

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

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

Product Name: Homesaver

Project Name/Number: 623430/

Filing at a Glance

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

Product Name: Homesaver

State: Arkansas

TOI: 30.1 Dwelling Fire/Personal Liability

Sub-TOI: 30.1000 Dwelling Fire/Personal Liability

Filing Type: Rate

Date Submitted: 01/31/2014

SERFF Tr Num: TRVA-129386573

SERFF Status: Closed-Filed

State Tr Num:

State Status: Suspended Review

Co Tr Num: 2014-01-0085

Effective Date: 02/21/2014

Requested (New):

Effective Date: 02/21/2014

Requested (Renewal):

Author(s): Frank Roback, Jaime Jewett, Jennifer Graves

Reviewer(s): Becky Harrington (primary)

Disposition Date: 02/12/2014

Disposition Status: Filed

Effective Date (New): 02/21/2014

Effective Date (Renewal): 02/21/2014

State Filing Description:
referred to Commissioner

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

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

Product Name: Homesaver

Project Name/Number: 623430/

General Information

Project Name: 623430 Status of Filing in Domicile:
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 02/12/2014
 State Status Changed: 02/05/2014 Deemer Date:
 Created By: Jennifer Graves Submitted By: Jennifer Graves
 Corresponding Filing Tracking Number:

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

Company and Contact

Filing Contact Information

Jennifer Graves, Regulatory Analyst jagraves@travelers.com
 1 Tower Sq. 860-277-7775 [Phone]
 Hartford, CT 06183

Filing Company Information

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

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

Filing Fees

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

Company	Amount	Date Processed	Transaction #
The Automobile Insurance Company of Hartford, Connecticut	\$100.00	01/31/2014	78916628

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	02/12/2014	02/12/2014

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
No response necessary	Becky Harrington	02/05/2014	02/05/2014

Response Letters

Responded By	Created On	Date Submitted
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Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Jennifer Graves	02/11/2014	02/11/2014
Rate	Base Rates	Jennifer Graves	02/10/2014	02/10/2014
Supporting Document	NAIC loss cost data entry document	Jennifer Graves	02/07/2014	02/10/2014
Supporting Document	FILING PACKAGE	Jennifer Graves	02/07/2014	02/10/2014

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Revised Rating examples	Note To Filer	Becky Harrington	02/10/2014	02/10/2014

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Disposition

Disposition Date: 02/12/2014

Effective Date (New): 02/21/2014

Effective Date (Renewal): 02/21/2014

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):
The Automobile Insurance Company of Hartford, Connecticut	%	6.000%	\$138,695	2,171	\$2,311,587	6.550%	4.020%
The Travelers Indemnity Company of America	%	6.000%	\$5,442	78	\$90,696	6.340%	4.650%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

0.000%

Overall Percentage Rate Impact For This Filing

6.000%

Effect of Rate Filing-Written Premium Change For This Program

\$144,137

Effect of Rate Filing - Number of Policyholders Affected

2,249

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

SERFF Tracking #: TRVA-129386573 State Tracking #: Company Tracking #: 2014-01-0085

State: Arkansas First Filing Company: The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Base Rates		Yes

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Objection Letter

Objection Letter Status	No response necessary
Objection Letter Date	02/05/2014
Submitted Date	02/05/2014
Respond By Date	

Dear Jennifer Graves,

Introduction:

This will acknowledge receipt of the captioned filing.

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

Conclusion:

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Amendment Letter

Submitted Date: 02/11/2014

Comments:

As agreed, the rating examples are submitted for your review and approval. As you advised in your note to filer on 02/10/2014 the requested effective date of 2/21/14 will be allowed.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	please see attached.
Attachment(s):	Premium sheet- ArHOSurvey-HPCS AHC.pdf Premium sheet- ArHOSurvey-HPCS TIA.pdf Premium sheet- ArHOSurvey-HPCS TIA.XLS Premium sheet- ArHOSurvey-HPCS AHC.XLS
<i>Previous Version</i>	
Satisfied - Item:	<i>HPCS-Homeowners Premium Comparison Survey</i>
Comments:	<i>please see attached.</i>
Attachment(s):	<i>Premium sheet- ArHOSurvey-HPCS TIA.xls Premium sheet- ArHOSurvey-HPCS TIA.pdf Premium sheet- ArHOSurvey-HPCS AHC.pdf Premium sheet- ArHOSurvey-HPCS AHC.XLS</i>

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Amendment Letter

Submitted Date: 02/10/2014

Comments:

Dear Becky,

As a result of your conversation with Kim Kennedy, I submit the following amendment for your review and approval with the effective date 02/21/2014. Also note, as part of your conversation with Kim, the rating examples will be submitted separately on 02/11/14.

Thank you,

Jennifer

Changed Items:

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	Base Rates	ARRA-1-ARRA-5	Replacement		02/10/2014 By:
<i>Previous Version</i>					
1	<i>Base Rates</i>	<i>ARRA-1-ARRA-5</i>	<i>Replacement</i>		<i>01/31/2014 By: Jennifer Graves</i>

No Supporting Documents Changed.

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Amendment Letter

Submitted Date: 02/10/2014

Comments:

Dear Becky,

As a result of your conversation with Kim Kennedy, I submit the following amendment for your review and approval with the effective date 02/21/2014. Also note, as part of your conversation with Kim, the rating examples will be submitted separately on 02/11/14.

Thank you,

Jennifer

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes

Satisfied - Item:	NAIC loss cost data entry document
Comments:	Plesae see attached.
Attachment(s):	AR RF-1-HS FILING 2-21-14 _Ver2.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>NAIC loss cost data entry document</i>
Comments:	<i>Plesae see attached.</i>
Attachment(s):	<i>AR RF-1-HS FILING 2-21-14.pdf</i>

Satisfied - Item:	FILING PACKAGE
Comments:	Please see attached.
Attachment(s):	AR Homesaver 02-21-2014_Ver 2.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>FILING PACKAGE</i>
Comments:	<i>Please see attached.</i>
Attachment(s):	<i>AR Homesaver 02-21-2014_Ver 1.pdf</i>

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Note To Filer

Created By:

Becky Harrington on 02/10/2014 12:19 PM

Last Edited By:

Becky Harrington

Submitted On:

02/12/2014 08:12 AM

Subject:

Revised Rating examples

Comments:

Since AR does not allow post-submission updates or notes to filers on closed filings, I am leaving the filing open until the rating examples are submitted on 2/11/14. The requested effective dates of 2/21/14 will be allowed as long as the examples are received by tomorrow.

BH

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Post Submission Update Request Processed On 02/10/2014

Status: Allowed
 Created By: Jennifer Graves
 Processed By: Becky Harrington
 Comments:

Company Rate Information:

Company Name:The Automobile Insurance Company of Hartford, Connecticut

Field Name	Requested Change	Prior Value
Overall % Rate Impact	6.000%	9.900%
Written Premium Change for this Program	\$138695	\$228847
Maximum %Change (where required)	6.550%	10.610%
Minimum %Change (where required)	4.020%	6.840%

Company Name:The Travelers Indemnity Company of America

Field Name	Requested Change	Prior Value
Overall % Rate Impact	6.000%	9.910%
Written Premium Change for this Program	\$5442	\$8988
Maximum %Change (where required)	6.340%	10.160%
Minimum %Change (where required)	4.650%	8.490%

Overall Rate Information:

Field Name	Requested Change	Prior Value
Overall Percentage Rate Impact For This Filing	6.000%	9.900%

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

Rate Information

Rate data applies to filing.

Filing Method: FILE AND USE
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 9.690%
Effective Date of Last Rate Revision: 01/25/2013
Filing Method of Last Filing: FILE AND USE

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The Automobile Insurance Company of Hartford, Connecticut	%	6.000%	\$138,695	2,171	\$2,311,587	6.550%	4.020%
The Travelers Indemnity Company of America	%	6.000%	\$5,442	78	\$90,696	6.340%	4.650%

SERFF Tracking #:

TRVA-129386573

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

2014-01-0085

State:

Arkansas

First Filing Company:

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

TOI/Sub-TOI:

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

Product Name:

Homesaver

Project Name/Number:

623430/

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 02/12/2014	Base Rates	ARRA-1-ARRA-5	Replacement		ARRDWRA.pdf

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-661

Territory	Regular
30	127
31	175
32	130
33	171

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

Territory	Regular
30	50
31	66
32	53
33	63

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-662

Territory	Regular
30	41
31	42
32	42
33	47

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

Territory	Regular
30	18
31	18
32	18
33	19

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)**FIRE BASE CLASS PREMIUM TABLE: FORM HS-663**

Territory	Regular
30	196
31	205
32	200
33	219

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

Territory	Regular
30	74
31	77
32	77
33	83

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-664

Territory	Regular
30	46
31	51
32	56
33	49

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

Territory	Regular
30	19
31	20
32	21
33	20

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-665

Territory	Regular
30	41
31	42
32	42
33	47

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

Territory	Regular
30	18
31	18
32	18
33	19

SERFF Tracking #:

TRVA-129386573

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

2014-01-0085

State:

Arkansas

First Filing Company:

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

TOI/Sub-TOI:

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

Product Name:

Homesaver

Project Name/Number:

623430/

Supporting Document Schedules

Satisfied - Item:	HPCS-Homeowners Premium Comparison Survey
Comments:	please see attached.
Attachment(s):	Premium sheet- ArHOSurvey-HPCS AHC.pdf Premium sheet- ArHOSurvey-HPCS TIA.pdf Premium sheet- ArHOSurvey-HPCS TIA.XLS Premium sheet- ArHOSurvey-HPCS AHC.XLS
Item Status:	Filed
Status Date:	02/12/2014

Satisfied - Item:	NAIC loss cost data entry document
Comments:	Plesae see attached.
Attachment(s):	AR RF-1-HS FILING 2-21-14 _Ver2.pdf
Item Status:	Filed
Status Date:	02/12/2014

Satisfied - Item:	FILING PACKAGE
Comments:	Please see attached.
Attachment(s):	AR Homesaver 02-21-2014_Ver 2.pdf
Item Status:	Filed
Status Date:	02/12/2014

SERFF Tracking #:

TRVA-129386573

State Tracking #:

Company Tracking #:

2014-01-0085

State:

Arkansas

First Filing Company:

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

TOI/Sub-TOI:

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

Product Name:

Homesaver

Project Name/Number:

623430/

Attachment Premium sheet- ArHOSurvey-HPCS TIA.XLS is not a PDF document and cannot be reproduced here.

Attachment Premium sheet- ArHOSurvey-HPCS AHC.XLS is not a PDF document and cannot be reproduced here.

NAIC Number: 3548
 Company Name: The Automobile Insurance Company of Hartford, CT
 Contact Person: Jennifer Graves
 Telephone No.: 860-277-7775
 Email Address: jagraves@Travelers.com
 Effective Date: 2/21/2014

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

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

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

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$631.00	\$754.00
	\$120,000	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$841.00	\$1,004.00
	\$160,000	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,041.00	\$1,243.00
6	\$80,000	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$843.00	\$1,016.00
	\$120,000	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,125.00	\$1,354.00
	\$160,000	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,391.00	\$1,676.00
9	\$80,000	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,542.00	\$1,954.00
	\$120,000	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,055.00	\$2,605.00
	\$160,000	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,542.00	\$3,223.00

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

HO3 and HO4 only

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

EARTHQUAKE INSURANCE

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

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

Zone Brick Frame

			%	WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$		\$	
	Maximum Credit Allowed		%		Lowest Risk	\$		\$	

|

NAIC Number: 3548
 Company Name: The Travelers Indemnity Company of America
 Contact Person: Jennifer Graves
 Telephone No.: 860-277-7775
 Email Address: jagraves@Travelers.com
 Effective Date: 2/21/2014

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

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

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

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$675.00	\$806.00	\$631.00	\$754.00
	\$120,000	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$899.00	\$1,074.00	\$841.00	\$1,004.00
	\$160,000	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,112.00	\$1,329.00	\$1,041.00	\$1,243.00
6	\$80,000	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$906.00	\$1,089.00	\$843.00	\$1,016.00
	\$120,000	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,208.00	\$1,451.00	\$1,125.00	\$1,354.00
	\$160,000	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,496.00	\$1,796.00	\$1,391.00	\$1,676.00
9	\$80,000	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,651.00	\$2,092.00	\$1,542.00	\$1,954.00
	\$120,000	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,202.00	\$2,789.00	\$2,055.00	\$2,605.00
	\$160,000	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,724.00	\$3,452.00	\$2,542.00	\$3,223.00

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

HO3 and HO4 only

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

EARTHQUAKE INSURANCE

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

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

Zone Brick Frame

			%	WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$		\$	
	Maximum Credit Allowed		%		Lowest Risk	\$		\$	

|

FORM RF-1 Rate Filing Abstract 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.	The Automobile Insurance Company of Hartford, Connecticut	B.	3548-19062

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

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homesaver Forms	34.92%	6.00%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	34.92%	6.00%					

6. 5 Year History			Rate Change History					7.	
Year	Policy Count*	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio	Expense Constants	Selected Provisions
2008	2,076	5.3%	6/13/2008	1,292	1,378	106.7%	37.0%	A. Total Production Expense	15.3%
2009	2,445	16.1%	7/31/2009	1,646	1,407	85.5%	54.9%	B. General Expense	
2010	2,636	10.0%	8/6/2010	2,005	1,064	53.1%	50.9%	& Other Acquisition	10.4%
2011	2,598	10.0%	11/18/2011	2,183	1,981	90.7%	72.3%	C. Taxes, License & Fees	3.8%
2012	2,505	n/a	n/a	2,238	1,474	65.9%	59.2%	D. Underwriting Profit	
2013	2,396	9.68%	1/25/2013	n/a	n/a	n/a	n/a	& Contingencies	11.8%
								E. Other (explain)	
* Based on Earned Exposure counts								F. TOTAL	41.3%

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

9. 6.55% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

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

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

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

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

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

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

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homesaver Forms	34.92%	6.00%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	34.92%	6.00%					

6. 5 Year History			Rate Change History					7.	
Year	Policy Count*	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio	Expense Constants	Selected Provisions
2008	24	0.0%	6/13/2008	17	3	17.6%	58.1%	A. Total Production Expense	15.3%
2009	42	17.2%	7/31/2009	30	3	10.0%	54.0%	B. General Expense	
2010	46	9.0%	8/6/2010	42	85	202.4%	48.8%	& Other Acquisition	10.4%
2011	50	10.6%	11/18/2011	54	12	22.2%	67.2%	C. Taxes, License & Fees	3.8%
2012	61	n/a	n/a	63	33	52.4%	60.2%	D. Underwriting Profit	
2013	71	9.76%	1/25/2013	n/a	n/a	n/a	n/a	& Contingencies	11.8%
								E. Other (explain)	
* Based on Earned Exposure counts								F. TOTAL	41.3%

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

9. 6.34% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

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

ARKANSAS HOMESAVER

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

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Exhibit 1		Statewide Indication
Exhibit 2		Property Indication
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Exhibit 5		Unallocated Loss Adjustment Expense
Exhibit 6	Pages 1-2	Loss Trend
Exhibit 7		Average Premium Trend
Exhibit 8	Pages 1-2	Catastrophe Losses
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Exhibit 10		Trended Ultimate Losses
Exhibit 11	Pages 1-10	Fire and Other Allied Lines Base Rate Revision

ARKANSAS HOMESAVER

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

Explanatory Memorandum

This filing is being submitted with revisions to the Arkansas Homesaver program. We are proposing an overall rate level change of 6.00% for the Arkansas Homesaver program. This change will consist of revisions to territorial base rates. This change applies to policies issued and effective on or after 02/21/2014.

Proposed Change	All Forms Combined
Territory Base Rates*	5.95% to 6.08%
Total Rate Impact	6.00%

*Varies by Form

Our proposal consists of the following:

REVISION TO BASE RATES

With this filing, we are proposing to adjust fire and other allied lines base rates by territory.

In an effort to improve and update our indication process we are proposing the following changes to methodology and data:

Experience Data

The Travelers has updated our experience database which brings improved accuracy and detail. Any resultant changes in historical values compared to prior filings are not material.

Trended Total Permissible Loss Ratio

The trended total permissible loss ratio formula is shown on the bottom of the Property indication page.

Installment Fees

Installment fees are now incorporated in the indicated rate change calculation and are shown in Exhibit 3.

Unallocated Loss Adjustment Expense (ULAE)

On Exhibit 5, the ULAE ratio is now determined based on net paid rather than direct incurred ULAE and loss & ALAE values. Please note that a paid basis removes volatility due to reserve changes, and net ratios better reflect our loss cash flows. In addition, the ULAE ratio selection is now calculated as an average of the ULAE ratio for 2010, 2011 and 2012 using weights that mitigate the impact of the extraordinary level of cat losses in 2011. Please note that this ULAE factor is applied to losses of all perils because the historical unallocated loss adjustment expenses cannot be identified as being associated with any particular peril.

Calculation of Underwriting Profit (formerly titled Investment Income)

Exhibit 9 has been restructured to improve readability, with detailed calculations moved to the Explanatory Notes, labels clarified, and data sources noted. There are some methodology changes as well: A) The Deduction for Delayed Remission of Premium on Page 3 is now calculated using the line-specific ratio of Agents' Balances in the course of collection to Unearned Premium Reserve, on a Direct basis. Previously we used the corporate-wide ratio of agents' balances in the course of collection to Earned Premium, on a Net basis. The change in components brings more accuracy, and the Direct basis matches the basis of the Unearned Premium Reserve. B) The Federal Income Tax Provision on Page 5 is now calculated as the average of the tax rates of the last three years, rather than only the last year, to produce a more stable result over time. In addition, the Net Investment Income and Dividends from Affiliates in this provision have been restated for consistency with our published statutory data. C) The calculation of the Average Rate of Return on Page 5 and the Deduction for Delayed Remission of Premium on Page 3 are now calculated as the straight average of the ratios for each of the three years, rather than one ratio based on three years of combined data, to give each year equal weight.

Unallocated Loss Adjustment Expense (ULAE), and Calculation of Underwriting Profit

The countrywide data in Exhibit 5 (ULAE), and on pages 2-4 in Exhibit 9 (Underwriting Profit) have been revised to include additional data now available as a result of internal financial reporting changes.

