

SERFF Tracking Number: KEMP-126118990 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Filing at a Glance

Company: Trinity Universal Insurance Company

Product Name: AR Home Rate Review

TOI: 04.0 Homeowners

Sub-TOI: 04.0003 Owner Occupied
Homeowners

Filing Type: Rate/Rule

SERFF Tr Num: KEMP-126118990 State: Arkansas

SERFF Status: Closed

Co Tr Num: AR-HO-20090601

Co Status:

Authors: Mark Eisenfeld, Dave
Kowalski, Benjamin Stevens

Date Submitted: 05/08/2009

State Tr Num: EFT \$100

State Status: Fees verified and
received

Reviewer(s): Betty Montesi, Becky
Harrington

Disposition Date: 05/22/2009

Disposition Status: Filed

Effective Date Requested (New): 06/01/2009

Effective Date Requested (Renewal): 07/01/2009

Effective Date (New):

Effective Date (Renewal):
07/01/2009

State Filing Description:

General Information

Project Name:

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 05/22/2009

State Status Changed: 05/11/2009

Corresponding Filing Tracking Number:

Filing Description:

Trinity Universal Insurance Company, a member of Kemper, a Unitrin Business, is proposing a rate change effective June 1, 2009 for new and July 1, 2009 for renewal business. The overall impact of this change is +5.9%.

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Company and Contact

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
 Product Name: AR Home Rate Review
 Project Name/Number: /

Filing Contact Information

Mark Eisenfeld, Asst. Product Analyst meisenfeld@ekemper.com
 12926 Gran Bay Parkway West (904) 596-8419 [Phone]
 Jacksonville, FL 32258 (904) 245-5601[FAX]

Filing Company Information

Trinity Universal Insurance Company CoCode: 19887 State of Domicile: Texas
 12926 Gran Bay Parkway West Group Code: 215 Company Type:
 Jacksonville, FL 32258 Group Name: State ID Number:
 (904) 245-5600 ext. [Phone] FEIN Number: 75-0620550

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Trinity Universal Insurance Company	\$100.00	05/08/2009	27744972

SERFF Tracking Number: KEMP-126118990

State: Arkansas

Filing Company: Trinity Universal Insurance Company

State Tracking Number: EFT \$100

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Sub-TOI: 04.0003 Owner Occupied Homeowners

Product Name: AR Home Rate Review

Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	05/22/2009	05/22/2009

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	05/20/2009	05/20/2009

Response Letters

Responded By	Created On	Date Submitted
Mark Eisenfeld	05/20/2009	05/21/2009

Pending Industry Response	Becky Harrington	05/11/2009	05/11/2009
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Mark Eisenfeld	05/11/2009	05/15/2009
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Disposition

Disposition Date: 05/22/2009

Effective Date (New):

Effective Date (Renewal): 07/01/2009

Status: Filed

Comment: Arkansas Code Annotated §23- 67-211(a)(1) requires every authorized insurer to file with the Commissioner all rates and supplementary rate information and all changes and amendments made by it for use in this State at least twenty (20) days before they become effective. Your filing was completed on the date above and cannot be effective for 20 days after that date.

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):
Trinity Universal Insurance Company	%	5.900%	\$597,520	616	\$35,254	40.300%	-24.000%

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Cover Letter	Filed	Yes
Supporting Document	Deductible - Roll Up	Filed	Yes
Supporting Document	Supporting Documentation	Filed	Yes
Rate	Rate Workbook	Filed	Yes
Rate	Tier Data	Filed	Yes
Rate	HPCS - Form	Filed	Yes
Rate	Indications		Yes
Rate	Fixed Expense Fees	Filed	Yes
Rate	Indications (2)	Filed	Yes

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Product Name: AR Home Rate Review
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/20/2009
Submitted Date 05/20/2009

Respond By Date

Dear Mark Eisenfeld,

This will acknowledge receipt of the captioned filing.

Objection 1

- Indications (Rate)

Comment: Please explain the use of Ohio for exhibit 5-2.

Objection 2

- Indications (Rate)

Comment: Exhibit 8-1 refers to 'modeled' tornado/hail losses. Please use actual historical wind/hail losses for Arkansas.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Provide a revised effective date with your response.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/20/2009
Submitted Date 05/21/2009

Dear Becky Harrington,

Comments:

Listed below are the necessary changes you requested.

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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Product Name: AR Home Rate Review
Project Name/Number: /

Response 1

Comments: This is actually country wide data, the label should read country wide data and not Ohio. Sorry for the inconvenience.

Related Objection 1

Applies To:

- Indications (Rate)

Comment:

Please explain the use of Ohio for exhibit 5-2.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: I have attached indications that use actual historical wind/hail losses for Arkansas rather than "modeled" tornado/hail losses.

Related Objection 1

Applies To:

- Indications (Rate)

Comment:

Exhibit 8-1 refers to 'modeled' tornado/hail losses. Please use actual historical wind/hail losses for Arkansas.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Indications (2)		New	

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

If you have any futher questions, please dont hesitate to contact me.

Sincerely,
Benjamin Stevens, Dave Kowalski, Mark Eisenfeld

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Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/11/2009
Submitted Date 05/11/2009

Respond By Date

Dear Mark Eisenfeld,

This will acknowledge receipt of the captioned filing.

Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in Excel spreadsheet format. Companies may not change the form in any way or include formulas.

Objection 2

- Supporting Documentation (Supporting Document)

Comment:

All request for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Objection 3

- Supporting Documentation (Supporting Document)

Comment: Provide data supporting the expense fees. Amend the manual rule to be more informative or descriptive; currently the page reads "fee".

Objection 4

- Supporting Documentation (Supporting Document)

Comment: Provide supporting data for the change in tier factors.

Objection 5

No Objections

Comment: Please move the rate workbook pages to the rate/rule schedule tab.

Objection 6

- Deductible - Roll Up (Supporting Document)

Comment: Will insureds be able to buy-back a lower deductible? If so, please amend the notice to so state.

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,
Becky Harrington

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/11/2009
Submitted Date	05/15/2009

Dear Becky Harrington,

Comments:

Listed below are the changes you have requested.

Response 1

Comments: I have attached the excel verion, sorry for the inconvenience.

Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in Excel spreadsheet format. Companies may not change the form in any way or include formulas.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
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SERFF Tracking Number: KEMP-126118990 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
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TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

HPCS - Form

Excel Format

Replacement

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Response 2

Comments: I have attached indications to support our rate change.

Related Objection 1

Applies To:

- Supporting Documentation (Supporting Document)

Comment:

All request for rate changes submitted to the Department must include supporting data as required by Arkansas Code Annotated § 23-67-209 and Rule 23, Section 7.A.2. Rate changes are not acceptable without sufficient justification.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Indications		New	

Response 3

Comments: I have included supporting data for our fixed expense fees.

I have changed page 41 which reads "fee" to "fixed expense fee".

Related Objection 1

Applies To:

- Supporting Documentation (Supporting Document)

Comment:

Provide data supporting the expense fees. Amend the manual rule to be more informative or descriptive; currently the page reads "fee".

Changed Items:

SERFF Tracking Number: KEMP-126118990 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rate Workbook	P. 41 has been changed	Replacement	
Fixed Expense Fees		New	

Response 4

Comments: Monoline tiers have been performing extremely poor in the last 5+ Years. I have included loss data for 2008 alone, with loss data dating back from 5+ Years.

Related Objection 1

Applies To:

- Supporting Documentation (Supporting Document)

Comment:

Provide supporting data for the change in tier factors.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Tier Data		New	

Response 5

Comments: Rate Workbook has been moved to the rate/rule schedule tab, sorry for the inconvenience.

Related Objection 1

Comment:

Please move the rate workbook pages to the rate/rule schedule tab.

SERFF Tracking Number: KEMP-126118990 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rate Workbook	P. 41 has been changed	Replacement	

Response 6

Comments: No, insureds will not be able to buy back at a lower deductible below 1,000.

Related Objection 1

Applies To:

- Deductible - Roll Up (Supporting Document)

Comment:

Will insureds be able to buy-back a lower deductible? If so, please amend the notice to so state.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

If you have any more questions or concern please don't hesitate to contact me.

Sincerely,

Benjamin Stevens, Dave Kowalski, Mark Eisenfeld

SERFF Tracking Number: KEMP-126118990 State: Arkansas
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 Company Tracking Number: AR-HO-20090601
 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
 Product Name: AR Home Rate Review
 Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: File and Use
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: -2.000%
Effective Date of Last Rate Revision: 02/01/2008
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):
Trinity Universal Insurance Company	%	5.900%	\$597,520	616	\$35,254	40.300%	-24.000%

SERFF Tracking Number: KEMP-126118990 State: Arkansas
 Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
 Company Tracking Number: AR-HO-20090601
 TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
 Product Name: AR Home Rate Review
 Project Name/Number: /

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Rate Workbook	P. 41 has been changed	Replacement	Rate Workbook.pdf
Filed	Tier Data		New	Tier Data.pdf
Filed	HPCS - Form	Excel Format	Replacement	HO Survey FORM HPCS.xls
	Indications		New	Indications.pdf Indications (Cont).pdf Indications (Cont.).pdf
Filed	Fixed Expense Fees		New	Fixed Expense Fees.pdf
Filed	Indications (2)		New	Indications (2).pdf Indications (2 - Cont).pdf Indications (2 - Cont.).pdf

Rating State: ARKANSAS

Company: Trinity Universal Insurance Company

Business Line: Homeowners

New Business Effective Date: 6/1/2009

Renewal Business Effective Date: 7/1/2009

Page Header: TUIC HO ARKANSAS

	Page	Edition
Rating Order	R0 - 1	4/1/2009
Base Rates	RT - 2	4/1/2009
Protection Construction	RT - 3	4/1/2009
Pricing Level	RT - 4	4/1/2009
Amount of Insurance	RT - 5	4/1/2009
Age of Home	RT - 6	4/1/2009
Deductibles	RT - 7	4/1/2009
Package - Classic	RT - 8	4/1/2009
Ordinance or Law	RT - 9	4/1/2009
Earthquake	RT - 10	4/1/2009
Discounts	RT - 11	4/1/2009
Protective Devices	RT - 12	4/1/2009
Surcharges	RT - 13	4/1/2009
Misc. Endorsements Cov. A, B & D	RT - 14	4/1/2009
Misc Endorsements Cov. C	RT - 15	4/1/2009
BVI & SPP	RT - 16	4/1/2009
Liability	RT - 17	4/1/2009
Territory Definitions	RT - 18	4/1/2009
Expense Fees	RT-19	4/1/2009

Misc. Manuals
Boatowners
Home Business

RATING ORDER

Step	Description	HO 00 03 1 or 2 Family Residence	HO 00 04	HO 00 06
1	BASE PREMIUM			
2	PROTECTION AND CONSTRUCTION CLASS FACTOR	*	*	*
3	RELATIVITY CURVE	*	*	*
4	PRICING LEVEL FACTOR	*	*	*
5	LOSS RECORD	*	*	*
6	AGE OF DWELLING DISCOUNT	*		
7	SPECIAL PERSONAL PROPERTY COVERAGE	*		*
8	SUPERIOR CONSTRUCTION FACTOR	*	*	*
9	WOOD ROOF SURCHARGE	*		
10	HAIL-RESISTANT ROOF CREDIT			
11	MATURE HOMEOWNER CREDIT	*	*	*
12	TOWNHOUSE FACTOR	*		
13	ALARM CREDITS			
14	RESIDENCE SAFETY PACKAGE	*	*	*
15	INFLATION GUARD	*		
16	DEDUCTIBLE FACTOR	*	*	*
17	WOOD STOVE SURCHARGE	*	*	*
18	ACV ROOF SETTLEMENT	*	*	*
19	PACKAGE PLUS FACTOR	*	*	*
20	SEASONAL OR SECONDARY DISCOUNT	*	*	*
21	POOL SURCHARGE	*		
22	NON-SMOKER CREDIT	*	*	*
23	CUSTOMER LOYALTY DISCOUNT	*		
24	NETWORK DISCOUNT	*	*	*
25	Expense Fee	*	*	*
26	ADJUSTED BASE PREMIUM			
27	INCREASED COVERAGE A PREMIUM	+	+	+
28	LOSS ASSESSMENT PREMIUM	+	+	+
29	REPLACEMENT COST CONTENTS PREMIUM OR SPECIAL HOMEOWNERS ENDORSEMENT PREMIUM	+	+	+
30	RESIDENCE EMPLOYEES PREMIUM	+	+	+
31	SCHEDULE PERSONAL PROPERTY PREMIUM	+	+	+
32	WATER BACK UP PREMIUM	+	+	+
33	INCREASED COVERAGE E & F PREMIUM	+		+
34	REPLACEMENT COST DWELLING	+		
35	INCREASE/DECREASE COVERAGE C PREMIUM	+		
36	BUILDING ADDITIONS AND ALTERATIONS PREMIUM		+	
37	INCREASE COVERAGE A PREMIUM			+
38	UNIT-OWNERS COVERAGE A – SPECIAL COVERAGE PREMIUM			+
39	OTHER ENDORSEMENT OR ADDITIONAL COVERAGE PREMIUM	+	+	+
40	COMPANY DEVIATION	*	*	*
41	NETWORK DISCOUNT (MULTIPLY BY STEPS 26-39)	*	*	*
42	EARTHQUAKE PREMIUM	+	+	+
43	DEVELOPED PREMIUM			

Round to the nearest whole dollar after each step.

BASE RATES

Territory	HO 00 03	HO 00 04	HO 00 06
030	1,365	125	168
032	1,243	122	75
033	1,381	143	168
034	1,381	143	168
035	1,308	143	168
036	1,365	125	168
037	1,308	143	168
038	947	67	159
042	1,203	85	75
043	942	139	168
044	1,521	143	168
045	1,521	67	75
046	1,192	85	75
047	1,245	125	168
048	1,365	125	168
051	947	67	159
052	1,222	68	75
056	897	68	159

PROTECTION CONSTRUCTION FACTORS

Protection Class	HO 00 03		HO 00 04		HO 00 06	
	Frame	Masonry	Frame	Masonry	Frame	Masonry
1	1.00	0.90	1.00	0.90	1.00	0.90
2	1.00	0.90	1.00	0.90	1.00	0.90
3	1.00	0.90	1.00	0.90	1.00	0.90
4	1.00	0.90	1.00	0.90	1.00	0.90
5	1.00	0.90	1.00	0.90	1.00	0.90
6	1.05	0.90	1.05	0.90	1.05	0.90
7	1.17	1.06	1.17	1.06	1.17	1.06
8	1.20	1.15	1.20	1.15	1.20	1.15
9	1.80	1.60	1.80	1.60	1.80	1.60
10	1.93	1.75	1.93	1.75	1.93	1.75

PRICING LEVEL FACTORS

Symbol	Monoline Factor	Package Plus Factor	Classic
A	0.79	0.67	0.75
B	0.80	0.68	0.76
C	0.81	0.68	0.76
D	0.83	0.70	0.78
E	0.85	0.71	0.80
F	0.86	0.73	0.82
G	0.88	0.75	0.84
H	0.89	0.76	0.85
J	0.92	0.77	0.87
K	0.96	0.81	0.90
L	1.00	0.85	0.95
M	1.07	0.90	1.01
N	1.14	0.96	1.08
P	1.19	1.00	1.12
Q	1.25	1.05	1.18
R	1.30	1.10	1.23
S	1.37	1.15	1.29
T	1.43	1.20	1.34
U	1.50	1.25	1.40
V	1.56	1.31	1.47
W	1.63	1.37	1.54
X	1.72	1.43	1.61
Y	1.82	1.52	1.70
Z	1.94	1.63	1.82

Price Level	HO 00 04	HO 00 06
1	0.75	0.750
2	0.90	0.900
3	1.00	1.000
4	1.10	1.100
5	1.60	1.600
6	2.00	2.000

AMOUNT OF INSURANCE FACTORS

HO 00 03		HO 00 04		HO 00 06	
AOI	Factor	AOI	Factor	AOI	Factor
50	0.476	25	1.000	25	1.000
60	0.491	30	1.091	30	1.091
70	0.494	40	1.280	40	1.280
80	0.530	50	1.491	50	1.491
90	0.567	60	1.640	60	1.640
100	0.604	70	1.800	70	1.800
110	0.648	80	1.960	80	1.960
120	0.689	90	2.143	90	2.143
130	0.731	100	2.843	100	2.843
140	0.772	110	3.243	110	3.243
150	0.811	120	3.643	120	3.643
160	0.849	130	4.043	130	4.043
170	0.888	140	4.443	140	4.443
180	0.925	150	4.843	150	4.843
190	0.963	160	5.243	160	5.243
200	1.000	170	5.643	170	5.643
210	1.040	180	6.043	180	6.043
220	1.075	190	6.443	190	6.443
230	1.107	200	6.843	200	6.843
240	1.141	210	7.243	210	7.243
250	1.175	220	7.643	220	7.643
260	1.210	230	8.043	230	8.043
270	1.249	240	8.443	240	8.443
280	1.278	250	8.843	250	8.843
290	1.320	260	9.243	260	9.243
300	1.357	270	9.643	270	9.643
310	1.390	280	10.043	280	10.043
320	1.421	290	10.443	290	10.443
330	1.461	300	10.843	300	10.843
340	1.491	310	11.243	310	11.243
350	1.528	320	11.643	320	11.643
360	1.568	330	12.043	330	12.043
370	1.610	340	12.443	340	12.443
380	1.650	350	12.843	350	12.843
390	1.691	360	13.243	360	13.243
400	1.736	370	13.643	370	13.643
410	1.778	380	14.043	380	14.043
420	1.822	390	14.443	390	14.443
430	1.865	400	14.843	400	14.843
440	1.908	Additional rate per \$5,000 - starting at 100 0.200		Additional rate per \$5,000 - starting at 100 0.200	
450	1.946				
460	1.989				
470	2.030				
480	2.075				
490	2.119				
500	2.160				
600	2.595				
700	3.030				
800	3.465				
900	3.900				
1000	4.331				
1100	4.731				
1200	5.131				
1300	5.531				
1400	5.931				
1500	6.331				
1600	6.731				
1700	7.131				
1800	7.531				
1900	7.931				
2000	8.331				
Additional rate per \$10,000 - starting at 1000 0.040					

AGE OF HOME

Homes written on Form HO 00 03 are eligible for the following premium credits depending on the calendar year in which the dwelling was completed. The credits shown below apply to the BASE PREMIUM only.

Home Completed During	Factor
Current calendar year	0.66
One year preceding current calendar year	0.68
Two years preceding current calendar year	0.71
Three years preceding current calendar year	0.75
Four years preceding current calendar year	0.78
Five years preceding current calendar year	0.81
Six years preceding current calendar year	0.86
Seven years preceding current calendar year	0.89
Eight years preceding current calendar year	0.91
Nine years preceding current calendar year	0.92
Ten years preceding current calendar year	0.94
Eleven years preceding current calendar year	0.97
Twelve to Twenty Eight years preceding current calendar year	1.00
Twenty Nine to Thirty Three years preceding current calendar year	1.00
Thirty Four to Thirty Seven years preceding current calendar year	1.02
Thirty Eight to Forty Six years preceding current calendar year	1.00
Forty Seven to Fifty Five years preceding current calendar year	1.02
Fifty-six to Sixty-two years preceding current calendar year	1.07
Sixty-three to Seventy-two years preceding current calendar year	1.08
Seventy-three to Eighty-three years preceding current calendar year	1.10
Eighty-four to One Hundred and three years preceding current calendar year	1.11
One hundred and four or more years preceding current calendar year	1.13

DEDUCTIBLES

All Other Perils Deductibles

Deductible	Factor
\$100	1.43
\$200	1.32
\$250	1.21
\$500	1.10
\$1,000	1.00
\$2,500	0.85
\$5,000	0.75

100 Rolled up to 1,000
 200 Rolled up to 1,000
 250 Rolled up to 1,000
 500 Rolled up to 1,000

Windstorm or Hail Deductible

Coverage A Amount	All Other Perils Deductible	Windstorm or Hail Deductible (Available Statewide)					
		\$1,000	\$2,000	\$5,000	1%	2%	5%
\$0 - \$59,999	\$100*	0.89	0.76	0.39	0.94	0.86	0.64
	\$100 w/ \$250 THEFT*	0.89	0.76	0.39	0.94	0.86	0.64
	\$200*	0.90	0.78	0.40	0.95	0.88	0.65
	\$250*	0.91	0.78	0.41	0.96	0.88	0.66
	\$500	0.94	0.81	0.44	0.99	0.91	0.69
	\$1,000	-	0.88	0.50	-	0.98	0.75
	\$2,500	-	-	0.69	-	-	0.94
\$60,000 - \$99,000	\$5,000	-	-	-	-	-	-
	\$100*	0.93	0.86	0.64	0.93	0.86	0.64
	\$100 w/ \$250 THEFT*	0.93	0.86	0.64	0.93	0.86	0.64
	\$200*	0.94	0.87	0.65	0.94	0.87	0.65
	\$250*	0.95	0.87	0.65	0.95	0.87	0.65
	\$500	0.96	0.89	0.67	0.96	0.89	0.67
	\$1,000	-	0.93	0.71	-	0.93	0.71
\$100,000 - \$200,000	\$2,500	-	-	0.82	-	-	0.82
	\$5,000	-	-	-	-	-	-
	\$100*	0.95	0.89	0.70	0.93	0.86	0.63
	\$100 w/ \$250 THEFT*	0.95	0.89	0.70	0.93	0.86	0.63
	\$200*	0.95	0.89	0.71	0.94	0.86	0.64
	\$250*	0.95	0.89	0.71	0.94	0.86	0.64
	\$500	0.97	0.91	0.73	0.95	0.88	0.65
\$200,001 & UP	\$1,000	-	0.94	0.76	0.98	0.91	0.71
	\$2,500	-	-	0.85	-	-	0.75
	\$5,000	-	-	-	-	-	0.85
	\$100*	0.96	0.92	0.84	0.88	0.80	0.60
	\$100 w/ \$250 THEFT*	0.96	0.92	0.84	0.88	0.80	0.60
	\$200*	0.97	0.93	0.84	0.89	0.80	0.60
	\$250*	0.97	0.93	0.85	0.89	0.81	0.60
\$200,001 & UP	\$500	0.98	0.94	0.86	0.90	0.82	0.61
	\$1,000	-	0.96	0.88	0.92	0.84	0.63
	\$2,500	-	-	0.94	-	0.90	0.69
	\$5,000	-	-	-	-	-	0.80

*Only open to renewals which currently carry this deductible.

** For Renewals which currently carry this deductible

\$250 Theft Deductible

The theft deductible applies to Coverage C *Personal Property* and is available only when the \$100 deductible applies to All Other Perils or a higher deductible applies to the peril of Windstorm or Hail, and a \$100 deductible applies to All Other Perils.

When the \$100 deductible applies to All Other Perils, and a separate Wind-storm or Hail Deductible is not desired, compute the premium by multiplying the base premium by a factor of 1.15 for all forms except HO 00 04 and HO 00 06; 1.10 for HO 00 04 and HO 00 06.

PACKAGE PLUS & PACKAGE PLUS CLASSIC

Package Plus Rates

Form	Factor
HO 00 03	1.00
HO 00 04	1.40
HO 00 06	1.14

Classic Coverage Enhancement Rates

Form	Factor
HO 00 03	1.00
HO 00 06	1.37

Kemper Elite

Apply the following factor to the ADJUSTED BASE PREMIUM.

Form	Factor
HO 00 03	0.49
HO 00 04	0.49
HO 00 06	0.49

Special Homeowners Endorsement- VK 11 19 & VK 21 00

Apply the following factor to the ADJUSTED BASE PREMIUM.

Form	Factor
HO 00 03	0.12
HO 00 04	0.50
HO 00 06	0.20

ORDINANCE OR LAW

Percentage of Coverage A or Blanket Amount		HO 00 03	Package Plus
Increase In Amount	Total Amount		
15%	25%	0.13	0.35
40%	50%	0.35	0.67
65%	75%	0.51	0.83
90%	100%	0.67	0.99
For each additional 25% increment, up to a maximum of 200%, add		0.16	N/A

EARTHQUAKE

Earthquake Coverage Rates

Develop the HO 00 03 base premium as follows:

- Determine if Rate Table A, B, or C apply
- Determine the Earthquake Zone
- Select the rate according to construction

Zone	Counties
2	Clay, Craighead, Crittenden, Cross, Greene, Jackson, Mississippi, and Poinsett
3	Independence, Lawrence, Lee, Monroe, Phillips, Randolph, St. Francis, White, and Woodruff
4	Arkansas, Baxter, Cleburne, Conway, Desha, Faulkner, Izard, Jefferson, Little River, Lonoke, Marion, Prairie, Pulaski, Searcy,
5	Remainder of state

Apply the rate determined above to the Coverage A limit for Form HO 00 03, or the Coverage A rating limit for PACKAGE PLUS (One or Two Family Residences) after any adjustments have been made.

Earthquake				
Table	Zone	Rates per \$1,000		
		Frame+	Masonry+	Superior
A HO 00 03	2 & 3	1.16	3.00	2.50
	4	0.56	1.15	0.85
	5	0.28	0.62	0.43
B HO 00 04 or HO 00 06, Higher Coverage C Limits for other forms	2 & 3	0.58	0.85	0.63
	4	0.27	0.63	0.29
	5	0.20	0.56	0.21
C HO6 Increased Coverage A Limits over 20% Higher Coverage D Limits, HO 04 48 & Other Bldg. Options, or Ordinance or Law	2 & 3	0.58	3.41	1.20
	4	0.27	0.73	0.48
	5	0.20	0.38	0.34

For HO 00 04 or HO 00 06, determine the flat rate based on zone and construction type.

For HO 00 03 and HO 00 06: +If Exterior Masonry Veneer is covered - rate as Masonry. If Exterior Masonry Veneer is not covered - rate as Frame. Make appropriate declaration on endorsement.

For HO 00 04: +The construction type chosen for the dwelling must equal the construction type chosen for the earthquake coverage.

The Earthquake charges apply to:

- Coverage A limit for Form HO 00 03, or the Coverage A rating limit for PACKAGE PLUS (One or Two Family Residences) after any adjustments have been made, if applicable
- Coverage C limit for Form HO 00 04 or 06 or the Coverage C rating limit for PACKAGE PLUS (Condominiums and Tenants)
- Coverage C or D increased limits (For PACKAGE PLUS, charge for 20% of the Coverage A rating limit using the rates found in Table B)
- Ordinance or Law total amount of insurance (if increased amounts of coverage are requested)
- Other Building or Structure options (Other Structures HO 04 40, HO 04 48 and HO 04 92; Building Additions and Alterations HO 04 51)
- HO 00 06 Coverage A Increased Limits over 20%

Earthquake Coverage Deductibles

The base deductible is 5% of the limit of liability for each coverage A or C, whichever is greater and is subject to a \$250 minimum. This deductible may be increased for a premium credit. In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages A, B and C.

% Deductible	Frame	Superior	Masonry
5%	1.00	1.00	1.00
10%	0.90	0.90	0.95
15%	0.80	0.80	0.90
20%	0.70	0.70	0.85

DISCOUNTS

Customer Loyalty Discount

Multiply the BASE PREMIUM by a factor of **0.97** for policies that has been in-force with either Kemper Independence Insurance Company or Unitrin Preferred Insurance Company for five or more policy terms.

Hail Resistant Roof Credit

HO 00 03 only

Apply a factor of 0.95 to the BASE PREMIUM if the dwelling's roof covering meets the impact resistance of the Underwriters Laboratories testing criteria of UL Standard 2218.

Mature Homeowner Credit

Dwellings are eligible for the Mature Homeowner credit if the named insured is 60 years of age and an adult is usually home during the day. Multiply the BASE PREMIUM by a factor of 0.95

Network Discount

The Network Discount is a plan to provide Homeowners Insurance to individual members of a "Network Group."

All rules and rates of this manual are applicable to individual members of the Network Group. A Network Group is defined as follows:

1. A group of individuals who are employees of a corporation, partnership, credit union, association, or governmental department, unit or agency or
2. A group of individuals who are members of a corporation, partnership, credit union, association or governmental department, unit or agency or
3. A group of individuals who hold mortgages, loan, credit cards, and/or checking or savings accounts at a financial institution
4. A group of individuals in any other organization formed in good faith for purposes other than that of obtaining insurance

Network Discount Factor

A discount of 5% will be provided on group policies. The discount is applicable to all coverages except Earthquake and Umbrella (PCL). This discount is the result of reduced commission.

Non- Smoker Credit

The Non-Smoker discount is applied to the Base Rates if there are no smokers residing in the household. The agency should retain the Non-Smoker form in the files. Attach: VS 21 05: Non-Smoking Household Discount

Non-Smoker Credit Factor

Multiply the BASE PREMIUM by a factor of **1.00**

Seasonal or Secondary Dwelling Credit

Seasonal homes must be written as part of a package, and the company must insure the primary home. Apply a 5% discount to the BASE PREMIUM of a monoline homeowners policy.

Secondary Residence Credit

Homeowners coverage on a secondary residence premises may be provided under a separate policy.

Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.

Secondary Residence Rates

When coverage is provided on the initial and secondary residence premises under separate policies in the same company, the following premium adjustments should be made:

1. Reduce the BASE PREMIUM for the policy covering the secondary residence by \$17; and
2. Add the charge for Other Insured Location Occupied by Insured to the policy covering the initial residence

Superior Construction

The premium for a dwelling or apartment unit in a building of superior construction is computed by multiplying the masonry BASE PREMIUM for a comparable dwelling or apartment unit by a factor of 0.85.

PROTECTIVE DEVICES

Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a reduced premium computed by multiplying the BASE PREMIUM by the selected factors below. Unless otherwise indicated, credits may be cumulative.

The Smoke Detector credit is not applicable if the Residence Safety Package Credit is applied.

Attach: HO 04 16: Premises Alarm or Fire Protection System

Type of Installation	Factor
Central Station Reporting Burglar Alarm	0.90
Central Station Reporting Fire Alarm	0.90
Police Station Reporting Burglar Alarm	0.95
Fire Department Reporting Fire Alarm	0.95
Local Burglar and/or Fire Alarm and/or Smoke Detectors	0.98*
Automatic Sprinklers in all areas including attics, bathrooms, closets, and attached structures	0.87
Automatic Sprinklers in all areas except attic, bathroom, closets, and attached structure areas that are protected by a fire detector	0.92

* The smoke detector credit is not applicable if the Residence Safety Package Credit is applied.

Residence Safety Package Credit

A factor of 0.97 will be applied to the BASE PREMIUM for the installation and proper maintenance of the following three items in the dwelling:

- Smoke Detectors
- Deadbolt Locks
- Fire Extinguishers

Attach: VK 10 12: Residence Safety Package

SURCHARGES

Loss Record

A chargeable loss is defined as any loss within the experience period, with the exception of the first loss under \$1000. However, if the loss occurs within the first 12 months of being insured with The Company, regardless of the dollar amount, the loss is chargeable. (The loss amount will be determined after application of the insured's deductible.)
The premium adjustment applies separately to each residence premises on the policy, and does not apply to premiums for earthquake.

