

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Filing at a Glance

Companies: The Hanover Insurance Company  
Massachusetts Bay Insurance Company

Product Name: \*DF- Dwelling Fire

State: Arkansas

TOI: 30.1 Dwelling Fire/Personal Liability

Sub-TOI: 30.1000 Dwelling Fire/Personal Liability

Filing Type: Rate

Date Submitted: 08/07/2014

SERFF Tr Num: HNVX-G129668518

SERFF Status: Closed-Filed

State Tr Num:

State Status:

Co Tr Num: AR14334CG00001

Effective Date 11/18/2014

Requested (New):

Effective Date 11/18/2014

Requested (Renewal):

Author(s): SPI Hanover

Reviewer(s): Becky Harrington (primary)

Disposition Date: 09/24/2014

Disposition Status: Filed

Effective Date (New): 11/18/2014

Effective Date (Renewal): 11/18/2014

State Filing Description:  
Met with Commissioner 9/3/14;

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## General Information

Project Name: *DF- Dwelling Fire	Status of Filing in Domicile:
Project Number: AR14334CG00001	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 09/24/2014	
State Status Changed: 09/05/2014	Deemer Date:
Created By: SPI Hanover	Submitted By: SPI Hanover
Corresponding Filing Tracking Number:	

### Filing Description:

We propose an overall +12.0% increase effective on 11/18/2014 for new and renewal business through base rate changes.

In support of this filing, we have attached the following:

- \*Actuarial Memorandum and Support
- \*Rate Manual Pages
- \*Any required filing forms

Thank you for your attention and review of this filing. Should you have any questions or concerns regarding this filing, please contact this office.

## Company and Contact

### Filing Contact Information

Susan Whitworth, Pricing Analyst	swhitworth@hanover.com
440 Lincoln Street	508-855-4664 [Phone] 4664 [Ext]
Worcester, MA 01653	508-855-4311 [FAX]

### Filing Company Information

The Hanover Insurance Company	CoCode: 22292	State of Domicile: New Hampshire
440 Lincoln Street	Group Code: 88	
Worcester, MA 01653	Group Name: The Hanover Insurance Group	Company Type:
(508) 853-7200 ext. [Phone]	FEIN Number: 13-5129825	State ID Number:

Massachusetts Bay Insurance Company	CoCode: 22306	State of Domicile: New Hampshire
440 Lincoln Street	Group Code: 88	
Worcester, MA 01653	Group Name: The Hanover Insurance Group	Company Type:
(508) 853-7200 ext. [Phone]	FEIN Number: 04-2217600	State ID Number:

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

Retaliatory? No  
Fee Explanation: \$100 for Independent Rate Filing  
Per Company: No

Company	Amount	Date Processed	Transaction #
The Hanover Insurance Company	\$100.00	08/07/2014	84796307

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	09/24/2014	09/24/2014

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	09/22/2014	09/22/2014
Pending Industry Response	Becky Harrington	09/05/2014	09/05/2014
No response necessary	Becky Harrington	08/11/2014	08/11/2014
Pending Industry Response	Becky Harrington	08/11/2014	08/11/2014

#### Response Letters

Responded By	Created On	Date Submitted
SPI Hanover	09/24/2014	09/24/2014
SPI Hanover	08/11/2014	08/11/2014

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Commissioner	Note To Filer	Becky Harrington	08/11/2014	08/11/2014

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

## Disposition

Disposition Date: 09/24/2014

Effective Date (New): 11/18/2014

Effective Date (Renewal): 11/18/2014

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 Hanover Insurance Company	12.000%	5.000%		657	\$618,296	%	%
Massachusetts Bay Insurance Company	12.000%	5.000%		652	\$558,816	%	%

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

12.000%

Overall Percentage Rate Impact For This Filing

5.000%

Effect of Rate Filing-Written Premium Change For This Program

\$0

Effect of Rate Filing - Number of Policyholders Affected

1,309

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document (revised)	Arkansas Actuarial Memorandum and Support	Filed	Yes
Supporting Document	Arkansas Actuarial Memorandum and Support		Yes
Supporting Document (revised)	Marked Copy of Rate Manual Pages	Filed	Yes
Supporting Document	Marked Copy of Rate Manual Pages		Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes

SERFF Tracking #:

HNWX-G129668518

State Tracking #:

Company Tracking #:

AR14334CG00001

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Rate (revised)	Arkansas Dwelling Fire Manual Pages; Rate Structure	Filed	Yes
Rate	Arkansas Dwelling Fire Manual Pages; Rate Structure		Yes

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/22/2014
Submitted Date	09/22/2014
Respond By Date	

Dear Susan Whitworth,

**Introduction:**

Per the company's request for reconsideration of the Commissioner's decision on this filing, he will allow an overall 5% increase. Please amend the filing accordingly and submit a revised HPCS.

Indicate revised effective dates if needed.

**Conclusion:**

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

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

Sincerely,

Becky Harrington

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 09/05/2014  
Submitted Date 09/05/2014  
Respond By Date

Dear Susan Whitworth,

**Introduction:**

The requested increase has been reviewed by the Commissioner.

Due to the increases totaling 52.5% in the past three years and the improved loss ratio, the Commissioner has decided not to allow the requested increase of 12%. Please withdraw the filing or it will be disapproved.

Please feel free to contact the Commissioner to discuss his decision.

**Conclusion:**

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

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

Sincerely,

Becky Harrington

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**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Objection Letter

Objection Letter Status	No response necessary
Objection Letter Date	08/11/2014
Submitted Date	08/11/2014
Respond By Date	

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Dear Susan Whitworth,

**Introduction:**

*This will acknowledge receipt of the recent response.*

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

**Conclusion:**

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

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

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

Sincerely,

Becky Harrington

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 08/11/2014  
Submitted Date 08/11/2014  
Respond By Date

Dear Susan Whitworth,

**Introduction:**

*This will acknowledge receipt of the captioned filing.*

**Objection 1**

*- HPCS-Homeowners Premium Comparison Survey (Supporting Document)*

*Comments: The Excel versions of the HPCS contain hidden worksheets. This is not permitted. Please re-submit the form with no alterations.*

**Conclusion:**

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

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

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

*Sincerely,*

*Becky Harrington*

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 09/24/2014  
 Submitted Date 09/24/2014

Dear Becky Harrington,

### Introduction:

Thank you for your letter of September 22, 2014 regarding this filing. Below is our response.

### Response 1

#### Comments:

We have revised all of the pertinent documents within this filing due to the overall impact changing to 5%.

We wish to keep the original effective date of November 18, 2014 for new and renewal business.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF

**SERFF Tracking #:**

HNVX-G129668518

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

AR14334CG00001

**State:**

Arkansas

**First Filing Company:**

The Hanover Insurance Company, ...

**TOI/Sub-TOI:**

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

**Product Name:**

\*DF- Dwelling Fire

**Project Name/Number:**

\*DF- Dwelling Fire/AR14334CG00001

**Supporting Document Schedule Item Changes**

<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>NAIC loss cost data entry document</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF</i>

<b>Satisfied - Item:</b>	Arkansas Actuarial Memorandum and Support
<b>Comments:</b>	
<b>Attachment(s):</b>	AR-Actuarial Filing Support 2014.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Arkansas Actuarial Memorandum and Support</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>AR-Actuarial Filing Support 2014.PDF</i>

SERFF Tracking #:

HNVX-G129668518

State Tracking #:

Company Tracking #:

AR14334CG00001

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

**Supporting Document Schedule Item Changes****Satisfied - Item:** NAIC loss cost data entry document**Comments:****Attachment(s):** AR RF-1 loss\_cost\_data\_entry - Hanover.PDF  
AR RF-1 loss\_cost\_data\_entry - Mass Bay.PDF*Previous Version***Satisfied - Item:** *NAIC loss cost data entry document***Comments:****Attachment(s):** *AR RF-1 loss\_cost\_data\_entry - Hanover.PDF*  
*AR RF-1 loss\_cost\_data\_entry - Mass Bay.PDF***Satisfied - Item:** Arkansas Actuarial Memorandum and Support**Comments:****Attachment(s):** AR-Actuarial Filing Support 2014.PDF*Previous Version***Satisfied - Item:** *Arkansas Actuarial Memorandum and Support***Comments:****Attachment(s):** *AR-Actuarial Filing Support 2014.PDF***Satisfied - Item:** Marked Copy of Rate Manual Pages**Comments:****Attachment(s):** ARFIRE Manual 2014-11-18 changes only DRAFT v2.PDF*Previous Version***Satisfied - Item:** *Marked Copy of Rate Manual Pages***Comments:****Attachment(s):** *ARFIRE Manual 2014-11-18 changes only DRAFT.PDF*

SERFF Tracking #:

HNVX-G129668518

State Tracking #:

Company Tracking #:

AR14334CG00001

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

**Supporting Document Schedule Item Changes**

<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>NAIC loss cost data entry document</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF</i>

<b>Satisfied - Item:</b>	Arkansas Actuarial Memorandum and Support
<b>Comments:</b>	
<b>Attachment(s):</b>	AR-Actuarial Filing Support 2014.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Arkansas Actuarial Memorandum and Support</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>AR-Actuarial Filing Support 2014.PDF</i>

<b>Satisfied - Item:</b>	Marked Copy of Rate Manual Pages
<b>Comments:</b>	
<b>Attachment(s):</b>	ARFIRE Manual 2014-11-18 changes only DRAFT v2.PDF
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Marked Copy of Rate Manual Pages</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>ARFIRE Manual 2014-11-18 changes only DRAFT.PDF</i>

<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey
<b>Comments:</b>	
<b>Attachment(s):</b>	HO Survey FORM HPCS.PDF HO Survey FORM HPCS.XLS HO Survey FORM HPCS[[1]].PDF HO Survey FORM HPCS[[1]].XLS
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>HPCS-Homeowners Premium Comparison Survey</i>

SERFF Tracking #:

HNVX-G129668518

State Tracking #:

Company Tracking #:

AR14334CG00001

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

<b>Comments:</b>	
<b>Attachment(s):</b>	<i>HO Survey FORM HPCS.PDF  HO Survey FORM HPCS.XLS  HO Survey FORM HPCS[[1]].PDF  HO Survey FORM HPCS[[1]].XLS</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>HPCS-Homeowners Premium Comparison Survey</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>HO Survey FORM HPCS.PDF  HO Survey FORM HPCS.XLS  HO Survey FORM HPCS[[1]].PDF  HO Survey FORM HPCS[[1]].XLS</i>

No Form Schedule items changed.

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Arkansas Dwelling Fire Manual Pages; Rate Structure	1, RS-1, RS-2	Replacement	HNVX-G129162614	09/24/2014 By: SPI Hanover
<i>Previous Version</i>					
1	Arkansas Dwelling Fire Manual Pages; Rate Structure	1, RS-2, RS-2	Replacement	HNVX-G129162614	08/07/2014 By: SPI Hanover

**Conclusion:**

Thank you for your attention and continued review of this filing. Should you have any additional questions or concerns regarding this filing, please contact this office.

Sincerely,

SPI Hanover

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 08/11/2014  
 Submitted Date 08/11/2014

Dear Becky Harrington,

### Introduction:

Thank you for your letter of today regarding this filing. Below is our response.

### Response 1

#### Comments:

Please see the HPCS forms without the hidden worksheets.

### Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comments: The Excel versions of the HPCS contain hidden worksheets. This is not permitted. Please re-submit the form with no alterations.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey
<b>Comments:</b>	
<b>Attachment(s):</b>	HO Survey FORM HPCS.PDF HO Survey FORM HPCS.XLS HO Survey FORM HPCS[[1]].PDF HO Survey FORM HPCS[[1]].XLS
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey
<b>Comments:</b>	
<b>Attachment(s):</b>	HO Survey FORM HPCS.PDF HO Survey FORM HPCS.XLS HO Survey FORM HPCS[[1]].PDF HO Survey FORM HPCS[[1]].XLS

No Form Schedule items changed.

**SERFF Tracking #:**

HNVX-G129668518

**State Tracking #:**

**Company Tracking #:**

AR14334CG00001

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**State:**

Arkansas

**First Filing Company:**

The Hanover Insurance Company, ...

**TOI/Sub-TOI:**

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

**Product Name:**

\*DF- Dwelling Fire

**Project Name/Number:**

\*DF- Dwelling Fire/AR14334CG00001

*No Rate/Rule Schedule items changed.*

**Conclusion:**

*Thank you for your attention and continued review of this filing. Should you have any additional questions or concerns regarding this filing, please contact this office.*

*Sincerely,*

*SPI Hanover*

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Note To Filer

**Created By:**

Becky Harrington on 08/11/2014 12:50 PM

**Last Edited By:**

Becky Harrington

**Submitted On:**

09/24/2014 09:16 AM

**Subject:**

Commissioner

**Comments:**

The Commissioner will be out of the office until September 5th.

