

SERFF Tracking Number: SHEL-126354056 State: Arkansas
Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: 03M00109
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Product Name: PPA
Project Name/Number: Gilmore/

Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: PPA

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto
(PPA)

Filing Type: Rate/Rule

SERFF Tr Num: SHEL-126354056 State: Arkansas

SERFF Status: Closed-Filed

Co Tr Num: 03M00109

Authors: Brian Marcks, Sue
Burlingame

Date Submitted: 10/23/2009

State Tr Num: EFT \$100

State Status: Fees verified and
received

Reviewer(s): Alexa Grissom, Betty
Montesi

Disposition Date: 11/13/2009

Disposition Status: Filed

Effective Date Requested (New): 12/12/2009

Effective Date Requested (Renewal): 12/12/2009

State Filing Description:

Effective Date (New): 12/12/2009

Effective Date (Renewal):

General Information

Project Name: Gilmore

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 11/13/2009

State Status Changed: 10/29/2009

Created By: Brian Marcks

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Submitted By: Brian Marcks

This filing consists of revised base rates for Liability, Medical Payments, Collision and Comprehensive coverages. Tier factors have been revised. Emergency Road Service rates have been revised. The increased limit factors for Bodily Injury Liability have been revised. The increased limit factors for Single Limit Liability have been revised. Model Year factors have been added. Collision and Comprehensive deductible factors have been revised. Cost Symbol factors have been revised. Rate Class Factors have been revised. The rate factors for Classic Car coverage have been revised. The Comprehensive factor for Z2 trailers has been revised. The Comprehensive rates for Z1 house trailers have been revised. The Safe Driver Discount percentages have been revised. Territory definitions have been updated due to postal changes. Editorial changes have been made to the General Rules and Rate Pages.

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The overall effect of this filing is expected to be a revenue increase of 4.0% or \$4,375,972.

Company and Contact

Filing Contact Information

Brian Marcks, Coordinator of Insurance BCMarcks@shelterinsurance.com
 Department Affairs
 1817 West Broadway 573-214-4165 [Phone]
 Columbia, MO 65218 573-446-7317 [FAX]

Filing Company Information

Shelter Mutual Insurance Company CoCode: 23388 State of Domicile: Missouri
 1817 West Broadway Group Code: Company Type:
 Columbia, MO 65218 Group Name: State ID Number:
 (573) 445-8441 ext. [Phone] FEIN Number: 43-0613000

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$100.00	10/23/2009	31522189

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	11/13/2009	11/13/2009

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	11/05/2009	11/05/2009	Brian Marcks	11/09/2009	11/09/2009
Pending Industry Response	Alexa Grissom	11/03/2009	11/03/2009	Brian Marcks	11/05/2009	11/05/2009
Pending Industry Response	Alexa Grissom	10/29/2009	10/29/2009	Brian Marcks	11/03/2009	11/03/2009

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	NAIC loss cost data entry document	Brian Marcks	11/12/2009	11/12/2009
Rate	Revised Manual Page	Brian Marcks	10/27/2009	10/27/2009

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 Project Name/Number: Gilmore/

Disposition

Disposition Date: 11/13/2009
 Effective Date (New): 12/12/2009
 Effective Date (Renewal):
 Status: Filed
 Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Shelter Mutual Insurance Company	4.500%	4.000%	\$4,375,972	203,130	\$110,608,408	33.200%	-8.500%

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Schedule	Schedule Item	Schedule 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 (revised)	NAIC loss cost data entry document	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	Explanatory Memorandum	Filed	Yes
Supporting Document	Rate Indications / Supporting Exhibits	Filed	Yes
Supporting Document	Histograms	Filed	Yes
Supporting Document	Z2 Trailer Experience	Filed	Yes
Supporting Document	Sample Rating Scenario	Filed	Yes
Supporting Document	Revised Exhibits for November 9 response	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Rate Pages	Filed	Yes
Rate	Revised Manual Page	Filed	Yes
Rate	Manual Pages	Filed	Yes
Rate	Revised Manual Pages	Filed	Yes

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Product Name: PPA
Project Name/Number: Gilmore/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 11/05/2009

Submitted Date 11/05/2009

Respond By Date

Dear Brian Marcks,

This will acknowledge receipt of the captioned filing. I have been asked to obtain the number of policies and the amount of increase for each factor (Z2, Territory and rate class) that is producing the larger increases. Also, we would like for the increases to be capped at 20 percent.

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State

Response Letter Date 11/09/2009

Submitted Date 11/09/2009

Dear Alexa Grissom,

Comments:

We received your note of November 5 and have revised our filing to cap policyholder increases at 20 percent.

Response 1

Comments: The attached revised exhibits and revised manual pages reflect the following changes made to the original filing:

1. Revised the proposed Z2 Camping/Utility Trailer Comprehensive factor from 2.50 to 1.75.
2. Reduced the proposed rate class factors for the following rate classes: X, T4, TX, DH, DF and WB.
3. Reduced the proposed factors for Comprehensive cost symbols 1 thru 8.
4. Modified some of the proposed territorial base rates for Liability, Medical Payments, Collision and Comprehensive coverage.

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Please see the attached revised histograms showing the distribution of the changes. With the above revisions, the overall effect of this filing is expected to be a revenue increase of 4.0% or \$4,375,839.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Revised Exhibits for November 9 response

Comment: Please see attachments related to our November 9 response.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Revised Manual Pages	R-2, R-6, R-8, R-9 and R-17	Replacement	

We hope these revisions sufficiently address your concerns. Please let me know if you have questions.

Sincerely,

Brian Marcks, Sue Burlingame

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Product Name: PPA
Project Name/Number: Gilmore/

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 11/03/2009

Submitted Date 11/03/2009

Respond By Date

Dear Brian Marcks,

This will acknowledge receipt of the captioned filing. Please provide more information on the policies that will receive the larger increases. Has the loss ratio for this class been poor? Are there other factors contributing to the increase?

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State

Response Letter Date 11/05/2009

Submitted Date 11/05/2009

Dear Alexa Grissom,

Comments:

Thank you for your note of November 3.

Response 1

Comments: The increase to the Comprehensive Z2 Trailer factor (see Exhibit M) is the main reason for the larger policy increases in this filing. The loss experience for comprehensive coverage for these trailers has been poor. Attached is an exhibit showing the three year loss experience for these trailers.

Of the 6995 policies seeing an increase of 20% or more, 6927 are Z2 trailer policies with Comprehensive coverage. Of the remaining 68 policies, following are characteristics of the policies seeing a 20% or more increase:

1. Policies written with Liability and Medical Payments only in territories that received a higher percentage Liability increase than the other territories (Territories 11, 12, 22, 26, 30 and 31). Following is three year Liability loss experience for these territories compared to the experience of all of the other territories:

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 Project Name/Number: Gilmore/

Territory 11: 143%
 Territory 12: 69%
 Territory 22: 81%
 Territory 26: 78%
 Territory 30: 73%
 Territory 31: 67%
 All others: 60%

2. Rate classes that received a higher percentage increase than other rate classes (rate classes X, P, DF, DH, T4 and TX). Following is the three year loss experience for these rate classes compared to the experience of all of the other rate classes:

X (Adult 48 Plus)	74.7%
P (Unmarried Female 25-29)	94.7%
DF (Unmarried Female Principal 21-24)	68.3%
DH (Unmarried Female Principal under 21)	75.4%
T4 (Unmarried Male Principal under 21)	67.6%
TX (Unmarried Male Principal 21-24)	76.1%
All others:	64.8%

The trailer policies will have the greatest percentage increase but the dollar impact will be less significant. The greatest dollar impact for a trailer could be as high as \$65 but most will be less than that. Attached is a rating scenario for a policy that could see the greatest dollar impact. It is a young driver with Liability only in one of the territories getting a larger base rate increase.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Z2 Trailer Experience

Comment: Please see attachment.

Satisfied -Name: Sample Rating Scenario

Comment: Please see attached rating scenario of a policy with characteristics that could see greatest dollar impact with this filing.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

SERFF Tracking Number: *SHEL-126354056* *State:* *Arkansas*
Filing Company: *Shelter Mutual Insurance Company* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *03M00109*
TOI: *19.0 Personal Auto* *Sub-TOI:* *19.0001 Private Passenger Auto (PPA)*
Product Name: *PPA*
Project Name/Number: *Gilmore/*

Please let me know if you have questions.

Sincerely,
Brian Marcks, Sue Burlingame

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Product Name: PPA
Project Name/Number: Gilmore/

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/29/2009
Submitted Date 10/29/2009
Respond By Date

Dear Brian Marcks,

This will acknowledge receipt of the captioned filing. Please advise what factors would produce a premium increase of 33 percent. Please provide the Department with a count of insureds who would receive an increase above 20 percent, the amount of the increase and the factor changes producing such. Additionally, please review Directive 2-2009 and Ark. Code Ann. 23-89-152. Collision claims that are acts of nature and/or not-at-fault may not be surcharged.

Please feel free to contact me if you have questions.

Sincerely,
Alexa Grissom

Response Letter

Response Letter Status Submitted to State
Response Letter Date 11/03/2009
Submitted Date 11/03/2009

Dear Alexa Grissom,

Comments:

Reference is made to your note of October 29. Following are responses to your questions in the same order as they appeared in your note.

Response 1

Comments: 1. Attached are histograms depicting the distribution of the rate changes contained in this filing. When preparing these histograms we did discover that the maximum and minimum changes that we reported in our original submission were incorrect. We failed to include the rate impacts of the Comprehensive Z2 camping/utility trailer factor increase and the Classic Car factor decreases in our maximum and minimum change calculation. We have included three histograms showing the changes separately for Z2 trailers, classic cars and all other PPA types. The characteristics of the policies that will see the greatest percentage increase in this filing are Z2 trailers that are written with Comprehensive coverage only. 6995 policies will have increases of 20% or more (6927 of those policies are Z2 trailers). We apologize for the confusion this oversight may have caused.

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2. We have reviewed Directive 2-2009 and Ark. Code Ann. 23-79-152 and have revised our Good Driver Plan to comply. Attached manual pages GR-19 and GR-20 replace the manual pages of like number currently on file. We have added the following exception to the chargeable accident definition:

(h) In the event of a one car accident, Collision claims arising from natural causes and that are beyond the insured's control. "Natural cause" is defined as an act occasioned exclusively by the violence of nature where all human agency is excluded from creating or entering in the cause of the damage or injury.

In addition, we have revised the first paragraph of Rule 8.C. on manual page GR-19 for clarification purposes.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Histograms

Comment: Please see attachments.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Manual Pages	GR-19 and GR-20	Replacement	

Please let me know if you have questions.

Sincerely,
Brian Marcks, Sue Burlingame

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Project Name/Number: Gilmore/

Amendment Letter

Submitted Date: 11/12/2009

Comments:

Alexa,

Per our phone conversation this afternoon, attached is a revised RF-1.

Brian

Changed Items:

Supporting Document Schedule Item Changes:

Satisfied -Name: NAIC loss cost data entry document

Comment: Please see attachment.

ARRFARF1 - Revised.pdf

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Product Name: PPA
Project Name/Number: Gilmore/

Amendment Letter

Submitted Date: 10/27/2009

Comments:

Alexa,

After submitting this filing last Friday, we detected that we had inadvertently removed two zip codes (72099 and 72199) from the definition of Territory 40 in Pulaski County. These two zip codes are in the definition of Territory 40 on manual page T-2 currently on file. Attached is a corrected manual page T-2 to be substituted for the page of like number submitted in our original filing. We apologize for any confusion that may have caused. Thank you for your help.

Brian

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Number:	Attach Document:
Revised Manual Page	T-2	Replacement		Corrected page T-2.pdf

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State: Arkansas
 State Tracking Number: EFT \$100
 Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Rate Information

Rate data applies to filing.

Filing Method: File and Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: -5.400%
Effective Date of Last Rate Revision: 03/22/2007
Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Shelter Mutual Insurance Company	4.500%	4.000%	\$4,375,972	203,130	\$110,608,408	33.200%	-8.500%

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Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed 11/13/2009 Manual Pages		GR-3, GR-7, GR-8, GR-11, GR-24, T-1, T-2, R-1 thru R-4, R-6 thru R-18, CISO-1, CISO-2 and CISO-6	Replacement	AR GR, T, R and CISO pages.pdf
Filed 11/13/2009 Rate Pages		C-1 thru C-8	Withdrawn	
Filed 11/13/2009 Revised Manual Page	T-2		Replacement	Corrected page T-2.pdf
Filed 11/13/2009 Manual Pages		GR-19 and GR-20	Replacement	Revised GR-19 & GR-20.pdf
Filed 11/13/2009 Revised Manual Pages		R-2, R-6, R-8, R-9 and R-17	R-Replacement	Mutual Rate Pages-Revised.pdf

1. DEFINITIONS AND INTERPRETATIONS (Cont.)

E. RECREATIONAL VEHICLES

Motor Home

A motor home is a self-propelled vehicle that is permanently equipped for use as living quarters. This includes a mini-home, which is so equipped, but does not include vans with raised tops.

Motor homes are to be classified and rated as pleasure use and "motor home" is to be indicated on the application. All rules in this manual applicable to private passenger automobiles will apply, except the Classification Discounts will not be applicable.

The cost symbol and model year will be determined from Rules 5. and 6. based on the model year of the vehicle chassis and the cost price new of the entire unit, including the living quarters.

The semiannual premium so determined will be the annual premium for a motor home. See the Policy Term Rule for special provisions applicable to other terms.

F. TRAILERS

(1) House Trailer

A house trailer is an automobile drawn highway vehicle designed to serve as a dwelling on a temporary basis when parked. House trailers shall be rated as Class Z1. A house trailer would include a camping trailer used more than 60 days per year.

(2) Other Than House Trailer (includes Utility, Business Use Owned by the Insured and Other Type Trailers)

These trailers shall be rated Class Z2 if no liability is selected. If Liability coverage is added, the Liability charge is based on the towing unit liability premium. If Physical Damage is written, the cost symbol and model year will be determined from Rules 5, Cost Symbols, and 6, Model Year, based on the cost price new and model year of the trailer. The semiannual premium so determined will be the annual premium. See Rule 3, Policy Term and Rounding Rule, for special provisions applicable to other terms.

Refer to the following as applicable for further details by trailer type.

(a) Utility Trailer

A utility trailer is a trailer designed to be towed by a private passenger automobile with gross vehicle weight rating of 12,000 pounds or less. This includes:

- i) camping trailers used 60 days or less per year,
- ii) farm use trailers,
- iii) trailers used for business and towed by a private passenger automobile and
- iv) trailers not used for business and towed by other than private passenger automobiles.

Excluded from this definition are any trailers utilized as an office/store, display trailer, living quarters and passenger transport. Liability and Medical Payments coverage automatically extend from the towing unit to utility trailers while attached to or towed by an insured private passenger automobile.

1. DEFINITIONS AND INTERPRETATIONS (Cont.)

Members of the Household

- (1) insured
- (2) any person residing in the insured's household, and
- (3) any person under the age 25 who is in the insured's care (or care of a resident relative) but resides away from the insured's residence while attending school.

"48 Plus" Rate Classification

The rate class applicable when a driver or spouse is age 48 or over and a business use classification is not required.

- (1) "D" Rate Class - The driver and spouse are both under age 70 and there are no unmarried operators in the insured's household under age 25.
- (2) "X" Rate Class - The driver and spouse are both under age 70 and each unmarried operator in the insured's household under age 25 is rated on a separate Shelter insured vehicle.
- (3) "Q" Rate Class - The driver or spouse is age 70 and over AND
 - (a) there are no unmarried operators in the insured's household under age 25, OR
 - (b) each unmarried operator in the insured's household under age 25 is rated on a separate Shelter insured vehicle.

"Adult" Rate Classification

The rate class applicable to risks not required to be written in a business use classification or in a classification for drivers under age 35, nor qualified to be written in the "48 Plus" classification.

Principal Operator

The one who drives the vehicle either 50% or more of the time or 50% or more of the miles the vehicle is driven.

If two or more unmarried males under 25 years of age do not individually qualify as principal operators but their combined use of the vehicle constitutes 50% or more of its total time or mileage use, the vehicle is considered as having a principal operator of the same age as the unmarried male under 25 years of age who is the most frequent operator. If there is more than one vehicle being insured, a young driver rate based on the use is required for each unmarried male operator under 25 years of age.

If two or more unmarried females under 25 years of age do not individually qualify as principal operators but their combined use of the vehicle constitutes 50% or more of its total time or mileage use, the vehicle is considered as having a principal operator of the same age as the unmarried female under 25 years of age who is the most frequent operator. If there is more than one vehicle being insured, a young driver rate based on the use is required for each unmarried female operator under 25 years of age.

For purposes of this definition only, if the two or more unmarried operators under 25 years of age involve a combination of males and females, ignore the use by any unmarried females.

1. DEFINITIONS AND INTERPRETATIONS (Cont.)

I. RISKS INVOLVING TWO OR MORE PRIVATE PASSENGER AUTOMOBILES

When two or more private passenger automobiles, excluding business use vehicles, insured in this Company are owned or operated by individuals who reside in the same household, and one or more of the owners or operators in the household is a male under 35 years of age or is an unmarried female under 35 years of age, the appropriate "under 35" classification shall apply to only one vehicle for each such owner or operators. Additional vehicles in the same household shall be rated as if there were no such owners or operators.

When applying this rule, the "under 35" classification rules are as follows:

- (1) Unmarried male and female occasional operators under age 25 – The "under 25" classification applies to the vehicle which otherwise develops the highest premium, considering the year, model, value and coverages carried.
- (2) Unmarried male and female principal operators under age 35 – The "under 35" classification applies to the vehicle that the operator drives most.

RISKS INVOLVING TWO OR MORE MOTORCYCLES

A Motorcycle needs to be rated for each owner or operator under age 25, except married females. If the operator under age 25 owns or is principal operator of two or more motorcycles, the under age 25 classification will apply to the motorcycle the operator drives the most.

J. ARKANSAS FREEDOM OF CHOICE NO-FAULT COVERAGES

Effective July 1, 1974, Arkansas law requires that the supplemental coverages of Medical Payments, Income Disability and Accidental Death be offered, in the minimum limits shown, on all insurance policies issued or delivered in this state which provide Liability coverage for private passenger motor vehicles, as defined below. These supplemental coverages apply to the named insured and members of his family residing in the same household, injured in a motor vehicle accident, to passengers injured while occupying the insured motor vehicle, and to persons (other than those occupying another motor vehicle) struck by the insured motor vehicle, without regard to fault.

The named insured has the right to reject in writing all or any one or more of these supplemental coverages. If an applicant for insurance chooses to reject any of these coverages, the rejection form must be completed in duplicate at the time an application for insurance is written. The original should be forwarded to the Home Office and the duplicate should be given to the applicant.

For the purposes of this rule, a private passenger motor vehicle is a vehicle of the private passenger, station wagon or pickup type designed for use upon public roads, including trailers designed for use with such vehicles. Motorcycles, motorbikes and motorscooters are included in this definition.

2. COVERAGES (Cont.)

H. CUSTOMIZATION

When customized vehicles are being insured and Physical Damage coverages are included, the policy must be endorsed to cover the customization. The coverages and deductible options must be the same for customization as those applicable on the vehicle. If customization exceeds \$5000, refer to Maximum Limit Rating.

Customized vehicles are private passenger automobiles, as defined, on which the interior or exterior or both have been altered to personalize or better facilitate the use of the vehicle for non-business purposes.

Such alterations include, but are not limited to the following:

- (a) furnishings and carpeting
- (b) equipment for sleeping, cooking or housekeeping
- (c) custom installed height extending roofs
- (d) custom windows
- (e) custom paint, murals, graphics or other custom applied designs.

The additional charges are to be determined from the table shown in the Rate Section of this manual and added to the appropriate Physical Damage premiums for the vehicle.

I. LOSS OF USE

This coverage will pay when the Company makes a payment due to a covered collision or comprehensive loss (for other than glass) to the automobile. The automobile must be inoperable due to the covered loss or the insured must leave the automobile at the shop for needed repairs.

This coverage is not available for Antique or Classic Vehicles.

J. RENTAL REIMBURSEMENT

This coverage provides for rental fees for a substitute automobile rented from a rental agency or garage as the result of a loss involving Collision, Comprehensive or Uninsured Motorists Property Damage coverage. Coverage starts the day after the loss if the insured automobile is not driveable or the day after the automobile is taken to the garage for repairs if the automobile is driveable. Other provisions and limitations of this coverage are included in the endorsement.

K. ACCIDENTAL DEATH

The Company will pay the accidental death benefit stated in the Declarations in the event of the death of the insured. The death must result directly and independently of all other causes from bodily injury sustained while occupying an automobile or through being struck by a motor vehicle, provided death occurs within one year of the accident.

10. SURCHARGES

A. RESERVED FOR FUTURE USE

B. FINANCIAL RESPONSIBILITY – CERTIFIED RISKS

Most states with Financial Responsibility Laws require filing an original report in the event of any accident causing any Bodily Injury or Property Damage exceeding a certain dollar amount. Agents should help all policyholders file this report, usually referred to as SR-21.

A person may be required to file Form SR-22 with the state as evidence of future financial responsibility after an accident or certain motor vehicle violations in order to obtain a reinstatement of the driver's license.

11. MAXIMUM LIMIT RATING

Collision and Comprehensive coverages are written on a "Maximum Limit Rating" basis for all private passenger automobiles with more than \$5000 customization and private passenger automobiles written under the Antique or Classic Automobile Rule. A similar endorsement is available for those classes defined in the Commercial Automobile section of this manual. Maximum limit rating is not available for passenger automobiles with \$5000 customization or less, motor homes, motorcycles and buses.

The maximum limit of insurance may not be less than 80% of the actual cash value of the vehicle.

12. ADDITIONAL CLASSES, COVERAGES OR LIMITS

THE FOLLOWING INFORMATION IS TO BE USED FOR RENEWAL BUSINESS ONLY. NEW BUSINESS IS NOT TO BE WRITTEN WITH THESE LIMITS OR CLASSES.

A. FARM TRACTORS AND FARM EQUIPMENT

Tractors and equipment used by contractors or agricultural soil movers shall be Class G.

B. FIRE TRUCKS

Fire Trucks shall be assigned to Class F. Comprehensive and Collision coverages are written only on a "Stated Amount" basis. Medical Payments and Accidental Death coverages are not written.

TERRITORIES AND COUNTY CODES

<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>	<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>
30	ARKANSAS	001	30	IZARD	065
26	ASHLEY	003	30	JACKSON	067
31	BAXTER	005		JEFFERSON	069
12	BENTON	007	3	Includes zip codes 71644, 71665, 71667, 72004, 72046, 72055, 72072, 72073, 72079, 72132, 72133, 72150, 72152, 72160, 72168 and 72175	
31	BOONE	009			
32	BRADLEY	011			
32	CALHOUN	013	20	Includes zip codes 71601, 71602 and 71603	
31	CARROLL	015			
18	CHICOT	017	31	JOHNSON	071
32	CLARK	019	18	LAFAYETTE	073
30	CLAY	021	30	LAWRENCE	075
31	CLEBURNE	023	2	LEE	077
32	CLEVELAND	025	32	LINCOLN	079
18	COLUMBIA	027	18	LITTLE RIVER	081
31	CONWAY	029	31	LOGAN	083
30	CRAIGHEAD	031	32	LONOKE	085
4	CRAWFORD	033	31	MADISON	087
9	CRITTENDEN	035	31	MARION	089
30	CROSS	037	19	MILLER	091
32	DALLAS	039	2	MISSISSIPPI	093
27	DESHA	041	30	MONROE	095
27	DREW	043	32	MONTGOMERY	097
32	FAULKNER	045	32	NEVADA	099
31	FRANKLIN	047	31	NEWTON	101
31	FULTON	049	32	OUACHITA	103
22	GARLAND	051	31	PERRY	105
3	GRANT	053	25	PHILLIPS	107
30	GREENE	055	32	PIKE	109
32	HEMPSTEAD	057	11	POINSETT	111
32	HOT SPRING	059	32	POLK	113
18	HOWARD	061	31	POPE	115
30	INDEPENDENCE	063	30	PRAIRIE	117

TERRITORIES AND COUNTY CODES

<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>	<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>
	PULASKI	119	31	SCOTT	127
40	Includes zip codes 72046, 72065, 72076, 72113, 72116, 72118, 72120 and 72142		31	SEARCY	129
			4	SEASTIAN	131
			18	SEVIER	133
41	Includes zip codes 72002, 72016, 72022, 72023, 72117, 72122, 72126, 72135, 72210, 72211, 72212 and 72223		30	SHARP	135
			30	STONE	137
			10	UNION	139
42	Includes zip codes 72103, 72114, 72201, 72202, 72204, 72205, 72206, 72207, 72209 and 72227		31	VAN BUREN	141
			12	WASHINGTON	143
			30	WHITE	145
31	RANDOLPH	121	21	WOODRUFF	147
2	ST. FRANCIS	123	31	YELL	149
3	SALINE	125			

For areas affected by the creation of new zip codes, territory will be assigned based on the zip-code boundaries above.

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP	Customization		Mounted Camper		Gap		Drive Other Car	
										COLL	COMP	COLL	COMP	COLL	COMP	BIPD	
1	Territorial Base Rate	R-2	\$	+	+	+	+	+	+	+	+	+	+	+	+	+	+
2	Tier	R-3	\$	x	x	x	x	x	x					x	x	x	x
3	Optional Limit	R-4 & 5	\$	x	x	x	x										x
4	Cost Symbol	R-6	\$					x	x					x	x		
5	Model Year	R-7	\$					x	x					x	x		
6	Deductible	R-7	\$					x	x	x	x	x	x				
7	Drive Other Car Endorsement	R-18	\$														x
8	Rate Class	R-8 & 9	¢	x	x			x	x	x	x	x	x	x	x		
9	Gap Endorsement	R-3	¢											x	x		
10	Good Driver Plan	R-10	¢	x	x			x		x		x		x			x
11	Safe Driver Discount	R-10	¢	x	x			x		x		x		x			x
12	Passive Restraint Discount	R-10	¢		x												
13	Companion Policy Discount	R-10	¢	x	x			x	x	x	x	x	x	x	x		x
14	Motor Veh. Acc. Prev. Discount	R-10	¢	x				x		x		x		x			x
15	Policy Term	GR-14	¢	x	x	x	x	x	x	x	x	x	x	x	x		x
Total Premium																	

Additional Coverages

Step	Description	Page	Round	ERS	Loss of Use	Acc. Death	UMPD	Rental Reimb.	Disability Indem.	Employer's Non-Ownership Liability	Hired Automobile Coverage
1	Premium / Territorial Base Rate	R-2,3 & 18	\$	+	+	+	+	+	+	+	+
2	Optional Limit	R-4	\$		x					x	x
3	Rate Class	R-8 & 9	¢		x						
4	Policy Term	GR-14	¢	x	x	x	x	x	x	x	x
Total Premium											

SUB-TOTAL PREMIUM FOR TERM (Sum of all Total Premiums for all coverages)	=
Term Premium	+
TOTAL PREMIUM FOR TERM	=

Premium Rounding

When rounding to the nearest dollar, an amount of 50 cents or more shall be considered a dollar. When rounding to the nearest penny, an amount of .5 cents or more shall be considered a penny.

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
TERRITORIAL BASE RATES**

Premiums Shown in This Manual are for a Semi-Annual Policy Term Unless Otherwise Indicated

TERRITORY	BI/PD	MED	COLLISION	COMP	UM	UIM	LOSS	CUSTOMIZATION	
	COVERAGE	COVERAGE	COVERAGE	COVERAGE			OF USE	COLL	COMP
	25/50/25	\$5,000	\$500 DED.	\$100 DED.	25/50	25/50	\$100	\$500 DED	\$100 DED
2	208	35	83	68	7	12	10	12	22
3	215	35	85	57	7	12	9	12	17
4	210	38	79	46	7	12	8	12	14
9	209	36	92	73	7	12	10	12	22
10	187	35	86	67	7	12	9	12	22
11	242	36	81	65	7	12	10	12	22
12	188	35	76	54	7	12	9	12	17
18	168	38	88	72	7	12	9	12	17
19	208	39	83	60	7	12	9	12	17
20	234	39	85	53	7	12	11	12	17
21	161	35	79	75	7	12	11	12	17
22	239	39	82	50	7	12	11	12	17
25	236	39	90	59	7	12	10	12	14
26	198	36	87	64	7	12	9	12	14
27	189	39	89	66	7	12	9	12	14
30	194	37	79	63	7	12	9	12	14
31	164	35	80	61	7	12	9	12	14
32	178	36	80	66	7	12	9	12	14
40	209	38	80	40	7	12	9	12	14
41	243	42	89	45	7	12	9	12	14
42	263	44	91	48	7	12	9	12	14

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
ADDITIONAL COVERAGES AND RATING FACTORS**

MUTUAL TIER PLACEMENT (RULE 4)						ACCIDENTAL DEATH (RULE 2.K)									
	BIPD	Med	UM	Coll	Comp	<u>Limit</u>	<u>Premium</u>								
<u>Tier Code</u>	<u>Tier Factor</u>	\$5,000	\$2												
0700	0.72	0.72	0.72	0.72	0.72	\$10,000	\$4								
1000	0.78	0.78	0.78	0.78	0.78										
2000	0.90	0.90	0.90	0.90	0.90										
3000	1.04	1.10	1.10	1.10	1.10										
4000	1.16	1.25	1.25	1.25	1.25										
9996	1.04	1.04	1.04	1.04	1.04										
9998	1.00	1.00	1.00	1.00	1.00										
EMERGENCY ROAD SERVICE (RULE 2.M)						MOUNTED CAMPER UNITS (RULE 2.G)									
Available in multiples of \$10.00 per disablement.						Add the appropriate charges below, by coverage and deductible, to the applicable premiums for the vehicle. Use the factors shown on page R-7 for other deductible options.									
						<u>Rating Value</u>	<u>\$500 Ded. Collision</u>								
						<u>Limit</u>	<u>\$100 Ded. Comprehensive</u>								
						\$0 - 500	\$2								
						\$10	\$4								
						501 - 1,000	\$4								
						\$20	\$4								
						1,001 - 2,000	\$6								
						\$30	\$5								
						2,001 - 4,000	\$8								
						\$40	\$6								
						over 4,000	\$10								
						\$50	\$7								
						\$60	\$8								
						\$70	\$9								
						\$80	\$10								
						\$90	\$11								
						\$100	\$12								
Each additional \$10 limit - Add \$1						UNINSURED MOTORISTS PROPERTY DAMAGE (RULE 2.O)									
RESERVED FOR FUTURE USE						<u>Limit</u>	<u>Premium</u>								
						\$ 25,000	\$12								
						50,000	\$14								
						100,000	\$19								
						200,000	\$26								
						RENTAL REIMBURSEMENT (RULE 2.J)						<u>Limit per Day</u>			
						<u>Rate Classes</u>						\$20	\$30	\$40	\$50
						DB, DD, DF, DH, WA, WB, WC,						\$10	\$15	\$20	\$25
						WD, TR, T3, TX, T4, FF, F3, FG, F4									
						All other Rate Classes						\$7	\$10	\$14	\$17
						DISABILITY INDEMNITY (RULE 2.N)						<u>Weekly Limit</u>	<u>Premium</u>		
						\$140	\$3								
						LOAN / LEASE GAP (RULE 2.P)						<u>Collision Factor</u>	<u>Comp Factor</u>		
												0.07	0.07		
RESERVED FOR FUTURE USE						RESERVED FOR FUTURE USE									

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
OPTIONAL LIMIT FACTORS**

Apply to Private Passenger Automobiles, including Business Use Vehicles, Motorcycles and Z1 & Z2 Trailers.

BODILY INJURY LIABILITY										
Base Limits 25/50										
Lower Limits (In Thousands)										
Upper Limits (In Thousands)	25	50	100	200	250	300	500	750	800	1000
50	1.00	1.09								
100	1.03	1.11	1.15							
200	1.05	1.14	1.18	1.26						
250	1.06	1.16	1.19	1.28	1.29					
300	1.07	1.17	1.21	1.29	1.30	1.32				
500	1.10	1.22	1.26	1.31	1.34	1.37	1.45			
750	1.14	1.27	1.29	1.34	1.38	1.39	1.48	1.53		
800	1.16	1.29	1.31	1.37	1.39	1.41	1.49	1.54	1.55	
1000	1.22	1.32	1.34	1.40	1.42	1.44	1.52	1.55	1.58	1.60

PROPERTY DAMAGE LIABILITY	
<u>Limit</u>	<u>Factor</u>
25,000	0.00
50,000	0.03
100,000	0.06
200,000	0.09
250,000	0.11
300,000	0.12
500,000	0.14
750,000	0.22
800,000	0.24
1,000,000	0.31

To determine the premiums for Liability limits other than the 25/50/25 base limit, add the selected Bodily Injury limit factor to the selected Property Damage factor and multiply the result with the Territorial Base Rate.

SINGLE LIMIT LIABILITY	
<u>Limit</u>	<u>Factor</u>
100,000	1.25
200,000	1.38
250,000	1.44
300,000	1.47
400,000	1.53
500,000	1.59
750,000	1.67
800,000	1.72
1,000,000	1.77

For Single Limit Bodily Injury and Property Damage Liability, multiply the 25/50/25 rate by the appropriate factor.

NOTE: For tractor-trailer trucks, the additional limits factor for Bodily Injury or Property Damage is applied only for the tractor. Premium for the trailer is then computed in accordance with instructions in the rate pages for Trailers.

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
COST SYMBOL FACTORS**

Apply only to the coverages of Collision and Comprehensive as shown on the Premium Determination Chart.

Cost Symbol	Coll.	Comp.	Cost Symbol	Coll.	Comp.	Cost Symbol	Coll.	Comp.
1	0.33	0.34	34	1.81	1.98	67	2.66	3.57
2	0.33	0.34	35	1.84	2.03	68	2.69	3.61
3	0.38	0.40	36	1.87	2.09	69	2.72	3.65
4	0.49	0.45	37	1.90	2.15	70	2.75	3.69
5	0.60	0.51	38	1.92	2.20	71	2.77	3.73
6	0.70	0.68	39	1.94	2.25	72	2.79	3.77
7	0.79	0.74	40	1.96	2.30	73	2.82	3.82
8	0.85	0.87	41	1.98	2.35	74	2.84	3.86
9	0.93	0.94	42	2.00	2.41	75	2.87	3.90
10	1.00	1.00	43	2.02	2.46	76	2.90	3.95
11	1.07	1.08	44	2.05	2.52	77	2.94	3.99
12	1.15	1.13	45	2.07	2.57	78	2.96	4.03
13	1.18	1.17	46	2.10	2.63	79	2.98	4.07
14	1.21	1.23	47	2.13	2.68	80	3.01	4.11
15	1.26	1.26	48	2.16	2.73	81	3.04	4.15
16	1.31	1.30	49	2.19	2.78	82	3.07	4.19
17	1.35	1.33	50	2.22	2.83	83	3.09	4.24
18	1.37	1.35	51	2.25	2.88	84	3.12	4.29
19	1.40	1.37	52	2.27	2.92	85	3.15	4.33
20	1.43	1.39	53	2.29	2.97	86	3.17	4.37
21	1.47	1.41	54	2.31	3.01	87	3.19	4.41
22	1.51	1.43	55	2.34	3.06	88	3.22	4.45
23	1.55	1.46	56	2.37	3.10	89	3.24	4.50
24	1.58	1.50	57	2.40	3.14	90	3.27	4.54
25	1.61	1.54	58	2.43	3.18	91	3.30	4.59
26	1.63	1.59	59	2.46	3.22	92	3.33	4.63
27	1.66	1.64	60	2.49	3.26	93	3.35	4.67
28	1.68	1.68	61	2.51	3.30	94	3.38	4.72
29	1.70	1.73	62	2.53	3.34	95	3.41	4.76
30	1.72	1.78	63	2.56	3.39	96	3.45	4.83
31	1.74	1.83	64	2.59	3.43	97	3.49	4.90
32	1.76	1.88	65	2.62	3.48	98	3.53	4.97
33	1.78	1.93	66	2.64	3.52			

For symbols greater than 98, multiply the symbol 95 factor by .012 for Collision and .015 for Comprehensive for each additional symbol.

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE**

MODEL YEAR FACTORS

Apply only to the coverages of Collision and Comprehensive as shown in the Premium Determination Chart.

Model Year	Collision	Comprehensive
2010	2.05	2.08
2009	1.95	1.98
2008	1.86	1.89
2007	1.77	1.80
2006	1.69	1.71
2005	1.61	1.63
2004	1.53	1.55
2003	1.46	1.48
2002	1.39	1.41
2001	1.32	1.34
2000	1.26	1.28
1999	1.20	1.22
1998	1.09	1.17
1997 & Prior	1.00	1.11

Unless shown above, the premium for each subsequent model year shall be 5% above the premium for the preceding model year.

The current model year coincides with the current calendar year through September 30. Effective October 1 of each calendar year, the current model year increases by one year and the premiums for vehicles of the fourteenth preceding and earlier model years shall be adjusted to equal the premium for the thirteenth preceding model year.

DEDUCTIBLE FACTORS

COLLISION	
LIMIT	FACTOR
\$50	1.55
100	1.49
200	1.30
250	1.26
500	1.00
750	0.82
1,000	0.69
2,000	0.53

COMPREHENSIVE	
LIMIT	FACTOR
Full	1.30
\$25	1.23
50	1.16
100	1.00
250	0.74
500	0.58
750	0.53
1,000	0.49
2,000	0.35

ARKANSAS PRIVATE PASSENGER AUTOMOBILE RATE CLASSIFICATIONS AND FACTORS

For age 25 and over rate classifications, except business use, the 1st position denotes age and the 2nd position specifies usage.

