

State: Minnesota **First Filing Company:** Auto-Owners Insurance Company, ...
TOI/Sub-TOI: 05.0 CMP Liability and Non-Liability/05.0002 Businessowners
Product Name: BOP eff. 05/15/2013
Project Name/Number: /

Filing at a Glance

Companies: Auto-Owners Insurance Company
 Owners Insurance Company
Product Name: BOP eff. 05/15/2013
State: Minnesota
TOI: 05.0 CMP Liability and Non-Liability
Sub-TOI: 05.0002 Businessowners
Filing Type: Rate
Date Submitted: 05/07/2013
SERFF Tr Num: AOIC-128998596
SERFF Status: Closed-Filed for information only (12)
State Tr Num:
State Status: Filed for information only (12)
Co Tr Num: BOP-MN-99-05/15/2013-01

Effective Date 05/15/2013
Requested (New):
Effective Date 06/20/2013
Requested (Renewal):
Author(s): Ken Hoskins, Samantha Smith, David Ochodnický, Kerri Miller, Brenda Lundy, Sarah Nimphie
Reviewer(s): Emily Weber (primary)
Disposition Date: 05/08/2013
Disposition Status: Filed for information only (12)
Effective Date (New):
Effective Date (Renewal):

State: Minnesota **First Filing Company:** Auto-Owners Insurance Company, ...
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General Information

Project Name: Status of Filing in Domicile: Not Filed
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 05/08/2013
 State Status Changed: 05/08/2013 Deemer Date:
 Created By: Brenda Lundy Submitted By: David Ochodnický
 Corresponding Filing Tracking Number:
 State TOI: 05.0 CMP Liability and Non-Liability State Sub-TOI: 05.0002 Businessowners

Filing Description:

The Auto-Owners and Owners Insurance Companies submit the following revisions to their Businessowners program for your review:

1. For Druggists and Optometrists coverages:

- a. Change rates for the \$2,000,000 occurrence limits 15.0%.
- b. Change rates for all remaining limits 10.0%.

Company and Contact

Filing Contact Information

Samantha Smith, Administrator smith.samantha@aoins.com
 P.O. Box 30660 517-323-1201 [Phone] 5201 [Ext]
 Lansing, MI 48909-8160

Filing Company Information

Auto-Owners Insurance Company	CoCode: 18988	State of Domicile: Michigan
P.O. Box 30660	Group Code: 280	Company Type: PC
Lansing, MI 48909-8160	Group Name: Auto-Owners Ins Group	State ID Number:
(800) 346-0346 ext. [Phone]	FEIN Number: 38-0315280	

Owners Insurance Company	CoCode: 32700	State of Domicile: Ohio
P.O. Box 30660	Group Code: 280	Company Type: PC
Lansing, MI 48909-8160	Group Name: Auto-Owners Ins Group	State ID Number:
(800) 346-0346 ext. [Phone]	FEIN Number: 34-1172650	

Filing Fees

Fee Required? Yes
 Fee Amount: \$250.00
 Retaliatory? No
 Fee Explanation: \$125 for Auto-Owners Insurance Company and \$125 for Owners Insurance Company.

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Per Company: Yes

Company	Amount	Date Processed	Transaction #
Auto-Owners Insurance Company	\$125.00	05/07/2013	70053172
Owners Insurance Company	\$125.00	05/07/2013	70053173

State Specific

EXPEDITED FILING OPTION 1?: Available for Auto or Homeowners filings ONLY: Do you wish to expedite this filing? YES or NO (If so, have you remembered to attach an EXPEDITED certification form, completed according to Minn. Stat. 60A.315/MN Bulletin 2005-2?): No

EXPEDITED FILING OPTION 2?: Available for Professional Liability filings ONLY: Do you wish to expedite this filing by submitting a COMPANY SWORN STATEMENT OF COMPLIANCE? YES or NO (If so, have you remembered to attach an COMPANY SWORN STATEMENT OF COMPLIANCE, completed according to MN Bulletin 2001-1?): Yes

CREDIT SCORING COMPONENT?: Response required for Rate and/or Rule filings ONLY: Does your filing utilize credit/insurance scoring data? YES or NO: No

FILING FEES?: Response required for ALL filings: What is the EFT Fee \$ Amount rendered with this filing?: \$250

STATE OF DOMICILE?: Response required for ALL filings: Is Minnesota your state of domicile? YES or NO: No

Reserved for future use...No company response required.: n/a

COMPANY RATE INFO?: Response required for Personal Auto or Homeowners rate filings ONLY: What is the overall percentage of rate impact for this filing?: n/a

