

Carroll Fisher, Chairman  
Ash Gockel, Member  
John Marshall, Member

David Cawthon, Member  
Trace Morgan, 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, November 20, 2003 in the Commissioner's Conference Room of the Oklahoma Insurance Department, at 2401 Northwest 23<sup>rd</sup> 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 November 10, 2003 at 1:00 p.m. A copy of this agenda is available on the Oklahoma Insurance Department website at [www.oid.state.ok.us](http://www.oid.state.ok.us). Copies of the agenda were delivered or mailed to the Members of the Board on November 10, 2003.

AGENDA

1. Call to Order
2. Reading and Approval of the Minutes for the October 30, 2003 meeting.
3. Discussion and Possible Action Regarding Proposed Board Position Letter  
RE: Mandatory Filing/Reporting Period, 03-0004
4. Agenda Items for Final Consideration by the Board
  - a) Agenda items are continued through Page 9.
  - b) Rating Organization Renewals
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 BANKERS INSURANCE COMPANY OF FLORIDA

Re: INDEPENDENT FILING - PERSONAL INLAND MARINE

Company is filing a revised rate and rule manual for RBC Travel Protection Policy for use in their Personal Inland Marine Program. The manual was updated to reflect the same changes in benefits descriptions that were made to policy forms and as a result of the changes minor rate adjustments were made to trip cancellation rates. There is no rate effect as currently there are no policyholders. FILING HAS BEEN CERTIFIED.

Received: October 8, 2003 Filing: 2003-1807P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	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. AMERICAN INTERNATIONAL INSURANCE COMPANY

Re: INDEPENDENT FILING - FLOOD

Company is filing initial rates and rules for their Personal Excess Flood Program.

FILING HAS BEEN CERTIFIED.

Received: September 23, 2003 Filing: 2003-1767P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	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. CENTRAL MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL EXCESS

Company is filing rate and rule revision resulting in an overall effect of +11.1% /+\$1,799 with the maximum increase to any one insured at 18.2%. Filing includes base rate revisions as well as a revised package discount. This discount applies if this insurer also has the underlying auto and home policies.

FILING HAS BEEN CERTIFIED.

Received: September 19, 2003 Filing: 2003-1762P

Motion made: APPROVED Subject to New Filing After One Year.

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>	___			

4. COLORADO WESTERN INSURANCE COMPANY

Re: INDEPENDENT FILING - COLLATERAL PROTECTION

Company is filing rates to introduce new program that provides physical damage coverage for a period of either 30 days or 10 days on newly sold vehicles when the borrower fails to secure physical damage coverage on vehicles that are financed by the dealer.

FILING HAS BEEN CERTIFIED.

Received: September 24, 2003 Filing: 2003-1771P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	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. GE PROPERTY & CASUALTY INSURANCE COMPANY  
 GE CASUALTY INSURANCE COMPANY  
 GE INDEMNITY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing rate and rule revision to introduce a new limit combination of \$250,000/\$500,000 bodily injury, \$50,000 property damage and a \$10,000 medical payments limit for their casualty package. Filing has no overall effect. Filing has been amended to ensure that the experience period used for the insurer is 36 months per statute.

Certification is not required.

Received: September 15, 2003                      Filing: 2003-1737P

Motion made: APPROVED As Amended Subject to Statistics After One Year.

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>	Cawthon	<u>  X  </u>	<u>      </u>
Morgan	<u>  X  </u>	<u>      </u>	Gockel	<u>  X  </u>	<u>      </u>			

6. HARTFORD ACCIDENT AND INDEMNITY COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing rate and rule revisions resulting in an overall effect of +8.5% /+\$83,414. Filing includes revised: base rates, model year symbol base, passive restraint discount, and deductible relativities. Filing has been amended to clarify that accidents are not considered at fault unless they are at least 50% or more at fault as recommended by staff. Maximum increase to any one insured is 15.5%. Two years past rate history are as follows: Effective 4/16/02 an overall rate increase of 6.9%.

FILING HAS BEEN CERTIFIED.

