

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name: Homesaver

Project Name/Number: 566513/2012-12-0064

Filing at a Glance

Companies: The Automobile Insurance Company of Hartford, Connecticut
 The Travelers Indemnity Company of America

Product Name: Homesaver

State: Arkansas

TOI: 30.1 Dwelling Fire/Personal Liability

Sub-TOI: 30.1000 Dwelling Fire/Personal Liability

Filing Type: Rate

Date Submitted: 12/27/2012

SERFF Tr Num: TRVA-128817611

SERFF Status: Closed-Filed

State Tr Num:

State Status:

Co Tr Num: 2012-12-0064

Effective Date 01/25/2013

Requested (New):

Effective Date 01/25/2013

Requested (Renewal):

Author(s): Merline Irving, Stephanie Gagnon

Reviewer(s): Becky Harrington (primary)

Disposition Date: 01/11/2013

Disposition Status: Filed

Effective Date (New): 01/25/2013

Effective Date (Renewal): 01/25/2013

State Filing Description:
 referred to Commissioner 1/9/13; meeting 1/11/13

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name: Homesaver

Project Name/Number: 566513/2012-12-0064

General Information

Project Name: 566513 Status of Filing in Domicile:
 Project Number: 2012-12-0064 Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 01/11/2013
 State Status Changed: 01/11/2013 Deemer Date:
 Created By: Stephanie Gagnon Submitted By: Stephanie Gagnon
 Corresponding Filing Tracking Number:

Filing Description:

With this filing we are making changes to our Homesaver product as detailed in the accompanying explanatory memorandum.

Company and Contact

Filing Contact Information

Stephanie Gagnon, sgagnon@travelers.com
 1 Tower Sq 860-954-2496 [Phone]
 Hartford, CT 06183

Filing Company Information

| | | |
|--|---|---|
| The Automobile Insurance Company of Hartford, Connecticut One Tower Square Hartford, CT 06183 (860) 277-7395 ext. [Phone] | CoCode: 19062 Group Code: 3548 Group Name: Travelers FEIN Number: 06-0848755 | State of Domicile: Connecticut Company Type: Property/Casualty State ID Number: |
|--|---|---|

| | | |
|---|---|---|
| The Travelers Indemnity Company of America One Tower Square Hartford, CT 06183 (860) 277-7395 ext. [Phone] | CoCode: 25666 Group Code: 3548 Group Name: Travelers FEIN Number: 58-6020487 | State of Domicile: Connecticut Company Type: Property/Casualty State ID Number: |
|---|---|---|

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: Fee is \$100.00 per rate filing
 Per Company: No

| Company | Amount | Date Processed | Transaction # |
|---|----------|----------------|---------------|
| The Automobile Insurance Company of Hartford, Connecticut | \$100.00 | 12/27/2012 | 66042693 |

SERFF Tracking #:

TRVA-128817611

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

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|--------|------------------|------------|----------------|
| Filed | Becky Harrington | 01/11/2013 | 01/11/2013 |

Objection Letters and Response Letters

Objection Letters

| Status | Created By | Created On | Date Submitted |
|---------------------------|------------------|------------|----------------|
| No response necessary | Becky Harrington | 01/09/2013 | 01/09/2013 |
| Pending Industry Response | Becky Harrington | 01/02/2013 | 01/02/2013 |

Response Letters

| Responded By | Created On | Date Submitted |
|------------------|------------|----------------|
| Stephanie Gagnon | 01/07/2013 | 01/07/2013 |

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 566513/2012-12-0064

Disposition

Disposition Date: 01/11/2013

Effective Date (New): 01/25/2013

Effective Date (Renewal): 01/25/2013

Status: Filed

Comment:

| Company Name: | Overall % Indicated Change: | Overall % Rate Impact: | Written Premium Change for this Program: | # of Policy Holders Affected for this Program: | Written Premium for this Program: | Maximum % Change (where req'd): | Minimum % Change (where req'd): |
|---|-----------------------------|------------------------|--|--|-----------------------------------|---------------------------------|---------------------------------|
| The Automobile Insurance Company of Hartford, Connecticut | 17.580% | 9.680% | \$230,233 | 2,396 | \$2,378,445 | 10.460% | 4.480% |
| The Travelers Indemnity Company of America | 17.580% | 9.760% | \$7,351 | 71 | \$75,319 | 10.510% | 4.720% |

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

0.000%

Overall Percentage Rate Impact For This Filing

9.690%

Effect of Rate Filing-Written Premium Change For This Program

\$237,584

Effect of Rate Filing - Number of Policyholders Affected

2,467

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|-------------------------------|---|----------------------|---------------|
| Supporting Document | Form RF-2 Loss Costs Only (not for workers' compensation) | Filed | Yes |
| Supporting Document | H-1 Homeowners Abstract | Filed | Yes |
| Supporting Document (revised) | HPCS-Homeowners Premium Comparison Survey | Filed | Yes |
| Supporting Document | HPCS-Homeowners Premium Comparison Survey | | Yes |
| Supporting Document | NAIC loss cost data entry document | Filed | Yes |

SERFF Tracking #:

TRVA-128817611

State Tracking #:

Company Tracking #:

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|-------------------------------|----------------|----------------------|---------------|
| Supporting Document (revised) | Filing Package | Filed | Yes |
| Supporting Document | Filing Package | | Yes |
| Rate | Base Rates | Filed | Yes |

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name: Homesaver

Project Name/Number: 566513/2012-12-0064

Objection Letter

| | |
|-------------------------|-----------------------|
| Objection Letter Status | No response necessary |
| Objection Letter Date | 01/09/2013 |
| Submitted Date | 01/09/2013 |
| Respond By Date | |

Dear Stephanie Gagnon,

Introduction:

This will acknowledge receipt of the recent response.

This filing is being referred to the Commissioner for review due to the requested increase amount being greater than 6%. Please do not respond at this time.

Conclusion:

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

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

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

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name: Homesaver

Project Name/Number: 566513/2012-12-0064

Objection Letter

| | |
|-------------------------|---------------------------|
| Objection Letter Status | Pending Industry Response |
| Objection Letter Date | 01/02/2013 |
| Submitted Date | 01/02/2013 |
| Respond By Date | |

Dear Stephanie Gagnon,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments: The worksheet tab name has been changed. This is unacceptable. Please provide revised HPCS forms that have not been altered in any way.

Objection 2

- Filing Package (Supporting Document)

Comments: Please remove reference to hurricane losses in the exhibits. This was an oversight in the previous filing.

Conclusion:

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

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

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 #:

TRVA-128817611

State Tracking #:

Company Tracking #:

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

Response Letter

| | |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date | 01/07/2013 |
| Submitted Date | 01/07/2013 |

Dear Becky Harrington,

Introduction:

Attached is our response to your objection dated 1/2/13.

Response 1

Comments:

Updated worksheets have been added to the supporting documentation tab.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments: The worksheet tab name has been changed. This is unacceptable. Please provide revised HPCS forms that have not been altered in any way.

Changed Items:

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 566513/2012-12-0064

Supporting Document Schedule Item Changes

Satisfied - Item: HPCS-Homeowners Premium Comparison Survey

Comments:

Attachment(s):

Premium sheet- ArHOSurvey-HPCS- AAI.xls
 Premium sheet- ArHOSurvey-HPCS- AAI.pdf
 Premium sheet- ArHOSurvey-HPCS- TIA.xls
 Premium sheet- ArHOSurvey-HPCS- TIA.pdf

Previous Version

Satisfied - Item: *HPCS-Homeowners Premium Comparison Survey*

Comments:

Attachment(s):

Premium sheet- ArHOSurvey-HPCS- AAI.xls
Premium sheet- ArHOSurvey-HPCS- AAI.pdf
Premium sheet- ArHOSurvey-HPCS- TIA.xls
Premium sheet- ArHOSurvey-HPCS- TIA.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Updated filing package has been added to the supporting documentation tab.

Related Objection 2

Applies To:

- Filing Package (Supporting Document)

Comments: Please remove reference to hurricane losses in the exhibits. This was an oversight in the previous filing.

Changed Items:

SERFF Tracking #:

TRVA-128817611

State Tracking #:

Company Tracking #:

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

Supporting Document Schedule Item Changes

Satisfied - Item:

Filing Package

Comments:

Attachment(s):

AR HS Filing Package - eff 1-25-13 - REVISED.pdf

Previous Version

Satisfied - Item:

Filing Package

Comments:

Attachment(s):

AR HS Filing Package - eff 1-25-13.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Stephanie Gagnon

SERFF Tracking #:

TRVA-128817611

State Tracking #:

Company Tracking #:

2012-12-0064

State: Arkansas

First Filing Company: The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name: Homesaver

Project Name/Number: 566513/2012-12-0064

Rate Information

Rate data applies to filing.

Filing Method: File & Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 10.000%

Effective Date of Last Rate Revision: 11/18/2011

Filing Method of Last Filing: File & Use

Company Rate Information

| Company Name: | Overall % Indicated Change: | Overall % Rate Impact: | Written Premium Change for this Program: | # of Policy Holders Affected for this Program: | Written Premium for this Program: | Maximum % Change (where req'd): | Minimum % Change (where req'd): |
|---|-----------------------------|------------------------|--|--|-----------------------------------|---------------------------------|---------------------------------|
| The Automobile Insurance Company of Hartford, Connecticut | % | 9.680% | \$230,233 | 2,396 | \$2,378,445 | 10.460% | 4.480% |
| The Travelers Indemnity Company of America | % | 9.760% | \$7,351 | 71 | \$75,319 | 10.510% | 4.720% |

SERFF Tracking #:

TRVA-128817611

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

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

Rate/Rule Schedule

| Item No. | Schedule Item Status | Exhibit Name | Rule # or Page # | Rate Action | Previous State Filing Number | Attachments |
|----------|----------------------|--------------|------------------|-------------|------------------------------|-------------|
| 1 | Filed 01/11/2013 | Base Rates | ARRA-1 - ARRA-5 | Replacement | | ARRDWRA.pdf |

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-661

| Territory | Regular |
|------------------|----------------|
| 30 | 120 |
| 31 | 165 |
| 32 | 123 |
| 33 | 161 |

OTHER ALLIED LINES BASE CLASS PREMIUM TABLE: FORM HS-661

| Territory | Regular |
|------------------|----------------|
| 30 | 47 |
| 31 | 62 |
| 32 | 50 |
| 33 | 59 |

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-662

| Territory | Regular |
|------------------|----------------|
| 30 | 39 |
| 31 | 40 |
| 32 | 40 |
| 33 | 44 |

OTHER ALLIED LINES BASE CLASS PREMIUM TABLE: FORM HS-662

| Territory | Regular |
|------------------|----------------|
| 30 | 17 |
| 31 | 17 |
| 32 | 17 |
| 33 | 18 |

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-663

| Territory | Regular |
|------------------|----------------|
| 30 | 185 |
| 31 | 193 |
| 32 | 189 |
| 33 | 206 |

OTHER ALLIED LINES BASE CLASS PREMIUM TABLE: FORM HS-663

| Territory | Regular |
|------------------|----------------|
| 30 | 70 |
| 31 | 73 |
| 32 | 73 |
| 33 | 78 |

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-664

| Territory | Regular |
|------------------|----------------|
| 30 | 43 |
| 31 | 48 |
| 32 | 53 |
| 33 | 46 |

OTHER ALLIED LINES BASE CLASS PREMIUM TABLE: FORM HS-664

| Territory | Regular |
|------------------|----------------|
| 30 | 18 |
| 31 | 19 |
| 32 | 20 |
| 33 | 19 |

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-665

| Territory | Regular |
|------------------|----------------|
| 30 | 39 |
| 31 | 40 |
| 32 | 40 |
| 33 | 44 |

OTHER ALLIED LINES BASE CLASS PREMIUM TABLE: FORM HS-665

| Territory | Regular |
|------------------|----------------|
| 30 | 17 |
| 31 | 17 |
| 32 | 17 |
| 33 | 18 |

SERFF Tracking #:

TRVA-128817611

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

2012-12-0064

State:

Arkansas

First Filing Company:

The Automobile Insurance Company of Hartford, Connecticut, ...

