

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Filing at a Glance

Company: Nationwide Mutual Fire Insurance Company.

Product Name: Homeowners SERFF Tr Num: NWPC-128134445 State: Arkansas
TOI: 04.0 Homeowners SERFF Status: Closed-Filed State Tr Num:
Sub-TOI: 04.0000 Homeowners Sub-TOI Co Tr Num: 12H-8288AR-JM State Status:
Combinations
Filing Type: Rate/Rule Reviewer(s): Becky Harrington
Author: Joseph Mesaros Disposition Date: 07/11/2012
Date Submitted: 04/09/2012 Disposition Status: Filed
Effective Date Requested (New): 10/23/2012 Effective Date (New): 10/23/2012
Effective Date Requested (Renewal): 10/23/2012 Effective Date (Renewal):
10/23/2012

State Filing Description:

General Information

Project Name: Arkansas Homeowners Review Status of Filing in Domicile: Not Filed
Project Number: 12H-8288AR-JM Domicile Status Comments: N/A
Reference Organization: N/A Reference Number: N/A
Reference Title: N/A Advisory Org. Circular: N/A
Filing Status Changed: 07/11/2012
State Status Changed: Deemer Date:
Created By: Joseph Mesaros Submitted By: Joseph Mesaros
Corresponding Filing Tracking Number: NWPC-128134445
Filing Description:
With this review we are filing to adjust base rates, deductible factors, age of construction discounts, earthquake and water back-up rates.
State Narrative:

Company and Contact

Filing Contact Information

Joseph Mesaros, Sr. Pricing Analyst mesaroj@nationwide.com
One Nationwide Plaza 614-249-6647 [Phone]
1-17-101 614-249-5113 [FAX]

SERFF Tracking Number: NWPC-128134445 State: Arkansas
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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Columbus, OH 43215

Filing Company Information

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

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: 1*\$100 = \$100.00
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Nationwide Mutual Fire Insurance Company.	\$100.00	04/09/2012	57815778

SERFF Tracking Number: NWPC-128134445 State: Arkansas
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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	07/11/2012	07/11/2012

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	05/09/2012	05/09/2012	Joseph Mesaros	06/28/2012	06/28/2012
No response necessary	Becky Harrington	04/27/2012	05/02/2012	Joseph Mesaros	07/09/2012	07/09/2012
Pending Industry Response	Becky Harrington	04/27/2012	04/27/2012	Joseph Mesaros	04/27/2012	04/27/2012
Pending Industry Response	Becky Harrington	04/09/2012	04/09/2012	Joseph Mesaros	04/27/2012	04/27/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
HPCS	Note To Filer	Becky Harrington	05/09/2012	05/09/2012

SERFF Tracking Number: NWPC-128134445 State: Arkansas
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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Disposition

Disposition Date: 07/11/2012
 Effective Date (New): 10/23/2012
 Effective Date (Renewal): 10/23/2012
 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):
Nationwide Mutual Fire Insurance Company.	20.800%	12.800%	\$3,521,600	23,704	\$23,416,569	18.500%	-2.200%

SERFF Tracking Number: NWPC-128134445 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 12H-8288AR-JM
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document (revised)	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	H-1 Homeowners Abstract		Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document (revised)	AR Cover Letter, Memorandum and Support Documentation	Filed	Yes
Supporting Document	AR Cover Letter, Memorandum and Support Documentation		Yes
Supporting Document (revised)	Arkansas Marked -Up Manual Pages	Filed	Yes
Supporting Document	Arkansas Marked -Up Manual Pages		Yes
Supporting Document	NW Response to 4-9-12 Objection Letter	Filed	Yes
Supporting Document	Response to 5-9-12 Objection Letter	Filed	Yes

SERFF Tracking Number: NWPC-128134445 State: Arkansas
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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 05/09/2012

Submitted Date 05/09/2012

Respond By Date

Dear Joseph Mesaros,

The requested increase has been reviewed by the Commissioner.

Please amend the earthquake rate change amount to 15% (Apply a flat 15% to previous rates).

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: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/28/2012
Submitted Date 06/28/2012

Dear Becky Harrington,

Comments:

In response to your 5-9-2012 request we are amending the current homeowner filing to reflect a 15% Earthquake rate increase instead of 100%.

Response 1

Comments: Please find herein an amended Homeowners Premium Comparison Survey Form and supporting exhibits pertaining to the revised 15% Earthquake rate increase request. The increase in earthquake rates will apply to Tenant, Condominium and Homeowners policies written in the Nationwide Mutual Fire Insurance Company. There will be no change to the resulting base rate level impact of an increase of 9.9 percent. The effective date for this filing is October 23, 2012.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: H-1 Homeowners Abstract

Comment: Attached below is the AR Form H-1.

Satisfied -Name: NW Response to 4-9-12 Objection Letter

Comment: Attached below is our response to the concerns expressed in the 4-9-12 Objection Letter.

Satisfied -Name: Response to 5-9-12 Objection Letter

Comment: Attached are the cover letter and revised earthquake exhibits to reflect the 15% Earthquake rate increase and the revised HPCS exhibit.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please contact me through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,

SERFF Tracking Number: NWPC-128134445 *State:* Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. *State Tracking Number:*
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners *Sub-TOI:* 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM
Joseph Mesaros

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Objection Letter

Objection Letter Status No response necessary

Objection Letter Date 04/27/2012

Submitted Date 05/02/2012

Respond By Date

Dear Joseph Mesaros,

The filing is being referred to the Commissioner for review of the requested rate increase amount (greater than 6%).

A response is NOT necessary at this time.

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: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/09/2012
Submitted Date 07/09/2012

Dear Becky Harrington,

Comments:

Thank you for your note. I will not respond to it.

Response 1

Comments: None

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

None

Sincerely,
Joseph Mesaros

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/27/2012

Submitted Date 04/27/2012

Respond By Date

Dear Joseph Mesaros,

This will acknowledge receipt of the recent response.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment: Companies may not change the form in any way or include formulas. The form has apparently been re-produced. This is not allowed. Please re-submit on our form without alterations.

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: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/27/2012
Submitted Date 04/27/2012

Dear Becky Harrington,

Comments:

I apologize for the unfortunate mistake and any inconvenience it may have caused.

Response 1

Comments: I have attached an unaltered Arkansas HPCS form below and also in the Supporting Document tab.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Companies may not change the form in any way or include formulas. The form has apparently been re-produced. This is not allowed. Please re-submit on our form without alterations.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment: Attached below is the AR Form HPCS, which is updated to reflect the current filing. I have attached both a pdf and Excel version.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Thank you for your patience and understanding. Please let me know if I may be of further assistance. I may be contacted through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,
Joseph Mesaros

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/09/2012

Submitted Date 04/09/2012

Respond By Date

Dear Joseph Mesaros,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: The rate data information on the rate/rule schedule tab must be completed. This will require a post-submission update.

Objection 2

- NAIC loss cost data entry document (Supporting Document)

Comment: The filing memorandum reflects an overall increase of 12.8%. The total overall increase should be shown on the RF-1/NAIC loss cost data entry form.

Objection 3

- AR Cover Letter, Memorandum and Support Documentation (Supporting Document)

Comment: Please amend the indications to remove the hurricane provision. AR does not allow hurricane provisions. Modeling is only allowed for EQ related exposures.

Objection 4

- Arkansas Marked -Up Manual Pages (Supporting Document)

Comment: Please withdraw the ACV Loss Settlement Roof rule. AR does not allow ACV loss settlement for a roof when the dwelling has a replacement cost loss settlement. AR also does not allow the exclusion of wind/hail.

Please confirm that H-7070 has not been filed and approved for use in AR

Objection 5

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in both Excel spreadsheet and pdf format. Companies may not change the form in any way or include formulas.

Objection 6

Comment: The proposed EQ rates appear excessive. Provide an exhibit showing the actual impact on your insureds. (histogram)

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/27/2012
Submitted Date 04/27/2012

Dear Becky Harrington,

Comments:

Thank you for the opportunity to respond to your concerns. We have included responses in the sections below as well as attached revised supporting exhibits in the Supporting Documentation tab.

Response 1

Comments: We have updated the rate/rule schedule tab using the post-submission update.

Related Objection 1

Comment:

The rate data information on the rate/rule schedule tab must be completed. This will require a post-submission update.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: AR Cover Letter, Memorandum and Support Documentation

Comment: Attached below is the Cover Letter and Filing Memorandum with associated exhibits to provide details related to the content of this Homeowners filing.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: We have submitted a revised NAIC Loss Cost Data Entry Form reflecting the total increase of 12.8%. However, we do wish to emphasize that only 9.9% of the increase is related to a rate increase. The remaining increase is related to optional endorsements offered to the policyholder and subject to the policyholder's approval.

Related Objection 1

Applies To:

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

- NAIC loss cost data entry document (Supporting Document)

Comment:

The filing memorandum reflects an overall increase of 12.8%. The total overall increase should be shown on the RF-1/NAIC loss cost data entry form.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NAIC loss cost data entry document

Comment: Attached below is the AR Lost Cost Data Document

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments: We have included revised Exhibit II which has deleted the hurricane provision.

Related Objection 1

Applies To:

- AR Cover Letter, Memorandum and Support Documentation (Supporting Document)

Comment:

Please amend the indications to remove the hurricane provision. AR does not allow hurricane provisions. Modeling is only allowed for EQ related exposures.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: AR Cover Letter, Memorandum and Support Documentation

Comment: Attached below is the Cover Letter and Filing Memorandum with associated exhibits to provide details related to the content of this Homeowners filing.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Comments: Thank you for bringing this to our attention. To reflect that we have withdrawn the ACV Loss Settlement Roof rule we have submitted a revised Filing Memorandum document, revised marked-up manual pages and associated manual inserts.

I wish to confirm that the H-7070 has not been filed and approved for use in AR.

Related Objection 1

Applies To:

- Arkansas Marked -Up Manual Pages (Supporting Document)

Comment:

Please withdraw the ACV Loss Settlement Roof rule. AR does not allow ACV loss settlement for a roof when the dwelling has a replacement cost loss settlement. AR also does not allow the exclusion of wind/hail.

Please confirm that H-7070 has not been filed and approved for use in AR

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Arkansas Marked -Up Manual Pages

Comment: Attached below are the Arkansas marked-up manual pages and associated manual inserts.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments: We have submitted under the Supplemental Documentation tab the HPCS form in Excel format. We had earlier submitted the HPCS form in pdf format.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in both Excel spreadsheet and pdf format. Companies may not change the form in any way or include formulas.

Changed Items:

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment: Attached below is the AR Form HPCS, which is updated to reflect the current filing. I have attached both a pdf and Excel version.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments: We agree with you that we are asking for a substantial rate increase. Unfortunately, even with the requested rate increase, it will remain unprofitable for us to offer the Earthquake Endorsement. To ensure sufficient funds available to cover our obligations to current Arkansas policyholders Nationwide has purchased reinsurance. Just to cover the cost of reinsurance would require us to increase current earthquake rates by 194.7%. This rate request represents our effort to balance the need for Nationwide to be financially stable with our desire to minimize the impact on our policy holders. Along with you, we also desire to provide the citizens of Arkansas the best insurance value from a company that will be there for them when we are needed. Please note that the policyholder does have several different options to pursue. The policy holder may choose a higher deductible to reduce the impact of the rate change or they may choose not to purchase the endorsement at all. As you requested, we have included a histogram (Exhibit XIII) showing the actual impact of the uniform earthquake rate revision on existing policy holders assuming that demand will remain unchanged. Thank you for your kind consideration of this rate revision.

Related Objection 1

Comment:

The proposed EQ rates appear excessive. Provide an exhibit showing the actual impact on your insureds. (histogram)

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: AR Cover Letter, Memorandum and Support Documentation

Comment: Attached below is the Cover Letter and Filing Memorandum with associated exhibits to provide details related to the content of this Homeowners filing.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Note To Filer

Created By:

Becky Harrington on 05/09/2012 02:15 PM

Last Edited By:

Becky Harrington

Submitted On:

07/11/2012 07:41 AM

Subject:

HPCS

Comments:

An amended HPCS should be submitted as well with amended EQ rates.

SERFF Tracking Number: NWPC-128134445 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 12H-8288AR-JM
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Post Submission Update Request Processed On 04/27/2012

Status: Allowed
Created By: Joseph Mesaros
Processed By: Becky Harrington
Comments:

General Information:

Field Name	Requested Change	Prior Value
Corresponding Filing Tracking Number	NWPC-128134445	

Rate Information:

Field Name	Requested Change	Prior Value
Rate Data Applies	Yes	No
Filing Method	Prior Approval	
Rate Change Type	Increase	
Overall Pct. of Last Revision	10.300%	
Effective Date of Last revision	10/23/2011	
Filing Method of Last Filing	File and Use	

Company Rate Information:

Company Name:Nationwide Mutual Fire Insurance Company.

Field Name	Requested Change	Prior Value
Overall % Indicated Change	20.800%	
Overall % Rate Impact	12.800%	
Written Premium Change for this Program	\$3521600	
# of Policy Holders Affected for this Program	23704	
Written Premium for this Program	\$23416569	
Maximum %Change (where required)	18.500%	
Minimum %Change (where required)	-2.200%	

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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 10.300%
Effective Date of Last Rate Revision: 10/23/2011
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):
Nationwide Mutual Fire Insurance Company.	20.800%	12.800%	\$3,521,600	23,704	\$23,416,569	18.500%	-2.200%

SERFF Tracking Number: NWPC-128134445 State: Arkansas
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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Form RF-2 Loss Costs Only (not for workers' compensation)		
Bypass Reason: We are not submitting a reference filing which would use a lost cost multiplier, therefore the question does not apply to this current filing.		

Comments:

Attached below is the AR Loss Cost Data Entry Document

	Item Status:	Status Date:
Satisfied - Item: H-1 Homeowners Abstract	Filed	07/11/2012
Comments: Attached below is the AR Form H-1.		
Attachment: AR Form H-1.pdf		

	Item Status:	Status Date:
Satisfied - Item: HPCS-Homeowners Premium Comparison Survey	Filed	07/11/2012
Comments: Attached below is the AR Form HPCS, which is updated to reflect the current filing. I have attached both a pdf and Excel version.		
Attachments: HPCS Form.xls AR Form HPCS.pdf		

	Item Status:	Status Date:
Satisfied - Item: NAIC loss cost data entry document	Filed	07/11/2012
Comments: Attached below is the AR Lost Cost Data Document		

SERFF Tracking Number: NWPC-128134445 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 12H-8288AR-JM
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 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

Attachment:

Revised 102312 Form RF-1 Rate Filing Abstract and Loss Cost Data Entry Document.pdf

	Item Status:	Status Date:
Satisfied - Item: AR Cover Letter, Memorandum and Support Documentation	Filed	07/11/2012

Comments:

Attached below is the Cover Letter and Filing Memorandum with associated exhibits to provide details related to the content of this Homeowners filing.

Attachments:

- AR Financial Needs Model.pdf
- AR Revised Cover Letter.pdf
- Revised AR 10-23-12 FILING MEMORANDUM.pdf
- Revised AR Filing Exhibits.pdf
- Revised AR Side-by-Side Filing Exhibits 10-23-2012.pdf
- AR Rate-Rule Filing Schedule.pdf

	Item Status:	Status Date:
Satisfied - Item: Arkansas Marked -Up Manual Pages	Filed	07/11/2012

Comments:

Attached below are the Arkansas marked-up manual pages and associated manual inserts.

Attachments:

- Revised AR Marked-Up Manual Pages.pdf
- Revised AR Manual Page Inserts.pdf

	Item Status:	Status Date:
Satisfied - Item: NW Response to 4-9-12 Objection Letter	Filed	07/11/2012

Comments:

Attached below is our response to the concerns expressed in the 4-9-12 Objection Letter.

Attachment:

Nationwide Response to 4-9-12 Objection Letter.pdf

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

	Item Status:	Status
Satisfied - Item: Response to 5-9-12 Objection Letter	Filed	Date: 07/11/2012

Comments:

Attached are the cover letter and revised earthquake exhibits to reflect the 15% Earthquake rate increase and the revised HPCS exhibit.

Attachments:

AR 15% EQ Amended Filing Cover Letter.pdf
15% EQ AR 15% EQ Side-by-Side Filing Exhibit 10-23-2012.pdf
15% EQ AR Manual Page Inserts.pdf
Revised for 15% EQ Rate HPCS Form.xls

ARKANSAS INSURANCE DEPARTMENT
FORM H-1 HOMEOWNERS ABSTRACT

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

Company Name Nationwide Mutual Fire Insurance Company

NAIC No. 23779

GROUP No. 140

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

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

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.

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

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

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

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

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

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

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

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

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

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

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

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

FORM

PREMIUM VOLUME

Homeowners (HO-3)	\$5,609,816
Tenants (HO-4)	\$628,009
Condominium (HO-6)	\$85,437

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

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



Signature

Joseph A. Mesaros
Printed Name

Sr. Pricing Analyst
Title

614-249-6647
Telephone Number

mesaroj@nationwide.com
Email Address

NAIC Number:	23779
Company Name:	Nationwide Mutual Fire Insurance Company
Contact Person:	Joseph A. Mesaros
Telephone No.:	614-249-6647
Email Address:	mesaraj@nationwide.com
Effective Date:	10/23/2012

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

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

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

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$2,379.00	\$1,775.00	\$1,585.00	\$1,742.00	\$1,939.00	\$2,132.00	\$2,323.00	\$2,553.00	\$2,310.00	\$2,539.00	\$1,882.00	\$2,068.00	\$1,873.00	\$2,060.00	\$1,891.00	\$2,079.00	\$1,995.00	\$2,192.00
	\$120,000	\$2,089.00	\$2,295.00	\$2,049.00	\$2,252.00	\$2,509.00	\$2,757.00	\$3,005.00	\$3,303.00	\$2,989.00	\$3,285.00	\$2,434.00	\$2,675.00	\$2,424.00	\$2,663.00	\$2,447.00	\$2,690.00	\$2,581.00	\$2,837.00
	\$160,000	\$2,681.00	\$2,947.00	\$2,632.00	\$2,893.00	\$3,222.00	\$3,541.00	\$3,858.00	\$4,239.00	\$3,838.00	\$4,218.00	\$3,125.00	\$3,434.00	\$3,112.00	\$3,420.00	\$3,142.00	\$3,453.00	\$3,314.00	\$3,642.00
6	\$80,000	\$1,900.00	\$2,117.00	\$1,865.00	\$2,077.00	\$2,282.00	\$2,543.00	\$2,734.00	\$3,046.00	\$2,720.00	\$3,029.00	\$2,215.00	\$2,467.00	\$2,205.00	\$2,457.00	\$2,227.00	\$2,480.00	\$2,348.00	\$2,617.00
	\$120,000	\$2,458.00	\$2,738.00	\$2,413.00	\$2,687.00	\$2,953.00	\$3,290.00	\$3,537.00	\$3,939.00	\$3,518.00	\$3,919.00	\$2,865.00	\$3,191.00	\$2,853.00	\$3,177.00	\$2,880.00	\$3,208.00	\$3,038.00	\$3,384.00
	\$160,000	\$3,156.00	\$3,515.00	\$3,098.00	\$3,449.00	\$3,791.00	\$4,223.00	\$4,541.00	\$5,057.00	\$4,517.00	\$5,032.00	\$3,679.00	\$4,098.00	\$3,663.00	\$4,080.00	\$3,698.00	\$4,119.00	\$3,901.00	\$4,344.00
9	\$80,000	\$2,967.00	\$2,539.00	\$2,913.00	\$2,492.00	\$3,565.00	\$3,051.00	\$4,270.00	\$3,653.00	\$4,247.00	\$3,634.00	\$3,458.00	\$2,960.00	\$3,444.00	\$2,947.00	\$3,477.00	\$2,976.00	\$3,667.00	\$3,139.00
	\$120,000	\$3,838.00	\$3,285.00	\$3,767.00	\$3,224.00	\$4,612.00	\$3,947.00	\$5,523.00	\$4,727.00	\$5,494.00	\$4,701.00	\$4,474.00	\$3,829.00	\$4,455.00	\$3,813.00	\$4,498.00	\$3,850.00	\$4,744.00	\$4,061.00
	\$160,000	\$4,928.00	\$4,218.00	\$4,837.00	\$4,139.00	\$5,920.00	\$5,067.00	\$7,090.00	\$6,069.00	\$7,053.00	\$6,037.00	\$5,745.00	\$4,917.00	\$5,720.00	\$4,895.00	\$5,775.00	\$4,942.00	\$6,091.00	\$5,213.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$131.00	\$131.00	\$131.00	\$131.00	\$137.00	\$137.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$137.00	\$137.00	\$158.00	\$158.00
	\$15,000	\$213.00	\$213.00	\$213.00	\$213.00	\$221.00	\$221.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$221.00	\$221.00	\$254.00	\$254.00
	\$25,000	\$283.00	\$283.00	\$283.00	\$283.00	\$294.00	\$294.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$294.00	\$294.00	\$339.00	\$339.00
6	\$5,000	\$144.00	\$144.00	\$144.00	\$144.00	\$149.00	\$149.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$149.00	\$149.00	\$173.00	\$173.00
	\$15,000	\$232.00	\$232.00	\$232.00	\$232.00	\$242.00	\$242.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$242.00	\$242.00	\$278.00	\$278.00
	\$25,000	\$310.00	\$310.00	\$310.00	\$310.00	\$322.00	\$322.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$322.00	\$322.00	\$372.00	\$372.00
9	\$5,000	\$210.00	\$210.00	\$210.00	\$210.00	\$218.00	\$218.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$218.00	\$218.00	\$252.00	\$252.00
	\$15,000	\$340.00	\$340.00	\$340.00	\$340.00	\$352.00	\$352.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$352.00	\$352.00	\$406.00	\$406.00
	\$25,000	\$453.00	\$453.00	\$453.00	\$453.00	\$471.00	\$471.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$471.00	\$471.00	\$542.00	\$542.00

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

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

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

HO3 and HO4 only

Fire Extinguisher	5,7,10,15 %	Deadbolt Lock	5,7,10,15 %
Burglar Alarm	2,4,5,7,10,15 %	Window Locks	%
Smoke Alarm	2,4,5,7,10,15 %	\$1,000 Deductible	%
		Other (specify)	%
		Maximum Credit Allowed	51 %

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	Yes (yes or no)
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	5,10,15,20,25 %
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Zone
	Highest Risk \$ 1.9
	Lowest Risk \$ 0.08
	Brick
	\$ 1.54
	Frame
	\$ 0.05

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	12H-8288AR-JM
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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Company Name		Company NAIC Number		
3.	A.	Nationwide Mutual Fire Insurance Company	B.	23779

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

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homeowners	21.0%	9.9%					
Tenants	13.5%	9.9%					
Condominiums	-0.9%	0.0%					
							
TOTAL OVERALL EFFECT	20.8%	12.8%					

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
2011	23,721	10.3%	10/23/2011	23,832	31,899	135.1%	83.7%
2010	24,254	5.5%	10/23/2010	24,965	14,561	58.3%	61.0%
2009	26,080	8.5%	08/18/2009	25,830	32,081	124.2%	61.6%
2008	28,058	7.0%	08/23/2008	25,519	31,854	124.8%	61.1%
2008	28,937	4.8%	02/16/2008	24,859	11,295	45.4%	42.1%
2007	28,937	6.7%	07/15/2007	24,859	11,295	45.4%	42.1%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	15.9
B. General Expense	9.0
C. Taxes, License & Fees	2.6
D. Underwriting Profit & Contingencies	5.3
E. Other (explain)	
F. TOTAL	32.8

- 8.** N Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** +18.5% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** -2.2% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): _____

Nationwide Mutual and Affiliated Insurance Companies

Financial Needs Model

Underwriting Profit Provision Support

Homeowners

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

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

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

Desired Rate of Return:	15.0 %
Equity Allocated to Line of Business Using Premium to Surplus Ratio:	1.21 to 1.00
Reserve to Premium Ratio:	0.81 to 1.00
Investment Yield:	5.54 %
Portion of Assets Available for Investments:	92.0 %
Federal Tax Rate:	35.0 %

Page 2 of this exhibit displays the cash flow resulting from these assumptions. The model derives an underwriting profit of \$12.91 (sum of the net underwriting flow across all time periods) in order to achieve the desired rate of return. Page 3 provides the model's required assets (sum of reserve and surplus requirements) as well as the available assets (sum of receivables and cash balance from insurance operations). If the available assets are not sufficient to offset the required assets, additional assets (from surplus) must be infused to support the transaction. Page 4 displays the assets flow (negative values indicate flow to insurance operations while positive values indicate flow back to surplus). The total asset flow is then discounted at the desired rate of return, and the resulting sum of the discounted asset flow is \$0.00. Thus, an underwriting profit provision of 12.91 percent (\$12.91/\$100.00) is expected to achieve a 15.0 percent rate of return.

For this filing, we have selected to use a 5.3 percent underwriting profit provision which results in a 9.2 percent return on surplus.

Nationwide Mutual and Affiliated Insurance Companies

EC - Homeowners (Major HO, MH, TC) - Countrywide

Cash Flow Related to Insurance Operations

Months from Policy Inception	Cash Flow				Cash Balance	Adjusted Cash Balance	Actual Cash Balance	Excess Cash Flow	Adjusted Cash Balance
	Net Underwriting	Investment Income	Federal Income Tax	Total					
-1	(0.13)	0.00	0.00	(0.13)	0.00	0.00	0.00	0.00	0.00
0	64.75	0.00	4.79	69.53	69.53	69.53	69.53	0.00	69.53
3	(6.37)	2.33	(3.29)	(7.33)	62.20	62.20	62.20	0.00	62.20
6	(8.76)	1.94	(3.09)	(9.91)	52.29	52.29	52.29	0.00	52.29
9	(14.03)	1.46	(2.87)	(15.44)	36.86	36.86	36.86	0.00	36.86
12	(9.54)	0.88	(2.68)	(11.34)	25.52	25.52	25.52	0.00	25.52
15	(5.69)	0.33	(0.06)	(5.41)	20.10	15.06	20.10	5.05	15.06
18	(2.19)	0.19	0.01	(1.99)	13.07	10.61	13.07	2.46	10.61
21	(1.28)	0.13	(0.00)	(1.15)	9.46	8.00	9.46	1.46	8.00
24	(0.88)	0.10	(0.00)	(0.78)	7.22	6.18	7.22	1.03	6.18
27	(0.60)	0.08	(0.01)	(0.53)	5.65	4.95	5.65	0.70	4.95
30	(0.38)	0.06	(0.01)	(0.33)	4.62	4.15	4.62	0.46	4.15
33	(0.29)	0.05	(0.01)	(0.24)	3.91	3.56	3.91	0.35	3.56
36	(0.28)	0.04	(0.01)	(0.24)	3.32	2.97	3.32	0.35	2.97
39	(0.21)	0.04	(0.01)	(0.18)	2.79	2.54	2.79	0.25	2.54
42	(0.20)	0.03	(0.00)	(0.17)	2.37	2.12	2.37	0.24	2.12
45	(0.13)	0.03	(0.00)	(0.11)	2.01	1.83	2.01	0.18	1.83
48	(0.18)	0.02	(0.00)	(0.16)	1.67	1.45	1.67	0.22	1.45
51	(0.08)	0.02	(0.00)	(0.07)	1.38	1.28	1.38	0.10	1.28
54	(0.06)	0.02	(0.00)	(0.04)	1.24	1.15	1.24	0.08	1.15
57	(0.08)	0.01	(0.00)	(0.07)	1.09	0.98	1.09	0.10	0.98
60	(0.05)	0.01	(0.00)	(0.04)	0.94	0.87	0.94	0.07	0.87
72	(0.15)	0.04	(0.01)	(0.12)	0.76	0.56	0.76	0.20	0.56
84	(0.09)	0.03	(0.01)	(0.07)	0.49	0.37	0.49	0.12	0.37
96	(0.08)	0.02	(0.00)	(0.07)	0.31	0.20	0.31	0.10	0.20
108	(0.03)	0.01	(0.00)	(0.03)	0.18	0.13	0.18	0.04	0.13
120	(0.03)	0.01	(0.00)	(0.03)	0.10	0.06	0.10	0.04	0.06
132	(0.03)	0.00	(0.00)	(0.03)	0.04	0.00	0.04	0.03	0.00
144	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00
156	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00
168	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
180	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
192	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
204	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
216	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00
228	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00
240	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00
252	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
264	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
276	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
288	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
300	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
312	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
324	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
336	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
348	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
360	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00
Total	12.91	7.89	(7.28)	13.52					

Nationwide Mutual and Affiliated Insurance Companies

EC - Homeowners (Major HO, MH, TC) - Countrywide

Assets Required to Support Insurance Operations

Months from Policy Inception	Required Assets				Available Assets from Operations			Assets Prior to Infusion
	Unearned Premium Reserve	Loss & LAE Reserve	Required Underlying Surplus	Total	Premium Receivable	Salvage & Subrogation Receivable	Required Cash Balance	
-1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0	100.00	0.00	101.48	201.48	15.12	0.00	69.53	84.65
3	75.00	7.96	84.19	167.15	11.47	0.11	62.20	73.78
6	50.00	10.74	61.64	122.38	5.25	0.21	52.29	57.75
9	25.00	11.01	36.55	72.56	1.75	0.29	36.86	38.90
12	0.00	13.36	13.55	26.91	0.00	0.36	25.52	25.88
15	0.00	7.63	7.74	15.38	(0.00)	0.32	15.06	15.38
18	0.00	5.40	5.48	10.88	(0.00)	0.27	10.61	10.88
21	0.00	4.09	4.15	8.24	(0.00)	0.25	8.00	8.24
24	0.00	3.17	3.21	6.38	(0.00)	0.20	6.18	6.38
27	0.00	2.54	2.58	5.12	(0.00)	0.18	4.95	5.12
30	0.00	2.14	2.17	4.31	(0.00)	0.16	4.15	4.31
33	0.00	1.84	1.86	3.70	(0.00)	0.14	3.56	3.70
36	0.00	1.53	1.55	3.09	(0.00)	0.12	2.97	3.09
39	0.00	1.31	1.33	2.64	(0.00)	0.11	2.54	2.64
42	0.00	1.10	1.11	2.21	(0.00)	0.09	2.12	2.21
45	0.00	0.94	0.96	1.90	(0.00)	0.07	1.83	1.90
48	0.00	0.74	0.75	1.50	(0.00)	0.05	1.45	1.50
51	0.00	0.66	0.67	1.33	(0.00)	0.05	1.28	1.33
54	0.00	0.59	0.60	1.18	(0.00)	0.03	1.15	1.18
57	0.00	0.50	0.51	1.00	(0.00)	0.02	0.98	1.00
60	0.00	0.44	0.45	0.89	(0.00)	0.02	0.87	0.89
72	0.00	0.28	0.29	0.57	(0.00)	0.01	0.56	0.57
84	0.00	0.19	0.19	0.38	(0.00)	0.01	0.37	0.38
96	0.00	0.10	0.10	0.21	(0.00)	0.00	0.20	0.21
108	0.00	0.07	0.07	0.14	(0.00)	0.00	0.13	0.14
120	0.00	0.03	0.03	0.07	(0.00)	0.00	0.06	0.07
132	0.00	0.00	0.00	0.01	(0.00)	0.00	0.00	0.01
144	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
156	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
168	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
180	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
192	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
204	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
216	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
228	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
240	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00
252	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
264	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
276	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
288	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
300	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
312	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
324	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
336	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
348	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)
360	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	(0.00)

Nationwide Mutual and Affiliated Insurance Companies

EC - Homeowners (Major HO, MH, TC) - Countrywide

Infused and Excess Asset Flows Resulting from Insurance Operations

Months from Policy Inception	Required Assets	Assets Prior to Infusion	Required Infused Assets	Infused Asset Flow	Excess Asset Flow	Total Asset Flow	Discount Factor at 15.0% ROR	Discounted Asset Flow
-1	0.00	0.00	0.00	0.00	(0.13)	(0.13)	1.0117	(0.13)
0	201.48	84.65	116.83	(116.83)	0.00	(116.83)	1.0000	(116.83)
3	167.15	73.78	93.37	23.46	0.00	23.46	0.9657	22.65
6	122.38	57.75	64.63	28.74	0.00	28.74	0.9325	26.80
9	72.56	38.90	33.66	30.97	0.00	30.97	0.9005	27.89
12	26.91	25.88	1.03	32.63	0.00	32.63	0.8696	28.37
15	15.38	15.38	0.00	1.03	5.05	6.08	0.8397	5.10
18	10.88	10.88	0.00	0.00	2.46	2.46	0.8109	2.00
21	8.24	8.24	0.00	0.00	1.46	1.46	0.7830	1.14
24	6.38	6.38	0.00	0.00	1.03	1.03	0.7561	0.78
27	5.12	5.12	0.00	0.00	0.70	0.70	0.7302	0.51
30	4.31	4.31	0.00	0.00	0.46	0.46	0.7051	0.33
33	3.70	3.70	0.00	0.00	0.35	0.35	0.6809	0.24
36	3.09	3.09	0.00	0.00	0.35	0.35	0.6575	0.23
39	2.64	2.64	0.00	0.00	0.25	0.25	0.6349	0.16
42	2.21	2.21	0.00	0.00	0.24	0.24	0.6131	0.15
45	1.90	1.90	0.00	0.00	0.18	0.18	0.5921	0.11
48	1.50	1.50	0.00	0.00	0.22	0.22	0.5718	0.13
51	1.33	1.33	0.00	0.00	0.10	0.10	0.5521	0.06
54	1.18	1.18	0.00	0.00	0.08	0.08	0.5332	0.05
57	1.00	1.00	0.00	0.00	0.10	0.10	0.5149	0.05
60	0.89	0.89	0.00	0.00	0.07	0.07	0.4972	0.03
72	0.57	0.57	0.00	0.00	0.20	0.20	0.4323	0.09
84	0.38	0.38	0.00	0.00	0.12	0.12	0.3759	0.04
96	0.21	0.21	0.00	0.00	0.10	0.10	0.3269	0.03
108	0.14	0.14	0.00	0.00	0.04	0.04	0.2843	0.01
120	0.07	0.07	0.00	0.00	0.04	0.04	0.2472	0.01
132	0.01	0.01	0.00	0.00	0.03	0.03	0.2149	0.01
144	0.00	0.00	0.00	0.00	0.00	0.00	0.1869	0.00
156	0.00	0.00	0.00	0.00	0.00	0.00	0.1625	0.00
168	0.00	0.00	0.00	0.00	0.00	0.00	0.1413	0.00
180	0.00	0.00	0.00	0.00	0.00	0.00	0.1229	0.00
192	0.00	0.00	0.00	0.00	0.00	0.00	0.1069	0.00
204	0.00	0.00	0.00	0.00	0.00	0.00	0.0929	0.00
216	0.00	0.00	0.00	0.00	0.00	0.00	0.0808	0.00
228	0.00	0.00	0.00	0.00	0.00	0.00	0.0703	0.00
240	0.00	0.00	0.00	0.00	0.00	0.00	0.0611	0.00
252	0.00	(0.00)	0.00	(0.00)	0.00	(0.00)	0.0531	(0.00)
264	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0462	0.00
276	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0402	0.00
288	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0349	0.00
300	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0304	0.00
312	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0264	0.00
324	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0230	0.00
336	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0200	0.00
348	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0174	0.00
360	0.00	(0.00)	0.00	0.00	0.00	0.00	0.0151	0.00
Total				(0.00)	13.52	13.52		0.00



April 27, 2012

Mr. Jay Bradford
Commissioner of Insurance
Arkansas Insurance Department
Property & Casualty Division
1200 W. 3RD Street
Little Rock, Arkansas 72201-1904

Attention: Ms. Becky Harrington

Re: Nationwide Mutual Fire Insurance Company, NAIC No. 23779
Homeowner Rate Revision
File No. 12H-8288AR-JM

Dear Ms. Harrington:

Please find herein a filing memorandum and supporting exhibits pertaining to proposed revisions to Homeowners policies written in the Nationwide Mutual Fire Insurance Companies. The resulting base rate level impact of this revision is an increase of 9.9 percent. The effective date for this filing is October 23, 2012. This increase is driven by our loss experience as demonstrated by our TCRs of 199.57% (2011), 111.32% (2010), 190.26% (2009), and 181.98% (2008). Please refer to Filing Exhibit XIV for details.

We have paid the filing fee by Electronic Fund Transfer via SERFF. We will forward final printed manual pages upon availability. Please contact me through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,

A handwritten signature in black ink that reads "Joseph A. Mesaros".

Joseph A. Mesaros
Senior Pricing Analyst
JM/jm
Attachments

FILING MEMORANDUM
Arkansas Homeowners

Statewide Indicated Change

Using the Nationwide Mutual Fire Insurance Company five-year experience ending September 30, 2011 (evaluated as of December 31, 2011), resulted in a statewide-indicated Homeowner increase of 21.0% for the Mutual Fire Company. We are proposing a statewide base rate change of 9.9% and an additional 2.9% due to Earthquake and Water Back-Up endorsements resulting in an overall 12.8% increase in the Mutual Fire Company.

CHANGES BY POLICY FORM

Base Rates

We are revising NMFIC base rates for the homeowners, tenants, and condominium forms. These changes target the statewide rate level changes illustrated in Exhibits I and II of the Actuarial Exhibits and 1, and 6 of the Side-by-Side Exhibits and are reflected in manual pages H-13 to 15, H-17, and H-18 to 400.

Deductibles

We are revising the all peril \$250 and \$500 deductible factors. We will require \$1,000 minimum All Peril deductible for all new business. Please refer to the Side-by-Side Exhibits 3 and 6 for more details. The changes are reflected in manual page H- 403.

Earthquake Rates

We are revising Nationwide Mutual Fire Insurance Company earthquake rates for the Homeowners, Tenants, and Condominiums forms to account for the dramatic increase in reinsurance costs directly attributable to Arkansas Earthquake. Additionally, we are adding a 25% deductible option. These changes are displayed in Side-by-Side Exhibit 4 and Actuarial Exhibit XI. The new earthquake rates are reflected in draft manual pages H-416 through H-421 and Insert G.

Water Back Up

We are increasing the water back-up rates for homeowner and Tenant forms only. This change will be for new and renewal business in the Nationwide Mutual Fire Insurance Company. The change reflects the same magnitude of change attributed to the statewide base rate. Side-by-Side Exhibit 5 displays the new rates. Manual page H-423 and Inserts H and I reflect the new rates.

Age of Construction

We are revising the Age of Construction factors for homeowner forms in the Nationwide Mutual Fire Insurance Company. Side-by-Side Exhibit 2 displays the new rates, which are reflected in the manual page H-405 and Insert F.

Editorial Revisions

We are implementing the following editorial changes to the agent's portfolio manual:

- The interpolation example on page H-401 will be updated to coincide with the revisions to the base rates.
- Editorial spelling correction to Basic Roof Rating and inclusion of definitions for roll roof and wood roof. Please refer to marked-up manual page H-402 for details.

Please contact Joseph A. Mesaros through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaraj@nationwide.com.

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Income Effect**

Nationwide Mutual Fire Insurance Company

Policy Form	Earned Premium	Indicated Rate Level Change	Indicated Premium Effect	Resolved Rate Level Change	Resolved Premium Effect
Homeowners	\$25,609,816	21.0%	\$5,378,100	9.9%	\$2,535,400
Tenants	628,009	13.5%	84,800	9.9%	62,200
Condominium	85,437	-0.9%	-800	0.0%	0
Subtotal	\$26,323,262	20.8%	\$5,462,100	9.9%	\$2,597,600
<u>Earthquake</u>					
Homeowners	\$885,459	273.7%	\$2,423,501	100.0%	\$885,500
Tenants	4,643	273.7%	12,707	100.0%	4,600
Condominium	3,206	273.7%	8,773	100.0%	3,200
<u>Limited WBU</u>					
Homeowners	\$6,545	N/A	N/A	9.9%	\$600
Tenants	324	N/A	N/A	9.9%	0
Condominium	79	N/A	N/A	0.0%	0
<u>Broad WBU</u>					
Homeowners	\$298,167	N/A	N/A	9.9%	\$29,500
Tenants	5,655	N/A	N/A	9.9%	600
Condominium	1,360	N/A	N/A	0.0%	0
<u>Combined</u>					
Homeowners	\$26,799,987	29.1%	\$7,801,601	12.9%	\$3,451,000
Tenants	638,631	15.3%	97,507	10.6%	67,400
Condominium	90,082	8.9%	7,973	3.6%	3,200
Total	\$27,528,699	28.7%	\$7,907,081	12.8%	\$3,521,600

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	34,735,939	33,974,094	31,329,125	28,403,341	25,609,816	
2. Premium Projection Factor	0.926	0.915	0.924	0.937	1.000	
3. Projected Current Level Earned Premium = (1) x (2)	32,165,480	31,086,296	28,948,112	26,613,931	25,609,816	144,423,635
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	8,792,308	7,909,869	7,978,568	9,899,146	6,630,354	
5. Non-Weather Loss Projection Factor	1.184	1.106	1.053	0.979	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) x (5)	10,410,093	8,748,315	8,401,432	9,691,264	6,630,354	43,881,458
7. Projected Non-Weather Losses and DCC Expense Ratio	32.4%	28.1%	29.0%	36.4%	25.9%	30.4%
8. Projected Weather Losses and DCC Expense	12,469,414	12,062,917	11,291,719	10,382,359	9,988,133	56,194,542
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	38.8%	38.8%	39.0%	39.0%	39.0%	38.9%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	22,879,507	20,811,232	19,693,151	20,073,623	16,618,487	100,230,003
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	71.1%	66.9%	68.0%	75.4%	64.9%	69.4%
12. Experience Year Weights Used Above	15%	15%	20%	25%	25%	
13. Credibility Assigned to Experience						75.2%
14. Trended Permissible Loss and DCC Expense Ratio						61.7%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) x (11) + [1-(13)] x (14)						67.5%
16. Credibility-Weighted Losses and DCC Expense = (3) x (15)						97,485,954
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Risks Contemplated in FFEQ Model						22,685
18. Estimated Losses Based on Modeled Results						482,097
19. Selected Prospective Loss Cost Trend						2.0%
20. FFEQ Loss Projection Factor						1.061
21. DCC Expense Ratio to Loss						1.8%
22. Projected FFEQ Losses and DCC Expense = (18) x (20) x [1 + (21)]						520,712
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.4%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	5,114,311	4,942,721	4,602,750	4,231,615	4,071,961	22,963,358
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						120,970,024
26. Permissible Loss and Fixed Expense Ratio						69.7%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						173,558,141
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						20.2%
29. Reinsurance Charge						0.7%
30. Experience Required Premium Including Reinsurance Charge						178,701,486
31. Credibility-Weighted Required Premium Including Reinsurance Charge = (27) + ([(3) x (29)] ÷ [1 - Commissions - Misc Tax - Prem Tax]						174,764,544
32. Experience Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						23.7%
33. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (31) ÷ (3) - 1						21.0%

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Tenants / HO-4 (NC)**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	616,637	652,837	669,799	622,804	628,009	
2. Premium Projection Factor	0.889	0.885	0.893	0.932	1.000	
3. Projected Current Level Earned Premium = (1) x (2)	548,190	577,761	598,131	580,453	628,009	2,932,544
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	189,216	133,040	317,817	500,901	260,567	
5. Non-Weather Loss Projection Factor	1.856	2.493	1.841	1.436	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) x (5)	351,185	331,669	585,101	719,294	260,567	2,247,816
7. Projected Non-Weather Losses and DCC Expense Ratio	64.1%	57.4%	97.8%	123.9%	41.5%	76.7%
8. Projected Weather Losses and DCC Expense	18,954	20,020	20,721	20,115	21,767	101,577
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	370,139	351,689	605,822	739,409	282,334	2,284,452
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	67.5%	60.9%	101.3%	127.4%	45.0%	77.9%
12. Experience Year Weights Used Above	10%	10%	15%	25%	40%	
13. Credibility Assigned to Experience						28.0%
14. Trended Permissible Loss and DCC Expense Ratio						43.6%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) x (11) + [1-(13)] x (14)						53.2%
16. Credibility-Weighted Losses and DCC Expense = (3) x (15)						1,560,113
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Risks Contemplated in FFEQ Model						2,014
18. Estimated Losses Based on Modeled Results						1,842
19. Selected Prospective Loss Cost Trend						2.0%
20. FFEQ Loss Projection Factor						1.061
21. DCC Expense Ratio to Loss						1.8%
22. Projected FFEQ Losses and DCC Expense = (18) x (20) x [1 + (21)]						1,990
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.1%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	140,884	148,485	153,720	149,176	161,399	753,664
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						2,315,767
26. Permissible Loss and Fixed Expense Ratio						69.7%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						3,322,478
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						13.3%
29. Reinsurance Charge						0.2%
30. Experience Required Premium Including Reinsurance Charge						4,368,701
31. Credibility-Weighted Required Premium Including Reinsurance Charge = (27) + ([(3) x (29)] ÷ [1 - Commissions - Misc Tax - Prem Tax]						3,329,477
32. Experience Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						49.0%
33. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (31) ÷ (3) - 1						13.5%

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	116,196	110,515	101,069	92,407	85,437	
2. Premium Projection Factor	0.900	0.915	0.920	0.957	1.000	
3. Projected Current Level Earned Premium = (1) x (2)	104,576	101,121	92,983	88,433	85,437	472,550
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	71,027	37,880	59,933	63,418	33,922	
5. Non-Weather Loss Projection Factor	1.301	1.631	1.641	1.217	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) x (5)	92,406	61,782	98,350	77,180	33,922	363,640
7. Projected Non-Weather Losses and DCC Expense Ratio	88.4%	61.1%	105.8%	87.3%	39.7%	77.0%
8. Projected Weather Losses and DCC Expense	6,778	6,607	6,046	5,754	5,559	30,744
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	99,184	68,389	104,396	82,934	39,481	375,205
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	94.8%	67.6%	112.3%	93.8%	46.2%	79.4%
12. Experience Year Weights Used Above	10%	15%	20%	25%	30%	
13. Credibility Assigned to Experience						4.8%
14. Trended Permissible Loss and DCC Expense Ratio						45.5%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) x (11) + [1-(13)] x (14)						47.1%
16. Credibility-Weighted Losses and DCC Expense = (3) x (15)						222,571
Modeled Fire Following Earthquake Losses and DCC Expense						
17. Number of Risks Contemplated in FFEQ Model						242
18. Estimated Losses Based on Modeled Results						380
19. Selected Prospective Loss Cost Trend						2.0%
20. FFEQ Loss Projection Factor						1.061
21. DCC Expense Ratio to Loss						1.8%
22. Projected FFEQ Losses and DCC Expense = (18) x (20) x [1 + (21)]						410
23. Projected FFEQ Losses and DCC Expense Ratio = (22) ÷ (3)						0.1%
Non-Hurricane Fixed Expenses						
24. Total Fixed Expenses	22,693	21,943	20,178	19,190	18,540	102,544
Indication						
25. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (24)						325,525
26. Permissible Loss and Fixed Expense Ratio						69.7%
27. Credibility-Weighted Required Premium = (25) ÷ (26)						467,037
28. Credibility-Weighted Indicated Rate Level Change = (27) ÷ (3) - 1						-1.2%
29. Reinsurance Charge						0.2%
30. Experience Required Premium Including Reinsurance Charge						687,152
31. Credibility-Weighted Required Premium Including Reinsurance Charge = (27) + ([(3) x (29)] ÷ [1 - Commissions - Misc Tax - Prem Tax]						468,165
32. Experience Indicated Rate Level Change Including Reinsurance Charge = (30) ÷ (3) - 1						45.4%
33. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (31) ÷ (3) - 1						-0.9%

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-1.9%	-2.9%	-3.9%	-6.3%	0.0%
5. Past-to-Present Factor = $[1+(4)]^{(3)}$	0.926	0.915	0.924	0.937	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)]^{(8)}$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.926	0.915	0.924	0.937	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-2.9%	-4.0%	-5.5%	-6.8%	0.0%
5. Past-to-Present Factor = $[1+(4)]^{(3)}$	0.889	0.885	0.893	0.932	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)]^{(8)}$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.889	0.885	0.893	0.932	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-2.6%	-2.9%	-4.1%	-4.3%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	0.900	0.915	0.920	0.957	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)](8)$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.900	0.915	0.920	0.957	1.000

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	16,279	3,903	3.628	14,160	0	3.299	1.000	3.299	1	128.76	467.14
1998/4	17,957	2,380	3.319	7,899	1	2.990	1.000	2.990	1	71.16	236.18
1999/4	19,550	3,177	3.037	9,649	1	7.765	1.000	7.765	1	246.69	749.24
2000/4	20,717	1,952	2.778	5,423	1	3.707	1.000	3.707	1	72.36	201.03
2001/4	21,694	1,828	2.542	4,647	1	4.817	1.000	4.817	1	88.05	223.85
2002/4	21,951	3,522	2.326	8,192	1	4.861	1.000	4.861	1	171.20	398.21
2003/4	23,302	3,652	2.128	7,771	1	4.085	1.000	4.085	1	149.18	317.45
2004/4	24,387	2,854	1.947	5,557	1	3.592	1.000	3.592	1	102.52	199.61
2005/4	25,483	3,779	1.781	6,730	1	2.143	1.000	2.143	1	80.98	144.22
2006/4	26,526	5,902	1.629	9,614	1	5.632	1.000	5.632	1	332.40	541.46
2007/4	26,813	4,071	1.491	6,070	1	2.227	1.000	2.227	1	90.66	135.18
2008/4	25,711	6,652	1.364	9,073	1	10.443	1.000	10.443	1	694.67	947.49
2009/4	23,873	6,660	1.248	8,312	1	7.896	1.000	7.896	1	525.87	656.32
2010/4	22,074	5,231	1.142	5,974	1	3.076	1.000	3.076	1	160.91	183.76
2011/4	21,452	7,798	1.045	8,149	1	13.113	1.000	13.113	0	1,022.55	1,068.58
Wtd Avg		4,247		7,361		4.752		4.752		201.82	349.79

m=	7,815	m=	5.310	262.53	431.31
s=	2,352	s=	3.179	277.69	301.30
m-2s=	3,111	m-2s=	-1.048	-292.85	-171.29
m-1s=	5,463	m-1s=	2.131	-15.16	130.01
m+1s=	10,167	m+1s=	8.489	540.22	732.61
m+2s=	12,519	m+2s=	11.668	817.91	1,033.91

Selected

A. Selected Weather Severity: **7,361**
 B. Selected Weather Frequency (per 100): **4.752**
 C. Wind/Hail Pure Premium = (A) x (B) ÷ 100: **349.79**

1. Wind and Hail Earned Exposures
2. Wind and Hail severity, excluding hurricane losses
3. = $(1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
4. = (2) x (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and Hail frequency per 100 exposures, excluding hurricane losses
7. = $(1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
8. = (6) x (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) x (6) ÷ 100
11. = (4) x (8) ÷ 100
12. Severity projected to the effective date based on the trend line on the wind & hail severity graph.
13. Frequency projected to the effective date based on the trend line on the wind & hail frequency graph.
14. Pure premium projected to the effective date based on the trend line on the wind & hail pure premium graph.

