

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Filing at a Glance

Company: Auto Club Family Insurance Company
 Product Name: Homeowners
 State: Arkansas
 TOI: 04.0 Homeowners
 Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Filing Type: Rate/Rule
 Date Submitted: 04/15/2013
 SERFF Tr Num: AAAM-128926323
 SERFF Status: Closed-Filed
 State Tr Num:
 State Status:
 Co Tr Num: AR130415XRMXX110

 Effective Date: 08/15/2013
 Requested (New):
 Effective Date: 08/15/2013
 Requested (Renewal):
 Author(s): Debbie Furman, Katina Arras, Dennis Kettler
 Reviewer(s): Becky Harrington (primary)
 Disposition Date: 05/22/2013
 Disposition Status: Filed
 Effective Date (New): 08/15/2013
 Effective Date (Renewal): 08/15/2013

State Filing Description:
 meeting 5/8/13

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
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General Information

Project Name: Status of Filing in Domicile:
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 05/22/2013
 State Status Changed: 05/16/2013 Deemer Date:
 Created By: Katina Arras Submitted By: Katina Arras
 Corresponding Filing Tracking Number: AAAM-128979508

Filing Description:

The Auto Club Family Insurance Company is filing changes to our Rules and Rates Manual to be effective August 15, 2013 for New Business and Renewals.

The revised Rules and Rates Manual reflects a change in homeowners insurance rates which will result in an overall rate increase of 14.9% or an annual premium increase of approximately \$1,331,047 based on a total inforce annual premium of \$8,933,638 in Arkansas.

With this rate change, we are eliminating our Arkansas Homeowner Insurance Score Model. Tiering in our current model is based on financial responsibility score, policyholder age, prior claims, presence of swimming pool, the age of home and prior insurance. Not all variables were used for each policy form. The variables previously used in our Insurance Score Model will now be individual rating components as explained in the memorandum.

Please find the complete details of this filing in the Actuarial and Explanatory Memorandums.

Company and Contact

Filing Contact Information

Katina Arras, kaaras@aaamissouri.com
 12901 North Forty Drive 314-523-7350 [Phone] 5236 [Ext]
 St. Louis, MO 63141 314-523-6940 [FAX]

Filing Company Information

Auto Club Family Insurance Company	CoCode: 27235	State of Domicile: Missouri
12901 North Forty Drive	Group Code:	Company Type:
St. Louis, MO 63141	Group Name:	State ID Number:
(314) 523-7350 ext. 5233[Phone]	FEIN Number: 43-1453212	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	Rate & Rule = \$100.00
Per Company:	No

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
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Company	Amount	Date Processed	Transaction #
Auto Club Family Insurance Company	\$100.00	04/15/2013	69363499

SERFF Tracking #:

AAAM-128926323

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

AR130415XRMXX110

State: Arkansas**Filing Company:**

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations**Product Name:** Homeowners**Project Name/Number:** /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	05/22/2013	05/22/2013

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	05/08/2013	05/08/2013
No response necessary	Becky Harrington	05/06/2013	05/06/2013
Pending Industry Response	Becky Harrington	04/22/2013	04/22/2013

Response Letters

Responded By	Created On	Date Submitted
Katina Arras	05/20/2013	05/22/2013
Katina Arras	04/26/2013	04/29/2013

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Disposition

Disposition Date: 05/22/2013

Effective Date (New): 08/15/2013

Effective Date (Renewal): 08/15/2013

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):
Auto Club Family Insurance Company	33.600%	10.000%	\$894,511	10,200	\$8,933,638	25.000%	0.600%

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 (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Explanatory Memorandum	Filed	Yes
Supporting Document	Actuarial Memorandum	Filed	Yes
Supporting Document (revised)	Actuarial Justification	Filed	Yes
Supporting Document	Actuarial Justification		Yes
Supporting Document (revised)	ARKANSAS INSURANCE SCORE MODEL - EXHIBIT L	Filed	No
Supporting Document	Arkansas Insurance Score Model - Exhibit L		No

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Exhibit 1 - Histogram of Rate Increases	Filed	Yes
Supporting Document	Actuarial Response to Objection - 05-08-2013	Filed	Yes
Rate (revised)	Table of Contents	Filed	Yes
Rate	Table of Contents		Yes
Rate	Table of Contents		Yes
Rate (revised)	Index	Filed	Yes
Rate	Index		Yes
Rate	Index		Yes
Rate (revised)	Optional Endorsements	Filed	Yes
Rate	Optional Endorsements		Yes
Rate (revised)	Discounts/Surcharges	Filed	Yes
Rate	Discounts/Surcharges		Yes
Rate	Auto/Home Discount	Filed	Yes
Rate (revised)	Age of Home/Modernization Rating Factors	Filed	Yes
Rate	Age of Home/Modernization Rating Factors		Yes
Rate (revised)	Roof Rating Factors	Filed	Yes
Rate	Roof Rating Factors		Yes
Rate (revised)	Claim Rating Surcharge	Filed	Yes
Rate	Claim Rating Surcharge		Yes
Rate (revised)	Mature Policyholder Discount	Filed	Yes
Rate	Mature Policyholder Discount		Yes
Rate (revised)	Prior Insurance Discount	Filed	Yes
Rate	Prior Insurance Discount		Yes

SERFF Tracking #:

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State: Arkansas

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Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate (revised)	Swimming Pool Surcharge	Filed	Yes
Rate	Swimming Pool Surcharge		Yes
Rate	Base Premium Adjustments	Filed	Yes
Rate	Deductibles	Filed	Yes
Rate (revised)	Premier Select Factor	Filed	Yes
Rate	Premier Select Factor		Yes
Rate (revised)	Consumer Insurance Score (CIS)	Filed	Yes
Rate	Consumer Insurance Score (CIS)		Yes
Rate	Earthquake Coverage (CO 04 54)	Filed	Yes
Rate (revised)	Windstorm or Hail Percentage Deductible (CO 03 12)	Filed	Yes
Rate	Windstorm or Hail Percentage Deductible (CO 03 12)		Yes
Rate	Windstorm or Hail Percentage Deductible (CO 03 12)		Yes
Rate (revised)	Roof Surfaces (CO 00 17 & CO 00 18)	Filed	Yes
Rate	Roof Surfaces (CO 00 17 & CO 00 18)		Yes
Rate (revised)	Calculation of Premium Summary	Filed	Yes
Rate	Calculation of Premium Summary		Yes
Rate	Calculation of Premium Summary		Yes
Rate (revised)	Arkansas Home Rates	Filed	Yes
Rate	Arkansas Home Rates		Yes

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
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Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	05/08/2013
Submitted Date	05/08/2013
Respond By Date	

Dear Katina Arras,

Introduction:

This will acknowledge review of the requested increase by the Commissioner.

Please amend the overall increase to 10% and cap individual increases at no more than 25%.

Please provide amended forms HPCS and RF-1.

Conclusion:

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

Arkansas does not allow 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 **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Objection Letter

Objection Letter Status	No response necessary
Objection Letter Date	05/06/2013
Submitted Date	05/06/2013
Respond By Date	

Dear Katina Arras,

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:

Arkansas does not allow 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."

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*Sincerely,
Becky Harrington*

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/22/2013
Submitted Date 04/22/2013
Respond By Date

Dear Katina Arras,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- NAIC loss cost data entry document (Supporting Document)

Comments: Please provide a histogram/disruption chart detailing the number of insureds receiving greater than a 25% increase. Indicate the changes in this filing driving the 87.6% maximum change.

Objection 2

- Explanatory Memorandum (Supporting Document)

- Windstorm or Hail Percentage Deductible (CO 03 12), Rule 35.6A (Rate)

Comments: Arkansas does not allow mandatory separate wind/hail deductibles. Please amend rule 35.6A accordingly.

Objection 3

- Arkansas Insurance Score Model - Exhibit L (Supporting Document)

Comments: Pursuant to ACA 23-67-405, no-hits and thin files must be treated as credit neutral. Please verify compliance.

Objection 4

- Actuarial Justification (Supporting Document)

Comments: Please clarify whether the incurred losses shown on Exhibit G are swimming pool related losses or all loss types where a swimming pool was present on the premises.

Objection 5

- Optional Endorsements, Rule 15.4B (Rate)

Comments: Please remove the roof surfaces endorsements (CO 00 17 and CO 00 18) from the list of available optional endorsements.

Objection 6

- Claim Rating Surcharge, Rule 25.6F (Rate)

Comments: Please provide the number of insureds impacted by the change in claim rating surcharges.

Objection 7

- Roof Surfaces (CO 00 17 & CO 00 18), Rule 35.6D (Rate)

Comments: Please withdraw this rule, AR is not allowing these type of endorsements. Prescheduled valuation/depreciation is not acceptable. Depreciation must be considered on a case-by-case basis. It is also the Department's position that depreciation of labor is prohibited.

Conclusion:

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

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TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

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*Sincerely,
Becky Harrington*

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/20/2013
Submitted Date	05/22/2013

Dear Becky Harrington,

Introduction:

The Auto Club Family Insurance Company is submitting the following response to the objection dated May 8, 2013:

Response 1

Comments:

We revised our Rules, Rates and Exhibits to meet the Commissioners request to amend the overall rate increase to no more than 10% and cap individual increases at no more than 25% . Please see the Actuarial response for the explanation of these changes.

Changed Items:

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Supporting Document Schedule Item Changes

Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Since we no longer offer a \$500 flat deductible we rated with a \$1,000 flat deductible.
Attachment(s):	HO Survey FORM HPCS 2013 Revised_2.xls HO Survey FORM HPCS 2013 Revised_2.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>HPCS-Homeowners Premium Comparison Survey</i>
Comments:	<i>Since we no longer offer a \$500 flat deductible we rated with a \$1,000 flat deductible.</i>
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Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	NAIC Loss Cost Data_REVISED.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>NAIC loss cost data entry document</i>
Comments:	
Attachment(s):	<i>NAIC Loss Cost Data.pdf</i>

Satisfied - Item:	Actuarial Justification
Comments:	
Attachment(s):	Exhibit A - AR Home Indication - Filing - Final.pdf Exhibit B - Underwriting Profit Provision.pdf Exhibit D - Age of Home Loss Experience_REVISED.pdf Exhibit E - Insurance Score Loss Experience_REVISED.pdf Exhibit F - Prior Claims Loss Experience_REVISED.pdf Exhibit J - Roof Type Loss Experience_REVISED.pdf Exhibit K - Form Loss Experience_REVISED.pdf

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
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Previous Version

Satisfied - Item: Actuarial Justification

Comments:**Attachment(s):**

Exhibit A - AR Home Indication - Filing - Final.pdf
Exhibit B - Underwriting Profit Provision.pdf
Exhibit D - Age of Home Loss Experience.pdf
Exhibit E - CIS Loss Experience.pdf
Exhibit F - Prior Chargeable Claims Loss Experience.pdf
Exhibit G - Swimming Pool Loss Experience.pdf
Exhibit H - Policyholder Age Loss Experience.pdf
Exhibit I - Prior Insurance Loss Experience (HO4 Only).pdf
Exhibit J - Roof Type Loss Experience.pdf
Exhibit K - Form Loss Experience.pdf

Satisfied - Item: ARKANSAS INSURANCE SCORE MODEL - EXHIBIT L

Comments: We are not revising Exhibit L with this filing.

Attachment(s):*Previous Version*

Satisfied - Item: Arkansas Insurance Score Model - Exhibit L

Comments:

Attachment(s): ARKANSAS INSURANCE SCORE MODEL - Exhibit L.pdf

Satisfied - Item: Actuarial Response to Objection - 05-08-2013

Comments:

Attachment(s): Actuarial Memo - AR DOI response 5 8 13.pdf

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

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State: Arkansas

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Auto Club Family Insurance Company

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Comments:

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State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

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Comments: We are not revising Exhibit L with this filing.

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Satisfied - Item: Arkansas Insurance Score Model - Exhibit L

Comments:

Attachment(s): ARKANSAS INSURANCE SCORE MODEL - Exhibit L.pdf

Satisfied - Item: Actuarial Response to Objection - 05-08-2013

Comments:

Attachment(s): Actuarial Memo - AR DOI response 5 8 13.pdf

No Form Schedule items changed.

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Table of Contents		Withdrawn	AAAM-127035243	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
1	Table of Contents		Replacement	AAAM-127035243	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
1	Table of Contents		Replacement	AAAM-127035243	04/15/2013 By: Katina Arras
2	Index		Withdrawn	AAAM-127035243	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
2	Index		Replacement	AAAM-127035243	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
2	Index		Replacement	AAAM-127035243	04/15/2013 By: Katina Arras
3	Discounts/Surcharges	Rule 25.6	Replacement	A03103XRMXT077	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
3	Discounts/Surcharges	Rule 25.6	Replacement	A03103XRMXT077	04/15/2013 By: Katina Arras
4	Age of Home/Modernization Rating Factors	Rule 25.6C	Replacement	AAAM-127019890	05/22/2013 By: Katina Arras
<i>Previous Version</i>					

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Schedule Item Changes

4	Age of Home/Modernization Rating Factors	Rule 25.6C	Replacement	AAAM-127019890	04/15/2013 By: Katina Arras
5	Roof Rating Factors	Rule 25.6D	Replacement	AR051222XRMXT088	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
5	Roof Rating Factors	Rule 25.6D	Replacement	AR051222XRMXT088	04/15/2013 By: Katina Arras
6	Claim Rating Surcharge	Rule 25.6F	Replacement	AAAM-128093352	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
6	Claim Rating Surcharge	Rule 25.6F	Replacement	AAAM-128093352	04/15/2013 By: Katina Arras
7	Mature Policyholder Discount	Rule 25.6G	Withdrawn		05/22/2013 By: Katina Arras
<i>Previous Version</i>					
7	Mature Policyholder Discount	Rule 25.6G	New		04/15/2013 By: Katina Arras
8	Prior Insurance Discount	Rule 25.6H	Withdrawn		05/22/2013 By: Katina Arras
<i>Previous Version</i>					
8	Prior Insurance Discount	Rule 25.6H	New		04/15/2013 By: Katina Arras
9	Swimming Pool Surcharge	Rule 25.6I	Withdrawn		05/22/2013 By: Katina Arras
<i>Previous Version</i>					

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Schedule Item Changes

9	Swimming Pool Surcharge	Rule 25.6I	New		04/15/2013 By: Katina Arras
10	Premier Select Factor	Rule 30.2F	Replacement	A041028XRMXT077	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
10	Premier Select Factor	Rule 30.2F	Replacement	A041028XRMXT077	04/15/2013 By: Katina Arras
11	Consumer Insurance Score (CIS)	Rule 30.2G	Replacement	AAAM-126541527	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
11	Consumer Insurance Score (CIS)	Rule 30.2G	Replacement	AAAM-126541527	04/15/2013 By: Katina Arras
12	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
12	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
12	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	04/15/2013 By: Katina Arras
13	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	05/22/2013 By: Katina Arras
<i>Previous Version</i>					

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Schedule Item Changes

13	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
13	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	04/15/2013 By: Katina Arras
14	Arkansas Home Rates	Exhibit C	Replacement	AAAM-128093352	05/22/2013 By: Katina Arras
<i>Previous Version</i>					
14	Arkansas Home Rates	Exhibit C	Replacement	AAAM-128093352	04/15/2013 By: Katina Arras

Conclusion:

Thank you in advance for your time and consideration. Please contact me if you have any questions.

Sincerely,

Katina Arras

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 04/26/2013
 Submitted Date 04/29/2013

Dear Becky Harrington,

Introduction:

The Auto Club Family Insurance Company is submitting the following response to the objections dated April 22, 2013:

Response 1

Comments:

Changes in this filing that are driving the 87.6% maximum change are the wood roof surcharge, the change in the homeowners tiering structure, the age of home factor changes, and the mature policyholder age discount. This policy has a wood roof, a 15 year old home, and does not qualify for the mature policyholder age discount.

A histogram chart of insureds with rate increases greater than 25% is attached in Exhibit 1.

Related Objection 1

Applies To:

- NAIC loss cost data entry document (Supporting Document)

Comments: Please provide a histogram/disruption chart detailing the number of insureds receiving greater than a 25% increase. Indicate the changes in this filing driving the 87.6% maximum change.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Exhibit 1 - Histogram of Rate Increases
Comments:	
Attachment(s):	Exhibit 1 - Histogram of Rate Increases.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rule 35.6A has been amended. Please see attached.

Related Objection 2

Applies To:

- Windstorm or Hail Percentage Deductible (CO 03 12), Rule 35.6A (Rate)
- Explanatory Memorandum (Supporting Document)

Comments: Arkansas does not allow mandatory separate wind/hail deductibles. Please amend rule 35.6A accordingly.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
1	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	04/15/2013 By: Katina Arras

Response 3

Comments:

The median credit score on our book of business is 729. A risk with this score would be assigned to CIS tier 8 and rated with a CIS tier factor of 0.94. No-hits and thin files are rated with the same CIS factor of 0.94.

Related Objection 3

Applies To:

- Arkansas Insurance Score Model - Exhibit L (Supporting Document)

Comments: Pursuant to ACA 23-67-405, no-hits and thin files must be treated as credit neutral. Please verify compliance.

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4**Comments:**

The incurred losses on Exhibit G are all loss types where a swimming pool was present on the premises.

Related Objection 4

Applies To:

- Actuarial Justification (Supporting Document)

Comments: Please clarify whether the incurred losses shown on Exhibit G are swimming pool related losses or all loss types where a swimming pool was present on the premises.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5**Comments:**

The roof surfaces endorsement has been removed from the list of available optional endorsements. Please see attached.

Related Objection 5

Applies To:

- Optional Endorsements, Rule 15.4B (Rate)

Comments: Please remove the roof surfaces endorsements (CO 00 17 and CO 00 18) from the list of available optional endorsements.

Changed Items:

No Supporting Documents changed.

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

No Form Schedule items changed.

Rate Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Optional Endorsements	Rule 15.4B	Replacement	AAAM-128641718	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
1	Optional Endorsements	Rule 15.4B	Replacement	AAAM-128641718	04/15/2013 By: Katina Arras

Response 6

Comments:

The claim rating surcharge is based on the number of chargeable paid claims in the past three years. The number of policies with 1 claim, 2 claims, 3 claims, and at least 4 claims is 548, 12, 1, and 0 respectively. There are 561 policies being impacted by the change in the claim rating surcharge.

Related Objection 6

Applies To:

- Claim Rating Surcharge, Rule 25.6F (Rate)

Comments: Please provide the number of insureds impacted by the change in claim rating surcharges.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 7

Comments:

The roof surfaces rule has been withdrawn. We had to also update the Table of Contents, Index, and Rule 40.1 - Calculation of Premium Summary to remove the reference to Rule 35.6 D - Roof Surfaces (CO 00 17 & CO 00 18). Please see attached.

Related Objection 7

Applies To:

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

- Roof Surfaces (CO 00 17 & CO 00 18), Rule 35.6D (Rate)

Comments: Please withdraw this rule, AR is not allowing these type of endorsements. Prescheduled valuation/depreciation is not acceptable. Depreciation must be considered on a case-by-case basis. It is also the Department's position that depreciation of labor is prohibited.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Table of Contents		Replacement	AAAM-127035243	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
1	Table of Contents		Replacement	AAAM-127035243	04/15/2013 By: Katina Arras
2	Index		Replacement	AAAM-127035243	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
2	Index		Replacement	AAAM-127035243	04/15/2013 By: Katina Arras
3	Roof Surfaces (CO 00 17 & CO 00 18)	Rule 35.6D	Withdrawn		04/29/2013 By: Katina Arras
<i>Previous Version</i>					
3	Roof Surfaces (CO 00 17 & CO 00 18)	Rule 35.6D	New		04/15/2013 By: Katina Arras
4	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	04/29/2013 By: Katina Arras
<i>Previous Version</i>					
4	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	04/15/2013 By: Katina Arras

Conclusion:

Thank you in advance for your time and consideration in this matter. Please let me know if you have any questions.

Sincerely,

Katina Arras

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Post Submission Update Request Processed On 05/22/2013

Status: Allowed
 Created By: Katina Arras
 Processed By: Becky Harrington
 Comments: per dept request

Company Rate Information:

Company Name:Auto Club Family Insurance Company

Field Name	Requested Change	Prior Value
Overall % Rate Impact	10.000%	14.900%
Written Premium Change for this Program	\$894511	\$1331047
Maximum %Change (where required)	25.000%	87.600%
Minimum %Change (where required)	0.600%	-31.600%

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas

Filing Company: Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: File & Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 9.000%

Effective Date of Last Rate Revision: 06/15/2012

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):
Auto Club Family Insurance Company	33.600%	10.000%	\$894,511	10,200	\$8,933,638	25.000%	0.600%

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

Rate/Rule Schedule

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 05/22/2013	Table of Contents		Withdrawn	AAAM-127035243	HOMEAR.TOC_081513_filed.pdf
2	Filed 05/22/2013	Index		Withdrawn	AAAM-127035243	HOMEAR.DEX_filed 081513.pdf
3	Filed 05/22/2013	Optional Endorsements	Rule 15.4B	Replacement	AAAM-128641718	Rule 15.4B.pdf
4	Filed 05/22/2013	Discounts/Surcharges	Rule 25.6	Replacement	A03103XRMXT077	Rule 25.6_REVISIED.pdf
5	Filed 05/22/2013	Auto/Home Discount	Rule 25.6A	Replacement	AAAM-126015041	Rule 25.6A.pdf
6	Filed 05/22/2013	Age of Home/Modernization Rating Factors	Rule 25.6C	Replacement	AAAM-127019890	Rule 25.6C_REVISIED.pdf
7	Filed 05/22/2013	Roof Rating Factors	Rule 25.6D	Replacement	AR051222XRMXT088	Rule 25.6D_REVISIED.pdf
8	Filed 05/22/2013	Claim Rating Surcharge	Rule 25.6F	Replacement	AAAM-128093352	Rule 25.6F_REVISIED.pdf
9	Filed 05/22/2013	Mature Policyholder Discount	Rule 25.6G	Withdrawn		Rule 25.6G.pdf
10	Filed 05/22/2013	Prior Insurance Discount	Rule 25.6H	Withdrawn		Rule 25.6H.pdf
11	Filed 05/22/2013	Swimming Pool Surcharge	Rule 25.6I	Withdrawn		Rule 25.6I.pdf
12	Filed 05/22/2013	Base Premium Adjustments	Rule 30.2	Replacement	A000929XRMXT047	Rule 30.2.pdf
13	Filed 05/22/2013	Deductibles	Rule 30.2A	Replacement	AAAM-126015041	Rule 30.2A.pdf
14	Filed 05/22/2013	Premier Select Factor	Rule 30.2F	Replacement	A041028XRMXT077	Rule 30.2F_REVISIED.pdf
15	Filed 05/22/2013	Consumer Insurance Score (CIS)	Rule 30.2G	Replacement	AAAM-126541527	Rule 30.2G_REVISIED.pdf
16	Filed 05/22/2013	Earthquake Coverage (CO 04 54)	Rule 35.3H	Replacement	AAAM-128093352	Rule 35.3H.pdf
17	Filed 05/22/2013	Windstorm or Hail Percentage Deductible (CO 03 12)	Rule 35.6A	Replacement	AAAM-126015041	Rule 35.6A_REVISIED.pdf

SERFF Tracking #:

AAAM-128926323

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

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

18	Filed 05/22/2013	Roof Surfaces (CO 00 17 & CO 00 18)	Rule 35.6D	Withdrawn		
19	Filed 05/22/2013	Calculation of Premium Summary	Rule 40.1	Replacement	AAAM-126015041	Rule 40.1_REVISED.pdf
20	Filed 05/22/2013	Arkansas Home Rates	Exhibit C	Replacement	AAAM-128093352	Exhibit C - AR Home Rate Pages 08-15-2013 - Final_REVISED.pdf

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	10.3 FAIR CREDIT REPORTING ACT/PRIVACY LAWS
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35.4	COVERAGE D - LOSS OF USE

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SECTION 15
POLICY FORMS
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RULE 15.4B - OPTIONAL ENDORSEMENTS

Various optional endorsements may be added to the policy. These endorsements may reflect a reduction in premium due to a specific discount being applied or an increase in premium due to an increase in coverage. The listing below indicates the endorsement number, edition date, title and applicable manual rule number(s).

<u>END. #</u>	<u>EDITION</u>	<u>DESCRIPTION</u>	<u>RULE NUMBER(S)</u>
CO 00 03	07/05	RESIDENCE GLASS COVERAGE ENDORSEMENT	35.1C
CO 00 06	07/11	WATERBED LIABILITY - PREMIER RENTERS POLICY	35.7D
CO 00 08	07/11	INCREASED LIMITS ON BUSINESS PROPERTY ON OR OFF THE RESIDENCE PREMISES	35.3D8
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RULE 25.6 - DISCOUNTS/SURCHARGES

There are several discounts/surcharges that may be applied to the policy being rated. A detailed description and criteria for each discount/surcharge appears in [Rules 25.6A](#) through [25.6F](#).



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RULE 25.6A
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RULE 25.6A - AUTO/HOME DISCOUNT

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - YES, Premier Renters - YES*

Policies issued to an individual who is also a named insured on an automobile insurance policy issued by the Automobile Club Inter-Insurance Exchange, the Auto Club Family Insurance Company or an ACE affiliate are eligible for a discount of 25% applied to the base premium. This discount will be indicated on the Declarations Certificate.



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RULE 25.6C - AGE OF HOME/MODERNIZATION RATING FACTORS

*Applies To: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

The Age of Home/Modernization Rating Factor will be applied to all dwellings depending on the calendar year in which the dwelling was completed or the calendar year in which the modernization was completed. The factor will be applied to the base premium. The year in which the home was completed is the earliest of the following:

- 1) The year the dwelling was substantially completed;
- 2) The year the dwelling was occupied; or
- 3) The effective date of the policy.

The Age of Home Rating Factor will be taken into consideration first. If the year the dwelling is constructed is 9 years or greater, the Modernization Rating Factor will also be taken into consideration if applicable. If the Modernization Rating Factor(s) applies, both the Age of Home Rating Factor and the Modernization Rating Factor(s) will be used in rating the policy. If no Modernization Rating Factor applies, only the Age of Home Rating Factor will be used. The Modernization Rating Factor applies to an electrical or plumbing system that has been completely updated. It also applies if the heating **and** cooling system has been updated. For any system to be considered completely updated and qualify for the discount, the system must be updated by a qualified contractor with all work conforming to local code requirements. All requests for these discounts must be approved by Underwriting. If more than one Modernization Rating Factor applies, the adjustments will be added together and the total will be applied to the base premium.

