

State: Arkansas **First Filing Company:** The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

Filing at a Glance

Companies: The Travelers Home and Marine Insurance Company
Travelers Commercial Insurance Company

Product Name: Quantum Auto 1.0

State: Arkansas

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Filing Type: Rate/Rule

Date Submitted: 06/25/2014

SERFF Tr Num: TRVA-129602275

SERFF Status: Closed-Filed

State Tr Num:

State Status:

Co Tr Num: 2014-06-0103

Effective Date

Requested (New):

Effective Date 07/25/2014

Requested (Renewal):

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

Reviewer(s): Alexa Grissom (primary)

Disposition Date: 07/15/2014

Disposition Status: Filed

Effective Date (New):

Effective Date (Renewal): 07/25/2014

State Filing Description:

State: Arkansas **First Filing Company:** The Travelers Home and Marine Insurance Company, ...

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General Information

Project Name: 636686 Status of Filing in Domicile:
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 07/15/2014
 State Status Changed: Deemer Date:
 Created By: Jennifer Graves Submitted By: Jennifer Graves
 Corresponding Filing Tracking Number:

Filing Description:
 With this filing we are making revisions as detailed in the accompanying documentation.

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 Travelers Home and Marine Insurance Company	CoCode: 27998	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: 35-1838079	State ID Number:

Travelers Commercial Insurance Company	CoCode: 36137	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: 06-1286268	State ID Number:

Filing Fees

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

Company	Amount	Date Processed	Transaction #
The Travelers Home and Marine Insurance Company	\$100.00	06/25/2014	83447171

SERFF Tracking #:

TRVA-129602275

State Tracking #:

Company Tracking #:

2014-06-0103

State: Arkansas

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Product Name: Quantum Auto 1.0

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	07/15/2014	07/15/2014

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	07/03/2014	07/03/2014

Response Letters

Responded By	Created On	Date Submitted
Jennifer Graves	07/03/2014	07/03/2014

State: Arkansas
 TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
 Product Name: Quantum Auto 1.0
 Project Name/Number: 636686/

First Filing Company: The Travelers Home and Marine Insurance Company, ...

Disposition

Disposition Date: 07/15/2014

Effective Date (New):

Effective Date (Renewal): 07/25/2014

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 Travelers Home and Marine Insurance Company	13.090%	4.940%	\$1,216,530	15,490	\$24,262,105	14.120%	0.880%
Travelers Commercial Insurance Company	13.090%	4.210%	\$62,703	817	\$1,489,380	12.650%	2.020%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

13.090%

Overall Percentage Rate Impact For This Filing

4.900%

Effect of Rate Filing-Written Premium Change For This Program

\$1,279,233

Effect of Rate Filing - Number of Policyholders Affected

16,307

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document (revised)	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	RATE/RULE FILING SCHEDULE	Filed	Yes
Supporting Document	FILING PACKAGE	Filed	Yes
Rate	AR RULE MANUAL	Filed	Yes
Rate	AR RULE MANUAL	Filed	Yes
	AR RULE MANUAL	Filed	Yes

SERFF Tracking #:

TRVA-129602275

State Tracking #:

Company Tracking #:

2014-06-0103

State: Arkansas

First Filing Company: The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate			
Rate	AR RULE MANUAL	Filed	Yes
Rate	AR RULE MANUAL	Filed	Yes

State: Arkansas **First Filing Company:** The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/03/2014
Submitted Date	07/03/2014
Respond By Date	

Dear Jennifer Graves,

Introduction:

This will acknowledge receipt of the captioned filing. There are two APCS forms for Travelers Commercial. Please submit one for each company. Also, several increases have been taken over the past year or so; were these taken into account?

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.

Conclusion:

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

Arkansas does not allow the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

Sincerely,

Alexa Grissom

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Quantum Auto 1.0
Project Name/Number: 636686/

First Filing Company: The Travelers Home and Marine Insurance Company, ...

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 07/03/2014
 Submitted Date 07/03/2014

Dear Alexa Grissom,

Introduction:

In response to your inquiry, we respectfully submit the following response:

Response 1

Comments:

The APCS forms have been attached for each company.

Yes, all previous rate increases were taken into account during our indication process. The last rate change was effective June 12th, 2013.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	THM Auto Rating Comparison Document_propos (1).xls THM Auto Rating Comparison Document_propos (1).pdf
<i>Previous Version</i>	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	TCI Auto Rating Comparison Document_proposed.pdf TCI Auto Rating Comparison Document_proposed.xls THM Auto Rating Comparison Document_propos (1).pdf THM Auto Rating Comparison Document_propos (1).xls

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you,

Jennifer

SERFF Tracking #:

TRVA-129602275

State Tracking #:

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2014-06-0103

State:

Arkansas

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Sincerely,

Jennifer Graves

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Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

First Filing Company: The Travelers Home and Marine Insurance Company, ...

Rate Information

Rate data applies to filing.

Filing Method: File & Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 4.910%

Effective Date of Last Rate Revision: 06/12/2013

Filing Method of Last Filing: File & 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 Travelers Home and Marine Insurance Company	13.090%	4.940%	\$1,216,530	15,490	\$24,262,105	14.120%	0.880%
Travelers Commercial Insurance Company	13.090%	4.210%	\$62,703	817	\$1,489,380	12.650%	2.020%

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

2014-06-0103

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Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 07/15/2014	AR RULE MANUAL	RULE 11	Replacement		RULE 11 FINAL.pdf
2	Filed 07/15/2014	AR RULE MANUAL	RULE 14	Replacement		RULE 14.pdf
3	Filed 07/15/2014	AR RULE MANUAL	BTDV-1	Replacement		Base Rate and Driver-1.pdf
4	Filed 07/15/2014	AR RULE MANUAL	MCV-1	Replacement		MCV-1.pdf
5	Filed 07/15/2014	AR RULE MANUAL	NDV-16	Replacement		NDV-16.pdf

The Travelers Home and Marine Insurance Company

Quantum Auto[®]

11. MINIMUM PREMIUM RULE

- A. A minimum premium charge applies to each coverage for the policy period. Refer to the table in the Non-Driver Variables section of the Rate Pages to determine the minimum premium for each applicable coverage. Any pro-rata adjustment to the minimum coverage premium will not result in a premium of less than \$1 for the policy period.

EXCEPTION:

Extended Non-Owned Liability coverage minimum premiums for the period of coverage are:

Bodily Injury	Property Damage	Single Limit	Medical Payments
\$3	\$1	\$3	\$1 (per named individual)

- B. The minimum premium charge for each policy is \$25. Then minimum premium premium charge for each policy is not subject to the pro-rata adjustment

The Travelers Home and Marine Insurance Company

Quantum Auto[®]

14. CANCELLATION

All cancellations shall be computed on a pro-rata basis, subject to Rule 11. Minimum Premium.

BASE RATES AND TERRITORY

BASE RATE BY COVERAGE

	BI	PD	CSL BI	CSL PD	MP	WORK LOSS	MEDICAL EXPENSE	ACCID DEATH	COLL	COMP	UM BI SPLIT	UM BI SINGLE	UND BI SPLIT	UND BI SINGLE	UM BI/PD CSL	UMPD
BASE LIMIT	25/50	25	75	75	500	Q	W	X					25/50	75	75	
RATE	100.40	83.09	131.26	90.27	8.32	4.68	31.86	1.68	104.37	123.05	14.31	16.00	21.99	26.38	19.03	5.85

TERRITORY FACTORS BY COVERAGE

TERR	BI	PD	CSL BI	CSL PD	MP	WORK LOSS	MEDICAL EXPENSE	ACCID DEATH	COLL	COMP	UM BI SPLIT	UM BI SINGLE	UND BI SPLIT	UND BI SINGLE	UM BI/PD CSL	UMPD
0000	1.2660	1.2090	1.2660	1.2090	0.9450	0.9450	0.9450	0.9450	1.0180	0.8610	1.2660	1.2660	1.2660	1.2660	1.0180	1.0180
0001	1.1290	1.0680	1.1290	1.0680	1.2290	1.2290	1.2290	1.2290	1.0230	1.1070	1.1290	1.1290	1.1290	1.1290	1.0230	1.0230
0002	1.0960	1.0360	1.0960	1.0360	1.1940	1.1940	1.1940	1.1940	0.9940	1.0740	1.0960	1.0960	1.0960	1.0960	0.9940	0.9940
0003	1.1190	1.0580	1.1190	1.0580	1.2190	1.2190	1.2190	1.2190	1.0150	1.0970	1.1190	1.1190	1.1190	1.1190	1.0150	1.0150
0004	0.8960	0.9050	0.8960	0.9050	0.9720	0.9720	0.9720	0.9720	1.0560	1.3990	0.8960	0.8960	0.8960	0.8960	1.0560	1.0560
0005	0.9760	0.9860	0.9760	0.9860	1.0590	1.0590	1.0590	1.0590	1.1510	1.5240	0.9760	0.9760	0.9760	0.9760	1.1510	1.1510
0006	0.9760	0.9870	0.9760	0.9870	1.0590	1.0590	1.0590	1.0590	1.1510	1.5240	0.9760	0.9760	0.9760	0.9760	1.1510	1.1510
0007	1.0850	1.0110	1.0850	1.0110	1.1130	1.1130	1.1130	1.1130	1.1510	1.5240	1.0850	1.0850	1.0850	1.0850	1.1510	1.1510
0008	1.0850	0.9870	1.0850	0.9870	1.0590	1.0590	1.0590	1.0590	1.1560	1.5240	1.0850	1.0850	1.0850	1.0850	1.1560	1.1560
0009	0.8870	0.8970	0.8870	0.8970	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.8870	0.8870	0.8870	0.8870	1.0460	1.0460
0010	1.1540	0.9190	1.1540	0.9190	1.0120	1.0120	1.0120	1.0120	1.0510	1.3850	1.1540	1.1540	1.1540	1.1540	1.0510	1.0510
0011	1.1540	0.9190	1.1540	0.9190	1.0120	1.0120	1.0120	1.0120	1.0510	1.2130	1.1540	1.1540	1.1540	1.1540	1.0510	1.0510
0012	0.9760	0.9860	0.9760	0.9860	1.0590	1.0590	1.0590	1.0590	1.1510	1.5240	0.9760	0.9760	0.9760	0.9760	1.1510	1.1510
0013	0.9810	0.9050	0.9810	0.9050	1.0220	1.0220	1.0220	1.0220	1.0610	1.3990	0.9810	0.9810	0.9810	0.9810	1.0610	1.0610
0014	0.9810	0.9050	0.9810	0.9050	1.0220	1.0220	1.0220	1.0220	1.0610	1.3990	0.9810	0.9810	0.9810	0.9810	1.0610	1.0610
0015	0.9710	0.8970	0.9710	0.8970	0.9610	0.9610	0.9610	0.9610	1.0510	1.3850	0.9710	0.9710	0.9710	0.9710	1.0510	1.0510
0016	0.9710	0.9190	0.9710	0.9190	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.9710	0.9710	0.9710	0.9710	1.0460	1.0460
0017	0.9860	0.9190	0.9860	0.9190	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.9860	0.9860	0.9860	0.9860	1.0460	1.0460
0018	0.8960	0.9050	0.8960	0.9050	0.9720	0.9720	0.9720	0.9720	1.0240	1.3990	0.8960	0.8960	0.8960	0.8960	1.0240	1.0240
0019	0.8870	0.8970	0.8870	0.8970	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.8870	0.8870	0.8870	0.8870	1.0460	1.0460
0020	1.0390	0.9600	1.0390	0.9600	1.0300	1.0300	1.0300	1.0300	1.1250	1.4820	1.0390	1.0390	1.0390	1.0390	1.1250	1.1250
0021	0.9670	0.8790	0.9670	0.8790	0.9440	0.9440	0.9440	0.9440	1.0300	1.3580	0.9670	0.9670	0.9670	0.9670	1.0300	1.0300
0022	1.1310	0.9010	1.1310	0.9010	0.9920	0.9920	0.9920	0.9920	1.0300	1.3580	1.1310	1.1310	1.1310	1.1310	1.0300	1.0300
0023	0.9860	0.8970	0.9860	0.8970	0.9630	0.9630	0.9630	0.9630	1.0510	1.3850	0.9860	0.9860	0.9860	0.9860	1.0510	1.0510
0024	0.9710	0.9190	0.9710	0.9190	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.9710	0.9710	0.9710	0.9710	1.0460	1.0460
0025	0.9710	0.9190	0.9710	0.9190	1.0120	1.0120	1.0120	1.0120	1.0460	1.3850	0.9710	0.9710	0.9710	0.9710	1.0460	1.0460
0026	0.9860	0.9190	0.9860	0.9190	0.9630	0.9630	0.9630	0.9630	1.0460	1.3850	0.9860	0.9860	0.9860	0.9860	1.0460	1.0460
0027	0.9860	0.9960	0.9860	0.9960	1.0690	1.0690	1.0690	1.0690	1.1620	1.5390	0.9860	0.9860	0.9860	0.9860	1.1620	1.1620
0028	0.9520	0.8790	0.9520	0.8790	0.9440	0.9440	0.9440	0.9440	1.0300	1.3580	0.9520	0.9520	0.9520	0.9520	1.0300	1.0300
0029	0.8960	0.9050	0.8960	0.9050	0.9720	0.9720	0.9720	0.9720	1.0560	1.3990	0.8960	0.8960	0.8960	0.8960	1.0560	1.0560
0030	0.9860	0.8970	0.9860	0.8970	0.9630	0.9630	0.9630	0.9630	1.0510	1.3850	0.9860	0.9860	0.9860	0.9860	1.0510	1.0510
0031	0.9410	0.9510	0.9410	0.9510	1.0210	1.0210	1.0210	1.0210	1.0750	1.4690	0.9410	0.9410	0.9410	0.9410	1.0750	1.0750
0032	0.8960	0.9050	0.8960	0.9050	0.9720	0.9720	0.9720	0.9720	1.0560	1.3990	0.8960	0.8960	0.8960	0.8960	1.0560	1.0560

TABLE CONTINUED ON NEXT PAGE

MISCELLANEOUS COVERAGES AND VEHICLES

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS							
UM BI SPLIT LIMIT		UND BI SPLIT LIMIT		UM BI SINGLE LIMIT		UND BI SINGLE LIMIT	
LIMIT*	FACTOR	LIMIT*	FACTOR	LIMIT**	FACTOR	LIMIT**	FACTOR
25/50	1.0000	25/50	1.0000	75	1.0000	75	1.0000
50/100	1.3750	50/100	1.3750	100	1.0650	100	1.0650
75/75	1.4660	75/75	1.4660	300	1.3630	300	1.3630
100/100	1.5910	100/100	1.5910	500	1.4650	500	1.4650
100/300	1.7500	100/300	1.7500	** Limits are in thousands.		** Limits are in thousands.	
250/500	2.0350	250/500	2.0350				
300/300	2.0350	300/300	2.0350				
500/500	2.1890	500/500	2.1890				

*Per Person/Per Accident.
Limits are in thousands.