*Loss Causes: Wind (104) and Hail (114)

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	16,279	1,392	5.028	6,999	1	1.818	1.000	1.818	1	25.31	127.24
1998/4	17,957	1,826	4.513	8,241	1	1.593	1.000	1.593	1	29.09	131.28
1999/4	19,550	1,485	4.051	6,016	1	2.041	1.000	2.041	1	30.31	122.79
2000/4	20,717	1,793	3.637	6,521	1	1.965	1.000	1.965	1	35.23	128.14
2001/4	21,694	1,848	3.265	6,034	1	4.969	1.000	4.969	1	91.83	299.83
2002/4	21,951	1,848	2.930	5,415	1	1.553	1.000	1.553	1	28.70	84.09
2003/4	23,302	1,881	2.631	4,949	1	1.219	1.000	1.219	1	22.93	60.33
2004/4	24,387	3,716	2.361	8,773	1	1.169	1.000	1.169	1	43.44	102.56
2005/4	25,483	2,415	2.120	5,120	1	1.083	1.000	1.083	1	26.15	55.45
2006/4	26,526	5,380	1.903	10,238	1	0.901	1.000	0.901	1	48.47	92.24
2007/4	26,813	5,407	1.708	9,235	1	0.869	1.000	0.869	1	46.99	80.25
2008/4	25,711	8,313	1.533	12,744	0	1.015	1.000	1.015	1	84.38	129.35
2009/4	23,873	2,943	1.376	4,050	1	15.046	1.000	15.046	0	442.80	609.36
2010/4	22,074	5,177	1.236	6,399	1	1.563	1.000	1.563	1	80.92	100.02
2011/4	21,452	6,271	1.109	6,955	1	1.660	1.000	1.660	1	104.10	115.45
Wtd Avg		3,099		6,782		1.673		1.673		51.85	113.46

m=	7,179	m=	2.564	76.04	149.23
s=	2,301	s=	3.591	105.02	139.24
m-2s=	2,577	m-2s=	-4.618	-134.00	-129.25
m-1s=	4,878	m-1s=	-1.027	-28.98	9.99
m+1s=	9,480	m+1s=	6.155	181.06	288.47
m+2s=	11,781	m+2s=	9.746	286.08	427.71

Selected

A. Selected Weather Severity: **6,782**
 B. Selected Weather Frequency (per 100): **1.673**
 C. Other Weather Pure Premium = (A) x (B) ÷ 10 **113.46**

- Earned Exposures
- Non-Wind and Hail severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Non-Wind and Hail frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) \div 100$
- $= (4) \times (8) \div 100$
- Severity projected to the effective date based on the trend line on the other weather severity graph.
- Frequency projected to the effective date based on the trend line on the other weather frequency graph.
- Pure premium projected to the effective date based on the trend line on the other weather pure premium graph.

*Loss Causes: Lightning (102), Water Damage (107), Freezing (108), Flood and Rising Water (118), Weight of Ice/Snow (143), and Water Non-Cat (151)

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	1,176	1,762	2.641	4,653	0	0.850	0.833	0.708	1	14.98	32.94
1998/4	1,294	520	2.459	1,279	1	0.618	0.844	0.522	1	3.21	6.68
1999/4	1,774	522	2.290	1,195	1	0.620	0.855	0.530	1	3.24	6.33
2000/4	2,092	1,219	2.132	2,599	1	0.478	0.866	0.414	1	5.83	10.76
2001/4	2,091	1,215	1.985	2,412	1	1.148	0.877	1.007	1	13.95	24.29
2002/4	1,802	1,288	1.848	2,380	1	0.610	0.889	0.542	1	7.86	12.90
2003/4	1,626	2,040	1.721	3,511	1	0.492	0.901	0.443	1	10.04	15.55
2004/4	1,652	956	1.602	1,532	1	0.242	0.912	0.221	1	2.31	3.39
2005/4	1,713	867	1.492	1,294	1	0.584	0.924	0.540	1	5.06	6.99
2006/4	1,767	1,307	1.389	1,815	1	0.396	0.937	0.371	1	5.18	6.73
2007/4	1,833	843	1.293	1,090	1	0.382	0.949	0.363	1	3.22	3.96
2008/4	1,943	1,699	1.204	2,046	1	1.081	0.962	1.040	1	18.37	21.28
2009/4	1,965	2,430	1.121	2,724	1	1.272	0.974	1.239	0	30.91	33.75
2010/4	1,947	1,472	1.044	1,537	1	0.308	0.987	0.304	1	4.53	4.67
2011/4	2,119	1,700	0.972	1,652	1	0.566	1.000	0.566	1	9.62	9.35
Wtd Avg		1,291		1,933		0.598		0.541		7.72	10.46

m=	2,115	m=	0.587
s=	979	s=	0.292
m-2s=	157	m-2s=	0.003
m-1s=	1,136	m-1s=	0.295
m+1s=	3,094	m+1s=	0.879
m+2s=	4,073	m+2s=	1.171

	Selected
A. Selected Weather Severity:	1,933
B. Selected Weather Frequency (per 100):	0.541
C. Projected Weather Pure Premium= (A)x(B)÷100	10.46

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} * (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} * (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) \div 100$
- $= (4) \times (8) \div 100$
- Severity projected to the effective date based on the trend line on the weather severity graph.
- Frequency projected to the effective date based on the trend line on the weather frequency graph.
- Pure premium projected to the effective date based on the trend line on the weather pure premium graph.

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	145	1,179	2.903	3,423	1	0.690	0.857	0.591	1	8.14	20.23
1998/4	157	1,610	2.701	4,349	1	1.274	0.866	1.103	1	20.51	47.97
1999/4	176	0	2.512			0.000	0.876		1	0.00	
2000/4	193	913	2.337	2,134	1	0.518	0.885	0.458	1	4.73	9.77
2001/4	188	2,363	2.174	5,137	1	2.660	0.895	2.381	1	62.86	122.31
2002/4	182	608	2.022	1,229	1	1.648	0.905	1.491	1	10.02	18.32
2003/4	207	696	1.881	1,309	1	0.483	0.915	0.442	1	3.36	5.79
2004/4	243	2,477	1.750	4,335	1	1.235	0.925	1.142	1	30.59	49.51
2005/4	257	0	1.628			0.000	0.936		1	0.00	
2006/4	266	2,794	1.514	4,230	1	0.376	0.946	0.356	1	10.51	15.06
2007/4	279	344	1.409	485	1	0.358	0.957	0.343	1	1.23	1.66
2008/4	265	4,050	1.310	5,306	1	0.755	0.967	0.730	1	30.58	38.73
2009/4	245	2,639	1.219	3,217	1	0.408	0.978	0.399	1	10.77	12.84
2010/4	233	2,186	1.134	2,479	1	1.717	0.989	1.698	1	37.53	42.09
2011/4	230	574	1.055	606	1	1.304	1.000	1.304	1	7.48	7.90
Wtd Avg		1,726		2,941		0.895		0.829		15.45	24.38

m=	2,941	m=	0.957
s=	1,690	s=	0.632
m-2s=	-439	m-2s=	-0.307
m-1s=	1,251	m-1s=	0.325
m+1s=	4,631	m+1s=	1.589
m+2s=	6,321	m+2s=	2.221

Selected

A. Selected Weather Severity: **2,941**

B. Selected Weather Frequency (per 100): **0.829**

C. Projected Weather Pure Premium= (A)×(B)÷100 **24.38**

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) * (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
- = (2) × (3)
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) * (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
- = (6) × (7)
- Judgmentally selected weight assigned to calendar year frequency.
- = (2) × (6) ÷ 100
- = (4) × (8) ÷ 100
- Severity projected to the effective date based on the trend line on the weather severity graph.
- Frequency projected to the effective date based on the trend line on the weather frequency graph.
- Pure premium projected to the effective date based on the trend line on the weather pure premium graph.

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	6.4%	7.6%	4.8%	-0.9%	0.0%
5. Selected Frequency Trend	-2.0%	-3.9%	-2.1%	-1.2%	0.0%
6. Selected Pure Premium Trend = $[1+(4)] \times [1+(5)] - 1$	4.3%	3.4%	2.6%	-2.1%	0.0%
7. Past-to-Present Factor = $[1+(6)]^{(3)}$	1.184	1.106	1.053	0.979	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = $[1+(11)] \times [1+(12)] - 1$	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = $[1+(13)]^{(10)}$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.184	1.106	1.053	0.979	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	12.9%	37.9%	40.8%	70.3%	0.0%
5. Selected Frequency Trend	3.4%	-1.7%	-3.6%	-15.7%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	16.7%	35.6%	35.7%	43.6%	0.0%
7. Past-to-Present Factor = [1+(6)] ⁽³⁾	1.856	2.493	1.841	1.436	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = [1+(13)] ⁽¹⁰⁾	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.856	2.493	1.841	1.436	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	-2.4%	1.9%	28.2%	24.6%	0.0%
5. Selected Frequency Trend	9.4%	15.5%	-0.1%	-2.3%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	6.8%	17.7%	28.1%	21.7%	0.0%
7. Past-to-Present Factor = [1+(6)](3)	1.301	1.631	1.641	1.217	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = [1+(13)](10)	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.301	1.631	1.641	1.217	1.000

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	3.0%	6.1%	5.5%
23	3.6%	5.9%	5.5%
22	4.8%	5.5%	5.4%
21	5.8%	5.2%	5.3%
20	6.4%	4.9%	5.0%
19	6.3%	4.6%	4.7%
18	5.9%	4.4%	4.5%
17	6.1%	4.4%	4.5%
16	7.6%	4.4%	4.6%
15	8.5%	4.3%	4.6%
14	9.9%	4.3%	4.7%
13	9.4%	4.0%	4.3%
12	4.8%	3.8%	3.9%
11	1.3%	3.9%	3.6%
10	-0.9%	4.2%	3.6%
9	-2.8%	4.7%	4.0%
8	-0.9%	4.2%	3.7%
7	4.6%	3.3%	3.4%
6	9.9%	2.2%	2.7%
5	23.5%	0.8%	2.2%
4	28.5%	1.5%	2.3%
3	41.2%	0.9%	41.2%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-0.1%	0.9%	0.5%
23	-0.8%	0.9%	0.0%
22	-1.4%	0.9%	-0.4%
21	-1.7%	0.9%	-0.7%
20	-2.0%	0.8%	-0.9%
19	-2.3%	0.6%	-1.2%
18	-2.9%	0.3%	-1.8%
17	-3.4%	-0.1%	-2.3%
16	-3.9%	-0.5%	-2.8%
15	-3.9%	-0.8%	-2.8%
14	-3.7%	-1.3%	-2.8%
13	-3.2%	-1.8%	-2.6%
12	-2.1%	-2.6%	-2.3%
11	-1.7%	-3.3%	-2.4%
10	-1.3%	-3.7%	-2.5%
9	-0.9%	-3.7%	-2.2%
8	-1.2%	-2.6%	-2.0%
7	-3.5%	-1.1%	-1.8%
6	-6.0%	0.4%	-0.6%
5	-11.4%	1.7%	-1.2%
4	-14.1%	2.5%	-1.5%
3	-18.1%	1.1%	-4.3%

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Paid Pure Premium

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	2.9%	7.1%	5.2%
23	2.8%	6.9%	5.1%
22	3.3%	6.5%	5.1%
21	3.9%	6.1%	5.2%
20	4.2%	5.7%	5.1%
19	3.9%	5.2%	4.7%
18	2.9%	4.7%	4.1%
17	2.6%	4.3%	3.8%
16	3.3%	3.9%	3.7%
15	4.2%	3.5%	3.7%
14	5.8%	2.9%	3.8%
13	5.8%	2.1%	2.9%
12	2.6%	1.1%	1.3%
11	-0.4%	0.5%	0.4%
10	-2.3%	0.3%	-0.2%
9	-3.7%	0.8%	0.0%
8	-2.0%	1.5%	1.0%
7	1.0%	2.2%	2.0%
6	3.4%	2.6%	2.7%
5	9.4%	2.5%	6.2%
4	10.4%	4.0%	6.6%
3	15.6%	2.1%	7.8%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$,

where $K = K \left[\frac{(1-R2STATE)s2STATE}{(1-R2COUNTRYWIDE)s2COUNTRYWIDE} \right]$, N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)**

Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-1.5%	1.9%	1.8%
23	0.2%	1.9%	1.9%
22	3.3%	2.0%	2.0%
21	8.3%	2.0%	2.2%
20	12.9%	1.8%	2.1%
19	18.7%	1.3%	2.0%
18	25.5%	1.0%	2.5%
17	31.2%	1.3%	3.7%
16	37.9%	1.8%	6.5%
15	43.5%	2.6%	9.1%
14	44.6%	3.6%	8.9%
13	41.8%	4.8%	8.5%
12	40.8%	6.2%	8.6%
11	40.6%	7.1%	9.1%
10	40.4%	8.5%	10.1%
9	57.6%	8.1%	14.0%
8	70.3%	5.8%	16.8%
7	73.6%	3.9%	14.4%
6	66.7%	-0.2%	4.5%
5	67.1%	-4.4%	-3.0%
4	36.8%	-2.6%	-1.8%
3	4.7%	-3.6%	-2.4%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	10.7%	4.4%	4.9%
23	10.0%	4.2%	4.7%
22	8.6%	4.0%	4.4%
21	5.9%	3.7%	3.9%
20	3.4%	3.5%	3.5%
19	1.6%	3.1%	3.0%
18	-0.5%	2.5%	2.2%
17	-1.3%	1.7%	1.4%
16	-1.7%	0.9%	0.7%
15	-2.3%	0.0%	-0.1%
14	-3.6%	-0.9%	-1.0%
13	-3.3%	-1.9%	-1.9%
12	-3.6%	-2.9%	-2.9%
11	-4.2%	-3.9%	-3.9%
10	-1.9%	-5.0%	-5.0%
9	-8.4%	-5.5%	-5.5%
8	-15.7%	-5.5%	-5.6%
7	-27.2%	-5.0%	-5.2%
6	-40.3%	-3.2%	-3.6%
5	-45.9%	-1.5%	-1.5%
4	-49.4%	-0.8%	-0.8%
3	-43.4%	0.1%	0.1%

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)
Paid Pure Premium**

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	9.1%	6.5%	6.6%
23	10.2%	6.2%	6.3%
22	12.3%	6.0%	6.1%
21	14.8%	5.8%	6.0%
20	16.8%	5.4%	5.6%
19	20.6%	4.5%	4.8%
18	24.9%	3.5%	3.7%
17	29.4%	3.0%	3.3%
16	35.5%	2.7%	3.4%
15	40.2%	2.6%	3.4%
14	39.3%	2.7%	3.4%
13	37.1%	2.9%	3.6%
12	35.7%	3.1%	3.8%
11	34.7%	3.0%	3.3%
10	37.8%	3.1%	3.8%
9	44.4%	2.2%	3.0%
8	43.6%	0.0%	0.4%
7	26.4%	-1.3%	-1.0%
6	-0.4%	-3.4%	-3.4%
5	-9.7%	-5.9%	-5.9%
4	-30.8%	-3.4%	-3.7%
3	-40.8%	-3.4%	-3.8%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$,

where $K=K[(1-R2STATE)s2STATE],[(1-R2COUNTRYWIDE)s2COUNTRYWIDE]$, N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-7.0%	4.7%	4.7%
23	-6.5%	4.7%	4.6%
22	-5.6%	4.9%	4.8%
21	-3.7%	5.2%	5.1%
20	-2.4%	5.6%	5.5%
19	-4.9%	6.2%	6.1%
18	-4.3%	6.8%	6.8%
17	-2.2%	7.4%	7.4%
16	1.9%	8.1%	8.1%
15	7.8%	9.0%	9.0%
14	15.1%	9.9%	10.0%
13	21.7%	10.6%	10.7%
12	28.2%	11.7%	11.9%
11	29.2%	11.6%	11.8%
10	26.8%	11.1%	11.3%
9	23.5%	10.3%	10.4%
8	24.6%	8.4%	8.6%
7	26.9%	6.5%	6.7%
6	10.7%	1.5%	1.6%
5	-0.5%	-2.5%	-2.5%
4	-31.1%	-5.6%	-5.9%
3	-35.9%	-15.5%	-15.5%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	4.2%	1.6%	1.6%
23	7.1%	1.6%	1.7%
22	9.4%	1.5%	1.6%
21	11.0%	1.1%	1.2%
20	9.4%	0.7%	0.8%
19	8.4%	0.2%	0.3%
18	11.2%	-0.3%	-0.2%
17	13.6%	-0.7%	-0.6%
16	15.5%	-1.1%	-0.9%
15	17.9%	-1.6%	-1.6%
14	10.5%	-2.3%	-2.2%
13	6.2%	-2.8%	-2.7%
12	-0.1%	-3.8%	-3.8%
11	-3.5%	-4.2%	-4.2%
10	-5.3%	-4.7%	-4.7%
9	-7.4%	-4.8%	-4.8%
8	-2.3%	-3.6%	-3.6%
7	-0.9%	-3.3%	-3.3%
6	3.6%	-1.8%	-1.7%
5	17.5%	0.2%	0.4%
4	36.4%	4.4%	4.7%
3	27.7%	7.7%	7.7%

Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums

Quarters of Trend	Paid Pure Premium		
	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-3.1%	6.4%	6.4%
23	0.2%	6.3%	6.3%
22	3.3%	6.4%	6.4%
21	6.8%	6.4%	6.4%
20	6.8%	6.3%	6.3%
19	3.1%	6.4%	6.4%
18	6.4%	6.5%	6.5%
17	11.1%	6.6%	6.6%
16	17.7%	6.8%	6.8%
15	27.1%	7.3%	7.3%
14	27.2%	7.4%	7.4%
13	29.2%	7.5%	7.5%
12	28.0%	7.5%	7.5%
11	24.7%	6.9%	6.9%
10	20.1%	6.0%	6.0%
9	14.3%	5.0%	5.0%
8	21.8%	4.5%	4.5%
7	25.7%	3.0%	3.0%
6	14.7%	-0.3%	-0.3%
5	17.0%	-2.3%	-2.3%
4	-6.0%	-1.5%	-1.5%
3	-18.2%	-9.0%	-9.0%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$,

where $K=K'[(1-R2STATE)s2STATE]+[(1-R2COUNTRYWIDE)s2COUNTRYWIDE]$, N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data**

Non-Weather, With Losses Capped at \$250,000

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

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	10,321	2.556	8,008	2.506
2006/2	11,097	2.742	7,967	2.507
2006/3	10,273	2.900	8,300	2.487
2006/4	9,373	2.986	8,574	2.484
2007/1	8,398	3.019	8,864	2.460
2007/2	8,247	2.912	9,187	2.457
2007/3	9,106	2.998	9,520	2.472
2007/4	10,221	3.028	9,638	2.509
2008/1	9,454	3.230	9,723	2.549
2008/2	9,686	3.233	9,826	2.561
2008/3	8,475	3.245	9,801	2.579
2008/4	7,127	3.290	10,022	2.584
2009/1	8,492	3.051	10,358	2.624
2009/2	9,823	2.991	10,467	2.687
2009/3	10,435	2.966	10,559	2.733
2009/4	11,873	2.886	10,332	2.774
2010/1	12,063	2.783	10,482	2.715
2010/2	11,045	2.871	10,690	2.633
2010/3	11,108	2.856	10,898	2.572
2010/4	9,736	3.031	11,227	2.536
2011/1	10,104	2.994	11,156	2.519
2011/2	10,179	2.942	11,221	2.548
2011/3	11,103	2.866	11,281	2.575
2011/4	12,095	2.662	11,274	2.562

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)**

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	8,227	1.435	4,074	1.459
2006/2	9,671	1.361	4,152	1.500
2006/3	11,006	1.190	4,089	1.537
2006/4	7,952	1.415	4,017	1.564
2007/1	7,583	1.744	3,909	1.561
2007/2	6,679	1.844	4,110	1.551
2007/3	4,856	2.318	4,450	1.584
2007/4	4,542	2.510	4,494	1.631
2008/1	3,711	2.486	4,563	1.678
2008/2	2,719	2.396	4,518	1.733
2008/3	2,450	2.769	4,450	1.767
2008/4	3,038	2.625	4,370	1.816
2009/1	3,472	2.593	4,177	1.866
2009/2	3,792	2.922	4,222	1.889
2009/3	5,894	2.069	3,975	1.956
2009/4	4,652	2.290	3,916	1.972
2010/1	4,113	2.312	4,166	1.965
2010/2	4,235	2.596	4,229	1.958
2010/3	5,302	3.328	4,480	1.883
2010/4	5,432	3.287	4,820	1.828
2011/1	7,056	3.098	4,667	1.811
2011/2	9,075	2.573	4,618	1.800
2011/3	8,716	1.922	4,709	1.795
2011/4	9,284	1.935	4,535	1.801

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	8,850	5.019	3,990	2.432
2006/2	9,032	3.831	4,257	2.386
2006/3	10,155	3.053	4,349	2.309
2006/4	8,217	1.880	4,354	2.339
2007/1	4,343	2.206	4,427	2.377
2007/2	7,306	3.636	4,410	2.439
2007/3	8,376	3.226	4,387	2.494
2007/4	9,231	2.867	4,367	2.540
2008/1	9,016	2.888	4,439	2.574
2008/2	7,966	1.455	4,385	2.545
2008/3	6,109	2.214	4,302	2.629
2008/4	5,295	2.264	4,398	2.592
2009/1	3,907	3.089	4,177	2.718
2009/2	3,704	3.557	4,264	2.720
2009/3	4,029	3.629	4,371	2.740
2009/4	4,887	4.490	4,456	2.811
2010/1	5,157	3.734	4,707	2.670
2010/2	4,366	3.782	4,749	2.673
2010/3	5,643	3.814	5,154	2.611
2010/4	5,645	3.433	5,403	2.575
2011/1	7,996	3.030	5,400	2.490
2011/2	8,313	3.463	5,680	2.467
2011/3	5,690	3.493	5,431	2.531
2011/4	6,653	3.913	5,222	2.560

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$250,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	4,462,088	4,502,882	4,509,984	4,518,910	4,518,910	4,518,910	4,526,733	4,526,733	4,526,733	4,526,733	4,526,733
2002/3	4,295,172	4,203,277	4,197,012	4,195,160	4,196,989	4,200,386	4,234,000	4,234,000	4,234,000	4,234,000	
2003/3	5,811,239	5,140,291	5,173,781	5,269,228	5,299,592	5,403,819	5,405,694	5,409,085	5,420,702		
2004/3	3,653,471	3,710,159	3,708,109	3,764,742	3,763,506	3,762,354	3,761,693	3,768,397			
2005/3	4,083,153	4,029,650	3,995,885	3,996,396	3,981,772	3,980,642	3,980,642				
2006/3	6,630,836	6,126,070	5,762,587	5,763,274	5,763,274	5,777,141					
2007/3	5,432,080	5,489,722	5,460,777	5,466,213	5,457,654						
2008/3	5,347,908	5,140,269	5,140,858	5,162,443							
2009/3	6,838,867	6,435,935	6,432,523								
2010/3	5,944,486	5,800,809									
2011/3	5,170,952										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0091	1.0016	1.0020	1.0000	1.0000	1.0017	1.0000	1.0000	1.0000	1.0000
2002/3	0.9786	0.9985	0.9996	1.0004	1.0008	1.0080	1.0000	1.0000	1.0000	
2003/3	0.8845	1.0065	1.0184	1.0058	1.0197	1.0003	1.0006	1.0021		
2004/3	1.0155	0.9994	1.0153	0.9997	0.9997	0.9998	1.0018			
2005/3	0.9869	0.9916	1.0001	0.9963	0.9997	1.0000				
2006/3	0.9239	0.9407	1.0001	1.0000	1.0024					
2007/3	1.0106	0.9947	1.0010	0.9984						
2008/3	0.9612	1.0001	1.0042							
2009/3	0.9411	0.9995								
2010/3	0.9758									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	0.9594	0.9953	1.0018	0.9994	1.0010	1.0007	1.0006	1.0007	1.0000	1.0000	
Age-to-Ult	0.9589	0.9995	1.0042	1.0024	1.0030	1.0020	1.0013	1.0007	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	4,526,733	1.0000	1,371,449	5,898,182	1,169	11,450,508	21,504	5.045	54.362	274.28	51.5
2002/3	4,234,000	1.0000	1,148,365	5,382,365	894	12,927,138	21,846	6.021	40.923	246.38	41.6
2003/3	5,420,702	1.0000	1,237,745	6,658,447	788	15,506,169	22,838	8.450	34.504	291.55	42.9
2004/3	3,768,397	1.0007	579,113	4,350,148	717	18,342,999	24,282	6.067	29.528	179.15	23.7
2005/3	3,980,642	1.0013	1,074,289	5,060,106	607	20,410,310	25,104	8.336	24.179	201.57	24.8
2006/3	5,777,141	1.0020	4,143,638	9,932,333	763	21,886,498	26,349	13,017	28.957	376.95	45.4
2007/3	5,457,654	1.0030	2,491,369	7,965,396	724	23,234,742	26,918	11,002	26.897	295.91	34.3
2008/3	5,162,443	1.0024	2,401,374	7,576,207	836	23,993,004	26,039	9,062	32.106	290.96	31.6
2009/3	6,432,523	1.0042	1,419,376	7,878,916	711	24,380,642	24,375	11,081	29.169	323.24	32.3
2010/3	5,800,809	0.9995	3,947,532	9,745,441	750	23,948,854	22,412	12,994	33.464	434.83	40.7
2011/3	5,170,952	0.9589	1,161,021	6,119,447	663	22,764,281	21,561	9,230	30.750	283.82	26.9

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Tenants / HO-4 (NC)**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$60,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	152,301	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282
2002/3	136,091	143,076	143,076	143,076	143,076	143,076	143,076	143,076	143,076	143,076	142,282
2003/3	140,964	137,117	138,895	146,248	155,083	155,083	155,083	155,083	155,083	155,083	143,076
2004/3	87,825	87,352	87,352	87,352	87,352	87,352	87,352	87,352	87,352	87,352	155,083
2005/3	181,345	176,327	176,327	176,327	176,327	176,327	176,327	176,327	176,327	176,327	155,083
2006/3	225,041	195,888	195,888	195,888	195,888	195,888	195,888	195,888	195,888	195,888	176,327
2007/3	173,967	169,682	169,682	169,682	169,682	169,682	169,682	169,682	169,682	169,682	176,327
2008/3	163,694	130,232	130,232	130,232	130,232	130,232	130,232	130,232	130,232	130,232	169,682
2009/3	206,473	175,815	175,815	175,815	175,815	175,815	175,815	175,815	175,815	175,815	169,682
2010/3	454,386	459,911	459,911	459,911	459,911	459,911	459,911	459,911	459,911	459,911	175,815
2011/3	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	459,911

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	0.9342	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0513	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2003/3	0.9727	1.0130	1.0529	1.0604	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2004/3	0.9946	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2005/3	0.9723	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2006/3	0.8705	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2007/3	0.9754	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2008/3	0.7956	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2009/3	0.8515	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2010/3	1.0122	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	
Selected	0.8991	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	Tail Factor
Age-to-Ult	0.8991	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	142,282	1.0000	121,680	263,962	72	329,504	2,111	3,666	34.107	125.04	80.1
2002/3	143,076	1.0000	127,400	270,476	51	305,629	1,877	5,303	27.171	144.10	88.5
2003/3	155,083	1.0000	0	155,083	34	305,876	1,661	4,561	20.470	93.37	50.7
2004/3	87,352	1.0000	0	87,352	27	333,870	1,633	3,235	16.534	53.49	26.2
2005/3	176,327	1.0000	84,386	260,713	30	350,594	1,693	8,690	17.720	153.99	74.4
2006/3	195,888	1.0000	0	195,888	23	366,471	1,764	8,517	13.039	111.05	53.5
2007/3	169,682	1.0000	0	169,682	40	388,555	1,812	4,242	22.075	93.64	43.7
2008/3	130,232	1.0000	0	130,232	48	452,730	1,914	2,713	25.078	68.04	28.8
2009/3	175,815	1.0000	142,002	317,817	48	512,863	1,981	6,621	24.230	160.43	62.0
2010/3	459,911	1.0000	0	459,911	69	495,075	1,923	6,665	35.881	239.16	92.9
2011/3	289,809	0.8991	0	260,567	41	530,413	2,081	6,355	19.702	125.21	49.1

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$30,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	18,174	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351
2002/3	45,168	44,435	44,435	44,435	44,435	44,435	44,435	44,435	44,435	44,435	
2003/3	11,313	32,174	32,174	32,174	32,174	32,174	32,174	32,174	32,174		
2004/3	23,540	25,167	25,167	25,167	25,167	25,167	25,167	25,166			
2005/3	53,028	57,241	57,241	57,241	57,241	57,241	57,241				
2006/3	10,293	10,293	10,293	10,293	10,293	10,293					
2007/3	66,547	70,879	70,879	70,879	70,879						
2008/3	38,761	37,880	37,880	37,880							
2009/3	59,668	60,733	59,933								
2010/3	59,805	61,418									
2011/3	33,424										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0648	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	0.9838	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	2.8440	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	1.0691	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000			
2005/3	1.0794	1.0000	1.0000	1.0000	1.0000	1.0000				
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000					
2007/3	1.0651	1.0000	1.0000	1.0000						
2008/3	0.9773	1.0000	1.0000							
2009/3	1.0178	0.9868								
2010/3	1.0270									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	
Selected	1.0149	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	Tail Factor
Age-to-Ult	1.0149	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	19,351	1.0000	37,732	57,083	8	44,442	189	7,135	42.328	302.03	128.4
2002/3	44,435	1.0000	0	44,435	11	43,225	180	4,040	61.111	246.86	102.8
2003/3	32,174	1.0000	0	32,174	3	53,037	199	10,725	15.075	161.68	60.7
2004/3	25,166	1.0000	64,159	89,325	7	68,270	236	12,761	29.661	378.50	130.8
2005/3	57,241	1.0000	0	57,241	9	77,308	256	6,360	35.156	223.60	74.0
2006/3	10,293	1.0000	201,494	211,787	7	81,763	262	30,255	26.718	808.35	259.0
2007/3	70,879	1.0000	0	70,879	7	89,039	278	10,126	25.180	254.96	79.6
2008/3	37,880	1.0000	0	37,880	8	93,183	271	4,735	29.520	139.78	40.7
2009/3	59,933	1.0000	0	59,933	11	94,105	248	5,448	44.355	241.67	63.7
2010/3	61,418	1.0000	0	61,418	9	89,282	236	6,824	38.136	260.25	68.8
2011/3	33,424	1.0149	0	33,922	7	83,844	228	4,846	30.702	148.78	40.5

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$250,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	183,418	161,374	161,904	163,584	158,892	158,892	158,892	158,892	158,892	158,892	158,892
2002/3	98,550	142,536	141,850	148,013	148,013	148,013	148,013	148,013	148,013	148,013	
2003/3	85,885	207,211	209,093	209,093	209,093	209,093	209,093	209,093	209,093		
2004/3	156,854	139,261	285,427	295,485	300,785	309,124	214,274	214,274			
2005/3	543,629	482,308	508,779	513,378	526,612	526,612	526,612				
2006/3	387,174	382,395	506,464	497,106	400,006	401,094					
2007/3	96,708	213,620	225,543	225,601							
2008/3	822,074	324,038	329,826	331,376							
2009/3	142,128	122,633	98,509								
2010/3	202,692	145,692									
2011/3	233,421										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	0.8798	1.0033	1.0104	0.9713	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.4463	0.9952	1.0434	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	2.4127	1.0091	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	0.8878	2.0496	1.0352	1.0179	1.0277	0.6932	1.0000			
2005/3	0.8872	1.0549	1.0090	1.0258	1.0000	1.0000				
2006/3	0.9877	1.3245	0.9815	0.8047	1.0027					
2007/3	2.2089	1.0558	1.0003	1.0000						
2008/3	0.3942	1.0179	1.0047							
2009/3	0.8628	0.8033								
2010/3	0.7188									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	
Selected	0.8564	1.0429	1.0047	1.0060	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000	Tail Factor
Age-to-Ult	0.9035	1.0550	1.0116	1.0069	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	158,892	1.0000	0	158,892	85	11,450,508	21,504	1,869	3.953	7.39	1.4
2002/3	148,013	1.0000	0	148,013	44	12,927,138	21,846	3,364	2.014	6.78	1.1
2003/3	209,093	1.0000	0	209,093	45	15,506,169	22,838	4,647	1.970	9.16	1.3
2004/3	214,274	1.0000	0	214,274	40	18,342,999	24,282	5,357	1.647	8.82	1.2
2005/3	526,612	1.0000	0	526,612	32	20,410,310	25,104	16,457	1.275	20.98	2.6
2006/3	401,094	1.0000	0	401,094	29	21,886,498	26,349	13,831	1.101	15.22	1.8
2007/3	225,601	1.0009	601,108	826,912	33	23,234,742	26,918	25,058	1.226	30.72	3.6
2008/3	331,376	1.0069	0	333,662	34	23,993,004	26,039	9,814	1.306	12.81	1.4
2009/3	98,509	1.0116	0	99,652	32	24,380,642	24,375	3,114	1.313	4.09	0.4
2010/3	145,692	1.0550	0	153,705	19	23,948,854	22,412	8,090	0.848	6.86	0.6
2011/3	233,421	0.9035	300,011	510,907	28	22,764,281	21,561	18,247	1.299	23.70	2.2

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Tenants / HO-4 (NC)**

Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$60,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165
2002/3	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	
2003/3	1,152	1,152	1,151	1,152	1,152	1,152	1,152	1,152	1,152		
2004/3	4,101	4,101	4,101	4,101	4,101	4,101	4,101	4,101			
2005/3	15,681	15,681	15,681	15,681	15,681	15,681	15,681				
2006/3	0	0	0	0	0	0					
2007/3	19,534	19,534	19,534	19,534	19,534						
2008/3	2,808	2,808	2,808	2,808							
2009/3	0	0	0								
2010/3	16,000	40,990									
2011/3	0										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	1.0000	0.9991	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000			
2005/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000				
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000					
2007/3	1.0000	1.0000	1.0000	1.0000						
2008/3	1.0000	1.0000	1.0000							
2009/3	1.0000	1.0000								
2010/3	2.5619									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
Age-to-Ult	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	1,165	1.0000	0	1,165	3	329,504	2,111	388	1.421	0.55	0.4
2002/3	3,293	1.0000	0	3,293	1	305,629	1,877	3,293	0.533	1.75	1.1
2003/3	1,152	1.0000	75,251	76,403	2	305,876	1,661	38,202	1.204	46.00	25.0
2004/3	4,101	1.0000	0	4,101	1	333,870	1,633	4,101	0.612	2.51	1.2
2005/3	15,681	1.0000	0	15,681	0	350,594	1,693	#DIV/0!	0.000	9.26	4.5
2006/3	0	1.0000	0	0	0	366,471	1,764	#DIV/0!	0.000	0.00	0.0
2007/3	19,534	1.0000	0	19,534	2	388,555	1,812	9,767	1.104	10.78	5.0
2008/3	2,808	1.0000	0	2,808	1	452,730	1,914	2,808	0.522	1.47	0.6
2009/3	0	1.0000	0	0	0	512,863	1,981	#DIV/0!	0.000	0.00	0.0
2010/3	40,990	1.0000	0	40,990	1	495,075	1,923	40,990	0.520	21.32	8.3
2011/3	0	1.0000	0	0	0	530,413	2,081	#DIV/0!	0.000	0.00	0.0

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$30,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	0	0	0	0	0	0	0	0	0	0	0
2002/3	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	
2003/3	0	0	0	0	0	0	0	0	0		
2004/3	550	550	550	550	550	550	550	550			
2005/3	1,104	1,104	1,104	1,104	1,104	1,104	1,104				
2006/3	0	0	0	0	0	0					
2007/3	148	148	148	148	148						
2008/3	0	0	0	0							
2009/3	0	0	0								
2010/3	2,000	2,000									
2011/3	0										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000			
2005/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000				
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000					
2007/3	1.0000	1.0000	1.0000	1.0000						
2008/3	1.0000	1.0000	1.0000							
2009/3	1.0000	1.0000								
2010/3	1.0000									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Age-to-Ult	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Comments:	None										

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	0	1.0000	0	0	0	44,442	189	#DIV/0!	0.000	0.00	0.0
2002/3	1,860	1.0000	0	1,860	1	43,225	180	1,860	5.556	10.33	4.3
2003/3	0	1.0000	0	0	0	53,037	199	#DIV/0!	0.000	0.00	0.0
2004/3	550	1.0000	0	550	0	68,270	236	#DIV/0!	0.000	2.33	0.8
2005/3	1,104	1.0000	0	1,104	1	77,308	256	1,104	3.906	4.31	1.4
2006/3	0	1.0000	0	0	0	81,763	262	#DIV/0!	0.000	0.00	0.0
2007/3	148	1.0000	0	148	0	89,039	278	#DIV/0!	0.000	0.53	0.2
2008/3	0	1.0000	0	0	0	93,183	271	#DIV/0!	0.000	0.00	0.0
2009/3	0	1.0000	0	0	0	94,105	248	#DIV/0!	0.000	0.00	0.0
2010/3	2,000	1.0000	0	2,000	1	89,282	236	2,000	4.237	8.47	2.2
2011/3	0	1.0000	0	0	0	83,844	228	#DIV/0!	0.000	0.00	0.0

**Arkansas
Nationwide Mutual Fire Insurance Company
Homeowner
Earthquake Indication**

Fiscal Calendar Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	Total
<u>Earthquake Premium</u>						
Earned Exposures	6,112	5,989	5,807	5,450	5,531	28,888
Adjusted Earned Premium	822,095	855,747	859,076	833,906	819,234	4,190,058
Selected Retrospective Premium Trend	1.9%	0.6%	-2.1%	-5.3%	0.0%	
Selected Prospective Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%	
Premium Projection Factor	1.077	1.019	0.958	0.947	1.000	
Projected Adjusted Earned Premium	885,719	871,972	823,000	789,561	819,234	4,189,487
<u>Earthquake Model Losses</u>						
Amount of Insurance Years (000's)	1,024,041	1,070,339	1,084,942	1,059,610	1,085,668	
Selected Retrospective Amount of Insurance Trend	3.1%	2.0%	-0.3%	-1.9%	0.0%	
Selected Prospective Amount of Insurance Trend	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	
Amount of Insurance Projection Factor	1.078	1.013	0.951	0.937	0.955	
Projected Average Amount of Insurance (000's)	1,104,071	1,084,598	1,031,242	992,639	1,037,264	
Estimated Losses Per \$1,000 AOI Based on Earthquake Model Re	0.63	0.63	0.63	0.63	0.63	
DCC Expense Ratio to Loss	0.9%	0.9%	0.9%	0.9%	0.9%	
Projected Earthquake Losses and DCC Expense	704,442	692,018	657,974	633,344	661,817	3,349,595
<u>Earthquake Fixed Expenses</u>						
Estimated General and Other Acquisition Expenses	67,315	66,270	62,548	60,007	62,262	318,401
Adjusting and Other Loss Adjustment Expenses	73,515	72,374	68,309	65,534	67,996	347,727
Total Fixed Expenses	140,829	138,644	130,857	125,540	130,258	666,128
<u>Earthquake Indication</u>						
Projected Earthquake Losses, DCC and Fixed Expenses	845,271	830,661	788,831	758,884	792,075	4,015,723
Permissible Loss Ratio	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
Required Premium	1,226,809	1,205,604	1,144,893	1,101,429	1,149,601	5,828,336
Indicated Rate Level Change	38.5%	38.3%	39.1%	39.5%	40.3%	39.1%
Reinsurance Charge	194.7%	194.7%	194.7%	194.7%	194.7%	194.7%
Required Premium Including Reinsurance Charge	3,304,514	3,251,062	3,075,472	2,953,568	3,071,346	15,655,963
Indicated Rate Level Change Including Reinsurance Charge	273.1%	272.8%	273.7%	274.1%	274.9%	273.7%

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake Reinsurance Charge

State	2011 Home & DF EQ CLEP	Home and DF Combined EQ Reinsurance Load	2011 Home & DF EQ Reinsurance Premium
Arkansas	\$927,101	194.7%	\$1,805,066

State	Earthquake Adjusted Premium	Home and DF Combined EQ Reinsurance Load	Earthquake Reinsurance Premium
Arkansas	\$819,234	194.7%	\$1,595,049

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake Rate Impact
Effective: 10/23/2012

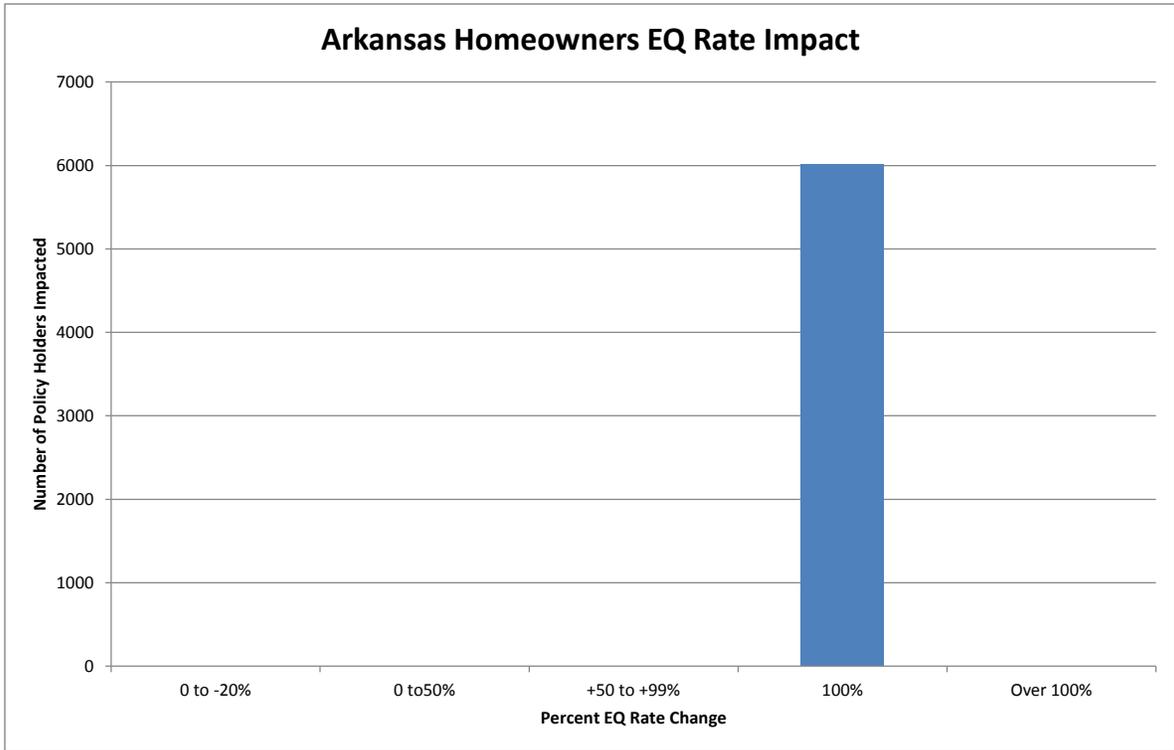


Exhibit XIV

Arkansas
All Channels (Direct and Agency)

<i>\$ in millions</i>	2008	2009	2010	2011
Written Premiums	\$ 26.2	\$ 24.0	\$ 22.2	\$ 22.0
P&C Earned Premiums	\$ 25.7	\$ 24.3	\$ 23.1	\$ 22.3
Incurred Loss Ratio	123.45%	130.21%	63.13%	143.24%
LAE Ratio	18.34%	20.97%	8.60%	18.84%
Underwriting Expense Incl Dividends Ra	40.19%	39.08%	39.59%	37.49%
TCR	181.98%	190.26%	111.32%	199.57%

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Income Effect

Nationwide Mutual Fire Insurance Company

Policy Form	Earned Premium	Indicated Rate Level Change	Indicated Premium Effect	Resolved Rate Level Change	Resolved Premium Effect
Homeowners	\$25,609,816	21.0%	\$5,378,100	9.9%	\$2,535,400
Tenants	628,009	13.5%	84,800	9.9%	62,200
Condominium	85,437	-0.9%	-800	0.0%	0
Subtotal	\$26,323,262	20.8%	\$5,462,100	9.9%	\$2,597,600
<u>Earthquake</u>					
Homeowners	\$885,459	273.7%	\$2,423,501	100.0%	\$885,500
Tenants	4,643	273.7%	12,707	100.0%	4,600
Condominium	3,206	273.7%	8,773	100.0%	3,200
<u>Limited WBU</u>					
Homeowners	\$6,545	N/A	N/A	9.9%	\$600
Tenants	324	N/A	N/A	9.9%	0
Condominium	79	N/A	N/A	0.0%	0
<u>Broad WBU</u>					
Homeowners	\$298,167	N/A	N/A	9.9%	\$29,500
Tenants	5,655	N/A	N/A	9.9%	600
Condominium	1,360	N/A	N/A	0.0%	0
<u>Combined</u>					
Homeowners	\$26,799,987	29.1%	\$7,801,601	12.9%	\$3,451,000
Tenants	638,631	15.3%	97,507	10.6%	67,400
Condominium	90,082	8.9%	7,973	3.6%	3,200
Total	\$27,528,699	28.7%	\$7,907,081	12.8%	\$3,521,600

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Age of Construction Rate Impact
5 Years of Data Ending December 31, 2011

Age of Construction	Current Factors	New Factors
0	0.64	0.58
1	0.66	0.60
2	0.70	0.64
3	0.75	0.68
4	0.79	0.72
5	0.83	0.75
6	0.87	0.79
7	0.91	0.83
8	0.91	0.83
9	0.91	0.83
10	0.91	0.83
11	0.91	0.83
12	0.91	0.83
13	0.91	0.83
14	0.91	0.83
15	0.91	0.83
> 15 <= 20	0.91	0.83
> 20 <= 25	0.92	0.84
> 25 <= 30	0.93	0.86
> 30 <= 35	0.94	0.88
> 35 <= 40	0.95	0.90
> 40 <= 45	0.96	0.93
> 45 <= 50	0.97	0.94
> 50 <= 60	0.98	0.96
> 60 <= 75	0.99	0.98
> 75 <= 300	1.00	1.00

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Deductible Rating Factor**

Current Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
\$250	1.349	1.605	1.605
500	1.229	1.342	1.342
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

*Available for renewals only.

