

SERFF Tracking Number: AMMH-125614202 State: Arkansas
Filing Company: American Modern Home Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: 20080314-01
TOI: 19.0 Personal Auto Sub-TOI: 19.0002 Motorcycle
Product Name: Motorcycle 2008-R/R
Project Name/Number: Motorcycle 2008-R/R/20080314-01

Filing at a Glance

Company: American Modern Home Insurance Company

Product Name: Motorcycle 2008-R/R

SERFF Tr Num: AMMH-125614202 State: Arkansas

TOI: 19.0 Personal Auto

SERFF Status: Closed

State Tr Num: EFT \$100

Sub-TOI: 19.0002 Motorcycle

Co Tr Num: 20080314-01

State Status: Fees verified and received

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Alexa Grissom, Betty Montesi, Brittany Yielding

Author: Mellisa Holder

Disposition Date: 04/29/2008

Date Submitted: 04/21/2008

Disposition Status: Filed

Effective Date Requested (New): 06/01/2008

Effective Date (New): 06/01/2008

Effective Date Requested (Renewal): 06/01/2008

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Motorcycle 2008-R/R

Status of Filing in Domicile:

Project Number: 20080314-01

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 04/29/2008

Deemer Date:

State Status Changed: 04/21/2008

Corresponding Filing Tracking Number:

Filing Description:

Under General Rules:

Changed: • K. Model Year/Unit Age., • 5. POLICY TERM to 12 months and not 6 months,

Corrected info under: • 2. Loss-Free Renewal Discounts.

Changed some figures in the Sub-class relativity tables

Changed: Safety Appareal Coverages

All the changes are highlighted in the proposed filing

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Company and Contact

Filing Contact Information

Mellisa Holder, Filing Analyst mholder@amig.com
 7000 Midland Blvd (800) 759-9008 [Phone]
 Amelia, OH 45102 (513) 947-4929[FAX]

Filing Company Information

American Modern Home Insurance Company CoCode: 23469 State of Domicile: Ohio
 7000 Midland Blvd. Group Code: 127 Company Type:
 Amelia, OH 45102 Group Name: State ID Number:
 (800) 759-9008 ext. [Phone] FEIN Number: 31-0715697

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: Rate/Rule Filing fee
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Modern Home Insurance Company	\$100.00	04/21/2008	19757198

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	04/29/2008	04/29/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	04/24/2008	04/24/2008	Mellisa Holder	04/25/2008	04/25/2008
Pending Industry Response	Alexa Grissom	04/22/2008	04/22/2008	Mellisa Holder	04/24/2008	04/24/2008

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Disposition

Disposition Date: 04/29/2008

Effective Date (New): 06/01/2008

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	cover letter	Filed	Yes
Supporting Document	Proposed Filing	Filed	Yes
Supporting Document	Revised G-2 Page	Filed	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/24/2008
Submitted Date 04/24/2008
Respond By Date

Dear Mellisa Holder,

This will acknowledge receipt of the captioned filing. Number. 4.b. At-Fault Accidents implies that an accident over \$300 will be surcharged regardless of fault. Please clarify.

Please feel free to contact me if you have questions.

Sincerely,
Alexa Grissom

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/25/2008
Submitted Date 04/25/2008

Dear Alexa Grissom,

Comments:

Response 1

Comments: Good Morning Alexa Grissom,

I do see where it could be a little confusing, however that was not our intent to charge for it. I have removed that line in the filing and attached a revised G-2 page.

Thank you
Mellisa

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Revised G-2 Page
Comment:

SERFF Tracking Number: *AMMH-125614202* *State:* *Arkansas*
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No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Mellisa Holder

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/22/2008

Submitted Date 04/22/2008

Respond By Date

Dear Mellisa Holder,

This will acknowledge receipt of the captioned filing. Please review Ark. Code Ann. 23-79-152 and revise your manual for compliance. An insured may not be surcharged for a not-at-fault accident.

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State

Response Letter Date 04/24/2008

Submitted Date 04/24/2008

Dear Alexa Grissom,

Comments:

Response 1

Comments: Good Morning Alexa Grissom,

We do not charge for at fault accidents. I have reviewed over the filing with Product and we do not see where there is a charge for an accident.

If I have missed something please do not hesitate to contact for me to correct.

Thank you

Mellisa

Changed Items:

No Supporting Documents changed.

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No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Mellisa Holder

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Rate Information

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Supporting Document Schedules

Satisfied -Name: A-1 Private Passenger Auto
Abstract
Review Status: Filed 04/29/2008

Comments:

Attachment:

MC_077_AR_4Q07_filing.pdf

Bypassed -Name: APCS-Auto Premium Comparison
Survey
Review Status: Filed 04/29/2008

Bypass Reason:

n/a

Comments:

Bypassed -Name: NAIC loss cost data entry document
Review Status: Filed 04/29/2008

Bypass Reason:

n/a

Comments:

Bypassed -Name: NAIC Loss Cost Filing Document
for OTHER than Workers' Comp
Review Status: Filed 04/29/2008

Bypass Reason:

n/a

Comments:

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty
Review Status: Filed 04/29/2008

Comments:

Attachment:

transmittals needed for filing.pdf

Review Status:

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Satisfied -Name: cover letter Filed 04/29/2008

Comments:

Attachment:

Filing letter(R).pdf

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Review Status:
Satisfied -Name: Proposed Filing Filed 04/29/2008
Comments:
Attachment:
Proposed RATE_RULE Pages only.pdf

Review Status:
Satisfied -Name: Revised G-2 Page Filed 04/29/2008
Comments:
Attachment:
Resived G-2 page for state.pdf

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 1

Proposed Effective Date: 6/1/2008

	(1)	(2)	(3)
Coverage	Premium in Force As of: 12/31/2007	Premium in Force Distribution	Credibility Weighted Indicated Rate Change
Bodily Injury	42,376	23.0%	4.7%
Property Damage	15,016	8.1%	7.4%
Medical Payments	0	0.0%	
Personal Injury Protection	12,298	6.7%	13.4%
Uninsured Motorist	17,190	9.3%	54.1%
Liability Subtotal	86,880	47.1%	16.2%
Collision	51,434	27.9%	18.4%
Comprehensive	46,176	25.0%	17.9%
Physical Damage Subtotal	97,610	52.9%	18.2%
Total Premium in Force:	184,490	100.0%	17.2%

General:

The purpose of this report is to evaluate the rate level adequacy of the Motorcycle product in this state. In this evaluation we take historical premiums and losses from our 'experience period' and project them into the future 'effective period'—our estimate of the time period that our proposed rates will be in effect. The trending methodologies used to do this are described below. In general, the data is organized by accident date into "12-month rolling" accident periods.

Assumptions & Methodologies:

1. On Exhibits 1 and 2, we show the overall rate indication for the Motorcycle product. We describe the data adjustments used in these exhibits in the succeeding paragraphs.

2. Earned premiums are adjusted to the current rate levels by program and then trended, using the factors described below:

(a) The Rate Level Adjustment Factors take into account any approved rate changes that have an impact upon the experience period. Our model assumes that premium is earned equally throughout experience quarters, and we use each program's average term length in measuring the rate in which premium is earned. By applying these factors to past premium, the adjustment reflects the amount of premium that would have been earned during the given year at our current rate level. On Exhibit 3 we show the rate changes affecting the experience period and the resulting Rate Level Adjustment Factors.

(b) The Premium Trend Factor projects the current level premium in our experience period to the average date the proposed rates will be in effect. We estimate the change in premium values over time by fitting exponential curves to 4 years (16 groups of rolling four quarters) current level average premiums by coverage for the state. Historical and a prospective premium trend factors are selected for each coverage. The historical factor is applied using a time period from the midpoint of the experience period to the ending date of the last experience period. The prospective factor is applied from the ending date of the last experience period to the midpoint of the time the rates are anticipated to be in effect.

3. We adjust incurred losses using the factors described below.

(a) Catastrophic Losses (including alae). Because of the unpredictability of large loss events, we use the experience from a longer time period to control our reaction to these types of losses. We rely on ISO to identify catastrophes; and they define them as events that cause at least \$25 million of loss to the insurance industry. Our adjustment involves removing such losses and applying an historical average. Our methodology is based on the relative stability of non-catastrophe losses, and we use these losses as a base for our calculation. We calculate a ratio of catastrophe losses to non-catastrophe losses from the historical data and add unity to get the catastrophe factor. By removing actual catastrophe losses and applying this factor to the non-catastrophe losses, we get incurred losses indicative of normal catastrophe activity for our experience period. Exhibit 5 shows the historical data and calculations used in this process.

- (b) The Loss+ALAE Trend Factor projects the value of losses in our experience periods to the average date the proposed rates will be in effect. We estimate the change in loss values over time by fitting an exponential curve to 5 years (20 groups of rolling 4 quarters) of frequency and severity trends. These are multiplied together to obtain the pure premium trend. We use countrywide consolidated AMIG data to develop the frequency, severity and pure premiums
- (c) Accident year incurred losses (including alae) are used in the rate indication; therefore, losses for each year may not be fully developed. The loss+alae development factor estimates the further development of these losses by analyzing historical patterns of American Modern Insurance Group countrywide Motorcycle losses. We calculate quarterly factors and weight them together using the incurred losses to get annual numbers. See Exhibit 7.
- (d) We apply a "ulae factor" to the incurred loss+alae data to get incurred loss+lae. The calculation of this factor is shown on Exhibit 8.

4. We weight together the adjusted accident year loss+lae ratios and then credibility-weight the resulting ratio with the trended permissible loss+lae ratio. Credibility is based on the square root rule with 1084 Claim Counts as the full credibility standard. We show the development of the complement of credibility on Exhibit 1, Page 2. We then divide by the permissible loss+lae ratio to get the Credibility-Weighted Indicated Rate Level Change.

5. Return on investment income is computed with the Clifford/Sterling Formula and is accounted for in the permissible loss+lae ratio. Exhibit 9 shows the calculation of the permissible loss+lae ratio and Exhibit 11, pages 1-3, shows the computation of return on investment income. Exhibit 11, page 4 is a line by line explanation of the investment income calculation. Our profit provision is based upon a 16.5% target rate of return on equity.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Bodily Injury

Exhibit 2.1

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	190,123	1.076	204,582	0.723	147,890	3,253
9/30/2004	174,174	1.067	185,922	0.768	142,827	2,828
9/30/2005	130,517	1.007	131,455	0.816	107,317	1,959
9/30/2006	103,775	0.895	92,829	0.868	80,535	1,399
9/30/2007	63,391	0.947	60,052	0.922	55,366	979

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	54,750	0	1.000	54,750	0.878	0.999
9/30/2004	20,090	0	1.000	20,090	0.924	0.992
9/30/2005	25,620	0	1.000	25,620	0.972	0.985
9/30/2006	39,694	0	1.000	39,694	1.023	0.969
9/30/2007	276	0	1.000	276	1.076	1.053

	(13)	(14)	(15)	(16)	(17)
Accident Year	ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	49,908	0.337	0.000	3
9/30/2004	1.040	19,150	0.134	0.000	7
9/30/2005	1.040	25,508	0.238	0.000	2
9/30/2006	1.040	40,900	0.508	0.000	4
9/30/2007	1.040	325	0.006	1.000	2

Weighted Experience Loss & LAE Ratio	0.006
Permissible Loss & LAE Ratio	0.502
Loss Ratio Trend Factor	1.094
Trended Permissible Loss Ratio used as complement of credibility	0.549
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.043
Credibility-Weighted Loss & LAE Ratio	0.526
Credibility-Weighted Indicated Rate Level Change	<u><u>4.7%</u></u>

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Collision

Exhibit 2.2

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	240,230	1.454	349,223	0.631	220,272	2,278
9/30/2004	207,980	1.376	286,143	0.686	196,178	1,873
9/30/2005	170,044	1.053	179,100	0.745	133,468	1,254
9/30/2006	127,215	1.003	127,566	0.810	103,330	904
9/30/2007	79,101	1.000	79,101	0.880	69,644	656

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	59,507	0	1.000	59,507	1.404	1.000
9/30/2004	155,023	0	1.000	155,023	1.343	0.999
9/30/2005	71,261	0	1.000	71,261	1.284	0.995
9/30/2006	99,146	0	1.000	99,146	1.228	0.981
9/30/2007	40,708	0	1.000	40,708	1.175	0.899

	(13)	(14)	(15)	(16)	(17)
Accident Year	ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	86,857	0.394	0.000	24
9/30/2004	1.040	216,289	1.103	0.000	59
9/30/2005	1.040	94,707	0.710	0.000	37
9/30/2006	1.040	124,218	1.202	0.000	30
9/30/2007	1.040	44,702	0.642	1.000	14

Weighted Experience Loss & LAE Ratio	0.642
Permissible Loss & LAE Ratio	0.430
Loss Ratio Trend Factor	1.144
Trended Permissible Loss Ratio used as complement of credibility	0.491
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.114
Credibility-Weighted Loss & LAE Ratio	0.509
Credibility-Weighted Indicated Rate Level Change	18.4%

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Comprehensive

Exhibit 2.3

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	264,283	1.270	335,729	0.631	211,760	2,553
9/30/2004	225,574	1.237	278,980	0.686	191,267	2,216
9/30/2005	155,534	1.066	165,788	0.745	123,547	1,387
9/30/2006	117,333	1.007	118,183	0.810	95,730	987
9/30/2007	72,809	1.000	72,809	0.880	64,105	717

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	68,705	0	1.007	69,215	1.335	1.000
9/30/2004	34,982	0	1.007	35,241	1.285	0.999
9/30/2005	84,276	0	1.007	84,902	1.236	0.999
9/30/2006	56,518	2,242	1.007	56,938	1.189	0.997
9/30/2007	40,412	0	1.007	40,712	1.144	0.964

	(13)	(14)	(15)	(16)	(17)
Accident Year	ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	96,065	0.454	0.000	19
9/30/2004	1.040	47,044	0.246	0.000	15
9/30/2005	1.040	108,995	0.882	0.000	16
9/30/2006	1.040	70,196	0.733	0.000	15
9/30/2007	1.040	46,675	0.728	1.000	9

Weighted Experience Loss & LAE Ratio	0.728
Permissible Loss & LAE Ratio	0.430
Loss Ratio Trend Factor	1.128
Trended Permissible Loss Ratio used as complement of credibility	0.484
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.091
Credibility-Weighted Loss & LAE Ratio	0.507
Credibility-Weighted Indicated Rate Level Change	17.9%

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Property Damage

Exhibit 2.4

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	65,142	1.311	85,388	0.662	56,543	3,297
9/30/2004	55,039	1.283	70,600	0.712	50,270	2,830
9/30/2005	43,797	1.134	49,654	0.766	38,016	1,959
9/30/2006	35,718	1.018	36,361	0.823	29,934	1,399
9/30/2007	22,177	1.000	22,177	0.885	19,632	979

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	6,410	0	1.000	6,410	1.378	1.000
9/30/2004	21,704	0	1.000	21,704	1.312	1.000
9/30/2005	13,266	0	1.000	13,266	1.249	0.997
9/30/2006	2,103	0	1.000	2,103	1.189	0.988
9/30/2007	1,134	0	1.000	1,134	1.131	0.936

	(13)	(14)	(15)	(16)	(17)
Accident Year	ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	9,186	0.162	0.000	5
9/30/2004	1.040	29,605	0.589	0.000	13
9/30/2005	1.040	17,181	0.452	0.000	7
9/30/2006	1.040	2,568	0.086	0.000	4
9/30/2007	1.040	1,249	0.064	1.000	2

Weighted Experience Loss & LAE Ratio	0.064
Permissible Loss & LAE Ratio	0.502
Loss Ratio Trend Factor	1.117
Trended Permissible Loss Ratio used as complement of credibility	0.561
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.043
Credibility-Weighted Loss & LAE Ratio	0.540
Credibility-Weighted Indicated Rate Level Change	<u><u>7.4%</u></u>

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Personal Injury Protection

Exhibit 2.5

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	28,374	1.210	34,329	1.081	37,106	790
9/30/2004	26,961	1.192	32,125	1.050	33,745	626
9/30/2005	24,123	1.087	26,212	1.021	26,758	499
9/30/2006	29,362	1.013	29,730	0.992	29,494	562
9/30/2007	19,755	1.000	19,755	0.964	19,045	363

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	35,089	0	1.000	35,089	1.525	1.000
9/30/2004	18,941	0	1.000	18,941	1.424	1.000
9/30/2005	2,418	0	1.000	2,418	1.330	1.000
9/30/2006	20,935	0	1.000	20,935	1.243	0.993
9/30/2007	12,836	0	1.000	12,836	1.161	0.897