*Per Person/Per Accident.
Limits are in thousands.

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS			
UMPD		UM BI/PD CSL	
LIMIT**	FACTOR	LIMIT**	FACTOR
25	1.0000	75	1.0000
50	1.2500	100	1.0640
75	1.3750	300	1.4090
100	1.5000	500	1.5090
300	2.2510		
500	2.8500		

** Limits are in thousands.

AUTO DEATH INDEMNITY	
PRIN SUM	PREMIUM
5000	1.00
10000	2.00
15000	3.00
20000	4.00
25000	5.00

EXTENDED TRANSPORTATION EXPENSES	
LIMIT*	PREMIUM
15/450	9.00
20/600	15.00
30/900	20.00
40/1200	25.00
50/1500	30.00

*Per Day/Maximum

SOUND RECEIVING/ TRANSMITTING	
COST NEW	PREMIUM
\$0-200	10.00
201-500	20.00
501-1,000	34.00
1,001-2,500	61.00
2,501+	95.00

SOUND REPRODUCING TAPES	
INDICATOR	PREMIUM
Y	5.00

AUTO LOAN/ LEASE (GAP)	
COVERAGE	FACTOR
COMP	0.05
COLL	0.05

TOWING AND LABOR COSTS	
LIMIT	PREMIUM
25	4.00
50	8.00
75	12.00
100	15.00
200	20.00

ROADSIDE ASSISTANCE COVERAGE		
ROADSIDE MILEAGE LIMIT	VEHICLE AGE	PREMIUM
15	A-3	6.00
15	4-7	6.00
15	8+	6.00
100	A-3	7.00
100	4-7	7.00
100	8+	7.00

NON DRIVER VARIABLES

DEFENSIVE DRIVER CREDIT					
VEHICLES	BI	PD	COLL	COMP	MP
BASIC - REFER TO RULE	0.9900	0.9900	0.9900	0.9900	0.9900

CAREFUL DRIVER CREDIT						
CODE	BI	PD	COLL	COMP	MP	PIP
NO	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
YES	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

HYBRID VEHICLE CREDIT						
CODE	BI	PD	COLL	COMP	MP	PIP
D	0.9000	0.9000	0.9000	0.9000	0.9000	1.0000

POLICY TERM FACTOR								
POLICY TERM	BI	PD	COLL	COMP	MP	PIP	OTHER COVERAGES	DEATH INDEM / TOTAL DISABILITY
06 MONTHS	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
12 MONTHS	2.0200	2.0200	2.0200	2.0200	2.0200	2.0200	2.0200	2.0200

MINIMUM COVERAGE PREMIUMS							
VEHICLE TYPE	POLICY TERM	BI	PD	CSL BI/PD	COLL	COMP	ALL OTHER
PP & PU*	06 MONTHS	\$25.00	\$15.00	\$40.00	\$15.00	\$15.00	\$1.00
	12 MONTHS	\$50.00	\$30.00	\$80.00	\$30.00	\$30.00	\$1.00
All Other	06 MONTHS	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	12 MONTHS	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

*Private Passenger and Pick Up type vehicles (including Antiques and Classics).

PAYROLL DEDUCTION DISCOUNT									
PAYROLL DEDUCT	BI	PD	COLL	COMP	MP	PIP	MISC. COVG.*	OTHER COVERAGES	DEATH INDEM / TOTAL DISABILITY
P or R	0.9800	0.9800	0.9800	0.9800	0.9800	0.9800	1.0000	0.9800	1.0000

TRAVELERS COMMERCIAL INSURANCE COMPANY - FACTOR									
	BI	PD	COLL	COMP	MP	PIP	MISC. COVG.*	OTHER COVERAGES	DEATH INDEM / TOTAL DISABILITY
Y	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	1.0000	0.9500	1.0000

* Misc. Coverages - Auto Death Indemnity, Extended Transportation Expenses, Roadside Assistance Coverage, Towing and Labor Costs, Sound Receiving and Transmitting Equipment, Sound Reproducing Tapes, Extended Non-Owned Liability, Motor Home Covered Property Coverage.

State: Arkansas

First Filing Company: The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

Supporting Document Schedules

Satisfied - Item:	A-1 Private Passenger Auto Abstract
Comments:	
Attachment(s):	AR 06.20.2014 A-1 State Form ACC.pdf AR 06.20.2014 A-1 State Form THM.pdf
Item Status:	Filed
Status Date:	07/15/2014
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	THM Auto Rating Comparison Document_propos (1).xls THM Auto Rating Comparison Document_propos (1).pdf
Item Status:	Filed
Status Date:	07/15/2014
Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	AR RF-1 ACC 06-20-14.pdf AR RF-1 THM 06-20-14.pdf
Item Status:	Filed
Status Date:	07/15/2014
Bypassed - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp
Bypass Reason:	N/A
Attachment(s):	
Item Status:	Filed
Status Date:	07/15/2014
Satisfied - Item:	RATE/RULE FILING SCHEDULE
Comments:	
Attachment(s):	AR 07.25.2014 RRFS.pdf
Item Status:	Filed
Status Date:	07/15/2014
Satisfied - Item:	FILING PACKAGE
Comments:	

SERFF Tracking #:

TRVA-129602275

State Tracking #:

Company Tracking #:

2014-06-0103

State:

Arkansas

First Filing Company:

The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Quantum Auto 1.0

Project Name/Number:

636686/

Attachment(s):	AR QTM AUTO 07-25-14_Ver1.pdf
Item Status:	Filed
Status Date:	07/15/2014

SERFF Tracking #:

TRVA-129602275

State Tracking #:

Company Tracking #:

2014-06-0103

State:

Arkansas

First Filing Company:

The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Quantum Auto 1.0

Project Name/Number:

636686/

Attachment THM Auto Rating Comparison Document_propos (1).xls is not a PDF document and cannot be reproduced here.

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE ABSTRACT

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

Company Name Travelers Commercial Insurance Company
 NAIC # (including group #) 3548-36137

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance?

Yes No

If yes, list the areas: N/A

2. Do you furnish a market for young drivers? Yes No

3. Do you require collateral business to support a youthful driver? Yes No

4. Do you insure drivers with an international or foreign driver's license? Yes No

5. Specify the percentage you allow in credit or discounts for the following:

- | | | |
|----------------------------|--------|---|
| a. Driver over 55 | varies | % |
| b. Good Student Discount | varies | % |
| c. Multi-car Discount | varies | % |
| d. Accident Free Discount* | varies | % |

Please Specify Qualification for Discount

See Driver Variable Tables and Underwriting Guidelines

e. Anti-Theft Discount	0	%
------------------------	---	---

f. Other (specify)		%
--------------------	--	---

<u>Multiple Credits- See Non-Driver Variables Tables</u>	varies	%
--	--------	---

		%
--	--	---

6. Do you have an installment payment plan for automobile insurance? Yes No

If so, what is the fee for installment payments?

\$5.00 for Account Billing System, \$1.00 EFT, \$1.00 Recurring Credit Card Charge

7. Does your company utilize a tiered rating plan? Yes No

If so, list the programs and percentage difference and current volume for each plan:

Program	Percentage Difference	Volume
See Underwriting Tiering Guidelines for factors associated with Tier	See Underwriting Tiering Guidelines for factors associated with Tier	\$1,489,380 Written Premium

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

Peter Gulbrandsen

Signature

Peter Gulbrandsen

Printed Name

Vice President of Product Management

Title

(860) 277-8172

Telephone Number

PGULBRAN@travelers.com

Email Address

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE ABSTRACT

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

Company Name The Travelers Home and Marine Insurance Company
 NAIC # (including group #) 3548-27998

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance?

Yes No

If yes, list the areas: N/A

2. Do you furnish a market for young drivers? Yes No

3. Do you require collateral business to support a youthful driver? Yes No

4. Do you insure drivers with an international or foreign driver's license? Yes No

5. Specify the percentage you allow in credit or discounts for the following:

- a. Driver over 55 varies %
- b. Good Student Discount varies %
- c. Multi-car Discount varies %
- d. Accident Free Discount* varies %

Please Specify Qualification for Discount

See Driver Variable Tables and Underwriting Guidelines

e. Anti-Theft Discount 0 %

f. Other (specify) %

Multiple Credits- See Non-Driver Variables Tables varies %

_____ %

6. Do you have an installment payment plan for automobile insurance? Yes No

If so, what is the fee for installment payments?

\$5.00 for Account Billing System, \$1.00 EFT, \$1.00 Recurring Credit Card Charge

7. Does your company utilize a tiered rating plan? Yes No

If so, list the programs and percentage difference and current volume for each plan:

Program	Percentage Difference	Volume
See Underwriting Tiering Guidelines for factors associated with Tier	See Underwriting Tiering Guidelines for factors associated with Tier	\$24,626,105 Written Premium

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

Peter Gulbrandsen
 Signature
Peter Gulbrandsen
 Printed Name
Vice President of Product Management
 Title
(860) 277-8172
 Telephone Number
PGULBRAN@travelers.com
 Email Address

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified May 2012

NAIC Number: 36137
 Company Name: The Travelers Home and Marine Insurance Co.
 Contact Person: Jennifer Graves
 Telephone No.: 860-277-7775
 Email Address: jagraves@travelers.com
 Effective Date: 7/25/2014

Assumptions to Use:
 1 **Liability** -Minimum \$25,000 per person
 2 **Bodily Injury** \$50,000 per accident
 \$25,000 per accident
 3 **Property Damage** \$100 deductible per accident
 4 **Comprehensive & Collision** \$250 deductible per accident
 5 **The insured has elected to accept:**
 Uninsured motorist property and bodily injury equal to liability coverage
 Underinsured bodily injury equal to liability coverage
 6 **Personal Injury Protection** of \$5,000 for medical, loss
 wages according to statute and \$5,000 accidental death
 7 **If male and female rates are different, use the highest of the two**

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 compact disk

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG n/a %
 AUTO/HOMEOWNERS 1% to 4% %
 GOOD STUDENT 1 %
 ANTI-THEFT DEVICE m/a %
 Over 55 Defensive Driver Discount 1 %
 \$250/\$500 Deductible Comp./Coll. 2% to 35% %

Vehicle	Coverages	Gender	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
			Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female
			18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
2008 4.8L Chevrolet Silverado 1500 "LS" regular cab 119" WB	Minimum Liability		1355	2046	432	472	1444	2183	459	505	1775	2722	549	612	1431	2163	455	500	1669	2518	526	575
	Minimum Liability with Comprehensive and Collision		2708	4168	720	761	3025	4667	818	847	3220	4988	854	908	3081	4756	844	863	3214	4948	864	901
	100/300/50 Liability with Comprehensive and Collision		2638	4078	686	719	2959	4587	779	802	3226	5023	834	881	3002	4653	799	811	3177	4915	830	864
2009Ford Explorer 'XLT' 2WD, 4 door	Minimum Liability		1495	2237	473	513	1580	2372	501	545	1938	2947	598	661	1567	2350	497	540	1834	2740	578	626
	Minimum Liability with Comprehensive and Collision		2912	4460	769	813	3236	4969	870	902	3451	5322	909	967	3294	5064	896	919	3453	5283	923	965
	100/300/50 Liability with Comprehensive and Collision		2816	4333	726	762	3143	4852	820	848	3429	5317	881	931	3188	4923	841	857	3384	5210	879	913
2010 Honda Odyssey "EX"	Minimum Liability		1221	1811	399	421	1295	1927	425	449	1584	2389	504	541	1284	1909	421	444	1500	2224	487	513
	Minimum Liability with Comprehensive and Collision		2693	4119	692	734	3006	4613	785	820	3152	4850	809	864	3064	4706	809	834	3173	4852	825	865
	100/300/50 Liability with Comprehensive and Collision		2575	3954	639	677	2888	4446	727	754	3100	4789	768	816	2932	4517	746	764	3078	4726	771	806
2011 Toyota Camry 2.5L 4 door Sedan	Minimum Liability		1354	2007	439	460	1439	2136	466	492	1755	2648	552	591	1427	2117	463	487	1669	2470	538	564
	Minimum Liability with Comprehensive and Collision		3273	5019	832	879	3681	5657	955	985	3806	5864	968	1025	3766	5792	989	1008	3864	5913	998	1036
	100/300/50 Liability with Comprehensive and Collision		3096	4762	760	798	3491	5383	873	893	3691	5714	906	954	3557	5490	899	911	3699	5688	918	950
2011 Cadillac Seville "CTS" AWD WAG 4 door 3.0L	Minimum Liability		1298	1950	417	445	1380	2076	443	475	1695	2584	529	574	1368	2057	439	470	1597	2396	509	541
	Minimum Liability with Comprehensive and Collision		3582	5530	907	953	4050	6268	1048	1075	4133	6410	1051	1106	4156	6437	1091	1103	4207	6496	1086	1120
	100/300/50 Liability with Comprehensive and Collision		3356	5195	825	859	3802	5901	951	968	3969	6174	975	1019	3886	6035	985	989	3990	6180	994	1018
2010 Hyundai Santa Fe SE 4X2	Minimum Liability		1416	2115	452	480	1503	2250	480	510	1840	2796	573	616	1491	2230	476	504	1744	2599	554	586
	Minimum Liability with Comprehensive and Collision		2900	4441	739	789	3232	4966	838	877	3422	5279	872	934	3292	5060	862	893	3435	5255	886	933
	100/300/50 Liability with Comprehensive and Collision		2797	4305	687	729	3133	4838	782	812	3396	5263	831	886	3179	4909	801	824	3360	5173	834	873