# of Losses	Code	Factor
Loss free within the experience period	0	0.95
One non-weather related loss within 25-36 months	1	1.15
One non-weather related loss within 13-24 months	2	1.15
One non-weather related loss within 0-12 months	3	1.15
Two non-weather related losses within the experience period	4	1.25
Three non-weather related losses within the experience period	5	1.40
Four non-weather related losses within the experience period	6	1.55
Five, Six or Seven non-weather related losses within the experience period	+1	1.70

Pool Surcharge:

For HO-3 policies with a swimming pool on the premises, multiply the base premium by a factor of **1.05**

Town House or Row House

All Forms Except HO 00 04 and HO 00 06

The premium for an eligible 1 or 2 family dwelling in a town or row house structure is computed by multiplying the BASE PREMIUM by the appropriate factor below.

An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division.

Four 2 family dwellings not separated by a firewall would be considered 8 individual family units.

Total No. of Individual Family Units Within the Fire Division	Protection Class	
	1- 8	9- 10
1	1.00	1.00
2	1.00	1.00
3	1.10	1.15
4	1.10	1.15
5	1.25	1.30
6	1.25	1.30
7	1.25	1.30
8	1.25	1.30
9 & over	refer to company	

Wood Burning Stove:

A wood burning stove includes:

- Fireplace inserts
- Furnace add-ons
- Freestanding stoves

The wood burning stove must not be used as a primary heat source. Annual written verification that the stove has been professionally cleaned is required.

New business located in Protection Classes 9 or 10 must have prior approval before being written or bound.

Wood Burning Stove Rates:

Multiply the BASE PREMIUM by a factor of 1.08.

Wood Roof Surcharge:

If the roof composition consists of wood shake, wood shingle, or similar wood shingle materials, multiply the BASE PREMIUM by a factor of 1.08.

This surcharge does not apply if the roof covering meets UL Standard 2218

MISC. ENDORSEMENT COVERAGE A, B & D

Building Additions and Alterations

Increased Limits - Form HO 00 04

The limit of *liability* of 10% of Coverage C (10% of the Blanket Property Limit for PACKAGE PLUS) may be increased.

Increased Limits - Form HO 00 04 Rates:

To develop the premium per \$1,000 of coverage multiply the \$25,000 HO 00 04 premium by a factor of .05

Debris Removal - Broadened Tree Removal

Coverage up to \$5,000 will be provided to remove fallen trees from the residence premises felled by any peril insured against. No more than \$1,500 of this limit may be used for the removal of any one tree. A \$250 deductible applies.

Debris Removal - Broadened Tree Removal Rates:\$50 per policy

Attach: VS 15 39: Debris Removal Monoline or

Attach: VS 15 40: Debris Removal – PACKAGE PLUS & CLASSIC COVERAGE ENHANCEMENT

Dwelling Under Construction

The policy may be endorsed to cover property while under construction from the following losses. Coverage applies to the property during construction until occupied or for 180 days, whichever is less.

Collapse

Coverage against loss caused by:

directly or indirectly by landslide or other earth movement, excluding earthquake

by water below the surface of the ground which exerts pressure on, or flows, seeps or leaks through:sidewalks, driveways, foundations, walls (basement or otherwise), doors, windows, or any other openings in (a) through (d) above.

Attach: VS 13 41 Collapse Coverage

Collapse Coverage Rates: \$35 per policy.

Theft

The policy may be extended to cover theft, including burglary, or attempted burglary of lumber, building materials, supplies, fixtures, and equipment which will be or are permanently part of the dwelling and the other structures.

The coverage applies only while the property is on or next to the residence premises and may only be purchased when Collapse coverage is applicable

Attach: VS 10 68 Theft Coverage

Theft Coverage rates: \$25 per policy.

Inflation Guard

All Forms except HO 00 04 and HO 00 06

The limits of *liability* on Coverages A, B, C and D will be automatically increased by 4% per year at no additional charge.

The increase will be 1% per quarter.

Attach VK 220-1: Inflation Protection Endorsement - HO 00 03 or VK 10 90: Inflation Protection Endorsement - PACKAGE PLUS and CLASSIC COVERAGE ENHANCEMENT

Inflation Guard - Increased Limits

The policy may be endorsed to provide higher annual increases of the Section I limits of liability as selected by the insured.

The Inflation Guard Program does not apply when HO 0420 or VS 17 80 is used.

Attach: HO 04 46: Inflation Guard - HO 00 03

Attach: VK 10 91: Inflation Guard - PACKAGE PLUS and CLASSIC COVERAGE ENHANCEMENT

Amount of Annual Increase	Factor
6%	1.03
8%	1.04
Each additional 4% over 8%, add	0.02

MISC. ENDORSEMENT COVERAGE A, B & D

HO 00 06 Unit-Owners - Coverage A

This rule does not apply to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT since the limit for Coverage A is included in the Blanket Property Limit and Coverage A is provided on a Special Coverage basis. If additional Coverage A is needed, increase the Blanket Property Limit.

The Coverage A Limit of *Liability* provided in the policy is:

50% of the Limit of Liability for Coverage C during the first 90 days the policy is in effect, rounded up to the nearest hundred.
(This does not apply to renewal or continuation of the policy.)

20% of the Limit of Liability for Coverage C after the first 90 days the policy is in effect, rounded up to the nearest hundred.

This coverage is automatically included on all HO 00 06 policies.

Attach VK 10 44: Unit-Owners Building Items

HO 00 06 Unit-Owners - Coverage A Increased Limits

The basic limit may be increased. The premium is developed based on the additional limit of insurance.

To develop the premium for each additional \$1,000 of insurance, multiply the \$25,000 HO 00 06 premium by a factor of .05

HO 00 06 Unit-Owners Coverage A Special Coverage

The Section I Perils Insured Against may be broadened to cover additional risks of loss.

This rule does not apply when Endorsement VS 1244 Special Personal Property Coverage - HO 00 06 is used.

The additional premium is developed as follows:

\$2 per policy for 20% in basic form

\$1 for each additional \$1,000 of coverage A

Attach: HO 17 36: Unit-Owners Coverage A - Special Coverage

HO 00 06 Unit-Owners Rental to Others

Not applicable to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

There is no coverage for Coverage C - Personal Property and Section II *Liability* when the residence premises is regularly rented or held for rental to others.

The policy may be endorsed, however, to provide such coverage, including theft.

The Coverage C minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$10,000.

Attach: HO 17 33: Unit-Owners Rental to Others

Form HO 00 06 Units Regularly Rented to Others Rate:

Multiply the Coverage C base premium (after it has been adjusted for a higher or lower *deductible*, if , if applicable) by a factor of 0.25.

Loss Assessment Coverage

Residence Premises

The policy automatically provides, at no additional charge, \$1,000 (\$10,000 for CLASSIC COVERAGE ENHANCEMENT) of loss assessment coverage, excluding Earthquake, for assessments relating to the residence premises.

Attach: HO 04 35: Loss Assessment Coverage

This limit may be increased, using the rates below.

New Amount of Coverage	All Forms Except HO 00 06	HO 00 06
\$1,000	Included	Included
\$25,000	\$8	\$5
\$50,000	\$13	\$10

Loss Assessment - Additional Locations

The policy may be endorsed to provide loss assessment coverage pertaining to additional locations.

The premiums listed below apply to each location covered. No more than 2 locations can be written in addition to the residence premises.

Endorsement HO 04 35 does not cover loss to property caused by Earthquake.

New Amount of Coverage	All Forms Except HO 00 06	HO 00 06
\$1,000	\$5	\$5
\$25,000	\$13	\$10
\$50,000	\$18	\$20

Loss of Use - Increased Limit

Not Applicable to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

\$4 per \$1,000 of coverage

MISC. ENDORSEMENT COVERAGE A, B & D

Other Structures

Increased Limits

This rule does not apply for PACKAGE PLUS or Classic Coverage Enhancement (One or Two Family Residences).
 The total limit for Coverage B should be included in the Blanket Property Limit.
 Attach HO 04 48: Other Structures

Other Structures Increased Limits Rate:

\$4 per \$1,000 of coverage (applies separately to each structure).

Other Structures - Rented to Others - Residence Premises

The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
 Attach HO 04 40: Structures Rented to Others - Residence Premises

Other Structures Rented to Other - Residence Premises Rates:

\$5 per \$1,000 of coverage plus the premium for the increased Coverages E and F exposure (\$10 per structure)

Other Structures - Off Premises Structures

Under Form HO 00 03, the policy automatically provides Coverage B - Other Structures at 10% of Coverage A on a blanket basis to structures located on the residence premises.
 This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.
 Under all forms, when insurance is written on a specific structure located away from the residence premises, the rate per \$1,000 of insurance shall apply separately to each location.

Attach: HO 04 91: Coverage B - Off Premises - Monoline
 Attach: VS 11 61: Coverage B - Off Premises - PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT
 Attach: HO 04 92: Specific Structures Away From Residence Premises

Off Premises Structures Rate:

Blanket Basis: \$12 per policy
 Specific Structure: \$3 per \$1,000 of coverage

Rental to Others - Theft Coverage

Not available with VS 12 42, VS 12 43, or VS 12 44
 The policy may be endorsed to cover loss by theft while the portion of the residence premises usually occupied by the insured is occasionally rented in whole or in part to others, or while there is rental to a roomer or boarder.
 Attach HO 04 80: Residence Rental Theft

Rental to Others - Theft Coverage Rate: \$15 per policy

Replacement Cost Dwelling Coverage

Extended *Replacement Cost* Coverage is available for HO 00 03 policies.
 The dwelling amount is extended to provide coverage up to the dwelling replacement cost subject to a limit of 125% of the Coverage A limit.
 The following risks are not eligible for Replacement Cost Dwelling Coverage:
 Dwellings located in *Protection Class* 10
 Dwellings under construction
 Homes built prior to 1950
 Dwellings not insured to 100% replacement cost
 Attach: HO 23 47: Specific Additional Amount of Insurance Monoline or
 Attach: VS 17 80: Extended Dwelling Replacement Cost Coverage - PACKAGE PLUS or CLASSIC COVERAGE ENDORSEMENT

Replacement Cost Dwelling Rate: Apply a factor of .04 to the adjusted base premium

If any changes are made to the dwelling which increase the dwelling replacement cost by 5% (\$5,000 for PACKAGE PLUS or Classic Coverage Enhancement) or more, notification must be submitted to the Company within 30 days after completion.
 Policy premiums will be based on annually revised dwelling values updated by the use of a residential building index used by the Company.

Sinkhole Collapse Coverage

ALL FORMS EXCEPT HO 00 04 AND HO 00 06
 The policy may be endorsed to provide *sinkhole collapse* coverage.
 Attach: HO 04 99: Sinkhole Collapse

Sinkhole Collapse Rate: \$0.35 per \$1,000 coverage

Multiply the Rate shown by the:
 Coverage A amount of insurance.
 Increased Limits for Coverage C and D
 Loss Assessment Coverage, increased limits and additional locations;
 Ordinance or Law coverage, increased limits and additional locations;
 Other Building or Structure options (e.g. Other Structures HO 04 40, HO 04 48, and HO 04 92)
 For Package Plus and Classic Coverage Enhancement, the additional premium charge shall be \$0.35 per \$1,000 of the Coverage A rating limit.

Water Back Up Coverage

Coverage may be provided for loss by water which backs up through sewers or drains, or overflows from a sump and is subject to a \$250 Deductible
 Attach: VS 12 93 Water Back Up and Sump Overflow for \$5,000 - Package Plus or Monoline

Water Back Up Rates:

Coverage	Min Cov A Required	Rate
\$5,000	-	\$40
\$10,000	-	\$80
\$15,000	-	\$120
\$20,000	-	\$130
\$25,000	-	\$180

MISC. ENDORSEMENT COVERAGE A, B & D

\$30,000	\$250,000	\$220
\$40,000	\$250,000	\$300
\$50,000	\$250,000	\$400

MISC ENDORSEMENT COVERAGE C

Business Property - Increased Limits

The \$2,500 (\$5,000 for Classic Coverage Enhancement) limit of *liability* for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.

The limit of liability in excess of \$2,500 does not apply to:

Business property in storage or held as a sample or for sale or delivery after sale;

Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by HO 04 42 - Permitted Incidental Occupancies.)

When the on-premises limit is increased, the off-premises limit of \$250 (\$500 for Classic Coverage Enhancement) is automatically increased,

at no additional charge, to an amount that is 10% of the total on-premises limit.

Attach HO 04 12: Increased Limits of Business Property

Business Property - Increased Limits Rate: \$25 for each \$2,500 increase

Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money

The \$1,000 limit is included when Endorsement VK 1119 Special Homeowners Endorsement is used. Classic Coverage Enhancement includes \$10,000 of coverage.

Refer limits over \$10,000 to Company.

Attach HO 04 53: Credit Card, Fund Transfer Card, Forgery and Counterfeit Money Coverage Increased Limits

Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money Rates:

When the limit of \$500 (\$5,000 for Package PLUS) is increased, the additional premium shall be developed as follows:

Limit	Monoline Rate	Package Plus Rate
\$1,000	\$1	--
\$2,500	\$3	--
\$5,000	\$4	Included
\$7,500	\$5	\$3
\$10,000	\$6	\$4

Identity Fraud Expense Coverage

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, coverage is available to pay for the following expenses incurred by an insured

as a direct result of any one identity fraud first discovered or learned of during the policy period:

Costs for notarizing fraud affidavits or similar documents

Certified mail sent to law enforcement, financial institutions and credit agencies

Lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies

Loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information

Reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period, subject to a \$250 deductible.

Attach HO 04 55: Identity Fraud Expense Coverage

Identity Fraud Rate - \$25 per policy

Replacement Cost Contents Coverage

Included in PACKAGE PLUS, CLASSIC COVERAGE ENHANCEMENT, VK 11 19

"Replacement Value" may be substituted for "Actual Cash Value" for Section I - Coverage C - Unscheduled *Personal Property*.

The Replacement Value Endorsement is not available for residences rented or leased to others, seasonal, or secondary dwellings.

Replacement Cost Coverage also applies to classes of property separately described and specifically insured in this policy,

as listed in the Scheduled Personal Property endorsement.

Attach VK 10 36: Replacement Value Endorsement

Personal Property Replacement Cost Coverage Rates:

HO 00 03: Add a 10% surcharge to the base premium for Coverage A after it has been adjusted for a higher or lower deductible, if applicable.

Coverage C is automatically elevated to 70% of Coverage A at no additional charge.

HO 00 04: Add a 40% surcharge to the base premium after it has been adjusted or a higher or lower deductible, if applicable.

HO 00 06: Add a 15% surcharge to the base premium after it has been adjusted or a higher or lower deductible, if applicable.

Personal Property - Increased Limit

This rule does not apply to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT. The total limit for Coverage C should be included in the Blanket Property Limit.

Otherwise, the limit of liability for Coverage C may be increased, or the amount may be decreased to an amount not less than 40% of the Coverage A limit

Reduction in the limit of liability for Coverage C is not permitted when the following endorsements are used VK 10 36 Replacement Value,

VK 11 19: Special Homeowners Endorsement or HO 2347 Additional Limits of Liability for Cov A

Personal Property Increased Limits Rates:

HO 00 03 without VS 11 78: \$2 per \$1,000 of coverage

HO 00 03 with VS 11 78: \$3 per \$1,000 of coverage

Personal Property - Reduction in Limit Rate: \$1 credit per \$1,000 of coverage

Personal Property - Increased Limits - Other Residences

Coverage for *personal property* usually located at other residences is limited in the policy form to 10% of Coverage C or \$1,000, whichever is greater. This limit may be increased.

Attach HO 04 50: Increased Limits on Personal Property in Other Residences

Personal Property - Increased Limits - Other Residences Rate: \$7 per \$1,000 of coverage

MISC ENDORSEMENT COVERAGE C

Increased Special Limits of Liability

Special Limits of *Liability* for Jewelry, Watches, and Furs, Money and Securities, Silverware, Goldware, and Pewterware, Firearms, and Electronic Apparatus may be increased.

Attach HO 04 65: Coverage C Increased Special Limits of Liability or VS 13 02: Coverage C Increased Special Limits of Liability for policies with VS 12 42, VS 12 43 or VS 12 44

Increased Special Limits of Liability - Jewelry, Watches, and Furs

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000 without a per article limit.

PACKAGE PLUS: The special limit of liability is \$5,000 with a per article limit of \$1,000.

VK 11 19 Special Homeowners Endorsement: An additional \$500 is automatically included

The special limit of liability of \$2,500 for theft of jewelry, watches and furs is automatically provided at no additional charge on all Homeowners policies.

This limit may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article.

An additional \$500 is automatically included when VK 11 19 Special Homeowners Endorsement is used.

Attach: VK 10 46 Unscheduled Jewelry, Watches and Furs Increased Limits of Liability

Jewelry, Watches, and Furs Rates:

Limit	Rate
\$2,500	Included
\$3,000	\$9
\$4,000	\$15
\$5,000	\$21

Increased Special Limits of Liability - Money and Securities

CLASSIC COVERAGE ENHANCEMENT includes limits of \$1,000 for Money and \$5,000 for Securities.

The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000.

Money and Securities Rates:

Money: \$6 per \$100 of Coverage

Securities: \$4 per \$100 of coverage

Increased Special Limits of Liability - Silverware, Goldware, and Pewterware

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000.

PACKAGE PLUS: The special limit of liability is \$5,000.

VK 11 19 Special Homeowners Endorsement: An additional \$500 is automatically included.

The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500.

An additional \$500 is automatically included when VK 11 19 Special Homeowners Endorsement is used.

Attach VK 10 46 Unscheduled Jewelry, Watches and furs Increased Limits of Liability.

Silverware, Goldware, and Pewterware Rate: \$3.25 per \$500 of coverage

Increased Special Limits of Liability - Firearms

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000 without a per article limit.

PACKAGE PLUS: The special limit of liability is \$5,000 with a per article limit of \$1,000.

The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100.

Firearms Rate: \$3 per \$100 of coverage

Increased Special Limits of Liability - Electronic Apparatus

The policy provides coverage, as described below, for loss of electronic apparatus equipped to be operated from the electrical system of a motor vehicle or motorized land conveyance while retaining its capability of being operated by other sources of power:

Up to \$1,000 for apparatus in or upon a motor vehicle or motorized land conveyance, and

Up to \$1,000 for apparatus not in or upon a motor vehicle that is away from the residence premises and used for business.

Each of these limits may be increased to a maximum of \$5,000 in increments of \$500.

Electronic Apparatus Rate: \$8 per \$500 of coverage

Refrigerated Property

Not Applicable with PACKAGE PLUS, CLASSIC COVERAGE ENHANCEMENT, VS 12 13

The policy may be endorsed to provide \$500 of coverage for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure. A deductible of \$100 applies.

This coverage is included in the VK 11 19 Special Homeowners Endorsement or PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

service interruption or mechanical failure. A deductible of \$100 applies. Attach HO 0498: Refrigerated Property Coverage

Attach HO 04 98: Refrigerated Property Coverage

Refrigerated Property Rate: \$10 per policy

Special Computer Coverage

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions.

Attach VS 17 76: Special Computer Coverage

Special Computer Coverage Rate: \$15 per policy

Special Personal Property

HO 00 03 Only

Coverages A and B under Form HO 00 03 are insured against additional risks of physical loss subject to certain exclusions.

Coverage C is insured against perils named in the form.

The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.

The \$100 Deductible is not applicable when this coverage is included in the policy.

Attach VS 17 78: Special *Personal Property* Coverage - HO 00 03 Only or VS 17 77: Special Personal Property Coverage – PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

HO 00 06 Only

Coverage C and Coverage A under Form HO 00 06 are insured against perils named in the form.

The policy may be endorsed to insure Coverage C and Coverage A against additional risks of physical loss subject to certain exclusions.

This option may only be used when the condominium or cooperative unit is owner occupied.

The \$100 Deductible is not applicable when this coverage is included in the policy.

Attach VS 17 79: Special Personal Property Coverage - HO 00 06 Only or VS 17 77: Special Personal Property Coverage – PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

Endorsements VS 12 42, VS 12 43, and VS 12 44 do not cover loss to personal property under Section I caused by Earthquake.

Special Personal Property Rates:

Form	Factor
HO 00 03	1.15

MISC ENDORSEMENT COVERAGE C

HO 00 06	1.20
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BLANKET VALUABLE ITEMS

The classes of valuable items listed below are covered under a blanket coverage basis. The items are insured against risk of direct loss only if the loss is a physical loss to property. No *deductible* applies to this coverage, except if a loss under this coverage is also covered under Coverage C of this policy, such Coverage C insurance shall be excess and the Section I deductible shall apply to the excess coverage. Charge the rate shown below. A minimum coverage amount \$1,000 with a minimum premium of \$10 applies.

Attach VS 15 99: Coverage G - Blanket Valuable Items

The following property classes have a per item limit of \$10,000 and an aggregate limit of \$50,000:

Class	Rate per \$100
Jewelry	\$1.13
Furs	\$0.31
Fine Arts PC 1-9	\$0.18
Fine Arts PC 10	\$0.23
Silverware	\$0.23
All Classes	\$1.13

The following property classes have a per item limit of \$5,000 and an aggregate limit of \$25,000:

Class	Rate per \$100
Golfer's Equipment	\$0.59
Cameras	\$1.02
Guns	\$2.72
Musical Instruments	\$0.32
Fragile Articles (includes breakage coverage) PC 1-9	\$0.43
Fragile Articles (includes breakage coverage) PC 10	\$0.51

Collectibles

The following property classes have a per item limit of \$5,000 and an aggregate limit of \$25,000:

Class	Rate/\$100	Class	Rate/\$100
Advertising Memorabilia	\$0.41	Lamps & Lighting	\$0.51
Art - Craft Equipment and Tools	\$0.46	License Plates	\$0.39
Art - Paintings, Prints, Sculpture	\$0.39	Lighted Signs	\$0.36
Autograph Collection	\$0.44	Maps	\$0.39
Beauty & Grooming Tools and Memorabilia	\$0.41	Marbles	\$0.35
Bell Collection	\$0.39	Matchcovers and Matchbooks	\$0.37
Bicycles	\$0.53	McDonalds Memorabilia	\$0.52
Books - Bibles & Liturgy	\$0.36	Metal Detecting	\$0.32
Books - Comic	\$0.43	Metal Signs	\$0.41
Books - General	\$0.42	Microfiche (film and equipment)	\$0.47
Bottles	\$0.51	Military	\$0.37
Breweriana	\$0.39	Movies/Television films	\$0.45
Bric-a-brac (not otherwise classified)	\$0.49	Music Boxes	\$0.42
Business History, Signage, Documents	\$0.51	Music Memorabilia & Related	\$0.37
Buttons	\$0.37	Musical Instruments	\$0.60
Canes	\$0.32	Native Artifacts	\$0.38
Celebrity Memorabilia	\$0.51	Paperweights	\$0.42
Ceramics	\$0.48	Perfume Bottles	\$0.46
China	\$0.48	Photography Cameras, Projectors, Equipment	\$0.61
Clocks	\$0.42	Photography Prints, books	\$0.43
Coins	\$1.25	Plaques	\$0.38
Comic Characters	\$0.45	Political Memorabilia	\$0.39
Computers (unique/antique)	\$0.53	Porcelain	\$0.48
Correspondence	\$0.42	Postcards	\$0.37
Costumes	\$0.51	Posters/Paper	\$0.37
Currency	\$1.25	Quilts	\$0.36
Depression Glass	\$0.44	Radio Memorabilia & Related	\$0.37
Disney	\$0.52	Railroad Memorabilia & Related	\$0.38
Dolls - Barbie and accessories	\$0.41	Religious (statues, votive, books, papers)	\$0.38
Dolls - Cinnabar and accessories	\$0.41	Royalty Memorabilia	\$0.38
Dolls - General	\$0.41	Science Fiction (models, books, educational material)	\$0.43
Dolls - Kachina and accessories	\$0.41	Shells/Stones/Gems	\$0.42
Dolls - Stuffed Dolls and Animals	\$0.44	Soda Collectibles	\$0.41
Eyeglasses and Magnifiers	\$0.47	Space & Flying (models, books, education material)	\$0.43
Farm Memorabilia & Related	\$0.33	Spoons	\$0.42
Figurines - Hummel	\$0.43	Sports Cards/Baseball Cards	\$0.38
Figurines - Miniatures	\$0.44	Sports Memorabilia (Autographs, equipment, posters, film)	\$0.44
Figurines - Royal Doulton	\$0.41	Stamps	\$0.36
Fire Memorabilia & Related	\$0.44	Textiles & Needlework (equipment, material)	\$0.36
Firearms	\$0.70	Tobacco History (equipment, books, posters, advertisement)	\$0.41
Fountain Pens	\$0.37	Tokens & Medals	\$0.39
Glass Sculpture	\$0.44	Tools & Machinery	\$0.46
Golf Equipment and Memorabilia	\$0.48	Toys & Games	\$0.42
Holiday Ornaments	\$0.45	Trains (model, toy)	\$0.33
Hubcaps	\$0.82	Transportation	\$0.35
Kitchen Tools & Utensils	\$0.34	Western	\$0.39
Knives	\$0.41	Wine	\$0.50

SCHEDULED PERSONAL PROPERTY

Minimum coverage amount per class is \$1,000. Minimum endorsement premium is \$17.
 Jewelry is considered "Highly Protected" if the covered article(s) is kept at all times, when not being worn, in a secured on-premises safe or vault.
 The safe or vault must be permanently attached to the residential structure and not capable of being lifted or moved by an individual person.
 Bicycles cannot be scheduled, they can be added to the Blanket Valuables endorsement.
 Attach VS 17 77: Scheduled Personal Property

Agreed Value

Agreed value can be added for an additional 5% per \$100 of coverage
 This coverage is Included with CLASSIC COVERAGE ENHANCEMENT. Not available for Personal Electronic Equipment.
 Attach VK 10 35: Scheduled Personal Property - Agreed Value

Scheduled Personal Property Rates (Jewelry Rates, separate chart)

Scheduled Personal Property Rates Class	Rate per \$100
Cameras - Personal	\$1.15
Cameras - Professional	\$2.30
Coins	\$1.25
Stamps (Endorsement ISC 1311 Stamp & Coin Collection Safe Credit Endorsement)	\$0.45
Furs	\$0.35
Golfer's Equipment	\$0.65
Guns - Single item up to \$5,000	\$3.00
Guns - Single item over \$5,000	\$4.00
Musical Instruments - Personal	\$0.35
Musical Instruments - Professional (Bass violins not eligible)	\$0.70
Personal Electronics (Endorsement VK 935) Minimum Premium \$15	\$0.50
Silverware	\$0.25

Scheduled Personal Property - Jewelry Rates

Single Articles Valued: Rate per \$100	Up to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999
Basic	\$1.25	\$1.31	\$1.38	\$1.44
Melee	\$1.06	\$1.12	\$1.17	\$1.22
Highly Protected	\$1.06	\$1.12	\$1.17	\$1.22
Melee Highly Protected	\$0.88	\$0.92	\$0.96	\$1.01
Vault	\$0.30	\$0.32	\$0.33	\$0.35
Melee Vault	\$0.26	\$0.27	\$0.28	\$0.29
Broad Pair and Set**	\$0.50	\$0.53	\$0.55	\$0.58

**Broad Pair and Set is in addition to the basic, highly protected or vaulted rate
 Attach Endorsement VS 18 37: Highly Protected Property (includes Melee)
 Attach Endorsement IJF 10 12: Jewelry in Vaults (includes Melee)
 Attach Endorsement IJF 10 11: Jewelry Broad pair & Set Clause

Scheduled Personal Property - Fine Arts

For the Primary Location stated in the Declaration of the Policy, use the chart below.
 For Secondary Locations - If risk or articles of the Fine Arts private collection have considerable transit exposure between Primary and Secondary Locations use highest applicable protection class premium. Use the chart below if located in this state.
 If located in another state, refer to that state's manual or the Company.
 Breakage coverage for fragile articles may be extended to cover all risk of physical loss at a rate of \$0.15 per \$100. When special breakage coverage is extended to fine arts, rate that portion with breakage and that portion without breakage separately.

Single Articles Valued: Rate per \$100	Up to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999
Fine Arts- Homeowner Residence				
Masonry & Frame PC 1-8	\$0.12	\$0.10	\$0.10	\$0.10
Masonry & Frame PC 9-10	\$0.22	\$0.18	\$0.18	\$0.18
Fine Arts- Condo or Tenants Residence				
Masonry & Frame PC 1-8	\$0.22	\$0.18	\$0.18	\$0.18
Masonry & Frame PC 9-10	\$0.33	\$0.28	\$0.27	\$0.27

ADDITIONAL OPTIONS- LIABILITY

Additional Residence

Section II coverage may be provided on locations other than the residence premises, where an insured resides, but which are insured for Section I coverage under another insurance program or by another company.
Attach ADRES: Additional Residence

Other Insured Location Rates:

Residence Type	Rate
One Family	\$6
Two Family	\$12
Three Family	\$24
Four Family	\$25

Additional Residence Rented to Others

The policy may be endorsed to provide coverage when an additional residence is rented to others.
Attach HO 24 70: Additional Residence Rented to Others

Additional Residence Rates:

Residence Type	Rate
One Family	\$10
Two Family	\$16
Three Family	\$28
Four Family	\$30

Business Pursuits

The policy may be endorsed to provide coverage for the *liability* of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control in the business.
Attach HO 24 71: Business Pursuits

Business Pursuits Rates:

Insured Person	Rate per Person
Clerical Employees	\$4
Salesperson, Collector or Messenger - Installation, Demonstration or Servicing operation: Included	\$6
Sales person, Collector or Messenger - Installation, Demonstration or Servicing operation: Excluded	\$4
Teachers: Laboratory, athletic, manual, or physical training	\$11
Teachers: Other	\$5

Incidental Farming Personal Liability On the Residence Premises

The policy may be endorsed to provide coverage for the *liability* of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operation is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals. However, coverage is not available if the residence premises is used for racing purposes.
Attach HO 24 72: Incidental Farming Personal Liability

Incidental Farming - Away From the Residence Premises

The policy may be endorsed to provide coverage for the *liability* of the insured whose incidental farming activities are conducted at the locations specified in the endorsement, which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.
Attach HO 24 72: Incidental Farming Personal Liability

Incidental Farming Personal Liability Rates:

Location	Rate
On the Residence Premises	\$40
Away From the Residence Premises	\$50

Other Exposures

Other Exposures - Medical Payments to Others Increased Limits

Coverage F - Medical Payments	\$2,000	\$3,000	\$4,000	\$5,000
Home Business Insurance Coverage:				
Under 10 Business Visitors per Week	\$ 5	\$ 10	\$ 15	\$ 19
10 or more visitors per week				
1. Gross Annual Receipts of \$100,000 or less	\$ 8	\$ 13	\$ 18	\$ 22
2. Gross Annual Receipts over \$100,000	\$ 9	\$ 14	\$ 19	\$ 23
Other Insured Locations Occupied By Insured	\$ 1	\$ 2	\$ 3	\$ 4
Residence Employees	\$ 1	\$ 2	\$ 3	\$ 4
Additional Residence Rented to Others	\$ 1	\$ 2	\$ 3	\$ 4
Other Structures Rented to Others Residence Premises	\$ 1	\$ 2	\$ 3	\$ 4
Permitted Incidental Occupancies				
• Residence Premises	\$ 5	\$ 10	\$ 15	\$ 19
• Other Residences	\$ 3	\$ 6	\$ 9	\$ 11
Business Pursuits				
• Clerical Employees	\$ 1	\$ 2	\$ 3	\$ 4
• Salesperson, Installation, etc.	\$ 1	\$ 2	\$ 3	\$ 4
• Lab Teachers	\$ 2	\$ 4	\$ 6	\$ 7
• Other Teachers	\$ 1	\$ 2	\$ 3	\$ 4
Incidental Farming Personal Liability	\$ 1	\$ 2	\$ 3	\$ 4

ADDITIONAL OPTIONS- LIABILITY

Other Exposures - Personal Liability Increased Limits

Apply the appropriate factor shown below to the basic limits premium for each exposure

Limit	Factor
\$200,000	1.15
\$300,000	1.24
\$400,000	1.30
\$500,000	1.35

Permitted Incidental Occupancies

Residence Premises and Other Residences

Coverage for a permitted incidental occupancy is limited under Section I and excluded under Section II. The policy may be endorsed to provide expanded Section I coverage and Section II coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.