COMPANY RATE INFO?: Response required for Personal Auto or Homeowners rate filings ONLY: What was the effective date of your last rate revision?: n/a

COMPANY RATE INFO?: Response required for Personal Auto or Homeowners rate filings ONLY: What was the overall percentage of your last rate revision?: n/a

Reserved for future use...No company response required.: n/a

SERFF Tracking #:

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State:

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First Filing Company:

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/

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed for information only (12)	Emily Weber	05/08/2013	05/08/2013

State: Minnesota

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Disposition

Disposition Date: 05/08/2013

Effective Date (New):

Effective Date (Renewal):

Status: Filed for information only (12)

Comment:

This filing is for a line of insurance that is exempt under our departmental bulletin 1995-2. A copy of this bulletin is available for viewing on our department's website:

http://www.state.mn.us/mn/externalDocs/Commerce/1995-2_020403095826_RevisedBul95-2.pdf

Please also see Minn. Rules 2700.2460 - 2700.2480.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Auto-Owners Insurance Company	%	3.000%	\$393	9	\$13,025	%	%
Owners Insurance Company	%	2.000%	\$2,570	63	\$131,042	%	%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing 0.000%

Overall Percentage Rate Impact For This Filing 2.100%

Effect of Rate Filing-Written Premium Change For This Program \$2,963

Effect of Rate Filing - Number of Policyholders Affected 72

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	P & C Filing Certification Form (Standard)		Yes
Supporting Document	P & C Actuarial Memorandum and Data (Filings with a Rates component)		Yes
Supporting Document	P & C Sworn Statement of Compliance		Yes

SERFF Tracking #:

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Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Druggists		Yes
Rate	Optometrists		Yes

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First Filing Company: Auto-Owners Insurance Company, ...

Rate Information

Rate data applies to filing.

Filing Method: File and Use
 Rate Change Type: Increase
 Overall Percentage of Last Rate Revision: 2.500%
 Effective Date of Last Rate Revision: 05/15/2012
 Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Auto-Owners Insurance Company	%	3.000%	\$393	9	\$13,025	%	%
Owners Insurance Company	%	2.000%	\$2,570	63	\$131,042	%	%

SERFF Tracking #:

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State Tracking #:**Company Tracking #:**

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State:

Minnesota

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Auto-Owners Insurance Company, ...

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Product Name:

BOP eff. 05/15/2013

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/

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Druggists	AOEOF064	Replacement	AOEOF040	AOEOF064.pdf
2		Optometrists	AOEOF065	Replacement	AOEOF042	AOEOF065.pdf

**Auto-Owners
Owners**

BUSINESSOWNERS

Minnesota

ADDITIONAL RATING FACTOR

The rate(s) provided are for the Owners Insurance Company. If the policy is written in the Auto-Owners Insurance Company, multiply the rate(s) by 1.10.

DRUGGISTS

	\$300,000/ \$300,000	\$500,000/ \$500,000	\$1,000,000/ \$1,000,000	\$1,000,000/ \$3,000,000	\$2,000,000/ \$2,000,000
Druggists					
(Per Person)	\$507	\$608	\$710	\$913	\$1,048

RATING PROCEDURE

Base Rate is per pharmacist and limit of liability selected.

Base Rate X Number of Pharmacists X A-O Factor X IRPM X Dispersion Credit X Premier Premium Mod Factor (Premier Mercantile only) X Special Rating Plan Factor X Mult Pol Disc X Merit Rating Plan Factor = Premium

**Auto-Owners
Owners**

BUSINESSOWNERS

Minnesota

ADDITIONAL RATING FACTOR

The rate(s) provided are for the Owners Insurance Company. If the policy is written in the Auto-Owners Insurance Company, multiply the rate(s) by 1.10.

OPTOMETRISTS

	\$300,000/ \$300,000*	\$500,000/ \$500,000	\$1,000,000/ \$1,000,000	\$1,000,000/ \$3,000,000	\$2,000,000/ \$2,000,000	\$2,000,000/ \$4,000,000
Optometrists						
(Per Person)						
1st Optometrist/ Owner - Separate Limits	\$155*	\$175	\$212	\$242	\$317	\$338
1st Optometrist/ Owner - Single Limits	155*	175	212	242	317	338
Each Additional Optometrist	59*	68	77	89	104	109
Business Entity (Other than Sole Proprietor)	39*	48	59	68	85	92

* \$300,000/\$300,000 is not available for Premier Professional Office.

RATING PROCEDURE

Base Rate = First Optometrist/Owner and coverage limit.