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. Travelers Commercial Insurance Company	B.	3548-36137

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. Personal Auto	B.	Private Passenger Auto

(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
Bodily Injury	30.45%	6.80%	n/a	n/a	n/a	n/a	n/a
Property Damage	14.92%	6.72%	n/a	n/a	n/a	n/a	n/a
Personal Injury Protection	28.90%	6.65%	n/a	n/a	n/a	n/a	n/a
Medical Payments	6.47%	5.04%	n/a	n/a	n/a	n/a	n/a
Comprehensive	29.70%	9.63%	n/a	n/a	n/a	n/a	n/a
Collision	-8.15%	0.05%	n/a	n/a	n/a	n/a	n/a
UM/UIM	-0.62%	-1.42%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	13.09%	4.21%					

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
2009	587	0.0%	5/17/2009	919	607	66.1%	59.3%	A. Total Production Expense	19.80%
2010	730	4.3%	3/21/2010	1,182	717	60.7%	61.1%	B. General Expense	9.00%
2011	814	0.55% / -0.13%	5/22/2011 / 9/2/2011	1,316	725	55.1%	67.8%	C. Taxes, License & Fees	3.90%
2012	880	0% / 4.33%/4.19%	1/22/2012 / 5/31/2012/11/30/2012	1,433	683	47.7%	65.8%	D. Underwriting Profit & Contingencies	5.00%
2013	857	4.98%	6/12/2013	1,488	1,061	71.3%	63.4%	E. Other: ULAE & ALAE	18.80%
								F. 1. Installment Fees	-1.20%
								F. TOTAL	55.30%

8. N Apply Loss Cost Factors to Future Filings? (Y or N)
9. 12.65% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a
10. 2.02% 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 Home and Marine Insurance Company	B. 3548-27998

	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. Personal Auto	B. Private Passenger Auto

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Bodily Injury	30.45%	9.16%	n/a	n/a	n/a	n/a	n/a
Property Damage	14.92%	6.68%	n/a	n/a	n/a	n/a	n/a
Personal Injury Protection	28.90%	5.34%	n/a	n/a	n/a	n/a	n/a
Medical Payments	6.47%	5.03%	n/a	n/a	n/a	n/a	n/a
Comprehensive	29.70%	9.59%	n/a	n/a	n/a	n/a	n/a
Collision	-8.15%	0.00%	n/a	n/a	n/a	n/a	n/a
UM/UND	-0.62%	0.09%	n/a	n/a	n/a	n/a	n/a
TOTAL OVERALL EFFECT	13.09%	4.94%					

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
2009	20,840	0.00%	5/17/2009	24,441	14,387	58.9%	61.1%	A. Total Production Expense	19.8%
2010	17,226	4.13%	3/21/2010	25,376	14,335	56.5%	60.2%	B. General Expense	9.0%
2011	17,386	-0.03% / 0.01%	5/22/2011 / 9/2/2011	25,228	17,254	68.4%	68.4%	C. Taxes, License & Fees	3.9%
2012	16,667	0.00% / 5.02%/4.56%	1/22/2012 / 5/31/2012 / 11/30/2012	24,228	15,757	65.0%	65.5%	D. Underwriting Profit & Contingencies	5%
2013	16,225	4.90%	6/12/2013	24,564	13,540	55.1%	63.0%	E. Other: ULAE & ALAE	18.8%
								E. 1. Installment Fees	-1.2%
								F. TOTAL	55.3%

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

9. 14.12% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): n/a

10. 0.88% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): n/a

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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4a.	Rate Change by Company (As Proposed)
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Company Name	Overall % Indicated Change (when applicabl	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
The Travelers Home and Marine Ins. Co.	13.09%	+4.94%	\$1,216,530	15,490	\$24,626,105	+14.12%	0.88%
Travelers Commercial Ins. Co.	13.09%	+4.21%	\$62,703	817	\$1,489,380	+12.65%	2.02%

4b.	Rate Change by Company (As Accepted) For State Use Only
------------	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)	13.09%	
5b	Overall percentage rate impact for this filing	+4.90%	
5c	Effect of Rate Filing – Written premium change for this program	\$1,279,233	
5d	Effect of Rate Filing – Number of policyholders affected	16,307	

6.	Overall percentage of last rate revision	+4.91%
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7.	Effective Date of last rate revision	06/12/2013
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

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	Actuarial Memorandum
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Exhibit 2	Statewide Rate Level Indication
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Exhibit 4	Premium Trend
Exhibit 5	Loss Trend
Exhibit 6	Loss Development
Exhibit 7	Unallocated Loss Adjustment Expense Factor
Exhibit 8	Excess Wind and Water
Exhibit 9	Expenses and Permissible Loss & LAE Ratios
Exhibit 10	Calculation of Underwriting Profit
Exhibit 11	Revision to Base Rates
Exhibit 12	Revision to Liability Increased Limit Factors
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ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Explanatory Memorandum**Summary of changes

With this filing, we are proposing a +4.90% rate change for the Arkansas Quantum Automobile product.

This proposal will include revisions to the following: Base rates by coverage, liability increased limit factors, and uninsured/underinsured increased limit factors. In addition, we are introducing a minimum premium by coverage factor table and making revisions to Rule 11 - Minimum Premium and Rule 14 -Cancellation.

The impact by coverage is listed below:

Coverage	Rate Impact
Bodily Injury	9.04%
Property Damage	6.68%
Personal Injury Protection	5.46%
Uninsured/Underinsured Motorists	0.00%
Medical Payments	5.04%
Comprehensive	9.60%
Collision	0.00%
Total	4.90%

This change applies to policies issued and effective on or after 07/25/2014.

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

Premium Trend

We have adjusted our premium trend methodology in order to be more precise and responsive to changes in our book of business. We shifted from using model year and symbol drift factors for comprehensive and collision coverage to using premium trend factors based on the change in average premium by coverage, adjusted to current rates.

We are explicitly showing separate historical and prospective premium trend factors. The historical trend selection is based on the long term fit considering three years of data. The prospective trend selection is based on the year over year movement in average premiums, particular in the most recent years, to better reflect recent trends. Previously we selected one set of trend factors considering two years of data

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Explanatory Memorandum**Excess Wind and Water Provision

The Excess Wind and Water Provision exhibit for the Comprehensive coverage has been revised to include all Wind and Water losses in column (1) of Exhibit 8, Pages 1 and 2. In the past a decision was made to include only include Tornado and Flood losses. This change affects the Excess Wind and Water Factor, and the Actual Excess Wind and Water Losses that are removed from the 3-year experience period. Including all Wind and Water losses provides more appropriate smoothing of the impact of extraordinary weather.

Installment Fees

Installment fees are now incorporated in the indicated rate change calculation and are shown in Exhibit 9.

Calculation of Underwriting Profit (formerly Investment Income)

Exhibit 10 has been reconstructed 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 Expenses (ULAE), and Calculation of Underwriting Profit

The countrywide data in Exhibit 7, and on pages 2-4 in Exhibit 10 (Underwriting Profit) have been revised to include additional data now available as a result of internal financial reporting changes.

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Actuarial Memorandum**Summary of Methodology

A rate level indication is a test of the adequacy of expected revenues compared to expected costs during the period for which the proposed rates will be in effect. Premiums from the historical experience period are brought to the current rate level by the parallelogram method and additionally adjusted for other trends in average premiums over time. Losses and Allocated Loss Adjustment Expense (ALAE)¹ are adjusted to account for expected development and other trends over time. Losses and ALAE are further adjusted to account for expected Unallocated Loss Adjustment Expense (ULAE)². All Excess Wind and Water losses and ALAE during the experience period are excluded and replaced with a provision that represents the expected level of these. Finally, expenses and the target profit provision are determined and combined with the above to calculate the indication. These data elements are specific to state and coverage unless otherwise noted. Details are provided below.

ExperienceExperience Period Data – Exhibit 3

Calendar year earned premiums and accident year incurred losses and ALAE are used in the indication. Premiums are on a direct basis. Three years of experience ending December 31, 2013 are used. Losses are evaluated as of March 31, 2014.

Premium Trend – Exhibit 4

Premium trend reflects distributional shifts over time in policy variables such as deductible, territory, etc. The trend data consists of three years of average annual Earned Premium at Current Rate Level (EPCR). A two-step trending procedure is used. Historical and prospective annual premium trends are selected considering the data. Factors are calculated to account for both the selected historical trend from the midpoint of each experience period to the midpoint of the last calendar year of premium trend data, and the selected prospective trend from that date to the average earned date underlying the proposed rates.

Loss Trend – Exhibit 5

The loss trend data consists of three years of calendar year paid losses and ALAE for both the Travelers and ISO Fastrack data; this data for Comprehensive excludes those arising from catastrophes. Each row in the table represents the average of 12 months of data ending on the date shown. This is done to account for known seasonal variations within a 12-month period. Similar to the method utilized in the Premium Trend exhibit, a two-step trending procedure is used. Historical and prospective annual trends for frequency and severity are selected considering the data. Factors are calculated to account for both the selected historical trends from the midpoint of each experience period to the midpoint of the last calendar year of loss trend data, and the selected prospective trend from that date to the average loss date underlying the proposed rates.

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Actuarial Memorandum**Loss Development Factors (LDFs) – Exhibit 6

Losses and ALAE are developed to their expected ultimate paid value by applying LDFs. These factors use loss and ALAE data to calculate historical age-to-age link ratios that represent loss and ALAE development between different evaluation periods. Factors are selected considering the data. For Uninsured/Underinsured Motorist, the selected statewide factors are credibility weighted with factors that are based on countrywide data for all companies combined.

Unallocated Loss Adjustment Expenses (ULAE) – Exhibit 7

Losses and ALAE are adjusted to account for expected ULAE. A provision is developed using three years of the Travelers countrywide, line-specific, calendar year paid data. The ratio of ULAE to net paid losses and ALAE is calculated for each year. The average of the ratios is selected.

Excess Wind and Water Provision (Comprehensive) – Exhibit 8, Pages 1 and 2

Wind and Water losses under the Comprehensive coverage can be caused by volatile weather events whose expected impact cannot reasonably be estimated using a short experience period. To smooth out potential distortions in our data sets, extreme loss and ALAE dollars that are deemed to be in excess of an average, long term level of Wind and Water losses are removed from the experience data, and a provision is utilized to represent a longer term average expectation of such losses. This methodology is applied to the Comprehensive coverage only.

On Page 1 of this exhibit, the ratio of Wind and Water losses and ALAE to other losses and ALAE excluding Wind and Water for this coverage is calculated by year for 10 years of all-company data, and the average ratio is determined. The amount above this average ratio in any year is considered to be the Excess Wind and Water Ratio for that year, and the average of these Excess Wind and Water Ratios is the Excess Wind and Water Factor. On Page 2, the Excess Wind and Water Ratio by year from Page 1 is applied to the company-specific losses and ALAE in the filing to estimate the experience Excess Wind and Water losses. These estimated losses are removed and the long term Factor is applied in Exhibit 3.

Experience Loss & LAE Ratios – Exhibits 2 and 3

Premiums and losses are adjusted by the factors noted above. The Projected Loss & LAE Ratio for each year is calculated by dividing the Trended Ultimate Losses & LAE by the Trended EPCR. Accident Year Weights are applied to determine the Weighted Loss & LAE Ratio.

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THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Actuarial Memorandum****Expenses and Profit** – Exhibits 9 and 10

Expenses are specific to each line of business. Fixed Expenses include Other Acquisition and General Expenses, and Installment Fees. Variable Expenses include Commissions as well as Taxes, Licenses and Fees. All expense provisions in Exhibit 9 are determined based on data that reconciles with the company's financial statements. The Other Acquisition and General Expenses are countrywide for all Travelers Personal Insurance writing companies, whereas the Variable Expenses and Installment Fees are state-specific for the writing companies in this filing. Exhibit 10 provides the details that support the selection of the Target Before-Tax Underwriting Profit.

The Variable Expenses and Profit Margin are subtracted from 100% to yield the Permissible Loss, LAE and Fixed Expense Ratio. All expenses and the Profit Margin are subtracted from 100% to yield the Permissible Loss & LAE Ratio.

Indicated Rate Level Change – Exhibit 2Credibility

The full credibility standard for each coverage is 1,082 claims. Credibility is calculated by dividing the incurred claim count from the experience period by the full credibility standard, taking the square root, rounding down to the nearest 5%, and capping the result at 1.00.

Complement of Credibility

The complement of credibility is the Trended Permissible Loss & LAE Ratio. The formula for this complement is shown at the bottom of the exhibit; the calculation applies net prospective trend to the Permissible Loss & LAE Ratio for the time period between the effective date of the most recent approved filing and the proposed effective date of the current filing.

Indication

The total Loss & LAE Ratio is credibility weighted with the Trended Permissible Loss & LAE Ratio to produce the Credibility Weighted Loss & LAE Ratio. This ratio, plus Fixed Expenses, is divided by the Permissible Loss, LAE and Fixed Expense Ratio to produce the Indicated Rate Level Change.

