

CARROLL FISHER, CHAIRMAN

Ash Gockel, Member

John Marshall, Member

David Cawthon, Member

Trace Morgan, Member

AGENDA

STATE BOARD FOR PROPERTY AND CASUALTY RATES

The regularly scheduled meeting for the State Board for Property and Casualty Rates is to be held July 31, 2003, at 9:30 A. M. The Meeting will be held in the Commissioner's Conference Room of the Oklahoma Insurance Department, at 2401 Northwest 23rd Street, Suite 28, Oklahoma City, Oklahoma.

MEETING PROCEDURE

1. Old Business
Reading of the Minutes of the July 10, 2003 meeting.

2. New Business
Any matter not known about or which could not have been reasonably foreseen prior to posting the agenda.

3. Agenda Items
Agenda items are continued through Page 12.

4. 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. ACE AMERICAN INSURANCE COMPANY

Re: INDEPENDENT FILING - RECREATIONAL VEHICLE

Company is filing to remove an age requirement from their eligibility requirements to be closer in line with competition for Full-Timers Personal Liability.

Certification is not required.

Received: July 11, 2003 Filing: 2003-1580P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

2. ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing to implement a minor violation surcharge and to clarify that inexperienced operators added to a policy will prevent that policy from qualifying for the Premier/Premier Plus Discount.

Certification is not required.

Received: June 30, 2003 Filing: 2003-1558P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

3. AMERICAN MERCURY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing to introduce the use of credit scoring as well as a new homeownership discount. Filing has been amended to place no hits in the neutral/standard tier as recommended by staff. Certification is not required.

Received: July 7, 2003 Filing: 2003-1568P

Motion made: APPROVED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

4. BITUMINOUS CASUALTY CORPORATION

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing their initial Safety Group Dividend Program for the Oklahoma Independent Petroleum Association. Certification is not required.

Received: June 30, 2003 Filing: 2003-3456C

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

5. BITUMINOUS FIRE AND MARINE INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing their initial Safety Group Dividend Program for the Oklahoma Independent Petroleum Association. Certification is not required.

Received: June 30, 2003 Filing: 2003-3455C

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

6. COLUMBIA NATIONAL INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing rule revisions resulting in an overall effect of 0%. Filing includes minor editorial changes and the change from Insurance Services Office's 8 year model year plan to the 14 year model year rating methodology.

Certification is not required.

Received: July 7, 2003 Filing: 2003-1567P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

7. FIRST COLONIAL INSURANCE COMPANY

Re: INDEPENDENT FILING - MECHANICAL BREAKDOWN

Company is filing initial rates and rules for its new Contractual Liability Program to be used in conjunction with VSC-USW-OK (6/02).

FILING HAS BEEN CERTIFIED.

Received: June 23, 2003 Filing: 2003-1543P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

8. FIRST COLONIAL INSURANCE COMPANY

Re: INDEPENDENT FILING - MECHANICAL BREAKDOWN

Company is filing initial rates and rules for its new Contractual Liability Program to be used in conjunction with NASC-VSC-OK (5/02).

FILING HAS BEEN CERTIFIED.

Received: June 23, 2003 Filing: 2003-1544P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

9. GUIDEONE MUTUAL INSURANCE COMPANY
GUIDEONE SPECIALTY MUTUAL INSURANCE COMPANY
GUIDEONE ELITE INSURANCE COMPANY
GUIDEONE AMERICA INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Companies are filing to remove the cap on insureds that move from tier to tier to be in compliance with SB 539 which goes into effect on November 1, 2003 and will regulate the use of credit scores. Their current cap would prevent insureds from moving up/down by more than one tier; however, SB 539 prevents the usage of a score more than 90 days old. This company had been using scores that were up to a year old. Certification is not required.

Received: July 9, 2003 Filing: 2003-1573P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

10. NATIONAL CASUALTY COMPANY

Re: INDEPENDENT FILING - PET INSURANCE

Company is filing a rate and rule revision to their Veterinary Pet Insurance Program that includes revised program names, rates and rules for the Standard and Superior Plans (formerly Gold and Advantage Plus) and rates and rules for a new Avian and Exotic Pets Plan. The overall rate impact is +6.8% /+\$7,353. FILING HAS BEEN CERTIFIED.