Proposed Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.403	1.669	1.669
500	1.266	1.382	1.382
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

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

Wind-Hail Deductible by Amount of Insurance

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

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	1.151	1.182	1.210	1.215
500/2,000WH	1.027	1.084	1.135	1.148
500/5,000WH	0.913	0.957	1.025	1.043
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake
Effective: October 23,2012

Exhibit 4
Page 1

Current Earthquake Rates:

Current Earthquake Rates:

Current Earthquake Rates:

Description	Coverage	FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$1000							FRAME: 10% Deductible Rate per \$1000 ALL OTHER: 10% Deductible Rate per \$1000							FRAME: 15% Deductible Rate per \$1000																			
		Zones							Zones							Zones							Zones												
		1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6							
HO Form w/o Extended Repl	Coverage A	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33
HO Form w/ Extended Repl.	Coverage A	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33
TN Form	Coverage C	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.30	0.18	-	-	0.48	0.48	0.41	0.41	0.2	0.92	0.92	0.39	0.39	0.33	0.24
CO Form w/o Extended Repl	Coverage C	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17	0.92	0.92	0.39	0.26	0.21	0.18
CO Form w/ Extended Repl.	Coverage C	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17	0.92	0.92	0.39	0.26	0.21	0.18
Pers. Prop., HO Inc. of Basic	Amt of Inc.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.2	0.92	0.92	0.39	0.39	0.27	0.21
Other Structures, Inc. of Basic	Amt of Inc.	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33
Loss of Use	Amt of Inc.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.20	0.92	0.92	0.39	0.39	0.27	0.21
Add. and Alt. for CO and TN	Amt of Inc.	-	-	0.83	0.56	0.56	0.56	0.24	-	-	0.93	0.93	0.74	0.69	0.24	-	-	0.60	0.48	0.41	0.36	0.18	-	-	0.68	0.68	0.56	0.54	0.20	1.34	1.34	0.48	0.39	0.32	0.29
Loss of Assessment Option (a)	Desired Lin	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33

Proposed Earthquake Rates:

Proposed Earthquake Rates:

Proposed Earthquake Rates:

Description	Coverage	FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$1000							FRAME: 10% Deductible Rate per \$1000 ALL OTHER: 10% Deductible Rate per \$1000							FRAME: 15% Deductible Rate per \$1000																			
		Zones							Zones							Zones							Zones												
		1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*	1	2	3	4	5	6							
HO Form w/o Extended Repl	Coverage A	-	-	1.60	1.60	1.30	1.00	0.70	-	-	2.40	2.35	1.85	1.55	1.35	-	-	1.40	1.40	0.60	0.53	0.29	-	-	2.00	1.90	0.84	0.55	0.34	2.67	1.67	0.67	0.67	0.49	0.41
HO Form w/ Extended Repl.	Coverage A	-	-	1.60	1.60	1.30	1.00	0.70	-	-	2.40	2.35	1.85	1.55	1.35	-	-	1.40	1.40	0.60	0.53	0.29	-	-	2.00	1.90	0.84	0.55	0.34	2.67	1.67	0.67	0.67	0.49	0.41
TN Form	Coverage C	-	-	1.34	1.34	1.04	0.74	0.44	-	-	2.11	2.11	1.61	1.31	1.11	-	-	1.14	1.14	0.49	0.50	0.22	-	-	1.61	1.61	0.99	0.63	0.24	2.09	1.59	0.59	0.59	0.45	0.47
CO Form w/o Extended Repl	Coverage C	-	-	1.20	1.20	0.90	0.60	0.30	-	-	1.45	1.45	0.95	0.65	0.45	-	-	1.00	1.00	0.38	0.36	0.24	-	-	1.25	1.25	0.72	0.53	0.24	2.25	1.55	0.55	0.36	0.33	0.32
CO Form w/ Extended Repl.	Coverage C	-	-	1.20	1.20	0.90	0.60	0.30	-	-	1.45	1.45	0.95	0.65	0.45	-	-	1.00	1.00	0.38	0.36	0.24	-	-	1.25	1.25	0.72	0.53	0.24	2.25	1.55	0.55	0.36	0.33	0.32
Pers. Prop., HO Inc. of Basic	Amt of Inc.	-	-	0.79	0.64	0.57	0.57	0.30	-	-	1.43	1.34	0.93	0.65	0.30	-	-	0.63	0.53	0.42	0.42	0.22	-	-	1.30	1.21	0.84	0.57	0.23	2.55	1.55	0.55	0.47	0.38	0.39
Other Structures, Inc. of Basic	Amt of Inc.	-	-	1.60	1.60	1.30	1.00	0.70	-	-	2.40	2.35	1.85	1.55	1.35	-	-	1.40	1.40	0.60	0.53	0.29	-	-	2.00	1.90	0.84	0.55	0.34	2.67	1.67	0.67	0.67	0.49	0.41
Loss of Use	Amt of Inc.	-	-	0.79	0.64	0.57	0.57	0.30	-	-	1.43	1.34	0.93	0.65	0.30	-	-	0.63	0.53	0.42	0.42	0.22	-	-	1.30	1.21	0.84	0.57	0.23	2.55	1.55	0.55	0.47	0.38	0.39
Add. and Alt. for CO and TN	Amt of Inc.	-	-	1.60	1.60	1.30	1.00	0.70	-	-	2.40	2.35	1.85	1.55	1.35	-	-	1.40	1.40	0.60	0.53	0.29	-	-	2.00	1.90	0.84	0.55	0.34	2.67	1.67	0.67	0.67	0.49	0.41
Loss of Assessment Option (a)	Desired Lin	-	-	1.60	1.60	1.30	1.00	0.70	-	-	2.40	2.35	1.85	1.55	1.35	-	-	1.40	1.40	0.60	0.53	0.29	-	-	2.00	1.90	0.84	0.55	0.34	2.67	1.67	0.67	0.67	0.49	0.41

* For Renewal Business Only

Nationwide Mutual Fire Insurance Company
Earthquake
Effective: October 23,2012

Current Earthquake Rates:

00	ALL OTHER: 15% Deductible Rate per \$1000							FRAME: 20% Deductible Rate per \$1000							ALL OTHER: 20% Deductible Rate per \$1000							FRAME: 25% Deductible Rate per \$1000							ALL OTHER: 25% Ded. Rate per \$1000						
	Zones							Zones							Zones							Zones							Zones						
7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.17	0.74	0.74	0.32	0.32	0.27	0.20	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.14	0.92	0.92	0.39	0.39	0.33	0.30	0.14	0.74	0.74	0.32	0.21	0.17	0.15	0.09	0.74	0.74	0.32	0.32	0.27	0.24	0.11	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.14	0.92	0.92	0.39	0.39	0.33	0.30	0.14	0.74	0.74	0.32	0.21	0.17	0.15	0.09	0.74	0.74	0.32	0.32	0.27	0.24	0.11	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.17	0.74	0.74	0.32	0.30	0.21	0.17	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.15	0.92	0.92	0.39	0.39	0.33	0.33	0.15	0.74	0.74	0.32	0.30	0.21	0.17	0.12	0.74	0.74	0.32	0.32	0.27	0.27	0.12	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.15	1.65	1.65	0.54	0.54	0.45	0.44	0.17	1.07	1.07	0.39	0.30	0.26	0.23	0.12	1.32	1.32	0.44	0.44	0.36	0.35	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--
0.18	1.64	1.64	0.54	0.54	0.45	0.35	0.21	1.07	1.07	0.39	0.39	0.32	0.27	0.12	1.32	1.32	0.44	0.44	0.36	0.29	0.14	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Proposed Earthquake Rates:

00	ALL OTHER: 15% Deductible Rate per \$1000							FRAME: 20% Deductible Rate per \$1000							ALL OTHER: 20% Deductible Rate per \$1000							FRAME: 25% Deductible Rate per \$1000							ALL OTHER: 25% Ded. Rate per \$1000						
	Zones							Zones							Zones							Zones							Zones						
7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
0.23	3.11	2.11	1.11	1.11	0.73	0.48	0.26	2.57	1.62	0.62	0.62	0.40	0.35	0.15	2.67	2.05	1.10	0.85	0.45	0.42	0.18	2.27	1.52	0.52	0.52	0.30	0.25	0.12	2.37	1.95	1.00	0.75	0.35	0.32	0.13
0.23	3.11	2.11	1.11	1.11	0.73	0.48	0.26	2.57	1.62	0.62	0.62	0.40	0.35	0.15	2.67	2.05	1.10	0.85	0.45	0.42	0.18	2.27	1.52	0.52	0.52	0.30	0.25	0.12	2.37	1.95	1.00	0.75	0.35	0.32	0.13
0.18	2.95	2.45	1.45	1.39	0.93	0.60	0.20	2.00	1.54	0.54	0.54	0.32	0.45	0.14	2.89	2.39	1.39	1.19	0.32	0.57	0.17	1.80	1.44	0.44	0.44	0.22	0.35	0.11	2.59	2.29	1.29	1.09	0.22	0.47	0.12
0.20	2.76	2.06	1.06	0.88	0.65	0.42	0.20	2.20	1.50	0.50	0.31	0.24	0.29	0.13	2.57	1.87	0.87	0.71	0.34	0.34	0.14	2.10	1.40	0.40	0.21	0.14	0.19	0.10	2.27	1.77	0.77	0.61	0.24	0.24	0.11
0.20	2.76	2.06	1.06	0.88	0.65	0.42	0.20	2.20	1.50	0.50	0.31	0.24	0.29	0.13	2.67	1.97	0.97	0.80	0.38	0.38	0.15	2.10	1.40	0.40	0.21	0.14	0.19	0.10	2.37	1.87	0.87	0.70	0.28	0.28	0.11
0.18	3.20	2.20	1.20	1.12	0.77	0.50	0.19	2.48	1.50	0.50	0.42	0.28	0.36	0.13	3.19	2.19	1.19	0.98	0.34	0.47	0.16	2.28	1.48	0.48	0.23	0.18	0.26	0.10	2.89	2.09	1.09	0.88	0.24	0.37	0.11
0.23	3.11	2.11	1.11	1.11	0.73	0.48	0.26	2.57	1.62	0.62	0.62	0.40	0.35	0.15	2.67	2.05	1.10	0.85	0.45	0.42	0.18	2.27	1.52	0.52	0.52	0.30	0.25	0.12	2.37	1.95	1.00	0.75	0.35	0.32	0.13
0.18	3.20	2.20	1.20	1.12	0.77	0.50	0.19	2.48	1.50	0.50	0.42	0.28	0.36	0.13	3.19	2.19	1.19	0.98	0.34	0.47	0.16	2.18	1.40	0.40	0.32	0.18	0.26	0.10	2.89	2.09	1.09	0.88	0.24	0.37	0.11
0.23	3.11	2.11	1.11	1.11	0.73	0.48	0.26	2.57	1.62	0.62	0.62	0.40	0.35	0.15	2.67	2.05	1.10	0.85	0.45	0.42	0.18	2.27	1.52	0.52	0.52	0.30	0.25	0.12	2.37	1.95	1.00	0.75	0.35	0.32	0.13
0.23	3.11	2.11	1.11	1.11	0.73	0.48	0.26	2.57	1.62	0.62	0.62	0.40	0.35	0.15	2.67	2.05	1.10	0.85	0.45	0.42	0.18	2.27	1.52	0.52	0.52	0.30	0.25	0.12	2.37	1.95	1.00	0.75	0.35	0.32	0.13

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Water Back UP**

Option P - Limited

Current

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

New

Policy Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$9.64	\$3.04	\$7.97
1,000	6.88	1.53	4.55
2,500	6.88	N/A	N/A
5,000	5.52	N/A	N/A

Option R - Broad

Homeowners

Current

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

New

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$45.47	\$85.41	\$231.46	\$435.38
500	45.47	85.41	231.46	435.38
1,000	38.59	73.02	195.65	369.24
2,500	34.44	64.75	174.97	330.67
5,000	31.68	59.25	161.20	303.12

Tenants

Current

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

New

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$16.73	\$33.46	\$88.24	\$165.83
250	16.73	33.46	88.24	165.83
500	16.73	33.46	88.24	165.83
1000	15.21	27.39	60.71	141.47
2500	13.69	24.33	66.94	126.28
5000	12.18	22.83	60.85	115.61

Condominiums

Current

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

New

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

**Arkansas Homeowners
 Nationwide Mutual Fire Insurance Company
 Effective October 23, 2012**

Premium Effects and Base Rates

Description of Change	Rate impact on ...		
	Homeowner	Tenants	Condominium
Current Base Rate	1,581.43	149.24	281.61
Age of Construction	-7.23%	0.00%	0.00%
Deductible Factor Change	1.61%	2.74%	2.26%
Selected Base Rate Change	9.90%	9.90%	0.00%
Resolved Base Rate	1,843.76	159.64	275.39

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	12H-8288AR-JM
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	NWPC-128134445

Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3. Filing Method (Prior Approval, File & Use, Flex Band, etc.)					Prior Approval		
4a. Rate Change by Company (As Proposed)							
Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Nationwide Mutual Fire Insurance Company	20.80%	12.80%	\$3,521,600	23,704	\$23,416,569	+18.5%	-2.2%
4b. Rate Change by Company (As Accepted) For State Use Only							
Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	10.30%
7.	Effective Date of last rate revision	10/23/2011
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File and Use

9	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

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Arkansas Corporate Property Insurability Guidelines Exclusive Channel

Standard	Additional Information
Agent Binding Authority	<p>Homeowners</p> <ul style="list-style-type: none"> • Dwellings insured for a value greater than \$750,000 cannot be bound without prior underwriting approval. • In regionally designated catastrophic areas (i.e., coastal, brush, earthquake), dwellings insured for a value greater than \$500,000 cannot be bound without prior underwriting approval. • In fire protection class 9, dwellings insured for a value greater than \$500,000 cannot be bound without prior underwriting approval. • Properties over \$1.5 Million are ineligible. • Liability limit cannot exceed \$500,000 without prior underwriting approval. <p>Tenant and Condominium</p> <ul style="list-style-type: none"> • Contents insured for values over \$100,000 cannot be bound without prior underwriting approval. • Liability limit cannot exceed \$500,000 without prior underwriting approval.
Construction requirements	
1. Architectural Characteristics	<p>We accept all architectural features except those that are extraordinarily difficult or impossible to replace. Some examples include:</p> <ul style="list-style-type: none"> • Hand carved woodwork, • Stained/leaded glass on multiple windows/doors, • Hand painted murals on walls/ceilings, • Rare woods, • Ornate plaster cornices • Ornate exterior mill work/iron work.
2. Compliance with building codes	<p>Not in compliance with building codes would be ineligible. Examples would be basement dwellings or Do-it-yourself construction.</p>
3. Constructed for purpose other than residential occupancy.	<p>Ineligible. Underwriting exception can be considered if conversion of the property was done by a professional contractor/developer that specializes in the residential conversion market.</p>
4. Course of Construction	<p>Ineligible for coverage</p> <ul style="list-style-type: none"> • Refer business to Ill (Insurance Intermediaries Incorporated) by contacting (800) 444-1744 for placement with Zurich Insurance Company. You can find additional information for Ill via Agent Gateway, Property Resources. • Once construction is complete, it can be written to a Nationwide Homeowners policy. <p>If exception is made then the policy should be written as a Basic Fire Policy (DP1) with the following minimum requirements:</p> <ul style="list-style-type: none"> • Written as accommodation to current property customers with no losses. • Apply any surcharge that may be applicable for vacancy or unoccupancy. • Coverage A written for less than \$500,000 • Signed application prior to binding • Minimum of \$1,000 deductible • The dwelling must be insured for the completed value. No stepping allowed. • COC coverage should not be renewed beyond the initial annual term. <p>In very rare cases, with UPO approval, the risk may be written in the Homeowners program. In addition to the above the policy must also be written without the following discounts or endorsements:</p> <ul style="list-style-type: none"> • Guaranteed Replacement Cost, • Home Security Discounts, • New Home Construction discounts, or • Theft of Building Materials endorsement. <p>Refer to COC Best Practice for additional information.</p>

Arkansas Corporate Property Insurability Guidelines Exclusive Channel

Standard	Additional Information
5. Extensive remodeling/ Rehabilitation	<p>Ineligible if dwellings are currently undergoing work and the following conditions are applicable:</p> <ul style="list-style-type: none"> • The work is not being done by a licensed contractor and, • The potential increase on the dwelling exceeds 25% of the Coverage A value and/or, • The client physically moves out of the residence for any period. <p>In case of renewals please contact Underwriting to discuss proper coverage options.</p>
1. Firewalls	Row houses and townhouses are acceptable if 12 or fewer units between firewalls. Firewalls must extend beyond the roofline of the building.
2. Foundation	<p>Eligible</p> <ul style="list-style-type: none"> • Dwelling is built on a continuous masonry foundation. <p>Ineligible</p> <ul style="list-style-type: none"> • Open foundations regardless of support structures. • Houses built on stilts, piers and pilings.
3. High Value Dwellings defined as \$750,000 and above	<p>The following risks should generally be considered ineligible:</p> <ul style="list-style-type: none"> • High value homes where there is no accessible permanent water supply source located within 1000 feet of the dwelling (i.e. usually a protection class greater than PC 8). • High value homes where the responding primary fire department is greater than five miles away. • High value homes in the course of construction or undergoing extensive renovation. • High value homes deeded in the name of a corporation. <p>If eligible the following guidelines apply and are prior approval</p> <p>Dwellings with Reconstruction Cost of \$750,000 - \$1,000,000</p> <ul style="list-style-type: none"> • All other homeowner underwriting standards apply. • All risks must meet regional catastrophe underwriting standards. • Agencies must submit a completed pre-bind form and receive approval from the appropriate high value home underwriter before binding. • Mandatory interior and exterior inspection by approved high value inspection vendor such as Castle Inspections or Cornerstone Inspections. • Homes must be insured to at least 90% of the reconstruction cost. • Reconstruction cost must be calculated using e2Value. • Protection Class 9 requires central station fire alarm. <p>Properties with Reconstruction Cost of over \$1,000,000 – All of the above as well as:</p> <ul style="list-style-type: none"> • Homes must be insured to 100% of the reconstruction cost • Minimum deductible \$2,500. All other deductible requirements remain the same (wind/hail, earthquake, etc). • Central station fire and burglar alarms are required and evidence of active, centrally monitored alarms may be submitted to underwriting or verified during the inspection process. • Homes may be written in protection class 1-8.
4. Historic Homes	<p>Homes listed on a historic registry are ineligible for coverage.</p> <p>Homes located in a historic district may be considered with prior underwriting approval.</p>
5. Maintenance	<p>The property shall be maintained as evidenced by:</p> <ul style="list-style-type: none"> • Dwelling components in good repair; dwelling components include but are not limited to: roof, gutters, fascia, siding, porches, foundation, windows, screens and chimneys • Decks, porches, patios, doors and stairs must be securely railed if 3 feet or more above ground level. • Prior underwriting approval is required for consideration where architectural characteristics may have mitigated the fall hazard. • Paved surfaces should be properly maintained as evidenced by the absence of cracks and lifting that could create a liability hazard. • Grounds/landscapes are free from debris (e.g., junk cars, appliances, interior furniture) • We accept homes where all the outbuildings are properly maintained and in good condition. • Tree limbs not resting against roof or siding causing damage to roof or siding.
6. Manufactured Housing	<p>Modular Homes are acceptable with permanent base</p> <p>Mobile Homes are ineligible under the Homeowners contract. Please refer to Mobile home manual to determine eligibility.</p>

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Standard	Additional Information
7. Number of units	Up to 4 is acceptable
8. Outbuildings	Outbuildings must be properly maintained and in good condition. <ul style="list-style-type: none"> • Exceptions to exclude outbuildings must be referred to underwriting prior to binding coverage. • Buildings used in business are ineligible.
9. Unusual Construction	Ineligible without prior underwriting approval. Examples would include, but not be limited to: <ul style="list-style-type: none"> • Geodesic dome • Log construction • Earth Homes
Inspection and Photo requirements	Vendor and Home care inspections will be ordered according to the corporate guidelines. Agent inspections include: <ul style="list-style-type: none"> • Exterior of all properties • Measurement of property for accurate reconstruction cost calculation • Interior inspections for homes with prior water loss to verify that repairs have been made. • Front and rear photos from ¾ angles so that all 4 sides of property is visible. Photo must be placed in Document Vault at the time of binding Photos should always be taken of certain situations including but not limited to: <ul style="list-style-type: none"> • All unique hazards or structures • Pools and Trampolines.
Insurance to Value	All properties must have a Reconstruction Cost Estimator completed using MSB for properties valued at ≤\$750,000 and e2Value for properties > \$750,000. <ul style="list-style-type: none"> • A 90% ITV option is available to all new business policies, changes, amendments and renewals, including any policies already processed under the RITV project, as long as the dwelling coverage is less than \$1 million. The completed AOI Acknowledgement form is required to be maintained in the agents' office for all policies insured at less than 100%. The form is available on Agent Gateway at http://agency.ent.nwie.net/Property/AOI_Acknowledgement.asp .
Liability Exposure:	
1. Dangerous or exotic animals	Ineligible, including: <ul style="list-style-type: none"> • Aggressive dogs not noted in the list below. • All other animals with a bite or attack history. • Exotic animals could include, but are not limited to, bears, bison, lions, tigers, and other big game cats as well as any hybrids. • Wild or non-domesticated animals capable of biting, or a dangerous reptile kept as a pet (examples include but are not limited to: crocodilians, venomous spiders, venomous snakes/lizards, large lizard species, and large constricting snakes). • Animals not permitted as dictated by law or ordinance.
2. Dogs	Ineligible; <ul style="list-style-type: none"> • Pit Bull Breeds, including but not limited to <ul style="list-style-type: none"> ○ American Pit Bull Terrier, ○ American Staffordshire Terrier and Staffordshire Terrier, • Dobermans, • Rottweilers, • Chow-Chows, • Presa Canarios, and • Wolf Hybrids. • Dogs that have been trained to attack persons, property or other animals; or dogs that have been trained to guard persons or property. • Any dog, used in any manner, as a fighting dog or bred specifically for fighting. • Any dog with a prior history of: <ul style="list-style-type: none"> i. Causing bodily injury to a person or ii. Attacking or biting another animal; established through insurance claims records, or through the records of local public safety, law enforcement or

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Standard	Additional Information
	<p>other similar regulatory agency.</p> <p>Exceptions can be considered if:</p> <ul style="list-style-type: none"> • Applicant provides a "Canine Good Citizen" certificate issued by the American Kennel Club for the dog. The following link will provide information with regard to the training and certification. http://www.akc.org/events/cgc/training • The animal is trained as a Service Dog (e.g. seeing guide dogs, pet therapy).
3. Extension of Liability to rental property	<ul style="list-style-type: none"> • Liability can be extended to up to 4 rental units. • Rental properties must meet acceptability of the Dwelling Fire program.
4. Hazards	<p>Ineligible;</p> <ul style="list-style-type: none"> • Inoperable cars, • Refrigerators or other appliances outside of normal locations, • Any other property condition that increase chance of injury or illness to others.
5. Home Day Care	<p>Ineligible unless added by endorsement.</p> <p>Home Day Care is acceptable if they are noted in the Declarations and additional charges for increase in personal property and liability extension are added to the policy.</p> <p>They must also adhere to the following criteria:</p> <ul style="list-style-type: none"> • Risks with no more than six children, excluding the insured's own children. (School age children are included). • The care is only provided in the dwelling on the residence premises. • There are no assistants (full-time or part-time) or employees. • There is no transporting of care occupants. • There are no swimming pools or trampolines. • No supplemental heating sources.
6. Ponds or other bodies of water	Minimum of 1000' feet from all surrounding non-owned buildings.
7. Skateboard ramps	Ineligible.
8. Swimming pools	<p>Ineligible without restricted access as evidenced by:</p> <ul style="list-style-type: none"> • Fencing with a self-latching gate of at least 4 feet in height. • Above ground pools at least 4 ft. in depth must be secured with a removable or locking ladder or have a fence built into the pool around the top. • Diving boards: <ul style="list-style-type: none"> ○ Must have non-skid surfaces, ○ Must meet the manufacturer requirements for depth, height from water and upslope. • Sliding Boards: <ul style="list-style-type: none"> ○ Ineligible • If home day care exposure exists; no pool or trampoline allowed on premises. • No swimming or diving (scuba or board) lessons on premises.
9. Unfenced Pools	<p>Ineligible. Unfenced pools may be eligible with prior underwriting approval if:</p> <ul style="list-style-type: none"> • Pool is a minimum of 1000' from all surrounding non-owned buildings. <p>Note: approval will not be granted for any unfenced pool where local ordinance requires them to be fenced.</p>
10. Trampolines	<p>Ineligible without restricted access as evidenced by:</p> <ul style="list-style-type: none"> • Located in a fenced yard <p>All trampolines must be tied down on level ground for consideration.</p>
11. Unfenced Trampolines	<p>Ineligible. Unfenced trampolines may be eligible with prior underwriting approval if:</p> <ul style="list-style-type: none"> • Tied down on level ground • The trampoline is equipped with lockable safety netting that wraps around the surface, or • The trampoline is located a minimum of 1000' from all surrounding non-owned buildings. <p>Approval will not be granted where local ordinance requires them to be fenced.</p>

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Standard	Additional Information
Event Based Underwriting	<p>If an applicant has one or more of the following events in the last 5 years (Bankruptcy, Judgment, Lien, Foreclosure, Repossession, non-medical, non-disputed Collection > \$500) the following underwriting actions will result:</p> <ol style="list-style-type: none"> 1. If an applicant has one of the above events, coupled with a prior non-weather loss in the last five years, the applicant is ineligible for Major Homeowners or Condominium insurance with Nationwide. 2. If an applicant has one or more of the above events but does not have an non-weather loss in the last five years, Nationwide will require the completion of a hazard-free interior and exterior inspection prior to binding the risk.
Losses	<p>100% property loss reports are to be ordered on all homes.</p> <p>In SHRP States—Acceptable standards:</p> <ul style="list-style-type: none"> • One weather and one non weather in the past three years • One non-weather loss in the last three years. • No losses involving intentional acts, fraud or misrepresentation by the insured. • One water claim on prospective properties. • No fire losses in the past 5 years at present or prior property. <p>Tenant</p> <ul style="list-style-type: none"> • No theft losses in the past three years. Loss would be on client not location. <p>Prior Water Losses –</p> <ul style="list-style-type: none"> • Interior inspection is required on all prospective properties with one water loss. • Prior water losses must be repaired before being eligible. • Inspection is to be conducted by the agent and the form is to be maintained in the agent's office. <p>Note: Subrogated losses are excluded from consideration.</p>
System Requirements	
1. Electrical Service	<p>Homes with electrical service in good working condition that meets local and state electrical code requirements, and is of the proper amperage for the home is acceptable.</p> <p>Homes with less than 100 amps service, knob and tube or aluminum wiring require:</p> <ul style="list-style-type: none"> • Prior underwriting approval and • Evidence of an inspection in the last 2 years by a qualified electrical inspector attesting to code, condition and suitability will be required. <p>Ineligible</p> <ul style="list-style-type: none"> • Any property with a Federal Pacific Electric Stab-Lok electrical panel of 200 amp or less
2. Heating System:	<p>Dwelling must have a central heating system that is in good working condition that meets local building code and has the following characteristics:</p> <ul style="list-style-type: none"> • Thermostatically controlled, • Resting on an incombustible base and • Vented to a flue-lined chimney; if gas or fuel oil is used, an approved vent is acceptable.
3. Roof	<p>Ineligible roof types include:</p> <ul style="list-style-type: none"> • Tar and paper • Tar paper • Roll roofing on pitched roofs • Asphalt shingles over wood shakes/shingles • 3rd layer composition shingles • Flat roof with prior water loss without proof of repair • Flat roof without: <ul style="list-style-type: none"> ○ An inspection of acceptable condition within the last 2 years by a qualified roofing contractor or a home inspector - or- ○ Evidence that the roof is currently under guarantee or warranty by a qualified roofing contractor.

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Standard	Additional Information
4. Supplemental heat	<p>Eligible if the following standards are met. The following standards apply to the entire property including outbuildings:</p> <ul style="list-style-type: none"> • Inspected by the agent or licensed contractor prior to binding. • Professionally installed • Fuel burning appliances including: <ul style="list-style-type: none"> ○ Wood stoves, ○ Coal stoves, ○ Pellet stoves, ○ Cook stoves, ○ Freestanding stoves, ○ Free standing fireplaces and ○ Fireplaces with fireplace inserts • All stoves must be models that have been tested by an independent testing agency such as Underwriter's Laboratories (UL). • Do-it-yourself stoves, including but not limited to those constructed from 55 gallon barrels, are not acceptable regardless of upkeep and condition. • All units to be used as supplemental heating and not used as the primary heat source.
Not acceptable for coverage:	
1. Business Pursuits	<p>No business on premises other than permitted incidental occupancy. Permitted incidental occupancies are acceptable if:</p> <ul style="list-style-type: none"> • They are noted in the Declarations and additional charges for increase in personal property and liability extension are added to the policy. • No employees. • Cannot occupy more than 25% of the residence premises. <p>Occupancies would be limited to the following:</p> <ul style="list-style-type: none"> • Offices - A broad category that can encompass a small business where the homeowner conducts his/her occupation from the dwelling to a person who may be a field person in sales or other related occupation who has an office in their dwelling rather than on the employer's premises. The incidental exposures would not involve frequent and regular access to the premises by invitees. • Incidental Teaching - Incidental teachers are defined as persons providing music, voice lessons, tutoring, etc., where invitees to the premises is limited to no more than two at anytime. • Studio - Photography and art studios where the bulk of the business is conducted off the premises. Access to the property is to be very limited. • Barber or Beauty Shop - These types of exposures are limited to shops with one or two chairs and the incidental nature would not involve frequent and regular access to the premise of the exposure as described above.
2. Cancelled or non-renewed by another carrier	Company initiated cancellations or non-renewals require prior underwriting approval.
3. Farming	<ul style="list-style-type: none"> • Risk is acceptable if incidental - \$5,000 or less in gross receipts, less than 40 acres and no employees. • If incidental farming is written, a Farm CFL endorsement is needed.
4. Felony Convictions	Ineligible if any household member has a felony conviction in the past 10 years.
5. Foreclosure	Ineligible If any residential property, primary, secondary or seasonal residence or property held for rental is currently in the foreclosure process.
6. Non-Conventional mortgage financing or property	Ineligible If the residence was purchased under a special type of real estate contract, such as, a Contract for Deed, Installment Contract, Lease Purchase, Rent to Own, Land Contract or any other arrangement where the deed does not pass from the seller to buyer until all payments have been made the risk is not eligible for coverage under a homeowners contract.

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Standard	Additional Information
7. Occupancy	<p>Ineligible:</p> <ul style="list-style-type: none"> • Dwellings not owner occupied. • Rooming or boarding houses. • Dwellings owned by a business or trust (except personal trust). • Vacant or abandoned dwellings.
8. Seasonal or secondary residence	<p>Ineligible except as an accommodation to policyholders who insure their primary residence with our company. The following standards also apply:</p> <ul style="list-style-type: none"> • Must meet all homeowner insurability standards. • A minimum \$1,000 All Peril deductible is required. • 100% inspection required for all seasonal/secondary residences • No exceptions to 100% ITV. • Only owner occupied seasonal/secondary homes are eligible. Rental homes are not eligible for coverage on a homeowner policy. • High valued homes over \$500,000 must have Central Station Burglar Alarm and a Central Station Fire Alarm.
Physical Requirements	
1. Earthquake	<p>Prior underwriting approval is required to bind Earthquake coverage in the following counties: Arkansas, Clay, Cleveland, Craighead, Crittenden, Cross, Desha, Drew, Faulkner, Grant, Greene, Independence, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Perry, Phillips, Poinsett, Prairie, Pulaski, Randolph, Saline, Sharp, St. Francis, White and Woodruff.</p> <p>The following are basic guidelines to consider when dealing with eligible earthquake exposure:</p> <ul style="list-style-type: none"> • Minimum deductibles apply • Homes need to be 100% insured-to-value • No mid-term addition of earthquake coverage <p>Additional information is available for this exposure is available through Risk Management. Varying binding authorities and restrictions are specific to locations, and can change with recent earthquake activity.</p>
2. Not accessible to fire fighting equipment year round	<p>Ineligible. Examples would include, but not be limited to;</p> <ul style="list-style-type: none"> • Roads with limited access. • Gated seasonal communities. • Roads susceptible to flooding. • Incline of road or driveway too steep for fire trucks to climb. • Bridges or other physical barriers to fire fighting equipment
3. Protection Class	<p>Class 1-9 is acceptable.</p> <ul style="list-style-type: none"> • Proof of payment should be validated with service is provided by subscription agreement <p>Class 10 is ineligible</p> <p>If exception is made to write PC 10 then the policy should meet the minimum standards as outlined below:</p> <ul style="list-style-type: none"> • Must meet all homeowner insurability standards. • Proof of payment should be validated with service is provided by subscription agreement • Within 7 miles of responding fire department • No Course of Construction • AOI less than \$500,000 • A minimum \$1,000 All Peril deductible. • 100% Insurance to Value – No Exceptions • All properties must have a completed Home Care or Vendor inspection. • Central Station Fire and Burglar Alarm
4. Wildfire	<p>Homes that are potentially susceptible may be acceptable with the following:</p> <ul style="list-style-type: none"> • Defensible space of a minimum of 30 feet on flat terrain up to a minimum of 100 feet on sloped terrain around the home – Defensible space being defined as space around the home that is free from vegetation and/or combustible materials. • An additional 100-400 feet of space as part of the homes ignition zone – Ignition zone being defined as space where brush/trees are thinned and properly spaced, with all ladder fuels, dead materials, and logging slash removed to discourage the transmission of fire.

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Standard	Additional Information
	<ul style="list-style-type: none"> Entire property maintained and prepared for the possible exposure – Acceptability is based on all characteristics of the home, slope, and surroundings. <p>Additional information is available for this exposure is available through Risk Management.</p>
Trailing Documents	
1. Electrical	<p>Less than 100 amp service or aluminum wiring requires prospective insured provide evidence of an inspection within the last 2 years by a qualified electrical inspector.</p> <p>Acceptable documentation must be received prior to binding.</p>
2. Flat Roofs	<p>Require either:</p> <ol style="list-style-type: none"> 1) an inspection within the last 2 years by a qualified roofing contractor or a home inspector, or; 2) Evidence that the roof is currently under guarantee or warranty by a qualified roofing contractor. <p>Acceptable documentation must be received prior to binding.</p>
3. Ineligible Dog Breeds	<p>Canine Good Citizen® Certification for ineligible dog breeds that have successfully completed the American Kennel Club's CGC® course.</p>
4. Proof of Prior Insurance (POI) (Only applies to states offering the discount)	<p>Must be kept in the agent's file for all policy forms except tenant's. Acceptable POI is evidenced by 12 months of previous insurance with another carrier. If acceptable POI is not available (regardless of reason), the agency is required to complete the interior portion of the dwelling review form and maintain it in the agency files.</p> <p>Acceptable POI includes:</p> <ul style="list-style-type: none"> • Copy of current declarations page indicating 12 months of coverage • Cancellation or non-renewal notice (that is not due to nonpayment of premium) • Current renewal billing (indicating a prior policy was in effect) • Letter from prior carrier, typed on company letterhead, detailing period and type of coverage • Evidence of an existing mortgage (other than an individual) during past 12 months. Documentation must be on mortgage letterhead.
5. Protective Device Credit	<p>Documentation of specific information is required when offering certain protective device credits. Connected systems and complete local burglary and/or alarm systems require:</p> <ul style="list-style-type: none"> • The date of installation of the system; • The name, address and phone number of the alarm company that installed the system, including the name of the system; • The frequency with which the system is maintained and tested. <p>If central station, a copy of the certificate of installation must be in the agent's file or submitted to service center.</p> <p>Exception: Trailing document is not required on new business if property inspection by Home Care or vendor can confirm that system is activated.</p>
6. Renovation	<p>Plumbing, Electrical, Heating and A/C or Roof require:</p> <ul style="list-style-type: none"> • City/county permit(s) signed off by City/County Building Code Inspector showing type of renovation and date completed, or • A dated copy of the paid contract with the name of the qualified (licensed where required) contractor who performed the work, the type of work performed, and the address at which the work was performed, or • A dated paid receipt from the qualified (licensed where required) contractor including the contractor's name showing completion of the required work, the type of work performed, and the address at which the work was performed, or • A dated warranty that indicates the roof/system is currently under guarantee or warranty by a qualified (licensed where required) contractor. <p>Document must indicate:</p> <ul style="list-style-type: none"> • The name of the contractor, • Date of installation, • Type of work completed and • The address at which the work was performed. <p>Acceptable documentation should be maintained in the agency files or submitted to the service center as a trailing document if required by state underwriting team.</p>

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Standard	Additional Information
7. Supplemental Heating	Inspection required prior to binding. Fuel burning appliances including: <ul style="list-style-type: none"> • Wood stoves, • Coal stoves, • Pellet stoves, • Cook-stoves, • Freestanding stoves, • Freestanding fireplaces • Fireplace inserts
Additional Guidelines for Condominium and Tenant policies	
1. Time-sharing arrangements	Ineligible.
2. Tenant occupied Mobile home	Ineligible
3. Tenants located in buildings not eligible for homeowner or commercial policies.	Ineligible. All commercial occupancies regardless of eligibility must be described.
4. One policy covering unrelated occupants.	Ineligible. Exception: Where there are unrelated occupants, a separate policy can be written for each occupant. In rare cases, a single policy may be issued for two cohabitants if their relationship can be confirmed through joint ownership of titled property. (autos, property, land, etc.)
5. Occupancy	The insured must occupy the dwelling or apartment as a tenant and use the premises exclusively for residential purposes.
6. TN/CO Minimum Deductible	\$500

Term	Definition
Abandoned	Similar to vacant, however, the policyholder left all of their personal property. Not uncommon when a bank has foreclosed on a property.
Actual Cash Value	Actual cash value is equal to the replacement cost minus depreciation.
Attractive Nuisance	Any manmade object that presents an irresistible attraction and hidden danger to another person. Could include junk and abandoned vehicles and appliances as well as easy access to power tools, riding mowers and ladders to name a few.
Condominium	Ownership interest varies from airspace only to a share of the physical structure of the building. The bylaws of the individual condominium association should be referenced to verify the policyholder's insurable interest in order to determine an accurate coverage amount.
E2Value	Reconstruction tool to determine valuation for High Value dwellings (>\$750,000)
Functional Replacement cost	Replacement of damaged materials will be done with materials that are the functional equivalent of obsolete, antique or custom construction methods used in the original construction of the building.
Green New Business	Green new business refers to new applicants who have not been insured on a Nationwide or Allied owner/tenant-occupied homeowner form in the past 10 days. All standards apply to green new business applicants.
Hazard	A circumstance that increases the likelihood or probable severity of a loss. For example, the storing of explosives in a home

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	basement is a hazard that increases the probability of an explosion.
High Value Items	Homeowners' policies have certain coverage and dollar limitations for specific kinds of high value property. <ul style="list-style-type: none"> High value items or collections such as cameras, silverware, fine arts, coins, stamps, jewelry, and furs should be insured separately under a scheduled all risk personal articles endorsements for maximum protection. Guns and other sporting equipment require a separate Inland Marine Policy Refer to the Inland Marine insurability standards for specific details when insuring high value items.
Inland Marine	Also known as 'scheduled personal property'. Designed to provide 'all risk' coverage for specific classes of property. Coverage is most widely used for Jewelry, watches, furs and silverware.
Manufactured Home	A home built entirely in the factory under a federal building code administered by the Department of Housing and Urban Development (HUD). The Federal Manufactured Home Construction and Safety Standards (the HUD Code) went into effect June 15, 1976. Manufactured homes may be single- or multi-section (double and triple-wide) and are transported to the site and installed. The federal standards regulate manufactured housing design and construction, strength and durability, transportability, fire resistance, energy efficiency and quality. The HUD Code also sets performance standards for the heating, plumbing, air conditioning, thermal, and electrical systems. It is the only national building code.
Market Value	The price that someone is willing to pay to purchase a property that could be higher or lower than the reconstruction cost.
Marshall & Swift/Boeckh (MSB)	Reconstruction tool to determine valuation for dwellings up to \$750,000 value.
Mobile Home	This is the term used for homes built prior to June 15, 1976, when the HUD Code went into effect. In many cases, particularly in North Carolina, these homes were built to voluntary industry standards.
Modular Home	Modular home construction is the process where building units are manufactured with conventional building materials and pre-assembled in a manufacturing plant, then moved to a building site and connected with one or more other units to comprise a single building. Modular homes may be written under a Homeowners Policy if they are built of the same type of materials used in on-site construction.
Non-owner occupied	The policyholder does not live at the location address of the insured dwelling.
PPC (Public Protection Class)	To help establish appropriate fire insurance premiums for residential and commercial properties, insurance companies need reliable, up-to-date information about a community's fire-protection services. ISO provides that information through the Public Protection Classification (PPCTM) program.
Reconstruction Cost	Reconstruction cost is the cost to re-build an existing dwelling as determined by completion of the one of the reconstruction cost calculators.
Rewrites	A rewrite refers to a current risk that is being written to a new policy, with no more than 10 days lapse of coverage. Re-writes are underwritten to renewal standards, unless there is a change in risk.
Supplemental Heating Units	Supplemental heating units operate independently of all other heating units. They are designed to heat the area immediately surrounding the unit and often do not have a venting system or ductwork and are used in addition to the central heat source. Kerosene, gas and electric space heaters are also supplemental heating units. These units do not require a third party inspection. If the supplemental heat source is used as the main or major heat source for the dwelling regardless of the presence of a central heating unit, the dwelling is ineligible.
Thermostatically Controlled Central Heating Systems	This pertains to any heating system that is designed to heat the entire structure and is controlled by an automatic thermostat(s). Eligible systems include, but are not limited to, centralize heating and cooling units, electric baseboard heat, and wall furnaces. These systems may contain a single unit or a number of units that work together as a system.
Townhouse	A townhouse is a residential building comprised of multiple one or two-family units, which have direct entrances and exits to the exterior of the building, with no entrances or hallways shared with other occupants within the building. The method used to insure occupants in this type of unit is dependent upon ownership as follows: <ul style="list-style-type: none"> Townhouse Apartment – The building is owned by a separate entity with the occupants paying rent for the premises. A Tenant Homeowner Policy may provide coverage to the occupant. Individually owned Townhouse – Individually owned, and insured separately. Coverage may be provided to the owner-occupant by a Homeowners policy. Townhouse Condominium – The master deed of each property states the ownership and responsibility for insurance for each condominium, and should be referenced to verify if the unit is considered a condominium and not an apartment or an individually owned townhouse for insurance purposes. Coverage may be provided to the owner-occupant by a Condominium policy.

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Transfer	Transfers apply to customers who already have a Nationwide or Allied homeowner policy, and are transferring to a new location, which requires the submission of a new policy. Transfer policies are underwritten to renewal standards for the customer and new business standards for the dwelling/location.
Vacant	The policyholder removed all personal property from the home and no longer resides at the location address. Maintenance may have also ceased on the property (uncut lawn, clogged gutters, etc.)

Change Log

High Value Dwellings	6-5-09	Updated standards to align with High Value Home underwriting standards.
Unusual Construction	6-5-09	Removed guidelines related to EIFS construction
Insurance to Value	11-26-09	Corporate stance of 100% ITV has shifted to allow 90% ITV w/o Option K – signed Acknowledgement Form required
Financial Responsibility Class	11-26-09	Removed guidelines pertaining to FRC/PPC standards.
Foreclosure	6-5-09	Added guideline to support supplemental application initiative.
TN/CO Minimum Deductible	6-5-09	Corrected erroneously omitted standard.

