039	1.005	0.997	1.002	2.588

	Selected Factors				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
AR Selected Factor	1.045	1.010	1.000	1.000	1.000
AR To Ultimate	1.055	1.010	1.000	1.000	1.000

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY & AFFILIATES

Determination of Loss Development Factors

Private Passenger Automobile

ARKANSAS

TOWING
Incurred Losses

Accident Year Ending	Months of Development					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>over 60</u>
Mar-07	5,896	6,087	6,087	6,087	6,087	6,087
Mar-08	5,616	5,741	5,741	5,741	5,741	
Mar-09	5,130	5,304	5,304	5,304		
Mar-10	5,883	6,290	6,290			
Mar-11	6,116	6,487				
Mar-12	6,086					
	Development Factors					
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>over 60</u>	
Mar-07	1.032	1.000	1.000	1.000	1.000	1.000
Mar-08	1.022	1.000	1.000	1.000		
Mar-09	1.034	1.000	1.000			
Mar-10	1.069	1.000				
Mar-11	1.061					
FIVE YR AVG	1.044	1.000	1.000	1.000	1.000	1.000
THREE YR AVG	1.055	1.000	1.000	1.000	1.000	1.000
AVG EX HI/LO	1.042	1.000	1.000	1.000	1.000	1.000
WEIGHTED AVG	1.044	1.000	1.000	1.000	1.000	1.000
	Selected Factors					
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>	
AR Selected Factor	1.055	1.000	1.000	1.000	1.000	1.000
AR To Ultimate	1.055	1.000	1.000	1.000	1.000	1.000

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY
METROPOLITAN CASUALTY INSURANCE COMPANY

ARKANSAS Personal Automobile
Determination of Statewide Trend

Coverage	Accident Year Ending	Historical Trend Factor			Projected Trend Factor		
		Frequency	Severity	Pure Premium	Frequency	Severity	Pure Premium
Bodily Injury	3/31/2008	0.893	1.262	1.127	0.950	1.009	0.958
	3/31/2009	0.918	1.191	1.094	0.950	1.009	0.958
	3/31/2010	0.945	1.124	1.062	0.950	1.009	0.958
	3/31/2011	0.972	1.060	1.030	0.950	1.009	0.958
	3/31/2012	1.000	1.000	1.000	0.950	1.009	0.958
	Selected Annual Rate	-2.8%	6.0%	3.0%	-2.8%	0.5%	-2.3%
Property Damage	3/31/2008	0.961	1.082	1.040	1.000	1.037	1.037
	3/31/2009	0.970	1.061	1.030	1.000	1.037	1.037
	3/31/2010	0.980	1.040	1.020	1.000	1.037	1.037
	3/31/2011	0.990	1.020	1.010	1.000	1.037	1.037
	3/31/2012	1.000	1.000	1.000	1.000	1.037	1.037
	Selected Annual Rate	-1.0%	2.0%	1.0%	0.0%	2.0%	2.0%
Medical Expenses*	3/31/2008	0.893	1.262	1.127	0.950	1.009	0.958
	3/31/2009	0.918	1.191	1.094	0.950	1.009	0.958
	3/31/2010	0.945	1.124	1.062	0.950	1.009	0.958
	3/31/2011	0.972	1.060	1.030	0.950	1.009	0.958
	3/31/2012	1.000	1.000	1.000	0.950	1.009	0.958
	Selected Annual Rate	-2.8%	6.0%	3.0%	-2.8%	0.5%	-2.3%
No Fault	3/31/2008	1.000	1.126	1.126	1.000	1.055	1.055
	3/31/2009	1.000	1.093	1.093	1.000	1.055	1.055
	3/31/2010	1.000	1.061	1.061	1.000	1.055	1.055
	3/31/2011	1.000	1.030	1.030	1.000	1.055	1.055
	3/31/2012	1.000	1.000	1.000	1.000	1.055	1.055
	Selected Annual Rate	0.0%	3.0%	3.0%	0.0%	3.0%	3.0%
Uninsured Motorist Bodily Injury*	3/31/2008	0.893	1.262	1.127	0.950	1.009	0.958
	3/31/2009	0.918	1.191	1.094	0.950	1.009	0.958
	3/31/2010	0.945	1.124	1.062	0.950	1.009	0.958
	3/31/2011	0.972	1.060	1.030	0.950	1.009	0.958
	3/31/2012	1.000	1.000	1.000	0.950	1.009	0.958
	Selected Annual Rate	-2.8%	6.0%	3.0%	-2.8%	0.5%	-2.3%
Uninsured Motorist Property Damage**	3/31/2008	0.941	1.061	0.999	0.973	1.093	1.063
	3/31/2009	0.956	1.046	0.999	0.973	1.093	1.063
	3/31/2010	0.970	1.030	1.000	0.973	1.093	1.063
	3/31/2011	0.985	1.015	1.000	0.973	1.093	1.063
	3/31/2012	1.000	1.000	1.000	0.973	1.093	1.063
	Selected Annual Rate	-1.5%	1.5%	0.0%	-1.5%	5.0%	3.4%
Comprehensive	3/31/2008	1.216	0.815	0.990	1.000	1.000	1.000
	3/31/2009	1.158	0.857	0.993	1.000	1.000	1.000
	3/31/2010	1.103	0.903	0.995	1.000	1.000	1.000
	3/31/2011	1.050	0.950	0.998	1.000	1.000	1.000
	3/31/2012	1.000	1.000	1.000	1.000	1.000	1.000
	Selected Annual Rate	5.0%	-5.0%	-0.3%	0.0%	0.0%	0.0%
Collision	3/31/2008	0.941	1.061	0.999	0.973	1.093	1.063
	3/31/2009	0.956	1.046	0.999	0.973	1.093	1.063
	3/31/2010	0.970	1.030	1.000	0.973	1.093	1.063
	3/31/2011	0.985	1.015	1.000	0.973	1.093	1.063
	3/31/2012	1.000	1.000	1.000	0.973	1.093	1.063
	Selected Annual Rate	-1.5%	1.5%	0.0%	-1.5%	5.0%	3.4%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (9/5/2013).

* - Bodily Injury loss trends are applied to Medical Expenses and Uninsured Motorist Bodily Injury coverages

** - Collision loss trends are applied to Uninsured Motorist Property Damage coverage

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**Personal Automobile
ARKANSAS**

Trend Analysis - NAI Fast Track Data - 4 Quarters Rolling Calendar Year Paid Losses

Bodily Injury						
Period Ending	Frequency	Annual Change	Severity	Annual Change	Pure Premium	Annual Change
Mar-08	0.87	N/A	10,024	N/A	87.02	N/A
Jun-08	0.85	N/A	10,438	N/A	88.50	N/A
Sep-08	0.84	N/A	10,533	N/A	88.25	N/A
Dec-08	0.83	N/A	10,499	N/A	87.19	N/A
Mar-09	0.81	-6.4%	10,370	3.5%	84.22	-3.2%
Jun-09	0.80	-6.0%	10,314	-1.2%	82.21	-7.1%
Sep-09	0.80	-5.0%	10,280	-2.4%	81.86	-7.2%
Dec-09	0.80	-3.8%	10,241	-2.5%	81.79	-6.2%
Mar-10	0.80	-1.5%	10,260	-1.1%	82.05	-2.6%
Jun-10	0.81	1.8%	10,150	-1.6%	82.34	0.2%
Sep-10	0.82	2.5%	10,317	0.4%	84.19	2.8%
Dec-10	0.80	-0.3%	10,529	2.8%	83.85	2.5%
Mar-11	0.79	-0.7%	12,481	21.6%	99.07	20.8%
Jun-11	0.77	-4.6%	12,721	25.3%	98.41	19.5%
Sep-11	0.76	-7.2%	12,734	23.4%	96.42	14.5%
Dec-11	0.76	-5.0%	12,760	21.2%	96.58	15.2%
	Fit	R-Squared	Fit	R-Squared	Fit	R-Squared
2 points	-0.2%	1.0000	0.8%	1.0000	0.7%	1.0000
3 points	-4.3%	0.7630	0.6%	0.9692	-3.7%	0.6842
8 points	-4.2%	0.7903	17.9%	0.8263	13.0%	0.7392
12 points	-2.0%	0.5453	9.9%	0.6926	7.7%	0.6578
16 points	-2.8%	0.7965	6.0%	0.5624	3.1%	0.2613
Hist. Selected	-2.8%		6.0%		3.0%	
Proj. Selected	-2.8%		0.5%		-2.3%	

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**Personal Automobile
ARKANSAS**

Trend Analysis - NAI Fast Track Data - 4 Quarters Rolling Calendar Year Paid Losses

Property Damage						
Period Ending	Frequency	Annual Change	Severity	Annual Change	Pure Premium	Annual Change
Mar-08	3.09	N/A	2,820	N/A	87.22	N/A
Jun-08	3.04	N/A	2,840	N/A	86.36	N/A
Sep-08	2.99	N/A	2,844	N/A	85.16	N/A
Dec-08	2.93	N/A	2,848	N/A	83.58	N/A
Mar-09	2.92	-5.7%	2,862	1.5%	83.50	-4.3%
Jun-09	2.94	-3.3%	2,866	0.9%	84.29	-2.4%
Sep-09	2.96	-1.2%	2,908	2.3%	86.06	1.1%
Dec-09	3.01	2.7%	2,943	3.3%	88.71	6.1%
Mar-10	3.02	3.5%	2,960	3.4%	89.38	7.0%
Jun-10	3.03	2.9%	2,969	3.6%	89.84	6.6%
Sep-10	3.02	2.0%	2,966	2.0%	89.55	4.1%
Dec-10	2.99	-0.9%	2,966	0.8%	88.58	-0.1%
Mar-11	2.94	-2.5%	2,977	0.6%	87.64	-1.9%
Jun-11	2.87	-5.2%	2,989	0.7%	85.79	-4.5%
Sep-11	2.90	-4.1%	2,994	1.0%	86.69	-3.2%
Dec-11	2.89	-3.4%	3,022	1.9%	87.23	-1.5%
	Fit	R-Squared	Fit	R-Squared	Fit	R-Squared
2 points	-1.2%	1.0000	3.8%	1.0000	2.5%	1.0000
3 points	1.1%	0.3936	2.2%	0.8695	3.4%	0.9787
8 points	-3.3%	0.8548	1.0%	0.8237	-2.3%	0.7166
12 points	-0.9%	0.1698	1.8%	0.8693	0.9%	0.1074
16 points	-1.0%	0.3349	1.9%	0.9416	0.8%	0.1738
Hist. Selected	-1.0%		2.0%		1.0%	
Proj. Selected	0.0%		2.0%		2.0%	

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**Personal Automobile
Arkansas ALL COMPANIES**

Trend Analysis - Met Data (All Companies & Sources) - 4 Quarters Rolling Calendar Year Paid Losses

No Fault							
Period Ending	Frequency	Annual Change	Severity	Annual Change	Pure Premium	Annual Change	
Jun-08	0.77	N/A	2,926	N/A	22.66	N/A	
Sep-08	0.76	N/A	2,874	N/A	21.77	N/A	
Dec-08	0.72	N/A	2,914	N/A	21.10	N/A	
Mar-09	0.79	N/A	2,874	N/A	22.75	N/A	
Jun-09	0.77	-0.9%	2,699	-7.7%	20.71	-8.6%	
Sep-09	0.82	8.2%	2,995	4.2%	24.54	12.7%	
Dec-09	0.86	18.4%	2,858	-1.9%	24.50	16.1%	
Mar-10	0.76	-3.4%	2,987	4.0%	22.85	0.4%	
Jun-10	0.84	9.8%	2,891	7.1%	24.36	17.6%	
Sep-10	0.91	11.4%	2,780	-7.2%	25.36	3.3%	
Dec-10	0.97	12.9%	2,917	2.1%	28.24	15.3%	
Mar-11	1.03	34.7%	2,907	-2.7%	29.94	31.0%	
Jun-11	1.02	20.9%	3,035	5.0%	30.91	26.9%	
Sep-11	0.84	-8.0%	2,983	7.3%	25.04	-1.3%	
Dec-11	0.70	-27.4%	3,198	9.6%	22.46	-20.5%	
Mar-12	0.73	-29.1%	3,141	8.0%	22.95	-23.4%	
	Fit	R-Squared	Fit	R-Squared	Fit	R-Squared	
2 points	17.1%	1.0000	-7.0%	1.0000	8.9%	1.0000	
3 points	-24.2%	0.5522	10.9%	0.5107	-16.0%	0.5782	
8 points	-12.2%	0.3101	6.8%	0.7713	-6.2%	0.1106	
12 points	0.0%	0.0000	3.8%	0.5115	3.9%	0.0823	
16 points	3.1%	0.0934	2.1%	0.3404	5.2%	0.2676	
Hist. Selected	0.0%		3.0%		3.0%		
Proj. Selected	0.0%		3.0%		3.0%		

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**Personal Automobile
Arkansas**

Trend Analysis - Met Data (All Companies & Sources) - 4 Quarters Rolling Calendar Year Paid Losses