The premium is calculated by multiplying the base premium by the appropriate factor listed below:

<u>DWELLING CONSTRUCTED OR UPDATED:</u>	<u>AGE OF HOME</u>	<u>MODERNIZATION FACTORS</u>		
	<u>FACTORS</u>	<u>PLUMBING</u>	<u>HEATING/ COOLING</u>	<u>ELECTRICAL</u>
During the current calendar yr	.70	.96	.92	.87
1 year preceding current yr	.72	.96	.92	.87
2 years preceding current calendar yr	.74	.96	.92	.87
3 years preceding current calendar yr	.76	.96	.94	.89
4 years preceding current calendar yr	.80	.97	.95	.91
5 years preceding current calendar yr	.84	.98	.96	.93
6 years preceding current calendar yr	.88	.99	.97	.95
7 years preceding current calendar yr	.92	1.00	.98	.97
8 years preceding current calendar yr	.96	1.00	.99	.99
9 years preceding current calendar yr	1.00	1.00	1.00	1.00
10 years preceding current calendar yr	1.00	1.00	1.00	1.00

11 years preceding current calendar yr	1.02	1.00	1.00	1.00
12 years preceding current calendar yr	1.02	1.00	1.00	1.00
13 years preceding current calendar yr	1.02	1.00	1.00	1.00
14 years preceding current calendar yr	1.02	1.00	1.00	1.00
15 years preceding current calendar yr	1.04	1.00	1.00	1.00
16 years preceding current calendar yr	1.03	1.00	1.00	1.00
17 years preceding current calendar yr	1.03	1.00	1.00	1.00
18 years preceding current calendar yr	1.03	1.00	1.00	1.00
19 years preceding current calendar yr	1.03	1.00	1.00	1.00
20 years preceding current calendar yr	1.02	1.00	1.00	1.00
21-29 years preceding current calendar yr	1.02	1.00	1.00	1.00
30-49 years preceding current calendar yr	1.02	1.00	1.00	1.00
50 or more years preceding current calendar yr	1.00	1.00	1.00	1.00

The Age of Home Rating Factor and the Modernization Discount will be indicated on the Declarations Certificate.



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SECTION 10
GENERAL RULES
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RULE 25.6D - ROOF RATING FACTORS

*Applies To: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

A roof rating factor may be applied based on the roof covering material on the dwelling. Our base premium reflects standard roof covering materials.

A factor will apply if the current roof covering meets U.L. Standard 2218 (or acceptable equivalent testing). The qualifying roof must have been installed after May 31, 1996 and must not be overlaid onto an existing roof. Verification that a roof passes Class 3 or 4 will need to be submitted to Underwriting. Wood roofs, wood shingle roofs and composition over wood roofs do not qualify as a Class 3 or Class 4.

A factor will also apply if a roof is wood, wood shingle or composition over wood.

This factor will be applied to the base premium.

<u>ROOF TYPE</u>	<u>FACTOR</u>
Passes U.L. Standard 2218 - Class 1	1.00
Passes U.L. Standard 2218 - Class 2	1.00
Passes U.L. Standard 2218 - Class 3	.93
Passes U.L. Standard 2218 - Class 4	.90
Wood Shake/Wood Shingle	1.04
Composition Over Wood	1.04

If a Roof Rating Factor applies, it will be indicated on the Declarations Certificate.



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GENERAL RATING AND
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RULE 25.6F - CLAIM RATING SURCHARGE

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - YES, Premier Renters - YES*

New Business

Effective May 15, 2009, a Claim Rating Surcharge will be applied to all new business policies. The number of claims will be determined from the CLUE report and will include any chargeable claim in the past 3 years. A new business policy will be rated as having zero (0) consecutive years with ACFIC with the following exception. If the most recent carrier was ACFIC, then the number of consecutive years from the previous ACFIC policy will be applied. If the policyholder had multiple, consecutive policies with ACFIC, all years will be combined.

Renewals

A Claim Rating Surcharge will be applied to renewal policies. The number of chargeable claims will be determined by reviewing the history of the current policy and will include any chargeable claim in the past 3 years. For policies with an original effective date prior to May 15, 2009, we will only take into consideration claims occurring May 15, 2009 and after. Current ACFIC policyholders will be given credit for all consecutive years with ACFIC. If the policyholder had multiple, consecutive policies with ACFIC, all years will be combined.

The following claims will **not** be considered a chargeable claim:

- 1) Damage to Property of Others, Earth Movement, Glass, Identity Theft, Med Pay to Others, Mine Subsidence and Workers Comp
- 2) All weather-related (acts of nature) and catastrophe losses including but not limited to Wind, Hail, Lightning and Flood
- 3) A claim that has a subrogation recovery or reserve
- 4) Any liability claim that did not result in a paid loss
- 5) Any property claim with a net payment of \$500 or less
- 6) Scheduled personal property claims

Consecutive Years <u>with ACFIC</u>	Number of Chargeable Paid Claims in the Last 3 Years				
	0	1	2	3	4+
0 - 2	0%	25%	45%	65%	85%
3 - 5	0%	20%	35%	65%	85%
6 - 8	0%	10%	30%	65%	85%
9 +	0%	5%	25%	55%	85%

The Claim Rating Surcharge will be indicated on the Declarations Certificate.



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RULE 25.6G
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RULE 25.6G - MATURE POLICYHOLDER DISCOUNT

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - YES, Premier Renters - YES*

A named insured who is 55 years old or greater will be eligible for an 8% discount applied to the base premium. The age of the oldest named insured will be used to determine eligibility. The named insured must be 55 years old or greater as of the effective date of new business or renewal policy.

This discount will only be added or removed at the effective date of new business or renewal. This discount cannot be added or removed with a mid-term amendment.

This discount will be indicated on the Declarations Certificate.



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RULE 25.6H - PRIOR INSURANCE DISCOUNT

*Applies to: Premier - NO, Premier Plus - NO, Premier Select - NO,
Premier Condo - NO, Premier Renters - YES*

A new Premier Renters policyholder will be eligible for a 20% discount if they provide proof of previous homeowners or rental insurance. If the new policyholder did not have a need for previous insurance, they may sign [Form 5937](#) - Insured's Affidavit (Prior Insurance - Premier Renters Policy) indicating they did not need prior insurance. The discount will then be applied to their policy.

The Prior Insurance Discount will apply to all Premier Renters policies upon renewal.

The policy can be amended to add this discount if proof of prior insurance is received after the policy has been issued.

This discount will be indicated on the Declarations Certificate.



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SECTION 25
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RULE 25.6I - SWIMMING POOL SURCHARGE

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

A 12% surcharge will be applied if a dwelling has a swimming pool on the property.

This surcharge may be amended to add a new pool or remove a pool currently listed on the policy.

This surcharge will be indicated on the Declarations Certificate.



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BASE PREMIUM
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RULE 30.2 - BASE PREMIUM ADJUSTMENTS

There are several adjustments that can affect the base premium. These are detailed in Rules [30.2A](#) through [30.2G](#).



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SECTION 30
BASE PREMIUM
RULE 30.2A
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RULE 30.2A - DEDUCTIBLES

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES
Premier Condo - YES, Premier Renters - YES*

All policies are subject to a deductible applicable to a loss from all Section I - Property Coverages perils covered under the policy. The deductible is on a per occurrence basis. The amount of the deductible will be shown on the Declarations Certificate.

The premium is calculated by multiplying the base premium by the appropriate factor indicated below:

<u>Deductible</u>	<u>Premier, Premier Plus, Premier Select Factor</u>	<u>Premier Condo Factor</u>	<u>Premier Renters Factor</u>
\$ 250	N/A	1.72	1.72
500	N/A	1.32	1.32
1,000	1.00	1.00	1.00
1,500	.91	.97	.97
2,000	.84	.95	.95
2,500	.82	.89	.89
3,000	.79	.87	.87
4,000	.76	.83	.83
5,000	.71	.78	.78
7,500	.61	N/A	N/A
10,000	.54	N/A	N/A



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SECTION 30
BASE PREMIUM
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RULE 30.2F - PREMIER SELECT FACTOR

The Premier Select premium is calculated by multiplying the Premier Homeowners base premium by 1.29.



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SECTION 25
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RULE 30.2G - INSURANCE SCORE FACTORS

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES
Premier Condo - YES, Premier Renters - YES*

In order to properly underwrite and rate an insurance risk, an Insurance Score is assigned to all policyholders.

Several factors will be used to determine an Insurance Score. One of the factors will be a Financial Responsibility Score. A Financial Responsibility Score will be obtained at new business and at every third annual renewal for all policyholders.

All policies will be assigned to one of the following tiers. The premium is calculated by multiplying the base premium by the appropriate factor indicated below:

<u>Tier</u>	Premier, Premier Select <u>Factor</u>	Premier Plus <u>Factor</u>	Premier Condo, Premier Renters <u>Factor</u>
10	.78	.81	.81
20	.84	.87	.95
30	.92	.97	1.08
40	1.00	1.04	1.20
50	1.09	1.08	1.34
60	1.16	1.15	N/A
70	1.25	1.22	N/A
80	1.41	1.38	N/A
90	1.54	1.52	N/A



ARKANSAS
HOMEOWNERS
RULES MANUAL

SECTION 35
OPTIONAL LIMITS
AND COVERAGES
RULE 35.3H
DATE: 08-15-2013

RULE 35.3H - EARTHQUAKE COVERAGE (CO 04 54)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - YES, Premier Renters - YES*

The policy may be endorsed to apply to losses due to earthquake. This endorsement applies to all Section I - Property Coverages, except Coverage D - Loss of Use and the Other Coverages, that exceeds the earthquake deductible stated in this endorsement, for the same limits provided in the policy.

The base deductible is 10% of the limit of liability that applies to the total covered loss. The total deductible amount will not be less than \$250. The deductible percentage may be increased for a premium credit.

The additional premium is calculated as follows:

1) Determine the appropriate Earthquake Zone from the Territories Section.

2) Select the appropriate rate table as follows:

A. Premier Policy	Table A
Increased Coverage C portion	Table B
B. Premier Plus Policy	Table C
Increased Coverage C portion	Table B
C. Premier Select Policy	Table A
Increased Coverage C portion	Table B
D. Premier Condominium Owners Policy	Table C
E. Premier Condominium Owners Policy	
with CO 17 31 Unit Owners - Coverage C	
Special Coverage Endorsement	Table B
F. Premier Renters Policy	Table B
G. CO 04 40 Structures Rented to Others -	
Residence Premises Endorsement	Table C
CO 04 42 Permitted Incidental Occupancies	
Residence Premises Endorsement	Table C

CO 04 48 Other Structures - Increased

Limits Endorsement

Table C

CO 04 97 Home Day Care Coverage

Endorsement

Table C

3) Select the rate per \$1,000 of coverage based on type of construction as follows:

If exterior masonry veneer is to be excluded on this endorsement, rate as Frame. If exterior masonry veneer is to be included on this endorsement, rate as Masonry.

	<u>EQ Zone</u>	<u>Frame</u>	<u>Masonry</u>
Table A	01	1.77	2.66
	02	.75	1.22
	03	.40	.66
	04	.33	.59
Table B	01	1.00	1.22
	02	.44	.46
	03	.25	.33
	04	.20	.23
Table C	01	1.77	2.66
	02	.75	1.22
	03	.40	.66
	04	.33	.59

4) Multiply the rate by each of the following:

A. Coverage A limits for Premier Homeowners, Premier Plus Homeowners and Premier Select Policies only.

B. Coverage C limits for Premier Condominium Owners and Renters Policies only.

C. The amount of insurance for increased limits for Coverage C for Premier Homeowners, Premier Plus Homeowners and Premier Select Policies only.

D. The amount of insurance for the CO 04 48 Other Structures endorsement.

E. The amount of insurance for any other building coverage options.

5) Add the results obtained in Steps 4A through 4E.

6) Multiply the result obtained in Step 5 by the desired deductible factor as follows:

<u>Deductible %</u>	<u>Factor</u>	
	<u>Frame</u>	<u>Masonry</u>
10%	1.00	1.00
*15%	.88	.94
20%	.75	.88
25%	.63	.83

* The 15% deductible is the minimum deductible for all business in Zone 1 and Zone 2.

Endorsement CO 04 54 Earthquake will be attached to the policy.



ARKANSAS
HOMEOWNERS
RULES MANUAL

SECTION 35
OPTIONAL LIMITS
AND COVERAGES
RULE 35.6A
DATE: 08-15-2013

RULE 35.6 - SECTION I - MISCELLANEOUS

RULE 35.6A - WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE (CO 03 12)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

The policy may be endorsed with a special Windstorm or Hail deductible. This deductible applies to Section I - Property Coverage losses. A premium credit will be given.

The premium credit factor will be as follows:

Windstorm/Hail Percentage Deductible - 1%

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>						
	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$3,000</u>	<u>\$4,000</u>	<u>\$5,000</u>
\$0 to \$35,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$100,001 to \$125,000	.980	.980	.980	.980	.980	.990	1.000
\$125,001 to \$150,000	.980	.980	.980	.980	.980	.990	1.000
\$150,001 to \$175,000	.980	.980	.980	.980	.980	.990	1.000
\$175,001 to \$200,000	.980	.980	.980	.980	.980	.990	1.000
\$200,001 to \$225,000	.970	.970	.970	.970	.970	.980	1.000
\$225,001 to \$250,000	.970	.970	.970	.970	.970	.980	1.000
\$250,001 to \$275,000	.970	.970	.970	.970	.970	.980	1.000
\$275,001 to \$300,000	.970	.970	.970	.970	.970	.980	1.000
\$300,001 to \$325,000	.970	.970	.970	.970	.970	.980	1.000
\$325,001 to \$350,000	.970	.970	.970	.970	.970	.980	1.000
\$350,001 to \$375,000	.970	.970	.970	.970	.970	.980	1.000
\$375,001 to \$400,000	.970	.970	.970	.970	.970	.980	1.000
\$400,001 to \$425,000	.970	.970	.970	.970	.970	.960	1.000
\$425,001 to \$450,000	.970	.970	.970	.970	.970	.960	1.000
\$450,001 to \$475,000	.970	.970	.970	.970	.970	.960	1.000
\$475,001 to \$500,000	.970	.970	.970	.970	.970	.960	1.000
\$500,001+	.970	.970	.970	.970	.970	.950	.980

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	.960	.990
\$35,001 to \$50,000	.960	.990
\$50,001 to \$75,000	.950	.980
\$75,001 to \$100,000	.950	.980
\$100,001 to \$125,000	.920	.950
\$125,001 to \$150,000	.920	.950
\$150,001 to \$175,000	.920	.950
\$175,001 to \$200,000	.920	.950
\$200,001 to \$225,000	.890	.920
\$225,001 to \$250,000	.890	.920
\$250,001 to \$275,000	.890	.920
\$275,001 to \$300,000	.890	.920
\$300,001 to \$325,000	.890	.920
\$325,001 to \$350,000	.890	.920
\$350,001 to \$375,000	.890	.920
\$375,001 to \$400,000	.890	.920
\$400,001 to \$425,000	.890	.920
\$425,001 to \$450,000	.890	.920
\$450,001 to \$475,000	.890	.920
\$475,001 to \$500,000	.890	.920
\$500,001+	.890	.920

Endorsement CO 03 12 Windstorm or Hail Percentage Deductible will be attached to the policy.



ARKANSAS
HOMEOWNERS
RULES MANUAL

SECTION 40
CALCULATION OF
PREMIUM
RULE 40.1
DATE: 08-15-2013

SECTION 40 - CALCULATION OF PREMIUM

RULE 40.1 - CALCULATION OF PREMIUM SUMMARY

1) Determine the base premium as shown in [Rule 30.1](#) - Base Premium Computation.

2) Apply the discount percentage credits and/or the base premium adjustments to the base premium for the following items in the following order:

(Round after each credit or charge)

- A. Premier Select Factor, [Rule 30.2F](#).
- B. Protection Class 9 deviation Factor, [Rule 25.2](#).
- C. Special Loss Settlement Endorsement (CO 04 56), [Rule 30.2D](#).
- D. Ordinance or Law Coverage Endorsement (CO 04 77), [Rule 30.2B](#).
- E. Unit-Owners Coverage C - Special Coverage (CO 17 31), [Rule 30.2E](#).
- F. Auto/Home Discount, [Rule 25.6A](#).
- G. Roof Rating Factor, [Rule 25.6D](#).
- H. Townhouse Factor, [Rule 30.2C](#).
- I. Replacement Cost - Contents (CO 04 90), [Rule 35.3C](#).
- J. Protective Device Discount, [Rule 25.6B](#).
- K. Combined Windstorm/Hail Percentage Deductible and Policy Deductible (CO 03 12), [Rule 35.6A](#).
- L. Deductible Factor without Windstorm/Hail Percentage Deductible [Rule 30.2A](#).
- M. Age of Home/Modernization Rating Factor, [Rule 25.6C](#).
- N. Claim Rating Surcharge, [Rule 25.6F](#).

3) Apply any charges for increased limits to Coverages A,C,E and F, Section 35.

4) Insurance Score Factor, [Rule 30.2G](#).

5) AAA Membership Discount, [Rule 25.6E](#).

6) Apply any charges for optional limits and coverages, Section 35.





**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	439	1	439	1	439	1	467	1	467	1	524	1	571	1	661	1	673	1	806	1	1,062	1
2	562	1	562	1	562	1	598	1	598	1	669	1	734	1	845	1	886	1	1,090	1	1,432	1
3	496	1	496	1	496	1	532	1	532	1	592	1	660	1	745	1	762	1	914	1	1,202	1
4	454	1	454	1	454	1	481	1	481	1	539	1	589	1	680	1	735	1	925	1	1,098	1
9	537	1	537	1	537	1	569	1	569	1	640	1	700	1	816	1	847	1	1,032	1	1,358	1
10	555	1	555	1	555	1	593	1	593	1	662	1	722	1	833	1	851	1	1,020	1	1,345	1
11	554	1	554	1	554	1	587	1	587	1	656	1	722	1	832	1	851	1	1,023	1	1,348	1
16	533	1	533	1	533	1	544	1	571	1	582	1	710	1	800	1	819	1	984	1	1,295	1
19	652	1	652	1	652	1	698	1	698	1	775	1	866	1	978	1	1,000	1	1,202	1	1,583	1
20	671	1	671	1	671	1	720	1	720	1	799	1	895	1	1,008	1	1,029	1	1,237	1	1,628	1
21	634	1	634	1	634	1	678	1	678	1	754	1	842	1	951	1	969	1	1,162	1	1,530	1
22	676	1	676	1	676	1	723	1	723	1	806	1	900	1	1,016	1	1,036	1	1,242	1	1,635	1
23	619	1	619	1	619	1	660	1	660	1	736	1	821	1	927	1	948	1	1,138	1	1,497	1
24	676	1	676	1	676	1	722	1	722	1	804	1	900	1	1,016	1	1,039	1	1,250	1	1,643	1
25	596	1	596	1	596	1	636	1	636	1	705	1	790	1	892	1	910	1	1,090	1	1,433	1
28	505	1	505	1	505	1	535	1	535	1	601	1	655	1	759	1	780	1	939	1	1,236	1
29	460	1	460	1	460	1	489	1	489	1	549	1	597	1	692	1	711	1	856	1	1,127	1
30	514	1	514	1	514	1	544	1	544	1	612	1	686	1	773	1	790	1	949	1	1,251	1
31	531	1	531	1	531	1	565	1	565	1	627	1	705	1	794	1	814	1	978	1	1,284	1
32	509	1	509	1	509	1	538	1	538	1	603	1	659	1	763	1	824	1	1,039	1	1,223	1
33	536	1	536	1	536	1	572	1	572	1	632	1	711	1	802	1	820	1	984	1	1,295	1
35	489	1	489	1	489	1	523	1	523	1	580	1	637	1	731	1	749	1	901	1	1,186	1
36	468	1	468	1	468	1	499	1	499	1	558	1	611	1	705	1	743	1	923	1	1,214	1

Note: For Premier Select rates, multiply the Premier rate by 1.29.



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	483	1	483	1	483	1	518	1	518	1	577	1	630	1	725	1	793	1	1,011	1	1,168	1
2	619	1	619	1	619	1	661	1	661	1	734	1	822	1	1,006	1	1,012	1	1,199	1	1,575	1
3	546	1	546	1	546	1	585	1	585	1	651	1	725	1	819	1	887	1	1,125	1	1,323	1
4	500	1	500	1	500	1	534	1	534	1	593	1	649	1	750	1	824	1	1,057	1	1,209	1
9	594	1	594	1	594	1	632	1	632	1	703	1	773	1	957	1	961	1	1,135	1	1,495	1
10	611	1	611	1	611	1	654	1	654	1	729	1	800	1	917	1	935	1	1,123	1	1,479	1
11	609	1	609	1	609	1	651	1	651	1	723	1	810	1	914	1	935	1	1,126	1	1,484	1
16	586	1	586	1	586	1	613	1	627	1	659	1	778	1	878	1	900	1	1,083	1	1,424	1
19	717	1	717	1	717	1	767	1	767	1	854	1	940	1	1,077	1	1,102	1	1,322	1	1,740	1
20	742	1	742	1	742	1	791	1	791	1	881	1	985	1	1,111	1	1,135	1	1,362	1	1,793	1
21	694	1	694	1	694	1	746	1	746	1	828	1	925	1	1,046	1	1,067	1	1,280	1	1,683	1
22	747	1	747	1	747	1	798	1	798	1	886	1	991	1	1,118	1	1,142	1	1,368	1	1,799	1
23	680	1	680	1	680	1	726	1	726	1	810	1	904	1	1,019	1	1,042	1	1,252	1	1,648	1
24	746	1	746	1	746	1	796	1	796	1	886	1	991	1	1,119	1	1,144	1	1,375	1	1,806	1
25	653	1	653	1	653	1	702	1	702	1	779	1	868	1	983	1	1,001	1	1,198	1	1,574	1
28	556	1	556	1	556	1	596	1	596	1	663	1	722	1	836	1	924	1	1,188	1	1,358	1
29	507	1	507	1	507	1	543	1	543	1	605	1	658	1	763	1	843	1	1,085	1	1,239	1
30	566	1	566	1	566	1	605	1	605	1	672	1	750	1	848	1	868	1	1,044	1	1,375	1
31	582	1	582	1	582	1	624	1	624	1	694	1	764	1	875	1	895	1	1,076	1	1,415	1
32	559	1	559	1	559	1	597	1	597	1	666	1	727	1	840	1	923	1	1,181	1	1,347	1
33	588	1	588	1	588	1	628	1	628	1	698	1	782	1	881	1	902	1	1,083	1	1,425	1
35	537	1	537	1	537	1	575	1	575	1	639	1	704	1	919	1	973	1	1,209	1	1,303	1
36	516	1	516	1	516	1	552	1	552	1	611	1	686	1	838	1	853	1	1,015	1	1,334	1

Note: For Premier Select rates, multiply the Premier rate by 1.29.



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	465	1	465	1	465	1	497	1	497	1	554	1	615	1	695	1	759	1	968	1	1,272	1
2	583	1	583	1	583	1	620	1	620	1	693	1	775	1	876	1	898	1	1,080	1	1,422	1
3	513	1	513	1	513	1	547	1	547	1	611	1	682	1	770	1	783	1	939	1	1,231	1
4	489	1	489	1	489	1	520	1	520	1	580	1	645	1	731	1	743	1	889	1	1,055	1
9	575	1	575	1	575	1	613	1	613	1	685	1	761	1	930	1	980	1	1,214	1	1,594	1
10	590	1	590	1	590	1	631	1	631	1	703	1	782	1	886	1	903	1	1,082	1	1,425	1
11	605	1	605	1	605	1	642	1	642	1	720	1	805	1	909	1	924	1	1,108	1	1,458	1
16	571	1	571	1	571	1	585	1	608	1	636	1	757	1	856	1	987	1	1,319	1	1,736	1
19	738	1	738	1	738	1	792	1	792	1	880	1	983	1	1,110	1	1,130	1	1,354	1	1,783	1
20	743	1	743	1	743	1	795	1	795	1	885	1	991	1	1,114	1	1,138	1	1,366	1	1,798	1
21	685	1	685	1	685	1	729	1	732	1	815	1	909	1	1,025	1	1,043	1	1,247	1	1,643	1
22	746	1	746	1	746	1	799	1	799	1	888	1	993	1	1,122	1	1,146	1	1,375	1	1,811	1
23	694	1	694	1	694	1	746	1	746	1	827	1	926	1	1,046	1	1,059	1	1,260	1	1,658	1
24	736	1	736	1	736	1	789	1	789	1	877	1	979	1	1,107	1	1,130	1	1,357	1	1,786	1
25	651	1	651	1	651	1	698	1	698	1	774	1	865	1	978	1	990	1	1,181	1	1,554	1
28	536	1	536	1	536	1	572	1	572	1	637	1	711	1	803	1	821	1	985	1	1,297	1
29	489	1	489	1	489	1	520	1	520	1	580	1	648	1	733	1	748	1	898	1	1,182	1
30	555	1	555	1	555	1	594	1	594	1	659	1	739	1	834	1	853	1	1,027	1	1,351	1
31	569	1	569	1	569	1	608	1	608	1	679	1	751	1	902	1	955	1	1,187	1	1,560	1
32	518	1	518	1	518	1	552	1	552	1	616	1	686	1	777	1	791	1	946	1	1,114	1
33	561	1	561	1	561	1	601	1	601	1	668	1	749	1	845	1	861	1	1,028	1	1,352	1
35	521	1	521	1	521	1	558	1	558	1	620	1	689	1	781	1	877	1	1,146	1	1,508	1
36	484	1	484	1	484	1	514	1	514	1	576	1	643	1	725	1	741	1	888	1	1,168	1



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	511	1	511	1	511	1	546	1	546	1	607	1	679	1	844	1	893	1	1,109	1	1,280	1
2	643	1	643	1	643	1	688	1	688	1	764	1	850	1	963	1	988	1	1,190	1	1,566	1
3	565	1	565	1	565	1	605	1	605	1	674	1	749	1	847	1	863	1	1,033	1	1,216	1
4	535	1	535	1	535	1	573	1	573	1	635	1	712	1	804	1	894	1	1,158	1	1,323	1
9	632	1	632	1	632	1	677	1	677	1	754	1	840	1	1,044	1	1,117	1	1,401	1	1,845	1
10	648	1	648	1	648	1	695	1	695	1	773	1	863	1	1,126	1	1,195	1	1,488	1	1,958	1
11	669	1	669	1	669	1	713	1	713	1	792	1	882	1	1,000	1	1,018	1	1,219	1	1,607	1
16	628	1	628	1	628	1	669	1	669	1	714	1	833	1	940	1	962	1	1,156	1	1,522	1
19	814	1	814	1	814	1	871	1	871	1	968	1	1,082	1	1,220	1	1,243	1	1,489	1	1,959	1
20	818	1	818	1	818	1	874	1	874	1	975	1	1,088	1	1,228	1	1,254	1	1,502	1	1,978	1
21	752	1	752	1	752	1	805	1	805	1	894	1	999	1	1,128	1	1,147	1	1,371	1	1,807	1
22	823	1	823	1	823	1	880	1	880	1	979	1	1,093	1	1,234	1	1,260	1	1,513	1	1,991	1
23	766	1	766	1	766	1	818	1	818	1	912	1	1,017	1	1,149	1	1,164	1	1,385	1	1,825	1
24	812	1	812	1	812	1	869	1	869	1	967	1	1,078	1	1,217	1	1,244	1	1,493	1	1,963	1
25	715	1	715	1	715	1	768	1	768	1	854	1	952	1	1,076	1	1,090	1	1,299	1	1,709	1
28	589	1	589	1	589	1	630	1	630	1	700	1	782	1	883	1	980	1	1,267	1	1,446	1
29	537	1	537	1	537	1	575	1	575	1	637	1	714	1	806	1	893	1	1,155	1	1,319	1
30	611	1	611	1	611	1	652	1	652	1	725	1	812	1	917	1	938	1	1,129	1	1,487	1
31	623	1	623	1	623	1	669	1	669	1	746	1	831	1	1,032	1	1,098	1	1,370	1	1,804	1
32	568	1	568	1	568	1	609	1	609	1	677	1	756	1	855	1	952	1	1,234	1	1,408	1
33	619	1	619	1	619	1	660	1	660	1	737	1	822	1	930	1	946	1	1,133	1	1,491	1
35	574	1	574	1	574	1	610	1	610	1	681	1	760	1	979	1	1,050	1	1,317	1	1,419	1
36	533	1	533	1	533	1	569	1	569	1	632	1	705	1	798	1	814	1	979	1	1,288	1



