

State: California **Filing Company:** American Bankers Insurance Company of Florida
TOI/Sub-TOI: 09.0 Inland Marine/09.0006 Other Personal Inland Marine
Product Name: Corporate Compliance Filing
Project Name/Number: Corporate Compliance Filing/CA07729AI00007

Filing at a Glance

Company: American Bankers Insurance Company of Florida
Product Name: Corporate Compliance Filing
State: California
TOI: 09.0 Inland Marine
Sub-TOI: 09.0006 Other Personal Inland Marine
Filing Type: Rate
Date Submitted: 04/28/2015
SERFF Tr Num: ASPX-G130053498
SERFF Status: Pending State Action
State Tr Num: 15-4230
State Status: Accepted
Co Tr Num: CA07729AI00007

Effective Date: 09/01/2015
Requested (New):
Effective Date: 09/01/2015
Requested (Renewal):
Author(s): SPI AssurantPC
Reviewer(s): Mike Edwards (primary)
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: California **Filing Company:** American Bankers Insurance Company of Florida
TOI/Sub-TOI: 09.0 Inland Marine/09.0006 Other Personal Inland Marine
Product Name: Corporate Compliance Filing
Project Name/Number: Corporate Compliance Filing/CA07729AI00007

General Information

Project Name: Corporate Compliance Filing
Project Number: CA07729AI00007
Reference Organization:
Reference Title:
Filing Status Changed: 05/12/2015
State Status Changed: 05/12/2015
Created By: SPI AssurantPC
Corresponding Filing Tracking Number:

Status of Filing in Domicile:
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:

Deemer Date: 07/14/2015
Submitted By: SPI AssurantPC

Filing Description:

Commissioner Dave Jones
California Department of Insurance
Rate Regulation Branch
Intake Unit - Rate Filing Bureau
45 Fremont St., 23rd Floor
San Francisco, CA 94105

RE:AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA
NAIC # 019-10111 / FEIN #59-0593886
LOB: Credit Involuntary Unemployment.
Company Filing Number: CCF CA07729AI00007
Chargard 60 Unemployment (Class E)

RATE FILING (for approval)

RT0078-0415: Credit Involuntary Unemployment Rates, replaces \$0.40 per \$100 of Outstanding balance per month rate.

Related Filing Documents

Prior Approval Rate Application

Dear Commissioner Jones:

The above referenced Credit Involuntary Unemployment Rate exhibit is being submitted for your review and approval. We are taking this action pursuant to communications received from Deputy Commissioner Joel Laucher and Senior Rate Analyst Ms. Betty Tackett, regarding the overall loss ratios for the period 2011 through 2013; for this line of business.

Please note that we have excluded reporting on the following program, as this program is not in use:
30 Day Retro Monthly Level Premium Capped (Single and Joint),

Due to the lead time required by our clients for implementation and testing, we respectfully request an implementation date on or before the first of the month following 90 days from the date your approval notification is received.

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Thank you for your time and attention to this submission. If there are any questions or concerns, please contact me at 800-452-2244 ext 33148 or via email at Peter.Otto @assurant.com. My fax number is 305-256-7108. For proper routing of your response, please include our company filing number on all correspondence.

Sincerely,

Peter Otto
 Contract Compliance Analyst
 State Filings Department
 American Bankers Insurance Company of Florida

CC: Credit Unemployment Only\ CA AI
 CCF CA07729AI00007

Company and Contact

Filing Contact Information

Peter Otto, Contract Compliance Analyst	Peter.Otto@assurant.com
11222 Quail Roost Drive	305-253-2244 [Phone] 33148 [Ext]
Miami, FL 33157	305-252-6987 [FAX]

Filing Company Information

American Bankers Insurance Company of Florida	CoCode: 10111	State of Domicile: Florida
11222 Quail Roost Dr	Group Code: 19	Company Type:
Miami, FL 33157	Group Name: Assurant, Inc. Group	State ID Number:
(305) 253-2244 ext. [Phone]	FEIN Number: 59-0593886	

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

State Specific

Variance Requested? (Yes/No): no

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Correspondence Summary

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending company response	Martha Zamudio	05/07/2015	05/07/2015

Response Letters

Responded By	Created On	Date Submitted
SPI AssurantPC	05/12/2015	05/12/2015

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Objection Response Deadline	Note To Reviewer	SPI AssurantPC	05/08/2015	05/08/2015

State: California **Filing Company:** American Bankers Insurance Company of Florida
TOI/Sub-TOI: 09.0 Inland Marine/09.0006 Other Personal Inland Marine
Product Name: Corporate Compliance Filing
Project Name/Number: Corporate Compliance Filing/CA07729AI00007

Objection Letter

Objection Letter Status	Pending company response
Objection Letter Date	05/07/2015
Submitted Date	05/07/2015
Respond By Date	05/11/2015

Dear Peter Otto,

Introduction:

Please provide us with Exhibits 4 through 9 and 11 through 16.

Conclusion:

Sincerely,

Martha Zamudio

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/12/2015
Submitted Date	05/12/2015

Dear Mike Edwards,

Introduction:

Dear Ms. Zamudio:

Thank you for your review of our filing.

Response 1

Comments:

Attached please find updated reports containing the information you requested.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied - Item:	Accounting Package 2
Comments:	Accounting Package 2
Attachment(s):	R7_ACTPKG_051115_PC_CCF_7729_CUII_CH5U_ABIC_Chg60(E).PDF R7_ACTPKG_051115_PC_CCF_7729_CUII_CH5U_ABIC_Chg60(E).XLS

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

If you should have any questions, please contact me.

Thank you.

Peter Otto

Sincerely,

SPI AssurantPC

State: California **Filing Company:** American Bankers Insurance Company of Florida
TOI/Sub-TOI: 09.0 Inland Marine/09.0006 Other Personal Inland Marine
Product Name: Corporate Compliance Filing
Project Name/Number: Corporate Compliance Filing/CA07729A100007

Note To Reviewer

Created By:

SPI AssurantPC on 05/08/2015 08:06 AM

Last Edited By:

SPI AssurantPC

Submitted On:

05/08/2015 08:06 AM

Subject:

Objection Response Deadline

Comments:

Dear Ms. Zamudio:

We are in receipt of your Objection requesting additional information. In order that we have time to gather the required information, can we please change the response due date to 05/15/2015?

Please advise.

Thank you.

Peter Otto

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Rate Information

Rate data applies to filing.

Filing Method:

Prior Approval

Rate Change Type:

Decrease

Overall Percentage of Last Rate Revision:

%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
American Bankers Insurance Company of Florida	%	%				%	%

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Involuntary Unemployment Rates Chargegard 60 Class E	RT0078-	Replacement		R7_STRT_RT00780415_PC_CCF_7729_CUI_Chg60-E_2014_DOC.PDF

RATE FILING MEMORANDUM

AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA

Involuntary Unemployment Insurance (Class E) Rate Filing – 2014

Enclosed is the rate filing for American Bankers Insurance Company of Florida (ABIC) for its Involuntary Unemployment Insurance benefits program. This file is in compliance with Title 10, Chapter 5, and Subchapter 4.8 of the CCR (California Code of Regulations) Section 2670.8 requirements. This filing includes a Prior Approval Rate Application form.

As shown on the Prior Approval Rate Application form, experience for the past 3 years has generated low loss ratios and an analysis of current rates is required to attest its adequacy.

For this filing, we want to ensure that our rates are not excessive. We propose to decrease rates for these programs from current \$0.400 per \$100 of Outstanding Balance per month to \$0.012 per \$100 of Outstanding Balance per month.

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Supporting Document Schedules

Satisfied - Item:	Prior Approval Rate Application
Comments:	Prior Approval Application
Attachment(s):	R7_ACTPKG_042515_PC_CCF_7729_CUII_CH6U_Chgd 60 E.PDF R7_ACTPKG_042515_PC_CCF_7729_CUII_CH6U_Chgd 60 E.XLS
Item Status:	
Status Date:	

Satisfied - Item:	Cover Letter
Comments:	Cover Letter
Attachment(s):	R7_GENFL_042815_PC_CCF_7729_CUII_ABIC_Chgd 60 E_DOC.PDF
Item Status:	
Status Date:	

Satisfied - Item:	Accounting Package 2
Comments:	Accounting Package 2
Attachment(s):	R7_ACTPKG_051115_PC_CCF_7729_CUII_CH5U_ABIC_Chg60(E).PDF R7_ACTPKG_051115_PC_CCF_7729_CUII_CH5U_ABIC_Chg60(E).XLS
Item Status:	
Status Date:	

SERFF Tracking #:

ASPX-G130053498

State Tracking #:

15-4230

Company Tracking #:

CA07729A100007

State:

California

Filing Company:

American Bankers Insurance Company of Florida

TOI/Sub-TOI:

09.0 Inland Marine/09.0006 Other Personal Inland Marine

Product Name:

Corporate Compliance Filing

Project Name/Number:

Corporate Compliance Filing/CA07729A100007

Attachment R7_ACTPKG_042515_PC_CCF_7729_CUII_CH6U_Chgd 60 E.XLS is not a PDF document and cannot be reproduced here.

Attachment R7_ACTPKG_051115_PC_CCF_7729_CUII_CH5U_ABIC_Chg60(E).XLS is not a PDF document and cannot be reproduced here.

PRIOR APPROVAL RATE APPLICATION

Completed by: Marcello Marques Date: 4/25/2015

Your File #: CCF CA07729AI00007
(15 Characters Maximum)

SERFF CD (plus 1 paper copy) Paper (1 original plus 1 copy)

Does this filing include a variance request? No

Is this a variance request submitted after the prior approval application to which it applies? No

If yes, provide the applicable CDI File Number: _____

Does this file contain group data? No

Note: Complete page 2 if this is a group filing

Is this a specialty filing? No

Latest applicable CDI file number in this line, subtitle and/or program:

Company Name American Bankers Insurance Company of Florida

NAIC Company Code 0019-10111

Group Name _____

NAIC Group Code _____

Organized under the Laws of the State of Florida

DEPARTMENT USE ONLY	
Filing No.:	_____
SERFF No.:	_____
Date Filed:	_____
Compliance Date:	_____
Date Public Notified:	_____
Deemer Date:	_____
Intake Analyst:	_____
Bureau & Senior:	_____
Group Filing:	Yes <input type="checkbox"/> No <input type="checkbox"/>
X-Reference No.:	_____
<input type="checkbox"/> Rate	<input type="checkbox"/> New Program <input type="checkbox"/> Rule
<input type="checkbox"/> Form	<input type="checkbox"/> Variance _____ % Change

Line Type PERSONAL

Line of Insurance: INLAND MARINE

Subline 0930006 (Other Personal Inland Marine)

Program _____

Home Office Assurant Solutions

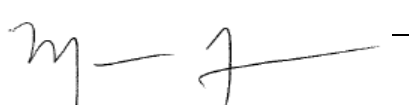
Name and Title of Contact Person Marcello Marques - Manager, Sr Associate Actuary

Toll Free Phone No.: 1 800 452-2244 extension 11602 Fax No.: _____

Email Address marcello.marques@assurant.com

Mailing Address 260 Interstate North Circle - Atlanta - Georgia - ZIP 30339

I declare under penalty of perjury under the laws of the State of California, that the information filed is true, complete, and correct



April 28, 2015
Date of Filing

800 452 2244 x 11602
Telephone Number

<http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/> for the most current rate template and prior approval factors.

INSURER GROUP MULTI-COMPANY FILING

For private passenger auto insurance only, does CIC, 1861.16(c) apply? No Yes
If yes, please complete (Super Group) Exhibit 19.

List each insurance company in alphabetical order.

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET

The purpose of this filing is as follows: (More than one may be marked)

TYPE OF FILING

PRIOR APPROVAL RATE APPLICATION
PAGES and EXHIBITS REQUIRED

- | | |
|--|---|
| <input type="checkbox"/> New Program (Including adoption of advisory organization loss costs, forms and rules.) | Pages 1 through 7, 10, 12, 13 & 14, plus exhibit 17 |
| <input checked="" type="checkbox"/> Rates (Including adoption of advisory organization loss costs.) | |
| <input type="checkbox"/> Increase rates | Pages 1 through 10, 13 & 14, plus exhibits |
| <input checked="" type="checkbox"/> Decrease rate | Pages 1 through 10, 13 & 14, plus exhibits |
| <input type="checkbox"/> Zero Overall rate impact | Pages 1 through 10, 13 & 14, plus exhibits |
| <input type="checkbox"/> Variance | |
| <input type="checkbox"/> Filed together with the prior approval application to which it applies. | Page 11 and exhibit 13 |
| <input type="checkbox"/> Filed after the prior approval application to which it applies. | Pages 1 through 6, 11, plus exhibit 13 |
| <input type="checkbox"/> Coverage Forms (Including adoption of advisory organization forms.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12a, 13 & 14 plus exhibits |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12a |
| <input type="checkbox"/> Rules (Including adoption of advisory organization rules.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12b, 13 & 14 plus exhibits (including exhibit 20) |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12b, Exhibit 20 |

All Private Passenger Automobile class plans must be filed separately from the Prior Approval Rate Applications.

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET (Continued)

Proposed Earned Premium Per Exposure: \$ 0.000124
Proposed Overall Rate Change -96.90%

	<u>COVERAGE*</u>	<u>INDICATED CHANGE (%)</u>	<u>PROPOSED CHANGE (%)</u>	<u>ADJUSTED EARNED PREMIUM*</u>	<u>PROJECTED EARNED PREMIUM</u>
1.	Chargegard 60 (Class E)	-96.90%	-96.90%	26,471	3,127
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
	TOTAL:	-96.90%	-96.90%	26,471	3,127

Total earned premium must include all income derived from miscellaneous fees and other charges.

