

State: Arkansas **First Filing Company:** Horace Mann Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

Filing at a Glance

Companies: Horace Mann Insurance Company
 Teachers Insurance Company
Product Name: AR Homeowner Rate and Rule Filing
State: Arkansas
TOI: 04.0 Homeowners
Sub-TOI: 04.0003 Owner Occupied Homeowners
Filing Type: Rate/Rule
Date Submitted: 11/13/2014
SERFF Tr Num: HRMN-129807471
SERFF Status: Closed-Filed
State Tr Num:
State Status:
Co Tr Num: AR HO030115

Effective Date 03/01/2015
Requested (New):
Effective Date 03/01/2015
Requested (Renewal):
Author(s): Tony Mattera, Bryan Wilson
Reviewer(s): Becky Harrington (primary)
Disposition Date: 12/01/2014
Disposition Status: Filed
Effective Date (New): 03/01/2015
Effective Date (Renewal): 03/01/2015

State Filing Description:

State: Arkansas **First Filing Company:** Horace Mann Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

General Information

Project Name: AR HO03012015 Status of Filing in Domicile:
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 12/01/2014
 State Status Changed: Deemer Date:
 Created By: Bryan Wilson Submitted By: Bryan Wilson
 Corresponding Filing Tracking Number:

Filing Description:
November 13, 2014

Arkansas Insurance Department
 Property & Casualty Division
 1200 West Third Street
 Little Rock, AR 72201-1904

Attention: Jay Bradford, Commissioner of Insurance

Re: Horace Mann Insurance Company NAIC #300-22578 Fein #59-1027412
 Teachers Insurance Company NAIC #300-22683 Fein #23-1742051
 Homeowners Program
 Rate and Rule Filing
 Company Filing Number: AR H030115

Dear Commissioner Bradford,

Horace Mann Insurance Company and Teachers Insurance Company submit for your review the above noted homeowner rate and rule filing. The overall effect of this filing is +6.0%. It is the judgment of the Actuarial Department as well as of management that these rates are neither excessive, inadequate, nor unfairly discriminatory.

The effective date of this filing will be March 1, 2015.

Company and Contact

Filing Contact Information

Tony Mattera, Regulatory Affairs Analyst II tony.mattera@horacemann.com
 1 Horace Mann Plaza 217-788-5113 [Phone]
 Springfield, IL 62715 217-535-7168 [FAX]

State: Arkansas **First Filing Company:** Horace Mann Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

Filing Company Information

Horace Mann Insurance Company	CoCode: 22578	State of Domicile: Illinois
1 Horace Mann Plaza	Group Code: 300	Company Type: Insurance
Springfield, IL 62715	Group Name: The Horace Mann	Company
(217) 789-2500 ext. [Phone]	Group	State ID Number:
	FEIN Number: 59-1027412	

Teachers Insurance Company	CoCode: 22683	State of Domicile: Illinois
1 Horace Mann Plaza	Group Code: 300	Company Type: Insurance
Springfield, IL 62715	Group Name: The Horace Mann	Company
(217) 789-2500 ext. [Phone]	Group	State ID Number:
	FEIN Number: 23-1742051	

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: The filing fee for this submission is \$100.00.
 Per Company: No

Company	Amount	Date Processed	Transaction #
Horace Mann Insurance Company	\$100.00	11/13/2014	89128245

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	12/01/2014	12/01/2014

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	11/21/2014	11/21/2014
Pending Industry Response	Becky Harrington	11/17/2014	11/17/2014

Response Letters

Responded By	Created On	Date Submitted
Bryan Wilson	11/24/2014	11/25/2014
Bryan Wilson	11/19/2014	11/19/2014

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Bryan Wilson	11/24/2014	11/25/2014
Supporting Document	NAIC loss cost data entry document	Bryan Wilson	11/25/2014	11/25/2014

State: Arkansas
 TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
 Product Name: AR Homeowner Rate and Rule Filing
 Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Disposition

Disposition Date: 12/01/2014
 Effective Date (New): 03/01/2015
 Effective Date (Renewal): 03/01/2015
 Status: Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Horace Mann Insurance Company	%	2.000%		81	\$125,160	%	%
Teachers Insurance Company	%	2.700%		642	\$630,122	%	%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

8.900%

Overall Percentage Rate Impact For This Filing

2.600%

Effect of Rate Filing-Written Premium Change For This Program

\$0

Effect of Rate Filing - Number of Policyholders Affected

723

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 (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document (revised)	Actuarial Justification	Filed	Yes
Supporting Document	Filing Memorandum	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	Actuarial Justification		Yes

SERFF Tracking #:

HRMN-129807471

State Tracking #:

Company Tracking #:

AR HO030115

State:

Arkansas

First Filing Company:

Horace Mann Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name:

AR Homeowner Rate and Rule Filing

Project Name/Number:

AR HO03012015/

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Homeowner Rates and Rules Manual	Filed	Yes
Rate	HO Territories	Filed	Yes

State: Arkansas **First Filing Company:** Horace Mann Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/21/2014
Submitted Date	11/21/2014
Respond By Date	

Dear Tony Mattera,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Actuarial Justification (Supporting Document)

Comments: AR is not allowing modeled losses for rated development. Please revise using actual historical experience.

Objection 2

- Homeowner Rates and Rules Manual, Index (Rate)

Comments: AR HO Territories manual page was not attached.

Objection 3

Comments: Please provide a histogram.

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 **First Filing Company:** Horace Mann Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/17/2014
Submitted Date	11/17/2014
Respond By Date	

Dear Tony Mattera,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments:

Form HPCS must be submitted in both Excel spreadsheet and pdf format.

Objection 2

Comments:

All request for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Objection 3

Comments: Please provide a description of the changes being made with this filing.

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."

Sincerely,

Becky Harrington

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 11/24/2014
 Submitted Date 11/25/2014

Dear Becky Harrington,

Introduction:

Attached please find our response to the objection letter from 11/21/14.

Response 1

Comments:

Attached please find our response to the objection letter from 11/21/14.

Related Objection 1

Applies To:

- Actuarial Justification (Supporting Document)

Comments: AR is not allowing modeled losses for rated development. Please revise using actual historical experience.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Justification
Comments:	Attached please find our response to our objection letter on 11/21/2014.
Attachment(s):	Actuarial Justification 11242014.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Justification
Comments:	This is the actuarial justification for objections number 2 of the objection letter dated 11/17/14.
Attachment(s):	Justification.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Attached please find our HO territories.

Related Objection 2

Applies To:

- Homeowner Rates and Rules Manual, Index (Rate)

Comments: AR HO Territories manual page was not attached.

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	HO Territories	Pages 1 and 2	Replacement	HRMN-129263182	11/25/2014 By: Bryan Wilson

Response 3

Comments:

The histogram is located in the filing.

Related Objection 3

Comments: Please provide a histogram.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Bryan Wilson

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 11/19/2014
 Submitted Date 11/19/2014

Dear Becky Harrington,

Introduction:

Attached, please find our response to the objection letter dated 11/17/14.

Response 1

Comments:

The comparison survey in PDF has been attached.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments:

Form HPCS must be submitted in both Excel spreadsheet and pdf format.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Attached.
Attachment(s):	HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC.xls HO Premium Comparison Survey - HMIC.pdf HO Premium Comparison Survey - TIC.pdf
<i>Previous Version</i>	
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Attached.
Attachment(s):	HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC.xls

No Form Schedule items changed.

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

No Rate/Rule Schedule items changed.

Response 2

Comments:

The actuarial justification is attached.

Related Objection 2

Comments:

All request for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied - Item:	Actuarial Justification
Comments:	This is the actuarial justification for objections number 2 of the objection letter dated 11/17/14.
Attachment(s):	Justification.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

The filing memorandum with the description of changes is attached.

Related Objection 3

Comments: Please provide a description of the changes being made with this filing.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied - Item:	Filing Memorandum
Comments:	This is the filling memorandum for objections number 3 of the objection letter dated 11/17/14.
Attachment(s):	Explanatory Memorandum.pdf

SERFF Tracking #:

HRMN-129807471

State Tracking #:

Company Tracking #:

AR HO030115

State: Arkansas

First Filing Company: Horace Mann Insurance Company, ...

TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name: AR Homeowner Rate and Rule Filing

Project Name/Number: AR HO03012015/

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

If you have any more question please let me know.

Thanks,

Bryan

Sincerely,

Bryan Wilson

SERFF Tracking #:

HRMN-129807471

State Tracking #:

Company Tracking #:

AR HO030115

State:

Arkansas

First Filing Company:

Horace Mann Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name:

AR Homeowner Rate and Rule Filing

Project Name/Number:

AR HO03012015/

Amendment Letter

Submitted Date: 11/25/2014

Comments:

These are 2 corrections that were supposed to be sent with the objection letter from 11/21/14.They did not get sent by accident. Please let me know if you need anything else.

Thanks,

Bryan

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Supporting Document Schedule Item Changes

Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Here are our revised premium comparison survey per the objection letter 11/21/14.
Attachment(s):	HO Premium Comparison Survey - HMIC PDF.pdf HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC PDF.pdf HO Premium Comparison Survey - TIC.xls
<i>Previous Version</i>	
Satisfied - Item:	<i>HPCS-Homeowners Premium Comparison Survey</i>
Comments:	<i>Attached.</i>
Attachment(s):	<i>HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC.xls HO Premium Comparison Survey - HMIC.pdf HO Premium Comparison Survey - TIC.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>HPCS-Homeowners Premium Comparison Survey</i>
Comments:	<i>Attached.</i>
Attachment(s):	<i>HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC.xls</i>

Satisfied - Item:	NAIC loss cost data entry document
Comments:	Attached per objection letter from 11/21/14.
Attachment(s):	NAIC Loss Cost Data Entry Document - HMIC.pdf NAIC Loss Cost Data Entry Document - TIC.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>NAIC loss cost data entry document</i>
Comments:	<i>Attached.</i>
Attachment(s):	<i>NAIC Loss Cost Data Entry Document - HMIC.pdf NAIC Loss Cost Data Entry Document - TIC.pdf</i>

SERFF Tracking #:

HRMN-129807471

State Tracking #:

Company Tracking #:

AR HO030115

State:

Arkansas

First Filing Company:

Horace Mann Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name:

AR Homeowner Rate and Rule Filing

Project Name/Number:

AR HO03012015/

Rate Information

Rate data applies to filing.

Filing Method:

Prior Approval

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

5.000%

Effective Date of Last Rate Revision:

03/01/2014

Filing Method of Last Filing:

Prior Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Horace Mann Insurance Company	8.900%	5.500%	\$6,934	81	\$125,160	18.000%	-14.900%
Teachers Insurance Company	8.900%	6.300%	\$39,513	642	\$630,122	19.200%	-5.600%

State: Arkansas

First Filing Company: Horace Mann Insurance Company, ...

TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name: AR Homeowner Rate and Rule Filing

Project Name/Number: AR HO03012015/

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 12/01/2014	Homeowner Rates and Rules Manual	Index	Replacement	HRMN-129263182	AR HO Premiums.pdf AR HO Rules & Rates.pdf AR HO Rules & Rates Index.pdf AR HO Rules & Rates p2.3-1.pdf AR HO Rules & Rates p4.11-1.pdf AR HO Rules & Rates p4.12-1.pdf AR HO Rules & Rates p5.1-1.pdf AR HO Rules & Rates p6.4-1.pdf AR HO Rules & Rates p6.8-1.pdf AR HO Rules & Rates p6.10-1.pdf AR HO Rules & Rates p6.11-1.pdf AR HO Rules & Rates p6.12-1.pdf AR HO Rules & Rates p7.16-1.pdf AR HO Rules & Rates p7.17-1.pdf AR HO Rules & Rates p7.19-1.pdf AR HO Rules & Rates pCONDEF-1.pdf
2	Filed 12/01/2014	HO Territories	Pages 1 and 2	Replacement	HRMN-129263182	AR HO Territories.pdf

State - Arkansas - 03
750 Flat Deductible - All Section 1 Perils

Forms 1,2,3 Annual Premiums
\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	1,178
11	1,446
12	1,234
13	1,481
14	2,767
44	1,510
51	1,330
60	970
65	1,466
67	1,097
68	1,089



Column 3		Column 4
Protection Class		
1-3	M	1.000
1-3	F	1.100
4-5	M	1.040
4-5	F	1.180
6	M	1.180
6	F	1.310
7	M	1.320
7	F	1.460
8	M	1.650
8	F	1.850
9	M	2.000
9	F	2.300
10	M	2.500
10	F	2.800

Column 5	Column 6
Coverage A	Coverage A
Amount	Relativity
25,000	0.613
30,000	0.619
35,000	0.627
40,000	0.635
45,000	0.640
50,000	0.648
55,000	0.699
60,000	0.709
65,000	0.732
70,000	0.763
75,000	0.790
80,000	0.838
85,000	0.889
90,000	0.939
95,000	0.971
100,000	1.000
105,000	1.047
110,000	1.092
115,000	1.146
120,000	1.197
125,000	1.249
130,000	1.300
135,000	1.354
140,000	1.390
145,000	1.419
150,000	1.456
155,000	1.459
160,000	1.470
165,000	1.493
170,000	1.521
175,000	1.549
180,000	1.578
185,000	1.610
190,000	1.640
195,000	1.680
200,000	1.719
205,000	1.761
210,000	1.803
215,000	1.847
220,000	1.891
225,000	1.934
230,000	1.978
235,000	2.022
240,000	2.066
245,000	2.109
250,000	2.153
Each Add'l	
5,000	0.044

***Note: Territory 14 can only be written in Protection Class 1-5**

- 1 Choose the Territory in which the property is located in Column 1. Refer to your Territory Pages.
- 2 Choose the corresponding Base Rate for that Territory in Column 2.
- 3 Choose the Protection Class in Column 3 and find the corresponding relativity in Column 4.
- 4 Multiply Step 2 by Step 3 and round to the nearest dollar.
- 5 For Form 1 or 2, take the rate from Step 4 and multiply it by .98 and round to the nearest dollar.
- 6 Choose the Coverage A amount, Column 5, and find the corresponding Coverage A Relativity, Column 6. (See Additional Amount and Interpolation Rule on Rate Derivation Instruction Page).
- 7 Multiply the amount from Step 4 or Step 5 by the Coverage A Relativity from Step 6 and round to the nearest dollar. This is your Basic Premium before endorsements are added.
- 8 Go to the Homeowner Rules & Rates Pages and follow the rating algorithm for deductible options and endorsements.

Horace Mann Insurance Company - 04

State - Arkansas - 03

Form 4 (Tenant & Condo) Annual Premiums

500 Flat Deductible - All Section 1 Perils

\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	176
11	187
12	176
13	153
14	215
44	153
51	176
60	176
65	176
67	176
68	176

Column 3		Column 4
Protection Class		
1-4	M	1.000
1-4	F	1.000
5-6	M	1.100
5-6	F	1.100
7-8	M	1.330
7-8	F	1.330
9	M	1.900
9	F	1.900
10	M	1.995
10	F	1.995

Column 5	Column 6
Coverage C	Coverage C
Amount	Relativity
5,000	0.830
10,000	0.870
15,000	1.000
20,000	1.220
25,000	1.380
30,000	1.560
35,000	1.740
40,000	1.910
45,000	2.060
50,000	2.200
55,000	2.400
60,000	2.600
Each Add'l	
5,000	0.200

***Note: Territory 14 can only be written in Protection Class 1-6**

Column 7	
Condo Discount	Territories
20%	All

- 1 Choose Territory in which property is located in Column 1. Refer to your Territory Pages. Find the Corresponding Base Rate in Column 2.
- 2 Choose Protection Class in Column 3, and find corresponding Relativity in Column 4.
- 3 Multiply the Base Rate from Step 1 by the Protection Class Relativity from Step 2 and round to the nearest dollar.
- 4 If the risk is located in a building with 1-4 units, go to Step 5. If the risk is located in a building with 5 or more units multiply the amount from Step 3 by 1.25 and round to the nearest dollar.
- 5 Choose Coverage C amount, Column 5 and find corresponding Coverage C Relativity, Column 6 (See Additional Amount Rule or Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply amount from Step 4 by Coverage C Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added unless you are rating an owner occupied Condo then go to Step 7.
- 7 If you are rating a Condo policy, and the Condo is owner occupied, multiply Step 6 by correct discount from Column 7 and round to the nearest dollar. This would now be your Basic Premium before the endorsements are added.
- 8 Go to Homeowner Rules & Rates pages and follow rating algorithm for deductible options and endorsements.

Rate Effective Date: 3/1/2015

Teachers Insurance Company - 08

State - Arkansas - 03

750 Flat Deductible - All Section 1 Perils

**Form 3 Annual Premiums
\$100,000/1,000 Liability Limits**

Column 1	Column 2
Territory	Base Rate
10	920
11	1,129
12	964
13	1,157
14	1,760
44	1,168
51	1,041
60	738
65	1,149
67	854
68	823

Column 3		Column 4
Protection Class		
1-3	M	1.000
1-3	F	1.100
4-5	M	1.040
4-5	F	1.180
6	M	1.180
6	F	1.310
7	M	1.320
7	F	1.460
8	M	1.650
8	F	1.850
9	M	2.000
9	F	2.300
10	M	2.500
10	F	2.800

Column 5	Column 6
Coverage A	Coverage A
Amount	Relativity
25,000	0.613
30,000	0.619
35,000	0.627
40,000	0.635
45,000	0.640
50,000	0.648
55,000	0.699
60,000	0.709
65,000	0.732
70,000	0.763
75,000	0.790
80,000	0.838
85,000	0.889
90,000	0.939
95,000	0.971
100,000	1.000
105,000	1.047
110,000	1.092
115,000	1.146
120,000	1.197
125,000	1.249
130,000	1.300
135,000	1.354
140,000	1.390
145,000	1.419
150,000	1.456
155,000	1.459
160,000	1.470
165,000	1.493
170,000	1.521
175,000	1.549
180,000	1.578
185,000	1.610
190,000	1.640
195,000	1.680
200,000	1.719
205,000	1.761
210,000	1.803
215,000	1.847
220,000	1.891
225,000	1.934
230,000	1.978
235,000	2.022
240,000	2.066
245,000	2.109
250,000	2.153
Each Add'l	
5,000	0.044

***Note: Territory 14
can only be written in
Protection Class 1-5**

- 1 Choose the Territory in which the property is located in Column 1. Refer to your Territory Pages.
- 2 Choose the corresponding Base Rate for that Territory in Column 2.
- 3 Choose the Protection Class in Column 3 and find the corresponding relativity in Column 4.
- 4 Multiply Step 2 by Step 3 and round to the nearest dollar.
- 5 Choose the Coverage A amount, Column 5, and find the corresponding Coverage A Relativity, Column 6. (See Additional Amount and Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply the amount from Step 4 by the Coverage A Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added.
- 7 Go to the Homeowner Rules & Rates Pages and follow the rating algorithm for deductible options and endorsements.

Teachers Insurance Company - 08

State - Arkansas - 03

Form 4 (Tenant & Condo) Annual Premiums

500 Flat Deductible - All Section 1 Perils

\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	138
11	164
12	138
13	138
14	195
44	138
51	138
60	138
65	143
67	138
68	138

Column 3		Column 4
Protection Class		
1-4	M	1.000
1-4	F	1.000
5-6	M	1.100
5-6	F	1.100
7-8	M	1.330
7-8	F	1.330
9	M	1.900
9	F	1.900
10	M	1.995
10	F	1.995

Column 5	Column 6
Coverage C	Coverage C
Amount	Relativity
5,000	0.830
10,000	0.870
15,000	1.000
20,000	1.220
25,000	1.380
30,000	1.560
35,000	1.740
40,000	1.910
45,000	2.060
50,000	2.200
55,000	2.400
60,000	2.600
Each Add'l	
5,000	0.200

***Note: Territory 14
can only be written in
Protection Class 1-6**

Column 7	
Condo Discount	Territories
35%	All

- 1 Choose Territory in which property is located in Column 1. Refer to your Territory Pages. Find the Corresponding Base Rate in Column 2.
- 2 Choose Protection Class in Column 3, and find corresponding Relativity in Column 4.
- 3 Multiply the Base Rate from Step 1 by the Protection Class Relativity from Step 2 and round to the nearest dollar.
- 4 If the risk is located in a building with 1-4 units, go to Step 5. If the risk is located in a building with 5 or more units multiply the amount from Step 3 by 1.25 and round to the nearest dollar.
- 5 Choose Coverage C amount, Column 5 and find corresponding Coverage C Relativity, Column 6 (See Additional Amount Rule or Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply amount from Step 4 by Coverage C Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added unless you are rating an owner occupied Condo then go to Step 7.
- 7 If you are rating a Condo policy, and the Condo is owner occupied, multiply Step 6 by correct discount from Column 7 and round to the nearest dollar. This would now be your Basic Premium before the endorsements are added.
- 8 Go to Homeowner Rules & Rates pages and follow rating algorithm for deductible options and endorsements.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

1.0 ELIGIBILITY

- 1.1 Owner Occupied
- 1.2 Tenant Occupied
- 1.3 Condominiums
- 1.4 Co-owner Occupancy
- 1.5 Dwellings Under Construction
- 1.6 Seasonal Dwellings
- 1.7 Ineligible Occupancies

2.0 PROGRAM DESCRIPTION

- 2.1 Property Coverages - Property (Mandatory)
- 2.2 Liability Coverages - Liability (Mandatory)
- 2.3 Package Policy Requirements

3.0 POLICY WRITING INSTRUCTIONS

- 3.1 Inception Time
- 3.2 Annual Policy Term
- 3.3 Continuous Renewal Plan
- 3.4 Additional Interests
- 3.5 Transfer or Assignment
- 3.7 Cancellation or Reductions in Limits of Liability or Coverages

4.0 PREMIUM DETERMINATION

- 4.1 Calculation of Premium
- 4.2 Changes in Liability Limits
- 4.3 Other Liability Exposures
- 4.4 Mid-term Changes
- 4.6 Row and Townhouses
- 4.8 Payment Plans
- 4.9 Non-Sufficient Funds
- 4.10 Electronic Fund Transfer
- 4.11 Late Payment Fee
- 4.12 Reinstatement Fee

5.0 DEDUCTIBLES

- 5.1 Flat and Percentage Deductibles - All Perils
- 5.3 Wind and Hail Deductible – Forms 1, 2, 3

6.0 PREMIUM MODIFICATIONS

- 6.3 Woodburning Device Surcharge - All Forms
- 6.4 Age of Home - Forms 1, 2, 3
- 6.5 Multi-Line Discount - All Forms
- 6.7 Protective Device Credits - All Forms
- 6.8 Home-Buyer Loyalty Credit - Forms 3 & 4
- 6.9 Roof Surfacing Surcharge - Forms 1, 2, 3
- 6.10 Credit Level Rating - Forms 1, 2, 3
- 6.11 Merit Rating – All Forms

Effective 3/1/2015

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.12 Additional Amounts of Insurance – Coverage A Only – Forms 1,2 & 3

7.0 OPTIONAL SECTION I PROPERTY COVERAGES

- 7.2 Automatic Adjustment of Limits
- 7.3 Private Structures
- 7.4 Personal Property
- 7.5 Replacement Value - Personal Property - Forms 3, 4
- 7.6 Motorized Vehicles
- 7.7 Additional Living Costs and Loss of Rent
- 7.8 Tenant's Improvements - Form 4
- 7.9 Fire Department Service Charge
- 7.10 Scheduled Personal Property
- 7.11 Scheduled Glass
- 7.12 Refrigerated Food Products
- 7.13 Electronic Data Processing Equipment - Increased Limits
- 7.15 Additional Coverage Endorsement - Forms 3 & 4
- 7.16 Homeowners Association Loss Assessment
- 7.17 Condominium Unit-Owners Supplemental Coverages
- 7.19 Water Damage (Sewers and Drains)

8.0 OPTIONAL SECTION II LIABILITY COVERAGES

- 8.1 Additional Residence Premises - Rented to Others
- 8.2 Private Structures - Rented to Others
- 8.3 Waterbed Liability - Form 4
- 8.4 Office, Professional, Private School or Studio Occupancy
- 8.5 Watercraft

9.0 ADDITIONAL AND SECONDARY LOCATIONS

- 9.1 Secondary Locations
- 9.2 Credit for Liability Coverages

10.0 SPECIAL ENDORSEMENTS

- 10.1 Survivor's Waiver of Premium - Forms 1, 2, 3
- 10.3 Identity Fraud Advocacy Services

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

1.0 ELIGIBILITY

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

1.1 Owner Occupied

A policy may be issued to an owner-occupant of a dwelling used only for private residential purposes and occupied by no more than four families and no more than two boarders or roomers per family

Use Form 1, 2, 3

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.2 Tenant Occupied

A policy may be issued to the tenant (non-owner) of a dwelling or apartment if the residence occupied by the insured is used only for residential purposes and is occupied by no more than one additional family or two boarders or roomers.

Use Form 4

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.3 Condominiums

A policy may be issued to the owner of a condominium unit if the residence occupied by the insured is used only for residential purposes and is occupied by no more than one additional family or two boarders or roomers.

Use Form 4 and HM-31

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.4 Co-owner Occupancy

A policy may be issued to one of the co-owners provided each occupies separate apartments within the dwelling.

Use Form 1, 2, 3

A Form 4 policy may be issued to the other co-owner(s).

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.5 Dwellings Under Construction

A policy may be issued to cover the interest of the intended owner-occupant of a dwelling under construction.

Use Form 1 for estimated completed value.

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.6 Seasonal Dwellings

A policy may be issued to cover a seasonal dwelling.

Use Form 1. If other form, refer to Company.

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ARKANSAS
HOMEOWNER RULES AND RATES**

1.7 Ineligible Occupancies

The following are ineligible for coverage under this manual:

- Property to which dwelling fire forms or rates apply.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

2.0 PROGRAM DESCRIPTION

The following is a general description of the coverages provided by the Homeowner forms. The policy forms state the complete conditions.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

2.1 Property Coverages - Property (Mandatory)

- Coverage A - Residence
- Coverage B - Private Structures
- Coverage C - Personal Property
- Coverage D - Additional Living Costs and Loss of Rent

2.1.1 Forms 1 and 2 cover the residence, private structures, personal property and additional living costs against losses resulting from the perils indicated below.

