

SERFF Tracking Number: SHEL-126927305 State: Arkansas  
Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100  
Company Tracking Number: 03M00210  
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)  
Product Name: PPA  
Project Name/Number: Rooney/

## Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: PPA

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto  
(PPA)

Filing Type: Rate/Rule

SERFF Tr Num: SHEL-126927305 State: Arkansas

SERFF Status: Closed-Filed

Co Tr Num: 03M00210

Authors: Brian Marcks, Sue  
Burlingame

Date Submitted: 12/03/2010

State Tr Num: EFT \$100

State Status: Fees verified and  
received

Reviewer(s): Alexa Grissom, Nancy  
Horton

Disposition Date: 12/13/2010

Disposition Status: Filed

Effective Date Requested (New): 02/07/2011

Effective Date Requested (Renewal): 02/07/2011

State Filing Description:

Effective Date (New): 02/07/2011

Effective Date (Renewal):

## General Information

Project Name: Rooney

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 12/13/2010

State Status Changed: 12/13/2010

Created By: Brian Marcks

Corresponding Filing Tracking Number:

Filing Description:

This filing consists of revised base rates for Liability, Medical Payments, Collision and Comprehensive coverages. Tier factors have been revised. Emergency Road Service rates have been revised. Cost Symbol factors have been revised for Utility / Camping Trailers. Model Year factors have been added. Collision deductible factors have been revised. The Comprehensive Utility / Camping Trailer factor has been revised. Passive Restraint Discount percentages have been revised. Editorial changes have been made to the General Rules Pages.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Submitted By: Brian Marcks

The overall effect of this filing is expected to be a revenue increase of 4.5% or \$5,228,981.

## Company and Contact

SERFF Tracking Number: SHEL-126927305 State: Arkansas  
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 Product Name: PPA  
 Project Name/Number: Rooney/

**Filing Contact Information**

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

**Filing Company Information**

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

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**Filing Fees**

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$100.00	12/03/2010	42593111

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	12/13/2010	12/13/2010

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 Product Name: PPA  
 Project Name/Number: Rooney/

## Disposition

Disposition Date: 12/13/2010  
 Effective Date (New): 02/07/2011  
 Effective Date (Renewal):  
 Status: Filed  
 Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Shelter Mutual Insurance Company	5.300%	4.500%	\$5,228,981	202,446	\$116,831,708	19.800%	-18.400%

SERFF Tracking Number: SHEL-126927305 State: Arkansas  
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 Product Name: PPA  
 Project Name/Number: Rooney/

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Explanatory Memorandum	Filed	Yes
Supporting Document	Rate Indications	Filed	Yes
Supporting Document	Histogram	Filed	Yes
Rate	Manual Pages	Filed	Yes

SERFF Tracking Number: SHEL-126927305  
 Filing Company: Shelter Mutual Insurance Company  
 Company Tracking Number: 03M00210  
 TOI: 19.0 Personal Auto  
 Product Name: PPA  
 Project Name/Number: Rooney/

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

## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	File and Use
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	-4.000%
<b>Effective Date of Last Rate Revision:</b>	12/29/2009
<b>Filing Method of Last Filing:</b>	File and Use

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Shelter Mutual Insurance Company	5.300%	4.500%	\$5,228,981	202,446	\$116,831,708	19.800%	-18.400%

<i>SERFF Tracking Number:</i>	<i>SHEL-126927305</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Shelter Mutual Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>03M00210</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0001 Private Passenger Auto (PPA)</i>
<i>Product Name:</i>	<i>PPA</i>		
<i>Project Name/Number:</i>	<i>Rooney/</i>		

## Rate/Rule Schedule

<b>Schedule Item</b>	<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action</b>	<b>Previous State Filing Attachments Number:</b>
Filed 12/13/2010	Manual Pages	GR-21, GR-22, GR-25, R-2, R-3, R-6, R-7, R-10, R-18 and CISO-2	Replacement	AR GR, R and CISO pages.pdf

## 9. OTHER DISCOUNTS

### A. SAFE DRIVER DISCOUNT

This discount applies to all private passenger automobiles, as defined in this manual, except those written under the Antique or Limited Use Classic Automobile Rule. This discount also applies to vehicles written under the Motor Home Rule. This discount will apply to the premiums for Liability, Medical Payments and Collision coverages.

#### (1) New Business

A 12% discount will apply to new Shelter Mutual policies, which meet the following criteria:

- (a) no chargeable accidents (as defined in the Good Driver Plan) or violations in the past 36 months, and
- (b) no driver exclusion endorsement present on the policy, and
- (c) rate classification of B1, B2, B3, B4, B5, B6, B7, D1, D2, D3, D4, D5, D6, D7, H1, H2, H3, H4, H5, H6, or H7.

Eligibility for the discount is determined for a policy at the time the policy is originally written. A policy qualifying for the discount will receive the discount for the first 36 months the policy is in force, unless one of the following applies:

- (a) in the event of a chargeable accident (as defined in the Good Driver Plan), the discount will be removed at the next renewal, or
- (b) if a driver exclusion endorsement is added to the policy, the discount will be removed immediately at the time of the policy change, or
- (c) if the policy is changed to a non-qualifying rate classification, the discount will be removed immediately at the time of the policy change.

In addition to the loss of the discount, the occurrence of a chargeable accident (as defined in the Good Driver Plan) will also result in the policy being assigned to the appropriate Rating Table (as defined in the Good Driver Plan).

#### (2) Renewal Business

A 15% discount will apply to Shelter Mutual policies:

- (a) which have been in force in either Shelter Mutual or Shelter General for at least 36 months, and
- (b) which have had no chargeable accidents (as defined in the Good Driver Plan) within the 36-month period ending 30 days prior to the effective date of the renewal.

A 20% discount will apply to Shelter Mutual policies:

- (a) which have been in force in either Shelter Mutual or Shelter General for at least 72 months, and
- (b) which have had no chargeable accidents (as defined in the Good Driver Plan) within the 72-month period ending 30 days prior to the effective date of renewal.

**9. OTHER DISCOUNTS (Cont.)**

**A. SAFE DRIVER DISCOUNT (Cont.)**

(2) Renewal Business (Cont.)

The occurrence of the first chargeable accident under policies receiving either a 15% or 20% discount will result in the loss of the discount at the next renewal; however, the accident rating table increase that would normally result from the application of the Good Driver Plan will be exempted.

The first otherwise chargeable accident that occurs after the policy has been in force 9 years will be “waived” and will not result in the loss of the 20% Safe Driver Discount. A subsequent chargeable accident within 9 years of the “waived” accident will result in the loss of the discount.

Policies previously in force with Shelter Mutual or Shelter General that were eligible for either a 15% or 20% Safe Driver Discount at the expiration date of the policy may be rewritten with the same 15% or 20% discount provided:

- (a) the policy is rewritten within 36 months, and
- (b) there have been no accidents determined to be the fault of the owner or any operator of the vehicle being insured since the expiration of the previous policy.

**B. PASSIVE RESTRAINT DISCOUNT**

The premium for Medical Payments coverage for a private passenger automobile shall be reduced by the following amount provided the automobile is equipped with a factory-installed air bag or other passive restraint system that meets Federal safety standards.

<b>Passive Restraint System</b>	<b>Discount</b>
Air Bag (Driver side only)	4%
Air Bag (Driver and passenger side)	6%
Air Bag and Automatic Seat Belts (Driver and passenger side)	8%

**C. RESERVED FOR FUTURE USE**

### **13. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

Coverage is available for any electronic equipment that reproduces, receives or transmits audio, visual or data signals including any accessories used with such equipment. The equipment or its housing must be permanently installed in or upon locations that are normally used by the vehicle manufacturer of the auto described in the policy for which this coverage is provided, and it must be powered solely from the auto's electrical system.

Equipment included above which is permanently installed in a location other than one normally used by the vehicle manufacturer for the installation of such equipment will be covered up to a limit of \$1,000. However, this limit may be increased for additional premium.

THIS COVERAGE IS AVAILABLE FOR THE FOLLOWING RATE CLASSES:

E, F, G, S, T, U, V and Y.

**ARKANSAS  
PRIVATE PASSENGER AUTOMOBILE  
TERRITORIAL BASE RATES**

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

TERRITORY	BI/PD	MED	COLLISION	COMP	UM	UIM	LOSS	CUSTOMIZATION	
	COVERAGE	COVERAGE	COVERAGE	COVERAGE			OF USE	COLL	COMP
	25/50/25	\$5,000	\$500 DED.	\$100 DED.	25/50	25/50	\$100	\$500 DED	\$100 DED
2	229	29	83	77	7	12	10	12	22
3	228	29	84	65	7	12	9	12	17
4	223	32	79	53	7	12	8	12	14
9	222	31	91	83	7	12	10	12	22
10	198	29	85	76	7	12	9	12	22
11	250	30	80	74	7	12	10	12	22
12	199	29	74	62	7	12	9	12	17
18	178	32	86	82	7	12	9	12	17
19	228	33	84	68	7	12	9	12	17
20	248	33	84	60	7	12	11	12	17
21	171	30	77	85	7	12	11	12	17
22	263	34	83	57	7	12	11	12	17
25	250	33	89	67	7	12	10	12	14
26	210	30	85	73	7	12	9	12	14
27	200	34	87	75	7	12	9	12	14
30	212	31	78	72	7	12	9	12	14
31	174	29	79	69	7	12	9	12	14
32	189	30	80	75	7	12	9	12	14
40	222	33	78	46	7	12	9	12	14
41	257	35	88	52	7	12	9	12	14
42	279	37	90	55	7	12	9	12	14

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

<b>MUTUAL TIER PLACEMENT (RULE 4)</b>						<b>ACCIDENTAL DEATH (RULE 2.K)</b>		
	BIPD	Med	UM	Coll	Comp	<u>Limit</u>	<u>Premium</u>	
<u>Tier Code</u>	<u>Tier Factor</u>	\$5,000	\$2					
0700	0.72	0.72	0.72	0.72	0.72	\$10,000	\$4	
1000	0.78	0.78	0.78	0.78	0.78			
2000	0.90	0.90	0.90	0.92	0.90			
3000	1.04	1.10	1.10	1.12	1.10			
4000	1.16	1.25	1.25	1.25	1.25			
9996	1.04	1.04	1.04	1.04	1.04			
9998	1.00	1.00	1.00	1.00	1.00			
<b>EMERGENCY ROAD SERVICE (RULE 2.M)</b>						<b>MOUNTED CAMPER UNITS (RULE 2.G)</b>		
Available in multiples of \$10.00 per disablement.						Add the appropriate charges below, by coverage and deductible, to the applicable premiums for the vehicle. Use the factors shown on page R-7 for other deductible options.		
						<u>Rating Value</u>	<u>\$500 Ded. Collision</u>	<u>\$100 Ded. Comprehensive</u>
						\$0 - 500	\$2	\$4
						501 - 1,000	\$4	\$8
						1,001 - 2,000	\$6	\$12
						2,001 - 4,000	\$8	\$16
						over 4,000	\$10	\$20
<b>RESERVED FOR FUTURE USE</b>						<b>UNINSURED MOTORISTS PROPERTY DAMAGE (RULE 2.O)</b>		
						<u>Limit</u>	<u>Premium</u>	
						\$10	\$1	
						\$20	\$2	
						\$30	\$3	
						\$40	\$4	
						\$50	\$5	
						\$60	\$6	
						\$70	\$7	
						\$80	\$8	
						\$90	\$9	
						\$100	\$10	
Each additional \$10 limit - Add \$1						<b>RENTAL REIMBURSEMENT (RULE 2.J)</b>		
						<u>Limit per Day</u>		
						<u>Rate Classes</u>	\$20   \$30   \$40   \$50	
						DB, DD, DF, DH, WA, WB, WC,	\$10   \$15   \$20   \$25	
						WD, TR, T3, TX, T4, FF, F3, FG, F4		
						All other Rate Classes	\$7   \$10   \$14   \$17	
<b>RESERVED FOR FUTURE USE</b>						<b>DISABILITY INDEMNITY (RULE 2.N)</b>		
						<u>Weekly Limit</u>	<u>Premium</u>	
						\$140	\$3	
<b>RESERVED FOR FUTURE USE</b>						<b>LOAN / LEASE GAP (RULE 2.P)</b>		
						<u>Collision Factor</u>	<u>Comp Factor</u>	
						<b>0.07</b>	<b>0.07</b>	
<b>RESERVED FOR FUTURE USE</b>						<b>RESERVED FOR FUTURE USE</b>		

**ARKANSAS  
PRIVATE PASSENGER AUTOMOBILES AND Z2 TRAILERS  
COST SYMBOL FACTORS**

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

Cost Symbol	PPA		Z2 Trailer		Cost Symbol	PPA		Z2 Trailer		Cost Symbol	PPA		Z2 Trailer	
	Coll.	Comp.	Coll.	Comp.		Coll.	Comp.	Coll.	Comp.		Coll.	Comp.		
1	0.33	0.30	0.25	0.35	34	1.81	1.98	1.56	2.72	67	2.66	3.57	2.55	5.36
2	0.33	0.30	0.25	0.35	35	1.84	2.03	1.59	2.80	68	2.69	3.61	2.58	5.44
3	0.38	0.35	0.29	0.40	36	1.87	2.09	1.62	2.88	69	2.72	3.65	2.61	5.52
4	0.49	0.41	0.38	0.47	37	1.90	2.15	1.65	2.96	70	2.75	3.69	2.64	5.60
5	0.60	0.48	0.46	0.61	38	1.92	2.20	1.68	3.04	71	2.77	3.73	2.67	5.68
6	0.70	0.65	0.55	0.83	39	1.94	2.25	1.71	3.12	72	2.79	3.77	2.70	5.76
7	0.79	0.71	0.62	0.90	40	1.96	2.30	1.74	3.20	73	2.82	3.82	2.73	5.84
8	0.85	0.84	0.67	1.17	41	1.98	2.35	1.77	3.28	74	2.84	3.86	2.76	5.92
9	0.93	0.94	0.73	1.31	42	2.00	2.41	1.80	3.36	75	2.87	3.90	2.79	6.00
10	1.00	1.00	0.79	1.39	43	2.02	2.46	1.83	3.44	76	2.90	3.95	2.82	6.08
11	1.07	1.08	0.84	1.50	44	2.05	2.52	1.86	3.52	77	2.94	3.99	2.85	6.16
12	1.15	1.13	0.91	1.57	45	2.07	2.57	1.89	3.60	78	2.96	4.03	2.88	6.24
13	1.18	1.17	0.93	1.63	46	2.10	2.63	1.92	3.68	79	2.98	4.07	2.91	6.32
14	1.21	1.23	0.95	1.71	47	2.13	2.68	1.95	3.76	80	3.01	4.11	2.94	6.40
15	1.26	1.26	0.99	1.75	48	2.16	2.73	1.98	3.84	81	3.04	4.15	2.97	6.48
16	1.31	1.30	1.03	1.81	49	2.19	2.78	2.01	3.92	82	3.07	4.19	3.00	6.56
17	1.35	1.33	1.06	1.85	50	2.22	2.83	2.04	4.00	83	3.09	4.24	3.03	6.64
18	1.37	1.35	1.08	1.88	51	2.25	2.88	2.07	4.08	84	3.12	4.29	3.06	6.72
19	1.40	1.37	1.10	1.90	52	2.27	2.92	2.10	4.16	85	3.15	4.33	3.09	6.80
20	1.43	1.39	1.18	1.94	53	2.29	2.97	2.13	4.24	86	3.17	4.37	3.12	6.88
21	1.47	1.41	1.21	1.96	54	2.31	3.01	2.16	4.32	87	3.19	4.41	3.15	6.96
22	1.51	1.43	1.24	1.99	55	2.34	3.06	2.19	4.40	88	3.22	4.45	3.18	7.04
23	1.55	1.46	1.28	2.03	56	2.37	3.10	2.22	4.48	89	3.24	4.50	3.21	7.12
24	1.58	1.50	1.30	2.09	57	2.40	3.14	2.25	4.56	90	3.27	4.54	3.24	7.20
25	1.61	1.54	1.33	2.12	58	2.43	3.18	2.28	4.64	91	3.30	4.59	3.27	7.28
26	1.63	1.59	1.35	2.15	59	2.46	3.22	2.31	4.72	92	3.33	4.63	3.30	7.36
27	1.66	1.64	1.37	2.20	60	2.49	3.26	2.34	4.80	93	3.35	4.67	3.33	7.44
28	1.68	1.68	1.39	2.24	61	2.51	3.30	2.37	4.88	94	3.38	4.72	3.36	7.52
29	1.70	1.73	1.41	2.32	62	2.53	3.34	2.40	4.96	95	3.41	4.76	3.39	7.60
30	1.72	1.78	1.44	2.40	63	2.56	3.39	2.43	5.04	96	3.45	4.83	3.42	7.68
31	1.74	1.83	1.47	2.48	64	2.59	3.43	2.46	5.12	97	3.49	4.90	3.45	7.76
32	1.76	1.88	1.50	2.56	65	2.62	3.48	2.49	5.20	98	3.53	4.97	3.48	7.84
33	1.78	1.93	1.53	2.64	66	2.64	3.52	2.52	5.28					

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

For Z2 trailer symbols greater than 98, add .03 for each additional symbol for Collision coverage and add .08 for each additional symbol for Comprehensive coverage.

**ARKANSAS  
PRIVATE PASSENGER AUTOMOBILE**

**MODEL YEAR FACTORS**

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

Model Year	Collision	Comprehensive
2013	2.37	2.40
2012	2.26	2.29
2011	2.15	2.18
2010	2.05	2.08
2009	1.95	1.98
2008	1.86	1.89
2007	1.77	1.80
2006	1.69	1.71
2005	1.61	1.63
2004	1.53	1.55
2003	1.46	1.48
2002	1.39	1.41
2001	1.32	1.34
2000	1.26	1.28
1999	1.20	1.22
1998 & Prior	1.09	1.17

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

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

**DEDUCTIBLE FACTORS**

COLLISION	
LIMIT	FACTOR
\$50	1.55
100	1.49
200	1.30
250	1.26
500	1.00
750	0.82
1,000	0.72
2,000	0.60

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

**ARKANSAS  
PRIVATE PASSENGER AUTOMOBILE  
DISCOUNTS AND SURCHARGES**

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

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

**Primary Coverages**

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

**Additional Coverages**

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

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

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

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

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

COVERAGE	TRAILER FACTOR
Liability	0.25
Collision	0.45
Comprehensive	1.23

**POLICY TERM FACTORS**

SEMI-ANNUAL TERM	
All Coverages	0.80

Quarterly Installment Fee      \$12.50

**ARKANSAS  
COMMERCIAL AUTOMOBILE  
BASE RATES**

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

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

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

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

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

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

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

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

SERFF Tracking Number: SHEL-126927305 State: Arkansas  
 Filing Company: Shelter Mutual Insurance Company State Tracking Number: EFT \$100  
 Company Tracking Number: 03M00210  
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)  
 Product Name: PPA  
 Project Name/Number: Rooney/

## Supporting Document Schedules

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	A-1 Private Passenger Auto Abstract	Filed	12/13/2010

**Comments:**

Please see attachment.

**Attachment:**

ARFORMA1.pdf

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	APCS-Auto Premium Comparison Survey	Filed	12/13/2010

**Comments:**

Please see attachment.

**Attachment:**

Mutual Premium Comparison.xls

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	NAIC loss cost data entry document	Filed	12/13/2010

**Comments:**

Please see attachment.

**Attachment:**

ARRFARF1.pdf

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	12/13/2010

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

**Comments:**

SERFF Tracking Number: SHEL-126927305

State: Arkansas

Filing Company: Shelter Mutual Insurance Company

State Tracking Number: EFT \$100

Company Tracking Number: 03M00210

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: PPA

Project Name/Number: Rooney/

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Satisfied - Item:</b> Explanatory Memorandum	Filed	12/13/2010

**Comments:**

Please see attachments.

**Attachments:**

Explanatory Memo 12-2010.pdf

Exhibit A - Rev. Change.pdf

Exhibits C thru J.pdf

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Satisfied - Item:</b> Rate Indications	Filed	12/13/2010

**Comments:**

Please see attachments.

**Attachment:**

Exh. B - Rate Indications.pdf

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Satisfied - Item:</b> Histogram	Filed	12/13/2010

**Comments:**

Please see attachment.

**Attachment:**

Exhibit K - Histogram.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE ABSTRACT

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

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

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

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

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

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

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

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

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

Please Specify Qualification for Discount:

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

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

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

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

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

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

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

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

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

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

(f) Other (specify)

Accident Prevention Course	10 %
Driver Training	8.5-10.5 %
Passive Restraint	4/6/8 %
Companion Policy / Life	5/10 %

7. Does your company utilize a tiered rating plan?

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

<b>Program</b>	<b>Percentage Difference</b>			<b>Volume</b>
	<b>Liability</b>	<b>Collision</b>	<b>All Other</b>	
Tier 0700	.72	.72	.72	\$37,349,661
Tier 1000	.78	.78	.78	\$36,001,873
Tier 2000	.90	.92	.90	\$22,205,550
Tier 3000	1.04	1.12	1.10	\$13,470,637
Tier 4000	1.16	1.25	1.25	\$4,765,130
Tier 9996	1.04	1.04	1.04	\$977,944
Tier 9998	1.00	1.00	1.00	\$65,870

## Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified August 2005

**NAIC Number:** 23388  
**Company Name:** Shelter Mutual Insurance Company  
**Contact Person:** Brian Marcks  
**Telephone No.:** 573-214-4165  
**Email Address:** [bcmarcks@shelterinsurance.com](mailto:bcmarcks@shelterinsurance.com)  
**Effective Date:** 02/07/2011

**Assumptions to Use:**

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

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

**DISCOUNTS OFFERED:**

PASSIVE RESTRAINT/AIRBAG	* 4/6/8	%
AUTO/HOMEOWNERS	5/10	%
GOOD STUDENT	1-25	%
ANTI-THEFT DEVICE	0	%
Over 55 Defensive Driver Discount	10	%
\$250/\$500 Deductible Comp./Coll.		%

\*Included in 6 month quote.