* Commercial Auto Liability and Physical damage must be combined in one application, with separate rate templates for liability and physical damage.

* Adjusted earned premium is the historical earned premium for the most recent year adjusted to the current rate level and trended to the average date of loss of the proposed rating period.

FILING CHECKLIST

Use this checklist to assemble a complete application

- Prior Approval Rate Application, Page 1
- Group Filing, Page 2
- Property and Liability Filing Submission Data Sheet, Page 3
- Property and Liability Filing Submission Data Sheet, Page 4
- Filing Checklist, Page 5
- Supporting Data Exhibits, Page 6
- Ratemaking Data and Template (s), Page 7
- Reconciliation of Direct Earned Premium, Page 8
- Additional Data Required by Statute, Page 9
- Miscellaneous Fees and Other Charges, Page 10
- Variance Request, Page 11
- Forms and Rules, Page 12
- Excluded Expenses, Page 13
- Projected Yield and Federal Income Tax Rate on Investment Income, Page 14
- Filing Memorandum

See the prior approval rate filing instructions regarding the following attachments.

- Printed Rate and Rule Manual Pages
- Underwriting Rules
- Forms (Attach all independent forms and list all advisory organization forms)
- Copies of Reinsurance Agreements
(Applies only to Medical Malpractice with facultative reinsurance attachment points above one million dollars and Earthquake, where the cost of reinsurance is included in the rate development.)

SUPPORTING DATA EXHIBITS

Use this document to assemble a complete application

- Exhibit 1: Filing History
- Exhibit 2: Rate Level History
- Exhibit 3: Policy Term Distribution
- Exhibit 4: Premium Adjustment Factor
- Exhibit 5: Premium Trend Factor
- Exhibit 6: Miscellaneous Fees and Other Charges
- Exhibit 7: Loss and Defense & Cost Containment Expense (DCCE) Development Factors
- Exhibit 8: Loss and DCCE Trend
- Exhibit 9: Catastrophe Adjustment
- Exhibit 10: Credibility Adjustment
- Exhibit 11: Ancillary Income
- Exhibit 12: Reinsurance Premium and Recoverables
- Exhibit 13: Variance
- Exhibit 14: Insurer's Ratemaking Calculations
- Exhibit 15: Rate Distribution
- Exhibit 16: Rate Classification Relativities
- Exhibit 17: New Program
- Exhibit 18: Group Filing
- Exhibit 19: Super Group Corporate Structure Verification (PPA only)
- Exhibit 20: Rules
- Exhibit 21:

Instructions for completing Prior Approval Rate Template (in application) :

- * A separate rate template is required for each coverage (i.e. BI,PD,MP,UM,Comp&Coll) for which a separate premium is charged. *Download and complete a multi-coverage template (PPA for personal auto) if more than one template is needed.*
- * Enter data in lined boxes on RateMakingData page only (Do not enter data directly in Template.). For more than three years of data, click + button.
- * In the rate making data tab, enter the following data: Line Description (select from menu); Coverage; Marketing System (percentage of each system used, totaling 100%); Prior Effective Date (of current rates); Proposed Effective Date (of proposed new rates); statistical period used; one or more years of appropriate data.
- * Enter numerical data only; no comments please. (For inapplicable fields: 0 for \$ or %; 1.00 for factors)
- * Enter Variance data, only if supported by Variance Request. Final decisions regarding variances will be made by CDI and/or administrative hearing.
- * If you are filing Advisory Organization Loss Costs with a Loss Cost Multiplier, read the LCM Instructions tab and complete the LCM template.
- * For results, see Template tab (Disregard Reinsurance indication if not applicable).

RATEMAKING DATA

(Click + to expand for more than 3 years; - to contract)

Completed by **Marcello Marques**
 Date Completed **4/25/2015**
 Company/Group **American Bankers Insurance Company**
 Line Description **INLAND MARINE**
 Coverage **Involuntary Unemployment Insurance (Class E)**

Marketing System: **0.00%** **100.00%** **0.00%** (Must add up to 100%)
 Prior Effective Date (current rates) **4/3/1985**
 Proposed Effective Date (new rates) **9/1/2015**
 CDI File Number (Department use only) **0**

Does the data provided below reflect a Request for Variance? **No** | Variance #: _____

Data below is: **Accident Year Data**

	2nd Prior Year	1st Prior Year	Most Recent Year	Projected*/ New Program**
	2012	2013	2014	
1 California Direct Written Premium	1,015,746	969,454	854,941	23,345
2 California Direct Earned Premium	1,015,746	969,454	854,941	23,345
3 Premium Adjustment Factor (Developed in Exhibit 4)	0.000	0.000	0.000	
4 Premium Trend Factor * (Developed in Exhibit 5)	0.000	0.000	0.000	
5 Miscellaneous Fees and Flat Charges (Not included in Line 2; Developed in Exhibit 6)	-	-	-	-
6 Earned Exposure Units	253,936,525	242,363,395	213,735,365	188,488,886
7 Historic Losses (Projected for New Programs)	60,351	-	-	15,938
8 Historic Defense and Cost Containment Expense (DCCE)	902	-	-	238
9 Loss Development Factor (Developed in Exhibit 7)	0.000	0.000	0.000	
10 DCCE Development Factor (Developed in Exhibit 7)	0.000	0.000	0.000	
11 Loss Trend Factor* (Developed in Exhibit 8)	0.000	0.000	0.000	0.00%
12 DCCE Trend Factor* (Developed in Exhibit 8)	0.000	0.000	0.000	0.00%
13 Catastrophe Adjustment Factor (Developed in Exh 9)	0.000	0.000	0.000	
14 Credibility Factor for Losses & DCCE (Developed in Exhibit 10)				100.00%
15 Excluded Expense Factor (From Page 13)				0.19%
16 Ancillary Income (Developed in Exhibit 11)	-	-	-	-
17 Projected Federal Income Tax Rate on Investment Income (From Page 14)				32.07%
18 Projected Yield (From Page 14)				4.39%
<u>Complete 19, 20 & 21 For Earthquake and certain Medical Malpractice with Reinsurance Only (see instructions)</u>				
19 Direct Commissions				
20 Reinsurance Premium (Developed in Exhibit 12)				
21 Reinsurance Recoverables (Developed in Exhibit 12)				

Variance Change to Leverage on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California. (Must be accompanied by Variance Request, subject to CDI approval)

No

Variance Change to Efficiency Standard (Must be accompanied by Variance Request, subject to CDI approval)

* For all trend factors, the Projected Column should reflect the annual trend expressed as a percentage.

** For New Programs, please see Rate Filing Instructions, Page 4.

**STATUTORY PAGE 14 CALENDAR YEAR DATA
RECONCILIATION OF DIRECT EARNED PREMIUM DATA PER PROGRAM**

Program	Most Recent CDI File #	2nd Prior Year <u>2012</u>	1st Prior Year <u>2013</u>	Most Recent Year <u>2014</u>
1. <u>Involuntary Unemployment Ins</u>		\$ 1,015,746	\$ 969,454	\$ 854,941
2. <u>Residual</u>		\$ 131,421,984	\$ 136,021,989	\$ 274,840,919
3. _____				
4. _____		\$ -	\$ -	\$ -
5. _____		\$ -	\$ -	\$ -
6. _____		\$ -	\$ -	\$ -
7. _____		\$ -	\$ -	\$ -
8. _____		\$ -	\$ -	\$ -
9. _____		\$ -	\$ -	\$ -
10. _____		\$ -	\$ -	\$ -
	TOTAL	\$ 132,437,730	\$ 136,991,443	\$ 275,695,860
	Statutory Page 14	\$ 132,437,730	\$ 136,991,443	\$ 275,695,860
	Difference	\$ -	\$ -	\$ -

Explain the Differences:

This exhibit requires insurers to itemize each program until all data is reconciled to the corresponding annual statement line of insurance (Statutory Page 14).

For residual market data, a filing number is not required.

ADDITIONAL DATA REQUIRED BY STATUTE*

<u>Calendar Year</u>	<u>Year</u>	<u>2014</u>
<u>DATA</u>		
1. Number of claims outstanding at beginning of year		<u>113</u>
2. Number of claims during the year		<u>139</u>
3. Number of claims closed during the year		<u>155</u>
4. Number of claims outstanding at year's end ((1) + (2) - (3))		<u>97</u>
5. Unearned Premiums		<u>-</u>
6. Dollar amount of claims paid		<u>33,468</u>
7. Net loss reserves for outstanding claims excluding claims incurred but not reported		<u>20,878</u>
8. Net loss reserves for claims incurred but not reported		<u>52,081</u>
9. Losses incurred as a percentage of premiums earned - including IBNR		<u>1.90%</u>
10. Net investment gain or loss and other income or gain or loss allocated to the line.		<u>-</u>
11. Net income before federal and foreign income taxes (line 10 plus line 15)		<u>240,819</u>
12. Total number of policies in force on the last day of the reporting period		<u>8,906</u>
13. Total number of policies cancelled		<u>1,192</u>
14. Total number of policies non-renewed		<u>1,192</u>
15. Net underwriting gain or loss (=CY earned premiums minus CY incurred loss minus CY incurred expense)		<u>240,819</u>
16. Separate allocations of expenses for:		
a) commissions and brokerage expense,		<u>300,629</u>
b) other acquisition costs,		<u>105,368</u>
c) general office expenses,		<u>238,009</u>
d) taxes, licenses and fees,		<u>21,006</u>
e) loss adjustment expense (DCCE & AOE), and		<u>(87)</u>
f) other expenses		<u>(45,611)</u>

*CIC 1857.7, CIC 1857.9 and CIC 1864

MISCELLANEOUS FEES AND OTHER CHARGES

Do any fees or installment finance charges apply to this program? No
If yes, identify the fee and the amount charged for each type of fee and for each transaction.

INDIVIDUAL POLICY CHARGES

	New Business	Renewals
<input type="checkbox"/> Policy fee	_____	_____
<input type="checkbox"/> Installment fee	_____	_____
<input type="checkbox"/> Installment finance charges (ancillary income)	_____ APR	_____
<input type="checkbox"/> Endorsement fee	_____	_____
<input type="checkbox"/> Inspection fee	_____	_____
<input type="checkbox"/> Cancellation fee	_____	_____
<input type="checkbox"/> Reinstatement fee	_____	_____
<input type="checkbox"/> Late fee	_____	_____
<input type="checkbox"/> SR 22	_____	_____
<input type="checkbox"/> Non-sufficient funds (NSF) fee (ancillary income)	_____	_____
<input type="checkbox"/> Membership dues (ancillary income)	_____	_____
<input type="checkbox"/> Other, specify:	_____	_____

Except for installment finance charges, NSF fees, and membership dues, data relating to fees must be included in the ratemaking data, Page 7, Line 2 (direct earned premium) or Line 5 (miscellaneous fees) and Exhibit 6, miscellaneous fees, must be completed. Refer to the instructions for additional information.

REQUEST FOR VARIANCE

1. Identify each variance requested. ((See below (F))
2. Identify the extent or amount of the variance requested and the applicable component of the ratemaking formula. [Complete Exhibit 13]
3. Set forth the expected result or impact on the maximum and minimum permitted earned premium that the granting of the variance will have as compared to the expected result if the variance is denied. [Complete Exhibit 13]
4. IMPORTANT: Identify the facts and their source justifying the variance request and provide the documentation supporting the amount of the change to the component of the ratemaking formula. (Complete Exhibit 13)

IDENTIFY THE BASES FOR VARIANCE - Refer to CCR 2644.27 (f) for the full regulation text.

Maximum Permitted Rate Change % Excluding Variance
(Change At Max Per Template) _____

1. Relief from the efficiency standard for bona fide loss-prevention and loss reduction activities.
 - A. Allocated cost for SIU.
 - B. Expenses for loss prevention programs.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

2. Relief from the efficiency standard due to any of the following:
 - A. Higher quality of service, as demonstrated by objective measures of consumer satisfaction; or
 - B. Demonstrated superior service to underserved communities (CCR 2646.6); or
 - C. Significantly smaller or larger than average California policy premium, including any applicable fees.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

3. The leverage factor should be different from the leverage factor determined pursuant to section 2644.17 on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California, and its mix of business presents investment risks different from the risks that are typical of the line as a whole.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

4. Relief from operation of the efficiency standard for a line of insurance in which the insurer has never written over \$1 million in earned premium annually and the insurer is making a substantial investment in order to enter the market.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

5. The minimum permitted earned premium should be lower on the basis of the insurer's certification that the rate will not cause the insurer's financial condition to present an undue risk to its solvency.

6. The insurer's financial condition is such that its maximum permitted earned premium should be increased in order to protect solvency.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

7. The loss development formula in CCR 2644.6 does not produce an actuarially sound result because:
 - A. There is not enough data to be credible
 - B. There is not enough years of data to fully calculate the development to ultimate;

- C. There are changes in the insurer's reserving or claims closing practices that significantly affect the data; or,
- D. There are changes in coverage or other policy terms that significantly affect the data; or,
- E. There are changes in the law that significantly affect the data.
- F. There is a significant increase or decrease in the amount of business written or significant changes in the mix of business.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

8. The trend formula in CCR 2644.7 does not produce the most an actuarially sound result because:

- A. There is a significant increase/decrease in the amount of business written or changes in the mix of business;
- B. There are not enough years of data to calculate the trend factor;
- C. There is a significant change in the law affecting frequency or severity of claims;
- D. It can be shown that a trend calculated over a period of at least 4 quarters other than a period permitted pursuant to section 2644.7(b) is more reliable prospectively.
- E. There are changes in the insurer's claims closing practices that significantly affect the data; or,
- F. There are changes in coverage or other policy terms that significantly affect the data.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

9. The maximum permitted earned premium would be confiscatory if applied.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

Overall Maximum Permitted Rate Change % _____

Not withstanding any other section of these regulations, the aggregate total adjustment to the efficiency standard for all variances combined shall not exceed the difference between the insurer's most recent year total expense ratio excluding defense and cost containment expenses and the efficiency standard.