	<u>Form 1</u>	<u>Form 2</u>
Fire or Lightning	X	X
Windstorm or Hail.....	X	X
Explosion.....	X	X
Riot or Civil Commotion.....	X	X
Aircraft.....	X	X
Vehicles.....	X	X
Smoke	X	X
Vandalism.....	X	X
Glass Breakage.....	X	X
Theft.....	X	X
Falling Objects.....		X
Weight of Ice, Snow or Sleet.....		X
Collapse of Building.....		X
Sudden and Accidental Tearing Apart, Burning or Bulging		X
Accidental Discharge of Liquids or Steam.....		X
Freezing		X
Sudden and Accidental Damage from Electrical Currents		X

2.1.2 Form 3 cover the residence, private structures and additional living costs against all physical loss, with certain exceptions. Personal property is covered for the perils shown for Form 2.

2.1.3 Form 4 covers personal property including the insured's interest in building additions and improvements and additional living expense against loss by the perils shown for Form 2.

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ARKANSAS
HOMEOWNER RULES AND RATES**

2.2 Liability Coverages - Liability (Mandatory)

Personal Liability - Pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence related to the insured's premises or personal activities.

Medical Payments to Others - Pays medical expenses incurred by persons, who are not insureds, if the bodily injury occurs in connection with the insured's premises or personal activities.

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

2.3 Package Policy Requirements

For the **Homeowner Policy**, the recommended minimum limits of liability are as follows:

<u>Property Coverages</u>	<u>Form 1</u>	<u>Form 2</u>	<u>Form 3</u>	<u>Tenant Form 4</u>	<u>Condo Form 4</u>
Residence	\$25,000	\$50,000	\$50,000		
Private Structures	10% of lim. on res.	10% of lim. on res.	10% of lim. on res.		
Personal Property	50%* of lim. on res.	50%* of lim. on res.	60%* of lim. on res.	\$12,000	\$18,000
Additional Living Costs	30%** of lim. on res.	30%** of lim. on res.	30%** of lim. on res.	40% of lim. on personal property	40% of lim. on personal property

* 30% for dwellings occupied by three or four families

** 20% for dwellings occupied by three or four families

<u>Liability Coverages</u>	<u>Forms 1,2,3,4</u>
Personal Liability	\$100,000 each occurrence
Medical Payments to Others	\$ 500 each person \$25,000 each accident

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

3.0 POLICY WRITING INSTRUCTIONS

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.1 Inception Time

The policy will take effect at 12:01 a.m.

Show time on Declarations Page

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.2 Annual Policy Term

Policies are written for annual terms only.

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.3 Continuous Renewal Plan

The policy may be continued for successive terms by payment of the required premium.

Attach Endorsement CC-H10001

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.4 Additional Interests

The policy may cover the interests of additional owners at no additional premium. This coverage is limited to the building and premises liability.

Attach Endorsement HM-41

3.4.1 Additional Interests – Described Location

A Tenant policy (HM-4) can be endorsed to cover the insurable Interest of a person or organization in the described location shown on the endorsement or on the declarations page. No premium charge or credit applies.

Make entries to show the names, addresses, and fax numbers of the or organizations and the extent of their interests in the rental property.

Attach endorsement HM-6034

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.5 Transfer or Assignment

The Policy may be endorsed to effect transfer to another location within the same state (Form 4 only). Assignment of coverage from one insured to another is not allowed. A new application is required.

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ARKANSAS
HOMEOWNER RULES AND RATES**

3.7 Cancellation or Reductions in Limits of Liability or Coverages

Mandatory coverages may not be cancelled unless the entire policy is cancelled.

The policy must be cancelled in accordance with the terms of applicable cancellation provisions.

If the policy or non-mandatory coverages are cancelled or the amount of insurance is reduced:

- By the company; or
In the event of foreclosure of the mortgage on the insured real property; or
In the event of relocation if a Company policy is issued at new location; or
In the event of the sale of property if other properties are insured by the Company:

Compute return premium pro rata.

- By the insured:

Compute return premium pro rata.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.0 PREMIUM DETERMINATION

Annual premiums and rates are shown in the State Rate Pages. The basic policy premiums are for property and liability coverages.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.1 Calculation of Premium

Any computations for additional coverages or additional amounts of insurance are to be rounded separately to the nearest dollar. Fifty cents or more is to be considered as a dollar.

The premium is computed as follows:

- 4.1.1** Determine the base premium by using the rate pages.
- 4.1.2** Add to 4.1.1 any townhouse/row house charge (if applicable).
- 4.1.3** The condominium discount is applied to 4.1.2 (if applicable).
- 4.1.4** The premium from 4.1.2 should then be adjusted for any revised limit of Coverage C (except Tenants and Condominiums).
- 4.1.5** The proper charge or credit for deductible is applied to the premium from 4.1.4. (This is the basic premium.)
- 4.1.6** The Year of Construction Factor is applied to the premium from 4.1.5 (if applicable). The dollar amount is applied to the 4.1.14 premium.
- 4.1.7** The Protective Device Credit is applied to the premium from 4.1.5 (if applicable). The dollar amount of credit is subtracted from the 4.1.14 premium.
- 4.1.8** The Multi-Line Discount is applied to the premium from 4.1.5 (if applicable). The dollar amount of credit is subtracted from the 4.1.14 premium.
- 4.1.9** The Claim Record/Persistency Rating Plan is applied to the premium from 4.1.5 (if applicable). The dollar amount is applied to the 4.1.14 premium.
- 4.1.10** The Home-Buyer Loyalty Credit is applied to the premium from 4.1.5 (if applicable). The dollar amount of credit is subtracted from the 4.1.14 premium.
- 4.1.11** The charge for replacement cost on contents is applied to the premium from 4.1.5 (if applicable). The dollar amount is applied to the 4.1.14 premium.
- 4.1.12** The Roof Surfacing Surcharge is applied to the premium from 4.1.5 (if applicable). The dollar amount is applied to the 4.1.14 premium.
- 4.1.13** The Woodburning Device Surcharge is applied to the premium from 4.1.11 (if applicable). The dollar amount is applied to the 4.1.14 premium.
- 4.1.14** Add the additional premium for all mandatory or optional property coverages and all mandatory or optional liability coverages.
- 4.1.15** Apply the credit level factor to the premium from 4.1.14.
- 4.1.16** Add the installment fee amount when applicable.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.2 Changes in Liability Limits

Liability coverage limits may be increased or decreased. The premiums are shown below.

1 or 2 Family:

<u>Liability/Med Payments</u>	<u>Rate</u>
\$100,000/\$500	\$-1
\$200,000/\$500	\$10
\$300,000/\$500	\$18
Each Add'l \$500 of Med Payments	\$1

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.3 Other Liability Exposures

Liability coverage for the following exposures is required if they exist. The additional premium is shown below.

4.3.1 Three or four family dwellings

3 Family:

<u>Liability/Med Payments</u>	<u>Rate</u>
\$100,000/\$500	\$16
\$200,000/\$500	\$19
\$300,000/\$500	\$21
Each Add'l \$500 of Med Payments	\$1

4 Family:

<u>Liability/Med Payments</u>	<u>Rate</u>
\$100,000/\$500	\$18
\$200,000/\$500	\$21
\$300,000/\$500	\$23
Each Add'l \$500 of Med Payments	\$1

4.3.2 All additional or secondary residence premises where the named insured or spouse maintains a residence, other than business or farm properties.

<u>Liability/Med Payments</u>	<u>Rate</u>
\$100,000/\$500	\$6
\$200,000/\$500	\$8
\$300,000/\$500	\$8
Each Add'l \$500 of Med Payments	\$1

4.3.3 All residence employees of the named insured or spouse not covered or not required to be covered by workers' compensation insurance. A charge is required for residence employees in excess of two.

<u>Liability/Med Payments</u>	<u>Rate</u>
\$100,000/\$500	\$6
\$200,000/\$500	\$8
\$300,000/\$500	\$8
Each Add'l \$500 of Med Payments	\$1

4.3.4 Incidental office, professional, private school or studio occupancies by the named insured on residential premises of the named insured. Refer to Rule 8.4.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.4 Mid-term Changes

- 4.4.1** The limits of liability may be changed or coverages added or deleted during the policy term. Compute the premium on a pro rata basis using the same rates in effect when the current policy premiums were calculated.

- 4.4.2** Changes which result in return or additional premium of \$3 or less will not be billed or returned to the insured unless requested in writing.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.6 Row and Townhouses

The premium for an eligible one or two family owner-occupied dwelling in a townhouse or row house is determined as shown below.

Family Units in Fire Division:	<u>1-2</u>	<u>3-4</u>	<u>5-8</u>
Increase Basic Premium by:	-	10%	25%

An eligible two family owner-occupied dwelling is considered two individual units when determining the number of family units within a fire division.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.8 Payment Plans

A payment plan is available if:

- a. the policy meets minimum premium requirements listed below:

<u>Plan</u>	<u>Minimum Premium</u>
Full	None
Two Pay	\$100
Three Pay	\$200
Four Pay	None

- b. the policy is not a mortgagee pay policy.

Installment fees are listed below.

<u>Payment Plan</u>	<u>Fee per Installment</u>	<u>Total</u>
Full Pay	None	None
Two Pay	\$2.00 (1 installment)	\$2.00
Three Pay	\$3.00 (2 installments)	\$6.00
Four Pay	\$4.00 (3 installments)	\$12.00

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.9 Non-Sufficient Funds

Policyholders' payments of premium that are returned due to Non-Sufficient Funds (NSF) will result in a service charge on a per occurrence basis.

The service charge for non-sufficient funds will be \$25 per occurrence.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.10 Electronic Fund Transfer

1. Installment payments by EFT shall be made on a monthly basis.
2. For new business, the initial payment shall be the equivalent of two months premium for the 12-month term; the remaining monthly payments shall be of equal amounts. For renewals, there shall be equal monthly payment.

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.11 Late Payment Fee

Policyholders' premiums received after the payment due date will result in a service charge on a per occurrence basis. This fee is not applicable to payments made via EFT or Payroll.

A \$10 fee applies per occurrence.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.12 Reinstatement Fee

Policies that are reinstated will be subject to a service charge on a per occurrence basis.

A \$25 fee applies per occurrence.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

5.0 DEDUCTIBLES

The deductible amount is shown on the Declarations Page.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

5.1 Flat and Percentage Deductibles - All Perils

The policy may be issued with one of the following options at the premium credit shown below.

HM-1,2,3	Coverage A Amount					
Deductible Options	<\$125,000	\$125,001 - \$175,000	\$175,001 - \$250,000	\$250,001 - \$350,000	\$350,001 - \$500,000	>\$500,000
750	*	*	*	*	*	*
1,000	-5%	-5%	-4%	-4%	-4%	-3%
1,500	-16%	-15%	-12%	-8%	-7%	-6%
2,500	-27%	-23%	-23%	-21%	-19%	-17%
5,000	-49%	-43%	-38%	-35%	-30%	-28%
1% of Coverage A	-13%	-15%	-18%	-22%	-23%	-30%

Deductible Options	% of Credit HM-4,6
500	*
750	-12%
1,000	-24%
1,500	-30%
2,500	-37%
5,000	-49%

*See Basic Policy Premiums

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

5.3 Wind and Hail Deductible – Forms 1, 2, 3

When a policy is issued with a \$1,000, \$1,500, or \$2,500 deductible, the deductible amount that applies to wind and hail losses may be increased to 1% of the Coverage A amount. Apply the premium credit shown below.

HM-1,2,3	Coverage A Amount					
	<\$125,000	\$125,001 - \$175,000	\$175,001 - \$250,000	\$250,001 - \$350,000	\$350,001 - \$500,000	>\$500,000
1,000/1% W & H	-11%	-11%	-11%	-14%	-14%	-16%
1,500/1% W & H	-14%	-15%	-18%	-18%	-19%	-20%
2,500/1% W & H	-16%	-19%	-21%	-22%	-23%	-29%

Attach Endorsement HM-405

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.0 PREMIUM MODIFICATIONS

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.3 Woodburning Device Surcharge - All Forms

A surcharge will be applicable if the property has a woodburning device.

The surcharge is 6% with a minimum charge of \$25.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.4 Year of Construction - Forms 1, 2, 3

An adjustment will apply to the basic policy premium depending upon the age of the dwelling. The age is determined by subtracting the year of construction from the effective date year.

Age of Home (Years)	Credit	Age of Home (Years)	Credit
0	-25.0%	18	-11.0%
1	-25.0%	19	-11.0%
2	-24.0%	20	-10.0%
3	-24.0%	21	-9.0%
4	-22.0%	22	-9.0%
5	-20.0%	23	-8.0%
6	-19.0%	24	-7.0%
7	-19.0%	25	-7.0%
8	-18.0%	26	-6.0%
9	-17.0%	27	-5.0%
10	-17.0%	28	-4.0%
11	-16.0%	29	-4.0%
12	-15.0%	30	-3.0%
13	-15.0%	31	-2.0%
14	-14.0%	32	-1.0%
15	-13.0%	33	-1.0%
16	-13.0%	34+	0.0%
17	-12.0%		

Please note (-) implies a credit, (+) implies a surcharge.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.5 Multi-Line Discount - All Forms

A discount to the basic policy premium will be allowed if the named insured has an auto, life, and/or annuity policy with us. Auto policies written on motorcycles, motorhomes, snowmobiles, utility trailers, recreational trailers, kit cars, antique vehicles, electric cars or golf carts will not qualify the homeowner policy for the discount.

A 16 percent discount applies if the policyholder is an educator and has at least one policy with us in two or more of the following lines: Auto, Life, and Annuity.

A 10 percent discount applies if the policyholder is a non-educator and has at least one policy with us in two or more of the following lines: Auto, Life, and Annuity.

A 10 percent discount applies if the policyholder is an educator and has at least one policy with us in only one of the following lines: Auto, Life, or Annuity.

An 8 percent discount applies if the policyholder is a non-educator and has at least one policy with us in only one of the following lines: Auto, Life, or Annuity.

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

6.7 Protective Device Credits - All Forms

The premium credits shown below may be allowed for the installation of the following approved and properly maintained alarm systems:

Fire Alarm reporting to either the Fire Department or reporting to a Central Station

Burglar Alarm reporting to either the Police Department or reporting to a Central Station.

Fire and Burglar Alarms reporting to either the Police and Fire Departments, or reporting to a Central Station.

Only one discount from above may be applied per policy.

Policyholders applying for the protective device discount must meet the following requirements:

A. Documentation (i.e. statement from alarm company) must be provided that proves the applicant has contracted for services (i.e. Burglar and/or Fire) for which this discount applies. This discount must include the following four items:

1. the client's name,
2. the specific services that will be rendered,
3. the specific location covered, and
4. recent date (within 6 months of policy effective date)

B. The documentation referenced in A. must be maintained in the agent's office and be available for audit.

	<u>Credit</u>
Burglar Alarm reporting to a Central Station <i>or</i> Burglar Alarm reporting to the Police Department	5%
Fire Alarm reporting to a Central Station <i>or</i> Fire Alarm reporting to the Fire Department <i>or</i> Fire Sprinkler System	5%
Fire Alarm Reporting to a Central Station or Fire Department or a Fire Sprinkler System <i>and</i> Burglar Alarm Reporting to a Central Station or Police Department	10%

Only one credit from above may be applied per policy.

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ARKANSAS
HOMEOWNER RULES AND RATES**

6.8 Home-Buyer Loyalty Credit - Forms 3 & 4

A 8% credit to the basic policy premium will be allowed if the named insured is insured with us under a HM-4 tenant policy and converts to a HM-3 homeowner policy or a HM-4 condominium owner policy without any interruption in coverage. This is a one-time credit for the initial policy term.

The credit will be increased to 12% if the policyholder is an educator.

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ARKANSAS
HOMEOWNER RULES AND RATES**

6.9 Roof Surfacing Surcharge - Forms 1, 2, 3

A 10% surcharge will be applicable if the property has a shake shingle type roof.

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ARKANSAS
HOMEOWNER RULES AND RATES**

6.10 Credit Level Rating - Forms 1, 2, 3

All Form 1, 2 and 3 policies are subject to credit level rating. The applicable rating level is determined using the credit score of the primary named insured. A credit report must be ordered at least once within a 36 month period, but not more than once in a 12 month period. The client may also request a reorder once in a 12 month period. Level 7 should be used for applicants or policyholders who will not allow the use of their credit.

See below for the credit level rate adjustments.

<u>Credit Level</u>	<u>Rate Adjustment</u>
A	-21%
B	-21%
C	-17%
D	-17%
E	-9%
F	-8%
G	-2%
H	0%
J	0%
K	+30%
L	+68%
M	+90%
9	-16%
7	+90%
6	-16%

Please note (-) implies a credit, (+) implies a surcharge.

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ARKANSAS
HOMEOWNER RULES AND RATES**

6.11 Claims Experience Rating – All Forms

A premium adjustment will apply to the basic policy premium depending on the number of qualified paid claims. The number of claims is determined by the number of qualified paid claims the policyholder has had in the last three years (ending three months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe, non-weather or non-mine subsidence related claim which results in a paid loss during this three year period. The following are NOT considered qualified claims: losses which only have payments under Medical Payments coverage or losses which have been fully subrogated. Claims must be in excess of \$500 (after any subrogation adjustment) to qualify.

The basic premium will be adjusted according to the following:

# Qualified Claims in latest 3 year period	Premium Adjustment
0	0%
1	+15%
2	+35%
3	+55%
4	+85%

Please note: A (-) represents a credit, and a (+) represents a surcharge.

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ARKANSAS
HOMEOWNER RULES AND RATES**

6.12 Additional Amounts of Insurance – Coverage A Only – Forms 1, 2, 3

An additional amount of insurance will be included for the residence covered under Coverage A when loss to the residence exceeds the Coverage A limit shown on the declarations. The additional amount of insurance that is provided is up to 25 percent of the Coverage A limit as necessary. Such additional insurance does not apply to loss under any other coverage.

This is permitted only if, at the time that the endorsement is added to the policy, the Coverage A limit shown on the declarations is at least 100 percent of the residence's replacement cost and the policy continues to carry the Automatic Adjustment of Limits endorsement.

Attach endorsement HM 4844

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.0 OPTIONAL SECTION I PROPERTY COVERAGES

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.2 Automatic Adjustment of Limits

7.2.1 Automatic Adjustment of Limits - Forms 1, 2, 3

For Forms HM-1, HM-2, and HM-3, the limits that apply to coverages A, B, C, and D will be automatically increased on an annual basis.

Attach Endorsement CC-H06066

7.2.2 Tenant and Condominium Unit Owners Inflation Protection Coverage - Form 4

This endorsement provides for adjustments in the limits of liability for property coverages to track with our building cost indices.

Attach Endorsement CC-H06023

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.3 Private Structures

7.3.1 Increased Limits - An additional amount of insurance may be written on a specific private structure at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$4.00

Attach Endorsement HM-48

7.3.2 Rented to Others - Coverage may be provided for a private structure on the described premises rented or held for rental to others, used for residential purposes and occupied by no more than two families.

Rate per additional \$1,000 of insurance: \$6.00

Refer to Rule 8.2 for the liability coverage.

Attach Endorsement ML-40

7.3.3 With Incidental Occupancies - Coverage for a private structure on the described premises with an office, professional, private school or studio occupancy may be provided at the rate shown above for Private Structures Rented to Others.

Refer to Rule 8.4 for the liability coverage.

Attach Endorsement ML-42

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.4 Personal Property

7.4.1 Increased Limit - The Coverage C limit of liability may be increased at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$0.50

Show limit on Declarations Page

7.4.2 Reduced Limit - For one or two family dwellings, the Coverage C limit may be reduced to not less than 40% of the Coverage A limit on Forms 1 and 2 and 50% of the Coverage A limit on Form 3 at the credit shown below. This reduction is not permitted when Endorsement ML-42 is attached.

Rate per additional \$1,000 of insurance: \$0.50 credit

Show limit on Declarations Page

7.4.3 In Rental Units - Personal property of the insured located in the rental portion of the dwelling or private structure, not occupied by the insured, may be covered at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$9.00

Attach Endorsement ML-152

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.5 Replacement Value - Personal Property - Forms 3, 4

Personal property may be insured for replacement value at the additional charge shown below.

Increase Basic Policy Premium adjusted for any deductible charge or credit, insurance-to-value credit (HM-3), and any increased Coverage C charge (HM-3) by the following percentages:

HM-3	8%	Minimum Charge	\$20
HM-4	15%	Minimum Charge	\$15

Attach Endorsement HM-55

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.6 Motorized Vehicles

The \$2,500 limit for motorized vehicles used to service the insured premises and not licensed for use on public roads may be increased at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$6.00

Attach Endorsement ML-65

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.7 Additional Living Costs and Loss of Rent

Coverage D may be increased at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$4.00

Show limit on Declarations Page

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.8 Tenant's Improvements - Form 4

The 20% of Coverage C limit for improvements on the insured premises may be increased at the additional premium shown below.

Rate per additional \$1,000 of insurance: \$4.00

Attach Endorsement ML-30

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.9 Fire Department Service Charge

The \$500 limit for fire department service charges may be increased at the additional premium shown below. The maximum additional amount available is \$500.

Rate per additional \$100 of insurance: \$2.00

Attach Endorsement ML-30

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

7.10 Scheduled Personal Property

7.10.1 Personal Property Coverage

Coverage may be provided for physical loss, with certain exceptions, on scheduled personal property. Rates are shown below.

	<u>Amount of Insurance</u>	<u>Rate Per Amount</u>	<u>Max Add'l Amount</u>
Jewelry			
Pulaski County	\$100	\$1.35	None
Remainder of State	\$100	\$1.00	None
Furs, etc.	\$100	\$0.35	None
Cameras - Amateur	\$100	\$1.50	None
Musical Instruments - Amateur	\$100	\$0.75	None
Silverware, Goldware, etc.	\$100	\$0.20	None
Golfers Equipment	\$100	\$1.50	None
Fine Arts	\$100	\$0.20	None
Stamp Collections	\$100	\$0.70	None
Coin Collections	\$100	\$1.70	None
Bicycles	\$100	\$10.00	None

All other categories of personal property to be scheduled, refer to Home Office.

Minimum annual premium for each category - \$1.00

Minimum annual premium - \$25.00

Attach Endorsement HM-61

7.10.2 Personal Articles Coverage

Coverage may be provided for physical loss, with certain exceptions, on scheduled personal articles.

Sports Cards and Collectors Cards	\$100	\$5.00	None
Sports Memorabilia	\$100	\$5.00	None
Cellular Phones	\$100	\$2.00	None
Personal Computers and Equipment	\$100	\$2.00	None
Guns and Gun Equipment	\$100	\$2.00	None
Sports Equipment	\$100	\$2.00	None
Cameras – Professional	\$100	\$2.50	None
Musical Instr. – Professional	\$100	\$3.00	None

Minimum annual premium - \$25.00

Attach CC-I00012

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.11 Scheduled Glass

Coverage may be provided for specific items of glass.

Rate per additional \$100 of insurance: \$2.00

Attach Endorsement ML-68

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.12 Refrigerated Food Products

Coverage may be provided for loss or damage to food products contained in a freezer or refrigerated unit. The maximum additional amount of coverage is \$1,000.

Rate per additional \$500 of insurance: \$5.00

Attach Endorsement ML-155

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.13 Electronic Data Processing Equipment - Increased Limits

The \$3,000 limit on premises (\$2,000 limit on premises of a student away from home) for electronic data processing equipment may be increased. The maximum additional amount of insurance is \$7,000.

Rate per additional \$1,000 of insurance: \$4.00

Attach Endorsement CC-H06030

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.15 Additional Coverage Endorsement - Forms 3 & 4

The following limits for the Coverage C, Personal Property, may be increased by the following additional amounts at the additional premium charge shown below.

	<u>Policy Limit</u>	<u>ACE Amount</u>	<u>Total Limit</u>
Money, Bank Notes, etc.	\$ 100	\$ 100	\$ 200
Securities, Commercial Paper, Stamps, etc.	500	500	1,000
Jewelry, Watches, etc.	1,000	1,000	2,000
Silverware, etc.	2,000	1,000	3,000
Guns, etc.	1,000	1,000	2,000
Motorized Vehicles used to service the insured prem.	2,500	1,000	3,500
Refrigerated Products	0	1,000	1,000
Vandalism Deductible	Policy Ded.	50% Reduction	50% of policy ded.

<u>Policy Form</u>	<u>Charge</u>
HM-3	\$36.00
HM-4 (Tenant)	30.00
HM-4 (Condo)	32.00

Attach Endorsement CC-H06040

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ARKANSAS
HOMEOWNER RULES AND RATES**

7.16 Homeowners Association Loss Assessment

The policy may be extended to cover loss assessment charged to the insured by the homeowners association as a result of a loss due to a covered peril. The additional premium is shown below.

<u>Limit of Liability</u>	<u>Premium</u>
1st \$ 1,000	\$10.00
Next 4,000	\$6.00
Next 5,000	\$4.00
Each Add'l 5,000 (up to \$50,000)	\$2.00

Attach Endorsement HM-50

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TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

7.17 Condominium Unit-Owners Supplemental Coverages

7.17.1 Unit-Owners Additions and Alterations

Special Coverage - Coverage may be provided for all direct physical loss unless excluded. The additional premium is \$2.00

Attach Endorsement HM-32

Increased Limit - The 20% of Coverage C limit may be increased at the premium shown below.

	<u>Rates per \$1,000 of Insurance</u>
Increased Limit - Basic Coverage Attach HM-31	\$2.00
Increased Limit - Special Coverage Attach HM-32	\$3.00

Show amount of increase on Endorsement HM-31 or HM-32

7.17.2 Unit Rental to Others

Personal property of the insured may be covered while the unit is rented to others. The additional premium is 25% of the Basic Policy premium.

Attach Endorsement ML-33

7.17.3 Loss Assessment

The policy may be extended to cover loss assessment charged to the insured by the association of condominium unit-owners as a result of loss due to a covered peril. The additional premium is shown below.

<u>Limit of Liability</u>	<u>Premium</u>
1st \$ 1,000	\$10.00
Next 4,000	\$6.00
Next 5,000	\$4.00
Each Add'l 5,000 (up to \$50,000)	\$2.00

Attached Endorsement HM-50

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

7.19 Water Damage (Sewers and Drains)

This endorsement provides coverage for losses due to sewer and drain backup. The limits and rates are shown below.

The effective date of this endorsement for in force risks will be 12:01 A.M. local time, on the 5th calendar day after the request for this additional coverage has been received by the company. The effective date for new risks will be the original date coverage is written.

