# NAIC LOSS COST DATA ENTRY DOCUMENT

| | | |
|---|---|---|
| **1.** | This filing transmittal is part of Company Tracking # | **2008-00968** |

| | | |
|---|---|---|
| **2.** | If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number | **N/A** |

| | | Company Name | | Company NAIC Number |
|---|---|---|---|---|
| **3.** | **A.** | **American Fire & Casualty Company** | **B.** | **111-24066** |

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

**5.**

| (A) COVERAGE (See Instructions) | (B) Indicated % Rate Level Change | (C) Requested % Rate Level Change | FOR LOSS COSTS ONLY (D) Expected Loss Ratio | (E) Loss Cost Modification Factor | (F) Selected Loss Cost Multiplier | (G) Expense Constant (If Applicable) | (H) Co. Current Loss Cost Multiplier |
|---|---|---|---|---|---|---|---|
| **Owners** | **+0.6%** | **-3.3%** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |
| **Tenants** | **+0.1%** | **0.0%** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TOTAL OVERALL EFFECT | **+0.6%** | **-3.3%** | | | | | |

FILED
By Becky Harrington at 10:08 am, 3/21/08
PROPERTY & CASUALTY
ARKANSAS INSURANCE DEPARTMENT

**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 |
|---|---|---|---|---|---|---|---|
| **2003** | **147** | **0.0%** | **7/22/03** | **154** | **30** | **19.5** | **64.5** |
| **2004** | **112** | **+24.6%** | **1/20/04** | **152** | **296** | **194.2** | **49.3** |
| **2005** | **102** | **0.3%** | **8/22/04** | **128** | **31** | **24.1** | **45.2** |
| **2006** | **108** | **0.3%** | **3/23/06** | **130** | **28** | **21.5** | **59.9** |
| **2007** | **111** | **-0.8%** | **7/01/07** | **111** | **40** | **35.9** | **65.2** |
| | | | | | | | |
| | | | | | | | |

**7.**

| Expense Constants | Selected Provisions |
|---|---|
| A. Total Production Expense | **23.4%** |
| B. General Expense | **3.8%** |
| C. Taxes, License & Fees | **3.8%** |
| D. Underwriting Profit & Contingencies | **9.2%** |
| E. Other (explain) | |
| F. TOTAL | **40.2%** |

**8.** **N/A** Apply Lost Cost Factors to Future filings? (Y or N)
**9.** **+9.9%** Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): 98
**10.** **-9.8%** Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): 97