

LOSS COSTS – IMPLEMENTATION

JANUARY 21, 2021

COMMERCIAL AUTOMOBILE

LI-CA-2021-013

ARKANSAS REVISED COMMERCIAL AUTO ADVISORY PROSPECTIVE LOSS COSTS TO BE IMPLEMENTED

KEY MESSAGE

Loss costs representing a +5.5% statewide change to be implemented.

UPGRADE TO WORD AND EXCEL DOCUMENTS

ISO is currently implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format. These changes will be phased in by product/service tentatively beginning in second quarter 2021. We are providing advance notification so that you may prepare your internal systems. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), IntegRater, PRM, Statistical Plans and Suite +.

BACKGROUND

In circular [LI-CA-2020-444](#), we provided you with information about the Commercial Auto loss cost level experience review.

CONSIDERATION OF COVID-19

While there will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19, we expect, based on the information currently available, that those changes will have negligible and/or offsetting effects on prospective loss costs for Commercial Auto. Therefore, ISO is not making any explicit adjustment to the prospective loss costs referenced in this filing due to COVID-19. Additionally, the loss costs referenced in this filing do not contemplate the possibility of widespread viral resurgence or the renewal of stay-at-home orders during the period in which the newly filed loss costs will be in effect. We have assumed that any recurrence of such extreme and unpredictable circumstances would generally be addressed, as appropriate, by individual carriers.

ISO ACTION

We are implementing CA-2021-BRLA1, which presents a review of Commercial Auto loss cost experience. Refer to the attached explanatory material for complete details about the filing.

SUPPLEMENTARY INFORMATION

We are including supplementary information for Arkansas, which provides additional information on the attached loss cost level experience review.

NOTE: This supplementary information is **not** part of the experience review document and, in states where we are making a filing, is **not** part of the filing.

EFFECTIVE DATE

We do not establish an effective date for Commercial Auto loss costs revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of July 1, 2021, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in this circular.

COMPANY ACTION

You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you are NOT required to file anything with the Insurance Department.

You must document your files in case the Insurance Department wishes to review the information at a later date. In all internal correspondence on this revision, you should refer to ISO Revision Designation Number CA-2021-BRLA1, NOT this circular number.

RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2019-057](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

FUTURE ISO ACTION

We will provide a status report for this and other Basic Limits Loss Costs (BRLA1) revisions. Please refer to the Insurance Lines Services web site (www.verisk.com/ils). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 7-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CA-2020-444](#) (12/02/2020) Commercial Auto Experience Level Indications Reviewed By Staff
- [LI-CL-2019-057](#) (12/10/2019) Revised Lead Time Requirements Listing

ATTACHMENT(S)

- Filing CA-2021-BRLA1
- Supplementary Information

FILES AVAILABLE FOR DOWNLOAD

To download all files associated with this circular, including attachments in the full circular PDF and/or any additional files not included in the PDF, search for the circular number on [ISOnet Circulars](#). Then click the Word/Excel link under the Full Circular column on the Search Results screen.

Please note that in some instances, not all files listed in the Attachment(s) block (if applicable) are included in the PDF.

COPYRIGHT EXPLANATION

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file, or use same in any manner without the written permission of the copyright owner. Permission is hereby granted to members, subscribers, and service purchasers to reprint, copy, or otherwise use the enclosed material for purposes of their own business use relating to that territory or line or kind of insurance, or subdivision thereof, for which they participate, provided that:

- (A) Where ISO copyrighted material is reprinted, copied, or otherwise used **as a whole**, it must reflect the copyright notice actually shown on such material.
- (B) Where ISO copyrighted material is reprinted, copied, or otherwise used **in part**, the following credit legend must appear at the bottom of each page so used:
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

DATA QUALITY

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification procedures so that only valid data would be used for ratemaking. Subsequent to this initial data submission review, additional analyses on the statistical plan data involving an even more customized data review for this line were performed by staff. During these processes, various data records were excluded from the review. The ISO staff responsible for this circular also reviewed the data for reasonableness.

ACKNOWLEDGEMENT OF ACTUARIAL QUALIFICATIONS

The American Academy of Actuaries' "Qualifications Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" requires that an actuary issuing a Statement of Actuarial Opinion should include an acknowledgment with the opinion that he/she has met the qualification standards of the AAA. ISO considers this loss cost review a Statement of Actuarial Opinion; therefore, we are including the following acknowledgment:

I, Rebecca Gordon, am an Actuarial Associate for ISO, and I, James Davidson, am an Actuarial Director for Commercial Auto for ISO. We are jointly responsible for the content of this Statement of Actuarial Opinion. We are both members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

OPTIONAL CLASS PLAN INFORMATION

For the latest updates on the Optional Class Plan, visit <https://www.verisk.com/insurance/products/new-commercial-auto-class-plan>.

ISO RISK ANALYZER®

The loss cost analysis in this circular is reflected in ISO Risk Analyzer®, a suite of predictive models that help with granular pricing of insurance risks. Risk Analyzer can provide loss costs for refined territories and classes, as well as feed custom modeling efforts. For more information, please visit <https://www.verisk.com/riskanalyzer>.

CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:
Rena Lewisohn
Actuarial Operations
201-469-2639
Rena.Lewisohn@verisk.com
autoactuarial@verisk.com
- The non-actuarial content of this circular, please contact:
William Jones
Production Operations, Compliance and Product Services
201-469-2815
productionoperations@verisk.com
- Other issues for this circular, please contact Customer Support:
E-mail: info@verisk.com
Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at www.verisk.com/iso. To keep abreast of the latest Insurance Lines Services updates, view www.verisk.com/ils.

ARKANSAS
BASIC LIMITS PROSPECTIVE LOSS COST LEVEL – COMMERCIAL AUTOMOBILE
FILING CA-2021-BRLA1
EXECUTIVE SUMMARY

PURPOSE	<p>This document:</p> <ul style="list-style-type: none">• revises the advisory prospective loss costs for the major Commercial Automobile classes. These loss costs represent a 5.5% statewide change from the loss costs currently in effect.• provides the analyses used to derive these advisory loss costs.
DEFINITION OF THE ISO ADVISORY PROSPECTIVE LOSS COSTS	<p>Advisory prospective loss costs in this document are the expected value of that portion of a rate that does not include provisions for expenses (other than loss adjustment expenses) or profit, and are based on historical aggregate losses and loss adjustment expenses adjusted through development to their ultimate value and projected through trending to a future point in time. Throughout this document the words “loss cost” are synonymous with the words “prospective loss cost.”</p>
CONSIDERATION OF COVID-19	<p>While there will almost certainly be long-term behavioral, social and economic changes as a result of COVID-19, we expect, based on the information currently available, that those changes will have negligible and/or offsetting effects on prospective loss costs for Commercial Auto. Therefore, ISO is not making any explicit adjustment to the prospective loss costs referenced in this filing due to COVID-19. Additionally, the loss costs referenced in this filing do not contemplate the possibility of widespread viral resurgence or the renewal of stay-at-home orders during the period in which the newly filed loss costs will be in effect. We have assumed that any recurrence of such extreme and unpredictable circumstances would generally be addressed, as appropriate, by individual carriers.</p>
OPTIONAL CLASS PLAN LOSS COSTS	<p>The loss costs contained in this filing CA-2021-BRLA1 are intended for use with the class plan in our standard manual. The prospective loss costs in this filing have also been used as the basis to develop the loss costs for the Optional Class Plan, which are located in companion filing CA-2021-BRLB1.</p>
FORMAT	<p>In this document, all explanatory material appears first, followed by all exhibits, and then the revised prospective loss costs. Explanatory pages are numbered B-1 through C-27, the exhibits are labeled EXHIBIT A1 through EXHIBIT C20, and the revised prospective loss cost pages are numbered D-1 through D-21.</p>
AUTO DEALERS LIABILITY COVERAGE	<p>The Auto Dealers Liability coverage is not being reviewed this year.</p>
AUTO DEALERS AND GARAGEKEEPERS	<p>A review of the Auto Dealers and Garagekeepers physical damage loss costs is included in this document.</p>

REVISED LOSS
COST CHANGES

The statewide advisory loss cost level changes are:

<u>Trucks, Tractors & Trailers</u>	<u>Indicated</u>	<u>Filed</u>
Liability		
Single Limit Liability	6.5%	6.5%
Physical Damage		
Other than Collision	6.8%	6.8%
Collision	-0.3%	N.C.
Total Trucks, Tractors & Trailers	5.2%	5.2%
<u>Private Passenger Types</u>		
Liability		
Single Limit Liability	5.8%	5.8%
Physical Damage		
Other than Collision	7.8%	7.8%
Collision	1.1%	N.C.
Total Private Passenger Types	5.1%	4.9%
<u>Garages</u>		
Physical Damage		
Auto Dealers		
Other than Collision	15.6%	15.6%
Collision	23.6%	23.6%
Garagekeepers		
Other than Collision	18.3%	18.3%
Collision	10.2%	10.2%
Total Garages	16.2%	16.2%
<u>Grand Total</u>	5.4%	5.5%

Loss cost level changes are relative to the current loss costs.

INDICATED VS.
FILED

Indicated changes are based on standard ISO methodology, utilizing a 7/1/2021 trend effective date. The filed loss cost level changes are the same as the indicated with the following exceptions: No Change (N.C.) was selected for Trucks, Tractors & Trailers and Private Passenger Types Collision due to the modest indications.

PRIOR ISO REVISIONS

The latest selected revisions in this state are:

<u>Filing</u>	CA-2020-BRLA1	CA-2019-BRLA1	CA-2018-BRLA1
Rate Level/ Loss Costs	Loss Costs	Loss Costs	Loss Costs
Effective Date	7/1/2020	7/1/2019	7/1/2018
<u>Changes</u>			
Indicated	5.8%	2.5%	9.1%
Filed	5.8%	2.5%	9.0%
Approved	5.8%	2.5%	9.0%

HISTORICAL SOURCE DATA

The sources of the data underlying this loss cost review are:

- ISO companies reporting voluntary automobile experience under the Commercial Automobile modules of ISO's statistical plans.
- Accident year data through year ended 12/31/2019 for all coverages.

ADJUSTMENTS TO REPORTED EXPERIENCE

Loss Trend

To adjust the loss data to levels expected to prevail during the period when the revised loss costs will be in effect, historical losses have been multiplied by trend factors. These trend factors are based on the changes in claim cost and claim frequency that are expected to arise between the historical experience period and the prospective period during which the revised loss costs are anticipated to be in effect. Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form $Y=A(B^X)$ does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

Claim cost trend data through fourth quarter 2019 and claim frequency trend data through third quarter 2019 were used in selecting the following annual liability trend factors:

<u>Coverage</u>	<u>Annual Trend Factor</u>
Trucks, Tractors, and Trailers Liability:	
Bodily Injury	+5.9%
Property Damage	+5.7%
Private Passenger Types Liability:	
Bodily Injury	+5.9%
Property Damage	+5.7%

ADJUSTMENTS TO	Trucks, Tractors & Trailers OTC	+6.5%
REPORTED	Trucks, Tractors & Trailers Collision	+4.5%
EXPERIENCE	Private Passenger Types and Garages OTC	+6.5%
(CONTINUED)	Private Passenger Types and Garages Collision	+4.0%

OCN Trend

To recognize the trend in the Original Cost New (OCN) relativities for Trucks, Tractors & Trailers and Private Passenger Type's physical damage, aggregate loss costs at current level have been multiplied by trend factors. The selected annual OCN trend factors for Trucks, Tractors & Trailers are +0.9% and +1.5% for OTC and Collision respectively. For Private Passenger Types, the OCN Trend factors are +1.0% and +0.6% for OTC and Collision respectively.

Standard actuarial procedures have been used in calculating the loss costs including adjusting the losses to ultimate settlement level, reflecting all loss adjustment expenses.

TEN LARGEST COMPANIES/ GROUPS IN THIS REVIEW

LIABILITY (ASLOB 19.3 & 19.4)

1. Travelers Indemnity Company
2. Cherokee Insurance Company
3. Cincinnati Insurance Company
4. Nationwide Mutual Insurance Co.
5. United Fire & Casualty Company
6. Employers Mutual Casualty Company
7. Sentry Insurance A Mutual Company
8. Old Republic Insurance Company
9. Zurich American Insurance Company
10. Canal Insurance Company

PHYSICAL DAMAGE (ASLOB 21.2)

1. Motors Insurance Corporation
2. Travelers Indemnity Company
3. Federated Mutual Insurance Company
4. Cincinnati Insurance Company
5. Cherokee Insurance Company
6. United Fire & Casualty Company
7. Employers Mutual Casualty Company
8. Zurich American Insurance Company
9. Old Republic Insurance Company
10. Great American Insurance Company

Insurers are listed in descending order based on the percent of statewide written premium volume from Annual Statement Page 15 for the year ending 12/31/2019 for the Annual Statement Line of Business (ASLOB) indicated.

MARKET SHARE

The market share of ISO participating insurers used in this review as measured by Annual Statement Page 15 written premium for the year ending 12/31/2019 is:

Liability (ASLOB 19.3 & 19.4)

45.4%

Physical Damage (ASLOB 21.2)

43.9%

COMPANY DECISION

We encourage each insurer to decide independently whether the judgments made and the procedures or data used by ISO in developing the loss costs contained herein are appropriate for its use. We have included within this document the information upon which ISO relied in order to make such independent judgments.

The data underlying the enclosed material comes from companies reporting to Insurance Services Office, Inc. Therefore, the ISO experience permits the establishment of a much broader statistical ratemaking base than could be employed by using any individual company's data. A broader data base enhances the validity of ratemaking analysis derived therefrom. At the same time, however, an individual company may benefit from a comparison of its own experience to the aggregate ISO experience, and may reach valid conclusions with respect to the manner in which its own costs can be expected to differ

from ISO's projections based on the aggregate data.

COMPANY
DECISION
(CONTINUED)

Some calculations included in this document involve areas of ISO staff judgment. Each company should carefully review and evaluate its own experience in order to determine whether the ISO selected loss costs are appropriate for its use.

The material has been developed exclusively by the staff of Insurance Services Office, Inc.

COPYRIGHT
EXPLANATION

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner.

ARKANSAS
COMMERCIAL AUTOMOBILE
Table of Contents

	<u>Explanatory Pages</u>	<u>Corresponding Exhibits</u>
SECTION A – SCOPE OF REVISION		
Summary of Prospective Loss Cost Level Changes		Exhibit A1
Revised Prospective Loss Costs and Percentage Changes		Exhibit A2
SECTION B – CALCULATION OF CHANGES		
Overview of ISO Actuarial Procedures	B-1	
Step 1:		
Determination of Statewide Loss Cost Level Changes	B-2-4	
Trucks, Tractors & Trailers Liability Statewide Changes		Exhibit B1
Trucks, Tractors & Trailers Physical Damage Statewide Changes		Exhibit B2
Private Passenger Types Liability Statewide Changes		Exhibit B3
Private Passenger Types Physical Damage Statewide Changes		Exhibit B4
Auto Dealers Physical Damage Statewide Changes		Exhibit B5
Garagekeepers Physical Damage Statewide Changes		Exhibit B6
Step 2:		
Determination of Territory Relativities	B-5	
Trucks, Tractors & Trailers Liability Territory Development		Exhibit B7
Private Passenger Liability Territory Development		Exhibit B8
Explanatory Memorandum for Trucks, Tractors & Trailers and Private Passenger Types Liability Territory Development	B-6-7	
Trucks, Tractors & Trailers Physical Damage Territory Development		Exhibits B9-B10
Private Passenger Types Physical Damage Territory Development		Exhibits B11-B12
Explanatory Memorandum for Trucks, Tractors & Trailers and Private Passenger Types Physical Damage Territory Development	B-8-9	
SECTION C – SUPPORTING MATERIAL		
Loss Adjustment Expense	C-1	Exhibit C1
Loss Trend	C-2-7	Exhibits C2-C9
Physical Damage OCN Trend	C-8	Exhibits C10-C11
Loss Development for Liability	C-9-10	Exhibits C12-C13
Loss Development for Physical Damage	C-11	Exhibits C14-C17
Credibility Procedures and Tables	C-12-17	
Claims for Credibility	C-18-19	
Relativities for Developing Minor Class & Coverage Loss Costs		Exhibits C18-C20
Excess Wind and Water Procedure	C-20-27	
SECTION D – REVISED PROSPECTIVE LOSS COSTS		
Liability and Medical Payments	D-1-8	
Physical Damage - All Coverages Except Garages	D-9-16	
Garage Physical Damage	D-17-20	
Hired Autos (Rule 90)	D-21	

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

INTRODUCTION	Commercial Automobile advisory prospective loss costs are determined by evaluating the adequacy of the current ISO loss costs to pay for our best estimate of losses and all loss adjustment expenses that will be incurred in the prospective (or future) period. This evaluation is done separately by coverage for the major classes.
STEP 1: DETERMINATION OF STATEWIDE LOSS COST INDICATION	The first step in this process is the determination of the statewide loss cost indication by major class/coverage. In other words, what percentage changes on average must be made to the current ISO loss costs in order to achieve adequacy for the prospective conditions? The percentage changes are presented on the exhibits labeled "Determination of Statewide Advisory Loss Cost Level Change." See the calculations in Exhibits B1-B6 .
STEP 2: DISTRIBUTION TO TERRITORIES	For all of the liability coverages and for Trucks, Tractors & Trailers and Private Passenger Types Physical Damage, ISO then distributes the filed statewide basic limit loss cost change to the individual territorial loss costs by comparing the relative loss experience by territory to the statewide average. See the calculations in Exhibits B7-B12 .
STEP 3: APPLICATION OF PERCENT CHANGES	The last step is the calculation of the ISO advisory prospective loss costs. This is achieved by applying either the filed statewide or territorial changes to the current ISO loss costs. For liability, the percentage change is applied at the basic limit; for physical damage, it is applied at the base OCN, age and deductible. The resulting Loss Costs are displayed in Section D.

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE
STEP 1 – DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGE

OBJECTIVE	The objective of this procedure is to determine the indicated statewide advisory loss cost level change. This procedure answers the question: what percentage changes must be made on average to the current ISO loss costs in order for them to be adequate to cover indemnity losses and all loss adjustment expenses incurred in the prospective period in which the revised loss costs are assumed to be in effect?
-----------	---

DESCRIPTION	This procedure compares the developed and trended incurred losses and loss adjustment expenses with the aggregate loss costs at current ISO loss cost level, which is the aggregate amount that would have been collected if the current ISO loss costs were used during the experience period. This experience ratio (losses and all loss adjustment expenses divided by aggregate loss costs) is calculated for several years and a weighted average is calculated. The weights are determined as a function of the credibility or volume of claim experience. The average experience ratio is then credibility weighted with the expected experience ratio in order to minimize the impact of random variation in the observed losses. This credibility weighted experience ratio is the indicated statewide advisory loss cost level change in decimal form. See the calculations in Exhibits B1-B6 .
-------------	--

EXPERIENCE BASE	The experience used in this review is the latest available as reported under the ISO Commercial Statistical Plan. All coverages are on an accident year basis. For liability, the review is conducted on a \$100,000 basic limits basis - indemnity losses are limited to \$100,000 per occurrence.
--------------------	---

AGGREGATE LOSS COSTS (Item 1)	The aggregate loss costs at current ISO loss cost level are the loss-related revenue that would have been collected if the current ISO loss costs were used during the experience period. For all coverages other than the Garage Dealers and Garage Keepers Physical Damage coverages, it is calculated by extending the exposures by the current ISO loss costs. For liability, the \$100,000 basic limit loss costs are used. For Trucks, Tractors, and Trailers and Private Passenger Types Physical Damage, loss costs are on an all deductibles combined basis.
-------------------------------------	---

For the Garage Dealers and Garage Keepers Physical Damage coverages, the analysis is based on an on-leveling approach. The reported premiums are adjusted to current ISO loss cost levels by applying company reported deviation factors and on-level factors.

Trucks, Tractors & Trailers and Private Passenger Types physical damage aggregate loss costs are placed on the prospective OCN relativity level by the application of OCN trend factors.

INCURRED
LOSSES & LAE
(Item 2)

The incurred losses and loss adjustment expenses are our best estimate of the ultimate payment for indemnity losses and loss adjustment expenses using the claim frequency and severity levels ISO expects to occur during the prospective period for which the revised loss costs will be used.

For the liability coverages, the reported incurred losses and allocated loss adjustment expenses are subject to the following adjustments:

- Incurred indemnity losses are capped at the basic limit;
- Developed to an ultimate settlement basis by the application of loss development factors;
- Loaded for unallocated loss adjustment expenses;
- Placed on the prospective cost/frequency levels by the application of trend factors.

For the physical damage coverages, the reported paid (accident year) losses are subject to the following adjustments:

- Paid Other Than Collision losses are adjusted using an Excess Wind and Water procedure;
- Developed to an ultimate settlement basis by the application of loss development factors;
- Loaded for all loss adjustment expenses;
- Placed on the prospective cost/frequency levels by the application of trend factors.

Refer to Section C for the support for these loss related adjustments.

EXPERIENCE
RATIO
(Item 3)

The experience ratio is the ratio of the incurred losses and loss adjustment expenses to the aggregate loss costs at current ISO loss cost level. It measures the adequacy of the current ISO loss costs for the prospective period.

YEAR WEIGHTS
(Item 4)

The number of years of experience used and year weights are determined by the total number of claims in the experience period. To the extent there is adequate credibility, ISO uses fewer years and gives greater weight to the most recent years. Refer to the credibility pages of Section C for the methodology used to arrive at both the number of years used and the year weights.

EXPECTED
EXPERIENCE
RATIO
(Item 7)

The expected experience ratio is our best prediction of the experience ratio if the most recent data was not available. For this review we have assumed that the current loss costs were adequate when implemented and will be inadequate for the prospective period to the extent of the net trend. It is calculated as the combined trend factor projected for the number of years between the last revision (or review) and this revision.

CREDIBILITY

Credibility is based upon the number of claims for all years in the experience period. The procedure for assigning credibility is outlined in the credibility pages of Section C.

CREDIBILITY
WEIGHTED
EXPERIENCE
RATIO

The average experience ratio is credibility weighted with the expected experience ratio. The resulting credibility weighted experience ratio, converted to a percentage, is the indicated change to the current ISO loss costs.

OVERVIEW OF ISO ACTUARIAL PROCEDURES – COMMERCIAL AUTOMOBILE

STEP 2 – DETERMINATION OF TERRITORY RELATIVITIES

OBJECTIVE	The objective of this procedure is to distribute the statewide loss cost indication by territory. In other words, what percentage changes by territory should be made in order to equitably achieve an adequate statewide prospective loss cost level?
-----------	--

TRUCKS, TRACTORS & TRAILERS AND PRIVATE PASSENGER TYPES LIABILITY AND PHYSICAL DAMAGE	For Trucks, Tractors & Trailers and Private Passenger Types, this procedure compares the individual territory experience ratios to the statewide average experience ratio. The territory experience ratio is calculated for the latest 5 years and a statewide weighted-average experience ratio for the same period is calculated using the aggregate loss costs (product of earned car years (col 1) and underlying loss cost (col 2)) as weights. The territory experience ratio is then credibility weighted with the statewide average experience ratio to produce a formula experience ratio. The territory formula experience ratio is then compared to the statewide weighted average formula experience ratio to determine the territory index to state. The territory index is then multiplied by the filed loss cost level change in order to produce the indicated change to the individual territories. This change is then applied to the current territory base loss cost. See the calculations in Exhibits B7-B12 .
---	--

EXPLANATORY MEMORANDUM FOR TRUCKS, TRACTORS & TRAILERS AND PRIVATE
PASSENGER TYPES LIABILITY TERRITORY DEVELOPMENT

COLUMN (1) EARNED CAR YEARS	Number of car-years, or exposures, earned in the latest year. These exposures are used to calculate the weighted averages through the analysis. (For calculating the weighted average of the Experience Ratio in Col (4) and the Formula Experience Ratio in Col (6) the product of [Col(1) x Col(2)] are used as weights).
COLUMN (2) \$100,000 LOSS COST	Average \$100,000 loss cost at current level (earned aggregate loss cost at current level divided by exposures) is based on the latest accident year experience available and reflects the \$100,000 basic limit at the present ISO manual level.
COLUMN (3) 5 YEAR ENDED EXPERIENCE LOSS COST	Loss cost based on the latest 5 years of experience (for purposes of stability). The loss cost is Bodily Injury and Property Damage combined and is trended and developed to an ultimate settlement basis including all loss adjustment expenses.
COLUMN (4) EXPERIENCE RATIO LOSS COST	For each coverage, an experience ratio by territory is derived by dividing the 5 year experience loss cost by the average \$100,000 loss cost at present ISO manual level. [Col. (3) / Col. (2)]
COLUMN (5) CREDIBILITY	The experience ratio thus calculated is assigned a credibility value on the basis of the number of claims underlying the 5 year pure premium (See Section C for credibility standards). The complement of the credibility is assigned to the statewide experience ratio which appears in Col. (4).
COLUMN (6) FORMULA EXPERIENCE RATIO	<p>The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:</p> $\frac{[\text{Terr. Group Col. (4)} \times \text{Terr. Group Col. (5)}] + [\text{SW Total Col. (4)} \times (1.0 - \text{Terr. Group Col. (5)})]}{[\text{Terr. Group Col. (4)} + \text{SW Total Col. (4)}]}$

COLUMN (7)
INDEX TO
STATE

Territory indices to state are calculated by dividing the territory formula experience ratio by the statewide average formula experience ratio

[Terr. Col (6) / SW Total Col. (6)]

(Statewide Total Col. (6) is the weighted average formula experience ratio using the individual products of [Col. (1) x Col. (2)] as weights.)

COLUMN (8)
BASE CLASS
LOSS COST

Present ISO \$100,000 base class loss cost.

COLUMN (9)
INDICATED BASE
LOSS COST

Indicated base class loss cost for a particular territory. It is calculated by applying the product of the statewide loss cost level change and the territory index [Col. (7)] to the present ISO loss cost.

COLUMN (10)
REVISED BASE
LOSS COST

Revised \$100,000 base loss cost.

COLUMN (11)
ADVISORY
LOSS COST
CHANGE

Percentage change from the present \$100,000 base loss cost to the revised \$100,000 base loss cost.

EXPLANATORY MEMORANDUM FOR TRUCKS, TRACTORS & TRAILERS AND
PRIVATE PASSENGER TYPES
PHYSICAL DAMAGE TERRITORY DEVELOPMENT

COLUMN (1) EARNED CAR YEARS	Number of car-years, or exposures, earned in the latest year. These exposures are used to calculate the weighted averages through the analysis. (For calculating the weighted average of the Experience Ratio in Col (4) and the Formula Experience Ratio in Col (6) the product of [Col(1) x Col(2)] are used as weights).
COLUMN (2) UNDERLYING LOSS COST	Average loss cost at current level (earned aggregate loss cost at current level divided by exposures) is based on the latest accident year experience available and reflects the present ISO manual loss cost trended to a prospective OCN level by the application of OCN factors.
COLUMN (3) 5 YEAR ENDED EXPERIENCE LOSS COST	Loss cost based on the latest 5 years of experience (for purposes of stability). The loss cost is trended and include all loss adjustment expenses.
COLUMN (4) EXPERIENCE RATIO LOSS COST	For each coverage, an experience ratio by territory is derived by dividing the 5 year experience loss cost by the average loss cost at present ISO manual level. [Col. (3) / Col. (2)]
COLUMN (5) CREDIBILITY	The experience ratio thus calculated is assigned a credibility value on the basis of the number of claims underlying the 5 year pure premium (See Section C for credibility standards). The complement of the credibility is assigned to the statewide experience ratio which appears in Col. (4).
COLUMN (6) FORMULA EXPERIENCE RATIO	<p>The formula experience ratio is a credibility weighted average of the territory group experience ratio and statewide experience ratio. The formula is as follows:</p> $[\text{Terr. Group Col. (4)} \times \text{Terr. Group Col. (5)}] \\ + [\text{SW Total Col. (4)} \times (1.0 - \text{Terr. Group Col. (5)})]$

COLUMN (7)
INDEX TO
STATE

Territory indices to state are calculated by dividing the territory formula experience ratio by the statewide average formula experience ratio

$$[\text{Terr. Col (6)} / \text{SW Total Col. (6)}]$$

(Statewide Total Col. (6) is the weighted average formula experience ratio using the individual products of [Col. (1) x Col. (2)] as weights.)

COLUMN (8)
BASE CLASS
LOSS COST

Present ISO base class loss cost.

COLUMN (9)
INDICATED BASE
LOSS COST

Indicated base class loss cost for a particular territory. It is calculated by applying the product of the statewide loss cost level change and the territory index [Col. (7)] to the present ISO loss cost.

COLUMN (10)
REVISED BASE
LOSS COST

Revised base loss cost.

COLUMN (11)
ADVISORY
LOSS COST
CHANGE

Percentage change:
 $[\text{Col. (10)} / \text{Col. (8)}]$

LOSS ADJUSTMENT EXPENSE FACTORS

OBJECTIVE	The reported indemnity losses must be loaded for any loss adjustment expenses (LAE) that are not reported in statistical detail to ISO. See the calculations in Exhibit C1 .
LIABILITY COVERAGES	For the liability coverages, allocated loss adjustment expenses are reported in detail to ISO under the Commercial Statistical Plan. Unallocated loss adjustment expenses must be loaded into the losses. A factor representing the ratio of the sum of the incurred indemnity losses plus all LAE to the sum of the incurred indemnity losses plus allocated LAE was selected based on multistate financial data from a Special Call Submission for available writers.
PHYSICAL DAMAGE COVERAGES	For the physical damage coverages, accident year paid indemnity losses are reported. All loss adjustment expenses must be loaded into the reported losses. A factor representing the ratio of incurred losses plus all LAE to incurred losses was selected based on multistate financial data from the Insurance Expense Exhibits for agency and direct writers.