Most Recent
Year Total
Expense
Ratio _____ %

FORMS

Insurers who wish to use a new or replacement form in connection with a new or existing program must furnish the following information and documentation for our review.
Revisions must be highlighted and the corresponding manual pages must be provided.

FORM NO.	TITLE	TYPE	SOURCE	SOURCE FORM NO *	CATEGORY	Restricts Coverage [Yes/ No]	Broadens Coverage [Yes/ No]	Rate Impact [Yes / No]	% Change	Flat Rate
1) New:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Old:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
2) New:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Old:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
3) New:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Old:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
4) New:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Old:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
5) New:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Old:	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

REQUIRED RESPONSES FOR THE ITEMS ABOVE

TYPE:

- 1) Application
- 2) Endorsement
- 3) Policy
- 4) Other (Please define)

SOURCE

- 1) ISO*
- 2) Other Advisory Organization*
- 3) Company
- 4) Other (describe)

CATEGORY

- 1) New, mandatory
- 2) New, optional
- 3) Replacement, mandatory
- 4) Replacement, optional
- 5) Withdrawn, mandatory
- 6) Withdrawn, optional

* Provide California Dept. of Insurance number (CDI#) under the column identified as Source Form No.

Additional Information and Documents Required

Describe the purpose of the form or form change

For **NEW FORMS**, furnish a copy of the form to be filed, unless identical to an advisory organization form. If the form is a new endorsement to the policy, describe any changes in coverage under the policy. Describe what adjustments, if any, will be made to the premium due to the introduction of the forms.

For **REVISED FORMS**, describe any changes in coverages between the proposed form and the current form. Reference pertinent sections of each form affected. Brackets [] should be used to identify any deletions on the current form and underline all changes in the revised form. Describe what adjustments, if any, will be made to the premium due to the revisions.

RULES

Insurers wishing to make a rule change filing must provide the following information. Exhibit 20 may be completed to provide additional information.

Identify the option(s) that applies.

- Introducing a new rule
- Revising an existing rule
- Adopting an approved Advisory Organization rule
- Withdrawing an approved rule

Use the following as a checklist to provide the required information.

If introducing a new rule or revising an existing rule, provide:

The purpose for the rule or an explanation for revising an existing rule

A copy of the current and proposed manual page corresponding to the rule

The charge for the rule. Support or justify the charge and provide the rate or premium development method.

The rate impact of the rule to the current book of business, showing the calculation.

Advise if the rule is: Optional Mandatory

If withdrawing an approved rule, provide:

An explanation for withdrawing the rule

A copy of the current and proposed manual page(s) corresponding to the withdrawn rule

The rate impact of the withdrawn rule to the current book of business

If adopting an approved Advisory Organization rule(s), specify the approved CDI filing number(s) of the AO rule(s):

Insurer Comments:

EXCLUDED EXPENSE FACTOR

(Insurer Group Data)

Company Organization:

Reciprocal ▼

	(Enter Year)	2nd Prior Year 2011	1st Prior Year 2012	Most Recent Year 2013
Countrywide direct earned premium:		3,819,368,000	4,015,729,000	4,403,173,000
Countrywide direct earned premium for lines of business subject to Proposition 103:		3,451,057,000	3,660,302,000	4,053,021,000

2644.10 (b): Executive Compensation

	2nd Prior Year 2011		1st Prior Year 2012		Most Recent Year 2013	
	Cash & Salary	Bonus	Cash & Salary	Bonus	Cash & Salary	Bonus
1st Highest Paid	1,692,929	828,000	4,473,101	702,000	2,515,281	930,800
2nd Highest Paid	1,568,666	450,000	3,305,405	894,400	2,369,920	463,050
3rd Highest Paid	583,880	386,707	950,836	368,940	1,186,278	203,770
4th Highest Paid	617,229	191,250	855,994	386,082	910,810	363,972
5th Highest Paid	593,960	183,387	894,449	339,073	803,479	221,315

	2nd Prior Year 2011		1st Prior Year 2012		Most Recent Year 2013	
	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation
1st Highest Paid	848,446	1,672,483	868,968	4,306,133	905,678	2,540,403
2nd Highest Paid	479,690	1,538,976	489,647	3,710,158	507,377	2,325,593
3rd Highest Paid	411,826	558,761	421,191	898,585	437,912	952,136
4th Highest Paid	351,401	457,078	358,885	883,191	372,221	902,561
5th Highest Paid	307,748	469,599	314,006	919,516	325,144	699,650

Total Excessive Executive Comp:	4,696,897	10,717,583	7,420,343
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Excluded Expense Factor

Countrywide Data	2nd Prior Year 2011	1st Prior Year 2012	Most Recent Year 2013
2644.10 (a): Political contribution and lobbying	0	0	0
2644.10 (b): Excessive Executive Compensation	4,696,897	10,717,583	7,420,343
2644.10 (c): Bad faith judgments and associated DCCE			
2644.10 (d): All costs for unsuccessful defense of discrimination claims			
2644.10 (e): Fines and penalties			
2644.10 (f): Institution advertising expenses			
2644.10 (g): Excessive payments to affiliates			
Total excluded expenses	4,696,897	10,717,583	7,420,343
Excluded expense factor	0.12%	0.27%	0.17%
3-year average excluded expense factor	0.19%		

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

Line number	Short Term Assets	Intermediate Term Assets		Long Term Assets	
	One year or less	Over 1 yr through 5 yrs	Over 5 yrs through 10 yrs	Over 10 yrs through 20 yrs	Over 20 yrs
1.7 US governments	283,409,072	36,216,796	19,696,826	1,590,400	0
2.7 All other governments	18,814,380	71,670,927	65,743,181	5,560,449	0
3.7 States, territories and possessions	1,024,485	115,082,213	8,942,023	8,511,615	2,685,369
4.7 Political subdivisions	5,000,000	58,060,704	2,972,554	7,058,986	0
5.7 Special revenue and assessment obligations	23,791,957	255,397,928	167,774,748	86,474,508	24,322,577
6.7 Public utilities unaffiliated	164,751,936	730,555,558	749,207,405	77,332,190	34,883,481
7.7 Industrial and miscellaneous	0	121,772	1,227,860	4,121,065	45,639,888
8.7 Credit tenant loans	0	0	0	0	0
9.7 Parent, subsidiaries and affiliates	496,791,830	1,267,105,898	1,015,564,597	190,649,213	107,531,315
	One year or less	Over 1 year through 10 years		Over 10 years	
(1) US government bonds Sum of line 1.7 and 2.7	302,223,452		193,327,730		7,150,849
(2) Other taxable bonds Sum of line 6.7, 7.7, 8.7, 9.7 and half of 5.7	673,439,745		3,975,369,428		515,555,695
(3) Tax exempt bonds Sum of line 3.7, 4.7, and half of 5.7	17,920,464		396,643,832		73,654,513

Data on line 1.7 through 9.7 are from the insurer group's most recent consolidated statutory annual statement, schedule D, part 1A, section 1.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

	Invested Assets [1]	Currently Available Yield * [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
(1) US government bonds					
(A) Short	302,223,452	0.03%	80,593	35.00%	28,208
(B) Intermediate	193,327,730	2.02%	3,911,664	35.00%	1,369,083
(C) Long	7,150,849	2.36%	168,998	35.00%	59,149
(2) Other taxable bonds					
(A) Short	673,439,745	0.15%	1,032,608	35.00%	361,413
(B) Intermediate	3,975,369,428	3.02%	120,048,390	35.00%	42,016,936
(C) Long	515,555,695	3.77%	19,450,889	35.00%	6,807,811
(3) Tax exempt bonds					
(A) Short	17,920,464	0.10%	17,861	5.25%	938
(B) Intermediate	396,643,832	2.12%	8,423,434	5.25%	442,230
(C) Long	73,654,513	3.21%	2,361,280	5.25%	123,967
(4) Common Stock					
(A) Dividends		2.11%	0	14.18%	0
(B) Capital gains		7.18%	0	34.10%	0
(5) Preferred stock dividends	122,966,199	4.89%	6,014,235	14.18%	852,518
(6) Mortgage loans	232,078,546	3.77%	8,755,861	35.00%	3,064,551
(7) Real estate	26,650,792	3.29%	877,699	35.00%	307,195
(8) Cash**	46,702,503	0.03%	12,454	35.00%	4,359
(9) Other***	76,139,971				
(A) Dividends		2.11%	1,606,553	14.18%	227,729
(B) Capital gains		7.18%	5,469,388	34.10%	1,865,061
(10) Total					
Sum of line (1) thru (9)	6,659,823,717		178,231,907		57,531,148

Data in column [1], line 4 through (9), are from the insurer group's most recent consolidated statutory annual statement page 2 - Assets.

* Currently available yields are defined in CCR §2644.20. Latest values are posted at <http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/0200-prior-approval-factors/>

** Annual statement page 2, line 5, cash only. Cash equivalents and short-term investments are included in Schedule D.

*** Annual statement page 2, line 6, 8, 9, and 11.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

Invested Assets [1]	Currently Available Yield [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
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Prior Approval Rate Application
 (Yield Tax Worksheet)

(10) Total	<u>6,659,823,717</u>	<u>178,231,907</u>		<u>57,531,148</u>
line (10)				
exhibit 13, page 2				
(11) Investment expense		<u>12,890,000</u>	35.00%	<u>4,511,500</u>
Annual Statement (AS)				
page 11, line 25				
(12) Total	<u>6,659,823,717</u>	<u>165,341,907</u>		<u>53,019,648</u>
after investment expense				
line (10) - line (11)				
(13) Federal income tax rate				
line (12)				
column [5] / column [3]			<u>32.07%</u>	
(14) Projected yield				
on invested assets		<u>2.48%</u>		
line (12)				
column [3] / column [1]				

Most Recent Year

(15) Loss reserves	<u>399,239,319</u>			
AS page 3, line 1				
(16) Loss adjustment	<u>35,827,932</u>			
expense reserves				
AS page 3, line 3				
(17) Unearned premium	<u>1,894,957,008</u>			
reserves				
AS page 3, line 9				
(18) Surplus as regards	<u>1,440,393,940</u>			
to policyholders				
AS page 3, line 37				
(19) Total reserves and	<u>3,770,418,199</u>			
surplus				
Sum of line (15) to (18)				
(20) Projected yield				
adjusted to reserve and surplus base				
line (14) * line (12) / line (19)			<u>4.39%</u>	

RATE TEMPLATE

Edition Date: 1/15/2015

(No input by filer)

CDI FILE NUMBER:	0	
COMPANY/GROUP:	American Bankers Insurance Company of Florida	
LINE OF INSURANCE:	INLAND MARINE	
COVERAGE:	Involuntary Unemployment Insurance (Class E)	
PRIOR_EFF_DATE:	4/3/1985	Completed by: Marcello Marques
PROPOSED_EFF_DATE:	9/1/2015	Date: 4/25/2015

DATA PROVIDED BY FILER

	Year:	2012	2013	2014	PROJECTED/ SUMMARY
	PRIOR2	PRIOR1	RECENT		
WRT_PREM	1,015,746	969,454	854,941	2,840,141	2,840,141
ERN_PREM	1,015,746	969,454	854,941	2,840,141	2,840,141
PREM_ADJ	1.000	1.000	1.000		
PREM_TREND	1.000	1.000	1.000	0.000	0.000
MISCELLANEOUS_FEES (& other flat charges)	0	0	0	0	0
EARNED_EXP	253,936,525	242,363,395	213,735,365	710,035,285	710,035,285
LOSSES	60,351	0	0	60,351	60,351
DCCE	902	0	0	902	902
LOSS_DEV	1.000	1.000	1.000		
DCCE_DEV	1.000	1.000	1.000		
LOSS_TREND	1.000	1.000	1.000	0.000	0.000
DCCE_TREND	1.000	1.000	1.000	0.000	0.000
CAT_ADJ	1.000	1.000	1.000		
CREDIBILITY				100.00%	100.00%
EXPENSE EXCLUSION FACTOR				0.19%	0.19%
ANC_INC	0	0	0	0	0
FIT_INV				32.07%	32.07%
YIELD				4.39%	4.39%

CDI PARAMETERS:

FIT_UW	35.00%
EFF_STANDARD	27.29%
LEVERAGE	1.11
PREMIUM_TAX_RATE	2.35%
SURPLUS_RATIO	0.90
UEP_RES_RATIO	0.31
LOSS_RES_RATIO	0.43
RISK FREE RATE OF RETURN	1.21%
MAXIMUM RATE OF RETURN	7.21%
MINIMUM RATE OF RETURN	-6.00%

March 2015

CDI CALCULATIONS:

ADJ_PREM	1,015,746	969,454	854,941	2,840,141
ADJUSTED_LOSSES	60,351	0	0	60,351
ADJUSTED_DCCE	902	0	0	902
ADJUSTED_LOSS+DCCE_RATIO	6.03% 	0.00% 	0.00% 	2.16%
TRENDED_CURRENT_RATE_LEVEL_PREMIUM	0.00400	0.00400	0.00400	0.00400
LOSS+DCCE_PER_EXP	0.00	0.00	0.00	0.00
COMP_LOSS+DCCE_PER_EXP	0.00	0.00	0.00	0.00
CRED_LOSS_PER_EXP	0.00	0.00	0.00	0.00
ANC_INC_PER_EXP	0.00	0.00	0.00	0.00
FIXED_INV_INC_FACTOR				1.98%
VAR_INV_INC_FACTOR				5.53%
ANNUAL_NET_TREND				0.00%
COMP_TREND				0.00%
MAX_PROFIT				9.97%
MIN_PROFIT				-8.29%
UW_PROFIT				3.06%
MAX_DENOM				0.683
MIN_DENOM				0.865
MAX_PREMIUM				\$0.0001
MIN_PREMIUM				\$0.0001
CHANGE_AT_MIN				-97.56%
CHANGE_AT_MAX				-96.90%

Alternate Calculation with Reinsurance

COMMISSION_RATE				0.00%
RE_PREM	-	-	-	0
RE_RECOV	-	-	-	0
RE_PREM_PER_EXP	0.00	0.00	0.00	0.00
RE_RECOV_PER_EXP	0.00	0.00	0.00	0.00
COMP_LOSS_RE	0.00	0.00	0.00	0.00
RMAX_PREMIUM				NA
RCHANGE_AT_MAX				NA

EFFICIENCY STANDARD TABLE

SOURCE: 2011 - 2013 ROLLING AVG

DATE REVISED: 1/15/2015

Blended	Captive	Direct	Indep
ES: 27.47%	37.39%	27.47%	29.74%

Line	Captive	Direct	Indep	Line Description
1.0	39.86%	24.68%	31.23%	FIRE
2.1	45.38%	20.69%	32.72%	ALLIED LINES
3.0	47.33%	47.33%	48.58%	FARMOWNERS MULTIPLE PERIL
4.0	35.30%	25.93%	40.03%	HOMEOWNERS MULTIPLE PERIL
5.0	36.33%	35.00%	39.45%	COMMERCIAL MULTIPLE (5.1 & 5.2 Combined)
5.1	35.39%	34.35%	39.37%	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)
5.2	39.02%	36.42%	39.60%	COMMERCIAL MULTIPLE PERIL(LIABILITY)
9.0	37.39%	27.47%	29.74%	INLAND MARINE
11.0	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE
11.1	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE(occ)
11.2	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE (cm)
12.0	19.67%	20.44%	25.01%	EARTHQUAKE
17.0	32.64%	28.59%	32.93%	OTHER LIABILITY
17.1	32.55%	25.07%	31.51%	OTHER LIABILITY (occ)
17.2	36.30%	35.84%	34.64%	OTHER LIABILITY (cm)
18.0	35.35%	35.35%	35.35%	PRODUCTS LIABILITY
18.1	35.35%	35.35%	35.35%	PRODUCTS LIABILITY (occ)
18.2	35.35%	35.35%	35.35%	PRODUCTS LIABILITY (cm)
19.2	37.11%	25.01%	38.84%	PRIVATE PASSENGER AUTO LIABILITY
19.4	38.22%	35.67%	34.80%	COMMERCIAL AUTO LIABILITY
21.1	36.18%	25.88%	39.55%	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE
21.2	41.01%	33.85%	38.86%	COMMERCIAL AUTO PHYSICAL DAMAGE
22.0	32.07%	31.80%	32.08%	AIRCRAFT
23.0	36.33%	39.60%	36.30%	FIDELITY
24.0	43.86%	43.86%	43.86%	SURETY
26.0	33.22%	33.22%	33.22%	BURGLARY & THEFT
27.0	34.79%	26.52%	44.11%	BOILER & MACHINERY

LEVERAGE RATIO TABLE

SOURCE: Best's Aggregates and Averages, 2014 Edition / Exhibit of Premiums and Losses (Statutory Page 14 Data)

DATE REVISED: 10/17/2014

Line	LF	Line Description
1.0	1.0097	Fire
2.1	1.0301	Allied Lines
3.0	1.1319	Farmowners
4.0	1.0971	Homeowners
5.1	1.0325	CMP - NL
5.2	0.5135	CMP - Liab.
5.0	0.7622	CMP
9.0	1.1130	Inland Marine
11.1	0.3090	Med. Mal. Occ.
11.2	0.4735	Med. Mal. cm.
11.0	0.4154	Med. Mal.
12.0	1.0000	Earthquake
17.1	0.4157	O. Liab. Occ.
17.2	0.4945	O. Liab. cm.
17.0	0.4293	O. Liab.
18.1	0.2459	Products - Occ.
18.2	0.4124	Products - cm.
18.0	0.2623	Products
19.2	0.9049	PP Auto Liab.
19.4	0.7070	C. Auto Liab.
21.1	1.4693	PP Auto PD
21.2	1.1893	Comm Auto PD
22.0	0.5699	Aircraft
23.0	0.6804	Fidelity
24.0	0.8514	Surety
26.0	0.9257	Burglary & Theft
27.0	1.0154	Boiler & Mach.

RESERVES RATIO TABLE

SOURCE: Best's Aggregates & Averages - Property Casualty (2013 & 2014 edition) / Annual Statement - Statutory Page 14

DATE REVISED: 10/17/2014

LINE	UEP	LOSS	Line Description
1	0.48	1.07	FIRE
2.1	0.47	1.52	ALLIED LINES
3	0.47	1.17	FARMOWNER MP
4	0.51	0.69	HOMEOWNER MP
5	0.49	2.19	CMP
5.1	0.49	1.07	CMP (N-LIAB)
5.2	0.48	3.23	CMP (LIAB)
9	0.31	0.43	INLAND MRN
11.0	0.52	3.52	MED MAL
11.1	0.62	4.15	MED MAL - occurrence
11.2	0.49	3.20	MED MAL - claims-made
12.0	0.48	1.00	EARTHQUAKE
17.0	0.54	4.61	OTHER LIAB
17.1	0.52	6.08	OTHER LIAB - occurrence
17.2	0.56	3.02	OTHER LIAB - claims-made
18.0	0.48	3.63	PROD LIAB
18.1	0.50	3.82	PROD LIAB - occurrence
18.2	0.40	2.49	PROD LIAB - claims-made
19.2	0.34	1.11	PPA LIAB
19.4	0.45	1.88	COMLA LIAB
21.1	0.33	0.06	PPA PD
21.2	0.49	0.26	COMLA PD
22.0	0.44	2.03	AIRCRAFT
23.0	0.58	2.73	FIDELITY
24.0	0.58	2.22	SURETY
26.0	0.57	0.84	BRGLRY THEFT
27.0	0.48	0.80	BLR & MCHNRY

Loss Cost Multiplier (LCM) Template Instructions

The LCM Template spreadsheet must be completed for those rate filing submissions where the filed line or coverage utilizes a Loss Cost Multiplier. Examples include new or existing program rate filings that involve the adoption of Advisory Organization loss costs, and existing program rate filings where the LCM is being revised.

There are a number of data cells on the LCM Template spreadsheet that automatically populate either by reference to cells on other spreadsheets or by formula calculation. However there are five lines within the LCM Template spreadsheet for which additional data entry is required. The first three data entry items pertain to rate filing submissions that include an adoption of Advisory Organization loss costs. The last two data entry items are required only for existing programs.

Complete the following for existing and new program rate filings when Advisory Organization loss costs are being adopted:

Spreadsheet Item #1.1 CDI Filing Number – Please enter the CDI filing number of the Advisory Organization loss cost filing being adopted. If additional loss cost updates are being covered, please also identify the CDI filing number(s) of the additional loss cost updates being covered.

Spreadsheet Item #1.2 Loss Cost Percent Change Approved for the Line or Coverage – Please enter the CDI percent change approved for the Advisory Organization loss cost filing identified as Item #1.1. If multiple loss cost updates are being covered, identify the cumulative percent change approved.

Spreadsheet Item #1.3 AOE or LAE Load Approved for the Line or Coverage – As identified within the Advisory Organization loss cost filing entered as Item #1.1, please indicate the type of AOE or LAE expense loading the Advisory Organization used in its loss cost filing *and* enter the load amount.

Complete the following for existing programs only; do not complete the following for new program filings:

Spreadsheet Item #2.1 Current Expense Based LCM – Please enter the current expense based LCM for the filed line/coverage.

Spreadsheet Item #2.2 Current Loss Cost Modification Expressed as a Factor – Please enter the current Loss Cost Modification Factor applicable to the current expense based LCM.

Spreadsheet Items #3 through #7 are calculated fields.

Spreadsheet Item #3 calculates the insurer's current Final LCM.

Spreadsheet Item #4 calculates the Advisory Organization's AOE as a percent of loss and DCCE.

Spreadsheet Item #5 calculates the maximum CDI allowable expense based LCM for the filed line/coverage.

Spreadsheet Item #6 calculates the maximum CDI allowable loss cost modification factor for the filed line/coverage.

Spreadsheet Item #7 calculates the **maximum CDI allowable Final LCM** for the filed line/coverage. If the Insurer's current Final LCM (Item #3) and/or proposed Final LCM is greater than the Max Final LCM (Item #7), the Insurer will need to reduce its Final LCM so that it is no greater than the CDI calculated maximum allowable Final LCM. Otherwise, exceeding the CDI calculated maximum allowable Final LCM will require the filing of a Variance.

LCM TEMPLATE

Edition Date: 1/15/2015

CDI FILE NUMBER: 0
COMPANY/GROUP: American Bankers Insurance Company of Florida
LINE OF INSURANCE: INLAND MARINE
LINE CODE: 9

COVERAGE: Involuntary Une

ADVISORY ORGANIZATION FILING INFORMATION

1 For filings that include an adoption of Advisory Organization loss costs, complete lines 1.1, 1.2, and 1.3; for all other filings skip lines 1.1, 1.2 and 1.3, and go to line 2.

1.1 CDI Filing Number	<input style="width: 90%;" type="text"/>					
1.2 Loss Cost Percent Change Approved for the Line or Coverage	<input style="width: 90%;" type="text"/>					
1.3 AOE or LAE Load Approved for the Line or Coverage	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; text-align: center;">Type of Load</td> <td style="width: 30%; text-align: center;">Amount of Load</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px;">(LOSS+DCCE+AOE)/LOSS ▼</td> <td style="border: 1px solid black; width: 30%;"><input style="width: 90%;" type="text"/></td> </tr> </table>	Type of Load	Amount of Load	(LOSS+DCCE+AOE)/LOSS ▼	<input style="width: 90%;" type="text"/>	
Type of Load	Amount of Load					
(LOSS+DCCE+AOE)/LOSS ▼	<input style="width: 90%;" type="text"/>					

COMPANY LCM INFORMATION

2 If this is a New Program filing, skip lines 2.1 and 2.2 and review the Max_Final LCM result on line 7; for all other filings complete lines 2.1 and 2.2.

2.1 Current <u>Expense Based</u> LCM	<input style="width: 90%;" type="text"/>
2.2 Current Loss Cost Modification Expressed as a Factor (see examples below)	<input style="width: 90%;" type="text"/>

Example 1: If the company's loss cost modification is +15%, enter 1.15
 Example 2: If the company's loss cost modification is -10%, enter 0.9
 Example 3: If the company currently does not apply a loss cost modification factor, enter 1.0

3 Insurer's Current <u>Final</u> LCM (Line 2.1 * Line 2.2)	NA	
4 Advisory Organization's AOE as a Percent of Loss and DCCE (Derived from Line 1.3 and the IncLoss&DCCE page)	-1.000	
5 Max_Expense Based Loss Cost Multiplier	N/A	8.62675E-05
6 Max_Loss Cost Modification (Existing program only) Max_Loss Cost Modification for new program is 1.0	N/A	
7 Max_Final LCM (Line 5 * Line 6)	#VALUE!	

INCURRED LOSS AND DCCE EXHIBIT

Source: 2014 Edition of Best's Aggregates & Averages, Statement File Supplement - Exhibit of Premiums and Losses -Total US PC Industry - (\$000 omitted).

Revised: 10/17/2014

Line	Line Description	INC LOSS	DCCE
1.0	FIRE	4,841,717	130,932
2.1	ALLIED LINES	5,526,591	186,453
3.0	FARM OWNERS MULTIPLE PERIL	1,899,798	48,631
4.0	HOMEOWNERS MULTIPLE PERIL	37,432,201	1,220,450
5.0	COMMERCIAL MULTIPLE PERIL (COMBINED)	16,787,318	2,594,341
5.1	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)	10,872,708	362,565
5.2	COMMERCIAL MULTIPLE PERIL(LIABILITY)	5,914,610	2,231,776
9.0	INLAND MARINE	7,318,092	109,375
11.0	MEDICAL MALPRACTICE (Combined)	3,898,025	1,866,110
11.1	MEDICAL MALPRACTICE (Occurrence)	3,898,025	1,866,110 *
11.2	MEDICAL MALPRACTICE (Claims-made)	3,898,025	1,866,110 *
12.0	EARTHQUAKE	-44,439	2,349
17.0	OTHER LIABILITY (Combined)	25,452,973	5,829,899
17.1	OTHER LIABILITY (Occurrence)	25,452,973	5,829,899 *
17.2	OTHER LIABILITY (Claims-made)	25,452,973	5,829,899 *
18.0	PRODUCTS LIABILITY (Combined)	1,734,682	1,375,663
18.1	PRODUCTS LIABILITY (Occurrence)	1,734,682	1,375,663 *
18.2	PRODUCTS LIABILITY (Claims-made)	1,734,682	1,375,663 *
19.2	PRIVATE PASSENGER AUTO LIABILITY	61,961,169	3,439,463
19.4	COMMERCIAL AUTO LIABILITY	12,244,231	1,379,968
21.1	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE	43,383,176	199,193
21.2	COMMERCIAL AUTO PHYSICAL DAMAGE	3,817,647	93,360
22.0	AIRCRAFT	802,409	119,261
23.0	FIDELITY	524,275	22,402
24.0	SURETY	843,113	140,198
26.0	BURGLARY & THEFT	25,271	4,511
27.0	BOILER & MACHINERY	504,290	7,247

* line totals are used for occurrence and claims-made policies.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

FILING HISTORY

There has been no rate filings in the last 3 years for this program.

