

SERFF Tracking Number: SHEL-128105804 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number:
Company Tracking Number: 03M20A112
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: HOPS
Project Name/Number: Johnson/

Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: HOPS

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI
Combinations

Filing Type: Rate/Rule

SERFF Tr Num: SHEL-128105804 State: Arkansas

SERFF Status: Closed-Filed

Co Tr Num: 03M20A112

Authors: Brian Marcks, Sue
Burlingame

Date Submitted: 02/24/2012

State Tr Num:

State Status:

Reviewer(s): Becky Harrington

Disposition Date: 03/26/2012

Disposition Status: Filed

Effective Date Requested (New): 06/07/2012

Effective Date Requested (Renewal): 06/07/2012

Effective Date (New): 06/07/2012

Effective Date (Renewal):
06/07/2012

State Filing Description:

referred to Commissioner, meeting on 3/12/12 to discuss.

General Information

Project Name: Johnson

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 03/26/2012

State Status Changed: 03/12/2012

Created By: Brian Marcks

Corresponding Filing Tracking Number:

Filing Description:

Homeowners Platinum Shield base rates and deductible adjustment percentages were revised. These adjustment percentages are now based on amounts of insurance. Tier placement factors have been revised. The Companion Policy Discount has been increased.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Submitted By: Brian Marcks

The overall effect of this filing is expected to be a revenue increase of 17.7% or \$804,721.

Company and Contact

SERFF Tracking Number: SHEL-128105804 State: Arkansas
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 Product Name: HOPS
 Project Name/Number: Johnson/

Filing Contact Information

Brian Marcks, Coordinator of Insurance BCMarcks@shelterinsurance.com
 Department Affairs
 1817 West Broadway 573-214-4165 [Phone]
 Columbia, MO 65218 573-446-7317 [FAX]

Filing Company Information

Shelter Mutual Insurance Company CoCode: 23388 State of Domicile: Missouri
 1817 West Broadway Group Code: Company Type:
 Columbia, MO 65218 Group Name: State ID Number:
 (573) 445-8441 ext. [Phone] FEIN Number: 43-0613000

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$100.00	02/24/2012	56615144

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	03/26/2012	03/26/2012

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	03/12/2012	03/12/2012	Brian Marcks	03/23/2012	03/23/2012
No response necessary	Becky Harrington	02/29/2012	02/29/2012			
Pending Industry Response	Becky Harrington	02/24/2012	02/24/2012	Brian Marcks	02/28/2012	02/28/2012

SERFF Tracking Number: SHEL-128105804 State: Arkansas
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Disposition

Disposition Date: 03/26/2012
 Effective Date (New): 06/07/2012
 Effective Date (Renewal): 06/07/2012
 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):
Shelter Mutual Insurance Company	18.500%	10.000%	\$452,180	3,369	\$4,541,782	24.700%	-3.800%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document (revised)	Explanatory Memorandum	Filed	Yes
Supporting Document	Explanatory Memorandum		Yes
Supporting Document	Rate Indications with Supporting Exhibits	Filed	Yes
Supporting Document (revised)	Histogram	Filed	Yes
Supporting Document	Histogram		Yes
Supporting Document	Supporting Exhibit for February 28 Response	Filed	Yes
Supporting Document	Response of March 23	Filed	Yes
Rate	General Rules Page	Filed	Yes
Rate	General Rules Page	Filed	Yes
Rate	General Rules Page	Filed	Yes
Rate (revised)	Rate Page	Filed	Yes
Rate	Rate Page		Yes
Rate (revised)	Rate Page	Filed	Yes
Rate	Rate Page		Yes
Rate	Rate Page	Filed	Yes
Rate	Rate Page	Filed	Yes
Rate	Rate Page	Filed	Yes

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Product Name: HOPS
Project Name/Number: Johnson/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 03/12/2012

Submitted Date 03/12/2012

Respond By Date

Dear Brian Marcks,

This filing has been reviewed by the Commissioner.

Please amend the overall increase to 10%.

Provide a revised HPCS.

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

SERFF Tracking Number: SHEL-128105804 State: Arkansas
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 Company Tracking Number: 03M20A112
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: HOPS
 Project Name/Number: Johnson/

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 03/23/2012
 Submitted Date 03/23/2012

Dear Becky Harrington,

Comments:

Reference is made to your note of March 12.

Response 1

Comments: We have made revisions to the filing so that the overall revenue impact is 10%. Revised manual pages and exhibits reflecting these changes are attached.

This filing will now result in an overall increase in revenue of 10.0% or \$452,180.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NAIC loss cost data entry document

Comment: Please see attachment.

Satisfied -Name: Explanatory Memorandum

Comment: Please see attachment.

Satisfied -Name: Histogram

Comment: Please see attachment.

Satisfied -Name: Response of March 23

Comment: Please see attachments.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rate Page	R-1	Replacement	
Previous Version			
Rate Page	R-1	Replacement	
Rate Page	R-2	Replacement	

SERFF Tracking Number: SHEL-128105804

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

State Tracking Number:

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TOI: 04.0 Homeowners

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Product Name: HOPS

Project Name/Number: Johnson/

Previous Version

Rate Page R-2

Replacement

Please let me know if you have questions.

Sincerely,

Brian Marcks, Sue Burlingame

SERFF Tracking Number: SHEL-128105804 State: Arkansas
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Company Tracking Number: 03M20A112
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: HOPS
Project Name/Number: Johnson/

Objection Letter

Objection Letter Status No response necessary
Objection Letter Date 02/29/2012
Submitted Date 02/29/2012
Respond By Date

Dear Brian Marcks,

This will acknowledge receipt of the recent response.

All rate change requests greater than 6% are referred to the Commissioner for review. This filing may not be implemented until his review has been completed. No response is necessary at this time.

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

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In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

SERFF Tracking Number: SHEL-128105804 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number:
Company Tracking Number: 03M20A112
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: HOPS
Project Name/Number: Johnson/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 02/24/2012

Submitted Date 02/24/2012

Respond By Date

Dear Brian Marcks,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: Please provide documentation supporting the tier factor changes.

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

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

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

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Product Name: HOPS
Project Name/Number: Johnson/

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/28/2012
Submitted Date 02/28/2012

Dear Becky Harrington,

Comments:

Reference is made to your note of February 24.

Response 1

Comments: Attached is a five year experience exhibit by tier (Form HO-5 is our Platinum Shield business). Our book of business is heavily skewed toward tiers 1000 and 2000, with tiers 3000-6000 combining for less than 1.5% of our 5-yr premium total. Combined, however, the loss ratio is significantly higher than average for this tier range, thus indicating an inadequacy in premium charged. A modest adjustment of 5% was chosen recognizing likely unmodeled interactions between tier factors and other factors being changed as well as the desire to minimize disruption.

Related Objection 1

Comment:

Please provide documentation supporting the tier factor changes.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Supporting Exhibit for February 28 Response

Comment: Please see attachment.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please let me know if you have questions.

Sincerely,

Brian Marcks, Sue Burlingame

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Post Submission Update Request Processed On 03/26/2012

Status: Allowed
Created By: Brian Marcks
Processed By: Becky Harrington
Comments: Overall reduced from 17% to 10% per Dept request.

Company Rate Information:

Company Name: Shelter Mutual Insurance Company		
Field Name	Requested Change	Prior Value
Overall % Rate Impact	10.000%	17.700%
Written Premium Change for this Program	\$452180	\$804721
Maximum %Change (where required)	24.700%	33.500%
Minimum %Change (where required)	-3.800%	3.000%

SERFF Tracking Number: SHEL-128105804

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

State Tracking Number:

Company Tracking Number: 03M20A112

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: HOPS

Project Name/Number: Johnson/

Rate Information

Rate data applies to filing.

Filing Method:

File and Use

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

5.000%

Effective Date of Last Rate Revision:

05/19/2011

Filing Method of Last Filing:

File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Shelter Mutual Insurance Company	18.500%	10.000%	\$452,180	3,369	\$4,541,782	24.700%	-3.800%

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 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: HOPS
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Rate/Rule Schedule

Schedule Item Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed 03/26/2012	General Rules Page	GR-7	Replacement	Prop Manual Page GR-7.pdf
Filed 03/26/2012	General Rules Page	GR-9	Replacement	Prop Manual Page GR-9.pdf
Filed 03/26/2012	General Rules Page	GR-11.a.	Replacement	Prop Manual Page GR-11a.pdf
Filed 03/26/2012	Rate Page	R-1	Replacement	Revised AR PS R-1.pdf
Filed 03/26/2012	Rate Page	R-2	Replacement	Revised AR PS R-2.pdf
Filed 03/26/2012	Rate Page	R-4	Replacement	Prop Manual Page R-4.pdf
Filed 03/26/2012	Rate Page	R-5	Replacement	Prop Manual Page R-5.pdf
Filed 03/26/2012	Rate Page	R-6	Replacement	Prop Manual Page R-6.pdf

3. DEDUCTIBLES

The Platinum Shield policy contains a Loss Deductible Clause applicable to loss under Section I of the policy. The Loss Deductible Clause **DOES NOT** apply to losses under Coverage D or Fire Department Charges. This clause applies to each occurrence. The company is liable only for the amount of loss in excess of the deductible.

An optional 1% or 2% (of Coverage A amount) Wind or Hail deductible (B-636-B) is available. The deductible amount applicable to Wind or Hail losses will be the **greater** of 1% or 2% (of Coverage A amount) or the base deductible.

Policy Deductible Adjustments for the Basic Premium are located on the Rate (R) pages.

Supplemental Rates Deductible Factors

If applicable, the "Increased Limits to the Basic Policy" and "Mandatory/Optional Coverage" rates reflect a \$500 deductible. Other deductible options may be calculated using the adjustments listed below against the \$500.

Non-Wind/Hail Deductibles	Wind / Hail Deductible		
	None	1%	2%
# 100	1.39	1.27	1.13
# 250	1.12	1.05	.97
500	1.00	.95	.88
750	.91	.88	.83
1,000	.84	.81	.77
1,500	.76	.74	.72
2,000	.70	.69	.67
2,500	.67	.66	.65
5,000	.62	.61	.60

Available only to policies originally written before 08-25-2004 with a \$100 or \$250 all peril deductible.

4. PREMIUM ADJUSTMENTS (Cont.)

c. New Home Discount

Primary dwellings completed and first occupied during the current calendar year or eligible preceding calendar years are eligible for a "New Home" discount. If the year first occupied is different from the year completed, use the later year.

(Do not apply while the policy is receiving the "Under Construction" discount.)

<u>Year Completed or First Occupied</u>	<u>New Home</u>
Current Calendar Year	40%
1 Year Preceding	40%
2 Years Preceding	35%
3 Years Preceding	30%
4 Years Preceding	24%
5 Years Preceding	18%
6 Years Preceding	12%
7 Years Preceding	6%
8 Years Preceding	3%

d. Heating System Discount

Eligible property in Protection Classes 8Y, 8, and 6N-7N shall receive a discount of **15%**, if **NO** type of solid fuel heating device (wood, coal, etc.) is present. A conventional fireplace will qualify if no other type of solid fuel heating is used. A freestanding fireplace or a fireplace with an insert will not qualify.

e. Companion Policy Discount

A **25%** discount applies when the named insured is also the named insured on a Shelter Mutual or General Automobile policy written on a Private Passenger Automobile or Business Use Vehicle (T2, J2 or L) rating classification.

f. Claim Free Discount

A policy will qualify for a 10% Claim Free Discount when the following conditions have been met:

- (1) the policy has been in force for at least 6 consecutive years; **and**
- (2) the policy has had no paid claims having an occurrence date in the 6-year period ending 35 days prior to the renewal effective date.

Once a policy qualifies for the discount, the policy will retain the discount on all subsequent renewals.

Earthquake, Medical Payment and Identity Fraud claims will be disregarded in assessing qualification for the discount. Claims involving a land motor vehicle (not insured, owned or driven by the insured) colliding into the insured's dwelling will also be disregarded.

