

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF ARKANSAS**

SHELTER MUTUAL INSURANCE)
COMPANY,)
Petitioner)
)
vs.)
)
ARKANSAS INSURANCE DEPARTMENT,)
Respondent)
)
and)
)
GARY L. CHERRY, SHENNA D. CHERRY,)
ROBBIE GOODNER, HENRY KEENER and)
ROSIE KEENER,)
Intervenors)

A.I.D. NO. 2014 - 381

ORDER

On this day, the matter of Shelter Mutual Insurance Company (“Petitioner”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). Petitioner requested a hearing to address the disapproval of six (6) form filings, and pursuant to an Amended Notice of Hearing dated July 17, 2014, the hearing was scheduled to begin on August 4, 2014, in the Administrative Conference Room of the Arkansas Insurance Department (“Department”). The parties appeared before Chief Deputy Commissioner Lenita Blasingame (“Hearing Officer”) pursuant to her appointment by the Commissioner in accordance with Arkansas Code Annotated § 23-61-103. The Department was represented by Amanda J. Andrews, Associate Counsel, Petitioner was represented by Sarah E. Cullen and Shane Strabala, and Intervenors were represented by Casey Castleberry, Tom Thompson, John C. Goodson and Matthew L. Mustokoff. From the facts and law before the Commissioner, he finds as follows:

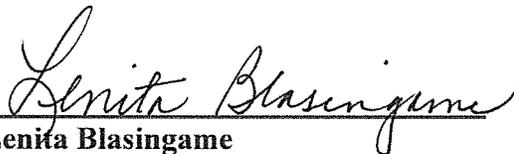
1. By agreement between the parties, Petitioner agreed to withdraw its request for a hearing on the following policy forms:
 - a. New Form B-173-B, Amendatory Endorsement adding two new definitions to the Apartment Owners/Rental Dwelling Insurance Policy, SERFF Tr Num: SHEL-129338491 (filed 12/18/2013; objection letter received 12/19/2013; response to objection 01/06/2014; reply 01/10/2014; Shelter's response 01/24/2014; disapproval 01/27/2014);
 - b. New Form B-173-B, Amendatory Endorsement adding two new definitions to the Business Insurance Policy, SERFF Tr Num: SHEL-129341285 (filed 12/18/2013; objection letter received 12/19/2013; response to objection 01/06/2014; reply 01/10/2014; Shelter's response 01/24/2014; disapproval 01/27/2014);
 - c. New Form B-173-B, Amendatory Endorsement adding two new definitions to the Farmowners Insurance Policy, SERFF Tr Num: SHEL-129341360 (filed 12/19/2013; objection letters received 01/03/2014; response to objection 01/06/2014; reply 01/08/2014; Shelter's response 01/24/2014; disapproval 01/27/2014);
 - d. New Form B-173-B, Amendatory Endorsement adding two new definitions to the Farm Insurance Policy, SERFF Tr Num: SHEL-129341362 (filed 12/19/2013; objection letters received 01/08/2014 and 01/10/2014; response to objection 01/24/2014; disapproval 01/27/2014);
 - e. New Form B-173-B, Amendatory Endorsement adding two new definitions to the Commercial Fire Policy, SERFF Tr Num: SHEL-129344825 (filed 12/18/2013; objection letter received 12/19/2013; response to objection 01/6/2014; reply 1/10/2014; Shelter's response 01/24/2014; disapproval 01/27/2014);
 - f. Homeowners Insurance Policy (Special Coverage Form 3) – Arkansas, HO3 AR, SERFF Tr Num: SHEL-129372477 (filed 01/17/2014; objection letter received 01/17/2014; response to objection 01/24/2014; disapproval 01/27/2014);
 - g. Homeowners Insurance Policy (Contents Broad Coverage Form 4) – Arkansas, HO4 AR, SERFF Tr Num: SHEL-129372477 (filed 01/17/2014; objection letter received 01/17/2014; response to objection 01/24/2014; disapproval 01/27/2014);
 - h. Homeowners Insurance Policy (Condominium Unit-Owners Form 6) – Arkansas, HO6 AR, SERFF Tr Num: SHEL-129372477 (filed 01/17/2014; objection letter received 01/17/2014; response to objection 01/24/2014; disapproval 01/27/2014); and
 - i. HO-5 Amendatory Endorsement – Arkansas, B-106-B, SERFF Tr Num: SHEL-129372477 (filed 01/17/2014; objection letter received 01/17/2014; response to objection 01/24/2014; disapproval 01/27/2014).

2. The parties agreed that Intervenors will file a declaratory judgment action in the Circuit Court of Miller County, Arkansas to seek a ruling as to whether Shelter can depreciate labor based upon the language contained in its policies.

3. Petitioner also agreed to dismiss its appeal pending in the Sixth Division of Pulaski County Circuit Court, *Shelter Mutual Insurance Company v. Arkansas Insurance Department*, Case no. 60CV-14-1253.

RECOMMENDATION OF HEARING OFFICER

WHEREFORE, based upon the request of the Petitioner and with agreement of the parties, the Hearing Officer recommends that the request of Petitioner to withdraw its hearing on the disapproval of six (6) policy form filings, as listed above, be granted.


Lenita Blasingame
Chief Deputy Commissioner and
Hearing Officer

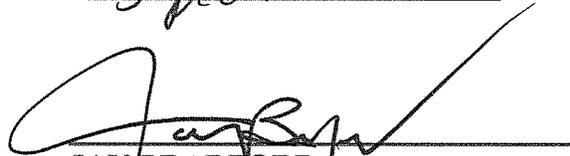
CERTIFICATION

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above and foregoing matter was conducted by Lenita Blasingame, Chief Deputy Commissioner and Hearing Officer, by and under my authority and supervision. I hereby adopt the Hearing Officer's Recommendation in full, as set forth herein.

IT IS HEREBY ORDERED that:

Petitioner's request to withdraw its hearing on the disapproval of six (6) policy form filings (SHEL-129338491, SHEL-129341285 and SHEL-129344825 filed on December 18, 2013; SHEL-129341360 and SHEL-129341362 filed on December 19, 2013; SHEL-129372477 filed on January 17, 2014) is hereby granted, and the Department's disapproval of the forms is affirmed.

IT IS SO ORDERED THIS 4th day of September, 2014.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS