

State: Arkansas **Filing Company:** Shelter Mutual Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: HO
Project Name/Number: Bethel/

Filing at a Glance

Company: Shelter Mutual Insurance Company
 Product Name: HO
 State: Arkansas
 TOI: 04.0 Homeowners
 Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Filing Type: Rate/Rule
 Date Submitted: 05/23/2013
 SERFF Tr Num: SHEL-129039810
 SERFF Status: Closed-Filed
 State Tr Num:
 State Status:
 Co Tr Num: 03M20113
 Effective Date: 08/22/2013
 Requested (New):
 Effective Date: 08/22/2013
 Requested (Renewal):
 Author(s): Brian Marcks, Phyllis Partise, Dani McCarty
 Reviewer(s): Becky Harrington (primary)
 Disposition Date: 05/29/2013
 Disposition Status: Filed
 Effective Date (New): 08/22/2013
 Effective Date (Renewal): 08/22/2013

State Filing Description:

State: Arkansas Filing Company: Shelter Mutual Insurance Company
 TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
 Product Name: HO
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General Information

Project Name: Bethel Status of Filing in Domicile:
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 05/29/2013
 State Status Changed: Deemer Date:
 Created By: Phyllis Partise Submitted By: Phyllis Partise
 Corresponding Filing Tracking Number:

Filing Description:

Homeowners base rates have been revised for Form HO-3. A tier placement factor has been revised. Editorial changes have also been made.

The overall effect of this filing is expected to be a revenue increase of 2.9% or \$1,559,749.

Company and Contact

Filing Contact Information

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

Filing Company Information

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

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: \$100 per rate/rule filing.
 Per Company: No

Company	Amount	Date Processed	Transaction #
Shelter Mutual Insurance Company	\$100.00	05/23/2013	70568028

SERFF Tracking #:

SHEL-129039810

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

03M20113

State: Arkansas**Filing Company:** Shelter Mutual Insurance Company**TOI/Sub-TOI:** 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations**Product Name:** HO**Project Name/Number:** Bethel/

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	05/29/2013	05/29/2013

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	05/24/2013	05/24/2013

Response Letters

Responded By	Created On	Date Submitted
Brian Marcks	05/28/2013	05/28/2013

State: Arkansas

Filing Company:

Shelter Mutual Insurance Company

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

Product Name: HO

Project Name/Number: Bethel/

Disposition

Disposition Date: 05/29/2013

Effective Date (New): 08/22/2013

Effective Date (Renewal): 08/22/2013

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):
Shelter Mutual Insurance Company	7.700%	2.900%	\$1,559,749	51,962	\$54,567,143	9.100%	-2.200%

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

SERFF Tracking #:

SHEL-129039810

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Product Name: HO

Project Name/Number: Bethel/

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Rate Page	Filed	Yes
Rate	Rate Page	Filed	Yes
Rate	Rate Page	Filed	Yes
Rate	Rate Page	Filed	Yes

State: Arkansas **Filing Company:** Shelter Mutual Insurance Company
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: HO
Project Name/Number: Bethel/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	05/24/2013
Submitted Date	05/24/2013
Respond By Date	

Dear Brian Marcks,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments: Companies may not change the form in any way or include formulas. Additional worksheets and formulas have been added. Please correct.

Objection 2

Comments: Please provide the percentage change due to base rate changes.

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:

Shelter Mutual Insurance Company

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

Product Name: HO

Project Name/Number: Bethel/

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/28/2013
Submitted Date	05/28/2013

Dear Becky Harrington,

Introduction:

Reference is made to your note of last week.

Response 1

Comments:

Attached is a revised HPCS in Excel format.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments: Companies may not change the form in any way or include formulas. Additional worksheets and formulas have been added. Please correct.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Please see attachments.
Attachment(s):	HPCS 08-22-2013 Filing.pdf HO_Survey_FORM_HPCS.xls
<i>Previous Version</i>	
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Please see attachments.
Attachment(s):	HPCS 08-22-2013 Filing.pdf HPCS 08-22-2013 Filing.xls

State: Arkansas **Filing Company:** Shelter Mutual Insurance Company
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No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Attached is a revenue summation with the two components of the rate change included.

Related Objection 2

Comments: Please provide the percentage change due to base rate changes.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response of May 28: Components of Rate Change
Comments:	Please see attachment.
Attachment(s):	AR HO Revenue Summation.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

I hope this helps. Please let me know if you have questions.

Sincerely,

Brian Marcks

SERFF Tracking #:

SHEL-129039810

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Company Tracking #:

03M20113

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

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

Product Name: HO

Project Name/Number: Bethel/

Rate Information

Rate data applies to filing.

Filing Method: File and Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 10.000%

Effective Date of Last Rate Revision: 06/07/2012

Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Shelter Mutual Insurance Company	7.700%	2.900%	\$1,559,749	51,962	\$54,567,143	9.100%	-2.200%

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

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Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 05/29/2013	General Rules Page	GR-10	Replacement		Prop Manual Page GR-10.pdf
2	Filed 05/29/2013	General Rules Page	GR-12	Replacement		Prop Manual Page GR-12.pdf
3	Filed 05/29/2013	General Rules Page	GR-15	Replacement		Prop Manual Page GR-15.pdf
4	Filed 05/29/2013	Rate Page	PD-2	Replacement		Prop Manual Page PD-2.pdf
5	Filed 05/29/2013	Rate Page	PD-3	Replacement		Prop Manual Page PD-3.pdf
6	Filed 05/29/2013	Rate Page	R-1	Replacement		Prop Manual Page R-1.pdf
7	Filed 05/29/2013	Rate Page	R-2	Replacement		Prop Manual Page R-2.pdf

5. PREMIUM ADJUSTMENTS (Cont.)**c. New Home Discount (Form 3, Primary & Secondary Dwellings)**

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

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

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

d. Heating System Discount (All Dwellings, Form 3)

Eligible property in Protection Classes 8Y, 6N-8N, 8, 9, 10 and 11 shall receive a discount of **15%**, if **NO** type of solid fuel heating device (wood, coal, etc.) is present. A conventional fireplace will qualify if no other type of solid fuel heating is used. A freestanding fireplace or a fireplace with an insert will not qualify.

e. Companion Policy Discount (Primary and Secondary, All Forms)

A **25%** discount applies when the named insured is also the named insured on a Shelter Mutual or General Automobile policy written on a **Private Passenger Automobile or Business Use Vehicle (T2)** rating classification. The Limited Use Classics and/or Antique Cars (CC) would not qualify this discount.

f. Claim Free Discount (Primary and Secondary, All Forms)

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

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

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

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

5. PREMIUM ADJUSTMENTS (Cont.)

h. Claim Surcharge (Primary and Secondary, All Forms)

A surcharge may apply to a policy based on the policyholder's claims experience. For new business, the surcharge will be determined by the type and number of paid claims **of more than \$250** occurring in the 3-year period immediately preceding the date of the application. For renewal business, the surcharge will be determined, at each renewal, by the type and number of paid claims **of more than \$250** occurring in the 3-year period ending 35 days prior to the renewal effective date.

In determining the surcharge, Earthquake, Flood, Medical Payment and Identity Fraud claims will be disregarded. Claims involving a land motor vehicle (not insured, owned or driven by the insured) colliding into the insured's dwelling will also be disregarded. Wind, Hail, Lightning, and Weight of Ice, Sleet, or Snow claims will be considered Weather claims. Per the table below, Weather claims are recorded but not surcharged. All other claims will be considered Non-Weather claims.

Number of Claims	Non-Weather				
	Weather	0	1	2	3
0	0%	15%	50%	85%	85%
1	0%	15%	50%	85%	85%
2	0%	15%	50%	85%	85%
3	0%	15%	50%	85%	85%
4+	0%	15%	50%	85%	85%

TIER PLACEMENT

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

<u>Description</u>	<u>Tier Code</u>	<u>Tier Factor</u>
Shelter Mutual Tier 1	1000	.88
Shelter Mutual Tier 2	2000	.95
Shelter Mutual Tier 3	3000	1.05
Shelter Mutual Tier 4	4000	1.21
Shelter Mutual Tier 5	5000	1.47
Shelter Mutual Tier 6	6000	1.94

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

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

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

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

The appropriate tier factor is applied to the base rate.

**ARKANSAS HOMEOWNERS FORM HO-4
PREMIUM DETERMINATION CHART**

Package Premium

Step	Description	Reference	Round	Calculation
1	Base Rate	R-7	\$	+
2	Amount of Insurance	R-8	\$	x
3	Form 4 or 6 Multi-Family Factor	R-7	\$	x
4	Tier	GR-15	\$	x
5	Claim Free Discount	GR-10	\$	x
6	Claim Surcharge	GR-12	\$	x
7	Deductible	R-9	\$	x
8	Companion Policy Discount	GR-10	\$	x
9	Protective Device Discount	GR-9	\$	x
10	Term	GR-13	\$	x
Total Premium				