SERFF Tracking #:

HNVX-G129668518

State Tracking #:

Company Tracking #:

AR14334CG00001

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

## Rate Information

Rate data applies to filing.

Filing Method: File and Use

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 20.000%

Effective Date of Last Rate Revision: 11/18/2013

Filing Method of Last Filing: File and Use

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The Hanover Insurance Company	12.000%	12.000%	\$74,195	657	\$618,296	12.000%	12.000%
Massachusetts Bay Insurance Company	12.000%	12.000%	\$67,058	652	\$558,816	12.000%	12.000%

**SERFF Tracking #:**

HNVX-G129668518

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

AR14334CG00001

**State:**

Arkansas

**First Filing Company:**

The Hanover Insurance Company, ...

**TOI/Sub-TOI:**

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

**Product Name:**

\*DF- Dwelling Fire

**Project Name/Number:**

\*DF- Dwelling Fire/AR14334CG00001

## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 09/24/2014	Arkansas Dwelling Fire Manual Pages; Rate Structure	1, RS-1, RS-2	Replacement	HNVX-G129162614	ARFIRE Manual 2014-11-18 changes only Clean v2.PDF

\_\_\_\_\_ANNOUNCEMENT OF REVISIONS\_\_\_\_\_

MANUAL

STATE OF ARKANSAS

REVISED MANUAL PAGES:

DWELLING FIRE MANUAL

Endorsement Table.....1  
Rate Structure Pages..... RS-1, RS-2

SUMMARY OF CHANGE

- Revised Base Rates
- Updated Signature Page Form in Endorsement table per Form Filing effective June 7, 2014

EFFECTIVE NEW AND RENEWAL DATES: November 18, 2014

**THE HANOVER INSURANCE COMPANIES  
ACP DWELLING FIRE FORM AND ENDORSEMENT TABLE**

**FOR THE STATE OF ARKANSAS  
EFFECTIVE June 7, 1014**

**PAGE 1**

NUMBER	EDITION DATE	DWELLING FORMS	PREMIUM BEARING	
			YES	NO
DP 00 01	7 88	Basic Form	X	
DP 00 02	7 88	Broad Form	X	
DP 00 03	7 88	Special Form	X	
		<b>DWELLING ENDORSEMENTS</b>		
DP 01 03	2-98	Special Provisions - Arkansas (Mandatory)		X
DP 04 14	7-88	Additional Living Expense (DP 00 01 Only)	X	
DP 04 18	7-88	Windstorm or Hail (DP 00 02 and DP 00 03 Only)	X	
DP 04 31	7-88	Improvements, Alterations and Additions	X	
DP 04 41	7-88	Additional Insured - Described Location		X
DP 04 63	7-88	Loss Assessment Property Coverage	X	
DP 04 65	7-88	Special Coverage Endorsement	X	
DP 04 68	7-88	Loss Assessment Coverage for Earthquake	X	
DP 04 69	7-88	Earthquake	X	
DP 04 70	7-88	Premises Alarm or Fire Protection System	X	
DP 04 71	7-88	Ordinance or Law Coverage	X	
DP 04 72	7-88	Broad Theft Coverage	X	
DP 04 73	7-88	Limited Theft Coverage	X	
DP 11 43	7-88	Dwelling Under Construction	X	
DP 17 66	7-88	Unit Owner's Coverage	X	
231-0859	8-98	Inflation Guard		X
231-1133	7-89	Special Package Endorsement (Mass Bay Only)		X
231-1220	6-90	Personal Property Replacement Cost	X	
231-1221	6-90	Replacement or Repair Cost Protection - Cov. A	X	
231-1890	4-00	Arkansas – Earthquake Coverage Notice		X
		<b>LIABILITY ENDORSEMENTS</b>		
DL 24 01	7-88	Personal Liability	X	
DL 24 04	7-88	Additional Residences - Rented to Others	X	
DL 24 10	7-88	Additional Insured	X	
DL 24 11	7-88	Premises Liability (Non-Owner Occupied)	X	
DL 24 14	7-88	Loss Assessment Liability		X
DL 24 16	7-88	No Coverage for Home Day Care Business	X	
DL 25 03	2-98	Special Provisions - Personal Liability		X
231-1342	12-91	Lead Poisoning Exclusion		X
		<b>POLYHOLDER NOTICES</b>		
*Sig-1100	8-14	Signature Page		X

**\*IS CHANGED ITEM** Your inforce business will be automatically updated for changed forms.  
Immediately order material required for your new business.

**HANOVER/MASS BAY**

**ARKANSAS**

**DWELLING FIRE**

**STANDARD COMPANY – HANOVER**

**PREFERRED COMPANY – MASSACHUSETTS BAY**

Base Rates - (\$20,000) Coverage A; Non-Seasonal				
PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	188	89	134	163
2	222	89	134	163
3	309	89	134	163
4	395	89	134	163
5	246	89	134	163
6	297	89	134	163
7	322	89	134	163
8	447	89	134	163
9	568	89	134	163
10	105	63	95	113
11	125	63	95	113
12	172	63	95	113
13	222	63	95	113
14	138	63	95	113
15	138	63	95	113
16	179	63	95	113
17	251	63	95	113
18	317	63	95	113
19	146	69	105	125
20	172	69	105	125
21	240	69	105	125
22	309	69	105	125
23	194	69	105	125
24	233	69	105	125
25	251	69	105	125
26	348	69	105	125
27	443	69	105	125

Base Rates - (\$20,000) Coverage A; Non-Seasonal				
PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	169	80	121	147
2	200	80	121	147
3	278	80	121	147
4	356	80	121	147
5	221	80	121	147
6	267	80	121	147
7	290	80	121	147
8	402	80	121	147
9	511	80	121	147
10	95	57	86	102
11	113	57	86	102
12	155	57	86	102
13	200	57	86	102
14	124	57	86	102
15	124	57	86	102
16	161	57	86	102
17	226	57	86	102
18	285	57	86	102
19	131	62	95	113
20	155	62	95	113
21	216	62	95	113
22	278	62	95	113
23	175	62	95	113
24	210	62	95	113
25	226	62	95	113
26	313	62	95	113
27	399	62	95	113

<u>KEY FACTORS</u>	<u>COV A</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**STANDARD COMPANY – HANOVER**

**PREFERRED COMPANY – MASSACHUSETTS BAY**

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	53	7	20	20
2	63	7	20	20
3	87	7	20	20
4	111	7	20	20
5	69	7	20	20
6	83	7	20	20
7	89	7	20	20
8	125	7	20	20
9	159	7	20	20
10	38	5	14	14
11	44	5	14	14
12	62	5	14	14
13	78	5	14	14
14	48	5	14	14
15	48	5	14	14
16	63	5	14	14
17	88	5	14	14
18	111	5	14	14
19	40	5	15	15
20	48	5	15	15
21	68	5	15	15
22	87	5	15	15
23	56	5	15	15
24	64	5	15	15
25	69	5	15	15
26	100	5	15	15
27	124	5	15	15

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	48	6	18	18
2	57	6	18	18
3	78	6	18	18
4	100	6	18	18
5	62	6	18	18
6	75	6	18	18
7	80	6	18	18
8	113	6	18	18
9	143	6	18	18
10	34	5	13	13
11	40	5	13	13
12	56	5	13	13
13	70	5	13	13
14	43	5	13	13
15	43	5	13	13
16	57	5	13	13
17	79	5	13	13
18	100	5	13	13
19	36	5	14	14
20	43	5	14	14
21	61	5	14	14
22	78	5	14	14
23	50	5	14	14
24	58	5	14	14
25	62	5	14	14
26	90	5	14	14
27	112	5	14	14

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.15
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**State:** Arkansas **First Filing Company:** The Hanover Insurance Company, ...  
**TOI/Sub-TOI:** 30.1 Dwelling Fire/Personal Liability/30.1000 Dwelling Fire/Personal Liability  
**Product Name:** \*DF- Dwelling Fire  
**Project Name/Number:** \*DF- Dwelling Fire/AR14334CG00001

## Supporting Document Schedules

<b>Bypassed - Item:</b>	H-1 Homeowners Abstract
<b>Bypass Reason:</b>	N/A to this filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	Filed
<b>Status Date:</b>	09/24/2014

<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	AR RF-1 loss_cost_data_entry - Hanover.PDF AR RF-1 loss_cost_data_entry - Mass Bay.PDF
<b>Item Status:</b>	Filed
<b>Status Date:</b>	09/24/2014

<b>Satisfied - Item:</b>	Arkansas Actuarial Memorandum and Support
<b>Comments:</b>	
<b>Attachment(s):</b>	AR-Actuarial Filing Support 2014.PDF
<b>Item Status:</b>	Filed
<b>Status Date:</b>	09/24/2014

<b>Satisfied - Item:</b>	Marked Copy of Rate Manual Pages
<b>Comments:</b>	
<b>Attachment(s):</b>	ARFIRE Manual 2014-11-18 changes only DRAFT v2.PDF
<b>Item Status:</b>	Filed
<b>Status Date:</b>	09/24/2014

<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey
<b>Comments:</b>	
<b>Attachment(s):</b>	HO Survey FORM HPCS.PDF HO Survey FORM HPCS.XLS HO Survey FORM HPCS[[1]].PDF HO Survey FORM HPCS[[1]].XLS
<b>Item Status:</b>	Filed
<b>Status Date:</b>	09/24/2014

**NAIC LOSS COST DATA ENTRY DOCUMENT** (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	<b>AR14334CG00001</b>
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	
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Company Name		Company NAIC Number	
3.	<b>A.</b>	<b>The Hanover Insurance Company</b>	<b>B.</b> <b>0088-22292</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	<b>A.</b>	<b>Property</b>	<b>B.</b> <b>Fire &amp; Allied Lines</b>

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
<b>Dwelling Fire</b>	<b>12.0%</b>	<b>5.0%</b>					
<b>TOTAL OVERALL EFFECT</b>	<b>12.0%</b>	<b>5.0%</b>					

6.		5 Year History	Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)*	State Loss Ratio	Countrywide Loss Ratio
<b>2009</b>	<b>584</b>	<b>0</b>	<b>-</b>	<b>343</b>	<b>79</b>	<b>.23</b>	
<b>2010</b>	<b>683</b>	<b>7.5%</b>	<b>11/18</b>	<b>399</b>	<b>369</b>	<b>.92</b>	
<b>2011</b>	<b>758</b>	<b>12.5%</b>	<b>11/18</b>	<b>496</b>	<b>500</b>	<b>1.01</b>	
<b>2012</b>	<b>773</b>	<b>20.0%</b>	<b>11/18</b>	<b>563</b>	<b>920</b>	<b>1.63</b>	
<b>2013</b>	<b>657</b>	<b>20.0%</b>	<b>11/18</b>	<b>618</b>	<b>223</b>	<b>.36</b>	
					<b>*X-CAT</b>		

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>13.1%</b>
B. General & Other Expense	<b>16.4%</b>
C. Taxes, License & Fees	<b>2.2%</b>
D. Underwriting Profit & Contingencies	<b>13.6%</b>
E. Other	
F. TOTAL	<b>45.3%</b>

8.   N   Apply Lost Cost Factors to Future filings? (Y or N)
9.   5.0%   Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_
10.   5.0%   Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**NAIC LOSS COST DATA ENTRY DOCUMENT** (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	<b>AR14334CG00001</b>
----	---	-----------------------

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.	<b>A.</b>	<b>Massachusetts Bay Insurance Company</b>	<b>B.</b> <b>0088-22306</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	<b>A.</b>	<b>Property</b>	<b>B.</b> <b>Fire &amp; Allied Lines</b>

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
<b>Dwelling Fire</b>	<b>12.0%</b>	<b>5.0%</b>					
<b>TOTAL OVERALL EFFECT</b>	<b>12.0%</b>	<b>5.0%</b>					

6.		5 Year History	Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)*	State Loss Ratio	Countrywide Loss Ratio
<b>2009</b>	<b>744</b>	<b>0</b>	<b>-</b>	<b>416</b>	<b>186</b>	<b>.45</b>	
<b>2010</b>	<b>791</b>	<b>7.5%</b>	<b>11/18</b>	<b>436</b>	<b>337</b>	<b>.77</b>	
<b>2011</b>	<b>855</b>	<b>12.5%</b>	<b>11/18</b>	<b>518</b>	<b>622</b>	<b>1.2</b>	
<b>2012</b>	<b>802</b>	<b>20.0%</b>	<b>11/18</b>	<b>559</b>	<b>1,267</b>	<b>2.27</b>	
<b>2013</b>	<b>652</b>	<b>20.0%</b>	<b>11/18</b>	<b>559</b>	<b>141</b>	<b>.25</b>	
					<b>*X-CAT</b>		

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>13.1%</b>
B. General & Other Expense	<b>16.4%</b>
C. Taxes, License & Fees	<b>2.2%</b>
D. Underwriting Profit & Contingencies	<b>13.6%</b>
E. Other	
F. TOTAL	<b>45.3%</b>

8.   N   Apply Lost Cost Factors to Future filings? (Y or N)
9.   5.0%   Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_
10.   5.0%   Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**THE HANOVER INSURANCE COMPANY  
MASSACHUSETTS BAY INSURANCE COMPANY  
ARKANSAS DWELLING FIRE  
RATE PROPOSAL EFFECTIVE 11/18/2014**

**OVERALL INDICATION DESCRIPTION**

**Proposal**

We propose an overall +5.0% increase effective on 11/18/2014 for new and renewal business, through changes to base rate.