TIER PLACEMENT

Policies written as **new business** with an effective date on or after March 29, 2001, will be assigned to one of the following 6 tiers:

<u>Description</u>	<u>Tier Code</u>	<u>Tier Factor</u>
Shelter Mutual Tier 1	1000	.90
Shelter Mutual Tier 2	2000	.95
Shelter Mutual Tier 3	3000	1.05
Shelter Mutual Tier 4	4000	1.21
Shelter Mutual Tier 5	5000	1.47
Shelter Mutual Tier 6	6000	1.94

Unless the insured requests to be retired, **renewal business** originally written prior to March 29, 2001, will be assigned to the following tier:

<u>Tier Code</u>	<u>Tier Factor</u>
9998	1.00

Upon the insured's request, a policy's tier will be reevaluated. The policy's tier will only be changed if it is advantageous to the insured.

In addition, if a policy's tier has not been reevaluated in the previous three years, the tier will be automatically reevaluated during the renewal process. Again, the policy's tier will only be changed if it is advantageous to the insured.

The appropriate tier factor is applied to the base rate.

Arkansas Homeowners Form HO-5 Masonry Base Rates

**\$60,000 Base, \$500 Deductible,
\$300,000 Liability, \$2,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7, 7Y, 1N-5N		8, 8Y		6N, 7N	
	Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve	
4	1012	1	1052	1	1184	1	1332	1	1832	1	2006	1
12	821	1	864	1	970	1	1089	1	1514	1	1641	1
13	831	1	867	1	981	1	1104	1	1532	1	1660	1
15	720	1	749	1	843	1	942	1	1310	1	1428	1
16	963	1	1006	1	1138	1	1280	1	1776	1	1925	1
18	903	1	940	1	1061	1	1195	1	1681	1	1833	1
20	1023	1	1061	1	1197	1	1346	1	1849	1	2028	1
21	902	1	939	1	1060	1	1193	1	1678	1	1831	1
23	689	1	716	1	802	1	905	1	1242	1	1356	1
24	772	1	801	1	909	1	1014	1	1436	1	1543	1
26	993	1	1030	1	1164	1	1307	1	1798	1	1970	1
28	767	1	796	1	904	1	1006	1	1392	1	1515	1
29	980	1	1017	1	1148	1	1290	1	1773	1	1944	1
31	866	1	907	1	1024	1	1150	1	1598	1	1726	1
32	1040	1	1109	1	1253	1	1411	1	1935	1	2111	1
34	866	1	907	1	1024	1	1150	1	1598	1	1726	1
35	945	1	983	1	1117	1	1248	1	1735	1	1864	1
36	782	1	812	1	920	1	1034	1	1416	1	1541	1
38	951	1	993	1	1118	1	1260	1	1742	1	1892	1
40	740	1	775	1	874	1	982	1	1366	1	1477	1
41	852	1	890	1	1005	1	1130	1	1572	1	1699	1
44	843	1	877	1	990	1	1117	1	1570	1	1712	1
45	951	1	993	1	1118	1	1260	1	1742	1	1892	1
48	737	1	763	1	867	1	964	1	1334	1	1453	1
49	763	1	792	1	897	1	1008	1	1382	1	1504	1
50	885	1	932	1	1047	1	1174	1	1635	1	1773	1
51	784	1	818	1	925	1	1032	1	1462	1	1571	1
53	840	1	874	1	989	1	1108	1	1540	1	1654	1
55	778	1	820	1	924	1	1035	1	1440	1	1560	1
57	737	1	763	1	867	1	964	1	1334	1	1453	1
58	715	1	743	1	837	1	935	1	1296	1	1413	1
62	799	1	841	1	949	1	1061	1	1477	1	1600	1
68	852	1	890	1	1005	1	1130	1	1572	1	1699	1
75	763	1	795	1	900	1	1005	1	1422	1	1529	1
77	775	1	806	1	906	1	1018	1	1400	1	1527	1
78	804	1	842	1	950	1	1067	1	1486	1	1603	1
79	976	1	1021	1	1151	1	1294	1	1800	1	1944	1
87	753	1	783	1	880	1	984	1	1366	1	1490	1
88	728	1	757	1	858	1	962	1	1319	1	1436	1
91	864	1	898	1	1020	1	1140	1	1584	1	1701	1
95	862	1	902	1	1017	1	1145	1	1590	1	1719	1

Arkansas Homeowners Form HO-5 Frame Base Rates

**\$60,000 Base, \$500 Deductible,
\$300,000 Liability, \$2,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7, 7Y, 1N-5N		8, 8Y		6N, 7N	
	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve
4	1109	1	1184	1	1325	1	1477	1	2155	1	2355	1
12	903	1	970	1	1088	1	1200	1	1781	1	1931	1
13	908	1	981	1	1089	1	1216	1	1803	1	1952	1
15	788	1	843	1	939	1	1051	1	1541	1	1679	1
16	1053	1	1138	1	1263	1	1410	1	2091	1	2265	1
18	997	1	1061	1	1184	1	1320	1	1987	1	2140	1
20	1119	1	1197	1	1338	1	1490	1	2176	1	2381	1
21	996	1	1060	1	1183	1	1319	1	1984	1	2137	1
23	752	1	802	1	894	1	996	1	1466	1	1589	1
24	844	1	909	1	1009	1	1131	1	1700	1	1805	1
26	1088	1	1164	1	1301	1	1448	1	2115	1	2314	1
28	843	1	904	1	1002	1	1122	1	1636	1	1779	1
29	1073	1	1148	1	1285	1	1429	1	2087	1	2284	1
31	953	1	1024	1	1138	1	1279	1	1872	1	2033	1
32	1167	1	1253	1	1392	1	1552	1	2274	1	2479	1
34	953	1	1024	1	1138	1	1279	1	1872	1	2033	1
35	1042	1	1117	1	1241	1	1392	1	2034	1	2202	1
36	860	1	920	1	1023	1	1142	1	1667	1	1807	1
38	1046	1	1118	1	1248	1	1394	1	2033	1	2211	1
40	813	1	874	1	973	1	1094	1	1600	1	1737	1
41	935	1	1005	1	1119	1	1258	1	1841	1	1998	1
44	930	1	990	1	1105	1	1233	1	1855	1	1997	1
45	1046	1	1118	1	1248	1	1394	1	2033	1	2211	1
48	808	1	867	1	961	1	1074	1	1571	1	1705	1
49	839	1	897	1	998	1	1116	1	1626	1	1763	1
50	976	1	1047	1	1173	1	1297	1	1923	1	2081	1
51	861	1	925	1	1027	1	1151	1	1727	1	1837	1
53	925	1	989	1	1101	1	1234	1	1804	1	1953	1
55	858	1	924	1	1033	1	1142	1	1693	1	1835	1
57	808	1	867	1	961	1	1074	1	1571	1	1705	1
58	778	1	837	1	931	1	1039	1	1527	1	1661	1
62	880	1	949	1	1058	1	1172	1	1736	1	1882	1
68	935	1	1005	1	1119	1	1258	1	1841	1	1998	1
75	838	1	900	1	1000	1	1121	1	1681	1	1788	1
77	844	1	906	1	1007	1	1122	1	1654	1	1792	1
78	885	1	950	1	1058	1	1188	1	1738	1	1888	1
79	1072	1	1151	1	1281	1	1441	1	2109	1	2290	1
87	822	1	880	1	980	1	1096	1	1609	1	1751	1
88	802	1	858	1	952	1	1064	1	1553	1	1683	1
91	952	1	1020	1	1132	1	1269	1	1854	1	2012	1
95	949	1	1017	1	1132	1	1273	1	1864	1	2023	1

Arkansas Homeowners Form HO-5 Policy Deductible Adjustments

Amount Insured	Deductible								
	# 100	# 250	500	750	1,000	1,500	2,000	2,500	5,000
0 - 5,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
5,001 - 10,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
10,001 - 15,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
15,001 - 20,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
20,001 - 25,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
25,001 - 30,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
30,001 - 35,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
35,001 - 40,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
40,001 - 45,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
45,001 - 50,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
50,001 - 55,000	0.39	0.12	-0.01	-0.11	-0.18	-0.29	-0.35	-0.39	-0.44
55,001 - 60,000	0.39	0.12	-0.01	-0.10	-0.18	-0.28	-0.34	-0.38	-0.44
60,001 - 65,000	0.39	0.12	-0.01	-0.10	-0.17	-0.28	-0.34	-0.38	-0.44
65,001 - 70,000	0.39	0.12	-0.01	-0.10	-0.17	-0.27	-0.34	-0.37	-0.43
70,001 - 75,000	0.39	0.12	0.00	-0.09	-0.17	-0.27	-0.33	-0.37	-0.43
75,001 - 80,000	0.39	0.12	0.00	-0.09	-0.16	-0.26	-0.33	-0.37	-0.43
80,001 - 85,000	0.39	0.12	0.00	-0.09	-0.16	-0.26	-0.32	-0.36	-0.42
85,001 - 90,000	0.39	0.12	0.00	-0.09	-0.16	-0.25	-0.32	-0.36	-0.42
90,001 - 95,000	0.39	0.12	0.01	-0.08	-0.15	-0.25	-0.31	-0.35	-0.42
95,001 - 100,000	0.39	0.12	0.01	-0.08	-0.15	-0.25	-0.31	-0.35	-0.41
100,001 - 110,000	0.39	0.12	0.01	-0.08	-0.14	-0.24	-0.31	-0.35	-0.41
110,001 - 120,000	0.39	0.12	0.01	-0.07	-0.14	-0.24	-0.30	-0.34	-0.41
120,001 - 130,000	0.39	0.12	0.01	-0.07	-0.14	-0.24	-0.30	-0.34	-0.40
130,001 - 140,000	0.39	0.12	0.02	-0.07	-0.14	-0.23	-0.30	-0.34	-0.40
140,001 - 150,000	0.39	0.12	0.02	-0.07	-0.13	-0.23	-0.29	-0.33	-0.40
150,001 - 160,000	0.39	0.12	0.02	-0.06	-0.13	-0.23	-0.29	-0.33	-0.39
160,001 - 170,000	0.39	0.12	0.02	-0.06	-0.13	-0.22	-0.29	-0.33	-0.39
170,001 - 180,000	0.39	0.12	0.03	-0.06	-0.12	-0.22	-0.28	-0.32	-0.39
180,001 - 190,000	0.39	0.12	0.03	-0.05	-0.12	-0.22	-0.28	-0.32	-0.38
190,001 - 200,000	0.39	0.12	0.03	-0.05	-0.12	-0.21	-0.28	-0.32	-0.38
200,001 - 225,000	0.39	0.12	0.03	-0.05	-0.12	-0.21	-0.27	-0.31	-0.38
225,001 - 250,000	0.39	0.12	0.03	-0.05	-0.11	-0.21	-0.27	-0.31	-0.38
250,001 - 275,000	0.39	0.12	0.03	-0.05	-0.11	-0.21	-0.27	-0.31	-0.37
275,001 - 300,000	0.39	0.12	0.03	-0.04	-0.11	-0.20	-0.26	-0.30	-0.37
300,001 - 400,000	0.39	0.12	0.04	-0.04	-0.10	-0.19	-0.25	-0.29	-0.36
400,001 - 500,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
500,001 - 600,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
600,001 - 700,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
700,001 - 800,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
800,001 - 900,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
900,001 - 1,000,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
1,000,001 - 2,000,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
2,000,001 - 5,000,000	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35
5,000,001 & Above	0.39	0.12	0.04	-0.03	-0.09	-0.18	-0.24	-0.28	-0.35

Available only to policies originally written before 8-25-2004 with a \$100 or \$250 deductible.