Comprehensive							
Period Ending	Frequency	Annual Change	Severity	Annual Change	Pure Premium	Annual Change	
Jun-08	4.54	N/A	1,128	N/A	51.26	N/A	
Sep-08	4.28	N/A	1,008	N/A	43.14	N/A	
Dec-08	4.28	N/A	964	N/A	41.21	N/A	
Mar-09	4.16	N/A	983	N/A	40.88	N/A	
Jun-09	4.37	-3.8%	1,054	-6.6%	46.03	-10.2%	
Sep-09	4.94	15.3%	1,262	25.3%	62.32	44.5%	
Dec-09	5.20	21.6%	1,357	40.8%	70.56	71.2%	
Mar-10	5.57	34.0%	1,321	34.3%	73.57	79.9%	
Jun-10	5.71	30.7%	1,192	13.1%	68.05	47.9%	
Sep-10	5.45	10.3%	1,004	-20.4%	54.70	-12.2%	
Dec-10	5.67	9.1%	879	-35.2%	49.87	-29.3%	
Mar-11	5.44	-2.3%	797	-39.6%	43.39	-41.0%	
Jun-11	5.85	2.5%	857	-28.1%	50.16	-26.3%	
Sep-11	6.11	12.1%	888	-11.6%	54.24	-0.8%	
Dec-11	5.90	3.9%	921	4.8%	54.31	8.9%	
Mar-12	5.89	8.1%	1,054	32.2%	62.01	42.9%	
	Fit	R-Squared	Fit	R-Squared	Fit	R-Squared	
2 points	-0.7%	1.0000	71.2%	1.0000	70.0%	1.0000	
3 points	-7.1%	0.7859	40.8%	0.9000	30.7%	0.7542	
8 points	4.4%	0.4302	-5.5%	0.0714	-1.4%	0.0036	
12 points	9.0%	0.6972	-12.2%	0.4187	-4.3%	0.0547	
16 points	10.8%	0.8195	-5.2%	0.1617	5.0%	0.0939	
Hist. Selected	5.0%		-5.0%		-0.3%		
Proj. Selected	0.0%		0.0%		0.0%		

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**Personal Automobile
ARKANSAS**

Trend Analysis - NAI Fast Track Data - 4 Quarters Rolling Calendar Year Paid Losses

Collision						
Period Ending	Frequency	Annual Change	Severity	Annual Change	Pure Premium	Annual Change
Mar-08	5.61	N/A	3,088	N/A	173.12	N/A
Jun-08	5.55	N/A	3,138	N/A	174.22	N/A
Sep-08	5.53	N/A	3,135	N/A	173.35	N/A
Dec-08	5.48	N/A	3,144	N/A	172.44	N/A
Mar-09	5.49	-2.0%	3,103	0.5%	170.38	-1.6%
Jun-09	5.53	-0.4%	3,084	-1.7%	170.51	-2.1%
Sep-09	5.56	0.6%	3,081	-1.7%	171.48	-1.1%
Dec-09	5.64	2.8%	3,069	-2.4%	173.01	0.3%
Mar-10	5.67	3.2%	3,084	-0.6%	174.71	2.5%
Jun-10	5.67	2.6%	3,067	-0.6%	173.95	2.0%
Sep-10	5.66	1.7%	3,084	0.1%	174.57	1.8%
Dec-10	5.60	-0.8%	3,099	1.0%	173.42	0.2%
Mar-11	5.51	-2.8%	3,166	2.7%	174.31	-0.2%
Jun-11	5.40	-4.9%	3,228	5.2%	174.16	0.1%
Sep-11	5.30	-6.4%	3,279	6.3%	173.77	-0.5%
Dec-11	5.26	-5.9%	3,355	8.3%	176.64	1.9%
	Fit	R-Squared	Fit	R-Squared	Fit	R-Squared
2 points	-2.6%	1.0000	9.7%	1.0000	6.8%	1.0000
3 points	-4.8%	0.9348	8.0%	0.9877	2.9%	0.6328
8 points	-4.7%	0.9248	5.3%	0.8929	0.3%	0.1316
12 points	-1.7%	0.3608	2.7%	0.6526	1.0%	0.6876
16 points	-0.9%	0.2128	1.3%	0.3479	0.4%	0.2896
Hist. Selected	-1.5%		1.5%		0.0%	
Proj. Selected	-1.5%		5.0%		3.4%	

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Bodily Injury Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	BI Earned Exposure	BI Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	3,264	777,203	1.0000	777,203	238.08	----
Mar-09	3,359	776,668	1.0000	776,668	231.23	-2.9%
Mar-10	3,412	764,270	1.0000	764,270	224.00	-3.1%
Mar-11	3,677	822,436	1.0000	822,436	223.70	-0.1%
Mar-12	3,874	824,663	1.0000	824,663	212.86	-4.8%
					2-Point Fit:	-4.8%
					3-Point Fit:	-2.5%
					4-Point Fit:	-2.5%
					5-Point Fit:	-2.5%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.904	0.928
Mar-09	0.927	0.928
Mar-10	0.951	0.928
Mar-11	0.975	0.928
Mar-12	1.000	0.928

Selected Historical Fit:	-2.5%
Selected Projected Fit:	-4.0%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Property Damage Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	PD Earned Exposure	PD Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	3,274	601,013	1.0000	601,013	183.59	----
Mar-09	3,365	599,087	1.0000	599,087	178.05	-3.0%
Mar-10	3,420	588,052	1.0000	588,052	171.93	-3.4%
Mar-11	3,681	637,034	1.0000	637,034	173.05	0.7%
Mar-12	3,876	651,231	1.0000	651,231	168.04	-2.9%
					2-Point Fit:	-2.9%
					3-Point Fit:	-1.1%
					4-Point Fit:	-1.7%
					5-Point Fit:	-2.0%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.922	0.955
Mar-09	0.941	0.955
Mar-10	0.960	0.955
Mar-11	0.980	0.955
Mar-12	1.000	0.955

Selected Historical Fit:	-2.0%
Selected Projected Fit:	-2.5%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
No Fault Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	NF Earned Exposure	NF Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	1,658	143,508	1.0000	143,508	86.53	----
Mar-09	1,910	159,628	1.0000	159,628	83.56	-3.4%
Mar-10	2,005	157,096	1.0000	157,096	78.36	-6.2%
Mar-11	2,261	171,930	1.0000	171,930	76.04	-3.0%
Mar-12	2,457	176,509	1.0000	176,509	71.84	-5.5%
					2-Point Fit:	-5.5%
					3-Point Fit:	-4.3%
					4-Point Fit:	-4.7%
					5-Point Fit:	-4.6%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.818	0.911
Mar-09	0.860	0.911
Mar-10	0.904	0.911
Mar-11	0.951	0.911
Mar-12	1.000	0.911