\$3,000 per occurrence	/	\$6,000 per policy term	\$24
\$10,000 per occurrence	/	\$20,000 per policy term	\$48
\$20,000 per occurrence	/	\$40,000 per policy term	\$72

Attach Endorsement HM-208

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ARKANSAS
HOMEOWNER RULES AND RATES**

8.0 OPTIONAL SECTION II LIABILITY COVERAGES

All mandatory or optional Liability Coverages must be written at the same limit.

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

8.1 Additional Residence Premises - Rented to Others

Coverage may be provided for additional one or two family residence premises rented to others, owned by the named insured or spouse, at the additional premium shown below.

<u>Liability/Med Payments</u>	<u>1 Family</u>	<u>2 Family</u>
\$100,000/\$500	\$32	\$44
\$200,000/\$500	\$36	\$51
\$300,000/\$500	\$40	\$57
Each Add'l \$500 of Med Payments	\$1	\$1

Attach Endorsement ML-70

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ARKANSAS
HOMEOWNER RULES AND RATES**

8.2 Private Structures - Rented to Others

If coverage is provided under property coverages for private structures rented to others, apply the additional liability premium shown below for Additional Residence Premises - Rented to Others. Refer to Rule 7.3.2 for the property coverage.

Attach Endorsement ML-40

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ARKANSAS
HOMEOWNER RULES AND RATES**

8.3 Waterbed Liability - Form 4

Coverage may be provided for the property damage liability of an insured arising out of the ownership or use of a waterbed on the insured premises. Coverage for medical payments is not applicable. The additional premium is shown below.

<u>Liability</u>	<u>Rate</u>
\$100,000	\$20
\$200,000	\$22
\$300,000	\$24

Attach Endorsement ML-209

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ARKANSAS
HOMEOWNER RULES AND RATES**

8.4 Office, Professional, Private School or Studio Occupancy

Incidental office, professional, private school or studio occupancies are permitted provided:

- the premises are occupied principally for residential purposes; and
- there is no other business conducted on the premises.

Coverage may be provided for liability of an insured arising from:

- An office, professional, private school or studio occupancy in the dwelling or in a separate structure on the premises. The limit for Coverage C must be at least:

Forms 1, 2
60% of Coverage A
or 35% for dwellings
occupied by 3 or 4
families.

Form 3
70% of Coverage A
or 40% for dwellings
occupied by 3 or 4
families.

Refer to Rule 7.3.3 for the property coverage, if applicable.

- Professional instruction given by the insured in the dwelling. The insured employs no assistants and the dwelling has not been altered to accommodate the occupancy.
- An office, professional, private school or studio occupancy in an additional residence premises occupied by the insured, other than the described premises.

<u>Liability/Med Payments</u>	<u>On Premises</u>	<u>Instruction Only</u>	<u>Off Premises</u>
\$100,000/\$500	\$16	\$2	\$14
\$200,000/\$500	\$20	\$4	\$16
\$300,000/\$500	\$20	\$4	\$18
Each Add'l \$500 of Med Payments	\$4	\$1	\$1

This charge applies for each such exposure.
Attach Endorsement ML-42

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ARKANSAS
HOMEOWNER RULES AND RATES**

8.5 Watercraft

Coverage may be provided for watercraft not covered by the policy at the premiums shown below.

- For rating purposes, combine the horsepower of all outboard motors used together with any single watercraft owned by the insured.
- Sailboats 26 to 40 feet inclusive equipped with auxiliary power are classed as inboard motor boats.

* Liability/Med Payments

- (1) 100,000/500
- (2) 200,000/500
- (3) 300,000/500

	<u>Limits*</u>			Each Add'l \$500 of Med Payments
	(1)	(2)	(3)	
Watercraft(+)				
Each Outboard Motor				
26-50 HP	7	8	9	2
Over 50 HP	12	14	16	3
 Inboard or Inboard - Outboard Motorboats And Sailboats Under 16 MPH				
Less than 26 Ft.	16	19	21	2
26 to 40 Ft.	35	41	47	4
Over 40 Ft.	68	79	90	6
 16-30 MPH				
Less than 26 Ft.	33	39	44	3
26 to 40 Ft.	55	64	73	6
Over 40 Ft.	102	119	135	9
 Over 30 MPH				
Less than 26 Ft.	42	49	56	6
26 to 40 Ft.	102	119	135	9
 Sailboats - No Auxiliary Power				
26 to 40 Ft.	33	39	44	3

(+) Note: Charge Not Applicable if the watercraft is:

1. powered by outboard motor 25 horsepower or less.
2. powered by inboard/outboard or inboard motor 50 horsepower or less.
3. a sailboat 25 feet or less.

Attach Endorsement ML-75

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ARKANSAS
HOMEOWNER RULES AND RATES**

9.0 ADDITIONAL AND SECONDARY LOCATIONS

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ARKANSAS
HOMEOWNER RULES AND RATES**

9.1 Secondary Locations

A separate policy may be written to cover secondary locations meeting the requirements of Rule 1. Liability Coverages may be omitted if eligible for credits as described in Rule 9.2.

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ARKANSAS
HOMEOWNER RULES AND RATES**

9.2 Credit for Liability Coverages

Liability Coverages may be omitted from the policy covering the additional or secondary location. The policy must be endorsed or amended to indicate that liability coverage for the additional or secondary location is provided by the homeowner policy covering the primary location. Apply the premium credit for the liability coverages shown below.

Credit for Liability Coverage:	\$10.00
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ARKANSAS
HOMEOWNER RULES AND RATES**

10.0 SPECIAL ENDORSEMENTS

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

10.1 Survivor's Waiver of Premium - Forms 1, 2, 3

The first renewal premium under the policy may be waived following an accidental death of the named insured or spouse, if a resident of the household at time of death, at no additional cost. The survivor must be a resident of the household at the time the renewal premium is due.

Attach Endorsement CC-P06003

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

10.3 Identity Fraud Advocacy Services

We will provide the insured with access to an advocate who will provide Identity Fraud Advocacy Services described in this endorsement. Services are subject to the terms of this endorsement and the terms of the homeowner policy to which it is attached, except as amended by this endorsement.

The endorsement is automatically included if the insured is an educator.

The endorsement charge is \$20 if the insured is a non-educator.

Attach Endorsement HM-686

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

CONSTRUCTION DEFINITIONS

MASONRY – A dwelling with walls of masonry or masonry veneered construction.

FRAME – A dwelling with walls of frame or metal-sheathed or stuccoed frame construction, or with walls of metal or metal lath and plaster on combustible supports.

*Aluminum or plastic siding over frame, rate as frame and note on application.

MIXED – A dwelling shall be classed as frame construction when the wall area of frame construction (including gables) exceeds 33 1/3% of total wall area.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

1.0 ELIGIBILITY

- 1.1 Owner Occupied
- 1.2 Tenant Occupied
- 1.3 Condominiums
- 1.4 Co-owner Occupancy
- 1.5 Dwellings Under Construction
- 1.6 Seasonal Dwellings
- 1.7 Ineligible Occupancies

2.0 PROGRAM DESCRIPTION

- 2.1 Property Coverages - Property (Mandatory)
- 2.2 Liability Coverages - Liability (Mandatory)
- 2.3 Package Policy Requirements

3.0 POLICY WRITING INSTRUCTIONS

- 3.1 Inception Time
- 3.2 Annual Policy Term
- 3.3 Continuous Renewal Plan
- 3.4 Additional Interests
- 3.5 Transfer or Assignment
- 3.7 Cancellation or Reductions in Limits of Liability or Coverages

4.0 PREMIUM DETERMINATION

- 4.1 Calculation of Premium
- 4.2 Changes in Liability Limits
- 4.3 Other Liability Exposures
- 4.4 Mid-term Changes
- 4.6 Row and Townhouses
- 4.8 Payment Plans
- 4.9 Non-Sufficient Funds
- 4.10 Electronic Fund Transfer
- 4.11 Late Payment Fee
- 4.12 Reinstatement Fee

5.0 DEDUCTIBLES

- 5.1 Flat and Percentage Deductibles - All Perils
- 5.3 Wind and Hail Deductible – Forms 1, 2, 3

6.0 PREMIUM MODIFICATIONS

- 6.3 Woodburning Device Surcharge - All Forms
- 6.4 Age of Home - Forms 1, 2, 3
- 6.5 Multi-Line Discount - All Forms
- 6.7 Protective Device Credits - All Forms
- 6.8 Home-Buyer Loyalty Credit - Forms 3 & 4
- 6.9 Roof Surfacing Surcharge - Forms 1, 2, 3
- 6.10 Credit Level Rating - Forms 1, 2, 3
- 6.11 Merit Rating – All Forms

Effective 3/1/2015

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.12 Additional Amounts of Insurance – Coverage A Only – Forms 1,2 & 3

7.0 OPTIONAL SECTION I PROPERTY COVERAGES

- 7.2 Automatic Adjustment of Limits
- 7.3 Private Structures
- 7.4 Personal Property
- 7.5 Replacement Value - Personal Property - Forms 3, 4
- 7.6 Motorized Vehicles
- 7.7 Additional Living Costs and Loss of Rent
- 7.8 Tenant's Improvements - Form 4
- 7.9 Fire Department Service Charge
- 7.10 Scheduled Personal Property
- 7.11 Scheduled Glass
- 7.12 Refrigerated Food Products
- 7.13 Electronic Data Processing Equipment - Increased Limits
- 7.15 Additional Coverage Endorsement - Forms 3 & 4
- 7.16 Homeowners Association Loss Assessment
- 7.17 Condominium Unit-Owners Supplemental Coverages
- 7.19 Water Damage (Sewers and Drains)

8.0 OPTIONAL SECTION II LIABILITY COVERAGES

- 8.1 Additional Residence Premises - Rented to Others
- 8.2 Private Structures - Rented to Others
- 8.3 Waterbed Liability - Form 4
- 8.4 Office, Professional, Private School or Studio Occupancy
- 8.5 Watercraft

9.0 ADDITIONAL AND SECONDARY LOCATIONS

- 9.1 Secondary Locations
- 9.2 Credit for Liability Coverages

10.0 SPECIAL ENDORSEMENTS

- 10.1 Survivor's Waiver of Premium - Forms 1, 2, 3
- 10.3 Identity Fraud Advocacy Services

**HORACE MANN INSURANCE COMPANY
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ARKANSAS
HOMEOWNER RULES AND RATES**

2.3 Package Policy Requirements

For the Homeowner Policy, the recommended minimum limits of liability are as follows:

<u>Property Coverages</u>	<u>Form 1</u>	<u>Form 2</u>	<u>Form 3</u>	<u>Tenant Form 4</u>	<u>Condo Form 4</u>
Residence	\$25,000	\$50,000	\$50,000		
Private Structures	10% of lim. on res.	10% of lim. on res.	10% of lim. on res.		
Personal Property	50%* of lim. on res.	50%* of lim. on res.	60%* of lim. on res.	\$12,000	\$18,000
Additional Living Costs	30%** of lim. on res.	30%** of lim. on res.	30%** of lim. on res.	40% of lim. on personal property	40% of lim. on personal property

* 30% for dwellings occupied by three or four families

** 20% for dwellings occupied by three or four families

<u>Liability Coverages</u>	<u>Forms 1,2,3,4</u>
Personal Liability	\$100,000 each occurrence
Medical Payments to Others	\$ 500 each person \$25,000 each accident

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.11 Late Payment Fee

Policyholders' premiums received after the payment due date will result in a service charge on a per occurrence basis. This fee is not applicable to payments made via EFT or Payroll.

A \$10 fee applies per occurrence.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

4.12 Reinstatement Fee

Policies that are reinstated will be subject to a service charge on a per occurrence basis.

A \$25 fee applies per occurrence.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

5.1 Flat and Percentage Deductibles - All Perils

The policy may be issued with one of the following options at the premium credit shown below.

HM-1,2,3	Coverage A Amount					
	<\$125,000	\$125,001 - \$175,000	\$175,001 - \$250,000	\$250,001 - \$350,000	\$350,001 - \$500,000	>\$500,000
750	*	*	*	*	*	*
1,000	-5%	-5%	-4%	-4%	-4%	-3%
1,500	-16%	-15%	-12%	-8%	-7%	-6%
2,500	-27%	-23%	-23%	-21%	-19%	-17%
5,000	-49%	-43%	-38%	-35%	-30%	-28%
1% of Coverage A	-13%	-15%	-18%	-22%	-23%	-30%

Deductible Options	% of Credit HM-4,6
500	*
750	-12%
1,000	-24%
1,500	-30%
2,500	-37%
5,000	-49%

*See Basic Policy Premiums

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.4 Year of Construction - Forms 1, 2, 3

An adjustment will apply to the basic policy premium depending upon the age of the dwelling. The age is determined by subtracting the year of construction from the effective date year.

Age of Home (Years)	Credit	Age of Home (Years)	Credit
0	-25.0%	18	-11.0%
1	-25.0%	19	-11.0%
2	-24.0%	20	-10.0%
3	-24.0%	21	-9.0%
4	-22.0%	22	-9.0%
5	-20.0%	23	-8.0%
6	-19.0%	24	-7.0%
7	-19.0%	25	-7.0%
8	-18.0%	26	-6.0%
9	-17.0%	27	-5.0%
10	-17.0%	28	-4.0%
11	-16.0%	29	-4.0%
12	-15.0%	30	-3.0%
13	-15.0%	31	-2.0%
14	-14.0%	32	-1.0%
15	-13.0%	33	-1.0%
16	-13.0%	34+	0.0%
17	-12.0%		

Please note (-) implies a credit, (+) implies a surcharge.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.8 Home-Buyer Loyalty Credit - Forms 3 & 4

A 8% credit to the basic policy premium will be allowed if the named insured is insured with us under a HM-4 tenant policy and converts to a HM-3 homeowner policy or a HM-4 condominium owner policy without any interruption in coverage. This is a one-time credit for the initial policy term.

The credit will be increased to 12% if the policyholder is an educator.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.10 Credit Level Rating - Forms 1, 2, 3

All Form 1, 2 and 3 policies are subject to credit level rating. The applicable rating level is determined using the credit score of the primary named insured. A credit report must be ordered at least once within a 36 month period, but not more than once in a 12 month period. The client may also request a reorder once in a 12 month period. Level 7 should be used for applicants or policyholders who will not allow the use of their credit.

See below for the credit level rate adjustments.

<u>Credit Level</u>	<u>Rate Adjustment</u>
A	-21%
B	-21%
C	-17%
D	-17%
E	-9%
F	-8%
G	-2%
H	0%
J	0%
K	+30%
L	+68%
M	+90%
9	-16%
7	+90%
6	-16%

Please note (-) implies a credit, (+) implies a surcharge.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.11 Claims Experience Rating – All Forms

A premium adjustment will apply to the basic policy premium depending on the number of qualified paid claims. The number of claims is determined by the number of qualified paid claims the policyholder has had in the last three years (ending three months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe, non-weather or non-mine subsidence related claim which results in a paid loss during this three year period. The following are NOT considered qualified claims: losses which only have payments under Medical Payments coverage or losses which have been fully subrogated. Claims must be in excess of \$500 (after any subrogation adjustment) to qualify.

The basic premium will be adjusted according to the following:

# Qualified Claims in latest 3 year period	Premium Adjustment
0	0%
1	+15%
2	+35%
3	+55%
4	+85%

Please note: A (-) represents a credit, and a (+) represents a surcharge.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

6.12 Additional Amounts of Insurance – Coverage A Only – Forms 1, 2, 3

An additional amount of insurance will be included for the residence covered under Coverage A when loss to the residence exceeds the Coverage A limit shown on the declarations. The additional amount of insurance that is provided is up to 25 percent of the Coverage A limit as necessary. Such additional insurance does not apply to loss under any other coverage.

This is permitted only if, at the time that the endorsement is added to the policy, the Coverage A limit shown on the declarations is at least 100 percent of the residence's replacement cost and the policy continues to carry the Automatic Adjustment of Limits endorsement.

Attach endorsement HM 4844

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

7.16 Homeowners Association Loss Assessment

The policy may be extended to cover loss assessment charged to the insured by the homeowners association as a result of a loss due to a covered peril. The additional premium is shown below.

<u>Limit of Liability</u>	<u>Premium</u>
1st \$ 1,000	\$10.00
Next 4,000	\$6.00
Next 5,000	\$4.00
Each Add'l 5,000 (up to \$50,000)	\$2.00

Attach Endorsement HM-50

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

7.17 Condominium Unit-Owners Supplemental Coverages

7.17.1 Unit-Owners Additions and Alterations

Special Coverage - Coverage may be provided for all direct physical loss unless excluded. The additional premium is \$2.00

Attach Endorsement HM-32

Increased Limit - The 20% of Coverage C limit may be increased at the premium shown below.

	<u>Rates per \$1,000 of Insurance</u>
Increased Limit - Basic Coverage Attach HM-31	\$2.00
Increased Limit - Special Coverage Attach HM-32	\$3.00

Show amount of increase on Endorsement HM-31 or HM-32

7.17.2 Unit Rental to Others

Personal property of the insured may be covered while the unit is rented to others. The additional premium is 25% of the Basic Policy premium.

Attach Endorsement ML-33

7.17.3 Loss Assessment

The policy may be extended to cover loss assessment charged to the insured by the association of condominium unit-owners as a result of loss due to a covered peril. The additional premium is shown below.

<u>Limit of Liability</u>	<u>Premium</u>
1st \$ 1,000	\$10.00
Next 4,000	\$6.00
Next 5,000	\$4.00
Each Add'l 5,000 (up to \$50,000)	\$2.00

Attached Endorsement HM-50

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

7.19 Water Damage (Sewers and Drains)

This endorsement provides coverage for losses due to sewer and drain backup. The limits and rates are shown below.

The effective date of this endorsement for in force risks will be 12:01 A.M. local time, on the 5th calendar day after the request for this additional coverage has been received by the company. The effective date for new risks will be the original date coverage is written.

\$3,000 per occurrence	/	\$6,000 per policy term	\$24
\$10,000 per occurrence	/	\$20,000 per policy term	\$48
\$20,000 per occurrence	/	\$40,000 per policy term	\$72

Attach Endorsement HM-208

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER RULES AND RATES**

CONSTRUCTION DEFINITIONS

MASONRY – A dwelling with walls of masonry or masonry veneered construction.

FRAME – A dwelling with walls of frame or metal-sheathed or stuccoed frame construction, or with walls of metal or metal lath and plaster on combustible supports.

*Aluminum or plastic siding over frame, rate as frame and note on application.

MIXED – A dwelling shall be classed as frame construction when the wall area of frame construction (including gables) exceeds 33 1/3% of total wall area.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER TERRITORIES**

<u>Co. Code</u>	<u>Terr. Sched. & Code</u>
001 - ARKANSAS COUNTY (entire county)	10
002 - ASHLEY COUNTY (entire county).....	65
003 - BAXTER COUNTY (entire county)	60
004 - BENTON COUNTY (entire county).....	60
005 - BOONE COUNTY (entire county).....	67
006 - BRADLEY COUNTY (entire county)	10
007 - CALHOUN COUNTY (entire county)	10
008 - CARROLL COUNTY (entire county).....	60
009 - CHICOT COUNTY (entire county)	11
010 - CLARK COUNTY (entire county).....	10
011 - CLAY COUNTY (entire county)	65
012 - CLEBURNE COUNTY (entire county)	68
013 - CLEVELAND COUNTY (entire county)	10
014 - COLUMBIA COUNTY (entire county)	11
015 - CONWAY COUNTY (entire county)	10
016 - CRAIGHEAD COUNTY (entire county)	10
017 - CRAWFORD COUNTY - (entire county)	12
018 - CRITTENDEN COUNTY (entire county).....	44
019 - CROSS COUNTY (entire county)	11
020 - DALLAS COUNTY (entire county)	10
021 - DESHA COUNTY (entire county)	10
022 - DREW COUNTY (entire county).....	10
023 - FAULKNER COUNTY (entire county).....	68
024 - FRANKLIN COUNTY (entire county)	10
025 - FULTON COUNTY (entire county)	12
026 - GARLAND COUNTY (entire county)	68
027 - GRANT COUNTY (entire county)	10
028 - GREENE COUNTY (entire county).....	12
029 - HEMPSTEAD COUNTY (entire county)	10
030 - HOT SPRINGS COUNTY (entire county)	65
031 - HOWARD COUNTY (entire county)	65
032 - INDEPENDENCE COUNTY (entire county)	68
033 - IZARD COUNTY (entire county)	12
034 - JACKSON COUNTY (entire county).....	65
035 - JEFFERSON COUNTY (entire county)	10
036 - JOHNSON COUNTY (entire county)	12
037 - LAFAYETTE COUNTY (entire county)	10
038 - LAWRENCE COUNTY (entire county)	44
039 - LEE COUNTY (entire county)	11
040 - LINCOLN COUNTY (entire county)	11
041 - LITTLE RIVER COUNTY (entire county)	10
042 - LOGAN COUNTY (entire county)	68
043 - LONOKE COUNTY (entire county).....	10
044 - MADISON COUNTY (entire county)	67
045 - MARION COUNTY (entire county)	67
046 - MILLER COUNTY (entire county).....	10
047 - MISSISSIPPI COUNTY (entire county)	10
048 - MONROE COUNTY (entire county).....	10
049 - MONTGOMERY COUNTY (entire county)	10

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
ARKANSAS
HOMEOWNER TERRITORIES**

Co. Code	Terr. Sched. & Code
050 - NEVADA COUNTY (entire county)	10
051 - NEWTON COUNTY (entire county)	67
052 - OUACHITA COUNTY (entire county)	10
053 - PERRY COUNTY (entire county)	67
054 - PHILLIPS COUNTY (entire county)	11
055 - PIKE COUNTY (entire county)	10
056 - POINSETT COUNTY (entire county)	44
057 - POLK COUNTY (entire county)	10
058 - POPE COUNTY (entire county)	12
059 - PRAIRIE COUNTY (entire county)	10
060 - PULASKI COUNTY -	
a) Little Rock; Zip Codes 72201-09	14
b) North Little Rock; Zip Codes 72114-19	51
c) Remainder of County	13
061 - RANDOLPH COUNTY (entire county)	11
062 - ST. FRANCIS COUNTY (entire county)	11
063 - SALINE COUNTY (entire county)	12
064 - SCOTT COUNTY (entire county)	68
065 - SEARCY COUNTY (entire county)	67
066 - SEBASTIAN COUNTY - (entire county)	67
067 - SEVIER COUNTY (entire county)	11
068 - SHARP COUNTY (entire county)	12
069 - STONE COUNTY (entire county)	12
070 - UNION COUNTY (entire county)	10
071 - VAN BUREN COUNTY (entire county)	67
072 - WASHINGTON COUNTY (entire county)	60
073 - WHITE COUNTY (entire county)	65
074 - WOODRUFF COUNTY (entire county)	65
075 - YELL COUNTY (entire county)	10

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

Supporting Document Schedules

Satisfied - Item:	H-1 Homeowners Abstract
Comments:	Attached.
Attachment(s):	Homeowner Abstract HMIC.pdf Homeowner Abstract TIC.pdf
Item Status:	Filed
Status Date:	12/01/2014

Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	Here are our revised premium comparison survey per the objection letter 11/21/14.
Attachment(s):	HO Premium Comparison Survey - HMIC PDF.pdf HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC PDF.pdf HO Premium Comparison Survey - TIC.xls
Item Status:	Filed
Status Date:	12/01/2014

Satisfied - Item:	NAIC loss cost data entry document
Comments:	Attached per objection letter from 11/21/14.
Attachment(s):	NAIC Loss Cost Data Entry Document - HMIC.pdf NAIC Loss Cost Data Entry Document - TIC.pdf
Item Status:	Filed
Status Date:	12/01/2014

Satisfied - Item:	Actuarial Justification
Comments:	Attached please find our response to our objection letter on 11/21/2014.
Attachment(s):	Actuarial Justification 11242014.pdf
Item Status:	Filed
Status Date:	12/01/2014

Satisfied - Item:	Filing Memorandum
Comments:	This is the filling memorandum for objections number 3 of the objection letter dated 11/17/14.
Attachment(s):	Explanatory Memorandum.pdf
Item Status:	Filed
Status Date:	12/01/2014

SERFF Tracking #:

HRMN-129807471

State Tracking #:

Company Tracking #:

AR HO030115

State:

Arkansas

First Filing Company:

Horace Mann Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0003 Owner Occupied Homeowners

Product Name:

AR Homeowner Rate and Rule Filing

Project Name/Number:

AR HO03012015/

Attachment HO Premium Comparison Survey - HMIC.xls is not a PDF document and cannot be reproduced here.

Attachment HO Premium Comparison Survey - TIC.xls is not a PDF document and cannot be reproduced here.

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 _____

NAIC # (including group #) _____

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

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.

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.