Arkansas Homeowners Form HO-5 Policy Deductible Adjustments

Amount Insured	Deductible 1% Wind/Hail								
	# 100	# 250	500	750	1,000	1,500	2,000	2,500	5,000
0 - 5,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
5,001 - 10,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
10,001 - 15,000	0.37	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
15,001 - 20,000	0.35	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
20,001 - 25,000	0.23	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
25,001 - 30,000	0.21	0.10	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
30,001 - 35,000	0.20	0.09	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
35,001 - 40,000	0.18	0.07	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
40,001 - 45,000	0.16	0.06	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
45,001 - 50,000	0.15	0.04	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
50,001 - 55,000	0.14	0.03	-0.02	-0.11	-0.18	-0.29	-0.35	-0.39	-0.44
55,001 - 60,000	0.13	0.02	-0.03	-0.10	-0.18	-0.28	-0.34	-0.38	-0.44
60,001 - 65,000	0.12	0.01	-0.04	-0.10	-0.17	-0.28	-0.34	-0.38	-0.44
65,001 - 70,000	0.11	0.00	-0.05	-0.10	-0.17	-0.27	-0.34	-0.37	-0.43
70,001 - 75,000	0.10	-0.01	-0.06	-0.09	-0.17	-0.27	-0.33	-0.37	-0.43
75,001 - 80,000	0.09	-0.02	-0.06	-0.10	-0.16	-0.26	-0.33	-0.37	-0.43
80,001 - 85,000	0.09	-0.02	-0.07	-0.10	-0.16	-0.26	-0.32	-0.36	-0.42
85,001 - 90,000	0.08	-0.03	-0.07	-0.11	-0.16	-0.25	-0.32	-0.36	-0.42
90,001 - 95,000	0.07	-0.03	-0.08	-0.11	-0.15	-0.25	-0.31	-0.35	-0.42
95,001 - 100,000	0.07	-0.04	-0.09	-0.12	-0.15	-0.25	-0.31	-0.35	-0.41
100,001 - 110,000	0.06	-0.05	-0.09	-0.13	-0.16	-0.24	-0.31	-0.35	-0.41
110,001 - 120,000	0.05	-0.06	-0.10	-0.14	-0.16	-0.24	-0.30	-0.34	-0.41
120,001 - 130,000	0.04	-0.07	-0.11	-0.15	-0.17	-0.24	-0.30	-0.34	-0.40
130,001 - 140,000	0.03	-0.08	-0.12	-0.16	-0.18	-0.23	-0.30	-0.34	-0.40
140,001 - 150,000	0.02	-0.09	-0.13	-0.16	-0.19	-0.23	-0.29	-0.33	-0.40
150,001 - 160,000	0.01	-0.10	-0.13	-0.17	-0.20	-0.23	-0.29	-0.33	-0.39
160,001 - 170,000	0.01	-0.10	-0.14	-0.17	-0.20	-0.24	-0.29	-0.33	-0.39
170,001 - 180,000	0.00	-0.11	-0.14	-0.18	-0.20	-0.24	-0.28	-0.32	-0.39
180,001 - 190,000	0.00	-0.11	-0.15	-0.18	-0.21	-0.25	-0.28	-0.32	-0.38
190,001 - 200,000	-0.01	-0.12	-0.15	-0.19	-0.21	-0.25	-0.28	-0.32	-0.38
200,001 - 225,000	-0.02	-0.13	-0.16	-0.20	-0.22	-0.26	-0.28	-0.31	-0.38
225,001 - 250,000	-0.03	-0.14	-0.17	-0.21	-0.23	-0.27	-0.29	-0.31	-0.38
250,001 - 275,000	-0.03	-0.14	-0.17	-0.21	-0.23	-0.27	-0.29	-0.31	-0.37
275,001 - 300,000	-0.03	-0.14	-0.18	-0.21	-0.23	-0.27	-0.30	-0.31	-0.37
300,001 - 400,000	-0.04	-0.15	-0.18	-0.22	-0.24	-0.28	-0.30	-0.32	-0.36
400,001 - 500,000	-0.05	-0.16	-0.19	-0.22	-0.25	-0.28	-0.30	-0.32	-0.35
500,001 - 600,000	-0.05	-0.16	-0.19	-0.22	-0.25	-0.28	-0.30	-0.32	-0.35
600,001 - 700,000	-0.05	-0.16	-0.20	-0.23	-0.26	-0.29	-0.31	-0.33	-0.36
700,001 - 800,000	-0.05	-0.16	-0.20	-0.23	-0.26	-0.29	-0.31	-0.33	-0.36
800,001 - 900,000	-0.05	-0.16	-0.21	-0.24	-0.27	-0.30	-0.32	-0.34	-0.37
900,001 - 1,000,000	-0.05	-0.16	-0.21	-0.24	-0.27	-0.30	-0.32	-0.34	-0.37
1,000,001 - 2,000,000	-0.05	-0.16	-0.22	-0.25	-0.28	-0.31	-0.33	-0.35	-0.38
2,000,001 - 5,000,000	-0.05	-0.16	-0.22	-0.25	-0.28	-0.31	-0.33	-0.35	-0.38
5,000,001 & Above	-0.05	-0.16	-0.23	-0.26	-0.29	-0.32	-0.34	-0.36	-0.39

Available only to policies originally written before 8-25-2004 with a \$100 or \$250 deductible.

Arkansas Homeowners Form HO-5 Policy Deductible Adjustments

Amount Insured	Deductible 2% Wind/Hail								
	# 100	# 250	500	750	1,000	1,500	2,000	2,500	5,000
0 - 5,000	0.39	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
5,001 - 10,000	0.37	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
10,001 - 15,000	0.23	0.12	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
15,001 - 20,000	0.19	0.08	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
20,001 - 25,000	0.15	0.04	-0.01	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
25,001 - 30,000	0.14	0.03	-0.02	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
30,001 - 35,000	0.12	0.02	-0.04	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
35,001 - 40,000	0.11	0.01	-0.05	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
40,001 - 45,000	0.10	-0.01	-0.06	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
45,001 - 50,000	0.09	-0.02	-0.07	-0.11	-0.19	-0.29	-0.35	-0.39	-0.45
50,001 - 55,000	0.07	-0.04	-0.09	-0.13	-0.18	-0.29	-0.35	-0.39	-0.44
55,001 - 60,000	0.05	-0.06	-0.11	-0.15	-0.18	-0.28	-0.34	-0.38	-0.44
60,001 - 65,000	0.03	-0.07	-0.13	-0.16	-0.17	-0.28	-0.34	-0.38	-0.44
65,001 - 70,000	0.01	-0.09	-0.14	-0.18	-0.17	-0.27	-0.34	-0.37	-0.43
70,001 - 75,000	0.00	-0.11	-0.16	-0.20	-0.23	-0.27	-0.33	-0.37	-0.43
75,001 - 80,000	-0.01	-0.12	-0.17	-0.20	-0.23	-0.27	-0.33	-0.37	-0.43
80,001 - 85,000	-0.01	-0.12	-0.17	-0.21	-0.23	-0.27	-0.32	-0.36	-0.42
85,001 - 90,000	-0.02	-0.13	-0.17	-0.21	-0.24	-0.28	-0.32	-0.36	-0.42
90,001 - 95,000	-0.02	-0.13	-0.18	-0.21	-0.24	-0.28	-0.31	-0.35	-0.42
95,001 - 100,000	-0.03	-0.14	-0.18	-0.22	-0.24	-0.28	-0.31	-0.35	-0.41
100,001 - 110,000	-0.04	-0.14	-0.19	-0.22	-0.25	-0.29	-0.31	-0.35	-0.41
110,001 - 120,000	-0.04	-0.15	-0.19	-0.23	-0.25	-0.29	-0.32	-0.34	-0.41
120,001 - 130,000	-0.05	-0.16	-0.20	-0.23	-0.26	-0.30	-0.32	-0.34	-0.40
130,001 - 140,000	-0.05	-0.16	-0.20	-0.23	-0.26	-0.30	-0.32	-0.34	-0.40
140,001 - 150,000	-0.05	-0.16	-0.20	-0.23	-0.26	-0.30	-0.33	-0.34	-0.40
150,001 - 160,000	-0.05	-0.16	-0.20	-0.24	-0.26	-0.30	-0.33	-0.34	-0.39
160,001 - 170,000	-0.06	-0.16	-0.20	-0.24	-0.26	-0.30	-0.33	-0.34	-0.39
170,001 - 180,000	-0.06	-0.16	-0.20	-0.24	-0.26	-0.30	-0.33	-0.34	-0.39
180,001 - 190,000	-0.06	-0.17	-0.21	-0.24	-0.27	-0.30	-0.33	-0.34	-0.38
190,001 - 200,000	-0.06	-0.17	-0.21	-0.24	-0.27	-0.30	-0.33	-0.35	-0.38
200,001 - 225,000	-0.07	-0.17	-0.21	-0.24	-0.27	-0.31	-0.33	-0.35	-0.38
225,001 - 250,000	-0.07	-0.18	-0.21	-0.24	-0.27	-0.31	-0.33	-0.35	-0.38
250,001 - 275,000	-0.07	-0.18	-0.21	-0.24	-0.27	-0.31	-0.33	-0.35	-0.38
275,001 - 300,000	-0.07	-0.18	-0.21	-0.24	-0.27	-0.31	-0.33	-0.35	-0.38
300,001 - 400,000	-0.07	-0.18	-0.22	-0.25	-0.28	-0.32	-0.34	-0.36	-0.39
400,001 - 500,000	-0.07	-0.18	-0.22	-0.25	-0.28	-0.32	-0.34	-0.36	-0.39
500,001 - 600,000	-0.07	-0.18	-0.23	-0.26	-0.29	-0.33	-0.35	-0.37	-0.40
600,001 - 700,000	-0.07	-0.18	-0.23	-0.26	-0.29	-0.33	-0.35	-0.37	-0.40
700,001 - 800,000	-0.07	-0.18	-0.24	-0.27	-0.30	-0.34	-0.36	-0.38	-0.41
800,001 - 900,000	-0.07	-0.18	-0.24	-0.27	-0.30	-0.34	-0.36	-0.38	-0.41
900,001 - 1,000,000	-0.07	-0.18	-0.25	-0.28	-0.31	-0.35	-0.37	-0.39	-0.42
1,000,001 - 2,000,000	-0.07	-0.18	-0.25	-0.28	-0.31	-0.35	-0.37	-0.39	-0.42
2,000,001 - 5,000,000	-0.07	-0.18	-0.26	-0.29	-0.32	-0.36	-0.38	-0.40	-0.43
5,000,001 & Above	-0.07	-0.18	-0.26	-0.29	-0.32	-0.36	-0.38	-0.40	-0.43

Available only to policies originally written before 8-25-2004 with a \$100 or \$250 deductible.

SERFF Tracking Number: SHEL-128105804 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number:
 Company Tracking Number: 03M20A112
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: HOPS
 Project Name/Number: Johnson/

Supporting Document Schedules

	Item Status:	Status Date:
<p>Bypassed - Item: Form RF-2 Loss Costs Only (not for workers' compensation)</p> <p>Bypass Reason: This is an independent rate, rule filing.</p> <p>Comments:</p>		
<p>Satisfied - Item: H-1 Homeowners Abstract</p> <p>Comments: Please see attachments.</p> <p>Attachments: AR Form H1.pdf Supplement to H-1.pdf</p>	Filed	03/26/2012
<p>Bypassed - Item: HPCS-Homeowners Premium Comparison Survey</p> <p>Bypass Reason: Rates for Platinum Shield (Form 5) are not provided in this survey.</p> <p>Comments:</p>	Filed	03/26/2012
<p>Satisfied - Item: NAIC loss cost data entry document</p> <p>Comments: Please see attachment.</p> <p>Attachment: AR PS RF1 - Revised.pdf</p>	Filed	03/26/2012
	Item Status:	Status

SERFF Tracking Number: SHEL-128105804 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number:
 Company Tracking Number: 03M20A112
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: HOPS
 Project Name/Number: Johnson/

Satisfied - Item: Explanatory Memorandum **Item Status:** Filed **Date:** 03/26/2012
Comments:
 Please see attachment.
Attachment:
 AR PS Explanatory Memo - Revised.pdf

Satisfied - Item: Rate Indications with Supporting Exhibits **Item Status:** Filed **Status**
Date: 03/26/2012
Comments:
 Please see attachment.
Attachments:
 PS Explanation of Exhibits.pdf
 Exhibits 1-12.pdf

Satisfied - Item: Histogram **Item Status:** Filed **Status**
Date: 03/26/2012
Comments:
 Please see attachment.
Attachment:
 Graph - Revised.pdf

Satisfied - Item: Supporting Exhibit for February 28 Response **Item Status:** Filed **Status**
Date: 03/26/2012
Comments:
 Please see attachment.
Attachment:
 HOM Exper by Tier.pdf

Item Status: **Status**

SERFF Tracking Number: SHEL-128105804 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number:
Company Tracking Number: 03M20A112
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: HOPS
Project Name/Number: Johnson/

Satisfied - Item: Response of March 23

Filed

Date:
03/26/2012

Comments:

Please see attachments.