Increased Limits / Mandatory / Optional Coverages

Description	Page	Base Rate	Page GR-8 *Deductible	Additional Calculation	Applicable Exposure Units	Term Factor	Total Premium
Additional Living Expense	GR-17	+			per \$1,000 Increase	x	
Fire Department Charges	GR-17	+					
Money	GR-17	+	x		per \$100 Increase	x	
Building Additions and Alterations	GR-18	+	x		per \$1,000	x	
Outdoor Antennas & Equip	GR-18	+	x		per \$1,000 Increase	x	
Personal Liability	GR-19	+				x	
Additional Residence Liab	GR-21	+				x	
Permitted Business Activity	GR-21						
Incidental Business	GR-21	+					
Optional Stock of Merchandise	GR-22	+	x		per \$1,000 Total Cov		
Child Day Care	GR-22	+					
Foster Care	GR-23	+					
Total Permitted Business Activity		= Total Permitted Business Activity Premium				x	
Additional Premises Rented to Others (Liab)	GR-24	per Dwelling	+			x	
Other Structures Rented to Others (Liab)	GR-24	per Structure	+			x	
Off Premises Structures	GR-25	+	x			x	
Incidental Farm Liability (On Premises)	GR-26	+				x	
Farmers Comprehensive Liab (Off Premises)	GR-26						
Acreage Charge	GR-27	+ 0 - 500 acres rate		+	per add'l 500 acres		
Farm Employees	GR-27	+ 1-2 employees rate		+	per add'l employee		
Animal Collision	GR-27	+					
Limited Pollution Liability	GR-28	+ 0 - 500 acres rate		+ >500 acres rate			
Total Farm Comp Pers Liab		= Total Farmers Comprehensive Liab Premium				x	
Back-Up Of Sewer or Drain	GR-28	+	x			x	
Construction Theft	GR-28	+	x			x	
Earthquake	GR-29						
Personal Property (Cov C)	GR-29	+	x		per \$1,000 Coverage		
ALE Increased Limit	GR-29	+	x		per \$1,000 Increase		
Loss Assessment Limit	GR-29	+	x		per \$1,000 Increase		
Total Earthquake		= Total Earthquake Premium				x	
Guns and Related Equipment	GR-31	+	x			x	
Archery Equipment	GR-31	+	x			x	
Jewelry and Furs	GR-32	+	x			x	
Personal Computer	GR-33	+	x			x	
Piers, Wharves and Docks (On Premises)	GR-33	per Structure	+	x	per \$1,000	x	
Piers, Wharves and Docks (Off Premises)	GR-33	per Structure	+			x	
Expanded Restoration Cost - Contents	GR-34	Min Prem Applies	+	x Step 9		x	
Silverware and Goldware	GR-35	+	x			x	
Trees, Shrubs, Plants & Lawns W/H	GR-36	+	x		per \$1,000 Cov C	x	
Identity Fraud Expense	GR-36	+				x	
Business Endorsement	GR-37	per Person	+			x	
Loss Assessment	GR-38	+ 0 - \$5,000 Limit rate		+ >\$5,000 Limit rate	all rates per \$1,000	x	
Personal Injury Liability	GR-38	+				x	
Tenants Waterbed Liability	GR-38	+				x	
3 or 4 Family Dwelling-Premises Liability	GR-38	+				x	
Watercraft Liability	GR-39	per Watercraft	+	x Class Factor		x	

* When the deductible is applied, the result should be rounded to the same number of digits as the item Base Rate.
Term Fee applies to final policy premium per non-annual policy term.
The minimum premium of \$1 shall be charged per item or per endorsement for each coverage written regardless of policy term.

**ARKANSAS HOMEOWNERS FORM HO-6
PREMIUM DETERMINATION CHART**

Package Premium

Step	Description	Reference	Round	Calculation
1	Base Rate	R-7	\$	+
2	Amount of Insurance	R-8	\$	x
3	Form 6 Factor	R-7	\$	x
4	Form 4 or 6 Multi-Family Factor	R-7	\$	x
5	Tier	GR-15	\$	x
6	Claim Free Discount	GR-10	\$	x
7	Claim Surcharge	GR-12	\$	x
8	Deductible	R-9	\$	x
9	Companion Policy Discount	GR-10	\$	x
10	Protective Device Discount	GR-9	\$	x
11	Term	GR-13	\$	x
Total Premium				

Increased Limits / Mandatory / Optional Coverages

Description	Page	Base Rate	Page GR-8 *Deductible	Additional Calculation	Applicable Exposure Units	Term Factor	Total Premium
Condo Unit Rental Seasonal/Occasional	GR-13	+		x Step 10		x	
Additional Living Expense	GR-17	+			per \$1,000 Increase	x	
Fire Department Charges	GR-17	+			per \$100 Increase	x	
Loss Assessment (Increased Limits)	GR-17	+ 0 - \$5,000 Limit rate		+ >\$5,000 Limit rate	all rates per \$1,000	x	
Money	GR-17	+	x		per \$100 Increase	x	
Building Property	GR-18	+	x		per \$1,000 Increase	x	
Outdoor Antennas & Equip	GR-18	+	x		per \$1,000 Increase	x	
Personal Liability	GR-19	+				x	
Additional Residence Liab	GR-21	+				x	
Permitted Business Activity	GR-21						
Incidental Business	GR-21	+					
Optional Stock of Merchandise	GR-22	+	x		per \$1,000 Total Cov		
Child Day Care	GR-22	+					
Foster Care	GR-23	+					
Total Permitted Business Activity		= Total Permitted Business Activity Premium				x	
Additional Premises Rented to Others (Liab)	GR-24	per Dwelling				x	
Other Structures Rented to Others (Liab)	GR-24	per Structure				x	
Off Premises Structures	GR-25	+	x			x	
Incidental Farm Liability (On Premises)	GR-26	+				x	
Farmers Comprehensive Liab (Off Premises)	GR-26						
Acreage Charge	GR-27	+ 0 - 500 acres rate		+	per add'l 500 acres		
Farm Employees	GR-27	+ 1-2 employees rate		+	per add'l employee		
Animal Collision	GR-27	+					
Limited Pollution Liability	GR-28	+ 0 - 500 acres rate		+ >500 acres rate			
Total Farm Comp Pers Liab		= Total Farmers Comprehensive Liab Premium				x	
Back-Up Of Sewer or Drain	GR-28	+	x			x	
Construction Theft	GR-28	+	x			x	
Earthquake	GR-29						
Building Property	GR-29	per Structure	x		per \$1,000 Increase		
Personal Property (Cov C)	GR-29	+	x		per \$1,000 Coverage		
ALE Increased Limit	GR-29	+	x		per \$1,000 Increase		
Loss Assessment Increased Limit	GR-29	+	x		per \$1,000 Increase		
Total Earthquake		= Total Earthquake Premium				x	
Guns and Related Equipment	GR-31	+	x			x	
Archery Equipment	GR-31	+	x			x	
Jewelry and Furs	GR-32	+	x			x	
Personal Computer	GR-33	+	x			x	
Piers, Wharves and Docks (On Premises)	GR-33	per Structure	x		per \$1,000	x	
Piers, Wharves and Docks (Off Premises)	GR-33	per Structure				x	
Expanded Restoration Cost - Contents	GR-34	Min Prem Applies		x Step 10		x	
Silverware and Goldware	GR-35	+	x			x	
Trees, Shrubs, Plants & Lawns W/H	GR-36	+	x		per \$1,000 Cov C	x	
Identity Fraud Expense	GR-36	+				x	
Business Endorsement	GR-37	per Person				x	
Personal Injury Liability	GR-38	+				x	
Watercraft Liability	GR-39	per Watercraft		x Class Factor		x	

* When the deductible is applied, the result should be rounded to the same number of digits as the item Base Rate.

Term Fee applies to final policy premium per non-annual policy term.

The minimum premium of \$1 shall be charged per item or per endorsement for each coverage written regardless of policy term.

Arkansas Homeowners Form HO-3 Masonry Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve		Masonry curve	
4	925	1	961	1	1080	1	1216	1	1673	1	1831	1	1831	1	2377	1	2377	1
12	754	1	792	1	891	1	999	1	1391	1	1508	1	1508	1	1981	1	1981	1
13	800	1	835	1	945	1	1065	1	1476	1	1599	1	1599	1	2143	1	2143	1
15	662	1	687	1	775	1	865	1	1203	1	1311	1	1311	1	1756	1	1756	1
16	762	1	795	1	900	1	1014	1	1406	1	1523	1	1523	1	2041	1	2041	1
18	870	1	906	1	1022	1	1152	1	1621	1	1767	1	1767	1	2322	1	2322	1
20	833	1	864	1	974	1	1096	1	1506	1	1650	1	1650	1	2141	1	2141	1
21	928	1	965	1	1089	1	1226	1	1725	1	1882	1	1882	1	2471	1	2471	1
23	663	1	690	1	774	1	872	1	1198	1	1306	1	1306	1	1777	1	1777	1
24	772	1	802	1	910	1	1016	1	1436	1	1543	1	1543	1	2073	1	2073	1
26	811	1	843	1	951	1	1069	1	1468	1	1610	1	1610	1	2087	1	2087	1
28	767	1	796	1	905	1	1006	1	1392	1	1516	1	1516	1	2008	1	2008	1
29	875	1	907	1	1023	1	1151	1	1581	1	1733	1	1733	1	2248	1	2248	1
31	794	1	833	1	939	1	1055	1	1467	1	1585	1	1585	1	2035	1	2035	1
32	955	1	1018	1	1151	1	1296	1	1776	1	1937	1	1937	1	2464	1	2464	1
34	794	1	833	1	939	1	1055	1	1467	1	1585	1	1585	1	2035	1	2035	1
35	901	1	938	1	1065	1	1190	1	1654	1	1777	1	1777	1	2331	1	2331	1
36	804	1	834	1	945	1	1063	1	1455	1	1585	1	1585	1	2124	1	2124	1
38	916	1	958	1	1077	1	1213	1	1678	1	1823	1	1823	1	2342	1	2342	1
40	680	1	711	1	802	1	902	1	1254	1	1356	1	1356	1	1739	1	1739	1
41	821	1	859	1	967	1	1089	1	1514	1	1637	1	1637	1	2100	1	2100	1
44	813	1	846	1	954	1	1076	1	1513	1	1651	1	1651	1	2165	1	2165	1
45	916	1	958	1	1077	1	1213	1	1678	1	1823	1	1823	1	2342	1	2342	1
48	737	1	764	1	867	1	965	1	1334	1	1453	1	1453	1	1924	1	1924	1
49	720	1	747	1	846	1	951	1	1303	1	1418	1	1418	1	1901	1	1901	1
50	855	1	900	1	1013	1	1135	1	1582	1	1713	1	1713	1	2252	1	2252	1
51	756	1	788	1	890	1	994	1	1408	1	1513	1	1513	1	2031	1	2031	1
53	811	1	842	1	954	1	1068	1	1485	1	1594	1	1594	1	2091	1	2091	1
55	716	1	753	1	848	1	950	1	1322	1	1433	1	1433	1	1882	1	1882	1
57	710	1	736	1	835	1	929	1	1285	1	1400	1	1400	1	1853	1	1853	1
58	674	1	701	1	789	1	882	1	1223	1	1333	1	1333	1	1788	1	1788	1
62	734	1	773	1	870	1	973	1	1356	1	1469	1	1469	1	1931	1	1931	1
68	782	1	818	1	921	1	1037	1	1442	1	1559	1	1559	1	2000	1	2000	1
75	720	1	750	1	848	1	947	1	1341	1	1441	1	1441	1	1934	1	1934	1
77	659	1	685	1	770	1	866	1	1191	1	1299	1	1299	1	1767	1	1767	1
78	752	1	785	1	887	1	998	1	1388	1	1496	1	1496	1	1922	1	1922	1
79	680	1	711	1	802	1	902	1	1254	1	1356	1	1356	1	1739	1	1739	1
87	691	1	718	1	808	1	905	1	1254	1	1367	1	1367	1	1834	1	1834	1
88	765	1	794	1	900	1	1009	1	1384	1	1506	1	1506	1	2021	1	2021	1
91	792	1	826	1	936	1	1046	1	1455	1	1562	1	1562	1	2049	1	2049	1
95	680	1	711	1	802	1	902	1	1254	1	1356	1	1356	1	1739	1	1739	1