AVERAGE ANNUAL CHANGE IN LOSSES (LOSS TREND)

OBJECTIVE	The application of the average annual change in losses to historical data recognizes that advisory loss costs are being made for use in a future period based on historical experience. Due to economic and social factors, claim cost and frequency levels continue to change from those underlying the historical data.
DETERMINATION OF HISTORICAL AVERAGE CLAIM COST TREND	To determine the historical average claim cost trend, ISO makes use of the Least Squares Method fitted to the reported time series data; specifically, an exponential curve represented by the equation $Y=A(B^X)$ is fitted to the paid claim cost data. The parameters A and B are calculated by regressing Y, which is the applicable claim cost on X, which is the unit of time. The resulting fitted curve allows the determination of a historical average trend for the data under review. See the calculations in Exhibits C2-C3 .
LIABILITY LOSS TREND	The historical average annual change in claim costs for both Bodily Injury and Property Damage coverages are measured in this document using a credibility-weighted mix of multistate and statewide data. Prospective average annual changes for claim frequency have been selected based on the historical multistate data, as well as other relevant factors. Combining the state credibility-weighted claim cost trends with the selected claim frequency trends results in the selected Bodily Injury and Property Damage pure premium trend used to adjust the losses to a prospective level.
TREND CREDIBILITY FOR LIABILITY CLAIM SEVERITY	<p>Trend credibility is based on a full credibility standard of 975,000 claims for BI and 390,000 claims for PD. These standards were developed using a Bayesian analysis. Partial credibility is determined by the following formula:</p> $A = C/(C+K)$ <p>where C equals the number of claims for the latest year ended point and K equals 25,000 for bodily injury and 10,000 for property damage. The resulting table of partial credibilities is shown in this section.</p>

LIABILITY:
FREQUENCY
TREND

The data underlying the claim frequency trend selections is shown on the attached claim frequency exhibits. See the calculations in **Exhibits C4-C5**. The exhibits include quarterly points for Multistate incurred frequency trend separately for Trucks, Tractors, and Trailers and Private Passenger Types. As can be seen from these exhibits (and corresponding graphs), frequency for both bodily injury and property damage has generally changed from year to year in an unpredictable manner.

Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form $Y=A(B^X)$ does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

PHYSICAL
DAMAGE:
LOSS TREND

Data Selections

- In our Physical Damage Trend review, we try to include as much data as possible for each deductible level that we analyze. With this goal in mind, for a given deductible level, we include all losses written at or below that deductible level. For example, consider an event causing \$1,500 of damage on a policy written with a \$250 deductible. This would be reported as a \$1,250 loss. In order to include as much data as possible in our review, we would generate 3 different records for this loss, one at each deductible that we analyze:

At \$250 deductible: \$1,250 loss

At \$500 deductible: \$1,000 loss

At \$1,000 deductible: \$500 loss

Each of these deductible levels is analyzed independently of the other levels, so that there are no instances of double-counting loss records.

- Wind and Water losses are removed from our Other Than Collision trend reviews due to the high variability of these types of losses from year to year.

Data Adjustments

In our Physical Damage trend review, we employ two adjustments to the data with the objective of diminishing distortions in the trend that we do not wish to measure. Our goal is to only measure inflationary effects.

1) All losses are divided by the appropriate class plan and age factors that correspond to that record in order to diminish the effect that variations in these factors from one year to the next have on the trend calculation.

PHYSICAL
DAMAGE:
LOSS TREND
(CONT'D)

For example, consider 12 Truck exposures reported with Age Code 1 (current model year, age factor of 1.00). Each exposure experiences a loss of \$500. The average severity of the losses for these 12 exposures is \$500.

Now consider these 12 exposures 5 years in the future. The exposures are now reported with Age Code A (6th preceding model year, age factor of 0.80). Assume that there is 10% inflation per year on all severities. Also assume that each of these 12 exposures experience the same amount of damage as they did 5 years ago. The average severity of the losses for these 12 exposures is now \$644 (taking into account both inflation and the older age of the vehicles).

If we analyze the severity trend without dividing each loss by its corresponding age factor, we get an annual trend of $(\$644/\$500)^{1/5} - 1 = 5.2\%$

If we first divide each loss by its corresponding age factor, we get an annual trend of $((\$644/0.80) / (\$500/1.00))^{1/5} - 1 = 10.0\%$

The first calculated severity is not equal to the assumed inflation because the calculation includes the decrease in average severity caused by aging of the vehicles. By dividing each loss record by its corresponding class plan and age factors, we remove distortions on the severity trend caused by the change in the distribution of classes and ages from one year to the next.

2) All Other Than Collision losses are adjusted to correct for the distortion on trend results created by a change in the distribution of types of loss from one year to the next. The Other Than Collision severity is a weighted-average of the severities for each type of loss (glass, fire, theft, etc.). Since each type of loss has a different severity (for example, glass losses have a much smaller severity than other types of loss), then variations in the distribution of types of loss may lead to changes in the severity that we do not want to measure (if one year 5% of losses are glass losses, and the next year 30% of losses are glass losses, we would expect the average severity of all Other Than Collision losses to decrease). To correct this, we calculate the proportion of losses for each type of loss averaged over all years in the experience period.

Consider the following example, where an adjustment is NOT made to the data. Assume 10% annual inflation for all losses:

	Year 1		Year 2	
Type of Loss	Glass	Fire	Glass	Fire
Claims	10	3	15	5
Severity of Each Loss	\$50	\$1,000	\$55	\$1,100
Total Losses	\$500	\$3,000	\$825	\$5,500

Average severity of losses in Year 1 is $(\$500 + \$3,000) / 13 \text{ claims} = \269

Average severity of losses in Year 2 is $(\$825 + \$5,500) / 20 \text{ claims} = \316.25

Average Severity trend = $(\$316.25/\$269) - 1 = 17.6\%$

PHYSICAL
DAMAGE:
LOSS TREND
(CONT'D)

Now consider the same scenario, where an adjustment IS made to the data:

	Year 1		Year 2	
Type of Loss	Glass	Fire	Glass	Fire
Claims	10	3	15	5
Percentage of Total Claims	10/13 = 77%	3/13 = 23%	15/20 = 75%	5/20 = 25%

Average Percentage of Claims for Glass losses: $(77\% + 75\%) / 2 = 76\%$

Average Percentage of Claims for Fire losses: $(23\% + 25\%) / 2 = 24\%$

The number of claims for each type of loss for each year is replaced by these averages:

	Year 1		Year 2	
Type of Loss	Glass	Fire	Glass	Fire
Claims	76% x 13 = 9.88	24% x 13 = 3.12	76% x 20 = 15.2	24% x 20 = 4.8
Severity of Each Loss	\$50	\$1,000	\$55	\$1,100
Total Losses	\$494	\$3,120	\$836	\$5,280

Average severity of losses in Year 1 is $(\$494 + \$3,120) / 13 \text{ claims} = \278

Average severity of losses in Year 2 is $(\$836 + \$5,280) / 20 \text{ claims} = \305.80

Average Severity trend = $(\$305.80 / \$278) - 1 = 10.0\%$

Note that the total number of claims each year remains unchanged from the total before the adjustment is made.

Year 1 claims = $9.88 + 3.12 = 13 \text{ claims}$

Year 2 claims = $15.2 + 4.8 = 20 \text{ claims}$

Although new claims totals by type of loss are used in the calculation, the impact of the adjustment is to change only the loss totals, so frequency figures are not changed. The result is equivalent to a re-weighting of the severities so that each type of loss has a consistent weight from year to year.

By keeping each type of loss' proportion of total claims constant from year to year, we remove distortions in the trend caused by changes in the distribution of types of loss.

PHYSICAL
DAMAGE:
LOSS TREND
(CONT'D)

For the OTC coverages, there is a change to how glass losses are handled when shifting from one deductible to another. ISO collects a coverage code indicating if the deductible is waived for glass losses or not ("full glass" and "non-full glass", respectively). However some insurers waive deductibles on glass losses even when the policy isn't a "full glass" coverage policy. Recently we began to also collect a Type of Loss code indicating if a deductible has been waived for the particular claim. In situations where a claim is reported with a coverage code and Type of Loss code that aren't consistent on how a glass loss was handled, we previously used the coverage code to determine how we interpreted the loss amount. Now this scenario is handled based on the information in the new Type of Loss code.

The trend selections for physical damage are based on the data in the attached exhibits. See the calculations in **Exhibits C6-C9**. Each exhibit includes the distribution of losses, by deductible, for the most recent year. We analyze frequency trend and severity trend separately, using data at the \$250, \$500, and \$1,000 deductibles for OTC, and at the \$500, \$1,000, and \$2,000 deductibles for Collision.

Historically, claim frequency (like liability claim frequency) had been variable from year to year, often cyclical. As a result, an exponential curve of the form $Y=A(B^x)$ did not fit the frequency data well. In the interest of long-term stability, we have selected 0.0% trend factors for frequency.

Based on this multistate experience and on the continued positive trends in the Consumer Price Index for Bodywork, ISO has selected the following annual trends:

	Trucks, Tractors & Trailers	Private Passenger Types and Garages
	<u>Pure Premium</u>	<u>Pure Premium</u>
OTC:	+6.5%	+6.5%
COLL:	+4.5%	+4.0%

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE
SUPPLEMENTARY EXHIBIT

Quarterly Values <u>Ending</u>	Consumer Price Index for Bodywork	
	<u>Actual</u>	<u>Exponential Fit</u>
12/31/2016	2.913	2.887
03/31/2017	2.925	2.910
06/30/2017	2.942	2.933
09/30/2017	2.945	2.956
12/31/2017	2.966	2.980
03/31/2018	2.999	3.003
06/30/2018	3.016	3.027
09/30/2018	3.033	3.051
12/31/2018	3.061	3.075
03/31/2019	3.074	3.100
06/30/2019	3.118	3.124
09/30/2019	3.158	3.149
12/31/2019	3.189	3.174
03/31/2020	3.194	3.199
06/30/2020	3.248	3.225
09/30/2020	3.263	3.250
		Average
		Annual
	<u>R-Squared</u>	<u>Change</u>
16 Point Fit	0.9814	3.2%
12 Point Fit	0.9886	3.6%

PHYSICAL DAMAGE OCN TREND

OBJECTIVE

In Physical Damage for Trucks, Tractors & Trailers and Private Passenger Types, as new, higher-valued commercial automobiles are introduced, there is an increase in revenue due to the original cost new component of the rating procedure. In order to reflect the revenue impact of the higher-valued vehicles during the prospective period, ISO uses an OCN trend procedure. The effect of this procedure is to reduce the indicated loss costs for Trucks, Tractors & Trailers and Private Passenger Types physical damage coverages.

DESCRIPTION OF ORIGINAL COST NEW DATA

The average original cost new (OCN) relativities for Comprehensive and Collision are displayed on the following exhibits. See the calculations in **Exhibits C10-C11**. The data is displayed by coverage. To determine the historical average trend for OCN, ISO makes use of the Least Squares Method to fit a curve to the reported time series data. Specifically, an exponential curve represented by the equation

$$Y = A(B^X)$$

is fitted to the average OCN relativities. Based on the results of these curves, ISO has selected annual OCN trends of 0.9% and 1.5% for Trucks, Tractors & Trailers OTC and Collision coverages respectively. This trend is necessary to reflect the additional revenue generated by the shift in the OCN distribution as new, higher-priced automobiles are introduced.

For Private Passenger Types, OCN trends of 1.0% and 0.6% were selected for the OTC and Collision coverages respectively.

LOSS DEVELOPMENT FOR LIABILITY

OBJECTIVE	The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.
-----------	--

DESCRIPTION OF EXPERIENCE PERIOD DATA	For Trucks, Tractors & Trailers and Private Passenger Types Liability, the incurred losses and allocated loss adjustment expenses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of March 31, 2020. In other words, accident year ended December 31, 2019 includes all losses and allocated loss adjustment expenses paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019 and all losses and allocated loss adjustment expenses outstanding on these accidents as of March 31, 2020, 15 months after the inception of the accident year. Similarly, the incurred losses and allocated loss adjustment expenses for accident year ended December 31, 2018 include all loss and loss adjustment expenses paid through March 31, 2020 on accidents occurring from January 1, 2018 to December 31, 2018 and all losses and allocated loss adjustment expenses outstanding on these accidents as of March 31, 2020, 27 months after the inception of the accident year. The immature experience reported as of 15 or as of 27 months must be adjusted to a mature or ultimate settlement basis through the use of a loss development factor. See the calculations in Exhibits C12-C13 .
---------------------------------------	---

DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY	For Bodily Injury Coverage, states are divided into two multistate groups. One group (No-Fault) consists of states with a no-fault law that has a tort threshold. The other group (Tort) contains the remaining states. The applicable multistate group for this state is used in this document. Losses are developed up to 123 months and are based on \$100,000 CSL data. Three-year averages for Trucks, Tractors & Trailers and Private Passenger Types are calculated for each link ratio based on a "best three of five" approach. Specifically, for the latest five years, the highest and lowest ratios were removed from the calculation and the three year average was calculated using the three remaining factors. Beyond 123 months the loss development is assumed to be unity.
---	---

For Property Damage Coverage, one multistate group is used. Losses are developed up to 111 months and \$100,000 CSL data is used. Three-year averages for Trucks, Tractors & Trailers and Private Passenger Types are calculated for each link ratio based on a "best three of five" years approach. Specifically, for the latest five years, the highest and lowest ratios were removed from the calculation and the three year average was calculated using the three remaining factors. Development beyond 111 months is assumed to be unity.

STATE
CREDIBILITY
WEIGHTED
FACTORS

For Trucks, Tractors & Trailers and Private Passenger Types, statewide loss development factors are credibility weighted with multistate factors. A Bayesian credibility study was done on state 15 to 27 months and 27 to 39 months loss development factors. The study concluded that there is significant statewide variation for bodily injury through 39 months and for property damage through 27 months. For these link ratios, statewide credibility is determined by the formula $Z = L/(L+K)$, where Z is the credibility, and L is the 3-year total losses for the particular state (at the earliest of the two evaluations). The complement of credibility is assigned to multistate loss development factors. K is a constant that varies by coverage as follows:

Trucks, Tractors & Trailers

	<u>15 to 27</u>	<u>27 to 39</u>
Bodily Injury (tort)	\$ 2,500,000	\$ 11,000,000
Bodily Injury (no-fault)	900,000	3,000,000
Property Damage	1,500,000	-

Private Passenger Types

	<u>15 to 27</u>	<u>27 to 39</u>
Bodily Injury (tort)	\$ 1,500,000	\$ 4,000,000
Bodily Injury (no-fault)	700,000	1,700,000
Property Damage	600,000	-

TRUCKS,
TRACTORS &
TRAILERS AND
PRIVATE
PASSENGER
TYPES

For Trucks, Tractors & Trailers and Private Passenger Types, Bodily Injury loss development factors to ultimate are calculated by accumulating the statewide credibility-weighted 15 to 27 month factor and 27 to 39 month factor, and the multistate average 39 to ultimate factor.

For the property damage coverage, loss development factors to ultimate are calculated by accumulating the statewide credibility-weighted 15-27 month factor and the multistate average 27 to ultimate factor.

LOSS DEVELOPMENT FOR PHYSICAL DAMAGE

OBJECTIVE	The application of loss development recognizes the important concept that some of the losses for a particular accident year have not been finally determined at the time the experience is compiled.
DESCRIPTION OF EXPERIENCE PERIOD DATA	For Physical Damage, paid losses underlying the statewide loss cost level indications are on an accident year basis and were evaluated as of March 31, 2020. In other words, accident year ended December 31, 2019 includes all losses paid through March 31, 2020 on accidents occurring from January 1, 2019 to December 31, 2019. Similarly, the paid losses for accident year ended December 31, 2018 include all losses paid through March 31, 2020 on accidents occurring from January 1, 2018 to December 31, 2018. The immature paid loss experience reported as of 15 or as of 27 months must be adjusted to a mature or ultimate settlement basis through the use of a loss development factor. See the calculations in Exhibits C14-C17 .
DESCRIPTION OF LOSS DEVELOPMENT METHODOLOGY	For Collision and Other Than Collision coverages, one multistate group is used. Losses are developed to an ultimate settlement basis. Three-year averages are calculated for each age-to-age link ratio. These link ratios are accumulated to develop losses to 123 months. Development beyond 123 months is assumed to be 1.000.

CREDIBILITY PROCEDURE FOR EXPERIENCE LOSS RATIO

OBJECTIVE	<p>The extent to which the state experience is reflected in the development of the prospective loss costs is determined by the credibility of the data for that state. Specifically, ISO credibility procedures are based upon the volume of claims for each coverage separately.</p>
METHODOLOGY	<p>The standards for full credibility were determined from a credibility study using various size of loss distributions for liability, other than collision and collision respectively. Separate standards by coverage/major class for full credibility were calculated using the Mayerson, Jones and Bowers expansion formula.</p>
CREDIBILITY FOR EXPERIENCE LOSS RATIO	<p>The assignment of credibility to the experience loss ratio is based on the total number of claims for the years used. For liability, the claims are based on BI and PD claims combined. For physical damage, credibility is determined separately for OTC and Collision. Partial credibility (Z), as used for the experience loss ratio, is determined using the square root rule as follows:</p> $Z = \sqrt{\frac{\text{Claims}}{X}}$ <p>Where X equals the full credibility standard, by line and coverage, as shown on the following pages of this section.</p>
YEAR WEIGHTS	<p>The weights assigned to the loss ratio by year are based on the credibility of the average number of claims for the years of experience used. A maximum of five years of experience may be used. This procedure is described in detail in the flow chart on the following page. The claim standard used to determine the year weights is based on the credibility standard for each coverage. The schedules of the number of claims required for the year weight assignments are shown on the following pages.</p>

COMMERCIAL AUTOMOBILE LIABILITY
FLOWCHART TO DETERMINE
YEAR WEIGHTS AND
EXPERIENCE PERIOD CREDIBILITY

Step 1: Determine Number of Years to be used and Year Weights

1. Add latest 2 years of claims and divide by 2 to determine the 2 year average.
2. If 2 year Avg. claims \geq 11,500,
Then use 2 years of experience and assign 70/30 weights.
3. Add latest 3 years of claims and divide by 3 to determine the 3 year average.
4. If 3 year Avg. claims \geq 1,380,
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims $<$ 1,380,
Then use 5 years of experience and assign 30/25/20/15/10 weights.

Step 2: Determine the Experience Period Credibility

Calculate partial credibility based on the total number of claims for the number of years used in the review as determined from Step 1.

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE
FLOWCHART TO DETERMINE
YEAR WEIGHTS AND
EXPERIENCE PERIOD CREDIBILITY

Step 1: Determine Number of Years to be used and Year Weights

1. Add latest 2 years of claims and divide by 2 to determine the 2 year average.
2. If 2 year Avg. claims \geq Full Standard,
Then use 2 years of experience and assign 70/30 weights.
3. Add latest 3 years of claims and divide by 3 to determine the 3 year average.
4. If 3 year Avg. claims \geq Intermediate Threshold,
Then use 3 years of experience and assign 50/30/20 weights.
5. If 3 year Avg. claims $<$ Intermediate Threshold,
Then use 5 years of experience and assign 30/25/20/15/10 weights.

Step 2: Determine the Experience Period Credibility

Calculate partial credibility based on the total number of claims for the number of years used in the review as determined from Step 1.

<u>Coverage</u>	<u>Intermediate Threshold</u>	<u>Full Standard</u>
Trucks, Tractors & Trailers OTC	1,350	11,000
Trucks, Tractors & Trailers Collision	550	4,500
Private Passenger Types OTC	1,050	8,500
Private Passenger Types Collision	450	3,500
Garages OTC	900	7,500
Garages Collision	250	2,000

Tables For Use With Trend Data

Bodily Injury				Property Damage			
<u>Number of Claims</u>			<u>Cred.</u>	<u>Number of Claims</u>			<u>Cred.</u>
0	-	641	0.00	0	-	256	0.00
642	-	2027	0.05	257	-	810	0.05
2028	-	3571	0.10	811	-	1428	0.10
3572	-	5303	0.15	1429	-	2121	0.15
5304	-	7258	0.20	2122	-	2903	0.20
7259	-	9482	0.25	2904	-	3793	0.25
9483	-	12037	0.30	3794	-	4814	0.30
12038	-	14999	0.35	4815	-	5999	0.35
15000	-	18478	0.40	6000	-	7391	0.40
18479	-	22619	0.45	7392	-	9047	0.45
22620	-	27631	0.50	9048	-	11052	0.50
27632	-	33823	0.55	11053	-	13529	0.55
33824	-	41666	0.60	13530	-	16666	0.60
41667	-	51923	0.65	16667	-	20769	0.65
51924	-	65909	0.70	20770	-	26363	0.70
65910	-	86111	0.75	26364	-	34444	0.75
86112	-	117857	0.80	34445	-	47142	0.80
117858	-	174999	0.85	47143	-	69999	0.85
175000	-	308333	0.90	70000	-	123333	0.90
308334	-	974999	0.95	123334	-	389999	0.95
975000	-	and over	1.00	390000	-	and over	1.00

K = 25,000

K = 10,000

$$\text{CREDIBILITY FORMULA} = (\# \text{ CLAIMS}) / (\# \text{ CLAIMS} + K)$$

ALL LIABILITY COVERAGES
CREDIBILITY TABLE
NUMBER OF CLAIMS

<u>Credibility</u>			
0.00*	0	-	28
0.05	29	-	114
0.10	115	-	258
0.15	259	-	459
0.20	460	-	718
0.25	719	-	1,034
0.30	1035	-	1,408
0.35	1,409	-	1,839
0.40	1,840	-	2,328
0.45	2,329	-	2,874
0.50	2,875	-	3,478
0.55	3,479	-	4,139
0.60	4,140	-	4,858
0.65	4,859	-	5,634
0.70	5,635	-	6,468
0.75	6,469	-	7,359
0.80	7,360	-	8,308
0.85	8,309	-	9,314
0.90	9,315	-	10,378
0.95	10,379	-	11,499
1.00		>	11,499

The credibility for the loss cost level ratio is determined by the total number of claims for the total number of years of experience used in the review.

*The credibility underlying the calculation of the statewide indication is subject to a minimum of 5% given that there is at least one claim in the experience period.

PHYSICAL DAMAGE
CREDIBILITY TABLES
NUMBER OF CLAIMS

OTHER THAN COLLISION

<u>Cred</u>	<u>Trucks, Tractors & Trailers</u>			<u>Private Passenger Types</u>			<u>Garages</u>	
0.00*	0	-	27	0	-	21	0	18
0.05	28	-	109	22	-	84	19	74
0.10	110	-	247	85	-	191	75	168
0.15	248	-	439	192	-	339	169	299
0.20	440	-	687	340	-	531	300	468
0.25	688	-	989	532	-	764	469	674
0.30	990	-	1,347	765	-	1,041	675	918
0.35	1,348	-	1,759	1,042	-	1,359	919	1,199
0.40	1,760	-	2,227	1,360	-	1,721	1,200	1,518
0.45	2,228	-	2,749	1,722	-	2,124	1,519	1,874
0.50	2,750	-	3,327	2,125	-	2,571	1,875	2,268
0.55	3,328	-	3,959	2,572	-	3,059	2,269	2,699
0.60	3,960	-	4,647	3,060	-	3,591	2,700	3,168
0.65	4,648	-	5,389	3,592	-	4,164	3,169	3,674
0.70	5,390	-	6,187	4,165	-	4,781	3,675	4,218
0.75	6,188	-	7,039	4,782	-	5,439	4,219	4,799
0.80	7,040	-	7,947	5,440	-	6,141	4,800	5,418
0.85	7,948	-	8,909	6,142	-	6,884	5,419	6,074
0.90	8,910	-	9,927	6,885	-	7,671	6,075	6,768
0.95	9,928	-	10,999	7,672	-	8,499	6,769	7,499
1.00		>	10,999		>	8,499		7,499

COLLISION

<u>Cred</u>	<u>Trucks, Tractors & Trailers</u>			<u>Private Passenger Types</u>			<u>Garages</u>	
0.00*	0	-	11	0	-	8	0	4
0.05	12	-	44	9	-	34	5	19
0.10	45	-	101	35	-	78	20	44
0.15	102	-	179	79	-	139	45	79
0.20	180	-	281	140	-	218	80	124
0.25	282	-	404	219	-	314	125	179
0.30	405	-	551	315	-	428	180	244
0.35	552	-	719	429	-	559	245	319
0.40	720	-	911	560	-	708	320	404
0.45	912	-	1,124	709	-	874	405	499
0.50	1,125	-	1,361	875	-	1,058	500	604
0.55	1,362	-	1,619	1,059	-	1,259	605	719
0.60	1,620	-	1,901	1,260	-	1,478	720	844
0.65	1,902	-	2,204	1,479	-	1,714	845	979
0.70	2,205	-	2,531	1,715	-	1,968	980	1,124
0.75	2,532	-	2,879	1,969	-	2,239	1,125	1,279
0.80	2,880	-	3,251	2,240	-	2,528	1,280	1,444
0.85	3,252	-	3,644	2,529	-	2,834	1,445	1,619
0.90	3,645	-	4,061	2,835	-	3,158	1,620	1,804
0.95	4,062	-	4,499	3,159	-	3,499	1,805	1,999
1.00		>	4,499		>	3,499		1,999

The credibility for loss cost level ratio is determined by the total number of claims for the total number of years of experience used in the review.

*The credibility underlying the calculation of the statewide indication is subject to a minimum of 5% given that there is at least one claim in the experience period.

ARKANSAS
CLAIMS PER TERRITORY
LIABILITY

Territory	Trucks, Tractors & Trailers	Private Passenger Types
	Incurred Claims 5 Years Ending 12/31/2019 Combined BI and PD	Incurred Claims 5 Years Ending 12/31/2019 Combined BI and PD
101	1,428	286
103	1,369	164
105	231	44
106	961	119
108	295	36
109	328	97
110	466	50
111	2,146	305
SW Total	7,224	1,101

Claims for Trend

BI	PD
<u>419</u>	<u>1,038</u>

ARKANSAS
CLAIMS PER TERRITORY
PHYSICAL DAMAGE

Territory	Trucks, Tractors & Trailers Paid Claims 5 Years Ending 12/31/2019		Private Passenger Types Paid Claims 5 Years Ending 12/31/2019	
	OTC	Coll	OTC	Coll
101	447	596	202	231
103	627	533	121	126
105	75	107	16	15
106	390	407	102	98
108	127	95	30	26
109	120	179	49	58
110	284	194	48	43
111	1,044	1,103	281	186
SW Total	3,114	3,214	849	783

WIND AND WATER PROCEDURE
OTHER THAN COLLISION

OBJECTIVE

Other Than Collision losses which result from the perils of Wind and Water are relatively infrequent and do not affect each year similarly. While catastrophic incidents are rare, their impact on loss cost indications can be significant. The occurrence of a weather related catastrophe can result in a large positive indication, followed by an indicated decrease when the catastrophe leaves the experience period in subsequent reviews. This ultimately leads to loss cost instability.

In order to address this ratemaking problem, the Wind and Water procedure removes the Wind and Water losses that actually occur in a given year and replaces them with an expected Wind and Water provision, based on the state's long term history of Wind and Water losses. Due to the lower credibility of catastrophic loss experience, a longer experience period or a larger body of data is necessary to compensate.

DESCRIPTION OF
WIND AND WATER
ADJUSTMENT
PROCEDURE

The Wind and Water procedure begins by comparing Wind and Water losses to non-Wind and Water losses for each year in the long term review period. Wind and Water losses have been separately identified as losses reported under the Commercial Statistical Plan (CSP) using Type of Loss (TOL) codes 06 and 07. A ratio of Wind and Water to non-Wind and Water losses is calculated for each year.

The long term 'normal' Wind and Water to non-Wind and Water ratio is determined by calculating the average of the Wind and Water to non-Wind and Water ratios for all years for which data is currently available.

The variation from the long term normal Wind and Water to non-Wind and Water ratio is then determined by calculating the difference between the normal ratio and the Wind and Water ratio for each year.

The loss adjustment required in order to bring each year of experience to a normal Wind and Water level is determined by applying the variation factor (column (5)) to the reported non-Wind and Water losses (column (3)).

The major steps of the procedure are shown in the Exhibits on the following pages.

INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
ARKANSAS

TRUCKS, TRACTORS, AND TRAILERS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG (4) - (4)	(3) x (5)	(2) + (6)
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	VARIATION FROM AVG. WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
1987	45,665	783,669	738,004	0.062	0.181	133,579	917,248
1988	96,019	892,892	796,873	0.120	0.123	98,015	990,907
1989	342,706	1,253,649	910,943	0.376	-0.133	-121,155	1,132,494
1990	58,310	942,747	884,437	0.066	0.177	156,545	1,099,292
1991	138,517	1,003,531	865,014	0.160	0.083	71,796	1,075,327
1992	80,133	979,898	899,765	0.089	0.154	138,564	1,118,462
1993	57,138	1,092,984	1,035,846	0.055	0.188	194,739	1,287,723
1994	148,399	1,809,914	1,661,515	0.089	0.154	255,873	2,065,787
1995	240,972	1,782,545	1,541,573	0.156	0.087	134,117	1,916,662
1996	1,077,098	2,667,846	1,590,748	0.677	-0.434	-690,385	1,977,461
1997	291,974	2,301,992	2,010,018	0.145	0.098	196,982	2,498,974
1998	245,083	2,274,033	2,028,950	0.121	0.122	247,532	2,521,565
1999	869,069	3,209,894	2,340,825	0.371	-0.128	-299,626	2,910,268
2000	413,672	2,941,873	2,528,201	0.164	0.079	199,728	3,141,601
2001	328,624	2,168,662	1,840,038	0.179	0.064	117,762	2,286,424
2002	397,038	1,837,225	1,440,187	0.276	-0.033	-47,526	1,789,699
2003	308,472	1,354,967	1,046,495	0.295	-0.052	-54,418	1,300,549
2004	178,011	835,831	657,820	0.271	-0.028	-18,419	817,412
2005	112,646	915,632	802,986	0.140	0.103	82,708	998,340
2006	248,190	1,127,603	879,413	0.282	-0.039	-34,297	1,093,306
2007	53,910	628,022	574,112	0.094	0.149	85,543	713,565
2008	1,332,267	2,507,115	1,174,848	1.134	-0.891	-1,046,790	1,460,325
2009	468,693	2,141,770	1,673,077	0.280	-0.037	-61,904	2,079,866
2010	218,118	1,428,973	1,210,855	0.180	0.063	76,284	1,505,257
2011	610,753	2,020,705	1,409,952	0.433	-0.190	-267,891	1,752,814
2012	166,583	1,367,082	1,200,499	0.139	0.104	124,852	1,491,934
2013	74,264	1,256,631	1,182,367	0.063	0.180	212,826	1,469,457
2014	491,873	2,325,898	1,834,025	0.268	-0.025	-45,851	2,280,047
2015	356,496	2,082,812	1,726,316	0.207	0.036	62,147	2,144,959
2016	1,213,075	2,883,921	1,670,846	0.726	-0.483	-807,019	2,076,902
2017	318,165	3,248,402	2,930,237	0.109	0.134	392,652	3,641,054
2018	565,158	3,009,505	2,444,347	0.231	0.012	29,332	3,038,837
2019	110,001	2,501,604	2,391,603	0.046	0.197	471,146	2,972,750

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.243

INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
ARKANSAS

PRIVATE PASSENGER TYPES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG (4) - (4)	(3) x (5)	(2) + (6)
YEAR	OTC WIND	OTC TOTAL	TOTAL -	WIND &	VARIATION	WIND &	ADJ OTC
ENDING	& WATER	LOSSES	WIND&WATER	/ NON	FROM AVG.	WATER	TOTAL
	LOSSES		LOSSES	(W&W)	WIND	ADJUSTMENT	LOSSES
					RATIO		
1987	34,583	329,527	294,944	0.117	0.240	70,787	400,314
1988	54,203	444,319	390,116	0.139	0.218	85,045	529,364
1989	252,863	750,256	497,393	0.508	-0.151	-75,106	675,150
1990	64,986	441,759	376,773	0.172	0.185	69,703	511,462
1991	86,519	594,753	508,234	0.170	0.187	95,040	689,793
1992	100,907	544,558	443,651	0.227	0.130	57,675	602,233
1993	51,553	487,296	435,743	0.118	0.239	104,143	591,439
1994	85,835	657,236	571,401	0.150	0.207	118,280	775,516
1995	108,636	539,560	430,924	0.252	0.105	45,247	584,807
1996	299,200	866,069	566,869	0.528	-0.171	-96,935	769,134
1997	155,613	785,819	630,206	0.247	0.110	69,323	855,142
1998	108,068	567,730	459,662	0.235	0.122	56,079	623,809
1999	346,903	917,974	571,071	0.607	-0.250	-142,768	775,206
2000	155,386	853,283	697,897	0.223	0.134	93,518	946,801
2001	78,116	503,107	424,991	0.184	0.173	73,523	576,630
2002	152,595	451,833	299,238	0.510	-0.153	-45,783	406,050
2003	101,322	337,497	236,175	0.429	-0.072	-17,005	320,492
2004	63,433	322,654	259,221	0.245	0.112	29,033	351,687
2005	55,430	286,522	231,092	0.240	0.117	27,038	313,560
2006	97,444	250,061	152,617	0.638	-0.281	-42,885	207,176
2007	21,329	212,617	191,288	0.112	0.245	46,866	259,483
2008	357,557	550,593	193,036	1.852	-1.495	-288,589	262,004
2009	162,687	411,728	249,041	0.653	-0.296	-73,716	338,012
2010	42,461	289,495	247,034	0.172	0.185	45,701	335,196
2011	207,922	483,980	276,058	0.753	-0.396	-109,319	374,661
2012	24,120	345,929	321,809	0.075	0.282	90,750	436,679
2013	38,130	220,483	182,353	0.209	0.148	26,988	247,471
2014	67,070	424,550	357,480	0.188	0.169	60,414	484,964
2015	169,144	468,616	299,472	0.565	-0.208	-62,290	406,326
2016	254,660	594,577	339,917	0.749	-0.392	-133,247	461,330
2017	16,287	277,761	261,474	0.062	0.295	77,135	354,896
2018	114,803	414,999	300,196	0.382	-0.025	-7,505	407,494
2019	34,564	447,584	413,020	0.084	0.273	112,754	560,338

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.357

INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
ARKANSAS

AUTO DEALERS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG (4) - (4)	(3) x (5)	(2) + (6)
YEAR ENDING	OTC WIND & WATER LOSSES	OTC TOTAL LOSSES	TOTAL - WIND&WATER LOSSES	WIND & WATER / NON (W&W)	VARIATION FROM AVG. WIND RATIO	WIND & WATER ADJUSTMENT	ADJ OTC TOTAL LOSSES
1987	246,528	595,797	349,269	0.706	0.664	231,915	827,712
1988	328,172	707,915	379,743	0.864	0.506	192,150	900,065
1989	1,576,139	2,082,165	506,026	3.115	-1.745	-883,015	1,199,150
1990	123,648	703,516	579,868	0.213	1.157	670,907	1,374,423
1991	819,360	1,287,312	467,952	1.751	-0.381	-178,290	1,109,022
1992	412,555	1,009,424	596,869	0.691	0.679	405,274	1,414,698
1993	1,043,035	1,600,915	557,880	1.870	-0.500	-278,940	1,321,975
1994	1,265,765	1,676,898	411,133	3.079	-1.709	-702,626	974,272
1995	1,213,574	1,812,689	599,115	2.026	-0.656	-393,019	1,419,670
1996	2,577,100	3,424,400	847,300	3.042	-1.672	-1,416,686	2,007,714
1997	128,705	976,315	847,610	0.152	1.218	1,032,389	2,008,704
1998	109,129	874,412	765,283	0.143	1.227	939,002	1,813,414
1999	1,653,369	2,364,673	711,304	2.324	-0.954	-678,584	1,686,089
2000	453,620	1,038,366	584,746	0.776	0.594	347,339	1,385,705
2001	403,359	789,700	386,341	1.044	0.326	125,947	915,647
2002	769,769	1,667,718	897,949	0.857	0.513	460,648	2,128,366
2003	2,041,832	2,535,893	494,061	4.133	-2.763	-1,365,091	1,170,802
2004	23,801	171,038	147,237	0.162	1.208	177,862	348,900
2005	44,532	90,755	46,223	0.963	0.407	18,813	109,568
2006	180,268	207,530	27,262	6.612	-5.242	-142,907	64,623
2007	1,544	43,965	42,421	0.036	1.334	56,590	100,555
2008	177,243	307,672	130,429	1.359	0.011	1,435	309,107
2009	520,872	645,864	124,992	4.167	-2.797	-349,603	296,261
2010	33,766	62,656	28,890	1.169	0.201	5,807	68,463
2011	119,673	228,781	109,108	1.097	0.273	29,786	258,567
2012	4,770	139,082	134,312	0.036	1.334	179,172	318,254
2013	0	72,083	72,083	0.000	1.370	98,754	170,837
2014	13,874	70,114	56,240	0.247	1.123	63,158	133,272
2015	14,066	70,226	56,160	0.250	1.120	62,899	133,125
2016	102,958	199,605	96,647	1.065	0.305	29,477	229,082
2017	0	31,292	31,292	0.000	1.370	42,870	74,162
2018	9,047	16,191	7,144	1.266	0.104	743	16,934
2019	0	276,387	276,387	0.000	1.370	378,650	655,037

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 1.370

INSURANCE SERVICES OFFICE, INC.

WIND AND WATER PROCEDURE
OTHER THAN COLLISION
ARKANSAS

GARAGEKEEPERS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(2) - (1)	(1) / (3)	AVG (4) - (4)	(3) x (5)	(2) + (6)
YEAR	OTC WIND	OTC TOTAL	TOTAL -	WIND &	VARIATION	WIND &	ADJ OTC
ENDING	& WATER	LOSSES	WIND&WATER	/ NON	FROM AVG.	WATER	TOTAL
	LOSSES		LOSSES	(W&W)	WIND	ADJUSTMENT	LOSSES
					RATIO		
1987	25,541	271,612	246,071	0.104	0.041	10,089	281,701
1988	3,787	189,083	185,296	0.020	0.125	23,162	212,245
1989	231,328	408,703	177,375	1.304	-1.159	-205,578	203,125
1990	1,592	203,157	201,565	0.008	0.137	27,614	230,771
1991	91,659	402,353	310,694	0.295	-0.150	-46,604	355,749
1992	60,075	272,618	212,543	0.283	-0.138	-29,331	243,287
1993	12,829	285,393	272,564	0.047	0.098	26,711	312,104
1994	7,315	480,245	472,930	0.015	0.130	61,481	541,726
1995	13,565	265,239	251,674	0.054	0.091	22,902	288,141
1996	81,912	432,512	350,600	0.234	-0.089	-31,203	401,309
1997	23,247	320,134	296,887	0.078	0.067	19,891	340,025
1998	10,889	340,944	330,055	0.033	0.112	36,966	377,910
1999	154,505	527,212	372,707	0.415	-0.270	-100,631	426,581
2000	40,538	385,948	345,410	0.117	0.028	9,671	395,619
2001	0	310,717	310,717	0.000	0.145	45,054	355,771
2002	7,225	105,412	98,187	0.074	0.071	6,971	112,383
2003	15,633	216,296	200,663	0.078	0.067	13,444	229,740
2004	0	65,675	65,675	0.000	0.145	9,523	75,198
2005	0	47,020	47,020	0.000	0.145	6,818	53,838
2006	3,500	161,349	157,849	0.022	0.123	19,415	180,764
2007	0	254,844	254,844	0.000	0.145	36,952	291,796
2008	48,992	136,070	87,078	0.563	-0.418	-36,399	99,671
2009	217	70,636	70,419	0.003	0.142	9,999	80,635
2010	0	81,396	81,396	0.000	0.145	11,802	93,198
2011	18,100	105,449	87,349	0.207	-0.062	-5,416	100,033
2012	2,607	84,188	81,581	0.032	0.113	9,219	93,407
2013	11,583	173,346	161,763	0.072	0.073	11,809	185,155
2014	3,887	200,926	197,039	0.020	0.125	24,630	225,556
2015	1,784	66,097	64,313	0.028	0.117	7,525	73,622
2016	0	47,025	47,025	0.000	0.145	6,819	53,844
2017	26,015	72,857	46,842	0.555	-0.410	-19,205	53,652
2018	4,626	46,256	41,630	0.111	0.034	1,415	47,671
2019	0	58,846	58,846	0.000	0.145	8,533	67,379

(8) NORMAL WIND TO NON W&W RATIO= AVG. (4) 0.145

EXPLANATORY MEMORANDUM FOR WIND AND WATER PROCEDURE

COLUMN (1) OTC WIND AND WATER LOSSES	Dollar amount of Other Than Collision losses resulting from the perils of Wind and Water (Type of Loss Codes 06 & 07).
COLUMN (2) OTC TOTAL LOSSES	Dollar amount of Other Than Collision losses resulting from all perils.
COLUMN (3) OTC LOSSES OTHER THAN WIND AND WATER	Dollar amount of Other Than Collision losses resulting from all perils other than Wind and Water. $\text{Column (2)} - \text{Column (1)}$.
COLUMN (4) WIND AND WATER TO NON-WIND AND WATER RATIO	Ratio of Wind and Water losses to Non-Wind and Water losses. $\text{Column (1)} \div \text{Column (3)}$
COLUMN (5) VARIATION FROM AVERAGE WIND RATIO	Variation from the long term average Wind and Water to non-Wind and Water ratio. $\text{Avg (4)} - \text{Column (4)}$.
COLUMN (6) WIND AND WATER ADJUSTMENT	Wind and Water loss adjustment to bring experience to average Wind and Water level. $\text{Column (3)} * \text{Column (5)}$.
COLUMN (7) ADJUSTED OTC TOTAL LOSSES	$\text{Column (2)} + \text{Column (6)}$.

TERRITORIAL WIND AND WATER PROCEDURE OTHER THAN COLLISION

OBJECTIVE

The statewide Wind and Water procedure removes the actual Wind and Water losses that occur in a given year and replaces them with an expected Wind and Water provision. The territorial excess Wind and Water procedure distributes the statewide expected Wind and Water loss provision to the individual territories in proportion to each territory's long-term Wind and Water loss experience.

DESCRIPTION OF TERRITORIAL WIND AND WATER PROCEDURE

The first step is to calculate long term Wind and Water to non-Wind and Water ratios by territory. The earliest year of historical Wind and Water experience available for Commercial Auto is 1987. As a new year becomes available, it is added to the procedure. For each year, the territorial ratios are calculated as Wind and Water losses divided by non-Wind and Water losses. An average is then taken of all the ratios for each territory to get the long term Wind and Water to non-Wind and Water ratio.

One potential problem with the average ratios is that a high Wind and Water ratio for one year can distort the average ratio for that territory. To mitigate the effect of unusually large ratios, the ratios are capped at 10 times the statewide median of the Wind and Water ratios before calculating the average. (The statewide median ratio is subject to a minimum value of 0.05.)

The territorial capped average Wind and Water ratios are multiplied by the latest 5 years non-Wind and Water losses for each territory to get the territorial expected Wind and Water losses. The territorial expected Wind and Water losses are divided by the statewide total expected Wind and Water losses to get the territorial expected Wind and Water distribution.

The statewide wind provision is calculated for each year from the statewide procedure by subtracting the non-Wind and Water losses from the total adjusted losses. The individual territorial Wind and Water provisions are then calculated by distributing the statewide wind provision to the territories based on the expected Wind and Water distribution.

Territorial adjusted total losses = territorial Wind and Water provision + territorial non-Wind and Water losses

Because the actual Wind and Water losses are replaced with an expected Wind and Water provision, the number of Wind and Water claims must be adjusted. The territorial Wind and Water provision is divided by the territory's average Wind and Water claim cost to produce the adjusted number of Wind and Water claims. The adjusted Wind and Water claims are added to the non-Wind and Water claims, resulting in the total adjusted claims.

A sample of the territory Wind and Water procedure is shown on the following page.

METHODOLOGY FOR CALCULATING 'WIND & WATER PROVISIONS' BY TERRITORY

In order to develop 'Wind and Water Provisions' by territory, the statewide provision is distributed using each territory's 'expected' wind and water losses. This procedure is illustrated in the following example:

Territory	(1) Long-Term Capped* Ratio of Wind & Water to Non-Wind & Water Losses	(2) Non-Wind & Water Losses for Latest Five Years	(3) 'Expected' Wind & Water Losses for Latest Five Years (1) x (2)	(4) 'Expected' Wind & Water Distribution (3) / Total (3)
A	.250	500,000	125,000	.500
B	.750	100,000	75,000	.300
C	.200	250,000	50,000	.200

Territory	(5) Statewide Wind Provision for Year 20XX **	(6) Territory Wind Provision for Year 20XX (4) x (5)	(7) Non-Wind & Water Losses for Year 20XX	(8) Adjusted Total Losses for Year 20XX (6) + (7)
A	100,000	50,000	150,000	200,000
B		30,000	50,000	80,000
C		20,000	80,000	100,000

Territory	(9) Non-Wind & Water Claims for Year 20XX	(10) Five-Year Average Wind & Water Claim Cost	(11) Adjusted Wind & Water Claims for Year 20XX (6) / (10)	(12) Total Adjusted Claims for Year 20XX (9) + (11)
A	200	500	100	300
B	100	400	75	175
C	150	400	50	200

* Average of yearly capped ratios of wind & water to non-wind & water losses, based on territory experience capped at 10 times the statewide median wind & water to non-wind & water ratio. The statewide median ratio is subject to a minimum value of 0.05.

** The Statewide Wind Provision for year 20XX = Total Adjusted Losses for Year 20XX - Non-Wind & Water Losses for Year 20XX

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

SUMMARY OF PROSPECTIVE LOSS COST LEVEL CHANGES
STATEWIDE LOSS COST LEVEL CHANGES (A)

Coverages	Aggregate Loss Cost at Current Level (B)	Loss Cost Changes (C)
TRUCKS, TRACTORS & TRAILERS (D)		
Liability		
Single Limit Liability	\$ 32,142,947	6.5%
Physical Damage		
Other Than Collision	4,099,633	6.8%
Collision	9,029,540	N.C.
Combined	13,129,173	2.1%
Total Trucks, Tractors & Trailers	45,272,120	5.2%
PRIVATE PASSENGER TYPES		
Liability		
Single Limit Liability	3,415,854	5.8%
Physical Damage		
Other Than Collision	566,525	7.8%
Collision	919,785	N.C.
Combined	1,486,310	3.0%
Total Private Passenger Types	4,902,164	4.9%
GARAGES		
Physical Damage		
Auto Dealers		
Other Than Collision	1,008,449	15.6%
Collision	103,628	23.6%
Combined	1,112,077	16.3%
Garagekeepers		
Other Than Collision	116,443	18.3%
Collision	62,889	10.2%
Combined	179,332	15.5%
Total Garages	1,291,409	16.2%
GRAND TOTAL ALL COVERAGES	51,465,693	5.5%
TOTAL LIABILITY	35,558,801	6.4%
TOTAL PHYSICAL DAMAGE	15,906,892	3.3%

(A) An implementation date of 07/01/2021 is assumed for purposes of trending.

(B) Accident Year ending 12/31/2019 Aggregate Loss Cost at Current Level for all coverages. The Liability loss costs are on a Total Limits basis.

(C) Loss Cost changes are calculated on a \$100,000 CSL Basic Limits basis for Liability and on an all deductibles combined basis for Physical Damage.

(D) For Liability and Physical Damage, classes related to Trucks, Tractors & Trailers, such as the Public Automobile classes, are impacted by the Trucks, Tractors & Trailers loss cost level changes.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	5.0%	0.0%
103	5.1%	0.0%
105	9.5%	0.0%
106	5.0%	0.0%
108	4.4%	0.0%
109	6.6%	100.0%
110	6.2%	0.0%
111	9.2%	0.0%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	7.4%		6.5%
103	7.3%		7.3%
105	5.5%		5.7%
106	6.4%		7.1%
108	5.2%		4.8%
109	5.2%		4.5%
110	15.1%		15.0%
111	5.5%		5.3%

(a) For Trucks, Tractors, and Trailers Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR TRUCKS, TRACTORS, AND TRAILERS POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL	Med Pay ^(a)	Comprehensive ^(b)	Collision ^(c)	of Loss ^(d)
101	484	2	159	238	114
103	373	2	162	230	117
105	347	1	154	259	111
106	420	2	166	276	120
108	404	2	181	250	130
109	308	2	163	234	117
110	394	2	191	212	138
111	238	1	193	265	139

(a) The loss costs for medical payments have been calculated by multiplying a relativity by the Trucks, Tractors, and Trailers CSL Liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).

(b) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(c) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(d) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.720 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	10.2%	50.0%
103	8.3%	0.0%
105	4.9%	0.0%
106	3.3%	0.0%
108	10.0%	0.0%
109	3.9%	0.0%
110	3.7%	0.0%
111	2.1%	0.0%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	8.2%		7.0%
103	7.5%		7.5%
105	7.5%		7.6%
106	9.9%		10.0%
108	5.7%		4.9%
109	8.9%		8.6%
110	7.5%		8.1%
111	6.8%		7.4%

(a) For Private Passenger Types Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR PRIVATE PASSENGER TYPES POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL	Med Pay ^(a)	Comprehensive ^(b)	Collision ^(c)	of Loss ^(d)
101	420	3	106	305	76
103	380	2	158	277	114
105	367	2	157	283	113
106	377	2	122	275	88
108	320	2	149	338	107
109	320	2	122	286	88
110	340	2	129	244	93
111	245	2	141	264	102

(a) The loss costs for medical payments have been calculated by multiplying a relativity by the Private Passenger Types CSL Liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).

(b) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(c) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost.

(d) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.720 to the Private Passenger Types Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR GARAGE POLICY COVERAGES
PHYSICAL DAMAGE

AUTO DEALERS

FIRE

Territory
ALL 16.7%

FIRE AND THEFT

	Personal Auto Type Vehicles	Misc. Type Vehicles
	Buildings and	Buildings and
	Standard Open Lots	Open Lots
Territory	15.8%	15.0%
ALL	15.6%	15.0%

SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
	Open Lots	Open Lots	
Territory	Buildings	15.5%	Buildings
ALL	15.6%	15.0%	14.9%
			Open Lots
			16.4%

LIMITED SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
	Open Lots	Open Lots	
Territory	Buildings	15.6%	Buildings
ALL	15.0%	15.3%	16.3%
			Open Lots
			14.9%

COMPREHENSIVE

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
	Open Lots	Open Lots	
Territory	Buildings	16.1%	Buildings and
ALL	15.6%	16.0%	Open Lots
			15.5%

BLANKET COLLISION

	First \$50,000	\$50,001 to	Over
	and Under	\$100,000	\$100,000
Deductible	23.6%	24.1%	22.2%
\$100	23.9%	24.3%	26.7%
\$250			

GARAGEKEEPERS

	Specified Causes of Loss	Collision
	Legal Liability \$6,000 Limit	Legal Liability \$6,000 Limit
Territory	16.7%	11.5%
ALL		

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR GARAGE POLICY COVERAGES
PHYSICAL DAMAGE

AUTO DEALERS

FIRE

Territory
ALL 0.07

FIRE AND THEFT

	Personal Auto Type Vehicles	Misc. Type Vehicles
	Buildings and	Buildings and
Territory	Standard Open Lots	Open Lots
ALL	0.44	0.23
	Non-Standard	
	Open Lots	
	0.52	

SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
Territory	Buildings	Open Lots	Buildings
ALL	0.74	0.82	0.54
		Open Lots	Open Lots
		0.92	0.64

LIMITED SPECIFIED CAUSES OF LOSS

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
Territory	Buildings	Open Lots	Buildings
ALL	0.69	0.74	0.50
		Open Lots	Open Lots
		0.83	0.54

COMPREHENSIVE

	Personal Auto Type Vehicles		Misc. Type Vehicles
	Standard	Non-Standard	
Territory	Buildings	Open Lots	Buildings and
ALL	0.89	1.01	Open Lots
		Open Lots	0.82
		1.09	

BLANKET COLLISION

	First \$50,000	\$50,001 to	Over
	and Under	\$100,000	\$100,000
Deductible			
\$100	1.83	0.72	0.33
\$250	1.14	0.46	0.19

GARAGEKEEPERS

	Specified Causes of Loss	Collision
	Legal Liability \$6,000 Limit	Legal Liability \$6,000 Limit
Territory		
ALL	28	29

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR VAN POOLS POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	4.9%	20.0%
103	5.1%	0.0%
105	9.5%	0.0%
106	5.0%	0.0%
108	4.3%	0.0%
109	6.5%	33.3%
110	6.1%	25.0%
111	9.2%	0.0%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR VAN POOLS POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	7.3%		6.4%
103	7.1%		7.2%
105	5.4%		5.6%
106	6.3%		7.0%
108	5.7%		5.6%
109	5.1%		4.4%
110	15.4%		15.6%
111	5.3%		5.2%

(a) For Trucks, Tractors, and Trailers Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR VAN POOLS POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL ^(a)	Med Pay ^(b)	Comprehensive ^(c)	Collision ^(d)	of Loss ^(e)
101	726	6	162	302	116
103	560	4	165	292	119
105	521	4	157	329	113
106	630	5	169	351	122
108	606	5	185	318	133
109	462	4	166	297	119
110	591	5	195	269	141
111	357	3	197	337	142

(a) The loss costs for Van Pools have been calculated by a relativity of 1.50 to the Trucks, Tractors, and Trailers CSL Liability loss costs.

(b) The loss costs for medical payments have been calculated by multiplying a relativity by the Van Pools CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).

(c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers loss cost.

(d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 1.27 to the Trucks, Tractors, and Trailers loss cost.

(e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	5.0%	4.5%
103	5.1%	5.9%
105	9.5%	13.3%
106	5.0%	5.3%
108	4.4%	5.3%
109	6.6%	7.1%
110	6.2%	5.6%
111	9.2%	9.1%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	7.3%		6.4%
103	7.1%		7.2%
105	5.4%		5.6%
106	6.3%		7.0%
108	5.7%		5.6%
109	5.1%		4.4%
110	15.4%		15.6%
111	5.3%		5.2%

(a) For Trucks, Tractors, and Trailers Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR TAXIS AND LIMOUSINES POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL ^(a)	Med Pay ^(b)	Comprehensive ^(c)	Collision ^(d)	of Loss ^(e)
101	3001	23	162	302	116
103	2313	18	165	292	119
105	2151	17	157	329	113
106	2604	20	169	351	122
108	2505	20	185	318	133
109	1910	15	166	297	119
110	2443	19	195	269	141
111	1476	12	197	337	142

(a) The loss costs for Taxis and Limousines have been calculated by a relativity of 6.20 to the Trucks, Tractors, and Trailers CSL Liability loss costs.

(b) The loss costs for medical payments have been calculated by multiplying a relativity by the Taxis and Limousines CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).

(c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers loss cost.

(d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 1.27 to the Trucks, Tractors, and Trailers loss cost.

(e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 1.02 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	4.7%	0.0%
103	5.1%	0.0%
105	9.8%	0.0%
106	5.0%	0.0%
108	4.2%	0.0%
109	6.3%	0.0%
110	6.4%	0.0%
111	9.2%	50.0%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	6.7%		6.7%
103	6.6%		7.9%
105	5.9%		5.4%
106	6.4%		7.7%
108	5.8%		4.6%
109	4.6%		5.1%
110	15.5%		15.5%
111	5.5%		5.4%

(a) For Trucks, Tractors, and Trailers Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR SCHOOL AND CHURCH BUSES POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL ^(a)	Med Pay ^(b)	Comprehensive ^(c)	Collision ^(d)	of Loss ^(e)
101	266	3	111	155	80
103	205	3	113	150	82
105	191	3	108	168	78
106	231	3	116	179	84
108	222	3	127	163	91
109	169	3	114	152	82
110	217	3	134	138	97
111	131	3	135	172	97

- (a) The loss costs for School and Church Buses have been calculated by a relativity of 0.55 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the School and Church Buses CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.65 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR ALL OTHER BUSES POLICY COVERAGES

Territory	\$100,000 CSL	\$500
Code	Liability	Med Pay
101	5.0%	6.7%
103	5.0%	7.1%
105	9.5%	7.1%
106	5.0%	6.3%
108	4.4%	6.7%
109	6.6%	7.1%
110	6.2%	6.7%
111	9.2%	8.3%

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
TERRITORY LOSS COST LEVEL CHANGES

FOR ALL OTHER BUSES POLICY COVERAGES

Territory	Physical Damage		Specified Causes
Code	Comprehensive	Collision ^(a)	of Loss
101	6.7%		6.7%
103	6.6%		7.9%
105	5.9%		5.4%
106	6.4%		7.7%
108	5.8%		4.6%
109	4.6%		5.1%
110	15.5%		15.5%
111	5.5%		5.4%

(a) For Trucks, Tractors, and Trailers Collision, No Change (N.C.) was selected due to the modest indication.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE

REVISED PROSPECTIVE LOSS COSTS AND PERCENTAGE CHANGES
REVISED BASE LOSS COSTS BY TERRITORY

FOR ALL OTHER BUSES POLICY COVERAGES

Territory	Liability	\$500	Physical Damage		Specified Causes
Code	\$100,000 CSL ^(a)	Med Pay ^(b)	Comprehensive ^(c)	Collision ^(d)	of Loss ^(e)
101	1839	16	111	155	80
103	1417	15	113	150	82
105	1319	15	108	168	78
106	1596	17	116	179	84
108	1535	16	127	163	91
109	1170	15	114	152	82
110	1497	16	134	138	97
111	904	13	135	172	97

- (a) The loss costs for All Other Buses have been calculated by a relativity of 3.80 to the Trucks, Tractors, and Trailers CSL Liability loss costs.
- (b) The loss costs for medical payments have been calculated by multiplying a relativity by the All Other Buses CSL liability loss costs. The relativities differ by territory and are listed in [EXHIBIT C19](#).
- (c) Comprehensive base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost and has been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers loss cost.
- (d) Collision base loss cost is the \$15,001-20,000 OCN, age 1, \$500 deductible loss cost, and has been calculated by a relativity of 0.65 to the Trucks, Tractors, and Trailers loss cost.
- (e) The loss costs for Specified Causes of Loss have been calculated by a relativity of 0.70 to the Trucks, Tractors, and Trailers Comprehensive base loss costs.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
 AUTOMOBILE LIABILITY INSURANCE - TRUCKS, TRACTORS, AND TRAILERS (A)
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES
 SINGLE LIMIT LIABILITY COVERAGE

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
12/31/17	\$16,555,315	\$17,637,623	1.065	20%	1,473
12/31/18	\$16,656,342	\$17,627,024	1.058	30%	1,444
12/31/19	\$17,097,312	\$18,417,388	1.077	50%	1,330
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.069
(7)	EXPECTED EXPERIENCE RATIO (D).				1.058
(8)	CREDIBILITY (E).				0.60
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))).				1.065
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				6.5%
(11)	FILED CHANGE.				6.5%
(A)	TRUCK, TRACTOR, AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 23 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.				
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.				
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.				
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE COMBINED TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).				
(E)	CREDIBILITY IS BASED ON A 3 YEAR TOTAL OF CLAIMS FOR B.I. AND P.D. SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 11,500 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
TRUCKS, TRACTORS, AND TRAILERS
AUTOMOBILE LIABILITY INSURANCE
DETERMINATION OF SINGLE LIMIT LOSSES

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND ALLOCATED LOSS				
ADJUSTMENT EXPENSES	12/31/17	\$6,901,790	\$4,780,887	
	12/31/18	\$6,270,994	\$5,589,773	
	12/31/19	\$7,154,188	\$5,031,861	
(2) DEVELOPED LOSSES AND ALL LOSS ADJUSTMENT				
EXPENSES (A)	12/31/17	\$8,012,978	\$5,280,012	
	12/31/18	\$7,826,671	\$6,234,833	
	12/31/19	\$9,851,853	\$5,684,493	
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)				
		5.9%	5.7%	5.8%
(4) TRENDED LOSSES AND ALL LOSS ADJUSTMENT				
EXPENSES (B)	12/31/17	\$10,673,287	\$6,964,336	\$17,637,623
	12/31/18	\$9,845,952	\$7,781,072	\$17,627,024
	12/31/19	\$11,704,001	\$6,713,386	\$18,417,388
(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED BY THE FOLLOWING FACTORS:				
1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:		B.I. 1.075	P.D. 1.100	
2 - LOSS DEVELOPMENT FACTORS:				
	YEAR ENDING	B.I.	P.D.	
	12/31/17	1.080	1.004	
	12/31/18	1.161	1.014	
	12/31/19	1.281	1.027	
(B) TRENDED LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.				