Selected Historical Fit:	-4.9%
Selected Projected Fit:	-5.0%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Uninsured/Underinsured Motorists Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	UM/UIM Earned Exposure	UM/UIM Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	3,099	253,285	1.0000	253,285	81.74	----
Mar-09	3,163	248,303	1.0000	248,303	78.49	-4.0%
Mar-10	3,203	243,025	1.0000	243,025	75.88	-3.3%
Mar-11	3,441	256,905	1.0000	256,905	74.66	-1.6%
Mar-12	3,610	257,199	1.0000	257,199	71.25	-4.6%
					2-Point Fit:	-4.6%
					3-Point Fit:	-3.1%
					4-Point Fit:	-3.0%
					5-Point Fit:	-3.2%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.878	0.928
Mar-09	0.907	0.928
Mar-10	0.937	0.928
Mar-11	0.968	0.928
Mar-12	1.000	0.928

Selected Historical Fit:	-3.2%
Selected Projected Fit:	-4.0%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Uninsured Motorists Property Damage Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	UMPD Earned Exposure	UMPD Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	670	12,854	1.0000	12,854	19.17	----
Mar-09	956	19,018	1.0000	19,018	19.89	3.8%
Mar-10	1,172	22,682	1.0000	22,682	19.36	-2.7%
Mar-11	1,499	28,705	1.0000	28,705	19.14	-1.1%
Mar-12	1,803	31,450	1.0000	31,450	17.45	-8.8%
					2-Point Fit:	-8.8%
					3-Point Fit:	-5.1%
					4-Point Fit:	-4.0%
					5-Point Fit:	-2.2%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.849	0.893
Mar-09	0.885	0.893
Mar-10	0.922	0.893
Mar-11	0.960	0.893
Mar-12	1.000	0.893

Selected Historical Fit:	-4.0%
Selected Projected Fit:	-6.0%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Comprehensive Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	Comp. Earned Exposure	Comp. Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	2,203	522,109	1.0000	522,109	237.03	----
Mar-09	2,288	547,780	1.0000	547,780	239.37	1.0%
Mar-10	2,309	555,172	1.0000	555,172	240.39	0.4%
Mar-11	2,452	601,480	1.0000	601,480	245.27	2.0%
Mar-12	2,608	655,541	1.0000	655,541	251.34	2.5%
					2-Point Fit:	2.5%
					3-Point Fit:	2.3%
					4-Point Fit:	1.7%
					5-Point Fit:	1.4%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	1.061	1.046
Mar-09	1.046	1.046
Mar-10	1.030	1.046
Mar-11	1.015	1.046
Mar-12	1.000	1.046

Selected Historical Fit:	1.5%
Selected Projected Fit:	2.5%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Calculation of Annual Premium Trend
Collision Coverage

Private Passenger Automobile

ARKANSAS

Accident Year Ending	Coll. Earned Exposure	Coll. Earned Premium	On-Level Factor	On-Level Earned Premium	Average Earned Premium	Percent Change Previous
Mar-08	2,147	801,976	1.0000	801,976	373.48	----
Mar-09	2,233	818,953	1.0000	818,953	366.82	-1.8%
Mar-10	2,256	808,610	1.0000	808,610	358.48	-2.3%
Mar-11	2,398	855,363	1.0000	855,363	356.65	-0.5%
Mar-12	2,538	904,708	1.0000	904,708	356.41	-0.1%
					2-Point Fit:	-0.1%
					3-Point Fit:	-0.3%
					4-Point Fit:	-0.9%
					5-Point Fit:	-1.2%

Accident Year Ending	Historical Trend Factor	Projected Trend Factor
Mar-08	0.980	0.996
Mar-09	0.985	0.996
Mar-10	0.990	0.996
Mar-11	0.995	0.996
Mar-12	1.000	0.996

Selected Historical Fit:	-0.5%
Selected Projected Fit:	-0.2%

The trend period is divided into a historical period, from the midpoint of each accident year to the midpoint of the latest accident year (9/30/2011), and a projection period from the midpoint of the latest accident year to the midpoint of the proposed period (7/26/2013).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Determination of Catastrophe Allowance
 ARKANSAS
 Comprehensive

Loss Data as of: 03/2012

Accident Year	A Comprehensive Loss and ALAE excl Catastrophe	B Comprehensive Catastrophe Loss and ALAE	C Comprehensive Loss and ALAE incl Catastrophe	D=1+(B/A) Cat/Non-Cat Provision
20031	\$171,448	\$52,817	\$224,266	1.308
20041	\$191,315	\$16,044	\$207,359	1.084
20051	\$117,457	\$9,617	\$127,075	1.082
20061	\$139,086	\$63,791	\$202,876	1.459
20071	\$155,554	\$8,517	\$164,071	1.055
20081	\$150,556	\$10,498	\$161,054	1.070
20091	\$171,666	\$181,387	\$353,053	2.057
20101	\$279,945	\$4,343	\$284,288	1.016
20111	\$185,840	\$18,733	\$204,573	1.101
20121	\$230,550	\$255,225	\$485,775	2.107
			10 Year Average:	1.346
			Selected Catastrophe Provision:	1.346

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

Private Passenger Automobile

ARKANSAS

Determination of Statewide Credibility

03/31/2012 Claim Data, as of 03/31/2012

<u>Coverage</u>	<u>Experience Years</u>	<u>Incurred Claims</u>	<u>Standard for Full Credibility</u>	<u>Credibility*</u>
Bodily Injury	3	153	1,082	37.6%
Property Damage	3	433	1,082	63.3%
Uninsured/Underinsured Motorist - BI	3	42	1,082	19.7%
Uninsured Motorist - PD	3	48	1,082	21.1%
No Fault	3	163	1,082	38.8%
Comprehensive	3	564	1,082	72.2%
Collision	3	461	1,082	65.3%
Towing	3	117	1,082	32.9%

*Credibility is calculated as the square-root of (incurred claims / standard for full credibility)

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS Automobile

Expense History and Selections

1. Variable Expenses - vary directly with premium.

	2008 <u>(000's)</u>	2009 <u>(000's)</u>	2010 <u>(000's)</u>	<u>Liability</u>	<u>Selection</u>	<u>Phys. Dam.</u>
a. Direct Premiums Written	\$3,191	\$3,185	\$3,532			
b. Direct Commission & Brokerage	\$118 3.7%	\$122 3.8%	\$136 3.9%	3.80%		3.80%
c. Taxes, Licenses, and Fees	-----	-----	-----	2.82%		3.32%
d. Underwriting Profit Provision				7.32%		13.78%
e. Statewide Variable Expense Provision (b + c + d)				13.94%		20.90%

2. Flat Expenses - do not vary directly with losses or premiums. They are primarily policy issuance costs as well as Home Office and Service Office overhead. These expenses are considered as a flat cost per unit of exposure.