FOR FORM 3 WITH RENOVATION COST B-639-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

Arkansas Homeowners Form HO-3 Frame Base Rates

**\$60,000 Base, \$500 Deductible,
\$100,000 Liability, \$1,000 Medical Payments**

Zones	1-3, 1Y-3Y		4-5, 4Y-5Y		6, 6Y		7,7Y,1N-5N		8, 8Y		6N, 7N		9, 8N		10		11	
	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve	Frame	curve
4	1012	1	1080	1	1210	1	1347	1	1967	1	2151	1	2151	1	2747	1	2747	1
12	829	1	891	1	998	1	1101	1	1636	1	1772	1	1772	1	2305	1	2305	1
13	876	1	945	1	1049	1	1172	1	1738	1	1883	1	1883	1	2476	1	2476	1
15	723	1	775	1	862	1	964	1	1415	1	1541	1	1541	1	2041	1	2041	1
16	834	1	900	1	999	1	1116	1	1655	1	1793	1	1793	1	2358	1	2358	1
18	961	1	1022	1	1142	1	1273	1	1915	1	2062	1	2062	1	2652	1	2652	1
20	911	1	974	1	1090	1	1213	1	1772	1	1938	1	1938	1	2474	1	2474	1
21	1022	1	1089	1	1216	1	1356	1	2039	1	2196	1	2196	1	2823	1	2823	1
23	725	1	774	1	861	1	960	1	1414	1	1532	1	1532	1	2063	1	2063	1
24	846	1	910	1	1009	1	1131	1	1700	1	1806	1	1806	1	2413	1	2413	1
26	889	1	951	1	1062	1	1182	1	1727	1	1890	1	1890	1	2412	1	2412	1
28	844	1	905	1	1002	1	1124	1	1638	1	1779	1	1779	1	2322	1	2322	1
29	957	1	1023	1	1145	1	1274	1	1861	1	2035	1	2035	1	2598	1	2598	1
31	874	1	939	1	1045	1	1175	1	1719	1	1865	1	1865	1	2385	1	2385	1
32	1071	1	1151	1	1278	1	1425	1	2087	1	2276	1	2276	1	2855	1	2855	1
34	874	1	939	1	1045	1	1175	1	1719	1	1865	1	1865	1	2385	1	2385	1
35	993	1	1065	1	1183	1	1325	1	1938	1	2099	1	2099	1	2708	1	2708	1
36	884	1	945	1	1051	1	1175	1	1713	1	1857	1	1857	1	2470	1	2470	1
38	1008	1	1077	1	1203	1	1344	1	1958	1	2133	1	2133	1	2714	1	2714	1
40	747	1	802	1	893	1	1004	1	1469	1	1595	1	1595	1	2039	1	2039	1
41	901	1	967	1	1078	1	1212	1	1775	1	1927	1	1927	1	2462	1	2462	1
44	897	1	954	1	1066	1	1189	1	1787	1	1925	1	1925	1	2475	1	2475	1
45	1008	1	1077	1	1203	1	1344	1	1958	1	2133	1	2133	1	2714	1	2714	1
48	808	1	867	1	961	1	1076	1	1571	1	1706	1	1706	1	2225	1	2225	1
49	791	1	846	1	941	1	1051	1	1533	1	1663	1	1663	1	2211	1	2211	1
50	942	1	1013	1	1134	1	1254	1	1860	1	2012	1	2012	1	2620	1	2620	1
51	830	1	890	1	990	1	1109	1	1665	1	1770	1	1770	1	2365	1	2365	1
53	890	1	954	1	1062	1	1190	1	1739	1	1884	1	1884	1	2431	1	2431	1
55	788	1	848	1	948	1	1047	1	1555	1	1684	1	1684	1	2193	1	2193	1
57	778	1	835	1	926	1	1036	1	1513	1	1643	1	1643	1	2143	1	2143	1
58	735	1	789	1	878	1	981	1	1439	1	1567	1	1567	1	2078	1	2078	1
62	808	1	870	1	972	1	1074	1	1594	1	1727	1	1727	1	2249	1	2249	1
68	858	1	921	1	1027	1	1154	1	1690	1	1835	1	1835	1	2345	1	2345	1
75	790	1	848	1	943	1	1056	1	1586	1	1686	1	1686	1	2252	1	2252	1
77	720	1	770	1	857	1	955	1	1407	1	1524	1	1524	1	2053	1	2053	1
78	825	1	887	1	988	1	1109	1	1623	1	1764	1	1764	1	2254	1	2254	1
79	747	1	802	1	893	1	1004	1	1469	1	1595	1	1595	1	2039	1	2039	1
87	755	1	808	1	899	1	1007	1	1477	1	1608	1	1608	1	2131	1	2131	1
88	843	1	900	1	998	1	1116	1	1628	1	1766	1	1766	1	2348	1	2348	1
91	873	1	936	1	1040	1	1166	1	1702	1	1846	1	1846	1	2381	1	2381	1
95	747	1	802	1	893	1	1004	1	1469	1	1595	1	1595	1	2039	1	2039	1

FOR FORM 3 WITH RENOVATION COST B-639-B (REPAIR COST ON ROOF), MULTIPLY THE PREMIUM BY 1.20.

SERFF Tracking #:

SHEL-129039810

State Tracking #:

Company Tracking #:

03M20113

State: Arkansas

Filing Company:

Shelter Mutual Insurance Company

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

Product Name: HO

Project Name/Number: Bethel/

Supporting Document Schedules

Satisfied - Item:	H-1 Homeowners Abstract
Comments:	Please see attachments.
Attachment(s):	AR Form H1.pdf Supplement to H-1.pdf
Item Status:	Filed
Status Date:	05/29/2013

Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Please see attachments.
Attachment(s):	HPCS 08-22-2013 Filing.pdf HO_Survey_FORM_HPCS.xls
Item Status:	Filed
Status Date:	05/29/2013

Satisfied - Item:	NAIC loss cost data entry document
Comments:	Please see attachment.
Attachment(s):	AR HO RF1.pdf
Item Status:	Filed
Status Date:	05/29/2013

Satisfied - Item:	Explanatory Memorandum
Comments:	Please see attachment.
Attachment(s):	AR HO Explanatory Memo.pdf
Item Status:	Filed
Status Date:	05/29/2013

SERFF Tracking #:

SHEL-129039810

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

03M20113

State: Arkansas**Filing Company:**

Shelter Mutual Insurance Company

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

Satisfied - Item:	Rate Indications and Supporting Exhibits
Comments:	Please see attachments.
Attachment(s):	AR HO Explanation of Exhibits.pdf HO Exhibits 1-12.pdf
Item Status:	Filed
Status Date:	05/29/2013

Satisfied - Item:	Histogram
Comments:	Please see attachment.
Attachment(s):	Graph.pdf
Item Status:	Filed
Status Date:	05/29/2013

Satisfied - Item:	Response of May 28: Components of Rate Change
Comments:	Please see attachment.
Attachment(s):	AR HO Revenue Summation.pdf
Item Status:	Filed
Status Date:	05/29/2013

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

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

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

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.
Not Applicable
2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.
Please see additional information attached.
3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.
Please see additional information attached.
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.
Please see additional information attached.