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
12/31/17	7/1/17	5.000
12/31/18	7/1/18	4.000
12/31/19	7/1/19	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE - TRUCKS, TRACTORS AND TRAILERS (A)
DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

		(1)	(2)	(3)	(4)	(5)
COVERAGE	ACCIDENT YEAR	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
O.T.C.	12/31/15	\$4,113,953	\$3,766,591	0.916	10%	595
	12/31/16	\$4,039,627	\$3,424,126	0.848	15%	636
	12/31/17	\$4,040,545	\$5,642,352	1.396	20%	630
	12/31/18	\$4,004,220	\$4,424,810	1.105	25%	652
	12/31/19	\$4,099,633	\$4,163,429	1.016	30%	601
COLL.	12/31/17	\$8,155,307	\$7,842,447	0.962	20%	611
	12/31/18	\$8,347,706	\$9,194,004	1.101	30%	661
	12/31/19	\$9,029,540	\$8,180,890	0.906	50%	607
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.079	0.975
(7)	EXPECTED EXPERIENCE RATIO (D).				1.056	1.030
(8)	CREDIBILITY (E).				0.50	0.60
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.068	0.997
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				6.8%	-0.3%
(11)	FILED CHANGE.				6.8%	N.C.
(A)	TRUCK, TRACTOR AND TRAILER EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 23 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.					
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS AND ADJUSTING TO A PROSPECTIVE OCN LEVEL BY THE APPLICATION OF OCN TREND FACTORS. (SEE SUBSEQUENT PAGE).					
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.					
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR DIVIDED BY THE OCN TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).					
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 3 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 11,000 CLAIMS FOR O.T.C. AND 4,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
TRUCKS, TRACTORS AND TRAILERS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$2,144,959	----
	12/31/16	\$2,076,902	----
	12/31/17	\$3,641,054	\$5,575,575
	12/31/18	\$3,038,837	\$6,875,022
	12/31/19	\$2,972,750	\$6,582,024
(2) DEVELOPED LOSSES AND	12/31/15	\$2,423,804	----
ALL LOSS ADJUSTMENT	12/31/16	\$2,346,899	----
EXPENSES (A)	12/31/17	\$4,118,505	\$6,294,099
	12/31/18	\$3,440,754	\$7,706,625
	12/31/19	\$3,446,547	\$7,169,930
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		6.5%	4.5%
(4) TRENDED LOSSES AND	12/31/15	\$3,766,591	----
ALL LOSS ADJUSTMENT	12/31/16	\$3,424,126	----
EXPENSES (B)	12/31/17	\$5,642,352	\$7,842,447
	12/31/18	\$4,424,810	\$9,194,004
	12/31/19	\$4,163,429	\$8,180,890

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

O.T.C	COLL.
1.130	1.130

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
12/31/15	1.000	-----
12/31/16	1.000	-----
12/31/17	1.001	0.999
12/31/18	1.002	0.992
12/31/19	1.026	0.964

(B) TRENDED LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	-----
12/31/16	7/1/16	6.000	-----
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
TRUCKS, TRACTORS AND TRAILERS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE TRENDED
AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	12/31/15	\$3,862,867	----
AT CURRENT LEVEL	12/31/16	\$3,829,030	----
	12/31/17	\$3,862,854	\$7,572,244
	12/31/18	\$3,865,077	\$7,867,772
	12/31/19	\$3,991,853	\$8,632,447
(2) SELECTED ANNUAL OCN			
TREND (SEE TREND		0.9%	1.5%
EXHIBIT IN SECTION C)			
(3) TRENDED AGGREGATE	12/31/15	\$4,113,953	----
LOSS COSTS AT	12/31/16	\$4,039,627	----
CURRENT LEVEL (A)	12/31/17	\$4,040,545	\$8,155,307
	12/31/18	\$4,004,220	\$8,347,706
	12/31/19	\$4,099,633	\$9,029,540

(A) TRENDED AGGREGATE LOSS COSTS ARE EQUAL TO (1) * ((1.0 + (2)) ** N),
WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF
WRITING TO SIX MONTHS BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF
07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC
AND COLLISION.

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	1/1/15	7.000	-----
12/31/16	1/1/16	6.000	-----
12/31/17	1/1/17	5.000	5.000
12/31/18	1/1/18	4.000	4.000
12/31/19	1/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER TYPES (A)
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES
 SINGLE LIMIT LIABILITY COVERAGE

	(1)	(2)	(3)	(4)	(5)
ACCIDENT YEAR ENDING	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	\$100,000 INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF INCURRED CLAIMS
12/31/15	\$1,935,011	\$1,782,504	0.921	10%	191
12/31/16	\$1,922,371	\$2,000,183	1.040	15%	244
12/31/17	\$1,947,173	\$2,532,582	1.301	20%	244
12/31/18	\$1,913,631	\$1,975,743	1.032	25%	225
12/31/19	\$1,891,392	\$1,839,878	0.973	30%	197
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3) * (4)).				1.058
(7)	EXPECTED EXPERIENCE RATIO (D).				1.058
(8)	CREDIBILITY (E).				0.30
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000 - (8))).				1.058
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				5.8%
(11)	FILED CHANGE.				5.8%
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 31 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.				
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS FROM THE LAST REVISION.				
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR BODILY INJURY AND PROPERTY DAMAGE LIABILITY. SEE FOLLOWING PAGE.				
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE COMBINED TREND FACTOR SHOWN ON THE FOLLOWING PAGE, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).				
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR B.I. AND P.D. SHOWN IN COLUMN (5). THE STANDARD FOR FULL CREDIBILITY IS 11,500 CLAIMS (SEE CREDIBILITY TABLES IN SECTION C).				

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
PRIVATE PASSENGER TYPES
AUTOMOBILE LIABILITY INSURANCE
DETERMINATION OF SINGLE LIMIT LOSSES

	ACC. YEAR ENDING	BODILY INJURY	PROPERTY DAMAGE	COMBINED
(1) INCURRED LOSSES AND	12/31/15	\$619,417	\$482,258	
ALLOCATED LOSS	12/31/16	\$683,373	\$611,215	
ADJUSTMENT EXPENSES	12/31/17	\$922,186	\$768,634	
	12/31/18	\$729,475	\$591,339	
	12/31/19	\$621,261	\$565,489	
(2) DEVELOPED LOSSES AND	12/31/15	\$669,203	\$531,014	
ALL LOSS ADJUSTMENT	12/31/16	\$751,522	\$673,681	
EXPENSES (A)	12/31/17	\$1,060,744	\$848,879	
	12/31/18	\$917,497	\$658,279	
	12/31/19	\$905,612	\$646,919	
(3) SELECTED ANNUAL LOSS				
TREND (SEE TREND		5.9%	5.7%	5.8%
EXHIBIT IN SECTION C)				
(4) TRENDING LOSSES AND	12/31/15	\$999,789	\$782,715	\$1,782,504
ALL LOSS ADJUSTMENT	12/31/16	\$1,060,398	\$939,785	\$2,000,183
EXPENSES (B)	12/31/17	\$1,412,911	\$1,119,671	\$2,532,582
	12/31/18	\$1,154,211	\$821,532	\$1,975,743
	12/31/19	\$1,075,867	\$764,011	\$1,839,878
(A) INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSES ARE ADJUSTED				
BY THE FOLLOWING FACTORS:				
1 - UNALLOCATED LOSS ADJUSTMENT FACTORS:		B.I. 1.075	P.D. 1.100	
2 - LOSS DEVELOPMENT FACTORS:				
	YEAR ENDING	B.I.	P.D.	
	12/31/15	1.005	1.001	
	12/31/16	1.023	1.002	
	12/31/17	1.070	1.004	
	12/31/18	1.170	1.012	
	12/31/19	1.356	1.040	

(B) TRENDING LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD
12/31/15	7/1/15	7.000
12/31/16	7/1/16	6.000
12/31/17	7/1/17	5.000
12/31/18	7/1/18	4.000
12/31/19	7/1/19	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE - PRIVATE PASSENGER TYPES (A)
 DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

		(1)	(2)	(3)	(4)	(5)
COVERAGE	ACCIDENT YEAR	AGGREGATE LOSS COST AT CURRENT	INCURRED	EXPERIENCE RATIO (2) /	ACCIDENT	NUMBER OF
O.T.C	ENDING	LEVEL (B)	LOSSES (C)	(1)	YEAR WEIGHTS	PAID CLAIMS
	12/31/15	\$671,885	\$713,516	1.062	10%	192
	12/31/16	\$629,162	\$760,581	1.209	15%	185
	12/31/17	\$598,950	\$548,864	0.916	20%	151
	12/31/18	\$584,820	\$592,755	1.014	25%	167
	12/31/19	\$566,525	\$774,062	1.366	30%	154
COLL.	12/31/15	\$1,172,060	\$1,100,294	0.939	10%	184
	12/31/16	\$1,097,519	\$1,169,389	1.065	15%	171
	12/31/17	\$992,085	\$767,974	0.774	20%	147
	12/31/18	\$963,181	\$1,048,937	1.089	25%	147
	12/31/19	\$919,785	\$927,032	1.008	30%	134
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				1.134	0.983
(7)	EXPECTED EXPERIENCE RATIO (D).				1.054	1.034
(8)	CREDIBILITY (E).				0.30	0.45
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))).				1.078	1.011
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				7.8%	1.1%
(11)	FILED CHANGE.				7.8%	N.C.
(A)	PRIVATE PASSENGER TYPE EXPERIENCE IS FOR VEHICLES WRITTEN IN ACCORDANCE WITH RULE 31 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.					
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY EXTENDING EXPOSURES BY THE CURRENT LOSS COSTS AND ADJUSTING TO A PROSPECTIVE OCN LEVEL BY THE APPLICATION OF OCN TREND FACTORS. (SEE SUBSEQUENT PAGE).					
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.					
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR DIVIDED BY THE OCN TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 1.00 YEAR(S).					
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 5 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 8,500 CLAIMS FOR O.T.C. AND 3,500 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
PRIVATE PASSENGER TYPES
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$406,326	\$739,903
	12/31/16	\$461,330	\$818,069
	12/31/17	\$354,896	\$559,001
	12/31/18	\$407,494	\$800,592
	12/31/19	\$560,338	\$774,950
(2) DEVELOPED LOSSES AND	12/31/15	\$459,148	\$836,090
ALL LOSS ADJUSTMENT	12/31/16	\$521,303	\$924,418
EXPENSES (A)	12/31/17	\$400,631	\$631,039
	12/31/18	\$460,929	\$896,527
	12/31/19	\$640,780	\$824,028
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		6.5%	4.0%
(4) TRENDED LOSSES AND	12/31/15	\$713,516	\$1,100,294
ALL LOSS ADJUSTMENT	12/31/16	\$760,581	\$1,169,389
EXPENSES (B)	12/31/17	\$548,864	\$767,974
	12/31/18	\$592,755	\$1,048,937
	12/31/19	\$774,062	\$927,032
(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:			
1 - LOSS ADJUSTMENT EXPENSE FACTORS:			
		O.T.C	COLL.
		1.130	1.130
2 - LOSS DEVELOPMENT FACTORS:			
	YEAR ENDING	O.T.C.	COLL.
	12/31/15	1.000	1.000
	12/31/16	1.000	1.000
	12/31/17	0.999	0.999
	12/31/18	1.001	0.991
	12/31/19	1.012	0.941
(B) TRENDED LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.			

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
PRIVATE PASSENGER TYPES
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE TRENDED
AGGREGATE LOSS COSTS

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) AGGREGATE LOSS COSTS	12/31/15	\$626,758	\$1,123,739
AT CURRENT LEVEL	12/31/16	\$592,431	\$1,058,360
	12/31/17	\$569,886	\$963,189
	12/31/18	\$561,787	\$940,606
	12/31/19	\$550,024	\$903,522
(2) SELECTED ANNUAL OCN			
TREND (SEE TREND		1.0%	0.6%
EXHIBIT IN SECTION C)			
(3) TRENDED AGGREGATE	12/31/15	\$671,885	\$1,172,060
LOSS COSTS AT	12/31/16	\$629,162	\$1,097,519
CURRENT LEVEL (A)	12/31/17	\$598,950	\$992,085
	12/31/18	\$584,820	\$963,181
	12/31/19	\$566,525	\$919,785
(A) TRENDED AGGREGATE LOSS COSTS ARE EQUAL TO (1) * ((1.0 + (2)) ** N),			
WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF			
WRITING TO SIX MONTHS BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF			
07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC			
AND COLLISION.			

YEAR ENDING	AVERAGE DATE OF WRITING	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	1/1/15	7.000	7.000
12/31/16	1/1/16	6.000	6.000
12/31/17	1/1/17	5.000	5.000
12/31/18	1/1/18	4.000	4.000
12/31/19	1/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE - AUTO DEALERS (A)
DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

		(1)	(2)	(3)	(4)	(5)
COVERAGE	ACCIDENT YEAR	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
O.T.C	ENDING					
	12/31/15	\$279,715	\$233,770	0.836	10%	22
	12/31/16	\$250,365	\$378,059	1.510	15%	25
	12/31/17	\$258,972	\$114,810	0.443	20%	10
	12/31/18	\$809,921	\$24,731	0.031	25%	2
	12/31/19	\$1,008,449	\$926,342	0.919	30%	68
COLL.	12/31/15	\$83,837	\$266,447	3.178	10%	30
	12/31/16	\$81,762	\$217,139	2.656	15%	20
	12/31/17	\$72,553	\$69,986	0.965	20%	6
	12/31/18	\$82,726	\$95,270	1.152	25%	10
	12/31/19	\$103,628	\$167,502	1.616	30%	14
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.684	1.682
(7)	EXPECTED EXPERIENCE RATIO (D).				1.208	1.125
(8)	CREDIBILITY (E).				0.10	0.20
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))).				1.156	1.236
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000).				15.6%	23.6%
(11)	FILED CHANGE.				15.6%	23.6%
(A)	GARAGE EXPERIENCE INCLUDES ALL CLASSES WRITTEN IN ACCORDANCE WITH RULE 48 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.					
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY APPLYING FACTORS TO ADJUST THE REPORTED EARNED PREMIUM TO THE CURRENT ISO LOSS COST LEVEL.					
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.					
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 3.000 YEAR(S).					
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 5 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 7,500 CLAIMS FOR O.T.C. AND 2,000 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
 AUTO DEALERS
 AUTOMOBILE PHYSICAL DAMAGE INSURANCE
 DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$133,125	\$179,354
	12/31/16	\$229,082	\$152,361
	12/31/17	\$74,162	\$51,147
	12/31/18	\$16,934	\$73,008
	12/31/19	\$655,037	\$138,551
(2) DEVELOPED LOSSES AND	12/31/15	\$150,431	\$202,467
ALL LOSS ADJUSTMENT	12/31/16	\$259,122	\$171,651
EXPENSES (A)	12/31/17	\$83,803	\$57,507
	12/31/18	\$19,231	\$81,427
	12/31/19	\$766,839	\$148,891
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		6.5%	4.0%
(4) TRENDED LOSSES AND	12/31/15	\$233,770	\$266,447
ALL LOSS ADJUSTMENT	12/31/16	\$378,059	\$217,139
EXPENSES (B)	12/31/17	\$114,810	\$69,986
	12/31/18	\$24,731	\$95,270
	12/31/19	\$926,342	\$167,502

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

O.T.C	COLL.
1.130	1.130

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
12/31/15	1.000	0.999
12/31/16	1.001	0.997
12/31/17	1.000	0.995
12/31/18	1.005	0.987
12/31/19	1.036	0.951

(B) TRENDED LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE - GARAGEKEEPERS (A)
DETERMINATION OF STATEWIDE ADVISORY LOSS COST LEVEL CHANGES

		(1)	(2)	(3)	(4)	(5)
COVERAGE	ACCIDENT YEAR	AGGREGATE LOSS COST AT CURRENT LEVEL (B)	INCURRED LOSSES (C)	EXPERIENCE RATIO (2) / (1)	ACCIDENT YEAR WEIGHTS	NUMBER OF PAID CLAIMS
O.T.C	ENDING					
	12/31/15	\$156,346	\$129,282	0.827	10%	16
	12/31/16	\$143,278	\$89,126	0.622	15%	15
	12/31/17	\$136,188	\$83,723	0.615	20%	11
	12/31/18	\$130,248	\$72,184	0.554	25%	13
	12/31/19	\$116,443	\$107,795	0.926	30%	7
COLL.	12/31/15	\$100,451	\$79,544	0.792	10%	14
	12/31/16	\$91,351	\$87,732	0.960	15%	16
	12/31/17	\$82,530	\$22,704	0.275	20%	8
	12/31/18	\$74,782	\$24,779	0.331	25%	7
	12/31/19	\$62,889	\$128,324	2.040	30%	10
					O.T.C.	COLLISION
(6)	AVERAGE EXPERIENCE RATIO (SUM OF (3)*(4)).				0.716	0.973
(7)	EXPECTED EXPERIENCE RATIO (D).				1.208	1.125
(8)	CREDIBILITY (E).				0.05	0.15
(9)	CREDIBILITY WEIGHTED EXPERIENCE RATIO: ((6) * (8)) + ((7) * (1.000- (8))) .				1.183	1.102
(10)	INDICATED PERCENTAGE CHANGE IN ADVISORY LOSS COST LEVEL ((9) - 1.000) .				18.3%	10.2%
(11)	FILED CHANGE.				18.3%	10.2%
(A)	GARAGE EXPERIENCE INCLUDES ALL CLASSES WRITTEN IN ACCORDANCE WITH RULE 54 OF THE COMMERCIAL LINES MANUAL, DIVISION 1, AUTOMOBILE.					
(B)	THE AGGREGATE LOSS COST AT CURRENT LEVEL IS CALCULATED BY APPLYING FACTORS TO ADJUST THE REPORTED EARNED PREMIUM TO THE CURRENT ISO LOSS COST LEVEL.					
(C)	LOSSES INCLUDE ALL LOSS ADJUSTMENT EXPENSES FOR O.T.C. AND COLL. SEE FOLLOWING PAGE.					
(D)	EXPECTED EXPERIENCE RATIO IS EQUAL TO THE LOSS TREND FACTOR, PROJECTED FOR M YEARS. THE PERIOD M IS EQUAL TO THE NUMBER OF YEARS FROM ONE YEAR BEYOND THE IMPLEMENTATION DATE OF THE LAST REVISION TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSES OF TRENDING, SUBJECT TO A MAXIMUM OF THE N-VALUE CORRESPONDING TO THE LATEST YEAR SHOWN ON THE FOLLOWING PAGE, FOOTNOTE B. IN THIS REVISION, THE PERIOD M IS 3.000 YEAR(S).					
(E)	CREDIBILITY IS BASED ON A 5 YEAR TOTAL OF CLAIMS FOR O.T.C. AND A 5 YEAR TOTAL OF CLAIMS FOR COLLISION SHOWN IN COLUMN (5). THE STANDARDS FOR FULL CREDIBILITY ARE 7,500 CLAIMS FOR O.T.C. AND 2,000 CLAIMS FOR COLLISION (SEE CREDIBILITY TABLES IN SECTION C).					

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
GARAGEKEEPERS
AUTOMOBILE PHYSICAL DAMAGE INSURANCE
DETERMINATION OF PHYSICAL DAMAGE LOSSES

	ACC. YEAR ENDING	O.T.C	COLLISION
(1) PAID LOSSES	12/31/15	\$73,622	\$53,490
	12/31/16	\$53,844	\$61,313
	12/31/17	\$53,652	\$16,460
	12/31/18	\$47,671	\$18,631
	12/31/19	\$67,379	\$95,500
(2) DEVELOPED LOSSES AND	12/31/15	\$83,193	\$60,444
ALL LOSS ADJUSTMENT	12/31/16	\$61,087	\$69,353
EXPENSES (A)	12/31/17	\$61,112	\$18,656
	12/31/18	\$56,131	\$21,179
	12/31/19	\$89,234	\$114,066
(3) SELECTED ANNUAL LOSS TREND (SEE TREND EXHIBIT IN SECTION C)		6.5%	4.0%
(4) TRENDED LOSSES AND	12/31/15	\$129,282	\$79,544
ALL LOSS ADJUSTMENT	12/31/16	\$89,126	\$87,732
EXPENSES (B)	12/31/17	\$83,723	\$22,704
	12/31/18	\$72,184	\$24,779
	12/31/19	\$107,795	\$128,324

(A) PAID LOSSES ARE ADJUSTED BY THE FOLLOWING:

1 - LOSS ADJUSTMENT EXPENSE FACTORS:

O.T.C	COLL.
1.130	1.130

2 - LOSS DEVELOPMENT FACTORS:

YEAR ENDING	O.T.C.	COLL.
12/31/15	1.000	1.000
12/31/16	1.004	1.001
12/31/17	1.008	1.003
12/31/18	1.042	1.006
12/31/19	1.172	1.057

(B) TRENDED LOSSES ARE EQUAL TO (2) * ((1.0 + (3)) ** N), WHERE N IS EQUAL TO THE NUMBER OF YEARS PROJECTION FROM THE AVERAGE DATE OF ACCIDENT TO ONE YEAR BEYOND THE ANTICIPATED IMPLEMENTATION DATE OF 07/01/21 WHICH IS ASSUMED FOR THE PURPOSE OF TRENDING BOTH OTC AND COLLISION.

YEAR ENDING	AVERAGE DATE OF ACCIDENT	PROJECTION PERIOD OTC	PROJECTION PERIOD COLL
12/31/15	7/1/15	7.000	7.000
12/31/16	7/1/16	6.000	6.000
12/31/17	7/1/17	5.000	5.000
12/31/18	7/1/18	4.000	4.000
12/31/19	7/1/19	3.000	3.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
SINGLE LIMIT LIABILITY

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR	\$100000	EXPER LOSS					BASE	BASE	BASE	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	7553	477.06	508.05	1.065	0.35	1.095	0.985	461	484	484	5.0%
103	7800	364.87	388.47	1.065	0.30	1.097	0.987	355	373	373	5.1%
105	1601	323.21	464.14	1.436	0.10	1.144	1.029	317	347	347	9.5%
106	5949	410.2	431.92	1.053	0.25	1.097	0.987	400	420	420	5.0%
108	1743	442.95	430.91	0.973	0.15	1.090	0.980	387	404	404	4.4%
109	2835	277.41	310.46	1.119	0.15	1.112	1.000	289	308	308	6.6%
110	2984	371.5	408.08	1.098	0.20	1.108	0.996	371	394	394	6.2%
111	21548	233.12	276.76	1.187	0.40	1.141	1.026	218	238	238	9.2%
SW	52013	328.71	365.15	1.111		1.112					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 6.5 PERCENT.

** PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
SINGLE LIMIT LIABILITY

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T	EARNED CAR	\$100000	EXPER LOSS					BASE	BASE	BASE	ADV
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS	CLASS	LOSS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS	LOSS	LOSS
R	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST	COST	COST
								PRES	IND*	REV	CHG**
101	1236	385.96	529.29	1.371	0.15	1.107	1.042	381	420	420	10.2%
103	831	350.81	466.04	1.328	0.10	1.087	1.024	351	380	380	8.3%
105	252	350.89	314.70	0.897	0.05	1.052	0.991	350	367	367	4.9%
106	539	359.29	292.29	0.814	0.10	1.035	0.975	365	377	377	3.3%
108	182	290.07	554.10	1.910	0.05	1.103	1.039	291	320	320	10.0%
109	430	308.91	221.00	0.715	0.05	1.043	0.982	308	320	320	3.9%
110	329	328.38	227.28	0.692	0.05	1.042	0.981	328	340	340	3.7%
111	2284	239.53	199.28	0.832	0.15	1.026	0.966	240	245	245	2.1%
SW	6083	310.93	329.47	1.060		1.062					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 5.8 PERCENT.

** PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
PHYSICAL DAMAGE - COMPREHENSIVE

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T E R R	EARNED CAR YRS YR ENDED 12/31/2019	UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*	BASE CLASS LOSS COST REV	ADV LOSS COST CHG**
101	5557	103.99	113.60	1.092	0.20	1.065	1.008	148	159	159	7.4%
103	5986	102.56	111.43	1.086	0.20	1.064	1.007	151	162	162	7.3%
105	1201	101.19	71.97	0.711	0.05	1.041	0.985	146	154	154	5.5%
106	4557	110.68	115.68	1.045	0.15	1.056	0.999	156	166	166	6.4%
108	1042	118.18	107.68	0.911	0.10	1.043	0.987	172	181	181	5.2%
109	2073	98.34	86.85	0.883	0.10	1.041	0.985	155	163	163	5.2%
110	2528	107.05	169.55	1.584	0.15	1.137	1.076	166	191	191	15.1%
111	13442	125.3	126.72	1.011	0.30	1.044	0.988	183	193	193	5.5%
SW	36386	112.67	119.17	1.058		1.057					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 6.8 PERCENT.

** PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
PHYSICAL DAMAGE - COLLISION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
TRUCKS, TRACTORS, AND TRAILERS (TTT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
T	EARNED CAR		EXPER LOSS					BASE	BASE
E	YRS YR	UND	COST 5 YRS				INDEX	CLASS	CLASS
R	ENDED	LOSS	END	EXPER		FORM	(6) TO	LOSS	LOSS
R	12/31/2019	COST	12/31/2019	RATIO	CRED	RATIO	STATE	COST	COST
								PRES	IND*
101	5649	239.74	235.08	0.981	0.35	0.964	1.016	238	241
103	6027	218.69	200.83	0.918	0.30	0.944	0.995	230	228
105	1181	297.39	445.21	1.497	0.15	1.036	1.092	259	282
106	4589	278.89	257.45	0.923	0.30	0.945	0.996	276	274
108	1048	242.43	248.09	1.023	0.10	0.962	1.014	250	253
109	2052	214.81	219.91	1.024	0.15	0.965	1.017	234	237
110	2432	203.98	175.05	0.858	0.20	0.936	0.986	212	208
111	13503	261.81	239.82	0.916	0.45	0.937	0.987	265	261
SW	36481	247.51	236.31	0.955		0.949			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF -0.3 PERCENT.

DUE TO THE MODEST INDICATION, WE WILL NOT BE FILING THESE
INDICATED LOSS COSTS. THE LOSS COSTS IN COLUMN (8) REMAIN IN EFFECT.

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
PHYSICAL DAMAGE - COMPREHENSIVE

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
T E R R	EARNED CAR YRS YR ENDED 12/31/2019	UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*	BASE CLASS LOSS COST REV	ADV LOSS COST CHG**
101	1094	112.74	133.31	1.182	0.15	1.132	1.006	98	106	106	8.2%
103	541	166.53	185.10	1.112	0.10	1.122	0.997	147	158	158	7.5%
105	127	161.94	99.36	0.614	0.00	1.123	0.998	146	157	157	7.5%
106	388	121.47	167.67	1.380	0.10	1.149	1.021	111	122	122	9.9%
108	132	150.68	111.41	0.739	0.05	1.104	0.981	141	149	149	5.7%
109	256	129.33	184.93	1.430	0.05	1.138	1.012	112	122	122	8.9%
110	291	130.89	142.31	1.087	0.05	1.121	0.996	120	129	129	7.5%
111	1336	145.44	156.52	1.076	0.15	1.116	0.992	132	141	141	6.8%
SW	4165	136.02	152.76	1.123		1.125					

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 7.8 PERCENT.

** PERCENTAGE CHANGE IN LOSS COST IS (COL 10/COL 8)

INSURANCE SERVICES OFFICE, INC.