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Statewide Indication

<u>Policy Forms</u>	Year Ending 09/30/2013 <u>EPCR</u>	Indicated Rate Level <u>Change</u>
All Policy Forms Combined	2,547,895	34.92%

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICAProperty Indication
All Policy Forms Combined

AY Ending 09/30	Earned House Years (1)	Trended EPCR (2)	Ultimate Trended L & LAE (3)	Incurred Claim Count (4)	AY Weights (5)	Rate Level Loss Ratio (6)=(3)/(2)
2009	2,364	2,583,434	1,363,949	115	0.20	0.528
2010	2,602	2,853,133	1,245,674	122	0.20	0.437
2011	2,629	2,879,793	1,727,045	116	0.20	0.600
2012	2,518	2,747,604	2,233,242	96	0.20	0.813
2013	2,357	2,581,476	1,775,563	95	0.20	0.688
(7) Weighted Rate Level Loss Ratio						0.613
(8) Non-Hurricane Cat. Adjusted Loss Ratio = (7) x WCLM						0.878
(9) State Credibility = [(1)/18,750]^0.5, Cap result at 1.00						0.815
(10) Trended Total Permissible Loss Ratio						0.665
(11) Credibility Weighted Rate Level Total Loss Ratio						0.839
(12) Variable Permissible Loss Ratio						0.690
(13) Credibility Weighted Indicated Rate Level Change = [(11) + (FE)] / (12) - 1						34.92%
(14) Proposed Premium Level Change						6.00%

(8) WCLM = Weighted Cat Loss Multiplier, from Exhibit 8

(10) Trended Total Permissible Loss Ratio =
(Total Permissible Loss Ratio)
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]

(13) FE = Fixed Expense, from Exhibit 3

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICADevelopment of Variable Permissible Loss Ratio
and Permissible Loss Ratio

<u>Fixed Expense</u>	
Other Acquisition and General Expense	10.4%
Installment Fees	-1.1%
Total Fixed Expense	9.3%
<u>Variable Expense</u>	
Commissions	15.3%
Taxes, Licenses and Fees	3.8%
Total Variable Expense	19.2%
Profit Margin	11.8%
Total Variable Expense and Profit Margin	31.0%
Variable Permissible Loss Ratio = (100% minus above row)	69.0%
Total Fixed Expense, Variable Expense and Profit Margin	40.3%
Total Permissible Loss Ratio = (100% minus above row)	59.7%
Total	100.0%

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Unallocated Loss Adjustment Expense

Countrywide			
Calendar Year	Paid ULAE	Paid Losses & ALAE	Ratio
2010	\$13,532,043	\$108,232,213	0.125
2011	\$14,016,038	\$173,235,444	0.081
2012	\$15,589,600	\$148,297,130	0.105
Selected			0.108

Notes:

Countrywide data, on a Net basis.

Selected is an average using weights that mitigate the extraordinary CAT losses in 2011.

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
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Loss Trend
Frequency Trend
All Policy Forms Combined
Exponential Fit

Calendar Year Ending	Travelers Statewide			
	Actual	20 PT	12 PT	6 PT
12/31/2008	4.50	3.53		
03/31/2009	2.99	3.58		
06/30/2009	1.76	3.64		
09/30/2009	2.88	3.70		
12/31/2009	3.36	3.75		
03/31/2010	4.96	3.81		
06/30/2010	6.33	3.87		
09/30/2010	5.23	3.93		
12/31/2010	4.99	4.00	4.53	
03/31/2011	4.89	4.06	4.50	
06/30/2011	4.05	4.12	4.46	
09/30/2011	4.49	4.19	4.43	
12/31/2011	4.21	4.25	4.40	
03/31/2012	4.63	4.32	4.37	
06/30/2012	4.14	4.39	4.33	3.74
09/30/2012	3.57	4.46	4.30	3.91
12/31/2012	3.79	4.52	4.27	4.08
03/31/2013	4.35	4.60	4.24	4.27
06/30/2013	4.55	4.67	4.21	4.46
09/30/2013	4.75	4.74	4.17	4.66
Annual Rate of Change		6.4%	-2.9%	19.4%
Selected Historical Annual Rate of Change				3.0%
Selected Prospective Annual Rate of Change				5.0%
Projected Average Date of Loss for the Period the Proposed Rates will be in Effect				02/21/2015

Factors To Adjust Data Based on a 02/21/2014 Effective Date

Experience Period Ending (a)	Midpoint of Experience Period (b)	Historical Trend Period (months) (c)	Factor to Adjust to 03/31/2013 (d)	Prospective Trend Period (months) (e)	Factor to Adjust From 03/31/2013 to 02/21/2015 (f)	Frequency Factor (g) = (d) x (f)
09/30/2009	03/31/2009	48	1.126	22.8	1.097	1.235
09/30/2010	03/31/2010	36	1.093	22.8	1.097	1.199
09/30/2011	03/31/2011	24	1.061	22.8	1.097	1.164
09/30/2012	03/31/2012	12	1.030	22.8	1.097	1.130
09/30/2013	03/31/2013	0	1.000	22.8	1.097	1.097

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

Loss Trend
Severity Trend
All Policy Forms Combined
Exponential Fit

Calendar Year Ending	Travelers Statewide			
	Actual	20 PT	12 PT	6 PT
12/31/2008	11,009	8,746		
03/31/2009	14,350	8,834		
06/30/2009	16,864	8,922		
09/30/2009	8,969	9,012		
12/31/2009	7,976	9,103		
03/31/2010	7,206	9,194		
06/30/2010	6,210	9,287		
09/30/2010	6,292	9,380		
12/31/2010	7,301	9,474	7,000	
03/31/2011	5,808	9,570	7,451	
06/30/2011	7,725	9,666	7,932	
09/30/2011	9,513	9,763	8,443	
12/31/2011	10,140	9,861	8,987	
03/31/2012	10,888	9,960	9,566	
06/30/2012	10,440	10,061	10,183	10,000
09/30/2012	10,383	10,162	10,839	10,625
12/31/2012	10,047	10,264	11,538	11,290
03/31/2013	12,914	10,367	12,282	11,996
06/30/2013	13,797	10,471	13,074	12,747
09/30/2013	12,803	10,577	13,916	13,544
Annual Rate of Change		4.1%	28.4%	27.5%
Selected Historical Annual Rate of Change				4.0%
Selected Prospective Annual Rate of Change				6.0%
Projected Average Date of Loss for the Period the Proposed Rates will be in Effect				02/21/2015

Factors To Adjust Data Based on a 02/21/2014 Effective Date

Experience Period Ending (a)	Midpoint of Experience Period (b)	Historical Trend Period (months) (c)	Factor to Adjust to 03/31/2013 (d)	Prospective Trend Period (months) (e)	Factor to Adjust From to 03/31/2013 02/21/2015 (f)	Severity Factor (g) = (d) x (f)	Frequency x Severity Factor
09/30/2009	03/31/2009	48	1.170	22.8	1.117	1.307	1.614
09/30/2010	03/31/2010	36	1.125	22.8	1.117	1.257	1.506
09/30/2011	03/31/2011	24	1.082	22.8	1.117	1.208	1.406
09/30/2012	03/31/2012	12	1.040	22.8	1.117	1.162	1.313
09/30/2013	03/31/2013	0	1.000	22.8	1.117	1.117	1.226

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Average Premium Trend

Experience Period <u>Ending</u>	Average <u>Premium</u>	<u>YOY Change</u>
09/30/2009	1,065.35	
09/30/2010	1,072.53	0.7%
09/30/2011	1,074.74	0.2%
09/30/2012	1,073.72	-0.1%
09/30/2013	1,081.18	0.7%
(1) Fitted Historical Premium Trend		0.3%
(2) Selected Historical Premium Trend		0.3%
(3) Selected Prospective Premium Trend:		0.7%
(4) Average Earned Date Underlying Proposed Rates: (Effective Date = 02/21/2014)		02/21/2015
(5) Prospective Trend Period (months) (Midpoint of Experience Period to Average Earned Date)		22.7
(6) Prospective Trend Adjustment		1.013

CALCULATION OF PREMIUM TREND FACTORS

Experience Period <u>Ending</u>	Midpoint of Experience <u>Period</u>	Fitted Average <u>Premium</u>	Historical Trend <u>Factor</u>	Prospective Trend <u>Factor</u>	Premium Trend <u>Factor</u>
09/30/2009	03/31/2009	1,066.93	1.012	1.013	1.026
09/30/2010	03/31/2010	1,070.22	1.009	1.013	1.023
09/30/2011	03/31/2011	1,073.51	1.006	1.013	1.019
09/30/2012	03/31/2012	1,076.79	1.003	1.013	1.016
09/30/2013	03/31/2013	1,080.08	1.000	1.013	1.013

ARKANSAS HOMESAVER

ALL COMPANIES COMBINED

Catastrophe Losses
Explanation of Catastrophe Losses

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

Hurricanes are potentially solvency threatening events whose frequency and large variation in severity make them difficult to recognize in projecting future costs for ratemaking purposes. Therefore, we believe it's necessary to separate hurricane losses from non-hurricane losses in our analysis of catastrophes.

We categorize an event as a catastrophe if the Insurance Services Office (ISO) defines it as a catastrophe. ISO defines a catastrophe as an occurrence such as a hailstorm, windstorm, tornado, hurricane, winter storm, wildfire, earthquake, etc., which results in insured property losses of \$25,000,000 or more and affects a significant number of policyholders and insurers.¹

Each catastrophe is accorded a serial number by ISO for identification purposes. This identification makes it possible for each insurance company to summarize the losses due to these types of occurrences in a particular year. One of our underlying assumptions in ratemaking is that past loss experience can be utilized as an indication of the future loss experience. While this is a reasonable assumption for regular property losses, we believe catastrophe losses are extraordinary events that will probably not re-occur with the same degree of frequency as regular losses. Therefore, we give such catastrophe losses special treatment.

Non-Hurricane Catastrophe Losses:

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

Since catastrophes are rare events, it is necessary that the computation of the catastrophe loading be based upon a long period of experience. In determining the non-hurricane Catastrophe Loss Factor, we have utilized all of the Homesaver experience from 1993 - 2012. The non-hurricane Catastrophe Loss Factor is calculated by relating the non-hurricane catastrophe losses to the non-cat losses. Page 2 of this exhibit sets forth the calculation.