TOI/Sub-TOI:

30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability

Product Name:

Homesaver

Project Name/Number:

566513/2012-12-0064

Supporting Document Schedules

| | | Item Status: | Status Date: |
|-------------------|--|---------------------|---------------------|
| Satisfied - Item: | HPCS-Homeowners Premium Comparison Survey | Filed | 01/11/2013 |
| Comments: | | | |
| Attachment(s): | Premium sheet- ArHOSurvey-HPCS- AAI.xls Premium sheet- ArHOSurvey-HPCS- AAI.pdf Premium sheet- ArHOSurvey-HPCS- TIA.xls Premium sheet- ArHOSurvey-HPCS- TIA.pdf | | |

| | | Item Status: | Status Date: |
|-------------------|------------------------------------|---------------------|---------------------|
| Satisfied - Item: | NAIC loss cost data entry document | Filed | 01/11/2013 |
| Comments: | | | |
| Attachment(s): | AR RF-1-HS FILING 12-20-12.pdf | | |

| | | Item Status: | Status Date: |
|-------------------|--|---------------------|---------------------|
| Satisfied - Item: | Filing Package | Filed | 01/11/2013 |
| Comments: | | | |
| Attachment(s): | AR HS Filing Package - eff 1-25-13 - REVISED.pdf | | |

NAIC Number: 19062
 Company Name: The Automobile Insurance Company of Hartford, Connecticut
 Contact Person: Stephanie Gagnon
 Telephone No.: 860-954-2496
 Email Address: sgagnon@travelers.com
 Effective Date: 1/25/2013

**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 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 6 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 9 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |

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

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

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

| Public Protection Class | Dwelling Value | Washington | | Baxter | | Craighead | | St. Francis | | Arkansas | | Union | | Miller | | Sebastian | | Pulaski | |
|-------------------------|----------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame |
| 3 | \$80,000 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$595.00 | \$709.00 |
| | \$120,000 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$793.00 | \$945.00 |
| | \$160,000 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$981.00 | \$1,170.00 |
| 6 | \$80,000 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$799.00 | \$960.00 |
| | \$120,000 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,065.00 | \$1,280.00 |
| | \$160,000 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,318.00 | \$1,584.00 |
| 9 | \$80,000 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,456.00 | \$1,843.00 |
| | \$120,000 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$1,942.00 | \$2,457.00 |
| | \$160,000 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,402.00 | \$3,040.00 |

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

HO3 and HO4 only

| | | | | | |
|-------------------|----------------------|---|--------------------|----------------------|---|
| Fire Extinguisher | <input type="text"/> | % | Deadbolt Lock | <input type="text"/> | % |
| Burglar Alarm | <input type="text"/> | % | Window Locks | <input type="text"/> | % |
| Smoke Alarm | <input type="text"/> | % | \$1,000 Deductible | <input type="text"/> | % |
| | | | Other (specify) | | |

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

Zone Brick Frame

| | | | | | | | | | |
|--|-------------------------------|--|---|---|--------------|----|--|----|--|
| | | | % | WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? | Highest Risk | \$ | | \$ | |
| | <i>Maximum Credit Allowed</i> | | % | | Lowest Risk | \$ | | \$ | |

I

NAIC Number: 25666
 Company Name: The Travelers Indemnity Company of America
 Contact Person: Stephanie Gagnon
 Telephone No.: 860-954-2496
 Email Address: sgagnon@travelers.com
 Effective Date: 1/25/2013

**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 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 6 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 9 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |

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

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

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

| Public Protection Class | Dwelling Value | Washington | | Baxter | | Craighead | | St. Francis | | Arkansas | | Union | | Miller | | Sebastian | | Pulaski | |
|-------------------------|----------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame |
| 3 | \$80,000 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$595.00 | \$709.00 |
| | \$120,000 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$793.00 | \$945.00 |
| | \$160,000 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$981.00 | \$1,170.00 |
| 6 | \$80,000 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$799.00 | \$960.00 |
| | \$120,000 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,065.00 | \$1,280.00 |
| | \$160,000 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,318.00 | \$1,584.00 |
| 9 | \$80,000 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,456.00 | \$1,843.00 |
| | \$120,000 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$1,942.00 | \$2,457.00 |
| | \$160,000 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,402.00 | \$3,040.00 |

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

HO3 and HO4 only

| | | | | | |
|-------------------|----------------------|---|--------------------|----------------------|---|
| Fire Extinguisher | <input type="text"/> | % | Deadbolt Lock | <input type="text"/> | % |
| Burglar Alarm | <input type="text"/> | % | Window Locks | <input type="text"/> | % |
| Smoke Alarm | <input type="text"/> | % | \$1,000 Deductible | <input type="text"/> | % |
| | | | Other (specify) | | |

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

Zone Brick Frame

| | | | | | | | | | |
|--|-------------------------------|--|---|---|--------------|----|--|----|--|
| | | | % | WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? | Highest Risk | \$ | | \$ | |
| | <i>Maximum Credit Allowed</i> | | % | | Lowest Risk | \$ | | \$ | |

I

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

| | | |
|----|---|--|
| 1. | This filing transmittal is part of Company Tracking # 2012-12-0064 | |
| 2. | If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number | |

| | | | | |
|----|----|---|---------------------|------------|
| | | Company Name | Company NAIC Number | |
| 3. | A. | The Automobile Insurance Company of Hartford, Connecticut | B. | 3548-19062 |

| | | | | |
|----|----|--|---|-------------------|
| | | 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. | Property | B. | Personal Property |

| (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 |
| Homesaver Forms | 17.58% | 9.68% | n/a | n/a | n/a | n/a | n/a |
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TOTAL OVERALL EFFECT | 17.58% | 9.68% | | | | | |

| 6. 5 Year History | | Rate Change History | | | | | | 7. | |
|-------------------|---------------|---------------------|----------------|----------------------------|-----------------------|------------------|------------------------|--|---------------------|
| Year | Policy Count* | % of Change | Effective Date | State Earned Premium (000) | Incurred Losses (000) | State Loss Ratio | Countrywide Loss Ratio | Expense Constants | Selected Provisions |
| 2007 | 1,773 | 0.0% | N/A | 1,020 | 589 | 57.7% | 49.7% | A. Total Production Expense | 15.0% |
| 2008 | 2,076 | 5.3% | 6/13/2008 | 1,292 | 1,378 | 106.7% | 37.0% | B. General Expense & Other Acquisition | 9.7% |
| 2009 | 2,445 | 16.1% | 7/31/2009 | 1,646 | 1,407 | 85.5% | 54.9% | C. Taxes, License & Fees | 3.6% |
| 2010 | 2,636 | 10.0% | 8/6/2010 | 2,005 | 1,064 | 53.1% | 50.9% | D. Underwriting Profit & Contingencies | 11.8% |
| 2011 | 2,598 | 10.0% | 11/18/2011 | 2,183 | 1,981 | 90.7% | 72.3% | E. Other (explain) | |
| 2012 | 2,505 | n/a | n/a | n/a | n/a | n/a | n/a | F. TOTAL | 40.1% |

* Based on Earned Exposure counts

| | | | |
|-----|--------|---|-----|
| 8. | N | Apply Loss Cost Factors to Future Filings? (Y or N) | |
| 9. | 10.46% | Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): | n/a |
| 10. | 0.00% | Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): | n/a |

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

1. This filing transmittal is part of Company Tracking # 2012-12-0064

2. If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number

| | | | | |
|----|----|--|----|---------------------|
| | | Company Name | | Company NAIC Number |
| 3. | A. | The Travelers Indemnity Company of America | B. | 3548-25666 |

| | | | | |
|----|----|--|----|---|
| | | 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. | Property | B. | Personal Property |

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 |
| Homesaver Forms | 17.58% | 9.76% | n/a | n/a | n/a | n/a | n/a |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| TOTAL OVERALL EFFECT | 17.58% | 9.76% | | | | | |

| 6. 5 Year History | | | Rate Change History | | | | | 7. | | |
|-------------------|---------------|-------------|---------------------|----------------------------|-----------------------|------------------|------------------------|--|--|---------------------|
| Year | Policy Count* | % of Change | Effective Date | State Earned Premium (000) | Incurred Losses (000) | State Loss Ratio | Countrywide Loss Ratio | Expense Constants | | Selected Provisions |
| 2007 | 15 | 0% | N/A | 12 | 2 | 16.7% | 57.4% | A. Total Production Expense | | 15.0% |
| 2008 | 24 | 0.0% | 6/13/2008 | 17 | 3 | 17.6% | 58.1% | B. General Expense & Other Acquisition | | 9.7% |
| 2009 | 42 | 17.2% | 7/31/2009 | 30 | 3 | 10.0% | 54.0% | C. Taxes, License & Fees | | 3.6% |
| 2010 | 46 | 9.0% | 8/6/2010 | 42 | 85 | 202.4% | 48.8% | D. Underwriting Profit & Contingencies | | 11.8% |
| 2011 | 50 | 10.6% | 11/18/2011 | 54 | 12 | 22.2% | 67.2% | E. Other (explain) | | |
| 2012 | 61 | n/a | n/a | n/a | n/a | n/a | n/a | F. TOTAL | | 40.1% |

* Based on Earned Exposure counts

8. N Apply Loss Cost Factors to Future Filings? (Y or N)

9. 10.51% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

10. 0.00% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): n/a

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

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ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Explanatory Memorandum

This filing is being submitted with revisions to the Arkansas Homesaver program. We are proposing an overall rate level change of 9.69% for the Arkansas Homesaver program. This change will consist of revisions to territorial base rates. This change applies to policies issued and effective on or after 01/25/2013.

| | |
|-----------------------|--------------------|
| Proposed Change | All Forms Combined |
| Territory Base Rates* | 7.50% to 10.00% |
| Total Rate Impact | 9.69% |

*Varies by Form

Indicated statewide rate level changes have been developed utilizing our normal rate making procedures using the latest available Travelers Homesaver experience in Arkansas, fiscal accident years 2008 through second quarter 2012.