The last file number approved does not have a CDI number associated with it.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

RATE LEVEL HISTORY

There has been no rate filings in the last 5 years for this program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

POLICY TERM DISTRIBUTION

This program is exclusively offered as an open-end policy term to all customers.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

CREDIBILITY ADJUSTMENT

		2012	2013	2014	TOTAL
1.	Earned Premiums				
a.	Gross Written Premium	1,015,992	1,228,547	854,941	3,099,480
b.	Refunds	246	259,093	-	259,339
c.	Net Written Premium	1,015,746	969,454	854,941	2,840,141
d.	Beginning Reserve	-	-	-	-
e.	Ending Reserve	-	-	-	-
f.	Actual EP	1,015,746	969,454	854,941	2,840,141
2.	Incurred Claims				
a.	Claims Paid	85,669	59,491	33,468	178,627
b.	Beginning IBNR	129,111	113,660	87,310	129,111
c.	Ending IBNR	113,660	87,310	52,081	52,081
d.	Beginning Reserve	68,531	58,664	24,310	68,531
e.	Ending Reserve	58,664	24,310	20,878	20,878
f.	Claims Incurred	60,351	(1,213)	(5,193)	53,945
3.	Loss Ratio				
a.	Actual LR (2f/1f)	5.9%	-0.1%	-0.6%	1.9%
4.	Claim Count	411	276	155	842
5.	Credibility Calculation				
a.	Credibility Factor (Z)		100.0%		

Note:

Development of Credibility relies upon CCR § 2670.7 (a) formula and CCR § 2670.9 Credibility Table. The Company determined that Loss of Income is best represented by products currently ruled under Credit Unemployment.

For this program, Credibility was determined on \$ 9,1MM of Earned Premium with a respective credibility factor of 100% based on CCR § 2670.9 Credibility Table.



ASSURANT

American Bankers Insurance
Company of Florida

11222 Quail Roost Drive

Miami, FL 33157-6596

T 305.253.2244 F 305.252.6987

April 28, 2015

www.assurant.com

Commissioner Dave Jones
California Department of Insurance
Rate Regulation Branch
Intake Unit – Rate Filing Bureau
45 Fremont St., 23rd Floor
San Francisco, CA 94105

RE: **AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA**

NAIC # 019-10111 / FEIN #59-0593886

LOB: Credit Involuntary Unemployment.

Company Filing Number: CCF CA07729A100007

Chargegard 60 Unemployment (Class E)

RATE FILING (for approval)

RT0078-0415: Credit Involuntary Unemployment Rates, replaces \$0.40 per \$100 of Outstanding balance per month rate.

Related Filing Documents

Prior Approval Rate Application

Dear Commissioner Jones:

The above referenced Credit Involuntary Unemployment Rate exhibit is being submitted for your review and approval. We are taking this action pursuant to communications received from Deputy Commissioner Joel Laucher and Senior Rate Analyst Ms. Betty Tackett, regarding the overall loss ratios for the period 2011 through 2013; for this line of business.

Please note that we have excluded reporting on the following program, as this program is not in use:

30 Day Retro Monthly Level Premium Capped (Single and Joint),

Due to the lead time required by our clients for implementation and testing, we respectfully request an implementation date on or before the first of the month following 90 days from the date your approval notification is received.

California Department of Insurance

April 28, 2015

Page 2

Thank you for your time and attention to this submission. If there are any questions or concerns, please contact me at 800-452-2244 ext 33148 or via email at Peter.Otto @assurant.com. My fax number is 305-256-7108. For proper routing of your response, please include our company filing number on all correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Otto", with a long horizontal flourish extending to the right.

Peter Otto

Contract Compliance Analyst

State Filings Department

American Bankers Insurance Company of Florida

CC: Credit Unemployment Only\ CA AI

CCF CA07729AI00007

PRIOR APPROVAL RATE APPLICATION

Completed by: Marcello Marques Date: 4/25/2015

Your File #: CCF CA07729AI00005
(15 Characters Maximum)

SERFF CD (plus 1 paper copy) Paper (1 original plus 1 copy)

Does this filing include a variance request? No

Is this a variance request submitted after the prior approval application to which it applies? No

If yes, provide the applicable CDI File Number: _____

Does this file contain group data? No

Note: Complete page 2 if this is a group filing

Is this a specialty filing? No

Latest applicable CDI file number in this line, subline and/or program:

Company Name American Bankers Insurance Company of Florida

NAIC Company Code 0019-10111

Group Name _____

NAIC Group Code _____

Organized under the Laws of the State of Florida

DEPARTMENT USE ONLY	
Filing No.:	_____
SERFF No.:	_____
Date Filed:	_____
Compliance Date:	_____
Date Public Notified:	_____
Deemer Date:	_____
Intake Analyst:	_____
Bureau & Senior:	_____
Group Filing:	Yes <input type="checkbox"/> No <input type="checkbox"/>
X-Reference No.:	_____
<input type="checkbox"/> Rate	<input type="checkbox"/> New Program <input type="checkbox"/> Rule
<input type="checkbox"/> Form	<input type="checkbox"/> Variance _____ % Change

Line Type PERSONAL

Line of Insurance: INLAND MARINE

Subline 0930006 (Other Personal Inland Marine)

Program _____

Home Office Assurant Solutions

Name and Title of Contact Person Marcello Marques - Manager, Sr Associate Actuary

Toll Free Phone No.: 1 800 452-2244 extension 11602 Fax No.: _____

Email Address marcello.marques@assurant.com

Mailing Address 260 Interstate North Circle - Atlanta - Georgia - ZIP 30339

I declare under penalty of perjury under the laws of the State of California, that the information filed is true, complete, and correct.

Authorized Signature

Date of Filing

Telephone Number

Important note: Refer to CDI website at <http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/> for the most current rate template and prior approval factors.

INSURER GROUP MULTI-COMPANY FILING

For private passenger auto insurance only, does CIC, 1861.16(c) apply? No Yes
If yes, please complete (Super Group) Exhibit 19.

List each insurance company in alphabetical order.

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

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(Department use only)
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(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

Company Name _____ CDI Filing No. _____
(Department use only)
NAIC Company Code _____

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET

The purpose of this filing is as follows: (More than one may be marked)

TYPE OF FILING

PRIOR APPROVAL RATE APPLICATION
PAGES and EXHIBITS REQUIRED

- | | |
|--|---|
| <input type="checkbox"/> New Program (Including adoption of advisory organization loss costs, forms and rules.) | Pages 1 through 7, 10, 12, 13 & 14, plus exhibit 17 |
| <input checked="" type="checkbox"/> Rates (Including adoption of advisory organization loss costs.) | |
| <input type="checkbox"/> Increase rates | Pages 1 through 10, 13 & 14, plus exhibits |
| <input checked="" type="checkbox"/> Decrease rate | Pages 1 through 10, 13 & 14, plus exhibits |
| <input type="checkbox"/> Zero Overall rate impact | Pages 1 through 10, 13 & 14, plus exhibits |
| <input type="checkbox"/> Variance | |
| <input type="checkbox"/> Filed together with the prior approval application to which it applies. | Page 11 and exhibit 13 |
| <input type="checkbox"/> Filed after the prior approval application to which it applies. | Pages 1 through 6, 11, plus exhibit 13 |
| <input type="checkbox"/> Coverage Forms (Including adoption of advisory organization forms.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12a, 13 & 14 plus exhibits |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12a |
| <input type="checkbox"/> Rules (Including adoption of advisory organization rules.) | |
| <input type="checkbox"/> With rate impact | Pages 1 through 10, 12b, 13 & 14 plus exhibits (including exhibit 20) |
| <input type="checkbox"/> Without rate impact | Pages 1 through 5, 12b, Exhibit 20 |

All Private Passenger Automobile class plans must be filed separately from the Prior Approval Rate Applications.

PROPERTY AND LIABILITY FILING SUBMISSION DATA SHEET (Continued)

Proposed Earned Premium Per Exposure: \$ 0.000124
Proposed Overall Rate Change -96.90%

	<u>COVERAGE*</u>	<u>INDICATED CHANGE (%)</u>	<u>PROPOSED CHANGE (%)</u>	<u>ADJUSTED EARNED PREMIUM*</u>	<u>PROJECTED EARNED PREMIUM</u>
1.	<u>Chargegard 60 (Class E)</u>	<u>-96.90%</u>	<u>-96.90%</u>	<u>26,471</u>	<u>3,127</u>
2.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
3.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
4.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
5.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
7.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
8.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
9.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
10.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>TOTAL:</u>	<u>-96.90%</u>	<u>-96.90%</u>	<u>26,471</u>	<u>3,127</u>

Total earned premium must include all income derived from miscellaneous fees and other charges.

* Commercial Auto Liability and Physical damage must be combined in one application, with separate rate templates for liability and physical damage.

* Adjusted earned premium is the historical earned premium for the most recent year adjusted to the current rate level and trended to the average date of loss of the proposed rating period.

FILING CHECKLIST

Use this checklist to assemble a complete application

- Prior Approval Rate Application, Page 1
- Group Filing, Page 2
- Property and Liability Filing Submission Data Sheet, Page 3
- Property and Liability Filing Submission Data Sheet, Page 4
- Filing Checklist, Page 5
- Supporting Data Exhibits, Page 6
- Ratemaking Data and Template (s), Page 7
- Reconciliation of Direct Earned Premium, Page 8
- Additional Data Required by Statute, Page 9
- Miscellaneous Fees and Other Charges, Page 10
- Variance Request, Page 11
- Forms and Rules, Page 12
- Excluded Expenses, Page 13
- Projected Yield and Federal Income Tax Rate on Investment Income, Page 14
- Filing Memorandum

See the prior approval rate filing instructions regarding the following attachments.

- Printed Rate and Rule Manual Pages
- Underwriting Rules
- Forms (Attach all independent forms and list all advisory organization forms)
- Copies of Reinsurance Agreements
(Applies only to Medical Malpractice with facultative reinsurance attachment points above one million dollars and Earthquake, where the cost of reinsurance is included in the rate development.)

SUPPORTING DATA EXHIBITS

Use this document to assemble a complete application

- Exhibit 1: Filing History
- Exhibit 2: Rate Level History
- Exhibit 3: Policy Term Distribution
- Exhibit 4: Premium Adjustment Factor
- Exhibit 5: Premium Trend Factor
- Exhibit 6: Miscellaneous Fees and Other Charges
- Exhibit 7: Loss and Defense & Cost Containment Expense (DCCE) Development Factors
- Exhibit 8: Loss and DCCE Trend
- Exhibit 9: Catastrophe Adjustment
- Exhibit 10: Credibility Adjustment
- Exhibit 11: Ancillary Income
- Exhibit 12: Reinsurance Premium and Recoverables
- Exhibit 13: Variance
- Exhibit 14: Insurer's Ratemaking Calculations
- Exhibit 15: Rate Distribution
- Exhibit 16: Rate Classification Relativities
- Exhibit 17: New Program
- Exhibit 18: Group Filing
- Exhibit 19: Super Group Corporate Structure Verification (PPA only)
- Exhibit 20: Rules
- Exhibit 21:

Instructions for completing Prior Approval Rate Template (in application) :

- * A separate rate template is required for each coverage (i.e. BI,PD,MP,UM,Comp&Coll) for which a separate premium is charged. *Download and complete a multi-coverage template (PPA for personal auto) if more than one template is needed.*
- * Enter data in lined boxes on RateMakingData page only (Do not enter data directly in Template.). For more than three years of data, click + button.
- * In the rate making data tab, enter the following data: Line Description (select from menu); Coverage; Marketing System (percentage of each system used, totaling 100%); Prior Effective Date (of current rates); Proposed Effective Date (of proposed new rates); statistical period used; one or more years of appropriate data.
- * Enter numerical data only; no comments please. (For inapplicable fields: 0 for \$ or %; 1.00 for factors)
- * Enter Variance data, only if supported by Variance Request. Final decisions regarding variances will be made by CDI and/or administrative hearing.
- * If you are filing Advisory Organization Loss Costs with a Loss Cost Multiplier, read the LCM Instructions tab and complete the LCM template.
- * For results, see Template tab (Disregard Reinsurance indication if not applicable).