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

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ALL COMPANIES COMBINED

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

Calendar Year Ending 12/31	Total Incurred Losses (2)+(3)+(4)+(5)	Hurricane Losses (2)	Earthquake Losses (3)	Other Cat. Losses (4)	Non-Cat. Incurred Losses (5)
	(1)	(2)	(3)	(4)	(5)
1993	18,152	0	0	0	18,152
1994	33,681	0	0	0	33,681
1995	45,350	0	0	0	45,350
1996	16,622	0	0	3,250	13,372
1997	94,083	0	0	3,376	90,707
1998	140,013	0	0	21,130	118,883
1999	1,226,638	0	0	247,702	978,936
2000	667,848	0	0	85,139	582,709
2001	928,813	0	0	260,322	668,491
2002	1,322,681	0	0	120,703	1,201,978
2003	2,845,528	0	0	159,373	2,686,155
2004	4,007,483	0	0	301,816	3,705,667
2005	7,590,058	357,668	0	235,707	6,996,683
2006	12,961,298	127,285	0	1,737,918	11,096,095
2007	9,496,630	0	0	607,031	8,889,599
2008	29,256,103	1,756,392	0	10,830,292	16,669,419
2009	21,028,954	259,297	0	9,113,355	11,656,302
2010	18,961,689	6,378	0	2,629,912	16,325,399
2011	31,743,407	530	0	16,728,390	15,014,487
2012	11,882,875	0	0	2,690,266	9,192,609
Total	154,267,906	2,507,550	0	45,775,682	105,984,674
(6)	Ratio of Total "Other Cat." Losses to Total "Non-Cat." Losses:				0.432
(7)	Weighted Catastrophe Loss Multiplier [WCLM = 1 + (6)]:				1.432

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

Calculation of Underwriting Profit
Summary Exhibit

	<u>Homesaver</u>
A. <u>Direct Earned Premium</u>	2,301,099
B. <u>Funds Available for Investment from Unearned Premium Reserve</u>	
1. Direct Mean Unearned Premium Reserve (see Page 2)	1,177,665
2. Deduction for Federal Taxes (see Page 2)	4,894
3. Deduction for Prepaid Expenses (see Page 2)	286,839
4. Deduction for Delayed Remission of Premium (see Page 3)	391,112
5. Net Available for Investment = B1 - B2 - B3 - B4	494,820
C. <u>Funds Available for Investment from Loss + LAE Reserve</u>	
1. Expected Mean Loss + LAE Reserve (see Page 3)	321,925
2. Deduction for Federal Taxes (see Page 4)	11,485
3. Net Available for Investment = C1 - C2	310,440
D. <u>Policyholder Surplus</u> (see Page 5)	1,995,000
E. <u>Net Available for Investment</u> = B5 + C3 + D	2,800,260
F. <u>Average Rate of Return</u> (see Page 5)	4.5%
G. <u>Projected Investment Earnings</u> = E x F	126,537
H. <u>Before Tax Return (% of EP)</u> = G / A	5.5%
I. <u>Federal Income Tax Provision</u> (see Page 5)	18.6%
J. <u>After-Tax Return (% of EP)</u> = H x (100% - I)	4.5%
K. <u>Target After-Tax Total Return (% of EP)</u> (see Page 5)	13.0%
L. <u>Target After-Tax Underwriting Profit (% of EP)</u> = K - J	8.5%
M. <u>Target Before-Tax Underwriting Profit (% of EP)</u> = L / 0.65	13.1%
N. <u>Selected Target Before-Tax Underwriting Profit</u>	11.8%

The Target After-Tax Total Return on earned premium from underwriting and investment activities is 13.0%.

Since the after-tax return on homeowners earned premium from investment earnings is 4.5%, the difference of 8.5% is the projected after-tax underwriting profit. Assuming a tax rate of 35%, the before-tax underwriting profit is 13.1% as a percent of earned premium.

Notes:

A. Direct Earned Premium is state data from the financial database that reconciles to Page 14, Column 2 for 2012

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

Calculation of Underwriting Profit
Explanatory Notes

B. **Funds Available for Investment from Unearned Premium Reserve**

	<u>Homesaver</u>
1. Direct Mean Unearned Premium Reserve	
(a) Direct unearned premium reserve as of 12/2011	1,142,712
(b) Direct unearned premium reserve as of 12/2012	1,212,619
(c) Direct mean unearned premium reserve = (a + b) / 2	1,177,665
2. Deduction for Federal Taxes: The Internal Revenue Code allows only 80% of the change in unearned premium reserve as a deduction. The limitation of the deduction is accomplished through an adjustment to statutory income whereby 20% of the unearned premium reserve change is added to statutory income for tax purposes.	
Deduction = 0.35 x 0.20 x (B1(b) - B1(a))	0.35 x 0.20 x (1,212,619 - 1,142,712) = 4,894
3. Deduction for Prepaid Expenses: Production costs and a large part of the other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures.	
(a) Commissions	0.1533
(b) Taxes, Licenses, and Fees	0.0382
(c) 50% of Other Acquisition and General Expense	0.0520
(d) Total (% of premium)	0.2436
(e) Deduction = B1(c) x B3(d)	1,177,665 x 0.2436 = 286,839

Notes:

(Data for year 2012 unless noted otherwise)

B1(a,b) State data from the financial database that reconciles to Page 14, Column 4

B3(a) [(Base Commission) + (3-Year Average Supplemental Commission)] / (State data, Page 14, Column 1)

Commissions are state data from the financial database that reconciles to Page 14

B3(b) Taxes are state data from the financial database that reconciles to Page 14

B3(c) Countrywide data from the financial database that reconciles to IEE, Part III, Columns 27 and 29

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

Calculation of Underwriting Profit
Explanatory Notes

B. **Funds Available for Investment from Unearned Premium Reserve (continued)**

4. Deduction for Delayed Remission of Premium: The ratio used for the Average Uncollected Balance is the countrywide agents' balances in the course of collection as a percentage of mean unearned premium reserve. This ratio is multiplied by the state mean unearned premium reserve to determine the deduction.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Direct Agents' Balances	39,766,307	43,210,059	43,572,530	
(b) Direct Mean Unearned Premium Reserve	118,092,615	129,236,642	133,971,864	
(c) Average Uncollected Balance Ratio = a / b	33.7%	33.4%	32.5%	33.2%
(d) Deduction = B1(c) x B4(c) _{Average}	1,177,665 x 33.2% =		391,112	

C. **Funds Available for Investment from Loss and LAE Reserve**

This is determined by multiplying the expected Incurred Loss + LAE by the Mean Loss and LAE Reserve Ratio and deducting for Federal Taxes payable on loss reserves.

1. Expected Mean Loss and LAE Reserve

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Paid Loss + LAE	121,764,256	187,251,482	163,886,730	
(b) Net Loss + LAE Reserve as of end of prior year	63,370,385	61,723,227	62,115,117	
(c) Net Loss + LAE Reserve as of end of year	61,723,227	62,115,117	71,703,843	
(d) Net Incurred Loss + LAE = a - b + c	120,117,098	187,643,372	173,475,456	
(e) Net Mean Loss + LAE Reserve = (b + c) / 2		61,919,172	66,909,480	
(f) Reserve Ratio = e / d	0.0000	0.3300	0.3857	0.2386
(g) Permissible Loss + LAE Ratio (see Exhibit 3)			0.5864	
(h) Expected Mean Loss and LAE Reserve = A x C1(g) x C1(f) _{Average}	2,301,099 x 0.5864 x 0.2386 =		321,925	

Notes:

B4(a) Countrywide Homesaver data from the financial database that reconciles to IEE, Part III, Column 21

B4(b) Countrywide Homesaver data from the financial database that reconciles to IEE, Part III, Column 19

C1(a,b,c) Countrywide Homesaver data from the financial database that reconciles to IEE, Part II

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

Calculation of Underwriting Profit
Explanatory Notes

C. **Funds Available for Investment from Loss and LAE Reserve (continued)**

2. Deduction for Federal Taxes Payable on Loss Reserves

<u>Year of Loss</u>	<u>Statutory Reserves (Undiscounted)</u>		<u>Tax Reserves (Discounted)</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
2001 & Prior	5,255,933	6,182,829	5,026,607	5,986,060
2002	1,681,435	279,783	1,559,767	266,288
2003	2,373,927	1,508,658	2,088,830	1,406,923
2004	3,362,241	2,154,869	3,045,135	1,913,031
2005	37,871,767	33,769,751	33,886,715	30,839,196
2006	8,988,741	5,501,885	8,086,179	4,964,473
2007	20,933,312	11,429,649	18,828,619	10,306,842
2008	49,103,278	20,424,660	44,272,634	18,297,122
2009	73,375,018	33,010,356	66,272,572	29,689,144
2010	174,671,967	77,995,885	158,428,282	70,809,458
2011	807,686,005	233,816,158	761,283,120	213,683,536
2012		724,206,301		686,745,097
Total	1,185,303,625	1,150,280,785	1,102,778,460	1,074,907,170
			<u>2011</u>	<u>2012</u>
(a) Ratio of Total Tax to Total Statutory Reserves			0.9304	0.9345
(b) Arkansas Homesaver Loss + ALAE Reserve as of 12/2011 x (1+ ULAE)				450,516
406,603 x 1.108 =				
(c) Arkansas Homesaver Loss + ALAE Reserve as of 12/2012 x (1 + ULAE)				979,701
884,207 x 1.108 =				
(d) Deduction = 0.35 x [c - b - (c x a ₂₀₁₂) + (b x a ₂₀₁₁)]				11,485
0.35 x [979,701 - 450,516 - (979,701 x 0.9345) + (450,516 x 0.9304)] =				

Notes:

C2(a) 2012 Federal Tax Return supporting documentation, Countrywide Homeowners data

C2(b,c) State data from the financial database that reconciles to Page 14, Column 7 and Column 10

ARKANSAS HOMESAVER

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

Calculation of Underwriting Profit
Explanatory Notes

D. Policyholder Surplus

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Year End Property Casualty Policyholder Surplus	19,510,628,060	18,586,650,960	19,317,409,143	
(b) Direct Written Premium	21,541,288,707	22,206,993,630	22,695,957,856	
(c) Premium to Surplus Ratio = b / a	1.10	1.19	1.17	1.15
(d) Direct Earned Premium (see Page 1, Item A)			2,301,099	
(e) Allocated Policyholder Surplus = d / c Average			1,995,000	

F. Average Rate of Return

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Investment Income	3,211,248,419	2,749,874,457	2,737,689,177	
(b) Net Realized Capital Gains	(146,038,854)	13,192,798	59,550,223	
(c) Invested Assets	64,670,591,711	62,801,070,216	63,331,666,728	
(d) Average Rate of Return = (a + b) / c	4.7%	4.4%	4.4%	4.5%