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

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

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

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

Form	Premium Volume
HO-3	\$ 53,678,854
<u>HO-4 & HO-6</u>	<u>888,289</u>

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes No
9. Is there a surcharge on risks with wood heat? Rather than a surcharge, premiums in protection Classes 8Y, 6N-8N, 8, 9, 10 & 11 reflect the added exposure due to the use of solid fuel heating. Policyholders in these protection classes who have no type of solid fuel heating devices are given a credit of 15% (Form 3 Only).
- If yes, state the surcharge See above.
- Does the surcharge apply to conventional fire places? No
- If yes, state the surcharge Not Applicable

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

Brian Marcks

Digitally signed by Brian Marcks
DN: cn=Brian Marcks, o, ou,
email=BCMarcks@Shelterinsurance.com, c=US
Date: 2013.05.23 08:43:31 -05'00'

Signature

Brian Marcks

Printed Name

Coordinator of Insurance Dept. Affairs

Title

573-214-4165

Telephone Number

bcmarcks@shelterinsurance.com

Email Address

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

2. We have used cost estimators in Arkansas since 6/1/1979. We converted from the Boeckh cost estimator system to the Marshall & Swift cost estimator system on 3/1/2001. We now use the Boeckh/Marshall & Swift cost estimator system as Boeckh merged with Marshall & Swift.
3. For an HO-3 with the Expanded Restoration Cost endorsement, we require the amount of insurance to be at least 100% of restoration cost. For an HO-3 with Modified Renovation Cost endorsement attached, we require the amount of insurance to be at least 100% of market value. For an HO-3 without the Expanded Restoration Cost endorsement or the Modified Renovation Cost endorsement, we require the amount of insurance to be at least 100% of restoration cost.
4. We have a mandatory annual amount of insurance rollup for HO-3s, based on construction cost indices. Our policy size trending procedure accounts for the additional premium expected to be generated by our rollup programs.

NAIC Number:	23388
Company Name:	Shelter Mutual Insurance Company
Contact Person:	Brian Marcks
Telephone No.:	573-214-4165
Email Address:	BCMarcks@Shelterinsurance.com
Effective Date:	22-Aug-13

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$986	\$1,086	\$868	\$947	\$946	\$1,041	\$1,192	\$1,304	\$1,047	\$1,156	\$1,127	\$1,233	\$1,127	\$1,233	\$1,045	\$1,147	\$969	\$1,063
	\$120,000	\$1,414	\$1,558	\$1,246	\$1,359	\$1,357	\$1,494	\$1,710	\$1,871	\$1,503	\$1,658	\$1,617	\$1,769	\$1,617	\$1,769	\$1,499	\$1,645	\$1,390	\$1,525
	\$160,000	\$1,843	\$2,031	\$1,624	\$1,771	\$1,769	\$1,947	\$2,229	\$2,439	\$1,959	\$2,162	\$2,109	\$2,306	\$2,109	\$2,306	\$1,954	\$2,145	\$1,812	\$1,988
6	\$80,000	\$1,160	\$1,286	\$1,017	\$1,131	\$1,121	\$1,252	\$1,391	\$1,559	\$1,229	\$1,373	\$1,318	\$1,475	\$1,318	\$1,475	\$1,229	\$1,368	\$1,143	\$1,273
	\$120,000	\$1,664	\$1,845	\$1,458	\$1,623	\$1,608	\$1,797	\$1,996	\$2,237	\$1,763	\$1,970	\$1,891	\$2,116	\$1,891	\$2,116	\$1,763	\$1,963	\$1,640	\$1,826
	\$160,000	\$2,169	\$2,405	\$1,901	\$2,116	\$2,096	\$2,342	\$2,603	\$2,916	\$2,299	\$2,569	\$2,465	\$2,759	\$2,465	\$2,759	\$2,299	\$2,559	\$2,137	\$2,381
9	\$80,000	\$1,649	\$1,934	\$1,460	\$1,716	\$1,609	\$1,891	\$2,005	\$2,356	\$1,808	\$2,108	\$1,898	\$2,229	\$1,898	\$2,229	\$1,746	\$2,063	\$1,638	\$1,932
	\$120,000	\$2,366	\$2,775	\$2,094	\$2,462	\$2,308	\$2,713	\$2,877	\$3,380	\$2,594	\$3,025	\$2,723	\$3,197	\$2,723	\$3,197	\$2,504	\$2,960	\$2,350	\$2,772
	\$160,000	\$3,085	\$3,617	\$2,730	\$3,210	\$3,009	\$3,537	\$3,750	\$4,406	\$3,382	\$3,943	\$3,550	\$4,168	\$3,550	\$4,168	\$3,265	\$3,859	\$3,064	\$3,613

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	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00
	\$15,000	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00
	\$25,000	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00
6	\$5,000	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00
	\$15,000	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00
	\$25,000	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00
9	\$5,000	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00
	\$15,000	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00	\$111.00
	\$25,000	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00	\$152.00

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

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

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

HO3 and HO4 only

Fire Extinguisher	NA	%	Deadbolt Lock	NA	%
Burglar Alarm	5	%	Window Locks	NA	%
Smoke Alarm	2	%	\$1,000 Deductible	36	%
			Other (specify)		%
			See Manual Pgs GR-8, 9 & 29		%
			Maximum Credit Allowed	67	%

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? thru 25 %

	Zone	Brick	Frame
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$ 2.44	\$ 1.72
	Lowest Risk	\$ 0.80	\$ 0.49

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

1.	This filing transmittal is part of Company Tracking #	03M20113
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
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		Company Name	Company NAIC Number	
3.	A.	Shelter Mutual Insurance Company	B.	23388

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

5.							
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homeowners	7.7	2.9	66.3	N/A	N/A	N/A	N/A
TOTAL OVERALL EFFECT							

6.		5 Year History		Rate Change History			
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2008	48,484	+8.9	12/20/2008	36,804	53,689	145.9	101.3
2009	49,825	-0.1	07/12/2009	39,914	39,331	98.5	81.6
2010	50,012	+14.9	02/02/2010	44,874	24,256	54.1	62.9
2011	50,723	+5.0	05/19/2011	48,146	41,563	86.3	98.5
2012	51,737	+10.0	06/07/2012	50,929	24,346	47.8	68.5

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	16.6
B. General Expense	7.5
C. Taxes, Licenses & Fees	2.9
D. Underwriting Profit & Contingencies	6.7
E. Other (explain)	
F. TOTAL	33.7

- 8.** N/A Apply Loss Cost Factors to Future filings? (Y or N)
- 9.** +9.1 Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): 48, 88
- 10.** -2.2 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): All territories except territory 41

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS HOMEOWNERS
EXPLANATORY MEMORANDUM**

SUMMARY

Base rates have been revised for Form HO-3. Tier Placement Factors have been revised. Editorial changes have also been made. **The overall change in revenue is +2.9% for \$1,559,749.**

GENERAL RULE (GR) PAGES

- GR-10 5.e. Companion Policy Discount** – Rate classes J2 and L have been removed from the list of classifications that would qualify the discount, as they are now obsolete. Limited Use Classics and/or Antique Cars (CC) have been listed as a rating classification that would not qualify the discount. This editorial change is for clarity only.
- GR-12 5.h. Claims Surcharge** – "Flood" was added to the list of claims which will be disregarded. This editorial change is for clarity only.
- GR-15 Tier Placement** – the Tier Factor for Tier 1 was reduced from 0.90 to 0.88.

PREMIUM DETERMINATION CHART

PD-2 and PD-3 Editorial only.

BASE RATES (R) PAGES

R-1 and R-2 Base rates were revised for Form HO-3.

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS HOMEOWNERS
EXPLANATION OF STATISTICAL EXHIBITS**

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

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

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

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

Exhibit HPCS gives a comparison of Homeowners Insurance Cost (Form HPCS).

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

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

Exhibit 3 summarizes the expected revenue effect of Homeowners coverages.

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

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

For the purpose of this calculation, a revision effective date of September 30, 2013 was used.

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

Exhibit 7 displays the calculation of policy size trend factors.

For the purpose of this calculation, a revision effective date of September 30, 2013 was used. From our estimate of annual growth in amount of insurance, we project an average size curve factor to one year past the assumed effective date. The premium trend factor is then the change in average size curve factor from the midpoint of each experience year to the projected date. Forms 3 and forms 4 and 6 are then averaged using earned exposures as weights.

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

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

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

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

Line 1 contains the recorded earned premiums without adjustment.

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

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

Line 4 is the adjusted earned premium.

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

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

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

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

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

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

Line 11 shows the formula loss ratios for each year.

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

Line 13 is the five-year weighted loss ratio.

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

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

Line 16 shows the trended expected loss ratio.

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

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

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

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

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

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

Exhibit 12 displays revenue change by zone.

Shelter Mutual Insurance Company

Arkansas

Homeowners Multiple Peril

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2011		\$ 54,183,703
(2) Mean Unearned Premium Reserve: (1.) x 0.474		\$ 25,683,075
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.3%	
b. 50% of Other Acquisition Expense	2.2%	
c. 50% of General Expense	3.8%	
d. Taxes, Licenses and Fees	2.9%	
e. Total		21.2%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 20,238,263
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2011		\$ 54,183,703
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.73		\$ 39,554,103
3. Expected Mean Loss Reserve: (2.) x 0.304		\$ 12,024,447
C. Net Subject to Investment: A.4 + B.3		\$ 32,262,710
D. Average Rate of Return		0.0565
E. Investment Earnings on Net Subject to Investment: C x D		\$ 1,822,843
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		3.4%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.758		2.6%

Please refer to the attached explanatory memorandum for details by line

Explanatory Memorandum re Investment Income - Arkansas - Homeowners Multiple Peril

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Homeowners Multiple Peril, for Calendar Year 2011.

