

ARKANSAS INSURANCE DEPARTMENT  
RATE FILING ABSTRACT

Insurer Name: The Cincinnati Insurance Company  
NAIC Number: 0244-10677

Contact Person: David Nutt  
Signature: *David Nutt*

Name of Advisory Organization Whose Filing You Are Referencing  
Co. Affiliation to Advisory Organization: Member          Subscriber          Service Purchaser           
Reference Filing #: H-07-2844-AR Proposed Effective Date: 1/1/08

Telephone No.: 513-870-2887

| (1)<br>LINE OF INSURANCE<br>By Coverage | (2)<br>Indicated<br>% Rate<br>Level Change | (3)<br>Requested<br>% Rate<br>Level Change | FOR LOSS COSTS ONLY           |  |  |   |   |
|---|--|--|-------------------------------|--|--|---|---|
|   |  |  | (4)<br>Expected<br>Loss Ratio | (5)<br>Loss Cost<br>Modification<br>Factor | (6)<br>Selected<br>Loss Cost<br>Multiplier | (7)<br>Expense<br>Constant<br>(If Applicable) | (8)<br>Co. Current<br>Loss Cost<br>Multiplier |
| Homeowners                              | 16.6 %                                     | - 3.21 %                                   | 59.49%                        |  |  |   |   |
| Tenant                                  | 3.8 %                                      | - 4.16 %                                   | 59.49%                        |  |  |   |   |
| Condo                                   | - 0.7 %                                    | - 2.98 %                                   | 59.49%                        |  |  |   |   |
| <b>TOTAL OVERALL EFFECT</b>             | <b>16.2 %</b>                              | <b>- 3.21 %</b>                            | <b>59.49 %</b>                |  |  |   |   |

**FILED**  
By bharrington at 7:30 am, 8/1/07  
**PROPERTY & CASUALTY**

ARKANSAS INSURANCE DEPARTMENT

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

Apply Loss Cost Factors To Future Filings? (Y or N)  
5.25% Estimated Maximum Rate Increase for any Arkansas Insured (%)  
-15% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

5 Year History

Selected Provisions

| Year | Policy Count | Rate Change History % | Eff. Date | AR Earned Premium (000) | Incurred Losses (000) | Arkansas Loss Ratio | Countrywide Loss Ratio | A. Total Production Expense            | 25.80 % |
|------|--------------|-----------------------|-----------|-------------------------|-----------------------|---------------------|------------------------|--|---------|
| 2002 | 3116         | 8.31                  | 5/1/02    | 1,957,174               | 1,935,678             | 98.9 %              | 87.3 %                 | B. General Expense                     | 3.90 %  |
| 2003 | 3395         | 11.68                 | 5/1/03    | 2,697,681               | 2,216,232             | 82.2 %              | 83.0%                  | C. Taxes, License & Fees               | 2.89 %  |
| 2004 | 3391         | 26.46                 | 5/1/04    | 3,032,611               | 1,129,841             | 37.3 %              | 83.5 %                 | D. Underwriting Profit & Contingencies | 7.92 %  |
| 2004 | 3391         | -8.42                 | 6/1/04    | 3,032,611               | 1,129,841             | 37.3 %              | 83.5 %                 | E. Other (Explain)                     |         |
| 2005 | 3052         | 0.48                  | 9/1/05    | 3,219,508               | 1,231,455             | 38.2 %              | 67.0 %                 |  |         |
| 2006 | 2708         | -9.29                 | 6/1/06    | 3,106,527               | 2,464,571             | 79.3 %              | 68.6 %                 | F. TOTAL                               | 40.51 % |