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER RENTERS - FORM 4
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	84	36	84	36	84	36	84	36	86	36	86	36	87	36	87	36	88	36	103	36	109	36
2	113	36	113	36	113	36	113	36	117	36	117	36	120	36	121	36	122	36	143	36	149	36
3	127	36	127	36	127	36	127	36	127	36	127	36	133	36	133	36	134	36	156	36	164	36
4	84	36	84	36	84	36	84	36	86	36	86	36	88	36	88	36	89	36	105	36	110	36
9	113	36	113	36	113	36	113	36	116	36	116	36	117	36	117	36	118	36	139	36	144	36
10	104	36	104	36	104	36	104	36	105	36	105	36	107	36	107	36	109	36	128	36	135	36
11	106	36	106	36	106	36	106	36	109	36	109	36	110	36	113	36	114	36	134	36	139	36
16	83	36	83	36	83	36	83	36	86	36	86	36	87	36	87	36	88	36	104	36	109	36
19	104	36	104	36	104	36	104	36	105	36	105	36	109	36	109	36	110	36	128	36	135	36
20	124	36	124	36	124	36	124	36	125	36	125	36	126	36	127	36	128	36	154	36	160	36
21	122	36	122	36	122	36	122	36	123	36	123	36	126	36	126	36	126	36	149	36	158	36
22	118	36	118	36	118	36	118	36	122	36	122	36	123	36	123	36	124	36	146	36	152	36
23	121	36	121	36	121	36	121	36	124	36	124	36	125	36	126	36	127	36	152	36	156	36
24	121	36	121	36	121	36	121	36	123	36	123	36	126	36	126	36	127	36	150	36	156	36
25	121	36	121	36	121	36	121	36	124	36	124	36	124	36	126	36	127	36	152	36	159	36
28	87	36	87	36	87	36	87	36	88	36	88	36	90	36	90	36	90	36	106	36	113	36
29	87	36	87	36	87	36	87	36	88	36	88	36	90	36	90	36	90	36	106	36	113	36
30	102	36	102	36	102	36	102	36	104	36	104	36	107	36	107	36	107	36	126	36	133	36
31	102	36	102	36	102	36	102	36	103	36	103	36	104	36	117	36	123	36	150	36	150	36
32	109	36	109	36	109	36	109	36	110	36	110	36	111	36	111	36	113	36	134	36	139	36
33	102	36	102	36	102	36	102	36	104	36	104	36	105	36	106	36	118	36	150	36	150	36
35	87	36	87	36	87	36	87	36	88	36	88	36	89	36	89	36	90	36	106	36	113	36
36	111	36	111	36	111	36	111	36	114	36	114	36	116	36	117	36	120	36	140	36	144	36



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER CONDOMINIUM OWNERS - FORM 6
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	83	37	83	37	83	37	83	37	85	37	86	37	86	37	88	37	89	37	105	37	107	37
2	94	37	94	37	94	37	94	37	96	37	100	37	100	37	101	37	102	37	120	37	123	37
3	103	37	103	37	103	37	103	37	105	37	106	37	106	37	106	37	109	37	130	37	135	37
4	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	111	37	116	37
9	96	37	96	37	96	37	96	37	101	37	101	37	101	37	103	37	104	37	122	37	127	37
10	95	37	95	37	95	37	95	37	99	37	100	37	100	37	100	37	101	37	120	37	124	37
11	90	37	90	37	90	37	90	37	91	37	92	37	92	37	94	37	95	37	115	37	119	37
16	85	37	85	37	85	37	85	37	88	37	89	37	89	37	89	37	90	37	107	37	111	37
19	90	37	90	37	90	37	90	37	94	37	95	37	95	37	95	37	96	37	115	37	120	37
20	94	37	94	37	94	37	94	37	96	37	99	37	99	37	99	37	100	37	119	37	123	37
21	99	37	99	37	99	37	99	37	101	37	102	37	102	37	102	37	103	37	123	37	127	37
22	101	37	101	37	101	37	101	37	103	37	104	37	104	37	104	37	105	37	127	37	131	37
23	94	37	94	37	94	37	94	37	94	37	96	37	96	37	99	37	101	37	120	37	122	37
24	102	37	102	37	102	37	102	37	104	37	105	37	105	37	105	37	107	37	129	37	133	37
25	90	37	90	37	90	37	90	37	90	37	92	37	92	37	94	37	95	37	115	37	117	37
28	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	110	37	115	37
29	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	110	37	115	37
30	94	37	94	37	94	37	94	37	96	37	100	37	100	37	100	37	101	37	120	37	123	37
31	90	37	90	37	90	37	90	37	91	37	91	37	91	37	94	37	94	37	111	37	116	37
32	91	37	91	37	91	37	91	37	95	37	95	37	95	37	95	37	96	37	115	37	119	37
33	86	37	86	37	86	37	86	37	86	37	89	37	89	37	90	37	91	37	110	37	114	37
35	84	37	84	37	84	37	84	37	86	37	89	37	89	37	90	37	91	37	107	37	111	37
36	94	37	94	37	94	37	94	37	96	37	99	37	99	37	100	37	101	37	119	37	121	37



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER RENTERS - FORM 4
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	84	36	84	36	84	36	84	36	86	36	86	36	87	36	87	36	88	36	103	36	109	36
2	113	36	113	36	113	36	113	36	117	36	117	36	120	36	121	36	122	36	143	36	149	36
3	127	36	127	36	127	36	127	36	127	36	127	36	133	36	133	36	134	36	156	36	164	36
4	84	36	84	36	84	36	84	36	86	36	86	36	88	36	88	36	89	36	105	36	110	36
9	113	36	113	36	113	36	113	36	116	36	116	36	117	36	117	36	118	36	139	36	144	36
10	104	36	104	36	104	36	104	36	105	36	105	36	107	36	107	36	109	36	128	36	135	36
11	106	36	106	36	106	36	106	36	109	36	109	36	110	36	113	36	114	36	134	36	139	36
16	83	36	83	36	83	36	83	36	86	36	86	36	87	36	87	36	88	36	104	36	109	36
19	104	36	104	36	104	36	104	36	105	36	105	36	109	36	109	36	110	36	128	36	135	36
20	124	36	124	36	124	36	124	36	125	36	125	36	126	36	127	36	128	36	154	36	160	36
21	122	36	122	36	122	36	122	36	123	36	123	36	126	36	126	36	126	36	149	36	158	36
22	118	36	118	36	118	36	118	36	122	36	122	36	123	36	123	36	124	36	146	36	152	36
23	121	36	121	36	121	36	121	36	124	36	124	36	125	36	126	36	127	36	152	36	156	36
24	121	36	121	36	121	36	121	36	123	36	123	36	126	36	126	36	127	36	150	36	156	36
25	121	36	121	36	121	36	121	36	124	36	124	36	124	36	126	36	127	36	152	36	159	36
28	87	36	87	36	87	36	87	36	88	36	88	36	90	36	90	36	90	36	106	36	113	36
29	87	36	87	36	87	36	87	36	88	36	88	36	90	36	90	36	90	36	106	36	113	36
30	102	36	102	36	102	36	102	36	104	36	104	36	107	36	107	36	107	36	126	36	133	36
31	102	36	102	36	102	36	102	36	103	36	103	36	104	36	117	36	123	36	150	36	150	36
32	109	36	109	36	109	36	109	36	110	36	110	36	111	36	111	36	113	36	134	36	139	36
33	102	36	102	36	102	36	102	36	104	36	104	36	105	36	106	36	118	36	150	36	150	36
35	87	36	87	36	87	36	87	36	88	36	88	36	89	36	89	36	90	36	106	36	113	36
36	111	36	111	36	111	36	111	36	114	36	114	36	116	36	117	36	120	36	140	36	144	36



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER CONDOMINIUM OWNERS - FORM 6
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	83	37	83	37	83	37	83	37	85	37	86	37	86	37	88	37	89	37	105	37	107	37
2	94	37	94	37	94	37	94	37	96	37	100	37	100	37	101	37	102	37	120	37	123	37
3	103	37	103	37	103	37	103	37	105	37	106	37	106	37	106	37	109	37	130	37	135	37
4	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	111	37	116	37
9	96	37	96	37	96	37	96	37	101	37	101	37	101	37	103	37	104	37	122	37	127	37
10	95	37	95	37	95	37	95	37	99	37	100	37	100	37	100	37	101	37	120	37	124	37
11	90	37	90	37	90	37	90	37	91	37	92	37	92	37	94	37	95	37	115	37	119	37
16	85	37	85	37	85	37	85	37	88	37	89	37	89	37	89	37	90	37	107	37	111	37
19	90	37	90	37	90	37	90	37	94	37	95	37	95	37	95	37	96	37	115	37	120	37
20	94	37	94	37	94	37	94	37	96	37	99	37	99	37	99	37	100	37	119	37	123	37
21	99	37	99	37	99	37	99	37	101	37	102	37	102	37	102	37	103	37	123	37	127	37
22	101	37	101	37	101	37	101	37	103	37	104	37	104	37	104	37	105	37	127	37	131	37
23	94	37	94	37	94	37	94	37	94	37	96	37	96	37	99	37	101	37	120	37	122	37
24	102	37	102	37	102	37	102	37	104	37	105	37	105	37	105	37	107	37	129	37	133	37
25	90	37	90	37	90	37	90	37	90	37	92	37	92	37	94	37	95	37	115	37	117	37
28	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	110	37	115	37
29	88	37	88	37	88	37	88	37	90	37	91	37	91	37	91	37	92	37	110	37	115	37
30	94	37	94	37	94	37	94	37	96	37	100	37	100	37	100	37	101	37	120	37	123	37
31	90	37	90	37	90	37	90	37	91	37	91	37	91	37	94	37	94	37	111	37	116	37
32	91	37	91	37	91	37	91	37	95	37	95	37	95	37	95	37	96	37	115	37	119	37
33	86	37	86	37	86	37	86	37	86	37	89	37	89	37	90	37	91	37	110	37	114	37
35	84	37	84	37	84	37	84	37	86	37	89	37	89	37	90	37	91	37	107	37	111	37
36	94	37	94	37	94	37	94	37	96	37	99	37	99	37	100	37	101	37	119	37	121	37



AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
Amount of Insurance

EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13

	Curve 1		Curve 1
35,000	0.860	325,000	3.996
40,000	0.888	350,000	4.299
45,000	0.922	375,000	4.612
50,000	0.955	400,000	4.827
55,000	0.986	425,000	5.076
60,000	1.000	450,000	5.311
65,000	1.055	500,000	6.276
70,000	1.103	550,000	7.320
75,000	1.170	600,000	8.297
80,000	1.237	650,000	9.267
85,000	1.308	700,000	10.126
90,000	1.373	750,000	11.085
95,000	1.411	800,000	11.912
100,000	1.443	850,000	12.861
105,000	1.505	900,000	13.656
110,000	1.566	950,000	14.594
115,000	1.634	1,000,000	15.358
120,000	1.704	1,050,000	16.285
125,000	1.775	1,100,000	17.214
130,000	1.845	1,150,000	18.141
135,000	1.915	1,200,000	19.069
140,000	1.985	1,250,000	19.996
145,000	2.051	1,300,000	20.924
150,000	2.095	1,350,000	21.852
155,000	2.151	1,400,000	22.780
160,000	2.193	1,450,000	23.707
165,000	2.249	1,500,000	24.635
170,000	2.293	1,550,000	25.563
175,000	2.325	1,600,000	26.491
180,000	2.366	1,650,000	27.419
185,000	2.418	1,700,000	28.347
190,000	2.434	1,750,000	29.275
195,000	2.484	1,800,000	30.203
200,000	2.536	1,850,000	31.131
225,000	2.806	1,900,000	32.059
250,000	3.068	1,950,000	32.987
275,000	3.418	2,000,000	33.915
300,000	3.686	Each Add. 5,000	0.010



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
Amount of Insurance**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

	Curve 1		Curve 1
35,000	0.860	325,000	3.996
40,000	0.888	350,000	4.299
45,000	0.922	375,000	4.612
50,000	0.955	400,000	4.827
55,000	0.986	425,000	5.076
60,000	1.000	450,000	5.311
65,000	1.055	500,000	6.276
70,000	1.103	550,000	7.320
75,000	1.170	600,000	8.297
80,000	1.237	650,000	9.267
85,000	1.308	700,000	10.126
90,000	1.373	750,000	11.085
95,000	1.411	800,000	11.912
100,000	1.443	850,000	12.861
105,000	1.505	900,000	13.656
110,000	1.566	950,000	14.594
115,000	1.634	1,000,000	15.358
120,000	1.704	1,050,000	16.285
125,000	1.775	1,100,000	17.214
130,000	1.845	1,150,000	18.141
135,000	1.915	1,200,000	19.069
140,000	1.985	1,250,000	19.996
145,000	2.051	1,300,000	20.924
150,000	2.095	1,350,000	21.852
155,000	2.151	1,400,000	22.780
160,000	2.193	1,450,000	23.707
165,000	2.249	1,500,000	24.635
170,000	2.293	1,550,000	25.563
175,000	2.325	1,600,000	26.491
180,000	2.366	1,650,000	27.419
185,000	2.418	1,700,000	28.347
190,000	2.434	1,750,000	29.275
195,000	2.484	1,800,000	30.203
200,000	2.536	1,850,000	31.131
225,000	2.806	1,900,000	32.059
250,000	3.068	1,950,000	32.987
275,000	3.418	2,000,000	33.915
300,000	3.686	Each Add. 5,000	0.010



AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
RENTERS and CONDOS - FORM 4 and FORM 6
Amount of Insurance

EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13

	Curve 36	Curve 37
10,000	1.000	1.000
15,000	1.329	1.344
20,000	1.616	1.625
25,000	1.836	1.844
30,000	2.068	2.078
35,000	2.315	2.328
40,000	2.534	2.547
45,000	2.726	2.750
50,000	2.904	2.922
55,000	3.110	3.125
60,000	3.288	3.313
65,000	3.466	3.484
70,000	3.644	3.672
75,000	3.836	3.844
80,000	4.016	4.028
85,000	4.197	4.213
90,000	4.378	4.397
95,000	4.559	4.581
100,000	4.740	4.766
105,000	4.921	4.947
110,000	5.101	5.128
115,000	5.282	5.309
120,000	5.463	5.491
125,000	5.644	5.672
130,000	5.825	5.853
135,000	6.005	6.034
140,000	6.186	6.216
145,000	6.367	6.397
150,000	6.548	6.578
175,000	7.399	7.400
200,000	8.250	8.223
250,000	9.953	10.361
300,000	11.655	12.499
350,000	13.358	14.637
400,000	15.060	16.775
450,000	16.763	18.913
500,000	18.465	21.051
550,000	20.168	23.189
600,000	21.870	25.327
650,000	23.573	27.465
700,000	25.275	29.603
750,000	26.978	31.741
800,000	28.680	33.879
Each Add. 5,000	0.010	0.010

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Supporting Document Schedules

Bypassed - Item:	Form RF-2 Loss Costs Only (not for workers' compensation)
Bypass Reason:	Not applicable.
Attachment(s):	
Item Status:	Filed
Status Date:	05/22/2013
Satisfied - Item:	H-1 Homeowners Abstract
Comments:	
Attachment(s):	FORM H-1 Homewoner's abstract.pdf
Item Status:	Filed
Status Date:	05/22/2013
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Since we no longer offer a \$500 flat deductible we rated with a \$1,000 flat deductible.
Attachment(s):	HO Survey FORM HPCS 2013 Revised_2.xls HO Survey FORM HPCS 2013 Revised_2.pdf
Item Status:	Filed
Status Date:	05/22/2013
Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	NAIC Loss Cost Data_REVISED.pdf
Item Status:	Filed
Status Date:	05/22/2013
Satisfied - Item:	Explanatory Memorandum
Comments:	

SERFF Tracking #:

AAAM-128926323

State Tracking #:

Company Tracking #:

AR130415XRMXX110

State: Arkansas **Filing Company:** Auto Club Family Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Attachment(s):	Explanatory Memorandum.pdf
Item Status:	Filed
Status Date:	05/22/2013

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum - 08-15-13_revised.pdf
Item Status:	Filed
Status Date:	05/22/2013

Satisfied - Item:	Actuarial Justification
Comments:	
Attachment(s):	Exhibit A - AR Home Indication - Filing - Final.pdf Exhibit B - Underwriting Profit Provision.pdf Exhibit D - Age of Home Loss Experience_REVISED.pdf Exhibit E - Insurance Score Loss Experience_REVISED.pdf Exhibit F - Prior Claims Loss Experience_REVISED.pdf Exhibit J - Roof Type Loss Experience_REVISED.pdf Exhibit K - Form Loss Experience_REVISED.pdf
Item Status:	Filed
Status Date:	05/22/2013

Satisfied - Item:	ARKANSAS INSURANCE SCORE MODEL - EXHIBIT L
Comments:	We are not revising Exhibit L with this filing.
Attachment(s):	
Item Status:	Filed
Status Date:	05/22/2013

Satisfied - Item:	Exhibit 1 - Histogram of Rate Increases
Comments:	

SERFF Tracking #:

AAAM-128926323

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

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

Attachment(s):	Exhibit 1 - Histogram of Rate Increases.pdf
Item Status:	Filed
Status Date:	05/22/2013
Satisfied - Item:	Actuarial Response to Objection - 05-08-2013
Comments:	
Attachment(s):	Actuarial Memo - AR DOI response 5 8 13.pdf
Item Status:	Filed
Status Date:	05/22/2013

HOMEOWNERS ABSTRACT

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

Company Name Auto Club Family Insurance Company

NAIC No. 27235

Group No. 1318

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact. Beginning in August 2009, all renewals were updated through the Marshall Swift Boeckh survey. The estimated impact of this ITV campaign is 2.8%.

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact. This program started in September 1994 when we began writing Homeowners Insurance in Arkansas. The Boeckh Residential Cost Estimator is used to establish the proper coverage A amount. The inflation guard factors provided by Boeckh are used at renewal to maintain the appropriate coverage A amount

3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used. *Premier Homeowners Policy – 95% of replacement value unless Special Loss Settlement is attached. *Premier Plus – 100% replacement cost. *Premier Condominium – 80% of replacement cost. *Premier Renters – 100% replacement cost of contents unless single family home, then 55% replacement cost of contents. *Premier Select – no minimum.

4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact. Increase the limits of liability of property coverages at the rate of increase indicated by the Boeckh Residential Percent Change Factors to the nearest \$100.

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

a.	Fire Extinguisher	<u>0 %</u>
b.	Burglar Alarm	<u>5-15 %</u>
c.	Smoke Alarm	<u>2 %</u>
d.	Insured who has both homeowners and auto with your company	<u>25 %</u>
e.	Deadbolt Locks	<u>1 %</u>
f.	Window or Door Locks	<u>0 %</u>
g.	Other (specify)	<u>%</u>
	<u>Fire Alarm</u>	<u>5-15 %</u>
		<u>%</u>

6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance? No.
If so, state the areas and explain reason for not writing. _____

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

Form	Premium Volume
<u>Premier Homeowners (5103)</u>	<u>\$3,269,208</u>
<u>Premier Renters (5104)</u>	<u>\$193,557</u>
<u>Premier Plus Homeowners (5105)</u>	<u>\$5,132,313</u>

<u>Premier Condominiums (5106)</u>	<u>\$26,408</u>
<u>Premier Select Homeowners (5108)</u>	<u>\$312,152</u>

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes.
AID PC H-1 (4/96)
9. If there is a surcharge on risks with wood heat? No.
If yes, state surcharge Not applicable.
Does the surcharge apply to conventional fire places? No.
If yes, state surcharge Not applicable.

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

Alec Trachtman
Signature
Actuarial Analyst
Title
(314) 523-7350 x5272
Telephone Number

AID PC H-1 (4/96)

NAIC Number: 27235
 Company Name: Auto Club Family Insurance Company
 Contact Person: Katina Arras
 Telephone No.: 314-523-7350 ext. 5236
 Email Address: karras@aaamissouri.com
 Effective Date: 8/15/2013

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

HO3 Premiums use a \$1,000 Flat Deductible since the \$500 Flat Deductible will no longer be available with this filing.
 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	\$543	\$597	\$562	\$619	\$663	\$727	\$830	\$918	\$737	\$808	\$836	\$923	\$836	\$924	\$605	\$664	\$579	\$638
	\$120,000	\$748	\$823	\$774	\$852	\$913	\$1,002	\$1,143	\$1,264	\$1,016	\$1,113	\$1,152	\$1,271	\$1,152	\$1,273	\$833	\$915	\$797	\$879
	\$160,000	\$963	\$1,059	\$996	\$1,097	\$1,175	\$1,289	\$1,472	\$1,627	\$1,307	\$1,432	\$1,482	\$1,636	\$1,482	\$1,638	\$1,072	\$1,178	\$1,026	\$1,132
6	\$80,000	\$648	\$714	\$667	\$734	\$782	\$863	\$988	\$1,090	\$872	\$964	\$995	\$1,096	\$997	\$1,096	\$717	\$790	\$690	\$756
	\$120,000	\$893	\$983	\$918	\$1,010	\$1,077	\$1,189	\$1,361	\$1,501	\$1,201	\$1,327	\$1,370	\$1,510	\$1,373	\$1,510	\$988	\$1,089	\$951	\$1,041
	\$160,000	\$1,149	\$1,265	\$1,182	\$1,300	\$1,386	\$1,531	\$1,752	\$1,932	\$1,546	\$1,708	\$1,763	\$1,943	\$1,768	\$1,943	\$1,272	\$1,401	\$1,224	\$1,340
9	\$80,000	\$997	\$1,251	\$1,144	\$1,308	\$1,217	\$1,340	\$1,530	\$1,685	\$1,348	\$1,482	\$1,546	\$1,701	\$1,536	\$1,692	\$1,115	\$1,496	\$1,142	\$1,256
	\$120,000	\$1,373	\$1,723	\$1,576	\$1,801	\$1,677	\$1,845	\$2,108	\$2,321	\$1,857	\$2,041	\$2,130	\$2,343	\$2,116	\$2,331	\$1,535	\$2,060	\$1,573	\$1,730
	\$160,000	\$1,768	\$2,217	\$2,029	\$2,318	\$2,158	\$2,375	\$2,713	\$2,987	\$2,390	\$2,627	\$2,741	\$3,015	\$2,724	\$3,000	\$1,976	\$2,651	\$2,024	\$2,226

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	\$90	\$90	\$90	\$90	\$109	\$109	\$133	\$133	\$121	\$121	\$130	\$130	\$126	\$126	\$93	\$93	\$119	\$119
	\$15,000	\$147	\$147	\$147	\$147	\$179	\$179	\$218	\$218	\$198	\$198	\$212	\$212	\$207	\$207	\$153	\$153	\$195	\$195
	\$25,000	\$204	\$204	\$204	\$204	\$247	\$247	\$301	\$301	\$274	\$274	\$293	\$293	\$286	\$286	\$211	\$211	\$269	\$269
6	\$5,000	\$92	\$92	\$92	\$92	\$111	\$111	\$134	\$134	\$124	\$124	\$132	\$132	\$131	\$131	\$94	\$94	\$122	\$122
	\$15,000	\$151	\$151	\$151	\$151	\$182	\$182	\$219	\$219	\$203	\$203	\$216	\$216	\$214	\$214	\$154	\$154	\$200	\$200
	\$25,000	\$208	\$208	\$208	\$208	\$252	\$252	\$303	\$303	\$281	\$281	\$298	\$298	\$296	\$296	\$213	\$213	\$276	\$276
9	\$5,000	\$110	\$110	\$113	\$113	\$161	\$161	\$165	\$165	\$149	\$149	\$161	\$161	\$156	\$156	\$114	\$114	\$150	\$150
	\$15,000	\$181	\$181	\$184	\$184	\$263	\$263	\$270	\$270	\$244	\$244	\$263	\$263	\$256	\$256	\$186	\$186	\$246	\$246
	\$25,000	\$250	\$250	\$254	\$254	\$364	\$364	\$373	\$373	\$337	\$337	\$364	\$364	\$354	\$354	\$257	\$257	\$339	\$339

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

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

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

HO3 and HO4 only
 Fire Extinguisher: %
 Burglar Alarm: %
 Smoke Alarm: %
 Deadbolt Lock: %
 Window Locks: %
 \$1,000 Deductible: %
 Other (specify):
 Fire Alarm: %
 Maximum Credit Allowed: %

EARTHQUAKE INSURANCE

IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover.
 ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?
 Yes % (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE?
 10 %
 Zone: Brick, Frame
 WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?
 Highest Risk: Brick \$2.66, Frame \$1.77
 Lowest Risk: Brick \$0.59, Frame \$0.33

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR130415XRMXX110
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	
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Company Name		Company NAIC Number	
3.	A. Auto Club Family Insurance Company	B.	27235

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. 4.0 Homeowners	B.	4.0000 Homeowners Sub TOI Combination

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homeowners Multi-Peril	33.6%	10.0%					
TOTAL OVERALL EFFECT	33.6%	10.0%					

6.		5 Year History	Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2012	9,850	9.0%	6/15/2012	7,390,351	3,185,917	43.1%	109.0%
2011	7,951	7.0%	6/15/2011	5,730,859	8,299,481	144.8%	170.3%
2010	6,897	4.0%	6/15/2010	4,708,227	2,927,813	62.2%	58.2%
2009	6,218	-2.4%	5/15/2009	4,052,661	4,091,563	101.0%	49.9%
2008	5,597	-3.7%	4/1/2006	3,664,255	5,458,834	149.0%	69.4%
2007	5,032	-3.0%	1/15/2005	3,245,982	1,389,942	42.8%	46.5%
2006	4,419	14.6%	1/15/2004	2,757,285	2,808,481	101.9%	109.4%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	17.1%
B. General Expense	3.3%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	12.6%
E. Other (explain)	
F. TOTAL	36.4%

- 8.** N/A Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 25.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 35 _____
- 10.** 0.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 11 _____

PC RLC

**ARKANSAS
AUTO CLUB FAMILY INSURANCE COMPANY
FILING # AR130415XRMXX110
SERFF TRACKING #AAAM-128926323
EXPLANATORY MEMORANDUM**

***CORRESPONDING FORMS COMPANY FILING #AR130415FXXXX111
CORRESPONDING FORMS SERFF FILING #AAAM-128979508***

The Auto Club Family Insurance Company is filing changes to our Rules and Rates Manual to be effective August 15, 2013 for New Business and Renewals.

The revised Rules and Rates Manual reflects a change in homeowners insurance rates which will result in an overall rate increase of 14.9% or an annual premium increase of approximately \$1,331,047 based on a total inforce annual premium of \$8,933,638 in Arkansas.

With this rate change, we are eliminating our Arkansas Homeowner Insurance Score Model. Tiering in our current model is based on financial responsibility score, policyholder age, prior claims, presence of swimming pool, the age of home and prior insurance. Not all variables were used for each policy form. The variables previously used in our Insurance Score Model will now be individual rating components as explained in the memorandum.

The following changes are being made to the Rules and Rates Manual:

1. Table of Contents and Index
The Table of Contents and Index have been revised due to other changes being filed to our Rules and Rates Manual.

This replaces Table of Contents and Index, dated 07-01-2011.
2. Rule 15.4B – Optional Endorsements
We have added 2 new optional endorsements. As well as an editorial correction to the edition date of endorsement CO 04 95 from 07/11 to 11/11.