**General Philosophy**

Hanover data, within the state of Arkansas, is used whenever possible. If Hanover data, within the state of Arkansas, is not available, then Arkansas industry or countrywide data may be used in its place.

**Support for Overall Increase**

Our proposal of a +5.0% increase is effected through base rate changes only, as no other aspects of the rating structure were revised. The effective dates for the proposal are 11/18/2014 for new and renewal business and the proposal is supported by a +12.0% indication.

**Description of Actuarial Calculations**

The underlying experience is that of Arkansas. Experience for the most recently available five year review period (12/31/2009 to 12/31/2013) is on a calendar/accident year basis.

Full Credibility standard of \$10 million in earned premium is used. Partial credibility is determined using the square root rule.

**On-Level Premiums**

Reported premiums are adjusted to current rate level by using the parallelogram method.

**Premium Trend**

The average exponential premium trend rates are used in the indications, as shown in Exhibit 2. First, earned premium is adjusted to current rate level in column (4). Next, average on-level premium for each experience period is computed in column (5). After looking at premium trend for the five most recent years, we have made a selection of 4% for the retrospective premium trend and 4% for the prospective premium trend.

**Loss Development**

Arkansas, non-cat, incurred loss data was used to determine loss development factors (Exhibit 3).

**Loss Trend**

Hanover HO data was used to calculate the loss trend component. We made Severity selections of +5.0% for the retrospective trend and +5.0% for the prospective trend. Frequency trends of -1.0% for the retrospective trend and -1.0% for the prospective trend were selected. Pure premium trends of +4.0% and +4.0% were implied from the frequency and severity trend selections. Loss trend factors project losses from the midpoint of each accident year to one year past the assumed renewal effective date (11/18/2014).

**Development of Target Loss and ALAE Ratio**

Exhibit 5 lists expense provision in the rates. The selected commission ratio is our actual commission ratio for countrywide policies. Countrywide general and other acquisition expenses were the finest detail available. Expected Premium Taxes, Miscellaneous Licenses & Fees were based on a review of IEE data. The ULAE-to-Loss ratio was selected using countrywide data. ALAE as a percentage of incurred losses was derived from projections of losses and ALAE to ultimate using countrywide data.

**Reflection of Investment Income in Rates**

Please see the attached Exhibit 6, which explains the reflection of investment income in rates.

**Catastrophe Experience**

Catastrophe loads were selected based on AR experience-only data, displayed in exhibit 7, and are similar to our prior year filing.

**Index of Exhibits**

Exhibit 1 – Indication

Exhibit 2 – Premium Trend

Exhibit 3 – Loss Development Factors

Exhibit 4 – Loss Trend

Exhibit 5– Development of Target Loss and ALAE Ratio

Exhibit 6– Reflection of Investment Income in Rates

Exhibit 7– Catastrophe Experience

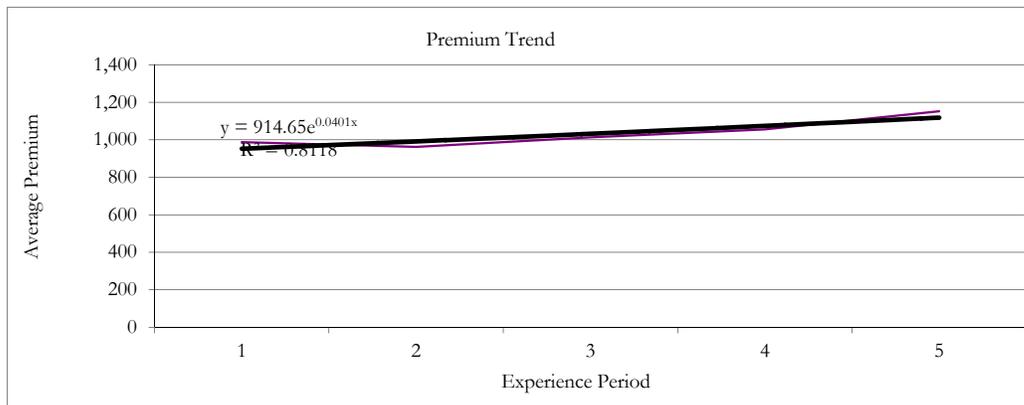
**AR - All Companies Combined**  
**Dwelling Fire & Allied Lines Rate Indication for Rates Effective 11/18/2014**  
Dollars in Thousands

	<b>Accident Year Ending:</b>				
	<u>12/31/2009</u>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>
Earned Premium	758	835	1,014	1,122	1,177
Current Rate Level Factor	1.728	1.699	1.612	1.480	1.282
Premium at CRL	1,310	1,418	1,635	1,661	1,509
Annual Premium Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
Premium Trend Factor - Retrospective	1.170	1.125	1.082	1.040	1.000
Annual Premium Trend - Prospective	4.0%	4.0%	4.0%	4.0%	4.0%
Premium Trend Factor - Prospective	1.098	1.098	1.098	1.098	1.098
Trended Premium	1,683	1,751	1,941	1,897	1,656
Incurred Loss Evaluated @ 12/31/2013	321	780	2,009	1,368	260
Catastrophe Incurred Losses	50	51	1,102	13	15
Incurred Losses exc CAT	271	729	908	1,356	246
Loss Development Factor:	1.000	1.001	1.002	1.004	1.249
Expected Loss Ratio					35.9%
Estim. Ultimate Incurred Loss Non-Cat	272	730	910	1,361	307
Est. Annual Loss Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
Loss Trend Factor - Retrospective	1.168	1.123	1.081	1.040	1.000
Est. Annual Loss Trend - Prospective	4.0%	4.0%	4.0%	4.0%	4.0%
Loss Trend Factor - Prospective	1.097	1.097	1.097	1.097	1.097
Trended Incurred Losses	348	899	1,078	1,552	336
ALAE (% of Loss)	3.6%	3.6%	3.6%	3.6%	3.6%
Trended Loss & ALAE	360	932	1,117	1,608	348
Projected Loss & ALAE Ratio	21.4%	53.2%	57.5%	84.8%	21.0%
Accident Year Weights	20.0%	20.0%	20.0%	20.0%	20.0%
Projected (Formula Weighted) Loss&ALAE Ratio Excluding All Catastrophes					47.6%
Hurricane Loss & ALAE Ratio					0.0%
Other Catastrophes Loss & ALAE Ratio					13.8%
Permissible Loss & ALAE Ratio Excluding All Catastrophes to yield a Combined Ratio of					37.2%
		<u>86.4%</u>			
Cat Loss Annual Trend - Prospective					5.0%
Cat Loss Ratio Trend Factor - Prospective					1.023
NonCat Loss Ratio Trend Factor - Prospective					0.999
Trended Hurricane Loss & ALAE Ratio					0.0%
Trended Other Catastrophes Loss & ALAE Ratio					14.1%
Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					37.2%
Fixed Expense					11.9%
Variable Expense(incl Profit)					37.1%
Earned Premium (000s)	758	835	1,014	1,122	1,177
Credibility (assuming \$10M earned premium is fully credible)					70.0%
Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					44.5%

<b>Indicated Rate Change</b>	<b>12.0%</b>
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### The Hanover Group AR - Dwelling Fire & Allied Lines Premium Trend Calculation

Calendar Year	Quarter	(1) Earned Exposures	(2) Earned Premiums	(3) Current Rate Level Factors	(4)=(2)x(3) On-Level Earned Premium	(5)=(4)/(1) Average Adjusted Premium
12/31/2009	1	1,328	758,311	1.728	1,310,408	987
12/31/2010	2	1,474	834,519	1.699	1,417,705	962
12/31/2011	3	1,613	1,013,941	1.612	1,634,702	1,013
12/31/2012	4	1,575	1,122,155	1.480	1,661,265	1,055
12/31/2013	5	1,309	1,177,111	1.282	1,508,539	1,152



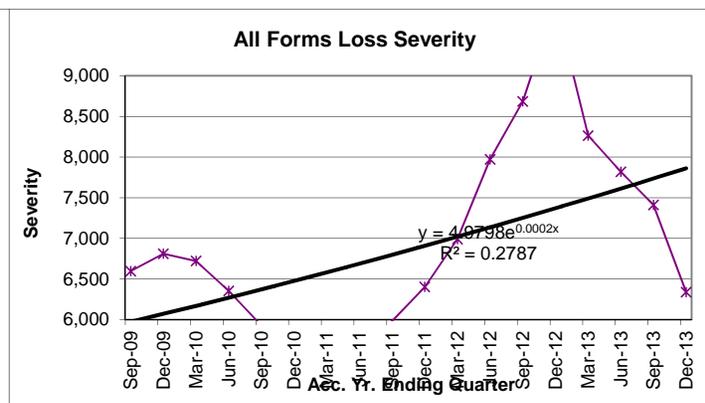
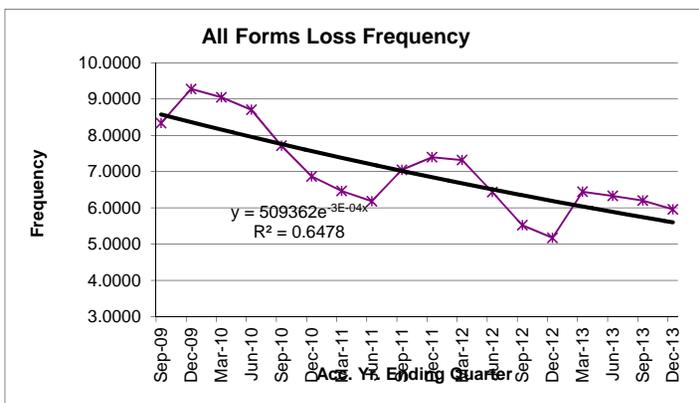
4 Yr Fitted Trend	4.1%
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Retrospective Selection:	4.0%
Prospective Selection:	4.0%



**AR**  
**Loss Trend Selections**  
**Hanover Data**  
**All Losses Excluding Catastrophes**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Rolling 12 Month	Quarter X Value	Exposure	Claims	Incurred Losses	=(4)/(3) Frequency per 100	=(5)/(4) Severity	=(5)/(3) Pure Prem
9/30/2009	1	8,121	677	4,465,738	8.34	6,596	550
12/31/2009	2	8,483	787	5,359,790	9.28	6,810	632
3/31/2010	3	8,909	806	5,417,201	9.05	6,721	608
6/30/2010	4	9,421	820	5,210,260	8.70	6,354	553
9/30/2010	5	10,010	772	4,575,943	7.71	5,927	457
12/31/2010	6	10,600	728	4,087,761	6.87	5,615	386
3/31/2011	7	11,182	723	3,995,072	6.47	5,526	357
6/30/2011	8	11,741	726	4,103,646	6.18	5,652	350
9/30/2011	9	12,274	865	5,174,329	7.05	5,982	422
12/31/2011	10	12,766	944	6,043,478	7.39	6,402	473
3/31/2012	11	13,189	965	6,745,356	7.32	6,990	511
6/30/2012	12	13,498	869	6,927,138	6.44	7,971	513
9/30/2012	13	13,651	754	6,548,466	5.52	8,685	480
12/31/2012	14	13,702	709	7,019,566	5.17	9,901	512
3/31/2013	15	13,673	881	7,279,985	6.44	8,263	532
6/30/2013	16	13,493	854	6,677,505	6.33	7,819	495
9/30/2013	17	12,914	801	5,936,925	6.20	7,412	460
12/31/2013	18	11,897	709	4,493,417	5.96	6,338	378



	Frequency	Severity	Pure Premium
4-Year Prior	-9.8%	7.6%	-2.9%
3-Year Prior	-4.8%	13.0%	7.6%