Permitted Incidental Occupancies

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

If the permitted incidental occupancy is located in another structure, Coverage B does not apply to that structure. See below, for charge for specific insurance on the structure.

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage C limits stated in the declarations.

Attach HO 04 42: Permitted Incidental Occupancies Residence Premises

Attach HO 24 43: Permitted Incidental Occupancies - Other Residence

Section I: Property - Permitted Incidental Occupancies Rates:

If the permitted incidental occupancy is located in the dwelling, no additional charge is made.

If the permitted incidental occupancy is located in another structure, charge \$5 per \$1,000 of coverage.

Section II: Liability - Permitted Incidental Occupancies Rates:

Location	Rate Per Residence
Residence Premises	\$19
Other Residence	\$18

Personal Injury

Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.

This coverage is included in the VK 11 19 Special Homeowners Endorsement or PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT is used

Attach HO 24 82: Personal Injury

Personal Injury Rate: \$13 per policy

Residence Employees

Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section II of the policy.

There is no additional charge for up to two residence employees.

Residence Employees Rate: \$5 per person (in excess of two).

Residence Premises - Basic and Increased limits

If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

Coverage E - Liability

Limit	1 or 2 Family Premium	3 or 4 Family Premium
\$100,000	Included	Included
\$200,000	\$10	\$25/\$32
\$300,000	\$15	\$40/\$52
\$400,000*	\$18	\$50/\$65
\$500,000	\$20	\$59/\$76

* Not Available for Package Plus or Classic Coverage Enhancement

Coverage F - Medical Payments to Others

Limit	Rate
\$1,000	Included
\$2,000	\$3
\$3,000	\$6
\$4,000	\$9
\$5,000	\$12

Zip	Territory
71601	44
71602	33
71603	44
71611	44
71612	33
71613	44
71630	33
71631	33
71635	36
71638	33
71639	33
71640	33
71642	36
71643	33
71644	33
71646	36
71647	33
71651	33
71652	33
71653	33
71654	33
71655	33
71656	33
71657	33
71658	36
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71661	36
71662	33
71663	36
71665	33
71666	33
71667	33
71670	33
71671	33
71674	33
71675	33
71676	36
71677	33
71678	33
71701	33
71711	33
71720	33
71721	51
71722	33
71724	42
71725	33
71726	33
71728	51
71730	42

71731	42
71740	42
71742	33
71743	51
71744	33
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72001	33
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72088	33
72089	32
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72102	36
72103	32
72104	36
72105	36
72106	35
72107	35
72108	33
72110	35
72111	35
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72207	47
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72958	33
72959	37

Form Fixed Expense Fee

HO-03	\$	95.00
HO-04	\$	20.00
HO-06	\$	30.00

TUIC BO Arkansas

Liability and Medical Payments

outboard engine or motor or combination up to 25 HP (50 HP with VK 1119, PACKAGE PLUS or Classic Coverage Enhancement), and sailboats less than 26 feet in overall length with or without auxiliary power. The watercraft limit of liability shall be the same as the homeowners. Attach: VS 1803: Boatowners

Liability Rates

Use the following premiums for all other boats and motors for a limit of 100,000 *Personal Liability*.

Watercraft Type	Rate
Outboard less than 26 feet	\$16
Outboard 26 feet or more	\$32
Inboard or Inboard/Outboard 15 feet & under	\$25
Inboard or Inboard/Outboard over 15 feet	\$34
Sail 26 feet or more	\$25
Personal Watercraft < 600 CCs	\$79
Personal Watercraft 600+ CCs	\$96

Note: Use the Homeowners Other Exposures-Personal Liability Increased Limits for limits over 100,000. If physical damage coverage is written on the boat; 100,000 liability and 1,000 medical payment is included at no additional cost.

Medical Payments Rates

Limit	Rate
1,000	Included
2,000	\$4
3,000	\$8
4,000	\$12
5,000	\$14

Portable Equipment

Coverage is provided up to a \$500 limit for unscheduled portable equipment and accessories. Do not include the value of portable electronic equipment or other excluded items. Excluded items mean Electronic, photographic or water sports equipment
Fishing gear

Coverage for electronic and photographic equipment may be purchased under the Scheduled *Personal Property* Endorsement, the Blanket Valuable Items Coverage Endorsement or the Scheduled Personal Electronic Equipment Endorsement.

Portable Equipment Additional Coverage Rate

\$3 per \$100 over \$500

Repair or Replacement Coverage

For Damage to Your Boat

In the event of a total loss caused by other than fire, theft or larceny, the Limit of Liability will be the lesser of; the reasonable cost to recover and repair the boat with like kind and quality; or the cost of a new boat of the same make, length, model, type and equipment as the damaged boat. This coverage may apply to motors and trailers less than 5 years of age, if the coverage is requested and a premium is charged for the unit, being shown on the boatowners endorsement.

For total loss we will pay the unpaid amount due on the lease/loan less and deductions specified under the endorsement.

This coverage is available only for previously untitled boats, purchased or leased new. (current and immediate prior model year.)

Coverage must be added within 45 days of purchase or lease of a new boat for existing policyholders.

For new policyholders, the coverage must be written within 1 year of purchase or lease of a previously untitled boat.

The Limit of Liability must equal the purchase price of the boat and any additional equipment.

Coverage is available until the boat is 5 years old. Coverage must be continuously maintained with no decrease in the Limit of Liability.

Personal Watercraft is not eligible for Repair or Replacement Coverage.

Attach: VS 1451: Repair or Replacement Boat Loan/Lease For Damage to Your Boat

Repair or Replacement Coverage for Damage to Your Boat Rate

Apply a factor of 1.15 to the Adjusted Base Premium

Uninsured Boaters Coverage

Uninsured Boaters Coverage is available for boats at limits less than or equal to the liability limits. Uninsured Boaters Coverage is NOT available for Personal Watercraft and will be excluded. No credits or surcharges are applied to this optional coverage.

Uninsured Boaters Rates

Limit	Rate
10,000	\$15
25,000	\$25
100,000	\$50
200,000	\$68
300,000	\$80
400,000*	\$90
500,000	\$100
750,000*	\$200
1,000,000*	\$200

*Only available where home *personal liability* limit amount offered.

Deductible

Determine the *deductible* to be used on the endorsement. Only one deductible amount may apply for all items on a single endorsement.

Apply the following factor to the base premium:

Deductible	Factor
\$100	1.15
\$200	1.05
\$250	1
\$500	0.9
\$1,000	0.78

Physical Damage Rates

The rates below apply to boats, motors and trailers. For motors and trailers use the rate of the boat type the unit is used with, and apply a factor of 0.45. Values over 100,000 must be approved before binding. For values not displayed interpolate, use the same methodology as used for the home coverage limits.

Amount	Outboard	Inboard/Outdrive and Inboards	Sailboat	Personal Watercraft
1000	43	60	43	85
2000	53	74	53	104
3000	62	87	62	123
4000	71	99	71	142
5000	81	112	81	161
6000	88	123	88	180
7000	95	133	95	199
8000	102	143	102	218
9000	110	152	110	237
10000	117	163	117	256
11000	124	174	124	275
12000	132	185	132	294
13000	139	195	139	313
14000	146	206	146	332
15000	153	217	153	351
16000	160	228	160	370
17000	167	239	167	389
18000	174	250	174	408
19000	180	260	180	427
20000	187	271	187	446
21000	194	282	194	
22000	201	293	201	
23000	208	304	208	
24000	215	315	215	
25000	222	326	222	
26000	229	336	229	
27000	236	347	236	
28000	243	358	243	
29000	250	369	250	
30000	257	380	257	
35000	293	434	293	
40000	327	488	327	
45000	363	540	363	
50000	398	592	398	
55000	433	645	433	
60000	468	697	468	
65000	503	750	503	
70000	538	802	538	
75000	573	854	573	
80000	608	907	608	
85000	643	959	643	
90000	678	1011	678	
95000	713	1063	713	
100000	748	1115	748	
Each Additional 1000	7	10	7	22

Older Boat Surcharge

The Older Boat Surcharge applies to boats, motors and trailers in excess of 5 years of age. Does not apply to Personal Watercraft.

Apply the appropriate factor:

Age of Boat	Factor
0 to 5 years	1
6 to 10 years	1.1
11 to 14 years	1.2
15 years and older	1.4

Territory Extension and Coastal Water Surcharge**Territory Extension**

The Policy Territory Extension Endorsement extends the saltwater limitation up to 50 miles offshore. The following requirements apply:

Must be a powerboat with a minimum length of 26 feet.

The boat must be equipped with a compass, ship to shore radio and GPS. UHF communications recommended.

This option is not available for Personal Watercraft.

Attach: UK 635: Policy Territory Extension

Territory Extension Rate

Apply a factor of 1.10 to the Adjusted Base Rate

Endorsement is not applicable when in Mexican territory. The surcharge applies to each boat unit only when the extension is requested.

Coastal Water Surcharge

A surcharge shall be applied to the premiums of any boat used in coastal waters. Not applicable to Personal Watercraft. All surcharges are applied before credits are allowed.

Apply a factor of 1.25 to the adjusted base rate.

Safety Equipment Credit

Approved and properly maintained safety equipment may be recognized for a reduced premium. This credit does not apply to Personal Watercraft. Total Safety Equipment credit can not exceed 25%.

Apply the following Credits to the Boat or motor (if applicable) Adjusted Base Premium:

Equipment	Credit
Built in CO-2 Fire Extinguisher	0.95
Radar Equipment	0.95
VHF Ship to Shore Radio Telephone (not Citizens Band Radio)	0.95
Loran or GPS	0.95
Vapor Detector System	0.98
Depth Finder	0.98
Outdrive Lock and Outboard Motor Transom Lock	0.98
Diesel Powered Sailboat; and Diesel Powered Powerboat	0.9

Seamanship Credits

Only one of the credits below may be used to reduce the premium for each Boat and will apply to all premiums except Uninsured Boaters. This credit does not apply to Personal Watercraft.

Credit I

A 5% credit is available for completion of at least one of the following courses of the United States Coast Guard Auxiliary by the **Named Insured**:

- Basic Piloting Course
- Advance Piloting Course
- Seamanship Course
- Basic Seamanship Course

Apply a factor of .95 to the Adjusted Base Premium

Credit II

A 10% credit is available if the Insured is an active member of the Power Squadron or Coast Guard Auxiliary.

Apply a factor of .90 to the Adjusted Base Premium.

No Companion Credit

A factor of 1.11 will be applied to the base premium of a manually issued boat policy that does not have a companion homeowners policy.

Package Plus Discount

A discount of .95 applies if the policy is written as part of a package.

Home Business Coverage - Premium

Add the Section I and Section II premium components described below to arrive at the Home Business Coverage premium. HO 0417 Section I and II Exclusions for Computer Related Damage or Injury Endorsement will automatically be attached to all policies that include VS 2178. Attach: VS 2178: Home Business Insurance Coverage

Section I: Property

Determine the base premium as follows:

- HO 00 03: Select the \$100,000 *Frame* /Protection Class 5 rate for the appropriate territory and tier,
- HO 00 04 and HO 00 06: Select the \$25,000 *Frame/Protection Class* 5 rate for the appropriate territory and tier that applies to the residence premises with the home business and multiply it by the appropriate factor shown in the Gross Annual Receipt table below. For a new business, use the \$50,001 to \$100,000 classification.

Gross Annual Receipts	HO 00 03	HO 00 04	HO 00 06
Up to \$50,000	0.08	0.44	0.49
\$ 50,001 to \$100,000	0.12	0.7	0.78
\$100,001 to \$175,000	0.18	1.03	1.14
\$175,001 to \$250,000	0.25	1.42	1.58

Multiply the result computed above by the rating factors for the following risk categories:

Protection Class	Frame	<i>Masonry</i>
1-6	1	0.88
7	1.2	1.06
8	1.25	1.1
9	2	1.76
10	2.3	2.02

Only apply *Superior Construction* and Protective Devices credits if they are applied to the dwelling building or other structure for the residential exposure.

For Townhouse or Row House Construction: For all Forms except HO 00 04 and Form HO 00 06, apply the same factor used for the residential exposure. For Forms HO 00 04 and HO 00 06, apply the factor listed on the Townhouse or Row House page for the number of individual family units within a fire division that best describes the building that contain the residential and business property.

When a home business is operated from one or more other structures on the residence premises and declared on the Schedule, multiply the limit of liability for each structure by the premium per \$1,000 shown on the Other Structures page.

Business Income, Extended Business Income and Extra Expense Rates

The \$5,000 limit of liability may be increased.

Total Coverage Limit	Rate
\$25,000	\$40
\$50,000	\$90
\$100,000	\$190

Section II: Business Liability

Low traffic = fewer than 10 visitors per week; High traffic = 10+ visitors per week. For a new business, use high traffic and \$50,001 to \$100,000 classification rates

Office Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$250,000	\$8	\$12

Service Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$22	\$33
\$50,001 - \$100,000	\$67	\$100
\$100,001 - \$175,000	\$123	\$184
\$175,001 - \$250,000	\$190	\$285

Sales Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$12	\$17
\$50,001 - \$100,000	\$35	\$52
\$100,001 - \$175,000	\$64	\$96
\$175,001 - \$250,000	\$99	\$148

Crafts Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$16	\$24
\$50,001 - \$100,000	\$48	\$72
\$100,001 - \$175,000	\$87	\$131
\$175,001 - \$250,000	\$135	\$203

COVERAGE E AND F INCREASED LIMITS

When the Coverage E or Coverage F limit is increased for Homeowners Insurance, the Home Business Insurance Coverage limits will also be increased.

Personal Liability Increased Limits

Apply the appropriate factor shown below to the basic limits premium for each exposure.

LIMIT	FACTOR
\$200,000	1.15
\$300,000	1.24
\$400,000	1.3
\$500,000	1.35

Medical Payments Increased Limits

COVERAGE F - MEDICAL PAYMENTS	\$2,000	\$3,000	\$4,000	\$5,000
Home Business Insurance Coverage				
• Under 10 Business Visitors per Week	\$5	\$10	\$15	\$19
• 10 or More Business Visitors per Week				
1. Gross Annual Receipts of \$100,000 or less	8	13	18	22
2. Gross Annual Receipts over \$100,000	9	14	19	23

Note: HO 0417 Section I and II Exclusions for Computer Related Damage or Injury Endorsement will automatically be attached to all policies that include VS 1788.

2008

Tiers	Earned Premium	Inc. Loss	LR
Monoline	393,667	1,745,067	443%

5+ Years

Tiers	Earned Premium	Inc. Loss	LR
Monoline	3,559,344	3,070,388	86%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Indicated Rate Level Change

Proposed Effective Date: September 01, 2009

	Earned Accident Years Evaluated as of 12/2008					
	2004	2005	2006	2007	2008	Total
[1] Earned Premiums At Collected Premium Level:	820,905	657,042	447,589	426,192	473,093	2,824,823
[2] Present Premium Level Factors [Exhibit 2]:	1.1385	1.0827	1.0478	0.9816	0.9882	
[3] Earned Premiums At Present Rate Level, ([1] * [2]):	934,601	711,380	468,984	418,350	467,511	3,000,826
[4] Total Incurred Loss & Defense & Cost Containment Expense:	351,299	116,735	116,577	225,051	2,031,428	2,841,091
[4a] Excess Large Loss & Defense & Cost Containment Expense	0	0	0	12,365	0	12,365
[4b] Excess Large Loss & Defense & Cost Conatinment Load	4,809	2,958	1,457	1,504	1,636	12,365
[5a] Hurricane Losses Incurred:	0	0	0	0	23,934	23,934
[5b] Tornado and Hail Losses Incurred:	0	5,832	69,081	11,589	1,626,835	1,713,337
[6] Non-Tornado/Hail, Non-Hurricane Catastrophe Losses Incurred [Exhibit 3]	83,472	0	8,251	11,835	238,697	342,255
[7] Non-Tornado/Hail, Non-Hurricane Catastrophe Losses Provision [Exhibit 3]	56,242	40,949	19,822	15,741	17,453	150,206
[8] Loss Development Factors, [Exhibit 5]:	1.000	1.000	1.012	1.018	1.042	
[9] A&O Factor [Exhibit 6]:	1.1891	1.1891	1.1891	1.1891	1.1891	
[10] Developed Losses And Loss Adjustment Expense: (((4] - [4a]-[5a] - [5b] - [6]) * [8] + [7] + [4b]) * [9]	391,070	184,084	72,552	249,554	198,583	1,095,843
[11] Developed Loss Ratio, ([10] / [3]):	0.4184	0.2588	0.1547	0.5965	0.4248	0.3652
[12] Loss Ratio Projection Factor, [Exhibit 7S]:	1.3729	1.3042	1.2389	1.1769	1.1468	
[13] Loss Ratio Projected To 9/1/2010 for Loss, 9/1/2010 for Premium: = ([11] * [12])	0.5745	0.3375	0.1917	0.7020	0.4871	
[14] Selected Weights	0.1000	0.1500	0.2000	0.2500	0.3000	
[15] Projected Weighted Loss Ratio, ([13] * [14]):	0.0574	0.0506	0.0383	0.1755	0.1461	0.4680
[16] Trended Fixed Expenses, [Exhibit 9]:						0.0742
[17] Projected Hurricane Provision, [Exhibit 8a]:						0.0%
[18] Projected Tornado, Hail Provision, [Exhibit 8b]:						22.5%
[19] Projected Loss And Fixed Expense Ratio, ([15] + [16] + [17] + [18]):						0.7668
[20] Permissible Loss And Fixed Expense Ratio [Exhibit 9]:						0.6549
[21] Credibility based on # of Claimants, [Exhibit 10]:						37.3%
[22] Complement of Credibility, [Exhibit 11]:						8.5%
[23] Credibility Weighted Indicated Rate Change:						33.2%

Kemper
Arkansas Homeowners Experience Projection
History of Rate Changes

TUIC	Rate Change			
	<u>Date</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	6/1/2002	0.0%	0.0%	0.0%
	8/15/2003	0.0%	0.0%	0.0%
	1/1/2005	2.2%	1.7%	0.0%
	5/1/2006	0.0%	0.0%	0.0%
	11/1/2006	0.0%	0.0%	0.0%
	2/1/2008	-2.1%	1.8%	2.2%

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1020020601
1020030815
1020050101
1020060501
1020061101
1020080201

TUIC	<u>All Policies Earned Present Rate Factors</u>			
	<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	2003	1.0005	1.0353	1.0220
	2004	1.0005	1.0353	1.0220
	2005	0.9897	1.0266	1.0220
	2006	0.9790	1.0180	1.0220
	2007	0.9790	1.0180	1.0220
	2008	0.9877	1.0104	1.0127

<u>All Policies Earned Premium</u>			
<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	43,618	2,393	81
2004	39,513	1,780	0
2005	38,802	1,529	0
2006	33,844	999	11
2007	239,786	3,128	653
2008	463,141	8,178	1,775

SNIC	Rate Change			
	<u>Date</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	6/1/2002	13.0%	0.0%	0.0%
	8/15/2003	25.7%	29.5%	29.0%
	1/1/2005	2.2%	2.3%	1.9%
	5/1/2006	10.0%	10.0%	0.0%
	11/1/2006	0.0%	0.0%	0.0%
	2/1/2008	-2.1%	1.8%	2.2%

75

<u>Index</u>
7520020601
7520030815
7520050101
7520060501
7520061101
7520080201

SNIC	<u>All Policies Earned Present Rate Factors</u>			
	<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	2003	1.3717	1.4528	1.3161
	2004	1.1455	1.1979	1.0883
	2005	1.0886	1.1326	1.0316
	2006	1.0533	1.0953	1.0220
	2007	0.9838	1.0230	1.0220
	2008	0.9877	1.0104	1.0127

<u>All Policies Earned Premium</u>			
<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	774,720	7,103	3,335
2004	768,792	7,447	3,373
2005	608,742	5,190	2,779
2006	408,057	2,990	1,688
2007	181,100	1,002	521
2008	0	0	0

Kemper
Arkansas Homeowners Experience Projection
Present Rate Factors

All Companies Combined

[1] Earned Present Rate Factors

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	1.3519	1.3476	1.3091
2004	1.1384	1.1665	1.0883
2005	1.0827	1.1085	1.0316
2006	1.0476	1.0759	1.0220
2007	0.9811	1.0192	1.0220
2008	0.9877	1.0104	1.0127

[2] Earned Premiums

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>	<u>Total Home Premium</u>
2003	818,337	9,495	3,416	831,249
2004	808,306	9,226	3,373	820,905
2005	647,545	6,719	2,779	657,042
2006	441,901	3,989	1,699	447,589
2007	420,887	4,131	1,175	426,192
2008	463,141	8,178	1,775	473,093

[3] Combined Coverage

Earned Present Rate Factors

<u>Year</u>	<u>Total Home</u>
2003	1.3517
2004	1.1385
2005	1.0827
2006	1.0478
2007	0.9816
2008	0.9882

[4] Earned Premiums at Present Rates

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>	<u>All Forms Combined</u>
2003	1,106,310	12,796	4,472	1,123,578
2004	920,175	10,763	3,671	934,609
2005	701,097	7,448	2,867	711,411
2006	462,935	4,292	1,737	468,964
2007	412,932	4,210	1,201	418,343
2008	457,444	8,263	1,797	467,504

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Cause of Loss

Earned Accident Years Evaluated as of 12/2008 - Non-Catastrophe

Cause of Loss	Accident Year	Arkansas				Geographic Region (AR, KY, LA, MO, TN, TX)				Countrywide			
		Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100	Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100	Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Fire and Lightning	2003	-	0	-	-	(623)	0	1	0.01	179,793	4	6	0.01
	2004	105,411	54	2	0.10	105,411	15	2	0.03	498,212	11	13	0.03
	2005	1,338	1	2	0.14	306,789	54	22	0.39	1,298,865	35	89	0.24
	2006	4,067	6	2	0.30	945,408	139	43	0.63	3,364,314	127	118	0.45
	2007	136,745	256	6	1.12	1,911,920	90	153	0.72	2,729,337	79	215	0.62
	2008	2,554	4	2	0.35	1,297,689	53	111	0.45	3,266,658	86	163	0.43
	Sub-total:	250,115	35	14	0.19	4,566,594	63	332	0.46	11,337,179	49	604	0.26
Wind (Ex Hurricane, Ex Tornado/Hail)	2003	-	0	-	-	-	0	-	-	-	0	-	-
	2004	-	0	-	-	77,375	11	3	0.04	78,172	2	6	0.01
	2005	3,984	3	1	0.07	22,513	4	13	0.23	110,778	3	62	0.17
	2006	19,772	29	7	1.03	339,638	50	50	0.73	831,515	31	244	0.92
	2007	29,621	55	10	1.87	487,120	23	166	0.78	1,083,792	31	318	0.92
	2008	85,414	150	23	4.05	703,015	29	180	0.73	1,116,522	29	277	0.73
	Sub-total:	138,791	19	41	0.57	1,629,661	22	412	0.57	3,220,780	14	907	0.39
Hurricane	2003	-	0	-	-	-	0	-	-	-	0	-	-
	2004	-	0	-	-	-	0	-	-	-	0	-	-
	2005	-	0	-	-	5,375	1	1	0.02	5,375	0	1	0.00
	2006	-	0	-	-	-	0	-	-	-	0	-	-
	2007	-	0	-	-	1,996	0	1	0.00	1,996	0	1	0.00
	2008	-	0	-	-	194,030	8	17	0.07	205,220	5	19	0.05
	Sub-total:	-	0	-	-	201,401	3	19	0.03	212,591	1	21	0.01
Tornado/Hail	2003	-	0	-	-	-	0	-	-	2,324	0	-	-
	2004	-	0	-	-	-	0	-	-	59,247	1	16	0.04
	2005	5,832	4	1	0.07	16,162	3	5	0.09	649,875	18	79	0.21
	2006	52,677	78	6	0.89	312,894	46	51	0.75	852,867	32	159	0.60
	2007	7,734	14	1	0.19	1,161,812	55	203	0.95	1,683,425	49	330	0.96
	2008	123,223	217	20	3.52	2,794,327	114	459	1.87	3,846,658	102	590	1.56
	Sub-total:	189,466	26	28	0.39	4,285,195	59	718	0.99	7,104,395	31	1,174	0.51
Water Damage and Freezing	2003	23,959	11	1	0.05	25,196	3	2	0.03	104,459	2	17	0.03
	2004	-	0	1	0.05	2,000	0	4	0.06	25,273	1	12	0.03
	2005	15,630	11	5	0.36	67,286	12	24	0.42	1,263,849	34	194	0.52
	2006	12,540	19	4	0.59	369,586	54	68	1.00	1,590,148	60	325	1.23
	2007	10,433	20	5	0.94	1,854,745	87	362	1.70	2,857,747	83	569	1.65
	2008	24,097	42	8	1.41	3,631,219	148	462	1.88	5,202,185	137	773	2.04
	Sub-total:	86,659	12	24	0.33	5,950,032	82	922	1.27	11,043,661	48	1,890	0.82
Theft and Burglary	2003	120	0	2	0.10	120	0	2	0.03	(146)	0	1	0.00
	2004	-	0	1	0.05	1,259	0	1	0.01	7,503	0	8	0.02
	2005	7,834	6	3	0.22	17,088	3	10	0.18	155,979	4	93	0.25
	2006	2,389	4	3	0.44	84,489	12	39	0.57	249,047	9	134	0.51
	2007	1,350	3	2	0.37	412,123	19	161	0.76	549,439	16	215	0.62
	2008	15,077	27	5	0.88	694,844	28	209	0.85	862,669	23	272	0.72
	Sub-total:	26,770	4	16	0.22	1,209,923	17	422	0.58	1,824,492	8	723	0.31
All Other	2003	450,919	216	91	4.35	1,553,786	209	265	3.57	6,470,190	171	1,248	2.53
	2004	162,282	84	42	2.16	830,322	121	170	2.48	6,830,409	152	1,064	2.36
	2005	81,704	59	24	1.74	539,952	96	106	1.58	3,237,903	87	627	1.69
	2006	479	1	2	0.30	13,048	2	15	0.22	180,257	7	84	0.32
	2007	23,478	44	3	0.56	232,195	11	54	0.25	436,063	13	117	0.34
	2008	13,820	24	2	0.35	585,877	24	88	0.36	1,285,470	34	177	0.47
	Sub-total:	732,682	102	164	2.28	3,755,180	52	698	0.96	20,440,292	89	3,317	1.44
Total	2003	484,273	232	100	4.78	1,609,295	217	291	3.92	9,856,546	199	1,373	2.78
	2004	267,828	138	47	2.42	1,022,451	149	186	2.71	7,689,721	171	1,195	2.65
	2005	116,736	84	37	2.68	1,006,555	178	198	3.50	7,290,331	197	1,223	3.30
	2006	91,924	136	24	3.55	2,396,862	351	275	4.03	7,842,677	296	1,117	4.22
	2007	209,361	392	27	5.06	6,704,308	315	1,143	5.37	10,242,924	298	1,846	5.36
	2008	265,185	467	61	10.74	10,432,258	425	1,576	6.43	16,475,785	435	2,362	6.24
	Sub-total:	1,435,307	200	296	4.11	23,171,729	319	3,669	5.06	50,397,984	258	9,116	3.96

Kemper
Ohio Homeowner Experience Projection
Development as of 12/31/2008
Catatstrophe, Hurricane, Tornado/Hail Loss Excluded
Ohio - All Companies Combined

Used for Accident Years 2004 - 2008

All Forms Combined

Incurred Loss

	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999	83,714,012	90,898,633	92,749,114	93,952,381	94,173,954	94,214,123	94,008,478	93,938,599	94,231,285	94,135,921
2000	100,147,632	110,442,711	111,528,138	112,180,742	112,065,274	112,701,866	112,568,665	112,619,975	112,598,553	
2001	96,877,630	108,899,917	111,270,057	111,906,319	111,838,934	112,001,154	112,445,746	112,522,101		
2002	82,731,175	89,222,343	88,605,906	89,508,448	89,844,343	89,910,662	89,924,410			
2003	76,991,334	81,686,274	83,243,003	86,430,811	85,639,237	85,820,691				
2004	71,625,576	77,525,470	77,980,394	77,127,887	76,969,751					
2005	70,499,418	73,569,541	74,292,236	74,898,149						
2006	91,362,803	93,979,474	94,077,505							
2007	134,322,562	135,666,794								
2008	142,588,946									
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	
1999	1.086	1.020	1.013	1.002	1.000	0.998	0.999	1.003	0.999	
2000	1.103	1.010	1.006	0.999	1.006	0.999	1.000	1.000		
2001	1.124	1.022	1.006	0.999	1.001	1.004	1.001			
2002	1.078	0.993	1.010	1.004	1.001	1.000				
2003	1.061	1.019	1.038	0.991	1.002					
2004	1.082	1.006	0.989	0.998						
2005	1.044	1.010	1.008							
2006	1.029	1.001								
2007	1.010									
3-Yr Average	1.027	1.006	1.012	0.998	1.001	1.001	1.000	1.001	1.000	
3-Yr Wt Average	1.024	1.005	1.012	0.998	1.001	1.001	1.000	1.001	1.000	
5-Yr Average	1.045	1.006	1.010	0.998	1.002	1.000	1.000	1.001	1.000	
5-Yr Wt Average	1.040	1.005	1.010	0.998	1.002	1.000	1.000	1.001	1.000	
Total Average	1.069	1.010	1.010	0.999	1.002	1.000	1.000	1.001	1.000	
Average xMin, xMax	1.069	1.011	1.009	1.000	1.001	0.999	1.000	1.000	1.000	
Straight Average	1.069	1.010	1.010	0.999	1.002	1.000	1.000	1.001	0.999	
Selected	1.024	1.005	1.012	1.000	1.000	1.000	1.000	1.000	1.000	
Cumulative	1.042	1.018	1.012	1.000	1.000	1.000	1.000	1.000	1.000	

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Projected Adjusting & Other Expense

Countrywide Data of Kemper Insurance Companies*

			<u>HOMEOWNERS</u>
[1]	Total Losses and DCC Incurred (000 omitted)	2005 2006 2007 Total	166,502 144,695 <u>158,762</u> 469,958
[2]	A&O Incurred (000 omitted)	2005 2006 2007 Total	33,933 28,391 <u>26,566</u> 88,890
[3]	Percent A&O to Losses and DCC [3] = [2] / [1]	2005 2006 2007 Total	20.38% 19.62% <u>16.73%</u> 18.91%
[4]	Selected A&O Factor		18.91%

*Insurance Expense Exhibit - Exhibit III (Direct), Calendar Year information.