RATEMAKING DATA

(Click + to expand for more than 3 years; - to contract)

Completed by **Marcello Marques**
 Date Completed **4/25/2015**
 Company/Group **American Bankers Insurance Company**
 Line Description **INLAND MARINE**
 Coverage **Involuntary Unemployment Insurance (Class E)**

Marketing System: **0.00%** **100.00%** **0.00%** (Must add up to 100%)
 Prior Effective Date (current rates) **4/3/1985**
 Proposed Effective Date (new rates) **9/1/2015**
 CDI File Number (Department use only) **0**

Does the data provided below reflect a Request for Variance? **No** | Variance #: _____

Data below is: **Accident Year Data**

	2nd Prior Year	1st Prior Year	Most Recent Year	Projected*/ New Program**
	2012	2013	2014	
1 California Direct Written Premium	1,015,746	969,454	854,941	23,345
2 California Direct Earned Premium	1,015,746	969,454	854,941	23,345
3 Premium Adjustment Factor (Developed in Exhibit 4)	0.000	0.000	0.000	
4 Premium Trend Factor * (Developed in Exhibit 5)	0.000	0.000	0.000	
5 Miscellaneous Fees and Flat Charges (Not included in Line 2; Developed in Exhibit 6)	-	-	-	-
6 Earned Exposure Units	253,936,525	242,363,395	213,735,365	188,488,886
7 Historic Losses (Projected for New Programs)	60,351	-	-	15,938
8 Historic Defense and Cost Containment Expense (DCCE)	902	-	-	238
9 Loss Development Factor (Developed in Exhibit 7)	0.000	0.000	0.000	
10 DCCE Development Factor (Developed in Exhibit 7)	0.000	0.000	0.000	
11 Loss Trend Factor* (Developed in Exhibit 8)	0.000	0.000	0.000	0.00%
12 DCCE Trend Factor* (Developed in Exhibit 8)	0.000	0.000	0.000	0.00%
13 Catastrophe Adjustment Factor (Developed in Exh 9)	0.000	0.000	0.000	
14 Credibility Factor for Losses & DCCE (Developed in Exhibit 10)				100.00%
15 Excluded Expense Factor (From Page 13)				0.19%
16 Ancillary Income (Developed in Exhibit 11)	-	-	-	-
17 Projected Federal Income Tax Rate on Investment Income (From Page 14)				32.07%
18 Projected Yield (From Page 14)				4.39%
<u>Complete 19, 20 & 21 For Earthquake and certain Medical Malpractice with Reinsurance Only (see instructions)</u>				
19 Direct Commissions				
20 Reinsurance Premium (Developed in Exhibit 12)				
21 Reinsurance Recoverables (Developed in Exhibit 12)				

Variance Change to Leverage on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California. (Must be accompanied by Variance Request, subject to CDI approval)

No

Variance Change to Efficiency Standard (Must be accompanied by Variance Request, subject to CDI approval)

* For all trend factors, the Projected Column should reflect the annual trend expressed as a percentage.

** For New Programs, please see Rate Filing Instructions, Page 4.

**STATUTORY PAGE 14 CALENDAR YEAR DATA
RECONCILIATION OF DIRECT EARNED PREMIUM DATA PER PROGRAM**

Program	Most Recent CDI File #	2nd Prior Year <u>2012</u>	1st Prior Year <u>2013</u>	Most Recent Year <u>2014</u>
1. <u>Involuntary Unemployment Ins</u>		\$ 1,015,746	\$ 969,454	\$ 854,941
2. <u>Residual</u>		\$ 131,421,984	\$ 136,021,989	\$ 274,840,919
3. _____				
4. _____		\$ -	\$ -	\$ -
5. _____		\$ -	\$ -	\$ -
6. _____		\$ -	\$ -	\$ -
7. _____		\$ -	\$ -	\$ -
8. _____		\$ -	\$ -	\$ -
9. _____		\$ -	\$ -	\$ -
10. _____		\$ -	\$ -	\$ -
	TOTAL	\$ 132,437,730	\$ 136,991,443	\$ 275,695,860
	Statutory Page 14	\$ 132,437,730	\$ 136,991,443	\$ 275,695,860
	Difference	\$ -	\$ -	\$ -

Explain the Differences:

This exhibit requires insurers to itemize each program until all data is reconciled to the corresponding annual statement line of insurance (Statutory Page 14).

For residual market data, a filing number is not required.

ADDITIONAL DATA REQUIRED BY STATUTE*

<u>Calendar Year</u>	Year	<u>2014</u>
<u>DATA</u>		
1. Number of claims outstanding at beginning of year		<u>113</u>
2. Number of claims during the year		<u>139</u>
3. Number of claims closed during the year		<u>155</u>
4. Number of claims outstanding at year's end ((1) + (2) - (3))		<u>97</u>
5. Unearned Premiums		<u>-</u>
6. Dollar amount of claims paid		<u>33,468</u>
7. Net loss reserves for outstanding claims excluding claims incurred but not reported		<u>20,878</u>
8. Net loss reserves for claims incurred but not reported		<u>52,081</u>
9. Losses incurred as a percentage of premiums earned - including IBNR		<u>1.90%</u>
10. Net investment gain or loss and other income or gain or loss allocated to the line.		<u>-</u>
11. Net income before federal and foreign income taxes (line 10 plus line 15)		<u>240,819</u>
12. Total number of policies in force on the last day of the reporting period		<u>8,906</u>
13. Total number of policies cancelled		<u>1,192</u>
14. Total number of policies non-renewed		<u>1,192</u>
15. Net underwriting gain or loss (=CY earned premiums minus CY incurred loss minus CY incurred expense)		<u>240,819</u>
16. Separate allocations of expenses for:		
a) commissions and brokerage expense,		<u>300,629</u>
b) other acquisition costs,		<u>105,368</u>
c) general office expenses,		<u>238,009</u>
d) taxes, licenses and fees,		<u>21,006</u>
e) loss adjustment expense (DCCE & AOE), and		<u>(87)</u>
f) other expenses		<u>(45,611)</u>

***CIC 1857.7, CIC 1857.9 and CIC 1864**

MISCELLANEOUS FEES AND OTHER CHARGES

Do any fees or installment finance charges apply to this program? No
If yes, identify the fee and the amount charged for each type of fee and for each transaction.

INDIVIDUAL POLICY CHARGES

	New Business	Renewals
<input type="checkbox"/> Policy fee	_____	_____
<input type="checkbox"/> Installment fee	_____	_____
<input type="checkbox"/> Installment finance charges (ancillary income)	_____ APR	_____
<input type="checkbox"/> Endorsement fee	_____	_____
<input type="checkbox"/> Inspection fee	_____	_____
<input type="checkbox"/> Cancellation fee	_____	_____
<input type="checkbox"/> Reinstatement fee	_____	_____
<input type="checkbox"/> Late fee	_____	_____
<input type="checkbox"/> SR 22	_____	_____
<input type="checkbox"/> Non-sufficient funds (NSF) fee (ancillary income)	_____	_____
<input type="checkbox"/> Membership dues (ancillary income)	_____	_____
<input type="checkbox"/> Other, specify:	_____	_____

Except for installment finance charges, NSF fees, and membership dues, data relating to fees must be included in the ratemaking data, Page 7, Line 2 (direct earned premium) or Line 5 (miscellaneous fees) and Exhibit 6, miscellaneous fees, must be completed. Refer to the instructions for additional information.

REQUEST FOR VARIANCE

1. Identify each variance requested. ((See below (F))
2. Identify the extent or amount of the variance requested and the applicable component of the ratemaking formula. [Complete Exhibit 13]
3. Set forth the expected result or impact on the maximum and minimum permitted earned premium that the granting of the variance will have as compared to the expected result if the variance is denied. [Complete Exhibit 13]
4. IMPORTANT: Identify the facts and their source justifying the variance request and provide the documentation supporting the amount of the change to the component of the ratemaking formula. (Complete Exhibit 13)

IDENTIFY THE BASES FOR VARIANCE - Refer to CCR 2644.27 (f) for the full regulation text.

Maximum Permitted Rate Change % Excluding Variance
(Change At Max Per Template) _____

1. Relief from the efficiency standard for bona fide loss-prevention and loss reduction activities.
 - A. Allocated cost for SIU.
 - B. Expenses for loss prevention programs.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

2. Relief from the efficiency standard due to any of the following:
 - A. Higher quality of service, as demonstrated by objective measures of consumer satisfaction; or
 - B. Demonstrated superior service to underserved communities (CCR 2646.6); or
 - C. Significantly smaller or larger than average California policy premium, including any applicable fees.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

3. The leverage factor should be different from the leverage factor determined pursuant to section 2644.17 on the basis that the insurer either writes at least 90% of its direct earned premium in one line or writes at least 90% of its direct earned premium in California, and its mix of business presents investment risks different from the risks that are typical of the line as a whole.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

4. Relief from operation of the efficiency standard for a line of insurance in which the insurer has never written over \$1 million in earned premium annually and the insurer is making a substantial investment in order to enter the market.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

5. The minimum permitted earned premium should be lower on the basis of the insurer's certification that the rate will not cause the insurer's financial condition to present an undue risk to its solvency.

6. The insurer's financial condition is such that its maximum permitted earned premium should be increased in order to protect solvency.

Maximum Permitted Rate Change % With Only This Variance
(Change At Max Per Template) _____

7. The loss development formula in CCR 2644.6 does not produce an actuarially sound result because:
 - A. There is not enough data to be credible
 - B. There is not enough years of data to fully calculate the development to ultimate;

- C. There are changes in the insurer's reserving or claims closing practices that significantly affect the data; or,
- D. There are changes in coverage or other policy terms that significantly affect the data; or,
- E. There are changes in the law that significantly affect the data.
- F. There is a significant increase or decrease in the amount of business written or significant changes in the mix of business.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

8. The trend formula in CCR 2644.7 does not produce the most an actuarially sound result because:

- A. There is a significant increase/decrease in the amount of business written or changes in the mix of business;
- B. There are not enough years of data to calculate the trend factor;
- C. There is a significant change in the law affecting frequency or severity of claims;
- D. It can be shown that a trend calculated over a period of at least 4 quarters other than a period permitted pursuant to section 2644.7(b) is more reliable prospectively.
- E. There are changes in the insurer's claims closing practices that significantly affect the data; or,
- F. There are changes in coverage or other policy terms that significantly affect the data.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

9. The maximum permitted earned premium would be confiscatory if applied.

Maximum Permitted Rate Change % With Only This Variance _____
(Change At Max Per Template)

Overall Maximum Permitted Rate Change % _____

Not withstanding any other section of these regulations, the aggregate total adjustment to the efficiency standard for all variances combined shall not exceed the difference between the insurer's most recent year total expense ratio excluding defense and cost containment expenses and the efficiency standard.

Most Recent
Year Total
Expense
Ratio _____ %

FORMS

Insurers who wish to use a new or replacement form in connection with a new or existing program must furnish the following information and documentation for our review. Revisions must be highlighted and the corresponding manual pages must be provided.

FORM NO.	TITLE	TYPE	SOURCE	SOURCE FORM NO *	CATEGORY	Restricts Coverage [Yes/ No]	Broadens Coverage [Yes/ No]	Rate Impact [Yes / No]	% Change	Flat Rate
1) New:										
Old:										
2) New:										
Old:										
3) New:										
Old:										
4) New:										
Old:										
5) New:										
Old:										

REQUIRED RESPONSES FOR THE ITEMS ABOVE

TYPE:

- 1) Application
- 2) Endorsement
- 3) Policy
- 4) Other (Please define)

SOURCE

- 1) ISO*
- 2) Other Advisory Organization*
- 3) Company
- 4) Other (describe)

CATEGORY

- 1) New, mandatory
- 2) New, optional
- 3) Replacement, mandatory
- 4) Replacement, optional
- 5) Withdrawn, mandatory
- 6) Withdrawn, optional

* Provide California Dept. of Insurance number (CDI#) under the column identified as Source Form No.

Additional Information and Documents Required

Describe the purpose of the form or form change

For **NEW FORMS**, furnish a copy of the form to be filed, unless identical to an advisory organization form. If the form is a new endorsement to the policy, describe any changes in coverage under the policy. Describe what adjustments, if any, will be made to the premium due to the introduction of the forms.

For **REVISED FORMS**, describe any changes in coverages between the proposed form and the current form. Reference pertinent sections of each form affected. Brackets [] should be used to identify any deletions on the current form and underline all changes in the revised form. Describe what adjustments, if any, will be made to the premium due to the revisions.

RULES

Insurers wishing to make a rule change filing must provide the following information. Exhibit 20 may be completed to provide additional information.

Identify the option(s) that applies.

- Introducing a new rule
- Revising an existing rule
- Adopting an approved Advisory Organization rule
- Withdrawing an approved rule

Use the following as a checklist to provide the required information.

If introducing a new rule or revising an existing rule, provide:

The purpose for the rule or an explanation for revising an existing rule

A copy of the current and proposed manual page corresponding to the rule

The charge for the rule. Support or justify the charge and provide the rate or premium development method.

The rate impact of the rule to the current book of business, showing the calculation.