¹ ALAE corresponds to Defense and Cost Containment (DCC) expenses in our statutory financial reporting

² ULAE corresponds to Adjusting and Other (AAO) expenses in our statutory financial reporting

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
 TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication Summary

<u>Coverage</u>	Accident Year Ending 12/31/2013 <u>EPCR</u>	Indicated Rate Level <u>Change</u>	Proposed Rate Level <u>Change</u>
Bodily Injury	8,122,534	30.45%	9.04%
Property Damage	4,818,563	14.92%	6.68%
Personal Injury Protection	827,420	28.90%	5.46%
Uninsured/Underinsured Motorist	2,455,434	-0.62%	0.00%
Medical Payments	29,281	6.47%	5.04%
Liability Subtotal	16,253,231	21.03%	6.79%
Comprehensive	2,875,468	29.70%	9.60%
Collision	8,322,072	-8.15%	0.00%
Physical Damage Subtotal	11,197,540	1.57%	2.47%
Total	27,450,771	13.09%	4.90%

ARKANSAS QUANTUM AUTOMOBILE

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication

Total Limits Bodily Injury

Accident Year Ending 12/31	Earned Car Years (1)	Trended EPCR (2)	Trended Ultimate Loss & LAE (3)	Incurred Claim Count (4)	Accident Year Weights (5)	Projected Loss & LAE Ratio (6) = (3) / (2)
2011	33,670	7,735,738	7,192,253	251	33%	93.0%
2012	33,005	7,591,798	8,830,571	263	33%	116.3%
2013	31,551	7,633,655	5,021,752	230	34%	65.8%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						91.4%
(8) Credibility						80.0%
(9) Trended Permissible Loss & LAE Ratio						68.9%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						86.9%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.4%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						30.45%
(13) Proposed Rate Level Change						9.04%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication

Total Limits Property Damage

Accident Year Ending 12/31	Earned Car Years	Trended EPCR	Trended Ultimate Loss & LAE	Incurred Claim Count	Accident Year Weights	Projected Loss & LAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6) = (3) / (2)
2011	33,780	4,599,288	3,801,381	1,028	33%	82.7%
2012	33,097	4,480,088	3,357,904	967	33%	75.0%
2013	31,645	4,499,550	3,050,584	806	34%	67.8%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						75.1%
(8) Credibility						100.0%
(9) Trended Permissible Loss & LAE Ratio						66.9%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						75.1%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.4%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						14.92%
(13) Proposed Rate Level Change						6.68%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

ARKANSAS QUANTUM AUTOMOBILE

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication

Total Limits Uninsured/Underinsured Motorist

Accident Year Ending 12/31	Earned Car Years	Trended EPCR	Trended Ultimate Loss & LAE	Incurred Claim Count	Accident Year Weights	Projected Loss & LAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6) = (3) / (2)
2011	32,306	2,533,361	1,177,375	264	33%	46.5%
2012	31,831	2,331,791	1,329,191	246	33%	57.0%
2013	30,574	2,322,801	1,887,152	245	34%	81.2%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						61.8%
(8) Credibility						80.0%
(9) Trended Permissible Loss & LAE Ratio						68.8%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						63.2%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.4%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						-0.62%
(13) Proposed Rate Level Change						0.00%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

ARKANSAS QUANTUM AUTOMOBILE

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication

Total Limits Personal Injury Protection

Accident Year Ending 12/31	Earned Car Years	Trended EPCR	Trended Ultimate Loss & LAE	Incurred Claim Count	Accident Year Weights	Projected Loss & LAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6) = (3) / (2)
2011	25,818	728,254	762,937	147	33%	104.8%
2012	26,443	769,308	769,425	142	33%	100.0%
2013	25,343	730,528	589,664	127	34%	80.7%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						95.0%
(8) Credibility						60.0%
(9) Trended Permissible Loss & LAE Ratio						71.8%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						85.7%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.4%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						28.90%
(13) Proposed Rate Level Change						5.46%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

ARKANSAS QUANTUM AUTOMOBILE
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TRAVELERS COMMERCIAL INSURANCE COMPANY

Statewide Rate Level Indication

Total Limits Medical Payments

Accident Year Ending 12/31	Earned Car Years (1)	Trended EPCR (2)	Trended Ultimate Loss & LAE (3)	Incurred Claim Count (4)	Accident Year Weights (5)	Projected Loss & LAE Ratio (6) = (3) / (2)
2011	2,427	43,502	27,049	10	33%	62.2%
2012	1,359	24,138	25,184	6	33%	104.3%
2013	1,513	27,037	2,168	2	34%	8.0%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						57.7%
(8) Credibility						10.0%
(9) Trended Permissible Loss & LAE Ratio						69.8%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						68.6%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.4%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						6.47%
(13) Proposed Rate Level Change						5.04%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

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Statewide Rate Level Indication

Comprehensive

Accident Year Ending 12/31	Earned Car Years	Trended EPCR	Trended Ultimate Loss & LAE	Incurred Claim Count	Accident Year Weights	Projected Loss & LAE Ratio
(1)	(2)	(3)	(4)	(5)	(6) = (3) / (2)	
2011	29,350	2,248,913	2,243,892	1,770	33%	99.8%
2012	28,952	2,279,291	2,131,651	1,531	33%	93.5%
2013	27,890	2,782,294	1,785,653	1,249	34%	64.2%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						85.6%
(8) Credibility						100.0%
(9) Trended Permissible Loss & LAE Ratio						63.8%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						85.6%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.5%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						29.70%
(13) Proposed Rate Level Change						9.60%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

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Statewide Rate Level Indication

Collision

Accident Year Ending 12/31	Earned Car Years	Trended EPCR	Trended Ultimate Loss & LAE	Incurred Claim Count	Accident Year Weights	Projected Loss & LAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6) = (3) / (2)
2011	28,861	8,550,907	4,792,338	1,161	33%	56.0%
2012	28,446	8,254,862	5,038,056	1,098	33%	61.0%
2013	27,380	8,364,875	4,436,919	976	34%	53.0%
(7) Weighted Loss & LAE Ratio = sum [(5) x (6)]						56.7%
(8) Credibility						100.0%
(9) Trended Permissible Loss & LAE Ratio						62.1%
(10) Credibility Weighted Loss & LAE Ratio = (7) x (8) + (9) x [1.0 - (8)]						56.7%
(11) Permissible Loss, LAE and Fixed Expense Ratio						76.5%
(12) Indicated Rate Level Change = [(10) + (FE)] / (11) - 1.0						-8.15%
(13) Proposed Rate Level Change						0.00%

Notes:

- (9) Trended Permissible Loss & LAE Ratio =
Permissible Loss & LAE Ratio
x [(1.0 + Frequency Trend) x (1.0 + Severity Trend) / (1.0 + Premium Trend)]
^ [(Effective Date - Prior Effective Date) / 365]
- (12) FE = Fixed Expense, from Exhibit 9

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THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Total Limits Bodily Injury

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	7,185,013	6,957,061	7,214,937
(2) Earned Premium at Current Rates Factor	1.269	1.222	1.126
(3) Earned Premium at Current Rates = (1) x (2)	9,115,095	8,500,091	8,122,534
(4) Premium Trend Factor	0.849	0.893	0.940
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>7,735,738</u>	<u>7,591,798</u>	<u>7,633,655</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	4,919,958	6,359,605	3,496,603
(7) Loss Development Factor	1.024	1.042	1.154
(8) Ultimate Losses & ALAE = (6) x (7)	5,039,086	6,626,209	4,035,720
(9) ULAE Factor	1.150	1.150	1.150
(10) Ultimate Losses & LAE = (8) x (9)	5,796,031	7,621,562	4,641,944
(11) Loss Trend Factor	1.241	1.159	1.082
(12) Trended Ultimate Losses & LAE = (10) x (11)	<u>7,192,253</u>	<u>8,830,571</u>	<u>5,021,752</u>

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Total Limits Property Damage

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	4,773,131	4,517,651	4,429,796
(2) Earned Premium at Current Rates Factor	1.142	1.117	1.088
(3) Earned Premium at Current Rates = (1) x (2)	5,452,587	5,047,619	4,818,563
(4) Premium Trend Factor	0.844	0.888	0.934
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>4,599,288</u>	<u>4,480,088</u>	<u>4,499,550</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	3,116,501	2,804,017	2,559,821
(7) Loss Development Factor	1.000	1.001	1.016
(8) Ultimate Losses & ALAE = (6) x (7)	3,116,940	2,807,551	2,600,847
(9) ULAE Factor	1.150	1.150	1.150
(10) Ultimate Losses & LAE = (8) x (9)	3,585,150	3,229,287	2,991,533
(11) Loss Trend Factor	1.060	1.040	1.020
(12) Trended Ultimate Losses & LAE = (10) x (11)	<u>3,801,381</u>	<u>3,357,904</u>	<u>3,050,584</u>

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Total Limits Personal Injury Protection

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	843,636	845,021	796,422
(2) Earned Premium at Current Rates Factor	1.120	1.104	1.039
(3) Earned Premium at Current Rates = (1) x (2)	944,875	932,502	827,420
(4) Premium Trend Factor	0.771	0.825	0.883
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>728,254</u>	<u>769,308</u>	<u>730,528</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	535,837	582,036	492,774
(7) Loss Development Factor	0.998	0.992	0.962
(8) Ultimate Losses & ALAE = (6) x (7)	534,534	577,355	473,882
(9) ULAE Factor	1.150	1.150	1.150
(10) Ultimate Losses & LAE = (8) x (9)	614,829	664,082	545,066
(11) Loss Trend Factor	1.241	1.159	1.082
(12) Trended Ultimate Losses & LAE = (10) x (11)	<u>762,937</u>	<u>769,425</u>	<u>589,664</u>

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Total Limits Uninsured/Underinsured Motorist

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	2,855,845	2,624,652	2,452,358
(2) Earned Premium at Current Rates Factor	0.993	0.967	1.001
(3) Earned Premium at Current Rates = (1) x (2)	2,836,502	2,536,727	2,455,434
(4) Premium Trend Factor	0.893	0.919	0.946
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>2,533,361</u>	<u>2,331,791</u>	<u>2,322,801</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	804,196	877,432	1,072,593
(7) Loss Development Factor	1.026	1.137	1.414
(8) Ultimate Losses & ALAE = (6) x (7)	824,901	997,387	1,516,605
(9) ULAE Factor	1.150	1.150	1.150
(10) Ultimate Losses & LAE = (8) x (9)	948,813	1,147,209	1,744,422
(11) Loss Trend Factor	1.241	1.159	1.082
(12) Trended Ultimate Losses & LAE = (10) x (11)	<u>1,177,375</u>	<u>1,329,191</u>	<u>1,887,152</u>

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TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Total Limits Medical Payments

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	49,715	26,486	28,483
(2) Earned Premium at Current Rates Factor	1,041	1,035	1,028
(3) Earned Premium at Current Rates = (1) x (2)	51,775	27,403	29,281
(4) Premium Trend Factor	0.840	0.881	0.923
(5) Trended Earned Premium at Current Rates = (3) x (4)	43,502	24,138	27,037
<u>Losses</u>			
(6) Incurred Losses & ALAE	18,951	18,880	1,869
(7) Loss Development Factor	1.000	1.001	0.932
(8) Ultimate Losses & ALAE = (6) x (7)	18,951	18,897	1,742
(9) ULAE Factor	1.150	1.150	1.150
(10) Ultimate Losses & LAE = (8) x (9)	21,798	21,736	2,004
(11) Loss Trend Factor	1.241	1.159	1.082
(12) Trended Ultimate Losses & LAE = (10) x (11)	27,049	25,184	2,168

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Comprehensive

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	2,030,354	1,973,752	2,441,815
(2) Earned Premium at Current Rates Factor	1.281	1.262	1.178
(3) Earned Premium at Current Rates = (1) x (2)	2,600,640	2,491,569	2,875,468
(4) Premium Trend Factor	0.865	0.915	0.968
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>2,248,913</u>	<u>2,279,291</u>	<u>2,782,294</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	2,847,871	1,697,157	1,340,689
(7) Excess Wind/Water Losses & ALAE	970,623	0	0
(8) Total Excluding Excess Wind/Water = (6) - (7)	1,877,248	1,697,157	1,340,689
(9) Excess Wind/Water Factor	1.110	1.110	1.110
(10) Adjusted Incurred Losses & ALAE = (8) x (9)	2,084,482	1,884,510	1,488,691
(11) Loss Development Factor	1.000	0.998	1.006
(12) Ultimate Losses & ALAE = (10) x (11)	2,084,482	1,881,205	1,497,065
(13) ULAE Factor	1.208	1.208	1.208
(14) Ultimate Losses & LAE = (12) x (13)	2,518,789	2,273,159	1,808,982
(15) Loss Trend Factor	0.891	0.938	0.987
(16) Trended Ultimate Losses & LAE = (14) x (15)	<u>2,243,892</u>	<u>2,131,651</u>	<u>1,785,653</u>

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Trended Premiums at Current Rates and Trended Ultimate Losses
Collision

Accident Year Ending 12/31	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Premiums</u>			
(1) Earned Premium	7,486,484	7,411,599	7,409,121
(2) Earned Premium at Current Rates Factor	1.101	1.091	1.123
(3) Earned Premium at Current Rates = (1) x (2)	8,240,486	8,083,057	8,322,072
(4) Premium Trend Factor	1.038	1.021	1.005
(5) Trended Earned Premium at Current Rates = (3) x (4)	<u>8,550,907</u>	<u>8,254,862</u>	<u>8,364,875</u>
<u>Losses</u>			
(6) Incurred Losses & ALAE	4,225,894	4,351,205	3,871,163
(7) Loss Development Factor	1.000	0.999	0.969
(8) Ultimate Losses & ALAE = (6) x (7)	4,224,128	4,348,346	3,749,850
(9) ULAE Factor	1.208	1.208	1.208
(10) Ultimate Losses & LAE = (8) x (9)	5,104,236	5,254,334	4,531,141
(11) Loss Trend Factor	0.939	0.959	0.979
(12) Trended Ultimate Losses & LAE = (10) x (11)	<u>4,792,338</u>	<u>5,038,056</u>	<u>4,436,919</u>