	(13)	(14)	(15)	(16)	(17)
Accident Year	ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	55,628	1.499	0.000	6
9/30/2004	1.040	28,048	0.831	0.000	6
9/30/2005	1.040	3,344	0.125	0.000	8
9/30/2006	1.040	26,866	0.911	0.000	8
9/30/2007	1.040	13,894	0.729	1.000	8

Weighted Experience Loss & LAE Ratio	0.729
Permissible Loss & LAE Ratio	0.502
Loss Ratio Trend Factor	1.104
Trended Permissible Loss Ratio used as complement of credibility	0.555
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.086
Credibility-Weighted Loss & LAE Ratio	0.570
Credibility-Weighted Indicated Rate Level Change	13.4%

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas
Coverage: Uninsured Motorist

Exhibit 2.6

	(1)	(2)	(3)	(4)	(5)	(6)
Accident Year	Earned Premium	Rate Level Adj Factor	Curr Level Earned Premium (1)x(2)	Premium Trend Factor	Trended Current Level Earned Premium (3)x(4)	Earned Exposures
9/30/2003	38,209	2.640	100,877	0.652	65,773	1,681
9/30/2004	28,510	2.278	64,941	0.705	45,775	2,146
9/30/2005	49,951	1.370	68,451	0.762	52,162	2,482
9/30/2006	37,899	1.134	42,982	0.824	35,409	1,608
9/30/2007	25,357	1.041	26,403	0.891	23,515	1,109

	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Non-Catastrophe Incurred Loss+ALAE	Catastrophe Loss+ALAE	Catastrophe Factor	Cat Adjusted Incurred Loss+ALAE {(7)x(9)}	Loss+ALAE Trend Factor	Incurred Loss+ALAE Development Factor
9/30/2003	77,843	0	1.000	77,843	0.839	1.003
9/30/2004	22,877	0	1.000	22,877	0.891	0.998
9/30/2005	25,920	0	1.000	25,920	0.947	0.953
9/30/2006	50,830	0	1.000	50,830	1.007	1.006
9/30/2007	105,923	0	1.000	105,923	1.070	1.114

	(13)	(14)	(15)	(16)	(17)
Accident Year	Trended Adjusted Incurred ULAE Factor	Trended Adjusted Incurred Loss+LAE Prod{(10):(13)}	Adjusted Loss+LAE Ratio (14)/(5)	Accident Year Weight	Reported Claim Counts
9/30/2003	1.040	68,083	1.035	0.000	7
9/30/2004	1.040	21,163	0.462	0.000	3
9/30/2005	1.040	24,336	0.467	0.000	4
9/30/2006	1.040	53,548	1.512	0.000	5
9/30/2007	1.040	131,364	5.586	1.000	2

Weighted Experience Loss & LAE Ratio	5.586
Permissible Loss & LAE Ratio	0.502
Loss Ratio Trend Factor	1.111
Trended Permissible Loss Ratio used as complement of credibility	0.558
Credibility (Square Root Rule, Full Credibility = 1084 Claim Counts)	0.043
Credibility-Weighted Loss & LAE Ratio	0.774
Credibility-Weighted Indicated Rate Level Change	54.1%

American Modern Home Ins. Co.
Rate Level Adjustment Factors
Arkansas

Exhibit 3

Rate Impacts:							
Date	BI	COLL	COMP	MED	PD	PIP	UM
08/15/06	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.5%
08/01/06	-12.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
04/15/05	16.4%	1.8%	4.9%	0.0%	13.0%	8.8%	19.6%
03/15/04	5.9%	42.8%	21.1%	0.0%	16.0%	11.2%	99.9%

Earned Premiums:							
Date	BI	COLL	COMP	MED	PD	PIP	UM
9/30/2003	190,123	240,230	264,283	0	65,142	28,374	38,209
9/30/2004	174,174	207,980	225,574	0	55,039	26,961	28,510
9/30/2005	130,517	170,044	155,534	0	43,797	24,123	49,951
9/30/2006	103,775	127,215	117,333	0	35,718	29,362	37,899
9/30/2007	63,391	79,101	72,809	0	22,177	19,755	25,357

Rate Level Adjustment Factors:							
Date	BI	COLL	COMP	MED	PD	PIP	UM
9/30/2003	1.076	1.454	1.270	1.000	1.311	1.210	2.640
9/30/2004	1.067	1.376	1.237	1.000	1.283	1.192	2.278
9/30/2005	1.007	1.053	1.066	1.000	1.134	1.087	1.370
9/30/2006	0.895	1.003	1.007	1.000	1.018	1.013	1.134
9/30/2007	0.947	1.000	1.000	1.000	1.000	1.000	1.041

Current Level Earned Premiums:							
Date	BI	COLL	COMP	MED	PD	PIP	UM
9/30/2003	204,582	349,223	335,729	0	85,388	34,329	100,877
9/30/2004	185,922	286,143	278,980	0	70,600	32,125	64,941
9/30/2005	131,455	179,100	165,788	0	49,654	26,212	68,451
9/30/2006	92,829	127,566	118,183	0	36,361	29,730	42,982
9/30/2007	60,052	79,101	72,809	0	22,177	19,755	26,403

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Bodily Injury

Exhibit 4.1

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	65.92					
3/31/2004	66.13	69.07				
6/30/2004	66.55	68.37				
9/30/2004	66.77	67.68				
12/31/2004	67.11	67.00				
3/31/2005	67.15	66.33	68.70			
6/30/2005	67.22	65.66	67.66			
9/30/2005	66.69	64.99	66.63			
12/31/2005	66.33	64.34	65.62			
3/31/2006	65.23	63.69	64.63	65.63		
6/30/2006	65.04	63.05	63.65	64.39		
9/30/2006	63.77	62.41	62.68	63.18	63.07	
12/31/2006	61.36	61.78	61.73	61.98	61.90	
3/31/2007	60.31	61.16	60.79	60.81	60.76	60.42
6/30/2007	59.65	60.54	59.87	59.66	59.64	59.50
9/30/2007	58.63	59.93	58.96	58.53	58.53	58.60
12/31/2007	57.64	59.32	58.07	57.43	57.45	57.71

Bodily Injury	Premium Trend
16 point	-4.0%
12 point	-5.9%
8 point	-7.3%
6 point	-7.2%
4 point	-5.9%
Historical Selected	-5.9%
Prospective Selected	-3.0%

Year Ending	Premium Trend Factor *
9/30/2003	0.723
9/30/2004	0.768
9/30/2005	0.816
9/30/2006	0.868
9/30/2007	0.922

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Collision

Exhibit 4.2

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	153.27					
3/31/2004	150.91	157.92				
6/30/2004	148.56	153.98				
9/30/2004	144.64	150.13				
12/31/2004	142.82	146.37				
3/31/2005	141.14	142.71	151.10			
6/30/2005	140.30	139.14	146.12			
9/30/2005	140.52	135.67	141.30			
12/31/2005	141.15	132.27	136.64			
3/31/2006	139.23	128.97	132.13	141.05		
6/30/2006	136.93	125.74	127.77	134.27		
9/30/2006	130.68	122.60	123.56	127.81	127.48	
12/31/2006	120.66	119.53	119.48	121.67	121.42	
3/31/2007	113.25	116.54	115.54	115.82	115.66	112.69
6/30/2007	108.34	113.63	111.73	110.25	110.16	108.87
9/30/2007	104.66	110.79	108.05	104.95	104.93	105.19
12/31/2007	102.14	108.02	104.48	99.91	99.94	101.63

Collision	Premium Trend
16 point	-9.6%
12 point	-12.6%
8 point	-17.9%
6 point	-17.7%
4 point	-12.9%
Historical Selected	-8.0%
Prospective Selected	-5.0%

Year Ending	Premium Trend Factor *
9/30/2003	0.631
9/30/2004	0.686
9/30/2005	0.745
9/30/2006	0.810
9/30/2007	0.880

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Comprehensive

Exhibit 4.3

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	126.19					
3/31/2004	123.91	132.47				
6/30/2004	122.11	129.10				
9/30/2004	119.87	125.81				
12/31/2004	119.53	122.60				
3/31/2005	118.93	119.48	129.33			
6/30/2005	118.68	116.43	124.60			
9/30/2005	119.07	113.46	120.04			
12/31/2005	119.77	110.57	115.65			
3/31/2006	118.69	107.76	111.43	121.02		
6/30/2006	116.82	105.01	107.35	114.31		
9/30/2006	110.98	102.33	103.43	107.96	108.09	
12/31/2006	101.53	99.73	99.65	101.98	102.03	
3/31/2007	94.06	97.18	96.00	96.32	96.31	93.54
6/30/2007	89.26	94.71	92.49	90.98	90.91	89.71
9/30/2007	85.47	92.29	89.11	85.93	85.81	86.04
12/31/2007	83.03	89.94	85.85	81.16	81.00	82.52

Comprehensive	Premium Trend
16 point	-9.8%
12 point	-13.8%
8 point	-20.4%
6 point	-20.6%
4 point	-15.4%
Historical Selected	-8.0%
Prospective Selected	-5.0%

Year Ending	Premium Trend Factor *
9/30/2003	0.631
9/30/2004	0.686
9/30/2005	0.745
9/30/2006	0.810
9/30/2007	0.880

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Property Damage

Exhibit 4.4

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	25.01					
3/31/2004	25.01	26.86				
6/30/2004	25.13	26.45				
9/30/2004	25.15	26.06				
12/31/2004	25.35	25.67				
3/31/2005	25.44	25.28	27.13			
6/30/2005	25.66	24.90	26.45			
9/30/2005	25.81	24.53	25.79			
12/31/2005	25.98	24.16	25.14			
3/31/2006	25.64	23.80	24.51	25.81		
6/30/2006	25.35	23.45	23.90	24.85		
9/30/2006	24.32	23.09	23.30	23.93	23.74	
12/31/2006	22.66	22.75	22.72	23.04	22.91	
3/31/2007	21.72	22.41	22.15	22.18	22.11	21.67
6/30/2007	21.10	22.07	21.60	21.36	21.34	21.15
9/30/2007	20.59	21.74	21.06	20.57	20.59	20.64
12/31/2007	20.20	21.41	20.54	19.80	19.87	20.15

Property Damage	Premium Trend
16 point	-5.9%
12 point	-9.6%
8 point	-14.0%
6 point	-13.3%
4 point	-9.2%
Historical Selected	-7.0%
Prospective Selected	-5.0%

Year Ending	Premium Trend Factor *
9/30/2003	0.662
9/30/2004	0.712
9/30/2005	0.766
9/30/2006	0.823
9/30/2007	0.885

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Personal Injury Protection

Exhibit 4.5

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	51.40					
3/31/2004	50.03	49.13				
6/30/2004	47.21	49.59				
9/30/2004	46.85	50.05				
12/31/2004	52.53	50.52				
3/31/2005	48.75	50.99	52.21			
6/30/2005	51.17	51.47	52.52			
9/30/2005	52.24	51.94	52.83			
12/31/2005	52.90	52.43	53.14			
3/31/2006	56.80	52.92	53.45	57.77		
6/30/2006	57.81	53.41	53.76	57.06		
9/30/2006	57.91	53.91	54.08	56.35	56.63	
12/31/2006	54.35	54.41	54.40	55.66	55.84	
3/31/2007	55.17	54.92	54.72	54.97	55.05	54.94
6/30/2007	54.51	55.43	55.04	54.30	54.28	54.29
9/30/2007	52.53	55.95	55.36	53.63	53.52	53.64
12/31/2007	53.68	56.47	55.69	52.97	52.77	53.01

Personal Injury Protection	Premium Trend
16 point	3.8%
12 point	2.4%
8 point	-4.8%
6 point	-5.5%
4 point	-4.7%
Historical Selected	2.9%
Prospective Selected	-3.0%

Year Ending	Premium Trend Factor *
9/30/2003	1.081
9/30/2004	1.050
9/30/2005	1.021
9/30/2006	0.992
9/30/2007	0.964

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Premium Trend Calculation
Arkansas
Coverage: Uninsured Motorist

Exhibit 4.6

Cal Yr End	Average Current Level Earned Premium					
	Actual	16 pt Fitted	12 pt Fitted	8 pt Fitted	6 pt Fitted	4 pt Fitted
12/31/2003	29.49					
3/31/2004	29.41	29.64				
6/30/2004	28.48	29.08				
9/30/2004	28.21	28.54				
12/31/2004	27.58	28.00				
3/31/2005	27.05	27.47	28.07			
6/30/2005	27.09	26.96	27.45			
9/30/2005	26.96	26.45	26.86			
12/31/2005	26.73	25.95	26.27			
3/31/2006	26.39	25.46	25.70	26.37		
6/30/2006	26.03	24.98	25.14	25.63		
9/30/2006	25.11	24.51	24.59	24.91	24.63	
12/31/2006	23.80	24.05	24.05	24.22	24.03	
3/31/2007	23.19	23.60	23.53	23.54	23.44	23.07
6/30/2007	22.65	23.16	23.02	22.88	22.86	22.70
9/30/2007	22.12	22.72	22.51	22.24	22.29	22.34
12/31/2007	22.14	22.29	22.02	21.62	21.74	21.98

Uninsured Motorist	Premium Trend
16 point	-7.3%
12 point	-8.4%
8 point	-10.7%
6 point	-9.5%
4 point	-6.3%
Historical Selected	-7.5%
Prospective Selected	-4.5%

Year Ending	Premium Trend Factor *
9/30/2003	0.652
9/30/2004	0.705
9/30/2005	0.762
9/30/2006	0.824
9/30/2007	0.891

* The Premium Trend Factor uses the Historical Selected Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Average Catastrophe Factor
Arkansas
Coverage: Comprehensive

Exhibit 5

(Using American Modern Insurance Data)

Accident Year	Non- Catastrophe Losses (1)	Catastrophe Losses (2)	Catastrophe Ratio (2)/(1)
1995	0	0	0.000
1996	0	0	0.000
1997	0	0	0.000
1998	0	0	0.000
1999	0	0	0.000
2000	0	0	0.000
2001	0	0	0.000
2002	1,318	0	0.000
2003	75,241	0	0.000
2004	41,034	0	0.000
2005	98,291	0	0.000
2006	38,199	2,242	0.059
2007	47,895	0	0.000

Weighted Average: 0.007
Selected Catastrophe Factor: 1.007

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Bodily Injury

Exhibit 6.1

Bodily Injury *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	0.069					11,630					8.04				
9/30/2003	0.118					11,966					14.13				
12/31/2003	0.155					12,372					19.23				
3/31/2004	0.171	0.182				13,319	13,453				22.84	24.51			
6/30/2004	0.198	0.180				13,517	13,091				26.83	23.54			
9/30/2004	0.195	0.177				13,507	12,738				26.33	22.61			
12/31/2004	0.179	0.175				13,258	12,395				23.79	21.71			
3/31/2005	0.179	0.173	0.163			12,469	12,062	11,441			22.33	20.85	18.69		
6/30/2005	0.166	0.171	0.163			11,730	11,737	11,215			19.51	20.02	18.23		
9/30/2005	0.156	0.168	0.162			11,619	11,421	10,994			18.10	19.22	17.77		
12/31/2005	0.155	0.166	0.161			10,715	11,114	10,777			16.60	18.46	17.33		
3/31/2006	0.171	0.164	0.160	0.153		9,185	10,814	10,565	9,334		15.71	17.73	16.89	14.28	
6/30/2006	0.159	0.162	0.159	0.154		10,037	10,523	10,356	9,418		15.91	17.02	16.47	14.50	
9/30/2006	0.146	0.160	0.158	0.155		9,673	10,240	10,152	9,504		14.13	16.35	16.06	14.71	
12/31/2006	0.147	0.158	0.157	0.156		8,891	9,964	9,952	9,590		13.10	15.70	15.66	14.93	
3/31/2007	0.136	0.155	0.157	0.157	0.138	10,136	9,696	9,755	9,677	9,500	13.79	15.07	15.27	15.15	13.08
6/30/2007	0.153	0.153	0.156	0.157	0.150	9,043	9,435	9,563	9,764	9,722	13.87	14.48	14.89	15.38	14.60
9/30/2007	0.163	0.151	0.155	0.158	0.164	9,469	9,181	9,374	9,853	9,948	15.39	13.90	14.51	15.61	16.30
12/31/2007	0.178	0.149	0.154	0.159	0.179	10,778	8,934	9,189	9,942	10,180	19.22	13.35	14.15	15.84	18.19

Bodily Injury	Frequency	Severity	Pure Premium Trend
16 point	-5.2%	-10.3%	-15.0%
12 point	-2.1%	-7.7%	-9.6%
8 point	2.3%	3.7%	6.1%
4 point	41.5%	9.7%	55.2%
Historical Selected	-1.0%	-4.0%	-5.0%
Prospective Selected	3.0%	3.0%	6.1%

Year Ending	Loss Trend Factor **
9/30/2003	0.878
9/30/2004	0.924
9/30/2005	0.972
9/30/2006	1.023
9/30/2007	1.076

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Collision

Exhibit 6.2

Collision *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	1.723					3,285					56.60				
9/30/2003	2.234					3,451					77.12				
12/31/2003	2.481					3,541					87.86				
3/31/2004	2.589	2.343				3,463	3,230				89.67	75.69			
6/30/2004	2.569	2.331				3,416	3,220				87.78	75.03			
9/30/2004	2.345	2.318				3,347	3,209				78.47	74.38			
12/31/2004	2.281	2.305				3,169	3,199				72.28	73.74			
3/31/2005	2.345	2.292	2.104			3,106	3,189	2,979			72.83	73.10	62.69		
6/30/2005	2.245	2.280	2.119			3,156	3,179	2,999			70.87	72.47	63.56		
9/30/2005	2.077	2.267	2.134			3,040	3,169	3,019			63.14	71.84	64.44		
12/31/2005	2.094	2.255	2.149			2,903	3,159	3,040			60.78	71.22	65.34		
3/31/2006	2.159	2.243	2.165	1.977		3,139	3,149	3,060	2,922		67.75	70.61	66.25	57.76	
6/30/2006	2.091	2.230	2.180	2.035		2,962	3,138	3,081	2,975		61.95	70.00	67.17	60.54	
9/30/2006	2.001	2.218	2.195	2.095		2,933	3,128	3,102	3,029		58.69	69.39	68.10	63.46	
12/31/2006	2.008	2.206	2.211	2.156		2,963	3,119	3,123	3,085		59.50	68.79	69.05	66.51	
3/31/2007	2.039	2.194	2.227	2.220	2.049	2,978	3,109	3,144	3,141	2,997	60.71	68.20	70.01	69.72	61.40
6/30/2007	2.220	2.182	2.242	2.285	2.225	3,182	3,099	3,165	3,198	3,151	70.66	67.61	70.98	73.07	70.13
9/30/2007	2.463	2.170	2.258	2.352	2.417	3,313	3,089	3,187	3,256	3,313	81.61	67.02	71.97	76.59	80.09
12/31/2007	2.594	2.158	2.274	2.421	2.626	3,473	3,079	3,208	3,316	3,484	90.11	66.44	72.97	80.28	91.48

Collision	Frequency	Severity	Pure Premium Trend
16 point	-2.2%	-1.3%	-3.4%
12 point	2.9%	2.7%	5.7%
8 point	12.3%	7.5%	20.7%
4 point	39.2%	22.2%	70.2%
Historical Selected	2.5%	2.0%	4.5%
Prospective Selected	4.5%	4.0%	8.7%

Year Ending	Loss Trend Factor **
9/30/2003	1.404
9/30/2004	1.343
9/30/2005	1.284
9/30/2006	1.228
9/30/2007	1.175

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Comprehensive

Exhibit 6.3

Comprehensive *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	0.573					4,580					26.26				
9/30/2003	0.775					4,515					35.01				
12/31/2003	0.907					4,420					40.09				
3/31/2004	0.949	0.917				4,308	3,687				40.89	33.80			
6/30/2004	0.971	0.904				4,042	3,689				39.25	33.35			
9/30/2004	0.918	0.891				3,739	3,691				34.33	32.91			
12/31/2004	0.869	0.879				3,607	3,693				31.35	32.47			
3/31/2005	0.879	0.867	0.823			3,450	3,695	3,330			30.32	32.03	27.40		
6/30/2005	0.854	0.855	0.818			3,523	3,697	3,383			30.09	31.60	27.66		
9/30/2005	0.787	0.843	0.812			3,698	3,699	3,437			29.12	31.18	27.93		
12/31/2005	0.790	0.831	0.807			3,277	3,701	3,492			25.89	30.77	28.19		
3/31/2006	0.793	0.820	0.802	0.763		3,254	3,703	3,548	3,327		25.81	30.35	28.46	25.40	
6/30/2006	0.786	0.808	0.797	0.768		3,469	3,705	3,605	3,432		27.26	29.95	28.73	26.35	
9/30/2006	0.756	0.797	0.792	0.772		3,556	3,707	3,663	3,541		26.87	29.55	29.01	27.34	
12/31/2006	0.743	0.786	0.787	0.777		3,647	3,709	3,722	3,654		27.11	29.15	29.28	28.37	
3/31/2007	0.754	0.775	0.782	0.781	0.752	3,921	3,711	3,782	3,770	3,851	29.54	28.76	29.56	29.44	28.95
6/30/2007	0.766	0.764	0.777	0.785	0.776	3,821	3,713	3,842	3,890	3,923	29.27	28.38	29.84	30.55	30.45
9/30/2007	0.817	0.754	0.772	0.790	0.801	3,993	3,715	3,904	4,014	3,997	32.61	28.00	30.13	31.70	32.02
12/31/2007	0.819	0.743	0.767	0.794	0.827	4,112	3,717	3,966	4,141	4,073	33.70	27.63	30.41	32.89	33.67

Comprehensive	Frequency	Severity	Pure Premium Trend
16 point	-5.4%	0.2%	-5.2%
12 point	-2.5%	6.6%	3.9%
8 point	2.3%	13.3%	15.9%
4 point	13.5%	7.8%	22.3%
Historical Selected	-1.0%	5.0%	4.0%
Prospective Selected	3.0%	4.0%	7.1%

Year Ending	Loss Trend Factor **
9/30/2003	1.335
9/30/2004	1.285
9/30/2005	1.236
9/30/2006	1.189
9/30/2007	1.144

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Property Damage

Exhibit 6.4

Property Damage *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	0.157					2,232					3.51				
9/30/2003	0.223					2,451					5.46				
12/31/2003	0.280					2,219					6.21				
3/31/2004	0.299	0.293				2,198	1,788				6.58	5.24			
6/30/2004	0.325	0.293				2,129	1,797				6.91	5.27			
9/30/2004	0.321	0.294				1,900	1,805				6.10	5.31			
12/31/2004	0.300	0.295				1,684	1,814				5.04	5.35			
3/31/2005	0.298	0.296	0.270			1,551	1,823	1,559			4.62	5.39	4.21		
6/30/2005	0.286	0.296	0.274			1,395	1,831	1,603			3.99	5.43	4.40		
9/30/2005	0.271	0.297	0.279			1,551	1,840	1,648			4.20	5.47	4.59		
12/31/2005	0.268	0.298	0.283			1,870	1,849	1,695			5.01	5.51	4.80		
3/31/2006	0.287	0.299	0.287	0.271		1,889	1,858	1,743	1,892		5.41	5.55	5.01	5.13	
6/30/2006	0.283	0.299	0.292	0.279		2,196	1,867	1,792	1,908		6.21	5.59	5.23	5.33	
9/30/2006	0.281	0.300	0.296	0.288		1,866	1,876	1,842	1,923		5.24	5.63	5.46	5.54	
12/31/2006	0.286	0.301	0.301	0.297		1,715	1,884	1,894	1,939		4.91	5.67	5.70	5.75	
3/31/2007	0.286	0.301	0.305	0.305	0.288	1,838	1,893	1,948	1,954	1,841	5.25	5.71	5.95	5.97	5.30
6/30/2007	0.311	0.302	0.310	0.315	0.308	1,904	1,903	2,003	1,970	1,936	5.93	5.75	6.21	6.20	5.97
9/30/2007	0.332	0.303	0.315	0.324	0.330	2,115	1,912	2,059	1,986	2,035	7.01	5.79	6.49	6.44	6.71
12/31/2007	0.350	0.304	0.320	0.334	0.353	2,097	1,921	2,118	2,002	2,140	7.34	5.83	6.77	6.69	7.55

Property Damage	Frequency	Severity	Pure Premium Trend
16 point	1.0%	1.9%	2.9%
12 point	6.3%	11.8%	18.8%
8 point	12.6%	3.3%	16.3%
4 point	31.0%	22.2%	60.0%
Historical Selected	3.0%	2.0%	5.1%
Prospective Selected	3.0%	3.0%	6.1%

Year Ending	Loss Trend Factor **
9/30/2003	1.378
9/30/2004	1.312
9/30/2005	1.249
9/30/2006	1.189
9/30/2007	1.131

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Personal Injury Protection

Exhibit 6.5

Personal Injury Protection *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	0.018					2,672					0.47				
9/30/2003	0.032					4,030					1.29				
12/31/2003	0.041					2,636					1.09				
3/31/2004	0.049	0.122				2,460	1,312				1.21	1.61			
6/30/2004	0.124	0.140				2,036	1,239				2.53	1.73			
9/30/2004	0.219	0.160				1,203	1,171				2.63	1.87			
12/31/2004	0.261	0.183				1,032	1,106				2.70	2.02			
3/31/2005	0.286	0.209	0.261			804	1,045	651			2.30	2.18	1.70		
6/30/2005	0.282	0.239	0.288			599	987	659			1.69	2.36	1.90		
9/30/2005	0.289	0.273	0.318			477	932	668			1.37	2.54	2.12		
12/31/2005	0.310	0.312	0.351			748	881	676			2.32	2.75	2.37		
3/31/2006	0.344	0.357	0.387	0.414		831	832	685	722		2.86	2.97	2.65	2.99	
6/30/2006	0.449	0.408	0.428	0.451		761	786	693	723		3.41	3.20	2.97	3.26	
9/30/2006	0.582	0.466	0.472	0.491		730	742	702	724		4.25	3.46	3.31	3.56	
12/31/2006	0.604	0.533	0.521	0.535		564	701	711	726		3.41	3.74	3.70	3.88	
3/31/2007	0.598	0.609	0.575	0.582	0.593	610	662	720	727	653	3.65	4.03	4.14	4.23	3.88
6/30/2007	0.619	0.696	0.635	0.634	0.627	742	626	729	729	709	4.59	4.36	4.63	4.62	4.45
9/30/2007	0.666	0.796	0.700	0.690	0.664	865	591	738	730	770	5.76	4.70	5.17	5.04	5.11
12/31/2007	0.703	0.910	0.773	0.752	0.702	762	558	748	732	836	5.36	5.08	5.78	5.50	5.87

Personal Injury Protection	Frequency	Severity	Pure Premium Trend
16 point	70.7%	-20.4%	36.0%
12 point	48.4%	5.2%	56.0%
8 point	40.6%	0.8%	41.7%
4 point	25.1%	38.9%	73.8%
Historical Selected	6.0%	1.0%	7.1%
Prospective Selected	3.0%	4.0%	7.1%

Year Ending	Loss Trend Factor **
9/30/2003	1.525
9/30/2004	1.424
9/30/2005	1.330
9/30/2006	1.243
9/30/2007	1.161

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Home Ins. Co.
Motorcycle Loss Trend Calculation
Arkansas
Coverage: Uninsured Motorist

Exhibit 6.6

Uninsured Motorist *															
4 Quarters Ending	Freq/100 Actual	Freq/100 16 pt Fit	Freq/100 12 pt Fit	Freq/100 8 pt Fit	Freq/100 4 pt Fit	Severity Actual	Severity 16 pt Fit	Severity 12 pt Fit	Severity 8 pt Fit	Severity 4 pt Fit	PP Actual	PP 16 pt Fit	PP 12 pt Fit	PP 8 pt Fit	PP 4 pt Fit
6/30/2003	0.061					12,099					7.39				
9/30/2003	0.117					13,569					15.81				
12/31/2003	0.158					17,635					27.86				
3/31/2004	0.185	0.193				16,167	14,640				29.91	28.25			
6/30/2004	0.196	0.188				16,656	14,571				32.66	27.47			
9/30/2004	0.199	0.184				14,976	14,503				29.79	26.71			
12/31/2004	0.192	0.180				11,141	14,435				21.35	25.97			
3/31/2005	0.182	0.176	0.168			11,970	14,367	14,012			21.84	25.25	23.49		
6/30/2005	0.179	0.172	0.165			11,497	14,300	14,009			20.61	24.55	23.10		
9/30/2005	0.168	0.168	0.162			14,110	14,233	14,006			23.75	23.87	22.70		
12/31/2005	0.159	0.164	0.159			16,746	14,166	14,002			26.61	23.21	22.32		
3/31/2006	0.165	0.160	0.157	0.136		17,030	14,100	13,999	16,364		28.09	22.57	21.94	22.30	
6/30/2006	0.145	0.156	0.154	0.138		18,044	14,034	13,995	15,741		26.11	21.94	21.56	21.79	
9/30/2006	0.130	0.153	0.151	0.141		18,230	13,968	13,992	15,142		23.75	21.34	21.20	21.29	
12/31/2006	0.121	0.149	0.149	0.143		11,494	13,903	13,989	14,565		13.93	20.75	20.84	20.81	
3/31/2007	0.122	0.146	0.146	0.145	0.122	10,632	13,837	13,985	14,011	10,391	12.94	20.17	20.48	20.34	12.72
6/30/2007	0.143	0.142	0.144	0.147	0.139	11,790	13,773	13,982	13,477	11,947	16.84	19.61	20.13	19.87	16.66
9/30/2007	0.154	0.139	0.142	0.150	0.159	13,168	13,708	13,979	12,964	13,736	20.30	19.07	19.79	19.42	21.82
12/31/2007	0.183	0.136	0.139	0.152	0.181	16,316	13,644	13,975	12,471	15,793	29.86	18.54	19.46	18.98	28.57

Uninsured Motorist	Frequency	Severity	Pure Premium Trend
16 point	-8.9%	-1.9%	-10.6%
12 point	-6.5%	-0.1%	-6.6%
8 point	6.5%	-14.4%	-8.8%
4 point	68.3%	74.7%	194.0%
Historical Selected	-4.0%	-2.0%	-5.9%
Prospective Selected	4.0%	2.0%	6.1%

Year Ending	Loss Trend Factor **
9/30/2003	0.839
9/30/2004	0.891
9/30/2005	0.947
9/30/2006	1.007
9/30/2007	1.070

* Data shown is American Modern Insurance Group - Countrywide

** The Loss Trend Factor uses the Historical Selected Pure Premium Trend from the mid-point of the experience period to the end of the experience period multiplied by the Prospective Selected Pure Premium Trend from the end of the experience period to 12 months after the assumed effective date.