Kemper

Arkansas Homeowners Experience Projection - All Forms Combined Premium Trend Calculations

Homeowners / All Forms Combined

	4 Point	8 Point	12 Point	16 Point		Historical	10.1%
[14] Annual Trend	14.4%	6.7%	10.1%	17.9%		Prospective	10.1%

Rolling 4 quarter data

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
Accident				Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	Annual
<u>Year</u>	<u>Qtr</u>	<u>Exposures</u>	<u>Premium</u>	<u>[4] / [3]</u>	<u>Factor</u>	<u>[5] * [6]</u>	<u>[4] * [6]</u>	<u>sum([3])</u>	<u>sum([8])</u>	<u>[10] / [9]</u>	<u>Change in</u>	<u>Change in</u>
											<u>Avg Prem</u>	<u>Exposures</u>
2002	12	477	207,964	436	1.3623	593	283,310					
2003	3	447	191,006	428	1.3673	585	261,165					
2003	6	565	196,269	348	1.3586	472	266,661					
2003	9	564	240,920	427	1.2144	519	292,567	2,053	1,103,703	538		
2003	12	543	218,962	404	1.0963	442	240,037	2,118	1,060,430	501		
2004	3	432	176,542	409	1.0967	449	193,616	2,103	992,882	472		
2004	6	526	214,213	407	1.0947	446	234,502	2,064	960,723	465		
2004	9	427	216,011	505	1.0962	554	236,790	1,927	904,946	469	-12.7%	-24.2%
2004	12	346	144,895	418	1.0949	458	158,644	1,731	823,552	476	-5.0%	-36.2%
2005	3	320	150,349	469	1.0692	502	160,759	1,620	790,695	488	3.4%	-25.8%
2005	6	334	154,290	462	1.0696	494	165,031	1,428	721,224	505	8.5%	-36.5%
2005	9	303	130,409	430	1.0706	460	139,612	1,304	624,046	479	1.9%	-29.0%
2005	12	107	93,408	870	1.0730	934	100,225	1,065	565,627	531	11.7%	-69.0%
2006	3	99	74,284	748	1.0647	796	79,090	844	483,957	574	17.5%	-69.0%
2006	6	161	123,010	764	1.0066	769	123,826	671	442,752	660	30.6%	-51.8%
2006	9	158	134,026	848	0.9794	830	131,265	526	434,406	826	72.6%	-47.9%
2006	12	106	86,041	812	0.9790	795	84,231	524	418,412	798	50.2%	-1.2%
2007	3	105	82,945	789	0.9796	773	81,252	530	420,574	793	38.3%	5.9%
2007	6	152	117,811	777	0.9799	762	115,441	521	412,189	791	19.9%	-5.8%
2007	9	176	136,019	773	0.9798	757	133,266	539	414,190	769	-7.0%	11.3%
2007	12	109	87,430	806	0.9793	789	85,620	541	415,578	768	-3.8%	2.4%
2008	3	121	108,550	900	0.9929	894	107,777	557	442,104	794	0.1%	14.7%
2008	6	164	144,259	881	1.0000	881	144,259	569	470,922	828	4.6%	8.0%
2008	9	190	161,929	851	1.0000	851	161,929	583	499,585	857	11.4%	8.1%
2008	12	114	103,284	902	1.0000	902	103,284	589	517,249	878	14.4%	5.5%

Kemper
Countrywide Homeowners Experience Projection - All Forms Combined
Countrywide / Accident Year Pure Premium Trend
Kemper Experience through December 31, 2008

Homeowners

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	Rolling 4 quarter data									
		AY								
Quarter	Exposures	Ultimate Losses	AY Claims	Pure Premium	Exposures	Ultimate Losses	Incurred Claims	Frequency Per 100 Hyrs	Severity	Pure Premium
200403	73,980	19,045,278	4,084	257						
200406	73,282	18,318,487	3,881	250						
200409	73,374	20,015,301	3,577	273						
200412	73,330	19,917,762	2,898	272	293,966	77,296,829	14,440	4.91	5.353	263
200503	72,391	15,653,219	2,779	216	292,377	73,904,769	13,135	4.49	5.627	253
200506	74,276	17,680,770	3,274	238	293,371	73,267,052	12,528	4.27	5.848	250
200509	76,138	21,821,002	3,725	287	296,134	75,072,753	12,676	4.28	5.922	254
200512	76,865	19,994,425	2,853	260	299,669	75,149,416	12,631	4.21	5.950	251
200603	75,852	24,938,812	2,944	329	303,130	84,435,009	12,796	4.22	6.599	279
200606	77,616	24,041,185	3,648	310	306,471	90,795,424	13,170	4.30	6.894	296
200609	79,641	24,424,504	4,102	307	309,975	93,398,926	13,547	4.37	6.894	301
200612	82,280	21,880,937	3,079	266	315,389	95,285,438	13,773	4.37	6.918	302
200703	83,511	33,479,023	4,086	401	323,048	103,825,648	14,915	4.62	6.961	321
200706	87,998	34,234,291	4,483	389	333,430	114,018,754	15,749	4.72	7.240	342
200709	92,321	34,224,469	4,736	371	346,110	123,818,719	16,384	4.73	7.557	358
200712	93,973	36,516,385	3,715	389	357,803	138,454,167	17,020	4.76	8.135	387
200803	93,202	37,064,506	5,111	398	367,494	142,039,651	18,045	4.91	7.871	387
200806	93,665	42,876,566	5,743	458	373,162	150,681,925	19,306	5.17	7.805	404
200809	95,334	34,306,074	5,389	360	376,174	150,763,530	19,958	5.31	7.554	401
200812	96,122	36,336,299	4,278	378	378,323	150,583,445	20,521	5.42	7.338	398

[11] Loglinear Regressions using rolling 4 quarter data:

	Frequency	Severity	Pure Premium
16-point trend	6.5%	9.2%	16.3%
12-point trend	9.5%	5.8%	15.9%
8-point trend	10.0%	3.1%	13.5%

Historical	15.9%
Prospective	15.9%

Kemper

Arkansas Homeowners Experience Projection - All Forms Combined Loss Ratio Projection Factors

Proposed Effective Date: September 01, 2009

Trend Dates

- [1] Loss Projection Date, (One year beyond the proposed effective date): September 1, 2010
- [2] Premium Projection Date, (One year beyond the proposed effective date) September 1, 2010
- [3] Average Date of Experience (Average of Evaluation Date and End of Ex July 1, 2008)

[4]	[5]	[6]	[7]	[8]
Accident Year	Average Amount of Insurance	Premium Projection Factor $(1 + [12])^{([3] - [2])}$	Loss Projection Factor $(1 + [11])^{([1] - [3])}$	Loss Ratio Projection Factor $[7] / [6]$
1999	130.28	2.9300	5.1997	1.7746
2000	133.80	2.6613	4.4864	1.6858
2001	133.35	2.4171	3.8709	1.6015
2002	139.52	2.1954	3.3399	1.5213
2003	150.01	1.9940	2.8817	1.4452
2004	160.89	1.8111	2.4863	1.3729
2005	164.62	1.6449	2.1453	1.3042
2006	162.55	1.4940	1.8510	1.2389
2007	163.83	1.3570	1.5970	1.1769
2008	170.80	1.2927	1.4825	1.1468

[9]	Annual Trend in Average Amount of Insurance	3.0%
[10]	Selected Historical Pure Premium Trend to January 01, 2008*	15.9%
[11]	Selected Prospective Pure Premium Trend to September 01, 2010*	15.9%
[11]	Selected Historical Premium Trend to January 01, 2008	10.1%
[12]	Selected Prospective Premium Trend to September 01, 2010	10.1%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Hurricane Provision

Hurricane Provision		
[1]	Modeled Hurricane Loss using in-force homeowners data as of:	12/31/2008
[2]	Model Adjustment Factor: *	1.193
[3]	Hurricane Wind Average Annual Loss: **	0
[4]	Number of In-force Exposures: ***	0
[5]	Hurricane Loss Cost, ([3] / [4]):	0.00
[6]	2008 Average Premium per Exposure at Present Rates:	823.57
[7]	Projected Hurricane Provision, ([5] / [6]):	0.00%

* Model Adjustment Factor is (1 + A&O [Exhibit 6]) + the selected DCC factor [Exhibit 8 - page 2].

** Average Annual Loss for hurricanes adjusted for loss adjustment expense (19.28%). Excludes loss for ex-wind exposures.

*** Includes all exposures.

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Tornado/Hail Provision

Tornado/Hail Provision

[1]	Modeled Tornado/Hail Loss using in-force homeowners data as of:	12/31/2008
[2]	Model Adjustment Factor: *	1.193
[3]	Tornado/Hail Wind Average Annual Loss: **	109,662
[4]	Number of In-force Exposures: ***	593
[5]	Tornado/Hail Loss Cost, ([3] / [4]):	184.93
[6]	2008 Average Premium per Exposure at Present Rates:	823.57
[7]	Projected Tornado/Hail Provision, ([5] / [6]):	22.45%

* Model Adjustment Factor is (1 + A&O [Exhibit 6]) + the selected DCC factor [Exhibit 8 - page 2].

** Average Annual Loss for Tornado/Hail adjusted for loss adjustment expense (19.28%). Excludes loss for ex-wind exposures.

*** Includes all exposures.

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Catastrophe Defense & Cost Containment Expense Factor

Incurred Catastrophe Losses as of December 31, 2008

	[1]	[2]	[3]
Earned Accident Year	Incurred Losses	Incurred DCC	Incurred DCC / Losses [2] / [1]
2000	42,685,106	96,135	0.23%
2001	32,640,290	137,566	0.42%
2002	24,895,565	130,239	0.52%
2003	35,970,701	85,501	0.24%
2004	21,050,264	85,030	0.40%
2005	58,784,342	563,852	0.96%
2006	26,493,825	2,700	0.01%
2007	29,245,712	34,604	0.12%
2008	70,643,879	143,289	0.20%
Selected DCC Factor	342,409,683	1,278,915	0.37%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Trended Variable Expenses

		<u>Homeowners</u>																								
[1]	Arkansas 2008 Collected Earned Premium	\$ 473,093																								
[2]	General and Other Acquisition Expense	12.68%																								
[3]	General and Other Acquisition Expense dollars ([1] * [2]) :	\$ 59,988																								
[4]	65% of General and Other Acquisition Expenses Dollars	\$ 38,992																								
[5]	Trend Period Applicable to General and Other Acquisition Expense:																									
	(a) Trend Period: 7/1/2007 to 9/1/2010	2.170																								
	<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"><u>Weight</u></th> <th style="text-align: center;">x</th> <th style="text-align: center;"><u>Annual Trend</u></th> <th style="text-align: center;">=</th> <th style="text-align: center;"><u>Weighted</u></th> </tr> </thead> <tbody> <tr> <td>Salaries**</td> <td style="text-align: center;">75%</td> <td></td> <td style="text-align: center;">5.00%</td> <td></td> <td style="text-align: center;">3.75%</td> </tr> <tr> <td>Other Expense</td> <td style="text-align: center;">25%</td> <td></td> <td style="text-align: center;">2.30%</td> <td></td> <td style="text-align: center;">0.58%</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;">Total</td> <td style="text-align: center;">=</td> <td style="text-align: center;">4.33%</td> </tr> </tbody> </table>		<u>Weight</u>	x	<u>Annual Trend</u>	=	<u>Weighted</u>	Salaries**	75%		5.00%		3.75%	Other Expense	25%		2.30%		0.58%				Total	=	4.33%	
	<u>Weight</u>	x	<u>Annual Trend</u>	=	<u>Weighted</u>																					
Salaries**	75%		5.00%		3.75%																					
Other Expense	25%		2.30%		0.58%																					
			Total	=	4.33%																					
	(b) Trend Projection Factor [(1 + 0.04325) ^ 2.17]	1.0962																								
[6]	Trended Fixed Expense Dollars ([4] * [5]b) :	\$ 42,743																								
[7]	Arkansas 2008 Earned Premium at Present Rates	\$ 467,511																								
[8]	Adjusted Fixed General and Other Acquisition Expense ([6] / [7]) :	9.14%																								
[9]	Trend applicable to Premium																									
	(a) Trend Period: 7/1/2007 to 9/1/2010	2.170																								
	<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"><u>Annual Trend</u></th> </tr> </thead> <tbody> <tr> <td>Premium</td> <td style="text-align: center;">10.1%</td> </tr> </tbody> </table>		<u>Annual Trend</u>	Premium	10.1%																					
	<u>Annual Trend</u>																									
Premium	10.1%																									
	(b) Trend Projection Factor	1.2322																								
[10]	Trended Fixed Expense Dollars ([8] * [9]b) :	\$ 576,056																								
[11]	Trended Fixed Expense at Present Rates ([6] / [10]) :	7.42%																								
[12]	Variable Expense Excluding Profit																									
	(a) Variable Expense Portion of General and Other Acquisition Expenses	\$ 20,996																								
	35% of General and Other Acquisition Expense :	4.44%																								
	(b) Commissions & Brokerage Expense :	15.81%																								
	Cost of Reinsurance :	0.07%																								
	Total Taxes :	4.29%																								
	Total =	20.17%																								
[13]	Total Variable Expense Excluding Profit:	24.61%																								
[14]	Permissible Loss, LAE, and Fixed Expense Ratio, [1.00 - (var exp) - (u/w profit prov)]:	65.49%																								

* The expense trend is projected from the midpoint of the new filing effective period.
** The 5.0 % annual change for salaries is based on the Companies' data and the weights applied to Salaries and Other Expenses are based upon cost analysis provided by the Companies Controllers.
*** Other Expenses is derived from the annual rate of change in the Consumer Price Index less Food. Data is All Company Combined, Countrywide, Insurance Expense Exhibit - Exhibit III (Direct), Calendar Year information.

General Expense		
	Homeowners	
2005	10.04%	
2006	8.64%	
2007	5.13%	
Selected:	7.17%	
Other Acquisition Expense		
	Homeowners	
2005	5.71%	
2006	4.52%	
2007	6.03%	
Selected:	5.51%	
Commissions & Brokerage Expense		
	Homeowners	Countrywide
2005	16.80%	16.25%
2006	16.02%	15.59%
2007	15.28%	15.24%
Selected:	15.81%	15.55%
Total Taxes		
	Homeowners	Countrywide
2005	3.30%	2.50%
2006	3.76%	2.51%
2007	5.00%	2.28%
Selected:	4.29%	2.39%

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Arkansas Homeowners Experience Projection - All Forms Combined
Investment Income and Profit Provision

HOMEOWNERS

HOMEOWNERS

[1] LOSS & LAE RATIO	0.6926	[7] INTEREST RATE FACTOR	1.0286				
[2] FIXED EXPENSE	0.0742	[8] INVESTMENT TAX RATE	0.3146				
[3] VARIABLE EXPENSE	0.2461						
[4] EXPENSE PAID W/ EP	0.5000	[9] PRE-TAX INT. FACTOR	1.0286	ANNUALLY	QUARTERLY	[13] U/W TAX RATE	0.3500
[5] EXPENSE PAID W/ WP	0.5000	[10] POST-TAX INT. FACTOR	1.0195	1.0071	1.0048	[14] P/S RATIO	1.8000
[6] ANNUAL EXPOSURES	1.0000	[11] C/R PRE-CHANGE	1.0129			[15] ROE	0.1500
		[12] C/R POST-CHANGE	0.9010			[16] PERMISSIBLE L/R	0.5915
						[17] IND. RATE CHANGE	17.1%
						[18] U/W PROFIT PROVISION	9.9%

	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]	[33]	[34]
	WRITTEN PREMIUM	EARNED PREMIUM	LOSS & LAE INCURRED	EXPENSE PAID	U/W INCOME	UNEARNED PREMIUM RESERVE	TAXABLE UNEARNED CHANGE	ACC QTR RESERVE PATTERN	LOSS & LAE RESERVE	IRS DISCOUNT FACTOR	IRS DISCOUNT RESERVE	CHANGE IN RESERVE DISCOUNT	COLLECTED PREMIUM	PAID LOSS	U/W TAXES PAID	TOTAL CASH FLOW
1	1.1708	0.2927	0.1731	0.2264	-0.1069	0.8781	0.1756	0.6664	0.1154	0.9872	0.1139	0.0015	0.0000	0.0578	0.0246	-0.3088
2		0.2927	0.1731	0.0453	0.0743	0.5854	-0.0585	0.3161	0.1701	0.9746	0.1658	0.0028	1.1708	0.1184	0.0065	1.0006
3		0.2927	0.1731	0.0453	0.0743	0.2927	-0.0585	0.2067	0.2059	0.9622	0.1981	0.0035		0.1374	0.0067	-0.1894
4		0.2927	0.1731	0.0453	0.0743	0.0000	-0.0585	0.1432	0.2307	0.9499	0.2192	0.0038		0.1483	0.0068	-0.2005
5								0.1107	0.1345	0.9378	0.1261	-0.0032		0.0962	-0.0011	-0.0951
6								0.0902	0.0954	0.9259	0.0883	-0.0013		0.0391	-0.0005	-0.0387
7								0.0748	0.0725	0.9140	0.0663	-0.0008		0.0228	-0.0003	-0.0226
8								0.0609	0.0583	0.9024	0.0526	-0.0005		0.0143	-0.0002	-0.0141
9								0.0515	0.0480	0.8909	0.0428	-0.0004		0.0103	-0.0002	-0.0101
10								0.0439	0.0400	0.8795	0.0352	-0.0004		0.0080	-0.0001	-0.0079
11								0.0372	0.0335	0.8683	0.0291	-0.0004		0.0065	-0.0001	-0.0064
12								0.0314	0.0284	0.8572	0.0243	-0.0004		0.0051	-0.0001	-0.0050
13								0.0266	0.0241	0.8463	0.0204	-0.0004		0.0043	-0.0001	-0.0042
14								0.0217	0.0202	0.8355	0.0169	-0.0004		0.0038	-0.0001	-0.0037
15								0.0178	0.0169	0.8248	0.0139	-0.0004		0.0034	-0.0001	-0.0032
16								0.0138	0.0138	0.8143	0.0113	-0.0004		0.0030	-0.0001	-0.0029
17								0.0109	0.0111	0.8039	0.0089	-0.0004		0.0027	-0.0001	-0.0026
18								0.0079	0.0087	0.7937	0.0069	-0.0004		0.0024	-0.0001	-0.0023
19								0.0060	0.0067	0.7835	0.0052	-0.0004		0.0020	-0.0001	-0.0019
20								0.0040	0.0050	0.7735	0.0039	-0.0003		0.0017	-0.0001	-0.0016
21								0.0030	0.0036	0.7637	0.0028	-0.0003		0.0014	-0.0001	-0.0013
22								0.0020	0.0026	0.7539	0.0019	-0.0002		0.0010	-0.0001	-0.0010
23								0.0010	0.0017	0.7443	0.0013	-0.0002		0.0009	-0.0001	-0.0008
24								0.0010	0.0012	0.7348	0.0009	-0.0001		0.0005	0.0000	-0.0005
25								0.0010	0.0009	0.7254	0.0006	-0.0001		0.0003	0.0000	-0.0003
26								0.0010	0.0007	0.7162	0.0005	0.0000		0.0002	0.0000	-0.0002
27								0.0010	0.0007	0.7070	0.0005	0.0000		0.0000	0.0000	0.0000
28								0.0010	0.0007	0.6980	0.0005	0.0000		0.0000	0.0000	0.0000
29								0.0010	0.0007	0.6891	0.0005	0.0000		0.0000	0.0000	0.0000
30								0.0010	0.0007	0.6803	0.0005	0.0000		0.0000	0.0000	0.0000
31								0.0010	0.0007	0.6716	0.0005	0.0000		0.0000	0.0000	0.0000
32								0.0000	0.0005	0.6631	0.0003	-0.0001		0.0002	0.0000	-0.0002
33								0.0000	0.0003	0.6546	0.0002	-0.0001		0.0002	0.0000	-0.0002
34								0.0000	0.0002	0.6463	0.0001	-0.0001		0.0002	0.0000	-0.0002
35								0.0000	0.0000	0.6380	0.0000	-0.0001		0.0002	0.0000	-0.0002
36								0.0000	0.0000	0.6299	0.0000	0.0000		0.0000	0.0000	0.0000
37								0.0000	0.0000	0.6218	0.0000	0.0000		0.0000	0.0000	0.0000
38								0.0000	0.0000	0.6139	0.0000	0.0000		0.0000	0.0000	0.0000
39								0.0000	0.0000	0.6061	0.0000	0.0000		0.0000	0.0000	0.0000
40								0.0000	0.0000	0.5983	0.0000	0.0000		0.0000	0.0000	0.0000
NPV			0.3601										1.1633	0.6796	0.0404	0.0832
SUM	1.1708		0.6926	0.3623	0.1159		0.0000					0.0000	1.1708	0.6926	0.0406	

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Credibility
Non-Hurricane, Non-Tornado/Hail

[1] Incurred Claimants:	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
	103	68	36	22	27	87
[2] 2004 - 2008 Total Claims*	240					
[3] Credibility Standard	1,727					
[4] Credibility**:	37.3%					

* The Total amount as shown is the sumproduct of the incurred claimants listed above and the selected weights used in the calculation of the weighted loss ratio shown on Exhibit 1.

** Credibility = minimum(([1] / [3]) ^ (1/2), 1)

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Arkansas Homeowners Experience Projection - All Forms Combined Calculation of the Complement of Credibility

[1] Prospective Loss Trend:	15.9%
[2] Prospective Premium Trend:	10.1%
[3] Effective Date:	9/1/2009
[4] Prior Effective Date:	2/1/2008
[5] Complement of Credibility:	<input type="text" value="8.5%"/>

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Excess Large Loss
Non-Hurricane, Non-Tornado/Hail

Accident Year	Claims	Amount	% of Loss	Excess Loss	xCat Losses	Cat Losses
2003	0	\$0	0%	\$0	\$0	\$0
2004	0	\$0	0%	\$0	\$0	\$0
2005	0	\$0	0%	\$0	\$0	\$0
2006	0	\$0	0%	\$0	\$0	\$0
2007	1	\$112,365	50%	\$12,365	\$112,365	\$0
2008	0	\$0	0%	\$0	\$0	\$0

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Arkansas Home Fixed Expense Fee
Fixed Expense Fee Calculation By Coverage

2007 Written Exposures

[1]

<u>State</u>	<u>HO 00 03</u>	<u>HO 00 04</u>	<u>HO 00 06</u>
Arkansas	512	25	4

2007 Written Premium

[2]

<u>State</u>	<u>HO 00 03</u>	<u>HO 00 04</u>	<u>HO 00 06</u>
Arkansas	417,121	5,702	1,382

2007 Average Written Premium Per Exposure

[3]

= [2] / [1]

<u>State</u>	<u>HO 00 03</u>	<u>HO 00 04</u>	<u>HO 00 06</u>
Arkansas	815	224	361

2007 Variable Expense Including Underwriting Profit

	[4]	[5]	[6]	[7]	[8]	[9] =[4]+[5]+...+[8]	[10] = (1 - [12]) Premium Allocation To Variable Expense
<u>State</u>	<u>Commissions</u>	<u>Taxes</u>	35% General & Other <u>Expenses</u>	Cost Of <u>Reinsurance</u>	Underwriting Profit & <u>Contingencies</u>	Total <u>Expenses</u>	
Arkansas	16.51%	3.33%	5%	0.07%	10%	35%	86%

2007 Fixed Expense

	[11]	[12] =[11] / (1-[9]) Premium Allocation To Fixed Expense
<u>State</u>	<u>65% General & Other Expenses</u>	
Arkansas	9%	14%

Indicated [13]
= [3] * [12]

Proposed [14]

<u>State</u>	<u>HO 00 03</u>	<u>HO 00 04</u>	<u>HO 00 06</u>	<u>HO 00 03</u>	<u>HO 00 04</u>	<u>HO 00 06</u>
Arkansas	114	31	51	95	20	30

Kemper
Arkansas Home Fixed Expense Fee

Summary

Coverage	Average Written Premium Per Exposure	Fixed Expense Percentage	Indicated Fixed Expense Fee Per Exposure	Selected Fixed Expense Fee Per Exposure
Homeowners (HO 00 03)	815	14%	114	95
Tenants (HO 00 04)	224	14%	31	20
Condominiums (HO 00 06)	361	14%	51	30

Coverage	Fixed Expense	Variable Expense	Underwriting Profit Provision
Homeowners (HO 00 03)	9%	25%	10%
Tenants (HO 00 04)	9%	25%	10%
Condominiums (HO 00 06)	9%	25%	10%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Indicated Rate Level Change

Proposed Effective Date: September 01, 2009

	Earned Accident Years Evaluated as of 12/2008					
	2004	2005	2006	2007	2008	Total
[1] Earned Premiums At Collected Premium Level:	820,905	657,042	447,589	426,192	473,093	2,824,823
[2] Present Premium Level Factors [Exhibit 2]:	1.1385	1.0827	1.0478	0.9816	0.9882	
[3] Earned Premiums At Present Rate Level, ([1] * [2]):	934,601	711,380	468,984	418,350	467,511	3,000,826
[4] Total Incurred Loss & Defense & Cost Containment Expense:	351,299	116,735	116,577	225,051	2,031,428	2,841,091
[4a] Excess Large Loss & Defense & Cost Containment Expense	0	0	0	12,365	0	12,365
[4b] Excess Large Loss & Defense & Cost Conatinent Load	4,809	2,958	1,457	1,504	1,636	12,365
[5a] Hurricane Losses Incurred:	0	0	0	0	23,934	23,934
[6] Non-Hurricane Catastrophe Losses Incurred [Exhibit 3]	83,472	0	8,251	11,835	238,697	342,255
[7] Non-Hurricane Catastrophe Losses Provision [Exhibit 3]	249,965	181,995	88,096	69,958	77,568	667,581
[8] Loss Development Factors, [Exhibit 5]:	1.004	1.003	1.013	1.021	1.056	
[9] A&O Factor [Exhibit 6]:	1.1891	1.1891	1.1891	1.1891	1.1891	
[10] Developed Losses And Loss Adjustment Expense: ((([4] - [4a]-[5a] - [6]) * [8] + [7] + [4b]) * [9])	622,779	359,202	236,952	328,714	2,315,383	3,863,031
[11] Developed Loss Ratio, ([10] / [3]):	0.6664	0.5049	0.5052	0.7857	4.9526	1.2873
[12] Loss Ratio Projection Factor, [Exhibit 7S]:	1.3729	1.3042	1.2389	1.1769	1.1468	
[13] Loss Ratio Projected To 9/1/2010 for Loss, 9/1/2010 for Premium: = ([11] * [12])	0.9148	0.6585	0.6259	0.9247	5.6797	
[14] Selected Weights	0.1000	0.1500	0.2000	0.2500	0.3000	
[15] Projected Weighted Loss Ratio, ([13] * [14]):	0.0915	0.0988	0.1252	0.2312	1.7039	2.2506
[16] Trended Fixed Expenses, [Exhibit 9]:						0.0742
[17] Projected Hurricane Provision, [Exhibit 8a]:						0.0%
[18] Projected Loss And Fixed Expense Ratio, ([15] + [16] + [17]):						2.3248
[19] Permissible Loss And Fixed Expense Ratio [Exhibit 9]:						0.6557
[20] Credibility based on # of Claimants, [Exhibit 10]:						56.8%
[21] Complement of Credibility, [Exhibit 11]:						8.5%
[22] Credibility Weighted Indicated Rate Change:						148.2%

Kemper
Arkansas Homeowners Experience Projection
History of Rate Changes

TUIC	Rate Change	HO-3	HO-4	HO-6
	<u>Date</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	6/1/2002	0.0%	0.0%	0.0%
	8/15/2003	0.0%	0.0%	0.0%
	1/1/2005	2.2%	1.7%	0.0%
	5/1/2006	0.0%	0.0%	0.0%
	11/1/2006	0.0%	0.0%	0.0%
	2/1/2008	-2.1%	1.8%	2.2%

10
<u>Index</u>
1020020601
1020030815
1020050101
1020060501
1020061101
1020080201

TUIC	<u>All Policies Earned Present Rate Factors</u>			
	<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	2003	1.0005	1.0353	1.0220
	2004	1.0005	1.0353	1.0220
	2005	0.9897	1.0266	1.0220
	2006	0.9790	1.0180	1.0220
	2007	0.9790	1.0180	1.0220
	2008	0.9877	1.0104	1.0127

<u>All Policies Earned Premium</u>			
<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	43,618	2,393	81
2004	39,513	1,780	0
2005	38,802	1,529	0
2006	33,844	999	11
2007	239,786	3,128	653
2008	463,141	8,178	1,775

SNIC	Rate Change	HO-3	HO-4	HO-6
	<u>Date</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	6/1/2002	13.0%	0.0%	0.0%
	8/15/2003	25.7%	29.5%	29.0%
	1/1/2005	2.2%	2.3%	1.9%
	5/1/2006	10.0%	10.0%	0.0%
	11/1/2006	0.0%	0.0%	0.0%
	2/1/2008	-2.1%	1.8%	2.2%

75
<u>Index</u>
7520020601
7520030815
7520050101
7520060501
7520061101
7520080201

SNIC	<u>All Policies Earned Present Rate Factors</u>			
	<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
	2003	1.3717	1.4528	1.3161
	2004	1.1455	1.1979	1.0883
	2005	1.0886	1.1326	1.0316
	2006	1.0533	1.0953	1.0220
	2007	0.9838	1.0230	1.0220
	2008	0.9877	1.0104	1.0127

<u>All Policies Earned Premium</u>			
<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	774,720	7,103	3,335
2004	768,792	7,447	3,373
2005	608,742	5,190	2,779
2006	408,057	2,990	1,688
2007	181,100	1,002	521
2008	0	0	0

Kemper
Arkansas Homeowners Experience Projection
Present Rate Factors

All Companies Combined

[1] Earned Present Rate Factors

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>
2003	1.3519	1.3476	1.3091
2004	1.1384	1.1665	1.0883
2005	1.0827	1.1085	1.0316
2006	1.0476	1.0759	1.0220
2007	0.9811	1.0192	1.0220
2008	0.9877	1.0104	1.0127

[2] Earned Premiums

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>	<u>Total Home Premium</u>
2003	818,337	9,495	3,416	831,249
2004	808,306	9,226	3,373	820,905
2005	647,545	6,719	2,779	657,042
2006	441,901	3,989	1,699	447,589
2007	420,887	4,131	1,175	426,192
2008	463,141	8,178	1,775	473,093

[3] Combined Coverage

Earned Present Rate Factors

<u>Year</u>	<u>Total Home</u>
2003	1.3517
2004	1.1385
2005	1.0827
2006	1.0478
2007	0.9816
2008	0.9882

[4] Earned Premiums at Present Rates

<u>Year</u>	<u>HO-3</u>	<u>HO-4</u>	<u>HO-6</u>	<u>All Forms Combined</u>
2003	1,106,310	12,796	4,472	1,123,578
2004	920,175	10,763	3,671	934,609
2005	701,097	7,448	2,867	711,411
2006	462,935	4,292	1,737	468,964
2007	412,932	4,210	1,201	418,343
2008	457,444	8,263	1,797	467,504

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Non-Hurricane Catastrophe Provision