Received: September 4, 2003                      Filing: 2003-1722P

Motion made: APPROVED 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>	Cawthon	<u>  X  </u>	<u>      </u>
Morgan	<u>  X  </u>	<u>      </u>	Gockel	<u>  X  </u>	<u>      </u>			

7. SENTRY INSURANCE A MUTUAL COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing revised manual page to clarify the accident prevention course applies to each individual and not each vehicle per Bulletin 2003-04.

Certification is not required.

Received: October 14, 2003 Filing: 2003-1829P

Motion made: APPROVED.

Motion made by: TRACE MORGAN			Second: DAVID CAWTHON					
	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. STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY

STATE FARM FIRE AND CASUALTY COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing updated Insurance Rating Group (IRG) and Vehicle Safety Discount (VSD) designations (symbols).

Certification is not required.

Received: October 7, 2003 Filing: 2003-1806P

Motion made: APPROVED.

Motion made by: TRACE MORGAN			Second: DAVID CAWTHON					
	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>	___			

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.

- 9. HARTFORD FIRE INSURANCE COMPANY
- HARTFORD ACCIDENT AND INDEMNITY COMPANY
- HARTFORD CASUALTY INSURANCE COMPANY
- HARTFORD UNDERWRITERS INSURANCE COMPANY
- TWIN CITY FIRE INSURANCE COMPANY
- HARTFORD INSURANCE COMPANY OF THE MIDWEST

Re: DEVIATION FILING - PERSONAL INLAND MARINE

Companies are filing to non-adopt Insurance Services Office (ISO) filing designation PM-2003-RRU03 (Oklahoma file number 03-1551P) that contains rules for their Personal Inland Marine Program. Certification is not required.

Received: November 5, 2003 Filing: 2003-1899P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: DAVID CAWTHON

	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. UNITED SERVICES AUTOMOBILE ASSOCIATION
- USAA CASUALTY INSURANCE COMPANY

Re: DEVIATION FILING - PERSONAL INLAND MARINE

Companies are filing to non-adopt Insurance Services Office (ISO) filing designation PM-2003-RRU03 (Oklahoma file number 03-1551P) that contains a rules revision to their Personal Inland Marine Program. Certification is not required.

Received: October 23, 2003 Filing: 2003-1852P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: DAVID CAWTHON

	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.

11. AMERICAN ECONOMY INSURANCE COMPANY  
 AMERICAN STATES INSURANCE COMPANY

Re: REFERENCE FILING - WORKERS' COMPENSATION

Companies are filing revised manual page WC-19 applicable to the Workers' Compensation Retrospective Rating Plan. The revision reflects the adoption of the updated National Council on Compensation Insurance's Retrospective Rating Plan Parameters (Item R-1385) approved in Oklahoma file #03-2962C.

Certification is not required.

Received: October 21, 2003 Filing: 2003-4540C

Motion made: APPROVED.

Motion made by: DAVID CAWTHON

Second: TRACE MORGAN

	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.

12. FARMERS INSURANCE COMPANY, INC.

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to introduce a Home/Life Discount of 5% for those homeowner policyholders who have a qualifying Farmers life insurance policy. The overall impact is -0.2% /-\$293,080.

Certification is not required.

Received: October 2, 2003 Filing: 2003-1792P

Motion made: FILED.

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. FARMERS INSURANCE COMPANY, INC.

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing Residence Glass rates to correspond with new deductible options previously approved in Oklahoma file number 03-1124P for use in their Homeowners Program.

Certification is not required.

Received: October 14, 2003

Filing: 2003-1824P

Motion made: FILED.

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>	___			

14. FOREMOST PROPERTY AND CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to withdraw their manual of rules and rates for their Homeowners Program. There are no Oklahoma policies in force.

Certification is not required.

Received: October 7, 2003

Filing: 2003-1802P

Motion made: FILED.

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. INSURANCE SERVICES OFFICE

Re: BUREAU FILING - DWELLING FIRE

Bureau is filing to introduce loss costs for Assisted Living Care Coverage and Motorized Golf Cart Physical Loss Coverage for use in their Dwelling Policy Program. The filing designation is DP-2003-RLC1.