American Modern Insurance Group
Loss + ALAE Development Factors
Motorcycle
Bodily Injury
 Countrywide Consolidated American Modern Insurance Group Data

Indicated Age-to-Age Factors

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to Ult
Wtd Averages																					
All Qtrs	1.475	1.119	1.067	1.075	1.011	1.014	0.992	1.000	0.977	1.001	1.005	1.014	0.990	0.995	0.999	0.993	1.001	1.000	1.011	0.999	1.023
4 Point	1.298	1.102	1.130	1.027	0.925	0.988	1.004	1.032	0.988	1.018	1.047	1.006	0.987	0.998	1.007	0.994	0.992	0.566			
8 Point	1.247	1.016	1.072	1.029	0.990	0.982	0.987	1.004	0.992	1.001	1.009	1.005	0.995	0.995							
12 Point	1.270	1.050	1.038	1.071	0.996	1.023	0.973	0.996	0.980	1.001											
Avg (4,8)	1.272	1.059	1.101	1.028	0.957	0.985	0.996	1.018	0.990	1.009	1.028	1.005	0.991	0.996	1.007	0.994	0.992	0.566			
Arithmetic Averages																					
All Qtrs	1.448	1.094	1.130	1.095	1.001	0.994	1.004	0.999	0.984	1.016	1.006	1.011	0.986	0.997	0.997	0.995	0.988	1.016	1.006	0.999	1.023
4 Point	1.432	1.034	1.134	1.011	0.925	0.979	1.003	1.016	0.993	1.043	1.044	1.003	0.991	1.000	1.005	0.996	0.979				
8 Point	1.336	1.021	1.055	1.013	0.976	0.982	0.980	1.005	0.993	1.020	1.016	1.002	0.988	0.997							
12 Point	1.335	1.021	1.040	1.074	0.981	0.997	0.976	0.998	0.986	1.016											
8 Pt H/L	1.251	1.031	1.049	1.024	0.980	0.987	0.983	0.993	0.994	1.005	1.013	1.000	0.991								
12 Pt H/L	1.284	1.028	1.033	1.025	0.979	1.000	0.977	0.991	0.985	1.007											
Geometric Averages																					
All Qtrs	1.420	1.077	1.096	1.079	0.998	0.990	1.000	0.998	0.984	1.015	1.005	1.011	0.985	0.997	0.997	0.995	0.988	1.015	1.006	0.999	1.023
4 Point	1.379	1.024	1.129	1.010	0.924	0.978	1.003	1.014	0.993	1.041	1.043	1.003	0.991	1.000	1.005	0.996	0.978	1.015			
8 Point	1.304	1.008	1.046	1.010	0.974	0.982	0.979	1.004	0.993	1.018	1.015	1.002	0.988	0.997							
12 Point	1.311	1.011	1.032	1.057	0.977	0.993	0.976	0.997	0.986	1.015											

Selected Factors

Selection:

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to 66
Age-to-Age Factors	1.416	1.005	1.073	0.990	1.041	0.994	0.986	0.981	1.016	0.998	0.986	1.024	0.991	0.994	0.991	0.998	1.007	0.996	0.999	0.999	1.002
Quarterly Age-to-Ult Factors	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult
	1.514	1.069	1.063	0.991	1.001	0.961	0.968	0.981	1.000	0.984	0.986	1.000	0.977	0.986	0.992	1.000	1.003	0.996	1.000	1.001	1.002
Wtd Annual Age-to-Ult Factors	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult			
	1.116	1.053	1.003	0.969	0.967	0.969	0.980	0.986	0.988	0.985	0.986	0.987	0.989	0.992	0.997	0.999	0.999	0.999			

**American Modern Insurance Group
Loss + ALAE Development Factors
Motorcycle
Collision
Countrywide Consolidated American Modern Insurance Group Data**

Indicated Age-to-Age Factors

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to Ult
Wtd Averages																					
All Qtrs	1.077	0.954	0.979	0.987	0.992	0.998	0.994	0.997	0.998	0.998	1.000	0.999	1.002	1.000	1.000	0.999	0.999	0.998	0.999	1.000	1.000
4 Point	1.010	0.923	0.953	0.986	0.987	0.996	0.998	0.997	1.001	0.999	0.999	0.999	1.004	1.000	0.999	0.998	1.000	0.599			
8 Point	0.993	0.922	0.964	0.979	0.987	0.998	0.995	0.995	0.998	0.998	0.999	0.999	1.001	1.000							
12 Point	0.977	0.929	0.967	0.986	0.989	0.996	0.996	0.996	0.998	0.998											
Avg (4,8)	1.001	0.923	0.958	0.983	0.987	0.997	0.997	0.996	1.000	0.999	0.999	0.999	1.003	1.000	0.999	0.998	1.000	0.599			
Arithmetic Averages																					
All Qtrs	1.054	0.944	0.975	0.986	0.991	0.998	0.992	0.997	1.000	0.998	1.000	0.999	1.002	0.999	1.000	0.998	0.999	0.997	0.999	1.000	1.000
4 Point	0.998	0.920	0.955	0.988	0.989	0.995	0.996	1.000	1.005	0.999	1.000	0.999	1.003	0.999	1.000	0.998	1.000				
8 Point	0.981	0.924	0.963	0.981	0.988	0.995	0.992	0.996	1.000	0.998	0.999	0.999	1.001	0.999							
12 Point	0.973	0.926	0.968	0.985	0.989	0.995	0.994	0.996	1.000	0.998											
8 Pt H/L	0.978	0.925	0.963	0.981	0.989	0.995	0.993	0.997	0.996	0.999	0.999	1.000	0.999								
12 Pt H/L	0.969	0.927	0.968	0.985	0.990	0.995	0.995	0.997	0.997	0.998											
Geometric Averages																					
All Qtrs	1.045	0.943	0.975	0.986	0.991	0.998	0.991	0.997	1.000	0.998	1.000	0.999	1.002	0.999	1.000	0.998	0.999	0.997	0.999	1.000	1.000
4 Point	0.997	0.920	0.955	0.988	0.989	0.995	0.996	1.000	1.005	0.999	1.000	0.999	1.003	0.999	1.000	0.998	1.000	0.997			
8 Point	0.980	0.924	0.963	0.981	0.988	0.995	0.992	0.996	1.000	0.998	0.999	0.999	1.001	0.999							
12 Point	0.972	0.926	0.968	0.985	0.989	0.995	0.994	0.996	1.000	0.998											

Selected Factors

Selection:

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to 66
Age-to-Age Factors	0.975	0.933	0.968	0.972	0.999	0.988	1.002	0.998	0.993	0.997	0.999	0.998	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
Quarterly Age-to-Ult Factors	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult
	0.833	0.855	0.916	0.946	0.974	0.974	0.986	0.984	0.986	0.993	0.996	0.997	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000
Wtd Annual Age-to-Ult Factors	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult			
	0.879	0.899	0.947	0.973	0.979	0.981	0.988	0.992	0.993	0.995	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000			

**American Modern Insurance Group
Loss + ALAE Development Factors
Motorcycle
Comprehensive
Countrywide Consolidated American Modern Insurance Group Data**

Indicated Age-to-Age Factors

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to Ult
Wtd Averages																					
All Qtrs	1.053	0.985	0.988	0.995	0.999	0.997	0.999	0.998	0.999	0.999	0.999	1.000	1.000	0.998	1.000	1.000	1.000	0.998	1.003	1.000	1.000
4 Point	0.887	0.967	0.972	0.996	0.993	0.993	1.000	1.000	0.999	0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	0.998	1.003	1.000	0.663
8 Point	0.900	0.969	0.972	0.994	0.997	0.995	1.000	0.999	0.999	0.998	0.999	1.000	1.000	0.998							
12 Point	0.906	0.965	0.977	0.990	0.997	0.996	0.999	0.999	0.999	0.999											
Avg (4,8)	0.894	0.968	0.972	0.995	0.995	0.994	1.000	0.999	0.999	0.999	0.999	1.000	1.000	0.999	1.000	1.000	1.000	0.998	1.003	1.000	0.663
Arithmetic Averages																					
All Qtrs	1.022	0.983	0.982	0.994	0.998	0.996	0.999	0.998	0.999	0.999	0.999	1.000	1.000	0.998	1.000	1.001	1.000	0.998	1.003	1.000	1.000
4 Point	0.888	0.986	0.965	0.996	0.994	0.995	1.000	0.999	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.001	1.000				
8 Point	0.894	0.983	0.967	0.993	0.997	0.996	1.000	0.999	0.999	0.999	0.999	1.000	1.000	0.998							
12 Point	0.902	0.974	0.974	0.991	0.997	0.996	0.999	0.999	0.999	0.999											
8 Pt H/L	0.891	0.980	0.975	0.994	0.998	0.997	1.000	1.000	0.999	0.999	1.000	1.000	1.000								
12 Pt H/L	0.902	0.970	0.979	0.991	0.998	0.997	1.000	0.999	0.999	0.999											
Geometric Averages																					
All Qtrs	1.005	0.981	0.981	0.994	0.998	0.996	0.999	0.998	0.999	0.999	0.999	1.000	1.000	0.998	1.000	1.001	1.000	0.998	1.003	1.000	1.000
4 Point	0.887	0.982	0.964	0.996	0.994	0.995	1.000	0.999	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.001	1.000	0.998			
8 Point	0.892	0.980	0.967	0.993	0.997	0.996	1.000	0.999	0.999	0.999	0.999	1.000	1.000	0.998							
12 Point	0.901	0.971	0.974	0.991	0.997	0.996	0.999	0.999	0.999	0.999											

Selected Factors

Selection:

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to 66
Age-to-Age Factors	0.940	0.964	0.985	0.992	0.997	1.001	0.999	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.001	0.999	1.000	1.001	0.999	1.000	1.000
Quarterly Age-to-Ult Factors	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult
	0.881	0.937	0.972	0.987	0.995	0.998	0.996	0.998	0.998	0.999	0.999	1.000	1.000	1.000	0.999	0.999	1.000	1.000	0.999	1.000	1.000
Wtd Annual Age-to-Ult Factors	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult			
	0.937	0.964	0.988	0.995	0.997	0.997	0.998	0.998	0.999	0.999	0.999	1.000	0.999	0.999	1.000	1.000	1.000	1.000			

American Modern Insurance Group
Loss + ALAE Development Factors
Motorcycle
Property Damage
 Countrywide Consolidated American Modern Insurance Group Data

Indicated Age-to-Age Factors

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to Ult
Wtd Averages																					
All Qtrs	1.104	0.926	0.966	0.989	1.010	0.983	1.002	0.982	1.013	0.987	0.994	1.001	1.000	1.000	1.000	1.001	0.999	1.000	0.998	1.000	1.000
4 Point	1.014	0.915	1.010	0.977	1.011	0.953	1.002	0.979	1.001	0.995	1.000	1.002	1.000	1.000	1.000	1.000	1.000	0.551			
8 Point	1.013	0.918	0.997	0.974	1.020	0.963	0.999	0.988	1.000	0.998	0.992	1.001	1.000	1.000							
12 Point	1.025	0.925	0.966	0.983	1.010	0.975	1.001	0.996	1.013	0.987											
Avg (4,8)	1.014	0.917	1.004	0.976	1.016	0.958	1.001	0.984	1.000	0.996	0.996	1.002	1.000	1.000	1.000	1.000	1.000	0.551			
Arithmetic Averages																					
All Qtrs	1.141	0.930	0.965	0.988	1.013	0.986	1.001	0.977	1.016	0.986	0.994	1.001	1.000	1.000	1.000	1.000	0.999	1.000	0.999	1.000	1.000
4 Point	1.024	0.928	1.008	0.986	1.004	0.967	1.001	0.976	1.000	0.997	1.000	1.002	1.000	1.000	1.000	1.000	1.000				
8 Point	1.021	0.923	0.994	0.976	1.012	0.975	0.999	0.987	1.000	0.999	0.992	1.001	1.000	1.000							
12 Point	1.019	0.920	0.981	0.982	1.007	0.981	1.000	0.992	1.016	0.986											
8 Pt H/L	1.013	0.926	0.992	0.981	1.010	0.982	1.000	0.989	1.000	0.999	0.995	1.000	1.000								
12 Pt H/L	1.014	0.923	0.984	0.987	1.006	0.986	1.000	0.994	1.004	0.998											
Geometric Averages																					
All Qtrs	1.100	0.927	0.959	0.987	1.012	0.986	1.001	0.975	1.015	0.985	0.994	1.001	1.000	1.000	1.000	1.000	0.999	1.000	0.999	1.000	1.000
4 Point	1.015	0.926	1.007	0.985	1.004	0.967	1.001	0.976	1.000	0.997	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000			
8 Point	1.016	0.922	0.994	0.975	1.012	0.974	0.999	0.987	1.000	0.999	0.992	1.001	1.000	1.000							
12 Point	1.014	0.918	0.980	0.981	1.007	0.980	1.000	0.992	1.015	0.985											

Selected Factors

Selection:

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to 66
Age-to-Age Factors	1.028	0.938	0.974	0.994	1.007	0.992	0.987	1.000	1.007	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Quarterly Age-to-Ult Factors	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult
	0.921	0.896	0.955	0.980	0.986	0.979	0.987	1.000	1.000	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wtd Annual Age-to-Ult Factors	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult			
	0.930	0.936	0.970	0.983	0.987	0.988	0.993	0.998	0.997	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			

American Modern Insurance Group
Loss + ALAE Development Factors
Motorcycle
Uninsured Motorist
 Countrywide Consolidated American Modern Insurance Group Data

Indicated Age-to-Age Factors

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to Ult
Wtd Averages																					
All Qtrs	1.605	1.144	1.028	1.039	1.015	1.019	0.999	1.038	1.011	1.004	0.977	0.997	0.991	0.983	0.984	0.999	1.008	0.990	1.000	1.000	1.000
4 Point	1.373	1.127	1.006	1.058	0.978	1.026	1.003	0.980	1.006	0.979	1.019	0.996	1.007	0.993	0.979	0.998	1.009	0.576			
8 Point	1.350	1.044	1.005	0.991	0.993	1.036	1.022	0.988	1.007	1.006	0.988	0.996	1.002	0.983							
12 Point	1.516	1.110	1.030	1.015	1.015	1.029	0.990	1.035	1.012	1.004											
Avg (4,8)	1.361	1.085	1.006	1.025	0.986	1.031	1.012	0.984	1.006	0.993	1.003	0.996	1.004	0.988	0.979	0.998	1.009	0.576			
Arithmetic Averages																					
All Qtrs	1.780	1.186	1.023	1.038	1.018	1.032	1.004	1.021	1.011	1.002	0.984	0.996	0.993	0.982	0.982	1.000	1.013	0.989	1.000	1.000	1.000
4 Point	1.425	1.116	0.959	1.050	1.015	1.076	1.012	0.995	0.998	0.983	1.016	0.995	1.006	0.997	0.974	0.999	1.017				
8 Point	1.421	1.070	0.969	1.008	0.995	1.061	1.018	0.984	1.002	1.003	0.996	0.995	1.003	0.982							
12 Point	1.608	1.091	1.018	1.020	1.011	1.044	0.998	1.017	1.012	1.002											
8 Pt H/L	1.410	1.077	0.961	0.988	0.985	1.031	1.017	0.985	0.999	0.995	0.998	0.992	1.003								
12 Pt H/L	1.606	1.100	1.008	1.011	1.008	1.023	0.995	1.016	1.011	0.997											
Geometric Averages																					
All Qtrs	1.704	1.143	1.018	1.034	1.010	1.028	1.003	1.019	1.010	1.002	0.983	0.995	0.993	0.981	0.981	1.000	1.013	0.989	1.000	1.000	1.000
4 Point	1.405	1.115	0.954	1.044	0.993	1.066	1.012	0.994	0.997	0.983	1.016	0.995	1.006	0.997	0.973	0.999	1.016	0.989			
8 Point	1.403	1.057	0.965	1.003	0.984	1.055	1.017	0.983	1.001	1.003	0.996	0.994	1.003	0.981							
12 Point	1.574	1.079	1.011	1.017	1.002	1.040	0.997	1.014	1.011	1.002											

Selected Factors

Selection:

	3 to 6	6 to 9	9 to 12	12 to 15	15 to 18	18 to 21	21 to 24	24 to 27	27 to 30	30 to 33	33 to 36	36 to 39	39 to 42	42 to 45	45 to 48	48 to 51	51 to 54	54 to 57	57 to 60	60 to 63	63 to 66
Age-to-Age Factors	1.715	1.082	1.091	0.974	0.991	1.011	1.040	1.024	1.019	0.979	0.952	1.047	0.964	1.005	0.984	0.997	1.005	0.999	1.002	0.994	1.008
Quarterly Age-to-Ult Factors	3-Ult	6-Ult	9-Ult	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult
	2.008	1.171	1.082	0.991	1.017	1.027	1.015	0.976	0.953	0.935	0.955	1.003	0.958	0.994	0.989	1.004	1.008	1.002	1.003	1.001	1.008
Wtd Annual Age-to-Ult Factors	12-Ult	15-Ult	18-Ult	21-Ult	24-Ult	27-Ult	30-Ult	33-Ult	36-Ult	39-Ult	42-Ult	45-Ult	48-Ult	51-Ult	54-Ult	57-Ult	60-Ult	63-Ult			
	1.240	1.114	1.042	1.018	1.017	1.006	0.962	0.949	0.951	0.953	0.972	0.983	0.987	0.998	1.001	1.004	1.003	1.003			

American Modern Home Ins. Co.
Calculation of ULAE Factor
Arkansas

Exhibit 8

Ratio to Incurred Loss+ALAE

Consolidated American Modern Insurance Group Data

Calendar Year	2006	2005	2004
ULAE Incurred	15,194,970	13,597,575	14,164,401
Adjusted Loss+ALAE Incurred	307,266,292	469,391,596	346,919,324
Ratio to Incurred Loss+ALAE	4.9%	2.9%	4.1%
3 Year Average	4.0%		