This replaces Rule 15.4B, dated 01-01-2013.
3. Rule 25.6 – Discounts/Surcharges
This rule has been updated due to the introduction of new discounts and surcharge in this filing.

This replaces Rule 25.6, dated 05-15-2009.

4. Rule 25.6A – Auto/Home Discount
This rule has been revised to allow an insured that has an ACE affiliated policy to be eligible for the Auto/Home Discount.

This replaces Rule 25.6A, dated 05-15-2009.

5. Rule 25.6C – Age Of Home/Modernization Rating Factors
The Age Of Home factors have been revised due to the age of home no longer being considered in the calculation of the Insurance Score.

This replaces Rule 25.6C, dated 06-15-2011.

6. Rule 25.6D – Roof Rating Factors
We have added factors for roofs that are Wood Shake/ Wood Shingle and Composition Over Wood.

This replaces Rule 25.6D, dated 04-01-2006.

7. Rule 25.6F – Claim Rating Surcharge
We have revised the claim surcharge factors and removed Consecutive Years with ACFIC.

This replaces Rule 25.6F, dated 06-15-2012.

8. Rule 25.6G – Mature Policyholder Discount
This is a new rule. This 8% discount is for policyholders ages 55 and greater. This will replace the age of policyholder variable in the Insurance Score Model.

9. Rule 25.6H – Prior Insurance Discount
This is a new rule. This 20% discount will apply only to renters policyholders who previously had prior insurance. This will replace the prior insurance variable in the Insurance Score Model.

10. Rule 25.6I – Swimming Pool Surcharge
This is a new rule. A 12% surcharge will be applied if a dwelling has a swimming pool on the property. This will replace the swimming pool variable in the Insurance Score Model.

11. Rule 30.2 – Base Premium Adjustments
This rule has been revised due to an editorial correction.

This replaces Rule 30.2, dated 12-15-2000.

12. Rule 30.2A – Deductibles
We have added a \$1,500 deductible. We will no longer offer \$250 and \$500 deductibles to new or renewal business for the Premier Homeowners, Premier Plus Homeowners or Premier Select policies. Policies with \$250 and \$500 deductibles will be changed at renewal to a \$1000 deductible. The policyholders will be notified of this change with a message on their renewal declaration and with Form – What You Need to Know About Your AAA Policy Renewal which will also be included with their renewal declaration.

This replaces Rule 30.2A, dated 05-15-2009.

13. Rule 30.2F – Premier Select Factor
This rule has been revised to update the factor to 1.32 from 1.25.

This replaces Rule 30.2F, dated 01-15-2005.

14. Rule 30.2G – Consumer Insurance Score (CIS)
In order to properly underwrite and rate an insurance risk, a Consumer Insurance Score (CIS) is assigned to all policyholders. A CIS will be obtained at new business and at every third annual renewal. This will replace the financial responsibility score in the Insurance Score Model.

This replaces Rule 30.2G, dated 06-15-2010.

This also affects Exhibit L – Auto Club Family Insurance Company – Tier Structure – CIS. **We deem this Exhibit L - Tier Structure to be proprietary and a company trade secret.**

This replaces Exhibit H in filing AAAM-128093352, dated June 15, 2012.

15. Rule 35.3H – Earthquake Coverage (CO 04 54)
We have revised the factors under Table A and Table C.

This replaces Rule 35.3H, dated 06-15-2012.

16. Rule 35.6A – Windstorm or Hail Percentage Deductible (CO 03 12)
This rule has been revised to add a mandatory Windstorm/Hail Percentage deductible of 2% for all new business with wood roofs. Also all renewal business, after August 15, 2013, with a wood, slate or tile roof will have a mandatory Windstorm/Hail Percentage Deductible of 2% added. We will send a letter to current policyholders approximately 60 days prior to their renewal informing them of the 2% Windstorm/Hail deductible. This endorsement is not available when endorsement CO 00 17 – Roof Surfaces or CO 00 18 – Roof Surfaces is attached to the policy. We also revised some factors and added the \$1,500 deductible.

This replaces Rule 35.6A, dated 05-15-2009.

17. Rule 35.6D – Roof Surfaces (CO 00 17 & CO 00 18)
This is a new rule. The policy may be endorsed to provide coverage based on a Roof Surface Payment Schedule on all losses caused by windstorm or hail to roof surfaces. A premium credit will be applied if this endorsement is selected. This endorsement is not available when endorsement CO 03 12 – Windstorm or Hail Percentage Deductible is attached to the policy.

18. Rule 40.1 – Calculation of Premium Summary
This rule has been revised to add the above changes.

This replace Rule 40.1, dated 05-15-2009.

19. Rate Pages
Our rates have been revised. Please see Exhibit C under the Rate/Rule Schedule tab. These new rates will be effective August 15, 2013 for new business and renewal business and will replace current rate pages dated 6/15/2012.

Auto Club Family Insurance Company Actuarial Memorandum

With this filing, we developed a statewide indicated rate change (Exhibit A) utilizing our previous 5 years of Arkansas experience. The indicated rate change of 33.6%, shown on Exhibit A, Page 3, supports our proposed statewide premium level increase of 14.9%. The indicated Earthquake rate change of 21.9%, shown on Exhibit A, Page 2, supports our proposed statewide Earthquake premium level increase of 5.0%.

Within Exhibit A, we are including a weather load. Details on how we developed this weather load can be found in Exhibit A, Page 8. The historical weather load is 48.6%. Additionally, we included the Net Cost of Reinsurance as part of our calculation for the indicated rate change. Details on how we developed the Net Cost of Reinsurance can be found in Exhibit A, Pages 10 through 12. We have also included a Large Loss load as part of our calculation for the indicated rate change. Details on how we developed the Large Loss load can be found in Exhibit A, Page 13.

Please refer to Exhibit B for the derivation of the Underwriting Profit Provision. Exhibit B, Page 2 refers to the target return on surplus. Exhibit B, Page 4 refers to the premium-to-surplus ratio. Exhibit B, Page 5 refers to investment income.

The Auto Club Family Insurance Company (ACFIC) entered into an intercompany pooling arrangement with the Interinsurance Exchange of the Automobile Club (IEAC) in 2006. Losses and premiums are pooled together in IEAC, and 1% of the losses and premiums are ceded back to ACFIC. Because of this pooling arrangement, the derivation of the Underwriting Profit Provision uses IEAC data.

The selected premium-to-surplus ratio of 0.94 and the selected target return of 11% yield a 12.6% pre-tax target profit and contingencies provision.

Exhibit C contains new base rates by form, construction type, and protection class.

We are changing the HO3-to-HO8 base rate differential from 1.25 to 1.32 as stated on page 1 & 2 of Exhibit C.

We are restructuring our homeowners' insurance tier rating in Arkansas. Currently, we use insurance score, policyholder age, prior claims in the past 3 years, swimming pool, and the age of home (HO5 only) to determine the appropriate insurance tier. Our HO4 and HO6 forms use a prior insurance rating factor as well. Our proposed insurance tier rating plan will only use the insurance score to determine the tier. The remaining factors will either be added to the rating algorithm as separate rating surcharges/discounts (policyholder age, swimming pool, prior insurance for HO4 only) or will be reevaluated in rating variables which already exist (prior claims and age of home).

Exhibits D through K provide actuarial justification for our selected age of home, insurance score, prior claims, swimming pool, policyholder age, prior insurance, wood roof factors, and HO3-to-HO8 differential. We are introducing a wood roof surcharge.

We are introducing a Roof Surfaces Endorsement which will pay a specified percentage of the roof replacement cost and will provide a premium discount. The discount will vary based on the age of the roof. We are also adjusting the Wind/Hail Deductible credits.

We are requiring a minimum \$1,000 All Peril Deductible on all new and renewal business for forms HO3, HO5, and HO8. This impacts 1,469 policies. Also, homes with wood, slate, or tile roofs will be required to add either the Roof Surfaces Endorsement or a 2% wind/hail deductible. This impacts 36 policies. We are also adding a \$1,500 all peril deductible option along with Wind/Hail Deductible credits for this deductible.

Please note that the HO3 premiums in Form HPCS use a \$1,000 flat deductible since the \$500 flat deductible will no longer be available with this filing.

Auto Club Family Insurance Company
Development of Indicated Rate Change for Other Peril (Excluding Earthquake)
Homeowners - Arkansas

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Q4 2012</u>	<u>Total</u>
1 On-Level Earned Premium	\$4,348,902	\$4,829,809	\$5,632,131	\$6,484,035	\$7,770,569	\$29,065,446
2 Premium Trend Factor	1.063	1.052	1.042	1.032	1.021	
3 Trended On-Level Earned Premium	\$4,622,078	\$5,082,405	\$5,868,047	\$6,688,794	\$7,936,427	\$30,197,751
4 Developed Incurred Losses (Non-Weather)	\$1,026,388	\$1,051,229	\$1,120,930	\$1,574,912	\$1,496,776	\$6,270,235
5 Loss Trend Factor	1.125	1.104	1.083	1.062	1.042	
6 Trended Ultimate Losses (Non-Weather)	\$1,155,041	\$1,160,412	\$1,213,731	\$1,672,744	\$1,559,323	\$6,761,252
7 Loss Adjustment Expenses [LAE Ratio x (6)]	\$136,695	\$137,330	\$143,640	\$197,963	\$184,540	\$800,168
8 Loss & LAE (Non-Weather) [(6) + (7)]	\$1,291,736	\$1,297,742	\$1,357,372	\$1,870,707	\$1,743,863	\$7,561,420
9 Loss & LAE Ratio (Non-Weather) [(8) / (3)]	27.9%	25.5%	23.1%	28.0%	22.0%	25.0%
10 Weather Load (Loss & LAE)						50.0%
11 Net Cost Of Reinsurance						4.2%
12 Large Loss Load (Loss & LAE)						6.3%
13 Loss & LAE Ratio (including all loads & NCR) [(9) + (10) + (11) + (12)]						85.5%
14 Permissible Loss Ratio & LAE Ratio						63.6%
15 Indicated Rate Need [(13) / (14) - 1]						34.5%
16 Selected Change						15.2%

Note:

- (2) = See Page 5
- (4) = See Page 4
- (5) = See Page 5
- (10) = see Page 8
- (11) = See Page 10
- (12) = See Page 13
- (14) = See Page 7

Auto Club Family Insurance Company
Development of Indicated Rate Change for Earthquake
Homeowners - Arkansas

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Q4 2012</u>	<u>Total</u>
1 On-Level Earned Premium	\$137,453	\$149,601	\$164,889	\$204,553	\$235,107	\$891,603
2 Premium Trend Factor	1.063	1.052	1.042	1.032	1.021	
3 Trended On-Level Earned Premium	\$146,087	\$157,425	\$171,796	\$211,013	\$240,125	\$926,446
4 Developed Incurred Losses (excluding CAT losses)	\$0	\$0	\$0	\$0	\$0	\$0
5 Loss Trend Factor	1.125	1.104	1.083	1.062	1.042	
6 Trended Ultimate Losses (excluding CAT losses)	\$0	\$0	\$0	\$0	\$0	\$0
7 Loss Adjustment Expenses	\$0	\$0	\$0	\$0	\$0	\$0
8 Loss & LAE (excluding CAT losses) [(6) + (7)]	\$0	\$0	\$0	\$0	\$0	\$0
9 Loss & LAE Ratio (excluding CAT losses) [(8) / (3)]	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Catastrophe Load						24.2%
11 Net Cost Of Reinsurance						53.3%
12 Loss & LAE Ratio (including CAT & NCR load) [(9) + (10) + (11)]						77.5%
13 Permissible Loss & LAE Ratio						63.6%
14 Annual Indicated Change [(12) / (13) - 1]						21.9%
15 Selected Change						5.0%

Note:

(10) = See Page 9

(11) = See Page 11

Auto Club Family Insurance Company
Development of Indicated Rate Change for All Perils
Homeowners - Arkansas

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Q4 2012</u>	<u>Total</u>
1 On-Level Earned Premium	\$4,486,354	\$4,979,410	\$5,797,020	\$6,688,589	\$8,005,676	\$29,957,049
2 Premium Trend Factor	1.063	1.052	1.042	1.032	1.021	
3 Trended On-Level Earned Premium	\$4,768,165	\$5,239,830	\$6,039,843	\$6,899,807	\$8,176,552	\$31,124,197
4 Developed Incurred Losses (Non-Weather)	\$1,026,388	\$1,051,229	\$1,120,930	\$1,574,912	\$1,496,776	\$6,270,235
5 Loss Trend Factor	1.125	1.104	1.083	1.062	1.042	
6 Trended Ultimate Losses (Non-Weather)	\$1,155,041	\$1,160,412	\$1,213,731	\$1,672,744	\$1,559,323	\$6,761,252
7 Loss Adjustment Expenses [LAE Ratio x (6)]	\$136,695	\$137,330	\$143,640	\$197,963	\$184,540	\$800,168
8 Loss & LAE (Non-Weather) [(6) + (7)]	\$1,291,736	\$1,297,742	\$1,357,372	\$1,870,707	\$1,743,863	\$7,561,420
9 Loss & LAE Ratio (Non-Weather) [(8) / (3)]	27.1%	24.8%	22.5%	27.1%	21.3%	24.3%
10 Weather Load (Loss & LAE)						48.6%
11 Net Cost Of Reinsurance						5.9%
12 Large Loss Load (Loss & LAE)						6.2%
13 Loss & LAE Ratio (including all loads & NCR) [(9) + (10) + (11) + (12)]						85.0%
14 Permissible Loss Ratio & LAE Ratio						63.6%
15 Indicated Rate Need [(13) / (14) - 1]						33.6%
16 Selected Change						14.9%

Note:

- (2) = See Page 5
- (4) = See Page 4
- (5) = See Page 5
- (10) = see Page 8
- (11) = See Page 12
- (12) = See Page 13
- (14) = See Page 7

Auto Club Family Insurance Company
Development of Ultimate Losses (Non-Weather)
Homeowners - Arkansas

Loss Development Factors

<u>Year</u>	<u>LDF</u>	<u>Incurred Losses</u>	<u>Developed Incurred Losses</u>
2008	0.998	1,028,298	1,026,388
2009	0.997	1,053,955	1,051,229
2010	0.997	1,124,006	1,120,930
2011	0.997	1,580,002	1,574,912
2012	1.061	1,410,942	1,496,776

Note: Non-Weather losses are capped at \$100,000 for accident year 2012. The cap of each preceding year is trended back 3% per year.

**Auto Club Family Insurance Company
Development of Loss Trend and Premium Factors
Homeowners - Arkansas**

1) Effective date of new rates	8/15/2013
2) Average date of loss under new rates	8/15/2014
3) Accident year 2008 average date of loss	7/1/2008
4) Accident year 2009 average date of loss	7/1/2009
5) Accident year 2010 average date of loss	7/1/2010
6) Accident year 2011 average date of loss	7/1/2011
7) Accident year 2012 average date of loss	7/1/2012
8) Number of years to trend 12/2008	6.123
9) Number of years to trend 12/2009	5.123
10) Number of years to trend 12/2010	4.124
11) Number of years to trend 12/2011	3.125
12) Number of years to trend 12/2012	2.123

(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Coverage	Annual Frequency Change	Annual Severity Change	Combined Pure Premium Change (1+(14))*(1+(15))	Acc Yr 2008 (16)^(8)	Acc Yr 2009 (16)^(9)	Acc Yr 2010 (16)^(10)	Acc Yr 2011 (16)^(11)	Acc Yr 2012 (16)^(12)	Trend for Expected
Forms 1, 2, 3, and 5	-1.5%	3.5%	1.019	1.125	1.104	1.083	1.062	1.042	1.009

(23)	(24)	(25)	(26)	(27)	(28)	(29)
Coverage	Premium Trend	Acc Yr 2008 (24)^(8)	Acc Yr 2009 (24)^(9)	Acc Yr 2010 (24)^(10)	Acc Yr 2011 (24)^(11)	Acc Yr 2012 (24)^(12)
Forms 1, 2, 3, and 5	1.0%	1.063	1.052	1.042	1.032	1.021

NOTE:
(14) and (15) used fast track data.

Auto Club Family Insurance Company
Development of Annual Trends In Exhibit A, Page 5
Homeowners - Arkansas

Forms 1, 2, 3, and 5 Fast Track Annual Trends (excluding catastrophes)

(a)	(b)	(c)	(d)	(e)
<u>Year</u>	<u>Quarter</u>	<u>Annual Frequency</u>	<u>Annual Severity</u>	<u>Combined Pure Premium*</u>
2008	4	5.86%	\$7,480	
2009	1	6.17%	\$7,611	
2009	2	6.14%	\$7,999	
2009	3	6.61%	\$8,243	
2009	4	6.92%	\$7,962	
2010	1	6.98%	\$8,003	
2010	2	6.96%	\$8,248	
2010	3	6.42%	\$8,186	
2010	4	6.30%	\$8,200	
2011	1	6.29%	\$8,542	
2011	2	6.76%	\$8,017	
2011	3	7.13%	\$8,120	
2011	4	7.01%	\$8,439	
2012	1	6.68%	\$8,433	
2012	2	5.92%	\$8,833	
2012	3	5.53%	\$8,969	
One Year Trend		-28.3%	9.6%	-21.4%
Two Year Trend		-5.9%	4.8%	-1.3%
Three Year Trend		-4.6%	3.4%	-1.3%
Four Year Trend		-0.1%	3.4%	3.3%
Selected Change		-1.5%	3.5%	1.9%

Note:

Combined Pure Premium = [(1+(c))[1+(d)]]

Auto Club Family Insurance Company
Analysis of Expense Ratio and Permissible Loss Ratio
Homeowners - Arkansas

Type of Expense	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>3-Year</u> <u>Average</u>	<u>Selected</u> <u>Percent to</u> <u>Premium</u>
1) Other Acquisition (Countrywide as % of WP)	9.0%	7.8%	9.7%	8.9%	8.9%
2) Commission and Brokerage (Statewide as % of WP)	7.8%	8.2%	8.8%	8.3%	8.3%
3) General Expenses (Countrywide as % of EP)	4.1%	3.9%	1.9%	3.3%	3.3%
4) Taxes, Licenses, and Fees (Statewide as % of WP)	2.4%	3.0%	4.7%	3.4%	3.4%
5) Underwriting Profit Provision					12.6%
Permissible Loss & LAE Ratio [1-sum(1 though 5)]					63.6%
				<u>3-Year</u> <u>Average</u>	<u>Selected</u> <u>Percent to</u> <u>Losses</u>
6) LAE	12.9%	10.3%	12.3%	11.8%	11.8%
ALAE	4.0%	2.9%	5.2%	4.0%	4.0%
ULAE	8.9%	7.4%	7.2%	7.8%	7.8%

Notes:

(1), (2), (3), & (4) are before inter-company pooling arrangements. Reflects data from the IEE, Part III, and Statutory pg 14.

(5) Underwriting Profit Provision. See Exhibit B.

(6) LAE is a ratio to incurred losses. Reflects data from the IEE, Part III.

Auto Club Family Insurance Company
Weather Load
Homeowners - Arkansas

Accident Year	(1) Weather Losses	(2) Other Peril (exc. EQ) Earned Premium	(3) All Peril Earned Premium	(4) Other Peril (excl. EQ) Weather Load	(5) All Peril Weather Load
2001	175,162	788,531	805,366	22.2%	21.7%
2002	233,282	1,005,257	1,028,517	23.2%	22.7%
2003	356,486	1,432,353	1,463,851	24.9%	24.4%
2004	246,890	1,915,968	1,955,771	12.9%	12.6%
2005	259,190	2,348,830	2,399,375	11.0%	10.8%
2006	909,847	2,693,059	2,759,075	33.8%	33.0%
2007	692,997	3,168,131	3,247,847	21.9%	21.3%
2008	4,579,108	3,578,238	3,664,363	128.0%	125.0%
2009	3,275,568	3,948,647	4,052,661	83.0%	80.8%
2010	1,692,764	4,551,865	4,708,229	37.2%	36.0%
2011	6,397,879	5,532,071	5,730,860	115.7%	111.6%
2012	1,608,032	7,160,890	7,390,355	<u>22.5%</u>	<u>21.8%</u>
			Avg. Load	44.7%	43.5%
			LAE	11.8%	11.8%
			Avg. Load inc. LAE	50.0%	48.6%
			Selected	50.0%	48.6%

(4) = (1) / (2)

(5) = (1) / (3)

**Auto Club Family Insurance Company
Development of CAT Load for Earthquake
Homeowners - Arkansas**

1 AAL	44,520
2 LAE	11.8%
3 Demand Surge	5.0%
4 Adjusted AAL & LAE	52,278
5 In-Force Model Premium as of 12/31/11	216,196
6 CAT Load	24.2%

Note:

(1) AAL - Average Annual Loss per EQ RMS Model. Data as of 12/31/11.

(2) See Page 7

Auto Club Family Insurance Company
Net Cost Of Reinsurance for Other Peril (Excluding Earthquake)
Homeowners - Arkansas

1 **Reinsurance Treaty**

Allocated Reinsurance Premium	353,652
- <u>Expected Reinsurance Recoverables</u>	<u>95,075</u>
= Net Cost Of Reinsurance	258,576

2 Net Cost Of Reinsurance (as a % of 12/31/11 in-force premium) 4.2%

Auto Club Family Insurance Company
Net Cost Of Reinsurance for Earthquake
Homeowners - Arkansas

1 **Reinsurance Treaty**

Allocated Reinsurance Premium	137,635
<u>- Expected Reinsurance Recoverables</u>	<u>22,334</u>
= Net Cost Of Reinsurance	115,301

2 Net Cost Of Reinsurance (as a % of 12/31/11 in-force premium) 53.3%

Auto Club Family Insurance Company
Net Cost Of Reinsurance for All Perils
Homeowners - Arkansas

1 Reinsurance Treaty

Allocated Reinsurance Premium	491,287
- <u>Expected Reinsurance Recoverables</u>	<u>117,409</u>
= Net Cost Of Reinsurance	373,878

2 Net Cost Of Reinsurance (as a % of 12/31/11 in-force premium) 5.9%

Auto Club Family Insurance Company
Development of Large Loss Load
Homeowners - Arkansas

Accident Year	(1) Large Losses	(2) Other Peril (excl. EQ) Earned Premium	(3) All Peril Earned Premium	(4) Other Peril (excl. EQ) Large Loss Load	(5) All Peril Large Loss Load
2004	38,011	1,915,968	1,955,771	2.0%	1.9%
2005	62,157	2,348,830	2,399,375	2.6%	2.6%
2006	645,804	2,693,059	2,759,075	24.0%	23.4%
2007	161,421	3,168,131	3,247,847	5.1%	5.0%
2008	120,811	3,578,238	3,664,363	3.4%	3.3%
2009	49,154	3,948,647	4,052,661	1.2%	1.2%
2010	255,678	4,551,865	4,708,229	5.6%	5.4%
2011	318,025	5,532,071	5,730,860	5.7%	5.5%
2012	85,000	7,160,890	7,390,355	1.2%	1.2%
			Avg. Load	5.7%	5.5%
			LAE	11.8%	11.8%
			Avg. Load w/ LAE	6.3%	6.2%
			Selected	6.3%	6.2%

(1) = Non-Weather losses in excess of large loss cap. The cap is \$100,000 for accident year 2012 and is trended back 3% per year.

(4) = (1) / (2)

(5) = (1) / (3)

Auto Club Family Insurance Company
Arkansas Homeowners

Analysis of Underwriting Profit Provision

		Homeowners
(a)	Target After Tax Return on Equity (TR)	11.0%
(b)	Ratio Premium to Surplus (P/S)	0.94
(c)	Pre-Tax Investment Income on Surplus Funds (II _s)	2.58%
(d)	Pre-tax Investment Income on Policyholder Surplus Fund as % of Premium (II _{PHSF})	1.38%
	(1) on UEPR	0.55%
	(2) On Loss & LAE Reserves	0.83%
(e)	Federal Tax Rate Applicable to Investment Income (t _i)	14.4%
(f)	Assumed Corporate Tax Rate (t _c)	35.0%
(g)	Pre-tax Target Profit and Contingencies Provision (UPP)	12.60%

- (a) Exhibit B, pages 2 & 3
 (b) Exhibit B, page 4
 (c) Exhibit B, page 5
 (d) = (d1) + (d2)
 (d1) Exhibit B, page 7
 (d2) Exhibit B, page 8
 (e) Exhibit B, page 9
 (g) = $(a - [c \cdot \{1 - e\}] - [d \cdot \{1 - e\} \cdot b]) / (b \cdot [1 - f])$

Auto Club Family Insurance Company
Arkansas Homeowners

Target Rate of Return, Dividend Yield Method

Company	Nicholas-Applegate										Bloomberg						
	Dividend Yield 1995	Dividend Yield 1996	Dividend Yield 1997	Dividend Yield 1998	Dividend Yield 1999	Dividend Yield 2000	Dividend Yield 2001	Dividend Yield 2002	Dividend Yield 2003	Dividend Yield 2004	Dividend Yield 2005	Dividend Yield 2006	Dividend Yield 2007	Dividend Yield 2008	Dividend Yield 2009	Dividend Yield 2010	Dividend Yield 2011
Allstate	1.90%	1.47%	1.06%	1.40%	2.49%	1.56%	2.26%	2.27%	2.14%	2.17%	2.37%	2.15%	2.91%	5.01%	2.66%	2.51%	3.06%
Progressive	0.45%	0.36%	0.20%	0.15%	0.36%	0.27%	0.19%	0.20%	0.12%	0.14%	0.10%	0.14%	n/a	n/a	n/a	n/a	n/a
Erie	0.00%	1.07%	1.29%	1.38%	1.48%	1.81%	1.58%	2.03%	2.03%	1.64%	2.71%	2.76%	3.39%	4.78%	4.92%	3.15%	2.83%
Mercury	1.68%	1.83%	1.05%	1.60%	3.78%	2.19%	2.43%	2.84%	2.84%	2.47%	2.95%	3.64%	4.16%	5.04%	6.01%	5.58%	5.35%
Metropolitan														2.12%	2.09%	1.67%	2.37%
Unitrin														11.79%	3.63%	3.58%	3.29%
Alfa	2.27%	3.09%	2.32%	1.86%	2.94%	2.83%	2.58%	2.49%	2.49%	2.30%	2.48%	2.34%	2.17%	n/a	n/a	n/a	n/a
SAFECO	<u>3.07%</u>	<u>2.94%</u>	<u>2.63%</u>	<u>3.26%</u>	<u>5.95%</u>	<u>4.50%</u>	<u>2.38%</u>	<u>1.90%</u>	<u>1.90%</u>	<u>1.68%</u>	<u>1.77%</u>	<u>1.92%</u>	<u>2.88%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
All Companies	1.8%	1.5%	1.0%	1.3%	2.5%	1.7%	1.7%	1.8%	1.5%	1.6%	1.6%	1.7%	3.0%	3.6%	2.6%	2.1%	2.7%