Received: June 23, 2003 Filing: 2003-1526P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

11. OKLAHOMA FARMERS UNION MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing to apply surcharges to drivers with motor vehicle violations on their driving record which results in an overall effect of +0.4% /+\$283,904. The maximum increase is 50% and there are no decreases. 25 policies will receive increases greater than 25% and those are for drivers that have accumulated 3 points or more from moving traffic violations. Filing has been amended to define at fault accidents at 50% or more at fault as recommended by staff. Certification is not required.

Received: June 13, 2003 Filing: 2003-1499P

Motion made: APPROVED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	___	Marshall	<u> X </u>	___	Cawthon	<u> X </u>	___
Morgan	<u> X </u>	___	Gockel	<u> X </u>	___			

12. UNITED SERVICES AUTOMOBILE ASSOCIATION

Re: INDEPENDENT FILING - PERSONAL MISCELLANEOUS

Company is filing a rate and rule revision resulting in an overall effect of 0%. Filing includes replacing a varying late payment fee previously based on the amount of the insured's account balance to a new flat fixed fee. Filing has been amended to revise the original request of a \$15.00 late fee to a \$5.00 late fee as recommended by staff.

Certification is not required.

Received: June 3, 2003 Filing: 2003-1456P

Motion made: APPROVED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	___	Marshall	<u> X </u>	___	Cawthon	<u> X </u>	___
Morgan	<u> X </u>	___	Gockel	<u> X </u>	___			

13. UNITED SERVICES AUTOMOBILE ASSOCIATION
 USAA CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL EXCESS

Companies are filing a rate and rule revision resulting in an overall effect of 0%. Filing includes, but may not be limited to, revising the underage driver factors with 1 or 2 youthful operators age 20 and under, policy limit and underlying limit rating factor for policy limits greater than one million dollars. These changes will be offset with a base rate decrease to have a rate level effect of 0%. FILING HAS BEEN CERTIFIED.

Received: June 9, 2003 Filing: 2003-1479P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

14. USAA CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL MISCELLANEOUS

Company is filing a rate and rule revision resulting in an overall effect of 0%. Filing includes replacing a varying late payment fee previously based on the amount of the insured's account balance to a new flat fixed fee. Filing has been amended to revise the original request of a \$15.00 late fee to a \$5.00 late fee as recommended by staff.

Certification is not required.

Received: June 3, 2003 Filing: 2003-1457P

Motion made: APPROVED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

15. USAA GENERAL INDEMNITY COMPANY

Re: INDEPENDENT FILING - PERSONAL MISCELLANEOUS

Company is filing a rate and rule revision resulting in an overall effect of 0%. Filing includes replacing a varying late payment fee previously based on the amount of the insured's account balance to a new flat fixed fee. Filing has been amended to revise the original request of a \$15.00 late fee to a \$5.00 late fee as recommended by staff.

Certification is not required.

Received: June 3, 2003 Filing: 2003-1458P

Motion made: APPROVED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

BUREAU - Filings by a licensed rating organization on behalf of its members. other than Homeowner and Fidelity and Surety lines of insurance.

16. NATIONAL COUNCIL ON COMPENSATION INS.

Re: BUREAU FILING - WORKERS' COMPENSATION

Bureau is filing Item E-1379-2003 Experience Rating Plan Manual for Workers' Compensation and Employers Liability Insurance. The Experience Rating Plan was revised for ease of use and clarification of intent. There will be no premium impact as a result of this filing. Certification is not required.

Received: July 2, 2003 Filing: 2003-3511C

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

REFERENCE - Filings by insurers adopting previously approved rates and rules of another insurer except Homeowner and Fidelity and Surety lines of insurance.

17. AMERICAN NATIONAL PROPERTY AND CASUALTY COMPANY

Re: REFERENCE FILING - MORTGAGE IMPAIRMENT

Company is filing initial rates and rules to introduce new Mortgage Security Program. These rates are identical to those filed and approved for Landmark American Insurance Company in Oklahoma file #97-1823P.

Certification is not required.