Selected ULAE Factor: **1.040**

**American Modern Insurance Group
Determination of Permissible Loss Ratio**

Exhibit 9.1

**State: Arkansas
Product: Motorcycle
Coverage: Liability**

	Calendar Year			Budget 2007	Selected
	2004	2005	2006		
(1) Pre-Paid Commissions	17.3%	18.6%	17.4%		18.0%
(1a) Contingent Commissions	5.3%	7.7%	6.1%	3.5%	3.5%
(2) Other Acquisition Expense (Consolidated AMIG)	5.9%	6.0%	6.9%	6.9%	6.9%
(3) General Expense (Consolidated AMIG)	17.5%	15.7%	17.2%	16.2%	16.7%
(4) Taxes, Licenses and Fees	3.9%	3.6%	3.4%		3.6%
(5) Reinsurance Expense (Consolidated AMIG)			0.3%	1.7%	1.7%
(6) Total Expense					50.4%

Profit Loading Provision

(7a) After Tax Return on Equity Goal		16.5%
(7b) Target Premium to Surplus Ratio		2.3:1
(7c) After Tax Return on Premium [(7a)/(7b)]		7.2%
(7d) After Tax Return Generated by Investment Income (Exhibit 10, Page 1)		8.2%
(7e) After Tax Return Needed from Underwriting Profit [(7c)-(7d)]		-1.0%
(7f) Before Tax Return Needed from Underwriting Profit [(7e)/(1.000-0.35)]		-1.5%
(7) Selected Profit Loading Provision		-1.5%
(8) Total Expenses and Profit Provision [(6) + (7)]		48.9%
(9) Permissible Loss+LAE Ratio [1.000 - (8)]		51.1%
(10) PLR Adjustment Factor * [(10.7)]		-1.6%
-(11) Adjusted PLR [(9) x (10)]		50.2%

Data applied to calculate commission ratio:

	Calendar Year		
	2004	2005	2006
AMHIC Arkansas Arkansas Written Premium	605,703	463,199	346,592
AMHIC Arkansas Arkansas Paid Commission	104,700	86,347	60,329

Data applied to calculate taxes, licenses and fees

	Calendar Year		
	2004	2005	2006
AMHIC Arkansas Earned Premium from all Lines of AS	9,975,666	9,783,103	11,402,094
AMHIC Arkansas Taxes, licenses, and fees from all Lines of AS	387,720	353,087	386,665

(10.1) New Business %	26.1%
(10.2) Renewal %	73.9%
(10.3) CW New Business Loss Ratio	77.1%
(10.4) CW Renewal Loss Ratio	43.5%
(10.5) CW Total Loss Ratio	53.1%
(10.6) Total Weighted Arkansas NB/Renewal % [(10.1) x (10.3) + (10.2) x (10.4)]	52.2%
(10.7) Expected Change in LR due to high NB % [(10.6) / (10.5) -1]	-1.6%

**American Modern Insurance Group
Determination of Permissible Loss Ratio**

Exhibit 9.2

State: **Arkansas**

Product: **Motorcycle**

Coverage: **Physical Damage Coverage**

	Calendar Year			Budget	Selected
	2004	2005	2006	2007	
(1) Pre-Paid Commissions	17.3%	18.6%	17.4%		18.0%
(1a) Contingent Commissions	5.3%	7.7%	6.1%	3.5%	3.5%
(2) Other Acquisition Expense (Consolidated AMIG)	5.9%	6.0%	6.9%	6.9%	6.9%
(3) General Expense (Consolidated AMIG)	17.5%	15.7%	17.2%	16.2%	16.7%
(4) Taxes, Licenses and Fees	3.9%	3.6%	3.4%		3.6%
(5) Reinsurance Expense (Consolidated AMIG)			0.3%	0.3%	0.3%
(6) Total Expense					49.0%

Profit Loading Provision

(7a) After Tax Return on Equity Goal		16.5%
(7b) Target Premium to Surplus Ratio		2.3:1
(7c) After Tax Return on Premium [(7a)/(7b)]		7.2%
(7d) After Tax Return Generated by Investment Income (Exhibit 10, Page 1)		2.4%
(7e) After Tax Return Needed from Underwriting Profit [(7c)-(7d)]		4.7%
(7f) Before Tax Return Needed from Underwriting Profit [(7e)/(1.000-0.35)]		7.3%
(7) Selected Profit Loading Provision		7.3%
(8) Total Expenses and Profit Provision [(6) + (7)]		56.3%
(9) Permissible Loss+LAE Ratio [1.000 - (8)]		43.7%
(10) PLR Adjustment Factor * [(10.7)]		-1.6%
-(11) Adjusted PLR [(9) x (10)]		43.0%

Data applied to calculate commission ratio:

	Calendar Year		
	2004	2005	2006
AMHIC Arkansas Arkansas Written Premium	605,703	463,199	346,592
AMHIC Arkansas Arkansas Paid Commission	104,700	86,347	60,329

Data applied to calculate taxes, licenses and fees:

	Calendar Year		
	2004	2005	2006
AMHIC Arkansas Earned Premium from all Lines of AS	9,975,666	9,783,103	11,402,094
AMHIC Arkansas Taxes, licenses, and fees from all Lines of AS	387,720	353,087	386,665

(10.1) New Business %	26.1%
(10.2) Renewal %	73.9%
(10.3) CW New Business Loss Ratio	77.1%
(10.4) CW Renewal Loss Ratio	43.5%
(10.5) CW Total Loss Ratio	53.1%
(10.6) Total Weighted Arkansas NB/Renewal % [(10.1) x (10.3) + (10.2) x (10.4)]	52.2%
(10.7) Expected Change in LR due to high NB % [(10.6) / (10.5) -1]	-1.6%

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.1

Complement of Credibility Calculation for Bodily Injury.

(1) Permissible Loss & LAE Ratio	0.502
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-3.00%
(6) Annual Loss Trend	6.09%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	9.37%
(8) Selected Trend Factor	1.094
(9) Trended Permissible Loss & LAE Ratio	0.549

Capped at 1 years.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.2

Complement of Credibility Calculation for Collision.

(1) Permissible Loss & LAE Ratio	0.430
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-5.00%
(6) Annual Loss Trend	8.68%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	14.40%
(8) Selected Trend Factor	1.144
(9) Trended Permissible Loss & LAE Ratio	0.491

Capped at 1 years.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.3

Complement of Credibility Calculation for Comprehensive.

(1) Permissible Loss & LAE Ratio	0.430
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-5.00%
(6) Annual Loss Trend	7.12%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	12.76%
(8) Selected Trend Factor	1.128
(9) Trended Permissible Loss & LAE Ratio	0.484

Capped at 1 years.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.4

Complement of Credibility Calculation for Property Damage.

(1) Permissible Loss & LAE Ratio	0.502
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-5.00%
(6) Annual Loss Trend	6.09%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	11.67%
(8) Selected Trend Factor	1.117
(9) Trended Permissible Loss & LAE Ratio	0.561

Capped at 1 years.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.5

Complement of Credibility Calculation for Personal Injury Protection.

(1) Permissible Loss & LAE Ratio	0.502
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-3.00%
(6) Annual Loss Trend	7.12%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	10.43%
(8) Selected Trend Factor	1.104
(9) Trended Permissible Loss & LAE Ratio	0.555

Capped at 1 years.

American Modern Home Ins. Co.
Motorcycle Rate Level Indication Summary
Arkansas

Exhibit 10.6

Complement of Credibility Calculation for Uninsured Motorist.

(1) Permissible Loss & LAE Ratio	0.502
(2) Proposed Renewal Effective Date	6/1/2008
(3) Effective Date of Current Rates	8/15/2006
(4) Time Period in years $\{(2)-(3)\}/365$	1.000
(5) Annual Premium Trend	-4.50%
(6) Annual Loss Trend	6.08%
(7) Ann Loss Ratio Trend $\{[1 + (6)] / [1 + (5)]\} - 1$	11.08%
(8) Selected Trend Factor	1.111
(9) Trended Permissible Loss & LAE Ratio	0.558

Capped at 1 years.

American Modern Insurance Group
Investment Income and Other Income
ASLOB 19.1 & 19.2 & 21.1 Priv. Pass. Auto Liability and Physical Damage
Countrywide Consolidated AMIG Data

Exhibit 11

Page 1

Estimated Investment Earnings on Unearned Premium and Loss Reserves

	Liability	Phys Dam
A. Unearned Premium Reserve		
(1) Direct Earned Premium for 2006	\$25,917,149	\$336,188,499
(2) Mean Unearned Premium Reserve Ratio	53.9%	54.4%
(3) Mean Unearned Premium Reserve (1) x (2)	\$13,980,492	\$182,926,967
(4) Deduction for Prepaid Expenses and Federal Taxes Payable		
(a) Commission	21.5%	21.5%
(b) 50% of Other Acquisition	3.5%	3.5%
(c) 50% of General Expenses	8.3%	8.3%
(d) Taxes, Licenses, and Fees	3.6%	3.6%
(e) Reinsurance Expense	1.0%	1.0%
(f) Subtotal	37.9%	37.9%
(g) Federal Taxes Payable	7.0%	7.0%
(4T) Total Deductions	44.9%	44.9%
(5) Unearned Premium Reserve Subject to Investment (3) x [1.0 - (4T)]	\$7,698,694	\$100,733,132
B. Delayed Remission of Premium (Agent's Balances)		
(1) Agent's Balance or Uncollected Premium to Unearned Premium		
(a) Average Agent's Balance	\$124,288,418	\$124,288,418
(b) Direct Unearned Premium 2006 (All Lines)	\$394,423,161	\$394,423,161
(c) Ratio (a) / (b)	31.5%	31.5%
(d) Direct Unearned Premium 2006 (ASLOB 19.1 & 19.2 & 21.1 Priv. Pass. Auto liability and PD)	\$11,482,585	\$188,363,864
(2) Delayed Remission (1c) x (1d)	\$3,618,328	\$59,356,166
C. Loss and Loss Adjustment Expense Reserve		
(1) Expected Loss and Loss Adjustment Expense Ratio	51.1%	43.7%
(2) Expected Losses and Loss Adjustment Expenses (A.1) x (C.1)	\$13,232,128	\$146,861,957
(3) Percent of Mean Loss & ALAE Reserves to Incurred Loss & ALAE		
(a) 2005 Mean Loss & ALAE Reserve to Incurred Loss & ALAE Ratio	502.0%	21.4%
(b) 2004 Mean Loss & ALAE Reserve to Incurred Loss & ALAE Ratio	114.0%	11.9%
(c) Average of Mean Loss Reserve to Incurred Loss Ratios 1/2 x [(a) + (b)]	308.0%	16.6%
(4) Expected Mean Loss Reserves (2) x (3c) x .958	\$39,042,863	\$23,402,835
D. Net Subject to Investment	\$43,123,229	\$64,779,802
(A.5) - (B.2) + (C.4)		
E. Before Tax Rate of Return	5.0%	5.0%
[(Appendix A-10, Page 3)]		
F. Average Rate of Return as a % of Direct Earned Premium	8.3%	1.0%
[(D) x (E)] / (A.1)		
G. Before Tax Investment Income Return (Including Surplus)	10.5%	3.1%
(F) + [(E) x (1.0/Premium to Surplus Ratio)]		
H. After Tax Average Rate of Return as a Percent of Direct Earned Premium		
(1) Average Federal Tax Rate on Inv. Inc. (Appendix A-10, Page 2)	22.3%	22.3%
(2) After Tax Return Generated by Investment Income (G) x [1.0 - (H.1)]	8.2%	2.4%

American Modern Insurance Group
Investment Income and Other Income
ASLOB 19.1 & 19.2 & 21.1 Priv. Pass. Auto Liability and Physical Damage
Countrywide Consolidated AMIG Data

Exhibit 11
Page 2

Average Federal Tax Rate on Investment Income

	(1) Investment Income 2004-2006 (A)	(2) Allocation	(3) Current Tax Rate (B)	(4) Total Tax (2)x(3)
Bonds				
- Taxable	\$53,722,932	48.7%	35.0%	17.0%
- Tax Exempt Municipal	\$35,250,174	31.9%	5.3%	1.7%
Stocks				
- Acquired prior to 1987	\$0	0.0%	10.5%	0.0%
- Acquired after 1987	\$17,021,019	15.4%	14.2%	2.2%
Short-Term Investments	\$4,348,938	3.9%	35.0%	1.4%
Total	\$110,343,063	100.0%		22.3%

Notes: (A) From AMIG Annual Statement, Part 1.
(B) Under the 1986 Tax Reform Act, 15% of formerly tax-exempt income from securities purchased after August 7, 1986 is now taxable. Thus the estimated effective tax rates in 2007 will be:

Ordinary Income =	35.0%
Tax Exempt Municipal - 35.0% x 15.0% =	5.3%
Stock Dividends (Acquired after 1987) - 40.5% x 35.0% =	14.2%
Stock Dividends (Acquired before 1987) - 30.0% x 35.0% =	10.5%

American Modern Insurance Group
Investment Income and Other Income
ASLOB 19.1 & 19.2 & 21.1 Priv. Pass. Auto Liability and Physical Damage
Countrywide Consolidated AMIG Data

Investment Income as a Percentage of Invested Assets

1995	5.5%
1996	5.1%
1997	5.1%
1998	4.7%
1999	4.5%
2000	5.0%
2001	5.2%
2002	5.2%
2003	4.5%
2004	4.3%
2005	4.4%
2006	4.5%
Twelve Year Average	4.8%
Latest Six Year Average	4.7%
Latest Year	4.5%
Projected 2007 (12 Year Trend)	4.4%
Projected 2007 (6 Year Trend)	4.1%

Selected 2007 Rate of Return

Before Tax	5.0%
After Tax [(1-0.223) x 5%]	3.9%

Line Explanation of Investment Income Calculation

Line A-1

Direct Earned Premium is total limits earned premium for Motorcycle Liability and Physical Damage written by the American Modern Insurance Group for the latest accident year.

Line A-3

The mean unearned premium reserve is determined by the average of the last two years unearned premiums for the American Modern Insurance Group.

Line A-4

Deductions for prepaid expenses:

Production costs and a large part of other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before premiums are paid. Therefore, the deduction of these expenses determined by use of provisions for expenses used in our ratemaking procedures as shown. These provisions are based on the above referenced company's statewide data as shown in Exhibit 9 (Permissible Loss Ratio).

Line A-4 Federal Taxes Payable

The Tax Reform Act of 1986 allows 20% of the unearned premium reserve. At a corporate tax rate of 35%, this tax equals 7.0% ($20 \times .35 = .070$) of the unearned premium reserve.

Line B-1

Delayed remission of premium:

This deduction is necessary because the delay in collection and remission of premium to the companies beyond effective dates of the policies. Funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Line B-1(a)

Average agent's balances as a percentage of Direct Unearned Premiums⁰⁰⁶ (All Lines).

Line C-1

The expected loss and loss adjustment ratio reflects the expense provisions used in the filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line C-2 by the average ratio of 1 mean loss and loss adjustment reserves to the incurred losses and loss adjustment expenses. This ratio is based on countrywide data for the American Modern Insurance Group.

Line C-4

The Expected Mean Loss Reserves include an adjustment for the estimated Federal Income Taxes payable due to discounting of loss reserves. The estimated reserve discount is 12%, the federal taxes payable (% of reserves) is $(12 \times .35 = .042)$, and the appropriate adjustment is $.958 (1.00 - .042 = .958)$. The 12% is based on all company data provided by the A.M. Best Company.

Line E

This rate of return is the ratio of net investment income earned and net realized capital gains (or losses) to mean cash and invested assets (including interest, dividends and real estate income due and accrued) for the American Modern Insurance Group.

Line H-1

The average rate of Federal Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2004-2006 for the American Modern Insurance Group.

Line Explanation of Investment Income Calculation

Line A-1

Direct Earned Premium is total limits earned premium for LDBZ written by American Modern Insurance Group for the latest accident year.

Line A-3

The mean unearned premium reserve is determined by the average of the last two years unearned premiums for American Modern Insurance Group.

Line A-4

Deductions for prepaid expenses:

Production costs and a large part of other company expenses in connection with the writing and handling of insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before premium is paid. Therefore, the deduction of these expenses determined by use of provisions for expenses used in our ratemaking procedures as shown. These provisions are based on the above referenced company's statewide data as shown in Exhibit 9 (Permissible Loss Ratio).

Line A-4 Federal Taxes Payable

The Tax Reform Act of 1986 allows 20% of the unearned premium reserve. At a corporate tax rate of 35%, this tax equals 7.0% ($20 \times .35 = .070$) of the unearned premium reserve.

Line B-1

Delayed remission of premium:

This deduction is necessary because the delay in collection and remission of premium to the companies beyond effective dates of the policies. Funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Line B-1(a)

Average agent's balances as a percentage of A-1.