Attachments:

Exhibit 3 - Revised.pdf

Exhibit 12 - Revised.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

INSTRUCTIONS: All questions must be answered. If the answer is “none” or “not applicable”, so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Shelter Mutual Insurance Company
 NAIC # (including group #) NAIC #23388, Group #123

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

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

a. Fire Extinguisher	0	%
b. Burglar Alarm	0	%
c. Smoke Alarm	0	%
d. Insured who has both homeowners and auto with your company	25	%
e. Deadbolt Locks	0	%
f. Window or Door Locks	0	%
g. Other (specify)		
Ultrasonic Home Burglar Alarm	2	%
Complete Home Burglar alarm	5	%
<u>Fire or Burglar alarm reporting to station.</u>	5	%

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-5	\$ 4,541,782

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? Rather than a surcharge, premiums in protection Classes 8Y, 8 and 6N-7N reflect the added exposure due to the use of solid fuel heating. Policyholders in these protection classes who have no type of solid fuel heating devices are given a credit of 15%
- If yes, state the surcharge See above.
- Does the surcharge apply to conventional fire places? No
- If yes, state the surcharge Not Applicable

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

Brian Marcks

Digitally signed by Brian Marcks
DN: CN = Brian Marcks, C = US
Reason: I have reviewed this document
Date: 2012.02.23 10:27:28 -06'00'

Signature

Brian Marcks

Printed Name

Coordinator of Insurance Dept. Affairs

Title

573-214-4165

Telephone Number

bcmarcks@shelterinsurance.com

Email Address

The following are answers to questions two through four of Form H-1, Homeowners Abstract:

2. We have used cost estimators in Arkansas since 6/1/1979. We converted from the Boeckh cost estimator system to the Marshall & Swift cost estimator system on 3/1/2001. We now use the Boeckh/Marshall & Swift cost estimator system as Boeckh merged with Marshall & Swift.
3. Since the Platinum Shield HO-5 is a Guaranteed Replacement Cost policy, we require the amount of insurance to be at least 100% of replacement cost.
4. We have a mandatory annual amount of insurance rollup, based on construction cost indices, for Platinum Shield HO-5.

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

1.	This filing transmittal is part of Company Tracking #	03M20A112
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
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		Company Name	Company NAIC Number	
3.	A.	Shelter Mutual Insurance Company	B.	23388

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

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Platinum Shield	18.5	10.0	65.8	N/A	N/A	N/A	N/A
TOTAL OVERALL EFFECT							

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
2007	4,255	-1.0	12-20-2008	5,118	1,566	30.6	44.8
2008	3,970	+10.0	2-2-2010	4,926	4,685	95.1	89.6
2009	3,586	+5.0	5-19-2011	4,711	4,583	97.3	59.2
2010	3,550			4,675	2,596	55.6	73.9
2011	3,366			4,688	5,862	125.1	100.7

7.

Expense Constants	Selected Provisions
A. Total Production Expense	17.2
B. General Expense	7.5
C. Taxes, Licenses & Fees	2.9
D. Underwriting Profit & Contingencies	6.6
E. Other (explain)	
F. TOTAL	34.2

8. N/A Apply Loss Cost Factors to Future filings? (Y or N)

9. 24.7% Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): 23

10. -3.8% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 23

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS PLATINUM SHIELD
EXPLANATORY MEMORANDUM (revised)**

SUMMARY

Base rates and Deductible Adjustment Percentages were revised. These adjustment percentages are now based on amounts of insurance. Tier Placement Factors have been revised. The Companion Policy Discount has been increased. **The overall change in revenue is +10.0% for \$452,180.**

GENERAL RULE (GR) PAGES

GR-7 3. DEDUCTIBLES - The deductible adjustment percentages were revised and are now based on amount of insurance. These adjustment percentages are shown on rate pages R-4 through R-6 pages. The deductible factors for Supplemental Coverage rates remain the same and continue to be shown on GR-7.

GR-9 e. Companion Policy Discount – the discount has increased from 20% to **25%**.

GR-11.a. Tier Placement – the Tier Factor was adjusted for Tiers 3, 4, 5, and 6.

BASE RATES AND DEDUCTIBLE FACTORS

R-1 and R-2 Base rates were revised.

R-4 thru 6 Deductible Adjustment Percentages have been moved from GR-7 and now are based on amounts of insurance.

Rate (R) pages 4 thru 6 are new pages due to the addition of the deductible pages to this section.

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS PLATINUM SHIELD
EXPLANATION OF STATISTICAL EXHIBITS**

In accordance with Arkansas Regulation 23, Section 6.B., the following exhibits supplement this filing:

RF-1	Rate Filing Abstract
H-1	Homeowners Abstract
Exhibit 1	Investment Income Calculation - Homeowners Multiple Peril
Exhibit 2	Underwriting Expenses and Expected Loss Ratio
Exhibit 3	Revenue Summation
Exhibit 4	Credibility
Exhibit 5	Loss Trending
Exhibit 6	Current Rate Levels
Exhibit 7	Policy Size Trending
Exhibit 8	Excess Wind and Hail Losses
Exhibit 9	Accident Year Losses and Claims Count
Exhibit 10	Unallocated Loss Adjustment Expense Factor
Exhibit 11	Arkansas Indicated Statewide Change
Exhibit 12	Revenue Change by Zone

Exhibit RF-1 displays the Arkansas Rate Filing Abstract (Form RF-1).

Exhibit H-1 displays the Arkansas Homeowners Abstract (Form H-1).

Exhibit 1 displays the calculation of the estimate of investment income on net unearned premiums and loss reserves.

Exhibit 2 displays underwriting expenses for Homeowners Multiple Peril and contains the development of Expected Loss Ratio.

Exhibit 3 summarizes the expected revenue effect of Homeowners Platinum Shield coverages.

Exhibit 4 displays a credibility table based on a total number of exposure units.

Exhibit 5 displays the calculation of loss trend factors separately for frequency and severity.

For the purpose of this calculation, a revision effective date of July 1, 2012 was used.

Exhibit 6 shows the factors necessary to adjust earned premium for rate changes to current.

Exhibit 7 displays the calculation of policy size trend factors.

For the purpose of this calculation, a revision effective date of July 1, 2012 was used. From our estimate of annual growth in amount of insurance, we project an average size curve factor to one year past the assumed effective date. The premium trend factor is then the change in average size curve factor from the midpoint of each experience year to the projected date.

Exhibit 8 displays the calculation of excess wind and hail loss loading and smoothing.

Exhibit 9 displays the development of ultimate accident year incurred loss and allocated loss adjustment expense and ultimate accident year claim count.

Exhibit 10 displays the development of the unallocated loss adjustment expense factor.

Exhibit 11 contains the calculation of the Arkansas Statewide Indicated Change based on the following information:

Line 1 contains the recorded earned premiums without adjustment.

Line 2 contains factors necessary to adjust premiums for all rate changes during the experience period as noted in Exhibit 6.

Line 3 contains factors necessary to adjust premiums to reflect anticipated increases in the amounts of insurance purchased as developed in Exhibit 7.

Line 4 is the adjusted earned premium.

Line 5 displays fiscal accident year incurred losses and allocated loss adjustment expenses as developed in Exhibit 9.

Line 6 displays excess wind and hail loss adjustment amount as developed in Exhibit 8.

Line 7 shows incurred losses adjusted for excess Wind/Hail losses.

Line 8 displays the factors necessary to adjust losses to reflect anticipated changes in loss costs as developed in Exhibit 5.

Line 9 displays the Unallocated Loss Adjustment Expense Factor as developed in Exhibit 10.

Line 10 represents the adjusted incurred losses and loss adjustment expenses.

Line 11 shows the formula loss ratios for each year.

Line 12 displays the weights assigned to each year of the experience period.

Line 13 is the five-year weighted loss ratio.

Line 14 is the credibility for the experience period based on the table in Exhibit 4.

Line 15 shows the expected loss ratio, labeled "Available for Losses and Loss Adjustment Expense" in Exhibit 2, page 2.

Line 16 shows the trended expected loss ratio.

Line 17 shows the credibility weighted loss ratio with the complement of credibility given to trended expected loss ratio.

Line 18 displays the provision for variable expenses. It is the sum of commission and brokerage expenses, taxes, licenses, and fees, and profit and contingencies from Exhibit 2, page 2.

Line 19 displays the provision for fixed expenses. It is the sum of other acquisition expense and general expense from Exhibit 2, page 2.

Line 20 displays the factor selected to trend fixed expenses. It is based on the trend in the All Items component of the Consumer Price Index.

Line 21 displays the trended provision for fixed expenses. It is line 19 times line 20 raised to the Y power, where Y is the number of years from one year past the last significant rate change to one year past the expected effective date.

Line 22 shows the statewide indicated change with provisions for both variable and fixed expenses.

Exhibit 12 displays revenue change by zone.

Shelter Mutual Insurance Company

Arkansas

Homeowners Multiple Peril

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2010		\$ 50,784,067
(2) Mean Unearned Premium Reserve: (1.) x 0.471		\$ 23,919,295
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.7%	
b. 50% of Other Acquisition Expense	2.3%	
c. 50% of General Expense	3.8%	
d. Taxes, Licenses and Fees	2.9%	
e. Total		21.7%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 18,728,808
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2010		\$ 50,784,067
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.724		\$ 36,767,664
3. Expected Mean Loss Reserve: (2.) x 0.334		\$ 12,280,400
C. Net Subject to Investment: A.4 + B.3		\$ 31,009,208
D. Average Rate of Return		0.0591
E. Investment Earnings on Net Subject to Investment: C x D		\$ 1,832,644
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		3.6%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.744		2.7%

Please refer to the attached explanatory memorandum for details by line

Explanatory Memorandum re Investment Income - Arkansas - Homeowners Multiple Peril

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Homeowners Multiple Peril, for Calendar Year 2010.

Line A.2 - The mean unearned premium reserve is determined by multiplying the direct earned premium in Line A.1 by the mean unearned premium ratio developed below.

1. Direct Earned Premium for Calendar Year 2010	\$ 50,784,067
2. Unearned Premium Reserve as of 12/31/2009	\$ 22,621,675
3. Unearned Premium Reserve as of 12/31/2010	\$ 25,257,660
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 23,939,668
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.471

Line A.3 - Production and half of other company expenses are incurred with the initial writing and processing of insurance policies, exclusive of claim adjustment expenses. As these expenses are in effect prepaid, the funds will not be available to invest on behalf of the policyholder. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B.2 - The expected loss and loss adjustment ratio reflects expense provisions used in this filing with no provision for profit.

Line B.3 - The expected mean loss reserve is determined by multiplying the expected incurred loss in Line B.2 by the mean loss and loss adjustment reserve ratio as shown below.

1. Incurred Losses for Calendar Year 2009	\$ 45,182,773
2. Incurred Losses for Calendar Year 2010	\$ 27,721,019
3. Loss Reserves as of 12/31/2008	\$ 13,129,524
4. Loss Reserves as of 12/31/2009	\$ 12,049,732
5. Loss Reserves as of 12/31/2010	\$ 9,478,929
6. Mean Loss Reserve 2009	\$ 12,589,628
7. Mean Loss Reserve 2010	\$ 10,764,330
8. 2009 Ratio: (6.) / (1.)	0.279
9. 2010 Ratio: (7.) / (2.)	0.388
10. Mean Ratio: ((8.) + (9.)) / 2	0.334

Explanatory Memorandum re Investment Income - Continued

Line D - The rate of return is the ratio of Net Income Earned and Net Realized Capital Gains/Losses to Mean Cash and Invested Assets. Due to the inherent variability of Capital Gains/Losses, we have used the most recent ten years of data. All data shown below is from the annual statement

1. Cash and Invested Assets 2008	0	\$	1,636,039,439
2. Cash and Invested Assets 2009	0	\$	1,624,038,547
3. Cash and Invested Assets 2010	0	\$	1,785,588,727
4. Net Investment Income Earned 2009	0	\$	65,599,878
5. Net Investment Income Earned 2010	0	\$	58,495,203
6. Mean Cash and Invested Assets 2009: (2. + 3.) / 2	0	\$	1,630,038,993
7. Mean Cash and Invested Assets 2010: (2. + 3.) / 2	0	\$	1,704,813,637
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)			0.0372
9. Mean Cash and Invested Assets 2001 - 2010	0	\$	14,717,096,399
10. Net Realized Capital Gains/Losses 2001 - 2010	0	\$	322,998,130
11. Mean Rate of Return: 10. / 9.			0.0219
12. Total Rate of Return: 8. + 11.			0.0591

Line G - The average rate of Federal Income Tax was determined by applying the expected average tax rate for Net Investment Income and the expected tax rate applicable to Net Realized Capital Gains/Losses to the rates of return calculated in Line D.