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

1. Direct Earned Premium for Calendar Year 2011	\$ 54,183,703
2. Unearned Premium Reserve as of 12/31/2010	\$ 25,257,660
3. Unearned Premium Reserve as of 12/31/2011	\$ 26,099,438
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 25,678,549
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.474

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

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

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

1. Incurred Losses for Calendar Year 2010	\$ 27,721,019
2. Incurred Losses for Calendar Year 2011	\$ 49,535,946
3. Loss Reserves as of 12/31/2009	\$ 12,049,732
4. Loss Reserves as of 12/31/2010	\$ 9,478,929
5. Loss Reserves as of 12/31/2011	\$ 12,214,986
6. Mean Loss Reserve 2010	\$ 10,764,330
7. Mean Loss Reserve 2011	\$ 10,846,958
8. 2010 Ratio: (6.) / (1.)	0.388
9. 2011 Ratio: (7.) / (2.)	0.219
10. Mean Ratio: ((8.) + (9.)) / 2	0.304

Explanatory Memorandum re Investment Income - Continued

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

1. Cash and Invested Assets 2009	0	\$	1,624,038,547
2. Cash and Invested Assets 2010	0	\$	1,785,588,727
3. Cash and Invested Assets 2011	0	\$	1,721,432,518
4. Net Investment Income Earned 2010	0	\$	64,331,358
5. Net Investment Income Earned 2011	0	\$	68,549,235
6. Mean Cash and Invested Assets 2010: (2. + 3.) / 2	0	\$	1,704,813,637
7. Mean Cash and Invested Assets 2011: (2. + 3.) / 2	0	\$	1,753,510,623
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)			0.0384
9. Mean Cash and Invested Assets 2002 - 2011	0	\$	15,325,094,835
10. Net Realized Capital Gains/Losses 2002 - 2011	0	\$	277,517,436
11. Mean Rate of Return: 10. / 9.			0.0181
12. Total Rate of Return: 8. + 11.			0.0565

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

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0384	0.191 (A)
Net Realized Capital Gains/Losses	0.0181	0.350
Total	0.0565	0.242

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2012 tax rates to the distribution of investment income earned for the years 2010 and 2011. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2010	2011	Total		
Bonds (Taxable)	\$ 21,406,668	\$ 16,367,297	\$ 37,773,966	0.350	\$ 13,220,888
Bonds (Tax Exempt)	\$ 28,582,259	\$ 36,263,741	\$ 64,846,000	0.053	\$ 3,436,838
Stocks	\$ 6,237,644	\$ 7,492,773	\$ 13,730,417	0.210	\$ 2,883,388
Short Term	\$ 49,715	\$ 17,062	\$ 66,777	0.350	\$ 23,372
Real Estate	\$ 2,250,091	\$ 3,568,478	\$ 5,818,569	0.350	\$ 2,036,499
Other Investments	\$ 5,804,981	\$ 4,839,883	\$ 10,644,864	0.350	\$ 3,725,702
Total	\$ 64,331,358	\$ 68,549,235	\$ 132,880,593	0.191	\$ 25,326,687

(1) Investment deductions have been allocated to the appropriate type in the following manner:
Real Estate - Income Earned less depreciation (Page 6, Line 12), Real Estate Expenses and Taxes (Page 11, Lines 19 and 20, Column 3).
All Other - Investment Expenses less Real Estate Expenses and Taxes prorated by income earned to total income earned less Real Estate Income.

Shelter Mutual Insurance Company

Companywide

Homeowners Multiple Peril

Development of Expense Ratios

Note: 000 s omitted.	2009	2010	2011	Total
1.) Direct Commission and Brokerage	\$ 37,066	\$ 39,279	\$ 38,365	\$ 114,710
2.) Direct Written Premium	287,888	315,990	330,870	934,748
Ratio: 1 / 2	12.9%	12.4%	11.6%	12.3%
3.) Other Acquisition Expense	\$ 12,563	\$ 12,906	\$ 13,384	\$ 38,853
4.) Direct Earned Premium	275,812	303,305	323,370	902,487
Ratio: 3 / 4	4.6%	4.3%	4.1%	4.3%
5.) General Expense	\$ 20,986	\$ 23,297	\$ 23,238	\$ 67,520
6.) Direct Earned Premium	275,812	303,305	323,370	902,487
Ratio: 5 / 6	7.6%	7.7%	7.2%	7.5%
7.) Taxes, Licenses and Fees	\$ 5,706	\$ 7,493	\$ 7,262	\$ 20,461
8.) Direct Written Premium	287,888	315,990	330,870	934,748
Ratio: 7 / 8	2.0%	2.4%	2.2%	2.2%
9.) Direct Loss Adjustment Expense	\$ 24,747	\$ 20,786	\$ 27,974	\$ 73,507
10.) Direct Losses Incurred	214,721	196,247	335,273	746,241
Ratio: 9 / 10	11.5%	10.6%	8.3%	9.9%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Homeowners Multiple Peril

Calculation of Expected Loss Ratio

Commission and Brokerage (a)	12.3%
Other Acquisition Expense (a)	4.3%
General Expense (a)	7.5%
Arkansas Taxes, Licenses and Fees (b)	2.9%
Profit and Contingencies (c)	6.7%
	<hr/>
Sub-total	33.7%
Available for Losses and Loss Adjustment Expense	66.3%

(a) From attached Companywide Expense Ratios

(b) 2011 Premium Tax ratio in Arkansas

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

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

Target Total Return on Surplus (after federal income tax):	12.0%	(I)
Expected Investment Income on Surplus (% of surplus, after federal income tax, including realized capital gains):	4.3%	(II)
Expected Net Income (% of surplus, after federal income tax):	7.7%	(III)=(I)-(II)
Target Premium to Surplus Ratio:	1.00	(IV)
Expected Net Income (% of earned premium, after federal income tax):	7.7%	(V)=(III)/(IV)
Expected Investment Income on Unearned Premium Reserves and Loss & LAE Reserves (% of earned premium, after federal income tax, including realized capital gains):	2.6%	(VI)
Underwriting Profit Provision (% of earned premium, after federal income tax):	5.1%	(VII)=(V)-(VI)
Expected Federal Income Tax Rate:	24.2%	(VIII)
Underwriting Profit Provision (% of earned premium, before federal income tax):	6.7%	(IX)=(VII)/[1-(VIII)]

**Shelter Mutual Insurance Company
Arkansas Homeowners
Revenue Summation**

	Current Premium	Proposed Change	
		%	\$
HO-3	<u>53,678,854</u>	<u>2.9</u>	<u>1,567,313</u>
Sub-Total	53,678,854	2.9	1,567,313
HO-4	751,799	-0.9	-6,481
HO-6	<u>136,490</u>	<u>-0.8</u>	<u>-1,082</u>
Sub-Total	888,289	-0.9	-7,563
Total (Forms 3 thru 6)	54,567,143	2.9	1,559,749

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

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

Assumptions:

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

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

Severity Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
6/2010	72,864,499	18,409	3,958	3,629		
9/2010	74,733,439	19,693	3,795	3,698		
12/2010	76,207,622	19,975	3,815	3,769		
3/2011	79,609,738	20,483	3,887	3,840		
6/2011	81,599,204	21,480	3,799	3,914		
9/2011	77,788,014	21,264	3,658	3,988		
12/2011	76,159,183	21,157	3,600	4,064	3,695	
3/2012	73,412,196	20,158	3,642	4,142	3,906	
6/2012	83,643,876	18,885	4,429	4,221	4,130	
9/2012	89,200,514	18,715	4,766	4,301	4,365	
12/2012	89,608,305	18,927	4,734	4,383	4,615	
3/2013	80,899,452	18,093	4,471	4,466	4,878	
Annual Percentage Change				7.82%	24.88%	
r^2				0.432	0.671	

Frequency Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
6/2010	18,409	266,792	6.90	7.57		
9/2010	19,693	267,908	7.35	7.54		
12/2010	19,975	268,352	7.44	7.51		
3/2011	20,483	268,451	7.63	7.48		
6/2011	21,480	268,109	8.01	7.46		
9/2011	21,264	267,466	7.95	7.43		
12/2011	21,157	266,647	7.93	7.40		7.57
3/2012	20,158	265,800	7.58	7.37		7.54
6/2012	18,885	264,918	7.13	7.35		7.51
9/2012	18,715	263,982	7.09	7.32		7.48
12/2012	18,927	263,075	7.19	7.29		7.46
3/2013	18,093	262,100	6.90	7.27		7.43
Annual Percentage Change				-1.36%	-1.46%	
r^2				0.060	0.807	

Severity Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Loss and LAE	Ultimate Non-Wind Claims	Ultimate Severity	Curve of Best Fit		
				12 Point	6 Point	
6/2010	14,475,625	3,747	3,863	3,796		
9/2010	14,508,152	3,887	3,732	3,795		
12/2010	15,809,231	3,859	4,097	3,794		
3/2011	15,149,555	3,701	4,093	3,794		
6/2011	15,895,822	4,045	3,930	3,793		
9/2011	15,008,732	4,101	3,660	3,792		
12/2011	13,834,205	4,168	3,319	3,791	3,215	
3/2012	13,118,214	4,105	3,196	3,791	3,399	
6/2012	13,996,221	3,738	3,744	3,790	3,593	
9/2012	13,861,537	3,734	3,712	3,789	3,798	
12/2012	16,228,834	4,004	4,053	3,788	4,015	
3/2013	16,212,801	3,813	4,252	3,788	4,244	
Annual Percentage Change				-0.08%	24.86%	
r^2				0.000	0.883	

Frequency Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Ultimate Non-Wind Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
6/2010	3,747	45,897	8.16	8.45		
9/2010	3,887	46,019	8.45	8.46		
12/2010	3,859	46,006	8.39	8.48		
3/2011	3,701	45,926	8.06	8.49		
6/2011	4,045	45,824	8.83	8.50		
9/2011	4,101	45,734	8.97	8.51		
12/2011	4,168	45,686	9.12	8.53		8.92
3/2012	4,105	45,650	8.99	8.54		8.78
6/2012	3,738	45,680	8.18	8.55		8.64
9/2012	3,734	45,758	8.16	8.56		8.50
12/2012	4,004	45,864	8.73	8.58		8.36
3/2013	3,813	45,993	8.29	8.59		8.23
Annual Percentage Change				0.59%	-6.26%	
r^2				0.014	0.378	