	2008 <u>(000's)</u>	2009 <u>(000's)</u>	2010 <u>(000's)</u>	<u>Selection</u>
a(1). Statewide Direct Premiums Earned	\$3,196	\$3,145	\$3,346	
a(2). Statewide Direct Premiums Earned	\$3,196	\$3,145	\$3,346	
b. Other Acquisition	\$446 14.0%	\$407 13.0%	\$494 14.8%	14.0%
c. General Expense	\$114 3.6%	\$105 3.3%	\$114 3.4%	3.4%
c. Guaranty Fund Assessment not recouped	\$0	\$0	\$0	N/A 0.0%
d. Flat Expense Provision (a + b + c)				17.4%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS Automobile

Expense History and Selections

3. Loss Adjustment Expenses (LAE) - claim settlement expenses which can be broken down into two categories:

a. Allocated Loss Adjustment Expenses (ALAE)

These represent claim settlement expenses which can be associated with specific claims. They are included in the losses.

b. Unallocated Loss Adjustment Expenses (ULAE)

	2008 <u>(000's)</u>	<u>Liability</u> 2009 <u>(000's)</u>	2010 <u>(000's)</u>	2008 <u>(000's)</u>	<u>Phys. Dam.</u> 2009 <u>(000's)</u>	2010 <u>(000's)</u>
(1) Direct Losses Incurred	\$1,107	\$979	\$1,221	\$708	\$768	\$609
(2) ALAE	\$67	\$30	\$85	\$6	\$5	(\$3)
(3) Loss & ALAE [(1) + (2)]	\$1,173	\$1,008	\$1,306	\$714	\$774	\$606
(4) ULAE	\$134	\$138	\$215	\$86	\$108	\$107
[(4) / (3)]	11.4%	13.7%	16.5%	12.0%	14.0%	17.7%
(5) Selected ULAE Factor			1.140			1.150

4. Development of Statewide Permissible Loss Ratio

	<u>Liability</u>	<u>Phys. Dam.</u>
a. Variable Expense Provision (1.e.)	13.9%	20.9%
b. Flat Expense Provision (2.e.)	17.4%	17.4%
c. Permissible Loss and LAE Ratio (100% - a - b)	68.7%	61.7%
d. ULAE Factor (3.b.(5))	1.140	1.150
e. Permissible Loss and ALAE Ratio (c / d)	60.2%	53.7%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS

AUTOMOBILE LIABILITY

**ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

A. Unearned Premium Reserve

1. Direct Earned Premium for Calendar Year 2005		\$1,792,412
2. Mean Unearned Premium	(1) x 0.358	\$641,683
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		3.8%
Taxes, Licenses, and Fees		2.8%
50% of Statewide Flat Expense		8.7%
Total		15.3%
4. (2) x (3) Total		\$98,306
5. Net Subject to Invest (2) - (4)		\$543,377

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A.1.)		\$1,792,412
2. Average Agents' Balances		24.4%
3. Delayed Remission (1) x (2)		\$437,409

C. Loss Reserve

1. Direct Earned Premium (A.1.)		\$1,792,412
2. Expected Incurred Loss and Loss Adjustment Expense		\$1,230,670
(1) x 68.7%	(permissible loss ratio)	
3. Expected Mean Loss Reserves		\$1,722,938
(2) x 1.400		

D. Net Subject to Investment (A.5.) - (B.3.) + (C.3.) \$1,828,906

E. Average Rate of Return 5.0%

F. Investment Earnings on Net Subject to Investment (D) x (E) \$91,445

G. Average Rate of Return as a Percent of Direct Earned Premium (F) / (A.1.) 5.1%

H. Average Rate of Return as a Percent of Direct Earned Premium
After Federal Income Taxes (G) x (1 - 0.083) 4.7%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS

AUTOMOBILE PHYSICAL DAMAGE

**ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

A. Unearned Premium Reserve

1. Direct Earned Premium for Calendar Year 2005	\$1,553,770
2. Mean Unearned Premium (1) x 0.355	\$552,212
3. Deduction for Prepaid Expenses	
Commission and Brokerage Expense	3.8%
Taxes, Licenses, and Fees	3.3%
50% of Statewide Flat Expense	8.7%
Total	15.8%
4. (2) x (3) Total	\$87,360
5. Net Subject to Invest (2) - (4)	\$464,852

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A.1.)	\$1,553,770
2. Average Agents' Balances (includes Outstanding Written Premium)	24.4%
3. Delayed Remission (1) x (2)	\$379,173

C. Loss Reserve

1. Direct Earned Premium (A.1.)	\$1,553,770
2. Expected Incurred Loss and Loss Adjustment Expense	\$958,676
(1) x 61.7% (permissible loss ratio)	
3. Expected Mean Loss Reserves	\$57,521
(2) x 0.060	

D. Net Subject to Investment (A.5.) - (B.3.) + (C.3.) \$143,200

E. Average Rate of Return 5.0%

F. Investment Earnings on Net Subject to Investment (D) x (E) \$7,160

G. Average Rate of Return as a Percent of Direct Earned Premium (F) / (A.1.) 0.5%

H. Average Rate of Return as a Percent of Direct Earned Premium
After Federal Income Taxes (G) x (1 - 0.083) 0.5%

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**PRIVATE PASSENGER AUTOMOBILE INSURANCE
ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

EXPLANATORY NOTES

Line A.1.

Liability: Direct earned premiums for Private Passenger Liability and No-Fault (if applicable) for the calendar year ending December 31, 2005.

Physical Damage: Direct earned premiums for Private Passenger Physical Damage for the calendar year ending December 31, 2005.

Line A.2.

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line A.1 by the countrywide ratio of the mean unearned premium reserve to the direct earned premium for 2010 for Private Passenger Automobile Liability and Physical Damage insurance.

IN THOUSANDS OF DOLLARS

	<u>Liability</u>	<u>Physical Damage</u>
1. Direct Earned Premium for Calendar Year 2005	\$1,167,252	\$841,000
2. Direct Unearned Premium Reserve as of 12/31/2004	\$409,655	\$294,779
3. Direct Unearned Premium Reserve as of 12/31/2005	\$426,097	\$303,006
4. Mean Unearned Premium Reserve [(2)+(3)]/2	\$417,876	\$298,893
5. Ratio (4) / (1)	0.358	0.355

Line A.3.

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Automobile insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**PRIVATE PASSENGER AUTOMOBILE INSURANCE
ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

EXPLANATORY NOTES

Line B.2.

Delayed Remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50 to 75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Agents' balances for premiums due less than 90 days are added to the agents balances charged off or uncollected premiums overdue for more than 90 days.