Line C-1

The expected loss and loss adjustment ratio reflects the expense provisions used in the filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line C-2 by the average ratio of 1 mean loss and loss adjustment reserves to the incurred losses and loss adjustment expenses. This ratio is based on countrywide data for the American Modern Insurance Group.

Line C-4

This ratio includes an adjustment for the estimated Federal Income Taxes payable due to discounting of loss reserves. The estimated reserve discount is 12%, the federal taxes payable (% of reserves) is $(12 \times .35 = .042)$, and the appropriate adjustment is $.958 (1.00 - .042 = .958)$. The 12% is based on all company data provided by the A.M. Best Company.

Line E

This rate of return is the ratio of net investment income earned and net realized capital gains (or losses) to mean cash and invested assets (including interest, dividends and real estate income due and accrued) for American Modern Insurance Group.

Line H-1

The average rate of Federal Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2000 - 2002 for American Modern Insurance Group.

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: New Business Renewal Business f. State Filing #: g. SERFF Filing #: h. Subject Codes
---	---

3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

5. Company Tracking Number	
-----------------------------------	--

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7. Signature of authorized filer	
8. Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: <input type="text"/> Renewal: <input type="text"/>
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
-----	---	--

21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
-----	--

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
-----	---

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

PC TD-1 pg 2 of 2

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
-----------	---	--

Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)						
------------	---	--	--	--	--	--	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only						
------------	--	--	--	--	--	--	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)			
---	--	--	--

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
-----------	---	--

7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



AMERICAN MODERN HOME
INSURANCE COMPANY

April 21, 2008

Arkansas Insurance Department
Property & Casualty Division
1200 W 3rd St
Little Rock, AR 72201-1904

RE: American Modern Home Insurance Company: NAIC# 127-23469
Riders Choice Program
Rate/Rule Filing
Company File Number: 20080314-01

In accordance with the filing requirements of your state, we are submitting revisions to the captioned program.

Please note that I have made the following changes:

- Under the General Rules:
 - K. Model Year/Unit Age.
 - 5. POLICY TERM
Policies may only be issued for a term of 12 months
 - 6. CHANGES
All changes requiring adjustments of premium shall be computed pro rata.
- 2. Loss-Free Renewal Discounts.
Coverages, Discounts & Surcharges
- 11. Safety Apparel Coverage
- Changes in the Rate relativity tables also

We are filing this revision to become effective on or after June 1, 2008 for new and renewal business.

To the best of our knowledge and belief, this filing is in compliance with the pertinent statutes and regulations of your state. If you have any questions, please contact the undersigned at the telephone number or e-mail address shown.

Mellisa M. Holder
Compliance Analyst
American Modern Insurance Group, Inc.
Phone: 1-800-759-9008, ext. 5835
E-mail: mholder@amig.com

**ARKANSAS
AMERICAN MODERN HOME INSURANCE COMPANY
RIDER'S CHOICE MOTORCYCLE PROGRAM**

GENERAL RULES

1. DEFINITIONS

a. **Motorcycle** means:

1. A two-wheeled motorized vehicle of the motorcycle, motorbike, moped or motor scooter type. Included is all factory standard equipment as reflected by the VIN.
2. A three-wheeled motorized vehicle of the motorcycle type, which has been converted from its original two-wheeled configuration. Included is all factory standard equipment as reflected by the VIN and all necessary equipment needed for the conversion.

b. **Off-Road Vehicle** means a two, four, six or eight-wheeled vehicle that is specifically designed for use off of public roads. Included is all factory standard equipment as reflected by the VIN.

c. **VIN** means the vehicle identification number indicated on the unit.

d. **Accessories** means:

1. any item that is not factory standard equipment as reflected by the VIN;
2. any custom painting, murals, etchings, or graphics that were not originally included as a standard factory option;
3. any electronic equipment, antennas, and other devices used to send or receive audio, visual or data signals, or play back recorded media, other than those items included as standard factory equipment as reflected by the VIN. Such equipment must be permanently installed using bolts or brackets.
4. any trailer or sidecar designed to be pulled by the insured vehicle;
5. any performance equipment.

Not included in the definition of accessories is the reasonable and necessary equipment required for the conversion of a two-wheeled motorcycle to a three-wheeled motorcycle.

e. **Replacement Cost Coverage** means the cost, at the time of loss, of a make and model similar to the damaged, destroyed or stolen insured vehicle.

f. **Travel Loss Reimbursement Coverage** provides Towing and Emergency Road Service and Trip Interruption Coverage.

g. **Safety Apparel Coverage** provides coverage for motorcycle safety apparel including helmets.

h. **Applicant** means the named insured indicated on the Declarations page.

i. **Operator** means any operator of the insured unit residing in the same household.

j. **Rated Operator** is the operator used for the premium computation.

k. **Model Year/Unit Age.** For the purpose of determining the age of the unit, the current model year shall change effective January 1 of each year, regardless of the actual introductory dates of the makes and models. The calculation used to determine unit age shall be Current Year minus Model Year. If the calculation result is negative, for factor lookup, it will be considered zero model years.

l. **Relative** means a person related by blood, marriage or adoption and residing in the same household.

m. **Age** means the rated operator's age attained on the last birthday as of the policy's effective date.

n. **Single** means a rated operator who is unmarried, divorced, or separated and living in separate households.

o. **Married** means a rated operator who is married and residing with spouse or widowed. Common law marriages are not recognized for rating purposes. Such couples are considered single operators.

p. **Experience Period** means the 3 years immediately preceding the effective date of the policy.

NEW PAGE	X	PAGE NUMBER	EFFECTIVE DATE	PUBLICATION DATE
REVISION		G-1	06/01/2008	4/15/08

**ARKANSAS
AMERICAN MODERN HOME INSURANCE COMPANY
RIDER'S CHOICE MOTORCYCLE PROGRAM**

q. **Violations and Accidents**

1. **Major Violation.**

- a. Driver's license suspended, revoked, cancelled or barred.
- b. Driving while suspended/revoked, cancelled, etc.
- c. Drag racing or participating in speed contests.
- d. Failure to stop and report accident involvement (hit-and-run).
- e. Reckless driving.
- f. Fleeing or attempting to elude a police officer.
- g. Any speeding violation in excess of 40 mph over the limit.
- h. DUI/DWI violations, defined as
 - 1. alcohol/liquor or drug related;
 - 2. refusal of an alcohol test;
 - 3. possession of an illegal substance; or
 - 4. open container.

2. **Intermediate Violation.**

- a. Any railroad crossing violation.
- b. Failure to yield to emergency vehicle.
- c. Spinning wheels, excessive acceleration, etc.
- d. Any improper passing.
- e. Any speeding violation between 30 – 40 mph over the limit.
- f. Unsafe operation of a motorcycle. Examples include, driving on sidewalk, more riders than seats, driving through a funeral procession, and holding onto another moving vehicle while operating a motorcycle.

3. **Minor Violation** means violations not indicated as a Major or Intermediate Violation.

4. **At-Fault Accident.**

For underwriting and rating purposes, every accident will be considered to be "At-Fault" EXCEPT those occurring under the following circumstances:

- a. Any accident which can be shown that the applicant was less than 50% at fault.
- b. Any accident where accumulated total damages do not exceed \$300, including any deductible.
- c. The vehicle was lawfully parked and stationary at the time of the accident.
- d. Any accident where an insured unit is struck by another vehicle and the applicant or other resident operator is reimbursed by, or on behalf of, the individual(s) who are responsible for an accident or receives judgment against such person.
- e. Any accident where the unit operated by the applicant or any resident operator is the victim of a "hit-and-run", if the applicant or resident operator reports the accident to the proper authority within 24 hours.
- f. The accident was caused by contact with a bird or animal.
- g. Any accident where the operator of the other vehicle involved in the accident was convicted of a moving traffic violation and the applicant or resident operator was not convicted of a moving traffic violation in connection with the accident.
- h. Accidents involving Physical Damage, limited to and caused by flying missiles, or falling objects.

2. **UNIT RATING CLASS**

- a. **A** (Standard motorcycles with relatively low repair costs.)
- b. **B** (Motorcycles with higher repair costs than the A class due to increased values and accessories.)
- c. **C** (Motorcycles with the highest repair costs due to value and limited production.)
- d. **D** (All Off-Road Vehicles.)
- e. **E** (Classic motorcycles.)

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3. UNIT RATING SUB-CLASS

- a. **AT (ATV-Standard.)** Utility 4-wheeled off-road vehicles.
- b. **AS (ATV-Sport.)** Non utility 4-wheeled off-road vehicles.
- c. **CL (Classic.)** Primarily collector units or show cycles.
- d. **CR (Cruiser.)** Medium weight, factory made motorcycles with a custom look.
- e. **DB (Dirt-Bike.)** Two-wheeled off-road vehicles.
- f. **DP (Dual-Purpose.)** Two-wheeled motorcycles that are a cross between street legal and off-road motorcycles
- g. **LP (Limited-Production.)** Factory made custom motorcycles.
- h. **MP (Moped.)** A small, limited speed, motor or pedal-driven cycle (or "motorized bicycle").
- i. **SC (Scooter.)** A small, light motorcycle with very low speed and power.
- j. **ST (Sport-Touring.)** Touring, Super-Sport units.
- k. **SD (Standard.)** Typical, low performance, street driven motorcycle.
- l. **SP (Street-Performance.)** Increased performance Standard and Cruiser motorcycles.
- m. **SU (Super-Sport.)** Units specifically designed as racing bike replicas or similar in performance capabilities.
- n. **TR (Touring.)** Heavy, long-range, fully accessorized and comfortable motorcycles.
- o. **UL (Utility-Vehicle.)** 4, 6 or 8-wheeled off-road vehicles with side-by-side seating.
- p. **AO (All Other.)** This category will be used for units that aren't currently identifiable, or new units. Once analyzed, units placed into this category will be placed into an appropriate category already defined.

4. POLICY FORMS

Coverage will be written on the motorcycle policy form contained within this filing, which will consist of a:

- a. Declaration page;
- b. Policy form;
- c. Mandatory or optional endorsements, if any; and
- d. ID Card (proof of insurance card).

5. POLICY TERM(S)

Policies may only be issued for a term of 12 months

6. CHANGES

a. All changes requiring adjustments of premium shall be computed pro rata.

7. MINIMUM PREMIUM REQUIREMENTS

- a. The Minimum Written Premium is \$75.00 per unit.
- b. The Minimum Earned Premium is \$75.00 per policy.

8. DEDUCTIBLES

Coverages may be subject to the application of deductibles as shown on the eligibility and rate pages, and endorsements attached to the policy.

9. CANCELLATION

The following provisions apply when a policy or form of coverage is cancelled:

- a. If the company cancels a policy or form of coverage, the return premium shall be calculated on a pro rata basis, subject to any applicable minimum premiums.
- b. If the insured cancels a policy or form of coverage, the return premium shall be calculated on a short-rate basis using the appropriate short-rate table below and subject to any applicable minimum premiums.

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12 Month Short-Rate Motorcycle Cancellation Table – SR3

Days in Force	Percent Retained
1 - 44	21
45 - 74	33
75 - 104	42
105 - 134	54
135 - 164	64
165 - 194	73
195 - 224	81
225 - 254	87
255 - 284	92
285 - 365	100

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10. DISCOUNTS AND SURCHARGES

a. DISCOUNTS (Unless noted, discounts are subject to a combined 30% maximum)

1. **Association Discount.** This discount will apply if the insured is a member of a nationally or regionally approved association.

2. Loss-Free Renewal Discounts.

- a. This discount is only available for 12-month term policies.
- b. This discount will apply at the first and any subsequent renewal.
- c. If no discount is present and combined paid losses are \$300 or less during the policy period, the lesser discount will be applied at renewal.
- d. If the lesser discount is present and combined paid losses are \$300 or less during the policy period, the greater discount will be applied at renewal.
- e. If the greater discount is present and combined paid losses are \$300 or less during the policy period, the greater discount will be applied at renewal.
- f. If no discount is present and combined paid losses are greater than \$300 during the policy period, no discount will be applied at renewal.
- g. If the lesser discount is present and combined paid losses are greater than \$300 during the policy period, no discount will be applied at renewal.
- h. If the greater discount is present and combined paid losses are greater than \$300 during the policy period, the lesser discount will be applied at renewal.
- i. This discount does not apply towards the maximum allowable discount of 30%.

NOTE: Accidents not considered as "at-fault", as defined in the DEFINITIONS section of this manual will not be considered in the application of this discount..

3. Motorcycle Driver Training Discount.

- a. This discount will apply if the insured has successfully completed an approved motorcycle driver education course.
- b. The rated operator must have completed this course within three years of the effective date of their policy.
- c. Once three years has lapsed, and the rated operator has not renewed their certification, the credit will be removed at the first subsequent renewal.
- d. This discount does not apply to Off-Road vehicles.

4. **Multi-Unit Discount.** This discount will apply when an insured has two or more units insured on one policy with this company.

5. Rider>Select Discount.

- a. The rated operator must meet the following requirements to qualify:
 - 1. At least 2 years of experience on street driven motorcycles.
 - 2. Must hold a valid motorcycle license/endorsement.
 - 3. 30 to 65 years old.
 - 4. Must own principal residence (rental does not apply).
 - 5. The unit must be garaged overnight.
 - 6. Previous motorcycle insurance for a continuous year prior to the effective date of the policy, with no more than a 30-day lapse in coverage.
- b. The Rider>Select, Premier Rider and Transfer discounts may not apply to the same unit.
- c. This discount is only available for 12-month term policies.

6. Premier Rider Discount.

- a. The rated operator must meet the following requirements to qualify:
 - 1. At least 5 years of experience on street driven motorcycles.
 - 2. Must hold a valid motorcycle license/endorsement.
 - 3. 35 to 65 years old.
 - 4. Must own principal residence (rental does not apply).
 - 5. The unit must be garaged overnight.

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- 6. Previous motorcycle insurance for a continuous year prior to the effective date of the policy, with no lapse in coverage.
 - b. The Premier Rider, Rider>Select and Transfer discounts may not apply to the same unit.
 - c. This discount is only available for 12-month term policies.

7. Transfer Discount.

- a. Motorcycle insurance must have been maintained with a different company for a continuous year prior to the effective date of the policy.
- b. No more than a 30-day lapse in coverage prior to the effective date of the policy is permitted.
- c. This discount will be removed at the first renewal.
- d. The Transfer, Premier Rider and Rider>Select discounts may not apply to the same unit.

8. College Graduate Scholastic Achievement Discount. The rated operator must meet the following requirements to qualify:

- a. Is not "married", as defined in the **GENERAL RULES**. Discount does not apply for rated operators who qualify for a premium reduction due to marriage.
- b. Is a graduate of a college or university.
- c. Is under the age of 25.
- d. Had a GPA of "B" or higher (if letter grades are used).
- e. Had at least a 3 point average on a 4 point scale (or equivalent).

b. SURCHARGES

- 1. **Driving Record Surcharges.** The following points are applied to any acceptable violation:
 - a. **Minor Violation.** 1 Point for each occurrence.
 - b. **Intermediate Violation.** 2 Points for each occurrence.
 - c. **At-Fault Accident.** 3 Points for each occurrence.
 - d. **Major Violation.** 5 Points for each occurrence.
- 2. **Ineligible Unit Surcharge.** This surcharge will apply if any agent has bound a unit that does not fit within our existing guidelines as an eligible unit.
- 3. **Trike Surcharge.** This surcharge will apply to any unit that has been converted from a two-wheeled motorcycle to a trike, or was originally manufactured as a trike.
- 4. **Unverifiable MVR Surcharge.** This surcharge will apply to any rated operator whose motor vehicle record is not verifiable.