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

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

- a. Fire Extinguisher _____%
- b. Burglar Alarm _____%
- c. Smoke Alarm _____%
- d. Insured who has both homeowners and auto with your

company

- e. Deadbolt Locks _____%
- f. Window or Door Locks _____%
- g. Other (specify) _____%
- _____%
- _____%

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

Form	Premium Volume
------	----------------

8. Do you write homeower risks which have aluminum, steel or vinyl siding? Yes No

9. Is there a surcharge on risks with wood heat? _____
 If yes, state the surcharge _____
 Does the surcharge apply to conventional fire places? _____
 If yes, state the surcharge _____

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



Signature

Printed Name

Title

Telephone Number

Email address

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

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If yes, state the surcharge _____
Does the surcharge apply to conventional fire places? _____
If yes, state the surcharge _____

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



Signature

Printed Name

Title

Telephone Number

Email address

NAIC Number: 22578
 Company Name: Horace Mann Insurance Company
 Contact Person: Michael Croxton
 Telephone No.: 217-789-2500 x 5468
 Email Address: michael.croxton@horacemann.com
 Effective Date: 3/1/2015

**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	\$585.00	\$644.00	\$585.00	\$644.00	\$711.00	\$782.00	\$873.00	\$960.00	\$711.00	\$782.00	\$711.00	\$782.00	\$711.00	\$782.00	\$662.00	\$728.00	\$803.00	\$883.00
	\$120,000	\$836.00	\$920.00	\$836.00	\$920.00	\$1,016.00	\$1,117.00	\$1,247.00	\$1,373.00	\$1,016.00	\$1,117.00	\$1,016.00	\$1,117.00	\$1,016.00	\$1,117.00	\$946.00	\$1,041.00	\$1,147.00	\$1,262.00
	\$160,000	\$1,027.00	\$1,130.00	\$1,027.00	\$1,130.00	\$1,247.00	\$1,373.00	\$1,532.00	\$1,686.00	\$1,247.00	\$1,373.00	\$1,247.00	\$1,373.00	\$1,247.00	\$1,373.00	\$1,162.00	\$1,279.00	\$1,409.00	\$1,550.00
6	\$80,000	\$690.00	\$766.00	\$690.00	\$766.00	\$839.00	\$931.00	\$1,030.00	\$1,145.00	\$839.00	\$931.00	\$839.00	\$931.00	\$839.00	\$931.00	\$782.00	\$867.00	\$948.00	\$1,052.00
	\$120,000	\$986.00	\$1,096.00	\$986.00	\$1,096.00	\$1,199.00	\$1,330.00	\$1,472.00	\$1,634.00	\$1,199.00	\$1,330.00	\$1,199.00	\$1,330.00	\$1,199.00	\$1,330.00	\$1,116.00	\$1,239.00	\$1,354.00	\$1,503.00
	\$160,000	\$1,212.00	\$1,345.00	\$1,212.00	\$1,345.00	\$1,473.00	\$1,634.00	\$1,808.00	\$2,008.00	\$1,473.00	\$1,634.00	\$1,473.00	\$1,634.00	\$1,473.00	\$1,634.00	\$1,372.00	\$1,522.00	\$1,662.00	\$1,847.00
9	\$80,000	\$1,171.00	\$1,347.00	\$1,171.00	\$1,347.00	\$1,423.00	\$1,636.00	\$1,747.00	\$2,009.00	\$1,423.00	\$1,636.00	\$1,423.00	\$1,636.00	\$1,423.00	\$1,636.00	\$1,325.00	\$1,524.00	\$1,607.00	\$1,848.00
	\$120,000	\$1,673.00	\$1,924.00	\$1,673.00	\$1,924.00	\$2,033.00	\$2,337.00	\$2,496.00	\$2,871.00	\$2,033.00	\$2,337.00	\$2,033.00	\$2,337.00	\$2,033.00	\$2,337.00	\$1,892.00	\$2,177.00	\$2,296.00	\$2,639.00
	\$160,000	\$2,055.00	\$2,363.00	\$2,055.00	\$2,363.00	\$2,497.00	\$2,871.00	\$3,065.00	\$3,525.00	\$2,497.00	\$2,871.00	\$2,497.00	\$2,871.00	\$2,497.00	\$2,871.00	\$2,325.00	\$2,674.00	\$2,819.00	\$3,242.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$149.00	\$149.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00
	\$15,000	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$180.00	\$180.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00
	\$25,000	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$249.00	\$249.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00
6	\$5,000	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$164.00	\$164.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00
	\$15,000	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$198.00	\$198.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00
	\$25,000	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$274.00	\$274.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00
9	\$5,000	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$285.00	\$285.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00
	\$15,000	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$343.00	\$343.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00
	\$25,000	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$474.00	\$474.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00

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

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

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

HO3 and HO4 only

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

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? no (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

	Zone	Brick	Frame
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$ <input type="text"/>	\$ <input type="text"/>
	Lowest Risk	\$ <input type="text"/>	\$ <input type="text"/>

NAIC Number: 22683
 Company Name: Teachers Insurance Company
 Contact Person: Michael Croxton
 Telephone No.: 217-789-2500 x 5468
 Email Address: michael.croxton@horacemann.com
 Effective Date: 3/1/2015

**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	\$445.00	\$489.00	\$445.00	\$489.00	\$555.00	\$612.00	\$681.00	\$749.00	\$555.00	\$612.00	\$555.00	\$612.00	\$555.00	\$612.00	\$515.00	\$566.00	\$628.00	\$691.00
	\$120,000	\$636.00	\$699.00	\$636.00	\$699.00	\$794.00	\$874.00	\$974.00	\$1,071.00	\$794.00	\$874.00	\$794.00	\$874.00	\$794.00	\$874.00	\$735.00	\$809.00	\$898.00	\$989.00
	\$160,000	\$781.00	\$859.00	\$781.00	\$859.00	\$975.00	\$1,073.00	\$1,196.00	\$1,316.00	\$975.00	\$1,073.00	\$975.00	\$1,073.00	\$975.00	\$1,073.00	\$904.00	\$994.00	\$1,102.00	\$1,213.00
6	\$80,000	\$525.00	\$583.00	\$525.00	\$583.00	\$656.00	\$728.00	\$804.00	\$893.00	\$656.00	\$728.00	\$656.00	\$728.00	\$656.00	\$728.00	\$608.00	\$675.00	\$742.00	\$824.00
	\$120,000	\$749.00	\$833.00	\$749.00	\$833.00	\$937.00	\$1,041.00	\$1,149.00	\$1,276.00	\$937.00	\$1,041.00	\$937.00	\$1,041.00	\$937.00	\$1,041.00	\$868.00	\$964.00	\$1,060.00	\$1,176.00
	\$160,000	\$921.00	\$1,024.00	\$921.00	\$1,024.00	\$1,151.00	\$1,279.00	\$1,411.00	\$1,567.00	\$1,151.00	\$1,279.00	\$1,151.00	\$1,279.00	\$1,151.00	\$1,279.00	\$1,067.00	\$1,184.00	\$1,301.00	\$1,445.00
9	\$80,000	\$891.00	\$1,025.00	\$891.00	\$1,025.00	\$1,112.00	\$1,280.00	\$1,364.00	\$1,569.00	\$1,112.00	\$1,280.00	\$1,112.00	\$1,280.00	\$1,112.00	\$1,280.00	\$1,031.00	\$1,185.00	\$1,257.00	\$1,446.00
	\$120,000	\$1,272.00	\$1,464.00	\$1,272.00	\$1,464.00	\$1,589.00	\$1,828.00	\$1,948.00	\$2,241.00	\$1,589.00	\$1,828.00	\$1,589.00	\$1,828.00	\$1,589.00	\$1,828.00	\$1,473.00	\$1,693.00	\$1,796.00	\$2,066.00
	\$160,000	\$1,563.00	\$1,798.00	\$1,563.00	\$1,798.00	\$1,952.00	\$2,244.00	\$2,393.00	\$2,751.00	\$1,952.00	\$2,244.00	\$1,952.00	\$2,244.00	\$1,952.00	\$2,244.00	\$1,809.00	\$2,080.00	\$2,206.00	\$2,538.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$130.00	\$130.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00
	\$15,000	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$157.00	\$157.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00
	\$25,000	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$217.00	\$217.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00
6	\$5,000	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$143.00	\$143.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
	\$15,000	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$173.00	\$173.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00
	\$25,000	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$239.00	\$239.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
9	\$5,000	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$248.00	\$248.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00
	\$15,000	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$299.00	\$299.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00
	\$25,000	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$413.00	\$413.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00

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		%	Deadbolt Lock		%
Burglar Alarm	5	%	Window Locks		%
Smoke Alarm	5	%	\$1,000 Deductible	5	%
			Other (specify)		%

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?
 Zone Highest Risk \$ Brick Frame

<i>Maximum Credit Allowed</i>	%		Lowest Risk	\$		\$	
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NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name		Company NAIC Number
3.	A.	Horace Mann Insurance Company	B.	300-22578

		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.	Homeowner Multi-Peril	B.	

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+2.6%	+2.0%					
Tenants & Condos	+2.6%	+2.3%					
TOTAL OVERALL EFFECT	+2.6%	+2.0%					

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
2010	73	12.8%	4/15/2010	88	8	9%	56%
2011	66	-0.1%	9/1/2011	95	19	20%	66%
2012	66	--	--	99	3	3%	42%
2013	72	2.9%	3/1/2013	104	2	2%	51%
2014	72	5.1%	3/1/2014	117	28	24%	42%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
 9. 14.1% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ 71 _____
 10. -17.8% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ 70 _____

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name		Company NAIC Number
3.	A.	Teachers Insurance Company	B.	300-22683

		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.	Homeowner Multi-Peril	B.	

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+2.6%	+2.7%					
Tenants & Condos	+2.6%	+2.2%					
TOTAL OVERALL EFFECT	+2.6%	+2.7%					

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
2010	151	11.3%	4/15/2010	165	46	28%	77%
2011	149	0.0%	9/1/2011	185	121	65%	87%
2012	170	--	--	203	97	48%	47%
2013	380	5.8%	3/1/2013	305	75	25%	69%
2014	678	4.9%	3/1/2014	507	109	21%	44%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 14.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 67
10. -8.8% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 60, 70

Objection Letter for HRMN-129807471

Objection Letter Date: 11/21/2014

Respond By Date:

Response Date: 11/21/2014

Objection 1

- Actuarial Justification (Supporting Document)

Comments:

AR is not allowing modeled losses for rated development. Please revise using actual historical experience.

We have revised the indication to use only actual historical experience. This revision led to a new indication of +2.6%. We have revised our base rates so that our overall premium effect is +2.6%. The following documents from the original filing have been revised and attached to this response letter:

Explanatory Memorandum – We updated the references to the overall premium and financial effect. We also updated the indicated rate change. Finally we revised the loss derivation instructions so that they no longer reference modeled large losses.

Exhibit I – We revised this exhibit to show the new premium and financial effects.

Exhibit II – We revised page 1 of this exhibit to show the new indication calculation. We revised page 2 of this exhibit to show that we do not use large loss models in the calculation of the revised +2.6% indicated rate change.

Exhibit III – We revised the base rates and premium effects on pages 2-5.

We also revised the NAIC Loss Cost Data Entry Documents and the HO Premium Comparison Surveys.

Objection 2

- Homeowner Rates and Rules Manual, Index (Rate)

Comments:

AR HO Territories manual page was not attached.

The proposed AR HO Territories have been submitted via SERFF.

Objection 3

Comments:

Please provide a histogram.

A histogram has been attached with this response letter in Exhibit VIII.

**Horace Mann Insurance Company
Teachers Insurance Company
Arkansas
Homeowners
Filing Memorandum**

Horace Mann Insurance Company and Teachers Insurance Company submit for your review and approval this Homeowners Rate and Rule filing for Arkansas. The overall premium effect of this revision is +2.6% as calculated on page 1 of Exhibit I. The overall financial effect of this revision is +2.3% as calculated on page 2 of Exhibit I.

In Exhibit II, you will find our indication calculation and all indication supporting exhibits. Page 1 of Exhibit II is our five-year experience and indication calculation of +2.6%. An explanation of our indication calculation can be found on Page 2.

Exhibit II, page 3 shows our premium trend calculation, which accounts for shifts in the distribution of various rating characteristics such as increased Coverage A amounts and deductible changes. The on-level factors used in the calculation of our premium trend are shown in Exhibit II, page 4. The method for our premium trend calculation is taken from the article “An Introduction to Premium Trend”. A copy of the article can be provided upon request.

Our adjusted losses are derived by first developing our losses to an ultimate settlement basis then applying historical and projected loss trend factors. The incurred loss development triangle and our selected loss development factors are shown in Exhibit II, page 5. The trend factors used to adjust our losses are based on both frequency and severity trends as described and calculated in Exhibit II, page 6.

Our individual years’ loss ratios are then weighted based on weights of 10%, 15%, 20%, 25% and 30% to arrive at the five-year loss ratio. This loss ratio is then credibility weighted with our trended permissible loss ratio to determine our credibility weighted loss ratio. We then add our fixed expenses, divide by the complement of our variable expenses and subtract unity to arrive at our final indication. Our fixed and variable expenses are detailed in Exhibit II, page 7.

We are making the following changes with this filing:

- 1) **Territory Definition Changes** – We are revising some of our territory definitions. There will now be 11 territories instead of 15. The current and proposed territory definitions can be seen on page 1 of Exhibit III.
- 2) **Base Rate Revisions** – We are revising base rates for all Forms in all territories. These revisions can be found in Exhibit III.

- 3) **Coverage A** – We are rebasing our Coverage A factors to \$100,000. This change can be seen in Exhibit IV.
- 4) **Claim Threshold** – We are introducing a \$500 claim threshold. If a claim does not result in payment greater than \$500, the claim will not be surcharged. If the policyholder is currently being surcharged for a claim less than or equal to \$500, this surcharge will be removed upon his/her next renewal.
- 5) **Claims Persistency** – We are removing our Claims Persistency Rating Plan and replacing it with our Claims Experience Rating Plan. Currently, the Claims Persistency Rating Plan factor is determined based on the number of qualified claims and the number of consecutive years insured with Horace Mann. In the proposed Claims Experience Rating Plan, the factor will only be determined based on the number of qualified claims. The criteria used to determine whether a claim qualifies or not will be the same as it is currently, except for the \$500 claim threshold discussed in item 4. The current and proposed factors can be seen in Exhibit V.
- 6) **Year of Construction** – We are revising our year of construction factors to be closer to their indicated values. We also rebased the base rates to offset the overall effect of this change. This revision can be seen in Exhibit VI.
- 7) **Increased Coverage A** – We are introducing endorsement HM 4844, which allows up to 25% of additional Coverage A in the event a loss exceeds the amount of Coverage A shown on the declarations. The form will be mandatory and non-premium bearing for all Form 1, 2, and 3 policies, so long as the policy has 100% replacement cost and the automatic adjustment of limits endorsement. The overall financial effect of this is +0.3% as calculated in Exhibit VII. The new form will be filed under separate cover. The new rule can be seen in the AR HO Rules & Rates, page 6.12-1.
- 8) **Additional Living Costs** – We are revising Coverage D to be 30% of Coverage A for Forms 1, 2, & 3 and 40% of Coverage C for Form 4. For 3-4 family homes the Coverage D will be 20% of Coverage A for Forms 1,2 & 3. The manual pages have been revised accordingly.
- 9) **Loss Assessment** – We are replacing ML-50 with HM-50. The withdrawal of ML-50 will be filed under separate cover. The new form will also be filed under separate cover. The affected rules have been revised, and can be seen on pages 7.16-1 and 7.17-1.
- 10) **Reinstatement Fee** – We are introducing a \$25 reinstatement fee. Policies that are reinstated will be subject to a service charge on a per occurrence basis.
- 11) **Late Pay Fee** – Policyholders' premiums received after the payment due date will result

in a service charge on a per occurrence basis. This fee is not applicable to payments made via EFT or Payroll. A \$10 fee applies per occurrence.

12) **Home Buyer Loyalty** – We are revising our home buyer loyalty discount to be a 12% credit if the policyholder is an educator. The credit will remain at 8% for non-educators.

13) **AR HO Manual -**

- a. AR HO Rules & Rates – We are making the follow changes in addition to the changes listed above:
 - i. We are removing all rules that are “Reserved for Future Use”
 - ii. We are revising rule #2.3 to show the proposed Additional Living Cost coverage amounts.
 - iii. We are introducing rule #4.11 to show the proposed late payment fee.
 - iv. We are introducing rule #4.12 to show the proposed reinstatement fee.
 - v. We are removing the minimum coverage A requirement in rule #5.1
 - vi. we are revising rule#6.4 to show the updated Year of Construction Factors.
 - vii. We are revising rule #6.8 to show the 12% credit for educators.
 - viii. We are revising rule #6.10 to specify that a credit report must be ordered at least once within a 36 month period, but not more than once in a 12 month period. We are also specifying that the client may also request a reorder once in a 12 month period.
 - ix. We are revising rule #6.11 to show the new Claims Experience Rating Plan and the \$500 claim threshold.
 - x. We are making a spelling correction in rule #7.19.
 - xi. We are moving the construction definitions from the end of the HO Territories document to the end of the AR HO Rules & Rates.
- b. AR HO Premiums
 - i. All pages are being updated to reflect the proposed base rates and proposed coverage A factors.
- c. AR HO Territories
 - i. This document is being updated to reflect the new territory definitions.

Our revised manual pages are attached at the end of the filing. The above changes will become effective on 3/1/2015 for new and renewal business.

**Horace Mann Insurance Company - Teachers Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	6.0%	1.6%	5.8%
14	14	0.0%	3.2%	1.1%
44	44	3.2%	0.0%	3.2%
51	51	3.3%	0.0%	3.3%
60	60	1.4%	2.3%	1.4%
63	10	3.3%	2.0%	3.3%
65	65	7.6%	2.0%	7.5%
67	67	4.3%	2.5%	4.3%
68	68	5.1%	2.2%	5.0%
70	10	0.9%	1.7%	0.9%
71	11	6.4%	0.0%	6.4%
72	12	7.9%	0.0%	7.9%
73	12	2.2%	1.8%	2.2%
74	11	8.1%	0.0%	8.1%
75	12	8.5%	2.4%	7.8%
Totals		2.6%	2.2%	2.6%

**Horace Mann Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	4.8%	0.0%	4.8%
14	14	0.0%	0.0%	0.0%
44	44	3.2%	0.0%	3.2%
51	51	2.9%	0.0%	2.9%
60	60	4.4%	2.3%	4.4%
63	10	2.5%	0.0%	2.5%
65	65	7.2%	0.0%	7.2%
67	67	4.8%	0.0%	4.8%
68	68	7.2%	2.4%	6.9%
70	10	-15.2%	0.0%	-15.2%
71	11	6.0%	0.0%	6.0%
72	12	0.0%	0.0%	0.0%
73	12	3.5%	2.2%	3.5%
74	11	8.1%	0.0%	8.1%
75	12	0.0%	0.0%	0.0%
Totals		2.0%	2.3%	2.0%

**Teachers Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 3	Form 4 (Tenant & Condo)	Total
13	13	6.2%	1.6%	6.0%
14	14	0.0%	3.2%	1.1%
44	44	3.3%	0.0%	3.3%
51	51	3.5%	0.0%	3.5%
60	60	1.0%	2.3%	1.0%
63	10	3.6%	2.0%	3.5%
65	65	7.8%	2.0%	7.7%
67	67	4.2%	2.5%	4.2%
68	68	4.7%	2.1%	4.7%
70	10	3.7%	1.7%	3.6%
71	11	6.5%	0.0%	6.5%
72	12	7.9%	0.0%	7.9%
73	12	1.4%	1.5%	1.4%
74	11	0.0%	0.0%	0.0%
75	12	8.5%	2.4%	7.8%
Totals		2.7%	2.2%	2.7%

**Horace Mann Insurance Company - Teachers Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	5.6%	1.6%	5.5%
14	14	-0.3%	3.2%	-0.2%
44	44	2.9%	0.0%	2.8%
51	51	3.0%	0.0%	2.9%
60	60	1.1%	2.3%	1.1%
63	10	3.0%	2.0%	3.0%
65	65	7.3%	2.0%	7.1%
67	67	4.0%	2.5%	3.9%
68	68	4.8%	2.2%	4.7%
70	10	0.5%	1.7%	0.6%
71	11	6.1%	0.0%	5.9%
72	12	7.6%	0.0%	7.4%
73	12	1.9%	1.8%	1.9%
74	11	7.7%	0.0%	7.5%
75	12	8.2%	2.4%	8.0%
Totals		2.3%	2.2%	2.3%

**Horace Mann Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	4.5%	0.0%	4.4%
14	14	-0.3%	0.0%	-0.3%
44	44	2.9%	0.0%	2.8%
51	51	2.5%	0.0%	2.5%
60	60	4.1%	2.3%	4.1%
63	10	2.2%	0.0%	2.1%
65	65	6.9%	0.0%	6.8%
67	67	4.4%	0.0%	4.4%
68	68	6.8%	2.4%	6.8%
70	10	-15.5%	0.0%	-15.2%
71	11	5.7%	0.0%	5.6%
72	12	-0.3%	0.0%	-0.3%
73	12	3.2%	2.2%	3.2%
74	11	7.7%	0.0%	7.6%
75	12	-0.3%	0.0%	-0.3%
Totals		1.7%	2.3%	1.7%

**Teachers Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 3	Form 4 (Tenant & Condo)	Total
13	13	5.9%	1.6%	5.7%
14	14	-0.3%	3.2%	-0.1%
44	44	2.9%	0.0%	2.8%
51	51	3.2%	0.0%	3.0%
60	60	0.7%	2.3%	0.7%
63	10	3.3%	2.0%	3.2%
65	65	7.5%	2.0%	7.3%
67	67	3.9%	2.5%	3.8%
68	68	4.4%	2.1%	4.3%
70	10	3.4%	1.7%	3.3%
71	11	6.2%	0.0%	6.0%
72	12	7.6%	0.0%	7.3%
73	12	1.1%	1.5%	1.1%
74	11	-0.3%	0.0%	-0.3%
75	12	8.2%	2.4%	7.9%
Totals		2.4%	2.2%	2.4%

Horace Mann and Teachers Combined Companies
 ARKANSAS
 Homeowner Indicated Rate Level Adjustment

Year Ending	Direct Earned Premium	Direct Incurred Losses	Unadjusted Loss Ratio	Total Premium Adjustment Factor	Adjusted Earned Premium (1)
6/30/2010	\$251,014	\$54,325	0.216	0.794	\$199,305
6/30/2011	\$277,616	\$139,144	0.501	0.689	\$191,277
6/30/2012	\$299,490	\$100,500	0.336	0.701	\$209,942
6/30/2013	\$405,752	\$82,262	0.203	0.785	\$318,515
6/30/2014	\$623,155	\$137,355	0.220	0.876	\$545,884
Totals:	\$1,857,027	\$513,586	0.277		\$1,464,924

Year Ending	Wind Losses	Avg Annual Wind Losses	Loss Development Factors	Historical Loss Trend Factor	Projected Loss Trend Factor
6/30/2010	\$46,110	\$46,110	1.005	1.072	1.016
6/30/2011	\$115,703	\$115,703	1.012	1.054	1.016
6/30/2012	\$47,814	\$47,814	1.028	1.035	1.016
6/30/2013	\$67,217	\$67,217	1.059	1.018	1.016
6/30/2014	\$38,378	\$38,378	1.229	1.000	1.016

Totals:	\$315,222	\$315,222
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Year Ending	Adjusted Losses	Loss Adjustment Expenses	Adjusted Losses & LAE (2)	Adjusted Loss and LAE Ratio	Weight
6/30/2010	\$59,492	\$8,329	\$67,820	0.340	0.10
6/30/2011	\$150,793	\$21,111	\$171,904	0.899	0.15
6/30/2012	\$108,729	\$15,222	\$123,951	0.590	0.20
6/30/2013	\$90,101	\$12,614	\$102,715	0.322	0.25
6/30/2014	\$171,584	\$24,022	\$195,606	0.358	0.30
Totals:	\$580,698	\$81,298	\$661,996	0.475	1.00

Five Year Weighted Adjusted Loss Ratio (3)	0.475
Permissible Loss Ratio (4)	0.519
Complement of Credibility (5)	0.568
Credibility Factor (6)	0.340
Credibility Weighted Loss Ratio (7)	0.536
Fixed Expense Provision (8)	0.158
Variable Expense (9)	0.323
Indicated Rate Level Adjustment (10)	2.6%

- (1) Adjusted to current rate level by premium trend adjustment factors.
- (2) Adjusted for loss development, large losses, trend, modeled wind and LAE.
- (3) Using standard weights of 0.10, 0.15, 0.20, 0.25 & 0.30 applied to adjusted loss ratios for the experience period.
- (4) Calculated from budgeted expense allocations and reinsurance load.
- (5) Trended Permissible Loss Ratio as calculated in our "Complement of Credibility".
- (6) Using the formula $Z = (1.5 * P) / (P + 5000000)$, where P equals the adjusted premiums for the past five calendar years.
- (7) Five year weighted adjusted loss ratio is credibility weighted with the trended expected loss ratio using the formula (5 Year Average Loss Ratio & LAE * Credibility Factor) + (Complement of Credibility * (1 - Credibility Factor))
- (8) Fixed expenses assuming 90% of Other Acquisition, 90% of General, and 100% of Reinsurance expenses are fixed.
- (9) Variable expenses = 1 - Permissible Loss Ratio - Fixed Expense Provision
- (10) Indication calculated as : $[(\text{Credibility Weighted LR} + \text{Fixed Expense Provision}) / (1 - \text{Variable Expense})] - 1$

(1) Data

Unlagged earned premium, losses, and exposures were used in this indication. The loss development factors utilized in this indication were derived also using unlagged data.

(2) Premium Trend Adjustment Factors

These factors were applied to each fiscal year's earned premiums to bring them up to current rate level and to account for distributional shifts.

(3) Loss Trend

The loss trend was determined using the historical data. There are two steps- historical and projected trend. The losses were first trended from the midpoint of the experience period to the midpoint of the latest experience year, and then projects from the midpoint of the latest experience year to the midpoint of the projected period. The loss trend was then applied to the incurred losses.

(4) Permissible Loss Ratio (PLR)

The Permissible Loss Ratio is calculated using the complement of our Budgeted Expense Ratio. The Budgeted Expense Ratio is developed after reviewing our latest

three years expense ratios derived from the Insurance Expense Exhibits. This expense ratio includes a 15.0% Profit and Contingency Loading.

(5) Loss Ratio Credibility Procedure

First, the adjusted fiscal accident year loss ratios are credibility weighted using a 10-15-20-25-30 weighting scheme to get the Actual Loss Ratio (ALR).

The credibility assigned to the ALR is assigned using the formula: $Z = (1.5 * AEP) / (AEP + \$5,000,000)$ where Z is the credibility factor and AEP is 5 years total of Adjusted Earned Premium. The data is assumed to be fully credible if there is \$10 million in adjusted earned premiums over the experience period. The formula for the credibility weighted loss ratio is $CWLR = (ALR)(Z) + (PLR)(T)(1 - Z)$.

(6) Indicated Rate Level Adjustment (IRLA)

The Indicated Rate Level Adjustment is calculated using the ratio of the CWLR plus the fixed expense provision to the complement of the variable expenses. The formula is: $IRLA = ((CWLR + Fixed Expense)/(1 - Variable Expenses)) - 1$.

Horace Mann and Teachers Combined Companies
ARKANSAS
Premium Adjustment Factor Calculation

	(1)	(2)	(3)									(4)	(5)	(6)
Year Ending	Exposures	Earned Premium	Average Premium @ CRL	Latest Quarter Earned Premium @ CRL	Indicated Projected Premium Trend	Selected Projected Premium Trend	Years of Projected Trend	Indicated Historical Premium Trend Factor	Indicated Projected Premium Trend Factor	Selected Historical Premium Trend Factor	Selected Projected Premium Trend Factor	Total Premium Trend Factor	On level Factor	Total Premium Adjustment Factor
6/30/2010	224	251,014	\$1,403		-13.6%	-8.0%	1.79	0.737	0.77	0.737	0.861	0.634	1.252	0.794
6/30/2011	215	277,616	\$1,473		-13.6%	-8.0%	1.79	0.702	0.77	0.702	0.861	0.604	1.141	0.689
6/30/2012	236	299,490	\$1,399		-13.6%	-8.0%	1.79	0.739	0.77	0.739	0.861	0.636	1.103	0.701
6/30/2013	358	405,752	\$1,246		-13.6%	-8.0%	1.79	0.830	0.77	0.830	0.861	0.714	1.099	0.785
6/30/2014	613	623,155	\$1,074	\$1,034	-13.6%	-8.0%	1.79	0.963	0.77	0.963	0.861	0.829	1.057	0.876

Historical Earned Premium is adjusted to current level as of 05/15/2014. Premiums are then projected to the future average earned premium date of 03/01/2016 using a premium trend of -8.0%.

Combined Companies
ARKANSAS
Earned Premium On-Level Factors

Experience Year Ending	On-Level Factor
6/30/2010	1.252
6/30/2011	1.141
6/30/2012	1.103
6/30/2013	1.099
6/30/2014	1.057

Renewal Effective Date	Forms Combined Effect
4/15/2009	6.0%
4/15/2010	11.9%
6/1/2011	0.0%
9/1/2011	0.0%
3/1/2013	5.0%
3/1/2014	5.0%

Horace Mann Insurance Companies
HO X-Cat with Liability Unlagged

Cumulative Incurred Loss
As of 3/31/2014
Direct Layer

Accident Year	12	24	36	48	60	72	84	96	108
2006	49,919	55,469	56,277	56,951	57,430	57,748	57,858	57,779	57,784
2007	45,829	52,293	54,306	55,273	55,452	55,605	55,790	55,855	
2008	57,194	64,752	65,340	65,452	65,774	65,864	65,885		
2009	65,623	74,383	76,564	77,392	78,046	78,235			
2010	69,220	82,637	86,395	88,353	89,666				
2011	72,617	89,124	93,664	95,406					
2012	59,710	68,433	69,510						
2013	60,761	69,245							
2014	62,711								

Incurred Loss Development
As of 3/31/2014
Direct Layer

Accident Year	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-Ult
2006	1.111	1.015	1.012	1.008	1.006	1.002	0.999	1.000	
2007	1.141	1.038	1.018	1.003	1.003	1.003	1.001		
2008	1.132	1.009	1.002	1.005	1.001	1.000			
2009	1.133	1.029	1.011	1.008	1.002				
2010	1.194	1.045	1.023	1.015					
2011	1.227	1.051	1.019						
2012	1.146	1.016							
2013	1.140								
Average	1.153	1.029	1.014	1.008	1.003	1.002	1.000	1.000	
Volume Weighted Average	1.157	1.031	1.015	1.009	1.003	1.002	1.000	1.000	
2 Year Average	1.143	1.033	1.021	1.012	1.002	1.002	1.000	1.000	
5 Year Average Excluding High/Low	1.160	1.030	1.016	1.007	1.003	1.002			
1 Year Average	1.140	1.016	1.019	1.015	1.002	1.000	1.001	1.000	
Linear Trend:									
Slope	0.007	0.002	0.002	0.002	-0.001	-0.001	0.003		
Y Intercept	1.123	1.020	1.008	1.003	1.006	1.003	0.996		
R squared	0.191	0.092	0.167	0.412	0.607	0.278	1.000		
Projected	1.184	1.038	1.020	1.013	1.000	1.000	1.004		
Exponential Curve:									
Slope %	0.589	0.224	0.160	0.179	-0.107	-0.079	0.253		
Y Intercept	1.123	1.020	1.008	1.003	1.006	1.003	0.996		
R squared	0.196	0.092	0.166	0.411	0.607	0.278	1.000		
Projected	1.183	1.038	1.020	1.013	1.000	1.000	1.004		
Inverse Power Curve	1.242	1.028	1.008	1.003	1.002	1.001	1.001	1.000	1.001
Exponential Curve	1.102	1.040	1.016	1.006	1.002	1.001	1.000	1.000	1.000
Weibull Curve	1.130	1.035	1.012	1.005	1.002	1.001	1.000	1.000	1.000
Selected	1.160	1.030	1.016	1.007	1.003	1.002	1.000	1.000	1.000
Cumulative	1.229	1.059	1.028	1.012	1.005	1.002	1.000	1.000	1.000

**Horace Mann and Teachers Combined Companies
ARKANSAS
Loss Trend Calculation**

Historical Severity Trend

Form	Distribution Weight	Indicated Severity Change			Selected Severity Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Severity Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	2.6%	0.8%	2.6%	2.6%	2.0%	2.6%	29	0.139	0.430	0.430	2.3%	2.3%
4	1.8%	1.6%	1.6%	1.6%	1.5%	1.5%	1.5%	1	0.018	0.491	0.491	1.5%	
Total	100.0%	2.5%	0.9%	2.5%	2.5%	2.0%	2.5%	28	0.137	0.432	0.432	2.3%	

Projected Severity Trend

Form	Distribution Weight	Indicated Severity Change			Selected Severity Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Severity Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	1.6%	0.8%	1.6%	1.6%	3.0%	1.6%	29	0.139	0.430	0.430	2.2%	2.2%
4	1.8%	1.9%	1.9%	1.9%	1.9%	1.5%	1.9%	1	0.018	0.491	0.491	1.7%	
Total	100.0%	1.6%	0.9%	1.6%	1.6%	3.0%	1.6%	28	0.137	0.432	0.432	2.2%	

Historical Frequency Trend

Form	Distribution Weight	Indicated Frequency Change			Selected Frequency Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Frequency Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	-2.1%	0.3%	-2.1%	-1.0%	0.0%	-1.0%	29	0.139	0.430	0.430	-0.6%	-0.5%
4	1.8%	-4.6%	3.1%	-0.2%	0.0%	3.0%	0.0%	1	0.018	0.491	0.491	1.5%	
Total	100.0%	-2.1%	0.3%	-2.0%	-1.0%	0.1%	-1.0%	28	0.137	0.432	0.432	-0.5%	

Projected Frequency Trend

Form	Distribution Weight	Indicated Frequency Change			Selected Frequency Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Frequency Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	-5.6%	-7.1%	-5.6%	-1.0%	-2.0%	-1.0%	29	0.139	0.430	0.430	-1.4%	-1.4%
4	1.8%	-10.1%	-4.1%	-0.2%	0.0%	0.0%	0.0%	1	0.018	0.491	0.491	0.0%	
Total	100.0%	-5.6%	-7.0%	-5.5%	-1.0%	-2.0%	-1.0%	28	0.137	0.432	0.432	-1.4%	

Historical Trend factor calculation				
Year Ending	Years of Historical Trend	Severity Trend Factor	Frequency Trend Factor	Pure Premium Trend Factor
6/30/2010	4.00	1.095	0.979	1.072
6/30/2011	3.00	1.071	0.984	1.054
6/30/2012	2.00	1.047	0.989	1.035
6/30/2013	1.00	1.023	0.995	1.018
6/30/2014	0.00	1.000	1.000	1.000

Projected Trend factor calculation				
Year Ending	Years of Projected Trend	Severity Trend Factor	Frequency Trend Factor	Pure Premium Trend Factor
6/30/2010	2.17	1.048	0.970	1.016
6/30/2011	2.17	1.048	0.970	1.016
6/30/2012	2.17	1.048	0.970	1.016
6/30/2013	2.17	1.048	0.970	1.016
6/30/2014	2.17	1.048	0.970	1.016

Notes:

- The average earned date of premium is approximately 12 months after the proposed effective date of 03/01/2015
- The loss trend factor trends losses first from the midpoint of the experience period to the midpoint of the latest experience year, and then projects from the midpoint of the latest experience year to the midpoint of the projected period, which is 12 months after proposed effective date.
- Trend Factor = $(1 + \text{Historical Trend \%})^{\text{Years of Historical Period}} * (1 + \text{Projected Trend \%})^{\text{Years of Projected Period}}$
- Pure Premium Trend Factor = Severity Trend Factor * Frequency Trend Factor
- Credibility assigned to HM State data = $(\text{Lastest Yr HM State Number Paid Claims} / (1537 * (1 + \text{CV}^2)))^{1/2}$

*Frequency and Severity Trend are derived from Adjusted Quarterly data.

Horace Mann\Teachers\Horace Mann P&C\Horace Mann Lloyds Insurance Companies Combined
Arkansas
Expense Exhibit
Homeowners
(\$ x1000)

	2010		2011		2012	
	\$	%	\$	%	\$	%
Direct Written Premiums	187,530		186,494		189,733	
Direct Earned Premiums	187,166		185,848		188,345	
Direct Commissions (W)	12,382	6.6%	12,651	6.8%	13,571	7.2%
Other Acquisition Expenses (E)	8,790	4.7%	8,025	4.3%	6,691	3.6%
General Expenses (E)	19,685	10.5%	18,142	9.8%	21,093	11.2%
Taxes, Licenses & Fees (W)	5,177	2.8%	4,980	2.7%	5,317	2.8%
		24.6%		23.5%		24.7%

Anticipated 2013 Permissible Loss Ratio

	Total	Fixed	Variable
Commissions	12.3%	0.0%	12.3%
Other Acquisition Expenses	4.6%	4.2%	0.4%
General Expenses	11.0%	10.0%	1.0%
Taxes, Licenses & Fees	3.6%	0.0%	3.6%
Reinsurance Expense	1.6%	1.6%	0.0%
Underwriting Profit & Contingencies	<u>15.0%</u>	<u>0.0%</u>	<u>15.0%</u>
Total Expenses & Profit	48.1%	15.8%	32.3%
Permissible Loss Ratio	51.9%		

NOTE: Captions designated by (W) are ratioed to written premiums;
those by (E) are ratioed to earned premiums.

Homeowners Territory Definitions
Arkansas

Current Territory	Proposed Territory	Territory Definition
13	13	Remainder of Pulaski County
14	14	Pulaski County: Little Rock; Zip Codes 72201-09
44	44	Crittenden, Lawrence and Poinsett Counties
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19
60	60	Baxter, Benton, Carroll and Washington Counties
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties
71	11	Cross, Lee, Phillips and St. Francis Counties
72	12	Fulton, Greene, Izard, Sharp and Stone Counties
73	12	Crawford and Saline Counties
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties
75	12	Johnson and Pope Counties

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 1,2&3**

			(1)	(3)	(4)	(7)	(8)	(9)	(10)	(12)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Re-Based Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect	Financial Effect
13	13	Remainder of Pulaski County	3%	1921	1400	2.6%	1430	2.2%	4.8%	4.5%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	0%	3590	2615	0.0%	2672	2.2%	0.0%	-0.3%
44	44	Crittenden, Lawrence and Poinsett Counties	1%	1959	1427	1.0%	1458	2.2%	3.2%	2.9%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	1%	1726	1257	0.7%	1284	2.1%	2.9%	2.5%
60	60	Baxter, Benton, Carroll and Washington Counties	38%	1258	916	2.3%	936	2.1%	4.4%	4.1%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	12%	1528	1113	0.3%	1137	2.1%	2.5%	2.2%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	4%	1902	1386	5.0%	1415	2.1%	7.2%	6.9%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	9%	1423	1037	2.6%	1059	2.2%	4.8%	4.4%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	5%	1413	1029	4.9%	1052	2.2%	7.2%	6.8%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	11%	1917	1397	4.2%	1137	-18.6%	-15.2%	-15.5%
71	11	Cross, Lee, Phillips and St. Francis Counties	3%	1876	1367	3.8%	1396	2.1%	6.0%	5.7%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	1601	1166	0.0%	1191	2.1%	0.0%	-0.3%
73	12	Crawford and Saline Counties	8%	1604	1169	1.5%	1191	1.9%	3.5%	3.2%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	4%	1879	1369	6.0%	1396	2.0%	8.1%	7.7%
75	12	Johnson and Pope Counties	0%	1592	1160	0.0%	1191	2.7%	0.0%	-0.3%
Total			100%	1516	1104	2.7%	1096	-0.7%	2.0%	1.7%

Current Base Coverage: \$150,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$100,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 3**

			(1)	(3)	(4)	(7)	(8)	(9)	(10)	(12)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Re-Based Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect	Financial Effect
13	13	Remainder of Pulaski County	2%	1506	1094	4.0%	1117	2.1%	6.2%	5.9%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	1%	2290	1663	-2.1%	1699	2.2%	0.0%	-0.3%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	1520	1104	1.0%	1128	2.2%	3.3%	2.9%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	1%	1355	984	1.3%	1005	2.1%	3.5%	3.2%
60	60	Baxter, Benton, Carroll and Washington Counties	56%	960	697	-1.1%	712	2.1%	1.0%	0.7%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	8%	1198	870	1.4%	889	2.2%	3.6%	3.3%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	2%	1495	1086	5.6%	1109	2.1%	7.8%	7.5%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	6%	1111	807	2.0%	824	2.1%	4.2%	3.9%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	6%	1071	778	2.5%	795	2.2%	4.7%	4.4%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	14%	1197	869	1.4%	889	2.3%	3.7%	3.4%
71	11	Cross, Lee, Phillips and St. Francis Counties	3%	1469	1067	4.2%	1090	2.2%	6.5%	6.2%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	1254	911	5.7%	930	2.1%	7.9%	7.6%
73	12	Crawford and Saline Counties	2%	1265	919	0.2%	930	1.2%	1.4%	1.1%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	1457	1058	0.0%	1090	3.0%	0.0%	-0.3%
75	12	Johnson and Pope Counties	0%	1246	905	5.6%	930	2.8%	8.5%	8.2%
Total			100%	1078	783	0.6%	800	2.1%	2.7%	2.4%

Current Base Coverage: \$150,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$100,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 4 (Tenant & Condo)**

			(1)	(3)	(7)	(8)	(9)	(10)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect
13	13	Remainder of Pulaski County	0%	145	0.0%	148	2.1%	0.0%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	0%	203	0.0%	207	2.0%	0.0%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	145	0.0%	148	2.1%	0.0%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	0%	166	0.0%	170	2.4%	0.0%
60	60	Baxter, Benton, Carroll and Washington Counties	71%	166	-0.1%	170	2.4%	2.3%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	0%	166	0.0%	170	2.4%	0.0%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	0%	166	0.0%	170	2.4%	0.0%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	0%	166	0.0%	170	2.4%	0.0%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	14%	166	0.0%	170	2.4%	2.4%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	0%	166	0.0%	170	2.4%	0.0%
71	11	Cross, Lee, Phillips and St. Francis Counties	0%	177	0.0%	181	2.3%	0.0%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	166	0.0%	170	2.4%	0.0%
73	12	Crawford and Saline Counties	14%	166	-0.2%	170	2.4%	2.2%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	180	0.0%	181	0.6%	0.0%
75	12	Johnson and Pope Counties	0%	166	0.0%	170	2.4%	0.0%
Total			100%	166	-0.1%	170	2.4%	2.3%

Current Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 4 (Tenant & Condo)**

			(1)	(3)	(7)	(8)	(9)	(10)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect
13	13	Remainder of Pulaski County	3%	130	-0.7%	133	2.3%	1.6%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	7%	184	1.0%	188	2.2%	3.2%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	130	0.0%	133	2.3%	0.0%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	0%	130	0.0%	133	2.3%	0.0%
60	60	Baxter, Benton, Carroll and Washington Counties	64%	130	0.0%	133	2.3%	2.3%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	2%	130	-0.3%	133	2.3%	2.0%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	1%	135	-0.2%	138	2.2%	2.0%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	3%	130	0.2%	133	2.3%	2.5%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	2%	130	-0.2%	133	2.3%	2.1%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	17%	130	-0.6%	133	2.3%	1.7%
71	11	Cross, Lee, Phillips and St. Francis Counties	0%	155	0.0%	158	1.9%	0.0%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	130	0.0%	133	2.3%	0.0%
73	12	Crawford and Saline Counties	1%	130	-0.8%	133	2.3%	1.5%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	130	0.0%	158	21.5%	0.0%
75	12	Johnson and Pope Counties	1%	130	0.1%	133	2.3%	2.4%
Total			100%	134	-0.1%	137	2.3%	2.2%

Current Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits

Horace Mann Insurance Company - 04

State - Arkansas - 03
750 Flat Deductible - All Section 1 Perils

Forms 1,2,3 Annual Premiums
\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	1,137
11	1,396
12	1,191
13	1,430
14	2,672
44	1,458
51	1,284
60	936
65	1,415
67	1,059
68	1,052

Column 3		Column 4
Protection Class		
1-3	M	1.000
1-3	F	1.100
4-5	M	1.040
4-5	F	1.180
6	M	1.180
6	F	1.310
7	M	1.320
7	F	1.460
8	M	1.650
8	F	1.850
9	M	2.000
9	F	2.300
10	M	2.500
10	F	2.800

Column 5	Column 6
Coverage A	Coverage A
Amount	Relativity
25,000	0.613
30,000	0.619
35,000	0.627
40,000	0.635
45,000	0.640
50,000	0.648
55,000	0.699
60,000	0.709
65,000	0.732
70,000	0.763
75,000	0.790
80,000	0.838
85,000	0.889
90,000	0.939
95,000	0.971
100,000	1.000
105,000	1.047
110,000	1.092
115,000	1.146
120,000	1.197
125,000	1.249
130,000	1.300
135,000	1.354
140,000	1.390
145,000	1.419
150,000	1.456
155,000	1.459
160,000	1.470
165,000	1.493
170,000	1.521
175,000	1.549
180,000	1.578
185,000	1.610
190,000	1.640
195,000	1.680
200,000	1.719
205,000	1.761
210,000	1.803
215,000	1.847
220,000	1.891
225,000	1.934
230,000	1.978
235,000	2.022
240,000	2.066
245,000	2.109
250,000	2.153
Each Add'l	
5,000	0.044

***Note: Territory 14 can only be written in Protection Class 1-5**

- 1 Choose the Territory in which the property is located in Column 1. Refer to your Territory Pages.
- 2 Choose the corresponding Base Rate for that Territory in Column 2.
- 3 Choose the Protection Class in Column 3 and find the corresponding relativity in Column 4.
- 4 Multiply Step 2 by Step 3 and round to the nearest dollar.
- 5 For Form 1 or 2, take the rate from Step 4 and multiply it by .98 and round to the nearest dollar.
- 6 Choose the Coverage A amount, Column 5, and find the corresponding Coverage A Relativity, Column 6. (See Additional Amount and Interpolation Rule on Rate Derivation Instruction Page).
- 7 Multiply the amount from Step 4 or Step 5 by the Coverage A Relativity from Step 6 and round to the nearest dollar. This is your Basic Premium before endorsements are added.
- 8 Go to the Homeowner Rules & Rates Pages and follow the rating algorithm for deductible options and endorsements.

Horace Mann Insurance Company - 04

State - Arkansas - 03

Form 4 (Tenant & Condo) Annual Premiums

500 Flat Deductible - All Section 1 Perils

\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	170
11	181
12	170
13	148
14	207
44	148
51	170
60	170
65	170
67	170
68	170

Column 3		Column 4
Protection Class		
1-4	M	1.000
1-4	F	1.000
5-6	M	1.100
5-6	F	1.100
7-8	M	1.330
7-8	F	1.330
9	M	1.900
9	F	1.900
10	M	1.995
10	F	1.995

Column 5	Column 6
Coverage C	Coverage C
Amount	Relativity
5,000	0.830
10,000	0.870
15,000	1.000
20,000	1.220
25,000	1.380
30,000	1.560
35,000	1.740
40,000	1.910
45,000	2.060
50,000	2.200
55,000	2.400
60,000	2.600
Each Add'l	
5,000	0.200

***Note: Territory 14 can only be written in Protection Class 1-6**

Column 7	
Condo Discount	Territories
20%	All

- 1 Choose Territory in which property is located in Column 1. Refer to your Territory Pages. Find the Corresponding Base Rate in Column 2.
- 2 Choose Protection Class in Column 3, and find corresponding Relativity in Column 4.
- 3 Multiply the Base Rate from Step 1 by the Protection Class Relativity from Step 2 and round to the nearest dollar.
- 4 If the risk is located in a building with 1-4 units, go to Step 5. If the risk is located in a building with 5 or more units multiply the amount from Step 3 by 1.25 and round to the nearest dollar.
- 5 Choose Coverage C amount, Column 5 and find corresponding Coverage C Relativity, Column 6 (See Additional Amount Rule or Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply amount from Step 4 by Coverage C Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added unless you are rating an owner occupied Condo then go to Step 7.
- 7 If you are rating a Condo policy, and the Condo is owner occupied, multiply Step 6 by correct discount from Column 7 and round to the nearest dollar. This would now be your Basic Premium before the endorsements are added.
- 8 Go to Homeowner Rules & Rates pages and follow rating algorithm for deductible options and endorsements.

Teachers Insurance Company - 08

State - Arkansas - 03

750 Flat Deductible - All Section 1 Perils

**Form 3 Annual Premiums
\$100,000/1,000 Liability Limits**

Column 1	Column 2
Territory	Base Rate
10	889
11	1,090
12	930
13	1,117
14	1,699
44	1,128
51	1,005
60	712
65	1,109
67	824
68	795

Column 3		Column 4
Protection Class		
1-3	M	1.000
1-3	F	1.100
4-5	M	1.040
4-5	F	1.180
6	M	1.180
6	F	1.310
7	M	1.320
7	F	1.460
8	M	1.650
8	F	1.850
9	M	2.000
9	F	2.300
10	M	2.500
10	F	2.800

Column 5	Column 6
Coverage A	Coverage A
Amount	Relativity
25,000	0.613
30,000	0.619
35,000	0.627
40,000	0.635
45,000	0.640
50,000	0.648
55,000	0.699
60,000	0.709
65,000	0.732
70,000	0.763
75,000	0.790
80,000	0.838
85,000	0.889
90,000	0.939
95,000	0.971
100,000	1.000
105,000	1.047
110,000	1.092
115,000	1.146
120,000	1.197
125,000	1.249
130,000	1.300
135,000	1.354
140,000	1.390
145,000	1.419
150,000	1.456
155,000	1.459
160,000	1.470
165,000	1.493
170,000	1.521
175,000	1.549
180,000	1.578
185,000	1.610
190,000	1.640
195,000	1.680
200,000	1.719
205,000	1.761
210,000	1.803
215,000	1.847
220,000	1.891
225,000	1.934
230,000	1.978
235,000	2.022
240,000	2.066
245,000	2.109
250,000	2.153
Each Add'l	
5,000	0.044

***Note: Territory 14
can only be written in
Protection Class 1-5**

- 1 Choose the Territory in which the property is located in Column 1. Refer to your Territory Pages.
- 2 Choose the corresponding Base Rate for that Territory in Column 2.
- 3 Choose the Protection Class in Column 3 and find the corresponding relativity in Column 4.
- 4 Multiply Step 2 by Step 3 and round to the nearest dollar.
- 5 Choose the Coverage A amount, Column 5, and find the corresponding Coverage A Relativity, Column 6. (See Additional Amount and Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply the amount from Step 4 by the Coverage A Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added.
- 7 Go to the Homeowner Rules & Rates Pages and follow the rating algorithm for deductible options and endorsements.

Teachers Insurance Company - 08

State - Arkansas - 03

Form 4 (Tenant & Condo) Annual Premiums

500 Flat Deductible - All Section 1 Perils

\$100,000/1,000 Liability Limits

Column 1	Column 2
Territory	Base Rate
10	133
11	158
12	133
13	133
14	188
44	133
51	133
60	133
65	138
67	133
68	133

Column 3		Column 4
Protection Class		
1-4	M	1.000
1-4	F	1.000
5-6	M	1.100
5-6	F	1.100
7-8	M	1.330
7-8	F	1.330
9	M	1.900
9	F	1.900
10	M	1.995
10	F	1.995

Column 5	Column 6
Coverage C	Coverage C
Amount	Relativity
5,000	0.830
10,000	0.870
15,000	1.000
20,000	1.220
25,000	1.380
30,000	1.560
35,000	1.740
40,000	1.910
45,000	2.060
50,000	2.200
55,000	2.400
60,000	2.600
Each Add'l	
5,000	0.200

***Note: Territory 14
can only be written in
Protection Class 1-6**

Column 7	
Condo Discount	Territories
35%	All

- 1 Choose Territory in which property is located in Column 1. Refer to your Territory Pages. Find the Corresponding Base Rate in Column 2.
- 2 Choose Protection Class in Column 3, and find corresponding Relativity in Column 4.
- 3 Multiply the Base Rate from Step 1 by the Protection Class Relativity from Step 2 and round to the nearest dollar.
- 4 If the risk is located in a building with 1-4 units, go to Step 5. If the risk is located in a building with 5 or more units multiply the amount from Step 3 by 1.25 and round to the nearest dollar.
- 5 Choose Coverage C amount, Column 5 and find corresponding Coverage C Relativity, Column 6 (See Additional Amount Rule or Interpolation Rule on Rate Derivation Instruction Page).
- 6 Multiply amount from Step 4 by Coverage C Relativity from Step 5 and round to the nearest dollar. This is your Basic Premium before endorsements are added unless you are rating an owner occupied Condo then go to Step 7.
- 7 If you are rating a Condo policy, and the Condo is owner occupied, multiply Step 6 by correct discount from Column 7 and round to the nearest dollar. This would now be your Basic Premium before the endorsements are added.
- 8 Go to Homeowner Rules & Rates pages and follow rating algorithm for deductible options and endorsements.