IN THOUSANDS OF DOLLARS

1. Automobile Direct Earned Premium for Calendar Year 2005	\$2,008,252
2. Automobile Direct Agents' Balances as of 12/31/2004	\$466,542
3. Automobile Direct Agents' Balances as of 12/31/2005	\$492,982
4. Mean Agents' Balances [(2)+(3)]/2	\$479,762
5. Ratio [(4)/(1)]	0.239
6. All Lines Net Earned Premium for Calendar Year 2005	\$2,936,486
7. All Lines Agents' Balances Charged Off as of 12/31/2004	\$15,118
8. All Lines Agents' Balances Charged Off as of 12/31/2005	\$15,061
9. Mean Agents' Balances Charged Off [(7)+(8)]/2	\$15,090
10. Ratio [(9)/(6)]	0.005
11. Total [(5) + (10)]	0.244

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**PRIVATE PASSENGER AUTOMOBILE INSURANCE
ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

EXPLANATORY NOTES

Line C.2.

The expected loss and loss adjustment expense ratio reflects the expense provisions used in the filing.

Line C.3.

The expected mean loss reserve is determined by multiplying the expected incurred losses in line C.2 by the expected countrywide ratio of the mean loss and loss adjustment expense reserves to the incurred losses and loss adjustment expenses.

IN THOUSANDS OF DOLLARS

	<u>Liability</u>	<u>Physical Damage</u>
1. Incurred Losses for Calendar Year 2003	\$773,290	\$511,867
2. Incurred Losses for Calendar Year 2004	\$910,045	\$489,482
3. Incurred Losses for Calendar Year 2005	\$915,901	\$490,461
4. Loss Reserves as of 12/31/2002	\$1,384,739	\$34,953
5. Loss Reserves as of 12/31/2003	\$1,250,571	\$26,605
6. Loss Reserves as of 12/31/2004	\$1,237,122	\$22,862
7. Loss Reserves as of 12/31/2005	\$1,262,081	\$27,149
8. Mean Loss Reserve: 2003 [(4)+(5)]/2	\$1,317,655	\$30,779
9. Mean Loss Reserve: 2004 [(5)+(6)]/2	\$1,243,847	\$24,734
10. Mean Loss Reserve: 2005 [(6)+(7)]/2	\$1,249,602	\$25,006
11. 2003 Ratio (8) / (1)	1.704	0.060
12. 2004 Ratio (9) / (2)	1.367	0.051
13. 2005 Ratio (10) / (3)	1.364	0.051
14. Selected Ratio*	1.400	0.060

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

**PRIVATE PASSENGER AUTOMOBILE INSURANCE
ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

EXPLANATORY NOTES

Line E

The rate of return is based on the ratio of net investment income earned and net realized capital gains (or losses) to mean cash and invested assets for 2005. For informational purposes, corresponding rates of return for the last five years are shown in the following chart.

IN THOUSANDS OF DOLLARS

Year	Invested Assets	Mean Cash & Invested Assets	Net Investment Income Earned	Rate of Return	Net Realized Capital Gains (or Losses)	Rate of Return	Total Rate of Return
2000	\$4,272,769						
2001	\$4,282,877	\$4,277,823	\$240,225	5.6%	\$935	0.0%	5.6%
2002	\$4,291,345	\$4,287,111	\$243,737	5.7%	(\$888)	0.0%	5.7%
2003	\$3,785,126	\$4,038,236	\$228,793	5.7%	(\$81,347)	-2.0%	3.7%
2004	\$3,757,136	\$3,771,131	\$205,484	5.4%	(\$42,505)	-1.1%	4.3%
2005	\$3,796,932	\$3,777,034	\$209,232	5.5%	(\$9,076)	-0.2%	5.3%
			Selected Rate of Return:				5.0%

Line H

The average rate of federal income tax was determined by applying current tax rates to the distribution of investment income earned for 2005.

	Investment Income Earned (IN THOUSANDS OF DOLLARS)	Federal Income Tax Rate
Bonds		
Taxable	\$23,094	35.0%
Non-Taxable	\$174,448	5.25%
Total	\$197,542	8.7%
Stocks		
Preferred	\$14,885	14.2% *
Common	\$38	14.2% *
All Other		
Mortgage Loans on Real Estate	\$0	
Real Estate	\$0	
Cash/Short-term Investments	\$21	
All Other	-\$5	
Total	\$16	35.0%
Total	\$212,481	9.1%
Investment Deductions	\$6,811	35.0%
Net Investment Income Earned	\$205,670	8.3%

* 85% of 70% of dividend income on stock is not subject to the full corporate income tax rate of 35%. The applicable tax rate is 14.2% (.35 x (1 - (.70 x .85)) = .142).

METROPOLITAN GROUP PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS Automobile

Profit Provision Summary

Insurance companies, like most companies, must compete for capital in the competitive market place. In order to compete for capital, an insurance company must provide a return on equity that is commensurate with the risk assumed. According to the Actuarial Standard of Practice No. 30 - Treatment of Profit and Contingency Provisions and the Cost of Capital in Property/Casualty Insurance Ratemaking, "Property/casualty insurance rates should provide for all expected costs, including an appropriate cost of capital associated with the specific risk transfer." Metropolitan reflects the cost of capital in the ratemaking process in the selection of the underwriting profit provision.

Metropolitan incorporates an Underwriting Profit Provision in the rate-making process using the Total Financial Needs Model. This model develops an underwriting profit provision such that the sum of underwriting profit, miscellaneous income (non-investment), investment income from insurance operations and investment income on capital, after income taxes, equals the target cost of capital. In the following model, Metropolitan calculates the underwriting profit which will ensure that the anticipated income from all sources produces net income after taxes that is commensurate with the risk assumed in the property-casualty insurance business.

Metropolitan targets a 15.0% return on equity based on the variability of industry property and casualty insurance results. After taking investment income and miscellaneous income into account, the selected underwriting profit provisions of 7.3% for Personal Automobile Liability and 13.8% for Personal Automobile Physical Damage achieve a 15% cost of capital.

It should be noted that Metropolitan includes Investment Income from Equity in the Profit Provision model. The assumed premium-to-equity ratio is 1.1 to 1.0. This represents a conservative and prudent pricing strategy.