ARKANSAS
COMMERCIAL AUTOMOBILE INSURANCE
PHYSICAL DAMAGE - COLLISION

DETERMINATION OF LOSS COST LEVEL CHANGES BY TERRITORY
PRIVATE PASSENGER TYPES (PPT)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
T E R R	EARNED CAR YRS YR ENDED 12/31/2019	UND LOSS COST	EXPER LOSS COST 5 YRS END 12/31/2019	EXPER RATIO	CRED	FORM RATIO	INDEX (6) TO STATE	BASE CLASS LOSS COST PRES	BASE CLASS LOSS COST IND*
101	1029	266.05	255.78	0.961	0.25	0.975	0.996	305	307
103	539	232.75	296.91	1.276	0.15	1.024	1.046	277	293
105	112	237.80	187.20	0.787	0.05	0.970	0.991	283	284
106	363	226.31	289.53	1.279	0.15	1.025	1.047	275	291
108	136	274.51	230.22	0.839	0.05	0.973	0.994	338	340
109	250	249.72	215.39	0.863	0.10	0.968	0.989	286	286
110	291	200.78	175.82	0.876	0.10	0.970	0.991	244	244
111	1183	214.37	182.29	0.850	0.20	0.954	0.974	264	260
SW	3903	235.66	230.92	0.980		0.979			

* KEYED TO A STATEWIDE LOSS COST CHANGE OF 1.1 PERCENT.

DUE TO THE MODEST INDICATION, WE WILL NOT BE FILING THESE
INDICATED LOSS COSTS. THE LOSS COSTS IN COLUMN (8) REMAIN IN EFFECT.

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTOMOBILE LIABILITY INSURANCE
MULTISTATE LOSS ADJUSTMENT EXPENSE EXPERIENCE

Calendar Year

Development of Unallocated Loss Adjustment Expense Factor

		<u>Bodily Injury</u> (000's)					3 YR.	5 YR.
		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	4,534,035	5,191,223	5,663,590	6,258,279	6,443,423		
(2)	Allocated Loss Adjustment Expenses Incurred	480,175	580,765	638,270	676,653	650,817		
(3)	Unallocated Loss Adjustment Expense Incurred	449,751	472,235	480,388	510,398	519,189		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	9.0%	8.2%	7.6%	7.4%	7.3%	7.4%	7.9%
(5)	Selected Factor							7.5%

		<u>Property Damage</u> (000's)					3 YR.	5 YR.
		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	Direct Losses Incurred	955,051	1,027,893	1,143,065	1,144,298	1,236,531		
(2)	Allocated Loss Adjustment Expenses Incurred	63,839	74,267	61,197	65,225	63,477		
(3)	Unallocated Loss Adjustment Expense Incurred	125,980	125,216	123,301	129,471	135,429		
(4)	Unallocated LAE as a Ratio to Losses + Allocated LAE (3)/[(1)+(2)]	12.4%	11.4%	10.2%	10.7%	10.4%	10.5%	11.0%
(5)	Selected Factor							10.0%

All items are from Special Call Submission for available writers.

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE INSURANCE
MULTISTATE LOSS ADJUSTMENT EXPENSE EXPERIENCE

Calendar Year

Development of Factor to Include all Loss Adjustment Expenses

		(000's)					3 YR.	5 YR.
		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>AVG</u>	<u>AVG</u>
(1)	ITEM Direct Losses Incurred	4,018,641	4,299,932	4,813,793	5,446,118	5,531,658		
(2)	Loss Adjustment Expenses Incurred	658,105	579,036	622,719	702,553	716,345		
(3)	Losses + LAE Incurred as Ratio to Losses Incurred [(1)+(2)]/(1)	1.164	1.135	1.129	1.129	1.129	1.129	1.137
(4)	Selected							1.130

Items (1) and (2) are from the Insurance Expense Exhibits for agency and direct writers.

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY
DETERMINATION OF FACTORS TO ADJUST ACCIDENT YEAR
LOSS RATIOS FOR SUBSEQUENT CHANGES

AVERAGE PAID CLAIM COST DATA

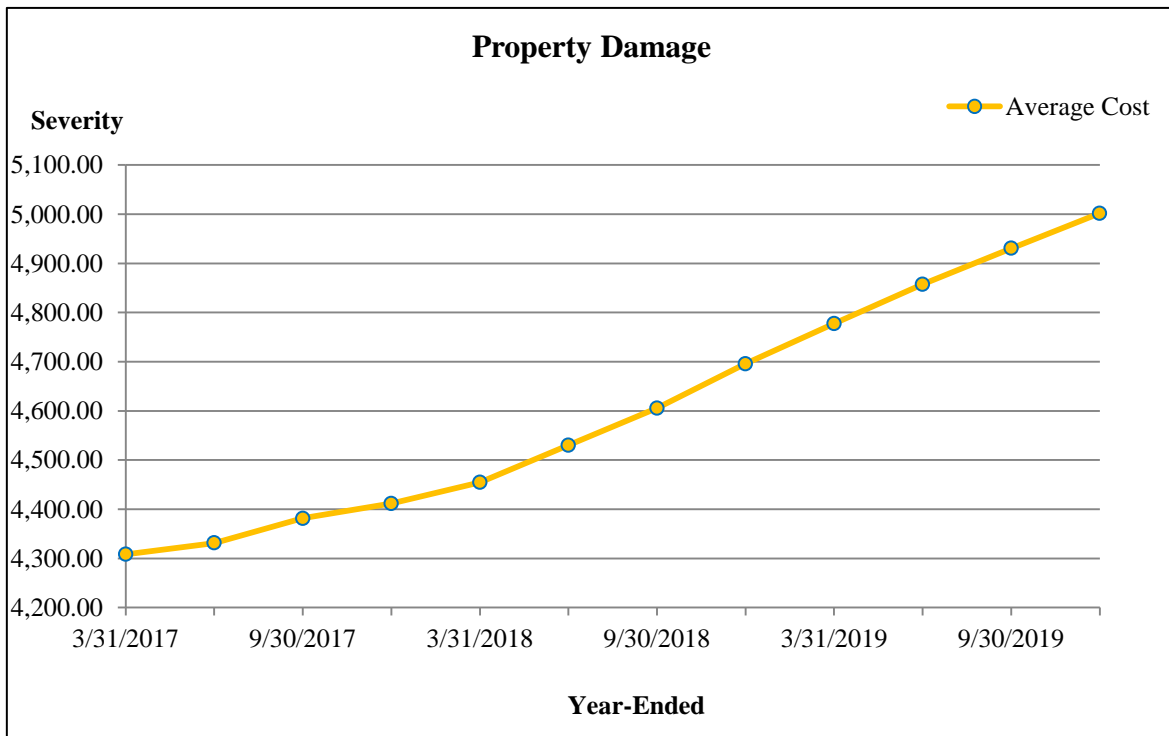
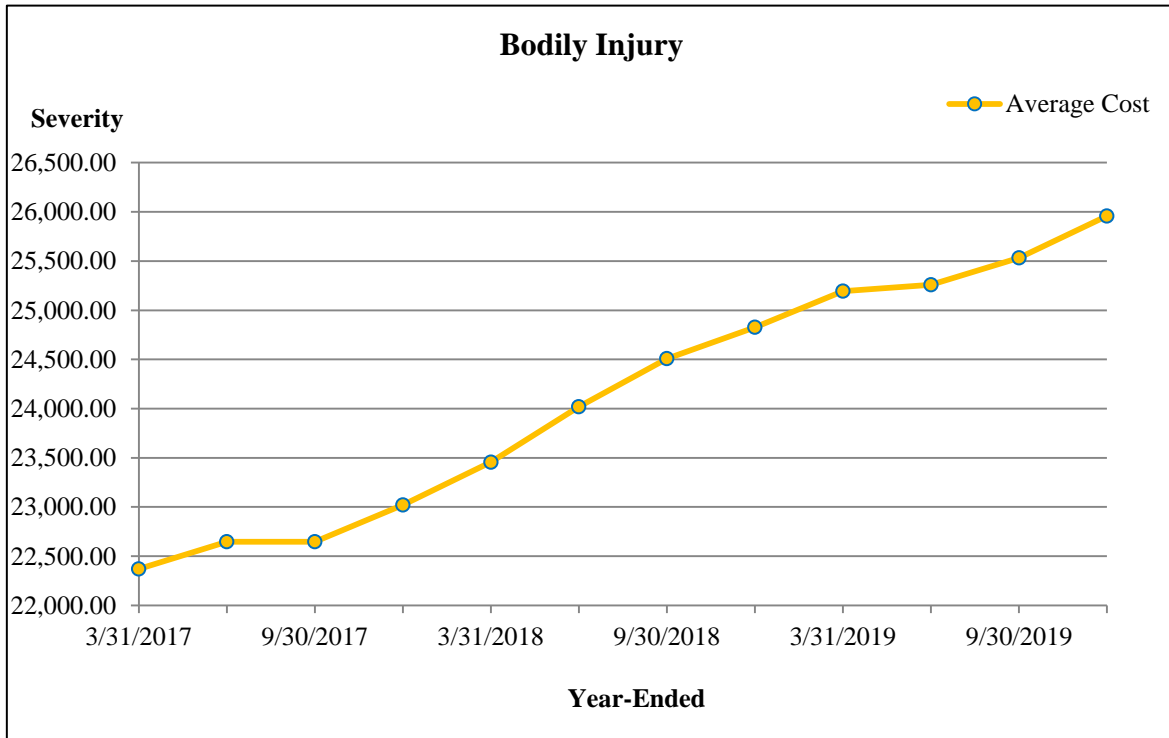
YEAR ENDED	ARKANSAS				MULTISTATE*			
	BODILY INJURY		PROPERTY DAMAGE		BODILY INJURY		PROPERTY DAMAGE	
	(\$100000 LIMITS)		(\$100000 LIMITS)		(\$100000 LIMITS)		(\$100000 LIMITS)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT	ACTUAL	EXPONENTIAL FIT
3/31/2017	16368.70	16221.17	4548.56	4439.81	22369.85	22253.66	4308.44	4252.34
6/30/2017	16326.73	16458.17	4504.38	4484.10	22646.73	22576.73	4331.26	4313.79
9/30/2017	17605.78	16698.64	4487.21	4528.84	22646.45	22904.48	4381.48	4376.12
12/31/2017	17277.05	16942.62	4581.63	4574.02	23021.33	23237.00	4411.53	4439.35
3/31/2018	16864.71	17190.16	4562.66	4619.66	23456.30	23574.34	4454.80	4503.50
6/30/2018	17041.86	17441.32	4677.61	4665.75	24019.77	23916.59	4530.24	4568.57
9/30/2018	16619.26	17696.15	4603.49	4712.30	24507.17	24263.80	4605.63	4634.58
12/31/2018	17510.46	17954.70	4721.59	4759.31	24826.90	24616.05	4695.90	4701.55
3/31/2019	17958.04	18217.03	4703.84	4806.79	25194.58	24973.41	4777.54	4769.49
6/30/2019	18942.41	18483.19	4862.90	4854.75	25257.58	25335.96	4857.59	4838.40
9/30/2019	19303.93	18753.24	5105.25	4903.18	25533.57	25703.78	4930.59	4908.31
12/31/2019	19362.64	19027.24	4950.33	4952.10	25959.37	26076.94	5001.74	4979.24

		BODILY INJURY	PROPERTY DAMAGE
(9)	AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COST (12TH POINT / 8TH POINT)		
	(A) ARKANSAS	6.0%	4.1%
	(B) MULTISTATE	5.9%	5.9%
(10)	CREDIBILITY	0.00	0.10
(11)	WEIGHTED AVERAGE ANNUAL PERCENT CHANGE IN PAID CLAIM COSTS { (10) * (9A) } + { (1.0 - (10)) * (9B) }	5.9%	5.7%
(12)	SELECTED ANNUAL PERCENT CHANGE IN CLAIM FREQUENCY	0.0%	0.0%
(13)	AVERAGE ANNUAL PERCENT CHANGE IN LIABILITY LOSS RATIO (11) * (12)	5.9%	5.7%

* EXCLUDES MASSACHUSETTS

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile Liability
Average Paid Claim Cost Experience
Multistate*



*Excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY
INCURRED CLAIM FREQUENCY

MULTISTATE*

TRUCKS, TRACTORS, AND TRAILERS

<u>YEAR</u> <u>ENDING</u>	<u>BODILY INJURY</u> <u>ACTUAL</u>	<u>BODILY INJURY</u> <u>ACTUAL CHANGE@</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL CHANGE@</u>
12/31/2013	0.7513		2.7493	
3/31/2014	0.7651		2.8383	
6/30/2014	0.7555		2.8377	
9/30/2014	0.7513		2.8414	
12/31/2014	0.7564	0.7% &	2.8427	3.4% &
3/31/2015	0.7477		2.8035	
6/30/2015	0.7536		2.8061	
9/30/2015	0.7623	1.5%	2.8283	-0.5%
12/31/2015	0.7753		2.8386	
3/31/2016	0.7901		2.8156	
6/30/2016	0.8023		2.8241	
9/30/2016	0.8120	6.5%	2.8268	-0.1%
12/31/2016	0.8167		2.8247	
3/31/2017	0.8193		2.8056	
6/30/2017	0.8252		2.7899	
9/30/2017	0.8178	0.7%	2.7532	-2.6%
12/31/2017	0.8121		2.7386	
3/31/2018	0.8117		2.7464	
6/30/2018	0.8064		2.7590	
9/30/2018	0.8026	-1.9%	2.7652	0.4%
12/31/2018	0.7988		2.7678	
3/31/2019	0.7909		2.7608	
6/30/2019	0.7753		2.7177	
9/30/2019	0.7741	-3.6%	2.6851	-2.9%

* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 9/30/XXXX

& CHANGE BASED ON YEAR ENDING 12/31/2014 divided by 12/31/2013

INSURANCE SERVICES OFFICE, INC.

COMMERCIAL AUTO LIABILITY
INCURRED CLAIM FREQUENCY

MULTISTATE*

PRIVATE PASSENGER TYPES

<u>YEAR</u> <u>ENDING</u>	<u>BODILY INJURY</u> <u>ACTUAL</u>	<u>BODILY INJURY</u> <u>ACTUAL CHANGE@</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL</u>	<u>PROPERTY DAMAGE</u> <u>ACTUAL CHANGE@</u>
12/31/2013	0.8622		3.1189	
3/31/2014	0.8584		3.1529	
6/30/2014	0.8592		3.1517	
9/30/2014	0.8476		3.1060	
12/31/2014	0.8424	-2.3% &	3.0724	-1.5% &
3/31/2015	0.8233		3.0386	
6/30/2015	0.8072		3.0083	
9/30/2015	0.8029	-5.3%	3.0391	-2.2%
12/31/2015	0.8032		3.0469	
3/31/2016	0.8117		3.0322	
6/30/2016	0.8139		3.0511	
9/30/2016	0.8323	3.7%	3.0431	0.1%
12/31/2016	0.8169		3.0186	
3/31/2017	0.8142		2.9603	
6/30/2017	0.8139		2.9149	
9/30/2017	0.7894	-5.2%	2.8288	-7.0%
12/31/2017	0.7909		2.8006	
3/31/2018	0.8014		2.8126	
6/30/2018	0.8012		2.7711	
9/30/2018	0.7942	0.6%	2.7503	-2.8%
12/31/2018	0.7849		2.7063	
3/31/2019	0.7498		2.6546	
6/30/2019	0.7226		2.6042	
9/30/2019	0.6923	-12.8%	2.5409	-7.6%

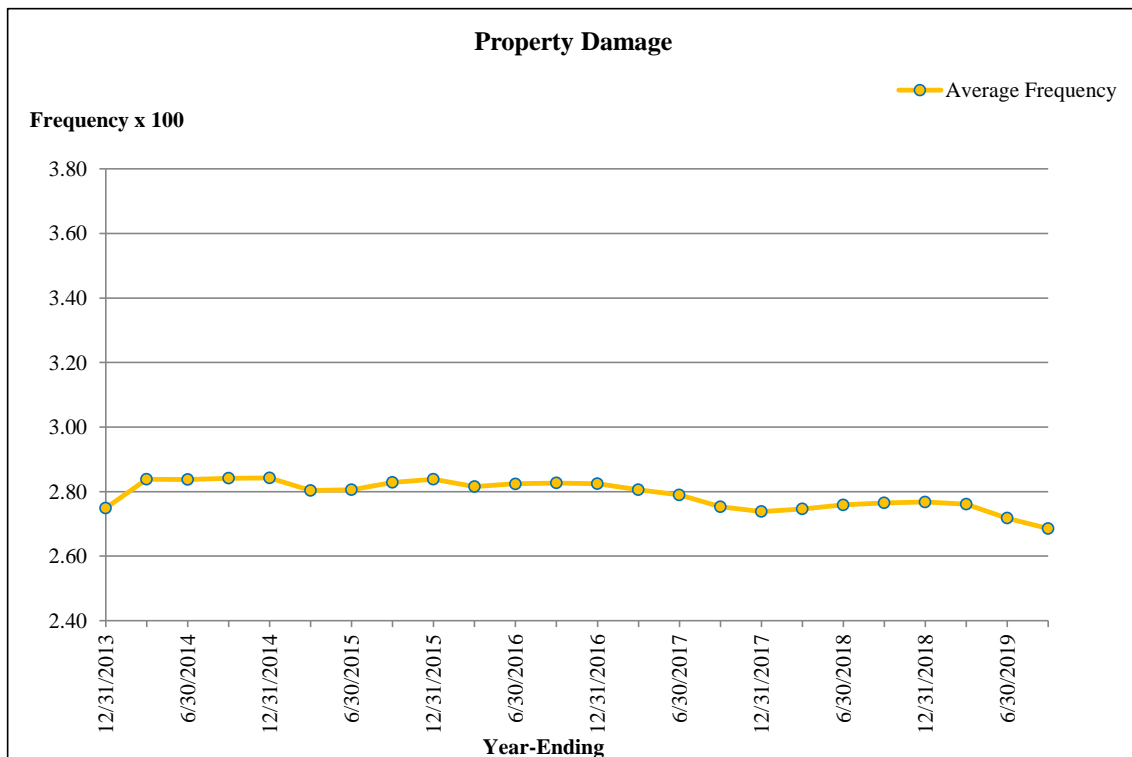
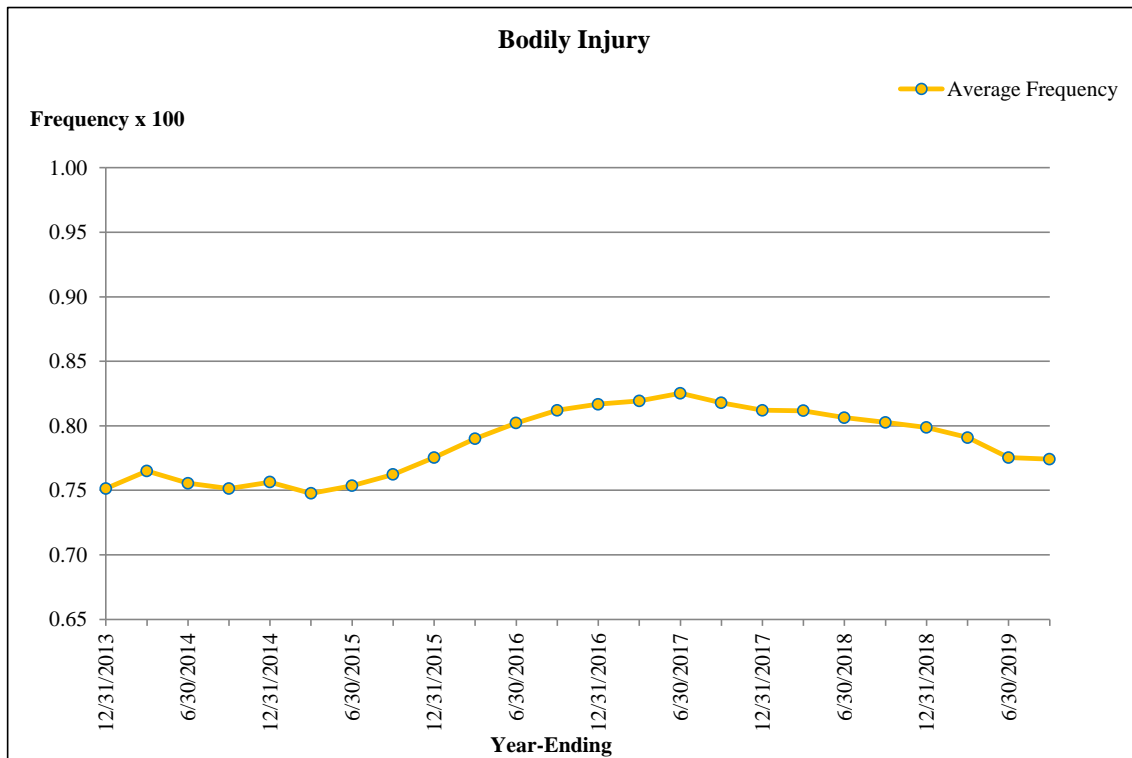
* EXCLUDES MASSACHUSETTS

@ CHANGE BASED ON YEARS ENDING 9/30/XXXX

& CHANGE BASED ON YEAR ENDING 12/31/2014 divided by 12/31/2013

INSURANCE SERVICES OFFICE, INC.

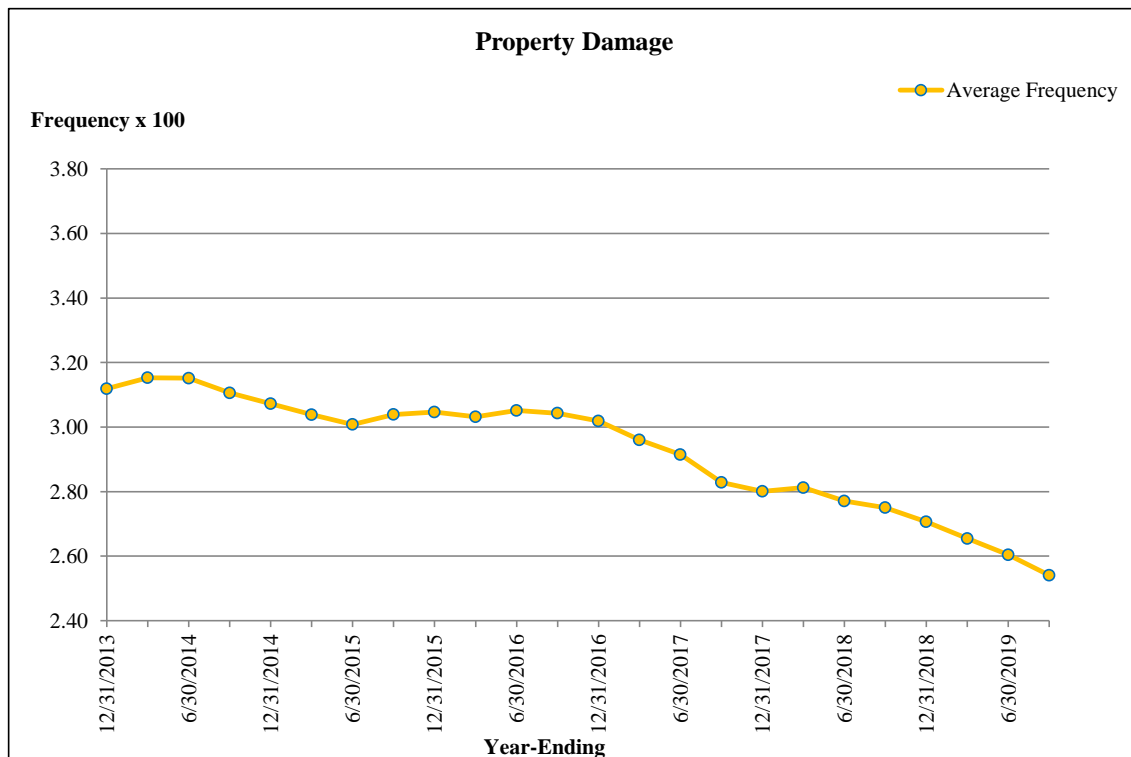
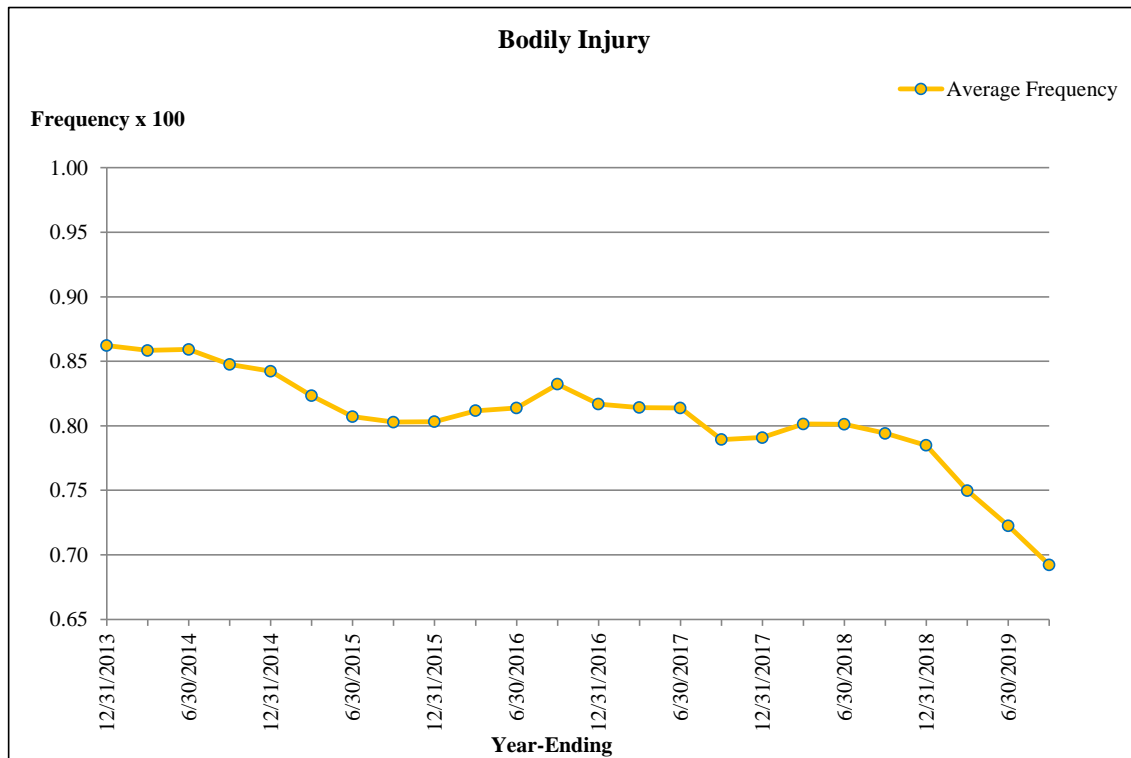
Commercial Automobile Liability
Incurred Claim Frequency Experience
Trucks, Tractors, and Trailers
Multistate*



*Excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile Liability
Incurred Claim Frequency Experience
Private Passenger Types
Multistate*



*Excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

Multistate*
Trucks, Tractors & Trailers Physical Damage
Other Than Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	1.37		0.89		0.67	
12/31/2015	1.36		0.89		0.68	
6/30/2016	1.35		0.91		0.69	
12/31/2016	1.35	-0.7%	0.89	0.0%	0.67	-1.5%
6/30/2017	1.34		0.88		0.67	
12/31/2017	1.37	1.5%	0.90	1.1%	0.70	4.5%
6/30/2018	1.44		0.94		0.71	
12/31/2018	1.51	10.2%	0.96	6.7%	0.73	4.3%
6/30/2019	1.56		0.99		0.74	
12/31/2019	1.57	4.0%	0.98	2.1%	0.73	0.0%

Volume*** of losses for the most recent year by deductible:

Deductible:	Percent of Losses
Full	0.4%
\$50	0.5%
\$100	2.0%
\$200	0.1%
\$250	7.9%
\$500	30.4%
\$1,000	48.9%
\$2,000	6.0%
\$3,000	1.3%
\$5,000	2.5%

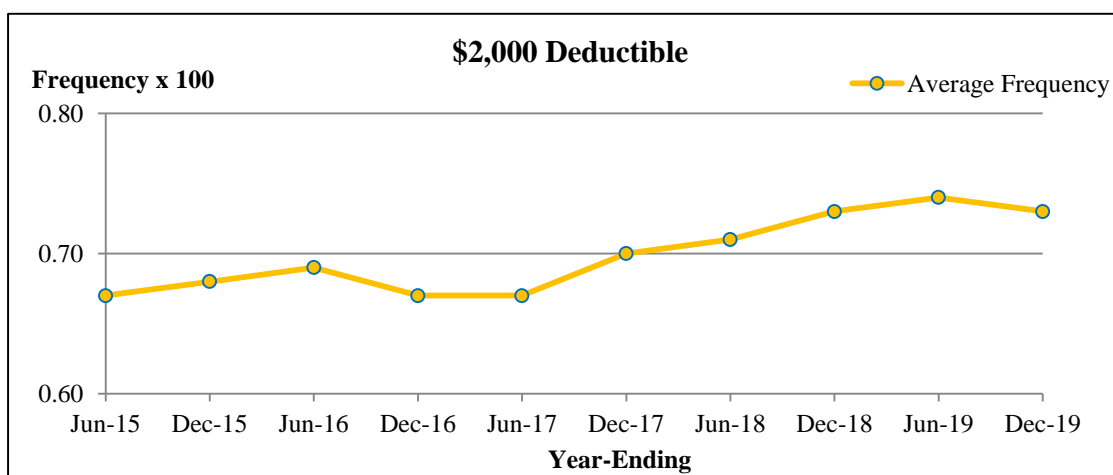
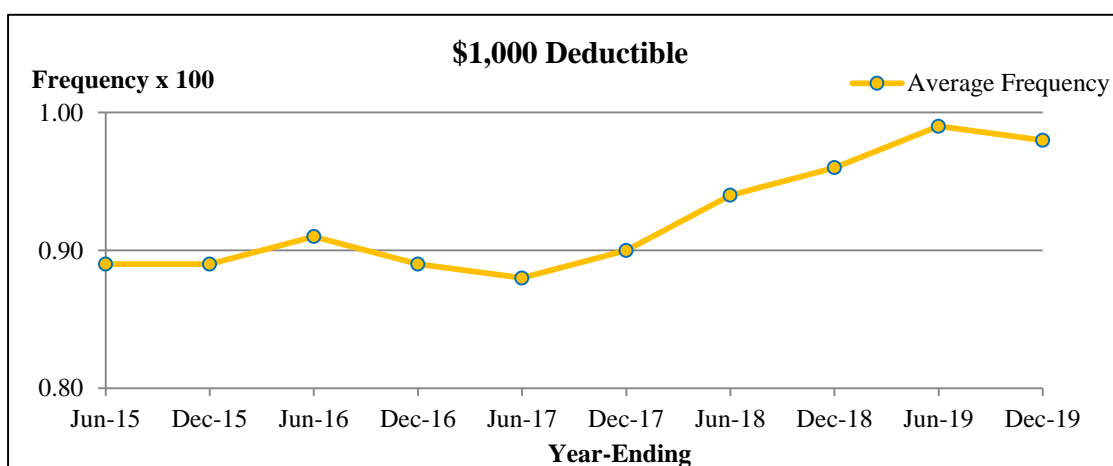
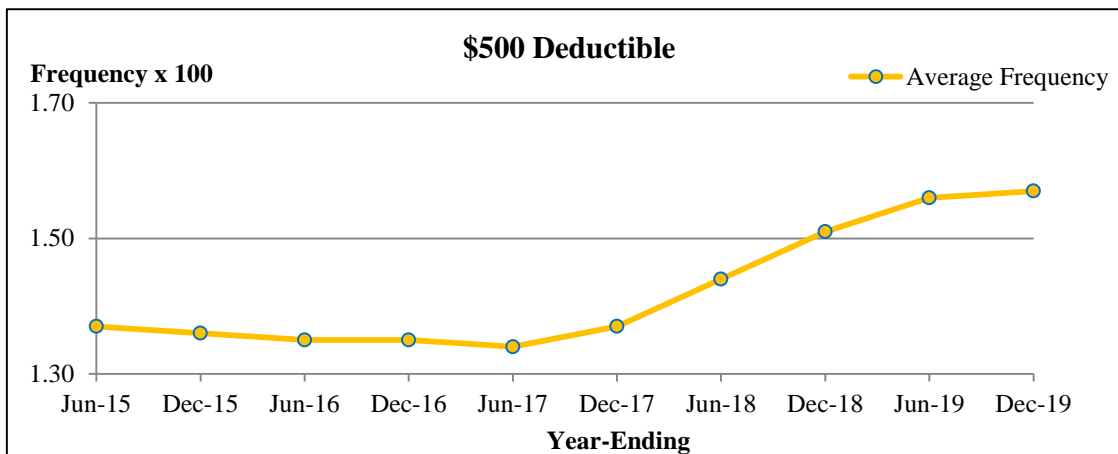
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 3.8% of losses, are excluded from the trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile
Trucks, Tractors & Trailers Physical Damage
Other Than Collision Frequency Trend
Multistate*



*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

INSURANCE SERVICES OFFICE, INC.