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Total Limits Bodily Injury

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	282.38	-3.4%
09/30/2011	278.12	-3.1%
12/31/2011	272.51	-4.9%
03/31/2012	269.19	-5.5%
06/30/2012	264.41	-6.4%
09/30/2012	258.41	-7.1%
12/31/2012	256.40	-5.9%
03/31/2013	254.41	-5.5%
06/30/2013	252.99	-4.3%
09/30/2013	248.27	-3.9%
12/31/2013	246.67	-3.8%
03/31/2014	246.96	-2.9%
Fitted Annual Trend		
12 point	-5.0%	
8 point	-3.8%	
4 point	-3.1%	
Selected Historical Annual Trend	-5.0%	
Selected Prospective Annual Trend	-3.1%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.892	18.8	0.952	0.849
12/31/2012	15	0.938	18.8	0.952	0.893
12/31/2013	3	0.987	18.8	0.952	0.940

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Total Limits Property Damage

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	171.90	-3.7%
09/30/2011	169.62	-3.3%
12/31/2011	166.38	-4.7%
03/31/2012	164.53	-5.3%
06/30/2012	161.44	-6.1%
09/30/2012	158.12	-6.8%
12/31/2012	156.64	-5.9%
03/31/2013	155.37	-5.6%
06/30/2013	154.24	-4.5%
09/30/2013	152.11	-3.8%
12/31/2013	150.60	-3.9%
03/31/2014	150.22	-3.3%
Fitted Annual Trend		
12 point	-4.9%	
8 point	-3.9%	
4 point	-3.5%	
Selected Historical Annual Trend	-4.9%	
Selected Prospective Annual Trend	-3.5%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.892	18.8	0.946	0.844
12/31/2012	15	0.939	18.8	0.946	0.888
12/31/2013	3	0.987	18.8	0.946	0.934

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Total Limits Personal Injury Protection

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	36.69	
09/30/2011	36.09	-4.5%
12/31/2011	34.94	-6.6%
03/31/2012	34.48	-7.0%
06/30/2012	33.69	-8.2%
09/30/2012	32.80	-9.1%
12/31/2012	32.37	-7.3%
03/31/2013	32.27	-6.4%
06/30/2013	31.96	-5.1%
09/30/2013	31.26	-4.7%
12/31/2013	30.65	-5.3%
03/31/2014	30.38	-5.8%
Fitted Annual Trend		
12 point	-6.6%	
8 point	-5.5%	
4 point	-6.6%	
Selected Historical Annual Trend	-6.6%	
Selected Prospective Annual Trend	-6.6%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.858	18.8	0.898	0.771
12/31/2012	15	0.919	18.8	0.898	0.825
12/31/2013	3	0.983	18.8	0.898	0.883

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Total Limits Uninsured/Underinsured Motorist

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	74.94	
09/30/2011	74.24	-1.9%
12/31/2011	73.40	-3.1%
03/31/2012	73.03	-3.2%
06/30/2012	72.27	-3.6%
09/30/2012	71.39	-3.8%
12/31/2012	71.03	-3.2%
03/31/2013	71.14	-2.6%
06/30/2013	70.78	-2.1%
09/30/2013	69.88	-2.1%
12/31/2013	69.33	-2.4%
03/31/2014	69.17	-2.8%
Fitted Annual Trend		
12 point	-2.8%	
8 point	-2.4%	
4 point	-3.0%	
Selected Historical Annual Trend	-2.8%	
Selected Prospective Annual Trend	-3.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.937	18.8	0.953	0.893
12/31/2012	15	0.965	18.8	0.953	0.919
12/31/2013	3	0.993	18.8	0.953	0.946

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Total Limits Medical Payments

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	22.20	
09/30/2011	21.76	-7.5%
12/31/2011	21.45	-6.3%
03/31/2012	21.75	-4.0%
06/30/2012	21.42	-3.5%
09/30/2012	20.85	-4.2%
12/31/2012	20.40	-4.9%
03/31/2013	20.30	-6.7%
06/30/2013	20.31	-5.2%
09/30/2013	19.77	-5.2%
12/31/2013	19.65	-3.7%
03/31/2014	19.63	-3.3%
Fitted Annual Trend		
12 point	-4.6%	
8 point	-4.7%	
4 point	-4.2%	
Selected Historical Annual Trend	-4.6%	
Selected Prospective Annual Trend	-4.2%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.899	18.8	0.934	0.840
12/31/2012	15	0.943	18.8	0.934	0.881
12/31/2013	3	0.988	18.8	0.934	0.923

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Comprehensive

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	160.28	
09/30/2011	154.74	-7.1%
12/31/2011	151.25	-8.8%
03/31/2012	150.00	-9.3%
06/30/2012	147.39	-8.0%
09/30/2012	140.69	-9.1%
12/31/2012	139.15	-8.0%
03/31/2013	139.07	-7.3%
06/30/2013	138.80	-5.8%
09/30/2013	137.74	-2.1%
12/31/2013	136.73	-1.7%
03/31/2014	137.74	-1.0%
Fitted Annual Trend		
12 point	-5.5%	
8 point	-3.0%	
4 point	-1.2%	
Selected Historical Annual Trend	-5.5%	
Selected Prospective Annual Trend	-1.2%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	0.881	18.8	0.981	0.865
12/31/2012	15	0.932	18.8	0.981	0.915
12/31/2013	3	0.986	18.8	0.981	0.968

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Premium Trend

Collision

Calendar Quarter Ending	Average Annual Earned Premium at Current Rates	Annual Change
06/30/2011	267.34	
09/30/2011	278.87	9.4%
12/31/2011	277.53	9.2%
03/31/2012	280.72	9.5%
06/30/2012	282.41	5.6%
09/30/2012	278.71	-0.1%
12/31/2012	279.28	0.6%
03/31/2013	283.38	0.9%
06/30/2013	285.52	1.1%
09/30/2013	283.87	1.9%
12/31/2013	283.37	1.5%
03/31/2014	285.87	0.9%
Fitted Annual Trend		
12 point	1.6%	
8 point	1.1%	
4 point	0.1%	
Selected Historical Annual Trend	1.6%	
Selected Prospective Annual Trend	0.1%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 9/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Premium Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	1.036	18.8	1.001	1.038
12/31/2012	15	1.020	18.8	1.001	1.021
12/31/2013	3	1.004	18.8	1.001	1.005

Notes:

- Fitted Annual Trend is calculated using exponential fits
- (b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014
- (c) = $(1 + \text{Historical Premium Trend})^{(b) / 12}$
- (d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)
- (e) = $(1 + \text{Prospective Premium Trend})^{(d) / 12}$
- (f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Trend

Total Limits Bodily Injury

Calendar Year Ending	Frequency (per 100 Exposures)		Severity	
	Travelers	ISO Fastrack	Travelers	ISO Fastrack
03/31/2011		0.79		12,481
06/30/2011	0.75	0.77	15,615	12,721
09/30/2011	0.72	0.76	16,285	12,734
12/31/2011	0.70	0.76	18,538	12,760
03/31/2012	0.71	0.77	22,541	10,801
06/30/2012	0.77	0.79	19,746	10,770
09/30/2012	0.78	0.80	21,312	10,923
12/31/2012	0.85	0.79	21,057	11,174
03/31/2013	0.90	0.78	18,306	11,202
06/30/2013	0.86	0.78	19,142	11,250
09/30/2013	0.88	0.78	18,318	11,173
12/31/2013	0.80	0.79	20,529	10,991
03/31/2014	0.72		22,891	
Fitted Annual Trend				
12 point	5.3%	0.7%	7.5%	-5.4%
8 point	-1.6%	0.1%	2.3%	1.9%
4 point	-22.7%	0.7%	29.7%	-2.5%
Selected Historical Annual Trend				
	Frequency		Severity	
	2.0%		5.0%	
Selected Prospective Annual Trend				
	0.0%		4.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 09/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Loss Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	1.167	18.8	1.063	1.241
12/31/2012	15	1.090	18.8	1.063	1.159
12/31/2013	3	1.017	18.8	1.063	1.082

Notes:

Travelers and ISO Fastrack data are statewide, calendar year, paid losses and ALAE

Fitted Annual Trend is calculated using exponential fits

(b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014

(c) = $[(1 + \text{Historical Frequency Trend}) \times (1 + \text{Historical Severity Trend})]^{(b) / 12}$

(d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)

(e) = $[(1 + \text{Prospective Frequency Trend}) \times (1 + \text{Prospective Severity Trend})]^{(d) / 12}$

(f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Trend

Total Limits Property Damage

Calendar Year Ending	Frequency (per 100 Exposures)		Severity	
	Travelers	ISO Fastrack	Travelers	ISO Fastrack
03/31/2011		2.94		2,977
06/30/2011	3.02	2.87	2,883	2,989
09/30/2011	3.03	2.90	2,864	2,994
12/31/2011	3.07	2.89	2,921	3,022
03/31/2012	3.02	2.95	3,014	3,012
06/30/2012	3.11	2.97	2,989	3,054
09/30/2012	2.97	2.95	3,048	3,034
12/31/2012	2.90	2.93	2,929	3,041
03/31/2013	2.86	2.88	3,010	3,110
06/30/2013	2.75	2.90	3,205	3,130
09/30/2013	2.71	2.86	3,088	3,203
12/31/2013	2.60	2.86	3,202	3,223
03/31/2014	2.57		3,201	
Fitted Annual Trend				
12 point	-6.4%	-0.5%	4.0%	2.8%
8 point	-10.1%	-2.2%	4.6%	4.0%
4 point	-9.5%	-1.3%	1.3%	5.4%
Selected Historical Annual Trend				
	Frequency		Severity	
	-1.0%		3.0%	
Selected Prospective Annual Trend				
	-2.0%		3.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 09/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Loss Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	1.045	18.8	1.015	1.060
12/31/2012	15	1.025	18.8	1.015	1.040
12/31/2013	3	1.005	18.8	1.015	1.020

Notes:

Travelers and ISO Fastrack data are statewide, calendar year, paid losses and ALAE

Fitted Annual Trend is calculated using exponential fits

(b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014

(c) = $[(1 + \text{Historical Frequency Trend}) \times (1 + \text{Historical Severity Trend})]^{(b) / 12}$

(d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)

(e) = $[(1 + \text{Prospective Frequency Trend}) \times (1 + \text{Prospective Severity Trend})]^{(d) / 12}$

(f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Trend

Total Limits Personal Injury Protection

Calendar Year Ending	Frequency (per 100 Exposures)		Severity	
	Travelers	ISO Fastrack	Travelers	ISO Fastrack
03/31/2011		n/a		n/a
06/30/2011	0.65	n/a	3,695	n/a
09/30/2011	0.62	n/a	3,824	n/a
12/31/2011	0.58	n/a	3,742	n/a
03/31/2012	0.52	n/a	3,646	n/a
06/30/2012	0.49	n/a	3,748	n/a
09/30/2012	0.49	n/a	3,583	n/a
12/31/2012	0.46	n/a	3,825	n/a
03/31/2013	0.48	n/a	4,097	n/a
06/30/2013	0.54	n/a	4,033	n/a
09/30/2013	0.51	n/a	4,157	n/a
12/31/2013	0.53	n/a	3,831	n/a
03/31/2014	0.51	n/a	3,842	n/a
Fitted Annual Trend				
12 point	-6.5%	n/a	2.9%	n/a
8 point	5.4%	n/a	3.6%	n/a
4 point	-4.5%	n/a	-8.7%	n/a
Selected Historical Annual Trend				
	Frequency		Severity	
	2.0%		5.0%	
Selected Prospective Annual Trend				
	0.0%		4.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 09/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Loss Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	1.167	18.8	1.063	1.241
12/31/2012	15	1.090	18.8	1.063	1.159
12/31/2013	3	1.017	18.8	1.063	1.082

Notes:

Travelers and ISO Fastrack data are statewide, calendar year, paid losses and ALAE

Fitted Annual Trend is calculated using exponential fits

(b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014

(c) = $[(1 + \text{Historical Frequency Trend}) \times (1 + \text{Historical Severity Trend})]^{(b) / 12}$

(d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)

(e) = $[(1 + \text{Prospective Frequency Trend}) \times (1 + \text{Prospective Severity Trend})]^{(d) / 12}$

(f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Trend

Comprehensive

Calendar Year Ending	Frequency (per 100 Exposures)		Severity	
	Travelers	ISO Fastrack	Travelers	ISO Fastrack
03/31/2011		7.54		1,092
06/30/2011	4.81	8.84	1,184	1,474
09/30/2011	4.87	9.22	1,228	1,543
12/31/2011	4.71	9.14	1,224	1,571
03/31/2012	4.87	9.14	1,211	1,597
06/30/2012	4.77	7.46	1,124	1,280
09/30/2012	4.93	7.05	1,135	1,235
12/31/2012	5.22	6.98	1,007	1,202
03/31/2013	5.23	6.91	1,053	1,214
06/30/2013	5.15	6.85	1,034	1,219
09/30/2013	4.80	6.63	999	1,216
12/31/2013	4.48	6.50	1,058	1,168
03/31/2014	4.39		1,099	
Fitted Annual Trend				
12 point	-1.4%	-11.3%	-6.3%	-6.5%
8 point	-6.2%	-13.6%	-2.6%	-11.1%
4 point	-19.8%	-8.2%	10.1%	-4.7%
Selected Historical Annual Trend				
	Frequency		Severity	
	0.0%		-5.0%	
Selected Prospective Annual Trend				
	-1.0%		1.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 09/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Loss Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	.891	18.8	1.000	.891
12/31/2012	15	.938	18.8	1.000	.938
12/31/2013	3	.987	18.8	1.000	.987

Notes:

Travelers and ISO Fastrack data are statewide, calendar year, paid losses and ALAE, excluding catastrophes

Fitted Annual Trend is calculated using exponential fits

(b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014

(c) = $[(1 + \text{Historical Frequency Trend}) \times (1 + \text{Historical Severity Trend})]^{(b) / 12}$

(d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)

(e) = $[(1 + \text{Prospective Frequency Trend}) \times (1 + \text{Prospective Severity Trend})]^{(d) / 12}$