1 st Position of Rate Class	Adult	"48 Plus"		Married Male		Unmarried Female Principal		Unmarried Male Principal	
		Age 48 - 69	Age 70 & up	Age 30 - 34	Age 25 - 29	Age 30 - 34	Age 25 - 29	Age 30 - 34	Age 25 - 29
	B	D / X	Q	H	K	M	P	R	W
2 nd Position of Rate Class	Pleasure Use or Driving To or From Work or School		Driving To or From Work or School			Farm Vehicles		Business Use	
	3.0 miles or less		3.1 miles - 15.0 miles						
	Annual Mileage		Annual Mileage		15.1 miles or more	Annual Mileage		T2	
	Short	Long	Short	Long		Short	Long		
	1	2	3	4	5	6	7		

For age 24 and under rate classifications, use the chart below.

Class of Driver	Use of Vehicle		Class of Driver	Use of Vehicle	
	Non-Farm Vehicle	Farm Vehicle		Non-Farm Vehicle	Farm Vehicle
Unmarried Female Occassional Age 21 - 24	DB	WA	Unmarried Male Principal Age 21 - 24	TX	FG
Unmarried Male Occassional Age 21 - 24	TR	FF	Unmarried Female Principal Under Age 21	DH	WD
Unmarried Female Occassional Under Age 21	DD	WB	Unmarried Male Principal Under Age 21	T4	F4
Unmarried Male Occassional Under Age 21	T3	F3	Married Male Age 21 - 24	T5	F5
Unmarried Female Principal Age 21 - 24	DF	WC	Married Male Under Age 21	TH	FH

DRIVERS - UNDER AGE 25

Rate Class			Good Student		Driver Training		Good Student & Driver Training	
	Single Auto	Multiple Auto	Single Auto	Multiple Auto	Single Auto	Multiple Auto	Single Auto	Multiple Auto
DB	1.32	1.13	1.18	1.01				
DD	2.19	1.97	2.06	1.84	2.00	1.78	1.89	1.68
WA	1.08	0.91	1.00	0.81				
WB	1.80	1.57	1.66	1.47	1.65	1.44	1.55	1.34
DF	1.65	1.44	1.44	1.26				
DH	2.64	2.38	2.50	2.27	2.39	2.15	2.29	2.07
WC	1.41	1.22	1.27	1.08				
WD	2.19	1.97	2.06	1.84	2.00	1.78	1.89	1.68
TR	1.42	1.31	1.14	1.03				
T3	2.43	2.31	1.87	1.75	2.15	2.03	1.67	1.54
FF	1.23	1.11	0.99	0.88				
F3	2.07	1.95	1.59	1.48	1.83	1.71	1.42	1.31
TX	1.84	1.73	1.47	1.36				
T4	3.63	3.51	2.74	2.63	3.20	3.08	2.51	2.40
FG	1.58	1.45	1.28	1.14				
F4	3.11	2.99	2.40	2.27	2.77	2.65	2.14	2.03
T5	1.34	1.23						
TH	1.84	1.73			1.69	1.58		
F5	1.15	1.03						
FH	1.58	1.45			1.42	1.31		

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
RATE CLASSIFICATIONS AND FACTORS**

DRIVERS - AGE 25 AND OVER

Rate Class	Single Auto	Multiple Auto	Rate Class	Single Auto	Multiple Auto	Rate Class	Single Auto	Multiple Auto
B1	0.87	0.71	Q1	0.83	0.67	M1	1.00	0.81
B2	1.00	0.84	Q2	0.96	0.80	M2	1.13	0.95
B3	0.87	0.71	Q3	0.83	0.67	M3	1.00	0.81
B4	1.00	0.84	Q4	0.96	0.80	M4	1.13	0.95
B5	1.09	0.92	Q5	1.09	0.92	M5	1.24	1.05
B6	0.74	0.59	Q6	0.70	0.55	M6	0.84	0.67
B7	0.87	0.71	Q7	0.83	0.67	M7	1.00	0.81
D1	0.70	0.56	H1	0.87	0.71	P1	1.04	0.84
D2	0.83	0.67	H2	1.00	0.84	P2	1.17	0.99
D3	0.70	0.56	H3	0.87	0.71	P3	1.04	0.84
D4	0.83	0.67	H4	1.00	0.84	P4	1.17	0.99
D5	0.91	0.76	H5	1.09	0.92	P5	1.29	1.09
D6	0.61	0.47	H6	0.74	0.59	P6	0.87	0.70
D7	0.70	0.56	H7	0.87	0.71	P7	1.04	0.84
X1	0.87	0.71	K1	0.91	0.75	R1	0.90	0.73
X2	1.00	0.84	K2	1.05	0.88	R2	1.03	0.86
X3	0.87	0.71	K3	0.91	0.75	R3	0.90	0.73
X4	1.00	0.84	K4	1.05	0.88	R4	1.03	0.86
X5	1.09	0.92	K5	1.14	0.97	R5	1.12	0.95
X6	0.74	0.59	K6	0.78	0.63	R6	0.76	0.60
X7	0.87	0.71	K7	0.91	0.75	R7	0.90	0.73
						W1	1.09	0.90
						W2	1.24	1.05
						W3	1.09	0.90
						W4	1.24	1.05
						W5	1.44	1.23
						W6	0.88	0.72
						W7	1.09	0.90
Rate Class	Single Auto	Multiple Auto						
T2	1.10	0.95						

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
DISCOUNTS AND SURCHARGES**

<p style="text-align: center;">GOOD DRIVER PLAN (RULE 8)</p> <p style="text-align: center;">Applies to the coverages of BIPD, Med Pay and Collision.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Accidents</th> <th style="text-align: center;">Rating Table</th> <th style="text-align: center;">Factor</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1.00</td> </tr> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">1.35</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">1.65</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> <td style="text-align: center;">1.75</td> </tr> <tr> <td style="text-align: center;">4 or more</td> <td style="text-align: center;">5</td> <td style="text-align: center;">2.00</td> </tr> </tbody> </table>	Accidents	Rating Table	Factor	0	1	1.00	1	2	1.35	2	3	1.65	3	4	1.75	4 or more	5	2.00	<p style="text-align: center;">COMPANION POLICY DISCOUNT (RULE 9.D)</p> <p style="text-align: center;">Applies to the coverages of BIPD, Med Pay, Coll & Comp.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">48 Plus Rate Classes</td> <td style="text-align: center;">5% or 10%</td> </tr> <tr> <td style="text-align: center;">All Other Rate Classes</td> <td style="text-align: center;">5%</td> </tr> </tbody> </table>	48 Plus Rate Classes	5% or 10%	All Other Rate Classes	5%
Accidents	Rating Table	Factor																					
0	1	1.00																					
1	2	1.35																					
2	3	1.65																					
3	4	1.75																					
4 or more	5	2.00																					
48 Plus Rate Classes	5% or 10%																						
All Other Rate Classes	5%																						
<p style="text-align: center;">SAFE DRIVER DISCOUNT (RULE 9.A)</p> <p style="text-align: center;">Applies to the coverages of BIPD, Med Pay and Collision.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">3 Years</td> <td style="text-align: center;">New Business</td> <td style="text-align: center;">12%</td> </tr> <tr> <td style="text-align: center;">3 Years</td> <td style="text-align: center;">With Shelter</td> <td style="text-align: center;">15%</td> </tr> <tr> <td style="text-align: center;">6 Years</td> <td style="text-align: center;">With Shelter</td> <td style="text-align: center;">20%</td> </tr> </tbody> </table>	3 Years	New Business	12%	3 Years	With Shelter	15%	6 Years	With Shelter	20%	<p style="text-align: center;">MOTOR VEHICLE ACCIDENT PREVENTION COURSE DISC. (RULE 9.E)</p> <p style="text-align: center;">Applies to the coverages of BIPD and Collision.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">Qualified Operators 55 and Older</td> <td style="text-align: center;">10%</td> </tr> </tbody> </table>	Qualified Operators 55 and Older	10%											
3 Years	New Business	12%																					
3 Years	With Shelter	15%																					
6 Years	With Shelter	20%																					
Qualified Operators 55 and Older	10%																						
<p style="text-align: center;">PASSIVE RESTRAINT DISCOUNT (RULE 9.B)</p> <p style="text-align: center;">Applies to the coverage of Med Pay.</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 80%;">Air Bag - Driver Side Only</td> <td style="text-align: right;">20%</td> </tr> <tr> <td>Air Bag - Driver & Passenger Side</td> <td style="text-align: right;">30%</td> </tr> <tr> <td>Air Bag & Automatic Seat Belts (Driver & Passenger)</td> <td style="text-align: right;">40%</td> </tr> </tbody> </table>	Air Bag - Driver Side Only	20%	Air Bag - Driver & Passenger Side	30%	Air Bag & Automatic Seat Belts (Driver & Passenger)	40%	<p style="text-align: center;">RESERVED FOR FUTURE USE</p>																
Air Bag - Driver Side Only	20%																						
Air Bag - Driver & Passenger Side	30%																						
Air Bag & Automatic Seat Belts (Driver & Passenger)	40%																						

**ARKANSAS
ANTIQUÉ AND CLASSIC AUTOMOBILES
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP
1	Territorial Base Rate	R-2	\$	+	+	+	+	+	+
2	Tier	R-3	\$	x	x	x	x	x	x
3	Optional Limit	R-4 & 5	\$	x	x	x	x		
4	Cost Symbol¹	R-6	\$					x	x
5	Model Year	R-7	\$					x	x
6	Deductible	R-7	\$					x	x
7	Rate Class²	R-11	¢	x	x	x	x	x	x
8	Policy Term	GR-14	¢	x	x	x	x	x	x
Total Premium									

Additional Coverages

Step	Description	Page	Round	ERS	Accidental Death	Customization	
						Coll	Comp
1	Territorial Base Rate	R-2 & 3	\$	+	+	+	+
2	Deductible	R-7	\$			x	x
3	Policy Term	GR-14	¢	x	x	x	x
4	Total Premium						

Step	Description	Page	Round	UMPD	Disability Indemnity
1	Premium	R-3	\$	+	+
2	Rate Class²	R-11	¢	x	x
3	Policy Term	GR-14	¢	x	x
Total Premium					

SUB-TOTAL PREMIUM FOR TERM (Sum of all Total Premiums for all coverages)	=
Term Fee	+
TOTAL PREMIUM FOR TERM	=

¹ Antique and Limited Use Classic automobiles may be insured for Physical Damage coverages on a maximum limit rating basis only. The cost symbol for the desired amount of coverage is obtained from the corresponding value listed in the cost symbol table.

² Antique and Limited Use Classic Automobiles (Rate Class CC)

COVERAGE	% OF BASE RATE
Liability	0.10
Medical Payments	0.10
Uninsured Motorists	0.40
Underinsured Motorists	0.40
UMPD	0.40
Collision	0.15
Comprehensive	0.40
All Other Coverages	1.00

FULL USE CLASSIC AUTOMOBILES

Refer to the Premium Determination Chart on Page R-2. Rates are determined the same as for any private passenger automobile. Indicate "Full Use Classic" on the application. Insure Physical Damage coverages on a maximum limit rating basis.

**ARKANSAS
MOTORCYCLES
PREMIUM DETERMINATION CHART
(Annual Premiums)**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP
1	Territorial Base Rate	R-13	\$	+	+	+	+	+	+
2	Tier	R-3	\$	x	x	x	x	x	x
3	Optional Limit ¹	R-4 & 5	\$	x	x	x	x		
4	Model Year	R-7	\$					x	x
5	Deductible	R-14	\$					x	x
6	Rate Class	R-14	¢	x	x	x	x	x	x
7	Good Driver Plan	R-10	¢	x	x			x	
8	Policy Term	R-14	¢	x	x	x	x	x	x
Total Premium									

Additional Coverages

Step	Description	Page	Round	UMPD	Disability Indemnity	Accidental Death
1	Territorial Base Rate ²	R-3	\$	+	+	+
2	Rate Class	R-14	¢		x	x
3	Policy Term	R-14	¢	x	x	x
Total Premium						

SUB-TOTAL PREMIUM FOR TERM (Sum of all Total Premiums for all coverages)	=
Term Fee	+
TOTAL PREMIUM FOR TERM	=

¹ Medical Payment Limit of \$25,000 is not available for Motorcycles.

² Accidental Death Limit of \$10,000 is not available for Motorcycles.

The Semi-Annual Premium determined from the above chart will be the Annual Premium for a Motorcycle.

**ARKANSAS
PRIVATE PASSENGER MOTORCYCLES
TERRITORIAL BASE RATES**

Premiums Shown in This Manual are for a Annual Policy Term

TERRITORY	BI/PD	MED	COLLISION	COMP	UM	UIM
	COVERAGE	COVERAGE	COVERAGE	COVERAGE		
	25/50/25	\$5,000	\$500 DED.	\$100 DED.	25/50	25/50
2	192	29	81	62	7	12
3	204	29	84	52	7	12
4	194	31	78	41	7	12
9	193	32	91	67	7	12
10	177	29	85	61	7	12
11	211	31	79	59	7	12
12	171	29	74	49	7	12
18	158	32	87	65	7	12
19	189	33	81	54	7	12
20	221	32	83	48	7	12
21	148	31	78	68	7	12
22	216	34	81	45	7	12
25	215	32	89	54	7	12
26	179	31	85	58	7	12
27	179	33	88	60	7	12
30	175	31	78	57	7	12
31	150	30	78	55	7	12
32	164	31	78	60	7	12
40	193	32	79	36	7	12
41	229	36	87	41	7	12
42	243	36	90	43	7	12

**ARKANSAS
MOTORCYCLES
OPTIONAL RATING FACTORS**

DEDUCTIBLE FACTORS

COLLISION	
LIMIT	FACTOR
\$50	2.00
100	1.65
200	1.21
250	1.10
500	0.96
750	0.88
1,000	0.80
2,000	0.48

COMPREHENSIVE	
LIMIT	FACTOR
Full	2.65
\$50	1.91
100	1.00
250	0.90
500	0.87
750	0.85
1,000	0.82
2,000	0.62

RATE CLASSIFICATIONS AND FACTORS

Operators Age 25 and Over or Married Females						Operators Under Age 25 Except Married Females						
RATE CLASS	BIPD	MED	UM/UIM	COLL	COMP	ENGINE CC	BIPD	MED	UM/UIM	COLL	COMP	RATE CLASS
NA	0.26	2.60	3.00	0.10	0.20	0-70	0.42	3.48	3.00	0.16	0.22	NN
NB	0.26	2.60	3.00	0.16	0.31	71-160	0.42	3.48	3.00	0.23	0.35	NO
NC	0.26	2.60	3.00	0.23	0.46	161-250	0.42	3.48	3.00	0.33	0.53	NP
ND	0.37	3.91	3.00	0.33	0.61	251-400	0.62	5.22	3.00	0.44	0.71	NQ
NE	0.37	3.91	3.00	0.44	0.85	401-520	0.62	5.22	3.00	0.68	0.97	NR
NF	0.37	3.91	3.00	0.79	0.85	521-675	0.62	5.22	3.00	1.23	0.97	NS
NG	0.62	6.52	3.00	1.00	1.23	676-825	1.04	8.70	3.00	1.50	1.41	NT
NH	0.62	6.52	3.00	1.17	1.73	826-975	1.04	8.70	3.00	1.79	1.99	NU
NI	0.62	6.52	3.00	1.33	2.23	976-1125	1.04	8.70	3.00	2.06	2.56	NV
NJ	0.62	6.52	3.00	1.62	2.69	1126-1275	1.04	8.70	3.00	2.07	3.09	NW
NK	0.62	6.52	3.00	1.62	2.69	Over 1275	1.04	8.70	3.00	2.07	3.09	NX

STATUTORY COVERAGE FACTORS (All Rate Classes)	
Income Disability	4.00
Accidental Death	4.00

POLICY TERM FACTORS

SEMI-ANNUAL TERM	
Comprehensive	0.60
All Other Coverages	0.70

Quarterly Installment Fee \$12.50

**ARKANSAS
MOTOR HOMES
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP	Customization		Gap	
										COLL	COMP	COLL	COMP
1	Territorial Base Rate	R-2	\$	+	+	+	+	+	+	+	+	+	+
2	Tier	R-3	\$	x	x	x	x	x	x			x	x
3	Optional Limit	R-4 & 5	\$	x	x	x	x						
4	Cost Symbol	R-6	\$					x	x			x	x
5	Model Year	R-7	\$					x	x			x	x
6	Deductible	R-7	\$					x	x	x	x		
7	Rate Class¹	R-8 & 9	¢	x	x			x	x	x	x	x	x
8	Gap Endorsement	R-3	¢									x	x
9	Good Driver Plan	R-10	¢	x	x			x		x		x	
10	Safe Driver Discount	R-10	¢	x	x			x		x		x	
11	Passive Restraint Discount	R-10	¢		x								
12	Companion Policy Discount	R-10	¢	x	x			x	x	x	x	x	x
13	Motor Veh. Acc. Prev. Discount	R-10	¢	x				x		x		x	
14	Policy Term	R-14	¢	x	x	x	x	x	x	x	x	x	x
Total Premium													

Additional Coverages

Step	Description	Page	Round	ERS	Loss of Use	Acc. Death	UMPD	Rental Reimb	Disability Indem.
1	Premium / Territorial Base Rate	R-2 & 3	\$	+	+	+	+	+	+
2	Optional Limit	R-5	\$		x				
3	Rate Class	R-8 & 9	¢		x				
4	Policy Term	R-15	¢	x	x	x	x	x	x
Total Premium									

SUB-TOTAL PREMIUM FOR TERM	=
(Sum of all Total Premiums for all coverages)	
Term Premium	+
TOTAL PREMIUM FOR TERM	=

The Semi-Annual Premium determined from the above chart will be the Annual Premium for a Motor Home.

¹ Multiple Automobile Discount does not apply.

POLICY TERM FACTORS

SEMI-ANNUAL TERM	
All Coverages	0.80

Quarterly Installment Fee \$12.50

**ARKANSAS
HOUSE TRAILERS - CLASS Z1
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	COLL	COMP
1	Territorial Base Rate	R-16	\$	+	+	+
2	Tier	R-3	\$	x	x	x
3	Optional Limit	R-4	\$	x		
4	Cost Symbol¹	R-16	\$		x	x
5	Deductible	R-16	\$		x	x
6	Policy Term	GR-14	¢	x	x	x
Total Premium						

Additional Coverages

Step	Description	Page	Round	Customization		ERS
				Coll	Comp	
1	Territorial Base Rate	R-2 & 3	\$	+	+	+
2	Deductible	R-16	\$	x	x	
3	Policy Term	GR-14	¢	x	x	x
Total Premium						

SUB-TOTAL PREMIUM FOR TERM	=
(Sum of all Total Premiums for all coverages)	
Term Fee	+
TOTAL PREMIUM FOR TERM	=

¹ A cost symbol is determined by rating value of the vehicle.

BASE RATES - ALL TERRITORIES

LIABILITY 25/50/25	COLLISION \$50 Deductible	COMPREHENSIVE \$0 Deductible
6	29	44

COST SYMBOLS

COST SYMBOL	RATING VALUE	COLL	COMP
B	1-1,000	0.73	0.67
C	1,001-1,400	0.73	0.67
D	1,401-1,800	0.73	0.67
E	1,801-2,200	0.86	0.83
F	2,201-2,700	1.00	1.00
G	2,701-3,200	1.05	1.06
H	3,201-3,800	1.15	1.25
I	3,801-4,500	1.20	1.43
J	4,501-5,500	1.33	1.68
K	5,501-6,500	1.42	2.12
L	6,501-7,500	1.59	2.37
M	7,501-8,500	1.76	2.63
N	8,501-9,500	1.93	2.88

COST SYMBOL	RATING VALUE	COLL	COMP
O	9,501-10,500	2.10	3.14
P	10,501-11,500	2.28	3.39
Q	11,501-12,500	2.44	3.64
R	12,501-13,500	2.61	3.90
S	13,501-14,500	2.79	4.15
T	14,501-15,500	2.94	4.40
U	15,501-16,500	3.11	4.65
V	16,501-17,500	3.28	4.91
W	17,501-18,500	3.45	5.16
X	18,501-19,500	3.62	5.41
Y	19,501-20,500	3.80	5.67
Z	20,501-21,500	3.96	5.92
	Additional 1,000	0.17	0.25

For each additional \$1,000 or fraction thereof over the cost symbol Z, add .17 to the Collision factor and .25 to the Comprehensive factor.

DEDUCTIBLE FACTORS

COLLISION	
Limit	Factor
\$25	1.15
\$50	1.00
\$100	0.75
\$250	0.45

COMPREHENSIVE	
Limit	Factor
Full -	1.00
\$ 25 -	0.70
\$ 50 -	0.55
\$100 -	0.45

**ARKANSAS
TRAILERS - CLASS Z2
PREMIUM DETERMINATION CHART
(Annual Premiums)**

Primary Coverages

Step	Description	Page	Round	BIPD	COLL	COMP
1	Territorial Base Rate*	R-2	\$	+	+	+
2	Tier*	R-3	\$	x	x	x
3	Optional Limit*	R-4 & 5	\$	x	x	x
4	Cost Symbol	R-6	\$		x	x
5	Model Year	R-7	\$		x	x
6	Deductible	R-7	\$		x	x
7	Rate Class¹	R-8 & 9	¢	x	x	x
8	Trailer Factor	R-17	¢	x	x	x
9	Policy Term	R-17	¢	x	x	x
Total Premium						

Additional Coverages

Step	Description	Page	Round	Customization		ERS
				Coll	Comp	
1	Territorial Base Rate	R-2 & 3	\$	+	+	+
2	Deductible	R-7	\$	x	x	
3	Policy Term	R-17	¢	x	x	x
Total Premium						

SUB-TOTAL PREMIUM FOR TERM	=
(Sum of all Total Premiums for all coverages)	
Term Fee	+
TOTAL PREMIUM FOR TERM	=

The Semi-Annual Premium determined from the above chart will be the Annual Premium for a Z2 Trailer.

* For Bodily Injury/Property Damage coverage, these factors are those of the towing unit.

¹ For Collision and Comprehensive coverages apply the B1 rate class factor.
For Bodily Injury/Property Damage coverage apply the towing unit rate class excluding Multi-Car and Good Student adjustments.

COVERAGE	TRAILER FACTOR
Liability	0.25
Collision	0.45
Comprehensive	2.50

POLICY TERM FACTORS

SEMI-ANNUAL TERM	
All Coverages	0.80

Quarterly Installment Fee \$12.50

**ARKANSAS
NON-OWNED COVERAGE**

DRIVE OTHER CARS ENDORSEMENT

25% Of the Liability Base Rate Premium
--

EMPLOYERS NON-OWNERSHIP LIABILITY ENDORSEMENT

(All Territories)

BODILY INJURY AND PROPERTY DAMAGE LIABILITY	
Limits 25/50/25	
Semi-Annual Premium	\$15.00

HIRED AUTOMOBILE COVERAGE

BODILY INJURY AND PROPERTY DAMAGE LIABILITY	
Limits 25/50/25	
Semi-Annual Premium	\$14.00

**ARKANSAS
COMMERCIAL AUTOMOBILE
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP
1	Territorial Base Rate	CISO-2	\$	+	+	+	+	+	+
2	Optional Limit	CISO-3,4,5	\$	x	x	x	x		
3	Cost Symbol ¹	CISO-5	\$					x	x
4	Deductible	CISO-5	\$					x	x
5	Policy Term	GR-14	¢	x	x	x	x	x	x
Total Premium									

¹ The cost symbol will be determined by the rating value of the vehicle.

Additional Coverages

Step	Description	Page	Round	UMPD	Audio, Visual & Data Electronic Equipment
1	Territorial Base Rate	CISO-2	\$	+	+
2	Coverage Limit Factor*		\$		x
3	Policy Term	GR-14	¢	x	x
Total Premium					

NOTE: *Coverage Limit Factor = Electronic Equipment Coverage Limit / \$100 (Round up to the nearest integer)

Step	Description	Page	Round	Employer's Non-Ownership Liability	Hired Automobile Coverage
1	Premium	CISO-2	\$	+	+
2	Optional Limit	CISO-3	\$	x	x
3	Policy Term	GR-14	¢	x	x
Total Premium					

SUB-TOTAL PREMIUM FOR TERM (Sum of all Total Premiums for all coverages)	=
Term Fee	+
TOTAL PREMIUM FOR TERM	=

**ARKANSAS
COMMERCIAL AUTOMOBILE
BASE RATES**

LIABILITY BASE RATES					
Territory	E	T	F	Y	G
2, 3, 10, 11, 12, 18, 19, 25, 26, 27, 30, 31, 32	24	48	62	119	75
4, 9, 20, 21, 22, 40, 41, 42	28	58	79	153	95

Liability rates are for the tractor. Charge 10% of the Liability rate for each semi-trailer.

OTHER BASE RATES					
All Territories					
Class	Med Pay	UM	UIM	Coll	Comp
E	6	7	12	37	39
T	6	7	12	40	40
F	8	7	12	48	51
Y	8	7	12	53	60
G	6	7	12	48	49
T9				37	39
Y9				48	51
G9				48	49

Medical Payment coverage is not written on crawler tractors, road graders & similar equipment.

EMPLOYERS NON-OWNERSHIP LIABILITY END.	
(All Territories)	
Semi-Annual Premium	Limits 25/50/25 \$15

HIRED AUTOMOBILE COVERAGE	
(All Territories)	
Semi-Annual Premium	Limits 25/50/25 \$14

AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE	
(All Territories)	
Rate per \$100 of Coverage Limit (\$250 Deductible)	
Semi-Annual Premium	\$3

UNINSURED MOTORISTS PROPERTY DAMAGE		
	<u>Limit</u>	<u>Premium</u>
\$	25,000	\$12
	50,000	\$14
	100,000	\$19
	200,000	\$26

**ARKANSAS
BUSES
PREMIUM DETERMINATION CHART**

Primary Coverages

Step	Description	Page	Round	BIPD	MED	UM	UIM	COLL	COMP
1	Territorial Base Rate	CISO-6	\$	+	+	+	+	+	+
2	Optional Limit	CISO-3, 4 & 6	\$	x	x	x	x		
3	Cost Symbol¹	CISO-7	\$					x	x
4	Age Group	CISO-7	\$					x	x
5	Deductible	CISO-7	\$					x	x
6	Rate Class	CISO-7	\$	x	x			x	x
7	Policy Term	GR-14	¢	x	x	x	x	x	x
Total Premium									

¹ The cost symbol will be determined by the vehicle's cost price new.

Additional Coverages

Step	Description	Page	Round	UMPD	Audio, Visual & Data Electronic Equipment
1	Territorial Base Rate	CISO-2	\$	+	+
2	Coverage Limit Factor*		\$		x
3	Policy Term	GR-14	¢	x	x
Total Premium					

NOTE: *Coverage Limit Factor = Electronic Equipment Coverage Limit / \$100 (Round up to the nearest integer)

SUB-TOTAL PREMIUM FOR TERM (Sum of all Total Premiums for all coverages)	=	
Term Fee	+	
TOTAL PREMIUM FOR TERM	=	

BASE RATES

TERRITORY	LIAB	MED	UM	UIM	COLL	COMP
All Territories	49	11	18	14	83	73

MEDICAL PAYMENT FACTORS

LIMIT	FACTOR
\$1,000	0.92
\$2,000	1.00
\$5,000	1.35

TERRITORIES AND COUNTY CODES

<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>	<u>TERR</u>	<u>COUNTY</u>	<u>CODE</u>
	PULASKI	119	31	SCOTT	127
40	Includes zip codes 72046, 72065, 72076, 72099, 72113, 72116, 72118, 72120, 72142 and 72199		31	SEARCY	129
			4	SEASTIAN	131
			18	SEVIER	133
41	Includes zip codes 72002, 72016, 72022, 72023, 72117, 72122, 72126, 72135, 72210, 72211, 72212 and 72223		30	SHARP	135
			30	STONE	137
			10	UNION	139
42	Includes zip codes 72103, 72114, 72201, 72202, 72204, 72205, 72206, 72207, 72209 and 72227		31	VAN BUREN	141
			12	WASHINGTON	143
			30	WHITE	145
31	RANDOLPH	121	21	WOODRUFF	147
2	ST. FRANCIS	123	31	YELL	149
3	SALINE	125			

For areas affected by the creation of new zip codes, territory will be assigned based on the zip-code boundaries above.

8. GOOD DRIVER PLAN

This plan applies to all private passenger automobiles and motorcycles as defined in this manual, except those written under the Antique or Limited Use Classic Automobile Rule. It also applies to vehicles written under Rule 1.E. Motor Homes.

The premiums for Liability, Medical Payments and Collision coverages shall be subject to adjustment because of the application of this plan.

A chargeable accident shall be defined as follows:

A. NEW BUSINESS

For accidents occurring on or after October 7, 2007:

Any accident within 36 months immediately preceding the date of the application involving the applicant, all drivers or any other operator residing in the same household which has resulted in, or may be expected to result in, payment of \$1000 or more in settlement of Bodily Injury or Property Damage Liability or, in the event of one car accidents, Collision claims.

For accidents occurring before October 7, 2007:

Any accident within 36 months immediately preceding the date of the application involving the applicant, all drivers or any other operator residing in the same household which has resulted in, or may be expected to result in, payment of \$500 or more in settlement of Bodily Injury or Property Damage Liability or, in the event of one car accidents, Collision claims.

B. RENEWAL BUSINESS

For accidents occurring on or after October 7, 2007:

Any accident within the 36-month period ending 30 days prior to the effective date of the renewal, for which the Company has paid \$1000 or more in losses as a result of one occurrence under Bodily Injury or Property Damage Liability or, in the event of a one car accident, Collision claims, or any other accident which was chargeable under the expiring policy if it falls within the same 36-month period.

For accidents occurring before October 7, 2007:

Any accident within the 36-month period ending 30 days prior to the effective date of the renewal, for which the Company has paid \$500 or more in losses as a result of one occurrence under Bodily Injury or Property Damage Liability or, in the event of a one car accident, Collision claims, or any other accident which was chargeable under the expiring policy if it falls within the same 36-month period.

C. Exceptions to A. and B. above - An accident will not be chargeable if it is determined that the accident occurred under any of the following circumstances. Such determination may be made through review of a police report, proof of payment by another carrier, or other evidence produced by the insured.

- (a) The motor vehicle was lawfully parked.
- (b) The accident was the result of being struck in the rear by another vehicle, and the applicant or other operator of the insured vehicle has not been convicted of a moving traffic violation in connection with the accident.
- (c) The motor vehicle was damaged by a "hit and run" driver, provided the accident is reported to the proper law enforcement agency within 24 hours.
- (d) The operator of the other vehicle involved in the accident was convicted of a moving traffic violation and the applicant or other operator of the insured vehicle was not convicted of a moving traffic violation in connection with the accident.
- (e) The accident occurred while the applicant or other operator of the insured vehicle was operating a vehicle of a type not eligible for this plan.

8. GOOD DRIVER PLAN (Cont.)

- (f) The applicant or insured is (1) determined to be 50% or less negligent or (2) reimbursed 50% or more of his or her damages by or on behalf of persons involved in the accidents.
- (g) The accident was as a result of the operation of a motor vehicle in response to an emergency if the applicant or other operator of the insured vehicle at the time of the accident was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or any other law enforcement agency.
- (h) In the event of a one car accident, Collision claims arising from natural causes and that are beyond the insured's control. "Natural cause" is defined as an act occasioned exclusively by the violence of nature where all human agency is excluded from creating or entering in the cause of the damage or injury.

The determination of the appropriate Rating Table, based on the number of chargeable accidents, and the relationship between Table 1 (manual premiums) and the other tables are shown below:

Accidents	Rating Table	Factor
0	1	1.00
1	2	1.35
2	3	1.65
3	4	1.75
4 or more	5	2.00

For new business, when two or more vehicles are being insured at the same time for the same applicant or for applicants in the same household, any chargeable accidents for each operator will be assigned to the vehicle most frequently driven by that operator. When the vehicle being driven most frequently cannot be determined for an operator, or when there is only one operator in the household, assign any chargeable accidents to the vehicle otherwise developing the most premium.

If the vehicle being insured is an additional vehicle for the same applicant or for applicants in the same household, use Rating Table 1 unless additional operators are involved. When there are operators of the additional vehicle which were not shown as operators of a vehicle already insured under this plan, determine the rating table for the additional vehicle based only on any chargeable accidents for the additional operators.

When a vehicle being cancelled or having been lapsed more than 90 days is in a rating table higher than the rating table assigned to any remaining vehicle, the rating table of the cancelled or lapsed vehicle will be reassigned to one of the remaining vehicles in that lowest rating table, unless the operators involved in the chargeable accidents for the cancelled or lapsed vehicle are no longer members of the household and will not be operating any remaining vehicles.

In addition, if the Company is furnished evidence that the driver involved in any other chargeable accident is no longer a resident of the named insured's household and will not be a driver of the automobile for the period for which the accident would be chargeable, that accident will not be considered chargeable for the affected vehicle. However, if that driver continues to be insured with this Company under another policy, the accident will be considered in the rating of that other policy.

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
TERRITORIAL BASE RATES**

Premiums Shown in This Manual are for a Semi-Annual Policy Term Unless Otherwise Indicated

TERRITORY	BI/PD	MED	COLLISION	COMP	UM	UIM	LOSS	CUSTOMIZATION	
	COVERAGE	COVERAGE	COVERAGE	COVERAGE			OF USE	COLL	COMP
	25/50/25	\$5,000	\$500 DED.	\$100 DED.	25/50	25/50	\$100	\$500 DED	\$100 DED
2	209	35	83	69	7	12	10	12	22
3	216	35	86	58	7	12	9	12	17
4	211	38	80	47	7	12	8	12	14
9	210	37	92	74	7	12	10	12	22
10	188	35	86	68	7	12	9	12	22
11	237	36	81	66	7	12	10	12	22
12	189	35	76	55	7	12	9	12	17
18	169	38	89	73	7	12	9	12	17
19	208	39	83	61	7	12	9	12	17
20	235	39	85	54	7	12	11	12	17
21	162	36	79	76	7	12	11	12	17
22	240	40	82	51	7	12	11	12	17
25	237	39	90	60	7	12	10	12	14
26	199	36	87	65	7	12	9	12	14
27	190	40	89	67	7	12	9	12	14
30	194	37	79	64	7	12	9	12	14
31	165	35	80	62	7	12	9	12	14
32	179	36	80	67	7	12	9	12	14
40	210	39	80	41	7	12	9	12	14
41	244	42	89	46	7	12	9	12	14
42	264	44	91	49	7	12	9	12	14

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
COST SYMBOL FACTORS**

Apply only to the coverages of Collision and Comprehensive as shown on the Premium Determination Chart.

Cost Symbol	Coll.	Comp.	Cost Symbol	Coll.	Comp.	Cost Symbol	Coll.	Comp.
1	0.33	0.30	34	1.81	1.98	67	2.66	3.57
2	0.33	0.30	35	1.84	2.03	68	2.69	3.61
3	0.38	0.35	36	1.87	2.09	69	2.72	3.65
4	0.49	0.41	37	1.90	2.15	70	2.75	3.69
5	0.60	0.48	38	1.92	2.20	71	2.77	3.73
6	0.70	0.65	39	1.94	2.25	72	2.79	3.77
7	0.79	0.71	40	1.96	2.30	73	2.82	3.82
8	0.85	0.84	41	1.98	2.35	74	2.84	3.86
9	0.93	0.94	42	2.00	2.41	75	2.87	3.90
10	1.00	1.00	43	2.02	2.46	76	2.90	3.95
11	1.07	1.08	44	2.05	2.52	77	2.94	3.99
12	1.15	1.13	45	2.07	2.57	78	2.96	4.03
13	1.18	1.17	46	2.10	2.63	79	2.98	4.07
14	1.21	1.23	47	2.13	2.68	80	3.01	4.11
15	1.26	1.26	48	2.16	2.73	81	3.04	4.15
16	1.31	1.30	49	2.19	2.78	82	3.07	4.19
17	1.35	1.33	50	2.22	2.83	83	3.09	4.24
18	1.37	1.35	51	2.25	2.88	84	3.12	4.29
19	1.40	1.37	52	2.27	2.92	85	3.15	4.33
20	1.43	1.39	53	2.29	2.97	86	3.17	4.37
21	1.47	1.41	54	2.31	3.01	87	3.19	4.41
22	1.51	1.43	55	2.34	3.06	88	3.22	4.45
23	1.55	1.46	56	2.37	3.10	89	3.24	4.50
24	1.58	1.50	57	2.40	3.14	90	3.27	4.54
25	1.61	1.54	58	2.43	3.18	91	3.30	4.59
26	1.63	1.59	59	2.46	3.22	92	3.33	4.63
27	1.66	1.64	60	2.49	3.26	93	3.35	4.67
28	1.68	1.68	61	2.51	3.30	94	3.38	4.72
29	1.70	1.73	62	2.53	3.34	95	3.41	4.76
30	1.72	1.78	63	2.56	3.39	96	3.45	4.83
31	1.74	1.83	64	2.59	3.43	97	3.49	4.90
32	1.76	1.88	65	2.62	3.48	98	3.53	4.97
33	1.78	1.93	66	2.64	3.52			

For symbols greater than 98, multiply the symbol 95 factor by .012 for Collision and .015 for Comprehensive for each additional symbol.