Company	Nicholas-Applegate										Bloomberg						
	Expected Growth 1995	Expected Growth 1996	Expected Growth 1997	Expected Growth 1998	Expected Growth 1999	Expected Growth 2000	Expected Growth 2001	Expected Growth 2002	Expected Growth 2003	Expected Growth 2004	Expected Growth 2005	Expected Growth 2006	Expected Growth 2007	Expected Growth 2008	Expected Growth 2009	Expected Growth 2010	Expected Growth 2011
Allstate	n/a	n/a	n/a	20.21%	11.00%	11.89%	12.29%	11.94%	11.59%	12.62%	13.49%	13.00%	12.59%	12.01%	-6.51%	-8.97%	-9.71%
Progressive	6.55%	5.59%	4.78%	4.56%	4.36%	4.18%	4.01%	3.85%	3.71%	4.51%	5.92%	6.85%	n/a	n/a	n/a	n/a	n/a
Erie	n/a	n/a	n/a	n/a	n/a	35.78%	12.71%	12.35%	16.22%	10.07%	19.21%	18.74%	18.66%	17.78%	23.19%	2.07%	7.42%
Mercury	21.32%	18.50%	17.86%	18.48%	19.54%	19.53%	17.54%	15.40%	13.20%	11.82%	12.37%	12.62%	11.63%	11.94%	9.50%	6.62%	4.65%
Metropolitan														26.33%	9.98%	7.31%	4.63%
Unitrin														2.52%	-8.41%	-12.34%	-11.42%
Alfa	14.73%	13.58%	10.65%	8.08%	6.17%	6.57%	8.05%	8.52%	7.76%	7.53%	8.73%	8.77%	9.23%	n/a	n/a	n/a	n/a
SAFECO	<u>11.87%</u>	<u>7.51%</u>	<u>7.64%</u>	<u>7.91%</u>	<u>8.06%</u>	<u>12.46%</u>	<u>-0.74%</u>	<u>-9.73%</u>	<u>-14.39%</u>	<u>-14.30%</u>	<u>-8.68%</u>	<u>3.53%</u>	<u>13.60%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
All Companies	n/a	n/a	n/a	n/a	n/a	12.1%	9.3%	8.0%	7.1%	7.6%	9.1%	10.7%	12.9%	19.9%	4.8%	2.5%	0.7%

Company	Nicholas-Applegate										Bloomberg						
	Yield Rate 1995	Yield Rate 1996	Yield Rate 1997	Yield Rate 1998	Yield Rate 1999	Yield Rate 2000	Yield Rate 2001	Yield Rate 2002	Yield Rate 2003	Yield Rate 2004	Yield Rate 2005	Yield Rate 2006	Yield Rate 2007	Yield Rate 2008	Yield Rate 2009	Yield Rate 2010	Yield Rate 2011
Allstate	n/a	n/a	n/a	21.6%	13.5%	13.5%	14.6%	14.2%	13.7%	14.8%	15.9%	15.2%	15.5%	17.0%	-3.9%	-6.5%	-6.7%
Progressive	7.0%	6.0%	5.0%	4.7%	4.7%	4.5%	4.2%	4.1%	3.8%	4.7%	6.0%	7.0%	n/a	n/a	n/a	n/a	n/a
Erie	n/a	n/a	n/a	n/a	n/a	37.6%	14.3%	14.4%	18.3%	11.7%	21.9%	21.5%	22.1%	22.6%	28.1%	5.2%	10.3%
Mercury	23.0%	20.3%	18.9%	20.1%	23.3%	21.7%	20.0%	18.2%	16.0%	14.3%	15.3%	16.3%	15.8%	17.0%	15.5%	12.2%	10.0%
Metropolitan														28.5%	12.1%	9.0%	7.0%
Unitrin														14.3%	-4.8%	-8.8%	-8.1%
Alfa	17.0%	16.7%	13.0%	9.9%	9.1%	9.4%	10.6%	11.0%	10.3%	9.8%	11.2%	11.1%	11.4%	n/a	n/a	n/a	n/a
SAFECO	<u>14.9%</u>	<u>10.5%</u>	<u>10.3%</u>	<u>11.2%</u>	<u>14.0%</u>	<u>17.0%</u>	<u>1.6%</u>	<u>-7.8%</u>	<u>-12.5%</u>	<u>-12.6%</u>	<u>-6.9%</u>	<u>5.5%</u>	<u>16.5%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
All Companies	n/a	n/a	n/a	n/a	n/a	13.7%	11.1%	9.8%	8.7%	9.2%	10.7%	12.4%	15.9%	23.4%	7.4%	4.6%	3.4%

Comparison of Target Rate of Return

Approach	Nicholas-Applegate										Bloomberg						
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dividend Yield	n/a	n/a	n/a	n/a	n/a	13.7%	11.1%	9.8%	8.7%	9.2%	10.7%	12.4%	15.9%	23.4%	7.4%	4.6%	3.4%
CAPM (Exhibit B, page 3)	12.3%	12.0%	12.0%	10.7%	10.8%	10.9%	9.6%	9.4%	11.0%	9.7%	11.1%	11.5%	10.1%	11.9%	13.8%	13.9%	9.8%

Dividend Yield (average of 2000-2011)	10.9%
CAPM (average of 1995-2011)	11.2%
Selected ROR	11.0%

Auto Club Family Insurance Company
Arkansas Homeowners

Target Rate of Return, Capital Asset Pricing Model

A. Beta	(Source: Nicholas-Applegate)										Bloomberg						
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Company	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta	Beta
Allstate	0.80	0.78	0.74	0.69	0.65	0.57	0.60	0.68	1.16	0.81	0.79	0.88	0.83	1.19	1.27	1.20	0.93
Progressive	0.83	0.83	0.86	0.81	0.83	0.72	0.78	0.86	0.95	0.87	0.82	0.70	0.88	0.96	1.01	1.00	0.86
Erie	0.31	0.30	0.34	0.32	0.35	0.35	0.37	0.35	1.14	0.35	0.65	0.52	0.48	0.81	0.83	0.79	0.79
Mercury	0.52	0.51	0.50	0.48	0.48	0.47	0.54	0.55	0.62	0.67	0.93	0.84	0.73	0.90	0.98	0.99	0.78
Metropolitan														1.60	1.88	1.98	1.41
Unitrin														1.34	1.45	1.59	1.19
Alfa	0.65	0.68	0.72	0.77	0.85	0.90	0.80	1.04	3.04	1.21	1.06	1.22	0.66	n/a	n/a	n/a	n/a
SAFECO	0.72	0.71	0.74	0.72	0.74	0.71	0.75	0.73	0.19	0.68	1.04	1.01	0.92	n/a	n/a	n/a	n/a
All Companies	0.75	0.74	0.73	0.70	0.66	0.60	0.64	0.71	1.02	0.79	0.83	0.84	0.83	1.32	1.48	1.57	1.15

B. Indicated Target Rate of Return

1. Risk Free Rate (Rf) *	6.4%	6.2%	6.2%	5.2%	5.6%	6.2%	4.6%	3.8%	3.0%	3.4%	4.5%	4.9%	3.6%	1.5%	2.1%	1.5%	0.7%
2. Beta (b)	0.75	0.74	0.73	0.70	0.66	0.60	0.64	0.71	1.02	0.79	0.83	0.84	0.83	1.32	1.48	1.57	1.15
3. Market Risk Premium (MP) **	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
4. Required Rate of Return, (K) (B1) + (B2) x (B3)	12.3%	12.0%	12.0%	10.7%	10.8%	10.9%	9.6%	9.4%	11.0%	9.7%	11.1%	11.5%	10.1%	11.9%	13.8%	13.9%	9.8%

Sources: Bloomberg L.P. & Ibbotson Associates from 2005; Historical Beta prior to 2005 is provided by Nicholas-Applegate.

* Risk free rate is based on current rate for intermediate government bonds issued during the year/month.

** Selected value is arithmetic mean risk premium for 1926 to 2004 from Ibbotson

Auto Club Family Insurance Company
Arkansas Homeowners

Derivation of Premium to Surplus Ratio Using Selected Companies Data

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
a. Written Premium										
State Farm Group	42,747,364	46,581,240	47,762,343	47,924,426	48,651,476	47,930,317	48,539,641	49,582,885	50,808,635	52,018,000
Allstate Ins Co Group	23,307,417	24,636,888	25,983,894	26,794,750	26,705,831	26,387,474	25,747,374	25,158,383	24,796,656	25,229,604
Farmers Ins. Group	10,696,634	10,029,778	11,364,934	12,455,786	13,252,663	14,341,912	13,840,568	12,708,993	14,129,512	14,861,681
Nationwide Ins Cos.	11,700,114	13,818,647	14,263,138	15,107,417	15,843,407	15,799,416	15,470,758	14,956,552	14,489,531	14,563,948
Progressive Insurance Grp	9,455,589	11,917,506	13,381,321	14,012,192	14,089,288	13,773,877	13,605,545	14,006,900	14,476,676	15,148,467
USAA	6,966,975	7,691,734	8,025,829	8,172,131	8,732,184	8,708,947	9,083,478	9,992,816	10,679,414	11,528,175
California State Auto Group	1,866,902	2,025,038	2,118,947	2,244,244	2,340,231	2,464,617	2,402,696	2,409,069	2,455,419	2,744,692
Mercury Cas Co & Affiliates	1,855,326	2,256,693	2,632,030	2,926,712	3,019,192	2,956,048	2,726,875	2,520,854	2,489,987	2,514,395
Auto Club of Michigan Group	1,311,190	1,476,932	1,489,831	1,408,715	1,362,917	1,323,522	1,331,012	1,509,357	1,583,285	1,722,874
21st Century Insurance Grp	965,298	1,218,630	1,332,384	1,326,996	1,294,593	1,317,829	200,679	65,902	0	0
<u>Interins. Exch of the Auto Club</u>	<u>1,709,513</u>	<u>1,975,182</u>	<u>2,036,036</u>	<u>2,195,710</u>	<u>2,287,124</u>	<u>2,505,022</u>	<u>2,519,685</u>	<u>2,465,088</u>	<u>2,604,599</u>	<u>2,646,501</u>
Total	112,582,322	123,628,268	130,390,687	134,569,079	137,578,906	137,508,981	135,468,311	135,376,799	138,513,714	142,978,337
P&C Mutual Companies*	54,601,944	59,750,126	61,432,986	61,945,226	63,373,932	62,932,425	63,876,512	65,959,215	68,131,352	70,660,242
b. Ending Surplus										
State Farm Group	31,634,376	40,015,100	46,181,537	50,227,460	58,076,272	63,619,527	53,314,168	58,219,103	61,263,160	60,832,444
Allstate Ins Co Group	13,760,543	16,141,351	16,797,631	14,904,275	19,236,225	18,157,580	13,150,134	15,151,892	15,529,740	15,446,470
Farmers Ins. Group	3,470,000	3,684,210	4,145,840	4,629,932	5,274,959	5,632,204	5,034,662	5,740,628	5,944,781	5,692,451
Nationwide Ins Cos.	6,818,602	8,564,798	9,180,172	10,057,715	12,859,348	13,573,199	13,148,030	11,728,679	12,984,679	12,827,738
Progressive Insurance Grp	3,366,998	4,547,462	4,677,451	4,674,266	4,954,060	4,588,514	4,470,223	4,960,490	5,086,722	5,271,620
USAA	6,802,029	7,878,592	9,159,464	10,001,214	11,843,202	13,076,978	13,479,473	14,545,675	15,922,681	16,920,089
California State Auto Group	1,755,137	2,126,667	2,404,214	2,649,897	2,929,215	3,096,963	2,737,511	3,081,556	3,325,739	3,440,525
Mercury Cas Co & Affiliates	1,017,557	1,172,424	1,363,899	1,484,240	1,582,244	1,724,921	1,374,267	1,521,115	1,325,820	1,501,461
Auto Club of Michigan Group	1,012,979	1,224,982	1,390,901	1,497,607	1,642,217	1,726,906	1,375,523	1,553,796	1,650,403	1,591,433
21st Century Insurance Grp	397,382	535,026	614,893	704,670	771,009	677,481	746,575	802,033	847,969	0
<u>Interins. Exch of the Auto Club</u>	<u>1,812,884</u>	<u>2,073,432</u>	<u>2,429,092</u>	<u>2,703,235</u>	<u>3,123,182</u>	<u>3,423,653</u>	<u>3,243,547</u>	<u>3,796,298</u>	<u>4,223,879</u>	<u>4,390,726</u>
Total	71,848,487	87,964,044	98,345,094	103,534,511	122,291,933	129,297,926	112,074,113	121,101,265	128,105,573	127,914,957
P&C Mutual Companies*	43,017,405	53,318,773	61,565,208	67,079,413	77,614,088	84,944,027	74,150,222	81,196,428	86,385,862	87,175,217
c. Annual Written Premium to Average Surplus Ratio										
State Farm Group	1.23	1.30	1.11	0.99	0.90	0.79	0.83	0.89	0.85	0.85
Allstate Ins Co Group	1.69	1.65	1.58	1.69	1.56	1.41	1.64	1.78	1.62	1.63
Farmers Ins. Group	3.00	2.80	2.90	2.84	2.68	2.63	2.60	2.36	2.42	2.55
Nationwide Ins Cos.	1.63	1.80	1.61	1.57	1.38	1.20	1.16	1.20	1.17	1.13
Progressive Insurance Grp	3.15	3.01	2.90	3.00	2.93	2.89	3.00	2.97	2.88	2.92
USAA	1.04	1.05	0.94	0.85	0.80	0.70	0.68	0.71	0.70	0.70
California State Auto Group	1.03	1.04	0.94	0.89	0.84	0.82	0.82	0.83	0.77	0.81
Mercury Cas Co & Affiliates	1.81	2.06	2.08	2.06	1.97	1.79	1.76	1.74	1.75	1.78
Auto Club of Michigan Group	1.26	1.32	1.14	0.98	0.87	0.79	0.86	1.03	0.99	1.06
21st Century Insurance Grp	2.44	2.61	2.32	2.01	1.75	1.82	0.28	0.09	0.00	0.00
<u>Interins. Exch of the Auto Club</u>	<u>0.94</u>	<u>1.02</u>	<u>0.90</u>	<u>0.86</u>	<u>0.79</u>	<u>0.77</u>	<u>0.76</u>	<u>0.70</u>	<u>0.65</u>	<u>0.61</u>
Total	1.50	1.55	1.40	1.33	1.22	1.09	1.12	1.16	1.11	1.12
P&C Mutual Companies*	1.18	1.24	1.07	0.96	0.88	0.77	0.80	0.85	0.81	0.81

Selected (P&C Mutual Companies, average of last 10 years)

0.94

* P&C Mutual Companies include State Farm, USAA, California State Auto Group, Auto Club of Michigan Group, and Interinsurance Exchange of the Auto Club.

Auto Club Family Insurance Company
Arkansas Homeowners

Computation of Projected Yield
Used to Determine Investment Income Ratio to Statutory Surplus

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
(a) Net Investment Income Earned (Excluding Realized Capital Gains)	1,095,957	821,218	1,063,244	1,422,658	1,641,910	1,563,943	1,776,772	1,892,809	1,430,353	1,605,565	1,679,095
(b) Surplus Plus Reserves Current Year End	32,728,706	39,363,084	46,754,289	49,952,769	44,438,149	46,846,187	44,344,021	48,148,402	53,197,990	54,545,407	58,151,770
(c) Surplus Plus Reserves Prior Year End	29,275,656	32,728,706	39,363,084	46,754,289	49,952,769	44,438,149	46,846,187	44,344,021	48,148,402	53,197,990	54,545,407
(d) Mean Surplus and Reserves	31,002,181	36,045,895	43,058,687	48,353,529	47,195,459	45,642,168	45,595,104	46,246,212	50,673,196	53,871,699	56,348,589
(e) Ratio of Net Investment Income Earned to Mean Surplus and Reserves	3.54%	2.28%	2.47%	2.94%	3.48%	3.43%	3.90%	4.09%	2.82%	2.98%	2.98%
(f) Average Net Investment Income Earned to Mean Surplus and Reserves											3.17%
(g) Average Realized Capital Gains											-0.60%
(h) Investment Income Factor											2.58%

Notes: (a) is from page 4 of the Annual Statement.

(b) and (c) are the totals of the losses, loss adjustment expenses, and unearned premium reserves, plus policyholder surplus, from page 3 of the Annual Statement.

(d) = $[b + c] / 2$

(e) = a / d

(f) = average of last 10 years.

(g) Exhibit B, page 6

(h) = $f + g$

Auto Club Family Insurance Company
Arkansas Homeowners

Computation of Average Realized Capital Gains

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
(a) Realized Capital Gains	(1,292,968)	610,438	97,870	182,732	620,958	15,636	(2,587,539)	(854,103)	341,056	(169,191)	642,081
(b) Year End Reserves and Surplus	32,728,706	39,363,084	46,754,289	49,952,769	44,438,149	46,846,187	44,344,021	48,148,402	53,197,990	54,545,407	58,151,770
(c) Year End Reserves and Surplus From Prior Year	29,275,656	32,728,706	39,363,084	46,754,289	49,952,769	44,438,149	46,846,187	44,344,021	48,148,402	53,197,990	54,545,407
(d) Mean of (b) and (c)	31,002,181	36,045,895	43,058,687	48,353,529	47,195,459	45,642,168	45,595,104	46,246,212	50,673,196	53,871,699	56,348,589
(e) Realized Capital Gains as ratio to Mean Reserves and Surplus	-4.17%	1.69%	0.23%	0.38%	1.32%	0.03%	-5.68%	-1.85%	0.67%	-0.31%	1.14%
(f) Average Realized Capital Gains as ratio to Mean Reserves and Surplus											-0.60%

Notes: (a) from page 4 of the Annual Statement

(b) and (c) are the sums of the losses, loss adjustment expenses, unearned premiums, and policyholder surplus from page 3 of the Annual Statement.

(d) = $[b + c] / 2$

(e) = a / d

(f) Average of last 10 years.

Auto Club Family Insurance Company
Arkansas Homeowners

Federal Taxes on Investment Income

Type of Investment (Excluding Realized Capital Gain)	2008			2009			2010			2011			2012		
	Income	Taxable Portion	Taxable Income												
a. Taxable Bond (AS page 12, lines 1 & 1.2, col 2)	1,208,514	100%	1,208,514	1,410,767	100%	1,410,767	602,908	100%	602,908	538,983	100%	538,983	506,111	100%	506,111
b. Tax-exempt Bond (AS page 12, line 1.1, col 2)	579,417	15%	86,913	600,500	15%	90,075	769,241	15%	115,386	903,757	15%	135,564	940,445	15%	141,067
c. Stock (AS page 12, lines 2.1, 2.11, 2.2, 2.21, col 2)	135,525	40.50%	54,888	137,236	40.50%	55,581	239,496	40.50%	96,996	299,447	40.50%	121,276	369,474	40.50%	149,637
d. Other Investment Income (AS page 12, lines 3 to 9, col 2)	127,327	100%	127,327	18,111	100%	18,111	3,427	100%	3,427	2,456	100%	2,456	3,779	100%	3,779
e. Gross Total [sum of a to d]	2,050,783		1,477,641	2,166,614		1,574,534	1,615,072		818,717	1,744,643		798,279	1,819,809		800,594
f. Investment Expenses (AS page 12, line 16, col 2)	274,047		274,047	273,805		273,805	184,719		184,719	139,077		139,077	140,714		140,714
g. Net Total (e - f)	1,776,736		1,203,594	1,892,809		1,300,729	1,430,353		633,998	1,605,566		659,202	1,679,095		659,880
h. Corporate Tax Rate (assumed 35%)			35%			35%			35%			35%			35%
i. Taxable Amount (g x h)			421,258			455,255			221,899			230,721			230,958
j. Tax Amount as % of Investment Income [i / g, pre-tax]			23.7%			24.1%			15.5%			14.4%			13.8%

- k. Selected Tax rate on Investment Income (average of last 5 years) 18.3%
 - l. Selected Tax rate on Realized Capital Gain 35%
 - m. Investment Income (Excluding Capital Gain) 3.17%
 - n. Realized Capital Gain -0.60%
 - o. Average Tax rate on Investment Income Including Realized Capital Gain 14.4%
- { [(k*m) + (l * n)] / [m + n] }

**Auto Club Family Insurance Company
Age of Home Loss Experience
Arkansas - Non Catastrophe**

(1) Age of Home	(2) Earned Premium	(3) Incurred Losses	(4) Loss Ratio	(5) Indicated Change	(6) ACFIC Current	(7) ACFIC Proposed	(8) Proposed Change
0	360,705	59,581	16.5%	-73.3%	0.70	0.70	0.0%
1	516,767	131,124	25.4%	-58.9%	0.72	0.72	0.0%
2	665,614	290,232	43.6%	-29.4%	0.74	0.74	0.0%
3	815,688	441,624	54.1%	-12.4%	0.76	0.76	0.0%
4	953,554	576,190	60.4%	-2.2%	0.80	0.80	0.0%
5	1,019,015	634,354	62.3%	0.8%	0.84	0.84	0.0%
6	957,664	234,807	24.5%	-60.3%	0.88	0.88	0.0%
7	870,721	367,338	42.2%	-31.7%	0.92	0.92	0.0%
8	792,785	542,291	68.4%	10.7%	0.96	0.96	0.0%
9	748,782	659,095	88.0%	42.5%	1.00	1.00	0.0%
10	733,090	424,396	57.9%	-6.3%	1.00	1.00	0.0%
11	730,524	430,701	59.0%	-4.6%	1.02	1.02	0.0%
12	702,067	578,212	82.4%	33.3%	1.02	1.02	0.0%
13	668,154	512,565	76.7%	24.2%	1.02	1.02	0.0%
14	610,625	455,392	74.6%	20.7%	1.02	1.02	0.0%
15	581,171	556,227	95.7%	54.9%	1.02	1.04	2.0%
16	512,209	295,136	57.6%	-6.7%	1.02	1.03	1.0%
17	465,178	367,581	79.0%	27.9%	1.02	1.03	1.0%
18	431,367	332,012	77.0%	24.6%	1.02	1.03	1.0%
19	366,312	305,414	83.4%	34.9%	1.02	1.03	1.0%
20	371,287	169,995	45.8%	-25.9%	1.02	1.02	0.0%
21-29	3,363,477	2,071,929	61.6%	-0.3%	1.02	1.02	0.0%
30-49	5,711,720	3,772,981	66.1%	6.9%	1.04	1.02	-1.9%
<u>50+</u>	<u>1,064,034</u>	<u>626,629</u>	<u>58.9%</u>	<u>-4.7%</u>	<u>1.06</u>	<u>1.00</u>	<u>-5.7%</u>
Total	24,012,511	14,835,806	61.8%				

Notes:

(2) and (3) consist of HO3 & HO5 from AY 2008-2012

(5) = (4) / [(4) Total]

**Auto Club Family Insurance Company
Insurance Score Loss Experience
Arkansas - Non Catastrophe**

(1) Tier	(2) Earned Premium	(3) Incurred Losses	(4) Loss Ratio	(5) Indicated Change	(6) HO3, HO8 Current	(7) HO5 Current	(8) HO3, HO8 Proposed	(9) HO5 Proposed	(10) Proposed HO3, HO8 Change	(11) Proposed HO5 Change
10	4,206,634	1,851,673	44.0%	-31.5%	0.82	0.85	0.78	0.81	-4.9%	-4.7%
20	3,587,295	2,009,659	56.0%	-12.8%	0.87	0.91	0.84	0.87	-3.4%	-4.4%
30	4,504,323	3,394,194	75.4%	17.3%	0.92	0.97	0.92	0.97	0.0%	0.0%
40	4,074,930	2,395,749	58.8%	-8.5%	1.00	1.04	1.00	1.04	0.0%	0.0%
50	2,863,679	2,283,262	79.7%	24.1%	1.09	1.08	1.09	1.08	0.0%	0.0%
60	1,370,128	680,525	49.7%	-22.7%	1.16	1.15	1.16	1.15	0.0%	0.0%
70	1,735,544	1,113,107	64.1%	-0.2%	1.25	1.22	1.25	1.22	0.0%	0.0%
80	1,456,249	1,149,920	79.0%	22.9%	1.36	1.33	1.41	1.38	3.7%	3.8%
<u>90</u>	<u>1,116,396</u>	<u>1,125,793</u>	<u>100.8%</u>	57.0%	1.47	1.45	1.54	1.52	4.8%	4.8%
Total	24,915,178	16,003,882	64.2%							

Notes:

(2) and (3) consist of HO3, HO5, HO8 from AY 2008-2012

(5) = (4) / [(4) Total]

**Auto Club Family Insurance Company
Prior Claims Loss Experience
Companywide - Non-Catastrophe**

<u>Earned Premium</u>	Chargeable Claim Counts					Total
	0	1	2	3	4+	
Longevity Yrs						
0-2	81,302,792	5,460,144	252,586	22,216	6,173	87,043,911
3-5	52,078,605	3,191,458	297,150	4,542	0	55,571,754
6-8	32,836,619	2,365,724	231,459	11,057	2,507	35,447,367
9+	<u>40,076,427</u>	<u>3,045,171</u>	<u>329,320</u>	<u>14,857</u>	<u>6,870</u>	<u>43,472,646</u>
Total	206,294,442	14,062,498	1,110,516	52,672	15,549	221,535,678

<u>Incurred Loss</u>	Chargeable Claim Counts					Total
	0	1	2	3	4+	
Longevity Yrs						
0-2	39,788,288	2,644,781	59,819	21,387	0	42,514,274
3-5	22,813,386	1,893,863	281,867	10,755	0	24,999,872
6-8	15,359,499	1,491,505	100,177	1,517	3,665	16,956,363
9+	<u>15,352,289</u>	<u>1,488,951</u>	<u>705,011</u>	<u>779</u>	<u>12,244</u>	<u>17,559,275</u>
Total	93,313,462	7,519,101	1,146,875	34,438	15,909	102,029,784

<u>Loss Ratio</u>	Chargeable Claim Counts					Total
	0	1	2	3	4+	
Longevity Yrs						
0-2	48.9%	48.4%	23.7%	96.3%	0.0%	48.8%
3-5	43.8%	59.3%	94.9%	236.8%	n/a	45.0%
6-8	46.8%	63.0%	43.3%	13.7%	146.2%	47.8%
9+	<u>38.3%</u>	<u>48.9%</u>	<u>214.1%</u>	<u>5.2%</u>	<u>178.2%</u>	<u>40.4%</u>
Total	45.2%	53.5%	103.3%	65.4%	102.3%	46.1%

<u>Loss Ratio Relativity</u>	Chargeable Claim Counts					Total
	0	1	2	3	4+	
Longevity Yrs						
0-2	1.08	1.07	0.52	2.13	0.00	1.08
3-5	0.97	1.31	2.10	5.24	n/a	0.99
6-8	1.03	1.39	0.96	0.30	3.23	1.06
9+	<u>0.85</u>	<u>1.08</u>	<u>4.73</u>	<u>0.12</u>	<u>3.94</u>	<u>0.89</u>
Total	1.00	1.18	2.28	1.45	2.26	1.02

<u>Current Factors</u>	Chargeable Claim Counts				
	0	1	2	3	4+
Longevity Yrs					
0-2	1.00	1.20	1.40	1.55	1.85
3-5	1.00	1.15	1.30	1.55	1.85
6-8	1.00	1.05	1.25	1.55	1.85
9+	1.00	1.00	1.20	1.45	1.85

<u>Proposed Factors</u>	Chargeable Claim Counts				
	0	1	2	3	4+
Longevity Yrs					
0-2	1.00	1.25	1.45	1.65	1.85
3-5	1.00	1.20	1.35	1.65	1.85
6-8	1.00	1.10	1.30	1.65	1.85
9+	1.00	1.05	1.25	1.55	1.85

<u>% Change</u>	Chargeable Claim Counts				
	0	1	2	3	4+
Longevity Yrs					
0-2	0.0%	4.2%	3.6%	6.5%	0.0%
3-5	0.0%	4.3%	3.8%	6.5%	0.0%
6-8	0.0%	4.8%	4.0%	6.5%	0.0%
9+	0.0%	5.0%	4.2%	6.9%	0.0%

Data consists of all forms from AY 2008-2011
Loss relativities are relative to the 0 claim count total loss ratio

**Auto Club Family Insurance Company
Roof Type Loss Experience
Companywide**

(1) Roof Type	(2) Earned Premium	(3) Adj Earned Premium	(4) Incurred Losses	(5) Loss Ratio	(6) Adj Loss Loss Ratio	(7) Indicated Factor	(8) ACFIC Proposed
Wood	8,172,148	7,564,441	13,360,247	163.5%	176.6%	1.742	1.040
Other	208,186,181	208,186,181	211,078,168	101.4%	101.4%	1.000	1.000
Total	216,358,329	215,750,622	224,438,415	103.7%	104.0%		

Notes:

(2), (3), and (4) consist of HO3, HO5, HO8, and Rental Dwelling forms.