Vehicle	Coverages	Gender	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
			Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female	Age		Male or Female	Male or Female
			18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		897.26	1,219.45	319.99	262.93	1,047.48	1,425.35	370.45	303.53	1,054.62	1,435.15	372.85	305.47	948.75	1,290.03	337.29	276.85	1,041.83	1,417.61	368.55	302.01
	100/300/50 Liability with Comprehensive and Collision		935.29	1,265.28	344.05	285.62	1,100.89	1,492.26	399.68	330.38	1,103.02	1,495.18	400.40	330.95	976.42	1,321.65	357.87	296.73	1,090.22	1,477.64	396.10	327.49
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		1,083.74	1,475.05	382.63	313.33	1,257.27	1,712.90	440.92	360.23	1,256.64	1,712.05	440.71	360.07	1,168.90	1,591.78	411.24	336.35	1,243.85	1,694.51	436.41	356.61
	100/300/50 Liability with Comprehensive and Collision		1,106.23	1,499.58	401.47	331.82	1,292.55	1,754.96	464.06	382.18	1,289.50	1,750.78	463.04	381.35	1,183.62	1,605.65	427.47	352.73	1,268.93	1,722.59	456.13	375.79
2003 Honda Odyssey "EX"	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		1,112.23	1,514.10	392.20	321.03	1,285.76	1,751.95	450.49	367.93	1,292.90	1,761.75	452.89	369.87	1,210.34	1,648.58	425.16	347.55	1,272.34	1,733.56	445.98	364.31
	100/300/50 Liability with Comprehensive and Collision		1,134.72	1,538.63	411.04	339.52	1,321.04	1,794.01	473.63	389.88	1,317.99	1,789.83	472.61	389.05	1,212.11	1,644.70	437.04	360.43	1,300.01	1,765.19	466.57	384.19
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		1,006.04	1,368.55	356.53	292.33	1,169.21	1,592.20	411.34	336.43	1,171.17	1,594.90	412.00	336.97	1,078.25	1,467.53	380.79	311.85	1,155.79	1,573.81	406.83	332.81
	100/300/50 Liability with Comprehensive and Collision		1,031.12	1,396.63	376.24	311.52	1,217.44	1,652.01	438.83	361.88	1,206.62	1,637.18	435.20	358.95	1,095.56	1,484.95	397.89	328.93	1,193.82	1,619.64	430.90	355.49
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		1,239.14	1,688.05	434.83	355.33	1,433.39	1,954.30	500.08	407.83	1,424.99	1,942.80	497.26	405.57	1,368.33	1,865.13	478.23	390.25	1,407.02	1,918.16	491.22	400.71
	100/300/50 Liability with Comprehensive and Collision		1,248.68	1,694.83	449.32	370.32	1,455.72	1,978.61	518.87	426.28	1,437.13	1,953.13	512.63	421.25	1,362.33	1,850.60	487.50	401.03	1,424.33	1,935.59	508.33	417.79
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability		485.45	655.00	181.66	151.63	589.05	797.00	216.46	179.63	611.73	828.10	224.08	185.77	448.88	604.88	169.38	141.75	591.17	799.91	217.17	180.21
	Minimum Liability with Comprehensive and Collision		866.18	1,176.85	309.55	254.53	1,013.81	1,379.20	359.14	294.43	1,018.36	1,385.45	360.67	295.67	912.49	1,240.33	325.11	267.05	1,005.57	1,367.91	356.37	292.21
	100/300/50 Liability with Comprehensive and Collision		904.21	1,222.68	333.61	277.22	1,069.81	1,449.66	389.24	321.98	1,074.53	1,456.13	390.83	323.25	942.75	1,275.50	346.56	287.63	1,059.14	1,435.04	385.66	319.09

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

<b>1.</b>	This filing transmittal is part of Company Tracking #	03M00210
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<b>2.</b>	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	
<b>3.</b>	<b>A.</b> Shelter Mutual Insurance Company	<b>B.</b>	23388

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

**5.**

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	FOR LOSS COSTS ONLY			
				(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
BI/PD	+6.5	+6.2					
Medical Payments	+9.3	+7.7					
UM / UIM	-2.2	0.0					
Collision	-0.4	-0.4					
Comprehensive	+12.0	+12.0					
<b>TOTAL OVERALL EFFECT</b>	<b>+5.3</b>	<b>+4.5</b>					

**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
2009	202,446	+4.0	12-29-2009	109,464	76,964	70.3	71.4
2008	203,130	-5.4	3-22-2007	105,134	75,788	72.1	67.0
2007	196,427	-6.1	4-17-2005	104,375	59,159	56.7	59.8
2006	190,712	-0.2	11-19-2003	104,925	63,828	60.8	61.8
2005	185,856	+4.7	2-27-2003	104,921	55,499	52.9	55.2

**7.**

Expense Constants	Selected Provisions
A. Total Production Expense	17.0 / 17.0
B. General Expense	7.4 / 7.4
C. Taxes, Licenses & Fees	2.9 / 2.9
D. Underwriting Profit & Contingencies	2.1 / 4.1
E. Other (explain)	
<b>F. TOTAL</b>	<b>29.4 / 31.4</b>

**8.** \_\_\_\_\_ Apply Loss Cost Factors to Future filings? (Y or N)

**9.** +19.8 Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable): \_\_\_\_\_

**10.** -18.4 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**SHELTER MUTUAL INSURANCE COMPANY**  
**PRIVATE PASSENGER AUTOMOBILE**  
**ARKANSAS**  
**EXPLANATORY MEMORANDUM**

**Synopsis**

This filing consists of revised base rates for Liability, Medical Payments, Collision and Comprehensive coverages. Tier factors have been revised. Emergency Road Service rates have been revised. Cost Symbol factors have been revised for Utility / Camping Trailers. Model Year factors have been added. Collision deductible factors have been revised. The Comprehensive Utility / Camping Trailer factor has been revised. Passive Restraint Discount percentages have been revised. Editorial changes have been made to the General Rules Pages.

The overall effect of this filing is expected to be a revenue increase of 4.5%, or approximately \$5,228,981, as shown on Exhibit A.

**Private Passenger Base Rates**

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

**Underwriting Tiers**

The tier factors for Tier Codes 2000 and 3000 have increased for Collision coverage. Please refer to Exhibit D.

**Emergency Road Service**

The Emergency Road Service rates have decreased for all limits. Please refer to Exhibit E.

**Utility / Camping Trailers – Cost Symbols**

The Utility / Camping Trailer Collision cost symbol factors have decreased and the Comprehensive factors increased. Presently, these trailers use the same cost symbol factors as private passenger auto. With these revised factors, a separate cost symbol table has been created. Please refer to Exhibit F.

**Model Year Factors**

Collision and Comprehensive coverage Model Year factors for 20011 through 2013 have been added. Please refer to Exhibit G.

**Collision Deductible Factors**

The factors for \$1000 and \$2000 Collision deductibles have increased. Please refer to Exhibit H.

**Utility / Camping Trailers – Class Z2 Factors**

The Comprehensive coverage factor for Z2 rated trailers has decreased. Please refer to Exhibit I.

**Passive Restraint Discount Factors**

The Passive Restraint Discounts have decreased. Please refer to Exhibit J.

**Editorial Changes**

- 1) The Safe Driver Discount, Rule 9.A., pages GR-21 and GR-22, has been corrected showing the applicable discount percentages.
- 2) Audio, Visual and Data Electronic Equipment Coverage, Rule 13, page GR-25, has been revised due to changes in the ISO Commercial Automobile forms. The "\$250 Deductible" note has been removed from the rates, as shown on page CISO-2. This coverage now uses the policy deductible.

**Exhibits**

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

	<u>Exhibits</u>
Estimated Revenue Change	A
Development of Indicated Rate Level Change Using Accident Year Experience	B
PPA Base Rate Comparison	C
Tier Factor Comparison	D
Emergency Road Service Rate Comparison	E
Utility / Camping Trailer Cost Symbol Factor Comparison	F
Model Year Relativity Factor Comparison	G
Collision Deductible Factor Comparison	H
Utility / Camping Trailers – Class Z2 Factor Comparison	I
Passive Restraint Discount Comparison	J
Rate Change Histogram	K

Arkansas Mutual PPA Estimated Revenue Change by Coverage

Coverage	Annualized Policy Premium	Base Rate	Tier	Rate Class	Limit	Deductible	Model Year	Merit Table	Cost Symbol	Passive	Miscellaneous	Total % Change	Total \$ Change
Liability	50,206,803	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.2%	3,137,682
Med Pay	4,701,007	-21.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	24.1%	0.0%	7.7%	359,864
UM	2,404,507	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UIM	3,983,149	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
UMPD	4,027,551	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
<b>Subtotal:</b>	<b>65,323,016</b>	<b>3.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.7%</b>	<b>0.0%</b>	<b>5.4%</b>	<b>3,497,546</b>
Coll	27,743,375	-1.4%	0.6%	0.0%	0.0%	0.7%	0.0%	0.0%	-0.2%	0.0%	0.0%	-0.4%	-101,915
Comp	18,441,967	12.1%	0.0%	-1.7%	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	12.0%	2,207,715
<b>Subtotal:</b>	<b>46,185,342</b>	<b>4.0%</b>	<b>0.4%</b>	<b>-0.7%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>4.6%</b>	<b>2,105,801</b>
<b>Total:</b>	<b>111,508,359</b>	<b>3.6%</b>	<b>0.2%</b>	<b>-0.3%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>1.0%</b>	<b>0.0%</b>	<b>5.0%</b>	<b>5,603,347</b>
<u>Supplemental Coverages</u>													
Rental Reimbursement	758,597											0.0%	0
Emergency Roadside Service	1,185,772											-31.9%	-377,895
Accidental Death	1,383,938											0.0%	0
Motorcycles	1,995,042	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%			0.0%	0.2%	3,529
<b>Grand Total</b>	<b>116,831,708</b>	<b>3.4%</b>	<b>0.1%</b>	<b>-0.3%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>1.0%</b>	<b>0.0%</b>	<b>4.5%</b>	<b>5,228,981</b>

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
BASE RATE COMPARISON**

Exhibit C

**BODILY INJURY - PROPERTY DAMAGE**

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	209	229	9.6%
3	216	228	5.6%
4	211	223	5.7%
9	210	222	5.7%
10	188	198	5.3%
11	237	250	5.5%
12	189	199	5.3%
18	169	178	5.3%
19	208	228	9.6%
20	235	248	5.5%
21	162	171	5.6%
22	240	263	9.6%
25	237	250	5.5%
26	199	210	5.5%
27	190	200	5.3%
30	194	212	9.3%
31	165	174	5.5%
32	179	189	5.6%
40	210	222	5.7%
41	244	257	5.3%
42	264	279	5.7%

**MEDICAL PAYMENTS**

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	35	29	-17.1%
3	35	29	-17.1%
4	38	32	-15.8%
9	37	31	-16.2%
10	35	29	-17.1%
11	36	30	-16.7%
12	35	29	-17.1%
18	38	32	-15.8%
19	39	33	-15.4%
20	39	33	-15.4%
21	36	30	-16.7%
22	40	34	-15.0%
25	39	33	-15.4%
26	36	30	-16.7%
27	40	34	-15.0%
30	37	31	-16.2%
31	35	29	-17.1%
32	36	30	-16.7%
40	39	33	-15.4%
41	42	35	-16.7%
42	44	37	-15.9%

**COLLISION**

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	83	83	0.0%
3	86	84	-2.3%
4	80	79	-1.3%
9	92	91	-1.1%
10	86	85	-1.2%
11	81	80	-1.2%
12	76	74	-2.6%
18	89	86	-3.4%
19	83	84	1.2%
20	85	84	-1.2%
21	79	77	-2.5%
22	82	83	1.2%
25	90	89	-1.1%
26	87	85	-2.3%
27	89	87	-2.2%
30	79	78	-1.3%
31	80	79	-1.3%
32	80	80	0.0%
40	80	78	-2.5%
41	89	88	-1.1%
42	91	90	-1.1%

**COMPREHENSIVE**

<u>Territory</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2	69	77	11.6%
3	58	65	12.1%
4	47	53	12.8%
9	74	83	12.2%
10	68	76	11.8%
11	66	74	12.1%
12	55	62	12.7%
18	73	82	12.3%
19	61	68	11.5%
20	54	60	11.1%
21	76	85	11.8%
22	51	57	11.8%
25	60	67	11.7%
26	65	73	12.3%
27	67	75	11.9%
30	64	72	12.5%
31	62	69	11.3%
32	67	75	11.9%
40	41	46	12.2%
41	46	52	13.0%
42	49	55	12.2%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
TIER FACTOR COMPARISON**

Exhibit D

	<u>Description</u>	<u>Tier Code</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
Liability	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.04	1.04	0.0%
	Tier 4000	4000	1.16	1.16	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Medical Payments	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Uninsured Motorists	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Collision	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.92	2.2%
	Tier 3000	3000	1.10	1.12	1.8%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%
Comprehensive	Tier 700	700	.72	.72	0.0%
	Tier 1000	1000	.78	.78	0.0%
	Tier 2000	2000	.90	.90	0.0%
	Tier 3000	3000	1.10	1.10	0.0%
	Tier 4000	4000	1.25	1.25	0.0%
	Tier 9996	9996	1.04	1.04	0.0%
	Tier 9998	9998	1.00	1.00	0.0%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
EMERGENCY ROAD SERVICE**

Exhibit E

**RATES COMPARISON**

<b>Limit</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Percent Change</b>
10	2	1	-50.0%
20	4	2	-50.0%
30	5	3	-40.0%
40	6	4	-33.3%
50	7	5	-28.6%
60	8	6	-25.0%
70	9	7	-22.2%
80	10	8	-20.0%
90	11	9	-18.2%
100	12	10	-16.7%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
Z2 TRAILER COST SYMBOL FACTOR COMPARISON**

Exhibit F

Symbol	Collision		Percent Change	Comprehensive		Percent Change
	CUR	PRO		CUR	PRO	
1	0.33	0.25	-24.2%	0.30	0.35	16.7%
2	0.33	0.25	-24.2%	0.30	0.35	16.7%
3	0.38	0.29	-23.7%	0.35	0.40	14.3%
4	0.49	0.38	-22.4%	0.41	0.47	14.6%
5	0.60	0.46	-23.3%	0.48	0.61	27.1%
6	0.70	0.55	-21.4%	0.65	0.83	27.7%
7	0.79	0.62	-21.5%	0.71	0.90	26.8%
8	0.85	0.67	-21.2%	0.84	1.17	39.3%
9	0.93	0.73	-21.5%	0.94	1.31	39.4%
10	1.00	0.79	-21.0%	1.00	1.39	39.0%
11	1.07	0.84	-21.5%	1.08	1.50	38.9%
12	1.15	0.91	-20.9%	1.13	1.57	38.9%
13	1.18	0.93	-21.2%	1.17	1.63	39.3%
14	1.21	0.95	-21.5%	1.23	1.71	39.0%
15	1.26	0.99	-21.4%	1.26	1.75	38.9%
16	1.31	1.03	-21.4%	1.30	1.81	39.2%
17	1.35	1.06	-21.5%	1.33	1.85	39.1%
18	1.37	1.08	-21.2%	1.35	1.88	39.3%
19	1.40	1.10	-21.4%	1.37	1.90	38.7%
20	1.43	1.18	-17.5%	1.39	1.94	39.6%
21	1.47	1.21	-17.7%	1.41	1.96	39.0%
22	1.51	1.24	-17.9%	1.43	1.99	39.2%
23	1.55	1.28	-17.4%	1.46	2.03	39.0%
24	1.58	1.30	-17.7%	1.50	2.09	39.3%
25	1.61	1.33	-17.4%	1.54	2.12	37.7%
26	1.63	1.35	-17.2%	1.59	2.15	35.2%
27	1.66	1.37	-17.5%	1.64	2.20	34.1%
28	1.68	1.39	-17.3%	1.68	2.24	33.3%
29	1.70	1.41	-17.1%	1.73	2.32	34.1%
30	1.72	1.44	-16.3%	1.78	2.40	34.8%
31	1.74	1.47	-15.5%	1.83	2.48	35.5%
32	1.76	1.50	-14.8%	1.88	2.56	36.2%
33	1.78	1.53	-14.0%	1.93	2.64	36.8%
34	1.81	1.56	-13.8%	1.98	2.72	37.4%
35	1.84	1.59	-13.6%	2.03	2.80	37.9%
36	1.87	1.62	-13.4%	2.09	2.88	37.8%
37	1.90	1.65	-13.2%	2.15	2.96	37.7%
38	1.92	1.68	-12.5%	2.20	3.04	38.2%
39	1.94	1.71	-11.9%	2.25	3.12	38.7%
40	1.96	1.74	-11.2%	2.30	3.20	39.1%
41	1.98	1.77	-10.6%	2.35	3.28	39.6%
42	2.00	1.80	-10.0%	2.41	3.36	39.4%
43	2.02	1.83	-9.4%	2.46	3.44	39.8%
44	2.05	1.86	-9.3%	2.52	3.52	39.7%
45	2.07	1.89	-8.7%	2.57	3.60	40.1%
46	2.10	1.92	-8.6%	2.63	3.68	39.9%
47	2.13	1.95	-8.5%	2.68	3.76	40.3%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
Z2 TRAILER COST SYMBOL FACTOR COMPARISON**

Exhibit F

48	2.16	1.98	-8.3%	2.73	3.84	40.7%
49	2.19	2.01	-8.2%	2.78	3.92	41.0%
50	2.22	2.04	-8.1%	2.83	4.00	41.3%
51	2.25	2.07	-8.0%	2.88	4.08	41.7%
52	2.27	2.10	-7.5%	2.92	4.16	42.5%
53	2.29	2.13	-7.0%	2.97	4.24	42.8%
54	2.31	2.16	-6.5%	3.01	4.32	43.5%
55	2.34	2.19	-6.4%	3.06	4.40	43.8%
56	2.37	2.22	-6.3%	3.10	4.48	44.5%
57	2.40	2.25	-6.3%	3.14	4.56	45.2%
58	2.43	2.28	-6.2%	3.18	4.64	45.9%
59	2.46	2.31	-6.1%	3.22	4.72	46.6%
60	2.49	2.34	-6.0%	3.26	4.80	47.2%
61	2.51	2.37	-5.6%	3.30	4.88	47.9%
62	2.53	2.40	-5.1%	3.34	4.96	48.5%
63	2.56	2.43	-5.1%	3.39	5.04	48.7%
64	2.59	2.46	-5.0%	3.43	5.12	49.3%
65	2.62	2.49	-5.0%	3.48	5.20	49.4%
66	2.64	2.52	-4.5%	3.52	5.28	50.0%
67	2.66	2.55	-4.1%	3.57	5.36	50.1%
68	2.69	2.58	-4.1%	3.61	5.44	50.7%
69	2.72	2.61	-4.0%	3.65	5.52	51.2%
70	2.75	2.64	-4.0%	3.69	5.60	51.8%
71	2.77	2.67	-3.6%	3.73	5.68	52.3%
72	2.79	2.70	-3.2%	3.77	5.76	52.8%
73	2.82	2.73	-3.2%	3.82	5.84	52.9%
74	2.84	2.76	-2.8%	3.86	5.92	53.4%
75	2.87	2.79	-2.8%	3.90	6.00	53.8%
76	2.90	2.82	-2.8%	3.95	6.08	53.9%
77	2.94	2.85	-3.1%	3.99	6.16	54.4%
78	2.96	2.88	-2.7%	4.03	6.24	54.8%
79	2.98	2.91	-2.3%	4.07	6.32	55.3%
80	3.01	2.94	-2.3%	4.11	6.40	55.7%
81	3.04	2.97	-2.3%	4.15	6.48	56.1%
82	3.07	3.00	-2.3%	4.19	6.56	56.6%
83	3.09	3.03	-1.9%	4.24	6.64	56.6%
84	3.12	3.06	-1.9%	4.29	6.72	56.6%
85	3.15	3.09	-1.9%	4.33	6.80	57.0%
86	3.17	3.12	-1.6%	4.37	6.88	57.4%
87	3.19	3.15	-1.3%	4.41	6.96	57.8%
88	3.22	3.18	-1.2%	4.45	7.04	58.2%
89	3.24	3.21	-0.9%	4.50	7.12	58.2%
90	3.27	3.24	-0.9%	4.54	7.20	58.6%
91	3.30	3.27	-0.9%	4.59	7.28	58.6%
92	3.33	3.30	-0.9%	4.63	7.36	59.0%
93	3.35	3.33	-0.6%	4.67	7.44	59.3%
94	3.38	3.36	-0.6%	4.72	7.52	59.3%
95	3.41	3.39	-0.6%	4.76	7.60	59.7%

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

Exhibit G

**COLLISION**

<u>Model Year</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2013	2.37	2.37	New Factor
2012	2.26	2.29	New Factor
2011	2.15	2.18	New Factor
2010	2.05	2.05	0.0%
2009	1.95	1.95	0.0%
2008	1.86	1.86	0.0%
2007	1.77	1.77	0.0%
2006	1.69	1.69	0.0%
2005	1.61	1.61	0.0%
2004	1.53	1.53	0.0%
2003	1.46	1.46	0.0%
2002	1.39	1.39	0.0%
2001	1.32	1.32	0.0%
2000	1.26	1.26	0.0%
1999	1.20	1.20	0.0%
1998 & Prior	1.09	1.09	0.0%