Note: Homeowners data was used in the derivation of:

- Catastrophe Losses
- Investment Income
- Loss Trend

Changes being proposed in the filing include adjustments to:

- Territory Base Rates

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Statewide Indication

All Price Tracks Combined

| <u>Policy Forms</u> | Year Ending 06/30/2012 <u>EPCR</u> | Indicated Rate Level <u>Change</u> |
|---------------------|--|--|
| All Forms Combined | 2,509,020 | 17.58% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICAIndication
All Forms Combined

All Price Tracks Combined

| AY Ending 06/30 | Earned House Years (1) | Trended EPCR (2) | Ultimate Trended L & LAE (3) | Incurred Claim Count (4) | AY Weights (5) | Rate Level Loss Ratio (6)=(3)/(2) |
|--|---------------------------------|------------------------|---------------------------------------|-----------------------------------|----------------------|--|
| 2008 | 1,873 | 1,758,722 | 1,112,178 | 77 | 0.20 | 0.632 |
| 2009 | 2,275 | 2,224,974 | 1,191,159 | 116 | 0.20 | 0.535 |
| 2010 | 2,561 | 2,512,428 | 1,153,583 | 152 | 0.20 | 0.459 |
| 2011 | 2,641 | 2,556,130 | 1,375,858 | 123 | 0.20 | 0.538 |
| 2012 | 2,566 | 2,422,473 | 1,003,227 | 83 | 0.20 | 0.414 |
| (7) Weighted Rate Level Loss Ratio | | | | | | 0.516 |
| (8) Non-Hurricane Cat. Adjusted Loss Ratio = (7) x WCLM | | | | | | 0.745 |
| (9) State Credibility= [(1)/18,750]^ 0.5, Cap result at 1.00 | | | | | | 0.80 |
| (10) Trended Total Permissible Loss Ratio | | | | | | 0.625 |
| (11) Credibility Weighted Rate Level Total Loss Ratio | | | | | | 0.721 |
| (12) Variable Permissible Loss Ratio | | | | | | 0.695 |
| (13) Credibility Weighted Indicated Rate Level Change = [(11) + (FE)] / (12) - 1 | | | | | | 17.58% |
| (14) Proposed Premium Level Change | | | | | | 9.69% |

NOTE: FE = Fixed Expense

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
 THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Development of Permissible Loss Ratio

| | |
|---|--------------|
| <u>Fixed Expense</u> | |
| Other Acquisition and General Expense | 9.7% |
| <u>Variable Expense</u> | |
| Commissions | 15.0% |
| Taxes, Licenses and Fees | 3.6% |
| Total Variable Expense | 18.7% |
| Profit Margin | 11.8% |
| Total Variable Expense and Profit Margin | 30.5% |
| Variable Permissible Loss Ratio = (100% minus above row) | 69.5% |
| Total Fixed Expense, Variable Expense and Profit Margin | 40.2% |
| Total Permissible Loss Ratio = (100% minus above row) | 59.8% |
| Total | 100.0% |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Unallocated Loss Adjustment Expense

| Calendar Year | ULAE | Incurred Losses & ALAE | Ratio |
|------------------|--------------|------------------------------|-------|
| 2008 | \$6,682,849 | \$72,784,339 | 0.092 |
| 2009 | \$11,255,764 | \$107,190,347 | 0.105 |
| 2010 | \$11,729,639 | \$99,517,934 | 0.118 |
| Mean | | | 0.105 |
| Selected | | | 0.105 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Loss Trend
Frequency Trend
All Policy Forms Combined
Exponential Fit

Travelers Statewide

| Calendar Year Ending | Actual | 20 PT | 12 PT | 6 PT |
|--|--------|--------|--------|------------|
| 09/30/2007 | 54.98 | 53.20 | | |
| 12/31/2007 | 49.44 | 49.64 | | |
| 03/31/2008 | 45.96 | 46.32 | | |
| 06/30/2008 | 51.79 | 43.22 | | |
| 09/30/2008 | 49.65 | 40.33 | | |
| 12/31/2008 | 45.58 | 37.63 | | |
| 03/31/2009 | 27.58 | 35.11 | | |
| 06/30/2009 | 15.87 | 32.76 | | |
| 09/30/2009 | 22.92 | 30.57 | 32.40 | |
| 12/31/2009 | 24.98 | 28.52 | 30.08 | |
| 03/31/2010 | 38.46 | 26.61 | 27.92 | |
| 06/30/2010 | 39.05 | 24.83 | 25.92 | |
| 09/30/2010 | 27.29 | 23.17 | 24.07 | |
| 12/31/2010 | 22.79 | 21.62 | 22.34 | |
| 03/31/2011 | 18.94 | 20.17 | 20.74 | 17.89 |
| 06/30/2011 | 15.98 | 18.82 | 19.26 | 17.22 |
| 09/30/2011 | 16.39 | 17.56 | 17.88 | 16.58 |
| 12/31/2011 | 15.94 | 16.39 | 16.60 | 15.96 |
| 03/31/2012 | 16.18 | 15.29 | 15.41 | 15.37 |
| 06/30/2012 | 14.49 | 14.27 | 14.31 | 14.80 |
| Annual Rate of Change | | -24.2% | -25.7% | -14.1% |
| Coefficient of Determination (R2) | | 72.5% | 61.4% | 67.6% |
| Selected Historical Annual Rate of Change | | | | -5.0% |
| Selected Prospective Annual Rate of Change | | | | -5.0% |
| Projected Average Date of Loss for the Period the Proposed Rates will be in Effect | | | | 11/18/2013 |

Factors To Adjust Data Based on a 11/18/2012 Effective Date

| Experience Period Ending (a) | Midpoint of Experience Period (b) | Historical Trend Period (months) (c) | Factor to Adjust to 06/30/2012 (d) | Prospective Trend Period (months) (e) | Factor to Adjust From 06/30/2012 to 11/18/2013 (f) | Frequency Factor (g) = (d) x (f) |
|------------------------------|-----------------------------------|--------------------------------------|------------------------------------|---------------------------------------|--|----------------------------------|
| 06/30/2008 | 12/31/2007 | 48 | .815 | 22.6 | 0.908 | 0.740 |
| 06/30/2009 | 12/31/2008 | 36 | .857 | 22.6 | 0.908 | 0.778 |
| 06/30/2010 | 12/31/2009 | 24 | .903 | 22.6 | 0.908 | 0.819 |
| 06/30/2011 | 12/31/2010 | 12 | .950 | 22.6 | 0.908 | 0.863 |
| 06/30/2012 | 12/31/2011 | 0 | 1.000 | 22.6 | 0.908 | 0.908 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Loss Trend
Severity Trend
All Policy Forms Combined
Exponential Fit

Travelers Statewide

| Calendar Year Ending | Actual | 20 PT | 12 PT | 6 PT |
|----------------------|--------|-------|-------|-------|
| 09/30/2007 | 10,821 | 9,141 | | |
| 12/31/2007 | 8,830 | 9,076 | | |
| 03/31/2008 | 8,133 | 9,011 | | |
| 06/30/2008 | 7,471 | 8,947 | | |
| 09/30/2008 | 7,578 | 8,883 | | |
| 12/31/2008 | 9,411 | 8,820 | | |
| 03/31/2009 | 12,293 | 8,757 | | |
| 06/30/2009 | 14,645 | 8,694 | | |
| 09/30/2009 | 10,181 | 8,632 | 7,070 | |
| 12/31/2009 | 7,600 | 8,571 | 7,211 | |
| 03/31/2010 | 5,986 | 8,510 | 7,354 | |
| 06/30/2010 | 6,323 | 8,449 | 7,500 | |
| 09/30/2010 | 7,166 | 8,389 | 7,649 | |
| 12/31/2010 | 7,338 | 8,329 | 7,801 | |
| 03/31/2011 | 7,645 | 8,269 | 7,956 | 7,292 |
| 06/30/2011 | 7,033 | 8,210 | 8,114 | 7,744 |
| 09/30/2011 | 8,277 | 8,152 | 8,275 | 8,225 |
| 12/31/2011 | 9,495 | 8,094 | 8,439 | 8,736 |
| 03/31/2012 | 8,941 | 8,036 | 8,607 | 9,278 |
| 06/30/2012 | 9,817 | 7,978 | 8,778 | 9,854 |

Annual Rate of Change -2.8% 8.2% 27.2%

Coefficient of Determination (R2) 3.7% 17.3% 76.1%

Selected Historical Annual Rate of Change 10.0%

Selected Prospective Annual Rate of Change 10.0%

Projected Average Date of Loss for the Period the Proposed Rates will be in Effect 11/18/2013

Factors To Adjust Data Based on a 11/18/2012 Effective Date

| Experience Period Ending (a) | Midpoint of Experience Period (b) | Historical Trend Period (months) (c) | Factor to Adjust to 06/30/2012 (d) | Prospective Trend Period (months) (e) | Factor to Adjust From 06/30/2012 to 11/18/2013 (f) | Frequency Factor (g) = (d) x (f) | Frequency x Severity Factor |
|------------------------------|-----------------------------------|--------------------------------------|------------------------------------|---------------------------------------|--|----------------------------------|-----------------------------|
| 06/30/2008 | 12/31/2007 | 48 | 1.464 | 22.6 | 1.197 | 1.752 | 1.296 |
| 06/30/2009 | 12/31/2008 | 36 | 1.331 | 22.6 | 1.197 | 1.593 | 1.240 |
| 06/30/2010 | 12/31/2009 | 24 | 1.210 | 22.6 | 1.197 | 1.448 | 1.186 |
| 06/30/2011 | 12/31/2010 | 12 | 1.100 | 22.6 | 1.197 | 1.316 | 1.135 |
| 06/30/2012 | 12/31/2011 | 0 | 1.000 | 22.6 | 1.197 | 1.197 | 1.086 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICAAverage Premium Trend
All Policy Forms Combined

All Price Tracks Combined

| Experience Period Ending | Average Premium | YOY Change |
|---|--------------------|------------|
| 06/30/2008 | 947.50 | |
| 06/30/2009 | 993.33 | 4.8% |
| 06/30/2010 | 1,002.89 | 1.0% |
| 06/30/2011 | 996.04 | -0.7% |
| 06/30/2012 | 977.62 | -1.8% |
| (1) Fitted Historical Premium Trend | | 0.7% |
| (2) Selected Historical Premium Trend | | 0.7% |
| (3) Selected Prospective Premium Trend: | | -1.8% |
| (4) Average Earned Date Underlying Proposed Rates: (Effective Date = 11/18/2012) | | 11/18/2013 |
| (5) Prospective Trend Period (months) (Midpoint of Experience Period to Average Earned Date) | | 22.6 |
| (6) Prospective Trend Adjustment | | 0.966 |

CALCULATION OF PREMIUM TREND FACTORS

| Experience Period Ending | Midpoint of Experience Period | Fitted Average Premium | Historical Trend Factor | Prospective Trend Factor | Premium Trend Factor |
|--------------------------------|-------------------------------------|---------------------------|-------------------------------|--------------------------------|----------------------------|
| 06/30/2008 | 12/31/2007 | 970.89 | 1.026 | 0.966 | 0.991 |
| 06/30/2009 | 12/31/2008 | 977.18 | 1.020 | 0.966 | 0.985 |
| 06/30/2010 | 12/31/2009 | 983.48 | 1.013 | 0.966 | 0.978 |
| 06/30/2011 | 12/31/2010 | 989.77 | 1.007 | 0.966 | 0.972 |
| 06/30/2012 | 12/31/2011 | 996.07 | 1.000 | 0.966 | 0.966 |

ARKANSAS HOMESAVER
ALL COMPANIES COMBINED

Catastrophe Losses
Explanation of Catastrophe Losses

In an effort to avoid sharp fluctuations in our rate level adjustments and maintain a degree of stability, we have given catastrophe losses a special treatment in the ratemaking process.