(f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Trend

Collision

Calendar Year Ending	Frequency (per 100 Exposures)		Severity	
	Travelers	ISO Fastrack	Travelers	ISO Fastrack
03/31/2011		5.51		3,166
06/30/2011	4.06	5.40	3,675	3,228
09/30/2011	4.03	5.30	3,521	3,279
12/31/2011	4.04	5.26	3,628	3,355
03/31/2012	3.85	5.25	3,671	3,280
06/30/2012	3.89	5.24	3,768	3,303
09/30/2012	3.83	5.22	4,041	3,287
12/31/2012	3.79	5.18	3,887	3,279
03/31/2013	3.73	5.16	3,908	3,360
06/30/2013	3.67	5.20	4,011	3,384
09/30/2013	3.55	5.17	3,831	3,458
12/31/2013	3.63	5.21	3,794	3,455
03/31/2014	3.66		3,812	
Fitted Annual Trend				
12 point	-4.6%	-1.8%	2.8%	2.6%
8 point	-4.3%	-0.6%	-1.2%	3.4%
4 point	0.5%	1.0%	-6.3%	4.3%
Selected Historical Annual Trend				
	Frequency		Severity	
	-4.0%		2.0%	
Selected Prospective Annual Trend				
	0.0%		-1.0%	

Factors To Adjust Data Based on a 07/25/2014 Effective Date

Experience Period Ending	Historical Trend Period (months)	Factor to Adjust to 09/30/2013	Prospective Trend Period (months)	Factor to Adjust from 09/30/2013 to 04/25/2015	Loss Trend Factor
(a)	(b)	(c)	(d)	(e)	(f)
12/31/2011	27	.954	18.8	0.984	.939
12/31/2012	15	.974	18.8	0.984	.959
12/31/2013	3	.995	18.8	0.984	.979

Notes:

Travelers and ISO Fastrack data are statewide, calendar year, paid losses and ALAE

Fitted Annual Trend is calculated using exponential fits

(b) Duration from the midpoint of each experience period to 09/30/2013, which is the midpoint of the last calendar year of trend data ending 03/31/2014

(c) = $[(1 + \text{Historical Frequency Trend}) \times (1 + \text{Historical Severity Trend})]^{(b) / 12}$

(d) Duration from the midpoint of the last calendar year of trend data (09/30/2013) to the average earned date underlying the proposed rates (04/25/2015)

(e) = $[(1 + \text{Prospective Frequency Trend}) \times (1 + \text{Prospective Severity Trend})]^{(d) / 12}$

(f) = (c) x (e)

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Loss Development
Total Limits Bodily Injury

Incurred Losses Including ALAE

Accident Year Ending 12/31	Evaluation Month:								
	15	27	39	51	63	75	87	99	111
2005	12,174	19,876	6,306	6,306	6,306	6,306	6,306	6,306	6,306
2006	1,227,354	1,478,322	1,517,008	1,556,090	1,606,162	1,611,162	1,606,531	1,606,489	6,306
2007	2,708,073	2,895,915	2,843,238	2,950,615	2,898,151	2,891,272	2,886,882		
2008	2,948,100	3,311,677	3,423,561	3,813,443	3,770,503	3,770,503			
2009	3,406,499	3,524,610	3,569,562	3,602,086	3,689,517				
2010	4,587,782	5,070,284	5,169,288	5,212,356					
2011	4,169,230	4,825,435	4,919,958						
2012	5,809,251	6,359,605							
2013	3,496,603								

Development Factors

Accident Year Ending 12/31	Development Period:								
	15 to 27	27 to 39	39 to 51	51 to 63	63 to 75	75 to 87	87 to 99	99 to 111	
2005	1.633	0.317	1.000	1.000	1.000	1.000	1.000	1.000	
2006	1.204	1.026	1.026	1.032	1.003	0.997	1.000		
2007	1.069	0.982	1.038	0.982	0.998	0.998			
2008	1.123	1.034	1.114	0.989	1.000				
2009	1.035	1.013	1.009	1.024					
2010	1.105	1.020	1.008						
2011	1.157	1.020							
2012	1.095								

Average Development Factors

	Development Period:								
	15 to 27	27 to 39	39 to 51	51 to 63	63 to 75	75 to 87	87 to 99	99 to 111	
All yr avg	1.158	0.926	1.028	1.005	1.000	0.999	1.000	1.000	
All yr avg excluding Hi/Lo	1.113	1.010	1.016	1.003	1.000	0.999	1.000		
5 yr avg	1.103	1.013	1.039	1.005	1.000				
5 yr avg excluding Hi/Lo	1.108	1.017	1.024	1.004	1.000				
4 yr avg	1.098	1.021	1.042	1.007	1.000	0.999			
4 yr avg excluding Hi/Lo	1.100	1.020	1.023	1.007	1.000	0.999			
3 yr avg	1.119	1.017	1.044	0.998	1.000	0.999	1.000		
Selected LDF	1.108	1.017	1.024	1.000	1.000	1.000	1.000	1.000	
Cumulative LDF	1.154	1.042	1.024	1.000	1.000	1.000	1.000	1.000	

COUNTRYWIDE AUTOMOBILE

ALL COMPANIES COMBINED

Loss Development
Total Limits Uninsured/Underinsured Motorist

Incurred Losses Including ALAE

Accident Year Ending 12/31	Evaluation Month:									
	15	27	39	51	63	75	87	99	111	123
2004	75,127,130	104,876,527	118,627,298	124,201,626	126,969,575	127,772,900	128,072,156	128,478,955	128,406,936	128,396,808
2005	83,855,457	115,091,965	128,259,688	134,770,145	137,198,156	138,946,370	139,432,253	139,267,689	138,924,603	
2006	90,571,783	117,348,405	132,509,400	142,089,234	147,290,248	150,653,979	151,563,025	152,025,010		
2007	94,668,809	132,779,481	152,329,676	162,556,159	167,108,770	169,067,666	170,208,612			
2008	95,164,893	130,255,902	151,229,324	159,727,303	164,568,503	166,181,321				
2009	100,512,478	137,188,288	160,380,998	167,367,748	172,789,611					
2010	106,443,288	149,888,278	174,354,025	186,700,517						
2011	113,720,857	164,041,270	192,995,729							
2012	120,224,530	166,657,612								
2013	98,646,701									

Development Factors

Accident Year Ending 12/31	Development Period:									
	15 to 27	27 to 39	39 to 51	51 to 63	63 to 75	75 to 87	87 to 99	99 to 111	111 to 123	
2004	1.396	1.131	1.047	1.022	1.006	1.002	1.003	0.999	1.000	
2005	1.373	1.114	1.051	1.018	1.013	1.003	0.999	0.998		
2006	1.296	1.129	1.072	1.037	1.023	1.006	1.003			
2007	1.403	1.147	1.067	1.028	1.012	1.007				
2008	1.369	1.161	1.056	1.030	1.010					
2009	1.365	1.169	1.044	1.032						
2010	1.408	1.163	1.071							
2011	1.442	1.177								
2012	1.386									

Average Development Factors

	Development Period:									
	15 to 27	27 to 39	39 to 51	51 to 63	63 to 75	75 to 87	87 to 99	99 to 111	111 to 123	
All yr avg	1.382	1.149	1.058	1.028	1.013	1.005	1.002	0.998	1.000	
All yr avg excluding Hi/Lo	1.386	1.150	1.058	1.028	1.011	1.005	1.003			
5 yr avg	1.394	1.163	1.062	1.029	1.013					
5 yr avg excluding Hi/Lo	1.388	1.164	1.065	1.030	1.011					
4 yr avg	1.400	1.167	1.059	1.032	1.014	1.005				
4 yr avg excluding Hi/Lo	1.397	1.166	1.062	1.031	1.012	1.005				
3 yr avg	1.412	1.170	1.057	1.030	1.015	1.005	1.002			
Selected LDF	1.388	1.164	1.065	1.030	1.011	1.005	1.000	1.000	1.000	
Cumulative LDF	1.801	1.298	1.115	1.047	1.016	1.005	1.000	1.000	1.000	

ARKANSAS QUANTUM AUTOMOBILE

ALL COMPANIES COMBINED

Loss Development
Credibility Weighted Loss Development
Total Limits Uninsured Motorist/Underinsured Motorist

Accident		
Year		
Ending	State	
<u>12/31</u>	<u>Claims</u>	
2011	264	
2012	246	
<u>2013</u>	<u>245</u>	<u>Credibility</u>
Total	755	80%

Cumulative Loss Development Factors

	<u>15 to Ult.</u>	<u>27 to Ult.</u>	<u>39 to Ult.</u>	<u>51 to Ult.</u>	<u>63 to Ult.</u>	<u>75 to Ult.</u>	<u>87 to Ult.</u>	<u>99 to Ult.</u>	<u>111 to Ult.</u>
Statewide	1.317	1.096	1.003	1.000	1.000	1.000	1.000	1.000	1.000
Countrywide	1.801	1.298	1.115	1.047	1.016	1.005	1.000	1.000	1.000
Credibility Weighted	1.414	1.137	1.026	1.009	1.003	1.001	1.000	1.000	1.000

Notes:

State claims are from the companies in the statewide Loss Development exhibit
Credibility is based on total state claims
Statewide Cumulative Loss Development Factors (CLDFs) are from Exhibit 6 Pages 1-6
Countrywide CLDFs are from Exhibit 6 Page 7 and are based on data from all companies combined
Credibility Weighted CLDF = (Statewide CLDF) x (Credibility) + (Countrywide CLDF) x (1.0 - Credibility)

ARKANSAS QUANTUM AUTOMOBILE
 THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
 TRAVELERS COMMERCIAL INSURANCE COMPANY

Unallocated Loss Adjustment Expense Factor

Liability

<u>Calendar Year</u>	<u>Paid ULAE</u> (1)	<u>Paid Losses & ALAE</u> (2)	<u>ULAE Factor</u> (3) = 1.0 + (1) / (2)
2010	\$211,811,139	\$1,409,976,174	1.150
2011	\$233,688,106	\$1,487,629,652	1.157
2012	\$220,904,129	\$1,541,194,438	1.143
Mean Selected			1.150 1.150

Physical Damage

<u>Calendar Year</u>	<u>Paid ULAE</u> (1)	<u>Paid Losses & ALAE</u> (2)	<u>ULAE Factor</u> (3) = 1.0 + (1) / (2)
2010	\$168,328,769	\$713,210,915	1.236
2011	\$162,057,737	\$844,971,868	1.192
2012	\$166,533,614	\$844,270,116	1.197
Mean Selected			1.208 1.208

Notes:

Countrywide data, on a Net basis
 Liability includes Bodily Injury, Property Damage, Uninsured/Underinsured Motorist,
 Medical Payments, and Personal Injury Protection coverages

ARKANSAS QUANTUM AUTOMOBILE

ALL COMPANIES COMBINED

Excess Wind and Water
Comprehensive

Accident Year Ending 12/31	Total Losses (1)	Wind/Water Losses (2)	Total Excluding Wind/Water Losses (3) = (1) - (2)	Wind/Water Ratio (4) = (2) / (3)	Excess Wind/Water Ratio (5) = (4) - Avg(4)	Excess Wind/Water Losses (6) = (5) x (3)
2004	694,867	148,107	546,760	0.271	0.000	0
2005	1,149,969	293,758	856,211	0.343	0.000	0
2006	1,486,589	370,037	1,116,552	0.331	0.000	0
2007	1,108,654	130,564	978,090	0.133	0.000	0
2008	2,136,084	1,014,818	1,121,266	0.905	0.473	529,936
2009	2,053,850	804,002	1,249,848	0.643	0.211	263,515
2010	1,773,007	294,599	1,478,408	0.199	0.000	0
2011	2,847,871	1,537,348	1,310,523	1.173	0.741	970,623
2012	1,697,157	306,419	1,390,738	0.220	0.000	0
2013	1,340,689	126,878	1,213,811	0.105	0.000	0
Average				0.432	0.142	
(7)	Excess Wind/Water Factor = 1.0 + Avg(5) / [1.0 + Avg (4) - Avg (5)]					1.110

Notes:

All losses are Comprehensive and include ALAE

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Excess Wind and Water
Comprehensive

Accident Year Ending <u>12/31</u>	<u>Total Losses</u> (1)	<u>Wind/Water Losses</u> (2)	<u>Total Excluding Wind/Water Losses</u> (3) = (1) - (2)	<u>Excess Wind/Water Ratio</u> (4)	<u>Excess Wind/Water Losses</u> (5) = (3) x (4)
2011	2,847,871	1,537,348	1,310,523	0.741	970,623
2012	1,697,157	306,419	1,390,738	0.000	0
2013	1,340,689	126,878	1,213,811	0.000	0

Notes:

All losses are Comprehensive and include ALAE
(4) See Exhibit 8 Page 1, Column (5)

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY**Expenses and Permissible Loss & LAE Ratios**

	<u>Liability</u>	<u>Physical Damage</u>
<u>Fixed Expense</u>		
(1) Other Acquisition and General Expenses	13.9%	14.8%
(2) Installment Fees	-1.2%	-1.2%
(3) Total Fixed Expenses = (1) + (2)	12.7%	13.6%
<u>Variable Expense</u>		
(4) Commissions	14.6%	14.7%
(5) Taxes, Licenses and Fees	4.0%	3.8%
(6) Total Variable Expense	18.6%	18.5%
(7) Profit Margin	5.0%	5.0%
(8) Permissible Loss, LAE and Fixed Expense Ratio = 100% - (6) - (7)	76.4%	76.5%
(9) Permissible Loss & LAE Ratio = 100% - (3) - (6) - (7)	63.7%	62.9%

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Calculation of Underwriting Profit
Summary Exhibit

	<u>Liability</u>	<u>Physical Damage</u>
A. <u>Direct Earned Premium</u>	14,995,378	10,665,228
B. <u>Funds Available for Investment from Unearned Premium Reserve</u>		
1. Direct Mean Unearned Premium Reserve (see Page 2)	4,969,340	3,552,597
2. Deduction for Federal Taxes (see Page 2)	2,576	13,983
3. Deduction for Prepaid Expenses (see Page 2)	1,270,694	920,631
4. Deduction for Delayed Remission of Premium (see Page 3)	2,535,585	1,828,815
5. Net Available for Investment = B1 - B2 - B3 - B4	1,160,485	789,168
C. <u>Funds Available for Investment from Loss & LAE Reserve</u>		
1. Expected Mean Loss & LAE Reserve (see Page 3)	12,441,231	106,539
2. Deduction for Federal Taxes (see Page 4)	(13,401)	(2,685)
3. Net Available for Investment = C1 - C2	12,454,632	109,224
D. <u>Policyholder Surplus</u> (see Page 5)	13,002,000	9,247,000
E. <u>Net Available for Investment</u> = B5 + C3 + D	26,617,117	10,145,392
F. <u>Average Rate of Return</u> (see Page 5)	4.5%	4.5%
G. <u>Projected Investment Earnings</u> = E x F	1,197,770	456,543
H. <u>Before Tax Return (% of EP)</u> = G / A	8.0%	4.3%
I. <u>Federal Income Tax Provision</u> (see Page 5)	18.6%	18.6%
J. <u>After-Tax Return (% of EP)</u> = H x (100% - I)	6.5%	3.5%
K. <u>Target After-Tax Total Return (% of EP)</u> (see Page 5)	13.0%	13.0%
L. <u>Target After-Tax Underwriting Profit (% of EP)</u> = K - J	6.5%	9.5%
M. <u>Target Before-Tax Underwriting Profit (% of EP)</u> = L / 0.65	10.0%	14.6%
N. <u>Selected Target Before-Tax Underwriting Profit</u>	5.0%	5.0%

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

Since the after-tax return on liability earned premium from investment earnings is 6.5%, the difference of 6.5% is the projected after-tax underwriting profit. Assuming a tax rate of 35%, the before-tax underwriting profit is 10.0% as a percent of earned premium.