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0372	0.200 (A)
Net Realized Capital Gains/Losses	<u>0.0219</u>	<u>0.350</u>
Total	0.0591	0.256

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2011 tax rates to the distribution of investment income earned for the years 2009 and 2010. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2009	2010	Total		
Bonds (Taxable)	\$ 26,571,862	\$ 21,336,459	\$ 47,908,321	0.350	\$ 16,767,912
Bonds (Tax Exempt)	\$ 28,308,850	\$ 28,488,515	\$ 56,797,366	0.053	\$ 3,010,260
Stocks	\$ 6,181,556	\$ 6,217,186	\$ 12,398,742	0.210	\$ 2,603,736
Short Term	\$ 106,948	\$ 49,552	\$ 156,500	0.350	\$ 54,775
Real Estate	\$ 2,725,164	\$ 2,250,091	\$ 4,975,255	0.350	\$ 1,741,339
Other Investments	\$ 1,705,498	\$ 153,401	\$ 1,858,898	0.350	\$ 650,614
Total	\$ 65,599,878	\$ 58,495,203	\$ 124,095,082	0.200	\$ 24,828,636

(1) Investment deductions have been allocated to the appropriate type in the following manner:

Real Estate - Income Earned less depreciation (Page 6, Line 12), Real Estate Expenses and Taxes (Page 11, Lines 19 and 20, Column 3).

All Other - Investment Expenses less Real Estate Expenses and Taxes prorated by income earned to total income earned less Real Estate Income.

Shelter Mutual Insurance Company

Companywide

Homeowners Multiple Peril

Development of Expense Ratios

Note: 000 s omitted.	2008	2009	2010	Total
1.) Direct Commission and Brokerage	\$ 33,763	\$ 37,066	\$ 39,279	\$ 110,108
2.) Direct Written Premium	264,549	287,888	315,990	868,427
Ratio: 1 / 2	12.8%	12.9%	12.4%	12.7%
3.) Other Acquisition Expense	\$ 12,507	\$ 12,563	\$ 12,906	\$ 37,976
4.) Direct Earned Premium	264,194	275,812	303,305	843,311
Ratio: 3 / 4	4.7%	4.6%	4.3%	4.5%
5.) General Expense	\$ 18,626	\$ 20,986	\$ 23,297	\$ 62,909
6.) Direct Earned Premium	264,194	275,812	303,305	843,311
Ratio: 5 / 6	7.1%	7.6%	7.7%	7.5%
7.) Taxes, Licenses and Fees	\$ 5,555	\$ 5,706	\$ 7,493	\$ 18,754
8.) Direct Written Premium	264,549	287,888	315,990	868,427
Ratio: 7 / 8	2.1%	2.0%	2.4%	2.2%
9.) Direct Loss Adjustment Expense	\$ 20,895	\$ 24,747	\$ 20,786	\$ 66,428
10.) Direct Losses Incurred	272,569	214,721	196,247	683,537
Ratio: 9 / 10	7.7%	11.5%	10.6%	9.7%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Homeowners Multiple Peril

Calculation of Expected Loss Ratio

Commission and Brokerage (a)	12.7%
Other Acquisition Expense (a)	4.5%
General Expense (a)	7.5%
Arkansas Taxes, Licenses and Fees (b)	2.9%
Profit and Contingencies (c)	6.6%
	<hr/>
Sub-total	34.2%
Available for Losses and Loss Adjustment Expense	65.8%

(a) From attached Companywide Expense Ratios

(b) 2010 Premium Tax ratio in Arkansas

(c) From attached Determination of Underwriting Profit & Contingencies Provision

**Shelter Mutual Insurance Company
Arkansas
Homeowners Multiple Peril
Determination of Underwriting Profit & Contingencies Provision**

Target Total Return on Surplus (after federal income tax):	12.0%	(I)
Expected Investment Income on Surplus (% of surplus, after federal income tax, including realized capital gains):	4.4%	(II)
Expected Net Income (% of surplus, after federal income tax):	7.6%	(III)=(I)-(II)
Target Premium to Surplus Ratio:	1.00	(IV)
Expected Net Income (% of earned premium, after federal income tax):	7.6%	(V)=(III)/(IV)
Expected Investment Income on Unearned Premium Reserves and Loss & LAE Reserves (% of earned premium, after federal income tax, including realized capital gains):	2.7%	(VI)
Underwriting Profit Provision (% of earned premium, after federal income tax):	4.9%	(VII)=(V)-(VI)
Expected Federal Income Tax Rate:	25.6%	(VIII)
Underwriting Profit Provision (% of earned premium, before federal income tax):	6.6%	(IX)=(VII)/[1-(VIII)]

**Shelter Mutual Insurance Company
Arkansas Platinum Shield
Revenue Summation**

	Current Premium	Proposed Change	
		%	\$
HO-5	4,541,782	17.7	804,721
Total Revenue Change	4,541,782	17.7	804,721

SHELTER MUTUAL INSURANCE COMPANY
 HOMEOWNERS
 Credibility Table
 Based on 20,000 Exposure Units

<u>Lower Limit</u>	<u>Upper Limit</u>	<u>Credibility Factor</u>
0	12	0.00
13	112	0.05
113	312	0.10
313	612	0.15
613	1,012	0.20
1,013	1,512	0.25
1,513	2,112	0.30
2,113	2,812	0.35
2,813	3,612	0.40
3,613	4,512	0.45
4,513	5,512	0.50
5,513	6,612	0.55
6,613	7,812	0.60
7,813	9,112	0.65
9,113	10,512	0.70
10,513	12,012	0.75
12,013	13,612	0.80
13,613	15,312	0.85
15,313	17,112	0.90
17,113	19,012	0.95
19,013	20,000 +	1.00

Assumptions:

1. 10% claim frequency distribution with claims following a Poisson distribution.
2. Using the normal approximation with a 90% probability that the sample mean is within 3.5% of the true mean.
3. Partial credibility is based on the square root rule rounded to the nearest 5%.

**Shelter Mutual Insurance Company
Arkansas
Homeowners Platinum Shield
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
3/2009	9,074,160	2,172	4,178	4,170		
6/2009	10,251,240	2,150	4,768	4,187		
9/2009	9,574,479	2,138	4,478	4,204		
12/2009	9,464,286	2,289	4,135	4,221		
3/2010	10,303,778	2,449	4,207	4,238		
6/2010	10,175,329	2,732	3,724	4,255		
9/2010	9,710,136	2,888	3,362	4,272		3,795
12/2010	12,109,666	2,863	4,230	4,289		3,986
3/2011	12,877,496	3,006	4,284	4,306		4,186
6/2011	13,941,637	2,875	4,849	4,324		4,397
9/2011	13,811,777	2,699	5,117	4,341		4,619
12/2011	10,948,026	2,653	4,127	4,359		4,851
Annual Percentage Change				1.63%		21.70%
r^2				0.016		0.394

Frequency Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
3/2009	2,172	38,805	5.60	5.62		
6/2009	2,150	38,121	5.64	5.89		
9/2009	2,138	37,460	5.71	6.18		
12/2009	2,289	36,777	6.22	6.48		
3/2010	2,449	36,096	6.78	6.79		
6/2010	2,732	35,452	7.71	7.11		
9/2010	2,888	34,806	8.30	7.46		5.62
12/2010	2,863	34,177	8.38	7.82		5.89
3/2011	3,006	33,565	8.96	8.19		6.18
6/2011	2,875	32,949	8.73	8.59		6.48
9/2011	2,699	32,339	8.35	9.00		6.79
12/2011	2,653	31,731	8.36	9.43		7.11
Annual Percentage Change				20.59%		20.71%
r^2				0.838		0.000

Severity Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
3/2009	1,091,476	304	3,590	3,676		
6/2009	979,076	295	3,319	3,563		
9/2009	1,003,440	287	3,496	3,453		
12/2009	1,098,826	304	3,615	3,347		
3/2010	1,312,214	362	3,625	3,244		
6/2010	1,142,148	362	3,155	3,144		
9/2010	1,107,113	374	2,960	3,047		2,874
12/2010	1,010,571	362	2,792	2,953		2,830
3/2011	856,272	346	2,475	2,862		2,788
6/2011	1,080,558	357	3,027	2,774		2,746
9/2011	1,005,013	347	2,896	2,688		2,704
12/2011	932,927	373	2,501	2,605		2,664
Annual Percentage Change				-11.78%		-5.87%
r^2				0.687		0.108

Frequency Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
3/2009	304	4,039	7.53	7.47		
6/2009	295	3,981	7.41	7.74		
9/2009	287	3,925	7.31	8.02		
12/2009	304	3,866	7.86	8.30		
3/2010	362	3,809	9.50	8.60		
6/2010	362	3,753	9.65	8.91		
9/2010	374	3,697	10.12	9.22		9.82
12/2010	362	3,643	9.94	9.55		9.92
3/2011	346	3,592	9.63	9.90		10.02
6/2011	357	3,543	10.08	10.25		10.13
9/2011	347	3,498	9.92	10.62		10.23
12/2011	373	3,455	10.80	10.99		10.34
Annual Percentage Change				15.08%		4.23%
r^2				0.793		0.260

Severity Trends - Fast Track Arkansas						
Fiscal Acc Year	Non-Catastrophe Loss and LAE	Non-Catastrophe Paid Claims	Severity	Curve of Best Fit		
				12 Point	6 Point	
12/2008	195,354,456	19,930	9,802	9,563		
3/2009	205,129,501	21,024	9,757	9,549		
6/2009	209,503,038	21,024	9,965	9,535		
9/2009	215,396,325	22,648	9,511	9,520		
12/2009	208,929,307	23,728	8,805	9,506		
3/2010	216,238,166	23,943	9,031	9,492		
6/2010	217,598,247	23,738	9,167	9,478		9,356
9/2010	201,873,869	21,606	9,343	9,463		9,414
12/2010	202,673,488	20,917	9,689	9,449		9,472
3/2011	201,948,453	20,530	9,837	9,435		9,530
6/2011	210,407,361	21,926	9,596	9,421		9,588
9/2011	218,626,282	23,289	9,388	9,407		9,647
Annual Percentage Change				-0.59%		2.48%
r^2				0.021		0.193

Frequency Trends - Fast Track Arkansas						
Fiscal Acc Year	Non-Catastrophe Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
12/2008	19,930	339,837	5.86	6.21		
3/2009	21,024	340,989	6.17	6.26		
6/2009	21,024	342,148	6.14	6.32		
9/2009	22,648	342,752	6.61	6.38		
12/2009	23,728	343,043	6.92	6.44		
3/2010	23,943	343,045	6.98	6.50		
6/2010	23,738	340,984	6.96	6.56		6.51
9/2010	21,606	336,582	6.42	6.63		6.56
12/2010	20,917	331,798	6.30	6.69		6.61
3/2011	20,530	326,557	6.29	6.75		6.66
6/2011	21,926	324,475	6.76	6.81		6.71
9/2011	23,289	326,820	7.13	6.88		6.77
Annual Percentage Change				3.77%		3.20%
r^2				0.295		0.074

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 12/31/2011	Selected Severity 4.00%	Selected Frequency 0.00%	Combined Trend Factor
12/31/2007	7/01/2007	4.5000	1.1930	1.0000	1.1930
12/31/2008	7/01/2008	3.5000	1.1471	1.0000	1.1471
12/31/2009	7/01/2009	2.5000	1.1030	1.0000	1.1030
12/31/2010	7/01/2010	1.5000	1.0606	1.0000	1.0606
12/31/2011	7/01/2011	0.5000	1.0198	1.0000	1.0198

Projection Factor				
Years from 12/31/2011 to 7/01/2013	Selected Severity 4.00%	Selected Frequency 0.00%	Combined Projection Factor	Combined Trend and Projection Factor
1.5014	1.0607	1.0000	1.0607	1.2654
1.5014	1.0607	1.0000	1.0607	1.2167
1.5014	1.0607	1.0000	1.0607	1.1700
1.5014	1.0607	1.0000	1.0607	1.1250
1.5014	1.0607	1.0000	1.0607	1.0817

**Shelter Mutual Insurance Company
Platinum Shield
Arkansas**

Current Rate Level Factors as of December 31, 2011

The parallelogram method adjusted for exposure changes was used to develop the current rate level factors shown below.