STEPS TO RATE A HOMEOWNER POLICY

Eff. 10-23-11

- A. Determine eligibility and desirability.
- B. Classify
 - 1. Determine the Territory Zone.
 - 2. Determine Fire Protection Class using Fire Protection Requirements.
 - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:
 - 1. Insurance to Value Base Premium Adjustment.
 - 2. Basic Roof Rating
 - 3. Deductible Rating Rule.
 - 4. Multi-Family Dwellings.
 - 5. Class Rated Townhouses.
 - 6. Fire Restrictive Construction.
 - 7. Secondary Locations.
 - 8. Condominium Rental Charge.
 - 9. Protective Device Credit Rule.
 - 10. Premium Credits For Age of Construction and Home Renovation.
- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.
- J. Apply Personal Status Rate Factor.
- K. Apply Prior Insurance Discount.
- L. Apply Nationwide Associate Discount.
- M. Apply Multi-Policy Discount.
- N. For applicable endorsements, refer to the instructions on page H-451 to 470 for a list of all forms used with Homeowner policies.

TERRITORY DEFINITIONS

<u>County</u>	<u>Definition</u>	<u>Terr.</u>	<u>County</u>	<u>Definition</u>	
1	Arkansas — Entire County	115	47	Mississippi — Entire County	100
2	Ashley — Entire County	108	48	Monroe — Entire County	106
3	Baxter — Entire County	111	49	Montgomery — Entire County	118
4	Benton — Entire County	84	50	Nevada — Entire County	119
5	Boone — Entire County	111	51	Newton — Entire County	114
6	Bradley — Entire County	117	52	Ouachita — Entire County	119
7	Calhoun — Entire County	117	53	Perry — Entire County	92
8	Carroll — Entire County	111	54	Phillips — Entire County	101
9	Chicot — Entire County	108	55	Pike — Entire County	119
10	Clark — Entire County	119	56	Poinsett — Entire County	103
11	Clay — Entire County	109	57	Polk — Entire County	118
12	Cleburne — Entire County	112	58	Pope — Entire County	114
13	Cleveland — Entire County	117	59	Prairie — Entire County	104
14	Columbia — Entire County	120	60	Pulaski — Entire County	93
15	Conway — Entire County	114	61	Randolph — Entire County	109
16	Craighead — Entire County	79	62	St Francis — Entire County	103
17	Crawford — Entire County	85	63	Saline — Entire County	89
18	Crittenden — Entire County	94	64	Scott — Entire County	118
19	Cross — Entire County	103	65	Searcy — Entire County	112
20	Dallas — Entire County	117	66	Sebastian — Entire County	85
21	Desha — Entire County	107	67	Sevier — Entire County	119
22	Drew — Entire County	108	68	Sharp — Entire County	81
23	Faulkner — Entire County	91	69	Stone — Entire County	112
24	Franklin — Entire County	118	70	Union — Entire County	119
25	Fulton — Entire County	81	71	Van Buren — Entire County	112
26	Garland — Entire County	92	72	Washington — Entire County	84
27	Grant — Entire County	89	73	White — Entire County	105
28	Greene — Entire County	109	74	Woodruff — Entire County	102
29	Hempstead — Entire County	122	75	Yell — Entire County	114
30	Hot Spring — Entire County	89			
31	Howard — Entire County	119			
32	Independence — Entire County	81			
33	Izard — Entire County	81			
34	Jackson — Entire County	102			
35	Jefferson — Entire County	117			
36	Johnson — Entire County	114			
37	Lafayette — Entire County	122			
38	Lawrence — Entire County	110			
39	Lee — Entire County	103			
40	Lincoln — Entire County	117			
41	Little River — Entire County	121			
42	Logan — Entire County	116			
43	Lonoke — Entire County	90			
44	Madison — Entire County	113			
45	Marion — Entire County	111			
46	Miller — Entire County	122			

FIRE PROTECTION REQUIREMENTS

Eff. 8-18-09

Protection Classification Information

Homeowners, Tenants, and Condominium Policies

1. Use the Protection Classification Listing shown in the ISO Community Mitigation Classification Manual.

A classified area means that area or fire department is listed in the ISO Community Mitigation Classification Manual.

2. Inside Classified Area

Inside city limits or within the limits of recognized fire districts.

- a. Dwellings located within the corporate limits of the municipality or established boundaries of a fire district will be accorded the rating classification of the municipality or district as established. (51)

- b. In a classified area where one or more classifications are indicated (e.g. 6/9) the first class shown applies to properties within five road miles of a responding fire department and within 1,000 feet of a fire hydrant. (52)

- c. In a classified area where two or more classifications are indicated (e.g. 6/9) the second class shown applies to properties within five road miles of a responding fire department but beyond 1,000 feet of a fire hydrant. (53)

- d. Protection Class 10 applies to properties that are beyond five road miles of a responding fire department. (54)

3. Outside Classified Area (Unprotected)

Dwellings for which protection credit is not provided under the rules above shall rate as Class 10. (50)

CONSTRUCTION OF DWELLING

- A. **MASONRY** — A dwelling with walls of masonry or masonry veneered construction.
- B. **FRAME** — A dwelling with walls of frame, or metal-sheathed, or stuccoed frame construction, or with walls of metal, or metal lath, and plaster on combustible supports.
- C. **MIXED** — A dwelling is classed as frame construction when the wall area of frame construction (including gables) exceeds 50 percent of the total wall area.

To determine proportions in mixed construction, consider wall areas from average outside ground or street level to roof lines. Include as wall areas a mansard and ends of a gable roof if equivalent to an additional story. Exclude basement wall areas below average ground or street level.

- D. **FIRE RESISTIVE** — Building having walls, partitions, floors, roof, and ceiling assemblies constructed entirely of incombustible materials.

ROOF CONSTRUCTION

- A. **APPROVED ROOF** — Includes roof of metal, slate, wooden shingles, tile, asbestos composition shingles, and composition roofing materials.
- B. **UNAPPROVED ROOF** — Includes roofs of boards, rolled roofing, and tar paper. When the roof (other than roofs of open porches) of a dwelling is surfaced with both approved and unapproved materials, the entire roof is classed as "Unapproved."

POLICY DECLARATIONS

- A. When a policy is written in accordance with the Fire Protection Requirements, the following instructions apply:
 - 1. Distance from hydrant — Insert on the Declarations the distance in feet from nearest fire hydrant.
 - 2. Distance from fire department — Insert on the Declarations the distance in miles from principal fire department.
- B. Identification of Premises — Where there are multiple residences at the same address, the location of the covered premises must be identified on the Declarations by the apartment number, the condominium unit number, or other positive identification.
- C. Seasonal Dwellings — Eligible seasonal dwellings must be designated “seasonal” on the Declarations.
- D. Incidental Occupancy — For eligible occupancies, designate the type of occupancy on the Declarations.
- E. Joint Owner, Non-Occupant — Such eligible Insureds must be designated as Additional Insureds on the Declarations.
- F. Church Parsonages — For such eligible dwellings, designate the minister as the Insured and the church as an Additional Insured on the Declarations.

STANDARD COVERAGE LIMITS

Eff. 10-23-11

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

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

*** For renewal business only.

1. Other Structures — 10 percent of dwelling amount.
2. Personal Property — 55 percent of dwelling amount for Homeowner Policy.
3. ** Loss of Use -- The limit of liability is the lesser of the actual loss sustained within 12 months, or percentage/amount shown.
 - a. Homeowner Policy — 100 percent of dwelling amount.
 - b. Tenants Policy — 20 percent of Personal Property amount.
 - c. Condominium Policy — 100 percent of Personal Property amount.

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

BASE RATE

Eff. ~~10-23-11~~

← **10-23-12**

Step (1) **\$1,843.76**

Multiply the base rate of ~~\$1,581.43~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

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

Step (2)

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

TABLE B — PROTECTION CLASS/CONSTRUCTION TYPE RATING FACTORS

Protection Class	Entire State		
	MAS	FRM	MSV
01	0.950	1.044	0.950
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES**Step (3)**

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

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

Amount of Insurance	All Territories	Amount of Insurance	All Territories
\$ 5,000	0.509	\$170,000	1.515
10,000	0.533	180,000	1.615
15,000	0.558	190,000	1.700
20,000	0.580	200,000	1.770
25,000	0.600	210,000	1.850
30,000	0.615	220,000	1.950
35,000	0.635	230,000	2.030
40,000	0.650	240,000	2.100
45,000	0.660	250,000	2.190
50,000	0.670	275,000	2.450
55,000	0.680	300,000	2.741
60,000	0.700	325,000	3.011
65,000	0.735	350,000	3.263
70,000	0.770	375,000	3.524
75,000	0.815	400,000	3.814
80,000	0.855	425,000	4.109
85,000	0.900	450,000	4.377
90,000	0.943	475,000	4.645
95,000	0.972	500,000	4.913
100,000	1.000	550,000	5.440
105,000	1.035	600,000	6.012
110,000	1.068	650,000	6.543
115,000	1.080	700,000	7.075
120,000	1.106	750,000	7.607
125,000	1.155	800,000	8.139
130,000	1.185	850,000	8.671
135,000	1.215	900,000	9.204
140,000	1.260	950,000	9.737
145,000	1.305	1,000,000	10.270
150,000	1.350		
160,000	1.420	**5,000	0.053

** Add For Each Additional \$5,000

PREMIUM COMPUTATION FOR TENANTS POLICIES

BASE RATE
 Eff. ~~10-23-11~~ ← **10-23-12**

Step (1)

Multiply the base rate of ~~\$149.24~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

\$159.64

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

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

Step (2)

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

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

Protection Class	Terr: Entire State	
	1 – 4	A/O
01	1.000	1.000
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600

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

Step (3)

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

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

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

** Add For Each Additional \$5,000
 *** For renewal business only.

PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

BASE RATE
 Eff. ~~10-23-11~~ ← **10-23-12**

Step (1)

Multiply the base rate of ~~\$281.61~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

Step (2)

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

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

Protection Class	Terr: Entire State	
	1 - 4	A/O
01	0.950	0.950
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592

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

Step (3)

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

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

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

** Add For Each Additional \$5,000
 *** For renewal business only

HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES

INSTRUCTIONS FOR INTERPOLATION OF POLICY AMOUNTS

Eff: ~~10-23-11~~ ← **10-23-12**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than \$1,000, calculate the premium for the desired amount for \$1,000 deductible. Then apply the factor for the desired deductible.

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

Insert A

Calculation

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

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

INSTRUCTIONS FOR POLICY AMOUNTS IN EXCESS OF BASE PREMIUM TABLES

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

CREDITS AND CHARGES

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

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

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

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

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

B. BASIC ROOF RATING
Eff. 10-23-11

This rule applies to Homeowners Policies only.

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

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

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

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

Example:

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

Roof

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

Insert C →

CREDITS AND CHARGES (cont’d)

C. DEDUCTIBLE RATING RULE

Eff. ~~10-23-11~~ ← **10-23-12**

Homeowner, Tenants, and Condominium

Base premiums contemplate a \$1,000 flat deductible applicable to loss by any of the perils insured against under Section 1012. Premiums for optional deductibles can be developed by applying the factors from the table below to the \$1,000 flat deductible manual chart premiums.

Insert D

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

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

Insert E

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

D. MULTI-FAMILY DWELLINGS

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

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

Coverage C — Personal Property:

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

Coverage D — Loss of Use:

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

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

Number of Families	Rate Factor
2	1.00
3 & 4	1.25

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

E. CLASS RATED TOWNHOUSES

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

One- or Two-Family Dwellings:

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

Three- or Four-Family Dwellings:

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

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

F. FIRE RESISTIVE CONSTRUCTION

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

CREDITS AND CHARGES (cont’d)

G. SECONDARY LOCATIONS

When Insured occupies, as owner or tenant, one or more secondary locations, each such secondary location must be insured under a separate Homeowner policy. All rules of this Portfolio apply separately to the secondary location(s).

Section II (Liability) may be omitted from the policy covering the secondary location provided the policy is otherwise amended to indicate that Section II coverage for the secondary location has been assumed in the Homeowner policy covering the primary location. When so amended, deduct \$16.00 from the accumulated premium for secondary location after application of the Class Rated Townhouse Rule (see example).

EXAMPLE —

	<u>Annual Premium</u>
Described Primary Dwelling	\$200.00
Additional Residence Premium Charge (Family Liability).....	<u>6.00</u>
Total.....	\$206.00
Secondary Dwelling	\$ 90.00
Less Secondary Dwelling Duplication of Coverage Credit	<u>16.00</u>
Total.....	\$ 74.00
Net Homeowner Premium for Both Dwellings.....	\$280.00

H. CONDOMINIUM RENTAL CHARGE

If the condominium unit is rented to others multiply the accumulated premium by the appropriate factor in the table below after application of the Secondary Locations rule, if applicable.

Units Rented to Others	Factor
8 weeks or less	1.100
More than 8 weeks	1.350

I. PROTECTIVE DEVICE CREDIT RULE

Premium credits are allowed for the following approved and properly maintained fire and burglary protective installations in the dwelling.

1. Fire and/or Burglary Alarm System that alerts the Fire and/or Police Department or a Private Security Firm.
2. Complete Local Burglary Alarm System.
3. Ultrasonic Local Burglary Alarm.
4. Local Fire or Smoke Alarm System.
5. Fire Extinguishers.
6. Dead Bolt locks on all exterior entryways.

Only one of the following credits shall be applied to the accumulated premium for each eligible location; no other combination of credits is permitted.

ALL POLICIES

Protection Installation	Percent Credit
3	2
4	2
3 and 4	4
4, 5, and 6	5
2	5
2 and 4	7
3, 4, 5, and 6	7
1	10
2, 4, 5, and 6	10
1, 5, and 6	15

These credits are applied to the accumulated premium after application of the Condominium Rental Charge, if applicable, for each dwelling meeting the eligibility requirements. The credits are not applicable to the premiums for any other additional coverages or increased limits. If more than one of the described systems is installed, only the highest credit shall apply.

When a premium credit is allowed, the Protective Device Credit Option L must be activated on the Declarations.

CREDITS AND CHARGES (cont’d)

J. AGE OF CONSTRUCTION/HOME RENOVATION
 Eff. ~~10-23-11~~ ← **10-23-12**

This rule applies to Homeowners Policies only.

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

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

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

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

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

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

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

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

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

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

Insert F →

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

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

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

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

CREDITS AND CHARGES (cont'd)

K. SAFE HOME RATING PLAN
Eff. 8-18-09

The premium for dwelling forms, condominiums and tenants will be adjusted according to the following schedule:

Nationwide Policyholder Insured Term	Homeowner						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	0.83	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.21	1.33	1.42	1.61
7-9	0.78	0.94	1.13	1.17	1.29	1.37	1.55
10-12	0.76	0.91	1.09	1.13	1.25	1.33	1.50
13-15	0.74	0.89	1.06	1.09	1.21	1.28	1.45
16 & Over	0.68	0.81	0.96	0.99	1.09	1.16	1.31

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term	Condominium						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	0.83	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.20	1.33	1.42	1.61
7-9	0.78	0.94	1.13	1.17	1.29	1.37	1.55
10-12	0.76	0.91	1.09	1.13	1.25	1.33	1.50
13-15	0.74	0.89	1.06	1.09	1.21	1.28	1.45
16 & Over	0.68	0.81	0.96	0.99	1.09	1.16	1.31

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term	Tenant						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	1.00	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.20	1.33	1.42	1.60
7-9	0.79	0.94	1.13	1.17	1.28	1.37	1.55
10 & Over	0.72	0.86	1.02	1.05	1.16	1.23	1.39

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term

The terms with Nationwide are determined by the number of consecutive terms the policyholder has maintained a homeowner, tenant, or condominium policy in force with a Nationwide Insurance company or affiliated company.

If a policy is reinstated, the number of consecutive years with Nationwide applying at the time of cancellation or expiration will be used, provided the reinstatement occurs within one year.

CREDITS AND CHARGES (cont’d)

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

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

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

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

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

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

L. FINANCIAL RESPONSIBILITY RATE FACTOR
Eff. 10-23-11

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

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

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
7	0.58	0.58	0.57
8	0.60	0.61	0.59
9	0.62	0.63	0.61
10	0.65	0.66	0.64
11	0.68	0.68	0.67
12	0.71	0.71	0.70
13	0.74	0.74	0.73
14	0.77	0.77	0.76
15	0.81	0.81	0.80
16	1.01	1.02	1.02
17	1.07	1.08	1.08
18	1.41	1.42	1.42
19	1.49	1.50	1.50
20	1.53	1.54	1.54
21	1.99	1.97	2.01
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65
812 & <60 Years Old	0.77	0.99	0.67
812 & 60+ Years Old	0.59	0.85	0.65

New Business Scoring:

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

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

CREDITS AND CHARGES (cont'd)

L. FINANCIAL RESPONSIBILITY RATE FACTOR
(cont'd)
Eff. 10-23-11

Renewal Scoring:

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

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

Move policies to a better credit class upon renewal if:

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

Move policies to a worse credit class upon renewal if:

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

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

Renewal Scoring Exception:

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

Added/Deleted Named Insured(s) and Spouse:

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

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

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

Spin-Off Policies

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

M. SUPPLEMENTAL HEATING CHARGE

This rule applies to Homeowner Policies

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

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

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

N. PERSONAL STATUS RATE FACTOR
Eff. 10-23-11

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

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

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

This rule applies to new business homeowner policies effective 10/23/11 and after and their subsequent renewals.

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

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

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

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

P. NATIONWIDE ASSOCIATE DISCOUNT
Eff. 8-18-09

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

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

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

Q. MULTI POLICY DISCOUNT
Eff. 11-1-10

This rule applies to Homeowner and Condominium policies only.

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

This rule applies to Tenant policies only.

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

ADDITIONAL SECTION I COVERAGES

A. BUILDING ADDITIONS AND ALTERATIONS

1. Tenants Policy

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

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

2. Condominium Policy

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

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

**B. EXTENDED REPLACEMENT COST
Eff. 10-23-11**

1. Homeowner Policy — Option J

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

- a. A minimum \$500 All Peril Deductible is required.
- b. The Inflation Protection Coverage is required.
- c. The premium for this coverage option is developed by applying nine percent to the accumulated premium after application of the Premium Credit for Age of Construction, if applicable. This premium is subject to a minimum premium of \$28.00. The minimum premium applies to each insured location to which the coverage option is extended.
- d. In addition to providing Extended Replacement Cost Coverage, the premium for this endorsement increases the Personal Property policy limit by the following percent of the building limit, in addition to any other changes in the Personal Property limit, depending on the number of living units in the owner-occupied dwelling:

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

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

ADDITIONAL SECTION I COVERAGES (cont’d)

B. EXTENDED REPLACEMENT COST (cont’d)
Eff. 10-23-11

2. Tenants Policy — Option I

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

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

3. Condominium Policy — Option I

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

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

C. CONDOMINIUM SPECIAL COVERAGE

Comprehensive Endorsement

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

D. LOSS ASSESSMENT OPTION N
Eff. 10-23-11

1. Homeowner Policy

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

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

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

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

* For interim change only. Not applicable for new and renewal business after 10/23/11.

2. Condominium Policy

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

ADDITIONAL SECTION I COVERAGES (cont’d)

D. LOSS ASSESSMENT OPTION N (cont’d)

3. Increased Limits

The minimum limit of \$1,000 may be increased, subject to a maximum total limit of \$50,000, in accordance with the following additional premium charges:

Total Limits	Additional Annual Premium
\$10,000	\$ 4.00
20,000	6.00
30,000	9.00
40,000	11.00
50,000	14.00

E. PERSONAL PROPERTY (INCREASED LIMITS)

Personal Property coverage may be increased above the standard amount of coverage included in the Homeowner policy for an additional premium charge of \$1.83 for each additional \$1,000 of Personal Property Coverage.

F. OTHER STRUCTURES (INCREASED LIMITS)

Additional limits on specific Other Structures may be provided at an annual rate per \$1,000 shown below:

Protection Class	Rate
1 – 8	\$2.70
9 – 11	4.50

G. LOSS OF USE (INCREASED LIMITS) — TENANTS POLICY ONLY

The premium for each additional \$1,000 is 20 percent of the applicable premium for each additional \$5,000 which can be calculated from Table C — Amount of Insurance Factors.

H. FIRE DEPARTMENT SERVICE CHARGE (INCREASED LIMITS)

The limit of liability for Fire Department Service Charge coverage may be increased above the \$500 limit provided in the policy. The additional premium shall be developed as follows:

Total Limit	Additional Premium
\$ 750	\$2.50
1,000	5.00

I. THEFT COVERAGE EXTENSION — TENANTS POLICY ONLY

If the Theft Coverage Extension Endorsement is attached, the additional annual premium is: \$2.00.

NOTE — If a secondary residence premises is covered under a separate Nationwide policy, only one charge for this endorsement is made.

J. CREDIT CARD, FORGERY AND COUNTERFEIT MONEY COVERAGE

A limit of \$1,000 is included in the base premiums. Increased limits may be provided at the additional annual premium shown below:

Limit of Liability	\$2,500	\$5,000	\$7,500	\$10,000
Annual Premium	\$3.00	\$4.00	\$5.00	\$6.00

For limits in excess of \$10,000, refer to Underwriting.

Coverage for Electronic Fund Transfer cards is included for Homeowner and Condominium policies.

ADDITIONAL SECTION I COVERAGES (cont’d)

K. PERSONAL PROPERTY ACCIDENTAL DIRECT PHYSICAL LOSS COVERAGE OPTIONS

1. Homeowner, Tenants, and Condominium Policies.

The covered perils which apply to the items listed below may be converted to accidental direct physical loss by charging the additional annual premium shown below. The limit of liability on any option is available in increments of \$100 between the minimum and maximum limits.

a. Jewelry, Watches, and Furs; Guns and Cameras.

Homeowner and Condominium Policies

Total Limit	Jewelry, Watches, Furs:	Guns	Cameras
	Option A	Option B	Option C
\$2,000	\$14.00	\$14.00	\$14.00
3,000	24.00	24.00	24.00
4,000	28.00	28.00	28.00
5,000	32.00	32.00	32.00

Tenants Policy

Total Limit	Jewelry, Watches, Furs:	Guns	Cameras
	Option A	Option B	Option C
\$2,000	\$17.00	\$17.00	\$17.00
3,000	27.00	27.00	27.00
4,000	31.00	31.00	31.00
5,000	35.00	35.00	35.00

b.

Total Limit	Silverware, Goldware, Pewterware: Option D	
	Homeowner and Condominium	Tenants
\$ 2,500	\$ 1.00	\$ 7.00
5,000	10.00	16.00
7,500	20.00	26.00
10,000	31.00	37.00

The maximum limit of liability for any one item of guns, cameras, jewelry, watches, or furs is \$1,000.

L. TOOLS* INCREASED THEFT LIMITS OPTION E

Tools and accessories theft limit may be increased to the limits shown below by charging the additional annual premium shown.

Total Limit	Annual Premium	
	Homeowner and Condominium	Tenants
\$2,000	\$ 5.00	\$ 7.00
3,000	10.00	12.00
4,000	14.00	16.00
5,000	19.00	21.00
Each Add'l \$1,000	5.00	5.00

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

M. MONEY* OPTION F (INCREASED LIMITS)

Increased limits for money may be provided by activating Option F. A limit of \$200 is included in the base premiums for the Homeowner and Condominium policies. A limit of \$100 is included in the accumulated premiums for the Tenants form. Increased limits may be provided at the additional annual premium shown below:

Total Limit of Liability	Tenants	Homeowner and Condominium
\$200	\$ 6.00	Included
300	12.00	\$ 6.00
400	18.00	12.00
500	24.00	18.00
Each add'l \$100	6.00	6.00

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

ADDITIONAL SECTION I COVERAGES (cont’d)

N. SECURITIES* OPTION G (INCREASED LIMITS)

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

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

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

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

O. INCREASED SPECIAL LIMITS OF LIABILITY

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

1. Computer Hardware and Software — Option H

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

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

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

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

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

P. NEW CONSTRUCTION THEFT COVERAGE

Eff. 10-23-11

For the following additional premium, coverage may be provided for theft losses in or to a dwelling under construction or to construction materials and supplies, for a period not exceeding 180 days after inception of the endorsement. The premium is fully earned if the endorsement is cancelled by the Insured. The minimum deductible permitted is \$500.

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

* For interim change only. Not applicable for new and renewal business after 10/23/11.

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE
 Ef. ~~10-23-11~~ ← **10-23-12**

Insert G

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)
 Eff. ~~10-23-11~~

Insert G

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

ADDITIONAL SECTION I COVERAGES (cont'd)

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

Eff. ~~10-23-11~~**Insert G**

	FRAME - 10% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000							
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.30	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	-	-	0.60	0.60	0.48	0.42	0.23	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	-	-	0.60	0.48	0.41	0.36	0.18	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	-	-	0.60	0.60	0.48	0.42	0.23	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)
 Eff. ~~10-23-11~~

Insert G

	ALL OTHER - 10% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000							
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.41	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	-	-	0.68	0.68	0.56	0.44	0.27	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	-	-	0.68	0.68	0.56	0.54	0.20	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	-	-	0.68	0.68	0.56	0.44	0.27	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont'd)

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

Eff. ~~10-23-11~~

Insert G

FRAME - 15% Deductible Option

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

Insert G

ALL OTHER - 15% Deductible Option

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)
 Eff. ~~10-23-11~~

Insert G

	FRAME- 20% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000 Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.20	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	1.07	1.07	0.39	0.30	0.26	0.23	0.12	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Desired Limit

Insert G

	ALL OTHER - 20% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000 Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.32	0.27	0.27	0.12	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	1.32	1.32	0.44	0.44	0.36	0.35	0.14	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont’d)

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

Eff. ~~10-23-11~~ ← **10-23-12**

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

Earthquake Rating Zones

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

Zone 2 — Counties of Lee and St. Francis.

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

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

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

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

Zone 7 — Remainder of State.

Construction

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

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

2. Tenants and Condominium

All constructions to be rated as “FRAME.”

R. REPLACEMENT COST PLUS — HOMEOWNER POLICY

Eff. 2-16-08

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

The premium for this option is \$10.00.

The guarantee applies to total losses only when:

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

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS

Eff. ~~10-23-11~~ ← **10-23-12**

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

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

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

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

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Insert I cont.

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

Eff. ~~10-23-11~~ **10-23-12**

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

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

Insert H

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

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

- 2. Option R — Broad Water Back Up of Sewers or Drains Coverage (All Policy Forms)
Eff. 10-23-11

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

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

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

Insert I

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

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

Tenants

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

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

Condominiums

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

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

T. INLAND MARINE COVERAGES

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

U. ENGAGED COUPLES — PERSONAL PROPERTY

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

ADDITIONAL SECTION I COVERAGES (cont'd)**V. ORDINANCE OR LAW COVERAGE (HOMEOWNER POLICY ONLY)**

This optional coverage provides for increased cost resulting from any ordinance or law regulating the construction, repair, renovation, remodeling, or demolition of covered building structures damaged by a covered peril. The amount of coverage provided will be a percentage of the Coverage A limit as shown below. The premium for this coverage is determined by applying the following charges to the otherwise applicable policy premium.

Limit	Charge
10% of Coverage	2%
25% of Coverage	5%
50% of Coverage	10%

W. WATERCRAFT LIABILITY (HOMEOWNER ONLY)

The policy covers liability arising from the operation of a limited category of watercraft. The coverage may be extended to other types of watercraft by attaching the Watercraft Liability Endorsement. When coverage is added to the Homeowner policy, the premium is determined in accordance with the rates from the Boatowners Portfolio multiplied by 0.80. Minimum premiums do not apply.

X. IDENTITY THEFT OR IDENTITY FRAUD EXPENSES COVERAGE ENDORSEMENT — H6133

This endorsement provides limited coverage to pay for expenses incurred by an insured as a direct result of any single identity theft or fraud first discovered or learned of during the policy period. No deductible applies to this coverage. This coverage is in addition to the limits provided under Section I.

<u>Limit</u>	<u>Premium</u>
\$25,000	\$45.00

This charge is not subject to any Section I credits or charges.

SPECIAL COVERAGE PROVISIONS**A. ACCIDENTAL DEATH OF INSURED ON DESCRIBED PREMISES**

Accidental Death benefits of \$2,000 per insured adult and \$500 per insured child, if death results from an accident on described premises, is provided in the base premiums of all policies. These limits may not be increased. Insert the limits of liability per adult and child in the "Other Coverages Applicable" section of the Declarations.

B. CONSEQUENTIAL LOSS (HOMEOWNERS AND CONDOMINIUM POLICIES ONLY)

If there is damage to the residence premises caused by a covered peril, insured Personal Property in a building at the residence premises is covered for loss due to temperature change resulting from power interruption.

If a covered peril causes a power interruption off the residence premises, loss of food in a freezer due to temperature changes is covered up to \$500.

This coverage is included in the base premiums of the Homeowners and Condominium Policies.

C. LOCK REPLACEMENT (HOMEOWNERS AND CONDOMINIUM POLICIES ONLY)

Replacement of the exterior door locks on the residence premises with dead bolt locks is covered up to \$100.

This coverage applies only if the keys to the residence premises are stolen. No deductible applies to this coverage.

This coverage is included in the base premiums of the Homeowners and Condominium Policies.

PERSONAL LIABILITY COVERAGES

The following charts give the premiums to be charged for revised limits, additional exposures and additional dwelling units owned or occupied by the Insured or spouse.

The same Personal Liability limits and Medical Payments to Others limits MUST apply to all exposures and all dwelling units insured.

The policy Declarations must give:

1. The total number of additional dwelling units owned or occupied by the Named Insured or spouse, AND
2. The number of such dwelling units which are rented if such rental units are to be covered.

A. MAIN DWELLING

Tenants, Condominium, One- and Two-Family Dwellings:

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$ 25,000 @	\$-5.00	\$2,000	\$3.00
50,000 @	-4.00	3,000	5.00
100,000	0.00	4,000	7.00
200,000	5.00	5,000	9.00
250,000	8.00		
300,000	10.00		
400,000	14.00		
500,000	17.00		
750,000 **	25.00		
1,000,000 **	31.00		

Three- and Four-Family Dwellings:

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$ 100,000	\$ 0.00	\$2,000	\$3.00
200,000	10.00	3,000	5.00
250,000	15.00	4,000	7.00
300,000	19.00	5,000	9.00
400,000	27.00		
500,000	32.00		
750,000 **	48.00		
1,000,000 **	59.00		

* Includes \$1,000 Medical Payments to Others.
 ** For limits in excess of \$500,000, refer to Underwriting.
 @ Applicable to Renewals Only — Includes \$500 Medical Payments to Others. Higher Medical Payments limits are not available.

B. EACH ADDITIONAL DWELLING UNIT OWNED OR OCCUPIED
 Eff. 7-15-07

If any such additional dwelling is designed for occupancy by two, three, or four families, charge additional premium for each family unit.

Base and Increased Limits

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$25,000**	\$17.00	\$2,000	\$1.00
50,000**	18.00	3,000	2.00
100,000	22.00	4,000	3.00
200,000	27.00	5,000	4.00
250,000	30.00		
300,000	32.00		
400,000	36.00		
500,000	39.00		
750,000 @	47.00		
1,000,000 @	53.00		

* Includes \$1,000 Medical Payments to Others.
 ** For limits in excess of \$500,000, refer to Underwriting.
 @ For Renewals only — higher medical payments limits not available.

PERSONAL LIABILITY COVERAGES (cont’d)

C. LIABILITY COVERAGE — FARM

Premises located on land used for farming are excluded from covered premises by the policy forms. These are eligible if the Insured is engaged in farming which is incidental to occupancy of the premises and farming is not the Insured’s occupation. Coverage for the liability of such Insureds may be extended by attaching Liability Coverage — Farm endorsement and charging the additional annual premium shown below:

Base and Increased Limits

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$25,000 @	\$31.00	\$2,000	\$1.00
50,000 @	35.00	3,000	2.00
100,000	40.00	4,000	3.00
200,000	47.00	5,000	4.00
250,000	50.00		
300,000	53.00		
400,000	57.00		
500,000	60.00		
750,000 **	66.00		
1,000,000 **	72.00		

* Includes \$1,000 Medical Payments to Others.

** For limits in excess of \$500,000, refer to Underwriting.

@ For Renewals Only — Higher Medical Payments limits not available.

NOTE — Personal Liability — Farm provides coverage for partnerships of which the Named Insured is a partner. There is no coverage for individuals, other than Named Insured, comprising the partnership, except as they may be covered as relatives resident in Named Insured’s household.

D. PERSONAL INJURY OPTIONAL COVERAGE

Personal Injury to others, such as false arrest, libel, or invasion of privacy may be added by activating Option M. The premiums for this coverage shall be determined from the following table:

Limits of Liability	Additional Annual Premiums
\$25,000 *	\$7.00
50,000 *	9.00
100,000	10.00
200,000	11.00
250,000	12.00
300,000	13.00
400,000	15.00
500,000	17.00
750,000 **	22.00
1,000,000 **	27.00

* For renewals only.

** For limits in excess of \$500,000, refer to Underwriting.

E. INCIDENTAL OCCUPANCIES EXPOSURE

When the Insured has permissible office, school, studio, barber or beauty shop occupancy on the described premises, such occupancy must be indicated in the Declarations and the following TWO additional charges applied.

1. a. Condominium

The limit of liability under Coverage A — Personal Property must be increased to include coverage of the business property used in the Incidental Occupancy.

b. All Other Policies

Increase the limit of liability for Personal Property by not less than 10 percent of the amount of insurance written on the described dwelling, in addition to any other changes to the Personal Property limit.

Calculate the premium for this additional amount of coverage at the premium indicated in the Personal Property (Increased Limits) Rule.

PERSONAL LIABILITY COVERAGES (cont’d)

E. INCIDENTAL OCCUPANCIES EXPOSURE (cont’d)

2. Determine the appropriate charge for the extension of coverage under Section II from the following tables:

Base and Increased Limits

ANNUAL PREMIUMS	
Personal Liability Limits	Additional Annual Premiums For Office Occupancy
\$ 25,000*	\$12.00
50,000*	13.00
100,000	14.00
200,000	15.00
250,000	15.00
300,000	16.00
400,000	17.00
500,000	18.00
750,000**	21.00
1,000,000**	23.00

*For renewals only.

**For limits in excess of \$500,000, refer to Underwriting.

These premiums apply regardless of the Medical Payments to Others Limits.

F. CO-OWNED DWELLING

When a two-family dwelling is occupied by co-owners, each occupying separate and independent premises within the building, issue a Homeowner policy in the names of the co-owners, and charge an additional annual premium of \$5.00 for the additional family exposure under Section II.

G. HOME CARE LIABILITY

The policy excludes coverage for liability arising from a home care occupancy of the Insured. Permissible home care occupancies may be insured by attaching the Home Care Liability Endorsement and indicating the occupancy on the Declarations. The following TWO additional charges must be applied:

1. a. Condominium and Tenants Policies

The limit of liability for Personal Property must be increased to include coverage of the business property used in the home care occupancy.

- b. Homeowner Policy

The limit of liability for Personal Property must be increased by not less than 10 percent of the amount of insurance written on the described dwelling, in addition to any other changes to the Personal Property limit.

Calculate the premium for this additional amount of coverage at the premium indicated in the Personal Property (Increased Limits) Rule.

2. Determine the appropriate charge for the extension of coverage under Section II from the following table:

Aggregate Annual Limits*	Additional Annual Premiums	
	1-3 Persons	4-6 Persons
\$100,000	\$ 50.00	\$ 100
200,000	60.00	120
300,000	65.00	130

*Includes Medical Payments to Others Coverage

NOTE — It is not necessary for the limit of liability on the Home Care Liability coverage to be the same as the limit of liability for the other liability coverages.

Forms can be accessed for viewing and printing from the Personal Lines website: <http://plu.pcc.nwie.net>.

- Click Forms & Endorsements.
- Click Property.
- Click By Product List.
- Click on State.
- Click down-arrow and click product you wish to view.
- Click Next.
- List of forms for the chosen state and product will appear on screen.
- Double-click on form number to view form and print.

WEB FORMS SHOULD NOT BE PRINTED FOR DISTRIBUTION TO POLICYHOLDERS.

Pre-printed forms may be ordered as follows:

- Field-issued forms can be ordered through AOA/AOL, Utilities, Option 7, Screen #2.
- Field-issued forms can be ordered also through LNotes to DISTSERV (1-800-241-6989).
- Dwelling Fire forms can be ordered through Print Procurement at 614-249-7472. There is a minimum order of 100 forms.
- Obsolete forms for litigation use can be obtained by contacting Product Compliance at 614-249-5726.

GENERAL RULES

A. POLICY PERIOD

Premiums and charges are quoted on an annual basis, and the policy may be continued for succeeding annual periods by payment of the premium in effect at the time of renewal.

B. ADDITIONAL AMOUNT OR COVERAGES

Amounts of insurance may be increased or additional coverages may be added after the inception date of the policy by attaching the required endorsements.

Unless otherwise specifically provided, compute additional premium on a prorate basis using the following formula:

$$\frac{\text{No. of Days to Expiration}}{365} \times \text{rate (or premium)} =$$

prorate rate (or premium) to be used.

C. ROUNDING OF PREMIUM

All Homeowner premiums that are not subject to interpolation of amount of insurance, shown in the premium boxes on the Declaration page of the policy, for each endorsement attached, and for cancellations are carried to the nearest dollar. All Homeowner premiums that are subject to interpolation of amount of insurance will follow the interpolation rules first, then follow the rules for premiums not subject to interpolation. After all calculations for optional coverages and deductibles have been made, the final **annual** premium is rounded to the nearest dollar. For this purpose an amount of \$0.50 or more is considered as a dollar. In case of cancellation requested by the Company, the return premium is carried to the next higher whole dollar.

D. PAYMENT PLANS

Eff. 1-15-10

The total policy premium for a policy term may be paid in full at the time a new policy is written or upon the insured's receipt of a renewal billing.

The total policy premium for a policy term may be paid through one of the company's installment payment plans. A handling fee of \$5.00 will be assessed for each installment payment made by methods other than by electronic funds transfer (EFT).

E. INSUFFICIENT FUNDS

Eff. 1-15-10

The Company reserves the right to impose a fee of \$30.00 for any premium payment, fees, or other charges due the Company, regardless of payment method, that are unable to be processed due to insufficient funds or the unavailability or inaccessibility of funds.

F. LATE PAYMENT FEE

Eff. 8-5-11

A late payment fee of \$10.00 will be assessed for any payment not received by 5:00 PM ET on the fifth day past the billing due date.

G. CANCELLATION

It is not permissible to cancel any of the basic coverages in the policy unless the entire policy is cancelled.

If insurance is cancelled the earned premium is prorated.

GENERAL RULES (cont’d)

H. TRANSFER OR ASSIGNMENT

1. HOMEOWNER POLICY

By attachment of the applicable endorsement and any necessary adjustment of premium, a Homeowner policy may be transferred on a prorate basis:

- a. To another location within the same state, provided the new location is eligible; OR
- b. From one Insured to a new Insured when the title of the dwelling is transferred.

2. TENANTS AND CONDOMINIUM POLICIES

If the Insured removes his/her personal property to another location within the state, the policy will cover the personal property proportionately at the premises described in the policy and at the new location until the move is completed, when coverage will cease at the former location.

I. OTHER INSURANCE

1. Homeowner Policy

Other insurance on the dwelling described in the Declarations is not permitted except insurance against perils not covered by the Homeowner policy.

Other insurance on outbuildings, personal property, additional living expense or rental value is permitted.

2. Tenants and Condominium Policies

Other insurance on property covered under the Tenants and Condominium policies is not permitted.

J. PREMIUM REVISIONS

Revised premiums apply to policies becoming effective on or after such date as is announced by the Company, except that continuous policies or renewal policies having inception or continuation dates within 45 days after the effective date may be written at the rates prevailing immediately prior to the effective date of such revisions.

Policies in effect not more than 45 days prior to the effective date of a general premium decrease may be adjusted by endorsement on a prorate basis as of the effective date of the new premiums.

Policies (other than continuous) in effect more than 45 days prior to the effective date of the general premium decrease, including decreases resulting from a change in Fire Protection Class, may be adjusted by endorsement on or after the next anniversary date to the new rate, on a prorate basis, calculated as of the date of the endorsement.

Continuous policies in effect more than 45 days prior to the effective date of a general premium decrease, including decreases resulting from a change in Fire Protection Class, may be adjusted to the new rates at the next annual premium due date.

K. RESTRICTION OF INDIVIDUAL POLICIES

If requested by the Named Insured, an individual policy may be restricted provided no reduction from the prescribed rate and minimum premium is allowed if, because of unusual circumstances or exposures, the policy otherwise would not be issued. Such requests are to be referred to Underwriting.

If the restriction is acceptable to Underwriting, the following wording may be used in endorsing the policy:

At the request of the Named Insured, it is agreed that this policy is restricted to delete any coverage on

_____ (description of outbuilding(s))

By _____ (signature of Named Insured)

GENERAL RULES (cont'd)

L. PREMIUM COMPUTATION

1. Homeowner Policy

Refer to Premium Chart and determine premium for limits on described dwelling based on the Territory, Protection Class (Town Grade), and Construction.

NOTE — Take into consideration the distance from hydrant and fire department.

2. Tenants and Condominium Policies

a. Determine Territory and Protection Class.

b. Determine Occupancy Class defined by the following rule:

The rate for "1-4 Family" applies only to buildings where there is no commercial occupancy and:

- (1) Has no more than four units, OR
- (2) No more than four families in a single dwelling, OR
- (3) Is of fire resistive construction.

The rate for "All Other" applies to any building that does not qualify for the "1-4 Family" rate.

NATIONWIDE INSURANCE COMPANIES

FAMILY PROPERTY PORTFOLIO

HOMEOWNERS

Instruction and Checking Slip

ARKANSAS

Please REMOVE the following page(s) from your Portfolio: Table of Contents i through iii
HIS— 1 through HIS— 11

and REPLACE with the corresponding revised or new page(s): Table of Contents i through iii
HIS— 1 through HIS— 11

NOTE — In an effort to control costs and maintain an up-to-date distribution list, please notify Manuals and Portfolios at (614) 277-5132, if you should not be receiving this distribution.

Reprint and effective date information has been removed from the footer of each page. A star (★) will appear next to an item in the Table of Contents as changes occur and this indicates a change to that item and effective on the date shown below the Table of Contents headings.

Synopsis of Revision

1. Insurability Guidelines revised.

If this shipment does not arrive in good condition, or if any pages are missing, check immediately with your Home Office Manuals Technician.

After filing these pages, place this distribution page in the back of your Portfolio as a check to make sure you receive all revisions. Previously issued checking slips may be destroyed.

Effective: October 7, 2011

INSERT A
Arkansas Homeowners
Portfolio Page H-401
Effective 10/23/2012

Calculation		<u>Example</u>
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base	<u>\$ 1,235.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,254.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 19.00</u>
(10)	Factor in (6) applied to the premium difference; (9) * (6). Round to the nearest penny	<u>\$ 8.53</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,243.53</u>

Insert C
Arkansas Homeowners
Portfolio Page H-402
Effective: 10/23/2012

A roll roof is defined as a roof rolled from any material.

A wood roof is defined as a roof made with wood shakes or wood shingles. It also includes roofs where other roofing material, such as composition (fiberglass/asphalt) shingles, has been placed directly over the existing wood shakes or shingles.

Insert D
 Arkansas Homeowners
 Portfolio Page H-403
 Effective: 10/23/2012

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.403	1.669	1.669
500	1.266	1.382	1.382
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

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

Insert E
Arkansas Homeowners
Portfolio Page H-403
Effective: 10/23/2012

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	1.151	1.182	1.210	1.215
500/2,000WH	1.027	1.084	1.135	1.148
500/5,000WH	0.913	0.957	1.025	1.043
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

Insert F
Arkansas Homeowners
Portfolio Page H-405
Effective: 10/23/2012

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
0	42
1	40
2	36
3	32
4	28
5	25
6	21
7	17
8	17
9	17
10	17
11	17
12	17
13	17
14	17
15	17
> 15 <= 20	17
> 20 <= 25	16
> 25 <= 30	14
> 30 <= 35	12
> 35 <= 40	10
> 40 <= 45	7
> 45 <= 50	6
> 50 <= 60	4
> 60 <= 75	2
> 75 <= 300	0

INSERT G
Arkansas Homeowners
Manual Page H-416 through H-422
Effective 10/23/2012

FRAME - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	1.60	1.60	1.30	1.00	0.70	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	1.60	1.60	1.30	1.00	0.70	Coverage A Limit of Liability
Tenants Form	-	-	1.34	1.34	1.04	0.74	0.44	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.20	1.20	0.90	0.60	0.30	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.20	1.20	0.90	0.60	0.30	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.79	0.64	0.57	0.57	0.30	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	1.60	1.60	1.30	1.00	0.70	Amount of Increase Only
Loss of Use	-	-	0.79	0.64	0.57	0.57	0.30	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	1.60	1.60	1.30	1.00	0.70	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	1.60	1.60	1.30	1.00	0.70	Desired Limit

* For Renewal Business Only.

ALL OTHER - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	2.40	2.35	1.85	1.55	1.35	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	2.40	2.35	1.85	1.55	1.35	Coverage A Limit of Liability
Tenants Form	-	-	2.11	2.11	1.61	1.31	1.11	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.45	1.45	0.95	0.65	0.45	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.45	1.45	0.95	0.65	0.45	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	1.43	1.34	0.93	0.65	0.30	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	2.40	2.35	1.85	1.55	1.35	Amount of Increase Only
Loss of Use	-	-	1.43	1.34	0.93	0.65	0.30	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	2.40	2.35	1.85	1.55	1.35	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	2.40	2.35	1.85	1.55	1.35	Desired Limit

* For Renewal Business Only.

FRAME - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	1.40	1.40	0.60	0.53	0.29	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	1.40	1.40	0.60	0.53	0.29	Coverage A Limit of Liability
Tenants Form	-	-	1.14	1.14	0.49	0.50	0.22	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.00	1.00	0.38	0.36	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.00	1.00	0.38	0.36	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.63	0.53	0.42	0.42	0.22	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	1.40	1.40	0.60	0.53	0.29	Amount of Increase Only
Loss of Use	-	-	0.63	0.53	0.42	0.42	0.22	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	1.40	1.40	0.60	0.53	0.29	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	1.40	1.40	0.60	0.53	0.29	Desired Limit

* For Renewal Business Only.

ALL OTHER - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	2.00	1.90	0.84	0.55	0.34	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	2.00	1.90	0.84	0.55	0.34	Coverage A Limit of Liability
Tenants Form	-	-	1.61	1.61	0.99	0.63	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.25	1.25	0.72	0.53	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.25	1.25	0.72	0.53	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	1.30	1.21	0.84	0.57	0.23	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	2.00	1.90	0.84	0.55	0.34	Amount of Increase Only
Loss of Use	-	-	1.30	1.21	0.84	0.57	0.23	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	2.00	1.90	0.84	0.55	0.34	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	2.00	1.90	0.84	0.55	0.34	Desired Limit

* For Renewal Business Only.