Received: June 26, 2003 Filing: 2003-1564P

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

HOMEOWNERS - Filings for insurance which combine property and liability insurance to protect an investment in a home or contents, dwelling fire insurance, or individual fire insurance on building contents.

18. AMERICAN ASSOCIATION OF INSURANCE SERVICES

Re: BUREAU FILING - DWELLING FIRE

Bureau is filing a manual supplement that provides rules and rating information for Fungi, Wet or Dry Rot, or Bacteria Coverage endorsement for use in their Dwelling Properties Program. The filing designation is AAIS-2003-15DPR.

Certification is not required.

Received: June 16, 2003 Filing: 2003-1500P

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

19. AMERICAN ASSOCIATION OF INSURANCE SERVICES

Re: BUREAU FILING - HOMEOWNERS

Bureau is filing a manual supplement that provides rules and rating information for Fungi, Wet or Dry Rot, or Bacteria Coverage endorsements for use in their Primary and Alternate Homeowners and Mobile Homeowners Program. The filing designation is AAIS-2003-15MLR.

Certification is not required.

Received: June 16, 2003 Filing: 2003-1501P

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

20. AMERICAN ASSOCIATION OF INSURANCE SERVICES

Re: BUREAU FILING - DWELLING FIRE

Bureau is filing a manual supplement that provides rules and rating information for Fungi, Wet or Dry Rot, or Bacteria Coverage endorsement for use with their Dwelling Properties Program - Landlord's Liability Supplement. The filing designation is AAIS-2003-15LLPF.

Certification is not required.

Received: June 16, 2003 Filing: 2003-1507P

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

21. AMERICAN FAMILY HOME INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing a rate and rule revision to their Homeowner Package Program in their Dwelling Protector Program that includes additional deductible amounts, an additional personal liability limit, new territory numbering and new rule for the application of Water Damage and Mold Endorsement. Filing is amended to replace the rule for Water Damage and Mold Endorsement with a rule for Mold Endorsement.

Certification is not required.

Received: May 27, 2003 Filing: 2003-1445P

Motion made: FILED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

22. GOODVILLE MUTUAL CASUALTY COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to adopt American Association of Insurance Services (AAIS) rules and loss costs contained in filing designation AAIS-2000-57 (OK file number 01-4026P), to revise their loss cost multipliers, to introduce new dwelling amount relativities and additional deductible options, and expand the central station alarm discounts. The overall rate impact is +10.9% /+\$40,725. Certification is not required.

Received: June 23, 2003 Filing: 2003-1520P

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

23. SHELTER GENERAL INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing a rate and rule revision that includes revising fire base rates, revising optional coverage rates, revising the base deductible to \$500 and introducing additional deductible options for earthquake coverage. This filing is amended to provide corrected optional coverage rates that had been incorrectly changed in the original submission. The overall rate impact is +6.0%/+\$25,555. Certification is not required.

Received: June 16, 2003 Filing: 2003-1504P

Motion made: FILED As Amended Subject to Final Printed Manual Pages.

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

24. SHELTER MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing a rate and rule revision that includes revising fire base rates, revising optional coverage rates, revising the base deductible to \$500 and introducing additional deductible options for earthquake coverage. The filing is amended to provide corrected optional coverage rates that had been incorrectly changed in the original submission. The overall rate impact is +8.3%/+\$592,298. Certification is not required.

Received: June 16, 2003 Filing: 2003-1505P

Motion made: FILED As Amended Subject to Final Printed Manual Pages.

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

25. UNION MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing a rate and rule procedure for log homes for use in their Dwelling Program. Certification is not required.

Received: June 30, 2003 Filing: 2003-1556P

Motion made: FILED Subject to Final Printed Manual Pages.

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

26. UNION MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - FARMOWNERS

Company is filing a rate and rule procedure for log homes in their Farmowners Program.

Certification is not required.

Received: June 30, 2003 Filing: 2003-1557P

Motion made: FILED Subject to Final Printed Manual Pages.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	___	Marshall	<u> X </u>	___	Cawthon	<u> X </u>	___
Morgan	<u> X </u>	___	Gockel	<u> X </u>	___			