I. Federal Income Tax Provision

Detailed below is the calculation of the Federal Income Tax rate on Net Investment Income earned for Travelers Property Casualty Corporation. (Dollars are in thousands)

	<u>2010</u>		<u>2012</u>	<u>Average</u>
(a) Net Investment Income (NII)	3,211,248	2,749,874	2,737,689	
(b) Dividends from Affiliates	(197,700)	0	0	
(c) Tax Exempt Interest (TEI)	(1,577,345)	(1,486,899)	(1,404,197)	
(d) 70% Dividends Received Deduction (DRD)	(6,138)	(9,336)	(10,008)	
(e) 42% DRD	(2,059)	(1,845)	(1,833)	
(f) 15% Proration Adj. on TEI and DRD = 0.15 x (c + d + e)	237,526	224,491	211,541	
(g) Other Adjustments	(9,554)	(23,134)	(31,573)	
(h) Taxable NII = a + b + c + d + e + f + g	1,655,978	1,453,151	1,501,619	
(i) Tax on NII = h x 0.35	579,592	508,603	525,567	
(j) Federal Income Tax Rate on NII = i / a	18.0%	18.5%	19.2%	18.6%

K. Target After-Tax Total Return

	<u>2012</u>
(a) Target Return on Equity	15.0%
(b) Target Return on Earned Premium = K(a) / D(c) Average	13.0%

Notes:

D(a) Consolidated Annual Statement, Page 3, Line 37

D(b) Consolidated Annual Statement, Page 8, Line 35, Column 1

F(a) Consolidated Annual Statement, Page 4, Line 9

F(b) Consolidated Annual Statement, Page 4, Line 10

F(c) Mean of current year and prior year:

[(Consolidated Annual Statement, Page 2, Line 12, Column 3) - (Consolidated Annual Statement Page 2, Line 5 (cash))]

I(a) Consolidated Annual Statement, Page 4, Line 9

I(b,c,d,e,f,g) Federal Income Tax Provision

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

Trended Ultimate Losses

Accident Year Ending 9/30	2009	2010	2011	2012	2013
(1) Earned Premium	1,618,384	2,002,948	2,263,817	2,325,023	2,372,906
(2) Earned Premium at Current Rates Factor	1.556	1.393	1.248	1.163	1.074
(3) Earned Premium at Current Rates (1) x (2)	2,518,788	2,790,269	2,824,977	2,703,571	2,547,895
(4) Premium Trend Factor	1.026	1.023	1.019	1.016	1.013
(5) Trended Earned Premium at Current Rates (3) x (4)	2,583,434	2,853,133	2,879,793	2,747,604	2,581,476
(6) Incurred Losses & ALAE	762,843	746,298	1,108,363	1,488,469	1,197,796
(7) Loss Development Factor	1.000	1.000	1.000	1.031	1.092
(8) Ultimate Losses & ALAE (6) x (7)	762,843	746,298	1,108,363	1,535,270	1,307,542
(9) Unallocated Factor + 1.000	1.108	1.108	1.108	1.108	1.108
(10) Ultimate Losses & LAE (8) x (9)	845,230	826,898	1,228,066	1,701,079	1,448,756
(11) Loss Trend Factor	1.614	1.506	1.406	1.313	1.226
(12) Trended Ultimate Losses & LAE (10) x (11)	1,363,949	1,245,674	1,727,045	2,233,242	1,775,563

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

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

Current Base Rates

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

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	127	50
31	175	66
32	130	53
33	171	63

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

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

Current Base Rates

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

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THE TRAVELERS INDEMNITY COMPANY OF AMERICA

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	41	18
31	42	18
32	42	18
33	47	19

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

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

Current Base Rates

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

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	196	74
31	205	77
32	200	77
33	219	83

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

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

Current Base Rates

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

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	46	19
31	51	20
32	56	21
33	49	20

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

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

Current Base Rates

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

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	41	18
31	42	18
32	42	18
33	47	19

State: Arkansas **First Filing Company:** The Automobile Insurance Company of Hartford, Connecticut, ...
TOI/Sub-TOI: 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability
Product Name: Homesaver
Project Name/Number: 623430/

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)
01/23/2014		Supporting Document	FILING PACKAGE	02/07/2014	AR Homesaver 02-21-2014_Ver 1.pdf (Superseded)
01/23/2014		Rate	Base Rates	02/10/2014	ARRDWRA.pdf (Superseded)
01/23/2014		Supporting Document	HPCS-Homeowners Premium Comparison Survey	02/11/2014	Premium sheet- ArHOSurvey-HPCS TIA.xls (Superseded) Premium sheet- ArHOSurvey-HPCS TIA.pdf (Superseded) Premium sheet- ArHOSurvey-HPCS AHC.pdf (Superseded) Premium sheet- ArHOSurvey-HPCS AHC.XLS (Superseded)
01/23/2014		Supporting Document	NAIC loss cost data entry document	02/07/2014	AR RF-1-HS FILING 2-21-14.pdf (Superseded)

SERFF Tracking #:

TRVA-129386573

State Tracking #:

Company Tracking #:

2014-01-0085

State:

Arkansas

First Filing Company:

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

TOI/Sub-TOI:

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

Product Name:

Homesaver

Project Name/Number:

623430/

Attachment Premium sheet- ArHOSurvey-HPCS TIA.xls is not a PDF document and cannot be reproduced here.

Attachment Premium sheet- ArHOSurvey-HPCS AHC.XLS is not a PDF document and cannot be reproduced here.

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

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ARKANSAS HOMESAVER

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

Explanatory Memorandum

This filing is being submitted with revisions to the Arkansas Homesaver program. We are proposing an overall rate level change of 9.90% for the Arkansas Homesaver program. This changes will consist of revisions to territorial base rates. This change applies to policies issued and effective on or after 02/21/2014.

Proposed Change	All Forms Combined
Territory Base Rates*	8.90% to 10.00%
Total Rate Impact	9.90%

*Varies by Form

Our proposal consists of the following:

REVISION TO BASE RATES

With this filing, we are proposing to adjust fire and other allied lines base rates by territory.

In an effort to improve and update our indication process we are proposing the following changes to methodology and data:

Experience Data

The Travelers has updated our experience database which brings improved accuracy and detail. Any resultant changes in historical values compared to prior filings are not material.

Trended Total Permissible Loss Ratio

The trended total permissible loss ratio formula is shown on the bottom of the Property indication page.

Installment Fees

Installment fees are now incorporated in the indicated rate change calculation and are shown in Exhibit 3.

Unallocated Loss Adjustment Expense (ULAE)

On Exhibit 5, the ULAE ratio is now determined based on net paid rather than direct incurred ULAE and loss & ALAE values. Please note that a paid basis removes volatility due to reserve changes, and net ratios better reflect our loss cash flows. In addition, the ULAE ratio selection is now calculated as an average of the ULAE ratio for 2010, 2011 and 2012 using weights that mitigate the impact of the extraordinary level of cat losses in 2011. Please note that this ULAE factor is applied to losses of all perils because the historical unallocated loss adjustment expenses cannot be identified as being associated with any particular peril.

Calculation of Underwriting Profit (formerly titled Investment Income)

Exhibit 9 has been restructured to improve readability, with detailed calculations moved to the Explanatory Notes, labels clarified, and data sources noted. There are some methodology changes as well: A) The Deduction for Delayed Remission of Premium on Page 3 is now calculated using the line-specific ratio of Agents' Balances in the course of collection to Unearned Premium Reserve, on a Direct basis. Previously we used the corporate-wide ratio of agents' balances in the course of collection to Earned Premium, on a Net basis. The change in components brings more accuracy, and the Direct basis matches the basis of the Unearned Premium Reserve. B) The Federal Income Tax Provision on Page 5 is now calculated as the average of the tax rates of the last three years, rather than only the last year, to produce a more stable result over time. In addition, the Net Investment Income and Dividends from Affiliates in this provision have been restated for consistency with our published statutory data. C) The calculation of the Average Rate of Return on Page 5 and the Deduction for Delayed Remission of Premium on Page 3 are now calculated as the straight average of the ratios for each of the three years, rather than one ratio based on three years of combined data, to give each year equal weight.

Unallocated Loss Adjustment Expense (ULAE), and Calculation of Underwriting Profit

The countrywide data in Exhibit 5 (ULAE), and on pages 2-4 in Exhibit 9 (Underwriting Profit) have been revised to include additional data now available as a result of internal financial reporting changes.