Multistate*
Trucks, Tractors & Trailers Physical Damage
Other Than Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	5,076.44	7,532.05	8,707.12
12/31/2015	5,272.49	7,709.49	8,947.30
6/30/2016	5,450.55	8,009.62	9,306.67
12/31/2016	5,483.80	8,268.04	9,605.98
6/30/2017	5,787.28	8,569.40	9,872.92
12/31/2017	6,235.36	8,995.37	10,248.73
6/30/2018	6,324.83	9,271.77	10,648.45
12/31/2018	6,359.33	9,412.12	10,973.58
6/30/2019	6,401.47	9,633.34	11,435.65
12/31/2019	6,538.78	10,155.97	12,095.88

Average Annual Change Using Exponential Fits:

10 point fit:	6.1%	6.8%	7.3%
8 point fit:	5.7%	6.7%	7.6%
6 point fit:	4.0%	6.3%	8.2%

Selected severity trend:	6.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	6.5%

* Multistate data excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

Multistate*
Trucks, Tractors & Trailers Physical Damage
Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	2.20		1.92		1.56	
12/31/2015	2.20		1.94		1.58	
6/30/2016	2.19		1.94		1.59	
12/31/2016	2.27	3.2%	2.01	3.6%	1.64	3.8%
6/30/2017	2.29		2.00		1.63	
12/31/2017	2.23	-1.8%	1.95	-3.0%	1.61	-1.8%
6/30/2018	2.25		2.00		1.65	
12/31/2018	2.27	1.8%	2.02	3.6%	1.67	3.7%
6/30/2019	2.27		2.02		1.66	
12/31/2019	2.24	-1.3%	2.00	-1.0%	1.66	-0.6%

Volume*** of losses for the most recent year by deductible:

Deductible:	Percent of Losses
\$100	0.2%
\$200	0.0%
\$250	1.1%
\$500	29.5%
\$1,000	56.5%
\$2,000	6.7%
\$3,000	1.6%
\$5,000	4.3%

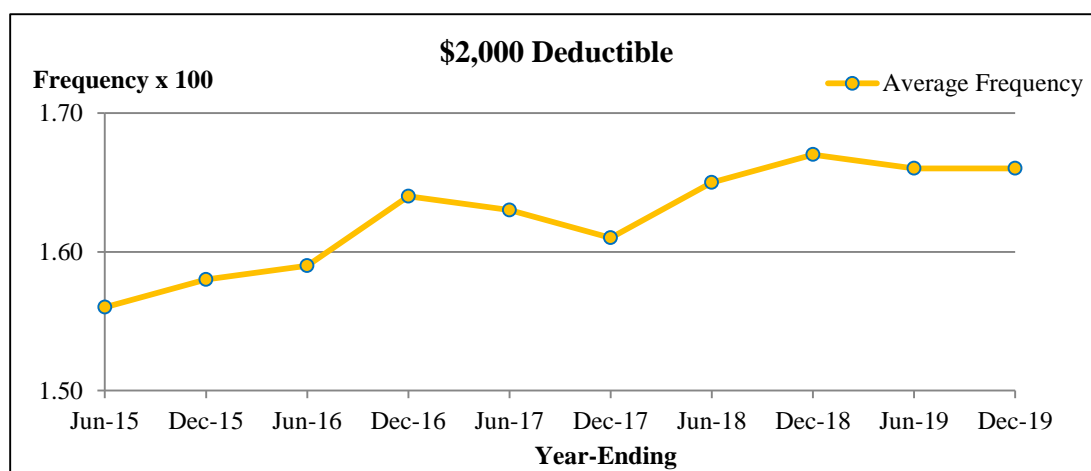
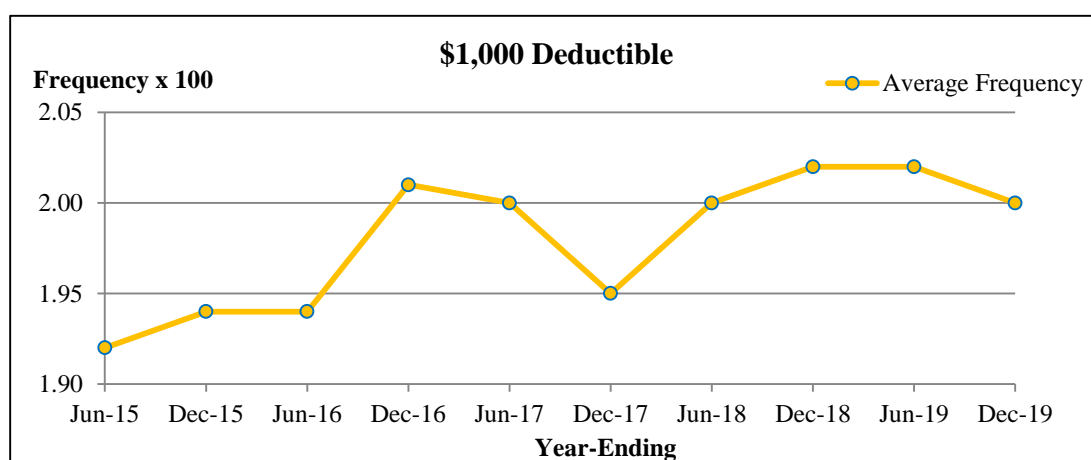
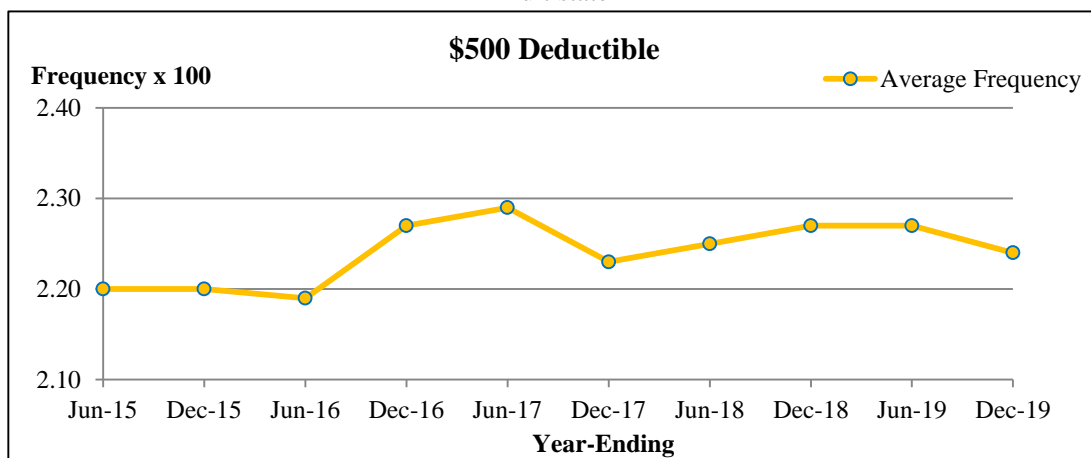
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 5.9% of losses, are excluded from trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile
Trucks, Tractors & Trailers Physical Damage
Collision Frequency Trend
Multistate*



*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

INSURANCE SERVICES OFFICE, INC.

Multistate*
Trucks, Tractors & Trailers Physical Damage
Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	8,862.30	10,564.77	11,518.43
12/31/2015	9,057.50	10,765.23	11,717.35
6/30/2016	9,361.60	11,038.30	12,015.56
12/31/2016	9,478.76	11,244.83	12,263.51
6/30/2017	9,512.51	11,241.60	12,242.09
12/31/2017	9,772.52	11,363.42	12,369.71
6/30/2018	9,970.83	11,632.86	12,696.43
12/31/2018	10,215.67	11,882.15	12,917.15
6/30/2019	10,552.00	12,242.16	13,342.68
12/31/2019	10,786.27	12,498.53	13,579.19

Average Annual Change Using Exponential Fits:

10 point fit:	4.3%	3.6%	3.5%
8 point fit:	4.3%	3.6%	3.6%
6 point fit:	5.2%	4.5%	4.5%

Selected severity trend:	4.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	4.5%

* Multistate data excludes Massachusetts

INSURANCE SERVICES OFFICE, INC.

Multistate*

Private Passenger Types Physical Damage
Other Than Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	3.08		1.90		1.26	
12/31/2015	3.14		1.95		1.29	
6/30/2016	3.20		1.99		1.31	
12/31/2016	3.09	-1.6%	1.92	-1.5%	1.27	-1.6%
6/30/2017	2.97		1.87		1.24	
12/31/2017	3.01	-2.6%	1.92	0.0%	1.28	0.8%
6/30/2018	3.15		1.99		1.31	
12/31/2018	3.31	10.0%	2.05	6.8%	1.33	3.9%
6/30/2019	3.49		2.18		1.39	
12/31/2019	3.50	5.7%	2.19	6.8%	1.38	3.8%

Volume*** of losses for the most recent year by deductible:

Deductible:	Percent of Losses
Full	0.3%
\$50	0.5%
\$100	2.9%
\$200	0.5%
\$250	11.2%
\$500	38.4%
\$1,000	43.0%
\$2,000	2.2%
\$3,000	0.5%
\$5,000	0.5%

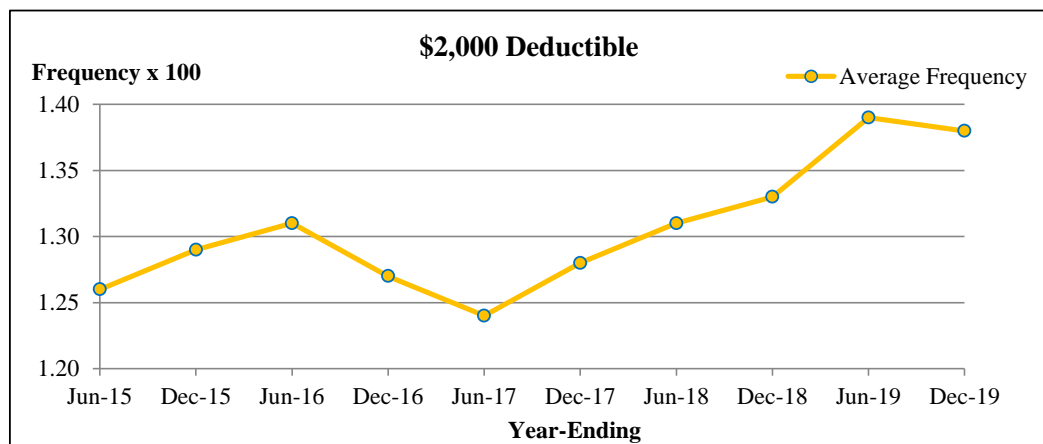
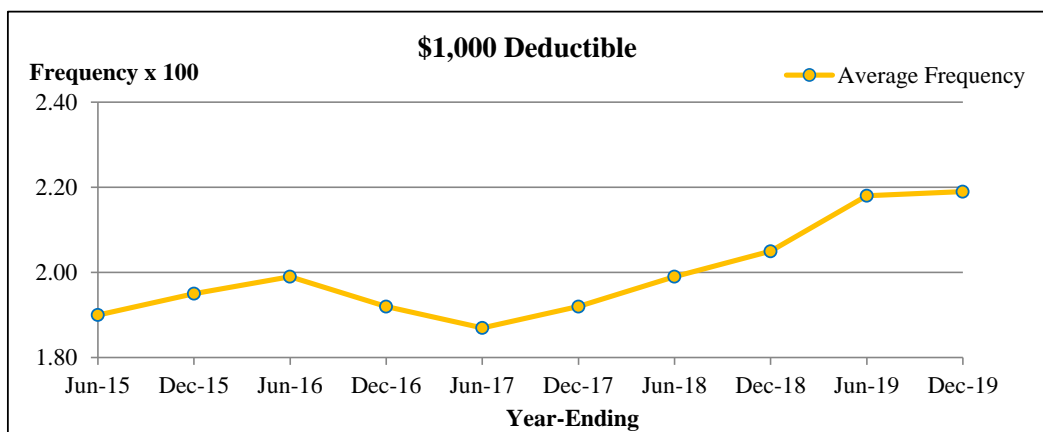
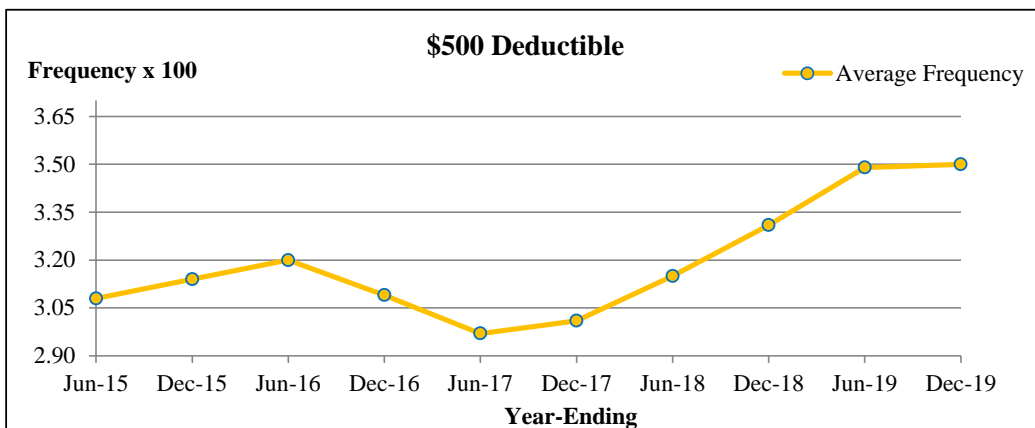
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 1.0% of losses, are excluded from trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile
Private Passenger Types Physical Damage
Other Than Collision Frequency Trend
Multistate*



*Excludes Massachusetts

Selected Other Than Collision Frequency Trend Factor: 0.0%

INSURANCE SERVICES OFFICE, INC.

Multistate*

Private Passenger Types Physical Damage **
Other Than Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	2,016.05	2,736.61	3,243.99
12/31/2015	2,081.90	2,750.42	3,257.00
6/30/2016	2,171.02	2,875.98	3,444.78
12/31/2016	2,220.40	2,926.16	3,519.31
6/30/2017	2,287.96	2,984.63	3,564.24
12/31/2017	2,413.03	3,224.05	3,845.34
6/30/2018	2,469.93	3,334.92	4,009.63
12/31/2018	2,512.11	3,395.49	4,117.78
6/30/2019	2,557.21	3,526.52	4,305.32
12/31/2019	2,605.73	3,664.28	4,458.51

Average Annual Change Using Exponential Fits:

10 point fit:	6.1%	7.1%	7.8%
8 point fit:	5.6%	7.5%	8.1%
6 point fit:	4.9%	7.8%	8.9%

Selected severity trend:	6.5%
Selected frequency trend:	0.0%
Selected pure premium trend:	6.5%

* Multistate data excludes Massachusetts

** Selected trends are also used for Auto Dealers and Garagekeepers physical damage coverages.

INSURANCE SERVICES OFFICE, INC.

Multistate*
Private Passenger Types Physical Damage
Collision

Frequency (expressed as claims per 100 exposures)

	\$500 Deductible		\$1,000 Deductible		\$2,000 Deductible	
Year Ending:	Actual	Change**	Actual	Change**	Actual	Change**
6/30/2015	5.07		4.26		3.12	
12/31/2015	5.07		4.30		3.18	
6/30/2016	5.01		4.30		3.19	
12/31/2016	5.09	0.4%	4.36	1.4%	3.25	2.2%
6/30/2017	5.09		4.33		3.24	
12/31/2017	5.00	-1.8%	4.23	-3.0%	3.18	-2.2%
6/30/2018	5.00		4.30		3.25	
12/31/2018	4.95	-1.0%	4.32	2.1%	3.30	3.8%
6/30/2019	4.89		4.31		3.33	
12/31/2019	4.80	-3.0%	4.31	-0.2%	3.35	1.5%

Volume*** of losses for the most recent year by deductible:

Deductible:	Percent of Losses
\$100	0.1%
\$200	0.1%
\$250	1.6%
\$500	39.2%
\$1,000	55.6%
\$2,000	2.1%
\$3,000	0.4%
\$5,000	0.8%

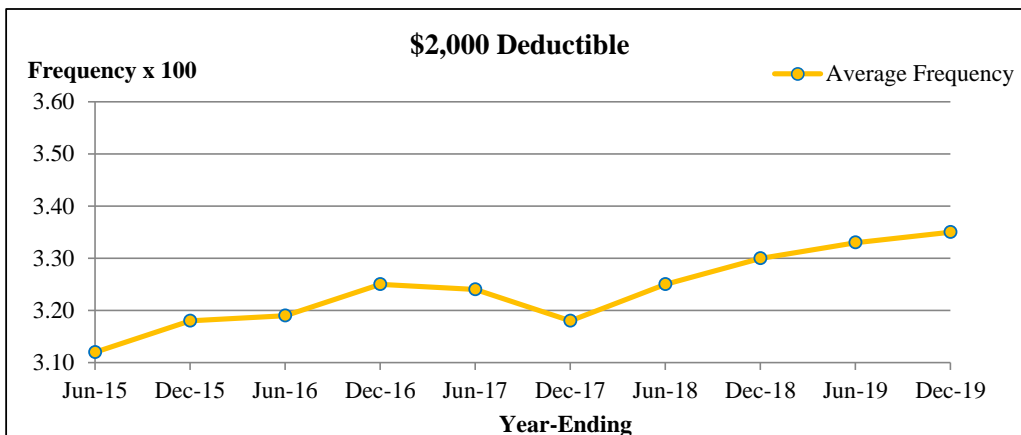
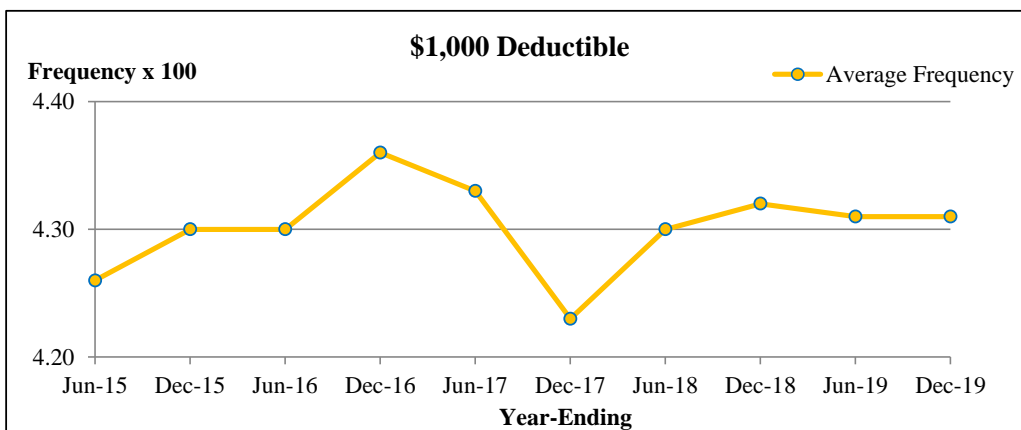
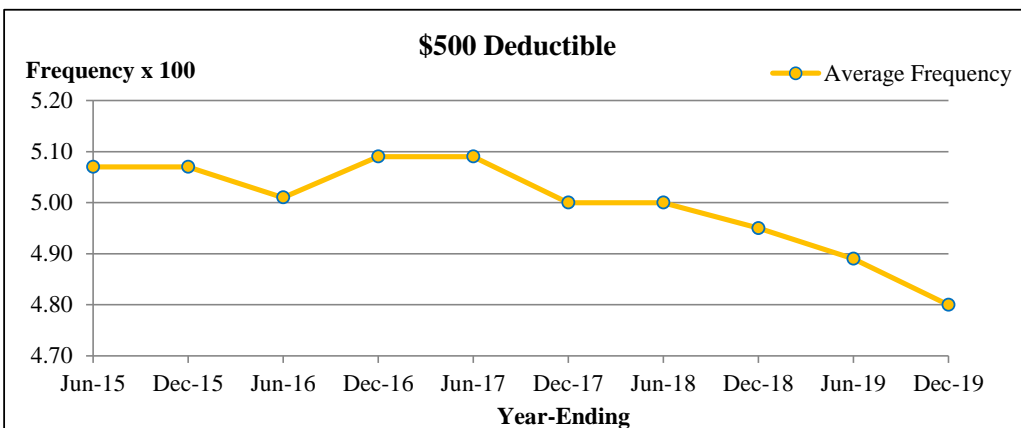
* Multistate data excludes Massachusetts

** Change based on years ending 12/31/xxxx

*** Deductibles above \$2,000, totaling 1.2% of losses, are excluded from trend calculations.

INSURANCE SERVICES OFFICE, INC.

Commercial Automobile
Private Passenger Types Physical Damage
Collision Frequency Trend
Multistate*



*Excludes Massachusetts

Selected Collision Frequency Trend Factor: 0.0%

INSURANCE SERVICES OFFICE, INC.

Multistate*
Private Passenger Types Physical Damage **
Collision

Severity Trend

Year Ending:	\$500 Deductible	\$1,000 Deductible	\$2,000 Deductible
6/30/2015	5,475.06	5,874.44	6,449.74
12/31/2015	5,540.19	5,993.39	6,522.19
6/30/2016	5,693.47	6,088.24	6,626.35
12/31/2016	5,808.24	6,142.87	6,695.01
6/30/2017	5,742.39	6,133.26	6,665.04
12/31/2017	5,790.57	6,264.81	6,796.90
6/30/2018	6,090.90	6,439.90	6,961.81
12/31/2018	6,163.04	6,495.28	6,988.58
6/30/2019	6,285.53	6,674.32	7,141.91
12/31/2019	6,755.43	7,127.67	7,603.90

Average Annual Change Using Exponential Fits:

10 point fit:	4.1%	3.7%	3.1%
8 point fit:	4.5%	4.2%	3.5%
6 point fit:	6.3%	5.6%	4.7%

Selected severity trend:	4.0%
Selected frequency trend:	0.0%
Selected pure premium trend:	4.0%

* Multistate data excludes Massachusetts

** Selected trends are also used for Auto Dealers and Garagekeepers physical damage coverages.

INSURANCE SERVICES OFFICE, INC.

MULTISTATE
TRUCKS, TRACTORS & TRAILERS
PHYSICAL DAMAGE
OCN TREND CALCULATION

AVERAGE OCN RELATIVITIES

YEAR ENDING	OTHER THAN COLLISION	COLLISION
6/30/2015	1.249	1.393
12/31/2015	1.255	1.403
6/30/2016	1.261	1.413
12/31/2016	1.266	1.423
6/30/2017	1.273	1.435
12/31/2017	1.279	1.446
6/30/2018	1.284	1.456
12/31/2018	1.289	1.466
6/30/2019	1.297	1.479
12/31/2019	1.303	1.488

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	0.9%	1.5%
7 POINTS	0.9%	1.5%
5 POINTS	1.0%	1.5%

Selected Other Than Collision Physical Damage Annual OCN Trend: 0.9%

Selected Collision Physical Damage Annual OCN Trend: 1.5%

Data excludes the following state: Massachusetts

INSURANCE SERVICES OFFICE, INC.

MULTISTATE
PRIVATE PASSENGER TYPES
PHYSICAL DAMAGE
OCN TREND CALCULATION

AVERAGE OCN RELATIVITIES

YEAR ENDING	OTHER THAN COLLISION	COLLISION
6/30/2015	1.328	1.162
12/31/2015	1.334	1.166
6/30/2016	1.342	1.170
12/31/2016	1.349	1.174
6/30/2017	1.356	1.177
12/31/2017	1.362	1.181
6/30/2018	1.367	1.184
12/31/2018	1.374	1.187
6/30/2019	1.381	1.190
12/31/2019	1.388	1.194

EXPONENTIAL TREND (AVERAGE ANNUAL CHANGE)

9 POINTS	1.0%	0.6%
7 POINTS	0.9%	0.6%
5 POINTS	1.0%	0.5%
Selected Other Than Collision Physical Damage Annual OCN Trend:		1.0%
Selected Collision Physical Damage Annual OCN Trend:		0.6%

Data excludes the following state: Massachusetts

INSURANCE SERVICES OFFICE, INC.