Rate Effective Date: 3/1/2015

NAIC Number: 22578
 Company Name: Horace Mann Insurance Company
 Contact Person: Michael Croxton
 Telephone No.: 217-789-2500 x 5468
 Email Address: michael.croxton@horacemann.com
 Effective Date: 3/1/2015

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

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

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

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	\$585.00	\$644.00	\$585.00	\$644.00	\$711.00	\$782.00	\$873.00	\$960.00	\$711.00	\$782.00	\$711.00	\$782.00	\$711.00	\$782.00	\$662.00	\$728.00	\$803.00	\$883.00
	\$120,000	\$836.00	\$920.00	\$836.00	\$920.00	\$1,016.00	\$1,117.00	\$1,247.00	\$1,373.00	\$1,016.00	\$1,117.00	\$1,016.00	\$1,117.00	\$1,016.00	\$1,117.00	\$946.00	\$1,041.00	\$1,147.00	\$1,262.00
	\$160,000	\$1,027.00	\$1,130.00	\$1,027.00	\$1,130.00	\$1,247.00	\$1,373.00	\$1,532.00	\$1,686.00	\$1,247.00	\$1,373.00	\$1,247.00	\$1,373.00	\$1,247.00	\$1,373.00	\$1,162.00	\$1,279.00	\$1,409.00	\$1,550.00
6	\$80,000	\$690.00	\$766.00	\$690.00	\$766.00	\$839.00	\$931.00	\$1,030.00	\$1,145.00	\$839.00	\$931.00	\$839.00	\$931.00	\$839.00	\$931.00	\$782.00	\$867.00	\$948.00	\$1,052.00
	\$120,000	\$986.00	\$1,096.00	\$986.00	\$1,096.00	\$1,199.00	\$1,330.00	\$1,472.00	\$1,634.00	\$1,199.00	\$1,330.00	\$1,199.00	\$1,330.00	\$1,199.00	\$1,330.00	\$1,116.00	\$1,239.00	\$1,354.00	\$1,503.00
	\$160,000	\$1,212.00	\$1,345.00	\$1,212.00	\$1,345.00	\$1,473.00	\$1,634.00	\$1,808.00	\$2,008.00	\$1,473.00	\$1,634.00	\$1,473.00	\$1,634.00	\$1,473.00	\$1,634.00	\$1,372.00	\$1,522.00	\$1,662.00	\$1,847.00
9	\$80,000	\$1,171.00	\$1,347.00	\$1,171.00	\$1,347.00	\$1,423.00	\$1,636.00	\$1,747.00	\$2,009.00	\$1,423.00	\$1,636.00	\$1,423.00	\$1,636.00	\$1,423.00	\$1,636.00	\$1,325.00	\$1,524.00	\$1,607.00	\$1,848.00
	\$120,000	\$1,673.00	\$1,924.00	\$1,673.00	\$1,924.00	\$2,033.00	\$2,337.00	\$2,496.00	\$2,871.00	\$2,033.00	\$2,337.00	\$2,033.00	\$2,337.00	\$2,033.00	\$2,337.00	\$1,892.00	\$2,177.00	\$2,296.00	\$2,639.00
	\$160,000	\$2,055.00	\$2,363.00	\$2,055.00	\$2,363.00	\$2,497.00	\$2,871.00	\$3,065.00	\$3,525.00	\$2,497.00	\$2,871.00	\$2,497.00	\$2,871.00	\$2,497.00	\$2,871.00	\$2,325.00	\$2,674.00	\$2,819.00	\$3,242.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$149.00	\$149.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00
	\$15,000	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$180.00	\$180.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00	\$169.00
	\$25,000	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$249.00	\$249.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00
6	\$5,000	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$164.00	\$164.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00	\$154.00
	\$15,000	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$198.00	\$198.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00	\$186.00
	\$25,000	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$274.00	\$274.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00	\$257.00
9	\$5,000	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$285.00	\$285.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00
	\$15,000	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$343.00	\$343.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00	\$322.00
	\$25,000	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$474.00	\$474.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00	\$445.00

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:

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

EARTHQUAKE INSURANCE

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

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"/>	\$ <input type="text"/>
	Lowest Risk	\$ <input type="text"/>	\$ <input type="text"/>

NAIC Number: 22683
 Company Name: Teachers Insurance Company
 Contact Person: Michael Croxton
 Telephone No.: 217-789-2500 x 5468
 Email Address: michael.croxton@horacemann.com
 Effective Date: 3/1/2015

**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	\$445.00	\$489.00	\$445.00	\$489.00	\$555.00	\$612.00	\$681.00	\$749.00	\$555.00	\$612.00	\$555.00	\$612.00	\$555.00	\$612.00	\$515.00	\$566.00	\$628.00	\$691.00
	\$120,000	\$636.00	\$699.00	\$636.00	\$699.00	\$794.00	\$874.00	\$974.00	\$1,071.00	\$794.00	\$874.00	\$794.00	\$874.00	\$794.00	\$874.00	\$735.00	\$809.00	\$898.00	\$989.00
	\$160,000	\$781.00	\$859.00	\$781.00	\$859.00	\$975.00	\$1,073.00	\$1,196.00	\$1,316.00	\$975.00	\$1,073.00	\$975.00	\$1,073.00	\$975.00	\$1,073.00	\$904.00	\$994.00	\$1,102.00	\$1,213.00
6	\$80,000	\$525.00	\$583.00	\$525.00	\$583.00	\$656.00	\$728.00	\$804.00	\$893.00	\$656.00	\$728.00	\$656.00	\$728.00	\$656.00	\$728.00	\$608.00	\$675.00	\$742.00	\$824.00
	\$120,000	\$749.00	\$833.00	\$749.00	\$833.00	\$937.00	\$1,041.00	\$1,149.00	\$1,276.00	\$937.00	\$1,041.00	\$937.00	\$1,041.00	\$937.00	\$1,041.00	\$868.00	\$964.00	\$1,060.00	\$1,176.00
	\$160,000	\$921.00	\$1,024.00	\$921.00	\$1,024.00	\$1,151.00	\$1,279.00	\$1,411.00	\$1,567.00	\$1,151.00	\$1,279.00	\$1,151.00	\$1,279.00	\$1,151.00	\$1,279.00	\$1,067.00	\$1,184.00	\$1,301.00	\$1,445.00
9	\$80,000	\$891.00	\$1,025.00	\$891.00	\$1,025.00	\$1,112.00	\$1,280.00	\$1,364.00	\$1,569.00	\$1,112.00	\$1,280.00	\$1,112.00	\$1,280.00	\$1,112.00	\$1,280.00	\$1,031.00	\$1,185.00	\$1,257.00	\$1,446.00
	\$120,000	\$1,272.00	\$1,464.00	\$1,272.00	\$1,464.00	\$1,589.00	\$1,828.00	\$1,948.00	\$2,241.00	\$1,589.00	\$1,828.00	\$1,589.00	\$1,828.00	\$1,589.00	\$1,828.00	\$1,473.00	\$1,693.00	\$1,796.00	\$2,066.00
	\$160,000	\$1,563.00	\$1,798.00	\$1,563.00	\$1,798.00	\$1,952.00	\$2,244.00	\$2,393.00	\$2,751.00	\$1,952.00	\$2,244.00	\$1,952.00	\$2,244.00	\$1,952.00	\$2,244.00	\$1,809.00	\$2,080.00	\$2,206.00	\$2,538.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$130.00	\$130.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00	\$109.00
	\$15,000	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$157.00	\$157.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00	\$132.00
	\$25,000	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$217.00	\$217.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00	\$183.00
6	\$5,000	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$143.00	\$143.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
	\$15,000	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$173.00	\$173.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00
	\$25,000	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$239.00	\$239.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
9	\$5,000	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$248.00	\$248.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00	\$209.00
	\$15,000	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$299.00	\$299.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00	\$252.00
	\$25,000	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$413.00	\$413.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00	\$348.00

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

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

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

HO3 and HO4 only

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

EARTHQUAKE INSURANCE

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

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	<input type="text"/>	no	(yes or no)
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	<input type="text"/>	%	
		Zone	Brick
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?		Highest Risk	\$ <input type="text"/>
		Lowest Risk	\$ <input type="text"/>

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name		Company NAIC Number
3.	A.	Horace Mann Insurance Company	B.	300-22578

		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.	Homeowner Multi-Peril	B.	

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+2.6%	+2.0%					
Tenants & Condos	+2.6%	+2.3%					
TOTAL OVERALL EFFECT	+2.6%	+2.0%					

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
2010	73	12.8%	4/15/2010	88	8	9%	56%
2011	66	-0.1%	9/1/2011	95	19	20%	66%
2012	66	--	--	99	3	3%	42%
2013	72	2.9%	3/1/2013	104	2	2%	51%
2014	72	5.1%	3/1/2014	117	28	24%	42%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)

9. 14.1% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ 71 _____

10. -17.8% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ 70 _____

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name		Company NAIC Number
3.	A.	Teachers Insurance Company	B.	300-22683

		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.	Homeowner Multi-Peril	B.	

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+2.6%	+2.7%					
Tenants & Condos	+2.6%	+2.2%					
TOTAL OVERALL EFFECT	+2.6%	+2.7%					

6. 5 Year History Rate Change History

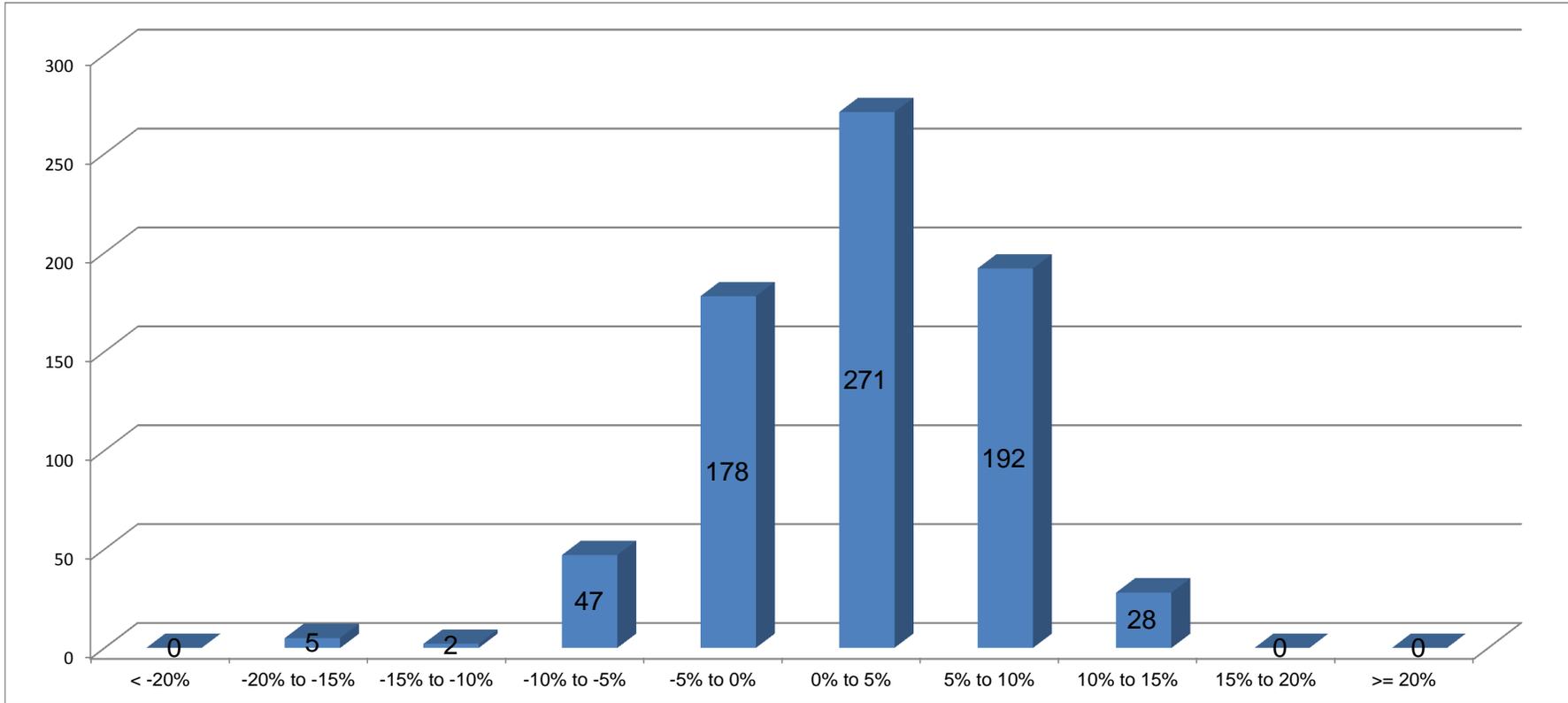
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2010	151	11.3%	4/15/2010	165	46	28%	77%
2011	149	0.0%	9/1/2011	185	121	65%	87%
2012	170	--	--	203	97	48%	47%
2013	380	5.8%	3/1/2013	305	75	25%	69%
2014	678	4.9%	3/1/2014	507	109	21%	44%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 14.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 67
10. -8.8% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 60, 70

Horace Mann Insurance Company
Teachers Insurance Company
Arkansas
Homeowners
Histogram of Policyholder Premium Effects



Horace Mann Insurance Company
Teachers Insurance Company
Arkansas
Homeowners
Filing Memorandum

Horace Mann Insurance Company and Teachers Insurance Company submit for your review and approval this Homeowners Rate and Rule filing for Arkansas. The overall premium effect of this revision is +6.1% as calculated on page 1 of Exhibit I. The overall financial effect of this revision is +5.8% as calculated on page 2 of Exhibit I.

In Exhibit II, you will find our indication calculation and all indication supporting exhibits. Page 1 of Exhibit II is our five-year experience and indication calculation of +8.9%. An explanation of our indication calculation can be found on Page 2.

Exhibit II, page 3 shows our premium trend calculation, which accounts for shifts in the distribution of various rating characteristics such as increased Coverage A amounts and deductible changes. The on-level factors used in the calculation of our premium trend are shown in Exhibit II, page 4. The method for our premium trend calculation is taken from the article “An Introduction to Premium Trend”. A copy of the article can be provided upon request.

Our adjusted losses are derived by first subtracting our large losses and loading in our modeled large losses. We then develop our losses to an ultimate settlement basis, and then finish the derivation by applying historical and projected loss trend factors. The incurred loss development triangle and our selected loss development factors are shown in Exhibit II, page 5. The trend factors used to adjust our losses are based on both frequency and severity trends as described and calculated in Exhibit II, page 6.

Our individual years’ loss ratios are then weighted based on weights of 10%, 15%, 20%, 25% and 30% to arrive at the five-year loss ratio. This loss ratio is then credibility weighted with our trended permissible loss ratio to determine our credibility weighted loss ratio. We then add our fixed expenses, divide by the complement of our variable expenses and subtract unity to arrive at our final indication. Our fixed and variable expenses are detailed in Exhibit II, page 7.

We are making the following changes with this filing:

- 1) **Territory Definition Changes** – We are revising some of our territory definitions. There will now be 11 territories instead of 15. The current and proposed territory definitions can be seen on page 1 of Exhibit III.
- 2) **Base Rate Revisions** – We are revising base rates for all Forms in all territories. These revisions can be found in Exhibit III.

- 3) **Coverage A** – We are rebasing our Coverage A factors to \$100,000. This change can be seen in Exhibit IV.
- 4) **Claim Threshold** – We are introducing a \$500 claim threshold. If a claim does not result in payment greater than \$500, the claim will not be surcharged. If the policyholder is currently being surcharged for a claim less than or equal to \$500, this surcharge will be removed upon his/her next renewal.
- 5) **Claims Persistency** – We are removing our Claims Persistency Rating Plan and replacing it with our Claims Experience Rating Plan. Currently, the Claims Persistency Rating Plan factor is determined based on the number of qualified claims and the number of consecutive years insured with Horace Mann. In the proposed Claims Experience Rating Plan, the factor will only be determined based on the number of qualified claims. The criteria used to determine whether a claim qualifies or not will be the same as it is currently, except for the \$500 claim threshold discussed in item 4. The current and proposed factors can be seen in Exhibit V.
- 6) **Year of Construction** – We are revising our year of construction factors to be closer to their indicated values. We also rebased the base rates to offset the overall effect of this change. This revision can be seen in Exhibit VI.
- 7) **Increased Coverage A** – We are introducing endorsement HM 4844, which allows up to 25% of additional Coverage A in the event a loss exceeds the amount of Coverage A shown on the declarations. The form will be mandatory and non-premium bearing for all Form 1, 2, and 3 policies, so long as the policy has 100% replacement cost and the automatic adjustment of limits endorsement. The overall financial effect of this is +0.3% as calculated in Exhibit VII. The new form will be filed under separate cover. The new rule can be seen in the AR HO Rules & Rates, page 6.12-1.
- 8) **Additional Living Costs** – We are revising Coverage D to be 30% of Coverage A for Forms 1, 2, & 3 and 40% of Coverage C for Form 4. For 3-4 family homes the Coverage D will be 20% of Coverage A for Forms 1,2 & 3. The manual pages have been revised accordingly.
- 9) **Loss Assessment** – We are replacing ML-50 with HM-50. The withdrawal of ML-50 will be filed under separate cover. The new form will also be filed under separate cover. The affected rules have been revised, and can be seen on pages 7.16-1 and 7.17-1.
- 10) **Reinstatement Fee** – We are introducing a \$25 reinstatement fee. Policies that are reinstated will be subject to a service charge on a per occurrence basis.

11) **Late Pay Fee** – Policyholders’ premiums received after the payment due date will result in a service charge on a per occurrence basis. This fee is not applicable to payments made via EFT or Payroll. A \$10 fee applies per occurrence.

12) **Home Buyer Loyalty** – We are revising our home buyer loyalty discount to be a 12% credit if the policyholder is an educator. The credit will remain at 8% for non-educators.

13) **AR HO Manual -**

a. AR HO Rules & Rates – We are making the follow changes in addition to the changes listed above:

- i. We are removing all rules that are “Reserved for Future Use”
- ii. We are revising rule #2.3 to show the proposed Additional Living Cost coverage amounts.
- iii. We are introducing rule #4.11 to show the proposed late payment fee.
- iv. We are introducing rule #4.12 to show the proposed reinstatement fee.
- v. We are removing the minimum coverage A requirement in rule #5.1
- vi. we are revising rule#6.4 to show the updated Year of Construction Factors.
- vii. We are revising rule #6.8 to show the 12% credit for educators.
- viii. We are revising rule #6.10 to specify that a credit report must be ordered at least once within a 36 month period, but not more than once in a 12 month period. We are also specifying that the client may also request a reorder once in a 12 month period.
- ix. We are revising rule #6.11 to show the new Claims Experience Rating Plan and the \$500 claim threshold.
- x. We are making a spelling correction in rule #7.19.
- xi. We are moving the construction definitions from the end of the HO Territories document to the end of the AR HO Rules & Rates.

b. AR HO Premiums

- i. All pages are being updated to reflect the proposed base rates and proposed coverage A factors.

c. AR HO Territories

- i. This document is being updated to reflect the new territory definitions.

Our revised manual pages are attached at the end of the filing. The above changes will become effective on 3/1/2015 for new and renewal business.

State: Arkansas
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: AR Homeowner Rate and Rule Filing
Project Name/Number: AR HO03012015/

First Filing Company: Horace Mann Insurance Company, ...

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)
11/19/2014		Supporting Document	HPCS-Homeowners Premium Comparison Survey	11/24/2014	HO Premium Comparison Survey - HMIC.xls (Superceded) HO Premium Comparison Survey - TIC.xls (Superceded) HO Premium Comparison Survey - HMIC.pdf (Superceded) HO Premium Comparison Survey - TIC.pdf (Superceded)
11/19/2014		Supporting Document	Actuarial Justification	11/24/2014	Justification.pdf (Superceded)
11/13/2014		Supporting Document	HPCS-Homeowners Premium Comparison Survey	11/19/2014	HO Premium Comparison Survey - HMIC.xls HO Premium Comparison Survey - TIC.xls
11/13/2014		Supporting Document	NAIC loss cost data entry document	11/25/2014	NAIC Loss Cost Data Entry Document - HMIC.pdf (Superceded) NAIC Loss Cost Data Entry Document - TIC.pdf (Superceded)

NAIC Number: 22578
 Company Name: Horace Mann Insurance Company
 Contact Person: Michael Croxton
 Telephone No.: 217-789-2500 x 5468
 Email Address: michael.croxton@horacemann.com
 Effective Date: 3/1/2015

**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	\$607.00	\$667.00	\$607.00	\$667.00	\$736.00	\$810.00	\$905.00	\$995.00	\$736.00	\$810.00	\$736.00	\$810.00	\$736.00	\$810.00	\$686.00	\$754.00	\$832.00	\$915.00
	\$120,000	\$867.00	\$953.00	\$867.00	\$953.00	\$1,052.00	\$1,158.00	\$1,292.00	\$1,422.00	\$1,052.00	\$1,158.00	\$1,052.00	\$1,158.00	\$1,052.00	\$1,158.00	\$980.00	\$1,078.00	\$1,189.00	\$1,307.00
	\$160,000	\$1,064.00	\$1,170.00	\$1,064.00	\$1,170.00	\$1,293.00	\$1,422.00	\$1,587.00	\$1,746.00	\$1,293.00	\$1,422.00	\$1,293.00	\$1,422.00	\$1,293.00	\$1,422.00	\$1,204.00	\$1,325.00	\$1,459.00	\$1,606.00
6	\$80,000	\$716.00	\$794.00	\$716.00	\$794.00	\$869.00	\$965.00	\$1,067.00	\$1,184.00	\$869.00	\$965.00	\$869.00	\$965.00	\$869.00	\$965.00	\$809.00	\$899.00	\$981.00	\$1,090.00
	\$120,000	\$1,023.00	\$1,135.00	\$1,023.00	\$1,135.00	\$1,243.00	\$1,379.00	\$1,525.00	\$1,692.00	\$1,243.00	\$1,379.00	\$1,243.00	\$1,379.00	\$1,243.00	\$1,379.00	\$1,156.00	\$1,284.00	\$1,402.00	\$1,556.00
	\$160,000	\$1,257.00	\$1,394.00	\$1,257.00	\$1,394.00	\$1,526.00	\$1,693.00	\$1,872.00	\$2,079.00	\$1,526.00	\$1,693.00	\$1,526.00	\$1,693.00	\$1,526.00	\$1,693.00	\$1,420.00	\$1,577.00	\$1,721.00	\$1,912.00
9	\$80,000	\$1,213.00	\$1,396.00	\$1,213.00	\$1,396.00	\$1,474.00	\$1,695.00	\$1,809.00	\$2,081.00	\$1,474.00	\$1,695.00	\$1,474.00	\$1,695.00	\$1,474.00	\$1,695.00	\$1,373.00	\$1,579.00	\$1,664.00	\$1,914.00
	\$120,000	\$1,734.00	\$1,994.00	\$1,734.00	\$1,994.00	\$2,106.00	\$2,422.00	\$2,585.00	\$2,973.00	\$2,106.00	\$2,422.00	\$2,106.00	\$2,422.00	\$2,106.00	\$2,422.00	\$1,960.00	\$2,255.00	\$2,378.00	\$2,735.00
	\$160,000	\$2,130.00	\$2,449.00	\$2,130.00	\$2,449.00	\$2,586.00	\$2,974.00	\$3,175.00	\$3,651.00	\$2,586.00	\$2,974.00	\$2,586.00	\$2,974.00	\$2,586.00	\$2,974.00	\$2,408.00	\$2,770.00	\$2,920.00	\$3,358.00

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

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$154.00	\$154.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00
	\$15,000	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$186.00	\$186.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00
	\$25,000	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$257.00	\$257.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00	\$242.00
6	\$5,000	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$170.00	\$170.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00
	\$15,000	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$205.00	\$205.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00	\$193.00
	\$25,000	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$283.00	\$283.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00
9	\$5,000	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$294.00	\$294.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00	\$276.00
	\$15,000	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$354.00	\$354.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00	\$333.00
	\$25,000	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$489.00	\$489.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00	\$460.00

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		%	Deadbolt Lock		%
Burglar Alarm	5	%	Window Locks		%
Smoke Alarm	5	%	\$1,000 Deductible	5	%
			Other (specify)		%
			Maximum Credit Allowed		%

EARTHQUAKE INSURANCE

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

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		\$	\$
Lowest Risk		\$	\$

**Horace Mann Insurance Company
Teachers Insurance Company
Arkansas
Homeowners
Filing Table of Contents**

Premium and Financial Effects	Exhibit I
Indication and Support	Exhibit II
Base Rates	Exhibit III
Coverage A	Exhibit IV
Claims Persistency	Exhibit V
Year of Construction	Exhibit VI
Increased Coverage A	Exhibit VII
Revised Manual Pages	

**Horace Mann Insurance Company - Teachers Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	9.7%	5.0%	9.6%
14	14	3.6%	6.6%	4.6%
44	44	6.9%	0.0%	6.9%
51	51	6.8%	0.0%	6.8%
60	60	5.0%	5.9%	5.0%
63	10	6.8%	5.6%	6.8%
65	65	11.4%	5.1%	11.3%
67	67	8.0%	5.7%	7.9%
68	68	8.7%	5.4%	8.6%
70	10	4.2%	5.0%	4.2%
71	11	10.2%	0.0%	10.2%
72	12	12.0%	0.0%	12.0%
73	12	5.8%	4.7%	5.8%
74	11	11.9%	0.0%	11.9%
75	12	12.4%	5.7%	11.6%
Totals		6.2%	5.7%	6.1%

**Horace Mann Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	8.5%	0.0%	8.5%
14	14	0.0%	0.0%	0.0%
44	44	6.9%	0.0%	6.9%
51	51	6.6%	0.0%	6.6%
60	60	8.1%	5.9%	8.0%
63	10	6.1%	0.0%	6.1%
65	65	11.0%	0.0%	11.0%
67	67	8.4%	0.0%	8.4%
68	68	10.9%	5.0%	10.5%
70	10	-12.2%	0.0%	-12.2%
71	11	9.5%	0.0%	9.5%
72	12	0.0%	0.0%	0.0%
73	12	7.2%	5.4%	7.1%
74	11	11.9%	0.0%	11.9%
75	12	0.0%	0.0%	0.0%
Totals		5.5%	5.7%	5.5%

**Teachers Insurance Company
Arkansas
Proposed Territorial Premium Effects**

Current Territory	Proposed Territory	Form 3	Form 4 (Tenant & Condo)	Total
13	13	9.9%	5.0%	9.8%
14	14	3.6%	6.6%	4.6%
44	44	6.9%	0.0%	6.9%
51	51	6.9%	0.0%	6.9%
60	60	4.6%	5.9%	4.6%
63	10	7.0%	5.6%	7.0%
65	65	11.7%	5.1%	11.5%
67	67	7.9%	5.7%	7.8%
68	68	8.3%	5.8%	8.3%
70	10	7.1%	5.0%	7.0%
71	11	10.3%	0.0%	10.3%
72	12	12.0%	0.0%	12.0%
73	12	4.9%	4.1%	4.9%
74	11	0.0%	0.0%	0.0%
75	12	12.4%	5.7%	11.6%
Totals		6.3%	5.7%	6.3%