	[1]	[2]	[3]	[4]	[5]	[6]	[1]
Accident	Regional	Regional	Regional	Regional	Ratio of	Selected	Arkansas
Year	Amount of	Total	Non-Hurricane	Non-Hurricane	Cat Loss	Catastrophe	Amount of
Year	Insurance	Non-Cat	Cat Losses	Cat Claimants	to AOI Years	Provision	Insurance
	Years	Losses			[5] = [3] / [1]	[6] = [1] * [7]	Years
1989	2,766,504	11,832,612	9,519,972	4,340	3.441		
1990	4,004,668	17,334,766	3,865,509	1,543	0.965		
1991	5,292,895	19,097,234	8,849,644	5,004	1.672		
1992	5,391,428	16,608,707	12,009,483	3,084	2.228		
1993	5,177,922	14,991,690	3,316,566	1,213	0.641		
1994	5,471,429	16,251,789	6,099,356	3,386	1.115		
1995	5,714,837	16,329,753	9,670,160	2,412	1.692		
1996	5,647,369	19,541,491	5,059,731	2,061	0.896		
1997	5,734,488	17,032,498	1,115,431	384	0.195		
1998	4,815,654	17,114,126	2,925,312	1,397	0.607		
1999	4,374,771	11,917,308	1,167,059	403	0.267		
2000	4,475,586	20,530,689	9,016,280	2,058	2.015		
2001	4,640,712	20,452,433	7,817,162	1,366	1.684		
2002	4,345,382	14,693,111	5,527,125	1,815	1.272		
2003	4,057,120	10,881,616	4,045,806	939	0.997	250,881	313,602
2004	3,609,191	8,346,905	592,942	196	0.164	249,965	312,456
2005	4,197,144	8,035,758	2,006,310	409	0.478	181,995	227,494
2006	5,501,433	9,941,503	2,297,749	442	0.418	88,096	110,120
2007	8,028,093	14,469,913	1,374,738	299	0.171	69,958	87,448
2008	9,447,171	20,947,884	10,247,211	1,766	1.085	77,568	96,959
1989 - 2008 Total	102,693,797	306,351,786	106,523,546	34,517			1,148,078
1989 - 2008 Weighted Avg Non-Hurr Cat Losses to AOI Ratio					1.037		
1989 - 2008 Straight Avg Non-Hurr Cat Losses to AOI Ratio					1.100		
1989 - 2008 Straight Avg Excluding High/Low					1.022		
1999 - 2008 Weighted Avg Non-Hurr Cat Losses to AOI Ratio					0.837		
1999 - 2008 Straight Avg Non-Hurr Cat Losses to AOI Ratio					0.855		
1999 - 2008 Non-Hurr Straight Avg Excluding High/Low					0.797		
[7] Selected Ratio of Non-hurricane Cat to Amt of Insurance (AOI):					0.800		

Kemper
 Arkansas Homeowners Experience Projection - All Forms Combined
 Cause of Loss

Earned Accident Years Evaluated as of 12/2008 - Non-Catastrophe

Cause of Loss	Accident Year	Arkansas				Geographic Region (AR, KY, LA, MO, TN, TX)				Countrywide			
		Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100	Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100	Non-Cat Losses	Pure Premium	Non-Cat Inc Claimants	Frequency per 100
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Fire and Lightning	2003	-	0	-	-	(623)	0	1	0.01	179,793	4	6	0.01
	2004	105,411	54	2	0.10	105,411	15	2	0.03	498,212	11	13	0.03
	2005	1,338	1	2	0.14	306,789	54	22	0.39	1,298,865	35	89	0.24
	2006	4,067	6	2	0.30	945,408	139	43	0.63	3,364,314	127	118	0.45
	2007	136,745	256	6	1.12	1,911,920	90	153	0.72	2,729,337	79	215	0.62
	2008	2,554	4	2	0.35	1,297,689	53	111	0.45	3,266,658	86	163	0.43
	Sub-total:	250,115	35	14	0.19	4,566,594	63	332	0.46	11,337,179	49	604	0.26
Wind (Ex Hurricane, Ex Tornado/Hail)	2003	-	0	-	-	-	0	-	-	-	0	-	-
	2004	-	0	-	-	77,375	11	3	0.04	78,172	2	6	0.01
	2005	3,984	3	1	0.07	22,513	4	13	0.23	110,778	3	62	0.17
	2006	19,772	29	7	1.03	339,538	50	50	0.73	831,515	31	244	0.92
	2007	29,621	55	10	1.87	487,120	23	166	0.78	1,083,792	31	318	0.92
	2008	85,414	150	23	4.05	703,015	29	180	0.73	1,116,522	29	277	0.73
	Sub-total:	138,791	19	41	0.57	1,629,661	22	412	0.57	3,220,780	14	907	0.39
Hurricane	2003	-	0	-	-	-	0	-	-	-	0	-	-
	2004	-	0	-	-	-	0	-	-	-	0	-	-
	2005	-	0	-	-	5,375	1	1	0.02	5,375	0	1	0.00
	2006	-	0	-	-	-	0	-	-	-	0	-	-
	2007	-	0	-	-	1,996	0	1	0.00	1,996	0	1	0.00
	2008	-	0	-	-	194,030	8	17	0.07	205,220	5	19	0.05
	Sub-total:	-	0	-	-	201,401	3	19	0.03	212,591	1	21	0.01
Tornado/Hail	2003	-	0	-	-	-	0	-	-	2,324	0	-	-
	2004	-	0	-	-	-	0	-	-	59,247	1	16	0.04
	2005	5,832	4	1	0.07	16,162	3	5	0.09	649,875	18	79	0.21
	2006	52,677	78	6	0.89	312,894	46	51	0.75	852,867	32	159	0.60
	2007	7,734	14	1	0.19	1,161,812	55	203	0.95	1,683,425	49	330	0.96
	2008	123,223	217	20	3.52	2,794,327	114	459	1.87	3,846,658	102	590	1.56
	Sub-total:	189,466	26	28	0.39	4,285,195	59	718	0.99	7,104,395	31	1,174	0.51
Water Damage and Freezing	2003	23,959	11	1	0.05	25,196	3	2	0.03	104,459	2	17	0.03
	2004	-	0	1	0.05	2,000	0	4	0.06	25,273	1	12	0.03
	2005	15,630	11	5	0.36	67,296	12	24	0.42	1,263,849	34	194	0.52
	2006	12,540	19	4	0.59	369,586	54	68	1.00	1,590,148	60	325	1.23
	2007	10,433	20	5	0.94	1,854,745	87	362	1.70	2,857,747	83	569	1.65
	2008	24,097	42	8	1.41	3,631,219	148	462	1.88	5,202,185	137	773	2.04
	Sub-total:	86,659	12	24	0.33	5,950,032	82	922	1.27	11,043,661	48	1,890	0.82
Theft and Burglary	2003	120	0	2	0.10	120	0	2	0.03	(146)	0	1	0.00
	2004	-	0	1	0.05	1,259	0	1	0.01	7,503	0	8	0.02
	2005	7,834	6	3	0.22	17,088	3	10	0.18	155,979	4	93	0.25
	2006	2,389	4	3	0.44	84,489	12	39	0.57	249,047	9	134	0.51
	2007	1,350	3	2	0.37	412,123	19	161	0.76	549,439	16	215	0.62
	2008	15,077	27	5	0.88	694,844	28	209	0.85	862,669	23	272	0.72
	Sub-total:	26,770	4	16	0.22	1,208,923	17	422	0.58	1,824,492	8	723	0.31
All Other	2003	450,919	216	91	4.35	1,553,786	209	265	3.57	8,470,190	171	1,248	2.53
	2004	162,282	84	42	2.16	830,322	121	170	2.48	6,830,409	152	1,064	2.36
	2005	81,704	59	24	1.74	539,952	96	106	1.58	3,237,903	87	627	1.69
	2006	479	1	2	0.30	13,048	2	15	0.22	180,257	7	84	0.32
	2007	23,478	44	3	0.56	232,195	11	54	0.25	436,063	13	117	0.34
	2008	13,820	24	2	0.35	585,877	24	88	0.36	1,285,470	34	177	0.47
	Sub-total:	732,682	102	164	2.28	3,755,180	52	698	0.96	20,440,292	89	3,317	1.44
Total	2003	484,273	232	100	4.78	1,609,295	217	291	3.92	9,856,546	199	1,373	2.78
	2004	267,828	138	47	2.42	1,022,451	149	186	2.71	7,689,721	171	1,195	2.65
	2005	116,736	84	37	2.68	1,006,555	178	198	3.50	7,290,331	197	1,223	3.30
	2006	91,924	136	24	3.55	2,396,862	351	275	4.03	7,842,677	296	1,117	4.22
	2007	209,361	392	27	5.06	6,704,308	315	1,143	5.37	10,242,924	298	1,846	5.36
	2008	265,185	467	61	10.74	10,432,258	425	1,576	6.43	16,475,785	435	2,362	6.24
	Sub-total:	1,435,307	200	296	4.11	23,171,729	319	3,669	5.06	59,397,984	258	9,116	3.96

Kemper
Countrywide Homeowner Experience Projection
Development as of 12/31/2008
Catatstrophe, Hurricane Loss Excluded
Countrywide - All Companies Combined

Used for Accident Years 2004 - 2008

All Forms Combined

	<u>Incurred Loss</u>										<u>Est. Ultimates</u>
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	
1999	83,714,012	90,898,633	92,749,114	93,952,381	94,173,954	94,214,123	94,008,478	93,938,599	94,231,285	94,135,921	94,231,285
2000	100,147,632	110,442,711	111,528,138	112,180,742	112,065,274	112,701,866	112,568,665	112,619,975	112,598,553		112,596,263
2001	96,877,630	108,899,917	111,270,057	111,906,319	111,838,934	112,001,154	112,445,746	112,522,101			112,634,398
2002	82,731,175	89,222,343	88,605,906	89,508,448	89,844,343	89,910,662	89,924,410				90,082,388
2003	76,991,334	81,686,274	83,243,003	86,430,811	85,639,237	85,820,691					86,008,542
2004	71,625,576	77,525,470	77,980,394	77,127,887	76,969,751						77,296,829
2005	70,499,418	73,569,541	74,292,236	74,898,149							75,149,416
2006	91,362,803	93,979,474	94,077,505								95,285,438
2007	134,322,562	135,666,794									138,454,167
2008	142,588,946										150,583,445
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>		
1999	1.086	1.020	1.013	1.002	1.000	0.998	0.999	1.003	0.999		
2000	1.103	1.010	1.006	0.999	1.006	0.999	1.000	1.000			
2001	1.124	1.022	1.006	0.999	1.001	1.004	1.001				
2002	1.078	0.993	1.010	1.004	1.001	1.000					
2003	1.061	1.019	1.038	0.991	1.002						
2004	1.082	1.006	0.989	0.998							
2005	1.044	1.010	1.008								
2006	1.029	1.001									
2007	1.010										
3-Yr Average	1.027	1.006	1.012	0.998	1.001	1.001	1.000	1.001	1.000		
3-Yr Wt Average	1.024	1.005	1.012	0.998	1.001	1.001	1.000	1.001	1.000		
5-Yr Average	1.045	1.006	1.010	0.998	1.002	1.000	1.000	1.001	1.000		
5-Yr Wt Average	1.040	1.005	1.010	0.998	1.002	1.000	1.000	1.001	1.000		
Total Average	1.069	1.010	1.010	0.999	1.002	1.000	1.000	1.001	1.000		
Average xMin, xMax	1.069	1.011	1.009	1.000	1.001	0.999	1.000	1.000	1.000		
Straight Average	1.069	1.010	1.010	0.999	1.002	1.000	1.000	1.001	0.999		
Selected	1.035	1.008	1.009	0.999	1.002	1.000	1.001	1.001	1.000		
Cumulative	1.056	1.021	1.013	1.003	1.004	1.002	1.002	1.001	1.000		

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Projected Adjusting & Other Expense

Countrywide Data of Kemper Insurance Companies*

			<u>HOMEOWNERS</u>
[1]	Total Losses and DCC Incurred (000 omitted)	2005 2006 2007 Total	166,502 144,695 <u>158,762</u> 469,958
[2]	A&O Incurred (000 omitted)	2005 2006 2007 Total	33,933 28,391 <u>26,566</u> 88,890
[3]	Percent A&O to Losses and DCC [3] = [2] / [1]	2005 2006 2007 Total	20.38% 19.62% <u>16.73%</u> 18.91%
[4]	Selected A&O Factor		18.91%

*Insurance Expense Exhibit - Exhibit III (Direct), Calendar Year information.

Kemper

Arkansas Homeowners Experience Projection - All Forms Combined Premium Trend Calculations

Homeowners / All Forms Combined

	4 Point	8 Point	12 Point	16 Point		Historical	10.1%
[14] Annual Trend	14.4%	6.7%	10.1%	17.9%		Prospective	10.1%

Rolling 4 quarter data

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
Accident				Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	Annual
Year	Qtr	Exposures	Premium	[4] / [3]	Factor	Avg Prem	Premium	sum([3])	sum([8])	Avg Prem	Change in	Change in
						[5] * [6]	[4] * [6]			[10] / [9]	Avg Prem	Exposures
2002	12	477	207,964	436	1.3623	593	283,310					
2003	3	447	191,006	428	1.3673	585	261,165					
2003	6	565	196,269	348	1.3586	472	266,661					
2003	9	564	240,920	427	1.2144	519	292,567	2,053	1,103,703	538		
2003	12	543	218,962	404	1.0963	442	240,037	2,118	1,060,430	501		
2004	3	432	176,542	409	1.0967	449	193,616	2,103	992,882	472		
2004	6	526	214,213	407	1.0947	446	234,502	2,064	960,723	465		
2004	9	427	216,011	505	1.0962	554	236,790	1,927	904,946	469	-12.7%	-24.2%
2004	12	346	144,895	418	1.0949	458	158,644	1,731	823,552	476	-5.0%	-36.2%
2005	3	320	150,349	469	1.0692	502	160,759	1,620	790,695	488	3.4%	-25.8%
2005	6	334	154,290	462	1.0696	494	165,031	1,428	721,224	505	8.5%	-36.5%
2005	9	303	130,409	430	1.0706	460	139,612	1,304	624,046	479	1.9%	-29.0%
2005	12	107	93,408	870	1.0730	934	100,225	1,065	565,627	531	11.7%	-69.0%
2006	3	99	74,284	748	1.0647	796	79,090	844	483,957	574	17.5%	-69.0%
2006	6	161	123,010	764	1.0066	769	123,826	671	442,752	660	30.6%	-51.8%
2006	9	158	134,026	848	0.9794	830	131,265	526	434,406	826	72.6%	-47.9%
2006	12	106	86,041	812	0.9790	795	84,231	524	418,412	798	50.2%	-1.2%
2007	3	105	82,945	789	0.9796	773	81,252	530	420,574	793	38.3%	5.9%
2007	6	152	117,811	777	0.9799	762	115,441	521	412,189	791	19.9%	-5.8%
2007	9	176	136,019	773	0.9798	757	133,266	539	414,190	769	-7.0%	11.3%
2007	12	109	87,430	806	0.9793	789	85,620	541	415,578	768	-3.8%	2.4%
2008	3	121	108,550	900	0.9929	894	107,777	557	442,104	794	0.1%	14.7%
2008	6	164	144,259	881	1.0000	881	144,259	569	470,922	828	4.6%	8.0%
2008	9	190	161,929	851	1.0000	851	161,929	583	499,585	857	11.4%	8.1%
2008	12	114	103,284	902	1.0000	902	103,284	589	517,249	878	14.4%	5.5%

Kemper
Countrywide Homeowners Experience Projection - All Forms Combined
Countrywide / Accident Year Pure Premium Trend
Kemper Experience through December 31, 2008

Homeowners

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]						
	Rolling 4 quarter data															
	AY		AY		Pure		Ultimate		Incurred		Frequency		Severity		Pure	
<u>Quarter</u>	<u>Exposures</u>	<u>Losses</u>	<u>Claims</u>	<u>Premium</u>	<u>Exposures</u>	<u>Losses</u>	<u>Claims</u>	<u>Per 100 Hyrs</u>	<u>Severity</u>	<u>Premium</u>	<u>Exposures</u>	<u>Losses</u>	<u>Claims</u>	<u>Per 100 Hyrs</u>	<u>Severity</u>	<u>Premium</u>
200403	73,980	19,045,278	4,084	257												
200406	73,282	18,318,487	3,881	250												
200409	73,374	20,015,301	3,577	273												
200412	73,330	19,917,762	2,898	272	293,966	77,296,829	14,440	4.91	5.353	263						
200503	72,391	15,653,219	2,779	216	292,377	73,904,769	13,135	4.49	5.627	253						
200506	74,276	17,680,770	3,274	238	293,371	73,267,052	12,528	4.27	5.848	250						
200509	76,138	21,821,002	3,725	287	296,134	75,072,753	12,676	4.28	5.922	254						
200512	76,865	19,994,425	2,853	260	299,669	75,149,416	12,631	4.21	5.950	251						
200603	75,852	24,938,812	2,944	329	303,130	84,435,009	12,796	4.22	6.599	279						
200606	77,616	24,041,185	3,648	310	306,471	90,795,424	13,170	4.30	6.894	296						
200609	79,641	24,424,504	4,102	307	309,975	93,398,926	13,547	4.37	6.894	301						
200612	82,280	21,880,937	3,079	266	315,389	95,285,438	13,773	4.37	6.918	302						
200703	83,511	33,479,023	4,086	401	323,048	103,825,648	14,915	4.62	6.961	321						
200706	87,998	34,234,291	4,483	389	333,430	114,018,754	15,749	4.72	7.240	342						
200709	92,321	34,224,469	4,736	371	346,110	123,818,719	16,384	4.73	7.557	358						
200712	93,973	36,516,385	3,715	389	357,803	138,454,167	17,020	4.76	8.135	387						
200803	93,202	37,064,506	5,111	398	367,494	142,039,651	18,045	4.91	7.871	387						
200806	93,665	42,876,566	5,743	458	373,162	150,681,925	19,306	5.17	7.805	404						
200809	95,334	34,306,074	5,389	360	376,174	150,763,530	19,958	5.31	7.554	401						
200812	96,122	36,336,299	4,278	378	378,323	150,583,445	20,521	5.42	7.338	398						

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Frequency</u>	<u>Severity</u>	<u>Pure</u>
16-point trend	6.5%	9.2%	16.3%
12-point trend	9.5%	5.8%	15.9%
8-point trend	10.0%	3.1%	13.5%

<u>Historical</u>	15.9%
<u>Prospective</u>	15.9%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Loss Ratio Projection Factors

Proposed Effective Date: September 01, 2009

Trend Dates

- [1] Loss Projection Date, (One year beyond the proposed effective date): September 1, 2010
- [2] Premium Projection Date, (One year beyond the proposed effective date) September 1, 2010
- [3] Average Date of Experience (Average of Evaluation Date and End of Ex July 1, 2008)

[4]	[5]	[6]	[7]	[8]
Accident Year	Average Amount of Insurance	Premium Projection Factor (1 + [12])^([3] - [2])	Loss Projection Factor (1 + [11])^([1] - [3])	Loss Ratio Projection Factor [7] / [6]
1999	130.28	2.9300	5.1997	1.7746
2000	133.80	2.6613	4.4864	1.6858
2001	133.35	2.4171	3.8709	1.6015
2002	139.52	2.1954	3.3399	1.5213
2003	150.01	1.9940	2.8817	1.4452
2004	160.89	1.8111	2.4863	1.3729
2005	164.62	1.6449	2.1453	1.3042
2006	162.55	1.4940	1.8510	1.2389
2007	163.83	1.3570	1.5970	1.1769
2008	170.80	1.2927	1.4825	1.1468

[9]	Annual Trend in Average Amount of Insurance	3.0%
[10]	Selected Historical Pure Premium Trend to January 01, 2008*	15.9%
[11]	Selected Prospective Pure Premium Trend to September 01, 2010*	15.9%
[11]	Selected Historical Premium Trend to January 01, 2008	10.1%
[12]	Selected Prospective Premium Trend to September 01, 2010	10.1%

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Hurricane Provision

Hurricane Provision		
[1]	Modeled Hurricane Loss using in-force homeowners data as of:	12/31/2008
[2]	Model Adjustment Factor: *	1.193
[3]	Hurricane Wind Average Annual Loss: **	0
[4]	Number of In-force Exposures: ***	0
[5]	Hurricane Loss Cost, ([3] / [4]):	0.00
[6]	2008 Average Premium per Exposure at Present Rates:	823.57
[7]	Projected Hurricane Provision, ([5] / [6]):	0.00%

* Model Adjustment Factor is $(1 + \text{A\&O [Exhibit 6]}) + \text{the selected DCC factor [Exhibit 8 - page 2]}$.

** Average Annual Loss for hurricanes adjusted for loss adjustment expense (19.28%). Excludes loss for ex-wind exposures.

*** Includes all exposures.

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Catastrophe Defense & Cost Containment Expense Factor

Incurred Catastrophe Losses as of December 31, 2008

	[1]	[2]	[3]
<u>Earned Accident Year</u>	<u>Incurred Losses</u>	<u>Incurred DCC</u>	<u>Incurred DCC / Losses [2] / [1]</u>
2000	42,685,106	96,135	0.23%
2001	32,640,290	137,566	0.42%
2002	24,895,565	130,239	0.52%
2003	35,970,701	85,501	0.24%
2004	21,050,264	85,030	0.40%
2005	58,784,342	563,852	0.96%
2006	26,493,825	2,700	0.01%
2007	29,245,712	34,604	0.12%
2008	70,643,879	143,289	0.20%
Selected DCC Factor	342,409,683	1,278,915	0.37%

Data is All Company Combined, Countrywide, Insurance Expense Exhibit - Exhibit III (Direct), Calendar Year information.

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Investment Income and Profit Provision

HOMEOWNERS

HOMEOWNERS

[1] LOSS & LAE RATIO	2.2506	[7] INTEREST RATE FACTOR	1.0286		
[2] FIXED EXPENSE	0.0742	[8] INVESTMENT TAX RATE	0.3146		
[3] VARIABLE EXPENSE	0.2461			[13] U/W TAX RATE	0.3500
				[14] P/S RATIO	1.8000
[4] EXPENSE PAID W/ EP	0.5000	[9] PRE-TAX INT. FACTOR	1.0286	ANNUALLY	
[5] EXPENSE PAID W/ WP	0.5000	[10] POST-TAX INT. FACTOR	1.0195	QUARTERLY	
[6] ANNUAL EXPOSURES	1.0000	[11] C/R PRE-CHANGE	2.5708		
		[12] C/R POST-CHANGE	0.9017		
				[15] ROE	0.1500
				[16] PERMISSIBLE L/R	0.6347
				[17] IND. RATE CHANGE	254.6%
				[18] U/W PROFIT PROVISION	9.8%

	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]	[33]	[34]
	WRITTEN PREMIUM	EARNED PREMIUM	LOSS & LAE INCURRED	EXPENSE PAID	U/W INCOME	UNEARNED PREMIUM RESERVE	TAXABLE UNEARNED CHANGE	ACC QTR RESERVE PATTERN	LOSS & LAE RESERVE	IRS DISCOUNT FACTOR	IRS DISCOUNT RESERVE	CHANGE IN RESERVE DISCOUNT	COLLECTED PREMIUM	PAID LOSS	U/W TAXES PAID	TOTAL CASH FLOW
1	3.5456	0.8864	0.5626	0.5917	-0.2679	2.6592	0.5318	0.6664	0.3749	0.9872	0.3702	0.0048	0.0000	0.1877	0.0940	-0.8734
2		0.8864	0.5626	0.1183	0.2054	1.7728	-0.1773	0.3161	0.5528	0.9746	0.5388	0.0092	3.5456	0.3848	0.0131	3.0294
3		0.8864	0.5626	0.1183	0.2054	0.8864	-0.1773	0.2067	0.6691	0.9622	0.6439	0.0113		0.4463	0.0138	-0.5785
4		0.8864	0.5626	0.1183	0.2054	0.0000	-0.1773	0.1432	0.7497	0.9499	0.7122	0.0122		0.4820	0.0141	-0.6145
5								0.1107	0.4371	0.9378	0.4099	-0.0104		0.3127	-0.0036	-0.3090
6								0.0902	0.3100	0.9259	0.2870	-0.0042		0.1271	-0.0015	-0.1256
7								0.0748	0.2357	0.9140	0.2155	-0.0027		0.0742	-0.0010	-0.0733
8								0.0609	0.1894	0.9024	0.1709	-0.0018		0.0464	-0.0006	-0.0457
9								0.0515	0.1561	0.8909	0.1390	-0.0015		0.0333	-0.0005	-0.0328
10								0.0439	0.1300	0.8795	0.1143	-0.0014		0.0261	-0.0005	-0.0256
11								0.0372	0.1088	0.8683	0.0945	-0.0013		0.0212	-0.0005	-0.0207
12								0.0314	0.0922	0.8572	0.0791	-0.0012		0.0166	-0.0004	-0.0162
13								0.0266	0.0782	0.8463	0.0662	-0.0011		0.0140	-0.0004	-0.0136
14								0.0217	0.0657	0.8355	0.0549	-0.0012		0.0125	-0.0004	-0.0120
15								0.0178	0.0548	0.8248	0.0452	-0.0012		0.0109	-0.0004	-0.0105
16								0.0138	0.0449	0.8143	0.0366	-0.0013		0.0099	-0.0004	-0.0094
17								0.0109	0.0361	0.8039	0.0290	-0.0013		0.0088	-0.0004	-0.0084
18								0.0079	0.0284	0.7937	0.0225	-0.0012		0.0078	-0.0004	-0.0073
19								0.0060	0.0217	0.7835	0.0170	-0.0012		0.0066	-0.0004	-0.0062
20								0.0040	0.0162	0.7735	0.0125	-0.0010		0.0055	-0.0004	-0.0052
21								0.0030	0.0117	0.7637	0.0090	-0.0009		0.0044	-0.0003	-0.0041
22								0.0020	0.0084	0.7539	0.0063	-0.0007		0.0033	-0.0002	-0.0031
23								0.0010	0.0056	0.7443	0.0042	-0.0006		0.0028	-0.0002	-0.0026
24								0.0010	0.0039	0.7348	0.0029	-0.0004		0.0017	-0.0001	-0.0015
25								0.0010	0.0028	0.7254	0.0020	-0.0003		0.0011	-0.0001	-0.0010
26								0.0010	0.0022	0.7162	0.0016	-0.0001		0.0006	0.0000	-0.0005
27								0.0010	0.0022	0.7070	0.0016	0.0000		0.0000	0.0000	0.0000
28								0.0010	0.0022	0.6980	0.0016	0.0000		0.0000	0.0000	0.0000
29								0.0010	0.0022	0.6891	0.0015	0.0000		0.0000	0.0000	0.0000
30								0.0010	0.0022	0.6803	0.0015	0.0000		0.0000	0.0000	0.0000
31								0.0010	0.0022	0.6716	0.0015	0.0000		0.0000	0.0000	0.0000
32								0.0000	0.0017	0.6631	0.0011	-0.0002		0.0006	-0.0001	-0.0005
33								0.0000	0.0011	0.6546	0.0007	-0.0002		0.0006	-0.0001	-0.0005
34								0.0000	0.0006	0.6463	0.0004	-0.0002		0.0006	-0.0001	-0.0005
35								0.0000	0.0000	0.6380	0.0000	-0.0002		0.0006	-0.0001	-0.0005
36								0.0000	0.0000	0.6299	0.0000	0.0000		0.0000	0.0000	0.0000
37								0.0000	0.0000	0.6218	0.0000	0.0000		0.0000	0.0000	0.0000
38								0.0000	0.0000	0.6139	0.0000	0.0000		0.0000	0.0000	0.0000
39								0.0000	0.0000	0.6061	0.0000	0.0000		0.0000	0.0000	0.0000
40								0.0000	0.0000	0.5983	0.0000	0.0000		0.0000	0.0000	0.0000
NPV			0.9410										3.5228	2.2082	0.1216	0.2521
SUM	3.5456	2.2506	0.9467	0.3484		0.0000						0.0000	3.5456	2.2506	0.1219	

Kemper
Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Credibility
Non-Hurricane

[1]							
Incurred Claimants:	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	
	103	68	37	33	29	390	
[2]							
2004 - 2008 Total Claims*	557						
[3]							
Credibility Standard	1,727						
[4]							
Credibility**:	56.8%						

* The Total amount as shown is the sumproduct of the incurred claimants listed above and the selected weights used in the calculation of the weighted loss ratio shown on Exhibit 1.

** Credibility = minimum(([1] / [3]) ^ (1/2), 1)

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Arkansas Homeowners Experience Projection - All Forms Combined Calculation of the Complement of Credibility

[1] Prospective Loss Trend:	15.9%
[2] Prospective Premium Trend:	10.1%
[3] Effective Date:	9/1/2009
[4] Prior Effective Date:	2/1/2008
[5] Complement of Credibility:	<input type="text" value="8.5%"/>

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Arkansas Homeowners Experience Projection - All Forms Combined
Calculation of Excess Large Loss
Non-Hurricane

Accident Year	Claims	Amount	% of Loss	Excess Loss	xCat Losses	Cat Losses
2003	0	\$0	0%	\$0	\$0	\$0
2004	0	\$0	0%	\$0	\$0	\$0
2005	0	\$0	0%	\$0	\$0	\$0
2006	0	\$0	0%	\$0	\$0	\$0
2007	1	\$112,365	50%	\$12,365	\$112,365	\$0
2008	0	\$0	0%	\$0	\$0	\$0

SERFF Tracking Number: KEMP-126118990

State: Arkansas

Filing Company: Trinity Universal Insurance Company

State Tracking Number: EFT \$100

Company Tracking Number: AR-HO-20090601

TOI: 04.0 Homeowners

Sub-TOI: 04.0003 Owner Occupied Homeowners

Product Name: AR Home Rate Review

Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: H-1 Homeowners Abstract	Review Status: Filed	05/22/2009
Comments: I attached the required documentation.		
Attachment: H-1.pdf		
Satisfied -Name: HPCS-Homeowners Premium Comparison Survey	Review Status: Filed	05/22/2009
Comments: I have attached the required documentation.		
Attachment: HO Survey FORM HPCS.pdf		
Satisfied -Name: NAIC loss cost data entry document	Review Status: Filed	05/22/2009
Comments: I have attached the required documentation.		
Attachment: Loss_Cost_Data_Entry.pdf		
Satisfied -Name: Cover Letter	Review Status: Filed	05/22/2009
Comments: I have attached a cover letter.		
Attachment: Cover Letter.pdf		
Satisfied -Name: Deductible - Roll Up	Review Status: Filed	05/22/2009
Comments: I have attached the insert which will be included to policy holders who will be rolling up to 1,000 deductible.		

SERFF Tracking Number: *KEMP-126118990* *State:* *Arkansas*
Filing Company: *Trinity Universal Insurance Company* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *AR-HO-20090601*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0003 Owner Occupied Homeowners*
Product Name: *AR Home Rate Review*
Project Name/Number: /

Attachment:

Insert.pdf

SERFF Tracking Number: KEMP-126118990 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: AR-HO-20090601
TOI: 04.0 Homeowners Sub-TOI: 04.0003 Owner Occupied Homeowners
Product Name: AR Home Rate Review
Project Name/Number: /

Review Status:

Satisfied -Name: Supporting Documentation

Filed

05/22/2009

Comments:

I have attached the necessary supporting documentation.

