
American Family Home Insurance Company
NAIC #: 23450, FEIN #: 31-0711074
Explanatory Memorandum

Attached for your review is a Filing Authorization Letter authorizing Martin & Company to submit this filing on behalf of American Family Home Insurance Company (hereinafter referred to as the company). Please direct all correspondence regarding this filing to Martin & Company.

The Company is filing rate revisions to its previously approved Collector Vehicle Program. In this filing the base rates and territory factors are being revised. For ease of review, a redlined version has been provided.

The American Family Home Insurance Company Collector Vehicle Program is a specialty auto program. It is designed for car enthusiasts who collect antique, unique and specialty automobiles. They take great care of their vehicles and drive them on a very limited basis. The rating plan is designed to suit the uniqueness of this specialty auto program.

The average policy premium is \$542. Unlike traditional automobile coverage, the liability premiums in the American Family Home program typically make up less than 25% of the total policy premium. This is due to the few miles driven. The bulk of the policy premium is physical damage coverages.

As a result, the indicated rate change percentages may seem high relative to the actual base rate change and proposed premium increase impacting the insureds.

Please do not hesitate to contact us if you have any questions or further information is required.