<b>Retrospective Selected Trends (frequency, severity, loss):</b>	<b>-1.0%</b>	<b>5.0%</b>	<b>4.0%</b>
<b>Prospective Selected Trends (frequency, severity, loss):</b>	<b>-1.0%</b>	<b>5.0%</b>	<b>4.0%</b>

Note: Data is Hanover Data

**CW Dwelling Fire & Allied Lines**  
**Development of Target Loss & ALAE Ratio**

Personal Lines Dwelling Fire											
		<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>5 Year Average</u>	<u>3 Year Average</u>	Selected	% Fixed Expense	% Variable Expense
(1)	Commission	11.9%	11.8%	11.8%	11.8%	11.6%	11.8%	11.7%	<b>11.8%</b>	0%	100%
	Contingent Commission								<b>1.3%</b>	0%	100%
(2)	General & Other Acq.	21.6%	20.2%	13.3%	11.4%	15.4%	16.4%	13.4%	<b>16.4%</b>	50%	50%
(3)	Taxes, Licenses, and Fees								<b>2.2%</b>	0%	100%
(4)	ULAE/Premium	3.7%	3.1%	3.3%	2.8%	2.8%	3.1%	3.0%	<b>3.1%</b>	100%	0%
(5)	Profit and Contingency								<b>13.6%</b>	0%	100%
	Other Fixed Expense Load										
(6)	Reinsurance Premium								<b>0.6%</b>	100%	0%
(7)	Cat Load								<b>13.3%</b>	100%	0%
(7) = sum((1),(2),(3),(4),(5),(6)) * % Fixed)	Total Fixed Expense XCAT								<b>11.9%</b>		
(8) = sum((1),(2),(3),(4),(5),(6)) * % Var)	Total Variable Expense								<b>37.1%</b>		
(10) = 1 - ((9) + (8))	Target L&ALAE Ratio incl Cat								<b>51.0%</b>		
(11) = (10) - (7) * (1 + (13))	Target Loss Ratio x Cat								<b>37.2%</b>		
(9)	ALAE/Loss	3.9%	2.8%	3.5%	3.4%	3.8%	3.5%	3.6%	<b>3.6%</b>		

## Reflection of Investment Income in Rates Dwelling Fire Arkansas

The Hanover Insurance Group utilizes an Internal Rate of Return (IRR) model on a net of reinsurance basis to determine the profit provision for our various lines of business. The IRR is the expected rate of return generated from modeling insurance company operations. Hanover targets a 15% after-tax rate of return. This implies that the underwriting and investment income after taxes attributable to the transaction of this business yields a 15% return on the company's capital required to support it. We believe this return to be a reasonable expected return on net worth.

The IRR model produces a target combined ratio on a net basis. The net target combined ratio is converted to a direct basis with the assumption that the profit is not attributable to the ceded premium because reinsurer's profit is contemplated in the reinsurance margin. The conversion is based on the following formula:

$$\text{Direct Target Combined Ratio} = \frac{(\text{Net Premium @ 15\% Rate of Return} \times \text{Net Target Combined Ratio}) + \text{Ceded Premium}}{\text{Total Direct Premium}}$$

The results for Dwelling Fire are shown in the following page. The direct target combined ratio is 86.4%, which yields an underwriting profit provision of 13.6%. Details regarding the Expense, Loss and Surplus assumptions are summarized below.

The IRR model is a single policyholder model. This means the profit provision is determined by modeling the cash flows for a hypothetical policyholder. The underwriting cash flows in the IRR model can be segregated into three categories: Premium, Loss and Expense.

The expenses assumed in the IRR model are countrywide line-of-business-specific figures. Listed below are the expense percentages along with the source of each expense. The split of General and Other Acquisition expenses between fixed and variable was based on a review of our Insurance Expense Exhibit.

Expense	% Of Net Prem	Source
Net Commission	14.3%	Prospective estimate obtained from our planning process.
Contingent Commission	0.1%	"
Other Acquisition	3.8%	"
General Expense	7.5%	"
Unallocated Loss Adj.	6.6%	"
Taxes	2.1%	"

To properly model the cash flows requires estimating when the premium is collected and expenses are paid. The premium collection pattern is based on a countrywide analysis of the payment plans for the Dwelling Fire book of business. Premium is earned evenly over the policy term. The acquisition expenses are paid as premium is collected with all other expenses, excluding dividends, paid as premium is earned. Dividends are not applicable to this line of business.

The Loss and ALAE payment pattern is based on a countrywide analysis of our net paid loss development triangle. The ultimate net loss ratio is based on the prospective estimate obtained from our planning process. The undiscounted Loss and ALAE reserve represents the difference between the incurred Loss and ALAE and any payments made to date. The published IRS discount factors are used to determine the Discounted Loss Reserve used in the income tax calculation.

The required surplus associated with the transaction changes over time and is related to the sum of the unearned premium and loss reserves based on the Reserve-to-Surplus assumption of 1.06. This analysis assumed an overall net Premium-to-Surplus ratio of 1.79. To obtain this, companywide required surplus was allocated to individual lines of business based on the risks associated with each line. These risks include underwriting (both cat and ex-cat), reserving, investment and reinsurance. The Total Assets is the sum of the Unearned Premium and Loss Reserves plus Required Surplus. The assets available for investment are the Total Assets less any Premium Receivable and Paid Expense.

**Reflection of Investment Income in Rates – Page 2**  
**Dwelling Fire**  
**Arkansas**

The investment income is that attributable to the Average Invested Assets from the balance sheet in the model. A pre-tax investment yield of 1.0% was used based on a combination of yields from existing and newly-invested assets. The Statutory Underwriting Income represents the difference between earned premium and incurred loss and expense. The model assumes expense is incurred based on each expense component's assumed patterns. The Change in Surplus represents the difference between the ending and beginning Required Surplus from the Balance Sheet. The Post-tax Equity Flow is the difference between the Statutory Pre-tax Income and the Change in Surplus adjusted for the estimated Income Tax. These equity flows are what is evaluated to determine the implied internal rate of return.

The tax rate assumed in the model is 33.9%.



**ARKANSAS  
OTHER PERSONAL LINES (OPL)  
Other Wind Experience Cat Load Calculation**

**NON-CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property

LOSS_YR	Sum of Trended_IL
1993	253,661
1994	143,528
1995	212,234
1996	186,337
1997	738,340
1998	289,407
1999	114,968
2000	150,155
2001	131,388
2002	95,451
2003	113,733
2004	352,356
2005	457,819
2006	101,000
2007	174,523
2008	424,031
2009	308,669
2010	797,111
2011	964,004
2012	1,396,254
2013	245,541
<b>Grand Total</b>	<b>7,650,512</b>

**CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property
Cat_Type_Fix	W

ACC_YR	Sum of Trended_IL
1993	5,751
1994	0
1995	5,150
1996	114,768
1997	8,111
1998	357
1999	843
2000	0
2001	0
2002	3,350
2003	0
2004	3,793
2005	729,566
2006	199,677
2007	0
2008	125,241
2009	28,548
2010	4,697
2011	1,162,879
2012	13,249
2013	14,851
<b>Grand Total</b>	<b>2,420,831</b>

(1) Experience Period	(2) LOB	(3) Risk_ST	(4) OW Total Incurred Loss	(5) NonCat Total Incurred Loss	(6) OW-to- NonCat Ratio	(7) ExCat ELR	(8) OW Experience Load
21 years	PL Property	AR	2,420,831	7,650,512	0.316	37.4%	11.8%

(1): Length of experience period in analysis

(6) = (4) / (5)

(7): Plan loss ratio for OPL, from PLAY Report as of December 2013

(8) = (6) x (7)

**ARKANSAS**  
**OTHER PERSONAL LINES (OPL)**  
**Winter Freeze Experience Cat Load Calculation**

**NON-CAT LOSS**

RISK_ST Cat_LOB	AR PL Property	Sum of Trended_IL
1993		253,661
1994		143,528
1995		212,234
1996		186,337
1997		738,340
1998		289,407
1999		114,968
2000		150,155
2001		131,388
2002		95,451
2003		113,733
2004		352,356
2005		457,819
2006		101,000
2007		174,523
2008		424,031
2009		308,669
2010		797,111
2011		964,004
2012		1,396,254
2013		245,541
Grand Total		7,650,512

**CAT LOSS**

RISK_ST Cat_LOB Cat_Type_Fix	AR PL Property F	Sum of Trended_IL
1993		0
1994		2,972
1995		0
1996		10,849
1997		0
1998		0
1999		0
2000		49,887
2001		0
2002		0
2003		1,095
2004		0
2005		0
2006		2,454
2007		31,623
2008		114,650
2009		27,400
2010		50,490
2011		5,769
2012		0
2013		0
Grand Total		297,188

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Experience	LOB	Risk_ST	WF Total Incurred Loss	NonCat Total Incurred Loss	WF-to-NonCat Ratio	WF Credibility Constant	WF Credibility Weight	Region WF-to-NonCat Ratio	WF-to-NonCat Ratio	ExCat ELR	WF Experience Load
21 years	PL Property	AR	297,188	7,650,512	0.039	1,000,000,000	0.008	0.039	0.039	37.4%	1.5%

(1): Length of experience period in analysis

(6) = (4) / (5)

(7): Bühlmann credibility constant calculated from a separate analysis

(8) = (5) / [(5) + (7)]

(9): Based on South Central region totals. South Central region consists of Alabama, Arkansas, Louisiana, Mississippi, Oklahoma, Tennessee, and Texas.

(10) = (6) x (8) + (9) x [1 - (8)]

(11): Plan loss ratio for OPL, from PLAY Report as of December 2013

(12) = (10) x (11)

\_\_\_\_ANNOUNCEMENT OF REVISIONS\_\_\_\_

MANUAL

STATE OF ARKANSAS

REVISED MANUAL PAGES:  
DWELLING FIRE MANUAL

Endorsement Table.....	1
Rate Structure Pages.....	RS-1, RS-2

SUMMARY OF CHANGE

- Revised Base Rates
- Updated Signature Page Form in Endorsement table per Form Filing effective June 7, 2014

EFFECTIVE NEW AND RENEWAL DATES: November 18, 2014

**THE HANOVER INSURANCE COMPANIES  
ACP DWELLING FIRE FORM AND ENDORSEMENT TABLE**

**FOR THE STATE OF ARKANSAS  
EFFECTIVE June 7, 2014**

PAGE 1

NUMBER	EDITION DATE	DWELLING FORMS	PREMIUM BEARING	
			YES	NO
DP 00 01 DP 00 02 DP 00 03	7 88 7 88 7 88	Basic Form Broad Form Special Form	X X X	
		<b>DWELLING ENDORSEMENTS</b>		
DP 01 03 DP 04 14 DP 04 18 DP 04 31	2-98 7-88 7-88 7-88	Special Provisions - Arkansas (Mandatory) Additional Living Expense (DP 00 01 Only) Windstorm or Hail (DP 00 02 and DP 00 03 Only) Improvements, Alterations and Additions	X X X	X
DP 04 41 DP 04 63 DP 04 65 DP 04 68	7-88 7-88 7-88 7-88	Additional Insured - Described Location Loss Assessment Property Coverage Special Coverage Endorsement Loss Assessment Coverage for Earthquake	X X X	X
DP 04 69 DP 04 70 DP 04 71 DP 04 72	7-88 7-88 7-88 7-88	Earthquake Premises Alarm or Fire Protection System Ordinance or Law Coverage Broad Theft Coverage	X X X X	
DP 04 73 DP 11 43 DP 17 66 231-0859	7-88 7-88 7-88 8-98	Limited Theft Coverage Dwelling Under Construction Unit Owner's Coverage Inflation Guard	X X X	X
231-1133 231-1220 231-1221	7-89 6-90 6-90	Special Package Endorsement (Mass Bay Only) Personal Property Replacement Cost Replacement or Repair Cost Protection - Cov. A	X X	X
231-1890	4-00	Arkansas – Earthquake Coverage Notice		X
		<b>LIABILITY ENDORSEMENTS</b>		
DL 24 01 DL 24 04 DL 24 10 DL 24 11	7-88 7-88 7-88 7-88	Personal Liability Additional Residences - Rented to Others Additional Insured Premises Liability (Non-Owner Occupied)	X X X X	
DL 24 14 DL 24 16 DL 25 03 231-1342	7-88 7-88 2-98 12-91	Loss Assessment Liability No Coverage for Home Day Care Business Special Provisions - Personal Liability Lead Poisoning Exclusion	X	X X X
		<b>POLYHOLDER NOTICES</b>		
*Sig-1100 SIG-0001 SIG-0003	8-14 6-05 6-05	Signature Page Hanover Signature Page Massachusetts Bay Signature Page		X X X

**\*IS CHANGED ITEM** Your inforce business will be automatically updated for changed forms.  
Immediately order material required for your new business.