Non-Hurricane Catastrophe Losses:

The industry defines a catastrophe as an occurrence such as a hailstorm, windstorm, tornado, hurricane, etc., which results in property losses of \$25,000,000 or more.¹ Each catastrophe is accorded a serial number by the Insurance Services Office for identification purposes. This identification makes it possible for each insurance company to summarize the losses due to these types of occurrences in a particular year. One of our underlying assumptions in ratemaking is that past loss experience can be utilized as an indication of the future loss experience. While this is a reasonable assumption for regular property losses, we believe catastrophe losses are extraordinary events that will probably not re-occur with the same degree of frequency as regular losses. Therefore, we give such catastrophe losses special treatment.

We first eliminate all catastrophe losses from the five-year experience period leaving only non-cat losses in the experience. We develop the five-year indicated non-cat loss ratio by considering only these losses. To this non-cat loss ratio, the Catastrophe Loss Factor is applied to produce the indicated loss ratio including catastrophes.

Since catastrophes are rare events, it is necessary that the computation of the catastrophe loading be based upon a long period of experience. In determining the Catastrophe Loss Factor, we have utilized all of the Homeowners experience from 1992 - 2011. The Catastrophe Loss Factor is calculated by relating the catastrophe losses to the non-cat losses. Page 2 of this exhibit sets forth the actual calculation.

ARKANSAS HOMESAVER

ALL COMPANIES COMBINED

Catastrophe Losses
Development of Weighted Catastrophe Loss Multiplier
All Policy Forms Combined

| Calendar Year Ending 12/31 | Total Incurred Losses (3)+(4)+(5)* (1) | Earthquake Losses (3) | Other Cat. Losses (4) | Non-Cat. Incurred Losses (5) |
|-------------------------------------|--|-----------------------------|-----------------------------|------------------------------------|
| 1992 | 297,724 | 0 | 11,533 | 286,191 |
| 1993 | 18,152 | 0 | 0 | 18,152 |
| 1994 | 33,681 | 0 | 0 | 33,681 |
| 1995 | 45,350 | 0 | 0 | 45,350 |
| 1996 | 16,622 | 0 | 3,250 | 13,372 |
| 1997 | 94,083 | 0 | 3,376 | 90,707 |
| 1998 | 140,013 | 0 | 21,130 | 118,883 |
| 1999 | 1,226,638 | 0 | 247,702 | 978,936 |
| 2000 | 667,848 | 0 | 85,139 | 582,709 |
| 2001 | 928,813 | 0 | 260,322 | 668,491 |
| 2002 | 1,322,681 | 0 | 120,703 | 1,201,978 |
| 2003 | 2,845,528 | 0 | 159,373 | 2,686,155 |
| 2004 | 4,007,483 | 0 | 301,816 | 3,705,667 |
| 2005 | 7,232,390 | 0 | 235,707 | 6,996,683 |
| 2006 | 12,834,013 | 0 | 1,737,918 | 11,096,095 |
| 2007 | 9,496,630 | 0 | 607,031 | 8,889,599 |
| 2008 | 27,499,711 | 0 | 10,830,292 | 16,669,419 |
| 2009 | 20,769,657 | 0 | 9,113,355 | 11,656,302 |
| 2010 | 18,955,311 | 0 | 2,629,912 | 16,325,399 |
| 2011 | 31,742,877 | 0 | 16,728,390 | 15,014,487 |
| Total | 140,175,205 | 0 | 43,096,949 | 97,078,256 |
| (6) | Ratio of Total "Other Cat." Losses to Total "Non-Cat." Losses: | | | 0.444 |
| (7) | Weighted Catastrophe Loss Multiplier [WCLM = 1 + (6)]: | | | 1.444 |

* Note: Total Incurred Losses (1) does not include Hurricane Losses per AR DOI request

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Estimated Investment Earnings

| | | |
|----|--|------------------|
| A. | <u>Unearned Premium Reserve</u> | <u>Homesaver</u> |
| | 1. Direct Earned Premium | 2,047,630 |
| | 2. Direct Mean Unearned Premium Reserve <i>(See Page 3)</i> | 1,084,113 |
| | 3. Deduction for Prepaid Expenses | |
| | (A) Commissions | 0.1502 |
| | (B) Taxes, Licenses, and Fees | 0.0363 |
| | (C) Other Acquisition and General Expenses (50%) | 0.0486 |
| | (D) Total | 0.2351 |
| | 4. Deduction for Federal Taxes <i>(See Page 3)</i> | 9,904 |
| | 5. Deduction for Prepaid Expenses in dollars <i>(See Page 3)</i> | 254,863 |
| | 6. Net Subject to Investment <i>(See Page 3)</i> | 819,346 |
| B. | <u>Delayed Remission of Premium</u> | |
| | 1. Average Agent's Balance <i>(See Page 3)</i> | 24.8% |
| | 2. Amount of Deduction <i>(See Page 3)</i> | 507,812 |
| C. | <u>Loss + LAE Reserve</u> | |
| | 1. Direct Earned Premium (A1) | 2,047,630 |
| | 2. Permissible Incurred Loss + LAE <i>(See Page 4)</i> | |
| | 0.5984 x (1) | 1,225,207 |
| | 3. Expected Mean Loss + LAE Reserve <i>(See Page 4)</i> | |
| | 0.5418 x (2) | 663,778 |
| | 4. Deduction for Federal Taxes <i>(See Page 5)</i> | (112) |
| | 5. Loss & Reserve Subject to Investment | 663,890 |
| D. | <u>Policyholders' Surplus</u> <i>(See Page 6)</i> | 1,982,000 |
| E. | <u>Net Subject to Investment</u> <i>(See Page 4)</i> | 2,957,424 |
| | (A6) - (B2) + (C5) + (D) | |
| F. | <u>Average Rate of Return</u> <i>(See Page 6)</i> | 4.5% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Estimated Investment Earnings

| | <u>Homesaver</u> |
|---|------------------|
| G. <u>Projected Investment Earnings</u> | 133,084 |
| H. <u>Before Tax Return on Earned Premium</u> | 6.5% |
| I. <u>Federal Income Tax Provision</u> (See Page 6) | 11.6% |
| J. <u>After-Tax Return on Earned Premium</u> | 5.7% |
| K. <u>After-Tax Target Return on Earned Premium</u> (See Page 6) | 14.5% |
| L. <u>After-Tax Target Underwriting Profit (% of EP)</u> | 8.8% |
| M. <u>Before-Tax Target Underwriting Profit (% of EP)</u> (Assuming a tax rate of 35%) | 13.5% |
| N. <u>Selected Before-Tax Target Underwriting Profit</u> | <u>11.8%</u> |

The Surplus Allocation exhibit requires a 14.5% return on earned premium from underwriting and investment activities.

Since the after-tax return on homeowners earned premium from investment income is 5.7%, the difference of 8.8% is the projected underwriting after-tax gain. Assuming a tax rate of 35%, the before-tax underwriting profit is 13.5% as a percentage of earned premium.

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Explanatory Notes of Calculation of Investment Income Adjustment Factors

A. Unearned Premium Reserve

1. Direct Earned Premium from page 14 of the annual statement for the calendar-year 2010.
2. Direct Mean Unearned Premium Reserve Homesaver
 - a. Direct unearned premium reserve as of 12/09 1,013,367
 - b. Direct unearned premium reserve as of 12/10 1,154,859
 - c. Direct mean unearned premium reserve (a + b)/2 1,084,113
3. Deduction for Prepaid Expenses: Production costs and a large part of the other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expense, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures, as shown.
4. Revenue Offset: The Internal Revenue Code allows only 80% of the change in unearned premium reserve as a deduction. The limitation of the deduction is accomplished through an adjustment to statutory income whereby 20% of the unearned premium reserve change is added to statutory income for tax purposes.
 - a. Homesaver: $.35 \times .20 \times (1154859 - 1013367) =$ 9,904
5. Line (2) x (3E)
6. Net Subject to Investment (2)-(4)-(5)

B. Delayed Remission of Premium

1. Average Uncollected Balance: The ratio used is the countrywide mean premium and agents' balance in the course of collection as a percentage of earned premium. (Source: Annual Statement)

| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>Total</u> |
|--|----------------|----------------|----------------|----------------|
| Premiums & agents' balance | 1,141,692,853 | 1,044,724,603 | 1,061,941,376 | 3,248,358,832 |
| Premiums, agents' balances, & installments booked but deferred and not yet due | 4,147,635,437 | 3,824,719,200 | 3,927,837,098 | 11,900,191,735 |
| Total | 5,289,328,290 | 4,869,443,803 | 4,989,778,474 | 15,148,550,567 |
| Earned Premium | 20,388,358,051 | 20,385,737,486 | 20,345,047,670 | 61,119,143,207 |
| Ratio | 25.9% | 23.9% | 24.5% | 24.8% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Explanatory Notes of Calculation of Investment Income Adjustment Factors

C. Loss + LAE Reserve: Determined by multiplying the expected incurred Loss + LAE by the ratio of the direct mean Loss + LAE reserve to the direct incurred Loss + LAE. This countrywide ratio is determined as follows: (See Page 6)

1. Direct Earned Premium from Page 14 of the Annual Statement.
2. Permissible Incurred Loss + LAE = Expected Loss Ratio x Line C1 by line
3. Expected Mean Loss + LAE = ((Direct Mean Loss + LAE) / Direct Incurred Loss + LAE) x C2

| | <u>Homesaver</u> |
|---|------------------|
| a. Direct Paid Loss + LAE for 2010 | 115,001,984 |
| b. Direct Loss + LAE Reserve as of 12/09 | 62,147,610 |
| c. Direct Loss + LAE Reserve as of 12/10 | 58,393,198 |
| d. Direct Incurred Loss + LAE = a - b + c | 111,247,572 |
| e. Direct Mean Loss + LAE Reserve = (b + c)/2 | 60,270,404 |
| f. State Reserve Ratio = e / d | 0.5418 |

4. Deduction for Federal Taxes (See Page 5)
5. Loss Reserve Subject to Investment = C3 - C4

D. Policyholders' Surplus (See Page 6)

E. Net Subject to Investment = A6 - B2 + C5 + D

F. Average Rate of Return (See Page 6)

G. Projected Investment Earnings = E x F

H. Before-Tax Return of Earned Premium = G / A1

I. Federal Income Tax Provision (See Page 6)

J. After-Tax Return on Earned Premium = (G - (G x I)) / Direct Earned Premium

K. After-Tax Target Return on Earned Premium (See Page 6)

L. After-Tax Target Underwriting Profit = K - J

M. Before-Tax Target Underwriting Profit = L / 0.35 (Assuming a tax rate of 35%)

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Deduction for Federal Taxes Payable on Loss Reserves