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

Statewide Indication

<u>Policy Forms</u>	Year Ending 09/30/2013 <u>EPCR</u>	Indicated Rate Level <u>Change</u>
All Policy Forms Combined	2,547,895	34.92%

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
THE TRAVELERS INDEMNITY COMPANY OF AMERICAProperty Indication
All Policy Forms Combined

AY Ending 09/30	Earned House Years (1)	Trended EPCR (2)	Ultimate Trended L & LAE (3)	Incurred Claim Count (4)	AY Weights (5)	Rate Level Loss Ratio (6)=(3)/(2)
2009	2,364	2,583,434	1,363,949	115	0.20	0.528
2010	2,602	2,853,133	1,245,674	122	0.20	0.437
2011	2,629	2,879,793	1,727,045	116	0.20	0.600
2012	2,518	2,747,604	2,233,242	96	0.20	0.813
2013	2,357	2,581,476	1,775,563	95	0.20	0.688
(7) Weighted Rate Level Loss Ratio						0.613
(8) Non-Hurricane Cat. Adjusted Loss Ratio = (7) x WCLM						0.878
(9) State Credibility= [(1)/18,750]^ 0.5, Cap result at 1.00						0.815
(10) Trended Total Permissible Loss Ratio						0.665
(11) Credibility Weighted Rate Level Total Loss Ratio						0.839
(12) Variable Permissible Loss Ratio						0.690
(13) Credibility Weighted Indicated Rate Level Change = [(11) + (FE)] / (12)-1						34.92%
(14) Proposed Premium Level Change						9.90%

(8) WCLM = Weighted Cat Loss Multiplier, from Exhibit 8

(10) Trended Total Permissible Loss Ratio =
(Total Permissible Loss Ratio)
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]

(13) FE = Fixed Expense, from Exhibit 3

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Development of Variable Permissible Loss Ratio
 and Permissible Loss Ratio

<u>Fixed Expense</u>	
Other Acquisition and General Expense	10.4%
Installment Fees	-1.1%
Total Fixed Expense	9.3%
<u>Variable Expense</u>	
Commissions	15.3%
Taxes, Licenses and Fees	3.8%
Total Variable Expense	19.2%
Profit Margin	11.8%
Total Variable Expense and Profit Margin	31.0%
Variable Permissible Loss Ratio = (100% minus above row)	69.0%
Total Fixed Expense, Variable Expense and Profit Margin	40.3%
Total Permissible Loss Ratio = (100% minus above row)	59.7%
Total	100.0%

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 THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Unallocated Loss Adjustment Expense

Countrywide			
Calendar Year	Paid ULAE	Paid Losses & ALAE	Ratio
2010	\$13,532,043	\$108,232,213	0.125
2011	\$14,016,038	\$173,235,444	0.081
2012	\$15,589,600	\$148,297,130	0.105
Selected			0.108

Notes:

Countrywide data, on a Net basis.

Selected is an average using weights that mitigate the extraordinary CAT losses in 2011.

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

Loss Trend
Frequency Trend
All Policy Forms Combined
Exponential Fit

Calendar Year <u>Ending</u>	Travelers Statewide			
	Actual	20 PT	12 PT	6 PT
12/31/2008	4.50	3.53		
03/31/2009	2.99	3.58		
06/30/2009	1.76	3.64		
09/30/2009	2.88	3.70		
12/31/2009	3.36	3.75		
03/31/2010	4.96	3.81		
06/30/2010	6.33	3.87		
09/30/2010	5.23	3.93		
12/31/2010	4.99	4.00	4.53	
03/31/2011	4.89	4.06	4.50	
06/30/2011	4.05	4.12	4.46	
09/30/2011	4.49	4.19	4.43	
12/31/2011	4.21	4.25	4.40	
03/31/2012	4.63	4.32	4.37	
06/30/2012	4.14	4.39	4.33	3.74
09/30/2012	3.57	4.46	4.30	3.91
12/31/2012	3.79	4.52	4.27	4.08
03/31/2013	4.35	4.60	4.24	4.27
06/30/2013	4.55	4.67	4.21	4.46
09/30/2013	4.75	4.74	4.17	4.66
Annual Rate of Change		6.4%	-2.9%	19.4%
Selected Historical Annual Rate of Change				3.0%
Selected Prospective Annual Rate of Change				5.0%
Projected Average Date of Loss for the Period the Proposed Rates will be in Effect				02/21/2015

Factors To Adjust Data Based on a 02/21/2014 Effective Date

Experience Period <u>Ending</u> (a)	Midpoint of Experience Period (b)	Historical Trend Period (months) (c)	Factor to Adjust to <u>03/31/2013</u> (d)	Prospective Trend Period (months) (e)	Factor to Adjust From <u>03/31/2013</u> to <u>02/21/2015</u> (f)	Frequency Factor (g) = (d) x (f)
09/30/2009	03/31/2009	48	1.126	22.8	1.097	1.235
09/30/2010	03/31/2010	36	1.093	22.8	1.097	1.199
09/30/2011	03/31/2011	24	1.061	22.8	1.097	1.164
09/30/2012	03/31/2012	12	1.030	22.8	1.097	1.130
09/30/2013	03/31/2013	0	1.000	22.8	1.097	1.097

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

Loss Trend
Severity Trend
All Policy Forms Combined
Exponential Fit

Calendar Year <u>Ending</u>	Travelers Statewide			
	Actual	20 PT	12 PT	6 PT
12/31/2008	11,009	8,746		
03/31/2009	14,350	8,834		
06/30/2009	16,864	8,922		
09/30/2009	8,969	9,012		
12/31/2009	7,976	9,103		
03/31/2010	7,206	9,194		
06/30/2010	6,210	9,287		
09/30/2010	6,292	9,380		
12/31/2010	7,301	9,474	7,000	
03/31/2011	5,808	9,570	7,451	
06/30/2011	7,725	9,666	7,932	
09/30/2011	9,513	9,763	8,443	
12/31/2011	10,140	9,861	8,987	
03/31/2012	10,888	9,960	9,566	
06/30/2012	10,440	10,061	10,183	10,000
09/30/2012	10,383	10,162	10,839	10,625
12/31/2012	10,047	10,264	11,538	11,290
03/31/2013	12,914	10,367	12,282	11,996
06/30/2013	13,797	10,471	13,074	12,747
09/30/2013	12,803	10,577	13,916	13,544
Annual Rate of Change		4.1%	28.4%	27.5%
Selected Historical Annual Rate of Change				4.0%
Selected Prospective Annual Rate of Change				6.0%
Projected Average Date of Loss for the Period the Proposed Rates will be in Effect				02/21/2015

Factors To Adjust Data Based on a 02/21/2014 Effective Date

Experience Period <u>Ending</u> (a)	Midpoint of Experience Period (b)	Historical Trend Period (months) (c)	Factor to Adjust to 03/31/2013 (d)	Prospective Trend Period (months) (e)	Factor to Adjust From to 03/31/2013 02/21/2015 (f)	Severity Factor (g) = (d) x (f)	Frequency x Severity Factor
09/30/2009	03/31/2009	48	1.170	22.8	1.117	1.307	1.614
09/30/2010	03/31/2010	36	1.125	22.8	1.117	1.257	1.506
09/30/2011	03/31/2011	24	1.082	22.8	1.117	1.208	1.406
09/30/2012	03/31/2012	12	1.040	22.8	1.117	1.162	1.313
09/30/2013	03/31/2013	0	1.000	22.8	1.117	1.117	1.226

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THE TRAVELERS INDEMNITY COMPANY OF AMERICA

Average Premium Trend

Experience Period Ending	Average Premium	YOY Change
09/30/2009	1,065.35	
09/30/2010	1,072.53	0.7%
09/30/2011	1,074.74	0.2%
09/30/2012	1,073.72	-0.1%
09/30/2013	1,081.18	0.7%
(1) Fitted Historical Premium Trend		0.3%
(2) Selected Historical Premium Trend		0.3%
(3) Selected Prospective Premium Trend:		0.7%
(4) Average Earned Date Underlying Proposed Rates: (Effective Date = 02/21/2014)		02/21/2015
(5) Prospective Trend Period (months) (Midpoint of Experience Period to Average Earned Date)		22.7
(6) Prospective Trend Adjustment		1.013

CALCULATION OF PREMIUM TREND FACTORS

Experience Period Ending	Midpoint of Experience Period	Fitted Average Premium	Historical Trend Factor	Prospective Trend Factor	Premium Trend Factor
09/30/2009	03/31/2009	1,066.93	1.012	1.013	1.026
09/30/2010	03/31/2010	1,070.22	1.009	1.013	1.023
09/30/2011	03/31/2011	1,073.51	1.006	1.013	1.019
09/30/2012	03/31/2012	1,076.79	1.003	1.013	1.016
09/30/2013	03/31/2013	1,080.08	1.000	1.013	1.013

ARKANSAS HOMESAVER

ALL COMPANIES COMBINED

Catastrophe Losses
Explanation of Catastrophe Losses

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

Hurricanes are potentially solvency threatening events whose frequency and large variation in severity make them difficult to recognize in projecting future costs for ratemaking purposes. Therefore, we believe it's necessary to separate hurricane losses from non-hurricane losses in our analysis of catastrophes.

We categorize an event as a catastrophe if the Insurance Services Office (ISO) defines it as a catastrophe. ISO defines a catastrophe as an occurrence such as a hailstorm, windstorm, tornado, hurricane, winter storm, wildfire, earthquake, etc., which results in insured property losses of \$25,000,000 or more and affects a significant number of policyholders and insurers.¹

Each catastrophe is accorded a serial number by ISO for identification purposes. This identification makes it possible for each insurance company to summarize the losses due to these types of occurrences in a particular year. One of our underlying assumptions in ratemaking is that past loss experience can be utilized as an indication of the future loss experience. While this is a reasonable assumption for regular property losses, we believe catastrophe losses are extraordinary events that will probably not re-occur with the same degree of frequency as regular losses. Therefore, we give such catastrophe losses special treatment.

Non-Hurricane Catastrophe Losses:

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

Since catastrophes are rare events, it is necessary that the computation of the catastrophe loading be based upon a long period of experience. In determining the non-hurricane Catastrophe Loss Factor, we have utilized all of the Homesaver experience from 1993 - 2012. The non-hurricane Catastrophe Loss Factor is calculated by relating the non-hurricane catastrophe losses to the non-cat losses. Page 2 of this exhibit sets forth the calculation.