Certification is not required.

Received: August 19, 2003

Filing: 2003-1681P

Motion made: FILED.

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>	___			

16. INSURANCE SERVICES OFFICE

Re: BUREAU FILING - DWELLING FIRE

Bureau is filing to introduce loss costs for the Personal Liability Supplement to their Dwelling Policy Program for Assisted Living Care Coverage and Additional Insured - Student Living Away From The Residence Premises. The filing designation is DL-2003-RLC1. Certification is not required.

Received: August 19, 2003 Filing: 2003-1682P

Motion made: FILED.

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>	___			

17. LIBERTY MUTUAL FIRE INSURANCE COMPANY

FIRST LIBERTY INSURANCE CORPORATION, THE

Re: INDEPENDENT FILING - HOMEOWNERS

Companies are filing to introduce a Property Tier Program for use in their LibertyGuard Homeowners Policy Program. Filing is amended to revise underwriting guidelines per staff recommendation. Certification is not required.

Received: August 22, 2003 Filing: 2003-1692P

Motion made: FILED As Amended.

Motion made by: JOHN MARSHALL

Second: DAVID CAWTHON

	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>	___			

18. MID-CENTURY INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to introduce a Home/Life Discount of 5% for those homeowner policyholders who have a qualifying Farmers life insurance policy. The overall impact is -0.2% /-\$9,168. Certification is not required.

Received: October 2, 2003 Filing: 2003-1793P

Motion made: FILED.

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>	___			

19. MID-CENTURY INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing Residence Glass rates to correspond with new deductible options previously approved in Oklahoma file number 03-1121P for use in their Homeowners Program.

Certification is not required.

Received: October 14, 2003 Filing: 2003-1825P

Motion made: FILED.

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>	___			

RENEWAL OF RATING ORGANIZATION LICENSES

20. AMERICAN ASSOCIATION OF INSURANCE SERVICES

Re: Rating Organization Filing

Renewal Rating Organization License  
Effective: January 1, 2004

Received: October 15, 2003

FINAL DECISION APPROVED

Motion Made By: <u>Marshall</u>			Second: <u>Morgan</u>					
	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Gockel	<u>X</u>	___
			Morgan	<u>X</u>	___	Cawthon	<u>X</u>	___

21. INSURANCE SERVICES OFFICE, INC.

Re: Rating Organization Filing

Renewal Rating Organization License  
Effective: January 1, 2004

Received: October 4, 2003

FINAL DECISION APPROVED

Motion Made By: <u>Marshall</u>			Second: <u>Morgan</u>					
	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Gockel	<u>X</u>	___
			Morgan	<u>X</u>	___	Cawthon	<u>X</u>	___

22. NATIONAL COUNCIL ON COMPENSATION INSURANCE

Re: Rating Organization Filing

Renewal Rating Organization License  
Effective: January 1, 2004

Received: November 5, 2003

FINAL DECISION APPROVED

Motion Made By: <u>Marshall</u>			Second: <u>Morgan</u>					
	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Gockel	<u>X</u>	___
			Morgan	<u>X</u>	___	Cawthon	<u>X</u>	___

23. NATIONAL CROP INSURANCE SERVICES, INC.

Re: Rating Organization Filing

Renewal Rating Organization License  
Effective: January 1, 2004

Received: October 13, 2003

FINAL DECISION APPROVED

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Motion Made By: <u>Marshall</u>		Second: <u>Morgan</u>					
	Yea	Nay		Yea	Nay	Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Gockel	<u>X</u>
			Morgan	<u>X</u>	___	Cawthon	<u>X</u>

24. SURETY ASSOCIATION OF AMERICA

Re: Rating Organization Filing

Renewal Rating Organization License  
Effective: January 1, 2004

Received: October 21, 2003

FINAL DECISION APPROVED

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Motion Made By: <u>Marshall</u>		Second: <u>Morgan</u>					
	Yea	Nay		Yea	Nay	Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Gockel	<u>X</u>
			Morgan	<u>X</u>	___	Cawthon	<u>X</u>