ARKANSAS PRIVATE PASSENGER AUTOMOBILE RATE CLASSIFICATIONS AND FACTORS

For age 25 and over rate classifications, except business use, the 1st position denotes age and the 2nd position specifies usage.

1 st Position of Rate Class	Adult	"48 Plus"		Married Male		Unmarried Female Principal		Unmarried Male Principal	
		Age 48 - 69	Age 70 & up	Age 30 - 34	Age 25 - 29	Age 30 - 34	Age 25 - 29	Age 30 - 34	Age 25 - 29
	B	D / X	Q	H	K	M	P	R	W
2 nd Position of Rate Class	Pleasure Use or Driving To or From Work or School		Driving To or From Work or School			Farm Vehicles		Business Use	
	3.0 miles or less		3.1 miles - 15.0 miles						
	Annual Mileage		Annual Mileage		15.1 miles or more	Annual Mileage		T2	
	Short	Long	Short	Long		Short	Long		
	1	2	3	4	5	6	7		

For age 24 and under rate classifications, use the chart below.

Class of Driver	Use of Vehicle		Class of Driver	Use of Vehicle	
	Non-Farm Vehicle	Farm Vehicle		Non-Farm Vehicle	Farm Vehicle
Unmarried Female Occassional Age 21 - 24	DB	WA	Unmarried Male Principal Age 21 - 24	TX	FG
Unmarried Male Occassional Age 21 - 24	TR	FF	Unmarried Female Principal Under Age 21	DH	WD
Unmarried Female Occassional Under Age 21	DD	WB	Unmarried Male Principal Under Age 21	T4	F4
Unmarried Male Occassional Under Age 21	T3	F3	Married Male Age 21 - 24	T5	F5
Unmarried Female Principal Age 21 - 24	DF	WC	Married Male Under Age 21	TH	FH

DRIVERS - UNDER AGE 25

Rate Class			Good Student		Driver Training		Good Student & Driver Training	
	Single Auto	Multiple Auto	Single Auto	Multiple Auto	Single Auto	Multiple Auto	Single Auto	Multiple Auto
DB	1.32	1.13	1.18	1.01				
DD	2.19	1.97	2.06	1.84	2.00	1.78	1.89	1.68
WA	1.08	0.91	1.00	0.81				
WB	1.79	1.56	1.65	1.46	1.64	1.43	1.54	1.33
DF	1.64	1.43	1.43	1.25				
DH	2.59	2.33	2.47	2.24	2.34	2.11	2.25	2.03
WC	1.41	1.22	1.27	1.08				
WD	2.19	1.97	2.06	1.84	2.00	1.78	1.89	1.68
TR	1.42	1.31	1.14	1.03				
T3	2.43	2.31	1.87	1.75	2.15	2.03	1.67	1.54
FF	1.23	1.11	0.99	0.88				
F3	2.07	1.95	1.59	1.48	1.83	1.71	1.42	1.31
TX	1.84	1.73	1.46	1.35				
T4	3.55	3.43	2.68	2.57	3.19	3.07	2.45	2.34
FG	1.58	1.45	1.28	1.14				
F4	3.11	2.99	2.40	2.27	2.77	2.65	2.14	2.03
T5	1.34	1.23						
TH	1.84	1.73			1.69	1.58		
F5	1.15	1.03						
FH	1.58	1.45			1.42	1.31		

**ARKANSAS
PRIVATE PASSENGER AUTOMOBILE
RATE CLASSIFICATIONS AND FACTORS**

DRIVERS - AGE 25 AND OVER

Rate Class	Single Auto	Multiple Auto	Rate Class	Single Auto	Multiple Auto	Rate Class	Single Auto	Multiple Auto
B1	0.87	0.71	Q1	0.83	0.67	M1	1.00	0.81
B2	1.00	0.84	Q2	0.96	0.80	M2	1.13	0.95
B3	0.87	0.71	Q3	0.83	0.67	M3	1.00	0.81
B4	1.00	0.84	Q4	0.96	0.80	M4	1.13	0.95
B5	1.09	0.92	Q5	1.09	0.92	M5	1.24	1.05
B6	0.74	0.59	Q6	0.70	0.55	M6	0.84	0.67
B7	0.87	0.71	Q7	0.83	0.67	M7	1.00	0.81
D1	0.70	0.56	H1	0.87	0.71	P1	1.04	0.84
D2	0.83	0.67	H2	1.00	0.84	P2	1.17	0.99
D3	0.70	0.56	H3	0.87	0.71	P3	1.04	0.84
D4	0.83	0.67	H4	1.00	0.84	P4	1.17	0.99
D5	0.91	0.76	H5	1.09	0.92	P5	1.29	1.09
D6	0.61	0.47	H6	0.74	0.59	P6	0.87	0.70
D7	0.70	0.56	H7	0.87	0.71	P7	1.04	0.84
X1	0.84	0.68	K1	0.91	0.75	R1	0.90	0.73
X2	0.99	0.83	K2	1.05	0.88	R2	1.03	0.86
X3	0.84	0.68	K3	0.91	0.75	R3	0.90	0.73
X4	0.99	0.83	K4	1.05	0.88	R4	1.03	0.86
X5	1.09	0.92	K5	1.14	0.97	R5	1.12	0.95
X6	0.72	0.56	K6	0.78	0.63	R6	0.76	0.60
X7	0.87	0.71	K7	0.91	0.75	R7	0.90	0.73
						W1	1.09	0.90
						W2	1.24	1.05
						W3	1.09	0.90
						W4	1.24	1.05
						W5	1.44	1.23
						W6	0.88	0.72
						W7	1.09	0.90
Rate Class	Single Auto	Multiple Auto						
T2	1.10	0.95						

**ARKANSAS
TRAILERS - CLASS Z2
PREMIUM DETERMINATION CHART
(Annual Premiums)**

Primary Coverages

Step	Description	Page	Round	BIPD	COLL	COMP
1	Territorial Base Rate*	R-2	\$	+	+	+
2	Tier*	R-3	\$	x	x	x
3	Optional Limit*	R-4 & 5	\$	x	x	x
4	Cost Symbol	R-6	\$		x	x
5	Model Year	R-7	\$		x	x
6	Deductible	R-7	\$		x	x
7	Rate Class¹	R-8 & 9	¢	x	x	x
8	Trailer Factor	R-17	¢	x	x	x
9	Policy Term	R-17	¢	x	x	x
Total Premium						

Additional Coverages

Step	Description	Page	Round	Customization		ERS
				Coll	Comp	
1	Territorial Base Rate	R-2 & 3	\$	+	+	+
2	Deductible	R-7	\$	x	x	
3	Policy Term	R-17	¢	x	x	x
Total Premium						

SUB-TOTAL PREMIUM FOR TERM	=
(Sum of all Total Premiums for all coverages)	
Term Fee	+
TOTAL PREMIUM FOR TERM	=

The Semi-Annual Premium determined from the above chart will be the Annual Premium for a Z2 Trailer.

* For Bodily Injury/Property Damage coverage, these factors are those of the towing unit.

¹ For Collision and Comprehensive coverages apply the B1 rate class factor.
For Bodily Injury/Property Damage coverage apply the towing unit rate class excluding Multi-Car and Good Student adjustments.

COVERAGE	TRAILER FACTOR
Liability	0.25
Collision	0.45
Comprehensive	1.75

POLICY TERM FACTORS

SEMI-ANNUAL TERM	
All Coverages	0.80

Quarterly Installment Fee \$12.50

SERFF Tracking Number: SHEL-126354056 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: 03M00109
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: PPA
 Project Name/Number: Gilmore/

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: A-1 Private Passenger Auto Abstract	Filed	11/13/2009

Comments:

Please see attachment.

Attachment:

ARFORMA1 PPA Mut 12-2009.pdf

	Item Status:	Status Date:
Satisfied - Item: APCS-Auto Premium Comparison Survey	Filed	11/13/2009

Comments:

Please see attachment.

Attachment:

Mutual Premium Comparison.xls

	Item Status:	Status Date:
Satisfied - Item: NAIC loss cost data entry document	Filed	11/13/2009

Comments:

Please see attachment.

Attachment:

ARRFARF1 - Revised.pdf

	Item Status:	Status Date:
Bypassed - Item: NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	11/13/2009

Bypass Reason: This is an independent rate, rule filing.

Comments:

SERFF Tracking Number: SHEL-126354056 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: 03M00109
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: PPA
 Project Name/Number: Gilmore/

Item Status: Filed **Status Date:** 11/13/2009
Satisfied - Item: Explanatory Memorandum
Comments: Please see attachment.
Attachment: AR MUT PPA EXP MEMO 12-2009.pdf

Item Status: Filed **Status Date:** 11/13/2009
Satisfied - Item: Rate Indications / Supporting Exhibits
Comments: Please see attachments.
Attachments: Exhibit A.pdf
 Exhibit B.pdf
 Exhibits C thru O.pdf

Item Status: Filed **Status Date:** 11/13/2009
Satisfied - Item: Histograms
Comments: Please see attachments.
Attachments: Z2 Histogram.pdf
 ClassicCar Histogram.pdf
 PPA Histogram.pdf

Item Status: Filed **Status Date:** 11/13/2009
Satisfied - Item: Z2 Trailer Experience
Comments: Please see attachment.

SERFF Tracking Number: SHEL-126354056 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: 03M00109
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: PPA
 Project Name/Number: Gilmore/

Attachment:
 AR Z2 Experience.pdf

	Item Status:	Status Date:
Satisfied - Item: Sample Rating Scenario	Filed	11/13/2009

Comments:
 Please see attached rating scenario of a policy with characteristics that could see greatest dollar impact with this filing.

Attachment:
 Mutual PPA Example.pdf

	Item Status:	Status Date:
Satisfied - Item: Revised Exhibits for November 9 response	Filed	11/13/2009

Comments:
 Please see attachments related to our November 9 response.

Attachments:
 Exhibit A-revised.pdf
 Z2 TrailerHistogram.pdf
 Classic Car Histogram.pdf
 PPA Vehicle Histogram.pdf
 Exhibits C, J, K, M-Revised.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE ABSTRACT

Instructions: All questions must be answered. If the answer is "none" or "Not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent private passenger auto rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Shelter Mutual Insurance Company
 NAIC # (including group #) 23388

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance? Yes No

If yes, list the areas: However, in order to provide service, we normally do not write business in areas where we do not have agent representation.

2. Do you furnish a market for young drivers? Yes No

3. Do you require collateral business to support a youthful driver? Yes No

4. Do you insure drivers with an international or foreign driver's license? Yes No

5. Specify the percentage you allow in credit or discounts for the following:

a. Driver over 55	<u>0</u> %
b. Good Student Discount	<u>1-25</u> %
c. Multi-car Discount	<u>3.4-23</u> %
d. Accident Free Discount*	<u>12/20</u> %

Please Specify Qualification for Discount:

15% for 3 years accident free / 20% for 6 years and 12% for New Business with 3 years accident free

e. Anti-Theft Discount	<u>0</u> %
f. Other (specify) <u>See Attached</u>	<u> </u> %

6. Do you have an installment payment plan for automobile insurance? Yes No
 If so, what is the fee for installment payments? \$12.50

7. Does your company utilize a tiered rating plan? Yes No

If so, list the programs and percentage difference and current volume for each plan:

Program	Percentage Difference	Volume
<u>See Attached</u>	<u> </u>	<u> </u>

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

 Signature
 Brian Marcks
 Printed Name
 Coordinator of Insurance Department Affairs
 Title
 (573)214-4165
 Telephone Number
 BCMarcks@ShelterInsurance.com
 Email Address

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
A-1 Attachment**

Exhibit A-1 Attachment

5. Specify the percentage you allow in credit or discounts for the following:

(f) Other (specify)

Accident Prevention Course	10 %
Driver Training	8.5-10.5 %
Passive Restraint	20/30/40 %
Companion Policy / Life	5/10 %

7. Does your company utilize a tiered rating plan?

If so, list the programs and percentage difference and current volume for each plan:

Program	Percentage Difference		Volume
	Liability	All Other	
Tier 0700	.72	.72	\$29,260,100
Tier 1000	.78	.78	\$34,083,673
Tier 2000	.90	.90	\$20,994,375
Tier 3000	1.04	1.10	\$12,105,909
Tier 4000	1.16	1.25	\$4,994,019
Tier 9996	1.04	1.04	\$2,817,215
Tier 9998	1.00	1.00	\$878,390

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified August 2005

NAIC Number: 23388
 Company Name: Shelter Mutual Insurance Company
 Contact Person: Brian Marcks
 Telephone No.: 573-214-4165
 Email Address: bmarcks@shelterinsurance.com
 Effective Date: 12/12/2009

Assumptions to Use:

- 1 Liability -Minimum \$25,000 per person
- 2 Bodily Injury \$50,000 per accident
\$25,000 per accident
- 3 Property Damage \$100 deductible per accident
- 4 Comprehensive & Collision \$250 deductible per accident
- 5 The insured has elected to accept:
 Uninsured motorist property and bodily injury equal to liability coverage
 Underinsured bodily injury equal to liability coverage
- 6 Personal Injury Protection of \$5,000 for medical, loss wages according to statute and \$5,000 accidental death
- 7 If male and female rates are different, use the highest of the two

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment to insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a compact disk

DISCOUNTS OFFERED:

PASSIVE RESTRAINT/AIRBAG	*20/30/40	%
AUTO/HOMEOWNERS	5/10	%
GOOD STUDENT	1-25	%
ANTI-THEFT DEVICE	0	%
Over 55 Defensive Driver Discount	10	%
\$250/\$500 Deductible Comp./Coll.		%

*Included in 6 month quote.

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female
				18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			872.54	1,189.24	306.31	251.93	1,032.78	1,409.58	359.12	294.42	1,023.54	1,396.87	356.08	291.97	925.60	1,262.20	323.80	266.00	1,004.80	1,371.10	349.90	287.00
	100/300/50 Liability with Comprehensive and Collision			914.88	1,241.09	331.67	275.65	1,083.05	1,472.32	387.08	320.24	1,074.60	1,460.70	384.30	318.00	947.62	1,286.10	342.45	284.33	1,052.42	1,430.21	376.99	312.12
2003 Ford Explorer "XL" 2WD, 4 door	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			1,057.34	1,443.34	367.21	300.93	1,238.70	1,692.72	426.98	349.02	1,221.54	1,669.12	421.33	344.47	1,147.36	1,567.12	396.88	324.80	1,208.08	1,650.61	416.89	340.90
	100/300/50 Liability with Comprehensive and Collision			1,083.84	1,473.41	387.35	320.45	1,267.85	1,726.42	447.98	369.24	1,262.04	1,718.43	446.07	367.70	1,153.54	1,569.24	410.31	338.93	1,237.22	1,684.31	437.89	361.12
2003 Honda Odyssey "EX"	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			1,086.38	1,483.27	376.78	308.63	1,267.74	1,732.65	436.55	356.72	1,258.50	1,719.94	433.51	354.27	1,186.96	1,621.57	409.93	335.30	1,237.12	1,690.54	426.46	348.60
	100/300/50 Liability with Comprehensive and Collision			1,107.60	1,506.08	395.18	326.75	1,296.89	1,766.35	457.55	376.94	1,293.72	1,761.99	456.51	376.10	1,185.22	1,612.80	420.75	347.33	1,266.26	1,724.24	447.46	368.82
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			978.14	1,334.44	341.11	279.93	1,148.94	1,569.30	397.40	325.22	1,139.70	1,556.59	394.36	322.77	1,052.32	1,436.44	365.56	299.60	1,120.96	1,530.82	388.18	317.80
	100/300/50 Liability with Comprehensive and Collision			1,007.28	1,368.14	362.12	300.15	1,191.29	1,621.15	422.75	348.94	1,185.48	1,613.16	420.84	347.40	1,063.78	1,445.82	380.73	315.13	1,158.02	1,575.41	411.79	340.12
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			1,210.46	1,653.88	417.67	341.53	1,407.66	1,925.04	482.66	393.82	1,387.86	1,897.81	476.14	388.57	1,340.08	1,832.11	460.39	375.90	1,363.84	1,864.78	468.22	382.20
	100/300/50 Liability with Comprehensive and Collision			1,223.76	1,665.80	433.46	357.55	1,426.25	1,944.22	500.18	411.24	1,404.60	1,914.45	493.05	405.50	1,327.78	1,808.82	467.73	385.13	1,385.06	1,887.59	486.61	400.32
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			465.98	630.22	172.33	144.13	578.70	785.22	209.48	174.02	590.58	801.55	213.40	177.17	429.28	579.76	160.24	134.40	566.56	768.52	205.48	170.80
	Minimum Liability with Comprehensive and Collision			840.86	1,145.68	295.87	243.53	1,001.10	1,366.02	348.68	286.02	986.58	1,346.05	343.90	282.17	886.00	1,207.75	310.75	255.50	973.12	1,327.54	339.46	278.60
	100/300/50 Liability with Comprehensive and Collision			883.20	1,197.53	321.23	267.25	1,048.73	1,425.13	375.77	311.14	1,042.92	1,417.14	373.86	309.60	915.94	1,242.54	332.01	275.93	1,023.38	1,390.28	367.42	304.42

FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	03M00109
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
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Company Name		Company NAIC Number	
3.	A. Shelter Mutual Insurance Company	B.	23388

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Business (i.e., Sub-type of Insurance)	
4.	A. 19.1 and 21.1	B.	19.1000 and 21.1000

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
BI/PD	+9.2	+9.2					
Medical Payments	+14.5	+14.6					
UM / UIM	+1.6	0.0					
Collision	-5.6	-5.5					
Comprehensive	+7.0	+7.2					
TOTAL OVERALL EFFECT	+4.5	+4.0					

6. 5 Year History		Rate Change History					
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2008	203,130	-5.4	3-22-2007	105,134	75,788	72.1	67.0
2007	196,427	-6.1	4-17-2005	104,375	59,159	56.7	59.8
2006	190,712	-0.2	11-19-2003	104,925	63,828	60.8	61.8
2005	185,856	+4.7	2-27-2003	104,921	55,499	52.9	55.2
2004	177,152	+4.0	7-10-2002	107,083	59,903	55.9	57.4

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	17.2 / 17.2
B. General Expense	7.2 / 7.2
C. Taxes, Licenses & Fees	3.0 / 3.0
D. Underwriting Profit & Contingencies	2.2 / 4.1
E. Other (explain)	
F. TOTAL	29.6 / 31.5

- 8.** _____ Apply Loss Cost Factors to Future filings? (Y or N)
- 9.** +20.0 Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): _____
- 10.** -45.6 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

SHELTER MUTUAL INSURANCE COMPANY
PRIVATE PASSENGER AUTOMOBILE
ARKANSAS
EXPLANATORY MEMORANDUM

Synopsis

This filing consists of revised base rates for Liability, Medical Payments, Collision and Comprehensive coverages. Tier factors have been revised. Emergency Road Service rates have been revised. The increased limit factors for Bodily Injury Liability have been revised. The increased limit factors for Single Limit Liability have been revised. Model Year factors have been added. Collision and Comprehensive deductible factors have been revised. Cost Symbol factors have been revised. Rate Class Factors have been revised. The rate factors for Classic Car coverage have been revised. The Comprehensive factor for Z2 trailers has been revised. The Comprehensive rates for Z1 house trailers have been revised. The Safe Driver Discount percentages have been revised. Territory definitions have been updated due to postal changes. Editorial changes have been made to the General Rules and Rate Pages.

The overall effect of this filing is expected to be a revenue increase of 4.0%, or approximately \$4,375,972, as shown on Exhibit A.

Private Passenger Base Rates

For Private Passenger Liability, Medical Payments, Collision and Comprehensive coverages, our proposed base rate changes for each coverage were selected based on our indicated statewide needs for each coverage, and the rate effect of the other changes being made in this filing. Please refer to Exhibit C.

Underwriting Tiers

The tier factor for Tier Code 4000 has been decreased for Liability coverage. Please refer to Exhibit D.

Emergency Road Service

The Emergency Road Service rates have been decreased for all limits except for \$10 and \$20. Please refer to Exhibit E.

Bodily Injury Liability – Increased Limits

The increased limits factors for Bodily Injury Liability have been increased for most limits. Please refer to Exhibit F.

Single Limits Liability – Increased Limits

The increased limits factors for Single Limit Liability have been increased for all limits. Please refer to Exhibit G.

Model Year Factors

Collision and Comprehensive coverage Model Year factors for 2008, 2009 and 2010 have been added. Please refer to Exhibit H.

Collision and Comprehensive Deductible Factors

For Collision coverage, the factors for \$1000 and \$2000 deductibles have been increased. For Comprehensive coverage, the factor for the \$2000 deductible has been decreased. Please refer to Exhibit I.

Cost Symbol Factors

For Collision coverage, the factors for cost symbols 18 thru 95 have been decreased; and for Comprehensive coverage, the factors for cost symbols 1 thru 9 have been increased, and the factors for cost symbols 18 thru 95 have been decreased. Please refer to Exhibit J.

Rate Class Factors

Rate Class Factors have been revised for select youthful rate classes, business use vehicles, and the X and P rate classes. Please refer to Exhibit K.

Classic Car Rate Class Factors

The Classic Car rate class factors have been decreased for all coverages. Please refer to Exhibit L.

Trailers – Class Z2 Factors

The Comprehensive coverage factor for Z2 rated trailers has been increased. Please refer to Exhibit M.

House Trailers – Class Z-1 Rates

The Comprehensive coverage base rate for Z-1 rated house trailers has been increased. Please refer to Exhibit N.

Safe Driver Discount Factors

All discount factors Safe Drivers have been increased. Please refer to Exhibit O.

Territory Zip-code Revisions

Zip codes have been added to and deleted from Jefferson and Pulaski Counties. Please refer to manual pages T-1 and T-2.

Editorial Changes

- 1) The Trailers definition in Rule 1.F (2) (a) (iv), page GR-3, has been reworded for clarification.
- 2) Rule 1. (I), Rate Classifications – “48 Plus”, page GR-7, shows the words “rated driver” revised to “driver”.
- 3) The “Risks Involving Two or More Private Passenger Automobiles” and “Risks Involving Two or More Motorcycles” definitions in Rule 1.I., page GR-8, has been reworded in order to clarify the rule.
- 4) Rental Reimbursement, Rule 3.J., page GR-11, has been reworded in order to show this coverage is available to policyholders with UMPD coverage.

Editorial Changes (Cont)

- 5) Additional Classes, Coverages or Limits, Rule 12., page GR-24, has been reworded to remove items no longer offered.
- 6) The Motorcycle Base Rates are now shown on Page R-13. The remaining rate pages have been editorially adjusted to allow for this page addition.
- 7) The UMPD rates are now shown on page CISO-2, rather than referencing back to the PPA rate pages. This change is reflected on the rating chart shown on page CISO-1.
- 8) Manual Pages C-1 through C-8 have been withdrawn from use. These rate pages were used prior to the conversion of our Commercial Automobile business to ISO Policy Forms.

Exhibits

Information in support of this filing is set forth in the following exhibits:

	<u>Exhibits</u>
Estimated Revenue Change	A
Development of Indicated Rate Level Change Using Accident Year Experience	B
PPA Base Rate Comparison	C
Tier Factor Comparison	D
Emergency Road Service Rate Comparison	E
Bodily Injury Liability – Increased Limits Factor Comparison	F
Single Limit Liability – Increased Limits Factor Comparison	G
Model Year Relativity Factor Comparison	H
Collision and Comprehensive Deductible Factor Comparison	I
Cost Symbol Factor Comparison	J
Rate Class Relativity Comparison	K
Classic Car Factor Comparison	L
Trailers – Class Z2 Factor Comparison	M
House Trailers – Class Z1 Rate Comparison	N
Safe Driver Discount Comparison	O

Arkansas Mutual PPA Estimated Revenue Change by Coverage

Coverage	Annualized Policy Premium	Base Rate	Tier	Rate Class	Limit	Deductible	Model Year	Merit Table	Cost Symbol	Passive	Miscellaneous	Total % Change	Total \$ Change
Liability	46,471,774	8.9%	-0.2%	0.4%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.0%	9.2%	4,293,531
Med Pay	4,236,148	18.1%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.4%	14.6%	620,311
UM	2,435,732	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UIM	3,972,213	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UMPD	3,955,389	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Subtotal:	61,071,255	8.0%	-0.1%	0.3%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.4%	8.0%	4,913,843
Coll	28,018,741	1.8%	0.0%	0.3%	0.0%	1.0%	0.0%	0.0%	-4.9%	0.0%	-3.6%	-5.5%	-1,545,424
Comp	16,317,040	10.2%	0.0%	1.7%	0.0%	0.0%	0.0%	0.0%	-5.0%	0.0%	0.0%	7.2%	1,181,675
Subtotal:	44,335,781	4.9%	0.0%	0.8%	0.0%	0.6%	0.0%	0.0%	-5.0%	0.0%	-2.3%	-0.8%	-363,749
Total:	105,407,037	6.7%	-0.1%	0.5%	1.8%	0.3%	0.0%	0.0%	-2.1%	0.0%	-2.9%	4.3%	4,550,094
<u>Supplemental Coverages</u>													
Rental Reimbursement	699,435											0.0%	0
Emergency Roadside Service	1,357,271											-14.0%	-190,124
Accidental Death	1,375,732											0.0%	0
Motorcycles	1,768,933	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%			0.0%	0.9%	16,002
Grand Total	110,608,408	6.4%	-0.1%	0.5%	1.7%	0.2%	0.0%	0.0%	-2.0%	0.0%	-2.8%	4.0%	4,375,972

Shelter Mutual Insurance Company**Arkansas****Private Passenger Automobile****Explanatory Memorandum of Attached Exhibits Developing
Indicated Rate Level Change by Coverage****Exhibit B.I – Summary of Indicated Rate Level Change by Coverage**

This summary exhibit details the earned premium at current rates, the indicated rate level change and the indicated dollar need by coverage.

Exhibit B.II.a to B.II.e – Indicated Rate Level Change by Coverage

These exhibits show all calculations used to develop the indicated rate level change by coverage. Generally, accident year losses are adjusted to anticipated levels at the average loss date and fiscal year premiums are adjusted to current rates. The formula loss ratio is then compared to the expected loss ratio, after credibility, for indicated rate level change. All development of adjustment factors and expected loss ratios are detailed in subsequent exhibits.

Exhibit B.III.a to B.III.f – Projected Ultimate Accident Year Loss, Allocated LAE and Accident Year Claim Count

These exhibits show the development of fiscal accident year losses including allocated loss adjustment expense and fiscal accident year claims to an ultimate basis. All coverages are developed to 72 months.

Exhibit B.IV.a to B.IV.f – Development of Combined Trend and Projection Factor by Coverage

These exhibits display the calculation of factors to trend and project losses to the expected average loss date. The average policy is for a six-month term; therefore, the average loss date is nine months after the proposed effective date. These factors are applied to ultimate incurred loss and loss adjustment expense.

Exhibit B.V.a to B.V.e – Development of Earned Current Rate Level Factors by Coverage

These exhibits show the written effective dates and rate changes used to calculate current rate level factors on an earned basis. These factors are applied to fiscal year earned premium to bring past premiums to current rates. The method used to calculate the factors is commonly known as the "Parallelogram Method".

Exhibit B.VI – Development of Unallocated Loss Adjustment Factor

This exhibit shows the three-year average unallocated loss adjustment expense ratio for the latest available three years. These factors are applied to ultimate incurred loss and loss adjustment expense. Separate ratios are calculated for Liability excluding Property Damage, Property Damage Liability and Physical Damage.

Exhibit B.VII.a to B.VII.b – Calculation of Expected Loss Ratio

These exhibits show the calculation of expected loss ratio separately for Liability and Physical Damage. The development of expense ratios used in calculating the expected loss ratios are included.

Exhibit B.VIII.a – Calculation of Factor to Adjust Fixed Costs

This exhibit shows average consumer price indices for the last twenty quarters, which is considered in the selection of trend and projection factors. Exponential regression is used to fit 20, 12 and 6 point curves.

Shelter Mutual Insurance Company

Exhibit B.I

Arkansas

Private Passenger Automobile

Summary of Indicated Rate Level Change by Coverage

Coverage	Fiscal Year Ending 6/30/2009 Earned Premium at Current Rates	Indicated Rate Level Change	
		in Percent	in Dollars
Combined Bodily Injury and Property Damage	\$44,848,571	9.2%	\$4,122,660
Medical Payments	\$4,119,159	14.5%	\$597,278
Uninsured/Underinsured Motorist	\$6,212,097	1.6%	\$99,394
Total Liability	\$55,179,827	8.7%	\$4,819,332
Collision	\$26,781,219	-5.6%	-\$1,499,748
Comprehensive	\$15,277,566	7.0%	\$1,069,430
Total Physical Damage	\$42,058,785	-1.0%	-\$430,318
Total	\$97,238,612	4.5%	\$4,389,014

Arkansas

Private Passenger Automobile

Combined Bodily Injury and Property Damage Indicated Rate Level Change

	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008	Fiscal Year Ending 6/30/2009
1. Combined BI and PD Earned Premiums	\$44,992,459	\$44,161,527	\$44,848,571
2. Current Rate Level Factor (Exhibit B.V)	0.9832	0.9995	1.0000
3. Premium at Current Rates	\$44,235,398	\$44,137,566	\$44,848,571
Bodily Injury Only			
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.a.1)	\$12,729,775	\$17,276,198	\$16,509,123
5. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.a)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.100	1.100	1.100
7. Trended Loss and Loss Adjustment Expense	\$15,652,366	\$20,622,839	\$19,134,922
Property Damage Only			
8. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.b.1)	\$12,467,891	\$14,030,372	\$13,746,312
9. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.b)	1.077	1.056	1.036
10. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.100	1.100	1.100
11. Trended Loss and Loss Adjustment Expense	\$14,780,198	\$16,305,152	\$15,663,431
12. Combined BI and PD Trended Loss and LAE	\$30,432,564	\$36,927,991	\$34,798,353
13. Formula Loss Ratio	68.8%	83.7%	77.6%
14. Experience Year Weight	20.0%	30.0%	50.0%
15. Weighted Formula Loss Ratio		77.7%	
16. Credibility		100.0%	
17. Trended Expected Loss Ratio (19. X 23. ** 1)		72.2%	
18. Credibility Weighted Formula Loss Ratio (15. X 16.) + (17. X (1 - 16.))		77.7%	
19. Expected Loss Ratio (Exhibit B.VII.a.1)		70.4%	
20. Indicated Rate Level Change for Variable Expenses (18. / 19.) - 1		10.3%	
21. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.9%	
22. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		11.7%	
23. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
24. Trended Fixed Costs (22. X (23.** 1)		12.0%	
25. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((18. + 24.) / (1.000 - 21.)) - 1.000		9.2%	

Indications are based on effective date of 01/01/2010.

Arkansas

Private Passenger Automobile

Medical Payments Indicated Rate Level Change

	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008	Fiscal Year Ending 6/30/2009
1. Earned Premium	\$4,263,445	\$4,111,381	\$4,119,159
2. Current Rate Level Factor (Exhibit B.V)	0.9752	0.9992	1.0000
3. Premium at Current Rates	\$4,157,711	\$4,108,092	\$4,119,159
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.c.1)	\$2,562,929	\$2,907,189	\$2,953,349
5. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.c)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.100	1.100	1.100
7. Trended Loss and Loss Adjustment Expense	\$3,149,071	\$3,469,730	\$3,420,864
8. Formula Loss Ratio	75.7%	84.5%	83.0%
9. Experience Year Weight	20.0%	30.0%	50.0%
10. Weighted Formula Loss Ratio		82.0%	
11. Credibility		100.0%	
12. Trended Expected Loss Ratio (14. X 18. ** 1)		72.2%	
13. Credibility Weighted Formula Loss Ratio (10. X 11.) + (12. X (1 - 11.))		82.0%	
14. Expected Loss Ratio (Exhibit B.VII.a.1)		70.4%	
15. Indicated Rate Level Change for Variable Expenses (13. / 14.) - 1		16.5%	
16. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.9%	
17. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		11.7%	
18. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
19. Trended Fixed Costs (17. X (18.** 1)		12.0%	
20. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((13. + 19.) / (1.000 - 16.)) - 1.000		14.5%	

Indications are based on effective date of 01/01/2010.

Arkansas

Private Passenger Automobile

Uninsured/Underinsured Motorist Indicated Rate Level Change

	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008	Fiscal Year Ending 6/30/2009
1. Earned Premium	\$5,924,752	\$6,044,372	\$6,212,097
2. Current Rate Level Factor (Exhibit B.V)	1.0000	1.0000	1.0000
3. Premium at Current Rates	\$5,924,752	\$6,044,372	\$6,212,097
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.d.1)	\$2,616,855	\$3,923,857	\$3,983,062
5. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.d)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.100	1.100	1.100
7. Trended Loss and Loss Adjustment Expense	\$3,215,330	\$4,683,123	\$4,613,581
8. Formula Loss Ratio	54.3%	77.5%	74.3%
9. Experience Year Weight	20.0%	30.0%	50.0%
10. Weighted Formula Loss Ratio		71.3%	
11. Credibility		90.0%	
12. Trended Expected Loss Ratio (14. X 18. ** 1)		72.2%	
13. Credibility Weighted Formula Loss Ratio (10. X 11.) + (12. X (1 - 11.))		71.4%	
14. Expected Loss Ratio (Exhibit B.VII.a.1)		70.4%	
15. Indicated Rate Level Change for Variable Expenses (13. / 14.) - 1		1.4%	
16. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.9%	
17. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		11.7%	
18. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
19. Trended Fixed Costs (17. X (18.** 1)		12.0%	
20. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((13. + 19.) / (1.000 - 16.)) - 1.000		1.6%	

Indications are based on effective date of 01/01/2010.

Arkansas

Private Passenger Automobile

Collision Indicated Rate Level Change

	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008	Fiscal Year Ending 6/30/2009
1. Earned Premium	\$25,214,003	\$25,338,101	\$26,781,219
2. Current Rate Level Factor (Exhibit B.V)	0.9466	0.9982	1.0000
3. Model Year Symbol Drift Factor (Exhibit B.II.d.2)	1.2410	1.1717	1.1062
4. Trended Premium at Current Rates	\$29,619,661	\$29,635,213	\$29,625,384
5. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.e.1)	\$15,031,072	\$15,990,391	\$16,474,951
6. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.e)	1.097	1.070	1.044
7. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.109	1.109	1.109
8. Trended Loss and Loss Adjustment Expense	\$18,286,396	\$18,974,678	\$19,074,632
9. Formula Loss Ratio	61.7%	64.0%	64.4%
10. Experience Year Weight	20.0%	30.0%	50.0%
11. Weighted Formula Loss Ratio		63.7%	
12. Credibility		100.0%	
13. Trended Expected Loss Ratio (15. X 19. ** 1)		70.2%	
14. Credibility Weighted Formula Loss Ratio (11. X 12.) + (13. X (1 - 12.))		63.7%	
15. Expected Loss Ratio (Exhibit B.VII.b.1)		68.5%	
16. Indicated Rate Level Change for Variable Expenses (14. / 15.) - 1		-7.0%	
17. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.b.1)		19.8%	
18. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.b.1)		11.7%	
19. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
20. Trended Fixed Costs (18. X (19.** 1)		12.0%	
21. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((14. + 20.) / (1.000 - 17.)) - 1.000		-5.6%	

Indications are based on effective date of 01/01/2010.