Separate Limit

First Optometrist Rate X Total Number of Optometrists + Business Entity Charge X A-O Factor X IRPM X Dispersion Credit X Special Rating Plan Factor X Mult Pol Disc X Merit Rating Plan Factor = Premium

Single Limit

First Optometrist Rate + (Each Additional Optometrist Rate X Number of Remaining Optometrists) + Business Entity Charge X A-O Factor X IRPM X Dispersion Credit X Special Rating Plan Factor X Mult Pol Disc X Merit Rating Plan Factor = Premium

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Supporting Document Schedules

Satisfied - Item:	P & C Filing Certification Form (Standard)
Comments:	Please see the attached Filing Certification Form.
Attachment(s):	Filing Certification Form.pdf
Item Status:	
Status Date:	

Satisfied - Item:	P & C Actuarial Memorandum and Data (Filings with a Rates component)
Comments:	Please see the attached Expense Exhibit and Actuarial Memorandum.
Attachment(s):	Expense Exhibit.pdf Actuarial Memorandum 05-15-2013.pdf
Item Status:	
Status Date:	

Satisfied - Item:	P & C Sworn Statement of Compliance
Comments:	Please see the attached Sworn Statement of Compliance.
Attachment(s):	Sworn Statement of Compliance.pdf
Item Status:	
Status Date:	

State of Minnesota

FILING CERTIFICATION FORM

(Must be submitted with filing)

Date: May 6, 2013

Company GROUP Name: Auto-Owners Insurance Group

Company GROUP NAIC Number: 280-02801

Filing ID number: BOP-MN-99-05/15/2013-01

I certify that I have consulted with the ON LINE WEBSITE of the Minnesota Department of Commerce before submitting this filing. I understand that if this filing does not comply with the requirements noted in the web site, the Department may take administrative actions, including levying of fines, against the company named above.

Filing Analyst name: Samantha Smith, Administrator - Commercial Property & Liability, Actuarial

Filing Analyst Signature: Samantha Smith
Digitally signed by Samantha Smith
DN: cn=Samantha Smith, o, ou, email=Smith,
Samantha@aoins.com, c=US
Date: 2013.05.03 15:21:45 -0400

Responsible Officer's Title: Vice President - Actuarial

Responsible Officer's Name: Theodore W. Reinbold



**Expense Exhibit - Businessowners Policy (BOP)
Auto-Owners Insurance Group
Minnesota**

All Reviewable Coverages - All Plans Combined

<u>Loss Experience</u>	12 MTD Ending 12 / 2008		12 MTD Ending 12 / 2009		12 MTD Ending 12 / 2010		12 MTD Ending 12 / 2011		12 MTD Ending 12 / 2012	
	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>
Written Premium	8,501,082		10,187,762		11,258,312		10,381,582		10,391,516	
Earned Premium	8,379,861	100.0	9,213,447	100.0	10,829,804	100.0	10,913,999	100.0	10,422,824	100.0
Incurred Amount	12,986,230	155.0	4,099,721	44.5	14,062,268	129.8	5,946,309	54.5	5,586,275	53.6
Allocated LAE	767,426	9.2	-188,885	-2.1	1,265,777	11.7	-338,933	-3.1	126,787	1.2
Unallocated LAE	74,751	0.9	-45,234	-0.5	72,967	0.7	6,092	0.1	26,375	0.3
Involuntary Assessments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<u>Total Losses</u>	<u>13,828,407</u>	<u>165.1</u>	<u>3,865,602</u>	<u>41.9</u>	<u>15,401,011</u>	<u>142.2</u>	<u>5,613,468</u>	<u>51.5</u>	<u>5,739,437</u>	<u>55.1</u>

<u>Expenses Incurred</u>										
Commission and Brokerage *	1,359,688	16.0	1,570,201	15.4	1,779,897	15.8	1,671,962	16.1	1,799,051	17.3
Other Acquisitions (2)	249,722	3.0	349,070	3.8	418,339	3.9	387,889	3.6	431,954	4.1
General Expenses (2)	58,856	0.7	80,327	0.9	106,945	1.0	100,563	0.9	111,424	1.1
Tax, License, and Fees *	164,294	1.9	210,049	2.1	227,588	2.0	207,143	2.0	210,884	2.0
<u>Total Expenses</u>	<u>1,832,559</u>	<u>21.6</u>	<u>2,209,648</u>	<u>22.2</u>	<u>2,532,769</u>	<u>22.7</u>	<u>2,367,557</u>	<u>22.6</u>	<u>2,553,313</u>	<u>24.5</u>
Total Losses and Expenses	15,660,967	186.7	6,075,249	64.1	17,933,781	164.9	7,981,026	74.1	8,292,749	79.6