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

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ALL COMPANIES COMBINED

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

Calendar Year Ending 12/31	Total Incurred Losses (2)+(3)+(4)+(5)	Hurricane Losses	Earthquake Losses	Other Cat. Losses	Non-Cat. Incurred Losses
	(1)	(2)	(3)	(4)	(5)
1993	18,152	0	0	0	18,152
1994	33,681	0	0	0	33,681
1995	45,350	0	0	0	45,350
1996	16,622	0	0	3,250	13,372
1997	94,083	0	0	3,376	90,707
1998	140,013	0	0	21,130	118,883
1999	1,226,638	0	0	247,702	978,936
2000	667,848	0	0	85,139	582,709
2001	928,813	0	0	260,322	668,491
2002	1,322,681	0	0	120,703	1,201,978
2003	2,845,528	0	0	159,373	2,686,155
2004	4,007,483	0	0	301,816	3,705,667
2005	7,590,058	357,668	0	235,707	6,996,683
2006	12,961,298	127,285	0	1,737,918	11,096,095
2007	9,496,630	0	0	607,031	8,889,599
2008	29,256,103	1,756,392	0	10,830,292	16,669,419
2009	21,028,954	259,297	0	9,113,355	11,656,302
2010	18,961,689	6,378	0	2,629,912	16,325,399
2011	31,743,407	530	0	16,728,390	15,014,487
2012	11,882,875	0	0	2,690,266	9,192,609
Total	154,267,906	2,507,550	0	45,775,682	105,984,674
(6)	Ratio of Total "Other Cat." Losses to Total "Non-Cat." Losses:				0.432
(7)	Weighted Catastrophe Loss Multiplier [WCLM = 1 + (6)]:				1.432

ARKANSAS HOMESAVER

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

Calculation of Underwriting Profit
Summary Exhibit

	<u>Homesaver</u>
A. <u>Direct Earned Premium</u>	2,301,099
B. <u>Funds Available for Investment from Unearned Premium Reserve</u>	
1. Direct Mean Unearned Premium Reserve (see Page 2)	1,177,665
2. Deduction for Federal Taxes (see Page 2)	4,894
3. Deduction for Prepaid Expenses (see Page 2)	286,839
4. Deduction for Delayed Remission of Premium (see Page 3)	391,112
5. Net Available for Investment = B1 - B2 - B3 - B4	494,820
C. <u>Funds Available for Investment from Loss + LAE Reserve</u>	
1. Expected Mean Loss + LAE Reserve (see Page 3)	321,925
2. Deduction for Federal Taxes (see Page 4)	11,485
3. Net Available for Investment = C1 - C2	310,440
D. <u>Policyholder Surplus (see Page 5)</u>	1,995,000
E. <u>Net Available for Investment = B5 + C3 + D</u>	2,800,260
F. <u>Average Rate of Return (see Page 5)</u>	4.5%
G. <u>Projected Investment Earnings = E x F</u>	126,537
H. <u>Before Tax Return (% of EP) = G / A</u>	5.5%
I. <u>Federal Income Tax Provision (see Page 5)</u>	18.6%
J. <u>After-Tax Return (% of EP) = H x (100% - I)</u>	4.5%
K. <u>Target After-Tax Total Return (% of EP) (see Page 5)</u>	13.0%
L. <u>Target After-Tax Underwriting Profit (% of EP) = K - J</u>	8.5%
M. <u>Target Before-Tax Underwriting Profit (% of EP) = L / 0.65</u>	13.1%
N. <u>Selected Target Before-Tax Underwriting Profit</u>	11.8%

The Target After-Tax Total Return on earned premium from underwriting and investment activities is 13.0%.

Since the after-tax return on homeowners earned premium from investment earnings is 4.5%, the difference of 8.5% is the projected after-tax underwriting profit. Assuming a tax rate of 35%, the before-tax underwriting profit is 13.1% as a percent of earned premium.

Notes:

A. Direct Earned Premium is state data from the financial database that reconciles to Page 14, Column 2 for 2012

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
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Calculation of Underwriting Profit
Explanatory Notes

B. **Funds Available for Investment from Unearned Premium Reserve**

	<u>Homesaver</u>
1. Direct Mean Unearned Premium Reserve	
(a) Direct unearned premium reserve as of 12/2011	1,142,712
(b) Direct unearned premium reserve as of 12/2012	1,212,619
(c) Direct mean unearned premium reserve = (a + b) / 2	1,177,665
2. Deduction for Federal Taxes: The Internal Revenue Code allows only 80% of the change in unearned premium reserve as a deduction. The limitation of the deduction is accomplished through an adjustment to statutory income whereby 20% of the unearned premium reserve change is added to statutory income for tax purposes.	
Deduction = 0.35 x 0.20 x (B1(b) - B1(a))	0.35 x 0.20 x (1,212,619 - 1,142,712) = 4,894
3. Deduction for Prepaid Expenses: Production costs and a large part of the other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures.	
(a) Commissions	0.1533
(b) Taxes, Licenses, and Fees	0.0382
(c) 50% of Other Acquisition and General Expense	0.0520
(d) Total (% of premium)	0.2436
(e) Deduction = B1(c) x B3(d)	1,177,665 x 0.2436 = 286,839

Notes:

(Data for year 2012 unless noted otherwise)

B1(a,b) State data from the financial database that reconciles to Page 14, Column 4

B3(a) [(Base Commission) + (3-Year Average Supplemental Commission)] / (State data, Page 14, Column 1)

Commissions are state data from the financial database that reconciles to Page 14

B3(b) Taxes are state data from the financial database that reconciles to Page 14

B3(c) Countrywide data from the financial database that reconciles to IEE, Part III, Columns 27 and 29

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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT
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Calculation of Underwriting Profit
Explanatory Notes

B. **Funds Available for Investment from Unearned Premium Reserve (continued)**

4. Deduction for Delayed Remission of Premium: The ratio used for the Average Uncollected Balance is the countrywide agents' balances in the course of collection as a percentage of mean unearned premium reserve. This ratio is multiplied by the state mean unearned premium reserve to determine the deduction.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Direct Agents' Balances	39,766,307	43,210,059	43,572,530	
(b) Direct Mean Unearned Premium Reserve	118,092,615	129,236,642	133,971,864	
(c) Average Uncollected Balance Ratio = a / b	33.7%	33.4%	32.5%	33.2%
(d) Deduction = B1(c) x B4(c) <small>Average</small>	1,177,665 x 33.2% =		391,112	

C. **Funds Available for Investment from Loss and LAE Reserve**

This is determined by multiplying the expected Incurred Loss + LAE by the Mean Loss and LAE Reserve Ratio and deducting for Federal Taxes payable on loss reserves.

1. Expected Mean Loss and LAE Reserve

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Paid Loss + LAE	121,764,256	187,251,482	163,886,730	
(b) Net Loss + LAE Reserve as of end of prior year	63,370,385	61,723,227	62,115,117	
(c) Net Loss + LAE Reserve as of end of year	61,723,227	62,115,117	71,703,843	
(d) Net Incurred Loss + LAE = a - b + c	120,117,098	187,643,372	173,475,456	
(e) Net Mean Loss + LAE Reserve = (b + c) / 2		61,919,172	66,909,480	
(f) Reserve Ratio = e / d	0.0000	0.3300	0.3857	0.2386
(g) Permissible Loss + LAE Ratio (see Exhibit 3)			0.5864	
(h) Expected Mean Loss and LAE Reserve = A x C1(g) x C1(f) <small>Average</small>	2,301,099 x 0.5864 x 0.2386 =		321,925	

Notes:

B4(a) Countrywide Homesaver data from the financial database that reconciles to IEE, Part III, Column 21

B4(b) Countrywide Homesaver data from the financial database that reconciles to IEE, Part III, Column 19

C1(a,b,c) Countrywide Homesaver data from the financial database that reconciles to IEE, Part II

ARKANSAS HOMESAVER

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

Calculation of Underwriting Profit
Explanatory Notes

C. **Funds Available for Investment from Loss and LAE Reserve (continued)**

2. Deduction for Federal Taxes Payable on Loss Reserves

<u>Year of Loss</u>	<u>Statutory Reserves (Undiscounted)</u>		<u>Tax Reserves (Discounted)</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
2001 & Prior	5,255,933	6,182,829	5,026,607	5,986,060
2002	1,681,435	279,783	1,559,767	266,288
2003	2,373,927	1,508,658	2,088,830	1,406,923
2004	3,362,241	2,154,869	3,045,135	1,913,031
2005	37,871,767	33,769,751	33,886,715	30,839,196
2006	8,988,741	5,501,885	8,086,179	4,964,473
2007	20,933,312	11,429,649	18,828,619	10,306,842
2008	49,103,278	20,424,660	44,272,634	18,297,122
2009	73,375,018	33,010,356	66,272,572	29,689,144
2010	174,671,967	77,995,885	158,428,282	70,809,458
2011	807,686,005	233,816,158	761,283,120	213,683,536
2012		724,206,301		686,745,097
Total	1,185,303,625	1,150,280,785	1,102,778,460	1,074,907,170
			<u>2011</u>	<u>2012</u>
(a) Ratio of Total Tax to Total Statutory Reserves			0.9304	0.9345
(b) Arkansas Homesaver Loss + ALAE Reserve as of 12/2011 x (1+ ULAE)				
406,603 x 1.108 =				450,516
(c) Arkansas Homesaver Loss + ALAE Reserve as of 12/2012 x (1 + ULAE)				
884,207 x 1.108 =				979,701
(d) Deduction = 0.35 x [c - b - (c x a ₂₀₁₂) + (b x a ₂₀₁₁)]				
0.35 x [979,701 - 450,516 - (979,701 x 0.9345) + (450,516 x 0.9304)] =				11,485

Notes:

C2(a) 2012 Federal Tax Return supporting documentation, Countrywide Homeowners data
C2(b,c) State data from the financial database that reconciles to Page 14, Column 7 and Column 10

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Calculation of Underwriting Profit
Explanatory Notes

D. Policyholder Surplus

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Year End Property Casualty Policyholder Surplus	19,510,628,060	18,586,650,960	19,317,409,143	
(b) Direct Written Premium	21,541,288,707	22,206,993,630	22,695,957,856	
(c) Premium to Surplus Ratio = b / a	1.10	1.19	1.17	1.15
(d) Direct Earned Premium (see Page 1, Item A)			2,301,099	
(e) Allocated Policyholder Surplus = d / c _{Average}			1,995,000	

F. Average Rate of Return

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Investment Income	3,211,248,419	2,749,874,457	2,737,689,177	
(b) Net Realized Capital Gains	(146,038,854)	13,192,798	59,550,223	
(c) Invested Assets	64,670,591,711	62,801,070,216	63,331,666,728	
(d) Average Rate of Return = (a + b) / c	4.7%	4.4%	4.4%	4.5%