**COMPREHENSIVE**

<u>Model Year</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
2013	2.40	2.40	New Factor
2012	2.29	2.29	New Factor
2011	2.18	2.18	New Factor
2010	2.08	2.08	0.0%
2009	1.98	1.98	0.0%
2008	1.89	1.89	0.0%
2007	1.80	1.80	0.0%
2006	1.71	1.71	0.0%
2005	1.63	1.63	0.0%
2004	1.55	1.55	0.0%
2003	1.48	1.48	0.0%
2002	1.41	1.41	0.0%
2001	1.34	1.34	0.0%
2000	1.28	1.28	0.0%
1999	1.22	1.22	0.0%
1998 & Prior	1.17	1.17	0.0%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
DEDUCTIBLE RELATIVITY COMPARISON**

Exhibit H

**COLLISION**

<u>Deductible</u>	<u>Current Factor</u>	<u>Proposed Factor</u>	<u>Percent Change</u>
50	1.55	1.55	0.0%
100	1.49	1.49	0.0%
200	1.30	1.30	0.0%
250	1.26	1.26	0.0%
500	1.00	1.00	0.0%
750	.82	.82	0.0%
1000	.69	.72	4.3%
2000	.53	.60	13.2%

**COMPREHENSIVE**

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

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
Z2 TRAILERS**

Exhibit I

**COVERAGE FACTOR COMPARISON**

<b>Coverage</b>	<b>Current Factor</b>	<b>Proposed Factor</b>	<b>Percent Change</b>
Liability	.25	.25	0.0%
Collision	.45	.45	0.0%
Comprehensive	1.75	1.23	-29.7%

**SHELTER MUTUAL AUTOMOBILE  
ARKANSAS  
PASSIVE RESTRAINT DISCOUNT**

**DISCOUNT FACTOR COMPARISON**

<u>Discount Description</u>	<u>Shelter Current</u>	<u>Shelter Proposed</u>
Air Bag (Driver Side Only)	20%	4%
Air Bag (Driver and Passenger Side)	30%	6%
Air Bag and Automatic Belts (Both Sides)	40%	8%

# Shelter Mutual Insurance Company

## Arkansas

### Private Passenger Automobile

#### Explanatory Memorandum of Attached Exhibits Developing Indicated Rate Level Change by Coverage

##### **Exhibit B.I – Summary of Indicated Rate Level Change by Coverage**

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

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

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

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

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

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

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

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

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

##### **Exhibit B.VI – Development of Unallocated Loss Adjustment Factor**

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

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

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

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

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

**Shelter Mutual Insurance Company**

Exhibit B.I

**Arkansas**

**Private Passenger Automobile**

**Summary of Indicated Rate Level Change by Coverage**

Coverage	Fiscal Year Ending 9/30/2010 Earned Premium at Current Rates	Indicated Rate Level Change	
		in Percent	in Dollars
<b>Combined Bodily Injury and Property Damage</b>	\$49,615,253	6.5%	\$3,245,576
<b>Medical Payments</b>	\$4,680,900	9.3%	\$435,324
<b>Uninsured/Underinsured Motorist</b>	\$6,371,392	-2.2%	-\$140,171
<b>Total Liability</b>	<b>\$60,667,545</b>	<b>5.8%</b>	<b>\$3,540,729</b>
<b>Collision</b>	\$26,975,906	-0.4%	-\$107,904
<b>Comprehensive</b>	\$17,430,303	12.0%	\$2,091,636
<b>Total Physical Damage</b>	<b>\$44,406,209</b>	<b>4.5%</b>	<b>\$1,983,732</b>
<b>Total</b>	<b>\$105,073,754</b>	<b>5.3%</b>	<b>\$5,524,461</b>

## Arkansas

## Private Passenger Automobile

## Combined Bodily Injury and Property Damage Indicated Rate Level Change

	Fiscal Year Ending 9/30/2008	Fiscal Year Ending 9/30/2009	Fiscal Year Ending 9/30/2010
1. Combined BI and PD Earned Premiums	\$44,219,352	\$45,146,603	\$47,890,230
2. Current Rate Level Factor (Exhibit B.V)	1.0920	1.0920	1.0360
3. Premium at Current Rates	<b>\$48,287,532</b>	<b>\$49,300,090</b>	<b>\$49,615,253</b>
<b>Bodily Injury Only</b>			
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.a.1)	\$16,113,736	\$17,645,775	\$17,644,217
5. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.a)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.089	1.089	1.089
7. Trended Loss and Loss Adjustment Expense	<b>\$19,614,899</b>	<b>\$20,853,145</b>	<b>\$20,245,831</b>
<b>Property Damage Only</b>			
8. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.b.1)	\$13,917,536	\$13,818,617	\$15,875,420
9. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.b)	1.077	1.056	1.036
10. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.089	1.089	1.089
11. Trended Loss and Loss Adjustment Expense	<b>\$16,333,503</b>	<b>\$15,898,272</b>	<b>\$17,908,353</b>
12. Combined BI and PD Trended Loss and LAE	<b>\$35,948,402</b>	<b>\$36,751,417</b>	<b>\$38,154,184</b>
13. Formula Loss Ratio	74.4%	74.5%	76.9%
14. Experience Year Weight	20.0%	30.0%	50.0%
15. Weighted Formula Loss Ratio		<b>75.7%</b>	
16. Credibility		100.0%	
17. Trended Expected Loss Ratio (19. X 23. ** 1)		72.4%	
18. Credibility Weighted Formula Loss Ratio (15. X 16.) + (17. X (1 - 16.))		75.7%	
19. Expected Loss Ratio (Exhibit B.VII.a.1)		70.6%	
20. Indicated Rate Level Change for Variable Expenses (18. / 19.) - 1		7.2%	
21. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.4%	
22. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		12.0%	
23. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
24. Trended Fixed Costs (22. X (23.** 1)		12.3%	
25. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((18. + 24.) / (1.000 - 21.)) - 1.000		<b>6.5%</b>	

Indications are based on effective date of 04/01/2011.

## Arkansas

## Private Passenger Automobile

## Medical Payments Indicated Rate Level Change

	Fiscal Year Ending 9/30/2008	Fiscal Year Ending 9/30/2009	Fiscal Year Ending 9/30/2010
1. Earned Premium	\$4,101,123	\$4,132,892	\$4,433,930
2. Current Rate Level Factor (Exhibit B.V)	1.1460	1.1460	1.0557
3. Premium at Current Rates	<b>\$4,699,887</b>	<b>\$4,736,295</b>	<b>\$4,680,900</b>
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.c.1)	\$3,032,595	\$2,818,479	\$3,367,662
5. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.c)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.089	1.089	1.089
7. Trended Loss and Loss Adjustment Expense	<b>\$3,688,888</b>	<b>\$3,330,216</b>	<b>\$3,861,755</b>
8. Formula Loss Ratio	78.5%	70.3%	82.5%
9. Experience Year Weight	20.0%	30.0%	50.0%
10. Weighted Formula Loss Ratio		<b>78.0%</b>	
11. Credibility		100.0%	
12. Trended Expected Loss Ratio (14. X 18. ** 1)		72.4%	
13. Credibility Weighted Formula Loss Ratio (10. X 11.) + (12. X (1 - 11.))		78.0%	
14. Expected Loss Ratio (Exhibit B.VII.a.1)		70.6%	
15. Indicated Rate Level Change for Variable Expenses (13. / 14.) - 1		10.5%	
16. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.4%	
17. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		12.0%	
18. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
19. Trended Fixed Costs (17. X (18.** 1)		12.3%	
20. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((13. + 19.) / (1.000 - 16.)) - 1.000		<b>9.3%</b>	

Indications are based on effective date of 04/01/2011.

## Arkansas

## Private Passenger Automobile

## Uninsured/Underinsured Motorist Indicated Rate Level Change

	Fiscal Year Ending 9/30/2008	Fiscal Year Ending 9/30/2009	Fiscal Year Ending 9/30/2010
1. Earned Premium	\$6,078,705	\$6,261,547	\$6,371,392
2. Current Rate Level Factor (Exhibit B.V)	1.0000	1.0000	1.0000
3. Premium at Current Rates	<b>\$6,078,705</b>	<b>\$6,261,547</b>	<b>\$6,371,392</b>
4. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.d.1)	\$3,890,591	\$3,497,503	\$3,680,582
5. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.d)	1.117	1.085	1.053
6. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.089	1.089	1.089
7. Trended Loss and Loss Adjustment Expense	<b>\$4,732,565</b>	<b>\$4,132,527</b>	<b>\$4,220,586</b>
8. Formula Loss Ratio	77.9%	66.0%	66.2%
9. Experience Year Weight	20.0%	30.0%	50.0%
10. Weighted Formula Loss Ratio		<b>68.5%</b>	
11. Credibility		100.0%	
12. Trended Expected Loss Ratio (14. X 18. ** 1)		72.4%	
13. Credibility Weighted Formula Loss Ratio (10. X 11.) + (12. X (1 - 11.))		68.5%	
14. Expected Loss Ratio (Exhibit B.VII.a.1)		70.6%	
15. Indicated Rate Level Change for Variable Expenses (13. / 14.) - 1		-3.0%	
16. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.a.1)		17.4%	
17. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.a.1)		12.0%	
18. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
19. Trended Fixed Costs (17. X (18.** 1)		12.3%	
20. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((13. + 19.) / (1.000 - 16.)) - 1.000		<b>-2.2%</b>	

Indications are based on effective date of 04/01/2011.

Arkansas

Private Passenger Automobile

Collision Indicated Rate Level Change

	Fiscal Year Ending 9/30/2008	Fiscal Year Ending 9/30/2009	Fiscal Year Ending 9/30/2010
1. Earned Premium	\$25,654,214	\$27,174,545	\$27,625,096
2. Current Rate Level Factor (Exhibit B.V)	0.9450	0.9450	0.9765
3. Model Year Symbol Drift Factor (Exhibit B.II.d.2)	1.2009	1.1438	1.0893
4. Trended Premium at Current Rates	<b>\$29,113,697</b>	<b>\$29,372,721</b>	<b>\$29,384,854</b>
5. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.e.1)	\$16,193,036	\$16,851,063	\$17,848,846
6. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.e)	1.077	1.056	1.036
7. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.104	1.104	1.104
8. Trended Loss and Loss Adjustment Expense	<b>\$19,253,649</b>	<b>\$19,645,374</b>	<b>\$20,414,511</b>
9. Formula Loss Ratio	66.1%	66.9%	69.5%
10. Experience Year Weight	20.0%	30.0%	50.0%
11. Weighted Formula Loss Ratio		<b>68.0%</b>	
12. Credibility		100.0%	
13. Trended Expected Loss Ratio (15. X 19. ** 1)		70.3%	
14. Credibility Weighted Formula Loss Ratio (11. X 12.) + (13. X (1 - 12.))		68.0%	
15. Expected Loss Ratio (Exhibit B.VII.b.1)		68.6%	
16. Indicated Rate Level Change for Variable Expenses (14. / 15.) - 1		-0.9%	
17. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.b.1)		19.4%	
18. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.b.1)		12.0%	
19. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
20. Trended Fixed Costs (18. X (19.** 1)		12.3%	
21. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((14. + 20.) / (1.000 - 17.)) - 1.000		<b>-0.4%</b>	

Indications are based on effective date of 04/01/2011.

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

**Arkansas Calculation of Model Year Premium Trend Factor for Collision Coverage**

Model Year	Distribution FYE 12/2007	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2009	X	Model Year Factor	=	Weighted Factor
2010	0.00		2.05		0.00	0.00		2.05		0.00	0.66		2.05		1.34
2009	0.00		1.95		0.00	0.61		1.95		1.20	4.64		1.95		9.04
2008	0.73		1.86		1.36	6.71		1.86		12.47	8.89		1.86		16.54
2007	7.65		1.77		13.54	9.87		1.77		17.48	10.23		1.77		18.10
2006	9.16		1.69		15.48	9.22		1.69		15.59	9.28		1.69		15.68
2005	10.41		1.61		16.76	10.21		1.61		16.43	9.96		1.61		16.03
2004	10.55		1.53		16.14	10.10		1.53		15.46	9.73		1.53		14.89
2003	9.71		1.46		14.17	9.09		1.46		13.27	8.48		1.46		12.38
2002	9.43		1.39		13.10	8.50		1.39		11.81	7.76		1.39		10.79
2001	8.41		1.32		11.11	7.49		1.32		9.89	6.70		1.32		8.84
2000	7.75		1.26		9.77	6.62		1.26		8.34	5.69		1.26		7.17
1999	6.21		1.20		7.45	5.22		1.20		6.26	4.39		1.20		5.27
1998	4.54		1.09		4.95	3.81		1.09		4.16	3.19		1.09		3.48
1997	3.83		1.00		3.83	3.10		1.00		3.10	2.62		1.00		2.62
Prior	11.62		1.00		11.62	9.44		1.00		9.44	7.80		1.00		7.80
	100.00				139.28	100.00				144.90	100.00				149.96
										<b>% Change = 4.03</b>					<b>% Change = 3.49</b>

**Arkansas Calculation of Symbol Drift Premium Trend Factor for Collision Coverage**

Cost Symbol	Distribution FYE 12/2007	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2009	X	Cost Symbol Factor	=	Weighted Factor
<8	1.00		0.60		0.60	0.90		0.60		0.54	0.81		0.60		0.48
8	1.92		0.85		1.63	1.56		0.85		1.32	1.28		0.85		1.09
9	2.05		0.93		1.90	1.64		0.93		1.53	1.35		0.93		1.26
10	2.49		1.00		2.49	2.10		1.00		2.10	1.81		1.00		1.81
11	2.80		1.07		2.99	2.43		1.07		2.60	2.17		1.07		2.32
12	3.88		1.15		4.46	3.58		1.15		4.12	3.25		1.15		3.74
13	3.89		1.18		4.59	3.77		1.18		4.45	3.62		1.18		4.27
14	4.26		1.21		5.15	4.00		1.21		4.84	3.73		1.21		4.51
15	4.80		1.26		6.04	4.65		1.26		5.86	4.38		1.26		5.52
16	4.62		1.31		6.06	4.45		1.31		5.82	4.27		1.31		5.59
17	5.07		1.35		6.84	4.84		1.35		6.53	4.53		1.35		6.12
18	5.33		1.37		7.30	5.51		1.37		7.55	5.54		1.37		7.59
19	5.44		1.40		7.61	5.35		1.40		7.49	5.17		1.40		7.23
20-21	9.24		1.43		13.21	9.50		1.43		13.59	9.61		1.43		13.74
22-24	12.19		1.55		18.89	12.69		1.55		19.68	13.28		1.55		20.59
25-29	15.28		1.66		25.36	15.91		1.66		26.42	16.60		1.66		27.56
30-34	8.32		1.76		14.65	8.96		1.76		15.77	9.55		1.76		16.80
35-39	4.10		1.90		7.80	4.35		1.90		8.26	4.79		1.90		9.10
40-44	1.69		2.00		3.38	1.94		2.00		3.87	2.13		2.00		4.26
>44	1.65		2.34		3.87	1.87		2.34		4.39	2.15		2.34		5.03
	100.00				144.83	100.00				146.72	100.00				148.60
										<b>% Change = 1.31</b>					<b>% Change = 1.28</b>

Selected Model Year Premium Trend Factor = **3.65%**  
 Selected Symbol Drift Premium Trend Factor = **1.30%**  
 Combined Premium Trend Factor = **5.0%**

## Arkansas

## Private Passenger Automobile

## Comprehensive Indicated Rate Level Change

	Fiscal Year Ending 9/30/2008	Fiscal Year Ending 9/30/2009	Fiscal Year Ending 9/30/2010
1. Earned Premium	\$14,600,831	\$15,521,439	\$16,945,658
2. Current Rate Level Factor (Exhibit B.V)	1.0720	1.0720	1.0286
3. Model Year Symbol Drift Factor (Exhibit B.II.e.2)	1.2033	1.1455	1.0904
4. Trended Premium at Current Rates	<b>\$18,834,161</b>	<b>\$19,059,955</b>	<b>\$19,006,003</b>
5. Incurred Loss and Allocated Loss Adjustment Expense (Exhibit B.III.f.1)	\$19,940,902	\$13,807,949	\$10,949,032
6. Excess Loss (Exhibit B.II.e.3)	9,659,669	1,831,338	0
7. Incurred Less Excess	\$10,281,233	\$11,976,611	\$10,949,032
8. Excess Loss Factor (Exhibit B.II.e.3)	1.147	1.147	1.147
9. Factor to Trend and Project Losses to 1/1/2012 (Exhibit B.IV.f)	1.077	1.056	1.036
10. Unallocated Loss Adjustment Expense Factor (Exhibit B.VI)	1.104	1.104	1.104
11. Trended Loss and Loss Adjustment Expense	<b>\$14,021,465</b>	<b>\$16,015,126</b>	<b>\$14,363,754</b>
12. Formula Loss Ratio	74.4%	84.0%	75.6%
13. Experience Year Weight	33.3%	33.3%	33.3%
14. Weighted Formula Loss Ratio		<b>78.0%</b>	
15. Credibility		100.0%	
16. Trended Expected Loss Ratio (18. X 22. ** 1)		70.3%	
17. Credibility Weighted Formula Loss Ratio (14. X 15.) + (16. X (1 - 15.))		78.0%	
18. Expected Loss Ratio (Exhibit B.VII.b.1)		68.6%	
19. Indicated Rate Level Change for Variable Expenses (17. / 18.) - 1		13.7%	
20. Current Provision for Variable Expenses of Commissions, Taxes and Profit (Exhibit B.VII.b.1)		19.4%	
21. Current Provision for Fixed Expenses of General and Other Acquisition Expense (Exhibit B.VII.b.1)		12.0%	
22. Factor to Trend Fixed Costs (Exhibit B.VIII.a)		1.025	
23. Trended Fixed Costs (21. X (22.** 1)		12.3%	
24. Indicated Rate Level Change with Provision for Fixed and Variable Expenses ((17. + 23.) / (1.000 - 20.)) - 1.000		<b>12.0%</b>	

Indications are based on effective date of 04/01/2011.

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

#### Arkansas Calculation of Model Year Premium Trend Factor for Comprehensive Coverage

Model Year	Distribution FYE 12/2007	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Model Year Factor	=	Weighted Factor	Distribution FYE 12/2009	X	Model Year Factor	=	Weighted Factor	
2010	0.00		2.08		0.00	0.00		2.08		0.00	0.64		2.08		1.34	
2009	0.00		1.98		0.00	0.60		1.98		1.20	4.56		1.98		9.03	
2008	0.72		1.89		1.36	6.60		1.89		12.48	8.75		1.89		16.54	
2007	7.53		1.80		13.55	9.72		1.80		17.49	10.06		1.80		18.11	
2006	9.02		1.71		15.43	9.09		1.71		15.54	9.14		1.71		15.63	
2005	10.26		1.63		16.72	10.06		1.63		16.39	9.82		1.63		16.00	
2004	10.40		1.55		16.12	9.96		1.55		15.44	9.60		1.55		14.88	
2003	9.58		1.48		14.18	8.97		1.48		13.28	8.39		1.48		12.41	
2002	9.31		1.41		13.13	8.42		1.41		11.88	7.73		1.41		10.90	
2001	8.36		1.34		11.21	7.47		1.34		10.01	6.70		1.34		8.98	
2000	7.71		1.28		9.87	6.61		1.28		8.47	5.72		1.28		7.32	
1999	6.22		1.22		7.59	5.25		1.22		6.40	4.43		1.22		5.41	
1998	4.55		1.17		5.33	3.85		1.17		4.50	3.25		1.17		3.80	
1997	3.88		1.11		4.30	3.17		1.11		3.52	2.70		1.11		2.99	
Prior	12.45		1.11		13.82	10.24		1.11		11.36	8.52		1.11		9.45	
	100.00				<b>142.61</b>	100.00				<b>147.94</b>	100.00				<b>152.79</b>	
										<b>% Change =</b>		<b>3.74</b>				
											<b>% Change =</b>		<b>3.28</b>			

#### Arkansas Calculation of Symbol Drift Premium Trend Factor for Comprehensive Coverage

Cost Symbol	Distribution FYE 12/2007	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2008	X	Cost Symbol Factor	=	Weighted Factor	Distribution FYE 12/2009	X	Cost Symbol Factor	=	Weighted Factor	
<8	1.13		0.48		0.54	1.02		0.48		0.49	0.92		0.48		0.44	
8	2.07		0.84		1.74	1.70		0.84		1.43	1.40		0.84		1.18	
9	2.17		0.94		2.04	1.76		0.94		1.66	1.45		0.94		1.37	
10	2.58		1.00		2.58	2.19		1.00		2.19	1.90		1.00		1.90	
11	2.87		1.08		3.10	2.51		1.08		2.71	2.23		1.08		2.40	
12	3.91		1.13		4.42	3.62		1.13		4.09	3.29		1.13		3.72	
13	3.92		1.17		4.59	3.79		1.17		4.43	3.65		1.17		4.27	
14	4.27		1.23		5.25	4.02		1.23		4.94	3.75		1.23		4.62	
15	4.79		1.26		6.04	4.66		1.26		5.87	4.40		1.26		5.55	
16	4.61		1.30		5.99	4.44		1.30		5.77	4.28		1.30		5.56	
17	5.06		1.33		6.73	4.83		1.33		6.43	4.55		1.33		6.05	
18	5.30		1.35		7.16	5.49		1.35		7.41	5.51		1.35		7.45	
19	5.40		1.37		7.40	5.33		1.37		7.30	5.15		1.37		7.06	
20-21	9.17		1.39		12.74	9.43		1.39		13.11	9.54		1.39		13.26	
22-24	12.08		1.46		17.63	12.58		1.46		18.37	13.17		1.46		19.23	
25-29	15.10		1.64		24.77	15.74		1.64		25.81	16.42		1.64		26.94	
30-34	8.22		1.88		15.45	8.85		1.88		16.63	9.43		1.88		17.72	
35-39	4.05		2.15		8.70	4.29		2.15		9.23	4.73		2.15		10.16	
40-44	1.67		2.41		4.02	1.91		2.41		4.60	2.10		2.41		5.06	
>44	1.64		3.06		5.01	1.85		3.06		5.67	2.12		3.06		6.49	
	100.00				<b>145.89</b>	100.00				<b>148.13</b>	100.00				<b>150.42</b>	
										<b>% Change =</b>		<b>1.53</b>				
											<b>% Change =</b>		<b>1.55</b>			