Severity Trends - Fast Track Arkansas						
Fiscal Acc Year	Non-Catastrophe Incurred Loss and LAE	Non-Catastrophe Paid Claims	Severity	Curve of Best Fit		
				12 Point	6 Point	
12/2009	208,929,307	23,728	8,805	9,117		
3/2010	216,238,166	23,943	9,031	9,166		
6/2010	217,598,247	23,738	9,167	9,215		
9/2010	201,873,869	21,606	9,343	9,265		
12/2010	202,673,488	20,917	9,689	9,314		
3/2011	201,948,453	20,530	9,837	9,364		
6/2011	210,407,361	21,926	9,596	9,415	9,409	
9/2011	218,626,282	23,298	9,384	9,465	9,435	
12/2011	216,592,195	23,108	9,373	9,516	9,462	
3/2012	207,497,735	22,270	9,317	9,567	9,488	
6/2012	186,992,752	19,888	9,402	9,618	9,514	
9/2012	181,581,838	18,559	9,784	9,670	9,540	
Annual Percentage Change				2.17%	1.11%	
r^2				0.352	0.077	

Frequency Trends - Fast Track Arkansas						
Fiscal Acc Year	Non-Catastrophe Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit		
				12 Point	6 Point	
12/2009	23,728	343,043	6.92	6.99		
3/2010	23,943	343,045	6.98	6.91		
6/2010	23,738	340,984	6.96	6.83		
9/2010	21,606	336,582	6.42	6.75		
12/2010	20,917	331,798	6.30	6.67		
3/2011	20,530	326,557	6.29	6.60		
6/2011	21,926	324,475	6.76	6.52		7.27
9/2011	23,298	326,820	7.13	6.44		6.94
12/2011	23,108	329,589	7.01	6.37		6.63
3/2012	22,270	333,540	6.68	6.29		6.33
6/2012	19,888	336,064	5.92	6.22		6.05
9/2012	18,559	335,327	5.53	6.15		5.77
Annual Percentage Change				-4.50%	-16.86%	
r^2				0.296	0.722	

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 3/31/2013	Selected Severity	Selected Frequency	Combined Trend Factor
3/31/2009	10/01/2008	4.5000	1.1930	1.0000	1.1930
3/31/2010	10/01/2009	3.5000	1.1471	1.0000	1.1471
3/31/2011	10/01/2010	2.5000	1.1030	1.0000	1.1030
3/31/2012	10/01/2011	1.5000	1.0606	1.0000	1.0606
3/31/2013	10/01/2012	0.5000	1.0198	1.0000	1.0198

Projection Factor				Combined Trend and Projection Factor
Years from 3/31/2013 to 9/30/2014	Selected Severity	Selected Frequency	Combined Projection Factor	
1.5014	1.0607	1.0000	1.0607	1.2654
1.5014	1.0607	1.0000	1.0607	1.2167
1.5014	1.0607	1.0000	1.0607	1.1700
1.5014	1.0607	1.0000	1.0607	1.1250
1.5014	1.0607	1.0000	1.0607	1.0817

**Shelter Mutual Insurance Company
Homeowners
Arkansas**

Current Rate Level Factors as of March 31, 2013

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

<u>Fiscal Year Ending</u>	<u>Factors</u>
March 31, 2009	1.4441
March 31, 2010	1.3516
March 31, 2011	1.2086
March 31, 2012	1.1326
March 31, 2013	1.0644

Rate Change History (Percent Changes)

<u>Effective Date</u>	<u>% Changes</u>
June 7, 2012	10.2 %
May 19, 2011	5.0 %
February 2, 2010	14.9 %
December 20, 2008	9.1 %

Shelter Mutual Insurance Company
Homeowners Forms 3,4,6
Arkansas

Premium Adjustment for Increases in Amount of Insurance Purchased

Form 3										
Calendar Year	All Policies Present Mid-Year		Policies Persisting to Subsequent Year							
	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)	
2009	46,352	156,035	42,799	156,399	163,122	2.121	2.195	3.5%	1.070	
2010	47,508	162,692	43,457	162,547	163,854	2.189	2.204	0.6%	1.034	
2011	47,434	163,363	43,569	163,492	164,175	2.200	2.207	0.3%	1.027	
2012	47,100	163,929	43,539	163,878	166,468	2.204	2.232	1.3%	1.024	
2013*	47,580	165,747	46,791	165,801	166,667	2.225	2.234	0.4%	1.011	
Projected**								1.1%		

Forms 4,6										
Calendar Year	All Policies Present Mid-Year		Policies Persisting to Subsequent Year							
	Policy Count	Average Amount of Insurance	Policy Count	Average Amount of Insurance in Current Year	Average Amount of Insurance in Subsequent Year	Average Size Curve Factor in Current Year	Average Size Curve Factor in Subsequent Year	Percentage Change in Premium In Year Due to Inflation in Coverage Amounts	Cumulative Premium Trend Factor	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (7)/(6) - 1	(9) = (1 + (8)) * Prior (9)	
2009	3,910	32,505	2,821	31,595	31,852	1.777	1.783	0.3%	1.011	
2010	4,318	33,285	3,138	32,362	32,327	1.792	1.795	0.2%	1.008	
2011	4,866	32,515	3,595	32,344	32,574	1.797	1.804	0.4%	1.007	
2012	5,661	32,297	4,035	32,389	32,500	1.801	1.806	0.3%	1.003	
2013*	6,305	31,471	5,887	31,486	31,491	1.764	1.764	0.0%	1.000	
Projected**								0.0%		

Combined	
Premium Trend Factor	(10)
	1.069
	1.033
	1.027
	1.023
	1.010

* 2013 Data compare December exposures to corresponding 3/31/2013 exposures for partial-year growth rate as 2013 data not yet realized.

** Projection period is from midpoint of latest calendar year to one year past effective date (9/30/2013), which is 1.25 years.

Projection is based on factors in place to increase coverage amounts during 2013 and current amount of insurance rating factors.

Notes:

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

- (1) Total number of policies present in June of experience period.
- (2) Average Coverage A amount for Form 3 policies; average Coverage C amount for Form 4 & 6 policies as of June of experience period.
- (3) Number of policies present in June of experience period for which renewal data found during June of following experience period.
- (4) Average principle coverage amount for policies for which renewal data is available; number of policies and average amount indicate this should be a fully representative sample.
- (5) Average principle coverage amount for renewed policies.
- (6) Average of approximate size curve factor attached to each policy according to experience period amount of insurance. Current rather than historical size curves used, but should approximate past rating well.
- (7) Average of approximate size curve factor attached to each policy according to amount of insurance observed in subsequent experience period.
- (8) Overall average percentage change in size curve factors used in premium determination.
- (9) Cumulative factor to project amount of insurance premium increases from past level to mid-point of experience projection period. See notes above regarding use of most recent trend data to extrapolate into the near future.
- (10) Average Premium Trend Factor from Form 3 and Forms 4,6 weighted by premium distribution shown below.

	Form 3	Forms 4,6	Combined
% Distribution of Current Premium	99%	1%	100%

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

Fiscal Accident Year Ending	Earned Premium (1)	Wind Incurred Loss (2)	Wind Loss Ratio (3)	*Normal Wind Loss Ratio (4)	Excess Wind Incurred Loss (5)	**Adjusted Wind Incurred Loss (6)	Re-Distributed Excess Wind Incurred Loss Adjustment (7)	Net Wind Incurred Loss Adjustment (8)
03/31/1990	10,609,264	2,728,464	26%	26%	0	2,728,464	1,067,582	
03/31/1991	11,005,727	1,281,464	12%	16%	(483,373)	1,764,837	1,107,477	
03/31/1992	11,084,530	1,784,914	16%	16%	0	1,784,914	1,115,406	
03/31/1993	10,947,865	1,314,819	12%	16%	(440,739)	1,755,559	1,101,654	
03/31/1994	10,537,239	852,895	8%	16%	(836,817)	1,689,712	1,060,334	
03/31/1995	10,758,997	1,594,933	15%	16%	(130,340)	1,725,272	1,082,649	
03/31/1996	11,251,525	3,895,570	35%	35%	0	3,895,570	1,132,211	
03/31/1997	11,978,021	13,374,838	112%	37%	8,917,866	4,456,972	1,205,316	
03/31/1998	13,062,492	1,657,825	13%	16%	(436,827)	2,094,652	1,314,443	
03/31/1999	14,678,973	9,519,558	65%	37%	4,057,572	5,461,986	1,477,105	
03/31/2000	15,836,653	3,795,081	24%	24%	0	3,795,081	1,593,600	
03/31/2001	16,708,549	7,513,928	45%	37%	1,296,746	6,217,182	1,681,336	
03/31/2002	18,058,271	3,675,749	20%	20%	0	3,675,749	1,817,155	
03/31/2003	21,612,164	4,158,232	19%	19%	0	4,158,232	2,174,774	
03/31/2004	25,677,235	4,347,105	17%	17%	0	4,347,105	2,583,831	
03/31/2005	28,149,205	4,457,215	16%	16%	(56,686)	4,513,901	2,832,579	
03/31/2006	30,718,096	7,455,035	24%	24%	0	7,455,035	3,091,079	
03/31/2007	32,521,563	8,159,928	25%	25%	0	8,159,928	3,272,557	
03/31/2008	34,516,774	11,930,805	35%	35%	0	11,930,805	3,473,330	
03/31/2009	36,218,176	41,283,888	114%	37%	27,807,253	13,476,635	3,644,537	(24,162,716)
03/31/2010	40,000,526	20,542,457	51%	37%	5,658,426	14,884,031	4,025,145	(1,633,281)
03/31/2011	45,016,281	8,523,388	19%	19%	0	8,523,388	4,529,867	4,529,867
03/31/2012	47,455,694	27,519,320	58%	37%	9,861,252	17,658,069	4,775,339	(5,085,913)
03/31/2013	50,906,734	9,110,956	18%	18%	0	9,110,956	5,122,607	5,122,607
Total	548,701,291				55,214,331		55,214,331	(21,229,435)

*Normal Range:

25th Percentile of (3) 16%
75th Percentile of (3) 37%

**Wind Load: Total (5) / Total (1) = 10.1%

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

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

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

(6) = (2) - (5); the actual non-excess or normal wind losses allocated by Fiscal Year.

