

CARROLL FISHER, CHAIRMAN

Ash Gockel, Member

Al Jennings, Member

John Marshall, 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 March 6, 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 February 13, 2003 meeting.
2. New Business
Any matter not known about or which could not have been reasonably foreseen prior to posting the agenda.
3. Hearing of Public Comments and Possible Board Action on Permanent Rulemaking as Set Out in the Notice of Rulemaking Intent Published in the Oklahoma Register on January 15, 2003
4. Agenda Items
Agenda items are continued through Page 13.
5. 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 MERCURY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing to cease accepting new business in their Protection Plus Program (PPP) and renewing existing PPP business into their Personal Auto Program (PAP) to improve rate accuracy and eliminate redundancy. Underwriting was revised to clarify the definition of at fault accidents as recommended by staff. Certification is not required.

Received: January 15, 2003 Filing: 2003-1047P

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

2. AMERICAN MERCURY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing revisions to its explanation of major violations and also filing revised point surcharges. Filing has been amended concerning speeding less than 10 miles per hour over the speed limit and out of state violations as recommended by staff. Certification is not required.

Received: January 22, 2003 Filing: 2003-1058P

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

3. AMERICAN MERCURY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing the minimum qualifying age from 16 to 15 1/2 for the Good Student Discount.

Certification is not required.

Received: February 19, 2003

Filing: 2003-1140P

Motion made: APPROVED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

4. CHARTER INDEMNITY COMPANY

VALLEY INSURANCE COMPANY

UNITED CASUALTY INSURANCE COMPANY OF AMERICA

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing rate and rule revisions resulting in an overall effect of +5.4% /+\$170,129. Filing includes revised base rates, relativities, discounts, surcharges and unacceptable list for vehicles. Filing has been revised from a +7.1% /+\$223,944 request to +5.4% and the definition of at fault accident has been revised as recommended by staff.

FILING HAS BEEN CERTIFIED.

Received: January 14, 2003

Filing: 2003-1043P

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

5. FARMERS INSURANCE EXCHANGE

Re: INDEPENDENT FILING - PERSONAL EXCESS

Company is filing rate and rule revision resulting in an overall effect of +14% /+\$154,964. Filing includes revised base rates and the rates of a number of miscellaneous coverages. Filing has been amended to change overall request from 14.7% to 14% and the number of years for chargeable accidents was changed as recommended by staff.

FILING HAS BEEN CERTIFIED.

Received: November 22, 2002

Filing: 2002-4137P

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

- 6. FIRE & CASUALTY INSURANCE COMPANY OF CONNECTICUT, THE
- SECURITY INSURANCE COMPANY OF HARTFORD
- CONNECTICUT INDEMNITY COMPANY, THE
- AMERICAN AND FOREIGN INSURANCE COMPANY
- GLOBE INDEMNITY COMPANY
- ROYAL INSURANCE COMPANY OF AMERICA
- ROYAL INDEMNITY COMPANY
- SAFEGUARD INSURANCE COMPANY
- PHOENIX ASSURANCE COMPANY OF NEW YORK

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Companies are filing to adopt the National Council on Compensation Insurance revised loss costs approved in Oklahoma file #02-3861C along with changing their loss cost multipliers as follows:

Company	Current Multiplier	Proposed Multiplier
Security Ins. Co. Hartford	1.712	1.807
Royal Insurance Company	1.556	1.643
American & Foreign Ins. Co.	1.478	1.561
Safeguard Insurance Company	1.323	1.397
Globe Indemnity Company	1.245	1.314
Royal Indemnity Company	1.167	1.232
The Connecticut Indemnity Co.	1.089	1.150
The Fire & Casualty Ins. Co. CT	1.400	1.479
Phoenix Assurance Co. of NY	1.167	1.232

This filing results in +9.6% /+\$2,776,639 total overall effect. This filing was amended to include revised loss cost multipliers and revised deviation factors where the original overall effect was 22.1%. FILING HAS BEEN CERTIFIED.