<u>Fiscal Year Ending</u>	<u>Factors</u>
December 31, 2007	1.1435
December 31, 2008	1.1435
December 31, 2009	1.1499
December 31, 2010	1.1073
December 31, 2011	1.0385

Rate Change History (Percent Changes)

<u>Effective Date</u>	<u>% Changes</u>
May 19, 2011	5.0 %
February 2, 2010	10.0 %
December 20, 2008	-1.0 %

Shelter Mutual Insurance Company
Platinum Shield
Arkansas

Premium Adjustment for Increases in Amount of Insurance Purchased

Form 5										
All Policies Present Mid-Year			Policies Persisting to Subsequent Year							
Calendar Year	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)		
2007	4,773	200,754	4,366	201,331	217,688	2.648	2.826	6.7%	1.169	
2008	4,371	217,684	4,069	217,838	225,540	2.828	2.912	2.9%	1.095	
2009	4,074	225,555	3,831	226,362	235,981	2.921	3.024	3.5%	1.064	
2010	3,842	236,085	3,604	236,641	238,254	3.032	3.049	0.6%	1.027	
2011*	3,608	238,316	3,426	237,988	238,568	3.046	3.051	0.2%	1.021	
Projected**								2.1%		

* 2011 Data compare December exposures to corresponding 12/31/2011 exposures for partial-year growth rate as 2011 data not yet realized.

** Projection period is from midpoint of latest calendar year to one year past effective date (7/1/2012), which is 2. years.

Projection is based on factors in place to increase coverage amounts during 2012 and current amount of insurance rating factors.

Notes:

The calculation of Trend in Amount of Insurance is restricted to observed changes in specific policies for which amount of insurance data is available for the following experience field. The adjustment for a trend in amount of insurance seeks to restate past premium levels at the expected amount of insurance at current valuations for those past exposures. The changing composition of this book of business due to steady growth prevents the use of simple averages in each experience field, which would be skewed significantly by differences between existing book and new policies being added to book.

(1) Total number of policies present in June of experience period.

(2) Average Coverage A amount as of June of experience period.

(3) Number of policies present in June of experience period for which renewal data found during June of following experience period.

(4) Average principle coverage amount for policies for which renewal data is available; number of policies and average amount indicate this should be a fully representative sample.

(5) Average principle coverage amount for renewed policies.

(6) Average of approximate size curve factor attached to each policy according to experience period amount of insurance. Current rather than historical size curves used, but should approximate past rating well.

(7) Average of approximate size curve factor attached to each policy according to amount of insurance observed in subsequent experience period.

(8) Overall average percentage change in size curve factors used in premium determination.

(9) Cumulative factor to project amount of insurance premium increases from past level to mid-point of experience projection period. See notes above regarding use of most recent trend data to extrapolate into the near future.

Shelter Mutual Insurance Company
Platinum Shield
Arkansas
Development of Excess Wind and Hail Loss Loading

Fiscal Accident Year Ending	Earned Premium (1)	Wind Incurred Loss (2)	Wind Loss Ratio (3)	*Normal Wind Loss Ratio (4)	Excess Wind Incurred Loss (5)	**Adjusted Wind Incurred Loss (6)	Re-Distributed Excess Wind Incurred Loss Adjustment (7)	Net Wind Incurred Loss Adjustment (8)
12/31/1990	853,879	121,842	14%	15%	(2,337)	124,179	70,923	
12/31/1991	1,117,065	129,754	12%	15%	(32,699)	162,454	92,784	
12/31/1992	1,626,534	196,073	12%	15%	(40,472)	236,546	135,100	
12/31/1993	2,018,496	174,544	9%	15%	(119,004)	293,548	167,657	
12/31/1994	2,468,445	1,285,152	52%	51%	33,231	1,251,921	205,030	
12/31/1995	2,790,993	872,030	31%	31%	0	872,030	231,820	
12/31/1996	2,955,650	3,572,551	121%	51%	2,073,535	1,499,017	245,497	
12/31/1997	3,129,115	1,619,066	52%	51%	32,073	1,586,993	259,905	
12/31/1998	3,410,141	462,891	14%	15%	(33,044)	495,934	283,247	
12/31/1999	3,757,868	656,246	17%	17%	0	656,246	312,129	
12/31/2000	4,126,488	1,563,804	38%	38%	0	1,563,804	342,747	
12/31/2001	4,612,481	735,792	16%	16%	0	735,792	383,114	
12/31/2002	5,327,857	1,454,767	27%	27%	0	1,454,767	442,533	
12/31/2003	5,834,981	1,955,862	34%	34%	0	1,955,862	484,655	
12/31/2004	5,808,730	1,159,968	20%	20%	0	1,159,968	482,474	
12/31/2005	5,544,346	414,246	7%	15%	(392,064)	806,310	460,515	
12/31/2006	5,098,807	2,429,176	48%	48%	0	2,429,176	423,508	
12/31/2007	4,873,377	748,747	15%	15%	0	748,747	404,784	404,784
12/31/2008	4,687,814	3,633,990	78%	51%	1,256,472	2,377,518	389,371	(867,101)
12/31/2009	4,474,627	3,516,373	79%	51%	1,246,976	2,269,396	371,664	(875,313)
12/31/2010	4,443,363	1,658,757	37%	37%	0	1,658,757	369,067	369,067
12/31/2011	4,469,337	5,173,794	116%	51%	2,907,081	2,266,713	371,224	(2,535,857)
Total	83,430,392				6,929,747		6,929,747	(3,504,421)

*Normal Range:

25th Percentile of (3) 15%
75th Percentile of (3) 51%

**Wind Load: Total (5) / Total (1) = 8.3%

(3) = (2) / (1).

(4) = (3) capped at max and min specified by "Normal Range".

(5) = [(3) - (4)] x (1); the amount of wind loss outside the "Normal Range" to be removed (added) across all years.

(6) = (2) - (5); the smoothed ratio of wind losses to earned premium.

(7) = Wind Load x (1); the amount of excess wind losses to be loaded back into Total Losses.

(8) = (7) - (5); Net Wind Losses to be added (removed) by Fiscal Accident Year.

**Shelter Mutual Insurance Company
Platinum Shield
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	48,688,961	55,889,329	56,901,287	57,154,814	57,176,050	57,320,606	57,357,801	57,669,320	57,765,584	57,767,896
12/31/2003	38,327,266	46,959,281	47,775,506	48,110,717	48,087,743	48,568,078	48,604,575	48,611,780	48,637,314	
12/31/2004	19,625,902	22,772,603	23,023,320	23,375,773	23,397,648	23,419,073	23,439,580	23,444,225		
12/31/2005	50,587,141	64,369,650	66,562,012	66,980,025	67,429,998	67,535,344	67,555,298			
12/31/2006	32,207,777	38,097,433	39,137,616	39,263,434	39,222,029	39,279,472				
12/31/2007	16,598,258	21,628,409	21,768,549	21,524,296	21,798,839					
12/31/2008	31,866,020	38,380,064	39,772,183	39,993,588						
12/31/2009	24,902,307	30,031,354	30,760,506							
12/31/2010	25,561,654	30,352,537								
12/31/2011	38,433,028									

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	3,729,033	4,174,194	4,214,590	4,229,140	4,231,845	4,233,454	4,233,566	4,233,566	4,233,566	4,233,566
12/31/2003	3,450,195	3,730,155	3,757,457	3,834,734	3,752,330	3,752,330	3,752,330	3,752,330	3,752,330	3,752,330
12/31/2004	2,894,831	3,146,771	3,217,401	3,219,442	3,225,459	3,227,040	3,225,585	3,225,085		
12/31/2005	1,590,577	1,731,738	1,795,162	1,794,086	1,794,086	1,809,961	1,809,961			
12/31/2006	3,178,543	3,804,047	3,875,761	3,894,097	3,801,598	3,801,663				
12/31/2007	1,424,863	1,611,474	1,611,474	1,641,703	1,641,703					
12/31/2008	3,986,941	4,703,542	4,737,770	4,750,571						
12/31/2009	3,890,637	4,530,866	4,589,236							
12/31/2010	2,401,864	2,598,198								
12/31/2011	5,277,453									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	58,489,510	57,228,163	57,384,925	57,648,828	57,822,119	57,901,718	57,847,802	57,882,618	57,795,584	57,797,896
12/31/2003	46,116,009	47,715,402	48,242,019	48,212,146	48,163,311	48,568,078	48,654,575	48,676,780	48,702,314	
12/31/2004	23,279,151	23,265,057	23,241,945	23,510,554	23,527,620	23,504,044	23,539,551	23,509,225		
12/31/2005	71,304,649	66,211,121	67,378,812	67,509,729	67,580,740	67,643,084	67,625,939			
12/31/2006	38,656,860	38,966,528	39,354,180	39,474,028	39,418,009	39,475,685				
12/31/2007	22,079,632	22,048,792	21,975,829	21,642,796	21,899,544					
12/31/2008	42,520,948	39,504,893	40,132,229	40,137,981						
12/31/2009	30,012,224	30,545,265	30,990,277							
12/31/2010	31,064,107	31,515,646								
12/31/2011	43,625,382									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	4,102,485	4,182,364	4,242,038	4,245,140	4,231,845	4,233,454	4,233,566	4,233,566	4,233,566	4,233,566
12/31/2003	4,122,189	3,883,833	3,882,436	3,834,734	3,752,330	3,752,330	3,752,330	3,752,330	3,752,330	3,752,330
12/31/2004	3,370,891	3,203,698	3,217,401	3,223,137	3,240,459	3,227,040	3,225,585	3,225,085		
12/31/2005	2,002,894	1,799,360	1,795,162	1,794,086	1,794,086	1,809,961	1,809,961			
12/31/2006	3,731,980	3,811,363	3,875,761	3,894,097	3,801,598	3,801,663				
12/31/2007	1,655,052	1,616,932	1,641,203	1,641,703	1,641,703					
12/31/2008	4,695,932	4,732,007	4,763,579	4,775,571						
12/31/2009	4,548,322	4,548,740	4,595,308							
12/31/2010	2,649,353	2,623,501								
12/31/2011	5,845,715									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	18,552	19,180	19,211	19,220	19,223	19,226	19,228	19,228	19,228	19,230
12/31/2003	10,944	11,360	11,387	11,403	11,406	11,408	11,411	11,412	11,414	
12/31/2004	6,403	6,650	6,668	6,676	6,681	6,684	6,684	6,689		
12/31/2005	13,572	13,994	14,041	14,051	14,052	14,058	14,081			
12/31/2006	8,128	8,616	8,652	8,670	8,678	8,704				
12/31/2007	4,663	5,014	5,035	5,039	5,058					
12/31/2008	10,204	10,702	10,780	10,823						
12/31/2009	7,549	8,367	8,459							
12/31/2010	9,584	10,253								
12/31/2011	14,236									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
12/31/2002	1,359	1,412	1,420	1,420	1,420	1,420	1,421	1,421	1,421	1,421
12/31/2003	1,233	1,293	1,297	1,300	1,300	1,301	1,301	1,301	1,301	
12/31/2004	926	953	954	955	956	956	956	958		
12/31/2005	594	615	616	617	621	621				
12/31/2006	849	891	894	895	895	901				
12/31/2007	420	440	444	444	444					
12/31/2008	1,150	1,194	1,202	1,209						
12/31/2009	1,810	1,929	1,944							
12/31/2010	997	1,040								
12/31/2011	2,523									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year (1)	Non-Wind Losses						Wind		Total	
	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss/ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Claim Count (10)	Selected Incurred Loss/ALAE (9)	Selected Incurred Loss/ALAE (11) = (8) + (9)
12/31/2002	22,812,493	1.0000	22,812,493	22,782,493	1.0000	22,782,493	34,985,403	19,230	57,797,896	4,233,566
12/31/2003	20,130,990	1.0001	20,130,003	20,065,990	1.0001	20,067,996	20,133,003	11,415	48,704,327	3,752,330
12/31/2004	13,258,971	1.0002	13,261,623	13,193,971	1.0002	13,196,610	13,261,623	6,690	23,512,903	3,225,085
12/31/2005	12,810,156	1.0007	12,819,124	12,765,156	1.0012	12,780,476	12,819,124	14,083	67,645,871	1,809,961
12/31/2006	11,256,870	1.0015	11,273,763	11,080,927	1.0027	11,110,867	11,273,763	8,707	39,503,867	1,809,961
12/31/2007	12,985,763	1.0030	13,024,758	12,885,058	1.0077	12,984,473	13,024,758	9,065	21,951,022	1,809,961
12/31/2008	9,464,192	1.0045	9,506,851	9,391,992	1.0128	9,511,778	9,506,851	10,845	40,254,314	1,809,961
12/31/2009	9,405,828	1.0062	9,464,286	9,224,336	1.0269	9,472,772	9,464,286	8,504	31,187,122	1,809,961
12/31/2010	11,945,278	1.0138	12,109,666	10,852,662	1.0763	11,681,025	12,109,666	10,382	32,120,642	1,809,961
12/31/2011	10,799,408	1.0138	10,948,026	8,926,396	1.3992	12,490,050	10,948,026	15,782	45,519,996	1,809,961
5-yr Total			55,053,587			56,140,098	55,053,587	115,979,509	50,578	171,033,096
10-yr Total			135,353,593			136,078,540	135,353,593	272,844,367		408,197,960