(7) = Wind Load x (1); the excess losses allocated by Fiscal Accident Year.

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

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

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	98,691,990	112,249,241	116,732,102	117,531,439	117,972,547	118,163,811	118,262,868	118,381,355	118,721,832	118,754,265
3/31/2005	76,603,671	90,939,454	92,534,097	93,553,811	93,711,779	93,903,493	93,820,553	93,971,250	94,487,129	
3/31/2006	123,193,031	181,479,411	188,076,751	189,942,457	190,259,719	190,369,161	190,487,276	191,109,685		
3/31/2007	95,717,960	119,912,208	122,743,340	123,688,774	123,848,318	123,878,641	123,921,949			
3/31/2008	74,146,493	107,770,859	112,357,634	113,460,484	113,921,992	113,887,674				
3/31/2009	175,237,369	212,877,323	218,424,006	219,371,223	219,575,232					
3/31/2010	140,633,206	167,644,378	171,989,398	172,775,995						
3/31/2011	137,190,769	170,371,503	175,137,042							
3/31/2012	237,485,555	288,153,687								
3/31/2013	150,435,032									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	120,497,920	117,631,400	117,876,653	118,129,369	118,292,892	118,412,273	118,436,322	118,496,808	118,821,832	118,854,515
3/31/2005	98,407,901	93,453,601	93,286,515	94,312,156	94,256,394	94,449,819	93,838,553	94,499,250	94,497,129	
3/31/2006	202,432,832	188,938,486	189,983,326	190,768,657	190,778,953	190,816,074	190,877,254	191,495,412		
3/31/2007	138,952,386	123,933,803	123,855,337	124,237,415	124,040,068	124,090,641	124,082,949			
3/31/2008	134,812,216	112,398,024	114,169,664	114,013,460	114,189,567	114,076,174				
3/31/2009	246,676,157	218,789,307	219,863,333	220,242,266	219,999,674					
3/31/2010	169,450,599	171,726,798	173,520,580	173,829,052						
3/31/2011	173,780,241	176,759,682	177,037,489							
3/31/2012	285,654,510	295,429,666								
3/31/2013	187,401,540									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	33,605	34,593	34,671	34,705	34,727	34,739	34,743	34,753	34,754	34,756
3/31/2005	28,675	29,742	29,812	29,848	29,866	29,876	29,887	29,891	29,895	
3/31/2006	42,122	49,635	50,202	50,292	50,346	50,405	50,426	50,431		
3/31/2007	37,231	39,515	39,673	39,740	39,810	39,830	39,832			
3/31/2008	32,150	35,749	35,969	36,095	36,117	36,124				
3/31/2009	64,015	67,467	68,017	68,135	68,186					
3/31/2010	47,868	53,759	54,117	54,168						
3/31/2011	65,457	71,019	71,278							
3/31/2012	106,937	118,137								
3/31/2013	71,442									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Non-Wind Losses						Wind		Total	
	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss/ALAE (3)	Cumulative Paid Losses (4) = (2) x (3)	Ultimate Development Factors (5)	Estimated Incurred Loss/ALAE (6)	Selected Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Claim Count (9)	Selected Incurred Loss/ALAE (10) = (8) + (9)
3/31/2004	55,356,007	1.0000	55,356,007	55,255,757	1.0000	55,255,757	55,356,007	63,498,508	34,756	118,854,515
3/31/2005	55,277,774	1.0001	55,283,145	55,267,774	1.0001	55,273,144	55,283,145	39,219,355	29,896	94,502,500
3/31/2006	55,326,662	1.0002	55,337,465	55,236,398	0.9958	55,005,132	55,337,465	136,182,337	50,433	191,519,802
3/31/2007	58,486,111	1.0003	58,503,115	58,325,111	1.0009	58,376,529	58,503,115	65,623,031	39,840	124,126,146
3/31/2008	59,485,612	1.0005	59,514,410	59,304,112	1.0016	59,397,554	59,514,410	54,639,636	36,139	114,154,046
3/31/2009	74,355,455	1.0007	74,405,632	73,958,289	1.0026	74,151,299	74,405,632	145,876,951	68,235	220,282,583
3/31/2010	76,585,602	1.0010	76,661,150	75,580,538	1.0057	76,009,274	76,661,150	97,466,830	54,254	174,127,980
3/31/2011	82,315,200	1.0029	82,557,922	80,435,354	1.0156	81,687,219	82,557,922	95,034,623	71,492	177,592,545
3/31/2012	77,190,106	0.9999	77,120,211	72,007,307	1.0571	76,120,277	77,120,211	221,137,227	119,156	298,257,438
3/31/2013	84,841,780	0.9829	83,391,365	60,810,072	1.3978	85,000,534	84,906,895	107,040,722	79,241	191,947,617
5-yr Total			394,136,281			392,968,603	395,651,810	666,556,353	392,378	1,062,208,163
10-yr Total			678,130,422			676,276,718	679,645,952	1,025,719,220		1,705,365,172

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	11,176,856	13,492,155	13,899,459	13,972,237	14,163,881	14,244,733	14,245,570	14,273,850	14,273,850	14,273,850
3/31/2005	12,625,813	14,786,240	14,982,780	15,274,564	15,287,586	15,241,172	15,242,020	15,240,846	15,241,966	
3/31/2006	9,695,277	15,099,136	15,730,282	15,785,356	15,795,904	15,788,350	15,822,259	15,818,976		
3/31/2007	14,304,575	16,416,705	16,932,109	16,951,771	16,977,306	16,975,997	16,974,962			
3/31/2008	13,724,723	20,116,493	21,193,763	21,327,135	21,355,597	21,336,120				
3/31/2009	45,976,463	51,875,872	52,695,272	53,081,676	53,154,079					
3/31/2010	29,087,004	34,698,536	35,498,471	35,582,079						
3/31/2011	17,373,192	22,568,223	23,180,333							
3/31/2012	34,511,862	39,727,750								
3/31/2013	19,779,825									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	14,659,621	14,075,275	13,956,246	13,991,220	14,188,881	14,269,733	14,270,570	14,273,850	14,273,850	14,273,850
3/31/2005	15,671,573	14,933,512	15,024,605	15,283,264	15,291,786	15,241,172	15,242,020	15,240,846	15,241,966	
3/31/2006	18,751,123	15,849,183	15,828,914	15,852,675	15,851,125	15,814,000	15,822,259	15,818,976		
3/31/2007	19,290,423	16,954,495	16,972,760	16,951,771	16,977,306	16,975,997	16,974,962			
3/31/2008	28,128,845	20,953,655	21,405,587	21,466,510	21,456,973	21,373,120				
3/31/2009	59,912,749	52,679,360	53,093,321	53,092,549	53,154,079					
3/31/2010	36,630,125	35,889,676	36,034,847	35,909,324						
3/31/2011	23,700,095	24,361,857	23,861,575							
3/31/2012	40,375,949	40,678,199								
3/31/2013	25,700,013									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
3/31/2004	5,176	5,303	5,321	5,327	5,333	5,333	5,333	5,336	5,336	5,336
3/31/2005	4,823	4,980	4,994	5,000	5,001	5,003	5,004	5,005	5,007	5,336
3/31/2006	4,673	5,296	5,335	5,340	5,347	5,364	5,364	5,365		
3/31/2007	5,456	5,690	5,701	5,704	5,712	5,716	5,716			
3/31/2008	5,999	6,894	6,914	6,940	6,945	6,947				
3/31/2009	18,041	18,622	18,725	18,746	18,755					
3/31/2010	10,404	11,967	12,006	12,012						
3/31/2011	7,528	8,637	8,668							
3/31/2012	19,896	21,012								
3/31/2013	10,220									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Non-Wind Losses						Wind		Total	
	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss/ALAE (3)	Cumulative Paid Losses (4) = (2) x (3)	Ultimate Development Factors (5)	Estimated Incurred Loss/ALAE (6)	Selected Incurred Loss/ALAE (7) = (5) x (6)	Selected Incurred Loss/ALAE (8)	Estimated Incurred Claim Count (9)	Selected Incurred Loss/ALAE (10) = (8) + (9)
3/31/2004	9,926,744	1.0000	9,926,744	9,926,744	1.0000	9,926,744	9,926,745	4,347,106	5,336	14,273,851
3/31/2005	10,784,751	1.0001	10,785,816	10,784,751	1.0001	10,785,816	10,785,817	4,457,215	5,007	15,243,032
3/31/2006	8,364,686	1.0002	8,366,320	8,364,686	1.0004	8,367,954	8,366,321	7,455,035	5,365	15,821,356
3/31/2007	8,818,296	1.0003	8,820,858	8,818,296	1.0009	8,826,068	8,820,859	8,159,928	5,717	16,980,787
3/31/2008	9,453,030	1.0005	9,457,614	9,423,030	1.0016	9,437,886	9,457,615	11,930,806	6,950	21,388,421
3/31/2009	11,936,090	1.0007	11,944,082	11,936,090	1.0026	11,967,258	11,944,082	41,283,887	18,768	53,227,969
3/31/2010	15,414,031	1.0010	15,429,344	15,087,036	1.0056	15,172,151	15,429,344	20,542,457	12,031	35,971,801
3/31/2011	15,366,227	1.0030	15,411,969	14,689,788	1.0156	14,919,187	15,411,969	8,523,388	8,696	23,935,357
3/31/2012	13,520,915	0.9986	13,502,561	12,689,134	1.0568	13,409,787	13,502,560	27,519,320	21,143	41,021,880
3/31/2013	16,966,211	0.9812	16,647,961	12,502,171	1.3524	16,907,720	16,647,962	9,110,956	11,231	25,758,918
5-yr Total			72,935,917			72,376,102	72,935,917	106,980,008		