Homeowner's (*Countrywide*)

| <u>Year of Loss</u> | <u>Statutory Reserves (<i>Undiscounted</i>)</u> | | <u>Tax Reserves (<i>Discounted</i>)</u> | |
|---------------------|---|-------------|---|-------------|
| | <u>2009</u> | <u>2010</u> | <u>2009</u> | <u>2010</u> |
| 1999 & Prior | 4,959,452 | 2,809,533 | 4,783,771 | 2,702,422 |
| 2000 | 461,192 | 644,169 | 411,012 | 589,982 |
| 2001 | 1,319,251 | 1,634,434 | 1,145,312 | 1,456,689 |
| 2002 | 1,655,820 | 1,895,612 | 1,475,774 | 1,650,587 |
| 2003 | 3,896,307 | 2,986,399 | 3,420,942 | 2,682,205 |
| 2004 | 6,516,713 | 4,343,330 | 5,775,352 | 3,833,319 |
| 2005 | 52,007,837 | 36,428,791 | 45,298,930 | 32,528,306 |
| 2006 | 20,646,200 | 12,150,198 | 18,781,807 | 10,613,869 |
| 2007 | 43,795,370 | 26,519,661 | 39,750,254 | 23,916,539 |
| 2008 | 167,173,376 | 86,784,092 | 151,143,121 | 78,331,208 |
| 2009 | 462,247,846 | 139,081,381 | 431,455,206 | 125,269,621 |
| 2010 | | 673,279,138 | | 630,377,001 |
| Total | 764,679,364 | 988,556,739 | 703,441,481 | 913,951,748 |

| | | |
|--|-------------|-------------|
| | <u>2009</u> | <u>2010</u> |
| Ratio of Discounted to Statutory Reserves: | 0.9199 | 0.9245 |

Arkansas Liability Loss + ALAE Reserve as of 12/09 x 1.105 = 367,625

Arkansas Liability Loss + ALAE Reserve as of 12/10 x 1.105 = 385,790

Deduction for Federal Taxes Payable = (112)
.35 x [385790 - 367625 - (385790 x 0.9245) + (367625 x 0.9199)]

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Surplus Allocation

| | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|--|----------------|----------------|----------------|
| 1. Year End Property Casualty Policyholder Surplus | 20,858,817,016 | 22,537,881,673 | 19,510,628,060 |
| 2. Direct Written Premium | 21,807,760,458 | 21,409,548,233 | 21,541,288,707 |
| 3. Premium to Surplus Ratio | 1.05 | 0.95 | 1.10 |
| 4. Three Year Average | | | 1.03 |
| 5. Earned Premium | | | 2,047,630 |
| 6. Allocated Equity | | | 1,982,000 |
| 7. Target Return on Equity | | | 15.0% |
| 8. Return on Earned Premium | | | 14.5% |

The average rate of return is based on the three year average ratio of net investment income to invested assets.

Source: Annual Statement

| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>Total</u> |
|---------------------------------|----------------|----------------|----------------|-----------------|
| 1. Net Investment Income Earned | 3,574,998,236 | 2,891,400,227 | 3,211,248,419 | 9,677,646,882 |
| 2. Net Realized Capital Gains | (425,622,764) | (260,109,058) | (146,038,854) | (831,770,676) |
| 3. Invested Assets | 66,119,523,020 | 65,839,247,614 | 64,670,591,711 | 196,629,362,345 |
| 4. Ratio | 4.8% | 4.0% | 4.7% | 4.5% |

Federal Income Tax Provision

Detailed below is the calculation of the federal income tax rate on net investment income earned for The Travelers Property Casualty Corp. for 2010

| | (In Thousands) |
|--|----------------|
| 1. Statutory net investment income | 4,641,433 |
| 2. Dividends from Affiliates | (1,742,056) |
| 3. Tax exempt interest | (1,577,345) |
| 4. 70% Dividends received deduction | (6,138) |
| 5. 42% Dividends received deduction | (2,059) |
| 6. 15% Proration adj. on TEI | 237,526 |
| 7. Other Adjustments | (9,554) |
| 8. Taxable net investment income (1+2+3+4+5+6+7) | 1,541,807 |
| 9. Tax on net investment income (8 x .35) | 539,632 |
| 10. FIT rate on NII (9 / 1) | 11.6% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICATrended Ultimate Losses
All Forms Combined

All Price Tracks Combined

| Accident Year Ending 6/30 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-----------|-----------|-----------|-----------|-----------|
| (1) Earned Premium | 1,167,650 | 1,529,285 | 1,899,395 | 2,225,796 | 2,322,777 |
| (2) Earned Premium at Current Rates Factor | 1.520 | 1.478 | 1.352 | 1.182 | 1.080 |
| (3) Earned Premium at Current Rates (1) x (2) | 1,774,582 | 2,259,750 | 2,568,417 | 2,630,216 | 2,509,020 |
| (4) Premium Trend Factor | 0.991 | 0.985 | 0.978 | 0.972 | 0.966 |
| (5) Trended Earned Premium at Current Rates (3) x (4) | 1,758,722 | 2,224,974 | 2,512,428 | 2,556,130 | 2,422,473 |
| (6) Incurred Losses & ALAE | 776,863 | 869,370 | 879,833 | 1,090,775 | 760,896 |
| (7) Loss Development Factor | 1.000 | 1.000 | 1.000 | 1.005 | 1.098 |
| (8) Ultimate Losses & ALAE (6) x (7) | 776,863 | 869,473 | 879,937 | 1,096,712 | 835,669 |
| (9) Unallocated Factor + 1.000 | 1.105 | 1.105 | 1.105 | 1.105 | 1.105 |
| (10) Ultimate Losses & LAE (8) x (9) | 858,434 | 960,768 | 972,331 | 1,211,867 | 923,415 |
| (11) Loss Trend Factor | 1.296 | 1.240 | 1.186 | 1.135 | 1.086 |
| (12) Trended Ultimate Losses & LAE (10) x (11) | 1,112,178 | 1,191,159 | 1,153,583 | 1,375,858 | 1,003,227 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-661

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 109 | 43 |
| 31 | 150 | 56 |
| 32 | 112 | 45 |
| 33 | 146 | 54 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-661

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 120 | 47 |
| 31 | 165 | 62 |
| 32 | 123 | 50 |
| 33 | 161 | 59 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-662

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 36 | 16 |
| 31 | 37 | 16 |
| 32 | 37 | 16 |
| 33 | 41 | 17 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-662

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 39 | 17 |
| 31 | 40 | 17 |
| 32 | 40 | 17 |
| 33 | 44 | 18 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-663

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 168 | 64 |
| 31 | 175 | 66 |
| 32 | 172 | 66 |
| 33 | 187 | 71 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-663

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 185 | 70 |
| 31 | 193 | 73 |
| 32 | 189 | 73 |
| 33 | 206 | 78 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-664

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 40 | 17 |
| 31 | 45 | 18 |
| 32 | 49 | 19 |
| 33 | 43 | 18 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-664

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 43 | 18 |
| 31 | 48 | 19 |
| 32 | 53 | 20 |
| 33 | 46 | 19 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-665

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 36 | 16 |
| 31 | 37 | 16 |
| 32 | 37 | 16 |
| 33 | 41 | 17 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-665

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 39 | 17 |
| 31 | 40 | 17 |
| 32 | 40 | 17 |
| 33 | 44 | 18 |

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 566513/2012-12-0064

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 Item Status | Schedule | Schedule Item Name | Replacement Creation Date | Attached Document(s) |
|---------------|----------------------|---------------------|---|---------------------------|--|
| 12/18/2012 | | Supporting Document | Filing Package | 01/07/2013 | AR HS Filing Package - eff 1-25-13.pdf (Superseded) |
| 12/18/2012 | | Supporting Document | HPCS-Homeowners Premium Comparison Survey | 01/07/2013 | Premium sheet- ArHOSurvey-HPCS- AAI.xls (Superseded) Premium sheet- ArHOSurvey-HPCS- AAI.pdf (Superseded) Premium sheet- ArHOSurvey-HPCS- TIA.xls (Superseded) Premium sheet- ArHOSurvey-HPCS- TIA.pdf (Superseded) |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

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| Exhibit 10 | | Trended Ultimate Losses |
| Exhibit 11 | Pages 1-10 | Fire and Other Allied Lines Base Rate Revision |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Explanatory Memorandum

This filing is being submitted with revisions to the Arkansas Homesaver program. We are proposing an overall rate level change of 9.69% for the Arkansas Homesaver program. This change will consist of revisions to territorial base rates. This change applies to policies issued and effective on or after 01/25/2013.

| | |
|-----------------------|--------------------|
| Proposed Change | All Forms Combined |
| Territory Base Rates* | 7.50% to 10.00% |
| Total Rate Impact | 9.69% |

*Varies by Form

Indicated statewide rate level changes have been developed utilizing our normal rate making procedures using the latest available Travelers Homesaver experience in Arkansas, fiscal accident years 2008 through second quarter 2012.

Note: Homeowners data was used in the derivation of:

- Catastrophe Losses
- Investment Income
- Loss Trend

Changes being proposed in the filing include adjustments to:

- Territory Base Rates

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Statewide Indication

All Price Tracks Combined

| <u>Policy Forms</u> | Year Ending 06/30/2012 <u>EPCR</u> | Indicated Rate Level <u>Change</u> |
|---------------------|--|--|
| All Forms Combined | 2,509,020 | 17.58% |

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All Forms Combined

All Price Tracks Combined

| AY Ending 06/30 | Earned House Years (1) | Trended EPCR (2) | Ultimate Trended L & LAE (3) | Incurred Claim Count (4) | AY Weights (5) | Rate Level Loss Ratio (6)=(3)/(2) |
|--|---------------------------------|------------------------|---------------------------------------|-----------------------------------|----------------------|--|
| 2008 | 1,873 | 1,758,722 | 1,112,178 | 77 | 0.20 | 0.632 |
| 2009 | 2,275 | 2,224,974 | 1,191,159 | 116 | 0.20 | 0.535 |
| 2010 | 2,561 | 2,512,428 | 1,153,583 | 152 | 0.20 | 0.459 |
| 2011 | 2,641 | 2,556,130 | 1,375,858 | 123 | 0.20 | 0.538 |
| 2012 | 2,566 | 2,422,473 | 1,003,227 | 83 | 0.20 | 0.414 |
| (7) Weighted Rate Level Loss Ratio | | | | | | 0.516 |
| (8) Non-Hurricane Cat. Adjusted Loss Ratio = (7) x WCLM | | | | | | 0.745 |
| (9) State Credibility = [(1)/18,750]^0.5, Cap result at 1.00 | | | | | | 0.80 |
| (10) Trended Total Permissible Loss Ratio | | | | | | 0.625 |
| (11) Credibility Weighted Rate Level Total Loss Ratio | | | | | | 0.721 |
| (12) Variable Permissible Loss Ratio | | | | | | 0.695 |
| (13) Credibility Weighted Indicated Rate Level Change = [(11) + (FE)] / (12) - 1 | | | | | | 17.58% |
| (14) Proposed Premium Level Change | | | | | | 9.69% |