Selected Model Year Premium Trend Factor = **3.45%**  
 Selected Symbol Drift Premium Trend Factor = **1.55%**  
 Combined Premium Trend Factor = **5.1%**

**Shelter Mutual Insurance Company**

Exhibit B.II.e.3

**Arkansas**

**Private Passenger Automobile - Comprehensive**

**Development of Excess Wind and Hail Loss Factor**

<b>Fiscal Accident Year</b>	<b>(1) Wind and Hail Loss</b>	<b>(2) Total Loss</b>	<b>(3) Wind/Non-Wind (1) / (2-1)</b>	<b>Rank</b>	<b>(4) If (3)&gt;1.5xM then (3)-M</b>	<b>(5) Excess Wind Loss (2-1)x(4)</b>	<b>Total Loss Less Excess (2) - (5)</b>
9/2001	1,991,969	9,697,680	0.2585	4	-		
9/2002	3,329,702	10,874,946	0.4413	7	-		
9/2003	2,426,935	8,671,523	0.3886	6	-		
9/2004	1,604,050	7,396,405	0.2769	5	-		
9/2005	975,106	6,894,689	0.1647	3	-		
9/2006	4,775,336	11,132,355	0.7512	9	0.4184		
9/2007	624,209	6,847,781	0.1003	1	-		
9/2008	12,226,744	19,940,902	1.5850	10	1.2522	9,659,669	10,281,233
9/2009	4,821,993	13,807,949	0.5366	8	0.2038	1,831,338	11,976,611
9/2010	1,502,625	10,949,032	<u>0.1591</u>	2	-	0	10,949,032
			<b>4.6622</b>		<b>1.8744</b>		

<b>Median (M) (Rank 5 + Rank 6) / 2</b>	=	<b>0.3328</b>	<b>Excess Factor</b>	=	$\frac{1.0 + \text{Average Ratio}}{1.0 + \text{Average Ratio} - \text{Average Excess}}$
<b>Median x 1.5</b>	=	<b>0.4992</b>		=	$\frac{1.0 + 0.4662}{1.0 + 0.4662 - 0.1874}$
<b>Average Wind to Non-Wind Ratio</b>	=	<b>0.4662</b>		=	<b><u>1.147</u></b>
<b>Average Excess Ratio</b>	=	<b>0.1874</b>	<b>Selected</b>		<b><u>1.147</u></b>

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	19,956,594	51,400,211	65,117,106	72,169,877	76,073,191	78,228,344	78,808,576	79,106,837	79,573,237	79,694,681
9/30/2002	21,356,704	58,415,145	76,074,807	87,770,467	91,448,482	93,629,860	94,703,205	94,923,168	94,969,537	
9/30/2003	20,852,407	55,755,693	71,294,610	79,355,059	83,304,214	85,015,076	85,810,536	86,187,575		
9/30/2004	20,694,876	55,970,463	72,145,019	80,509,375	83,498,420	85,113,941	85,557,226			
9/30/2005	18,565,647	50,372,685	66,366,760	74,228,764	76,641,796	78,263,530				
9/30/2006	20,550,788	50,130,341	65,434,272	73,508,000	77,237,711					
9/30/2007	18,766,453	51,451,216	67,777,178	76,802,604						
9/30/2008	20,116,605	54,713,620	70,568,828							
9/30/2009	21,637,005	60,003,221								
9/30/2010	22,117,634									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	81,358,456	79,300,372	78,868,061	78,942,612	79,285,015	79,720,780	79,587,740	79,642,247	79,815,737	79,887,181
9/30/2002	91,913,217	91,903,366	93,230,055	95,996,379	94,983,777	95,046,448	95,337,887	95,351,990	95,249,599	
9/30/2003	88,754,549	86,040,295	85,457,445	86,449,390	86,519,379	86,962,881	87,072,472	86,894,075		
9/30/2004	90,100,504	84,676,116	85,513,789	86,727,487	86,576,146	86,506,621	86,426,790			
9/30/2005	82,336,229	74,938,424	77,743,797	79,193,814	79,250,023	79,437,528				
9/30/2006	85,441,447	76,423,424	78,724,401	79,894,807	80,503,225					
9/30/2007	82,993,029	78,987,926	81,838,551	83,062,837						
9/30/2008	83,009,530	80,919,210	84,122,076							
9/30/2009	94,427,500	90,405,783								
9/30/2010	102,424,202									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	7,698	8,387	8,508	8,557	8,582	8,592	8,598	8,600	8,618	8,621
9/30/2002	8,432	9,160	9,260	9,320	9,342	9,349	9,352	9,374	9,380	
9/30/2003	7,765	8,339	8,427	8,457	8,472	8,485	8,532	8,539		
9/30/2004	7,710	8,182	8,227	8,258	8,268	8,337	8,351			
9/30/2005	6,959	7,368	7,417	7,445	7,589	7,624				
9/30/2006	6,815	7,210	7,271	7,538	7,593					
9/30/2007	7,150	7,695	8,044	8,138						
9/30/2008	8,687	9,161	9,202							
9/30/2009	9,838	10,331								
9/30/2010	10,611									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Valuation Period (In Months)			Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
				Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)				
9/30/2001	79,887,181	1.0000	79,887,181	79,694,681	1.0000	79,694,681	79,887,181	8,621	1.0000	8,621
9/30/2002	95,249,599	1.0000	95,249,599	94,969,537	1.0000	94,969,537	95,249,599	9,380	1.0000	9,380
9/30/2003	86,894,075	1.0000	86,894,075	86,187,575	1.0020	86,359,950	86,894,075	8,539	1.0030	8,565
9/30/2004	86,426,790	1.0002	86,444,075	85,557,226	1.0074	86,191,273	86,444,075	8,351	1.0040	8,384
9/30/2005	79,437,528	0.9996	79,405,743	78,263,530	1.0165	79,553,117	79,405,743	7,624	1.0060	7,670
9/30/2006	80,503,225	1.0001	80,511,249	77,237,711	1.0375	80,135,560	80,511,249	7,593	1.0085	7,658
9/30/2007	83,062,837	1.0031	83,320,330	76,802,604	1.0866	83,453,188	83,320,330	8,138	1.0136	8,248
9/30/2008	84,122,076	1.0122	85,150,737	70,568,828	1.2069	85,168,042	85,150,737	9,202	1.0237	9,420
9/30/2009	90,405,783	1.0487	94,805,688	60,003,221	1.5837	95,025,104	94,805,688	10,331	1.0309	10,650
9/30/2010	102,424,202	0.9648	98,816,303	22,117,634	4.1994	92,860,994	98,816,303	10,611	1.0886	11,551
3-yr Total			278,772,728			273,074,141	278,772,728			
10-yr Total			870,484,980			863,431,447	870,484,980			

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	4,664,376	10,342,911	11,997,708	13,220,067	13,489,014	13,563,083	13,657,259	13,672,803	13,693,515	13,710,542
9/30/2002	5,574,442	12,184,591	14,590,443	15,979,046	16,644,911	16,734,075	16,927,836	16,950,345	16,957,538	
9/30/2003	4,814,019	10,121,239	11,790,957	13,147,308	13,774,091	13,915,351	13,935,570	13,940,520		
9/30/2004	4,702,261	10,652,761	12,520,806	13,999,223	14,349,353	14,456,657	14,481,900			
9/30/2005	4,411,680	10,073,489	13,193,426	14,924,222	15,215,008	15,395,809				
9/30/2006	4,418,832	9,381,258	11,607,231	13,175,677	13,587,595					
9/30/2007	3,725,237	9,071,338	11,341,961	13,106,359						
9/30/2008	4,745,073	11,172,337	13,861,611							
9/30/2009	5,205,657	12,517,634								
9/30/2010	4,592,631									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	14,459,658	13,564,349	13,657,564	13,834,344	13,821,080	13,797,646	13,753,322	13,745,503	13,737,515	13,729,542
9/30/2002	17,907,570	16,993,301	16,793,271	17,155,019	16,860,904	16,921,068	17,022,836	16,980,345	16,963,538	
9/30/2003	16,068,448	14,529,355	13,957,251	14,032,728	14,073,591	13,999,351	13,960,570	13,965,520		
9/30/2004	16,408,758	15,012,887	14,801,392	14,977,607	14,702,203	14,657,657	14,595,400			
9/30/2005	15,918,940	14,170,814	15,196,979	15,649,817	15,513,454	15,494,809				
9/30/2006	16,625,748	14,180,409	13,899,146	14,159,158	13,947,095					
9/30/2007	16,666,691	13,838,160	13,656,730	13,967,659						
9/30/2008	18,033,649	15,994,755	16,025,542							
9/30/2009	19,878,708	17,549,196								
9/30/2010	20,286,296									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	1,532	1,635	1,654	1,661	1,664	1,665	1,665	1,665	1,669	1,669
9/30/2002	1,800	1,884	1,892	1,894	1,895	1,896	1,896	1,898	1,898	
9/30/2003	1,660	1,738	1,748	1,753	1,754	1,755	1,757	1,758		
9/30/2004	1,617	1,697	1,706	1,716	1,717	1,727	1,730			
9/30/2005	1,532	1,612	1,614	1,619	1,636	1,649				
9/30/2006	1,505	1,583	1,589	1,629	1,652					
9/30/2007	1,581	1,669	1,751	1,771						
9/30/2008	1,939	2,039	2,045							
9/30/2009	2,082	2,167								
9/30/2010	2,255									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Valuation Period (In Months)			Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
				Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)				
9/30/2001	13,729,542	1.0000	13,729,542	13,710,542	1.0000	13,710,542	13,729,542	1,669	1.0000	1,669
9/30/2002	16,963,538	1.0000	16,963,538	16,957,538	1.0000	16,957,538	16,963,538	1,898	1.0000	1,898
9/30/2003	13,965,520	1.0000	13,965,520	13,940,520	1.0000	13,940,520	13,965,520	1,758	1.0000	1,758
9/30/2004	14,595,400	1.0000	14,595,400	14,481,900	1.0010	14,496,381	14,595,400	1,730	1.0006	1,731
9/30/2005	15,494,809	0.9990	15,479,315	15,395,809	1.0035	15,449,733	15,479,315	1,649	1.0013	1,651
9/30/2006	13,947,095	0.9977	13,915,035	13,587,595	1.0135	13,771,537	13,915,035	1,652	1.0043	1,659
9/30/2007	13,967,659	0.9877	13,796,196	13,106,359	1.0439	13,682,301	13,796,196	1,771	1.0093	1,788
9/30/2008	16,025,542	1.0055	16,113,736	13,861,611	1.1901	16,496,645	16,113,736	2,045	1.0174	2,081
9/30/2009	17,549,196	1.0055	17,645,775	12,517,634	1.4876	18,621,479	17,645,775	2,167	1.0276	2,227
9/30/2010	20,286,296	0.8698	17,644,217	4,592,631	3.5703	16,397,013	17,644,217	2,255	1.0790	2,433
3-yr Total			51,403,727			51,515,136	51,403,728			
10-yr Total			153,848,273			153,523,689	153,848,274			

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	53,586,135	62,339,002	62,980,376	63,232,652	63,357,134	63,375,408	63,417,600	63,443,072	63,443,072	63,443,072
9/30/2002	59,460,899	68,857,722	69,515,631	69,677,167	69,691,016	69,717,627	69,717,499	69,719,499	69,722,241	
9/30/2003	55,284,940	62,928,028	63,386,949	63,575,453	63,700,721	63,706,743	63,711,890	63,711,890		
9/30/2004	52,481,612	60,677,732	61,053,951	61,249,377	61,279,463	61,301,869	61,321,490			
9/30/2005	52,134,632	59,197,412	59,514,110	59,639,667	59,681,849	59,681,849				
9/30/2006	52,003,443	59,241,830	59,428,617	59,562,580	59,633,063					
9/30/2007	54,916,426	62,992,340	63,228,023	63,422,808						
9/30/2008	57,873,342	65,269,169	65,666,712							
9/30/2009	59,846,495	67,753,929								
9/30/2010	66,400,383									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	62,225,564	62,989,651	63,245,083	63,375,720	63,423,374	63,415,698	63,450,890	63,466,662	63,452,962	63,452,962
9/30/2002	69,414,239	69,503,484	69,710,467	69,774,114	69,735,647	69,741,827	69,727,999	69,723,199	69,722,241	
9/30/2003	64,820,044	63,369,965	63,540,225	63,651,949	63,730,648	63,724,343	63,715,390	63,711,890		
9/30/2004	61,433,720	61,154,580	61,317,503	61,384,958	61,342,399	61,340,884	61,335,505			
9/30/2005	60,535,084	59,586,424	59,684,012	59,728,552	59,723,588	59,699,256				
9/30/2006	61,054,073	59,576,302	59,585,992	59,606,678	59,643,963					
9/30/2007	62,924,819	63,357,510	63,347,729	63,501,977						
9/30/2008	65,947,824	65,678,361	65,812,929							
9/30/2009	68,575,125	68,238,479								
9/30/2010	75,793,616									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	32,704	33,983	34,107	34,134	34,142	34,145	34,145	34,145	34,148	34,148
9/30/2002	35,004	36,093	36,180	36,208	36,215	36,222	36,223	36,229	36,231	
9/30/2003	31,787	32,684	32,756	32,783	32,790	32,794	32,798	32,799		
9/30/2004	30,122	30,939	30,982	31,013	31,019	31,033	31,035			
9/30/2005	29,388	30,119	30,153	30,168	30,194	30,202				
9/30/2006	28,604	29,322	29,352	29,404	29,430					
9/30/2007	29,852	30,925	31,010	31,047						
9/30/2008	30,071	31,030	31,064							
9/30/2009	31,828	32,792								
9/30/2010	34,271									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2001	63,452,962	1.0000	63,452,962	63,443,072	1.0000	63,443,072	63,452,962	34,148	1.0000	34,148
9/30/2002	69,722,241	1.0000	69,722,241	69,722,241	1.0000	69,722,241	69,722,241	36,231	1.0000	36,231
9/30/2003	63,711,890	1.0000	63,711,890	63,711,890	1.0000	63,711,890	63,711,890	32,799	1.0000	32,799
9/30/2004	61,335,505	1.0000	61,335,505	61,321,490	1.0000	61,321,490	61,335,505	31,035	1.0000	31,035
9/30/2005	59,699,256	1.0000	59,699,256	59,681,799	1.0000	59,681,799	59,699,256	30,202	1.0000	30,202
9/30/2006	59,643,963	1.0000	59,643,963	59,633,063	1.0003	59,650,952	59,643,963	29,430	1.0002	29,436
9/30/2007	63,501,977	0.9999	63,498,627	63,422,808	1.0009	63,479,900	63,498,627	31,047	1.0006	31,066
9/30/2008	65,812,929	1.0012	65,891,896	65,666,712	1.0037	65,909,856	65,891,896	31,064	1.0016	31,114
9/30/2009	68,238,479	1.0043	68,532,149	67,753,929	1.0101	68,440,032	68,532,149	32,792	1.0029	32,887
9/30/2010	75,793,616	0.9967	75,541,290	66,400,383	1.1446	76,000,166	75,541,290	34,271	1.0310	35,333
3-yr Total			209,965,336			210,350,054	209,965,335			
10-yr Total			651,026,780			651,361,399	651,026,779			

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	10,608,812	11,718,809	11,773,782	11,790,399	11,797,716	11,803,172	11,813,363	11,813,363	11,813,363	11,813,363
9/30/2002	12,209,763	13,512,380	13,589,857	13,596,208	13,595,286	13,595,287	13,595,287	13,595,287	13,595,287	13,595,287
9/30/2003	11,207,573	12,393,999	12,411,393	12,472,397	12,505,393	12,505,393	12,505,393	12,505,393	12,505,393	
9/30/2004	10,825,463	12,095,816	12,158,253	12,187,208	12,189,346	12,191,883	12,191,883			
9/30/2005	11,228,942	12,518,768	12,594,768	12,671,383	12,682,555	12,682,555				
9/30/2006	11,347,867	12,826,551	12,878,400	12,900,590	12,904,090					
9/30/2007	11,158,478	12,781,819	12,829,181							
9/30/2008	12,403,283	13,833,585	13,861,508							
9/30/2009	12,333,760	13,687,922								
9/30/2010	14,249,869									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	11,548,766	11,787,243	11,826,816	11,823,199	11,817,516	11,813,372	11,819,763	11,816,963	11,813,363	11,813,363
9/30/2002	13,285,583	13,615,447	13,607,057	13,612,981	13,598,786	13,598,787	13,595,287	13,595,287	13,595,287	
9/30/2003	12,331,696	12,426,708	12,432,293	12,482,897	12,508,305	12,505,393	12,505,393	12,505,393		
9/30/2004	12,173,113	12,177,263	12,207,653	12,225,197	12,213,961	12,205,598	12,198,498			
9/30/2005	12,684,190	12,590,725	12,623,843	12,685,883	12,686,255	12,686,255				
9/30/2006	12,798,940	12,885,023	12,898,742	12,900,590	12,904,090					
9/30/2007	12,499,951	12,839,581	12,836,581							
9/30/2008	13,677,479	13,879,925	13,875,908							
9/30/2009	13,591,935	13,763,522								
9/30/2010	15,624,628									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	5,779	5,948	5,965	5,969	5,970	5,970	5,970	5,970	5,970	5,970
9/30/2002	6,557	6,712	6,723	6,726	6,727	6,727	6,727	6,728	6,728	
9/30/2003	5,991	6,127	6,137	6,145	6,146	6,146	6,148	6,148		
9/30/2004	5,790	5,924	5,930	5,936	5,937	5,944	5,945			
9/30/2005	5,826	5,929	5,931	5,933	5,936	5,937				
9/30/2006	5,691	5,804	5,808	5,817	5,822					
9/30/2007	5,818	5,980	5,996	6,001						
9/30/2008	5,715	5,892	5,895							
9/30/2009	5,729	5,917								
9/30/2010	6,331									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses	Ultimate Development Factors	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count	Ultimate Development Factors	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2001	11,813,363	1.0000	11,813,363	11,813,363	1.0000	11,813,363	11,813,363	5,970	1.0000	5,970
9/30/2002	13,595,287	1.0000	13,595,287	13,595,287	1.0000	13,595,287	13,595,287	6,728	1.0000	6,728
9/30/2003	12,505,393	1.0000	12,505,393	12,505,393	1.0000	12,505,393	12,505,393	6,148	1.0000	6,148
9/30/2004	12,198,498	1.0000	12,198,498	12,191,883	1.0000	12,191,883	12,198,498	5,945	1.0000	5,945
9/30/2005	12,686,255	1.0000	12,686,255	12,682,555	1.0000	12,682,555	12,686,255	5,937	1.0000	5,937
9/30/2006	12,904,090	1.0000	12,904,090	12,904,090	1.0000	12,904,090	12,904,090	5,822	1.0002	5,823
9/30/2007	12,894,764	1.0000	12,894,764	12,887,464	1.0007	12,896,485	12,894,764	6,001	1.0006	6,005
9/30/2008	13,875,908	1.0030	13,917,536	13,861,508	1.0043	13,921,148	13,917,536	5,895	1.0016	5,904
9/30/2009	13,763,522	1.0040	13,818,617	13,687,922	1.0083	13,801,801	13,818,617	5,917	1.0028	5,934
9/30/2010	15,624,628	1.0161	15,875,420	14,249,869	1.1293	16,092,635	15,875,420	6,331	1.0329	6,539
3-yr Total			43,611,573			43,815,584	43,611,573			
10-yr Total			132,209,222			132,404,639	132,209,223			