**Shelter Mutual Private Passenger Automobile
Calculation of Collision Model Year & Symbol Drift Premium Trend Factor**

Exhibit B.II.d.2

Arkansas Calculation of Model Year Premium Trend Factor for Collision Coverage

Model Year	Distribution FYE 12/2006	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2007	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Model Year Factor	=	Weighted Factor
2009	0.00		1.95		0.00	0.00		1.95		0.00	0.61		1.95		1.20
2008	0.00		1.86		0.00	0.73		1.86		1.36	6.71		1.86		12.47
2007	1.11		1.77		1.96	7.65		1.77		13.54	9.87		1.77		17.48
2006	7.08		1.69		11.96	9.16		1.69		15.48	9.22		1.69		15.59
2005	10.45		1.61		16.83	10.41		1.61		16.76	10.21		1.61		16.43
2004	11.05		1.53		16.90	10.55		1.53		16.14	10.10		1.53		15.46
2003	10.33		1.46		15.09	9.71		1.46		14.17	9.09		1.46		13.27
2002	10.22		1.39		14.20	9.43		1.39		13.10	8.50		1.39		11.81
2001	9.38		1.32		12.38	8.41		1.32		11.11	7.49		1.32		9.89
2000	8.80		1.26		11.09	7.75		1.26		9.77	6.62		1.26		8.34
1999	7.30		1.20		8.77	6.21		1.20		7.45	5.22		1.20		6.26
1998	5.41		1.09		5.90	4.54		1.09		4.95	3.81		1.09		4.16
1997	4.63		1.00		4.63	3.83		1.00		3.83	3.10		1.00		3.10
1996	3.27		0.92		3.00	2.70		0.92		2.48	2.16		0.92		1.98
Prior	10.96		0.92		10.09	8.92		0.92		8.21	7.29		0.92		6.70
	100.00				132.81	100.00				138.35	100.00				144.14
										% Change = 4.18					% Change = 4.19

Arkansas Calculation of Symbol Drift Premium Trend Factor for Collision Coverage

Cost Symbol	Distribution FYE 12/2006	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2007	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Cost Symbol Factor	=	Weighted Factor
<8	1.15		0.60		0.69	1.00		0.60		0.60	0.90		0.60		0.54
8	2.32		0.85		1.98	1.92		0.85		1.63	1.56		0.85		1.32
9	2.48		0.93		2.31	2.05		0.93		1.90	1.64		0.93		1.53
10	2.93		1.00		2.93	2.49		1.00		2.49	2.10		1.00		2.10
11	3.23		1.07		3.45	2.80		1.07		2.99	2.43		1.07		2.60
12	4.18		1.15		4.81	3.88		1.15		4.46	3.58		1.15		4.12
13	4.20		1.18		4.95	3.89		1.18		4.59	3.77		1.18		4.45
14	4.54		1.21		5.49	4.26		1.21		5.15	4.00		1.21		4.84
15	4.97		1.26		6.26	4.80		1.26		6.04	4.65		1.26		5.86
16	4.87		1.31		6.38	4.62		1.31		6.06	4.45		1.31		5.82
17	5.33		1.35		7.20	5.07		1.35		6.84	4.84		1.35		6.53
18	5.27		1.38		7.28	5.33		1.38		7.35	5.51		1.38		7.60
19	5.62		1.43		8.04	5.44		1.43		7.78	5.35		1.43		7.65
20-21	9.07		1.48		13.42	9.24		1.48		13.67	9.50		1.48		14.06
22-24	11.61		1.64		19.04	12.19		1.64		19.99	12.69		1.64		20.82
25-29	14.03		1.80		25.25	15.28		1.80		27.50	15.91		1.80		28.64
30-34	7.61		1.94		14.77	8.32		1.94		16.15	8.96		1.94		17.39
35-39	3.77		2.10		7.91	4.10		2.10		8.62	4.35		2.10		9.13
40-44	1.38		2.21		3.05	1.69		2.21		3.73	1.94		2.21		4.28
>44	1.45		2.59		3.75	1.65		2.59		4.28	1.87		2.59		4.85
	100.00				148.94	100.00				151.83	100.00				154.14
										% Change = 1.94					% Change = 1.52

Selected Model Year Premium Trend Factor = **4.20%**
 Selected Symbol Drift Premium Trend Factor = **1.65%**
 Combined Premium Trend Factor = **5.9%**

Arkansas

Private Passenger Automobile

Comprehensive Indicated Rate Level Change

	Fiscal Year Ending 6/30/2007	Fiscal Year Ending 6/30/2008	Fiscal Year Ending 6/30/2009
1. Earned Premium	\$16,138,206	\$14,516,605	\$15,277,566
2. Current Rate Level Factor (Exhibit B.V)	0.8375	0.9939	1.0000
3. Model Year Symbol Drift Factor (Exhibit B.II.e.2)	1.2368	1.1688	1.1044
4. Trended Premium at Current Rates	\$16,716,276	\$16,863,509	\$16,872,543
5. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.f.1)	\$6,842,503	\$19,335,773	\$10,768,431
6. Excess Loss (Exhibit B.II.e.3)	0	9,801,840	0
7. Incurred Less Excess	\$6,842,503	\$9,533,933	\$10,768,431
8. Excess Loss Factor (Exhibit B.II.e.3)	1.175	1.175	1.175
9. Factor to Trend and Project Losses to 10/1/2010 (Exhibit B.IV.f)	1.077	1.056	1.036
10. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.109	1.109	1.109
11. Trended Loss and Loss Adjustment Expense	\$9,602,849	\$13,119,142	\$14,537,228
12. Formula Loss Ratio	57.4%	77.8%	86.2%
13. Experience Year Weight	33.3%	33.3%	33.3%
14. Weighted Formula Loss Ratio		73.8%	
15. Credibility		100.0%	
16. Trended Expected Loss Ratio (18. X 22. ** 1)		70.2%	
17. Credibility Weighted Formula Loss Ratio (14. X 15.) + (16. X (1 - 15.))		73.8%	
18. Expected Loss Ratio (Exhibit B.VII.b.1)		68.5%	
19. Indicated Rate Level Change for Variable Expenses (17. / 18.) - 1		7.7%	
20. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.b.1)		19.8%	
21. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.b.1)		11.7%	
22. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
23. Trended Fixed Costs (21. X (22.** 1)		12.0%	
24. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((17. + 23.) / (1.000 - 20.)) - 1.000		<u>7.0%</u>	

Indications are based on effective date of 01/01/2010.

Shelter Mutual Private Passenger Automobile Calculation of Comprehensive Model Year & Symbol Drift Premium Trend Factor

Arkansas Calculation of Model Year Premium Trend Factor for Comprehensive Coverage

Model Year	Distribution FYE 12/2006	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2007	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Model Year Factor	=	Weighted Factor
2009	0.00		1.98		0.00	0.00		1.98		0.00	0.60		1.98		1.20
2008	0.00		1.89		0.00	0.72		1.89		1.36	6.60		1.89		12.48
2007	1.09		1.80		1.97	7.53		1.80		13.55	9.72		1.80		17.49
2006	6.97		1.71		11.91	9.02		1.71		15.43	9.09		1.71		15.54
2005	10.29		1.63		16.78	10.26		1.63		16.72	10.06		1.63		16.39
2004	10.88		1.55		16.87	10.40		1.55		16.12	9.96		1.55		15.44
2003	10.19		1.48		15.08	9.58		1.48		14.18	8.97		1.48		13.28
2002	10.08		1.41		14.21	9.31		1.41		13.13	8.42		1.41		11.88
2001	9.29		1.34		12.45	8.36		1.34		11.21	7.47		1.34		10.01
2000	8.72		1.28		11.17	7.71		1.28		9.87	6.61		1.28		8.47
1999	7.27		1.22		8.87	6.22		1.22		7.59	5.25		1.22		6.40
1998	5.41		1.17		6.33	4.55		1.17		5.33	3.85		1.17		4.50
1997	4.66		1.11		5.18	3.88		1.11		4.30	3.17		1.11		3.52
1996	3.31		1.06		3.51	2.76		1.06		2.93	2.23		1.06		2.37
Prior	11.82		1.06		12.53	9.69		1.06		10.27	8.00		1.06		8.48
	100.00				136.86	100.00				141.99	100.00				147.43
										% Change = 3.75					% Change = 3.83

Arkansas Calculation of Symbol Drift Premium Trend Factor for Comprehensive Coverage

Cost Symbol	Distribution FYE 12/2006	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2007	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Cost Symbol Factor	=	Weighted Factor
<8	1.30		0.45		0.59	1.13		0.45		0.51	1.02		0.45		0.46
8	2.49		0.79		1.97	2.07		0.79		1.64	1.70		0.79		1.34
9	2.61		0.89		2.32	2.17		0.89		1.93	1.76		0.89		1.57
10	3.04		1.00		3.04	2.58		1.00		2.58	2.19		1.00		2.19
11	3.30		1.08		3.57	2.87		1.08		3.10	2.51		1.08		2.71
12	4.21		1.13		4.76	3.91		1.13		4.42	3.62		1.13		4.09
13	4.24		1.17		4.96	3.92		1.17		4.59	3.79		1.17		4.43
14	4.54		1.23		5.58	4.27		1.23		5.25	4.02		1.23		4.94
15	4.95		1.26		6.24	4.79		1.26		6.04	4.66		1.26		5.87
16	4.84		1.30		6.29	4.61		1.30		5.99	4.44		1.30		5.77
17	5.31		1.33		7.07	5.06		1.33		6.73	4.83		1.33		6.43
18	5.24		1.36		7.13	5.30		1.36		7.21	5.49		1.36		7.46
19	5.58		1.38		7.70	5.40		1.38		7.46	5.33		1.38		7.35
20-21	8.99		1.41		12.68	9.17		1.41		12.92	9.43		1.41		13.30
22-24	11.50		1.54		17.70	12.08		1.54		18.60	12.58		1.54		19.38
25-29	13.85		1.78		24.66	15.10		1.78		26.88	15.74		1.78		28.01
30-34	7.50		2.08		15.61	8.22		2.08		17.09	8.85		2.08		18.40
35-39	3.71		2.37		8.80	4.05		2.37		9.59	4.29		2.37		10.17
40-44	1.37		2.67		3.65	1.67		2.67		4.45	1.91		2.67		5.09
>44	1.43		3.37		4.83	1.64		3.37		5.52	1.85		3.37		6.24
	100.00				149.11	100.00				152.49	100.00				155.21
										% Change = 2.26					% Change = 1.79

Selected Model Year Premium Trend Factor = **3.80%**
 Selected Symbol Drift Premium Trend Factor = **1.95%**
 Combined Premium Trend Factor = **5.8%**

Shelter Mutual Insurance Company

Exhibit B.II.e.3

Arkansas

Private Passenger Automobile - Comprehensive

Development of Excess Wind and Hail Loss Factor

Fiscal Accident Year	(1) Wind and Hail Loss	(2) Total Loss	(3) Wind/Non-Wind (1) / (2-1)	Rank	(4) If (3)>1.5xM then (3)-M	(5) Excess Wind Loss (2-1)x(4)	Total Loss Less Excess (2) - (5)
6/2000	1,982,832	9,028,026	0.2814	6	-		
6/2001	1,962,880	9,711,202	0.2533	5	-		
6/2002	3,369,749	10,789,323	0.4542	8	0.1868		
6/2003	1,417,912	7,998,659	0.2155	4	-		
6/2004	2,615,813	8,686,833	0.4309	7	0.1635		
6/2005	874,603	6,615,159	0.1524	2	-		
6/2006	4,765,223	10,965,587	0.7685	9	0.5011		
6/2007	735,763	6,842,503	0.1205	1	-	0	6,842,503
6/2008	11,813,256	19,335,773	1.5704	10	1.303	9,801,840	9,533,933
6/2009	1,820,922	10,768,431	<u>0.2035</u>	3	-	0	10,768,431
			4.4506		2.1544		

Median (M) (Rank 5 + Rank 6) / 2	=	0.2674	Excess Factor	=	$\frac{1.0 + \text{Average Ratio}}{1.0 + \text{Average Ratio} - \text{Average Excess}}$
Median x 1.5	=	0.4011		=	$\frac{1.0 + 0.4451}{1.0 + 0.4451 - 0.2154}$
Average Wind to Non-Wind Ratio	=	0.4451		=	<u>1.175</u>
Average Excess Ratio	=	0.2154	Selected		<u>1.175</u>

**Shelter Mutual Insurance Company
Private Passenger Auto - Bodily Injury Liability
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	19,183,785	49,338,846	62,252,832	69,471,125	72,960,001	74,504,919	75,072,571	75,419,568	75,491,437	75,609,384
6/30/2001	21,642,437	52,813,047	65,545,734	71,151,424	74,126,677	76,100,004	76,667,710	77,055,301	77,274,050	
6/30/2002	20,923,200	54,668,014	71,273,813	81,835,497	87,068,796	89,221,452	90,506,746	91,105,948		
6/30/2003	23,355,361	59,391,706	75,426,769	85,057,291	88,571,123	90,094,449	90,751,388			
6/30/2004	20,769,711	54,653,153	70,528,023	78,817,604	82,385,910	83,919,122				
6/30/2005	19,741,666	52,307,663	67,408,327	74,330,673	76,960,649					
6/30/2006	20,331,362	52,856,313	69,512,404	76,268,569						
6/30/2007	18,695,352	49,560,808	66,079,139							
6/30/2008	20,139,088	54,040,870								
6/30/2009	21,608,467									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	72,556,121	73,496,469	74,826,562	75,743,690	76,271,325	75,874,209	75,880,491	75,917,301	75,700,782	75,964,111
6/30/2001	77,675,864	78,581,251	78,040,613	77,820,894	77,612,817	77,664,855	77,583,445	77,624,272	77,618,831	
6/30/2002	87,281,224	86,486,695	87,474,098	89,842,899	91,024,152	90,991,033	91,393,922	91,512,433		
6/30/2003	93,496,176	91,688,082	91,643,407	92,083,616	91,759,002	91,962,514	91,941,226			
6/30/2004	88,061,178	81,838,672	83,816,868	84,890,664	85,274,577	85,300,146				
6/30/2005	83,456,327	76,752,559	78,933,068	79,694,148	79,865,482					
6/30/2006	84,790,599	77,269,161	81,185,179	81,814,539						
6/30/2007	81,269,776	76,661,348	79,384,773							
6/30/2008	83,403,481	82,395,302								
6/30/2009	89,108,127									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	7,976	8,598	8,701	8,755	8,777	8,786	8,791	8,796	8,796	8,800
6/30/2001	7,555	8,228	8,336	8,393	8,423	8,433	8,440	8,441	8,442	
6/30/2002	8,367	9,026	9,136	9,192	9,209	9,216	9,222	9,224		
6/30/2003	7,984	8,552	8,659	8,703	8,713	8,722	8,722			
6/30/2004	7,714	8,215	8,266	8,296	8,310	8,320				
6/30/2005	7,266	7,709	7,759	7,784	7,793					
6/30/2006	6,788	7,171	7,242	7,273						
6/30/2007	6,621	7,031	7,084							
6/30/2008	8,856	9,293								
6/30/2009	9,421									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE	Ultimate Development			Selected Incurred Loss & ALAE	Cumulative Paid Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count
				Paid Losses	Factors	Estimated Incurred Loss & ALAE				
(1)	(2)	(3)	(4) = (2) x (3)	(5)	(6)	(7) = (5) x (6)	(8)	(9)	(10)	(11) = (9) x (10)
6/30/2000	75,964,111	1.0000	75,964,111	75,609,384	1.0000	75,609,384	75,786,748	8,800	1.0000	8,800
6/30/2001	77,618,831	1.0000	77,618,831	77,274,050	1.0000	77,274,050	77,446,441	8,442	1.0000	8,442
6/30/2002	91,512,433	1.0000	91,512,433	91,105,948	1.0011	91,206,165	91,359,299	9,224	1.0000	9,224
6/30/2003	91,941,226	1.0005	91,987,196	90,751,388	1.0061	91,305,471	91,646,334	8,722	1.0003	8,725
6/30/2004	85,300,146	1.0010	85,385,468	83,919,122	1.0142	85,106,942	85,246,205	8,320	1.0009	8,327
6/30/2005	79,865,482	1.0009	79,937,373	76,960,649	1.0360	79,728,051	79,832,712	7,793	1.0020	7,809
6/30/2006	81,814,539	1.0027	82,035,583	76,268,569	1.0826	82,566,584	82,301,083	7,273	1.0038	7,301
6/30/2007	79,384,773	1.0137	80,474,844	66,079,139	1.2098	79,941,193	80,208,019	7,084	1.0083	7,143
6/30/2008	82,395,302	1.0434	85,974,045	54,040,870	1.5703	84,860,049	85,417,047	9,293	1.0164	9,445
6/30/2009	89,108,127	0.9787	87,213,770	21,608,467	4.1495	89,664,369	88,439,070	9,421	1.0764	10,140
3-yr Total			253,662,659			254,465,611	254,064,136			
10-yr Total			838,103,655			837,262,258	837,682,958			

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	4,158,154	10,720,434	12,337,733	13,168,479	13,451,088	13,775,512	13,814,224	13,868,518	13,869,338	13,871,473
6/30/2001	4,847,459	10,476,393	12,085,945	13,115,668	13,471,442	13,567,874	13,622,278	13,640,091	13,648,888	
6/30/2002	5,055,299	11,127,677	13,368,247	14,859,200	15,296,056	15,485,525	15,630,134	15,707,585		
6/30/2003	5,404,621	11,259,929	13,302,817	14,883,603	15,303,535	15,537,412	15,570,348			
6/30/2004	4,876,836	10,294,458	12,176,574	13,457,787	13,930,666	14,046,264				
6/30/2005	4,383,523	9,717,650	12,595,258	14,199,483	14,507,855					
6/30/2006	4,589,687	10,213,177	13,139,158	14,249,779						
6/30/2007	3,549,104	8,251,637	10,638,569							
6/30/2008	4,452,349	11,542,988								
6/30/2009	4,877,800									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	13,932,392	13,617,510	13,844,001	13,879,363	13,896,640	13,894,512	13,943,224	13,871,018	13,871,838	13,873,973
6/30/2001	13,953,748	13,814,591	13,853,634	13,849,964	13,884,507	13,765,438	13,721,342	13,710,291	13,703,888	
6/30/2002	15,552,180	15,484,134	15,733,746	15,867,286	15,679,050	15,659,518	15,717,634	15,781,585		
6/30/2003	17,351,035	15,765,381	15,880,045	15,651,333	15,715,035	15,696,412	15,595,348			
6/30/2004	15,382,975	14,081,904	14,307,393	14,361,548	14,255,166	14,162,264				
6/30/2005	15,847,720	14,265,595	14,829,380	15,074,144	14,919,949					
6/30/2006	16,684,700	14,557,338	15,130,305	15,206,312						
6/30/2007	14,922,590	12,568,996	12,804,157							
6/30/2008	19,242,073	16,969,869								
6/30/2009	18,373,436									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	1,605	1,719	1,728	1,736	1,742	1,743	1,744	1,746	1,746	1,746
6/30/2001	1,537	1,646	1,658	1,672	1,677	1,678	1,678	1,678	1,678	
6/30/2002	1,715	1,809	1,823	1,826	1,826	1,826	1,827	1,827		
6/30/2003	1,724	1,811	1,822	1,828	1,828	1,829	1,829			
6/30/2004	1,575	1,668	1,676	1,686	1,686	1,686				
6/30/2005	1,608	1,709	1,711	1,720	1,720					
6/30/2006	1,477	1,545	1,551	1,555						
6/30/2007	1,413	1,477	1,481							
6/30/2008	2,062	2,146								
6/30/2009	2,005									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE	Ultimate Development			Selected Incurred Loss & ALAE	Cumulative Paid Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count
				Paid Losses	Factors	Estimated Incurred Loss & ALAE				
(1)	(2)	(3)	(4) = (2) x (3)	(5)	(6)	(7) = (5) x (6)	(8)	(9)	(10)	(11) = (9) x (10)
6/30/2000	13,873,973	1.0000	13,873,973	13,871,473	1.0000	13,871,473	13,873,973	1,746	1.0000	1,746
6/30/2001	13,703,888	1.0002	13,706,629	13,648,888	1.0002	13,651,618	13,706,629	1,678	1.0000	1,678
6/30/2002	15,781,585	1.0000	15,781,585	15,707,585	1.0005	15,715,440	15,781,585	1,827	1.0000	1,827
6/30/2003	15,595,348	0.9996	15,589,109	15,570,348	1.0040	15,632,657	15,589,109	1,829	1.0000	1,829
6/30/2004	14,162,264	0.9990	14,148,104	14,046,264	1.0086	14,167,346	14,148,104	1,686	1.0002	1,686
6/30/2005	14,919,949	0.9957	14,856,846	14,507,855	1.0221	14,828,996	14,856,846	1,720	1.0005	1,721
6/30/2006	15,206,312	0.9905	15,062,245	14,249,779	1.0511	14,977,403	15,062,245	1,555	1.0008	1,556
6/30/2007	12,804,157	0.9942	12,729,775	10,638,569	1.1689	12,435,277	12,729,775	1,481	1.0045	1,488
6/30/2008	16,969,869	1.0181	17,276,198	11,542,988	1.4611	16,865,550	17,276,198	2,146	1.0080	2,163
6/30/2009	18,373,436	0.8985	16,509,123	4,877,800	3.3605	16,392,082	16,509,123	2,005	1.0584	2,122
3-yr Total			46,515,096			45,692,908	46,515,096			
10-yr Total			149,532,587			148,537,842	149,532,587			

**Shelter Mutual Insurance Company
Private Passenger Auto - Property Damage Liability
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	52,612,332	59,050,764	59,589,286	59,808,475	59,915,196	59,942,912	59,993,278	59,993,538	59,999,536	60,000,716
6/30/2001	52,465,655	60,345,034	60,955,103	61,153,795	61,328,682	61,361,706	61,406,094	61,430,786	61,431,798	
6/30/2002	58,812,210	67,171,715	67,906,960	68,085,973	68,095,531	68,116,430	68,116,426	68,116,426		
6/30/2003	58,159,679	65,873,957	66,356,646	66,558,825	66,657,926	66,666,106	66,671,154			
6/30/2004	52,730,069	60,147,075	60,634,292	60,845,696	60,860,383	60,883,680				
6/30/2005	53,270,749	60,418,433	60,844,835	60,921,435	60,943,180					
6/30/2006	51,843,670	58,822,333	59,220,857	59,351,647						
6/30/2007	53,970,970	61,377,204	61,645,926							
6/30/2008	58,382,358	65,832,643								
6/30/2009	58,713,448									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	58,776,039	59,514,440	59,758,220	59,898,811	59,960,535	59,971,864	60,009,680	60,003,690	60,008,505	60,006,836
6/30/2001	60,594,132	60,928,043	61,173,841	61,291,442	61,394,579	61,399,006	61,436,294	61,447,686	61,441,998	
6/30/2002	68,613,493	67,804,228	67,804,228	68,194,963	68,145,675	68,150,420	68,133,716	68,126,916		
6/30/2003	68,048,809	66,387,835	66,500,633	66,639,381	66,684,941	66,683,606	66,674,654			
6/30/2004	61,519,618	60,560,647	60,855,845	60,955,451	60,920,198	60,926,095				
6/30/2005	61,260,471	60,809,626	61,010,149	61,018,014	60,999,037					
6/30/2006	60,262,986	59,175,288	59,358,093	59,403,179						
6/30/2007	61,986,724	61,704,155	61,807,786							
6/30/2008	66,446,456	66,178,869								
6/30/2009	67,176,882									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	32,745	33,703	33,819	33,858	33,870	33,875	33,875	33,876	33,878	33,878
6/30/2001	32,186	33,371	33,483	33,519	33,526	33,532	33,534	33,534	33,534	
6/30/2002	34,777	35,977	36,068	36,097	36,099	36,102	36,104	36,105		
6/30/2003	32,722	33,670	33,739	33,769	33,777	33,777	33,784	33,784		
6/30/2004	30,261	31,135	31,184	31,213	31,224	31,226				
6/30/2005	29,777	30,543	30,577	30,593	30,596					
6/30/2006	28,722	29,434	29,463	29,486						
6/30/2007	29,428	30,253	30,289							
6/30/2008	30,319	31,346								
6/30/2009	31,156									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2000	60,006,836	1.0000	60,006,836	60,000,716	1.0000	60,000,716	60,003,776	33,878	1.0000	33,878
6/30/2001	61,441,998	1.0000	61,441,998	61,431,798	1.0000	61,431,798	61,436,898	33,534	1.0000	33,534
6/30/2002	68,126,916	1.0000	68,126,916	68,116,426	1.0000	68,116,426	68,121,671	36,105	1.0000	36,105
6/30/2003	66,674,654	1.0000	66,674,654	66,671,154	1.0001	66,677,821	66,676,237	33,784	1.0000	33,784
6/30/2004	60,926,095	1.0002	60,938,280	60,883,680	1.0005	60,914,124	60,926,202	31,226	1.0000	31,226
6/30/2005	60,999,037	1.0003	61,017,338	60,943,180	1.0009	60,998,044	61,007,691	30,596	1.0001	30,599
6/30/2006	59,403,179	1.0004	59,426,943	59,351,647	1.0016	59,446,661	59,436,802	29,486	1.0003	29,495
6/30/2007	61,807,786	1.0016	61,906,711	61,645,926	1.0041	61,898,974	61,902,843	30,289	1.0011	30,322
6/30/2008	66,178,869	1.0045	66,477,016	65,832,643	1.0108	66,545,767	66,511,391	31,346	1.0025	31,424
6/30/2009	67,176,882	0.9953	66,858,713	58,713,448	1.1473	67,361,630	67,110,172	31,156	1.0306	32,108
3-yr Total			195,242,441			195,806,371	195,524,406			
10-yr Total			632,875,405			633,391,961	633,133,683			

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	10,591,452	11,570,655	11,662,919	11,674,379	11,736,423	11,737,908	11,737,908	11,737,908	11,738,306	11,738,306
6/30/2001	10,650,562	11,831,096	11,886,630	11,902,451	11,903,214	11,909,132	11,919,673	11,919,673	11,919,673	
6/30/2002	11,620,580	12,856,162	12,982,691	12,993,635	12,993,535	12,993,535	12,993,535	12,993,535	12,993,535	
6/30/2003	11,931,239	13,077,736	13,104,970	13,157,302	13,186,793	13,187,581	13,187,581			
6/30/2004	10,686,805	11,981,895	12,128,286	12,160,643	12,165,339	12,166,645				
6/30/2005	10,921,375	12,342,906	12,399,420	12,414,810	12,423,508					
6/30/2006	11,576,467	12,928,124	13,086,699	13,111,510						
6/30/2007	11,068,993	12,329,082	12,439,512							
6/30/2008	12,506,882	13,902,320								
6/30/2009	12,411,981									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	11,423,620	11,639,142	11,681,596	11,691,818	11,744,962	11,739,090	11,739,090	11,739,090	11,738,306	11,738,306
6/30/2001	11,651,021	11,889,778	11,926,664	11,932,451	11,920,114	11,916,132	11,926,373	11,923,173	11,923,173	
6/30/2002	12,903,605	12,938,263	13,023,057	13,013,635	13,003,735	13,000,235	12,997,135	12,997,135		
6/30/2003	13,287,705	13,116,707	13,133,114	13,168,997	13,186,793	13,187,581	13,187,581			
6/30/2004	12,049,112	12,060,732	12,159,986	12,191,432	12,186,154	12,183,960				
6/30/2005	12,326,906	12,429,223	12,445,620	12,439,910	12,430,708					
6/30/2006	13,043,097	12,966,176	13,103,441	13,113,952						
6/30/2007	12,329,658	12,380,165	12,462,912							
6/30/2008	13,699,157	13,946,668								
6/30/2009	13,592,263									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	6,143	6,281	6,301	6,309	6,310	6,310	6,310	6,310	6,310	6,310
6/30/2001	5,803	5,960	5,976	5,983	5,984	5,984	5,984	5,984	5,984	
6/30/2002	6,406	6,577	6,593	6,596	6,596	6,596	6,596	6,596		
6/30/2003	6,109	6,255	6,266	6,273	6,273	6,274	6,274	6,274		
6/30/2004	5,837	5,998	6,002	6,009	6,010	6,011				
6/30/2005	5,796	5,936	5,943	5,945	5,946					
6/30/2006	5,720	5,831	5,834	5,839						
6/30/2007	5,731	5,834	5,838							
6/30/2008	5,870	6,051								
6/30/2009	5,631									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2000	11,738,306	1.0000	11,738,306	11,738,306	1.0000	11,738,306	11,738,306	6,310	1.0000	6,310
6/30/2001	11,923,173	1.0000	11,923,173	11,919,673	1.0000	11,919,673	11,923,173	5,984	1.0000	5,984
6/30/2002	12,997,135	1.0000	12,997,135	12,993,535	1.0000	12,993,535	12,997,135	6,596	1.0000	6,596
6/30/2003	13,187,581	0.9999	13,186,262	13,187,581	1.0000	13,187,581	13,186,262	6,274	1.0000	6,274
6/30/2004	12,183,960	0.9999	12,182,742	12,166,645	1.0002	12,169,078	12,182,742	6,011	1.0000	6,011
6/30/2005	12,430,708	0.9997	12,426,980	12,423,508	1.0004	12,428,478	12,426,980	5,946	1.0001	5,947
6/30/2006	13,113,952	0.9994	13,106,085	13,111,510						

**Shelter Mutual Insurance Company
Private Passenger Auto - Medical Payments
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	7,564,973	10,175,781	10,108,906	10,019,499	10,009,142	9,990,034	9,982,788	9,983,235	9,964,402	9,963,949
6/30/2001	7,728,446	10,410,581	10,407,320	10,292,202	10,254,951	10,244,204	10,238,413	10,233,493	10,229,299	
6/30/2002	9,058,344	12,257,051	12,229,083	12,159,577	12,093,907	12,055,179	12,040,090	12,030,249		
6/30/2003	9,269,967	12,464,998	12,503,876	12,423,151	12,384,450	12,377,980	12,380,216			
6/30/2004	8,941,552	12,474,665	12,420,133	12,345,536	12,295,974	12,306,776				
6/30/2005	9,161,570	11,810,664	11,865,489	11,795,889	11,824,709					
6/30/2006	9,059,522	11,623,288	11,686,667	11,651,426						
6/30/2007	8,989,610	11,227,604	11,211,664							
6/30/2008	9,099,304	11,508,361								
6/30/2009	8,942,705									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	10,532,416	10,429,982	10,204,421	10,050,053	10,027,661	10,000,316	9,989,431	9,989,879	9,968,602	9,968,149
6/30/2001	10,872,395	10,650,691	10,479,628	10,326,308	10,271,924	10,249,486	10,240,845	10,235,925	10,229,299	
6/30/2002	12,822,767	12,537,336	12,336,728	12,185,972	12,109,492	12,063,635	12,045,658	12,030,354		
6/30/2003	14,107,441	12,726,858	12,612,884	12,487,395	12,432,404	12,408,211	12,387,116			
6/30/2004	13,786,595	12,629,763	12,467,097	12,367,573	12,307,674	12,314,276				
6/30/2005	13,244,646	11,919,639	11,878,006	11,829,525	11,828,909					
6/30/2006	13,475,744	11,727,520	11,725,551	11,660,661						
6/30/2007	12,682,454	11,403,069	11,313,876							
6/30/2008	13,494,251	11,755,188								
6/30/2009	14,171,231									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	6,260	6,683	6,770	6,814	6,827	6,834	6,837	6,838	6,838	6,838
6/30/2001	6,050	6,510	6,586	6,622	6,636	6,643	6,648	6,649	6,650	
6/30/2002	6,685	7,253	7,343	7,381	7,390	7,391	7,391	7,392		
6/30/2003	7,843	8,456	8,527	8,555	8,573	8,578	8,578			
6/30/2004	8,905	9,454	9,502	9,524	9,536	9,543				
6/30/2005	8,399	8,858	8,908	8,932	8,938					
6/30/2006	8,046	8,501	8,528	8,538						
6/30/2007	7,898	8,232	8,255							
6/30/2008	5,558	5,871								
6/30/2009	5,660									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	10,229,299	1.0000	10,229,299	10,229,299	1.0000	10,229,299	10,229,299	6,650	1.0000	6,650	
6/30/2002	12,030,354	0.9988	12,015,918	12,030,249	0.9990	12,018,219	12,017,069	7,392	1.0000	7,392	
6/30/2003	12,387,116	0.9982	12,364,828	12,380,216	0.9986	12,362,889	12,363,858	8,578	1.0001	8,579	
6/30/2004	12,314,276	0.9969	12,276,140	12,306,776	0.9980	12,282,178	12,279,159	9,543	1.0003	9,546	
6/30/2005	11,828,909	0.9949	11,768,691	11,824,709	0.9969	11,788,093	11,778,392	8,938	1.0010	8,947	
6/30/2006	11,660,661	0.9907	11,552,574	11,651,426	0.9933	11,573,531	11,563,053	8,538	1.0024	8,559	
6/30/2007	11,313,876	0.9828	11,119,332	11,211,664	0.9880	11,076,571	11,097,952	8,255	1.0051	8,297	
6/30/2008	11,755,188	0.9761	11,474,494	11,508,361	0.9901	11,394,706	11,434,600	5,871	1.0101	5,930	
6/30/2009	14,171,231	0.8687	12,311,233	8,942,705	1.2832	11,475,288	11,893,260	5,660	1.0657	6,032	
3-yr Total			34,905,059			33,946,566	34,425,812				
10-yr Total			#####			114,164,724	114,622,691				

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	1,972,468	2,499,449	2,311,379	2,204,724	2,192,490	2,189,171	2,186,013	2,185,673	2,185,513	2,185,206
6/30/2001	1,993,628	2,453,330	2,330,620	2,222,965	2,200,743	2,195,744	2,192,201	2,190,688	2,188,795	
6/30/2002	2,194,959	2,741,499	2,598,923	2,484,188	2,434,374	2,418,885	2,415,602	2,413,186		
6/30/2003	2,388,640	2,999,613	2,898,050	2,821,152	2,804,081	2,799,867	2,796,734			
6/30/2004	2,354,976	3,041,826	2,890,737	2,819,770	2,801,019	2,794,632				
6/30/2005	2,192,472	2,736,174	2,605,868	2,534,371	2,534,812					
6/30/2006	2,328,671	2,727,488	2,660,642	2,607,174						
6/30/2007	2,334,026	2,718,182	2,660,437							
6/30/2008	2,572,724	3,148,660								
6/30/2009	2,573,923									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	2,845,853	2,542,604	2,328,150	2,212,677	2,197,740	2,195,821	2,186,013	2,185,673	2,185,513	2,185,206
6/30/2001	2,767,705	2,507,319	2,342,265	2,225,397	2,203,175	2,198,176	2,194,633	2,193,120	2,188,795	
6/30/2002	3,317,985	2,769,902	2,609,962	2,484,188	2,434,374	2,418,885	2,415,602	2,413,186		
6/30/2003	3,723,920	3,033,588	2,917,582	2,837,139	2,814,135	2,804,067	2,796,734			
6/30/2004	3,862,785	3,083,138	2,905,916	2,823,370	2,801,019	2,794,632				
6/30/2005	3,533,935	2,771,052	2,605,868	2,544,663	2,534,812					
6/30/2006	3,722,885	2,755,634	2,660,642	2,607,174						
6/30/2007	3,535,106	2,747,870	2,680,854							
6/30/2008	4,015,555	3,177,923								
6/30/2009	4,146,926									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)				@60	@72	@84	@96	@108	@120
	@12	@24	@36	@48						
6/30/2000	1,695	1,779	1,795	1,808	1,811	1,814	1,814	1,815	1,815	1,815
6/30/2001	1,540	1,635	1,652	1,660	1,663	1,664	1,665	1,665	1,665	
6/30/2002	1,996	2,180	2,196	2,207	2,208	2,208	2,208	2,208		
6/30/2003	2,684	2,848	2,866	2,875	2,880	2,880	2,880			
6/30/2004	2,773	2,933	2,947	2,952	2,952	2,952	2,880			
6/30/2005	2,420	2,559	2,563	2,566	2,568					
6/30/2006	2,518	2,626	2,629	2,631						
6/30/2007	2,472	2,565	2,568							
6/30/2008	1,806	1,897								
6/30/2009	1,712									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	2,188,795	1.0000	2,188,795	2,188,795	1.0000	2,188,795	2,188,795	1,665	1.0000	1,665	
6/30/2002	2,413,186	0.9990	2,410,773	2,413,186	0.9991	2,411,014	2,410,773	2,208	1.0000	2,208	
6/30/2003	2,796,734	0.9984	2,792,261	2,796,734	0.9985	2,792,541	2,792,261	2,880	1.0000	2,880	
6/30/2004	2,794,632	0.9962	2,784,024	2,794,632	0.9971	2,786,535	2,784,024	2,952	1.0001	2,952	
6/30/2005	2,534,812	0.9935	2,518,372	2,534,812	0.9943	2,520,391	2,518,372	2,568	1.0003	2,569	
6/30/2006	2,607,174	0.9850	2,567,989	2,607,174	0.9861	2,570,825	2,567,989	2,631	1.0013	2,634	
6/30/2007	2,680,854	0.9560	2,562,929	2,660,437	0.9603	2,554,876	2,562,929	2,568	1.0033	2,576	
6/30/2008	3,177,923	0.9148	2,907,189	3,148,660	0.9264	2,916,989	2,907,189	1,897	1.0063	1,909	
6/30/2009	4,146,926	0.7122	2,953,349	2,573,923	1.1301	2,908,662	2,953,349	1,712	1.0566	1,809	
3-yr Total			8,423,467			8,380,527	8,423,467				
10-yr Total			25,870,887			25,835,833	25,870,887				