FRAME - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Coverage A Limit of Liability
Tenants Form	2.09	1.59	0.59	0.59	0.45	0.47	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.25	1.55	0.55	0.36	0.33	0.32	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.25	1.55	0.55	0.36	0.33	0.32	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.55	1.55	0.55	0.47	0.38	0.39	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Amount of Increase Only
Loss of Use	2.55	1.55	0.55	0.47	0.38	0.39	0.18	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Desired Limit

ALL OTHER - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Coverage A Limit of Liability
Tenants Form	2.95	2.45	1.45	1.39	0.93	0.60	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.76	2.06	1.06	0.88	0.65	0.42	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.76	2.06	1.06	0.88	0.65	0.42	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	3.20	2.20	1.20	1.12	0.77	0.50	0.19	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Amount of Increase Only
Loss of Use	3.20	2.20	1.20	1.12	0.77	0.50	0.19	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Amount of Increase Only
Loss Assessment Option								
All Forms excluding Tenants	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Desired Limit

FRAME - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Coverage A Limit of Liability
Tenants Form	2.00	1.54	0.54	0.54	0.32	0.45	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.20	1.50	0.50	0.31	0.24	0.29	0.13	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.20	1.50	0.50	0.31	0.24	0.29	0.13	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.48	1.50	0.50	0.42	0.28	0.36	0.13	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Amount of Increase Only
Loss of Use	2.48	1.50	0.50	0.42	0.28	0.36	0.13	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Desired Limit

ALL OTHER - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Coverage A Limit of Liability
Tenants Form	2.89	2.39	1.39	1.19	0.32	0.57	0.17	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.57	1.87	0.87	0.71	0.34	0.34	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.67	1.97	0.97	0.80	0.38	0.38	0.15	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	3.19	2.19	1.19	0.98	0.34	0.47	0.16	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Amount of Increase Only
Loss of Use	3.19	2.19	1.19	0.98	0.34	0.47	0.16	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Desired Limit

FRAME - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Coverage A Limit of Liability
Tenants Form	1.80	1.44	0.44	0.44	0.22	0.35	0.11	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.10	1.40	0.40	0.21	0.14	0.19	0.10	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.10	1.40	0.40	0.21	0.14	0.19	0.10	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.28	1.48	0.48	0.23	0.18	0.26	0.10	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Amount of Increase Only
Loss of Use	2.18	1.40	0.40	0.32	0.18	0.26	0.10	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Amount of Increase Only
Loss Assessment Option								
All Forms excluding Tenants	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Desired Limit

ALL OTHER - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Coverage A Limit of Liability
Tenants Form	2.59	2.29	1.29	1.09	0.22	0.47	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.27	1.77	0.77	0.61	0.24	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.37	1.87	0.87	0.70	0.28	0.28	0.11	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.89	2.09	1.09	0.88	0.24	0.37	0.11	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Amount of Increase Only
Loss of Use	2.89	2.09	1.09	0.88	0.24	0.37	0.11	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Amount of Increase Only
Loss Assessment Option								
All Forms excluding Tenants	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Desired Limit

INSERT H
Arkansas Homeowners
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Section - I All other Peril Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$9.64	\$3.04	\$7.97
1,000	6.88	1.53	4.55
2,500	6.88	N/A	N/A
5,000	5.52	N/A	N/A

Insert I
Arkansas Homeowners
Manual Page H-423
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Homeowner

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$45.47	\$85.41	\$231.46	\$435.38
500	45.47	85.41	231.46	435.38
1,000	38.59	73.02	195.65	369.24
2,500	34.44	64.75	174.97	330.67
5,000	31.68	59.25	161.20	303.12

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

Tenants

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100*	\$16.73	\$33.46	\$88.24	\$165.83
250*	16.73	33.46	88.24	165.83
500	16.73	33.46	88.24	165.83
1000	15.21	27.39	60.71	141.47
2500	13.69	24.33	66.94	126.28
5000	12.18	22.83	60.85	115.61

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

Condominiums

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

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

Nationwide response to 04/09/2012 Arkansas Insurance Department Objection Letter

For your convenience we have copied the Objections in bold print with our response following.

Objection 1

The rate data information on the rate/rule schedule tab must be completed. This will require a post-submission update.

We have updated the rate/rule schedule tab using the post-submission update.

Objection 2

The filing memorandum reflects an overall increase of 12.8%. The total overall increase should be shown on the RF-1/NAIC loss cost data entry form.

We have submitted a revised NAIC Loss Cost Data Entry Form reflecting the total increase of 12.8%. However, we do wish to emphasize that only 9.9% of the increase is related to a rate increase. The remaining increase is related to optional endorsements offered to the policyholder and subject to the policyholder's approval.

Objection 3

Please amend the indications to remove the hurricane provision. AR does not allow hurricane provisions. Modeling is only allowed for EQ related exposures.

We have included revised Exhibit II which has deleted the hurricane provision.

Objection 4

Please withdraw the ACV Loss Settlement Roof rule. AR does not allow ACV loss settlement for a roof when the dwelling has a replacement cost loss settlement. AR also does not allow the exclusion of wind/hail.

Please confirm that H-7070 has not been filed and approved for use in AR.

Thank you for bringing this to our attention. To reflect that we have withdrawn the ACV Loss Settlement Roof rule we have submitted a revised Filing Memorandum document, revised marked-up manual pages and associated manual inserts.

I wish to confirm that the H-7070 has not been filed and approved for use in AR.

Objection 5

Form HPCS must be submitted in both Excel spreadsheet and pdf format. Companies may not change the form in any way or include formulas.

We have submitted under the Supplemental Documentation tab the HPCS form in Excel format. We had earlier submitted the HPCS form in pdf format.

Objection 6

The proposed EQ rates appear excessive. Provide an exhibit showing the actual impact on your insureds. (histogram)

We agree with you that we are asking for a substantial rate increase. Unfortunately, even with the requested rate increase, it will remain unprofitable for us to offer the Earthquake Endorsement. To ensure sufficient funds available to cover our obligations to current Arkansas policyholders Nationwide has purchased reinsurance. Just to cover the cost of reinsurance would require us to increase current earthquake rates by 194.7%. This rate request represents our effort to balance the need for Nationwide to be financially stable with our desire to minimize the impact on our policy holders. Along with you, we also desire to provide the citizens of Arkansas the best insurance value from a company that will be there for them when we are needed. Please note that the policyholder does have several different options to pursue. The policy holder may choose a higher deductible to reduce the impact of the rate change or they may choose not to purchase the endorsement at all. As you requested, we have included a histogram (Exhibit XIII) showing the actual impact of the uniform earthquake rate revision on existing policy holders assuming that demand will remain unchanged. Thank you for your kind consideration of this rate revision.



June 28, 2012

Mr. Jay Bradford
Commissioner of Insurance
Arkansas Insurance Department
Property & Casualty Division
1200 W. 3RD Street
Little Rock, Arkansas 72201-1904

Attention: Becky Harrington

Re: Nationwide Mutual Fire Insurance Company, NAIC No. 23779
Homeowner Rate Revision
File No. 12H-8288AR-JM

Dear Ms. Harrington:

We are requesting an amendment to the existing Arkansas homeowner filing to accommodate a 15% earthquake rate increase instead of the planned 100% earthquake rate increase. Please find herein an amended Homeowners Premium Comparison Survey Form and supporting exhibits pertaining to the revised 15% Earthquake rate increase request. The increase in earthquake rates will apply to Tenant, Condominium and Homeowners policies written in the Nationwide Mutual Fire Insurance Company. There will be no change to the resulting base rate level impact of an increase of 9.9 percent. The effective date for this filing is October 23, 2012.

We have paid the filing fee by Electronic Fund Transfer via SERFF. We will forward final printed manual pages upon availability. Please contact me through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joseph A. Mesaros".

Joseph A. Mesaros
Senior Pricing Analyst
JM/jm
Attachments

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake
Effective: October 23,2012

Exhibit 4
Page 1

Current Earthquake Rates:

Current Earthquake Rates:

Current Earthquake Rates:

Description	Coverage	FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$1000							FRAME: 10% Deductible Rate per \$1000 ALL OTHER: 10% Deductible Rate per \$1000							FRAME: 15% Deductible Rate per \$1000																				
		Zones							Zones							Zones							Zones													
		1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7							
HO Form w/o Extended Repl	Coverage A	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33	0.18
HO Form w/ Extended Repl.	Coverage A	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33	0.18
TN Form	Coverage C	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.30	0.18	-	-	0.48	0.48	0.41	0.41	0.2	0.92	0.92	0.39	0.39	0.33	0.24	0.15
CO Form w/o Extended Repl	Coverage C	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17	0.92	0.92	0.39	0.26	0.21	0.18	0.14
CO Form w/ Extended Repl.	Coverage C	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.32	0.26	0.23	0.17	-	-	0.48	0.48	0.41	0.38	0.17	0.92	0.92	0.39	0.26	0.21	0.18	0.14
Pers. Prop., HO Inc. of Basic	Amt of Inc.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.2	0.92	0.92	0.39	0.39	0.27	0.21	0.15
Other Structures, Inc. of Basic	Amt of Inc.	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33	0.18
Loss of Use	Amt of Inc.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.35	0.27	0.18	-	-	0.48	0.48	0.41	0.41	0.20	0.92	0.92	0.39	0.39	0.27	0.21	0.15
Add. and Alt. for CO and TN	Amt of Inc.	-	-	0.83	0.56	0.56	0.56	0.24	-	-	0.93	0.93	0.74	0.69	0.24	-	-	0.60	0.48	0.41	0.36	0.18	-	-	0.68	0.68	0.56	0.54	0.20	1.34	1.34	0.48	0.39	0.32	0.29	0.15
Loss of Assessment Option (a)	Desired Lin	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.60	0.60	0.48	0.42	0.23	-	-	0.68	0.68	0.56	0.44	0.27	1.34	1.34	0.48	0.48	0.39	0.33	0.18

Proposed Earthquake Rates:

Proposed Earthquake Rates:

Proposed Earthquake Rates:

Description	Coverage	FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$1000							FRAME: 10% Deductible Rate per \$1000 ALL OTHER: 10% Deductible Rate per \$1000							FRAME: 15% Deductible Rate per \$1000																				
		Zones							Zones							Zones							Zones													
		1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*							
HO Form w/o Extended Repl	Coverage A	-	-	0.95	0.95	0.75	0.75	0.38	-	-	1.07	1.07	0.85	0.85	0.48	-	-	0.69	0.69	0.55	0.48	0.26	-	-	0.78	0.78	0.64	0.51	0.31	1.54	1.54	0.55	0.55	0.45	0.38	0.21
HO Form w/ Extended Repl.	Coverage A	-	-	0.95	0.95	0.75	0.75	0.38	-	-	1.07	1.07	0.85	0.85	0.48	-	-	0.69	0.69	0.55	0.48	0.26	-	-	0.78	0.78	0.64	0.51	0.31	1.54	1.54	0.55	0.55	0.45	0.38	0.21
TN Form	Coverage C	-	-	0.75	0.75	0.61	0.61	0.28	-	-	0.75	0.75	0.61	0.61	0.28	-	-	0.55	0.55	0.47	0.35	0.21	-	-	0.55	0.55	0.47	0.47	0.23	1.06	1.06	0.45	0.45	0.38	0.28	0.17
CO Form w/o Extended Repl	Coverage C	-	-	0.71	0.44	0.44	0.44	0.28	-	-	0.75	0.75	0.61	0.54	0.28	-	-	0.55	0.37	0.30	0.26	0.20	-	-	0.55	0.55	0.47	0.44	0.20	1.06	1.06	0.45	0.30	0.24	0.21	0.16
CO Form w/ Extended Repl.	Coverage C	-	-	0.71	0.44	0.44	0.44	0.28	-	-	0.75	0.75	0.61	0.54	0.28	-	-	0.55	0.37	0.30	0.26	0.20	-	-	0.55	0.55	0.47	0.44	0.20	1.06	1.06	0.45	0.30	0.24	0.21	0.16
Pers. Prop., HO Inc. of Basic	Amt of Inc.	-	-	0.75	0.64	0.61	0.61	0.28	-	-	0.75	0.75	0.61	0.61	0.28	-	-	0.55	0.55	0.40	0.31	0.21	-	-	0.55	0.55	0.47	0.47	0.23	1.06	1.06	0.45	0.45	0.31	0.24	0.17
Other Structures, Inc. of Basic	Amt of Inc.	-	-	0.95	0.95	0.75	0.75	0.38	-	-	1.07	1.07	0.85	0.85	0.48	-	-	0.69	0.69	0.55	0.48	0.26	-	-	0.78	0.78	0.64	0.51	0.31	1.54	1.54	0.55	0.55	0.45	0.38	0.21
Loss of Use	Amt of Inc.	-	-	0.75	0.64	0.61	0.61	0.28	-	-	0.75	0.75	0.61	0.61	0.28	-	-	0.55	0.55	0.40	0.31	0.21	-	-	0.55	0.55	0.47	0.47	0.23	1.06	1.06	0.45	0.45	0.31	0.24	0.17
Add. and Alt. for CO and TN	Amt of Inc.	-	-	0.95	0.64	0.64	0.64	0.28	-	-	1.07	1.07	0.85	0.79	0.28	-	-	0.69	0.55	0.47	0.41	0.21	-	-	0.78	0.78	0.64	0.62	0.23	1.54	1.54	0.55	0.45	0.37	0.33	0.17
Loss of Assessment Option (a)	Desired Lin	-	-	0.95	0.95	0.75	0.75	0.38	-	-	1.07	1.07	0.85	0.85	0.48	-	-	0.69	0.69	0.55	0.48	0.26	-	-	0.78	0.78	0.64	0.51	0.31	1.54	1.54	0.55	0.55	0.45	0.38	0.21

* For Renewal Business Only

FRAME - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	0.95	0.95	0.75	0.75	0.38	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.95	0.95	0.75	0.75	0.38	Coverage A Limit of Liability
Tenants Form	-	-	0.75	0.75	0.61	0.61	0.28	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.71	0.44	0.44	0.44	0.28	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.71	0.44	0.44	0.44	0.28	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.75	0.64	0.61	0.61	0.28	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.95	0.95	0.75	0.75	0.38	Amount of Increase Only
Loss of Use	-	-	0.75	0.64	0.61	0.61	0.28	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.95	0.64	0.64	0.64	0.28	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.95	0.95	0.75	0.75	0.38	Desired Limit

* For Renewal Business Only.

ALL OTHER - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	1.07	1.07	0.85	0.85	0.48	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	1.07	1.07	0.85	0.85	0.48	Coverage A Limit of Liability
Tenants Form	-	-	0.75	0.75	0.61	0.61	0.28	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.75	0.75	0.61	0.54	0.28	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.75	0.75	0.61	0.54	0.28	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.75	0.75	0.61	0.61	0.28	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	1.07	1.07	0.85	0.85	0.48	Amount of Increase Only
Loss of Use	-	-	0.75	0.75	0.61	0.61	0.28	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	1.07	1.07	0.85	0.79	0.28	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	1.07	1.07	0.85	0.85	0.48	Desired Limit

* For Renewal Business Only.

FRAME - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	0.69	0.69	0.55	0.48	0.26	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.69	0.69	0.55	0.48	0.26	Coverage A Limit of Liability
Tenants Form	-	-	0.55	0.55	0.47	0.35	0.21	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.55	0.37	0.30	0.26	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.55	0.37	0.30	0.26	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.55	0.55	0.40	0.31	0.21	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.69	0.69	0.55	0.48	0.26	Amount of Increase Only
Loss of Use	-	-	0.55	0.55	0.40	0.31	0.21	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.69	0.55	0.47	0.41	0.21	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.69	0.69	0.55	0.48	0.26	Desired Limit

* For Renewal Business Only.

ALL OTHER - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	0.78	0.78	0.64	0.51	0.31	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.78	0.78	0.64	0.51	0.31	Coverage A Limit of Liability
Tenants Form	-	-	0.55	0.55	0.47	0.47	0.23	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.55	0.55	0.47	0.44	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.55	0.55	0.47	0.44	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.55	0.55	0.47	0.47	0.23	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	0.78	0.78	0.64	0.51	0.31	Amount of Increase Only
Loss of Use	-	-	0.55	0.55	0.47	0.47	0.23	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	0.78	0.78	0.64	0.62	0.23	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	0.78	0.78	0.64	0.51	0.31	Desired Limit

* For Renewal Business Only.

FRAME - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.54	1.54	0.55	0.55	0.45	0.38	0.21	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.54	1.54	0.55	0.55	0.45	0.38	0.21	Coverage A Limit of Liability
Tenants Form	1.06	1.06	0.45	0.45	0.38	0.28	0.17	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	1.06	1.06	0.45	0.30	0.24	0.21	0.16	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	1.06	1.06	0.45	0.30	0.24	0.21	0.16	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	1.06	1.06	0.45	0.45	0.31	0.24	0.17	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.54	1.54	0.55	0.55	0.45	0.38	0.21	Amount of Increase Only
Loss of Use	1.06	1.06	0.45	0.45	0.31	0.24	0.17	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.54	1.54	0.55	0.45	0.37	0.33	0.17	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.54	1.54	0.55	0.55	0.45	0.38	0.21	Desired Limit

ALL OTHER - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.89	1.89	0.62	0.62	0.52	0.40	0.24	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.89	1.89	0.62	0.62	0.52	0.40	0.24	Coverage A Limit of Liability
Tenants Form	1.06	1.06	0.45	0.45	0.38	0.38	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	1.06	1.06	0.45	0.45	0.38	0.35	0.16	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	1.06	1.06	0.45	0.45	0.38	0.35	0.16	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	1.06	1.06	0.45	0.45	0.38	0.38	0.20	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.89	1.89	0.62	0.62	0.52	0.40	0.24	Amount of Increase Only
Loss of Use	1.06	1.06	0.45	0.45	0.38	0.38	0.17	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.90	1.90	0.62	0.62	0.52	0.51	0.20	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.89	1.89	0.62	0.62	0.52	0.40	0.24	Desired Limit

FRAME - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.23	1.23	0.45	0.45	0.37	0.31	0.14	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.23	1.23	0.45	0.45	0.37	0.31	0.14	Coverage A Limit of Liability
Tenants Form	0.85	0.85	0.37	0.37	0.31	0.23	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.85	0.85	0.37	0.24	0.20	0.17	0.10	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.85	0.85	0.37	0.24	0.20	0.17	0.10	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.85	0.85	0.37	0.35	0.24	0.20	0.14	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.23	1.23	0.45	0.45	0.37	0.31	0.14	Amount of Increase Only
Loss of Use	0.85	0.85	0.37	0.35	0.24	0.20	0.14	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.23	1.23	0.45	0.35	0.30	0.26	0.14	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.23	1.23	0.45	0.45	0.37	0.31	0.14	Desired Limit

ALL OTHER - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.52	1.52	0.51	0.51	0.41	0.33	0.16	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.52	1.52	0.51	0.51	0.41	0.33	0.16	Coverage A Limit of Liability
Tenants Form	0.85	0.85	0.37	0.37	0.31	0.31	0.16	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.85	0.85	0.37	0.37	0.31	0.28	0.13	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.85	0.85	0.37	0.37	0.31	0.28	0.13	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.85	0.85	0.37	0.37	0.31	0.31	0.16	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.52	1.52	0.51	0.51	0.41	0.33	0.16	Amount of Increase Only
Loss of Use	0.85	0.85	0.37	0.37	0.31	0.31	0.14	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.52	1.52	0.51	0.51	0.41	0.40	0.16	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.52	1.52	0.51	0.51	0.41	0.33	0.16	Desired Limit

FRAME - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.18	1.18	0.40	0.40	0.32	0.26	0.09	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.18	1.18	0.40	0.40	0.32	0.26	0.09	Coverage A Limit of Liability
Tenants Form	0.75	0.75	0.32	0.32	0.26	0.18	0.09	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.75	0.75	0.32	0.19	0.15	0.12	0.05	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.75	0.75	0.32	0.19	0.15	0.12	0.05	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.75	0.75	0.32	0.30	0.19	0.15	0.09	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.18	1.18	0.40	0.40	0.32	0.26	0.09	Amount of Increase Only
Loss of Use	0.80	0.80	0.32	0.30	0.19	0.15	0.09	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.18	1.18	0.40	0.30	0.25	0.21	0.09	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.18	1.18	0.40	0.40	0.32	0.26	0.09	Desired Limit

ALL OTHER - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.47	1.47	0.46	0.46	0.36	0.28	0.11	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.47	1.47	0.46	0.46	0.36	0.28	0.11	Coverage A Limit of Liability
Tenants Form	0.80	0.80	0.35	0.35	0.26	0.26	0.11	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.80	0.80	0.35	0.35	0.26	0.23	0.08	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.80	0.80	0.35	0.35	0.26	0.23	0.08	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.80	0.80	0.35	0.35	0.26	0.26	0.11	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	1.47	1.47	0.46	0.46	0.36	0.28	0.11	Amount of Increase Only
Loss of Use	0.80	0.80	0.32	0.32	0.26	0.26	0.09	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	1.47	1.47	0.46	0.46	0.36	0.35	0.11	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	1.47	1.47	0.46	0.46	0.36	0.28	0.11	Desired Limit

SERFF Tracking Number: NWPC-128134445 State: Arkansas
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
 Company Tracking Number: 12H-8288AR-JM
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

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)
03/01/2012	Supporting Document	H-1 Homeowners Abstract	04/27/2012	AR Form H-1.pdf (Superseded)
04/16/2012	Supporting Document	HPCS-Homeowners Premium Comparison Survey	04/27/2012	AR Form HPCS.pdf (Superseded) AR HPCS Form.xls (Superseded)
03/01/2012	Supporting Document	HPCS-Homeowners Premium Comparison Survey	04/16/2012	AR Form HPCS.pdf
03/01/2012	Supporting Document	NAIC loss cost data entry document	04/27/2012	AR Lost Cost Data Document.pdf (Superseded)
04/09/2012	Supporting Document	AR Cover Letter, Memorandum and Support Documentation	04/27/2012	Ar Cover Letter and Filing Memorandum.pdf (Superseded) AR Side-by-Side Filing Support Exhibits.pdf (Superseded) AR Financial Needs Model.pdf AR Actuarial Filing Exhibits_Part1.pdf (Superseded) AR Actuarial Filing Exhibits_Part2.pdf (Superseded)

SERFF Tracking Number: NWPC-128134445 State: Arkansas
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number:
Company Tracking Number: 12H-8288AR-JM
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Arkansas Homeowners Review /12H-8288AR-JM

AR Actuarial Filing
Exhibits_Part3.pdf
(Superceded)
AR Actuarial Filing
Exhibits_Part4.pdf
(Superceded)
AR Actuarial Filing
Exhibits_Part5.pdf
(Superceded)

04/09/2012	Supporting Arkansas Marked -Up Manual Document Pages	04/27/2012	AR Marked-Up Manual Pages.pdf (Superceded) AR Manuial Page Inserts.pdf (Superceded)
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ARKANSAS INSURANCE DEPARTMENT
FORM H-1 HOMEOWNERS ABSTRACT

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

Company Name Nationwide Mutual Fire Insurance Company

NAIC No. 23779

GROUP No. 140

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

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

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.

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

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

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

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

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

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

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

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

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

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

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

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

FORM

PREMIUM VOLUME

Homeowners (HO-3)	\$5,609,816
Tenants (HO-4)	\$628,009
Condominium (HO-6)	\$85,437

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

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



Signature

Joseph A. Mesaros
Printed Name

Sr. Pricing Analyst
Title

614-249-6647
Telephone Number

mesaroj@nationwide.com
Email Address

NAIC Number:	23779
Company Name:	Nationwide Mutual Fire Insurance Company
Contact Person:	Joseph A. Mesaros
Telephone No.:	614-249-6647
Email Address:	mesaroj@nationwide.com
Effective Date:	10/23/2012

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

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

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

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$1,614.00	\$1,775.00	\$1,585.00	\$1,742.00	\$1,939.00	\$2,132.00	\$2,323.00	\$2,553.00	\$2,310.00	\$2,539.00	\$1,882.00	\$2,068.00	\$1,873.00	\$2,060.00	\$1,891.00	\$2,079.00	\$1,995.00	\$2,192.00
	\$120,000	\$2,089.00	\$2,295.00	\$2,049.00	\$2,252.00	\$2,509.00	\$2,757.00	\$3,005.00	\$3,303.00	\$2,989.00	\$3,285.00	\$2,434.00	\$2,675.00	\$2,424.00	\$2,663.00	\$2,447.00	\$2,690.00	\$2,581.00	\$2,837.00
	\$160,000	\$2,681.00	\$2,947.00	\$2,632.00	\$2,893.00	\$3,222.00	\$3,541.00	\$3,858.00	\$4,239.00	\$3,838.00	\$4,218.00	\$3,125.00	\$3,434.00	\$3,112.00	\$3,420.00	\$3,142.00	\$3,453.00	\$3,314.00	\$3,642.00
6	\$80,000	\$1,900.00	\$2,117.00	\$1,865.00	\$2,077.00	\$2,282.00	\$2,543.00	\$2,734.00	\$3,046.00	\$2,720.00	\$3,029.00	\$2,215.00	\$2,467.00	\$2,205.00	\$2,457.00	\$2,227.00	\$2,480.00	\$2,348.00	\$2,617.00
	\$120,000	\$2,458.00	\$2,738.00	\$2,413.00	\$2,687.00	\$2,953.00	\$3,290.00	\$3,537.00	\$3,939.00	\$3,518.00	\$3,919.00	\$2,865.00	\$3,191.00	\$2,853.00	\$3,177.00	\$2,880.00	\$3,208.00	\$3,038.00	\$3,384.00
	\$160,000	\$3,156.00	\$3,515.00	\$3,098.00	\$3,449.00	\$3,791.00	\$4,223.00	\$4,541.00	\$5,057.00	\$4,517.00	\$5,032.00	\$3,679.00	\$4,098.00	\$3,663.00	\$4,080.00	\$3,698.00	\$4,119.00	\$3,901.00	\$4,344.00
9	\$80,000	\$2,967.00	\$2,539.00	\$2,913.00	\$2,492.00	\$3,565.00	\$3,051.00	\$4,270.00	\$3,653.00	\$4,247.00	\$3,634.00	\$3,458.00	\$2,960.00	\$3,444.00	\$2,947.00	\$3,477.00	\$2,976.00	\$3,667.00	\$3,139.00
	\$120,000	\$3,838.00	\$3,285.00	\$3,767.00	\$3,224.00	\$4,612.00	\$3,947.00	\$5,523.00	\$4,727.00	\$5,494.00	\$4,701.00	\$4,474.00	\$3,829.00	\$4,455.00	\$3,813.00	\$4,498.00	\$3,850.00	\$4,744.00	\$4,061.00
	\$160,000	\$4,928.00	\$4,218.00	\$4,837.00	\$4,139.00	\$5,920.00	\$5,067.00	\$7,090.00	\$6,069.00	\$7,053.00	\$6,037.00	\$5,745.00	\$4,917.00	\$5,720.00	\$4,895.00	\$5,775.00	\$4,942.00	\$6,091.00	\$5,213.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$131.00	\$131.00	\$131.00	\$131.00	\$137.00	\$137.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$138.00	\$137.00	\$137.00	\$158.00	\$158.00
	\$15,000	\$213.00	\$213.00	\$213.00	\$213.00	\$221.00	\$221.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$224.00	\$221.00	\$221.00	\$254.00	\$254.00
	\$25,000	\$283.00	\$283.00	\$283.00	\$283.00	\$294.00	\$294.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$299.00	\$339.00	\$339.00
6	\$5,000	\$144.00	\$144.00	\$144.00	\$144.00	\$149.00	\$149.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$149.00	\$149.00	\$173.00	\$173.00
	\$15,000	\$232.00	\$232.00	\$232.00	\$232.00	\$242.00	\$242.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$242.00	\$242.00	\$278.00	\$278.00
	\$25,000	\$310.00	\$310.00	\$310.00	\$310.00	\$322.00	\$322.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$322.00	\$322.00	\$372.00	\$372.00
9	\$5,000	\$210.00	\$210.00	\$210.00	\$210.00	\$218.00	\$218.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$221.00	\$218.00	\$218.00	\$252.00	\$252.00
	\$15,000	\$340.00	\$340.00	\$340.00	\$340.00	\$352.00	\$352.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$358.00	\$352.00	\$352.00	\$406.00	\$406.00
	\$25,000	\$453.00	\$453.00	\$453.00	\$453.00	\$471.00	\$471.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$477.00	\$471.00	\$471.00	\$542.00	\$542.00

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

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

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

HO3 and HO4 only

Fire Extinguisher	<input type="text" value="5,7,10,15"/> %	Deadbolt Lock	<input type="text" value="5,7,10,15"/> %
Burglar Alarm	<input type="text" value="2,4,5,7,10,15"/> %	Window Locks	<input type="text"/> %
Smoke Alarm	<input type="text" value="2,4,5,7,10,15"/> %	\$1,000 Deductible	<input type="text"/> %
		Other (specify)	<input type="text"/> %
		Maximum Credit Allowed	<input type="text" value="51"/> %

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

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

Zone	Brick	Frame
Highest Risk	\$ 3.11	\$ 2.67
Lowest Risk	\$ 0.13	\$ 0.12

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # **12H-8288AR-JM**

2. If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number **N/A**

		Company Name			Company NAIC Number
3.	A.	Nationwide Mutual Fire Insurance Company	B.		23779

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

5.

(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
Homeowners	21.6%	9.9%					
Tenants	13.8%	9.9%					
Condominiums	-0.3%	0.0%					
TOTAL OVERALL EFFECT	21.3%	9.9%					

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
2011	23,721	10.3%	10/23/2011	23,832	31,899	135.1%	83.7%
2010	24,254	5.5%	10/23/2010	24,965	14,561	58.3%	61.0%
2009	26,080	8.5%	08/18/2009	25,830	32,081	124.2%	61.6%
2008	28,058	7.0%	08/23/2008	25,519	31,854	124.8%	61.1%
2008	28,937	4.8%	02/16/2008	24,859	11,295	45.4%	42.1%
2007	28,937	6.7%	07/15/2007	24,859	11,295	45.4%	42.1%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	15.9
B. General Expense	9.0
C. Taxes, License & Fees	2.6
D. Underwriting Profit & Contingencies	5.3
E. Other (explain)	
F. TOTAL	32.8

8. N Apply Lost Cost Factors to Future filings? (Y or N)

9. +18.5 % Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____

10. -2.2% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____



April 9, 2012

Mr. Jay Bradford
Commissioner of Insurance
Arkansas Insurance Department
Property & Casualty Division
1200 W. 3RD Street
Little Rock, Arkansas 72201-1904

Attention: Mr. Bill Lacy
Manager of the Property and Casualty Division

Re: Nationwide Mutual Fire Insurance Company, NAIC No. 23779
Homeowner Rate Revision
File No. 12H-8288AR-JM

Dear Mr. Lacy:

Please find herein a filing memorandum and supporting exhibits pertaining to proposed revisions to Homeowners policies written in the Nationwide Mutual Fire Insurance Companies. The resulting base rate level impact of this revision is an increase of 9.9 percent. The effective date for this filing is October 23, 2012.

We have paid the filing fee by Electronic Fund Transfer via SERFF. We will forward final printed manual pages upon availability. Please contact me through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joseph A. Mesaros".

Joseph A. Mesaros
Senior Pricing Analyst
JM/jm
Attachments

FILING MEMORANDUM
Arkansas Homeowners

Statewide Indicated Change

Using the Nationwide Mutual Fire Insurance Company five-year experience ending September 30, 2011 (evaluated as of December 31, 2011), resulted in a statewide-indicated Homeowner increase of 21.6% for the Mutual Fire Company. We are proposing a statewide base rate change of 9.9% and an overall 12.8% increase in the Mutual Fire Company.

CHANGES BY POLICY FORM

Base Rates

We are revising NMFIC base rates for the homeowners, tenants, and condominium forms. These changes target the statewide rate level changes illustrated in Exhibits I and II of the Actuarial Exhibits and 1, and 6 of the Side-by-Side Exhibits and are reflected in manual pages H-13 to 15, H-17, and H-18 to 400.

Deductibles

We are revising the all peril \$250 and \$500 deductible factors. We will require \$1,000 minimum All Peril deductible for all new business. Please refer to the Side-by-Side Exhibits 3 and 6 for more details. The changes are reflected in manual page H- 403.

Earthquake Rates

We are revising Nationwide Mutual Fire Insurance Company earthquake rates for the Homeowners, Tenants, and Condominiums forms to account for the dramatic increase in reinsurance costs directly attributable to Arkansas Earthquake. Additionally, we are adding a 25% deductible option. These changes are displayed in Side-by-Side Exhibit 4 and Actuarial Exhibit XI. The new earthquake rates are reflected in draft manual pages H-416 through H-421 and Insert G.

Water Back Up

We are increasing the water back-up rates for homeowner and Tenant forms only. This change will be for new and renewal business in the Nationwide Mutual Fire Insurance Company. The change reflects the same magnitude of change attributed to the statewide base rate. Side-by-Side Exhibit 5 displays the new rates. Manual page H-423 and Inserts H and I reflect the new rates.

Age of Construction

We are revising the Age of Construction factors for homeowner forms in the Nationwide Mutual Fire Insurance Company. Side-by-Side Exhibit 2 displays the new rates, which are reflected in the manual page H-405 and Insert F.

Prior Insurance Discount

The Prior Insurance Discount will be programmed to only apply to those policies that qualify for the Multi-Product Discount. Please refer to marked-up manual page H- 409 to 410.

Actual Cash Value Roof Coverage

The Actual Cash Value (ACV) Roof Coverage endorsement will be added to the Homeowner policy form. Please refer to marked-up manual page H- 402 for details.

Editorial Revisions

We are implementing the following editorial changes to the agent's portfolio manual:

- The interpolation example on page H-401 will be updated to coincide with the revisions to the base rates.
- Editorial spelling correction to Basic Roof Rating and inclusion of definitions for roll roof and wood roof. Please refer to marked-up manual page H-402 for details.

Please contact Joseph A. Mesaros through SERFF or at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. I may also be reached via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Income Effect

Nationwide Mutual Fire Insurance Company

Policy Form	Earned Premium	Indicated Rate Level Change	Indicated Premium Effect	Resolved Rate Level Change	Resolved Premium Effect
Homeowners	\$25,609,816	21.6%	\$5,531,700	9.9%	\$2,535,400
Tenants	628,009	13.8%	86,700	9.9%	62,200
Condominium	85,437	-0.3%	-300	0.0%	0
Subtotal	\$26,323,262	21.3%	\$5,618,100	9.9%	\$2,597,600
Earthquake					
Homeowners	\$885,459	270.6%	\$2,396,052	100.0%	\$885,500
Tenants	4,643	270.6%	12,563	100.0%	4,600
Condominium	3,206	270.6%	8,674	100.0%	3,200
Limited WBU					
Homeowners	\$6,545	N/A	N/A	9.9%	\$600
Tenants	324	N/A	N/A	9.9%	0
Condominium	79	N/A	N/A	0.0%	0
Broad WBU					
Homeowners	\$298,167	N/A	N/A	9.9%	\$29,500
Tenants	5,655	N/A	N/A	9.9%	600
Condominium	1,360	N/A	N/A	0.0%	0
Combined					
Homeowners	\$26,799,987	29.6%	\$7,927,752	12.9%	\$3,451,000
Tenants	638,631	15.5%	99,263	10.6%	67,400
Condominium	90,082	9.3%	8,374	3.6%	3,200
Total	\$27,528,699	29.2%	\$8,035,389	12.8%	\$3,521,600

Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Age of Construction Rate Impact
5 Years of Data Ending December 31, 2011

Age of Construction	Current Factors	New Factors
0	0.64	0.58
1	0.66	0.60
2	0.70	0.64
3	0.75	0.68
4	0.79	0.72
5	0.83	0.75
6	0.87	0.79
7	0.91	0.83
8	0.91	0.83
9	0.91	0.83
10	0.91	0.83
11	0.91	0.83
12	0.91	0.83
13	0.91	0.83
14	0.91	0.83
15	0.91	0.83
> 15 <= 20	0.91	0.83
> 20 <= 25	0.92	0.84
> 25 <= 30	0.93	0.86
> 30 <= 35	0.94	0.88
> 35 <= 40	0.95	0.90
> 40 <= 45	0.96	0.93
> 45 <= 50	0.97	0.94
> 50 <= 60	0.98	0.96
> 60 <= 75	0.99	0.98
> 75 <= 300	1.00	1.00

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Deductible Rating Factor**

Current Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
\$250	1.349	1.605	1.605
500	1.229	1.342	1.342
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

*Available for renewals only.

Proposed Factor

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.403	1.669	1.669
500	1.266	1.382	1.382
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

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

Wind-Hail Deductible by Amount of Insurance

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

Wind-Hail Deductible by Amount of Insurance

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	1.151	1.182	1.210	1.215
500/2,000WH	1.027	1.084	1.135	1.148
500/5,000WH	0.913	0.957	1.025	1.043
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Earthquake
Effective: October 23, 2012**

Exhibit 4
Page 1

Description	Current Earthquake Rates: FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$100							Current Earthquake Rates: FRAME: 10% Deductible Rate per \$100 ALL OTHER: 10% Deductible Rate per \$100							Current Earthquake Rates: FRAME: 15% Deductible Rate per \$100						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Coverage A	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.68	0.68	0.56	0.56	0.27
HO Form w/o Extended Repl	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.68	0.68	0.56	0.56	0.27
HO Form w/ Extended Repl.	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.41	0.2
TN Form	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.48	0.41	0.38	0.17
CO Form w/o Extended Repl	-	-	0.62	0.38	0.38	0.38	0.24	-	-	0.65	0.65	0.53	0.47	0.24	-	-	0.48	0.48	0.41	0.38	0.17
CO Form w/ Extended Repl.	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.41	0.2
Peris. Prop., HO Inc. of Basic	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.68	0.68	0.56	0.56	0.27
Other Structures, Inc. of Basic	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.41	0.2
Loss of Use	-	-	0.65	0.56	0.53	0.53	0.24	-	-	0.65	0.65	0.53	0.53	0.24	-	-	0.48	0.48	0.41	0.41	0.2
Add. and Alt. for CO and TN	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.69	0.24	-	-	0.68	0.68	0.56	0.54	0.20
Loss of Assessment Option	-	-	0.83	0.83	0.65	0.65	0.33	-	-	0.93	0.93	0.74	0.74	0.42	-	-	0.68	0.68	0.56	0.44	0.27

Description	Proposed Earthquake Rates: FRAME: 5% Deductible Rate per \$1000 ALL OTHER: 5% Deductible Rate per \$100							Proposed Earthquake Rates: FRAME: 10% Deductible Rate per \$100 ALL OTHER: 10% Deductible Rate per \$100							Proposed Earthquake Rates: FRAME: 15% Deductible Rate per \$100						
	1	2	3*	4*	5*	6*	7*	1	2	3*	4*	5*	6*	7*	1	2	3	4	5	6	7
Coverage A	-	-	1.60	1.60	1.30	1.00	0.70	-	-	1.40	1.40	1.40	1.40	1.40	-	-	2.00	1.90	1.90	1.90	1.90
HO Form w/o Extended Repl	-	-	1.60	1.60	1.30	1.00	0.70	-	-	1.40	1.40	1.40	1.40	1.40	-	-	2.00	1.90	1.90	1.90	1.90
HO Form w/ Extended Repl.	-	-	1.34	1.34	1.04	0.74	0.44	-	-	1.14	1.14	1.14	1.14	1.14	-	-	1.61	1.61	1.61	1.61	1.61
TN Form	-	-	1.20	1.20	0.90	0.60	0.30	-	-	1.00	1.00	1.00	1.00	1.00	-	-	1.25	1.25	1.25	1.25	1.25
CO Form w/o Extended Repl	-	-	1.20	1.20	0.90	0.60	0.30	-	-	1.00	1.00	1.00	1.00	1.00	-	-	1.25	1.25	1.25	1.25	1.25
CO Form w/ Extended Repl.	-	-	1.20	1.20	0.90	0.60	0.30	-	-	1.00	1.00	1.00	1.00	1.00	-	-	1.25	1.25	1.25	1.25	1.25
Peris. Prop., HO Inc. of Basic	-	-	0.79	0.64	0.57	0.57	0.30	-	-	0.63	0.53	0.42	0.42	0.22	-	-	1.30	1.21	1.21	1.21	1.21
Other Structures, Inc. of Basic	-	-	1.60	1.60	1.30	1.00	0.70	-	-	1.40	1.40	1.40	1.40	1.40	-	-	2.00	1.90	1.90	1.90	1.90
Loss of Use	-	-	0.79	0.64	0.57	0.57	0.30	-	-	0.63	0.53	0.42	0.42	0.22	-	-	1.30	1.21	1.21	1.21	1.21
Add. and Alt. for CO and TN	-	-	1.60	1.60	1.30	1.00	0.70	-	-	1.40	1.40	1.40	1.40	1.40	-	-	2.00	1.90	1.90	1.90	1.90
Loss of Assessment Option	-	-	1.60	1.60	1.30	1.00	0.70	-	-	1.40	1.40	1.40	1.40	1.40	-	-	2.00	1.90	1.90	1.90	1.90

* For Renewal Business Only

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Water Back UP**

Option P - Limited

Current

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

New

Policy Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$9.64	\$3.04	\$7.97
1,000	6.88	1.53	4.55
2,500	6.88	N/A	N/A
5,000	5.52	N/A	N/A

Option R - Broad

Homeowners

Current

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

New

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250	\$45.47	\$85.41	\$231.46	\$435.38
500	45.47	85.41	231.46	435.38
1,000	38.59	73.02	195.65	369.24
2,500	34.44	64.75	174.97	330.67
5,000	31.68	59.25	161.20	303.12

Tenants

Current

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

New

Policy Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100	\$16.73	\$33.46	\$88.24	\$165.83
250	16.73	33.46	88.24	165.83
500	16.73	33.46	88.24	165.83
1000	15.21	27.39	60.71	141.47
2500	13.69	24.33	66.94	126.28
5000	12.18	22.83	60.85	115.61

Condominiums

Current

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

New

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

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012**

Premium Effects and Base Rates

Description of Change	Rate impact on ...		
	Homeowner	Tenants	Condominium
Current Base Rate	1,581.43	149.24	281.61
Age of Construction	-7.23%	0.00%	0.00%
Deductible Factor Change	1.61%	2.74%	2.26%
Selected Base Rate Change	9.90%	9.90%	0.00%
Resolved Base Rate	1,843.76	159.64	275.39

**Arkansas Homeowners
Nationwide Mutual Fire Insurance Company
Effective October 23, 2012
Income Effect**

Nationwide Mutual Fire Insurance Company

Policy Form	Earned Premium	Indicated Rate Level Change	Indicated Premium Effect	Resolved Rate Level Change	Resolved Premium Effect
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Condominium	79	N/A	N/A	0.0%	0
<u>Broad WBU</u>					
Homeowners	\$298,167	N/A	N/A	9.9%	\$29,500
Tenants	5,655	N/A	N/A	9.9%	600
Condominium	1,360	N/A	N/A	0.0%	0
<u>Combined</u>					
Homeowners	\$26,799,987	29.6%	\$7,927,752	12.9%	\$3,451,000
Tenants	638,631	15.5%	99,263	10.6%	67,400
Condominium	90,082	9.3%	8,374	3.6%	3,200
Total	\$27,528,699	29.2%	\$8,035,389	12.8%	\$3,521,600

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	34,735,939	33,974,094	31,329,125	28,403,341	25,609,816	
2. Premium Projection Factor	0.926	0.915	0.924	0.937	1.000	
3. Projected Current Level Earned Premium = (1) × (2)	32,165,480	31,086,296	28,948,112	26,613,931	25,609,816	144,423,635
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	8,792,308	7,909,869	7,978,568	9,899,146	6,630,354	
5. Non-Weather Loss Projection Factor	1.184	1.106	1.053	0.979	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	10,410,093	8,748,315	8,401,432	9,691,264	6,630,354	43,881,458
7. Projected Non-Weather Losses and DCC Expense Ratio	32.4%	28.1%	29.0%	36.4%	25.9%	30.4%
8. Projected Weather Losses and DCC Expense	12,469,414	12,062,917	11,291,719	10,382,359	9,988,133	56,194,542
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	38.8%	38.8%	39.0%	39.0%	39.0%	38.9%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	22,879,507	20,811,232	19,693,151	20,073,623	16,618,487	100,230,003
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	71.1%	66.9%	68.0%	75.4%	64.9%	69.4%
12. Experience Year Weights Used Above	15%	15%	20%	25%	25%	
13. Credibility Assigned to Experience						75.2%
14. Trended Permissible Loss and DCC Expense Ratio						61.7%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						67.5%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						97,485,954
Modeled Hurricane Losses and DCC Expense						
17. Number of Risks Contemplated in Hurricane Model						21,961
18. Estimated Losses Based on Modeled Results						511,093
19. Selected Prospective Loss Cost Trend						2.0%
20. Hurricane Loss Projection Factor						1.051
21. DCC Expense Ratio to Loss						1.8%
22. Projected Hurricane Losses and DCC Expense = (18) × (20) × [1 + (21)]						546,828
23. Projected Hurricane Losses and DCC Expense Ratio = (22) ÷ (3)						0.4%
Modeled Fire Following Earthquake Losses and DCC Expense						
24. Number of Risks Contemplated in FFEQ Model						22,685
25. Estimated Losses Based on Modeled Results						482,097
26. Selected Prospective Loss Cost Trend						2.0%
27. FFEQ Loss Projection Factor						1.061
28. DCC Expense Ratio to Loss						1.8%
29. Projected FFEQ Losses and DCC Expense = (25) × (27) × [1 + (28)]						520,712
30. Projected FFEQ Losses and DCC Expense Ratio = (29) ÷ (3)						0.4%
Non-Hurricane Fixed Expenses						
31. Total Fixed Expenses	5,114,311	4,942,721	4,602,750	4,231,615	4,071,961	22,963,358
Indication						
32. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (29) + (31)						121,516,852
33. Permissible Loss and Fixed Expense Ratio						69.7%
34. Credibility-Weighted Required Premium = (32) ÷ (33)						174,342,686
35. Credibility-Weighted Indicated Rate Level Change = (34) ÷ (3) - 1						20.7%
36. Reinsurance Charge						0.7%
37. Experience Required Premium Including Reinsurance Charge						179,486,031
38. Credibility-Weighted Required Premium Including Reinsurance Charge = (34) + ((3) × (36)) + [1 - Commissions - Misc Tax - Prem Tax]						175,549,089
39. Experience Indicated Rate Level Change Including Reinsurance Charge = (37) ÷ (3) - 1						24.3%
40. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (38) ÷ (3) - 1						21.6%