1. Assumptions

a. Premium		\$100
b. Premium-to-Equity Ratio		1.10
c. GAAP Equity		\$90.91
d. Return on Investment (Pre-Tax)		5.0%
e. Return on Investment (After-Tax)	[5% x (1 - Tax Rate on Investment Income)]	4.6%
f. Tax Rate on Underwriting Profit		35.0%

2. Profit Provision Calculation

	<u>Liability</u>	<u>Physical Damage</u>
a. Investment Income From UPR and Loss Reserve	\$4.70	\$0.50
b. Investment Income From Equity [1.c. x 1.e.]	\$4.18	\$4.18
c. Underwriting Profit (After Tax) [100 x 2.h. x (1 - 1.f.)]	\$4.76	\$8.96
d. Overall Profit [a + b+ c]	\$13.64	\$13.64
e. Weights	53.6%	46.4%
f. Combined Auto Coverages		13.64
g. Expected Return on Equity		15.0%
h. Underwriting Profit Provision (Pre-Tax)	7.3%	13.8%

Note: Target Combined Auto Coverages Return is (as % of Equity)	15.0%
Target Combined Auto Coverages Return is (as \$ Per \$100 of Premium)	\$13.64

Metropolitan Group Property and Casualty Insurance Company

Private Passenger Automobile

ARKANSAS

Summary of Account Deviation Changes

Account	Accident Year	3-Year	Non-Cat Claim Counts	2010	2011	2012	Weighted Loss Ratio	Credibility	Current Account Deviation	Proposed Account Deviation	Account Deviation Impact
	Ending 03/31/12 Premium Distribution	Trend Earned Prem at Curr Rate Level									
AMERICAN GREETINGS	1.0%	102,371	15	20.6%	140.0%	12.9%	58.0%	0.12	0.91	0.91	0.0%
AMERICAN POSTAL WRKR	1.0%	89,924	27	20.5%	156.1%	148.7%	108.9%	0.16	0.90	0.95	5.6%
BAPTIST HEALTH - AR	12.6%	1,345,370	229	36.9%	52.1%	51.8%	47.0%	0.46	0.96	0.96	0.0%
EMERSON ELECTRIC CO.	0.5%	83,029	19	77.8%	30.4%	424.3%	178.0%	0.13	1.00	1.00	0.0%
ENTERGY	2.7%	267,423	48	33.6%	70.5%	54.8%	53.0%	0.21	0.95	0.95	0.0%
FEDERAL EXPRESS	2.8%	330,618	60	27.5%	44.0%	56.2%	42.6%	0.24	0.83	0.83	0.0%
GOLDEN VENTURES	1.0%	94,832	17	15.7%	25.1%	18.1%	19.6%	0.13	0.92	0.92	0.0%
HALLMARK CARDS	0.5%	54,426	6	55.9%	0.0%	3.0%	19.4%	0.07	0.88	0.88	0.0%
J.B. HUNT TRANSPORT	5.3%	592,897	126	70.3%	83.0%	73.2%	75.5%	0.34	0.92	0.93	1.1%
KRAFT FOODS	1.0%	97,569	26	1.6%	57.0%	135.7%	65.1%	0.16	0.90	0.90	0.0%
METWORK	0.9%	101,705	28	78.6%	40.4%	29.3%	49.3%	0.16	0.89	0.89	0.0%
PEPSI-CO/FRITO LAY	1.4%	160,960	33	62.3%	22.6%	25.0%	36.5%	0.17	0.91	0.91	0.0%
REMMINGTON ARMS	2.2%	218,543	29	87.5%	72.2%	60.9%	73.5%	0.16	0.93	0.94	1.1%
SCHNEIDER NATIONAL	0.3%	48,779	11	205.7%	32.7%	77.0%	104.6%	0.10	0.91	0.91	0.0%
SISTERS OF MERCY H S	1.7%	138,487	30	127.6%	112.1%	75.6%	105.0%	0.17	0.90	0.95	5.6%
ST VINCENTS INFIRMAR	0.2%	21,632	8	22.3%	803.9%	53.2%	294.5%	0.09	1.00	1.00	0.0%
TYSON FOODS	15.6%	1,500,188	290	112.7%	54.2%	112.5%	93.0%	0.52	0.88	0.90	2.3%
ALL OTHER	43.4%	3,770,570	734	47.9%	50.5%	52.3%	50.3%	0.82	0.90	0.90	0.0%
NON-MASS MERCHANDISING	5.9%	611,668	88	67.0%	37.5%	33.3%	45.8%	0.29	1.00	1.00	0.0%
Total:	100.0%	9,630,991	1,824	60.3%	56.7%	64.3%	0.60	1.00			0.6%

* Data is for 3 Accident Years Ending 03/2012

NOTE:

The formula used to calculate the credibility factor was $Z = \text{Square root } (C/K)$, where C = Claim count and the credibility constant K = 1082 claims

Metropolitan Group Property and Casualty Insurance Company

Arkansas Private Passenger Automobile

Annual Policy Factor

	<u>Premium</u> <u>Distribution</u>	<u>1 Year</u> <u>Earned</u> <u>Premium</u>	<u>Current</u> <u>Term</u> <u>Factor</u>	<u>Proposed</u> <u>Term</u> <u>Factor</u>	<u>Proposed</u> <u>Rate</u> <u>Change</u>
Semi Annual Policies	86.0%	2,726,386	1.00	1.00	0.0%
Annual Policies	14.0%	443,061	1.95	1.98	1.5%

Total Rate Change	0.2%
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State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Supporting Document Schedules

Attachment AR_A_MGPC_Filing Exhibits_092412.XLSX is not a PDF document and cannot be reproduced here.

State: Arkansas

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Tiering

Project Name/Number: /AR001540200272

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)
09/18/2012	Supporting Document	APCS-Auto Premium Comparison Survey	09/20/2012	AR_A_MGPC_Premium Comparison_092412.XLSX (Superseded)
09/12/2012	Supporting Document	APCS-Auto Premium Comparison Survey	09/18/2012	AR_A_MGPC_Premium Comparison_092412.PDF (Superseded) AR_A_MGPC_Premium Comparison_092412.XLSX (Superseded)

SERFF Tracking #:

METX-G128682653

State Tracking #:

Company Tracking #:

AR001540200272

State:

Arkansas

Filing Company:

Metropolitan Group Property and Casualty Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Tiering

Project Name/Number:

/AR001540200272

Attachment AR_A_MGPC_Premium Comparison_092412.XLSX is not a PDF document and cannot be reproduced here.