**HANOVER/MASS BAY**

**ARKANSAS**

**DWELLING FIRE**

**STANDARD COMPANY – HANOVER**

**PREFERRED COMPANY – MASSACHUSETTS BAY**

Base Rates - (\$20,000)  
Coverage A; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER EXTENDED COVERAGE		
	FIRE (ALL)	DP-1	DP-2	DP-3
1	188	89	134	163
2	222	89	134	163
3	309	89	134	163
4	395	89	134	163
5	246	89	134	163
6	297	89	134	163
7	322	89	134	163
8	447	89	134	163
9	568	89	134	163
10	105	63	95	113
11	125	63	95	113
12	172	63	95	113
13	222	63	95	113
14	138	63	95	113
15	138	63	95	113
16	179	63	95	113
17	251	63	95	113
18	317	63	95	113
19	146	69	105	125
20	172	69	105	125
21	240	69	105	125
22	309	69	105	125
23	194	69	105	125
24	233	69	105	125
25	251	69	105	125
26	348	69	105	125
27	443	69	105	125

Base Rates - (\$20,000)  
Coverage A; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER EXTENDED COVERAGE		
	FIRE (ALL)	DP-1	DP-2	DP-3
1	169	80	121	147
2	200	80	121	147
3	278	80	121	147
4	356	80	121	147
5	221	80	121	147
6	267	80	121	147
7	290	80	121	147
8	402	80	121	147
9	511	80	121	147
10	95	57	86	102
11	113	57	86	102
12	155	57	86	102
13	200	57	86	102
14	124	57	86	102
15	124	57	86	102
16	161	57	86	102
17	226	57	86	102
18	285	57	86	102
19	131	62	95	113
20	155	62	95	113
21	216	62	95	113
22	278	62	95	113
23	175	62	95	113
24	210	62	95	113
25	226	62	95	113
26	313	62	95	113
27	399	62	95	113

<u>KEY FACTORS</u>	<u>COV A</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

STANDARD COMPANY – HANOVER

PREFERRED COMPANY – MASSACHUSETTS BAY

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	53	7	20	20
2	63	7	20	20
3	87	7	20	20
4	111	7	20	20
5	69	7	20	20
6	83	7	20	20
7	89	7	20	20
8	125	7	20	20
9	159	7	20	20
10	38	5	14	14
11	44	5	14	14
12	62	5	14	14
13	78	5	14	14
14	48	5	14	14
15	48	5	14	14
16	63	5	14	14
17	88	5	14	14
18	111	5	14	14
19	40	5	15	15
20	48	5	15	15
21	68	5	15	15
22	87	5	15	15
23	56	5	15	15
24	64	5	15	15
25	69	5	15	15
26	100	5	15	15
27	124	5	15	15

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	48	6	18	18
2	57	6	18	18
3	78	6	18	18
4	100	6	18	18
5	62	6	18	18
6	75	6	18	18
7	80	6	18	18
8	113	6	18	18
9	143	6	18	18
10	34	5	13	13
11	40	5	13	13
12	56	5	13	13
13	70	5	13	13
14	43	5	13	13
15	43	5	13	13
16	57	5	13	13
17	79	5	13	13
18	100	5	13	13
19	36	5	14	14
20	43	5	14	14
21	61	5	14	14
22	78	5	14	14
23	50	5	14	14
24	58	5	14	14
25	62	5	14	14
26	90	5	14	14
27	112	5	14	14

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.15
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

NAIC Number: 22292  
 Company Name: The Hanover Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
 Effective Date: 11/18/2014

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

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

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

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	582	684	582	684	582	684	582	684	582	684	582	684	582	684	582	684	455	541
	\$120,000	768	903	768	903	768	903	768	903	768	903	768	903	768	903	768	903	600	713
	\$160,000	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	745	886
6	\$80,000	582	684	582	684	582	684	582	684	582	684	582	684	582	684	582	684	455	541
	\$120,000	768	903	768	903	768	903	768	903	768	903	768	903	768	903	768	903	600	713
	\$160,000	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	953	1122	745	886
9	\$80,000	796	1042	796	1042	796	1042	796	1042	796	1042	796	1042	796	1042	796	1042	623	813
	\$120,000	1051	1377	1051	1377	1051	1377	1051	1377	1051	1377	1051	1377	1051	1377	1051	1377	822	1074
	\$160,000	1307	1712	1307	1712	1307	1712	1307	1712	1307	1712	1307	1712	1307	1712	1307	1712	1021	1334

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

**HO3 and HO4 only**

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

**EARTHQUAKE INSURANCE**

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

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

Zone                      Brick                      Frame

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

|

NAIC Number: 22306  
 Company Name: Massachusetts Bay Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
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 Email as an attachment to [insurance.pnc@arkansas.gov](mailto:insurance.pnc@arkansas.gov)  
 You may also attach to a SERFF filing or submit on a cdr disk

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 BLANK**

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	524	617	524	617	524	617	524	617	524	617	524	617	524	617	524	617	411	489
	\$120,000	691	815	691	815	691	815	691	815	691	815	691	815	691	815	691	815	541	644
	\$160,000	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	671	800
6	\$80,000	524	617	524	617	524	617	524	617	524	617	524	617	524	617	524	617	411	489
	\$120,000	691	815	691	815	691	815	691	815	691	815	691	815	691	815	691	815	541	644
	\$160,000	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	858	1012	671	800
9	\$80,000	718	938	718	938	718	938	718	938	718	938	718	938	718	938	718	938	562	733
	\$120,000	948	1239	948	1239	948	1239	948	1239	948	1239	948	1239	948	1239	948	1239	741	967
	\$160,000	1178	1540	1178	1540	1178	1540	1178	1540	1178	1540	1178	1540	1178	1540	1178	1540	920	1202

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

**HO3 and HO4 only**

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

**EARTHQUAKE INSURANCE**

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

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

Zone                      Brick                      Frame

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

|

State: Arkansas

First Filing Company:

The Hanover Insurance Company, ...

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

Product Name: \*DF- Dwelling Fire

Project Name/Number: \*DF- Dwelling Fire/AR14334CG00001

## 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)
08/11/2014		Supporting Document	HPCS-Homeowners Premium Comparison Survey	09/24/2014	HO Survey FORM HPCS.PDF (Superseded) HO Survey FORM HPCS.XLS (Superseded) HO Survey FORM HPCS[[1]].PDF (Superseded) HO Survey FORM HPCS[[1]].XLS (Superseded)
08/07/2014		Rate	Arkansas Dwelling Fire Manual Pages; Rate Structure	09/24/2014	ARFIRE Manual 2014-11-18 changes only Clean.PDF (Superseded)
08/07/2014		Supporting Document	NAIC loss cost data entry document	09/24/2014	AR RF-1 loss_cost_data_entry - Hanover.PDF (Superseded) AR RF-1 loss_cost_data_entry - Mass Bay.PDF (Superseded)
08/07/2014		Supporting Document	Arkansas Actuarial Memorandum and Support	09/24/2014	AR-Actuarial Filing Support 2014.PDF (Superseded)
08/07/2014		Supporting Document	Marked Copy of Rate Manual Pages	09/24/2014	ARFIRE Manual 2014-11-18 changes only DRAFT.PDF (Superseded)
08/07/2014		Supporting Document	HPCS-Homeowners Premium Comparison Survey	08/11/2014	HO Survey FORM HPCS.PDF (Superseded) HO Survey FORM HPCS.XLS (Superseded) HO Survey FORM HPCS[[1]].PDF (Superseded) HO Survey FORM HPCS[[1]].XLS (Superseded)

NAIC Number: 22292  
 Company Name: The Hanover Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
 Effective Date: 11/18/2014

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

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

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

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	621	730	621	730	621	730	621	730	621	730	621	730	621	730	621	730	486	577
	\$120,000	819	964	819	964	819	964	819	964	819	964	819	964	819	964	819	964	640	761
	\$160,000	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	794	945
6	\$80,000	621	730	621	730	621	730	621	730	621	730	621	730	621	730	621	730	486	577
	\$120,000	819	964	819	964	819	964	819	964	819	964	819	964	819	964	819	964	640	761
	\$160,000	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	794	945
9	\$80,000	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	665	867
	\$120,000	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	877	1145
	\$160,000	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1089	1423

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

**HO3 and HO4 only**

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

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 WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

Zone                      Brick                      Frame

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

|

NAIC Number: 22306  
 Company Name: Massachusetts Bay Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
 Effective Date: 11/18/2014

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

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 1200 West Third Street  
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Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	559	659	559	659	559	659	559	659	559	659	559	659	559	659	559	659	438	522
	\$120,000	737	869	737	869	737	869	737	869	737	869	737	869	737	869	737	869	577	687
	\$160,000	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	716	853
6	\$80,000	559	659	559	659	559	659	559	659	559	659	559	659	559	659	559	659	438	522
	\$120,000	737	869	737	869	737	869	737	869	737	869	737	869	737	869	737	869	577	687
	\$160,000	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	716	853
9	\$80,000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	599	782
	\$120,000	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	790	1032
	\$160,000	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	981	1282

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

**HO3 and HO4 only**

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

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

Zone                      Brick                      Frame

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

|

\_\_\_\_\_ANNOUNCEMENT OF REVISIONS\_\_\_\_\_

MANUAL

STATE OF ARKANSAS

REVISED MANUAL PAGES:

DWELLING FIRE MANUAL

Endorsement Table.....1  
Rate Structure Pages..... RS-1, RS-2

SUMMARY OF CHANGE

- Revised Base Rates
- Updated Signature Page Form in Endorsement table per Form Filing effective June 7, 2014

EFFECTIVE NEW AND RENEWAL DATES: November 18, 2014

**THE HANOVER INSURANCE COMPANIES  
ACP DWELLING FIRE FORM AND ENDORSEMENT TABLE**

**FOR THE STATE OF ARKANSAS  
EFFECTIVE June 7, 1014**

**PAGE 1**

NUMBER	EDITION DATE	DWELLING FORMS	PREMIUM BEARING	
			YES	NO
DP 00 01	7 88	Basic Form	X	
DP 00 02	7 88	Broad Form	X	
DP 00 03	7 88	Special Form	X	
		<b>DWELLING ENDORSEMENTS</b>		
DP 01 03	2-98	Special Provisions - Arkansas (Mandatory)		X
DP 04 14	7-88	Additional Living Expense (DP 00 01 Only)	X	
DP 04 18	7-88	Windstorm or Hail (DP 00 02 and DP 00 03 Only)	X	
DP 04 31	7-88	Improvements, Alterations and Additions	X	
DP 04 41	7-88	Additional Insured - Described Location		X
DP 04 63	7-88	Loss Assessment Property Coverage	X	
DP 04 65	7-88	Special Coverage Endorsement	X	
DP 04 68	7-88	Loss Assessment Coverage for Earthquake	X	
DP 04 69	7-88	Earthquake	X	
DP 04 70	7-88	Premises Alarm or Fire Protection System	X	
DP 04 71	7-88	Ordinance or Law Coverage	X	
DP 04 72	7-88	Broad Theft Coverage	X	
DP 04 73	7-88	Limited Theft Coverage	X	
DP 11 43	7-88	Dwelling Under Construction	X	
DP 17 66	7-88	Unit Owner's Coverage	X	
231-0859	8-98	Inflation Guard		X
231-1133	7-89	Special Package Endorsement (Mass Bay Only)		X
231-1220	6-90	Personal Property Replacement Cost	X	
231-1221	6-90	Replacement or Repair Cost Protection - Cov. A	X	
231-1890	4-00	Arkansas – Earthquake Coverage Notice		X
		<b>LIABILITY ENDORSEMENTS</b>		
DL 24 01	7-88	Personal Liability	X	
DL 24 04	7-88	Additional Residences - Rented to Others	X	
DL 24 10	7-88	Additional Insured	X	
DL 24 11	7-88	Premises Liability (Non-Owner Occupied)	X	
DL 24 14	7-88	Loss Assessment Liability		X
DL 24 16	7-88	No Coverage for Home Day Care Business	X	
DL 25 03	2-98	Special Provisions - Personal Liability		X
231-1342	12-91	Lead Poisoning Exclusion		X
		<b>POLYHOLDER NOTICES</b>		
*Sig-1100	8-14	Signature Page		X

**\*IS CHANGED ITEM** Your inforce business will be automatically updated for changed forms.  
Immediately order material required for your new business.