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Tenants / HO-4 (NC)**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	616,637	652,837	669,799	622,804	628,009	
2. Premium Projection Factor	0.889	0.885	0.893	0.932	1.000	
3. Projected Current Level Earned Premium = (1) × (2)	548,190	577,761	598,131	580,453	628,009	2,932,544
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	189,216	133,040	317,817	500,901	260,567	
5. Non-Weather Loss Projection Factor	1.856	2.493	1.841	1.436	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	351,185	331,669	585,101	719,294	260,567	2,247,816
7. Projected Non-Weather Losses and DCC Expense Ratio	64.1%	57.4%	97.8%	123.9%	41.5%	76.7%
8. Projected Weather Losses and DCC Expense	18,954	20,020	20,721	20,115	21,767	101,577
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	370,139	351,689	605,822	739,409	282,334	2,284,452
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	67.5%	60.9%	101.3%	127.4%	45.0%	77.9%
12. Experience Year Weights Used Above	10%	10%	15%	25%	40%	
13. Credibility Assigned to Experience						28.0%
14. Trended Permissible Loss and DCC Expense Ratio						43.6%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						53.2%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						1,560,113
Modeled Hurricane Losses and DCC Expense						
17. Number of Risks Contemplated in Hurricane Model						2,014
18. Estimated Losses Based on Modeled Results						5,391
19. Selected Prospective Loss Cost Trend						2.0%
20. Hurricane Loss Projection Factor						1.051
21. DCC Expense Ratio to Loss						1.8%
22. Projected Hurricane Losses and DCC Expense = (18) × (20) × [1 + (21)]						5,768
23. Projected Hurricane Losses and DCC Expense Ratio = (22) ÷ (3)						0.2%
Modeled Fire Following Earthquake Losses and DCC Expense						
24. Number of Risks Contemplated in FFEQ Model						2,014
25. Estimated Losses Based on Modeled Results						1,842
26. Selected Prospective Loss Cost Trend						2.0%
27. FFEQ Loss Projection Factor						1.061
28. DCC Expense Ratio to Loss						1.8%
29. Projected FFEQ Losses and DCC Expense = (25) × (27) × [1 + (28)]						1,990
30. Projected FFEQ Losses and DCC Expense Ratio = (29) ÷ (3)						0.1%
Non-Hurricane Fixed Expenses						
31. Total Fixed Expenses	140,884	148,485	153,720	149,176	161,399	753,664
Indication						
32. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (29) + (31)						2,321,535
33. Permissible Loss and Fixed Expense Ratio						69.7%
34. Credibility-Weighted Required Premium = (32) ÷ (33)						3,330,753
35. Credibility-Weighted Indicated Rate Level Change = (34) ÷ (3) - 1						13.6%
36. Reinsurance Charge						0.2%
37. Experience Required Premium Including Reinsurance Charge						4,376,976
38. Credibility-Weighted Required Premium Including Reinsurance Charge = (34) + ((3) × (36)) ÷ [1 - Commissions - Misc Tax - Prem Tax]						3,337,752
39. Experience Indicated Rate Level Change Including Reinsurance Charge = (37) ÷ (3) - 1						49.3%
40. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (38) ÷ (3) - 1						13.8%

**Arkansas Homeowners
Nationwide Mutual Fire
Determination of Indicated Rate-Level Change Assumed Effective July 1, 2012
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Fiscal Accident Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	5-Year
Premium						
1. Current Level Earned Premium	116,196	110,515	101,069	92,407	85,437	
2. Premium Projection Factor	0.900	0.915	0.920	0.957	1.000	
3. Projected Current Level Earned Premium = (1) × (2)	104,576	101,121	92,983	88,433	85,437	472,550
Non-Hurricane Losses and DCC Expense						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	71,027	37,880	59,933	63,418	33,922	
5. Non-Weather Loss Projection Factor	1.301	1.631	1.641	1.217	1.000	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	92,406	61,782	98,350	77,180	33,922	363,640
7. Projected Non-Weather Losses and DCC Expense Ratio	88.4%	61.1%	105.8%	87.3%	39.7%	77.0%
8. Projected Weather Losses and DCC Expense	6,778	6,607	6,046	5,754	5,559	30,744
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
10. Projected Estimated Ultimate Losses and DCC Expense = (6) + (8)	99,184	68,389	104,396	82,934	39,481	375,205
11. Projected Loss and DCC Expense Ratio = (10) ÷ (3)	94.8%	67.6%	112.3%	93.8%	46.2%	79.4%
12. Experience Year Weights Used Above	10%	15%	20%	25%	30%	
13. Credibility Assigned to Experience						4.8%
14. Trended Permissible Loss and DCC Expense Ratio						45.5%
15. Credibility-Weighted Loss and DCC Expense Ratio = (13) × (11) + [1-(13)] × (14)						47.1%
16. Credibility-Weighted Losses and DCC Expense = (3) × (15)						222,571
Modeled Hurricane Losses and DCC Expense						
17. Number of Risks Contemplated in Hurricane Model						232
18. Estimated Losses Based on Modeled Results						1,943
19. Selected Prospective Loss Cost Trend						2.0%
20. Hurricane Loss Projection Factor						1.051
21. DCC Expense Ratio to Loss						1.8%
22. Projected Hurricane Losses and DCC Expense = (18) × (20) × [1 + (21)]						2,079
23. Projected Hurricane Losses and DCC Expense Ratio = (22) ÷ (3)						0.4%
Modeled Fire Following Earthquake Losses and DCC Expense						
24. Number of Risks Contemplated in FFEQ Model						242
25. Estimated Losses Based on Modeled Results						380
26. Selected Prospective Loss Cost Trend						2.0%
27. FFEQ Loss Projection Factor						1.061
28. DCC Expense Ratio to Loss						1.8%
29. Projected FFEQ Losses and DCC Expense = (25) × (27) × [1 + (28)]						410
30. Projected FFEQ Losses and DCC Expense Ratio = (29) ÷ (3)						0.1%
Non-Hurricane Fixed Expenses						
31. Total Fixed Expenses	22,693	21,943	20,178	19,190	18,540	102,544
Indication						
32. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (16) + (22) + (29) + (31)						327,604
33. Permissible Loss and Fixed Expense Ratio						69.7%
34. Credibility-Weighted Required Premium = (32) ÷ (33)						470,020
35. Credibility-Weighted Indicated Rate Level Change = (34) ÷ (3) - 1						-0.5%
36. Reinsurance Charge						0.2%
37. Experience Required Premium Including Reinsurance Charge						690,135
38. Credibility-Weighted Required Premium Including Reinsurance Charge = (34) + [(3) × (36)] + [1 - Commissions - Misc Tax - Prem Tax]						471,148
39. Experience Indicated Rate Level Change Including Reinsurance Charge = (37) ÷ (3) - 1						46.0%
40. Credibility-Weighted Indicated Rate Level Change Including Reinsurance Charge = (38) ÷ (3) - 1						-0.3%

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-1.9%	-2.9%	-3.9%	-6.3%	0.0%
5. Past-to-Present Factor = $[1+(4)]^{(3)}$	0.926	0.915	0.924	0.937	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)]^{(8)}$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.926	0.915	0.924	0.937	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-2.9%	-4.0%	-5.5%	-6.8%	0.0%
5. Past-to-Present Factor = $[1+(4)]^{(3)}$	0.889	0.885	0.893	0.932	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)]^{(8)}$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.889	0.885	0.893	0.932	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Earned Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Premium Trend	-2.6%	-2.9%	-4.1%	-4.3%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	0.900	0.915	0.920	0.957	1.000
Present-to-Future Adjustments					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
7. Average Earned Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
8. Years of Trend = (7) - (6)	2.255	2.255	2.255	2.255	2.255
9. Selected Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%
10. Present-to-Future Factor = $[1+(9)](8)$	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
11. Premium Projection Factor = (5) × (10) × (12)	0.900	0.915	0.920	0.957	1.000

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	16,279	3,903	3.628	14,160	0	3.299	1.000	3.299	1	128.76	467.14
1998/4	17,957	2,380	3.319	7,899	1	2.990	1.000	2.990	1	71.16	236.18
1999/4	19,550	3,177	3.037	9,649	1	7.765	1.000	7.765	1	246.69	749.24
2000/4	20,717	1,952	2.778	5,423	1	3.707	1.000	3.707	1	72.36	201.03
2001/4	21,694	1,828	2.542	4,647	1	4.817	1.000	4.817	1	88.05	223.85
2002/4	21,951	3,522	2.326	8,192	1	4.861	1.000	4.861	1	171.20	398.21
2003/4	23,302	3,652	2.128	7,771	1	4.085	1.000	4.085	1	149.18	317.45
2004/4	24,387	2,854	1.947	5,557	1	3.592	1.000	3.592	1	102.52	199.61
2005/4	25,483	3,779	1.781	6,730	1	2.143	1.000	2.143	1	80.98	144.22
2006/4	26,526	5,902	1.629	9,614	1	5.632	1.000	5.632	1	332.40	541.46
2007/4	26,813	4,071	1.491	6,070	1	2.227	1.000	2.227	1	90.66	135.18
2008/4	25,711	6,652	1.364	9,073	1	10.443	1.000	10.443	1	694.67	947.49
2009/4	23,873	6,660	1.248	8,312	1	7.896	1.000	7.896	1	525.87	656.32
2010/4	22,074	5,231	1.142	5,974	1	3.076	1.000	3.076	1	160.91	183.76
2011/4	21,452	7,798	1.045	8,149	1	13.113	1.000	13.113	0	1,022.55	1,068.58
Wtd Avg		4,247		7,361		4.752		4.752		201.82	349.79

m=	7,815	m=	5.310	262.53	431.31
s=	2,352	s=	3.179	277.69	301.30
m-2s=	3,111	m-2s=	-1.048	-292.85	-171.29
m-1s=	5,463	m-1s=	2.131	-15.16	130.01
m+1s=	10,167	m+1s=	8.489	540.22	732.61
m+2s=	12,519	m+2s=	11.668	817.91	1,033.91

	Selected
A. Selected Weather Severity:	7,361
B. Selected Weather Frequency (per 100):	4.752
C. Wind/Hail Pure Premium = (A) × (B) ÷ 100:	349.79

1. Wind and Hail Earned Exposures
2. Wind and Hail severity, excluding hurricane losses
3. = $(1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and Hail frequency per 100 exposures, excluding hurricane losses
7. = $(1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) ÷ 100
11. = (4) × (8) ÷ 100
12. Severity projected to the effective date based on the trend line on the wind & hail severity graph.
13. Frequency projected to the effective date based on the trend line on the wind & hail frequency graph.
14. Pure premium projected to the effective date based on the trend line on the wind & hail pure premium graph.

*Loss Causes: Wind (104) and Hail (114)

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	16,279	1,392	5.028	6,999	1	1.818	1.000	1.818	1	25.31	127.24
1998/4	17,957	1,826	4.513	8,241	1	1.593	1.000	1.593	1	29.09	131.28
1999/4	19,550	1,485	4.051	6,016	1	2.041	1.000	2.041	1	30.31	122.79
2000/4	20,717	1,793	3.637	6,521	1	1.965	1.000	1.965	1	35.23	128.14
2001/4	21,694	1,848	3.265	6,034	1	4.969	1.000	4.969	1	91.83	299.83
2002/4	21,951	1,848	2.930	5,415	1	1.553	1.000	1.553	1	28.70	84.09
2003/4	23,302	1,881	2.631	4,949	1	1.219	1.000	1.219	1	22.93	60.33
2004/4	24,387	3,716	2.361	8,773	1	1.169	1.000	1.169	1	43.44	102.56
2005/4	25,483	2,415	2.120	5,120	1	1.083	1.000	1.083	1	26.15	55.45
2006/4	26,526	5,380	1.903	10,238	1	0.901	1.000	0.901	1	48.47	92.24
2007/4	26,813	5,407	1.708	9,235	1	0.869	1.000	0.869	1	46.99	80.25
2008/4	25,711	8,313	1.533	12,744	0	1.015	1.000	1.015	1	84.38	129.35
2009/4	23,873	2,943	1.376	4,050	1	15.046	1.000	15.046	0	442.80	609.36
2010/4	22,074	5,177	1.236	6,399	1	1.563	1.000	1.563	1	80.92	100.02
2011/4	21,452	6,271	1.109	6,955	1	1.660	1.000	1.660	1	104.10	115.45
Wtd Avg		3,099		6,782		1.673		1.673		51.85	113.46

m=	7,179	m=	2,564	76.04	149.23
s=	2,301	s=	3,591	105.02	139.24
m-2s=	2,577	m-2s=	-4.618	-134.00	-129.25
m-1s=	4,878	m-1s=	-1.027	-28.98	9.99
m+1s=	9,480	m+1s=	6.155	181.06	288.47
m+2s=	11,781	m+2s=	9.746	286.08	427.71

Selected
A. Selected Weather Severity: 6,782
B. Selected Weather Frequency (per 100): 1.673
C. Other Weather Pure Premium = (A) × (B) ÷ 100 113.46

- Earned Exposures
- Non-Wind and Hail severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Non-Wind and Hail frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} \cdot (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) \div 100$
- $= (4) \times (8) \div 100$
- Severity projected to the effective date based on the trend line on the other weather severity graph.
- Frequency projected to the effective date based on the trend line on the other weather frequency graph.
- Pure premium projected to the effective date based on the trend line on the other weather pure premium graph.

*Loss Causes: Lightning (102), Water Damage (107), Freezing (108), Flood and Rising Water (118), Weight of Ice/Snow (143), and Water Non-Cat (151)

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	1,176	1,762	2.641	4,653	0	0.850	0.833	0.708	1	14.98	32.94
1998/4	1,294	520	2.459	1,279	1	0.618	0.844	0.522	1	3.21	6.68
1999/4	1,774	522	2.290	1,195	1	0.620	0.855	0.530	1	3.24	6.33
2000/4	2,092	1,219	2.132	2,599	1	0.478	0.866	0.414	1	5.83	10.76
2001/4	2,091	1,215	1.985	2,412	1	1.148	0.877	1.007	1	13.95	24.29
2002/4	1,802	1,288	1.848	2,380	1	0.610	0.889	0.542	1	7.86	12.90
2003/4	1,626	2,040	1.721	3,511	1	0.492	0.901	0.443	1	10.04	15.55
2004/4	1,652	956	1.602	1,532	1	0.242	0.912	0.221	1	2.31	3.39
2005/4	1,713	867	1.492	1,294	1	0.584	0.924	0.540	1	5.06	6.99
2006/4	1,767	1,307	1.389	1,815	1	0.396	0.937	0.371	1	5.18	6.73
2007/4	1,833	843	1.293	1,090	1	0.382	0.949	0.363	1	3.22	3.96
2008/4	1,943	1,699	1.204	2,046	1	1.081	0.962	1.040	1	18.37	21.28
2009/4	1,965	2,430	1.121	2,724	1	1.272	0.974	1.239	0	30.91	33.75
2010/4	1,947	1,472	1.044	1,537	1	0.308	0.987	0.304	1	4.53	4.67
2011/4	2,119	1,700	0.972	1,652	1	0.566	1.000	0.566	1	9.62	9.35
Wtd Avg		1,291		1,933		0.598		0.541		7.72	10.46

m=	2,115	m=	0.587
s=	979	s=	0.292
m-2s=	157	m-2s=	0.003
m-1s=	1,136	m-1s=	0.295
m+1s=	3,094	m+1s=	0.879
m+2s=	4,073	m+2s=	1.171

	Selected
A. Selected Weather Severity:	1,933
B. Selected Weather Frequency (per 100):	0.541
C. Projected Weather Pure Premium= (A)×(B)÷100	10.46

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})^{(\text{Years of Retrospective Trend})} * (1 + \text{Selected Prospective Severity Trend})^{(\text{Years of Prospective Trend})}$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})^{(\text{Years of Retrospective Trend})} * (1 + \text{Selected Prospective Frequency Trend})^{(\text{Years of Prospective Trend})}$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) \div 100$
- $= (4) \times (8) \div 100$
- Severity projected to the effective date based on the trend line on the weather severity graph.
- Frequency projected to the effective date based on the trend line on the weather frequency graph.
- Pure premium projected to the effective date based on the trend line on the weather pure premium graph.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1997/4	145	1,179	2.903	3,423	1	0.690	0.857	0.591	1	8.14	20.23
1998/4	157	1,610	2.701	4,349	1	1.274	0.866	1.103	1	20.51	47.97
1999/4	176	0	2.512			0.000	0.876		1	0.00	
2000/4	193	913	2.337	2,134	1	0.518	0.885	0.458	1	4.73	9.77
2001/4	188	2,363	2.174	5,137	1	2.660	0.895	2.381	1	62.86	122.31
2002/4	182	608	2.022	1,229	1	1.648	0.905	1.491	1	10.02	18.32
2003/4	207	696	1.881	1,309	1	0.483	0.915	0.442	1	3.36	5.79
2004/4	243	2,477	1.750	4,335	1	1.235	0.925	1.142	1	30.59	49.51
2005/4	257	0	1.628			0.000	0.936		1	0.00	
2006/4	266	2,794	1.514	4,230	1	0.376	0.946	0.356	1	10.51	15.06
2007/4	279	344	1.409	485	1	0.358	0.957	0.343	1	1.23	1.66
2008/4	265	4,050	1.310	5,306	1	0.755	0.967	0.730	1	30.58	38.73
2009/4	245	2,639	1.219	3,217	1	0.408	0.978	0.399	1	10.77	12.84
2010/4	233	2,186	1.134	2,479	1	1.717	0.989	1.698	1	37.53	42.09
2011/4	230	574	1.055	606	1	1.304	1.000	1.304	1	7.48	7.90
Wtd Avg		1,726		2,941		0.895		0.829		15.45	24.38

m=	2,941	m=	0.957
s=	1,690	s=	0.632
m-2s=	-439	m-2s=	-0.307
m-1s=	1,251	m-1s=	0.325
m+1s=	4,631	m+1s=	1.589
m+2s=	6,321	m+2s=	2.221

	Selected
A. Selected Weather Severity:	2,941
B. Selected Weather Frequency (per 100):	0.829
C. Projected Weather Pure Premium= (A)×(B)÷100	24.38

1. Earned Exposures
2. Wind and water severity, excluding hurricane losses
3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) * (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
4. = (2) × (3)
5. Judgmentally selected weight assigned to calendar year severity.
6. Wind and water frequency per 100 exposures, excluding hurricane losses
7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) * (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
8. = (6) × (7)
9. Judgmentally selected weight assigned to calendar year frequency.
10. = (2) × (6) ÷ 100
11. = (4) × (8) ÷ 100
12. Severity projected to the effective date based on the trend line on the weather severity graph.
13. Frequency projected to the effective date based on the trend line on the weather frequency graph.
14. Pure premium projected to the effective date based on the trend line on the weather pure premium graph.

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	6.4%	7.6%	4.8%	-0.9%	0.0%
5. Selected Frequency Trend	-2.0%	-3.9%	-2.1%	-1.2%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	4.3%	3.4%	2.6%	-2.1%	0.0%
7. Past-to-Present Factor = [1+(6)] ⁽³⁾	1.184	1.106	1.053	0.979	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = [1+(13)] ⁽¹⁰⁾	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.184	1.106	1.053	0.979	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	12.9%	37.9%	40.8%	70.3%	0.0%
5. Selected Frequency Trend	3.4%	-1.7%	-3.6%	-15.7%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	16.7%	35.6%	35.7%	43.6%	0.0%
7. Past-to-Present Factor = [1+(6)] ⁽³⁾	1.856	2.493	1.841	1.436	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = [1+(13)] ⁽¹⁰⁾	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.856	2.493	1.841	1.436	1.000

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

	Fiscal Calendar Year Ending				
	2007/3	2008/3	2009/3	2010/3	2011/3
Past-to-Present Adjustments					
1. Average Loss Date for Fiscal Calendar Year	3/31/2007	3/31/2008	3/31/2009	3/31/2010	3/31/2011
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
3. Years of Trend = (2) - (1)	4.003	3.000	2.000	1.000	0.000
4. Selected Severity Trend	-2.4%	1.9%	28.2%	24.6%	0.0%
5. Selected Frequency Trend	9.4%	15.5%	-0.1%	-2.3%	0.0%
6. Selected Pure Premium Trend = [1+(4)] × [1+(5)] - 1	6.8%	17.7%	28.1%	21.7%	0.0%
7. Past-to-Present Factor = [1+(6)](3)	1.301	1.631	1.641	1.217	1.000
Present-to-Future Adjustments					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2011	3/31/2011	3/31/2011	3/31/2011	3/31/2011
9. Average Loss Date for Assumed Effective Period	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
10. Years of Trend = (9) - (8)	2.255	2.255	2.255	2.255	2.255
11. Selected Severity Trend	0.0%	0.0%	0.0%	0.0%	0.0%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = [1+(11)] × [1+(12)] - 1	0.0%	0.0%	0.0%	0.0%	0.0%
14. Present-to-Future Factor = [1+(13)](10)	1.000	1.000	1.000	1.000	1.000
Past-to-Future Adjustments					
15. Loss Projection Factor = (7) × (14)	1.301	1.631	1.641	1.217	1.000

**Arkansas Homeowners
Nationwide Mutual Fire**
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	3.0%	6.1%	5.5%
23	3.6%	5.9%	5.5%
22	4.8%	5.5%	5.4%
21	5.8%	5.2%	5.3%
20	6.4%	4.9%	5.0%
19	6.3%	4.6%	4.7%
18	5.9%	4.4%	4.5%
17	6.1%	4.4%	4.5%
16	7.6%	4.4%	4.6%
15	8.5%	4.3%	4.6%
14	9.9%	4.3%	4.7%
13	9.4%	4.0%	4.3%
12	4.8%	3.8%	3.9%
11	1.3%	3.9%	3.6%
10	-0.9%	4.2%	3.6%
9	-2.8%	4.7%	4.0%
8	-0.9%	4.2%	3.7%
7	4.6%	3.3%	3.4%
6	9.9%	2.2%	2.7%
5	23.5%	0.8%	2.2%
4	28.5%	1.5%	2.3%
3	41.2%	0.9%	41.2%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-0.1%	0.9%	0.5%
23	-0.8%	0.9%	0.0%
22	-1.4%	0.9%	-0.4%
21	-1.7%	0.9%	-0.7%
20	-2.0%	0.8%	-0.9%
19	-2.3%	0.6%	-1.2%
18	-2.9%	0.3%	-1.8%
17	-3.4%	-0.1%	-2.3%
16	-3.9%	-0.5%	-2.8%
15	-3.9%	-0.8%	-2.8%
14	-3.7%	-1.3%	-2.8%
13	-3.2%	-1.8%	-2.6%
12	-2.1%	-2.6%	-2.3%
11	-1.7%	-3.3%	-2.4%
10	-1.3%	-3.7%	-2.5%
9	-0.9%	-3.7%	-2.2%
8	-1.2%	-2.6%	-2.0%
7	-3.5%	-1.1%	-1.8%
6	-6.0%	0.4%	-0.6%
5	-11.4%	1.7%	-1.2%
4	-14.1%	2.5%	-1.5%
3	-18.1%	1.1%	-4.3%

**Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Paid Pure Premium

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	2.9%	7.1%	5.2%
23	2.8%	6.9%	5.1%
22	3.3%	6.5%	5.1%
21	3.9%	6.1%	5.2%
20	4.2%	5.7%	5.1%
19	3.9%	5.2%	4.7%
18	2.9%	4.7%	4.1%
17	2.6%	4.3%	3.8%
16	3.3%	3.9%	3.7%
15	4.2%	3.5%	3.7%
14	5.8%	2.9%	3.8%
13	5.8%	2.1%	2.9%
12	2.6%	1.1%	1.3%
11	-0.4%	0.5%	0.4%
10	-2.3%	0.3%	-0.2%
9	-3.7%	0.8%	0.0%
8	-2.0%	1.5%	1.0%
7	1.0%	2.2%	2.0%
6	3.4%	2.6%	2.7%
5	9.4%	2.5%	6.2%
4	10.4%	4.0%	6.6%
3	15.6%	2.1%	7.8%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$,

where $K = K' \left[\frac{1-R^2_{STATE}}{s^2_{STATE}} \right] \left[\frac{1-R^2_{COUNTRYWIDE}}{s^2_{COUNTRYWIDE}} \right]$, N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)
Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-1.5%	1.9%	1.8%
23	0.2%	1.9%	1.9%
22	3.3%	2.0%	2.0%
21	8.3%	2.0%	2.2%
20	12.9%	1.8%	2.1%
19	18.7%	1.3%	2.0%
18	25.5%	1.0%	2.5%
17	31.2%	1.3%	3.7%
16	37.9%	1.8%	6.5%
15	43.5%	2.6%	9.1%
14	44.6%	3.6%	8.9%
13	41.8%	4.8%	8.5%
12	40.8%	6.2%	8.6%
11	40.6%	7.1%	9.1%
10	40.4%	8.5%	10.1%
9	57.6%	8.1%	14.0%
8	70.3%	5.8%	16.8%
7	73.6%	3.9%	14.4%
6	66.7%	-0.2%	4.5%
5	67.1%	-4.4%	-3.0%
4	36.8%	-2.6%	-1.8%
3	4.7%	-3.6%	-2.4%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	10.7%	4.4%	4.9%
23	10.0%	4.2%	4.7%
22	8.6%	4.0%	4.4%
21	5.9%	3.7%	3.9%
20	3.4%	3.5%	3.5%
19	1.6%	3.1%	3.0%
18	-0.5%	2.5%	2.2%
17	-1.3%	1.7%	1.4%
16	-1.7%	0.9%	0.7%
15	-2.3%	0.0%	-0.1%
14	-3.6%	-0.9%	-1.0%
13	-3.3%	-1.9%	-1.9%
12	-3.6%	-2.9%	-2.9%
11	-4.2%	-3.9%	-3.9%
10	-1.9%	-5.0%	-5.0%
9	-8.4%	-5.5%	-5.5%
8	-15.7%	-5.5%	-5.6%
7	-27.2%	-5.0%	-5.2%
6	-40.3%	-3.2%	-3.6%
5	-45.9%	-1.5%	-1.5%
4	-49.4%	-0.8%	-0.8%
3	-43.4%	0.1%	0.1%

Arkansas Homeowners
 Nationwide Mutual Fire
 Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
 Non-Weather, With Losses Capped at \$60,000
 Tenants / HO-4 (NC)
 Paid Pure Premium

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	9.1%	6.5%	6.6%
23	10.2%	6.2%	6.3%
22	12.3%	6.0%	6.1%
21	14.8%	5.8%	6.0%
20	16.8%	5.4%	5.6%
19	20.6%	4.5%	4.8%
18	24.9%	3.5%	3.7%
17	29.4%	3.0%	3.3%
16	35.5%	2.7%	3.4%
15	40.2%	2.6%	3.4%
14	39.3%	2.7%	3.4%
13	37.1%	2.9%	3.6%
12	35.7%	3.1%	3.8%
11	34.7%	3.0%	3.3%
10	37.8%	3.1%	3.8%
9	44.4%	2.2%	3.0%
8	43.6%	0.0%	0.4%
7	26.4%	-1.3%	-1.0%
6	-0.4%	-3.4%	-3.4%
5	-9.7%	-5.9%	-5.9%
4	-30.8%	-3.4%	-3.7%
3	-40.8%	-3.4%	-3.8%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$.

where $K=K'[(1-R^2_{STATE})s^2_{STATE}]/[(1-R^2_{COUNTRYWIDE})s^2_{COUNTRYWIDE}]$, N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire**
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums

Average Paid Cost

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	-7.0%	4.7%	4.7%
23	-6.5%	4.7%	4.6%
22	-5.6%	4.9%	4.8%
21	-3.7%	5.2%	5.1%
20	-2.4%	5.6%	5.5%
19	-4.9%	6.2%	6.1%
18	-4.3%	6.8%	6.8%
17	-2.2%	7.4%	7.4%
16	1.9%	8.1%	8.1%
15	7.8%	9.0%	9.0%
14	15.1%	9.9%	10.0%
13	21.7%	10.6%	10.7%
12	28.2%	11.7%	11.9%
11	29.2%	11.6%	11.8%
10	26.8%	11.1%	11.3%
9	23.5%	10.3%	10.4%
8	24.6%	8.4%	8.6%
7	26.9%	6.5%	6.7%
6	10.7%	1.5%	1.6%
5	-0.5%	-2.5%	-2.5%
4	-31.1%	-5.6%	-5.9%
3	-35.9%	-15.5%	-15.5%

Paid Claim Frequency

Quarters of Trend	Arkansas	Countrywide	Credibility Weighted
	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4	NW Calendar Year Ending 2011/4
24	4.2%	1.6%	1.6%
23	7.1%	1.6%	1.7%
22	9.4%	1.5%	1.6%
21	11.0%	1.1%	1.2%
20	9.4%	0.7%	0.8%
19	8.4%	0.2%	0.3%
18	11.2%	-0.3%	-0.2%
17	13.6%	-0.7%	-0.6%
16	15.5%	-1.1%	-0.9%
15	17.9%	-1.6%	-1.6%
14	10.5%	-2.3%	-2.2%
13	6.2%	-2.8%	-2.7%
12	-0.1%	-3.8%	-3.8%
11	-3.5%	-4.2%	-4.2%
10	-5.3%	-4.7%	-4.7%
9	-7.4%	-4.8%	-4.8%
8	-2.3%	-3.6%	-3.6%
7	-0.9%	-3.3%	-3.3%
6	3.6%	-1.8%	-1.7%
5	17.5%	0.2%	0.4%
4	36.4%	4.4%	4.7%
3	27.7%	7.7%	7.7%

Arkansas Homeowners
Nationwide Mutual Fire
Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2011
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums

Paid Pure Premium

Quarters of Trend	Paid Pure Premium		Credibility Weighted NW Calendar Year Ending 2011/4
	Arkansas NW Calendar Year Ending 2011/4	Countrywide NW Calendar Year Ending 2011/4	
24	-3.1%	6.4%	6.4%
23	0.2%	6.3%	6.3%
22	3.3%	6.4%	6.4%
21	6.8%	6.4%	6.4%
20	6.8%	6.3%	6.3%
19	3.1%	6.4%	6.4%
18	6.4%	6.5%	6.5%
17	11.1%	6.6%	6.6%
16	17.7%	6.8%	6.8%
15	27.1%	7.3%	7.3%
14	27.2%	7.4%	7.4%
13	29.2%	7.5%	7.5%
12	28.0%	7.5%	7.5%
11	24.7%	6.9%	6.9%
10	20.1%	6.0%	6.0%
9	14.3%	5.0%	5.0%
8	21.8%	4.5%	4.5%
7	25.7%	3.0%	3.0%
6	14.7%	-0.3%	-0.3%
5	17.0%	-2.3%	-2.3%
4	-6.0%	-1.5%	-1.5%
3	-18.2%	-9.0%	-9.0%

* Z is the credibility assigned to the statewide calendar year trend, based on the formula $N/(N+K)$,

where $K=K'[(1-R2STATE)s2STATE],[(1-R2COUNTRYWIDE)s2COUNTRYWIDE]$. N is the latest year's earned exposures (0,230), and K=1,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data
Non-Weather, With Losses Capped at \$250,000
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	10,321	2.556	8,008	2.506
2006/2	11,097	2.742	7,967	2.507
2006/3	10,273	2.900	8,300	2.487
2006/4	9,373	2.986	8,574	2.484
2007/1	8,398	3.019	8,864	2.460
2007/2	8,247	2.912	9,187	2.457
2007/3	9,106	2.998	9,520	2.472
2007/4	10,221	3.028	9,638	2.509
2008/1	9,454	3.230	9,723	2.549
2008/2	9,686	3.233	9,826	2.561
2008/3	8,475	3.245	9,801	2.579
2008/4	7,127	3.290	10,022	2.584
2009/1	8,492	3.051	10,358	2.624
2009/2	9,823	2.991	10,467	2.687
2009/3	10,435	2.966	10,559	2.733
2009/4	11,873	2.886	10,332	2.774
2010/1	12,063	2.783	10,482	2.715
2010/2	11,045	2.871	10,690	2.633
2010/3	11,108	2.856	10,898	2.572
2010/4	9,736	3.031	11,227	2.536
2011/1	10,104	2.994	11,156	2.519
2011/2	10,179	2.942	11,221	2.548
2011/3	11,103	2.866	11,281	2.575
2011/4	12,095	2.662	11,274	2.562

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data
Non-Weather, With Losses Capped at \$60,000
Tenants / HO-4 (NC)**

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	8,227	1.435	4,074	1.459
2006/2	9,671	1.361	4,152	1.500
2006/3	11,006	1.190	4,089	1.537
2006/4	7,952	1.415	4,017	1.564
2007/1	7,583	1.744	3,909	1.561
2007/2	6,679	1.844	4,110	1.551
2007/3	4,856	2.318	4,450	1.584
2007/4	4,542	2.510	4,494	1.631
2008/1	3,711	2.486	4,563	1.678
2008/2	2,719	2.396	4,518	1.733
2008/3	2,450	2.769	4,450	1.767
2008/4	3,038	2.625	4,370	1.816
2009/1	3,472	2.593	4,177	1.866
2009/2	3,792	2.922	4,222	1.889
2009/3	5,894	2.069	3,975	1.956
2009/4	4,652	2.290	3,916	1.972
2010/1	4,113	2.312	4,166	1.965
2010/2	4,235	2.596	4,229	1.958
2010/3	5,302	3.328	4,480	1.883
2010/4	5,432	3.287	4,820	1.828
2011/1	7,056	3.098	4,667	1.811
2011/2	9,075	2.573	4,618	1.800
2011/3	8,716	1.922	4,709	1.795
2011/4	9,284	1.935	4,535	1.801

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Trending Data
Non-Weather, With Losses Capped at \$30,000
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Four Quarters Ending	Arkansas		Nationwide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Cost	Paid Frequency (per 100)
2006/1	8,850	5.019	3,990	2.432
2006/2	9,032	3.831	4,257	2.386
2006/3	10,155	3.053	4,349	2.309
2006/4	8,217	1.880	4,354	2.339
2007/1	4,343	2.206	4,427	2.377
2007/2	7,306	3.636	4,410	2.439
2007/3	8,376	3.226	4,387	2.494
2007/4	9,231	2.867	4,367	2.540
2008/1	9,016	2.888	4,439	2.574
2008/2	7,966	1.455	4,385	2.545
2008/3	6,109	2.214	4,302	2.629
2008/4	5,295	2.264	4,398	2.592
2009/1	3,907	3.089	4,177	2.718
2009/2	3,704	3.557	4,264	2.720
2009/3	4,029	3.629	4,371	2.740
2009/4	4,887	4.490	4,456	2.811
2010/1	5,157	3.734	4,707	2.670
2010/2	4,366	3.782	4,749	2.673
2010/3	5,643	3.814	5,154	2.611
2010/4	5,645	3.433	5,403	2.575
2011/1	7,996	3.030	5,400	2.490
2011/2	8,313	3.463	5,680	2.467
2011/3	5,690	3.493	5,431	2.531
2011/4	6,653	3.913	5,222	2.560

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$250,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	4,462,088	4,502,882	4,509,984	4,518,910	4,518,910	4,518,910	4,526,733	4,526,733	4,526,733	4,526,733	4,526,733
2002/3	4,295,172	4,203,277	4,197,012	4,195,160	4,196,989	4,200,386	4,234,000	4,234,000	4,234,000	4,234,000	
2003/3	5,811,239	5,140,291	5,173,781	5,269,228	5,299,592	5,403,819	5,405,694	5,409,085	5,420,702		
2004/3	3,653,471	3,710,159	3,708,109	3,764,742	3,763,506	3,762,354	3,761,693	3,768,397			
2005/3	4,083,153	4,029,650	3,995,885	3,996,396	3,981,772	3,980,642	3,980,642				
2006/3	6,630,836	6,126,070	5,762,587	5,763,274	5,763,274	5,777,141					
2007/3	5,432,080	5,489,722	5,460,777	5,466,213	5,457,654						
2008/3	5,347,908	5,140,269	5,140,858	5,162,443							
2009/3	6,838,867	6,435,935	6,432,523								
2010/3	5,944,486	5,800,809									
2011/3	5,170,952										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0091	1.0016	1.0020	1.0000	1.0000	1.0017	1.0000	1.0000	1.0000	1.0000
2002/3	0.9786	0.9985	0.9996	1.0004	1.0008	1.0080	1.0000	1.0000	1.0000	
2003/3	0.8845	1.0065	1.0184	1.0058	1.0197	1.0003	1.0006	1.0021		
2004/3	1.0155	0.9994	1.0153	0.9997	0.9997	0.9998	1.0018			
2005/3	0.9869	0.9916	1.0001	0.9963	0.9997	1.0000				
2006/3	0.9239	0.9407	1.0001	1.0000	1.0024					
2007/3	1.0106	0.9947	1.0010	0.9984						
2008/3	0.9612	1.0001	1.0042							
2009/3	0.9411	0.9995								
2010/3	0.9758									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	0.9594	0.9953	1.0018	0.9994	1.0010	1.0007	1.0006	1.0007	1.0000	1.0000	
Age-to-Ult	0.9589	0.9995	1.0042	1.0024	1.0030	1.0020	1.0013	1.0007	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	4,526,733	1.0000	1,371,449	5,898,182	1,169	11,450,508	21,504	5,045	54.362	274.28	51.5
2002/3	4,234,000	1.0000	1,148,365	5,382,365	894	12,927,138	21,846	6,021	40.923	246.38	41.6
2003/3	5,420,702	1.0000	1,237,745	6,658,447	788	15,506,169	22,838	8,450	34.504	291.55	42.9
2004/3	3,768,397	1.0007	579,113	4,350,148	717	18,342,999	24,282	6,067	29.528	179.15	23.7
2005/3	3,980,642	1.0013	1,074,289	5,060,106	607	20,410,310	25,104	8,336	24.179	201.57	24.8
2006/3	5,777,141	1.0020	4,143,638	9,932,333	763	21,886,498	26,349	13,017	28.957	376.95	45.4
2007/3	5,457,654	1.0030	2,491,369	7,965,396	724	23,234,742	26,918	11,002	26.897	295.91	34.3
2008/3	5,162,443	1.0024	2,401,374	7,576,207	836	23,993,004	26,039	9,062	32.106	290.96	31.6
2009/3	6,432,523	1.0042	1,419,376	7,878,916	711	24,380,642	24,375	11,081	29.169	323.24	32.3
2010/3	5,800,809	0.9995	3,947,532	9,745,441	750	23,948,854	22,412	12,994	33.464	434.83	40.7
2011/3	5,170,952	0.9589	1,161,021	6,119,447	663	22,764,281	21,561	9,230	30.750	283.82	26.9

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Tenants / HO-4 (NC)**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$60,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	152,301	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282	142,282
2002/3	136,091	143,076	143,076	143,076	143,076	143,076	143,076	143,076	143,076	143,076	143,076
2003/3	140,964	137,117	138,895	146,248	155,083	155,083	155,083	155,083	155,083	155,083	155,083
2004/3	87,825	87,352	87,352	87,352	87,352	87,352	87,352	87,352	87,352	87,352	87,352
2005/3	181,345	176,327	176,327	176,327	176,327	176,327	176,327	176,327	176,327	176,327	176,327
2006/3	225,041	195,888	195,888	195,888	195,888	195,888	195,888	195,888	195,888	195,888	195,888
2007/3	173,967	169,682	169,682	169,682	169,682	169,682	169,682	169,682	169,682	169,682	169,682
2008/3	163,694	130,232	130,232	130,232	130,232	130,232	130,232	130,232	130,232	130,232	130,232
2009/3	206,473	175,815	175,815	175,815	175,815	175,815	175,815	175,815	175,815	175,815	175,815
2010/3	454,386	459,911	459,911	459,911	459,911	459,911	459,911	459,911	459,911	459,911	459,911
2011/3	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809	289,809

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	0.9342	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0513	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2003/3	0.9727	1.0130	1.0529	1.0604	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2004/3	0.9946	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2005/3	0.9723	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2006/3	0.8705	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2007/3	0.9754	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2008/3	0.7956	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2009/3	0.8515	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2010/3	1.0122	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	0.8991	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Age-to-Ult	0.8991	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	142,282	1.0000	121,680	263,962	72	329,504	2,111	3,666	34.107	125.04	80.1
2002/3	143,076	1.0000	127,400	270,476	51	305,629	1,877	5,303	27.171	144.10	88.5
2003/3	155,083	1.0000	0	155,083	34	305,876	1,661	4,561	20.470	93.37	50.7
2004/3	87,352	1.0000	0	87,352	27	333,870	1,633	3,235	16.534	53.49	26.2
2005/3	176,327	1.0000	84,386	260,713	30	350,594	1,693	8,690	17.720	153.99	74.4
2006/3	195,888	1.0000	0	195,888	23	366,471	1,764	8,517	13.039	111.05	53.5
2007/3	169,682	1.0000	0	169,682	40	388,555	1,812	4,242	22.075	93.64	43.7
2008/3	130,232	1.0000	0	130,232	48	452,730	1,914	2,713	25.078	68.04	28.8
2009/3	175,815	1.0000	142,002	317,817	48	512,863	1,981	6,621	24.230	160.43	62.0
2010/3	459,911	1.0000	0	459,911	69	495,075	1,923	6,665	35.881	239.16	92.9
2011/3	289,809	0.8991	0	260,567	41	530,413	2,081	6,355	19.702	125.21	49.1

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Non-Weather Non-Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$30,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	18,174	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351	19,351
2002/3	45,168	44,435	44,435	44,435	44,435	44,435	44,435	44,435	44,435	44,435	
2003/3	11,313	32,174	32,174	32,174	32,174	32,174	32,174	32,174	32,174		
2004/3	23,540	25,167	25,167	25,167	25,167	25,167	25,167	25,166			
2005/3	53,028	57,241	57,241	57,241	57,241	57,241	57,241				
2006/3	10,293	10,293	10,293	10,293	10,293	10,293					
2007/3	66,547	70,879	70,879	70,879	70,879						
2008/3	38,761	37,880	37,880	37,880							
2009/3	59,668	60,733	59,933								
2010/3	59,805	61,418									
2011/3	33,424										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0648	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	0.9838	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	2.8440	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	1.0691	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000			
2005/3	1.0794	1.0000	1.0000	1.0000	1.0000	1.0000				
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000					
2007/3	1.0651	1.0000	1.0000	1.0000						
2008/3	0.9773	1.0000	1.0000							
2009/3	1.0178	0.9868								
2010/3	1.0270									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	
Selected	1.0149	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	Tail Factor
Age-to-Ult	1.0149	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	19,351	1.0000	37,732	57,083	8	44,442	189	7,135	42.328	302.03	128.4
2002/3	44,435	1.0000	0	44,435	11	43,225	180	4,040	61.111	246.86	102.8
2003/3	32,174	1.0000	0	32,174	3	53,037	199	10,725	15.075	161.68	60.7
2004/3	25,166	1.0000	64,159	89,325	7	68,270	236	12,761	29.661	378.50	130.8
2005/3	57,241	1.0000	0	57,241	9	77,308	256	6,360	35.156	223.60	74.0
2006/3	10,293	1.0000	201,494	211,787	7	81,763	262	30,255	26.718	808.35	259.0
2007/3	70,879	1.0000	0	70,879	7	89,039	278	10,126	25.180	254.96	79.6
2008/3	37,880	1.0000	0	37,880	8	93,183	271	4,735	29.520	139.78	40.7
2009/3	59,933	1.0000	0	59,933	11	94,105	248	5,448	44.355	241.67	63.7
2010/3	61,418	1.0000	0	61,418	9	89,282	236	6,824	38.136	260.25	68.8
2011/3	33,424	1.0149	0	33,922	7	83,844	228	4,846	30.702	148.78	40.5

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$250,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	183,418	161,374	161,904	163,584	158,892	158,892	158,892	158,892	158,892	158,892	158,892
2002/3	98,550	142,536	141,850	148,013	148,013	148,013	148,013	148,013	148,013	148,013	
2003/3	85,885	207,211	209,093	209,093	209,093	209,093	209,093	209,093	209,093	209,093	
2004/3	156,854	139,261	285,427	295,485	300,785	309,124	214,274	214,274			
2005/3	543,629	482,308	508,779	513,378	526,612	526,612	526,612				
2006/3	387,174	382,395	506,464	497,106	400,006	401,094					
2007/3	96,708	213,620	225,543	225,601	225,601						
2008/3	822,074	324,038	329,826	331,376							
2009/3	142,128	122,633	98,509								
2010/3	202,692	145,692									
2011/3	233,421										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	0.8798	1.0033	1.0104	0.9713	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.4463	0.9952	1.0434	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	2.4127	1.0091	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	0.8878	2.0496	1.0352	1.0179	1.0277	0.6932	1.0000			
2005/3	0.8872	1.0549	1.0090	1.0258	1.0000	1.0000				
2006/3	0.9877	1.3245	0.9815	0.8047	1.0027					
2007/3	2.2089	1.0558	1.0003	1.0000						
2008/3	0.3942	1.0179	1.0047							
2009/3	0.8628	0.8033								
2010/3	0.7188									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	0.8564	1.0429	1.0047	1.0060	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Age-to-Ult	0.9035	1.0550	1.0116	1.0069	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	158,892	1.0000	0	158,892	85	11,450,508	21,504	1,869	3.953	7.39	1.4
2002/3	148,013	1.0000	0	148,013	44	12,927,138	21,846	3,364	2.014	6.78	1.1
2003/3	209,093	1.0000	0	209,093	45	15,506,169	22,838	4,647	1.970	9.16	1.3
2004/3	214,274	1.0000	0	214,274	40	18,342,999	24,282	5,357	1.647	8.82	1.2
2005/3	526,612	1.0000	0	526,612	32	20,410,310	25,104	16,457	1.275	20.98	2.6
2006/3	401,094	1.0000	0	401,094	29	21,886,498	26,349	13,831	1.101	15.22	1.8
2007/3	225,601	1.0009	601,108	826,912	33	23,234,742	26,918	25,058	1.226	30.72	3.6
2008/3	331,376	1.0069	0	333,662	34	23,993,004	26,039	9,814	1.306	12.81	1.4
2009/3	98,509	1.0116	0	99,652	32	24,380,642	24,375	3,114	1.313	4.09	0.4
2010/3	145,692	1.0550	0	153,705	19	23,948,854	22,412	8,090	0.848	6.86	0.6
2011/3	233,421	0.9035	300,011	510,907	28	22,764,281	21,561	18,247	1.299	23.70	2.2

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Tenants / HO-4 (NC)**

Liability Incurred Losses

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$60,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165	1,165
2002/3	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293	3,293
2003/3	1,152	1,152	1,151	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152
2004/3	4,101	4,101	4,101	4,101	4,101	4,101	4,101	4,101	4,101	4,101	4,101
2005/3	15,681	15,681	15,681	15,681	15,681	15,681	15,681	15,681	15,681	15,681	15,681
2006/3	0	0	0	0	0	0	0	0	0	0	0
2007/3	19,534	19,534	19,534	19,534	19,534	19,534	19,534	19,534	19,534	19,534	19,534
2008/3	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808
2009/3	0	0	0	0	0	0	0	0	0	0	0
2010/3	16,000	40,990	40,990	40,990	40,990	40,990	40,990	40,990	40,990	40,990	40,990
2011/3	0	0	0	0	0	0	0	0	0	0	0

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2003/3	1.0000	0.9991	1.0009	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2004/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2005/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2007/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2008/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2009/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2010/3	2.5619	2.5619	2.5619	2.5619	2.5619	2.5619	2.5619	2.5619	2.5619	2.5619

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	Tail Factor
Selected	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Age-to-Ult	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	1,165	1.0000	0	1,165	3	329,504	2,111	388	1.421	0.55	0.4
2002/3	3,293	1.0000	0	3,293	1	305,629	1,877	3,293	0.533	1.75	1.1
2003/3	1,152	1.0000	75,251	76,403	2	305,876	1,661	38,202	1.204	46.00	25.0
2004/3	4,101	1.0000	0	4,101	1	333,870	1,633	4,101	0.612	2.51	1.2
2005/3	15,681	1.0000	0	15,681	0	350,594	1,693	#DIV/0!	0.000	9.26	4.5
2006/3	0	1.0000	0	0	0	366,471	1,764	#DIV/0!	0.000	0.00	0.0
2007/3	19,534	1.0000	0	19,534	2	388,555	1,812	9,767	1.104	10.78	5.0
2008/3	2,808	1.0000	0	2,808	1	452,730	1,914	2,808	0.522	1.47	0.6
2009/3	0	1.0000	0	0	0	512,863	1,981	#DIV/0!	0.000	0.00	0.0
2010/3	40,990	1.0000	0	40,990	1	495,075	1,923	40,990	0.520	21.32	8.3
2011/3	0	1.0000	0	0	0	530,413	2,081	#DIV/0!	0.000	0.00	0.0