Received: December 27, 2002 Filing: 2002-5296C

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

7. GREENWICH INSURANCE COMPANY

Re: INDEPENDENT FILING - CROP HAIL

Company is filing crop hail rates based on the National Crop Insurance Services (NCIS) loss costs contained in Filing Designation 2002NCISCH-OK1 (Oklahoma file #01-1669P) and a revised loss cost multiplier of 1.667. Overall rate impact is +20% /+\$81,816.

FILING HAS BEEN CERTIFIED.

Received: January 29, 2003

Filing: 2003-1080P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

8. HORACE MANN INSURANCE COMPANY

TEACHERS INSURANCE COMPANY

HORACE MANN PROPERTY & CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Companies are filing revised symbols for their Private Passenger Auto Program.

Certification is not required.

Received: February 10, 2003

Filing: 2003-1112P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

9. LUMBERMENS UNDERWRITING ALLIANCE

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to adopt the National Council on Compensation Insurance loss costs approved in Oklahoma file #02-3861C and revising their loss cost multiplier from 1.488 to 1.458. The total overall effect of this filing is +1.7% /+\$9,632.

FILING HAS BEEN CERTIFIED.

Received: February 10, 2003

Filing: 2003-0516C

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

10. OHIO CASUALTY INSURANCE COMPANY, THE
 WEST AMERICAN INSURANCE COMPANY
 AMERICAN FIRE AND CASUALTY COMPANY
 OHIO SECURITY INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL MISCELLANEOUS

Companies are filing an increased installment service charge
 from \$3.00 to \$5.00 for all personal lines.
 Certification is not required.

Received: January 28, 2003 Filing: 2003-1074P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

11. OLD REPUBLIC INSURANCE COMPANY

Re: INDEPENDENT FILING - MECHANICAL BREAKDOWN

Company is filing initial rates and rules for its new Vehicle
 Service Contract Program.

FILING HAS BEEN CERTIFIED.

Received: January 8, 2003 Filing: 2003-1022P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

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.

12. SAGAMORE INSURANCE COMPANY

Re: DEVIATION FILING - WORKERS' COMPENSATION

Company is filing to non-adopt the loss costs contained in the National Council on Compensation Insurance's Filing B-1383 applicable to Terrorism coverage.

Certification is not required.

Received: February 6, 2003

Filing: 2003-0435C

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

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

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

Re: REFERENCE FILING - WORKERS' COMPENSATION

Companies are filing to adopt the loss cost contained in the National Council on Compensation Insurance (NCCI) Filing B-1383 effective May 1, 2003. They wish to withdraw their independent filing approved in Oklahoma file #02-5126C as of May 1, 2003 when they will implement the NCCI filing.

Certification is not required.

Received: February 3, 2003 Filing: 2003-0345C

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </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.

14. BROTHERHOOD MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to adopt revision 8.0 of the American Association of Insurance Services (AAIS) 2.0 Homeowners Program contained in filing designation AAIS-2000-57 (Oklahoma file #01-4026P); revised loss cost multipliers of 1.588 for Form 1 and 2, 1.431 for Form 3, 1.269 for Form 4 and 1.644 for Form 5; revised protection factors; increased limits for optional sewer and drain backup coverage; initial value relativity table and initial rates for personal excess liability. The overall rate effect is +7.7% /+\$26,909 with a maximum increase of +19.7% to any Oklahoma insured.

Certification is not required.

Received: December 24, 2002

Filing: 2002-4220P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

15. CENTRAL MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to adopt Insurance Services Office's Identity Fraud Expense Coverage additional rule contained in filing designation HO-2002-RIF02 (Oklahoma file #02-1804P) and a corresponding rate of \$25 for \$15,000 coverage.

Certification is not required.

Received: January 31, 2003

Filing: 2003-1086P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

16. CENTRE INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing initial rates for Platinum, Gold and Bronze Package Endorsements (previously approved in Oklahoma file #02-4199P) for their Preferred and Standard Homeowners Program that will allow the insured to choose the level of coverage from a broader range with additional limits. Filing is amended to change the effective date to May 1, 2003.

