

Daryl England, Chairman
Marc Edwards, Member
Ash Gockel, Member
John Marshall, Member

STATE BOARD FOR PROPERTY AND CASUALTY RATES
STATE OF OKLAHOMA

NOTICE OF REGULAR MEETING

The regularly scheduled meeting of the State Board for Property and Casualty Rates will be held at 9:30 a.m., Thursday, December 30, 2004 in the Commissioner's Conference Room of the Oklahoma Insurance Department, at 2401 Northwest 23rd Street, Suite 28, Oklahoma City, Oklahoma 73107.

A copy of this notice of meeting and agenda was posted at the main entrance of the Oklahoma Insurance Department at 2401 NW 23, Suite 28, Oklahoma City, OK on December 22, 2004 at 10:00 a.m. A copy of this agenda is available on the Oklahoma Insurance Department website at www.oid.state.ok.us. Copies of the agenda were delivered or mailed to the Members of the Board on December 22, 2004.

AGENDA

1. Call to Order
2. Reading and Approval of the Minutes for the December 9, 2004 meeting.
3. Agenda Items (1 through 16) for Final Consideration and Action by the Board Are Continued Through Page 8.
4. In Re: Review and Possible Action Regarding Proposed Consent Order, Virginia Surety Company, Case No. 04-0078-DIS
5. New Business
Review, discussion and possible approval of any other new business, if any, which has arisen since the posting of the agenda, which could not have been reasonably foreseen prior to time of posting.
6. Adjournment

Filings before the Board for final consideration which include rates, rating plans, classifications, class rates, rating schedules and manuals.

INDEPENDENT - Filings by insurers either not members of a rating organization for the line of insurance involved; or filing on an independent basis filings made on their behalf by a Bureau.

1. AMERICAN ALTERNATIVE INSURANCE CORPORATION

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to adopt the 1/1/05 NCCI loss costs and future revisions and to revise their loss cost multiplier from 1.232 to 1.565 for an overall effect of +9.3% /+\$5,600. The filing was amended from the original request of +13.9% /+\$15,862. The company has not had a rate change in the past two years.

FILING HAS BEEN CERTIFIED.

Received: November 9, 2004 Filing: 2004-3894C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u>X</u>	___	Marshall	<u>X</u>	___	Edwards	___	___
Morgan	___	___	Gockel	<u>X</u>	___			

- 2. AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
- AMERICAN ZURICH INSURANCE COMPANY
- ASSURANCE COMPANY OF AMERICA
- COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
- FIDELITY AND DEPOSIT COMPANY OF MARYLAND
- MARYLAND CASUALTY COMPANY
- MARYLAND INSURANCE COMPANY
- NATIONAL STANDARD INSURANCE COMPANY
- NORTHERN INSURANCE COMPANY OF NEW YORK
- VALIANT INSURANCE COMPANY
- ZURICH AMERICAN INSURANCE COMPANY
- ZURICH AMERICAN INSURANCE COMPANY OF ILLINOIS

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing to adopt the NCCI 1/1/05 loss costs and to revise their loss cost multipliers from 1.660 to 1.637 and for the F classes from 1.895 to 1.790. This filing was amended from the original request of +5% /+\$970,368 to +4.7% /+\$917,297.

FILING HAS BEEN CERTIFIED.

Received: October 29, 2004 Filing: 2004-3747C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL			Second: ASH GOCKEL					
	Yea	Nay		Yea	Nay		Yea	Nay
England	<u>X</u>	___	Marshall	<u>X</u>	___	Edwards	___	___
Morgan	___	___	Gockel	<u>X</u>	___			

- 3. CHURCH MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to adopt the NCCI 1/1/05 loss costs and revise their loss cost multiplier from 1.377 to 1.204 to be applicable to only these loss costs. This filing results in -0.21% /-\$2,031 total overall effect. FILING HAS BEEN CERTIFIED.

Received: December 6, 2004 Filing: 2004-4231C

Motion made: APPROVED.

Motion made by: ASH GOCKEL			Second: JOHN MARSHALL					
	Yea	Nay		Yea	Nay		Yea	Nay
England	<u>X</u>	___	Marshall	<u>X</u>	___	Edwards	___	___
Morgan	___	___	Gockel	<u>X</u>	___			

4. COLUMBIA NATIONAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing revised manual pages applicable to Workers' Compensation. They are adding a Rule to specify the handling of additional and return premiums. Certification is not required.

Received: November 29, 2004 Filing: 2004-4144C

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			

5. CONTINENTAL CASUALTY COMPANY

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA
TRANSPORTATION INSURANCE COMPANY
TRANSCONTINENTAL INSURANCE COMPANY
VALLEY FORGE INSURANCE COMPANY
CONTINENTAL INSURANCE COMPANY, THE

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing revised Miscellaneous Values page to reflect the final rate of \$0.01 per \$100 of payroll applicable to Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents. Certification is not required.

Received: December 8, 2004 Filing: 2004-4300C

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			

6. DAKOTA TRUCK UNDERWRITERS

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing their initial loss cost multiplier of 1.56 applicable to the 1/1/05 NCCI loss costs and future revisions. The filing was amended to change the Expense Constant from \$220 to \$230 and also to revise the Small Deductible Premium Reduction Table.

FILING HAS BEEN CERTIFIED.

Received: November 1, 2004 Filing: 2004-3748C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			

7. EMPLOYERS MUTUAL CASUALTY COMPANY

EMCASCO INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing revised manual pages applicable to Workers' Compensation to reflect the rate for Domestic Terrorism, Earthquake and Catastrophic Industrial Accidents. The rate is \$0.02 which is the NCCI loss cost multiplied by their currently approved loss cost multiplier.