(3) removes the impact of the current roof surcharge factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) Other]

**Auto Club Family Insurance Company
Form Loss Experience
Arkansas Data**

(1) <u>Form</u>	(2) Loss <u>Ratio</u>	(3) Loss <u>Relativity</u>	Current HO3-to-HO8 <u>Factor</u>	Proposed HO3-to-HO8 <u>Factor</u>
HO8	149.2%	1.81	1.25	1.29
HO3	82.3%	1.00		

Notes:

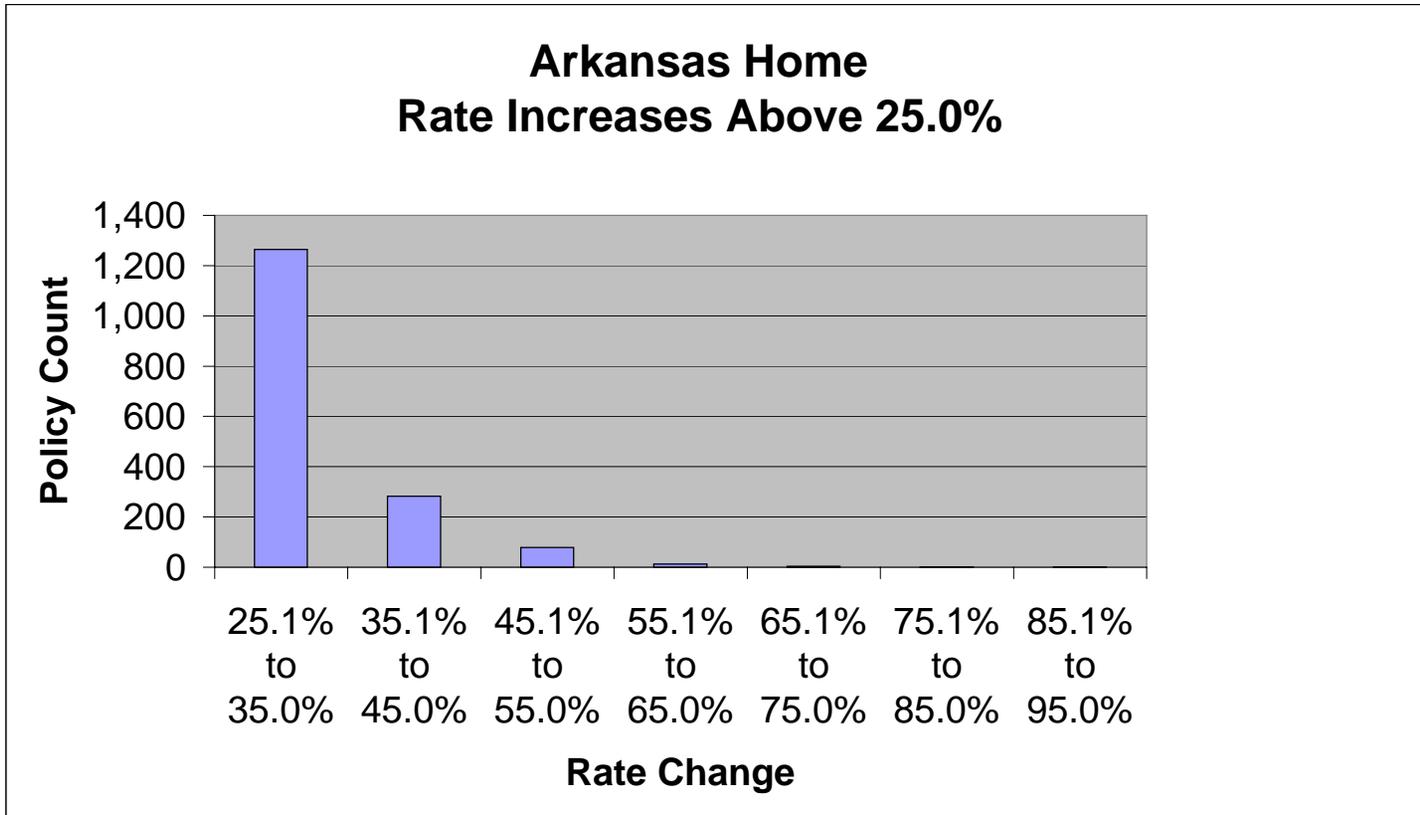
Losses are from Accident Years 2008-2012 and capped at 100,000

Premiums are at Current Rate Level

(3)=(2) / HO3 (2)

**Auto Club Family Insurance Company
Histogram of Rate Increases Above 25.0%
Arkansas Homeowners**

<u>Rate Increase Range</u>	<u>Policy Count</u>
25.1% to 35.0%	1,264
35.1% to 45.0%	283
45.1% to 55.0%	79
55.1% to 65.0%	13
65.1% to 75.0%	4
75.1% to 85.0%	1
85.1% to 95.0%	1



Auto Club Family Insurance Company
Arkansas Homeowners Response

*Please amend the overall increase to 10% and cap individual increases at no more than 25%.
Please provide amended forms HPCS and RF-1.*

We are amending this filing to an overall rate increase of 10.0%. No policy will receive an increase greater than 25.0%.

Amended forms HPCS and RF-1 are included.

We are changing the HO3-to-HO8 base rate differential from 1.25 to 1.29 as stated on page 1 & 2 of Exhibit C (Rule 30.2F).

We are no longer restructuring our homeowners' insurance tier rating in Arkansas. As a result, the mature policyholder discount is being removed (Rule 25.6G). The prior insurance discount is being removed (Rule 25.6H). The swimming pool discount is being removed (Rule 25.6I). Also, consecutive years with ACFIC will no longer be removed from the claim rating surcharge (Rule 25.6F).

Exhibits D, E, F, J and K provide actuarial justification for our selected age of home factors (Rule 25.6C), insurance score tier factors (Rule 30.2G), claim rating surcharge factors (Rule 25.6F), wood roof surcharge factor (Rule 25.6D), and HO3-to-HO8 differential (Rule 30.2F).

We are no longer changing the windstorm or hail percentage deductible credits. We are still adding credits for the \$1,500 deductible option (Rule 35.6A).

SERFF Tracking #:

AAAM-128926323

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

AR130415XRMXX110

State:

Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Homeowners

Project Name/Number:

/

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)
04/29/2013		Rate	Calculation of Premium Summary	05/21/2013	Rule 40.1.pdf (Superseded)
04/29/2013		Rate	Table of Contents	05/20/2013	HOMEAR.TOC_081513_filed.pdf
04/29/2013		Rate	Index	05/20/2013	HOMEAR.DEX_filed 081513.pdf
04/29/2013		Rate	Windstorm or Hail Percentage Deductible (CO 03 12)	05/21/2013	Rule 35.6A.pdf (Superseded)

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/15/2013		Supporting Document	Actuarial Justification	05/21/2013	Exhibit A - AR Home Indication - Filing - Final.pdf Exhibit B - Underwriting Profit Provision.pdf Exhibit D - Age of Home Loss Experience.pdf (Superceded) Exhibit E - CIS Loss Experience.pdf (Superceded) Exhibit F - Prior Chargeable Claims Loss Experience.pdf (Superceded) Exhibit G - Swimming Pool Loss Experience.pdf (Superceded) Exhibit H - Policyholder Age Loss Experience.pdf (Superceded) Exhibit I - Prior Insurance Loss Experience (HO4 Only).pdf (Superceded) Exhibit J - Roof Type Loss Experience.pdf (Superceded) Exhibit K - Form Loss Experience.pdf (Superceded)
04/09/2013		Rate	Arkansas Home Rates	05/21/2013	Exhibit C - AR Home Rate Pages 08-15-2013 - Final.pdf (Superceded)
04/09/2013		Rate	Premier Select Factor	05/20/2013	Rule 30.2F.pdf (Superceded)
04/09/2013		Rate	Consumer Insurance Score (CIS)	05/20/2013	Rule 30.2G.pdf (Superceded)
04/09/2013		Rate	Windstorm or Hail Percentage Deductible (CO 03 12)	04/29/2013	Rule 35.6A.pdf (Superceded)

State: Arkansas

Filing Company:

Auto Club Family Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/09/2013		Rate	Roof Surfaces (CO 00 17 & CO 00 18)	04/29/2013	Rule 35.6D.pdf (Superceded)
04/09/2013		Rate	Calculation of Premium Summary	04/29/2013	Rule 40.1.pdf (Superceded)
04/09/2013		Rate	Roof Rating Factors	05/20/2013	Rule 25.6D.pdf (Superceded)
04/09/2013		Rate	Claim Rating Surcharge	05/20/2013	Rule 25.6F.pdf (Superceded)
04/09/2013		Rate	Mature Policyholder Discount	05/20/2013	Rule 25.6G.pdf
04/09/2013		Rate	Prior Insurance Discount	05/20/2013	Rule 25.6H.pdf
04/09/2013		Rate	Swimming Pool Surcharge	05/20/2013	Rule 25.6I.pdf
04/09/2013		Rate	Table of Contents	04/29/2013	HOMEAR.TOC_081513_filed.pdf (Superceded)
04/09/2013		Rate	Index	04/29/2013	HOMEAR.DEX_filed 081513.pdf (Superceded)
04/09/2013		Rate	Optional Endorsements	04/29/2013	Rule 15.4B.pdf (Superceded)
04/09/2013		Rate	Discounts/Surcharges	05/20/2013	Rule 25.6.pdf (Superceded)
04/09/2013		Rate	Age of Home/Modernization Rating Factors	05/20/2013	Rule 25.6C.pdf (Superceded)
03/05/2013		Supporting Document	HPCS-Homeowners Premium Comparison Survey	05/21/2013	HO Survey FORM HPCS 2013 Revised.xls (Superceded) HO Survey FORM HPCS 2013 Revised.pdf (Superceded)
03/05/2013	Filed 05/22/2013	Supporting Document	NAIC loss cost data entry document	05/21/2013	NAIC Loss Cost Data.pdf (Superceded)

ARKANSAS
HOMEOWNERS
RULES MANUAL

SECTION 40
CALCULATION OF
PREMIUM
RULE 40.1
DATE: 08-15-2013

SECTION 40 - CALCULATION OF PREMIUM

RULE 40.1 - CALCULATION OF PREMIUM SUMMARY

1) Determine the base premium as shown in [Rule 30.1](#) - Base Premium Computation.

2) Apply the discount percentage credits and/or the base premium adjustments to the base premium for the following items in the following order:

(Round after each credit or charge)

- A. Premier Select Factor, [Rule 30.2F](#).
- B. Protection Class 9 deviation Factor, [Rule 25.2](#).
- C. Special Loss Settlement Endorsement (CO 04 56), [Rule 30.2D](#).
- D. Ordinance or Law Coverage Endorsement (CO 04 77), [Rule 30.2B](#).
- E. Unit-Owners Coverage C - Special Coverage (CO 17 31), [Rule 30.2E](#).
- F. Auto/Home Discount, [Rule 25.6A](#).
- G. Roof Rating Factor, [Rule 25.6D](#).
- H. Townhouse Factor, [Rule 30.2C](#).
- I. Replacement Cost - Contents (CO 04 90), [Rule 35.3C](#).
- J. Protective Device Discount, [Rule 25.6B](#).
- K. Combined Windstorm/Hail Percentage Deductible and Policy Deductible (CO 03 12), [Rule 35.6A](#).
- L. Deductible Factor without Windstorm/Hail Percentage Deductible [Rule 30.2A](#).
- M. Age of Home/Modernization Rating Factor, [Rule 25.6C](#).
- N. Claim Rating Surcharge, [Rule 25.6F](#).
- O. Swimming Pool Surcharge, [Rule 25.6I](#).
- P. Prior Insurance Discount, [Rule 25.6H](#).
- Q. Mature Policyholder Discount, [Rule 25.6G](#).

3) Apply any charges for increased limits to Coverages A,C,E and F, Section 35.

4) Insurance Score Factor, [Rule 30.2G](#).

5) AAA Membership Discount, [Rule 25.6E](#).

6) Apply any charges for optional limits and coverages, Section 35.



ARKANSAS
HOMEOWNERS
RULES MANUAL

SECTION 35
OPTIONAL LIMITS
AND COVERAGES
RULE 35.6A
DATE: 08-15-2013

RULE 35.6 - SECTION I - MISCELLANEOUS

RULE 35.6A - WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE (CO 03 12)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

The policy may be endorsed with a special Windstorm or Hail deductible. This deductible applies to Section I - Property Coverage losses. A premium credit will be given.

The premium credit factor will be as follows:

Windstorm/Hail Percentage Deductible - 1%

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>						
	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$3,000</u>	<u>\$4,000</u>	<u>\$5,000</u>
\$0 to \$35,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$100,001 to \$125,000	.980	1.000	1.000	1.000	1.000	1.000	1.000
\$125,001 to \$150,000	.960	1.000	1.000	1.000	1.000	1.000	1.000
\$150,001 to \$175,000	.940	.980	1.000	1.000	1.000	1.000	1.000
\$175,001 to \$200,000	.930	.970	1.000	1.000	1.000	1.000	1.000
\$200,001 to \$225,000	.920	.960	.990	1.000	1.000	1.000	1.000
\$225,001 to \$250,000	.910	.950	.980	1.000	1.000	1.000	1.000
\$250,001 to \$275,000	.910	.940	.970	.990	1.000	1.000	1.000
\$275,001 to \$300,000	.910	.940	.960	.980	1.000	1.000	1.000
\$300,001 to \$325,000	.900	.930	.950	.970	.990	1.000	1.000
\$325,001 to \$350,000	.900	.920	.940	.960	.990	1.000	1.000
\$350,001 to \$375,000	.900	.920	.930	.960	.980	1.000	1.000
\$375,001 to \$400,000	.890	.910	.930	.950	.980	1.000	1.000
\$400,001 to \$425,000	.890	.910	.920	.950	.980	.990	1.000
\$425,001 to \$450,000	.880	.900	.920	.950	.970	.990	1.000
\$450,001 to \$475,000	.880	.900	.920	.940	.970	.980	1.000
\$475,001 to \$500,000	.880	.900	.910	.930	.960	.980	1.000
\$500,001+	.880	.900	.910	.920	.950	.970	.980

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000

\$75,001 to \$100,000	1.000	1.000
\$100,001 to \$125,000	1.000	1.000
\$125,001 to \$150,000	1.000	1.000
\$150,001 to \$175,000	1.000	1.000
\$175,001 to \$200,000	1.000	1.000
\$200,001 to \$225,000	1.000	1.000
\$225,001 to \$250,000	1.000	1.000
\$250,001 to \$275,000	1.000	1.000
\$275,001 to \$300,000	1.000	1.000
\$300,001 to \$325,000	1.000	1.000
\$325,001 to \$350,000	1.000	1.000
\$350,001 to \$375,000	1.000	1.000
\$375,001 to \$400,000	1.000	1.000
\$400,001 to \$425,000	1.000	1.000
\$425,001 to \$450,000	1.000	1.000
\$450,001 to \$475,000	1.000	1.000
\$475,001 to \$500,000	1.000	1.000
\$500,001+	.990	1.000

Windstorm/Hail Percentage Deductible - 2%

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>						
	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$3,000</u>	<u>\$4,000</u>	<u>\$5,000</u>
\$0 to \$35,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$50,001 to \$75,000	.950	1.000	1.000	1.000	1.000	1.000	1.000
\$75,001 to \$100,000	.920	.960	1.000	1.000	1.000	1.000	1.000
\$100,001 to \$125,000	.900	.930	.960	1.000	1.000	1.000	1.000
\$125,001 to \$150,000	.890	.920	.950	.980	1.000	1.000	1.000
\$150,001 to \$175,000	.880	.910	.930	.970	.990	1.000	1.000
\$175,001 to \$200,000	.860	.890	.920	.960	.980	1.000	1.000
\$200,001 to \$225,000	.860	.890	.910	.940	.980	.990	1.000
\$225,001 to \$250,000	.850	.880	.900	.920	.970	.990	1.000
\$250,001 to \$275,000	.850	.870	.890	.910	.960	.980	.990
\$275,001 to \$300,000	.840	.860	.880	.900	.950	.980	.990
\$300,001 to \$325,000	.840	.860	.880	.900	.950	.970	.990
\$325,001 to \$350,000	.830	.850	.870	.890	.940	.970	.980
\$350,001 to \$375,000	.830	.850	.860	.880	.930	.960	.980
\$375,001 to \$400,000	.820	.840	.860	.870	.920	.950	.980
\$400,001 to \$425,000	.820	.840	.850	.870	.910	.940	.980
\$425,001 to \$450,000	.820	.840	.850	.860	.900	.930	.970
\$450,001 to \$475,000	.820	.840	.850	.860	.890	.920	.970
\$475,001 to \$500,000	.820	.830	.840	.840	.870	.900	.960
\$500,001+	.820	.830	.830	.830	.850	.880	.940

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000
\$100,001 to \$125,000	1.000	1.000
\$125,001 to \$150,000	1.000	1.000
\$150,001 to \$175,000	1.000	1.000
\$175,001 to \$200,000	1.000	1.000
\$200,001 to \$225,000	1.000	1.000
\$225,001 to \$250,000	1.000	1.000
\$250,001 to \$275,000	1.000	1.000
\$275,001 to \$300,000	1.000	1.000
\$300,001 to \$325,000	1.000	1.000
\$325,001 to \$350,000	1.000	1.000
\$350,001 to \$375,000	1.000	1.000
\$375,001 to \$400,000	.990	1.000
\$400,001 to \$425,000	.990	1.000
\$425,001 to \$450,000	.990	1.000
\$450,001 to \$475,000	.980	1.000
\$475,001 to \$500,000	.980	1.000
\$500,001+	.970	.980

Endorsement CO 03 12 Windstorm or Hail Percentage Deductible will be attached to the policy.



**Auto Club Family Insurance Company
Age of Home Loss Experience
Companywide - Non Catastrophe**

(1) Age of Home	(2) Earned Premium	(3) Adj. Earned Premium	(4) Incurred Losses	(5) Loss Ratio	(6) Adj. Loss Ratio	(7) 5 Yr Adj Rolling LR	(8) Indicated Factor	(9) 5 Yr Ind Factor	(10) ACFIC Current	(11) ACFIC Proposed
0	1,340,171	1,985,241	268,303	20.0%	13.5%		0.294		0.70	0.60
1	2,133,289	3,067,796	442,479	20.7%	14.4%		0.314		0.72	0.64
2	3,038,408	4,364,254	1,787,718	58.8%	41.0%	26.1%	0.891	0.568	0.74	0.68
3	4,230,180	5,420,615	1,342,011	31.7%	24.8%	31.9%	0.538	0.693	0.76	0.72
4	5,031,268	6,163,250	1,644,651	32.7%	26.7%	34.2%	0.580	0.744	0.80	0.76
5	5,368,900	6,314,184	2,853,619	53.2%	45.2%	34.7%	0.983	0.755	0.84	0.82
6	5,416,357	6,131,803	2,085,267	38.5%	34.0%	36.8%	0.739	0.800	0.88	0.87
7	5,248,695	5,701,322	2,394,506	45.6%	42.0%	40.6%	0.913	0.882	0.92	0.91
8	5,157,657	5,426,824	1,958,886	38.0%	36.1%	42.1%	0.785	0.915	0.96	0.95
9	5,220,708	5,385,540	2,452,240	47.0%	45.5%	44.5%	0.990	0.968	1.00	1.00
10	5,322,870	5,504,979	2,962,039	55.6%	53.8%	48.1%	1.170	1.045	1.00	1.02
11	5,334,780	5,118,523	2,311,316	43.3%	45.2%	50.8%	0.982	1.105	1.02	1.05
12	5,040,790	4,845,585	2,949,462	58.5%	60.9%	51.8%	1.323	1.126	1.02	1.07
13	4,777,139	4,592,810	2,258,233	47.3%	49.2%	55.1%	1.069	1.198	1.02	1.11
14	4,632,622	4,461,324	2,219,126	47.9%	49.7%	59.7%	1.081	1.297	1.02	1.13
15	4,537,600	4,386,208	3,155,224	69.5%	71.9%	59.0%	1.564	1.282	1.02	1.15
16	4,223,219	4,098,726	2,771,646	65.6%	67.6%	57.9%	1.470	1.259	1.02	1.15
17	3,816,816	3,708,760	2,128,534	55.8%	57.4%	58.5%	1.248	1.271	1.02	1.13
18	3,487,617	3,386,996	1,334,320	38.3%	39.4%	53.8%	0.856	1.170	1.02	1.09
19	3,278,070	3,189,528	1,588,352	48.5%	49.8%	49.5%	1.083	1.076	1.02	1.05
20	3,389,559	3,301,122	1,693,853	50.0%	51.3%	45.4%	1.116	0.986	1.02	1.03
21 - 29	26,594,198	25,862,703	12,705,175	47.8%	49.1%		1.068		1.02	1.03
30 - 49	53,915,343	52,529,060	25,181,216	46.7%	47.9%		1.042		1.04	1.03
50+	45,822,075	43,616,987	20,047,899	43.8%	46.0%		0.999		1.06	1.00
Total	216,358,329	218,564,139	100,536,076	46.5%	46.0%					

Notes:

(2), (3), and (4) consist of HO3, HO5, HO8, and Rental Dwelling forms.

(3) removes the impact of the age of home, claims surcharge, and insurance tier factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) combines the loss experience of the current point, 2 previous points, and 2 subsequent points.

(8) = (6) / [(6) Total]

(9) = (7) / [(6) Total]

Auto Club Family Insurance Company
CIS Loss Experience
Companywide - Non Catastrophe

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CIS Tier	Earned Premium	Adj Earned Premium	Incurred Losses	Loss Ratio	Adj Loss Ratio	Indicated Factor	ACFIC Proposed
19	930,582	637,266	873,720	93.9%	137.1%	3.002	1.58
18	1,278,056	876,555	905,125	70.8%	103.3%	2.261	1.51
17	2,875,315	2,033,311	2,752,046	95.7%	135.3%	2.964	1.45
16	5,661,898	4,188,995	2,984,823	52.7%	71.3%	1.560	1.38
15	8,412,264	6,439,628	4,985,522	59.3%	77.4%	1.695	1.31
14	8,635,973	6,924,917	5,440,072	63.0%	78.6%	1.720	1.25
13	10,263,950	8,902,117	5,866,282	57.2%	65.9%	1.443	1.18
12	11,186,820	10,146,404	7,002,043	62.6%	69.0%	1.511	1.12
11	11,550,299	10,840,502	5,185,765	44.9%	47.8%	1.048	1.06
10	12,371,078	12,059,409	5,233,361	42.3%	43.4%	0.950	1.00
9	14,999,773	14,738,299	6,426,647	42.8%	43.6%	0.955	0.97
8	16,709,208	17,221,249	6,092,753	36.5%	35.4%	0.775	0.94
7	17,682,575	18,560,000	6,222,213	35.2%	33.5%	0.734	0.91
6	17,818,738	18,901,048	7,606,732	42.7%	40.2%	0.881	0.88
5	18,428,952	20,385,928	6,701,037	36.4%	32.9%	0.720	0.84
4	19,895,878	22,072,931	9,135,376	45.9%	41.4%	0.906	0.81
3	18,035,403	20,377,437	8,683,474	48.1%	42.6%	0.933	0.78
2	13,139,284	15,086,890	5,232,923	39.8%	34.7%	0.760	0.75
1	10,392,425	11,983,072	3,842,342	37.0%	32.1%	0.702	0.71
20,21,22	1,185,903	1,050,938	857,525	72.3%	81.6%	1.787	0.94
Total	221,454,376	223,426,895	102,029,784	46.1%	45.7%		

Notes:

(2), (3), and (4) consist of all policy forms.

(3) removes the impact of the age of home, claims surcharge, and insurance tier factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) Total]

**Auto Club Family Insurance Company
Prior Chargeable Claims Loss Experience
Companywide - Non Catastrophe**

(1) Prior Chargeable <u>Claims</u>	(2) Earned <u>Premium</u>	(3) Adj Earned <u>Premium</u>	(4) Incurred <u>Losses</u>	(5) Loss <u>Ratio</u>	(6) Adj Loss <u>Ratio</u>	(7) Indicated <u>Surcharge</u>	(8) ACFIC <u>Proposed</u>
0	206,220,870	210,135,689	93,313,462	45.2%	44.4%	0.0%	0%
1	14,053,848	12,299,113	7,519,101	53.5%	61.1%	37.7%	30%
2+	1,179,658	992,094	1,197,221	101.5%	120.7%	171.8%	60% and over
Total	221,454,376	223,426,895	102,029,784	46.1%	45.7%		

Notes:

- (2), (3), and (4) consist of all policy forms.
- (3) removes the impact of the age of home, claims surcharge, and insurance tier factors.
- (5) = (4) / (2)
- (6) = (4) / (3)
- (7) = (6) / [(6) 0 claim] - 1

**Auto Club Family Insurance Company
Swimming Pool Loss Experience
Companywide - Non Catastrophe**

(1) Swimming <u>Pool</u>	(2) Earned <u>Premium</u>	(3) Adj Earned <u>Premium</u>	(4) Incurred <u>Losses</u>	(5) Loss <u>Ratio</u>	(6) Adj Loss <u>Loss Ratio</u>	(7) Indicated <u>Surcharge</u>	(8) ACFIC <u>Proposed</u>
Yes	11,817,013	10,552,283	6,793,850	57.5%	64.4%	43%	12%
No	204,541,317	208,011,856	93,742,225	45.8%	45.1%	0%	0%
Total	216,358,329	218,564,139	100,536,076	46.5%	46.0%		

Notes:

(2), (3), and (4) consist of HO3, HO5, HO8, and Rental Dwelling forms.

(3) removes the impact of the age of home, claims surcharge, and insurance tier factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) No] - 1

**Auto Club Family Insurance Company
Policyholder Age Loss Experience
Companywide - Non Catastrophe**

(1) Policyholder Age	(2) Earned Premium	(3) Adj Earned Premium	(4) Incurred Losses	(5) Loss Ratio	(6) Adj Loss Ratio	(7) Indicated Factor	(8) ACFIC Proposed
Under 55	141,094,191	138,310,510	67,174,633	47.6%	48.6%	1.000	1.000
55+	80,360,186	85,116,386	34,855,151	43.4%	40.9%	0.843	0.920
Total	221,454,376	223,426,895	102,029,784	46.1%	45.7%		

Notes:

(2), (3), and (4) consist of all policy forms.