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**ARKANSAS
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COVERAGES AND COVERAGE ELIGIBILITY**

1. **Liability**
 - a. Bodily Injury and Property Damage liability is required at a limit of 25/50/25.
 - b. If multiple units are identified, Liability coverage must be identical across all units.
2. **Passenger Liability**
 - a. PL is required at the same limit as BI Liability (except Off-Road Vehicles, see 2.b. below.)
 - b. PL is not available for Off-Road Vehicles.
3. **Personal Injury Protection**
 - a. PIP is an optional coverage.
 - b. PIP is available for coverage for Work Loss, Medical Payments, and/or Death Benefits.
 - c. PIP is available when Liability is selected.
 - d. All PIP options must be rejected selected in writing.
 - e. All PIP options will be added if not properly rejected in writing.
 - f. If multiple units are identified, PIP coverage(s) must be identical across all units.
4. **Uninsured Motorist Bodily Injury**
 - a. UM is an optional coverage.
 - b. UM limits are available at the same intervals as standard Liability.
 - c. UM limits may not be greater than standard Liability.
 - d. UM must be rejected or selected in writing.
 - e. UM will be added at a limit equal to standard Liability if not properly rejected or selected in writing.
 - f. If multiple units are identified, UM coverage must be identical across all units.
5. **Uninsured Motorist Property Damage**
 - a. UMPD is an optional coverage.
 - b. UMPD is only available if UMBI is selected.
 - c. UMPD limits are available at the same intervals as standard Liability.
 - d. UMPD limits may not be greater than standard Liability.
 - e. UMPD must be rejected or selected in writing.
 - f. UMPD will be added at a limit equal to standard Liability if not properly rejected or selected in writing.
 - g. A deductible of \$200 applies.
 - h. If multiple units are identified, UMPD coverage must be identical across all units.
6. **Underinsured Motorist Coverage Bodily Injury**
 - a. UIM is an optional coverage.
 - b. UIM is available at the same intervals as standard Liability.
 - c. UIM limits may not be greater than standard Liability.
 - d. UIM limits may not be greater than selected UM limits.
 - e. UIM must be rejected in writing.
 - f. UIM will be added at a limit equal to standard Liability if not properly rejected in writing.
 - g. UIM is not available unless UM is purchased.
 - h. If multiple units are identified, UIM coverage must be identical across all units.
7. **Comprehensive**
 - a. Comprehensive is an optional coverage.
 - b. Is available without Collision coverage.
 - c. A deductible will apply.
8. **Collision**
 - a. Collision is an optional coverage.
 - b. Cannot be purchased without Comprehensive coverage.

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c. A deductible will apply.

9. Accessory Coverage

- a. Comprehensive Coverage for the insured unit is required.
- b. Collision Coverage for the insured unit is optional.
- c. \$3,000 is automatically included for all units other than Off-Road Vehicles.
- d. \$1,000 is automatically included for Off-Road Vehicles.
- e. Additional coverage can be purchased.
- f. For Comprehensive losses, the Comprehensive deductible chosen for the insured unit will apply.
- g. For Collision losses, the Collision deductible chosen for the insured unit will apply.
- h. Not available for Custom or Classic units (Class E).

10. Replacement Cost Coverage

- a. Optional coverage.
- b. For new business, this coverage is only available for units 2 model years old or newer.
- c. For renewal business, this coverage is only available for units 3 model years old or newer.
- d. Both Comprehensive and Collision coverage must be written.
- e. Not available to Custom units, Classic units, Mopeds, Scooters or Off-Road Vehicles.
- f. Policy term must be 12 months.

11. Travel Loss Reimbursement Coverage

- a. Optional coverage.
- b. Both Comprehensive and Collision coverage must be written.
- c. Not available to Off-Road Vehicles.

12. Safety Apparel Coverage

- a. Available only at a limit of \$1,000.
- b. Coverage required when Collision coverage is purchased.
- c. A deductible of \$50 will apply.

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TERRITORY DEFINITION

1. Territories are defined by zip code.
2. Zip codes are listed in numeric order in the Territory that they apply.
3. Territories for new zip codes should be determined as follows:
 - a. New zip codes that were split off from old zip codes shall use the Territory of the former zip code for that area.
 - b. New zip codes that combine all or parts of other zip codes shall be assigned to a Territory that was assigned to one of the previous zip codes.

Territory 20: Following Zip Codes:

71604	71671	71766	71858	71956	72024	72064	72122	72175	72327
71605	71674	71767	71859	71957	72025	72065	72123	72176	72328
71606	71675	71768	71860	71958	72026	72066	72125	72177	72329
71607	71676	71769	71861	71959	72027	72067	72126	72178	72330
71608	71677	71770	71862	71960	72028	72068	72127	72179	72331
71609	71678	71772	71864	71961	72029	72069	72128	72180	72332
71610	71701	71801	71865	71962	72030	72070	72129	72181	72333
71630	71711	71802	71866	71964	72031	72071	72130	72182	72335
71631	71720	71820	71904	71965	72032	72072	72131	72183	72336
71634	71721	71821	71905	71966	72033	72073	72132	72200	72338
71635	71722	71822	71906	71968	72034	72074	72133	72208	72339
71638	71724	71823	71907	71969	72035	72075	72134	72213	72340
71639	71725	71825	71908	71970	72036	72076	72135	72218	72341
71640	71726	71826	71911	71971	72037	72078	72136	72220	72342
71642	71728	71827	71912	71972	72038	72079	72137	72224	72346
71643	71729	71828	71920	71973	72039	72080	72139	72226	72347
71644	71730	71829	71921	71999	72040	72081	72140	72228	72348
71646	71731	71831	71922	72001	72041	72082	72141	72229	72350
71647	71740	71832	71923	72002	72042	72083	72142	72230	72351
71648	71741	71833	71929	72003	72043	72084	72143	72297	72352
71649	71742	71834	71930	72004	72044	72085	72145	72301	72353
71650	71743	71835	71931	72005	72045	72086	72149	72303	72354
71651	71744	71836	71932	72006	72046	72087	72150	72310	72355
71652	71745	71837	71933	72007	72047	72088	72152	72311	72358
71653	71747	71838	71934	72009	72048	72089	72153	72312	72359
71654	71748	71839	71935	72010	72049	72101	72154	72313	72360
71655	71749	71840	71937	72011	72051	72102	72156	72314	72364
71657	71750	71841	71940	72012	72052	72103	72157	72315	72365
71658	71751	71842	71941	72013	72053	72104	72158	72316	72366
71659	71752	71844	71942	72014	72054	72105	72159	72317	72367
71660	71753	71845	71943	72015	72055	72106	72160	72318	72368
71661	71754	71846	71944	72016	72056	72107	72164	72319	72369
71662	71757	71847	71945	72017	72057	72108	72165	72320	72370
71663	71758	71851	71946	72018	72058	72110	72166	72321	72372
71664	71759	71852	71949	72019	72059	72111	72167	72322	72373
71665	71762	71853	71950	72020	72060	72112	72168	72323	72374
71666	71763	71854	71951	72021	72061	72113	72169	72324	72376
71667	71764	71855	71952	72022	72062	72120	72170	72325	72377
71670	71765	71857	71953	72023	72063	72121	72173	72326	72378

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72379	72443	72526	72585	72662	72752	72853	72946
72381	72444	72527	72587	72663	72753	72854	72947
72383	72445	72528	72588	72666	72756	72855	72948
72384	72447	72529	72589	72668	72757	72856	72949
72385	72448	72530	72601	72669	72758	72857	72950
72386	72449	72531	72602	72670	72760	72858	72951
72387	72450	72532	72610	72671	72761	72859	72952
72389	72451	72533	72611	72672	72762	72860	72955
72390	72453	72534	72612	72675	72764	72861	72956
72391	72454	72535	72613	72676	72765	72863	72957
72392	72455	72536	72615	72677	72766	72865	72958
72394	72456	72537	72616	72679	72767	72867	72959
72395	72457	72538	72617	72680	72768	72901	75502
72396	72458	72539	72618	72682	72769	72902	
72397	72459	72540	72619	72683	72770	72903	
72401	72460	72541	72620	72684	72772	72904	
72402	72461	72542	72623	72685	72773	72905	
72403	72462	72543	72624	72686	72774	72906	
72404	72463	72544	72626	72687	72775	72907	
72410	72464	72546	72627	72711	72776	72908	
72411	72465	72548	72628	72712	72801	72909	
72412	72466	72549	72629	72714	72802	72910	
72413	72467	72550	72630	72715	72811	72911	
72414	72468	72553	72631	72717	72812	72912	
72415	72469	72554	72632	72718	72820	72913	
72416	72470	72555	72633	72719	72821	72914	
72417	72471	72556	72634	72721	72822	72915	
72418	72472	72557	72635	72722	72823	72916	
72419	72473	72559	72636	72726	72824	72917	
72421	72474	72560	72637	72727	72826	72918	
72422	72475	72561	72638	72728	72827	72921	
72423	72476	72562	72639	72729	72828	72922	
72424	72478	72563	72640	72730	72829	72923	
72425	72479	72564	72641	72732	72830	72924	
72426	72482	72565	72642	72733	72832	72925	
72427	72501	72566	72644	72734	72833	72926	
72428	72503	72567	72645	72735	72834	72927	
72429	72510	72568	72646	72736	72835	72928	
72430	72512	72569	72648	72737	72837	72930	
72431	72513	72570	72650	72738	72838	72932	
72432	72515	72571	72651	72739	72839	72933	
72433	72516	72572	72652	72740	72840	72934	
72434	72517	72573	72653	72741	72841	72935	
72435	72518	72575	72654	72742	72842	72936	
72436	72519	72576	72655	72743	72843	72937	
72437	72520	72577	72656	72744	72844	72938	
72438	72521	72578	72657	72745	72845	72940	
72439	72522	72579	72658	72746	72846	72941	
72440	72523	72581	72659	72747	72847	72943	
72441	72524	72583	72660	72749	72851	72944	
72442	72525	72584	72661	72751	72852	72945	

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Territory 21: Following Zip Codes:

71601	71603	71612	71901	71903	71910	71914	72701	72703
71602	71611	71613	71902	71909	71913	72099	72702	72704

Territory 22: Following Zip Codes:

72114	72118	72199	72204	72209	72214	72219	72225
72115	72119	72201	72205	72210	72215	72221	72227
72116	72124	72202	72206	72211	72216	72222	72231
72117	72190	72203	72207	72212	72217	72223	72295

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PREMIUM COMPUTATION

1. Whole Dollar Premium

- a. The premium shall be rounded to the nearest whole dollar separately for each coverage provided by the policy.
- b. A premium of \$.50 or more shall be rounded up to the next higher whole dollar.
- c. Regardless of any calculation, a premium of at least \$1.00 will be assessed for each coverage selected, including increased limits.

2. Bodily Injury Liability, Property Damage Liability, Passenger Liability, Uninsured Motorist Bodily Injury, Underinsured Motorists Bodily Injury, Uninsured Motorists Property Damage, Personal Injury Protection

The following method should be used to calculate each coverage independently.

- a. Select the Base Rate from the rate section and multiply by the product of all relativity factors from the following list.
 - 1. Territory Relativity
 - 2. Unit Rating Class Relativity
 - 3. Unit Rating Sub-Class Relativity
 - 4. CC Relativity
 - 5. Age/Marital Status Relativity
- b. Select the Increased Limits factor and multiply it to the result of 2.a.
- c. Independently multiply any of the following discounts and surcharges by the result of 2.b.
 - 1. Discounts:
 - a. Association Discount
 - b. Motorcycle Driver Training Discount
 - c. Multi-Unit Discount
 - d. Transfer Discount
 - e. College Graduate Scholastic Achievement Discount
 - f. Rider>Select Discount
 - g. Premier Rider Discount
 If discount a. through g. exceed 30%, cap at 30%, and continue to the following discount:
 - h. Loss Free Renewal Discount
 - 2. Surcharges:
 - a. Ineligible Unit Surcharge
 - b. Trike Surcharge
 - c. Unverifiable MVR Surcharge
 - d. Driving Record Surcharge (applicable point percentage)
- d. Sum the resulting discount and surcharge amounts together with the result from 2.b.
- e. Select the applicable term factor and multiply by the result of 2.d. This result is the coverage total premium.

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3. Comprehensive and Collision (all except Classic Program)

The following method should be used to calculate each coverage independently.

- a. Select the Base Rate from the rate section and multiply by the product of all relativity factors from the following list.
 1. Territory Relativity
 2. Unit Rating Class Relativity
 3. Unit Rating Sub-Class Relativity
 4. CC Relativity
 5. Age/Marital Status Relativity
 6. Age of Unit Relativity
- b. Select the Deductible factor and multiply it to the result of 3.a.
- c. Independently multiply any of the following discounts and surcharges by the result of 3.b.
 1. Discounts:
 - a. Association Discount
 - b. Motorcycle Driver Training Discount
 - c. Multi-Unit Discount
 - d. Transfer Discount
 - e. College Graduate Scholastic Achievement Discount
 - f. Rider>Select Discount
 - g. Premier Rider Discount

If discount a. through g. exceed 30%, cap at 30%, and continue to the following discount:
 - h. Loss Free Renewal Discount
 2. Surcharges:
 - a. Ineligible Unit Surcharge
 - b. Trike Surcharge
 - c. Unverifiable MVR Surcharge
 - d. Driving Record Surcharge (applicable point percentage)
- d. Sum the resulting discount and surcharge amounts together with the result from 3.b.
- e. Select the applicable term factor and multiply by the result of 3.d. This result is the coverage total premium.

4. Comprehensive and Collision (Classic Program)

The following method should be used to calculate each coverage independently.

- a. Multiply the applicable rate per \$100 shown for Comprehensive and Collision coverages by all of the following relativities.
 1. Territory Relativity
 2. Unit Rating Class Relativity
 3. Unit Rating Sub-Class Relativity
 4. Age/Marital Status Relativity
- b. Round the Stated Value amount of the unit up to the nearest \$100. To determine the appropriate rate:

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1. Divide the Stated or Agreed Value of the unit by 100, and
 2. Multiply 4.a. by 4.b.1.
 - c. Select the Deductible factor and multiply it to the result of 4.b.2.
 - d. Independently multiply any of the following discounts and surcharges by the result of 4.c.
 1. Discounts:
 - a. Association Discount
 - b. Motorcycle Driver Training Discount
 - c. Multi-Unit Discount
 - d. Transfer Discount
 - e. College Graduate Scholastic Achievement Discount
 - f. Rider>Select Discount
 - g. Premier Rider Discount

If discount a. through g. exceed 30%, cap at 30%, and continue to the following discount:

 - h. Loss Free Renewal Discount
 2. Surcharges:
 - a. Ineligible Unit Surcharge
 - b. Trike Surcharge
 - c. Unverifiable MVR Surcharge
 - d. Driving Record Surcharge (applicable point percentage)
- e. Sum the resulting discount and surcharge amounts together with the result from 4.c.
- f. Select the applicable term factor and multiply by the result of 4.e. This result is the coverage total premium.

5. Accessory (does not apply to Classic units)

- a. Coverage is automatically provided at a limit of \$3,000 (\$1,000 for Off Road Vehicles). Do not calculate if the amount of coverage requested is equal to or less than \$3,000 (\$1,000 for Off Road Vehicles).
- b. Multiply the Accessory amount by the rate per \$100 base rate. This result is the Accessory base rate.
- c. Multiply the base rate by the product of all relativity factors from the following list.
 1. Territory Relativity
 2. Unit Rating Class Relativity
 3. Unit Rating Sub-Class Relativity
 4. CC Relativity
 5. Age/Marital Status Relativity
- d. Independently multiply any of the following discounts and surcharges by the result of 5.c.
 1. Discounts:
 - a. Association Discount
 - b. Motorcycle Driver Training Discount
 - c. Multi-Unit Discount
 - d. Transfer Discount
 - e. College Graduate Scholastic Achievement Discount

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- f. Rider>Select Discount
- g. Premier Rider Discount

If discount a. through g. exceed 30%, cap at 30%, and continue to the following discount:

- h. Loss Free Renewal Discount

2. Surcharges:

- a. Ineligible Unit Surcharge
- b. Trike Surcharge
- c. Unverifiable MVR Surcharge
- d. Driving Record Surcharge (applicable point percentage)

e. Sum the resulting discount and surcharge amounts together with the result from 5.c.

f. Select the applicable term factor and multiply by the result of 5.e. This result is the coverage total premium.

6. Replacement Cost Coverage

- a. Refer to the Comprehensive, Collision and Accessory Coverage premium computation. Recalculate the Comprehensive, Collision and Accessory premiums using the current year Age of Unit Relativity.
- b. Add the Replacement Cost Coverage premium.
- c. Select the applicable term factor and multiply by 6.b. This result is the coverage total premium.

7. Travel Loss Reimbursement Coverage

- a. Add the Travel Loss Reimbursement Coverage premium.
- b. Select the applicable term factor and multiply by 7.a. This result is the coverage total premium.

8. Safety Apparel Coverage

- a. Add the Safety Apparel Coverage premium.
- b. Select the applicable term factor and multiply by 8.a. This result is the coverage total premium.

9. Total Policy Premium

- a. Sum all the applicable coverage total premiums.
- b. This result is the **TOTAL POLICY PREMIUM**.

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BASE RATES AND TABLES

1. Base Rates

BI	PD	PL	PIP – Med	PIP – Death	PIP – Work Loss	COMP ACV	COLL ACV	COMP (Classic Rate per \$100)	COLL (Classic Rate per \$100)	UM	UIM	UMPD	Access. Rate Per \$100
\$19.85	\$10.70	\$15.00	\$55.30	\$18.80	\$54.35	\$84.00	\$113.25	\$5.00	\$5.00	\$26.80	\$29.10	\$12.40	\$2.00

2. Territory Relativity

Territory	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
20	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
21	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.00	1.00	1.00	1.00
22	1.12	1.12	1.12	1.12	1.12	1.12	1.50	1.12	1.00	1.00	1.00	1.00

3. Class Relativity

Class	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
A	1.00	1.00	1.00	1.00	1.00	1.00	0.85	0.90	1.00	1.00	1.00	1.00
B	1.10	1.10	1.10	1.10	1.10	1.10	1.40	1.40	1.00	1.00	1.00	1.00
C	1.15	1.15	1.15	1.15	1.15	1.15	1.40	1.60	1.00	1.00	1.00	1.00
D	1.00	1.00	N/A	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
E	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A

4. Sub-Class Relativity

Class	Sub-Class	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
A	AO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	AS	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	AT	0.50	0.50	0.50	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CL	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CR	0.50	0.50	0.50	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	DB	0.55	0.55	0.55	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	DP	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	LP	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	MP	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SC	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SD	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	SP	1.30	1.30	1.30	1.00	1.00	1.00	1.30	1.30	1.00	1.00	1.00	1.00
	ST	0.85	0.85	0.85	1.00	1.00	1.00	0.85	0.85	1.00	1.00	1.00	1.00
SU	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	
TR	0.85	0.85	0.85	1.00	1.00	1.00	0.85	0.85	1.00	1.00	1.00	1.00	
UL	0.40	0.40	0.40	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	1.00	
B	AO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	AS	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	AT	0.50	0.50	0.50	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	CL	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CR	0.50	0.50	0.50	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	1.00
	DB	0.55	0.55	0.55	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	DP	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	LP	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	MP	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SC	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SD	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00
	SP	0.90	0.90	0.90	1.00	1.00	1.00	0.90	0.90	1.00	1.00	1.00	1.00
	ST	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00
SU	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	

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Class	Sub-Class	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
	TR	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00
	UL	0.40	0.40	0.40	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	1.00
C	AO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	AS	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	AT	0.50	0.50	0.50	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CL	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CR	0.80	0.80	0.80	1.00	1.00	1.00	0.80	0.80	1.00	1.00	1.00	1.00
	DB	0.55	0.55	0.55	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	DP	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	LP	0.80	0.80	0.80	1.00	1.00	1.00	0.80	0.80	1.00	1.00	1.00	1.00
	MP	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SC	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SD	0.60	0.60	0.60	1.00	1.00	1.00	0.60	0.60	1.00	1.00	1.00	1.00
	SP	1.30	1.30	1.30	1.00	1.00	1.00	1.30	1.30	1.00	1.00	1.00	1.00
	ST	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00
	SU	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
TR	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00	1.00
UL	0.40	0.40	0.40	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	1.00	1.00
D	AO	1.00	1.00	N/A	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	AS	0.70	0.70	N/A	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	AT	0.50	0.50	N/A	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CL	1.00	1.00	N/A	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	1.00
	CR	0.80	0.80	N/A	1.00	1.00	1.00	0.80	0.80	1.00	1.00	1.00	1.00
	DB	0.55	0.55	N/A	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	1.00
	DP	0.70	0.70	N/A	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	1.00
	LP	1.00	1.00	N/A	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	MP	0.35	0.35	N/A	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SC	0.35	0.35	N/A	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	1.00
	SD	0.60	0.60	N/A	1.00	1.00	1.00	0.60	0.60	1.00	1.00	1.00	1.00
	SP	0.90	0.90	N/A	1.00	1.00	1.00	0.90	0.90	1.00	1.00	1.00	1.00
	ST	0.75	0.75	N/A	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00
	SU	2.00	2.00	N/A	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
TR	0.75	0.75	N/A	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	1.00	
UL	0.40	0.40	N/A	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	1.00	
E	AO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A
	AS	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	N/A
	AT	0.50	0.50	0.50	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	N/A
	CL	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00	N/A
	CR	0.80	0.80	0.80	1.00	1.00	1.00	0.80	0.80	1.00	1.00	1.00	N/A
	DB	0.55	0.55	0.55	1.00	1.00	1.00	0.55	0.55	1.00	1.00	1.00	N/A
	DP	0.70	0.70	0.70	1.00	1.00	1.00	0.70	0.70	1.00	1.00	1.00	N/A
	LP	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A
	MP	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	N/A
	SC	0.35	0.35	0.35	1.00	1.00	1.00	0.35	0.35	1.00	1.00	1.00	N/A
	SD	0.60	0.60	0.60	1.00	1.00	1.00	0.60	0.60	1.00	1.00	1.00	N/A
	SP	0.90	0.90	0.90	1.00	1.00	1.00	0.90	0.90	1.00	1.00	1.00	N/A
	ST	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	N/A
	SU	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	N/A
TR	0.75	0.75	0.75	1.00	1.00	1.00	0.75	0.75	1.00	1.00	1.00	N/A	
UL	0.40	0.40	0.40	1.00	1.00	1.00	0.40	0.40	1.00	1.00	1.00	N/A	

5. CC Relativity

CC's	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
0-69	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
70-99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
100-199	1.43	1.43	1.43	1.13	1.13	1.13	1.75	1.75	1.00	1.00	1.00	1.00

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200-259	1.43	1.43	1.43	1.13	1.13	1.13	1.75	1.75	1.00	1.00	1.00	1.00
260-369	1.43	1.43	1.43	1.13	1.13	1.13	2.00	2.00	1.00	1.00	1.00	1.00
370-459	2.00	2.00	2.00	1.25	1.25	1.25	2.00	2.00	1.00	1.00	1.00	1.00
460-509	2.43	2.43	2.43	1.25	1.25	1.25	2.38	2.38	1.00	1.00	1.00	1.00
510-559	2.86	2.86	2.86	1.38	1.38	1.38	2.50	2.50	1.00	1.00	1.00	1.00
560-659	2.86	2.86	2.86	1.38	1.38	1.38	2.50	2.50	1.00	1.00	1.00	1.00
660-759	3.14	3.14	3.14	1.44	1.44	1.44	2.63	2.63	1.00	1.00	1.00	1.00
760-859	3.43	3.43	3.43	1.44	1.44	1.44	2.63	2.63	1.00	1.00	1.00	1.00
860-959	4.64	4.64	4.64	1.44	1.44	1.44	3.50	3.50	1.00	1.00	1.00	1.00
960-1059	4.64	4.64	4.64	1.50	1.50	1.50	3.87	3.87	1.00	1.00	1.00	1.00
1060-1209	5.43	5.43	5.43	1.56	1.56	1.56	4.25	4.25	1.00	1.00	1.00	1.00
1210-1299	5.43	5.43	5.43	1.56	1.56	1.56	4.25	4.25	1.00	1.00	1.00	1.00
1300-1449	6.29	6.29	6.29	1.56	1.56	1.56	5.00	5.50	1.00	1.00	1.00	1.00
1450-1699	6.29	6.29	6.29	1.56	1.56	1.56	5.00	5.50	1.00	1.00	1.00	1.00
1700-1799	7.86	7.86	7.86	1.56	1.56	1.56	8.13	8.75	1.00	1.00	1.00	1.00
1800-1899	7.86	7.86	7.86	1.56	1.56	1.56	8.13	8.75	1.00	1.00	1.00	1.00
1900-1999	8.57	8.57	8.57	1.56	1.56	1.56	8.75	9.38	1.00	1.00	1.00	1.00
2000+	8.57	8.57	8.57	1.56	1.56	1.56	8.75	9.38	1.00	1.00	1.00	1.00

6. Age of Insured / Marital Status Relativity

Age of Insured / Marital Status	BI	PD	PL	PIP – Med	PIP – Death	PIP – Work	COMP	COLL	UM	UIM	UMPD	Access.
10-15 / Married	5.40	5.40	1.65	1.75	1.75	1.75	4.65	2.55	1.75	1.75	2.05	1.00
16-18 / Married	3.30	3.30	1.65	1.75	1.75	1.75	4.50	2.55	1.75	1.75	2.05	1.00
19-21 / Married	1.80	1.80	1.65	1.75	1.75	1.75	3.45	2.05	1.75	1.75	2.05	1.00
22-26 / Married	1.30	1.30	1.00	1.00	1.00	1.00	2.60	1.65	1.20	1.20	2.05	1.00
27-31 / Married	1.25	1.25	1.00	1.00	1.00	1.00	2.05	1.35	1.20	1.20	1.10	1.00
32-34 / Married	1.10	1.10	1.00	1.00	1.00	1.00	1.45	1.10	1.20	1.20	1.10	1.00
35-39 / Married	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.10	1.20	1.20	1.10	1.00
40-49 / Married	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.10	1.20	1.20	1.10	1.00
50-65 / Married	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
66+ / Married	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
10-15 / Single	5.50	5.50	2.15	1.65	1.65	1.65	3.15	3.50	1.90	1.90	2.20	1.00
16-18 / Single	3.40	3.40	2.15	1.65	1.65	1.65	3.15	3.15	1.55	1.55	2.20	1.00
19-21 / Single	2.45	2.45	2.15	1.65	1.65	1.65	3.05	2.25	1.55	1.55	2.20	1.00
22-26 / Single	1.75	1.75	1.20	1.65	1.65	1.65	2.80	1.85	1.50	1.50	2.20	1.00
27-31 / Single	1.75	1.75	1.20	1.00	1.00	1.00	2.50	1.55	1.50	1.50	1.95	1.00
32-34 / Single	1.75	1.75	1.20	1.00	1.00	1.00	1.95	1.40	1.50	1.50	1.35	1.00
35-39 / Single	1.75	1.75	1.20	1.00	1.00	1.00	1.85	1.40	1.50	1.50	1.35	1.00
40-49 / Single	1.75	1.75	1.20	1.00	1.00	1.00	1.65	1.30	1.50	1.50	1.35	1.00
50-65 / Single	1.35	1.35	1.20	1.00	1.00	1.00	1.40	1.20	1.25	1.25	1.25	1.00
66+ / Single	1.35	1.35	1.20	1.00	1.00	1.00	1.40	1.15	1.20	1.20	1.15	1.00

7. Age of Unit Relativity

Age of Unit	COMP	COLL
0	1.05	1.05
1	1.00	1.00
2	0.78	0.78
3	0.51	0.51
4	0.51	0.51
5	0.45	0.45
6	0.45	0.45
7	0.45	0.45
8 +	0.45	0.45

8. Increased Limit Relativities

Liability Limit	BI Factor	PL Factor	UM Factor	UIM Factor
25/50	1.00 (Base)	1.00 (Base)	1.00 (Base)	1.00 (Base)

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50/100	1.08	1.14	1.14	1.18
100/300	1.17	1.43	1.43	1.47
250/500	2.00	1.96	1.96	1.76

Property Damage Limit	PD Liability Factor	UMPD Factor
\$25,000	1.00 (Base)	1.00 (Base)
\$50,000	1.17	1.13
\$100,000	2.00	2.00

Personal Injury Protection	Factor
Work Loss	1.00 (Base)
Death Benefits	1.00 (Base)
Medical Payments	1.00 (Base)

9. Deductible

Program	\$100 Ded		\$250 Ded		\$500 Ded		\$1,000 Ded	
	Comp	Coll	Comp	Coll	Comp	Coll	Comp	Coll
A	1.13	1.47	1.00	1.00	0.97	0.95	0.82	0.67
B	1.13	1.47	1.00	1.00	0.97	0.95	0.82	0.67
C	1.13	1.47	1.00	1.00	0.97	0.95	0.82	0.67
D	1.13	1.47	1.00	1.00	0.97	0.95	0.82	0.67
E	1.13	1.47	1.00	1.00	0.97	0.95	0.82	0.67

10. Term

Term	Factor
12-month	1.00

11. Replacement Cost Coverage

\$10.00 per unit (and re-rated as a current model year unit)

12. Travel Loss Reimbursement Coverage

\$10.00 per unit.

13. Safety Apparel Coverage

- a. This coverage is available only at a limit of \$1,000
- b. Coverage is required when Collision coverage is purchased

14. DISCOUNTS AND SURCHARGES

- a. **Discounts.** There will be a maximum allowance of 30% combined for all discounts, excluding the Loss Free Renewal Discount discounts.

Discount	BI, PD, PL, PIP (all), UM (all)	Comp, Coll, Access.
Association Discount	5%	5%
Motorcycle Driver Training Discount	10%	10%
Rider>Select Discount	10%	10%
Premier Rider Discount	15%	15%
Transfer Discount	5%	5%
Multi-Unit Discount	10%	10%
Loss Free Renewal Discount (First renewal)	10%	10%
Loss Free Renewal Discount (Second and additional renewals)	15%	15%
College Graduate Scholastic Achievement Discount	10%	10%

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b. Surcharges

Surcharge	BI, PD, PL, PIP (all), UM (all)	Comp, Coll, Access.
Ineligible Unit Surcharge	225%	225%
Trike Conversion Surcharge	25%	25%
Unverifiable MVR Surcharge	25%	25%
Driving Record Surcharge (0 points)	0%	0%
Driving Record Surcharge (1 point)	10%	10%
Driving Record Surcharge (2 points)	35%	35%
Driving Record Surcharge (3 points)	50%	50%
Driving Record Surcharge (4 points)	60%	60%
Driving Record Surcharge (5-6 points)	90%	90%
Driving Record Surcharge (7 points)	100%	100%
Driving Record Surcharge (8-9 points)	150%	150%
Driving Record Surcharge (10-11 points)	175%	175%
Driving Record Surcharge (12 points)	200%	200%
Each Additional Point (13 and above)	+50%	+50%

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q. **Violations and Accidents**

1. **Major Violation.**

- a. Driver's license suspended, revoked, cancelled or barred.
- b. Driving while suspended/revoked, cancelled, etc.
- c. Drag racing or participating in speed contests.
- d. Failure to stop and report accident involvement (hit-and-run).
- e. Reckless driving.
- f. Fleeing or attempting to elude a police officer.
- g. Any speeding violation in excess of 40 mph over the limit.
- h. DUI/DWI violations, defined as
 - 1. alcohol/liquor or drug related;
 - 2. refusal of an alcohol test;
 - 3. possession of an illegal substance; or
 - 4. open container.

2. **Intermediate Violation.**

- a. Any railroad crossing violation.
- b. Failure to yield to emergency vehicle.
- c. Spinning wheels, excessive acceleration, etc.
- d. Any improper passing.
- e. Any speeding violation between 30 – 40 mph over the limit.
- f. Unsafe operation of a motorcycle. Examples include, driving on sidewalk, more riders than seats, driving through a funeral procession, and holding onto another moving vehicle while operating a motorcycle.

3. **Minor Violation** means violations not indicated as a Major or Intermediate Violation.

4. **At-Fault Accident.**

For underwriting and rating purposes, every accident will be considered to be "At-Fault" EXCEPT those occurring under the following circumstances:

- a. Any accident which can be shown that the applicant was less than 50% at fault.
- b. The vehicle was lawfully parked and stationary at the time of the accident.
- c. Any accident where an insured unit is struck by another vehicle and the applicant or other resident operator is reimbursed by, or on behalf of, the individual(s) who are responsible for an accident or receives judgment against such person.
- d. Any accident where the unit operated by the applicant or any resident operator is the victim of a "hit-and-run", if the applicant or resident operator reports the accident to the proper authority within 24 hours.
- e. The accident was caused by contact with a bird or animal.
- f. Any accident where the operator of the other vehicle involved in the accident was convicted of a moving traffic violation and the applicant or resident operator was not convicted of a moving traffic violation in connection with the accident.
- g. Accidents involving Physical Damage, limited to and caused by flying missiles, or falling objects.

2. **UNIT RATING CLASS**

- a. **A** (Standard motorcycles with relatively low repair costs.)
- b. **B** (Motorcycles with higher repair costs than the A class due to increased values and accessories.)
- c. **C** (Motorcycles with the highest repair costs due to value and limited production.)
- d. **D** (All Off-Road Vehicles.)
- e. **E** (Classic motorcycles.)

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