

**ARKANSAS INSURANCE DEPARTMENT
RATE FILING ABSTRACT**

Form RF-1

Insurer Name: Armed Forces Insurance Exchange
 NAIC Number: 41459
 Name of Advisory Organization Whose Filing You Are Referencing Insurance Services Office
 Co. Affiliation to Advisory Organization: Member Subscriber X Service Purchaser
 Reference Filing #: DP-2004-RLA1, DF-94-RLA1 and DP-99-R99LC Proposed Effective Date: 09 Oct 2006

Contact Person: Tracey R. Wagner, Director, Actuarial Functions
 Signature: *Tracey R. Wagner*
 Telephone No: 800-828-7732, ext. 4675

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Line 01 - Fire (Personal Lines (Dwelling Fire) Buildings) (Personal Lines (Dwelling Fire) Contents) (Personal Lines (Dwelling Fire) Apt Contents)	IRL Not Calculated	6.42%	0.5229	1.0419	1.9925		1.8660
		7.24%	0.5229	1.0419	1.9925		1.8660
		3.03%	0.5229	1.0419	1.9925		1.8660
	N/A	6.44%					

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By bharrington at 11:44 am, 7/28/06

PROPERTY & CASUALTY
ARKANSAS INSURANCE DEPARTMENT

N Apply Loss Cost Factors to Future Filings? (Y or N)
9.83%* Estimated Maximum Rate Increase for any Arkansas Insured (%) Territory 33
2.56%* Estimated Maximum Rate Decrease for any Arkansas Insured (%) Territory 33

Corresponds to Question 3 on RF-2 or RF-WC

* Overall Fire and EC Change

Selected Provisions

5 Year History

Year	Policy Count**	Rate Change History		AR Earned Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio
		%	Eff. Date				
2001	93	N/A	N/A	23	0	-0.72%	28.86%
2002	100	N/A	N/A	24	0	-0.38%	73.18%
2003	108	N/A	N/A	28	4	14.29%	100.63%
2004	101	22.91%	7/5/2004	28	1	3.57%	18.83%
2005	90	N/A	N/A	32	-1	-3.13%	26.86%

A. Total Production Expense	<u>29.95%</u>
B. General Expense	<u>8.80%</u>
C. Taxes, License & Fees	<u>4.73%</u>
D. Underwriting Profit & Contingencies	<u>4.23%</u>
E. Other (explain)	<u>0.00%</u>
F. TOTAL	<u>47.71%</u>

**POLICY COUNT: Includes Fire & Allied

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 Co. Affiliation to Advisory Organization: Member Subscriber Service Purchaser
 Reference Filing #: DP-2004-RLA1, DF-94-RLA1 and DP-99-R99LC Proposed Effective Date: 09 Oct 2006

Contact Person: Tracey R. Wagner, Director, Actuarial Functions
 Signature: *Tracey R. Wagner*
 Telephone No: 800-828-732, ext. 4675

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Line 02.1 - Allied Lines (Personal Lines (Dwelling Extended Cov.) Buildings) (Personal Lines (Dwelling Extended Cov.) Contents) (Personal Lines (Dwelling Extended Cov.) Miscellaneous)	IRL Not Calculated	10.39% 0.00% Varies by Coverage	0.5467 0.5467 0.5467	1.1268 1.1268 1.1268	2.0611 2.0611 2.0611		2.0165 2.0165 2.0165
	N/A	10.23%					

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By bharrington at 11:45 am, 7/28/06

PROPERTY & CASUALTY

ARKANSAS INSURANCE DEPARTMENT

N Apply Loss Cost Factors to Future Filings? (Y or N)
9.83%* Estimated Maximum Rate Increase for any Arkansas Insured (%) Territory 33
2.56%* Estimated Maximum Rate Decrease for any Arkansas Insured (%) Territory 33

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*Overall Fire and EC Change

Selected Provisions

5 Year History

Year	Policy Count**	Rate Change History		AR Eamed Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio
		%	Eff. Date				
2001	93	N/A	N/A	23	18	78.26%	86.77%
2002	100	N/A	N/A	24	14	58.33%	84.97%
2003	108	N/A	N/A	27	2	7.41%	81.36%
2004	101	5.49%	7/5/2004	28	13	50.00%	131.51%
2005	90	N/A	N/A	26	11	42.31%	92.60%

A. Total Production Expense	30.45%
B. General Expense	8.85%
C. Taxes, License & Fees	2.63%
D. Underwriting Profit & Contingencies	3.40%
E. Other (explain)	0.00%
F. TOTAL	45.33%

**POLICY COUNT: Includes Fire & Allied