Advise if the rule is: Optional Mandatory

If withdrawing an approved rule, provide:

An explanation for withdrawing the rule

A copy of the current and proposed manual page(s) corresponding to the withdrawn rule

The rate impact of the withdrawn rule to the current book of business

If adopting an approved Advisory Organization rule(s), specify the approved CDI filing number(s) of the AO rule(s):

Insurer Comments:

EXCLUDED EXPENSE FACTOR

(Insurer Group Data)

Company Organization:

Reciprocal ▼

	(Enter Year)	2nd Prior Year 2011	1st Prior Year 2012	Most Recent Year 2013
Countrywide direct earned premium:		3,819,368,000	4,015,729,000	4,403,173,000
Countrywide direct earned premium for lines of business subject to Proposition 103:		3,451,057,000	3,660,302,000	4,053,021,000

2644.10 (b): Executive Compensation

	2nd Prior Year 2011		1st Prior Year 2012		Most Recent Year 2013	
	Cash & Salary	Bonus	Cash & Salary	Bonus	Cash & Salary	Bonus
1st Highest Paid	1,692,929	828,000	4,473,101	702,000	2,515,281	930,800
2nd Highest Paid	1,568,666	450,000	3,305,405	894,400	2,369,920	463,050
3rd Highest Paid	583,880	386,707	950,836	368,940	1,186,278	203,770
4th Highest Paid	617,229	191,250	855,994	386,082	910,810	363,972
5th Highest Paid	593,960	183,387	894,449	339,073	803,479	221,315

	2nd Prior Year 2011		1st Prior Year 2012		Most Recent Year 2013	
	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation	Max Permissible Exc Comp	Excessive Compensation
1st Highest Paid	848,446	1,672,483	868,968	4,306,133	905,678	2,540,403
2nd Highest Paid	479,690	1,538,976	489,647	3,710,158	507,377	2,325,593
3rd Highest Paid	411,826	558,761	421,191	898,585	437,912	952,136
4th Highest Paid	351,401	457,078	358,885	883,191	372,221	902,561
5th Highest Paid	307,748	469,599	314,006	919,516	325,144	699,650

Total Excessive Executive Comp:	4,696,897	10,717,583	7,420,343
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Excluded Expense Factor

Countrywide Data	2nd Prior Year 2011	1st Prior Year 2012	Most Recent Year 2013
2644.10 (a): Political contribution and lobbying	0	0	0
2644.10 (b): Excessive Executive Compensation	4,696,897	10,717,583	7,420,343
2644.10 (c): Bad faith judgments and associated DCCE			
2644.10 (d): All costs for unsuccessful defense of discrimination claims			
2644.10 (e): Fines and penalties			
2644.10 (f): Institution advertising expenses			
2644.10 (g): Excessive payments to affiliates			
Total excluded expenses	4,696,897	10,717,583	7,420,343
Excluded expense factor	0.12%	0.27%	0.17%
3-year average excluded expense factor	0.19%		

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

Line number	Short Term Assets	Intermediate Term Assets		Long Term Assets	
	One year or less	Over 1 yr through 5 yrs	Over 5 yrs through 10 yrs	Over 10 yrs through 20 yrs	Over 20 yrs
1.7 US governments	283,409,072	36,216,796	19,696,826	1,590,400	0
2.7 All other governments	18,814,380	71,670,927	65,743,181	5,560,449	0
3.7 States, territories and possessions	1,024,485	115,082,213	8,942,023	8,511,615	2,685,369
4.7 Political subdivisions	5,000,000	58,060,704	2,972,554	7,058,986	0
5.7 Special revenue and assessment obligations	23,791,957	255,397,928	167,774,748	86,474,508	24,322,577
6.7 Public utilities unaffiliated	164,751,936	730,555,558	749,207,405	77,332,190	34,883,481
7.7 Industrial and miscellaneous	0	121,772	1,227,860	4,121,065	45,639,888
8.7 Credit tenant loans	0	0	0	0	0
9.7 Parent, subsidiaries and affiliates	496,791,830	1,267,105,898	1,015,564,597	190,649,213	107,531,315
	One year or less	Over 1 year through 10 years		Over 10 years	
(1) US government bonds Sum of line 1.7 and 2.7	302,223,452		193,327,730		7,150,849
(2) Other taxable bonds Sum of line 6.7, 7.7, 8.7, 9.7 and half of 5.7	673,439,745		3,975,369,428		515,555,695
(3) Tax exempt bonds Sum of line 3.7, 4.7, and half of 5.7	17,920,464		396,643,832		73,654,513

Data on line 1.7 through 9.7 are from the insurer group's most recent consolidated statutory annual statement, schedule D, part 1A, section 1.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

	Invested Assets [1]	Currently Available Yield * [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
(1) US government bonds					
(A) Short	302,223,452	0.03%	80,593	35.00%	28,208
(B) Intermediate	193,327,730	2.02%	3,911,664	35.00%	1,369,083
(C) Long	7,150,849	2.36%	168,998	35.00%	59,149
(2) Other taxable bonds					
(A) Short	673,439,745	0.15%	1,032,608	35.00%	361,413
(B) Intermediate	3,975,369,428	3.02%	120,048,390	35.00%	42,016,936
(C) Long	515,555,695	3.77%	19,450,889	35.00%	6,807,811
(3) Tax exempt bonds					
(A) Short	17,920,464	0.10%	17,861	5.25%	938
(B) Intermediate	396,643,832	2.12%	8,423,434	5.25%	442,230
(C) Long	73,654,513	3.21%	2,361,280	5.25%	123,967
(4) Common Stock					
(A) Dividends		2.11%	0	14.18%	0
(B) Capital gains		7.18%	0	34.10%	0
(5) Preferred stock dividends	122,966,199	4.89%	6,014,235	14.18%	852,518
(6) Mortgage loans	232,078,546	3.77%	8,755,861	35.00%	3,064,551
(7) Real estate	26,650,792	3.29%	877,699	35.00%	307,195
(8) Cash**	46,702,503	0.03%	12,454	35.00%	4,359
(9) Other***	76,139,971				
(A) Dividends		2.11%	1,606,553	14.18%	227,729
(B) Capital gains		7.18%	5,469,388	34.10%	1,865,061
(10) Total					
Sum of line (1) thru (9)	6,659,823,717		178,231,907		57,531,148

Data in column [1], line 4 through (9), are from the insurer group's most recent consolidated statutory annual statement page 2 - Assets.

* Currently available yields are defined in CCR §2644.20. Latest values are posted at <http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/0200-prior-approval-factors/>

** Annual statement page 2, line 5, cash only. Cash equivalents and short-term investments are included in Schedule D.

*** Annual statement page 2, line 6, 8, 9, and 11.

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

Invested Assets [1]	Currently Available Yield [2]	Return On Invested Assets [3]=[1]*[2]	Federal Income Tax Rate [4]	Federal Income Taxes [5]=[3]*[4]
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(Yield Tax Worksheet)

(10) Total	<u>6,659,823,717</u>	<u>178,231,907</u>		<u>57,531,148</u>
line (10)				
exhibit 13, page 2				
(11) Investment expense		<u>12,890,000</u>	35.00%	<u>4,511,500</u>
Annual Statement (AS)				
page 11, line 25				
(12) Total	<u>6,659,823,717</u>	<u>165,341,907</u>		<u>53,019,648</u>
after investment expense				
line (10) - line (11)				
(13) Federal income tax rate				
line (12)				
column [5] / column [3]			<u>32.07%</u>	
(14) Projected yield				
on invested assets		<u>2.48%</u>		
line (12)				
column [3] / column [1]				

Most Recent Year

(15) Loss reserves	<u>399,239,319</u>			
AS page 3, line 1				
(16) Loss adjustment	<u>35,827,932</u>			
expense reserves				
AS page 3, line 3				
(17) Unearned premium	<u>1,894,957,008</u>			
reserves				
AS page 3, line 9				
(18) Surplus as regards	<u>1,440,393,940</u>			
to policyholders				
AS page 3, line 37				
(19) Total reserves and	<u>3,770,418,199</u>			
surplus				
Sum of line (15) to (18)				
(20) Projected yield				
adjusted to reserve and surplus base				
line (14) * line (12) / line (19)			<u>4.39%</u>	

RATE TEMPLATE

Edition Date: 1/15/2015

(No input by filer)

CDI FILE NUMBER:	0	
COMPANY/GROUP:	American Bankers Insurance Company of Florida	
LINE OF INSURANCE:	INLAND MARINE	
COVERAGE:	Involuntary Unemployment Insurance (Class E)	
PRIOR_EFF_DATE:	4/3/1985	Completed by: Marcello Marques
PROPOSED_EFF_DATE:	9/1/2015	Date: 4/25/2015

DATA PROVIDED BY FILER

	Year:	2012	2013	2014	PROJECTED/ SUMMARY
		PRIOR2	PRIOR1	RECENT	
WRT_PREM		1,015,746	969,454	854,941	2,840,141
ERN_PREM		1,015,746	969,454	854,941	2,840,141
PREM_ADJ		1.000	1.000	1.000	
PREM_TREND		1.000	1.000	1.000	0.000
MISCELLANEOUS_FEES (& other flat charges)		0	0	0	0
EARNED_EXP		253,936,525	242,363,395	213,735,365	710,035,285
LOSSES		60,351	0	0	60,351
DCCE		902	0	0	902
LOSS_DEV		1.000	1.000	1.000	
DCCE_DEV		1.000	1.000	1.000	
LOSS_TREND		1.000	1.000	1.000	0.000
DCCE_TREND		1.000	1.000	1.000	0.000
CAT_ADJ		1.000	1.000	1.000	
CREDIBILITY					100.00%
EXPENSE EXCLUSION FACTOR					0.19%
ANC_INC		0	0	0	0
FIT_INV					32.07%
YIELD					4.39%

CDI PARAMETERS:

FIT_UW	35.00%
EFF_STANDARD	27.29%
LEVERAGE	1.11
PREMIUM_TAX_RATE	2.35%
SURPLUS_RATIO	0.90
UEP_RES_RATIO	0.31
LOSS_RES_RATIO	0.43
RISK FREE RATE OF RETURN	1.21% April 2015
MAXIMUM RATE OF RETURN	7.21%
MINIMUM RATE OF RETURN	-6.00%

CDI CALCULATIONS:

ADJ_PREM	1,015,746	969,454	854,941	2,840,141
ADJUSTED_LOSSES	60,351	0	0	60,351
ADJUSTED_DCCE	902	0	0	902
ADJUSTED_LOSS+DCCE_RATIO	6.03% 	0.00% 	0.00% 	2.16%
TRENDED_CURRENT_RATE_LEVEL_PREMIUM	0.00400	0.00400	0.00400	0.00400
LOSS+DCCE_PER_EXP	0.00	0.00	0.00	0.00
COMP_LOSS+DCCE_PER_EXP	0.00	0.00	0.00	0.00
CRED_LOSS_PER_EXP	0.00	0.00	0.00	0.00
ANC_INC_PER_EXP	0.00	0.00	0.00	0.00
FIXED_INV_INC_FACTOR				1.98%
VAR_INV_INC_FACTOR				5.53%
ANNUAL_NET_TREND				0.00%
COMP_TREND				0.00%
MAX_PROFIT				9.97%
MIN_PROFIT				-8.29%
UW_PROFIT				3.06%
MAX_DENOM				0.683
MIN_DENOM				0.865
MAX_PREMIUM				\$0.0001
MIN_PREMIUM				\$0.0001
CHANGE_AT_MIN				-97.56%
CHANGE_AT_MAX				-96.90%

Alternate Calculation with Reinsurance

COMMISSION_RATE				0.00%
RE_PREM	-	-	-	0
RE_RECOV	-	-	-	0
RE_PREM_PER_EXP	0.00	0.00	0.00	0.00
RE_RECOV_PER_EXP	0.00	0.00	0.00	0.00
COMP_LOSS_RE	0.00	0.00	0.00	0.00
RMAX_PREMIUM				NA
RCHANGE_AT_MAX				NA

EFFICIENCY STANDARD TABLE

SOURCE: 2011 - 2013 ROLLING AVG

DATE REVISED: 1/15/2015

Blended	Captive	Direct	Indep
ES: 27.47%	37.39%	27.47%	29.74%

Line	Captive	Direct	Indep	Line Description
1.0	39.86%	24.68%	31.23%	FIRE
2.1	45.38%	20.69%	32.72%	ALLIED LINES
3.0	47.33%	47.33%	48.58%	FARMOWNERS MULTIPLE PERIL
4.0	35.30%	25.93%	40.03%	HOMEOWNERS MULTIPLE PERIL
5.0	36.33%	35.00%	39.45%	COMMERCIAL MULTIPLE (5.1 & 5.2 Combined)
5.1	35.39%	34.35%	39.37%	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)
5.2	39.02%	36.42%	39.60%	COMMERCIAL MULTIPLE PERIL(LIABILITY)
9.0	37.39%	27.47%	29.74%	INLAND MARINE
11.0	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE
11.1	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE(occ)
11.2	28.11%	29.92%	36.85%	MEDICAL MALPRACTICE (cm)
12.0	19.67%	20.44%	25.01%	EARTHQUAKE
17.0	32.64%	28.59%	32.93%	OTHER LIABILITY
17.1	32.55%	25.07%	31.51%	OTHER LIABILITY (occ)
17.2	36.30%	35.84%	34.64%	OTHER LIABILITY (cm)
18.0	35.35%	35.35%	35.35%	PRODUCTS LIABILITY
18.1	35.35%	35.35%	35.35%	PRODUCTS LIABILITY (occ)
18.2	35.35%	35.35%	35.35%	PRODUCTS LIABILITY (cm)
19.2	37.11%	25.01%	38.84%	PRIVATE PASSENGER AUTO LIABILITY
19.4	38.22%	35.67%	34.80%	COMMERCIAL AUTO LIABILITY
21.1	36.18%	25.88%	39.55%	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE
21.2	41.01%	33.85%	38.86%	COMMERCIAL AUTO PHYSICAL DAMAGE
22.0	32.07%	31.80%	32.08%	AIRCRAFT
23.0	36.33%	39.60%	36.30%	FIDELITY
24.0	43.86%	43.86%	43.86%	SURETY
26.0	33.22%	33.22%	33.22%	BURGLARY & THEFT
27.0	34.79%	26.52%	44.11%	BOILER & MACHINERY

LEVERAGE RATIO TABLE

SOURCE: Best's Aggregates and Averages, 2014 Edition / Exhibit of Premiums and Losses (Statutory Page 14 Data)

DATE REVISED: 10/17/2014

Line	LF	Line Description
1.0	1.0097	Fire
2.1	1.0301	Allied Lines
3.0	1.1319	Farmowners
4.0	1.0971	Homeowners
5.1	1.0325	CMP - NL
5.2	0.5135	CMP - Liab.
5.0	0.7622	CMP
9.0	1.1130	Inland Marine
11.1	0.3090	Med. Mal. Occ.
11.2	0.4735	Med. Mal. cm.
11.0	0.4154	Med. Mal.
12.0	1.0000	Earthquake
17.1	0.4157	O. Liab. Occ.
17.2	0.4945	O. Liab. cm.
17.0	0.4293	O. Liab.
18.1	0.2459	Products - Occ.
18.2	0.4124	Products - cm.
18.0	0.2623	Products
19.2	0.9049	PP Auto Liab.
19.4	0.7070	C. Auto Liab.
21.1	1.4693	PP Auto PD
21.2	1.1893	Comm Auto PD
22.0	0.5699	Aircraft
23.0	0.6804	Fidelity
24.0	0.8514	Surety
26.0	0.9257	Burglary & Theft
27.0	1.0154	Boiler & Mach.