ARKANSAS

Automobile Liability Insurance - Trucks, Tractors and Trailers

Loss Development

Incurred Losses and Expenses

Bodily Injury

Accident Year Ending	\$100,000 Basic Limit			Loss Development Factors	
	15 Months	27 Months	39 Months	15 to 27 Months	27 to 39 Months
12/31/2008	4,184,532	4,497,918	4,667,018	1.075	1.038
12/31/2009	4,049,996	4,243,206	4,628,474	1.048	1.091
12/31/2010	3,851,547	3,848,871	4,113,587	0.999	1.069
12/31/2011	4,562,446	5,212,877	5,360,187	1.143	1.028
12/31/2012	4,509,723	4,878,662	5,001,937	1.082	1.025
12/31/2013	4,866,447	5,194,862	4,894,038	1.067	0.942
12/31/2014	4,090,206	4,716,151	5,083,212	1.153	1.078
12/31/2015	5,957,146	6,575,608	6,852,103	1.104	1.042
12/31/2016	5,783,641	6,216,069	6,614,148	1.075	1.064
12/31/2017	6,349,554	6,748,764	6,971,310	1.063	1.033
12/31/2018	6,010,289	6,175,246		1.027	
12/31/2019	6,443,288				

(1) Average Factor (Best 3 of 5) :	(A) State	1.081	1.046
	(B) Multistate	1.264	1.126
(2) Credibility		0.880	0.640
(3) Credibility Weighted Factors		1.103	1.075

Property Damage

Accident Year Ending	\$100,000 Basic Limit			Loss Development Factors	
	15 Months	27 Months	39 Months	15 to 27 Months	27 to 39 Months
12/31/2008	3,724,533	3,824,145	3,751,360	1.027	0.981
12/31/2009	3,670,178	3,603,560	3,619,270	0.982	1.004
12/31/2010	3,393,843	3,429,047	3,396,596	1.010	0.991
12/31/2011	4,013,729	3,859,082	3,878,042	0.961	1.005
12/31/2012	4,200,259	4,097,998	4,090,579	0.976	0.998
12/31/2013	3,578,199	3,513,684	3,591,307	0.982	1.022
12/31/2014	4,335,324	4,285,614	4,318,612	0.989	1.008
12/31/2015	4,601,035	4,650,806	4,658,645	1.011	1.002
12/31/2016	4,912,029	5,012,382	5,010,000	1.020	1.000
12/31/2017	4,595,614	4,663,329	4,617,528	1.015	0.990
12/31/2018	5,345,046	5,369,127		1.005	
12/31/2019	4,776,073				

(1) Average Factor (Best 3 of 5) :	(A) State	1.010	1.003
	(B) Multistate	1.048	1.010
(2) Credibility		0.910	0.000
(3) Credibility Weighted Factors		1.013	1.010

Summary of Factors

	Bodily <u>Injury</u>	Property <u>Damage</u>
39 to Ultimate **	1.080	1.004
27 to Ultimate	1.161	1.014
15 to Ultimate	1.281	1.027

** Multistate factors

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Bodily Injury
Tort States
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	341,290,608	418,308,247	457,340,546	476,437,931	481,723,768
12/31/2009	298,855,936	367,593,132	406,754,927	426,675,691	431,321,926
12/31/2010	318,493,126	386,177,031	422,721,990	445,159,711	453,238,137
12/31/2011	341,288,675	412,387,384	459,410,277	474,950,283	482,101,731
12/31/2012	344,115,826	418,574,969	460,473,294	483,873,460	493,014,134
12/31/2013	349,684,155	433,271,626	478,941,183	507,486,299	516,462,023
12/31/2014	377,261,702	463,844,037	529,137,068	560,139,062	569,860,906
12/31/2015	398,273,921	513,409,502	577,985,821	607,257,261	619,425,117
12/31/2016	452,821,400	577,452,022	650,608,404	684,286,943	
12/31/2017	478,340,935	599,993,832	675,149,842		
12/31/2018	487,404,348	615,129,549			
12/31/2019	489,557,044				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.226	1.093	1.042	1.011
12/31/2009	1.230	1.107	1.049	1.011
12/31/2010	1.213	1.095	1.053	1.018
12/31/2011	1.208	1.114	1.034	1.015
12/31/2012	1.216	1.100	1.051	1.019
12/31/2013	1.239	1.105	1.060	1.018
12/31/2014	1.230	1.141	1.059	1.017
12/31/2015	1.289	1.126	1.051	1.020
12/31/2016	1.275	1.127	1.052	
12/31/2017	1.254	1.125		
12/31/2018	1.262			
Average Factor:	1.264	1.126	1.054	1.018
(Best 3 of 5)				

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.007
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.025
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.080
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.217
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.538

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Bodily Injury
Tort States
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	484,208,199	484,322,010	484,898,211	484,917,766	485,105,898
12/31/2009	432,769,715	432,709,173	432,502,102	432,532,274	432,550,074
12/31/2010	455,748,857	455,733,762	456,045,633	456,493,622	456,507,910
12/31/2011	485,684,046	486,203,553	486,061,085	486,081,753	
12/31/2012	493,800,463	494,323,732	495,133,089		
12/31/2013	519,860,199	520,385,824			
12/31/2014	571,254,143				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.005	1.000	1.001	1.000	1.000
12/31/2009	1.003	1.000	1.000	1.000	1.000
12/31/2010	1.006	1.000	1.001	1.001	1.000
12/31/2011	1.007	1.001	1.000	1.000	
12/31/2012	1.002	1.001	1.002		
12/31/2013	1.007	1.001			
12/31/2014	1.002				
Average Factor: (Best 3 of 5)	1.005	1.001	1.001	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.002

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Property Damage
Multistate
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	442,863,517	454,148,393	456,785,870	457,071,901	457,721,999
12/31/2009	377,823,353	387,012,381	389,427,700	390,015,501	389,638,573
12/31/2010	394,936,519	407,403,514	410,487,087	411,281,668	411,190,688
12/31/2011	433,809,100	446,838,225	449,962,956	451,224,490	451,758,614
12/31/2012	431,309,571	445,801,843	449,175,252	450,057,234	450,625,393
12/31/2013	453,220,167	469,177,052	474,389,914	475,494,421	475,923,442
12/31/2014	480,257,196	501,136,588	504,922,017	506,211,744	507,109,061
12/31/2015	513,922,627	538,172,111	542,805,152	544,041,708	545,194,618
12/31/2016	541,122,809	565,007,903	571,198,187	573,473,790	
12/31/2017	549,140,875	578,569,841	583,985,956		
12/31/2018	600,510,036	635,497,190			
12/31/2019	619,271,041				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.025	1.006	1.001	1.001
12/31/2009	1.024	1.006	1.002	0.999
12/31/2010	1.032	1.008	1.002	1.000
12/31/2011	1.030	1.007	1.003	1.001
12/31/2012	1.034	1.008	1.002	1.001
12/31/2013	1.035	1.011	1.002	1.001
12/31/2014	1.043	1.008	1.003	1.002
12/31/2015	1.047	1.009	1.002	1.002
12/31/2016	1.044	1.011	1.004	
12/31/2017	1.054	1.009		
12/31/2018	1.058			
Average Factor: (Best 3 of 5)	1.048	1.010	1.002	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.001
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.002
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.004
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.014
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.063

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Trucks, Tractors and Trailers - Property Damage
Multistate
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
12/31/2008	457,651,402	457,690,456	457,747,461	457,631,665
12/31/2009	389,701,746	389,737,640	389,964,831	390,049,377
12/31/2010	411,896,352	412,006,087	411,991,016	411,985,242
12/31/2011	452,045,022	452,024,880	452,101,753	452,170,803
12/31/2012	451,093,875	451,404,549	451,463,329	
12/31/2013	476,034,692	476,240,765		
12/31/2014	507,187,090			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
12/31/2008	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.001	1.000
12/31/2010	1.002	1.000	1.000	1.000
12/31/2011	1.001	1.000	1.000	1.000
12/31/2012	1.001	1.001	1.000	
12/31/2013	1.000	1.000		
12/31/2014	1.000			
Average Factor: (Best 3 of 5)	1.001	1.000	1.000	1.000

Summary of Factors

111 to Ult:	(1.000)	=	1.000
99 to Ult:	(111:99) (111:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (111:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (111:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

ARKANSAS

Automobile Liability Insurance - Private Passenger Types

Loss Development

Incurred Losses and Expenses

Bodily Injury

Accident	\$100,000 Basic Limit			Loss Development Factors	
Year				15 to 27	27 to 39
Ending	15 Months	27 Months	39 Months	Months	Months
12/31/2008	678,033	691,521	675,569	1.020	0.977
12/31/2009	952,834	945,513	1,067,323	0.992	1.129
12/31/2010	937,893	906,582	1,067,864	0.967	1.178
12/31/2011	755,886	1,056,780	1,046,554	1.398	0.990
12/31/2012	913,100	918,233	854,898	1.006	0.931
12/31/2013	1,024,960	991,051	1,026,246	0.967	1.036
12/31/2014	1,230,046	1,297,469	1,268,104	1.055	0.977
12/31/2015	625,316	756,517	855,606	1.210	1.131
12/31/2016	843,549	993,374	1,008,492	1.178	1.015
12/31/2017	803,105	848,807	1,001,379	1.057	1.180
12/31/2018	816,952	898,373		1.100	
12/31/2019	605,387				
(1) Average Factor (Best 3 of 5) :			(A) State	1.112	1.061
			(B) Multistate	1.235	1.113
(2) Credibility				0.620	0.390
(3) Credibility Weighted Factors				1.159	1.093

Property Damage

Accident	Loss Development Factors				
Year	\$100,000 Basic Limit			15 to 27	27 to 39
Ending	15 Months	27 Months	39 Months	Months	Months
12/31/2008	565,851	555,211	556,018	0.981	1.001
12/31/2009	587,640	596,336	600,092	1.015	1.006
12/31/2010	662,883	676,496	681,409	1.021	1.007
12/31/2011	515,204	523,525	526,343	1.016	1.005
12/31/2012	635,423	660,185	667,089	1.039	1.010
12/31/2013	598,451	601,478	582,718	1.005	0.969
12/31/2014	569,216	634,487	632,921	1.115	0.998
12/31/2015	563,386	550,621	538,553	0.977	0.978
12/31/2016	630,533	624,062	624,205	0.990	1.000
12/31/2017	645,712	705,436	820,760	1.092	1.163
12/31/2018	611,597	602,717		0.985	
12/31/2019	626,791				
(1) Average Factor (Best 3 of 5) :			(A) State	1.022	0.992
			(B) Multistate	1.045	1.008
(2) Credibility				0.760	0.000
(3) Credibility Weighted Factors				1.028	1.008

Summary of Factors

	Bodily Injury	Property Damage
39 to Ultimate **	1.070	1.004
27 to Ultimate	1.170	1.012
15 to Ultimate	1.356	1.040

** Multistate factors

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Bodily Injury
Tort States
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	65,064,592	79,604,213	86,401,912	88,858,676	89,404,696
12/31/2009	63,578,642	77,231,931	84,849,245	86,014,709	87,884,998
12/31/2010	69,460,166	81,853,215	89,154,100	93,341,583	95,066,320
12/31/2011	73,891,425	90,549,105	99,178,687	102,820,766	104,132,587
12/31/2012	72,487,819	89,556,499	96,469,260	100,212,313	102,163,820
12/31/2013	75,224,526	89,566,375	99,190,374	104,643,999	106,603,773
12/31/2014	69,184,941	84,084,296	95,344,933	100,964,405	102,921,339
12/31/2015	70,636,526	87,656,697	96,534,862	100,802,509	102,507,725
12/31/2016	71,272,358	88,643,084	98,958,950	102,203,488	
12/31/2017	70,714,269	87,191,409	97,218,353		
12/31/2018	72,244,942	89,014,072			
12/31/2019	71,611,157				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.223	1.085	1.028	1.006
12/31/2009	1.215	1.099	1.014	1.022
12/31/2010	1.178	1.089	1.047	1.018
12/31/2011	1.225	1.095	1.037	1.013
12/31/2012	1.235	1.077	1.039	1.019
12/31/2013	1.191	1.107	1.055	1.019
12/31/2014	1.215	1.134	1.059	1.019
12/31/2015	1.241	1.101	1.044	1.017
12/31/2016	1.244	1.116	1.033	
12/31/2017	1.233	1.115		
12/31/2018	1.232			
Average Factor:	1.235	1.113	1.046	1.018
(Best 3 of 5)				

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.005
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.023
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.070
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.191
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.471

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Bodily Injury
Tort States
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit				
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	89,209,763	89,286,037	89,372,497	89,568,032	89,624,703
12/31/2009	87,778,528	87,612,188	87,731,104	87,740,893	87,753,351
12/31/2010	94,875,903	94,606,028	94,617,476	94,621,017	94,547,850
12/31/2011	104,675,475	104,886,004	105,308,979	105,432,453	
12/31/2012	102,578,008	102,563,760	102,666,877		
12/31/2013	107,016,525	107,189,068			
12/31/2014	103,607,044				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	0.998	1.001	1.001	1.002	1.001
12/31/2009	0.999	0.998	1.001	1.000	1.000
12/31/2010	0.998	0.997	1.000	1.000	0.999
12/31/2011	1.005	1.002	1.004	1.001	
12/31/2012	1.004	1.000	1.001		
12/31/2013	1.004	1.002			
12/31/2014	1.007				
Average Factor: (Best 3 of 5)	1.004	1.000	1.001	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.001
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.001

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Property Damage
Multistate
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit <u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	85,417,680	88,153,406	88,343,795	88,421,560	88,400,026
12/31/2009	79,728,085	82,248,080	82,540,314	82,818,608	82,779,277
12/31/2010	80,626,863	83,522,996	83,776,633	83,971,809	83,955,568
12/31/2011	86,325,699	88,937,074	89,428,209	89,904,534	90,122,803
12/31/2012	88,380,298	91,759,484	92,423,087	92,629,915	92,593,368
12/31/2013	88,256,967	92,107,702	92,654,365	92,892,244	92,932,885
12/31/2014	86,903,410	90,927,385	91,404,373	91,623,697	91,680,494
12/31/2015	88,938,048	92,796,068	93,448,637	93,644,353	93,849,583
12/31/2016	92,580,422	96,361,666	97,320,977	97,329,794	
12/31/2017	87,020,676	91,503,315	92,389,340		
12/31/2018	91,273,528	95,474,223			
12/31/2019	86,297,543				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.032	1.002	1.001	1.000
12/31/2009	1.032	1.004	1.003	1.000
12/31/2010	1.036	1.003	1.002	1.000
12/31/2011	1.030	1.006	1.005	1.002
12/31/2012	1.038	1.007	1.002	1.000
12/31/2013	1.044	1.006	1.003	1.000
12/31/2014	1.046	1.005	1.002	1.001
12/31/2015	1.043	1.007	1.002	1.002
12/31/2016	1.041	1.010	1.000	
12/31/2017	1.052	1.010		
12/31/2018	1.046			
Average Factor: (Best 3 of 5)	1.045	1.008	1.002	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.001
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.002
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.004
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.012
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.058

INSURANCE SERVICES OFFICE, INC.

Basic Limits Loss Development
Private Passenger Types - Property Damage
Multistate
Incurred Losses and Expenses

Accident Year <u>Ending</u>	\$100,000 Basic Limit			
	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>
12/31/2008	88,393,223	88,364,514	88,362,714	88,360,915
12/31/2009	82,784,414	82,816,686	82,806,763	82,797,956
12/31/2010	84,159,146	84,149,046	84,148,149	84,092,867
12/31/2011	90,208,832	90,270,044	90,270,073	90,270,071
12/31/2012	92,693,735	92,637,344	92,630,894	
12/31/2013	92,923,703	92,936,744		
12/31/2014	91,650,378			

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>
12/31/2008	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.000	1.000
12/31/2010	1.002	1.000	1.000	0.999
12/31/2011	1.001	1.001	1.000	1.000
12/31/2012	1.001	0.999	1.000	
12/31/2013	1.000	1.000		
12/31/2014	1.000			
Average Factor: (Best 3 of 5)	1.001	1.000	1.000	1.000

Summary of Factors

111 to Ult:	(1.000)	=	1.000
99 to Ult:	(111:99) (111:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (111:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (111:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Trucks, Tractors and Trailers - Other than Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	169,075,914	172,356,455	172,226,964	172,144,758	172,150,312
12/31/2009	139,676,875	141,659,831	141,877,208	142,029,425	142,058,451
12/31/2010	162,228,421	165,199,003	165,363,075	165,210,122	165,344,644
12/31/2011	184,579,931	187,570,477	187,759,828	187,847,466	187,801,773
12/31/2012	206,709,870	211,135,464	211,125,966	211,209,707	211,246,422
12/31/2013	168,493,379	172,521,157	172,953,316	173,329,851	173,297,174
12/31/2014	178,046,624	182,526,363	182,556,940	182,425,592	182,374,567
12/31/2015	174,019,328	177,762,439	177,864,669	178,188,640	178,246,619
12/31/2016	223,132,783	227,792,900	228,007,906	228,177,207	
12/31/2017	233,738,580	239,343,978	239,453,514		
12/31/2018	226,431,063	232,028,742			
12/31/2019	242,128,153				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.019	0.999	1.000	1.000
12/31/2009	1.014	1.002	1.001	1.000
12/31/2010	1.018	1.001	0.999	1.001
12/31/2011	1.016	1.001	1.000	1.000
12/31/2012	1.021	1.000	1.000	1.000
12/31/2013	1.024	1.003	1.002	1.000
12/31/2014	1.025	1.000	0.999	1.000
12/31/2015	1.022	1.001	1.002	1.000
12/31/2016	1.021	1.001	1.001	
12/31/2017	1.024	1.000		
12/31/2018	1.025			
Average Factor: (Best 3 of 5)	1.024	1.001	1.001	1.000

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.001
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.002
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.026

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Trucks, Tractors and Trailers - Other than Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	172,339,979	172,260,723	172,266,711	172,352,729	172,353,192
12/31/2009	141,908,763	141,907,994	141,924,368	142,001,305	141,990,819
12/31/2010	165,441,441	165,497,741	165,489,609	165,487,433	165,475,862
12/31/2011	187,792,048	187,781,135	187,768,262	187,775,662	
12/31/2012	211,220,590	211,286,628	211,282,416		
12/31/2013	173,352,014	173,340,694			
12/31/2014	182,347,036				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.001	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.001	1.000
12/31/2010	1.001	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Trucks, Tractors and Trailers - Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	416,021,546	409,079,373	408,459,328	407,738,399	406,831,920
12/31/2009	346,813,075	340,283,882	339,356,769	338,960,899	339,088,710
12/31/2010	372,141,465	364,482,008	363,144,149	363,072,120	363,071,404
12/31/2011	401,321,679	392,896,499	390,761,062	390,428,189	390,369,742
12/31/2012	395,529,408	388,804,071	386,597,938	385,881,302	386,054,803
12/31/2013	418,968,317	410,340,283	408,780,785	409,500,315	408,313,382
12/31/2014	461,280,126	452,064,091	449,250,521	448,864,783	448,560,544
12/31/2015	494,032,938	479,808,842	476,954,207	475,960,826	475,886,124
12/31/2016	525,974,965	511,487,398	507,022,661	506,592,445	
12/31/2017	546,968,747	527,707,041	523,632,790		
12/31/2018	594,040,528	578,069,086			
12/31/2019	618,597,780				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	0.983	0.998	0.998	0.998
12/31/2009	0.981	0.997	0.999	1.000
12/31/2010	0.979	0.996	1.000	1.000
12/31/2011	0.979	0.995	0.999	1.000
12/31/2012	0.983	0.994	0.998	1.000
12/31/2013	0.979	0.996	1.002	0.997
12/31/2014	0.980	0.994	0.999	0.999
12/31/2015	0.971	0.994	0.998	1.000
12/31/2016	0.972	0.991	0.999	
12/31/2017	0.965	0.992		
12/31/2018	0.973			
Average Factor: (Best 3 of 5)	0.972	0.993	0.999	1.000

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.992
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.964

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Trucks, Tractors and Trailers - Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	407,863,172	407,736,651	407,702,156	407,724,584	407,821,821
12/31/2009	338,877,985	338,811,153	338,798,673	338,816,055	338,806,883
12/31/2010	362,987,808	362,896,827	362,856,442	362,832,158	362,800,289
12/31/2011	390,343,359	390,373,238	390,348,643	390,347,683	
12/31/2012	386,045,215	385,971,713	385,942,829		
12/31/2013	408,225,343	408,156,625			
12/31/2014	448,388,619				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.003	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.000	1.000
12/31/2010	1.000	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Private Passenger Types - Other than Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	56,554,190	56,821,088	56,687,001	56,672,996	56,662,945
12/31/2009	50,748,372	50,681,539	50,663,477	50,596,793	50,589,599
12/31/2010	54,688,658	54,746,503	54,739,017	54,735,694	54,753,176
12/31/2011	70,722,060	70,823,171	70,691,526	70,731,170	70,734,671
12/31/2012	78,665,494	77,815,149	77,882,394	77,915,219	77,935,795
12/31/2013	56,046,362	56,517,006	56,727,187	56,736,829	56,729,007
12/31/2014	58,321,064	59,136,888	59,226,271	59,169,169	59,206,883
12/31/2015	49,302,063	49,842,950	49,729,623	49,694,961	49,694,538
12/31/2016	61,678,831	62,232,290	62,265,451	62,221,701	
12/31/2017	71,349,913	71,573,414	71,766,236		
12/31/2018	59,161,443	60,066,930			
12/31/2019	62,844,093				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	1.005	0.998	1.000	1.000
12/31/2009	0.999	1.000	0.999	1.000
12/31/2010	1.001	1.000	1.000	1.000
12/31/2011	1.001	0.998	1.001	1.000
12/31/2012	0.989	1.001	1.000	1.000
12/31/2013	1.008	1.004	1.000	1.000
12/31/2014	1.014	1.002	0.999	1.001
12/31/2015	1.011	0.998	0.999	1.000
12/31/2016	1.009	1.001	0.999	
12/31/2017	1.003	1.003		
12/31/2018	1.015			
Average Factor: (Best 3 of 5)	1.011	1.002	0.999	1.000

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.001
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.012

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Private Passenger Types - Other than Collision
Multistate
Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	56,645,882	56,633,778	56,632,032	56,632,511	56,641,555
12/31/2009	50,590,644	50,590,788	50,594,415	50,600,378	50,596,681
12/31/2010	54,686,462	54,689,217	54,721,039	54,720,533	54,727,873
12/31/2011	70,748,406	70,755,021	70,749,292	70,754,146	
12/31/2012	77,941,609	77,940,623	77,913,949		
12/31/2013	56,737,461	56,738,616			
12/31/2014	59,205,984				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.000	1.000	1.000	1.000	1.000
12/31/2009	1.000	1.000	1.000	1.000	1.000
12/31/2010	0.999	1.000	1.001	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Private Passenger Types - Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2008	154,863,414	149,193,150	148,520,928	148,291,299	148,262,196
12/31/2009	144,336,487	139,234,682	138,589,956	138,506,708	138,455,366
12/31/2010	146,938,218	139,775,300	139,054,588	138,856,519	138,836,836
12/31/2011	156,864,568	149,961,508	149,486,635	149,275,591	149,234,771
12/31/2012	155,884,559	149,719,129	149,052,693	148,917,451	148,862,453
12/31/2013	156,116,090	148,975,011	147,905,111	147,918,256	147,860,588
12/31/2014	161,642,206	154,675,113	153,695,421	153,484,159	153,432,805
12/31/2015	169,819,072	161,234,726	159,974,412	159,600,373	159,510,857
12/31/2016	169,587,494	161,253,777	159,889,000	159,593,315	
12/31/2017	163,741,413	155,626,114	154,383,061		
12/31/2018	177,649,931	168,068,102			
12/31/2019	192,791,245				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2008	0.963	0.995	0.998	1.000
12/31/2009	0.965	0.995	0.999	1.000
12/31/2010	0.951	0.995	0.999	1.000
12/31/2011	0.956	0.997	0.999	1.000
12/31/2012	0.960	0.996	0.999	1.000
12/31/2013	0.954	0.993	1.000	1.000
12/31/2014	0.957	0.994	0.999	1.000
12/31/2015	0.949	0.992	0.998	0.999
12/31/2016	0.951	0.992	0.998	
12/31/2017	0.950	0.992		
12/31/2018	0.946			
Average Factor: (Best 3 of 5)	0.950	0.992	0.999	1.000

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.000
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.999
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.991
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.941

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
 Private Passenger Types - Collision
 Multistate
 Paid Losses

Accident Year <u>Ending</u>	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2008	148,227,125	148,176,913	148,167,383	148,166,920	148,159,398
12/31/2009	138,368,535	138,346,989	138,340,452	138,330,227	138,317,560
12/31/2010	138,786,288	138,773,012	138,772,394	138,773,919	138,764,204
12/31/2011	149,163,748	149,134,319	149,122,176	149,108,005	
12/31/2012	148,816,043	148,792,377	148,770,225		
12/31/2013	147,821,673	147,797,377			
12/31/2014	153,590,178				

Ratios

Accident Year <u>Ending</u>	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2008	1.000	1.000	1.000	1.000	1.000
12/31/2009	0.999	1.000	1.000	1.000	1.000
12/31/2010	1.000	1.000	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.000	1.000		
12/31/2013	1.000	1.000			
12/31/2014	1.001				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Auto Dealers - Other than Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2010	30,648,765	31,069,585	31,127,741	31,125,140	31,105,232
12/31/2011	50,176,790	50,576,196	50,409,533	50,302,510	50,252,920
12/31/2012	33,147,253	34,058,482	33,879,705	33,835,910	33,863,783
12/31/2013	21,909,912	22,198,262	22,303,605	22,165,625	22,156,556
12/31/2014	28,696,539	29,044,163	29,002,641	29,056,586	29,089,187
12/31/2015	17,052,994	17,326,646	17,413,067	17,409,184	17,649,626
12/31/2016	14,929,494	15,657,249	15,745,635	15,699,446	
12/31/2017	12,228,932	12,980,863	13,072,806		
12/31/2018	15,420,404	15,836,714			
12/31/2019	16,561,212				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.014	1.002	1.000	0.999
12/31/2011	1.008	0.997	0.998	0.999
12/31/2012	1.027	0.995	0.999	1.001
12/31/2013	1.013	1.005	0.994	1.000
12/31/2014	1.012	0.999	1.002	1.001
12/31/2015	1.016	1.005	1.000	1.014
12/31/2016	1.049	1.006	0.997	
12/31/2017	1.061	1.007		
12/31/2018	1.027			
Average Factor: (Best 3 of 5)	1.031	1.005	0.999	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.001
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.000
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.005
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.036

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Auto Dealers - Other than Collision
Multistate
Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2010	31,085,970	31,085,503	31,085,713	31,085,683	31,085,393
12/31/2011	50,212,420	50,237,146	50,214,898	50,214,000	
12/31/2012	33,846,315	33,831,986	33,820,487		
12/31/2013	22,182,189	22,191,167			
12/31/2014	29,106,733				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2010	0.999	1.000	1.000	1.000	1.000
12/31/2011	0.999	1.000	1.000	1.000	
12/31/2012	0.999	1.000	1.000		
12/31/2013	1.001	1.000			
12/31/2014	1.001				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Auto Dealers - Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2010	11,415,149	11,077,090	11,002,304	10,974,948	10,968,705
12/31/2011	11,934,352	11,452,954	11,367,759	11,329,675	11,311,800
12/31/2012	10,408,928	10,246,525	10,140,000	10,114,180	10,096,704
12/31/2013	10,113,052	9,770,687	9,683,108	9,677,279	9,665,296
12/31/2014	9,890,511	9,583,151	9,515,882	9,499,915	9,483,826
12/31/2015	9,486,340	9,277,100	9,219,730	9,210,942	9,203,961
12/31/2016	8,996,473	8,632,127	8,573,742	8,536,124	
12/31/2017	8,811,664	8,455,052	8,344,825		
12/31/2018	7,893,887	7,224,164			
12/31/2019	8,412,787				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	0.970	0.993	0.998	0.999
12/31/2011	0.960	0.993	0.997	0.998
12/31/2012	0.984	0.990	0.997	0.998
12/31/2013	0.966	0.991	0.999	0.999
12/31/2014	0.969	0.993	0.998	0.998
12/31/2015	0.978	0.994	0.999	0.999
12/31/2016	0.960	0.993	0.996	
12/31/2017	0.960	0.987		
12/31/2018	0.915			
Average Factor: (Best 3 of 5)	0.963	0.992	0.998	0.998

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	0.999
51 to Ult:	(63:51) (75:63) (75:Ult) =	0.997
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	0.995
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.987
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	0.951

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Auto Dealers - Collision
Multistate
Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2010	10,957,192	10,943,826	10,939,156	10,933,689	10,928,768
12/31/2011	11,309,188	11,305,214	11,291,875	11,286,032	
12/31/2012	10,083,659	10,075,096	10,069,589		
12/31/2013	9,655,536	9,653,467			
12/31/2014	9,481,992				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2010	0.999	0.999	1.000	1.000	1.000
12/31/2011	1.000	1.000	0.999	0.999	
12/31/2012	0.999	0.999	0.999		
12/31/2013	0.999	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	0.999	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Garagekeepers - Other than Collision
Multistate
Paid Losses

Accident Year Ending	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2010	8,450,399	8,908,200	8,991,615	9,033,562	9,051,741
12/31/2011	11,078,606	11,763,139	12,016,677	11,950,404	11,950,666
12/31/2012	7,831,799	8,428,492	8,672,874	9,324,597	9,360,832
12/31/2013	5,823,553	6,172,401	6,160,503	6,207,624	6,246,066
12/31/2014	6,411,350	7,101,694	7,137,523	7,072,483	7,108,867
12/31/2015	6,951,650	8,066,331	8,268,234	8,275,891	8,290,651
12/31/2016	6,100,231	6,733,752	7,377,703	7,408,745	
12/31/2017	8,165,570	9,020,975	9,662,219		
12/31/2018	8,718,225	10,168,070			
12/31/2019	7,289,889				

Ratios

Accident Year Ending	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.054	1.009	1.005	1.002
12/31/2011	1.062	1.022	0.994	1.000
12/31/2012	1.076	1.029	1.075	1.004
12/31/2013	1.060	0.998	1.008	1.006
12/31/2014	1.108	1.005	0.991	1.005
12/31/2015	1.160	1.025	1.001	1.002
12/31/2016	1.104	1.096	1.004	
12/31/2017	1.105	1.071		
12/31/2018	1.166			
Average Factor: (Best 3 of 5)	1.124	1.034	1.004	1.004

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.004
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.008
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.042
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.172

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Garagekeepers - Other than Collision
Multistate
Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2010	9,054,359	9,045,260	9,044,228	9,044,228	9,044,228
12/31/2011	11,950,650	11,952,509	11,951,472	11,951,462	
12/31/2012	9,360,263	9,410,265	9,409,841		
12/31/2013	6,244,435	6,259,435			
12/31/2014	7,109,382				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2010	1.000	0.999	1.000	1.000	1.000
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.000	1.005	1.000		
12/31/2013	1.000	1.002			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Garagekeepers - Collision
Multistate
Paid Losses

Accident Year <u>Ending</u>	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>
12/31/2010	7,670,054	7,772,114	7,832,941	7,816,184	7,823,578
12/31/2011	8,507,248	8,463,391	8,423,618	8,492,481	8,493,112
12/31/2012	6,982,824	7,102,605	7,120,497	7,124,298	7,139,546
12/31/2013	6,700,281	7,137,564	7,110,014	7,141,749	7,143,677
12/31/2014	7,409,686	7,645,449	7,616,243	7,627,963	7,632,111
12/31/2015	8,065,988	8,473,897	8,549,850	8,576,190	8,645,266
12/31/2016	8,465,114	8,889,276	8,922,176	8,943,414	
12/31/2017	9,593,717	10,092,885	10,182,825		
12/31/2018	11,279,700	12,066,262			
12/31/2019	9,904,325				

Ratios

Accident Year <u>Ending</u>	<u>27:15</u>	<u>39:27</u>	<u>51:39</u>	<u>63:51</u>
12/31/2010	1.013	1.008	0.998	1.001
12/31/2011	0.995	0.995	1.008	1.000
12/31/2012	1.017	1.003	1.001	1.002
12/31/2013	1.065	0.996	1.004	1.000
12/31/2014	1.032	0.996	1.002	1.001
12/31/2015	1.051	1.009	1.003	1.008
12/31/2016	1.050	1.004	1.002	
12/31/2017	1.052	1.009		
12/31/2018	1.070			
Average Factor: (Best 3 of 5)	1.051	1.003	1.002	1.001

Summary of Factors

63 to Ult:	(75:63) (75:Ult) =	1.000
51 to Ult:	(63:51) (75:63) (75:Ult) =	1.001
39 to Ult:	(51:39) (63:51) (75:63) (75:Ult) =	1.003
27 to Ult:	(39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.006
15 to Ult:	(27:15) (39:27) (51:39) (63:51) (75:63) (75:Ult) =	1.057

INSURANCE SERVICES OFFICE, INC.