Attachments:

- Filing Memorandum.pdf
- Mtool - General Overview.pdf
- Mtool - Specific Exhibits.pdf
- Rate Workbook.pdf

ARKANSAS INSURANCE DEPARTMENT
FORM H-1 HOMEOWNERS 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 homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Trinity Universal Insurance Company

NAIC No. 19887

GROUP No. 0871

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.
N/A
2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.
The approximator is required when coverage is written at 100% of replacement cost.
3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.
100% replacement cost is preferred for all policies. 100% replacement cost is required when the Replacement Cost Dwelling Endorsement is written.
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.
Coverage is increased 4% annually at no charge, greater increases can be purchased at a percentage of the base premium.
5. Specify the percentage given for credits or discounts for the following:

See Discounts Portions of the AR Home Rate Workbook. Discounts Include:

Customer Loyalty Discount
Hail Resistant Roof Credit
Mature Homeowner Credit
Network Discount
Seasonal or Secondary Dwelling Credit
Secondary Residence Credit
Superior Construction

Attach: HO 04 16: Premises Alarm or Fire Protection System

Type of Installation	Factor
Central Station Reporting Burglar Alarm	0.90
Central Station Reporting Fire Alarm	0.90
Police Station Reporting Burglar Alarm	0.95
Fire Department Reporting Fire Alarm	0.95
Local Burglar and/or Fire Alarm and/or Smoke Detectors	0.98*
Automatic Sprinklers in all areas including attics, bathrooms, closets, and attached structures	0.87
Automatic Sprinklers in all areas except attic, bathroom, closets, and attached structure areas that are protected by a fire detector	0.92

* The smoke detector credit is not applicable if the Residence Safety Package Credit is applied.

Residence Safety Package Credit

A factor of 0.97 will be applied to the BASE PREMIUM for the installation and proper maintenance of the following three items in the dwelling:

- Smoke Detectors
- Deadbolt Locks
- Fire Extinguishers

Attach: VK 10 12: Residence Safety Package

6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance?

No

If so, state areas and explain reason for not writing _____

7. Specify the form(s) utilized in writing homeowner insurance. Indicate the Arkansas premium volume for each form.

<u>FORM</u>	<u>PREMIUM VOLUME</u>
HO-3	\$462,660
HO-4	\$8,159
HO-6	\$1,775
_____	_____

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes

9. Is there a surcharge on risks with wood heat? Yes

If yes, state surcharge 8%

Does the surcharge apply to conventional fire places? No

If yes, state surcharge _____

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

Signature

Mark Eisenfeld

Printed Name

Product Analyst

Title

(904) 596 – 8419

Telephone Number

meisenfeld@ekemper.com

Email Address

NAIC Number:	19887
Company Name:	Trinity Universal Insurance Company
Contact Person:	Mark Eisenfeld
Telephone No.:	904.596.8419
Email Address:	meisenfeld@ekemper.com
Effective Date:	6/1/2009

**Homeowners Premium Comparison Survey Form
FORM HPCS - last modified August, 2005**

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 cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
BLANK**

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$719.00	\$788.00	\$754.00	\$827.00	\$664.00	\$727.00	\$746.00	\$819.00	\$754.00	\$827.00	\$669.00	\$733.00	\$669.00	\$733.00	\$544.00	\$594.00	\$688.00	\$754.00
	\$120,000	\$906.00	\$996.00	\$951.00	\$1,046.00	\$834.00	\$916.00	\$942.00	\$1,036.00	\$951.00	\$1,046.00	\$841.00	\$924.00	\$841.00	\$924.00	\$679.00	\$744.00	\$866.00	\$952.00
	\$160,000	\$1,095.00	\$1,206.00	\$1,150.00	\$1,267.00	\$1,006.00	\$1,107.00	\$1,138.00	\$1,254.00	\$1,150.00	\$1,267.00	\$1,014.00	\$1,117.00	\$1,014.00	\$1,117.00	\$815.00	\$895.00	\$1,045.00	\$1,151.00
6	\$80,000	\$719.00	\$823.00	\$754.00	\$863.00	\$664.00	\$758.00	\$746.00	\$855.00	\$754.00	\$863.00	\$669.00	\$765.00	\$669.00	\$765.00	\$544.00	\$619.00	\$688.00	\$787.00
	\$120,000	\$906.00	\$1,041.00	\$951.00	\$1,094.00	\$834.00	\$957.00	\$942.00	\$1,083.00	\$951.00	\$1,094.00	\$841.00	\$966.00	\$841.00	\$966.00	\$679.00	\$776.00	\$866.00	\$994.00
	\$160,000	\$1,095.00	\$1,261.00	\$1,150.00	\$1,326.00	\$1,006.00	\$1,158.00	\$1,138.00	\$1,312.00	\$1,150.00	\$1,326.00	\$1,014.00	\$1,168.00	\$1,014.00	\$1,168.00	\$815.00	\$935.00	\$1,045.00	\$1,203.00
9	\$80,000	\$1,204.00	\$1,343.00	\$1,266.00	\$1,412.00	\$1,106.00	\$1,232.00	\$1,253.00	\$1,397.00	\$1,266.00	\$1,412.00	\$1,115.00	\$1,243.00	\$1,115.00	\$1,243.00	\$894.00	\$994.00	\$1,149.00	\$1,281.00
	\$120,000	\$1,537.00	\$1,717.00	\$1,617.00	\$1,807.00	\$1,409.00	\$1,573.00	\$1,600.00	\$1,788.00	\$1,617.00	\$1,807.00	\$1,422.00	\$1,587.00	\$1,422.00	\$1,587.00	\$1,133.00	\$1,263.00	\$1,466.00	\$1,637.00
	\$160,000	\$1,872.00	\$2,094.00	\$1,971.00	\$2,205.00	\$1,714.00	\$1,917.00	\$1,949.00	\$2,181.00	\$1,971.00	\$2,205.00	\$1,730.00	\$1,934.00	\$1,730.00	\$1,934.00	\$1,374.00	\$1,534.00	\$1,784.00	\$1,995.00

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$149.00	\$163.00	\$149.00	\$163.00	\$97.00	\$105.00	\$133.00	\$145.00	\$149.00	\$163.00	\$97.00	\$105.00	\$97.00	\$105.00	\$145.00	\$159.00	\$130.00	\$142.00
	\$15,000	\$149.00	\$163.00	\$149.00	\$163.00	\$97.00	\$105.00	\$133.00	\$145.00	\$149.00	\$163.00	\$97.00	\$105.00	\$97.00	\$105.00	\$145.00	\$159.00	\$130.00	\$142.00
	\$25,000	\$149.00	\$163.00	\$149.00	\$163.00	\$97.00	\$105.00	\$133.00	\$145.00	\$149.00	\$163.00	\$97.00	\$105.00	\$97.00	\$105.00	\$145.00	\$159.00	\$130.00	\$142.00
6	\$5,000	\$149.00	\$170.00	\$149.00	\$170.00	\$97.00	\$109.00	\$133.00	\$151.00	\$149.00	\$170.00	\$97.00	\$109.00	\$97.00	\$109.00	\$145.00	\$166.00	\$130.00	\$148.00
	\$15,000	\$149.00	\$170.00	\$149.00	\$170.00	\$97.00	\$109.00	\$133.00	\$151.00	\$149.00	\$170.00	\$97.00	\$109.00	\$97.00	\$109.00	\$145.00	\$166.00	\$130.00	\$148.00
	\$25,000	\$149.00	\$170.00	\$149.00	\$170.00	\$97.00	\$109.00	\$133.00	\$151.00	\$149.00	\$170.00	\$97.00	\$109.00	\$97.00	\$109.00	\$145.00	\$166.00	\$130.00	\$148.00
9	\$5,000	\$249.00	\$277.00	\$249.00	\$277.00	\$156.00	\$173.00	\$220.00	\$245.00	\$249.00	\$277.00	\$156.00	\$173.00	\$156.00	\$173.00	\$242.00	\$270.00	\$215.00	\$240.00
	\$15,000	\$249.00	\$277.00	\$249.00	\$277.00	\$156.00	\$173.00	\$220.00	\$245.00	\$249.00	\$277.00	\$156.00	\$173.00	\$156.00	\$173.00	\$242.00	\$270.00	\$215.00	\$240.00
	\$25,000	\$249.00	\$277.00	\$249.00	\$277.00	\$156.00	\$173.00	\$220.00	\$245.00	\$249.00	\$277.00	\$156.00	\$173.00	\$156.00	\$173.00	\$242.00	\$270.00	\$215.00	\$240.00

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher	<input type="text" value="3"/> %	Deadbolt Lock	<input type="text" value="3"/> %
Burglar Alarm	<input type="text" value="2"/> %	Window Locks	<input type="text" value="-"/> %
Smoke Alarm	<input type="text" value="3"/> %	\$1,000 Deductible	<input type="text" value="-"/> %
		Other (specify)	<input type="text" value=""/> %
		Maximum Credit Allowed	<input type="text" value="25"/> %

EARTHQUAKE INSURANCE

IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cover

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? (yes or no)

WHAT IS YOUR PERCENTAGE DEDUCTIBLE? %

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

Zone	Brick	Frame
Highest Risk	\$ <input type="text" value="3"/>	\$ <input type="text" value="1.16"/>
Lowest Risk	\$ <input type="text" value="0.62"/>	\$ <input type="text" value="0.28"/>

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR-HO-TUIC-20090601
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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.	TRINITY UNIVERSAL INSURANCE CO.	B. 19887

	Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4. A.	4.0 HOMEOWNERS	B. TOI COMBINATIONS

5.		FOR LOSS COSTS ONLY					
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
All Lines			60.5%	N/A	N/A	N/A	N/A
HO-3		5.7%					
HO-4		13.0%					
HO-6		14.5%					
TOTAL OVERALL EFFECT	33.2%	5.9%					

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	593	-2.0	02-01-08	473	2,174	459.6	103.1
2006	497	10.0	05-01-06	581	60	10.3	60.4
2005	582	2.2	01-01-05	489	106	29.0	60.5
2004	893	0.0	01-01-04	779	451	62.5	57.2
2003	1109	25.2	08-15-03	787	477	62.2	58.6

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	15.81
	B. General Expense	7.17
	C. Taxes, License & Fees	4.29
	D. Underwriting Profit & Contingencies	10.00
	E. Other (explain)	0.00
	F. TOTAL	37.27

- 8.** N/A Apply Lost Cost Factors to Future filings? (Y or N)
- 9.** 40.3 Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
- 10.** 24.8 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____



May 1, 2009

Arkansas Department of Insurance
Property & Casualty Rate Division
1200 West Third Street
Little Rock, AR 77201

RE: Arkansas Homeowners
Trinity Universal Insurance Company (NAIC 19887 FEIN 75-0620550)
Company Filing Number: **AR-HO-20090601**

Dear Commissioner:

The above captioned company a member of the Kemper, a Unitrin Business will introduce revised Base Rates, Amount of Insurance Factors, Pricing Level Factors, Age of Dwelling Factors, Deductible Factors, Expense Fees, and Non-Smoker Credit Factor. The effective date for these revisions is June 01, 2009 for new and July 01, 2009 for renewal business. The proposed impact is an overall rate decrease of +5.9%.

Included with this filing are the following:

Filing Memorandum
Revised Rate Workbook
State Filing Requirements and forms

Please contact me via telephone at 904.596.8419 or via email at meisenfeld@ekemper.com should you require any additional information.

Regards,

Mark Eisenfeld
Product Management
Kemper, A Unitrin Business
12926 Gran Bay Parkway West
Jacksonville, FL 32258
(904) 596-8419 (Direct)
(904) 245-5601 (Fax)
meisenfeld@ekemper.com
www.eKemper.com

NOTICE OF DEDUCTIBLE CHANGE

Deductibles reflect the initial dollar amount of each loss that is absorbed by the policyholder. Please note that if the deductible for your previous policy period was less than \$1,000, it has been increased to our new base deductible amount of \$1,000 for the renewal policy period. This change is being made to adjust for the overall rise in property losses, while continuing to maintain affordable premiums. It applies to all homeowner, renter and condominium-owner policies.

If your policy deductible was already \$1,000 or more, it has not been changed. If you have any questions, please contact your agent.

AK 5736 (07 09)

**ARKANSAS HOMEOWNERS
FILING MEMORANDUM
TRINITY UNIVERSAL INSURANCE COMPANY**

Effective June 1, 2009 for new business and July 1, 2009 renewals, the Company proposes to revise their rates and rules in Arkansas. The overall rate level change will be +5.9% as a result of these revisions.

PROPOSED HOMEOWNERS PROGRAM CHANGES

THE FOLLOWING CHANGES WILL BE MADE UPON YOUR APPROVAL.

Revised Territorial Base Rates

Varies by territory, please see rate workbook. Form HO-3 is only Form affected by this change. The overall state-wide impact of this change is -20.1%

Revised Amount of Insurance Factors

Varies by amount of insurance, please see rate workbook. Form HO-3 is the only Form affected by this change. The overall state-wide impact of this change is +2.4%.

Change in Deductible Factors

Varies by deductible amount, please see rate workbook. Form HO-3 is the only Form affected by this change. The overall state-wide impact of this change is +9.7%. We will also be rolling up all policy holders to 1,000 deductible. Prior to renewal they will receive a letter of notification. Please see attached insert for a copy of the insert which will be included to each policy holder.

Of Policies being rolled up;

HO-3 – 310
HO-4 – 35
HO-6 – 2

Revised Age of Home Factors

Varies by age of dwelling, please see rate workbook. Form HO-3 is the only Form affected by this change. The overall state-wide impact of this change is +0.4%.

Revised Price Level Factors

Varies by tier, please see rate workbook. Form HO-3 is the only Form affected by this change. The overall state-wide impact of this change is +1.2%

Revised Non – Smoker Credit

We will be taking away the Non – Smoker discount, it was previously given at 4%. All forms are affected by this change. The overall state-wide impact of this change is +3.8%

Initiation of Fixed Expense Fee

A fixed expense fee of \$95/\$20/\$30 will be initiated for all H0-3/4/6 policies. Impacts differ based on overall policy premium per policy.

Kemper
Arkansas Impact Measurements - Home
Summary of Rate Changes

Rating Variable	Current			Proposed			Impact		
	HO 00 03	HO 00 04	HO 00 06	HO 00 03	HO 00 04	HO 00 06	HO 00 03	HO 00 04	HO 00 06
Base Rate	\$1,322	\$129	\$165	\$1,055	\$129	\$165	-20.1%	0.0%	0.0%
Protection/Construction	0.96	0.94	0.97	0.96	0.94	0.97	0.0%	0.0%	0.0%
Amount of Insurance	0.95	1.50	2.09	0.97	1.50	2.09	2.4%	0.0%	0.0%
Pricing Level	0.90	1.16	0.96	0.91	1.16	0.96	1.2%	0.0%	0.0%
Loss Record	0.96	0.96	0.98	0.96	0.96	0.98	0.0%	0.0%	0.0%
Age of Dwelling	0.97	NA	NA	0.97	NA	NA	0.4%	NA	NA
Wood Roof Surcharge	1.00	NA	NA	1.00	NA	NA	0.0%	NA	NA
Mature HO Credit	0.99	1.00	0.99	0.99	1.00	0.99	0.0%	0.0%	0.0%
Deductible	0.91	0.98	0.94	1.00	0.98	0.94	9.7%	0.0%	0.0%
Wood Stove Surcharge	1.00	1.00	1.00	1.00	1.00	1.00	0.0%	0.0%	0.0%
Package Plus Classic Factor		1.15	1.00		1.15	1.00	0.0%	0.0%	0.0%
Seasonal/Secondary	1.00	1.00	1.00	1.00	1.00	1.00	0.0%	0.0%	0.0%
Pool Surcharge	1.00	NA	NA	1.00	NA	NA	0.0%	NA	NA
Non-Smoker Credit	0.96	0.96	0.96	1.00	1.00	1.00	3.8%	3.8%	3.8%
Customer Loyalty Discount	0.99	0.99	0.99	0.99	0.99	0.99	0.0%	0.0%	0.0%
Expense Fee	0.00	0.00	0.00	95	20	30			
Adjusted Base Premium	\$855	\$217	\$278	\$904	\$245	\$319	5.7%	13.0%	14.5%
RCC	1.02	1.16	1.03	1.02	1.16	1.03	0.0%	0.0%	0.0%
RCD	1.03	NA	NA	1.03	NA	NA	0.0%	NA	NA
Developed Premium	\$900	\$252	\$285	\$951	\$284	\$326	5.7%	13.0%	14.5%

Premium Distribution	0.9729	0.0237	0.0034
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Total Impact:	5.9%
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Kemper

**Arkansas Impact Measurements - Home
Base Rates - HO 00 03
Policies In Force as of December 31, 2008**

Proposed Territory	Terr Name	Current Base Rate	Final Proposed Rate	Base Rate Impact
030	Southern Little Rock	1,664	1,365	-18.0%
032	Surrounding Area of Little Rock	1,570	1,243	-20.8%
033	Remainder of State	1,682	1,381	-17.9%
034	Arkadelphia/Searcy/Newton/Baxter	1,682	1,381	-17.9%
035	Northwestern Little Rock/Conway	1,682	1,308	-22.2%
036	Eastern Arkansas	1,664	1,365	-18.0%
037	Northwestern Tip of Arkansas	1,682	1,308	-22.2%
038	Garland County	1,181	947	-19.8%
042	Southwestern Tip of Arkansas	1,477	1,203	-18.5%
043	West Border of Arkansas	1,175	942	-19.8%
044	Jefferson County	1,844	1,521	-17.5%
045	East Border of Arkansas	1,844	1,521	-17.5%
046	Jonesboro	1,464	1,192	-18.6%
047	West Little Rock	1,605	1,245	-22.4%
048	North Little Rock	1,664	1,365	-18.0%
051	Surrounding Area of Ouachita	1,181	947	-19.8%
052	Arkadelphia/Hanson/Logan/Pope/Conway	1,499	1,222	-18.5%
056	Hot Springs	1,181	897	-24.0%
		1,322	1,055	-20.1%

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Arkansas Impact Measurements - Home
HO 00 03 Amount of Insurance Factors
Policies In Force as of December 31, 2008

<u>Coverage A</u>	<u>Current Factors</u> <u>Curve 1</u>	<u>Proposed Factors</u> <u>Curve 1</u>	<u>Impacts</u> <u>Curve 1</u>
50	0.476	0.476	0.0%
60	0.491	0.491	0.0%
70	0.494	0.494	0.0%
80	0.496	0.530	6.9%
90	0.501	0.567	13.2%
100	0.521	0.604	15.9%
110	0.562	0.648	15.3%
120	0.612	0.689	12.6%
130	0.667	0.731	9.6%
140	0.706	0.772	9.3%
150	0.755	0.811	7.4%
160	0.805	0.849	5.5%
170	0.852	0.888	4.2%
180	0.898	0.925	3.0%
190	0.949	0.963	1.5%
200	1.000	1.000	0.0%
210	1.050	1.040	-1.0%
220	1.100	1.075	-2.3%
230	1.137	1.107	-2.6%
240	1.174	1.141	-2.8%
250	1.208	1.175	-2.7%
260	1.241	1.210	-2.5%
270	1.278	1.249	-2.2%
280	1.314	1.278	-2.7%
290	1.358	1.320	-2.8%
300	1.403	1.357	-3.2%
310	1.447	1.390	-3.9%
320	1.492	1.421	-4.7%
330	1.536	1.461	-4.9%
340	1.581	1.491	-5.7%
350	1.625	1.528	-6.0%
360	1.670	1.568	-6.1%
370	1.714	1.610	-6.1%
380	1.759	1.650	-6.2%
390	1.803	1.691	-6.2%
400	1.848	1.736	-6.0%
410	1.894	1.778	-6.1%
420	1.940	1.822	-6.1%
430	1.987	1.865	-6.1%
440	2.033	1.908	-6.1%
450	2.079	1.946	-6.4%
460	2.130	1.989	-6.6%
470	2.180	2.030	-6.9%
480	2.230	2.075	-7.0%
490	2.280	2.119	-7.1%
500	2.331	2.160	-7.3%
600	2.731	2.595	-5.0%
700	3.131	3.030	-3.2%
800	3.531	3.465	-1.9%
900	3.931	3.900	-0.8%
1000	4.331	4.331	0.0%
1100	4.731	4.731	0.0%
1200	5.131	5.131	0.0%
1300	5.531	5.531	0.0%
1400	5.931	5.931	0.0%
1500	6.331	6.331	0.0%
1600	6.731	6.731	0.0%
1700	7.131	7.131	0.0%
1800	7.531	7.531	0.0%
1900	7.931	7.931	0.0%
2000	8.331	8.331	0.0%

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Arkansas Impact Measurements - Home
Fusion to Fusion Relativities
Policies In Force as of December 31, 2008

HO 00 03							
Tier	Current Monoline	Current Package Plus	Current Classic	Proposed Monoline	Proposed Package Plus	Proposed Classic	Impact
A	0.77	0.67	0.75	0.79	0.67	0.75	2.0%
B	0.78	0.68	0.76	0.80	0.68	0.76	2.5%
C	0.79	0.68	0.76	0.81	0.68	0.76	2.0%
D	0.81	0.70	0.78	0.83	0.70	0.78	2.0%
E	0.83	0.71	0.80	0.85	0.71	0.80	1.6%
F	0.85	0.73	0.82	0.86	0.73	0.82	1.0%
G	0.87	0.75	0.84	0.88	0.75	0.84	0.7%
H	0.88	0.76	0.85	0.89	0.76	0.85	0.9%
J	0.91	0.77	0.87	0.92	0.77	0.87	0.9%
K	0.95	0.81	0.90	0.96	0.81	0.90	0.9%
L	1.00	0.85	0.95	1.00	0.85	0.95	0.0%
M	1.06	0.90	1.01	1.07	0.90	1.01	0.8%
N	1.13	0.96	1.08	1.14	0.96	1.08	0.5%
P	1.18	1.00	1.12	1.19	1.00	1.12	0.5%
Q	1.24	1.05	1.18	1.25	1.05	1.18	0.8%
R	1.29	1.10	1.23	1.30	1.10	1.23	0.3%
S	1.35	1.15	1.29	1.37	1.15	1.29	1.5%
T	1.41	1.20	1.34	1.43	1.20	1.34	0.7%
U	1.48	1.25	1.40	1.50	1.25	1.40	0.9%
V	1.54	1.31	1.47	1.56	1.31	1.47	0.4%
W	1.61	1.37	1.54	1.63	1.37	1.54	0.6%
X	1.69	1.43	1.61	1.72	1.43	1.61	0.7%
Y	1.79	1.52	1.70	1.82	1.52	1.70	0.6%
Z	1.91	1.63	1.82	1.94	1.63	1.82	0.5%
Total	0.91	0.84	0.91	0.92	0.84	0.91	1.2%

Kemper
Arkansas Impact Measurements - Home
Age of Dwelling Factors
Policies In Force as of December 31, 2008

Form 3					
[1]	[2]				
Min Age	Max Age	Age of Dwelling	Current Factor	Proposed Factor	Impact
0	0	0	0.66	0.66	0.0%
1	1	1	0.68	0.68	0.0%
2	2	2	0.71	0.71	0.0%
3	3	3	0.75	0.75	0.0%
4	4	4	0.78	0.78	0.0%
5	5	5	0.81	0.81	0.0%
6	6	6	0.86	0.86	0.0%
7	7	7	0.89	0.89	0.0%
8	8	8	0.91	0.91	0.0%
9	9	9	0.92	0.92	0.0%
10	10	10	0.94	0.94	0.0%
11	11	11	0.97	0.97	0.0%
12	28	12-28	1.00	1.00	0.0%
29	33	29-33	1.00	1.00	0.0%
34	37	34-37	1.00	1.02	2.0%
38	46	38-46	1.00	1.00	0.0%
47	55	47-55	1.00	1.02	2.0%
56	62	56-62	1.05	1.07	1.9%
63	72	63-72	1.06	1.08	1.9%
73	83	73-83	1.07	1.10	2.8%
84	103	84-103	1.08	1.11	2.8%
104		104+	1.09	1.13	3.7%
Total		Total	0.97	0.97	0.4%

Kemper
Arkansas Impact Measurements - Home
All Peril Deductible Factors
Policies In Force as of December 31, 2008

HO 00 03					
Deductible	\$500 Base Deductible Current Factor	Proposed Factor	Impact of Proposed Deductible	Overall Impact	
100	1.30	-	-	-	-
200	1.20	-	-	-	-
250	1.10	-	-	-	-
500	1.00	-	-	-	-
1,000	0.91	1.00	0.0%	9.9%	
2,500	0.85	0.85	-8.6%	0.0%	
5,000	0.75	0.75	-8.5%	0.0%	
Total	0.96	1.00	-0.1%	9.7%	

Non Smoker Credit			
	Current Factor	Proposed Factor	Impact
N	1.00	1.00	0.0%
Y	0.96	1.00	4.2%
Total	0.96	1.00	3.8%

Rating State: ARKANSAS

Company: Trinity Universal Insurance Company

Business Line: Homeowners

New Business Effective Date: 6/1/2009

Renewal Business Effective Date: 7/1/2009

Page Header: TUIC HO ARKANSAS

	Page	Edition
Rating Order	R0 - 1	4/1/2009
Base Rates	RT - 2	4/1/2009
Protection Construction	RT - 3	4/1/2009
Pricing Level	RT - 4	4/1/2009
Amount of Insurance	RT - 5	4/1/2009
Age of Home	RT - 6	4/1/2009
Deductibles	RT - 7	4/1/2009
Package - Classic	RT - 8	4/1/2009
Ordinance or Law	RT - 9	4/1/2009
Earthquake	RT - 10	4/1/2009
Discounts	RT - 11	4/1/2009
Protective Devices	RT - 12	4/1/2009
Surcharges	RT - 13	4/1/2009
Misc. Endorsements Cov. A, B & D	RT - 14	4/1/2009
Misc Endorsements Cov. C	RT - 15	4/1/2009
BVI & SPP	RT - 16	4/1/2009
Liability	RT - 17	4/1/2009
Territory Definitions	RT - 18	4/1/2009
Expense Fees	RT-19	4/1/2009

Misc. Manuals
Boatowners
Home Business

RATING ORDER

Step	Description	HO 00 03 1 or 2 Family Residence	HO 00 04	HO 00 06
1	BASE PREMIUM			
2	PROTECTION AND CONSTRUCTION CLASS FACTOR	*	*	*
3	RELATIVITY CURVE	*	*	*
4	PRICING LEVEL FACTOR	*	*	*
5	LOSS RECORD	*	*	*
6	AGE OF DWELLING DISCOUNT	*		
7	SPECIAL PERSONAL PROPERTY COVERAGE	*		*
8	SUPERIOR CONSTRUCTION FACTOR	*	*	*
9	WOOD ROOF SURCHARGE	*		
10	HAIL-RESISTANT ROOF CREDIT			
11	MATURE HOMEOWNER CREDIT	*	*	*
12	TOWNHOUSE FACTOR	*		
13	ALARM CREDITS			
14	RESIDENCE SAFETY PACKAGE	*	*	*
15	INFLATION GUARD	*		
16	DEDUCTIBLE FACTOR	*	*	*
17	WOOD STOVE SURCHARGE	*	*	*
18	ACV ROOF SETTLEMENT	*	*	*
19	PACKAGE PLUS FACTOR	*	*	*
20	SEASONAL OR SECONDARY DISCOUNT	*	*	*
21	POOL SURCHARGE	*		
22	NON-SMOKER CREDIT	*	*	*
23	CUSTOMER LOYALTY DISCOUNT	*		
24	NETWORK DISCOUNT	*	*	*
25	Expense Fee	*	*	*
26	ADJUSTED BASE PREMIUM			
27	INCREASED COVERAGE A PREMIUM	+	+	+
28	LOSS ASSESSMENT PREMIUM	+	+	+
29	REPLACEMENT COST CONTENTS PREMIUM OR SPECIAL HOMEOWNERS ENDORSEMENT PREMIUM	+	+	+
30	RESIDENCE EMPLOYEES PREMIUM	+	+	+
31	SCHEDULE PERSONAL PROPERTY PREMIUM	+	+	+
32	WATER BACK UP PREMIUM	+	+	+
33	INCREASED COVERAGE E & F PREMIUM	+		+
34	REPLACEMENT COST DWELLING	+		
35	INCREASE/DECREASE COVERAGE C PREMIUM	+		
36	BUILDING ADDITIONS AND ALTERATIONS PREMIUM		+	
37	INCREASE COVERAGE A PREMIUM			+
38	UNIT-OWNERS COVERAGE A – SPECIAL COVERAGE PREMIUM			+
39	OTHER ENDORSEMENT OR ADDITIONAL COVERAGE PREMIUM	+	+	+
40	COMPANY DEVIATION	*	*	*
41	NETWORK DISCOUNT (MULTIPLY BY STEPS 26-39)	*	*	*
42	EARTHQUAKE PREMIUM	+	+	+
43	DEVELOPED PREMIUM			

Round to the nearest whole dollar after each step.

BASE RATES

Territory	HO 00 03	HO 00 04	HO 00 06
030	1,365	125	168
032	1,243	122	75
033	1,381	143	168
034	1,381	143	168
035	1,308	143	168
036	1,365	125	168
037	1,308	143	168
038	947	67	159
042	1,203	85	75
043	942	139	168
044	1,521	143	168
045	1,521	67	75
046	1,192	85	75
047	1,245	125	168
048	1,365	125	168
051	947	67	159
052	1,222	68	75
056	897	68	159

PROTECTION CONSTRUCTION FACTORS

Protection Class	HO 00 03		HO 00 04		HO 00 06	
	Frame	Masonry	Frame	Masonry	Frame	Masonry
1	1.00	0.90	1.00	0.90	1.00	0.90
2	1.00	0.90	1.00	0.90	1.00	0.90
3	1.00	0.90	1.00	0.90	1.00	0.90
4	1.00	0.90	1.00	0.90	1.00	0.90
5	1.00	0.90	1.00	0.90	1.00	0.90
6	1.05	0.90	1.05	0.90	1.05	0.90
7	1.17	1.06	1.17	1.06	1.17	1.06
8	1.20	1.15	1.20	1.15	1.20	1.15
9	1.80	1.60	1.80	1.60	1.80	1.60
10	1.93	1.75	1.93	1.75	1.93	1.75

PRICING LEVEL FACTORS

Symbol	Monoline Factor	Package Plus Factor	Classic
A	0.79	0.67	0.75
B	0.80	0.68	0.76
C	0.81	0.68	0.76
D	0.83	0.70	0.78
E	0.85	0.71	0.80
F	0.86	0.73	0.82
G	0.88	0.75	0.84
H	0.89	0.76	0.85
J	0.92	0.77	0.87
K	0.96	0.81	0.90
L	1.00	0.85	0.95
M	1.07	0.90	1.01
N	1.14	0.96	1.08
P	1.19	1.00	1.12
Q	1.25	1.05	1.18
R	1.30	1.10	1.23
S	1.37	1.15	1.29
T	1.43	1.20	1.34
U	1.50	1.25	1.40
V	1.56	1.31	1.47
W	1.63	1.37	1.54
X	1.72	1.43	1.61
Y	1.82	1.52	1.70
Z	1.94	1.63	1.82

Price Level	HO 00 04	HO 00 06
1	0.75	0.750
2	0.90	0.900
3	1.00	1.000
4	1.10	1.100
5	1.60	1.600
6	2.00	2.000

AMOUNT OF INSURANCE FACTORS

HO 00 03		HO 00 04		HO 00 06	
AOI	Factor	AOI	Factor	AOI	Factor
50	0.476	25	1.000	25	1.000
60	0.491	30	1.091	30	1.091
70	0.494	40	1.280	40	1.280
80	0.530	50	1.491	50	1.491
90	0.567	60	1.640	60	1.640
100	0.604	70	1.800	70	1.800
110	0.648	80	1.960	80	1.960
120	0.689	90	2.143	90	2.143
130	0.731	100	2.843	100	2.843
140	0.772	110	3.243	110	3.243
150	0.811	120	3.643	120	3.643
160	0.849	130	4.043	130	4.043
170	0.888	140	4.443	140	4.443
180	0.925	150	4.843	150	4.843
190	0.963	160	5.243	160	5.243
200	1.000	170	5.643	170	5.643
210	1.040	180	6.043	180	6.043
220	1.075	190	6.443	190	6.443
230	1.107	200	6.843	200	6.843
240	1.141	210	7.243	210	7.243
250	1.175	220	7.643	220	7.643
260	1.210	230	8.043	230	8.043
270	1.249	240	8.443	240	8.443
280	1.278	250	8.843	250	8.843
290	1.320	260	9.243	260	9.243
300	1.357	270	9.643	270	9.643
310	1.390	280	10.043	280	10.043
320	1.421	290	10.443	290	10.443
330	1.461	300	10.843	300	10.843
340	1.491	310	11.243	310	11.243
350	1.528	320	11.643	320	11.643
360	1.568	330	12.043	330	12.043
370	1.610	340	12.443	340	12.443
380	1.650	350	12.843	350	12.843
390	1.691	360	13.243	360	13.243
400	1.736	370	13.643	370	13.643
410	1.778	380	14.043	380	14.043
420	1.822	390	14.443	390	14.443
430	1.865	400	14.843	400	14.843
440	1.908	Additional rate per \$5,000 - starting at 100 0.200		Additional rate per \$5,000 - starting at 100 0.200	
450	1.946				
460	1.989				
470	2.030				
480	2.075				
490	2.119				
500	2.160				
600	2.595				
700	3.030				
800	3.465				
900	3.900				
1000	4.331				
1100	4.731				
1200	5.131				
1300	5.531				
1400	5.931				
1500	6.331				
1600	6.731				
1700	7.131				
1800	7.531				
1900	7.931				
2000	8.331				
Additional rate per \$10,000 - starting at 1000 0.040					

AGE OF HOME

Homes written on Form HO 00 03 are eligible for the following premium credits depending on the calendar year in which the dwelling was completed. The credits shown below apply to the BASE PREMIUM only.

Home Completed During	Factor
Current calendar year	0.66
One year preceding current calendar year	0.68
Two years preceding current calendar year	0.71
Three years preceding current calendar year	0.75
Four years preceding current calendar year	0.78
Five years preceding current calendar year	0.81
Six years preceding current calendar year	0.86
Seven years preceding current calendar year	0.89
Eight years preceding current calendar year	0.91
Nine years preceding current calendar year	0.92
Ten years preceding current calendar year	0.94
Eleven years preceding current calendar year	0.97
Twelve to Twenty Eight years preceding current calendar year	1.00
Twenty Nine to Thirty Three years preceding current calendar year	1.00
Thirty Four to Thirty Seven years preceding current calendar year	1.02
Thirty Eight to Forty Six years preceding current calendar year	1.00
Forty Seven to Fifty Five years preceding current calendar year	1.02
Fifty-six to Sixty-two years preceding current calendar year	1.07
Sixty-three to Seventy-two years preceding current calendar year	1.08
Seventy-three to Eighty-three years preceding current calendar year	1.10
Eighty-four to One Hundred and three years preceding current calendar year	1.11
One hundred and four or more years preceding current calendar year	1.13

DEDUCTIBLES

All Other Perils Deductibles

Deductible	Factor
\$100	1.43
\$200	1.32
\$250	1.21
\$500	1.10
\$1,000	1.00
\$2,500	0.85
\$5,000	0.75

100 Rolled up to 1,000
 200 Rolled up to 1,000
 250 Rolled up to 1,000
 500 Rolled up to 1,000

Windstorm or Hail Deductible

Coverage A Amount	All Other Perils Deductible	Windstorm or Hail Deductible (Available Statewide)					
		\$1,000	\$2,000	\$5,000	1%	2%	5%
\$0 - \$59,999	\$100*	0.89	0.76	0.39	0.94	0.86	0.64
	\$100 w/ \$250 THEFT*	0.89	0.76	0.39	0.94	0.86	0.64
	\$200*	0.90	0.78	0.40	0.95	0.88	0.65
	\$250*	0.91	0.78	0.41	0.96	0.88	0.66
	\$500	0.94	0.81	0.44	0.99	0.91	0.69
	\$1,000	-	0.88	0.50	-	0.98	0.75
	\$2,500	-	-	0.69	-	-	0.94
\$60,000 - \$99,000	\$5,000	-	-	-	-	-	-
	\$100*	0.93	0.86	0.64	0.93	0.86	0.64
	\$100 w/ \$250 THEFT*	0.93	0.86	0.64	0.93	0.86	0.64
	\$200*	0.94	0.87	0.65	0.94	0.87	0.65
	\$250*	0.95	0.87	0.65	0.95	0.87	0.65
	\$500	0.96	0.89	0.67	0.96	0.89	0.67
	\$1,000	-	0.93	0.71	-	0.93	0.71
\$100,000 - \$200,000	\$2,500	-	-	0.82	-	-	0.82
	\$5,000	-	-	-	-	-	-
	\$100*	0.95	0.89	0.70	0.93	0.86	0.63
	\$100 w/ \$250 THEFT*	0.95	0.89	0.70	0.93	0.86	0.63
	\$200*	0.95	0.89	0.71	0.94	0.86	0.64
	\$250*	0.95	0.89	0.71	0.94	0.86	0.64
	\$500	0.97	0.91	0.73	0.95	0.88	0.65
\$200,001 & UP	\$1,000	-	0.94	0.76	0.98	0.91	0.71
	\$2,500	-	-	0.85	-	-	0.75
	\$5,000	-	-	-	-	-	0.85
	\$100*	0.96	0.92	0.84	0.88	0.80	0.60
	\$100 w/ \$250 THEFT*	0.96	0.92	0.84	0.88	0.80	0.60
	\$200*	0.97	0.93	0.84	0.89	0.80	0.60
	\$250*	0.97	0.93	0.85	0.89	0.81	0.60
\$200,001 & UP	\$500	0.98	0.94	0.86	0.90	0.82	0.61
	\$1,000	-	0.96	0.88	0.92	0.84	0.63
	\$2,500	-	-	0.94	-	0.90	0.69
	\$5,000	-	-	-	-	-	0.80

*Only open to renewals which currently carry this deductible.

** For Renewals which currently carry this deductible

\$250 Theft Deductible

The theft deductible applies to Coverage C *Personal Property* and is available only when the \$100 deductible applies to All Other Perils or a higher deductible applies to the peril of Windstorm or Hail, and a \$100 deductible applies to All Other Perils.

When the \$100 deductible applies to All Other Perils, and a separate Wind-storm or Hail Deductible is not desired, compute the premium by multiplying the base premium by a factor of 1.15 for all forms except HO 00 04 and HO 00 06; 1.10 for HO 00 04 and HO 00 06.

PACKAGE PLUS & PACKAGE PLUS CLASSIC

Package Plus Rates

Form	Factor
HO 00 03	1.00
HO 00 04	1.40
HO 00 06	1.14

Classic Coverage Enhancement Rates

Form	Factor
HO 00 03	1.00
HO 00 06	1.37

Kemper Elite

Apply the following factor to the ADJUSTED BASE PREMIUM.

Form	Factor
HO 00 03	0.49
HO 00 04	0.49
HO 00 06	0.49

Special Homeowners Endorsement- VK 11 19 & VK 21 00

Apply the following factor to the ADJUSTED BASE PREMIUM.

Form	Factor
HO 00 03	0.12
HO 00 04	0.50
HO 00 06	0.20

ORDINANCE OR LAW

Percentage of Coverage A or Blanket Amount		HO 00 03	Package Plus
Increase In Amount	Total Amount		
15%	25%	0.13	0.35
40%	50%	0.35	0.67
65%	75%	0.51	0.83
90%	100%	0.67	0.99
For each additional 25% increment, up to a maximum of 200%, add		0.16	N/A

EARTHQUAKE

Earthquake Coverage Rates

Develop the HO 00 03 base premium as follows:

- Determine if Rate Table A, B, or C apply
- Determine the Earthquake Zone
- Select the rate according to construction

Zone	Counties
2	Clay, Craighead, Crittenden, Cross, Greene, Jackson, Mississippi, and Poinsett
3	Independence, Lawrence, Lee, Monroe, Phillips, Randolph, St. Francis, White, and Woodruff
4	Arkansas, Baxter, Cleburne, Conway, Desha, Faulkner, Izard, Jefferson, Little River, Lonoke, Marion, Prairie, Pulaski, Searcy,
5	Remainder of state

Apply the rate determined above to the Coverage A limit for Form HO 00 03, or the Coverage A rating limit for PACKAGE PLUS (One or Two Family Residences) after any adjustments have been made.

Earthquake				
Table	Zone	Rates per \$1,000		
		Frame+	Masonry+	Superior
A HO 00 03	2 & 3	1.16	3.00	2.50
	4	0.56	1.15	0.85
	5	0.28	0.62	0.43
B HO 00 04 or HO 00 06, Higher Coverage C Limits for other forms	2 & 3	0.58	0.85	0.63
	4	0.27	0.63	0.29
	5	0.20	0.56	0.21
C HO6 Increased Coverage A Limits over 20% Higher Coverage D Limits, HO 04 48 & Other Bldg. Options, or Ordinance or Law	2 & 3	0.58	3.41	1.20
	4	0.27	0.73	0.48
	5	0.20	0.38	0.34

For HO 00 04 or HO 00 06, determine the flat rate based on zone and construction type.

For HO 00 03 and HO 00 06: +If Exterior Masonry Veneer is covered - rate as Masonry. If Exterior Masonry Veneer is not covered - rate as Frame. Make appropriate declaration on endorsement.

For HO 00 04: +The construction type chosen for the dwelling must equal the construction type chosen for the earthquake coverage.

The Earthquake charges apply to:

- Coverage A limit for Form HO 00 03, or the Coverage A rating limit for PACKAGE PLUS (One or Two Family Residences) after any adjustments have been made, if applicable
- Coverage C limit for Form HO 00 04 or 06 or the Coverage C rating limit for PACKAGE PLUS (Condominiums and Tenants)
- Coverage C or D increased limits (For PACKAGE PLUS, charge for 20% of the Coverage A rating limit using the rates found in Table B)
- Ordinance or Law total amount of insurance (if increased amounts of coverage are requested)
- Other Building or Structure options (Other Structures HO 04 40, HO 04 48 and HO 04 92; Building Additions and Alterations HO 04 51)
- HO 00 06 Coverage A Increased Limits over 20%

Earthquake Coverage Deductibles

The base deductible is 5% of the limit of liability for each coverage A or C, whichever is greater and is subject to a \$250 minimum. This deductible may be increased for a premium credit. In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages A, B and C.

% Deductible	Frame	Superior	Masonry
5%	1.00	1.00	1.00
10%	0.90	0.90	0.95
15%	0.80	0.80	0.90
20%	0.70	0.70	0.85

DISCOUNTS

Customer Loyalty Discount

Multiply the BASE PREMIUM by a factor of **0.97** for policies that has been in-force with either Kemper Independence Insurance Company or Unitrin Preferred Insurance Company for five or more policy terms.

Hail Resistant Roof Credit

HO 00 03 only

Apply a factor of 0.95 to the BASE PREMIUM if the dwelling's roof covering meets the impact resistance of the Underwriters Laboratories testing criteria of UL Standard 2218.

Mature Homeowner Credit

Dwellings are eligible for the Mature Homeowner credit if the named insured is 60 years of age and an adult is usually home during the day. Multiply the BASE PREMIUM by a factor of 0.95

Network Discount

The Network Discount is a plan to provide Homeowners Insurance to individual members of a "Network Group."

All rules and rates of this manual are applicable to individual members of the Network Group. A Network Group is defined as follows:

1. A group of individuals who are employees of a corporation, partnership, credit union, association, or governmental department, unit or agency or
2. A group of individuals who are members of a corporation, partnership, credit union, association or governmental department, unit or agency or
3. A group of individuals who hold mortgages, loan, credit cards, and/or checking or savings accounts at a financial institution
4. A group of individuals in any other organization formed in good faith for purposes other than that of obtaining insurance

Network Discount Factor

A discount of 5% will be provided on group policies. The discount is applicable to all coverages except Earthquake and Umbrella (PCL). This discount is the result of reduced commission.

Non- Smoker Credit

The Non-Smoker discount is applied to the Base Rates if there are no smokers residing in the household. The agency should retain the Non-Smoker form in the files. Attach: VS 21 05: Non-Smoking Household Discount

Non-Smoker Credit Factor

Multiply the BASE PREMIUM by a factor of **1.00**

Seasonal or Secondary Dwelling Credit

Seasonal homes must be written as part of a package, and the company must insure the primary home. Apply a 5% discount to the BASE PREMIUM of a monoline homeowners policy.

Secondary Residence Credit

Homeowners coverage on a secondary residence premises may be provided under a separate policy.

Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.

Secondary Residence Rates

When coverage is provided on the initial and secondary residence premises under separate policies in the same company, the following premium adjustments should be made:

1. Reduce the BASE PREMIUM for the policy covering the secondary residence by \$17; and
2. Add the charge for Other Insured Location Occupied by Insured to the policy covering the initial residence

Superior Construction

The premium for a dwelling or apartment unit in a building of superior construction is computed by multiplying the masonry BASE PREMIUM for a comparable dwelling or apartment unit by a factor of 0.85.

PROTECTIVE DEVICES

Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a reduced premium computed by multiplying the BASE PREMIUM by the selected factors below. Unless otherwise indicated, credits may be cumulative.

The Smoke Detector credit is not applicable if the Residence Safety Package Credit is applied.

Attach: HO 04 16: Premises Alarm or Fire Protection System

Type of Installation	Factor
Central Station Reporting Burglar Alarm	0.90
Central Station Reporting Fire Alarm	0.90
Police Station Reporting Burglar Alarm	0.95
Fire Department Reporting Fire Alarm	0.95
Local Burglar and/or Fire Alarm and/or Smoke Detectors	0.98*
Automatic Sprinklers in all areas including attics, bathrooms, closets, and attached structures	0.87
Automatic Sprinklers in all areas except attic, bathroom, closets, and attached structure areas that are protected by a fire detector	0.92

* The smoke detector credit is not applicable if the Residence Safety Package Credit is applied.

Residence Safety Package Credit

A factor of 0.97 will be applied to the BASE PREMIUM for the installation and proper maintenance of the following three items in the dwelling:

- Smoke Detectors
- Deadbolt Locks
- Fire Extinguishers

Attach: VK 10 12: Residence Safety Package

SURCHARGES

Loss Record

A chargeable loss is defined as any loss within the experience period, with the exception of the first loss under \$1000. However, if the loss occurs within the first 12 months of being insured with The Company, regardless of the dollar amount, the loss is chargeable. (The loss amount will be determined after application of the insured's deductible.)
The premium adjustment applies separately to each residence premises on the policy, and does not apply to premiums for earthquake.

# of Losses	Code	Factor
Loss free within the experience period	0	0.95
One non-weather related loss within 25-36 months	1	1.15
One non-weather related loss within 13-24 months	2	1.15
One non-weather related loss within 0-12 months	3	1.15
Two non-weather related losses within the experience period	4	1.25
Three non-weather related losses within the experience period	5	1.40
Four non-weather related losses within the experience period	6	1.55
Five, Six or Seven non-weather related losses within the experience period	+1	1.70

Pool Surcharge:

For HO-3 policies with a swimming pool on the premises, multiply the base premium by a factor of **1.05**

Town House or Row House

All Forms Except HO 00 04 and HO 00 06

The premium for an eligible 1 or 2 family dwelling in a town or row house structure is computed by multiplying the BASE PREMIUM by the appropriate factor below.

An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division.

Four 2 family dwellings not separated by a firewall would be considered 8 individual family units.

Total No. of Individual Family Units Within the Fire Division	Protection Class	
	1- 8	9- 10
1	1.00	1.00
2	1.00	1.00
3	1.10	1.15
4	1.10	1.15
5	1.25	1.30
6	1.25	1.30
7	1.25	1.30
8	1.25	1.30
9 & over	refer to company	

Wood Burning Stove:

A wood burning stove includes:

- Fireplace inserts
- Furnace add-ons
- Freestanding stoves

The wood burning stove must not be used as a primary heat source. Annual written verification that the stove has been professionally cleaned is required.

New business located in Protection Classes 9 or 10 must have prior approval before being written or bound.

Wood Burning Stove Rates:

Multiply the BASE PREMIUM by a factor of 1.08.

Wood Roof Surcharge:

If the roof composition consists of wood shake, wood shingle, or similar wood shingle materials, multiply the BASE PREMIUM by a factor of 1.08.

This surcharge does not apply if the roof covering meets UL Standard 2218

MISC. ENDORSEMENT COVERAGE A, B & D

Building Additions and Alterations

Increased Limits - Form HO 00 04

The limit of *liability* of 10% of Coverage C (10% of the Blanket Property Limit for PACKAGE PLUS) may be increased.

Increased Limits - Form HO 00 04 Rates:

To develop the premium per \$1,000 of coverage multiply the \$25,000 HO 00 04 premium by a factor of .05

Debris Removal - Broadened Tree Removal

Coverage up to \$5,000 will be provided to remove fallen trees from the residence premises felled by any peril insured against. No more than \$1,500 of this limit may be used for the removal of any one tree. A \$250 deductible applies.

Debris Removal - Broadened Tree Removal Rates:\$50 per policy

Attach: VS 15 39: Debris Removal Monoline or

Attach: VS 15 40: Debris Removal – PACKAGE PLUS & CLASSIC COVERAGE ENHANCEMENT

Dwelling Under Construction

The policy may be endorsed to cover property while under construction from the following losses. Coverage applies to the property during construction until occupied or for 180 days, whichever is less.

Collapse

Coverage against loss caused by:

directly or indirectly by landslide or other earth movement, excluding earthquake

by water below the surface of the ground which exerts pressure on, or flows, seeps or leaks through:sidewalks, driveways, foundations, walls (basement or otherwise), doors, windows, or any other openings in (a) through (d) above.

Attach: VS 13 41 Collapse Coverage

Collapse Coverage Rates: \$35 per policy.

Theft

The policy may be extended to cover theft, including burglary, or attempted burglary of lumber, building materials, supplies, fixtures, and equipment which will be or are permanently part of the dwelling and the other structures.

The coverage applies only while the property is on or next to the residence premises and may only be purchased when Collapse coverage is applicable

Attach: VS 10 68 Theft Coverage

Theft Coverage rates: \$25 per policy.

Inflation Guard

All Forms except HO 00 04 and HO 00 06

The limits of *liability* on Coverages A, B, C and D will be automatically increased by 4% per year at no additional charge.

The increase will be 1% per quarter.

Attach VK 220-1: Inflation Protection Endorsement - HO 00 03 or VK 10 90: Inflation Protection Endorsement - PACKAGE PLUS and CLASSIC COVERAGE ENHANCEMENT

Inflation Guard - Increased Limits

The policy may be endorsed to provide higher annual increases of the Section I limits of liability as selected by the insured.

The Inflation Guard Program does not apply when HO 0420 or VS 17 80 is used.

Attach: HO 04 46: Inflation Guard - HO 00 03

Attach: VK 10 91: Inflation Guard - PACKAGE PLUS and CLASSIC COVERAGE ENHANCEMENT

Amount of Annual Increase	Factor
6%	1.03
8%	1.04
Each additional 4% over 8%, add	0.02

MISC. ENDORSEMENT COVERAGE A, B & D

HO 00 06 Unit-Owners - Coverage A

This rule does not apply to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT since the limit for Coverage A is included in the Blanket Property Limit and Coverage A is provided on a Special Coverage basis. If additional Coverage A is needed, increase the Blanket Property Limit.

The Coverage A Limit of *Liability* provided in the policy is:

50% of the Limit of Liability for Coverage C during the first 90 days the policy is in effect, rounded up to the nearest hundred.
(This does not apply to renewal or continuation of the policy.)

20% of the Limit of Liability for Coverage C after the first 90 days the policy is in effect, rounded up to the nearest hundred.

This coverage is automatically included on all HO 00 06 policies.

Attach VK 10 44: Unit-Owners Building Items

HO 00 06 Unit-Owners - Coverage A Increased Limits

The basic limit may be increased. The premium is developed based on the additional limit of insurance.

To develop the premium for each additional \$1,000 of insurance, multiply the \$25,000 HO 00 06 premium by a factor of .05

HO 00 06 Unit-Owners Coverage A Special Coverage

The Section I Perils Insured Against may be broadened to cover additional risks of loss.

This rule does not apply when Endorsement VS 1244 Special Personal Property Coverage - HO 00 06 is used.

The additional premium is developed as follows:

\$2 per policy for 20% in basic form

\$1 for each additional \$1,000 of coverage A

Attach: HO 17 36: Unit-Owners Coverage A - Special Coverage

HO 00 06 Unit-Owners Rental to Others

Not applicable to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

There is no coverage for Coverage C - Personal Property and Section II *Liability* when the residence premises is regularly rented or held for rental to others.

The policy may be endorsed, however, to provide such coverage, including theft.

The Coverage C minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$10,000.

Attach: HO 17 33: Unit-Owners Rental to Others

Form HO 00 06 Units Regularly Rented to Others Rate:

Multiply the Coverage C base premium (after it has been adjusted for a higher or lower *deductible*, if , if applicable) by a factor of 0.25.

Loss Assessment Coverage

Residence Premises

The policy automatically provides, at no additional charge, \$1,000 (\$10,000 for CLASSIC COVERAGE ENHANCEMENT) of loss assessment coverage, excluding Earthquake, for assessments relating to the residence premises.

Attach: HO 04 35: Loss Assessment Coverage

This limit may be increased, using the rates below.

New Amount of Coverage	All Forms Except HO 00 06	HO 00 06
\$1,000	Included	Included
\$25,000	\$8	\$5
\$50,000	\$13	\$10

Loss Assessment - Additional Locations

The policy may be endorsed to provide loss assessment coverage pertaining to additional locations.

The premiums listed below apply to each location covered. No more than 2 locations can be written in addition to the residence premises.

Endorsement HO 04 35 does not cover loss to property caused by Earthquake.

New Amount of Coverage	All Forms Except HO 00 06	HO 00 06
\$1,000	\$5	\$5
\$25,000	\$13	\$10
\$50,000	\$18	\$20

Loss of Use - Increased Limit

Not Applicable to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

\$4 per \$1,000 of coverage

MISC. ENDORSEMENT COVERAGE A, B & D**Other Structures****Increased Limits**

This rule does not apply for PACKAGE PLUS or Classic Coverage Enhancement (One or Two Family Residences).

The total limit for Coverage B should be included in the Blanket Property Limit.

Attach HO 04 48: Other Structures

Other Structures Increased Limits Rate:

\$4 per \$1,000 of coverage (applies separately to each structure).

Other Structures - Rented to Others - Residence Premises

The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.

Attach HO 04 40: Structures Rented to Others - Residence Premises

Other Structures Rented to Other - Residence Premises Rates:

\$5 per \$1,000 of coverage plus the premium for the increased Coverages E and F exposure (\$10 per structure)

Other Structures - Off Premises Structures

Under Form HO 00 03, the policy automatically provides Coverage B - Other Structures at 10% of Coverage A on a blanket basis to structures located on the residence premises.

This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

Under all forms, when insurance is written on a specific structure located away from the residence premises,

the rate per \$1,000 of insurance shall apply separately to each location.

Attach: HO 04 91: Coverage B - Off Premises - Monoline

Attach: VS 11 61: Coverage B - Off Premises - PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

Attach: HO 04 92: Specific Structures Away From Residence Premises

Off Premises Structures Rate:

Blanket Basis: \$12 per policy

Specific Structure: \$3 per \$1,000 of coverage

Rental to Others - Theft Coverage

Not available with VS 12 42, VS 12 43, or VS 12 44

The policy may be endorsed to cover loss by theft while the portion of the residence premises usually occupied by the insured is occasionally rented

in whole or in part to others, or while there is rental to a roomer or boarder.

Attach HO 04 80: Residence Rental Theft

Rental to Others - Theft Coverage Rate: \$15 per policy

Replacement Cost Dwelling Coverage

Extended *Replacement Cost* Coverage is available for HO 00 03 policies.

The dwelling amount is extended to provide coverage up to the dwelling replacement cost subject to a limit of 125% of the Coverage A limit.

The following risks are not eligible for Replacement Cost Dwelling Coverage:

Dwellings located in *Protection Class* 10

Dwellings under construction

Homes built prior to 1950

Dwellings not insured to 100% replacement cost

Attach: HO 23 47: Specific Additional Amount of Insurance Monoline or

Attach: VS 17 80: Extended Dwelling Replacement Cost Coverage - PACKAGE PLUS or CLASSIC COVERAGE ENDORSEMENT

Replacement Cost Dwelling Rate: Apply a factor of .04 to the adjusted base premium

If any changes are made to the dwelling which increase the dwelling replacement cost by 5% (\$5,000 for PACKAGE PLUS or Classic Coverage Enhancement)

or more, notification must be submitted to the Company within 30 days after completion.

Policy premiums will be based on annually revised dwelling values updated by the use of a residential building index used by the Company.

Sinkhole Collapse Coverage

ALL FORMS EXCEPT HO 00 04 AND HO 00 06

The policy may be endorsed to provide *sinkhole collapse* coverage.

Attach: HO 04 99: Sinkhole Collapse

Sinkhole Collapse Rate: \$0.35 per \$1,000 coverage

Multiply the Rate shown by the:

Coverage A amount of insurance.

Increased Limits for Coverage C and D

Loss Assessment Coverage, increased limits and additional locations;

Ordinance or Law coverage, increased limits and additional locations;

Other Building or Structure options (e.g. Other Structures HO 04 40, HO 04 48, and HO 04 92)

For Package Plus and Classic Coverage Enhancement, the additional premium charge shall be \$0.35 per \$1,000 of the Coverage A rating limit.

Water Back Up Coverage

Coverage may be provided for loss by water which backs up through sewers or drains, or overflows from a sump and is subject to a \$250 Deductible

Attach: VS 12 93 Water Back Up and Sump Overflow for \$5,000 - Package Plus or Monoline

Water Back Up Rates:

Coverage	Min Cov A Required	Rate
\$5,000	-	\$40
\$10,000	-	\$80
\$15,000	-	\$120
\$20,000	-	\$130
\$25,000	-	\$180

MISC. ENDORSEMENT COVERAGE A, B & D

\$30,000	\$250,000	\$220
\$40,000	\$250,000	\$300
\$50,000	\$250,000	\$400

MISC ENDORSEMENT COVERAGE C

Business Property - Increased Limits

The \$2,500 (\$5,000 for Classic Coverage Enhancement) limit of *liability* for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.

The limit of liability in excess of \$2,500 does not apply to:

Business property in storage or held as a sample or for sale or delivery after sale;

Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by HO 04 42 - Permitted Incidental Occupancies.)

When the on-premises limit is increased, the off-premises limit of \$250 (\$500 for Classic Coverage Enhancement) is automatically increased,

at no additional charge, to an amount that is 10% of the total on-premises limit.

Attach HO 04 12: Increased Limits of Business Property

Business Property - Increased Limits Rate: \$25 for each \$2,500 increase

Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money

The \$1,000 limit is included when Endorsement VK 1119 Special Homeowners Endorsement is used. Classic Coverage Enhancement includes \$10,000 of coverage.

Refer limits over \$10,000 to Company.

Attach HO 04 53: Credit Card, Fund Transfer Card, Forgery and Counterfeit Money Coverage Increased Limits

Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money Rates:

When the limit of \$500 (\$5,000 for Package PLUS) is increased, the additional premium shall be developed as follows:

Limit	Monoline Rate	Package Plus Rate
\$1,000	\$1	--
\$2,500	\$3	--
\$5,000	\$4	Included
\$7,500	\$5	\$3
\$10,000	\$6	\$4

Identity Fraud Expense Coverage

When the optional Identity Fraud Expense Coverage endorsement is attached to the policy, coverage is available to pay for the following expenses incurred by an insured

as a direct result of any one identity fraud first discovered or learned of during the policy period:

Costs for notarizing fraud affidavits or similar documents

Certified mail sent to law enforcement, financial institutions and credit agencies

Lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies

Loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information

Reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments

Up to \$15,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period, subject to a \$250 deductible.

Attach HO 04 55: Identity Fraud Expense Coverage

Identity Fraud Rate - \$25 per policy

Replacement Cost Contents Coverage

Included in PACKAGE PLUS, CLASSIC COVERAGE ENHANCEMENT, VK 11 19

"Replacement Value" may be substituted for "Actual Cash Value" for Section I - Coverage C - Unscheduled *Personal Property*.

The Replacement Value Endorsement is not available for residences rented or leased to others, seasonal, or secondary dwellings.

Replacement Cost Coverage also applies to classes of property separately described and specifically insured in this policy,

as listed in the Scheduled Personal Property endorsement.

Attach VK 10 36: Replacement Value Endorsement

Personal Property Replacement Cost Coverage Rates:

HO 00 03: Add a 10% surcharge to the base premium for Coverage A after it has been adjusted for a higher or lower deductible, if applicable.

Coverage C is automatically elevated to 70% of Coverage A at no additional charge.

HO 00 04: Add a 40% surcharge to the base premium after it has been adjusted or a higher or lower deductible, if applicable.

HO 00 06: Add a 15% surcharge to the base premium after it has been adjusted or a higher or lower deductible, if applicable.

Personal Property - Increased Limit

This rule does not apply to PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT. The total limit for Coverage C should be included in the Blanket Property Limit.

Otherwise, the limit of liability for Coverage C may be increased, or the amount may be decreased to an amount not less than 40% of the Coverage A limit

Reduction in the limit of liability for Coverage C is not permitted when the following endorsements are used VK 10 36 Replacement Value,

VK 11 19: Special Homeowners Endorsement or HO 2347 Additional Limits of Liability for Cov A

Personal Property Increased Limits Rates:

HO 00 03 without VS 11 78: \$2 per \$1,000 of coverage

HO 00 03 with VS 11 78: \$3 per \$1,000 of coverage

Personal Property - Reduction in Limit Rate: \$1 credit per \$1,000 of coverage

Personal Property - Increased Limits - Other Residences

Coverage for *personal property* usually located at other residences is limited in the policy form to 10% of Coverage C or \$1,000, whichever is greater. This limit may be increased.

Attach HO 04 50: Increased Limits on Personal Property in Other Residences

Personal Property - Increased Limits - Other Residences Rate: \$7 per \$1,000 of coverage

MISC ENDORSEMENT COVERAGE C

Increased Special Limits of Liability

Special Limits of *Liability* for Jewelry, Watches, and Furs, Money and Securities, Silverware, Goldware, and Pewterware, Firearms, and Electronic Apparatus may be increased.

Attach HO 04 65: Coverage C Increased Special Limits of Liability or VS 13 02: Coverage C Increased Special Limits of Liability for policies with VS 12 42, VS 12 43 or VS 12 44

Increased Special Limits of Liability - Jewelry, Watches, and Furs

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000 without a per article limit.

PACKAGE PLUS: The special limit of liability is \$5,000 with a per article limit of \$1,000.

VK 11 19 Special Homeowners Endorsement: An additional \$500 is automatically included

The special limit of liability of \$2,500 for theft of jewelry, watches and furs is automatically provided at no additional charge on all Homeowners policies.

This limit may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article.

An additional \$500 is automatically included when VK 11 19 Special Homeowners Endorsement is used.

Attach: VK 10 46 Unscheduled Jewelry, Watches and Furs Increased Limits of Liability

Jewelry, Watches, and Furs Rates:

Limit	Rate
\$2,500	Included
\$3,000	\$9
\$4,000	\$15
\$5,000	\$21

Increased Special Limits of Liability - Money and Securities

CLASSIC COVERAGE ENHANCEMENT includes limits of \$1,000 for Money and \$5,000 for Securities.

The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000.

Money and Securities Rates:

Money: \$6 per \$100 of Coverage

Securities: \$4 per \$100 of coverage

Increased Special Limits of Liability - Silverware, Goldware, and Pewterware

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000.

PACKAGE PLUS: The special limit of liability is \$5,000.

VK 11 19 Special Homeowners Endorsement: An additional \$500 is automatically included.

The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500.

An additional \$500 is automatically included when VK 11 19 Special Homeowners Endorsement is used.

Attach VK 10 46 Unscheduled Jewelry, Watches and furs Increased Limits of Liability.

Silverware, Goldware, and Pewterware Rate: \$3.25 per \$500 of coverage

Increased Special Limits of Liability - Firearms

CLASSIC COVERAGE ENHANCEMENT: The special limit of liability is \$5,000 without a per article limit.

PACKAGE PLUS: The special limit of liability is \$5,000 with a per article limit of \$1,000.

The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100.

Firearms Rate: \$3 per \$100 of coverage

Increased Special Limits of Liability - Electronic Apparatus

The policy provides coverage, as described below, for loss of electronic apparatus equipped to be operated from the electrical system of a motor vehicle or motorized land conveyance while retaining its capability of being operated by other sources of power:

Up to \$1,000 for apparatus in or upon a motor vehicle or motorized land conveyance, and

Up to \$1,000 for apparatus not in or upon a motor vehicle that is away from the residence premises and used for business.

Each of these limits may be increased to a maximum of \$5,000 in increments of \$500.

Electronic Apparatus Rate: \$8 per \$500 of coverage

Refrigerated Property

Not Applicable with PACKAGE PLUS, CLASSIC COVERAGE ENHANCEMENT, VS 12 13

The policy may be endorsed to provide \$500 of coverage for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure. A deductible of \$100 applies.

This coverage is included in the VK 11 19 Special Homeowners Endorsement or PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

service interruption or mechanical failure. A deductible of \$100 applies. Attach HO 0498: Refrigerated Property Coverage

Attach HO 04 98: Refrigerated Property Coverage

Refrigerated Property Rate: \$10 per policy

Special Computer Coverage

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions.

Attach VS 17 76: Special Computer Coverage

Special Computer Coverage Rate: \$15 per policy

Special Personal Property

HO 00 03 Only

Coverages A and B under Form HO 00 03 are insured against additional risks of physical loss subject to certain exclusions.

Coverage C is insured against perils named in the form.

The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.

The \$100 Deductible is not applicable when this coverage is included in the policy.

Attach VS 17 78: Special *Personal Property* Coverage - HO 00 03 Only or VS 17 77: Special Personal Property Coverage – PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

HO 00 06 Only

Coverage C and Coverage A under Form HO 00 06 are insured against perils named in the form.

The policy may be endorsed to insure Coverage C and Coverage A against additional risks of physical loss subject to certain exclusions.

This option may only be used when the condominium or cooperative unit is owner occupied.

The \$100 Deductible is not applicable when this coverage is included in the policy.

Attach VS 17 79: Special Personal Property Coverage - HO 00 06 Only or VS 17 77: Special Personal Property Coverage – PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT

Endorsements VS 12 42, VS 12 43, and VS 12 44 do not cover loss to personal property under Section I caused by Earthquake.

Special Personal Property Rates:

Form	Factor
HO 00 03	1.15

MISC ENDORSEMENT COVERAGE C

HO 00 06	1.20
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BLANKET VALUABLE ITEMS

The classes of valuable items listed below are covered under a blanket coverage basis. The items are insured against risk of direct loss only if the loss is a physical loss to property. No *deductible* applies to this coverage, except if a loss under this coverage is also covered under Coverage C of this policy, such Coverage C insurance shall be excess and the Section I deductible shall apply to the excess coverage. Charge the rate shown below. A minimum coverage amount \$1,000 with a minimum premium of \$10 applies.

Attach VS 15 99: Coverage G - Blanket Valuable Items

The following property classes have a per item limit of \$10,000 and an aggregate limit of \$50,000:

Class	Rate per \$100
Jewelry	\$1.13
Furs	\$0.31
Fine Arts PC 1-9	\$0.18
Fine Arts PC 10	\$0.23
Silverware	\$0.23
All Classes	\$1.13

The following property classes have a per item limit of \$5,000 and an aggregate limit of \$25,000:

Class	Rate per \$100
Golfer's Equipment	\$0.59
Cameras	\$1.02
Guns	\$2.72
Musical Instruments	\$0.32
Fragile Articles (includes breakage coverage) PC 1-9	\$0.43
Fragile Articles (includes breakage coverage) PC 10	\$0.51

Collectibles

The following property classes have a per item limit of \$5,000 and an aggregate limit of \$25,000:

Class	Rate/\$100	Class	Rate/\$100
Advertising Memorabilia	\$0.41	Lamps & Lighting	\$0.51
Art - Craft Equipment and Tools	\$0.46	License Plates	\$0.39
Art - Paintings, Prints, Sculpture	\$0.39	Lighted Signs	\$0.36
Autograph Collection	\$0.44	Maps	\$0.39
Beauty & Grooming Tools and Memorabilia	\$0.41	Marbles	\$0.35
Bell Collection	\$0.39	Matchcovers and Matchbooks	\$0.37
Bicycles	\$0.53	McDonalds Memorabilia	\$0.52
Books - Bibles & Liturgy	\$0.36	Metal Detecting	\$0.32
Books - Comic	\$0.43	Metal Signs	\$0.41
Books - General	\$0.42	Microfiche (film and equipment)	\$0.47
Bottles	\$0.51	Military	\$0.37
Breweriana	\$0.39	Movies/Television films	\$0.45
Bric-a-brac (not otherwise classified)	\$0.49	Music Boxes	\$0.42
Business History, Signage, Documents	\$0.51	Music Memorabilia & Related	\$0.37
Buttons	\$0.37	Musical Instruments	\$0.60
Canes	\$0.32	Native Artifacts	\$0.38
Celebrity Memorabilia	\$0.51	Paperweights	\$0.42
Ceramics	\$0.48	Perfume Bottles	\$0.46
China	\$0.48	Photography Cameras, Projectors, Equipment	\$0.61
Clocks	\$0.42	Photography Prints, books	\$0.43
Coins	\$1.25	Plaques	\$0.38
Comic Characters	\$0.45	Political Memorabilia	\$0.39
Computers (unique/antique)	\$0.53	Porcelain	\$0.48
Correspondence	\$0.42	Postcards	\$0.37
Costumes	\$0.51	Posters/Paper	\$0.37
Currency	\$1.25	Quilts	\$0.36
Depression Glass	\$0.44	Radio Memorabilia & Related	\$0.37
Disney	\$0.52	Railroad Memorabilia & Related	\$0.38
Dolls - Barbie and accessories	\$0.41	Religious (statues, votive, books, papers)	\$0.38
Dolls - Cinnabar and accessories	\$0.41	Royalty Memorabilia	\$0.38
Dolls - General	\$0.41	Science Fiction (models, books, educational material)	\$0.43
Dolls - Kachina and accessories	\$0.41	Shells/Stones/Gems	\$0.42
Dolls - Stuffed Dolls and Animals	\$0.44	Soda Collectibles	\$0.41
Eyeglasses and Magnifiers	\$0.47	Space & Flying (models, books, education material)	\$0.43
Farm Memorabilia & Related	\$0.33	Spoons	\$0.42
Figurines - Hummel	\$0.43	Sports Cards/Baseball Cards	\$0.38
Figurines - Miniatures	\$0.44	Sports Memorabilia (Autographs, equipment, posters, film)	\$0.44
Figurines - Royal Doulton	\$0.41	Stamps	\$0.36
Fire Memorabilia & Related	\$0.44	Textiles & Needlework (equipment, material)	\$0.36
Firearms	\$0.70	Tobacco History (equipment, books, posters, advertisement)	\$0.41
Fountain Pens	\$0.37	Tokens & Medals	\$0.39
Glass Sculpture	\$0.44	Tools & Machinery	\$0.46
Golf Equipment and Memorabilia	\$0.48	Toys & Games	\$0.42
Holiday Ornaments	\$0.45	Trains (model, toy)	\$0.33
Hubcaps	\$0.82	Transportation	\$0.35
Kitchen Tools & Utensils	\$0.34	Western	\$0.39
Knives	\$0.41	Wine	\$0.50

SCHEDULED PERSONAL PROPERTY

Minimum coverage amount per class is \$1,000. Minimum endorsement premium is \$17.
 Jewelry is considered "Highly Protected" if the covered article(s) is kept at all times, when not being worn, in a secured on-premises safe or vault.
 The safe or vault must be permanently attached to the residential structure and not capable of being lifted or moved by an individual person.
 Bicycles cannot be scheduled, they can be added to the Blanket Valuables endorsement.
 Attach VS 17 77: Scheduled Personal Property

Agreed Value

Agreed value can be added for an additional 5% per \$100 of coverage
 This coverage is Included with CLASSIC COVERAGE ENHANCEMENT. Not available for Personal Electronic Equipment.
 Attach VK 10 35: Scheduled Personal Property - Agreed Value

Scheduled Personal Property Rates (Jewelry Rates, separate chart)

Scheduled Personal Property Rates Class	Rate per \$100
Cameras - Personal	\$1.15
Cameras - Professional	\$2.30
Coins	\$1.25
Stamps (Endorsement ISC 1311 Stamp & Coin Collection Safe Credit Endorsement)	\$0.45
Furs	\$0.35
Golfer's Equipment	\$0.65
Guns - Single item up to \$5,000	\$3.00
Guns - Single item over \$5,000	\$4.00
Musical Instruments - Personal	\$0.35
Musical Instruments - Professional (Bass violins not eligible)	\$0.70
Personal Electronics (Endorsement VK 935) Minimum Premium \$15	\$0.50
Silverware	\$0.25

Scheduled Personal Property - Jewelry Rates

Single Articles Valued: Rate per \$100	Up to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999
Basic	\$1.25	\$1.31	\$1.38	\$1.44
Melee	\$1.06	\$1.12	\$1.17	\$1.22
Highly Protected	\$1.06	\$1.12	\$1.17	\$1.22
Melee Highly Protected	\$0.88	\$0.92	\$0.96	\$1.01
Vault	\$0.30	\$0.32	\$0.33	\$0.35
Melee Vault	\$0.26	\$0.27	\$0.28	\$0.29
Broad Pair and Set**	\$0.50	\$0.53	\$0.55	\$0.58

**Broad Pair and Set is in addition to the basic, highly protected or vaulted rate
 Attach Endorsement VS 18 37: Highly Protected Property (includes Melee)
 Attach Endorsement IJF 10 12: Jewelry in Vaults (includes Melee)
 Attach Endorsement IJF 10 11: Jewelry Broad pair & Set Clause

Scheduled Personal Property - Fine Arts

For the Primary Location stated in the Declaration of the Policy, use the chart below.
 For Secondary Locations - If risk or articles of the Fine Arts private collection have considerable transit exposure between Primary and Secondary Locations use highest applicable protection class premium. Use the chart below if located in this state.
 If located in another state, refer to that state's manual or the Company.
 Breakage coverage for fragile articles may be extended to cover all risk of physical loss at a rate of \$0.15 per \$100. When special breakage coverage is extended to fine arts, rate that portion with breakage and that portion without breakage separately.

Single Articles Valued: Rate per \$100	Up to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999
Fine Arts- Homeowner Residence				
Masonry & Frame PC 1-8	\$0.12	\$0.10	\$0.10	\$0.10
Masonry & Frame PC 9-10	\$0.22	\$0.18	\$0.18	\$0.18
Fine Arts- Condo or Tenants Residence				
Masonry & Frame PC 1-8	\$0.22	\$0.18	\$0.18	\$0.18
Masonry & Frame PC 9-10	\$0.33	\$0.28	\$0.27	\$0.27

ADDITIONAL OPTIONS- LIABILITY

Additional Residence

Section II coverage may be provided on locations other than the residence premises, where an insured resides, but which are insured for Section I coverage under another insurance program or by another company.
Attach ADRES: Additional Residence

Other Insured Location Rates:

Residence Type	Rate
One Family	\$6
Two Family	\$12
Three Family	\$24
Four Family	\$25

Additional Residence Rented to Others

The policy may be endorsed to provide coverage when an additional residence is rented to others.
Attach HO 24 70: Additional Residence Rented to Others

Additional Residence Rates:

Residence Type	Rate
One Family	\$10
Two Family	\$16
Three Family	\$28
Four Family	\$30

Business Pursuits

The policy may be endorsed to provide coverage for the *liability* of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control in the business.
Attach HO 24 71: Business Pursuits

Business Pursuits Rates:

Insured Person	Rate per Person
Clerical Employees	\$4
Salesperson, Collector or Messenger - Installation, Demonstration or Servicing operation: Included	\$6
Sales person, Collector or Messenger - Installation, Demonstration or Servicing operation: Excluded	\$4
Teachers: Laboratory, athletic, manual, or physical training	\$11
Teachers: Other	\$5

Incidental Farming Personal Liability On the Residence Premises

The policy may be endorsed to provide coverage for the *liability* of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operation is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals. However, coverage is not available if the residence premises is used for racing purposes.
Attach HO 24 72: Incidental Farming Personal Liability

Incidental Farming - Away From the Residence Premises

The policy may be endorsed to provide coverage for the *liability* of the insured whose incidental farming activities are conducted at the locations specified in the endorsement, which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.
Attach HO 24 72: Incidental Farming Personal Liability

Incidental Farming Personal Liability Rates:

Location	Rate
On the Residence Premises	\$40
Away From the Residence Premises	\$50

Other Exposures

Other Exposures - Medical Payments to Others Increased Limits

Coverage F - Medical Payments	\$2,000	\$3,000	\$4,000	\$5,000
Home Business Insurance Coverage:				
Under 10 Business Visitors per Week	\$ 5	\$ 10	\$ 15	\$ 19
10 or more visitors per week				
1. Gross Annual Receipts of \$100,000 or less	\$ 8	\$ 13	\$ 18	\$ 22
2. Gross Annual Receipts over \$100,000	\$ 9	\$ 14	\$ 19	\$ 23
Other Insured Locations Occupied By Insured	\$ 1	\$ 2	\$ 3	\$ 4
Residence Employees	\$ 1	\$ 2	\$ 3	\$ 4
Additional Residence Rented to Others	\$ 1	\$ 2	\$ 3	\$ 4
Other Structures Rented to Others Residence Premises	\$ 1	\$ 2	\$ 3	\$ 4
Permitted Incidental Occupancies				
• Residence Premises	\$ 5	\$ 10	\$ 15	\$ 19
• Other Residences	\$ 3	\$ 6	\$ 9	\$ 11
Business Pursuits				
• Clerical Employees	\$ 1	\$ 2	\$ 3	\$ 4
• Salesperson, Installation, etc.	\$ 1	\$ 2	\$ 3	\$ 4
• Lab Teachers	\$ 2	\$ 4	\$ 6	\$ 7
• Other Teachers	\$ 1	\$ 2	\$ 3	\$ 4
Incidental Farming Personal Liability	\$ 1	\$ 2	\$ 3	\$ 4

ADDITIONAL OPTIONS- LIABILITY

Other Exposures - Personal Liability Increased Limits

Apply the appropriate factor shown below to the basic limits premium for each exposure

Limit	Factor
\$200,000	1.15
\$300,000	1.24
\$400,000	1.30
\$500,000	1.35

Permitted Incidental Occupancies

Residence Premises and Other Residences

Coverage for a permitted incidental occupancy is limited under Section I and excluded under Section II. The policy may be endorsed to provide expanded Section I coverage and Section II coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.

Permitted Incidental Occupancies

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

If the permitted incidental occupancy is located in another structure, Coverage B does not apply to that structure. See below, for charge for specific insurance on the structure.

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage C limits stated in the declarations.

Attach HO 04 42: Permitted Incidental Occupancies Residence Premises

Attach HO 24 43: Permitted Incidental Occupancies - Other Residence

Section I: Property - Permitted Incidental Occupancies Rates:

If the permitted incidental occupancy is located in the dwelling, no additional charge is made.

If the permitted incidental occupancy is located in another structure, charge \$5 per \$1,000 of coverage.

Section II: Liability - Permitted Incidental Occupancies Rates:

Location	Rate Per Residence
Residence Premises	\$19
Other Residence	\$18

Personal Injury

Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.

This coverage is included in the VK 11 19 Special Homeowners Endorsement or PACKAGE PLUS or CLASSIC COVERAGE ENHANCEMENT is used

Attach HO 24 82: Personal Injury

Personal Injury Rate: \$13 per policy

Residence Employees

Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section II of the policy.

There is no additional charge for up to two residence employees.

Residence Employees Rate: \$5 per person (in excess of two).

Residence Premises - Basic and Increased limits

If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

Coverage E - Liability

Limit	1 or 2 Family Premium	3 or 4 Family Premium
\$100,000	Included	Included
\$200,000	\$10	\$25/\$32
\$300,000	\$15	\$40/\$52
\$400,000*	\$18	\$50/\$65
\$500,000	\$20	\$59/\$76

* Not Available for Package Plus or Classic Coverage Enhancement

Coverage F - Medical Payments to Others

Limit	Rate
\$1,000	Included
\$2,000	\$3
\$3,000	\$6
\$4,000	\$9
\$5,000	\$12

Zip	Territory
71601	44
71602	33
71603	44
71611	44
71612	33
71613	44
71630	33
71631	33
71635	36
71638	33
71639	33
71640	33
71642	36
71643	33
71644	33
71646	36
71647	33
71651	33
71652	33
71653	33
71654	33
71655	33
71656	33
71657	33
71658	36
71659	33
71660	33
71661	36
71662	33
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71665	33
71666	33
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71670	33
71671	33
71674	33
71675	33
71676	36
71677	33
71678	33
71701	33
71711	33
71720	33
71721	51
71722	33
71724	42
71725	33
71726	33
71728	51
71730	42
71731	42

71740	42
71742	33
71743	51
71744	33
71745	33
71747	42
71748	33
71749	42
71750	42
71751	33
71752	42
71753	42
71754	42
71758	42
71759	42
71762	42
71763	33
71764	33
71765	42
71766	33
71768	42
71770	42
71772	51
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71822	33
71823	33
71825	33
71826	42
71827	42
71828	33
71831	33
71832	33
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71834	42
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71970	33
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72941	43
72943	52
72944	33
72945	43
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72951	52
72952	43
72955	43
72956	43
72957	43
72958	33
72959	37

Form	Fee
HO-03	\$ 80.00
HO-04	\$ 20.00
HO-06	\$ 30.00

TUIC BO Arkansas

Liability and Medical Payments

outboard engine or motor or combination up to 25 HP (50 HP with VK 1119, PACKAGE PLUS or Classic Coverage Enhancement), and sailboats less than 26 feet in overall length with or without auxiliary power. The watercraft limit of liability shall be the same as the homeowners. Attach: VS 1803; Boatowners

Liability Rates

Use the following premiums for all other boats and motors for a limit of 100,000 *Personal Liability*.

Watercraft Type	Rate
Outboard less than 26 feet	\$16
Outboard 26 feet or more	\$32
Inboard or Inboard/Outboard 15 feet & under	\$25
Inboard or Inboard/Outboard over 15 feet	\$34
Sail 26 feet or more	\$25
Personal Watercraft < 600 CCs	\$79
Personal Watercraft 600+ CCs	\$96

Note: Use the Homeowners Other Exposures-Personal Liability Increased Limits for limits over 100,000. If physical damage coverage is written on the boat; 100,000 liability and 1,000 medical payment is included at no additional cost.

Medical Payments Rates

Limit	Rate
1,000	Included
2,000	\$4
3,000	\$8
4,000	\$12
5,000	\$14

Portable Equipment

Coverage is provided up to a \$500 limit for unscheduled portable equipment and accessories. Do not include the value of portable electronic equipment or other excluded items. Excluded items mean Electronic, photographic or water sports equipment
Fishing gear

Coverage for electronic and photographic equipment may be purchased under the Scheduled *Personal Property* Endorsement, the Blanket Valuable Items Coverage Endorsement or the Scheduled Personal Electronic Equipment Endorsement.

Portable Equipment Additional Coverage Rate

\$3 per \$100 over \$500

Repair or Replacement Coverage

For Damage to Your Boat

In the event of a total loss caused by other than fire, theft or larceny, the Limit of Liability will be the lesser of; the reasonable cost to recover and repair the boat with like kind and quality; or the cost of a new boat of the same make, length, model, type and equipment as the damaged boat. This coverage may apply to motors and trailers less than 5 years of age, if the coverage is requested and a premium is charged for the unit, being shown on the boatowners endorsement.

For total loss we will pay the unpaid amount due on the lease/loan less and deductions specified under the endorsement.

This coverage is available only for previously untitled boats, purchased or leased new. (current and immediate prior model year.)

Coverage must be added within 45 days of purchase or lease of a new boat for existing policyholders.

For new policyholders, the coverage must be written within 1 year of purchase or lease of a previously untitled boat.

The Limit of Liability must equal the purchase price of the boat and any additional equipment.

Coverage is available until the boat is 5 years old. Coverage must be continuously maintained with no decrease in the Limit of Liability.

Personal Watercraft is not eligible for Repair or Replacement Coverage.

Attach: VS 1451: Repair or Replacement Boat Loan/Lease For Damage to Your Boat

Repair or Replacement Coverage for Damage to Your Boat Rate

Apply a factor of 1.15 to the Adjusted Base Premium

Uninsured Boaters Coverage

Uninsured Boaters Coverage is available for boats at limits less than or equal to the liability limits. Uninsured Boaters Coverage is NOT available for Personal Watercraft and will be excluded. No credits or surcharges are applied to this optional coverage.

Uninsured Boaters Rates

Limit	Rate
10,000	\$15
25,000	\$25
100,000	\$50
200,000	\$68
300,000	\$80
400,000*	\$90
500,000	\$100
750,000*	\$200
1,000,000*	\$200

*Only available where home *personal liability* limit amount offered.

Deductible

Determine the *deductible* to be used on the endorsement. Only one deductible amount may apply for all items on a single endorsement.

Apply the following factor to the base premium:

Deductible	Factor
\$100	1.15
\$200	1.05
\$250	1
\$500	0.9
\$1,000	0.78

Physical Damage Rates

The rates below apply to boats, motors and trailers. For motors and trailers use the rate of the boat type the unit is used with, and apply a factor of 0.45. Values over 100,000 must be approved before binding. For values not displayed interpolate, use the same methodology as used for the home coverage limits.

Amount	Outboard	Inboard/Outdrive and Inboards	Sailboat	Personal Watercraft
1000	43	60	43	85
2000	53	74	53	104
3000	62	87	62	123
4000	71	99	71	142
5000	81	112	81	161
6000	88	123	88	180
7000	95	133	95	199
8000	102	143	102	218
9000	110	152	110	237
10000	117	163	117	256
11000	124	174	124	275
12000	132	185	132	294
13000	139	195	139	313
14000	146	206	146	332
15000	153	217	153	351
16000	160	228	160	370
17000	167	239	167	389
18000	174	250	174	408
19000	180	260	180	427
20000	187	271	187	446
21000	194	282	194	
22000	201	293	201	
23000	208	304	208	
24000	215	315	215	
25000	222	326	222	
26000	229	336	229	
27000	236	347	236	
28000	243	358	243	
29000	250	369	250	
30000	257	380	257	
35000	293	434	293	
40000	327	488	327	
45000	363	540	363	
50000	398	592	398	
55000	433	645	433	
60000	468	697	468	
65000	503	750	503	
70000	538	802	538	
75000	573	854	573	
80000	608	907	608	
85000	643	959	643	
90000	678	1011	678	
95000	713	1063	713	
100000	748	1115	748	
Each Additional 1000	7	10	7	22

Older Boat Surcharge

The Older Boat Surcharge applies to boats, motors and trailers in excess of 5 years of age. Does not apply to Personal Watercraft.

Apply the appropriate factor:

Age of Boat	Factor
0 to 5 years	1
6 to 10 years	1.1
11 to 14 years	1.2
15 years and older	1.4

Territory Extension and Coastal Water Surcharge**Territory Extension**

The Policy Territory Extension Endorsement extends the saltwater limitation up to 50 miles offshore. The following requirements apply:

Must be a powerboat with a minimum length of 26 feet.

The boat must be equipped with a compass, ship to shore radio and GPS. UHF communications recommended.

This option is not available for Personal Watercraft.

Attach: UK 635: Policy Territory Extension

Territory Extension Rate

Apply a factor of 1.10 to the Adjusted Base Rate

Endorsement is not applicable when in Mexican territory. The surcharge applies to each boat unit only when the extension is requested.

Coastal Water Surcharge

A surcharge shall be applied to the premiums of any boat used in coastal waters. Not applicable to Personal Watercraft. All surcharges are applied before credits are allowed.

Apply a factor of 1.25 to the adjusted base rate.

Safety Equipment Credit

Approved and properly maintained safety equipment may be recognized for a reduced premium. This credit does not apply to Personal Watercraft. Total Safety Equipment credit can not exceed 25%.

Apply the following Credits to the Boat or motor (if applicable) Adjusted Base Premium:

Equipment	Credit
Built in CO-2 Fire Extinguisher	0.95
Radar Equipment	0.95
VHF Ship to Shore Radio Telephone (not Citizens Band Radio)	0.95
Loran or GPS	0.95
Vapor Detector System	0.98
Depth Finder	0.98
Outdrive Lock and Outboard Motor Transom Lock	0.98
Diesel Powered Sailboat; and Diesel Powered Powerboat	0.9

Seamanship Credits

Only one of the credits below may be used to reduce the premium for each Boat and will apply to all premiums except Uninsured Boaters. This credit does not apply to Personal Watercraft.

Credit I

A 5% credit is available for completion of at least one of the following courses of the United States Coast Guard Auxiliary by the **Named Insured**:

- Basic Piloting Course
- Advance Piloting Course
- Seamanship Course
- Basic Seamanship Course

Apply a factor of .95 to the Adjusted Base Premium

Credit II

A 10% credit is available if the Insured is an active member of the Power Squadron or Coast Guard Auxiliary.

Apply a factor of .90 to the Adjusted Base Premium.

No Companion Credit

A factor of 1.11 will be applied to the base premium of a manually issued boat policy that does not have a companion homeowners policy.

Package Plus Discount

A discount of .95 applies if the policy is written as part of a package.

Home Business Coverage - Premium

Add the Section I and Section II premium components described below to arrive at the Home Business Coverage premium. HO 0417 Section I and II Exclusions for Computer Related Damage or Injury Endorsement will automatically be attached to all policies that include VS 2178. Attach: VS 2178: Home Business Insurance Coverage

Section I: Property

Determine the base premium as follows:

- HO 00 03: Select the \$100,000 *Frame* /Protection Class 5 rate for the appropriate territory and tier,
- HO 00 04 and HO 00 06: Select the \$25,000 *Frame/Protection Class* 5 rate for the appropriate territory and tier that applies to the residence premises with the home business and multiply it by the appropriate factor shown in the Gross Annual Receipt table below. For a new business, use the \$50,001 to \$100,000 classification.

Gross Annual Receipts	HO 00 03	HO 00 04	HO 00 06
Up to \$50,000	0.08	0.44	0.49
\$ 50,001 to \$100,000	0.12	0.7	0.78
\$100,001 to \$175,000	0.18	1.03	1.14
\$175,001 to \$250,000	0.25	1.42	1.58

Multiply the result computed above by the rating factors for the following risk categories:

Protection Class	Frame	<i>Masonry</i>
1-6	1	0.88
7	1.2	1.06
8	1.25	1.1
9	2	1.76
10	2.3	2.02

Only apply *Superior Construction* and Protective Devices credits if they are applied to the dwelling building or other structure for the residential exposure.

For Townhouse or Row House Construction: For all Forms except HO 00 04 and Form HO 00 06, apply the same factor used for the residential exposure. For Forms HO 00 04 and HO 00 06, apply the factor listed on the Townhouse or Row House page for the number of individual family units within a fire division that best describes the building that contain the residential and business property.

When a home business is operated from one or more other structures on the residence premises and declared on the Schedule, multiply the limit of liability for each structure by the premium per \$1,000 shown on the Other Structures page.

Business Income, Extended Business Income and Extra Expense Rates

The \$5,000 limit of liability may be increased.

Total Coverage Limit	Rate
\$25,000	\$40
\$50,000	\$90
\$100,000	\$190

Section II: Business Liability

Low traffic = fewer than 10 visitors per week; High traffic = 10+ visitors per week. For a new business, use high traffic and \$50,001 to \$100,000 classification rates

Office Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$250,000	\$8	\$12

Service Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$22	\$33
\$50,001 - \$100,000	\$67	\$100
\$100,001 - \$175,000	\$123	\$184
\$175,001 - \$250,000	\$190	\$285

Sales Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$12	\$17
\$50,001 - \$100,000	\$35	\$52
\$100,001 - \$175,000	\$64	\$96
\$175,001 - \$250,000	\$99	\$148

Crafts Classification

Gross Annual Receipts	Low Traffic	High Traffic
\$0 - \$50,000	\$16	\$24
\$50,001 - \$100,000	\$48	\$72
\$100,001 - \$175,000	\$87	\$131
\$175,001 - \$250,000	\$135	\$203

COVERAGE E AND F INCREASED LIMITS

When the Coverage E or Coverage F limit is increased for Homeowners Insurance, the Home Business Insurance Coverage limits will also be increased.

Personal Liability Increased Limits

Apply the appropriate factor shown below to the basic limits premium for each exposure.

LIMIT	FACTOR
\$200,000	1.15
\$300,000	1.24
\$400,000	1.3
\$500,000	1.35

Medical Payments Increased Limits

COVERAGE F - MEDICAL PAYMENTS	\$2,000	\$3,000	\$4,000	\$5,000
Home Business Insurance Coverage				
• Under 10 Business Visitors per Week	\$5	\$10	\$15	\$19
• 10 or More Business Visitors per Week				
1. Gross Annual Receipts of \$100,000 or less	8	13	18	22
2. Gross Annual Receipts over \$100,000	9	14	19	23

Note: HO 0417 Section I and II Exclusions for Computer Related Damage or Injury Endorsement will automatically be attached to all policies that include VS 1788.