NOTE: FE = Fixed Expense

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Development of Permissible Loss Ratio

| | |
|---|--------------|
| <u>Fixed Expense</u> | |
| Other Acquisition and General Expense | 9.7% |
| <u>Variable Expense</u> | |
| Commissions | 15.0% |
| Taxes, Licenses and Fees | 3.6% |
| Total Variable Expense | 18.7% |
| Profit Margin | 11.8% |
| Total Variable Expense and Profit Margin | 30.5% |
| Variable Permissible Loss Ratio = (100% minus above row) | 69.5% |
| Total Fixed Expense, Variable Expense and Profit Margin | 40.2% |
| Total Permissible Loss Ratio = (100% minus above row) | 59.8% |
| Total | 100.0% |

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Unallocated Loss Adjustment Expense

| Calendar Year | ULAE | Incurred Losses & ALAE | Ratio |
|------------------|--------------|------------------------------|-------|
| 2008 | \$6,682,849 | \$72,784,339 | 0.092 |
| 2009 | \$11,255,764 | \$107,190,347 | 0.105 |
| 2010 | \$11,729,639 | \$99,517,934 | 0.118 |
| Mean | | | 0.105 |
| Selected | | | 0.105 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Loss Trend
Frequency Trend
All Policy Forms Combined
Exponential Fit

Travelers Statewide

| Calendar Year Ending | Actual | 20 PT | 12 PT | 6 PT |
|---|--------|--------|--------|------------|
| 09/30/2007 | 54.98 | 53.20 | | |
| 12/31/2007 | 49.44 | 49.64 | | |
| 03/31/2008 | 45.96 | 46.32 | | |
| 06/30/2008 | 51.79 | 43.22 | | |
| 09/30/2008 | 49.65 | 40.33 | | |
| 12/31/2008 | 45.58 | 37.63 | | |
| 03/31/2009 | 27.58 | 35.11 | | |
| 06/30/2009 | 15.87 | 32.76 | | |
| 09/30/2009 | 22.92 | 30.57 | 32.40 | |
| 12/31/2009 | 24.98 | 28.52 | 30.08 | |
| 03/31/2010 | 38.46 | 26.61 | 27.92 | |
| 06/30/2010 | 39.05 | 24.83 | 25.92 | |
| 09/30/2010 | 27.29 | 23.17 | 24.07 | |
| 12/31/2010 | 22.79 | 21.62 | 22.34 | |
| 03/31/2011 | 18.94 | 20.17 | 20.74 | 17.89 |
| 06/30/2011 | 15.98 | 18.82 | 19.26 | 17.22 |
| 09/30/2011 | 16.39 | 17.56 | 17.88 | 16.58 |
| 12/31/2011 | 15.94 | 16.39 | 16.60 | 15.96 |
| 03/31/2012 | 16.18 | 15.29 | 15.41 | 15.37 |
| 06/30/2012 | 14.49 | 14.27 | 14.31 | 14.80 |
| Annual Rate of Change | | -24.2% | -25.7% | -14.1% |
| Coefficient of Determination (R2) | | 72.5% | 61.4% | 67.6% |
| Selected Historical Annual Rate of Change | | | | -5.0% |
| Selected Prospective Annual Rate of Change | | | | -5.0% |
| Projected Average Date of Loss for the Period the Proposed Rates will be in Effect | | | | 11/18/2013 |

Factors To Adjust Data Based on a 11/18/2012 Effective Date

| Experience Period Ending (a) | Midpoint of Experience Period (b) | Historical Trend Period (months) (c) | Factor to Adjust to 06/30/2012 (d) | Prospective Trend Period (months) (e) | Factor to Adjust From 06/30/2012 to 11/18/2013 (f) | Frequency Factor (g) = (d) x (f) |
|---------------------------------------|--|--|---|---|---|--|
| 06/30/2008 | 12/31/2007 | 48 | .815 | 22.6 | 0.908 | 0.740 |
| 06/30/2009 | 12/31/2008 | 36 | .857 | 22.6 | 0.908 | 0.778 |
| 06/30/2010 | 12/31/2009 | 24 | .903 | 22.6 | 0.908 | 0.819 |
| 06/30/2011 | 12/31/2010 | 12 | .950 | 22.6 | 0.908 | 0.863 |
| 06/30/2012 | 12/31/2011 | 0 | 1.000 | 22.6 | 0.908 | 0.908 |

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THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Loss Trend
Severity Trend
All Policy Forms Combined
Exponential Fit

Travelers Statewide

| Calendar Year Ending | Actual | 20 PT | 12 PT | 6 PT |
|---|--------|-------|-------|------------|
| 09/30/2007 | 10,821 | 9,141 | | |
| 12/31/2007 | 8,830 | 9,076 | | |
| 03/31/2008 | 8,133 | 9,011 | | |
| 06/30/2008 | 7,471 | 8,947 | | |
| 09/30/2008 | 7,578 | 8,883 | | |
| 12/31/2008 | 9,411 | 8,820 | | |
| 03/31/2009 | 12,293 | 8,757 | | |
| 06/30/2009 | 14,645 | 8,694 | | |
| 09/30/2009 | 10,181 | 8,632 | 7,070 | |
| 12/31/2009 | 7,600 | 8,571 | 7,211 | |
| 03/31/2010 | 5,986 | 8,510 | 7,354 | |
| 06/30/2010 | 6,323 | 8,449 | 7,500 | |
| 09/30/2010 | 7,166 | 8,389 | 7,649 | |
| 12/31/2010 | 7,338 | 8,329 | 7,801 | |
| 03/31/2011 | 7,645 | 8,269 | 7,956 | 7,292 |
| 06/30/2011 | 7,033 | 8,210 | 8,114 | 7,744 |
| 09/30/2011 | 8,277 | 8,152 | 8,275 | 8,225 |
| 12/31/2011 | 9,495 | 8,094 | 8,439 | 8,736 |
| 03/31/2012 | 8,941 | 8,036 | 8,607 | 9,278 |
| 06/30/2012 | 9,817 | 7,978 | 8,778 | 9,854 |
| Annual Rate of Change | | -2.8% | 8.2% | 27.2% |
| Coefficient of Determination (R2) | | 3.7% | 17.3% | 76.1% |
| Selected Historical Annual Rate of Change | | | | 10.0% |
| Selected Prospective Annual Rate of Change | | | | 10.0% |
| Projected Average Date of Loss for the Period the Proposed Rates will be in Effect | | | | 11/18/2013 |

Factors To Adjust Data Based on a 11/18/2012 Effective Date

| Experience Period Ending (a) | Midpoint of Experience Period (b) | Historical Trend Period (months) (c) | Factor to Adjust to 06/30/2012 (d) | Prospective Trend Period (months) (e) | Factor to Adjust From to 06/30/2012 11/18/2013 (f) | Frequency Factor (g) = (d) x (f) | Frequency x Severity Factor |
|---------------------------------------|--|--|---|---|---|--|-----------------------------------|
| 06/30/2008 | 12/31/2007 | 48 | 1.464 | 22.6 | 1.197 | 1.752 | 1.296 |
| 06/30/2009 | 12/31/2008 | 36 | 1.331 | 22.6 | 1.197 | 1.593 | 1.240 |
| 06/30/2010 | 12/31/2009 | 24 | 1.210 | 22.6 | 1.197 | 1.448 | 1.186 |
| 06/30/2011 | 12/31/2010 | 12 | 1.100 | 22.6 | 1.197 | 1.316 | 1.135 |
| 06/30/2012 | 12/31/2011 | 0 | 1.000 | 22.6 | 1.197 | 1.197 | 1.086 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICAAverage Premium Trend
All Policy Forms Combined

All Price Tracks Combined

| Experience Period Ending | Average Premium | YOY Change |
|---|--------------------|------------|
| 06/30/2008 | 947.50 | |
| 06/30/2009 | 993.33 | 4.8% |
| 06/30/2010 | 1,002.89 | 1.0% |
| 06/30/2011 | 996.04 | -0.7% |
| 06/30/2012 | 977.62 | -1.8% |
| (1) Fitted Historical Premium Trend | | 0.7% |
| (2) Selected Historical Premium Trend | | 0.7% |
| (3) Selected Prospective Premium Trend: | | -1.8% |
| (4) Average Earned Date Underlying Proposed Rates: (Effective Date = 11/18/2012) | | 11/18/2013 |
| (5) Prospective Trend Period (months) (Midpoint of Experience Period to Average Earned Date) | | 22.6 |
| (6) Prospective Trend Adjustment | | 0.966 |

CALCULATION OF PREMIUM TREND FACTORS

| Experience Period Ending | Midpoint of Experience Period | Fitted Average Premium | Historical Trend Factor | Prospective Trend Factor | Premium Trend Factor |
|--------------------------------|-------------------------------------|---------------------------|-------------------------------|--------------------------------|----------------------------|
| 06/30/2008 | 12/31/2007 | 970.89 | 1.026 | 0.966 | 0.991 |
| 06/30/2009 | 12/31/2008 | 977.18 | 1.020 | 0.966 | 0.985 |
| 06/30/2010 | 12/31/2009 | 983.48 | 1.013 | 0.966 | 0.978 |
| 06/30/2011 | 12/31/2010 | 989.77 | 1.007 | 0.966 | 0.972 |
| 06/30/2012 | 12/31/2011 | 996.07 | 1.000 | 0.966 | 0.966 |

ARKANSAS HOMESAVER
ALL COMPANIES COMBINED
Catastrophe Losses
Explanation of Catastrophe Losses

In an effort to avoid sharp fluctuations in our rate level adjustments and maintain a degree of stability, we have given catastrophe losses a special treatment in the ratemaking process.

Non-Hurricane Catastrophe Losses:

The industry defines a catastrophe as an occurrence such as a hailstorm, windstorm, tornado, hurricane, etc., which results in property losses of \$25,000,000 or more.¹ Each catastrophe is accorded a serial number by the Insurance Services Office for identification purposes. This identification makes it possible for each insurance company to summarize the losses due to these types of occurrences in a particular year. One of our underlying assumptions in ratemaking is that past loss experience can be utilized as an indication of the future loss experience. While this is a reasonable assumption for regular property losses, we believe catastrophe losses are extraordinary events that will probably not re-occur with the same degree of frequency as regular losses. Therefore, we give such catastrophe losses special treatment.

We first eliminate all catastrophe losses from the five-year experience period leaving only non-cat losses in the experience. We develop the five-year indicated non-cat loss ratio by considering only these losses. To this non-cat loss ratio, the Catastrophe Loss Factor is applied to produce the indicated loss ratio including catastrophes.

Since catastrophes are rare events, it is necessary that the computation of the catastrophe loading be based upon a long period of experience. In determining the Catastrophe Loss Factor, we have utilized all of the Homeowners experience from 1992 - 2011. The Catastrophe Loss Factor is calculated by relating the catastrophe losses to the non-cat losses. Page 2 of this exhibit sets forth the actual calculation.

Hurricane Catastrophe Losses:

The Travelers utilizes hurricane modeling techniques to determine best estimates of exposure to loss. The model incorporates scientific information with computer simulation sampling techniques to develop a library of hurricane events each with associated probability of occurrence. The stochastic storm set used in the model represents a library of thousands of hurricane events along the Gulf and Atlantic coastline from Texas to Maine. Given the large volume of events in the model simulations, and the fact that theoretically all available information has been taken into account, the model results are fully credible.