I. Federal Income Tax Provision

Detailed below is the calculation of the Federal Income Tax rate on Net Investment Income earned for Travelers Property Casualty Corporation. (Dollars are in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Investment Income (NII)	3,211,248	2,749,874	2,737,689	
(b) Dividends from Affiliates	(197,700)	0	0	
(c) Tax Exempt Interest (TEI)	(1,577,345)	(1,486,899)	(1,404,197)	
(d) 70% Dividends Received Deduction (DRD)	(6,138)	(9,336)	(10,008)	
(e) 42% DRD	(2,059)	(1,845)	(1,833)	
(f) 15% Proration Adj. on TEI and DRD = 0.15 x (c + d + e)	237,526	224,491	211,541	
(g) Other Adjustments	(9,554)	(23,134)	(31,573)	
(h) Taxable NII = a + b + c + d + e + f + g	1,655,978	1,453,151	1,501,619	
(i) Tax on NII = h x 0.35	579,592	508,603	525,567	
(j) Federal Income Tax Rate on NII = i / a	18.0%	18.5%	19.2%	18.6%

K. Target After-Tax Total Return

	<u>2012</u>
(a) Target Return on Equity	15.0%
(b) Target Return on Earned Premium = K(a) / D(c) _{Average}	13.0%

Notes:

D(a) Consolidated Annual Statement, Page 3, Line 37

D(b) Consolidated Annual Statement, Page 8, Line 35, Column 1

F(a) Consolidated Annual Statement, Page 4, Line 9

F(b) Consolidated Annual Statement, Page 4, Line 10

F(c) Mean of current year and prior year:

[(Consolidated Annual Statement, Page 2, Line 12, Column 3) - (Consolidated Annual Statement Page 2, Line 5 (cash))]

I(a) Consolidated Annual Statement, Page 4, Line 9

I(b,c,d,e,f,g) Federal Income Tax Provision

ARKANSAS HOMESAVER

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

Trended Ultimate Losses

Accident Year Ending 9/30	2009	2010	2011	2012	2013
(1) Earned Premium	1,618,384	2,002,948	2,263,817	2,325,023	2,372,906
(2) Earned Premium at Current Rates Factor	1.556	1.393	1.248	1.163	1.074
(3) Earned Premium at Current Rates (1) x (2)	2,518,788	2,790,269	2,824,977	2,703,571	2,547,895
(4) Premium Trend Factor	1.026	1.023	1.019	1.016	1.013
(5) Trended Earned Premium at Current Rates (3) x (4)	2,583,434	2,853,133	2,879,793	2,747,604	2,581,476
(6) Incurred Losses & ALAE	762,843	746,298	1,108,363	1,488,469	1,197,796
(7) Loss Development Factor	1.000	1.000	1.000	1.031	1.092
(8) Ultimate Losses & ALAE (6) x (7)	762,843	746,298	1,108,363	1,535,270	1,307,542
(9) Unallocated Factor + 1.000	1.108	1.108	1.108	1.108	1.108
(10) Ultimate Losses & LAE (8) x (9)	845,230	826,898	1,228,066	1,701,079	1,448,756
(11) Loss Trend Factor	1.614	1.506	1.406	1.313	1.226
(12) Trended Ultimate Losses & LAE (10) x (11)	1,363,949	1,245,674	1,727,045	2,233,242	1,775,563

ARKANSAS HOMESAVER

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

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

Current Base Rates

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

ARKANSAS HOMESAVER

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	132	52
31	182	68
32	135	55
33	177	65

ARKANSAS HOMESAVER

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

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

Current Base Rates

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

ARKANSAS HOMESAVER

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	43	19
31	44	19
32	44	19
33	48	20

ARKANSAS HOMESAVER

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

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

Current Base Rates

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

ARKANSAS HOMESAVER

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	204	77
31	212	80
32	208	80
33	227	86

ARKANSAS HOMESAVER

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

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

Current Base Rates

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

ARKANSAS HOMESAVER

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	47	20
31	53	21
32	58	22
33	51	21

ARKANSAS HOMESAVER

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

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

Current Base Rates

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

ARKANSAS HOMESAVER

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

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

Proposed Base Rates

Territory	Regular	
	Fire	Other Allied Lines
30	42	19
31	44	19
32	44	19
33	48	20

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-661

Territory	Regular
30	132
31	182
32	135
33	177

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

Territory	Regular
30	52
31	68
32	55
33	65

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-662

Territory	Regular
30	43
31	44
32	44
33	48

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

Territory	Regular
30	19
31	19
32	19
33	20

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)**FIRE BASE CLASS PREMIUM TABLE: FORM HS-663**

Territory	Regular
30	204
31	212
32	208
33	227

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

Territory	Regular
30	77
31	80
32	80
33	86

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)**FIRE BASE CLASS PREMIUM TABLE: FORM HS-664**

Territory	Regular
30	47
31	53
32	58
33	51

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

Territory	Regular
30	20
31	21
32	22
33	21

THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT (Regular)

FIRE BASE CLASS PREMIUM TABLE: FORM HS-665

Territory	Regular
30	42
31	44
32	44
33	48

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

Territory	Regular
30	19
31	19
32	19
33	20

NAIC Number: 25666
 Company Name: Travelers Indemnity Company of America
 Contact Person: Jennifer Graves
 Telephone No.: 860-277-7775
 Email Address: jagraves@travelers.com
 Effective Date: 2/21/2014

**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	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$653.00	\$779.00
	\$120,000	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$870.00	\$1,039.00
	\$160,000	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,077.00	\$1,286.00
6	\$80,000	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$874.00	\$1,051.00
	\$120,000	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,165.00	\$1,400.00
	\$160,000	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,441.00	\$1,732.00
9	\$80,000	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,597.00	\$2,023.00
	\$120,000	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,129.00	\$2,696.00
	\$160,000	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,635.00	\$3,336.00

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																		
	\$15,000																		
	\$25,000																		
6	\$5,000																		
	\$15,000																		
	\$25,000																		
9	\$5,000																		
	\$15,000																		
	\$25,000																		

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

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

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

HO3 and HO4 only

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

EARTHQUAKE INSURANCE

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

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

Zone Brick Frame

NAIC Number: 19062
 Company Name: The Automobile Company of Hartford Connecticut
 Contact Person: Jennifer Graves
 Telephone No.: 860-277-7775
 Email Address: jagraves@travelers.com
 Effective Date: 2/21/2014

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	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$700.00	\$835.00	\$653.00	\$779.00
	\$120,000	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$933.00	\$1,114.00	\$870.00	\$1,039.00
	\$160,000	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,155.00	\$1,378.00	\$1,077.00	\$1,286.00
6	\$80,000	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$937.00	\$1,126.00	\$874.00	\$1,051.00
	\$120,000	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,248.00	\$1,500.00	\$1,165.00	\$1,400.00
	\$160,000	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,544.00	\$1,856.00	\$1,441.00	\$1,732.00
9	\$80,000	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,712.00	\$2,167.00	\$1,597.00	\$2,023.00
	\$120,000	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,282.00	\$2,889.00	\$2,129.00	\$2,696.00
	\$160,000	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,824.00	\$3,575.00	\$2,635.00	\$3,336.00

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																		
	\$15,000																		
	\$25,000																		
6	\$5,000																		
	\$15,000																		
	\$25,000																		
9	\$5,000																		
	\$15,000																		
	\$25,000																		

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$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"/>	

EARTHQUAKE INSURANCE

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

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

Zone Brick Frame

			%	WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$		\$	
	Maximum Credit Allowed		%		Lowest Risk	\$		\$	

|

FORM RF-1 Rate Filing Abstract 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.	The Automobile Insurance Company of Hartford, Connecticut	B.	3548-19062

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

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homesaver Forms	34.92%	9.90%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	34.92%	9.90%					

6. 5 Year History			Rate Change History					7.	
Year	Policy Count*	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio	Expense Constants	Selected Provisions
2008	2,076	5.3%	6/13/2008	1,292	1,378	106.7%	37.0%	A. Total Production Expense	15.3%
2009	2,445	16.1%	7/31/2009	1,646	1,407	85.5%	54.9%	B. General Expense	
2010	2,636	10.0%	8/6/2010	2,005	1,064	53.1%	50.9%	& Other Acquisition	10.4%
2011	2,598	10.0%	11/18/2011	2,183	1,981	90.7%	72.3%	C. Taxes, License & Fees	3.8%
2012	2,505	n/a	n/a	2,238	1,474	65.9%	59.2%	D. Underwriting Profit	
2013	2,396	9.68%	1/25/2013	n/a	n/a	n/a	n/a	& Contingencies	11.8%
								E. Other (explain)	
* Based on Earned Exposure counts								F. TOTAL	41.3%

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

9. 10.61% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

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

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

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

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

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

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

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homesaver Forms	34.92%	9.91%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	34.92%	9.91%					

6. 5 Year History			Rate Change History					7.	
Year	Policy Count*	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio	Expense Constants	Selected Provisions
2008	24	0.0%	6/13/2008	17	3	17.6%	58.1%	A. Total Production Expense	15.3%
2009	42	17.2%	7/31/2009	30	3	10.0%	54.0%	B. General Expense	
2010	46	9.0%	8/6/2010	42	85	202.4%	48.8%	& Other Acquisition	10.4%
2011	50	10.6%	11/18/2011	54	12	22.2%	67.2%	C. Taxes, License & Fees	3.8%
2012	61	n/a	n/a	63	33	52.4%	60.2%	D. Underwriting Profit	
2013	71	9.76%	1/25/2013	n/a	n/a	n/a	n/a	& Contingencies	11.8%
								E. Other (explain)	
* Based on Earned Exposure counts								F. TOTAL	41.3%

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

9. 10.16% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

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