**Shelter Mutual Insurance Company
Private Passenger Auto - Uninsured/Underinsured Motorist
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	3,357,033	8,068,192	10,858,057	12,223,492	13,161,117	13,673,646	13,838,159	13,843,583	13,873,628	13,876,644
6/30/2001	3,138,323	8,192,811	10,736,304	11,974,538	12,740,748	13,614,213	14,175,782	14,167,560	14,207,971	
6/30/2002	3,575,972	9,474,910	13,071,359	14,541,568	15,577,276	16,113,567	16,474,297	16,584,530		
6/30/2003	3,431,703	11,217,777	14,718,824	16,461,478	17,294,085	17,597,039	17,779,191			
6/30/2004	4,398,576	9,543,898	12,407,234	14,254,799	15,309,743	15,621,426				
6/30/2005	3,375,398	9,728,174	12,371,570	13,882,954	15,432,336					
6/30/2006	3,483,312	9,438,052	12,759,607	14,641,666						
6/30/2007	3,061,977	10,193,644	13,101,649							
6/30/2008	3,135,889	11,100,730								
6/30/2009	3,857,072									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	10,052,287	11,874,456	12,995,093	13,441,609	14,048,117	13,915,646	13,951,659	13,975,083	13,966,628	13,969,644
6/30/2001	10,241,207	12,458,121	13,861,059	13,656,205	13,753,248	14,089,713	14,302,730	14,301,560	14,272,971	
6/30/2002	11,952,724	15,525,923	17,030,513	17,283,568	17,076,276	17,043,067	16,873,797	16,805,530		
6/30/2003	15,660,574	18,025,436	18,476,276	18,710,740	18,270,585	18,234,039	18,072,691			
6/30/2004	14,125,052	15,534,082	15,802,174	16,146,799	16,076,743	15,892,926				
6/30/2005	12,538,195	14,443,107	16,041,382	15,973,704	16,317,086					
6/30/2006	12,950,290	15,351,971	16,205,218	16,343,253						
6/30/2007	11,915,294	15,707,916	16,723,395							
6/30/2008	14,381,708	16,532,987								
6/30/2009	15,415,962									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	1,233	1,568	1,689	1,749	1,770	1,780	1,784	1,790	1,793	1,795
6/30/2001	1,180	1,507	1,626	1,660	1,674	1,680	1,684	1,687	1,689	
6/30/2002	1,276	1,688	1,792	1,829	1,843	1,857	1,863	1,863		
6/30/2003	1,303	1,663	1,758	1,789	1,797	1,808	1,815			
6/30/2004	1,204	1,482	1,559	1,593	1,604	1,608				
6/30/2005	1,089	1,320	1,403	1,433	1,450					
6/30/2006	930	1,188	1,260	1,292						
6/30/2007	921	1,176	1,250							
6/30/2008	1,007	1,258								
6/30/2009	1,034									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	14,272,971	1.0000	14,272,971	14,207,971	14,207,971	1.0000	14,207,971	14,240,471	1,689	1.0000	1,689
6/30/2002	16,805,530	0.9980	16,771,919	16,584,530	16,584,530	1.0025	16,625,991	16,698,955	1,863	1.0013	1,865
6/30/2003	18,072,691	0.9975	18,027,527	17,779,191	17,779,191	1.0035	17,841,463	17,934,495	1,815	1.0030	1,820
6/30/2004	15,892,926	0.9962	15,832,600	15,621,426	15,621,426	1.0212	15,952,040	15,892,320	1,608	1.0058	1,617
6/30/2005	16,317,086	0.9956	16,245,397	15,432,336	15,432,336	1.0528	16,247,475	16,246,436	1,450	1.0110	1,466
6/30/2006	16,343,253	0.9922	16,216,127	14,641,666	14,641,666	1.1265	16,494,095	16,355,111	1,292	1.0188	1,316
6/30/2007	16,723,395	1.0029	16,772,519	13,101,649	13,101,649	1.2723	16,669,084	16,720,802	1,250	1.0404	1,301
6/30/2008	16,532,987	1.0556	17,452,084	11,100,730	11,100,730	1.6533	18,353,277	17,902,680	1,258	1.1018	1,386
6/30/2009	15,415,962	1.2298	18,958,000	3,857,072	3,857,072	4.8774	18,812,297	18,885,149	1,034	1.3773	1,424
3-yr Total			53,182,602				53,834,659	53,508,631			
10-yr Total			164,518,788				165,080,338	164,799,563			

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	542,199	1,376,938	1,717,218	1,838,853	2,081,025	2,143,372	2,177,870	2,178,662	2,179,185	2,183,856
6/30/2001	1,030,712	2,112,446	2,588,393	2,766,485	2,824,301	2,909,783	2,907,827	2,905,292	2,919,010	
6/30/2002	651,934	1,489,357	2,191,671	2,408,271	2,457,525	2,467,106	2,476,936	2,473,575		
6/30/2003	699,993	2,001,439	2,909,724	3,125,615	3,269,134	3,330,140	3,351,377			
6/30/2004	841,113	1,930,149	2,399,656	3,207,150	3,332,646	3,367,917				
6/30/2005	557,906	1,805,795	2,274,685	2,545,650	2,600,337					
6/30/2006	1,009,066	2,362,572	2,740,519	2,836,373						
6/30/2007	500,993	1,798,433	2,231,337							
6/30/2008	773,515	2,866,148								
6/30/2009	852,805									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	1,524,110	1,831,123	2,053,893	2,054,853	2,243,525	2,235,872	2,207,870	2,208,662	2,209,185	2,213,856
6/30/2001	2,232,512	2,753,094	2,958,893	2,931,485	2,929,301	3,023,783	2,942,827	2,984,292	2,954,010	
6/30/2002	1,809,865	2,247,938	2,652,097	2,710,771	2,655,025	2,646,106	2,565,936	2,562,575		
6/30/2003	2,345,026	3,125,419	3,437,424	3,601,315	3,609,634	3,500,640	3,484,377			
6/30/2004	2,414,621	3,151,149	3,151,149	3,008,656	3,540,150	3,481,646	3,367,917			
6/30/2005	2,352,180	2,695,045	2,956,435	2,873,150	2,864,837					
6/30/2006	2,657,736	3,296,572	3,248,198	3,130,373						
6/30/2007	2,251,704	2,525,433	2,644,670							
6/30/2008	3,786,472	3,794,798								
6/30/2009	3,292,355									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	228	277	295	304	307	309	309	310	310	311
6/30/2001	254	318	334	345	346	349	349	349	349	
6/30/2002	253	319	343	351	353	355	357	357		
6/30/2003	249	310	334	347	350	352	356			
6/30/2004	254	304	317	326	327	329				
6/30/2005	212	260	277	282	286					
6/30/2006	189	238	248	252						
6/30/2007	194	230	238							
6/30/2008	244	285								
6/30/2009	251									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	2,954,010	1.0000	2,954,010	2,919,010	2,919,010	1.0000	2,919,010	2,954,010	349	1.0000	349
6/30/2002	2,562,575	1.0000	2,562,575	2,473,575	2,473,575	1.0000	2,473,575	2,562,575	357	1.0000	357
6/30/2003	3,484,377	1.0000	3,484,377	3,351,377	3,351,377	1.0000	3,351,377	3,484,377	356	1.0000	356
6/30/2004	3,367,917	0.9800	3,300,559	3,367,917	3,367,917	1.0054	3,386,104	3,300,559	329	1.0030	330
6/30/2005	2,864,837	0.9702	2,779,465	2,600,337	2,600,337	1.0238	2,662,222	2,779,465	286	1.0095	289
6/30/2006	3,130,373	0.9653	3,021,903	2,836,373	2,836,373	1.0545	2,990,992	3,021,903	252	1.0156	256
6/30/2007	2,644,670	0.9895	2,616,855	2,231,337	2,231,337	1.1811	2,635,330	2,616,855	238	1.0410	248
6/30/2008	3,794,798	1.0340	3,923,857	2,866,148	2,866,148	1.4999	4,299,047	3,923,857	285	1.0930	312
6/30/2009	3,292,355	1.2098	3,963,062	852,805	852,805	4.3498	3,709,551	3,963,062	251	1.3160	330
3-yr Total			10,523,774				10,643,928	10,523,774			
10-yr Total			30,840,518				30,611,065	30,840,519			

**Shelter Mutual Insurance Company
Private Passenger Auto - Collision
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	70,895,009	72,329,261	72,006,202	71,894,433	71,902,518	71,885,285	71,863,385	71,840,706	71,830,102	71,818,005
6/30/2001	76,406,808	78,787,657	78,473,580	78,418,268	78,412,159	78,385,644	78,360,477	78,337,039	78,326,586	
6/30/2002	83,533,170	85,370,046	84,935,165	84,781,228	84,757,037	84,742,623	84,702,083	84,693,985		
6/30/2003	84,794,929	85,953,104	85,702,436	85,616,390	85,592,328	85,553,592	85,521,211			
6/30/2004	73,538,062	74,060,232	73,872,753	73,793,416	73,689,767	73,656,775				
6/30/2005	71,293,131	71,506,860	71,315,623	71,234,176	71,185,129					
6/30/2006	72,305,996	71,916,222	71,757,650	71,692,255						
6/30/2007	74,729,778	75,689,801	75,474,092							
6/30/2008	78,740,648	79,629,494								
6/30/2009	78,962,284									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	77,007,262	72,417,737	72,044,578	71,914,929	71,916,563	71,888,785	71,863,385	71,840,706	71,830,102	71,818,005
6/30/2001	84,094,983	78,893,153	78,497,730	78,434,133	78,415,659	78,385,644	78,360,477	78,337,039	78,326,586	
6/30/2002	92,645,231	85,469,213	84,953,084	84,781,228	84,757,037	84,742,623	84,702,083	84,693,985		
6/30/2003	95,048,756	86,041,769	85,718,613	85,625,390	85,592,328	85,553,592	85,521,211			
6/30/2004	81,949,108	74,140,483	73,886,623	73,798,287	73,695,854	73,656,775				
6/30/2005	78,673,964	71,566,944	71,329,123	71,243,596	71,194,129					
6/30/2006	79,272,977	71,989,605	71,784,695	71,705,529						
6/30/2007	81,938,867	75,779,293	75,533,793							
6/30/2008	84,803,831	79,664,699								
6/30/2009	85,967,589									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	39,046	40,261	40,367	40,405	40,427	40,436	40,443	40,450	40,456	40,460
6/30/2001	40,868	42,428	42,515	42,536	42,548	42,555	42,561	42,568	42,571	
6/30/2002	44,224	45,717	45,806	45,840	45,850	45,855	45,869	45,874		
6/30/2003	42,223	43,430	43,491	43,512	43,520	43,532	43,542			
6/30/2004	39,070	40,040	40,090	40,118	40,129	40,140				
6/30/2005	37,113	38,000	38,037	38,047	38,059					
6/30/2006	36,060	36,924	36,947	36,963						
6/30/2007	37,521	38,427	38,464							
6/30/2008	35,011	35,894								
6/30/2009	36,086									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	78,326,586	0.9998	78,310,920	78,326,586	0.9998	78,310,920	78,310,920	42,571	1.0000	42,571
6/30/2002	84,693,985	0.9997	84,668,578	84,693,985	0.9997	84,668,578	84,668,578	45,874	1.0000	45,874
6/30/2003	85,521,211	0.9994	85,469,908	85,521,211	0.9994	85,469,908	85,469,908	43,542	1.0001	43,546
6/30/2004	73,656,775	0.9990	73,583,144	73,656,775	0.9990	73,583,144	73,583,144	40,140	1.0003	40,152
6/30/2005	71,194,129	0.9986	71,094,511	71,185,129	0.9987	71,094,511	71,094,511	38,059	1.0005	38,078
6/30/2006	71,705,529	0.9982	71,576,553	71,692,255	0.9982	71,563,302	71,576,553	36,963	1.0008	36,993
6/30/2007	75,533,793	0.9970	75,307,453	75,474,092	0.9970	75,247,931	75,307,453	38,464	1.0013	38,514
6/30/2008	79,664,699	0.9940	79,187,703	79,629,494	0.9944	79,184,464	79,187,703	35,894	1.0024	35,980
6/30/2009	85,967,589	0.9195	79,043,890	78,962,284	1.0009	79,031,369	79,043,890	36,086	1.0265	37,041
3-yr Total			233,539,046			233,463,765		233,539,046		
10-yr Total			770,060,665			769,970,257		770,060,665		

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	13,737,191	13,831,434	13,769,763	13,736,797	13,734,676	13,732,365	13,730,539	13,728,622	13,728,422	13,726,316
6/30/2001	14,756,736	15,094,188	15,012,359	15,008,764	15,008,566	15,007,567	15,007,302	15,007,502	15,008,255	
6/30/2002	15,582,587	15,869,366	15,859,122	15,857,342	15,860,828	15,857,163	15,855,553	15,860,208		
6/30/2003	15,996,733	16,273,323	16,224,891	16,220,734	16,220,646	16,221,730	16,219,545			
6/30/2004	14,435,154	14,524,855	14,489,532	14,480,572	14,480,844	14,478,976				
6/30/2005	14,758,873	14,692,837	14,668,351	14,666,814	14,664,795					
6/30/2006	15,522,823	15,518,176	15,479,497	15,475,624						
6/30/2007	14,964,472	15,067,968	15,026,071							
6/30/2008	15,876,826	16,038,679								
6/30/2009	16,704,925									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	14,600,758	13,840,979	13,779,708	13,746,342	13,744,221	13,735,865	13,730,539	13,728,622	13,728,422	13,726,316
6/30/2001	15,713,511	15,105,353	15,015,724	15,012,129	15,008,566	15,007,567	15,007,302	15,007,502	15,008,255	
6/30/2002	16,664,148	15,877,874	15,862,320	15,857,342	15,860,828	15,857,163	15,855,553	15,860,208		
6/30/2003	17,728,495	16,273,323	16,224,891	16,220,734	16,220,646	16,221,730	16,219,545			
6/30/2004	15,839,221	14,529,763	14,489,532	14,480,572	14,480,844	14,478,976				
6/30/2005	16,187,919	14,711,810	14,672,851	14,671,735	14,664,795					
6/30/2006	16,904,503	15,531,275	15,483,597	15,479,723						
6/30/2007	16,285,869	15,094,029	15,041,599							
6/30/2008	16,949,674	16,048,129								
6/30/2009	17,778,967									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	7,469	7,647	7,665	7,672	7,674	7,675	7,677	7,677	7,677	7,678
6/30/2001	7,700	7,927	7,939	7,945	7,947	7,947	7,947	7,947	7,947	
6/30/2002	8,208	8,496	8,510	8,516	8,517	8,517	8,517	8,517	8,517	
6/30/2003	8,459	8,656	8,670	8,673	8,673	8,675	8,675			
6/30/2004	7,970	8,149	8,162	8,166	8,168	8,169				
6/30/2005	7,708	7,864	7,871	7,874	7,875					
6/30/2006	7,588	7,754	7,758	7,760						
6/30/2007	7,610	7,762	7,768							
6/30/2008	6,863	7,012								
6/30/2009	6,806									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	15,008,255	1.0000	15,008,255	15,008,255	1.0000	15,008,255	15,008,255	7,947	1.0000	7,947
6/30/2002	15,860,208	1.0000	15,860,208	15,860,208	1.0000	15,860,208	15,860,208	8,517	1.0000	8,517
6/30/2003	16,219,545	1.0001	16,221,167	16,219,545	1.0000	16,219,545	16,221,167	8,675	1.0000	8,675
6/30/2004	14,478,976	0.9999	14,477,528	14,478,976	0.9999	14,477,528	14,477,528	8,169	1.0000	8,169
6/30/2005	14,664,795	0.9997	14,660,395	14,664,795	0.9998	14,661,862	14,660,395	7,875	1.0001	7,876
6/30/2006	15,479,723	0.9996	15,473,532	15,475,624	0.9998	15,472,529	15,473,532	7,760	1.0003	7,762
6/30/2007	15,041,599	0.9993	15,031,072	15,026,071	0.9996	15,020,061	15,031,072	7,768	1.0007	7,773
6/30/2008	16,048,129	0.9964	15,990,391	16,038,679	0.9970	15,990,581	16,038,679	7,012	1.0018	7,025
6/30/2009	17,778,967	0.9267	16,474,951	16,704,925	1.0008	16,718,116	16,474,951	6,806	1.0231	6,963
3-yr Total			47,496,414			47,728,758		47,496,414		
10-yr Total			152,923,816			153,155,002		152,923,815		

**Shelter Mutual Insurance Company
Private Passenger Auto - Comprehensive
Projected Ultimate Loss and Allocated Loss Adjustment Expense**

Companywide Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	37,316,052	40,780,951	40,839,871	40,853,421	40,851,625	40,857,811	40,858,109	40,855,938	40,855,022	40,854,652
6/30/2001	48,167,950	52,718,284	52,778,798	52,781,204	52,784,863	52,792,387	52,781,368	52,780,240	52,780,324	
6/30/2002	49,211,123	53,131,871	53,074,534	53,078,140	53,075,684	53,076,628	53,074,657	53,059,759		
6/30/2003	45,840,289	50,365,081	50,361,741	50,374,680	50,358,707	50,364,754	50,363,392			
6/30/2004	42,028,618	45,465,646	45,570,386	45,594,629	45,606,039	45,610,554				
6/30/2005	33,427,027	36,300,142	36,291,807	36,325,394	36,319,381					
6/30/2006	58,907,679	61,850,477	61,965,369	62,029,318						
6/30/2007	34,829,211	37,116,775	37,163,162							
6/30/2008	63,212,660	68,397,892								
6/30/2009	49,434,182									

Companywide Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	38,783,181	40,801,241	40,840,364	40,853,421	40,852,025	40,857,811	40,858,109	40,855,938	40,855,022	40,854,652
6/30/2001	50,361,076	52,748,847	52,785,422	52,783,404	52,787,063	52,794,587	52,783,568	52,782,440	52,780,324	
6/30/2002	51,238,825	53,162,715	53,081,720	53,091,691	53,075,684	53,076,628	53,074,657	53,059,759		
6/30/2003	49,074,636	50,368,049	50,361,741	50,374,680	50,358,707	50,364,754	50,363,392			
6/30/2004	44,496,780	45,484,507	45,570,680	45,594,629	45,606,039	45,610,554				
6/30/2005	35,302,569	36,317,821	36,302,336	36,326,073	36,319,381					
6/30/2006	61,845,032	61,925,230	61,998,980	62,033,118						
6/30/2007	37,186,229	37,149,747	37,163,162							
6/30/2008	67,490,227	68,437,392								
6/30/2009	52,821,378									

Companywide Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	50,265	54,715	54,810	54,832	54,838	54,839	54,839	54,840	54,842	54,843
6/30/2001	54,763	60,101	60,193	60,215	60,225	60,233	60,237	60,241	60,241	
6/30/2002	55,210	60,082	60,163	60,177	60,188	60,191	60,193	60,194		
6/30/2003	54,127	57,807	57,882	57,902	57,908	57,913	57,915			
6/30/2004	48,422	51,201	51,260	51,274	51,285	51,287				
6/30/2005	42,243	44,928	45,006	45,022	45,027					
6/30/2006	50,365	52,573	52,637	52,658						
6/30/2007	36,763	38,550	38,603							
6/30/2008	47,098	49,663								
6/30/2009	40,986									

Companywide Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Cumulative Paid Losses (4) = (2) x (3)	Ultimate Development Factors (5)	Estimated Incurred Loss & ALAE (6)	Selected Incurred Loss & ALAE (7) = (5) x (6)	Cumulative Paid Claim Count (8)	Ultimate Development Factors (9)	Estimated Incurred Claim Count (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	52,780,324	1.0000	52,780,324	52,780,324	1.0000	52,780,324	52,780,324	60,241	1.0000	60,241	60,241
6/30/2002	53,059,759	1.0000	53,059,759	53,059,759	1.0000	53,059,759	53,059,759	60,194	1.0000	60,194	60,194
6/30/2003	50,363,392	1.0000	50,363,392	50,363,392	1.0000	50,363,392	50,363,392	57,915	1.0000	57,915	57,915
6/30/2004	45,610,554	1.0000	45,610,554	45,610,554	1.0000	45,610,554	45,610,554	51,287	1.0000	51,287	51,287
6/30/2005	36,319,381	1.0001	36,323,013	36,319,381	1.0001	36,323,013	36,323,013	45,027	1.0001	45,032	45,032
6/30/2006	62,033,118	1.0000	62,033,118	62,029,318	1.0001	62,035,521	62,033,118	52,658	1.0003	52,674	52,674
6/30/2007	37,163,162	1.0004	37,178,027	37,163,162	1.0006	37,185,462	37,178,027	38,603	1.0006	38,626	38,626
6/30/2008	68,437,392	1.0009	68,498,998	68,397,892	1.0017	68,514,217	68,498,998	49,663	1.0019	49,757	49,757
6/30/2009	52,821,378	1.0125	53,482,206	49,434,182	1.0797	53,375,727	53,482,206	40,986	1.0555	43,261	43,261
3-yr Total			159,159,232			159,075,406	159,159,231				
10-yr Total			500,184,043			500,102,621	500,184,043				

Arkansas Paid Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	8,568,845	9,016,830	9,029,739	9,026,955	9,028,134	9,028,991	9,029,006	9,028,686	9,028,396	9,028,026
6/30/2001	9,105,247	9,713,102	9,715,377	9,715,651	9,714,671	9,714,484	9,711,475	9,711,202	9,711,202	
6/30/2002	10,288,231	10,820,074	10,834,377	10,836,015	10,799,367	10,800,037	10,800,941	10,789,323		
6/30/2003	7,613,867	8,044,216	7,996,612	7,998,494	7,998,664	7,998,554	7,998,659			
6/30/2004	8,287,428	8,617,893	8,619,416	8,686,994	8,687,333	8,686,833				
6/30/2005	6,230,481	6,611,924	6,609,850	6,615,818	6,615,159					
6/30/2006	10,475,101	10,936,558	10,935,444	10,965,587						
6/30/2007	6,522,701	6,847,015	6,842,503							
6/30/2008	18,674,320	19,335,473								
6/30/2009	10,140,598									

Arkansas Reported Loss & Paid ALAE

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	8,708,584	9,021,587	9,029,897	9,026,955	9,028,534	9,028,991	9,029,006	9,028,686	9,028,396	9,028,026
6/30/2001	9,338,226	9,717,702	9,717,577	9,717,851	9,716,871	9,716,684	9,713,675	9,713,402	9,711,202	
6/30/2002	10,468,590	10,826,131	10,837,234	10,836,015	10,799,367	10,800,037	10,800,941	10,789,323		
6/30/2003	7,925,004	8,048,388	7,996,612	7,998,494	7,998,664	7,998,554	7,998,659			
6/30/2004	8,598,901	8,618,987	8,689,710	8,686,994	8,687,333	8,686,833				
6/30/2005	6,538,446	6,613,924	6,609,850	6,615,818	6,615,159					
6/30/2006	10,960,523	10,944,417	10,938,044	10,965,587						
6/30/2007	6,893,238	6,848,925	6,842,503							
6/30/2008	19,263,804	19,335,773								
6/30/2009	10,661,813									

Arkansas Claims with Payment

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
6/30/2000	12,033	12,995	13,020	13,026	13,027	13,027	13,027	13,027	13,027	13,028
6/30/2001	11,749	12,874	12,892	12,895	12,895	12,896	12,897	12,899	12,899	12,899
6/30/2002	12,033	13,029	13,041	13,043	13,046	13,047	13,048	13,048		
6/30/2003	11,183	11,904	11,913	11,920	11,921	11,923				
6/30/2004	10,795	11,358	11,369	11,373	11,373	11,373				
6/30/2005	9,066	9,550	9,579	9,581	9,581					
6/30/2006	10,352	10,872	10,882	10,890						
6/30/2007	8,218	8,586	8,595							
6/30/2008	12,053	12,486								
6/30/2009	8,828									

Arkansas Selected Incurred Loss & ALAE

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Cumulative Paid Losses (4) = (2) x (3)	Ultimate Development Factors (5)	Estimated Incurred Loss & ALAE (6)	Selected Incurred Loss & ALAE (7) = (5) x (6)	Cumulative Paid Claim Count (8)	Ultimate Development Factors (9)	Estimated Incurred Claim Count (10)	Estimated Incurred Claim Count (11) = (9) x (10)
6/30/2001	9,711,202	1.0000	9,711,202	9,711,202	1.0000	9,711,202	9,711,202	12,899	1.0000	12,899	12,899
6/30/2002	10,789,323	1.0000	10,789,323	10,789,323	1.0000	10,789,323	10,789,323	13,048	1.0000	13,048	13,048
6/30/2003	7,998,659	1.0000	7,998,659	7,998,659	1.0000	7,998,659	7,998,659	11,923	1.0000	11,923	11,923
6/30/2004	8,686,833	1.0000	8,686,833	8,686,833	1.0000	8,686,833	8,686,833	11,373	1.0000	11,373	11,373
6/30/2005	6,615,159	1.0000	6,615,159	6,615,159	1.0000	6,615,159	6,615,159	9,581	1.0000	9,581	9,581
6/30/2006	10,965,587	1.0000	10,965,587	10,965,587	1.0000	10,965,587	10,965,587	10,890	1.0001	10,891	10,891
6/30/2007	6,842,503	1.0000	6,842,503	6,842,503	1.0000	6,842,503	6,842,503	8,595	1.0005	8,599	8,599
6/30/2008	19,335,773	1.0000	19,335,773	19,335,473	1.0000	19,335,473	19,335,773	12,486	1.0016	12,506	12,506
6/30/2009	10,661,813	1.0100	10,768,431	10,140,598	1.0441	10,587,798	10,768,431	8,828	1.0567	9,328	9,328
3-yr Total			36,946,708			36,765,775	36,946,707				
10-yr Total			100,741,497			100,560,564	100,741,496				

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Bodily Injury
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.a.1)	Projected Ultimate Claims (Exh. B.III.a.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	80,263,648	7,333	10,946	11,680	
12/2006	82,280,781	7,274	11,312	11,305	
3/2007	83,260,591	7,256	11,475	10,943	
6/2007	80,208,019	7,143	11,229	10,592	
9/2007	82,571,925	7,812	10,570	10,252	
12/2007	83,726,753	8,442	9,918	9,923	
3/2008	84,132,558	8,922	9,430	9,605	9,198
6/2008	85,417,047	9,445	9,044	9,297	9,016
9/2008	82,385,360	9,428	8,738	8,999	8,836
12/2008	80,450,037	9,661	8,327	8,710	8,660
3/2009	82,507,303	9,965	8,280	8,431	8,488
6/2009	88,439,070	10,140	8,722	8,160	8,319
Annual Percentage Change				-12.23%	-7.73%
r^2				0.886	0.579

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.a.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	7,333	849,898	0.86	0.82	
12/2006	7,274	853,762	0.85	0.85	
3/2007	7,256	856,992	0.85	0.87	
6/2007	7,143	860,631	0.83	0.90	
9/2007	7,812	864,723	0.90	0.93	
12/2007	8,442	869,651	0.97	0.95	
3/2008	8,922	875,000	1.02	0.98	0.82
6/2008	9,445	880,652	1.07	1.01	0.85
9/2008	9,428	887,314	1.06	1.04	0.87
12/2008	9,661	894,907	1.08	1.08	0.90
3/2009	9,965	903,438	1.10	1.11	0.93
6/2009	10,140	912,991	1.11	1.14	0.95
Annual Percentage Change				12.87%	11.76%
r^2				0.892	0.867

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.a.1)	Projected Ultimate Claims (Exh. B.III.a.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	14,117,596	1,594	8,857	8,815	
12/2006	13,927,722	1,569	8,877	8,682	
3/2007	13,145,745	1,562	8,416	8,551	
6/2007	12,729,775	1,488	8,555	8,422	
9/2007	13,676,709	1,680	8,141	8,295	
12/2007	14,892,337	1,849	8,054	8,171	
3/2008	16,019,657	1,959	8,177	8,047	7,993
6/2008	17,276,198	2,163	7,987	7,926	7,897
9/2008	15,725,719	2,077	7,571	7,807	7,803
12/2008	15,636,790	2,093	7,471	7,689	7,710
3/2009	16,452,247	2,172	7,575	7,573	7,617
6/2009	16,509,123	2,122	7,780	7,459	7,526
Annual Percentage Change				-5.89%	-4.70%
r^2				0.858	0.408

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.a.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	1,594	173,450	0.92	0.87	
12/2006	1,569	174,463	0.90	0.90	
3/2007	1,562	175,333	0.89	0.92	
6/2007	1,488	176,226	0.84	0.95	
9/2007	1,680	177,285	0.95	0.98	
12/2007	1,849	178,444	1.04	1.01	
3/2008	1,959	179,640	1.09	1.04	1.13
6/2008	2,163	180,832	1.20	1.08	1.14
9/2008	2,077	182,102	1.14	1.11	1.14
12/2008	2,093	183,429	1.14	1.14	1.15
3/2009	2,172	184,913	1.17	1.18	1.15
6/2009	2,122	186,541	1.14	1.22	1.16
Annual Percentage Change				12.96%	1.75%
r^2				0.765	0.061

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
6/2006	91,609,303	10,012	9,150	8,845	
9/2006	89,575,829	9,898	9,050	8,898	
12/2006	90,461,936	9,920	9,119	8,952	
3/2007	89,619,972	10,038	8,928	9,006	
6/2007	87,820,038	10,098	8,697	9,061	
9/2007	87,439,581	9,961	8,778	9,115	
12/2007	87,020,157	9,928	8,765	9,170	8,976
3/2008	89,430,086	9,799	9,126	9,226	9,119
6/2008	91,770,772	9,717	9,444	9,282	9,264
9/2008	93,599,875	9,663	9,686	9,338	9,412
12/2008	92,223,740	9,635	9,572	9,394	9,562
3/2009	89,068,136	9,410	9,465	9,451	9,714
Annual Percentage Change				2.44%	6.52%
r^2				0.363	0.642

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
6/2006	10,012	975,711	1.03	1.04	
9/2006	9,898	983,128	1.01	1.03	
12/2006	9,920	990,192	1.00	1.01	
3/2007	10,038	997,110	1.01	1.00	
6/2007	10,098	1,004,040	1.01	0.99	
9/2007	9,961	1,010,858	0.99	0.98	
12/2007	9,928	1,018,249	0.98	0.97	0.98
3/2008	9,799	1,025,908	0.96	0.95	0.96
6/2008	9,717	1,033,175	0.94	0.94	0.94
9/2008	9,663	1,040,808	0.93	0.93	0.93
12/2008	9,635	1,047,718	0.92	0.92	0.91
3/2009	9,410	1,053,864	0.89	0.91	0.90
Annual Percentage Change				-4.21%	-6.25%
r^2				0.919	0.973

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.1423	1.0000	1.1423
6/30/2006	1/01/2006	3.5000	1.1090	1.0000	1.1090
6/30/2007	1/01/2007	2.5000	1.0767	1.0000	1.0767
6/30/2008	1/01/2008	1.5000	1.0453	1.0000	1.0453
6/30/2009	1/01/2009	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Property Damage
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.b.1)	Projected Ultimate Claims (Exh. B.III.b.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	59,675,827	29,387	2,031	2,042	
12/2006	60,532,946	29,453	2,055	2,047	
3/2007	61,805,899	30,423	2,032	2,052	
6/2007	61,902,843	30,322	2,042	2,056	
9/2007	63,509,608	31,002	2,049	2,061	
12/2007	64,995,429	31,396	2,070	2,066	
3/2008	66,159,717	31,190	2,121	2,071	2,120
6/2008	66,511,391	31,424	2,117	2,076	2,108
9/2008	65,786,054	31,295	2,102	2,081	2,097
12/2008	65,710,426	31,718	2,072	2,086	2,085
3/2009	65,463,786	32,008	2,045	2,091	2,074
6/2009	67,110,172	32,108	2,090	2,096	2,063
Annual Percentage Change				0.96%	-2.13%
r^2				0.304	0.547

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.b.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	29,387	849,898	3.46	3.51	
12/2006	29,453	853,762	3.45	3.52	
3/2007	30,423	856,992	3.55	3.52	
6/2007	30,322	860,631	3.52	3.52	
9/2007	31,002	864,723	3.59	3.53	
12/2007	31,396	869,651	3.61	3.53	
3/2008	31,190	875,000	3.56	3.54	3.51
6/2008	31,424	880,652	3.57	3.54	3.52
9/2008	31,295	887,314	3.53	3.55	3.52
12/2008	31,718	894,907	3.54	3.55	3.52
3/2009	32,008	903,438	3.54	3.56	3.53
6/2009	32,108	912,991	3.52	3.56	3.53
Annual Percentage Change				0.56%	0.28%
r^2				0.134	0.646

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.b.1)	Projected Ultimate Claims (Exh. B.III.b.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	12,905,813	5,814	2,220	2,139	
12/2006	12,865,594	5,845	2,201	2,159	
3/2007	12,802,061	5,969	2,145	2,180	
6/2007	12,467,891	5,844	2,133	2,201	
9/2007	12,873,933	5,989	2,150	2,222	
12/2007	13,413,477	6,077	2,207	2,243	
3/2008	13,547,418	5,982	2,265	2,264	2,286
6/2008	14,030,372	6,063	2,314	2,286	2,305
9/2008	13,981,676	5,936	2,355	2,307	2,324
12/2008	13,753,670	5,881	2,339	2,329	2,344
3/2009	13,975,897	5,939	2,353	2,352	2,363
6/2009	13,746,312	5,778	2,379	2,374	2,383
Annual Percentage Change				3.85%	3.38%
r^2				0.724	0.800

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.b.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	5,814	173,450	3.35	3.42	
12/2006	5,845	174,463	3.35	3.40	
3/2007	5,969	175,333	3.40	3.38	
6/2007	5,844	176,226	3.32	3.36	
9/2007	5,989	177,285	3.38	3.34	
12/2007	6,077	178,444	3.41	3.31	
3/2008	5,982	179,640	3.33	3.29	3.36
6/2008	6,063	180,832	3.35	3.27	3.31
9/2008	5,936	182,102	3.26	3.25	3.27
12/2008	5,881	183,429	3.21	3.23	3.22
3/2009	5,939	184,913	3.21	3.21	3.17
6/2009	5,778	186,541	3.10	3.19	3.13
Annual Percentage Change				-2.45%	-5.44%
r^2				0.623	0.892

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
6/2006	85,522,909	31,929	2,679	2,691	
9/2006	86,488,221	31,887	2,712	2,703	
12/2006	87,509,570	32,314	2,708	2,716	
3/2007	88,734,707	32,584	2,723	2,729	
6/2007	89,898,134	32,921	2,731	2,741	
9/2007	91,158,021	33,060	2,757	2,754	
12/2007	92,352,553	33,239	2,778	2,767	2,794
3/2008	92,840,135	33,085	2,806	2,780	2,798
6/2008	92,643,275	32,779	2,826	2,793	2,802
9/2008	91,147,757	32,610	2,795	2,806	2,806
12/2008	89,905,935	32,033	2,807	2,819	2,810
3/2009	89,631,961	31,885	2,811	2,832	2,814
Annual Percentage Change				1.87%	0.57%
r^2				0.889	0.207

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
6/2006	31,929	975,711	3.27	3.32	
9/2006	31,887	983,128	3.24	3.30	
12/2006	32,314	990,192	3.26	3.28	
3/2007	32,584	997,110	3.27	3.26	
6/2007	32,921	1,004,040	3.28	3.24	
9/2007	33,060	1,010,858	3.27	3.21	
12/2007	33,239	1,018,249	3.26	3.19	3.27
3/2008	33,085	1,025,908	3.22	3.17	3.22
6/2008	32,779	1,033,175	3.17	3.15	3.17
9/2008	32,610	1,040,808	3.13	3.13	3.12
12/2008	32,033	1,047,718	3.06	3.11	3.07
3/2009	31,885	1,053,864	3.03	3.09	3.03
Annual Percentage Change				-2.52%	-5.90%
r^2				0.710	0.992

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity	Selected Frequency	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.0932	1.0000	1.0932
6/30/2006	1/01/2006	3.5000	1.0718	1.0000	1.0718
6/30/2007	1/01/2007	2.5000	1.0508	1.0000	1.0508
6/30/2008	1/01/2008	1.5000	1.0301	1.0000	1.0301
6/30/2009	1/01/2009	0.5000	1.0100	1.0000	1.0100

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity	Selected Frequency	Combined Projection Factor	
1.2548	1.0252	1.0000	1.0252	1.1207
1.2548	1.0252	1.0000	1.0252	1.0988
1.2548	1.0252	1.0000	1.0252	1.0773
1.2548	1.0252	1.0000	1.0252	1.0561
1.2548	1.0252	1.0000	1.0252	1.0355

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Medical Payments
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.c.1)	Projected Ultimate Claims (Exh. B.III.c.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	11,608,475	8,604	1,349	1,297	
12/2006	11,599,032	8,472	1,369	1,350	
3/2007	11,309,783	8,430	1,342	1,404	
6/2007	11,097,952	8,297	1,338	1,461	
9/2007	11,397,185	7,732	1,474	1,520	
12/2007	11,178,654	7,137	1,566	1,582	
3/2008	11,357,642	6,458	1,759	1,646	1,807
6/2008	11,434,600	5,930	1,928	1,712	1,826
9/2008	10,755,780	5,836	1,843	1,782	1,845
12/2008	10,727,450	5,868	1,828	1,854	1,864
3/2009	10,788,293	5,977	1,805	1,929	1,884
6/2009	11,893,260	6,032	1,972	2,007	1,903
Annual Percentage Change				17.23%	4.22%
r ²				0.858	0.211

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.c.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	8,604	514,024	1.67	1.73	
12/2006	8,472	514,475	1.65	1.65	
3/2007	8,430	514,748	1.64	1.58	
6/2007	8,297	515,350	1.61	1.50	
9/2007	7,732	516,387	1.50	1.44	
12/2007	7,137	518,003	1.38	1.37	
3/2008	6,458	519,898	1.24	1.31	1.73
6/2008	5,930	521,981	1.14	1.25	1.65
9/2008	5,836	524,504	1.11	1.19	1.58
12/2008	5,868	527,430	1.11	1.14	1.50
3/2009	5,977	532,373	1.12	1.08	1.44
6/2009	6,032	540,189	1.12	1.03	1.37
Annual Percentage Change				-17.60%	-16.97%
r ²				0.905	0.495

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.c.1)	Projected Ultimate Claims (Exh. B.III.c.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	2,549,691	2,704	943	903	
12/2006	2,549,027	2,623	972	956	
3/2007	2,539,668	2,619	970	1,012	
6/2007	2,562,929	2,576	995	1,072	
9/2007	2,603,621	2,409	1,081	1,134	
12/2007	2,681,400	2,272	1,180	1,201	
3/2008	2,738,677	2,077	1,319	1,271	1,389
6/2008	2,907,189	1,909	1,523	1,346	1,431
9/2008	2,849,117	1,883	1,513	1,425	1,474
12/2008	2,704,384	1,816	1,489	1,508	1,519
3/2009	2,788,017	1,835	1,519	1,597	1,565
6/2009	2,953,349	1,809	1,633	1,690	1,612
Annual Percentage Change				25.56%	12.65%
r ²				0.928	0.642