**Horace Mann Insurance Company - Teachers Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	9.4%	5.0%	9.2%
14	14	3.2%	6.6%	3.4%
44	44	6.6%	0.0%	6.4%
51	51	6.5%	0.0%	6.3%
60	60	4.7%	5.9%	4.7%
63	10	6.5%	5.6%	6.5%
65	65	11.1%	5.1%	10.9%
67	67	7.6%	5.7%	7.6%
68	68	8.3%	5.4%	8.2%
70	10	3.9%	5.0%	3.9%
71	11	9.8%	0.0%	9.5%
72	12	11.7%	0.0%	11.3%
73	12	5.5%	4.7%	5.4%
74	11	11.5%	0.0%	11.1%
75	12	12.0%	5.7%	11.8%
Totals		5.8%	5.7%	5.8%

**Horace Mann Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 1,2&3	Form 4 (Tenant & Condo)	Total
13	13	8.2%	0.0%	8.1%
14	14	-0.3%	0.0%	-0.3%
44	44	6.6%	0.0%	6.5%
51	51	6.3%	0.0%	6.2%
60	60	7.8%	5.9%	7.7%
63	10	5.8%	0.0%	5.7%
65	65	10.7%	0.0%	10.5%
67	67	8.1%	0.0%	8.0%
68	68	10.6%	5.0%	10.5%
70	10	-12.5%	0.0%	-12.3%
71	11	9.2%	0.0%	9.1%
72	12	-0.3%	0.0%	-0.3%
73	12	6.8%	5.4%	6.8%
74	11	11.5%	0.0%	11.3%
75	12	-0.3%	0.0%	-0.3%
Totals		5.2%	5.7%	5.2%

**Teachers Insurance Company
Arkansas
Proposed Territorial Financial Effects**

Current Territory	Proposed Territory	Form 3	Form 4 (Tenant & Condo)	Total
13	13	9.6%	5.0%	9.4%
14	14	3.2%	6.6%	3.4%
44	44	6.6%	0.0%	6.4%
51	51	6.6%	0.0%	6.4%
60	60	4.3%	5.9%	4.3%
63	10	6.7%	5.6%	6.6%
65	65	11.3%	5.1%	11.1%
67	67	7.5%	5.7%	7.5%
68	68	8.0%	5.8%	7.9%
70	10	6.8%	5.0%	6.7%
71	11	10.0%	0.0%	9.6%
72	12	11.7%	0.0%	11.2%
73	12	4.6%	4.1%	4.5%
74	11	-0.3%	0.0%	-0.3%
75	12	12.0%	5.7%	11.8%
Totals		6.0%	5.7%	6.0%

Horace Mann and Teachers Combined Companies
 ARKANSAS
 Homeowner Indicated Rate Level Adjustment

Year Ending	Direct Earned Premium	Direct Incurred Losses	Unadjusted Loss Ratio	Total Premium Adjustment Factor	Adjusted Earned Premium (1)
6/30/2010	\$251,014	\$54,325	0.216	0.794	\$199,305
6/30/2011	\$277,616	\$139,144	0.501	0.689	\$191,277
6/30/2012	\$299,490	\$100,500	0.336	0.701	\$209,942
6/30/2013	\$405,752	\$82,262	0.203	0.785	\$318,515
6/30/2014	\$623,155	\$137,355	0.220	0.876	\$545,884
Totals:	\$1,857,027	\$513,586	0.277		\$1,464,924

Year Ending	Wind Losses	Avg Annual Wind Losses	Loss Development Factors	Historical Loss Trend Factor	Projected Loss Trend Factor
6/30/2010	\$46,110	\$46,110	1.005	1.072	1.016
6/30/2011	\$115,703	\$115,703	1.012	1.054	1.016
6/30/2012	\$47,814	\$47,814	1.028	1.035	1.016
6/30/2013	\$67,217	\$67,217	1.059	1.018	1.016
6/30/2014	\$38,378	\$38,378	1.229	1.000	1.016

Totals:	\$315,222	\$315,222
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Year Ending	Adjusted Losses	Loss Adjustment Expenses	Adjusted Losses & LAE (2)	Adjusted Loss and LAE Ratio	Weight
6/30/2010	\$81,049	\$11,347	\$92,395	0.464	0.10
6/30/2011	\$172,223	\$24,111	\$196,334	1.026	0.15
6/30/2012	\$131,420	\$18,399	\$149,819	0.714	0.20
6/30/2013	\$122,806	\$17,193	\$139,999	0.440	0.25
6/30/2014	\$236,391	\$33,095	\$269,486	0.494	0.30
Totals:	\$743,888	\$104,144	\$848,033	0.601	1.00

Five Year Weighted Adjusted Loss Ratio (3)	0.601
Permissible Loss Ratio (4)	0.519
Complement of Credibility (5)	0.568
Credibility Factor (6)	0.340
Credibility Weighted Loss Ratio (7)	0.579
Fixed Expense Provision (8)	0.158
Variable Expense (9)	0.323
Indicated Rate Level Adjustment (10)	8.9%

- (1) Adjusted to current rate level by premium trend adjustment factors.
- (2) Adjusted for loss development, large losses, trend, modeled wind and LAE.
- (3) Using standard weights of 0.10, 0.15, 0.20, 0.25 & 0.30 applied to adjusted loss ratios for the experience period.
- (4) Calculated from budgeted expense allocations and reinsurance load.
- (5) Trended Permissible Loss Ratio as calculated in our "Complement of Credibility".
- (6) Using the formula $Z = (1.5 * P) / (P + 5000000)$, where P equals the adjusted premiums for the past five calendar years.
- (7) Five year weighted adjusted loss ratio is credibility weighted with the trended expected loss ratio using the formula (5 Year Average Loss Ratio & LAE * Credibility Factor) + (Complement of Credibility * (1 - Credibility Factor))
- (8) Fixed expenses assuming 90% of Other Acquisition, 90% of General, and 100% of Reinsurance expenses are fixed.
- (9) Variable expenses = 1 - Permissible Loss Ratio - Fixed Expense Provision
- (10) Indication calculated as : $[(\text{Credibility Weighted LR} + \text{Fixed Expense Provision}) / (1 - \text{Variable Expense})] - 1$

(1) Data

Unlagged earned premium, losses, and exposures were used in this indication. The loss development factors utilized in this indication were derived also using unlagged data.

(2) Premium Trend Adjustment Factors

These factors were applied to each fiscal year's earned premiums to bring them up to current rate level and to account for distributional shifts.

(3) Loss Trend

The loss trend was determined using the historical data. There are two steps- historical and projected trend. The losses were first trended from the midpoint of the experience period to the midpoint of the latest experience year, and then projects from the midpoint of the latest experience year to the midpoint of the projected period. The loss trend was then applied to the incurred losses.

(4) Permissible Loss Ratio (PLR)

The Permissible Loss Ratio is calculated using the complement of our Budgeted Expense Ratio. The Budgeted Expense Ratio is developed after reviewing our latest

three years expense ratios derived from the Insurance Expense Exhibits. This expense ratio includes a 15.0% Profit and Contingency Loading.

(5) Loss Ratio Credibility Procedure

First, the adjusted fiscal accident year loss ratios are credibility weighted using a 10-15-20-25-30 weighting scheme to get the Actual Loss Ratio (ALR).

The credibility assigned to the ALR is assigned using the formula: $Z = (1.5 * AEP) / (AEP + \$5,000,000)$ where Z is the credibility factor and AEP is 5 years total of Adjusted Earned Premium. The data is assumed to be fully credible if there is \$10 million in adjusted earned premiums over the experience period. The formula for the credibility weighted loss ratio is $CWLR = (ALR)(Z) + (PLR)(T)(1 - Z)$.

(6) Indicated Rate Level Adjustment (IRLA)

The Indicated Rate Level Adjustment is calculated using the ratio of the CWLR plus the fixed expense provision to the complement of the variable expenses. The formula is: $IRLA = ((CWLR + Fixed Expense) / (1 - Variable Expenses)) - 1$.

(7) Average Annual Large Loss Procedure

We replaced our actual non-wind/hail losses in excess of \$35,000 with a credibility weighted large loss load. Credibility was assigned to our data using a modified version of the $n/(n+k)$ formula. In our formula, k is the mean of the variance of sampled relativities (sampled using the bootstrapping procedure) divided by the variance of the state relativities. For n we use the inverse square of the coefficient of variation of the relativities (μ^2/σ^2). We then applied this credibility weighted factor to a countrywide large loss to amount of insurance years factor based upon our most recent ten years of data. By using this approach we are able to balance the stability of a long-term estimate of large loss potential with the responsiveness of more recent data. These large losses are included as a load to our indication for expected large losses.

Horace Mann and Teachers Combined Companies
ARKANSAS
Premium Adjustment Factor Calculation

	(1)	(2)	(3)									(4)	(5)	(6)
Year Ending	Exposures	Earned Premium	Average Premium @ CRL	Latest Quarter Earned Premium @CRL	Indicated Projected Premium Trend	Selected Projected Premium Trend	Years of Projected Trend	Indicated Historical Premium Trend Factor	Indicated Projected Premium Trend Factor	Selected Historical Premium Trend Factor	Selected Projected Premium Trend Factor	Total Premium Trend Factor	On level Factor	Total Premium Adjustment Factor
6/30/2010	224	251,014	\$1,403		-13.6%	-8.0%	1.79	0.737	0.77	0.737	0.861	0.634	1.252	0.794
6/30/2011	215	277,616	\$1,473		-13.6%	-8.0%	1.79	0.702	0.77	0.702	0.861	0.604	1.141	0.689
6/30/2012	236	299,490	\$1,399		-13.6%	-8.0%	1.79	0.739	0.77	0.739	0.861	0.636	1.103	0.701
6/30/2013	358	405,752	\$1,246		-13.6%	-8.0%	1.79	0.830	0.77	0.830	0.861	0.714	1.099	0.785
6/30/2014	613	623,155	\$1,074	\$1,034	-13.6%	-8.0%	1.79	0.963	0.77	0.963	0.861	0.829	1.057	0.876

Historical Earned Premium is adjusted to current level as of 05/15/2014. Premiums are then projected to the future average earned premium date of 03/01/2016 using a premium trend of -8.0%.

Combined Companies
ARKANSAS
Earned Premium On-Level Factors

Experience Year Ending	On-Level Factor
6/30/2010	1.252
6/30/2011	1.141
6/30/2012	1.103
6/30/2013	1.099
6/30/2014	1.057

Renewal Effective Date	Forms Combined Effect
4/15/2009	6.0%
4/15/2010	11.9%
6/1/2011	0.0%
9/1/2011	0.0%
3/1/2013	5.0%
3/1/2014	5.0%

Horace Mann Insurance Companies
HO X-Cat with Liability Unlagged

Cumulative Incurred Loss
As of 3/31/2014
Direct Layer

Accident Year	12	24	36	48	60	72	84	96	108
2006	49,919	55,469	56,277	56,951	57,430	57,748	57,858	57,779	57,784
2007	45,829	52,293	54,306	55,273	55,452	55,605	55,790	55,855	
2008	57,194	64,752	65,340	65,452	65,774	65,864	65,885		
2009	65,623	74,383	76,564	77,392	78,046	78,235			
2010	69,220	82,637	86,395	88,353	89,666				
2011	72,617	89,124	93,664	95,406					
2012	59,710	68,433	69,510						
2013	60,761	69,245							
2014	62,711								

Incurred Loss Development
As of 3/31/2014
Direct Layer

Accident Year	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-Ult
2006	1.111	1.015	1.012	1.008	1.006	1.002	0.999	1.000	
2007	1.141	1.038	1.018	1.003	1.003	1.003	1.001		
2008	1.132	1.009	1.002	1.005	1.001	1.000			
2009	1.133	1.029	1.011	1.008	1.002				
2010	1.194	1.045	1.023	1.015					
2011	1.227	1.051	1.019						
2012	1.146	1.016							
2013	1.140								
Average	1.153	1.029	1.014	1.008	1.003	1.002	1.000	1.000	
Volume Weighted Average	1.157	1.031	1.015	1.009	1.003	1.002	1.000	1.000	
2 Year Average	1.143	1.033	1.021	1.012	1.002	1.002	1.000	1.000	
5 Year Average Excluding High/Low	1.160	1.030	1.016	1.007	1.003	1.002			
1 Year Average	1.140	1.016	1.019	1.015	1.002	1.000	1.001	1.000	
Linear Trend:									
Slope	0.007	0.002	0.002	0.002	-0.001	-0.001	0.003		
Y Intercept	1.123	1.020	1.008	1.003	1.006	1.003	0.996		
R squared	0.191	0.092	0.167	0.412	0.607	0.278	1.000		
Projected	1.184	1.038	1.020	1.013	1.000	1.000	1.004		
Exponential Curve:									
Slope %	0.589	0.224	0.160	0.179	-0.107	-0.079	0.253		
Y Intercept	1.123	1.020	1.008	1.003	1.006	1.003	0.996		
R squared	0.196	0.092	0.166	0.411	0.607	0.278	1.000		
Projected	1.183	1.038	1.020	1.013	1.000	1.000	1.004		
Inverse Power Curve	1.242	1.028	1.008	1.003	1.002	1.001	1.001	1.000	1.001
Exponential Curve	1.102	1.040	1.016	1.006	1.002	1.001	1.000	1.000	1.000
Weibull Curve	1.130	1.035	1.012	1.005	1.002	1.001	1.000	1.000	1.000
Selected	1.160	1.030	1.016	1.007	1.003	1.002	1.000	1.000	1.000
Cumulative	1.229	1.059	1.028	1.012	1.005	1.002	1.000	1.000	1.000

**Horace Mann and Teachers Combined Companies
ARKANSAS
Loss Trend Calculation**

Historical Severity Trend

Form	Distribution Weight	Indicated Severity Change			Selected Severity Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Severity Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	2.6%	0.8%	2.6%	2.6%	2.0%	2.6%	29	0.139	0.430	0.430	2.3%	2.3%
4	1.8%	1.6%	1.6%	1.6%	1.5%	1.5%	1.5%	1	0.018	0.491	0.491	1.5%	
Total	100.0%	2.5%	0.9%	2.5%	2.5%	2.0%	2.5%	28	0.137	0.432	0.432	2.3%	

Projected Severity Trend

Form	Distribution Weight	Indicated Severity Change			Selected Severity Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Severity Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	1.6%	0.8%	1.6%	1.6%	3.0%	1.6%	29	0.139	0.430	0.430	2.2%	2.2%
4	1.8%	1.9%	1.9%	1.9%	1.9%	1.5%	1.9%	1	0.018	0.491	0.491	1.7%	
Total	100.0%	1.6%	0.9%	1.6%	1.6%	3.0%	1.6%	28	0.137	0.432	0.432	2.2%	

Historical Frequency Trend

Form	Distribution Weight	Indicated Frequency Change			Selected Frequency Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Frequency Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	-2.1%	0.3%	-2.1%	-1.0%	0.0%	-1.0%	29	0.139	0.430	0.430	-0.6%	-0.5%
4	1.8%	-4.6%	3.1%	-0.2%	0.0%	3.0%	0.0%	1	0.018	0.491	0.491	1.5%	
Total	100.0%	-2.1%	0.3%	-2.0%	-1.0%	0.1%	-1.0%	28	0.137	0.432	0.432	-0.5%	

Projected Frequency Trend

Form	Distribution Weight	Indicated Frequency Change			Selected Frequency Change			Latest Year Number Paid Claims	Credibility			Credibility Weighted Change	Selected Frequency Change
		HM State	HM Countrywide	Fast Track State	HM State	HM Countrywide	Fast Track State		HM State	HM Countrywide	Fast Track State		
1, 2, 3	98.2%	-5.6%	-7.1%	-5.6%	-1.0%	-2.0%	-1.0%	29	0.139	0.430	0.430	-1.4%	-1.4%
4	1.8%	-10.1%	-4.1%	-0.2%	0.0%	0.0%	0.0%	1	0.018	0.491	0.491	0.0%	
Total	100.0%	-5.6%	-7.0%	-5.5%	-1.0%	-2.0%	-1.0%	28	0.137	0.432	0.432	-1.4%	

Historical Trend factor calculation				
Year Ending	Years of Historical Trend	Severity Trend Factor	Frequency Trend Factor	Pure Premium Trend Factor
6/30/2010	4.00	1.095	0.979	1.072
6/30/2011	3.00	1.071	0.984	1.054
6/30/2012	2.00	1.047	0.989	1.035
6/30/2013	1.00	1.023	0.995	1.018
6/30/2014	0.00	1.000	1.000	1.000

Projected Trend factor calculation				
Year Ending	Years of Projected Trend	Severity Trend Factor	Frequency Trend Factor	Pure Premium Trend Factor
6/30/2010	2.17	1.048	0.970	1.016
6/30/2011	2.17	1.048	0.970	1.016
6/30/2012	2.17	1.048	0.970	1.016
6/30/2013	2.17	1.048	0.970	1.016
6/30/2014	2.17	1.048	0.970	1.016

Notes:

- The average earned date of premium is approximately 12 months after the proposed effective date of 03/01/2015
- The loss trend factor trends losses first from the midpoint of the experience period to the midpoint of the latest experience year, and then projects from the midpoint of the latest experience year to the midpoint of the projected period, which is 12 months after proposed effective date.
- Trend Factor = $(1 + \text{Historical Trend \%})^{\text{Years of Historical Period}} * (1 + \text{Projected Trend \%})^{\text{Years of Projected Period}}$
- Pure Premium Trend Factor = Severity Trend Factor * Frequency Trend Factor
- Credibility assigned to HM State data = $(\text{Lastest Yr HM State Number Paid Claims} / (1537 * (1 + \text{CV}^2)))^{1/2}$

*Frequency and Severity Trend are derived from Adjusted Quarterly data.

Horace Mann\Teachers\Horace Mann P&C\Horace Mann Lloyds Insurance Companies Combined
Arkansas
Expense Exhibit
Homeowners
(\$ x1000)

	2010		2011		2012	
	\$	%	\$	%	\$	%
Direct Written Premiums	187,530		186,494		189,733	
Direct Earned Premiums	187,166		185,848		188,345	
Direct Commissions (W)	12,382	6.6%	12,651	6.8%	13,571	7.2%
Other Acquisition Expenses (E)	8,790	4.7%	8,025	4.3%	6,691	3.6%
General Expenses (E)	19,685	10.5%	18,142	9.8%	21,093	11.2%
Taxes, Licenses & Fees (W)	5,177	2.8%	4,980	2.7%	5,317	2.8%
		24.6%		23.5%		24.7%

Anticipated 2013 Permissible Loss Ratio

	Total	Fixed	Variable
Commissions	12.3%	0.0%	12.3%
Other Acquisition Expenses	4.6%	4.2%	0.4%
General Expenses	11.0%	10.0%	1.0%
Taxes, Licenses & Fees	3.6%	0.0%	3.6%
Reinsurance Expense	1.6%	1.6%	0.0%
Underwriting Profit & Contingencies	<u>15.0%</u>	<u>0.0%</u>	<u>15.0%</u>
Total Expenses & Profit	48.1%	15.8%	32.3%
Permissible Loss Ratio	51.9%		

NOTE: Captions designated by (W) are ratioed to written premiums;
those by (E) are ratioed to earned premiums.

Homeowners Territory Definitions
Arkansas

Current Territory	Proposed Territory	Territory Definition
13	13	Remainder of Pulaski County
14	14	Pulaski County: Little Rock; Zip Codes 72201-09
44	44	Crittenden, Lawrence and Poinsett Counties
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19
60	60	Baxter, Benton, Carroll and Washington Counties
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties
71	11	Cross, Lee, Phillips and St. Francis Counties
72	12	Fulton, Greene, Izard, Sharp and Stone Counties
73	12	Crawford and Saline Counties
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties
75	12	Johnson and Pope Counties

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 1,2&3**

			(1)	(3)	(4)	(7)	(8)	(9)	(10)	(12)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Re-Based Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect	Financial Effect
13	13	Remainder of Pulaski County	3%	1921	1400	2.5%	1481	5.8%	8.5%	8.2%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	0%	3590	2615	0.0%	2767	5.8%	0.0%	-0.3%
44	44	Crittenden, Lawrence and Poinsett Counties	1%	1959	1427	1.0%	1510	5.8%	6.9%	6.6%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	1%	1726	1257	0.8%	1330	5.8%	6.6%	6.3%
60	60	Baxter, Benton, Carroll and Washington Counties	38%	1258	916	2.1%	970	5.8%	8.1%	7.8%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	12%	1528	1113	0.3%	1178	5.8%	6.1%	5.8%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	4%	1902	1386	5.0%	1466	5.8%	11.0%	10.7%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	9%	1423	1037	2.4%	1097	5.8%	8.4%	8.1%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	5%	1413	1029	4.8%	1089	5.8%	10.9%	10.6%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	11%	1917	1397	4.1%	1178	-15.7%	-12.2%	-12.5%
71	11	Cross, Lee, Phillips and St. Francis Counties	3%	1876	1367	3.5%	1446	5.8%	9.5%	9.2%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	1601	1166	0.0%	1234	5.8%	0.0%	-0.3%
73	12	Crawford and Saline Counties	8%	1604	1169	1.5%	1234	5.6%	7.2%	6.8%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	4%	1879	1369	5.9%	1446	5.6%	11.9%	11.5%
75	12	Johnson and Pope Counties	0%	1592	1160	0.0%	1234	6.4%	0.0%	-0.3%
Total			100%	1516	1104	2.6%	1136	2.9%	5.5%	5.2%

Current Base Coverage: \$150,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$100,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 3**

			(1)	(3)	(4)	(7)	(8)	(9)	(10)	(12)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Re-Based Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect	Financial Effect
13	13	Remainder of Pulaski County	2%	1506	1094	3.9%	1157	5.8%	9.9%	9.6%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	1%	2290	1663	-2.1%	1760	5.8%	3.6%	3.2%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	1520	1104	1.1%	1168	5.8%	6.9%	6.6%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	1%	1355	984	1.1%	1041	5.8%	6.9%	6.6%
60	60	Baxter, Benton, Carroll and Washington Counties	56%	960	697	-1.2%	738	5.9%	4.6%	4.3%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	8%	1198	870	1.2%	920	5.7%	7.0%	6.7%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	2%	1495	1086	5.5%	1149	5.8%	11.7%	11.3%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	6%	1111	807	1.9%	854	5.8%	7.9%	7.5%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	6%	1071	778	2.4%	823	5.8%	8.3%	8.0%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	14%	1197	869	1.2%	920	5.8%	7.1%	6.8%
71	11	Cross, Lee, Phillips and St. Francis Counties	3%	1469	1067	4.2%	1129	5.8%	10.3%	10.0%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	1254	911	5.8%	964	5.9%	12.0%	11.7%
73	12	Crawford and Saline Counties	2%	1265	919	-0.1%	964	4.9%	4.9%	4.6%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	1457	1058	0.0%	1129	6.7%	0.0%	-0.3%
75	12	Johnson and Pope Counties	0%	1246	905	5.5%	964	6.5%	12.4%	12.0%
Total			100%	1078	783	0.5%	829	5.8%	6.3%	6.0%

Current Base Coverage: \$150,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$100,000 Covg. A, \$750 Flat Deductible, Masonry, Protection Class 1-3, \$100,000/1,000 Liability Limits

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 4 (Tenant & Condo)**

			(1)	(3)	(7)	(8)	(9)	(10)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect
13	13	Remainder of Pulaski County	0%	145	0.0%	153	5.5%	0.0%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	0%	203	0.0%	215	5.9%	0.0%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	145	0.0%	153	5.5%	0.0%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	0%	166	0.0%	176	6.0%	0.0%
60	60	Baxter, Benton, Carroll and Washington Counties	71%	166	-0.1%	176	6.0%	5.9%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	0%	166	0.0%	176	6.0%	0.0%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	0%	166	0.0%	176	6.0%	0.0%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	0%	166	0.0%	176	6.0%	0.0%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	14%	166	-1.0%	176	6.0%	5.0%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	0%	166	0.0%	176	6.0%	0.0%
71	11	Cross, Lee, Phillips and St. Francis Counties	0%	177	0.0%	187	5.6%	0.0%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	166	0.0%	176	6.0%	0.0%
73	12	Crawford and Saline Counties	14%	166	-0.6%	176	6.0%	5.4%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	180	0.0%	187	3.9%	0.0%
75	12	Johnson and Pope Counties	0%	166	0.0%	176	6.0%	0.0%
Total			100%	166	-0.3%	176	6.0%	5.7%

Current Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Form 4 (Tenant & Condo)**

			(1)	(3)	(7)	(8)	(9)	(10)
Current Territory	Proposed Territory	Territory Definition	PIF Weight	Current Base Rate	Rating Factor Change Effect	Proposed Base Rate	Base Rate Effect	Rating Premium Effect
13	13	Remainder of Pulaski County	3%	130	-1.1%	138	6.2%	5.0%
14	14	Pulaski County: Little Rock; Zip Codes 72201-09	7%	184	0.6%	195	6.0%	6.6%
44	44	Crittenden, Lawrence and Poinsett Counties	0%	130	0.0%	138	6.2%	0.0%
51	51	Pulaski County: North Little Rock; Zip Codes 72114-19	0%	130	0.0%	138	6.2%	0.0%
60	60	Baxter, Benton, Carroll and Washington Counties	64%	130	-0.3%	138	6.2%	5.9%
63	10	Arkansas, Bradley, Calhoun, Conway, Dallas, Drew, Franklin, Lafayette, Little River, Lonoke, Miller, Mississippi, Monroe, Ouachita, Pike, Polk, Union and Yell Counties	2%	130	-0.6%	138	6.2%	5.6%
65	65	Ashley, Clay, Hot Springs, Howard, Jackson, White and Woodruff Counties	1%	135	-0.8%	143	5.9%	5.1%
67	67	Boone, Madison, Marion, Newton, Perry, Searcy, Sebastian and Van Buren Counties	3%	130	-0.4%	138	6.2%	5.7%
68	68	Cleburne, Faulkner, Garland, Independence, Logan and Scott Counties	2%	130	-0.3%	138	6.2%	5.8%
70	10	Clark, Cleveland, Craighead, Desha, Grant, Hempstead, Jefferson, Montgomery, Nevada and Prairie Counties	17%	130	-1.1%	138	6.2%	5.0%
71	11	Cross, Lee, Phillips and St. Francis Counties	0%	155	0.0%	164	5.8%	0.0%
72	12	Fulton, Greene, Izard, Sharp and Stone Counties	0%	130	0.0%	138	6.2%	0.0%
73	12	Crawford and Saline Counties	1%	130	-2.0%	138	6.2%	4.1%
74	11	Chicot, Columbia, Lincoln, Randolph and Sevier Counties	0%	130	0.0%	164	26.2%	0.0%
75	12	Johnson and Pope Counties	1%	130	-0.4%	138	6.2%	5.7%
Total			100%	134	-0.4%	142	6.1%	5.7%

