



Louisiana
Citizens

Property Insurance
Corporation

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May 1, 2007

To: All LA Citizens FAIR and Coastal Plan Assessable Insurers and Producers

RATE LEVEL CHANGES FOR
DWELLING WIND AND HAIL ONLY POLICIES

The new rates will be effective JUNE 1, 2007 for New Business and AUGUST 1, 2007 for Renewal Business.

The Louisiana Insurance Rating Commission has approved the following changes to the property insurance rate levels for the LA Citizens FAIR and Coastal Plans. The approved rate changes are applicable to all new business policies effective June 1, 2007 and all renewal business policies effective August 1, 2007.

The approved revisions to the rates result in an overall increase of +69.0% for the FAIR Plan and +59.1% for the Coastal Plan. The increase on a statewide basis is +68.2%. The attached "Explanatory Memorandum" outlines the rate level changes by line of business and by territory.

The attached revised Dwelling Key Premium Tables replace the tables currently in use for the LA Citizens FAIR and Coastal Plans.

The new rates are available in the LPMS Quote system.

The new rates are available for quoting on the LPMS System. To obtain a quote using the new rates, simply change the requested effective date to June 1, 2007 or later. The LPMS Quote screen will allow you to advance the requested effective date up to sixty days from the date the quote is generated. The LPMS Quote screen will not allow you to back date the requested effective date.

Please keep in mind that coverage is bound by LA Citizens upon receipt of a properly completed application package and payment of the required amount due. Effective dates are determined based upon date of receipt or USPS post mark cancellation date. Coverage will be bound at 12:01 A.M. on the date following receipt or postmark cancellation. Accordingly, properly completed application packages

received or postmarked May 30, 2007 will be bound May 31, 2007 using the old rates unless a later effective date is requested. Properly completed application packages received or postmarked May 31, 2007 or later will be bound using the new rates.

Summary of Changes.

Expansion of rules to permit coverage up to \$750,000 for Coverage A for Form DWG 01 – Basic.

See summary schedule “Limits of Coverage – Dwelling Wind and Hail Only” attached

Introduction of required minimum deductibles for all policy forms

See summary schedule “Required Minimum Deductible Options – Dwelling Wind and Hail Only” attached

Deletion of the \$250 Deductible Option

Introduction of \$5,000 and \$10,000 all peril deductible options

See summary schedule “Deductible Credits Factors –Dwelling Wind and Hail Only” attached

Increase in the rates

See rate pages FR-48 through FR-49 and FR-65 through FR-66 attached

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
 FAIR AND COASTAL PLANS
 DWELLING WIND AND HAIL ONLY RULE AND RATE REVISIONS
 EFFECTIVE 06/01/07 NEW BUSINESS; 08/01/2007 RENEWAL BUSINESS

EXPLANATORY MEMORANDUM

SUMMARY RATE CHANGES	
FAIR PLAN WIND ONLY	69.00%
COASTAL PLAN WIND ONLY	59.10%
STATEWIDE WIND ONLY	68.20%

RATE CHANGES BY PARISH					
FAIR PLAN	WIND ONLY		FAIR PLAN (Cont'd.)	WIND ONLY	
Acadia	10	-1.9%	Madison	330	-50.0%
Allen	20	100.0%	Morehouse	340	-50.0%
Ascension	30	100.0%	Natchitoches	350	-50.0%
Assumption	40	-1.9%	Orleans	360	78.7%
Avoyelles	50	-50.0%	Orleans (new C	361	78.7%
Beauregard	60	100.0%	Ouachita	370	-50.0%
Bienville	70	69.2%	Plaquemines	380	78.4%
Bossier	80	69.2%	Point Coupee	390	100.0%
Caddo	90	69.2%	Rapides	400	-50.0%
<u>Caddo (Shreveport)</u>	91	69.2%	Red River	410	69.2%
Calcasieu	100	9.0%	Richland	420	-50.0%
Caldwell	110	-50.0%	Sabine	430	-50.0%
Cameron	120	-1.9%	Saint Bernard	440	78.4%
Catahoula	130	-50.0%	Saint Charles	450	78.4%
Claiborne	140	69.2%	Saint Helena	460	100.0%
Concordia	150	-50.0%	Saint James	470	-1.9%
Desoto	160	69.2%	Saint John the	480	78.4%
East Baton Rouge	170	69.2%	Saint Landry	490	100.0%
East Baton Rouge (Baton Rouge)	171	69.1%	Saint Martin	500	-1.9%
East Carroll	180	-50.0%	Saint Mary	510	-1.9%
East Feliciana	190	100.0%	Saint Tammany	520	-1.9%
Evangeline	200	100.0%	Tangipahoa	530	100.0%
Franklin	210	-50.0%	Tensas	540	-50.0%
Grant	220	-50.0%	Terrebonne	550	78.4%
Iberia	230	-1.9%	Union	560	-50.0%
Iberville	240	100.0%	Vermilion	570	-1.90%
Jackson	250	-50.0%	Vernon	580	-50.0%
Jefferson	260	78.40%	Washington	590	100.0%
Jefferson Davis	270	-1.90%	Webster	600	69.20%
Lafayette	280	9.00%	West Baton Ro	610	100.00%
Lafourche	290	78.40%	West Carroll	620	-50.00%
La Salle	300	-50.00%	West Feliciana	630	100.00%
Lincoln	310	-50.00%	Winn	640	-50.00%
Livingston	320	100.00%			
			TOTAL FAIR PLAN		69.00%

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION
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 DWELLING WIND AND HAIL ONLY RULE AND RATE REVISIONS
 EFFECTIVE 06/01/07 NEW BUSINESS; 08/01/2007 RENEWAL BUSINESS

EXPLANATORY MEMORANDUM

RATE CHANGES BY PARISH			
Coastal PLAN	WIND ONLY	Coastal PLAN (Cont'd.)	WIND ONLY
Cameron	59.1%	Plaquemines	59.1%
Iberia	59.1%	Saint Bernard	59.1%
Jefferson	59.1%	Saint Mary	59.1%
Lafourche	59.1%	Terrebonne	59.1%
Orleans	59.1%	Vermilion	59.1%
		TOTAL COASTAL	59.1%

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Limits of Coverage - Dwelling Wind and Hail Only

Coverage Forms	Coverage Limits	
	Property Coverage Minimum	Property Coverage Maximum
DWG 01 - Basic Form		
Coverage A	Not Applicable	\$750,000
Coverage B	Up to 10% of Coverage A Available*	Up to 25% of Coverage A Optional *
Coverage C	Not Applicable	\$150,000
Coverage D	Up to 10% of Coverage A Available*	Up to 10% of Coverage A Available*

* Reduces Coverage A limit payable for the same loss

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FAIR AND COASTAL PLANS
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Required Minimum Deductible Options - Dwelling Wind and Hail Only

Coverage Amount Building and Contents DWG I Only	Minimum Deductible			
	FAIR Plan		Coastal Plan	
	All Peril	Hurricane	All Peril	Hurricane
\$0 to \$250,000	\$500	2%	\$500	5%
Greater than \$250,000	\$1,000	2%	\$1,000	5%

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Deductible Credit Factors - Dwelling Wind and Hail Only

Coverage	Deductible Options and Credit Factors				
	\$500	\$1,000	\$2,500	\$5,000	\$10,000
DWG 1 Form	0.85	0.70	0.60	0.53	0.37

FAIR PLAN

DWELLING KEY PREMIUM TABLE

WINDSTORM & HAIL ONLY POLICIES (EXCLUDING MOBILE HOMES)

TERRITORY	COV. A - BLDG. Dwg-1	COV. C - CONTS. Dwg-1
050, 110, 130, 150, 180, 210, 220, 250, 300, 310, 330, 340, 350, 370, 400, 420, 430, 540, 560, 580, 620, 640	33	6
091	51	12
080, 090	46	11
070, 140, 160, 410, 600	29	7
171	90	20
170	63	14
020, 030, 060, 190, 200, 240, 320, 390, 460, 490, 530, 590, 610, 630	156	34
360, 361	393	95
100, 280	194	48
260, 290, 380, 440, 450, 480, 550	307	73
010, 040, 120, 230, 270, 470, 500, 510, 520, 570	200	48

DWG-1 Key Premiums are Non-Seasonal and Seasonal

The Cov C minimum limit is \$4,000 unless included in the same policy as Cov A

OTHER THAN MOBILE HOMES:

Once a rate for the appropriate policy is calculated, a final factor of 1.30 shall be applied for rating territories 010, 040, 100, 120, 230, 260, 270, 280, 290, 360, 361, 380, 440, 450, 470, 480, 500, 510, 520, 550, 570 and 1.25 for all other territories.

Rules for all other available dwelling coverages shall be in accordance with the Louisiana Dwelling Manual

KEY FACTORS		
Limit of Liability**	Cov A Bldg.	Cov C Conts.
\$ 1,000	0.566	0.17
2,000	0.588	0.33
3,000	0.611	0.50
4,000	0.634	0.67
5,000	0.657	0.83
6,000	0.680	1.00
7,000	0.703	1.17
8,000	0.726	1.34
9,000	0.749	1.50
10,000	0.771	1.67
11,000	0.794	1.84
12,000	0.817	2.00
13,000	0.840	2.17
14,000	0.862	2.33
15,000	0.885	2.50
16,000	0.908	2.67
17,000	0.931	2.84
18,000	0.953	3.00
19,000	0.976	3.17
20,000	1.000	3.34
21,000	1.023	3.51
22,000	1.046	3.67
23,000	1.068	3.84
24,000	1.091	4.00
25,000	1.114	4.17
26,000	1.137	4.34
27,000	1.159	4.51
28,000	1.182	4.68
29,000	1.205	4.85
30,000	1.228	5.02
31,000	1.250	5.19
32,000	1.273	5.36
33,000	1.296	5.53
34,000	1.320	5.70
35,000	1.342	5.87
36,000	1.365	6.04
37,000	1.388	6.21
38,000	1.411	6.38
39,000	1.433	6.55
40,000	1.456	6.72
41,000	1.479	6.89
42,000	1.502	7.06
43,000	1.524	7.23
44,000	1.547	7.40
45,000	1.570	7.57
46,000	1.593	7.74
47,000	1.615	7.91
48,000	1.639	8.08
49,000	1.662	8.25
50,000	1.685	8.42
Each Additional \$1,000	0.023	0.17

FAIR PLAN

DWELLING KEY PREMIUM TABLE

WINDSTORM & HAIL ONLY POLICIES (MOBILE HOMES)

TERRITORY	COV. A - BLDG. Dwg-1	COV. C - CONTS. Dwg-1
050, 110, 130, 150, 180, 210, 220, 250, 300, 310, 330, 340, 350, 370, 400, 420, 430, 540, 560, 580,	33	6
091	51	12
080, 090	46	11
070, 140, 160, 410, 600	29	7
171	90	20
170	63	14
020, 030, 060, 190, 200, 240, 320, 390, 460, 490, 530, 590, 610, 630	156	34
360, 361	393	95
100, 280	194	48
260, 290, 380, 440, 450, 480, 550	307	73
010, 040, 120, 230, 270, 470, 500, 510, 520, 570	200	48

DWG-1 Key Premiums are Non-Seasonal and Seasonal.

The Cov. C minimum limit is \$4,000 unless included in the same policy as Cov. A.

MOBILE HOMES:

- Step 1: Calculate the appropriate BASE PREMIUM**
- Step 2: Apply a factor of 1.45**
- Step 3: Round to the nearest whole dollar**
- Step 4: Apply any other applicable factors or surcharges**
- Step 5: Once a rate for the appropriate policy is calculated, a final factor of 1.30 shall be applied for rating territories 010, 040, 100, 120, 230, 260, 270, 280, 290, 360, 361, 380, 440, 450, 470, 480, 500, 510, 520, 550, 570 and 1.25 for all other territories.**

Rules for all other available dwelling coverages shall be in accordance with the Louisiana Dwelling Manual.

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Limit of Liability**	Cov. A Bldg.	Cov. C Conts.
\$ 1,000	0.566	0.17
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Each Additional \$1,000	0.023	0.17

COASTAL PLAN

DWELLING KEY PREMIUM TABLE -

WINDSTORM & HAIL ONLY POLICIES (EXCLUDING MOBILE HOMES)

	COV. A - BLDG.	COV. C - CONTS.
All Coastal Territories	Dwg-1	Dwg-1
	611	119

DWG-1 Key Premiums are Non-Seasonal and Seasonal.

The Cov. C minimum limit is \$4,000 unless included in the same policy as Cov. A.

OTHER THAN MOBILE HOMES:

Once a rate for the appropriate policy is calculated, a final factor of 1.30 shall be applied

Rules for all other available dwelling coverages shall be in accordance with the Louisiana Dwelling Manual.

KEY FACTORS		
Limit of Liability**	Cov. A Bldg.	Cov. C Conts.
\$ 1,000	0.566	0.17
2,000	0.588	0.33
3,000	0.611	0.50
4,000	0.634	0.67
5,000	0.657	0.83
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COASTAL PLAN

DWELLING KEY PREMIUM TABLE -

WINDSTORM & HAIL ONLY POLICIES (MOBILE HOMES)

	COV. A - BLDG.	COV. C - CONTS.
All Coastal Territories	Dwg-1	Dwg-1
	611	119

DWG-1 Key Premiums are Non-Seasonal and Seasonal

The Cov. C minimum limit is \$4,000 unless included in the same policy as Cov. A.

MOBILE HOMES:

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- Step 3: Round to the nearest whole dollar**
- Step 4: Apply any other applicable factors or surcharges**
- Step 5: Apply a factor of 1.30**

Rules for all other available dwelling coverages shall be in accordance with the Louisiana Dwelling Manual.

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