

CONFIDENTIAL: Allstate Comments on Draft Updated Template for Task Force Review

Allstate asked a number of our technical and business experts with expertise in property insurance and beyond to review the draft template for the revised data call being considered by the NAIC Task Force. The following summarizes the points raised in their analyses.

Overall, our experts did not find any major concerns raised by the revised draft template.

Regarding Company- Initiated Cancellations for Other Than Non-Payment of Premium, we have had instances where within a line of insurance we updated a product offering and transitioned the product offering in that line to a different company in the enterprise. Technically those actions involved cancellations reported as such to the state. We suggest there be a way to identify and explain such actions and put them in context without appearing as a broader exit from markets.

Regarding replacement cost versus scheduled roof coverage, we suggest clarification of the columns because the terminology could be interpreted differently by companies across the US. Related to that, a suggestion was made to clarify what is meant by "100% RC."

Not all columns are applicable to all policy forms. We suggest more clarity from NAIC or some recognition that due to different product offerings, not all columns will be applicable to every company's property insurance products.

Several of our experts commented that there is likely to be confusion over "state required fortified discounts" and that information may be difficult to pull. We do understand the desire to collect such information as it relates to mitigation, which is an important topic for companies, regulators and policyholders. Allstate supports fortified homes and mitigation-related programs.

Allstate supports NAIC's efforts on this data call as part of our support for state regulation of the business of insurance. We would be happy to answer any questions about these comments and are willing to discuss them with Task Force members or NAIC staff. Feel free to address any questions to Carly Hermanson (850-294-3855) or Bob Zeman (847-682-6762).