Using the exposure distribution as of 6/30/2012, the average loss ratio due to hurricanes for Arkansas Homesaver is 0.7%. This loss ratio is added to the non-cat loss ratio adjusted for non-hurricane catastrophe losses to obtain the indicated total loss ratio.

1. \$25,000,000 of property losses as the definition of catastrophe has been in effect since January 1, 1997. The previous definition of \$5,000,000 of property losses was in use from January 1, 1982 to December 31, 1996. All previous catastrophes are defined as \$1,000,000 or more of property losses.

ARKANSAS HOMESAVER

ALL COMPANIES COMBINED

Catastrophe Losses
Development of Weighted Catastrophe Loss Multiplier
All Policy Forms Combined

| Calendar Year Ending 12/31 | Total Incurred Losses (2)+(3)+(4)+(5) | Hurricane Losses (2) | Earthquake Losses (3) | Other Cat. Losses (4) | Non-Cat. Incurred Losses (5) |
|-------------------------------------|--|----------------------------|-----------------------------|-----------------------------|------------------------------------|
| 1992 | 297,724 | 0 | 0 | 11,533 | 286,191 |
| 1993 | 18,152 | 0 | 0 | 0 | 18,152 |
| 1994 | 33,681 | 0 | 0 | 0 | 33,681 |
| 1995 | 45,350 | 0 | 0 | 0 | 45,350 |
| 1996 | 16,622 | 0 | 0 | 3,250 | 13,372 |
| 1997 | 94,083 | 0 | 0 | 3,376 | 90,707 |
| 1998 | 140,013 | 0 | 0 | 21,130 | 118,883 |
| 1999 | 1,226,638 | 0 | 0 | 247,702 | 978,936 |
| 2000 | 667,848 | 0 | 0 | 85,139 | 582,709 |
| 2001 | 928,813 | 0 | 0 | 260,322 | 668,491 |
| 2002 | 1,322,681 | 0 | 0 | 120,703 | 1,201,978 |
| 2003 | 2,845,528 | 0 | 0 | 159,373 | 2,686,155 |
| 2004 | 4,007,483 | 0 | 0 | 301,816 | 3,705,667 |
| 2005 | 7,590,058 | 357,668 | 0 | 235,707 | 6,996,683 |
| 2006 | 12,961,298 | 127,285 | 0 | 1,737,918 | 11,096,095 |
| 2007 | 9,496,630 | 0 | 0 | 607,031 | 8,889,599 |
| 2008 | 29,256,103 | 1,756,392 | 0 | 10,830,292 | 16,669,419 |
| 2009 | 21,028,954 | 259,297 | 0 | 9,113,355 | 11,656,302 |
| 2010 | 18,961,689 | 6,378 | 0 | 2,629,912 | 16,325,399 |
| 2011 | 31,743,407 | 530 | 0 | 16,728,390 | 15,014,487 |
| Total | 142,682,755 | 2,507,550 | 0 | 43,096,949 | 97,078,256 |
| (6) | Ratio of Total "Other Cat." Losses to Total "Non-Cat." Losses: | | | | 0.444 |
| (7) | Weighted Catastrophe Loss Multiplier [WCLM = 1 + (6)]: | | | | 1.444 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Estimated Investment Earnings

| | | |
|----|--|------------------|
| A. | <u>Unearned Premium Reserve</u> | <u>Homesaver</u> |
| | 1. Direct Earned Premium | 2,047,630 |
| | 2. Direct Mean Unearned Premium Reserve <i>(See Page 3)</i> | 1,084,113 |
| | 3. Deduction for Prepaid Expenses | |
| | (A) Commissions | 0.1502 |
| | (B) Taxes, Licenses, and Fees | 0.0363 |
| | (C) Other Acquisition and General Expenses (50%) | 0.0486 |
| | (D) Total | 0.2351 |
| | 4. Deduction for Federal Taxes <i>(See Page 3)</i> | 9,904 |
| | 5. Deduction for Prepaid Expenses in dollars <i>(See Page 3)</i> | 254,863 |
| | 6. Net Subject to Investment <i>(See Page 3)</i> | 819,346 |
| B. | <u>Delayed Remission of Premium</u> | |
| | 1. Average Agent's Balance <i>(See Page 3)</i> | 24.8% |
| | 2. Amount of Deduction <i>(See Page 3)</i> | 507,812 |
| C. | <u>Loss + LAE Reserve</u> | |
| | 1. Direct Earned Premium (A1) | 2,047,630 |
| | 2. Permissible Incurred Loss + LAE <i>(See Page 4)</i> | |
| | 0.5984 x (1) | 1,225,207 |
| | 3. Expected Mean Loss + LAE Reserve <i>(See Page 4)</i> | |
| | 0.5418 x (2) | 663,778 |
| | 4. Deduction for Federal Taxes <i>(See Page 5)</i> | (112) |
| | 5. Loss & Reserve Subject to Investment | 663,890 |
| D. | <u>Policyholders' Surplus</u> <i>(See Page 6)</i> | 1,982,000 |
| E. | <u>Net Subject to Investment</u> <i>(See Page 4)</i> | 2,957,424 |
| | (A6) - (B2) + (C5) + (D) | |
| F. | <u>Average Rate of Return</u> <i>(See Page 6)</i> | 4.5% |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Estimated Investment Earnings

| | <u>Homesaver</u> |
|---|------------------|
| G. <u>Projected Investment Earnings</u> | 133,084 |
| H. <u>Before Tax Return on Earned Premium</u> | 6.5% |
| I. <u>Federal Income Tax Provision</u> (See Page 6) | 11.6% |
| J. <u>After-Tax Return on Earned Premium</u> | 5.7% |
| K. <u>After-Tax Target Return on Earned Premium</u> (See Page 6) | 14.5% |
| L. <u>After-Tax Target Underwriting Profit (% of EP)</u> | 8.8% |
| M. <u>Before-Tax Target Underwriting Profit (% of EP)</u> (Assuming a tax rate of 35%) | 13.5% |
| N. <u>Selected Before-Tax Target Underwriting Profit</u> | <u>11.8%</u> |

The Surplus Allocation exhibit requires a 14.5% return on earned premium from underwriting and investment activities.

Since the after-tax return on homeowners earned premium from investment income is 5.7%, the difference of 8.8% is the projected underwriting after-tax gain. Assuming a tax rate of 35%, the before-tax underwriting profit is 13.5% as a percentage of earned premium.

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Explanatory Notes of Calculation of Investment Income Adjustment Factors

A. Unearned Premium Reserve

1. Direct Earned Premium from page 14 of the annual statement for the calendar-year 2010.
2. Direct Mean Unearned Premium Reserve Homesaver
 - a. Direct unearned premium reserve as of 12/09 1,013,367
 - b. Direct unearned premium reserve as of 12/10 1,154,859
 - c. Direct mean unearned premium reserve (a + b)/2 1,084,113
3. Deduction for Prepaid Expenses: Production costs and a large part of the other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expense, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures, as shown.
4. Revenue Offset: The Internal Revenue Code allows only 80% of the change in unearned premium reserve as a deduction. The limitation of the deduction is accomplished through an adjustment to statutory income whereby 20% of the unearned premium reserve change is added to statutory income for tax purposes.
 - a. Homesaver: $.35 \times .20 \times (1154859 - 1013367) =$ 9,904
5. Line (2) x (3E)
6. Net Subject to Investment (2)-(4)-(5)

B. Delayed Remission of Premium

1. Average Uncollected Balance: The ratio used is the countrywide mean premium and agents' balance in the course of collection as a percentage of earned premium. (Source: Annual Statement)

| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>Total</u> |
|--|----------------|----------------|----------------|----------------|
| Premiums & agents' balance | 1,141,692,853 | 1,044,724,603 | 1,061,941,376 | 3,248,358,832 |
| Premiums, agents' balances, & installments booked but deferred and not yet due | 4,147,635,437 | 3,824,719,200 | 3,927,837,098 | 11,900,191,735 |
| Total | 5,289,328,290 | 4,869,443,803 | 4,989,778,474 | 15,148,550,567 |
| Earned Premium | 20,388,358,051 | 20,385,737,486 | 20,345,047,670 | 61,119,143,207 |
| Ratio | 25.9% | 23.9% | 24.5% | 24.8% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Explanatory Notes of Calculation of Investment Income Adjustment Factors

C. Loss + LAE Reserve: Determined by multiplying the expected incurred Loss + LAE by the ratio of the direct mean Loss + LAE reserve to the direct incurred Loss + LAE. This countrywide ratio is determined as follows: (See Page 6)

1. Direct Earned Premium from Page 14 of the Annual Statement.
2. Permissible Incurred Loss + LAE = Expected Loss Ratio x Line C1 by line
3. Expected Mean Loss + LAE = ((Direct Mean Loss + LAE) / Direct Incurred Loss + LAE) x C2

| | <u>Homesaver</u> |
|---|------------------|
| a. Direct Paid Loss + LAE for 2010 | 115,001,984 |
| b. Direct Loss + LAE Reserve as of 12/09 | 62,147,610 |
| c. Direct Loss + LAE Reserve as of 12/10 | 58,393,198 |
| d. Direct Incurred Loss + LAE = a - b + c | 111,247,572 |
| e. Direct Mean Loss + LAE Reserve = (b + c)/2 | 60,270,404 |
| f. State Reserve Ratio = e / d | 0.5418 |

4. Deduction for Federal Taxes (See Page 5)
5. Loss Reserve Subject to Investment = C3 - C4

D. Policyholders' Surplus (See Page 6)

E. Net Subject to Investment = A6 - B2 + C5 + D

F. Average Rate of Return (See Page 6)

G. Projected Investment Earnings = E x F

H. Before-Tax Return of Earned Premium = G / A1

I. Federal Income Tax Provision (See Page 6)

J. After-Tax Return on Earned Premium = (G - (G x I)) / Direct Earned Premium

K. After-Tax Target Return on Earned Premium (See Page 6)

L. After-Tax Target Underwriting Profit = K - J

M. Before-Tax Target Underwriting Profit = L / 0.35 (Assuming a tax rate of 35%)

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Deduction for Federal Taxes Payable on Loss Reserves