**Arkansas Homeowners
Nationwide Mutual Fire
Loss Development for the Accident Year Ending September 30, 2011
With 5 Quarters of Development as of December 31, 2011
Condominiums / HO-6 (NC), Comprehensive Condominiums
Liability Incurred Losses**

Incurred Cost (No Supp) + DCC Expense Amount, Excluding Claims Over \$30,000

Accident Year Ending	15 Months	27 Months	39 Months	51 Months	63 Months	75 Months	87 Months	99 Months	111 Months	123 Months	135 Months
2001/3	0	0	0	0	0	0	0	0	0	0	0
2002/3	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	
2003/3	0	0	0	0	0	0	0	0	0		
2004/3	550	550	550	550	550	550	550	550			
2005/3	1,104	1,104	1,104	1,104	1,104	1,104	1,104				
2006/3	0	0	0	0	0	0					
2007/3	148	148	148	148	148						
2008/3	0	0	0	0							
2009/3	0	0	0								
2010/3	2,000	2,000									
2011/3	0										

Age-to-Age Development Factors

Accident Year Ending	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135
2001/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2002/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
2003/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		
2004/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000			
2005/3	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000				
2006/3	1.0000	1.0000	1.0000	1.0000	1.0000					
2007/3	1.0000	1.0000	1.0000	1.0000						
2008/3	1.0000	1.0000	1.0000							
2009/3	1.0000	1.0000								
2010/3	1.0000									

Average and Selected Factors

Algorithm	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	
Selected	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	Tail Factor
Age-to-Ult	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Comments:	None										

Summary Results Based on Selected Development Factors

Accident Year Ending	Losses as of 12/31/2011	Age-to-Ult Factor	Losses Not Developed	Ultimate Losses	Ultimate Counts	Earned Premium	Earned Exposures	Ultimate Severity	Ultimate Frequency	Ultimate Loss Cost	Ultimate Loss Ratio
2001/3	0	1.0000	0	0	0	44,442	189	#DIV/0!	0.000	0.00	0.0
2002/3	1,860	1.0000	0	1,860	1	43,225	180	1,860	5.556	10.33	4.3
2003/3	0	1.0000	0	0	0	53,037	199	#DIV/0!	0.000	0.00	0.0
2004/3	550	1.0000	0	550	0	68,270	236	#DIV/0!	0.000	2.33	0.8
2005/3	1,104	1.0000	0	1,104	1	77,308	256	1,104	3.906	4.31	1.4
2006/3	0	1.0000	0	0	0	81,763	262	#DIV/0!	0.000	0.00	0.0
2007/3	148	1.0000	0	148	0	89,039	278	#DIV/0!	0.000	0.53	0.2
2008/3	0	1.0000	0	0	0	93,183	271	#DIV/0!	0.000	0.00	0.0
2009/3	0	1.0000	0	0	0	94,105	248	#DIV/0!	0.000	0.00	0.0
2010/3	2,000	1.0000	0	2,000	1	89,282	236	2,000	4.237	8.47	2.2
2011/3	0	1.0000	0	0	0	83,844	228	#DIV/0!	0.000	0.00	0.0

Arkansas
Nationwide Mutual Fire Insurance Company
Homeowner
Earthquake Indication

Fiscal Calendar Year Ending	2007/3	2008/3	2009/3	2010/3	2011/3	Total
<u>Earthquake Premium</u>						
Earned Exposures	5,989	5,807	5,450	5,531	27,364	50,140
Adjusted Earned Premium	855,747	859,076	833,906	819,234	3,991,311	7,359,274
Selected Retrospective Premium Trend	0.3%	-1.3%	-2.7%	-1.3%	0.0%	
Selected Prospective Premium Trend	0.0%	0.0%	0.0%	0.0%	0.0%	
Premium Projection Factor	1.011	0.960	0.947	0.987	1.000	
Projected Adjusted Earned Premium	865,211	824,761	789,542	808,716	3,991,311	7,279,543
<u>Earthquake Model Losses</u>						
Amount of Insurance Years (000's)	1,070,339	1,084,942	1,059,610	1,085,668	5,077,572	
Selected Retrospective Amount of Insurance Trend	1.0%	-0.7%	-3.0%	-4.1%	0.0%	
Selected Prospective Amount of Insurance Trend	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	
Amount of Insurance Projection Factor	0.996	0.935	0.899	0.916	0.955	
Projected Average Amount of Insurance (000's)	1,065,769	1,014,938	953,053	994,246	4,851,194	
Estimated Losses Per \$1,000 AOI Based on Earthquake Model Re	0.63	0.63	0.63	0.63	0.63	
DCC Expense Ratio to Loss	0.9%	0.9%	0.9%	0.9%	0.9%	
Projected Earthquake Losses and DCC Expense	680,004	647,572	608,086	634,369	3,095,258	5,665,289
<u>Earthquake Fixed Expenses</u>						
Estimated General and Other Acquisition Expenses	65,756	62,682	60,005	61,462	303,340	553,245
Adjusting and Other Loss Adjustment Expenses	71,813	68,455	65,532	67,123	331,279	604,202
Total Fixed Expenses	137,569	131,137	125,537	128,586	634,618	1,157,447
<u>Earthquake Indication</u>						
Projected Earthquake Losses, DCC and Fixed Expenses	817,573	778,709	733,623	762,955	3,729,877	6,822,736
Permissible Loss Ratio	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
Required Premium	1,186,608	1,130,201	1,064,765	1,107,337	5,413,464	9,902,375
Indicated Rate Level Change	37.1%	37.0%	34.9%	36.9%	35.6%	36.0%
Reinsurance Charge	194.7%	194.7%	194.7%	194.7%	194.7%	194.7%
Required Premium Including Reinsurance Charge	3,216,206	3,064,912	2,916,861	3,004,410	14,776,214	26,978,603
Indicated Rate Level Change Including Reinsurance Charge	271.7%	271.6%	269.4%	271.5%	270.2%	270.6%

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Standard	Additional Information
Agent Binding Authority	<p>Homeowners</p> <ul style="list-style-type: none"> • Dwellings insured for a value greater than \$750,000 cannot be bound without prior underwriting approval. • In regionally designated catastrophic areas (i.e., coastal, brush, earthquake), dwellings insured for a value greater than \$500,000 cannot be bound without prior underwriting approval. • In fire protection class 9, dwellings insured for a value greater than \$500,000 cannot be bound without prior underwriting approval. • Properties over \$1.5 Million are ineligible. • Liability limit cannot exceed \$500,000 without prior underwriting approval. <p>Tenant and Condominium</p> <ul style="list-style-type: none"> • Contents insured for values over \$100,000 cannot be bound without prior underwriting approval. • Liability limit cannot exceed \$500,000 without prior underwriting approval.
Construction requirements	
1. Architectural Characteristics	<p>We accept all architectural features except those that are extraordinarily difficult or impossible to replace. Some examples include:</p> <ul style="list-style-type: none"> • Hand carved woodwork, • Stained/leaded glass on multiple windows/doors, • Hand painted murals on walls/ceilings, • Rare woods, • Ornate plaster cornices • Ornate exterior mill work/iron work.
2. Compliance with building codes	<p>Not in compliance with building codes would be ineligible. Examples would be basement dwellings or Do-it-yourself construction.</p>
3. Constructed for purpose other than residential occupancy.	<p>Ineligible. Underwriting exception can be considered if conversion of the property was done by a professional contractor/developer that specializes in the residential conversion market.</p>
4. Course of Construction	<p>Ineligible for coverage</p> <ul style="list-style-type: none"> • Refer business to Ill (Insurance Intermediaries Incorporated) by contacting (800) 444-1744 for placement with Zurich Insurance Company. You can find additional information for Ill via Agent Gateway, Property Resources. • Once construction is complete, it can be written to a Nationwide Homeowners policy. <p>If exception is made then the policy should be written as a Basic Fire Policy (DP1) with the following minimum requirements:</p> <ul style="list-style-type: none"> • Written as accommodation to current property customers with no losses. • Apply any surcharge that may be applicable for vacancy or unoccupancy. • Coverage A written for less than \$500,000 • Signed application prior to binding • Minimum of \$1,000 deductible • The dwelling must be insured for the completed value. No stepping allowed. • COC coverage should not be renewed beyond the initial annual term. <p>In very rare cases, with UPO approval, the risk may be written in the Homeowners program. In addition to the above the policy must also be written without the following discounts or endorsements:</p> <ul style="list-style-type: none"> • Guaranteed Replacement Cost, • Home Security Discounts, • New Home Construction discounts, or • Theft of Building Materials endorsement. <p>Refer to COC Best Practice for additional information.</p>

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Standard	Additional Information
5. Extensive remodeling/ Rehabilitation	<p>Ineligible if dwellings are currently undergoing work and the following conditions are applicable:</p> <ul style="list-style-type: none"> • The work is not being done by a licensed contractor and, • The potential increase on the dwelling exceeds 25% of the Coverage A value and/or, • The client physically moves out of the residence for any period. <p>In case of renewals please contact Underwriting to discuss proper coverage options.</p>
1. Firewalls	Row houses and townhouses are acceptable if 12 or fewer units between firewalls. Firewalls must extend beyond the roofline of the building.
2. Foundation	<p>Eligible</p> <ul style="list-style-type: none"> • Dwelling is built on a continuous masonry foundation. <p>Ineligible</p> <ul style="list-style-type: none"> • Open foundations regardless of support structures. • Houses built on stilts, piers and pilings.
3. High Value Dwellings defined as \$750,000 and above	<p>The following risks should generally be considered ineligible:</p> <ul style="list-style-type: none"> • High value homes where there is no accessible permanent water supply source located within 1000 feet of the dwelling (i.e. usually a protection class greater than PC 8). • High value homes where the responding primary fire department is greater than five miles away. • High value homes in the course of construction or undergoing extensive renovation. • High value homes deeded in the name of a corporation. <p>If eligible the following guidelines apply and are prior approval</p> <p>Dwellings with Reconstruction Cost of \$750,000 - \$1,000,000</p> <ul style="list-style-type: none"> • All other homeowner underwriting standards apply. • All risks must meet regional catastrophe underwriting standards. • Agencies must submit a completed pre-bind form and receive approval from the appropriate high value home underwriter before binding. • Mandatory interior and exterior inspection by approved high value inspection vendor such as Castle Inspections or Cornerstone Inspections. • Homes must be insured to at least 90% of the reconstruction cost. • Reconstruction cost must be calculated using e2Value. • Protection Class 9 requires central station fire alarm. <p>Properties with Reconstruction Cost of over \$1,000,000 – All of the above as well as:</p> <ul style="list-style-type: none"> • Homes must be insured to 100% of the reconstruction cost • Minimum deductible \$2,500. All other deductible requirements remain the same (wind/hail, earthquake, etc). • Central station fire and burglar alarms are required and evidence of active, centrally monitored alarms may be submitted to underwriting or verified during the inspection process. • Homes may be written in protection class 1-8.
4. Historic Homes	<p>Homes listed on a historic registry are ineligible for coverage.</p> <p>Homes located in a historic district may be considered with prior underwriting approval.</p>
5. Maintenance	<p>The property shall be maintained as evidenced by:</p> <ul style="list-style-type: none"> • Dwelling components in good repair; dwelling components include but are not limited to: roof, gutters, fascia, siding, porches, foundation, windows, screens and chimneys • Decks, porches, patios, doors and stairs must be securely railed if 3 feet or more above ground level. • Prior underwriting approval is required for consideration where architectural characteristics may have mitigated the fall hazard. • Paved surfaces should be properly maintained as evidenced by the absence of cracks and lifting that could create a liability hazard. • Grounds/landscapes are free from debris (e.g., junk cars, appliances, interior furniture) • We accept homes where all the outbuildings are properly maintained and in good condition. • Tree limbs not resting against roof or siding causing damage to roof or siding.
6. Manufactured Housing	<p>Modular Homes are acceptable with permanent base</p> <p>Mobile Homes are ineligible under the Homeowners contract. Please refer to Mobile home manual to determine eligibility.</p>

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Standard	Additional Information
7. Number of units	Up to 4 is acceptable
8. Outbuildings	Outbuildings must be properly maintained and in good condition. <ul style="list-style-type: none"> • Exceptions to exclude outbuildings must be referred to underwriting prior to binding coverage. • Buildings used in business are ineligible.
9. Unusual Construction	Ineligible without prior underwriting approval. Examples would include, but not be limited to: <ul style="list-style-type: none"> • Geodesic dome • Log construction • Earth Homes
Inspection and Photo requirements	Vendor and Home care inspections will be ordered according to the corporate guidelines. Agent inspections include: <ul style="list-style-type: none"> • Exterior of all properties • Measurement of property for accurate reconstruction cost calculation • Interior inspections for homes with prior water loss to verify that repairs have been made. • Front and rear photos from ¾ angles so that all 4 sides of property is visible. Photo must be placed in Document Vault at the time of binding Photos should always be taken of certain situations including but not limited to: <ul style="list-style-type: none"> • All unique hazards or structures • Pools and Trampolines.
Insurance to Value	All properties must have a Reconstruction Cost Estimator completed using MSB for properties valued at ≤\$750,000 and e2Value for properties > \$750,000. <ul style="list-style-type: none"> • A 90% ITV option is available to all new business policies, changes, amendments and renewals, including any policies already processed under the RITV project, as long as the dwelling coverage is less than \$1 million. The completed AOI Acknowledgement form is required to be maintained in the agents' office for all policies insured at less than 100%. The form is available on Agent Gateway at http://agency.ent.nwie.net/Property/AOI_Acknowledgement.asp .
Liability Exposure:	
1. Dangerous or exotic animals	Ineligible, including: <ul style="list-style-type: none"> • Aggressive dogs not noted in the list below. • All other animals with a bite or attack history. • Exotic animals could include, but are not limited to, bears, bison, lions, tigers, and other big game cats as well as any hybrids. • Wild or non-domesticated animals capable of biting, or a dangerous reptile kept as a pet (examples include but are not limited to: crocodilians, venomous spiders, venomous snakes/lizards, large lizard species, and large constricting snakes). • Animals not permitted as dictated by law or ordinance.
2. Dogs	Ineligible; <ul style="list-style-type: none"> • Pit Bull Breeds, including but not limited to <ul style="list-style-type: none"> ○ American Pit Bull Terrier, ○ American Staffordshire Terrier and Staffordshire Terrier, • Dobermans, • Rottweilers, • Chow-Chows, • Presa Canarios, and • Wolf Hybrids. • Dogs that have been trained to attack persons, property or other animals; or dogs that have been trained to guard persons or property. • Any dog, used in any manner, as a fighting dog or bred specifically for fighting. • Any dog with a prior history of: <ul style="list-style-type: none"> i. Causing bodily injury to a person or ii. Attacking or biting another animal; established through insurance claims records, or through the records of local public safety, law enforcement or

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Standard	Additional Information
	<p>other similar regulatory agency.</p> <p>Exceptions can be considered if:</p> <ul style="list-style-type: none"> • Applicant provides a "Canine Good Citizen" certificate issued by the American Kennel Club for the dog. The following link will provide information with regard to the training and certification. http://www.akc.org/events/cgc/training • The animal is trained as a Service Dog (e.g. seeing guide dogs, pet therapy).
3. Extension of Liability to rental property	<ul style="list-style-type: none"> • Liability can be extended to up to 4 rental units. • Rental properties must meet acceptability of the Dwelling Fire program.
4. Hazards	<p>Ineligible;</p> <ul style="list-style-type: none"> • Inoperable cars, • Refrigerators or other appliances outside of normal locations, • Any other property condition that increase chance of injury or illness to others.
5. Home Day Care	<p>Ineligible unless added by endorsement.</p> <p>Home Day Care is acceptable if they are noted in the Declarations and additional charges for increase in personal property and liability extension are added to the policy.</p> <p>They must also adhere to the following criteria:</p> <ul style="list-style-type: none"> • Risks with no more than six children, excluding the insured's own children. (School age children are included). • The care is only provided in the dwelling on the residence premises. • There are no assistants (full-time or part-time) or employees. • There is no transporting of care occupants. • There are no swimming pools or trampolines. • No supplemental heating sources.
6. Ponds or other bodies of water	<p>Minimum of 1000' feet from all surrounding non-owned buildings.</p>
7. Skateboard ramps	<p>Ineligible.</p>
8. Swimming pools	<p>Ineligible without restricted access as evidenced by:</p> <ul style="list-style-type: none"> • Fencing with a self-latching gate of at least 4 feet in height. • Above ground pools at least 4 ft. in depth must be secured with a removable or locking ladder or have a fence built into the pool around the top. • Diving boards: <ul style="list-style-type: none"> ○ Must have non-skid surfaces, ○ Must meet the manufacturer requirements for depth, height from water and upslope. • Sliding Boards: <ul style="list-style-type: none"> ○ Ineligible • If home day care exposure exists; no pool or trampoline allowed on premises. • No swimming or diving (scuba or board) lessons on premises.
9. Unfenced Pools	<p>Ineligible. Unfenced pools may be eligible with prior underwriting approval if:</p> <ul style="list-style-type: none"> • Pool is a minimum of 1000' from all surrounding non-owned buildings. <p>Note: approval will not be granted for any unfenced pool where local ordinance requires them to be fenced.</p>
10. Trampolines	<p>Ineligible without restricted access as evidenced by:</p> <ul style="list-style-type: none"> • Located in a fenced yard <p>All trampolines must be tied down on level ground for consideration.</p>
11. Unfenced Trampolines	<p>Ineligible. Unfenced trampolines may be eligible with prior underwriting approval if:</p> <ul style="list-style-type: none"> • Tied down on level ground • The trampoline is equipped with lockable safety netting that wraps around the surface, or • The trampoline is located a minimum of 1000' from all surrounding non-owned buildings. <p>Approval will not be granted where local ordinance requires them to be fenced.</p>

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Standard	Additional Information
Event Based Underwriting	<p>If an applicant has one or more of the following events in the last 5 years (Bankruptcy, Judgment, Lien, Foreclosure, Repossession, non-medical, non-disputed Collection > \$500) the following underwriting actions will result:</p> <ol style="list-style-type: none"> 1. If an applicant has one of the above events, coupled with a prior non-weather loss in the last five years, the applicant is ineligible for Major Homeowners or Condominium insurance with Nationwide. 2. If an applicant has one or more of the above events but does not have an non-weather loss in the last five years, Nationwide will require the completion of a hazard-free interior and exterior inspection prior to binding the risk.
Losses	<p>100% property loss reports are to be ordered on all homes.</p> <p>In SHRP States—Acceptable standards:</p> <ul style="list-style-type: none"> • One weather and one non weather in the past three years • One non-weather loss in the last three years. • No losses involving intentional acts, fraud or misrepresentation by the insured. • One water claim on prospective properties. • No fire losses in the past 5 years at present or prior property. <p>Tenant</p> <ul style="list-style-type: none"> • No theft losses in the past three years. Loss would be on client not location. <p>Prior Water Losses –</p> <ul style="list-style-type: none"> • Interior inspection is required on all prospective properties with one water loss. • Prior water losses must be repaired before being eligible. • Inspection is to be conducted by the agent and the form is to be maintained in the agent's office. <p>Note: Subrogated losses are excluded from consideration.</p>
System Requirements	
1. Electrical Service	<p>Homes with electrical service in good working condition that meets local and state electrical code requirements, and is of the proper amperage for the home is acceptable.</p> <p>Homes with less than 100 amps service, knob and tube or aluminum wiring require:</p> <ul style="list-style-type: none"> • Prior underwriting approval and • Evidence of an inspection in the last 2 years by a qualified electrical inspector attesting to code, condition and suitability will be required. <p>Ineligible</p> <ul style="list-style-type: none"> • Any property with a Federal Pacific Electric Stab-Lok electrical panel of 200 amp or less
2. Heating System:	<p>Dwelling must have a central heating system that is in good working condition that meets local building code and has the following characteristics:</p> <ul style="list-style-type: none"> • Thermostatically controlled, • Resting on an incombustible base and • Vented to a flue-lined chimney; if gas or fuel oil is used, an approved vent is acceptable.
3. Roof	<p>Ineligible roof types include:</p> <ul style="list-style-type: none"> • Tar and paper • Tar paper • Roll roofing on pitched roofs • Asphalt shingles over wood shakes/shingles • 3rd layer composition shingles • Flat roof with prior water loss without proof of repair • Flat roof without: <ul style="list-style-type: none"> ○ An inspection of acceptable condition within the last 2 years by a qualified roofing contractor or a home inspector - or- ○ Evidence that the roof is currently under guarantee or warranty by a qualified roofing contractor.

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Standard	Additional Information
4. Supplemental heat	<p>Eligible if the following standards are met. The following standards apply to the entire property including outbuildings:</p> <ul style="list-style-type: none"> • Inspected by the agent or licensed contractor prior to binding. • Professionally installed • Fuel burning appliances including: <ul style="list-style-type: none"> ○ Wood stoves, ○ Coal stoves, ○ Pellet stoves, ○ Cook stoves, ○ Freestanding stoves, ○ Free standing fireplaces and ○ Fireplaces with fireplace inserts • All stoves must be models that have been tested by an independent testing agency such as Underwriter's Laboratories (UL). • Do-it-yourself stoves, including but not limited to those constructed from 55 gallon barrels, are not acceptable regardless of upkeep and condition. • All units to be used as supplemental heating and not used as the primary heat source.
Not acceptable for coverage:	
1. Business Pursuits	<p>No business on premises other than permitted incidental occupancy. Permitted incidental occupancies are acceptable if:</p> <ul style="list-style-type: none"> • They are noted in the Declarations and additional charges for increase in personal property and liability extension are added to the policy. • No employees. • Cannot occupy more than 25% of the residence premises. <p>Occupancies would be limited to the following:</p> <ul style="list-style-type: none"> • Offices - A broad category that can encompass a small business where the homeowner conducts his/her occupation from the dwelling to a person who may be a field person in sales or other related occupation who has an office in their dwelling rather than on the employer's premises. The incidental exposures would not involve frequent and regular access to the premises by invitees. • Incidental Teaching - Incidental teachers are defined as persons providing music, voice lessons, tutoring, etc., where invitees to the premises is limited to no more than two at anytime. • Studio - Photography and art studios where the bulk of the business is conducted off the premises. Access to the property is to be very limited. • Barber or Beauty Shop - These types of exposures are limited to shops with one or two chairs and the incidental nature would not involve frequent and regular access to the premise of the exposure as described above.
2. Cancelled or non-renewed by another carrier	Company initiated cancellations or non-renewals require prior underwriting approval.
3. Farming	<ul style="list-style-type: none"> • Risk is acceptable if incidental - \$5,000 or less in gross receipts, less than 40 acres and no employees. • If incidental farming is written, a Farm CFL endorsement is needed.
4. Felony Convictions	Ineligible if any household member has a felony conviction in the past 10 years.
5. Foreclosure	Ineligible If any residential property, primary, secondary or seasonal residence or property held for rental is currently in the foreclosure process.
6. Non-Conventional mortgage financing or property	Ineligible If the residence was purchased under a special type of real estate contract, such as, a Contract for Deed, Installment Contract, Lease Purchase, Rent to Own, Land Contract or any other arrangement where the deed does not pass from the seller to buyer until all payments have been made the risk is not eligible for coverage under a homeowners contract.

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Standard	Additional Information
7. Occupancy	<p>Ineligible:</p> <ul style="list-style-type: none"> • Dwellings not owner occupied. • Rooming or boarding houses. • Dwellings owned by a business or trust (except personal trust). • Vacant or abandoned dwellings.
8. Seasonal or secondary residence	<p>Ineligible except as an accommodation to policyholders who insure their primary residence with our company. The following standards also apply:</p> <ul style="list-style-type: none"> • Must meet all homeowner insurability standards. • A minimum \$1,000 All Peril deductible is required. • 100% inspection required for all seasonal/secondary residences • No exceptions to 100% ITV. • Only owner occupied seasonal/secondary homes are eligible. Rental homes are not eligible for coverage on a homeowner policy. • High valued homes over \$500,000 must have Central Station Burglar Alarm and a Central Station Fire Alarm.
Physical Requirements	
1. Earthquake	<p>Prior underwriting approval is required to bind Earthquake coverage in the following counties: Arkansas, Clay, Cleveland, Craighead, Crittenden, Cross, Desha, Drew, Faulkner, Grant, Greene, Independence, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Perry, Phillips, Poinsett, Prairie, Pulaski, Randolph, Saline, Sharp, St. Francis, White and Woodruff.</p> <p>The following are basic guidelines to consider when dealing with eligible earthquake exposure:</p> <ul style="list-style-type: none"> • Minimum deductibles apply • Homes need to be 100% insured-to-value • No mid-term addition of earthquake coverage <p>Additional information is available for this exposure is available through Risk Management. Varying binding authorities and restrictions are specific to locations, and can change with recent earthquake activity.</p>
2. Not accessible to fire fighting equipment year round	<p>Ineligible. Examples would include, but not be limited to;</p> <ul style="list-style-type: none"> • Roads with limited access. • Gated seasonal communities. • Roads susceptible to flooding. • Incline of road or driveway too steep for fire trucks to climb. • Bridges or other physical barriers to fire fighting equipment
3. Protection Class	<p>Class 1-9 is acceptable.</p> <ul style="list-style-type: none"> • Proof of payment should be validated with service is provided by subscription agreement <p>Class 10 is ineligible</p> <p>If exception is made to write PC 10 then the policy should meet the minimum standards as outlined below:</p> <ul style="list-style-type: none"> • Must meet all homeowner insurability standards. • Proof of payment should be validated with service is provided by subscription agreement • Within 7 miles of responding fire department • No Course of Construction • AOI less than \$500,000 • A minimum \$1,000 All Peril deductible. • 100% Insurance to Value – No Exceptions • All properties must have a completed Home Care or Vendor inspection. • Central Station Fire and Burglar Alarm
4. Wildfire	<p>Homes that are potentially susceptible may be acceptable with the following:</p> <ul style="list-style-type: none"> • Defensible space of a minimum of 30 feet on flat terrain up to a minimum of 100 feet on sloped terrain around the home – Defensible space being defined as space around the home that is free from vegetation and/or combustible materials. • An additional 100-400 feet of space as part of the homes ignition zone – Ignition zone being defined as space where brush/trees are thinned and properly spaced, with all ladder fuels, dead materials, and logging slash removed to discourage the transmission of fire.

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Standard	Additional Information
	<ul style="list-style-type: none"> Entire property maintained and prepared for the possible exposure – Acceptability is based on all characteristics of the home, slope, and surroundings. <p>Additional information is available for this exposure is available through Risk Management.</p>
Trailing Documents	
1. Electrical	<p>Less than 100 amp service or aluminum wiring requires prospective insured provide evidence of an inspection within the last 2 years by a qualified electrical inspector.</p> <p>Acceptable documentation must be received prior to binding.</p>
2. Flat Roofs	<p>Require either:</p> <ol style="list-style-type: none"> 1) an inspection within the last 2 years by a qualified roofing contractor or a home inspector, or; 2) Evidence that the roof is currently under guarantee or warranty by a qualified roofing contractor. <p>Acceptable documentation must be received prior to binding.</p>
3. Ineligible Dog Breeds	<p>Canine Good Citizen® Certification for ineligible dog breeds that have successfully completed the American Kennel Club's CGC® course.</p>
4. Proof of Prior Insurance (POI) (Only applies to states offering the discount)	<p>Must be kept in the agent's file for all policy forms except tenant's. Acceptable POI is evidenced by 12 months of previous insurance with another carrier. If acceptable POI is not available (regardless of reason), the agency is required to complete the interior portion of the dwelling review form and maintain it in the agency files.</p> <p>Acceptable POI includes:</p> <ul style="list-style-type: none"> • Copy of current declarations page indicating 12 months of coverage • Cancellation or non-renewal notice (that is not due to nonpayment of premium) • Current renewal billing (indicating a prior policy was in effect) • Letter from prior carrier, typed on company letterhead, detailing period and type of coverage • Evidence of an existing mortgage (other than an individual) during past 12 months. Documentation must be on mortgage letterhead.
5. Protective Device Credit	<p>Documentation of specific information is required when offering certain protective device credits. Connected systems and complete local burglary and/or alarm systems require:</p> <ul style="list-style-type: none"> • The date of installation of the system; • The name, address and phone number of the alarm company that installed the system, including the name of the system; • The frequency with which the system is maintained and tested. <p>If central station, a copy of the certificate of installation must be in the agent's file or submitted to service center.</p> <p>Exception: Trailing document is not required on new business if property inspection by Home Care or vendor can confirm that system is activated.</p>
6. Renovation	<p>Plumbing, Electrical, Heating and A/C or Roof require:</p> <ul style="list-style-type: none"> • City/county permit(s) signed off by City/County Building Code Inspector showing type of renovation and date completed, or • A dated copy of the paid contract with the name of the qualified (licensed where required) contractor who performed the work, the type of work performed, and the address at which the work was performed, or • A dated paid receipt from the qualified (licensed where required) contractor including the contractor's name showing completion of the required work, the type of work performed, and the address at which the work was performed, or • A dated warranty that indicates the roof/system is currently under guarantee or warranty by a qualified (licensed where required) contractor. <p>Document must indicate:</p> <ul style="list-style-type: none"> • The name of the contractor, • Date of installation, • Type of work completed and • The address at which the work was performed. <p>Acceptable documentation should be maintained in the agency files or submitted to the service center as a trailing document if required by state underwriting team.</p>

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Standard	Additional Information
7. Supplemental Heating	Inspection required prior to binding. Fuel burning appliances including: <ul style="list-style-type: none"> • Wood stoves, • Coal stoves, • Pellet stoves, • Cook-stoves, • Freestanding stoves, • Freestanding fireplaces • Fireplace inserts
Additional Guidelines for Condominium and Tenant policies	
1. Time-sharing arrangements	Ineligible.
2. Tenant occupied Mobile home	Ineligible
3. Tenants located in buildings not eligible for homeowner or commercial policies.	Ineligible. All commercial occupancies regardless of eligibility must be described.
4. One policy covering unrelated occupants.	Ineligible. Exception: Where there are unrelated occupants, a separate policy can be written for each occupant. In rare cases, a single policy may be issued for two cohabitants if their relationship can be confirmed through joint ownership of titled property. (autos, property, land, etc.)
5. Occupancy	The insured must occupy the dwelling or apartment as a tenant and use the premises exclusively for residential purposes.
6. TN/CO Minimum Deductible	\$500

Term	Definition
Abandoned	Similar to vacant, however, the policyholder left all of their personal property. Not uncommon when a bank has foreclosed on a property.
Actual Cash Value	Actual cash value is equal to the replacement cost minus depreciation.
Attractive Nuisance	Any manmade object that presents an irresistible attraction and hidden danger to another person. Could include junk and abandoned vehicles and appliances as well as easy access to power tools, riding mowers and ladders to name a few.
Condominium	Ownership interest varies from airspace only to a share of the physical structure of the building. The bylaws of the individual condominium association should be referenced to verify the policyholder's insurable interest in order to determine an accurate coverage amount.
E2Value	Reconstruction tool to determine valuation for High Value dwellings (>\$750,000)
Functional Replacement cost	Replacement of damaged materials will be done with materials that are the functional equivalent of obsolete, antique or custom construction methods used in the original construction of the building.
Green New Business	Green new business refers to new applicants who have not been insured on a Nationwide or Allied owner/tenant-occupied homeowner form in the past 10 days. All standards apply to green new business applicants.
Hazard	A circumstance that increases the likelihood or probable severity of a loss. For example, the storing of explosives in a home

Arkansas Corporate Property Insurability Guidelines Exclusive Channel

	basement is a hazard that increases the probability of an explosion.
High Value Items	Homeowners' policies have certain coverage and dollar limitations for specific kinds of high value property. <ul style="list-style-type: none"> High value items or collections such as cameras, silverware, fine arts, coins, stamps, jewelry, and furs should be insured separately under a scheduled all risk personal articles endorsements for maximum protection. Guns and other sporting equipment require a separate Inland Marine Policy Refer to the Inland Marine insurability standards for specific details when insuring high value items.
Inland Marine	Also known as 'scheduled personal property'. Designed to provide 'all risk' coverage for specific classes of property. Coverage is most widely used for Jewelry, watches, furs and silverware.
Manufactured Home	A home built entirely in the factory under a federal building code administered by the Department of Housing and Urban Development (HUD). The Federal Manufactured Home Construction and Safety Standards (the HUD Code) went into effect June 15, 1976. Manufactured homes may be single- or multi-section (double and triple-wide) and are transported to the site and installed. The federal standards regulate manufactured housing design and construction, strength and durability, transportability, fire resistance, energy efficiency and quality. The HUD Code also sets performance standards for the heating, plumbing, air conditioning, thermal, and electrical systems. It is the only national building code.
Market Value	The price that someone is willing to pay to purchase a property that could be higher or lower than the reconstruction cost.
Marshall & Swift/Boeckh (MSB)	Reconstruction tool to determine valuation for dwellings up to \$750,000 value.
Mobile Home	This is the term used for homes built prior to June 15, 1976, when the HUD Code went into effect. In many cases, particularly in North Carolina, these homes were built to voluntary industry standards.
Modular Home	Modular home construction is the process where building units are manufactured with conventional building materials and pre-assembled in a manufacturing plant, then moved to a building site and connected with one or more other units to comprise a single building. Modular homes may be written under a Homeowners Policy if they are built of the same type of materials used in on-site construction.
Non-owner occupied	The policyholder does not live at the location address of the insured dwelling.
PPC (Public Protection Class)	To help establish appropriate fire insurance premiums for residential and commercial properties, insurance companies need reliable, up-to-date information about a community's fire-protection services. ISO provides that information through the Public Protection Classification (PPCTM) program.
Reconstruction Cost	Reconstruction cost is the cost to re-build an existing dwelling as determined by completion of the one of the reconstruction cost calculators.
Rewrites	A rewrite refers to a current risk that is being written to a new policy, with no more than 10 days lapse of coverage. Re-writes are underwritten to renewal standards, unless there is a change in risk.
Supplemental Heating Units	Supplemental heating units operate independently of all other heating units. They are designed to heat the area immediately surrounding the unit and often do not have a venting system or ductwork and are used in addition to the central heat source. Kerosene, gas and electric space heaters are also supplemental heating units. These units do not require a third party inspection. If the supplemental heat source is used as the main or major heat source for the dwelling regardless of the presence of a central heating unit, the dwelling is ineligible.
Thermostatically Controlled Central Heating Systems	This pertains to any heating system that is designed to heat the entire structure and is controlled by an automatic thermostat(s). Eligible systems include, but are not limited to, centralize heating and cooling units, electric baseboard heat, and wall furnaces. These systems may contain a single unit or a number of units that work together as a system.
Townhouse	A townhouse is a residential building comprised of multiple one or two-family units, which have direct entrances and exits to the exterior of the building, with no entrances or hallways shared with other occupants within the building. The method used to insure occupants in this type of unit is dependent upon ownership as follows: <ul style="list-style-type: none"> Townhouse Apartment – The building is owned by a separate entity with the occupants paying rent for the premises. A Tenant Homeowner Policy may provide coverage to the occupant. Individually owned Townhouse – Individually owned, and insured separately. Coverage may be provided to the owner-occupant by a Homeowners policy. Townhouse Condominium – The master deed of each property states the ownership and responsibility for insurance for each condominium, and should be referenced to verify if the unit is considered a condominium and not an apartment or an individually owned townhouse for insurance purposes. Coverage may be provided to the owner-occupant by a Condominium policy.

Arkansas Corporate Property Insurability Guidelines Exclusive Channel

Transfer	Transfers apply to customers who already have a Nationwide or Allied homeowner policy, and are transferring to a new location, which requires the submission of a new policy. Transfer policies are underwritten to renewal standards for the customer and new business standards for the dwelling/location.
Vacant	The policyholder removed all personal property from the home and no longer resides at the location address. Maintenance may have also ceased on the property (uncut lawn, clogged gutters, etc.)

Change Log

High Value Dwellings	6-5-09	Updated standards to align with High Value Home underwriting standards.
Unusual Construction	6-5-09	Removed guidelines related to EIFS construction
Insurance to Value	11-26-09	Corporate stance of 100% ITV has shifted to allow 90% ITV w/o Option K – signed Acknowledgement Form required
Financial Responsibility Class	11-26-09	Removed guidelines pertaining to FRC/PPC standards.
Foreclosure	6-5-09	Added guideline to support supplemental application initiative.
TN/CO Minimum Deductible	6-5-09	Corrected erroneously omitted standard.

STEPS TO RATE A HOMEOWNER POLICY

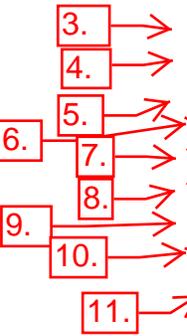
Eff. 10-23-11

- A. Determine eligibility and desirability.
- B. Classify
 - 1. Determine the Territory Zone.
 - 2. Determine Fire Protection Class using Fire Protection Requirements.
 - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:

- 1. Insurance to Value Base Premium Adjustment.
- 2. Basic Roof Rating
- 3. Deductible Rating Rule.
- 4. Multi-Family Dwellings.
- 5. Class Rated Townhouses.
- 6. Fire Restrictive Construction.
- 7. Secondary Locations.
- 8. Condominium Rental Charge.
- 9. Protective Device Credit Rule.
- 10. Premium Credits For Age of Construction and Home Renovation.

2. ACV - Roof

- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.
- J. Apply Personal Status Rate Factor.
- K. Apply Prior Insurance Discount.
- L. Apply Nationwide Associate Discount.
- M. Apply Multi-Policy Discount.
- N. For applicable endorsements, refer to the instructions on page H-451 to 470 for a list of all forms used with Homeowner policies.



TERRITORY DEFINITIONS

<u>County</u>	<u>Definition</u>	<u>Terr.</u>	<u>County</u>	<u>Definition</u>	
1	Arkansas — Entire County	115	47	Mississippi — Entire County	100
2	Ashley — Entire County	108	48	Monroe — Entire County	106
3	Baxter — Entire County	111	49	Montgomery — Entire County	118
4	Benton — Entire County	84	50	Nevada — Entire County	119
5	Boone — Entire County	111	51	Newton — Entire County	114
6	Bradley — Entire County	117	52	Ouachita — Entire County	119
7	Calhoun — Entire County	117	53	Perry — Entire County	92
8	Carroll — Entire County	111	54	Phillips — Entire County	101
9	Chicot — Entire County	108	55	Pike — Entire County	119
10	Clark — Entire County	119	56	Poinsett — Entire County	103
11	Clay — Entire County	109	57	Polk — Entire County	118
12	Cleburne — Entire County	112	58	Pope — Entire County	114
13	Cleveland — Entire County	117	59	Prairie — Entire County	104
14	Columbia — Entire County	120	60	Pulaski — Entire County	93
15	Conway — Entire County	114	61	Randolph — Entire County	109
16	Craighead — Entire County	79	62	St Francis — Entire County	103
17	Crawford — Entire County	85	63	Saline — Entire County	89
18	Crittenden — Entire County	94	64	Scott — Entire County	118
19	Cross — Entire County	103	65	Searcy — Entire County	112
20	Dallas — Entire County	117	66	Sebastian — Entire County	85
21	Desha — Entire County	107	67	Sevier — Entire County	119
22	Drew — Entire County	108	68	Sharp — Entire County	81
23	Faulkner — Entire County	91	69	Stone — Entire County	112
24	Franklin — Entire County	118	70	Union — Entire County	119
25	Fulton — Entire County	81	71	Van Buren — Entire County	112
26	Garland — Entire County	92	72	Washington — Entire County	84
27	Grant — Entire County	89	73	White — Entire County	105
28	Greene — Entire County	109	74	Woodruff — Entire County	102
29	Hempstead — Entire County	122	75	Yell — Entire County	114
30	Hot Spring — Entire County	89			
31	Howard — Entire County	119			
32	Independence — Entire County	81			
33	Izard — Entire County	81			
34	Jackson — Entire County	102			
35	Jefferson — Entire County	117			
36	Johnson — Entire County	114			
37	Lafayette — Entire County	122			
38	Lawrence — Entire County	110			
39	Lee — Entire County	103			
40	Lincoln — Entire County	117			
41	Little River — Entire County	121			
42	Logan — Entire County	116			
43	Lonoke — Entire County	90			
44	Madison — Entire County	113			
45	Marion — Entire County	111			
46	Miller — Entire County	122			

FIRE PROTECTION REQUIREMENTS

Eff. 8-18-09

Protection Classification Information

Homeowners, Tenants, and Condominium Policies

1. Use the Protection Classification Listing shown in the ISO Community Mitigation Classification Manual.

A classified area means that area or fire department is listed in the ISO Community Mitigation Classification Manual.

2. Inside Classified Area

Inside city limits or within the limits of recognized fire districts.

- a. Dwellings located within the corporate limits of the municipality or established boundaries of a fire district will be accorded the rating classification of the municipality or district as established. (51)
- b. In a classified area where one or more classifications are indicated (e.g. 6/9) the first class shown applies to properties within five road miles of a responding fire department and within 1,000 feet of a fire hydrant. (52)
- c. In a classified area where two or more classifications are indicated (e.g. 6/9) the second class shown applies to properties within five road miles of a responding fire department but beyond 1,000 feet of a fire hydrant. (53)
- d. Protection Class 10 applies to properties that are beyond five road miles of a responding fire department. (54)

3. Outside Classified Area (Unprotected)

Dwellings for which protection credit is not provided under the rules above shall rate as Class 10. (50)

CONSTRUCTION OF DWELLING

- A. **MASONRY** — A dwelling with walls of masonry or masonry veneered construction.
- B. **FRAME** — A dwelling with walls of frame, or metal-sheathed, or stuccoed frame construction, or with walls of metal, or metal lath, and plaster on combustible supports.
- C. **MIXED** — A dwelling is classed as frame construction when the wall area of frame construction (including gables) exceeds 50 percent of the total wall area.

To determine proportions in mixed construction, consider wall areas from average outside ground or street level to roof lines. Include as wall areas a mansard and ends of a gable roof if equivalent to an additional story. Exclude basement wall areas below average ground or street level.

- D. **FIRE RESISTIVE** — Building having walls, partitions, floors, roof, and ceiling assemblies constructed entirely of incombustible materials.

ROOF CONSTRUCTION

- A. **APPROVED ROOF** — Includes roof of metal, slate, wooden shingles, tile, asbestos composition shingles, and composition roofing materials.
- B. **UNAPPROVED ROOF** — Includes roofs of boards, rolled roofing, and tar paper. When the roof (other than roofs of open porches) of a dwelling is surfaced with both approved and unapproved materials, the entire roof is classed as "Unapproved."

POLICY DECLARATIONS

- A. When a policy is written in accordance with the Fire Protection Requirements, the following instructions apply:
 - 1. Distance from hydrant — Insert on the Declarations the distance in feet from nearest fire hydrant.
 - 2. Distance from fire department — Insert on the Declarations the distance in miles from principal fire department.
- B. Identification of Premises — Where there are multiple residences at the same address, the location of the covered premises must be identified on the Declarations by the apartment number, the condominium unit number, or other positive identification.
- C. Seasonal Dwellings — Eligible seasonal dwellings must be designated “seasonal” on the Declarations.
- D. Incidental Occupancy — For eligible occupancies, designate the type of occupancy on the Declarations.
- E. Joint Owner, Non-Occupant — Such eligible Insureds must be designated as Additional Insureds on the Declarations.
- F. Church Parsonages — For such eligible dwellings, designate the minister as the Insured and the church as an Additional Insured on the Declarations.

STANDARD COVERAGE LIMITS

Eff. 10-23-11

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

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

*** For renewal business only.

1. Other Structures — 10 percent of dwelling amount.
2. Personal Property — 55 percent of dwelling amount for Homeowner Policy.
3. ** Loss of Use -- The limit of liability is the lesser of the actual loss sustained within 12 months, or percentage/amount shown.
 - a. Homeowner Policy — 100 percent of dwelling amount.
 - b. Tenants Policy — 20 percent of Personal Property amount.
 - c. Condominium Policy — 100 percent of Personal Property amount.

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

BASE RATE

Eff. ~~10-23-11~~ ← **10-23-12**

Step (1)

Multiply the base rate of ~~\$1,581.43~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

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

Step (2)

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

TABLE B — PROTECTION CLASS/CONSTRUCTION TYPE RATING FACTORS

Protection Class	Entire State		
	MAS	FRM	MSV
01	0.950	1.044	0.950
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097

PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

Step (3)

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

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

Amount of Insurance	All Territories	Amount of Insurance	All Territories
\$ 5,000	0.509	\$170,000	1.515
10,000	0.533	180,000	1.615
15,000	0.558	190,000	1.700
20,000	0.580	200,000	1.770
25,000	0.600	210,000	1.850
30,000	0.615	220,000	1.950
35,000	0.635	230,000	2.030
40,000	0.650	240,000	2.100
45,000	0.660	250,000	2.190
50,000	0.670	275,000	2.450
55,000	0.680	300,000	2.741
60,000	0.700	325,000	3.011
65,000	0.735	350,000	3.263
70,000	0.770	375,000	3.524
75,000	0.815	400,000	3.814
80,000	0.855	425,000	4.109
85,000	0.900	450,000	4.377
90,000	0.943	475,000	4.645
95,000	0.972	500,000	4.913
100,000	1.000	550,000	5.440
105,000	1.035	600,000	6.012
110,000	1.068	650,000	6.543
115,000	1.080	700,000	7.075
120,000	1.106	750,000	7.607
125,000	1.155	800,000	8.139
130,000	1.185	850,000	8.671
135,000	1.215	900,000	9.204
140,000	1.260	950,000	9.737
145,000	1.305	1,000,000	10.270
150,000	1.350		
160,000	1.420	**5,000	0.053

** Add For Each Additional \$5,000

PREMIUM COMPUTATION FOR TENANTS POLICIES

BASE RATE
 Eff. ~~10-23-11~~ ← **10-23-12**

Step (1)

Multiply the base rate of ~~\$149.24~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

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

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

Step (2)

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

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

Protection Class	Terr: Entire State	
	1 – 4	A/O
01	1.000	1.000
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600

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

Step (3)

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

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

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

** Add For Each Additional \$5,000
 *** For renewal business only.

PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

BASE RATE
 Eff. ~~10-23-11~~ ← **10-23-12**

Step (1)

Multiply the base rate of ~~\$281.61~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

Step (2)

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

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

Protection Class	Terr: Entire State	
	1 - 4	A/O
01	0.950	0.950
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592

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

Step (3)

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

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

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

** Add For Each Additional \$5,000
 *** For renewal business only

HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES

INSTRUCTIONS FOR INTERPOLATION OF POLICY AMOUNTS

Eff: ~~10-23-11~~ ← **10-23-12**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than \$1,000, calculate the premium for the desired amount for \$1,000 deductible. Then apply the factor for the desired deductible.