RESERVES RATIO TABLE

SOURCE: Best's Aggregates & Averages - Property Casualty (2013 & 2014 edition) / Annual Statement - Statutory Page 14

DATE REVISED: 10/17/2014

LINE	UEP	LOSS	Line Description
1	0.48	1.07	FIRE
2.1	0.47	1.52	ALLIED LINES
3	0.47	1.17	FARMOWNER MP
4	0.51	0.69	HOMEOWNER MP
5	0.49	2.19	CMP
5.1	0.49	1.07	CMP (N-LIAB)
5.2	0.48	3.23	CMP (LIAB)
9	0.31	0.43	INLAND MRN
11.0	0.52	3.52	MED MAL
11.1	0.62	4.15	MED MAL - occurrence
11.2	0.49	3.20	MED MAL - claims-made
12.0	0.48	1.00	EARTHQUAKE
17.0	0.54	4.61	OTHER LIAB
17.1	0.52	6.08	OTHER LIAB - occurrence
17.2	0.56	3.02	OTHER LIAB - claims-made
18.0	0.48	3.63	PROD LIAB
18.1	0.50	3.82	PROD LIAB - occurrence
18.2	0.40	2.49	PROD LIAB - claims-made
19.2	0.34	1.11	PPA LIAB
19.4	0.45	1.88	COMLA LIAB
21.1	0.33	0.06	PPA PD
21.2	0.49	0.26	COMLA PD
22.0	0.44	2.03	AIRCRAFT
23.0	0.58	2.73	FIDELITY
24.0	0.58	2.22	SURETY
26.0	0.57	0.84	BRGLRY THEFT
27.0	0.48	0.80	BLR & MCHNRY

Loss Cost Multiplier (LCM) Template Instructions

The LCM Template spreadsheet must be completed for those rate filing submissions where the filed line or coverage utilizes a Loss Cost Multiplier. Examples include new or existing program rate filings that involve the adoption of Advisory Organization loss costs, and existing program rate filings where the LCM is being revised.

There are a number of data cells on the LCM Template spreadsheet that automatically populate either by reference to cells on other spreadsheets or by formula calculation. However there are five lines within the LCM Template spreadsheet for which additional data entry is required. The first three data entry items pertain to rate filing submissions that include an adoption of Advisory Organization loss costs. The last two data entry items are required only for existing programs.

Complete the following for existing and new program rate filings when Advisory Organization loss costs are being adopted:

Spreadsheet Item #1.1 CDI Filing Number – Please enter the CDI filing number of the Advisory Organization loss cost filing being adopted. If additional loss cost updates are being covered, please also identify the CDI filing number(s) of the additional loss cost updates being covered.

Spreadsheet Item #1.2 Loss Cost Percent Change Approved for the Line or Coverage – Please enter the CDI percent change approved for the Advisory Organization loss cost filing identified as Item #1.1. If multiple loss cost updates are being covered, identify the cumulative percent change approved.

Spreadsheet Item #1.3 AOE or LAE Load Approved for the Line or Coverage – As identified within the Advisory Organization loss cost filing entered as Item #1.1, please indicate the type of AOE or LAE expense loading the Advisory Organization used in its loss cost filing *and* enter the load amount.

Complete the following for existing programs only; do not complete the following for new program filings:

Spreadsheet Item #2.1 Current Expense Based LCM – Please enter the current expense based LCM for the filed line/coverage.

Spreadsheet Item #2.2 Current Loss Cost Modification Expressed as a Factor – Please enter the current Loss Cost Modification Factor applicable to the current expense based LCM.

Spreadsheet Items #3 through #7 are calculated fields.

Spreadsheet Item #3 calculates the insurer's current Final LCM.

Spreadsheet Item #4 calculates the Advisory Organization's AOE as a percent of loss and DCCE.

Spreadsheet Item #5 calculates the maximum CDI allowable expense based LCM for the filed line/coverage.

Spreadsheet Item #6 calculates the maximum CDI allowable loss cost modification factor for the filed line/coverage.

Spreadsheet Item #7 calculates the **maximum CDI allowable Final LCM** for the filed line/coverage. If the Insurer's current Final LCM (Item #3) and/or proposed Final LCM is greater than the Max Final LCM (Item #7), the Insurer will need to reduce its Final LCM so that it is no greater than the CDI calculated maximum allowable Final LCM. Otherwise, exceeding the CDI calculated maximum allowable Final LCM will require the filing of a Variance.

LCM TEMPLATE

Edition Date: 1/15/2015

CDI FILE NUMBER: 0
COMPANY/GROUP: American Bankers Insurance Company of Florida
LINE OF INSURANCE: INLAND MARINE
LINE CODE: 9

COVERAGE: Involuntary Une

ADVISORY ORGANIZATION FILING INFORMATION

1 For filings that include an adoption of Advisory Organization loss costs, complete lines 1.1, 1.2, and 1.3; for all other filings skip lines 1.1, 1.2 and 1.3, and go to line 2.

1.1 CDI Filing Number	<input style="width: 90%;" type="text"/>					
1.2 Loss Cost Percent Change Approved for the Line or Coverage	<input style="width: 90%;" type="text"/>					
1.3 AOE or LAE Load Approved for the Line or Coverage	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; text-align: center;">Type of Load</td> <td style="width: 30%; text-align: center;">Amount of Load</td> </tr> <tr> <td style="text-align: center;">(LOSS+DCCE+AOE)/LOSS ▼</td> <td><input style="width: 90%;" type="text"/></td> </tr> </table>	Type of Load	Amount of Load	(LOSS+DCCE+AOE)/LOSS ▼	<input style="width: 90%;" type="text"/>	
Type of Load	Amount of Load					
(LOSS+DCCE+AOE)/LOSS ▼	<input style="width: 90%;" type="text"/>					

COMPANY LCM INFORMATION

2 If this is a New Program filing, skip lines 2.1 and 2.2 and review the Max_Final LCM result on line 7; for all other filings complete lines 2.1 and 2.2.

2.1 Current <u>Expense Based</u> LCM	<input style="width: 90%;" type="text"/>
2.2 Current Loss Cost Modification Expressed as a Factor (see examples below)	<input style="width: 90%;" type="text"/>

Example 1: If the company's loss cost modification is +15%, enter 1.15
 Example 2: If the company's loss cost modification is -10%, enter 0.9
 Example 3: If the company currently does not apply a loss cost modification factor, enter 1.0

3 Insurer's Current <u>Final</u> LCM (Line 2.1 * Line 2.2)	NA	
4 Advisory Organization's AOE as a Percent of Loss and DCCE (Derived from Line 1.3 and the IncLoss&DCCE page)	-1.000	
5 Max_Expense Based Loss Cost Multiplier	N/A	8.62675E-05
6 Max_Loss Cost Modification (Existing program only) Max_Loss Cost Modification for new program is 1.0	N/A	
7 Max_Final LCM (Line 5 * Line 6)	#VALUE!	

INCURRED LOSS AND DCCE EXHIBIT

Source: 2014 Edition of Best's Aggregates & Averages, Statement File Supplement - Exhibit of Premiums and Losses -Total US PC Industry - (\$000 omitted).

Revised: 10/17/2014

Line	Line Description	INC LOSS	DCCE
1.0	FIRE	4,841,717	130,932
2.1	ALLIED LINES	5,526,591	186,453
3.0	FARM OWNERS MULTIPLE PERIL	1,899,798	48,631
4.0	HOMEOWNERS MULTIPLE PERIL	37,432,201	1,220,450
5.0	COMMERCIAL MULTIPLE PERIL (COMBINED)	16,787,318	2,594,341
5.1	COMMERCIAL MULTIPLE PERIL(NON-LIABILITY)	10,872,708	362,565
5.2	COMMERCIAL MULTIPLE PERIL(LIABILITY)	5,914,610	2,231,776
9.0	INLAND MARINE	7,318,092	109,375
11.0	MEDICAL MALPRACTICE (Combined)	3,898,025	1,866,110
11.1	MEDICAL MALPRACTICE (Occurrence)	3,898,025	1,866,110 *
11.2	MEDICAL MALPRACTICE (Claims-made)	3,898,025	1,866,110 *
12.0	EARTHQUAKE	-44,439	2,349
17.0	OTHER LIABILITY (Combined)	25,452,973	5,829,899
17.1	OTHER LIABILITY (Occurrence)	25,452,973	5,829,899 *
17.2	OTHER LIABILITY (Claims-made)	25,452,973	5,829,899 *
18.0	PRODUCTS LIABILITY (Combined)	1,734,682	1,375,663
18.1	PRODUCTS LIABILITY (Occurrence)	1,734,682	1,375,663 *
18.2	PRODUCTS LIABILITY (Claims-made)	1,734,682	1,375,663 *
19.2	PRIVATE PASSENGER AUTO LIABILITY	61,961,169	3,439,463
19.4	COMMERCIAL AUTO LIABILITY	12,244,231	1,379,968
21.1	PRIVATE PASSENGER AUTO PHYSICAL DAMAGE	43,383,176	199,193
21.2	COMMERCIAL AUTO PHYSICAL DAMAGE	3,817,647	93,360
22.0	AIRCRAFT	802,409	119,261
23.0	FIDELITY	524,275	22,402
24.0	SURETY	843,113	140,198
26.0	BURGLARY & THEFT	25,271	4,511
27.0	BOILER & MACHINERY	504,290	7,247

* line totals are used for occurrence and claims-made policies.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

FILING HISTORY

There has been no rate filings in the last 3 years for this program.

The last file number approved does not have a CDI number associated with it.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

RATE LEVEL HISTORY

There has been no rate filings in the last 5 years for this program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

POLICY TERM DISTRIBUTION

This program is exclusively offered as an open-end policy term to all customers.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

PREMIUM ADJUSTMENT FACTOR

The Company did not use any premium adjustment factor to determine new rates for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

PREMIUM TREND FACTOR

The Company did not use any premium trend factor to determine new rates for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Miscellaneous Fees and Other Charges

The Company did not apply any miscellaneous fees and other charges to determine new rates for this existing prog

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Loss and Defense & Cost Containment Expense (DCCE) Development Factors

DCCE Development Factors were developed based on data provided on tab "InclLoss&DCCE" for Inland Marine.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Loss and DCCE Trend

The Company did not apply any Loss and DCCE trend factors to determine new rates for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Catastrophe Adjustment

The Company did not apply any Catastrophe Adjustment Factors to determine new rates for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

CREDIBILITY ADJUSTMENT

		2012	2013	2014	TOTAL
1.	Earned Premiums				
a.	Gross Written Premium	1,015,992	1,228,547	854,941	3,099,480
b.	Refunds	246	259,093	-	259,339
c.	Net Written Premium	1,015,746	969,454	854,941	2,840,141
d.	Beginning Reserve	-	-	-	-
e.	Ending Reserve	-	-	-	-
f.	Actual EP	1,015,746	969,454	854,941	2,840,141
2.	Incurred Claims				
a.	Claims Paid	85,669	59,491	33,468	178,627
b.	Beginning IBNR	129,111	113,660	87,310	129,111
c.	Ending IBNR	113,660	87,310	52,081	52,081
d.	Beginning Reserve	68,531	58,664	24,310	68,531
e.	Ending Reserve	58,664	24,310	20,878	20,878
f.	Claims Incurred	60,351	(1,213)	(5,193)	53,945
3.	Loss Ratio				
a.	Actual LR (2f/1f)	5.9%	-0.1%	-0.6%	1.9%
4.	Claim Count	411	276	155	842
5.	Credibility Calculation				
a.	Credibility Factor (Z)		100.0%		

Note:

Development of Credibility relies upon CCR § 2670.7 (a) formula and CCR § 2670.9 Credibility Table. The Company determined that Loss of Income is best represented by products currently ruled under Credit Unemployment.

For this program, Credibility was determined on \$ 9,1MM of Earned Premium with a respective credibility factor of 100% based on CCR § 2670.9 Credibility Table.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Ancillary Income

The Company did not apply/uses any Ancillary Income for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Reinsurance Premium and Recoverables

Reinsurance cost is not applied on new rates development for this existing program.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Variance

This rate filing is not a Request for Variance.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Insurer's Ratemaking Calculations

The ratemaking calculation is in accordance with all ratemaking parameters and methods prescribed in the Regulation.

Therefore, the company rate request falls within the maximum and minimum permitted premium range derived in accordance with all ratemaking parameters and methods prescribed in the regulation.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Rate Distribution

The proposed rate change will be applied uniformly to all programs.

**American Bankers Insurance Company of Florida
Involuntary Unemployment Insurance (Class E)
CALIFORNIA**

Rate Classification Relativities

This program does not use any rate classification relativities.