(3) removes the impact of the age of home, claims surcharge, and insurance tier factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) Under 55]

**Auto Club Family Insurance Company
Prior Insurance Loss Experience (HO4 Only)
Companywide - Non Catastrophe**

(1) Prior <u>Insurance</u>	(2) Earned <u>Premium</u>	(3) Adj Earned <u>Premium</u>	(4) Incurred <u>Losses</u>	(5) Loss <u>Ratio</u>	(6) Adj Loss <u>Loss Ratio</u>	(7) Indicated <u>Factor</u>	(8) ACFIC <u>Proposed</u>
Yes	5,042,132	5,112,844	1,068,002	21.2%	20.9%	0.551	0.800
No	1,219,334	1,133,575	429,915	35.3%	37.9%	1.000	1.000
Total	6,261,466	6,246,419	1,497,917	23.9%	24.0%		

Notes:

(2), (3), and (4) consists of only the HO4 form.

(3) removes the impact of the claims surcharge and insurance tier factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) No]

**Auto Club Family Insurance Company
Roof Type Loss Experience
Companywide**

(1) Roof Type	(2) Earned Premium	(3) Adj Earned Premium	(4) Incurred Losses	(5) Loss Ratio	(6) Adj Loss Loss Ratio	(7) Indicated Factor	(8) ACFIC Proposed
Wood	8,172,148	7,564,441	13,360,247	163.5%	176.6%	1.742	1.300
Other	208,186,181	208,186,181	211,078,168	101.4%	101.4%	1.000	1.000
Total	216,358,329	215,750,622	224,438,415	103.7%	104.0%		

Notes:

(2), (3), and (4) consist of HO3, HO5, HO8, and Rental Dwelling forms.

(3) removes the impact of the current roof surcharge factors.

(5) = (4) / (2)

(6) = (4) / (3)

(7) = (6) / [(6) Other]

**Auto Club Family Insurance Company
Form Loss Experience
Arkansas Data**

(1) <u>Form</u>	(2) Loss <u>Ratio</u>	(3) Loss <u>Relativity</u>	Current HO3-to-HO8 <u>Factor</u>	Proposed HO3-to-HO8 <u>Factor</u>
HO8	149.2%	1.81	1.25	1.32
HO3	82.3%	1.00		

Notes:

Losses are from Accident Years 2008-2012 and capped at 100,000

Premiums are at Current Rate Level

(3)=(2) / HO3 (2)



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	470	1	470	1	470	1	501	1	501	1	561	1	612	1	708	1	721	1	864	1	1,138	1
2	598	1	598	1	598	1	637	1	637	1	712	1	782	1	899	1	944	1	1,161	1	1,525	1
3	515	1	515	1	515	1	552	1	552	1	614	1	685	1	773	1	790	1	948	1	1,247	1
4	488	1	488	1	488	1	518	1	518	1	580	1	634	1	733	1	791	1	996	1	1,182	1
9	575	1	575	1	575	1	610	1	610	1	686	1	749	1	874	1	907	1	1,105	1	1,454	1
10	621	1	621	1	621	1	664	1	664	1	741	1	808	1	933	1	953	1	1,142	1	1,506	1
11	583	1	583	1	583	1	617	1	617	1	690	1	760	1	875	1	895	1	1,076	1	1,418	1
16	567	1	567	1	567	1	577	1	606	1	618	1	754	1	849	1	870	1	1,045	1	1,376	1
19	701	1	701	1	701	1	751	1	751	1	833	1	932	1	1,052	1	1,076	1	1,293	1	1,703	1
20	732	1	732	1	732	1	785	1	785	1	872	1	976	1	1,099	1	1,123	1	1,349	1	1,775	1
21	747	1	747	1	747	1	799	1	799	1	889	1	992	1	1,120	1	1,142	1	1,369	1	1,803	1
22	730	1	730	1	730	1	781	1	781	1	870	1	972	1	1,098	1	1,120	1	1,342	1	1,767	1
23	657	1	657	1	657	1	701	1	701	1	782	1	871	1	984	1	1,006	1	1,209	1	1,590	1
24	751	1	751	1	751	1	803	1	803	1	894	1	1,001	1	1,130	1	1,155	1	1,390	1	1,827	1
25	635	1	635	1	635	1	678	1	678	1	751	1	842	1	950	1	969	1	1,161	1	1,527	1
28	548	1	548	1	548	1	581	1	581	1	653	1	711	1	824	1	847	1	1,019	1	1,342	1
29	506	1	506	1	506	1	538	1	538	1	604	1	657	1	761	1	783	1	942	1	1,240	1
30	538	1	538	1	538	1	569	1	569	1	640	1	717	1	809	1	826	1	993	1	1,308	1
31	575	1	575	1	575	1	612	1	612	1	680	1	764	1	861	1	882	1	1,060	1	1,392	1
32	556	1	556	1	556	1	588	1	588	1	659	1	720	1	834	1	900	1	1,135	1	1,337	1
33	582	1	582	1	582	1	621	1	621	1	686	1	772	1	870	1	890	1	1,068	1	1,406	1
35	528	1	528	1	528	1	564	1	564	1	626	1	688	1	789	1	808	1	972	1	1,280	1
36	513	1	513	1	513	1	547	1	547	1	612	1	670	1	772	1	815	1	1,011	1	1,330	1

Note: For Premier Select rates, multiply the Premier rate by 1.32.



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	517	1	517	1	517	1	555	1	555	1	618	1	675	1	777	1	850	1	1,083	1	1,252	1
2	659	1	659	1	659	1	704	1	704	1	782	1	875	1	1,071	1	1,078	1	1,277	1	1,678	1
3	567	1	567	1	567	1	607	1	607	1	675	1	752	1	850	1	921	1	1,167	1	1,373	1
4	539	1	539	1	539	1	575	1	575	1	639	1	699	1	807	1	888	1	1,138	1	1,302	1
9	636	1	636	1	636	1	677	1	677	1	753	1	828	1	1,025	1	1,029	1	1,216	1	1,601	1
10	684	1	684	1	684	1	732	1	732	1	816	1	895	1	1,027	1	1,046	1	1,257	1	1,656	1
11	641	1	641	1	641	1	684	1	684	1	761	1	851	1	961	1	983	1	1,185	1	1,560	1
16	623	1	623	1	623	1	651	1	666	1	700	1	827	1	933	1	956	1	1,150	1	1,513	1
19	771	1	771	1	771	1	825	1	825	1	918	1	1,012	1	1,158	1	1,185	1	1,422	1	1,872	1
20	809	1	809	1	809	1	863	1	863	1	961	1	1,074	1	1,212	1	1,238	1	1,485	1	1,955	1
21	818	1	818	1	818	1	879	1	879	1	976	1	1,090	1	1,233	1	1,257	1	1,508	1	1,983	1
22	807	1	807	1	807	1	862	1	862	1	958	1	1,070	1	1,208	1	1,234	1	1,478	1	1,943	1
23	722	1	722	1	722	1	771	1	771	1	860	1	960	1	1,082	1	1,107	1	1,330	1	1,750	1
24	830	1	830	1	830	1	886	1	886	1	986	1	1,102	1	1,244	1	1,272	1	1,529	1	2,008	1
25	696	1	696	1	696	1	747	1	747	1	830	1	925	1	1,047	1	1,066	1	1,276	1	1,677	1
28	604	1	604	1	604	1	647	1	647	1	720	1	784	1	908	1	1,003	1	1,290	1	1,474	1
29	558	1	558	1	558	1	598	1	598	1	666	1	724	1	839	1	927	1	1,193	1	1,363	1
30	592	1	592	1	592	1	633	1	633	1	703	1	785	1	887	1	908	1	1,092	1	1,438	1
31	631	1	631	1	631	1	676	1	676	1	752	1	827	1	948	1	970	1	1,166	1	1,533	1
32	610	1	610	1	610	1	653	1	653	1	727	1	794	1	918	1	1,008	1	1,291	1	1,472	1
33	638	1	638	1	638	1	682	1	682	1	758	1	849	1	957	1	979	1	1,175	1	1,547	1
35	580	1	580	1	580	1	620	1	620	1	690	1	760	1	992	1	1,050	1	1,305	1	1,407	1
36	566	1	566	1	566	1	604	1	604	1	670	1	752	1	919	1	935	1	1,113	1	1,462	1

Note: For Premier Select rates, multiply the Premier rate by 1.32.



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	498	1	498	1	498	1	532	1	532	1	594	1	659	1	745	1	813	1	1,037	1	1,363	1
2	621	1	621	1	621	1	660	1	660	1	738	1	825	1	932	1	956	1	1,150	1	1,514	1
3	533	1	533	1	533	1	568	1	568	1	634	1	707	1	799	1	812	1	974	1	1,277	1
4	527	1	527	1	527	1	560	1	560	1	624	1	695	1	788	1	801	1	958	1	1,137	1
9	616	1	616	1	616	1	656	1	656	1	734	1	815	1	996	1	1,050	1	1,300	1	1,707	1
10	661	1	661	1	661	1	707	1	707	1	787	1	876	1	992	1	1,011	1	1,211	1	1,595	1
11	636	1	636	1	636	1	676	1	676	1	757	1	847	1	956	1	972	1	1,165	1	1,534	1
16	606	1	606	1	606	1	622	1	646	1	675	1	804	1	909	1	1,049	1	1,401	1	1,844	1
19	794	1	794	1	794	1	852	1	852	1	947	1	1,058	1	1,194	1	1,215	1	1,457	1	1,918	1
20	810	1	810	1	810	1	867	1	867	1	965	1	1,081	1	1,215	1	1,241	1	1,490	1	1,961	1
21	807	1	807	1	807	1	859	1	863	1	960	1	1,071	1	1,208	1	1,229	1	1,470	1	1,936	1
22	806	1	806	1	806	1	864	1	864	1	959	1	1,073	1	1,212	1	1,238	1	1,485	1	1,956	1
23	737	1	737	1	737	1	792	1	792	1	878	1	983	1	1,111	1	1,124	1	1,338	1	1,760	1
24	818	1	818	1	818	1	878	1	878	1	975	1	1,089	1	1,231	1	1,257	1	1,509	1	1,986	1
25	694	1	694	1	694	1	743	1	743	1	825	1	921	1	1,042	1	1,054	1	1,258	1	1,656	1
28	582	1	582	1	582	1	622	1	622	1	691	1	772	1	873	1	892	1	1,069	1	1,408	1
29	538	1	538	1	538	1	572	1	572	1	639	1	713	1	806	1	824	1	988	1	1,300	1
30	580	1	580	1	580	1	621	1	621	1	689	1	773	1	872	1	892	1	1,074	1	1,413	1
31	617	1	617	1	617	1	659	1	659	1	735	1	813	1	978	1	1,035	1	1,286	1	1,690	1
32	566	1	566	1	566	1	603	1	603	1	673	1	750	1	849	1	865	1	1,033	1	1,218	1
33	610	1	610	1	610	1	653	1	653	1	725	1	813	1	918	1	935	1	1,117	1	1,468	1
35	562	1	562	1	562	1	603	1	603	1	670	1	743	1	843	1	947	1	1,237	1	1,627	1
36	530	1	530	1	530	1	563	1	563	1	631	1	704	1	795	1	812	1	973	1	1,280	1



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$60,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	547	1	547	1	547	1	585	1	585	1	650	1	727	1	905	1	957	1	1,188	1	1,372	1
2	684	1	684	1	684	1	732	1	732	1	813	1	905	1	1,026	1	1,052	1	1,267	1	1,667	1
3	586	1	586	1	586	1	627	1	627	1	700	1	777	1	879	1	895	1	1,072	1	1,261	1
4	577	1	577	1	577	1	617	1	617	1	684	1	767	1	866	1	963	1	1,247	1	1,425	1
9	677	1	677	1	677	1	725	1	725	1	808	1	899	1	1,118	1	1,197	1	1,500	1	1,976	1
10	726	1	726	1	726	1	778	1	778	1	866	1	966	1	1,260	1	1,338	1	1,665	1	2,192	1
11	703	1	703	1	703	1	750	1	750	1	833	1	927	1	1,051	1	1,071	1	1,282	1	1,690	1
16	667	1	667	1	667	1	711	1	711	1	759	1	885	1	999	1	1,022	1	1,228	1	1,617	1
19	876	1	876	1	876	1	937	1	937	1	1,041	1	1,165	1	1,312	1	1,337	1	1,602	1	2,108	1
20	892	1	892	1	892	1	953	1	953	1	1,063	1	1,186	1	1,339	1	1,368	1	1,638	1	2,157	1
21	886	1	886	1	886	1	948	1	948	1	1,053	1	1,178	1	1,329	1	1,351	1	1,616	1	2,129	1
22	889	1	889	1	889	1	951	1	951	1	1,058	1	1,181	1	1,333	1	1,361	1	1,635	1	2,151	1
23	813	1	813	1	813	1	868	1	868	1	969	1	1,080	1	1,220	1	1,236	1	1,471	1	1,938	1
24	903	1	903	1	903	1	966	1	966	1	1,075	1	1,199	1	1,353	1	1,383	1	1,660	1	2,183	1
25	762	1	762	1	762	1	818	1	818	1	909	1	1,015	1	1,146	1	1,161	1	1,383	1	1,821	1
28	640	1	640	1	640	1	684	1	684	1	760	1	850	1	959	1	1,064	1	1,376	1	1,570	1
29	591	1	591	1	591	1	632	1	632	1	701	1	786	1	887	1	983	1	1,271	1	1,451	1
30	639	1	639	1	639	1	682	1	682	1	759	1	849	1	959	1	981	1	1,180	1	1,556	1
31	675	1	675	1	675	1	725	1	725	1	808	1	901	1	1,118	1	1,190	1	1,485	1	1,955	1
32	621	1	621	1	621	1	666	1	666	1	740	1	826	1	934	1	1,041	1	1,349	1	1,538	1
33	672	1	672	1	672	1	717	1	717	1	800	1	893	1	1,009	1	1,027	1	1,230	1	1,619	1
35	620	1	620	1	620	1	659	1	659	1	735	1	821	1	1,057	1	1,133	1	1,421	1	1,532	1
36	584	1	584	1	584	1	624	1	624	1	692	1	773	1	874	1	893	1	1,073	1	1,411	1



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER RENTERS - FORM 4
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	101	36	101	36	101	36	101	36	103	36	103	36	105	36	105	36	106	36	123	36	131	36
2	136	36	136	36	136	36	136	36	140	36	140	36	144	36	145	36	146	36	171	36	179	36
3	152	36	152	36	152	36	152	36	152	36	152	36	160	36	160	36	161	36	188	36	197	36
4	101	36	101	36	101	36	101	36	103	36	103	36	106	36	106	36	107	36	126	36	132	36
9	136	36	136	36	136	36	136	36	139	36	139	36	140	36	140	36	141	36	166	36	173	36
10	125	36	125	36	125	36	125	36	126	36	126	36	129	36	129	36	131	36	154	36	163	36
11	127	36	127	36	127	36	127	36	131	36	131	36	132	36	136	36	137	36	161	36	166	36
16	100	36	100	36	100	36	100	36	103	36	103	36	105	36	105	36	106	36	125	36	131	36
19	125	36	125	36	125	36	125	36	126	36	126	36	131	36	131	36	132	36	154	36	163	36
20	149	36	149	36	149	36	149	36	150	36	150	36	151	36	152	36	154	36	185	36	192	36
21	146	36	146	36	146	36	146	36	147	36	147	36	151	36	151	36	151	36	179	36	189	36
22	141	36	141	36	141	36	141	36	146	36	146	36	147	36	147	36	149	36	175	36	183	36
23	145	36	145	36	145	36	145	36	149	36	149	36	150	36	151	36	152	36	183	36	188	36
24	145	36	145	36	145	36	145	36	147	36	147	36	151	36	151	36	152	36	180	36	188	36
25	145	36	145	36	145	36	145	36	149	36	149	36	149	36	151	36	152	36	183	36	190	36
28	105	36	105	36	105	36	105	36	106	36	106	36	108	36	108	36	108	36	127	36	136	36
29	105	36	105	36	105	36	105	36	106	36	106	36	108	36	108	36	108	36	127	36	136	36
30	122	36	122	36	122	36	122	36	125	36	125	36	129	36	129	36	129	36	151	36	160	36
31	122	36	122	36	122	36	122	36	123	36	123	36	125	36	140	36	147	36	180	36	180	36
32	131	36	131	36	131	36	131	36	132	36	132	36	134	36	134	36	136	36	161	36	166	36
33	122	36	122	36	122	36	122	36	125	36	125	36	126	36	127	36	141	36	180	36	180	36
35	105	36	105	36	105	36	105	36	106	36	106	36	107	36	107	36	108	36	127	36	136	36
36	134	36	134	36	134	36	134	36	137	36	137	36	139	36	140	36	144	36	168	36	173	36



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER CONDOMINIUM OWNERS - FORM 6
MASONRY BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	87	37	87	37	87	37	87	37	90	37	91	37	91	37	93	37	94	37	111	37	113	37
2	98	37	98	37	98	37	98	37	101	37	105	37	105	37	106	37	107	37	126	37	129	37
3	108	37	108	37	108	37	108	37	111	37	112	37	112	37	112	37	115	37	137	37	142	37
4	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	117	37	122	37
9	101	37	101	37	101	37	101	37	106	37	106	37	106	37	108	37	109	37	128	37	134	37
10	100	37	100	37	100	37	100	37	104	37	105	37	105	37	105	37	106	37	126	37	131	37
11	95	37	95	37	95	37	95	37	96	37	97	37	97	37	98	37	100	37	121	37	125	37
16	90	37	90	37	90	37	90	37	93	37	94	37	94	37	94	37	95	37	113	37	117	37
19	95	37	95	37	95	37	95	37	98	37	100	37	100	37	100	37	101	37	121	37	126	37
20	98	37	98	37	98	37	98	37	101	37	104	37	104	37	104	37	105	37	125	37	129	37
21	104	37	104	37	104	37	104	37	106	37	107	37	107	37	107	37	108	37	129	37	134	37
22	106	37	106	37	106	37	106	37	108	37	109	37	109	37	109	37	111	37	134	37	138	37
23	98	37	98	37	98	37	98	37	98	37	101	37	101	37	104	37	106	37	126	37	128	37
24	107	37	107	37	107	37	107	37	109	37	111	37	111	37	111	37	113	37	136	37	140	37
25	95	37	95	37	95	37	95	37	95	37	97	37	97	37	98	37	100	37	121	37	123	37
28	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	116	37	121	37
29	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	116	37	121	37
30	98	37	98	37	98	37	98	37	101	37	105	37	105	37	105	37	106	37	126	37	129	37
31	95	37	95	37	95	37	95	37	96	37	96	37	96	37	98	37	98	37	117	37	122	37
32	96	37	96	37	96	37	96	37	100	37	100	37	100	37	100	37	101	37	121	37	125	37
33	91	37	91	37	91	37	91	37	91	37	94	37	94	37	95	37	96	37	116	37	119	37
35	88	37	88	37	88	37	88	37	91	37	94	37	94	37	95	37	96	37	113	37	117	37
36	98	37	98	37	98	37	98	37	101	37	104	37	104	37	105	37	106	37	125	37	127	37



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER RENTERS - FORM 4
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	101	36	101	36	101	36	101	36	103	36	103	36	105	36	105	36	106	36	123	36	131	36
2	136	36	136	36	136	36	136	36	140	36	140	36	144	36	145	36	146	36	171	36	179	36
3	152	36	152	36	152	36	152	36	152	36	152	36	160	36	160	36	161	36	188	36	197	36
4	101	36	101	36	101	36	101	36	103	36	103	36	106	36	106	36	107	36	126	36	132	36
9	136	36	136	36	136	36	136	36	139	36	139	36	140	36	140	36	141	36	166	36	173	36
10	125	36	125	36	125	36	125	36	126	36	126	36	129	36	129	36	131	36	154	36	163	36
11	127	36	127	36	127	36	127	36	131	36	131	36	132	36	136	36	137	36	161	36	166	36
16	100	36	100	36	100	36	100	36	103	36	103	36	105	36	105	36	106	36	125	36	131	36
19	125	36	125	36	125	36	125	36	126	36	126	36	131	36	131	36	132	36	154	36	163	36
20	149	36	149	36	149	36	149	36	150	36	150	36	151	36	152	36	154	36	185	36	192	36
21	146	36	146	36	146	36	146	36	147	36	147	36	151	36	151	36	151	36	179	36	189	36
22	141	36	141	36	141	36	141	36	146	36	146	36	147	36	147	36	149	36	175	36	183	36
23	145	36	145	36	145	36	145	36	149	36	149	36	150	36	151	36	152	36	183	36	188	36
24	145	36	145	36	145	36	145	36	147	36	147	36	151	36	151	36	152	36	180	36	188	36
25	145	36	145	36	145	36	145	36	149	36	149	36	149	36	151	36	152	36	183	36	190	36
28	105	36	105	36	105	36	105	36	106	36	106	36	108	36	108	36	108	36	127	36	136	36
29	105	36	105	36	105	36	105	36	106	36	106	36	108	36	108	36	108	36	127	36	136	36
30	122	36	122	36	122	36	122	36	125	36	125	36	129	36	129	36	129	36	151	36	160	36
31	122	36	122	36	122	36	122	36	123	36	123	36	125	36	140	36	147	36	180	36	180	36
32	131	36	131	36	131	36	131	36	132	36	132	36	134	36	134	36	136	36	161	36	166	36
33	122	36	122	36	122	36	122	36	125	36	125	36	126	36	127	36	141	36	180	36	180	36
35	105	36	105	36	105	36	105	36	106	36	106	36	107	36	107	36	108	36	127	36	136	36
36	134	36	134	36	134	36	134	36	137	36	137	36	139	36	140	36	144	36	168	36	173	36



**AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER CONDOMINIUM OWNERS - FORM 6
FRAME BASE RATES**

**EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13**

Territory	\$10,000 Base, \$1,000 Deductible, \$100,000 Liability, \$1,000 Medical Payments																					
	Prot. Class 1	Cov. Curve	Prot. Class 2	Cov. Curve	Prot. Class 3	Cov. Curve	Prot. Class 4	Cov. Curve	Prot. Class 5	Cov. Curve	Prot. Class 6	Cov. Curve	Prot. Class 7	Cov. Curve	Prot. Class 8	Cov. Curve	Prot. Class 8B	Cov. Curve	Prot. Class 9	Cov. Curve	Prot. Class 10	Cov. Curve
1	87	37	87	37	87	37	87	37	90	37	91	37	91	37	93	37	94	37	111	37	113	37
2	98	37	98	37	98	37	98	37	101	37	105	37	105	37	106	37	107	37	126	37	129	37
3	108	37	108	37	108	37	108	37	111	37	112	37	112	37	112	37	115	37	137	37	142	37
4	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	117	37	122	37
9	101	37	101	37	101	37	101	37	106	37	106	37	106	37	108	37	109	37	128	37	134	37
10	100	37	100	37	100	37	100	37	104	37	105	37	105	37	105	37	106	37	126	37	131	37
11	95	37	95	37	95	37	95	37	96	37	97	37	97	37	98	37	100	37	121	37	125	37
16	90	37	90	37	90	37	90	37	93	37	94	37	94	37	94	37	95	37	113	37	117	37
19	95	37	95	37	95	37	95	37	98	37	100	37	100	37	100	37	101	37	121	37	126	37
20	98	37	98	37	98	37	98	37	101	37	104	37	104	37	104	37	105	37	125	37	129	37
21	104	37	104	37	104	37	104	37	106	37	107	37	107	37	107	37	108	37	129	37	134	37
22	106	37	106	37	106	37	106	37	108	37	109	37	109	37	109	37	111	37	134	37	138	37
23	98	37	98	37	98	37	98	37	98	37	101	37	101	37	104	37	106	37	126	37	128	37
24	107	37	107	37	107	37	107	37	109	37	111	37	111	37	111	37	113	37	136	37	140	37
25	95	37	95	37	95	37	95	37	95	37	97	37	97	37	98	37	100	37	121	37	123	37
28	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	116	37	121	37
29	93	37	93	37	93	37	93	37	95	37	96	37	96	37	96	37	97	37	116	37	121	37
30	98	37	98	37	98	37	98	37	101	37	105	37	105	37	105	37	106	37	126	37	129	37
31	95	37	95	37	95	37	95	37	96	37	96	37	96	37	98	37	98	37	117	37	122	37
32	96	37	96	37	96	37	96	37	100	37	100	37	100	37	100	37	101	37	121	37	125	37
33	91	37	91	37	91	37	91	37	91	37	94	37	94	37	95	37	96	37	116	37	119	37
35	88	37	88	37	88	37	88	37	91	37	94	37	94	37	95	37	96	37	113	37	117	37
36	98	37	98	37	98	37	98	37	101	37	104	37	104	37	105	37	106	37	125	37	127	37



AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER HOMEOWNERS - FORM 3
Amount of Insurance

EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13

	Curve 1		Curve 1
35,000	0.860	325,000	3.996
40,000	0.888	350,000	4.299
45,000	0.922	375,000	4.612
50,000	0.955	400,000	4.827
55,000	0.986	425,000	5.076
60,000	1.000	450,000	5.311
65,000	1.055	500,000	6.276
70,000	1.103	550,000	7.320
75,000	1.170	600,000	8.297
80,000	1.237	650,000	9.267
85,000	1.308	700,000	10.126
90,000	1.373	750,000	11.085
95,000	1.411	800,000	11.912
100,000	1.443	850,000	12.861
105,000	1.505	900,000	13.656
110,000	1.566	950,000	14.594
115,000	1.634	1,000,000	15.358
120,000	1.704	1,050,000	16.285
125,000	1.775	1,100,000	17.214
130,000	1.845	1,150,000	18.141
135,000	1.915	1,200,000	19.069
140,000	1.985	1,250,000	19.996
145,000	2.051	1,300,000	20.924
150,000	2.095	1,350,000	21.852
155,000	2.151	1,400,000	22.780
160,000	2.193	1,450,000	23.707
165,000	2.249	1,500,000	24.635
170,000	2.293	1,550,000	25.563
175,000	2.325	1,600,000	26.491
180,000	2.366	1,650,000	27.419
185,000	2.418	1,700,000	28.347
190,000	2.434	1,750,000	29.275
195,000	2.484	1,800,000	30.203
200,000	2.536	1,850,000	31.131
225,000	2.806	1,900,000	32.059
250,000	3.068	1,950,000	32.987
275,000	3.418	2,000,000	33.915
300,000	3.686	Each Add. 5,000	0.010



AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
PREMIER PLUS HOMEOWNERS - FORM 5
Amount of Insurance

EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13

	Curve 1		Curve 1
35,000	0.860	325,000	3.996
40,000	0.888	350,000	4.299
45,000	0.922	375,000	4.612
50,000	0.955	400,000	4.827
55,000	0.986	425,000	5.076
60,000	1.000	450,000	5.311
65,000	1.055	500,000	6.276
70,000	1.103	550,000	7.320
75,000	1.170	600,000	8.297
80,000	1.237	650,000	9.267
85,000	1.308	700,000	10.126
90,000	1.373	750,000	11.085
95,000	1.411	800,000	11.912
100,000	1.443	850,000	12.861
105,000	1.505	900,000	13.656
110,000	1.566	950,000	14.594
115,000	1.634	1,000,000	15.358
120,000	1.704	1,050,000	16.285
125,000	1.775	1,100,000	17.214
130,000	1.845	1,150,000	18.141
135,000	1.915	1,200,000	19.069
140,000	1.985	1,250,000	19.996
145,000	2.051	1,300,000	20.924
150,000	2.095	1,350,000	21.852
155,000	2.151	1,400,000	22.780
160,000	2.193	1,450,000	23.707
165,000	2.249	1,500,000	24.635
170,000	2.293	1,550,000	25.563
175,000	2.325	1,600,000	26.491
180,000	2.366	1,650,000	27.419
185,000	2.418	1,700,000	28.347
190,000	2.434	1,750,000	29.275
195,000	2.484	1,800,000	30.203
200,000	2.536	1,850,000	31.131
225,000	2.806	1,900,000	32.059
250,000	3.068	1,950,000	32.987
275,000	3.418	2,000,000	33.915
300,000	3.686	Each Add. 5,000	0.010



AUTO CLUB FAMILY INSURANCE COMPANY
ARKANSAS
RENTERS and CONDOS - FORM 4 and FORM 6
Amount of Insurance

EFFECTIVE FOR NEW BUSINESS AS OF - 8/15/13
EFFECTIVE FOR RENEWAL BUSINESS AS OF - 8/15/13

	Curve 36	Curve 37
10,000	1.000	1.000
15,000	1.329	1.344
20,000	1.616	1.625
25,000	1.836	1.844
30,000	2.068	2.078
35,000	2.315	2.328
40,000	2.534	2.547
45,000	2.726	2.750
50,000	2.904	2.922
55,000	3.110	3.125
60,000	3.288	3.313
65,000	3.466	3.484
70,000	3.644	3.672
75,000	3.836	3.844
80,000	4.016	4.028
85,000	4.197	4.213
90,000	4.378	4.397
95,000	4.559	4.581
100,000	4.740	4.766
105,000	4.921	4.947
110,000	5.101	5.128
115,000	5.282	5.309
120,000	5.463	5.491
125,000	5.644	5.672
130,000	5.825	5.853
135,000	6.005	6.034
140,000	6.186	6.216
145,000	6.367	6.397
150,000	6.548	6.578
175,000	7.399	7.400
200,000	8.250	8.223
250,000	9.953	10.361
300,000	11.655	12.499
350,000	13.358	14.637
400,000	15.060	16.775
450,000	16.763	18.913
500,000	18.465	21.051
550,000	20.168	23.189
600,000	21.870	25.327
650,000	23.573	27.465
700,000	25.275	29.603
750,000	26.978	31.741
800,000	28.680	33.879
Each Add. 5,000	0.010	0.010

ARKANSAS
HOMEOWNERS
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SECTION 30
BASE PREMIUM
RULE 30.2F
DATE: 08-15-2013

RULE 30.2F - PREMIER SELECT FACTOR

The Premier Select premium is calculated by multiplying the Premier Homeowners base premium by 1.32.