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

Insert A

Calculation

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

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

INSTRUCTIONS FOR POLICY AMOUNTS IN EXCESS OF BASE PREMIUM TABLES

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

CREDITS AND CHARGES

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

1. For policy limits that are 80 percent or more of replacement cost, use the Homeowner base premiums for the desired Coverage A limit.

2. For other policy limits below 80 percent of replacement cost:

a. Determine the full replacement cost of the dwelling.

b. Multiply the full replacement cost (Step a) by 0.80.

c. Determine the appropriate Homeowner base premium for a Coverage A limit equal to that computed in Step b.

d. Select the “Percentage of Full Replacement Cost” desired from the table listed under Step e, and compute the resulting Coverage A limit by multiplying the full replacement cost (Step a) by the desired “Percentage of Full Replacement Cost.”

e. Select the appropriate Insurance To Value Rate Factor from the table below:

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

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

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

Insert B

C

B. BASIC ROOF RATING
Eff. 10-23-11

This rule applies to Homeowners Policies only.

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

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

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

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

Example:

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

Roof

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

Insert C

CREDITS AND CHARGES (cont'd)

D

DEDUCTIBLE RATING RULE
 Eff. ~~10-23-11~~ ← **10-23-12**

Homeowner, Tenants, and Condominium

Base premiums contemplate a \$1,000 flat deductible applicable to loss by any of the perils insured against under Section 1012. Premiums for optional deductibles can be developed by applying the factors from the table below to the \$1,000 flat deductible manual chart premiums.

Insert D

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

F

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

Insert E

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

E

MULTI-FAMILY DWELLINGS

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

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

Coverage C — Personal Property:

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

Coverage D — Loss of Use:

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

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

Number of Families	Rate Factor
2	1.00
3 & 4	1.25

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

CLASS RATED TOWNHOUSES

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

One- or Two-Family Dwellings:

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

Three- or Four-Family Dwellings:

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

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

G

FIRE RESISTIVE CONSTRUCTION

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

CREDITS AND CHARGES (cont’d)

H
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G.

SECONDARY LOCATIONS

When Insured occupies, as owner or tenant, one or more secondary locations, each such secondary location must be insured under a separate Homeowner policy. All rules of this Portfolio apply separately to the secondary location(s).

Section II (Liability) may be omitted from the policy covering the secondary location provided the policy is otherwise amended to indicate that Section II coverage for the secondary location has been assumed in the Homeowner policy covering the primary location. When so amended, deduct \$16.00 from the accumulated premium for secondary location after application of the Class Rated Townhouse Rule (see example).

EXAMPLE —

	<u>Annual Premium</u>
Described Primary Dwelling	\$200.00
Additional Residence Premium Charge (Family Liability).....	<u>6.00</u>
Total.....	\$206.00
Secondary Dwelling	\$ 90.00
Less Secondary Dwelling Duplication of Coverage Credit	<u>16.00</u>
Total.....	\$ 74.00

I
 ↙
K.

Net Homeowner Premium for Both Dwellings..... \$280.00

CONDOMINIUM RENTAL CHARGE

If the condominium unit is rented to others multiply the accumulated premium by the appropriate factor in the table below after application of the Secondary Locations rule, if applicable.

Units Rented to Others	Factor
8 weeks or less	1.100
More than 8 weeks	1.350

J
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PROTECTIVE DEVICE CREDIT RULE

Premium credits are allowed for the following approved and properly maintained fire and burglary protective installations in the dwelling.

1. Fire and/or Burglary Alarm System that alerts the Fire and/or Police Department or a Private Security Firm.
2. Complete Local Burglary Alarm System.
3. Ultrasonic Local Burglary Alarm.
4. Local Fire or Smoke Alarm System.
5. Fire Extinguishers.
6. Dead Bolt locks on all exterior entryways.

Only one of the following credits shall be applied to the accumulated premium for each eligible location; no other combination of credits is permitted.

ALL POLICIES

Protection Installation	Percent Credit
3	2
4	2
3 and 4	4
4, 5, and 6	5
2	5
2 and 4	7
3, 4, 5, and 6	7
1	10
2, 4, 5, and 6	10
1, 5, and 6	15

These credits are applied to the accumulated premium after application of the Condominium Rental Charge, if applicable, for each dwelling meeting the eligibility requirements. The credits are not applicable to the premiums for any other additional coverages or increased limits. If more than one of the described systems is installed, only the highest credit shall apply.

When a premium credit is allowed, the Protective Device Credit Option L must be activated on the Declarations.

CREDITS AND CHARGES (cont’d)

K
x

AGE OF CONSTRUCTION/HOME RENOVATION
Eff. ~~10-23-11~~ ← **10-23-12**

This rule applies to Homeowners Policies only.

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

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

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

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

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

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

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

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

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

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

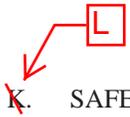
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Age of Construction or Home Component	Percent Premium Credit for Age of Construction
<= 0	36
1	34
2	30
3	25
4	21
5	17
6	13
7	9
8	9
9	9
10	9
11	9
12	9
13	9
14	9
15	9
> 15 <= 20	9
> 20 <= 25	8
> 25 <= 30	7
> 30 <= 35	6
> 35 <= 40	5
> 40 <= 45	4
> 45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

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

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

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

CREDITS AND CHARGES (cont'd)
K. SAFE HOME RATING PLAN
 Eff. 8-18-09

The premium for dwelling forms, condominiums and tenants will be adjusted according to the following schedule:

Nationwide Policyholder Insured Term	Homeowner						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	0.83	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.21	1.33	1.42	1.61
7-9	0.78	0.94	1.13	1.17	1.29	1.37	1.55
10-12	0.76	0.91	1.09	1.13	1.25	1.33	1.50
13-15	0.74	0.89	1.06	1.09	1.21	1.28	1.45
16 & Over	0.68	0.81	0.96	0.99	1.09	1.16	1.31

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term	Condominium						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	0.83	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.20	1.33	1.42	1.61
7-9	0.78	0.94	1.13	1.17	1.29	1.37	1.55
10-12	0.76	0.91	1.09	1.13	1.25	1.33	1.50
13-15	0.74	0.89	1.06	1.09	1.21	1.28	1.45
16 & Over	0.68	0.81	0.96	0.99	1.09	1.16	1.31

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term	Tenant						
	Total Number of Points Accumulated from Paid Claims in the Last 3 Years						
	0	3	5	6	8	9	10
1-3	1.00	1.00	1.20	1.24	1.37	1.46	1.66
4-6	0.81	0.97	1.16	1.20	1.33	1.42	1.60
7-9	0.79	0.94	1.13	1.17	1.28	1.37	1.55
10 & Over	0.72	0.86	1.02	1.05	1.16	1.23	1.39

NOTE: For points in excess of 10, add 0.18 for each point over 10 to the 10 point factor.

Nationwide Policyholder Insured Term

The terms with Nationwide are determined by the number of consecutive terms the policyholder has maintained a homeowner, tenant, or condominium policy in force with a Nationwide Insurance company or affiliated company.

If a policy is reinstated, the number of consecutive years with Nationwide applying at the time of cancellation or expiration will be used, provided the reinstatement occurs within one year.

CREDITS AND CHARGES (cont’d)



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

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

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

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

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

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

FINANCIAL RESPONSIBILITY RATE FACTOR
Eff. 10-23-11

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

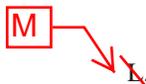
Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
1	0.49	0.50	0.48
2	0.49	0.50	0.48
3	0.49	0.50	0.48
4	0.49	0.50	0.48
5	0.53	0.54	0.52
6	0.56	0.56	0.54

Financial Responsibility Class	Rate Factors		
	Homeowner Rate Factor	Tenants Rate Factor	Condominium Rate Factor
7	0.58	0.58	0.57
8	0.60	0.61	0.59
9	0.62	0.63	0.61
10	0.65	0.66	0.64
11	0.68	0.68	0.67
12	0.71	0.71	0.70
13	0.74	0.74	0.73
14	0.77	0.77	0.76
15	0.81	0.81	0.80
16	1.01	1.02	1.02
17	1.07	1.08	1.08
18	1.41	1.42	1.42
19	1.49	1.50	1.50
20	1.53	1.54	1.54
21	1.99	1.97	2.01
811 & <60 Years Old	0.77	0.99	0.67
811 & 60+ Years Old	0.59	0.85	0.65
812 & <60 Years Old	0.77	0.99	0.67
812 & 60+ Years Old	0.59	0.85	0.65

New Business Scoring:

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

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



CREDITS AND CHARGES (cont'd)

M
1. FINANCIAL RESPONSIBILITY RATE FACTOR
 (cont'd)
 Eff. 10-23-11

Renewal Scoring:

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

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

Move policies to a better credit class upon renewal if:

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

Move policies to a worse credit class upon renewal if:

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

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

Renewal Scoring Exception:

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

Added/Deleted Named Insured(s) and Spouse:

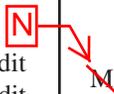
1. Do not order a credit report on the added named insured at the time of the change.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

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

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

Spin-Off Policies

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



N
M
SUPPLEMENTAL HEATING CHARGE

This rule applies to Homeowner Policies

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

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

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

N O PERSONAL STATUS RATE FACTOR
Eff. 10-23-11

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

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

P **Q** PRIOR INSURANCE DISCOUNT
Eff. 10-23-11

This rule applies to new business homeowner policies effective 10/23/11 and after and their subsequent renewals.

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

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

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

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

Q **R** NATIONWIDE ASSOCIATE DISCOUNT
Eff. 8-18-09

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

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

, which qualify for the Multi-Product discount,

Q MULTI POLICY DISCOUNT
Eff. 11-1-10

This rule applies to Homeowner and Condominium policies only.

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

This rule applies to Tenant policies only.

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

ADDITIONAL SECTION I COVERAGES

A. BUILDING ADDITIONS AND ALTERATIONS

1. Tenants Policy

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

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

2. Condominium Policy

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

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

**B. EXTENDED REPLACEMENT COST
Eff. 10-23-11**

1. Homeowner Policy — Option J

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

- a. A minimum \$500 All Peril Deductible is required.
- b. The Inflation Protection Coverage is required.
- c. The premium for this coverage option is developed by applying nine percent to the accumulated premium after application of the Premium Credit for Age of Construction, if applicable. This premium is subject to a minimum premium of \$28.00. The minimum premium applies to each insured location to which the coverage option is extended.
- d. In addition to providing Extended Replacement Cost Coverage, the premium for this endorsement increases the Personal Property policy limit by the following percent of the building limit, in addition to any other changes in the Personal Property limit, depending on the number of living units in the owner-occupied dwelling:

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

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

ADDITIONAL SECTION I COVERAGES (cont’d)

B. EXTENDED REPLACEMENT COST (cont’d)
Eff. 10-23-11

2. Tenants Policy — Option I

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

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

3. Condominium Policy — Option I

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

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

C. CONDOMINIUM SPECIAL COVERAGE

Comprehensive Endorsement

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

D. LOSS ASSESSMENT OPTION N
Eff. 10-23-11

1. Homeowner Policy

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

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

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

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

* For interim change only. Not applicable for new and renewal business after 10/23/11.

2. Condominium Policy

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

ADDITIONAL SECTION I COVERAGES (cont’d)

D. LOSS ASSESSMENT OPTION N (cont’d)

3. Increased Limits

The minimum limit of \$1,000 may be increased, subject to a maximum total limit of \$50,000, in accordance with the following additional premium charges:

Total Limits	Additional Annual Premium
\$10,000	\$ 4.00
20,000	6.00
30,000	9.00
40,000	11.00
50,000	14.00

E. PERSONAL PROPERTY (INCREASED LIMITS)

Personal Property coverage may be increased above the standard amount of coverage included in the Homeowner policy for an additional premium charge of \$1.83 for each additional \$1,000 of Personal Property Coverage.

F. OTHER STRUCTURES (INCREASED LIMITS)

Additional limits on specific Other Structures may be provided at an annual rate per \$1,000 shown below:

Protection Class	Rate
1 – 8	\$2.70
9 – 11	4.50

G. LOSS OF USE (INCREASED LIMITS) — TENANTS POLICY ONLY

The premium for each additional \$1,000 is 20 percent of the applicable premium for each additional \$5,000 which can be calculated from Table C — Amount of Insurance Factors.

H. FIRE DEPARTMENT SERVICE CHARGE (INCREASED LIMITS)

The limit of liability for Fire Department Service Charge coverage may be increased above the \$500 limit provided in the policy. The additional premium shall be developed as follows:

Total Limit	Additional Premium
\$ 750	\$2.50
1,000	5.00

I. THEFT COVERAGE EXTENSION — TENANTS POLICY ONLY

If the Theft Coverage Extension Endorsement is attached, the additional annual premium is: \$2.00.

NOTE — If a secondary residence premises is covered under a separate Nationwide policy, only one charge for this endorsement is made.

J. CREDIT CARD, FORGERY AND COUNTERFEIT MONEY COVERAGE

A limit of \$1,000 is included in the base premiums. Increased limits may be provided at the additional annual premium shown below:

Limit of Liability	\$2,500	\$5,000	\$7,500	\$10,000
Annual Premium	\$3.00	\$4.00	\$5.00	\$6.00

For limits in excess of \$10,000, refer to Underwriting.

Coverage for Electronic Fund Transfer cards is included for Homeowner and Condominium policies.

ADDITIONAL SECTION I COVERAGES (cont’d)

K. PERSONAL PROPERTY ACCIDENTAL DIRECT PHYSICAL LOSS COVERAGE OPTIONS

1. Homeowner, Tenants, and Condominium Policies.

The covered perils which apply to the items listed below may be converted to accidental direct physical loss by charging the additional annual premium shown below. The limit of liability on any option is available in increments of \$100 between the minimum and maximum limits.

a. Jewelry, Watches, and Furs; Guns and Cameras.

Homeowner and Condominium Policies

Total Limit	Jewelry, Watches, Furs:	Guns	Cameras
	Option A	Option B	Option C
\$2,000	\$14.00	\$14.00	\$14.00
3,000	24.00	24.00	24.00
4,000	28.00	28.00	28.00
5,000	32.00	32.00	32.00

Tenants Policy

Total Limit	Jewelry, Watches, Furs:	Guns	Cameras
	Option A	Option B	Option C
\$2,000	\$17.00	\$17.00	\$17.00
3,000	27.00	27.00	27.00
4,000	31.00	31.00	31.00
5,000	35.00	35.00	35.00

b.

Total Limit	Silverware, Goldware, Pewterware: Option D	
	Homeowner and Condominium	Tenants
\$ 2,500	\$ 1.00	\$ 7.00
5,000	10.00	16.00
7,500	20.00	26.00
10,000	31.00	37.00

The maximum limit of liability for any one item of guns, cameras, jewelry, watches, or furs is \$1,000.

L. TOOLS* INCREASED THEFT LIMITS OPTION E

Tools and accessories theft limit may be increased to the limits shown below by charging the additional annual premium shown.

Total Limit	Annual Premium	
	Homeowner and Condominium	Tenants
\$2,000	\$ 5.00	\$ 7.00
3,000	10.00	12.00
4,000	14.00	16.00
5,000	19.00	21.00
Each Add'l \$1,000	5.00	5.00

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

M. MONEY* OPTION F (INCREASED LIMITS)

Increased limits for money may be provided by activating Option F. A limit of \$200 is included in the base premiums for the Homeowner and Condominium policies. A limit of \$100 is included in the accumulated premiums for the Tenants form. Increased limits may be provided at the additional annual premium shown below:

Total Limit of Liability	Tenants	Homeowner and Condominium
\$200	\$ 6.00	Included
300	12.00	\$ 6.00
400	18.00	12.00
500	24.00	18.00
Each add'l \$100	6.00	6.00

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

ADDITIONAL SECTION I COVERAGES (cont’d)

N. SECURITIES* OPTION G (INCREASED LIMITS)

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

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

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

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

O. INCREASED SPECIAL LIMITS OF LIABILITY

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

1. Computer Hardware and Software — Option H

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

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

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

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

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

P. NEW CONSTRUCTION THEFT COVERAGE

Eff. 10-23-11

For the following additional premium, coverage may be provided for theft losses in or to a dwelling under construction or to construction materials and supplies, for a period not exceeding 180 days after inception of the endorsement. The premium is fully earned if the endorsement is cancelled by the Insured. The minimum deductible permitted is \$500.

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

* For interim change only. Not applicable for new and renewal business after 10/23/11.

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE
 Ef. ~~10-23-11~~ ← **10-23-12**

Insert G

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)
 Eff. ~~10-23-11~~

Insert G

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

ADDITIONAL SECTION I COVERAGES (cont'd)

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

Eff. ~~10-23-11~~**Insert G**

	FRAME - 10% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000							
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.60	0.60	0.48	0.42	0.23	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.30	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.32	0.26	0.23	0.17	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	-	-	0.60	0.60	0.48	0.42	0.23	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.35	0.27	0.18	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	-	-	0.60	0.48	0.41	0.36	0.18	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	-	-	0.60	0.60	0.48	0.42	0.23	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont’d)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont’d)
 Eff. ~~10-23-11~~

Insert G

	ALL OTHER - 10% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000							
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	0.68	0.68	0.56	0.44	0.27	Coverage A Limit of Liability
Tenants Form	-	-	0.48	0.48	0.41	0.41	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	0.48	0.48	0.41	0.38	0.17	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	-	-	0.68	0.68	0.56	0.44	0.27	Amount of Increase Only
Loss of Use	-	-	0.48	0.48	0.41	0.41	0.20	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	-	-	0.68	0.68	0.56	0.54	0.20	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	-	-	0.68	0.68	0.56	0.44	0.27	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont'd)

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

Eff. ~~10-23-11~~

Insert G

FRAME - 15% Deductible Option

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

Insert G

ALL OTHER - 15% Deductible Option

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)
 Eff. ~~10-23-11~~

Insert G

	FRAME- 20% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000 Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.20	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.21	0.17	0.15	0.09	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.30	0.21	0.17	0.12	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	1.07	1.07	0.39	0.30	0.26	0.23	0.12	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	1.07	1.07	0.39	0.39	0.32	0.27	0.12	Desired Limit

Insert G

	ALL OTHER - 20% Deductible Option							Multiply Rate By \$1000 Multiples of
	Rate per \$1,000 Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Coverage A Limit of Liability
Tenants Form	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	0.74	0.74	0.32	0.32	0.27	0.24	0.11	Coverage C Limit of Liability
Personal Property Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	0.74	0.74	0.32	0.32	0.27	0.27	0.14	Amount of Increase Only
Other Structures, for the following optional coverages: Increase of Basic Coverage B Limit	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Amount of Increase Only
Loss of Use	0.74	0.74	0.32	0.32	0.27	0.27	0.12	Amount of Increase Only
Additions and Alterations for Condominiums and Tenants	1.32	1.32	0.44	0.44	0.36	0.35	0.14	Amount of Increase Only
Loss of Assessment Option All Forms excluding Tenants	1.32	1.32	0.44	0.44	0.36	0.29	0.14	Desired Limit

ADDITIONAL SECTION I COVERAGES (cont’d)

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

Eff. ~~10-23-11~~ ← **10-23-12**

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

Earthquake Rating Zones

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

Zone 2 — Counties of Lee and St. Francis.

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

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

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

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

Zone 7 — Remainder of State.

Construction

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

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

2. Tenants and Condominium

All constructions to be rated as “FRAME.”

R. REPLACEMENT COST PLUS — HOMEOWNER POLICY

Eff. 2-16-08

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

The premium for this option is \$10.00.

The guarantee applies to total losses only when:

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

S. OPTIONAL COVERAGE AGAINST BACKING OF SEWERS AND DRAINS

Eff. ~~10-23-11~~ ← **10-23-12**

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

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

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

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

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

ADDITIONAL SECTION I COVERAGES (cont'd)

Insert I cont.

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

Eff. ~~10-23-11~~ **10-23-12**

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

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

Insert H

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

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

- 2. Option R — Broad Water Back Up of Sewers or Drains Coverage (All Policy Forms)
Eff. 10-23-11

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

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

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

Insert I

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

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

Tenants

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

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

Condominiums

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

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

T. INLAND MARINE COVERAGES

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

U. ENGAGED COUPLES — PERSONAL PROPERTY

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

ADDITIONAL SECTION I COVERAGES (cont'd)**V. ORDINANCE OR LAW COVERAGE (HOMEOWNER POLICY ONLY)**

This optional coverage provides for increased cost resulting from any ordinance or law regulating the construction, repair, renovation, remodeling, or demolition of covered building structures damaged by a covered peril. The amount of coverage provided will be a percentage of the Coverage A limit as shown below. The premium for this coverage is determined by applying the following charges to the otherwise applicable policy premium.

Limit	Charge
10% of Coverage	2%
25% of Coverage	5%
50% of Coverage	10%

W. WATERCRAFT LIABILITY (HOMEOWNER ONLY)

The policy covers liability arising from the operation of a limited category of watercraft. The coverage may be extended to other types of watercraft by attaching the Watercraft Liability Endorsement. When coverage is added to the Homeowner policy, the premium is determined in accordance with the rates from the Boatowners Portfolio multiplied by 0.80. Minimum premiums do not apply.

X. IDENTITY THEFT OR IDENTITY FRAUD EXPENSES COVERAGE ENDORSEMENT — H6133

This endorsement provides limited coverage to pay for expenses incurred by an insured as a direct result of any single identity theft or fraud first discovered or learned of during the policy period. No deductible applies to this coverage. This coverage is in addition to the limits provided under Section I.

<u>Limit</u>	<u>Premium</u>
\$25,000	\$45.00

This charge is not subject to any Section I credits or charges.

SPECIAL COVERAGE PROVISIONS**A. ACCIDENTAL DEATH OF INSURED ON DESCRIBED PREMISES**

Accidental Death benefits of \$2,000 per insured adult and \$500 per insured child, if death results from an accident on described premises, is provided in the base premiums of all policies. These limits may not be increased. Insert the limits of liability per adult and child in the "Other Coverages Applicable" section of the Declarations.

B. CONSEQUENTIAL LOSS (HOMEOWNERS AND CONDOMINIUM POLICIES ONLY)

If there is damage to the residence premises caused by a covered peril, insured Personal Property in a building at the residence premises is covered for loss due to temperature change resulting from power interruption.

If a covered peril causes a power interruption off the residence premises, loss of food in a freezer due to temperature changes is covered up to \$500.

This coverage is included in the base premiums of the Homeowners and Condominium Policies.

C. LOCK REPLACEMENT (HOMEOWNERS AND CONDOMINIUM POLICIES ONLY)

Replacement of the exterior door locks on the residence premises with dead bolt locks is covered up to \$100.

This coverage applies only if the keys to the residence premises are stolen. No deductible applies to this coverage.

This coverage is included in the base premiums of the Homeowners and Condominium Policies.

PERSONAL LIABILITY COVERAGES

The following charts give the premiums to be charged for revised limits, additional exposures and additional dwelling units owned or occupied by the Insured or spouse.

The same Personal Liability limits and Medical Payments to Others limits MUST apply to all exposures and all dwelling units insured.

The policy Declarations must give:

1. The total number of additional dwelling units owned or occupied by the Named Insured or spouse, AND
2. The number of such dwelling units which are rented if such rental units are to be covered.

A. MAIN DWELLING

Tenants, Condominium, One- and Two-Family Dwellings:

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$ 25,000 @	\$-5.00	\$2,000	\$3.00
50,000 @	-4.00	3,000	5.00
100,000	0.00	4,000	7.00
200,000	5.00	5,000	9.00
250,000	8.00		
300,000	10.00		
400,000	14.00		
500,000	17.00		
750,000 **	25.00		
1,000,000 **	31.00		

Three- and Four-Family Dwellings:

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$ 100,000	\$ 0.00	\$2,000	\$3.00
200,000	10.00	3,000	5.00
250,000	15.00	4,000	7.00
300,000	19.00	5,000	9.00
400,000	27.00		
500,000	32.00		
750,000 **	48.00		
1,000,000 **	59.00		

* Includes \$1,000 Medical Payments to Others.
 ** For limits in excess of \$500,000, refer to Underwriting.
 @ Applicable to Renewals Only — Includes \$500 Medical Payments to Others. Higher Medical Payments limits are not available.

B. EACH ADDITIONAL DWELLING UNIT OWNED OR OCCUPIED
 Eff. 7-15-07

If any such additional dwelling is designed for occupancy by two, three, or four families, charge additional premium for each family unit.

Base and Increased Limits

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$25,000**	\$17.00	\$2,000	\$1.00
50,000**	18.00	3,000	2.00
100,000	22.00	4,000	3.00
200,000	27.00	5,000	4.00
250,000	30.00		
300,000	32.00		
400,000	36.00		
500,000	39.00		
750,000 @	47.00		
1,000,000 @	53.00		

* Includes \$1,000 Medical Payments to Others.
 ** For limits in excess of \$500,000, refer to Underwriting.
 @ For Renewals only — higher medical payments limits not available.

PERSONAL LIABILITY COVERAGES (cont’d)

C. LIABILITY COVERAGE — FARM

Premises located on land used for farming are excluded from covered premises by the policy forms. These are eligible if the Insured is engaged in farming which is incidental to occupancy of the premises and farming is not the Insured’s occupation. Coverage for the liability of such Insureds may be extended by attaching Liability Coverage — Farm endorsement and charging the additional annual premium shown below:

Base and Increased Limits

Personal Liability Limits*	Additional Annual Premiums	Medical Payments To Others	Additional Annual Premium
\$25,000 @	\$31.00	\$2,000	\$1.00
50,000 @	35.00	3,000	2.00
100,000	40.00	4,000	3.00
200,000	47.00	5,000	4.00
250,000	50.00		
300,000	53.00		
400,000	57.00		
500,000	60.00		
750,000 **	66.00		
1,000,000 **	72.00		

* Includes \$1,000 Medical Payments to Others.

** For limits in excess of \$500,000, refer to Underwriting.

@ For Renewals Only — Higher Medical Payments limits not available.

NOTE — Personal Liability — Farm provides coverage for partnerships of which the Named Insured is a partner. There is no coverage for individuals, other than Named Insured, comprising the partnership, except as they may be covered as relatives resident in Named Insured’s household.

D. PERSONAL INJURY OPTIONAL COVERAGE

Personal Injury to others, such as false arrest, libel, or invasion of privacy may be added by activating Option M. The premiums for this coverage shall be determined from the following table:

Limits of Liability	Additional Annual Premiums
\$25,000 *	\$7.00
50,000 *	9.00
100,000	10.00
200,000	11.00
250,000	12.00
300,000	13.00
400,000	15.00
500,000	17.00
750,000 **	22.00
1,000,000 **	27.00

* For renewals only.

** For limits in excess of \$500,000, refer to Underwriting.

E. INCIDENTAL OCCUPANCIES EXPOSURE

When the Insured has permissible office, school, studio, barber or beauty shop occupancy on the described premises, such occupancy must be indicated in the Declarations and the following TWO additional charges applied.

1. a. Condominium

The limit of liability under Coverage A — Personal Property must be increased to include coverage of the business property used in the Incidental Occupancy.

b. All Other Policies

Increase the limit of liability for Personal Property by not less than 10 percent of the amount of insurance written on the described dwelling, in addition to any other changes to the Personal Property limit.

Calculate the premium for this additional amount of coverage at the premium indicated in the Personal Property (Increased Limits) Rule.

PERSONAL LIABILITY COVERAGES (cont’d)

E. INCIDENTAL OCCUPANCIES EXPOSURE (cont’d)

2. Determine the appropriate charge for the extension of coverage under Section II from the following tables:

Base and Increased Limits

ANNUAL PREMIUMS	
Personal Liability Limits	Additional Annual Premiums For Office Occupancy
\$ 25,000*	\$12.00
50,000*	13.00
100,000	14.00
200,000	15.00
250,000	15.00
300,000	16.00
400,000	17.00
500,000	18.00
750,000**	21.00
1,000,000**	23.00

*For renewals only.

**For limits in excess of \$500,000, refer to Underwriting.

These premiums apply regardless of the Medical Payments to Others Limits.

F. CO-OWNED DWELLING

When a two-family dwelling is occupied by co-owners, each occupying separate and independent premises within the building, issue a Homeowner policy in the names of the co-owners, and charge an additional annual premium of \$5.00 for the additional family exposure under Section II.

G. HOME CARE LIABILITY

The policy excludes coverage for liability arising from a home care occupancy of the Insured. Permissible home care occupancies may be insured by attaching the Home Care Liability Endorsement and indicating the occupancy on the Declarations. The following TWO additional charges must be applied:

1. a. Condominium and Tenants Policies

The limit of liability for Personal Property must be increased to include coverage of the business property used in the home care occupancy.

- b. Homeowner Policy

The limit of liability for Personal Property must be increased by not less than 10 percent of the amount of insurance written on the described dwelling, in addition to any other changes to the Personal Property limit.

Calculate the premium for this additional amount of coverage at the premium indicated in the Personal Property (Increased Limits) Rule.

2. Determine the appropriate charge for the extension of coverage under Section II from the following table:

Aggregate Annual Limits*	Additional Annual Premiums	
	1-3 Persons	4-6 Persons
\$100,000	\$ 50.00	\$ 100
200,000	60.00	120
300,000	65.00	130

*Includes Medical Payments to Others Coverage

NOTE — It is not necessary for the limit of liability on the Home Care Liability coverage to be the same as the limit of liability for the other liability coverages.

Forms can be accessed for viewing and printing from the Personal Lines website: <http://plu.pcc.nwie.net>.

- Click Forms & Endorsements.
- Click Property.
- Click By Product List.
- Click on State.
- Click down-arrow and click product you wish to view.
- Click Next.
- List of forms for the chosen state and product will appear on screen.
- Double-click on form number to view form and print.

WEB FORMS SHOULD NOT BE PRINTED FOR DISTRIBUTION TO POLICYHOLDERS.

Pre-printed forms may be ordered as follows:

- Field-issued forms can be ordered through AOA/AOL, Utilities, Option 7, Screen #2.
- Field-issued forms can be ordered also through LNotes to DISTSERV (1-800-241-6989).
- Dwelling Fire forms can be ordered through Print Procurement at 614-249-7472. There is a minimum order of 100 forms.
- Obsolete forms for litigation use can be obtained by contacting Product Compliance at 614-249-5726.

GENERAL RULES

A. POLICY PERIOD

Premiums and charges are quoted on an annual basis, and the policy may be continued for succeeding annual periods by payment of the premium in effect at the time of renewal.

B. ADDITIONAL AMOUNT OR COVERAGES

Amounts of insurance may be increased or additional coverages may be added after the inception date of the policy by attaching the required endorsements.

Unless otherwise specifically provided, compute additional premium on a prorate basis using the following formula:

$$\frac{\text{No. of Days to Expiration}}{365} \times \text{rate (or premium)} =$$

prorate rate (or premium) to be used.

C. ROUNDING OF PREMIUM

All Homeowner premiums that are not subject to interpolation of amount of insurance, shown in the premium boxes on the Declaration page of the policy, for each endorsement attached, and for cancellations are carried to the nearest dollar. All Homeowner premiums that are subject to interpolation of amount of insurance will follow the interpolation rules first, then follow the rules for premiums not subject to interpolation. After all calculations for optional coverages and deductibles have been made, the final **annual** premium is rounded to the nearest dollar. For this purpose an amount of \$0.50 or more is considered as a dollar. In case of cancellation requested by the Company, the return premium is carried to the next higher whole dollar.

D. PAYMENT PLANS

Eff. 1-15-10

The total policy premium for a policy term may be paid in full at the time a new policy is written or upon the insured's receipt of a renewal billing.

The total policy premium for a policy term may be paid through one of the company's installment payment plans. A handling fee of \$5.00 will be assessed for each installment payment made by methods other than by electronic funds transfer (EFT).

E. INSUFFICIENT FUNDS

Eff. 1-15-10

The Company reserves the right to impose a fee of \$30.00 for any premium payment, fees, or other charges due the Company, regardless of payment method, that are unable to be processed due to insufficient funds or the unavailability or inaccessibility of funds.

F. LATE PAYMENT FEE

Eff. 8-5-11

A late payment fee of \$10.00 will be assessed for any payment not received by 5:00 PM ET on the fifth day past the billing due date.

G. CANCELLATION

It is not permissible to cancel any of the basic coverages in the policy unless the entire policy is cancelled.

If insurance is cancelled the earned premium is prorated.

GENERAL RULES (cont’d)

H. TRANSFER OR ASSIGNMENT

1. HOMEOWNER POLICY

By attachment of the applicable endorsement and any necessary adjustment of premium, a Homeowner policy may be transferred on a prorate basis:

- a. To another location within the same state, provided the new location is eligible; OR
- b. From one Insured to a new Insured when the title of the dwelling is transferred.

2. TENANTS AND CONDOMINIUM POLICIES

If the Insured removes his/her personal property to another location within the state, the policy will cover the personal property proportionately at the premises described in the policy and at the new location until the move is completed, when coverage will cease at the former location.

I. OTHER INSURANCE

1. Homeowner Policy

Other insurance on the dwelling described in the Declarations is not permitted except insurance against perils not covered by the Homeowner policy.

Other insurance on outbuildings, personal property, additional living expense or rental value is permitted.

2. Tenants and Condominium Policies

Other insurance on property covered under the Tenants and Condominium policies is not permitted.

J. PREMIUM REVISIONS

Revised premiums apply to policies becoming effective on or after such date as is announced by the Company, except that continuous policies or renewal policies having inception or continuation dates within 45 days after the effective date may be written at the rates prevailing immediately prior to the effective date of such revisions.

Policies in effect not more than 45 days prior to the effective date of a general premium decrease may be adjusted by endorsement on a prorate basis as of the effective date of the new premiums.

Policies (other than continuous) in effect more than 45 days prior to the effective date of the general premium decrease, including decreases resulting from a change in Fire Protection Class, may be adjusted by endorsement on or after the next anniversary date to the new rate, on a prorate basis, calculated as of the date of the endorsement.

Continuous policies in effect more than 45 days prior to the effective date of a general premium decrease, including decreases resulting from a change in Fire Protection Class, may be adjusted to the new rates at the next annual premium due date.

K. RESTRICTION OF INDIVIDUAL POLICIES

If requested by the Named Insured, an individual policy may be restricted provided no reduction from the prescribed rate and minimum premium is allowed if, because of unusual circumstances or exposures, the policy otherwise would not be issued. Such requests are to be referred to Underwriting.

If the restriction is acceptable to Underwriting, the following wording may be used in endorsing the policy:

At the request of the Named Insured, it is agreed that this policy is restricted to delete any coverage on

_____ (description of outbuilding(s))

By _____ (signature of Named Insured)

GENERAL RULES (cont'd)

L. PREMIUM COMPUTATION

1. Homeowner Policy

Refer to Premium Chart and determine premium for limits on described dwelling based on the Territory, Protection Class (Town Grade), and Construction.

NOTE — Take into consideration the distance from hydrant and fire department.

2. Tenants and Condominium Policies

a. Determine Territory and Protection Class.

b. Determine Occupancy Class defined by the following rule:

The rate for "1-4 Family" applies only to buildings where there is no commercial occupancy and:

- (1) Has no more than four units, OR
- (2) No more than four families in a single dwelling, OR
- (3) Is of fire resistive construction.

The rate for "All Other" applies to any building that does not qualify for the "1-4 Family" rate.

NATIONWIDE INSURANCE COMPANIES

FAMILY PROPERTY PORTFOLIO

HOMEOWNERS

Instruction and Checking Slip

ARKANSAS

Please REMOVE the following page(s) from your Portfolio: Table of Contents i through iii
HIS— 1 through HIS— 11

and REPLACE with the corresponding revised or new page(s): Table of Contents i through iii
HIS— 1 through HIS— 11

NOTE — In an effort to control costs and maintain an up-to-date distribution list, please notify Manuals and Portfolios at (614) 277-5132, if you should not be receiving this distribution.

Reprint and effective date information has been removed from the footer of each page. A star (★) will appear next to an item in the Table of Contents as changes occur and this indicates a change to that item and effective on the date shown below the Table of Contents headings.

Synopsis of Revision

1. Insurability Guidelines revised.

If this shipment does not arrive in good condition, or if any pages are missing, check immediately with your Home Office Manuals Technician.

After filing these pages, place this distribution page in the back of your Portfolio as a check to make sure you receive all revisions. Previously issued checking slips may be destroyed.

Effective: October 7, 2011

INSERT A
Arkansas Homeowners
Portfolio Page H-401
Effective 10/23/2012

	Calculation	<u>Example</u>
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base	<u>\$ 1,235.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,254.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 19.00</u>
(10)	Factor in (6) applied to the premium difference; (9) * (6). Round to the nearest penny	<u>\$ 8.53</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,243.53</u>

Insert B
Arkansas Homeowners
Portfolio Page H-402
Effective: 10/23/2012

**B. ACTUAL CASH VALUE LOSS SETTLEMENT ROOF
COVERING H-7079 - HOMEOWNER POLICIES
ONLY**

When the Windstorm or Hail Losses to Roof Coverings Actual Cash Value Loss Settlement endorsement is added to the policy, we will settle covered losses to roof coverings as a result of a Windstorm or Hail event at the actual cash value at the time of loss. Determine the premium by applying a factor of 0.95 to the accumulated premium after the application of Insurance to Value. This endorsement cannot be purchased while the Windstorm or Hail Exclusion Endorsement (H-7070) is added to the policy.

Round the result to the nearest dollar.

Insert C
Arkansas Homeowners
Portfolio Page H-402
Effective: 10/23/2012

A roll roof is defined as a roof rolled from any material.

A wood roof is defined as a roof made with wood shakes or wood shingles. It also includes roofs where other roofing material, such as composition (fiberglass/asphalt) shingles, has been placed directly over the existing wood shakes or shingles.

Insert D
Arkansas Homeowners
Portfolio Page H-403
Effective: 10/23/2012

Deductible Option	Deductible Rating Factor		
	Homeowner	Tenants	Condominium
250*	1.403	1.669	1.669
500	1.266	1.382	1.382
1,000	1.000	1.000	1.000
2,500	0.904	NA	NA
5,000	0.831	NA	NA

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

Insert E
 Arkansas Homeowners
 Portfolio Page H-403
 Effective: 10/23/2012

Deductible Option	Coverage A Limit			
	Up to \$100,000	\$100,000-\$199,999	\$200,000-\$499,999	\$500,000+
500/1,000WH	1.151	1.182	1.210	1.215
500/2,000WH	1.027	1.084	1.135	1.148
500/5,000WH	0.913	0.957	1.025	1.043
1,000/2,000WH	0.839	0.893	0.942	0.954
1,000/5,000WH	0.730	0.772	0.837	0.854
2,500/5,000WH	0.664	0.707	0.771	0.789

Insert F
Arkansas Homeowners
Portfolio Page H-405
Effective: 10/23/2012

Age of Construction or Home Component	Percent Premium Credit for Age of Construction
0	42
1	40
2	36
3	32
4	28
5	25
6	21
7	17
8	17
9	17
10	17
11	17
12	17
13	17
14	17
15	17
> 15 <= 20	17
> 20 <= 25	16
> 25 <= 30	14
> 30 <= 35	12
> 35 <= 40	10
> 40 <= 45	7
> 45 <= 50	6
> 50 <= 60	4
> 60 <= 75	2
> 75 <= 300	0

INSERT G
Arkansas Homeowners
Manual Page H-416 through H-422
Effective 10/23/2012

FRAME - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	1.60	1.60	1.30	1.00	0.70	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	1.60	1.60	1.30	1.00	0.70	Coverage A Limit of Liability
Tenants Form	-	-	1.34	1.34	1.04	0.74	0.44	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.20	1.20	0.90	0.60	0.30	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.20	1.20	0.90	0.60	0.30	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.79	0.64	0.57	0.57	0.30	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	1.60	1.60	1.30	1.00	0.70	Amount of Increase Only
Loss of Use	-	-	0.79	0.64	0.57	0.57	0.30	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	1.60	1.60	1.30	1.00	0.70	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	1.60	1.60	1.30	1.00	0.70	Desired Limit

* For Renewal Business Only.

ALL OTHER - 5% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	2.40	2.35	1.85	1.55	1.35	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	2.40	2.35	1.85	1.55	1.35	Coverage A Limit of Liability
Tenants Form	-	-	2.11	2.11	1.61	1.31	1.11	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.45	1.45	0.95	0.65	0.45	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.45	1.45	0.95	0.65	0.45	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	1.43	1.34	0.93	0.65	0.30	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	2.40	2.35	1.85	1.55	1.35	Amount of Increase Only
Loss of Use	-	-	1.43	1.34	0.93	0.65	0.30	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	2.40	2.35	1.85	1.55	1.35	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	2.40	2.35	1.85	1.55	1.35	Desired Limit

* For Renewal Business Only.

FRAME - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	1.40	1.40	0.60	0.53	0.29	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	1.40	1.40	0.60	0.53	0.29	Coverage A Limit of Liability
Tenants Form	-	-	1.14	1.14	0.49	0.50	0.22	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.00	1.00	0.38	0.36	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.00	1.00	0.38	0.36	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	0.63	0.53	0.42	0.42	0.22	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	1.40	1.40	0.60	0.53	0.29	Amount of Increase Only
Loss of Use	-	-	0.63	0.53	0.42	0.42	0.22	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	1.40	1.40	0.60	0.53	0.29	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	1.40	1.40	0.60	0.53	0.29	Desired Limit

* For Renewal Business Only.

ALL OTHER - 10% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3*	4*	5*	6*	7*	
Homeowner Form without Extended Replacement Cost Option	-	-	2.00	1.90	0.84	0.55	0.34	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	-	-	2.00	1.90	0.84	0.55	0.34	Coverage A Limit of Liability
Tenants Form	-	-	1.61	1.61	0.99	0.63	0.24	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	-	-	1.25	1.25	0.72	0.53	0.24	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	-	-	1.25	1.25	0.72	0.53	0.24	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	-	-	1.30	1.21	0.84	0.57	0.23	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	-	-	2.00	1.90	0.84	0.55	0.34	Amount of Increase Only
Loss of Use	-	-	1.30	1.21	0.84	0.57	0.23	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	-	-	2.00	1.90	0.84	0.55	0.34	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	-	-	2.00	1.90	0.84	0.55	0.34	Desired Limit

* For Renewal Business Only.

FRAME - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Coverage A Limit of Liability
Tenants Form	2.09	1.59	0.59	0.59	0.45	0.47	0.18	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.25	1.55	0.55	0.36	0.33	0.32	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.25	1.55	0.55	0.36	0.33	0.32	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.55	1.55	0.55	0.47	0.38	0.39	0.18	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Amount of Increase Only
Loss of Use	2.55	1.55	0.55	0.47	0.38	0.39	0.18	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.67	1.67	0.67	0.67	0.49	0.41	0.23	Desired Limit

ALL OTHER - 15% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Coverage A Limit of Liability
Tenants Form	2.95	2.45	1.45	1.39	0.93	0.60	0.20	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.76	2.06	1.06	0.88	0.65	0.42	0.20	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.76	2.06	1.06	0.88	0.65	0.42	0.20	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	3.20	2.20	1.20	1.12	0.77	0.50	0.19	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Amount of Increase Only
Loss of Use	3.20	2.20	1.20	1.12	0.77	0.50	0.19	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	3.11	2.11	1.11	1.11	0.73	0.48	0.26	Desired Limit

FRAME - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Coverage A Limit of Liability
Tenants Form	2.00	1.54	0.54	0.54	0.32	0.45	0.14	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.20	1.50	0.50	0.31	0.24	0.29	0.13	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.20	1.50	0.50	0.31	0.24	0.29	0.13	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.48	1.50	0.50	0.42	0.28	0.36	0.13	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Amount of Increase Only
Loss of Use	2.48	1.50	0.50	0.42	0.28	0.36	0.13	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.57	1.62	0.62	0.62	0.40	0.35	0.15	Desired Limit

ALL OTHER - 20% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Coverage A Limit of Liability
Tenants Form	2.89	2.39	1.39	1.19	0.32	0.57	0.17	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.57	1.87	0.87	0.71	0.34	0.34	0.14	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.67	1.97	0.97	0.80	0.38	0.38	0.15	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	3.19	2.19	1.19	0.98	0.34	0.47	0.16	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Amount of Increase Only
Loss of Use	3.19	2.19	1.19	0.98	0.34	0.47	0.16	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Amount of Increase Only
Loss Assessment Option								
All Forms excluding Tenants	2.67	2.05	1.10	0.85	0.45	0.42	0.18	Desired Limit

FRAME - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Coverage A Limit of Liability
Tenants Form	1.80	1.44	0.44	0.44	0.22	0.35	0.11	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.10	1.40	0.40	0.21	0.14	0.19	0.10	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.10	1.40	0.40	0.21	0.14	0.19	0.10	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.28	1.48	0.48	0.23	0.18	0.26	0.10	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Amount of Increase Only
Loss of Use	2.18	1.40	0.40	0.32	0.18	0.26	0.10	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.27	1.52	0.52	0.52	0.30	0.25	0.12	Desired Limit

ALL OTHER - 25% Deductible Option

	Rate per \$1,000							Multiply Rate By \$1000 Multiples of
	Zones							
	1	2	3	4	5	6	7	
Homeowner Form without Extended Replacement Cost Option	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Coverage A Limit of Liability
Homeowner Form with Extended Replacement Cost Option	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Coverage A Limit of Liability
Tenants Form	2.59	2.29	1.29	1.09	0.22	0.47	0.12	Coverage C Limit of Liability
Condominium Form without Extended Replacement Cost Option	2.27	1.77	0.77	0.61	0.24	0.24	0.11	Coverage C Limit of Liability
Condominium Form with Extended Replacement Cost Option	2.37	1.87	0.87	0.70	0.28	0.28	0.11	Coverage C Limit of Liability
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	2.89	2.09	1.09	0.88	0.24	0.37	0.11	Amount of Increase Only
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Amount of Increase Only
Loss of Use	2.89	2.09	1.09	0.88	0.24	0.37	0.11	Amount of Increase Only
Additions and Alterations for Condominium and Tenants	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Amount of Increase Only
Loss Assessment Option All Forms excluding Tenants	2.37	1.95	1.00	0.75	0.35	0.32	0.13	Desired Limit

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Section - I All other Peril Deductible	Homeowner	Tenants	Condominium
\$500 or less	\$9.64	\$3.04	\$7.97
1,000	6.88	1.53	4.55
2,500	6.88	N/A	N/A
5,000	5.52	N/A	N/A

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Homeowner

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$250*	\$45.47	\$85.41	\$231.46	\$435.38
500	45.47	85.41	231.46	435.38
1,000	38.59	73.02	195.65	369.24
2,500	34.44	64.75	174.97	330.67
5,000	31.68	59.25	161.20	303.12

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

Tenants

Section - I All other Peril Deductible	Option R Limit of Liability			
	\$5,000	\$10,000	\$25,000	\$50,000
\$100*	\$16.73	\$33.46	\$88.24	\$165.83
250*	16.73	33.46	88.24	165.83
500	16.73	33.46	88.24	165.83
1000	15.21	27.39	60.71	141.47
2500	13.69	24.33	66.94	126.28
5000	12.18	22.83	60.85	115.61

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

Condominiums

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

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