**HANOVER/MASS BAY**

**ARKANSAS**

**DWELLING FIRE**

**STANDARD COMPANY – HANOVER**

**PREFERRED COMPANY – MASSACHUSETTS BAY**

Base Rates - (\$20,000) Coverage A; Non-Seasonal				
PREM. GROUP	OWNER	OWNER and/or NON-OWNER EXTENDED COVERAGE		
	FIRE (ALL)	DP-1	DP-2	DP-3
1	200	95	143	174
2	236	95	143	174
3	329	95	143	174
4	421	95	143	174
5	262	95	143	174
6	317	95	143	174
7	344	95	143	174
8	477	95	143	174
9	606	95	143	174
10	112	67	101	121
11	133	67	101	121
12	184	67	101	121
13	236	67	101	121
14	147	67	101	121
15	147	67	101	121
16	190	67	101	121
17	268	67	101	121
18	338	67	101	121
19	156	74	112	133
20	184	74	112	133
21	256	74	112	133
22	329	74	112	133
23	207	74	112	133
24	249	74	112	133
25	268	74	112	133
26	371	74	112	133
27	473	74	112	133

Base Rates - (\$20,000) Coverage A; Non-Seasonal				
PREM. GROUP	OWNER	OWNER and/or NON-OWNER EXTENDED COVERAGE		
	FIRE (ALL)	DP-1	DP-2	DP-3
1	180	86	129	157
2	212	86	129	157
3	296	86	129	157
4	379	86	129	157
5	236	86	129	157
6	285	86	129	157
7	310	86	129	157
8	429	86	129	157
9	545	86	129	157
10	101	60	91	109
11	120	60	91	109
12	166	60	91	109
13	212	60	91	109
14	132	60	91	109
15	132	60	91	109
16	171	60	91	109
17	241	60	91	109
18	304	60	91	109
19	140	67	101	120
20	166	67	101	120
21	230	67	101	120
22	296	67	101	120
23	186	67	101	120
24	224	67	101	120
25	241	67	101	120
26	334	67	101	120
27	426	67	101	120

<u>KEY FACTORS</u>	<u>COV A</u>
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**STANDARD COMPANY – HANOVER**

**PREFERRED COMPANY – MASSACHUSETTS BAY**

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	56	8	21	21
2	67	8	21	21
3	93	8	21	21
4	119	8	21	21
5	74	8	21	21
6	88	8	21	21
7	95	8	21	21
8	133	8	21	21
9	169	8	21	21
10	40	6	15	15
11	47	6	15	15
12	66	6	15	15
13	83	6	15	15
14	52	6	15	15
15	52	6	15	15
16	67	6	15	15
17	94	6	15	15
18	119	6	15	15
19	43	6	16	16
20	52	6	16	16
21	73	6	16	16
22	93	6	16	16
23	59	6	16	16
24	68	6	16	16
25	74	6	16	16
26	106	6	16	16
27	132	6	16	16

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	50	7	19	19
2	60	7	19	19
3	84	7	19	19
4	107	7	19	19
5	67	7	19	19
6	79	7	19	19
7	86	7	19	19
8	120	7	19	19
9	152	7	19	19
10	36	5	14	14
11	42	5	14	14
12	59	5	14	14
13	75	5	14	14
14	47	5	14	14
15	47	5	14	14
16	60	5	14	14
17	85	5	14	14
18	107	5	14	14
19	39	5	14	14
20	47	5	14	14
21	66	5	14	14
22	84	5	14	14
23	53	5	14	14
24	61	5	14	14
25	67	5	14	14
26	95	5	14	14
27	119	5	14	14

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.15
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

**NAIC LOSS COST DATA ENTRY DOCUMENT** (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	<b>AR14334CG00001</b>
----	---	-----------------------

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.	<b>A.</b>	<b>The Hanover Insurance Company</b>	<b>B.</b> <b>0088-22292</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	<b>A.</b>	<b>Property</b>	<b>B.</b> <b>Fire &amp; Allied Lines</b>

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
<b>Dwelling Fire</b>	<b>12.0%</b>	<b>12.0%</b>					
<b>TOTAL OVERALL EFFECT</b>	<b>12.0%</b>	<b>12.0%</b>					

6.		5 Year History	Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)*	State Loss Ratio	Countrywide Loss Ratio
<b>2009</b>	<b>584</b>	<b>0</b>	<b>-</b>	<b>343</b>	<b>79</b>	<b>.23</b>	
<b>2010</b>	<b>683</b>	<b>7.5%</b>	<b>11/18</b>	<b>399</b>	<b>369</b>	<b>.92</b>	
<b>2011</b>	<b>758</b>	<b>12.5%</b>	<b>11/18</b>	<b>496</b>	<b>500</b>	<b>1.01</b>	
<b>2012</b>	<b>773</b>	<b>20.0%</b>	<b>11/18</b>	<b>563</b>	<b>920</b>	<b>1.63</b>	
<b>2013</b>	<b>657</b>	<b>20.0%</b>	<b>11/18</b>	<b>618</b>	<b>223</b>	<b>.36</b>	
					<b>*X-CAT</b>		

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	<b>13.1%</b>
B. General & Other Expense	<b>16.4%</b>
C. Taxes, License & Fees	<b>2.2%</b>
D. Underwriting Profit & Contingencies	<b>13.6%</b>
E. Other	
F. TOTAL	<b>45.3%</b>

8.   N   Apply Lost Cost Factors to Future filings? (Y or N)
9.  12.0%  Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_
10.  12.0%  Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**NAIC LOSS COST DATA ENTRY DOCUMENT** (EFFECTIVE AUG. 16, 2004)

1. This filing transmittal is part of Company Tracking # **AR14334CG00001**

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
<b>A. Massachusetts Bay Insurance Company</b>	<b>B. 0088-22306</b>

Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
<b>A. Property</b>	<b>B. Fire &amp; Allied Lines</b>

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY			
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)
<b>Dwelling Fire</b>	<b>12.0%</b>	<b>12.0%</b>				
<b>TOTAL OVERALL EFFECT</b>	<b>12.0%</b>	<b>12.0%</b>				

6. 5 Year History Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)*	State Loss Ratio	Countrywide Loss Ratio
<b>2009</b>	<b>744</b>	<b>0</b>	<b>-</b>	<b>416</b>	<b>186</b>	<b>.45</b>	
<b>2010</b>	<b>791</b>	<b>7.5%</b>	<b>11/18</b>	<b>436</b>	<b>337</b>	<b>.77</b>	
<b>2011</b>	<b>855</b>	<b>12.5%</b>	<b>11/18</b>	<b>518</b>	<b>622</b>	<b>1.2</b>	
<b>2012</b>	<b>802</b>	<b>20.0%</b>	<b>11/18</b>	<b>559</b>	<b>1,267</b>	<b>2.27</b>	
<b>2013</b>	<b>652</b>	<b>20.0%</b>	<b>11/18</b>	<b>559</b>	<b>141</b>	<b>.25</b>	
					<b>*X-CAT</b>		

7.

Expense Constants	Selected Provisions
A. Total Production Expense	<b>13.1%</b>
B. General & Other Expense	<b>16.4%</b>
C. Taxes, License & Fees	<b>2.2%</b>
D. Underwriting Profit & Contingencies	<b>13.6%</b>
E. Other	
<b>F. TOTAL</b>	<b>45.3%</b>

8.   N   Apply Lost Cost Factors to Future filings? (Y or N)
9.  12.0%  Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_
10.  12.0%  Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**THE HANOVER INSURANCE COMPANY  
MASSACHUSETTS BAY INSURANCE COMPANY  
ARKANSAS DWELLING FIRE  
RATE PROPOSAL EFFECTIVE 11/18/2014**

**OVERALL INDICATION DESCRIPTION**

**Proposal**

We propose an overall +12.0% increase effective on 11/18/2014 for new and renewal business, through changes to base rate.

**General Philosophy**

Hanover data, within the state of Arkansas, is used whenever possible. If Hanover data, within the state of Arkansas, is not available, then Arkansas industry or countrywide data may be used in its place.

**Support for Overall Increase**

Our proposal of a +12.0% increase is effected through base rate changes only, as no other aspects of the rating structure were revised. The effective dates for the proposal are 11/18/2014 for new and renewal business and the proposal is supported by a +12.0% indication.

**Description of Actuarial Calculations**

The underlying experience is that of Arkansas. Experience for the most recently available five year review period (12/31/2009 to 12/31/2013) is on a calendar/accident year basis.

Full Credibility standard of \$10 million in earned premium is used. Partial credibility is determined using the square root rule.

**On-Level Premiums**

Reported premiums are adjusted to current rate level by using the parallelogram method.

**Premium Trend**

The average exponential premium trend rates are used in the indications, as shown in Exhibit 2. First, earned premium is adjusted to current rate level in column (4). Next, average on-level premium for each experience period is computed in column (5). After looking at premium trend for the five most recent years, we have made a selection of 4% for the retrospective premium trend and 4% for the prospective premium trend.

**Loss Development**

Arkansas, non-cat, incurred loss data was used to determine loss development factors (Exhibit 3).

**Loss Trend**

Hanover HO data was used to calculate the loss trend component. We made Severity selections of +5.0% for the retrospective trend and +5.0% for the prospective trend. Frequency trends of -1.0% for the retrospective trend and -1.0% for the prospective trend were selected. Pure premium trends of +4.0% and +4.0% were implied from the frequency and severity trend selections. Loss trend factors project losses from the midpoint of each accident year to one year past the assumed renewal effective date (11/18/2014).

**Development of Target Loss and ALAE Ratio**

Exhibit 5 lists expense provision in the rates. The selected commission ratio is our actual commission ratio for countrywide policies. Countrywide general and other acquisition expenses were the finest detail available. Expected Premium Taxes, Miscellaneous Licenses & Fees were based on a review of IEE data. The ULAE-to-Loss ratio was selected using countrywide data. ALAE as a percentage of incurred losses was derived from projections of losses and ALAE to ultimate using countrywide data.

**Reflection of Investment Income in Rates**

Please see the attached Exhibit 6, which explains the reflection of investment income in rates.

**Catastrophe Experience**

Catastrophe loads were selected based on AR experience-only data, displayed in exhibit 7, and are similar to our prior year filing.

**Index of Exhibits**

Exhibit 1 – Indication

Exhibit 2 – Premium Trend

Exhibit 3 – Loss Development Factors

Exhibit 4 – Loss Trend

Exhibit 5– Development of Target Loss and ALAE Ratio

Exhibit 6– Reflection of Investment Income in Rates

Exhibit 7– Catastrophe Experience

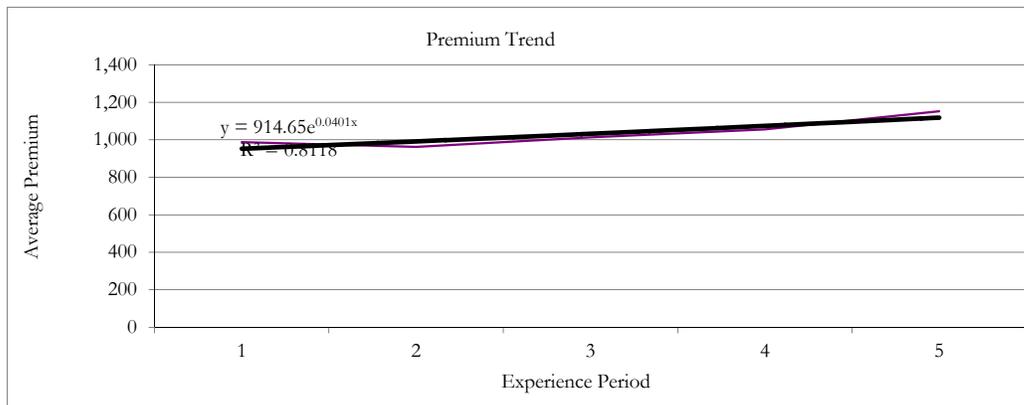
**AR - All Companies Combined**  
**Dwelling Fire & Allied Lines Rate Indication for Rates Effective 11/18/2014**  
Dollars in Thousands