Physical Damage Loss Development
Garagekeepers - Collision
Multistate
Paid Losses

Accident Year Ending	<u>75 Months</u>	<u>87 Months</u>	<u>99 Months</u>	<u>111 Months</u>	<u>123 Months</u>
12/31/2010	7,822,512	7,821,388	7,821,447	7,819,403	7,824,412
12/31/2011	8,492,348	8,491,973	8,492,623	8,492,203	
12/31/2012	7,144,893	7,144,410	7,142,855		
12/31/2013	7,149,393	7,148,527			
12/31/2014	7,632,111				

Ratios

Accident Year Ending	<u>75:63</u>	<u>87:75</u>	<u>99:87</u>	<u>111:99</u>	<u>123:111</u>
12/31/2010	1.000	1.000	1.000	1.000	1.001
12/31/2011	1.000	1.000	1.000	1.000	
12/31/2012	1.001	1.000	1.000		
12/31/2013	1.001	1.000			
12/31/2014	1.000				
Average Factor: (Best 3 of 5)	1.000	1.000	1.000	1.000	1.000

Summary of Factors

123 to Ult:	(1.000)	=	1.000
111 to Ult:	(123:111) (123:Ult)	=	1.000
99 to Ult:	(111:99) (123:111) (123:Ult)	=	1.000
87 to Ult:	(99:87) (111:99) (123:111) (123:Ult)	=	1.000
75 to Ult:	(87:75) (99:87) (111:99) (123:111) (123:Ult)	=	1.000

INSURANCE SERVICES OFFICE, INC.

(1)	Public Automobiles Liability	Differentials to Base Loss Cost CSL Liab	
	Taxis & Limos		6.20
	School and Church Buses		0.55
	Other Buses		3.80
	Van Pools		1.50
(2)	Public Automobiles Physical Damage		
	Taxis, Limos and Van Pools		
	Other Than Collision:		1.02
	Collision		1.27
	School, Church, and Other Buses		
	Other Than Collision:		0.70
	Collision		0.65
(3)	Medical Payments Relativities	<u>EXHIBIT C19</u>	
(4)	Specified Cause of Loss Relativity		0.720
	This factor is used for Trucks, Tractors and Trailers and Private Passenger Types.		
(5)	Garagekeepers Physical Damage Relativities	<u>EXHIBIT C20</u>	
(6)	The loss cost for hired autos is set forth in Section D. It applies in all territories and is calculated as 0.15% of the statewide \$100,000 Combined Single Limit average loss cost for all Trucks, Tractors, & Trailers.		

INSURANCE SERVICES OFFICE, INC.

(3) Medical Payments Relativities

Territory	Class of Business											
	Trucks, Tractors and Trailers				Private Passenger Types				Other Buses			
	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>
101	0.0035	0.0054	0.0082	0.0139	0.0063	0.0109	0.0180	0.0318	0.0086	0.0141	0.0221	0.0378
103	0.0048	0.0075	0.0115	0.0194	0.0063	0.0109	0.0180	0.0318	0.0107	0.0174	0.0274	0.0468
105	0.0041	0.0065	0.0098	0.0167	0.0063	0.0109	0.0180	0.0318	0.0117	0.0192	0.0302	0.0516
106	0.0047	0.0073	0.0111	0.0188	0.0063	0.0109	0.0180	0.0318	0.0106	0.0174	0.0273	0.0466
108	0.0049	0.0076	0.0116	0.0196	0.0063	0.0109	0.0180	0.0318	0.0103	0.0168	0.0264	0.0452
109	0.0050	0.0078	0.0119	0.0202	0.0063	0.0109	0.0180	0.0318	0.0125	0.0204	0.0321	0.0548
110	0.0041	0.0064	0.0098	0.0166	0.0063	0.0109	0.0180	0.0318	0.0104	0.0170	0.0267	0.0457
111	0.0055	0.0086	0.0130	0.0221	0.0063	0.0109	0.0180	0.0318	0.0145	0.0238	0.0374	0.0639

INSURANCE SERVICES OFFICE, INC.

(3) Medical Payments Relativities

Territory	Class of Business											
	School and Church Buses				Taxis and Limos				Van Pools			
	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>	<u>500</u>	<u>1000</u>	<u>2000</u>	<u>5000</u>
101	0.0120	0.0199	0.0312	0.0499	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
103	0.0152	0.0252	0.0397	0.0634	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
105	0.0161	0.0267	0.0420	0.0670	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
106	0.0149	0.0247	0.0389	0.0621	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
108	0.0144	0.0239	0.0376	0.0601	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
109	0.0170	0.0283	0.0445	0.0710	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
110	0.0144	0.0239	0.0376	0.0601	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321
111	0.0207	0.0344	0.0540	0.0863	0.0078	0.0138	0.0228	0.0416	0.0078	0.0120	0.0185	0.0321

INSURANCE SERVICES OFFICE, INC.

(5) Garagekeepers Physical Damage Relativities

For Other Than Collision, the base loss cost is the \$6,000 limit for Specified Perils Legal Liability.

For Collision, the base loss cost is the \$100 Deductible, Legal Liability at the \$6,000 limit.

Maximum Limit of Liability	Collision \$100 Deductible	Other than Collision \$100 Deductible
6,000	1.00	1.00
7,500	1.16	1.17
9,000	1.32	1.34
12,000	1.68	1.65
15,000	2.00	1.94
18,000	2.37	2.17
22,500	2.79	2.62
30,000	3.58	3.28
37,500	4.21	3.88
45,000	4.74	4.42
60,000	5.95	5.45
75,000	7.16	6.42
90,000	8.21	7.40
120,000	10.26	9.11
150,000	12.32	10.68
180,000	14.21	12.31
225,000	17.00	14.80
300,000	21.63	18.74
375,000	26.21	22.71
450,000	30.74	26.60
600,000	39.68	34.05
750,000	48.47	41.28
900,000	56.74	48.31
1,200,000	72.16	61.62
1,500,000	86.53	73.60
2,000,000	98.74	83.28
2,500,000	107.58	90.71

For Other Than Collision, the following factors apply:

Direct Primary	1.35
Direct Excess	1.15
Comprehensive	1.20

For Collision, the following factors apply:

Direct Primary	1.35
Direct Excess	1.15
\$250 Ded.	0.65
\$500 Ded.	0.50

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 101**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 484	\$2	\$3	\$4	\$7	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 420	\$3	\$5	\$8	\$13	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 3001	\$23	\$41	\$68	\$125	N/A
– SCHOOL AND CHURCH BUSES					
\$ 266	\$3	\$5	\$8	\$13	N/A
– OTHER BUSES					
\$ 1839	\$16	\$26	\$41	\$70	N/A
– VAN POOLS					
\$ 726	\$6	\$9	\$13	\$23	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 579	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 373	\$2	\$3	\$4	\$7	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 380	\$2	\$4	\$7	\$12	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 2313	\$18	\$32	\$53	\$96	N/A
– SCHOOL AND CHURCH BUSES					
\$ 205	\$3	\$5	\$8	\$13	N/A
– OTHER BUSES					
\$ 1417	\$15	\$25	\$39	\$66	N/A
– VAN POOLS					
\$ 560	\$4	\$7	\$10	\$18	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 421	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 105**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 347	\$1	\$2	\$3	\$6	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 367	\$2	\$4	\$7	\$12	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 2151	\$17	\$30	\$49	\$89	N/A
– SCHOOL AND CHURCH BUSES					
\$ 191	\$3	\$5	\$8	\$13	N/A
– OTHER BUSES					
\$ 1319	\$15	\$25	\$40	\$68	N/A
– VAN POOLS					
\$ 521	\$4	\$6	\$10	\$17	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 384	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 420	\$2	\$3	\$5	\$8	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 377	\$2	\$4	\$7	\$12	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 2604	\$20	\$36	\$59	\$108	N/A
– SCHOOL AND CHURCH BUSES					
\$ 231	\$3	\$6	\$9	\$14	N/A
– OTHER BUSES					
\$ 1596	\$17	\$28	\$44	\$74	N/A
– VAN POOLS					
\$ 630	\$5	\$8	\$12	\$20	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 473	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 108**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 404	\$2	\$3	\$5	\$8	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 320	\$2	\$3	\$6	\$10	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 2505	\$20	\$35	\$57	\$104	N/A
– SCHOOL AND CHURCH BUSES					
\$ 222	\$3	\$5	\$8	\$13	N/A
– OTHER BUSES					
\$ 1535	\$16	\$26	\$41	\$69	N/A
– VAN POOLS					
\$ 606	\$5	\$7	\$11	\$19	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 470	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 308	\$2	\$3	\$4	\$6	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 320	\$2	\$3	\$6	\$10	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 1910	\$15	\$26	\$44	\$79	N/A
– SCHOOL AND CHURCH BUSES					
\$ 169	\$3	\$5	\$8	\$12	N/A
– OTHER BUSES					
\$ 1170	\$15	\$24	\$38	\$64	N/A
– VAN POOLS					
\$ 462	\$4	\$6	\$9	\$15	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 352	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 110**

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
	Limit Per Person				
Limit Of Liab. \$100,000	500	1000	2000	5000	Basic Limits
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 394	\$2	\$3	\$4	\$7	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 340	\$2	\$4	\$6	\$11	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 2443	\$19	\$34	\$56	\$102	N/A
– SCHOOL AND CHURCH BUSES					
\$ 217	\$3	\$5	\$8	\$13	N/A
– OTHER BUSES					
\$ 1497	\$16	\$25	\$40	\$68	N/A
– VAN POOLS					
\$ 591	\$5	\$7	\$11	\$19	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 445	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

LIABILITY	MEDICAL PAYMENTS				PERSONAL INJURY PROTECTION
Limit Of Liab. \$100,000	Limit Per Person				Basic Limits
	500	1000	2000	5000	
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS					
\$ 238	\$1	\$2	\$3	\$5	N/A
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS					
\$ 245	\$2	\$3	\$4	\$8	N/A
RULE 40. PUBLIC AUTO CLASSIFICATIONS –					
– TAXICABS AND LIMOUSINES					
\$ 1476	\$12	\$20	\$34	\$61	N/A
– SCHOOL AND CHURCH BUSES					
\$ 131	\$3	\$5	\$7	\$11	N/A
– OTHER BUSES					
\$ 904	\$13	\$22	\$34	\$58	N/A
– VAN POOLS					
\$ 357	\$3	\$4	\$7	\$11	N/A
RULE 49. AUTO DEALERS – PREMIUM DEVELOPMENT					
\$ 265	Refer to Rule 49.				N/A
<ul style="list-style-type: none">• For liability increased limits factors, refer to Rule 100.• For liability fleet factors, refer to Rules 22. and 39.• Other Than Auto losses for Auto Dealers risks are subject to an aggregate limit equal to three times the liability limit. For additional limits, refer to Rule 49.• For Medical Payments Coverage – Work Loss and Accidental Death Benefit, refer to Rule 93.					

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 101**

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 114	\$ 159	\$ 238
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 76	\$ 106	\$ 305
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 116	\$ 162	\$ 302
– SCHOOL AND CHURCH BUSES			
	\$ 80	\$ 111	\$ 155
– OTHER BUSES			
	\$ 80	\$ 111	\$ 155
– VAN POOLS			
	\$ 116	\$ 162	\$ 302
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 117	\$ 162	\$ 230
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 114	\$ 158	\$ 277
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 119	\$ 165	\$ 292
– SCHOOL AND CHURCH BUSES			
	\$ 82	\$ 113	\$ 150
– OTHER BUSES			
	\$ 82	\$ 113	\$ 150
– VAN POOLS			
	\$ 119	\$ 165	\$ 292
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 105**

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 111	\$ 154	\$ 259
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 113	\$ 157	\$ 283
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 113	\$ 157	\$ 329
– SCHOOL AND CHURCH BUSES			
	\$ 78	\$ 108	\$ 168
– OTHER BUSES			
	\$ 78	\$ 108	\$ 168
– VAN POOLS			
	\$ 113	\$ 157	\$ 329
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 120	\$ 166	\$ 276
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 88	\$ 122	\$ 275
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 122	\$ 169	\$ 351
– SCHOOL AND CHURCH BUSES			
	\$ 84	\$ 116	\$ 179
– OTHER BUSES			
	\$ 84	\$ 116	\$ 179
– VAN POOLS			
	\$ 122	\$ 169	\$ 351
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 108**

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 130	\$ 181	\$ 250
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 107	\$ 149	\$ 338
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 133	\$ 185	\$ 318
– SCHOOL AND CHURCH BUSES			
	\$ 91	\$ 127	\$ 163
– OTHER BUSES			
	\$ 91	\$ 127	\$ 163
– VAN POOLS			
	\$ 133	\$ 185	\$ 318
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 117	\$ 163	\$ 234
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 88	\$ 122	\$ 286
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 119	\$ 166	\$ 297
– SCHOOL AND CHURCH BUSES			
	\$ 82	\$ 114	\$ 152
– OTHER BUSES			
	\$ 82	\$ 114	\$ 152
– VAN POOLS			
	\$ 119	\$ 166	\$ 297
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

**ARKANSAS (03)
TERRITORY 110**

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 138	\$ 191	\$ 212
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 93	\$ 129	\$ 244
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 141	\$ 195	\$ 269
– SCHOOL AND CHURCH BUSES			
	\$ 97	\$ 134	\$ 138
– OTHER BUSES			
	\$ 97	\$ 134	\$ 138
– VAN POOLS			
	\$ 141	\$ 195	\$ 269
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

PHYSICAL DAMAGE Original Cost New Range \$15,001 – 20,000			
	Specified Causes Of Loss	Comp.	\$500 Ded. Coll.
RULE 23. TRUCKS, TRACTORS AND TRAILERS CLASSIFICATIONS			
– Local And Intermediate – All Vehicles			
– Long Distance – Light Trucks And Trailers Used With Light Trucks			
	\$ 139	\$ 193	\$ 265
RULE 32. PRIVATE PASSENGER TYPES CLASSIFICATIONS			
	\$ 102	\$ 141	\$ 264
RULE 40. PUBLIC AUTO CLASSIFICATIONS			
– TAXICABS AND LIMOUSINES			
	\$ 142	\$ 197	\$ 337
– SCHOOL AND CHURCH BUSES			
	\$ 97	\$ 135	\$ 172
– OTHER BUSES			
	\$ 97	\$ 135	\$ 172
– VAN POOLS			
	\$ 142	\$ 197	\$ 337
<ul style="list-style-type: none"> • For physical damage fleet factors, refer to Rules 22. and 39. • For additional coverages, refer to the Additional Coverages Table in Rules 23. and 40. • For Deductible factors, refer to Rule 98. • For Original Cost New and Age Group factors, refer to Rule 101. • For Stated Amount factors, refer to Rule 101. 			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

ARKANSAS (03)

49. AUTO DEALERS – PREMIUM DEVELOPMENT

FIRE	
	\$ 0.07

FIRE AND THEFT*			
Territory Code	Personal Auto Type Vehicles		Miscellaneous Type Vehicles
	Buildings And Standard Open Lots	Non-Standard Open Lots	Buildings And Open Lots
All Territories	\$ 0.44	\$ 0.52	\$ 0.23
* Theft is subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.			

SPECIFIED CAUSES OF LOSS*					
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles	
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings	Open Lots
All Territories	\$ 0.74	\$ 0.82	\$ 0.92	\$ 0.54	\$ 0.64
* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.					

LIMITED SPECIFIED CAUSES OF LOSS*					
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles	
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings	Open Lots
All Territories	\$ 0.69	\$ 0.74	\$ 0.83	\$ 0.50	\$ 0.54
* Theft is subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.					

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

49. AUTO DEALERS – PREMIUM DEVELOPMENT
(Cont'd)

COMPREHENSIVE*				
Territory Code	Personal Auto Type Vehicles			Miscellaneous Type Vehicles
	Buildings	Standard Open Lots	Non-Standard Open Lots	Buildings And Open Lots
All Territories	\$ 0.89	\$ 1.01	\$ 1.09	\$ 0.82
* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.				

BLANKET COLLISION			
	<ul style="list-style-type: none"> • Reporting Form – Inventory Value • Non-Reporting Form – Limit of Insurance 		
Deductible	First \$ 50,000 And Under	\$ 50,001 To \$ 100,000	Over \$ 100,000
\$100	\$ 1.83	\$ 0.72	\$ 0.33
\$250	1.14	0.46	0.19
See Rule 98. for additional deductible options.			

**COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES**

ARKANSAS (03)

55. GARAGEKEEPERS' INSURANCE – PREMIUM DEVELOPMENT

GARAGEKEEPERS' – OTHER THAN COLLISION*				
Maximum Limit Of Liability	Specified Causes Of Loss		Comprehensive	
	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)
\$ 6,000	\$ 28	\$ 38	\$ 34	\$ 45
7,500	33	44	39	53
9,000	38	51	45	61
12,000	46	62	55	75
15,000	54	73	65	88
18,000	61	82	73	98
22,500	73	99	88	119
30,000	92	124	110	149
37,500	109	147	130	176
45,000	124	167	149	200
60,000	153	206	183	247
75,000	180	243	216	291
90,000	207	280	249	336
120,000	255	344	306	413
150,000	299	404	359	484
180,000	345	465	414	558
225,000	414	559	497	671
300,000	525	708	630	850
375,000	636	858	763	1030
450,000	745	1005	894	1207
600,000	953	1287	1144	1545
750,000	1156	1560	1387	1872
900,000	1353	1826	1623	2191
1,200,000	1725	2329	2070	2795
1,500,000	2061	2782	2473	3338
2,000,000	2332	3148	2798	3778
2,500,000	2540	3429	3048	4115
Over 2,500,000	Refer to Company			
Direct Coverage (Excess)				
Specified Causes Of Loss – Multiply the Legal Liability premium by 1.15.				
Comprehensive – Multiply the Legal Liability premium by 1.15.				
* Theft and Mischief or Vandalism are subject to a \$100 per car/\$500 per occurrence deductible. See Rule 98. for additional deductible options.				

COMMERCIAL LINES MANUAL
DIVISION ONE
AUTOMOBILE
LOSS COST PAGES

55. GARAGEKEEPERS' INSURANCE – PREMIUM DEVELOPMENT (Cont'd)

GARAGEKEEPERS' – COLLISION						
Maximum Limit Of Liability	Deductibles					
	\$ 100		\$ 250		\$ 500	
	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)	Legal Liability	Direct (Primary)
\$ 6,000	\$ 29	\$ 39	\$ 19	\$ 25	\$ 15	\$ 20
7,500	34	45	22	30	17	23
9,000	38	52	25	34	19	26
12,000	49	66	32	43	24	33
15,000	58	78	38	51	29	39
18,000	69	93	45	60	34	46
22,500	81	109	53	71	40	55
30,000	104	140	67	91	52	70
37,500	122	165	79	107	61	82
45,000	137	186	89	121	69	93
60,000	173	233	112	151	86	116
75,000	208	280	135	182	104	140
90,000	238	321	155	209	119	161
120,000	298	402	193	261	149	201
150,000	357	482	232	314	179	241
180,000	412	556	268	362	206	278
225,000	493	666	320	433	247	333
300,000	627	847	408	550	314	423
375,000	760	1026	494	667	380	513
450,000	891	1203	579	782	446	602
600,000	1151	1553	748	1010	575	777
750,000	1406	1898	914	1233	703	949
900,000	1645	2221	1070	1444	823	1111
1,200,000	2093	2825	1360	1836	1046	1413
1,500,000	2509	3388	1631	2202	1255	1694
2,000,000	2863	3866	1861	2513	1432	1933
2,500,000	3120	4212	2028	2738	1560	2106
Over 2,500,000	Refer to Company					
Direct Coverage (Excess)						
Multiply the Legal Liability premium for the desired deductible by 1.15.						
For additional coverages, refer to company.						

90. HIRED AUTOS

Cost Of Hire Basis – All Territories Liability Base Loss Cost
\$ 0.53

Table 90.B.3.b.(LC) Cost Of Hire Basis Liability Loss Cost

Supplementary Information – Arkansas

Introduction

This document provides additional information on the attached loss cost level experience review, including:

- A summary of recent trends in Liability claim costs
- A summary of significant factors used in the development of loss cost indications and a comparison to the factors used in the prior filing that underlie the loss costs currently in effect
- A discussion of the experience underlying the loss cost level evaluation, and how it compares to the prior review
- Issues related to Commercial Auto in Arkansas

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification processes so that only data that would be valid is used for ratemaking. Subsequent to this initial data submission review, additional analyses involving an even more customized data review for this line was performed by staff. During these processes, various data records were excluded from the review, corrected or adjusted. Specifically, various reported exposure amounts have been adjusted prior to their use in the calculations. The ISO staff responsible for this loss cost review also reviewed the data for reasonableness.

Trends in Liability Claim Costs

The table below shows the latest sixteen evaluations of 12-pt. paid claim cost trends.

Multistate Paid Claim Cost Trends

<u>Data Through</u>	<u>\$100,000 Bodily Injury</u>	<u>\$100,000 Property Damage</u>
03/31/2016	+2.9%	+4.8%
06/30/2016	+2.9%	+5.2%
09/30/2016	+2.6%	+5.5%
12/31/2016	+2.7%	+5.7%
03/31/2017	+2.7%	+5.7%
06/30/2017	+2.8%	+5.6%
09/30/2017	+3.0%	+5.4%
12/31/2017	+3.8%	+4.8%
03/31/2018	+4.2%	+4.5%
06/30/2018	+4.4%	+4.3%
09/30/2018	+5.1%	+4.2%
12/31/2018	+5.5%	+4.3%
03/31/2019	+5.7%	+4.6%
06/30/2019	+5.7%	+5.1%
09/30/2019	+5.7%	+5.5%
12/31/2019	+5.9%	+5.9%

ISO believes that bodily injury claim cost trends will primarily be driven by changes in the costs of providing medical care. At times, other factors serve to reduce (or exacerbate) the claim cost trends.

Supplementary Information – Arkansas

Trends in Medical Care Costs

The table below shows the last twelve annual rates of change, based upon the CPI, for Medical Care and Hospital & Other Related Services, separately.

<u>Period</u>	<u>CPI – Medical Care Annual Rate of Change¹</u>	<u>CPI – Hospital & Other Related Services Annual Rate of Change</u>
October 2008 - September 2009	3.5%	6.6%
October 2009 - September 2010	3.4%	7.3%
October 2010 - September 2011	2.8%	4.9%
October 2011 - September 2012	4.1%	4.7%
October 2012 - September 2013	2.4%	5.4%
October 2013 - September 2014	2.0%	3.5%
October 2014 - September 2015	2.5%	3.3%
October 2015 - September 2016	4.9%	5.6%
October 2016 - September 2017	1.6%	4.3%
October 2017 - September 2018	1.7%	3.7%
October 2018 - September 2019	3.5%	2.1%
October 2019 - September 2020	3.3%	3.5%

Claim Frequencies

Historically, frequency trends for Commercial Auto liability have been quite variable, have differed between Trucks, Tractors, and Trailers (TTT) and Private Passenger Types (PPT) liability classes, and have often displayed cyclical patterns. As a result, an exponential curve of the form $Y=A(B^X)$ does not fit the data well over the long term. To reflect these characteristics and the difficulty in predicting turning points and rates of change, frequency trend is being selected to be 0% for TTT and PPT for both the Bodily Injury and Property Damage coverages.

Claim Counts

Claim counts are now being estimated from information on the individual loss records reported to ISO, rather than the claim counts that have been reported to ISO via the statistical plans. This is being done to address company inconsistencies in interpreting ISO's claim count reporting rules.

¹ Annual Rate of Change for a particular year is calculated as the CPI index for September of that year divided by the same index for September for the previous year, minus one.

Supplementary Information – Arkansas

Arkansas Trends

Trucks, Tractors & Trailers and Private Passenger Types Liability

	Current Trends <u>Data through 12/31/2019</u>	Previous Trends <u>Data through 12/31/2018</u>
Arkansas Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	6.0%	13.4%
Property Damage (\$100,000 Limit)	4.1%	1.0%
Credibility-Weighted Claim Cost Trends		
Bodily Injury (\$100,000 Limit)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	4.0%
Selected Claim Frequency Trends		
Trucks, Tractors & Trailers		
Bodily Injury	0.0%	0.0%
Property Damage	0.0%	0.0%
Private Passenger Types		
Bodily Injury	0.0%	0.0%
Property Damage	0.0%	0.0%
Selected Pure Premium Trends		
Trucks, Tractors & Trailers		
Bodily Injury (\$100,000 Limit)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	4.0%
Private Passenger Types		
Bodily Injury (\$100,000 Limit)	5.9%	5.5%
Property Damage (\$100,000 Limit)	5.7%	4.0%

Arkansas bodily injury severity trend receives 0% weight when combined with multistate trend in the filing, property damage trend receives 10% weight.

If the prior trends were used to calculate the indicated changes in this document, the Truck, Tractors & Trailers Liability indication would have been 4.2% rather than 6.5%. For the Private Passenger Types coverage, the indication would have been 3.9% instead of 5.8%.

Supplementary Information – Arkansas

Physical Damage Loss Trend

	<u>Coverage</u>	<u>Current Trends</u>	<u>Previous Trends</u>
		<u>Data through 12/31/2019</u>	<u>Data through 12/31/2018</u>
Trucks, Tractors & Trailers	OTC	+6.5%	+7.0%
	Collision	+4.5%	+4.5%
Private Passenger Types and Garages	OTC	+6.5%	+6.5%
	Collision	+4.0%	+4.0%

Physical Damage OCN Trend

	<u>Coverage</u>	<u>Current Trends</u>	<u>Previous Trends</u>
		<u>Data through 12/31/2019</u>	<u>Data through 12/31/2018</u>
Trucks, Tractors & Trailers	OTC	+0.9%	+0.9%
	Collision	+1.5%	+1.5%
Private Passenger Types	OTC	+1.0%	+1.0%
	Collision	+0.6%	+0.6%

The loss trend has decreased by 0.5 points for Trucks, Tractors & Trailers OTC and has remained the same for Private Passenger Types and Garages OTC. The OCN trend has remained the same for Trucks, Tractors & Trailers OTC and Private Passenger Types OTC. If the prior loss and OCN trends were used, the Trucks, Tractors and Trailers OTC indication in this document would have 8.2%, instead of 6.8%.

The loss trend has remained the same for Trucks, Tractors & Trailers, Private Passenger Types and Garages Collision. The OCN trend has remained the same for Trucks, Tractors, & Trailers Collision and Private Passenger Types Collision.

Supplementary Information – Arkansas

Loss Development

Methodology

For the Trucks, Tractors & Trailers and Private Passenger Types Liability coverages, we continue to employ a credibility-weighted combination of Arkansas and multistate factors for the 15 to 27 month link ratios for BI and PD, and the 27 to 39 month link ratios for BI only. For all coverages, the "best three of five" link ratios have been used. Specifically, the highest and lowest link ratios from the latest five years of the experience have been removed from the calculation and the remaining three ratios are used to calculate the three-year average.

Factors

	<u>Current (100K)</u>	<u>Previous (100K)</u>
Trucks, Tractors and Trailers BI		
39 to Ultimate	1.080	1.074
27 to Ultimate	1.161	1.149
15 to Ultimate	1.281	1.262
Trucks, Tractors and Trailers PD		
39 to Ultimate	1.004	1.004
27 to Ultimate	1.014	1.013
15 to Ultimate	1.027	1.020
Private Passenger Types BI		
39 to Ultimate	1.070	1.071
27 to Ultimate	1.170	1.142
15 to Ultimate	1.356	1.313
Private Passenger Types PD		
39 to Ultimate	1.004	1.004
27 to Ultimate	1.012	1.012
15 to Ultimate	1.040	1.045

Supplementary Information – Arkansas

Other Factors

Unallocated Loss Adjustment Expense factors:

	<u>Data through 12/31/2018</u>	<u>Data through 12/31/2017</u>
Bodily Injury	1.075	1.075
Property Damage	1.100	1.100
Physical Damage	1.130	1.130

Indicated vs. Filed Changes

An overall change of 5.4% is indicated when each of the coverage indications is weighted by its respective loss cost volume. Staff will file the indications, which reflect a 7/1/2021 proposed effective date, with the following exceptions:

<u>Coverage</u>	<u>Indicated Change</u>	<u>Filed Change</u>
Trucks, Tractors & Trailers Collision	-0.3%	N.C.
Private Passenger Types Collision	1.1%	N.C.

The overall filed change is 5.5%.

Notes

- The Auto Dealers Liability coverage is not being reviewed this year.
- Auto Dealers OTC indication of 15.6% is due to a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.
- Auto Dealers Collision indication of 23.6% is due to poor experience in 4 years of the review, as well as a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.
- Garagekeepers OTC indication of 18.3% is due to a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.
- Garagekeepers Collision indication of 10.2% is due to a higher expected experience ratio caused by a longer period of time since this coverage was last reviewed.