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	7,729,119	10,504,664	10,524,774	10,438,317	10,397,674	10,373,353	10,372,630	10,367,113	10,363,255	10,359,957
9/30/2002	9,308,332	12,754,968	12,688,460	12,626,101	12,551,585	12,524,834	12,507,103	12,511,628	12,497,002	
9/30/2003	9,306,458	12,677,501	12,679,374	12,614,363	12,553,992	12,552,650	12,549,839	12,541,491		
9/30/2004	9,026,512	12,341,604	12,283,771	12,177,125	12,154,370	12,169,231	12,168,962			
9/30/2005	8,769,667	11,588,975	11,726,188	11,692,866	11,683,081	11,700,620				
9/30/2006	8,857,866	11,709,747	11,764,734	11,736,959	11,719,750					
9/30/2007	8,842,654	11,614,047	11,606,363	11,533,374						
9/30/2008	8,595,885	11,138,524	11,244,272							
9/30/2009	9,132,224	11,940,902								
9/30/2010	10,972,311									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	11,077,061	10,770,358	10,618,142	10,465,344	10,415,219	10,387,490	10,378,167	10,372,650	10,363,360	10,359,957
9/30/2002	13,310,534	13,087,983	12,812,137	12,664,381	12,573,611	12,542,585	12,518,166	12,515,628	12,497,002	
9/30/2003	13,953,116	12,869,462	12,770,978	12,674,726	12,599,750	12,570,150	12,556,739	12,545,091		
9/30/2004	13,859,800	12,453,053	12,332,616	12,189,425	12,173,652	12,169,231	12,172,962			
9/30/2005	13,182,011	11,686,325	11,750,816	11,702,266	11,690,670	11,708,620				
9/30/2006	13,991,153	11,815,952	11,830,323	11,766,826	11,728,150					
9/30/2007	13,079,744	11,793,684	11,667,231	11,570,733						
9/30/2008	13,226,799	11,433,400	11,361,987							
9/30/2009	14,307,836	12,385,935								
9/30/2010	16,327,259									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	6,140	6,640	6,724	6,750	6,763	6,773	6,774	6,775	6,794	6,799
9/30/2002	6,990	7,609	7,696	7,731	7,740	7,747	7,747	7,781	7,790	
9/30/2003	8,250	8,779	8,853	8,872	8,887	8,893	8,928	8,938		
9/30/2004	9,005	9,515	9,557	9,571	9,581	9,623	9,634			
9/30/2005	8,309	8,763	8,825	8,849	8,902	8,922				
9/30/2006	8,125	8,604	8,634	8,760	8,778					
9/30/2007	7,379	7,687	7,676	7,902						
9/30/2008	5,463	5,737	5,758							
9/30/2009	5,914	6,213								
9/30/2010	6,443									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Cumulative Paid Losses (4)	Ultimate Development Factors (5)	Estimated Incurred Loss & ALAE (6)	Selected Incurred Loss & ALAE (7)	Cumulative Paid Claim Count (8)	Ultimate Development Factors (9)	Estimated Incurred Claim Count (10)	Estimated Incurred Claim Count (11)
9/30/2001	10,359,957	1.0000	10,359,957	10,359,957	1.0000	10,359,957	10,359,957	6,799	1.0000	6,799	6,799
9/30/2002	12,497,002	1.0000	12,497,002	12,497,002	1.0000	12,497,002	12,497,002	7,790	1.0000	7,790	7,790
9/30/2003	12,545,091	0.9990	12,532,546	12,541,491	0.9990	12,528,950	12,532,546	8,938	1.0000	8,938	8,938
9/30/2004	12,172,962	0.9983	12,152,277	12,168,962	0.9983	12,148,284	12,152,277	9,634	1.0005	9,639	9,639
9/30/2005	11,708,620	0.9980	11,685,217	11,700,620	0.9980	11,677,233	11,685,217	8,922	1.0015	8,935	8,935
9/30/2006	11,728,150	0.9973	11,696,514	11,719,750	0.9973	11,688,137	11,696,514	8,778	1.0025	8,800	8,800
9/30/2007	11,570,733	0.9941	11,502,596	11,533,374	0.9953	11,479,259	11,502,596	7,902	1.0050	7,942	7,942
9/30/2008	11,361,987	0.9865	11,208,107	11,244,272	0.9900	11,132,199	11,208,107	5,758	1.0085	5,807	5,807
9/30/2009	12,385,935	0.9806	12,146,100	11,940,902	0.9930	11,857,351	12,146,100	6,213	1.0128	6,292	6,292
9/30/2010	16,327,259	0.8601	14,043,341	10,972,311	1.2709	13,945,198	14,043,341	6,443	1.0659	6,868	6,868
3-yr Total			37,397,548			36,934,748	37,397,548				
10-yr Total			119,823,656			119,313,569	119,823,657				

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	1,811,592	2,357,136	2,253,684	2,145,713	2,112,942	2,094,895	2,097,019	2,096,359	2,095,803	2,093,805
9/30/2002	2,264,206	2,831,793	2,696,415	2,616,483	2,587,726	2,584,292	2,581,272	2,579,135	2,578,106	
9/30/2003	2,394,995	3,018,741	2,863,094	2,802,901	2,782,803	2,779,988	2,776,055	2,775,214		
9/30/2004	2,412,531	2,919,935	2,819,555	2,742,209	2,708,996	2,708,804	2,707,810			
9/30/2005	2,170,724	2,769,985	2,649,752	2,593,085	2,586,384	2,585,278				
9/30/2006	2,232,828	2,728,499	2,651,116	2,601,403	2,600,468					
9/30/2007	2,403,815	2,778,911	2,741,836							
9/30/2008	2,664,521	3,205,749	3,135,173							
9/30/2009	2,511,791	2,975,076								
9/30/2010	2,958,616									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	2,679,935	2,389,913	2,264,977	2,149,751	2,118,961	2,101,727	2,099,451	2,098,791	2,095,803	2,093,805
9/30/2002	3,414,537	2,864,878	2,712,509	2,616,483	2,587,726	2,584,292	2,581,272	2,579,135	2,578,106	
9/30/2003	3,666,856	3,054,278	2,876,587	2,817,516	2,791,003	2,784,188	2,776,055	2,775,214		
9/30/2004	3,623,665	2,929,035	2,823,684	2,742,209	2,712,796	2,708,804	2,711,810			
9/30/2005	3,517,710	2,799,401	2,652,540	2,593,085	2,589,773	2,585,278				
9/30/2006	3,680,550	2,760,873	2,655,516	2,609,803	2,600,468					
9/30/2007	3,615,424	2,804,478	2,741,836	2,674,189						
9/30/2008	4,020,026	3,260,130	3,153,378							
9/30/2009	4,011,836	3,052,848								
9/30/2010	4,559,624									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	1,517	1,633	1,654	1,661	1,663	1,664	1,664	1,664	1,669	1,670
9/30/2002	2,291	2,486	2,508	2,517	2,518	2,520	2,520	2,534	2,537	
9/30/2003	2,697	2,835	2,852	2,858	2,860	2,860	2,871	2,874		
9/30/2004	2,699	2,827	2,841	2,846	2,847	2,872	2,875			
9/30/2005	2,426	2,544	2,547	2,550	2,578	2,581				
9/30/2006	2,564	2,695	2,699	2,755	2,761					
9/30/2007	2,309	2,395	2,480	2,485						
9/30/2008	1,778	1,855	1,864							
9/30/2009	1,746	1,814								
9/30/2010	1,837									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Cumulative Paid Losses (4)	Ultimate Development Factors (5)	Estimated Incurred Loss & ALAE (6)	Selected Incurred Loss & ALAE (7)	Cumulative Paid Claim Count (8)	Ultimate Development Factors (9)	Estimated Incurred Claim Count (10)	Estimated Incurred Claim Count (11)
9/30/2001	2,093,805	1.0000	2,093,805	2,093,805	1.0000	2,093,805	2,093,805	1,670	1.0000	1,670	1,670
9/30/2002	2,578,106	1.0000	2,578,106	2,578,106	1.0000	2,578,106	2,578,106	2,537	1.0000	2,537	2,537
9/30/2003	2,775,214	0.9990	2,772,438	2,775,214	0.9997	2,774,381	2,772,438	2,874	1.0000	2,874	2,874
9/30/2004	2,711,810	0.9983	2,707,202	2,707,810	0.9990	2,705,103	2,707,202	2,875	1.0005	2,876	2,876
9/30/2005	2,585,278	0.9973	2,578,304	2,585,278	0.9984	2,581,144	2,578,304	2,581	1.0015	2,585	2,585
9/30/2006	2,600,468	0.9943	2,585,672	2,600,468	0.9974	2,593,713	2,585,672	2,761	1.0025	2,768	2,768
9/30/2007	2,674,189	0.9864	2,637,703	2,674,189	0.9949	2,660,575	2,637,703	2,485	1.0050	2,497	2,497
9/30/2008	3,153,378	0.9617	3,032,595	3,135,173	0.9700	3,041,231	3,032,595	1,864	1.0100	1,883	1,883
9/30/2009	3,052,848	0.9232	2,818,479	2,975,076	0.9506	2,828,213	2,818,479	1,814	1.0151	1,841	1,841
9/30/2010	4,559,624	0.7386	3,367,662	2,958,616	1.1408	3,375,079	3,367,662	1,837	1.0557	1,939	1,939
3-yr Total			9,218,736			9,244,523	9,218,736				
10-yr Total			27,171,966			27,231,349	27,171,966				

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	2,768,656	7,837,147	10,136,682	11,304,283	12,252,151	12,465,929	12,885,095	12,871,982	12,913,701	12,905,603
9/30/2002	3,852,376	10,817,112	14,492,227	16,653,965	18,052,034	18,486,251	18,816,641	18,881,111	18,890,959	
9/30/2003	3,448,957	11,313,715	14,564,247	16,010,913	16,826,539	17,300,284	17,545,294	17,558,191		
9/30/2004	3,251,341	9,443,182	12,000,841	13,610,608	14,461,570	14,586,002	14,773,284			
9/30/2005	3,176,458	9,804,835	11,874,330	14,253,173	15,129,728	15,203,867				
9/30/2006	3,144,941	9,653,953	13,337,376	14,763,138	16,251,000					
9/30/2007	2,939,142	10,172,577	13,768,092	15,075,878						
9/30/2008	3,714,967	10,855,634	14,178,232							
9/30/2009	4,026,512	13,062,244								
9/30/2010	4,728,471									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	10,589,859	12,442,806	13,135,192	12,918,450	13,021,151	12,964,929	13,043,595	13,060,982	13,078,701	13,010,603
9/30/2002	13,556,299	17,669,551	19,063,631	19,797,765	19,724,034	19,498,251	19,161,141	19,007,111	18,896,959	
9/30/2003	14,668,880	17,484,263	17,797,070	18,304,232	18,019,039	18,018,284	17,943,794	17,707,191		
9/30/2004	13,328,247	14,883,244	15,382,235	15,029,608	15,229,070	14,903,252	15,010,784			
9/30/2005	12,132,232	14,301,507	15,467,892	15,718,874	15,904,228	16,500,981				
9/30/2006	13,259,629	15,867,244	16,522,641	16,770,808	17,248,837					
9/30/2007	12,797,465	16,135,389	16,949,895	16,772,882						
9/30/2008	14,417,467	17,568,235	19,327,301							
9/30/2009	17,713,916	23,215,509								
9/30/2010	21,025,916									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	1,141	1,480	1,579	1,607	1,616	1,620	1,625	1,626	1,654	1,661
9/30/2002	1,305	1,756	1,862	1,908	1,918	1,936	1,937	2,010	2,023	
9/30/2003	1,277	1,624	1,708	1,742	1,753	1,764	1,849	1,865		
9/30/2004	1,156	1,450	1,515	1,545	1,558	1,654	1,676			
9/30/2005	1,001	1,253	1,333	1,366	1,480	1,514				
9/30/2006	915	1,193	1,259	1,479	1,520					
9/30/2007	968	1,217	1,472	1,509						
9/30/2008	1,016	1,237	1,306							
9/30/2009	1,151	1,507								
9/30/2010	1,276									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2002	18,896,959	1.0000	18,896,959	18,890,959	1.0000	18,890,959	18,896,959	2,023	1,0000	2,023	
9/30/2003	17,707,191	1.0000	17,707,191	17,558,191	1.0000	17,558,191	17,707,191	1,865	1,0000	1,865	
9/30/2004	15,010,784	0.9933	14,910,212	14,773,284	0.9998	14,770,330	14,910,212	1,676	1,0100	1,693	
9/30/2005	15,650,981	0.9868	15,445,069	15,203,867	1.0179	15,475,961	15,445,069	1,514	1.0201	1,544	
9/30/2006	17,248,837	0.9864	17,013,393	16,251,000	1.0474	17,021,547	17,013,393	1,520	1.0303	1,566	
9/30/2007	16,772,882	0.9876	16,565,442	15,075,878	1.1275	16,998,696	16,565,442	1,509	1.0458	1,578	
9/30/2008	19,327,301	0.9945	19,221,887	14,178,232	1.2849	18,218,286	19,221,887	1,306	1.0928	1,427	
9/30/2009	23,215,509	1.0551	24,495,000	13,062,244	1.6519	21,577,895	24,495,000	1,507	1.1562	1,742	
9/30/2010	21,025,916	1.2835	26,987,726	4,728,471	5.2361	24,758,836	26,987,726	1,276	1.4684	1,874	
3-yr Total			70,704,612			64,555,017	70,704,613				
10-yr Total			184,253,482			178,176,304	184,253,482				

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	655,861	1,579,041	1,895,178	1,974,483	2,079,361	2,091,870	2,092,141	2,091,252	2,106,854	2,104,740
9/30/2002	879,060	2,109,589	2,599,332	2,979,646	3,054,972	3,069,899	3,080,647	3,088,018	3,114,113	
9/30/2003	533,674	2,189,728	2,731,565	3,352,115	3,521,431	3,585,809	3,616,365	3,619,427		
9/30/2004	531,089	2,005,547	2,489,929	2,716,662	2,839,053	2,873,597	2,870,258			
9/30/2005	486,766	2,098,003	2,396,504	2,605,962	2,642,433	2,688,113				
9/30/2006	759,879	2,274,503	2,681,790	2,805,303	2,931,041					
9/30/2007	340,429	1,604,893	2,251,657	2,297,863						
9/30/2008	1,701,877	2,865,464	3,234,190							
9/30/2009	833,688	1,997,601								
9/30/2010	618,099									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	1,842,388	2,118,940	2,070,178	2,142,983	2,149,361	2,205,870	2,127,141	2,170,252	2,141,854	2,104,740
9/30/2002	2,431,342	2,837,907	3,272,958	3,391,346	3,338,472	3,337,899	3,169,647	3,167,018	3,114,113	
9/30/2003	2,196,204	3,256,508	3,291,565	3,853,115	3,877,931	3,718,809	3,744,365	3,619,427		
9/30/2004	2,681,266	3,107,047	3,161,629	3,092,162	3,107,053	2,938,597	2,965,258			
9/30/2005	2,429,963	2,952,253	2,885,254	2,853,462	2,840,933	2,808,613				
9/30/2006	2,499,879	3,254,503	3,234,469	3,210,636	3,113,041					
9/30/2007	2,378,198	2,656,523	2,709,786	2,573,993						
9/30/2008	3,711,766	3,704,889	4,011,365							
9/30/2009	3,505,925	3,535,367								
9/30/2010	3,351,737									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	233	287	298	309	310	311	312	312	321	322
9/30/2002	280	349	370	382	385	389	389	414	418	
9/30/2003	244	312	329	338	341	343	365	369		
9/30/2004	244	287	302	309	312	338	343			
9/30/2005	213	257	267	273	306	315				
9/30/2006	189	248	260	301	311					
9/30/2007	193	237	295	305						
9/30/2008	244	273	286							
9/30/2009	257	299								
9/30/2010	244									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2002	3,114,113	1.0000	3,114,113	3,114,113	1.0000	3,114,113	3,114,113	418	1.0000	418	
9/30/2003	3,619,427	1.0000	3,619,427	3,619,427	1.0000	3,619,427	3,619,427	369	1.0100	373	
9/30/2004	2,965,258	0.9920	2,941,536	2,870,258	1.0001	2,870,545	2,941,536	343	1.0302	353	
9/30/2005	2,808,613	0.9771	2,744,352	2,688,113	1.0031	2,696,447	2,744,352	315	1.0508	331	
9/30/2006	3,113,041	0.9576	2,980,978	2,931,041	1.0151	2,975,409	2,980,978	311	1.0771	335	
9/30/2007	2,573,993	0.9509	2,447,544	2,297,863	1.0507	2,414,290	2,447,544	305	1.1094	338	
9/30/2008	4,011,365	0.9699	3,890,591	3,234,190	1.1032	3,567,961	3,890,591	286	1.1649	333	
9/30/2009	3,535,367	0.9893	3,497,503	1,997,601	1.3371	2,670,951	3,497,503	299	1.2464	373	
9/30/2010	3,351,737	1.0981	3,680,582	618,099	3.7171	2,297,525	3,680,582	244	1.4957	365	
3-yr Total						11,068,676	8,536,437	11,068,676			
10-yr Total						31,021,366	28,331,408	31,021,366			

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	79,026,523	81,135,081	80,755,790	80,688,910	80,669,070	80,643,955	80,620,719	80,595,671	80,586,124	80,576,051
9/30/2002	86,057,764	87,575,481	87,149,002	86,986,749	86,948,538	86,916,519	86,897,892	86,887,064	86,872,626	
9/30/2003	81,508,126	81,722,235	81,508,399	81,443,266	81,404,525	81,334,555	81,303,140	81,280,703		
9/30/2004	73,512,142	73,473,212	73,285,972	73,204,715	73,144,362	73,097,970	73,054,202			
9/30/2005	72,171,377	71,995,217	71,822,735	71,725,571	71,677,036	71,636,383				
9/30/2006	71,196,686	71,689,709	71,567,633	71,487,305	71,434,728					
9/30/2007	75,792,802	76,519,302	76,294,098	76,224,858						
9/30/2008	77,776,621	78,924,106	78,799,152							
9/30/2009	80,614,460	81,515,412								
9/30/2010	87,336,364									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	86,980,574	81,237,424	80,790,549	80,704,114	80,672,570	80,643,955	80,620,719	80,595,671	80,586,124	80,576,051
9/30/2002	95,247,465	87,667,952	87,187,163	86,998,253	86,948,538	86,916,519	86,897,892	86,887,064	86,872,626	
9/30/2003	91,366,363	81,823,349	81,526,941	81,452,636	81,404,525	81,334,555	81,303,140	81,280,703		
9/30/2004	82,188,410	73,554,546	73,315,462	73,209,215	73,150,870	73,097,970	73,054,202			
9/30/2005	80,080,492	72,055,734	71,842,264	71,734,642	71,686,112	71,636,383				
9/30/2006	79,313,943	71,771,927	71,603,608	71,501,462	71,434,728					
9/30/2007	81,912,611	76,633,878	76,300,040	76,224,858						
9/30/2008	84,263,954	78,959,861	78,834,532							
9/30/2009	87,854,733	81,600,112								
9/30/2010	94,393,389									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	41,708	43,357	43,447	43,474	43,489	43,497	43,504	43,510	43,547	43,552
9/30/2002	44,844	46,199	46,273	46,300	46,308	46,321	46,325	46,398	46,426	
9/30/2003	41,240	42,257	42,310	42,325	42,340	42,351	42,444	42,471		
9/30/2004	38,332	39,169	39,216	39,237	39,248	39,366	39,405			
9/30/2005	36,934	37,736	37,763	37,772	37,928	37,968				
9/30/2006	36,105	36,930	36,959	37,174	37,220					
9/30/2007	37,301	38,215	38,486	38,524						
9/30/2008	34,744	35,538	35,571							
9/30/2009	36,988	37,780								
9/30/2010	39,911									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2002	86,872,626	1.0000	86,872,626	86,872,626	1.0000	86,872,626	86,872,626	46,426	1.0000	46,426
9/30/2003	81,280,703	1.0000	81,280,703	81,280,703	1.0000	81,280,703	81,280,703	42,471	1.0000	42,471
9/30/2004	73,054,202	0.9999	73,046,897	73,054,202	0.9999	73,046,897	73,046,897	39,405	1.0002	39,413
9/30/2005	71,636,383	0.9995	71,600,568	71,636,383	0.9995	71,600,568	71,600,568	37,968	1.0005	37,987
9/30/2006	71,434,728	0.9991	71,370,454	71,434,728	0.9991	71,370,454	71,370,454	37,220	1.0010	37,257
9/30/2007	76,224,858	0.9984	76,102,964	76,224,858	0.9984	76,102,964	76,102,964	38,524	1.0020	38,601
9/30/2008	78,834,532	0.9972	78,614,015	78,799,152	0.9974	78,594,468	78,614,015	35,571	1.0030	35,678
9/30/2009	81,600,112	0.9943	81,135,881	81,515,412	0.9950	81,108,545	81,135,881	37,780	1.0039	37,928
9/30/2010	94,393,389	0.9235	87,173,802	87,336,364	1.0022	87,526,126	87,173,802	39,911	1.0285	41,049
3-yr Total			246,923,698			247,229,139	246,923,698			
10-yr Total			787,773,960			788,079,420	787,773,961			

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	15,037,875	15,134,138	15,039,051	15,037,858	15,035,623	15,034,725	15,033,460	15,031,447	15,031,447	15,031,447
9/30/2002	16,063,764	16,291,047	16,285,488	16,273,052	16,268,988	16,266,919	16,268,342	16,273,044	16,272,778	
9/30/2003	15,659,836	15,676,704	15,676,796	15,671,317	15,671,381	15,669,723	15,667,834	15,667,299		
9/30/2004	14,583,479	14,626,568	14,612,976	14,608,208	14,609,074	14,608,013	14,605,118			
9/30/2005	14,886,050	14,827,464	14,808,510	14,795,272	14,786,037	14,784,668				
9/30/2006	15,473,925	15,406,788	15,407,812	15,391,113	15,380,310					
9/30/2007	15,130,772	15,287,988	15,225,615	15,211,877						
9/30/2008	15,995,393	16,228,460	16,214,396							
9/30/2009	16,812,686	16,901,159								
9/30/2010	18,111,363									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	15,916,706	15,142,212	15,047,725	15,041,223	15,035,623	15,034,725	15,033,460	15,031,447	15,031,447	15,031,447
9/30/2002	17,174,989	16,294,245	16,294,488	16,273,052	16,268,988	16,266,919	16,268,342	16,273,044	16,272,778	
9/30/2003	17,110,879	15,685,704	15,681,296	15,671,317	15,671,381	15,669,723	15,667,834	15,667,299		
9/30/2004	15,964,222	14,640,435	14,617,476	14,608,208	14,609,495	14,608,013	14,605,118			
9/30/2005	16,423,449	14,845,464	14,813,010	14,795,272	14,789,529	14,784,668				
9/30/2006	16,907,414	15,425,915	15,416,412	15,391,113	15,380,310					
9/30/2007	16,114,961	15,303,620	15,225,615	15,211,877						
9/30/2008	17,185,854	16,243,210	16,223,846							
9/30/2009	18,091,475	16,916,959								
9/30/2010	19,267,359									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	7,678	7,928	7,945	7,947	7,949	7,949	7,949	7,949	7,951	7,951
9/30/2002	8,612	8,869	8,884	8,889	8,890	8,890	8,890	8,890	8,895	8,897
9/30/2003	8,333	8,510	8,518	8,521	8,524	8,524	8,528	8,528		
9/30/2004	7,711	7,883	7,893	7,897	7,898	7,910	7,913			
9/30/2005	7,729	7,864	7,868	7,871	7,878	7,882				
9/30/2006	7,646	7,821	7,830	7,853	7,859					
9/30/2007	7,458	7,624	7,661	7,665						
9/30/2008	6,759	6,907	6,912							
9/30/2009	6,975	7,126								
9/30/2010	7,573									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (2)	Ultimate Development Factors (3)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)	Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
9/30/2002	16,272,778	1.0000	16,272,778	16,272,778	1.0000	16,272,778	16,272,778	8,897	1.0000	8,897
9/30/2003	15,667,299	1.0000	15,667,299	15,667,299	1.0000	15,667,299	15,667,299	8,528	1.0000	8,528
9/30/2004	14,605,118	1.0000	14,605,118	14,605,118	1.0000	14,605,118	14,605,118	7,913	1.0002	7,915
9/30/2005	14,784,668	1.0000	14,784,668	14,784,668	0.9999	14,783,190	14,784,668	7,882	1.0005	7,886
9/30/2006	15,380,310	0.9996	15,374,158	15,380,310	0.9998	15,377,234	15,374,158	7,859	1.0009	7,866
9/30/2007	15,211,877	0.9993	15,201,231	15,211,877	0.9995	15,204,272	15,201,231	7,665	1.0013	7,675
9/30/2008	16,223,846	0.9981	16,193,036	16,214,396	0.9985	16,190,083	16,193,036	6,912	1.0022	6,927
9/30/2009	16,916,959	0.9961	16,851,063	16,901,159	0.9965	16,851,063	16,851,063	7,126	1.0039	7,154
9/30/2010	19,267,359	0.9264	17,848,846	18,111,363	1.0015	18,138,278	17,848,846	7,573	1.0260	7,770
3-yr Total			50,892,945			51,170,426	50,892,945			
10-yr Total			157,829,644			158,111,764	157,829,644			