	<b>Accident Year Ending:</b>				
	<u>12/31/2009</u>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>	<u>12/31/2013</u>
Earned Premium	758	835	1,014	1,122	1,177
Current Rate Level Factor	1.728	1.699	1.612	1.480	1.282
Premium at CRL	1,310	1,418	1,635	1,661	1,509
Annual Premium Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
Premium Trend Factor - Retrospective	1.170	1.125	1.082	1.040	1.000
Annual Premium Trend - Prospective	4.0%	4.0%	4.0%	4.0%	4.0%
Premium Trend Factor - Prospective	1.098	1.098	1.098	1.098	1.098
Trended Premium	1,683	1,751	1,941	1,897	1,656
Incurred Loss Evaluated @ 12/31/2013	321	780	2,009	1,368	260
Catastrophe Incurred Losses	50	51	1,102	13	15
Incurred Losses exc CAT	271	729	908	1,356	246
Loss Development Factor:	1.000	1.001	1.002	1.004	1.249
Expected Loss Ratio					35.9%
Estim. Ultimate Incurred Loss Non-Cat	272	730	910	1,361	307
Est. Annual Loss Trend - Retrospective	4.0%	4.0%	4.0%	4.0%	4.0%
Loss Trend Factor - Retrospective	1.168	1.123	1.081	1.040	1.000
Est. Annual Loss Trend - Prospective	4.0%	4.0%	4.0%	4.0%	4.0%
Loss Trend Factor - Prospective	1.097	1.097	1.097	1.097	1.097
Trended Incurred Losses	348	899	1,078	1,552	336
ALAE (% of Loss)	3.6%	3.6%	3.6%	3.6%	3.6%
Trended Loss & ALAE	360	932	1,117	1,608	348
Projected Loss & ALAE Ratio	21.4%	53.2%	57.5%	84.8%	21.0%
Accident Year Weights	20.0%	20.0%	20.0%	20.0%	20.0%
Projected (Formula Weighted) Loss&ALAE Ratio Excluding All Catastrophes					47.6%
Hurricane Loss & ALAE Ratio					0.0%
Other Catastrophes Loss & ALAE Ratio					13.8%
Permissible Loss & ALAE Ratio Excluding All Catastrophes					37.2%
to yield a Combined Ratio of		<u>86.4%</u>			
Cat Loss Annual Trend - Prospective					5.0%
Cat Loss Ratio Trend Factor - Prospective					1.023
NonCat Loss Ratio Trend Factor - Prospective					0.999
Trended Hurricane Loss & ALAE Ratio					0.0%
Trended Other Catastrophes Loss & ALAE Ratio					14.1%
Trended Permissible Loss & ALAE Ratio Excluding All Catastrophes					37.2%
Fixed Expense					11.9%
Variable Expense(incl Profit)					37.1%
Earned Premium (000s)	758	835	1,014	1,122	1,177
Credibility (assuming \$10M earned premium is fully credible)					70.0%
Credibility-Adjusted Loss & ALAE Ratio Excluding All Catastrophes					44.5%

<b>Indicated Rate Change</b>	<b>12.0%</b>
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### The Hanover Group AR - Dwelling Fire & Allied Lines Premium Trend Calculation

Calendar Year	Quarter	(1) Earned Exposures	(2) Earned Premiums	(3) Current Rate Level Factors	(4)=(2)x(3) On-Level Earned Premium	(5)=(4)/(1) Average Adjusted Premium
12/31/2009	1	1,328	758,311	1.728	1,310,408	987
12/31/2010	2	1,474	834,519	1.699	1,417,705	962
12/31/2011	3	1,613	1,013,941	1.612	1,634,702	1,013
12/31/2012	4	1,575	1,122,155	1.480	1,661,265	1,055
12/31/2013	5	1,309	1,177,111	1.282	1,508,539	1,152



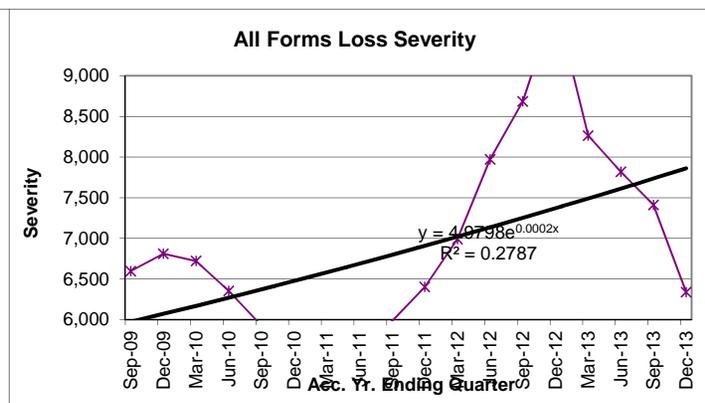
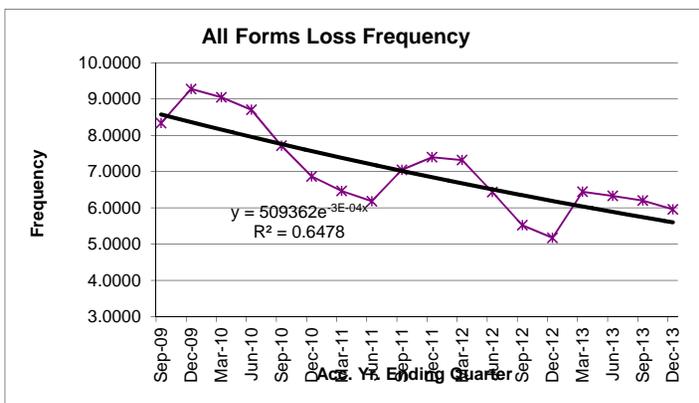
4 Yr Fitted Trend	4.1%
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Retrospective Selection:	4.0%
Prospective Selection:	4.0%



**AR**  
**Loss Trend Selections**  
**Hanover Data**  
**All Losses Excluding Catastrophes**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Rolling 12 Month	Quarter X Value	Exposure	Claims	Incurred Losses	=(4)/(3) Frequency per 100	=(5)/(4) Severity	=(5)/(3) Pure Prem
9/30/2009	1	8,121	677	4,465,738	8.34	6,596	550
12/31/2009	2	8,483	787	5,359,790	9.28	6,810	632
3/31/2010	3	8,909	806	5,417,201	9.05	6,721	608
6/30/2010	4	9,421	820	5,210,260	8.70	6,354	553
9/30/2010	5	10,010	772	4,575,943	7.71	5,927	457
12/31/2010	6	10,600	728	4,087,761	6.87	5,615	386
3/31/2011	7	11,182	723	3,995,072	6.47	5,526	357
6/30/2011	8	11,741	726	4,103,646	6.18	5,652	350
9/30/2011	9	12,274	865	5,174,329	7.05	5,982	422
12/31/2011	10	12,766	944	6,043,478	7.39	6,402	473
3/31/2012	11	13,189	965	6,745,356	7.32	6,990	511
6/30/2012	12	13,498	869	6,927,138	6.44	7,971	513
9/30/2012	13	13,651	754	6,548,466	5.52	8,685	480
12/31/2012	14	13,702	709	7,019,566	5.17	9,901	512
3/31/2013	15	13,673	881	7,279,985	6.44	8,263	532
6/30/2013	16	13,493	854	6,677,505	6.33	7,819	495
9/30/2013	17	12,914	801	5,936,925	6.20	7,412	460
12/31/2013	18	11,897	709	4,493,417	5.96	6,338	378



	Frequency	Severity	Pure Premium
4-Year Prior	-9.8%	7.6%	-2.9%
3-Year Prior	-4.8%	13.0%	7.6%

<b>Retrospective Selected Trends (frequency, severity, loss):</b>	<b>-1.0%</b>	<b>5.0%</b>	<b>4.0%</b>
<b>Prospective Selected Trends (frequency, severity, loss):</b>	<b>-1.0%</b>	<b>5.0%</b>	<b>4.0%</b>

Note: Data is Hanover Data

**CW Dwelling Fire & Allied Lines**  
**Development of Target Loss & ALAE Ratio**

Personal Lines Dwelling Fire											
		<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>5 Year Average</u>	<u>3 Year Average</u>	Selected	% Fixed Expense	% Variable Expense
(1)	Commission	11.9%	11.8%	11.8%	11.8%	11.6%	11.8%	11.7%	<b>11.8%</b>	0%	100%
	Contingent Commission								<b>1.3%</b>	0%	100%
(2)	General & Other Acq.	21.6%	20.2%	13.3%	11.4%	15.4%	16.4%	13.4%	<b>16.4%</b>	50%	50%
(3)	Taxes, Licenses, and Fees								<b>2.2%</b>	0%	100%
(4)	ULAE/Premium	3.7%	3.1%	3.3%	2.8%	2.8%	3.1%	3.0%	<b>3.1%</b>	100%	0%
(5)	Profit and Contingency								<b>13.6%</b>	0%	100%
	Other Fixed Expense Load										
(6)	Reinsurance Premium								<b>0.6%</b>	100%	0%
(7)	Cat Load								<b>13.3%</b>	100%	0%
(7) = sum((1),(2),(3),(4),(5),(6)) * % Fixed)	Total Fixed Expense XCAT								<b>11.9%</b>		
(8) = sum((1),(2),(3),(4),(5),(6)) * % Var)	Total Variable Expense								<b>37.1%</b>		
(10) = 1 - ((9) + (8))	Target L&ALAE Ratio incl Cat								<b>51.0%</b>		
(11) = (10) - (7) * (1 + (13))	Target Loss Ratio x Cat								<b>37.2%</b>		
(9)	ALAE/Loss	3.9%	2.8%	3.5%	3.4%	3.8%	3.5%	3.6%	<b>3.6%</b>		

## Reflection of Investment Income in Rates Dwelling Fire Arkansas

The Hanover Insurance Group utilizes an Internal Rate of Return (IRR) model on a net of reinsurance basis to determine the profit provision for our various lines of business. The IRR is the expected rate of return generated from modeling insurance company operations. Hanover targets a 15% after-tax rate of return. This implies that the underwriting and investment income after taxes attributable to the transaction of this business yields a 15% return on the company's capital required to support it. We believe this return to be a reasonable expected return on net worth.

The IRR model produces a target combined ratio on a net basis. The net target combined ratio is converted to a direct basis with the assumption that the profit is not attributable to the ceded premium because reinsurer's profit is contemplated in the reinsurance margin. The conversion is based on the following formula:

$$\text{Direct Target Combined Ratio} = \frac{(\text{Net Premium @ 15\% Rate of Return} \times \text{Net Target Combined Ratio}) + \text{Ceded Premium}}{\text{Total Direct Premium}}$$

The results for Dwelling Fire are shown in the following page. The direct target combined ratio is 86.4%, which yields an underwriting profit provision of 13.6%. Details regarding the Expense, Loss and Surplus assumptions are summarized below.

The IRR model is a single policyholder model. This means the profit provision is determined by modeling the cash flows for a hypothetical policyholder. The underwriting cash flows in the IRR model can be segregated into three categories: Premium, Loss and Expense.

The expenses assumed in the IRR model are countrywide line-of-business-specific figures. Listed below are the expense percentages along with the source of each expense. The split of General and Other Acquisition expenses between fixed and variable was based on a review of our Insurance Expense Exhibit.

Expense	% Of Net Prem	Source
Net Commission	14.3%	Prospective estimate obtained from our planning process.
Contingent Commission	0.1%	"
Other Acquisition	3.8%	"
General Expense	7.5%	"
Unallocated Loss Adj.	6.6%	"
Taxes	2.1%	"

To properly model the cash flows requires estimating when the premium is collected and expenses are paid. The premium collection pattern is based on a countrywide analysis of the payment plans for the Dwelling Fire book of business. Premium is earned evenly over the policy term. The acquisition expenses are paid as premium is collected with all other expenses, excluding dividends, paid as premium is earned. Dividends are not applicable to this line of business.

The Loss and ALAE payment pattern is based on a countrywide analysis of our net paid loss development triangle. The ultimate net loss ratio is based on the prospective estimate obtained from our planning process. The undiscounted Loss and ALAE reserve represents the difference between the incurred Loss and ALAE and any payments made to date. The published IRS discount factors are used to determine the Discounted Loss Reserve used in the income tax calculation.

The required surplus associated with the transaction changes over time and is related to the sum of the unearned premium and loss reserves based on the Reserve-to-Surplus assumption of 1.06. This analysis assumed an overall net Premium-to-Surplus ratio of 1.79. To obtain this, companywide required surplus was allocated to individual lines of business based on the risks associated with each line. These risks include underwriting (both cat and ex-cat), reserving, investment and reinsurance. The Total Assets is the sum of the Unearned Premium and Loss Reserves plus Required Surplus. The assets available for investment are the Total Assets less any Premium Receivable and Paid Expense.

**Reflection of Investment Income in Rates – Page 2**  
**Dwelling Fire**  
**Arkansas**

The investment income is that attributable to the Average Invested Assets from the balance sheet in the model. A pre-tax investment yield of 1.0% was used based on a combination of yields from existing and newly-invested assets. The Statutory Underwriting Income represents the difference between earned premium and incurred loss and expense. The model assumes expense is incurred based on each expense component's assumed patterns. The Change in Surplus represents the difference between the ending and beginning Required Surplus from the Balance Sheet. The Post-tax Equity Flow is the difference between the Statutory Pre-tax Income and the Change in Surplus adjusted for the estimated Income Tax. These equity flows are what is evaluated to determine the implied internal rate of return.