Shelter Mutual Insurance Company Homeowners Companywide

Development of Unallocated Loss Adjustment Expense Factor

	2009	2010	2011	Total
Note: Amounts in 000's				
1. Direct Loss and Defense/Cost Containment Expense Incurred	\$216,359	\$198,460	\$340,205	\$755,024
2. Direct Adjusting and Other Expense Incurred (ULAE)	\$23,109	\$18,573	\$23,042	\$64,724
3. Ratio of Direct ULAE Incurred to Direct Loss and Defense Incurred	10.7%	9.4%	6.8%	8.6%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Homeowners Indicated Rate Level Change

	Fiscal Year Ending 3/31/2009	Fiscal Year Ending 3/31/2010	Fiscal Year Ending 3/31/2011	Fiscal Year Ending 3/31/2012	Fiscal Year Ending 3/31/2013
1. Earned Premium	\$36,218,176	\$40,000,526	\$45,016,281	\$47,455,694	\$50,906,734
2. Current Rate Level Factor	1.4441	1.3516	1.2086	1.1326	1.0644
3. Effect of Trend in Amount of Insurance	1.0691	1.0333	1.0267	1.0232	1.0105
4. Trended Premium at Current Rates [(1) x (2) x (3)]	\$55,914,012	\$55,864,546	\$55,856,847	\$54,998,073	\$54,749,640
5. Incurred Loss and Allocated Loss Adjustment Expense	\$53,227,970	\$35,971,801	\$23,935,357	\$41,021,880	\$25,758,918
6. Wind/Hail Loss Adjustment	-\$24,162,716	-\$1,633,281	\$4,529,867	-\$5,085,913	\$5,122,607
7. Losses Adjusted for Wind/Hail Losses [(5) + (6)]	\$29,065,254	\$34,338,520	\$28,465,224	\$35,935,967	\$30,881,525
8. Factor to Trend and Project Losses to 9/30/2014	1.2654	1.2167	1.1700	1.1250	1.0817
9. Unallocated Loss Adjustment Expense Factor	1.0857	1.0857	1.0857	1.0857	1.0857
10. Trended Loss and Loss Adjustment Expense [(7) x (8) x (9)]	\$39,932,046	\$45,361,217	\$36,159,306	\$43,893,627	\$36,268,131
11. Formula Loss Ratio [(10) / (4)]	71.4%	81.2%	64.7%	79.8%	66.2%
12. Experience Year Weight	10%	15%	20%	25%	30%
13. Weighted Formula Loss Ratio [sum the products of (11) & (12)]			72.1%		
14. Credibility - Based on 20,000 Earned House Years			100.0%		
15. Expected Loss Ratio			66.3%		
16. Trended Expected Loss Ratio [(15) X (20) ^ 1]			67.6%		
17. Credibility Weighted Formula Loss Ratio [(13) X (14) + (16) X (1 - (14))]			72.1%		
18. Current Provision for Variable Expenses of Commissions, Taxes and Profit			21.9%		
19. Current Provision for Fixed Expenses of General and Other Acquisition Expense			11.8%		
20. Factor to Trend Fixed Costs			1.02		
21. Trended Fixed Costs [(19) X (20) ^ 1]			12.0%		
22. Indicated Rate Level Change with Provision for Fixed and Variable Expenses [(17) + (21)] / [1.000 - (18)] - 1.000			<u>7.7%</u>		

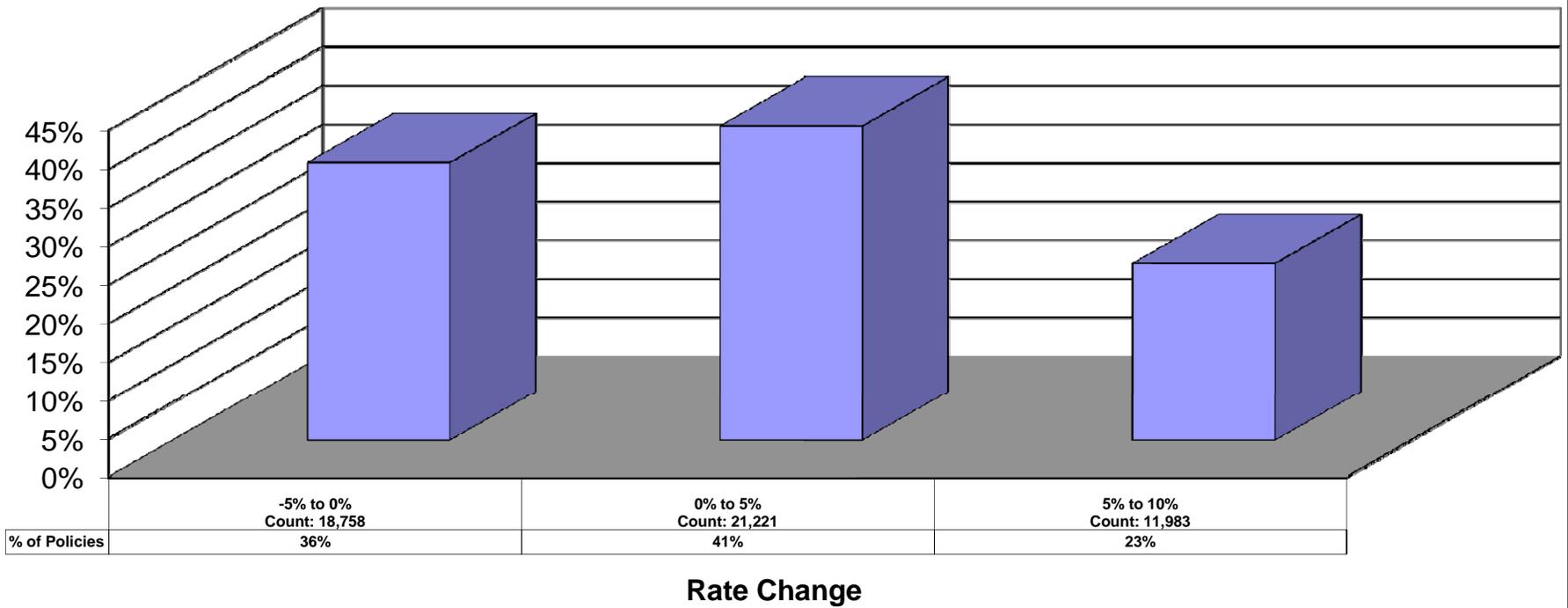
Line 14 -- Partial Credibility is based on the square root rule rounded to the nearest five percent.

Lines 16 & 21 -- Projecting of fixed expenses is done from one year past the effective date of the last rate change (06/07/2012) to one year past the expected effective date (09/30/2013), limited to one year.

**Shelter Mutual Insurance Company
Revenue Change By Zone
Arkansas Homeowners**

Zone	Current Premium	Total \$ Change	Total % Change
4	892,747	28,235	3.2%
12	365,754	-6,253	-1.7%
13	225,675	7,567	3.4%
15	645,434	-10,567	-1.6%
16	951,530	-14,683	-1.5%
18	2,311,365	72,743	3.1%
20	235,386	-3,389	-1.4%
21	156,154	11,019	7.1%
23	4,151,765	136,751	3.3%
24	5,677,155	404,273	7.1%
26	742,203	-10,815	-1.5%
28	756,247	54,046	7.1%
29	1,787,429	58,104	3.3%
31	517,791	-7,850	-1.5%
32	384,520	-6,041	-1.6%
34	308,706	-4,511	-1.5%
35	2,007,058	66,912	3.3%
36	2,625,314	183,973	7.0%
38	1,561,744	54,094	3.5%
40	175,263	-2,550	-1.5%
41	111,027	4,032	3.6%
44	1,163,330	37,355	3.2%
45	521,776	16,238	3.1%
48	97,361	6,690	6.9%
49	885,689	-15,338	-1.7%
50	777,024	53,922	6.9%
51	2,049,555	66,495	3.2%
53	3,877,925	123,095	3.2%
55	350,564	-5,189	-1.5%
57	871,644	27,160	3.1%
58	1,222,385	-20,436	-1.7%
62	2,523,894	-38,774	-1.5%
68	201,660	-3,252	-1.6%
75	535,099	-7,911	-1.5%
77	291,872	-4,668	-1.6%
78	5,067,728	153,004	3.0%
79	99,007	-1,266	-1.3%
87	884,802	-14,389	-1.6%
88	3,103,469	215,771	7.0%
91	3,216,865	-40,006	-1.2%
95	235,223	-3,841	-1.6%
Grand Total	54,567,143	1,559,749	2.9%

**Shelter Mutual Insurance
Arkansas Homeowners
Distribution of Rate Changes**



**Shelter Mutual Insurance Company
Revenue Summation
Arkansas Homeowners**

	Annual Policy Premium	Proposed Change	
		%	\$
Base Rate Adjustment		4.5	2,428,786
Tier Factor Adjustment		-1.6	-869,037
Total Revenue Change	54,567,143	2.9	1,559,749

SERFF Tracking #:

SHEL-129039810

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

03M20113

State: Arkansas**Filing Company:**

Shelter Mutual Insurance Company

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

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)
05/21/2013		Supporting Document	HPCS-Homeowners Premium Comparison Survey	05/28/2013	HPCS 08-22-2013 Filing.pdf HPCS 08-22-2013 Filing.xls (Superseded)