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

**Companywide Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	49,622,823	52,927,876	52,970,724	53,000,119	52,996,688	52,994,656	52,983,747	52,981,510	52,981,790	52,978,659
9/30/2002	49,886,120	52,596,867	52,498,853	52,446,768	52,464,429	52,468,486	52,466,039	52,451,615	52,451,100	
9/30/2003	49,175,943	51,367,377	51,269,506	51,381,542	51,372,376	51,381,378	51,379,744	51,375,561		
9/30/2004	42,030,365	44,008,047	44,017,597	44,033,065	44,047,237	44,047,070	44,050,076			
9/30/2005	33,967,371	36,764,733	36,793,976	36,802,986	36,805,846	36,796,895				
9/30/2006	58,391,318	61,143,395	61,202,746	61,270,668	61,269,135					
9/30/2007	35,220,315	37,123,831	37,165,626	37,157,457						
9/30/2008	67,467,873	70,452,527	70,817,788							
9/30/2009	59,251,718	62,108,450								
9/30/2010	57,952,532									

**Companywide Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	51,171,121	52,960,807	52,980,748	53,004,849	53,001,418	52,996,856	52,985,947	52,983,710	52,981,790	52,978,659
9/30/2002	51,699,541	52,635,285	52,502,272	52,455,190	52,464,429	52,468,486	52,466,039	52,451,615	52,451,100	
9/30/2003	51,009,028	51,387,641	51,270,106	51,381,542	51,376,376	51,381,378	51,379,744	51,375,561		
9/30/2004	43,680,884	44,020,239	44,027,474	44,036,815	44,047,237	44,047,070	44,050,076			
9/30/2005	35,944,525	36,793,526	36,810,555	36,805,586	36,805,846	36,796,895				
9/30/2006	61,064,008	61,193,546	61,242,870	61,270,668	61,271,735					
9/30/2007	37,188,145	37,144,654	37,165,626	37,161,457						
9/30/2008	70,053,222	70,476,527	70,829,688							
9/30/2009	61,553,267	62,144,538								
9/30/2010	61,051,240									

**Companywide Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	56,229	60,574	60,659	60,679	60,687	60,696	60,703	60,704	60,706	60,708
9/30/2002	56,527	59,790	59,840	59,855	59,865	59,868	59,871	59,874	59,875	
9/30/2003	55,318	57,719	57,792	57,814	57,819	57,821	57,829	57,832		
9/30/2004	47,324	49,630	49,687	49,700	49,709	49,722	49,727			
9/30/2005	41,356	43,553	43,600	43,614	43,634	43,643				
9/30/2006	49,722	51,605	51,669	51,697	51,717					
9/30/2007	36,785	38,468	38,523	38,538						
9/30/2008	48,040	49,667	49,737							
9/30/2009	45,336	47,273								
9/30/2010	50,500									

**Companywide Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Valuation Period (In Months)			Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
				Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)				
9/30/2001	52,978,659	1.0000	52,978,659	52,978,659	1.0000	52,978,659	52,978,659	60,708	1.0000	60,708
9/30/2002	52,451,100	1.0000	52,451,100	52,451,100	1.0000	52,451,100	52,451,100	59,875	1.0000	59,875
9/30/2003	51,375,561	1.0000	51,375,561	51,375,561	1.0000	51,375,561	51,375,561	57,832	1.0000	57,832
9/30/2004	44,050,076	1.0000	44,050,076	44,050,076	1.0000	44,050,076	44,050,076	49,727	1.0000	49,727
9/30/2005	36,796,895	1.0000	36,796,895	36,796,895	1.0000	36,796,895	36,796,895	43,643	1.0000	43,643
9/30/2006	61,271,735	1.0001	61,277,862	61,269,135	1.0001	61,275,262	61,277,862	51,717	1.0001	51,722
9/30/2007	37,161,457	1.0001	37,165,173	37,157,457	1.0001	37,161,173	37,165,173	38,538	1.0003	38,550
9/30/2008	70,829,688	1.0005	70,865,106	70,817,788	1.0006	70,860,283	70,865,106	49,737	1.0007	49,772
9/30/2009	62,144,538	1.0023	62,287,529	62,108,450	1.0026	62,270,010	62,287,529	47,273	1.0021	47,372
9/30/2010	61,051,240	1.0241	62,519,576	57,952,532	1.0815	62,676,010	62,519,576	50,500	1.0597	53,516
3-yr Total			195,672,210			195,806,302	195,672,211			
10-yr Total			531,767,538			531,895,029	531,767,537			

**Arkansas Paid Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	9,186,230	9,724,041	9,720,206	9,719,571	9,719,150	9,700,791	9,700,958	9,700,294	9,700,294	9,697,680
9/30/2002	10,430,008	10,913,929	10,929,146	10,888,768	10,885,604	10,887,185	10,886,629	10,875,191	10,874,946	
9/30/2003	8,274,645	8,697,988	8,570,162	8,671,171	8,672,270	8,672,155	8,671,805	8,671,523		
9/30/2004	7,105,887	7,430,841	7,395,533	7,396,625	7,396,805	7,396,705	7,396,705			
9/30/2005	6,503,353	6,899,516	6,893,799	6,895,675	6,894,656	6,894,689				
9/30/2006	10,624,406	11,089,588	11,102,961	11,133,468	11,129,755					
9/30/2007	6,528,829	6,852,308	6,852,367	6,843,781						
9/30/2008	19,179,249	19,823,529	19,880,959							
9/30/2009	13,254,164	13,761,349								
9/30/2010	10,361,741									

**Arkansas Reported Loss & Paid ALAE**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	9,342,500	9,727,697	9,722,406	9,721,771	9,721,350	9,702,991	9,703,158	9,702,494	9,700,294	9,697,680
9/30/2002	10,711,287	10,927,847	10,932,564	10,888,768	10,885,604	10,887,185	10,886,629	10,875,191	10,874,946	
9/30/2003	8,543,339	8,701,699	8,570,562	8,671,171	8,672,270	8,672,155	8,671,805	8,671,523		
9/30/2004	7,355,119	7,432,385	7,400,127	7,396,625	7,396,805	7,396,705	7,396,705			
9/30/2005	6,853,885	6,901,116	6,894,099	6,895,675	6,894,656	6,894,689				
9/30/2006	11,094,070	11,100,346	11,105,561	11,133,468	11,132,355					
9/30/2007	6,927,186	6,854,519	6,852,367	6,847,781						
9/30/2008	19,608,137	19,827,329	19,881,259							
9/30/2009	13,668,657	13,766,649								
9/30/2010	10,808,202									

**Arkansas Claims with Payment**

Fiscal Year-End	Valuation Period (In Months)									
	@12	@24	@36	@48	@60	@72	@84	@96	@108	@120
9/30/2001	12,020	12,910	12,919	12,923	12,924	12,925	12,927	12,928	12,928	12,929
9/30/2002	12,569	13,259	13,264	13,266	13,268	13,270	13,272	13,272	13,273	
9/30/2003	11,618	12,163	12,176	12,182	12,182	12,182	12,183	12,183		
9/30/2004	9,912	10,432	10,443	10,445	10,446	10,449	10,451			
9/30/2005	8,789	9,310	9,320	9,321	9,324	9,324				
9/30/2006	10,455	10,898	10,915	10,919	10,922					
9/30/2007	8,206	8,562	8,578	8,583						
9/30/2008	12,062	12,408	12,427							
9/30/2009	9,999	10,412								
9/30/2010	10,617									

**Arkansas Selected Incurred Loss & ALAE**

Fiscal Accident Year	Cumulative Reported Losses (1)	Ultimate Development Factors (2)	Estimated Incurred Loss & ALAE (4) = (2) x (3)	Valuation Period (In Months)			Selected Incurred Loss & ALAE (8)	Cumulative Paid Claim Count (9)	Ultimate Development Factors (10)	Estimated Incurred Claim Count (11) = (9) x (10)
				Cumulative Paid Losses (5)	Ultimate Development Factors (6)	Estimated Incurred Loss & ALAE (7) = (5) x (6)				
9/30/2001	9,697,680	1.0000	9,697,680	9,697,680	1.0000	9,697,680	9,697,680	12,929	1.0000	12,929
9/30/2002	10,874,946	1.0000	10,874,946	10,874,946	1.0000	10,874,946	10,874,946	13,273	1.0000	13,273
9/30/2003	8,671,523	1.0000	8,671,523	8,671,523	1.0000	8,671,523	8,671,523	12,183	1.0000	12,183
9/30/2004	7,396,405	1.0000	7,396,405	7,396,405	1.0000	7,396,405	7,396,405	10,451	1.0000	10,451
9/30/2005	6,894,689	1.0000	6,894,689	6,894,689	1.0000	6,894,689	6,894,689	9,324	1.0000	9,324
9/30/2006	11,132,355	1.0000	11,132,355	11,129,755	1.0001	11,130,868	11,132,355	10,922	1.0001	10,923
9/30/2007	6,847,781	1.0000	6,847,781	6,843,781	1.0001	6,844,465	6,847,781	8,583	1.0003	8,586
9/30/2008	19,881,259	1.0030	19,940,902	19,880,959	1.0016	19,912,771	19,940,902	12,427	1.0007	12,436
9/30/2009	13,766,649	1.0030	13,807,949	13,761,349	1.0016	13,783,369	13,807,949	10,412	1.0018	10,431
9/30/2010	10,808,202	1.0130	10,949,032	10,361,741	1.0417	10,793,455	10,949,032	10,617	1.0419	11,062
3-yr Total			44,697,884			44,489,595	44,697,883			
10-yr Total			106,213,263			106,000,171	106,213,262			

**Shelter Mutual Insurance Company  
Arkansas**

Exhibit B.IV.a

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.a.1)	Projected Ultimate Claims (Exh. B.III.a.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	83,499,803	8,790	9,499	9,338	
3/2008	84,676,046	9,165	9,239	9,249	
6/2008	86,968,550	9,553	9,104	9,160	
9/2008	85,150,737	9,420	9,039	9,073	
12/2008	84,795,606	9,555	8,874	8,986	
3/2009	86,330,335	9,809	8,801	8,900	
6/2009	90,068,184	10,219	8,814	8,815	8,863
9/2009	94,805,688	10,650	8,902	8,730	8,769
12/2009	96,674,207	11,048	8,750	8,647	8,676
3/2010	95,229,114	11,336	8,401	8,564	8,584
6/2010	97,737,622	11,671	8,374	8,482	8,493
9/2010	98,816,303	11,551	8,555	8,401	8,403
Annual Percentage Change				-3.77%	-4.17%
r^2				0.868	0.602

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.a.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	8,790	869,651	1.01	1.02	
3/2008	9,165	875,000	1.05	1.04	
6/2008	9,553	880,652	1.08	1.05	
9/2008	9,420	887,314	1.06	1.07	
12/2008	9,555	894,907	1.07	1.09	
3/2009	9,809	903,438	1.09	1.11	
6/2009	10,219	912,991	1.12	1.13	1.02
9/2009	10,650	922,631	1.15	1.15	1.04
12/2009	11,048	932,012	1.19	1.17	1.05
3/2010	11,336	940,499	1.21	1.19	1.07
6/2010	11,671	947,934	1.23	1.21	1.09
9/2010	11,551	953,562	1.21	1.23	1.11
Annual Percentage Change			6.96%	6.73%	
r^2			0.938	0.822	

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.a.1)	Projected Ultimate Claims (Exh. B.III.a.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	14,492,343	1,943	7,459	7,901	
3/2008	15,732,605	2,018	7,796	7,840	
6/2008	17,098,243	2,188	7,815	7,778	
9/2008	16,113,736	2,081	7,743	7,718	
12/2008	16,438,107	2,076	7,918	7,657	
3/2009	17,033,975	2,141	7,956	7,598	
6/2009	16,346,585	2,149	7,607	7,538	7,694
9/2009	17,645,775	2,227	7,924	7,480	7,559
12/2009	17,386,015	2,368	7,342	7,421	7,427
3/2010	16,713,355	2,393	6,984	7,363	7,298
6/2010	17,329,105	2,439	7,105	7,306	7,170
9/2010	17,644,217	2,433	7,252	7,249	7,045
Annual Percentage Change				-3.09%	-6.80%
r^2				0.390	0.504

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.a.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	1,943	178,444	1.09	1.10	
3/2008	2,018	179,640	1.12	1.12	
6/2008	2,188	180,832	1.21	1.13	
9/2008	2,081	182,102	1.14	1.15	
12/2008	2,076	183,429	1.13	1.16	
3/2009	2,141	184,913	1.16	1.18	
6/2009	2,149	186,541	1.15	1.19	1.17
9/2009	2,227	188,120	1.18	1.21	1.19
12/2009	2,368	189,619	1.25	1.22	1.21
3/2010	2,393	190,796	1.25	1.24	1.24
6/2010	2,439	191,593	1.27	1.25	1.27
9/2010	2,433	192,002	1.27	1.27	1.29
Annual Percentage Change			4.96%	8.40%	
r^2			0.740	0.835	

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
9/2007	118,691,271	12,237	9,699	9,998	
12/2007	117,135,946	12,159	9,634	10,033	
3/2008	119,307,182	11,915	10,013	10,068	
6/2008	121,903,588	11,696	10,423	10,104	
9/2008	122,759,836	11,630	10,555	10,139	
12/2008	121,777,229	11,583	10,513	10,175	
3/2009	118,063,017	11,379	10,376	10,211	10,358
6/2009	115,754,903	11,236	10,302	10,247	10,316
9/2009	115,432,742	11,252	10,259	10,283	10,274
12/2009	115,517,370	11,308	10,216	10,319	10,233
3/2010	116,077,280	11,340	10,236	10,355	10,192
6/2010	116,729,654	11,518	10,135	10,392	10,151
Annual Percentage Change				1.42%	-1.60%
r^2				0.192	0.901

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2007	12,237	1,355,802	0.90	0.89	
12/2007	12,159	1,362,755	0.89	0.88	
3/2008	11,915	1,371,152	0.87	0.87	
6/2008	11,696	1,378,625	0.85	0.86	
9/2008	11,630	1,386,875	0.84	0.85	
12/2008	11,583	1,394,140	0.83	0.84	
3/2009	11,379	1,399,771	0.81	0.83	0.80
6/2009	11,236	1,406,736	0.80	0.82	0.80
9/2009	11,252	1,411,656	0.80	0.81	0.80
12/2009	11,308	1,415,351	0.80	0.80	0.80
3/2010	11,340	1,417,990	0.80	0.79	0.80
6/2010	11,518	1,420,637	0.81	0.78	0.80
Annual Percentage Change			-4.88%	0.00%	
r^2			0.848	0.000	

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.1423	1.0000	1.1423
9/30/2007	4/01/2007	3.5000	1.1090	1.0000	1.1090
9/30/2008	4/01/2008	2.5000	1.0767	1.0000	1.0767
9/30/2009	4/01/2009	1.5000	1.0453	1.0000	1.0453
9/30/2010	4/01/2010	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company  
Arkansas**

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.b.1)	Projected Ultimate Claims (Exh. B.III.b.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	64,960,747	31,440	2,066	2,098	
3/2008	66,114,553	31,218	2,118	2,097	
6/2008	66,414,001	31,432	2,113	2,096	
9/2008	65,891,896	31,114	2,118	2,095	
12/2008	65,983,603	31,359	2,104	2,094	
3/2009	66,006,119	31,539	2,093	2,094	
6/2009	67,003,815	32,233	2,079	2,093	2,065
9/2009	68,532,149	32,887	2,084	2,092	2,073
12/2009	69,670,760	33,685	2,068	2,091	2,080
3/2010	71,195,179	34,591	2,058	2,090	2,088
6/2010	73,199,562	35,205	2,079	2,089	2,096
9/2010	75,541,290	35,333	2,138	2,088	2,103
Annual Percentage Change				-0.19%	1.45%
r^2				0.019	0.265

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.b.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	31,440	869,651	3.62	3.52	
3/2008	31,218	875,000	3.57	3.53	
6/2008	31,432	880,652	3.57	3.54	
9/2008	31,114	887,314	3.51	3.56	
12/2008	31,359	894,907	3.50	3.57	
3/2009	31,539	903,438	3.49	3.58	
6/2009	32,233	912,991	3.53	3.59	3.52
9/2009	32,887	922,631	3.56	3.61	3.53
12/2009	33,685	932,012	3.61	3.62	3.54
3/2010	34,591	940,499	3.68	3.63	3.56
6/2010	35,205	947,934	3.71	3.65	3.57
9/2010	35,333	953,562	3.71	3.66	3.58
Annual Percentage Change				1.39%	1.42%
r^2				0.355	0.943

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.b.1)	Projected Ultimate Claims (Exh. B.III.b.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	13,423,212	6,088	2,205	2,268	
3/2008	13,551,175	5,990	2,262	2,279	
6/2008	13,974,106	6,061	2,306	2,290	
9/2008	13,917,536	5,904	2,357	2,301	
12/2008	13,682,852	5,825	2,349	2,312	
3/2009	13,908,225	5,872	2,369	2,324	
6/2009	13,715,011	5,842	2,348	2,335	2,318
9/2009	13,818,617	5,934	2,329	2,346	2,331
12/2009	14,315,890	6,170	2,320	2,357	2,345
3/2010	14,661,603	6,285	2,333	2,369	2,358
6/2010	15,293,227	6,501	2,352	2,380	2,372
9/2010	15,875,420	6,539	2,428	2,392	2,386
Annual Percentage Change				1.96%	2.36%
r^2				0.522	0.430

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.b.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	6,088	178,444	3.41	3.27	
3/2008	5,990	179,640	3.33	3.27	
6/2008	6,061	180,832	3.35	3.27	
9/2008	5,904	182,102	3.24	3.27	
12/2008	5,825	183,429	3.18	3.27	
3/2009	5,872	184,913	3.18	3.27	
6/2009	5,842	186,541	3.13	3.27	3.12
9/2009	5,934	188,120	3.15	3.27	3.18
12/2009	6,170	189,619	3.25	3.27	3.24
3/2010	6,285	190,796	3.29	3.27	3.30
6/2010	6,501	191,593	3.39	3.27	3.36
9/2010	6,539	192,002	3.41	3.27	3.43
Annual Percentage Change				0.00%	7.86%
r^2				0.000	0.969

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
9/2007	119,369,031	42,796	2,789	2,782	
12/2007	120,154,493	42,877	2,802	2,798	
3/2008	119,709,780	42,461	2,819	2,813	
6/2008	119,112,263	41,962	2,839	2,829	
9/2008	118,148,427	41,583	2,841	2,845	
12/2008	116,673,942	40,957	2,849	2,861	
3/2009	117,036,158	40,883	2,863	2,877	2,857
6/2009	118,678,847	41,435	2,864	2,893	2,880
9/2009	121,519,473	41,833	2,905	2,909	2,903
12/2009	125,516,796	42,705	2,939	2,925	2,927
3/2010	126,674,805	42,852	2,956	2,942	2,951
6/2010	127,606,308	43,024	2,966	2,958	2,975
Annual Percentage Change				2.25%	3.30%
r^2				0.952	0.947

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2007	42,796	1,355,802	3.16	3.09	
12/2007	42,877	1,362,755	3.15	3.08	
3/2008	42,461	1,371,152	3.10	3.07	
6/2008	41,962	1,378,625	3.04	3.06	
9/2008	41,583	1,386,875	3.00	3.04	
12/2008	40,957	1,394,140	2.94	3.03	
3/2009	40,883	1,399,771	2.92	3.02	2.92
6/2009	41,435	1,406,736	2.95	3.00	2.95
9/2009	41,833	1,411,656	2.96	2.99	2.97
12/2009	42,705	1,415,351	3.02	2.98	2.99
3/2010	42,852	1,417,990	3.02	2.97	3.02
6/2010	43,024	1,420,637	3.03	2.95	3.04
Annual Percentage Change				-1.67%	3.05%
r^2				0.349	0.912

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.0932	1.0000	1.0932
9/30/2007	4/01/2007	3.5000	1.0718	1.0000	1.0718
9/30/2008	4/01/2008	2.5000	1.0508	1.0000	1.0508
9/30/2009	4/01/2009	1.5000	1.0301	1.0000	1.0301
9/30/2010	4/01/2010	0.5000	1.0100	1.0000	1.0100

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0252	1.0000	1.0252	1.1207
1.2548	1.0252	1.0000	1.0252	1.0988
1.2548	1.0252	1.0000	1.0252	1.0773
1.2548	1.0252	1.0000	1.0252	1.0561
1.2548	1.0252	1.0000	1.0252	1.0355

**Shelter Mutual Insurance Company  
Arkansas**

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.c.1)	Projected Ultimate Claims (Exh. B.III.c.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	11,317,047	7,281	1,554	1,768	
3/2008	11,510,621	6,553	1,757	1,788	
6/2008	11,591,976	5,964	1,944	1,809	
9/2008	11,208,107	5,807	1,930	1,829	
12/2008	11,356,116	5,798	1,959	1,850	
3/2009	11,308,609	5,875	1,925	1,870	
6/2009	11,713,410	6,058	1,934	1,891	1,900
9/2009	12,146,100	6,292	1,930	1,913	1,909
12/2009	12,595,294	6,631	1,899	1,934	1,919
3/2010	12,662,144	6,797	1,863	1,956	1,929
6/2010	13,105,273	6,975	1,879	1,978	1,939
9/2010	14,043,341	6,868	2,045	2,000	1,949
Annual Percentage Change				4.55%	2.10%
r^2				0.335	0.083

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.c.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	7,281	518,003	1.41	1.21	
3/2008	6,553	519,898	1.26	1.20	
6/2008	5,964	521,981	1.14	1.20	
9/2008	5,807	524,504	1.11	1.19	
12/2008	5,798	527,430	1.10	1.19	
3/2009	5,875	532,373	1.10	1.18	
6/2009	6,058	540,189	1.12	1.18	1.21
9/2009	6,292	549,071	1.15	1.18	1.20
12/2009	6,631	557,839	1.19	1.17	1.20
3/2010	6,797	564,542	1.20	1.17	1.19
6/2010	6,975	568,076	1.23	1.16	1.19
9/2010	6,868	569,693	1.21	1.16	1.18
Annual Percentage Change				-1.69%	-1.67%
r^2				0.033	0.839

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.c.1)	Projected Ultimate Claims (Exh. B.III.c.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	2,762,829	2,337	1,182	1,389	
3/2008	2,814,543	2,120	1,328	1,411	
6/2008	2,960,195	1,924	1,539	1,433	
9/2008	3,032,595	1,883	1,611	1,455	
12/2008	2,902,284	1,808	1,605	1,478	
3/2009	2,978,060	1,812	1,644	1,501	
6/2009	2,929,164	1,823	1,607	1,524	1,516
9/2009	2,818,479	1,841	1,531	1,548	1,530
12/2009	2,926,063	1,951	1,500	1,572	1,544
3/2010	2,760,581	1,929	1,431	1,596	1,558
6/2010	2,960,052	1,950	1,518	1,621	1,572
9/2010	3,367,662	1,939	1,737	1,646	1,587
Annual Percentage Change				6.33%	3.73%
r^2				0.286	0.064

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.c.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	2,337	137,305	1.70	1.48	
3/2008	2,120	138,112	1.53	1.46	
6/2008	1,924	138,941	1.38	1.44	
9/2008	1,883	139,824	1.35	1.41	
12/2008	1,808	140,759	1.28	1.39	
3/2009	1,812	141,794	1.28	1.37	
6/2009	1,823	142,917	1.28	1.35	1.29
9/2009	1,841	143,983	1.28	1.33	1.30
12/2009	1,951	144,969	1.35	1.31	1.31
3/2010	1,929	145,706	1.32	1.29	1.32
6/2010	1,950	146,097	1.33	1.27	1.33
9/2010	1,939	146,181	1.33	1.26	1.34
Annual Percentage Change				-5.26%	3.08%
r^2				0.396	0.477

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.1423	1.0000	1.1423
9/30/2007	4/01/2007	3.5000	1.1090	1.0000	1.1090
9/30/2008	4/01/2008	2.5000	1.0767	1.0000	1.0767
9/30/2009	4/01/2009	1.5000	1.0453	1.0000	1.0453
9/30/2010	4/01/2010	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company  
Arkansas**

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.d.1)	Projected Ultimate Claims (Exh. B.III.d.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	16,295,820	1,511	10,785	11,976	
3/2008	17,880,190	1,477	12,106	12,201	
6/2008	17,762,600	1,448	12,267	12,430	
9/2008	19,221,887	1,427	13,470	12,664	
12/2008	21,301,257	1,487	14,325	12,902	
3/2009	20,180,464	1,571	12,846	13,144	
6/2009	23,518,070	1,655	14,210	13,391	13,947
9/2009	24,495,000	1,742	14,061	13,643	13,963
12/2009	25,643,490	1,895	13,532	13,899	13,980
3/2010	27,538,643	1,976	13,937	14,160	13,996
6/2010	27,768,817	2,012	13,802	14,426	14,012
9/2010	26,987,726	1,874	14,401	14,697	14,028
Annual Percentage Change				7.73%	0.47%
r^2				0.591	0.010

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.d.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	1,511	741,265	0.20	0.19	
3/2008	1,477	744,360	0.20	0.19	
6/2008	1,448	747,868	0.19	0.20	
9/2008	1,427	752,141	0.19	0.20	
12/2008	1,487	757,062	0.20	0.21	
3/2009	1,571	762,672	0.21	0.21	
6/2009	1,655	768,907	0.22	0.22	0.19
9/2009	1,742	775,155	0.22	0.23	0.19
12/2009	1,895	781,222	0.24	0.23	0.20
3/2010	1,976	786,710	0.25	0.24	0.20
6/2010	2,012	791,512	0.25	0.24	0.21
9/2010	1,874	794,935	0.24	0.25	0.21
Annual Percentage Change			8.70%	10.53%	
r^2			0.826	0.619	

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.d.1)	Projected Ultimate Claims (Exh. B.III.d.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	2,681,880	362	7,409	10,054	
3/2008	3,756,390	351	10,702	10,010	
6/2008	3,833,197	345	11,111	9,967	
9/2008	3,890,591	333	11,683	9,923	
12/2008	3,992,145	316	12,633	9,880	
3/2009	3,388,423	369	9,183	9,837	
6/2009	3,349,566	369	9,077	9,794	8,962
9/2009	3,497,503	373	9,377	9,751	9,117
12/2009	3,430,725	383	8,958	9,709	9,274
3/2010	3,156,826	346	9,124	9,667	9,434
6/2010	3,437,304	360	9,548	9,625	9,597
9/2010	3,680,582	365	10,084	9,583	9,762
Annual Percentage Change				-1.72%	7.07%
r^2				0.012	0.541

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.d.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	362	159,499	0.23	0.22	
3/2008	351	160,579	0.22	0.22	
6/2008	345	161,657	0.21	0.21	
9/2008	333	162,783	0.20	0.21	
12/2008	316	163,940	0.19	0.21	
3/2009	369	165,220	0.22	0.21	
6/2009	369	166,620	0.22	0.21	0.22
9/2009	373	167,987	0.22	0.21	0.22
12/2009	383	169,279	0.23	0.21	0.22
3/2010	346	170,300	0.20	0.21	0.21
6/2010	360	170,961	0.21	0.21	0.21
9/2010	365	171,286	0.21	0.21	0.21
Annual Percentage Change			0.00%	-4.55%	
r^2			0.018	0.314	

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.1423	1.0000	1.1423
9/30/2007	4/01/2007	3.5000	1.1090	1.0000	1.1090
9/30/2008	4/01/2008	2.5000	1.0767	1.0000	1.0767
9/30/2009	4/01/2009	1.5000	1.0453	1.0000	1.0453
9/30/2010	4/01/2010	0.5000	1.0149	1.0000	1.0149

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 3.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0378	1.0000	1.0378	1.1855
1.2548	1.0378	1.0000	1.0378	1.1509
1.2548	1.0378	1.0000	1.0378	1.1174
1.2548	1.0378	1.0000	1.0378	1.0848
1.2548	1.0378	1.0000	1.0378	1.0533

**Shelter Mutual Insurance Company  
Arkansas**

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.e.1)	Projected Ultimate Claims (Exh. B.III.e.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	78,498,082	37,925	2,070	2,173	
3/2008	78,945,225	36,740	2,149	2,165	
6/2008	79,354,612	36,026	2,203	2,157	
9/2008	78,614,015	35,678	2,203	2,149	
12/2008	79,163,615	36,188	2,188	2,141	
3/2009	78,712,119	36,335	2,166	2,134	
6/2009	79,575,738	37,150	2,142	2,126	2.130
9/2009	81,135,881	37,928	2,139	2,118	2.117
12/2009	81,262,253	38,752	2,097	2,110	2.104
3/2010	82,118,712	40,065	2,050	2,103	2.091
6/2010	82,867,742	40,749	2,034	2,095	2.078
9/2010	87,173,802	41,049	2,124	2,087	2.065
Annual Percentage Change				-1.46%	-2.46%
r^2				0.235	0.271

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.e.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	37,925	606,502	6.25	5.87	
3/2008	36,740	611,524	6.01	5.88	
6/2008	36,026	616,552	5.84	5.90	
9/2008	35,678	621,726	5.74	5.92	
12/2008	36,188	626,819	5.77	5.94	
3/2009	36,335	632,013	5.75	5.96	
6/2009	37,150	637,285	5.83	5.98	5.87
9/2009	37,928	642,773	5.90	6.00	5.88
12/2009	38,752	648,114	5.98	6.01	5.90
3/2010	40,065	652,796	6.14	6.03	5.92
6/2010	40,749	656,556	6.21	6.05	5.94
9/2010	41,049	658,944	6.23	6.07	5.96
Annual Percentage Change				1.17%	1.36%
r^2				0.121	0.961

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.e.1)	Projected Ultimate Claims (Exh. B.III.e.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	15,694,910	7,481	2,098	2,252	
3/2008	15,787,254	7,215	2,188	2,258	
6/2008	16,049,542	7,034	2,282	2,264	
9/2008	16,193,036	6,927	2,338	2,270	
12/2008	16,424,268	6,945	2,365	2,276	
3/2009	16,734,594	7,000	2,391	2,282	
6/2009	16,867,779	7,032	2,399	2,288	2.375
9/2009	16,851,063	7,154	2,355	2,294	2.343
12/2009	16,771,323	7,281	2,303	2,300	2.311
3/2010	16,808,468	7,469	2,250	2,307	2.280
6/2010	16,788,722	7,715	2,176	2,313	2.249
9/2010	17,848,846	7,770	2,297	2,319	2.219
Annual Percentage Change				1.09%	-5.29%
r^2				0.054	0.555

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.e.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	7,481	124,990	5.99	5.58	
3/2008	7,215	126,065	5.72	5.58	
6/2008	7,034	127,076	5.54	5.58	
9/2008	6,927	128,072	5.41	5.57	
12/2008	6,945	128,992	5.38	5.57	
3/2009	7,000	129,931	5.39	5.57	
6/2009	7,032	130,911	5.37	5.57	5.34
9/2009	7,154	131,884	5.42	5.56	5.43
12/2009	7,281	132,819	5.48	5.56	5.52
3/2010	7,469	133,514	5.59	5.56	5.61
6/2010	7,715	133,930	5.76	5.55	5.71
9/2010	7,770	134,063	5.80	5.55	5.81
Annual Percentage Change				-0.18%	7.00%
r^2				0.003	0.963

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
9/2007	166,224,027	54,934	3,026	3,081	
12/2007	167,244,509	55,173	3,031	3,082	
3/2008	170,338,844	55,210	3,085	3,083	
6/2008	172,462,596	55,004	3,135	3,083	
9/2008	172,446,953	55,048	3,133	3,084	
12/2008	172,318,038	54,821	3,143	3,085	
3/2009	170,821,538	55,027	3,104	3,086	3.096
6/2009	171,374,466	55,549	3,085	3,086	3.089
9/2009	172,404,678	55,996	3,079	3,087	3.082
12/2009	173,898,877	56,740	3,065	3,088	3.075
3/2010	175,438,291	56,976	3,079	3,089	3.068
6/2010	174,492,712	56,996	3,061	3,090	3.061
Annual Percentage Change				0.13%	-0.91%
r^2				0.006	0.738

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2007	54,934	969,553	5.67	5.58	
12/2007	55,173	976,172	5.65	5.59	
3/2008	55,210	982,942	5.62	5.59	
6/2008	55,004	988,374	5.57	5.59	
9/2008	55,048	993,388	5.54	5.59	
12/2008	54,821	997,402	5.50	5.60	
3/2009	55,027	999,903	5.50	5.60	5.50
6/2009	55,549	1,002,449	5.54	5.60	5.54
9/2009	55,996	1,003,757	5.58	5.61	5.59
12/2009	56,740	1,003,907	5.65	5.61	5.63
3/2010	56,976	1,003,193	5.68	5.61	5.67
6/2010	56,996	1,002,422	5.69	5.61	5.71
Annual Percentage Change				0.18%	3.07%
r^2				0.018	0.963

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.0932	1.0000	1.0932
9/30/2007	4/01/2007	3.5000	1.0718	1.0000	1.0718
9/30/2008	4/01/2008	2.5000	1.0508	1.0000	1.0508
9/30/2009	4/01/2009	1.5000	1.0301	1.0000	1.0301
9/30/2010	4/01/2010	0.5000	1.0100	1.0000	1.0100

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0252	1.0000	1.0252	1.1207
1.2548	1.0252	1.0000	1.0252	1.0988
1.2548	1.0252	1.0000	1.0252	1.0773
1.2548	1.0252	1.0000	1.0252	1.0561
1.2548	1.0252	1.0000	1.0252	1.0355

**Shelter Mutual Insurance Company  
Arkansas**

Exhibit B.IV.f

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

Severity Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.f.1)	Projected Ultimate Claims (Exh. B.III.f.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	33,127,920	36,093	918	1,015	
3/2008	34,071,551	36,093	944	1,010	
6/2008	35,844,715	36,135	992	1,004	
9/2008	36,474,412	35,476	1,028	999	
12/2008	37,060,452	34,996	1,059	994	
3/2009	38,409,198	35,373	1,086	989	
6/2009	38,739,555	36,293	1,067	984	1,082
9/2009	39,185,074	37,548	1,044	979	1,036
12/2009	40,913,412	40,196	1,018	973	991
3/2010	39,317,855	41,856	939	968	949
6/2010	38,991,380	43,844	889	963	909
9/2010	39,368,977	44,727	880	958	870
Annual Percentage Change				-2.15%	-16.02%
r^2				0.066	0.952

Frequency Trends - Shelter Mutual Companywide					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.f.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	36,093	626,709	5.76	5.41	
3/2008	36,093	631,725	5.71	5.48	
6/2008	36,135	636,804	5.67	5.55	
9/2008	35,476	642,085	5.53	5.63	
12/2008	34,996	647,326	5.41	5.70	
3/2009	35,373	652,690	5.42	5.78	
6/2009	36,293	658,143	5.51	5.85	5.41
9/2009	37,548	663,799	5.66	5.93	5.48
12/2009	40,196	669,320	6.01	6.01	5.55
3/2010	41,856	674,164	6.21	6.09	5.63
6/2010	43,844	678,075	6.47	6.17	5.70
9/2010	44,727	680,576	6.57	6.25	5.78
Annual Percentage Change				5.40%	5.47%
r^2				0.508	0.979

Severity Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Loss and LAE (Exh. B.III.f.1)	Projected Ultimate Claims (Exh. B.III.f.1)	Projected Ultimate Severity	Curve of Best Fit 12 Point	6 Point
12/2007	6,465,983	8,240	785	879	
3/2008	6,917,457	8,318	832	891	
6/2008	7,529,604	8,459	890	904	
9/2008	7,714,158	8,259	934	916	
12/2008	8,011,933	8,105	989	929	
3/2009	8,861,850	8,482	1,045	942	
6/2009	8,924,013	8,522	1,047	955	1,076
9/2009	8,985,956	8,668	1,037	968	1,041
12/2009	10,080,407	9,458	1,066	982	1,007
3/2010	9,385,910	9,626	975	995	974
6/2010	9,364,001	10,155	922	1,009	942
9/2010	9,446,407	10,417	907	1,023	912
Annual Percentage Change				5.68%	-12.39%
r^2				0.265	0.810

Frequency Trends - Shelter Mutual Arkansas					
Fiscal Acc Year	Projected Ultimate Claims (Exh. B.III.f.1)	Earned Exposures	Projected Frequency X 100	Curve of Best Fit 12 Point	6 Point
12/2007	8,240	126,956	6.49	6.18	
3/2008	8,318	128,049	6.50	6.27	
6/2008	8,459	129,092	6.55	6.36	
9/2008	8,259	130,122	6.35	6.46	
12/2008	8,105	131,071	6.18	6.55	
3/2009	8,482	132,040	6.42	6.65	
6/2009	8,522	133,046	6.41	6.75	6.37
9/2009	8,668	134,053	6.47	6.85	6.61
12/2009	9,458	135,027	7.00	6.95	6.87
3/2010	9,626	135,756	7.09	7.05	7.13
6/2010	10,155	136,205	7.46	7.16	7.40
9/2010	10,417	136,364	7.64	7.26	7.69
Annual Percentage Change				5.99%	16.34%
r^2				0.611	0.961

Severity Trends - Fast Track Arkansas					
Fiscal Acc Year	Incurred Loss and LAE	Paid Claims	Severity	Curve of Best Fit 12 Point	6 Point
9/2007	71,794,880	70,700	1,015	1,195	
12/2007	72,187,263	70,477	1,024	1,221	
3/2008	78,563,936	72,331	1,086	1,248	
6/2008	145,431,447	93,727	1,552	1,275	
9/2008	151,570,868	94,847	1,598	1,303	
12/2008	155,597,644	94,542	1,646	1,332	
3/2009	155,703,484	94,407	1,649	1,361	1,509
6/2009	99,290,514	75,854	1,309	1,391	1,467
9/2009	114,893,041	81,611	1,408	1,422	1,426
12/2009	117,935,670	84,077	1,403	1,453	1,386
3/2010	117,574,695	85,179	1,380	1,485	1,348
6/2010	112,817,682	85,977	1,312	1,518	1,310
Annual Percentage Change				9.13%	-10.70%
r^2				0.200	0.391

Frequency Trends - Fast Track Arkansas					
Fiscal Acc Year	Paid Claims	Earned Exposures	Frequency X 100	Curve of Best Fit 12 Point	6 Point
9/2007	70,700	993,328	7.12	7.76	
12/2007	70,477	1,000,060	7.05	7.83	
3/2008	72,331	1,006,962	7.18	7.91	
6/2008	93,727	1,012,544	9.26	7.98	
9/2008	94,847	1,017,828	9.32	8.05	
12/2008	94,542	1,022,140	9.25	8.13	
3/2009	94,407	1,024,946	9.21	8.20	8.27
6/2009	75,854	1,027,846	7.38	8.28	8.24
9/2009	81,611	1,029,413	7.93	8.35	8.21
12/2009	84,077	1,029,865	8.16	8.43	8.19
3/2010	85,179	1,029,462	8.27	8.51	8.16
6/2010	85,977	1,028,949	8.36	8.58	8.13
Annual Percentage Change				3.62%	-1.33%
r^2				0.091	0.007

Trend Factor					
Fiscal Acc Year	Midpoint of Experience Period	Number of Years to 9/30/2010	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Trend Factor
9/30/2006	4/01/2006	4.5000	1.0932	1.0000	1.0932
9/30/2007	4/01/2007	3.5000	1.0718	1.0000	1.0718
9/30/2008	4/01/2008	2.5000	1.0508	1.0000	1.0508
9/30/2009	4/01/2009	1.5000	1.0301	1.0000	1.0301
9/30/2010	4/01/2010	0.5000	1.0100	1.0000	1.0100

Projection Factor				Combined Trend and Projection Factor
Years from 9/30/2010 to 1/01/2012	Selected Severity 2.00%	Selected Frequency 0.00%	Combined Projection Factor	
1.2548	1.0252	1.0000	1.0252	1.1207
1.2548	1.0252	1.0000	1.0252	1.0988
1.2548	1.0252	1.0000	1.0252	1.0773
1.2548	1.0252	1.0000	1.0252	1.0561
1.2548	1.0252	1.0000	1.0252	1.0355

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

**Current Rate Level Factors as of September 30, 2010**

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

**Current Rate Level Factors by Coverage**

<b><u>Fiscal Year Ending</u></b>	<b>Bodily Injury / Property Damage</b>	<b>Medical Payments</b>	<b>Uninsured Motorist</b>	<b>Collision</b>	<b>Comprehensive</b>	<b>Total</b>
September 30, 2006	1.0713	1.1139	1.0000	0.8883	0.8790	0.9838
September 30, 2007	1.0783	1.1246	1.0000	0.9069	0.9367	1.0024
September 30, 2008	1.0920	1.1460	1.0000	0.9450	1.0720	1.0400
September 30, 2009	1.0920	1.1460	1.0000	0.9450	1.0720	1.0400
September 30, 2010	1.0360	1.0557	1.0000	0.9765	1.0286	1.0161

**Rate Change History by Coverage (Percent Changes)**

<b><u>Effective Date</u></b>	<b>Bodily Injury / Property Damage</b>	<b>Medical Payments</b>	<b>Uninsured Motorist</b>	<b>Collision</b>	<b>Comprehensive</b>	<b>Total</b>
April 17, 2005	-0.6 %	8.6 %	16.7 %	-15.6 %	-18.9 %	-6.1 %
March 22, 2007	-1.9 %	-2.8 %	0.0 %	-6.0 %	-18.0 %	-5.4 %
December 29, 2009	9.2 %	14.6 %	0.0 %	-5.5 %	7.2 %	4.0 %

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

Exhibit B.VI

**Liability, excluding Property Damage**

Note: Amounts in 000's	2007	2008	2009	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$117,431	\$120,572	\$146,245	\$384,248
2. Direct Unallocated Loss Adjustment Expense Incurred	\$13,666	\$8,904	\$11,776	\$34,346
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	11.6%	7.4%	8.1%	<b>8.9%</b>

**Property Damage Liability**

Note: Amounts in 000's	2007	2008	2009	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$70,159	\$72,035	\$87,373	\$229,567
2. Direct Unallocated Loss Adjustment Expense Incurred	\$8,165	\$5,319	\$7,035	\$20,519
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	11.6%	7.4%	8.1%	<b>8.9%</b>

**Physical Damage**

Note: Amounts in 000's	2007	2008	2009	Total
1. Direct Loss and Allocated Loss Adjustment Expense Incurred	\$119,770	\$159,117	\$154,425	\$433,312
2. Direct Unallocated Loss Adjustment Expense Incurred	\$16,269	\$13,964	\$14,924	\$45,157
3. Ratio of Direct ULAE Incurred to Direct Loss and ALAE Incurred	13.6%	8.8%	9.7%	<b>10.4%</b>

Source: Insurance Expense Exhibit

**Shelter Mutual Insurance Company**

**Arkansas**

**Private Passenger Liability**

Calculation of Expected Loss Ratio

---

Commission and Brokerage (a)		12.4%
Other Acquisition Expense (a)		4.6%
General Expense (a)		7.4%
Arkansas Taxes, Licenses and Fees (b)		2.9%
Profit and Contingencies	5.0%	
Less Investment Credit on Policyholder Funds (c) -	2.9%	
Net Profit and Contingencies		2.1%
Sub-total		29.4%
Available for Losses and Loss Adjustment Expense		70.6%

(a) From attached Companywide Expense Ratios

(b) 2009 Premium Tax ratio in Arkansas

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

**Shelter Mutual Insurance Company**

**Arkansas**

**Private Passenger Liability**

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2009		\$ 62,014,149
(2) Mean Unearned Premium Reserve: (1.) x 0.264		\$ 16,371,735
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.4%	
b. 50% of Other Acquisition Expense	2.3%	
c. 50% of General Expense	3.7%	
d. Taxes, Licenses and Fees	2.9%	
e. Total		21.3%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 12,884,555
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2009		\$ 62,014,149
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.727		\$ 45,084,286
3. Expected Mean Loss Reserve: (2.) x 0.755		\$ 34,038,636
C. Net Subject to Investment: A.4 + B.3		\$ 46,923,191
D. Average Rate of Return		0.0507
E. Investment Earnings on Net Subject to Investment: C x D		\$ 2,379,006
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		3.8%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.753		2.9%

Please refer to the attached explanatory memorandum for details by line

## Explanatory Memorandum re Investment Income - Arkansas - Private Passenger Liability

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Private Passenger Liability, for Calendar Year 2009.

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

1. Direct Earned Premium for Calendar Year 2009	\$ 62,014,149
2. Unearned Premium Reserve as of 12/31/2008	\$ 16,126,120
3. Unearned Premium Reserve as of 12/31/2009	\$ 16,605,686
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 16,365,903
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.264

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

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

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

1. Incurred Losses for Calendar Year 2008	\$ 37,448,166
2. Incurred Losses for Calendar Year 2009	\$ 42,460,221
3. Loss Reserves as of 12/31/2007	\$ 28,967,124
4. Loss Reserves as of 12/31/2008	\$ 29,447,798
5. Loss Reserves as of 12/31/2009	\$ 32,538,174
6. Mean Loss Reserve 2008	\$ 29,207,461
7. Mean Loss Reserve 2009	\$ 30,992,986
8. 2008 Ratio: (6.) / (1.)	0.780
9. 2009 Ratio: (7.) / (2.)	0.730
10. Mean Ratio: ((8.) + (9.)) / 2	0.755

## Explanatory Memorandum re Investment Income - Continued

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

1. Cash and Invested Assets 2007	\$	2,323,262,763
2. Cash and Invested Assets 2008	\$	2,173,279,805
3. Cash and Invested Assets 2009	\$	2,200,252,743
4. Net Investment Income Earned 2008	\$	71,699,115
5. Net Investment Income Earned 2009	\$	94,760,616
6. Mean Cash and Invested Assets 2008: (2. + 3.) / 2	\$	2,248,271,284
7. Mean Cash and Invested Assets 2009: (2. + 3.) / 2	\$	2,186,766,274
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)		0.0375
9. Mean Cash and Invested Assets 2000 - 2009	\$	18,071,709,467
10. Net Realized Capital Gains/Losses 2000 - 2009	\$	238,772,756
11. Mean Rate of Return: 10. / 9.		0.0132
12. Total Rate of Return: 8. + 11.		0.0507

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

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0375	0.211 (A)
Net Realized Capital Gains/Losses	0.0132	0.350
Total	0.0507	0.247

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2010 tax rates to the distribution of investment income earned for the years 2008 and 2009. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2008	2009	Total		
Bonds (Taxable)	\$ 26,833,882	\$ 26,571,862	\$ 53,405,744	0.350	\$ 18,692,010
Bonds (Tax Exempt)	\$ 29,608,627	\$ 28,308,850	\$ 57,917,477	0.053	\$ 3,069,626
Stocks	\$ 7,636,174	\$ 35,342,294	\$ 42,978,468	0.210	\$ 9,025,478
Short Term	\$ 1,507,273	\$ 106,948	\$ 1,614,221	0.350	\$ 564,977
Real Estate	\$ 2,528,822	\$ 2,725,164	\$ 5,253,986	0.350	\$ 1,838,895
Other Investments	\$ 3,584,337	\$ 1,705,498	\$ 5,289,835	0.350	\$ 1,851,442
Total	\$ 71,699,115	\$ 94,760,616	\$ 166,459,731	0.211	\$ 35,042,428

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

## Shelter Mutual Insurance Company

## Companywide

## Private Passenger Liability

## Development of Expense Ratios

Note: 000 s omitted.	2007	2008	2009	Total
1.) Direct Commission and Brokerage	\$ 38,204	\$ 35,773	\$ 37,444	\$ 111,421
2.) Direct Written Premium	292,824	297,654	309,092	899,570
Ratio: 1 / 2	13.0%	12.0%	12.1%	12.4%
3.) Other Acquisition Expense	\$ 13,360	\$ 14,074	\$ 13,485	\$ 40,919
4.) Direct Earned Premium	293,540	295,740	305,631	894,911
Ratio: 3 / 4	4.6%	4.8%	4.4%	4.6%
5.) General Expense	\$ 22,470	\$ 20,960	\$ 22,525	\$ 65,955
6.) Direct Earned Premium	293,540	295,740	305,631	894,911
Ratio: 5 / 6	7.7%	7.1%	7.4%	7.4%
7.) Taxes, Licenses and Fees	\$ 6,832	\$ 6,513	\$ 6,607	\$ 19,952
8.) Direct Written Premium	292,824	297,654	309,092	899,570
Ratio: 7 / 8	2.3%	2.2%	2.1%	2.2%
9.) Direct Loss Adjustment Expense	\$ 30,357	\$ 24,055	\$ 30,138	\$ 84,550
10.) Direct Losses Incurred	179,064	182,775	222,291	584,130
Ratio: 9 / 10	17.0%	13.2%	13.6%	14.5%

Source: Insurance Expense Exhibit.

## Shelter Mutual Insurance Company

### Arkansas

### Private Passenger Physical Damage

#### Calculation of Expected Loss Ratio

---

Commission and Brokerage (a)		12.4%
Other Acquisition Expense (a)		4.6%
General Expense (a)		7.4%
Arkansas Taxes, Licenses and Fees (b)		2.9%
Profit and Contingencies	5.0%	
Less Investment Credit on Policyholder Funds (c) -	0.9%	
Net Profit and Contingencies		4.1%
Sub-total		31.4%
Available for Losses and Loss Adjustment Expense		68.6%

(a) From attached Companywide Expense Ratios

(b) 2009 Premium Tax ratio in Arkansas

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

**Shelter Mutual Insurance Company**

**Arkansas**

**Private Passenger Physical Damage**

Calculation of Investment Income Credit on Policyholder Funds

A. Unearned Premium Reserve		
(1) Direct Earned Premium for Calendar Year 2009		\$ 47,449,793
(2) Mean Unearned Premium Reserve: (1.) x 0.271		\$ 12,858,894
(3) Deductions for Prepaid Expenses:		
a. Brokerage and Commission	12.4%	
b. 50% of Other Acquisition Expense	2.3%	
c. 50% of General Expense	3.7%	
d. Taxes, Licenses and Fees	2.9%	
e. Total		21.3%
(4) Net Unearned Premium Subject to Investment: (2.) x (1 - (3.))		\$ 10,119,950
B. Loss Reserves		
1. Direct Earned Premium for Calendar Year 2009		\$ 47,449,793
2. Expected Incurred Loss and Loss Adjustment: (1.) x 0.727		\$ 34,495,999
3. Expected Mean Loss Reserve: (2.) x 0.032		\$ 1,103,872
C. Net Subject to Investment: A.4 + B.3		\$ 11,223,822
D. Average Rate of Return		0.0507
E. Investment Earnings on Net Subject to Investment: C x D		\$ 569,048
F. Average Rate of Return as a Percent of Direct Premium Earned: E / A.1		1.2%
G. Average Rate of Return as a Percent of Direct Premium Earned After Federal Income Tax: F x 0.753		0.9%

Please refer to the attached explanatory memorandum for details by line

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

Line A.1 - Direct earned premium as shown on page 14 for the State of Arkansas, Private Passenger Physical Damage, for Calendar Year 2009.

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

1. Direct Earned Premium for Calendar Year 2009	\$ 47,449,793
2. Unearned Premium Reserve as of 12/31/2008	\$ 12,454,351
3. Unearned Premium Reserve as of 12/31/2009	\$ 13,234,151
4. Mean Unearned Premium Reserve: ((2.) + (3.)) / 2	\$ 12,844,251
5. Mean Unearned Premium Ratio: (4.) / (1.)	0.271

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

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

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

1. Incurred Losses for Calendar Year 2008	\$ 38,339,476
2. Incurred Losses for Calendar Year 2009	\$ 34,504,263
3. Loss Reserves as of 12/31/2007	\$ 922,956
4. Loss Reserves as of 12/31/2008	\$ 1,243,884
5. Loss Reserves as of 12/31/2009	\$ 1,194,216
6. Mean Loss Reserve 2008	\$ 1,083,420
7. Mean Loss Reserve 2009	\$ 1,219,050
8. 2008 Ratio: (6.) / (1.)	0.028
9. 2009 Ratio: (7.) / (2.)	0.035
10. Mean Ratio: ((8.) + (9.)) / 2	0.032

## Explanatory Memorandum re Investment Income - Continued

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

1. Cash and Invested Assets 2007	\$	2,323,262,763
2. Cash and Invested Assets 2008	\$	2,173,279,805
3. Cash and Invested Assets 2009	\$	2,200,252,743
4. Net Investment Income Earned 2008	\$	71,699,115
5. Net Investment Income Earned 2009	\$	94,760,616
6. Mean Cash and Invested Assets 2008: (2. + 3.) / 2	\$	2,248,271,284
7. Mean Cash and Invested Assets 2009: (2. + 3.) / 2	\$	2,186,766,274
8. Mean Rate of Return: (4. + 5.) / (6. + 7.)		0.0375
9. Mean Cash and Invested Assets 2000 - 2009	\$	18,071,709,467
10. Net Realized Capital Gains/Losses 2000 - 2009	\$	238,772,756
11. Mean Rate of Return: 10. / 9.		0.0132
12. Total Rate of Return: 8. + 11.		0.0507

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

	<u>Rate of Return</u>	<u>Federal Tax Rate</u>
Net Investment Income Earned	0.0375	0.211 (A)
Net Realized Capital Gains/Losses	0.0132	0.350
Total	0.0507	0.247

(A) The expected average rate of Federal Income Tax on Net Investment Income was determined by applying the expected 2010 tax rates to the distribution of investment income earned for the years 2008 and 2009. The calculations are shown below:

Type of Investment	Net Income Earned (1)			Tax Rate	Federal Tax
	2008	2009	Total		
Bonds (Taxable)	\$ 26,833,882	\$ 26,571,862	\$ 53,405,744	0.350	\$ 18,692,010
Bonds (Tax Exempt)	\$ 29,608,627	\$ 28,308,850	\$ 57,917,477	0.053	\$ 3,069,626
Stocks	\$ 7,636,174	\$ 35,342,294	\$ 42,978,468	0.210	\$ 9,025,478
Short Term	\$ 1,507,273	\$ 106,948	\$ 1,614,221	0.350	\$ 564,977
Real Estate	\$ 2,528,822	\$ 2,725,164	\$ 5,253,986	0.350	\$ 1,838,895
Other Investments	\$ 3,584,337	\$ 1,705,498	\$ 5,289,835	0.350	\$ 1,851,442
Total	\$ 71,699,115	\$ 94,760,616	\$ 166,459,731	0.211	\$ 35,042,428

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

## Shelter Mutual Insurance Company

## Companywide

## Private Passenger Physical Damage

## Development of Expense Ratios

Note: 000 s omitted.	2007	2008	2009	Total
1.) Direct Commission and Brokerage	\$ 26,717	\$ 25,420	\$ 27,348	\$ 79,485
2.) Direct Written Premium	205,383	212,270	225,436	643,089
Ratio: 1 / 2	13.0%	12.0%	12.1%	12.4%
3.) Other Acquisition Expense	\$ 9,369	\$ 10,033	\$ 9,837	\$ 29,239
4.) Direct Earned Premium	206,231	208,988	221,654	636,873
Ratio: 3 / 4	4.5%	4.8%	4.4%	4.6%
5.) General Expense	\$ 15,758	\$ 14,942	\$ 16,432	\$ 47,131
6.) Direct Earned Premium	206,231	208,988	221,654	636,873
Ratio: 5 / 6	7.6%	7.1%	7.4%	7.4%
7.) Taxes, Licenses and Fees	\$ 4,652	\$ 4,540	\$ 4,680	\$ 13,872
8.) Direct Written Premium	205,383	212,270	225,436	643,089
Ratio: 7 / 8	2.3%	2.1%	2.1%	2.2%
9.) Direct Loss Adjustment Expense	\$ 16,472	\$ 14,132	\$ 15,180	\$ 45,784
10.) Direct Losses Incurred	119,567	158,949	154,169	432,685
Ratio: 9 / 10	13.8%	8.9%	9.8%	10.6%

Source: Insurance Expense Exhibit.

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

Exhibit B.VIII.a

Quarter Ending	20-Point		12-Point		6-Point	
	Actual	Fitted	Actual	Fitted	Actual	Fitted
Sep-05	196.9	198.5				
Dec-05	197.9	199.6				
Mar-06	198.9	200.7				
Jun-06	202.3	201.8				
Sep-06	203.4	202.9				
Dec-06	201.7	204.0				
Mar-07	203.8	205.1				
Jun-07	207.7	206.3				
Sep-07	208.2	207.4	208.2	210.8		
Dec-07	209.7	208.5	209.7	211.5		
Mar-08	212.1	209.7	212.1	212.1		
Jun-08	216.7	210.9	216.7	212.7		
Sep-08	219.3	212.0	219.3	213.4		
Dec-08	213.1	213.2	213.1	214.0		
Mar-09	212.0	214.4	212.0	214.7	212.0	212.8
Jun-09	214.3	215.6	214.3	215.3	214.3	213.9
Sep-09	215.7	216.7	215.7	215.9	215.7	215.0
Dec-09	216.1	217.9	216.1	216.6	216.1	216.1
Mar-10	217.0	219.1	217.0	217.2	217.0	217.2
Jun-10	218.1	220.4	218.1	217.9	218.1	218.3
r <sup>2</sup>		0.872		0.455		0.939
Annual Change		2.2%		1.2%		2.1%
<b>Selected Factor to Trend Fixed Costs</b>						<b>2.5%</b>

Note: Fitted columns are generated using exponential regression...(y=exp<sup>a+bx</sup>).

**Shelter Insurance Companies  
Private Passenger Automobile**

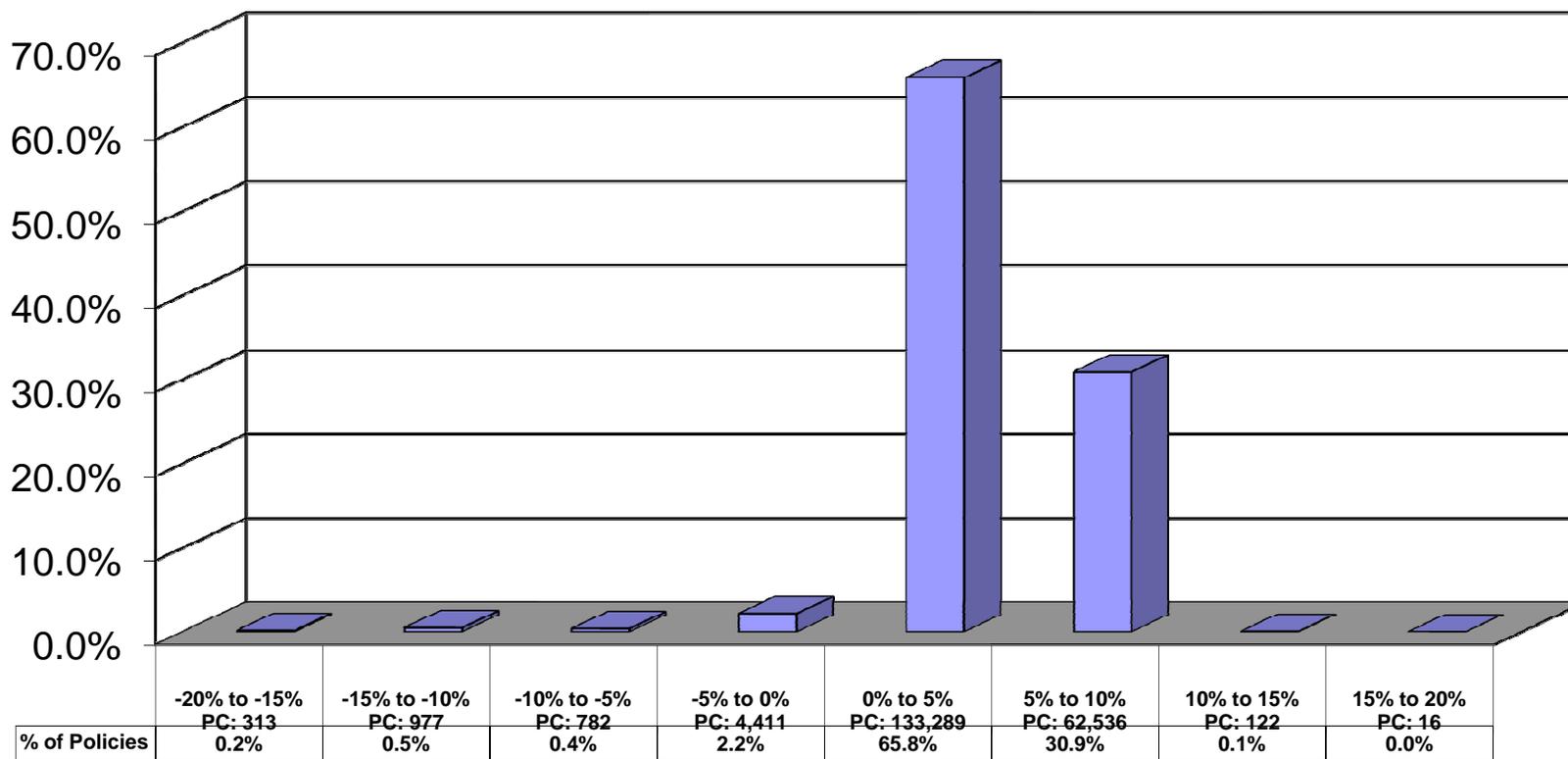
Exhibit B.VIII.b

**Trend of Medical Component in the Consumer Price Index**

Quarter Ending	20-Point		12-Point		6-Point	
	Actual	Fitted	Actual	Fitted	Actual	Fitted
Sep-05	324.2	326.0				
Dec-05	327.6	329.1				
Mar-06	331.8	332.1				
Jun-06	335.4	335.2				
Sep-06	337.7	338.4				
Dec-06	339.8	341.5				
Mar-07	345.7	344.7				
Jun-07	348.9	347.9				
Sep-07	352.8	351.2	352.8	353.7		
Dec-07	356.8	354.5	356.8	356.6		
Mar-08	361.9	357.8	361.9	359.5		
Jun-08	363.4	361.1	363.4	362.5		
Sep-08	364.5	364.5	364.5	365.5		
Dec-08	366.5	367.9	366.5	368.5		
Mar-09	371.8	371.3	371.8	371.5	371.8	371.1
Jun-09	374.8	374.8	374.8	374.5	374.8	374.3
Sep-09	376.6	378.3	376.6	377.6	376.6	377.6
Dec-09	379.2	381.8	379.2	380.7	379.2	380.8
Mar-10	385.2	385.4	385.2	383.8	385.2	384.1
Jun-10	387.9	389.0	387.9	387.0	387.9	387.4
r <sup>2</sup>		0.993		0.986		0.971
Annual Change		3.8%		3.3%		3.5%

Note: Fitted columns are generated using exponential regression...(y=exp<sup>a+bx</sup>).

## Shelter Mutual Insurance Arkansas Automobile Distribution of Rate Changes



**Rate Change**