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.c.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	2,704	134,103	2.02	2.08	
12/2006	2,623	134,771	1.95	1.98	
3/2007	2,619	135,335	1.94	1.88	
6/2007	2,576	135,893	1.90	1.79	
9/2007	2,409	136,564	1.76	1.71	
12/2007	2,272	137,305	1.65	1.62	
3/2008	2,077	138,112	1.50	1.54	1.45
6/2008	1,909	138,941	1.37	1.47	1.41
9/2008	1,883	139,824	1.35	1.40	1.36
12/2008	1,816	140,759	1.29	1.33	1.32
3/2009	1,835	141,794	1.29	1.27	1.28
6/2009	1,809	142,917	1.27	1.20	1.25
Annual Percentage Change				-18.37%	-11.35%
r ²				0.952	0.841

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.1423	1.0000	1.1423
6/30/2006	1/01/2006	3.5000	1.1090	1.0000	1.1090
6/30/2007	1/01/2007	2.5000	1.0767	1.0000	1.0767
6/30/2008	1/01/2008	1.5000	1.0453	1.0000	1.0453
6/30/2009	1/01/2009	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Uninsured Motorist
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.d.1)	Projected Ultimate Claims (Exh. B.III.d.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	16,584,105	1,319	12,573	12,567	
12/2006	16,028,163	1,299	12,339	12,628	
3/2007	16,700,206	1,281	13,037	12,689	
6/2007	16,720,802	1,301	12,852	12,750	
9/2007	17,229,379	1,358	12,687	12,812	
12/2007	16,838,548	1,360	12,381	12,874	
3/2008	18,193,576	1,370	13,280	12,936	13,259
6/2008	17,902,680	1,386	12,917	12,999	13,225
9/2008	18,803,722	1,405	13,383	13,061	13,190
12/2008	19,887,610	1,440	13,811	13,125	13,155
3/2009	18,612,791	1,498	12,425	13,188	13,121
6/2009	18,885,149	1,424	13,262	13,252	13,087
Annual Percentage Change				1.95%	-1.04%
r^2				0.242	0.019

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.d.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	1,319	732,489	0.18	0.17	
12/2006	1,299	733,966	0.18	0.18	
3/2007	1,281	735,039	0.17	0.18	
6/2007	1,301	736,514	0.18	0.18	
9/2007	1,358	738,524	0.18	0.18	
12/2007	1,360	741,265	0.18	0.18	
3/2008	1,370	744,360	0.18	0.18	0.17
6/2008	1,386	747,868	0.19	0.19	0.18
9/2008	1,405	752,141	0.19	0.19	0.18
12/2008	1,440	757,062	0.19	0.19	0.18
3/2009	1,498	762,672	0.20	0.19	0.18
6/2009	1,424	768,907	0.19	0.19	0.18
Annual Percentage Change			0.00%	0.00%	
r^2			0.655	0.463	

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.d.1)	Projected Ultimate Claims (Exh. B.III.d.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	3,065,637	270	11,354	10,438	
12/2006	2,763,615	250	11,054	10,635	
3/2007	2,666,935	253	10,541	10,836	
6/2007	2,616,855	248	10,552	11,041	
9/2007	2,585,119	257	10,059	11,249	
12/2007	2,821,344	298	9,468	11,461	
3/2008	3,913,013	301	13,000	11,678	13,263
6/2008	3,923,857	312	12,576	11,898	13,061
9/2008	4,070,148	312	13,045	12,122	12,862
12/2008	4,258,356	290	14,684	12,351	12,666
3/2009	3,923,026	343	11,437	12,584	12,473
6/2009	3,983,062	330	12,070	12,822	12,283
Annual Percentage Change				7.77%	-5.96%
r^2				0.289	0.115

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.d.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	270	154,990	0.17	0.16	
12/2006	250	155,879	0.16	0.16	
3/2007	253	156,675	0.16	0.17	
6/2007	248	157,489	0.16	0.17	
9/2007	257	158,444	0.16	0.17	
12/2007	298	159,499	0.19	0.18	
3/2008	301	160,579	0.19	0.18	0.19
6/2008	312	161,657	0.19	0.19	0.19
9/2008	312	162,783	0.19	0.19	0.19
12/2008	290	163,940	0.18	0.19	0.19
3/2009	343	165,220	0.21	0.20	0.20
6/2009	330	166,620	0.20	0.20	0.20
Annual Percentage Change			5.26%	5.26%	
r^2			0.689	0.258	

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.1423	1.0000	1.1423
6/30/2006	1/01/2006	3.5000	1.1090	1.0000	1.1090
6/30/2007	1/01/2007	2.5000	1.0767	1.0000	1.0767
6/30/2008	1/01/2008	1.5000	1.0453	1.0000	1.0453
6/30/2009	1/01/2009	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Collision
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.e.1)	Projected Ultimate Claims (Exh. B.III.e.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point	
9/2006	71,388,878	37,003	1,929	1,930		
12/2006	71,348,084	37,060	1,925	1,951		
3/2007	74,815,313	38,630	1,937	1,972		
6/2007	75,307,453	38,514	1,955	1,994		
9/2007	76,063,069	38,300	1,986	2,016		
12/2007	78,432,139	37,716	2,080	2,038		
3/2008	78,842,246	36,614	2,153	2,060		2.175
6/2008	79,187,703	35,980	2,201	2,083		2.158
9/2008	77,123,784	35,801	2,154	2,105		2.141
12/2008	76,620,985	36,473	2,101	2,128		2.125
3/2009	75,558,298	36,693	2,059	2,152		2.109
6/2009	79,043,890	37,041	2,134	2,175		2.093
Annual Percentage Change				4.42%		-3.01%
r^2				0.640		0.392

Frequency Trends - Shelter Mutual Companywide						
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.e.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point	
9/2006	37,003	586,788	6.31	6.49		
12/2006	37,060	590,342	6.28	6.41		
3/2007	38,630	593,711	6.51	6.34		
6/2007	38,514	597,538	6.45	6.27		
9/2007	38,300	601,685	6.37	6.20		
12/2007	37,716	606,502	6.22	6.13		
3/2008	36,614	611,524	5.99	6.06		6.49
6/2008	35,980	616,552	5.84	5.99		6.41
9/2008	35,801	621,726	5.76	5.92		6.34
12/2008	36,473	626,819	5.82	5.85		6.27
3/2009	36,693	632,013	5.81	5.79		6.20
6/2009	37,041	637,285	5.81	5.72		6.13
Annual Percentage Change				-4.51%		-4.37%
r^2				0.771		0.396

Severity Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.e.1)	Projected Ultimate Claims (Exh. B.III.e.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point	
9/2006	15,389,524	7,833	1,965	1,894		
12/2006	15,154,289	7,827	1,936	1,934		
3/2007	15,319,117	7,913	1,936	1,974		
6/2007	15,031,072	7,773	1,934	2,016		
9/2007	15,215,310	7,633	1,993	2,058		
12/2007	15,684,041	7,451	2,105	2,101		
3/2008	15,756,604	7,191	2,191	2,145		2.218
6/2008	15,990,391	7,025	2,276	2,190		2.242
9/2008	15,906,125	6,946	2,290	2,236		2.267
12/2008	15,917,762	6,986	2,279	2,282		2.291
3/2009	16,019,575	7,040	2,276	2,330		2.316
6/2009	16,474,951	6,963	2,366	2,379		2.342
Annual Percentage Change				8.63%		4.46%
r^2				0.890		0.690

Frequency Trends - Shelter Mutual Arkansas						
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.e.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point	
9/2006	7,833	120,696	6.49	6.60		
12/2006	7,827	121,530	6.44	6.46		
3/2007	7,913	122,285	6.47	6.33		
6/2007	7,773	123,084	6.32	6.19		
9/2007	7,633	123,976	6.16	6.06		
12/2007	7,451	124,990	5.96	5.93		
3/2008	7,191	126,065	5.70	5.81		5.63
6/2008	7,025	127,076	5.53	5.69		5.56
9/2008	6,946	128,072	5.42	5.56		5.50
12/2008	6,986	128,992	5.42	5.45		5.44
3/2009	7,040	129,931	5.42	5.33		5.37
6/2009	6,963	130,911	5.32	5.22		5.31
Annual Percentage Change				-8.26%		-4.50%
r^2				0.943		0.826

Severity Trends - Fast Track Arkansas						
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point	
6/2006	116,675,622	37,128	3,143	3,124		
9/2006	117,761,346	37,415	3,147	3,141		
12/2006	118,939,146	37,988	3,131	3,157		
3/2007	123,339,444	38,546	3,200	3,174		
6/2007	124,021,065	39,073	3,174	3,191		
9/2007	125,052,352	39,331	3,179	3,208		
12/2007	126,353,652	39,566	3,193	3,226		3.229
3/2008	128,982,238	39,654	3,253	3,243		3.247
6/2008	130,560,915	39,552	3,301	3,260		3.264
9/2008	130,838,523	39,699	3,296	3,278		3.282
12/2008	131,246,658	39,534	3,320	3,296		3.299
3/2009	129,638,347	39,573	3,276	3,313		3.317
Annual Percentage Change				2.16%		2.16%
r^2				0.842		0.517

Frequency Trends - Fast Track Arkansas						
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point	
6/2006	37,128	711,317	5.22	5.28		
9/2006	37,415	716,777	5.22	5.28		
12/2006	37,988	722,385	5.26	5.27		
3/2007	38,546	728,335	5.29	5.26		
6/2007	39,073	734,459	5.32	5.26		
9/2007	39,331	740,659	5.31	5.25		
12/2007	39,566	746,895	5.30	5.24		5.29
3/2008	39,654	752,568	5.27	5.24		5.26
6/2008	39,552	757,337	5.22	5.23		5.24
9/2008	39,699	761,483	5.21	5.22		5.21
12/2008	39,534	764,902	5.17	5.21		5.18
3/2009	39,573	767,493	5.16	5.21		5.15
Annual Percentage Change				-0.57%		-2.09%
r^2				0.216		0.967

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity	Selected Frequency	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.1175	1.0000	1.1175
6/30/2006	1/01/2006	3.5000	1.0903	1.0000	1.0903
6/30/2007	1/01/2007	2.5000	1.0637	1.0000	1.0637
6/30/2008	1/01/2008	1.5000	1.0377	1.0000	1.0377
6/30/2009	1/01/2009	0.5000	1.0124	1.0000	1.0124

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity	Selected Frequency	Combined Projection Factor	
1.2548	1.0315	1.0000	1.0315	1.1527
1.2548	1.0315	1.0000	1.0315	1.1246
1.2548	1.0315	1.0000	1.0315	1.0972
1.2548	1.0315	1.0000	1.0315	1.0704
1.2548	1.0315	1.0000	1.0315	1.0443

**Shelter Mutual Insurance Company
Arkansas**

**Private Passenger Automobile - Comprehensive
Development of Combined Trend and Projection Factor**

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.f.1)	Projected Ultimate Claims (Exh. B.III.f.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	29,640,294	34,884	850	845	
12/2006	30,936,955	34,943	885	863	
3/2007	31,543,193	35,560	887	882	
6/2007	31,716,097	35,485	894	901	
9/2007	32,302,537	35,814	902	921	
12/2007	33,135,703	36,088	918	941	
3/2008	34,055,377	36,089	944	962	958
6/2008	35,785,536	36,114	991	983	982
9/2008	36,412,231	35,865	1,015	1,004	1,006
12/2008	36,955,790	35,727	1,034	1,026	1,031
3/2009	38,325,813	36,263	1,057	1,049	1,056
6/2009	38,997,337	36,359	1,073	1,071	1,082
Annual Percentage Change				8.95%	10.18%
r^2				0.964	0.957

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.f.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	34,884	607,275	5.74	5.81	
12/2006	34,943	610,786	5.72	5.78	
3/2007	35,560	614,085	5.79	5.76	
6/2007	35,485	617,844	5.74	5.73	
9/2007	35,814	621,938	5.76	5.71	
12/2007	36,088	626,709	5.76	5.68	
3/2008	36,089	631,725	5.71	5.66	5.81
6/2008	36,114	636,804	5.67	5.64	5.78
9/2008	35,865	642,085	5.59	5.61	5.76
12/2008	35,727	647,326	5.52	5.59	5.73
3/2009	36,263	652,690	5.56	5.57	5.71
6/2009	36,359	658,143	5.52	5.54	5.68
Annual Percentage Change				-1.77%	-1.73%
r^2				0.754	0.830

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.f.1)	Projected Ultimate Claims (Exh. B.III.f.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
9/2006	6,352,166	8,467	750	707	
12/2006	6,550,287	8,534	768	730	
3/2007	6,398,797	8,399	762	754	
6/2007	6,106,740	8,192	745	779	
9/2007	6,225,926	8,227	757	805	
12/2007	6,457,946	8,237	784	831	
3/2008	6,893,568	8,312	829	859	839
6/2008	7,522,517	8,447	891	887	877
9/2008	7,668,666	8,382	915	916	917
12/2008	7,987,503	8,341	958	946	959
3/2009	8,852,552	8,785	1,008	977	1,003
6/2009	8,947,509	8,572	1,044	1,010	1,049
Annual Percentage Change				13.87%	19.61%
r^2				0.889	0.988

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.f.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2006	8,467	122,591	6.91	6.80	
12/2006	8,534	123,440	6.91	6.76	
3/2007	8,399	124,212	6.76	6.72	
6/2007	8,192	125,025	6.55	6.68	
9/2007	8,227	125,926	6.53	6.64	
12/2007	8,237	126,956	6.49	6.61	
3/2008	8,312	128,049	6.49	6.57	6.49
6/2008	8,447	129,092	6.54	6.53	6.49
9/2008	8,382	130,122	6.44	6.49	6.49
12/2008	8,341	131,071	6.36	6.46	6.49
3/2009	8,785	132,040	6.65	6.42	6.49
6/2009	8,572	133,046	6.44	6.38	6.49
Annual Percentage Change				-2.30%	0.00%
r^2				0.565	0.000

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
6/2006	72,215,950	62,079	1,163	1,044	
9/2006	72,313,633	59,287	1,220	1,091	
12/2006	70,672,520	56,568	1,249	1,141	
3/2007	64,524,179	52,927	1,219	1,192	
6/2007	49,279,898	45,874	1,074	1,246	
9/2007	49,065,202	45,168	1,086	1,303	
12/2007	49,324,104	45,063	1,095	1,362	1,154
3/2008	54,116,005	46,565	1,162	1,423	1,288
6/2008	107,703,383	63,395	1,699	1,487	1,439
9/2008	112,567,873	64,307	1,750	1,555	1,607
12/2008	115,899,490	64,262	1,804	1,625	1,794
3/2009	116,305,694	64,243	1,810	1,699	2,003
Annual Percentage Change				19.40%	55.51%
r^2				0.556	0.784

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
6/2006	62,079	729,558	8.51	7.14	
9/2006	59,287	735,176	8.06	7.16	
12/2006	56,568	740,958	7.63	7.18	
3/2007	52,927	747,043	7.08	7.20	
6/2007	45,874	753,298	6.09	7.22	
9/2007	45,168	759,555	5.95	7.25	
12/2007	45,063	765,925	5.88	7.27	6.13
3/2008	46,565	771,727	6.03	7.29	6.59
6/2008	63,395	776,647	8.16	7.31	7.10
9/2008	64,307	781,041	8.23	7.34	7.64
12/2008	64,262	784,727	8.19	7.36	8.22
3/2009	64,243	787,588	8.16	7.38	8.84
Annual Percentage Change				1.23%	34.14%
r^2				0.006	0.695

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 6/30/2009	Selected Severity	Selected Frequency	Combined Trend Factor
6/30/2005	1/01/2005	4.5000	1.0932	1.0000	1.0932
6/30/2006	1/01/2006	3.5000	1.0718	1.0000	1.0718
6/30/2007	1/01/2007	2.5000	1.0508	1.0000	1.0508
6/30/2008	1/01/2008	1.5000	1.0301	1.0000	1.0301
6/30/2009	1/01/2009	0.5000	1.0100	1.0000	1.0100

Projection Factor				Combined Trend and Projection Factor
Years from 6/30/2009 to 10/01/2010	Selected Severity	Selected Frequency	Combined Projection Factor	
1.2548	1.0252	1.0000	1.0252	1.1207
1.2548	1.0252	1.0000	1.0252	1.0988
1.2548	1.0252	1.0000	1.0252	1.0773
1.2548	1.0252	1.0000	1.0252	1.0561
1.2548	1.0252	1.0000	1.0252	1.0355

**Shelter Mutual Insurance Company
Private Passenger Automobile
Arkansas**

Current Rate Level Factors as of June 30, 2009

The parallelogram method was used to develop the current rate level factors shown below given the following rate change history. The effective dates of the changes shown are for renewal business.

Current Rate Level Factors by Coverage

<u>Fiscal Year Ending</u>	Bodily Injury / Property Damage	Medical Payments	Uninsured Motorist	Collision	Comprehensive	Total
June 30, 2005	0.9755	1.0499	1.1548	0.8013	0.6731	0.8917
June 30, 2006	0.9806	0.9770	1.0094	0.9290	0.8080	0.9420
June 30, 2007	0.9832	0.9752	1.0000	0.9466	0.8375	0.9520
June 30, 2008	0.9995	0.9992	1.0000	0.9982	0.9939	0.9984
June 30, 2009	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Rate Change History by Coverage (Percent Changes)

<u>Effective Date</u>	Bodily Injury / Property Damage	Medical Payments	Uninsured Motorist	Collision	Comprehensive	Total
November 19, 2003	-0.1 %	6.4 %	12.7 %	-0.6 %	-2.4 %	-0.2 %
April 17, 2005	-0.6 %	8.6 %	16.7 %	-15.6 %	-18.9 %	-6.1 %
March 22, 2007	-1.9 %	-2.8 %	0.0 %	-6.0 %	-18.0 %	-5.4 %

Shelter Mutual Insurance Company
Private Passenger Automobile
Companywide
Development of Unallocated Loss Adjustment Factor

Exhibit B.VI

Liability, excluding Property Damage

Note: Amounts in 000's	2006	2007	2008	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$109,208	\$117,431	\$120,572	\$347,212
2. Direct Unallocated Loss Adjustment Expense Incurred	\$12,290	\$13,666	\$8,904	\$34,860
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	11.3%	11.6%	7.4%	10.0%

Property Damage Liability

Note: Amounts in 000's	2006	2007	2008	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$65,246	\$70,159	\$72,035	\$207,439
2. Direct Unallocated Loss Adjustment Expense Incurred	\$7,343	\$8,165	\$5,319	\$20,827
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	11.3%	11.6%	7.4%	10.0%

Physical Damage

Note: Amounts in 000's	2006	2007	2008	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$138,397	\$119,770	\$159,117	\$417,284
2. Direct Unallocated Loss Adjustment Expense Incurred	\$15,359	\$16,269	\$13,964	\$45,592
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	11.1%	13.6%	8.8%	10.9%

Source: Insurance Expense Exhibit

Shelter Mutual Insurance Company

Arkansas

Private Passenger Liability

Calculation of Expected Loss Ratio

Commission and Brokerage (a)		12.7%
Other Acquisition Expense (a)		4.5%
General Expense (a)		7.2%
Arkansas Taxes, Licenses and Fees (b)		3.0%
Profit and Contingencies	5.0%	
Less Investment Credit on Policyholder Funds (c) -	2.8%	
Net Profit and Contingencies		2.2%
Sub-total		29.6%
Available for Losses and Loss Adjustment Expense		70.4%

(a) From attached Companywide Expense Ratios

(b) 2008 Premium Tax ratio in Arkansas

(c) From attached calculation of Investment Income Credit on Policyholder Funds

Shelter Mutual Insurance Company

Arkansas

Private Passenger Liability

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2008		\$ 60,447,367
(2) Mean Unearned Premium Reserve: (1.) x 0.264		\$ 15,958,105
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.7%	
b. 50% of Other Acquisition Expense	2.3%	
c. 50% of General Expense	3.6%	
d. Taxes, Licenses and Fees	3.0%	
e. Total		21.6%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 12,511,154
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2008		\$ 60,447,367
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.726		\$ 43,884,788
3. Expected Mean Loss Reserve: (2.) x 0.786		\$ 34,493,443
C. Net Subject to Investment: A.4 + B.3		\$ 47,004,597
D. Average Rate of Return		0.0493
E. Investment Earnings on Net Subject to Investment: C x D		\$ 2,317,327
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		3.8%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.738		2.8%

Please refer to the attached explanatory memorandum for details by line

Explanatory Memorandum re Investment Income - Arkansas - Private Passenger Liability

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Private Passenger Liability, for Calendar Year 2008.

Line A.2 - The mean unearned premium reserve is determined by multiplying the direct earned premium in Line A.1 by the mean unearned premium ratio developed below.

1. Direct Earned Premium for Calendar Year 2008	\$ 60,447,367
2. Unearned Premium Reserve as of 12/31/2007	\$ 15,764,145
3. Unearned Premium Reserve as of 12/31/2008	\$ 16,126,120
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 15,945,132
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.264

Line A.3 - Production and half of other company expenses are incurred with the initial writing and processing of insurance policies, exclusive of claim adjustment expenses. As these expenses are in effect prepaid, the funds will not be available to invest on behalf of the policyholder. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B.2 - The expected loss and loss adjustment ratio reflects expense provisions used in this filing with no provision for profit.

Line B.3 - The expected mean loss reserve is determined by multiplying the expected incurred loss in Line B.2 by the mean loss and loss adjustment reserve ratio as shown below.

1. Incurred Losses for Calendar Year 2007	\$ 35,605,767
2. Incurred Losses for Calendar Year 2008	\$ 37,448,166
3. Loss Reserves as of 12/31/2006	\$ 27,361,746
4. Loss Reserves as of 12/31/2007	\$ 28,967,124
5. Loss Reserves as of 12/31/2008	\$ 29,447,798
6. Mean Loss Reserve 2007	\$ 28,164,435
7. Mean Loss Reserve 2008	\$ 29,207,461
8. 2007 Ratio: (6.) / (1.)	0.791
9. 2008 Ratio: (7.) / (2.)	0.780
10. Mean Ratio: ((8.) + (9.)) / 2	0.786

Explanatory Memorandum re Investment Income - Continued

Line D - The rate of return is the ratio of Net Income Earned and Net Realized Capital Gains/Losses to Mean Cash and Invested Assets. Due to the inherent variability of Capital Gains/Losses, we have used the most recent ten years of data. All data shown below is from the annual statement

1. Cash and Invested Assets 2006	\$	2,065,958,870
2. Cash and Invested Assets 2007	\$	2,323,262,763
3. Cash and Invested Assets 2008	\$	2,173,279,805
4. Net Investment Income Earned 2007	\$	89,685,586
5. Net Investment Income Earned 2008	\$	71,699,115
6. Mean Cash and Invested Assets 2007: (2. + 3.) / 2	\$	2,194,610,817
7. Mean Cash and Invested Assets 2008: (2. + 3.) / 2	\$	2,248,271,284
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)		0.0363
9. Mean Cash and Invested Assets 1999 - 2008	\$	17,259,183,421
10. Net Realized Capital Gains/Losses 1999 - 2008	\$	223,854,229
11. Mean Rate of Return: 10. / 9.		0.0130
12. Total Rate of Return: 8. + 11.		0.0493

Line G - The average rate of Federal Income Tax was determined by applying the expected average tax rate for Net Investment Income and the expected tax rate applicable to Net Realized Capital Gains/Losses to the rates of return calculated in Line D.

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0363	0.231 (A)
Net Realized Capital Gains/Losses	0.0130	0.350
Total	0.0493	0.262

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2009 tax rates to the distribution of investment income earned for the years 2007 and 2008. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2007	2008	Total		
Bonds (Taxable)	\$ 30,437,464	\$ 26,833,882	\$ 57,271,346	0.350	\$ 20,044,971
Bonds (Tax Exempt)	\$ 26,516,804	\$ 29,608,627	\$ 56,125,431	0.053	\$ 2,974,648
Stocks	\$ 10,852,003	\$ 7,636,174	\$ 18,488,177	0.210	\$ 3,882,517
Short Term	\$ 3,453,930	\$ 1,507,273	\$ 4,961,203	0.350	\$ 1,736,421
Real Estate	\$ 2,122,960	\$ 2,528,822	\$ 4,651,782	0.350	\$ 1,628,124
Other Investments	\$ 16,302,425	\$ 3,584,337	\$ 19,886,762	0.350	\$ 6,960,367
Total	\$ 89,685,586	\$ 71,699,115	\$ 161,384,701	0.231	\$ 37,227,048

(1) Investment deductions have been allocated to the appropriate type in the following manner:
 Real Estate - Income Earned less depreciation (Page 6, Line 12), Real Estate Expenses and Taxes (Page 11, Lines 19 and 20, Column 3).
 All Other - Investment Expenses less Real Estate Expenses and Taxes prorated by income earned to total income earned less Real Estate Income.

Shelter Mutual Insurance Company

Companywide

Private Passenger Liability

Development of Expense Ratios

Note: 000 s omitted.	2006	2007	2008	Total
1.) Direct Commission and Brokerage	\$ 39,347	\$ 38,204	\$ 35,773	\$ 113,324
2.) Direct Written Premium	298,699	292,824	297,654	889,177
Ratio: 1 / 2	13.2%	13.0%	12.0%	12.7%
3.) Other Acquisition Expense	\$ 12,223	\$ 13,360	\$ 14,074	\$ 39,657
4.) Direct Earned Premium	298,049	293,540	295,740	887,329
Ratio: 3 / 4	4.1%	4.6%	4.8%	4.5%
5.) General Expense	\$ 20,504	\$ 22,470	\$ 20,960	\$ 63,934
6.) Direct Earned Premium	298,049	293,540	295,740	887,329
Ratio: 5 / 6	6.9%	7.7%	7.1%	7.2%
7.) Taxes, Licenses and Fees	\$ 6,662	\$ 6,832	\$ 6,513	\$ 20,007
8.) Direct Written Premium	298,699	292,824	297,654	889,177
Ratio: 7 / 8	2.2%	2.3%	2.2%	2.3%
9.) Direct Loss Adjustment Expense	\$ 22,187	\$ 30,357	\$ 24,055	\$ 76,599
10.) Direct Losses Incurred	171,900	179,064	182,775	533,739
Ratio: 9 / 10	12.9%	17.0%	13.2%	14.4%

Source: Insurance Expense Exhibit.

Shelter Mutual Insurance Company

Arkansas

Private Passenger Physical Damage

Calculation of Expected Loss Ratio

Commission and Brokerage (a)		12.7%
Other Acquisition Expense (a)		4.5%
General Expense (a)		7.2%
Arkansas Taxes, Licenses and Fees (b)		3.0%
Profit and Contingencies	5.0%	
Less Investment Credit on Policyholder Funds (c) -	0.9%	
Net Profit and Contingencies		4.1%
Sub-total		31.5%
Available for Losses and Loss Adjustment Expense		68.5%

(a) From attached Companywide Expense Ratios

(b) 2008 Premium Tax ratio in Arkansas

(c) From attached calculation of Investment Income Credit on Policyholder Funds

Shelter Mutual Insurance Company

Arkansas

Private Passenger Physical Damage

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2008		\$ 44,686,580
(2) Mean Unearned Premium Reserve: (1.) x 0.27		\$ 12,065,377
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.7%	
b. 50% of Other Acquisition Expense	2.3%	
c. 50% of General Expense	3.6%	
d. Taxes, Licenses and Fees	3.0%	
e. Total		21.6%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 9,459,256
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2008		\$ 44,686,580
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.726		\$ 32,442,457
3. Expected Mean Loss Reserve: (2.) x 0.035		\$ 1,135,486
C. Net Subject to Investment: A.4 + B.3		\$ 10,594,742
D. Average Rate of Return		0.0493
E. Investment Earnings on Net Subject to Investment: C x D		\$ 522,321
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		1.2%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.738		0.9%

Please refer to the attached explanatory memorandum for details by line

Explanatory Memorandum re Investment Income - Arkansas - Private Passenger Physical Damage

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Private Passenger Physical Damage, for Calendar Year 2008.

Line A.2 - The mean unearned premium reserve is determined by multiplying the direct earned premium in Line A.1 by the mean unearned premium ratio developed below.

1. Direct Earned Premium for Calendar Year 2008	\$ 44,686,580
2. Unearned Premium Reserve as of 12/31/2007	\$ 11,689,321
3. Unearned Premium Reserve as of 12/31/2008	\$ 12,454,351
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 12,071,836
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.270

Line A.3 - Production and half of other company expenses are incurred with the initial writing and processing of insurance policies, exclusive of claim adjustment expenses. As these expenses are in effect prepaid, the funds will not be available to invest on behalf of the policyholder. The deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B.2 - The expected loss and loss adjustment ratio reflects expense provisions used in this filing with no provision for profit.

Line B.3 - The expected mean loss reserve is determined by multiplying the expected incurred loss in Line B.2 by the mean loss and loss adjustment reserve ratio as shown below.

1. Incurred Losses for Calendar Year 2007	\$ 23,553,054
2. Incurred Losses for Calendar Year 2008	\$ 38,339,476
3. Loss Reserves as of 12/31/2006	\$ 1,001,560
4. Loss Reserves as of 12/31/2007	\$ 922,956
5. Loss Reserves as of 12/31/2008	\$ 1,243,884
6. Mean Loss Reserve 2007	\$ 962,258
7. Mean Loss Reserve 2008	\$ 1,083,420
8. 2007 Ratio: (6.) / (1.)	0.041
9. 2008 Ratio: (7.) / (2.)	0.028
10. Mean Ratio: ((8.) + (9.)) / 2	0.035

Explanatory Memorandum re Investment Income - Continued

Line D - The rate of return is the ratio of Net Income Earned and Net Realized Capital Gains/Losses to Mean Cash and Invested Assets. Due to the inherent variability of Capital Gains/Losses, we have used the most recent ten years of data. All data shown below is from the annual statement

1. Cash and Invested Assets 2006	\$	2,065,958,870
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6. Mean Cash and Invested Assets 2007: (2. + 3.) / 2	\$	2,194,610,817
7. Mean Cash and Invested Assets 2008: (2. + 3.) / 2	\$	2,248,271,284
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)		0.0363
9. Mean Cash and Invested Assets 1999 - 2008	\$	17,259,183,421
10. Net Realized Capital Gains/Losses 1999 - 2008	\$	223,854,229
11. Mean Rate of Return: 10. / 9.		0.0130
12. Total Rate of Return: 8. + 11.		0.0493

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	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0363	0.231 (A)
Net Realized Capital Gains/Losses	0.0130	0.350
Total	0.0493	0.262

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2009 tax rates to the distribution of investment income earned for the years 2007 and 2008. The calculations are shown below:

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Real Estate	\$ 2,122,960	\$ 2,528,822	\$ 4,651,782	0.350	\$ 1,628,124
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 All Other - Investment Expenses less Real Estate Expenses and Taxes prorated by income earned to total income earned less Real Estate Income.

Shelter Mutual Insurance Company

Companywide

Private Passenger Physical Damage

Development of Expense Ratios

Note: 000 s omitted.

	2006	2007	2008	Total
1.) Direct Commission and Brokerage	\$ 27,113	\$ 26,717	\$ 25,420	\$ 79,250
2.) Direct Written Premium	206,482	205,383	212,270	624,135
Ratio: 1 / 2	13.1%	13.0%	12.0%	12.7%
3.) Other Acquisition Expense	\$ 8,449	\$ 9,369	\$ 10,033	\$ 27,851
4.) Direct Earned Premium	204,583	206,231	208,988	619,802
Ratio: 3 / 4	4.1%	4.5%	4.8%	4.5%
5.) General Expense	\$ 14,173	\$ 15,758	\$ 14,942	\$ 44,873
6.) Direct Earned Premium	204,583	206,231	208,988	619,802
Ratio: 5 / 6	6.9%	7.6%	7.1%	7.2%
7.) Taxes, Licenses and Fees	\$ 4,606	\$ 4,652	\$ 4,540	\$ 13,798
8.) Direct Written Premium	206,482	205,383	212,270	624,135
Ratio: 7 / 8	2.2%	2.3%	2.1%	2.2%
9.) Direct Loss Adjustment Expense	\$ 15,190	\$ 16,472	\$ 14,132	\$ 45,794
10.) Direct Losses Incurred	138,566	119,567	158,949	417,082
Ratio: 9 / 10	11.0%	13.8%	8.9%	11.0%

Source: Insurance Expense Exhibit.

**Shelter Insurance Companies
Private Passenger Automobile
Calculation of Factor to Adjust Fixed Costs**

Exhibit B.VIII.a

Quarter Ending	20-Point		12-Point		6-Point	
	Actual	Fitted	Actual	Fitted	Actual	Fitted
Jun-04	188.9	188.8				
Sep-04	189.6	190.3				
Dec-04	190.7	191.7				
Mar-05	191.9	193.1				
Jun-05	194.5	194.6				
Sep-05	196.9	196.0				
Dec-05	197.9	197.5				
Mar-06	198.9	199.0				
Jun-06	202.3	200.5	202.3	201.6		
Sep-06	203.4	202.0	203.4	202.9		
Dec-06	201.7	203.5	201.7	204.3		
Mar-07	203.8	205.1	203.8	205.7		
Jun-07	207.7	206.6	207.7	207.0		
Sep-07	208.2	208.1	208.2	208.4		
Dec-07	209.7	209.7	209.7	209.8	209.7	212.6
Mar-08	212.1	211.3	212.1	211.2	212.1	213.1
Jun-08	216.7	212.9	216.7	212.6	216.7	213.5
Sep-08	219.3	214.5	219.3	214.0	219.3	214.0
Dec-08	213.1	216.1	213.1	215.4	213.1	214.5
Mar-09	212.0	217.7	212.0	216.9	212.0	215.0
r ²		0.947		0.769		0.069
Annual Change		3.0%		2.7%		0.9%
Selected Factor to Trend Fixed Costs						2.5%

Note: Fitted columns are generated using exponential regression...(y=exp^{a+bx}).

**Shelter Insurance Companies
Private Passenger Automobile**

Exhibit B.VIII.b

Trend of Medical Component in the Consumer Price Index

Quarter Ending	20-Point		12-Point		6-Point	
	Actual	Fitted	Actual	Fitted	Actual	Fitted
Jun-04	309.1	309.1				
Sep-04	311.6	312.2				
Dec-04	314.1	315.3				
Mar-05	318.9	318.4				
Jun-05	322.2	321.6				
Sep-05	324.2	324.8				
Dec-05	327.6	328.1				
Mar-06	331.8	331.3				
Jun-06	335.4	334.7	335.4	335.5		
Sep-06	337.7	338.0	337.7	338.7		
Dec-06	339.8	341.4	339.8	341.9		
Mar-07	345.7	344.8	345.7	345.2		
Jun-07	348.9	348.2	348.9	348.5		
Sep-07	352.8	351.7	352.8	351.9		
Dec-07	356.8	355.2	356.8	355.3	356.8	357.8
Mar-08	361.9	358.7	361.9	358.7	361.9	360.3
Jun-08	363.4	362.3	363.4	362.1	363.4	362.8
Sep-08	364.5	365.9	364.5	365.6	364.5	365.4
Dec-08	366.5	369.6	366.5	369.1	366.5	368.0
Mar-09	371.8	373.3	371.8	372.6	371.8	370.6
r ²		0.996		0.982		0.933
Annual Change		4.1%		3.9%		2.9%

Note: Fitted columns are generated using exponential regression...(y=exp^{a+bx}).

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
BASE RATE COMPARISON**

Exhibit C

BODILY INJURY - PROPERTY DAMAGE

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	192	208	8.3%
3	204	215	5.4%
4	194	210	8.2%
9	193	209	8.3%
10	177	187	5.6%
11	211	242	14.7%
12	171	188	9.9%
18	158	168	6.3%
19	189	208	10.1%
20	221	234	5.9%
21	148	161	8.8%
22	216	239	10.6%
25	215	236	9.8%
26	179	198	10.6%
27	179	189	5.6%
30	175	194	10.9%
31	150	164	9.3%
32	164	178	8.5%
40	193	209	8.3%
41	229	243	6.1%
42	243	263	8.2%

MEDICAL PAYMENTS

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	29	35	20.7%
3	29	35	20.7%
4	31	38	22.6%
9	32	36	12.5%
10	29	35	20.7%
11	31	36	16.1%
12	29	35	20.7%
18	32	38	18.8%
19	33	39	18.2%
20	32	39	21.9%
21	31	35	12.9%
22	34	39	14.7%
25	32	39	21.9%
26	31	36	16.1%
27	33	39	18.2%
30	31	37	19.4%
31	30	35	16.7%
32	31	36	16.1%
40	32	38	18.8%
41	36	42	16.7%
42	36	44	22.2%

COLLISION

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	81	83	2.5%
3	84	85	1.2%
4	78	79	1.3%
9	91	92	1.1%
10	85	86	1.2%
11	79	81	2.5%
12	74	76	2.7%
18	87	88	1.1%
19	81	83	2.5%
20	83	85	2.4%
21	78	79	1.3%
22	81	82	1.2%
25	89	90	1.1%
26	85	87	2.4%
27	88	89	1.1%
30	78	79	1.3%
31	78	80	2.6%
32	78	80	2.6%
40	79	80	1.3%
41	87	89	2.3%
42	90	91	1.1%

COMPREHENSIVE

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	62	68	9.7%
3	52	57	9.6%
4	41	46	12.2%
9	67	73	9.0%
10	61	67	9.8%
11	59	65	10.2%
12	49	54	10.2%
18	65	72	10.8%
19	54	60	11.1%
20	48	53	10.4%
21	68	75	10.3%
22	45	50	11.1%
25	54	59	9.3%
26	58	64	10.3%
27	60	66	10.0%
30	57	63	10.5%
31	55	61	10.9%
32	60	66	10.0%
40	36	40	11.1%
41	41	45	9.8%
42	43	48	11.6%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
TIER FACTOR COMPARISON**

Exhibit D

	<u>Description</u>	<u>Tier Code</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
Liability	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.04	1.04	0.0%
	Tier 4000	4000	1.19	1.16	-2.5%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Medical Payments	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Uninsured Motorists	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Collision	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Comprehensive	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
EMERGENCY ROAD SERVICE**

Exhibit E

RATES COMPARISON

Limit	Current Rate	Proposed Rate	Percent Change
10	2	2	0.0%
20	4	4	0.0%
30	6	5	-16.7%
40	7	6	-14.3%
50	8	7	-12.5%
60	9	8	-11.1%
70	10	9	-10.0%
80	11	10	-9.1%
90	12	11	-8.3%
100	13	12	-7.7%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
BODILY INJURY LIABILITY**

Exhibit F

INCREASED LIMITS COMPARISON

BI OPTIONAL LIMITS																
Lower	25		Percent	50		Percent	100		Percent	200		Percent	250		Percent	
Upper	CUR	PRO	Change													
50	1.00	1.00	0.0%	1.04	1.09	4.8%										
100	1.03	1.03	0.0%	1.06	1.11	4.7%	1.09	1.15	5.5%							
200	1.05	1.05	0.0%	1.09	1.14	4.6%	1.12	1.18	5.4%	1.20	1.26	5.0%				
250	1.06	1.06	0.0%	1.10	1.16	5.5%	1.13	1.19	5.3%	1.22	1.28	4.9%	1.23	1.29	4.9%	
300	1.07	1.07	0.0%	1.11	1.17	5.4%	1.15	1.21	5.2%	1.23	1.29	4.9%	1.24	1.30	4.8%	
500	1.10	1.10	0.0%	1.16	1.22	5.2%	1.20	1.26	5.0%	1.25	1.31	4.8%	1.28	1.34	4.7%	
750	1.14	1.14	0.0%	1.21	1.27	5.0%	1.23	1.29	4.9%	1.28	1.34	4.7%	1.31	1.38	5.3%	
800	1.16	1.16	0.0%	1.23	1.29	4.9%	1.25	1.31	4.8%	1.30	1.37	5.4%	1.32	1.39	5.3%	
1000	1.22	1.22	0.0%	1.26	1.32	4.8%	1.28	1.34	4.7%	1.33	1.40	5.3%	1.35	1.42	5.2%	

BI OPTIONAL LIMITS																
Lower	300		Percent	500		Percent	750		Percent	800		Percent	1000		Percent	
Upper	CUR	PRO	Change													
50																
100																
200																
250																
300	1.26	1.32	4.8%													
500	1.30	1.37	5.4%	1.38	1.45	5.1%										
750	1.32	1.39	5.3%	1.41	1.48	5.0%	1.46	1.53	4.8%							
800	1.34	1.41	5.2%	1.42	1.49	4.9%	1.47	1.54	4.8%	1.48	1.55	4.7%				
1000	1.37	1.44	5.1%	1.45	1.52	4.8%	1.48	1.55	4.7%	1.50	1.58	5.3%	1.52	1.60	5.3%	

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
SINGLE LIMIT LIABILITY**

Exhibit G

INCREASED LIMITS COMPARISON

Limit	Current Factor	Proposed Factor	Percent Change
100,000	1.19	1.25	5.0%
200,000	1.31	1.38	5.3%
250,000	1.37	1.44	5.1%
300,000	1.40	1.47	5.0%
400,000	1.46	1.53	4.8%
500,000	1.51	1.59	5.3%
750,000	1.59	1.67	5.0%
800,000	1.64	1.72	4.9%
1,000,000	1.69	1.77	4.7%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
MODEL YEAR RELATIVITY COMPARISON**

Exhibit H

COLLISION

<u>Model Year</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2010	2.05	2.05	New Factor
2009	1.95	1.95	0.0%
2008	1.86	1.86	0.0%
2007	1.77	1.77	0.0%
2006	1.69	1.69	0.0%
2005	1.61	1.61	0.0%
2004	1.53	1.53	0.0%
2003	1.46	1.46	0.0%
2002	1.39	1.39	0.0%
2001	1.32	1.32	0.0%
2000	1.26	1.26	0.0%
1999	1.20	1.20	0.0%
1998	1.09	1.09	0.0%
1997 & Prior	1.00	1.00	0.0%

COMPREHENSIVE

<u>Model Year</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2010	2.08	2.08	New Factor
2009	1.98	1.98	0.0%
2008	1.89	1.89	0.0%
2007	1.80	1.80	0.0%
2006	1.71	1.71	0.0%
2005	1.63	1.63	0.0%
2004	1.55	1.55	0.0%
2003	1.48	1.48	0.0%
2002	1.41	1.41	0.0%
2001	1.34	1.34	0.0%
2000	1.28	1.28	0.0%
1999	1.22	1.22	0.0%
1998	1.17	1.17	0.0%
1997 & Prior	1.11	1.11	0.0%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
DEDUCTIBLE RELATIVITY COMPARISON**

Exhibit I

COLLISION

<u>Deductible</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
50	1.55	1.55	0.0%
100	1.49	1.49	0.0%
200	1.30	1.30	0.0%
250	1.26	1.26	0.0%
500	1.00	1.00	0.0%
750	.82	.82	0.0%
1000	.64	.69	7.8%
2000	.50	.53	6.0%

COMPREHENSIVE

<u>Deductible</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
0	1.30	1.30	0.0%
25	1.23	1.23	0.0%
50	1.16	1.16	0.0%
100	1.00	1.00	0.0%
250	.74	.74	0.0%
500	.58	.58	0.0%
750	.53	.53	0.0%
1000	.49	.49	0.0%
2000	.40	.35	-12.5%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
COST SYMBOL FACTOR COMPARISON**

Exhibit J

Symbol	Collision		Percent Change	Comprehensive		Percent Change
	CUR	PRO		CUR	PRO	
1	0.33	0.33	0.0%	0.28	0.34	21.4%
2	0.33	0.33	0.0%	0.28	0.34	21.4%
3	0.38	0.38	0.0%	0.33	0.40	21.2%
4	0.49	0.49	0.0%	0.39	0.45	15.4%
5	0.60	0.60	0.0%	0.45	0.51	13.3%
6	0.70	0.70	0.0%	0.61	0.68	11.5%
7	0.79	0.79	0.0%	0.67	0.74	10.4%
8	0.85	0.85	0.0%	0.79	0.87	10.1%
9	0.93	0.93	0.0%	0.89	0.94	5.6%
10	1.00	1.00	0.0%	1.00	1.00	0.0%
11	1.07	1.07	0.0%	1.08	1.08	0.0%
12	1.15	1.15	0.0%	1.13	1.13	0.0%
13	1.18	1.18	0.0%	1.17	1.17	0.0%
14	1.21	1.21	0.0%	1.23	1.23	0.0%
15	1.26	1.26	0.0%	1.26	1.26	0.0%
16	1.31	1.31	0.0%	1.30	1.30	0.0%
17	1.35	1.35	0.0%	1.33	1.33	0.0%
18	1.38	1.37	-0.7%	1.36	1.35	-0.7%
19	1.43	1.40	-2.1%	1.38	1.37	-0.7%
20	1.48	1.43	-3.4%	1.41	1.39	-1.4%
21	1.54	1.47	-4.5%	1.43	1.41	-1.4%
22	1.59	1.51	-5.0%	1.48	1.43	-3.4%
23	1.64	1.55	-5.5%	1.54	1.46	-5.2%
24	1.69	1.58	-6.5%	1.60	1.50	-6.3%
25	1.73	1.61	-6.9%	1.66	1.54	-7.2%
26	1.76	1.63	-7.4%	1.72	1.59	-7.6%
27	1.80	1.66	-7.8%	1.78	1.64	-7.9%
28	1.83	1.68	-8.2%	1.84	1.68	-8.7%
29	1.87	1.70	-9.1%	1.90	1.73	-8.9%
30	1.90	1.72	-9.5%	1.96	1.78	-9.2%
31	1.92	1.74	-9.4%	2.02	1.83	-9.4%
32	1.94	1.76	-9.3%	2.08	1.88	-9.6%
33	1.96	1.78	-9.2%	2.14	1.93	-9.8%
34	2.00	1.81	-9.5%	2.20	1.98	-10.0%
35	2.03	1.84	-9.4%	2.25	2.03	-9.8%
36	2.07	1.87	-9.7%	2.31	2.09	-9.5%
37	2.10	1.90	-9.5%	2.37	2.15	-9.3%
38	2.12	1.92	-9.4%	2.43	2.20	-9.5%
39	2.15	1.94	-9.8%	2.49	2.25	-9.6%
40	2.17	1.96	-9.7%	2.55	2.30	-9.8%
41	2.19	1.98	-9.6%	2.61	2.35	-10.0%
42	2.21	2.00	-9.5%	2.67	2.41	-9.7%
43	2.24	2.02	-9.8%	2.72	2.46	-9.6%
44	2.26	2.05	-9.3%	2.78	2.52	-9.4%
45	2.28	2.07	-9.2%	2.84	2.57	-9.5%
46	2.31	2.10	-9.1%	2.90	2.63	-9.3%
47	2.35	2.13	-9.4%	2.96	2.68	-9.5%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
COST SYMBOL FACTOR COMPARISON**

Exhibit J

48	2.38	2.16	-9.2%	3.02	2.73	-9.6%
49	2.42	2.19	-9.5%	3.08	2.78	-9.7%
50	2.45	2.22	-9.4%	3.14	2.83	-9.9%
51	2.48	2.25	-9.3%	3.18	2.88	-9.4%
52	2.51	2.27	-9.6%	3.23	2.92	-9.6%
53	2.53	2.29	-9.5%	3.28	2.97	-9.5%
54	2.56	2.31	-9.8%	3.32	3.01	-9.3%
55	2.59	2.34	-9.7%	3.37	3.06	-9.2%
56	2.62	2.37	-9.5%	3.42	3.10	-9.4%
57	2.65	2.40	-9.4%	3.46	3.14	-9.2%
58	2.68	2.43	-9.3%	3.51	3.18	-9.4%
59	2.71	2.46	-9.2%	3.56	3.22	-9.6%
60	2.74	2.49	-9.1%	3.60	3.26	-9.4%
61	2.77	2.51	-9.4%	3.65	3.30	-9.6%
62	2.80	2.53	-9.6%	3.70	3.34	-9.7%
63	2.83	2.56	-9.5%	3.75	3.39	-9.6%
64	2.86	2.59	-9.4%	3.80	3.43	-9.7%
65	2.89	2.62	-9.3%	3.85	3.48	-9.6%
66	2.92	2.64	-9.6%	3.89	3.52	-9.5%
67	2.95	2.66	-9.8%	3.94	3.57	-9.4%
68	2.97	2.69	-9.4%	3.99	3.61	-9.5%
69	3.00	2.72	-9.3%	4.03	3.65	-9.4%
70	3.03	2.75	-9.2%	4.08	3.69	-9.6%
71	3.06	2.77	-9.5%	4.13	3.73	-9.7%
72	3.09	2.79	-9.7%	4.17	3.77	-9.6%
73	3.12	2.82	-9.6%	4.22	3.82	-9.5%
74	3.15	2.84	-9.8%	4.27	3.86	-9.6%
75	3.18	2.87	-9.7%	4.31	3.90	-9.5%
76	3.21	2.90	-9.7%	4.36	3.95	-9.4%
77	3.24	2.94	-9.3%	4.41	3.99	-9.5%
78	3.27	2.96	-9.5%	4.46	4.03	-9.6%
79	3.30	2.98	-9.7%	4.50	4.07	-9.6%
80	3.33	3.01	-9.6%	4.55	4.11	-9.7%
81	3.36	3.04	-9.5%	4.60	4.15	-9.8%
82	3.39	3.07	-9.4%	4.64	4.19	-9.7%
83	3.41	3.09	-9.4%	4.69	4.24	-9.6%
84	3.44	3.12	-9.3%	4.74	4.29	-9.5%
85	3.47	3.15	-9.2%	4.78	4.33	-9.4%
86	3.50	3.17	-9.4%	4.83	4.37	-9.5%
87	3.53	3.19	-9.6%	4.88	4.41	-9.6%
88	3.56	3.22	-9.6%	4.92	4.45	-9.6%
89	3.59	3.24	-9.7%	4.97	4.50	-9.5%
90	3.62	3.27	-9.7%	5.02	4.54	-9.6%
91	3.65	3.30	-9.6%	5.07	4.59	-9.5%
92	3.68	3.33	-9.5%	5.11	4.63	-9.4%
93	3.71	3.35	-9.7%	5.16	4.67	-9.5%
94	3.74	3.38	-9.6%	5.21	4.72	-9.4%
95	3.77	3.41	-9.5%	5.25	4.76	-9.3%

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

	Rate Class	Current	Proposed	Percent Change
Adult	B1	.87	.87	0.0%
	B2	1.00	1.00	0.0%
	B3	.87	.87	0.0%
	B4	1.00	1.00	0.0%
	B5	1.09	1.09	0.0%
	B6	.74	.74	0.0%
	B7	.87	.87	0.0%
	B1N	.71	.71	0.0%
	B2N	.84	.84	0.0%
	B3N	.71	.71	0.0%
	B4N	.84	.84	0.0%
	B5N	.92	.92	0.0%
	B6N	.59	.59	0.0%
	B7N	.71	.71	0.0%

	Rate Class	Current	Proposed	Percent Change
Adult - 48 Plus	D1	.70	.70	0.0%
	D2	.83	.83	0.0%
	D3	.70	.70	0.0%
	D4	.83	.83	0.0%
	D5	.91	.91	0.0%
	D6	.61	.61	0.0%
	D7	.70	.70	0.0%
	D1N	.56	.56	0.0%
	D2N	.67	.67	0.0%
	D3N	.56	.56	0.0%
	D4N	.67	.67	0.0%
	D5N	.76	.76	0.0%
	D6N	.47	.47	0.0%
	D7N	.56	.56	0.0%

Adult - 48 Plus	X1	.83	.87	4.8%
	X2	.97	1.00	3.1%
	X3	.83	.87	4.8%
	X4	.97	1.00	3.1%
	X5	1.08	1.09	0.9%
	X6	.71	.74	4.2%
	X7	.83	.87	4.8%
	X1N	.67	.71	6.0%
	X2N	.80	.84	5.0%
	X3N	.67	.71	6.0%
	X4N	.80	.84	5.0%
	X5N	.90	.92	2.2%
	X6N	.55	.59	7.3%
	X7N	.67	.71	6.0%

Adult - 48 Plus	Q1	.83	.83	0.0%
	Q2	.96	.96	0.0%
	Q3	.83	.83	0.0%
	Q4	.96	.96	0.0%
	Q5	1.09	1.09	0.0%
	Q6	.70	.70	0.0%
	Q7	.83	.83	0.0%
	Q1N	.67	.67	0.0%
	Q2N	.80	.80	0.0%
	Q3N	.67	.67	0.0%
	Q4N	.80	.80	0.0%
	Q5N	.92	.92	0.0%
	Q6N	.55	.55	0.0%
	Q7N	.67	.67	0.0%

Married Male - Age 30-34	H1	.87	.87	0.0%
	H2	1.00	1.00	0.0%
	H3	.87	.87	0.0%
	H4	1.00	1.00	0.0%
	H5	1.09	1.09	0.0%
	H6	.74	.74	0.0%
	H7	.87	.87	0.0%
	H1N	.71	.71	0.0%
	H2N	.84	.84	0.0%
	H3N	.71	.71	0.0%
	H4N	.84	.84	0.0%
	H5N	.92	.92	0.0%
	H6N	.59	.59	0.0%
	H7N	.71	.71	0.0%

Married Male - Age 25-29	K1	.91	.91	0.0%
	K2	1.05	1.05	0.0%
	K3	.91	.91	0.0%
	K4	1.05	1.05	0.0%
	K5	1.14	1.14	0.0%
	K6	.78	.78	0.0%
	K7	.91	.91	0.0%
	K1N	.75	.75	0.0%
	K2N	.88	.88	0.0%
	K3N	.75	.75	0.0%
	K4N	.88	.88	0.0%
	K5N	.97	.97	0.0%
	K6N	.63	.63	0.0%
	K7N	.75	.75	0.0%

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

	Rate Class	Current	Proposed	Percent Change
Unmarried Female - Principal Age 30-34	M1	1.00	1.00	0.0%
	M2	1.13	1.13	0.0%
	M3	1.00	1.00	0.0%
	M4	1.13	1.13	0.0%
	M5	1.24	1.24	0.0%
	M6	.84	.84	0.0%
	M7	1.00	1.00	0.0%
	M1N	.81	.81	0.0%
	M2N	.95	.95	0.0%
	M3N	.81	.81	0.0%
	M4N	.95	.95	0.0%
	M5N	1.05	1.05	0.0%
	M6N	.67	.67	0.0%
	M7N	.81	.81	0.0%

	Rate Class	Current	Proposed	Percent Change
Unmarried Female - Principal Age 25-29	P1	1.00	1.04	4.0%
	P2	1.13	1.17	3.5%
	P3	1.00	1.04	4.0%
	P4	1.13	1.17	3.5%
	P5	1.24	1.29	4.0%
	P6	.84	.87	3.6%
	P7	1.00	1.04	4.0%
	P1N	.81	.84	3.7%
	P2N	.95	.99	4.2%
	P3N	.81	.84	3.7%
	P4N	.95	.99	4.2%
	P5N	1.05	1.09	3.8%
	P6N	.67	.70	4.5%
	P7N	.81	.84	3.7%

	Rate Class	Current	Proposed	Percent Change
Unmarried Male - Principal Age 30-34	R1	.90	.90	0.0%
	R2	1.03	1.03	0.0%
	R3	.90	.90	0.0%
	R4	1.03	1.03	0.0%
	R5	1.12	1.12	0.0%
	R6	.76	.76	0.0%
	R7	.90	.90	0.0%
	R1N	.73	.73	0.0%
	R2N	.86	.86	0.0%
	R3N	.73	.73	0.0%
	R4N	.86	.86	0.0%
	R5N	.95	.95	0.0%
	R6N	.60	.60	0.0%
	R7N	.73	.73	0.0%

	Rate Class	Current	Proposed	Percent Change
Unmarried Male - Principal Age 25-29	W1	1.09	1.09	0.0%
	W2	1.24	1.24	0.0%
	W3	1.09	1.09	0.0%
	W4	1.24	1.24	0.0%
	W5	1.44	1.44	0.0%
	W6	.88	.88	0.0%
	W7	1.09	1.09	0.0%
	W1N	.90	.90	0.0%
	W2N	1.05	1.05	0.0%
	W3N	.90	.90	0.0%
	W4N	1.05	1.05	0.0%
	W5N	1.23	1.23	0.0%
	W6N	.72	.72	0.0%
	W7N	.90	.90	0.0%

	Rate Class	Current	Proposed	Percent Change
Married Male - Principal Under Age 25	T5	1.41	1.34	-5.0%
	TH	1.94	1.84	-5.2%
	w/DT	1.78	1.69	-5.1%
	F5	1.21	1.15	-5.0%
	FH	1.66	1.58	-4.8%
	w/DT	1.50	1.42	-5.3%
	T5N	1.29	1.23	-4.7%
	THN	1.82	1.73	-4.9%
	w/DT	1.66	1.58	-4.8%
	F5N	1.08	1.03	-4.6%
	FHN	1.53	1.45	-5.2%
w/DT	1.38	1.31	-5.1%	

	Rate Class	Current	Proposed	Percent Change
Business Use				
	T2	1.16	1.10	-5.2%
	T2N	1.00	.95	-5.0%

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

	Rate Class	Current	Proposed	Percent Change
Unmarried Female - Occasional Under Age 25	DB	1.28	1.32	3.1%
	w/GS	1.23	1.18	-4.1%
	DD	2.11	2.19	3.8%
	w/GS	2.02	2.06	2.0%
	w/DT	1.92	2.00	4.2%
	w/Both	1.82	1.89	3.8%
	WA	1.05	1.08	2.9%
	w/GS	1.04	1.00	-3.8%
	WB	1.73	1.80	4.0%
	w/GS	1.63	1.66	1.8%
	w/DT	1.58	1.65	4.4%
	w/Both	1.49	1.55	4.0%
	DBN	1.10	1.13	2.7%
	w/GS	1.05	1.01	-3.8%
	DDN	1.89	1.97	4.2%
	w/GS	1.80	1.84	2.2%
	w/DT	1.71	1.78	4.1%
	w/Both	1.61	1.68	4.3%
	WAN	.88	.91	3.4%
	w/GS	.84	.81	-3.6%
WBN	1.51	1.57	4.0%	
w/GS	1.44	1.47	2.1%	
w/DT	1.38	1.44	4.3%	
w/Both	1.29	1.34	3.9%	

	Rate Class	Current	Proposed	Percent Change
Unmarried Female - Principal Under Age 25	DF	1.60	1.65	3.1%
	w/GS	1.50	1.44	-4.0%
	DH	2.54	2.64	3.9%
	w/GS	2.45	2.50	2.0%
	w/DT	2.30	2.39	3.9%
	w/Both	2.21	2.29	3.6%
	WC	1.37	1.41	2.9%
	w/GS	1.32	1.27	-3.8%
	WD	2.11	2.19	3.8%
	w/GS	2.02	2.06	2.0%
	w/DT	1.92	2.00	4.2%
	w/Both	1.82	1.89	3.8%
	DFN	1.40	1.44	2.9%
	w/GS	1.31	1.26	-3.8%
	DHN	2.29	2.38	3.9%
	w/GS	2.22	2.27	2.3%
	w/DT	2.07	2.15	3.9%
	w/Both	1.99	2.07	4.0%
	WCN	1.18	1.22	3.4%
	w/GS	1.13	1.08	-4.4%
WDN	1.89	1.97	4.2%	
w/GS	1.80	1.84	2.2%	
w/DT	1.71	1.78	4.1%	
w/Both	1.61	1.68	4.3%	

Unmarried Male - Occasional Under Age 25	TR	1.42	1.42	0.0%
	w/GS	1.11	1.14	2.7%
	T3	2.38	2.43	2.1%
	w/GS	1.83	1.87	2.2%
	w/DT	2.15	2.15	0.0%
	w/Both	1.64	1.67	1.8%
	FF	1.23	1.23	0.0%
	w/GS	.96	.99	3.1%
	F3	2.03	2.07	2.0%
	w/GS	1.56	1.59	1.9%
	w/DT	1.83	1.83	0.0%
	w/Both	1.39	1.42	2.2%
	TRN	1.31	1.31	0.0%
	w/GS	1.00	1.03	3.0%
	T3N	2.26	2.31	2.2%
	w/GS	1.71	1.75	2.3%
	w/DT	2.03	2.03	0.0%
	w/Both	1.51	1.54	2.0%
	FFN	1.11	1.11	0.0%
	w/GS	.85	.88	3.5%
F3N	1.91	1.95	2.1%	
w/GS	1.45	1.48	2.1%	
w/DT	1.71	1.71	0.0%	
w/Both	1.28	1.31	2.3%	

Unmarried Male - Principal Under Age 25	TX	1.84	1.84	0.0%
	w/GS	1.42	1.47	3.5%
	T4	3.56	3.63	2.0%
	w/GS	2.69	2.74	1.9%
	w/DT	3.20	3.20	0.0%
	w/Both	2.46	2.51	2.0%
	FG	1.58	1.58	0.0%
	w/GS	1.23	1.28	4.1%
	F4	3.05	3.11	2.0%
	w/GS	2.35	2.40	2.1%
	w/DT	2.77	2.77	0.0%
	w/Both	2.10	2.14	1.9%
	TXN	1.73	1.73	0.0%
	w/GS	1.31	1.36	3.8%
	T4N	3.44	3.51	2.0%
	w/GS	2.58	2.63	1.9%
	w/DT	3.08	3.08	0.0%
	w/Both	2.35	2.40	2.1%
	FGN	1.45	1.45	0.0%
	w/GS	1.11	1.14	2.7%
F4N	2.93	2.99	2.0%	
w/GS	2.23	2.27	1.8%	
w/DT	2.65	2.65	0.0%	
w/Both	1.99	2.03	2.0%	

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
CLASSIC CAR RELATIVITY COMPARISON**

Exhibit L

	Current	Proposed	Percent Change
Liability	0.15	0.10	-33.3%
Med Pay	0.20	0.10	-50.0%
Uninsured Motorists	0.65	0.40	-38.5%
Underinsured Motorists	0.65	0.40	-38.5%
UMPD	0.65	0.40	-38.5%
Collision	0.25	0.15	-40.0%
Comprehensive	0.75	0.40	-46.7%
All Other Coverages	1.00	1.00	0.0%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
Z2 TRAILERS**

Exhibit M

COVERAGE FACTOR COMPARISON

Coverage	Current Factor	Proposed Factor	Percent Change
Liability	.25	.25	0.0%
Collision	.45	.45	0.0%
Comprehensive	1.80	2.50	38.9%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
Z1 TRAILERS**

Exhibit N

BASE RATE COMPARISON

Coverage	Current Rate	Proposed Rate	Percent Change
Liability	6	6	0.0%
Collision	29	29	0.0%
Comprehensive	35	44	25.7%

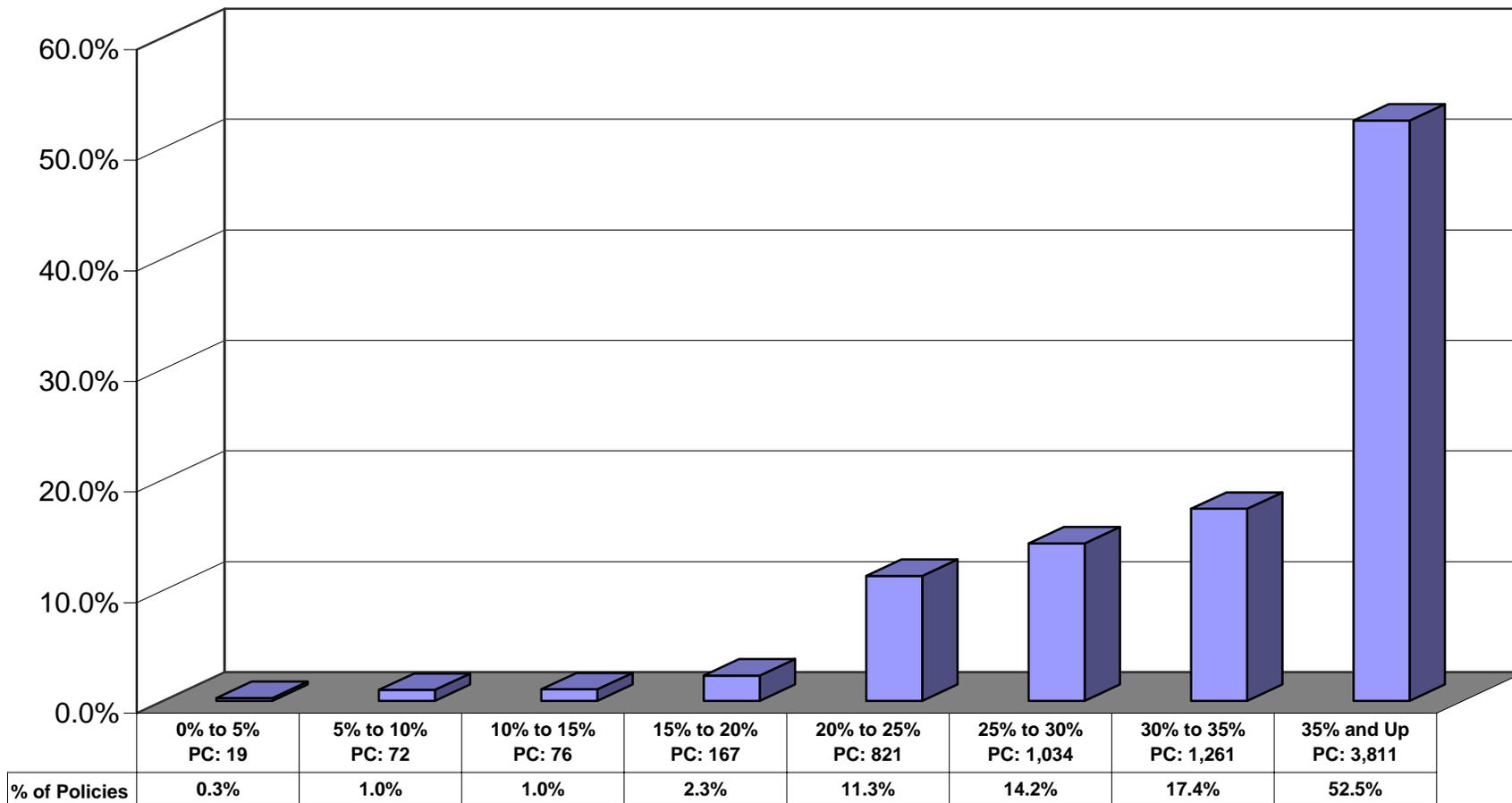
**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
SAFE DRIVER DISCOUNT**

Exhibit O

DISCOUNT FACTOR COMPARISON

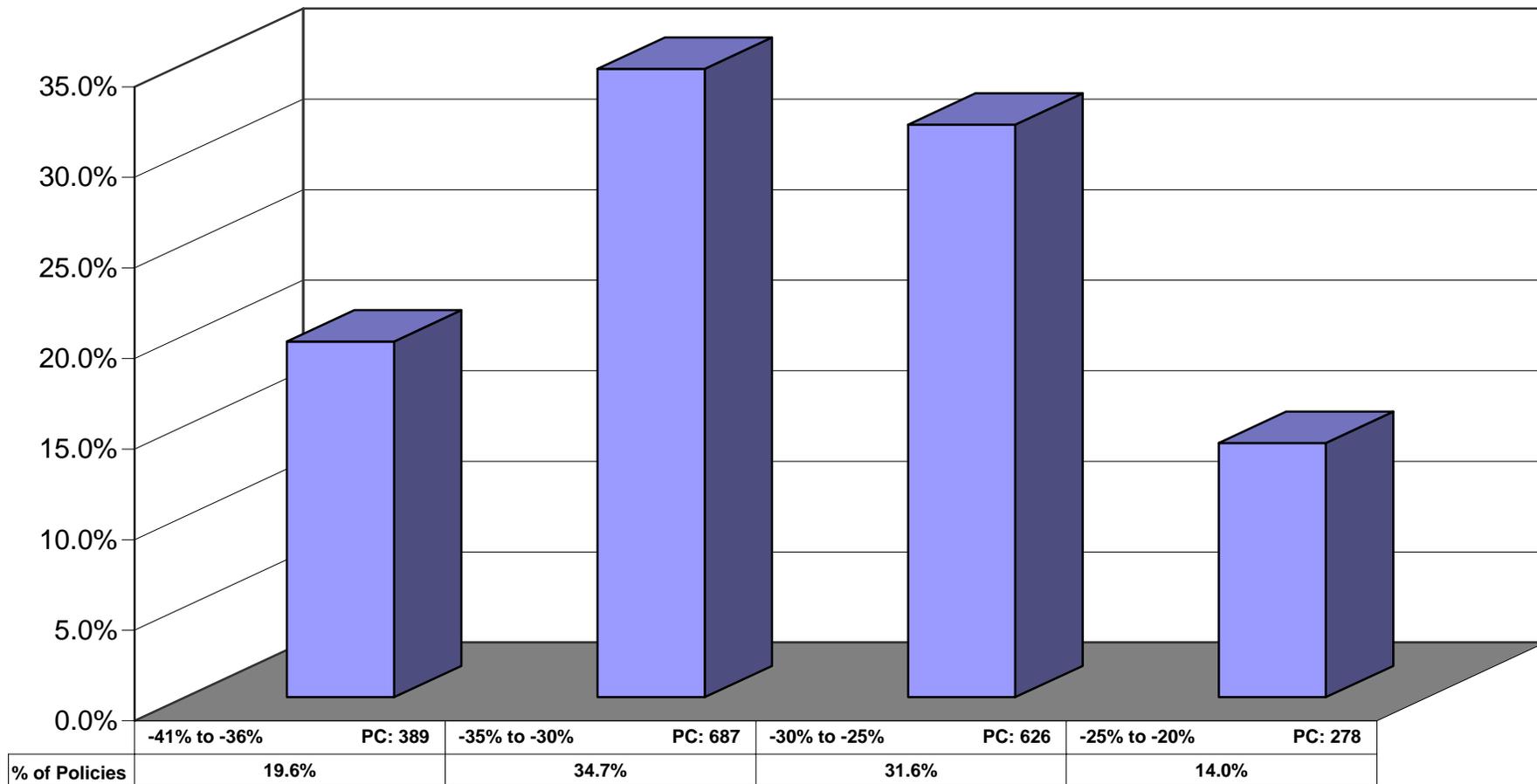
<u>Discount Description</u>	<u>Shelter Current</u>	<u>Shelter Proposed</u>
3 years, New Business	10%	12%
3 Years, Renewal Business	10%	15%
6 Years, Renewal Business	15%	20%

**Shelter Mutual Insurance
Arkansas Private Passenger Auto
Distribution of Rate Changes
Z2 Trailers**



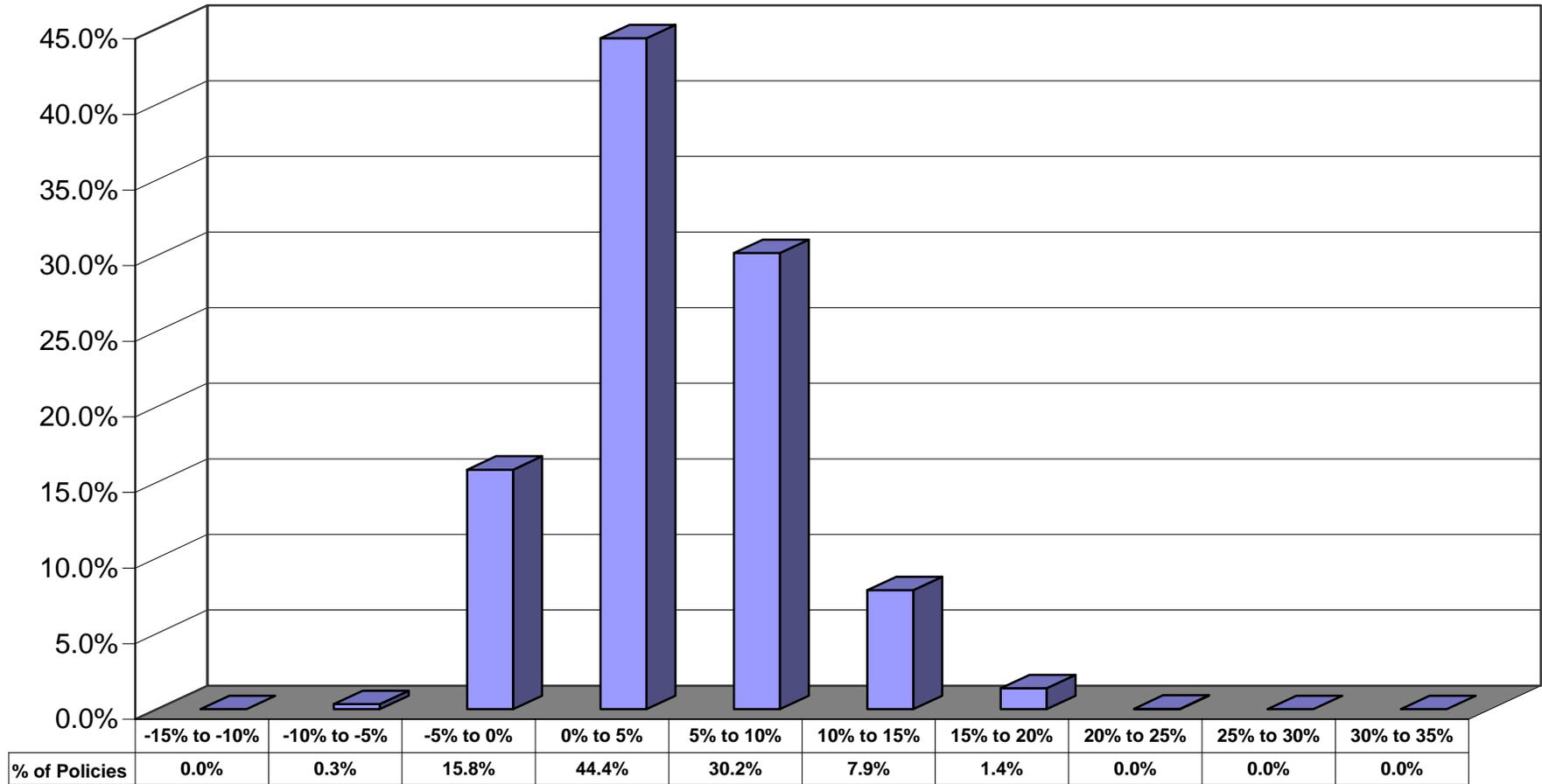
Rate Change

**Shelter Mutual Insurance
Arkansas Private Passenger Auto
Distribution of Rate Changes
Limited Use Classic Cars**



Rate Change

**Shelter Mutual Insurance
Arkansas Private Passenger Auto
Distribution of Rate Changes
PPA Automobiles**



Rate Change

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
Z2 TRAILERS**

THREE YEAR LOSS EXPERIENCE

	2006		2007		2008		Three Year Total	
	<u>Earned Premium</u>	<u>Loss Ratio</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>
Collision	253,582	35.8%	260,181	43.0%	248,231	53.4%	761,994	44.0%
Comprehensive	420,956	208.1%	459,394	90.2%	487,403	248.7%	1,367,753	182.9%
Total	674,538	143.3%	719,575	73.1%	735,634	182.8%	2,129,747	133.2%

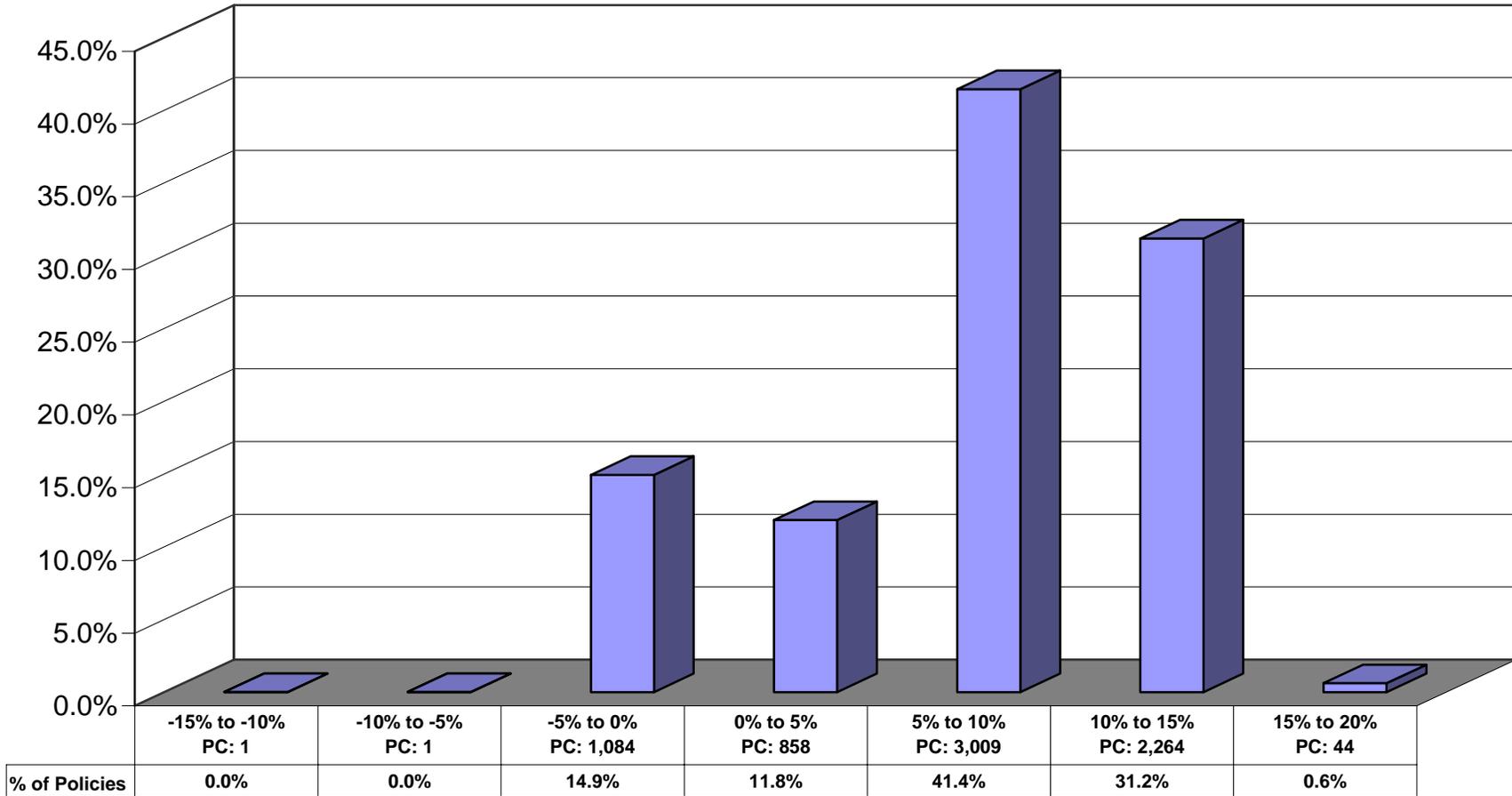
Arkansas Mutual Policy Example

	CURRENT	PROPOSED	Proposed Change		
			\$	%	
BI/PD Base Premium - Terr 11	211	242	31.00	14.7%	see Exhibit C
Tier Factor - 2000	0.90	0.90		0.0%	
Calculation - dollar round	190.00	218.00	28.00		
Increased Limits Factor(50 / 100 / 50)	1.09	1.14		4.6%	see Exhibit F
Calculation - dollar round	207.00	249.00	42.00		
Rate Class Factor - T4N (Male - under 21)	2.58	2.63		1.9%	see Exhibit K
Calculation - penny round	534.06	654.87	120.81		
Good Driver - Table 2	1.35	1.35		0.0%	
Semi-annual Premium	720.98	884.07	163.09	22.6%	

Arkansas Mutual PPA Estimated Revenue Change by Coverage

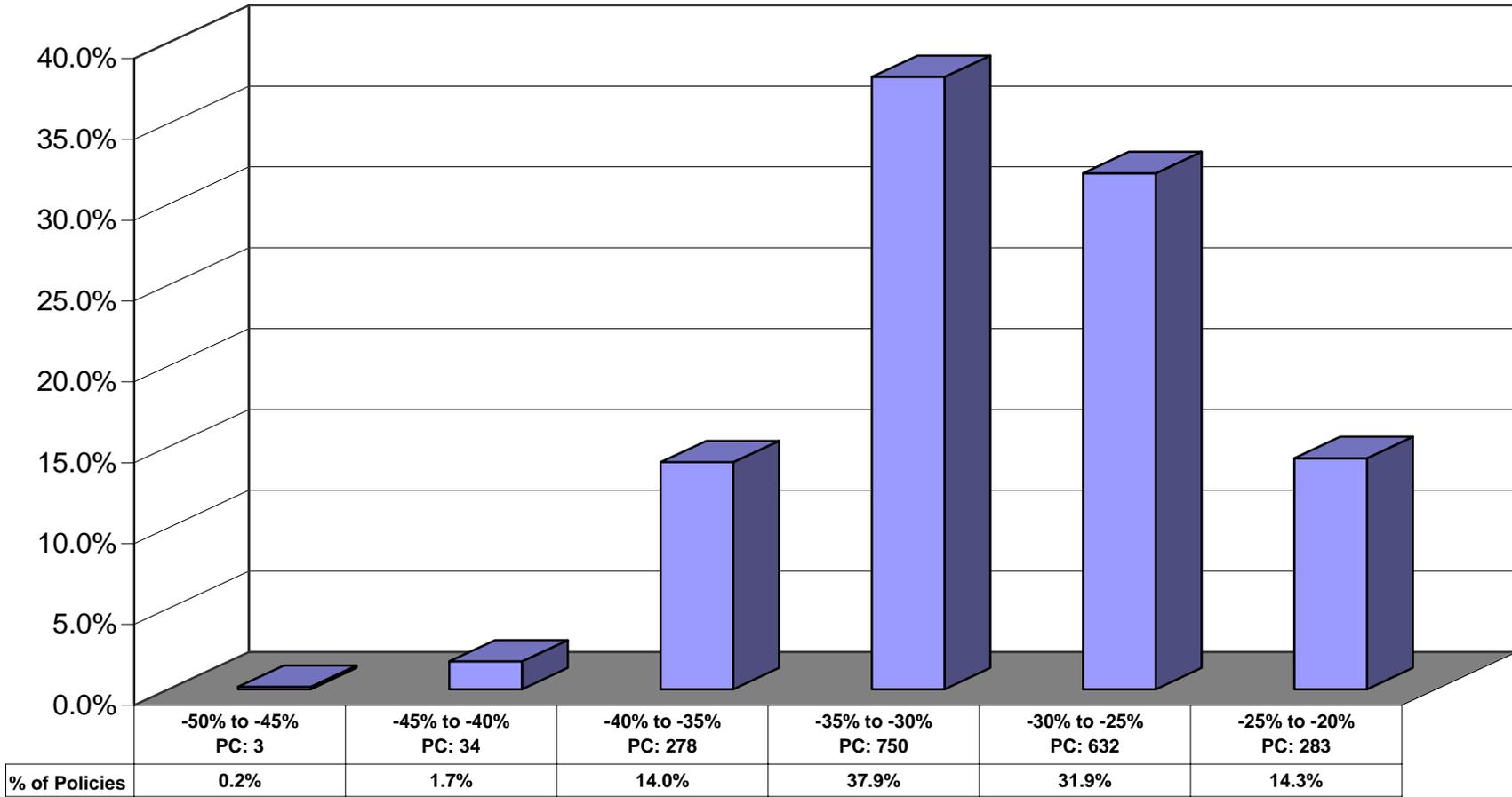
Coverage	Annualized Policy Premium	Base Rate	Tier	Rate Class	Limit	Deductible	Model Year	Merit Table	Cost Symbol	Passive	Miscellaneous	Total % Change	Total \$ Change
Liability	46,471,774	9.3%	-0.2%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.0%	9.3%	4,318,746
Med Pay	4,236,148	18.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.4%	14.5%	615,614
UM	2,435,732	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UIM	3,972,213	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UMPD	3,955,389	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Subtotal:	61,071,255	8.4%	-0.1%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.4%	8.1%	4,934,360
Coll	28,018,741	2.0%	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	-4.9%	0.0%	-3.6%	-5.5%	-1,548,986
Comp	16,317,040	11.9%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%	-5.1%	0.0%	0.0%	7.1%	1,164,587
Subtotal:	44,335,781	5.6%	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	-5.0%	0.0%	-2.3%	-0.9%	-384,399
Total:	105,407,037	7.2%	-0.1%	0.0%	1.8%	0.2%	0.0%	0.0%	-2.1%	0.0%	-2.9%	4.3%	4,549,961
<u>Supplemental Coverages</u>													
Rental Reimbursement	699,435											0.0%	0
Emergency Roadside Service	1,357,271											-14.0%	-190,124
Accidental Death	1,375,732											0.0%	0
Motorcycles	1,768,933	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%			0.0%	0.9%	16,002
Grand Total	110,608,408	6.9%	-0.1%	0.0%	1.7%	0.2%	0.0%	0.0%	-2.0%	0.0%	-2.8%	4.0%	4,375,839

**Shelter Mutual Insurance
 Arkansas Private Passenger Auto
 Distribution of Rate Changes
 Z2 Trailers**



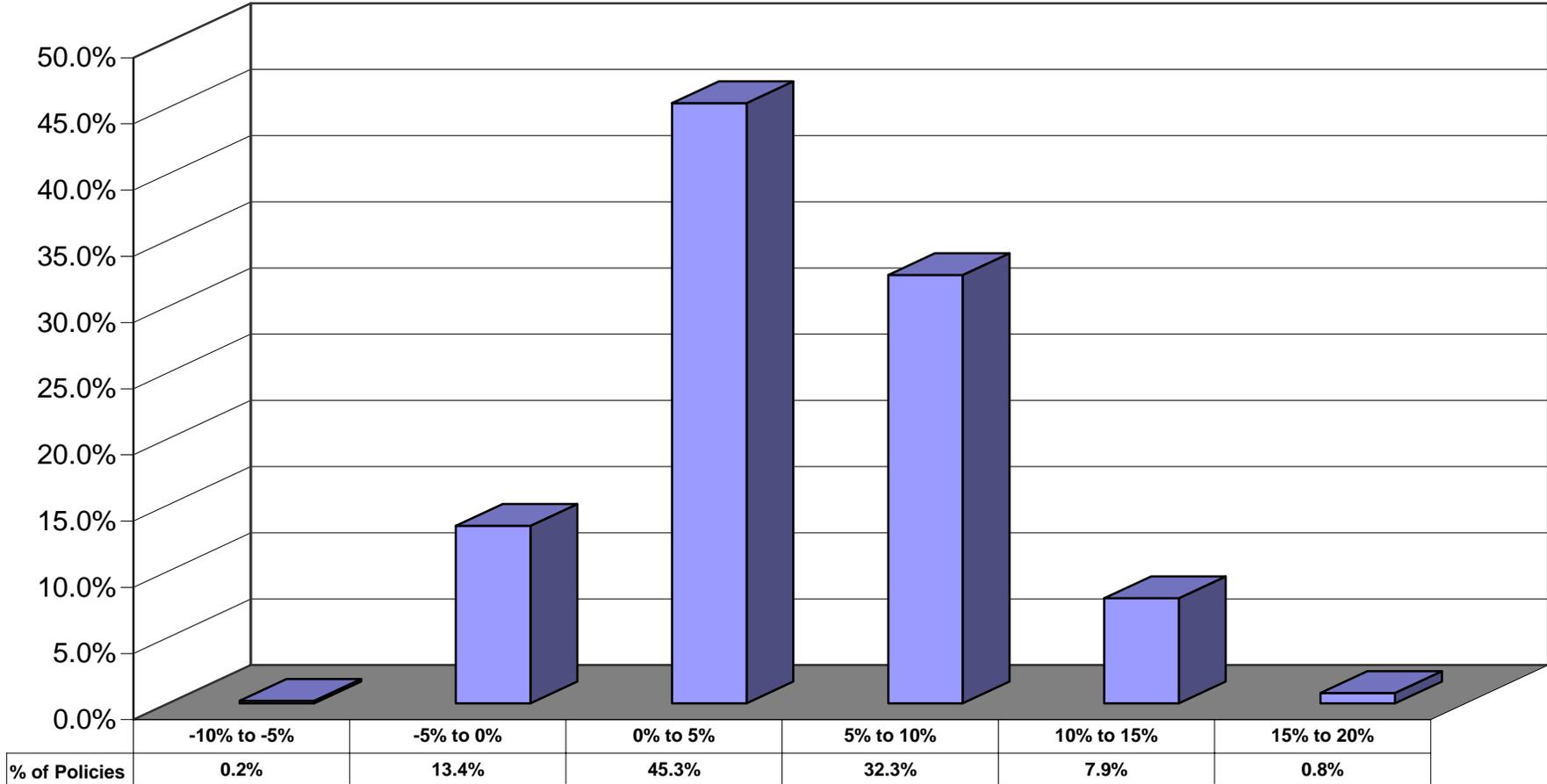
Rate Change

**Shelter Mutual Insurance
Arkansas Private Passenger Auto
Distribution of Rate Changes
Limited Use Classic Vehicles**



Rate Change

**Shelter Mutual Insurance
Arkansas Private Passenger Auto
Distribution of Rate Changes
PPA Automobiles**



Rate Change

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
BASE RATE COMPARISON**

Exhibit C
Revised

BODILY INJURY - PROPERTY DAMAGE

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	192	209	8.9%
3	204	216	5.9%
4	194	211	8.8%
9	193	210	8.8%
10	177	188	6.2%
11	211	237	12.3%
12	171	189	10.5%
18	158	169	7.0%
19	189	208	10.1%
20	221	235	6.3%
21	148	162	9.5%
22	216	240	11.1%
25	215	237	10.2%
26	179	199	11.2%
27	179	190	6.1%
30	175	194	10.9%
31	150	165	10.0%
32	164	179	9.1%
40	193	210	8.8%
41	229	244	6.6%
42	243	264	8.6%

MEDICAL PAYMENTS

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	29	35	20.7%
3	29	35	20.7%
4	31	38	22.6%
9	32	37	15.6%
10	29	35	20.7%
11	31	36	16.1%
12	29	35	20.7%
18	32	38	18.8%
19	33	39	18.2%
20	32	39	21.9%
21	31	36	16.1%
22	34	40	17.6%
25	32	39	21.9%
26	31	36	16.1%
27	33	40	21.2%
30	31	37	19.4%
31	30	35	16.7%
32	31	36	16.1%
40	32	39	21.9%
41	36	42	16.7%
42	36	44	22.2%

COLLISION

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	81	83	2.5%
3	84	86	2.4%
4	78	80	2.6%
9	91	92	1.1%
10	85	86	1.2%
11	79	81	2.5%
12	74	76	2.7%
18	87	89	2.3%
19	81	83	2.5%
20	83	85	2.4%
21	78	79	1.3%
22	81	82	1.2%
25	89	90	1.1%
26	85	87	2.4%
27	88	89	1.1%
30	78	79	1.3%
31	78	80	2.6%
32	78	80	2.6%
40	79	80	1.3%
41	87	89	2.3%
42	90	91	1.1%

COMPREHENSIVE

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	62	69	11.3%
3	52	58	11.5%
4	41	47	14.6%
9	67	74	10.4%
10	61	68	11.5%
11	59	66	11.9%
12	49	55	12.2%
18	65	73	12.3%
19	54	61	13.0%
20	48	54	12.5%
21	68	76	11.8%
22	45	51	13.3%
25	54	60	11.1%
26	58	65	12.1%
27	60	67	11.7%
30	57	64	12.3%
31	55	62	12.7%
32	60	67	11.7%
40	36	41	13.9%
41	41	46	12.2%
42	43	49	14.0%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
COST SYMBOL FACTOR COMPARISON**

Exhibit J
Revised

Symbol	Collision		Percent Change	Comprehensive		Percent Change
	CUR	PRO		CUR	PRO	
1	0.33	0.33	0.0%	0.28	0.30	7.1%
2	0.33	0.33	0.0%	0.28	0.30	7.1%
3	0.38	0.38	0.0%	0.33	0.35	6.1%
4	0.49	0.49	0.0%	0.39	0.41	5.1%
5	0.60	0.60	0.0%	0.45	0.48	6.7%
6	0.70	0.70	0.0%	0.61	0.65	6.6%
7	0.79	0.79	0.0%	0.67	0.71	6.0%
8	0.85	0.85	0.0%	0.79	0.84	6.3%
9	0.93	0.93	0.0%	0.89	0.94	5.6%
10	1.00	1.00	0.0%	1.00	1.00	0.0%
11	1.07	1.07	0.0%	1.08	1.08	0.0%
12	1.15	1.15	0.0%	1.13	1.13	0.0%
13	1.18	1.18	0.0%	1.17	1.17	0.0%
14	1.21	1.21	0.0%	1.23	1.23	0.0%
15	1.26	1.26	0.0%	1.26	1.26	0.0%
16	1.31	1.31	0.0%	1.30	1.30	0.0%
17	1.35	1.35	0.0%	1.33	1.33	0.0%
18	1.38	1.37	-0.7%	1.36	1.35	-0.7%
19	1.43	1.40	-2.1%	1.38	1.37	-0.7%
20	1.48	1.43	-3.4%	1.41	1.39	-1.4%
21	1.54	1.47	-4.5%	1.43	1.41	-1.4%
22	1.59	1.51	-5.0%	1.48	1.43	-3.4%
23	1.64	1.55	-5.5%	1.54	1.46	-5.2%
24	1.69	1.58	-6.5%	1.60	1.50	-6.3%
25	1.73	1.61	-6.9%	1.66	1.54	-7.2%
26	1.76	1.63	-7.4%	1.72	1.59	-7.6%
27	1.80	1.66	-7.8%	1.78	1.64	-7.9%
28	1.83	1.68	-8.2%	1.84	1.68	-8.7%
29	1.87	1.70	-9.1%	1.90	1.73	-8.9%
30	1.90	1.72	-9.5%	1.96	1.78	-9.2%
31	1.92	1.74	-9.4%	2.02	1.83	-9.4%
32	1.94	1.76	-9.3%	2.08	1.88	-9.6%
33	1.96	1.78	-9.2%	2.14	1.93	-9.8%
34	2.00	1.81	-9.5%	2.20	1.98	-10.0%
35	2.03	1.84	-9.4%	2.25	2.03	-9.8%
36	2.07	1.87	-9.7%	2.31	2.09	-9.5%
37	2.10	1.90	-9.5%	2.37	2.15	-9.3%
38	2.12	1.92	-9.4%	2.43	2.20	-9.5%
39	2.15	1.94	-9.8%	2.49	2.25	-9.6%
40	2.17	1.96	-9.7%	2.55	2.30	-9.8%
41	2.19	1.98	-9.6%	2.61	2.35	-10.0%
42	2.21	2.00	-9.5%	2.67	2.41	-9.7%
43	2.24	2.02	-9.8%	2.72	2.46	-9.6%
44	2.26	2.05	-9.3%	2.78	2.52	-9.4%
45	2.28	2.07	-9.2%	2.84	2.57	-9.5%
46	2.31	2.10	-9.1%	2.90	2.63	-9.3%
47	2.35	2.13	-9.4%	2.96	2.68	-9.5%

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
COST SYMBOL FACTOR COMPARISON**

Exhibit J
Revised

48	2.38	2.16	-9.2%	3.02	2.73	-9.6%
49	2.42	2.19	-9.5%	3.08	2.78	-9.7%
50	2.45	2.22	-9.4%	3.14	2.83	-9.9%
51	2.48	2.25	-9.3%	3.18	2.88	-9.4%
52	2.51	2.27	-9.6%	3.23	2.92	-9.6%
53	2.53	2.29	-9.5%	3.28	2.97	-9.5%
54	2.56	2.31	-9.8%	3.32	3.01	-9.3%
55	2.59	2.34	-9.7%	3.37	3.06	-9.2%
56	2.62	2.37	-9.5%	3.42	3.10	-9.4%
57	2.65	2.40	-9.4%	3.46	3.14	-9.2%
58	2.68	2.43	-9.3%	3.51	3.18	-9.4%
59	2.71	2.46	-9.2%	3.56	3.22	-9.6%
60	2.74	2.49	-9.1%	3.60	3.26	-9.4%
61	2.77	2.51	-9.4%	3.65	3.30	-9.6%
62	2.80	2.53	-9.6%	3.70	3.34	-9.7%
63	2.83	2.56	-9.5%	3.75	3.39	-9.6%
64	2.86	2.59	-9.4%	3.80	3.43	-9.7%
65	2.89	2.62	-9.3%	3.85	3.48	-9.6%
66	2.92	2.64	-9.6%	3.89	3.52	-9.5%
67	2.95	2.66	-9.8%	3.94	3.57	-9.4%
68	2.97	2.69	-9.4%	3.99	3.61	-9.5%
69	3.00	2.72	-9.3%	4.03	3.65	-9.4%
70	3.03	2.75	-9.2%	4.08	3.69	-9.6%
71	3.06	2.77	-9.5%	4.13	3.73	-9.7%
72	3.09	2.79	-9.7%	4.17	3.77	-9.6%
73	3.12	2.82	-9.6%	4.22	3.82	-9.5%
74	3.15	2.84	-9.8%	4.27	3.86	-9.6%
75	3.18	2.87	-9.7%	4.31	3.90	-9.5%
76	3.21	2.90	-9.7%	4.36	3.95	-9.4%
77	3.24	2.94	-9.3%	4.41	3.99	-9.5%
78	3.27	2.96	-9.5%	4.46	4.03	-9.6%
79	3.30	2.98	-9.7%	4.50	4.07	-9.6%
80	3.33	3.01	-9.6%	4.55	4.11	-9.7%
81	3.36	3.04	-9.5%	4.60	4.15	-9.8%
82	3.39	3.07	-9.4%	4.64	4.19	-9.7%
83	3.41	3.09	-9.4%	4.69	4.24	-9.6%
84	3.44	3.12	-9.3%	4.74	4.29	-9.5%
85	3.47	3.15	-9.2%	4.78	4.33	-9.4%
86	3.50	3.17	-9.4%	4.83	4.37	-9.5%
87	3.53	3.19	-9.6%	4.88	4.41	-9.6%
88	3.56	3.22	-9.6%	4.92	4.45	-9.6%
89	3.59	3.24	-9.7%	4.97	4.50	-9.5%
90	3.62	3.27	-9.7%	5.02	4.54	-9.6%
91	3.65	3.30	-9.6%	5.07	4.59	-9.5%
92	3.68	3.33	-9.5%	5.11	4.63	-9.4%
93	3.71	3.35	-9.7%	5.16	4.67	-9.5%
94	3.74	3.38	-9.6%	5.21	4.72	-9.4%
95	3.77	3.41	-9.5%	5.25	4.76	-9.3%

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K
Revised

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

		Rate Class	Current	Proposed	Percent Change			Rate Class	Current	Proposed	Percent Change
Adult		B1	.87	.87	0.0%	Adult - 48 Plus		D1	.70	.70	0.0%
		B2	1.00	1.00	0.0%			D2	.83	.83	0.0%
		B3	.87	.87	0.0%			D3	.70	.70	0.0%
		B4	1.00	1.00	0.0%			D4	.83	.83	0.0%
		B5	1.09	1.09	0.0%			D5	.91	.91	0.0%
		B6	.74	.74	0.0%			D6	.61	.61	0.0%
		B7	.87	.87	0.0%			D7	.70	.70	0.0%
		B1N	.71	.71	0.0%			D1N	.56	.56	0.0%
		B2N	.84	.84	0.0%			D2N	.67	.67	0.0%
		B3N	.71	.71	0.0%			D3N	.56	.56	0.0%
		B4N	.84	.84	0.0%			D4N	.67	.67	0.0%
		B5N	.92	.92	0.0%			D5N	.76	.76	0.0%
		B6N	.59	.59	0.0%			D6N	.47	.47	0.0%
		B7N	.71	.71	0.0%			D7N	.56	.56	0.0%
Adult - 48 Plus		X1	.83	.84	1.2%	Adult - 48 Plus		Q1	.83	.83	0.0%
		X2	.97	.99	2.1%			Q2	.96	.96	0.0%
		X3	.83	.84	1.2%			Q3	.83	.83	0.0%
		X4	.97	.99	2.1%			Q4	.96	.96	0.0%
		X5	1.08	1.09	0.9%			Q5	1.09	1.09	0.0%
		X6	.71	.72	1.4%			Q6	.70	.70	0.0%
		X7	.83	.87	4.8%			Q7	.83	.83	0.0%
		X1N	.67	.68	1.5%			Q1N	.67	.67	0.0%
		X2N	.80	.83	3.7%			Q2N	.80	.80	0.0%
		X3N	.67	.68	1.5%			Q3N	.67	.67	0.0%
		X4N	.80	.83	3.7%			Q4N	.80	.80	0.0%
		X5N	.90	.92	2.2%			Q5N	.92	.92	0.0%
		X6N	.55	.56	1.8%			Q6N	.55	.55	0.0%
		X7N	.67	.71	6.0%			Q7N	.67	.67	0.0%
Married Male - Age 30-34		H1	.87	.87	0.0%	Married Male - Age 25-29		K1	.91	.91	0.0%
		H2	1.00	1.00	0.0%			K2	1.05	1.05	0.0%
		H3	.87	.87	0.0%			K3	.91	.91	0.0%
		H4	1.00	1.00	0.0%			K4	1.05	1.05	0.0%
		H5	1.09	1.09	0.0%			K5	1.14	1.14	0.0%
		H6	.74	.74	0.0%			K6	.78	.78	0.0%
		H7	.87	.87	0.0%			K7	.91	.91	0.0%
		H1N	.71	.71	0.0%			K1N	.75	.75	0.0%
		H2N	.84	.84	0.0%			K2N	.88	.88	0.0%
		H3N	.71	.71	0.0%			K3N	.75	.75	0.0%
		H4N	.84	.84	0.0%			K4N	.88	.88	0.0%
		H5N	.92	.92	0.0%			K5N	.97	.97	0.0%
		H6N	.59	.59	0.0%			K6N	.63	.63	0.0%
		H7N	.71	.71	0.0%			K7N	.75	.75	0.0%

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K
Revised

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

		Rate Class	Current	Proposed	Percent Change			Rate Class	Current	Proposed	Percent Change
Unmarried Female - Principal Age 30-34		M1	1.00	1.00	0.0%	Unmarried Female - Principal Age 25-29		P1	1.00	1.04	4.0%
		M2	1.13	1.13	0.0%			P2	1.13	1.17	3.5%
		M3	1.00	1.00	0.0%			P3	1.00	1.04	4.0%
		M4	1.13	1.13	0.0%			P4	1.13	1.17	3.5%
		M5	1.24	1.24	0.0%			P5	1.24	1.29	4.0%
		M6	.84	.84	0.0%			P6	.84	.87	3.6%
		M7	1.00	1.00	0.0%			P7	1.00	1.04	4.0%
		M1N	.81	.81	0.0%			P1N	.81	.84	3.7%
		M2N	.95	.95	0.0%			P2N	.95	.99	4.2%
		M3N	.81	.81	0.0%			P3N	.81	.84	3.7%
		M4N	.95	.95	0.0%			P4N	.95	.99	4.2%
		M5N	1.05	1.05	0.0%			P5N	1.05	1.09	3.8%
		M6N	.67	.67	0.0%			P6N	.67	.70	4.5%
		M7N	.81	.81	0.0%			P7N	.81	.84	3.7%
Unmarried Male - Principal Age 30-34		R1	.90	.90	0.0%	Unmarried Male - Principal Age 25-29		W1	1.09	1.09	0.0%
		R2	1.03	1.03	0.0%			W2	1.24	1.24	0.0%
		R3	.90	.90	0.0%			W3	1.09	1.09	0.0%
		R4	1.03	1.03	0.0%			W4	1.24	1.24	0.0%
		R5	1.12	1.12	0.0%			W5	1.44	1.44	0.0%
		R6	.76	.76	0.0%			W6	.88	.88	0.0%
		R7	.90	.90	0.0%			W7	1.09	1.09	0.0%
		R1N	.73	.73	0.0%			W1N	.90	.90	0.0%
		R2N	.86	.86	0.0%			W2N	1.05	1.05	0.0%
		R3N	.73	.73	0.0%			W3N	.90	.90	0.0%
		R4N	.86	.86	0.0%			W4N	1.05	1.05	0.0%
		R5N	.95	.95	0.0%			W5N	1.23	1.23	0.0%
		R6N	.60	.60	0.0%			W6N	.72	.72	0.0%
		R7N	.73	.73	0.0%			W7N	.90	.90	0.0%
Married Male - Principal Under Age 25		T5	1.41	1.34	-5.0%	Business Use					
		TH	1.94	1.84	-5.2%			T2	1.16	1.10	-5.2%
		w/DT	1.78	1.69	-5.1%			T2N	1.00	.95	-5.0%
		F5	1.21	1.15	-5.0%						
		FH	1.66	1.58	-4.8%						
		w/DT	1.50	1.42	-5.3%						
		T5N	1.29	1.23	-4.7%						
		THN	1.82	1.73	-4.9%						
		w/DT	1.66	1.58	-4.8%						
		F5N	1.08	1.03	-4.6%						
	FHN	1.53	1.45	-5.2%							
	w/DT	1.38	1.31	-5.1%							

SHELTER MUTUAL AUTOMOBILE ARKANSAS

Exhibit K
Revised

RATE CLASS RELATIVITY COMPARISON

"N" REPRESENTS MULTIPLE AUTOMOBILE DISCOUNT

		Rate Class	Current	Proposed	Percent Change			Rate Class	Current	Proposed	Percent Change
Unmarried Female - Occasional Under Age 25		DB	1.28	1.32	3.1%	Unmarried Female - Principal Under Age 25		DF	1.60	1.64	2.5%
		w/GS	1.23	1.18	-4.1%			w/GS	1.50	1.43	-4.7%
		DD	2.11	2.19	3.8%			DH	2.54	2.59	2.0%
		w/GS	2.02	2.06	2.0%			w/GS	2.45	2.47	0.8%
		w/DT	1.92	2.00	4.2%			w/DT	2.30	2.34	1.7%
		w/Both	1.82	1.89	3.8%			w/Both	2.21	2.25	1.8%
		WA	1.05	1.08	2.9%			WC	1.37	1.41	2.9%
		w/GS	1.04	1.00	-3.8%			w/GS	1.32	1.27	-3.8%
		WB	1.73	1.79	3.5%			WD	2.11	2.19	3.8%
		w/GS	1.63	1.65	1.2%			w/GS	2.02	2.06	2.0%
		w/DT	1.58	1.64	3.8%			w/DT	1.92	2.00	4.2%
		w/Both	1.49	1.54	3.4%			w/Both	1.82	1.89	3.8%
		DBN	1.10	1.13	2.7%			DFN	1.40	1.43	2.1%
		w/GS	1.05	1.01	-3.8%			w/GS	1.31	1.25	-4.6%
		DDN	1.89	1.97	4.2%			DHN	2.29	2.33	1.7%
		w/GS	1.80	1.84	2.2%			w/GS	2.22	2.24	0.9%
		w/DT	1.71	1.78	4.1%			w/DT	2.07	2.11	1.9%
		w/Both	1.61	1.68	4.3%			w/Both	1.99	2.03	2.0%
		WAN	.88	.91	3.4%			WCN	1.18	1.22	3.4%
		w/GS	.84	.81	-3.6%			w/GS	1.13	1.08	-4.4%
	WBN	1.51	1.56	3.3%		WDN	1.89	1.97	4.2%		
	w/GS	1.44	1.46	1.4%		w/GS	1.80	1.84	2.2%		
	w/DT	1.38	1.43	3.6%		w/DT	1.71	1.78	4.1%		
	w/Both	1.29	1.33	3.1%		w/Both	1.61	1.68	4.3%		
Unmarried Male - Occasional Under Age 25		TR	1.42	1.42	0.0%	Unmarried Male - Principal Under Age 25		TX	1.84	1.84	0.0%
		w/GS	1.11	1.14	2.7%			w/GS	1.42	1.46	2.8%
		T3	2.38	2.43	2.1%			T4	3.56	3.55	-0.3%
		w/GS	1.83	1.87	2.2%			w/GS	2.69	2.68	-0.4%
		w/DT	2.15	2.15	0.0%			w/DT	3.20	3.19	-0.3%
		w/Both	1.64	1.67	1.8%			w/Both	2.46	2.45	-0.4%
		FF	1.23	1.23	0.0%			FG	1.58	1.58	0.0%
		w/GS	.96	.99	3.1%			w/GS	1.23	1.28	4.1%
		F3	2.03	2.07	2.0%			F4	3.05	3.11	2.0%
		w/GS	1.56	1.59	1.9%			w/GS	2.35	2.40	2.1%
		w/DT	1.83	1.83	0.0%			w/DT	2.77	2.77	0.0%
		w/Both	1.39	1.42	2.2%			w/Both	2.10	2.14	1.9%
		TRN	1.31	1.31	0.0%			TXN	1.73	1.73	0.0%
		w/GS	1.00	1.03	3.0%			w/GS	1.31	1.35	3.1%
		T3N	2.26	2.31	2.2%			T4N	3.44	3.43	-0.3%
		w/GS	1.71	1.75	2.3%			w/GS	2.58	2.57	-0.4%
		w/DT	2.03	2.03	0.0%			w/DT	3.08	3.07	-0.3%
		w/Both	1.51	1.54	2.0%			w/Both	2.35	2.34	-0.4%
		FFN	1.11	1.11	0.0%			FGN	1.45	1.45	0.0%
		w/GS	.85	.88	3.5%			w/GS	1.11	1.14	2.7%
	F3N	1.91	1.95	2.1%		F4N	2.93	2.99	2.0%		
	w/GS	1.45	1.48	2.1%		w/GS	2.23	2.27	1.8%		
	w/DT	1.71	1.71	0.0%		w/DT	2.65	2.65	0.0%		
	w/Both	1.28	1.31	2.3%		w/Both	1.99	2.03	2.0%		

**SHELTER MUTUAL AUTOMOBILE
ARKANSAS
Z2 TRAILERS**

Exhibit M
Revised

COVERAGE FACTOR COMPARISON

Coverage	Current Factor	Proposed Factor	Percent Change
Liability	.25	.25	0.0%
Collision	.45	.45	0.0%
Comprehensive	1.80	1.75	-2.8%

SERFF Tracking Number: SHEL-126354056 State: Arkansas
 Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: 03M00109
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: PPA
 Project Name/Number: Gilmore/

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
10/22/2009		Supporting NAIC loss cost data entry document Document	11/12/2009	ARRFARF1.pdf (Superceded)

FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	03M00109
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/Item Filing Number	N/A
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Company Name		Company NAIC Number	
3.	A. Shelter Mutual Insurance Company	B.	23388

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Business (i.e., Sub-type of Insurance)	
4.	A. 19.1 and 21.1	B.	19.1000 and 21.1000

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
BI/PD	+9.2	+9.2					
Medical Payments	+14.5	+14.6					
UM / UIM	+1.6	0.0					
Collision	-5.6	-5.5					
Comprehensive	+7.0	+7.2					
TOTAL OVERALL EFFECT	+4.5	+4.0					

6. 5 Year History Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2008	203,130	-5.4	3-22-2007	105,134	75,788	72.1	67.0
2007	196,427	-6.1	4-17-2005	104,375	59,159	56.7	59.8
2006	190,712	-0.2	11-19-2003	104,925	63,828	60.8	61.8
2005	185,856	+4.7	2-27-2003	104,921	55,499	52.9	55.2
2004	177,152	+4.0	7-10-2002	107,083	59,903	55.9	57.4

7.

Expense Constants	Selected Provisions
A. Total Production Expense	17.2 / 17.2
B. General Expense	7.2 / 7.2
C. Taxes, Licenses & Fees	3.0 / 3.0
D. Underwriting Profit & Contingencies	2.2 / 4.1
E. Other (explain)	
F. TOTAL	29.6 / 31.5

8. _____ Apply Loss Cost Factors to Future filings? (Y or N)

9. +33.2 Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): _____

10. -8.5 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____