Certification is not required.

Received: January 29, 2003 Filing: 2003-1079P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

17. COUNTRY MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company files a revision to their Homeowners Program rates and rules that include revised base rates, auxiliary private structures rates, scheduled personal property rates, liability for business pursuits rates, zone definitions, amount of insurance factors and to introduce a construction code for log homes. The filing is amended to include manual pages that include rates for Farmowners Liability, Landowner Liability Exposure and Miscellaneous Coverage. Overall rate impact is +7.0% /+\$206,576 with a maximum increase to any Oklahoma insured of 15.2%.

Certification is not required.

Received: December 30, 2002 Filing: 2002-4239P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

18. FARMERS ALLIANCE MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing to adopt Insurance Services Office (ISO) rules and loss costs for their Dwelling Policy Program as contained in Filing Designations DP-98-R98EQ, DP-98-R98LC, DP-98-RLA1, DP-99-R99TR, DP-99-OBGS1, DP-2000-RLA1, DP-2002-OFSR1, DP-2002-RLA1, DL-2000-RLA1 and DL-2002-RLA1; company exceptions to ISO for earthquake coverage, building code effectiveness grading and computer coverage; and revised loss cost multipliers of 1.815 for dwelling property and 1.590 for dwelling liability. Overall rate impact is +7.85% /+\$92,693. Certification is not required.

Received: January 23, 2003 Filing: 2003-1055P

Motion made: FILED.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

19. FARMERS ALLIANCE MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Company is filing initial rates and rules for Roof Surcharge/Discount, Persistency Discount, Supplemental Heat Surcharge and Vacancy Permit Surcharge; to revise Rule 104. Protection Classification Codes and Information; and to remove rates and rules that are redundant as they use Insurance Services Office (ISO) loss costs and rules with their previously filed loss cost multiplier. Filing is amended to delete reference on manual page FOK28DP to Alliance Insurance Company and Alliance Indemnity Company. Certification is not required.

Received: January 27, 2003 Filing: 2003-1063P

Motion made: FILED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	<u> </u>	Marshall	<u> X </u>	<u> </u>	Jennings	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	Gockel	<u> X </u>	<u> </u>	Marina	<u> </u>	<u> </u>

20. FARMERS INSURANCE COMPANY, INC.

Re: INDEPENDENT FILING - MOBILE HOMEOWNERS

Company is filing revised Mobile Homeowners manual pages to withdraw rates for optional flood coverage. As of February 1, 2003 the company has no inforce policies. Certification is not required.

Received: February 3, 2003 Filing: 2003-1097P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

21. FIDELITY AND DEPOSIT COMPANY OF MARYLAND

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing initial rates for Platinum, Gold and Bronze Package Endorsements (previously approved in Oklahoma file #02-4218P) for their Non-Standard Homeowners Program that will allow the insured to choose the level of coverage from a broader range with additional limits. Filing is amended to change the effective date to May 1, 2003. Certification is not required.

Received: January 30, 2003 Filing: 2003-1081P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

22. GRAIN DEALERS MUTUAL INSURANCE COMPANY

Re: DEVIATION FILING - HOMEOWNERS

Company is filing to non-adopt Insurance Services Office (ISO) homeowner rule for Identity Fraud Expense Coverage contained in Filing Designation HO-2002-RIF02 (Oklahoma file #02-1804P). Certification is not required.

Received: January 21, 2003 Filing: 2003-1050P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

23. HOMESITE INDEMNITY COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to amend their base premium computation to include expense/loss experience modifier to be used in their Homeowners Program.

Certification is not required.

Received: January 22, 2003 Filing: 2003-1054P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___

24. STATE FARM FIRE AND CASUALTY COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing a revision to Rule 27. Off Premises Structures Increased Limits - Renters and Condominium Unitowners to add a reference to Form FE-5433.

Certification is not required.

Received: January 29, 2003 Filing: 2003-1078P

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>	___	Jennings	___	___
	___	___	Gockel	<u>X</u>	___	Marina	___	___