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year (1)	Non-Wind Losses						Wind		Total	
	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss/ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Claim Count (10)	Selected Incurred Loss/ALAE (9)	Selected Incurred Loss/ALAE (11) = (8) + (9)
12/31/2002	2,778,799	1.0000	2,778,799	2,778,799	1.0000	2,778,799	2,778,799	1,421	4,233,566	4,233,566
12/31/2003	1,796,468	1.0000	1,796,468	1,796,468	1.0001	1,796,648	1,796,468	1,301	3,752,330	3,752,330
12/31/2004	2,065,117	1.0000	2,065,117	2,065,117	1.0001	2,065,324	2,065,117	958	3,225,085	3,225,085
12/31/2005	1,395,715	1.0005	1,396,413	1,395,715	1.0002	1,395,994	1,396,413	621	1,810,659	1,810,659
12/31/2006	1,372,487	1.0013	1,374,272	1,372,487	1.0007	1,374,448	1,374,272	901	3,803,448	3,803,448
12/31/2007	892,955	1.0028	895,458	892,955	1.0057	898,048	895,458	445	1,644,205	1,644,205
12/31/2008	1,145,211	1.0043	1,150,143	1,120,211	1.0107	1,132,234	1,150,143	1,212	4,784,133	4,784,133
12/31/2009	1,092,257	1.0060	1,098,826	1,092,257	1.0224	1,116,675	1,098,826	1,952	4,615,199	4,615,199
12/31/2010	997,052	1.0136	1,010,571	979,052	1.0377	1,015,953	1,010,571	1,053	2,669,328	2,669,328
12/31/2011	920,447	1.0136	932,927	819,725	1.1670	956,619	932,927	1,717	6,106,721	6,106,721
5-yr Total			5,087,925			5,119,529	5,087,925	14,731,661	7,378	19,819,586
10-yr Total			14,498,994			14,529,742	14,498,994	22,145,680		36,644,674

Shelter Mutual Insurance Company Homeowners Companywide

Development of Unallocated Loss Adjustment Expense Factor

	2008	2009	2010	Total
Note: Amounts in 000's				
1. Direct Loss and Defense/Cost Containment Expense Incurred	\$274,387	\$216,359	\$198,460	\$689,206
2. Direct Adjusting and Other Expense Incurred (ULAE)	\$19,077	\$23,109	\$18,573	\$60,759
3. Ratio of Direct ULAE Incurred to Direct Loss and Defense Incurred	7.0%	10.7%	9.4%	8.8%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Platinum Shield Indicated Rate Level Change

	Fiscal Year Ending 12/31/2007	Fiscal Year Ending 12/31/2008	Fiscal Year Ending 12/31/2009	Fiscal Year Ending 12/31/2010	Fiscal Year Ending 12/31/2011
1. Earned Premium	\$4,873,377	\$4,687,814	\$4,474,627	\$4,443,363	\$4,469,337
2. Current Rate Level Factor	1.1435	1.1435	1.1499	1.1073	1.0385
3. Effect of Trend in Amount of Insurance	1.1687	1.0950	1.0636	1.0272	1.0214
4. Trended Premium at Current Rates [(1) x (2) x (3)]	\$6,512,545	\$5,869,425	\$5,472,841	\$5,054,079	\$4,740,906
5. Incurred Loss and Allocated Loss Adjustment Expense	\$1,644,205	\$4,784,133	\$4,615,199	\$2,669,328	\$6,106,721
6. Wind/Hail Loss Adjustment	404,784	-867,101	-875,313	369,067	-2,535,857
7. Losses Adjusted for Wind/Hail Losses [(5) + (6)]	\$2,048,989	\$3,917,032	\$3,739,886	\$3,038,395	\$3,570,864
8. Factor to Trend and Project Losses to 7/1/2013	1.2654	1.2167	1.17	1.125	1.0817
9. Unallocated Loss Adjustment Expense Factor	1.0882	1.0882	1.0882	1.0882	1.0882
10. Trended Loss and Loss Adjustment Expense [(7) x (8) x (9)]	\$2,821,366	\$5,186,000	\$4,761,417	\$3,719,535	\$4,203,123
11. Formula Loss Ratio [(10) / (4)]	43.3%	88.4%	87.0%	73.6%	88.7%
12. Experience Year Weight	10%	15%	20%	25%	30%
13. Weighted Formula Loss Ratio [sum the products of (11) & (12)]			80.0%		
14. Credibility - Based on 20,000 Earned House Years			100.0%		
15. Expected Loss Ratio			65.8%		
16. Trended Expected Loss Ratio [(15) X (20) ^ 1]			67.0%		
17. Credibility Weighted Formula Loss Ratio [(13) X (14) + (16) X (1 - (14))]			80.0%		
18. Current Provision for Variable Expenses of Commissions, Taxes and Profit			22.2%		
19. Current Provision for Fixed Expenses of General and Other Acquisition Expense			12.0%		
20. Factor to Trend Fixed Costs			1.018		
21. Trended Fixed Costs [(19) X (20) ^ 1]			12.2%		
22. Indicated Rate Level Change with Provision for Fixed and Variable Expenses [(17) + (21)] / [1.000 - (18)] - 1.000			18.5%		

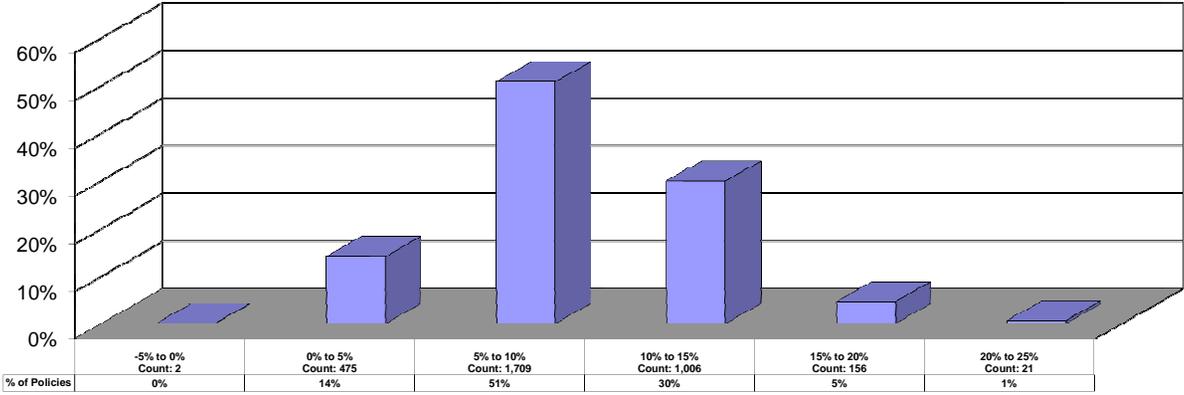
Line 14 -- Partial Credibility is based on the square root rule rounded to the nearest five percent.

Lines 16 & 21 -- Projecting of fixed expenses is done from one year past the effective date of the last rate change (05/19/2011) to one year past the expected effective date (07/01/2012), limited to one year.

**Shelter Mutual Insurance Company
Revenue Change by Zone
Arkansas Platinum Shield**

Zones	Annual Policy Premium	Total \$ Change	Total % Change
4	9,246	1,476	16.0%
12	17,956	3,336	18.6%
15	10,960	1,822	16.6%
16	17,933	3,131	17.5%
18	23,758	4,226	17.8%
20	3,087	537	17.4%
21	17,097	3,034	17.7%
23	711,452	123,739	17.4%
24	576,236	99,996	17.4%
26	11,705	2,049	17.5%
28	14,997	2,502	16.7%
29	83,195	14,312	17.2%
31	785	117	14.9%
32	29,346	5,434	18.5%
34	37,339	6,892	18.5%
35	14,141	2,409	17.0%
36	156,083	27,863	17.9%
38	81,525	14,219	17.4%
41	1,853	293	15.8%
44	61,146	10,032	16.4%
45	46,221	8,114	17.6%
48	6,011	1,114	18.5%
49	18,847	3,643	19.3%
50	8,006	1,703	21.3%
51	101,351	18,423	18.2%
53	119,935	21,251	17.7%
55	6,213	1,087	17.5%
57	49,304	9,136	18.5%
58	154,097	28,216	18.3%
62	222,275	43,023	19.4%
75	11,679	2,156	18.5%
77	1,276	228	17.9%
78	711,908	133,287	18.7%
79	6,021	1,280	21.3%
87	28,730	4,956	17.2%
88	931,063	158,461	17.0%
91	233,079	40,054	17.2%
95	5,926	1,169	19.7%
Grand Total	4,541,782	804,721	17.7%

**Shelter Mutual Insurance
Arkansas Platinum Shield
Distribution of Rate Changes (revised)**



Rate Change

**Arkansas 5-Yr Homeowners Experience
Calendar Years 2007 - 2011**

Tier	All Forms		Form 3		Form 5	
	Written Premium	Loss Ratio	Written Premium	Loss Ratio	Written Premium	Loss Ratio
1000	146,492,506	74%	125,484,913	76%	19,497,310	66%
2000	39,231,722	77%	35,628,052	80%	3,028,155	63%
3000-6000	22,867,626	87%	21,777,370	87%	354,820	99%
9998	13,732,307	73%	11,973,150	76%	1,592,993	60%
Grand Total	222,324,162	76%	194,863,485	78%	24,473,279	66%

**Shelter Mutual Insurance Company
Arkansas Platinum Shield
Revenue Summation (revised)**

	Current Premium	Proposed Change %	\$
HO-5	4,541,782	10.0	452,180
Total Revenue Change	4,541,782	10.0	452,180