Certification is not required.

Received: December 2, 2004 Filing: 2004-4216C

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			

8. FLORIST'S MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to adopt the NCCI loss costs of 1/1/05 approved in OK file #04-2828C and future revisions. They are maintaining their currently approved loss cost multiplier of 1.331 approved in OK file #03-3604C. Company estimates the adoption will result in +4.3% /+\$5,645 overall effect.

FILING HAS BEEN CERTIFIED.

Received: November 29, 2004 Filing: 2004-4145C

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			

9. FRANKENMUTH MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing revised manual exception page E-3 to reflect the adoption of the NCCI Loss Elimination Ratios and to make an editorial revision. The filing originally requested a change to their loss cost multiplier but was amended to withdraw the request.

Certification is not required.

Received: November 16, 2004 Filing: 2004-3986C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL		Second: ASH GOCKEL			
	Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>
			Edwards	<u> </u>	<u> </u>

10. MITSUI SUMITOMO INSURANCE COMPANY OF AMERICA

MITSUI SUMITOMO INSURANCE USA INC

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing small deductible factors based on the NCCI Advisory Loss Elimination ratios in OK file #04-2828C.

Certification is not required.

Received: November 23, 2004 Filing: 2004-4130C

Motion made: APPROVED.

Motion made by: ASH GOCKEL		Second: JOHN MARSHALL			
	Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>
			Edwards	<u> </u>	<u> </u>

11. NATIONWIDE AGRIBUSINESS INSURANCE COMPANY
FARMLAND MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing to adopt the 1/1/05 NCCI loss costs and future revisions and to revise their loss cost multipliers (LCM) to implement a preferred and standard tiering structure. The current LCM of 2.314 will be revised as follows:

Farmland Mutual Ins. Co. 1.717 Standard Tier -15.73% /-\$25,554
Nationwide Agribusines Ins. Co. 1.459 Preferred Tier -28.29% /-\$35,825

The rate filing history for the past 2 years is:

7/1/03 +28.51%
1/1/03 + 9.94%

FILING HAS BEEN CERTIFIED.

Received: November 10, 2004 Filing: 2004-3917C

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	___	Marshall	<u> X </u>	___	Edwards	___	___
Morgan	___	___	Gockel	<u> X </u>	___			

12. REINSURANCE COMPANY OF AMERICA, INC.

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing their initial loss cost multiplier (LCM) of 1.472. This filing was amended from the original proposed LCM of 1.276 with a \$200 Expense Constant and to withdraw the forms and endorsements originally included.

FILING HAS BEEN CERTIFIED.

Received: November 19, 2004 Filing: 2004-4076C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	___	Marshall	<u> X </u>	___	Edwards	___	___
Morgan	___	___	Gockel	<u> X </u>	___			

13. TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD
TRANS PACIFIC INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing to adopt the 1/1/05 NCCI loss costs and future revisions and to revise their loss cost multiplier from 1.426 to 1.408 for an overall effect of -15.39% /-\$10,737. There have been no rate changes in the past 2 years.

FILING HAS BEEN CERTIFIED.

Received: November 12, 2004 Filing: 2004-3914C

Motion made: APPROVED.

Motion made by: ASH GOCKEL		Second: JOHN MARSHALL			
	Yea Nay		Yea Nay		Yea Nay
England	<u>X</u> ___	Marshall	<u>X</u> ___	Edwards	___ ___
Morgan	___ ___	Gockel	<u>X</u> ___		

14. TRUCK INSURANCE EXCHANGE

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to revise the maximum premium threshold for the SmallComp Program from \$10,000 to \$15,000. They estimate the premium impact of this change on their book of business to be negligible. Certification is not required.

Received: December 9, 2004 Filing: 2004-4304C

Motion made: APPROVED.

Motion made by: ASH GOCKEL		Second: JOHN MARSHALL			
	Yea Nay		Yea Nay		Yea Nay
England	<u>X</u> ___	Marshall	<u>X</u> ___	Edwards	___ ___
Morgan	___ ___	Gockel	<u>X</u> ___		

15. UNIVERSAL UNDERWRITERS INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to adopt the 1/1/05 NCCI loss costs and revise their loss cost multiplier from 1.438 to 1.875. This filing results in +2.2% /+\$47,186 total overall effect. They have not had any rate filings in the past 2 years.

FILING HAS BEEN CERTIFIED.

Received: December 7, 2004 Filing: 2004-4299C

Motion made: APPROVED.

Motion made by: ASH GOCKEL		Second: JOHN MARSHALL			
	Yea Nay		Yea Nay		Yea Nay
England	<u>X</u> ___	Marshall	<u>X</u> ___	Edwards	___ ___
Morgan	___ ___	Gockel	<u>X</u> ___		

DEVIATION - Filings by insurers, which are members of rating organizations, for adjustment upward or downward of rates previously approved other than Homeowner and Fidelity and Surety lines.

16. HARCO NATIONAL INSURANCE COMPANY

Re: DEVIATION FILING - WORKERS' COMPENSATION

Company is filing to delay adoption of the NCCI 1/1/05 loss costs until 7/1/05. Company is also filing revised exception page WC-E-1 containing revised deductible credits based on the revised Advisory Loss Elimination ratios contained in NCCI's latest filing. Certification is not required.

Received: November 23, 2004 Filing: 2004-4129C

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
England	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Edwards	<u> </u>	<u> </u>
Morgan	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>			