The tax rate assumed in the model is 33.9%.



**ARKANSAS  
OTHER PERSONAL LINES (OPL)  
Other Wind Experience Cat Load Calculation**

**NON-CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property

LOSS_YR	Sum of Trended_IL
1993	253,661
1994	143,528
1995	212,234
1996	186,337
1997	738,340
1998	289,407
1999	114,968
2000	150,155
2001	131,388
2002	95,451
2003	113,733
2004	352,356
2005	457,819
2006	101,000
2007	174,523
2008	424,031
2009	308,669
2010	797,111
2011	964,004
2012	1,396,254
2013	245,541
<b>Grand Total</b>	<b>7,650,512</b>

**CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property
Cat_Type_Fix	W

ACC_YR	Sum of Trended_IL
1993	5,751
1994	0
1995	5,150
1996	114,768
1997	8,111
1998	357
1999	843
2000	0
2001	0
2002	3,350
2003	0
2004	3,793
2005	729,566
2006	199,677
2007	0
2008	125,241
2009	28,548
2010	4,697
2011	1,162,879
2012	13,249
2013	14,851
<b>Grand Total</b>	<b>2,420,831</b>

(1) Experience Period	(2) LOB	(3) Risk_ST	(4) OW Total Incurred Loss	(5) NonCat Total Incurred Loss	(6) OW-to- NonCat Ratio	(7) ExCat ELR	(8) OW Experience Load
21 years	PL Property	AR	2,420,831	7,650,512	0.316	37.4%	11.8%

(1): Length of experience period in analysis

(6) = (4) / (5)

(7): Plan loss ratio for OPL, from PLAY Report as of December 2013

(8) = (6) x (7)

**ARKANSAS**  
**OTHER PERSONAL LINES (OPL)**  
**Winter Freeze Experience Cat Load Calculation**

**NON-CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property
LOSS_YR	Sum of Trended_IL
1993	253,661
1994	143,528
1995	212,234
1996	186,337
1997	738,340
1998	289,407
1999	114,968
2000	150,155
2001	131,388
2002	95,451
2003	113,733
2004	352,356
2005	457,819
2006	101,000
2007	174,523
2008	424,031
2009	308,669
2010	797,111
2011	964,004
2012	1,396,254
2013	245,541
Grand Total	7,650,512

**CAT LOSS**

RISK_ST	AR
Cat_LOB	PL Property
Cat_Type_Fix	F
ACC_YR	Sum of Trended_IL
1993	0
1994	2,972
1995	0
1996	10,849
1997	0
1998	0
1999	0
2000	49,887
2001	0
2002	0
2003	1,095
2004	0
2005	0
2006	2,454
2007	31,623
2008	114,650
2009	27,400
2010	50,490
2011	5,769
2012	0
2013	0
Grand Total	297,188

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Experience	LOB	Risk_ST	WF Total Incurred	NonCat Total Incurred Loss	WF-to-NonCat Ratio	WF Credibility Constant	WF Credibility Weight	Region WF-to-NonCat Ratio	WF-to-NonCat Ratio	ExCat ELR	WF Experience Load
21 years	PL Property	AR	297,188	7,650,512	0.039	1,000,000,000	0.008	0.039	0.039	37.4%	1.5%

(1): Length of experience period in analysis

(6) = (4) / (5)

(7): Bühlmann credibility constant calculated from a separate analysis

(8) = (5) / [(5) + (7)]

(9): Based on South Central region totals. South Central region consists of Alabama, Arkansas, Louisiana, Mississippi, Oklahoma, Tennessee, and Texas.

(10) = (6) x (8) + (9) x [1 - (8)]

(11): Plan loss ratio for OPL, from PLAY Report as of December 2013

(12) = (10) x (11)

\_\_\_\_ANNOUNCEMENT OF REVISIONS\_\_\_\_

MANUAL

STATE OF ARKANSAS

REVISED MANUAL PAGES:  
DWELLING FIRE MANUAL

Endorsement Table.....	1
Rate Structure Pages.....	RS-1, RS-2

SUMMARY OF CHANGE

- Revised Base Rates
- Updated Signature Page Form in Endorsement table per Form Filing effective June 7, 2014

EFFECTIVE NEW AND RENEWAL DATES: November 18, 2014

**THE HANOVER INSURANCE COMPANIES  
ACP DWELLING FIRE FORM AND ENDORSEMENT TABLE**

**FOR THE STATE OF ARKANSAS  
EFFECTIVE June 7, 2014**

PAGE 1

NUMBER	EDITION DATE	DWELLING FORMS	PREMIUM BEARING	
			YES	NO
DP 00 01 DP 00 02 DP 00 03	7 88 7 88 7 88	Basic Form Broad Form Special Form	X X X	
		<b>DWELLING ENDORSEMENTS</b>		
DP 01 03 DP 04 14 DP 04 18 DP 04 31	2-98 7-88 7-88 7-88	Special Provisions - Arkansas (Mandatory) Additional Living Expense (DP 00 01 Only) Windstorm or Hail (DP 00 02 and DP 00 03 Only) Improvements, Alterations and Additions	X X X	X
DP 04 41 DP 04 63 DP 04 65 DP 04 68	7-88 7-88 7-88 7-88	Additional Insured - Described Location Loss Assessment Property Coverage Special Coverage Endorsement Loss Assessment Coverage for Earthquake	X X X	X
DP 04 69 DP 04 70 DP 04 71 DP 04 72	7-88 7-88 7-88 7-88	Earthquake Premises Alarm or Fire Protection System Ordinance or Law Coverage Broad Theft Coverage	X X X X	
DP 04 73 DP 11 43 DP 17 66 231-0859	7-88 7-88 7-88 8-98	Limited Theft Coverage Dwelling Under Construction Unit Owner's Coverage Inflation Guard	X X X	X
231-1133 231-1220 231-1221	7-89 6-90 6-90	Special Package Endorsement (Mass Bay Only) Personal Property Replacement Cost Replacement or Repair Cost Protection - Cov. A	X X	X
231-1890	4-00	Arkansas – Earthquake Coverage Notice		X
		<b>LIABILITY ENDORSEMENTS</b>		
DL 24 01 DL 24 04 DL 24 10 DL 24 11	7-88 7-88 7-88 7-88	Personal Liability Additional Residences - Rented to Others Additional Insured Premises Liability (Non-Owner Occupied)	X X X X	
DL 24 14 DL 24 16 DL 25 03 231-1342	7-88 7-88 2-98 12-91	Loss Assessment Liability No Coverage for Home Day Care Business Special Provisions - Personal Liability Lead Poisoning Exclusion	X	X X X
		<b>POLYHOLDER NOTICES</b>		
*Sig-1100 SIG-0001 SIG-0003	8-14 6-05 6-05	Signature Page Hanover Signature Page Massachusetts Bay Signature Page		X X X

**\*IS CHANGED ITEM** Your inforce business will be automatically updated for changed forms.  
Immediately order material required for your new business.

HANOVER/MASS BAY

ARKANSAS

DWELLING FIRE

STANDARD COMPANY – HANOVER

PREFERRED COMPANY – MASSACHUSETTS BAY

Base Rates - (\$20,000)  
Coverage A; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	200	95	143	174
2	236	95	143	174
3	329	95	143	174
4	421	95	143	174
5	262	95	143	174
6	317	95	143	174
7	344	95	143	174
8	477	95	143	174
9	606	95	143	174
10	112	67	101	121
11	133	67	101	121
12	184	67	101	121
13	236	67	101	121
14	147	67	101	121
15	147	67	101	121
16	190	67	101	121
17	268	67	101	121
18	338	67	101	121
19	156	74	112	133
20	184	74	112	133
21	256	74	112	133
22	329	74	112	133
23	207	74	112	133
24	249	74	112	133
25	268	74	112	133
26	371	74	112	133
27	473	74	112	133

Base Rates - (\$20,000)  
Coverage A; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	180	86	129	157
2	212	86	129	157
3	296	86	129	157
4	379	86	129	157
5	236	86	129	157
6	285	86	129	157
7	310	86	129	157
8	429	86	129	157
9	545	86	129	157
10	101	60	91	109
11	120	60	91	109
12	166	60	91	109
13	212	60	91	109
14	132	60	91	109
15	132	60	91	109
16	171	60	91	109
17	241	60	91	109
18	304	60	91	109
19	140	67	101	120
20	166	67	101	120
21	230	67	101	120
22	296	67	101	120
23	186	67	101	120
24	224	67	101	120
25	241	67	101	120
26	334	67	101	120
27	426	67	101	120

KEY FACTORS	COV A
Seasonal Dwellings	1.10
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

STANDARD COMPANY – HANOVER

PREFERRED COMPANY – MASSACHUSETTS BAY

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	56	8	21	21
2	67	8	21	21
3	93	8	21	21
4	119	8	21	21
5	74	8	21	21
6	88	8	21	21
7	95	8	21	21
8	133	8	21	21
9	169	8	21	21
10	40	6	15	15
11	47	6	15	15
12	66	6	15	15
13	83	6	15	15
14	52	6	15	15
15	52	6	15	15
16	67	6	15	15
17	94	6	15	15
18	119	6	15	15
19	43	6	16	16
20	52	6	16	16
21	73	6	16	16
22	93	6	16	16
23	59	6	16	16
24	68	6	16	16
25	74	6	16	16
26	106	6	16	16
27	132	6	16	16

Base Rates - (\$6,000)  
Coverage C; Non-Seasonal

PREM. GROUP	OWNER	OWNER and/or NON-OWNER		
	FIRE (ALL)	EXTENDED COVERAGE DP-1	DP-2	DP-3
1	50	7	19	19
2	60	7	19	19
3	84	7	19	19
4	107	7	19	19
5	67	7	19	19
6	79	7	19	19
7	86	7	19	19
8	120	7	19	19
9	152	7	19	19
10	36	5	14	14
11	42	5	14	14
12	59	5	14	14
13	75	5	14	14
14	47	5	14	14
15	47	5	14	14
16	60	5	14	14
17	85	5	14	14
18	107	5	14	14
19	39	5	14	14
20	47	5	14	14
21	66	5	14	14
22	84	5	14	14
23	53	5	14	14
24	61	5	14	14
25	67	5	14	14
26	95	5	14	14
27	119	5	14	14

<u>KEY FACTORS</u>	<u>COV C</u>
Seasonal Dwellings	1.15
2 Family	1.05
3 or Four Family	1.30
5 or More Families	1.55
Non-Owner Occupied	1.15
<u>V&amp;MM PREM PER \$1,000</u>	
Hanover	0.100
Mass Bay	0.090

NAIC Number: 22292  
 Company Name: The Hanover Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
 Effective Date: 11/18/2014

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

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

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

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

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	621	730	621	730	621	730	621	730	621	730	621	730	621	730	621	730	486	577
	\$120,000	819	964	819	964	819	964	819	964	819	964	819	964	819	964	819	964	640	761
	\$160,000	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	794	945
6	\$80,000	621	730	621	730	621	730	621	730	621	730	621	730	621	730	621	730	486	577
	\$120,000	819	964	819	964	819	964	819	964	819	964	819	964	819	964	819	964	640	761
	\$160,000	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	1017	1197	794	945
9	\$80,000	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	849	1111	665	867
	\$120,000	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	1121	1469	877	1145
	\$160,000	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1394	1826	1089	1423

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

**HO3 and HO4 only**

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

**EARTHQUAKE INSURANCE**

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

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

Zone                      Brick                      Frame

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

|

NAIC Number: 22306  
 Company Name: Massachusetts Bay Insurance Company  
 Contact Person: Susan Whitworth  
 Telephone No.: (508)-855-4664  
 Email Address: [swhitworth@hanover.com](mailto:swhitworth@hanover.com)  
 Effective Date: 11/18/2014

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

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

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

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

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	559	659	559	659	559	659	559	659	559	659	559	659	559	659	559	659	438	522
	\$120,000	737	869	737	869	737	869	737	869	737	869	737	869	737	869	737	869	577	687
	\$160,000	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	716	853
6	\$80,000	559	659	559	659	559	659	559	659	559	659	559	659	559	659	559	659	438	522
	\$120,000	737	869	737	869	737	869	737	869	737	869	737	869	737	869	737	869	577	687
	\$160,000	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	915	1079	716	853
9	\$80,000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	766	1000	599	782
	\$120,000	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	1011	1321	790	1032
	\$160,000	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	1256	1643	981	1282

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

**HO3 and HO4 only**

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

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 WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

Zone                      Brick                      Frame

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

|