**Shelter Mutual Insurance Company
Revenue Change By Zone
Arkansas Platinum Shield (revised)**

Zone	Current Premium	Total \$ Change	Total % Change
4	9,246	762	8.2%
12	17,956	1,944	10.8%
13	0	-	0.0%
15	10,960	994	9.1%
16	17,933	1,728	9.6%
18	23,758	2,389	10.1%
20	3,087	304	9.8%
21	17,097	1,721	10.1%
23	711,452	69,004	9.7%
24	576,236	55,344	9.6%
26	11,705	1,144	9.8%
28	14,997	1,348	9.0%
29	83,195	7,875	9.5%
31	785	58	7.3%
32	29,346	3,138	10.7%
34	37,339	3,997	10.7%
35	14,141	1,317	9.3%
36	156,083	15,749	10.1%
38	81,525	7,907	9.7%
40	0	-	0.0%
41	1,853	152	8.2%
44	61,146	5,337	8.7%
45	46,221	4,507	9.8%
48	6,011	645	10.7%
49	18,847	2,157	11.4%
50	8,006	1,062	13.3%
51	101,351	10,544	10.4%
53	119,935	11,987	10.0%
55	6,213	599	9.6%
57	49,304	5,300	10.8%
58	154,097	16,210	10.5%
62	222,275	25,442	11.4%
68	0	-	0.0%
75	11,679	1,244	10.7%
77	1,276	128	10.0%
78	711,908	77,073	10.8%
79	6,021	802	13.3%
87	28,730	2,734	9.5%
88	931,063	86,736	9.3%
91	233,079	22,099	9.5%
95	5,926	698	11.8%
Total	4,541,782	452,180	10.0%

SERFF Tracking Number: SHEL-128105804 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number:
 Company Tracking Number: 03M20A112
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: HOPS
 Project Name/Number: Johnson/

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)
02/23/2012	Rate and Rule	Rate Page	03/23/2012	Prop Manual Page R-2.pdf (Superseded)
02/21/2012	Supporting Document	NAIC loss cost data entry document	03/23/2012	AR PS RF1.pdf (Superseded)
02/23/2012	Supporting Document	Explanatory Memorandum	03/23/2012	AR PS Explanatory Memo.pdf (Superseded)
02/23/2012	Supporting Document	Histogram	03/23/2012	Graph.pdf (Superseded)
02/23/2012	Rate and Rule	Rate Page	03/23/2012	Prop Manual Page R-1.pdf (Superseded)

Arkansas Homeowners Form HO-5 Frame Base Rates

**\$60,000 Base, \$500 Deductible,
\$300,000 Liability, \$2,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7, 7Y, 1N-5N		8, 8Y		6N, 7N	
	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve
4	1188	1	1268	1	1420	1	1583	1	2309	1	2524	1
12	967	1	1039	1	1165	1	1285	1	1908	1	2069	1
13	973	1	1051	1	1166	1	1303	1	1932	1	2092	1
15	845	1	904	1	1006	1	1126	1	1651	1	1799	1
16	1128	1	1219	1	1354	1	1511	1	2240	1	2426	1
18	1068	1	1136	1	1268	1	1415	1	2129	1	2293	1
20	1199	1	1283	1	1434	1	1596	1	2332	1	2551	1
21	1067	1	1135	1	1267	1	1414	1	2125	1	2290	1
23	805	1	859	1	958	1	1067	1	1571	1	1703	1
24	905	1	974	1	1081	1	1212	1	1822	1	1934	1
26	1165	1	1247	1	1394	1	1552	1	2266	1	2479	1
28	904	1	968	1	1074	1	1202	1	1753	1	1906	1
29	1150	1	1230	1	1376	1	1531	1	2236	1	2447	1
31	1021	1	1097	1	1219	1	1370	1	2005	1	2178	1
32	1250	1	1343	1	1492	1	1663	1	2436	1	2656	1
34	1021	1	1097	1	1219	1	1370	1	2005	1	2178	1
35	1116	1	1196	1	1330	1	1492	1	2179	1	2359	1
36	922	1	985	1	1096	1	1224	1	1786	1	1936	1
38	1121	1	1198	1	1337	1	1494	1	2178	1	2369	1
40	871	1	936	1	1043	1	1172	1	1715	1	1861	1
41	1002	1	1076	1	1199	1	1348	1	1973	1	2141	1
44	996	1	1061	1	1184	1	1321	1	1987	1	2140	1
45	1121	1	1198	1	1337	1	1494	1	2178	1	2369	1
48	865	1	929	1	1030	1	1151	1	1684	1	1826	1
49	899	1	961	1	1069	1	1195	1	1742	1	1889	1
50	1045	1	1122	1	1256	1	1390	1	2060	1	2230	1
51	923	1	991	1	1100	1	1234	1	1850	1	1968	1
53	991	1	1060	1	1180	1	1322	1	1933	1	2093	1
55	919	1	990	1	1106	1	1224	1	1814	1	1966	1
57	865	1	929	1	1030	1	1151	1	1684	1	1826	1
58	834	1	896	1	997	1	1114	1	1636	1	1780	1
62	943	1	1016	1	1134	1	1255	1	1860	1	2016	1
68	1002	1	1076	1	1199	1	1348	1	1973	1	2141	1
75	898	1	965	1	1072	1	1201	1	1801	1	1915	1
77	905	1	971	1	1079	1	1202	1	1772	1	1920	1
78	948	1	1018	1	1134	1	1273	1	1862	1	2023	1
79	1148	1	1234	1	1373	1	1544	1	2260	1	2454	1
87	881	1	943	1	1050	1	1175	1	1724	1	1876	1
88	859	1	919	1	1020	1	1140	1	1664	1	1804	1
91	1020	1	1093	1	1213	1	1360	1	1986	1	2155	1
95	1016	1	1090	1	1213	1	1364	1	1997	1	2167	1

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS PLATINUM SHIELD
EXPLANATORY MEMORANDUM**

SUMMARY

Base rates and Deductible Adjustment Percentages were revised. These adjustment percentages are now based on amounts of insurance. Tier Placement Factors have been revised. The Companion Policy Discount has been increased. **The overall change in revenue is +17.7% for \$804,721.**

GENERAL RULE (GR) PAGES

GR-7 3. DEDUCTIBLES - The deductible adjustment percentages were revised and are now based on amount of insurance. These adjustment percentages are shown on rate pages R-4 through R-6 pages. The deductible factors for Supplemental Coverage rates remain the same and continue to be shown on GR-7.

GR-9 e. Companion Policy Discount – the discount has increased from 20% to **25%**.

GR-11.a. Tier Placement – the Tier Factor was adjusted for Tiers 3, 4, 5, and 6.

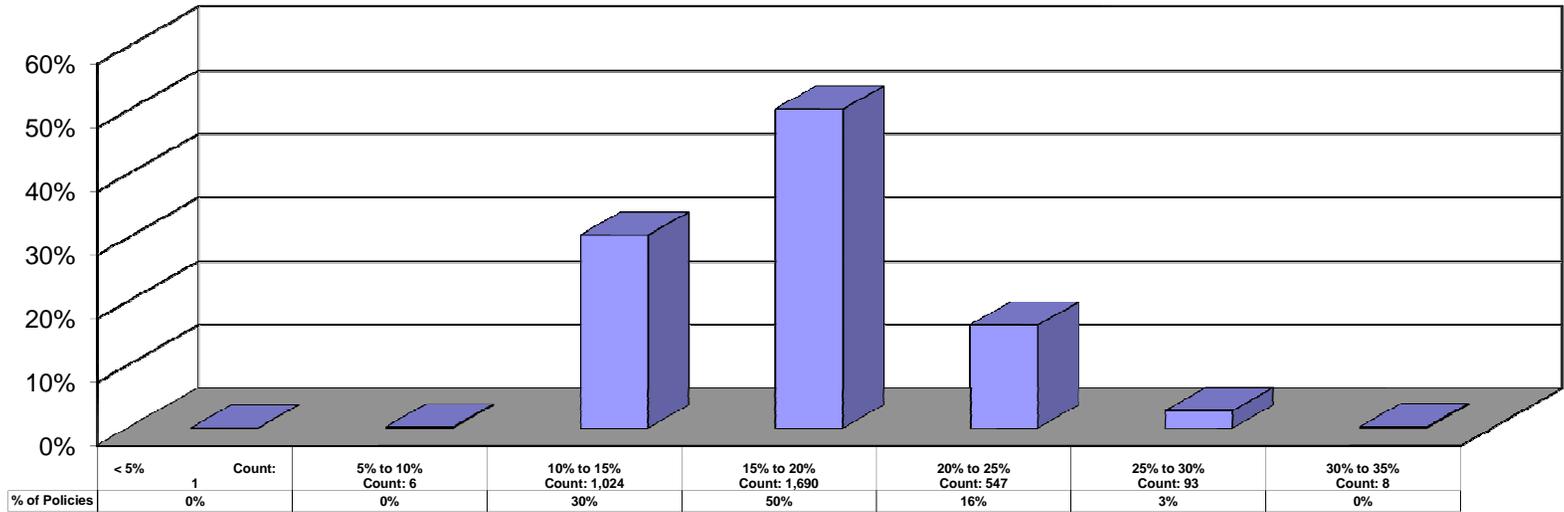
BASE RATES AND DEDUCTIBLE FACTORS

R-1 and R-2 Base rates were revised.

R-4 thru 6 Deductible Adjustment Percentages have been moved from GR-7 and now are based on amounts of insurance.

Rate (R) pages 4 thru 6 are new pages due to the addition of the deductible pages to this section.

Shelter Mutual Insurance Arkansas Platinum Shield Distribution of Rate Changes



Rate Change

Arkansas Homeowners Form HO-5 Masonry Base Rates

**\$60,000 Base, \$500 Deductible,
\$300,000 Liability, \$2,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7, 7Y, 1N-5N		8, 8Y		6N, 7N	
	Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve	
4	1085	1	1127	1	1268	1	1427	1	1963	1	2149	1
12	880	1	925	1	1039	1	1166	1	1622	1	1758	1
13	890	1	929	1	1051	1	1183	1	1642	1	1778	1
15	772	1	803	1	904	1	1009	1	1404	1	1530	1
16	1032	1	1078	1	1219	1	1372	1	1903	1	2063	1
18	967	1	1007	1	1136	1	1280	1	1801	1	1964	1
20	1096	1	1136	1	1283	1	1442	1	1981	1	2173	1
21	966	1	1006	1	1135	1	1278	1	1798	1	1962	1
23	738	1	767	1	859	1	970	1	1331	1	1453	1
24	827	1	858	1	974	1	1086	1	1538	1	1654	1
26	1064	1	1104	1	1247	1	1400	1	1926	1	2111	1
28	822	1	853	1	968	1	1078	1	1492	1	1624	1
29	1050	1	1090	1	1230	1	1382	1	1900	1	2083	1
31	928	1	972	1	1097	1	1232	1	1712	1	1849	1
32	1115	1	1188	1	1343	1	1512	1	2074	1	2262	1
34	928	1	972	1	1097	1	1232	1	1712	1	1849	1
35	1013	1	1054	1	1196	1	1337	1	1859	1	1997	1
36	838	1	870	1	985	1	1108	1	1517	1	1651	1
38	1019	1	1064	1	1198	1	1350	1	1866	1	2027	1
40	793	1	830	1	936	1	1052	1	1464	1	1583	1
41	913	1	954	1	1076	1	1211	1	1685	1	1820	1
44	904	1	940	1	1061	1	1196	1	1682	1	1835	1
45	1019	1	1064	1	1198	1	1350	1	1866	1	2027	1
48	790	1	817	1	929	1	1033	1	1429	1	1556	1
49	817	1	848	1	961	1	1080	1	1481	1	1612	1
50	948	1	998	1	1122	1	1258	1	1752	1	1900	1
51	840	1	876	1	991	1	1105	1	1566	1	1684	1
53	900	1	936	1	1060	1	1187	1	1650	1	1772	1
55	834	1	878	1	990	1	1109	1	1543	1	1672	1
57	790	1	817	1	929	1	1033	1	1429	1	1556	1
58	766	1	796	1	896	1	1002	1	1388	1	1514	1
62	856	1	901	1	1016	1	1136	1	1583	1	1715	1
68	913	1	954	1	1076	1	1211	1	1685	1	1820	1
75	817	1	852	1	965	1	1076	1	1524	1	1638	1
77	830	1	864	1	971	1	1091	1	1500	1	1636	1
78	862	1	902	1	1018	1	1144	1	1592	1	1717	1
79	1045	1	1094	1	1234	1	1386	1	1928	1	2083	1
87	806	1	839	1	943	1	1055	1	1464	1	1596	1
88	780	1	811	1	919	1	1031	1	1414	1	1538	1
91	925	1	962	1	1093	1	1222	1	1697	1	1823	1
95	924	1	966	1	1090	1	1226	1	1704	1	1842	1