Current Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits
Proposed Base Coverage: \$15,000 Covg. C, \$500 Flat Deductible, Protection Class 1-4, \$100,000/1,000 Liability Limits

Horace Mann Insurance Company
Arkansas
Coverage A Relativities - Forms 1, 2 & 3

Coverage A Amount	Premium	Weight	Current	Rebased	Proposed	Effect
\$25,000	\$0	0.000	0.421	0.613	0.613	45.6%
\$30,000	\$0	0.000	0.425	0.619	0.619	45.6%
\$35,000	\$0	0.000	0.431	0.627	0.627	45.5%
\$40,000	\$0	0.000	0.436	0.635	0.635	45.6%
\$45,000	\$0	0.000	0.440	0.640	0.640	45.5%
\$50,000	\$0	0.000	0.445	0.648	0.648	45.6%
\$55,000	\$0	0.000	0.480	0.699	0.699	45.6%
\$60,000	\$0	0.000	0.487	0.709	0.709	45.6%
\$65,000	\$0	0.000	0.503	0.732	0.732	45.5%
\$70,000	\$0	0.000	0.524	0.763	0.763	45.6%
\$75,000	\$0	0.000	0.543	0.790	0.790	45.5%
\$80,000	\$0	0.000	0.576	0.838	0.838	45.5%
\$85,000	\$0	0.000	0.611	0.889	0.889	45.5%
\$90,000	\$0	0.000	0.645	0.939	0.939	45.6%
\$95,000	\$0	0.000	0.667	0.971	0.971	45.6%
\$100,000	\$0	0.000	0.687	1.000	1.000	45.6%
\$105,000	\$1,662	0.013	0.719	1.047	1.047	45.6%
\$110,000	\$2,238	0.018	0.750	1.092	1.092	45.6%
\$115,000	\$2,148	0.017	0.787	1.146	1.146	45.6%
\$120,000	\$3,043	0.025	0.822	1.197	1.197	45.6%
\$125,000	\$6,643	0.054	0.858	1.249	1.249	45.6%
\$130,000	\$6,276	0.051	0.893	1.300	1.300	45.6%
\$135,000	\$961	0.008	0.930	1.354	1.354	45.6%
\$140,000	\$3,986	0.032	0.955	1.390	1.390	45.5%
\$145,000	\$3,970	0.032	0.975	1.419	1.419	45.5%
\$150,000	\$8,361	0.068	1.000	1.456	1.456	45.6%
\$155,000	\$9,099	0.074	1.002	1.459	1.459	45.6%
\$160,000	\$5,698	0.046	1.010	1.470	1.470	45.5%
\$165,000	\$6,118	0.050	1.026	1.493	1.493	45.5%
\$170,000	\$1,118	0.009	1.045	1.521	1.521	45.6%
\$175,000	\$2,293	0.019	1.064	1.549	1.549	45.6%
\$180,000	\$2,856	0.023	1.084	1.578	1.578	45.6%
\$185,000	\$4,154	0.034	1.106	1.610	1.610	45.6%
\$190,000	\$2,074	0.017	1.127	1.640	1.640	45.5%
\$195,000	\$0	0.000	1.154	1.680	1.680	45.6%
\$200,000	\$1,864	0.015	1.181	1.719	1.719	45.6%
\$205,000	\$6,454	0.052	1.210	1.761	1.761	45.5%
\$210,000	\$3,135	0.025	1.239	1.803	1.803	45.5%
\$215,000	\$0	0.000	1.269	1.847	1.847	45.5%
\$220,000	\$1,392	0.011	1.299	1.891	1.891	45.6%
\$225,000	\$3,360	0.027	1.329	1.934	1.934	45.5%
\$230,000	\$4,495	0.036	1.359	1.978	1.978	45.5%
\$235,000	\$1,763	0.014	1.389	2.022	2.022	45.6%
\$240,000	\$0	0.000	1.419	2.066	2.066	45.6%
\$245,000	\$0	0.000	1.449	2.109	2.109	45.5%
\$250,000	\$1,444	0.012	1.479	2.153	2.153	45.6%
Additional \$5,000	\$0		0.030	0.044	0.044	46.7%
\$265,000	\$2,001	0.016	1.569	2.285	2.285	45.6%
\$275,000	\$3,974	0.032	1.629	2.373	2.373	45.7%
\$280,000	\$3,855	0.031	1.659	2.417	2.417	45.7%
\$285,000	\$2,086	0.017	1.689	2.461	2.461	45.7%
\$290,000	\$2,703	0.022	1.719	2.505	2.505	45.7%
\$340,000	\$3,236	0.026	2.019	2.945	2.945	45.9%
\$360,000	\$2,976	0.024	2.139	3.121	3.121	45.9%
\$400,000	\$1,578	0.013	2.379	3.473	3.473	46.0%
\$445,000	\$2,575	0.021	2.649	3.869	3.869	46.1%
\$500,000	\$1,633	0.013	2.979	4.353	4.353	46.1%
Total						45.6%

Teachers Insurance Company
Arkansas
Coverage A Relativities - Form 3

Coverage A Amount	Premium	Weight	Current	Rebased	Proposed	Effect
\$25,000	\$0	0.000	0.421	0.613	0.613	45.6%
\$30,000	\$0	0.000	0.425	0.619	0.619	45.6%
\$35,000	\$0	0.000	0.431	0.627	0.627	45.5%
\$40,000	\$0	0.000	0.436	0.635	0.635	45.6%
\$45,000	\$0	0.000	0.440	0.640	0.640	45.5%
\$50,000	\$0	0.000	0.445	0.648	0.648	45.6%
\$55,000	\$0	0.000	0.480	0.699	0.699	45.6%
\$60,000	\$0	0.000	0.487	0.709	0.709	45.6%
\$65,000	\$0	0.000	0.503	0.732	0.732	45.5%
\$70,000	\$0	0.000	0.524	0.763	0.763	45.6%
\$75,000	\$0	0.000	0.543	0.790	0.790	45.5%
\$80,000	\$1,457	0.002	0.576	0.838	0.838	45.5%
\$85,000	\$2,450	0.004	0.611	0.889	0.889	45.5%
\$90,000	\$853	0.001	0.645	0.939	0.939	45.6%
\$95,000	\$0	0.000	0.667	0.971	0.971	45.6%
\$100,000	\$6,981	0.012	0.687	1.000	1.000	45.6%
\$105,000	\$10,367	0.017	0.719	1.047	1.047	45.6%
\$110,000	\$5,989	0.010	0.750	1.092	1.092	45.6%
\$115,000	\$2,951	0.005	0.787	1.146	1.146	45.6%
\$120,000	\$7,135	0.012	0.822	1.197	1.197	45.6%
\$125,000	\$17,123	0.028	0.858	1.249	1.249	45.6%
\$130,000	\$29,550	0.049	0.893	1.300	1.300	45.6%
\$135,000	\$19,220	0.032	0.930	1.354	1.354	45.6%
\$140,000	\$18,372	0.030	0.955	1.390	1.390	45.5%
\$145,000	\$14,519	0.024	0.975	1.419	1.419	45.5%
\$150,000	\$22,440	0.037	1.000	1.456	1.456	45.6%
\$155,000	\$14,512	0.024	1.002	1.459	1.459	45.6%
\$160,000	\$24,326	0.040	1.010	1.470	1.470	45.5%
\$165,000	\$15,663	0.026	1.026	1.493	1.493	45.5%
\$170,000	\$12,938	0.021	1.045	1.521	1.521	45.6%
\$175,000	\$21,865	0.036	1.064	1.549	1.549	45.6%
\$180,000	\$27,030	0.045	1.084	1.578	1.578	45.6%
\$185,000	\$15,285	0.025	1.106	1.610	1.610	45.6%
\$190,000	\$16,839	0.028	1.127	1.640	1.640	45.5%
\$195,000	\$19,082	0.031	1.154	1.680	1.680	45.6%
\$200,000	\$15,937	0.026	1.181	1.719	1.719	45.6%
\$205,000	\$11,791	0.019	1.210	1.761	1.761	45.5%
\$210,000	\$15,519	0.026	1.239	1.803	1.803	45.5%
\$215,000	\$7,122	0.012	1.269	1.847	1.847	45.5%
\$220,000	\$6,273	0.010	1.299	1.891	1.891	45.6%
\$225,000	\$9,611	0.016	1.329	1.934	1.934	45.5%
\$230,000	\$11,114	0.018	1.359	1.978	1.978	45.5%
\$235,000	\$22,842	0.038	1.389	2.022	2.022	45.6%
\$240,000	\$3,345	0.006	1.419	2.066	2.066	45.6%
\$245,000	\$10,073	0.017	1.449	2.109	2.109	45.5%
\$250,000	\$5,003	0.008	1.479	2.153	2.153	45.6%
Additional \$5,000	\$0		0.030	0.044	0.044	46.7%
\$255,000	\$14,899	0.025	1.509	2.197	2.197	45.6%
\$260,000	\$10,559	0.017	1.539	2.241	2.241	45.6%
\$265,000	\$10,686	0.018	1.569	2.285	2.285	45.6%
\$270,000	\$2,026	0.003	1.599	2.329	2.329	45.7%
\$275,000	\$3,447	0.006	1.629	2.373	2.373	45.7%
\$280,000	\$6,341	0.010	1.659	2.417	2.417	45.7%
\$285,000	\$3,661	0.006	1.689	2.461	2.461	45.7%
\$290,000	\$3,676	0.006	1.719	2.505	2.505	45.7%
\$295,000	\$8,560	0.014	1.749	2.549	2.549	45.7%
\$300,000	\$6,701	0.011	1.779	2.593	2.593	45.8%
\$305,000	\$781	0.001	1.809	2.637	2.637	45.8%
\$310,000	\$15,325	0.025	1.839	2.681	2.681	45.8%
\$315,000	\$4,970	0.008	1.869	2.725	2.725	45.8%
\$320,000	\$2,140	0.004	1.899	2.769	2.769	45.8%
\$325,000	\$2,693	0.004	1.929	2.813	2.813	45.8%
\$330,000	\$10,802	0.018	1.959	2.857	2.857	45.8%
\$335,000	\$3,942	0.007	1.989	2.901	2.901	45.9%
\$340,000	\$1,415	0.002	2.019	2.945	2.945	45.9%
\$345,000	\$1,221	0.002	2.049	2.989	2.989	45.9%
\$350,000	\$1,973	0.003	2.079	3.033	3.033	45.9%
\$355,000	\$7,567	0.012	2.109	3.077	3.077	45.9%
\$360,000	\$5,282	0.009	2.139	3.121	3.121	45.9%
\$365,000	\$1,951	0.003	2.169	3.165	3.165	45.9%
\$370,000	\$2,074	0.003	2.199	3.209	3.209	45.9%
\$375,000	\$4,218	0.007	2.229	3.253	3.253	45.9%
\$390,000	\$1,735	0.003	2.319	3.385	3.385	46.0%
\$395,000	\$1,316	0.002	2.349	3.429	3.429	46.0%
\$400,000	\$3,747	0.006	2.379	3.473	3.473	46.0%
\$410,000	\$1,506	0.002	2.439	3.561	3.561	46.0%
\$425,000	\$1,577	0.003	2.529	3.693	3.693	46.0%

Teachers Insurance Company
Arkansas
Coverage A Relativities - Form 3

Coverage A Amount	Premium	Weight	Current	Rebased	Proposed	Effect
\$430,000	\$3,573	0.006	2.559	3.737	3.737	46.0%
\$450,000	\$1,819	0.003	2.679	3.913	3.913	46.1%
\$455,000	\$2,603	0.004	2.709	3.957	3.957	46.1%
\$465,000	\$1,902	0.003	2.769	4.045	4.045	46.1%
\$515,000	\$2,118	0.003	3.069	4.485	4.485	46.1%
\$535,000	\$1,682	0.003	3.189	4.661	4.661	46.2%
Total						45.6%

**Horace Mann Insurance Company
Arkansas**

**Homeowners - Forms 1, 2 & 3
Claim Record / Persistency Rating Plan**

Premium Weight

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.142	0.000	0.000	0.000	0.000
1	0.134	0.000	0.000	0.000	0.000
2	0.089	0.000	0.000	0.000	0.000
3	0.000	0.000	0.000	0.000	0.000
4	0.009	0.000	0.000	0.000	0.000
5	0.034	0.000	0.000	0.000	0.000
6	0.016	0.000	0.000	0.000	0.000
7	0.000	0.000	0.000	0.000	0.000
8	0.000	0.000	0.000	0.000	0.000
9+	0.525	0.050	0.000	0.000	0.000

Current Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	0.95	1.00	1.30	1.55	1.85
7	0.95	1.00	1.30	1.55	1.85
8	0.95	1.00	1.30	1.55	1.85
9+	0.95	1.00	1.20	1.55	1.85

Proposed Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	1.00	1.05	1.35	1.55	1.85
7	1.00	1.05	1.35	1.55	1.85
8	1.00	1.05	1.35	1.55	1.85
9+	1.00	1.05	1.35	1.55	1.85

% Change

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%
6	5.3%	5.0%	3.8%	0.0%	0.0%
7	5.3%	5.0%	3.8%	0.0%	0.0%
8	5.3%	5.0%	3.8%	0.0%	0.0%
9+	5.3%	5.0%	12.5%	0.0%	0.0%

Overall Effect:	3.1%
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Teachers Insurance Company
Arkansas
Homeowners - Form 3
Claim Record / Persistency Rating Plan

Premium Weight

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.288	0.003	0.000	0.000	0.000
1	0.300	0.014	0.000	0.000	0.000
2	0.096	0.005	0.000	0.000	0.000
3	0.034	0.004	0.000	0.000	0.000
4	0.016	0.002	0.000	0.000	0.000
5	0.003	0.002	0.000	0.000	0.000
6	0.005	0.000	0.000	0.000	0.000
7	0.003	0.000	0.000	0.000	0.000
8	0.002	0.000	0.000	0.000	0.000
9+	0.201	0.020	0.000	0.000	0.000

Current Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	0.95	1.00	1.30	1.55	1.85
7	0.95	1.00	1.30	1.55	1.85
8	0.95	1.00	1.30	1.55	1.85
9+	0.95	1.00	1.20	1.55	1.85

Proposed Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	1.00	1.05	1.35	1.55	1.85
7	1.00	1.05	1.35	1.55	1.85
8	1.00	1.05	1.35	1.55	1.85
9+	1.00	1.05	1.35	1.55	1.85

% Change

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%
6	5.3%	5.0%	3.8%	0.0%	0.0%
7	5.3%	5.0%	3.8%	0.0%	0.0%
8	5.3%	5.0%	3.8%	0.0%	0.0%
9+	5.3%	5.0%	12.5%	0.0%	0.0%

Overall Effect:	1.2%
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Horace Mann Insurance Company
Arkansas

Homeowners - Form 4 (Tenant & Condo)
Claim Record / Persistency Rating Plan

Premium Weight

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.153	0.000	0.000	0.000	0.000
1	0.628	0.000	0.000	0.000	0.000
2	0.000	0.000	0.000	0.000	0.000
3	0.219	0.000	0.000	0.000	0.000
4	0.000	0.000	0.000	0.000	0.000
5	0.000	0.000	0.000	0.000	0.000
6	0.000	0.000	0.000	0.000	0.000
7	0.000	0.000	0.000	0.000	0.000
8	0.000	0.000	0.000	0.000	0.000
9+	0.000	0.000	0.000	0.000	0.000

Current Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	0.95	1.00	1.30	1.55	1.85
7	0.95	1.00	1.30	1.55	1.85
8	0.95	1.00	1.30	1.55	1.85
9+	0.95	1.00	1.20	1.55	1.85

Proposed Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	1.00	1.05	1.35	1.55	1.85
7	1.00	1.05	1.35	1.55	1.85
8	1.00	1.05	1.35	1.55	1.85
9+	1.00	1.05	1.35	1.55	1.85

% Change

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%
6	5.3%	5.0%	3.8%	0.0%	0.0%
7	5.3%	5.0%	3.8%	0.0%	0.0%
8	5.3%	5.0%	3.8%	0.0%	0.0%
9+	5.3%	5.0%	12.5%	0.0%	0.0%

Overall Effect:	0.0%
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Teachers Insurance Company
Arkansas

Homeowners - Form 4 (Tenant & Condo)
Claim Record / Persistency Rating Plan

Premium Weight

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.513	0.000	0.000	0.000	0.000
1	0.311	0.000	0.000	0.000	0.000
2	0.054	0.000	0.000	0.000	0.000
3	0.031	0.000	0.000	0.000	0.000
4	0.043	0.000	0.000	0.000	0.000
5	0.000	0.000	0.000	0.000	0.000
6	0.000	0.000	0.000	0.000	0.000
7	0.000	0.000	0.000	0.000	0.000
8	0.000	0.000	0.000	0.000	0.000
9+	0.047	0.000	0.000	0.000	0.000

Current Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	0.95	1.00	1.30	1.55	1.85
7	0.95	1.00	1.30	1.55	1.85
8	0.95	1.00	1.30	1.55	1.85
9+	0.95	1.00	1.20	1.55	1.85

Proposed Factors

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	1.00	1.05	1.35	1.55	1.85
1	1.00	1.05	1.35	1.55	1.85
2	1.00	1.05	1.35	1.55	1.85
3	1.00	1.05	1.35	1.55	1.85
4	1.00	1.05	1.35	1.55	1.85
5	1.00	1.05	1.35	1.55	1.85
6	1.00	1.05	1.35	1.55	1.85
7	1.00	1.05	1.35	1.55	1.85
8	1.00	1.05	1.35	1.55	1.85
9+	1.00	1.05	1.35	1.55	1.85

% Change

Consecutive Years Insured w/ Us	Number of Qualified Paid Claims in Last 3 Years				
	0	1	2	3	4+
0	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%
6	5.3%	5.0%	3.8%	0.0%	0.0%
7	5.3%	5.0%	3.8%	0.0%	0.0%
8	5.3%	5.0%	3.8%	0.0%	0.0%
9+	5.3%	5.0%	12.5%	0.0%	0.0%

Overall Effect:	0.2%
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**Horace Mann Insurance Company
Arkansas**

**Homeowners - Forms 1, 2 & 3
Year of Construction**

Current Age of Home	Proposed Age of Home	Premium	Premium Weight	Current Factor	Indicated Factor	Proposed Factor	% Change
0	0	0	0.000	0.80	0.78	0.73	-8.8%
1	1	6,816	0.055	0.80	0.79	0.74	-7.5%
2	2	0	0.000	0.82	0.80	0.76	-7.3%
3	3	0	0.000	0.84	0.81	0.78	-7.1%
4	4	1,811	0.015	0.86	0.82	0.80	-7.0%
5	5	1,662	0.013	0.88	0.83	0.82	-6.8%
6	6	0	0.000	0.90	0.84	0.84	-6.7%
7	7	3,730	0.030	0.95	0.86	0.86	-9.5%
8 - 34	8	2,840	0.023	1.00	0.87	0.87	-13.0%
8 - 34	9	0	0.000	1.00	0.88	0.88	-12.0%
8 - 34	10	2,575	0.021	1.00	0.89	0.89	-11.0%
8 - 34	11	1,040	0.008	1.00	0.90	0.90	-10.0%
8 - 34	12	0	0.000	1.00	0.91	0.91	-9.0%
8 - 34	13	2,398	0.019	1.00	0.92	0.92	-8.0%
8 - 34	14	997	0.008	1.00	0.94	0.94	-6.0%
8 - 34	15	4,700	0.038	1.00	0.95	0.95	-5.0%
8 - 34	16	1,223	0.010	1.00	0.96	0.96	-4.0%
8 - 34	17	1,694	0.014	1.00	0.97	0.97	-3.0%
8 - 34	18	4,843	0.039	1.00	0.99	0.99	-1.0%
8 - 34	19+	20,465	0.166	1.00	1.00	1.00	0.0%
35 - 44	19+	33,763	0.274	1.05	1.00	1.00	-4.8%
45+	19+	32,665	0.265	1.10	1.00	1.00	-9.1%
Total		123222	1.000	1.02	0.97	0.96	-5.7%

**Teachers Insurance Company
Arkansas**

**Homeowners - Form 3
Year of Construction**

Current Age of Home	Proposed Age of Home	Premium	Premium Weight	Current Factor	Indicated Factor	Proposed Factor	% Change
0	0	2,515	0.004	0.80	0.78	0.73	-8.8%
1	1	7,587	0.013	0.80	0.79	0.74	-7.5%
2	2	10,750	0.018	0.82	0.80	0.76	-7.3%
3	3	7,356	0.012	0.84	0.81	0.78	-7.1%
4	4	6,647	0.011	0.86	0.82	0.80	-7.0%
5	5	7,357	0.012	0.88	0.83	0.82	-6.8%
6	6	16,172	0.027	0.90	0.84	0.84	-6.7%
7	7	18,866	0.031	0.95	0.86	0.86	-9.5%
8 - 34	8	16,109	0.027	1.00	0.87	0.87	-13.0%
8 - 34	9	20,600	0.034	1.00	0.88	0.88	-12.0%
8 - 34	10	17,372	0.029	1.00	0.89	0.89	-11.0%
8 - 34	11	30,156	0.050	1.00	0.90	0.90	-10.0%
8 - 34	12	13,106	0.022	1.00	0.91	0.91	-9.0%
8 - 34	13	12,433	0.021	1.00	0.92	0.92	-8.0%
8 - 34	14	14,792	0.024	1.00	0.94	0.94	-6.0%
8 - 34	15	17,712	0.029	1.00	0.95	0.95	-5.0%
8 - 34	16	17,373	0.029	1.00	0.96	0.96	-4.0%
8 - 34	17	13,154	0.022	1.00	0.97	0.97	-3.0%
8 - 34	18	9,073	0.015	1.00	0.99	0.99	-1.0%
8 - 34	19+	158,221	0.261	1.00	1.00	1.00	0.0%
35 - 44	19+	108,663	0.179	1.05	1.00	1.00	-4.8%
45+	19+	80,051	0.132	1.10	1.00	1.00	-9.1%
Total		606065	1.000	1.01	0.95	0.95	-5.4%

HM 4844 - Additional Amount of Insurance

	All Forms	Homeowner Forms				110% of Cov A*	Increased Loss
	Total Loss	Total Loss	Cov A Loss	Min(Adjusted Cov A, Cov A Loss)			
2004	\$ 203,122,293	\$ 201,227,999	\$ 165,606,898	\$ 164,257,057	\$ 164,978,657	\$ 721,600	
2005	\$ 182,713,339	\$ 180,463,144	\$ 132,946,705	\$ 132,234,167	\$ 132,529,367	\$ 295,200	
2006	\$ 68,567,718	\$ 67,563,208	\$ 49,573,551	\$ 48,987,132	\$ 49,141,650	\$ 154,519	
2007	\$ 80,814,322	\$ 78,614,059	\$ 58,949,527	\$ 58,580,690	\$ 58,916,377	\$ 335,688	
2008	\$ 136,787,441	\$ 134,660,224	\$ 103,281,870	\$ 103,007,507	\$ 103,382,400	\$ 374,894	
2009	\$ 110,220,704	\$ 107,865,994	\$ 86,083,289	\$ 86,130,904	\$ 86,576,779	\$ 445,875	
2010	\$ 130,203,579	\$ 127,667,515	\$ 103,349,917	\$ 103,487,997	\$ 103,860,584	\$ 372,588	
2011	\$ 145,057,365	\$ 142,328,555	\$ 112,454,926	\$ 113,888,763	\$ 114,459,432	\$ 570,669	
2012	\$ 103,046,796	\$ 100,540,190	\$ 80,169,439	\$ 82,329,565	\$ 82,779,284	\$ 449,719	
Total	\$ 1,160,533,557	\$ 1,140,930,889	\$ 892,416,122	\$ 892,903,780	\$ 896,624,530	\$ 3,720,750	

% of Cov A Loss (Home Forms):	0.42%
% of Total Loss (Home Forms):	0.33%
% of Total Loss (All Forms):	0.32%

Losses evaluated as of February 2014.

Adjusted Cov A: Cov A amount adjusted to account for rounding and pro-rated inflation (5%).

110% of Cov A: If Cov A loss was higher than the adjusted Cov A amount, then 110% applied to the capped Cov A Loss.

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name			Company NAIC Number
3.	A.	Horace Mann Insurance Company	B.		300-22578

		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.	Homeowner Multi-Peril	B.		

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+8.9%	+5.5%					
Tenants & Condos	+8.9%	+5.7%					
TOTAL OVERALL EFFECT	+8.9%	+5.5%					

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
2010	73	12.8%	4/15/2010	88	8	9%	56%
2011	66	-0.1%	9/1/2011	95	19	20%	66%
2012	66	--	--	99	3	3%	42%
2013	72	2.9%	3/1/2013	104	2	2%	51%
2014	72	5.1%	3/1/2014	117	28	24%	42%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)

9. 18.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 71

10. -14.9% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 70

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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

		Company Name Teachers Insurance Company			Company NAIC Number 300-22683
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		Product Coding Matrix Line of Business (i.e., Type of Insurance) Homeowner Multi-Peril			Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
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5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Forms 1,2,3	+8.9%	+6.3%					
Tenants & Condos	+8.9%	+5.7%					
TOTAL OVERALL EFFECT	+8.9%	+6.3%					

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
2010	151	11.3%	4/15/2010	165	46	28%	77%
2011	149	0.0%	9/1/2011	185	121	65%	87%
2012	170	--	--	203	97	48%	47%
2013	380	5.8%	3/1/2013	305	75	25%	69%
2014	678	4.9%	3/1/2014	507	109	21%	44%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	11.0%
C. Taxes, License & Fees	3.6%
D. Underwriting Profit & Contingencies	15.0%
E. Other (Reinsurance)	1.6%
F. TOTAL	48.1%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 19.2% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 67
10. -5.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 60, 70