<u>Loss Experience</u>	3 Year Total		5 Year Total	
	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>
Written Premium	32,031,410		50,720,254	
Earned Premium	32,166,627	100.0	49,759,935	100.0
Incurred Amount	25,594,851	79.6	42,680,803	85.8
Allocated LAE	1,053,631	3.3	1,632,172	3.3
Unallocated LAE	105,433	0.3	134,950	0.3
Involuntary Assessments	0	0.0	0	0.0
<u>Total Losses</u>	<u>26,753,916</u>	<u>83.2</u>	<u>44,447,925</u>	<u>89.3</u>

<u>Expenses Incurred</u>					Selected Ratio
Commission and Brokerage *	5,250,910	16.4	8,180,800	16.1	16.7
Other Acquisitions (2)	1,238,181	3.9	1,836,973	3.7	3.8
General Expenses (2)	318,932	1.0	458,116	0.9	1.0
Tax, License, and Fees *	645,615	2.0	1,019,958	2.0	2.0
Reinsurance Expenses *					0.0
<u>Total Expenses</u>	<u>7,453,640</u>	<u>23.3</u>	<u>11,495,847</u>	<u>22.7</u>	<u>23.5</u>
Total Losses and Expenses	34,207,556	106.5	55,943,771	112.0	

Profit and Contingency 9.8
Total Expenses, Profit and Contingency 33.3
Permissible Loss Ratio 66.7

* - Ratios Calculated to Written Premium (1)Uses Companywide Info (2)Uses AO Group Info # - Uses Combined Coverage Info

+ - FIGA Excluded @ - Guaranty Fund Expenses Excluded



ACTUARIAL MEMORANDUM

Businessowners

The Auto-Owners and Owners Insurance Companies submit the following revisions to their Businessowners program for your review:

1. For Druggists and Optometrists coverages:
 - a. Change rates for the \$2,000,000 occurrence limits 15.0%.
 - b. Change rates for all remaining limits 10.0%.

These Professional Liability coverages are reviewed on a companywide basis. The five year companywide loss ratios for these are 339.7% and 106.4% respectively.

The additional increase to the \$2,000,000 limit is based on a companywide initiative to manage our higher limits.

State of Minnesota
Department of Commerce

COMPANY SWORN STATEMENT OF COMPLIANCE
PROFESSIONAL LIABILITY FILING(S) ONLY

(Must be submitted with filing(s) in order for filing(s) to receive immediate acceptance/approval without review pursuant to DOC Bulletin 2001-1.)

Date: May 6, 2013

Company (or Group*) Name: Auto-Owners Insurance Group

Company (or Group*) NAIC Number: 280-02801

(*NOTE: If identical filings are being made on behalf of multiple companies in a group, only one Sworn Statement of Compliance need be submitted for the identical filings, and a single Group name and Group NAIC number may be substituted in the above two blanks.)

Filing ID number: BOP-MN-99-05/15/2013-01

I hereby swear under oath that the attached professional liability filing(s) is (are) in full and complete compliance with all Minnesota requirements as set forth in the on-line reference manual of the Minnesota Department of Commerce (DOC), found at the following website (URL): <http://www.commerce.state.mn.us/Forms/PolicyAnalysis.htm>.

In exchange for this assurance, I understand that this filing will receive immediate DOC acceptance/approval without prior review pursuant to DOC Bulletin 2001-1.

If it is subsequently determined that the filing fails to include provisions required by Minnesota law, I agree that those provisions will be imputed to the filing and will be construed with respect to the insured and third parties as though the filing were fully in compliance with Minnesota law.

Similarly, if it is subsequently determined that the filing contains provisions prohibited by Minnesota law, I agree that the prohibited provisions will be considered void and will not be enforceable against insureds or third parties.

Filing Analyst's name: Samantha Smith, Administrator - Comm. Prop. & Liab. Actuarial

Filing Analyst's Signature: Samantha Smith

Responsible Officer's Title: Vice President - Actuarial

Responsible Officer's Name: Theodore W. Reinbold

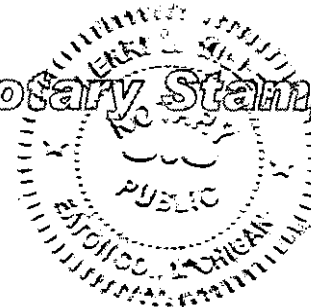
Responsible Officer's Signature: Theodore W Reinbold
(Must be notarized)

SSC-1 (Ed. 0201)

Kerri L. Miller

KERRI L. MILLER
NOTARY PUBLIC-STATE OF MICHIGAN
COUNTY OF EATON
My Commission Expires Dec. 2, 2013

Notary Stamp here



05/07/2013 12:49 PM