

Filing at a Glance

Company: Technology Insurance Company, Inc.

Product Name: Commercial Automobile

TOI: 20.0 Commerical Auto

Sub-TOI: 20.0001 Business Auto

Filing Type: Rate

SERFF Tr Num: REGU-125225430 State: Arkansas

SERFF Status: Closed

Co Tr Num: 2007-1125

Co Status:

Author: John Battles

Date Submitted: 07-06-2007

State Tr Num: AR-PC-07-025368

State Status:

Reviewer(s): Betty Montesi,
Llyweyia Rawlins

Disposition Date: 07-09-2007

Disposition Status: Exempt from
Review

Effective Date Requested (New): 07-15-2007

Effective Date Requested (Renewal): 07-15-2007

Effective Date (New): 07-15-2007

Effective Date (Renewal): 07-15-
2007

General Information

Project Name: Revision of Company Loss Cost Multiplier

Project Number: 2007-1125

Reference Organization: Insurance Services Office

Reference Title: N/A - Not an adoption filing

Status of Filing in Domicile: Authorized

Domicile Status Comments:

Reference Number: N/A - Not an adoption filing

Advisory Org. Circular: N/A - Not an adoption
filing

Filing Status Changed: 07-09-2007

State Status Changed: 07-06-2007

Corresponding Filing Tracking Number:

Filing Description:

Technology Insurance Company, Inc. (TIC), a participant of Insurance Services Office (ISO), is submitting this filing to reduce its approved loss cost multipliers (LCM) from its initial Commercial Automobile filing.

Deemer Date:

TICs rates will be the combination of ISOs loss costs and loss cost multipliers of 1.36 for Commercial Auto Liability and 1.46 for Commercial Auto Physical Damage, as shown on the enclosed state filing forms. As noted on the attached forms, this loss cost multiplier will remain on file and apply to all subsequent prospective loss cost filings unless otherwise notified.

The proposed changes included in this filing are based on the following:

1. The proposed loss cost multipliers reflect TIC managements revised estimates of general expenses as well as any changes in the tax provisions.
2. The current loss cost multipliers reflect TIC managements best estimates of the costs of doing business as a startup

operation. Now that TIC is no longer a startup operation, we propose to adjust the loss cost multipliers to reflect changes in expenses.

3. Changes in tax provisions are based on our research and on ISOs annual expense and tax analysis. The final Taxes, Licenses, and Fees (TL&F) selections represent our best estimates of future TL&F liabilities for this line of business.

Enclosed for your review:

State Required Filing Forms
Commercial Auto State Exception Pages

With the exception of the loss cost multiplier and related expected loss ratios, all other rules and rating values are the same as currently approved for use by TIC.

\$100.00 has been transmitted via EFT through the SERFF system to cover the state filing fee for this filing.

We propose that this filing will become effective for all policies effective on or after July 15, 2007.

Company and Contact

Filing Contact Information

John Battles, President	johnbattles@ircllc.com
50 Broad Street	(941) 926-0144 [Phone]
New York, NY 10004	() -[FAX]

Filing Company Information

Technology Insurance Company, Inc.	CoCode: 42376	State of Domicile: New Hampshire
55 Capital Boulevard	Group Code: 2538	Company Type: P&C
6th Floor		
Rocky Hill, CT 06067	Group Name:	State ID Number:
(212) 571-3989 ext. [Phone]	FEIN Number: 02-0449082	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$100 for filing to change Loss Cost Multiplier
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Technology Insurance Company, Inc.	\$100.00	07-06-2007	14474354

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Llyweyia Rawlins	07-09-2007	07-09-2007

Disposition

Disposition Date: 07-09-2007

Effective Date (New): 07-15-2007

Effective Date (Renewal): 07-15-2007

Status: Exempt from Review

Comment: Per Arkansas Code 23-67-206: Property and casualty insurance for commercial risk, excluding workers compensation, employers liability, and professional liability insurance are exempted from rate and rule filing and review. (see actual code site for details)

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Technology Insurance Company, Inc.	-16.800%	\$-224,216	53	\$1,334,619	0.000%	-16.800%	0.000%

Item Type	Item Name	Item Status	Public Access
Supporting Document	Summary of Supporting Information and Calculation of Loss Cost Multiplier	Accepted for Informational Purposes	Yes
Rate	Division One - Automobile - State Exception Pages	Accepted for Informational Purposes	Yes

Rate Information

Rate data applies to filing.

Filing Method:	File & Use
Rate Change Type:	Decrease
Overall Percentage of Last Rate Revision:	-16.800%
Effective Date of Last Rate Revision:	01-16-2006
Filing Method of Last Filing:	Exempt - Initial Filing

Company Rate Information

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Technology Insurance Company, Inc.	-16.800%	\$-224,216	53	\$1,334,619	0.000%	-16.800%	-16.800%

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Attachments
Accepted for Informational Purposes	Division One - Automobile - State Exception Pages	CA-AR (Edition 07-07)	Replacement	N/A - Exempt	AR CA Exception Pages July 2007.pdf

**COMMERCIAL LINES MANUAL
DIVISION ONE – AUTOMOBILE**

STATE EXCEPTION PAGES

LOSS COST MULTIPLIER

The following loss cost multiplier (LCM) will apply to the Insurance Services Office Commercial Auto loss costs:

Coverage	LCM
Liability	1.36
Physical Damage	1.46

MINIMUM PREMIUMS

The following will supplement the respective Insurance Services Office Commercial Auto countrywide rules:

ISO Rule		PREMIUM
No.	Description	
8.	POLICY WRITING MINIMUM PREMIUM A. Prepaid Policies B. Annual Premium Payment Plan Policies or Continuous Policies	\$500 \$500
9.	ADDITIONAL PREMIUM CHANGES B. Waiver of Premium	\$15
10.	RETURN PREMIUM CHANGES B. Waiver of Premium * * However, any return premium requested by the insured must be granted	\$15
89.	NON-OWNERSHIP LIABILITY C.2.b. Minimum Premium for Bodily Injury and Property Damage Liability at a \$100,000 limit. C.2.d. Minimum Premium for Bodily Injury and Property Damage Liability at a \$100,000 limit.	\$100 \$100
90.	HIRED AUTOS B.3.d. Minimum Premium C.3. Minimum Premium for Hired Car Physical Damage Coverage	\$150 \$150

COMMERCIAL LINES MANUAL
DIVISION ONE – AUTOMOBILE

STATE EXCEPTION PAGES

RATING PLANS

EXPECTED LOSS RATIO

The Expected Loss Ratio (ELR) below is applicable to the following ISO plans:

- Experience and Schedule Rating Plan
- Retrospective Rating Plan
- Composite Rating Plan

Coverage	ELR*
Auto Liability	0.679

* ELR - Includes ALAE and excludes ULAE

Coverage	ELR*
Auto Physical Damage	0.602

* ELR - Excludes All LAE

Supporting Document Schedules

Satisfied -Name:	Summary of Supporting Information and Calculation of Loss Cost Multiplier	Review Status:	Accepted for Informational Purposes	07-09-2007
Comments:				
Attachment:				
Arkansas.pdf				

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOSS COSTS REFERENCE
FILING ADOPTION FORM**

Page 1 of 3

1. Insurer Name Technology Insurance Company
 Address 59 Maiden Lane, 6th Floor
New York, NY 10038

Person Responsible for Filing John Battles, Insurance Regulatory Consultants

Title Analyst Telephone No. (212) 571-3989

2. Insurer NAIC No. 42376 Group No. 2538

3. Line of Insurance Commercial Auto

4. Advisory Organization Insurance Services Office, Inc.,

5. Advisory Organization Reference Filing No. _____

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

7. Proposed Rate Level Change -16.8% % Effective Date 8/1/2007

8. Prior Rate Level Change N/A-Initial % Effective Date N/A

9. Attach "Summary of Supporting Information Form"
 (Use a separate Summary for each insurer-selected loss cost multiplier.)

10. Check one of the following:

() The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and, if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer.

() The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

Insurer Name: Technology Insurance Company
NAIC No.: 42376

Date: 7/6/2007
Group No. 2538

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
SUMMARY OF SUPPORTING INFORMATION FORM
CALCULATION OF COMPANY LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:
Commercial Auto - Liability
2. Loss Cost Modification:
 - A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(Check One)
 - () Without modification (factor = 1.000)
 - () With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

B. Loss Cost Modification Expressed as a Factor: (See Example Below.) 1.000

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 3-7 BELOW.

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Selected Provisions
A. Total Production Expense	<u>13.9%</u>
B. General Expense	<u>8.2%</u>
C. Taxes, Licenses & Fees	<u>2.82%</u>
D. Underwriting Profit & Contingencies*(Includes Invest. Income)	<u>1.32%</u>
E. Other (explain)	
F. TOTAL	<u>26.24%</u>

* Explain how investment income is taken into account.

4. A. Expected Loss Ratio: $ELR = 100\% - 3F=A$. 73.76%
- B. ELR in decimal form = 0.7376

5. Company Formula Loss Cost Multiplier: (2B divided by 4B) = 1.36

6. Company Selected Loss Cost Multiplier = 1.36
Explain any differences between 5 and 6:

7. Rate level change for the coverages to which this page applies: -16.8%

Example 1: Loss Cost modification factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used

Example 2: Loss Cost modification factor: If your company's loss cost modification is +15%, a factor of 1.15 (1.000 + .150) should be used

Insurer Name: Technology Insurance Company
NAIC No.: 42376

Date: 7/6/2007
Group No. 2538

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
SUMMARY OF SUPPORTING INFORMATION FORM
CALCULATION OF COMPANY LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:
Commercial Auto - Physical Damage
2. Loss Cost Modification:
 - A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(Check One)
 - () Without modification (factor = 1.000)
 - () With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

B. Loss Cost Modification Expressed as a Factor: (See Example Below.) 1.000

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 3-7 BELOW.

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Selected Provisions
A. Total Production Expense	<u>13.9%</u>
B. General Expense	<u>8.2%</u>
C. Taxes, Licenses & Fees	<u>3.32%</u>
D. Underwriting Profit & Contingencies*(Includes Invest. Income)	<u>6.26%</u>
E. Other (explain)	<u> </u>
F. TOTAL	<u>31.68%</u>

* Explain how investment income is taken into account.

4. A. Expected Loss Ratio: $ELR = 100\% - 3F=A$. 68.32%
- B. ELR in decimal form = 0.6832

5. Company Formula Loss Cost Multiplier: (2B divided by 4B) = 1.46

6. Company Selected Loss Cost Multiplier = 1.46
Explain any differences between 5 and 6:

7. Rate level change for the coverages to which this page applies: -16.8%

Example 1: Loss Cost modification factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used

Example 2: Loss Cost modification factor: If your company's loss cost modification is +15%, a factor of 1.15 (1.000 + .150) should be used