Since the after-tax return on physical damage earned premium from investment earnings is 3.5%, the difference of 9.5% is the projected after-tax underwriting profit. Assuming a tax rate of 35%, the before-tax underwriting profit is 14.6% as a percent of earned premium.

Notes:

A. Direct Earned Premium: State data, Page 14, Column 2, for 2012

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

**Calculation of Underwriting Profit
Explanatory Notes**

B. Funds Available for Investment from Unearned Premium Reserve

1. Direct Mean Unearned Premium Reserve	<u>Liability</u>	<u>Physical Damage</u>
(a) Direct unearned premium reserve as of 12/31/2011	4,950,940	3,452,719
(b) Direct unearned premium reserve as of 12/31/2012	4,987,740	3,652,474
(c) Direct mean unearned premium reserve = (a + b) / 2	4,969,340	3,552,597

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.

$$\text{Deduction} = 0.35 \times 0.20 \times (\text{B1(b)} - \text{B1(a)})$$

		<u>Liability</u>	<u>Physical Damage</u>
Liability	$0.35 \times 0.20 \times (4,987,740 - 4,950,940) =$	2,576	
Physical Damage	$0.35 \times 0.20 \times (3,652,474 - 3,452,719) =$		13,983

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.

	<u>Liability</u>	<u>Physical Damage</u>
(a) Commissions	14.60%	14.70%
(b) Taxes, Licenses, and Fees	4.00%	3.83%
(c) 50% of Other Acquisition	2.55%	2.68%
(d) 50% of General	4.42%	4.70%
(e) Total (% of premium)	25.57%	25.91%

(f) Deduction = B1(c) x B3(e)

Liability	$4,969,340 \times 25.57\% =$	1,270,694	
Physical Damage	$3,552,597 \times 25.91\% =$		920,631

Notes:

(Data for year 2012 unless noted otherwise)

B1(a,b) State data, 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) (State data, Page 14, Column 12) / (State data, Page 14, Column 1)

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

B3(d) Countrywide data from the financial database that reconciles to IEE, Part III, Column 29

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

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>Liability</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Direct Agents' Balances	376,092,548	371,072,782	356,908,206	
(b) Direct Mean Unearned Premium Reserve	696,185,881	740,116,851	729,651,890	
(c) Average Uncollected Balance Ratio = a / b	54.0%	50.1%	48.9%	51.0%
(d) Deduction = B1(c) x B4(c) _{Average}	4,969,340 x 51.0% =		2,535,585	

<u>Physical Damage</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Direct Agents' Balances	209,584,510	204,741,536	198,320,572	
(b) Direct Mean Unearned Premium Reserve	383,666,277	403,140,878	404,558,974	
(c) Average Uncollected Balance Ratio = a / b	54.6%	50.8%	49.0%	51.5%
(d) Deduction = B1(c) x B4(c) _{Average}	3,552,597 x 51.5% =		1,828,815	

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

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

1. Expected Mean Loss & LAE Reserve

<u>Liability</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Paid Loss & LAE	1,621,787,313	1,711,317,758	1,762,098,567	
(b) Net Loss & LAE Reserve as of end of prior year	2,216,350,018	2,157,782,201	2,174,799,288	
(c) Net Loss & LAE Reserve as of end of year	2,157,782,201	2,174,799,288	2,120,641,753	
(d) Net Incurred Loss & LAE = a + c - b	1,563,219,496	1,728,334,845	1,707,941,032	
(e) Net Mean Loss & LAE Reserve = (b + c) / 2	2,187,066,110	2,166,290,745	2,147,720,521	
(f) Reserve Ratio = e / d	1.3991	1.2534	1.2575	1.3033
(g) Permissible Loss & LAE Ratio (see Exhibit 9)			63.66%	
(h) Expected Mean Loss & LAE Reserve = A x C1(g) x C1(f) _{Average}	14,995,378 x 63.66% x 1.3033 =		12,441,231	

<u>Physical Damage</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Average</u>
(a) Net Paid Loss & LAE	881,539,684	1,007,029,605	1,010,803,730	
(b) Net Loss & LAE Reserve as of end of prior year	15,623,816	15,210,952	15,330,911	
(c) Net Loss & LAE Reserve as of end of year	15,210,952	15,330,911	14,949,136	
(d) Net Incurred Loss & LAE = a + c - b	881,126,820	1,007,149,564	1,010,421,955	
(e) Net Mean Loss & LAE Reserve = (b + c) / 2	15,417,384	15,270,932	15,140,024	
(f) Reserve Ratio = e / d	0.0175	0.0152	0.0150	0.0159
(g) Permissible Loss & LAE Ratio (see Exhibit 9)			62.90%	
(h) Expected Mean Loss & LAE Reserve = A x C1(g) x C1(f) _{Average}	10,665,228 x 62.90% x 0.0159 =		106,539	

Notes:

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

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

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

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

**Calculation of Underwriting Profit
Explanatory Notes**

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

2. Deduction for Federal Taxes Payable on Loss Reserves

<u>Liability</u>	<u>Statutory Reserves (Undiscounted)</u>		<u>Tax Reserves (Discounted)</u>		
	<u>Year of Loss</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
2001 & Prior		260,047,605	245,711,622	252,099,596	238,290,755
2002		5,450,806	1,308,626	4,992,153	1,235,258
2003		6,427,864	3,096,443	5,781,428	2,848,068
2004		8,298,904	3,175,901	7,515,842	2,879,831
2005		13,792,123	6,554,476	12,593,669	5,980,000
2006		20,875,086	9,859,654	19,407,504	9,083,309
2007		53,305,012	22,149,071	49,673,959	20,545,438
2008		120,113,297	44,841,128	112,662,797	41,723,824
2009		238,413,641	112,882,860	224,288,957	105,879,565
2010		489,144,935	249,638,482	461,066,396	235,694,498
2011		929,089,863	471,554,363	882,449,891	446,804,088
2012			944,776,182		904,835,375
Total		2,144,959,136	2,115,548,807	2,032,532,192	2,015,800,010
				<u>2011</u>	<u>2012</u>
(a) Ratio of Total Tax to Total Statutory Reserves				0.9476	0.9528
(b) Arkansas Liability Loss & ALAE Reserve as of 12/31/2011 x (ULAE Factor)					12,485,065
		10,856,578 x 1.150 =			
(c) Arkansas Liability Loss & ALAE Reserve as of 12/31/2012 x (ULAE Factor)					13,049,336
		11,347,248 x 1.150 =			
(d) Deduction = 0.35 x [c - b - (c x a ₂₀₁₂) + (b x a ₂₀₁₁)]					(13,401)
		0.35 x [13,049,336 - 12,485,065 - (13,049,336 x 0.9528) + (12,485,065 x 0.9476)] =			

<u>Physical Damage</u>	<u>Statutory Reserves (Undiscounted)</u>		<u>Tax Reserves (Discounted)</u>		
	<u>Year of Loss</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
2009 & Prior		46,619,970	40,403,159	45,580,542	39,418,640
2010		26,892,237	21,367,994	25,906,789	20,972,216
2011		102,838,027	14,225,160	101,535,186	13,739,398
2012			73,140,546		72,587,717
Total		176,350,234	149,136,858	173,022,517	146,717,971
				<u>2011</u>	<u>2012</u>
(a) Ratio of Total Tax to Total Statutory Reserves				0.9811	0.9838
(b) Arkansas Physical Damage Loss & ALAE Reserve as of 12/31/2011 x (ULAE Factor)					384,839
		318,575 x 1.208 =			
(c) Arkansas Physical Damage Loss & ALAE Reserve as of 12/31/2012 x (ULAE Factor)					(24,553)
		-20,326 x 1.208 =			
(d) Deduction = 0.35 x [c - b - (c x a ₂₀₁₂) + (b x a ₂₀₁₁)]					(2,685)
		0.35 x [-24,553 - 384,839 - (-24,553 x 0.9838) + (384,839 x 0.9811)] =			

Notes:

C2(a) 2012 Federal Tax Return supporting documentation, Countrywide data
C2(b,c) State data, Page 14, Column 7 and Column 10

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

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)		Liability Physical Damage	14,995,378 10,665,228	
(e) Allocated Policyholder Surplus = d / c Average		Liability Physical Damage	13,002,000 9,247,000	

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))]

[(Consolidated Annual Statement, Page 2, Line 12, Column 3) - (Consolidated Annual Statement Page 2, Line 5 (cash))]2012

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

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

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Base Rates

Current Rates

BASE RATE BY COVERAGE																
	BI	PD	CSL BI	CSL PD	MP	WORK LOSS	MEDICAL EXPENSE	ACCID DEATH	COLL	COMP	UM BI SPLIT	UM BI SINGLE	UND BI SPLIT	UND BI SINGLE	UM BI/PD CSL	UMPD
BASE LIMIT	25/50	25	75	75	500	Q	W	X					25/50	75	75	
RATE	94.75	77.52	123.88	84.22	7.92	4.50	30.34	1.57	104.01	111.82	14.86	16.36	22.32	26.78	19.32	5.94

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Base Rates

Proposed Rates

BASE RATE BY COVERAGE																
	BI	PD	CSL BI	CSL PD	MP	WORK LOSS	MEDICAL EXPENSE	ACCID DEATH	COLL	COMP	UM BI SPLIT	UM BI SINGLE	UND BI SPLIT	UND BI SINGLE	UM BI/PD CSL	UMPD
BASE LIMIT	25/50	25	75	75	500	Q	W	X					25/50	75	75	
RATE	100.40	83.09	131.26	90.27	8.32	4.68	31.86	1.68	104.37	123.05	14.31	16.00	21.99	26.38	19.03	5.85

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Liability Increased Limit Factors

Current Factors

LIABILITY INCREASED LIMITS - SPLIT	
BI SPLIT LIMIT	
LIMIT*	FACTOR
25/50	1.0000
50/100	1.2530
75/75	1.2500
100/100	1.4790
100/300	1.5480
250/500	1.9970
300/300	1.7810
500/500	2.1780

LIABILITY INCREASED LIMITS - SINGLE	
BI SINGLE LIMIT	
LIMIT**	FACTOR
75	1.0000
100	1.0910
300	1.5720
500	1.8500

* Per Person/Per Accident. Limits are in thousands

** Limits are in thousands

Note: Changes made only to exhibits shown

ARKANSAS QUANTUM AUTOMOBILE
THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Liability Increased Limit Factors

Proposed Factors

LIABILITY INCREASED LIMITS - SPLIT	
BI SPLIT LIMIT	
LIMIT*	FACTOR
25/50	1.0000
50/100	1.2530
75/75	1.2500
100/100	1.4790
100/300	1.5480
250/500	2.1970
300/300	1.9590
500/500	2.3960

LIABILITY INCREASED LIMITS - SINGLE	
BI SINGLE LIMIT	
LIMIT**	FACTOR
75	1.0000
100	1.0910
300	1.7290
500	2.0350

* Per Person/Per Accident. Limits are in thousands

** Limits are in thousands

Note: Changes made only to exhibits shown

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Uninsured/Underinsured Motorists Increased Limit Factors

Current Factors

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS							
UM BI SPLIT LIMIT		UND BI SPLIT LIMIT		UM BI SINGLE LIMIT		UND BI SINGLE LIMIT	
LIMIT*	FACTOR	LIMIT*	FACTOR	LIMIT**	FACTOR	LIMIT**	FACTOR
25/50	1.0000	25/50	1.0000	75	1.0000	75	1.0000
50/100	1.3750	50/100	1.3750	100	1.0650	100	1.0650
75/75	1.4660	75/75	1.4660	300	1.2390	300	1.2390
100/100	1.5910	100/100	1.5910	500	1.3320	500	1.3320
100/300	1.7500	100/300	1.7500				
250/500	1.8500	250/500	1.8500				
300/300	1.8500	300/300	1.8500				
500/500	1.9900	500/500	1.9900				

** Limits are in thousands.

** Limits are in thousands.

*Per Person/Per Accident.
Limits are in thousands.

*Per Person/Per Accident.
Limits are in thousands.