Private Passenger Auto Premium Comparison Survey Form
FORM APCS - last modified August 2005

NAIC Number: 241-26298
 Company Name: Metropolitan Group Property & Casualty Insurance Company
 Contact Person: Richard Collard
 Telephone No.: 1-800-257-5049
 Email Address: rcollard@metlife.com
 Effective Date: 09/24/2012 NB and 10/29/2012 RB

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG 20-40 %
 AUTO/HOMEOWNERS 10 %
 GOOD STUDENT 5-25 %
 ANTI-THEFT DEVICE 5-10 %
 Over 55 Defensive Driver Discount 10 %
 \$250/\$500 Deductible Comp./Coll. 35,40 %

Assumptions to Use:
 1 Liability -Minimum \$25,000 per person
 2 Bodily Injury \$50,000 per accident
 \$25,000 per accident
 3 Property Damage \$100 deductible per accident
 4 Comprehensive & Collision \$250 deductible per accident
 5 The insured has elected to accept:
 Uninsured motorist property and bodily injury equal to liability coverage
 Underinsured bodily injury equal to liability coverage
 6 Personal Injury Protection of \$5,000 for medical, loss
 wages according to statute and \$5,000 accidental
 7 If male and female rates are different, use the highest of the two

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a compact disk

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female
				18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			\$3,833	\$3,812	\$939	\$813	\$3,731	\$3,660	\$923	\$794	\$4,899	\$4,824	\$1,196	\$1,044	\$3,731	\$3,660	\$923	\$794	\$4,727	\$4,650	\$1,162	\$1,000
	Minimum Liability with Comprehensive and Collision			\$4,930	\$5,185	\$1,336	\$1,087	\$5,076	\$5,336	\$1,441	\$1,144	\$6,369	\$6,663	\$1,717	\$1,405	\$5,076	\$5,336	\$1,441	\$1,144	\$6,009	\$6,265	\$1,628	\$1,322
	100/300/50 Liability with Comprehensive and Collision			\$4,902	\$5,150	\$1,193	\$963	\$5,004	\$5,250	\$1,280	\$1,016	\$6,289	\$6,571	\$1,526	\$1,236	\$5,004	\$5,250	\$1,280	\$1,016	\$6,013	\$6,275	\$1,462	\$1,175
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$3,883	\$3,844	\$949	\$823	\$3,790	\$3,700	\$937	\$806	\$4,974	\$4,871	\$1,211	\$1,058	\$3,790	\$3,700	\$937	\$806	\$4,799	\$4,695	\$1,177	\$1,014
	Minimum Liability with Comprehensive and Collision			\$7,596	\$8,254	\$2,129	\$1,681	\$8,063	\$8,792	\$2,373	\$1,828	\$9,887	\$10,714	\$2,743	\$2,188	\$8,063	\$8,792	\$2,373	\$1,828	\$9,197	\$9,929	\$2,563	\$2,027
	100/300/50 Liability with Comprehensive and Collision			\$7,190	\$7,789	\$1,908	\$1,505	\$7,574	\$8,222	\$2,110	\$1,632	\$9,318	\$10,057	\$2,453	\$1,947	\$7,574	\$8,222	\$2,110	\$1,632	\$8,756	\$9,432	\$2,311	\$1,826
2003 Honda Odyssey "EX"	Minimum Liability			\$3,773	\$3,713	\$923	\$799	\$3,695	\$3,587	\$914	\$786	\$4,841	\$4,717	\$1,182	\$1,033	\$3,695	\$3,587	\$914	\$786	\$4,672	\$4,548	\$1,149	\$986
	Minimum Liability with Comprehensive and Collision			\$7,183	\$7,791	\$2,055	\$1,609	\$7,644	\$8,335	\$2,315	\$1,765	\$9,342	\$10,095	\$2,649	\$2,086	\$7,644	\$8,335	\$2,315	\$1,765	\$8,698	\$9,368	\$2,475	\$1,946
	100/300/50 Liability with Comprehensive and Collision			\$6,808	\$7,366	\$1,759	\$1,366	\$7,189	\$7,800	\$1,978	\$1,503	\$8,817	\$9,488	\$2,264	\$1,768	\$7,189	\$7,800	\$1,978	\$1,503	\$8,296	\$8,912	\$2,132	\$1,659
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			\$3,532	\$3,447	\$870	\$751	\$3,485	\$3,348	\$868	\$745	\$4,555	\$4,392	\$1,116	\$970	\$3,485	\$3,348	\$868	\$745	\$4,399	\$4,238	\$1,087	\$933
	Minimum Liability with Comprehensive and Collision			\$7,138	\$7,756	\$2,082	\$1,613	\$7,674	\$8,374	\$2,370	\$1,786	\$9,300	\$10,060	\$2,678	\$2,088	\$7,674	\$8,374	\$2,370	\$1,786	\$8,655	\$9,329	\$2,499	\$1,948
	100/300/50 Liability with Comprehensive and Collision			\$6,724	\$7,279	\$1,880	\$1,455	\$7,167	\$7,786	\$2,115	\$1,597	\$8,722	\$9,399	\$2,409	\$1,878	\$7,167	\$7,786	\$2,115	\$1,597	\$8,194	\$8,813	\$2,274	\$1,769
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			\$3,757	\$3,703	\$919	\$797	\$3,677	\$3,575	\$910	\$782	\$4,819	\$4,703	\$1,178	\$1,027	\$3,677	\$3,575	\$910	\$782	\$4,651	\$4,534	\$1,145	\$982
	Minimum Liability with Comprehensive and Collision			\$9,770	\$10,818	\$2,897	\$2,216	\$10,589	\$11,802	\$3,335	\$2,478	\$12,727	\$14,053	\$3,721	\$2,872	\$10,589	\$11,802	\$3,335	\$2,478	\$11,772	\$12,970	\$3,463	\$2,658
	100/300/50 Liability with Comprehensive and Collision			\$9,037	\$9,972	\$2,533	\$1,936	\$9,728	\$10,785	\$2,901	\$2,160	\$11,728	\$12,898	\$3,251	\$2,501	\$9,728	\$10,785	\$2,901	\$2,160	\$10,941	\$12,008	\$3,047	\$2,336
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			\$3,783	\$3,719	\$925	\$801	\$3,706	\$3,595	\$918	\$788	\$4,855	\$4,727	\$1,186	\$1,035	\$3,706	\$3,595	\$918	\$788	\$4,686	\$4,556	\$1,153	\$990
	Minimum Liability with Comprehensive and Collision			\$5,847	\$6,202	\$1,556	\$1,270	\$6,082	\$6,457	\$1,680	\$1,348	\$7,584	\$8,015	\$2,007	\$1,647	\$6,082	\$6,457	\$1,680	\$1,348	\$7,120	\$7,497	\$1,893	\$1,543
	100/300/50 Liability with Comprehensive and Collision			\$5,663	\$5,999	\$1,454	\$1,174	\$5,849	\$6,188	\$1,555	\$1,240	\$7,305	\$7,699	\$1,872	\$1,519	\$5,849	\$6,188	\$1,555	\$1,240	\$6,938	\$7,300	\$1,784	\$1,441

State: Arkansas **Filing Company:** Metropolitan Group Property and Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Tiering
Project Name/Number: /AR001540200272

Superseded Schedule Items

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