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SECTION 30
BASE PREMIUM
RULE 30.2G
DATE: 08-15-2013

RULE 30.2G - CONSUMER INSURANCE SCORE (CIS)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES
Premier Condo - YES, Premier Renters - YES*

In order to properly underwrite and rate an insurance risk, a Consumer Insurance Score (CIS) is assigned to all policyholders. A CIS will be obtained at new business and at every third annual renewal for all policyholders. This will be only one of the factors used to rate an insurance risk.



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SECTION 35
OPTIONAL LIMITS
AND COVERAGES
RULE 35.6A
DATE: 08-15-2013

RULE 35.6 - SECTION I - MISCELLANEOUS

RULE 35.6A - WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE (CO 03 12)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

The policy may be endorsed with a special Windstorm or Hail deductible. This deductible applies to Section I - Property Coverage losses. A premium credit will be given.

Effective August 15, 2013, a Windstorm/Hail Percentage Deductible of 2% will be mandatory for all new business with wood roofs. Effective August 15, 2013, a Windstorm/Hail Percentage Deductible of 2% will be mandatory for all renewals with wood, slate or tile roofs. Wood roofs include composition shingle over wood, wood shake, wood shingle, wood over composition and wood over wood.

The premium credit factor will be as follows:

Windstorm/Hail Percentage Deductible - 1%

Coverage A Amount Range	Policy Deductible						
	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000
\$0 to \$35,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$100,001 to \$125,000	.980	1.000	1.000	1.000	1.000	1.000	1.000
\$125,001 to \$150,000	.960	1.000	1.000	1.000	1.000	1.000	1.000
\$150,001 to \$175,000	.940	.980	1.000	1.000	1.000	1.000	1.000
\$175,001 to \$200,000	.930	.970	1.000	1.000	1.000	1.000	1.000
\$200,001 to \$225,000	.920	.960	.990	1.000	1.000	1.000	1.000
\$225,001 to \$250,000	.910	.950	.980	1.000	1.000	1.000	1.000
\$250,001 to \$275,000	.910	.940	.970	.990	1.000	1.000	1.000
\$275,001 to \$300,000	.910	.940	.960	.980	1.000	1.000	1.000
\$300,001 to \$325,000	.900	.930	.950	.970	.990	1.000	1.000
\$325,001 to \$350,000	.900	.920	.940	.960	.990	1.000	1.000
\$350,001 to \$375,000	.900	.920	.930	.960	.980	1.000	1.000
\$375,001 to \$400,000	.890	.910	.930	.950	.980	1.000	1.000
\$400,001 to \$425,000	.890	.910	.920	.950	.980	.990	1.000
\$425,001 to \$450,000	.880	.900	.920	.950	.970	.990	1.000
\$450,001 to \$475,000	.880	.900	.920	.940	.970	.980	1.000
\$475,001 to \$500,000	.880	.900	.910	.930	.960	.980	1.000
\$500,001+	.880	.900	.910	.920	.950	.970	.980

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000
\$100,001 to \$125,000	1.000	1.000
\$125,001 to \$150,000	1.000	1.000
\$150,001 to \$175,000	1.000	1.000
\$175,001 to \$200,000	1.000	1.000
\$200,001 to \$225,000	1.000	1.000
\$225,001 to \$250,000	1.000	1.000
\$250,001 to \$275,000	1.000	1.000
\$275,001 to \$300,000	1.000	1.000
\$300,001 to \$325,000	1.000	1.000
\$325,001 to \$350,000	1.000	1.000
\$350,001 to \$375,000	1.000	1.000
\$375,001 to \$400,000	1.000	1.000
\$400,001 to \$425,000	1.000	1.000
\$425,001 to \$450,000	1.000	1.000
\$450,001 to \$475,000	1.000	1.000
\$475,001 to \$500,000	1.000	1.000
\$500,001+	.990	1.000

Windstorm/Hail Percentage Deductible - 2%

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>						
	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$3,000</u>	<u>\$4,000</u>	<u>\$5,000</u>
\$0 to \$35,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
\$50,001 to \$75,000	.950	1.000	1.000	1.000	1.000	1.000	1.000
\$75,001 to \$100,000	.920	.960	1.000	1.000	1.000	1.000	1.000
\$100,001 to \$125,000	.900	.930	.960	1.000	1.000	1.000	1.000
\$125,001 to \$150,000	.890	.920	.950	.980	1.000	1.000	1.000
\$150,001 to \$175,000	.880	.910	.930	.970	.990	1.000	1.000
\$175,001 to \$200,000	.860	.890	.920	.960	.980	1.000	1.000
\$200,001 to \$225,000	.860	.890	.910	.940	.980	.990	1.000
\$225,001 to \$250,000	.850	.880	.900	.920	.970	.990	1.000
\$250,001 to \$275,000	.850	.870	.890	.910	.960	.980	.990
\$275,001 to \$300,000	.840	.860	.880	.900	.950	.980	.990
\$300,001 to \$325,000	.840	.860	.880	.900	.950	.970	.990
\$325,001 to \$350,000	.830	.850	.870	.890	.940	.970	.980
\$350,001 to \$375,000	.830	.850	.860	.880	.930	.960	.980
\$375,001 to \$400,000	.820	.840	.860	.870	.920	.950	.980
\$400,001 to \$425,000	.820	.840	.850	.870	.910	.940	.980

\$425,001 to \$450,000	.820	.840	.850	.860	.900	.930	.970
\$450,001 to \$475,000	.820	.840	.850	.860	.890	.920	.970
\$475,001 to \$500,000	.820	.830	.840	.840	.870	.900	.960
\$500,001+	.820	.830	.830	.830	.850	.880	.940

<u>Coverage A Amount</u> <u>Range</u>	<u>Policy Deductible</u>	
	<u>\$7,500</u>	<u>\$10,000</u>
\$0 to \$35,000	1.000	1.000
\$35,001 to \$50,000	1.000	1.000
\$50,001 to \$75,000	1.000	1.000
\$75,001 to \$100,000	1.000	1.000
\$100,001 to \$125,000	1.000	1.000
\$125,001 to \$150,000	1.000	1.000
\$150,001 to \$175,000	1.000	1.000
\$175,001 to \$200,000	1.000	1.000
\$200,001 to \$225,000	1.000	1.000
\$225,001 to \$250,000	1.000	1.000
\$250,001 to \$275,000	1.000	1.000
\$275,001 to \$300,000	1.000	1.000
\$300,001 to \$325,000	1.000	1.000
\$325,001 to \$350,000	1.000	1.000
\$350,001 to \$375,000	1.000	1.000
\$375,001 to \$400,000	.990	1.000
\$400,001 to \$425,000	.990	1.000
\$425,001 to \$450,000	.990	1.000
\$450,001 to \$475,000	.980	1.000
\$475,001 to \$500,000	.980	1.000
\$500,001+	.970	.980

Endorsement CO 03 12 Windstorm or Hail Percentage Deductible will be attached to the policy.

This endorsement is not available when endorsement CO 00 17 - Roof Surfaces or CO 00 18 - Roof Surfaces is attached to the policy.



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SECTION 35
OPTIONAL LIMITS AND
COVERAGES
RULE 35.6D
DATE: 08-15-2013

RULE 35.6D - ROOF SURFACES (CO 00 17 & CO 00 18)

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - NO,
Premier Condo - NO, Premier Renters - NO*

The policy may be endorsed to provide coverage based on a Roof Surface Payment Schedule (as shown in the endorsement) on all losses caused by windstorm or hail to roof surfaces. A premium credit will be applied if this endorsement is selected.

For the purpose of this endorsement, roof surface refers to, but is not limited to, composition shingles, tiles, cladding, vent caps, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing. Roof surface also refers to, but is not limited to, the tear off, preparation and the installation, including the applicable overhead, profit, labor, taxes and fees associated with replacement of roof surface.

The premium credit factor will be as follows:

<u>Age of Roof</u>	<u>Premium Credit Factor</u>
0 - 4 years	.905
5 - 9 years	.890
10 - 14 years	.880
15 - 19 years	.860
20 + years	.830

This endorsement is not available when endorsement CO 03 12 - Windstorm or Hail Percentage Deductible is attached to the policy.

Endorsement [CO 00 17](#) Roof Surfaces will be attached to our Premier Homeowners Policy.

Endorsement [CO 00 18](#) Roof Surfaces will be attached to our Premier Plus Homeowners Policy.



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SECTION 40
CALCULATION OF
PREMIUM
RULE 40.1
DATE: 08-15-2013

SECTION 40 - CALCULATION OF PREMIUM

RULE 40.1 - CALCULATION OF PREMIUM SUMMARY

1) Determine the base premium as shown in [Rule 30.1](#) - Base Premium Computation.

2) Apply the discount percentage credits and/or the base premium adjustments to the base premium for the following items in the following order:

(Round after each credit or charge)

- A. Premier Select Factor, [Rule 30.2F](#).
- B. Protection Class 9 deviation Factor, [Rule 25.2](#).
- C. Special Loss Settlement Endorsement (CO 04 56), [Rule 30.2D](#).
- D. Ordinance or Law Coverage Endorsement (CO 04 77), [Rule 30.2B](#).
- E. Unit-Owners Coverage C - Special Coverage (CO 17 31), [Rule 30.2E](#).
- F. Auto/Home Discount, [Rule 25.6A](#).
- G. Roof Rating Factor, [Rule 25.6D](#).
- H. Townhouse Factor, [Rule 30.2C](#).
- I. Replacement Cost - Contents (CO 04 90), [Rule 35.3C](#).
- J. Roof Surfaces (CO 00 17 & CO 0018), [Rule 35.6D](#).
- K. Protective Device Discount, [Rule 25.6B](#).
- L. Combined Windstorm/Hail Percentage Deductible and Policy Deductible (CO 03 12), [Rule 35.6A](#).
- M. Deductible Factor without Windstorm/Hail Percentage Deductible [Rule 30.2A](#).
- N. Age of Home/Modernization Rating Factor, [Rule 25.6C](#).
- O. Claim Rating Surcharge, [Rule 25.6F](#).
- P. Swimming Pool Surcharge, [Rule 25.6I](#).
- Q. Prior Insurance Discount, [Rule 25.6H](#).
- R. Mature Policyholder Discount, [Rule 25.6G](#).

3) Apply any charges for increased limits to Coverages A,C,E and F, Section 35.

4) Insurance Score Factor, [Rule 30.2G](#).

5) AAA Membership Discount, [Rule 25.6E](#).

6) Apply any charges for optional limits and coverages, Section 35.



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SECTION 10
GENERAL RULES
RULE 25.6D
DATE: 08-15-2013

RULE 25.6D - ROOF RATING FACTORS

*Applies To: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

A roof rating factor may be applied based on the roof covering material on the dwelling. Our base premium reflects standard roof covering materials.

A factor will apply if the current roof covering meets U.L. Standard 2218 (or acceptable equivalent testing). The qualifying roof must have been installed after May 31, 1996 and must not be overlaid onto an existing roof. Verification that a roof passes Class 3 or 4 will need to be submitted to Underwriting. Wood roofs, wood shingle roofs and composition over wood roofs do not qualify as a Class 3 or Class 4.

A factor will also apply if a roof is wood, wood shingle or composition over wood.

This factor will be applied to the base premium.

<u>ROOF TYPE</u>	<u>FACTOR</u>
Passes U.L. Standard 2218 - Class 1	1.00
Passes U.L. Standard 2218 - Class 2	1.00
Passes U.L. Standard 2218 - Class 3	.93
Passes U.L. Standard 2218 - Class 4	.90
Wood Shake/Wood Shingle	1.30
Composition Over Wood	1.30

If a Roof Rating Factor applies, it will be indicated on the Declarations Certificate.



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SECTION 25
GENERAL RATING AND
CODING RULES
RULE 25.6F
DATE: 08-15-2013

RULE 25.6F - CLAIM RATING SURCHARGE

*Applies to: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - YES, Premier Renters - YES*

A Claim Rating Surcharge will be applied to all new business policies. The number of claims will be determined from the CLUE report and will include any chargeable claim in the past 3 years.

A Claim Rating Surcharge will be applied to renewal policies. The number of chargeable claims will be determined by reviewing the history of the current policy and will include any chargeable claim in the past 3 years.

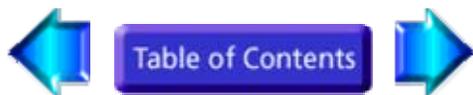
The following claims will **not** be considered a chargeable claim:

- 1) Damage to Property of Others, Earth Movement, Glass, Identity Theft, Med Pay to Others, Mine Subsidence and Workers Comp
- 2) All weather-related (acts of nature) and catastrophe losses including but not limited to Wind, Hail, Lightning and Flood
- 3) A claim that has a subrogation recovery or reserve
- 4) Any liability claim that did not result in a paid loss
- 5) Any property claim with a net payment of \$500 or less
- 6) Scheduled personal property claims

Number of Chargeable Paid Claims in the Last 3 Years

1	2	3	4+
30%	60%	100%	200%

The Claim Rating Surcharge will be indicated on the Declarations Certificate.



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SECTION 15
POLICY FORMS
RULE 15.4B
DATE: 08-15-2013

RULE 15.4B - OPTIONAL ENDORSEMENTS

Various optional endorsements may be added to the policy. These endorsements may reflect a reduction in premium due to a specific discount being applied or an increase in premium due to an increase in coverage. The listing below indicates the endorsement number, edition date, title and applicable manual rule number(s).

<u>END. #</u>	<u>EDITION</u>	<u>DESCRIPTION</u>	<u>RULE NUMBER(S)</u>
CO 00 03	07/05	RESIDENCE GLASS COVERAGE ENDORSEMENT	35.1C
CO 00 06	07/11	WATERBED LIABILITY - PREMIER RENTERS POLICY	35.7D
CO 00 08	07/11	INCREASED LIMITS ON BUSINESS PROPERTY ON OR OFF THE RESIDENCE PREMISES	35.3D8
CO 00 13	07/11	THEFT COVERAGE - INCREASED LIMIT	35.5F
CO 00 17	04/13	ROOF SURFACES (PREMIER POLICY)	35.6D
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CO 03 12	07/05	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE	35.6A
CO 04 10	07/05	ADDITIONAL INTERESTS	05.1H
CO 04 12	07/11	INCREASED LIMITS ON BUSINESS PROPERTY	35.3D7
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CO 04 95	11/11	WATER BACK UP AND SUMP OVERFLOW	<u>35.3K</u>
CO 04 97	07/11	HOME DAY CARE COVERAGE ENDORSEMENT	<u>35.3G</u> & <u>35.9J</u>
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CO 17 31	07/11	UNIT - OWNERS COVERAGE C - SPECIAL COVERAGE	<u>30.2E</u>
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CO 24 70	07/11	ADDITIONAL RESIDENCE RENTED TO OTHERS	<u>35.9C</u>
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SECTION 25
GENERAL RATING AND
CODING RULES
RULE 25.6
DATE: 08-15-2013

RULE 25.6 - DISCOUNTS/SURCHARGES

There are several discounts/surcharges that may be applied to the policy being rated. A detailed description and criteria for each discount/surcharge appears in [Rules 25.6A](#) through [25.6I](#).



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SECTION 25
GENERAL RATING AND
CODING RULES
RULE 25.6C
DATE: 08-15-2013

RULE 25.6C - AGE OF HOME/MODERNIZATION RATING FACTORS

*Applies To: Premier - YES, Premier Plus - YES, Premier Select - YES,
Premier Condo - NO, Premier Renters - NO*

The Age of Home/Modernization Rating Factor will be applied to all dwellings depending on the calendar year in which the dwelling was completed or the calendar year in which the modernization was completed. The factor will be applied to the base premium. The year in which the home was completed is the earliest of the following:

- 1) The year the dwelling was substantially completed;
- 2) The year the dwelling was occupied; or
- 3) The effective date of the policy.

The Age of Home Rating Factor will be taken into consideration first. If the year the dwelling is constructed is 9 years or greater, the Modernization Rating Factor will also be taken into consideration if applicable. If the Modernization Rating Factor(s) applies, both the Age of Home Rating Factor and the Modernization Rating Factor(s) will be used in rating the policy. If no Modernization Rating Factor applies, only the Age of Home Rating Factor will be used. The Modernization Rating Factor applies to an electrical or plumbing system that has been completely updated. It also applies if the heating **and** cooling system has been updated. For any system to be considered completely updated and qualify for the discount, the system must be updated by a qualified contractor with all work conforming to local code requirements. All requests for these discounts must be approved by Underwriting. If more than one Modernization Rating Factor applies, the adjustments will be added together and the total will be applied to the base premium.

The premium is calculated by multiplying the base premium by the appropriate factor listed below:

<u>DWELLING CONSTRUCTED OR UPDATED:</u>	<u>AGE OF HOME</u>	<u>MODERNIZATION FACTORS</u>		
	<u>FACTORS</u>	<u>PLUMBING</u>	<u>HEATING/ COOLING</u>	<u>ELECTRICAL</u>
During the current calendar yr	.60	.96	.92	.87
1 year preceding current yr	.64	.96	.92	.87
2 years preceding current calendar yr	.68	.96	.92	.87
3 years preceding current calendar yr	.72	.96	.94	.89
4 years preceding current calendar yr	.76	.97	.95	.91
5 years preceding current calendar yr	.82	.98	.96	.93
6 years preceding current calendar yr	.87	.99	.97	.95
7 years preceding current calendar yr	.91	1.00	.98	.97
8 years preceding current calendar yr	.95	1.00	.99	.99
9 years preceding current calendar yr	1.00	1.00	1.00	1.00
10 years preceding current calendar yr	1.02	1.00	1.00	1.00

11 years preceding current calendar yr	1.05	1.00	1.00	1.00
12 years preceding current calendar yr	1.07	1.00	1.00	1.00
13 years preceding current calendar yr	1.11	1.00	1.00	1.00
14 years preceding current calendar yr	1.13	1.00	1.00	1.00
15 years preceding current calendar yr	1.15	1.00	1.00	1.00
16 years preceding current calendar yr	1.15	1.00	1.00	1.00
17 years preceding current calendar yr	1.13	1.00	1.00	1.00
18 years preceding current calendar yr	1.09	1.00	1.00	1.00
19 years preceding current calendar yr	1.05	1.00	1.00	1.00
20 years preceding current calendar yr	1.03	1.00	1.00	1.00
21-29 years preceding current calendar yr	1.03	1.00	1.00	1.00
30-49 years preceding current calendar yr	1.03	1.00	1.00	1.00
50 or more years preceding current calendar yr	1.00	1.00	1.00	1.00

The Age of Home Rating Factor and the Modernization Discount will be indicated on the Declarations Certificate.



NAIC Number: 27235
 Company Name: Auto Club Family Insurance Company
 Contact Person: Katina Arras
 Telephone No.: 314-523-7350 ext. 5236
 Email Address: karras@aaamissouri.com
 Effective Date: 8/15/2013

**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

HO3 Premiums use a \$1,000 Flat Deductible since the \$500 Flat Deductible will no longer be available with this filing.

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	\$581	\$640	\$604	\$667	\$720	\$789	\$905	\$1,001	\$785	\$861	\$929	\$1,027	\$903	\$998	\$653	\$717	\$635	\$700
	\$120,000	\$801	\$881	\$832	\$918	\$992	\$1,087	\$1,247	\$1,379	\$1,082	\$1,186	\$1,280	\$1,414	\$1,244	\$1,375	\$900	\$988	\$874	\$964
	\$160,000	\$1,031	\$1,134	\$1,070	\$1,182	\$1,276	\$1,399	\$1,605	\$1,774	\$1,393	\$1,526	\$1,647	\$1,820	\$1,601	\$1,770	\$1,158	\$1,272	\$1,125	\$1,241
6	\$80,000	\$694	\$764	\$717	\$790	\$849	\$938	\$1,079	\$1,189	\$929	\$1,027	\$1,106	\$1,220	\$1,076	\$1,185	\$774	\$854	\$757	\$829
	\$120,000	\$956	\$1,053	\$988	\$1,089	\$1,169	\$1,292	\$1,486	\$1,638	\$1,280	\$1,414	\$1,523	\$1,680	\$1,482	\$1,632	\$1,067	\$1,176	\$1,043	\$1,142
	\$160,000	\$1,230	\$1,355	\$1,272	\$1,401	\$1,504	\$1,662	\$1,912	\$2,107	\$1,647	\$1,820	\$1,961	\$2,162	\$1,908	\$2,101	\$1,373	\$1,513	\$1,342	\$1,469
9	\$80,000	\$1,069	\$1,340	\$1,232	\$1,408	\$1,321	\$1,453	\$1,669	\$1,837	\$1,436	\$1,578	\$1,719	\$1,891	\$1,660	\$1,828	\$1,202	\$1,614	\$1,251	\$1,377
	\$120,000	\$1,472	\$1,845	\$1,697	\$1,939	\$1,820	\$2,002	\$2,299	\$2,532	\$1,978	\$2,174	\$2,369	\$2,605	\$2,287	\$2,519	\$1,656	\$2,224	\$1,723	\$1,897
	\$160,000	\$1,895	\$2,375	\$2,184	\$2,496	\$2,342	\$2,577	\$2,958	\$3,257	\$2,546	\$2,798	\$3,048	\$3,353	\$2,943	\$3,241	\$2,132	\$2,862	\$2,217	\$2,441

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	\$108	\$108	\$108	\$108	\$131	\$131	\$160	\$160	\$146	\$146	\$155	\$155	\$151	\$151	\$113	\$113	\$144	\$144
	\$15,000	\$177	\$177	\$177	\$177	\$214	\$214	\$261	\$261	\$239	\$239	\$254	\$254	\$247	\$247	\$184	\$184	\$235	\$235
	\$25,000	\$245	\$245	\$245	\$245	\$296	\$296	\$361	\$361	\$330	\$330	\$351	\$351	\$342	\$342	\$254	\$254	\$325	\$325
6	\$5,000	\$110	\$110	\$110	\$110	\$134	\$134	\$161	\$161	\$149	\$149	\$158	\$158	\$156	\$156	\$114	\$114	\$147	\$147
	\$15,000	\$181	\$181	\$181	\$181	\$219	\$219	\$263	\$263	\$244	\$244	\$258	\$258	\$256	\$256	\$186	\$186	\$240	\$240
	\$25,000	\$250	\$250	\$250	\$250	\$303	\$303	\$364	\$364	\$337	\$337	\$356	\$356	\$354	\$354	\$257	\$257	\$332	\$332
9	\$5,000	\$132	\$132	\$135	\$135	\$193	\$193	\$198	\$198	\$178	\$178	\$193	\$193	\$188	\$188	\$136	\$136	\$180	\$180
	\$15,000	\$216	\$216	\$221	\$221	\$316	\$316	\$325	\$325	\$291	\$291	\$316	\$316	\$307	\$307	\$223	\$223	\$295	\$295
	\$25,000	\$298	\$298	\$305	\$305	\$436	\$436	\$448	\$448	\$402	\$402	\$436	\$436	\$424	\$424	\$308	\$308	\$407	\$407

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

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

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

HO3 and HO4 only

Fire Extinguisher	<input type="text" value="0"/> %	Deadbolt Lock	<input type="text" value="1"/> %
Burglar Alarm	<input type="text" value="5 - 15"/> %	Window Locks	<input type="text" value="0"/> %
Smoke Alarm	<input type="text" value="2"/> %	\$1,000 Deductible	<input type="text" value="18"/> %
		Other (specify)	
		Fire Alarm	<input type="text" value="5 - 15"/> %
		Maximum Credit Allowed	<input type="text" value="15"/> %

EARTHQUAKE INSURANCE

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

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

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

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

	Zone	Brick	Frame
	Highest Risk	\$ <input type="text" value="2.66"/>	\$ <input type="text" value="1.77"/>
	Lowest Risk	\$ <input type="text" value="0.59"/>	\$ <input type="text" value="0.33"/>

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR130415XXRMX110
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	
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Company Name		Company NAIC Number	
3.	A.	Auto Club Family Insurance Company	B.
		27235	

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A.	4.0 Homeowners	B.
		4.0000 Homeowners Sub TOI Combination	

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homeowners Multi-Peril	33.6%	14.9%					
TOTAL OVERALL EFFECT	33.6%	14.9%					

5 Year History		Rate Change History					
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2012	9,850	9.0%	6/15/2012	7,390,351	3,185,917	43.1%	109.0%
2011	7,951	7.0%	6/15/2011	5,730,859	8,299,481	144.8%	170.3%
2010	6,897	4.0%	6/15/2010	4,708,227	2,927,813	62.2%	58.2%
2009	6,218	-2.4%	5/15/2009	4,052,661	4,091,563	101.0%	49.9%
2008	5,597	-3.7%	4/1/2006	3,664,255	5,458,834	149.0%	69.4%
2007	5,032	-3.0%	1/15/2005	3,245,982	1,389,942	42.8%	46.5%
2006	4,419	14.6%	1/15/2004	2,757,285	2,808,481	101.9%	109.4%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	17.1%
B. General Expense	3.3%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	12.6%
E. Other (explain)	
F. TOTAL	36.4%

- 8.** N/A Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 87.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 36
- 10.** -31.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 36

PC RLC