Homeowner's (*Countrywide*)

| <u>Year of Loss</u> | <u>Statutory Reserves (<i>Undiscounted</i>)</u> | | <u>Tax Reserves (<i>Discounted</i>)</u> | |
|---|---|-------------|---|-------------|
| | <u>2009</u> | <u>2010</u> | <u>2009</u> | <u>2010</u> |
| 1999 & Prior | 4,959,452 | 2,809,533 | 4,783,771 | 2,702,422 |
| 2000 | 461,192 | 644,169 | 411,012 | 589,982 |
| 2001 | 1,319,251 | 1,634,434 | 1,145,312 | 1,456,689 |
| 2002 | 1,655,820 | 1,895,612 | 1,475,774 | 1,650,587 |
| 2003 | 3,896,307 | 2,986,399 | 3,420,942 | 2,682,205 |
| 2004 | 6,516,713 | 4,343,330 | 5,775,352 | 3,833,319 |
| 2005 | 52,007,837 | 36,428,791 | 45,298,930 | 32,528,306 |
| 2006 | 20,646,200 | 12,150,198 | 18,781,807 | 10,613,869 |
| 2007 | 43,795,370 | 26,519,661 | 39,750,254 | 23,916,539 |
| 2008 | 167,173,376 | 86,784,092 | 151,143,121 | 78,331,208 |
| 2009 | 462,247,846 | 139,081,381 | 431,455,206 | 125,269,621 |
| 2010 | | 673,279,138 | | 630,377,001 |
| Total | 764,679,364 | 988,556,739 | 703,441,481 | 913,951,748 |
| | | | <u>2009</u> | <u>2010</u> |
| Ratio of Discounted to Statutory Reserves: | | | 0.9199 | 0.9245 |
| Arkansas Liability Loss + ALAE Reserve as of 12/09 x 1.105 = | | | | 367,625 |
| Arkansas Liability Loss + ALAE Reserve as of 12/10 x 1.105 = | | | | 385,790 |
| Deduction for Federal Taxes Payable = | | | | (112) |
| .35 x [385790 - 367625 - (385790 x 0.9245) + (367625 x 0.9199)] | | | | |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Calculation of Investment Income Adjustment Factors
Surplus Allocation

| | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|---|----------------|----------------|----------------|
| 1. Year End Property Casualty Policyholder Surplus | 20,858,817,016 | 22,537,881,673 | 19,510,628,060 |
| 2. Direct Written Premium | 21,807,760,458 | 21,409,548,233 | 21,541,288,707 |
| 3. Premium to Surplus Ratio | 1.05 | 0.95 | 1.10 |
| 4. Three Year Average | | | 1.03 |
| 5. Earned Premium | | | 2,047,630 |
| 6. Allocated Equity | | | 1,982,000 |
| 7. Target Return on Equity | | | 15.0% |
| 8. Return on Earned Premium | | | 14.5% |

The average rate of return is based on the three year average ratio of net investment income to invested assets.

Source: Annual Statement

| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>Total</u> |
|---------------------------------|----------------|----------------|----------------|-----------------|
| 1. Net Investment Income Earned | 3,574,998,236 | 2,891,400,227 | 3,211,248,419 | 9,677,646,882 |
| 2. Net Realized Capital Gains | (425,622,764) | (260,109,058) | (146,038,854) | (831,770,676) |
| 3. Invested Assets | 66,119,523,020 | 65,839,247,614 | 64,670,591,711 | 196,629,362,345 |
| 4. Ratio | 4.8% | 4.0% | 4.7% | 4.5% |

Federal Income Tax Provision

Detailed below is the calculation of the federal income tax rate on net investment income earned for The Travelers Property Casualty Corp. for 2010

| | (In Thousands) |
|--|----------------|
| 1. Statutory net investment income | 4,641,433 |
| 2. Dividends from Affiliates | (1,742,056) |
| 3. Tax exempt interest | (1,577,345) |
| 4. 70% Dividends received deduction | (6,138) |
| 5. 42% Dividends received deduction | (2,059) |
| 6. 15% Proration adj. on TEI | 237,526 |
| 7. Other Adjustments | (9,554) |
| 8. Taxable net investment income (1+2+3+4+5+6+7) | 1,541,807 |
| 9. Tax on net investment income (8 x .35) | 539,632 |
| 10. FIT rate on NII (9 / 1) | 11.6% |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICATrended Ultimate Losses
All Forms Combined

All Price Tracks Combined

| Accident Year Ending 6/30 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-----------|-----------|-----------|-----------|-----------|
| (1) Earned Premium | 1,167,650 | 1,529,285 | 1,899,395 | 2,225,796 | 2,322,777 |
| (2) Earned Premium at Current Rates Factor | 1.520 | 1.478 | 1.352 | 1.182 | 1.080 |
| (3) Earned Premium at Current Rates (1) x (2) | 1,774,582 | 2,259,750 | 2,568,417 | 2,630,216 | 2,509,020 |
| (4) Premium Trend Factor | 0.991 | 0.985 | 0.978 | 0.972 | 0.966 |
| (5) Trended Earned Premium at Current Rates (3) x (4) | 1,758,722 | 2,224,974 | 2,512,428 | 2,556,130 | 2,422,473 |
| (6) Incurred Losses & ALAE | 776,863 | 869,370 | 879,833 | 1,090,775 | 760,896 |
| (7) Loss Development Factor | 1.000 | 1.000 | 1.000 | 1.005 | 1.098 |
| (8) Ultimate Losses & ALAE (6) x (7) | 776,863 | 869,473 | 879,937 | 1,096,712 | 835,669 |
| (9) Unallocated Factor + 1.000 | 1.105 | 1.105 | 1.105 | 1.105 | 1.105 |
| (10) Ultimate Losses & LAE (8) x (9) | 858,434 | 960,768 | 972,331 | 1,211,867 | 923,415 |
| (11) Loss Trend Factor | 1.296 | 1.240 | 1.186 | 1.135 | 1.086 |
| (12) Trended Ultimate Losses & LAE (10) x (11) | 1,112,178 | 1,191,159 | 1,153,583 | 1,375,858 | 1,003,227 |

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-661

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 109 | 43 |
| 31 | 150 | 56 |
| 32 | 112 | 45 |
| 33 | 146 | 54 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-661

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 120 | 47 |
| 31 | 165 | 62 |
| 32 | 123 | 50 |
| 33 | 161 | 59 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-662

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 36 | 16 |
| 31 | 37 | 16 |
| 32 | 37 | 16 |
| 33 | 41 | 17 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-662

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 39 | 17 |
| 31 | 40 | 17 |
| 32 | 40 | 17 |
| 33 | 44 | 18 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-663

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 168 | 64 |
| 31 | 175 | 66 |
| 32 | 172 | 66 |
| 33 | 187 | 71 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-663

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 185 | 70 |
| 31 | 193 | 73 |
| 32 | 189 | 73 |
| 33 | 206 | 78 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-664

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 40 | 17 |
| 31 | 45 | 18 |
| 32 | 49 | 19 |
| 33 | 43 | 18 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-664

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 43 | 18 |
| 31 | 48 | 19 |
| 32 | 53 | 20 |
| 33 | 46 | 19 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-665

Current Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 36 | 16 |
| 31 | 37 | 16 |
| 32 | 37 | 16 |
| 33 | 41 | 17 |

ARKANSAS HOMESAVER

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Fire and Other Allied Lines Base Rate Revision
Base Class Premium Table: Form HS-665

Proposed Base Rates

| Territory | Regular | |
|-----------|---------|--------------------|
| | Fire | Other Allied Lines |
| 30 | 39 | 17 |
| 31 | 40 | 17 |
| 32 | 40 | 17 |
| 33 | 44 | 18 |

NAIC Number: 19062
 Company Name: The Automobile Insurance Company of Hartford, Connecticut
 Contact Person: Stephanie Gagnon
 Telephone No.: 860-954-2496
 Email Address: sgagnon@travelers.com
 Effective Date: 1/25/2013

**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 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 6 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 9 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |

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

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

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

| Public Protection Class | Dwelling Value | Washington | | Baxter | | Craighead | | St. Francis | | Arkansas | | Union | | Miller | | Sebastian | | Pulaski | |
|-------------------------|----------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame |
| 3 | \$80,000 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$595.00 | \$709.00 |
| | \$120,000 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$793.00 | \$945.00 |
| | \$160,000 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$981.00 | \$1,170.00 |
| 6 | \$80,000 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$799.00 | \$960.00 |
| | \$120,000 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,065.00 | \$1,280.00 |
| | \$160,000 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,318.00 | \$1,584.00 |
| 9 | \$80,000 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,456.00 | \$1,843.00 |
| | \$120,000 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$1,942.00 | \$2,457.00 |
| | \$160,000 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,402.00 | \$3,040.00 |

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

HO3 and HO4 only

| | | | | | |
|-------------------|----------------------|---|--------------------|----------------------|---|
| Fire Extinguisher | <input type="text"/> | % | Deadbolt Lock | <input type="text"/> | % |
| Burglar Alarm | <input type="text"/> | % | Window Locks | <input type="text"/> | % |
| Smoke Alarm | <input type="text"/> | % | \$1,000 Deductible | <input type="text"/> | % |
| | | | Other (specify) | <input type="text"/> | % |

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? %

Zone Brick Frame

| | | | | | | | | | |
|--|-------------------------------|--|---|---|--------------|----|--|----|--|
| | | | % | WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? | Highest Risk | \$ | | \$ | |
| | <i>Maximum Credit Allowed</i> | | % | | Lowest Risk | \$ | | \$ | |

I

NAIC Number: 25666
 Company Name: The Travelers Indemnity Company of America
 Contact Person: Stephanie Gagnon
 Telephone No.: 860-954-2496
 Email Address: sgagnon@travelers.com
 Effective Date: 1/25/2013

**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 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 6 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |
| 9 | \$80,000 | | | | | | | | | | | | | | | | | | |
| | \$120,000 | | | | | | | | | | | | | | | | | | |
| | \$160,000 | | | | | | | | | | | | | | | | | | |

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

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

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

| Public Protection Class | Dwelling Value | Washington | | Baxter | | Craighead | | St. Francis | | Arkansas | | Union | | Miller | | Sebastian | | Pulaski | |
|-------------------------|----------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame | Brick | Frame |
| 3 | \$80,000 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$636.00 | \$758.00 | \$595.00 | \$709.00 |
| | \$120,000 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$848.00 | \$1,011.00 | \$793.00 | \$945.00 |
| | \$160,000 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$1,049.00 | \$1,251.00 | \$981.00 | \$1,170.00 |
| 6 | \$80,000 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$853.00 | \$1,024.00 | \$799.00 | \$960.00 |
| | \$120,000 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,137.00 | \$1,366.00 | \$1,065.00 | \$1,280.00 |
| | \$160,000 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,407.00 | \$1,690.00 | \$1,318.00 | \$1,584.00 |
| 9 | \$80,000 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,556.00 | \$1,967.00 | \$1,456.00 | \$1,843.00 |
| | \$120,000 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$2,073.00 | \$2,623.00 | \$1,942.00 | \$2,457.00 |
| | \$160,000 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,565.00 | \$3,246.00 | \$2,402.00 | \$3,040.00 |

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

HO3 and HO4 only

| | | | | | |
|-------------------|----------------------|---|--------------------|----------------------|---|
| Fire Extinguisher | <input type="text"/> | % | Deadbolt Lock | <input type="text"/> | % |
| Burglar Alarm | <input type="text"/> | % | Window Locks | <input type="text"/> | % |
| Smoke Alarm | <input type="text"/> | % | \$1,000 Deductible | <input type="text"/> | % |
| | | | Other (specify) | <input type="text"/> | % |

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? %

Zone Brick Frame

| | | | | | | | | | |
|--|-------------------------------|--|---|---|--------------|----|--|----|--|
| | | | % | WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE? | Highest Risk | \$ | | \$ | |
| | <i>Maximum Credit Allowed</i> | | % | | Lowest Risk | \$ | | \$ | |

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