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS			
UMPD		UM BI/PD CSL	
LIMIT**	FACTOR	LIMIT**	FACTOR
25	1.0000	75	1.0000
50	1.2500	100	1.0640
75	1.3750	300	1.2810
100	1.5000	500	1.3720
300	2.0460		
500	2.5910		

** Limits are in thousands.

Note: Changes made only to exhibits shown

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Uninsured/Underinsured Motorists Increased Limit Factors

Proposed Factors

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS							
UM BI SPLIT LIMIT		UND BI SPLIT LIMIT		UM BI SINGLE LIMIT		UND BI SINGLE LIMIT	
LIMIT*	FACTOR	LIMIT*	FACTOR	LIMIT**	FACTOR	LIMIT**	FACTOR
25/50	1.0000	25/50	1.0000	75	1.0000	75	1.0000
50/100	1.3750	50/100	1.3750	100	1.0650	100	1.0650
75/75	1.4660	75/75	1.4660	300	1.3630	300	1.3630
100/100	1.5910	100/100	1.5910	500	1.4650	500	1.4650
100/300	1.7500	100/300	1.7500				
250/500	2.0350	250/500	2.0350				
300/300	2.0350	300/300	2.0350				
500/500	2.1890	500/500	2.1890				

** Limits are in thousands.

** Limits are in thousands.

*Per Person/Per Accident.
Limits are in thousands.

*Per Person/Per Accident.
Limits are in thousands.

UNINSURED / UNDERINSURED MOTORISTS INCREASED LIMIT FACTORS			
UMPD		UM BI/PD CSL	
LIMIT**	FACTOR	LIMIT**	FACTOR
25	1.0000	75	1.0000
50	1.2500	100	1.0640
75	1.3750	300	1.4090
100	1.5000	500	1.5090
300	2.2510		
500	2.8500		

** Limits are in thousands.

Note: Changes made only to exhibits shown

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
 TRAVELERS COMMERCIAL INSURANCE COMPANY

Introduction of Minimum Premium by Coverage

NON DRIVER VARIABLES

MINIMUM COVERAGE PREMIUMS							
VEHICLE TYPE	POLICY TERM	BI	PD	CSL BI/PD	COLL	COMP	ALL OTHER
PP & PU*	06 MONTHS	\$25.00	\$15.00	\$40.00	\$15.00	\$15.00	\$1.00
	12 MONTHS	\$50.00	\$30.00	\$80.00	\$30.00	\$30.00	\$1.00
All Other	06 MONTHS	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	12 MONTHS	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

*Private Passenger and Pick Up type vehicles (including Antiques and Classics).

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
 TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Rule 11 - Minimum Premium Rule

Proposed

11. MINIMUM PREMIUM RULE

A. ~~A minimum premium charge applies to each coverage for the policy period. Refer to the table in the Non-Driver Variables section of the Rate Pages to determine the minimum premium for each applicable coverage. Any pro-rata adjustment to the minimum coverage premium will not result in a premium of less than \$1 for the policy period. The minimum charge for each coverage is \$1 for the policy period.~~

EXCEPTION:

Extended Non-Owned Liability coverage minimum premiums for the period of coverage are:

Bodily Injury	Property Damage	Single Limit	Medical Payments
\$3	\$1	\$3	\$1 (per named individual)

B. The minimum premium charge for each policy is \$25. ~~Then minimum premium premium charge for each policy is not subject to the pro-rata adjustment.~~

~~C. Minimum premiums noted in A. and B. are not subject to pro-rata adjustment.~~

Note: Matter that is underscored is being added, matter with a strikethrough is being deleted.

ARKANSAS QUANTUM AUTOMOBILE

THE TRAVELERS HOME AND MARINE INSURANCE COMPANY
TRAVELERS COMMERCIAL INSURANCE COMPANY

Revision to Rule 14 - Cancellation Rule

Proposed

14. CANCELLATION

All cancellations shall be computed on a pro-rata basis, subject to Rule 11. Minimum Premium, ~~the minimum premium.~~

Note: Matter that is underscored is being added, matter with a strikethrough is being deleted.

State: Arkansas

First Filing Company: The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Quantum Auto 1.0

Project Name/Number: 636686/

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)
06/19/2014	Filed 07/15/2014	Supporting Document	APCS-Auto Premium Comparison Survey	07/03/2014	TCI Auto Rating Comparison Document_proposed.pdf (Superseded) TCI Auto Rating Comparison Document_proposed.xls (Superseded) THM Auto Rating Comparison Document_propos (1).pdf (Superseded) THM Auto Rating Comparison Document_propos (1).xls (Superseded)

SERFF Tracking #:

TRVA-129602275

State Tracking #:

Company Tracking #:

2014-06-0103

State:

Arkansas

First Filing Company:

The Travelers Home and Marine Insurance Company, ...

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Quantum Auto 1.0

Project Name/Number:

636686/

Attachment TCI Auto Rating Comparison Document_proposed.xls is not a PDF document and cannot be reproduced here.

Attachment THM Auto Rating Comparison Document_propos (1).xls is not a PDF document and cannot be reproduced here.

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified May 2012

NAIC Number: 36137
Company Name: Travelers Commercial Insurance Company
Contact Person: Jennifer Graves
Telephone No.: 860-277-7775
Email Address: jagraves@travelers.com
Effective Date: 7/25/2014

Assumptions to Use:

- 1 **Liability** -Minimum \$25,000 per person
- 2 **Bodily Injury** \$50,000 per accident
\$25,000 per accident
- 3 **Property Damage** \$100 deductible per accident
- 4 **Comprehensive & Collision** \$250 deductible per accident
- 5 **The insured has elected to accept:**
Uninsured motorist property and bodily injury equal to liability coverage
Underinsured bodily injury equal to liability coverage
- 6 **Personal Injury Protection** of \$5,000 for medical, loss wages according to statute and \$5,000 accidental death
- 7 **If male and female rates are different, use the highest of the two**

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 compact disk

DISCOUNTS OFFERED:

PASSIVE RESTRAINT/AIRBAG	n/a	%
AUTO/HOMEOWNERS	1% to 4%	%
GOOD STUDENT	1	%
ANTI-THEFT DEVICE	m/a	%
Over 55 Defensive Driver Discount	1	%
\$250/\$500 Deductible Comp./Coll.	2% to 35%	%

Vehicle	Coverages	Gender	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
			Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female
			18	18			18	18			18	18			18	18			18	18		
2008 4.8L Chevrolet Silverado 1500 "LS" regular cab 119" WB	Minimum Liability		1292	1946	411	453	1372	2076	438	481	1690	2588	525	585	1360	2057	436	478	1589	2395	503	551
	Minimum Liability with Comprehensive and Collision		2577	3963	686	725	2874	4434	779	809	3062	4742	815	866	2928	4522	803	822	3057	4703	825	860
	100/300/50 Liability with Comprehensive and Collision		2509	3877	653	685	2813	4360	742	766	3066	4773	795	840	2854	4423	761	773	3021	4674	792	821
2009Ford Explorer 'XLT' 2WD, 4 door	Minimum Liability		1424	2130	451	492	1503	2253	478	520	1845	2803	571	630	1492	2234	476	516	1743	2605	551	598
	Minimum Liability with Comprehensive and Collision		2770	4242	734	776	3077	4722	827	861	3282	5059	868	922	3132	4812	853	875	3281	5020	880	920
	100/300/50 Liability with Comprehensive and Collision		2678	4121	692	725	2990	4613	783	807	3262	5055	840	887	3030	4678	801	817	3220	4952	837	869
2010 Honda Odyssey "EX"	Minimum Liability		1163	1724	380	405	1232	1832	404	429	1507	2273	482	518	1223	1816	403	425	1428	2115	465	491
	Minimum Liability with Comprehensive and Collision		2561	3916	659	700	2858	4384	746	780	2997	4611	771	822	2915	4473	770	795	3018	4612	787	823
	100/300/50 Liability with Comprehensive and Collision		2450	3759	611	644	2747	4228	694	719	2948	4549	732	777	2789	4296	711	729	2928	4493	736	767
2011 Toyota Camry 2.5L 4 door Sedan	Minimum Liability		1290	1909	419	441	1370	2032	445	469	1670	2517	528	565	1359	2014	443	464	1589	2348	514	539
	Minimum Liability with Comprehensive and Collision		3115	4771	794	838	3499	5376	908	940	3617	5573	925	978	3580	5505	942	961	3672	5619	950	988
	100/300/50 Liability with Comprehensive and Collision		2945	4528	724	760	3318	5118	830	854	3508	5428	864	908	3381	5219	858	868	3515	5405	876	904
2011 Cadillac Seville "CTS" AWD WAG 4 door 3.0L	Minimum Liability		1237	1857	398	426	1314	1975	424	453	1613	2458	506	549	1303	1957	421	449	1519	2278	486	518
	Minimum Liability with Comprehensive and Collision		3406	5258	865	909	3851	5957	998	1024	3930	6093	1001	1054	3951	6118	1042	1052	4000	6173	1035	1068
	100/300/50 Liability with Comprehensive and Collision		3191	4938	786	816	3616	5610	907	923	3773	5867	930	972	3695	5737	939	941	3793	5873	948	968
2010 Hyundai Santa Fe SE 4X2	Minimum Liability		1349	2013	432	459	1430	2140	459	487	1751	2660	547	589	1420	2121	456	484	1658	2473	529	560
	Minimum Liability with Comprehensive and Collision		2757	4222	707	751	3074	4718	799	837	3255	5018	832	892	3131	4810	823	851	3265	4996	844	888
	100/300/50 Liability with Comprehensive and Collision		2661	4093	656	693	2979	4598	744	776	3228	5003	793	845	3022	4665	761	784	3195	4917	795	832

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified May 2012

NAIC Number: 36137
Company Name: Travelers Commercial Insurance Company
Contact Person: Jennifer Graves
Telephone No.: 860-277-7775
Email Address: jagraves@travelers.com
Effective Date: 7/25/2014

Assumptions to Use:

- 1 **Liability** -Minimum \$25,000 per person
- 2 **Bodily Injury** \$50,000 per accident
\$25,000 per accident
- 3 **Property Damage** \$100 deductible per accident
- 4 **Comprehensive & Collision** \$250 deductible per accident
- 5 **The insured has elected to accept:**
 Uninsured motorist property and bodily injury equal to liability coverage
 Underinsured bodily injury equal to liability coverage
- 6 **Personal Injury Protection** of \$5,000 for medical, loss wages according to statute and \$5,000 accidental death
- 7 **If male and female rates are different, use the highest of the two**

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 compact disk

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG n/a %
 AUTO/HOMEOWNERS 1% to 4% %
 GOOD STUDENT 1 %
 ANTI-THEFT DEVICE m/a %
 Over 55 Defensive Driver Discount 1 %
 \$250/\$500 Deductible Comp./Coll. 2% to 35% %

Vehicle	Coverages	Gender	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
			Age		Male or Female		Age		Male or Female		Age		Male or Female		Age		Male or Female		Age		Male or Female	
			18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
2008 4.8L Chevrolet Silverado 1500 "LS" regular cab 119" WB	Minimum Liability		1355	2046	432	472	1444	2183	459	505	1775	2722	549	612	1431	2163	455	500	1669	2518	526	575
	Minimum Liability with Comprehensive and Collision		2708	4168	720	761	3025	4667	818	847	3220	4988	854	908	3081	4756	844	863	3214	4948	864	901
	100/300/50 Liability with Comprehensive and Collision		2638	4078	686	719	2959	4587	779	802	3226	5023	834	881	3002	4653	799	811	3177	4915	830	864
2009Ford Explorer 'XLT' 2WD, 4 door	Minimum Liability		1495	2237	473	513	1580	2372	501	545	1938	2947	598	661	1567	2350	497	540	1834	2740	578	626
	Minimum Liability with Comprehensive and Collision		2912	4460	769	813	3236	4969	870	902	3451	5322	909	967	3294	5064	896	919	3453	5283	923	965
	100/300/50 Liability with Comprehensive and Collision		2816	4333	726	762	3143	4852	820	848	3429	5317	881	931	3188	4923	841	857	3384	5210	879	913
2010 Honda Odyssey "EX"	Minimum Liability		1221	1811	399	421	1295	1927	425	449	1584	2389	504	541	1284	1909	421	444	1500	2224	487	513
	Minimum Liability with Comprehensive and Collision		2693	4119	692	734	3006	4613	785	820	3152	4850	809	864	3064	4706	809	834	3173	4852	825	865
	100/300/50 Liability with Comprehensive and Collision		2575	3954	639	677	2888	4446	727	754	3100	4789	768	816	2932	4517	746	764	3078	4726	771	806
2011 Toyota Camry 2.5L 4 door Sedan	Minimum Liability		1354	2007	439	460	1439	2136	466	492	1755	2648	552	591	1427	2117	463	487	1669	2470	538	564
	Minimum Liability with Comprehensive and Collision		3273	5019	832	879	3681	5657	955	985	3806	5864	968	1025	3766	5792	989	1008	3864	5913	998	1036
	100/300/50 Liability with Comprehensive and Collision		3096	4762	760	798	3491	5383	873	893	3691	5714	906	954	3557	5490	899	911	3699	5688	918	950
2011 Cadillac Seville "CTS" AWD WAG 4 door 3.0L	Minimum Liability		1298	1950	417	445	1380	2076	443	475	1695	2584	529	574	1368	2057	439	470	1597	2396	509	541
	Minimum Liability with Comprehensive and Collision		3582	5530	907	953	4050	6268	1048	1075	4133	6410	1051	1106	4156	6437	1091	1103	4207	6496	1086	1120
	100/300/50 Liability with Comprehensive and Collision		3356	5195	825	859	3802	5901	951	968	3969	6174	975	1019	3886	6035	985	989	3990	6180	994	1018
2010 Hyundai Santa Fe SE 4X2	Minimum Liability		1416	2115	452	480	1503	2250	480	510	1840	2796	573	616	1491	2230	476	504	1744	2599	554	586
	Minimum Liability with Comprehensive and Collision		2900	4441	739	789	3232	4966	838	877	3422	5279	872	934	3292	5060	862	893	3435	5255	886	933
	100/300/50 Liability with Comprehensive and Collision		2797	4305	687	729	3133	4838	782	812	3396	5263	831	886	3179	4909	801	824	3360	5173	834	873